UNITED STATES OF AMERICA

Congressional Record

PROCEEDINGS AND DEBATES OF THE 88th CONGRESS
SECOND SESSION

VOLUME 110—PART 14

AUGUST 4, 1964, TO AUGUST 12, 1964
(PAGES 17873 TO 19276)

UNITED STATES GOVERNMENT PRINTING OFFICE, WASHINGTON, 1964

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Congressional Record

PROCEEDINGS AND DEBATES OF THE 88th CONGRESS, SECOND SESSION

HOUSE OF REPRESENTATIVES

TUESDAY, AUGUST 4, 1964

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

The words of St. Paul, Acts 21: 23: *There stood by me this night the Angel of God, whose I am, and whom I serve.*

Most merciful and gracious God, inspire us daily with a clear and comprehensive understanding of the needs of humanity and may we have the wisdom to make the right decisions and the courage to maintain them steadfastly.

May all mankind cultivate and deepen the spirit of helpfulness that in times of peril we may uphold one another, in calamity serve one another, in suffering and sorrow comfort and encourage one another.

Help us to bring our whole life under the control and commitment of Thy spirit and unto Him who is able to keep us from falling and to present us faultless before Thy presence with exceeding joy be glory and honor, dominion and power, both now and forever. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 988. An act to authorize the Secretary of the Interior to acquire the Graff House site for inclusion in Independence National Historical Park, and for other purposes.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 1481. An act to provide for the establishment of the Agate Fossil Beds National Monument in the State of Nebraska, and for other purposes;

S. 1909. An act to amend the joint resolution establishing the Battle of New Orleans Sesquicentennial Celebration Commission to authorize an appropriation to enable the Commission to carry out its functions under such joint resolution; and

S. 2419. An act to authorize the Secretary of the Interior to condemn certain property in the city of St. Augustine, Fla., within the boundary of the Castillo de San Marcos National Monument, and for other purposes.

TO REMOVE CERTAIN INEQUITIES WITH RESPECT TO THE LONGEVITY COMPENSATION OF CERTAIN MEMBERS OF THE CAPITOL POLICE

Mr. FRIEDEL. Mr. Speaker, by direction of the Committee on House Administration, I call up House Resolution 719 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That (a) until otherwise provided by law, each member of the Capitol Police on the rolls on the date of adoption of this resolution—

(1) whose compensation was disbursed by the Clerk of the House on September 1, 1962,

(2) who was entitled, immediately prior to the date of adoption of this resolution, to be paid compensation in accordance with the provisions of the second sentence of section 106(d) of the Legislative Branch Appropriation Act, 1963 (76 Stat. 695; Public Law 87–730; 2 U.S.C. 60j(c)), and

(3) who, at any time after September 1, 1962, is or was advanced or reduced in rank or is or was separated from the Capitol Police and reappointed thereto at a reduced rank after break in such service of not more than thirty days,

shall be entitled, on and after the effective date of such advancement or reduction in rank or on and after the effective date of such reappointment, as applicable, to be paid appropriate basic and longevity compensation under such provisions in accordance with such advancement or reduction in rank or in accordance with such reappointment, as applicable.

(b) Until otherwise provided by law, each member of the Capitol Police who served in an acting capacity in any rank on or after September 1, 1963, shall be entitled to be paid appropriate basic and longevity compensation, for the period of his service in such acting capacity, under the provisions of law specified in subparagraph (2) of subsection (a) of this resolution, in accordance with the rank in which he served in an acting capacity.

(c) Until otherwise provided by law, the additional sums necessary to carry out this resolution may be paid out of the contingent fund of the House.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. FRIEDEL. Yes; I yield to the gentleman from Iowa.

Mr. GROSS. Is this the same provision that is contained in and was added by the other body to the legislative appropriation bill?

Mr. FRIEDEL. No. This is a bill where a lieutenant and a sergeant were promoted and, because of a quirk in the language, after receiving their promotions they took a reduction in salary.

Mr. GROSS. This does not deal with the new Chief of Capitol Police?

Mr. FRIEDEL. No. Just with two men, a lieutenant and a sergeant.

Mr. GROSS. I see. I thank the gentleman.

Mr. LIPSCOMB. Mr. Speaker, will the gentleman yield?

Mr. FRIEDEL. I yield to the gentleman from California.

Mr. LIPSCOMB. Will the gentleman explain the purpose and the need of this bill, please?

Mr. FRIEDEL. Yes. This involves two men, a lieutenant and a sergeant, who received a promotion and after receiving that promotion they took a reduction in salary because of the language of the longevity clause. Since then the language has been corrected, but in the meantime the lieutenant was deprived of $541.70 that he would have received because of his promotion and the sergeant will receive $710.46 that was due him because of the promotion. The total amount of the bill is $1,252.16.

Mr. LIPSCOMB. I thank the gentleman.

The SPEAKER. Is there objection to the present consideration of the resolution?

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

EXPENDITURES INCURRED BY SPECIAL COMMITTEE TO INVESTIGATE CAMPAIGN EXPENDITURES

Mr. FRIEDEL. Mr. Speaker, by direction of the Committee on House Administration, I call up House Resolution 800 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the expenses of conducting the investigation authorized by H. Res. 795, Eighty-eighth Congress, incurred by the Special Committee To Investigate Campaign Expenditures, 1964, acting as a whole or by subcommittee, not to exceed $35,000, including expenditures for employment of experts, special counsel, and clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by said committee, signed by the chairman of the committee, and approved by the Committee on House Administration.

SEC. 2. The official stenographers to committees may be used at all hearings held in the District of Columbia if not otherwise engaged.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PRINTING OF "UNITED STATES DEFENSE POLICIES IN 1963"

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration, I call up House Resolution 730 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the document entitled "United States Defense Policies in 1963" prepared by Charles H. Donnelly, Library of Congress, be printed as a House document.

The resolution was agreed to.

A motion to reconsider was laid on the table.

SALE PRICE OF COAST AND GEODETIC SURVEY CHARTS, ETC.

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration, I ask unanimous consent for the immediate consideration of the bill (S. 1336) to provide that the price at which the Coast and Geodetic Survey sells certain charts and related material to the public shall not be less than the cost thereof.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 76 of the Act entitled "An Act providing for the public printing and binding and the distribution of public documents", approved January 12, 1895 (28 Stat. 620; 44 U.S.C. 246), as amended, is amended to read:

"a. The charts published by the Coast and Geodetic Survey shall be sold at cost of paper and printing as nearly as practicable. The price to the public shall include all expenses incurred in actual reproduction of the charts after the original cartography, such as photography, opaquing, platemaking, press time and bindery operations; the full postage rates, according to the rates for postal services used; and any additional cost factors deemed appropriate by the Secretary, such as overhead and administrative expenses allocable to the production of the charts and related reference materials: *Provided,* That the costs of basic surveys and geodetic work done by the Coast and Geodetic Survey shall not be included in the price of such charts and reference materials. The Secretary of Commerce shall publish the prices at which such charts and reference materials are sold to the public at least once each calendar year.

"b. There shall be no free distribution of such charts except to the departments and officers of the United States requiring them for public use; and a number of copies of each sheet, not to exceed three hundred, to be presented to such foreign governments, libraries, and scientific associations, and institutions of learning as the Secretary of Commerce may direct; but on the order of Senators, Representatives, and Delegates not to exceed one hundred copies to each may be distributed through the Director of the Coast and Geodetic Survey."

The bill was ordered to be read a third time, was read the third time, and passed and a motion to reconsider was laid on the table.

PRINTING OF HEARINGS ON INTERAGENCY COORDINATION IN ENVIRONMENTAL HAZARDS

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration, I call up Senate Concurrent Resolution 83 and ask for its immediate consideration.

The Clerk read the Senate concurrent resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Committee on Government Operations three thousand additional copies of its hearings on interagency coordination in environmental hazards (pesticides), part I (including exhibits).

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

PRINTING OF A COMMITTEE PRINT OF THE COMMITTEE ON GOVERNMENT OPERATIONS ENTITLED "CATALOG OF FEDERAL AIDS TO STATES AND LOCAL GOVERNMENTS"

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration, I call up Senate Concurrent Resolution 87 and ask for its immediate consideration.

The Clerk read the Senate concurrent resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Senate Committee on Government Operations thirty-five thousand additional copies of its committee print of the Eighty-eighth Congress, second session, entitled "Catalog of Federal Aids to State and Local Governments", a study prepared by the Legislative Reference Service of the Library of Congress for the Subcommittee on Intergovernmental Relations.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

PRINTING "A REPORT OF A STUDY OF U.S. FOREIGN AID IN 10 MIDDLE EASTERN AND AFRICAN COUNTRIES"

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration I call up the concurrent resolution (S. Con. Res. 88) and ask for its immediate consideration.

The Clerk read as follows:

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Senate Committee on Government Operations two thousand additional copies of its committee print of the Eighty-eighth Congress, first session, entitled "A Report of a Study of United States Foreign Aid in Ten Middle Eastern and African Countries," a study made by Senator Ernest Gruening for the Subcommittee on Reorganization and International Organizations.

The concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

PRINTING REPORTS OF SENATE COMMITTEE ON LABOR AND PUBLIC WELFARE

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration I call up the concurrent resolution (S. Con. Res. 90) and ask for its immediate consideration.

The Clerk read as follows:

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Senate Committee on Labor and Public Welfare one thousand additional copies each of volume 1, entitled "Exploring the Dimensions of the Manpower Revolution", and volume 2, entitled "Convertibility of Space and Defense Resources to Civilian Needs: A Search for New Employment Potentials", of its committee-print series of the Eighty-eighth Congress of selected readings in employment and manpower, compiled for the use of its Subcommittee on Employment and Manpower.

The concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

THE ANTI-GOLDWATER CLAN

Mr. DEROUNIAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DEROUNIAN. Mr. Speaker, during the warm summer days of hot partisanship a sense of humor is needed, as evidenced by my constituent, William P. Sullivan, of Roslyn, N.Y. His poem, which I quote, provides a note of levity and is directly to the point.

I REMEMBER FIDEL

I'm with Barry all the way,
But what will Huntley-Brinkley say?
Must I not run off and hide
From the likes of Eric Sevareid?

Because I go for Barry's style,
Will Walter Cronkite lose his smile?
Is it "kooky" of me to disagree
With the smartest man on all TV?

I'm proud to be on the Goldwater team;
Will the New York Times think me extreme?
Am I asking now for 40 whacks
From Drew Pearson's sharpened ax?
Goldwater-Miller. I like that slate,
But will Walter Lippmann become irate?
Am I overmatched by a powerful press?
Maybe so, but I couldn't care less.

So distinguish the anti-Goldwater clan—
But where were they all, when Fidel hit the fan?

PROTECT PENSION PAYMENTS TO VETERANS

Mr. GURNEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. GURNEY. Mr. Speaker, on July 29, this body passed H.R. 11865, the social security amendments of 1964, a proposal which I supported. This legislation provides a 5-percent, across-the-board increase for social security beneficiaries.

However, while millions will benefit through this legislation, many thousands of war veterans will be penalized. Today, I am introducing a bill which seeks to protect pension payments to veterans. My bill will amend existing veterans' laws and will apply to widows and children eligible for a pension, as well as to veterans.

My office has processed hundreds of veterans' claims, many being eligible for pensions because of service-connected disability and because of actual need.

These benefits are determined by earnings and because of this, the 5-percent increase in social security payments would actually result in a loss to many veterans by placing them in a higher income bracket.

Therefore, I am introducing this bill to place monthly benefit payments made under title II of the Social Security Act on the list of excepted items in computing a person's income for determining his eligibility for a veteran's pension.

PRIVATE CALENDAR

The **SPEAKER** pro tempore. This is the day for the call of the Private Calendar. The Clerk will call the first individual bill on the Private Calendar.

DR. AND MRS. ABEL GORFAIN

The Clerk called the bill (H.R. 2706) for the relief of Dr. and Mrs. Abel Gorfain.

The **SPEAKER** pro tempore. Is there objection to the present consideration of the bill?

Mr. **GROSS**. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

CHARLES WAVERLY WATSON, JR.

The Clerk called the bill (H.R. 2728) for the relief of Charles Waverly Watson, Jr.

The **SPEAKER** pro tempore. Is there objection to the present consideration of the bill?

Mr. **CONTE**. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

JOHN F. MACPHAIL

The Clerk called the bill (H.R. 5145) for the relief of John F. MacPhail, lieutenant, U.S. Navy.

The **SPEAKER** pro tempore. Is there objection to the present consideration of the bill?

Mr. **GROSS**. Mr. Speaker, on behalf of the gentleman from Kansas [Mr. ELLSWORTH], a member of the panel who could not be here, I ask unanimous consent that this bill be passed over without prejudice.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

ESTATE OF J. W. GWIN, SR.

The Clerk called the bill (H.R. 2747) for the relief of J. W. Gwin, Sr.

The **SPEAKER** pro tempore. Is there objection to the present consideration of the bill?

Mr. **GROSS**. Mr. Speaker, on behalf of the gentleman from Kansas [Mr. ELLSWORTH], I ask unanimous consent that this bill be passed over without prejudice.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

CWO ELDEN R. COMER

The Clerk called the bill (H.R. 6136) for the relief of CWO Elden R. Comer.

The **SPEAKER** pro tempore. Is there objection to the present consideration of the bill?

Mr. **GROSS**. Mr. Speaker, on behalf of the gentleman from Kansas [Mr. ELLSWORTH], I ask unanimous consent that this bill be passed over without prejudice.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

HELEN J. GOOGINS

The Clerk called the bill (H.R. 6839) for the relief of Helen J. Googins.

The **SPEAKER** pro tempore. Is there objection to the present consideration of the bill?

Mr. **GROSS**. Mr. Speaker, on behalf of the gentleman from Kansas [Mr. ELLSWORTH], I ask unanimous consent that this bill be passed over without prejudice.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

JONG WAN LEE

The Clerk called the bill (H.R. 6479) for the relief of Jong Wan Lee.

The **SPEAKER** pro tempore. Is there objection to the present consideration of the bill?

Mr. **GROSS**. Mr. Speaker, on behalf of the gentleman from Kansas [Mr. ELLSWORTH], I ask unanimous consent that this bill be passed over without prejudice.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

MRS. PAVICA LABETIC

The Clerk called the bill (H.R. 3747) for the relief of Mrs. Pavica Labetic.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That for the purposes of the Immigration and Nationality Act, Mrs. Pavica Labetic shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:

"That, the Attorney General is authorized and directed to cancel any outstanding orders and warrants of deportation, warrants of arrest, and bond, which may have issued in the case of Mrs. Pavica Labetic. From and after the date of the enactment of this Act, the said Mrs. Pavica Labetic shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and orders have issued."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILFREDO LARAR DE LEON

The Clerk called the bill (H.R. 5154) for the relief of Wilfredo Larar de Leon.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, Wilfredo Larar de Leon shall be held and considered to be the natural-born alien minor child of Nicasio Duran and Esperanza L. Duran, citizens of the United States: *Provided,* That the natural parents of the beneficiary shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:

"That, in the administration of the Immigration and Nationality Act, Wilfredo Lacar de Leon may be classified as an eligible orphan within the meaning of section 101 (b)(1)(F) of the Act, upon approval of a petition filed in his behalf by Mr. and Mrs. Nicasio Duran, citizens of the United States, pursuant to section 205(b) of the Act, subject to all the conditions in that section relating to eligible orphans."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Wilfredo Lacar de Leon."

A motion to reconsider was laid on the table.

MRS. GUISEPPA D'AQUANNO, MARIA D'AQUANNO, AND BENEDICTO D'AQUANNO

The Clerk called the bill (H.R. 5155) for the relief of Mrs. Guiseppa D'Aquanno, Maria D'Aquanno, and Benedicto D'Aquanno.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Mrs. Guiseppa D'Aquanno, the widow of a resident alien, and her children, Maria D'Aquanno and Benedicto D'Aquanno, shall be deemed to be within the purview of section 203(a)(3) of the Immigration and Nationality Act, and the provisions of section 205 of that Act shall not be applicable in these cases.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:

"That, in the administration of the immigration laws, Mrs. Guiseppa D'Aquanno, Maria D'Aquanno, and Benedicto D'Aquanno shall be deemed to be within purview of section 1 of the Act of October 24, 1962 (76 Stat. 1247)."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILLIAM O'CONNOR SWAINSON

The Clerk called the bill (H.R. 7178) for the relief of William O'Connor Swainson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, William O'Connor Swainson shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:

"That, notwithstanding the provision of section 212(a)(3) of the Immigration and Nationality Act, William O'Connor Swainson may be issued a visa and admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that Act: *Provided,* That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said Act: *Provided further,* That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this Act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. EDELTRAUS ENGLISCH FRANKLIN

The Clerk called the bill (H.R. 8399) for the relief of Mrs. Edeltraus Englisch Franklin.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provision of section 212 (a)(3) of the Immigration and Nationality Act, Mrs. Edeltraus Englisch Franklin may be issued a visa and admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such Act, under such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided,* That, unless the beneficiary is entitled to care under chapter 55 of title 10 of the United States Code, a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the Immigration and Nationality Act: *Provided further,* That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this Act.

With the following committee amendment:

On page 1, line 4, strike out the name "Edeltraus" and substitute the name "Edeltraud".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Mrs. Edeltraud Englisch Franklin."

A motion to reconsider was laid on the table.

MRS. MAISIE MAGDALENE LIM KETCHENS

The Clerk called the bill (H.R. 1262) for the relief of Mrs. Maisie Magdalene Lim Ketchens.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Mrs. Maisie Magdalene Lim Ketchens (widow of Charles Ketchens, a citizen of the United States) shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

On page 1, line 9, after the word "fee.", strike out the remainder of the bill.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LUCIA SALVUCCI

The Clerk called the bill (H.R. 1322) for the relief of Lucia Salvucci.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Lucia Salvucci shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:

"That, the Attorney General is authorized and directed to cancel any outstanding orders and warrants of deportation, warrants of arrest, and bond, which may have issued in the case of Lucia Salvucci. From and after the date of the enactment of this Act, the said Lucia Salvucci shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and orders have issued."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHONG LAM

The Clerk called the bill (H.R. 1534) for the relief of Chong Lam.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child, Chong Lam, shall be held and considered to be the natural-born alien child of Mr. and Mrs. William Lem, citizens of the United States: *Provided,* That the natural parents of the beneficiary shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:

"That, in the administration of the Immigration and Nationality Act, Lam Chong shall be eligible for a visa as a nonimmigrant temporary visitor: *Provided*, That the administrative authorities find that the said Lam Chong is coming to the United States for the purpose of being adopted by Mr. and Mrs. William Lem, citizens of the United States, and that he is found otherwise admissible under the immigration laws. In the event the adoption relationship between the above-named persons does not occur within the time proscribed by the Attorney General, the said Lam Chong shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 242 and 243 of the Immigration and Nationality Act. In the event that the adoption becomes valid, the said Lam Chong may be classified as an eligible orphan within the meaning of section 101(b)(1)(F) of the Act, upon approval of a petition filed in his behalf by the said Mr. and Mrs. William Lem, pursuant to section 205(b) of the Act, subject to all the conditions in that section relating to eligible orphans, whereupon the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Lam Chong, upon payment of the required visa fee, as of the date of his entry pursuant to this Act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Lam Chong."

A motion to reconsider was laid on the table.

ROSA STEFANO RATAJCZAK

The Clerk called the bill (H.R. 2324) for the relief of Rosa Stefano Ratajczak.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child, Rosa Stefano Ratajczak, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Edward Ratajczak, citizens of the United States: *Provided*, That the natural parents of the beneficiary shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That in the administration of the Immigration and Nationality Act, Rosa Stefano Ratajczak may be classified as an eligible orphan within the meaning of section 101(b)(1)(F) of the Act, upon approval of a petition filed in her behalf by Mr. and Mrs. Edward Ratajczak, citizens of the United States, pursuant to section 205(b) of the Act, subject to all the conditions in that section relating to eligible orphans."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CARMELA MACARO

The Clerk called the bill (H.R. 5510) for the relief of Carmela Macaro.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child, Carmela Macaro, shall be held and considered to be the natural-born alien child of Armond and Anita Macaro, citizens of the United States: *Provided*, That the natural parents of the beneficiary shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:

"That, in the administration of the Immigration and Nationality Act, Carmela Macaro shall be eligible for a visa as a nonimmigrant temporary visitor: *Provided*, That the administrative authorities find that the said Carmela Macaro is coming to the United States for the purpose of being adopted by Mr. and Mrs. Armond Macaro, citizens of the United States, and that she is found otherwise admissible under the immigration laws. In the event the adoption relationship between the above-named persons does not occur within the time prescribed by the Attorney General, the said Carmela Macaro shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 242 and 243 of the Immigration and Nationality Act. In the event that the adoption becomes valid, the said Carmela Macaro may be classified as an eligible orphan within the meaning of section 101(b)(1)(F) of the Act, upon approval of a petition filed in her behalf by the said Mr. and Mrs. Armond Macaro, pursuant to section 205(b) of the Act, subject to all the conditions in that section relating to eligible orphans, whereupon the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Carmela Macaro, upon payment of the required visa fee, as of the date of her entry pursuant to this Act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LEE CHUNG WOO

The Clerk called the bill (H.R. 6093) for the relief of Lee Chung Woo.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Lee Chung Woo may be classified as an eligible orphan within the meaning of section 101(b)(1)(F) of the Act, upon approval of a petition filed in his behalf by Joshua Hyun, a citizen of the United States, pursuant to section 205(b) of the Act, subject to all the conditions in that section relating to eligible orphans.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That, in the administration of the Immigration and Nationality Act, Lee Chung Woo shall be eligible for a visa or a nonimmigrant temporary visitor: *Provided*, That the administrative authorities find that the said Lee Chung Woo is coming to the United States for the purpose of being adopted by Mr. and Mrs. Joshua Hyun, a citizen of the United States and a lawfully resident alien, respectively, and that he is found otherwise admissible under the immigration laws. In the event the adoption relationship between the above-named persons does not occur within the time proscribed by the Attorney General, the said Lee Chung Woo shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 242 and 243 of the Immigration and Nationality Act. In the event that the adoption becomes valid, the said Lee Chung Woo may be classified as an eligible orphan within the meaning of section 101(b)(1)(F) of the Act, upon approval of a petition filed in his behalf by the said Mr. and Mrs. Joshua Hyun, pursuant to section 205(b) of the Act, subject to all the conditions in that section relating to eligible orphans, whereupon the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Lee Chung Woo, upon payment of the required visa fee, as of the date of his entry pursuant to this Act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. CESIRA DODDY

The Clerk called the bill (H.R. 6578) for the relief of Mrs. Cesira Doddy.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provision of section 212(a)(3) of the Immigration and Nationality Act, Mrs. Cesira Doddy may be issued a visa and admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that Act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this Act: *Provided further*, That a suitable and proper bond or undertaking approved by the Attorney General be deposited as prescribed by section 213 of the said Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

YOUNG SOON KIM AND TAI UNG CHOI

The Clerk called the bill (H.R. 9519) for the relief of Young Soon Kim and Tai Ung Choi.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in the administration of the Immigration and Nationality Act, Young Soon Kim and Tai Ung Choi may be classified as eligible orphans within the meaning of section 101(b)(1)(F) of the Act, upon approval of petitions filed in their behalf by Robert and Shirley Ainley, citizens of the United States, pursuant to section 205(b) of the Act, subject to all the conditions in that section relating to eligible orphans. Section 205(c) of the Immigration and Nationality Act, relating to the number of petitions which may be approved, shall be inapplicable in this case.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MONI PARVANOFF FLOROFF

The Clerk called the bill (H.R. 9561) for the relief of Moni Parvanoff Floroff.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Moni Parvanoff Floroff shall be held and considered to have been lawfully admitted to the United States for permanent residence as of April 22, 1958, upon payment of the required visa fee.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DR. MIGUEL DE SOCARRAZ

The Clerk called the bill (H.R. 10216) for the relief of Dr. Miguel de Socarraz.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Doctor Miguel de Socarraz shall be held and considered to have been admitted to the United States for permanent residence on August 27, 1960.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHUNG K. WON

The Clerk called the bill (S. 479) for the relief of Chung K. Won.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, Chung K. Won shall be held and considered to be the minor natural-born alien child of Mr. Won Wing, a citizen of the United States.

With the following committee amendments:

On page 1, line 3, strike out "sections 101(a)(27)(A)" and insert in lieu thereof "sections 203(a)(2)".

On page 1, line 5, after the words "considered to be the" strike out the word "minor".

On page 1, line 6, strike out the word "child" and substitute the word "son".

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN RICHARD DOLBY

The Clerk called the bill (S. 2336) for the relief of John Richard Dolby.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provision of section 212(a)(4) of the Immigration and Nationality Act, John Richard Dolby may be issued a visa and admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of such Act: *Provided,* That unless the beneficiary is entitled to care under chapter 55, title 10, United States Code, a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the Immigration and Nationality Act: *Provided further,* That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this Act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MILADIN KLJAJIN

The Clerk called the bill (S. 858) for the relief of Miladin Kljajin.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in the administration of the Immigration and Nationality Act, Miladin Kljajin may be classified as an eligible orphan within the meaning of section 101(b)(1)(F) of the said Act and a petition may be filed by Mr. and Mrs. Vasa Kljajin, citizens of the United States, in behalf of the said Miladin Kljajin pursuant to section 205(b) of the Immigration and Nationality Act subject to all the conditions in that section relating to eligible orphans.

The bill was ordered to be read a third time, was read a third time, and passed, and a motion to reconsider was laid on the table.

TOMOE ISHIKAWA WESTLEY

The Clerk called the bill (S. 2088) for the relief of Tomoe Ishikawa Westley.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provisions of paragraph (23) of section 212(a) of the Immigration and Nationality Act, Tomoe Ishikawa Westley may be issued an immigrant visa and admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such Act. This section shall apply only to grounds for exclusion under such paragraph known to the Secretary of State or the Attorney General prior to the date of the enactment of this Act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HELEN MARGHITSA GEORGALAS

The Clerk called the bill (S. 2219) for the relief of Helen Marghitsa Georgalas.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Helen Marghitsa Georgalas, who lost United States citizenship under the provisions of paragraph (5), subsection (a) of section 349 of the Immigration and Nationality Act, may be naturalized by taking, prior to one year after the date of the enactment of this Act, before any court referred to in subsection (a) of section 310 of the Immigration and Nationality Act or before any diplomatic or consular officer of the United States abroad, an oath as prescribed by section 337 of such Act. From and after naturalization under this Act, the said Helen Marghitsa Georgalas shall have the same citizenship status as that which existed immediately prior to its loss: *Provided,* That the beneficiary returns to the United States for permanent residence within one year following the effective date of this Act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ROLANDA DE LA TORRE ARCEO AND JOHN ANTONY ARCEO

The Clerk called the bill (H.R. 1172) for the relief of Rolando de la Torre Arceo and John Antony Arceo.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor children, Rolando de la Torre Arceo and John Antony Arceo, shall be held and considered to be the natural born children of Theresa and Ernesto Arceo, citizens of the United States: *Provided,* That the natural parents of the beneficiaries shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That, in the administration of the Immigration and Nationality Act, Rolando de la Torre Arceo and John Anthony Arceo may be classified as eligible orphans within the meaning of section 101(b)(1)(F) of the act, upon approval of petitions filed in their behalf by Mr. and Mrs. Ernest Villanes Arceo, citizens of the United States, pursuant to section 205(b) of the act, subject to all the conditions in that section relating to eligible orphans.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended to read: "A bill for the relief of Rolando de la Torre Arceo and John Anthony Arceo."

A motion to reconsider was laid on the table.

VULA ROED

The Clerk called the bill (H.R. 7617) for the relief of Vula Roed.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Vula Roed may be classified as an eligible orphan within the meaning of section 101(b)(1)(F) of the Act, upon approval of a petition filed in her behalf by Mr. and Mrs. Max Roed, citizens of the United States, pursuant to section 205(b) of the Act, subject to all the conditions in that section relating to eligible orphans.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHRISTIANE ANTOINE BRONAS

The Clerk called the bill (S. 2225) for the relief of Christiane Antoine Bronas.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provision of section 212 (A)(4) of the Immigration and Nationality Act, Christiane Antoine Bronas may be issued a visa and be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that Act: *Provided,* That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said Act: *And provided further,* That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this Act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MIHAILO RADOSAVLJEVIC

The Clerk called the bill (S. 2436) for the relief of Mihailo Radosavljevic.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in the administration of the Act of July 14, 1960 (74 Stat. 504), to provide for the resettlement of certain refugees, Mihailo Radosavljevic shall be held and considered to be an alien who was paroled into the United States as a refugee-escapee on September 28, 1962.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SONJA DOLATA

The Clerk called the bill (S. 31) for the relief of Sonja Dolata.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provisions of paragraph (1) of section 212(a) of the Immigration and Nationality Act, Sonja Dolata may be issued an immigrant visa and admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such Act: *Provided,* That this Act shall apply only to grounds for exclusion under such paragraph known to the Secretary of State or the Attorney General prior to the date of the enactment of this Act: *And provided further,* That unless the beneficiary is entitled to care under the Dependents' Medical Care Act (70 Stat. 250), a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the Immigration and Nationality Act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

KATHRYN CHOI AST

The Clerk called the bill (H.R. 9361) for the relief of Kathryn Choi Ast.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Kathryn Choi Ast may be classified as an eligible orphan within the meaning of section 101(b)(1)(F) of the Act, upon approval of a petition filed in her behalf by Mr. and Mrs. Donald Roy Ast, citizens of the United States, pursuant to section 205(b) of the Act, subject to all the conditions in that section relating to eligible orphans. Section 205(c) of the Immigration and Nationality Act, relating to the number of petitions which may be approved, shall be inapplicable in this case.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TAX EXEMPTION FOR SCOTTISH RITE FREEMASONRY IN THE DISTRICT OF COLUMBIA

The Clerk called the bill (H.R. 11652) to exempt from taxation certain property of the United Supreme Council, 33d Degree, Ancient and Accepted Scottish Rite of Freemasonry, Southern Jurisdiction—Prince Hall Affiliation.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GROSS. Reserving the right to object, Mr. Speaker, was this bill not passed on the District Calendar a week ago?

The SPEAKER. The Chair will state that the bill the gentleman mentions was not passed. It is on the Private Calendar.

Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following parts of the tract of land known as Roland Park and described as follows: (1) Lots numbered 11, 12, 15, 16, and 21, all in square numbered 5405, in the subdivision known as Roland Park as per plat recorded in Office of the Surveyor of the District of Columbia, in liber 49 at folio 17; excepting the part of said lots condemned by proceedings in the district court cause 2813 in the District Court of the United States for the District of Columbia and shown on plat recorded in said Surveyor's Office in liber 124 at folio 46. (2) Lots numbered 2 to 10, inclusive, and lots numbered 17 and 22 in square numbered 5405 in the subdivision known as Roland Park 2, as per plat recorded in the Office of the Surveyor of the District of Columbia in liber 49 at folio 17; excepting the parts of said lots condemned by proceedings in the district court cause 2813 in the District Court of the United States for the District of Columbia as shown on plat in said Surveyor's Office in liber 124 at folio 46. (3) Lots numbered 1 and 19 in square numbered 5405 in the subdivision known as Roland Park as per plat recorded in the Office of the Surveyor of the District of Columbia in liber 49 at folio 17; excepting the parts of said lots that have been condemned by proceedings in the district court cause 2813, in the District Court of the United States for the District of Columbia as shown in said Surveyor's Office in liber 124 at folio 46. (4) Lot numbered 18 in square numbered 5405 in the subdivision known as Roland Park as per recorded in plat in the Office of the Surveyor of the District of Columbia in liber 49 at folio 17; excepting parts condemned by proceedings in district court cause 2813, in the District Court of the United States for the District of Columbia as shown on plat in said Surveyor's Office in liber 124 at folio 46. (5) Lot numbered 20 in square numbered 5405 in the subdivision known as Roland Park as per plat recorded in the Office of the Surveyor for the District of Columbia in liber 49 at folio 17 excepting part of said lot condemned by proceedings in district court cause 2813 in the District Court of the United States for the District of Columbia and shown on plat recorded in said Surveyor's Office in liber 124 at folio 46, said lot now being taxed as lot 842 in square 5405. (6) Lots numbered 828 and 848 in square numbered 5405 in the subdivision known as Roland Park made by the Real Estate Mortgage Company, Incorporated, as per plat recorded in the Office of the Surveyor of the District of Columbia in liber 49 at folio 17, said lots 626 and 848 known as part of lots numbered 13 and 14, respectively, in the aforementioned subdivision, are hereby exempt from all taxation so long as the same are owned and occupied by the United Supreme Council, Thirty-third Degree, Ancient and Accepted Scottish Rite of Freemasonry, Southern Jurisdiction—Prince Hall Affiliation, and are not used for commercial purposes, subject to the provisions of sections 2, 3, and 5 of the Act entitled "An Act to define the real property exempt from taxation in the District of Columbia," approved December 24, 1942 (56 Stat. 1091; D.C. Code, secs. 47–801b, 47–801c, and 47–801e).

SEC. 2. The tax exemption authorized by this Act shall become effective on the first day of the fiscal year next following the completion of construction by the United Supreme Council, Thirty-third Degree, Ancient and Accepted Scottish Rite of Freemasonry, Southern Jurisdiction—Prince Hall Affiliation, of facilities necessary to carry out the purposes of the council as described in its certificate of incorporation.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MICHELLE SU ZEHR (LIM MYUNG IM)

The Clerk called the bill (S. 633) for the relief of Michelle Su Zehr (Lim Myung Im).

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of

America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Michelle Su Zehr (Lim Myung Im) may be classified as an eligible orphan within the meaning of section 101(b)(1)(F) of the said Act and a petition may be filed by Byron D. Zehr and Patricia P. Zehr, citizens of the United States, in behalf of the said Michelle Su Zehr (Lim Mywung Im) pursuant to section 205(b) of the Immigration and Nationality Act subject to all the conditions in that section relating to eligible orphans.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EDITH ANNIKKI McRAE

The Clerk called the bill (S. 1015) for the relief of Edith Annikki McRae.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provisions of section 212 (a)(3) of the Immigration and Nationality Act, Edith Annikki McRae may be issued a visa and admitted to the United States if she is found to be otherwise admissible under the provisions of that Act: *Provided,* That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of said Act: *Provided further,* That this exemption shall apply only to grounds for exclusion of which the Department of State or the Department of Justice has knowledge prior to enactment of this Act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONNECTICUT BEVERAGE CO., INC.

The Clerk called the bill (H.R. 5759) for the relief of Connecticut Beverage Co., Inc.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

CHRISOULA BAKER

The Clerk called the bill (H.R. 6040) for the relief of Chrisoula Baker.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 203(a)(3) and 205 of the Immigration and Nationality Act, the minor child, Chrisoula Baker, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Nicholas Baker, citizens of the United States: *Provided,* That the natural parents of the beneficiary shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That, in the administration of the Immigration and Nationality Act, Chrisoula Baker may be classified as an eligible orphan within the meaning of section 101(b)(1)(F) of the Act, upon approval of a petition filed in her behalf by Mr. and Mrs. Nicholas Baker, citizens of the United States, pursuant to section 205(b) of the Act, subject to all the conditions in that section relating to eligible orphans."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DANNY HIROMI OYAMA

The Clerk called the bill (H.R. 9290) for the relief of Danny Hiromi Oyama.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Danny Hiromi Oyama, may be classified as an eligible orphan within the meaning of section 101(b)(1)(F) of the Act, upon approval of a petition filed in his behalf by Corporal Earnest J. Griffin, a citizen of the United States, pursuant to section 205(b) of the Act, subject to all the conditions in that section relating to eligible orphans.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LIM SAM SOON

The Clerk called the bill (H.R. 9560) for the relief of Lim Sam Soon.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Lim Sam Soon may be classified as an eligible orphan within the meaning of section 101(b)(1)(F) of the Act, upon approval of a petition filed in her behalf by Mr. and Mrs. Horace R. Montgomery, Junior, citizens of the United States, pursuant to section 205(b) of the Act, subject to all the conditions in that section relating to eligible orphans. Section 205(c) of the Immigration and Nationality Act, relating to the number of petitions which may be approved, shall be inapplicable in this case.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

KIL JA AHN

The Clerk called the bill (H.R. 9680) for the relief of Kil Ja Ahn.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, a petition filed in behalf of Kil Ja Ahn by Mrs. Clara A. Pope may be approved pursuant to the provisions of section 205(b) of the Act, subject to all the conditions in that section relating to eligible orphans.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That, in the administration of the Immigration and Nationality Act, Kil Ja Ahn shall be eligible for a visa as a nonimmigrant temporary visitor: *Provided,* That the administrative authorities find that the said Kil Ja Ahn is coming to the United States for the purpose of being adopted by Mrs. Clara A. Pope, a citizen of the United States, and that she is found otherwise admissible under the immigration laws. In the event the adoption relationship between the above-named persons does not occur within the time proscribed by the Attorney General, the said Kil Ja Ahn shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 242 and 243 of the Immigration and Nationality Act. In the event that the adoption becomes valid, the said Kil Ja Ahn may be classified as an eligible orphan within the meaning of section 101(b)(1)(F) of the Immigration and Nationality Act, and a petition filed in her behalf by the said Mrs. Clara A. Pope may be approved pursuant to section 205(b) of the Act, subject to all the conditions in that section relating to eligible orphans, whereupon the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Kil Ja Ahn, upon payment of the required visa fee, as of the date of her entry pursuant to this Act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONVEYING PROPERTY AT FORT BELVOIR, VA.

The Clerk called the bill (H.R. 11064) to provide for the conveyance of certain real property of the United States situated in the State of Virginia.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, subject to the provisions of section 3 of this Act, the Secretary of the Army is authorized and directed to convey to the trustees of the Woodlawn Baptist Church of Fairfax County, Virginia, all right, title, and interest of the United States in and to the real property described in section 2 of this Act, upon payment to the United States by or on behalf of the Woodlawn Baptist Church of the fair market value of such property (as determined by the Secretary).

Sec. 2. The real property referred to in the first section of this Act comprises a portion of the Fort Belvoir Military Reservation, Fairfax County, Virginia, and is more particularly described as follows:

Beginning at a concrete monument, being the southeasterly corner of the property of Woodlawn Baptist Church and being also an angle point in the boundary of Woodlawn Plantation; thence running with the boundary line common to Woodlawn Plantation and Fort Belvoir Military Reservation, south 85 degrees 02 minutes east 234.9 feet to a point; thence running with another line common to said Woodlawn Plantation and Fort Belvoir Military Reservation, south 4 degrees 16 minutes east 205.14 feet to a point; thence departing from said common line and running through Fort Belvoir Military Reservation, north 84 degrees 46 minutes 50 seconds west 660.89 feet to a point;

thence continuing through said Fort Belvoir Military Reservation, north 5 degrees 13 minutes 10 seconds east 201.30 feet to a point in the southerly line of aforementioned Woodlawn Baptist Church property; thence running with the line common to Woodlawn Baptist Church and Fort Belvoir Military Reservation, south 84 degrees 46 minutes 50 seconds east 392.19 feet to the point of beginning. Containing 2.9792 acres of land.

SEC. 3. If the Woodlawn Baptist Church does not commence the construction of church facilities on the property described in section 2 of this Act within the five-year period beginning on the date of the conveyance authorized by the first section of this Act, the United States shall have the right to repurchase such property upon payment by it to the Woodlawn Baptist Church, within ninety days after the expiration of such five-year period, of an amount equal to the amount paid by or on behalf of the Woodlawn Baptist Church to the United States under the conveyance authorized by the first section of this Act.

With the following committee amendments:

On page 1, line 4, delete the words "Secretary of the Army" and insert in lieu thereof the words "Administrator of General Services".

On page 2, strike lines 1 through 24, and substitute the following:

"SEC. 2. The real property referred to in the first section of this Act comprises a portion of the Fort Belvoir Military Reservation, Fairfax County, Virginia, containing 2.9792 acres of land, more or less, most of which is presently under lease to the Woodlawn Baptist Church and adjacent to the southern property line of the Woodlawn Baptist Church, as shown on a map on file in the office of the District Engineer, United States Army Engineer District, Norfolk, Virginia."

On page 2, strike line 25, and on page 3, strike lines 1 through 10, and insert the following:

"SEC. 3. The conveyance authorized herein shall reserve to the United States the right to operate and maintain the existing 10-inch gas pipeline located on the premises or, in the alternative, shall provide that the grantee shall relocate the pipeline to a location approved by the Secretary of the Army, without expense to the United States."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER. This concludes the call of the Private Calendar.

SHOWING OF PICTURES TAKEN BY THE RANGER SATELLITE OF THE MOON

Mr. MILLER of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. MILLER of California. Mr. Speaker, I want to renew the invitation which was given to you yesterday to attend a showing in the caucus room at 10 o'clock tomorrow morning and 2 o'clock tomorrow afternoon of the pictures taken by the Ranger satellite of the moon.

This is one of the most exciting things that has taken place in our generation. It is the first great step since the invention of the telescope in the closer observation of the lunar surface. People from NASA will be present to explain the pictures and to tell you what has taken place.

I urge your attendance at one of these meetings tomorrow which will be at 10 o'clock in the morning and 2 o'clock in the afternoon. Members of staff, of course, are welcome.

The SPEAKER. The time of the gentleman has expired.

TO AMEND TITLE 28, UNITED STATES CODE, TO PROVIDE FOR A TEMPORARY STAY OF PROCEEDINGS IN ANY ACTION FOR THE REAPPORTIONMENT OF ANY STATE LEGISLATIVE BODY

Mr. MICHEL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MICHEL. Mr. Speaker, on June 15, 1964, the Supreme Court, concentrating on Reynolds against Sims, ordered that the membership of each house of the State legislatures be selected on the basis of one man, one vote, and the States were told to reapportion immediately.

I am sure that the Members realize the omnibus problem this decision has created in their own States and in the country as a whole.

Therefore, Mr. Speaker, I am today introducing a bill which would provide a stay of proceedings in all cases involving the composition of State legislatures upon the request of a State or the people of a State.

TAX ON LIGHT BULBS IMPORTED IN SETS

Mr. MILLS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 2855), relating to the application of the manufacturers excise tax on electric light bulbs in the case of sets or strings of such bulbs, which was unanimously reported favorably by the Committee on Ways and Means.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4131 of the Internal Revenue Code of 1954 (relating to manufacturers excise tax on electric light bulbs) is amended by adding at the end thereof the following new sentence: "For purposes of the preceding sentence, the sale of sets or strings of electric light bulbs by the importer thereof shall be treated as the sale of such bulbs."

SEC. 2. The amendment made by the first section of this Act shall apply with respect to articles sold after the date of the enactment of this Act.

With the following committee amendment:

Strike out all after the enacting clause and insert: "That section 4131 of the Internal Revenue Code of 1954 (relating to manufacturers excise tax on electric light bulbs) is amended by adding at the end thereof the following new sentence: 'In the case of the sale of sets or strings of electric light bulbs by the importer thereof, the tax imposed by the preceding sentence shall apply to the light bulbs in such sets or strings and the tax shall be computed in such case on the price at which such or similar light bulbs are sold, in the ordinary course of trade, by manufacturers, producers, or importers thereof as determined by the Secretary or his delegate.'

"SEC. 2. The amendment made by the first section of this Act shall apply with respect to articles sold on or after the first day of the first calendar month which begins more than 20 days after the date of the enactment of this Act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. MILLS. Mr. Speaker, I ask unanimous consent that I may extend my own remarks at this point in explanation of the bill just passed, and that the gentleman from Wisconsin [Mr. BYRNES] and the gentleman from New York [Mr. DEROUNIAN], author of the bill, may have the same privilege.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MILLS. Mr. Speaker, as reported by the Committee on Ways and Means, this bill provides that in the case of the sale of electric light bulb sets or strings by the importers of the sets or strings the 10-percent manufacturer's excise tax on light bulbs is to apply to the bulbs in these sets or strings in the same manner as where a domestic producer acquires bulbs and incorporates them in a set or string.

Under present law, a 10-percent tax is imposed on the sale of electric light bulbs or tubes by the manufacturer, producer, or importer. If electric light bulbs are imported and sold by the importer as loose bulbs, this tax applies to the sale. If imported bulbs are "used" in the United States by the importer, by placing them in a set or string, then the tax applies to the importer's "use" of the bulbs. However, it has been held by the Internal Revenue Service that the tax on electric light bulbs does not apply to the sale by the importer of complete electric light bulb sets or strings, since the sale of imported sets or strings is not regarded as the sale of imported electric light bulbs as such.

In the case of electric light bulb sets or strings which are manufactured in the United States, the tax applies to the bulbs incorporated in the sets or strings. If the manufacturer of sets or strings purchases domestic bulbs or bulbs which have been imported, he must acquire them on a taxpaid basis. If such manufacturer uses bulbs of his own manufacture he must pay tax on his "use" of the bulbs in the manufacture of the complete sets or strings. Thus, the importer of the complete electric light bulb sets or strings has a competitive advantage over domestic manufacturers. Domestic manufacturers have stated that for 1960, the value of the electric light bulbs in a set or string averaged 40 to 50 percent of the total price of the set or string. This represents a cost differential of 1½ cents against the domestic manufacturer in the case of a 30-cent set containing 15 cents worth of bulbs, and 11.5 cents in the case of a $2.34 set containing $1.15 worth of bulbs.

The pending bill, which was introduced by our colleague on the Committee on Ways and Means, the Honorable STEVEN B. DEROUNIAN, would remove this discrimination against domestic producers by providing that the 10-percent tax imposed on electric light bulbs is to apply to the bulbs in sets or strings of light bulbs at the time the sets or strings are sold by the importer. The tax in these cases is to be computed on the price for which such, or similar, electric light bulbs are sold, in the ordinary course of trade, by manufacturers, producers, or importers, as determined by the Secretary or his delegate.

The Treasury Department has indicated it has no objection to this legislation, and the Committee on Ways and Means is unanimous in recommending its enactment.

Mr. DEROUNIAN. Mr. Speaker, the bill H.R. 2855 provides that the 10-percent manufacturers excise tax on light bulbs is to apply to the sale of imported electric light bulb sets or strings in the same manner as where a domestic producer acquires bulbs and incorporates them in a set or string.

Domestic manufacturers of sets or strings must pay the excise tax on the bulbs whether they import them, purchase them domestically, or manufacture them. However, in the case of imported complete electric light bulb sets or strings the Internal Revenue Service has held by administrative ruling that no tax applies since the sale of imported sets or strings is not regarded as the sale of imported electric light bulbs.

This situation has resulted in a significant price differential between imported sets or strings and domestically assembled sets or strings. The bill would correct this situation. For this reason I urge your support of the bill.

TAX-EXEMPT STATUS FOR CERTAIN NONPROFIT NURSES' PROFESSIONAL REGISTRIES

Mr. MILLS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 8050), to amend the Internal Revenue Code of 1954 to provide tax-exempt status for nonprofit nurses' professional registries operated by nurses' professional associations, which was unanimously reported favorably by the Committee on Ways and Means.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assmbled, That paragraph (6) of section 501(c) of the Internal Revenue Code of 1954 (relating to list of exempt organizations) is amended by inserting "(A)" immediately after "(6)", and by adding at the end thereof the following new subparagraph:

"(B) Exemption shall not be denied under subsection (a) to any nurses' professional association entitled to such exemption as a business league described in subparagraph (A) of this paragraph merely because such association operates a nurses' professional registry, if (i) such registry is not organized for profit and no part of its net earnings inures to the benefit of any individual, and (ii) such registry is supported wholly by contributions made by nurses who are registrants of the registry, by funds of the association, by funds contributed by governmental units or by hospitals referred to in section 503(b)(5), by funds contributed by the public at large, or by any combination of the foregoing."

SEC. 2. The amendments made by the first section of this Act shall apply only with respect to taxable years ending after the date of the enactment of this Act.

With the following committee amendment:

Strike out all after the enacting clause and insert: "That section 501(c)(6) of the Internal Revenue Code of 1954 (relating to list of exempt organizations) is amended to read as follows:

"'(6) Business leagues, chambers of commerce, real estate boards, boards of trade, or nurses' professional registries operated by or associated with nurses' professional associations described in this paragraph, not organized for profit and no part of the net earnings of which inures to the benefit of any private shareholder or individual. For purposes of the preceding sentence, the term "nurses' professional registries" does not include any organization which charges persons other than the nurses who are registrants of the registry for any service provided by the registry.'

"SEC. 2. The amendment made by the first section of this Act shall apply to taxable years ending after the date of the enactment of this Act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. MILLS. Mr. Speaker, I ask unanimous consent that I may be permitted to extend my remarks at this point in the RECORD in the explanation of the bill just passed, and that the gentleman from Wisconsin [Mr. BYRNES] and the gentlewoman from Michigan [Mrs. GRIFFITHS], the author of the bill, may have the same permission.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MILLS. Mr. Speaker, the purpose of H.R. 8050, as reported by the Committee on Ways and Means, is to extend the tax exemption now available to nonprofit business leagues, chambers of commerce, real estate boards, or boards of trade, to nonprofit nurses' professional registries. These registries are organizations listing nurses available for duty and are supported, in large part, by registry fees, although support from other sources, such as hospitals, is also frequently received. Under the bill, to qualify for this exemption the registries must be operated by, or associated with, exempt nurses' professional associations, must not be organized for profit, no part of their net earnings may inure to the benefit of any private shareholder or individual, and the organizations must not charge anyone other than the nurses who are registrants for the use of the registry.

The exemption provided by the bill, which was introduced by our colleague on the Committee on Ways and Means, the gentlewoman from Michigan, the Honorable MARTHA W. GRIFFITHS, is to be available for taxable years ending after the date of enactment of the bill. A more detailed explanation of its provisions, together with a full explanation of the reasons and need for its enactment, are contained in the committee report (H. Rept. No. 1530) on the bill. It should be noted that there is a printing error in the report, on the first page in the third line under "Summary." The word "and" should be deleted from that line.

The Committee on Ways and Means is unanimous in recommending enactment of this legislation.

Mr. BYRNES of Wisconsin. Mr. Speaker, this bill, H.R. 8050, extends the nontaxable status, presently enjoyed by various business organizations, to professional registries operated by or associated with nurses' organizations. These registries maintain lists of nurses who are available for duty. To be exempt, the registries cannot be organized for profit. The registries are supported by fees which are charged mainly to defray expenses.

I am glad to support this bill. The nursing profession deserves this recognition and encouragement. I hope that the bill will serve to encourage the establishment of professional nurses' registries.

DUTY ON BROOMS MADE OF BROOM CORN

Mr. MILLS. Mr. Speaker, it had been our purpose today to ask unanimous consent for the immediate consideration of the bill (H.R. 5986) to amend the Tariff Act of 1930 with respect to the rate of duty on brooms made of broom corn, which bill was also reported unanimously by the Committee on Ways and Means. But we have been notified that the gentleman from Wisconsin [Mr. REUSS] and the gentleman from Minnesota [Mr. FRASER] would object to the bill, if we called it up by unanimous consent. Therefore, we are not doing so today.

AUTHORIZING THE SECRETARY OF THE ARMY TO RECEIVE FOR INSTRUCTION AT THE U.S. MILITARY ACADEMY TWO CITIZENS AND SUBJECTS OF THE REPUBLIC OF VIETNAM

Mr. COHELAN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the joint resolution (H.J. Res. 113) authorizing the Secretary of the Army to receive for instruction at the U.S. Military Academy at West Point two citizens and subjects of the Republic of Vietnam, which was favorably reported by the Committee on Armed Services.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. BECKER. Mr. Speaker, reserving the right to object, there are four of these bills one following the other and I objected to them in committee the other day.

I objected on the ground first, that there were no hearings on this subject; second, the Armed Services Committee has never made a policy in respect to students from foreign countries in the military service being trained in our regular military academies.

The State Department, apparently, does the screening. Certainly I am one who has never been very happy with the screening by the State Department of anybody, and, particularly, of that Department itself. Consequently, since these students and these cadets come to this country with the screening by the State Department, this does not make me feel happy or want to approve this.

It is a fact that the chairman of the committee, the distinguished gentleman from Georgia [Mr. Vinson], my very good friend, the gentleman from South Carolina [Mr. Rivers], and the gentleman from Illinois [Mr. Arends], ranking minority member—who may succeed as chairman next year—assured us in the committee that the Armed Services Committee would consider this next year.

Mr. MEADER. Mr. Speaker, will the gentleman yield?

Mr. BECKER. I yield to the gentleman from Michigan.

Mr. MEADER. The gentleman is not sure he is going to be the chairman.

Mr. BECKER. Either the gentleman from South Carolina [Mr. Rivers], or the gentleman from Illinois [Mr. Arends], will be.

Mr. MEADER. The gentleman from Illinois might be the chairman.

Mr. BECKER. That is correct.

At any rate, these gentlemen have assured us that next year the committee will go into this matter and will attempt to fix some kind of policy.

Let the record be clear that today, aside from the military academies, there are 7,464 foreigners who are attending some type of military school or training in the United States. That is in Operation Moccasin, the War College, and many other military and technical schools.

Among these are young men from countries which I do not believe are overly friendly with the United States, among them Indonesia, with 259.

I have no objection to the four countries involved in these particular bills, but I believe we ought to discriminate in behalf of our friends and against those who are not friendly with our country. I believe we ought to help train those who are friends of ours, while we ought to eliminate those who are not friends. Certainly Indonesia has been other than friendly to the United States.

Mr. Speaker, now that I have expressed myself, after having voted against these bills in the committee, I shall not object at this time. I withdraw my reservation.

Mr. COHELAN. Mr. Speaker, this legislation will authorize the Secretary of the Army to permit two persons who are citizens and subjects of the Republic of Vietnam to receive instruction at the U.S. Military Academy.

Sections 4345, 9345, and 6957 of title 10, United States Code, authorize the instruction at the Military Academy, the Air Force Academy, and the Naval Academy of four persons from the Republic of the Philippines. Sections 4344, 9344, and 6957 of title 10, United States Code, authorize the admission at each of the service academies of not more than 20 persons at any one time from Canada and the American Republics—other than the United States. Except for these special provisions, students from other friendly nations may attend the service academies only under special legislation.

Previous legislation of this type has been approved by the Congress in the 83d (Public Law 83–318), 86th (Public Law 86–182), and 87th (Public Law 87–462 and 87–463) Congresses. These laws permitted students from Belgium and Thailand to attend the service academies. At the present time, the only foreign students attending the service academies under special legislation are two Belgians in the Naval Academy and one Thai in the Air Force Academy.

Under the aforementioned sections of title 10, United States Code, 5 foreign cadets are receiving instruction at the Air Force Academy, 13 at the Military Academy, and 16 at the Naval Academy.

The resolution expressly provides that the United States shall not be subject to any expense on account of instruction to be received by the two subjects of the Republic of Vietnam at the Military Academy.

The Vietnamese cadets will not be entitled to appointment to any office or position in the U.S. Army by reason of their graduation from the U.S. Military Academy.

This resolution is supported by the Department of Defense and the State Department. The Bureau of the Budget interposes no objection. The recent commander of the U.S. Military Assistance Command in Vietnam, Gen. Paul D. Harkins, strongly supports the resolution.

Mr. Speaker, I urge the adoption of this resolution.

We are concerned here only with the three service academies: West Point, Annapolis, and Colorado Springs.

There are three categories of foreign students at the service academies:

First. One category comes under general legislation which is of a continuing nature—section 4344, 6957, and 9344 of title 10, United States Code. Under this authorization, a total of 20 cadets from the Western Hemisphere are authorized to be enrolled in each of the three service academies at any one time. However, not more than three persons from any one of the Republics or from Canada may receive instruction under these sections at any one time.

Second. A second category, also included in permanent legislation—section 4345, 6957, and 9345 of title 10, United States Code—authorizes a total of four cadets at any one time from the Republic of the Philippines to attend each of the academies.

Under these first two categories the foreign cadets receive from the U.S. Government the same pay, allowances and emoluments as a cadet appointed from the United States.

Third. In addition to these two categories, various foreign students are admitted to the service academies pursuant to the authority contained in special legislation for a limited period. This includes the authority included in the bills under consideration. Under this type of authorization the foreign cadets receive instruction at no expense to the U.S. Government, but are supported at the same level by the foreign government as are the U.S. cadets.

At the present time there are two cadets from Belgium attending the Naval Academy as a result of special legislation—Public Law 87–643 of May 31, 1962—and one Thai national attending the Air Force Academy, as was authorized by Public Law 87–462 of May 31, 1962.

Under the permanent legislation, 5 foreign students are attending the Air Force Academy—Philippines 3, Bolivia 1, Peru 1; 13 foreign cadets are attending the Military Academy—Philippines 4, Costa Rica 3, Chile 1, Guatemala 1, Honduras 1, Nicaragua 1, Panama 2; and 16 foreign cadets are attending the Naval Academy—Philippines 3, Argentina 1, Chile 2, Costa Rica 1, Ecuador 1, Honduras 1, Nicaragua 1, Panama 1, Venezuela 2, Peru 3.

BASIS FOR SELECTION OF COUNTRIES TO BE REPRESENTED

I am informed that selection for participation by countries under the permanent legislation for the Western Hemisphere is made on a rotating basis, predicated insofar as possible on military requirements. Another factor is the existence in the country concerned of domestic training facilities. Another element is a recommendation made by the Military Assistance Advisory Group—MAAG—country team assigned to the country concerned.

The MAAG includes representatives from the military as well as the State Department. Therefore, it is only natural that both these departments should be considered when the application is received here in Washington, which I understand is the procedure followed.

PROCEDURE FOR SUBMISSION OF APPLICATION

With regard to special legislation such as we are now considering, the request is usually received through military channels and then referred to the State Department for comment. If we are enjoying friendly relations with the country concerned at the time the request is received, the State Department usually forwards a favorable comment. To my knowledge, up to the present time, the State Department has not commented adversely on any favorable recommendation made by the military commander concerned.

These foreign cadets authorized are accommodated at the service academies without affecting the number of U.S. cadets authorized to enter yearly.

Certainly the Bureau of the Budget would not clear for submission to the Congress any requests for the enrollment of foreign students at our service academies if the armed service concerned objected. Also, the committee would not favorably entertain any legislative proposal which was opposed by the service concerned.

The **SPEAKER.** Is there objection to the request of the gentleman from California?

Mr. HALL. Mr. Speaker, further reserving the right to object, I should like to associate myself with the remarks made by the gentleman from New York, in exactly the same context. I wish to direct a question to the sponsor of the bill.

I wonder if the gentleman can tell us whether or not these foreign sovereign nationals who are admitted to our military academies are admitted on a paid basis by their nations of source, or whether we pay the expenses of these foreign nationals at our military academies?

Mr. COHELAN. Mr. Speaker, will the gentleman yield?

Mr. HALL. I yield to the gentleman from California.

Mr. COHELAN. As the gentleman will recall from the committee discussion of this subject, there is no cost to our Government in the training of these foreign nationals. That is clearly stated in the report. I refer the gentleman to the report.

Mr. HALL. I have read the report. I do not believe the gentleman means to imply that all the hundreds of students who are now in our various military schools, including those held over from the days of the Philippine Constabulary and the quota allotted to the now independent Republic of the Philippines, pay their own way in our academies.

While the gentleman is on the subject, I wish he would say further, for legislative history and the benefit of the House if he has the information, what type of examinations qualify these students for matriculation along with our own carefully selected—many times congressionally selected—candidates for military academies.

Mr. COHELAN. It is my understanding that everyone is treated alike. The students must maintain academic status to remain in the institution.

So far as the other question the gentleman raises in respect to cadets from title X countries, I am not prepared to provide that data at this time. I will, however, be glad to check back and see what those financing arrangements have been. I shall be glad to do that, may I say for the Record. Furthermore, in respect to the pending bills, on each and every separate occasion the expense of the particular cadets involved will be borne by the respective governments.

Mr. HALL. Does that mean the expense will be borne as far as transportation here and return is concerned as well as while they are in school, or will they be given the usual pay and allowances of all other Military Academy cadets, and will their equipment be furnished them with the usual stipend while here by the U.S. Government?

Mr. COHELAN. I am informed they will bear their own expense in all usual respects, including transportation and other allowances.

Mr. HALL. Mr. Speaker, I want to make it clear I did not vote for these four bills in the committee. Like the gentleman who preceded me, the gentleman from New York [Mr. Becker], I will not raise a formal objection at this time predicated on the promises of future years, but I do want to point out, in addition to those going to the Military Academy, we have literally hundreds of people, including those from so-called "neutral" nations, attending the various military colleges, including the Command and General Staff School, the Army War College, the Navy War College, and the Army and Industrial College, to say nothing of the inter-American service schools. I think it is time this was seriously reviewed and perhaps much of it stopped.

Mr. COLLIER. Mr. Speaker, further reserving the right to object, and I do so only to make an inquiry to clarify a statement which was made by the gentleman from California. Do I understand that you are advising the House that the total cost of their matriculation and academy attendance would be paid for not by the taxpayers of this country but that there would be reimbursement in the sum of $10,000 per year per student for their attendance?

Mr. COHELAN. The gentleman is correct. I am so informed that the financing in all particulars will be handled by the respective governments involved.

Mr. COLLIER. They will pay approximately $10,000 a year for 4 years, which is the last estimate given to Members of Congress by the service academies as represented to us as the cost of sending a young man to any one of the service academies in this country?

Mr. COHELAN. It is my understanding they will pay the necessary cost to finance a cadet. If you are including overhead, I am not sure exactly whether that includes overhead, but I am informed any specific costs directly assignable to the cadet will be borne by the government involved .

Mr. COLLIER. I am merely referring to the cost which the taxpayers of this country pay each year for each cadet attending each service academy in this country.

Mr. COHELAN. I say to the gentleman once again pay and allowances and subsistence and transportation will all be borne by the government involved.

Mr. COLLIER. I thank the gentleman and, Mr. Speaker, I withdraw my reservation.

The **SPEAKER.** Is there objection to the present consideration of the joint resolution?

There was no objection.

The Clerk read the joint resolution as follows:

> *Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of the Army is authorized to permit, within one year after the date of enactment of this joint resolution, two persons, citizens and subjects of the Republic of Vietnam, to receive instruction at the United States Military Academy at West Point, New York; but the United States shall not be subject to any expense on account of such instruction.
>
> Sec. 2. Except as may be otherwise determined by the Secretary of the Army such persons shall, as a condition to receiving instruction under the provisions of this joint resolution, agree to be subject to the same rules and regulations governing admission, attendance, discipline, resignation, discharge, dismissal, and graduation, as cadets at the United States Military Academy appointed from the United States; but they shall not be entitled to appointment to any office or position in the United States Army by reason of their graduation from the United States Military Academy.
>
> Sec. 3. Nothing in this joint resolution shall be construed to subject such persons to the provisions of section 4346(d) and section 4348 of title 10 of the United States Code.

The joint resolution was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

TWO CITIZENS OF THAILAND AT THE U.S. MILITARY ACADEMY

Mr. COHELAN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the House joint resolution (H.J. Res. 1048) authorizing the Secretary of the Army to receive for instruction at the U.S. Military Academy at West Point two citizens and subjects of the kingdom of Thailand.

The Clerk read the title of the joint resolution.

The **SPEAKER.** Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the joint resolution, as follows:

> *Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of the Army is authorized to permit, within one year after the date of enactment of this joint resolution, two persons, citizens and subjects of the kingdom of Thailand, to receive instruction at the United States Military Academy at West Point, New York; but the United States shall not be subject to any expense on account of such instruction.
>
> Sec. 2. Except as may be otherwise determined by the Secretary of the Army, such persons shall, as a condition to receiving instruction under the provisions of this joint resolution, agree to be subject to the same rules and regulations governing admission, attendance, discipline, resignation, discharge, dismissal, and graduation as cadets at the United States Military Academy appointed from the United States; but they shall not be entitled to appointment to any office or position in the United States Army by reason of their graduation from the United States Military Academy.
>
> Sec. 3. Nothing in this joint resolution shall be construed to subject such persons to the provisions of section 4346(d) and section 4348 of title 10 of the United States Code.

Mr. COHELAN. Mr. Speaker, this resolution is to authorize the Secretary of the Army to permit two persons who are citizens and subjects of the Kingdom of Thailand to receive instruction at the U.S. Military Academy.

In 1960 two Thai cadets entered the U.S. Military Academy under authority of a similar joint resolution, Public Law 86-182. These two students graduated in the class of 1964, after compiling a very creditable record. I am advised that one cadet ranked 128 out of a class of 565 and the other cadet ranked 310.

Since 1926, the Kingdom of Thailand has sent nine cadets to the U.S. Military Academy, and all nine have graduated. The Secretary of the Army, in his letter on this resolution to the committee, stated:

> These U.S. Military Academy graduates in the Thai Army are of invaluable assistance to our military advisers and enhance the friendly relations between the United States and the Kingdom of Thailand.

Both the Department of Defense and the State Department have recommended that the resolution be favorably considered. The Bureau of the Budget interposes no objection.

Mr. Speaker, I urge the adoption of this resolution.

The joint resolution was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

RECEIVE CITIZEN OF IRAN AT U.S. MILITARY ACADEMY

Mr. COHELAN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the House joint resolution (H.J. Res. 1072) authorizing the Secretary of the Army to receive for instruction at the U.S. Military Academy at West Point a citizen and subject of the Empire of Iran.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the joint resolution, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Army is authorized to permit, within one year after the date of the enactment of this joint resolution, a person, citizen, and subject of the Empire of Iran, to receive instruction at the United States Military Academy at West Point, New York; but the United States shall not be subject to any expense on account of such instruction.

Sec. 2. Except as may be otherwise determined by the Secretary of the Army, such person shall, as a condition to receiving instruction under the provisions of this joint resolution, agree to be subject to the same rules and regulations governing admission, attendance, discipline, resignation, discharge, dismissal, and graduation, as cadets at the United States Military Academy appointed from the United States; but he shall not be entitled to any office or position in the United States Army by reason of his graduation from the United States Military Academy.

Sec. 3. Nothing in this joint resolution shall be construed to subject such person to the provisions of section 4346(d) and section 4348 of title 10 of the United States Code.

Mr. COHELAN. Mr. Speaker, this resolution would authorize two students from Iran to attend the U.S. Military Academy and is similar to the two resolutions previously considered.

I would merely like to point out in addition that the Government of Iran has been interested in sending a cadet to West Point for several years. As the report of the Department of the Army makes clear, the Commandant of the Iranian Military Academy would like to have an Iranian graduate of the U.S. Military Academy on his staff to assist in the improvement of instruction and training programs.

The Department of the Army has indicated that such a program would provide invaluable military assistance. The Department of State has said that the granting of admission to an Iranian cadet would serve to seal the friendship and confidence in our relations with Iran.

Again, this instruction would be at no additional expense to the United States and I urge that the resolution be adopted.

The joint resolution was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

TWO CITIZENS OF THAILAND AT THE U.S. NAVAL ACADEMY

Mr. COHELAN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the House joint resolution (H.J. Res. 1115) authorizing the Secretary of the Navy to receive for instruction at the U.S. Naval Academy at Annapolis two citizens and subjects of the Kingdom of Thailand.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the joint resolution, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Navy is authorized to permit, within eighteen months after date of enactment of this joint resolution, two persons, citizens and subjects of the Kingdom of Thailand, to be admitted for instruction at the United States Naval Academy at Annapolis, Maryland; but the United States shall not be subject to any expense on account of such instruction.

Sec. 2. Except as may be otherwise determined by the Secretary of the Navy such persons shall, as a condition to receiving instruction under the provisions of this joint resolution, agree to be subject to the same rules and regulations governing admission, attendance, discipline, resignation, discharge, dismissal, and graduation, as midshipmen at the United States Naval Academy appointed from the United States; but they shall not be entitled to appointment to any office or position in the United States Navy by reason of their graduation from the United States Naval Academy.

Sec. 3. Nothing in this joint resolution shall be construed to subject such persons to the provisions of section 6959 of title 10 of the United States Code.

Mr. COHELAN. Mr. Speaker, House Joint Resolution 1115 authorizes two citizens and subjects of Thailand to receive instruction at the U.S. Naval Academy.

As was the case for admission of foreign students to West Point, ample precedent exists for this resolution. In 1954, again in 1959, and most recently in 1962, Congress acted to admit two citizens and subjects of Belgium to Annapolis. And as previously mentioned, Thailand has already sent nine cadets to the U.S. Military Academy.

In his letter to the Speaker of the House, dated July 2, 1964, the Secretary of the Navy, Paul H. Nitze, included the following:

> The Thai Navy is extremely anxious to obtain graduates of the U.S. Naval Academy. Thailand has a small navy, strongly oriented toward the United States, and it would derive considerable benefit from a few officers educated in the United States. Also, the Thai are sensitive to the fact that although the bonds between them and the United States are strong, they have or will have naval academy graduates from five European nations but none from the United States. The Royal Thai Army has West Point graduates and the Royal Thai Air Force has a cadet at the U.S. Air Force Academy.
>
> Thailand occupies a unique position as the only member of SEATO actually situated in southeast Asia. She is and has been a strong ally of the United States and supporter of anti-Communist policies. It is believed that maximum professional dividends would be derived from educating Thai nationals at the Naval Academy. It has been clearly demonstrated in the case of other foreign graduates from the service academies that the advantages to the United States of the development of close ties and contacts are apparent for many years subsequent to the actual periods involved. At a time when the United States is deeply involved in serious problems centered in southeast Asia, the Southwest Pacific, and the Indian Ocean, it is considered decidedly in our national interest to fulfill the request of the Thai Navy and thus indicate confidence in their support.

In addition to support by the Department of Defense, this resolution also has the strong endorsement of the Department of State and approval from the Bureau of the Budget.

Mr. Speaker, I urge its adoption by the House.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. COHELAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks on the foregoing joint resolutions.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

COMMITTEE ON THE JUDICIARY

Mr. ROGERS of Colorado. Mr. Speaker, I ask unanimous consent that Subcommittee No. 5 of the House Committee on the Judiciary have permission to sit Wednesday, Thursday, and Friday during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

Mr. GROSS. Mr. Speaker, reserving the right to object, I understand the gentleman is asking for this permission to sit during this week?

Mr. ROGERS of Colorado. Yes, sir.

Mr. GROSS. We are going to have the famous poverty bill on the House floor this week. I wonder whether any committees ought to be meeting when legislation of the purported importance of this bill is before the House.

May I ask the gentleman this question? Is the subcommittee having witnesses from outside the District of Columbia scheduled to appear before the committee?

Mr. ROGERS of Colorado. Yes, sir.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

Mrs. GREEN of Oregon. Mr. Speaker, I object.

DEPARTMENT OF DEFENSE APPROPRIATION BILL, 1965

Mr. MAHON. Mr. Speaker, I call up the conference report on the bill (H.R. 10939) making appropriations for the Department of Defense for the fiscal year ending June 30, 1965, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 1642)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 10939) "making appropriations for the Department of Defense for the fiscal year ending June 30, 1965, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1 and 16.

That the House recede from its disagreement to the amendments of the Senate numbered 2, 4, 6, 7, 8, 11, 12, and 15 and agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$3,439,000,000"; and the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$4,567,500,000"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$3,563,737,000"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,372,760,000"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$125,000,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendment numbered 14.

George H. Mahon,
Harry R. Sheppard,
R. L. F. Sikes,
Gerald R. Ford,
Harold C. Ostertag,
Managers on the Part of the House.

Richard B. Russell,
Carl Hayden,
Lister Hill,
John L. McClellan,
Allen J. Ellender,
John Stennis,
Harry F. Byrd,
Leverett Saltonstall,
Milton R. Young,
Margaret Chase Smith,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 10939) making appropriations for the Department of Defense for the fiscal year ending June 30, 1965, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

TITLE I—MILITARY PERSONNEL

Reserve personnel, Air Force

Amendment No. 1: Appropriates $59,200,000 as proposed by the House instead of $55,800,000 as proposed by the Senate.

National Guard personnel, Army

Amendment No. 2: Appropriates $277,500,000 as proposed by the Senate instead of $274,500,000 as proposed by the House.

TITLE II—OPERATION AND MAINTENANCE

Operation and maintenance, Army

Amendment No. 3: Appropriates $3,439,000,000 instead of $3,429,000,000 as proposed by the House and $3,444,000,000 as proposed by the Senate.

Operation and maintenance, Navy

Amendment No. 4: Appropriates $3,144,350,000 as proposed by the Senate instead of $3,128,000,000 as proposed by the House.

Operation and maintenance, Air Force

Amendment No. 5: Appropriates $4,567,500,000 instead of $4,560,000,000 as proposed by the House and $4,580,450,000 as proposed by the Senate.

Operation and maintenance, Defense agencies

Amendment No. 6: Appropriates $511,620,000 as proposed by the Senate instead of $511,986,000 as proposed by the House.

TITLE III—PROCUREMENT

Procurement of equipment and missiles, Army

Amendment No. 7: Appropriates $1,656,396,000 as proposed by the Senate instead of $1,650,196,000 as proposed by the House.

Shipbuilding and conversion, Navy

Amendment No. 8: Appropriates $1,930,076,000 as proposed by the Senate instead of $1,961,176,000 as proposed by the House.

Aircraft procurement, Air Force

Amendment No. 9: Appropriates $3,563,737,000 instead of $3,554,737,000 as proposed by the House and $3,594,737,000 as proposed by the Senate.

TITLE IV—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Research, development, test, and evaluation, Navy

Amendment No. 10: Appropriates $1,372,760,000 instead of $1,369,560,000 as proposed by the House and $1,374,560,000 as proposed by the Senate. Of the $3,200,000 provided above the House amount, $2,000,000 is for research and $1,200,000 is for the Center for Naval Analyses.

Research, development, test, and evaluation, Air Force

Amendment No. 11: Appropriates $3,112,000,000 as proposed by the Senate instead of $3,118,000,000 as proposed by the House.

Amendment No. 12: Inserts language making $52,000,000 available only for development of advanced manned strategic aircraft as proposed by the Senate.

Emergency fund, Defense

Amendment No. 13: Appropriates $125,000,000 instead of $150,000,000 as proposed by the House and $100,000,000 as proposed by the Senate.

TITLE V—GENERAL PROVISIONS

Amendment No. 14: Reported in disagreement.

The managers on the part of the House will offer a motion to recede and concur.

Amendment No. 15: Changes section number.

Amendment No. 16: Deletes language proposed by the Senate relating to transfers between stock funds.

George H. Mahon,
Harry R. Sheppard,
Robert L. F. Sikes,
Gerald R. Ford,
Harold C. Ostertag,
Managers on the Part of the House.

Mr. MAHON. Mr. Speaker, insofar as I know there is nothing especially controversial about this conference report on the Department of Defense appropriation bill. This bill passed the House of Representatives in April of this year and went to the other body where it was recently adopted. The conference was held last week. The bill is one of the four largest peacetime Defense Department appropriation bills in the history of the Nation. In its final version, as reported in the conference report, the bill carries an appropriation of $46,752,051,000. It is, of course, the largest appropriation bill of the session, but it has for its purpose the major objective of preserving the peace and the security and the defense of the United States.

Mr. Speaker, the bill is $719 million below the President's budget. It was felt that certain reductions could safely be made.

Mr. Speaker, it is rather singular that the sum provided by the conference report is lower than that carried in the House version of the bill and lower than the amount proposed in the Senate version of the bill.

This is the first time in 11 years that this appropriation bill has been, in final form as it goes to the President, lower than that passed by either of the Houses. I assume that probably this may be the only appropriation bill of the session which the Congress will consider that is lower in the conference report than as originally passed by either body.

Mr. Speaker, of course we do not want to take any chances with the defense and security of the country, but I am glad that we have been able to hold Defense appropriations within reasonable bounds for this year.

Mr. Speaker, there were a few items in dispute in the conference but generally speaking there was no serious controversy.

The conference report that is before us at this time is about $7 million below the House version of the bill and $22 million below the Senate version.

Mr. Speaker, I heartily commend it to the House for passage. I doubt that there is any necessity for lengthy discussion as to the content of the conference report.

However, I shall insert in my remarks a table showing Defense appropriation bills from the beginning of the Korean war to date, which is rather revealing. It shows a program of strength and confidence—a program of military strength—since the beginning of the Korean war which has paid off in many ways, in my judgment. It shows that the Congress approves large sums for a strong defense and that it opposes appeasement, that it believes in a firm program and policy in international matters which enables the executive branch to speak from a position of strength rather than from a position of weakness.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to insert the table to which I have referred.

The SPEAKER pro tempore (Mr. ALBERT). Is there objection to the request of the gentleman from Texas?

There was no objection.

Defense appropriations—regular annual and supplemental since start of Korean war (exclusive of military construction and military assistance), fiscal year

1951	$52,205,247,443
1952	58,340,568,030
1953	46,610,938,912
1954	34,371,541,000
1955	28,800,125,486
1956	31,893,678,227
1957	34,763,227,000
1958	35,031,915,000
1959	39,878,607,100
1960	39,234,239,000
1961	40,297,657,000
1962	46,702,706,000
1963	48,163,247,000
1964	48,223,210,000
1965	46,752,051,000
Total	631,268,958,198

Mr. MAHON. Further, Mr. Speaker, may I say that the reduction which results in the conference agreement being below either body is the result of the conferees agreeing, in part, to the additions proposed by the Senate and, in part, to some of the decreases proposed by the Senate, with the result that the net total is below either House. No one of the items involved was a matter of serious contention at the conference table and there is no feeling that these adjustments in appropriations can or will have any serious effect upon the military posture of the Nation. Let me give you a few examples of the changes made.

TITLE I—MILITARY PERSONNEL

In the appropriations for "Military personnel," the only items in conference were those relating to certain Reserve forces. The conferees agreed with the House position with respect to providing funds for 48 paid drills for the Air Force Reserve Recovery Units, and the conferees also agreed with the Senate bill providing additional funds above the budget for Army National Guard personnel as identified in the Senate report.

TITLE II—OPERATION AND MAINTENANCE

The conferees' action here is described in the statement of the managers with respect to dollar figures. I should point out, however, that in the case of "Operation and Maintenance, Navy," it was the feeling of the managers on the part of the House that unbudgeted costs now anticipated for the Polaris submarine overhaul program resulted in the House agreement to the amount of dollars provided by the Senate. That is to say, the House managers have exceeded the House figure and provided money with the understanding that it be applied only to the Polaris overhaul program.

TITLE III—PROCUREMENT

The conference agreement indicates approval of the Senate add-on of $6,200,000 in the Army procurement account. It is in agreement with the Senate provisions respecting the appropriation for "Shipbuilding and conversion."

There was some dispute over the so-called roll-on, roll-off ship, however, the managers on the part of the House reluctantly agreed to the Senate position in deleting this ship on the grounds that a pending further study of this type ship is underway.

The deletion of three motor gunboats, as proposed in the version of the bill passed by the other body, was agreed to by the House managers.

The conference report includes, under the heading "Aircraft Procurement, Air Force," an increase of $9 million over the House allowance for the procurement of aircraft replenishment spares as opposed to an increase of $40 million proposed by the other body.

TITLE IV—RESEARCH DEVELOPMENT, TEST, AND EVALUATION

One of the major differences between the two Houses was in the amount to be appropriated for the emergency fund. The House proposed the appropriation of $150 million and the Senate proposed $100 million.

The Congress first provided an emergency fund of $150 million in direct appropriations and $150 million in transfer authority for fiscal year 1959. Before that, lesser sums had been provided. The $150 million amount was agreed on when the United States was engaged in a crash program to develop the intercontinental ballistic missile in the shortest possible time.

Since research and development deals with the unknown, and since it is sometimes imperative to exploit quickly technological breakthroughs for military purposes, it was felt that the Department of Defense should have a ready source of additional funds to be applied in such instances. The emergency fund has served a useful purpose and the same amounts have been appropriated and made available for transfer in each succeeding fiscal year.

This year, the House once again proposed an appropriation of $150 million and transfer authority of $150 million. The other body proposed the appropriation of $100 million and transfer authority of $150 million. In the conference, a compromise was reached and the appropriation of $125 million was approved.

These points were presented by those advocating a reduction:

First. The emergency fund has been used too often in recent years to initiate new projects which have not been authorized or appropriated for by the Congress, thus lessening congressional control of defense spending.

Second. Much of the $150 million has been obligated in the last weeks of the fiscal year. The emergency fund is an annual appropriation and would lapse if not obligated before the end of the fiscal year.

Third. Some of the programs funded with emergency funds have not been of an emergency nature and could have been included in the budget where they would have been subject to the regular budgetary reviews of the Congress and the executive branch.

There is some validity in each of the points, but for the most part, in my opinion, the emergency fund has been well used and has been beneficial to our national defense. If the fund has not been used wisely in some instances, the proposed reduction should tell those responsible that better management is required. The $125 million appropriation, along with the $150 million transfer authority and the $200 million additional transfer authority provided in section 536 of the bill, should be adequate to take care of any real research and development emergencies which arise between now and January. In January, Congress will be in session again and could act on the supplemental budget requests which would be required in any case if an emergency of great magnitude arose.

With wise and prudent management, the funds provided in the bill for research, development, test, and evaluation are adequate. All vital projects can be undertaken. Our present military technological superiority can be maintained.

TITLE V—GENERAL PROVISIONS

The conference report indicates amendment No. 14 in disagreement. This is the amendment concerning the so-called 65–35 provision with respect to the repair, alteration, and conversion of naval vessels. It is the intention of the managers on the part of the House to offer a motion to recede and concur in the language as passed the other body. This language is the same language as that carried in the 1964 fiscal year appropriation act.

The committee of conference rejected the proposed section 541 of the other body since it provided a further diminution of congressional control of the purse and had obviously been inserted by the other body with some reluctance.

I now submit an additional tabulation showing appropriations for 1964, estimates, the action of both bodies, the conference agreement, and appropriate comparisons.

Summary of appropriations

[In thousands of dollars]

Item	1964 appropriation	1965 budget estimate	Passed House	Passed Senate	Conference action	Conference action compared with—			
						1964 appropriation	Budget estimate	House	Senate
Title I, military personnel	13,853,900	14,597,000	14,565,000	14,564,600	14,568,000	+714,100	−29.000	+3,000	+3,400
Title II, operation and maintenance	11,714,033	12,396,000	12,280,000	12,331,434	12,313,484	+599.451	−82,516	+33,484	−17,950
Title III, procurement	15,706,047	13,756,000	13,437,947	13,453,047	13,422,047	−2,284,000	−333,953	−15,900	−31,000
Title IV, research, development, test and evaluation	6,949,230	6,722,000	6,476,320	6,425,320	6,448,520	−500,710	−273,480	−27,800	+23,200
Total, titles I, II, III, and IV	48,223,210	47,471,000	46,759,267	46,774,401	46,752,051	−1,471,159	−718,949	−7,216	−22,350
Distribution of appropriations by organizational component:									
Army	12,301,234	11,575,884	11,346,125	11,370,325	11,365,325	−935,909	−210.559	+19,200	−5,000
Navy	14,663,963	14,450,100	14,263,578	14,253,828	14,252,028	−411,935	−198.072	−11,550	−1,800
Air Force	18,922,340	18,759,500	18,489,333	18,540,383	18,499,833	−422,507	−259,667	+10,500	−40,550
Defense agencies	2,335,673	2,685,516	2,660,231	2,609,865	2,634,865	+299,192	−50,651	−25,366	+25,000
Total, Department of Defense	48,223,210	47,471,000	46,759,267	46,774,401	46,752,051	−1,471,159	−718,949	−7,216	−22,350

Mr. MAHON. Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan [Mr. FORD].

Mr. FORD. Mr. Speaker, this conference report authorizes the obligation of $46,752,051,000 in fiscal year 1965 for the Department of Defense and other agencies under its control.

Mr. Speaker, I believe if this $46.7 billion fund is properly managed and used wisely, that the defense of the United States and our responsibilities in the free world can be carried out properly.

I believe there will be proper management and, as I said, if it is carried out in this manner this represents adequate funds for the defense of our country.

I do have some reservation on amendment 13. I signed the conference report, but I do feel that we should mention this amendment which concerns the emergency fund for the Department of Defense. The Senate appropriated $100 million and the House $150 million, the House and Senate conferees agreed on the amount of $125 million.

Mr. Speaker, allegations have been made that over the years, and more particularly recently, this fund has not been an emergency fund as was originally intended. I feel that overall this annual appropriation of $150 million for the emergency fund has been used well.

I am sure there are instances or examples where some question could be raised, but overall the programs that have been financed through the emergency fund have been bona fide. The payoff in general, I think, has warranted a fund in the total amount of $150 million. I do not believe that there have been many programs that have been bailed out by utilization of the emergency fund. There may be examples where that is a fact, but they have been a minimum, and have been the exception rather than the rule.

In my opinion it would have been better if we had ended up with the emergency fund at $150 million rather than $125 million for fiscal year 1965. I do not think, however, that this compromise is either critical or crucial. It simply means that the Defense Department will have to be more selective to the extent of $25 million than they have been in the past where they had the availability of $150 million rather than the $125 million as proposed for fiscal 1965.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Iowa.

Mr. GROSS. So this bill is approximately $1.4 billion below the spending on the part of the Defense Department last year; is that correct?

Mr. FORD. The new obligation authority is $1,471,159,000 less in fiscal 1965 than was available in fiscal 1964.

Mr. GROSS. There is one item outstanding, a sizable item, I would like to inquire about. The pay increase will have to come in the supplemental, I believe.

Mr. FORD. The pay increase legislation for the Armed Forces which was approved by the House yesterday will add, as I recall, approximately $207 million to the military personnel cost of the Department. This 2.5-percent increase for military personnel pay adds that much to the personnel costs in fiscal 1965.

Mr. GROSS. But it is still $1 billion under the bill last year?

Mr. FORD. That is correct, if you consider only the added cost of the military pay bill. I do not know, however, what final effect the proposed pay increase for other Government employees, if approved by the Congress, would have on the defense budget.

Mr. LAIRD. Mr. Speaker, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Wisconsin.

U.S. DESTROYER "MADDOX" (DD731)

Mr. LAIRD. Mr. Speaker, first I would like to commend the conferees on the fine job they have done in connection with this conference report. I agree with my chairman, the gentleman from Texas [Mr. MAHON], and the ranking minority Member, the gentleman from Michigan [Mr. FORD], the reductions that have been made will not weaken the defense of the United States in any way.

Secondly, I would like to make a comment in regard to policies and procedures which I do believe threaten the peace and weaken the defense and security of this Nation. I refer to the policies which are presently being followed in southeast Asia in the conduct of this bloody war. From one day to the next the American people do not know whether the Fulbright, the Mansfield, the Morse, the McNamara, the Rusk or the Taylor policy is being followed. We change policies on almost a daily basis.

The incident concerning the destroyer *Maddox* is a case in point. I served on the destroyer *Maddox* for a good many months during World War II. I helped commission this ship in Bath, Maine. I served on it in the Pacific from the time of its commission throughout the war—from the central Pacific, South Pacific right through to Japan. I remember standing off Saigon some years ago on this particular ship to pick up a downed pilot. The China Sea and this area of the world is not new to the *Maddox*.

Since World War II I have visited this ship and went aboard it on the west coast since it has undergone complete FRAM job—fleet repair and modernization. It has had installed the best available fire-control equipment.

In the last few days members of the press have informed me through their columns and in personal visits they have been advised or briefed that the *Maddox* is not capable of defending itself so far as PT boats are concerned. This simply is not true. If it cannot defend itself it must have blank shells for its 5-inch 38 guns and also for its machine guns. The UPI reports that over 1,000 rounds of ammo were used on Sunday—this is incorrect reporting unless it refers to machine gun rounds—it certainly does not cover 5-inch 38 shells as 1,000 rounds would destroy every PT boat in the North Vietnam Navy. The 5-inch 38's can fire a pattern over and over even if the PT's are proceeding in a zigzag pattern and kill can be assured.

It seems to me that the United States must be on the alert for the kind of attacks that are going to be carried on by the North Vietnamese and other forces in southeast Asia. I do not feel this is just an incident—a mistake. The State Department spokesmen implied yesterday, that perhaps some PT boat commander may have blundered.

Mr. Speaker, this was a deliberate attack on the United States of America. I believe if we drag on the kind of effort we are carrying on in southeast Asia today over the months to come in the same fashion that it is now being conducted there will be other attacks on the *Maddox* and on similar U.S. naval vessels in this area of the world.

We have to decide whether we have the will, whether we have the capacity, whether we have the determination to win this war in southeast Asia. If we cannot now make this decision, then the time has come for us to pull out. Following our present course we will only drift to major all-out war. I, for one, want to support my President and my country but we must have a policy in southeast Asia one way or the other before it is too late.

Mr. MAHON. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore (Mr. ALBERT). The question is on the conference report.

The question was taken, and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. FORD. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

Mr. ROGERS of Colorado. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. ROGERS of Colorado. Is my understanding correct that there is to be no rollcall on primary day?

The SPEAKER pro tempore. No; there is no such understanding.

The question was taken; and there were—yeas 351, nays 0, not voting 80, as follows:

[Roll No. 200]

YEAS—351

Abbitt
Abele
Abernethy
Addabbo
Albert
Anderson
Andrews, Ala.
Andrews, N. Dak.
Arends
Ashbrook
Ashmore
Aspinall
Auchincloss
Ayres
Baker
Baldwin
Barrett
Barry
Bates
Battin
Becker
Beermann
Belcher
Bell
Bennett, Fla.
Betts
Blatnik
Boland
Bolton, Frances P.
Bolton, Oliver P.
Bonner
Bow
Brademas
Bray
Brock
Bromwell
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Bruce
Burke
Burkhalter
Burleson
Burton, Calif.
Burton, Utah
Byrne, Pa.
Byrnes, Wis.
Cahill
Cameron
Casey
Cederberg
Celler
Chamberlain
Chelf
Chenoweth
Clancy
Clark
Clausen, Don H.
Clawson, Del
Cleveland
Cohelan
Collier
Colmer
Conte
Cooley
Corbett
Corman
Cramer
Cunningham
Curtin
Daddario
Dague
Daniels
Davis, Ga.
Dawson
Delaney
Dent
Denton
Derounian
Derwinski
Devine
Dole
Donohue
Dorn
Dowdy
Downing
Dulski
Duncan
Dwyer
Edmondson
Elliott
Everett
Fallon
Farbstein
Fascell
Feighan
Findley
Fino
Fisher
Flood
Flynt
Ford
Foreman
Forrester
Fountain
Fraser
Frelinghuysen
Friedel
Fulton, Pa.
Fuqua
Gary
Gathings
Giaimo
Gibbons
Gilbert
Gill
Glenn
Gonzalez
Goodell
Goodling
Grabowski
Grant
Gray
Green, Oreg.
Green, Pa.
Griffin
Griffiths
Gross
Gubser
Gurney
Hagan, Ga.
Hagen, Calif.
Haley
Hall
Halleck
Halpern
Hanna
Hansen
Harding
Hardy
Harris
Harrison
Harsha
Harvey, Ind.
Hawkins
Hays
Hechler
Henderson
Herlong
Hoeven
Holifield
Holland
Horan
Horton
Hosmer
Huddleston
Hutchinson
Jarman
Jennings
Jensen
Joelson
Johansen
Johnson, Calif.
Johnson, Wis.
Jonas
Jones, Ala.
Karth
Kastenmeier
Keith
Kelly
Keogh
Kilgore
King, Calif.
King, N.Y.
Kirwan
Kluczynski
Knox
Kornegay
Kunkel
Kyl
Laird
Landrum
Langen
Latta
Libonati
Lindsay
Lipscomb
Long, La.
Long, Md.
McCulloch
McDade
McDowell
McFall
McIntire
McLoskey
McMillan
Macdonald
MacGregor
Madden
Mahon
Mailliard
Marsh
Martin, Calif.
Martin, Mass.
Martin, Nebr.
Mathias
Matsunaga
Matthews
May
Meader
Michel
Miller, Calif.
Milliken
Mills
Minish
Minshall
Monagan
Montoya
Moore
Moorhead
Morgan
Morris
Morrison
Morton
Mosher
Moss
Multer
Murphy, Ill.
Murphy, N.Y.
Murray
Natcher
Nelsen
O'Brien, N.Y.
O'Hara, Ill.
O'Hara, Mich.
O'Konski
Olsen, Mont.
Olson, Minn.
O'Neill
Osmers
Ostertag
Patman
Patten
Pelly
Pepper
Perkins
Philbin
Pickle
Pike
Pilcher
Pillion
Pirnie
Poage
Poff
Price
Pucinski
Quie
Quillen
Reid, Ill.
Reid, N.Y.
Reifel
Reuss
Rhodes, Ariz.
Rhodes, Pa.
Rich
Rivers, Alaska
Rivers, S.C.
Roberts, Tex.
Robison
Rodino
Rogers, Colo.
Rogers, Fla.
Rogers, Tex.
Rooney, N.Y.
Rooney, Pa.
Roosevelt
Rosenthal
Rostenkowski
Roudebush
Roush
Roybal
Ryan, N.Y.
St. George
St Germain
St. Onge
Schadeberg
Schenck
Schneebeli
Schweiker
Secrest
Selden
Senner
Short
Sibal
Sickles
Sikes
Siler
Sisk
Slack
Smith, Calif.
Smith, Iowa
Smith, Va.
Snyder
Springer
Stafford
Staggers
Steed
Stephens
Stinson
Stratton
Stubblefield
Sullivan
Taft
Talcott
Taylor
Teague, Calif.
Teague, Tex.
Thomas
Thompson, N.J.
Thompson, Tex.
Thomson, Wis.
Trimble
Tuck
Tupper
Tuten
Udall
Ullman
Utt
Van Deerlin
Vanik
Van Pelt
Vinson
Waggonner
Watson
Watts
Weltner
Westland
Whalley
Wharton
White
Whitener
Whitten
Wickersham
Widnall
Williams
Willis
Wilson, Charles H.
Wilson, Ind.
Winstead
Wright
Wydler
Wyman
Young
Younger
Zablocki

NAYS—0

NOT VOTING—80

Adair
Alger
Ashley
Avery
Baring
Bass
Beckworth
Bennett, Mich.
Berry
Boggs
Bolling
Buckley
Carey
Curtis
Davis, Tenn.
Diggs
Dingell
Edwards
Ellsworth
Evins
Finnegan
Fogarty
Fulton, Tenn.
Gallagher
Garmatz
Grover
Harvey, Mich.
Healey
Hébert
Hoffman
Hull
Ichord
Johnson, Pa.
Jones, Mo.
Karsten
Kee
Kilburn
Lankford
Leggett
Lennon
Lesinski
Lloyd
McClory
Miller, N.Y.
Morse
Nedzi
Nix
Norblad
Passman
Pool
Powell
Purcell
Rains
Randall
Riehlman
Roberts, Ala.
Rumsfeld
Ryan, Mich.
Saylor
Schwengel
Scott
Sheppard
Shipley
Shriver
Skubitz
Staebler
Thompson, La.
Toll
Tollefson
Wallhauser
Weaver
Wilson, Bob

So the conference report was agreed to.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Miller of New York.
Mr. Ichord with Mr. Shriver.
Mr. Toll with Mr. Weaver.
Mr. Karsten with Mr. Curtis.
Mr. Lesinski with Mr. Harvey of Michigan.
Mr. Passman with Mr. Hoffman.
Mr. Randall with Mr. Kilburn.
Mr. Garmatz with Mr. Norblad.
Mr. Hull with Mr. Alger.
Mr. Fogarty with Mr. Bob Wilson.
Mr. Baring with Mr. Tollefson.
Mr. Carey with Mr. Riehlman.
Mr. Bass with Mr. Berry.
Mr. Shipley with Mr. Johnson of Pennsylvania.
Mr. Thompson of Louisiana with Mr. Grover.
Mr. Edwards with Mr. Morse.
Mr. Dingell with Mr. Saylor.
Mr. Roberts of Alabama with Mr. Wallhauser.
Mr. Boggs with Mr. Schwengel.
Mr. Evins with Mr. Ellsworth.
Mr. Lennon with Mr. Skubitz.
Mr. Purcell with Mr. McClory.
Mr. Scott with Mr. Bennett of Michigan.
Mr. Fulton of Tennessee with Mr. Rumsfeld.
Mr. Davis of Tennessee with Mr. Avery.
Mr. Ashley with Mr. Adair.
Mr. Pool with Mr. Lankford.
Mr. Beckworth with Mrs. Kee.
Mr. Gallagher with Mr. Healey.
Mr. Nix with Mr. Buckley.
Mr. Nedzi with Mr. Diggs.
Mr. Powell with Mr. Finnegan.
Mr. Leggett with Mr. Ryan of Michigan.
Mr. Staebler with Mr. Sheppard.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. The Clerk will report the amendment in disagreement.

The Clerk read as follows:

Senate amendment numbered 14: Page 42, line 13, strike out the rest of page 42 and the first two lines of page 43 and insert the following:

"SEC. 539. Of the funds made available in this act for repair, alteration, and conversion of naval vessels, at least 35 per centum shall be available for such repair, alteration, and conversion in privately owned shipyards: *Provided*, That if determined by the Secretary of Defense to be inconsistent with the public interest based on urgency of requirement to have such vessels repaired, altered, or converted as required above, such work may be done in Navy or private shipyards as he may direct."

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mahon moves that the House recede from its disagreement to the amendment of the Senate numbered 14 and concur therein.

Mr. MAHON. Mr. Speaker, this amendment restores the language that was carried in the Defense appropriation bill for fiscal year 1964.

Mr. Speaker, this amendment relates to the division of work between the Government-owned shipyards and the privately owned shipyards in the area of repair, alteration, and conversion.

It is the same language that was adopted last year. It is the identical language that was adopted by the House of Representatives not only last year but the year before.

It is the identical language that was presented by the President in his budget and recommended to the Congress.

Is that not correct, Mr. Ford?

Mr. FORD. Mr. Speaker, if the gentleman will yield, the gentleman from Texas is correct.

The language which is approved by the conferees is the language which was recommended in the budget document by President Johnson in January.

It is the language which was recommended to the Congress in January 1963 by the late President Kennedy. This is the language that the last two Presidents have proposed that the Congress include in this appropriation bill.

Mr. MAHON. Mr. Speaker, I yield 2 minutes to the gentleman from South Carolina [Mr. Rivers].

Mr. RIVERS of South Carolina. Mr. Speaker, in the colloquy between the distinguished gentleman from Texas and the distinguished gentleman from Michigan, the gentleman from Michigan told the House that this language was identical to the language of last year and of the year before. But he did not tell the Members of the House that the original language was written verbatim, punctuation, and literatum by the gentleman from Michigan [Mr. Ford]. The reason the Defense Department sent it up here is because they had their head in a noose and it was the only way to get it out.

Mr. Speaker, the adoption of this language will mean the destruction of our naval shipyards. This is the destruction of our naval shipyards.

Mr. FORD. Mr. Speaker, will the gentleman from South Carolina yield?

Mr. RIVERS of South Carolina. I mentioned the gentleman's name and I shall yield.

Mr. FORD. I am very grateful for the fine comments sent my way by the distinguished gentleman from South Carolina. This is good legislation.

Mr. RIVERS of South Carolina. This is the destruction of our naval shipyards, and the gentleman from Michigan is the author of it.

Mr. FORD. Mr. Speaker, will the gentleman yield further?

Mr. RIVERS of South Carolina. I yield to the gentleman from Michigan.

Mr. FORD. The gentleman from South Carolina is inaccurate in this regard.

When this issue first came to the floor of the House——

Mr. RIVERS of South Carolina. Did the gentleman——

Mr. FORD. May I finish, please, sir?

Mr. RIVERS of South Carolina. Did the gentleman from Michigan write the original language?

Mr. FORD. I helped to write the original provision that came to the floor of the House in 1962. That provision, however, on the recommendation of Secretary of Defense McNamara, was amended when it got to the Senate. When we went to conference in 1962, we accepted Secretary McNamara's version, upon the approval of President Kennedy, and the language which is before us today is President Kennedy's language and President Johnson's language.

Mr. RIVERS of South Carolina. Because, as the gentleman knows, President Kennedy, President Johnson, and Secretary McNamara faced the facts of life. They were facing a fact of life that they either took this or nothing.

The SPEAKER pro tempore. The time of the gentleman from South Carolina has expired.

Mr. MAHON. Mr. Speaker, I yield the gentleman 3 additional minutes.

Mr. RIVERS of South Carolina. They either took this language or, financially speaking, they would die as dead as Joe's turkey, and the gentleman knows it.

Mr. Speaker, this is the end of our naval shipyards, and we might as well understand it.

Mr. ROONEY of New York. Mr. Speaker, will the distinguished gentleman from South Carolina yield?

Mr. RIVERS of South Carolina. I yield to the distinguished gentleman from New York.

Mr. ROONEY of New York. Mr. Speaker, I am in thorough agreement with the position of the distinguished gentleman from South Carolina [Mr. Rivers] on this subject. Unless something is done and done soon it might mean the end of naval shipyards such as the great "can do" Brooklyn Navy Yard. Mr. Speaker, with all sincerity and with all the forcefulness at my command I urge defeat of the pending motion of the gentleman from Texas.

Mr. RIVERS of South Carolina. I thank the gentleman from New York [Mr. Rooney], whom I know has been the tireless and relentless watchman over the welfare of the Brooklyn Navy Yard. His help and understanding have helped keep the yard open for the security of America. I know of no one who has done more for our naval yards. For this I thank you and the Nation thanks you.

Mr. HARDY. Mr. Speaker, will the gentleman yield?

Mr. RIVERS of South Carolina. I yield to the gentleman from Virginia.

Mr. HARDY. Mr. Speaker, I want to make this observation: The gentleman from Michigan is correct when he says this is the identical language that was written in the bill last year.

Mr. RIVERS of South Carolina. Of course, he is correct.

Mr. HARDY. The gentleman knows this is the language that has caused a serious reduction of work in the naval shipyards. If you want to get the U.S. Government entirely out of the operation of naval shipyards this is the way to do it.

Mr. RIVERS of South Carolina. I say to the gentleman from Michigan that he is the "high executioner" of the naval shipyards, United States and Hawaii. This is a dubious title I give my friend. They cannot compete under the McNamara formula because they are not efficient. This is what they get. The private shipyards in America get over 70 percent of the military new work, conversion work, and repair work. It is because of the Ford amendment and it is on your doorstep. You may just as well know what you are doing. This was not determined in the normal way. This was done behind closed doors in the Committee on Appropriations, and not in the Committee on Armed Services. If this had a hearing they would not have gotten to first base. The Navy is told—either take this or you do not get any money.

Mr. BATES. Mr. Speaker, will the gentleman yield?

Mr. RIVERS of South Carolina. I yield to the gentleman from Massachusetts.

Mr. BATES. This amendment is absolutely wrong. It has been wrong every time it has been introduced. Because of this amendment we have an inadequate program, and if we continue we will neither have a fleet nor shipyards.

Mr. RIVERS of South Carolina. Let me make a prophecy. Let me make a promise. Let me tell you the facts of life. Should I become Chairman of the Committee on Armed Services next year you will see that I will find ways to skin a cat beside chopping off its tail right behind its ears.

Mr. MAHON. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. Celler].

Mr. CELLER. Mr. Speaker, I want to concur in what the gentleman from South Carolina has said. If we leave those words in this bill you might as well close up all the public naval shipyards. The words that are here seem to imply that 65 percent of the repair, alterations and conversions of naval vessels would go to these navy shipyards. But that is just hollow language. They would not go there at all because there is an "out," and this is the escape clause: "If it is a matter of urgency of requirement and public interest," then the Secretary of Defense is permitted to change the formula. It need not be 65 percent in the public yards, and 35 percent in the private yards. It could be any proportion that he sees fit to offer.

What has happened in the last year or 2 years? These public naval shipyards have been treated to a process of attrition, and they are getting, in common parlance, the dirty end of the stick. It is time to put a stop to the starving out of the public yards. The Secretary of Defense is not recognizing definitely the 65–35 formula. He is constantly using the escape clause and giving more than 35 percent to the private yards and far less than 65 percent to the naval shipyards. Repairs, alterations and conversions constitute the bread and butter work of these yards. The importance of these yards is axiomatic. They have stood us in good stead during all our history. They have been part of our mainstays of the Navy during all our wars, especially in the two world wars. Dismantling them would be catastrophic. But the actions of the Department of Defense threatens closing because of the paucity of work directed to these yards.

There met in my office about 10 days ago over 100 Members of this House who were complaining about the actions of the Secretary of Defense because of what he was doing with reference to these naval shipyards. Almost every month word came down to these workmen in the yards that they were to be "riffed," removed from the service because of the actions of the Secretary of Defense.

This is not just a mere matter of a discharge. It is a rather inhumanitarian factor for men who have been in these yards for 20 and sometimes 30 years to find themselves bounced out of their positions. They have given a dedicated service over the years only to find themselves on the street. I do not say that we should have the yards open just for the sake of creating jobs, but there is enough work for the public yards and the naval yards providing there is a fair division. There has been no fair division between private and public yards.

What did these 100 men of this House do the other day? They complained bitterly. The gentleman from Massachusetts indicated something of the complaint. Therefore they appointed a 15-man committee, of which I am chairman, to protest the action of the Secretary of Defense. After we had appointed this 15-man committee, word came down from the Brooklyn Navy Yard that some 400 men were to be cast off the rolls of employment. Word came down from Philadelphia that some 250 men were to be "riffed" there.

I with others of the committee made emphatic complaint at the White House, and thank goodness the President erased those orders and those men were reinstated.

Then what happened? The Secretary of Defense did assign to Philadelphia and assigned to New York sufficient work to give these men employment. He could have assigned the repair, conversion or alteration jobs in the first place to these yards.

I maintain there is something wrong, something amiss, if we preserve in the conference report this kind of language. I hope there will be stricken from this bill the words "public interest based on urgency of requirement." That gives the Secretary of Defense a complete out. The formula 65 percent versus 35 percent is meaningless if you keep that language in this appropriation bill.

Mr. WYMAN. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from New Hampshire.

Mr. WYMAN. Is the gentleman not the chairman of the committee that he referred to that was designated to call upon the President and ask him for relief against the action of the Secretary of Defense?

Mr. CELLER. Yes, that is correct.

Mr. WYMAN. I would like to observe to the gentleman that the gentleman from South Carolina suggested that this language was prepared within the inner sanctum of the Appropriations Committee. As a member of that committee, if there was such language I was not aware of it. I oppose it. I join with the gentleman. We need not give the Secretary of Defense license here, we need license to restrict him in his obvious attempt to curtail the operations of the shipyards.

Mr. MAHON. Mr. Speaker, I yield 3 minutes to the gentleman from Virginia [Mr. Hardy].

Mr. HARDY. Mr. Speaker, I have made my position entirely clear. This 65–35 proposition is altogether wrong. If it is continued much longer, we run the serious risk of destroying our entire Navy shipyard complex. This language should be stricken from the defense appropriations bill.

In this day and time, I can think of nothing more important in our Defense Establishment than a strong, efficient and ready Navy—a Navy that can be kept in tiptop combat shape. And without disparaging for a moment the splendid performance of some of our private shipyards, those of us on the Armed Services Committee who have made a study of this subject are convinced that Government-operated shipyards must be continued in the interest of our own national security.

How important our Government shipyards are was obvious following the Japanese attack on Pearl Harbor in 1941; and the way things are going in Asian waters now could bring the importance of the Government shipyards into sharp focus again soon.

We ought to vote down the motion of the gentleman from Texas. We ought to provide latitude for the Navy to assign repair and conversion work to Government or private yards according to the needs of the Nation as they change from time to time. I hope that this motion will be defeated and that we may soon rid the Defense appropriations bill of the inflexibility which has been responsible for so many recent reductions-in-force at Government shipyards.

Mr. MAHON. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. Byrne].

Mr. BYRNE of Pennsylvania. Mr. Speaker, I want to join with my colleagues who have spoken in favor of the Navy shipyards and I want to associate myself with the statements they have made on this very important subject.

Mr. Speaker, as a member of the Committee on Armed Services for the past 10 years and coming from the city of Philadelphia I have seen this thing coming. For the last 10 years every time there was a reduction planned or anticipated in the working force in the Navy shipyards, they have come to the Philadelphia Navy Yard to lay off the workers in that yard. As late as last Friday 225 workers were going to be eliminated even before the particular capacity of the Philadelphia Navy Yard was studied and evaluated.

In other words, the policy seems to be "Get so many workers out and then we can say, 'Well, we do not need them.' "

I want to say this, Mr. Speaker. When America needed the great skills and experience of the people working in the Philadelphia Navy Shipyard and when in time of need the capacity of that yard meant so much in the fight for freedom the Philadelphia Navy Shipyard was there and the workers there faithfully performed their duties.

Of course, at times work was contracted out to other shipyards but they failed to do the job and we had to bail them out. On the last job that the Philadelphia Navy Shipyard had to bail out other yards to which the work had been contracted, it cost Uncle Sam and the taxpayers of this country around $3 million.

It is argued by some that our shipyard is obsolete. Mr. Speaker, it is not obsolete. It can do the work that is necessary. The workers of the Philadelphia Navy Shipyard stand ready, willing, and able now as they have in the past and will in the future.

Mr. Speaker, I urge all Members in the 11 affected States to whose people this matter is so important to join with us as the distinguished gentleman from New York [Mr. Celler], the distinguished gentleman from Virginia [Mr. Hardy], and the distinguished gentleman from South Carolina [Mr. Rivers] have recommended.

Mr. MAHON. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. Stratton].

Mr. STRATTON. Mr. Speaker, I desire to associate myself very strongly with the remarks of the distinguished dean of our delegation, the gentleman from New York [Mr. Celler]. New York State has already been much more heavily hit by defense cutbacks than we should have been. Certainly, the economic impact of these changes must be taken into account, if not by the Pentagon then at least by the action of this House. Even the 35-percent limitation on repair work in private yards places an unduly heavy burden on the Navy with regard to morale and housing of ship crews. So I strongly believe that any legislation to give the Secretary of Defense additional leeway in increasing this percentage should be voted down.

Mr. Speaker, I support the position of the gentleman from New York [Mr. Celler] and oppose the pending motion.

Mr. MAHON. Mr. Speaker, I yield 1 minute to the gentleman from Hawaii [Mr. Gill].

Mr. GILL. Mr. Speaker, I would like to join with the distinguished gentleman from New York [Mr. Celler] and others of our colleagues in speaking in defense of the public shipyards. It is perfectly obvious to all who read the newspapers that the yard that I happen to represent at Pearl Harbor is likely to be called upon at any time to perform tasks such as it performed during the war in the Pacific. It will be a great tragedy, indeed, if the erosion process this rider sets in motion deprives us of so many of our basic skills that we are unable to meet the needs of the Pacific Fleet, particularly during the current difficulties in southeast Asia.

Mr. Speaker, I hope the House will at the very least return to the language that it adopted earlier this year or to the language it adopted last year. Each year this has happened to us: we have made improvements in behalf of the public yards in the language of this rider and the other body has put us back in the same dismal situation.

Mr. Speaker, I support the distinguished gentleman from New York [Mr. CELLER], the distinguished gentleman from Virginia [Mr. HARDY], and the distinguished gentleman from South Carolina [Mr. RIVERS]. The 35-65 formula should be eliminated.

GENERAL LEAVE TO EXTEND

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members may extend their remarks at this point in the RECORD in regard to the pending motion.

The SPEAKER pro tempore (Mr. ALBERT). Without objection, it is so ordered.

There was no objection.

Mrs. KELLY. Mr. Speaker, the importance of the Brooklyn Navy Yard to the security of these United States is historic. This yard has played a major role in all crises in war and in peace for the security of our great Republic. This yard is more important now to U.S. security than at any other period in the history of our country. This yard must be maintained by receiving its proper distribution of ship repair and ship construction for all our defense needs.

For this reason, I support and agree with the remarks of the dean of the New York delegation, the gentleman from New York, the Honorable EMANUEL CELLER, and the remarks of Congressman RIVERS, and I support the reasons they advanced in their arguments for reestablishment of the 65-35 formula for distribution of Defense Department requirements.

In defense of this position, I wrote the following letter to the proper authorities which I hoped would be adopted by the Senate and included by the conferees in H.R. 10939, making appropriations for the Department of Defense for the fiscal year ending June 30, 1965:

> I have long been disturbed over the failure of the Department of Defense to award a greater share of ship construction and repair work to the Brooklyn Navy Yard.
>
> There is no question as to the quality of work that can be produced at this yard, the availability of the yard as a port and the availability of manpower, or the capability of the yard to handle the work. These things are not in doubt.
>
> The need of the naval shipyards is to insure national security, American survival, and for economy. The Navy must have ships and must have its own yards for repair and construction. The personnel is skilled and available at all times. In addition, there is available the auxiliary service for the care of the crew, hospitalization, service stores, recreation, housing, etc.
>
> Under the Vinson-Trammell law, it was required that in the construction of combatant ships, there shall be one for one—one for private yards and one for naval shipyards. It is regrettable that the Department of the Navy has suspended the above law and, under the present directive, now gives only 18 percent of the construction work to naval shipyards and 81 percent to private shipyards. Thus, the U.S. Government is putting the naval shipyards out of business on the basis that they are too expensive.

Mr. MAHON. Mr. Speaker, I would like to undertake to clarify this matter a bit. We all, of course, are in favor of private enterprise, but this does not mean that we oppose some Government operation of certain industrial-type activities. Generally speaking, we believe that private enterprise should have the lion's share of industrial-type operations that relate to the Government.

This provision has been very carefully drawn. The Department of Defense has operated satisfactorily under it for the past 2 years. I do not believe it was opposed by Department of Defense witnesses in the hearings this year. This is not something that was done behind closed doors. This has been the law of the land now for some 2 years and more. Everybody has been aware that this problem exists. We probably have an excess of public and private shipyard facilities. This language did not bring that about. It is just one of the facts of life with which we have to deal, and I think we ought to treat this matter with a great deal of caution and restraint. I have so advised officials of the Department of Defense.

The language in this proposal which is before us has sufficient latitude to enable the Secretary of Defense to meet any kind of situation which might arise in the allocation of work for repair, alteration, and conversion of naval vessels.

I should like to read the language which gives this discretion and this latitude to the Secretary of Defense. It is, as follows:

> *Provided*, That if determined by the Secretary of Defense to be inconsistent with the public interest based on urgency of requirement to have such vessels repaired, altered, or converted as required above,

That is the language on the 65-35 division.

So this is a complete answer, as I see it, to those who believe grave damage might be done.

We have had the crisis in Cuba since this language became the law. It was not necessary for the Secretary of Defense to make any exception to this provision at that time. If that crisis had continued at the same intensity for a longer period of time, I believe he would have had to make some exceptions, and he had complete authority in the law to permit him to do it.

Mr. Speaker, I now yield to the gentleman from Michigan [Mr. FORD].

Mr. FORD. Mr. Speaker, I believe the situation ought to be put in proper perspective. Some of the comments which have been made by some of the Members this afternoon might create the impression that the private shipyards were getting the greater portion of the repair, alteration, and conversion funds. Under this formula the Navy shipyards, the public yards, will get approximately $411,820,000 worth of repair, alteration, and conversion money; whereas the private yards, free enterprise, will get only approximately $221 million worth. In other words, the public yards, under the formula which is presented, will get almost twice as much money for repair, alteration, and conversion as will the private yards; so the private yards ought to be complaining, not the public yards.

The language which was included in the House version I believe is not as desirable from the point of view of the gentleman from South Carolina, the gentleman from New York, and others, as is the language which we have in this conference report.

The language which President Kennedy recommended, which President Johnson recommended, and which Secretary McNamara endorses is far better from their point of view than the language we had in the House version. All we are doing is defending the administration's recommendation. We want to help them in this regard.

The reason why there is an effort being made to see that the private yards get a reasonable share—and this only 35 percent—is that it is admitted by the people who are the experts, by Admiral James, former Chief of the Bureau of Ships, in the Arthur Andersen report, and by others, that the cost to the taxpayers is less in private yards in new shipbuilding and repair and alteration and conversion than the cost in the public yards.

If Members are interested in the taxpayers, what they should do is approve the language recommended by President Johnson and endorsed by Secretary McNamara. To change it would be a loss to the taxpayers.

One other point. This language, as my distinguished chairman has pointed out, gives an escape clause and permits the Secretary of Defense to allocate a greater amount of work for repair, alteration, and conversion in the public yards, if necessary. In the 2 years we have had this language he has not seen fit to do so, but he has that authority. It is the same kind of authority that exists in the Vinson-Trammell Act, the language that was sponsored by the distinguished gentleman from Georgia [Mr. VINSON]. This is the language that has been on the statute books for many years.

Mr. RIVERS of South Carolina. Mr. Speaker, will the gentleman from Texas yield so I can answer the gentleman from Michigan?

Mr. MAHON. Mr. Speaker, I yield to the gentleman from South Carolina.

Mr. RIVERS of South Carolina. Mr. Speaker, the gentleman from Michigan said that 65 percent of the tax dollar goes to the public yards. About 30 percent of the tax dollar goes to the Navy yards. He did not tell you that what keeps the naval shipyards efficient is work. They are being starved. The Vinson-Trammell Act is not being followed. The Vinson-Trammell Act has been suspended. There is the gentleman from Georgia [Mr. VINSON] sitting back there in the rear of this Chamber. The Vinson-Trammell Act says for each combatant ship one for one shall be made in the private yards and in the naval shipyards. We in the Congress, the Armed Services Committees, have permitted the Navy to suspend that act to help these private yards. In the inner sanctum of the Committee on Appropriations, originally, the Ford amendment was written giving the private yards, in addition to what they were getting under that act, 35 percent of the tax dollar allocated under your appropriation bill for construction, repair, and conversion. The public yards, the naval shipyards, are getting scarcely 30 percent. I do not care what the gentleman from Michigan says about Admiral James or the Andersen report. I have grave apprehensions about the construction of the Andersen report. The naval shipyards, under the McNamara formula, cannot operate efficiently. Under this formula and consequently under the McNamara formula any single one of them could be closed up, because not one of them is efficient, because they do not get enough work to keep them going. This is the beginning of the end of your naval shipyards. I do not care how you quote it or explain it or what you do, you are part and parcel of the destruction of the naval shipyards if you follow the reasoning of the distinguished gentleman from Michigan.

Answer one question. Who originally wrote this 65–35 formula?

Mr. FORD. The original 35–65 provision came from the House Committee on Appropriations, and this battle was fought out in 1962.

Mr. RIVERS of South Carolina. Was not the gentleman from Michigan the original author of this?

Mr. FORD. Yes. The original 35–65 amendment that came to the House floor I sponsored. I am proud of it. I believe in free enterprise. I do not believe in keeping navy yards open unless they can compete.

Mr. RIVERS of South Carolina. I believe in free enterprise, too. Why, of course. The gentleman from Michigan believes in the same thing I believe in. The gentleman from Michigan only wants a fair advantage, and believe you me, he has got it under this provision.

Mr. MAHON. Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. BARRETT].

Mr. BARRETT. Mr. Speaker, I would like to take this opportunity to support the stand taken by my colleagues, the gentleman from New York, Congressman CELLER, and the gentleman from Pennsylvania, Congressman BYRNE, and I sincerely hope the entire membership of the House will vote against this resolution.

The officials from the Department of the Navy are certainly not presenting a true picture and are discriminating against the Federal shipyards.

I have repeatedly requested that a cost comparison be made on new construction between our Philadelphia Naval Shipyard and a private yard to determine which could build a ship more economically, but the Department turned thumbs down on my proposal. I sincerely believe the employees of the Philadelphia Naval Shipyard would prove their merit and worth by constructing a ship at a greater saving to the Government than could be realized by a private yard.

Mr. WYMAN. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from New Hampshire.

Mr. WYMAN. Mr. Speaker, I have the Portsmouth Naval Shipyard in my district. I am deeply concerned for its future. I would like to ask the gentleman if the language contained in this amendment would authorize the Secretary of Defense in his discretion to vary from the 65–35 formula if he finds a requirement of urgency.

Mr. MAHON. It certainly does.

Mr. WYMAN. Does it authorize him to put all of the work in the private yards if he wants to?

Mr. MAHON. If the urgency of the requirement is that he put all of the work in the public yards he may do so, or he may put it all in the private yards, according to the language here; that is, in the event of the urgency of the requirement, such as the outbreak of war or something of that kind. Of course, nobody in his right mind would believe that all of the work would be put into the private yards or into the naval shipyards.

Mr. WYMAN. But there is no language in here that says anything about the outbreak of war, or sets up any standard like that. He can move all of the work into the private yards and away from the public yards under this language if the House adopts it, can he not?

Mr. MAHON. The language of the law the last 2 years and proposed for the forthcoming year says that the distribution of the work shall be 65 percent to the public yards, which would amount to more than $400 million, and 35 percent to the private yards. But he may alter this situation based on urgency of requirement. We have not had any urgency of requirement, but if there should be a situation such as the prospect of war or a condition of international tension that would be prolonged beyond what we now have, that might precipitate some change.

Mr. WYMAN. Mr. Speaker, I inquire of the chairman of the committee whether there is any definition in this section of what constitutes urgency, or any standard that is binding upon the Secretary of Defense in the protection of the naval shipyards?

Mr. MAHON. There is no definition in the language itself. I believe I can speak for the committee and for the Congress, because the Congress has gone on record in this matter. As a proper division of work between private industry and Government, and as an economy action on the part of the Congress, this is a step in the right direction. I am sure that the gentleman from New Hampshire, believing as he does in private enterprise, would like to support such efforts. I realize that Members who have shipyards in their district may be in a state of some uneasiness at this time. But we must, of course, look after the best interests of the Nation.

Mr. WYMAN. Mr. Speaker, I appreciate what the gentleman has said, but I would like to support a carefully written legislative standard. It seems to me that the standard here is altogether too general and leaves everything up to Mr. McNamara. There is no need for this looseness, particularly in view of the Secretary's manifest attitude toward public yards.

Mr. O'NEILL. Mr. Speaker, will the gentleman yield to me?

Mr. MAHON. I yield to the gentleman from Massachusetts.

Mr. O'NEILL. Mr. Speaker, in my opinion this is the death knell of the Government-owned shipyards. I have the Boston Navy Shipyard in my district. I have seen it go down from 11,000 to about 8,000. Here is a shipyard that is important. It is closest to the Atlantic Ocean and closest to Europe. An amendment of this type is indeed bad for the morale of the entire yard.

I hope the House will vote no in favor of the Federal shipyards.

Mr. MATSUNAGA. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Hawaii.

Mr. MATSUNAGA. Mr. Speaker, I rise to associate myself with the remarks of the gentleman from New York [Mr. CELLER], and the gentleman from South Carolina [Mr. RIVERS].

Mr. Speaker, I have always opposed the so-called 65–35 formula here under discussion, because it sets up an inflexible situation to the detriment of our Navy. The Senate amendment which we are now being asked to accept sets up an even more intolerable situation than that which was provided under the original House version. The Senate amendment provides that "at least 35 per centum" of the funds appropriated for the repair, alteration and conversion of naval vessels shall be allocated to privately owned shipyards. This means that the private shipyards are guaranteed a minimum allocation of 35 percent of all repair, alteration, and conversion jobs, while the naval shipyards are without any guarantee. If we adopt the Senate amendment, we would be making it legally possible for the Secretary of Defense to allocate 100 percent of all repair, alteration, and conversion work to private shipyards.

It appears that the private shipyard owners are no longer satisfied with 35 percent of the jobs, and its powerful lobby is flexing its muscles for a complete takeover. Concededly, private enterprise ought to be given its fair share of Government contracts, and I am not opposed to private enterprise. But where our Navy is concerned, our primary consideration should be directed toward what is best for our own national defense and security. Our Navy should not be saddled with inflexibility of the Senate amendment. Repair, alteration, or conversion of its vessels should be allowed wherever it can be done most efficiently and expeditiously, for the Navy is undeniably an emergency arm of our Nation which must be kept in constant readiness, if it is to be kept at all.

The incident only a few days ago in the Gulf of Tonkin in which the destroyer U.S.S. *Maddox* was the intended victim of an unannounced sneak attack illustrates this truth with dramatic force. The attack on the *Maddox* should serve to remind us that warfare invariably starts without any warning. Those of us who were in Hawaii when Pearl Harbor was bombed have not forgotten this. Let us be reminded by the *Maddox* incident that if it had not been for the efficient, dedicated team of Federal workers at the Pearl Harbor Naval Shipyard, our Navy would never have made the amazing recovery in the short time that it did. If our Navy is to be kept at all, it must be maintained at a level where it can meet any and all emergencies at any time. This it cannot do without a dependable, ever-ready crew of well trained, highly experienced repairmen at a readily accessible shipyard. Maintenance of our naval shipyards, such as the one at Pearl Harbor, therefore, must be considered as part and parcel of our Navy. To detract from this proposition is to weaken our Navy and endanger our own national security. The Senate amendment tends to do this and should be defeated.

Mr. OSTERTAG. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from New York.

Mr. OSTERTAG. Mr. Speaker, I would like to make the point that the language in this conference report differs in no substantial way from the language already adopted by the House of Representatives in the original House bill; is that correct?

Mr. MAHON. The gentleman is correct. Mr. Speaker, I ask for a vote.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas [Mr. MAHON].

The question was taken; and on a division (demanded by Mr. CELLER) there were—ayes 78, noes 84.

Mr. MAHON. Mr. Speaker, I demand tellers.

Tellers were ordered, and the Speaker appointed as tellers Mr. MAHON and Mr. RIVERS of South Carolina.

The House again divided, and the tellers reported that there were—ayes 95, noes 101.

Mr. MAHON. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 186, nays 178, not voting 67, as follows:

[Roll No. 201]

YEAS—186

Abele
Abernethy
Anderson
Andrews, Ala.
Andrews, N. Dak.
Arends
Ashbrook
Ayres
Baker
Becker
Beermann
Belcher
Bell
Bennett, Fla.
Berry
Betts
Bolton, Frances P.
Bolton, Oliver P
Bonner
Bow
Brademas
Bray
Brock
Bromwell
Brooks
Broomfield
Brotzman
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Bruce
Burke
Burleson
Burton, Utah
Byrnes, Wis.
Cahill
Casey
Cederberg
Chamberlain
Chelf
Chenoweth
Clancy
Cohelan
Collier
Colmer
Conte
Corbett
Cramer
Cunningham
Denton
Derwinski
Devine
Dole
Dowdy
Duncan
Dwyer
Edmondson
Fallon
Fascell
Feighan
Findley
Flynt
Fogarty
Ford
Foreman
Fountain
Frelinghuysen
Fulton, Pa.
Fuqua
Gary
Giaimo
Gibbons
Glenn
Goodell
Goodling
Grabowski
Green, Oreg.
Griffin
Griffiths
Gross
Gurney
Hagen, Calif.
Hall
Halleck
Hansen
Harrison
Harsha
Harvey, Ind.
Hechler
Hoeven
Horan
Hutchinson
Jarman
Jensen
Johansen
Jonas
Kastenmeier
Keith
Kilgore
King, Calif.
Kirwan
Knox
Kornegay
Kunkel
Kyl
Laird
Langen
Latta
Lipscomb
Long, Md.
McClory
McCulloch
McLoskey
MacGregor
Mahon
Martin, Calif.
Martin, Nebr.
Mathias
Matthews
May
Meader
Michel
Miller, Calif.
Mills
Minshall
Monagan
Moore
Morris
Morton
Mosher
Natcher
Nelsen
O'Konski
Ostertag
Patman
Pelly
Perkins
Pickle
Pillion
Poage
Poff
Quie
Quillen
Reid, Ill.
Reifel
Rhodes, Ariz.
Rich
Roberts, Tex.
Rogers, Fla.
Rogers, Tex.
Roudebush
Roush
St Germain
St. Onge
Schadeberg
Short
Sibal
Sickles
Sikes
Siler
Smith, Calif.
Smith, Iowa
Snyder
Springer
Stafford
Steed
Stinson
Stubblefield
Taft
Talcott
Teague, Calif.
Teague, Tex.
Thomas
Thompson, Tex.
Thomson, Wis.
Tuck
Udall
Ullman
Utt
Van Pelt
Westland
White
Whitten
Williams
Wilson, Ind.
Wright

NAYS—178

Abbitt
Addabbo
Ashmore
Aspinall
Auchincloss
Baldwin
Barrett
Barry
Bates
Blatnik
Boland
Brown, Calif.
Burkhalter
Burton, Calif.
Byrne, Pa.
Cameron
Carey
Celler
Clark
Clausen, Don H.
Clawson, Del
Cleveland
Cooley
Corman
Curtin
Daddario
Dague
Daniels
Davis, Ga
Dawson
Delaney
Dent
Derounian
Donohue
Dorn
Downing
Dulski
Edwards
Elliott
Everett
Farbstein
Fino
Fisher
Flood
Fraser
Gallagher
Gathings
Gilbert
Gill
Gonzalez
Grant
Gray
Green, Pa.
Grover
Gubser
Hagan, Ga.
Haley
Halpern
Hanna
Harding
Hardy
Harris
Hawkins
Hays
Henderson
Holifield
Horton
Hosmer
Huddleston
Jennings
Joelson
Johnson, Calif.
Johnson, Pa.
Johnson, Wis.
Jones, Ala.
Karth
Kelly
Keogh
King, N.Y.
Kluczynski
Leggett
Libonati
Lindsay
Long, La.
McDade
McDowell
McFall
McIntire
McMillan
Macdonald
Madden
Mailliard
Marsh
Martin Mass.
Matsunaga
Milliken
Minish
Montoya
Moorhead
Morgan
Morrison
Morse
Moss
Multer
Murphy, Ill.
Murphy, N.Y.
Murray
O'Brien, N.Y.
O'Hara, Ill.
O'Hara, Mich.
Olsen, Mont.
Olson, Minn.
O'Neill
Osmers
Patten
Pepper
Philbin
Pike
Pilcher
Pirnie
Price
Pucinski
Reid, N.Y.
Reuss
Rhodes, Pa.
Rivers, Alaska
Rivers, S.C.
Robison
Rodino
Rogers, Colo.
Rooney, N.Y.
Rooney, Pa.
Roosevelt
Rosenthal
Rostenkowski
Roybal
Ryan, N.Y.
St. George
Saylor
Schenck
Schneebeli
Schweiker
Secrest
Selden
Senner
Sisk
Slack
Smith, Va.
Staggers
Stephens
Stratton
Sullivan
Taylor
Thompson, N.J.
Tollefson
Trimble
Tupper
Tuten
Van Deerlin
Vanik
Vinson
Waggonner
Watson
Watts
Weltner
Whalley
Wharton
Whitener
Wickersham
Widnall
Willis
Wilson, Charles H.
Winstead
Wydler
Wyman
Young
Younger
Zablocki

NOT VOTING—67

Adair
Albert
Alger
Ashley
Avery
Baring
Bass
Battin
Beckworth
Bennett, Mich.
Boggs
Bolling
Buckley
Curtis
Davis, Tenn.
Diggs
Dingell
Ellsworth
Evins
Finnegan
Forrester
Friedel
Fulton, Tenn.
Garmatz
Harvey, Mich.
Healey
Hébert
Herlong
Hoffman
Holland
Hull
Ichord
Jones, Mo.
Karsten
Kee
Kilburn
Landrum
Lankford
Lennon
Lesinski
Lloyd
Miller, N.Y.
Nedzi
Nix
Norblad
Passman
Pool
Powell
Purcell
Rains
Randall
Riehlman
Roberts, Ala.
Rumsfeld
Ryan, Mich.
Schwengel
Scott
Sheppard
Shipley
Shriver
Skubitz
Staebler
Thompson, La.
Toll
Wallhauser
Weaver
Wilson, Bob

So the motion was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Shipley for, with Mr. Hébert against.
Mr. Garmatz for, with Mr. Toll against.
Mr. Lankford for, with Mr. Nix against.
Mr. Scott for, with Mr. Karsten against.
Mr. Beckworth for, with Mr. Buckley against.
Mr. Friedel for, with Mr. Powell against.
Mr. Alger for, with Mr. Riehlman against.
Mr. Adair for, with Mr. Weaver against.
Mr. Ellsworth for, with Mr. Wallhauser against.
Mr. Schwengel for, with Mrs. Kee against.
Mr. Shriver for, with Mr. Healey against.
Mr. Skubitz for, with Mr. Sheppard against.
Mr. Battin for, with Mr. Finnegan against.
Mr. Rumsfeld for, with Mr. Ashley against.

Until further notice:

Mr. Albert with Mr. Avery.
Mr. Hull with Mr. Kilburn.
Mr. Ichord with Mr. Bennett of Michigan.
Mr. Evins with Mr. Bob Wilson.
Mr. Roberts of Alabama with Mr. Norblad.
Mr. Rains with Mr. Curtis.
Mr. Thompson of Louisiana with Mr. Harvey of Michigan.
Mr. Randall with Mr. Dingell.
Mr. Passman with Mr. Lesinski.
Mr. Lennon with Mr. Baring.
Mr. Holland with Mr. Diggs.
Mr. Pool with Mr. Ryan of Michigan.
Mr. Boggs with Mr. Bass.
Mr. Forrester with Mr. Davis of Tennessee.
Mr. Herlong with Mr. Staebler.
Mr. Fulton of Tennessee with Mr. Nedzi.
Mr. Purcell with Mr. Landrum.

Mr. COOLEY changed his vote from "yea" to "nay."

Mr. AYRES changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. MAHON. Mr. Speaker, I ask unanimous consent that Members speaking on the conference report and the motion just agreed to be permitted to extend their remarks thereon.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

COMMITTEE ON RULES

Mr. ELLIOTT. Mr. Speaker, I ask unanimous consent that the Committee on Rules have until midnight tonight to file certain privileged resolutions.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

TO AMEND THE TARIFF ACT OF 1930, FREE IMPORTATION OF WILD ANIMALS AND WILD BIRDS

Mr. MILLS. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 1839) to amend the Tariff Act of 1930 to provide for the free importation of wild animals and wild birds which are intended for exhibition in the United States, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

Mr. MARTIN of Nebraska. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

GOVERNMENT EMPLOYEES SALARY REFORM ACT OF 1964

Mr. MURRAY. Mr. Speaker, I call up the conference report on the bill (H.R. 11049) to adjust the rates of basic compensation of certain officers and employees in the Federal Government, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 1647)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 11049) to adjust the rates of basic compensation of certain officers and employees in the Federal Government, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "That this Act may be cited as the 'Government Employees Salary Reform Act of 1964.'

"TITLE I—FEDERAL EMPLOYEES SALARY SYSTEMS

"Short title

"SEC. 101. This title may be cited as the 'Federal Employees Salary Act of 1964'.

"Classification Act employees

"SEC. 102. (a) Section 603(b) of the Classification Act of 1949, as amended (76 Stat. 843; 5 U.S.C. 1113(b)), is amended to read as follows:

" '(b) The compensation schedule for the General Schedule shall be as follows:

" 'Grade	Per annum rates and steps									
	1	2	3	4	5	6	7	8	9	10
GS-1	$3,385	$3,500	$3,615	$3,730	$3,845	$3,960	$4,075	$4,190	$4,305	$4,420
GS-2	3,680	3,805	3,930	4,055	4,180	4,305	4,430	4,555	4,680	4,805
GS-3	4,005	4,140	4,275	4,410	4,545	4,680	4,815	4,950	5,085	5,220
GS-4	4,480	4,630	4,780	4,930	5,080	5,230	5,380	5,530	5,680	5,830
GS-5	5,000	5,165	5,330	5,495	5,660	5,825	5,990	6,155	6,320	6,485
GS-6	5,505	5,690	5,875	6,060	6,245	6,430	6,615	6,800	6,985	7,170
GS-7	6,050	6,250	6,450	6,650	6,850	7,050	7,250	7,450	7,650	7,850
GS-8	6,630	6,850	7,070	7,290	7,510	7,730	7,950	8,170	8,390	8,610
GS-9	7,220	7,465	7,710	7,955	8,200	8,445	8,690	8,935	9,180	9,425
GS-10	7,900	8,170	8,440	8,710	8,980	9,250	9,520	9,790	10,060	10,330
GS-11	8,650	8,945	9,240	9,535	9,830	10,125	10,420	10,715	11,010	11,305
GS-12	10,250	10,605	10,960	11,315	11,670	12,025	12,380	12,735	13,090	13,445
GS-13	12,075	12,495	12,915	13,335	13,755	14,175	14,595	15,015	15,435	15,855
GS-14	14,170	14,660	15,150	15,640	16,130	16,620	17,110	17,600	18,090	18,580
GS-15	16,460	17,030	17,600	18,170	18,740	19,310	19,880	20,450	21,020	21,590
GS-16	18,935	19,590	20,245	20,900	21,555	22,210	22,865	23,520	24,175	
GS-17	21,445	22,195	22,945	23,695	24,445					
GS-18	24,500									’.

"(b) Except as provided in subsection (d) of section 504 of the Federal Salary Reform Act of 1962, the rates of basic compensation of officers and employees to whom the compensation schedule set forth in subsection (a) of this section applies shall be initially adjusted as of the effective date of this section, as follows:

"(1) If the officer or employee is receiving basic compensation immediately prior to the effective date of this section at one of the rates of a grade in the General Schedule of the Classification Act of 1949, as amended, he shall receive a rate of basic compensation at the corresponding rate in effect on and after such date.

"(2) If the officer or employee is receiving basic compensation immediately prior to the effective date of this section at a rate between two rates of a grade in the General Schedule of the Classification Act of 1949, as amended, he shall receive a rate of basic compensation at the higher of the two corresponding rates in effect on and after such date.

"(3) If the officer or employee is receiving basic compensation immediately prior to the effective date of this section at a rate in excess of the maximum rate for his grade, he shall receive (A) the maximum rate for his grade in the new schedule, or (B) his existing rate of basic compensation if such existing rate is higher.

"(4) If the officer or employee, immediately prior to the effective date of this section, is receiving, pursuant to section 2(b)(4) of the Federal Employees Salary Increase Act of 1955, an existing aggregate rate of compensation determined under section 208(b) of the Act of September 1, 1954 (68 Stat. 1111), plus subsequent increases authorized by law, he shall receive an aggregate rate of compensation equal to the sum of his existing aggregate rate of compensation, on the day preceding the effective date of this section, plus the amount of increase made by this section in the maximum rate of his grade, until (i) he leaves his position, or (ii) he is entitled to receive aggregate compensation at a higher rate by reason of the operation of this Act or any other provision of law; but, when such position becomes vacant, the aggregate rate of compensation of any subsequent appointee thereto shall be fixed in accordance with applicable provisions of law. Subject to clauses (i) and (ii) of the immediately preceding sentence of this paragraph, the amount of the increase provided by this section shall be held and considered for the purpose of section 208(b) of the Act of September 1, 1954, to constitute a part of the existing rate of compensation of the employee.

"(5) If the officer or employee is in a position in grade 16 or 17 of the General Schedule of the Classification Act of 1949, as amended, to which he was promoted on or after the first day of his first pay period beginning on or after January 1, 1964, and if he held such position, or another position in the same grade, on the effective date of this section, his rate of basic compensation shall be adjusted, as of such effective date, to that rate of basic compensation to which he would have been entitled if the compensation schedule in subsection (a) of this section had been in effect on the date of his promotion.

"(6) If the officer or employee, at any time during the period beginning on the effective date of this section and ending on the date of enactment of this Act, was promoted from one grade under the Classification Act of 1949, as amended, to another such grade at a rate which is above the minimum rate thereof, his rate of basic compensation shall be adjusted retroactively from the effective date of this section to the date on which he was so promoted, on the basis of the rate which he was receiving during the period from such effective date to the date of such promotion and, from the date of such promotion, on the basis of the rate for that step of the appropriate grade of the General Schedule contained in this section which corresponds numerically to the step of the grade of the General Schedule for such officer or employee which was in effect (without regard to this Act) at the time of such promotion.

"SEC. 103. (a) Section 801 of the Classification Act of 1949 (5 U.S.C. 1131), relating to new appointments, is amended to read as follows:

" 'SEC. 801. All new appointments shall be made at the minimum rate of the appropriate grade, except that in accordance with regulations prescribed by the Commission which provide for such considerations as the candidate's existing salary, unusually high or unique qualifications, or a special need of the Government for his services, the head of any department may, with the approval of the Commission in each specific case, appoint individuals to positions in grade 13 and above of the General Schedule at such rate or rates above the minimum rate of the appropriate grade as the Commission may authorize for this purpose. The approval of the Commission in each specific case shall not be required with respect to appointments made by the Librarian of Congress.'.

"(b) Section 505(b) of the Classification Act of 1949, as amended (5 U.S.C. 1105(b)), relating to the limitation on numbers of positions in grades 16, 17, and 18 of the General Schedule of such Act, is amended by inserting '(i)' immediately following the words 'in addition to', and by inserting immediately following the words 'which may be placed in such grades' a comma and the following: 'and (ii) two hundred and forty examiner positions under section 11 of the Administrative Procedure Act (60 Stat. 244; 5 U.S.C. 1010) which may be placed in grade 16 and nine such positions which may be placed in grade 17'.

"(c) Section 604(d)(3) of the Federal Employees Pay Act of 1945, as amended (5 U.S.C. 944(c)(3)), is amended to read as follows:

" '(3) All rates shall be computed to the nearest cent, counting one-half cent and over as a whole cent.'.

"Postal field service employees

"SEC. 104. Section 1 of title 39, United States Code, is amended by striking out the period at the end of such section and inserting in lieu thereof a semicolon and the following:

"'"revenue unit" means that amount of revenue of a post office from mail and special service transactions which is equal to the average sum of postal rates and fees received by the Department during the fiscal year for 1,000 pieces of originating mail and special service transactions determined in accordance with section 2331 of this title.'.

"SEC. 105. Section 702 of title 39, United States Code, is amended to read as follows:

"'§ 702. Classes of post offices

"'(a) Effective at the beginning of each fiscal year the Postmaster General shall divide post offices into four classes on the basis of the revenue units of each office for the second preceding fiscal year. He shall place in the first class those post offices having 950 or more revenue units. He shall place in the second class those post offices having 190 or more revenue units, but fewer than 950 revenue units. He shall place in the third class those post offices having 36 or more revenue units, but fewer than 190 revenue units. He shall place in the fourth class those post offices having fewer than 36 revenue units.

"'(b) The Postmaster General shall exclude from the revenue credited to a post office for the purposes of this section money received at that office for—

"'(1) setting meters for patrons beyond the area served by the office unless authorized by the Department;

"'(2) stamps, stamped envelopes, and postal cards sold in large or unusual quantities to be used in mailing matter at other offices; and

"'(3) stamps, stamped envelopes, and postal cards sold for mailing matter diverted from other offices and mailing of matter so diverted without stamps affixed.

"'(c) Whenever unusual conditions prevail at a post office of the fourth class, the Postmaster General may advance such office to the appropriate class based on his estimate of the number of revenue units which the office will have during the succeeding twelve months. Any office so advanced need not be relegated to a lower class before the end of the second fiscal year after the advancement. At that time, the office shall be assigned to the appropriate class in accordance with subsections (a) and (b) of this section.'

"SEC. 106. Section 704 of title 39, United States Code, is amended by deleting 'of the first, second, or third class' appearing therein, and inserting in lieu thereof '(other than one for which the postmaster furnishes quarters, equipment, and fixtures on an allowance basis)'.

"SEC. 107. Subsection (b)(1) of section 2102 of title 39, United States Code, is amended to read as follows:

"'(1) for post offices at which the postmaster does not furnish quarters on an allowance basis;'.

"SEC. 108. (a) Section 3501 of title 39, United States Code, is amended by inserting a new subsection (c) following subsection (b) as follows:

"'(c) The Postmaster General shall determine and, effective at the beginning of the first pay period in each calendar year, shall adjust the rankings of all positions for which the number of annual revenue units of a post office or its class is a relevant factor of the ranking, using the revenue units of the preceding fiscal year and the class in which the office will be placed at the beginning of the next fiscal year. The Postmaster General also may adjust rankings of such positions at other times of the year based upon substantial changes in service conditions.'.

"(b) Chapter 45 of title 39, United States Code, is amended as follows:

"(1) In subsection (c) of section 3513—

"(A) Change the catchline to read 'POST OFFICE CLERK. (KP-4)'; and

"(B) Add the following new sentence to the end of paragraph (1): 'This office has fewer than 190 revenue units annually.'.

"(2) In subsection (e) of section 3516—

"(A) Change the catchline to read 'POSTMASTER. (KP-18)';

"(B) Delete 'third class' in the first sentence of paragraph (1); and

"(C) Delete 'annual receipts of approximately $1,700' in the second sentence of paragraph (1) and insert in lieu thereof 'approximately 40 revenue units annually'.

"(3) In subsection (b) of section 3517—

"(A) Change the catchline to read 'POSTMASTER. (KP-20)';

"(B) Delete 'third class' in the first sentence of paragraph (1); and

"(C) Delete 'annual receipts of approximately $4,700' in the second sentence of paragraph (1) and insert in lieu thereof 'approximately 110 revenue units annually'.

"(4) In subsection (b) of section 3518—

"(A) Change the catchline to read 'POSTMASTER. (KP-22)';

"(B) Delete 'third class' in the first sentence of paragraph (1); and

"(C) Delete 'annual receipts of approximately $6,000' in the second sentence of paragraph (1) and insert in lieu thereof 'approximately 140 revenue units annually'.

"(5) In subsection (b) of section 3519—

"(A) Change the catchline to read 'ASSISTANT POSTMASTER. (KP-24)'; and

"(B) Delete 'annual receipts of approximately $63,000' in the second sentence of paragraph (1) and insert in lieu thereof 'approximately 1,490 revenue units annually'.

"(6) In subsection (c) of section 3519—

"(A) Change of catchline to read 'POSTMASTER. (KP-25)';

"(B) Delete 'second class' in the first sentence of paragraph (1); and

"(C) Delete 'annual receipts of approximately $16,000' in the second sentence of paragraph (1) and insert in lieu thereof 'approximately 380 revenue units annually'.

"(7) In subsection (b) of section 3520—

"(A) Change the catchline to read 'POSTMASTER. (KP-27)';

"(B) Delete 'first class' in the first sentence of paragraph (1); and

"(C) Delete 'annual receipts of approximately $63,000' in the second sentence of paragraph (1) and insert in lieu thereof 'approximately 1,490 revenue units annually'.

"(8) In subsection (b) of section 3521—

"(A) Change the catchline to read 'POSTMASTER. (KP-29)';

"(B) Delete 'first class' appearing in the first sentence of paragraph (1); and

"(C) Delete 'annual receipts of $129,000' in the second sentence of paragraph (1) and insert in lieu thereof 'approximately 3,060 revenue units annually'.

"(9) In subsection (b) of section 3522—

"(A) Change the catchline to read 'POSTMASTER. (KP-31)';

"(B) Delete 'first class' in the first sentence of paragraph (1); and

"(C) Delete 'annual receipts of $314,000' in the second sentence of paragraph (1) and insert in lieu thereof 'approximately 7,450 revenue units annually'.

"(10) In subsection (b) of section 3523—

"(A) Change the catchline to read 'POSTMASTER. (KP-33)';

"(B) Delete 'first class' appearing in the first sentence of paragraph (1); and

"(C) Delete the second sentence of paragraph (1) and insert in lieu thereof: 'This office has approximately 110 employees, approximately 14,350 revenue units annually, 13 government-owned vehicle units, one classified station and 42 carrier routes within its jurisdiction.'.

"(11) In subsection (b) of section 3524—

"(A) Change the catchline to read 'ASSISTANT POSTMASTER. (KP-35)'; and

"(B) Delete 'annual receipts of $2,700,000' in the second sentence of paragraph (1) and insert in lieu thereof 'approximately 64,000 revenue units annually'.

"(12) In subsection (c) of section 3524—

"(A) Change the catchline to read 'POSTMASTER. (KP-36)';

"(B) Delete 'first class' in the first sentence of paragraph (1); and

"(C) Delete 'annual receipts of $1,000,000' in the second sentence of paragraph (1) and insert in lieu thereof 'approximately 23,700 revenue units annually'.

"(13) In subsection (a) of section 3525—

"(A) Change the catchline to read 'ASSISTANT POSTMASTER. (KP-37)'; and

"(B) Delete 'annual receipts of $8,460,000' in the second sentence of paragraph (1) and insert in lieu thereof 'approximately 200,000 revenue units annually'.

"(14) In subsection (b) of section 3525—

"(A) Change the catchline to read 'POSTMASTER. (KP-38)';

"(B) Delete 'first class' in the first sentence of paragraph (1); and

"(C) Delete 'annual receipts of $2,700,000' in the second sentence of paragraph (1) and insert in lieu thereof 'approximately 64,000 revenue units annually'.

"(15) In subsection (a) of section 3526—

"(A) Change the catchline to read 'ASSISTANT POSTMASTER. (KP-39)'; and

"(B) Delete 'annual receipts of $16,900,000' in the second sentence of paragraph (1) and insert in lieu thereof 'approximately 400,000 revenue units annually'.

"(16) In subsection (b) of section 3526—

"(A) Change the catchline to read 'POSTMASTER. (KP-40)';

"(B) Delete 'first class' in the first sentence of paragraph (1); and

"(C) Delete 'annual receipts of $4,470,000' in the second sentence of paragraph (1) and insert in lieu thereof 'approximately 106,000 revenue units annually'.

"(17) In subsection (b) of section 3527—

"(A) Change the catchline to read 'ASSISTANT POSTMASTER. (KP-42)'; and

"(B) Delete 'annual receipts of $48,000,000' in the second sentence of paragraph (1) and insert in lieu thereof 'approximately 1,000,000 revenue units annually'.

"(18) In subsection (c) of section 3527—

"(A) Change the catchline to read 'POSTMASTER. (KP-43)';

"(B) Delete 'first class' in the first sentence of paragraph (1); and

"(C) Delete 'annual receipts of $8,460,000' in the second sentence of paragraph (1) and insert in lieu thereof 'approximately 200,000 revenue units annually'.

"(19) In subsection (b) of section 3528—

"(A) Change the catchline to read 'ASSISTANT POSTMASTER. (KP-45)'; and

"(B) Delete 'annual receipts of $140,000,000' in the second sentence of paragraph (1) and insert in lieu thereof 'approximately 2,500,000 revenue units annually'.

"(20) In subsection (c) of section 3528—

"(A) Change the catchline to read 'POSTMASTER. (KP-46)';

"(B) Delete 'first class' in the first sentence of paragraph (1); and

"(C) Delete 'annual receipts of $16,900-000' in the second sentence of paragraph (1) and insert in lieu thereof 'approximately 400,000 revenue units annually'.

"(21) In section 3529—

"(21) Change the catchline immediately preceding paragraph (1) to read 'POSTMASTER. (KP-47)';

"(B) Delete 'first class' in the first sentence of paragraph (1); and

"(C) Delete 'annual receipts of $48,000-000' in the second sentence of paragraph (1) and insert in lieu thereof 'approximately 1,000,000 revenue units annually'.

"(22) In section 3530—

"(A) Change the catchline immediately preceding paragraph (1) to read 'POSTMASTER. (KP–48)';

"(B) Delete 'first class' in the first sentence of paragraph (1); and

"(C) Delete 'annual receipts of $140,-000,000' in the second sentence of paragraph (1) and insert in lieu thereof 'approximately 2,500,000 revenue units annually'.

"SEC. 109. Section 3542(a) of title 39, United States Code, is amended to read as follows—

"'(a) There is established a basic compensation schedule for positions in the postal field service which shall be known as the Postal Field Service Schedule and for which the symbol shall be "PFS". Except as provided in sections 3543 and 3544 of this title, basic compensation shall be paid to all employees in accordance with such schedule.

"'*Postal field service schedule*

"'PFS	Per annum rates and steps											
	1	2	3	4	5	6	7	8	9	10	11	12
1	$3,945	$4,075	$4,205	$4,335	$4,465	$4,595	$4,725	$4,855	$4,985	$5,115	$5,245	$5,375
2	4,270	4,410	4,550	4,690	4,830	4,970	5,110	5,250	5,390	5,530	5,670	5,810
3	4,615	4,770	4,925	5,080	5,235	5,390	5,545	5,700	5,855	6,010	6,165	6,320
4	5,000	5,165	5,330	5,495	5,660	5,825	5,990	6,155	6,320	6,485	6,650	6,815
5	5,345	5,525	5,705	5,885	6,065	6,245	6,425	6,605	6,785	6,965	7,145	7,325
6	5,735	5,925	6,115	6,305	6,495	6,685	6,875	7,065	7,255	7,445	7,635	7,825
7	6,140	6,345	6,550	6,755	6,960	7,165	7,370	7,575	7,780	7,985	8,190	------
8	6,650	6,870	7,090	7,310	7,530	7,750	7,970	8,190	8,410	8,630	------	------
9	7,190	7,430	7,670	7,910	8,150	8,390	8,630	8,870	9,110	9,350	------	------
10	7,830	8,095	8,360	8,625	8,890	9,155	9,420	9,685	9,950	10,215	------	------
11	8,650	8,945	9,240	9,535	9,830	10,125	10,420	10,715	11,010	11,305	------	------
12	9,570	9,895	10,220	10,545	10,870	11,195	11,520	11,845	12,170	12,495	------	------
13	10,575	10,940	11,305	11,670	12,035	12,400	12,765	13,130	13,495	13,860	------	------
14	11,660	12,065	12,470	12,875	13,280	13,685	14,090	14,495	14,900	15,305	------	------
15	12,885	13,330	13,775	14,220	14,665	15,110	15,555	16,000	16,445	16,890	------	------
16	14,240	14,735	15,230	15,725	16,220	16,715	17,210	17,705	18,200	18,695	------	------
17	15,755	16,305	16,855	17,405	17,955	18,505	19,055	19,605	20,155	20,705	------	------
18	17,450	18,060	18,670	19,280	19,890	20,500	21,110	21,720	22,330	22,940	------	------
19	19,345	20,020	20,695	21,370	22,045	22,720	23,395	24,070	------	------	------	------
20	21,445	22,195	22,945	23,695	24,445	------	------	------	------	------	------	------'.

"SEC. 110. Section 3543(a) of title 39, United States Code, is amended to read as follows—

"'(a) There is established a basic compensation schedule which shall be known as the Rural Carrier Schedule and for which the symbol shall be "RCS".

"'*Rural carrier schedule*

	"'Per annum rates and steps											
	1	2	3	4	5	6	7	8	9	10	11	12
Carriers in rural delivery service:												
Fixed compensation per annum	$2,240	$2,345	$2,450	$2,555	$2,660	$2,765	$2,870	$2,975	$3,080	$3,185	$3,290	$3,395
Compensation per mile per annum for each mile up to 30 miles of route	82	84	86	88	90	92	94	96	98	100	102	104
For each mile of route over 30 miles	25	25	25	25	25	25	25	25	25	25	25	25'.

"SEC. 111. (a) Section 3544 of title 39, United States Code, is amended, to read as follows:

"'§ 3544. Fourth Class Office Schedule

"'(a) There is established a basic compensation schedule which shall be known as the Fourth Class Office Schedule and for which the symbol shall be "FOS", for postmasters in post offices of the fourth class which is based on the revenue units of the post office for the preceding fiscal year. Basic compensation shall be paid to postmasters in post offices of the fourth class in accordance with this schedule.

"'*Fourth-class office schedule*

"'Revenue units	Per annum rates and steps											
	1	2	3	4	5	6	7	8	9	10	11	12
30 but less than 36	$3,769	$3,894	$4,019	$4,144	$4,269	$4,394	$4,519	$4,644	$4,769	$4,894	$5,019	$5,144
24 but less than 30	3,485	3,600	3,715	3,830	3,945	4,060	4,175	4,290	4,405	4,520	4,635	4,750
18 but less than 24	2,877	2,974	3,071	3,168	3,265	3,362	3,459	3,556	3,653	3,750	3,847	3,944
12 but less than 18	2,258	2,331	2,404	2,477	2,550	2,623	2,696	2,769	2,842	2,915	2,988	3,061
6 but less than 12	1,628	1,680	1,732	1,784	1,836	1,888	1,940	1,992	2,044	2,096	2,148	2,200
Less than 6	1,313	1,355	1,397	1,439	1,481	1,523	1,565	1,607	1,649	1,691	1,733	1,775.

"'(b) The basic salary of postmasters in fourth-class post offices shall be readjusted for changes in revenue units at the start of the first pay period after January 1 of each year. When a post office is restored to a revenue unit category held by it prior to relegation to a lower revenue unit category, the postmaster's basic salary may be adjusted to the highest salary step held by him when the post office was in the higher revenue unit category. In all other cases, in adjusting a postmaster's basic salary under this section, the basic salary shall be fixed at the lowest step which is higher than the basic salary received by the postmaster at the end of the preceding fiscal year. If there is no such step the basic salary shall be fixed at the highest step for the adjusted revenue units of the office. Each increase in basic salary because of change in revenue units shall be deemed the equivalent of a step increase under section 3552 of this title and the waiting period, for purposes of advancement to the next step, shall begin on the date of adjustment.

"'(c) The basic salaries of postmasters at newly established offices of the fourth class shall be fixed at the lowest salary rate. Whenever unusual conditions prevail at any post office of the fourth class the Postmaster General may advance such office to the appropriate category based on his estimate of the number of revenue units which the office will have during the succeeding twelve months. Any fourth-class office advanced to the appropriate category pursuant to this subsection shall not be reduced in category until the start of the first pay period after January 1 of the calendar year following the calendar year in which it was so advanced, at which time it shall be assigned to the category indicated by the revenue units for the preceding fiscal year.

"'(d) Persons who perform the duties of postmaster at post offices of the fourth class where there is a vacancy or during the absence of the postmaster on sick or annual leave, or leave without pay, shall be paid the same basic salary to which they would have been entitled if regularly appointed as postmaster.

"'(e) The Postmaster General may allow to postmasters in fourth-class post offices additional compensation for separating services and for unusual conditions during a portion of the year, in lieu of an allowance for clerical services for this purpose.

"'(f) At seasonal post offices of the fourth class, the Postmaster General may authorize the payment of the basic salary prorated over the pay periods the office is open for business during the fiscal year.

"'(g) Where the revenue units of a post office of the third class for each of two consecutive fiscal years are less than 36, or where in any fiscal year the revenue units are less than 33, the post office shall be relegated to the fourth class and the basic salary of the postmaster shall be fixed in the manner provided in subsection (b) of this section.

"'(h) When required by the Postmaster General a postmaster at a fourth-class office shall, and any other postmaster in PFS level 5 when permitted by the Postmaster General may, furnish quarters, fixtures, and equipment for an office on an allowance basis. The allowance for this purpose shall be an amount equal to 15 per centum of the basic compensation for the postmaster at the office.'

"(b) As of the effective date of this section, the Postmaster General shall place the position of each postmaster in a fourth-class office in the appropriate revenue units category of the Fourth-class Office Schedule (FOS) determined on the basis of revenue units for the fiscal year ending June 30, 1963. The Postmaster General shall assign each such postmaster to the lowest step of the appropriate revenue units category which will provide him compensation not less than 110 per centum of the compensation to which he would otherwise be entitled under FOS II (as it existed immediately prior to the effective date of this section). If there is no such step or category, the postmaster shall be paid compensation at the rate of 110 per centum of the compensation to which he would otherwise be entitled under FOS II (as it existed immediately prior to the effective date of this section).

"(c) If changes in the gross receipts category or changes in salary step would occur on the effective date of this section (without regard to the enactment of this section), such changes shall be deemed to have occurred prior to any action taken under subsection (b) of this section.

"SEC. 112. (a) Subsection (a) of section 6007 of title 39, United States Code, is amended to read as follows:

"'(a) The Postmaster General shall pay to persons, other than special delivery messengers at post offices of the first class, for making delivery of special delivery mail such fees as may be established by him not in excess of the special delivery fee.'.

"(b) Section 2009 of title 39, United States Code, is amended by deleting 'at any price less than eight cents per piece' and inserting in lieu thereof 'at any price less than the fees established pursuant to section 6007(a) of this title.'.

"SEC. 113. Section 3560 of title 39, United States Code, is amended—

"(1) by striking out 'gross receipts' in subsection (a)(3) and inserting in lieu thereof 'revenue unit'; and

"(2) by striking out 'gross receipts' in subsection (f)(1) and inserting in lieu thereof 'revenue unit'.

"SEC. 114. (a) Section 3552(a) of title 39, United States Code, is amended to read as follows:

"'(a)(1) Each employee subject to the Postal Field Service Schedule, each employee subject to the Rural Carrier Schedule, and each employee subject to the Fourth Class Office Schedule who has not reached the highest step for his position shall be advanced successively to the next higher step as follows:

"'(A) to steps 2, 3, 4, 5, 6, and 7—at the beginning of the first pay period following the completion of fifty-two calendar weeks of satisfactory service; and

"'(B) to steps 8 and above—at the beginning of the first pay period following the completion of one hundred and fifty-six calendar weeks of satisfactory service.

"'(2) The receipt of an equivalent increase during any of the waiting periods specified in this subsection shall cause a new full waiting period to commence for further step increases.'

"(b) Section 3552 of title 39, United States Code, is further amended by adding the following new subsection at the end thereof:

"'(d) Notwithstanding the provisions of subsections (a), (b), and (c) of this section, the Postmaster General is authorized to advance any employee in PFS level 9 or below who—

"'(1) was promoted to a higher level between July 9, 1960, and October 13, 1962; and

"'(2) is senior with respect to total postal service to an employee in his own post office promoted to the same position since October 13, 1962, and is at a step in the level below the step of the junior employee.

Any increase under the provisions of this subsection shall not constitute an equivalent increase and credit earned prior to adjustment under this subsection for advancement to the next step shall be retained.'.

"SEC. 115. (a) Section 711 of title 39, United States Code, is repealed.

"(b) The table of contents of chapter 7 of title 39, United States Code, is amended by deleting

"'711. Method of determining gross receipts.'.

"SEC. 116. The basic compensation of each employee subject to the Postal Field Service Schedule or the Rural Carrier Schedule immediately prior to the effective date of this section shall be determined as follows:

"(1) Each employee shall be assigned to the same numerical step for his position which he had attained immediately prior to such effective date. If changes in levels or steps would otherwise occur on such effective date without regard to enactment of this Act, such changes shall be deemed to have occurred prior to conversion.

"(2) If the existing basic compensation is greater than the rate to which the employee is converted under paragraph (1) of this section, the employee shall be placed in the lowest step which exceeds his basic compensation. If the existing basic compensation exceeds the maximum step of his position, his existing basic compensation shall be established as his basic compensation.

"Employees in the Department of Medicine and Surgery of the Veterans' Administration

"SEC. 117. (a) Section 4103 of title 38, United States Code, relating to the appointment and annual salaries of certain staff positions in the Department of Medicine and Surgery of the Veterans' Administration, is amended to read as follows:

"'§ 4103. Office of the Chief Medical Director

"'(a) The Office of the Chief Medical Director shall consist of the following—

"'(1) The Chief Medical Director, who shall be the Chief of the Department of Medicine and Surgery and shall be directly responsible to the Administrator for the operations of the Department. He shall be a qualified doctor of medicine, appointed by the Administrator.

"'(2) The Deputy Chief Medical Director, who shall be the principal assistant of the Chief Medical Director. He shall be a qualified doctor of medicine, appointed by the Administrator.

"'(3) Not to exceed five Assistant Chief Medical Directors, who shall be appointed by the Administrator upon the recommendation of the Chief Medical Director. One Assistant Chief Medical Director shall be a qualified doctor of dental surgery or dental medicine who shall be directly responsible to the Chief Medical Director for the operation of the Dental Service.

"'(4) Such Medical Directors as may be appointed by the Administrator, upon the recommendation of the Chief Medical Director, to suit the needs of the Department. A Medical Director shall be either a qualified doctor of medicine or a qualified doctor of dental surgery or dental medicine.

"'(5) A Director of Nursing Service, who shall be a qualified registered nurse, appointed by the Administrator, and who shall be responsible to the Chief Medical Director for the operation of the Nursing Service.

"'(6) A Chief Pharmacist and a Chief Dietitian, appointed by the Administrator.

"'(7) Such other personnel and employees as may be authorized by this chapter.

"'(b) Except as provided in subsection (c), any appointment under this section shall be for a period of four years, with reappointment permissible for successive like periods, except that persons so appointed or reappointed shall be subject to removal by the Administrator for cause.

"'(c) The Administrator may designate a member of the Chaplain Service of the Veterans' Administration as Director, Chaplain Service, for a period of two years, subject to removal by the Administrator for cause. Redesignation under this subsection may be made for successive like periods. An individual designated as Director, Chaplain Service, shall at the end of his period of service as Director revert to the position, grade, and status which he held immediately prior to being designated Director, Chaplain Service, and all service as Director, Chaplain Service, shall be creditable as service in the former position.'.

"(b) The table of contents of chapter 73 of title 38, United States Code, is amended by striking out

"'4103. Appointments and compensation.'

and inserting in lieu thereof:

"'4103. Office of the Chief Medical Director.'.

"(c) Section 2 of the Act of July 31, 1894, as amended (5 U.S.C. 62), shall not apply to any individual appointed, before January 1, 1964, as Chief Medical Director under section 4103 of title 38, United States Code; but section 212 of the Act of June 30, 1932, as amended (5 U.S.C. 59a), shall apply, in accordance with its terms, to any such individual.

"SEC. 118. Section 4107 of title 38, United States Code, relating to grades and pay scales for certain positions within the Department of Medicine and Surgery of the Veterans' Administration, is amended to read as follows:

"'§ 4107. Grades and pay scales

"'(a) The per annum full-pay scale or ranges for positions provided in section 4103 of this title, other than Chief Medical Director and Deputy Chief Medical Director, shall be as follows:

"'Section 4103 schedule

"'Assistant Chief Medical Director, $24,500.

"'Medical Director, $21,445 minimum to $24,445 maximum.

"'Director of Nursing Service, $16,460 minimum to $21,590 maximum.

"'Director, Chaplain Service, $16,460 minimum to $21,590 maximum.

"'Chief Pharmacist, $16,460 minimum to $21,590 maximum.

"'Chief Dietitian, $16,460 minimum to $21,590 maximum.

"'(b)(1) The grades and per annum full-pay ranges for positions provided in paragraph (1) of section 4104 of this title shall be as follows:

"'Physician and dentist schedule

"'Director grade, $18,935 minimum to $24,175 maximum.

"'Executive grade, $17,655 minimum to $23,190 maximum.

"'Chief grade, $16,460 minimum to $21,590 maximum.

"'Senior grade, $14,170 minimum to $18,580 maximum.

"'Intermediate grade, $12,075 minimum to $15,855 maximum.

"'Full grade, $10,250 minimum to $13,445 maximum.

"'Associate grade, $8,650 minimum to $11,305 maximum.

"'Nurse schedule

"'Assistant Director grade, $14,170 minimum to $18,580 maximum.

"'Chief grade, $12,075 minimum to $15,855 maximum.

"'Senior grade, $10,250 minimum to $13,445 maximum.

"'Intermediate grade, $8,650 minimum to $11,305 maximum.

"'Full grade, $7,220 minimum to $9,425 maximum.

"'Associate grade, $6,315 minimum to $8,205 maximum.

"'Junior grade, $5,505 minimum to $7,170 maximum.

"'(2) No person may hold the director grade unless he is serving as a director of a hospital, domiciliary, center, or outpatient clinic (independent). No person may hold the executive grade unless he holds the position of chief of staff at a hospital, center, or outpatient clinic (independent), or the position of clinic director at an outpatient clinic, or comparable position.'.

"Foreign service officers; staff officers and employees

"SEC. 119. Section 412 of the Foreign Service Act of 1946, as amended (22 U.S.C. 867), is amended to read as follows:

"'Foreign service officers

"'SEC. 412. There shall be ten classes of Foreign Service officers, including the classes of career ambassador and of career minister. The per annum salary of a career ambassador shall be at the rate provided by law for level IV of the Federal Executive Salary Schedule. The per annum salary of a career minister shall be at the rate provided by law for level V of such schedule. The per annum salaries of Foreign Service officers within each of the other classes shall be as follows:

" 'Class 1	$22,650	$23,440	$24,500				
Class 2	18,295	18,930	19,565	$20,200	$20,835	$21,470	$22,105
Class 3	14,860	15,375	15,890	16,405	16,920	17,435	17,950
Class 4	12,075	12,495	12,915	13,335	13,755	14,175	14,595
Class 5	9,945	10,290	10,635	10,980	11,325	11,670	12,015
Class 6	8,295	8,580	8,865	9,150	9,435	9,720	10,005
Class 7	7,010	7,245	7,480	7,715	7,950	8,185	8,420
Class 8	6,050	6,250	6,450	6,650	6,850	7,050	7,250'.

"SEC. 120. Subsection (a) of section 415 of such Act (22 U.S.C. 870(a)) is amended to read as follows:

" '(a) There shall be ten classes of Foreign Service staff officers and employees, referred to hereafter as staff officers and employees. The per annum salaries of such staff officers and employees within each class shall be as follows:

" 'Class 1	$14,860	$15,375	$15,890	$16,405	$16,920	$17,435	$17,950	$18,465	$18,980	$19,495
Class 2	12,075	12,495	12,915	13,335	13,755	14,175	14,595	15,015	15,435	15,855
Class 3	9,945	10,290	10,635	10,980	11,325	11,670	12,015	12,360	12,705	13,050
Class 4	8,295	8,580	8,865	9,150	9,435	9,720	10,005	10,290	10,575	10,860
Class 5	7,480	7,735	7,990	8,245	8,500	8,755	9,010	9,265	9,520	9,775
Class 6	6,755	6,980	7,205	7,430	7,655	7,880	8,105	8,330	8,555	8,780
Class 7	6,205	6,410	6,615	6,820	7,025	7,230	7,435	7,640	7,845	8,050
Class 8	5,490	5,675	5,860	6,045	6,230	6,415	6,600	6,785	6,970	7,155
Class 9	5,010	5,175	5,340	5,505	5,670	5,835	6,000	6,165	6,330	6,495
Class 10	4,480	4,630	4,780	4,930	5,080	5,230	5,380	5,530	5,680	5,830'.

"SEC. 121. Foreign Service officers, Reserve officers, and Foreign Service staff officers and employees who are entitled to receive basic compensation immediately prior to the effective date of this section at one of the rates provided by section 412 or 415 of the Foreign Service Act of 1946, shall receive basic compensation, on and after such effective date, at the rate of their class determined to be appropriate by the Secretary of State.

"Agricultural stabilization and conservation county committee employees

"SEC. 122. The rates of compensation of persons employed by the county committees established pursuant to section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) shall be increased by amounts equal, as nearly as may be practicable, to the increases provided by section 102 of this Act for corresponding rates of compensation in the appropriate schedule or scale of pay.

"Miscellaneous provision

"SEC. 123. Section 504 of the Federal Salary Reform Act of 1962 (76 Stat. 842; 5 U.S.C. 1173) is amended by adding at the end thereof the following new subsection:

" '(d) The rate of basic compensation, established under this section, and received by any officer or employee immedately prior to the effective date of a statutory increase in the compensation schedules of the salary systems specified in subsection (a) shall be initially adjusted on the effective date of such new compensation schedules in accordance with conversion rules and regulations prescribed by the President or by such agency or agencies as he may designate.'

"SEC. 124. Subsection (b) of the first section of the Act entitled 'An Act to provide retirement, clerical assistants, and free mailing privileges to former Presidents of the United States, and for other purposes', approved August 25, 1958 (72 Stat. 838; 3 U.S.C. note fol. 102), is amended by striking out '$50,000' and inserting in lieu thereof '$65,000'.

"Absorption of costs

"SEC. 125. (a) The cost of not less than 10 per centum of the aggregate amount of the increases in compensation provided by this title for the fiscal year 1965 shall be absorbed by the departments, agencies, establishments, and corporations in the executive branch; and no amount beyond the additional sum for such compensation increases proposed in the budget for the fiscal year 1965 is authorized to be appropriated by any provision of this Act. The total amount of such absorption shall be allocated by the Bureau of the Budget among such departments, agencies, establishments, and corporations in such manner and to such extent as the Director of the Bureau of the Budget deems appropriate in the light of their essential functions.

"(b) Pursuant to the objective of this section, heads of the executive branch activities concerned are directed to review with meticulous care each vacancy resulting from voluntary resignation, retirement, or death and to determine whether the duties of the position can be reassigned to other employees or whether the position can be abolished without seriously affecting the execution of essential functions.

"(c) Nothing contained in subsection (a) of this section shall be held or considered to require (1) the separation from the service of any individual by reduction in force or other personnel action or (2) the placing of any individual in a leave-without-pay status.

"TITLE II—FEDERAL LEGISLATIVE SALARIES

"SEC. 201. This title may be cited as the 'Federal Legislative Salary Act of 1964'.

"SEC. 202. (a) Each officer or employee in or under the legislative branch of the Government whose rate of compensation is increased by section 5 of the Federal Employees Pay Act of 1946 shall be paid additional compensation in an amount equal to the greater of the following amounts, as applicable:

"(1) an amount equal to 3½ per centum of his gross rate of compensation (basic compensation plus additional compensation authorized by law) in effect immediately prior to the effective date of this section plus 1 per centum of such gross rate for each whole multiple, or part of a multiple, of $500 basic compensation; or

"(2) an amount equal to 5 per centum of such gross rate.

"(b) The total annual compensation in effect immediately prior to the effective date of this section of each officer or employee of the House of Representatives, whose compensation is disbursed by the Clerk of the House of Representatives and is not increased by reason of any other provision of this title, shall be increased by an amount which is equal to the amount of the increase provided by subsection (a) of this section in that gross rate which is nearest in amount to the total annual compensation of such officer or employee.

"(c) Each of the limitations on gross rate per thousand and gross rate per hour per person provided by applicable law on the effective date of this section with respect to the folding of speeches and pamphlets for the House of Representatives shall be increased by 7 per centum. The amount of each increase under this subsection shall be computed to the nearest cent, counting one-half cent and over as a whole cent.

"(d) The additional compensation provided by this section shall be considered a part of basic compensation for the purposes of the Civil Service Retirement Act (5 U.S.C. 2251 and the following).

"(e) The basic compensation of each employee in the office of a Senator is hereby adjusted, effective on the first day of the month following the date of enactment of this Act, to the lowest multiple of $60 which will provide a gross rate of compensation not less than the gross rate such employee was receiving immediately prior thereto, except that the foregoing provisions of this subsection shall not apply in the case of any employee if on or before the fifteenth day following the date of enactment of this Act, the Senator by whom such employee is employed notifies the disbursing office of the Senate in writing that he does not wish such provisions to apply to such employee. No employee whose basic compensation is adjusted under this subsection shall receive any additional compensation under subsection (a) for any period prior to the effective date of such adjustment during which such employee was employed in the office of the Senator by whom he is employed on the first day of the month following the enactment of this Act. No additional compensation shall be paid to any person under subsection (a) for any period prior to the first day of the month following the date of enactment of this Act during which such person was employed in the office of a Senator (other than a Senator by whom he is employed on such day) unless on or before the fifteenth day following the date of enactment of this Act such Senator notifies the disbursing office of the Senate in writing that he wishes such employee to receive such additional compensation for such period. In any case in which, at the expiration of the time within which a Senator may give notice under this subsection, such Senator is deceased such notice shall be deemed to have been given.

"(f) Notwithstanding the provision referred to in subsection (g), the rates of gross compensation of the Secretary for the Majority of the Senate, the Secretary for the Minority of the Senate, the Official Reporters of Debates of the Senate, the Parliamentarian of the Senate, the Senior Counsel in the Office of the Legislative Counsel of the Senate, and the Chief Clerk of the Senate are hereby increased by an amount which is equal to the amount of the increase which would be provided by subsection (a) of this section in that gross rate determined without regard to the provisions referred to in subsection (g) of this section which is nearest in amount to the total annual compensation of such officer or employee.

"(g) The paragraph imposing limitations on basic and gross compensation of officers and employees of the Senate appearing under the heading 'SENATE' in the Legislative Appropriation Act, 1956, as amended (74 Stat. 304; Public Law 86-568), is amended by striking out '$18,880' and inserting in lieu thereof '$22,945'.

"(h) The limitation on gross rate per hour per person provided by applicable law on the effective date of this section with respect to the folding of speeches and pamphlets for the Senate is hereby increased by 7 per centum. The amount of such increase shall be computed to the nearest cent, counting one-half cent and over as a whole cent. The provisions of subsection (a) of this section shall not apply to employees whose compensation is subject to such limitation.

"(i) The gross rate of compensation of the Postmaster of the Senate shall be $18,420, and the gross rate of compensation of the Assistant Postmaster of the Senate shall be $14,570. The provisions of section 106 of the

Legislative Branch Appropriation Act, 1963, shall not hereafter apply to employees referred to in this subsection.

"(j) Section 202(e) of the Legislative Reorganization Act of 1946, as amended (2 U.S.C. 72a(e)), is amended—

"(1) by striking out '$8,880' where it first appears in such subsection and inserting in lieu thereof 'the highest amount which, together with additional compensation authorized by law, will not exceed the maximum rate authorized by the Classification Act of 1949, as amended,'; and

"(2) by striking out '$8,880' at the second place where it appears in such subsection and inserting in lieu thereof 'the highest amount which, together with additional compensation authorized by law, will not exceed the maximum rate authorized by the Classification Act of 1949, as amended'.

"(k)(1) This subsection is enacted as an exercise of the rule making power of the House of Representatives with full recognition of the constitutional right of the House of Representatives to change the rule amended by this subsection at any time, in the same manner, and to the same extent as in the case of any other rule of the House of Representatives.

"(2) Clause 28(c) of Rule XI of the Rules of the House of Representatives is amended—

"(A) by striking out '$8,880' where it first appears in such clause and inserting in lieu thereof 'the highest amount which, together with additional compensation authorized by law, will not exceed the maximum rate authorized by the Classification Act of 1949, as amended,'; and

"(B) by striking out '$8,880' at the second place where it appears in such clause and inserting in lieu thereof 'the highest amount which, together with additional compensation authorized by law, will not exceed the maximum rate authorized by the Classification Act of 1949, as amended."

"SEC. 203. (a) The compensation of the Comptroller General of the United States shall be at the rate of $30,000 per annum.

"(b) The compensation of the Assistant Comptroller General of the United States shall be at the rate of $28,500 per annum.

"(c) The compensation of the General Counsel of the United States General Accounting Office, the Librarian of Congress, the Public Printer, and the Architect of the Capitol shall be at the rate of $27,000 per annum.

"(d) The compensation of the Deputy Librarian of Congress, the Deputy Public Printer, and the Assistant Architect of the Capitol shall be at the rate of $25,500 per annum.

"(e) The compensation of the Second Assistant Architect of the Capitol shall be at the rate of $23,500 per annum.

"(f) The compensation of the Chaplain of the House of Representatives shall be at the rate of $12,500 per annum.

"(g) The compensation of the Secretary of the Senate, the Sergeant at Arms of the Senate, and the Legislative Counsel of the Senate shall be at the rate of $27,500 per annum.

"(h) The compensation of the Chaplain of the Senate shall be at the rate of $15,000 per annum.

"SEC. 204. Section 601(a) of the Legislative Reorganization Act of 1946, as amended (2 U.S.C. 31), is amended to read as follows:

"'(a) The compensation of Senators, Representatives in Congress, and the Resident Commissioner from Puerto Rico shall be at the rate of $30,000 per annum each; and the compensation of the Speaker of the House of Representatives shall be at the rate of $43,000 per annum.'

"SEC. 205. No officer or employee subject to section 202(a) or 202(b) of this title shall receive, by reason of any provision of this title, an increase in gross rate of compensation (basic compensation plus additional compensation authorized by law), or in total annual compensation, which is in excess of the amount of the increase in basic compensation provided by the amendment made by section 102(a) of title I of this Act for positions in grade 18 of the General Schedule of the Classification Act of 1949, as amended.

"TITLE III—FEDERAL EXECUTIVE SALARIES

"SEC. 301. This title may be cited as the 'Federal Executive Salary Act of 1964'.

"SEC. 302. There is hereby established for offices and positions to which section 303 of this title applies a basic compensation schedule, to be known as the 'Federal Executive Salary Schedule', which shall be divided into five salary levels.

"SEC. 303. (a) Level I of the Federal Executive Salary Schedule shall apply to the following offices and positions, for which the annual rate of basic compensation shall be $35,000:

"(1) Secretary of State.
"(2) Secretary of the Treasury.
"(3) Secretary of Defense.
"(4) Attorney General.
"(5) Postmaster General.
"(6) Secretary of the Interior.
"(7) Secretary of Agriculture.
"(8) Secretary of Commerce.
"(9) Secretary of Labor.
"(10) Secretary of Health, Education, and Welfare.

"(b) Level II of the Federal Executive Salary Schedule shall apply to the following offices and positions, for which the annual rate of basic compensation shall be $30,000:

"(1) Deputy Secretary of Defense.
"(2) Under Secretary of State.
"(3) Administrator, Agency for International Development.
"(4) Administrator of the National Aeronautics and Space Administration.
"(5) Administrator of Veterans' Affairs.
"(6) Administrator of the Housing and Home Finance Agency.
"(7) Administrator of the Federal Aviation Agency.
"(8) Chairman, Atomic Energy Commission.
"(9) Chairman, Council of Economic Advisers.
"(10) Chairman, Board of Governors of the Federal Reserve System.
"(11) Director of the Bureau of the Budget.
"(12) Director of the Office of Science and Technology.
"(13) Director of the United States Arms Control and Disarmament Agency.
"(14) Director of the United States Information Agency.
"(15) Director of the Federal Bureau of Investigation, Department of Justice, so long as the position is held by the present incumbent: *Provided,* That thereafter the position shall be placed in level III.
"(16) Director of Central Intelligence.
"(17) Secretary of the Air Force.
"(18) Secretary of the Army.
"(19) Secretary of the Navy.

"(c) Level III of the Federal Executive Salary Schedule shall apply to the following offices and positions, for which the annual rate of basic compensation shall be $28,500:

"(1) Deputy Attorney General.
"(2) Solicitor General of the United States.
"(3) Deputy Postmaster General.
"(4) Under Secretary of Agriculture.
"(5) Under Secretary of Commerce.
"(6) Under Secretary of Commerce for Transportation.
"(7) Under Secretary of Health, Education, and Welfare.
"(8) Under Secretary of the Interior.
"(9) Under Secretary of Labor.
"(10) Under Secretary of State for Political Affairs or Under Secretary of State for Economic Affairs.
"(11) Under Secretary of the Treasury.
"(12) Under Secretary of the Treasury for Monetary Affairs.
"(13) Administrator of General Services.
"(14) Administrator of the Small Business Administration.
"(15) Deputy Administrator of Veterans' Affairs.
"(16) Deputy Administrator, Agency for International Development.
"(17) Chairman, Civil Aeronautics Board.
"(18) Chairman of the United States Civil Service Commission.
"(19) Chairman, Federal Communications Commission.
"(20) Chairman, Board of Directors, Federal Deposit Insurance Corporation.
"(21) Chairman of the Federal Home Loan Bank Board.
"(22) Chairman, Federal Power Commission.
"(23) Chairman, Federal Trade Commission.
"(24) Chairman, Interstate Commerce Commission.
"(25) Chairman, National Labor Relations Board.
"(26) Chairman, Securities and Exchange Commission.
"(27) Chairman, Board of Directors of the Tennessee Valley Authority.
"(28) Chairman, National Mediation Board.
"(29) Chairman, Railroad Retirement Board.
"(30) Chairman, Federal Maritime Commission.
"(31) Comptroller of the Currency.
"(32) Commissioner of Internal Revenue.
"(33) Director of Defense Research and Engineering, Department of Defense.
"(34) Deputy Administrator of the National Aeronautics and Space Administration.
"(35) Deputy Director of the Bureau of the Budget.
"(36) Deputy Director of Central Intelligence.
"(37) Director of the Office of Emergency Planning.
"(38) Director of the Peace Corps.
"(39) Director of Selective Service, so long as the position is held by the present incumbent: *Provided,* That thereafter the position shall be placed in Level IV.
"(40) Chief Medical Director in the Department of Medicine and Surgery of the Veterans' Administration.
"(41) Director of the National Science Foundation.
"(42) Deputy Administrator of the Housing and Home Finance Agency.
"(43) President of the Export-Import Bank of Washington.
"(44) Members, Atomic Energy Commission.
"(45) Members, Board of Governors of the Federal Reserve System.
"(46) Associate Director of the Federal Bureau of Investigation, Department of Justice, so long as the position is held by the present incumbent: *Provided,* That thereafter the position shall be placed in Level IV.

"(d) Level IV of the Federal Executive Salary Schedule shall apply to the following offices and positions, for which the annual rate of basic compensation shall be $27,000:

"(1) Administrator, Bureau of Security and Consular Affairs, Department of State.
"(2) Deputy Administrator of the Federal Aviation Agency.
"(3) Deputy Administrator of General Services.
"(4) Associate Administrator of the National Aeronautics and Space Administration.
"(5) Assistant Administrators, Agency for International Development (6).
"(6) Regional Assistant Administrators, Agency for International Development (4).
"(7) Under Secretary of the Air Force.
"(8) Under Secretary of the Army.
"(9) Under Secretary of the Navy.

"(10) Deputy Under Secretaries of State (2).

"(11) Assistant Secretaries of Agriculture (3).

"(12) Assistant Secretaries of Commerce (4).

"(13) Assistant Secretaries of Defense (7).

"(14) Assistant Secretaries of the Air Force (3).

"(15) Assistant Secretaries of the Army (3).

"(16) Assistant Secretaries of the Navy (3).

"(17) Assistant Secretaries of Health, Education, and Welfare (2).

"(18) Assistant Secretaries of the Interior (4).

"(19) Assistant Attorneys General (9).

"(20) Assistant Secretaries of Labor (4).

"(21) Assistant Postmasters General (5).

"(22) Assistant Secretaries of State (11).

"(23) Assistant Secretaries of the Treasury (4).

"(24) Chairman of the United States Tariff Commission.

"(25) Commissioner, Community Facilities Administration.

"(26) Commissioner, Federal Housing Administration.

"(27) Commissioner, Public Housing Administration.

"(28) Commissioner, Urban Renewal Administration.

"(29) Director of Civil Defense, Department of the Army.

"(30) Director of the Federal Mediation and Conciliation Service.

"(31) Deputy Chief Medical Director in the Department of Medicine and Surgery of the Veterans' Administration.

"(32) Deputy Director of the Office of Emergency Planning.

"(33) Deputy Director of the Office of Science and Technology.

"(34) Deputy Director of the Peace Corps.

"(35) Deputy Director of the United States Arms Control and Disarmament Agency.

"(36) Deputy Director of the United States Information Agency.

"(37) Assistant Directors of the Bureau of the Budget (3).

"(38) General Counsel of the Department of Agriculture.

"(39) General Counsel of the Department of Commerce.

"(40) General Counsel of the Department of Defense.

"(41) General Counsel of the Department of Health, Education, and Welfare.

"(42) Solicitor of the Department of the Interior.

"(43) Solicitor of the Department of Labor.

"(44) General Counsel of the National Labor Relations Board.

"(45) General Counsel of the Post Office Department.

"(46) Counselor of the Department of State.

"(47) Legal Adviser of the Department of State.

"(48) General Counsel of the Department of the Treasury.

"(49) First Vice President of the Export-Import Bank of Washington.

"(50) General Manager of the Atomic Energy Commission.

"(51) Governor of the Farm Credit Administration.

"(52) Inspector General, Foreign Assistance.

"(53) Deputy Inspector General, Foreign Assistance.

"(54) Members, Civil Aeronautics Board.

"(55) Members, Council of Economic Advisers.

"(56) Members, Board of Directors of the Export-Import Bank of Washington.

"(57) Members, Federal Communications Commission.

"(58) Member, Board of Directors of the Federal Deposit Insurance Corporation.

"(59) Members, Federal Home Loan Bank Board.

"(60) Members, Federal Power Commission.

"(61) Members, Federal Trade Commission.

"(62) Members, Interstate Commerce Commission.

"(63) Members, National Labor Relations Board.

"(64) Members, Securities and Exchange Commission.

"(65) Members, Board of Directors of the Tennessee Valley Authority.

"(66) Members, United States Civil Service Commission.

"(67) Members, Federal Maritime Commission.

"(68) Members, National Mediation Board.

"(69) Members, Railroad Retirement Board.

"(e) Level V of the Federal Executive Salary Schedule shall apply to the following officers and positions, for which the annual rate of basic compensation shall be $26,000:

"(1) Administrator, Agricultural Marketing Service, Department of Agriculture.

"(2) Administrator, Agricultural Research Service, Department of Agriculture.

"(3) Administrator, Agricultural Stabilization and Conservation Service, Department of Agriculture.

"(4) Administrator, Farmers Home Administration.

"(5) Administrator, Foreign Agricultural Service, Department of Agriculture.

"(6) Administrator, Rural Electrification Administration, Department of Agriculture.

"(7) Administrator, Soil Conservation Service, Department of Agriculture.

"(8) Administrator, Bonneville Power Administration, Department of the Interior.

"(9) Administrator of the National Capital Transportation Agency.

"(10) Administrator of the Saint Lawrence Seaway Development Corporation.

"(11) Deputy Administrators of the Small Business Administration (4).

"(12) Associate Administrator for Administration, Federal Aviation Agency.

"(13) Associate Administrator for Development, Federal Aviation Agency.

"(14) Associate Administrator for Programs, Federal Aviation Agency.

"(15) Associate Administrator for Advanced Research and Technology, National Aeronautics and Space Administration.

"(16) Associate Administrator for Space Science and Applications, National Aeronautics and Space Administration.

"(17) Associate Administrator for Manned Space Flight, National Aeronautics and Space Administration.

"(18) Associate Deputy Administrator, National Aeronautics and Space Administration.

"(19) Deputy Associate Administrator, National Aeronautics and Space Administration.

"(20) Associate Deputy Administrator of Veterans' Affairs.

"(21) Archivist of the United States.

"(22) Area Redevelopment Administrator, Department of Commerce

"(23) Assistant Secretary of Agriculture for Administration.

"(24) Assistant Secretary of Health, Education, and Welfare for Administration.

"(25) Assistant Secetary of the Interior for Administration.

"(26) Assistant Attorney General for Administration.

"(27) Assistant Secretary of Labor for Administration.

"(28) Assistant Secretary of the Treasury for Administration.

"(29) Assistant General Manager, Atomic Energy Commission.

"(30) Assistant and Science Adviser to the Secretary of the Interior.

"(31) Chairman, Foreign Claims Settlement Commission of the United States.

"(32) Chairman of the Military Liaison Committee to the Atomic Energy Commission, Department of Defense.

"(33) Chairman of the Renegotiation Board.

"(34) Chairman of the Subversive Activities Control Board.

"(35) Chief Counsel for the Internal Revenue Service, Department of the Treasury.

"(36) Chief Forester of the Forest Service, Department of Agriculture.

"(37) Chief Postal Inspector, Post Office Department.

"(38) Chief, Weather Bureau, Department of Commerce.

"(39) Commissioner of Customs, Department of the Treasury.

"(40) Commissioner, Federal Supply Service, General Services Administration.

"(41) Commissioner of Education, Department of Health, Education, and Welfare.

"(42) Commissioner of Fish and Wildlife, Department of the Interior.

"(43) Commissioner of Food and Drugs, Department of Health, Education, and Welfare.

"(44) Commissioner of Immigration and Naturalization, Department of Justice.

"(45) Commissioner of Indian Affairs, Department of the Interior.

"(46) Chief Commissioner, Indian Claims Commission.

"(47) Associate Commissioners, Indian Claims Commission (2).

"(48) Commissioner of Patents, Department of Commerce.

"(49) Commissioner, Public Buildings Service, General Services Administration.

"(50) Commissioner of Reclamation, Department of the Interior.

"(51) Commissioner of Social Security, Department of Health, Education, and Welfare.

"(52) Commissioner of Vocational Rehabilitation, Department of Health, Education, and Welfare.

"(53) Commissioner of Welfare, Department of Health, Education, and Welfare.

"(54) Director, Advanced Research Projects Agency, Department of Defense.

"(55) Director of Agricultural Economics, Department of Agriculture.

"(56) Director, Bureau of the Census, Department of Commerce.

"(57) Director, Bureau of Mines, Department of the Interior.

"(58) Director, Bureau of Prisons, Department of Justice.

"(59) Director, Geological Survey, Department of the Interior.

"(60) Director, Office of Research and Engineering, Post Office Department.

"(61) Director, National Bureau of Standards, Department of Commerce.

"(62) Director of Regulation, Atomic Energy Commission.

"(63) Director of Science and Education, Department of Agriculture.

"(64) Deputy Under Secretary for Monetary Affairs, Department of the Treasury.

"(65) Deputy Commissioner of Internal Revenue, Department of the Treasury.

"(66) Deputy Director, National Science Foundation.

"(67) Deputy Director, Policy and Plans, United States Information Agency.

"(68) Deputy General Counsel, Department of Defense.

"(69) Deputy General Manager, Atomic Energy Commission.

"(70) Associate Director of the Federal Mediation and Conciliation Service.

"(71) Associate Director for Volunteers, Peace Corps.

"(72) Associate Director for Program Development and Operations, Peace Corps.

"(73) Assistants to the Director of the Federal Bureau of Investigation, Department of Justice (2).

"(74) Assistant Directors, Office of Emergency Planning (3).

"(75) Assistant Directors, United States Arms Control and Disarmament Agency (4).

"(76) Federal Highway Administrator, Department of Commerce.

"(77) Fiscal Assistant Secretary of the Treasury.

"(78) General Counsel of the Agency for International Development.

"(79) General Counsel of the Department of the Air Force.

"(80) General Counsel of the Department of the Army.

"(81) General Counsel of the Atomic Energy Commission.

"(82) General Counsel of the Federal Aviation Agency.

"(83) General Counsel of the Housing and Home Finance Agency.

"(84) General Counsel of the Department of the Navy.

"(85) General Counsel of the United States Arms Control and Disarmament Agency.

"(86) General Counsel of the National Aeronautics and Space Administration.

"(87) Governor of the Canal Zone.

"(88) Manpower Administrator, Department of Labor.

"(89) Maritime Administrator, Department of Commerce.

"(90) Members, Foreign Claims Settlement Commission of the United States.

"(91) Members, Renegotiation Board.

"(92) Members, Subversive Activities Control Board.

"(93) Members, United States Tariff Commission.

"(94) President of the Federal National Mortgage Association.

"(95) Special Assistant to the Secretary (Health and Medical Affairs), Department of Health, Education, and Welfare.

"(96) Deputy Directors of Defense Research and Engineering, Department of Defense (4).

"(97) Assistant Administrator of General Services.

"(98) Director, United States Travel Service, Department of Commerce.

"(99) Executive Director of the United States Civil Service Commission.

"(f) In addition to the offices and positions listed in subsections (d) and (e) of this section, the President is authorized to place from time to time offices and positions held by not to exceed thirty persons in levels IV and V of the Federal Executive Salary Schedule when he deems such action necessary to reflect changes in organization, management responsibilities, or workload in any Federal department or agency. Any such action with respect to an office to which appointment is made by the President by and with the advice and consent of the Senate shall be effective only at the time of a new appointment to such office. Each action taken under this subsection shall be published in the Federal Register, except when it is determined by the President that such publication would be contrary to the interest of the national security. No action shall be taken under this subsection with respect to an office or position the compensation for which is fixed at a specific rate by this section or by statute enacted subsequent to the date of enactment of this Act.

"(g) In addition to the offices and positions listed in subsections (d) and (e) of this section and the offices and positions placed by the President in levels IV and V pursuant to subsection (f) of this section, the President is authorized to place, during the period which begins on the day immediately following the date of enactment of this Act and which terminates on the first day of the sixth month which begins following the date of enactment of this Act, in levels IV and V of the Federal Executive Salary Schedule offices and positions held by not to exceed thirty persons, the duties and responsibilities of which he deems appropriate for such levels. No action shall be taken under this subsection with respect to an office or position the compensation for which is fixed at a specific rate by this section or by statute enacted subsequent to the date of enactment of this Act.

"SEC. 304. (a) Section 104 of title 3, United States Code (relating to the compensation of the Vice President), is amended by striking out '$35,000' and inserting in lieu thereof '$43,000'.

"(b) Section 105 of title 3, United States Code, is amended to read as follows:

"'§ 105. Compensation of secretaries and executive, administrative, and staff assistants to President

"'The President is authorized to fix the compensation of the six administrative assistants authorized to be appointed under section 106 of this title, of the Executive Secretary of the National Security Council, of the Executive Secretary of the National Aeronautics and Space Council, and of eight other secretaries or immediate staff assistants in the White House Office at rates of basic compensation not to exceed that of level II of the Federal Executive Salary Schedule.'.

"Conforming changes in existing law

"SEC. 305. The following provisions of law are hereby repealed:

"(1) The Federal Executive Pay Act of 1956, as amended (5 U.S.C. 2201–2209), establishing rates of basic compensation for heads of executive departments and other Federal officials.

"(2) Section 3012(h) of title 10, United States Code, providing compensation of $22,000 a year for the Secretary of the Army.

"(3) Section 3013(b) of title 10, United States Code, fixing the annual salaries of the Under Secretary and each Assistant Secretary of the Army at $20,000 a year.

"(4) Section 5031(d) of title 10, United States Code, providing compensation of $22,000 a year for the Secretary of the Navy.

"(5) Section 5033(c) of title 10, United States Code, providing the annual salary of $20,000 a year for the Under Secretary of the Navy.

"(6) Section 304 of Public Law 87–651, approved September 7, 1962 (76 Stat. 526; 10 U.S.C. 5034, note), providing compensation of $20,000 a year for Assistant Secretaries of the Navy.

"(7) Section 8012(g) of title 10, United States Code, providing compensation of $22,000 a year for the Secretary of the Air Force.

"(8) Section 8013(b) of title 10, United States Code, fixing the annual salaries of the Under Secretary and each Assistant Secretary of the Air Force at $20,000 a year.

"(9) Section 137(c) of title 10, United States Code, fixing the compensation of the General Counsel of the Department of Defense at the rate prescribed by law for assistant secretaries of executive departments.

"(10)(A) The last sentence of section 22 a. of the Atomic Energy Act of 1954, as amended (68 Stat. 924; 71 Stat. 612; 42 U.S.C. 2032(a)), relating to the annual salaries of the Chairman and members of such Commission, which reads: 'Each member, except the Chairman, shall receive compensation at the rate of $22,000 per annum; and the member designated as Chairman shall receive compensation at the rate of $22,500 per annum.'.

"(B) That part of the first sentence of section 27 a. of the Atomic Energy Act of 1954 (68 Stat. 926; 42 U.S.C. 2037(a)), relating to the salary of the Chairman of the Military Liaison Committee which reads: ', and who shall receive compensation at the rate prescribed for an Assistant Secretary of Defense'.

"(11) That part of Reorganization Plan Numbered 1 of 1958 (72 Stat. 1799 and 861; 75 Stat. 630; 5 U.S.C. 133z–15, note)—

"(A) In section 2(b), relating to the annual salary of the Director of the Office of Emergency Planning, which reads: 'and shall receive compensation at the rate now or hereafter prescribed by law for the heads of executive departments';

"(B) In section 2(c), relating to the annual salary of the Deputy Director of such Office, which reads: 'shall receive compensation at the rate now or hereafter prescribed by law for the under secretaries referred to in section 104 of the Federal Executive Pay Act of 1956 (5 U.S.C. 2203),'; and

"(C) In section 2(d), relating to the annual salaries of three Assistant Directors of such Office, which reads: 'shall receive compensation at the rate now or hereafter prescribed by law for assistant secretaries of executive departments,'.

"(12) (A) That part of the second sentence of section 202(a) of the National Aeronautics and Space Act of 1958 (72 Stat. 429; 42 U.S.C. 2472(a)), relating to the annual salary of the Administrator of the National Aeronautics and Space Administration, which reads: ', and shall receive compensation at the rate of $22,500 per annum'.

"(B) That part of the first sentence of section 202(b) of such Act (72 Stat. 429; 42 U.S.C. 2472(b)), relating to the annual salary of the Deputy Administrator of such Administration, which reads: ', shall receive compensation at the rate of $21,500 per annum,'

"(13)(A) That part of section 201(f) of the National Aeronautics and Space Act of 1958 (72 Stat. 428; 42 U.S.C. 2471(f)), relating to the annual salary of a civilian executive secretary in the National Aeronautics and Space Council, which reads: 'and shall receive compensation at the rate of $20,000 a year'.

"(B) That part of section 204 of such Act (72 Stat. 431, 432; 42 U.S.C. 2474(a)(1), and (d)), relating to the annual salary of the Chairman of the Civilian-Military Liaison Committee, as follows:

"In subsection (a)(1), that part which reads: ', and shall receive compensation (in the manner provided in subsection (d)) at the rate of $20,000 per annum'.

"In the second sentence of subsection (d), that part which reads: 'fixed by subsection (a)(1)'.

"(14)(A) That part of the second sentence of section 2(a) of the Act of May 26, 1949 (63 Stat. 111; 5 U.S.C. 151b(a)) as amended, relating to the rank and salary of the Counselor and of the Legal Adviser of the Department of State, which reads: 'and shall receive the same salary as'.

"(B) The last sentence of section 2(a) of the Act of May 26, 1949 (63 Stat. 111; 5 U.S.C. 151b(a)) as amended, relating to the rate of basic compensation of the Deputy Under Secretaries of State, which reads: 'Unless otherwise provided for by law, the rate of basic compensation of the Deputy Under Secretaries of State shall be the same as that of Assistant Secretaries of State.'.

"(C) That part of the second sentence of section 2(b) of the Act of May 26, 1949, as amended (73 Stat. 265; 5 U.S.C. 151b(b)), relating to the annual salary of the Under Secretary of State for Political Affairs or for Economic Affairs, as designated by the President, which reads: 'shall receive compensation at the rate of $22,000 a year and'.

"(15) The last sentence of 210(a) of title 38, United States Code, relating to the annual salary of the Administrator of Veterans' Affairs, Veterans' Administration, which reads: 'He shall receive a salary of $21,000 a year, payable monthly.'.

"(16)(A) The last sentence of section 201 (a)(2) of the Federal Aviation Act of 1958 (72 Stat. 741; 49 U.S.C. 1321(a)(2)), relating to the annual salaries of the Chairman and members of the Civil Aeronautics Board, which reads: 'Each member of the Board shall receive a salary at the rate of $20,000 per annum, except that the member serving as Chairman shall receive a salary at the rate of $20,500 per annum.'.

"(B) That part of the second sentence of section 301(a) of such Act (72 Stat. 744; 49 U.S.C. 1341(a)), relating to the annual salary of the Administrator of the Federal Aviation Agency, which reads: ', and who shall receive compensation at the rate of $22,500 per anuum'.

"(C) That part of the second sentence of section 302(a) of such Act (72 Stat. 744; 49 U.S.C. 1342(a)), relating to the annual salary of the Deputy Administrator of such Agency, which reads: 'shall receive compensation at the rate of $20,500 per annum, and'.

"(17) (A) The last sentence of section 22 of the Arms Control and Disarmament Act (75 Stat. 632; 22 U.S.C. 2562), relating to the annual salary of the Director of the United States Arms Control and Disarmament Agency, which reads: 'He shall receive compensation at the rate of $22,500 per annum.'.

"(B) The second sentence of section 23 of such Act (75 Stat. 632; 22 U.S.C. 2563), relating to the annual salary of the Deputy Director of such Agency, which reads: 'He shall receive compensation at the rate of $21,500 per annum.'.

"(C) The second sentence of section 24 of such Act (75 Stat. 632; 22 U.S.C. 2564), relating to the annual salaries of the four Assistant Directors of such Agency, which reads: 'They shall receive compensation at the rate of $20,000 per annum.'.

"(18) Section 3 of the Act of March 2, 1955 (69 Stat. 10; 5 U.S.C. 294, 293, 295a), relating to the annual salaries of certain officials of the Department of Justice, which reads:

"'Sec. 3. (a) The compensation of the Deputy Attorney General shall be at the rate of $21,000 per annum.

"'(b) The compensation of the Solicitor General shall be at the rate of $20,500 per annum.

"'(c) The compensation of each Assistant Attorney General, other than the Administrative Assistant Attorney General, shall be at the rate of $20,000 per annum.'.

"(19) (A) The last sentence of section 102(c) of Reorganization Plan Numbered 7 of 1961 (75 Stat. 840; 5 U.S.C. 133z–15, note), relating to the annual salaries of the Chairman and members of the Federal Maritime Commission, which reads: 'The Chairman of the Commission shall receive a salary at the rate of $20,500 per annum, and each of the other Commissioners shall receive a salary at the rate of $20,000 per annum.'.

"(B) That part of section 201 of such reorganization plan (75 Stat. 842; 5 U.S.C. 133z–15, note), relating to the annual salary of the Maritime Administrator in the Department of Commerce, which reads: 'shall receive a salary at the rate of $20,000 per annum,'.

"(20) That part of the fourth sentence of section 4(a) of the Securities Exchange Act of 1934, as amended (74 Stat. 408 and 913; 15 U.S.C. 78d(a)), relating to the annual salaries of the Chairman and Commissioners of the Securities and Exchange Commission, which reads: 'shall receive a salary at the rate of $20,000 a year, except that the Chairman shall receive additional salary at the rate of $500 a year and'.

"(21) Section 8 of the Food Additives Amendment of 1958 (72 Stat. 1789; 5 U.S.C. 2205, note), fixing the annual salary of the Commissioner of Food and Drugs at $20,000 per annum.

"(22) That part of the first sentence of section 3 of the Area Redevelopment Act (75 Stat. 48; 42 U.S.C. 2502), relating to the annual salary of the Area Redevelopment Administrator in the Department of Commerce, which reads: 'who shall receive compensation at a rate equal to that received by Assistant Secretaries of Commerce'.

"(23) The last sentence of section 203(b) (1) of the National Security Act of 1947 (72 Stat. 520; 5 U.S.C. 171c(b)(1))), relating to the annual salary of the Director of Defense Research and Engineering in the Department of Defense, which reads: 'The compensation of the Director is that prescribed by law for the Secretaries of the military departments.'.

"(24) In section 303(a) of title 23, United States Code,

"(A) That part of the second sentence, relating to the annual salary of the Federal Highway Administrator in the Department of Commerce, which reads: 'shall receive basic compensation at the rate prescribed by law for Assistant Secretaries of executive departments and'; and

"(B) The last sentence, relating to the annual salary of the Deputy Federal Highway Administrator in such department, which reads: 'The Deputy Federal Highway Administrator shall receive basic compensation at a rate $1,000 less than the rate provided for the Federal Highway Administrator.'.

"(25) The last proviso in the paragraph under the heading 'IMMIGRATION AND NATURALIZATION SERVICE' and under the subheading 'SALARIES AND EXPENSES' in the Department of Justice Appropriation Act, 1959 (72 Stat. 251; 5 U.S.C. 2206, note), relating to the annual salary of the Commissioner of the Immigration and Naturalization Service, which reads: ': *Provided further*, That, hereafter, the compensation of the Commissioner of the Immigration and Naturalization Service shall be $20,000 per annum'.

"(26) The second paragraph of section 3 of title 35, United States Code, relating to the annual salary of the Commissioner of Patents which reads: 'The annual rate of compensation of the Commissioner shall be $20,000.'.

"(27) That part of section 4(a) of the Peace Corps Act (75 Stat. 612; 22 U.S.C. 2503(a)), relating to the annual salaries of the Director and of the Deputy Director of the Peace Corps, which reads: ', whose compensation shall be fixed by the President at a rate not in excess of $20,000 per annum,' and ', whose compensation shall be fixed by the President at a rate not in excess of $19,500 per annum'.

"(28) (A) Section 308 of title 39, United States Code, fixing the annual rate of basic compensation of the position of Chief Postal Inspector in the Post Office Department at $19,000.

"(B) That part of the table of contents of chapter 3 of title 39, United States Code, which reads as follows:

"'308. Chief Postal Inspector.'.

"(29) That part of the first sentence of section 4 of the International Travel Act of 1961 (75 Stat. 130; 22 U.S.C. 2124), relating to the annual salary of the Director of the United States Travel Service in the Department of Commerce, which reads: 'who shall be compensated at the rate of $19,000 per annum,'.

"(30) Section 14(b) of the Federal Employees Health Benefits Act of 1959 (73 Stat. 716; 5 U.S.C. 3013(b)), which fixes the compensation of the Executive Director of the United States Civil Service Commission at $19,000 per annum.

"(31) That part of the first sentence of section 107(c) of the Renegotiation Act of 1951, as amended (73 Stat. 211; 50 U.S.C. App. 1217(c)), relating to the annual salary of the General Counsel of the Renegotiation Board, which reads: ', and shall receive compensation at the rate of $19,000 per annum'.

"(32) (A) That part of the third sentence in section 201(a) of the National Capital Transportation Act of 1960 (74 Stat. 538; 40 U.S.C. 661(a)), relating to the annual salary of the Administrator of the National Capital Transportation Agency, which reads: ', and who shall receive compensation at a rate equal to the maximum rate for grade 18 of the General Schedule of the Classification Act of 1949, as amended, plus $500 per annum'.

"(B) That part of the first sentence of section 201(b) of such Act (74 Stat. 538; 40 U.S.C. 661(b)), relating to the annual salary of the Deputy Administrator of such Agency, which reads: ', and who shall receive compensation at a rate equal to the maximum rate for grade 18 of the General Schedule of the Classification Act of 1949, as amended'.

"(33) The last sentence of section 624(d) (1) of the Foreign Assistance Act of 1961 (75 Stat. 447; 22 U.S.C. 2384(d)(1)), as amended, fixing the compensation of certain officials in the Department of State, which reads: 'The Inspector General, Foreign Assistance, shall receive compensation at the rate of $20,000 annually; the Deputy Inspector General, Foreign Assistance, shall receive compensation at the rate of $20,000 annually, and each Assistant Inspector General, Foreign Assistance, shall receive compensation at the rate of $19,000 annually.'.

"(34) That part of section 202 of the Act of July 1, 1960 (74 Stat. 305; 5 U.S.C. 623g), relating to the annual salary of the Administrative Assistant Secretary of Health, Education, and Welfare, which reads: ', and whose annual rate of basic compensation shall be $19,000'.

"(35) That part of the Public Works Appropriation Act, 1963, under the heading 'DEPARTMENT OF THE INTERIOR' and under the caption 'BUREAU OF RECLAMATION' and the subheading 'ADMINISTRATIVE PROVISIONS' (76 Stat. 1223; 43 U.S.C. 373a–1), relating to the annual salary of the present incumbent of the position of Commissioner of the Bureau of Reclamation, which reads:

"'After September 30, 1962, the position of Commissioner of Reclamation shall have the annual rate of compensation as provided for positions listed in section 2205(a) of title 5, United States Code, so long as held by the present incumbent.'.

"(36) That part of the Public Works Appropriation Act, 1962, under the heading 'DEPARTMENT OF THE INTERIOR' and under the caption 'BONNEVILLE POWER ADMINISTRATION' and the subheading 'CONSTRUCTION' (75 Stat. 728; 16 U.S.C. 832a–1), relating to the annual salary of the present incumbent of the position of Administrator, Bonneville Power Administration, which reads:

"'After October 1, 1961, the position of Administrator, Bonneville Power Administration, shall have the same annual rate of compensation as that provided for positions listed in section 2205(b) of title 5, United States Code, so long as held by the present incumbent.'.

"(37) Section 205 of the Public Works Appropriation Act, 1958 (71 Stat. 423; 5 U.S.C. 483–1 note, 2206 note), as amended, relating to the salary of the present incumbent of the position of Administrator of the Southwestern Power Administration in the Department of the Interior, and to the salary of the Administrative Assistant Secretary of such Department, which reads:

"'Sec. 205. After August 31, 1957, the salary of the Administrator of the Southwestern Power Administration shall be the same as the salary of the Administrator of the Bonneville Power Administration, so long as held by the present incumbent; and the salary of the Administrative Assistant Secretary of the Department shall be the same as the Solicitor of the Department of the Interior.'.

"(38) The proviso in the first paragraph under the heading 'FEDERAL BUREAU OF INVESTIGATION' and under the subheading 'SALARIES AND EXPENSES' in the Department of Justice Appropriation Act, 1964 (77 Stat. 782; Public Law 88–245), relating to the annual salary of the present incumbent of the position of Director of the Federal Bureau of Investigation, which reads: ': *Provided*, That the compensation of the Director of the Bureau shall be $22,000 per annum so long as the position is held by the present incumbent’ and provisions to the same effect contained in other appropriation Acts enacted prior to the effective date of this section relating to the annual salary of the present incumbent of the position of Director of the Federal Bureau of Investigation.

“(39) That part of section 7801(b)(2) of the Internal Revenue Code of 1954, as amended, relating to the annual salary of the Assistant General Counsel of the Treasury Department who shall be the Chief Counsel for the Internal Revenue Service, which reads: ‘and shall receive basic compensation at the annual rate of $19,000’.

“(40)(A) Sections 3018, 5014, and 8018 of title 10, United States Code, relating to the compensation of the general counsels of the military departments.

“(B) The respective tables of contents of chapters 303, 503, and 803 of title 10, United States Code, are amended by striking out

“ ‘3018. Compensation of General Counsel.’;

“ ‘5014. Compensation of General Counsel.’; and

“ ‘8018. Compensation of General Counsel.’.

“(41)(A) That part of section 2(a) of Reorganization Plan Numbered 2 of 1962 (76 Stat. 1253; 5 U.S.C. 133z–15, note), relating to the compensation of the Director of the Office of Science and Technology, which reads: ‘and shall receive compensation at the rate of $22,500 per annum’.

“(B) That part of section 2(b) of such reorganization plan (76 Stat. 1253; 5 U.S.C. 133z–15, note), relating to the compensation of the Deputy Director of the Office of Science and Technology, which reads: ‘and receive compensation at the rate of $20,500 per annum’.

“(C) That part of section 22(a) of such reorganization plan (76 Stat. 1255; 5 U.S.C. 133z–15, note), relating to the compensation of the Director of the National Science Foundation, which reads: ‘shall receive compensation at the rate of $21,000 per annum and’.

“(42) That part of section 624(a) of the Foreign Assistance Act of 1961 (75 Stat. 447; 22 U.S.C. 2384(a)), relating to the compensation of twelve officers in the agency primarily responsible for administering part I of such Act, which reads: ‘of whom—

“ ‘(1) one shall have the rank of an Under Secretary and shall be compensated at a rate not to exceed the rate authorized by law for any Under Secretary of an executive department;

“ ‘(2) one shall have the rank of Deputy Under Secretary and shall be compensated at a rate not to exceed the rate authorized by law for any Deputy Under Secretary of an executive department; and

“ ‘(3) ten shall have the rank of Assistant Secretaries and shall be compensated at a rate not to exceed the rate authorized by law for any Assistant Secretary of an executive department,’.

“(43) That part of the first sentence of section 104(b) of the Immigration and Nationality Act (66 Stat. 174; 8 U.S.C. 1104(b)), relating to the rank and compensation of the Administrator, Bureau of Security and Consular Affairs, which reads: ‘and compensation’.

“(44) That part of section 3 of Reorganization Plan Numbered 1 of 1953 (67 Stat. 631; 5 U.S.C. 623, note), relating to the Special Assistant to the Secretary (Health and Medical Affairs), Department of Health, Education, and Welfare, which reads: ‘, and shall receive compensation at the rate now or hereafter provided by law for assistant secretaries of executive departments’.

“Sec. 306. (a)(1) Section 508 of title 28, United States Code, is amended to read as follows:

“ ‘§ 508. Salaries

“ ‘Subject to subsection (f) of section 303 of the Federal Executive Salary Act of 1964, the Attorney General shall fix the annual salaries of United States attorneys, assistant United States attorneys, and attorneys appointed under section 503 of this title at rates of compensation not in excess of the highest rate of grade 18 of the General Schedule of the Classification Act of 1949, as amended.’.

“(2) Subject to section 303(f) of this Act, each incumbent United States attorney and assistant United States attorney shall be paid compensation at a rate equal to that of attorneys of comparable responsibility and professional qualifications, as determined by the Attorney General, whose compensation is prescribed in the General Schedule of the Classification Act of 1949, as amended.

“(b) Section 411 of the Foreign Service Act of 1946, as amended (70 Stat. 704; 22 U.S.C. 866), relating to the per annum salaries of chiefs of mission, is amended by striking out the second sentence of that section and inserting in lieu thereof the following: ‘The per annum salaries of chiefs of mission within each class shall be at the rate provided by law for the levels of the Federal Executive Salary Schedule as follows: class 1, the rate for level II; class 2, the rate for level III; class 3, the rate for level IV; and class 4, the rate for level V.’.

“(c) That part of section 201(f) of the National Aeronautics and Space Act of 1958 (72 Stat. 428; 42 U.S.C. 2471(f)), fixing a limit of $19,000 on the compensation of seven persons in the National Aeronautics and Space Council, is amended by striking out ‘compensated at the rate of not more than $19,000 a year,’ and inserting in lieu thereof ‘compensated at not to exceed the highest rate of grade 18 of the General Schedule of the Classification Act of 1949, as amended,’.

“(d) Clause (A) of section 203(b)(2) of the National Aeronautics and Space Act of 1958 (72 Stat. 429; 42 U.S.C. 2473(b)(2)), as amended, is amended to read as follows: ‘(A) to the extent the Administrator deems such action necessary to the discharge of his responsibilities, he may appoint not more than four hundred and twenty-five of the scientific, engineering, and administrative personnel of the Administration without regard to such laws, and may fix the compensation of such personnel not in excess of the highest rate of grade 18 of the General Schedule of the Classification Act of 1949, as amended, and’.

“(e) Section 6(f) of the Act of September 24, 1959 (73 Stat. 706; 5 U.S.C. 2376(f)), relating to the maximum compensation payable to employees of the Advisory Commission on Intergovernmental Relations, is amended by striking out ‘at a rate in excess of $20,000 per annum’ and by inserting in lieu thereof ‘at a rate in excess of the highest rate of grade 18 of the General Schedule of the Classification Act of 1949, as amended’.

“(f) The Atomic Energy Act of 1954, as amended, is further amended as follows:

“(1) In the last sentence of section 24 a. (68 Stat. 925; 71 Stat. 612; 42 U.S.C. 2034 (a)), relating to the annual salary of the General Manager of such Commission, (A) by inserting ‘and’ immediately before ‘shall be removable by the Commission’ and (B) by striking out that part which reads: ‘, and shall receive compensation at a rate determined by the Commission, but not in excess of $22,000 per annum’;

“(2) In the last sentence of section 24 b. (71 Stat. 612; 42 U.S.C. 2034(b)), relating to the annual salary of the Deputy General Manager of such Commission, (A) by inserting ‘and’ immediately before ‘shall be removable by the General Manager’ and (B) by striking out that part which reads: ‘, and shall receive compensation at a rate determined by the General Manager, but ‘not in excess of $20,500 per annum’;

“(3) In the last sentence of section 24 c. (71 Stat. 612; 42 U.S.C. 2034(c)), relating to the annual salaries of the Assistant General Managers (or their equivalents) of such Commission, (A) by inserting ‘and’ immediately before ‘shall be removable by the General Manager’ and (B) by striking out that part which reads: ‘, and shall receive compensation at a rate determined by the General Manager, but not in excess of $20,000 per annum’;

“(4) In the second sentence of section 25 a. (68 Stat. 925; 71 Stat. 612; 42 U.S.C. 2035 (a)), relating to the annual salaries of directors of program divisions of such Commission, by striking out that part which reads: ‘and shall receive compensation at a rate determined by the Commission, but not in excess of $19,000 per annum’;

“(5) In section 25 b. (68 Stat. 925; 71 Stat. 612; 42 U.S.C. 2035(b)), relating to the annual salary of the General Counsel of such Commission, by striking out that part which reads: ‘and shall receive compensation at a rate determined by the Commission, but not in excess of $19,500 per annum’;

“(6) In the first sentence of section 25 c. (68 Stat. 925; 71 Stat. 612; 42 U.S.C. 2035(c)), relating to the annual salary of the Director of the Inspection Division in such Commission, by striking out that part which reads: ‘and shall receive compensation at a rate determined by the Commission, but not in excess of $19,000 per annum’;

“(7) In the last sentence of section 25 d. (71 Stat. 612; 42 U.S.C. 2035(d)), relating to the annual salaries of certain executive management positions in such Commission, (A) by inserting ‘and’ immediately before ‘shall be removable by the General Manager’ and (B) by striking out that part which reads: ‘, and shall receive compensation at a rate determined by the General Manager, but not in excess of $19,000 per annum’; and

“(8) In the second sentence of section 28 (68 Stat. 926; 42 U.S.C. 2038), relating to the compensation of the active member of the Armed Forces serving as Director of the Division of Military Application in such Commission, by striking out that part which reads ‘and the compensation prescribed in section 25’ and inserting in lieu thereof, ‘and the compensation established for this position pursuant to section 303 or section 309 of the Federal Executive Salary Act of 1964’.

“(g) Section 2 of the Act of July 30, 1946, as amended (60 Stat. 712; 70 Stat. 740; 22 U.S.C. 287n), relating to the compensation of the United States representatives and alternates at sessions of the General Conference of the United Nations Educational, Scientific, and Cultural Organization, is amended by striking out ‘Such representatives and alternates shall each be entitled to receive compensation at such rates, not to exceed $15,000 per annum, as the President may determine,’ and inserting in lieu thereof ‘Such representatives and alternates shall each be entitled to receive compensation at such rates provided for Foreign Service officers in the schedule contained in section 412 of the Foreign Service Act of 1946, as amended, as the President may determine,’.

“(h) The third sentence of section 2 of the Act of May 29, 1959 (73 Stat. 63; 50 U.S.C. 402, note), is amended to read as follows: ‘Except as provided in subsection (f) of section 303 of the Federal Executive Salary Act of 1964, no officer or employee of the National Security Agency shall be paid basic compensation at a rate in excess of the highest rate of basic compensation contained in such General Schedule.’.

“(i)(1) Sections 2 and 3 of the Act of July 25, 1958 (72 Stat. 414; D.C. Code, secs. 1–204a and 1–204b), relating to the compensation of the Commissioners of the District of Columbia, are amended to read as follows:

“ ‘Sec. 2. Except as otherwise provided by this section and section 3 of this Act—

"'(1) the compensation of the Commissioners of the District of Columbia shall be at the rate of $25,500 each per annum; and

"'(2) the Commissioner detailed from the Corps of Engineers of the United States Army shall receive an annual compensation which, when added to any compensation he receives as an officer of the United States Army, will equal the compensation authorized by paragraph (1) of this section.

"'SEC. 3. Notwithstanding any other provision of law—

"'(1) the compensation of the President of the Board of Commissioners of the District of Columbia shall be at the rate of $26,000 per annum; and

"'(2) if the Commissioner detailed from the Corps of Engineers of the United States Army is chosen President of the Board of Commissioners, he shall receive, as President of the Board, an annual compensation which, when added to any compensation he receives as an officer of the United States Army, will equal the compensation authorized by paragraph (1) of this section.'.

"(2) Section 11–702(d) of the District of Columbia Code (77 Stat. 484; Public Law 88–241), relating to the rates of annual salary of the chief judge and the associate judges of the District of Columbia Court of Appeals, is amended—

"(A) by striking out '$19,000' and inserting in lieu thereof '$25,000'; and

"(B) by striking out '$18,500' and inserting in lieu thereof '$24,500'.

"(3) Section 11–902(d) of the District of Columbia Code (77 Stat. 437; Public Law 88–241), relating to the rates of annual salary of the chief judge and the associate judges of the District of Columbia Court of General Sessions, is amended—

"(A) by striking out '$18,000' and inserting in lieu thereof '$24,000'; and

"(B) by striking out '$17,500' and inserting in lieu thereof '$23,500'.

"(4) The first sentence of the second paragraph of section 2 of the District of Columbia Revenue Act of 1937, as amended (D.C. Code, sec. 47–2402), relating to the compensation of the person appointed to the District of Columbia Tax Court, is amended by striking out '$17,500' and inserting in lieu thereof '$23,500'.

"(5) That part of the salary schedule in section 1 of the District of Columbia Teachers' Salary Act of 1955, as amended (76 Stat. 1229; D.C. Code, sec. 31–1501), relating to the compensation of the Superintendent of Schools, and Deputy Superintendent of Schools, of the District of Columbia, which reads:

"'Class 1: Superintendent of Schools	$19,000	--------	--------	--------	--------	--------	--------	--------	-----
Class 2: Deputy Superintendent	16,500	--------	--------	--------	--------	--------	--------	--------	-----'.

is amended to read as follows:

"'Class 1: Superintendent of Schools	$26,000	--------	--------	--------	--------	--------	--------	--------	-----
Class 2: Deputy Superintendent	22,000	--------	--------	--------	--------	--------	--------	--------	-----'.

"(6) That part of the salary schedule in section 101 of the District of Columbia Police and Firemen's Salary Act of 1958 (72 Stat. 480), as amended (sec. 4–823, et seq., D.C. Code, 1961 edition), relating to the compensation of the Fire Chief and the Chief of Police, which reads:

"'Class 10 Fire Chief. Chief of Police.'	17,000	17,400	17,800	18,200	--------	--------	18,600	19,000	--------

is amended to read as follows:

"'Class 10 Fire Chief. Chief of Police.'	21,000	21,500	22,000	22,500	--------	--------	23,000	23,500	--------

"(j)(1) The catchline of section 3012 of title 10, United States Code, is amended by striking out '; compensation'

"(2) The table of contents of chapter 303 of such title 10 is amended by striking out

"'3012. Secretary of the Army: powers and duties; delegation by; compensation.'

and inserting in lieu thereof

"'3012. Secretary of the Army: powers and duties; delegation by.'.

"(3) The catchline of section 5031 of such title 10 is amended by striking out '; compensation'.

"(4) The table of contents of chapter 505 of such title 10 is amended by striking out

"'5031. Secretary of the Navy: responsibilities; compensation.'

and inserting in lieu thereof

"'5031. Secretary of the Navy: responsibilities.'.

"(5) The catchline of section 5033 of such title 10 is amended by striking out '; compensation'.

"(6) The table of contents of chapter 505 of such title 10 is amended by striking out

"'5033. Under Secretary of the Navy: appointment; duties; compensation.'

and inserting in lieu thereof

"'5033. Under Secretary of the Navy: appointment; duties.'.

"(7) The catchline of section 8012 of such title 10 is amended by striking out '; compensation'.

"(8) The table of contents of chapter 803 of such title 10 is amended by striking out

"'8012. Secretary of the Air Force: powers and duties; delegation by; compensation.'

and inserting in lieu thereof

"'8012. Secretary of the Air Force: powers and duties; delegation by.'.

"Changes in position titles

"SEC. 307. Whenever reference is made in any law or reorganization plan to the—

"Administrative Assistant Attorney General,

"Administrative Assistant Secretary of the Interior,

"Administrative Assistant Secretary of Agriculture,

"Administrative Assistant Secretary of Labor,

"Administrative Assistant Secretary of the Treasury, or

"Administrative Assistant Secretary of Health, Education, and Welfare,

such reference shall be held and considered to mean the

"Assistant Attorney General for Administration,

"Assistant Secretary of the Interior for Administration,

"Assistant Secretary of Agriculture for Administration,

"Assistant Secretary of Labor for Administration,

"Assistant Secretary of the Treasury for Administration, or

"Assistant Secretary of Health, Education, and Welfare for Administration,

respectively.

"Limitation on salaries fixed by administrative action

"SEC. 308. Except as provided by this Act and notwithstanding the provisions of any other law, the head of any executive department, independent establishment, or agency in the executive branch who is authorized to fix by administrative action the annual rate of basic compensation for any position, officer, or employee shall not fix such rate in excess of the highest rate of grade 18 of the General Schedule of the Classification Act of 1949, as amended. Nothing contained in this section shall be construed to impair the authorities provided in the Central Intelligence Agency Act of 1949, as amended (50 U.S.C. 403a and following), in section 3 of the Tennessee Valley Authority Act of 1933 (16 U.S.C. 831b), in section 9 of the Federal Deposit Insurance Act (12 U.S.C. 1819), in section 11 of the Federal Reserve Act (12 U.S.C. 248), or in section 5240 of the Revised Statutes (12 U.S.C. 481, relating to the Comptroller of the Currency).

"Miscellaneous positions in the executive branch

"SEC. 309. Each office or position in the executive branch specifically referred to in, or covered by, any conforming change in law made by section 305 of this Act, or any other office or position in the executive branch for which the annual salary is established pursuant to special provision of law enacted prior to the date of enactment of this Act, at a figure of $18,500 or above, which is not placed in a level of the Federal Executive Salary Schedule pursuant to section 303 of this Act, shall be paid basic compensation at a rate which is equal to the salary rate of a grade and step of the General Schedule of the Classification Act of 1949, as amended. All actions taken under this section shall be reported to the United States Civil Service Commission and published in the Federal Register, except when it is determined by the President that such report and publication would be contrary to the interest of national security.

"Saving provisions

"SEC. 310. (a) Except as provided by this Act, the changes in existing law made by this Act shall not affect any office or position existing immediately prior to the effective date of any such changes in existing law, the compensation attached to such office or position, and any incumbent thereof, his appointment thereto, and his entitlement to receive the compensation attached thereto, until appropriate action is taken in accordance with this Act or other law.

"(b) Notwithstanding any provision of this Act, the rate of basic gross, or total annual compensation received by any officer or employee immediately prior to the effective date of this section shall not be reduced by reason of enactment of this Act.

"TITLE IV—FEDERAL JUDICIAL SALARIES

"SEC. 401. This title may be cited as the 'Federal Judicial Salary Act of 1964'.

"SEC. 402. (a) The rates of basic compensation of officers and employees in or under the judicial branch of the Government whose rates of compensation are fixed by or pursuant to paragraph (2) of subdivision a of section 62 of the Bankruptcy Act (11 U.S.C. 102(a)(2)), section 3656 of title 18, United States Code, the third sentence of section 603, sections 672 to 675, inclusive, or section 604(a)(5), of title 28, United States Code, insofar as the latter section applies to graded positions, are hereby increased by amounts reflecting the respective applicable increases provided by title I of this Act in corresponding rates of compensation for officers and employees subject to the Classification Act of 1949, as amended. The rates of basic compensation of officers and employees holding ungraded positions and whose salaries are fixed pursuant to section 604(a)(5) may be increased by the amounts reflecting the respective applicable increases provided by title I of this Act in corresponding rates of compensation for officers and employees subject to the Classification Act of 1949, as amended.

"(b) The limitations provided by applicable law on the effective date of this section with respect to the aggregate salaries payable to secretaries and law clerks of circuit and district judges are hereby increased by amounts which reflect the respective applicable increases provided by title I of this Act in corresponding rates of compensation for officers and employees subject to the Classification Act of 1949, as amended.

"(c) Section 753(e) of title 28, United States Code (relating to the compensation of court reporters for district courts), is amended by striking out the existing salary limitation contained therein and inserting a new limitation which reflects the respective applicable increases provided by title I of this Act in corresponding rates of compensation for officers and employees subject to the Classification Act of 1949, as amended.

"(d) Section 40a of the Bankruptcy Act (11 U.S.C. 68(a)), as amended, relating to the compensation of full-time and part-time referees in bankruptcy, is amended by striking out the existing compensation limitations contained therein and inserting new limitations of '$22,500' and '$11,000', respectively.

"SEC. 403. (a) Section 5 of title 28, United States Code, relating to the salaries of the Chief Justice of the United States and of the Associate Justices of the Supreme Court of the United States, is amended by striking out '$35,500' and substituting therefor '$40,000', and by striking out '$35,000' and substituting therefor '$39,500'.

"(b) Section 44(d) of title 28, United States Code, relating to circuit judges, is amended by striking out '$25,500' and substituting therefor '$33,000'.

"(c) Section 135 of title 28, United States Code, relating to district judges, is amended by striking out '$22,500' and substituting therefor '$30,000', and by striking out '$23,000' and substituting therefor '$30,500'.

"(d) Section 173 of title 28, United States Code, relating to judges of the Court of Claims, is amended by striking out '$25,500' and substituting therefor '$33,000'.

"(e) Section 213 of title 28, United States Code, relating to judges of the Court of Customs and Patent Appeals, is amended by striking out '$25,500' and substituting therefor '$33,000'.

"(f) Section 252 of title 28, United States Code, relating to judges of the Customs Court, is amended by striking out '$22,500' and substituting therefor '$30,000'.

"(g) The first paragraph of section 603 of title 28, United States Code, relating to the compensation of the Director and the Deputy Director of the Administrative Office of the United States Courts, is amended to read as follows:

" 'The Director shall receive a salary of $27,000 a year. The Deputy Director shall receive a salary of $26,000 a year.'

"(h) Subsection (b) of section 792 of title 28, United States Code, relating to the compensation of commissioners of the Court of Claims, is amended to read as follows:

" '(b) Each commissioner shall receive basic compensation at the rate of $26,000 a year, and also all necessary traveling expenses and a per diem allowance as provided in the Travel Expense Act of 1949, as amended, while traveling on official business and away from Washington, District of Columbia.'

"(i) Section 7443(c) of the Internal Revenue Code of 1954 (68A Stat. 879), as amended, relating to judges of the Tax Court of the United States, is further amended by striking out '$22,500' and substituting therefor '$30,000'.

"(j) Section 867(a)(1) of title 10, United States Code, relating to judges of the Court of Military Appeals, is amended by striking out '$25,500' and substituting therefor '$33,000'.

"TITLE V—EFFECTIVE DATES

"SEC. 501. (a) Except to the extent provided in subsections (b) and (c) of this section, this Act and the increases in compensation made by this Act shall become effective on the first day of the first pay period which begins on or after July 1, 1964.

"(b) Section 204 of this Act, relating to increases in compensation for Members of Congress, shall become effective at noon on January 3, 1965.

"(c) Notwithstanding any other provision of this Act (but except as otherwise provided in subsection (b) of this section)—

"(1) no rate of compensation which is equal to or in excess of $22,000 per annum shall be increased in any amount, by reason of section 202 of this Act, until the first day of the first pay period which begins on or after January 1, 1965; and

"(2) no rate of compensation which is less than $22,000 per annum shall be increased to an amount per annum in excess of $22,000, by reason of section 202 or 203(g) of this Act, until the first day of the first pay period which begins on or after January 1, 1965.

"(d) For the purpose of determining the amount of insurance for which an individual is eligible under the Federal Employees' Group Life Insurance Act of 1954, all changes in rates of compensation or salary which result from the enactment of this Act shall be held and considered to be effective as of the date of such enactment.

"SEC. 502. (a) Retroactive compensation or salary shall be paid by reason of this Act only in the case of an individual in the service of the United States (including service in the Armed Forces of the United States) or the municipal government of the District of Columbia on the date of enactment of this Act, except that such retroactive compensation or salary shall be paid (1) to an officer or employee who retired during the period beginning on the effective date prescribed by section 501(a) and ending on the date of enactment of this Act for services rendered during such period and (2) in accordance with the provisions of the Act of August 3, 1950 (Public Law 636, Eighty-first Congress), as amended (5 U.S.C. 61f–61k), for services rendered during the period beginning on the effective date prescribed by section 501(a) and ending on the date of enactment of this Act by an officer or employee who dies during such period. Such retroactive compensation or salary shall not be considered as basic salary for the purpose of the Civil Service Retirement Act in the case of any such retired or deceased officer or employee.

"(b) For the purposes of this section, service in the Armed Forces of the United States, in the case of an individual relieved from training and service in the Armed Forces of the United States or discharged from hospitalization following such training and service, shall include the period provided by law for the mandatory restoration of such individual to a position in or under the Federal Government or the municipal government of the District of Columbia," and the Senate agree to the same.

TOM MURRAY,
JAMES H. MORRISON,
ROBERT J. CORBETT,
Managers on the Part of the House.

OLIN D. JOHNSTON,
MIKE MONRONEY,
FRANK CARLSON,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 11049) entitled "An act to adjust the rates of basic compensation of certain officers and employees in the Federal Government, and for other purposes," submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report.

The Senate struck out all of the House bill after the enacting clause and inserted a substitute text. The committee of conference recommends that the House recede from its disagreement to the amendment of the Senate with an amendment which is a substitute for both the House bill and the Senate amendment and that the Senate agree to the same.

Except for technical and conforming changes, the differences between the House bill and the conference substitute are explained below.

COST OF SALARY INCREASES

The budget expenditure for the fiscal year 1965 under the conference substitute is not expected to exceed $544 million, the President's maximum budget figure for the 1965 fiscal year. The annual cost of the conference substitute would be approximately $558 million on the basis of the current employment figures. However, the Bureau of the Budget has advised that the fiscal year 1965 expenditure because of this legislation will be held to the budget figure of $544 million through attrition, unfilling of vacancies, and other actions to increase the amount of cost absorption required under section 125 of the conference substitute.

DIFFERENCES BETWEEN THE TEXT OF THE HOUSE BILL AND THE CONFERENCE SUBSTITUTE

Title I—Federal employees' salary systems

Title I of both the House bill and the conference substitute provides salary rates reasonably comparable to those for substantially equal responsibilities in private enterprise for employees subject to (1) the Classification Act of 1949; (2) the postal field service compensation provisions of title 39, United States Code; (3) the salary schedules of the Foreign Service Act of 1946; (4) section 4107 of title 38, United States Code, relating to positions in the Department of Medicine and Surgery of the Veterans' Administration; and (5) employees of the agricultural stabilization and conservation county committees. The coverage of title I of the House bill is identical to the coverage of title I of the conference substitute. The major differences are discussed below.

Middle salary grades

The House bill guarantees a minimum 3-percent salary increase for postal employees and for employees in the lower grades of the Classification Act of 1949, but less than 3 percent for employees in the middle grades of such act—GS–9, GS–10, GS–11, and GS–12.

Section 102(a) of the conference substitute guarantees a minimum 3-percent increase for the middle grades as well as for the lower grades by increasing the rates provided in the House bill by $10 for GS–9, $60 for GS–10, $100 for GS–11, and $50 for GS–12. All other rates of the General Schedule of the Classification Act of 1949 are identical in both the House bill and the conference substitute.

Similar increases are provided under section 118 of the conference substitute for the middle grades of the salary schedules for employees in the Department of Medicine and Surgery of the Veterans' Administration and under section 119 for the salary schedules of the Foreign Service Act of 1946.

Initial appointments

Section 103(a) of the House bill and 103(a) of the conference substitute both amended section 801 of the Classification Act of 1949 relating to new appointments. The conference substitute adds the requirement to the House bill provisions that new appointments to positions in GS–13 and above at a rate above the minimum rate may be made only with the approval of the Civil Service Commission in each specific case. Such requirement will not apply to appointments made by the Librarian of Congress.

Professional engineering positions

Subsection (b) of section 103 of the House bill excludes professional engineering positions primarily concerned with research and development and professional positions in the physical and natural sciences and medicine which are placed in grades 16, 17, and 18 of the General Schedule of the Classification Act of 1949 from the provisions of section 507 and titles VII and VIII of such act.

Section 507 relates to salary retention on reduction in grade. Title VII relates to step increases and title VIII relates to such matters as the rate within the grade payable on initial appointment or promotion.

The conference substitute does not include a comparable provision.

Hearing examiners

Section 103(c) of the House bill and section 103(b) of the conference substitute relate to additional positions exempted from the maximum limitation of 2,400 supergrade positions which the Civil Service Commission may approve for GS–16, GS–17, and GS–18.

The House bill added two new exemptions: (1) hearing examiner positions under section 11 of the Administrative Procedure Act (5 U.S.C. 1010); and (2) positions placed in the supergrades in accordance with section 309 of the House bill. In general, section 309 covers certain positions which were not placed in the Federal Executive Salary Schedule by this legislation.

The conference substitute adds to the exemptions from the 2,400 supergrade positions, 240 positions of hearing examiners for GS–16 and 9 positions of hearing examiners for GS–17. The House bill did not contain any numerical limitation on the number of hearing examiner positions to be placed in the supergrades. It is to be noted that the limitations on hearing examiner positions to be exempt from the total limitation of 2,400 does not prohibit the placing of more than 240 hearing examiner positions in grade 16 or more than 9 hearing examiner positions in grade 17 should the Civil Service Commission approve additional hearing examiner positions for the supergrades within the 2,400 numerical limitation.

The second exemption contained in the House bill relating to section 309 is not included in the conference substitute, as section 309 of the conference substitute provides that employees occupying positions covered by section 309 will receive pay equivalent to a rate of the General Schedule of the Classification Act of 1949 but does not contemplate that the positions will be placed under the Classification Act of 1949 or placed in the supergrades as did the House version.

Pay computation

Section 103(d) of the House bill amends section 604(d)(3) of the Federal Employees Pay Act of 1945 (5 U.S.C. 944(c)(3)) to change the method of computing salary rates for all pay computation purposes affecting most employees of the Federal Government and of the municipal government of the District of Columbia so that in the computation of rates all remaining fractions of a cent shall be eliminated. The existing method of computing rates is to compute in full cents, counting any fraction of a cent as the next higher cent.

Section 103(c) of the conference substitute requires rounding off to the nearest cent, counting one-half cent and over as the next higher cent. This method of computation is the same method now provided under section 3541(f) of title 39, United States Code, for postal employees. Consequently, section 116(b) of the House bill amending section 3541(f) is not included in the conference substitute.

Ranking of positions in the postal service

Section 108(a) of the House bill and section 108(a) of the conference substitute both amend section 3501 of title 39, United States Code, by adding a new subsection (c) relating to the ranking of positions for which the number of annual revenue units of a post office or its class is a relevant factor of the ranking of positions.

Under the conference substitute the reranking of such positions will be as of the beginning of the first pay period in calendar year 1965, whereas the House bill would have required the first reranking of such positions as of the beginning of the first pay period occurring on or after the date of enactment of this bill.

Fourth-class postmasters

Section 111 of the House bill and section 111 of the conference substitute both amend section 3544 of title 39, United States Code, relating to the compensation of postmasters at fourth-class post offices.

The House bill proposes a measure which would accomplish pay reform for postmasters at fourth-class offices in line with reforms provided other Federal employees in the Federal Salary Reform Act of 1962 (76 Stat. 841; Public Law 87–793, part II). The reform would evaluate the positions of postmasters in fourth-class offices in PFS–5 and determine their pay for essentially part-time work on the basis of actual time required. The proposal would authorize the Postmaster General to establish and determine the work requirements in these part-time offices and to fix the compensation of postmasters accordingly. Where the actual compensation to be fixed by this method was less than that due under FOS schedule II, compensation would have continued to be fixed under FOS schedule II as though such schedule continued in effect.

The House bill also made other changes respecting postmasters in fourth-class offices which recognized the part-time nature of their work. The 15-percent allowance for rent, light, fuel, and equipment was based on the rate for step 1 rather than on the actual compensation of the postmaster as at present where quarters are not furnished. The change would have given the Post Office Department the option to furnish quarters when this was desirable, necessary, or more economical and, at the same time, rationalize the allowance for postmasters furnishing quarters.

Section 111(a) of the conference substitute does not contain the reform measures included in the House bill but provides a new salary schedule for postmasters at fourth-class post offices. The schedule is based on the new revenue unit concept and provides increases ranging from 10 percent in the highest group for fourth-class offices to 15 percent in the lower fourth-class office levels. Postmasters at fourth-class offices of the lowest two existing levels will receive increases substantially in excess of 15 percent of their present salary. This group is among the lowest paid of Federal employees and has the greatest need for substantial salary increases.

The conference substitute also provides the necessary language to properly compensate postmasters at fourth-class offices under the revenue unit concept, to permit the Postmaster General to advance fourth-class offices to higher categories, to compensate persons serving in place of postmasters at fourth-class offices, to provide additional compensation to postmasters at fourth-class offices for unusual conditions, to provide for compensation to postmasters at seasonal fourth-class offices, to provide for the relegation of third-class offices to the fourth-class under certain conditions, and to provide for an allowance of 15 percent basic compensation for quarters, fixtures, and equipment.

Section 111(b) of the conference substitute provides a method of converting postmasters at fourth-class offices to the new schedule. Each postmaster will be placed in the lowest step for his revenue unit category which exceeds his existing compensation by not less than 10 percent. If there is no such step, he will retain his existing compensation plus 10 percent. Because the increases incident to changing to the new schedule are not equivalent increases, any credit toward the next step increase earned prior to the effective date of section 111 will be carried forward for purposes of determining eligibility for the next step increase under the new schedule.

Section 111(c) of the conference substitute provides that changes in gross receipts categories or steps which otherwise would have occurred on the effective date of section 111 shall be considered as occurring prior to conversion.

Because of the change from adjusted gross postal receipts to revenue units for determining class of office and category, some post offices, classified as fourth-class offices on July 1, 1964, will not fall within the revenue unit categories prescribed in the new schedule. In such cases, the offices will be continued as fourth-class post offices until reclassified by operation of other sections of the bill. Postmasters in such offices will continue to receive the 10-percent increase in basic compensation until the salaries are adjusted as otherwise required.

Postal field service annual step increases

Section 114(a) of the conference substitute extends to all levels of the Postal Field Service Schedule annual step increases up to step 7. Under present law, only employees in levels 1 through 6 receive annual step increases up to step 7, and employees in level 7 or above receive annual step increases to steps 2, 3, and 4, and biennial step increases to steps 5, 6, and 7.

The House bill has no comparable provisions.

Staff allowance for former residents

Section 124 of the conference substitute increases the maximum amount available to former Presidents of the United States for compensation payable to their staff employees from the present maximum of $50,000 to $65,000.

The House bill has no comparable provision.

TITLE II

Federal legislative salaries

Title II of the House bill and of the conference substitute both provide increases in rates of compensation for officers and employees of the legislative branch.

Legislative staff salaries

Subsections (e) through (h) of section 202 of the conference substitute contain the usual authority relating to Senate employees in the following respects. Subsection (e) reserves to individual Senators the authority to determine whether increases provided by the bill shall apply to members of their own staffs. Subsection (f) provides increases for employees of the Senate whose compensation has been fixed by law at gross rates. These increases will be comparable to the increases granted under section 202(a) of the conference substitute. Subsection (g) increases the gross compensation limitation for Senate employees from $18,880 to $22,945. Subsection (h) increases the limitation on the gross rate per hour of employees in the Senate folding room.

Section 202(i) of the conference substitute increases the gross rate of compensation of the Postmaster of the Senate to $18,420 and the gross rate of the Assistant Postmaster of the Senate to $14,570. This subsection also excludes these two positions from the longevity provisions of section 106 of the Legislative Branch Appropriation Act, 1963 (76 Stat. 694; Public Law 87–730).

Section 203(g) provides a rate of compensation of $27,500 per annum for the Secretary of the Senate, the Sergeant at Arms of the Senate, and the Legislative Counsel of the Senate.

Section 203(h) provides a rate of compensation of $15,000 per annum for the Chaplain of the Senate.

The House bill contained no similar provisions relating to Senate employees.

Officers of the legislative branch

Section 203 of the House bill and section 203 of the conference substitute both establish annual rates of compensation for certain officers of the legislative branch. A comparison of the annual rates of basic compensation for these officers is set forth below:

Position title	House bill	Conference substitute
Assistant Comptroller General	$29,000	$28,500
General Counsel of General Accounting Office	28,000	27,000
Librarian of Congress	28,000	27,000
Public Printer	28,000	27,000
Architect of the Capitol	28,000	27,000
Deputy Public Printer	27,000	25,500
Deputy Librarian of Congress	27,000	25,500
Assistant Architect of the Capitol	27,000	25,500
2d Assistant Architect of the Capitol	26,000	23,500

TITLE III

Federal Executive Salaries

Title III of the House bill and title III of the conference substitute both provide for a Federal Executive Salary Schedule and make necessary conforming changes in existing law. The major differences are discussed below.

Federal executive salary schedule

The House bill establishes six salary levels for the Federal Executive Salary Schedule. The conference substitute establishes five such levels. A comparison of the annual rates of basic compensation of such levels in the House bill and in the conference substitute is set forth below:

	House bill	Conference substitute
Level I	$32,500	$35,000
Level II	30,000	30,000
Level III	29,000	28,500
Level IV	28,000	27,000
Level V	27,000	26,000
Level VI	26,000	------------

The House bill makes specific assignments of executive positions to level I, level II, level III, and positions held by members of certain boards and commissions to level IV. Also, the House bill authorizes the President to assign positions to level IV, level V, and level VI.

Sections 303(a) through 303(e) of the conference substitute specify positions for all five levels prescribed by the conference substitute.

A comparison showing the different assignments by the conference substitute of certain positions specifically assigned by the House bill is set forth below:

Specific position assignments to different levels

	House	Conference
Administrator, Federal Aviation Agency	III	II.
Secretaries of Air Force, Army, and Navy	III	II.
Solicitor General of the United States	(Presidential authority)	III.
Director of Selective Service (present incumbent)	(Presidential authority)	III.
Members, Council of Economic Advisers	III	IV.

Presidential authority

Section 303(f) of the conference substitute grants authority to the President to place offices and positions held by not to exceed 30 persons in levels IV and V of the Federal Executive Salary Schedule when he deems such action necessary to reflect changes in organization, management responsibilities, or workload. The subsection also requires that, in the case of an office to which appointment is made by the President by and with the advice and consent of the Senate, the President may use such authority only at the time of the new appointment. Action by the President under this subsection is required to be published in the Federal Register except when it is determined by the President that such publication would be contrary to the interest of the national security. The authority will not apply to any office or position the compensation for which is fixed at a specific rate by section 303 of the conference substitute or by statute enacted subsequent to the date of enactment of this legislation.

Section 303(g) authorizes the President to place in levels IV and V offices and positions, the duties and responsibilities of which he deems appropriate for such levels, held by not to exceed 30 persons. The authority under this subsection relates to positions which are in addition to positions listed in subsections (d) and (e) of section 303 and which are in addition to the positions acted upon pursuant to subsection (f) of section 303. The authority under this subsection shall not apply with respect to any office or position the compensation for which is fixed at a specific rate by section 303 of the conference substitute or by statute enacted subsequent to the date of enactment of this act.

Presidential staff

Section 304(b) of the conference substitute adds the position of the Executive Secretary of the National Aeronautics and Space Council to the 15 positions for which the House bill authorizes the President, under section 105 of title 3, United States Code, to fix rates of basic compensation at a rate not to exceed the rate for level II of the Federal Executive Salary Schedule.

Conforming changes in existing law

Section 305 and section 306 of both the House bill and the conference substitute repeal or amend provisions of existing law to bring existing law into conformity with the Federal Executive Salary Act of 1964.

The conference substitute omits one repealer contained in the House bill (sec. 305(41)) relating to the annual salaries for not more than three positions of Deputy Governor, Farm Credit Administration.

The conference substitute adds another repealer not contained in the House bill (sec. 305(44)) relating to the rate of compensation for the Special Assistant to the Secretary (Health and Medical Affairs), Department of Health, Education, and Welfare.

Section 306 of the conference substitute omits an amending change of the House bill (sec. 306(h)) relating to the compensation of the U.S. representatives and alternates at the sessions of the general council and at sessions of the executive committee of the International Refugee Organization.

Staff of Advisory Commission on Intergovernmental Relations

Section 306(e) of the House bill, relating to the maximum compensation payable to the staff of the Advisory Commission on Intergovernmental Relations, increased the present maximum of $20,000 per annum to the rate for level VI of the Federal Executive Salary Schedule.

Section 306(e) of the conference substitute increases such maximum to a rate not in excess of the highest rate of grade 18 of the General Schedule of the Classification Act of 1949.

Director, Division of Military Application, Atomic Energy Commission

Section 306(f)(8) of the House bill, relating to the maximum aggregate compensation of the active member of the Armed Forces serving as Director of the Division of Military Application in the Atomic Energy Commission, increases such maximum to the "compensation for directors of other program divisions." It was contemplated that such compensation would be the rate for GS–18 unless the President were to assign such other program director positions to levels IV, V, or VI of the Federal Executive Salary Schedule as provided for under the House bill.

Section 306(f)(8) of the conference substitute increases such maximum to the "compensation established for this position pursuant to section 303 or section 309 of the Federal Executive Salary Act of 1964." The effect of the conference substitute is to limit the maximum aggregate compensation to the salaries of level IV or V of the Federal Executive Salary Schedule if the President assigns the position to either of such levels; but if he does not, the maximum will not exceed the rate for GS–18.

Officers of the District of Columbia

Section 306(j) of the House bill and section 306(i) of the conference substitute both relate to the compensation of officials of the District of Columbia. The conference substitute provides rates $1,000 less in certain cases than the rates provided in the House bill. A comparison of the rates for those officials for which the rates are different is set forth below:

Position	Salary rates	
	House bill	Conference substitute
President, District of Columbia Board of Commissioners	$27,000	$26,000
Other District of Columbia Commissioners	26,500	25,500
Chief judge, District of Columbia Court of Appeals	26,000	25,000
Other judges, District of Columbia Court of Appeals	25,500	24,500
Chief judge, District of Columbia court of general sessions	25,000	24,000
Other judges, District of Columbia court of general sessions	24,500	23,500
Judge, District of Columbia Tax Court	24,500	23,500

Limitations on salaries fixed by administrative action

Section 308 of the House bill limits the salary-fixing authority of the heads of executive departments and agencies by providing that hereafter they may not fix rates in excess of the highest rate for grade GS–18 of the General Schedule of the Classification Act of 1949. The House bill exempted from this limitation authorities contained in the Central Intelligence Agency Act of 1949 (50 U.S.C. 403a), the Tennessee Valley

Authority Act of 1933 (16 U.S.C. 831b), section 9 of the Federal Deposit Insurance Act (12 U.S.C. 1819), and section 5240, Revised Statutes (12 U.S.C. 481, relating to the Comptroller of the Currency).

Section 308 of the conference substitute adds one additional authority to the exemptions, which is section 11 of the Federal Reserve Act (12 U.S.C. 248).

Miscellaneous executive positions

Section 309 of the House bill requires the placement in the appropriate grade of the Classification Act of 1949 of any office or position in the executive branch not placed in a level of the Federal Executive Salary Schedule under section 303 of the House bill but which is affected by any change in existing law under section 305 of the House bill.

Section 309 of the conference substitute provides that each such office or position shall be compensated at a rate equal to the rate of a grade and step of the General Schedule of the Classification Act of 1949. In addition, the conference substitute applies this policy to other offices and positions in the executive branch for which the annual salary is established, at a figure of $18,500 or more, pursuant to a special provision of law enacted prior to the date of enactment of the conference substitute. The conference substitute contains a further provision (not in the House bill) to the effect that all actions taken under section 309 of the conference substitute shall be reported to the U.S. Civil Service Commission and published in the Federal Register, except when the President determines that such report and publication would be contrary to the interest of national security.

TITLE IV

Federal judicial salaries

Section 402(a) of the House bill provides increases in rates of compensation for certain specified employees of the judicial branch of the Government. The increases will be in amounts corresponding to the increases under section 102 of the bill for Classification Act employees.

Section 402(a) of the conference substitute has the same coverage as the House bill but includes an additional provision which has the effect of authorizing the Director of the Administrative Office of the U.S. Courts to determine the amount of the increases for employees appointed pursuant to section 604(a)(5) of title 28, United States Code, who hold "ungraded positions." Graded positions are those under the judiciary salary plan approved by the Judicial Conference of the United States. The ungraded positions are clerks of court, Register of Wills of the District of Columbia, the pretrial examiners in the District of Columbia and in New York, and the assistant pretrial examiner in the District of Columbia.

Section 403 of the House bill and section 403 of the conference substitute both provide increases in the compensation of Federal judges, the Director and Deputy Director of the Administrative Office of the U.S. Courts and the Commissioners of the Court of Claims.

The conference substitute changes the rates provided by the House bill for the Justices of the Supreme Court, the Director and Deputy Director of the Administrative Office of the U.S. Courts, and for the Commissioners of the Court of Claims as indicated below:

Position	House bill	Conference substitute
Chief Justice of the United States	$43,000	$40,000
Associate Justices of the Supreme Court of the United States	42,500	39,500
Director, Administrative Office of the U.S. Courts	28,000	27,000
Deputy Director, Administrative Office of the U.S. Courts	27,000	26,000
Commissioners, Court of Claims	27,000	26,000

TITLE V

Salary relationships in Federal executive, judicial, congressional, and career salaries (House bill)

Title V of the House bill provided for the establishment and maintenance, on a permanent basis, of salary relationships with respect to Federal executive, judicial, congressional, and career salaries. This title, which consisted of section 501, contained, in section 501(a), a statement of policy with respect to the desirability of maintaining and continuing, on a permanent basis, the salary relationships established by the House bill among and between the salary rates of (a) the General Schedule of the Classification Act of 1949 and the Postal Field Service Schedule in title I of the House bill; (b) Members of Congress and the Speaker of the House of Representatives in title II; (c) Federal executives in title III; and (d) Federal judges in title IV.

In order to implement this policy, section 501(b) provided, in effect, that, whenever in the future the salary rates of the General Schedule of the Classification Act of 1949 shall have been increased by law, the salary rates of officers and positions in the categories referred to above would be increased automatically in accordance with a formula designed to provide increases in such rates proportionate to the General Schedule salary rate increases.

The Senate amendment did not contain comparable provisions.

The conference substitute omits these provisions of title V of the House bill.

TITLE VI

Effective dates

Title VI of the House bill and title V of the conference substitute both relate to the effective dates for the various provisions of the bill.

Section 601(a) of the House bill provides that, except as provided in subsections (b) and (c), the increases in compensation would become effective on the first day of the first pay period which begins on or after the date of enactment.

Section 601(b) provided that increases for Members of Congress would become effective at noon, January 3, 1965.

Section 601(c) prohibits any rate of compensation from being increased to an amount per annum in excess of $22,000 until the first day of the first pay period which begins on or after January 1, 1965.

Section 501(a) of the conference substitute provides as an effective date the first day of the first pay period which begins on or after July 1, 1964, except as provided in subsections (b) and (c) of the section. Because the effective date of section 105, relating to the classification of post offices, is later than July 1, 1964, it will not disturb the classification of post offices made on July 1, 1964. The first general reclassification under the revision made by this legislation will occur on July 1, 1965.

Section 501(b) of the conference substitute contains the same effective date, noon, January 3, 1965, for Members of Congress as contained in the House bill.

Section 501(c) of the conference substitute provides that the rates for officers and employees of the House of Representatives and the U.S. Senate shall not be increased above $22,000 per annum until the first day of the first pay period which begins on or after January 1, 1965. The limitation in the conference substitute applies only to certain rates in title II of the bill and not to rates in other titles of the bill as did the House provision.

Section 501(d) of the conference substitute provides that, for the purpose of determining the amount of insurance for which an officer or employee is eligible under the Federal Employees' Group Life Insurance Act of 1954 (5 U.S.C. 2091–2103), all changes in rates of compensation which result from the enactment of the conference substitute shall be held and construed to be effective as of the date of enactment.

Section 502 of the conference substitute provides that, except for employees who died or retired during the retroactive period, the payment of retroactive compensation will be made only in the case of individuals in the service of the United States (including service in the Armed Forces of the United States) or of the municipal government of the District of Columbia on the date of enactment. Retroactive payment also would be made for services rendered during the retroactive period in the case of employees who retired or died during such period.

The conference substitute also provides that such retroactive compensation shall not be considered as basic compensation for the purpose of the Civil Service Retirement Act in the case of any such retired or deceased officer or employee.

The House bill contained no provision similar to section 502 of the conference substitute.

TOM MURRAY,
JAMES H. MORRISON,
ROBERT J. CORBETT,
Managers on the Part of the House.

Mr. MURRAY. Mr. Speaker, I yield 30 minutes to the gentleman from Pennsylvania [Mr. CORBETT], and pending that I yield myself such time as I may require.

Mr. Speaker, H.R. 11049, an act to adjust the rates of basic compensation of certain officers and employees in the Federal Government, and for other purposes, passed the House on June 12, 1964, and was amended in the other body.

The committee of conference on the disagreeing votes of the two Houses recommends that the House recede from its disagreement to the amendment of the Senate with an amendment which is a substitute for both the House bill and the Senate amendment.

The conference substitute fully effects the purposes of the House bill. These purposes are first, to comply partially with the mandate, laid down by the Congress in Public Law 87–793, that postal and other Federal career employees shall be paid salaries comparable to salaries paid workers in private enterprise for comparable levels of responsibility, skill, and performance, and second, to partially remedy the serious inadequacies in the Federal executive, congressional, and judicial salary structure. The conference report is unanimous and is signed by all conferees on the part of the House and on the part of the Senate. I hope the conference report will be approved.

The conference substitute grants postal and other career employees salary increases as provided in the House bill, but corrects an inequity with respect to the salaries of employees in the middle salary grades. It guarantees a minimum 3-percent increase for grades GS–9 through GS–12 of the Classification Act, whereas increases in these grades were as low as 1.6 percent in the House bill. A similar minimum will apply with respect to two salary increases for other categories of employees covered by the bill.

The conference substitute also provides a new salary scale for postmasters in fourth-class post offices granting increases for these postmasters which are more in line with increases for other employees than provided by the House bill. These postmasters will receive increases ranging from 10 percent in the highest group of offices to 15 percent in the lower levels.

The conference substitute extends to all levels of postal field service employees annual step increases through the first seven automatic salary steps, whereas under present law only those postal employees in the lowest six salary levels receive such annual increases. The House bill would have continued the existing automatic step increase provisions—that is, they would have been limited to the first six salary levels.

Other changes made by the conference substitute in the House bill include, first, a requirement for Civil Service Commission approval of any proposed new appointment to a Classification Act position at higher than the initial salary step; second, omission of the exemption from certain limitations of the Classification Act for supergrade positions concerned with research and development in the physical and natural sciences and medicine; third, the fixing of a maximum limitation of 249 hearing examiner positions at grades 16 and 17 which are exempt from the existing aggregate numerical limitation on all supergrade positions; and fourth, the inclusion of a provision of the Senate amendment increasing the allowance to former Presidents for staff salaries by $15,000.

The conference substitute contains the provisions of the House bill for adjustment of salary rates of House officers and employees, and adds the provisions of the Senate amendment providing salary adjustments for Senate officers and employees.

The conference substitute provides a salary for the Assistant Comptroller General of the United States of $28,500, the same as the salary for executive salary level III in the Senate amendment and the conference substitute. The House bill provided a salary of $29,000 for such executive level III and for the Assistant Comptroller General.

Similarly, the conference substitute provides salaries of $27,000—equal to the salary rate for executive level IV for the general counsel of the General Accounting Office, the Librarian of Congress, the Public Printer, and the Architect of the Capitol. The House bill provided salaries of $28,000 equal to the executive salary level IV of the House bill, for these positions.

The salaries of the Deputy Public Printer, the Deputy Librarian of Congress, and the Assistant Architect of the Capitol are fixed at $25,500 by the conference substitute, representing a compromise between the House bill figure of $27,000 and the Senate amendment figure of $24,500. A related compromise places the salary of the Second Assistant Architect of the Capitol at $23,500 in the conference substitute, in lieu of the $26,000 in the House bill and the $22,500 in the Senate bill.

The conference substitute adopts the five executive salary levels and the salaries for such levels provided in the Senate amendment. The salary for Cabinet officers—executive level I—is $35,000, or $2,500 more than provided in the House bill. The salary for executive level II is $30,000, as in both the House bill and the Senate amendment. The salaries for executive levels III, IV, and V are $28,500, $27,000, and $26,000, respectively, compared to $29,000, $28,000, and $27,000 in the House bill.

The conference substitute makes specific position assignments to all five executive levels, as in the Senate amendment, whereas the House bill made such specific assignments only for the highest three levels and authorized the President to place such positions as he might deem proper in executive levels IV, V, and VI—with level VI of the House bill omitted from the conference substitute. Since the Senate amendment made a number of specific position assignments to executive levels IV and V but did not make such specific assignments for certain other positions which have been recommended for executive levels, and in view of the "open-end" authorization in the House bill for the President to place positions in the executive levels IV and below, the conference substitute contains a compromise between the House bill and the Senate amendment provisions in this respect by authorizing the President to place positions held but not to exceed 60 persons in executive levels IV and V.

The conference substitute also makes certain changes in the assignment of positions to executive levels II, III, and IV, for which differing specific assignments among such levels were made in the House bill and the Senate amendment. These few positions are listed on page 46 of the statement of managers.

The conference substitute adopts the salary rates provided by the Senate amendment for officers and judges of the District of Columbia—which are $1,000 below the House bill salaries in each case—except that it contains the House bill salaries for the Superintendent and the Deputy Superintendent of Schools, the Fire Chief, and the Chief of Police.

The conference substitute provides a salary of $40,000 for the Chief Justice of the Supreme Court of the United States and of $39,500 for the Associate Justices of the Supreme Court. This is $3,000 less than the salaries provided in the House bill, but $2,000 more than the salaries provided by the Senate amendment. The salaries of the Director of the Administrative Office of the U.S. Courts, the Deputy Director, and the Commissioners of the Court of Claims are fixed at $27,000, $26,000, and $26,000, respectively—or $1,000 below the House figures in each case. As in the case of the legislative officers mentioned earlier, these adjusted salary rates are keyed to appropriate executive salary rates in the conference substitute.

The conference substitute does not include title V contained in the House bill, which would have provided for automatic future adjustments of salary rates for Members of Congress and Federal executives and judges in conformity with future increases in Classification Act salary rates.

The conference substitute makes all salary increases provided therein effective on the first day of the first pay period beginning on or after July 1, 1964, except that the salary adjustments for Members of Congress will take effect at noon on January 3, 1965. However, as is necessary and customary where retroactive salary increases are granted, for the purpose of fixing the amount of group life insurance the new salary rates are held to be effective as of date of enactment. Similarly, the retroactive salary increase will be paid generally only to employees on the rolls on the date of enactment, except that it will be paid to anyone who retired during the retroactive period for services actually rendered after the effective date and up to retirement date. The retroactive increase will not be considered basic salary for Retirement Act purposes in the case of such retirees.

The effect of these special limitations with respect to the retroactive part of the salary increases will take place in every instance at a point of time between the effective date of July 1, 1964, as provided by the Senate amendment, and the effective date of the first day of the first pay period beginning on or after date of enactment as provided in the House bill. There can be no question of their propriety in the conference substitute as an adjustment between the provisions of the House bill and of the Senate amendment relating to the time the new salaries shall be effective.

Mr. Speaker, I have summarized all of the differences of any considerable importance between the House bill and the conference substitute. I hope that the conference substitute will be approved.

Mr. CORBETT. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. JOHANSEN].

Mr. JOHANSEN. Mr. Speaker, I rise to urge defeat of the conference report on H.R. 11049.

At the outset, I remind the House that once this year we had the gumption to defeat the Federal Employees Pay Act of 1964.

On March 12, the House rejected the earlier version of this bill by a substantial 222-to-184 vote. We could do it again today. We ought to do it.

I have just one observation to offer at this juncture. I offer it not only for such consideration as my colleagues are willing to give it here and now, but also for such consideration as the taxpayers of America may wish to give our action today when they go into the voting booths on November 3.

I propose to speak briefly about integration—not the kind of integration that has been the subject of national controversy for the past decade, but integrated inflation.

I respectfully point out that what we are doing today represents one more step in the chain reaction procedure whereby we are tying the Federal salary and employee benefit policies and, indeed, the entire Federal fiscal policy into the total inflationary process in this country.

Wage and salary scales in private industry are tied into the cost-of-living index—largely through the escalation clauses of collective bargaining contracts.

Through adoption of the ill-advised comparability principle, we have tied the Federal wage and salary scales into the private industry wage and salary scale.

Through the Udall amendment, it was proposed to tie in congressional salaries through a scheme of automatic increases with any increases made hereafter in the Federal salary scale. I recognize that this noxious provision has been deleted in conference, but I predict that it will be back.

Furthermore, we ought not to forget that the cost of Federal employee fringe benefits is likewise tied in automatically with the salary and wage increases.

This fact, which receives little, if any, consideration when this House votes further salary and wage increases for Federal employees, has become so significant that it occasioned a timely comment the other day by Mr. Joseph Young, who writes "The Federal Spotlight" column in the Washington Star. Mr. Young pointed out that the cost of Government employee fringe benefits has mounted to 23 percent of total payroll—and that is additional to the Federal payroll.

Mr. Young further pointed out that this 23 percent added cost of fringe benefits amounts to some $3.5 billion in additional annual costs, over and above the $15 billion annual Federal payroll.

And Mr. Young further pointed out, quite correctly, that "every time Government salaries are increased, the value of the employees' fringe benefits is raised with a resultant increase in cost to the Government."

If we adopt this conference report today, we are repeating that process.

My point is that the net result of this integrated inflation is a progressive loss of control by the Congress and the American taxpayer over both the damaging processes of inflation and over the mounting costs of Federal Government.

Let me observe in passing that there is one all-important difference between the economics of mass production in private industry and the economics of burgeoning Federal Government.

In private industry, mass production can reduce unit costs. On the other hand, there is no equivalent or corresponding reduction in unit cost incident to the massive expansion of the bureaucracy.

Last week I voted against the social security amendments on the grounds that it further ties the social security program into the inflationary cycle. An opponent back home said my vote "just doesn't make any sense."

I suppose by the same standards of fiscal irresponsibility accepted by my opponent, "it just doesn't make any sense" to vote against this pay bill.

I submit, Mr. Speaker, that the only thing that does make any sense is a desperation effort to put the brake on fiscal policies which make control of inflation progressively difficult, if not impossible.

We have the opportunity today to take a major step in this direction by rejecting this conference report.

Mr. MURRAY. Mr. Speaker, I yield such time as he may desire to the gentleman from New Jersey [Mr. DANIELS].

Mr. DANIELS. Mr. Speaker, the amendment recommended in the conference report on H.R. 11049 will accomplish a complete overhaul of the salaries in the executive branch. Also it will help bring the salaries of other Federal Government personnel up to date. I would like to reiterate, if I may, a few of the most important aspects of this legislation

In 1962, Congress made the commitment to our classified and postal Federal employees, numbering approximately 2 million, that their wages would be comparable to those in private enterprise. We did this so that they would not be penalized economically for their decision to serve the Federal Government. The conference report before us today will determine whether Congress intends to abide by this commitment.

Before the comparability principle was introduced, during the period from 1945 to 1960 a haphazard approach to Federal salaries resulted in seven increases which averaged 4.1 percent annual increases for classified employees and 4.9 percent annual increases for postal employees.

The Members of Congress, the high appointive offices in the executive branch, and the Federal judiciary, collectively and individually, have an immense responsibility. The welfare and very survival of every American rests on the soundness of their decisions. In all other areas of American life, those who are held accountable for important and far-reaching decisions are paid salaries commensurate with their responsibilities. It seems only fair that this should also be the case in the Federal Government.

Each member of the board of directors of most major corporations in the United States are paid salaries upward of $40,000 per year. Yet the members of the board of directors of the Nation's largest business, the Congress, receive $22,500 per year. A sampling of 1,157 firms showed that the median salary for the highest officer was $91,000 per year, yet a Federal Cabinet officer who heads a concern larger than most of the firms in that study receives only $25,000 per year and will receive $35,000 under this proposal. Even officials of many of the larger States receive more than that.

In these positions of great responsibility, it is fallacious to assume that economy will result from paying salaries less than could be obtained elsewhere. These are positions in which we must have qualified administrators and decisionmakers. Yet many of the qualified people appointed to these jobs find that they simply cannot afford to keep them; consequently, they resign. It is false economy to maintain the compensation of the most important and critical Government offices at such a level that only the rich can afford them. One of the objections raised earlier to this bill was that it is not economical—the biggest economy we can accomplish is to pay salaries commensurate with responsibilities and duties, so that highly qualified people can afford to hold them.

The advantageous effects of this legislation will be great, not only with respect to the highest offices in all three branches of the Government, but in the lower grades and levels as well. The salary structure that we are about to adopt will respond better to the present-day needs of the Government than the system presently in effect, and it will facilitate the recruitment of a high caliber of personnel from top to bottom.

Mr. Speaker, H.R. 11049 received extensive consideration by the Post Office and Civil Service Committees of both the House and the Senate. The few changes made in the House bill by the conferees were, on the whole, quite fair, and resulted in several improvements. This bill is much needed and long overdue. I hope the Members of this great body will join with me in voting for it again today.

Mr. CORBETT. Mr. Speaker, I yield such time as he may desire to the gentleman from Indiana [Mr. BRAY].

Mr. BRAY. Mr. Speaker, I must again rise in protest to the passage of this unnecessary and unjustified pay increase for Members of Congress.

I say unnecessary and unjustified for I sincerely believe it is a mistake to approve this legislation at this time, regardless of the merit which some Members may feel the legislation contains.

This legislation means that in the course of the last 10 years the Congress will have increased its salary by 140 percent—from $12,500 in 1954 to $30,000 in 1965. We are all thankful that the cost of living has not risen by proportionate leaps and bounds. Had the expenses of the average American increased to that extent within that period we would be undergoing severe economic problems.

It is for this reason that I believe we should oppose the conference report for this further pay increase. One of our chief objectives should be to direct economic forces so as to avoid inflation. Inflation can destroy the value of the dollar, and is especially damaging to retired persons living on their savings, pensions, and social security payments.

The ultimate effects of runaway inflation would be hard to foretell, but we know it could cause great damage to untold millions of Americans.

The House rejected this pay legislation on March 12, but, at the insistence of President Johnson, it was revived.

As for the necessity of increases to various classes of Federal Government employees, such increases should have been considered on their own, and not all tied together with huge raises for the Congress, the Cabinet, and the courts.

I spoke against this congressional increase and voted against it when it was before the House in March and June, and I repeat my opposition at this time.

Mr. MURRAY. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. ROOSEVELT].

Mr. ROOSEVELT. Mr. Speaker, I intend to vote for this conference report but I cannot help but comment that it seems unfortunate that the conferees did not see fit to restore the Supreme Court salary ratio to what it had been as passed in the House bill. The compromise between the House and the Senate, it seems to me, leaves nobody satisfied. I hope that at some future date, and a date not too far distant, the salary positions of the Supreme Court Justices may achieve the parity which I believe they require in our form of government.

The rest of the bill, Mr. Speaker, achieves two fundamental objectives: First, it brings the great body of governmental employees more in line with the pay scales of those in private employment. Second, it makes it more possible for the Executive to attract effective capable private citizens for important public service. The public is well served by this legislation.

Mr. CORBETT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this bill, which as I pointed out the other day, has been before us since May of 1963, has been worked, reworked, debated, argued over, discussed by all the newspapers and commentators and eventually now we reached the point where the conferees met on this bill. We had an exceedingly fine meeting with the managers on the part of the Senate. We were able to compromise differences. We were able to come out with language which we believe is just as fair as the boundaries of the two bills would possibly permit.

Having done this, we recognize that in every piece of salary legislation or any reclassification act, there are areas or individuals that have not received an equitable increase or equitable treatment. These things can only be corrected by later legislation.

It is assumed on the basis of existing law that it is required that Federal employees be kept at comparable salary levels with people in private industry and we will have an opportunity to correct any inequities that may become evident.

It is also true with regard to a number of individuals who are members of commissions and boards and who are in the executive offices that we had no latitude within which to work and consequently we gave that power in the handling of some 60 positions to the Executive.

I believe, therefore, Mr. Speaker, that we now, with the House having voted by a clear majority for the revised bill, with the Senate having voted it by a clear majority, and with the conferees having agreed unanimously that this conference report can be upheld and that it can be voted for. I think that when we have done this, we will have taken a very long and very proper step toward creating the comparability that has become the guiding policy regarding Federal salaries.

Mr. Speaker, I urge that the conference report be voted up favorably. I express the hope that since this is an administration bill strongly backed by the President that it will soon be enacted into law and that our employees will begin to receive the benefits of this very fine piece of legislation.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. CORBETT. I am happy to yield to the gentleman.

Mr. GROSS. Mr. Speaker, I rise in opposition to the conference report. It is completely beyond my comprehension how the Members of Congress, through another pay bill, can with any conscience, add another half-billion dollars to the huge debt and deficit of this country.

Mr. Speaker, I am opposed to the bill, and to the conference report.

Mr. Speaker, I ask unanimous consent that I may extend my remarks following the remarks of the gentleman from Pennsylvania [Mr. CORBETT].

The SPEAKER pro tempore (Mr. ALBERT). Without objection, it is so ordered.

There was no objection.

Mr. CORBETT. May I ask the gentleman in return, if he opposed the military pay raise bill yesterday which is the second one brought in since October of 1963.

Mr. GROSS. No; I did not oppose the military pay bill yesterday. I did not oppose the bill that was passed a few months ago.

If the gentleman will permit me to make one other observation, the military has lagged behind the civilian payroll for a long time. I am sure the gentleman will agree to that.

Mr. CORBETT. I certainly will agree to that and I will agree further that the gentleman from Iowa has made a very sincere and lengthy opposition to this bill.

For those who agree with him, I believe the gentleman should be complimented on his efforts. I hope he will return the compliments to the committee and to the majority of the House and Senate, who have worked just as hard and just as sincerely for passage.

Mr. Speaker, I reserve the remainder of my time.

Mr. GROSS. Mr. Speaker, the adoption of this conference report and enactment of this legislation is apparently a foregone conclusion.

That the bill will be signed by President Johnson is also a foregone conclusion. Despite the fact that the same Lyndon Johnson has called on private industry and labor to hold the line on prices and wages, he will now, and with the greatest of ease, sign this legislation giving lavish pay increases of 33 percent and more to Members of Congress and others in the executive and judicial branches of Government.

As I have repeatedly stated, this bill will add a minimum of $540 million to the debt and deficit of the Federal Government and further fuel the fire of inflation that is steadily eroding the value of the dollar.

It is entirely fitting, in view of Lyndon Johnson's high pressure support for this bill, that on tomorrow the House will begin debate on the same Lyndon Johnson's politically inspired war on poverty bill.

The premium in Washington continues to be on extravagance in the operation of the Federal Government and on double talk.

Mr. Speaker, I trust that the Members of the House will stand and be counted on the final vote today on the biggest single pay raise ever approved in the history of this country.

Mr. MURRAY. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. CORMAN].

Mr. CORMAN. Mr. Speaker, I support the conference report, but I share the concern of my colleague the gentleman from California [Mr. ROOSEVELT]. I believe it is a disservice to ourselves to treat the Supreme Court in this manner. We limit their salary increase to slightly more than half of our own, to express the disagreement of some Members with some of their decisions. I sincerely hope that the next Congress will right this wrong.

Mr. MURRAY. Mr. Speaker, I yield 1 minute to the gentleman from New Jersey [Mr. JOELSON].

Mr. JOELSON. Mr. Speaker, I wish to associate myself with the remarks of the gentlemen from California [Mr. ROOSEVELT and Mr. CORMAN]. When we engage in an act of vengeance because we do not agree with certain decisions of the Supreme Court we are setting a very, very dangerous precedent, because in effect we are saying to the members of the Court, "If you do not decide cases the way we believe, we will engage in reprisals against you." I believe this is dangerous and could boomerang. I regret the action that was taken to accomplish that end.

Mr. MURRAY. Mr. Speaker, I yield 5 minutes to the gentleman from Arizona [Mr. UDALL].

Mrs. SULLIVAN. Mr. Speaker, will the gentleman yield?

Mr. UDALL. I yield to the gentlewoman from Missouri.

Mrs. SULLIVAN. As chairman of the Subcommittee on the Panama Canal, I should like to ask the gentleman from Arizona a question. I am quite concerned about section 308, the limitation on salaries fixed by administrative action. Can the gentleman tell me whether the Panama Canal Company was inadvertently omitted from the exemption on limitation?

Mr. UDALL. I believe my good friend has probably spotted the reason for the provision to which she takes exception. I talked to the conferees. Apparently, the authority for the Panama Canal Company to fix rates of compensation was not included in the exemptions listed in section 308. There is an exemption for the Central Intelligence Agency, the TVA, and certain other agencies.

Since neither the bill passed by the House nor the bill passed by the Senate had any provision for the Panama Canal Company, there was nothing to compromise, and this oversight could not be corrected even though located and designated.

I say to my friend that there is nothing we can do at this late date. I believe the leaders on both sides of the aisle in our committee feel the Board of Directors of the Panama Canal Company should have this authority. If such legislation is sponsored, I, for one, will support it.

Mrs. SULLIVAN. I hope so. There is nothing we can do in respect to this bill?

Mr. UDALL. We were advised by legal counsel, by the Parliamentarian, that there was nothing to compromise. Neither the House nor the Senate had passed any provision of that kind. There was nothing on which an agreement could be worked out. The authority the gentlewoman desires should be provided. Most members of our committee, I believe, are in agreement. I believe this is a subject for corrective legislation.

Mrs. SULLIVAN. I thank the gentleman for his explanation. I hope it will be done.

Mr. KEOGH. Mr. Speaker, will the gentleman yield?

Mr. UDALL. I yield to the gentleman.

Mr. KEOGH. I wonder if the gentleman would explain to the House for the RECORD how the oversight took place in connection with the treatment of the Executive Director of the Advisory Commission on Intergovernmental Relations, which I understand is a position which has not been accorded the same treatment given comparable positions.

Mr. UDALL. The conferees dealt with literally dozens of these executive positions. I am told by the staff that this was a matter of judgment and was a compromise. I hope we can get a further explanation for the distinguished gentleman. There were a number of agency heads and appointees who were not particularly happy with the way they came out under this bill.

Mr. KEOGH. I thank the gentleman.

Mr. MORRISON. Mr. Speaker, will the gentleman yield?

Mr. UDALL. I yield to the gentleman from Louisiana.

Mr. MORRISON. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore (Mr. NATCHER). The Chair will count. [After counting.] One hundred and fifteen Members are present, not a quorum.

Mr. OLSEN of Montana. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 202]

Alger
Ashley
Auchincloss
Avery
Baring
Bass
Battin
Beckworth
Bennett, Mich.
Bolling
Buckley
Celler
Curtis
Davis, Tenn.
Diggs
Dingell
Evins
Finnegan
Fulton, Tenn.
Gill
Harvey, Mich.
Healey
Hébert
Herlong
Hoffman
Hull
Ichord
Jones, Mo.
Karsten
Kee
Kilburn
Lankford
Leggett
Lennon
Lesinski
Lloyd
McCulloch
Miller, N.Y.
Moore
Moss
Nedzi
Norblad
Passman
Powell
Purcell
Randall
Roberts, Ala.
Rodino
Rogers, Colo.
Rumsfeld
Ryan, Mich.
St Germain
Schwengel
Scott
Sheppard
Shipley
Shriver
Skubitz
Thompson, La.
Toll
Vinson
Wallhauser
Weaver
Widnall
Wilson, Bob

The SPEAKER pro tempore (Mr. NATCHER). On this rollcall 365 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Arizona [Mr. UDALL].

Mr. UDALL. Mr. Speaker, I might state to our colleagues who have just come into the Chamber that we are in the process of considering a conference report on something that might be of interest to them. It is called the Government Employees Salary Reform Act of 1964. If you will bear with me for just a very few minutes, I think we may be able to write the final chapter on this important legislation.

I have studied the conference report. I feel a little bit like the man who told about his mother-in-law driving his brandnew uninsured Cadillac off a cliff. They asked him how he felt, and he said he had mixed emotions.

I have mixed emotions about the conference report, but I am interested in legislation, not conversation. I urge the House to support the conference report and to see that this bill is enacted into law this week.

There are some changes in the bill that I think are especially good. The important and able members of our congressional and committee staffs are properly taken care of in this bill. I have been asked by many Members, "What is this going to do to the pay of my staff?" I suppose before the day is over many of you will be asked about that.

Mr. Speaker, I ask unanimous consent to place in the RECORD at this point a table in which you can find the present pay of your staff people and go across the columns and find the pay they will receive after this bill is enacted.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

The table referred to is as follows:

LEGISLATIVE SALARY INCREASES

This is designed to provide percentage salary adjustments for legislative employees comparable to those provided for employees under the Classification Act. The increases are provided in an amount equal to 3½ percent of the employee's gross rate plus 1 percent of his gross rate for each whole multiple, or part of a multiple of $500 basic compensation; or an amount equal to 5 percent of such gross rate, whichever is greater.

Multiple	Base	Present gross	Conference substitute	
			Percent increase	New gross
0	$5	$891	5.0	$935
0.1	60	1,020	5.0	1,071
	500	2,057	5.0	2,160
1	505	2,069	5.5	2,183
2	1,000	3,157	5.5	3,330
2	1,005	3,166	6.5	3,372
2.4	1,200	3,534	6.5	3,764
3	1,500	4,052	6.5	4,316
3	1,505	4,061	7.5	4,366
3. 6	1,800	4,655	7.5	5,004
4	2,000	5,088	7.5	5,470
4	2,005	5,099	8.5	5,533
4. 8	2,400	5,955	8.5	6,461
5	2,500	6,172	8.5	6,697
5	2,505	6,183	9.5	6,770
6	3,000	7,255	9.5	7,945
6	3,005	7,266	10.5	8,029
7	3,500	8,339	10.5	9,215
7	3,505	8,350	11.5	9,310
7. 2	3,600	8,556	11.5	9,540
8	$4,000	$9,422	$11.5	$10,506
8	4,005	9,433	12.5	10,613
9	4,500	10,506	12.5	11,819
9	4,505	10,517	13.5	11,937
9.6	4,800	11,136	13.5	12,640
10	5,000	11,550	13.5	13,109
10	5,005	11,560	14.5	13,237
11	5,500	12,528	14.5	14,345
11	5,505	12,538	15.5	14,481
12	6,000	13,469	15.5	15,556
12	6,005	13,478	16.5	15,702
13	6,500	14,409	16.5	16,786
13	6,505	14,418	17.5	16,942
14	7,000	15,349	17.5	18,035
14	7,005	15,359	18.5	18,200
14.4	7,200	15,725	18.5	18,635
15	7,500	16,289	18.5	19,303
15	7,505	16,299	19.5	19,477
16	8,000	17,230	19.5	20,590
16	8,005	17,239	20.5	20,773
17	8,500	18,170	20.5	21,895
17	8,505	18,179	21.5	22,088
17.7	8,880	18,884	21.5	22,945
18	9,000	19,110	21.5	23,219
18	9,005	19,120	22.5	23,422
18.9	9,475	20,000	22.5	24,500

Another improvement in the bill is the increased raises for middle grades of GS–9, GS–10, and GS–11, the people who were almost overlooked in the House bill.

I have heard since yesterday a number of rumors about this bill. I have heard some objections to the conference report. The rumors I have heard are unfounded. I think we ought to straighten these things out so the people understand what the bill does and does not do.

I have been told all Federal judges will receive larger raises than the Members of Congress and that the old relationship have been distorted.

Under the conference report, all the Federal judges get exactly what they get in the House bill except the Supreme Court Judges get $2,500 less than in the House bill. So that instead of the judges being raised by the conference report, one set of judges is lowered and the other Federal judges remain the same as in the House bill.

I was asked by someone if it were not true that sub-Cabinet people are being paid by the conference bill more than Members of Congress. This is also not true.

Cabinet members were raised $2,500 from the House bill.

The level II executives remain the same as in the House bill and the other three levels of executive pay were cut in conference rather than being increased.

Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. UDALL. I yield to the gentleman.

Mr. CELLER. Naturally, being chairman of the Committee on the Judiciary, I am interested in the salary of the Judges. Do I understand the gentleman to say that Judges of the Supreme Court have their salaries reduced by $2,500? If that is the case, may we know the reason why there has been such a reduction?

Mr. UDALL. I will say to the chairman of the great Committee on the Judiciary that there is no reduction of the Supreme Court Judges' salaries. The

Supreme Court Judges are actually getting an increase of $5,000. There is a $2,500 reduction from the figure in the House bill.

Mr. CELLER. In substance what will Supreme Court Judges get now after the bill is passed and what was their salary before the bill is passed?

Mr. UDALL. They are getting at the present time $35,000 with an additional amount for the Chief Justice. If this bill is passed, they will get $40,000. So they are getting a very substantial raise.

Mr. JOHANSEN. Mr. Speaker, will the gentleman yield?

Mr. UDALL. I yield to the gentleman.

Mr. JOHANSEN. In other words, the point is that the increase has been reduced?

Mr. UDALL. Precisely, I thank the gentleman.

Just a couple of more observations and then I shall conclude.

I think the Senate made a great mistake and I regret very much that the House saw fit to delete the amendment that we adopted which had such broad support from my good friends on the left and from my good friends on the right. We are almost back now in congressional, judicial and executive salaries to where the commission in President Eisenhower's term said that we should have been in 1954 and 1955. We cut and whittled the increases for the executive, for judges and for Members of Congress down and we had adopted in the House a far-reaching proposal which would have moved the salaries along in the future through the operation of automatic and fair machinery. The Senate did not pass this provision. It was deleted in conference. I think it is a very great mistake. I think it is machinery that is needed.

Just, for example, 10 years ago the Randall commission recommended that the salaries of Members of Congress and the executives in similar positions be about $27,000. In 1955 this was compromised badly, and now we have cut this down and down in compromises in this bill to where we end up today barely above the level we were told by the bipartisan commission we should have been 10 years ago.

I think it is a serious mistake but, as I say, I am interested in legislation. We are late in the session, and therefore I am going to urge the adoption of this conference report.

Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. UDALL. I yield to the gentleman from New York.

Mr. CELLER. Will the gentleman enlighten us as to whether the members of the parole board will have their salaries increased by the passage of this bill?

Mr. UDALL. I am advised by the staff that their salary is increased; yes.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. UDALL. I yield to the gentleman from Iowa.

Mr. GROSS. The gentleman mentioned the Randall report of some time ago. There was a pay bill passed in 1962. The Randall report said, or Randall himself said, that this pay bill or rather the increase in pay would be taken care of through greater productivity.

I have seen a lot of appropriation bills go through the mill since that time, and if any of this pay increase was taken care of through Mr. Randall's increased productivity on the part of employees I have failed to find it, because every appropriation bill has carried money for increases as a result of the 1962 act.

Mr. UDALL. I sharply disagree with the gentleman. Ten percent of the cost of this bill will be absorbed by the agencies, under a mandatory provision. We have heard dramatic testimony in our committee about efficiency and about savings in personnel. I do not attribute it all to a direct increase of, say, 5 percent in salary or anything of that kind, but there have been remarkable productivity increases in the Federal Government.

Mr. JOHANSEN. Mr. Speaker, will the gentleman yield?

Mr. UDALL. I yield to the gentleman from Michigan.

Mr. JOHANSEN. Of course, the statement by Clarence Randall did not involve the absorption of cost through attrition.

The SPEAKER pro tempore. The time of the gentleman from Arizona has expired.

Mr. MURRAY. Mr. Speaker, I yield 5 minutes additional to the gentleman from Arizona [Mr. UDALL].

Mr. JOHANSEN. Mr. Randall said that the increased efficiency would be such that there would be no additional out-of-pocket expense to the taxpayers.

Mr. UDALL. Let me conclude with two observations.

I believe the House of Representatives can be proud. We did the work on this bill. We started it. The House had the courage to do this in an election year. It has never been done before, that I know of, in an election year.

We did this because it was a good bill and because it was good for efficiency of the Federal Government and because it had to be done.

This is the first time that Congress has taken the whole Federal salary system and, in one bill, attempted to make an orderly, rational, interrelated structure. If we pass this legislation this week we can be proud.

Let me call attention to one more thing. President Johnson, the leader for those of us over here, has fought for this bill. He helped us to resurrect it after it was defeated.

I should like to say something my friends on the other side of the aisle may not have noted. Recently your chosen leader, and presidential nominee, one of my friends from Arizona voted for this bill. We from Arizona try to vote the way we see things—and when this bill came before the Senate about 3 weeks ago he supported it. He is a man who has been in business and knows one cannot get top executives on shoe clerk salaries.

I say to my friends over here, "Follow your leader." We will follow our leader.

We will both be going in the same direction.

Let us pass this bill.

Mr. MURRAY. Mr. Speaker, I have no further requests for time.

Mr. GROSS. Mr. Speaker, will the gentleman yield me 1 minute?

Mr. CORBETT. Mr. Speaker, I yield 1 minute to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, I wonder if that Democrat leader to whom the gentleman referred is the same leader of those on the other side of the aisle who has called upon the private business fraternity to hold the line on wages and prices.

Mr. UDALL. If the gentleman will yield, I hope that everyone will be in the mainstream. We can all be in the mainstream and stand together on this.

Mr. GROSS. Does the gentleman mean the Lyndon Johnson mainstream that calls upon private industry to hold the line on wages and prices while supporting a lush salary grab for Members of Congress and others?

Mr. UDALL. I was suggesting the Johnson-Goldwater mainstream on Federal pay.

Mr. GROSS. The gentleman does not need to bring Mr. GOLDWATER into this situation.

Mr. MURRAY. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore (Mr. NATCHER). The question is on the conference report.

Mr. JOHANSEN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

The question was taken; and the Speaker pro tempore announced that the "ayes" appeared to have it.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore (Mr. NATCHER). The Chair will count. [After counting.] Two hundred and seventy-seven Members are present, a quorum.

So the conference report was agreed to.

A motion to reconsider was laid on the table.

SECURITIES ACTS AMENDMENTS OF 1964

Mr. DELANEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 801, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

> *Resolved*, That upon the adoption of this resolution, it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 6793) to amend the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended, to extend disclosure requirements to the issuers of additional publicly traded securities, to provide for improved qualification and disciplinary procedures for registered brokers and dealers, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider the substitute amend-

ment recommended by the Committee on Interstate and Foreign Commerce now in the bill, and such substitute for the purpose of amendment shall be considered under the five-minute rule as an original bill. At the conclusion of such consideration the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any member may demand a separate vote in the House on any of the amendments adopted in the Committee of the Whole to the bill or committee substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

After the passage of H.R. 6793, the Committee on Interstate and Foreign Commerce shall be discharged from the further consideration of the bill, S. 1642; and it shall then be in order in the House to move to strike out all after the enacting clause of said Senate bill and insert in lieu thereof the provisions contained in H.R. 6793 as passed.

The **SPEAKER** pro tempore. The gentleman from New York [Mr. DELANEY] is recognized for 1 hour.

Mr. **DELANEY**. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio [Mr. BROWN]; and pending that I yield myself such time as I may consume.

Mr. Speaker, this resolution provides for the consideration of H.R. 6793. This is a bill to amend the Securities Act of 1933 and the Securities Exchange Act of 1934 as amended.

In 1961 the Congress directed the Securities and Exchange Commission to make a study of conditions on the various stock exchanges. After a 2-year study they came up with certain recommendations which are incorporated in this proposal.

The purpose is to protect the investing public. There are two main features. One is to extend to investors in certain over-the-counter securities the same protection now afforded to those in listed securities by providing that the issuers of certain securities now traded over the counter shall be subject to the same requirements that now apply to issuers of securities listed on the main exchanges.

The entire bill has for its purpose the protection of those who invest in securities. I know of no opposition to the rule. It is an open rule and provides that it shall be in order, following the passage of this bill, to consider the Senate bill, S. 1642, strike out all after the enacting clause and insert the provisions of the House-passed bill.

Mr. Speaker, I urge the adoption of the rule.

Mr. **BROWN** of Ohio. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as the gentleman from New York [Mr. DELANEY] has explained, House Resolution 801 makes in order the consideration of H.R. 6793, a bill from the House Committee on Interstate and Foreign Commerce introduced for the purpose of amending the Securities Act of 1933 and the Securities Exchange Act of 1934, and for other purposes.

The rule provides 2 hours of general debate, following which the amendment adopted by the Committee on Interstate and Foreign Commerce shall be considered as an original bill which will be open for debate and amendment under the 5-minute rule.

As the gentleman from New York [Mr. DELANEY] has explained, the bill would put into effect a number of changes and a number of new recommendations concerning the activities and the work of the Securities and Exchange Commission. It will amend the Securities Act to provide that the issuers of certain securities now traded over the counter shall be subject to the same requirements that now apply to the issuers of securities listed on any stock exchange of record; and also to strengthen the qualifications, standards, and disciplinary controls of those engaged in the over-the-counter market business.

I think this bill is long overdue. It is designed for the purpose of protecting investors who purchase various stocks and bonds, mostly stocks over the counter, in the same way that they are now protected as to other issues purchased that are listed on the regular stock exchanges that are so well known to most of us.

Certain classes of stocks are specifically exempted from these requirements. As a whole the bill would strengthen the regulation of the over-the-counter brokers and dealers, including qualifications, standards and disciplinary controls, by doing the following: Requiring such association to establish standards of training, experience, and competence for members and employees, and capital requirement for members; permitting the Commission, and the Securities Association, in a disciplinary action to proceed directly against an employee of a broker-dealer, in lieu of against a firm, and permitting the Commission to employ sanctions, such as suspension, short of revoking registration.

It would also require that a registered securities association must have rules designed to produce fair and informative retail quotations for unlisted securities.

Mr. Speaker, we must remember that there are a great many unlisted securities sold in this country.

The act would also broaden the Commission's powers to alter or supplement association rules relating to organization, discipline, and eligibility for membership, and in granting the Commission power to regulate brokers and dealers who choose not to become members of a registered securities association.

Mr. Speaker, for many years the Securities and Exchange Commission and the Securities Act has given protection to the purchaser of many types of stocks and bonds, but in this particular field there has been little protection, or should I say adequate protection, for an investor in an unlisted security.

Mr. Speaker, I feel that the great Committee on Interstate and Foreign Commerce has done an unusually good job for the benefit and for the protection of the small investors of this country in bringing this particular act before us today.

Mr. Speaker, I understand that there has been something like 2 or 3 years of work put in on this particular act itself and it appears to be very well drawn.

Mr. Speaker, there was no opposition to it in the Rules Committee and I urge the adoption of the rule.

Mr. Speaker, I yield 1 minute to the gentleman from Iowa [Mr. GROSS].

CALL OF THE HOUSE

Mr. **GROSS**. Mr. Speaker, in view of the fact that a quorum call was made a few moments ago to head off a rollcall vote on the salary graft bill, and Members answered that with great enthusiasm and gusto, I make the point of order that a quorum is not present.

The **SPEAKER** pro tempore (Mr. NATCHER). The Chair will count. [After counting.] One hundred and five Members are present, not a quorum.

Mr. **HARRIS**. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 203]

Alger
Ashley
Auchincloss
Avery
Baring
Bass
Beckworth
Bennett, Mich.
Blatnik
Bolling
Broomfield
Buckley
Burton, Calif.
Davis, Tenn.
Diggs
Dingell
Edmondson
Everett
Evins
Gill
Gubser
Harsha
Harvey, Mich.
Hawkins
Healey
Hébert
Herlong
Hoffman
Hull
Ichord
Jones, Ala.
Jones, Mo.
Karsten
Kee
Kilburn
Landrum
Lankford
Leggett
Lennon
Lloyd
McMillan
Martin, Calif.
Miller, N.Y.
Norblad
Passman
Pilcher
Powell
Purcell
Rains
Randall
Reifel
Riehlman
Roberts, Tex.
Rumsfeld
Ryan, Mich.
Schwengel
Scott
Sheppard
Shipley
Shriver
Skubitz
Teague, Calif.
Thompson, La.
Toll
Ullman
Vinson
Wallhauser
Weaver
Wilson, Bob
Wright

The **SPEAKER** pro tempore. On this rollcall 363 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

Mr. **DELANEY**. Mr. Speaker, I have no further requests for time, and I am informed that the other side has no further requests. Therefore, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

Mr. **HARRIS**. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 6793) to amend the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended, to extend disclosure requirements to the issuers of additional publicly traded securities, to provide for improved qualification and disciplinary procedures for registered brokers and dealers, and for other purposes.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 6793, with Mr. KEOGH in the chair.

IN THE COMMITTEE OF THE WHOLE

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Arkansas [Mr. HARRIS] will be recognized for 1 hour, and the gentleman from Illinois [Mr. SPRINGER] will be recognized for 1 hour.

The Chair recognizes the gentleman from Arkansas.

Mr. HARRIS. Mr. Chairman, I yield myself 20 minutes.

Mr. Chairman, this is a highly technical piece of legislation and very difficult to follow. I urge the Members who are interested in it to give it their attention and, if they do, I think we can expedite the consideration of this bill.

Mr. Chairman, this is a far-reaching and important bill that has been brought to the floor today, reported from the Committee on Interstate and Foreign Commerce after long and thoughtful consideration.

The Securities Act of 1933 created a great deal of interest throughout the Nation and it had rather substantial amendments made to it in 1954. The Securities Exchange Act of 1934, another most important piece of legislation in the interest of protecting the public, has had no major revision in 28 years. So what we are doing here today is bringing up to date a program that is important to the economy of the country and to the public of this Nation. The Committee on Interstate and Foreign Commerce after long and careful consideration unanimously reported the bill, with one exception, and that has to do with certain marketmakers, concerning which there was a difference by three members of the committee. This was a relatively minor problem in this overall involved legislation even though, of course, those who are interested in that particular section may feel that it is more than a minor problem.

But the bill before us today would amend the Securities Act of 1933 and the Securities Exchange Act of 1934 to extend disclosure requirements to the issuers of additional publicly traded securities, to provide for improved qualifications and disciplinary procedures for registered brokers and dealers, and other purposes.

The committee report as filed gives a very clear description of the bill and I commend it to the thoughtful consideration of the Members, and if there are some questions that they may have that have come to them from any of their constituents I think they can generally find the answers to those in the report.

Mr. Chairman, I wish to commend the chairman of the subcommittee, the gentleman from West Virginia [Mr. STAGGERS], whose name is on this bill, and all members of the Subcommittee on Commerce and Finance of the Committee on Interstate and Foreign Commerce for their diligent and hard work on this legislation.

Mr. Chairman, this legislation was not worked out yesterday or last week or last month or last year.

This matter of such great importance to this country and to the welfare of holders of corporate interests, stocks and bonds and securities in this country, required long and tedious discussion before it could be worked out.

Mr. Chairman, H.R. 6793, the Securities Acts amendments of 1964, embodies a number of amendments to the Securities Exchange Act of 1934 and one amendment to the Securities Act of 1933, which have been in major part recommended by the Securities and Exchange Commission as necessary to provide adequate protection to investors in securities.

The committee's report on the bill deals extensively with the background and need for this legislation and the manner in which its provisions supplement or modify existing law. The report also set forth the reason for the committee's amendments to the bill as originally introduced. I will summarize the main points of this report briefly.

In 1961, the Committee on Interstate and Foreign Commerce sponsored, and the Congress enacted, House Joint Resolution 438—Public Law 87-196—directing the Commission to undertake a study of the adequacy, for the protection of investors, of the rules of the national stock exchanges and securities associations. The Commission was directed also to determine just how these rules were being administered, and to recommend changes, modifications, or expansions of the rules or securities laws as might be required in the public interest and for protection of investors.

The resulting published study, entitled "Report of the Special Study of Securities Markets" made 175 specific recommendations relative to problem areas where, in its opinion, regulatory and/or industry controls are deficient. Most of these recommendations can be handled under the rulemaking authority of either the Commission or the self-regulatory agencies.

Both of them have been engaged in the consideration of appropriate rules and are in the process of putting some of them into effect. The committee expects them to continue this activity, and we shall watch them to see that they do so under our responsibility to maintain continuous legislative oversight.

However, a number of the important problems on which the special study focused cannot be dealt with adequately under existing law. The amendments proposed by H.R. 6793 will provide the statutory foundation for dealing with these problems without, however, disturbing the basic regulatory structure expressed in the Securities Exchange Act of 1934 and the Securities Act of 1933.

H.R. 6793 has two major purposes, and accordingly the subject matter of the bill can be divided for clarity and convenience into two main portions. One portion deals primarily with the extension of the disclosure provisions of the Exchange Act to over-the-counter securities meeting specified statutory standards.

The other portion deals primarily with the establishment of improved qualifications standards for persons engaged in the securities business and the strengthening of disciplinary controls over such persons.

I. DISCLOSURE

The bill extends to issuers of securities traded in over-the-counter markets, where the issuers have over $1 million in total assets and 750 stockholders of record—reduced to 500 after 2 years—the same requirements which now apply to issuers of securities listed on an exchange, namely:

First. Registration of the security with the Commission by disclosure of certain detailed information relating to the issuer's business, including financial statements—section 12 of the Exchange Act.

Second. Periodic reporting for the purpose of keeping reasonably current the information and documents contained in the registration statement—section 13 of the Exchange Act.

Third. Proxy control by requiring compliance with Commission rules covering the financial and other information to be supplied stockholders in connection with the solicitation of proxies; or, if proxies are not solicited, requiring substantially equivalent information to be supplied—section 14 of the Exchange Act.

Fourth. Insider trading control by requiring officers, directors, and 10 percent stockholders of an issuer to report changes in their holdings of the issuer's securities and by making any short-term profits resulting from transactions in the stock subject for a period of 2 years to recapture by the issuer—section 16 of the Exchange Act.

Certain categories of unlisted securities are specifically exempted from these requirements—securities of investment companies of building and loan associations and comparable institutions, of charitable, educational, religious, and other such institutions.

The committee's amendment to H.R. 6793 makes certain substantive changes to the bill as introduced, as follows:

EXEMPTION FOR COOPERATIVE ASSOCIATIONS

The committee's amendment provides a statutory exemption for farmers' cooperatives as defined in the Agricultural Marketing Act of 1929, as amended, and a statutory exemption for certain other types of cooperatives, particularly rural electrification cooperatives. As noted at page 11 of the committee's report, the Commission indicated in the course of the hearings on the bill that owing to the type of security involved it would be appropriate to exempt these cooperatives by rule from the new registration requirements. The committee amendment makes this exemption by statute.

BANKS

As discussed at pages 8 and 9 of the committee report, banks meeting the statutory standards would be covered by the disclosure, proxy and insider trading provisions of the bill but administration and enforcement of these provisions would be vested in the appropriate Federal bank supervisory agencies, the Comptroller of the Currency, the Federal Reserve Board or the Federal Deposit Insurance Corporation as the case may be. In this manner, the bill would extend the disclosure protections to investors in bank securities and yet at the same time would avoid any duplication of administration by Federal regulatory agencies.

As the bill was introduced in both Houses, it would have provided that all the powers, functions, and duties of the Commission with respect to bank securities shall be delegated to the appropriate Federal banking authorities upon their request. The other body changed this and directly vested in the three bank regulating authorities the responsibility for administering these provisions.

This provision was fully acceptable to the Commission, to the American Bankers Association, and to the bank regulatory agencies except the Comptroller of the Currency. In our consideration of the bill he pointed out that even though he was given the authority to administer these provisions, the Commission might be the agency issuing the regulations. This was not intended of course, and our committee added to the Senate change explicit language to make it clear that the regulations would be those of the respective bank regulatory agencies and not those of the Commission. In making this clarification, the committee followed the language proposed by the Comptroller.

Apparently the Comptroller remained dissatisfied, for he circularized the national banks thereafter expressing his disagreement with the position taken by the American Bankers Association in support of the bill. Following this action on his part, I received a letter from the Director of the Bureau of the Budget stating that the views so expressed could be only the views of the Comptroller and that they were in fact contrary to the administration position with respect to these provisions of the bill. I insert the letter dated March 13, 1964, from Director Kermit Gordon at this point:

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D.C., March 13, 1964.

Hon. OREN HARRIS,
Chairman, Committee on Interstate and Foreign Commerce, House of Representatives, Longworth House Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: It has come to our attention that in a letter to your committee, dated February 19, 1964, and in a statement of the same date, the Comptroller of the Currency expressed strong opposition to certain provisions of H.R. 6789 and S. 1642 which affect the Nation's banks. As you may have noted, neither the letter nor the testimony contained the usual advice from this Bureau as to relationship to the President's program. The views expressed, therefore, were the Comptroller's own views and they were in fact contrary to the administration position with respect to these provisions of the bill.

To summarize the record on this matter:

1. The provisions of the bill affecting banks and insurance companies were extensively discussed before the legislation was transmitted to the Congress, and the decision to include them under the full disclosure and certain other provisions of the bill was a carefully considered one.

2. Your committee was advised on June 3, 1963, and November 14, 1963, that enactment of this legislation would be in accord with the program of the President.

3. President Johnson's 1965 budget document (pp. 106 and 107) reaffirmed this position as follows:

"Pending legislation should be enacted to help protect millions of small investors by extending the present disclosure safeguards to all companies whose securities are widely owned, and by otherwise strengthening the securities laws."

4. The President's consumer message of February 5, 1964, also recommended its prompt enactment.

We would appreciate your making this letter a part of the record on S. 1642 and H.R. 6789 in order that there may be no doubt as to the administration position on this matter.

Sincerely,
KERMIT GORDON,
Director.

STOCK INSURANCE COMPANIES

The bill, as introduced, would have covered stock insurance companies meeting the statutory standards. The committee amendment would take such a company out from under the jurisdiction of the Securities and Exchange Commission, but only if the company is regulated under State law or the State insurance commissions with respect to periodic reporting, proxies, and insider trading, collectively.

The operation of these amendments and the reasons for their adoption are detailed at pages 9–11 and 16–17 of the committee report.

During the extensive testimony on this question during the subcommittee's hearings on the legislation, representatives of the State insurance commissioners and stock insurance companies strongly urged that they be given an opportunity to demonstrate their ability to effectively protect the investors, as well as the policyholders of these companies. Opposition centered not on disclosure to investors, but rather on subjecting insurance companies to the jurisdiction of the SEC in addition to the jurisdiction of the State insurance commissions. The purpose of the committee amendments is to provide the companies and the State insurance commissioners with the opportunity of providing an effective investor protection program. Thus, it should be clearly understood that the conditional exemption adopted by the committee is an exemption from jurisdiction, not from the disclosure of information for protection of investors.

FOREIGN ISSUERS

As originally introduced, the bill exempted securities of foreign issuers, including certificates of deposit, unless the Commission by rules or regulations or by order removed the exemption upon a finding that a substantial public market existed for the securities of such issuers and that continued exemption was not in the public interest.

The committee amendment simply reverses this exemption procedurally. That is, these foreign securities would not be exempt unless the Commission by rules or regulations or by order grants an exemption if it finds that such exemption is in the public interest and is consistent with the protection of investors.

II. QUALIFICATION STANDARDS AND DISCIPLINARY CONTROLS

The second major purpose of the bill is to strengthen the regulation of over-the-counter broker-dealers. This would be accomplished by making certain changes in existing law, including the following:

First. Registered national securities associations—at present there exists only one—would be required to establish standards of training, experience, and competence for members and their employees and, in addition, to establish capital requirements for members.

Second. The Commission and the association would be permitted, in a disciplinary action, to proceed directly against an employee of a broker or dealer in lieu of proceeding against the entire firm, and in addition, the Commission would be permitted to impose lesser sanctions, such as temporary suspension or censure, short of revoking registration.

Third. Registered securities associations would be required to have rules designed to produce fair and informative retail quotations for unlisted securities.

Fourth. The list of grounds on which the Commission would be permitted to base a denial, revocation, or suspension of registration or impose censure, would be broadened to include wilfully aiding or abetting in violations, or failure to reasonably supervise employees who have committed violations.

Fifth. The Commission's powers to alter or supplement association rules relating to organization, discipline, and eligibility for membership would be broadened to include the new subjects for rulemaking contemplated by the legislation. The necessity for proving, in the case of registered brokers and dealers, that the mails and instrumentalities of interstate commerce were used in a particular prohibited transaction would be eliminated. An asssociation would be authorized to adopt rules under which it might exclude from membership persons who had been suspended or expelled from a national securities exchange. In addition, the period for appeals to the Commission from action taken by a securities association would be shortened from 60 to 30 days.

Sixth. The Commission would be granted the power to regulate directly brokers and dealers who choose not to join a registered securities association in order to insure that all brokers and dealers would be subject to the expanded regulation, including personnel qualifications standards, provided by this legislation. Thus, broker-dealers would be given the alternative of either being subject to regulation by a registered securities association or by the Commission.

As introduced, the bill would have required all brokers and dealers who are subject to the act to become members of a registered securities association. The committee determined that although as a matter of policy compulsory membership should not be required, nevertheless broker-dealers who choose not to become members should not by making that choice free themselves from the regulation to which all other brokers and dealers are subject.

Therefore, the bill was amended to insure that the Commission would have the necessary authority to provide regulation of nonmember brokers and dealers comparable to that imposed by associations on their membership, including the requirement that these nonmembers pay compensatory fees to the Commission for the additional regulation.

The reported bill contains a number of other miscellaneous major provisions and the committee has also made a number of substantive amendments, other than those already noted, to the bill as introduced. To my knowledge these additional provisions have not been opposed by those affected.

The foregoing summary serves to indicate the scope and complexity of H.R. 6793. The objections raised in the course of the extensive hearings on this and related bills before the Subcommittee on Commerce and Finance were directed, not at the bill as a whole, but at certain individual provisions. The stock insurance companies and State insurance commissioners opposed the proposal to bring stock insurance companies under the jurisdiction of the Commission, as well as existing State jurisdiction. The banks objected to the proposal to bring them under the Commission's jurisdiction. Certain investment companies and other witnesses opposed the requirement of mandatory membership in a national securities association.

I have already indicated, in summarizing the major provisions of the bill as reported, the amendments which the committee adopted to meet these objections.

The legislation was sponsored by the Securities and Exchange Commission and was supported by the New York Stock Exchange, Midwest Stock Exchange, Investment Bankers Association, Association of Real Estate Syndicators, National Association of Securities Dealers, Association of Stock Exchange Firms, the American Bankers Association, and others.

It is supported by the Bureau of the Budget.

The Securities and Exchange Commission has advised the committee that the cost to the Government of carrying out the amendments to existing law made by H.R. 6793 is estimated at an additional $600,000 annually.

Without a single dissenting vote the Committee on Interstate and Foreign Commerce ordered H.R. 6793, as amended, reported favorably. I urge its passage.

Mr. ROGERS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield.

Mr. ROGERS of Colorado. When the gentleman makes reference to banks, does he mean stock sold in the banks which must be registered with the Comptroller?

Mr. HARRIS. Not at all, because the Securities Act of 1933 exempted banks. But now, once the stock is issued and they meet the requirements to size and stockholders then they will become subject to registration under the 1934 act.

Mr. ROGERS of Colorado. If a large bank that has a large number of stockholders and meets this requirement, that is to say, they have over $1 million and say 750 shareholders, and the stock is now being sold over the counter, so to speak, they have not up until now been required to file registration with the Securities and Exchange Commission, as I understand the law.

Mr. HARRIS. That is true.

Mr. ROGERS of Colorado. But if this legislation is adopted, then any bank that meets the requirements of the test you set forth here, of $1 million and 750 stockholders, would be required to file a statement with the Securities and Exchange Commission?

Mr. HARRIS. No, it would not. It would be required to file the disclosure statements with the agency having to do with that particular problem, the Comptroller of the Currency, the Federal Reserve Board, or the Federal Deposit Insurance Corporation, as the case may be.

Mr. ROGERS of Colorado. So this would not require the bank then to come in and file any kind of statement other than that required by the Comptroller of the Currency, the Federal Reserve Board, and the Federal Deposit Insurance Corporation?

Mr. HARRIS. It would not require them to file this information with the Securities and Exchange Commission. It would require them to make the disclosure to the appropriate Federal agency handling that particular banking problem.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. HARRIS. Mr. Chairman, I yield myself 10 additional minutes.

Mr. ROGERS of Colorado. Mr. Chairman, will the gentleman yield further?

Mr. HARRIS. I yield to the gentleman.

Mr. ROGERS of Colorado. Do I understand if the bank has a trust department where they pool the money and the assets that they are required to invest for the benefit of those for whom they hold the money in trust, and they go into the open market and purchase stocks or bonds and they may sell them freely on the market; are they required under this law to register as being a dealer in stocks and bonds?

Mr. HARRIS. No, this bill is not the one dealing with bank trusts. The question of bank managed agency accounts and common trusts is involved in different bills before the committee.

Mr. ROGERS of Colorado. If, for example, be it a bank or any other kind of institution and its stock is sold over the counter, in other words, not listed on any stock exchange, and when the company was originally organized they did not file any certificate or make application to the SEC for authority to sell stock but eventually the stock gets into the hands of various people and it is sold over the counter. Now as the transaction takes place over the counter and eventually the corporation meets the requirement of a million dollars and 750 stockholders because of that trading over the counter, would that corporation then be required to file its application with the SEC and secure this permission?

Mr. HARRIS. For the third time—it would not, because they are exempted under the Securities and Exchange Act of 1933. But once either stock was outstanding then they would have to make disclosures to the bank regulatory agencies. That is as clear as I can make it to the gentleman.

Mr. ROGERS of Colorado. Disregarding the question of whether it is a bank, let us take an oil company that may have been organized by three or four people who divided the stock up and they did not offer any for public sale and did not find it necessary to file any registration with the SEC. But subsequently the company expands to the point that the stock that is being sold over the counter meets the requirement here. Does the company then obligate itself?

Mr. HARRIS. The company becomes subject to the act when that happens.

Mr. ROGERS of Colorado. May I ask the gentleman this question: At what point then must a corporation that meets this requirement file its application for a certificate?

Mr. HARRIS. At such time as it becomes subject to the act by meeting the requirements set forth here.

Mr. WAGGONNER. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman.

Mr. WAGGONNER. Is it not true that they would become subject to the requirements of the act when their operations have expanded to the point to include more than 750 stockholders and assets in excess of $1 million?

Mr. HARRIS. Companies that have more than 750 stockholders and $1 million of assets would have to meet the requirement. Two years from now the number of stockholders is reduced to 500 and they would be subject to the act then. Whenever that stage of the company's activities is reached, then they become subject to the requirements of the act.

Mr. VANIK. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman.

Mr. VANIK. I would like to inquire of the distinguished chairman what effect this legislation would have on the number of stocks listed or sold over the counter. Is it expected there will be a reduction of many of the companies now selling stocks over the counter and that such stocks will be traded on the exchanges? Will it force over-the-counter securities into listing on the exchanges?

Mr. HARRIS. That is purely speculative. There are those who feel that under present procedures the trend is to the over-the-counter market. There are those who feel that these requirements of disclosure for the over-the-counter market transactions, as defined in this act, may, under certain conditions, tend to cause some of them to list on the exchanges. We do not know. We cannot tell about that.

Mr. VANIK. What other obligations would there be upon a security to qualify for the national exchanges, beyond the disclosure provisions?

Mr. HARRIS. That is what I was just explaining. I do not believe I should go over that again. I suggest that the gentleman read the report.

Mr. VANIK. I have read the report. I do not fully understand the effect this will have on the over-the-counter market.

Mr. HARRIS. It will require disclosures, as I have already said, for over-the-counter market transactions, comparable to what is done for the listed exchanges.

I shall go over this again. It has to do with registration, periodic reporting, proxy control, and insider trading control.

Mr. VANIK. I understand. Will that not have an effect of considerably reducing the number of over-the-counter transactions?

Mr. HARRIS. As I say, that is purely speculation.

Mr. VANIK. I thank the gentleman.

Mr. HARRIS. I do not know whether it will or not. I know there has been an upsurge in the over-the-counter market for the past several years. The Commission study has shown a great deal going on, so far as the insider trading problem is concerned, insofar as that affects the status and the stability of the company and the organization itself.

Mr. FARBSTEIN. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from New York.

Mr. FARBSTEIN. Will the Chairman please explain the rationale behind the exemption referred to in the supplemental views, in connection with the recovery of "short swing" profits realized by insiders?

Mr. HARRIS. If the gentleman will give us a little time, we will get to that. There will be some discussion of it. I shall be glad to explain it when I get to it.

Mr. FARBSTEIN. Mr. Chairman, would the gentleman yield on the point dealing with foreign securities?

Mr. HARRIS. I would be glad to yield to the gentleman from New York.

Mr. FARBSTEIN. Supposing the foreign company refuses to give a statement of its business, what would be the effect on the listing of the corporation?

Mr. HARRIS. Well, they, of course, would become subject to the Commission's rules.

Mr. FARBSTEIN. What would they be?

Mr. HARRIS. Well, we cannot tell until we see what we would be faced with. It could be they would not be listed.

Mr. FARBSTEIN. The point I seek to make is those individuals in this country that presently own foreign securities where the home company refuses to disclose would then be in a box, because if they were delisted, where could they dispose their securities?

Mr. HARRIS. Well, we feel if they are going to do business in this country and use our facilities here, they should be brought into compliance and meet the same requirements as everybody else.

Mr. FARBSTEIN. Do you have a grandfather clause for those who presently own foreign securities so they would not be in the situation where they do not have a public market for their stock?

Mr. HARRIS. I am not sure what the gentleman says about the grandfather clause.

Mr. FARBSTEIN. What I mean is, there are Americans who presently own foreign securities. The foreign companies as a matter of practice refuse to disclose their financial situation, and they do not comply with our law. How about those Americans that presently own foreign securities where the home company refuses to meet with the requirements of this law? Where do they wind up?

Mr. SPRINGER. Mr. Chairman, would the gentleman yield to me at that point?

Mr. HARRIS. Yes. I yield to the gentleman from Illinois.

Mr. SPRINGER. I think I will explain to the gentleman from New York that it will simply work in this way: When this matter arose it presented a serious question in view of the fact that these companies were from abroad, so we gave discretion to the Commission to exempt them if they so saw fit. But we realize the Commission is going to use that discretion in the public interest. We hope and we believe that they are. However, there were certain instances where we felt it would be necessary to exempt them, and at times it is possible the Commission cannot do it, but it is up to the Commission to determine the instances in which the exemption will be exercised. So it is a matter that is discretionary with the Commission and not mandatory. I think when we heard all of this evidence, this presented one of the real problems; that is, how to handle foreign issues. We felt that we could not lay down a fast rule of law saying that they were either exempt or not. We felt this ought to be left to the Commission to determine those instances in which they believed it was in the public interest to make an exemption. That is the best answer we can give. This was a question of judgment of the committee before bringing the bill to the floor. With all of the welter of evidence this was the only way in which we felt it could be decided in the public interest and still allow certain issues to be sold on the public market.

Mr. FARBSTEIN. Mr. Chairman, I am in total agreement with the committee and the Securities and Exchange Commission. However, it seems to me we might have what I have referred to as a grandfather clause; in other words, securities presently being traded would be permitted to continue to be traded even though no statement were filed. But, from here on in, as to any new issues that may be floated, they would be covered by this law. I mention this so that the RECORD may show that there is this opinion in connection with any possible future questions that may arise.

Mr. HARRIS. Mr. Chairman, I would like to say to the gentleman that I shall include in the RECORD at this point for his information the provisions on page 11 of the report and ask him to read the last paragraph. I shall also include a letter and memorandum from the Commission bearing on this subject:

EXCERPT FROM HOUSE REPORT NO. 1418 ON H.R. 6793

Foreign issuers: The committee amendment (sec. 3(c) of the bill) rewrites the provision contained in the original bill with respect to securities of a foreign issuer including certificates of deposit for such securities. As originally proposed, these securities would have been exempt unless the Commission by rules or regulations or by order removed the exemption upon a finding that a substantial public market existed for the securities of such issuers and that continued exemption was not in the public interest. The committee amendment simply reverses this exemption procedurally, that is these foreign securities would not be exempt unless the Commission by rules or regulations or by order grants an exemption if it finds that such exemption is in the public interest and is consistent with the protection of investors.

By giving the Commission broad exemptive authority and empowering it to deal flexibly with the problem, the Commission will be able to weigh the various considerations and to exempt, partially or completely, foreign securities and certificates of deposit therefor (or classes of such securities and certificates) when such action is appropriate. By making the procedural change, the committee feels that, in covering foreign securities that should be covered, the Commission will not have to face procedural burdens which it might face under the provisions of the bill as introduced.

The committee wishes to point out that the fact that a foreign issuer required to register under section 12(g) (that is, a foreign issuer that is not exempted by the Commission and that meets the tests of section 12(g)) does not register and is not complying with the provisions of the bill will not, of itself, mean that trading in the United States of the securities of such issuer will be illegal, or for that reason give rise to civil liabilities on the broker-dealers trading in such securities, although it might be appropriate for the Commission to require disclosures which may be appropriate in the circumstances.

SECURITIES AND EXCHANGE COMMISSION,
Washington, D.C., July 30, 1964.

Re H.R. 6793.

Hon. OREN HARRIS,
Chairman, Committee on Interstate and Foreign Commerce, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: I understand that certain dealers in foreign securities and certain banks which have been active in the creation of American depositary receipts for foreign securities have evidenced concern that the foreign securities provision of H.R. 6793 (sec. 12(g)(3)) may be somewhat unworkable and may cause considerable disruption in existing trading markets for foreign securities, including certificates of deposit for foreign securities. The Commission believes that, in the light of the House committee report and the procedure we suggest below, there is no cause for any such concern.

Under H.R. 6793, the Commission is confident that it can work out any problems involving foreign issuers in a manner that will take into account the harm that could result to investors from the disruption of existing trading markets, that will reflect the particular problems of foreign issuers, and that will provide significant benefits to American investors.

The differences between H.R. 6793—which allows the Commission to exempt foreign securities by rules, regulations, and orders and by classes or individual securities—and S. 1642 as passed by the Senate—which as an initial matter exempts foreign securities, but allows the Commission to revoke the exemption by rules, regulations, and orders and by classes or individual securities—are procedural. Under either approach, the substantive problems are the same and the determination of ultimate coverage is largely in the discretion of the Commission. This is spelled out in more detail in the enclosed memorandum.

The House committee report makes it clear that H.R. 6793 provides the Commission with sufficiently broad authority to exempt any foreign security for which it would have allowed the initial exemption under S. 1642 to remain unrevoked.

If H.R. 6793, as reported, becomes law, the Commission believes as a matter of practical necessity the first step would be to exempt all foreign securities for a specified period. This temporary exemption would give the Commission time for further studies of foreign securities generally and to consider any problem with respect to any individual security or class or classes of securities. During the period of the temporary exemption, any foreign company, group of companies, or any interested person, such as a broker-dealer, could request that the temporary feature of the exemption be removed and present reasons why this should be done. The Commission would make appropriate findings and issue orders or adopt rules removing the temporary feature with respect to specific foreign companies or classes thereof. Thus, no foreign security would be covered until its issuer and other interested persons are given an opportunity to present their views. I understand you have no objection to the Commission's following this procedure.

In short, although we testified in favor of the approach in S. 1642, the Commission views the H.R. 6793 foreign securities provision, especially when read in conjunction with the House report, as providing a reasonable and workable basis for dealing with the foreign securities problem.

For the Commission:

WILLIAM L. CARY,
Chairman.

MEMORANDUM OF THE SECURITIES AND EXCHANGE COMMISSION COMPARING THE FOREIGN SECURITIES PROVISIONS OF S. 1642 AND H.R. 6793

H.R. 6793 as reported provides that issuers of over-the-counter foreign securities (including certificates of deposit for foreign securities) will be subjected to the registration, reporting, proxy, and insider trading provisions of the Exchange Act in the same manner as issuers of ordinary domestic securities, except to the extent that the Commission exercises the discretionary authority given it in section 12(g)(3) to exempt them. The House committee report makes it clear that the Commission's exemptive authority is broad, that the Commission may exempt by rules, regulations, or orders and by classes as well as by individual securities, and that the Commission may impose appropriately modified requirements on those securities that are not exempted.

S. 1642 as passed by the Senate deals with the foreign securities problem in a different procedural manner; it would provide an exemption, but would allow the Commission to revoke that exemption—by rule, regulation, or order—for individual securities or classes of foreign securities. The Commission testified in favor of the S. 1642 approach. The foreign securities area poses delicate and hard questions, especially in obtaining jurisdiction over and compliance from foreign issuers. The Commission believes as a matter of practical necessity that there should be an initial period during which foreign securities should not be covered. During that period, the Commission would have time for further studies of foreign securities generally and to deal with any problem with respect to any individual security or class or classes of securities. S. 1642 would provide such a period, but H.R. 6793 can also be used to deal with the problem in substantially the same manner.

If H.R. 6793, as reported, becomes law, the Commission's first step will be to promulgate a temporary blanket exemption for foreign securities. During the period of the exemption, any foreign company, group of companies, or any interested person, such as a broker-dealer, could request that the temporary feature of the exemption be removed and present reasons why that should be done. The Commission would then make appropriate findings and issue orders or adopt rules removing the temporary feature with respect to specific foreign companies or classes thereof. No foreign security would be covered until its issuer and other interested persons are given an opportunity to present their views.

The only significant difference between the S. 1642 and H.R. 6793 approaches is that, under the latter approach, the Commission must determine that a security should be exempt. Under either approach the substantive problems are the same and the determination of ultimate coverage is largely in the discretion of the Commission.

The House report stated that the fact that a foreign issuer required to register under the bill—that is, an issuer covered by the standards of the bill and not exempted by the Commission—does not in fact register will not of itself mean that trading in the United States of the securities of such issuer will be illegal, or for that reason give rise to civil liabilities on the broker-dealers trading in such securities. The Commission fully agrees with this statement and believes that it is an absolute answer to those who charge that the H.R. 6793 version will disrupt existing American trading markets in foreign securities.

Mr. STAGGERS. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield.

Mr. STAGGERS. Mr. Chairman, I would like to say to the gentleman from New York that this matter came up in the subcommittee, as to why we were not protecting foreign investors. This committee said that our purpose was to protect U.S. investors and if these other people were not doing business according to our standards, we could not protect them by amendments to this bill.

Mr. FARBSTEIN. But you are hurting Americans who are presently holding foreign securities.

Mr. STAGGERS. We are not hurting them one bit. They will be protected as is clear in the report.

Mr. FRIEDEL. But these investors have already bought securities.

Mr. FARBSTEIN. Those are the ones whom I am seeking to protect, those who presently own securities of foreign companies.

Mr. STAGGERS. We are trying to protect them, too.

Mr. FARBSTEIN. It is the practice among foreign companies not to disclose their financial situation.

Mr. STAGGERS. If we have a standard for corporations here to disclose their financial status, we think it only fair that foreigners do the same thing.

Mr. FARBSTEIN. I am in total agreement, but I repeat that the Securities and Exchange Commission should keep in mind the situation that I have just stated for the protection of American stockholders of foreign securities.

Mr. STAGGERS. What about all these people we are asking to register now who deal in over-the-counter securities? Are they not in the same situation?

Mr. FARBSTEIN. No, for this reason: We have no control over foreign companies. The foreign companies are not controlled by our law as we control the acts of the citizens of our country who file registration statements.

Mr. HARRIS. The gentleman will find a full explanation of this in the provision to which I have referred.

The bill would have required that brokers and dealers who were subject to the act become members of a registered securities association. This is a problem that created a great deal of discussion in the committee itself.

We felt, as we have had this question up in other fields before, that the Congress or the Federal Government telling somebody that they must belong to a trade association is going a little bit too far. In other words, it was like saying that everyone had to become a member of the NASD; that is, a trade association. It is given certain duties and responsibilities under the act itself. But we did not want to be in the position of saying that you had to belong, since there was objection in certain fields, particularly in the fields of investment companies, of having to belong to such an association.

So we said, "All right; you do not have to belong to a trade association. If you belong to a trade association under the law you are policed under the procedures of that organization itself. If you do not want to belong to that association, then you will be regulated by the Securities and Exchange Commission itself."

Mr. Chairman, we feel that is a pretty good way to work out this arrangement, and that is what the committee did.

Mr. CURTIN. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Pennsylvania, a member of the committee and a member of the subcommittee.

Mr. CURTIN. Mr. Chairman, in the field of membership of dealers and brokers in a securities association, which I believe is covered in section 6 of the bill, was it not the intention of the committee that there should be no regulatory discrimination as between members and nonmembers of such an association?

Mr. HARRIS. The gentleman is correct.

Mr. CURTIN. And if the chairman will yield further, and further on that same subject, was it not intended by the committee that the fees and charges to be prescribed by the Securities and Exchange Commission, under paragraphs 8 and 9 of section 15(b), as amended, should not be significantly greater than those assessed by such a securities association by its members?

Mr. HARRIS. That is correct. That was the feeling of the committee and that is our intention.

Mr. CURTIN. If the gentleman will yield further, in other words, was it the intention of the committee that a broker or dealer would be treated alike whether in his discretion he decided to go into the securities association or be regulated by the SEC?

Mr. HARRIS. The gentleman is correct; that is true. Obviously however, this does not contemplate that if the association were to relax its regulation of its members that the Commission then would be forced to relax its regulation of nonmembers. Each has its duties under the authority given by the bill.

It is the intent that the authority to regulate be comparable and it is assumed it will be exercised by both.

The CHAIRMAN. The time of the gentleman from Arkansas has again expired.

Mr. HARRIS. Mr. Chairman, I yield myself 1 additional minute.

Mr. Chairman, as I understand it, the gentleman from New York asked about the minority views. The gentleman from Massachusetts [Mr. Keith] is going to discuss that provision, as I understand it, I will say to the gentleman from Massachusetts?

Mr. KEITH. I shall be glad to elaborate on them.

Mr. HARRIS. Mr. Chairman, I have used so much time I would prefer that what little time I have left be allocated to someone else, and if the gentleman from Illinois [Mr. Springer] would yield some time to the gentleman from Massachusetts [Mr. Keith] at the appropriate time to discuss this, I shall be glad to enter into the discussion with the gentleman and we will have a thorough discussion of it.

Mr. Chairman, the committee feels that this is a very good bill and we commend it to the members of the committee. I believe it is one of the best jobs that has been done in this field in many, many years. We believe it is in the interest of the public and will strengthen this segment of our industry and provide protection for the people who deal in the securities field.

Mr. SPRINGER. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, in the 87th Congress a bill was passed which became Public Law 87-196 directing the Securities and Exchange Commission to make a broad study of the inadequacies of the investment protection in the securities market. This study was made at an expense of nearly $1 million to the taxpayers. It was thorough. It was complete and resulted in a report which consisted of four volumes and covers in great detail practically every phase of the securities industry. Recommendations and actions of one kind and another to correct inadequacies or improve operations were made to the SEC and these recommendations numbered 170. Since the completion of the report many things have been done to implement these recommendations or at least those which the Commission after due consideration concluded were of enough importance and urgency to call for early action. The financial pages have reported the actions of this Committee and the reactions of the industry since that time. Most of the changes made up to this time have been in the stock market itself wherein the listed stocks are handled through the established exchanges. There have been changes in the rules concerning floor traders. The role of the specialists on the exchange has been further examined and realined. There have been changes in capital requirements for brokers as a result of the oil scandals occurring since the special study. It is now necessary for a broker to notify his client of the risks he runs in leaving free credit balances at the disposal of the broker and there have been some discussions of a requirement to keep completely separated any activity in the commodities market from activities having to do with securities. There are other refinements and changes under consideration of which we will be hearing in the months to come. Also included in the special study were the over-the-counter markets, and these are entirely different from the trade which takes place on established exchanges. Only well-established companies with large issues of stock are apt to appear in the exchange listing. Other companies, old or new, which issue stock for purchase by the public have not been required to meet many of the requirements which apply to listed stock. Brokers in the over-the-counter markets have been traders at the same time. There have been no set commissions for over-the-counter dealings. The companies have not been required to render periodic reports, to issue proxy statements, or even to register with any established agency when first issuing stocks.

In recent years there has been a great upswing in stock ownership by the general public. Most of these investors have little knowledge of the machinery through which stock transactions are completed. Many of these investors have been interested in the so-called growth stocks and by and large these are to be found in the over-the-counter markets. As a result the investor with the least experience is buying and selling in the market in which information is the hardest to come by and herein rests the greatest likelihood that he will be clipped.

One of the basic recommendations of the special study resulted in the submission of legislation which would apply the same kinds of regulations and filing requirements for the smaller companies as Congress had already provided for the large companies listed on the stock exchanges. The main purpose of this legislation is to insure that the investor has access to sufficient accurate information concerning a company in which he might be interested in order to make a reasonably sound judgment about its prospects and its strength. He can ignore such information and he may do so but it should be available to him. Obviously the burden of applying even these rules to very small companies would be too great for both the issuer of the stock and the Government itself. As a result we have limited the application of these controls to corporations with excess of $1 million or over and 750 stockholders. After 2 years the number of stockholders will drop to 500.

I think it would be in order for us to look at this legislation from the standpoint of the ordinary investor. Perhaps in this way we can see in perspective the reasons for the various requirements set forth in this legislation. If a company is being formed and you are considering purchasing some of its stock, in the hope that this will some day parlay you into a trip to Europe or a new Cadillac, you should be able to find out some things about this new company. You should be able to discover just what the financial arrangements concerning the issuance of the stock and the operations of the company will be. You should be able to tell just where your stock will stand in relation to other stock and what rights there may be in the corporation to issue more of the same kind of stock or other types of stock which could conceivably change your relationship to the corporation and its earnings. All of this and considerably more is requested of listed stocks. Before it is issued and offered to the public it must be registered with the Securities and Exchange Commission with a prospectus. The legislation before us would require the same kind of information in a registration statement to the SEC.

Now, you already own a stock which is handled over-the-counter. You will probably be approached at the time of the annual meeting to send a proxy. Someone else will use that vote in the corporation to influence the course of action and perhaps influence its policy. You should know what may be in store for the corporation as result of sending in this proxy. The legislation would require that you be fully informed as to the affairs of the corporation, the people who may be allowed to operate the corporation, and any other pertinent information which would affect your decision to give up the proxy. If no proxy is requested, the same information should be rendered to you from time to time, in any event and this legislation would so require.

For many years it has been recognized that directors and other persons on the inside of corporate management can influence the activities in the stock of that corporation by influencing the business judgments and activities of the corporation itself. There is a great temptation to take advantage of such power and so officers and others in such specific relationship to the corporation and who deal in the stock of the corporation must reveal this fact, and if they make money by holding stock a short time and selling it again, such profits really belong to the stockholders of the corporation and the insider can be made to give it up. In the over-the-counter markets the situation is considerably more confusing and the chance for such unfair activity is at least fully as great. The same rules are here made to apply to such corporations with one exception. When a small company is organized there is no market for its securities. The issues are not such that large underwritings can be effected. Consequently, someone, usually someone closely connected with the corporation, must take the chance of buying and selling the stock on his own account until a market can be established. This recognized marketing procedure is therefore made an exception to the so-called insider trading restriction. Not everyone on our committee agreed that this should be so but I am convinced that the necessity of the market overcomes any misgivings I might have about the possibility of overreaching by corporation officers. As long as this danger is recognized and closely watched it should not cause undue trouble for the investor while making it posssible for any corporation to get that very necessary initial push.

Since the only purpose of this legislation is to protect the investor it becomes obvious that it is not necessarily applicable to every kind of organization which issues stock or other securities. Because of this there are certain exceptions the first of which applies to investment companies. Such companies or "mutuals" actually deal in the stocks of other corporations and the investor knows in purchasing a share in an investment company that he is really trusting that company to invest his money wisely in order to bring him an overall return. This does not mean that such investment companies are not subject to other restrictions and requirements of this legislation having to do with training of sales personnel and other practices of selling of such shares which may be unfair or misleading to the investor.

Stock issues of foreign corporations are subject to it unless exempted by the Security and Exchange Commission. There has been considerable discussion of this particular point within the committee and otherwise. It was suggested originally that such foreign issues be exempted unless the Commission felt the need to restrict them. Some feel that this latter approach is almost a necessity if foreign issues are to be marketed at all. It may be that we will hear more of this but it does seem to me that the issues of foreign corporations should be carefully scrutinized by the Commission and with proper administration it should be possible to protect the investor and still not unduly restrict or hamper the marketing of such issues.

Bank securities are covered in this legislation by the administration of new rules to be promulgated by the bank regulatory agencies. Insurance companies are covered by this legislation insofar as they are stock companies having the requisite number of stockholders. State laws traditionally have aimed to protect the policyholder and have not paid a great deal of attention to the protection of the potential investor in insurance company stock. This bill would extend this protection to the investor but will do so through State governments so that the insurance companies need not make multiple reports to several agencies on several different forms. The States through the insurance commissioners have agreed to require information which this legislation will require from other corporations.

The other part of this bill designed to protect the purchaser of stocks in over-the-counter companies has to do with the broker-dealers. After all, the investor is in large measure at the mercy of the broker or dealer through whom he purchases his shares. Because of the nature of over-the-counter market the broker-dealer complex for this segment of securities industry is diverse and hard to supervise. Broker operations are often small in size and widely scattered. The possibility of shenanigans is far too great and there are no hard and fast rules concerning commissions or trading among dealers. The temptation to push a stock off on an unsuspecting client in order to bail out the broker is often far too great to be resisted. Although there does exist a large association of security dealers, far too many do not belong and the ability of the association adequately to supervise and discipline its members needs far better support from some legal entity such as the Securities and Exchange Commission. This legislation would require better training for brokers, dealers and salesmen and would give to the Commission the right to supervise closely the rules and disciplinary actions of the NASD. Some segments of the industry objected to being supervised by competitors and the legislation provides a method by which such concerns may submit to direct regulation by the Securities and Exchange Commission.

And there we have it. There is no great argument even within the industry subject to this legislation. The extensions and refinements included herein are necessary. They have known for a long time that the investor is entitled to more protection than he was getting. They have known and admitted for a long time that the broker-dealer complex needed better training and better supervision. Our committee has done a thorough and painstaking job of examining the interests of each group and each segment of the securities industry having direct interest in this legislation. In practically every instance we have worked out the difference and we have provided adequate safeguards in the public interest.

This legislation has no partisan aspects. It is fair and it is necessary. I urge the House to pass it.

I want to get around to the conclusions, if I can, as the result of what we have produced here today. We have produced two major changes. The Securities and Exchange Commission through the years has done a remarkable job in protecting the public with the law they have in hand. I am not interested in any politics in this. I want to go back to the beginning of the Securities and Exchange Commission. Insofar as I know, there has never been the least scandal attached to the Securities and Exchange Commission either in its membership, Republicans or Democrats, nor, so far as I know, of any other personnel at the lower stages. I do not believe it has ever been said about this Commission that they were not all the time trying to give the public adequate protection. The Securities and Exchange Commission has made a wonderful improvement and has done a wonderful job through the years.

As we have watched the personnel come before our committee through the years I have been struck with the high standards and qualifications of the Chairmen as well as the other members of the Commission who have come before our committee in hearings. I would say that in the Securities and Exchange Commission we have had about the highest type of personnel I have seen on any commission in Washington of any kind or character. So I think I can say that if the Securities and Exchange Commission as a result of its study and its hearings does approve this bill and says it is in the public interest, and they have so found and so told the committee, and they have worked very closely with the committee in the drawing and the writing of this bill, it ought to give a great deal of confidence to this House in voting on this bill.

It seems to me this bill has been gone into exhaustively. I know a lot of pertinent questions have been asked about it, and they ought to be asked. There were some things we could not solve, but we came as near to solving them as we could.

I believe with the approval of the Securities and Exchange Commission and their saying that with these new provisions they can give the protection their study showed ought to be given to the public, they can do it with this bill. That is why I believe this bill ought to be passed.

Mr. ROGERS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield.

Mr. ROGERS of Colorado. As to this regulation of over-the-counter sales by requiring the companies to point out certain information such as membership in an organization that the SEC might control, my question is that once a company meets the requirement of $1 million and 750 stockholders, and the stock is sold over the counter, and that company refuses to be registered with the SEC, does the SEC then have authority to tell the over-the-counter agent or the brokers that they shall cease and desist from sales of this stock over the counter because this company failed to register?

Mr. SPRINGER. It has that power and we would expect them to use that power.

Mr. ROGERS of Colorado. Does the gentleman think it is fair, if I am a stockholder in X company and I have been selling stock over the counter, and they suddenly decide that X company should not file a statement with the SEC, and I am a minority stockholder—I do not control the operations of that company nor do I have enough stock to elect even one director—does the gentleman then think it is fair to me that my stock should be withdrawn from over-the-counter sales if the president or the board of directors of that company decide they were not going to file with the SEC?

Mr. SPRINGER. I do, because what we are trying to do in this bill is protect the public.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman from Arkansas.

Mr. HARRIS. The Securities and Exchange Commission would move against the company, they would not move against a minority stockholder. They would move against the company for not complying with the law.

Mr. ROGERS of Colorado. Let us go one step further. The company as such may not have wanted to engage in the sale of this stock to anybody. That was disposed of years ago. It got into the hands of the various stockholders, and they are not interested in selling stock. They are interested in transacting business as an oil company, for example.

Why should we now permit the SEC to tell them that they have to spend thousands of dollars filing statements down here to meet the requirements for a license to sell stock when they do not want to sell any stock?

Mr. HARRIS. If they do not want to sell them, they do not have to sell stock. I think the gentleman is familiar enough with these matters to know that you just do not go out here peddling stock all over the country without the officers of the corporation itself knowing about it. If the company wants to sell stock it must register under the 1933 act.

Mr. ROGERS of Colorado. But the transactions are between individuals who may be purchasing stock while the corporation itself is engaged in a business and the stockholders have selected the president of the corporation to run the business of the corporation which is not for the purpose of selling any stock. Why should the corporation be burdened with filing such a statement when the stocks are in the hands of many people?

Mr. HARRIS. If the gentleman is suggesting that some corporation is going to permit its stock to be traded in all over the country and then it is not going to be responsible for what happens to it, then we might as well have no Securities and Exchange Commission. We had that kind of thing back in the days of the depression when the market broke as well as millions of people in this country going broke.

Mr. FARBSTEIN. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman.

Mr. FARBSTEIN. I would suggest to the gentleman exactly the opposite of what has been stated here. I would put the penalty on these public companies that refuse to meet the requirements of the SEC and not limit it just to delisting them because the poor investor already has the stock.

Mr. HARRIS. A penalty is provided. The penalty is in the act and the Commission will have to move on it in such a situation.

Mr. FARBSTEIN. What is the nature of this penalty? Is it a criminal penalty or a financial penalty? What would that penalty consist of? If it merely consists of delisting, it means the holder of the security, the poor stockholder, will not be able to dispose of his stock.

Mr. HARRIS. The penalties provided for are as follows:

First. There is a forfeiture procedure.

Second. There is a prohibition against trading on the market.

Third. The Commission can move against them in a criminal proceeding.

Mr. FARBSTEIN. That is exactly the point that I am trying to make here. We are doing nothing for the poor stockholder who has this stock. So far as the company is concerned, they may not care whether they are delisted or not. It is the man in the street who has bought this particular security who has no remedy. He cannot dispose of the stock. The individual who has the stock has to go out on the street to peddle it and you know what that means. On the other hand, if there is a criminal penalty imposed for the failure to disclose, then this would be a salutary provision and a protection to the ordinary stockholder.

Mr. STAGGERS. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman.

Mr. STAGGERS. I would just like to make the statement that before they are delisted, the Securities and Exchange Commission gives them a hearing and then they determine whether the public interest will be served and in that way they try to protect the investor.

Because of the fact that the industry does not want to do something—none of them wanted to pay the unemployment taxes when that was first put into effect and a lot of them did not want to pay the social security taxes when that law was put into effect. But it was done because they had to do it. We are only trying to protect the investors throughout the country. As I said, there is a hearing and the SEC determines whether the public interest will be served by the delisting and also determines further what they should do and there is a forfeiture provision as well.

Mr. FARBSTEIN. But the Securities and Exchange Commission can only act within the purview of this law.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman.

Mr. HARRIS. I will say to the gentleman from New York that there is a criminal penalty. Section 32(a) provides that anyone who violates the provision of that title is subject to criminal penalties and subject on conviction to a fine of $10,000 or imprisonment for not more than 2 years or both.

Mr. FARBSTEIN. Does that cover the situation which I have just propounded?

Mr. HARRIS. It covers the title, yes.

Mr. FARBSTEIN. It covers the title, but does it come within that example?

Mr. HARRIS. Yes. Not only that; but also any rule or regulation thereunder.

Mr. FARBSTEIN. I thank the gentleman.

Mr. SPRINGER. Mr. Chairman, I yield 20 minutes to the gentleman from New Jersey [Mr. Glenn].

Mr. GLENN. Mr. Chairman, our Subcommittee on Commerce and Finance has labored long and diligently with these proposed amendments to the Securities Exchange Act of 1934. A start was made in the 87th Congress under the chairmanship of Peter F. Mack, resulting in an intensive review and study by a special committee of the Securities Exchange Commission and a comprehensive report to the Congress.

During this 88th Congress our committee has considered needed legislation based on the report of the Securities Exchange Commission. Our chairman of the subcommittee, the gentleman from West Virginia, Harley Staggers, has been of great placatory influence in solving the many knotty problems that were presented during the hearings. I am sure that one can envision the outside pressures when I report that our problems very seriously affected not only the security exchanges and Association of Security Dealers, but also banks, insurance companies, mutual funds, State insurance departments, governmental agencies, and generally perhaps the whole business world in its relation to the market trading of securities. Our chairman of the main committee, the gentleman from Arkansas, Oren Harris, attended our hearings as an ex officio member and took a very active part in developing a complete record.

I take this moment to extol our colleague, the gentleman from Arkansas, Oren Harris, in his capable chairmanship of a standing committee of this House that considers, in my opinion, more diversified subjects than any other committee of the Congress. How he is able to find sufficient time, not only to direct and lead, but also engage in all hearings and debate, is beyond my comprehension. But he does do it, and always commendably so. I, as a member of the subcommittee, appreciate his fine cooperation, unstinted aid, and guidance through all our deliberations. His experience, clear thinking, and sometimes restraining influence, have contributed greatly to this legislation which we present here today.

As has been pointed out, the main purport of the amendments is directed towards a particular field. The desirability of extending to over-the-counter security markets many of the same protections which have long been in force in the stock exchanges in regard to their listed stocks have been well explained. You have heard what steps are proposed in this legislation for the protection of the investor in this large, growing market, the transactions in which are largely unsupervised.

When the need for reform becomes apparent in areas of social or economic affairs, it is difficult to refrain from swinging the pendulum too far. In the first blush of recognition of the problem, when our feelings are that perhaps we should have acted sooner, we are apt to track down relentlessly every last minute problem and try to fashion a remedy. When we are dealing with the sale of securities, and consider the impact that this activity has upon all other phases of the business world, we can do well to stand back a bit and look at the larger picture, focusing our attention on the most urgent needs of the industry.

The special study which we authorized and financed was intended to be an exhaustive treatise on every phase of the securities markets and their operation. Recommendations were made on every conceivable aspect of these operations. All of these recommendations have had serious consideration by the Securities and Exchange Commission and also by our committee. The larger proportion of these recommendations needs no legislation and can be implemented by the Commission within its existing authority. That does not mean that the committee has no interest in these matters. On the contrary, we have followed them closely. Obviously, some of the recommendations require new authority, and it is the purpose of this legislation to create it. It must be kept in mind that the committee believes in and encourages self-government in the security exchanges and national security associations wherever possible. It can be noted that much has been accomplished in this field in the past several years and much of this legislation is aimed in that direction.

As an example of progress through self-government, I need only mention the suspension of Ira Haupt & Co., a member of the New York Stock Exchange, last November. Happening as it did during our hearings, it focused attention on the adequacy of the protection to customers who have left securities with a broker-dealer. Even though the insolvency of this company was by reason of operations in another market—the commodities market—the New York Stock Exchange acted immediately to protect the customers of its insolvent member from loss. The exchange raised $9½ million by assessment of members to protect the customers who otherwise would have suffered loss. It received much public credit, and rightfully so, on its voluntary action. Further—and this is the point I wish to make—the exchange initiated a study of means of dealing with possible future situations. A special committee recommended that, even though the exchange has no liability for customers' losses, and even though steps had been taken which lessened the likelihood of the recurrence of a Haupt-type situation, the exchange should place itself in a position to provide assistance should it appear warranted in the light of circumstances of a future case.

As a result, within the last several weeks, the Board of Governors of the New York Stock Exchange has recommended for approval by its membership, constitutional amendments which will create a $10 million exchange fund and a $15 million standby credit to be available if another situation similar to Ira Haupt & Co. should occur. A total of $25 million that will be available for the protection of the investing public who, through no fault of its own—except misplaced confidence—may stand to lose through the insolvency of a member of the exchange.

It is my opinion that these amendments will be acted on favorably and the exchange will have made a momentous step forward in solidifying the public trust and confidence in its operations. This is indeed progressive self-government, and deserves the plaudits of the business world and even, Mr. Chairman, a "well done" from this body.

This legislation we have before us today was prepared by the Commission and forwarded to Congress some time ago. The other body acted very promptly and passed the bill just about as it had been presented. Then it became the duty of this body, through its committee, to take a long look, and a balanced look, at this legislation. It became our duty to consider the various objections to the recommendations which the Commission had brought forth.

I wish to talk briefly about these problem areas and what we have done with them. In my opinion, we have in every instance struck a sensible middle ground between oppressive regulation and too much license.

First, there were the national banks. Not all banks have over 750 stockholders. If they do have enough stockholders, and wish to sell the bank stock to the public, there is every reason to provide the investor with the information necessary for him to make a reasonable judgment on the soundness of the corporation, its policies and its management. It is not the same judgment he would be making in deciding to make a deposit. The banks, of course, claim that they are already regulated to death, and that to report to still another agency, the Securities and Exchange Commission, about their affairs would be too burdensome.

The bill will turn over to their respective regulatory agencies for supervision of their stock issues rather than to SEC.

I am certain that the various agencies such as Federal Deposit Insurance Corporation, the Federal Reserve System, and the Comptroller of the Currency, will issue regulations which will conform to the purpose and intent of this bill. As it now stands, in this bill the banks should be well pleased and the investors will have the advantage of pertinent information.

The next big concern was for the stock insurance companies. The companies and the State insurance commissioners, through their organization, the National Association of Insurance Commissioners, protested the proposal to make registration with the Securities Exchange Commission a requirement to issuing stock. There is no denying that insurance companies of all kinds are presently regulated to the teeth by State agencies. It was pointed out, however, that all of these reports or regulations are aimed at protecting the policyholder and that different information is necessary to protect an investor. The insurance commissioners took up the matter among themselves and are agreed that some changes would be required to include information relevant to a new stock issue or to a proxy statement. They were willing to incorporate such information in their own procedures. Since the purpose of the legislation is to provide information for the investor and not to provide work for the Securities Exchange Commission, this solution was welcomed. It did leave one loophole, however. Most States do not have statutes restricting trading in the stock of a corporation by its officers and directors. All other corporations to be covered by the bill were to be so restricted and there was no reason apparent to us why the insurance companies could logically be excepted. In order to cover this point and not lose what otherwise seemed like a good arrangement, we provided that the States may keep jurisdiction in this entire field as long as they provide for insider trading restrictions by 1966. Already a uniform statute has been introduced in those States having legislative sessions and there is every reason to believe that it will be done in all States. In my opinion, this is an example of real State-Federal cooperation in the field of legislation and regulation.

In one other particular the proposed legislation also moved in upon jurisdiction presently exercised exclusively by the States. Transactions in securities which are purely intrastate have not been subject to regulation by any Federal agency. A company organized in New Jersey, selling its stock through New Jersey citizens to New Jersey citizens in sales consummated in New Jersey has been the business of the New Jersey State government and its regulatory agencies. This is fundamentally sound and consistent with our scheme of Government. The bill as we considered it would have brought all such transactions into the Federal orbit as long as any instrumentality of interstate commerce was used in the sale. That meant that the telephone and the mail could not be used if Federal regulations were to be avoided. This was an unrealistic device to take jurisdiction without justification and the committee rejected it. As the bill now stands, and as we recommend it to you, the States shall retain their present jurisdiction over these transactions and use their own agencies to protect their citizens who buy stocks from those who sell them within their boundaries, where all parties are amenable to the same judicial as well as administrative jurisdiction.

You have heard about the restrictions on insider trading which this act imposes upon directors and officers of companies large enough to come within the act. The exception to the application of this rule in the bill is the officer or director who assumes the responsibility for making a market in the stock in the over-the-counter market. Because most over-the-counter concerns are relatively small, and thus will not have the opportunity to create a market for its stock in the usual way, it is customary for one or more persons directly interested in the future of the business to promote the stock by buying and selling that stock until it can become well enough known and popular enough to maintain a volume of sales reflecting its value. The industry felt that this was a logical exception and so did the Commission, although the special study had recommended that it be curtailed. Our committee was not unanimous on this point as the report indicates.

Under all the circumstances and in the light of present operations of this system within the industry I cannot conclude that the practice is totally dangerous or necessarily leads to overreaching by corporation insiders. The Commission and most of the committee took the stand that an established practice should not be stopped because of some remotely possible danger. This is one of the places where the zeal to protect the investor had to be weighed with the determination not to smother an industry. Although we could be wrong in allowing this practice to continue, I am sure if any imposition occurs it will come quickly to light as this new legislation takes hold. I feel that we should agree with the Commission on this question and not unnecessarily upset the established process within the industry. Under the bill the Commission will report to this committee and the Congress each year for 3 years on the effectiveness of these amendments and the achievement of the sought after goals.

Better training for sales and brokerage personnel and better disciplinary supervision over the actions of those who handle securities for the investing public are vital. The bill provides for such improvements of the dealers associations through close and constant oversight of the rules and their enforcement. The bill speaks as though there are many such dealers organizations in being. Actually, there is only one, the National Association of Security Dealers. The bill originally contemplated compulsory membership in an association, but this in effect meant compulsory membership in the National Association of Security Dealers. The large mutual funds have not been affiliated with the organization and do not wish to be. They consider that to join would be to submit to dictation by their competitors. Apparently the formation of a new association would be difficult if not impossible, and the idea was rejected as an answer. To legislate compulsory membership in an organization of one's business competitors subject to stringent rules and regulations in this highly competitive field, seemed going too far. The bill before us, therefore, makes provision for those who object to joining the National Association of Security Dealers. They may submit to similar rules and regulations administered directly by the Securities Exchange Commission. These rules should be neither more nor less than those of the NASD as otherwise it would be negating the purpose of this distinction.

One remaining problem which caused considerable discussion within the committee and on which there can easily be more than one school of thought: Many issues of stock of foreign corporations are marketed in the United States. There is no reason our citizens should not participate in ownership in foreign companies if they wish to do so. Obviously, however, it is difficult to obtain the same information about these issues as the Securities and Exchange Commission requires of domestic companies. At present the SEC keeps watchful eye on such issues and occasionally may by regulation or by order remove the exemption upon a finding that a substantial public market exists for such issues and that continued exemption is not in the public interest. As amended by the committee, such issues are not exempt unless the Commission first looks at them and finds it is desirable to do so. Naturally, those who deal in foreign securities to any extent like the automatic exemption but the ultimate job for the SEC and the ultimate control of the issues comes out about the same. If the Securities and Exchange Commission does its job properly under either system, the public should be adequately protected and the market for foreign issues accessible.

On each of these somewhat controversial issues in the bill your committee has tried to be sensible and foresighted. We seldom enact legislation which is perfect. If we could, there would be no need to stay around here all year. We might be able to stay away most of the time and still do a fine job for our country. It does not seem to work that way. Perhaps this bill is not perfect, but we shall find that out as time goes on. It can be said, however, that your committee has done as careful a job as it knows how, to bring to you a bill it can recommend in the best interests of all the segments of our society having a stake in its effectiveness. I recommend it to you for favorable consideration and urge that it be passed.

Mr. SPRINGER. Mr. Chairman, I yield 10 minutes to the gentleman from Massachusetts [Mr. KEITH].

Mr. KEITH. Mr. Chairman, I rise in support of H.R. 6793, the Securities Acts Amendments of 1964. I have the honor to be a member of the Committee on Interstate and Foreign Commerce which is chaired by my distinguished colleague from Arkansas. Also, I am a member of the Subcommittee on Commerce and Finance, chaired by my able colleague from West Virginia. I would like to compliment both of these gentlemen for their leadership during the long and intense study that has been given to this legislation.

This bill that is now before the House represents the most significant statutory advance in Federal securities regulation since 1940 when the Investment Company and Investment Advisers Acts were enacted. We are now considering amendments to the Securities Act of 1933 and the Securities Exchange Act of 1934.

The bill has two principal objectives: First. It would improve investor protection by extending to the larger corporations in the over-the-counter market the registration, reporting, proxy solicitation and insider trading requirements now applicable only to those companies which are listed on an exchange.

Second. It will strengthen the entrance requirements for those who want to go into the securities business; it will strengthen industry self-regulation; and it will strengthen Commission disciplinary controls over brokers, dealers, and their employees.

When these amendments take their place in the securities laws of this country they will become a part of one of the most significant stabilizing forces in our society and our economy. The securities markets play a vital role in the U.S. economy. In a free society in which the corporate form of enterprise prevails, securities are a most important form of private property. The markets for distributing securities into public hands and for continuous trading in outstanding securities involve directly or indirectly large numbers of people as owners and traders. But, at least equally important, the performance of the securities markets affects the well-being of the economy and contributes importantly to the Nation's economic growth. Their performance greatly affects the public interest of the United States, therefore, the Congress has a continual concern for the functioning of this system. During the 5-year period from 1957 to 1961, corporate enterprise in the United States raised $39 billion for plant, equipment, and working capital by issuing stocks and bonds. During this period also the rates of yield and interest set in primary securities markets importantly affected the allocation of an additional amount of $109 billion for plant and equipment expenditures.

Such expenditures are the heart of the job-creating processes of an enterprise economy. In almost every case, these funds eventually find their way into payrolls.

The structure of our capital market is most complex—its fluctuations are the pulse of our economy. Ownership of our private enterprise is very diverse—over 17 million Americans own shares in publicly held corporations. The holdings of these individuals represent net financial savings of about $450 billion. Over one-half of our Nation's savings are represented by holdings in corporate securities.

I do not believe that we can overestimate the interdependence that exists between the health of our economy and the stability of the securities markets.

One of the most important elements in the stability of the securities markets is that of investor confidence. The American investor can rest assured that every effort is being made to protect him against the greedy, the fraudulent, and even the unknown. Our laws, with the incorporation of this pending legislation, give the investor the right to have adequate and accurate information upon which to base an informed judgment about his potential investments and also the well-being of his money that he has already invested. These laws assure him that when he deals with the securities industry, he is dealing with reputable people—with knowledgeable people. He can have the confidence that the system of regulation within which the markets operate is for his protection and, ultimately, the stability of our complex market.

In 1961, the Congress, recognizing its primary responsibility in the regulation of the securities markets, authorized nearly $1 million to have conducted a special study of the markets. After nearly 2 years of intense study by a distinguished group of experts headed by Mr. Milton H. Cohen, the final report was delivered to the Congress. Its 3,000 pages covered every aspect of the complex securities market structure, detailing problem areas and finally making about 175 recommendations, some of which have been incorporated in the legislation we are considering today.

Many people in the industry, in Government and in the Congress have given distinguished service in the preparation and completion of the study and this legislation. Going back to the beginning, however, the Honorable Peter Mack, then subcommittee chairman was largely responsible for the initiation of the study.

The Securities and Exchange Commission, under the able chairmanship of William L. Cary, has proved to be a most effective force in raising the standards of investor protection. It is only through the Commission's effective consultation with the industry and the Congress that this most meaningful legislation was made possible. The industry is also to be commended for its cooperation with the subcommittee during its consideration of this bill. With the views of both the Commission and the industry at hand, the committee's task of recommending effective and workable legislation was made much easier.

Mr. Chairman, I now yield to the gentleman from New York [Mr. LINDSAY].

Mr. LINDSAY. Mr. Chairman, on page 48 of H.R. 6793, there is a provision dealing with the registration of foreign securities. The language of this provision, as recommended by the committee, would, in essence, require all foreign securities that are now traded in this country, and which securities meet the stockholder and asset requirements applicable to American firms, to be registered with the SEC unless the Commission grants them an exemption. The approach taken in this provision differs from that approved by the Senate. There, it is provided that foreign securities are exempt from registration unless the Commission finds that there is a substantial public market in this country for that security.

Mr. Chairman, I prefer the Senate version. There are some important questions about the effect of the legislation as proposed by our House committee. American dealers and stockholders will be uncertain as to their right to trade in or own foreign securities because they appear to come under the immediate coverage of the bill in the approach proposed here. I certainly agree with the philosophy taken in this legislation—that of providing protection for the American investor and undoubtedly, the committee under the able leadership of our distinguished colleague from Arkansas had this foremost in its mind when considering this most complicated piece of legislation. I would like to compliment the chairman and the entire committee for a job well done.

But, on the foreign securities provision, I do feel that the House version might distress many of our foreign friends who have firms whose securities are traded in this country. There could be a threat to the stability of these markets and potential harm to the many thousands of American stockholders who happen to own securities of foreign companies. This can be avoided if the language of the Senate bill were to prevail. As a practical matter, the Senate version will, I think, provide the same degree of protection for investors. I too want to protect American investors, but I also want to make sure we do not disrupt trading in foreign securities. What will happen to an American foreign-security holder if that company refuses to comply with the registration requirements? Will they not have difficulty, or be prevented entirely, from buying or selling that particular stock? Does not the Senate version provide the same protection to American investors as the one recommended by our committee, but not have the undesirable aspect of immediate coverage?

I shall not offer an amendment, but I do want my colleagues to know the difference between the House and Senate versions and my preference for the Senate version. I also want to bring to the attention of the House the preference of the industry which must do business under the provision—those American broker-dealers who trade in foreign securities. They, by far, prefer the Senate approach. I very much hope that when this bill goes to conference, the conferees will give weighty consideration to accepting the Senate language on this point.

Mr. KEITH. Mr. Chairman, the gentleman from New York is correct in the distinction he has drawn between the provisions dealing with foreign securities as passed by the Senate and that recommended by the committee. However, there are certain facts which have been made in the committee's report which I would like to review here. The points made are succinct and bear directly on some of the questions that have been raised. First, however, it should be noted that under the House version, the SEC is granted broad exemptive powers and is authorized to deal very flexibly with the foreign securities problem. The Commission will be able to weigh the various considerations and to exempt, partially or completely, foreign securities when such action is appropriate.

With regard to the questions about trading in a foreign security, which security has not been exempted by the SEC, I should like to read a short excerpt from the committee report:

> The committee wishes to point out that the fact that a foreign issuer required to register under section 12(g) (that is, a foreign issuer that is not exempted by the Commission and that meets the tests of section 12(g)) does not register and is not complying with the provisions of the bill will not, of itself, mean that trading in the United States of the securities of such issuer will be illegal, or for that reason give rise to civil liabilities on the broker-dealers trading in such securities, although it might be appropriate for the Commission to require disclosures which may be appropriate in the circumstances.

In other words, Mr. Chairman, the mere fact of noncompliance by the foreign issuer, which, incidentally, could arise under either the House or Senate version, will not, of itself, jeopardize the foreign security holdings of American investors. They will be able to buy and sell them. American broker-dealers will not be prevented from trading in them. This, of course, does not mean that if the SEC finds out, one way or another, that the reason for noncompliance is that a fraud or something similar is being perpetrated by the issuer, that it will not suspend trading in the security; it can and it should, the same as it would do in the case of an American firm.

Therefore, I could say to the gentleman from New York that the fears of the industry are, in my opinion, unfounded—they will not be penalized by the House version—they will not have to suffer the consequences of noncompliance. Either version will get the job done and I personally could live with the Senate provision. The philosophy we have taken in this part of the bill is to provide for coverage with exemptions where warranted. The House provision on foreign securities is consistent with that approach; I believe it is a sound approach.

Now, Mr. Chairman, at the conclusion of the explanation by the gentleman from Arkansas [Mr. HARRIS] there were some questions asked by the gentleman from New York [Mr. FARBSTEIN] which I will be glad to try to answer. Will the gentleman restate his question?

Mr. FARBSTEIN. My question is in reference to the supplemental report separate from the committee report. Particularly this deals with the exemption of dealers of over-the-counter securities from disclosing sales, or being exempted from the short-term profits. They are being exempted from doing those things that the floorman on the New York Stock Exchange is not permitted to do, especially in view of the fact he can take advantage of inside information and make un unconscionable profit and be permitted to rig the market to the disadvantage of the ordinary stockholder.

Mr. KEITH. In reference to the gentleman's concluding statement, when a stockholder has been injured by reason of insider activity, he can bring a stockholder's suit against the insider and recover, as a stockholder, the unconscionable profit to which you referred.

May I say that the provisions of this legislation where an exemption provided for a broker-dealer is very limited he can only be exempt for activities in the course of his transaction incident to maintaining the market. So if he misuses this inside information, he is immediately called to task by the SEC. His firm can be penalized and he can be penalized, and any gains made could be recaptured by the stockholder in a suit against him.

Mr. FARBSTEIN. Suppose the ill-gotten gains are made as the result of the sale of small companies with limited securities and who in effect generally do not have any funds that can be recovered; in other words, you get a small company that has a capitalization ostensibly of $60,000.

Mr. KEITH. In order to come under the provisions of this act they would have to have a million dollars in capital, and they would have to have 750 stockholders initially. This reduced to 500 stockholders in a couple of years.

Mr. FARBSTEIN. Let us take that company. This man, knowing beforehand how much the company is earning, will be able to sell short or purchase securities in advance, and thereby rig the market.

Mr. KEITH. The best statement for the need of this exemption is furnished by Mr. Amyas Ames in the introductory remarks of the Investment Bankers Association contained in the committee hearings. He points out that these corporations need to have relationships with investment bankers who understand the problem of the corporation and who can, because of the knowledge which they have of the firm's activities, assure prospective purchasers of stock of the reliability of that concern and can provide a better service in maintaining a market.

Mr. FARBSTEIN. Do you intend to include broker-dealers of the small companies?

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. KEITH. I yield to the gentleman from Arkansas.

Mr. HARRIS. I think we would probably do well for the Record to get back to what the provision of this section is. It is not just a broad, sweeping thing. Let us see what is applicable here.

> (d) The provisions of subsection (b) of this section shall not apply to any purchase and sale, or sale and purchase, and the provisions of subsection (c) of this section shall not apply to any sale, of an equity security not then or theretofore held by him in an investment account, by a dealer in the ordinary course of his business and incident to the establishment or maintenance by him of a primary or secondary market.

Now, let me explain. Here is a company that is having difficulty obtaining capital. He has no way he can go ahead and get the capital that he needs. Here is a man they call a market maker. This becomes applicable to that individual. That individual, in order to make the market for this company that is unable to get the capital, must have information relative to the corporation's activities. Therefore, it is provided that he can be a part of that organization and sit in on the meetings of the members and therefore obtain this information in order that he can use this information to make a market for the securities they are not able to obtain otherwise. That is the kind of situation the Commission has in mind, to try to protect certain companies with reference to this exemption. It is not something that just turns them loose. It is up to the market maker himself to take care of the needs of the company.

Mr. FARBSTEIN. Would the gentleman say this applies to anybody who is a broker-dealer who buys into a company?

Mr. HARRIS. No, it would not. It would have to be done just as I read in the law, incident to the establishment or maintenance by him of a primary or secondary market, and a broker-dealer does not come within that category.

Mr. FARBSTEIN. The broker-dealer can buy sufficient stock of the company to represent 10 percent of the stock of the company, and under those circumstances he would have to disclose purchases and sales; but under this he could get inside the company and get information that would enable him to profit from that information.

Mr. HARRIS. No, this applies only to the man who makes the market for that particular company. When you get into the situation the gentleman is describing there is also a provision whereby the Commission has to define and prescribe the conditions with respect to the securities held in the investment account of the transaction made in the ordinary course of business.

Mr. FARBSTEIN. Where is there anything in this section that would apply to what I mentioned?

Mr. HARRIS. I just read it.

Mr. CORMAN. Mr. Chairman, I ask unanimous consent that the gentleman from Wisconsin [Mr. Reuss] may extend his remarks at this point in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. REUSS. Mr. Chairman, I support H.R. 6793 and commend the gentleman from Arkansas and the members of his committee for reporting legislation to assure further protection for investors and to strengthen the foundation for a continued sound expansion of the securities markets. In acting on this legislation, we owe a deep vote of thanks to Chairman William L. Cary of the Securities and Exchange Commission. Through his active leadership, a comprehensive and truly monumental study, covering every major aspect of the immense and intricate securities markets, has been completed. This study has not only served as an essential basis for the bill now before us. It provides basic information both for continuing consideration by Congress and for improvements to be undertaken by self-regulatory agencies governing the markets. These improvements, whether by voluntary or public action, are essential to safeguard the interests of millions of investors, many of whom are venturing into the market for the first time, particularly as they place their funds in the rapidly developing but less well-regulated over-the-counter markets.

Chairman Cary's initiative in undertaking the study should be reassuring to the public in another important respect. The study was carried out by a most impressive assemblage of expert talent. Much of the excellence of the study is due to the confidence which his special staff inspired among the officers of the exchanges, the securities dealers, investment bankers, and others whose activities were affected. The public can be assured that the high standards for investor protection established under the pioneering Securities Act of 1933 and the Securities Exchange Act of 1934 still govern under the greatly different circumstances of 1964.

Mr. GROSS. Mr. Chairman, I think all the Members ought to hear this argument. I make the point of order that a quorum is not present.

Mr. HARRIS. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore, Mr. Albert, having assumed the chair, Mr. Keogh, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 6793) to amend the Securities Act of 1933, to extend disclosure requirements to the issuers of additional publicly traded securities, to provide for improved qualification and disciplinary procedures for registered brokers and dealers, and for other purposes, had come to no resolution thereon.

RELIEF FROM IMPORTS OF BEEF

Mr. SHORT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include an editorial.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. SHORT. Mr. Speaker, an editorial appearing in this morning's Washington Post entitled "Meat Quotas by Stealth?" is a most unfair and erroneous commentary on the sincere efforts of the livestock industry to obtain some relief from rapidly increasing meat imports. The inference is made that a "powerful beef lobby" has used devious methods in securing consideration of legislation.

May I point out Mr. Speaker that some 72 Members of the House have introduced legislation dealing with this matter. This does not seem to me a devious way to go about securing consideration of legislation. It is also appropriate to point out that the other body recently passed by a vote of 72 to 13 a bill providing for modest restrictions on beef imports at times when domestic beef prices were severely depressed. This bill would not provide "rigid import quotas" as the editorial states but only limited restrictions at the past 5-year average, when domestic prices were depressed. There seems to me no logical reason why the largest segment of our agricultural economy should not be deserving of this modest protection.

Those of us who support legislation to provide the Nation's livestock industry with modest relief from imports have been unsuccessful in securing consideration of such legislation by the Ways and Means Committee of the House. We would welcome an opportunity to present our case. In the absence of such an opportunity we would welcome an opportunity to consider the Senate-passed bill on the floor of the House. I hope the House leadership will not be a party to any attempt by opponents of this legislation to bypass the Ways and Means Committee of the House of Representatives.

The editorial referred to is as follows:

MEAT QUOTAS BY STEALTH?

If the strategy of the powerful beef lobby is successful, rigid import quotas for all types of meat products will be established without a public hearing in the House or the concurrence of the Ways and Means Committee.

Earlier in this session the House passed H.R. 1839, a rather innocuous amendment to the Tariff Act of 1930 providing for the free importation of wild animals and birds intended for purposes of exhibition. But once in the Senate, H.R. 1839 was transmogrified. The wildlife import provisions were eliminated, and in their place the Senate adopted severe limitations on the quantities of meat and meat products that can be imported into the United States. Now the bill, bearing its original title, has been returned to the House where its disposition has touched off a lively parliamentary struggle.

The disposition of H.R. 1839 involves a number of fine parliamentary points, but there is hardly anything occult about the legislative principles that are at stake. The Senate has chosen to write tariff legislation of far-reaching consequences and that legislation should not be enacted until the House Ways and Means Committee has had an opportunity to deliberate and hold public hearings. A hardly disguised effort is now being made by the beef lobby to bypass Ways and Means through a Rules Committee decision that would send the bill to a House-Senate conference. This devious attempt to legislate by stealth ought to be rebuffed by the House leadership. If the Congress is really determined to offend our allies by reviving the protectionist spirit of the 1930's, it should not flinch from a full and open discussion of the issues.

MEXICO THREATENS UNITY OF AMERICAN STATES

Mr. ROGERS of Florida. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. ROGERS of Florida. Mr. Speaker, Bolivia has announced that it will break relations with Communist Cuba in the near future, and thus coincide with the action just taken by the Organization of American States calling for all OAS-member nations to end recognition of Castro's regime.

Ironically, Mexico announced at the same time that it would reject the OAS action by continuing diplomatic ties with Castro.

The statement made yesterday by the Mexican Foreign Minister flies in the teeth of formal steps taken together by the nations of this hemisphere. It is clearly a slap in the faces of all free people in North and South America, and will not strengthen the OAS itself.

The Mexican position takes on added significance in view of the fact that Bolivia, along with Uruguay and Chile, sympathized with Mexico and favored a soft line on Cuba. Yet Bolivia announced compliance with the OAS 1 week after the sanctions were voted on Cuba. It seems that Mexico could do the same.

If the Government of Mexico does not reverse its position and abide by the OAS action in the near future then Mexican membership in that inter-American body must be reconsidered. For an organization to be effective it must first act, then move to enforce its own actions.

If Mexico will not act with the OAS, then the OAS must act on Mexico.

CANADA SEEKS EXPANSION OF FOREIGN TRADE

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Wisconsin [Mr. SCHADEBERG] is recognized for 1 hour.

Mr. SCHADEBERG. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. SCHADEBERG. Mr. Speaker, the Secretary of the Treasury is now deliberating a matter which is as serious as any he has had before him in his tenure in office. For in his hands now rests the fate of thousands of U.S. companies and the jobs of thousands of U.S. workers. It is my objective today to pinpoint the fundamental considerations involved in the decision which the Secretary must make and to demonstrate to the Members of Congress, to the President, and to the people of the United States why the Secretary must act, and must act now, to preserve these American companies and the jobs which depend on the continued existence of these companies. I know there are others in this Chamber today who share my concern about this matter and who wish to speak. I will be glad to yield the floor when I have completed my principal remarks.

On November 1, 1963, the Canadian Government embarked on a 3-year program aimed at promoting the export to the United States of motor vehicles and motor vehicle parts of Canadian origin. Mr. Speaker, no one can argue with this objective, and it is not my purpose today to do so. We in the United States are constantly seeking ways and means of promoting the increased sale abroad of U.S.-produced goods. It was the hope and expectation of the Congress, when it approved the Trade Expansion Act of 1962, that U.S. exports would be increased and that U.S. products would find expanding foreign markets. Indeed, it would be difficult to find a person against the expansion of export sales in the present day makeup of the world.

So, Mr. Speaker, no one objects to any country seeking to expand foreign markets for its products, provided, that is, that the means employed to attain such expansion are not illegitimate. No matter how desirable, or indeed even necessary, it may be for a country to expand foreign markets for its products, such expansion cannot be condoned if it comes about through the use of trade practices which are unfair. As in so many other fields of endeavor and personal and international relationships, the end of export expansion is not justified by the use of unfair means.

So an appraisal of Canada's objective of expanding auto parts sales to the United States must take cognizance not only to the ends of the Canadian program—larger sales to the United States, but also of the means which Canada is employing to accomplish this result.

The Canadian scheme to promote exports of automotive vehicles and vehicle parts has at its core a most unacceptable device—government export subsidies. The essence of the scheme, the means by which expansion of U.S. sales of Canadian-made auto parts is accomplished, is a Canadian Government subsidy which permits Canadian producers to sell at prices which are substantially lower than those prevailing in the United States, and substantially lower than any U.S. auto parts producer can meet.

The Canadian subsidy program is contained in an official order which employs many technical terms, and involves a number of seemingly complicated machinations. But reduced to its lowest common denominator, it is nothing other than a governmental underwriting of prices so that otherwise impossible sales can be made.

Mr. Speaker, I ask unanimous consent to insert at this point in my remarks a copy of Order in Council P.C. 1963–1/1544, the order establishing the Canadian subsidy program:

CANADA PRIVY COUNCIL,
GOVERNMENT HOUSE AT OTTAWA,
October 22, 1963.

His Excellency the Governor General in Council, pursuant to section 22 of the Financial Administration Act, is pleased hereby to order as follows, in accordance with the following minute of the Treasury Board: "T.B. 617086.

"FINANCE INDUSTRY

"The Board recommends that Your Excellency in Council be pleased to order as follows:

"ORDER

"1. (1) In this order:

"(a) 'Designated period' means any following period; namely, (i) November 1, 1963, to October 31, 1964; (ii) November 1, 1964, to October 31, 1965; or (iii) November 1, 1965, to October 31, 1966;

"(b) 'Motor vehicle' means vehicles that, if imported into Canada, would be classified under any of Tariff items 410a(iii), 424, and 438a;

"(c) 'Motor vehicle parts' means parts that, if imported into Canada, would be classified under any of Tariff items 410a(iii), 424 and 438a to 438u inclusive, and includes the following motor vehicle parts and accessories; namely, ball and roller bearings, radios, heaters, die castings of zinc, electric storage batteries, and parts of which the component material of chief value is wood or rubber, but does not include tires or tubes.

"(2) A reference in this order to the value for customs duty purposes of any goods shall be construed as a reference to the value for customs duty purposes of such of those goods as were subject to customs duties specified in schedule A to the customs tariff.

"2. All customs duties specified in schedule A to the customs tariff payable in respect of the following goods; namely, (a) motor vehicles imported or taken out of warehouse by a motor vehicle manufacturer in Canada during any designated period; and (b) motor vehicle parts for use as original equipment for motor vehicles, imported or taken out of warehouse by or on behalf of such manufacturer during that designated period; are remitted to the extent of the duties so payable on such part of the value for customs duty purposes of those goods as does not exceed the amount (hereinafter referred to as the 'excess value') by which (c) the Canadian content value, as established to the satisfaction of the Minister of National Revenue, of motor vehicles and motor vehicle parts exported by such manufacturer during that designated period, exceeds (d) the Canadian content value, as established to the satisfaction of the Minister of National Revenue, of motor vehicles and motor vehicle parts exported by such manufacturer during the period November 1, 1961, to October 31, 1962, and where the excess value exceeds the value for customs duty purposes of the goods so imported or taken out of warehouse during that designated period, the amount of such excess may be added to the Canadian content value, as established to the satisfaction of the Minister of National Revenue, of motor vehicles and motor vehicle parts exported by such manufacturer during the immediately preceding period of 12 months in determining the amount of customs duties specified in schedule A to the customs tariff that may be remitted under this order or under order in Council P.C. 1962–1/1536 in respect of goods imported or taken out of warehouse during that preceding period.

"3. For the purposes of this order—

"(a) A manufacturer is a motor vehicle manufacturer in Canada during any relevant period only if such manufacturer produces

> in Canada during that period motor vehicles the total number of which so produced is not less than forty per cent of the total number of motor vehicles sold by such manufacturer during that period;
>
> "(b) Motor vehicle parts that are produced in Canada by a parts manufacturer and exported and that can be identified as being for use in the manufacture, repair or maintenance of motor vehicles produced by an affiliate outside Canada of a motor vehicle manufacturer in Canada may be considered to have been exported by such motor vehicle manufacturer; and
>
> "(c) Motor vehicle parts exported for incorporation into motor vehicles to be shipped to Canada shall be deemed not to have been exported if the value of such parts may be taken into account for customs duty remission purposes under any order other than this order upon the subsequent importation of such vehicles."

Mr. Speaker, as I said before, the order is replete with technical terms and a myriad of definitions, cross-references, and the like. But the plan works very simply and its true nature as a plain and clear export subsidy arrangement comes through all of the excess verbiage. Here is how the plan operates:

First. All Canadian vehicle producers are subsidiaries of U.S. auto companies. Also, all Canadian vehicle producers must import from the United States many parts needed for the production of vehicles in Canada. These parts are not available in Canada or elsewhere.

Second. When these needed parts are imported into Canada, a Canadian duty of either 17½ or 25 percent is levied.

Third. Canada offers to refund this duty if the Canadian vehicle producer who paid it will see to it that its U.S. affiliate purchases Canadian-made vehicle parts. In other words, the duty refunds are the subsidies paid to promote the sale of Canadian-made parts.

An example of how this scheme works also helps to bring it into clear focus as a subsidy device: Ford of Canada must import automatic transmissions. Let us assume Ford of Canada imports $100,000 of such transmissions, though, of course, real imports of such articles are made in terms of millions of dollars. Upon the importation of these $100,000 worth of transmissions, Ford of Canada pays the Canadian Government $25,000, which represents the duty rate of 25 percent assessed by Canada on automatic transmissions.

The Canadian Government then says to Ford of Canada: "If you will have your parent—Ford, U.S.A.—buy $100,000 worth of Canadian-made automotive radiators, wheels, brake drums, bumpers, radios, heaters, or any other of the thousands of parts which they need to make cars and trucks in the United States, we will pay you back the $25,000. You and your parent company can thus earn this money by your parent buying Canadian instead of American parts."

It is well to note that without this $25,000 refund, Ford, U.S.A. would not consider buying its parts requirements in Canada. The U.S. parts industry is much more efficient than Canada's and this efficiency is reflected in lower, or at the very least comparable, U.S. prices. To overcome this handicap which Canadian auto parts producers experience in the U.S. market, Canada subsidizes the transaction with the use of import revenues collected on U.S. products which must be imported into Canada. In other words, the Canadian Government makes up for the lack of competitiveness on the part of its industry by subsidizing the sales of Canadian products; the Government makes its producers competitive.

In the example given, Ford, U.S.A., finds it more profitable to buy the $100,000 worth of needed parts in Canada, since the price it pays for these parts will be reduced by the $25,000 payment received from the Canadian Government. So it buys Canadian, rather than American.

Mr. Speaker, that is how the program operates. It operates as do all subsidies. It makes possible sales at uneconomic prices with the Government picking up the price differences. It results in purchases being made which, in the absence of the subsidy, would never have been made. It causes U.S. concerns to lose sales, not for valid competitive reasons, but as a direct result of Government price manipulation with the use of subsidy payments.

The Modine Manufacturing Co., of Racine, Wis., a company I am proud to have in my district, was one of the first to fully appreciate the evils of the Canadian subsidy scheme. Shortly after the scheme was put into effect, Modine, a leading producer of automotive radiators, sent several of its executives to Canada and to Washington to explore official attitudes regarding this subsidy arrangement. Modine, found that Canadian officials were excited about the scheme and foresaw greatly increased exports to the United States as the subsidy plan intensified the pressure on U.S. auto companies to buy parts in Canada. Canadian officials predicted that increased exports of up to $200 million were anticipated. This prediction was soundly based since U.S. auto producers stood to be paid subsidies in excess of $45 million.

Mr. Speaker, under unanimous consent, I wish to insert at this point in the RECORD, a news release of the Department of Industry of Canada, dated October 25, 1963, which reflects the Canadian Government's high hopes about their subsidy plan:

> OTTAWA, October 25, 1963.—The Honorable C. M. Drury, Minister of Industry, today announced in the House of Commons certain new measures which are being introduced by the Government to foster greater production and trade in motor vehicles and parts for vehicles. An order in council has been passed which gives effect to the following measures as of November 1, 1963. They will supersede the provisions of P.C. 1962–1/1536 pertaining to the remission of duties paid on importations of automatic transmissions and stripped engines.
>
> The new measures provide for the remission of duties paid on importations of vehicles and parts for vehicles for use in the manufacture of motor vehicles in Canada.
>
> The remission of duties on imports may be earned through exports of vehicles or parts in excess of exports made during the 12 months ending October 31, 1962. Exports to any country are eligible to earn a credit for remission of duties. Credits may be earned by vehicle manufacturers through exports by themselves or by the parts makers.
>
> One dollar of exported Canadian content will earn the remission of duties on $1 of dutiable imports. If full advantage of the plan is taken by industry, it could lead to increased production and exports of between $150 and $200 million annually and to the remission of duties on an equivalent value of imports into Canada.
>
> The new measures will be in force initially for a period of 3 years. It is envisaged that a plan of this magnitude will result in substantial investment in new production facilities and the planning and construction of new machinery and buildings requires a certain minimum time, even when pressed vigorously.
>
> Mr. Drury stated that the Government will wish to review the progress achieved under the plan at the end of 3 years and to be guided accordingly in implementing future measures by the results achieved in the interval.
>
> The objectives of this plan are threefold:
>
> 1. To increase production and create additional employment in Canada;
> 2. To take an important step to improve Canada's balance-of-payments position; and
> 3. To give producers of parts for vehicles and producers of vehicles a valuable incentive to achieve longer production runs and a greater degree of specialization, thus assisting them to reduce their costs.
>
> The plan involves no restriction to trade. The new measures do not require the enactment of new duties or other restrictive measures. They will be implemented entirely within the context of Canada's trade agreement commitments.
>
> The Government believes that the new plan will make substantial new production opportunities available to Canadian automotive industry producers. It should also help them to reduce costs, with benefits to them and to Canadian consumers. Furthermore, it is consistent with Canada's policy of solving our trade and balance-of-payments problems by constructive measures and not through restrictive actions. Under these new measures trade in both directions will be encouraged.
>
> The Government feels that this measure will contribute to a greater flow of trade between Canada and its trading partners, and will place Canadian producers in a much better position to compete efficiently and effectively in Canadian and international markets.

Mr. Speaker, here in Washington, Modine found a smattering of familiarity with the Canadian scheme and a limited concern in some agencies of the executive branch. Its attention was directed to remarks which Secretary of Commerce Luther Hodges had made in the fall of 1963 when he viewed the Canadian scheme as undesirable. But on the whole, Modine's people did not detect any sense of urgency here about the subsidy scheme and certainly did not receive any encouragement about our Government doing something to correct the manifest injustices which had to flow from the operation of the Canadian program.

Modine's concern about the ambitions of the Canadian Government, on the other hand, was increased by developments early this year among its historic customers. It was brought to my attention that Modine was advised by several customers that future orders for Modine's vehicle radiators would be smaller and that the balance of such customers' radiator requirements would be supplied from Canada because of the subsidy scheme. Modine foresaw then what eventually happened—the loss of orders for millions of dollars worth of radiators.

Because of the handwriting which was so plainly evident on the wall of Modine's future, Modine enlisted the services of attorneys in Washington to explore what rights it had under U.S. tariff laws. On the advice of counsel, on April 15, 1964, Modine filed a formal petition with the Commissioner of Customs asking that countervailing duties be placed on subsidized Canadian vehicle and vehicle parts exports pursuant to section 303 of the Tariff Act of 1930.

Mr. Speaker, under unanimous consent I insert a copy of Modine's petition in the RECORD at this point:

A PETITION

To the Honorable the U.S. COMMISSIONER OF CUSTOMS:

Whereas your petitioner, Modine Manufacturing Co. of Racine, Wis., is a U.S. company which manufactures and sells, inter alia, motor vehicle radiators of the kind provided for in dutiable item No. 692.25 of the Tariff Schedules of the United States; and

Whereas your petitioner has reason to believe that a bounty or grant is being paid or bestowed by the Government of Canada with respect to said radiators which are the product of Canada; and

Whereas your petitioner has specified in detail, in the accompanying memorandum, the reasons why it entertains this belief:

Now, therefore, Modine Manufacturing Co., acting in accordance with the provisions of section 303 of the Tariff Act of 1930 (19 U.S.C. sec. 1303) and the pertinent regulations of the U.S. Bureau of Customs (19 C.F.R. 16.24), hereby petitions the U.S. Commissioner of Customs for the issuance of a countervailing duty order to be applicable to all imports of motor vehicle radiators which are the product of Canada, imported directly or indirectly into the United States, insofar as the same are determined to have been exported from Canada with the benefit of a bounty or grant paid by the Government of Canada or any agency or subdivision thereof.

MODINE MANUFACTURING CO.
(S) N. L. Doligalski,
N. L. DOLIGALSKI, *Secretary*.

APRIL 15, 1964.

Mr. Speaker, Modine's petition was accompanied by a memorandum of facts and law in support thereof. The memorandum is too long to include in this record but I commend it to my colleagues as a most convincing argument as to why the Secretary of the Treasury is required under section 303 of the Tariff Act of 1930 to take action to stem the flow of subsidized auto parts imports from Canada. It is forcefully pointed out, based on detailed legislative history and unanimous judicial precedent, that the type of subsidy being employed by Canada here is the very evil with which section 303 is intended to deal.

Section 303 of the Tariff Act of 1930, which reflects the continuous policy of the Congress regarding subsidization of exports to the United States since the late 1800's, reads as follows:

> Whenever any country, dependency, colony, province, or other political subdivision of government, person, partnership, association, cartel, or corporation shall pay or bestow, directly or indirectly, any bounty or grant upon the manufacture or production or export of any article or merchandise manufactured or produced in such country, dependency, colony, province, or other political subdivision of government, and such article or merchanise is dutiable under the provisions of this chapter, then upon the importation of any such article or merchandise into the United States, whether the same shall be imported directly from the country of production or otherwise, and whether such article or merchandise is imported in the same condition as when exported from the country of production or has been changed in condition by remanufacture or otherwise, there shall be levied and paid, in all such cases, in addition to the duties imposed by this chapter, an additional duty equal to the net amount of such bounty or grant, however, the same be paid or bestowed. The Secretary of the Treasury shall from time to time ascertain and determine, or estimate, the net amount of each such bounty or grant, and shall declare the net amount so determined or estimated. The Secretary of the Treasury shall make all regulations he may deem necessary for the identification of such articles and merchandise and for the assessment and collection of such additional duties.

The statement of congressional policy on this subject is clear and precise. Note that: "any bounty or grant" whether paid "directly or indirectly" is condemned by the statute. Note particularly that there is no "injury" or "serious injury" test provided. The statute is plain, unambiguous, and direct in its command: Given a bounty or subsidy—"there shall be levied and paid, in all such cases an additional duty equal to the net amount of such bounty."

But notwithstanding the clear and unequivocal mandate of the statute, the Treasury Department did not grant Modine's petition. Rather, on June 3, 1964, the Department announced a formal investigation into the Canadian subsidy scheme and asked interested parties to submit views no later than July 3, 1964. Mr. Speaker, under unanimous consent I insert at this point in my remarks a copy of the Treasury Department notice:

DEPARTMENT OF THE TREASURY—BUREAU OF CUSTOMS

MOTOR VEHICLES AND MOTOR PARTS FROM CANADA

(Investigation of suspected bounty or grant)

Notice of opportunity to present views on the question whether certain action by Canada constitutes payment or bestowal of a bounty or grant within the meaning of section 303, Tariff Act of 1930, upon exports of motor vehicles and motor vehicle parts from Canada.

Notice is hereby given that the Bureau of Customs has received information that Canada has adopted measures, which became effective on November 1, 1963, under which amounts measured by the duties paid on imports into Canada of "motor vehicles" and "motor vehicle parts" (as described in Canadian Order in Council P.C. 1963–1/1544 of October 22, 1963) are to be paid directly or indirectly upon exports to any country of "motor vehicles" and "motor vehicle parts." Such amounts are to be paid in connection with total exports which exceed total exports made during the 12 months ending October 31, 1962. The Canadian Order in Council is appended hereto as appendix A.

This information raises the question whether this action by Canada constitutes payment or bestowal of a bounty or grant, directly or indirectly, within the meaning of section 303 of the Tariff Act of 1930 (19 U.S.C. 1303) upon the manufacture, production, or export of the vehicles and parts to which the Canadian Order in Council relates. This question is now under consideration.

If it should be determined that a bounty or grant is paid or bestowed in connection with any such manufacture, production, or export, it is proposed that an appropriate countervailing duty order would be issued and published in accordance with § 16.24 of the Customs Regulations (19 CFR 16.24).

It is contemplated that if such an order should be issued it would:

(1) Relate to all categories of merchandise encompassed within the Canadian Order-in-Council; the status of particular articles under the Tariff Schedules of the United States will be irrelevant, except that articles which are duty free under the Schedules would not be subject to the order.

(2) Provide that liquidation shall be suspended as to all articles affected by the Canadian Order-in-Council imported from Canada (except articles which are free of duty under the Tariff Schedules of the United States) which are entered or withdrawn from warehouse for consumption after the 30th day after the date of publication of that order in the Federal Register.

(3) Provide that, in accordance with said section 303, the net amount of such bounty or grant shall be such amount as the Commissioner of Customs shall from time to time ascertain and determine, or estimate, and publish in the Federal Register, and that the suspension of liquidations shall terminate when the Commissioner of Customs shall, for the first time, ascertain, determine or estimate and publish the net amount of such bounty or grant.

Before a determination is made consideration will be given to any relevant data, views or arguments with respect to the existence or nonexistence, and the net amount of a bounty or grant, which are submitted in writing to the Commissioner of Customs, Bureau of Customs, Washington, D.C., 20226, and received not later than 30 days from the date of publication of this notice in the Federal Register. No hearing will be held.

(R.S. 251, secs. 303, 624, 46 Stat. 687, 759; 19 U.S.C. 66, 1303, 1624)

[SEAL] PHILIP NICHOLS, Jr.,
Commissioner of Customs.

Approved: May 27, 1964.
JAMES A. REED,
Assistant Secretary of the Treasury.

APPENDIX A

[P.C. 1963–1/1544]

AT THE GOVERNMENT HOUSE AT OTTAWA

OCTOBER 22, 1963.

Present:

His Excellency

The Governor General in Council:

His Excellency the Governor General in Council, pursuant to section 22 of the Financial Administration Act, is pleased hereby to order as follows, in accordance with the following minute of the Treasury Board:

[T.B. 617086]

FINANCE INDUSTRY

The Board recommends that Your Excellency in Council be pleased to order as follows:

Order

1. (1) In this Order,

(a) "designated period" means any following period, namely:

(i) November 1, 1963 to October 31, 1964,

(ii) November 1, 1964 to October 31, 1965, or

(iii) November 1, 1965 to October 31, 1966;

(b) "motor vehicle" means vehicles that, if imported into Canada, would be classified under any of Tariff items 410a(iii), 424 and 438a;

(c) "motor vehicle parts" means parts that, if imported into Canada, would be classified under any of Tariff items 410a(iii), 424 and 438a to 438u inclusive, and includes the following motor vehicle parts and accessories, namely, ball and roller bearings, radios, heaters, die castings of zinc, electric storage batteries, and parts of which the component material of chief value is wood or rubber, but does not include tires or tubes.

(2) A reference in this order to the value for Customs duty purposes of any goods shall be construed as a reference to the value for Customs duty purposes of such of those goods as were subject to Customs duties specified in schedule A to the Customs Tariff.

2. All Customs duties specified in Schedule A to the Customs Tariff payable in respect of the following goods, namely:

(a) motor vehicles imported or taken out of warehouse by a motor vehicle manufacturer in Canada during any designated period, and

(b) motor vehicle parts for use as original equipment for motor vehicles, imported or taken out of warehouse by or on behalf of such manufacturer during that designated period,

are remitted to the extent of the duties so payable on such part of the value for Customs duty purposes of those goods as does not exceed the amount (hereinafter referred to as the "excess value") by which

(c) the Canadian content value, as established to the satisfaction of the Minister of National Revenue, of motor vehicles and motor vehicle parts exported by such manufacturer during that designated period, exceeds

(d) The Canadian content value, as established to the satisfaction of the Minister of National Revenue, of motor vehicles and motor vehicle parts exported by such manufacturer during the period November 1, 1961, to October 31, 1962.

and where the excess value exceeds the value for Customs duty purposes of the goods so imported or taken out of warehouse during that designated period, the amount of such excess may be added to the Canadian content value, as established to the satisfaction of the Minister of National Revenue, of motor vehicles and motor vehicle parts exported by such manufacturer during the immediately preceding period of twelve months in determining the amount of Customs duties specified in Schedule A to the Customs Tariff that may be remitted under this Order or under Order in Council P.C. 1962-1/1536 in respect of goods imported or taken out of warehouse during that preceding period.

3. For the purposes of this order,

(a) a manufacturer is a motor vehicle manufacturer in Canada during any relevant period only if such manufacturer produces in Canada during that period motor vehicles the total number of which so produced is not less than forty percent of the total number of motor vehicles sold by such manufacturer during that period;

(b) motor vehicle parts that are produced in Canada by a parts manufacturer and exported that can be identified as being for use in the manufacture, repair or maintenance of motor vehicles produced by an affiliate outside Canada of a motor vehicle manufacturer in Canada may be considered to have been exported by such motor vehicle manufacturer; and

(c) motor vehicle parts exported for incorporation into motor vehicles to be shipped to Canada shall be deemed not to have been exported if the value of such parts may be taken into account for Customs duty remission purposes under any order other than this order upon the subsequent importation of such vehicles.

[F.R. Doc. 64-5469; Filed, June 2, 1964; 8:47 a.m.]

Mr. Speaker, on July 2, 1964, Modine filed a comprehensive memorandum in response to the Treasury Department's notice. This memorandum buttressed Modine's position as contained in the April 15 memorandum and even more forcefully pointed to the requirements of the law regarding the imposition of countervailing duties under section 303. Several other submissions were also received by the Treasury Department.

Some 7 days after the expiration of the 30-day period prescribed for submission of views in its notice of June 3, and long after Modine and others had faithfully complied with the Department's deadline, Treasury extended the period until yesterday, August 3. No reasons were given for this action. No explanation for this further delay was made.

This, then, Mr. Speaker, is where this matter rests today. During the course of the Modine petition and subsequent submission, I communicated several times with the Secretary of the Treasury urging him to take this desperately needed action so as to forestall the tremendous losses of relatively small businesses and of a large number of U.S. jobs which the Canadian program threatens.

Copies of the letter and telegram I exchanged with the Treasury Department in this matter follow:

JULY 2, 1964.

Hon. DOUGLAS DILLON,
Secretary of the Treasury,
Treasury Department,
Washington, D.C.:

Respectfully request immediate imposition of countervailing duties under section 303 of Tariff Act of 1930 on Canadian-manufactured motor vehicle parts imported into United States under subsidy by Canadian Government. Modine Manufacturing Co., Racine, Wis., stands to lose several million dollars business to Canadian firms through Canadian duty remission plan; 500 Modine jobs and possibly 30,000 throughout industry in jeopardy. Alternative would be to lose company and jobs to Canada. I join with other Congressmen who also represent districts where Modine has plants in urging the recommended action immediately.

HENRY C. SCHADEBERG,
Member of Congress.

TREASURY DEPARTMENT,
Washington, D.C., July 7, 1964

Hon. HENRY C. SCHADEBERG,
House of Representatives,
Washington, D.C.

DEAR MR. SCHADEBERG: The Secretary of the Treasury has asked me to reply to your telegram of July 2, 1964, about the Canadian duty remission system for motor vehicles and motor vehicle parts.

As I believe you know, a Treasury Department notice was published in the Federal Register on June 3, 1964, inviting comments and views of all interested persons relating to complaints arising from the recent Canadian Order in Council, to which you refer in your telegram, relative to the export of motor vehicles and motor vehicle parts from Canada. The Bureau of Customs is giving careful consideration to such comments and views in arriving at a determination whether the Canadian rebate procedure constitutes a bounty or grant within the meaning of section 303 of the Tariff Act of 1930.

We very much appreciate your interest in this question, and can assure you that your views will be taken into account in reaching a decision.

Sincerely yours,
JAMES POMEROY HENDRICK,
Acting Assistant Secretary,
of the Treasury.

Mr. Speaker, I wish to make it perfectly clear that Modine and other companies that are petitioning the Government to take action to right this inequity resulting from Canada's program are not seeking tariff protection. In fact, Modine is on record in favor of completely free trade in automotive radiators. Modine would like to see absolutely no tariffs on radiators shipped between nations of the free world. So this is not a case of an industry seeking tariff relief from severe import competition. Modine has maintained all along that it fears no competition—no competition which is fair, that is. But no U.S. producer, regardless of how efficient or how invulnerable he is to usual foreign competition, can survive in a duel with the purse strings of a foreign government. No producer can compete with a product whose price is reduced below cost levels by a Government check, by a Government underwriting of the sale. As small as the exchequer of Canada may be in relation to the treasuries of other nations of the world, I assure you that it is too large to permit Modine and the other companies in the United States who make auto parts to engage in a competitive duel with Canada. What, I ask, Mr. Speaker, are the limits? At present, Canada subsidizes parts exports at 100 percent of the duties paid. What is to prevent a subsidy of 125, 150, or 200 percent? If what Canada is doing, is legal, then subsidization on a larger scale in related and unrelated industry would also be proper. I submit that no U.S. company can be expected to compete under these circumstances. Fortunately, Congress has said the same thing for the past 70 years.

Mr. Speaker, this is the only protection Modine seeks: To be immunized from the onslaught of competition which originates in the Treasury of Canada. To be able to continue to compete with its equals, U.S. and foreign producers, and not to have to try to stand up against the revenue handouts of Canada.

Section 303 reflects the correctness of Modine's position. For this Congress, in its wisdom, has unqualifiedly promised U.S. businessmen that they need not fear competition from foreign governments. Whatever our national trade policy regarding usual import competition, U.S. producers are on notice that they can rely on being protected against subsidized imports from abroad. And this assurance is not couched in discretionary, artistic terms. There is no requirement of proving injury or of satisfying the executive that action under the statute will square with our foreign policy requirements. Whenever a subsidy is paid, the law requires it to be neutralized. I am at a loss, as I know my colleagues here are also, to understand why the Secretary of the Treasury cannot obey this simple mandate as he is required to do. He has no discretion here. The mandate to perform the ministerial act of imposing countervailing duties is clear.

Mr. Speaker, much has been said on this floor and elsewhere about the merits of free and unfettered trade. There is, as you know, a wide split among the Members of this great body and in our great Nation as to the merits and demerits of a so-called liberal trade policy. But I have yet to hear from any quarter—whether so-called liberal or protectionist—a defense of unfair trade. Whatever one's views may be on the trade policy which the United States should follow, no one can defend a system of trade which pits a U.S. producer against a foreign government's treasury. No one can stand up and defend a system whereby the producers of the United States are asked to meet prices set by foreign suppliers with the backing of the general revenues of their country.

Mr. Speaker, the evils of subsidization of exports have been unanimously condemned by the nations of the free world. The General Agreement on Tariff and Trade, to which the United States and Canada are parties, unqualifiedly condemns subsidies. This agreement also recognizes the absolute right of any affected country to take steps, such as imposing countervailing duties, to offset subsidization. The GATT recognizes the disruptive and unfair character of subsidization and the right of countries to counter subsidization wherever it rears its ugly head.

So, Mr. Speaker, I urge that those who are concerned with this problem keep foremost in their minds that this is not a claim for protection against severe import competition. Modine and her sister U.S. companies are asking to be relieved of the burden placed on them by unfair competition, not fair competition.

Three of Modine's plants stand to be shut down if this Canadian scheme is not halted. More than 1,000 of Modine's workers stand to lose their jobs. Their families, the merchants who depend on their trade, the communities which depend on their taxes and support, all will suffer. The parent plant in Racine will suffer also. So will workers in that plant, their families, their community.

And, as I mentioned previously, Modine is not alone in this. Thousands of other companies, mostly small U.S. businesses, and many thousands of workers face the same fate. Unless the Canadian scheme is stopped, these companies will be forced to close down or to relocate in Canada.

Regardless of which course they choose, they will suffer and their workers will suffer.

I would like to include at this point several newspaper articles and editorials which relate to the concern of the communities about this Canadian scheme:

[From the Milwaukee (Wis.) Journal Editorial, June 8, 1964]

CHALLENGE TO CANADA

Just when United States-Canadian relations seemed to be entering a tranquil period, along comes a new row that threatens to erupt into another battle royal. This one involves a Wisconsin firm, automobiles and, ultimately, the economic climate between the two nations.

It all started last October when Canada announced incentives designed to encourage greater automotive production. These permit Canadian firms to import free of duty some vehicles or parts used to make cars and trucks. To obtain this concession, however, Canadian manufacturers must export more vehicles or parts than they did in the year ended October 31, 1962.

The scheme is aimed at trimming the large deficit Canada has been running in auto and auto parts trade with the United States. The deficit reached almost $500 million in 1962.

While no significant increase in Canadian auto exports has yet been noted, the move has brought vigorous protests from American manufacturers and several unions. Modine Manufacturing Co., Racine, which produces certain automobile parts, has just filed an official complaint with the customs department, charging that Canada is, in effect, paying its manufacturers a bounty. If the charge is upheld, the United States could retaliate by setting extra duties on imports of automobiles and auto parts from Canada.

Imposition of such "countervailing duties" would be a harsh action—one taken only with great reluctance in the past. It would not improve relations between the two countries.

However, the United States cannot be expected to sit idly by while Canadian governments draw up schemes that, whether intended or not, present unreasonable competitive disadvantages for American businesses. The auto plan is one of several proposed in recent years.

Canadians are properly concerned that so much of their economy is dominated by Americans. However, this domination was the inevitable result of the invitation and welcome that had long been extended to our investors.

A financial analyst of our acquaintance, most familiar with Canadian economics, makes a telling point in this regard.

Canada, he says, has great primacy in many fields—paper and forest products, metals of many kinds, concentrated banking institutions.

"What are they doing to make these assets world-wide in scope, in money making and influence?" he asks. The answer is, very little.

"Canadian leadership should take the lead and stop bemoaning its fate," this analyst continues. "All it has to do is organize and operate in this great (world) market. What the Japanese can do without resources, what the Dutch can do without area, surely Canadian industry and genius can do equally well."

Here is a point that Canada should consider.

[From Business Week, July 25, 1964]

CANADA'S CAR PUSH HITS A ROADBLOCK—ITS TARIFF REBATE PLAN ON AUTO PARTS HAS BEEN CHALLENGED BY A U.S. COMPANY AS AN ILLEGAL EXPORT SUBSIDY

(The action virtually has brought the scheme to a halt and frozen further U.S. plans to expand over the border.)

(High officials hope for a compromise, but if the United States imposes a retaliatory duty an open trade war may be in prospect.)

Trade officials on both sides of the longest undefended border in the world were watching each other warily this week as the result of a legal document filed in Washington that may set off a tariff war between the United States and Canada.

The document was a brief submitted to the Bureau of Customs by Modine Manufacturing Co. of Racine, Wis., maker of auto radiators and other parts. In it, the company charges that the Canadian motor vehicle parts export incentive scheme launched last November (Business Week, Nov. 2, 1963, p. 29) constitutes a subsidy for the export of auto parts to the United States and is, therefore, illegal under section 303 of the Tariff Act of 1930.

RETALIATION ASKED

Modine is asking the Treasury Department to slap a 25 percent countervailing duty on imports of Canadian auto parts to offset the alleged subsidy. The brief was the latest in the company's fight against the Canadian scheme. It filed its first complaint April 15. This resulted in the Treasury Department's opening an investigation on June 3 to determine whether the Canadian arrangement was, in fact, an export subsidy.

On Tuesday, the Automotive Service Industry Association filed a brief with the Bureau of Customs supporting Modine's petition for imposition of a countervailing duty. "This duty will * * * offset the unfair price advantage Canadian * * * manufacturers now enjoy because of the subsidy of 25 percent granted under their present duty remission plan," the association said.

The Canadian plan was designed to stimulate exports of Canadian-made car parts to the United States and other countries, thus improving Canada's trade balance and strengthening its auto parts industry. The scheme constitutes a strong lure for U.S. auto companies to make parts in Canada for shipment back to the United States.

GETTING IT BACK

The Canadian plan in its simplest terms is this: If a Canadian auto plant exports parts, it will get a tariff rebate on whatever parts it still must import. The rebate device rests on the fact that Canadian carmakers—most of which are subsidiaries or affiliates of U.S. companies—must get from the United States large amounts of parts that otherwise would require more costly tooling or longer production runs than the small Canadian market justifies.

Such imports amounted to more than $500 million last year, of which some 40 to 60 percent came under tariff requirements. Most duty rates on parts are set at 17.5 or 25 percent.

I. *"A wholesale transfer"*

Modine gives this example of how the scheme works:

When Chrysler Canada Ltd. imports $100,000 worth of automatic transmissions, it owes the Canadian Government $25,000 in duty at the 25-percent rate. But if it can export to its parent company, or to another firm, $100,000 worth of Canadian vehicle parts—made either by itself or an independent Canadian firm—the Canadian Government will refund the $25,000. Thus the parent company, through its subsidiary, can in effect obtain $100,000 worth of Canadian parts for $75,000. Added to this would be $8,500 in U.S. duties for a total cost of $83,500.

The inevitable result, according to Modine, will be a huge increase in imports of Canadian parts by U.S. automakers, with a corresponding loss of business by independent U.S. parts manufacturers. Last year, Canadian export of auto parts to the United States was approximately $32 million.

The potential increase could be as much as $300 million annually—the approximate total of dutiable imports of U.S. parts by Canada last year—or even more as Canadian motor vehicle production increases.

LOSSES SUSTAINED

"Hundreds of companies, mostly small businesses, and thousands of workers, stand to be severely hurt unless the Canadian scheme is checked," Modine says. The company says it has lost $2 million worth of radiator orders itself as a result of the Canadian action, with bigger losses in prospect.

Modine claims that many independent U.S. parts producers are considering moving to Canada in an attempt to benefit from the plan. U.S. vehicle manufacturing subsidiaries in Canada also will have a clear export incentive, Modine says. The result, it asserts, could be "a wholesale transfer of auto parts production from the United States to Canada."

INFLUENCE

It is estimated that there have been about a dozen cases of U.S. companies taking over Canadian auto parts makers, or opening auto parts plants in Canada, since the test run on the rebate scheme—covering only automatic transmissions—was begun in the fall of 1962. Among them, Rockwell-Standard Corp. bought Ontario Steel Products Co., Ltd., and Chrysler bought two of its parts suppliers. None of the deals can be attributed solely to the tariff remission plan, but all can be said to have been strongly influenced by it.

In Detroit, most auto executives are waiting for the results of the Treasury Department's investigation before deciding whether any action is warranted. Studebaker Corp., which now assembles all its cars in Canada, already has benefited from the plan. It can buy auto parts in this country and reship complete cars to the U.S. and other markets, remaining competitive in price, despite low volume, because of the tariff rebate.

Some Canadian officials concede that the plan may not work entirely to Canada's advantage. Independent Canadian parts manufacturers, who do not benefit directly from the scheme, can be hurt by a big jump in investment and production of parts by U.S. companies.

II. Precedent and politics

Washington's initial reaction to the Canadian plan was mixed. As complaints began to be heard from U.S. parts manufacturers and their employees, the Commerce Department favored rushing to their assistance with a countervailing duty. Commerce saw the Canadian action as a dangerous precedent, which, if not stopped, could spread to other products, and even other countries, and touch off an export subsidy war.

The Treasury Department, for its part, initially took the line that the law was the law and that there was no room for executive discretion: If the Canadian scheme amounted to a "bounty or a grant" to Canadian exports, imposition of countervailing duties was mandatory.

The State Department, fearful of the international political consequences of a trade fight with Canada and its impact on the Kennedy round of negotiations under the General Agreement on Tariffs and Trade, counseled caution. State argued, as one high official put it, that "every dog should be allowed one bite."

CONFLICT IN RULES

It is not clear whether the Canadian plan falls under the rules of GATT, which defines fair international trading standards. GATT bars unilateral boosts in tariffs, but Canada has lowered, not raised, its duties. Export subsidies also are condemned by GATT—but only where it can be proved that they have caused injury to the importing country.

If such injury can be proved, the importing country has the right under GATT rules to impose countervailing duties. But section 303 of the U.S. Tariff Act—cited by Modine in its brief—requires no proof of injury for the imposition of countervailing duties. Action under this law is not subject to GATT rules since it was on the books before GATT came into existence.

THE PROSPECT

It is possible that both the Canadian scheme and the threatened U.S. countervailing duty may fall outside international trading rules, thus opening the prospect of a no-holds-barred trade war that could spread to other countries.

Most auto executives in Detroit do not expect this to happen. But at least one Detroit company operating in Canada said a retaliatory duty by the United States certainly would affect any plans the company might have for expanding auto parts production for export to the United States.

[From the Milwaukee (Wis.) Sentinel, July 3, 1964]

CANADA-UNITED STATES AUTO PARTS SQUEEZE HIT

WASHINGTON, D.C.—Representative HENRY C. SCHADEBERG, Republican, of Wisconsin, Thursday appealed to the Treasury Department to help automotive parts manufacturing firms he said now are being forced to compete against the Canadian Government.

Specifically he made the plea in behalf of the Modine Manufacturing Co., Racine, Wis., which he said has lost several million dollars worth of business to Canadian firms since last November. SCHADEBERG said 500 jobs are involved at Modine, but he estimated as many as 30,000 may be similarly affected throughout the country.

The Canadian Government, in effect, pays an export subsidy to motor vehicle parts manufacturers on their exports to the U.S. market, financing these payments through high import duties collected on U.S. goods sold in Canada, he said.

A 1930 law requires the imposition of countervailing duties by the U.S. Customs Commissioner to nullify the unfair competitive advantage given the foreign exporter by its government, SCHADEBERG said.

In his telegram to Treasury Secretary C. Douglas Dillon, urging imposition of the 1930 law, SCHADEBERG said Modine takes the position that it can compete with any firm anywhere, domestic or foreign.

"But it simply cannot compete with a government," he said.

"Modine has three choices: To go on losing contracts and money at an enormous rate, go out of business, or close down plants in the United States and open up plants in Canada."

The firm itself filed a brief with the Customs Bureau Thursday on the subject.

"Hundreds of companies, mostly small businesses, and thousands of workers stand to be severely hurt unless the Canadian scheme is checked," the brief said. "The Canadian raid on the U.S. market, now going on in ever-increasing intensity, is the single most important threat that now faces the continued existence of these companies and the welfare of their employees."

[From the Racine (Wis.) Journal-Times, July 3, 1964]

MODINE ASK COUNTERVAILING DUTIES FOR CANADIAN AUTO PARTS IMPORTS

Modine Manufacturing Co. Thursday filed a brief with the U.S. Bureau of Customs to support its plea that countervailing duties be imposed upon Canadian manufactured motor vehicles parts imported to the United States because Canadian manufacturers are given a subsidy by their government.

Modine, which makes radiators in its Indiana, Kentucky, and California plants, had petitioned for such action on April 15, protesting that a 3-year Canadian motor vehicle parts export incentive scheme put into effect last November for the purpose of expanding the Canadian auto and parts industries would seriously affect American producers with resulting employment losses in the industry.

On June 3 the U.S. Treasury Department announced it had instituted a formal investigation to determine whether Canada's scheme of rebating import duties constitutes a bounty or grant within the meaning of the Tariff Act of 1930. If so found, the Department said, countervailing duties would be imposed in accordance with custom regulations.

STRESSES LOSSES TO UNITED STATES

Thursday's action by Modine was in response to a Treasury Department notice of June 3 inviting comments and views.

In its brief Modine stated, "Hundreds of companies, mostly small businesses, and thousands of workers stand to be severely hurt unless the Canadian scheme is checked. The Canadian raid on the U.S. market, now going on in ever-increasing intensity, is the single most important threat that now faces the continued existence of these companies and the welfare of their employees."

The brief calls attention to plans now being made by some American producers to relocate one or more of their plants in Canada to regain or avoid losing large orders from U.S. motor vehicle producers who are purchasing parts at unrealistic, Canadian-subsidized prices. Only by moving plants to Canada can U.S. parts producers recoup some of this business if the Canadian subsidy scheme is not neutralized by a countervailing duty order, it said.

While the effect of the Canadian measure has already caused loss of American business and jobs, evidence points to Canadian sourcing of large portions of 1966 model parts requirements, indicating the greatest impact of the subsidy plan is yet to be felt, Modine emphasized. Continuance of this plan will mean that American manufacturers will either have to go out of business or construct Canadian facilities, it said, adding that in some instances construction has already been started or engineers and technical personnel are actively investigating Canadian plant sites "while the Treasury Department deliberates this matter."

CALLS IT "PIRATING"

Modine argues that because the Canadian plan "artificially stimulates Canadian productive capacity of motor vehicle parts through pirating of preexisting U.S. production capacity, sourcing of large orders in Canada will present no difficulties for motor vehicle producers on that score. The sought-after economies of Canadian large scale production will be quickly realized, not by reason of Canada's having attained through legitimate means an expansion of its production base, but due solely to the use by Canada of an aggressive, unfair act against the U.S. producers of motor vehicle parts and their thousands of workers.

"The greatest impact will be on those employees whose jobs will be transferred to Canada if a countervailing duty order is not issued promptly. They are aware of the thousands of Studebaker employees whose jobs are now filled by Canadians. Thousands of other workers are presently on notice that unless something is done soon to offset the Canadian raid on the U.S. market, they will be out of work, even though their employers are doing everything in their power to prevent this from happening."

URGES PROMPT ACTION

Modine's brief urged prompt action to prevent further losses and asserted that after a 6-month period for study and discussion U.S. action could not be scored as "precipitate."

Meanwhile, in Washington, Representative HENRY SCHADEBERG has urged the Treasury Department to take steps to offset the tariff incentive program.

In a letter to Secretary of the Treasury Dillon, SCHADEBERG said, Modine has lost several million dollars worth of business to Canadian firms.

The Congressman said the Canadian subsidy often amounts to 25 percent of the invoice price of the exported products. It is financed, he said, through high import duties of American goods sold in Canada.

[From the Chicago (Ill.) Daily News, 1964]

HELP ASKED FOR AUTO PARTS FIRMS

WASHINGTON.—Representative HENRY C. SCHADEBERG, Republican, of Wisconsin, appealed to the Treasury Department to help automotive parts manufacturing firms he said now are being forced to compete against the Canadian Government.

Specifically he made the plea in behalf of the Modine Manufacturing Co., Racine, Wis., which he said has lost several million dollars worth of business to Canadian firms since last November. SCHADEBERG said 500 jobs are involved at Modine, but he estimated as many as 30,000 may be similarly affected throughout the country.

The Canadian Government in effect pays an export subsidy to motor vehicle parts manufacturers on their exports to the U.S. market, financing these payments through high import duties collected on U.S. goods sold in Canada, he said.

A 1930 law requires the imposition of countervailing duties by the U.S. Customs Commissioner to nullify the unfair competitive advantage given the foreign exporter by its government, SCHADEBERG said.

In his telegram to Treasury Secretary C. Douglas Dillon urging imposition of the 1930 law, SCHADEBERG said Modine takes the position that it can compete with any firm anywhere, domestic or foreign.

"But it simply cannot compete with a government," he said.

"Modine has three choices: to go on losing contracts and money at an enormous rate, go out of business, or close down plants in the United States and open up plants in Canada."

The firm itself filed a brief with the Customs Bureau on the subject.

[From the Racine (Wis.) Journal Times, Apr. 20, 1964]

MODINE ASKS DUTY LEVY TO NULLIFY CANADIAN SUBSIDY ON AUTO PARTS

Modine Manufacturing Co. has petitioned the U.S. Customs Commission to take action nullifying the effects of a Canadian Government program which in effect provides subsidies for automotive parts exports to the United States.

Modine, which makes automobile radiators, has asked the Customs Commission to invoke countervailing duties under the 1930 Tariff Act.

In its petition, the Racine-based firm charges that the Canadian export program will force the bulk of the American motor vehicle parts industry out of business or into Canada. At stake is what Canadian officials estimate may be as much as $300 million in annual exports.

CANADA REBATES TARIFF

Under the plan, the Canadian Government rebates tariffs on automotive imports into Canada in amounts corresponding to increases in Canadian vehicle and parts exports.

Key to the plan is that it allows an independent Canadian parts exporter to pass along the rebate to Canadian subsidiaries of American carmakers when the American parent companies buy more from Canadian parts exporters.

The plan took effect on a limited scale late in 1962. Its effects are starting to be felt. Canada reported record gains in its automotive parts exports to the United States in the first 2 months of this year.

DISCUSSES LAW AND COSTS

N. L. Doligalski, secretary of Modine, pointed out that the U.S. Tariff Act of 1930 is designed to neutralize the effect of foreign subsidies where foreign manufacturers are selling in the United States at prices which do not reflect the producer's true manufacturing cost.

In situations where subsidies by foreign governments can be proved, the imposition of countervailing duties is mandatory on the part of the U.S. Government, Doligalski said.

Doligalski said Modine has begun to lose some business because some of its customers are able to purchase automotive radiators in Canada and bring them into the United States, obtaining in the transaction a substantial subsidy from the Canadian Government.

"The net effect to the American manufacturer," Doligalski said, "is that he gets a product at 25 percent less than Modine or other domestic firms can supply them."

He said the Canadian "export incentive scheme" is an admitted attempt to move a large part of U.S. motor vehicle parts production into Canada.

Mr. Speaker, are we to stand by and tell these people that nothing can be done about their plight? Are we to tell them that, notwithstanding the clear provision of law which promises that they will not be allowed to be harmed by Canada's subsidy program, nothing will be done? I say no. We should tell them that the law and its mandate are clear and that it will be carried out as Congress said it should. We should tell them that we meant the promises we made and that we will keep them.

Mr. Speaker, as each day passes, as each week and month passes, the failure of the Treasury Department to act causes more uncertainty, aggravates fears, and drains the spirit of many whose future rests in the Secretary's hands. Many U.S. companies are now seeking plant sites in Canada. They realize that they must be prepared to produce in Canada or go out of business. Untold harm is being inflicted now by Treasury's procrastination.

I, for one, do not intend to see this situation continue. I intend to use whatever means are at my disposal to see that equity is done and that it is done now. I urge all of my colleagues whose constituents are in the same position as Modine and its workers, to join me in my efforts. I remind you again that if this Canadian plan is not stopped, and if it is not stopped now, Modine's plant closings and laid-off workers will only be few of many.

The Treasury Department, indeed all interested Government agencies, have studied the Canadian subsidy scheme for many long months. They have conferred about this problem with Canadian officials. Treasury's staff has reviewed and rereviewed the question of its responsibilities to the Congress, to Modine and its workers, to other auto parts producers, and to the people of the country. While they deliberate, jobs are being lost, investments in new plants and equipment are being curtailed, and thousands of U.S. companies and their employees are anxious about the future.

I submit, Mr. Speaker, that the time for study and deliberation has long since passed. The Secretary of the Treasury ought to do now what it has been his clear duty to do ever since the inception of the Canadian subsidy scheme. He should do what he is required by law to do. He should issue immediately a countervailing duty order applicable to Canadian vehicle and vehicle parts imports and thus bring to an end this totally illegal and grossly unfair method of competition.

I am not unaware that the auto industry—American Motors, Ford, General Motors, Chrysler—is opposed to having the Treasury Department impose countervailing duties. The present setup is advantageous to them since they stand to gain millions of dollars in tariff refunds.

Neither am I unaware that if countervailing duties are imposed to neutralize Canada's present practice of granting tariff remissions, Canada, being forced to abandon the policy, may well choose some other means by which she can accomplish her intended goal of building the Canadian auto parts industry—a goal which is a noble one and which Canada has a perfect right to pursue. However, whatever action Canada chooses to take is bound to create some difficulties for the U.S. auto industry which operates sister plants in Canada and which must operate the sister plants under Canadian Government regulations. My purpose in this matter is not to cause hardship for our good neighbor, Canada, in her attempt to build her industry or for the American auto industry, which is faced with many and diverse problems but rather to insist that the law is not violated by either intent or default. The law has been placed on our books by Congress to protect the integrity of trade, to give reasonable protection to U.S. industry and business, to protect the jobs of America's magnificent laboring men, and to bring order out of what otherwise would be sheer chaos in international trade relations.

The plain truth is that if Canada's duty remission policy is allowed to remain in operation unchallenged, not only might Canada extend this policy to other unrelated industries but other nations may well use this procedure which ultimately would wreak havoc and result in disaster not only to the present auto parts manufacturing industry in the United States but to other segments of U.S. industry.

Not all our problems will be solved should the Treasury Department impose countervailing duties to counteract Canada's duty remission policy. Readjustments will have to be made but we will then have the satisfaction of working out our solution within the bounds of law.

Mrs. GRIFFITHS. Mr. Speaker, will the gentleman yield?

Mr. SCHADEBERG. Yes. I yield to the gentlewoman.

Mrs. GRIFFITHS. I would like to commend the gentleman in his honest effort to maintain American jobs in America, but I would like to point out at the present time the Canadian duty remission order is, as you have already stated, under appeal to the Treasury. Is it not?

Mr. SCHADEBERG. That is correct.

Mrs. GRIFFITHS. And if this appeal fails, do not American producers have a right to pursue that appeal to the Federal courts?

Mr. SCHADEBERG. That is correct, and this perhaps would be the next step. But time is of essence and as I will bring out in my remarks any delay will be costly for industry and in terms of jobs.

Mrs. GRIFFITHS. May I suggest that at the present time the Committee on Ways and Means of the House, which would handle a bill dealing with a statutory enactment, has had under consideration for almost 1 year a bill to amend those errors that were made in the tariff publication the 31st of August 1963. The remedy that is already available to American producers is probably a speedier remedy in my judgment than the remedy that could be given by statutory enactment, because we ourselves would have to ask the Treasury and the Departments of Commerce and State for their judgment, and I would assume that the Treasury will be able to answer more quickly and that an appeal to the courts would finally be faster than anything that we can do at the present time.

The gentleman, I am sure, is also aware that this is a matter of negotiation between the American Department of State and Canada. Is that right?

Mr. SCHADEBERG. That is correct, and I intend to address my remarks in that direction.

Mrs. GRIFFITHS. Thank you very much.

Mr. SCHADEBERG. I wish to thank the gentlewoman from Michigan.

Mr. WYMAN. Mr. Speaker, will the gentleman yield?

Mr. SCHADEBERG. I yield to the gentleman from New Hampshire.

Mr. WYMAN. I note the gentleman talks about action by the Treasury Department to offset the difficulties we face here. What action can the Treasury Department take?

Mr. SCHADEBERG. The action is for them to make a decision on whether or not this is indeed a violation of the Trade Act of 1930, section 303; whether this is a subsidy or not.

Mr. WYMAN. If it is a violation of the Trade Act, what can we do about it?

Mr. SCHADEBERG. The next action, I presume, would be an appeal to the courts or some kind of remedial legislation. As suggested by the gentlewoman from Michigan, it would probably be up to the Committee on Ways and Means to correct the situation.

Mr. WYMAN. When the companies up there engage in this they are also faced with the 8-percent advantage of our dollar as compared with the Canadian dollar?

Mr. SCHADEBERG. Yes.

Mr. WYMAN. Can we compete with that?

Mr. SCHADEBERG. Yes. Modine's position is it would be perfectly permissible to have absolutely no trade barriers—to have complete free competition. I cannot speak for other industries.

Mr. WYMAN. If the Treasury Department recommends, does the gentleman have in mind any specific legislative proposal?

Mr. SCHADEBERG. I have none in mind at the present time. I would have to delve more deeply into that.

Mr. HALL. Mr. Speaker, will the gentleman yield?

Mr. SCHADEBERG. I yield to the gentleman from Missouri.

Mr. HALL. I want to compliment the gentleman for what he has brought forth here, and for taking the time to display to the United States what is happening primarily as a follow-on to the Trade and Tariff Act of 1962.

This has happened in many different areas. We know about variable tariffs applied to the European Common Market and others in Europe, and what it has done to us in connection with broilers, watches, plate steel, and in many other areas. But specifically I want to commend the gentleman for bringing to the attention of the House and the necessary committees today the auto parts industry, which is not only involved in making automobiles, as the Studebaker Co., but it also involves the parts manufacturing business.

I hold in my hand letters I have accumulated since, strangely enough, a White House Conference on Export Expansion was held in early September of 1963 at a hotel here in Washington for one of the electrical cable harness manufacturers of Missouri. He points out that the carburetor makers, Mogg and the Wagner Electrical, are similarly involved. This gentleman also pointed out a long time ago, if the gentleman will yield further so I can carry this thought to a conclusion, if this tariff rebate practice of the Canadian Government is what is killing the proposition and whether you have a plant manufacturer in Canada of your own that is supplying parts back into the United States, or whether quite the reverse is true, because of these differential rebates in tariffs the manufacturer and supplier have no chance whatsoever.

If A company is shipping $10 million worth of automobile parts into the United States from their Canadian plant, they must pay a 25 percent Canadian duty, or $2.5 million. Then the Canadian Government will rebate the Canadian duty paid on automobile transmissions to that company, or any automotive parts they will purchase in Canada to ship to the United States.

Third. The company can use approximately a million dollars worth of parts in the United States annually which they are purchasing in the United States.

Fourth. If the same company now buys these parts in Canada, these million dollars' worth, and ships them to the United States, Canada will rebate $250,000, or a quarter of a million dollars, of the duty paid on the automotive parts, or 25 percent of the dollar value. Then the company will pay 9.5 percent duty on the Canadian parts shipped into the United States; therefore the company saves $95,000 duty to the United States. This is a savings to the original company by buying in Canada and shipping to the United States, or $250,000 minus the $95,000, or $150,000, which is 15.5 percent.

This completely eliminates under the all-protective tariff cheaper labor or sole source of buying, but it is an impossible disadvantage and means we cannot compete. The United States is shipping more than $350 million worth of auto parts into Canada annually. If this rebate is allowed to continue, one-half of the dollar value of that being shipped from the United States will be left in Canada, and we stand to lose $350 million in trade balance.

This country is interested in preventing the outflow of gold and preserving our own jobs. I am not sure I agree with the gentleman about the protective tariff being a bad thing, but I think in answer to the question he mentions, I have here a letter from the Secretary of Commerce covering dates from back in September 1963, to the first part of this year. Because of that organization and the Department of State, from these letters which I would be glad to display to the gentleman or place in the RECORD, the reason why the Secretary of the Treasury is not taking action as called for under section 301, which would correct this evil or at least offset that evil that Canada is doing to us, Canada loses no opportunity to pick up from our tourists who are traveling there a heavy assessment. I have here a letter from a man who took a billfold into Canada with the idea of bringing it back, and it cost him $6.50 and he did not get it back, and it was a billfold which he was not marketing, just because of the customs formula. I think we are going to have to improve relations with a very great neighbor, which has never had border guards, although we have thousands of miles of boundary between us.

I thank the gentleman for bringing up this subject.

Mr. SCHADEBERG. I thank the gentleman from Missouri, a most capable Member of this House and a diligent servant of the people.

Mr. WYMAN. Mr. Speaker, will the gentleman yield?

Mr. SCHADEBERG. I yield to the gentleman from New Hampshire.

Mr. WYMAN. Does the gentleman know whether the savings on the part of U.S. companies that derive from this practice are passed on to the consumers and buyers in the United States or are they left within the companies to be distributed to their stockholders?

Mr. SCHADEBERG. I have had a lengthy discussion with a representative of one of the auto manufacturing companies, I will not name the company. I am told that the savings will not be reflected in lower prices for cars or be passed on to the consumer in the United States.

Mr. WYMAN. In the matter of countervailing duties to be imposed by the Treasury Department, has the gentleman any indication as to the attitude of the Department of State in this respect? Has the State Department sought to interfere or to tell the Treasury that this could not be done because it might create bad relations between Canada and the United States?

Mr. SCHADEBERG. I have no direct information, but I assume that that probably is part of our problem.

Mr. WYMAN. What has labor done about this? What is labor's position on this?

Mr. SCHADEBERG. I have not heard from labor.

Mr. WYMAN. Has organized labor taken a position on this?

Mr. STUBBLEFIELD. Mr. Speaker, will the gentleman yield to me so that I may answer the gentleman's question?

Mr. SCHADEBERG. I yield to the gentleman from Kentucky.

Mr. STUBBLEFIELD. In my district they are intensely interested in it. There was a meeting a couple of months ago with members of labor and management and they are insisting on these countervailing duties being put in effect.

Mr. SCHADEBERG. I thank the gentleman.

Mr. BRADEMAS. Mr. Speaker, will the gentleman yield?

Mr. SCHADEBERG. I yield to the gentleman from Indiana.

Mr. BRADEMAS. Mr. Speaker, I want to use as a text for my remarks some lines from an address delivered on April 25, 1964, by the distinguished Under Secretary of State, the Honorable George Ball, before the Americas Assembly at Arden House, Harriman, N.Y., entitled "Interdependence—the Basis of United States-Canada Relations."

Said Secretary Ball:

> One can expect to find some element of economic nationalism in the policies of almost every government, including our own, involving varying degrees of economic cost to the nation immediately concerned and to other nations. If such policies are pursued with moderation and with due regard for the interests of others, there is no reason why they should not be susceptible of mutual adjustment in the relations between nations.
>
> But difficulties necessarily arise when the anxiety to avoid economic interdependence leads to policies that are discriminatory and inequitable. This is particularly the case with close neighbors such as the United States and Canada, where the degree of intertwining of economic affairs is so great and the volume of trade so large, that any change in existing ground rules can have immediate and substantial repercussions. Measures by governments designed to induce a change in the character of investment from equity to debt, for example, or to refuse national treatment to capital that had earlier been welcomed, or to bring about the transfer of production from one country to another can be seriously disruptive.

Mr. Speaker, it is "the transfer of production from one country to another" which is the purpose of the Canadian export subsidy plan we are here today discussing.

I am glad to join the gentleman from Wisconsin in urging that the Secretary of the Treasury act immediately to offset the vast subsidies being paid by Canada on auto parts exports, both as a matter of law and as a matter of equity.

Modine Manufacturing Co. of La Porte, Ind., which is in my district, manufactures vehicle radiators for the U.S. market. Almost 500 people are employed in Modine's La Porte plant and the annual payroll totals close to $3 million. Modine is the second largest employer in La Porte.

These cold statistics, Mr. Speaker, come quickly to life when we realize that the jobs of these 500 workers are endangered if the Canadian scheme of subsidizing exports of vehicle parts, including radiators, is not halted by action of the Secretary of the Treasury. The concern of these workers, which is my concern and should be the concern of every American, is reflected in a number of letters I have received over the past few months. Under unanimous consent I include at this point in my remarks just a few of these many expressions of anxious citizens who wonder whether justice will be done in their cases:

HAMLET, IND.,
June 30, 1964.

Re Tariff Act of 1930, section 303.
Congressman JOHN BRADEMAS,
House of Representatives,
Washington, D.C.

DEAR SIR: In this suspected bounty or grant the Canadian plan gives tariff rebates to U.S. automotive subsidiaries in Canada if parent U.S. companies buy more Canadian made parts.

This allows the Canadian Government to offer rebates on tariffs on automotive parts imported into Canada in amounts corresponding to increases in Canadian vehicle and automotive parts exports.

In turn allowing independent Canadian parts exporters to pass along rebates to U.S. automotive vehicle production here. So thus being able to undercut our prices, we will soon be out of business, unless you help us.

We feel recent Canadian scheme contrary to above act, and ask in our behalf you recommend that the U.S. Government invoke a countervailing duty so as to make the Canadian duty remission scheme ineffective. In the first quarter of 1964 statistics show U.S. imports to Canada exceeded $13 million, nearly triple of the first quarter in 1962.

Our jobs at the Modine Manufacturing, of La Porte, Ind., are in jeopardy. Even our company pensions for our retiring years may depend on what help you can give us now on this matter. I am one of these latter—soon to retire, but would hate to see La Porte lose a good firm I have been faithful to for 30 years be forced to leave—like South Bend without a Studebakers.

Thank you for any assistance you may render us.

Sincerely,

CLIFFORD E. MCCULLOCH.

LA PORTE, IND.,
July 1, 1964.

Hon. JOHN BRADEMAS,
House of Representatives,
Washington, D.C.

DEAR SIR: This is to complain about the Canadian scheme being contrary to the Tariff Act of 1930, section 303. I recommend that the U.S. Government invoke a countervailing duty so as to make the Canadian duty remission scheme ineffective.

I firmly believe that the Canadian Government is all wrong in what they are trying to do.

Thank you very much.

CLARENCE E. WILTFONG.

LA PORTE, IND.,
June 25, 1964.

Hon. JOHN BRADEMAS,
House of Representatives,
Washington, D.C.

DEAR SIR: It has been noted that the Canadian Government is planning on a scheme to subsidize automotive parts which are shipped to the United States.

In view of the possible loss of employment to the automotive industries in these United States and the fact that this Canadian scheme is contrary to the Tariff Act of 1930, section 303, it is respectfully requested that you use your influence to invoke a countervailing duty so as to make the Canadian duty remission scheme ineffective.

Please do what you can to this end.

Yours very truly,

R. E. MACHLMAN.

LA PORTE, IND.,
June 29, 1964.

Hon. JOHN BRADEMAS,
House of Representatives,
Washington, D.C.

DEAR SIR: As an employee of the Modine Manufacturing Co., La Porte plant, my job is in jeopardy because of a scheme devised by the Canadian Government to subsidize automotive parts that are shipped to the United States.

This Canadian scheme is contrary to the Tariff Act of 1930, section 303.

I believe that the U.S. Government invoke a countervailing duty so as to make the Canadian duty remission scheme ineffective.

I feel that you are for security of jobs of American people and to that you will make every effort to counteract this scheme.

Yours sincerely,

JOHN S. SZYNAL.

LA PORTE, IND.,
July 3, 1964.

SIR: I am an employee of the Modine Manufacturing Co. in La Porte, Ind., which makes radiators. I wish to ask you to do all in your power to see that the Government invokes a countervailing duty against the Canadian duty remission.

As I understand this act, it is contrary to the Tariff Act of 1930, section 303. I feel this could affect the production in our plant as it already has in our Kentucky plant. This could also affect our town and cause a lot of us to have to find jobs elsewhere which I would not like.

M. E. MYERS.

Mr. Speaker, the 500 jobs of Modine workers are not threatened by technological innovations. They are not doomed to be replaced by machines and computers. They will not be lost because Modine will move to some other part of the country for economic reasons. They are not jobs which will go because of a decline in markets for the products these workers make. These jobs, Mr. Speaker, are in jeopardy because of an unfair and indeed, illegal scheme adopted by Canada with the express purpose of taking over the U.S. market for the products made in the Modine La Porte plant and in thousands of other communities across the land. Canada has in effect embarked on a raid on the U.S. auto parts industry with the objective of pirating $200 to $300 million in U.S. production together with the thousands of jobs involved across the northern border.

So the plea being voiced here today does not concern a problem peculiar to the community of La Porte, Ind. Workers in Ohio, Texas, Maine, Florida, Michigan, South Dakota, and across the Nation, from border to border, are involved. Workers in plants which make auto radios are jeopardized. Workers in plants which make auto springs are in danger. Whether it is a large casting or a small bolt, whether it is a headlight or a door handle, whatever the product, its export from Canada is subsidized. And given this subsidization, its sale in the United States and the consequent loss of sales of U.S.-made parts, is assured.

As the gentleman from Wisconsin [Mr. SCHADEBERG] has pointed out, Canada's subsidy scheme is nothing more than an effort to encourage inefficient Canadian auto parts producers to steal customers of U.S. producers and force these U.S. producers to go out of business or to move their plants into Canada. Either way, the American jobs are lost. As Modine puts it in its July 2, 1964, brief on this matter filed with Treasury, unless this unfair scheme is stopped, Canada will expand its auto parts production "not by reason of Canada's having attained through legitimate means an expansion of its production base, but due solely to the use by Canada of an aggressive, unfair act against the U.S. producers of motor vehicle parts and their thousands of workers."

Mr. Speaker, I was proud to be one of the 299 Members of this body who voted for passage of the Trade Expansion Act of 1962 because I believed then, and still believe that the principles of trade expansion enunciated in that act, if adhered to by the countries of the free world, will serve to strengthen the economy of the United States and the cause of freedom throughout the world. For trade expansion, accomplished through legitimate and internationally acceptable means, is the one way by which the fruits of democratic capitalism can be made available to all free people. As the free marketplace dictates the international division of labor, all participants in the trade expansion program will better themselves by utilizing those advantages which their national environment and skills afford them.

But anyone in favor of open and nondiscriminatory trading in the free world, a cardinal tenet of the Trade Expansion Act of 1962, must abhor and therefore condemn, any artificial rigging of prices or markets which distorts the operation of a free market and operates to negate and frustrate true trade expansion. There are many such artificial practices in the world today, and it is the hope of those who believe in the merits and wisdom of open and free international competition that most of these real barriers to trade will be reduced or eliminated during the current Kennedy round negotiations in Geneva.

While there are many and varied gimmicks employed to artificially stimulate trade, one of the most vicious, and indeed most trade-upsetting devices is the export subsidy payment. When governments move in, as Canada is doing now in the case of auto parts exports, to underwrite commercial transactions, the entire marketplace in the receiving country is disrupted. All of the usual and normal rules of competition are scrapped because the subsidy thus paid throws everything else out of balance. Inefficiency is rewarded and efficiency is penalized. He who yesterday could not compete with others because he was not as efficient as they, today is made more efficient by an artificial underwriting of his pricing structure. The viciousness of subsidy arrangements is amply demonstrated by the operation of the Canadian scheme. Companies which historically have supplied parts to vehicle producers are losing the business, not because a more efficient competitor can beat their price but because the Canadian Government underwrites a sizable portion of the sales price. U.S. producers are being victimized by a form of state trading, a practice widely condemned in the free world.

Mr. Speaker, the General Agreement on Tariffs and Trade, which sets out the ground rules for trade among over 50 of the free world nations, unqualifiedly condemns export subsidies of manufactured products. Article XVI of that agreement required contracting parties to the GATT to cease employing export subsidies on such articles beginning January 1, 1958, and not to initiate new subsidies after that date. Canada is a party to the GATT. Canada has agreed that she would not do precisely what she is doing here. I am at a loss to understand how such a forward-looking nation as Canada would engage in such an outdated and universally condemned practice. None of the reasons I have heard come even close to justifying this practice by Canada. But in fact there can be no justification ever for an unfair method of competition. Whatever are Canada's real or imaginary balance of payments or balance-of-trade problems, they cannot be solved by resorting to illegal means. We and many other nations have balance problems, too. But such problems are never so great as to permit violating the fundamental principles which govern fair international trade. These principles, as embodied in the GATT, are time-tested rules which are aimed at keeping trade fair and honorable and thereby contributing to the peace and stability of the world.

On the other hand, the GATT recognizes the clear right of the United States to counter the Canadian and any other subsidy plan by imposing duties to offset such subsidies. So not only has Canada agreed not to engage in subsidizing auto parts or any other manufactured products exports, but Canada has agreed that if such subsidization takes place, the United States has a perfect right to neutralize such action by imposing countervailing duties.

Accordingly, Mr. Speaker, there is no doubt where the equities and the rights lie here. Canada's subsidization of auto parts exports stands condemned, not only by all the rules of fair and nondiscriminatory international trade but also by the agreement to which she is a party. Canada is obliged to stop this unfair method of competition and, since she has failed to do so, the United States has every right to bring this program to a halt.

It is for these reasons that I, like my colleagues who are acutely aware of this problem, am at a loss to understand the hesitancy of the Secretary of the Treasury to act promptly on this matter. The statute under which he is now deliberating on this matter makes the will of Congress very plain: Wherever there is a subsidy paid, it shall be countered with offsetting duties. That there is a subsidy being paid is clear. That he must neutralize it under the law is equally clear. Our international agreement with Canada recognizes that what she is doing is wholly wrong. This same agreement provides that the United States has the unqualified right to offset the Canadian subsidy. So on this score there can also be no justifiable hesitancy or embarrassment.

Mr. Speaker, I have communicated my views on this matter to the Secretary of the Treasury in the following telegram of July 2, 1964:

JULY 2, 1964.

Hon. DOUGLAS DILLON,
Secretary of the Treasury,
Washington, D.C.:

I join with Senators HARTKE and BAYH, of Indiana, and the five other Members of Congress in whose districts are located plants affected by the tariff incentive plan of the Canadian Government to urge that our Government take early action under section 303 of the Tariff Act of 1930 to offset loss of American dollars and American jobs to Canada. For example the Modine plant in La Porte, Ind., faces losses of several million dollars in sales because of these Canadian subsidies. Nearly 500 jobs in this plant alone are in jeopardy.

Clearly our country cannot tolerate the subsidizing of exports by other governments, even if friendly, when such action tends to undercut our own production.

JOHN BRADEMAS,
Member of Congress.

Mr. Speaker, I want also to point out that there is basis for the position I am here taking not only in the address of Secretary Ball, from which I quoted at the start of my remarks, but in a number of statements made at press conferences by our distinguished Secretary of Commerce, the Hon. Luther Hodges.

Following are some questions and answers during press conferences held by Secretary Hodges concerning the Canadian policy on subsidizing auto parts:

PRESS CONFERENCE ON SEPTEMBER 24, 1963

Question. Would we retaliate against Canada who wants to cut 2 million of automobile exports?

Mr. HODGES. We could.

Question. Do we have any plans to?

Mr. HODGES. We don't have any plans because it is still in a theoretical stage but if it did not meet GATT rules and regulations and we had a right to do it of course we would consider it. Too long people have said, well the United States wouldn't do anything about any of these things. They are too soft. That day has passed.

PRESS CONFERENCE ON JANUARY 7, 1964

Mr. HODGES. We don't like what Canada is doing with her particular situation on automobiles.

STATEMENT AT A PRESS CONFERENCE BEFORE THE OTTAWA TRADE CONFERENCE ON APRIL 28, 1964

Mr. HODGES. I took the position that I thought this was not the thing for Canada to do because her rebate on any tariff really took jobs away from the United States parts manufacturers and gave them to Canada.

* * * * *

I'm agin it.

Mr. Speaker, unless prompt action is taken by the Secretary of the Treasury, irreparable harm will be done. There are companies who today are planning moves to Canada so as to be able to stay in production. Modine has been exploring Canadian facilities and is actively studying a move to Canada. Other companies have already contracted for plant sites while others are now engaged in construction in Canada. The Secretary must understand that, in these circumstances, a decision now is as important as the substance of his decision. I urge that he act with the utmost dispatch lest harm be done which cannot be remedied. I urge that he fulfill his responsibilities under the law to the workers in the Modine La Porte plant, to all workers similarly situated throughout the United States, to all the people of the United States, and to this Congress. The congressional mandate contained in section 303 of the Tariff Act of 1930 is clear and unequivocal. The Secretary's task is to carry it out.

Mr. Speaker, under unanimous consent, I insert at this point in my remarks an excellent editorial entitled, "Modine Makes Good Case," from the July 8, 1964, issue of the La Porte Herald-Argus:

MODINE MAKES GOOD CASE

The Modine Manufacturing Co., whose La Porte radiator-making plant is one of this community's major industries, is understandably concerned over the Canadian Government's policy of subsidizing exports of motor vehicles and parts by Canadian manufacturers to this country. Modine officials claim the company has lost $2.5 million in radiator business since the Canadian tariff rebate policy went in effect last November 1.

Essentially the Canadian policy, as Modine officials explain it, gives tariff rebates indirectly to U.S. automotive subsidiaries in Canada if the parent American companies buy more Canadian-made parts. The rebate policy quite naturally turns more business to the Canadian manufacturers. And it places Modine at a competitive disadvantage because it too is selling radiators in the American market.

Modine has submitted a brief to the U.S. Bureau of Customs asking that countervailing duties be placed on Canadian exports under a U.S. Tariff Act of 1930. If this is done there would be a restoration of reasonable balance as between the competitive prices and the Modine losses because the tariff rebate plan would, presumably, cease.

The brief was submitted because the Treasury Department, which must make the ultimate decision as to whether the rebate plan justifies U.S. action under the 1930 tariff act, and the Bureau of Customs had invited comments and views from affected manufacturers. Actually, the Bureau and the Department have been studying the matter for 6 months, Modine contends, and there appears to be no good reason why a decision should not now be made and relief granted.

If there is no decision that the Canadian action constitutes "payment or bestowal of a bounty or grant, directly or indirectly, within the meaning of the 1930 tariff act" and therefore calls for countervailing duties, Modine officials will not hesitate to consider establishing a radiator plant in Canada, even though they say they dislike the idea immensely. Such action would very probably constitute a real blow to La Porte where the Modine plant employs about 500 persons with an annual payroll of $2.7 million.

Indiana Senators HARTKE and BAYH and Congressman JOHN BRADEMAS have expressed their concern over the Canadian policy and their support of Modine and other manufacturers caught in the same bind. La Porte too wants to see economic justice done in this matter; it has a great deal at stake.

Mr. BRADEMAS. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. SCHADEBERG. Mr. Speaker, I thank the gentleman from Indiana, for his remarks.

I now yield to the gentleman from Kentucky [Mr. STUBBLEFIELD].

Mr. STUBBLEFIELD. Mr. Speaker, some years ago, the late Vice President of the United States, Alben W. Barkley, interested the Modine Manufacturing Co. in establishing an automotive radiator plant in Paducah, Ky., which is the largest city in my district. It was mainly due to the efforts of Alben Barkley that the Modine Co. now has a plant in Paducah. Four hundred and fifty employees work in this plant and generate an annual payroll of $2 million. It is with this plant in mind, Mr. Speaker, that I rise to speak here today.

Events of recent months in the trade between the United States and Canada in auto parts have thrown a dark cloud over this plant, its workers, and the city of Paducah. The Canadian subsidization program, as related to exports of automotive radiators to the United States, threatens to close Modine's Paducah plant and destroy the jobs of these 450 workers. Having a population of less than 35,000, Paducah cannot afford the loss of even a few jobs. The loss of 450 jobs, with the devastating effects on the community which inevitably flow from such an event, would cripple the community.

Mr. Speaker, the threat to the Modine plant in Paducah is not to be viewed in a vacuum. We have heard today of plants in other States which will also be closed down, or in which production will be curtailed, unless something is done to stop this unfair raid on the U.S. auto parts market by Canada. There are literally thousands of U.S. companies and workers whose existence and jobs hang today in the balance of the scales in the hands of the Secretary of the Treasury. Companies which make springs, wheels, engines, ignition parts, seats, floor mats, steering mechanisms, bumpers, brake drums, and any and all other parts of vehicles face the same threat. Workers producing piston rings, drive shafts, hub caps, turn signals, carburetors, oil filters, or any other vehicle parts stand to lose their jobs if something is not done to stem the flow of subsidized auto parts imports from Canada. These imports, which are now entering this country from Canada at an annual rate of almost $60 million will jump to close to $300 million in the next year or two unless the Secretary of the Treasury acts now to neutralize this unfair subsidy scheme.

Mr. Speaker, I urge all of my colleagues in this body to review the products made by companies in their districts. I ask my colleagues to review the products sold by wholesalers or distributors in their districts. Keep in mind that Canadian parts go through channels of distribution which are different from those through which U.S. parts are distributed. So note, if you will, that it is not only the manufacturers who are threatened by the Canadian subsidy plan, but also the wholesalers, distributors, and even the retailers, and the thousands of workers these companies employ.

I am sure, Mr. Speaker, that such a review will disclose that an overwhelming majority of the Members of this House have within their districts companies and workers who produce auto parts or companies and workers who wholesale or distribute U.S.-made auto parts. These are the companies and workers whose continued survival is now in the hands of the Secretary of the Treasury. These are the companies and workers who stand to be wiped out if the Canadian subsidy scheme is not stopped immediately.

So, Mr. Speaker, we are not today discussing a local problem. We are not talking about a problem which is confined to a region or to a few regions of the United States. From Alabama to Wyoming, from Maine to Florida, from New York to California, in every State of this Union, there are companies and workers whose existence and jobs depend upon sales of vehicle parts. Each of them is vitally concerned in what is being said here today. I urge all of the Representatives in this body of these interested parties to join with those of us who are speaking here today in our demand that the Secretary of the Treasury take action to stop this unfair raid by Canada on our auto parts industries and their markets.

There ought to be no hesitancy, Mr. Speaker on the part of any Member to speak out on this very serious problem. For this is not a problem of protectionist versus liberal trade policy. I am one who supports the principles of trade expansion contained in the 1962 Expansion Act. There are some here today who are opposed to that act and voted against passage of H.R. 11970 of the 87th Congress. There are those here today whose basic philosophies of international trade differ. Yet all of us, whether we support the trade expansion program or not, are united in condemning unfair and illegal trade. On that score there can be no split in opinion.

So to oppose Canada's export subsidization scheme is not to oppose or espouse a liberal trade posture. To demand that the Secretary of the Treasury take steps to neutralize and offset the Canadian subsidy scheme is not equatable with taking a stand for or against tariff protection. The Canadian scheme is basically and essentially evil. It is universally condemned by all schools of international trade philosophy. It borders on state trading and we are all opposed to such method of international trade which so distorts the economics of any commercial transaction.

Mr. Speaker, there is no defense of Canada's action which can be offered in good faith. Many of her own citizens have objected to what they realize is an action which does not square with the rules of trade we in the free world espouse. These Canadian citizens have pointed to the vice of this subsidy scheme and have unhesitatingly reminded their Government that it is out of order.

Our Government has reminded Canada of its obligations in this matter and we have requested that the Canadian Government take another look at both the wisdom and propriety of what she is doing. We have offered to explore with Canada the possibility of setting up a free trade system with her on vehicle and vehicle parts trade. To date, Canada has adamantly refused to change her course and to return this trade to one which comports with all acceptable rules of fair international trade.

So we must act and we must act now. All of the rights are on our side in this question. U.S. action under section 303 of the Tariff Act of 1930 to offset the Canadian subsidy plan is wholly consistent with our commitments under the General Agreement on Tariffs and Trade. The GATT specifically condemns subsidies and specifically recognizes the right of affected countries to counter such subsidies by imposing duties to offset them.

Mr. Speaker, for the sake of the workers and their families in Paducah whose jobs will be lost if this Canadian scheme is not checked, and for the sake of thousands of other workers throughout this

Nation whose employment is in dire jeopardy, I urge that the Secretary of the Treasury take steps immediately to impose countervailing duties on imports of subsidized auto parts from Canada. Such action is required by law and by the equities of this case.

Mr. WYMAN. Mr. Speaker, will the gentleman yield to me?

Mr. SCHADEBERG. I will be very happy to yield to my colleague from New Hampshire.

Mr. WYMAN. I would like to ask the gentleman from Kentucky a question. Does the gentleman know what types of products are being made by these American companies through subsidiaries in Canada? Are they the types that the gentleman just referred to?

Mr. STUBBLEFIELD. I understand they are, and in particular in my city of Paducah, Ky., there are automobile radiators.

Mr. WYMAN. Does the gentleman also know whether or not the American industry is tooled up to a point where it can produce these same products in the United States at this time?

Mr. STUBBLEFIELD. It is; I understand it is.

Mr. WYMAN. Then the plain effect of this is to put American workers out of a job; is that right?

Mr. STUBBLEFIELD. That is right.

Mr. WYMAN. Why does it take the Secretary, or these Cabinet officers, so long to act to protect the American workers?

Mr. STUBBLEFIELD. I think it is unconscionable that there has been such a long delay.

Mr. Speaker, I thank the gentleman from Wisconsin.

Mr. SCHADEBERG. I thank the gentleman from Kentucky [Mr. STUBBLEFIELD].

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. SCHADEBERG. I am always pleased to yield to the gentleman from Iowa, who is most diligent and persistent in his efforts to uphold the best interests of the American people.

Mr. GROSS. Mr. Speaker, a few moments ago we heard a Member of the House repeat the fine words of the Secretary of Commerce and the Under Secretary of State with respect to this situation. He referred to January of this year as the time the statements were made. That was 7 or 8 long months ago. What is happening that these officials, recognizing this situation, cannot do something about it? This seems to me to be on all fours with the beef situation wherein the White House is heading off any action that will give justice to the farmers of this country. Is the White House heading off action that will give justice to industry and labor in this country with respect to the situation the gentleman has set forth?

Mr. SCHADEBERG. I say to the gentleman from Iowa [Mr. GROSS] I have been unable to find the source of the delay. I have not succeeded in finding the cause of the delay in my communications with the Treasury Department.

Mr. GROSS. It does not mean very much to industry and labor in this country or to the farmers of this country to have a lot of fine words about this situation, or the beef situation.

We are pretty well fed up with fine words. Now we want some action, action that should have come months ago.

Mr. SCHADEBERG. I agree with the gentleman from Iowa. Delay in this instance means loss of investment and loss of jobs.

Mr. NELSEN. Mr. Speaker, will the gentleman yield?

Mr. SCHADEBERG. I yield to the gentleman from Minnesota.

Mr. NELSEN. I want to thank the gentleman for taking the time today to bring to the attention of the Members of the House some of the problems in the field of industry.

I too want to join my friend the gentleman from Iowa [Mr. GROSS] in calling attention to some of the other problems which exist in the field of the balance of trade. I especially refer to the beef situation.

Mr. Speaker, some of us have read of predictions and rumors to the effect that a bill would be passed in the Senate designed to do something about it and then conveniently lost in the House, or vetoed.

Mr. Speaker, the situation which exists on the farms of America today is very serious. The parity index with reference to income is now down to 74 percent, the lowest it has been in 25 years.

Mr. Speaker, it is time we began to sound off a bit about some of the problems of agriculture. I believe that all of us agree in reciprocal trade, but we also agree that there should be some reasonable attention to a fair deal as far as quotas and the farmers of America are concerned.

Mr. Speaker, I likewise join with the gentleman in the well in his expression of concern and criticism relative to the problem which he has so well put to the Members of the House today.

I thank the gentleman for yielding.

Mr. SCHADEBERG. I thank the gentleman from Minnesota for his contribution.

Mr. MARSH. Mr. Speaker, will the gentleman yield?

Mr. SCHADEBERG. I yield to the gentleman from Virginia [Mr. MARSH].

Mr. MARSH. Mr. Speaker, in the last decade, we have seen a tremendous effort being made in all areas of the United States to attract and locate in their respective areas either new industry, or additional elements of existing industry. In the last 10 years, the locating of industry has become a highly developed skill involving great expertise and considerable investment of funds and manpower aimed at promoting the benefits of a particular area and thereby convincing a prospective industry that a particular State or community is that one that offers the most advantages from the standpoint of availability of labor, access to markets, and sound community government, which are only a few of the factors that are considered by its responsible executives in location of a new plant.

These efforts in industrial development are carried on in a number of ways by many agencies. Many States have a staff in their State government that devotes its full time to the promotion of economic benefits and attractions of that State to industry. Public utility-type industries such as power, gas, trucks, and railroads likewise have trained professional staffs that meet with representatives of industry who are inspecting various sites for prospective plants. The efforts of these agencies, and the fierce competition to locate industry, is evidenced by full-page ads in leading American newspapers, national magazines, and exhibits at trade fairs.

The advantages of new industry to a State are many, but principally it provides employment opportunities for the citizens of that State and contributes to the overall economic well-being of the entire area. Many areas of the United States have evidenced a rapid growth in a relatively short span of years because of the concentration on the economic and industrial development of their communities. It is impossible to estimate the advantages that have accrued simply by the providing of economic opportunities of the young men and women who heretofore have had to leave their local communities in order to find job opportunities.

When you consider the tremendous efforts that are being made throughout this country for economic development and increased job opportunities, it is discouraging, to say the least, to see these job opportunities jeopardized by the situation that we are discussing here today.

I join my colleagues who are discussing today on the House floor a matter of great concern to thousands of U.S. companies and their workers. We have heard delineated by the gentlemen who have preceded me the threat which the Canadian auto parts export subsidy program poses to so many firms and workers in the United States engaged in the production of automotive vehicle parts and accessories. The interest in this matter now pending before the Treasury Department of the many wholesalers and distributors, as well as the retailers, has been stated, and their concern about this case has been made clear. These people fear the loss of their jobs, a fear which is well founded unless the Secretary of the Treasury acts to stop the inroads into the United States auto parts market being made by Canadian parts producers which, in effect, have the benefit of a subsidy from their Government.

But, Mr. Speaker, there are others who are equally concerned about this program and whose voice I wish to add to those we have already heard. These others are the many workers employed in nonauto parts divisions or subsidiaries of companies which produce auto parts. Modine, about which company's Whittier, Calif., Paducah, Ky., and La Porte, Ind., plants we have heard much today, also has a plant in my district at Buena Vista, Va. This plant does not produce auto parts and so its production is not directly threatened by unfair imports from Canada.

The fact that the workers at Buena Vista do not make auto parts does not detract one iota from their concern about the impact of Canada's export subsidy program nor their resolve to assist in any way possible to bring about a fair and equitable solution to the problem posed to their sister plants by the Canadian program. These good people of Buena Vista realize only too well that if the Modine plants in any area of the United States are hurt, the company is hurt, and that means that the Buena Vista plant is hurt. If Modine's Paducah plant is forced to close down or curtail production, the tremor which this event will cause will be felt with much severity in Buena Vista. Layoffs in the Modine plant in Whittier, Calif., will be felt 3,000 miles away in Virgina. Trouble in Modine's production output in La Porte will be reflected in my district's Modine plant.

This is simply to say, Mr. Speaker, that the workers at the Modine Buena Vista plant are alert to the facts of corporate life. They realize that what happens in one branch affects all branches. For this reason, they are alarmed and concerned about this direct threat to their fellow workers' jobs and they join with these brother workers in asking their Government to take steps to right a terrible wrong.

I will not reiterate the basic considerations involved in this matter; these have been clearly set forth today already. We have heard today a fine exposition of the facts, the law, and the equities of this case. We have heard a concrete case made for action by the Secretary of the Treasury. I am pleased to associate myself with the remarks of the gentlemen who have preceded me. It has been amply demonstrated here today, Mr. Speaker, as well as in the two Modine memorandums of April 15 and July 2, which were filed with the Treasury Department, that the clear duty of the Secretary of the Treasury, the unquestioned obligation which he has under the law to this Congress and to the people of the United States, is to act to counter the Canadian export program before it irreparably damages our industry engaged in producing, marketing, and selling motor vehicle parts and accessories. No one today has taken this floor to show wherein any of us who urge that the Secretary do this because the law requires him to so act are wrong. Indeed, throughout the history of this matter, throughout the many discussions and press comments about the Canadian program and the requirements of U.S. law, not one voice has been raised to my knowledge which attempted to justify Canada's action as a matter of law or as a matter of ordinary and acceptable international trade practice. In other words, Mr. Speaker, I do not know of any source which maintains that the case demonstrated today in favor of action under section 303 of the Tariff Act of 1930 by the Secretary of the Treasury is unsound either from a legal or international economic policy standpoint.

I ask, then, Mr. Speaker, along with the thousands whose very economic existence depends on the decision which the Secretary must make, what is the reason for the delay? Why has the Treasury Department not acted? Why this failure to do what the law so clearly commands be done?

The Treasury Department, by its own admission, has been fully aware of, and familiar with, the Canadian export subsidy scheme since its inception last November—9 months ago. Treasury knew then about this Canadian scheme and we must suppose that, consistent with sound and effective administrative practice, it realized the section 303 implications of Canada's plan. If it did not, there is evidence that these implications were called to the Department's attention shortly after the first day in which Canada's plan became operative.

So the Department has known of this plan for 9 months and has been looking at the plan in the light of U.S. law for at least 8 months. It is well, Mr. Speaker, to dwell for 1 minute on what question section 303 of the Tariff Act of 1930 poses for the Treasury Department. The statute requires the Secretary to answer one question and one question only: Is Canada paying or bestowing a bounty or grant on the exportation or the production of auto parts? That is the sole question before the Secretary. Unlike other statutes which give authority to the Executive to raise or lower ordinary tariffs, and which couple this grant with the requirement that injury be remedied or avoided by such tariff ratemaking, section 303 introduces no such considerations. The statute provides, simply and clearly, that where there is a subsidy there shall be imposed an offsetting duty. It matters not whether there will or will not be any embarrassment to U.S. foreign policy. It matters not whether such action will upset our good friends, such as Canada, or irritate our enemies. Action must be taken if a subsidy is being paid. The statute's command is definite, unqualified, and final.

This unqualified command of the U.S. countervailing duty statute has been the subject of criticism from some quarters. The lack of an injury test has been bemoaned. But, Mr. Speaker, none of these criticisms or comments are relevant here. It is not for the Secretary of the Treasury or of any other department to read into this statute something which Congress has not seen fit to insert therein. If there is any need to amend this statute, and I see none, then it can only be done by this body. The administrators have one responsibility and only one: carry out the law as intended by the Congress and do it faithfully and with dispatch.

Congress has required the Tariff Commission to make much more involved decisions than the Secretary is required to make here. And yet, we have not given the Tariff Commission anywhere near the amount of time to make such decisions as the Secretary of the Treasury has taken already in this case. In cases under the antidumping laws, the Tariff Commission must decide whether there is import-caused injury in 3 months. They must decide so-called worker and firm injury cases within 60 days under the terms of the Trade Expansion Act of 1962. They are given 6 months within which to complete full-scale injury investigations relating to entire U.S. industries.

These well thought-out time limits reflect the concern of Congress that these matters ought to be disposed of quickly and not allowed to hang around while the patient for whose benefit they were enacted slowly passes away. Congress has recognized that the speed with which a decision involving international trade is made is almost as important as the substance of the decision itself. Time is always of the essence in these matters, and delay can be as damaging as the event occasioning the investigation itself.

This is precisely the case here, Mr. Speaker. Treasury's delay has been interpreted in some quarters as a sign that the United States is not prepared to move against Canada's export subsidy scheme. Consequently, some firms have taken steps to relocate plants in Canada. They are preparing to close U.S. plants and layoff the U.S. workers involved.

Other firms, I am advised, Mr. Speaker, are now investigating Canadian facilities so as to be able to meet their competition with Canadian-subsidized auto parts next year. These firms would like to stay here but they cannot and remain in business. They must, if the Treasury is of a mind to allow this matter to continue unresolved, take steps to protect their flank, as it were.

So every day that goes by without a decision by the Secretary brings with it more actions based upon guesses as to what he will ultimately decide. His delay is wreaking havoc among a large number of firms and causing great anxiety to a large number of workers.

As I said before, it escapes me as to why there is this delay. Given the absence of any policy consideration, the delay cannot be excused. I join with my colleagues who are here today, as well as with all others who are interested in having expedition as well as equity in this case, in urging the Secretary of the Treasury to act promptly to correct the intolerable situation confronting so many thousands of U.S. firms and their workers.

Mr. SCHADEBERG. Mr. Speaker, I yield to the gentleman from Illinois [Mr. McCLORY].

Mr. McCLORY. Mr. Speaker, I am happy to participate in this special order and the subsequent special order which may immediately follow, and join with my distinguished colleague from Wisconsin. Incidentally, the district represented by the gentleman from Wisconsin is located directly adjacent to mine. It is across the border from my district in Illinois. Other distinguished gentlemen are participating in this special order today.

I had the extreme privilege to take part as a Member of this Congress in the interparliamentary group meetings between our colleagues from the U.S. Congress and the Canadian Members of Parliament, both from the House of Commons and the Canadian Senate earlier this year, also to be a participant in the American Assembly Conference in Quebec where the American Assembly and the Canadian Institute of International Affairs combined to provide this forum for discussion of relationships between the United States and Canada.

The SPEAKER pro tempore. The time of the gentleman from Wisconsin has expired.

Under previous order of the House, the gentleman from Illinois [Mr. McClory] is recognized for 30 minutes.

Mr. McCLORY. Mr. Speaker, my reason for asking for the floor today is to speak in behalf of the interest of businesses which are indirectly affected by the application of the Canadian law known as the Remissions of Duty Order-in-Council.

I have 170 workers and their families in my 12th District of Illinois who depend for their livelihood on the continued operation of the Modine Corp. plant in McHenry, Ill. While these workers are not engaged in the production of auto parts of the type which are presently entering the United States from Canada, and therefore they are not directly affected by the operation of the Canadian subsidy program, nevertheless their futures are unquestionably interwoven with those of their brother workers in the three other Modine plants which are directly in the line of the Canadian exports we are discussing here today. These workers realize that what happens in one part of the Modine Corp. will have repercussions on the McHenry plant. Their concern about the impact of the Canadian subsidization program relating to auto parts exports is therefore manifest. In addition, the parts which are produced at the Modine plant in McHenry, parts for automotive air conditioners, may be next on the list of products to be subsidized by our Canadian neighbors.

The United States and Canada are the most closely allied of any two sovereign nations in the world. In addition to the geography and undefended boundary which join us, we have a mutual defense arrangement unparalleled by any other two independent nations. A high ratio of intermarriage occurs between nationals of our two countries, millions of Canadians are employed in the United States and a great many Americans find employment in Canada. Notwithstanding these natural ties which bind us, there is concern in the Congress of the United States as well as in the Canadian Parliament relative to our future relationships, one with the other.

While all but a few Canadians are aware of the United States through newspapers, weekly magazines, and particularly radio and television programs emanating from the United States, most American citizens are almost entirely unaware of the significance of Canada in our political, social, and economic life.

An extremely significant series of conferences between leading educators, businessmen, and public officials is taking place this year under the joint sponsorship of the American Assembly—a unit of Columbia University established by Gen. Dwight D. Eisenhower when he served as president of Columbia University—and the Canadian Institute of International Affairs. I have been pleased to take part in several conferences of this series.

Let me add that the adoption by the Canadian Government of the subsidy practice which we are discussing today is a most serious threat to the harmonious relations between our two nations insofar as our economic relationships are concerned. In criticizing Mr. Walter Gordon, the Canadian Minister of Finance, for this and other discriminatory actions, a Canadian professor of political economy, James Eayrs of the University of Toronto, has charged that "Mr. Gordon would bite the hand that fed him."

In a conversation last week with a high governmental official of the Canadian Government, I was informed that there has actually been little new employment in Canada as a result of the application of the remissions of duties order. He added that the biggest American concerns appear to be happy with the present situation. Let me explain.

Several of our largest automobile manufacturing companies produce automobile parts in their wholly owned Canadian subsidiaries. The remission of duties, or subsidy, is a grand windfall for these big concerns. This helps them to build up their parts industry in Canada and to develop a large business of exporting parts to the United States. But what about the small American parts manufacturer who cannot afford the luxury of a Canadian subsidy? Well, it is going to convert to some other business, or else close down and tell its employees to find work elsewhere. Regardless of the nationalistic aims of the Canadians, the result of such a policy is to cause damage to our combined economies.

Of what benefit is it to our North American economy if we raise employment in Canada only at the expense of a corresponding reduction in employees on our side of the border? All of us, I am sure, are convinced that the close relationship of the United States and Canada must be continued and must indeed be strengthened. We all recognize that as rewarding as these close bonds between us are in terms of our own national needs, they are important in a greater respect in terms of the needs of the free world. So they must be kept tight and nothing must be permitted to loosen them in any way, not only for our own good but for the good of the whole body of free people in the world.

It is indeed to be sorely regretted, Mr. Speaker, when friends such as we find our relationship strained by an action which ought not to have been taken and which every responsible authority I have questioned finds out of order in the field of international trade practices.

Subsidization of manufactured products has been condemned from all sides. The General Agreement on Tariffs and Trade, to which the United States and Canada are original contracting parties, unqualifiedly condemns the use of export subsidies on nonbasic products, primarily because of the inconsistency of subsidization with the specific ends sought by GATT. As this body knows, the GATT was an outgrowth of World War II and the bilateral approaches to trading which prevailed prior to the war. All of the trading nations of the world saw the need for the establishment of a system of conducting world trade on a multilateral basis so as to overcome the discriminations and privileges which were inherently a part of the bilateral arrangements which prevailed before the GATT. Only if the trading nations of the world would agree on the broadest possible basis for open and nondiscriminatory trade between all nations could the real benefits of a free flow of goods between nations be realized.

The general provisions of the GATT were adopted with the intention that, except for tariffs, the pricing of products under the influence of competition among business enterprises would control the international division of labor and thus the flow of goods in international trade. For this reason, artificial arrangements which affected pricing were decried by the GATT signatories and their use was rejected. Nations which engaged in practices such as subsidization of exports were obliged to account for their actions and to stop them quickly. The GATT recognized that the employment of subsidies directly contravened the agreed upon objective of having international pricing established in the marketplace and not in government offices. It was clear that subsidization completely distorted the normal pricing structure of products and penalized the efficient producer in favor of the inefficient producer. For subsidization is never necessary where one is efficient and can stand on his own feet in competition with another.

Mr. Speaker, Canada has embarked on a program which seeks to make its auto parts business self-sufficient and indeed competitive in the United States. However, Canada appears to realize that these parts producers cannot compete with U.S. producers on an even basis. Their production runs are not as large as the U.S. runs and accordingly their unit costs are higher. The U.S. tariff of 8½ percent itself is no obstacle, since the recent Canadian dollar devaluation effectively negated this duty. So even on such terms, the Canadian producer finds that he cannot sell his products in the United States; his costs are too high, a reflection of his relative inefficiency vis-a-vis his U.S. competitor.

The Canadian subsidy is the single element which makes the Canadian producer competitive. However, this subsidy distorts the normal pricing structure which would prevail in its absence, the usual prices which would have to be charged if there were no underwriting by the Canadian Government. The Canadian parts producer can sell his product at much lower prices, with the Government making up the difference in the form of a rebate of duty to the U.S. customer. Thus, the price paid for the Canadian part is set, not by the normal operations of the marketplace, but by the influence brought to bear by the Canadian Government in the form of the subsidy.

Just as the GATT recognized the evil which subsidization embodies, it recognizes that affected countries—here the United States—have the right to counter such subsidies by imposing duties offsetting them. Unless Canada ends its present practice, the United States should certainly impose countervailing duties. I am not referring to the legal obligation imposed on our Secretary of the Treasury by section 303 of the Tariff Act of 1930. That such obligation exists and must be fulfilled has already been forcefully and clearly pointed out. What I am saying is that since the Canadian practice violates GATT and interferes with the attainment of the objectives of the GATT, the United States ought to impose these countervailing duties if for no reason other than to restore the conditions of normal trade which the GATT considers of fundamental and crucial importance. Canada has taken steps which are out of time with the GATT and the very things which Canada and the other signatory parties hold dear and sacred. The United States has the duty, it seems to me, to correct this situation and bring the trade in auto parts back into conformity with the GATT.

Mr. Speaker, as I indicated earlier, this development in our relations with Canada is most unfortunate and regrettable. It would have been better had the Canadians consulted with us before taking these steps and discovered then the implications of our laws and her GATT obligations in the circumstances. But now we here are faced with a problem, not of our doing but of Canada's. We are confronted with the possibility of thousands of unemployed workers and hundreds of closed businesses as a direct result of this illegal action on the part of the Canadian Government. We have no choice but to do what our law and the GATT indicate we must do. Under the circumstances it seems that I must urge the Secretary of the Treasury to take the necessary action and to take it promptly. On the other hand, I would much prefer that the Canadian Government would recognize how unwise the remission-of-duty order really is.

Mr. Speaker, I will raise my voice in protest against any and all actions of this Congress—or of any branch of our Government—which would adversely affect the harmonious relationships of the United States and Canada. Likewise, I must speak out today against the practice of the Canadian Government in subsidizing the export of automobile parts. I hope that our President, our State Department, and the Treasury Department will take whatever steps may be appropriate and necessary to prevent a continuation of the practices which the remission-of-duty order has produced.

Mr. STUBBLEFIELD. Mr. Speaker, will the gentleman yield?

Mr. McCLORY. I yield to the gentleman from Kentucky.

Mr. STUBBLEFIELD. Does this not border on state trading, this Canadian subsidization? Does it not border on what we call state trading?

Mr. McCLORY. It is a state policy, you see, of the Canadian Government to try to establish through this subsidy a sacrifice of these state funds that would otherwise come to the Government through the tariff to develop a new industry in Canada.

Mr. SCHADEBERG. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. HOLIFIELD] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. HOLIFIELD. Mr. Speaker, the House today, as is the Nation, is being apprised of a most unfortunate development in the trade relations of the United States and Canada. Canada has embarked upon a program of export subsidization of vehicles and vehicle parts which is clearly inconsistent with the accepted rules governing fair international trade, clearly violative of Canada's solemn obligations to the United States under the General Agreement on Tariffs and Trade, and clearly within the scope of the mandatory provisions of section 303 of the Tariff Act of 1930 which require the Secretary of the Treasury to act to counter such subsidization. Section 303 commands the Secretary of the Treasury to impose countervailing duties to offset and thereby neutralize the subsidy being paid by Canada on exports of vehicles and parts.

It is indeed regrettable that our friends and neighbors to the north have chosen to engage in this universally condemned unfair method of international competition. It is equally regrettable that despite U.S. protests to the Government of Canada about this unfair subsidization, Canada has not seen fit to voluntarily abandon this scheme. Fairplay and justice for the many interests in this country which are being adversely affected by the Canadian plan demand that the United States take action to kill off this Canadian attempt to take over the U.S. auto parts market by unfair means.

Mr. Speaker, in Whittier, Calif., a city in my district, Modine Manufacturing Co. established a plant to produce automotive radiators. This plant, which is relatively new but which has grown remarkably since its opening, employs 130 people. Its annual payroll of over three-quarters of a million dollars makes it one of the most important employers in the Whittier area. The plant has taken its rightful place in the economy of this area and its importance as a source of support for the community and its citizens cannot be overemphasized.

You can appreciate, Mr. Speaker, the concern of these 130 workers and the rest of the Whittier community about the impact on them if Modine is forced to close down this plant. I need not detail to this body the awful consequences which flow to person and to community when an important installation shuts its doors. Nor need I go into the suffering and hardship experienced by those who depend for their livelihood on the continued operation of an existing plant and the full employment of its workers. These facts are too well known to require any elaboration on my part.

But the Whittier Modine plant will be closed and these terrible personal and community consequences will come about unless action is taken to curb the imports of subsidized auto parts which are coming into the United States as a result of Canada's unfair program. Unless the Secretary of the Treasury acts decisively and quickly, what is now a frightening prospect to Modine's Whittier workers and Whittier's citizens will become an actuality.

I said a moment ago that Canada's action in setting up this unfair method of taking over the U.S. parts market is to be regretted. It is always sad when one country embarks on a program which has damaging consequences in another country. It is sadder when such action does not square with the rules of international trade as developed over the years by responsible nations interested in maximizing trade expansion as a tool of attaining world peace. It is saddest, in my opinion, when such actions are taken by a close and valued neighbor, one who is so well liked and respected that the border lines between our countries have long since become obscured by the overpowering bond of our friendship.

The United States has been most solicitous about Canada's welfare and, as a true good neighbor should, we have never failed to do what we could to help in whatever way possible to alleviate her problems. In the current interest equalization tax discussions, Canada's interest has been singled out for special attention. Just a few years ago we accepted the devaluation of the Canadian dollar and prior to that the increase in many Canadian tariffs, steps taken to alleviate Canada's international payments imbalance. I might add that at present Canada's exchange position is very good while her trade balance seems to be improving rapidly. I like to think that the restraint of the United States during Canada's recent period of trial contributed in large measure to her now prosperous outlook.

So over the years, Mr. Speaker, we have tried to be good neighbors, recognizing Canada's problems and doing what we could to relieve them. And I would hope that we will always do no less.

Some quarters in Canada ask us now to recognize Canada's trade imbalance in motor vehicles and motor vehicle parts with the United States and to understand her reasons for adopting the subsidy scheme so as to correct this imbalance in such trade with us. We do enjoy a sizable balance in such articles, though how it could be otherwise, given the normal factors which dictate this trade, I cannot see. The Canadian consumer preferences in cars, the limited size of its home vehicle production, the small production base of its motor vehicle parts industries, the efficiency of the U.S. vehicle and parts industries—all these factors and others indicate that on balance the United States has to sell more vehicles and parts to Canada than it buys from Canada. So there is nothing I can see which renders this trade picture in vehicles and parts abnormal. Certainly, the plus balance enjoyed by the United States has not resulted from any unfair tactic employed by us. We have gained this balance because we earned it and we earned it fair and square. Just as our favorable balance in auto and parts trade rightfully belongs to us, so too is Canada's superiority in trade with us on a number of articles due to the operation of normal trade patterns. For example, Canada sells us $200 million in iron ore each year versus our sales to Canada of less than $60 million. We buy almost $700 million in paper and paperboard from Canada each year while we sell a little more than $42 million in such products to Canada annually. Canada sells 5 times as many raw furskins each year to the United States than she buys from us. There is nothing abnormal or out of the ordinary about any of these imbalances. They exist because of the different needs of the United States and Canadian markets and the relative efficiencies of the two countries in the products in question.

So the imbalance in vehicle and vehicle parts trade between Canada and the United States is not a unique feature of our overall trade. Such imbalance should not be pointed to as a reason, or the reason, for taking special restrictive trade action or for embarking on a scheme aimed at correcting such imbalance per se. I suggest that this is dangerous ground and I am certain Canada would be most concerned if the United States, or any other of Canada's trading partners should consider adopting the principle governing Canada's action here to correct individual trade imbalances which run in Canada's favor.

Mr. Speaker, it has been asserted by persons in Canada, and even by some people in our country, that the United States should not impose countervailing duties on Canada's subsidized vehicle parts exports because to do so would "rock the boat," as it were. I think we ought to set the record straight, here and now, about who is rocking the boat and who is trying to get the boat back on an even keel.

Trade in vehicles and vehicle parts between the United States and Canada has gone along normally over the years. Canada bought from the United States what her industry and consumers needed or wanted and she sold to the United States what our consumers needed and wanted. So up until November of last year, the ordinary market influences of supply and demand governed trade in vehicle parts between our nations. Mr. Speaker, from any angle it was looked at, the "boat" of United States-Canada trade in auto parts was level and even. It may have been loaded with more United States goods than Canadian goods, but it was not off keel.

But when Canada began this subsidy program last November, she tilted the boat badly. For the normal ebb and flow of the tides of trade in vehicle parts were severely interfered with by Canada. Canada injected into the previous picture a subsidy program which threw all the other factors out of kilter Beginning in November the boat indeed was rocked, not by the United States but by Canada.

So those who talk of "rocking the boat" must look to the north for the cause. The patterns of trade in vehicles and vehicle parts were conventional and normal before November. Canada's actions created the distortions now so plainly evident.

And what will the imposition of countervailing duties by the Secretary of the Treasury do to this boat, Mr. Speaker? Will it rock it further? Absolutely not. Such action by the Secretary will merely restore the status quo and get the trade situation back to normal. For it must be remembered that the duties which will be imposed to counter the Canadian scheme will only be in amounts exactly equal, to the penny, to the dollar-and-cents amount of the subsidy paid by Canada. There is no authority in the law for the Secretary to add 1 cent more in countervailing duties than is necessary to offset the subsidy paid. The duty levied must be exactly equal to the amount of the subsidy paid—not anything more and not anything less.

This aspect of this matter further illustrates that we are not today talking about a case for tariff protection. It has already been said, and I say it again, that the question of liberal trade versus tariff protection is not involved here. This is not a move by hard-pressed U.S companies for more tariff protection than they now have. After the Secretary imposes countervailing duties, the present U.S. tariffs on vehicles and parts will remain exactly the same as they are today. We are not pleading for relief from severe trade; we are asking that unfair trade be stopped. The difference is great and must be clearly understood.

It is difficult for me, Mr. Speaker, to envisage that the situation created in the auto parts industry by Canada's action will be allowed to continue. As we have heard, the law involved—section 303 of the Tariff Act of 1930—is crystal clear in its mandate and eminently sound in its objective. The only thing asked by the thousands of companies and workers whose case is being discussed here today is that equity be done and that an unfair trade practice be stopped. Our Government can do little more than respond when the wrong is so obvious and the remedy so readily at hand.

I join with my colleagues in urging that the Secretary of the Treasury act now to curb the evils being heaped on so many U.S. companies and their workers by this unfair act of Canada. Action now is most necessary and, indeed, most proper. This case has tarried long enough in the halls of the Treasury Department and certainly ought to be disposed of immediately.

Mr. SCHADEBERG. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. SCHENCK] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. SCHENCK. Mr. Speaker, I wish to add my voice to those which seek equity and fair treatment for those U.S. companies and workers who stand to be seriously hurt unless something is done about the Canadian export subsidy scheme on auto parts. As the House has heard today, this matter involves a most unfair trade practice by Canada. The practice of subsidizing exports cannot be reached by those adversely affected by this scheme. The companies and their workers cannot counter the Canadian Government's plan to take over their businesses and their jobs in favor of Canadian nationals. These U.S. companies and their employees must look to their Government for the necessary action to protect themselves from the consequences of Canada's action.

The Dayton Steel Foundry Co., located in my district in Dayton, Ohio, has specifically called to my attention their interest in seeing that the Canadian program is stopped. This company is a historic producer of auto parts such as wheels. They are in the position, as are so many others in the auto parts business, of relying upon the vehicle producers to purchase their needs from Dayton. In other words, the demand for the products they make is a derived demand, depending in large part on the needs for these parts of the U.S. vehicle manufacturers. Dayton's business has already been seriously affected by the operation of the Canadian scheme, and unless something is done to make it unprofitable for the U.S. vehicle producers to purchase their needs in Canada, Dayton, along with many other companies, will suffer severe repercussions. The Canadian duty-remission subsidy scheme threatens the jobs of many of Dayton's workers. For these workers depend on the U.S. vehicle manufacturers to purchase the fruits of their labor. If these producers buy from Canada, and they are in ever-increasing quantities as each day dawns and fades, then they will not buy the wheels and other products which Dayton produces. If the outlet for the product is not there, the need for workers to produce the product disappears.

Mr. Speaker, this Congress has spent a large portion of its time on legislation pointed to problems of unemployment and poverty. We have been rightly concerned about the welfare of thousands, indeed millions, of U.S. citizens and their fortunes in the world we live in. There are many vexing problems included in the larger areas of poverty and unemployment. Automation and its impact is one. The effect of taxing policies is another. Many of these causative factors defy solution. But this body is now being apprised of a major development in the areas of poverty and employment. For there is facing thousands of U.S. citizens and their families and the communities in which they live the awful prospect of loss of jobs and income in the not too distant future. These jobs are being lost today and many will follow those already in the ranks of the unemployed unless something is done to stop the inroads which these unfair Canadian imports are making into this country.

Mr. Speaker, I represent a district which contains thousands of workers in the automotive industry and I want to do everything I can to keep these people at work. I also have different kinds of manufacturing companies in my district. All must be given careful consideration in weighing the benefits to our workers.

The problem facing us is most complex. Countervailing duties may not be the answer, but something must be done, and done at the earliest possible moment to protect our economy.

It would appear to me that the representatives of the executive branch of our Government, in whom this responsibility rests, should continue their strongest efforts to arrive at a definite decision and to negotiate a prompt settlement of these complex problems in the best interest of all our workers, our industries, and the entire Nation.

Mr. SCHADEBERG. Mr. Speaker, I ask unanimous consent that the gentleman from Indiana [Mr. HARVEY] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. HARVEY of Indiana. Mr. Speaker, it is not enough for many U.S. manufacturers to compete, pay taxes, meet payrolls, and maintain high product standards any more; many domestic manufacturers today find that they are forced to compete with foreign governments as well and I make specific reference to our Canadian neighbors to the north.

Before an Indiana manufacturer can sell his products to a Canadian concern a tariff amounting to 25 percent in many instances must be paid. Assuming that an Indiana manufacturer of automobile frames shipped $1 million worth of frames to Canada he would be forced to pay a duty of $250,000.

If, on the other hand, this same company had a subsidiary in Canada, the Canadian Government would offer a rebate or bounty to the Canadian subsidiary if certain stipulations were met.

I do not have to go into detail to point out that this practice on the part of the Canadian Government is inducing many U.S. concerns to open plants in Canada. Nor do I have to point out that cheaper Canadian labor, as well as the dollar advantage of the Canadians, has enabled many Canadian factories to pay a 6-percent duty and still undersell many automotive parts factories located in this country.

According to the law if the Secretary of the Treasury learns of practices outlined above, it is the responsibility of the Secretary to invoke a countervailing duty on the products equal to the rebate.

Since the Canadian Government has been carrying on its bounty program for quite some time it is, in my opinion, unfortunate that the administration has failed to take corrective measures rather than Members of Congress having to bring this matter to the attention of the public. Where there is a flagrant disregard for our tariff laws, it seems to me that the Treasury should take appropriate steps without being prodded into taking action. However, this problem seems to be like a great many of our other problems—the State Department feels that it has preeminence over such matters.

To many of my colleagues my remarks this afternoon may seem strong; however, when jobs are at stake—and believe me they are at stake in my congressional district in Indiana—I feel that the tone used in these comments in describing this situation is justified.

THE 1964 REPUBLICAN PLATFORM CRYSTAL CLEAR ON EXTREMISM

The SPEAKER pro tempore (Mr. LIBONATI). Under previous order of the House, the gentleman from Wisconsin [Mr. LAIRD] is recognized for 30 minutes.

Mr. LAIRD. Mr. Speaker, before a myth becomes accepted as historical fact, I feel that the record should be set straight on the action of the Republican National Convention in San Francisco in rejecting certain proposed amendments to the platform on the subject of extremism.

The action of the Republican convention on Tuesday, July 14, in connection with these amendments has been interpreted by many commentators as a refusal to repudiate views and tactics commonly called extremist.

A fair reading of the two amendments presented to the convention makes it clear that the issue was not presented in the terms in which it is generally described in the press. The effect of the amendments was to express the view that the Republican Party is in danger of being infiltrated by "totalitarian" groups and to "repudiate" the efforts of such groups to seize positions of responsibility in the Republican Party and to attach themselves to Republican candidates for office. At the same time, these amendments absolved the Democratic Party from any connection with extremism.

That such was the purport of the amendments is made clear in the supporting document issued in connection with them. This document contained the following assertions:

> It is imperative that our party assure the American people that we do not countenance the reckless totalitarian activities of those who seek to undermine the basic freedoms of our Nation and have settled upon our party as the vehicle for the achievement of this goal.
>
> We recognize the problems experienced by the Democratic Party in the past, in the cases of the Ku Klux Klan after World War I, and of the Communists and fellow travelers who were painfully purged over a period of years.

The amendments proposed were rejected because they were not based on fact. The great majority of delegates to the Republican convention were not convinced that their party is in peril of being subverted by extremists and they rightly refused to say so. The great majority of delegates to that convention were not convinced that the Democratic Party has no problem with extremist elements in its ranks, and they rightly refused to say so.

The gentleman from Wisconsin, Congressman JOHN BYRNES, clearly stated the reason for rejecting the two amendments in question when he declared to the convention:

> Are we to accept the charge implicit in this amendment that the Republican Party is in danger of being taken over by the very ideas its platform denounces? Is this party going to demean itself by insinuating in its platform that irresponsible and extreme ideas can prevail among us? I flatly reject those views.

If the question of repudiation of the views and activities of irresponsible groups had been fairly and squarely presented to the Republican convention, I do not know what the outcome would have been. I suspect that many delegates would have considered such a resolution unnecessary, finding in the positive provisions of the platform ample repudiation of the views and the tactics which sponsors of the amendments wished to condemn.

The specific objects which those who offered amendments to the platform on the subject of extremism wished to repudiate fall into three groups:

First. Racial discrimination and prejudice.

Second. Slurs upon President Eisenhower and other leading figures of his administration.

Third. The use of such tactics as lies, deception, smear, and harassment against political opponents.

All of the foregoing are repudiated in unmistakable terms in the 1964 Republican platform.

Arranged below are provisions incorporated in the 1964 Republic platform repudiating these views and tactics:

> #### 1. DISCRIMINATION AND PREJUDICE
>
> We pledge full implementation and faithful execution of the Civil Rights Act of 1964, and all other civil rights statutes, to assure equal rights and opportunities guaranteed by the Constitution to every citizen; improvements of civil rights statutes adequate to changing times; such additional administrative or legislative actions as may be required to end the denial, for whatever unlawful reason, of the right to vote; continued opposition to discrimination based on race, creed, national origin, or sex.
>
> In all matters relating to human rights, it will be the Republican way fully to implement all applicable laws and never to lose sight of the intense need for advancing peaceful progress in human relations in our land. The party of Abraham Lincoln will proudly and faithfully live up to its heritage of equal rights and equal opportunities for all.
>
> #### 2. PRESIDENT EISENHOWER AND HIS ASSOCIATES
>
> Republican Presidents from Abraham Lincoln to Dwight D. Eisenhower stand as witness that Republican leadership is steadfast in principle, clear in purpose, and committed to progress. The many achievements of the Eisenhower administration in strengthening peace abroad and the well-being of all at home have been unmatched in recent times. A new Republican administration will stand proudly on this record.
>
> #### 3. TOTALITARIAN TACTICS
>
> We condemn bigotry, smear, and other unfair tactics in political campaigns.

MORE ON THE MLF

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New York [Mr. HALPERN] is recognized for 20 minutes.

Mr. HALPERN. Mr Speaker, on June 17 in this body I raised the issue of the proposed multilateral nuclear force, attempting to focus upon the various elements involved and questioning the validity of the concept.

Since then I have been pleased to note that media of communication have begun to debate the subject and devote more attention to it. In this week's New Republic, Mr. Alastair Buchan writes a profound piece on NATO and the MLF. Mr. Buchan is somewhat of an expert on NATO, its military and political meaning, and has written widely in this area.

On June 17, I warned that, unless appropriate diplomatic representations were undertaken, the multilateral force, a substantially new project, could sabotage or undermine this country's endeavor to reach meaningful accords on disarmament and arms control. On July 12, the Soviet Government dispatched notes to the United States, West Germany, Britain, Italy, the Netherlands, Turkey, and Greece underlining its concern. Moscow Radio was beamed to Italy on July 13 with the following message:

> The Soviet Union has warned in all seriousness against thoughtless and adventurous steps which can aggravate the danger of thermonuclear war and give the West German revenge seekers the opportunity of coming into possession of nuclear weapons. A double danger hangs over west European peoples: not only the aggravation of the danger of war, but also the danger of being pushed into an adventure which can be undertaken by West German revengemongers.
>
> The Governments of the United States and other Western powers, by undertaking steps to create a multilateral nuclear force, are thus contributing to the proliferation of atomic weapons. (If?) the Bundeswehr obtained access to these arms, it would represent an ugly aggravation of the danger of thermonuclear conflict. Many countries, including major Western states, could be pushed into this conflict even against their will. It is also necessary to observe that the German Federal Republic Government activities designed to equip the Bundeswehr with nuclear missile weapons represent a brutal violation of Bonn international obligations which derive from unconditional capitulation of Hitler's Germany and postwar (covenants?) still in force.

There are two aspects to the question here. In the first place, earlier in July, Valerian Zorin, speaking at the General Disarmament Conference, harshly threatened that launching of the Polaris fleet would mean an end to meaningful disarmament possibilities. Second, the Soviet Union has restated its complete opposition to permitting West German participation in any nuclear undertaking, hinting that it would take appropriate retaliatory action.

Soviet anxiety and hostility on this score was repeated again to Dutch Foreign Minister Joseph Luns during his recent visit to Moscow.

Now, I am not one to say that Soviet feelings should influence our decisioning conclusively. There are other factors involved. It may very well be that Khrushchev, understanding American and British policy vis-a-vis Germany, is simply bluffing. What I do contend is this: Since the MLF is not really a military necessity, essential to the security of the free world, I would want full assurance that this project, a new and unique venture, does not doom disarmament prospects, undermine Eastern Europe's disengagement from Moscow, renew a Moscow-Peiping front, and conflict with other long-range objectives of American policy.

Mr. Buchan raises another question. He states that the people behind this program want a full and decisive reckoning by the turn of the new year. It will come in the form of a treaty. I have never stood for indefinite delay, but the prospects will not look good unless the Congress has adequate opportunity to survey all aspects of this complex and significant concept. And the Congress, if this timetable is correct, will be adjourned. Certainly, we will not be able to examine the issue in appropriate committees on even a preliminary scale during this session.

Most especially, I hope that we can now launch into a constructive and responsible public review of this venture. This is necessary. I fervently urge appropriate officials of our Government to bring this subject to the forefront of public discussion.

I would like to include at this point in the RECORD, Mr. Alastair Buchan's article from the New Republic:

IS THIS NATO CRISIS NECESSARY?

(By Alastair Buchan)

For the first time in 40 years there are to be British and American elections within a few weeks of each other. And there is now a serious risk that both the pre- and the post-election period will feature a major allied row over the proposal for a multilateral force, which may seriously divide Britain, America, and Germany from one another and drive De Gaulle further into a corner. This risk has been created by the Johnson administration's decision to seek final agreement on the MLF by December of this year, to get the enabling treaty legislation through the various national parliaments by the summer of 1965, ostensibly so that the issue shall not become a political football in the German general elections of next summer. Given the degree of doubt and perplexity about the MLF proposal, particularly in Britain, but also in the Netherlands and Italy, there is a danger of NATO suffering a self-inflicted wound at the very moment when scars of earlier battles are beginning to heal.

The American proposal is to create a multilaterally owned fleet of 25 surface ships with 200 Polaris missiles. Eight countries (the United States, Britain, Germany, Italy Belgium, Holland, Greece, and Turkey) have been discussing it for many months. The proposal has a tangled history. Ever since the advent of the missile age began to create doubts about the credibility of the American commitment to Europe, and the advent of the British and French nuclear forces began to create tensions within Europe, two basic approaches to strengthening the cohesion of the alliance without weakening its strength or spreading the ownership of nuclear weapons have been conceivable.

One is to accept that NATO is an alliance of sovereign powers that cannot relinquish ultimate control of their own weapons; to commit the forces of the nuclear allies to NATO for planning purposes; and to reorganize the institutions of the alliance so as to give all the nonnuclear allies the maximum degree of influence over strategic and political planning, but leaving operational decisions in a nuclear crisis in the hands of the nuclear powers. This is the so-called multinational solution. The other is to associate the nonnuclear allies more intimately with the planning, finance, and operational control of part of the overall Western strategic forces, by creating an allied owned, mixed manned, jointly controlled nuclear force—the so-called multilateral solution.

The project for a multilateral force arose from the conjunction of military studies that had been made on the mixed manning of nuclear forces in Europe, and the political proposals to commit American missile-firing submarines to NATO. In the middle of 1962 a small number of enthusiasts in the State Department, allied to a still smaller number in the U.S. Navy, began work on a plan for a mixed manned seaborne force (originally of Polaris submarines) which would be manned, financed, and controlled jointly by the United States and those European allies who were interested. Throughout the summer of 1962 their emissaries toured the European capitals to propound the merits of their idea.

Until early last year they made only limited progress in Washington, despite a public relations campaign to gain official, political, and academic support, of an energy and ruthlessness unknown since Harriet Beecher Stowe and the antislavery movement. President Kennedy, in particular, was unwilling to adopt their plan as a central objective of official American policy until he was quite certain that no other solution—some form of European-American strategic partnership or a reorganization of NATO itself—was viable.

But after Cuba the pressures began to multiply. The prospect of serious negotiations with Moscow, which later culminated in the test ban and the hot line, brightened. In December 1962 Adenauer agreed in principle to the Franco-German pact, which carried the alarming implication of some Franco-German deal on nuclear sharing. In the vacuum left by Britain's falure to gain entry to the Common Market and the collapse of the Kennedy grand design, the ideas of the multilateralists began to make some headway in the United States and considerable headway in Germany, Italy, Belgium, and even Britain.

The historian will have a tough time deciding whether there ever was a real demand for the MLF in Germany, or whether the offer of a major share in the MLF forced the German Government to play the role the State Department had already assigned it, namely a country eager for physical association with the control of nuclear weapons; whether, as the defense correspondent of the London Times phrased it, "the problem has in fact been created by passionate advocacy of the solution." Certainly it is ironic that by the time the MLF project was publicly launched, the German leaders whom Washington most distrusted in this connection, Chancellor Adenauer and Defense Minister Strauss, had disappeared from office. But by the fall of last year, not only the Erhard government but intelligent Social Democrats like Herr Fritz Erler, the vice chairman of the party, had become reluctantly convinced that the MLF was the best way to combat American nuclear isolationism.

Shortly after President Kennedy's death the multilateralists got from President Johnson a firm endorsement of the project as a central objective of American policy which they had never received from his predecessor. And with this the European political reaction has become gradually more explicit. In Paris it is no longer regarded as a joke, but as a threat to put France in the position of eventually having to join an organization of which it is not a founder member. In Germany, it is seen by most people as a means of emphasizing the priority of the Atlantic over the European connection (in which many Germans are beginning to lose interest), while giving Germany greater status in the councils of the alliance than she has hitherto possessed. In Belgium and in Holland it is seen in much the same terms, and also as a means of keeping Gaullism at bay. In Italy views are more muddled: The left-wing members of the Government fear its effect on relations with the Soviet bloc and on the domestic political scene, the right see in it the eventual nucleus of a European force. Only the two Scandinavian governments, Norway and Denmark, have held aloof from the discussions; they are not disposed to join the MLF even if it becomes a reality and they fear that it will increase the strength of neutralist sentiment in their own countries.

The MLF proponents argue that since France—and perhaps the U.S. Congress as well—blocks the path to a more comprehensive reorganization of NATO, the MLF provides an alternative to a gradual fragmentation of the alliance. It would give the European countries which decide to participate some responsibility as well as knowledge about nuclear targeting, force levels and general policy. They would also be financially involved, which would have the dual merit of forcing them to take their responsibilities seriously and of taking a small share of the burden of Western deterrence off American shoulders.

One of the strongest arguments in favor of the MLF is that it could provide a focal point for the growth of a more organic system of alliance cooperation. The European Coal and Steel Community did not have a very important practical function when it was first founded in 1950, but became the seed of other European institutions. Many European supporters of the MLF see it as essentially an Atlantic, not a European, force, and they are alienated by such speculations as those of Mr. Walt Rostow, director of the policy planning staff, who in a speech to the Western European Union Assembly in Rome on June 24, thought aloud about the eventual withdrawal of the U.S. veto on the control of the force, and of the MLF as a dowry to a politically united Europe. Such statements, which are probably meaningless in terms of what Congress would accept and are certainly contrary to American policy about nonproliferation of nuclear weapons, are presumably intended to provide a bait for France.

The military and economic arguments for confining the principle of multilateral forces to a seaborne fleet of 25 ships and 200 Polaris missiles make little more sense today than when the project was first discussed. True, the problem of mixed manning is not a serious one; and the operational research that has been carried out on the problem of the vulnerability of the ships shows that this, too, is a manageable problem. The cost to the European participants (about $260 million a year if the United States pays 40 percent of the bill) is supportable, even though it necessarily involves some diversion of resources from stronger armies in Europe, an equally cherished objective of American policy. and even though the cost in terms of skilled manpower is considerably higher for the small European navies and the strategic cost of justifying Soviet missile fleets in the Western Atlantic may be higher still. But the real question is whether a force of this kind, which is marginal to American or allied strategic requirements, will in fact provide a better European association with American nuclear planning and decisions. Where does it fit into the American policy of "controlled response"? What relevance would it have to real crisis bargaining in another nuclear confrontation like Cuba, and what influence therefore would it give the European allies?

TWO OTHER PROPOSALS

It is because of such doubts about the military relevance of such a seaborne force that two other proposals have been considered. One, which was advocated by the retiring Secretary-General of NATO, Mr. Dirk Stikker, is for a direct European contribution to the cost, manning, and control of the Minuteman ICBM's, a force that is a central part of the Western deterrent. There is nothing inherently stranger about an international missile crew in the middle of Wyoming or North Dakota than there is about one in the middle of the North Atlantic. But so far Stikker's idea has received little serious attention, and it might well be that Congress would find this too much to digest.

The other proposal, which was officially put forward by Britain at the end of June, is to have the MLF combine a small seaborne element with another element built around the strike aircraft and missiles in Europe. Drawing on her wartime experience when the RAF bombers were successfully manned by mixed crews of Australians, Canadians, Czechs, Poles, and Frenchmen, Britain has proposed that part of the allied interdiction forces in Europe should be converted into a single force, jointly financed, owned, and controlled.

This idea has certain clear advantages. It concerns the weapons on which the immediate security of Europe depends, and is a much more suitable focus for joint European-American finance and control than the seaborne fleet. Moreover, it does not involve creating new forces, and should therefore prove less costly in terms of money and specialized manpower. It has not, however, had a warm reception in Washington, partly because the Johnson administration is so passionately committed to the seaborne force that it regards any alternative proposal as a diversionary tactic, partly because it has been so long delayed by interservice arguments in London that it threatened, if it is assimilated into the existing negotiations, to throw out the time schedule which Washington has now laid down.

The British position is a difficult and unhappy one. At the Nassau meeting of December 1962 both the British and American participants got their terminology and the issues seriously confused. The British Government thought it had full American backing in pursuing the multinational solution by committing all its nuclear weapons to the planning control of NATO, and realized only late in the day that it was the multilateral solution which was going to win out.

There is growing support in London for the MLF as a political idea because it offers Britain an opportunity, which is not open in the economic field, to enter a close form of association with Germany and four or five other European countries, and thus to face post-De Gaulle France rather than post-Macmillan Britain with a choice between isolation from European support or participating in a development which she herself has not originated.

But Britain is expected to have only a 10-percent share in the seaborne force, which in the eyes of the German Government entitles her to be treated only as a minor European power on questions of planning and control. This she cannot accept if she is to participate at all. Therefore, if the MLF is to become a reality Britain must fight for parity with Germany. She has to persuade her allies to extend the plan to aircraft and missiles in Europe, of which she is a major contributor. Or else Britain must buy a larger share in the seaborne force, which would mean either scrapping her own Polaris program or drastically increasing her defense expenditure, something which the government to be elected in October, whether Tory or Labor, would find it politically very difficult to do, especially as a great deal of money has already been committed to the Polaris program for several years ahead.

The situation is complicated by the fact that Labor, which is likely to form the next government, has been consistently hostile to the MLF, preferring to try to negotiate in Washington some new form of political machinery within the alliance in return for abandoning the British Polaris program. The fact that neither Bonn, Paris, nor Washington is very likely to be interested in any such proposal will not make it any easier for Labor to switch its position if it is asked to take an irrevocable decision about the MLF within a few weeks of taking office, as would be demanded by the present American timetable.

In my view, we can only avoid a serious crisis within the alliance, and one which will have direct repercussions on East-West relations, if all concerned use their heads on three subjects in particular. The first is the question of timing. To use the German elections as a deadline is essentially phony, since the MLF is not an election issue in Germany. It is being used as an excuse by those who want to crowd on sail for fear that their project may lose momentum.

EASTERN EUROPE'S FEARS

The second concerns the operational control of the force. Until the question of whether it is to be an Atlantic force or eventually a European force is settled in equivocal language, it is impossible to tell who the true supporters of the proposal are, for if there is any serious idea that the Europeans would one day buy out the American share, then Britain, Germany and Holland lose their interest, while, if it is to remain a permanent Atlantic force, the Italians may lose theirs. To talk, as some of the American protagonists do, of leaving room for either solution, is as unrealistic as it would have been to expect the Founding Fathers to have written the principles of secession into the American Constitution. Nor do German ideas on weighted voting have any realism when it comes to such grim issues as peace and war.

Finally, there is the question of MLF's effect on the new Western relation with the Communist bloc. There is a serious danger that misunderstandings about the force, and the German role in it, may create such misgivings in Eastern Europe as to permit the Soviet Union to reestablish much tighter control over countries that are on the edge of ceasing to be satellites. There is need for a less hasty study of the problem. This might convince all concerned, British, German, and Americans, that, in terms of diplomacy, of which strategy and missiles are merely servants, a considerably firmer commitment of present British and of larger American nuclear forces to the full planning control of NATO, and the evolution of better machinery for peacetime planning and crisis management for all the allies, may serve better in the future than the MLF itself.

THE WILLIAM WIELAND CASE

The SPEAKER pro tempore (Mr. LIBONATI). Under previous order of the House, the gentleman from Iowa [Mr. BROMWELL] is recognized for 30 minutes.

Mr. BROMWELL. Mr. Speaker, I asked for this time on the spur of the moment because of a startling article which appeared in the Des Moines Register on yesterday, August 3, 1964, which has just come to my attention.

Mr. Speaker, I ask unanimous consent to include that article at this point in the RECORD.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

The article is as follows:

[From the Des Moines (Iowa) Register, Aug. 3, 1964]

RUSK'S TOUCHY CHORE: DECIDING FATE OF CONTROVERSIAL UNDERLING

WASHINGTON, D.C.—Secretary of State Dean Rusk is faced with the touchy political chore of deciding whether to oust William Wieland as a security risk or restore him to full status as a Foreign Service officer.

The State Department said Saturday a special three-man panel made a decision in the last few weeks. Its press office declined, however, to state whether the panel ruled for or against the Latin American expert.

Richard Phillips, department press officer, said Rusk must make the final decision.

The Wieland case has been one of the most controversial in recent years. It is among those that caused the fight between State Department security evaluator Otto Otepka and his superiors. Otepka contended there was laxity in handling the Wieland case and others.

The original Wieland security case was up for decision in 1961 when the Kennedy administration took office. Otepka had made a decision there was not sufficient evidence to label Wieland disloyal or a Communist, but he had found that Wieland had given incorrect information to Government officials on several matters.

Otepka ruled Wieland should be forced to resign because of this questionable integrity.

Despite this finding by Otepka, Wieland was cleared by Secretary of State Rusk's office. Wieland was about to be assigned to a highly sensitive post in Germany when FBI Chief J. Edgar Hoover went to Attorney General Robert F. Kennedy to express concern.

PAPER SHUFFLING

It was on Kennedy's orders that Wieland then was blocked from the assignment to Germany and given an administrative job in the State Department where, it was reported, he was not permitted to handle security cases.

The State Department press office stated at that time that Wieland was in a "paper shuffling" job, and that he was to be retained in that type of post.

Wieland had held posts in the U.S. embassies in a number of Latin American countries, including Cuba, and in the late fifties was Director of the Office of Caribbean and Mexican Affairs at the State Department.

During that time, the FBI and other agencies submitted voluminous reports on Fidel Castro's Communist connections, some of them indicating he was a Communist. However, most of this information was stopped at Wieland's desk and did not go to higher officials.

Not having this information, President Dwight Eisenhower, Secretary of State John Foster Dulles and later Secretary of State Christian Herter were of the opinion Castro was not a Communist—at least until a man at a White House party made some remarks to Mr. Eisenhower about Castro's Communist background. President Eisenhower was disturbed, and asked the Secretary of State to contact FBI Director Hoover.

Hoover then informed the President and Secretary of State that he had submitted much information to them that had been stopped at a lower level.

OTEPKA TESTIFIED

Otepka testified about the details of the Wieland case and the decision by superiors to overrule his finding that Wieland was unsuitable for employment in the State Department.

Since that time, new information has been developed in the State Department Security Division indicating Wieland was in error in contending he had met Castro only on two occasions. Investigators developed evidence indicating he had been with Castro on at least a half dozen occasions.

On the basis of these meeting and the fact they did not regard his initial answers as frank or correct, other security officials last March recommended that Wieland be fired.

This time the recommendation was that Wieland was "unsuitable" and was also a security risk because of his lack of frankness on his contacts with Castro.

This recommendation was made last March—more than 6 months after Otepka had been removed from control of the security evaluation division as a result of charges of "insubordination" brought by superiors.

The Wieland case was one of a number of cases involved in the dispute between Otepka and his superiors, who contended Otepka should not have given certain security information to the Senate Internal Security Subcommittee.

It is reported by usually reliable sources that this three-member panel has concluded Wieland should not be fired, but should be reinstated as a Foreign Service officer. It is now up to Secretary Rusk to rule.

President Johnson is reported concerned because of possible repercussions in the political campaign this fall. Democrats as well as Republicans on the Senate Internal Security Subcommittee have expressed disagreement with the intial decision to retain Wieland, even in a "paper shuffling" capacity.

Mr. BROMWELL. Mr. Speaker, Members who have been interested in the abuse which Otto Otepka and certain of his subordinates have received from the Department of State, and for that matter, the Civil Service Commission, will be interested to learn, incredible though it may seem to them, that there is a strong possibility that Mr. William Wieland may be restored to full status as a Foreign Service officer.

This is the second opportunity that the Secretary of State has had to pull Wieland's chestnuts out of the fire. If we are diligent we should watch closely to see what he does now. It has been reliably reported that a three-man panel has concluded that Wieland should not be fired from the State Department but should be reinstated.

In the first instance Wieland was marked for discharge by the security division. Thereafter, the office of the Secretary cleared him and prepared to assign him to a highly sensitive post in Germany. On that occasion it was J. Edgar Hoover and the Attorney General who prevented this assignment. Now here the question is again.

There seems to be no question but that it was William Wieland who failed or refused to forward data to higher officials which would have marked Fidel Castro as a Communist and, needless to say, this information was vital to the well-being of the American people. Later he was marked for removal from the State Department and this plan was thwarted as I have said.

Mr. Speaker, I ask unanimous consent to include at this point in the RECORD an article from the Des Moines Register of July 29.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

The article referred to is as follows:

WITNESSES IN OTEPKA CASE INSTRUCTED ON WHAT TO SAY

(By Clark Mollenhoff)

WASHINGTON, D.C.—The State Department has barred its officials from discussing the Otto Otepka case before the Senate Internal Security Subcommittee.

It was learned Tuesday that the Department legal office is instructing prospective witnesses before the Senate subcommittee that they should not give testimony relative to department efforts to oust Chief Security Evaluator Otepka.

After instructing the witnesses, one or two legal officers from the Department accompany the witnesses to the hearings to monitor the testimony given.

UNFORTUNATE SITUATION

Roger Robb, attorney for Otepka, said Tuesday that "it is unfortunate that the State Department is adopting procedures under which the Senate subcommittee will be unable to get all the facts on the Otepka case."

The State Department has brought charges of insubordination against Otepka for delivering three documents to the Senate subcommittee last year to prove that he was telling the truth about laxity in handling security matters in the Department.

Otepka has argued that he had the obligation to produce the documents to prove he was telling the truth, and to prove that his superiors were giving untruthful testimony under oath.

The subcommittee has backed Otepka in his claim.

The Department has not set a time for a hearing on its charges against Otepka, but one is expected in the next 2 or 3 weeks.

OTEPKA INTENT

Otepka has served notice that he expects to call a number of present and former Department employees in an attempt to prove that he is being punished because he opposed relaxation of security standards after Secretary of State Dean Rusk took office.

Otepka and his attorney, Robb, have tried to have a hearing examiner appointed from outside the Department. This request has been denied, and Otepka's case will be tried by officers under Rusk's jurisdiction.

"The State Department is hardly the forum in which one could expect the fullest frank testimony from all witnesses, when the State Department's highest officials are seeking to fire Mr. Otepka, and their subordinates are trying the case," Robb said.

The Senate Internal Security Subcommittee hearings were resumed last Wednesday, after Chairman JAMES EASTLAND, Democrat, of Mississippi, rejected as "unsatisfactory" a Rusk offer to settle the matter.

Rusk told them he would drop the effort to fire Otepka if Otepka would submit a letter asking for a transfer out of the security division. EASTLAND said this would amount to removal of Otepka from the security division because he had cooperated with the Senate subcommittee.

RESUME HEARINGS

When they refused his offer, Rusk said he would proceed with efforts to oust Otepka.

There have been five hearings since then. Witnesses who were favorable to Otepka were ordered to go to the State Department legal division where they were instructed by Richard Frank and Lawrence H. Hoover on their testimony before the Senate subcommittee.

They were told to tell the truth on basic security problems but to decline to give any information dealing with the Otepka case.

Mr. BROMWELL. Mr. Speaker, and yet here is a man who was found unsuitable as an employee who keeps finding his way into positions where he could do the entire cause of the free world harm. So difficult has the factfinding process become that at the moment it is hard to see how the State Department in the end could possibly be fair to all concerned. Its fierce and brutal injustice to Mr. Otepka and his subordinates has become well known. And here is William Wieland who also has been on ice for some time.

What, pray tell, could the secrets be? What sort of evaluation could have been made which would have caused Mr. Otepka and his evaluators to find Wieland a security risk, and then caused the same people to be overruled by the Panel whose recommendation now lies before the Secretary?

Is it not true that five ambassadors have been highly critical of Wieland for his attitudes toward Castro? Is it not true that J. Edgar Hoover intervened to prevent his assignment to a sensitive post after Otepka and his people had found the facts? Is it not true that the Attorney General himself prevented this assignment? Is it not true that Wieland had seen Castro on at least six occasions when he said he had seen him only twice? And is it not true that the State Department through some kind of motivation not made clear, has refused to undertake proving its charges of insubordination against Otto Otepka? And is it not true that the main fault to be found with Otepka appears to be his having found Wieland not suitable as an employee.

The Secretary who represents the principles of the Republic outside the United States should presently represent them to the people, our own citizens.

Mr. NELSEN. Mr. Speaker, will the gentleman yield?

Mr. BROMWELL. I yield to the gentleman from Minnesota.

Mr. NELSEN. Mr. Speaker, much has been said in the past months concerning the Otepka case in the State Department, and I think it might be helpful to review some of the history of this case and particularly as to how Mr. Otepka became involved in the William Wieland investigation. From reports that have been brought to my attention, this is how the case has developed up until recently:

First. William Wieland was in charge of the Caribbean-Mexican desk at the State Department at the time of the rise of Castro. He was personally responsible for decisions that cut off supplies to Batista at a key point.

Second. There was evidence that Wieland knew of Castro's pro-Communist background but he did not include this in reports submitted to higher authorities.

Third. There was testimony that Wieland was strongly pro-Castro and five ambassadors were highly critical of his Castro leanings.

Fourth. A security investigation was conducted on Wieland's case, and Mr. Otepka made his findings that there was not sufficient evidence to rule Wieland a security risk. However, he did find that Wieland made false statements to security investigators and others. Otepka made an adverse recommendation on Wieland's case on grounds of "suitability" because Wieland "lied and misrepresented" on material matters. Despite this, Secretary of State Dean Rusk's department cleared Wieland.

Fifth. The FBI was concerned about the Wieland case, and there are printed newspaper reports that Attorney General Robert Kennedy also became concerned because of indications that Wieland would be sent to highly sensitive posts, either in Zurich, Switzerland, or Bremen, Germany.

Sixth. As a result of FBI and Justice Department concern, Wieland was put in a "paper shuffling" job at the State Department.

Seventh. In the last 2 years new evidence has been produced in the State Department's Security Division relative to Wieland's contacts with Castro. This evidence casts doubt on earlier statements by Wieland which limited his contact with Castro to "one or two" times.

Eighth. As a result of the new evidence, the security division evaluators at State earlier this year are said to have made a finding against Wieland on grounds of security as well as suitability. This report apparently was more adverse to Wieland than the one by Otepka several years earlier.

Ninth. Within a few weeks after making this report, two of the security evaluators who were responsible for it were transferred from the security division of the State Department against their wishes.

Tenth. In the last few days there have been newspaper reports that there is a move on in the State Department to overrule the security division evaluators and to give Wieland full clearance. One report states that a special board has already cleared Wieland.

In the light of the testimony of Otepka and the new evidence developed since then, the clearance of Wieland would appear to be highly questionable at best. It is always possible that Otepka was wrong when he stated that Wieland lied and misrepresented to the security investigators. However, Otepka is reported to be corroborated by other statements. Also, there appears to be no challenge to the accuracy of Mr. Otepka's statement. It is always possible that evaluators in the more recent investigation were not sound in finding that new evidence established that Wieland misrepresented his contacts with Castro when testifying before a committee of Congress.

However, it would not appear there is any evidence that Otepka is wrong. Unless Otepka is proven wrong, then Wieland is a man who lied and misrepresented facts in a security investigation. If this is true, then on this basis alone he should certainly not be an employee of the State Department. He should not be handling highly sensitive foreign affairs matters. There is no place in our State Department for men who give false information or misrepresent the facts either to security investigators or to the committees of Congress.

Mr. Speaker, I wish to thank the gentleman from Idaho for yielding.

Mr. BROMWELL. Mr. Speaker, I yield back the balance of my time.

THE JOHNSON ADMINISTRATION SHOOTS FROM HIP IN ATTACKING REPUBLICAN PLATFORM

Mr. SCHADEBERG. Mr. Speaker, I ask unanimous consent that the gentleman from Iowa [Mr. KYL] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. KYL. Mr. Speaker, the Johnson administration has once again shot from the hip in attacking the Republican platform.

A plank adopted in San Francisco has especially aroused the ire of the Johnson administration. The plank declared that:

> Under housing and urban renewal programs, notably in the Nation's Capital, it [Johnson administration] has created new slums by forcing the poor from their homes to make room for luxury apartments, while neglecting the vital need for adequate relocation assistance.

As usual, the Democrats deny everything. This time they have issued a rebuttal which has been distributed to Democratic Senators and key people in the Johnson administration. According to the newspapers, the rebuttal was "turned out quickly" by the research staff of the Democratic Senatorial Campaign Committee, headed by Ronald F. Stinnett. Stinnett, a political scientist formerly on the faculty of the University of Minnesota, says he worked closely "with the people downtown" in preparing the rebuttal. At any rate, what we have here is another indication that primary motivations in the current program are political, not social or economic.

One cannot help but wonder just who Professor Stinnett worked closely with in preparing this rebuttal, especially the section dealing with urban renewal and housing. Could it be that he worked with William L. Slayton, the Federal Urban Renewal Commissioner, who is using this novel means to reply to the critics of his multibillion-dollar program?

It may be that some of you will recall the Huntley-Brinkley NBC network news program of November 6, 1963, devoted to Cleveland's urban renewal program, of which Mr. Slayton was the chief architect. It was he, as a top official of Webb & Knapp, who developed the Erieview project. The NBC docmentary contained the following commentary:

> Meanwhile, the city's true slums have suffered because of emphasis on downtown renewal. In this one, 4 out of 5 houses are officially classified, not just unsound, but dilapidated. Yet former Mayor Anthony Celebrezze said renewal of this area would have to wait until Erieview was started. Mr. Celebrezze is now U.S. Secretary of Health, Education, and Welfare.

Under Mr. Slayton, in his present post as the Federal Commissioner of Urban Renewal, after this Cleveland experience, the program was bound to suffer, and it has. In city after city the slums, the rats, the housing deficiencies, and the enforcement of the "workable program" established by the Housing Act of 1954 to prevent the spread and recurrence of slums, have had to wait because of the higher priorities given profitable downtown commercial development by the Democrats.

When urban renewal has gone into slum areas, it has been the poor who have suffered most. One must look beyond the self-serving publications issued by Commissioner Slayton to find the real situation, for the truth is not in them. However, Mr. Slayton spoke at the annual dinner meeting of the Inter-Church Committee on Urban Renewal, according to the newspapers of May 20, 1964, and acknowledged as a "fact of life" that many Negro families are excluded from renewal areas because they are poor.

The newspapers reported that 200 top city design specialists attending a conference at Harvard University early in May 1964 declared that the low-income housing efforts of the Federal urban renewal program have been a complete failure to date.

In an article in the Annals of the American Academy of Political and Social Science, March 1964, William G. Grigsby, associate professor of city planning at the University of Pennsylvania, stated that over 25 percent of the communities receiving aid under the Housing Act of 1949 and the urban renewal program established by it, do not have a single residential reuse project. Another 25 percent of the municipalities receiving assistance have reserved over 50 percent of their renewal acreage for nonresidential purposes. Of the projects begun, roughly 600 were primarily residential prior to renewal, but Professor Grigsby estimates that only 350 will fall under that classification upon completion. Usually, he observed, where room is made for residential renewal, it takes the form of housing for higher income families, which is often incompatible with the residential needs of most families in the city.

The central point of Professor Grigsby's article is that local renewal projects often subordinate national housing goals, expressed by Congress in the Housing Act of 1949, to local community objectives. Our distinguished colleague, the ranking minority member of the House Special Housing Subcommittee, the gentleman from New Jersey [Mr. WIDNALL] has stated that "they have been encouraged to do so by Federal renewal officials."

Professor Grigsby writes, on the basis of his long and exhaustive study, that:

> Meanwhile, the housing problem of the disadvantaged has gradually ceased to be of major concern to those responsible for public policy. Faced with declining ratables and rising costs for municipal services, cities have used Federal renewal funds for projects that would shore up local finances. Thus, over 25 percent of the communities receiving aid under the act do not have a single reuse project. Instead, they have demolished slums and blighted areas to create sites for commerce and industry. Another 25 percent of the municipalities receiving assistance have reserved over 50 percent of their renewed acreage for nonresidential purposes. For all communities combined, approximately 600 projects were primarily residential prior to renewal, while only 350 will fall into this classification upon completion. Moreover, in most of the instances where local governments have made room in their plans for residential reuse, the new structures have taken the form of housing for higher income families.

Perhaps Professor Stinnett should meet Professor Grigsby, and I would be glad to help in arranging such a meeting so that the Johnson administration can get a clear picture of what actually has been taking place under their administration's housing and urban renewal officials.

You may recall that the Washington, D.C., Post and Star reported that Mrs. Robert H. (Jane) Jacobs, Jr., famous author of "The Death and Life of Great American Cities," and one of the country's best informed critics of the present urban renewal programs, was guest speaker at Mrs. Lyndon B. Johnson's fifth monthly Women Doers luncheon at the White House on June 16. President Johnson dropped by to shake hands with each of the distinguished guests at the luncheon, and to "give a special greeting" to Mrs. Jacobs.

In her speech, Mrs. Jacobs said the urban renewal programs which shunt poor people, Negroes, and small businessmen out of their accustomed neighborhoods "are cause for worry."

On May 30, 1964, the Washington Post editorially declared that the 500-acre southwest urban renewal project in the Nation's Capital must be reclaimed from "unrelieved wealth." The editorial pointed out that this project originally promised to provide low-rent housing, but that the efficiency apartments begin at $99 per month, and the three-bedroom apartments at $235 without counting the cost of utilities.

House Report No. 1481, 88th Congress, 2d session, dated June 15, 1964, points out that:

> Not one unit of low-rent or public housing has been built in Washington under any urban renewal project plan, nor has the program provided any middle income housing.

Yet the financial statement of the District of Columbia Redevelopment Agency as of June 30, 1963, "shows an expenditure of at least $100 million of public funds during the nearly 14 years of operation by the Agency."

Chet Huntley, on September 26, 1963, on the NBC television network discussed the plight of the Negro in Washington under urban renewal and with special reference to the Southwest urban renewal project.

Mr. Huntley said:

> In the last 5 years 13,000 low-income Negro families have been displaced by renewal, and very few have found decent homes.
>
> Urban renewal for the Negro is really Negro removal, because in every urban renewal project in America there has been almost a total displacement of lower income Negro families. All urban renewal does is to redistribute the slum, so that Negro families who were living in slum conditions once they've been cleared out, simply move to either an existing slum in another part of the city or create a new slum in a fringe area. So urban renewal, while it solves one problem, creates another problem in another section of the city.
>
> Southwest Washington, D.C., is a good example where Negro families were moved out to make way for the urban renewal projects. So they moved to Northwest Washington, Northeast Washington, Southeast Washington, and helped to create some more slums.
>
> It will get worse before it gets better. Many more thousands of Negro families will be displaced in the next 4 years. There is a dire shortage of low-income housing in Washington, and the result is this.
>
> Today, Negro housing in Washington is five times more crowded than white. It is also more expensive. Because the white suburbs are closed, the Negro has no choice but the inner city, a polite euphemism for slum. Thus he is at the mercy of the free market. One conservative estimate is that he is overcharged about $5 million in rents a year, in neighborhoods like these. He invariably pays more for less than the white tenant.

Reaching the same conclusion as the other critics of the urban renewal program as carried on by Commissioner Slayton, the Most Reverend Patrick A. O'Boyle, Catholic archbishop of Washington, D.C., commented in the fall of 1963 in urging the citizens of the Nation's Capital to remedial action:

> Act quickly and decisively to root out from our midst the social evils that blight our Nation's Capital. It is hardly necessary to state that we gain nothing by tearing down slum housing if we force the residents to create new slums elsewhere by overcrowding.

That even the Board of Commissioners, District of Columbia, does not agree with the conclusions reached by Professor Stinnett and the research staff of the Democratic Senatorial Campaign Committee that the relocation needs of the poor in the urban renewal projects of the Nation's Capital were satisfactorily met, is shown by the statement of Walter N. Tobriner, Democrat President of the District of Columbia Board of Commissioners, on the WWDC "City-Side" program as reported in the Washington, D.C., Evening Star of March 22, 1964:

> This, I think everyone acknowledges, was a mistake in the planning of the Southwest redevelopment area. We should provide, as a bare minimum, that those families who are dispossessed by redevelopment schemes should be properly, adequately, and sanitarily housed in the project itself, and not be compelled to move out and create slums elsewhere. We hope not to repeat that mistake in future redevelopment projects.

Are you listening, Professor Stinnett?

Or take the audit of the District of Columbia Redevelopment Land Agency for the fiscal years 1957 and 1958 submitted to the Congress by the Comptroller General of the United States in May 1959—pages 61–62—which states that the following principal deficiencies were noted during the audit.

In a "Report of Relocation Progress" as of June 30, 1958, submitted to the Federal Urban Renewal Administration by the District of Columbia Redevelopment Land Agency, it was stated that 1,315 families had been relocated—310 families in public housing and 1,005 families in private housing. The report showed that of the 1,005 families relocated in private housing, 956 families were self-relocated and 49 families were relocated by the RLA.

The Comptroller General said:

> 1. Records made available for our review pertained to only 747, rather than 956, families self-relocated in private housing. We believe that RLA's statistics are inaccurate.
>
> 2. RLA's report to URA showed that 340 dwellings to which families had relocated had

not been inspected at June 30, 1958. We reviewed RLA's relocation record folders on July 29, 1958, and observed that 240 folders did not contain inspection reports—35 folders were segregated and awaiting inspections and 205 folders were mingled with about 870 other relocation record folders.

3. We observed 10 inspection reports on dwellings to which families had moved that showed the dwellings to be substandard and were filed in the relocation folders which were mingled with over 1,000 other folders. The 10 relocation record folders did not contain evidence indicating that the RLA had (a) encouraged the families to move to decent, safe, and sanitary housing or (b) reported the substandard conditions of the dwellings to the city's code enforcement units.

4. From RLA's relocation records, we selected at random 37 families relocated in private housing to evaluate RLA's inspection procedures. Three families had moved to dwellings which had not been inspected by RLA and 10 families were not at home at the time of our inspections. Our findings concerning the 24 inspection reports are presented below.

(a) No dwellings existed at two of the addresses even though inspection reports had been completed fully.

(b) Tenants at nine dwellings informed us that an RLA inspector had visited the dwellings but did not inspect the interior.

(c) Tenants at three dwellings informed us that an RLA inspector had visited the dwellings but did not inspect the interior.

(d) Using RLA's standards as criteria, we observed that one dwelling, which the RLA certified as standard, was actually substandard.

5. We also inspected six dwellings to which families had moved in an area near the project area. RLA had certified all six dwellings as being standard. Tenants at four dwellings informed us that an RLA inspector had not visited the dwellings and a tenant at one dwelling informed us that an RLA inspector had visited the dwelling but did not inspect the interior. We observed that two of the five dwellings were actually substandard.

Mr. Speaker, it should be noted that the actual facts reported in this audit by the Comptroller General, outstanding for their lack of concern for the poor who were displaced for luxury housing in the Southwest Washington urban renewal project established precedents which have spread throughout the country. This is shown by the June 1964 report to the Congress by the Comptroller General of the United States regarding the inadequate relocation assistance to families displaced from certain urban renewal projects in Kansas and Missouri. This report makes the following points:

First, that displaced families have been relocated into substandard housing at times with the assistance of local public agencies which have, in turn, filed erroneous reports.

Second, that relocation assistance is not provided soon enough to be of any aid to displaced families leaving the project area.

Third, that there is insufficient reliable information of relocation needs and results, which contribute to the shifting of slums, contrary to the intent of the Congress.

If Professor Stinnett and his researchers had taken the trouble to consult the Comptroller General and his various reports on the many urban renewal projects he has inspected perhaps he could have come up with a factual study which would have contributed to his academic honors instead of being, as his report is, simply obscure and bewildering.

Perhaps Professor Stinnett is not wholly to blame. He worked closely with the people downtown who obviously have no desire to have any light shown on them or their activities. They have been remarkably successful in avoiding the kind of studies in depth which would have helped to make the housing and urban renewal programs more humane. I would call your attention to the comment by Dr. Basil G. Zimmer, professor of sociology at Brown University, and author of an independent study of urban renewal which was financed by the Small Business Administration.

Dr. Zimmer has written that:

> I feel that it is a shame—actually almost a disgrace—that the Federal Government would continue to spend millions of dollars on urban renewal without providing significant funds for objective outside appraisals of the consequences of these programs. There are few problems in modern American society more in need of research.

Mr. Speaker, I am pleased to have cosponsored the Republican housing and urban renewal bill, a number of features of which have been incorporated into the housing bill reported by the House Housing Subcommittee. One of the features included in the new bipartisan measure deals with relocation. This feature was based on studies by the Subcommittee on Relocation of the Connecticut Advisory Committee to the U.S. Civil Rights Commission. John D. Maguire, professor of religion, Wesleyan University, Middletown, Conn., was chairman of the subcommittee on relocation, and he has enthusiastically endorsed the Republican housing bill and declared that it incorporates our major recommendations.

I am also pleased that the Senate-passed housing bill includes a section on code enforcement. This too is a matter in which I am deeply interested, and earlier this year I introduced a bill calling for code enforcement. The purpose of that bill is substantially achieved in the code enforcement sections of the Senate-passed housing bill, as well as by the similar sections in the House housing bill. I was among the first to introduce legislation for this purpose and, of course, am pleased that the proposals I made have proved to be so acceptable to the House and Senate Housing Subcommittees.

I include the following as part of my remarks:

HOUSING ACT OF 1964—REPORT OF THE COMMITTEE ON BANKING AND CURRENCY, U.S. SENATE, TO ACCOMPANY S. 3049

MAJORITY VIEWS

Urban renewal in nonresidential areas

In considering the urban renewal grant authority, the committee discussed the use of grant funds for urban renewal activities in nonresidential areas. Historically, primary emphasis in the use of urban renewal funds has been on the removal of slums and the provision of good residential areas. The original 1949 act permitted no exceptions to the so-called predominantly residential requirement, but this requirement has been modified by subsequent amendments and existing law permits 30 percent of the grant authority to be used for nonresidential projects. This limitation is on the overall funds and does not apply to the use of funds in any specific locality.

Despite the continued primary emphasis on residential areas the committee is aware of the necessity for the renewal of nonresidential areas, particularly those areas in the downtown business districts.

The vitality and well-being of a city depends not only on having good residential neighborhoods, but also on having sound and attractive industrial and commercial areas. The revitalization of such areas so as to attract job-creating private investment has been recognized as a necessary goal to which urban renewal could make a substantial contribution.

The basic questions are: How much Federal assistance is appropriate for such activities and what is the proper relationship between renewal for residential purposes and renewal for nonresidential purposes? On the surface, it would appear that commercial areas could undertake renewal without Federal assistance in view of the possible economic gain that could be realized from a sound program. Actually this is true only to a limited extent because without Government assistance to help assemble the land and develop an up-to-date renewal plan, most commercial areas which need renewal will continue to be a blighting influence on the entire city.

In addition, the cost of assembling and clearing land is such that even when the cleared areas are to be used primarily for commercial or industrial purposes, it is not feasible to carry out a project without grant assistance. This is particularly true if the urban renewal project is to conform to planning for use of the area which requires that some of the property be put to nonrevenue or low-revenue-producing purposes (such as parks, etc.) which are necessary to the proper development of the entire community.

The committee is aware of the growing need, through the urban renewal program, to revitalize the economic base of central business districts. A number of alternative policies have been advanced. Although the committee fully understands the urgent need for action to assist redevelopment of central business districts, it was not satisfied that it could act wisely in this area without furtheir study. It therefore deferred action on this matter until next year.

The decision to defer action should in no way be interpreted as a reflection of lack of interest of the committee in solving the cities' rebuilding problems through urban renewal. Nor should it be interpreted as any change in the use of the existing 30-percent limitation in the law. To the contrary, the committee would like the Administrator to direct his attention to this matter and study financing and other techniques to help solve this problem so that he can make recommendations to the committee when it meets next year.

INDEPENDENT CITIZENS OF
ADAMS-MORGAN,
Washington, D.C., July 27, 1964.

To All Interested Members of Congress:

We protest the District of Columbia's "workable program 1963–64," which was presented on July 21, 1964, to the Federal Housing and Home Finance Agency to justify the provision of additional Federal funds for the District's urban renewal projects. Our reasons for protesting this document follow in detail, for it is clear that this slick 61-page document is more notable for what it does not say than for what it does say, and its misstatements of fact are many. Here are some of them:

LACK OF CITIZEN PARTICIPATION

1. On page 3B it is stated that the renewal project plan for Adams-Morgan was "developed with the fullest participation of residents of the area," a statement which is clearly untrue. Far more people in the area

oppose the plan than support it. The planning and urban renewal officials have made no attempt to deal fairly with the businessmen and homeowners in the project area. This is undoubtedly due to the fact that District citizens are voteless and, therefore, are denied their proper voice in matters which affect them most deeply.

DESTRUCTION OF GOOD HOMES PROPOSED

2. No facts are presented to justify a key part of the Adams-Morgan plan: the destruction of good homes in areas A and B, the 1700 block of U Street, and Lanier Place which are parts of area C; the inclusion of the Henderson Castle site, the inclusion of Crescent Place, and other good residential areas within the Adams-Morgan boundaries.

CODE ENFORCEMENT

3. We are told, on page 7D, that "only" 734 of the 1,192 residential premises in the Adams-Morgan area were in compliance with the District's code requirements in September 1960. Approximately 4 years later, on June 30, 1964, in spite of the fact that there are only 5½ percent of 1,192 premises not in compliance, the District of Columbia Board of Commissioners are still being asked by the District of Columbia Redevelopment Land Agency to consider a $25 million clearance project for the Adams-Morgan area which will destroy nearly 30 percent of the area, and displace one-third of the population, or 5,700 people, mostly low-income Negro and white people.

This means that in an area in which the residents and businessmen have invested well in excess of $75 million in new construction and rehabilitation during the several years this project has been under consideration (including the $35 million Washington Hilton Hotel, and the two Cafritz buildings costing a total of more than $30 million) the District of Columbia Redevelopment Land Agency is still planning for a major clearance program.

Yet, by its own admission in this workable program 1963–64 the District of Columbia Redevelopment Land Agency makes clear that less than 6 percent of the buildings in the Adams-Morgan area do not meet the District's code requirements. If the RLA is truly concerned with the housing ills of the area then it is reaching for an ax when what is really needed is a scalpel.

The above may provide an answer as to why the District of Columbia Redevelopment Land Agency is pushing so hard for the District of Columbia to be allowed to make determinations based on something more than the District's housing and building codes. The RLA does not answer the question: "Why is it calling for a bulldozer in the Adams-Morgan area when less than 6 percent of the structures fail to comply with the building code, especially when this noncompliance is by design for, as this report states on page 7D:

" 'As of June 30, 1964, there are 66 premises which are not yet brought into compliance with the requirements of the housing regulations. The majority of these cases are located in an area that is presently being considered for clearance as a proposed urban renewal area. Consequently, the District has not required major structural changes or extensive installation of additional plumbing facilities which would undoubtedly increase the cost of future acquisition' "?

This is another case of bureaucratic self-interest, which is blatantly presented as more important than the welfare of District citizens. Further, the lack of code enforcement is in conflict with the requirements of the workable program as set forth in the Housing Act of 1949, as amended.

COLUMBIA PLAZA

4. On page 3A we find mention of the fact that the Columbia Plaza urban renewal project is to provide a 400-room hotel, a shopping plaza, and an underground parking facility for 1,500 cars. That this project has nothing to do with the national housing policy to provide decent, safe, and sanitary housing for slum dwellers is not even hinted at. Nor is the fact mentioned that this project is in the courts at this time. The fact that legislation is pending in the Congress to return this property to its original owners is not mentioned. Not mentioned, also, is the long and exhaustive congressional hearings which have demonstrated the misuse of urban renewal power and funds in this project, and the failure of this project to advance the national housing policy.

RELOCATION FAILURES IN DECEMBER

5. On page 20A we find the astonishing statement, astonishing, that is, to anyone familiar with the major controversy which has surrounded this matter for years, that "all families displaced by the Redevelopment Land Agency were satisfactorily relocated."

This document conspicuously fails to mention the finding in the Commissioners' Housing Report, 1962, that a deficiency of more than 8,000 housing units has developed in the District of Columbia even though the urban renewal laws require that there be assurance that decent, safe, and sanitary housing is available for urban renewal displacees.

The true facts about the District's failures to faithfully execute the laws and to meet their own responsibilities are well-known. Chet Huntley, on September 26, 1963, on the NBC television network, discussed the real facts about the District's urban renewal program and its sorry record of failures to find homes for urban renewal displacees. Mr. Huntley declared that:

"In the last 5 years 13,000 low-income Negro families have been displaced by renewal, and very few have found decent homes.

"Urban renewal for the Negro is really Negro removal, because in every urban renewal project in America there has been almost a total displacement of lower income Negro families."

Mr. Huntley added that:

"Southwest Washington, D.C., is a good example, where Negro families were moved out to make way for the urban renewal projects. So they moved to Northwest Washington, Northeast Washington, Southeast Washington, and helped to create more slums. It will get worse before it gets better. Many more thousands of Negro families will be displaced in the next 4 years."

In the fall of 1963, also, the Most Reverend Patrick A. O'Boyle, Catholic archbishop of Washington, commenting on the city's urban renewal projects, asked the citizens of the Nation's Capital to "act quickly and decisively to root out from our midst the social evils that blight our Nation's Capital. It is hardly necessary to state that we gain nothing by tearing down slum housing if we force the residents to create new slums elsewhere by overcrowding."

That even the District of Columbia Board of Commissioners, does not believe that "all families displaced by the Redevelopment Land Agency were satisfactorily relocated," as claimed in this "workable program 1963–64" is dramatically shown by the following statement by Walter N. Tobriner, president of the District of Columbia Board of Commissioners, on the WWDC "City-Side" program, as reported in the Washington, (D.C.) Evening Star of March 22, 1964:

"This, I think everyone acknowledges, was a mistake in the planning of the Southwest redevelopment area. We should provide, as a bare minimum, that those families who are dispossessed by redevelopment schemes should be properly, adequately, and sanitarily housed in the project itself, and not be compelled to move out and create slums elsewhere. We hope not to repeat that mistake in future redevelopment projects."

The Washington, (D.C.) Post reported on June 30, 1963, that the Adams-Morgan area has more than 17,000 people, including 7,400 Negroes, that one of the principal disappointments of the official Adams-Morgan urban renewal plan is that it will displace an estimated 1,585 families, and that a total of 5,700 persons, about one-third of the total population will be displaced.

Writing in the Washington, D.C., Afro-American of May 2, 1964, Congressman WILLIAM B. WIDNALL, ranking minority member of the House Special Housing Subcommittee, said:

"District officials, according to newspaper reports, propose to do something about the situation in the Adams-Morgan area: they are planning to remove nearly 6,000 people, one-third of the present population, in the process of completing the urban renewal project."

Not one unit of low-rent or public housing has been built in Washington under any urban renewal project plan, nor has the program provided any middle income housing, despite the expenditure of $100 million.

6. On page 3D the report cites as one of the facts justifying the provision of additional Federal urban renewal funds, a report by an Ad Hoc Committee on Relocation Housing Sites, in March 1964, recommending measures for increasing the supply of low and moderate income housing. It goes without saying that the inclusion of the praiseworthy recommendations by this ad hoc committee, without implementation by the District's Commissioners, does not automatically provide the housing needed. Among the recommendations of this ad hoc committee are the following (page 22A of the document):

"The urban renewal process should be used to provide moderate-income housing in future urban renewal projects.

"Low rent public housing should continue to be provided in future urban renewal projects."

It should be pointed out in this connection that House Report No. 1481, 88th Congress, 2d session, filed by Chairman JOHN L. MCMILLAN on June 15, 1964, states that, despite the expenditure of over $100 million by the District of Columbia Redevelopment Land Agency "Not one unit of low-rent or public housing has been built in Washington under any urban renewal project plan, nor has the program provided any middle income housing."

The Washington Post said editorially on May 30, 1964, with regard to the 500-acre Southwest Washington urban renewal project that (1) this project originally was acquired to provide low-rent housing at $17 a room or less; (2) it was later changed and now provides luxury housing and prime office space; and (3) that this project must be reclaimed from its present arrogant display of unrelieved wealth.

Plans are understood to be underway, with White House backing, to provide moderate-income housing on 4 acres in this 500-acre project. On page 22C of this document we find this language:

"It is also hoped to consummate, in the near future, plans for 107 units of 221(d)(3) housing in the Southwest urban renewal project. These will be existing units to be rehabilitated and sold through a cooperative."

It may be doubted if the provision of 4 acres of moderate-income housing in this 500-acre project area would be sufficient to reclaim it from the arrogant display of unrelieved wealth, and would, indeed, be anything more than the provision of crumbs, or balm to blunt the edge of the mounting criticism of the District's urban renewal program and projects for arrogantly creating new slums by forcing the poor from their homes to make room for luxury apartments and $75,000 townhouses.

Congressman WIDNALL has written to the District Commissioners pointing out that perhaps as much as 150 acres of land have lain vacant for years in the Southwest urban renewal project. He has demanded that low- and moderate-income housing be provided on that idle acreage. It is obvious that there are literally thousands of families who need such housing now; and that the provision of only 4 acres for families in the low- and moderate-income category, while reserving 496 acres for wealthy families has no basis in either economic facts or the realities of the housing needs of District citizens.

It may well be doubted, on the basis of the evidence at hand, that in the District of Columbia there are 125 times as many families who can afford $350-a-month apartments and $75,000 townhouses as there are low- and moderate-income families, yet this is what the luxury housing provided by the District of Columbia Redevelopment Land Agency in the 500-acre Southwest urban renewal project would suggest.

PUBLIC HOUSING

7. One of the central prerequisites of the "workable program" is a low-rent public housing program. The District of Columbia Board of Commissioners, states on page 3D of their "workable program, 1963–64" that progress on the National Capital Housing Authority development program accelerated during the past fiscal year. Seven thousand eight hundred and ninety-one units of public housing are now under management, it is stated, and an additional 3,139 units of public housing are under construction or in the developmental stage. This progress is further outlined on pages 22D and 22E. It is also stated that "the section 207 demonstration to provide housing for 50 large families is still underway. All of the housing, authorized under the demonstration, has been leased by the Authority and is now occupied."

What is not stated is that the Executive Director of the 30-year-old National Capital Housing Authority, Walter E. Washington, has advised the Congress that not a single unit of public housing is located west of Rock Creek Park. We cannot help but believe that this is a most significant fact, as well as a most significant omission from the "workable program, 1963–64."

Additionally, it is obvious that the "workable program" is not being complied with since upward of 9,000 families are currently on the waiting list for public housing in Washington.

8. We deplore the use of Government money for the propagandizing of plans which if worth their salt would advertise themselves. The amount of tax dollars spent to support the activities described on pages 40 through 57 is completely unjustifiable.

CONCLUSION

At the top of page 1 of this "workable program, 1963–64" review of progress made by the District of Columbia in the elimination of slums and blight is found this language:

"This form is designed to elicit from the community the information needed to determine whether it has a workable program meeting the requirements of section 101(c) of the Housing Act of 1949, as amended."

The Independent Citizens of Adams-Morgan are convinced that the workable program of the District of Columbia does not meet the requirements of section 101(c) of the Housing Act of 1949, as amended.

We, therefore, appeal to the Congress for relief from the District of Columbia urban renewal program and projects on behalf of the voteless citizens, the homeowners and businessmen, the diplacees and potential displacees, the low- and moderate-income residents—all of whom have been and will be adversely affected by these programs and projects. We appeal, especially, however, on behalf of the poor families who have been forced from their homes to make room for luxury apartments and prime office space.

We appeal to the Congress because, as the chief architect of the urban renewal program and the Housing Act of 1949, as amended, which established it, it has the responsibility and the duty to write safeguards and guidelines into the program which will protect the American people, including the citizens of the Distirct of Columbia, from the willful and arbitrary misuse of urban renewal powers, and the wasteful misuse of tax funds.

Sincerely yours,

DUTTON FERGUSON,
President.
ELEANOR N. KUHNE,
Secretary.

DOES THE AREA REDEVELOPMENT BILL HAVE AS MANY LIVES AS A CAT?

Mr. SCHADEBERG. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. WIDNALL] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. WIDNALL. Mr. Speaker, the ARA bill which has already been rejected by the House in this session of Congress, is now before the Rules Committee. True, there are a few changes: it bears a Senate number, it calls for $100 million less than the first bill, and it has a clause that purports to deny further assistance to motel, hotel, and nursing home construction, a clause that has a hole in it so big you could drive all of Texarkana through it. Essentially, it is the same bill, to which the same valid objections can be raised, and I wonder just why we are wasting the Congress time this late in the session for this bill when we have had a whole year to act upon it.

That year that has passed is also significant, significant because I believe it adds another reason why no rule should be granted to this bill. No committee of Congress has reviewed the activities of the ARA during the most recent year; no committee has examined the efforts of this organization during one-third of its active life. All the proponents can actually tell us is what we knew last year, plus some statistics brought up to date, plus some arguments pleading for Federal help which look surprisingly similar to the arguments used for this law when it was first enacted back in 1961. I thought it was supposed to cure all of these problems.

In this past year, two new programs, the so-called war on poverty, and the Appalachia program, have been proposed by the administration. Our committtee, and the Congress, has no idea how these programs coincide with ARA, where they may duplicate or conflict, or how much ARA is actually needed. We again are operating almost in the dark, spending hundreds of millions of the taxpayers' money without any apparent reason.

As of June 1964 the ARA Directory of Approved Projects shows a total of $273,067,000 committed to its program, including $153,416,000 in the industrial and commercial loan program, and $89,615,000 in the public facility loan and grant program. The proponents of ARA will tell you that that means 70,395 direct jobs, and a total of 116,152 direct and indirect jobs. These jobs, the ARA Directory states, will be created. The key words here are the words "will be." These are not jobs in being. After 3 years, these are not jobs in being.

I have had my staff do some arithmetic, without the aid of a Univac, but I think these figures are pretty accurate. They show that a total of $79,050,000 has been disbursed so far. This total represents 78 percent of the total amount allocated for projects for which funds have been disbursed. And 78 percent of the 38,997 jobs claimed for these projects amounts to 30,418. These jobs, at a maximum, if you believe the ARA figures, are jobs in being. Using ARA's factor of 0.65 per job, we find that only 49,772 direct and indirect jobs could possibly have been created to date.

The unemployment figures for June 1964, show 3,953,000 jobless workers. The number of jobs ARA can possibly claim to have created represents less than 1.3 percent of the total unemployed. In June of 1961, when this program was first being considered, the jobless rate stood at 4,982,000; it dropped to 3,951,000 by the next June, due not to ARA, which by its own admission had hardly started to operate at that time, but by the initiative of private business and private capital. In fact, that June 1962 figure, is 2,000 under the present number of unemployed. I might point out at this point the intriguing fact that from August 1963 to June 1964, according to ARA figures, the number of jobs created under the public facility section of the law had a net loss of 521 direct and indirect jobs. I will let ARA explain that one.

It is obvious that the ARA role in cutting down on hard-core unemployment has been less than negligible. To be fair, the ARA people had one strike against them to begin with—the law itself. It was so loosely drawn that a law which should have been pinpointed at the spots most troubled by long-term unemployment now has over 1,000 counties, over one-third of the counties in the United States, under its wing. The ARA people interpreted the law to gain all the political advantages, and ignored the obvious economic disadvantages to those in need of help. Only recently, a clever change in the way labor market areas are determined has now enabled ARA to declare whole cities, 7 in all as a starter, area redevelopment areas, although it is doubtful that this was ever the intent of Congress. One leading supporter of ARA, now turned critic, Dr. Sar Levitan, of George Washington University's Economics Department, and a consultant to the Upjohn Institute for Employment Research, recently wrote:

> If too many areas become eligible to receive special assistance, it is not likely that truly depressed areas will be the beneficiaries * * * serious inequities would occur if a thousand counties in the United States

> were eligible to receive the benefits of an expanded program. A rehabilitation program can be effective only when the number of depressed areas is reduced to manageable proportions.

Attempts in committee to accomplish this change in the law on the part of the minority have been defeated.

Starting from here, the ARA has done a workmanlike job of eliminating all possibility that the program it was in charge of would have a chance of success. Consider this fact: by its own admission, the ARA has disbursed $4,044,000, 5 percent of the total disbursed so far, and has committed an additional $1,510,000, to projects whose job potential is now designated as "Employment potential uncertain," or to projects that are listed as "inactive." Let me give you a few examples of the work of the ARA in producing employment for Americans.

First. In my own State of New Jersey, in the Lakewood-Toms River area, an industrial loan was granted to construct a marina and boatbuilding plant in July of 1962. Although $222,000 of a total of $641,000 has been disbursed, this project is listed as "inactive."

Second. In the hard-hit area of West Virginia, a July 1962 loan to construct a plant for lease to a rifle manufacturer was approved. The whole $272,000 has been disbursed and the project is listed as "Employment potential uncertain."

Third. In Madison County, Miss., an approved loan for $325,000, all disbursed, was supposed to lead to the expansion of plastic manufacturing. The project is listed as "Employment potential uncertain."

Fourth. In the Gadsden area of Alabama, the Attala Pipe & Foundry Co. received a loan of $453,000 in December of 1962, and is now bankrupt. This is listed in the directory as "Employment potential uncertain."

Fifth. In Providence, R.I., the T. E. Barnicle Macaroni Co. has received $426,000 from ARA. According to 1963 ARA directories this project was listed as creating 35 new jobs. The May and June directories of 1964 now list this as "Employment potential uncertain."

The list is quite long, and I will go no further, but I wanted to give you an idea that this is not confined to any particular area of the country, type of industry, or year. In addition to these losses in employment potential, the ARA has also encouraged pirating of industry, and an amendment has been added in this bill to try to prevent this. The ARA has also been reprimanded by the Senate Banking and Currency Committee for starting up new industry in fields already operating at less than capacity, which costs ARA's competitors more jobs. Finally, the House Banking and Currency Committee has come out with what looks like a flat prohibition against any future activity in the hotel, motel, or nursing home-hospital fields.

As of last August, $14 million had gone to projects which the Democratic majority now agrees were improper or impractical, a total, at that time, of 16 percent of the industrial loan program misspent. The possibilities remain wide open for future additions to this sorry list. For one thing, there is no such prohibition in the Senate bill, and I leave it to your imagination as to what will happen in conference. Secondly, the majority report specifically exempts all projects for which applications have been received—and the ARA in this past year has spent $356,000 on technical studies for tourist and recreational pursuits, in anticipation of the need to have many applications on hand.

What is even more disturbing, however, is the fact that despite the language adopted by the House committee, despite a warning in the Senate commitee report, the ARA has been unable to drop its old habits. Since last August, $9,891,000 or nearly 14 percent of the total committed for all types of projects, has gone to construct or improve motels, hotels, nursing homes, hospitals, ski lodges, and related facilities. Although according to ARA figures the average Federal outlay per job to be created runs $3,300, for the jobs to be created in the motel-hotel field, the average is $5,770. And that is the average. In Towns County, Ga., a $175,000 Federal loan will create all of 9 jobs, or close to $20,000 per job. In Taney County, Mo., a $975,000 resort will provide 151 jobs, or better than $6,600 per job. A tourist complex, scheduled for $717,000 of Federal funds, will be supporting 98 jobs in New Hampshire, over $7,000 per job. And expansion of a tourist facility in North Carolina at $74,000 will create seven jobs, over $10,000 per job.

Actually the average seems to have been lowered only because of a $2,275,000 Federal project in Puerto Rico to create a Howard Johnson's motor lodge which will be the ultimate in luxury, more than 1 employee per room, allegedly 360 jobs in all. Why any Howard Johnson motor lodge needs any help is beyond me.

Tourism has been championed as the way out for many depressed areas. There was an interesting article in the New York Times this Sunday, indicating that the Appalachia report had advocated, in December of last year after the warnings from Congress, the use of ARA for providing such facilities. The same New York Times carried another article on tourism created as a result of the TVA. I suppose the point was that the same could be true for Appalachia as a whole. What no one pointed out, however, was the fact that the tourist facilities springing up around TVA lakes and State parks were either State or privately provided. There was no 4-percent Federal money involved; there was no Government-sponsored competition for those who had already worked hard to provide economic opportunity for the unemployed.

A little over a year ago, the ARA head, Mr. Batt, announced grandly that $24 million would be spent in West Virginia on improving recreational facilities, State parks and the like, and that this would create thousands of new jobs. To date, $53,000 has been disbursed, and that in a project associated with this announcement but started 6 months earlier which would eventually involve 22 jobs. No wonder you can find no mention of the ARA effort in the Appalachia report calling for, among other things, a full study of the privately owned recreational facilities and potential in this region. No wonder the West Virginia newspaper, the Wheeling News-Register, formerly a supporter of ARA could editorialize on November 15, 1963, that:

> The ARA has turned out to be a lot of talk and little action. It has called signals and changed them so many times that no intelligent person can be sure just what the brass hats really want to do. If ever we have seen a Federal agency kill off local civic enthusiasm we have witnessed it with the ARA.

The ARA has outlived its usefulness, if it ever had any. At best, it is an inept conglomeration of programs which could be and have been handled more efficiently and economically by other government agencies or by private enterprise. At worst, it is a politically minded bureaucracy, more intent on preserving its own jobs than in supplying employment for those truly in need of help. Its figures are open to doubt, and so are its claimed successes. Its failures are evident. The General Accounting Office report on the ARA's misstatement of the number of jobs created and to be created under the Accelerated Public Works program which it also administers—which is similar to the ARA's own public facilities program—should be a warning to Congress not to be fooled by ARA propaganda. Overstatements of 128 percent on onsite man-months actually worked and 83 percent overstatements on man-months predicted led the Comptroller General to point out:

> The information presented in the directory of approved APW projects for September 1, 1963, was used extensively during the hearings of the Committee on Public Works of the House of Representatives in October 1963 concerning amending the Public Works Acceleration Act to authorize an additional appropriation of $900 million for the APW program.

The Rules Committee, by refusing a rule to this bill, can protect the House from the effects of more ARA propaganda. It can protect the House from the possibility of duplicating programs, or providing money for a program no longer needed. Finally, by refusing a rule, the Rules Committee can provide a distinct service to the taxpayer by protecting him from another program that has proven to be wasteful and inefficient. I know of no justification for the continuation of the Area Redevelopment Administration.

DEDUCTION FOR CORPORATE TAXPAYERS

Mr. SCHADEBERG. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. McCLORY] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. McCLORY. Mr. Speaker, I want to call to the attention of this House the provisions of H.R. 12194 which I introduced yesterday. This measure would permit corporate taxpayers an additional 5-percent deduction from gross income for contributions to promote free enterprise abroad.

Mr. Speaker, the suggestion for this worthwhile legislation comes from my constituent, Walter W. Block, Sr., president of Quaker Industries, Inc., of Antioch, Ill. If enacted into law this bill could serve a most significant purpose in our Nation's contest with the Communist world.

In drawing the Members' attention to this bill I will not undertake to set forth the bill's provisions. However, I do want to point out that the 5-percent deduction authorized by this legislation is in addition to deductions for other contributions and business expenses to which corporations are entitled under existing law.

Mr. Speaker, I am hopeful that the Ways and Means Committee will grant an early hearing, or that the introduction of the bill at this time will focus the attention of the Members on this issue so that it may be considered favorably during the 89th Congress.

REPORT ON PROBLEM PROJECTS OF ARA

Mr. SCHADEBERG. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. TALCOTT] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. TALCOTT. Mr. Speaker, the ARA has a large, active public relations staff but they seldom report the true facts concerning the operation, management, and conduct of the ARA.

If the ARA is to employe a promotional and publicity staff, they should report both sides of the issues and all of the facts.

The following is a synopsis of six ARA projects in various areas of the United States.

The information was compiled from ARA Directories of Approved Projects with recent supplemental information from other sources near the project. Although the ARA continues to report that all is well with all approved projects, a casual investigation will quickly reveal that much is wrong and worsening. There are other ARA-approved projects which are near bankruptcy about which I shall report later.

The above-mentioned data follow:

SYNOPSIS

UTAH

Carbon County: Blue Flame Coal Co., Price, Utah. In September 1962, ARA approved an industrial loan of $81,000 which has been disbursed, to expand mining operations. ARA claimed at the time that this project would result in creating 33 jobs. However, the May 1964 Directory of Approved Projects says: "Employment potential uncertain." A check into the project revealed that the firm no longer exists. It is not listed in the current Price telephone directory, although it was listed in the previous issue. The Carbon County Industrial Department reported that ARA has foreclosed on this firm. The officer of record is now employed elsewhere.

IDAHO

Benewah County: Benewah Lumber Co-op, Inc., Plummer, Idaho. In September 1962, ARA approved a loan of $143,000, all of which has been disbursed, for replacing a lumber finishing plant. The ARA Directory of Approved Projects for August 1963, showed this loan would create 65 jobs. However, the May 31, 1964, directory shows: "Employment potential uncertain." A check on this, through the Idaho State Chamber of Commerce, revealed that it was found that the mill had been located on marshy ground. A portion of the operating capital was diverted to solve the land problem and the mill has reopened on a limited basis, with a maximum of 40 jobs—not the 65 claimed by ARA. A further check disclosed that the firm is also suffering from lack of adequate capital making it impossible to carry any inventory, and necessary to cease operations in the winter.

NEW MEXICO

Socorro County: Socorro Packaging Co. received two ARA loans in early 1962 totaling $192,000, all of which has been disbursed, to establish a new soft drink bottling plant. ARA directories originally claimed this loan would create 35 new jobs. The May 31, 1964, directory now says: "Employment potential uncertain." Information received from the Albuquerque chamber and a banker in Socorro reveals that this company did employ about 10 to 12 people for a short time, but was never able to produce a marketable product. The difficulties appeared to be both quantity (off weight) and quality (off strength). The organizers have quit, and the ARA loan has been in default for more than a year. There does not appear to be much chance of this project ever being revived.

ALABAMA

Gadsden area: Attala Pipe & Foundry Co., Gadsden, received ARA approval for a loan of $453,000 in December 1962 to reopen and modernize the foundry. All of this money has been disbursed. In that year, ARA claimed this project would result in 208 jobs. However, the May 31, 1964, ARA Directory says that the "Employment potential (is) uncertain." The truth is that this firm is now closed in bankruptcy. The Gadsden Chamber of Commerce, as a part of the effort to revive the firm, had supported local stock sales. The chamber is now being sued for $11,000 by a local workingman who had invested his life savings in the venture.

MASSACHUSETTS

Lowell area: Semi-Onics, Inc., Lowell, Mass., in January 1962 received approval for an ARA loan of $98,000 to purchase equipment and renovate a building. $85,000 has been disbursed. When it approved the loan, ARA claimed it would result in creating 110 new jobs. However, the May 1964 Directory states that "Employment potential (is) uncertain." A check into this project revealed that, while the firm is still in operation, only 25 persons are employed. About April it was reported that the firm was about to close. It is still in operation, working 95 less people than the ARA claimed.

RHODE ISLAND

Providence-Pawtucket area: Genoa Macaroni Co., Franklin County, in June 1962, under the name of T. E. Barnicle Macaroni Co., received ARA approval for a loan of $426,000, all of which is now disbursed. The money went to construct a new plant, in which would be housed 35 workers, according to the ARA Directories of 1963. In the May 31 ARA Directory, ARA says the employment potential is uncertain at this plant, and no figure is given. An investigation disclosed that there are actually only 8 or 9 people employed there. Since this is a fully automated operation, it would employ only about 15 persons working at capacity—not the 35 claimed by ARA. The principle customer for this firm is the Government which buys for the military and penal institutions. It is reported that the company is in serious trouble, and that the management is not familiar with the manufacture of macaroni, having problems with the drying operations. Chances of success of this operation apparently depend on getting additional capital—perhaps from ARA.

BEEF IMPORTS

Mr. SCHADEBERG. Mr. Speaker, I ask unanimous consent that the gentleman from Montana [Mr. BATTIN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. BATTIN. Mr. Speaker, American cattlegrowers can only be puzzled and disturbed by the apparent indifference of the Johnson administration toward the continuing threat posed by foreign beef imports to our economy.

The recent Senate action approving a mandatory cutback of foreign beef imports reflects the growing concern of the legislative branch toward this threat. It is highly significant that in this instance even legislative leaders and others ordinarily close to administration policy have seen fit to take a position alongside the interests of domestic rather than foreign beef producers.

Regrettably, the administration seems to be more concerned with the feelings of foreign producing nations than the interests of American cattlegrowers. Responding to the recent Senate vote, the Department of State has curtly informed the legislative branch that such a mandatory cutback would be "the wrong remedy for the problem of the cattle industry."

I might note that in this statement our Department of States does not specify whether the remedy is wrong for our own American cattle industry or that of Australia and New Zealand. Presumably, the State Department referred to the problems confronting American cattlegrowers, but the record has not always been clear as to whose interest is paramount in our diplomatic scheme of policymaking.

The undeniable fact is that the domestic beef industry has been under a growing economic assault from foreign producers. Beef and veal imports into this country have more than tripled during the past 5 years. An estimated 80 percent of this import increase comes from Australia and New Zealand.

In the face of this economic threat, the Johnson administration, including the Department of Agriculture as well as the State Department, has demonstrated a willingness to let American industry interests go by the board in an effort to placate foreign producers and thereby ostensibly serve purported larger foreign policy purposes. I submit that weakening a domestic industry—the price per hundredweight for beef cattle has fallen over 25 percent from 1962 to June 1964—is no way to further the foreign policy interests or purposes of the United States. And I might point out that the truth of this statement is all too apparent when we look around the world today to see how far the State Department's giveaway trade and aid policies have advanced our national interests in recent years.

No, even if the legislative branch were not to come up with the correct remedy for our American cattle industry, I do not believe that the Department of State can be said to have developed any other policies or remedies to assist this vital sector of our domestic agricultural economy. And, in fact, the House and Senate action in establishing mandatory cutbacks on beef imports is certain to bolster our cattle industry, and by doing so—despite the anguished wails of State Department theorists—to bolster our country's economic position throughout the world.

Moreover, I am singularly unimpressed with the usual arguments advanced by the State Department to the effect that Congress, by looking after domestic interests, is jeopardizing the U.S. position at the international bargaining table. Other countries, notably Britain and the Common Market group, have never hesitated to take whatever steps they believe are needed to protect their own domestic industries. As a matter of fact, Britain, faced with a beef import problem similar to our own, simply increased its tariffs by 50 percent. Is it too much to ask that this administration be willing to protect American cattlemen as other countries protect their own?

And is it not in fact hypocritical for the administration on the one hand to claim it is conducting an antipoverty campaign while on the other hand the State and Agriculture Departments are operating what amounts to a propoverty import program for America's cattlegrowers?

It is clear then that the half measures and the vacillating policy of this administration in dealing with the foreign beef import threat have not been sufficient to meet that threat. As I have pointed out, even the administration's most stalwart leaders and followers in the legislative branch have seen fit in this instance to register their belief that stronger action is needed to save our domestic industry from destruction at the hands of foreign competitors. I for one believe that the House and Senate are responding to a vital economic need by enactment of legislation for mandatory beef import cutbacks—and I would hope that the administration would at long last take heed of the interests of our own domestic economy rather than the tired and discredited counsel of so-called foreign economic policy experts in the Department of State.

POVERTY BILL—A COMMENTARY

Mr. SCHADEBERG. Mr. Speaker, I ask unanimous consent that the gentleman from New Hampshire [Mr. CLEVELAND] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. CLEVELAND. Mr. Speaker, President Johnson's poverty bill appears to many people to be a hasty collection of discredited political nostrums that are unsuited to today's problems and needs. Some features of the bill have been tried before by the Federal Government and failed, and others appear to be taken from a Marxist textbook.

Last week I presented a perceptive editorial in the RECORD—July 28, page 17230—by Richard Noyes, editor of the Monadnock Ledger, of Jaffrey, N.H. Mr. Noyes has written a second editorial examining this controversial piece of legislation, and he accurately expresses the feelings of many of us when he states that "there is too little time to give this bill the close study it deserves." Knowing that many Members of Congress are studying the bill carefully, I include this excellent editorial and its analysis of the poverty bill in the RECORD for their consideration:

POOR EXCUSE

President Johnson's so-called poverty program, the first major piece of legislation to come forth during the new administration, sailed through the Senate last week by a vote of 62 to 33.

It came out of the House Rules Committee Tuesday by a closer margin, 8 to 7, and is to be debated in the House next week.

There is not much time left to get a look at it.

The chairman of the Rules Committee called it a "crazy bill," but that made no difference, because President Johnson has ordered it passed before the Democratic Convention this week and he is boss.

We warned here last week there is not one paragraph in the bill which does not stand in dire need of debate.

The fact that it will, within a year, have 100,000 young Americans herded up into battalions like the old CCC camps is a typical drastic provision totally alien to a free nation in time of peace. It is the kind of control technique always identified quite properly with authoritarian totalitarian systems.

Is the free world that close to bankruptcy?

But there is too little time to give this bill the close study it deserves. President Johnson needs votes next November, and knows it, and this is the bankroll with which he intends to buy them.

We began here last week to examine just one particular section of the bill—section 303 of part A. It creates authority for the new antipoverty bureaucracy to sink money into family farm development corporations.

The scheme is Marxist to the core. There can be no denying it. The National Farm Commission of the Communist Party of the United States, as recently as 1955, has categorically advocated such a measure.

And worse yet, it is not as though the plan has not already been tried in this country and proved wrong. The scheme is a carbon copy of the resettlement program of the old Farm Security Administration in the 1930's.

The Republican minority members of the House Committee on Education and Labor, which considered the poverty program and reported it out, was uniquely fortunate in having a staff and a little money to spend. So it was able to do more than the usual minority homework.

Well, here is what they dug out of the records of Congress for the year 1944. President Roosevelt, you will remember, was still alive then and in the White House.

A select committee of the House Agriculture Committee took a close look that year at the work of the resettlement program, after which this new scheme is patterned, and had this to say about it:

"The investigation disclosed that, beginning with the administration of Rexford G. Tugwell and continuing throughout the administration of C. B. Baldwin, the Farm Security Administration was financing communistic resettlement project, where the families could never own homes or be paid for all that they made or for all the time they worked, and was supervising its borrowers to the extent of telling the borrower how to raise his children, how to plan his homelife, and, it is strongly suspected in some cases, how to vote. Some families were kept on the Government indefinitely, while other families that were willing to work just as hard and do their best to pay their debts, would not get any help from the Government at all."

Who dragged this dead cat back into Congress? What kind of leadership is this? Are we intellectually destitute?

The tragedy of all this is that America, and its philosophy of freedom, has a perfectly good and completely workable answer to the problem of land speculation as a taproot of poverty.

And America, at the State and local level, is slowly but steadily putting that answer to work.

THE LATE MICHAEL FRANK DARLING

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Illinois [Mr. PUCINSKI] is recognized for 30 minutes.

Mr. PUCINSKI. Mr. Speaker, yesterday afternoon the ranks of organized labor in America were saddened by the untimely death of one of our Nation's truly great labor leaders, Mr. Michael Frank Darling, who was president of Local 1031 of the International Brotherhood of Electrical Workers.

Mr. Darling died at the Methodist Hospital, Houston, Tex., where he had gone for special treatment of a heart condition.

His union, local 1031, is the largest union local in Chicago.

Mr. Darling's long and illustrious record of fighting for the highest principles of American organized labor brought him respect not only from the ranks of labor but from management as well. He enjoyed an unusual and outstanding reputation in Chicago for his fairness and great dedication to the principles of trade unionism.

Throughout Chicago employers who are affiliated with his union have held him in the highest respect. Mr. Darling's sincere understanding of America's free enterprise system brought him profound respect from the employer group.

Frank Darling was one of those labor leaders who understood the plight and the difficulties of management, and indeed got his local union to cooperate with and help and in many instances even to help employers financially until they got back on their feet. This won for him great praise in Chicago and throughout the Nation.

Mr. Darling was also an outstanding foe of those elements that tried to infiltrate the labor movement and alter its course. During the early years of his career as a labor leader, he fought hard against Communist infiltration of the labor movement. Very often the battle raged intensively. On many occasions his personal safety was seriously threatened. But Frank Darling never deviated from the basic cause of helping the American workingman share in the wealth of his nation. Frank Darling won and today local 1031 stands as a model of outstanding unionism in America. Frank Darling is being mourned by more than 30,000 members of local 1031 of the International Brotherhood of Electrical Workers. He is also being mourned by those responsible elements of management who understood that in a relationship with him and his union there was an air where management and labor could work together in harmony.

It is indeed fortunate for the members of local 1031 that Frank Darling had prepared his local for this untimely and tragic event. Shortly after his death the executive board of local 1031 met and elected Attorney Morris Pearlman one of Chicago's top experts on labor law as the new president of local 1031.

Mr. Pearlman was one of Frank Darling's closest aids, associates, and advisers. He knew Frank Darling's philosophy well. Certainly we have reason to believe that he is going to follow in the illustrious footsteps of Frank Darling and bring to the 30,000 members of local 1031 the kind of aggressive and dynamic leadership which Frank Darling had brought this organization.

On behalf of the people of Chicago I certainly join in mourning the untimely death of Frank Darling.

To his widow and five daughters, to his loyal staff and to his legion of followers, I offer my deepest condolence.

Mr. Speaker, I should like to include here an article which appeared in the Chicago Sun Times on Mr. Darling's death.

The Sun Times article follows:

Frank Darling Dies; Union Chief

Michael Frank Darling, 61, president of Local 1031, International Brotherhood of Electrical Workers, died Monday at Methodist Hospital in Houston.

Mr. Darling, of 1117 Suffolk, Westchester, had flown to Houston 2 weeks ago to consult with heart specialist Dr. Michael DeBakey. He died of a heart attack after undergoing surgery.

CALLED LABOR'S "ZIEGFELD"

Mr. Darling's local union, at 5243 West Madison, is the largest in the IBEW, with more than 30,000 members. He had headed the local for more than 20 years and had built its immense membership up from a level of 5,000 during World War II to a peak of 47,000 in the late 1950's.

He was known as the Ziegfeld of the labor movement, a name he acquired from the huge spectaculars he presented in connection with union meetings.

The all-star shows included some of the biggest names in show business and were known to cost as much as $70,000 to stage.

Mr. Darling once said the purpose of the shows was to "create good will among the members" of the local "and to combat the Communists."

His long fight against attempted Communist infiltration of his industry (radio parts manufacturing) made him one of the most controversial of Chicago labor figures.

HAD BODYGUARD FOR YEARS

For many years he had a police bodyguard, following a 1954 bombing of his union headquarters. He blamed it on leftwing foes of his policies.

Governor Kerner recently described Mr. Darling's tactics in cleaning up the union and ousting leftwing elements as masterful.

In recent years, as the electronics industry has become involved in fierce sales competition with foreign producers, Mr. Darling put the influence and money of his union behind efforts to increase both efficiency and quality of workmanship. He had enlisted the support of more than 100 companies in the efforts.

Surviving are the widow, Mildred, and five daughters, Mrs. Patricia Kaelin, Mrs. Shirley Collins, Mrs. Karen Proescher, Mrs. Dianne Kroning, and Mrs. Terry McKay.

WHO IS PLAYING POLITICS?

Mr. CORMAN. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. Multer] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. MULTER. Mr. Speaker, despite the fact that the Democratic Party has yet to hold its nominating convention, Senator Goldwater, the minority candidate of the Republican Party, insists on beginning his campaign now. It is understandable that he will need every minute of campaign time in order to make, at best, a respectable showing at the polls in November. The approach that the Republican candidate is displaying toward issues of grave importance to the American people will, in the minds of a vast majority of Americans, label him unqualified for the high office he seeks.

To the Senator every issue has become a political one and because of this distorted view our country is viewed as a puppet to be manipulated by controllers of power.

But to the people in too many parts of our country, life is no such thing. Life is poverty, and poverty is as real as the dirt they sleep in and the rats that infest their homes. That Mr. Goldwater has chosen not to see this poverty with his own eyes may be unimportant, but for him to deny that this poverty exists and must be remedied, and for him to attack the antipoverty bill as a mere political maneuver, exposes his lack of conscience.

I commend to the attention of our colleagues the following article by Mr. Ralph McGill, which appeared in the New York Herald Tribune on August 2, 1964, as being of special interest to us in our attempt to understand the unreality of the choice offered to us by the Republican candidates for the highest offices within our gift:

Ralph McGill

Senator Goldwater's attack on the antipoverty bill as it passed the Senate by a substantial majority declared the bill politically inspired for an election year.

Perhaps so. It is an election year. It also is President Johnson's first year as President. But on the basis of the bill's fundamental content, it is the Goldwater Republicans who must bear the indictment of politics. The bill was voted on—and passed—at a time when slum riots in Manhattan and Brooklyn were in the headlines. Those in the riots were largely teenagers and young men in their twenties. They were perhaps totally unemployed. They represent those classified as "dropouts," "slow learners," the unskilled, and the delinquent. Some were second-generation Americans who can't speak English well enough to hold any job save the most menial and temporary.

A major feature of the antipoverty bill is to establish work and educational camps for the unemployed. These projects will begin to take the teenagers and young men off the streets. The youth camps will be established only where the States request and consent.

A beginning must be made. Is the need present? Is it not, in fact, acutely present and long neglected? Who, then, is playing politics? What, then, has inspired the plan? How is local government interfered with? To call this most critical need politics is to deceive and falsify.

Should we wait another year or so? We have watched the American slums change with dismaying swiftness since about 1945. We have done nothing. We have sat by as the slums grew and festered. We saw them become preserves of wretchedness and potential violence. Ten years ago social workers and sociologists began to predict violence. We read in our papers and saw on television the gang rumbles.

What have we done in the 20 years when the slums changed with frightening speed and implications?

A few days ago the United Mine Workers of America turned over the last five of its hospitals to Appalachian Regional Hospitals—a nonprofit corporation. The union formerly had 10 hospitals in 3 States.

The explanation is that union membership has been so reduced by automation that the hospitals cannot be maintained by the union.

Behind that is a human story. There is so much human misery, poverty, and daily wretchedness in the coal fields, that to see it is to become deeply depressed.

These are Americans. Is it political to produce plans to alleviate this misery?

The States cannot do it.

Goldwater Republicans apparently prefer that we should let things remain as they are lest States rights and freedom be jeopardized by a central government.

Who is playing politics?

A NEW BILL TO PROVIDE FEDERAL CHARTERS FOR MUTUAL SAVINGS BANKS

Mr. CORMAN. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. Multer] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. MULTER. Mr. Speaker, I have introduced a bill (H.R. 12167) as a companion measure to H.R. 12142 introduced by the gentleman from Texas, the Honorable Wright Patman, chairman of the House Committee on Banking and Currency, in response to the administration's request for legislation to authorize Federal charters for mutual savings banks.

This legislation is needed to provide a dual thrift banking system in what is already a $52 billion industry. We have a dual banking system for commercial banks, savings and loan associations, and credit unions. We should have it for savings banks as well.

At present, mutual savings banks are authorized to operate only in 18 States under State charter. They have a long and honorable history of serving their communities. They encourage thrift among the middle and lower income families. Their safety record is unparalleled in financial history.

In 1957, I introduced the first bill to authorize Federal mutual savings banks. Since then, I have continually sought enactment of this legislation.

Federal charter legislation was studied and fully endorsed by the Committee on Money and Credit sponsored by the impartial Ford Foundation and the Committee for Economic Development and the President's Committee on Financial Institutions, commonly referred to as the Heller Committee.

In October of last year, the Subcommittee on Bank Supervision and Insurance of the House Banking and Currency Committee, of which I am chairman, held hearings on this subject and obtained the views of interested industry groups, research organizations, and the general public. The views of all pertinent Government agencies were also solicited.

Since the hearings, our subcommittee and staff have been studying the testimony and conferring with the executive agencies in developing a bill which would have the administration's full endorsement and be acceptable to our committee and we hope to the Congress.

I am delighted that the administration has transmitted this bill to us and hope it will obtain approval of the committee and the Congress. While there may be areas requiring modification and accommodation to conflicting views about details, I believe that for the most part this bill reflects a good and a reasonable approach to the problem.

I hope that wide distribution of this bill will cause study by interested groups whose comments will help Congress complete action on this important legislation.

PRISON SHIP MARTYRS NATIONAL HISTORIC SITE

Mr. CORMAN. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. CAREY] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. CAREY. Mr. Speaker, one of the country's most historic sites is located in Fort Green Park in Brooklyn, which is in my district. At the base of the monument, which was erected in 1908 in memory of the prison ship martyrs of the Revolutionary War, are the remains of 12,000 Americans who perished aboard British prison ships moored in Wallabout Bay, opposite what is now the Brooklyn Navy Yard.

The 196-foot monument has deteriorated over the years and is presently in a state of disrepair, covered with an accumulation of dirt, soot, and the effects of air pollution. It has also sustained considerable damage as a result of vandalism.

Recently the Society of Old Brooklynites, whose president is Dr. Foelly Crane, has undertaken a campaign to preserve the monument by having it declared a national shrine.

Mr. Speaker, I am today introducing legislation to provide for the preservation of this famous site.

REED A. RANKIN SAVES AIR FORCE $1,234,994 AT THE SAN ANTONIO AIR MATERIEL AREA, KELLY AIR FORCE BASE

Mr. CORMAN. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. GONZALEZ] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. GONZALEZ. Mr. Speaker, we are proud to have Mr. Reed A. Rankin as procurement contract negotiator for the San Antonio Air Materiel Area, Kelly AFB, known as SAAMA. Mr. Rankin was recently honored by President Lyndon B. Johnson and the Department of Defense for his work at SAAMA resulting in a savings to the American taxpayer of $1,234,994. Mr. Rankin was one of three persons so honored at the Pentagon where he was congratulated by Secretary of the Air Force Eugene M. Zuckert, Assistant Secretary of Defense Thomas D. Morris, and Secretary of Defense Robert S. McNamara, and where he received the commendation of President Johnson.

It is heartening to know that there are civilian employees at our military bases, like Mr. Rankin, whose industry and efficiency are such that they not only perform outstandingly, but they also save their Government and their fellow Americans money.

The President and the highest officials in the Department of Defense have already expressed their compliments to Mr. Rankin, and it is fit and proper that Congress also recognize the valuable and important contribution he has made. I therefore have requested unanimous consent from the Members of this House to include in the RECORD at the conclusion of my remarks the following article from the Flying Times of July 24, 1964, entitled "Kelly Employee Honored by President" giving further details about the facts which I have outlined:

KELLY EMPLOYEE HONORED BY PRESIDENT—REED RANKIN SAVES AIR FORCE $1,234,994

Reed A. Rankin, procurement contract negotiator for the San Antonio Air Materiel Area, Kelly Air Force Base, was one of three Air Force personnel honored by President Johnson and Department of Defense and U.S. Air Force officials at DOD Cost Reduction Week ceremonies in Washington Monday.

Rankin received the top-level recognition for his work on development of procurement contracts for the purchase of F-106B aircraft canopy panels that will result in a total savings to the American taxpayer of $1,234,994.

At the Pentagon Monday morning, Rankin received the congratulations of Secretary of the Air Force Eugene M. Zuckert, Assistant Secretary of Defense Thomas D. Morris, and Defense Secretary Robert S. McNamara. He then received the commendation of President Johnson.

On the way back from Washington, Rankin received further congratulations of Gen. Mark E. Bradley, Jr., commander of the Air Force Logistics Command, in Dayton, Ohio.

Rankin's idea involved the changing of procurements of the 917 panel units from a noncompetitive select source basis to a competitive advertised-type procurement.

Prior to 1962, the panels were purchased without bids from the General Dynamics Corp. in San Diego, Calif. Then, Swedlow, Inc., of Los Angeles, was determined to be the actual manufacturer and the items were procured from that firm on a noncompetitive select source basis.

Through the further work of Rankin and the assistance of teamwork of SAAMA engineering personnel, a program calling for a two-step formally advertised procurement of the panels was developed during the past fiscal year that ended June 30. Three price proposals were received. The low bidder was the Sierracin Corp., in Burbank, Calif.

A 1951 graduate of Jefferson High School, Rankin holds a B.B.A. degree from Texas A. & M. College and an LL.B. degree from the St. Mary's University School of Law. He came to Kelly Air Force Base as an Air Force contract negotiator in January 1962.

The 30-year-old native of Chicago, his wife, Betty, and three sons, live at 2327 Lakewood Drive in Seguin.

A PISTOL IN EVERY POT, A RIFLE IN EVERY GARAGE

Mr. CORMAN. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. GONZALEZ] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. GONZALEZ. Mr. Speaker, the silly season, the campaign stretch of this election year is almost upon us. Political buttons are already budding on vests and breasts, and here and there one sees an automobile bumper brilliantly branded with a set of initials or a cryptic chemical formula, signifying the owner's allegiance to his favorite candidate. Soon radio, TV, newspapers, everything, will be almost completely taken up with politicking. Congressional aids, senatorial aids, national committee aids are busy planning campaign strategy. An essential ingredient in any campaign is a meaningful and catchy slogan. One which may satisfy the psychological needs of some of the people behind the Republican nominee for President is the following: "A Pistol in Every Pot, a Rifle in Every Garage."

Murray Kempton, the distinguished writer and columnist, has written a timely and revealing article in the August 8, 1964, issue of the New Republic, entitled "Karl Hess, Goldwater Finds His Sorensen." Mr. Hess is reportedly helping to prepare most of the Republican nominee's public statements.

For example he is supposed to have written the now famous apology for extremism in the Republican nominee's acceptance speech. In his article, Mr. Kempton quotes from some of the earlier writings of Mr. Hess, demonstrating, in my opinion, some important facts about one of the men behind the Republican nominee.

Mr. Hess formerly wrote for the ultraconservative, sometimes anti-Semitic, the American Mercury. In May 1954, he had this to say about the American character and about the advances we have made since the Dark Ages:

> It would not be America really if it did not produce men who suddenly tire of palaver and reach for the rifle on the wall, to use themselves or to hand to the underdog who needs it.

In 1957, in an article entitled "Should You Own a Gun?" he stated:

> The question of freedom, when stripped to its steel center is just this: Who has the guns? * * * [Ours] is the sort of freedom which, based upon an ideal and an urge, was born in gunfire, preserved in gunfire, and which is, even today, maintained by a ready strength of arms.

Now, the question Mr. Hess asks, "Who has the guns?" is an interesting one. It is the same question I have asked on several occasions in speeches delivered on the floor of the House in connection with the National Board for the Promotion of Rifle Practice and its implementing agency, the Office of the Director of Civilian Marksmanship. For I have shown that through this program more than 60 million rounds of ammunition and thousands of weapons are given away free, at the taxpayers' expense, to members of clubs affiliated with the National Rifle Association. I have also shown that this program is so loosely controlled that records of the names of the club members who get this free ammunition are not even kept. Further, I have introduced into the Record literature of extremist and self-styled guerrilla organizations recommending that its members join the NRA and stock up on arms and ammunition. So I have indeed asked the question, "Who has the guns?"

Mr. Kempton asked Mr. Hess about the article he wrote in which he asked that question. Said Mr. Hess:

> That one I have read lately. It's often reprinted. I wrote it as a lifetime member of the National Rifle Association. It's a little overstated but it seems a pity to me when people feel that there is something indecent about firearms. And I still think that, if everybody in Latin America had a pistol, they would have democracy.

I guess Mr. Hess would rename the Alliance for Progress, "Pistols for Progress" and make the necessary changes in this program of economic assistance.

The article by Murray Kempton is recommended reading for every person concerned with who will shoot what from his hip next. With unanimous consent I am inserting Mr. Kempton's article in the Record:

Goldwater Finds His Sorensen

(By Murray Kempton)

"It would not be America really if it did not produce men who suddenly tire of palaver and reach for the rifle on the wall, to use themselves or to hand to the underdog who needs it." (Karl Hess, the American Mercury, May 1954.)

Karl Hess wrote the draft of Barry Goldwater's acceptance speech as Republican nominee, as he has composed most of Goldwater's formal utterances since being summoned to close the rhetoric gap after New Hampshire. Senator Goldwater, the New York Times indicates, read Hess' effort with approval but no visible excitement until he came, near the end, to the paragraph: "I would remind you that extremism in the defense of liberty is no vice. And let me remind you, also, that moderation in the pursuit of justice is no virtue."

"I like that," Barry Goldwater exclaimed. And so that paragraph, in tune with the instincts of the Senator as critic, was the only one in the acceptance speech to appear with a line beneath each word for emphasis when its text was released to the news media. And when he reminded us all in San Francisco that extremism in the defense of liberty is no vice, his galleries and his delegates gave way to the loudest cry of joy they would raise all evening. More than anything else he said that night, that paragraph made those who trust Barry Goldwater think they had found the reason for their trust, and those who fear him think they had found the reason for their fear.

Yet the statement that extremism in the defense of liberty is no vice essentially means nothing unless we know what images come to the speaker's mind. Barry Goldwater would seem to have a mind with small inclination to learn what it does not know already. Its desire is not to explore but to respond. Far from being superficial, this mind is one of the more elemental in our public experience; it moves not on the surface of that experience but in its deeps. One does not convey an idea to the head; one strikes a chord in the interior.

Karl Hess seems to be the first speechwriter Senator Goldwater has had who fully meets his interior necessities, and who brings not just a pen but a tuning fork to the service of a man whose feeling has always been less for the words than for the music. No prior mechanic ever had this precise pitch. The Senator has wandered most of the last decade between the sporting balloonists, too far loose in the atmosphere, like Brent Bozell, and the groundlings, too bound to earth, like Stephen Shadegg, or Tony Smith, his present administrative assistant. Neither sort quite suits that side of Barry Goldwater's nature to which the sight of any new gadget is an evocation. As a politician incurably amateur, Bozell could not really care about what worked. Shadegg and Smith cared too much about what had always worked. Goldwater has gone as far as he has because his interior understood his real strength better than logic and tradition could. As a hobbyist he has no higher delight than the discovery of a new gadget which no other hobbyist has; as a politician, he could have no useful instrument except some new gadget which no other politician would dare to try. He thus fitted his tactics to his taste.

The old rules instructed that he would need to moderate his views to make himself an important political figure; but that rule grew up in a politics most of whose practitioners were moderate by nature and who were glad to settle into that posture, as soon as it was convenient and practical. Senator Goldwater is not moderate; and after his horrid experience in New Hampshire, he followed his nature. Instead of softening, he grew harder. He had always been genial with his critics and anxious for their affection. Now he showed that he could be cold and cruel to his opponents, even after they were beaten, and after tradition argued that he would serve himself better by salving rather than salting their wounds.

Goldwater used to talk about scrapping the United Nations and seemed a pleasant, tractable man; in San Francisco he promised to strengthen the United Nations and seemed harsh and intractable in a way he had never been. He had commenced to hurt people's feelings; he did not bother even to thank Clifford White, the eastern professional who had been his preconvention organizing director. No one who knows him well could remember Barry Goldwater giving way to bad personal manners before. One of his oldest acolytes from the eastern establishment of the new conservatism said the other day that he was afraid that Barry Goldwater might have a power complex. That is too much to say about him yet; the manner may soften, but the voice that once wanted only for us to like him has taken on a tone demanding first that we respect him.

In March he made two changes in his immediate staff that were particular portents of the direction in which he was following his instincts. He took on Edward Nellor as his press secretary, the hand, and Karl Hess as his speechwriter, the head. Nellor is a former research assistant to Fulton Lewis, Jr., and was occasional speechwriter for the late Senator Joe McCarthy. In choosing Nellor, then, Goldwater called not upon the comfortable establishment of the Republican Party but upon the armed camp outside it.

Hess was a more complicated bit of goods, less familiar than Nellor was to Washington journalists, who had known him for enough years to have developed for him that tolerance reporters might have for any old colleague who had become a private detective and wasn't investigating them.

When he committed himself entirely to Goldwater in March, Hess was director of special projects for the American Institute for Public Policy Research, whose purpose is to educate the public in the "social and public advantages * * * [of] the system of free competitive enterprise" and whose directors, for all their tax-exempt status, would be delighted if some Congressman should stumble upon one of their studies of union monopoly, medicare, or Federal aid to education and take its lessons to heart. The institute depends for support on keeping alive the conviction of businessmen that the Government which labors so hard to make them rich is their socialist enemy. A man experienced at maintaining that proposition has the bent for metaphysics which Goldwater has missed in speechwriters like Smith and Shadegg.

ONE INTERIOR CALLING ANOTHER

Hess also had rendered editorial assistance to another institute—the Institute for Strategic Studies, a subsidiary of a third institute—the American Enterprise Institute. The Institute for Strategic Studies is commanded by retired Adm. Arleigh Burke and fully reflects his sense that the trouble with our foreign policy is that politicians playing soldier have pushed the soldiers who want to play politician into the shadows. Hess, in this connection, offers that bent for Realpolitik which Goldwater missed in Bozell.

But all these previous affiliations reflects only surface qualities; there must be something deeper to make Karl Hess the first speechwriter to fully satisfy Barry Goldwater. One interior must be calling to another when the Senator cries out "I like that."

The source of this interior harmony does not sound instantly loud to anyone who visits Mr. Hess in the office at the Goldwater preconvention campaign headquarters, where he waits to move into the conquered headquarters of the Republican National Committee. He is just a little beyond 40, placid, with the round, unlined face and the too-settled figure which artistic convention uses to convey the inner peace that is possessed by the Buddha.

Habit has made Hess agreeable to any visiting journalist, whatever his heresies, as one artisan is agreeable to another. He has earned this posture because he is a thoroughly competent artisan, always a busy but never before now an especially successful one. The title "Director of Special Projects" at the American Enterprise Institute described functions largely anonymous and mechanical. Hess' career has generally had that cast. He was press editor at Newsweek from 1950 to 1954, and there, of course, his work was unsigned. He seems to have written at least three books and all had to be signed with the names of other men. It is said that he wrote John Noble's memoir of his life in a Soviet prison camp; Gunther Reinhardt's "Crime Without Punishment" (a history of Stalin's police) and Elmer Peterson's "Big Dam Foolishness" (a complaint against public power). He helped compile "The Conservative Papers" for Congressman MELVIN LAIRD as a rebuttal to JAMES ROOSEVELT's collection, "The Liberal Papers." He seems to have worked at various times as an editor of Counter-Attack, the newsletter which left us Red Channels; as editor of Washington World, a failed effort to establish a rightwing newsmagazine; and as researcher and writer for the Republican Party.

Out of all these things there is strangely little from which to judge Karl Hess' interior, except by the dubious standard of association. There is, in fact, only one body of work signed by Karl Hess, and thus, with certain limitations, both useful and fair as source for the cast of his mind and the bent of his impulse. Those are the articles Hess wrote for the American Mercury from the spring of 1954 until the summer of 1957.

The Mercury then was published by Russell Maguire, an oil speculator and wartime submachinegun processor. When Hess first began to write for it, Maguire still had a learner's permit from the respectable, if McCarthyist right; he had enlisted William F. Buckley, Jr., Ralph de Toledano, and Irene Korbally Kuhn as contributing editors to the Mercury. By 1955, Maguire had begun to be possessed by visions of a Zionist conspiracy, so that by 1958, the Anti-Defamation League was impelled to call his Mercury "the single most important anti-Semitic publication at the present time." Buckley, de Toledano and Mrs. Kuhn were disturbed enough by Maguire's aura to resign from his staff as early as 1955. Hess became a contributing editor of the Mercury in the reorganization after their exodus. His best known editorial associate by that stage of the Mercury's decay was Harold Lord Varney, who has been so long thought of as a philosophical Fascist as to have earned some reverence as a moderate.

We arrive then at the largest sheaf of writings that is signed with Karl Hess' own name and, even then, one's first question has to be not about what Karl Hess wrote but for whom he wrote it. To help his questioner and his own memory, he reaches to his desk and picks up a mimeographed summary of his life and works gathered by Group Research, a private agency specializing in unfriendly studies of the personnel, the principles, and the instruments of the rightwing revolt.

ARTICLE ON OPPENHEIMER

"A lot of people think Group Research is a smear group," Hess smiled. "But this piece is better than my memory, and it will help me answer. They say that the Anti-Defamation League found that by 1959 the Mercury, under Maguire, had become the most important anti-Semitic publication in the country, and that I had quit before then. Actually I think they may be wrong; they say I left the masthead in 1958. I think I left well before then. I decided to leave when Maguire rewrote a piece of mine on the Institute for Advanced Study quite badly."

That would be in July of 1956, when Karl Hess' name appeared under an article on Robert Oppenheimer and the Institute for Advanced Study at Princeton. The article contains the customary accounts of fraternization with the Communist conspiracy by various of the institute's fellows. But there were odd little digressions; one such reports that, on social occasions at the institute, Albert Einstein, "is mentioned as brightening considerably when the subject turns from science to Zionism, a subject dear to his heart, as the Times points out, throughout his career at the institute." The most powerful single figure among the institute's trustees is identified as "Senator Herbert H. Lehman, legislator, international financier, and avowed enemy of the sort of security system that lifted Oppenheimer's clearance." The word "Zionist" translates "Jew," and the phrase "international financier" as "rich Jew" in the half-consciousness of the audience at which Russell Maguire aimed. But in no other contribution of his to the Mercury did Hess cater in any such detail to Maguire's obsession; and it is only fair to assume that his memory can be trusted in its assertion that any anti-Semitic expressions in the institute article were Maguire's violations of what he claims was an originally innocent manuscript.

"It was terrible," Hess remembers. "The wife of one of my best friends was Oppenheimer's secretary. When the piece came out, I didn't even recognize it. It was a terrible thing; I suppose I should have quit then. But I didn't know just what good it would do. And then I was freelancing, and the Mercury was an outlet.

"But after that I left. I don't believe I ever did anything for them again. Oh, there was a piece of mine in April of 1957? Well, there may be but I certainly hope that anything of mine that was printed in the Mercury after the institute thing was written earlier.

"I suppose I stayed longer than I should have. A lot of people left before I did."

One earlier secessionist was Ralph de Toledano, who quit as a contributing editor in 1955 with the charge that the Mercury "flirts with anti-Semites," and created by that act one of those vacancies on the Mercury masthead, which were thereafter filled by Karl Hess among others. Toledano reported that he had been told that Maguire had called him a "Jew boy."

"Oh," says Hess, "Maguire was not the sort of man who would ever use a term like 'Jew boy.' It was just that he began seeing a Zionist under every bed. Of course, any kind of anti-Semitism is no good but Maguire's sort was the kind I would least imagine would be harmful, because it was so obscure. You know, charts and all sorts of talk about the illuminati. I only went out to his house and got the treatment once. He had a whole bound set of the Dearborn Independent. He had this idea of reprinting the whole thing. Actually I think the trouble was his wife—beautiful woman incidentally—she was a white Russian and you know what they're like. When I left that night, I'd already decided to quit. No, I don't know when it was or when I quit."

In March 1956 Hess led the Mercury with a piece captioned "Your Checklist on the U.N."

"The kindly clergyman who speaks of the U.N. as a virtually holy trust probably doesn't have the foggiest notion that the U.N. has rejected God at its front door," it said. The Mercury's readers meet innocents like that every day, Hess suggested, and here was a list, category by category, of the true facts to set them straight.

Some samples from Hess' arsenal of facts:

"Communists in U.N.: The informed estimate of the United States News is that 'as many as 50 percent of the 1,300 policy-level staff members of the U.N. were either Communists or willing to follow Communist direction.'

"Fifth column: 'You have erected the greatest fifth column headquarters in the world—the United Nations. Why a great Nation like the United States bothers to belong to such a monstrous organization, why any great nation would care to join—is more than I can honestly comprehend,' Lord Beaverbrook."

"Miscegenation: The U.N. has produced at least one official statement approving of intermarriage between the races, whether or not there might be individual cultural objections."

"I don't recognize any of this," Hess answered, when he had heard various samples read aloud. "I've forgotten most of these things; I suppose I ought to get hold of them. Some one will be bringing them up. This one I sort of remember as a compilation I put together of what other people had said, with very little of my own in it."

In January of 1956, Hess composed for the Mercury another analysis of the U.N., in this case of the lies he said the U.N. tells about itself.

"Since the inception of the United Nations, it has been clear," Hess wrote then, "that Sweden's totalitarian, if benevolent, socialism has been the standard and goal of this organization. This supranational agency has been easily used by the 'professional peacemakers' in the Kremlin. It provided a perfect cover for their peaceful espionage in this and other countries."

Karl Hess, of course, drafted the speech "The United Nations: An Instrument for Peace and Freedom" for Senator GOLDWATER to deliver in Los Angeles last May.

"The way I felt about the U.N. when I wrote for the Mercury is different from the way I feel now," Hess says. "I've done a lot of thinking about it and so has the Senator. But I still can't see the connection between the charter and what's going on now. You look at the charter; it's one of the most wonderful things I've ever read." And then he lost patience at having indulged even this long in nonsense for the sake of decorum, and said: "I don't know why it has to be assumed that your moral character is the way you feel about the U.N. Suppose you are against the U.N.; it's a mortal organization and ought to be subject to mortal criticism."

WHO HAS THE GUNS?

Karl Hess seems to have been most comfortable at the Mercury when he was writing about the things that truly interested him, which were not politics or economics but the iron of weapons and of military discipline.

In 1957, he asked each reader "Should you own a gun?" and answered:

"The question of freedom, when stripped to its steel center is just this: Who has the guns?—[Ours] is the sort of freedom which, based upon an ideal and an urge, was born in gunfire, preserved in gunfire, and which is, even today, maintained by a ready strength of arms."

"That one I have read lately," Hess says. "It's often reprinted. I wrote it as a lifetime member of the National Rifle Association. It's a little overstated but it seems a pity to me when people feel that there is something indecent about firearms. And I still think that, if everybody in Latin America had a pistol, they would have democracy."

But the fullest expression of his notions of strength, order, and history that Karl Hess ever gave himself in the Mercury was in its November 1956 issue under the title: "The War Against Our National Guard."

He began by asking what would happen to us all if the United States were ever to have a President who tried to enforce an open dictatorship.

"The answer must," he wrote, "be based upon something with the palpable force of a bayonet and the spiritual force of this Republic's concept of sovereign peoples. There are 52 good reasons why a Federal abuse could be stopped dead in its tracks. They are the 52 National Guards."

President Roosevelt had, Hess explained, schemed to convert the National Guard into a "people's army * * * in order to pave the way for a future in which military tradition would be weakened." And ever since, "there have been continuing efforts to 'civilianize' or 'demilitarize' the Armed Forces."

These efforts, Hess went on, "have been somewhat successful where civilian Secretaries can exercise control," but National Guard commanders resisted interference by elected officers of their States.

"There always has existed in most Guard units a rigid old-fashioned 'snobbiness' about rank—men seek it and work for it," Hess imagined. "It doesn't pay off in progressivism, but it does pay off in battle."

"Guard units tend to separate people into classes in defiance of the classless society. [That] helps raise the hackles of those who stay up at night dreaming of tomorrow's egalitarian utopias."

"I wrote that," Hess says now, "in cooperation with some National Guard people. I think it's a little strong. I remember, for instance, that the National Guard does have to fight Federal wars. Do I think civilian Secretaries exercise dangerous control? Look, civilian control is in the Constitution and I've always been rather fond of the Constitution. But there's a very serious morale problem today. The military are being treated like second-class citizens by McNamara. That was one of the things that gravitated me to the Senator. When McNamara thinks the military is in his way, he doesn't choose to talk to its personnel. We have built up over the years a system of judgment in awards of military contracts. It is the military men—engineers, warriors, poets and priests—who know that system best and McNamara pays them no attention." Hess was troubled by one paragraph in his National Guard brief in the Mercury. As printed, it read:

"In the National Guard, by and large, there is more of a preoccupation with training and with distinctly undemocratic efforts to instill discipline that comes from respect of and obedience to authority."

"I don't understand that," Hess says now. What did I think he had meant saying that National Guard discipline was undemocratic? I suggested that perhaps then Hess had thought that to be undemocratic in troop training was a virtue and not a sin or perhaps his editor had forgotten to surround the word "undemocratic" with quotation marks to indicate irony.

"Yes," Hess answered. "It must have been some reason like that. I don't think I could have meant it critically. I have always had the highest respect for military rank."

Karl Hess never had much chance to test that respect for rank in the crucible of its service, although that was not for want of trying. He enlisted in World War II and was sent to an armored force school and then discharged for malaria, beri-beri, dengue and other effects of his childhood in the Philippines. The military tradition seems to have been his passion ever since. Karl Hess may be that special kind of revolutionary whose impulse arises from frustration, one of Lucien de La Hodde's "lawyers without clients, physicians without patients, writers without readers."

He would seem to have been a soldier without a weapon, and he remembers having been a writer who would have had no readers once he left the stable of Russell Maguire. There is in his life a line which runs from 1954 when Karl Hess thought how American it is to tire of palaver and reach for a gun, all the way to July of this summer when he brought to Senator GOLDWATER the notion that it is no sin to be extreme in the defense of liberty. And Senator GOLDWATER responded as he does in his moments of genuine feeling, which are not when he agrees with a conception but when he recognizes a shared response. They need each other. Karl Hess is a perfect fit because his mind boils down to notions of order and of discipline and his blood beats to a wild disordered tune.

Perhaps all this is too harsh on them both. It is, without straining to judge anyone's interior, quite enough to absorb the fact that it took only 4 days in San Francisco to give us a Republican candidate for President whose speeches are written by a man whom a journalist has to ask why he went on writing for a magazine whose publisher could not contain his possession by the specter of the international Jew. And the subject, BARRY GOLDWATER's Ted Sorensen, entirely agreeable, answers the question as though he were talking about an ordinary career and a normal job, in whose course he was transiently embarrassed when his employer invited him to dinner and explained that the Jews were at our throat and then went home thinking that really he should quit.

APPORTIONMENT OF NAVAL SHIP WORK FOR REPAIRS, CONVERSIONS, AND NEW CONSTRUCTION

Mr. CORMAN. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. LEGGETT] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. LEGGETT. Mr. Speaker, the issue presented here this afternoon is to give this House a second chance to revise the apportionment of naval ship work for repairs, conversions, and new construction between public and private shipyards.

The primary point that I would emphasize is that it is unrealistic to apportion on a 65–35 basis the naval work on repairs and conversions but substantially leave new construction uncontrolled.

The problem is compounded when you realize that new construction accounts for two-thirds of the naval budget and that private yards have received 80 percent of this item for the past several years.

For the third successive year this House is called upon in appropriating funds for naval procurement to determine whether a provision should be included with respect to naval ship repairs and conversions only which would guarantee 35 percent of this business to private shipyards.

Your reasoning and findings to approve the limitation in past years will not be valid and binding as precedent for the fiscal year 1965. There are a number of reasons for the change in circumstance which I would ask you to consider.

Many Members have stated annually on the House floor that this action would not affect the Navy complement. The falsity of these representations is manifested month by month as naval shipyard attrition is affected.

You might ask yourselves the question, "What does it profit the United States to terminate the employment of a loyal 20-year veteran shipyard civil servant on the chance that a private shipyard in another part of the country will offer some other inexperienced employee lesser nonunion wages to produce a product of admitted lesser quality?"

This is one of the questions we frankly ask on the west coast.

Last year public shipyard employment stood at 97,800. This year's total employment stands at 88,731 and there are those who would attempt to cut this figure in half notwithstanding the claim that they are supporting the Navy and our national defense.

At this point in the RECORD I would like to record the actual personnel reductions effected at each naval shipyard in the country over the past 2 years.

	July 31, 1962	June 30, 1963	On board—all naval shipyards	
			Mar. 31, 1964	Projected June 30, 1964
Portsmouth	9,549	8,933	8,563	7,900 to 8,400
Boston	8,959	8,429	8,239	7,600 to 8,100
New York	12,449	12,094	10,593	10,300 to 10,800
Philadelphia	9,555	9,293	8,708	7,900 to 8,400
Norfolk	10,628	10,214	10,036	9,400 to 9,900
Charleston	7,380	7,192	6,008	5,600 to 6,100
Long Beach	6,722	6,362	6,118	4,900 to 5,400
San Francisco	7,527	7,178	6,592	6,400 to 6,900
Mare Island	10,857	10,291	9,656	9,400 to 9,900
Puget Sound	9,745	9,184	8,908	8,800 to 9,300
Pearl Harbor	4,919	4,793	4,889	4,500 to 5,000
Total	98,290	93,963	88,310	[1] 85,000

[1] Estimated.

The 35–65 provision became effective August 9, 1962.

Is it reasonable to press for another 10,000-man reduction at this time?

The following is a chart of shipyard employment levels over the past 10 years. The disastrous effect of the 35–65 provision is patent, but will only be fully realized in 1965.

Bureau of Ships figures—naval shipyard employees

Fiscal year:	
1953	129,725
1954	113,721

Bureau of Ships figures—naval shipyard employees—Continued

Fiscal year:	
1955	111,847
1956	105,058
1957	102,149
1958	98,087
1959	96,681
1960	95,821
1961	97,467
1962 (enactment, 35 to 65)	98,589
1963	93,963
March:	
1964 (estimated)	85,000
1965 (estimated)	76,500

The suggestion has been made that four of our naval shipyards are surplus, notwithstanding the fact that we will spend next year better than $2 billion, the fifth largest naval ship procurement budget in our history.

This House, the Navy Department and the Department of Defense have supported this budget item in past years; however, I wish to point out the material changes prevalent for fiscal 1965. I have prepared the following table showing the historical division of naval work between public and private yards, as the same has been affected by the 35–65 doctrine.

Apportionment of Navy shipwork, 1953–64

[In millions]

Fiscal	Repair, alterations, and conversions				New construction				Gross construction—Repairs, alterations, and conversions			
	Navy	Percent	Private yards	Percent	Navy	Percent	Private yards	Percent	Navy	Percent	Private yards	Percent
1953	$434	93.0	$33	7.0	$256	45	$303	55	$690	67	$336	33
1954	279	83.0	56	17.0	0	0	427	100	279	36	483	64
1955	404	84.0	76	16.0	320	43	415	57	724	59	491	41
1956	419	85.0	88	15.0	388	31	861	69	907	49	949	51
1957	684	72.0	259	28.0	550	35	1,010	65	1,234	49	1,269	51
1958	523	88.0	68	12.0	303	20	1,282	80	826	40	1,235	60
1959	612	86.0	96	14.0	474	25	1,376	75	1,086	42	1,472	58
1960	444	85.0	75	15.0	86	15	430	85	530	51	505	49
1961	489	86.0	80	14.0	484	33	1,489	67	973	38	1,569	62
1962	600	78.0	166	22.0	772	32	1,621	68	1,372	42	1,787	58
1963	599	64.6	327	35.4	274	13	1,888	87	873	29	2,215	71
1964	625	65.0	335	35.0	309	18	1,413	82	934	35	1,748	65
1965 estimated	412	65.0	221	35.0	377	20	1,509	80	789	31	1,730	69

It is obvious that repairs and conversions in naval yards have been on a steady increase for a number of years in spite of the arbitrary doctrine, with the exception of projected fiscal 1965. In the latter fiscal year you will observe the naval share of rapairs is diminished by $213 million over 1964. The repair limitation will, therefore, wreak havoc in public yards next year. The ironic and inequitable correlative consideration is that while the naval share of repairs will diminish by 33⅓ percent, private yards will probably realize nearly $100 million of additional new construction over 1965.

The net composite result is shown where private yards will maintain a steady workload into 1965, while public yards suffer a net reduction of about $150 million.

With these factors in mind and with some persons alluding to excess public yard capability, it does not appear to me to be realistic that the Navy Department should sit idly by and merely repeat the Department of Defense in the current budget hearings "that the enactment of the '65–35 doctrine' will have no substantial detrimental effect on the Navy in 1965."

If the doctrine is enacted and if Navy yards receive only $789 million of naval work in 1965, the Navy will have experienced one of its three worst years in the past 10 years. Private yards, on the other hand, will be enjoying one of their four best years. It would seem that in the year that we are judging public yard excess capability, the Navy Department should have a relatively free hand in deploying its workload. As I recall, 35–65, was intended to equalize and equitabilize, not to hamstring and destroy the Navy Department.

From the preceding discussion it is obvious that if the newly created unnatural apportionment of work is enforced on the Navy, that 1 year hence we will be dealing with a further attrition of Navy civilian personnel, I am advised only recently of multithousand proportions.

If this House chooses to act in disregard of the economies and the relative healths of private and public yards, then you also must assume responsibility for the consequences. The unemployment that will occur is clearly needless and I believe makes a farce of the retraining legislation that we have on the books. How does it help our economy to remove a highly trained, skilled mechanic from our defense effort in a shotgun attempt to bolster private enterprise.

I would like to submit at this point in the RECORD a copy of my recent letter to the Secretary of the Navy and his reply. The reply indicates that the Navy is now undergoing a thorough review of the 35–65 limitation.

MARCH 5, 1964.

The Honorable PAUL NITZE,
Secretary of the Navy,
The Pentagon,
Washington, D.C.

DEAR MR. SECRETARY: As you recall there has been included a provision generally referred to as the "35–65 doctrine" of ship repairs and conversions in the appropriation bills of 1963 and 1964. The item was included in the 1964 budget and is once again, I find, included in the 1965 budget as section 539.

The Navy Department and the Department of Defense have supported this budget item in past years; however, I wish to point out the material changes prevalent for fiscal 1965. The repair, alteration and conversion budget has steadily increased since 1960. I have prepared the following table showing the historical division of naval work between public and private yards, as the same has been affected by the 35–65 doctrine.

If the doctrine is enacted and if Navy yards receive only $789 million of Naval work in 1965, the Navy will have experienced one of its three worst years in the past 10 years. Private yards, on the other hand, will be enjoying one of their four best years. It would seem that in the year that we are judging public yard excess capability, the Navy Department should have a relatively free hand in deploying its workload. As I recall, 35–65 was intended to equalize and equitabalize, not to hamstring and destroy the Navy Department.

I represent the Mare Island Naval Shipyard at Vallejo in the Fourth Congressional District where we are working on a daily basis to compete and break previous records—we have the men and we have the equipment—we have launched and commissioned more Polaris submarines in the past 2 years than any other public or private yard in the country—but if we are to succeed we need your help and leadership.

Public yards have occupied the naval ship repair and construction business for time immemorial. If public yards were not competitive in the past, leadership and Congress is partially to blame because we are working according to the letter of the law and beyond.

If costs respecting any facet of the ship repair and construction business are not competitive in naval yards, then I would solicit your guidance and recommendations for reform to both our local yard and the Congress.

On the west coast of the country there are but a few private yards of consequence and their existing capability is neither comparable nor competitive with the Navy. Why should our public effort be forsaken to build up a few undercapitalized inadequate private operations?

MY DEAR MR. LEGGETT: The Navy has carefully considered your letter of March 5, 1964, in which you commented upon the division of naval ship work between naval and private shipyards since 1953 and urged that a major effort be made to eliminate section 539 from the proposed Department of Defense Appropriations Act, 1965. You pointed out that this section, requiring that at least 35 percent of the Navy's repair, alteration, and conversion work be made available to private yards, will have a particularly adverse effect upon naval shipyard operations during fiscal 1965.

The Navy does not question the accuracy of the statistics and reasoning in your letter. It is true that because of lower budget estimates for ship conversion, alteration and repair work for fiscal 1965, as compared to fiscal 1964, the naval shipyards' portion of such work, in dollars, will diminish by about one-third. The private shipyards' portion of such work will also decrease, in dollars, by approximately the same percentage. With regard to new ship construction, fiscal 1965 budget estimates are higher than those of fiscal 1964. If it is decided to place the same percentage of new construction in private yards in fiscal 1965 as in fiscal 1964, these yards will receive a considerably larger volume of such work during the next fiscal year. The net result is that the volume of all types of naval ship work in the private yards will remain substantially constant, while the overall naval shipyard workload will decline appreciably. It should be noted that dollar volume is not a direct reflection of shipyard manpower requirements because of the different funding and spending patterns in the work segments of repair, alteration, conversion, and new construction.

Firm decisions as to the division of naval ship construction for fiscal 1965 between naval and private shipyards will not, of course, be made until after enactment of the Department of Defense Appropriations Act, 1965, but your estimate of 80 percent to the private shipyards is reasonable. As you indicated, the division of warship construction between naval and private shipyards is governed by the Vinson-Trammell Act (48 Stat. 504). Of the 53 ships in the 1965 SCN budget, Vinson-Trammell will apply only to the 6 SS(N)s. As in the past, the Navy will recommend assignments of new construction work considered to be in the best interests of national defense.

The Navy is mindful of your keen interest in the outlook for the naval shipyards. In the event that the "35 percent proviso," or some similar provision, is enacted as part of the pending Department of Defense Appropriations Bill for fiscal 1965, the Navy must, of course, comply with such requirement.

Your thoughtful analysis, together with similar information recently presented to the Shipyards Policy Board which I chair, indicates the desirability for review of the 65–35 proviso in light of changing conditions. I intend to take this matter up with appropriate officials of the Department of Defense in the near future.

Sincerely yours,

PAUL H. NITZE.

If we want a balanced naval defense effort, let us let the Navy do the job without being handicapped by unreasonable policy limitations.

I would like to say just a word about the relative health of the private shipbuilders as is contained in their April "Shipbuilders Council Annual Report for 1964."

NAVAL SHIP ORDERS

During the past year, contracts for 29 new naval ships aggregating 149,000 displacement tons were placed with private shipyards. In numbers of ships, this is the postwar high. In terms of tonnage, the 1963 contracts were exceeded only in 1951 when the new awards totaled 169,920 displacement tons.

NAVAL SHIP DELIVERIES

A total of 17 naval ships aggregating 81,000 tons were delivered last year. In 1962 the output was 15 ships of 76,200 tons.

NAVAL ORDERBOOK

As of January 1, 1964, the private shipyards had 83 ships totaling 450,300 displacement tons under construction or on order. This is the greatest backlog of naval work in hand since 1946, and reflects a significant improvement over the January 1, 1963, totals of 71 ships and 385,000 tons.

PROPOSED FISCAL YEAR 1965 MARAD BUDGET

President Johnson's proposed budget would provide $124.9 million to cover the Government's share of the cost of building 17 cargo ships for the subsidized lines and the acquisition of trade-in vessels. For the current fiscal year $112.5 million was appropriated, sufficient for only 15 ships.

EMPLOYMENT, HOURS, AND EARNINGS

Employment ran unusually high during the first 5 months hitting a peak of 122,000 in March. Consequently, average employment over the year was 118,200 as compared with 116,200 in 1962.

A Maritime Administration study revealed that U.S. shipbuilding prices last year were 22 percent below the price levels which prevailed 5 years earlier and that this price reduction was achieved despite the fact that the shipbuilders' labor and material costs rose steadily during this period.

The Committee should be aware of the new competitiveness that is everywhere apparent in our naval shipbuilding effort. At the Mare Island Naval Shipyard in the last 3 years we have actually produced for fleet service more nuclear submarines than any other public or private yard in the country. We know in the West that costs can only escalate when ship completion dates are not met or accelerated. The last two Polaris submarines, the *Andrew Jackson* and *Woodrow Wilson* were, in fact, constructed each in 150,000 man-days less than other yards. By purchase of public power from the Central Valley project, this one shipyard saves on power better than $500,000 per year; and under a new SMART—Shipyard Management and Review Technique—Bureau of Ships program, this yard will save $1 million in the current fiscal year. We also have a cost reduction program far more ambitious than the Defense Department which anticipates a $6.9 million saving in fiscal 1964.

I would like to say a few words about morale.

Private industry has an addage that you can always find someone to sell for a little less price and produce a product of a little less quality.

The principle here applies.

THE 17TH ATLAS FLIGHT WITHOUT A FAILURE

Mr. CORMAN. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. VAN DEERLIN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. VAN DEERLIN. Mr. Speaker, the extraordinary success of the Ranger moon shot, and the amazing pictures thus obtained of the moon are by now familiar not only to us in this country but to the entire world. This tremendous feat demonstrates to every nation that the United States is unquestionably the world leader in space exploration for peace as well as for military needs.

A significant factor in the Ranger shot, and one that should not be overlooked, is the outstanding record of consistent success supplied by the Atlas booster. The Ranger moon shot culminated 16 previous successful Atlas launchings—a performance which, by eliminating costly failures, has saved well over a hundred million dollars. In appreciation of this outstanding record, I have sent the following telegram to Mr. J. R. Dempsey, president of General Dynamics-Astronautics in San Diego, Calif.:

> Spectacular success of the Ranger moon shot should not overshadow the equally spectacular record of consecutive successful launchings by Atlas boosters. Ranger shot was the 17th straight. Such amazing reliability is the backbone of our space program. My heartiest congratulations to the General Dynamics-Astronautics team.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. PURCELL (at the request of Mr. THOMAS), for today, on account of official business.

Mr. GARMATZ (at the request of Mr. FALLON), for today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. HALPERN (at the request of Mr. SCHADEBERG), for 20 minutes, today; and to revise and extend his remarks and include extraneous matter.

Mr. BROMWELL (at the request of Mr. SCHADEBERG), for 30 minutes, today; and to revise and extend his remarks and include extraneous matter.

Mr. PUCINSKI, for 30 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. FERNÓS-ISERN.

Mr. HARRIS to revise and extend remarks made by him in Committee of the Whole and to include certain letters and other information.

(The following Member (at the request of Mr. CORMAN) and to include extraneous matter:)

Mr. CORMAN.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1481. An act to provide for the establishment of the Agate Fossil Beds National Monument in the State of Nebraska, and for other purposes; to the Committee on Interior and Insular Affairs.

S. 1909. An act to amend the joint resolution establishing the Battle of New Orleans Sesquicentennial Celebration Commission to authorize an appropriation to enable the Commission to carry out its functions under such joint resolution; to the Committee on the Judiciary.

S. 2419. An act to authorize the Secretary of the Interior to condemn certain property in the city of St. Augustine, Fla., within the boundary of the Castillo de San Marcos National Monument, and for other purposes; to the Committee on Interior and Insular Affairs.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 1892. An act to repeal the act of October 22, 1919 (41 Stat. 293; 43 U.S.C. 351–355, 357–360);

H.R. 2977. An act to authorize the sale of certain lands of the Cheyenne River Sioux Tribe;

H.R. 2989. An act to further amend the Missing Persons Act to cover certain persons detained in foreign countries against their will, and for other purposes;

H.R. 4739. An act to amend section 406 of title 37, United States Code, with regard to the advance movement of dependents and baggage and household effects of members of the uniformed services;

H.R. 7215. An act to direct the Secretary of the Interior to convey certain lands to the Citizen Band of Potawatomi Indians and certain other lands to the Absentee-Shawnee Tribe of Indians, and for other purposes;

H.R. 7833. An act to amend the act entitled "An act to provide for the distribution of the land and assets of certain Indian rancherias and reservations in California, and for other purposes," approved August 18, 1958 (72 Stat. 619);

H.R. 9634. An act to authorize the Secretary of Defense to lend certain Army, Navy, and Air Force equipment and provide certain services to the Girl Scouts of the United States of America for use at the 1965 Girl Scouts Senior Roundup encampment, and for other purposes;

H.R. 10319. An act to amend title 10, United States Code, to authorize increased fees for the sale of U.S. Naval Oceanographic Office publications;

H.R. 10483. An act to authorize the sale of 58.19 acres of Eastern Shawnee tribal land in Oklahoma;

H.R. 10503. An act to authorize appropriations for the fiscal years 1966 and 1967 for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes; and

H.R. 11035. An act to authorize the extension of certain naval vessel loans now in existence.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 2218. An act to authorize the Secretary of the Interior to accept the transfer of certain national forest lands in Cocke County, Tenn., for purposes of the Foothills Parkway, and for other purposes;

S. 2339. An act conferring jurisdiction upon the U.S. Court of Claims to hear, determine, and render judgment upon the claim of Sarpy County, Nebr.; and

S. 3001. An act to amend title 37, United States Code, to increase the rates of basic pay for members of the uniformed services.

ADJOURNMENT

Mr. CORMAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 11 minutes p.m.) the House adjourned until tomorrow, Wednesday, August 5, 1964, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2365. A letter from the Comptroller General of the United States, transmitting a report on a review of operating-differential wage-subsidy-rate determinations which disclosed several deficiencies in the procedures used by the Maritime Administration in computing the rates, which have resulted in substantial unwarranted subsidy payments to vessel operators, Maritime Administration, Department of Commerce; to the Committee on Government Operations.

2366. A letter from the Comptroller General of the United States, transmitting a report relating to excessive allocation of costs of certain facilities to the Keyway slum clearance and urban renewal project, Topeka, Kans., Urban Renewal Administration, Housing and Home Finance Agency; to the Committee on Government Operations.

2367. A letter from the Comptroller General of the United States, transmitting a report relating to the Utilization and Disposal Service Office in the Dallas regional office of the General Services Administration declared surplus and sold certain aircraft spare parts costing about $1.4 million, without adequately determining whether the excess parts were required by other Federal agencies, the proceeds from the sale of the $77,000 of needed excess items being about $9,700, and stating that, to the extent that the Air Force is required to purchase these items, the Government could incur unnecessary costs of $67,300; to the Committee on Government Operations.

2368. A letter from the Comptroller General of the United States, transmitting a report on a review relating to unnecessary costs to the Government in the leasing of electronic data processing systems by General Electric Co., Heavy Military Electronics Department, Syracuse, N.Y., Department of Defense; to the Committee on Government Operations.

2369. A letter from the Comptroller General of the United States, transmitting a report on a review relating to the unnecessary costs to the Government in the leasing of electronic data processing systems by General Electric Co., Flight Propulsion Division, Cincinnati, Ohio, and West Lynn, Mass., Department of Defense; to the Committee on Government Operations.

2370. A letter from the Comptroller General of the United States, transmitting a report on a review relating to overpricing of survival kit equipment furnished by Rocket Jet Engineering Corp., Glendale, Calif., to Scott Aviation Corp., Lancaster, N.Y., for the F-4 aircraft program, Department of Defense; to the Committee on Government Operations.

2371. A letter from the Comptroller General of the United States, transmitting a report relating to excessive prices negotiated for installation and test of radar systems under a negotiated fixed-price contract with Avco Corp., Electronics Division, Cincinnati, Ohio, Department of the Air Force; to the Committee on Government Operations.

2372. A letter from the Comptroller General of the United States, transmitting a report on a review relating to overpricing of modification kits and spare parts purchased from Hughes Aircraft Co., Culver City, Calif., under negotiated firm fixed-price contracts, Department of the Air Force; to the Committee on Government Operations.

2373. A letter from the Secretary, Export-Import Bank of Washington, transmitting a report that the Export-Import Bank of Washington on July 16, 1964, issued its guarantee with respect to certain transactions with the country of Poland dealing in the commodity of tallow in the amount of $1,110,000, pursuant to title III of the Foreign Aid and Related Agencies Appropriation Act of 1964, and to the Presidential determination of February 4, 1964; to the Committee on Foreign Affairs.

2374. A letter from the Chairman, Federal Communications Commission, transmitting a copy of the report on backlog of pending applications and hearing cases in the Federal Communications Committee as of June 30, 1964, pursuant to Public Law 554, 82d Congress; to the Committee on Interstate and Foreign Commerce.

2375. A letter from the Comptroller General of the United States, transmitting a report on a review relating to unnecessary procurement of certain Hi-Valu aeronautical parts and components managed by the San Antonio Air Materiel Area of the Air Force Logistics Command, Department of the Air Force, finding revealing that San Antonio procured, or failed to take appropriate action to prevent the procurement of, unneeded Hi-Valu aeronautical parts and components costing about $634,000 and erroneously determined that it had a need to procure additional Hi-Valu aeronautical parts and components costing about $579,000 and that item control officers also failed to take actions to terminate outstanding procurements totaling about $1 million following determinations that needs for certain Hi-Valu aeronautical parts and components had decreased; to the Committee on Government Operations.

2376. A letter from the President, Board of Commissioners of the District of Columbia, transmitting a draft of a proposed bill to amend the Presidential Inaugural Ceremonies Act; to the Committee on the District of Columbia.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FRIEDEL: Committee on House Administration. H. Res. 719. Resolution to remove certain inequities with respect to the longevity compensation of certain members of the Capitol Police; without amendment (Rept. No. 1648). Ordered to be printed.

Mr. FRIEDEL: Committee on House Administration. H. Res. 800. Resolution authorizing expenditures incurred by the Special Committee To Investigate Campaign Expenditures to be paid from the contingent fund of the House; without amendment (Rept. No. 1649). Ordered to be printed.

Mr. HAYS: Committee on House Administration. S. Con. Res. 83. Concurrent resolution to authorize the printing of additional copies of the hearings on interagency coordination in environmental hazards (pesticides), part I (including exhibits); without amendment (Rept. No. 1652). Ordered to be printed.

Mr. HAYS: Committee on House Administration. S. Con. Res. 87. Concurrent resolution to print additional copies of a committee print of the Committee on Government Operations entitled "Catalog of Federal Aids to States and Local Governments"; without amendment (Rept. 1653). Ordered to be printed.

Mr. HAYS: Committee on House Administration. S. Con. Res. 88. Concurrent resolution authorizing the printing of additional copies of the committee print entitled "A Report of a Study of United States Foreign Aid in Ten Middle Eastern and African Countries"; without amendment (Rept. No. 1654). Ordered to be printed.

Mr. HAYS: Committee on House Administration. S. Con. Res. 90. Concurrent resolution to print additional copies of volumes 1 and 2 of selected readings in employment and manpower, of a committee print series; without amendment (Rept. No. 1655). Ordered to be printed.

Mr. ELLIOTT: Committee on Rules. H. Res. 810. Resolution to extend the time allowed the House Select Committee on Government Research for making its reports to the House under House Resolution 504; without amendment (Rept. 1692). Referred to the House Calendar.

Mr. HAYS: Committee on House Administration. H. Res. 730. Resolution authorizing the printing of "United States Defense Policies in 1963" as a House document; without amendment (Rept. No. 1650). Ordered to be printed.

Mr. HAYS: Committee on House Administration. S. 1336. An act to provide that the price at which the Coast and Geodetic Survey sells certain charts and related material to the public shall not be less than the cost thereof; without amendment (Rept. No. 1651). Ordered to be printed.

Mr. GALLAGHER: Report from the Canada-United States Interparliamentary Group (Rept. No. 1693). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LIBONATI: Committee on the Judiciary. S. 353. An act for the relief of Benjamin A. Ramelb; with amendment (Rept. No. 1656). Referred to the Committee of the Whole House.

Mr. DONOHUE: Committee on the Judiciary. S. 2288. An act for the relief of John J. Feeney; without amendment (Rept. No. 1657). Referred to the Committee of the Whole House.

Mr. GILBERT: Committee on the Judiciary. H.R. 1219. A bill for the relief of Charles Marowitz; without amendment (Rept. No. 1658). Referred to the Committee of the Whole House.

Mr. KING of New York: Committee on the Judiciary. H.R. 3642. A bill for the relief of Mike Mizokami, Sam Mizokami, Tom Mizokami, and Hatsuyo Mizokami; with amendment (Rept. No. 1659). Referred to the Committee of the Whole House.

Mr. KING of New York: Committee on the Judiciary. H.R. 4082. A bill for the relief of Robert O. Overton, Marjorie C. Overton, and Sally Eitel; without amendment (Rept. No. 1660). Referred to the Committee of the Whole House.

Mr. LIBONATI: Committee on the Judiciary. H.R. 4967. A bill for the relief of Mrs. Marie Rose Colandro; with amendment (Rept. No. 1661). Referred to the Committee of the Whole House.

Mr. ASHMORE: Committee on the Judiciary. H.R. 5079. A bill for the relief of Robert L. Yates and others; with amendment (Rept. No. 1662). Referred to the Committee of the Whole House.

Mr. SHRIVER: Committee on the Judiciary. H.R. 5411. A bill for the relief of Edward Berger; with amendment (Rept. No. 1663). Referred to the Committee of the Whole House.

Mr. ASHMORE: Committee on the Judiciary. H.R. 6183. A bill for the relief of Maxie L. Stevens; with amendment (Rept. No. 1664). Referred to the Committee of the Whole House.

Mr. GILBERT: Committee on the Judiciary. H.R. 6593. A bill for the relief of Earnest O. Scott; with amendment (Rept. No. 1665). Referred to the Committee of the Whole House.

Mr. LIBONATI: Committee on the Judiciary. H.R. 7026. A bill for the relief of Maj. Kenneth F. Coykendall, U.S. Army; with amendment (Rept. No. 1666). Referred to the Committee of the Whole House.

Mr. DONOHUE: Committee on the Judiciary. H.R. 7176. A bill for the relief of Oscar V. Johnson; with amendment (Rept. No. 1667). Referred to the Committee of the Whole House.

Mr. ASHMORE: Committee on the Judiciary. H.R. 8300. A bill for the relief of Gordon W. McGrew; without amendment (Rept. No. 1668). Referred to the Committee of the Whole House.

Mr. GILBERT: Committee on the Judiciary. H.R. 8596. A bill for the relief of Patrick J. Clyne; with amendment (Rept. No. 1669). Referred to the Committee of the Whole House.

Mr. LIBONATI: Committee on the Judiciary. H.R. 9201. A bill for the relief of Capt. Charles H. Glassett, Jr.; without amendment (Rept. No. 1670). Referred to the Committee of the Whole House.

Mr. ASHMORE: Committee on the Judiciary. H.R. 9282. A bill for the relief of CWO Edward R. Kreiss; with amendment (Rept. No. 1671). Referred to the Committee of the Whole House.

Mr. LIBONATI: Committee on the Judiciary. H.R. 9286. A bill for the relief of Lt. Col. John W. Cassell, U.S. Army; with amendment (Rept. No. 1672). Referred to the Committee of the Whole House.

Mr. LIBONATI: Committee on the Judiciary. H.R. 9406. A bill for the relief of Clarence L. Aiu and others; with amendment (Rept. No. 1673). Referred to the Committee of the Whole House.

Mr. LIBONATI: Committee of the Judiciary. H.R. 9430. A bill for the relief of Lt. Col. James P. Hubbard, U.S. Army; with amendment (Rept. No. 1674). Referred to the Committee of the Whole House.

Mr. LIBONATI: Committee of the Judiciary. H.R. 9847. A bill for the relief of Daniel Walter Miles; without amendment (Rept. No. 1675). Referred to the Committee of the Whole House.

Mr. GILBERT: Committee on the Judiciary. H.R. 9902. A bill for the relief of William L. Chatelain, U.S. Navy, retired; with amendment (Rept. No. 1676). Referred to the Committee of the Whole House

Mr. GILBERT: Committee on the Judiciary. H.R. 9949. A bill for the relief of McKoy-Helgerson Co.; without amendment (Rept. No. 1677). Referred to the Committee of the Whole House.

Mr. SHRIVER: Committee on the Judiciary. H.R. 9976. A bill for the relief of Elmer Levy; with amendment (Rept. No. 1678). Referred to the Committee of the Whole House.

Mr. GILBERT: Committee on the Judiciary. H.R. 10259. A bill to provide for the remuneration of artistic services rendered by Trygve A. Rovelstad in the creation of certain designs for the "American Roll of Honor," a memorial book, now reposing in the American Memorial Chapel of St. Paul's Cathedral, London, England; with amendment (Rept. No. 1679). Referred to the Committee of the Whole House.

Mr. LIBONATI: Committee on the Judiciary. H.R. 10294. A bill for the relief of Mrs. Lois Graybill; without amendment (Rept. No. 1680). Referred to the Committee of the Whole House.

Mr. KING of New York: Committee on the Judiciary. H.R. 10526. A bill for the relief of Marvin S. Kline; with amendment (Rept. No. 1681). Referred to the Committee of the Whole House.

Mr. SHRIVER: Committee on the Judiciary. H.R. 11223. A bill for the relief of Edward G. Morhauser; without amendment (Rept. No. 1682). Referred to the Committee of the Whole House.

Mr. KING of New York: Committee on the Judiciary. H.R. 11468. A bill for the relief of Col. William W. Thomas and Lt. Col. Norman R. Snyder, U.S. Air Force; with amendment (Rept. No. 1683). Referred to the Committee of the Whole House.

Mr. LIBONATI: Committee on the Judiciary. H.R. 11469. A bill for the relief of Chief M. Sgt. Robert J. Becker, U.S. Air Force; without amendment (Rept. No. 1684). Referred to the Committee of the Whole House.

Mr. SHRIVER: Committee on the Judiciary. H.R. 11484. A bill for the relief of Col. Thomas O. Lawton, Jr., U.S. Air Force; without amendment (Rept. No. 1685). Referred to the Committee of the Whole House.

Mr. KING of New York: Committee on the Judiciary. H.R. 11485. A bill for the relief of Lt. Col. C. E. Tabor, Jr., U.S. Air Force; without amendment (Rept. No. 1686). Referred to the Committee of the Whole House.

Mr. KING of New York: Committee on the Judiciary. H.R. 11735. A bill for the relief of Shirley Shapiro; without amendment (Rept. No. 1687). Referred to the Committee of the Whole House.

Mr. KING of New York: Committee on the Judiciary. H.R. 5898. A bill for the relief of E. F. Fort, Cora Lee Fort Corbett, and W. R. Fort; with amendment (Rept. No. 1688). Referred to the Committee of the Whole House.

Mr. LIBONATI: Committee on the Judiciary. H.R. 7348. A bill for the relief of Frank B. Rowlett; without amendment (Rept. No. 1689). Referred to the Committee of the Whole House.

Mr. LIBONATI: Committee on the Judiciary. H.R. 10634. A bill for the relief of the Quality Bedding Co.; with amendment (Rept. No. 1690). Referred to the Committee of the Whole House.

Mr. ASHMORE: Committee on the Judiciary. S. 1875. An act for the relief of Thomas M. Talley; with amendment (Rept. No. 1691). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ASHBROOK:

H.R. 12215. A bill to amend title 28, United States Code, to provide for a temporary stay of proceedings in any action for the reapportionment of any State legislative body; to the Committee on the Judiciary.

By Mr. BOGGS:

H.R. 12216. A bill to incorporate the American Academy of Actuaries; to the Committee on the Judiciary.

By Mr. GURNEY:

H.R. 12217. A bill to amend title 38 of the United States Code so as to exclude certain social security benefits in computing annual income for the purpose of determining eligibility for pensions under that title; to the Committee on Veterans' Affairs.

By Mr. MICHEL:

H.R. 12218. A bill to amend title 28, United States Code, to provide for a temporary stay of proceedings in any action for the reapportionment of any State legislative body; to the Committee on the Judiciary.

By Mr. QUILLEN:

H.R. 12219. A bill to amend the Interstate Commerce Act and the Federal Aviation Act of 1958 in order to exempt certain wages and salary of employees from withholding for tax purposes under the laws of States or subdivisions thereof other than the State or subdivision of the employee's residence; to the Committee on Interstate and Foreign Commerce.

By Mr. ROOSEVELT:

H.R. 12220. A bill to amend the Federal Aviation Act of 1958, as amended, to separate the operating authority provisions of foreign direct and foreign indirect air carriers; to the Committee on Interstate and Foreign Commerce.

By Mr. ROYIBAL:

H.R. 12221. A bill to amend the Federal Aviation Act of 1958, as amended, to separate the operating authority provisions of foreign direct and foreign indirect air carriers; to the Committee on Interstate and Foreign Commerce.

By Mr. WHITE:

H.R. 12222. A bill to amend title 28, United States Code, to provide for a temporary stay of proceedings in any action for the reapportionment of any State legislative body; to the Committee on the Judiciary.

By Mr. CHENOWETH:

H.R. 12223. A bill to amend title 28, United States Code, to provide for a temporary stay of proceedings in any action for the reapportionment of any State legislative body; to the Committee on the Judiciary.

By Mr. DOLE:

H.R. 12224. A bill to amend title 28, United States Code, to provide for a temporary stay of proceedings in any action for the reapportionment of any State legislative body; to the Committee on the Judiciary.

By Mr. FINDLEY:

H.R. 12225. A bill to amend title 28, United States Code, to provide for a temporary stay of proceedings in any action for the reapportionment of any State legislative body; to the Committee on the Judiciary.

By Mr. HARVEY of Indiana:

H.R. 12226. A bill to amend title 28, United States Code, to provide for a temporary stay of proceedings in any action for the reapportionment of any State legislative body; to the Committee on the Judiciary.

By Mr. HOEVEN:

H.R. 12227. A bill to amend title 28, United States Code, to provide for a temporary stay of proceedings in any action for the reapportionment of any State legislative body; to the Committee on the Judiciary.

By Mr. HOLIFIELD:

H.R. 12228. A bill to amend the Atomic Energy Act of 1954, as amended, and for other purposes; to the Joint Committee on Atomic Energy.

By Mr. HOSMER:

H.R. 12229. A bill to amend the Atomic Energy Act of 1954, as amended, and for other purposes; to the Joint Committee on Atomic Energy.

By Mr. LESINSKI:

H.R. 12230. A bill to amend the Public Health Service Act to provide for an Institute of Nutrition; to the Committee on Interstate and Foreign Commerce.

By Mr. PILLION:

H.R. 12231. A bill to amend title 28, United States Code, to provide for a temporary stay of proceedings in any action for the reapportionment of any State legislative body; to the Committee on the Judiciary.

By Mr. BROCK:

H.R. 12232. A bill to amend title 28, United States Code, to provide for a temporary stay of proceedings in any action for the reapportionment of any State legislative body; to the Committee on the Judiciary.

By Mr. CAREY:

H.R. 12233. A bill to establish the Prison Ship Martyrs National Historic Site in Fort Greene Park, Brooklyn, N.Y.; to the Committee on Interior and Insular Affairs.

By Mrs. HANSEN:

H.R. 12234. A bill to provide for the disposition of judgment funds on deposit to the credit of the Quinault Tribe of Indians; to the Committee on Interior and Insular Affairs.

By Mr. KING of New York:

H.R. 12235. A bill to amend title 28, United States Code, to provide for a temporary stay of proceedings in any action for the reapportionment of any State legislative body; to the Committee on the Judiciary.

By Mr. MAILLIARD:

H.R. 12236. A bill to revitalize the mint at San Francisco so that more coin-producing capacity will be available; to the Committee on Banking and Currency.

By Mrs. MAY:

H.R. 12237. A bill to authorize the Secretary of the Interior to construct, operate, and maintain the Touchet Division, Walla Walla project, Oregon-Washington, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mrs. REID of Illinois:

H.R. 12238. A bill to amend title 28, United States Code, to provide for a temporary stay of proceedings in any action for the reapportionment of any State legislative body; to the Committee on the Judiciary.

By Mr. ROBISON:

H.R. 12239. A bill to amend title 28, United States Code, to provide for a temporary stay of proceedings in any action for the reapportionment of any State legislative body; to the Committee on the Judiciary.

By Mr. ROUDEBUSH:

H.R. 12240. A bill to amend title 28, United State Code, to provide for a temporary stay of proceedings in any action for the reapportionment of any State legislative body; to the Committee on the Judiciary.

By Mr. SCHWEIKER:

H.R. 12241. A bill to authorize a 3-year program to assist States and communities to mobilize and coordinate human and financial resources to combat the causes of poverty in the United States, and to assure coordination of Federal, State, and local programs designed to eliminate or alleviate the effects of poverty; to the Committee on Education and Labor.

By Mr. SHORT:

H.R. 12242. A bill to amend title 28, United States Code, to provide for a temporary stay of proceedings in any action for the reapportionment of any State legislative body; to the Committee on the Judiciary.

By Mr. TALCOTT:

H.R. 12243. A bill to amend the Internal Revenue Code of 1954 to authorize and facilitate the deduction from gross income by teachers of the expenses of advanced education (including certain limited travel) undertaken by them, and to provide a uniform method of proving entitlement to such deduction; to the Committee on Ways and Means.

By Mr. ULLMAN:

H.R. 12244. A bill to provide for the disposition of judgment funds of the Klamath and Modoc Tribes and Yahooskin Band of Snake Indians, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. HALL:

H.R. 12245. A bill to amend title 28, United States Code, to provide for a temporary stay of proceedings in any action for the reapportionment of any State legislative body; to the Committee on the Judiciary.

By Mr. PICKLE:

H.R. 12246. A bill to amend Public Law 49, 84th Congress, to authorize the State of Texas to lease certain lands to the city of Austin; to the Committee on Armed Services.

By Mr. WINSTEAD:

H.R. 12247. A bill to amend title 28, United States Code, to provide for a temporary stay of proceedings in any action for the reapportionment of any State legislative body; to the Committee on the Judiciary.

By Mr. WHITE:

H.J. Res. 1141. Joint resolution proposing an amendment to the Constitution to reserve to each State exclusive power to determine the composition of its legislature and the apportionment of the membership thereof; to the Committee on the Judiciary.

By Mr. WINSTEAD:

H.J. Res. 1142. Joint resolution proposing an amendment to the Constitution to reserve to each State exclusive power to determine the composition of its legislature and the apportionment of the membership thereof; to the Committee on the Judiciary.

By Mr. CLANCY:

H. Con. Res. 337. Resolution to request the President of the United States to urge certain actions in behalf of Lithuania, Estonia, and Latvia; to the Committee on Foreign Affairs.

By Mr. HALPERN:

H. Con. Res. 338. Concurrent resolution to establish a Joint Committee on Ethics in the legislative branch of the Government; to the Committee on Rules.

By Mr. MILLS:

H. Res. 814. Resolution providing for taking H.R. 1839 from the Speaker's table, disagreeing to Senate amendments and requesting a conference with the Senate; to the Committee on Rules.

By Mr. PHILBIN:

H. Res. 815. Resolution extending greetings and felicitations of the House of Representatives to the people of Winchendon, Mass., on the occasion of the 200th anniversary of their community; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. GIBBONS:

H.R. 12248. A bill to permit the vessel *Janice Vee* to be documented for use in the fisheries and coastwise trade; to the Committee on Merchant Marine and Fisheries.

By Mr. LIPSCOMB:

H.R. 12249. A bill to provide for the free entry of one mass spectrometer for the use of Pomona College; to the Committee on Ways and Means.

H.R. 12250. A bill for the relief of Maj. Ralph D. Caldwell; to the Committee on the Judiciary.

By Mr. ROBERTS of Alabama:

H.R. 12251. A bill for the relief of Mrs. Eusthathia Demopoulou; to the Committee on the Judiciary.

By Mr. ST GERMAIN:

H.R. 12252. A bill for the relief of Maurice Jean Marcel Belanger, Jr.; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

998. By the SPEAKER: Petition of William Raney and others, Carmichael, Calif., requesting the reopening of the San Francisco Branch Mint; to the Committee on Banking and Currency.

999. Also, petition of Leonard A. Johnson, city clerk, Minneapolis, Minn., urging Congress to enact legislation to provide for medical and hospital care for senior citizens; to the Committee on Ways and Means.

SENATE

TUESDAY, AUGUST 4, 1964

The Senate met at 11 o'clock a.m., and was called to order by Hon. DANIEL K. INOUYE, a Senator from the State of Hawaii.

Rev. Dwayne Knight, D.D., minister, First Methodist Church, Mitchell, S. Dak., offered the following prayer:

Almighty God, Giver of life and all mercies, we pause to acknowledge Thy beneficence and to invoke Thy blessing upon this responsible assembly.

We praise Thee for bringing this fortress of freedom, our beloved homeland, into being. Were we to make its vast and rolling plains our paper, its forest trees our pen, its countless lakes and rivers our ink, Thy glory still could not be written. But in our humble, human way we thank Thee for it all.

Help us again today to accept the responsibility that is inseparable from our freedom; to pursue the upreach of character, that is our mature response to Thy downreach of love; to manifest an outreach of concern for humanity, which is the only convincing evidence that we are Thine.

Let today's deliberations so emanate from our hearts and minds that at day's end we may lie down to peaceful and restorative sleep, hearing in the distance, at least faintly, Thy "Well done." In Jesus' name. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., August 4, 1964.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. DANIEL K. INOUYE, a Senator from the State of Hawaii, to perform the duties of the Chair during my absence.

LEE METCALF,
Acting President pro tempore.

Mr. INOUYE thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request by Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Monday, August 3, 1964, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The ACTING PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the Committee on the Judiciary.

(For nominations this day received, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Acting President pro tempore (Mr. INOUYE).

S. 2218. An act to authorize the Secretary of the Interior to accept the transfer of certain national forest lands in Cocke County, Tenn., for purposes of the Foothills Parkway, and for other purposes;

S. 2339. An act conferring jurisdiction upon the U.S. Court of Claims to hear, determine, and render judgment upon the claim of Sarpy County, Nebr.;

S. 3001. An act to amend title 37, United States Code, to increase the rates of basic pay for members of the uniformed services;

H.R. 1892. An act to repeal the act of October 22, 1919 (41 Stat. 293; 43 U.S.C. 351–355, 357–360);

H.R. 2977. An act to authorize the sale of certain lands of the Cheyenne River Sioux Tribe;

H.R. 2989. An act to further amend the Missing Persons Act to cover certain persons detained in foreign countries against their will, and for other purposes;

H.R. 4739. An act to amend section 406 of title 37, United States Code, with regard to the advance movement of dependents and baggage and household effects of members of the uniformed services;

H.R. 7833. An act to amend the act entitled "An act to provide for the distribution of the land and assets of certain Indian rancherias and reservations in California, and for other purposes," approved August 18, 1958 (72 Stat. 619);

H.R. 10319. An act to amend title 10, United States Code, to authorize increased fees for the sale of U.S. Naval Oceanographic Office publications;

H.R. 10483. An act to authorize the sale of 58.19 acres of Eastern Shawnee tribal land in Oklahoma; and

H.R. 11035. An act to authorize the extension of certain naval vessel loans now in existence.

LIMITATION OF DEBATE DURING MORNING HOUR

On request by Mr. MANSFIELD, and by unanimous consent, statements during the morning hour were ordered limited to 3 minutes.

COMMITTEE MEETING DURING SENATE SESSION

On request by Mr. MANSFIELD, and by unanimous consent, the Subcommittee on Constitutional Rights of the Judiciary Committee was authorized to meet during the session of the Senate today.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT ON UNNECESSARY COSTS TO THE GOVERNMENT IN THE LEASING OF ELECTRONIC DATA PROCESSING SYSTEMS AT SYRACUSE, N.Y.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on unnecessary costs to the Government in the leasing of electronic data processing systems by General Electric Co., Heavy Military Electronics Department, Syracuse, N.Y., Department of Defense, dated July 1964 (with an accompanying report); to the Commitee on Government Operations.

REPORT ON UNNECESSARY COSTS TO THE GOVERNMENT IN THE LEASING OF ELECTRONIC DATA PROCESSING SYSTEMS AT CINCINNATI, OHIO, AND WEST LYNN, MASS.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on unnecessary costs to the Government in the leasing of electronic data processing systems by General Electric Co., Flight Propulsion Division, Cincinnati, Ohio, and West Lynn, Mass., Department of Defense, dated July 1964 (with an accompanying report); to the Committee on Government Operations.

REPORT ON EXCESSIVE ALLOCATION OF COSTS OF CERTAIN FACILITIES TO THE KEYWAY SLUM CLEARANCE AND URBAN RENEWAL PROJECT, TOPEKA, KANS.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on excessive allocation of costs of certain facilities to the Keyway slum clearance and urban renewal project, Topeka, Kans., Urban Renewal Administration, Housing and Home Finance Agency, dated July 1964 (with an accompanying report); to the Committee on Government Operations.

REPORT ON UNWARRANTED SUBSIDY PAYMENTS RESULTING FROM DEFICIENCIES IN THE COMPUTATION OF OPERATING-DIFFERENTIAL WAGE SUBSIDY RATES

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on unwarranted subsidy payments resulting from deficiencies in the computation of operating-differential wage subsidy rates, Maritime Administration, Department of Commerce, dated July 1964 (with an accompanying report); to the Committee on Government Operations.

REPORT ON OVERPRICING OF MODIFICATION KITS AND SPARE PARTS PURCHASED FROM HUGHES AIRCRAFT CO., CULVER CITY, CALIF.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on overpricing of modification kits and spare parts purchased from Hughes Aircraft Co., Culver City, Calif., under negotiated firm fixed-price contracts, Department of the Air Force, dated July 1964 (with an accompanying report); to the Committee on Government Operations.

REPORT ON PREMATURE DISPOSAL OF CERTAIN AIRCRAFT SPARE PARTS BY THE UTILIZATION AND DISPOSAL SERVICE

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on premature disposal of certain aircraft spare parts by the Utilization and Disposal Service, General Services Administration, dated July 1964 (with an accompanying report); to the Committee on Government Operations.

REPORT ON EXCESSIVE PRICES NEGOTIATED FOR INSTALLATION AND TEST OF CERTAIN RADAR SYSTEMS

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on excessive prices negotiated for installation and test of radar systems under a negotiated fixed-price contract with AVCO Corp., Electronics Division, Cincinnati, Ohio, Department of the Air Force, dated July 1964 (with an accompanying report); to the Committee on Government Operations.

REPORT OF OVERPRICING OF SURVIVAL KIT EQUIPMENT FURNISHED BY ROCKET JET ENGINEERING CORP., GLENDALE, CALIF.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on overpricing of survival kit equipment furnished by Rocket Jet Engineering Corp., Glendale, Calif., to Scott Aviation Corp., Lancaster, N Y., for the F–4 aircraft program, Department of Defense, dated July 1964 (with an accompanying report); to the Committee on Government Operations.

PETITION

The ACTING PRESIDENT pro tempore laid before the Senate a petition signed by S. Sgt. and Mrs. Philip G. Roos, and sundry other members of the uniformed services presently residing in the Portsmouth, N.H., and Kittery, Maine, area, praying for the enactment of the bill (H.R. 8954) to amend section 409 of title 37, United States Code, to authorize the transportation of house trailers and mobile dwellings of members of the uniformed services within the continental United States, within Alaska, or between the continental United States and Alaska, and for other purposes, which was ordered to lie on the table.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BIBLE, from the Committee on Interior and Insular Affairs, with an amendment:

S. 1365. A bill to establish the Fire Island National Seashore, and for other purposes (Rept. No. 1300).

By Mr. SIMPSON, from the Committee on Interior and Insular Affairs, with amendments:

S. 2048. A bill to provide for the establishment of the Big Horn Canyon National Recreation Area, and for other purposes (Rept. No. 1301).

By Mr. MOSS, from the Committee on Interior and Insular Affairs, without amendment:

H.R. 9521. An act to increase the authorization for appropriation for continuing work in the Missouri River Basin by the Secretary of the Interior (Rept. No. 1302).

By Mr. HART, from the Committee on the Judiciary, without amendment:

S. 2391. A bill to limit the applicability of the antitrust laws so as to exempt certain aspects of designated professional team sports, and for other purposes (Rept. No. 1303).

By Mr. DIRKSEN, from the Committee on the Judiciary, without amendment:

H.J. Res. 925. Joint resolution creating a joint committee to commemorate the 100th anniversary of the 2d inaugural of Abraham Lincoln (Rept. No. 1305).

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. 2711. A bill for the relief of Frank S. Chow (Rept. No. 1307);

H.R. 1997. An act to amend subsection (c) of section 1332 of title 28, United States Code, relating to diversity of citizenship (Rept. No. 1308);

H.R. 4088. An act for the relief of the Industrial Tractor Parts Co., Inc. (Rept. No. 1309);

H.R. 4871. An act for the relief of Glenn C. Deits and others (Rept. No. 1310);

H.R. 8999. An act to provide for the settlement of claims of certain inhabitants of the United States living in the area inundated by the sudden floods of the Rio Grande as a result of the construction of the Falcon Dam, and for other purposes (Rept. No. 1311);

H.R. 9372. An act to remove a cloud on the title of certain property owned by Wilmer Allers and Jane B. Allers, both of Malin, Oreg. (Rept. No. 1312); and

H.R. 11255. An act to validate certain payments of per diem allowances made to members of the Coast Guard (Rept. No. 1313).

By Mr. EASTLAND, from the Committee on the Judiciary, with an amendment:

S. 2712. A bill for the relief of Sime Dragutin Vulin (Rept. No. 1314);

S. 2742. A bill for the relief of Mrs. Styliani Papathanasiou (Rept. No. 1315);

S. 2812. A bill for the relief of Joanne Irene Taylor (Rept. No. 1316); and

H.R. 6034. An act for the relief of Robert L. Johnston (Rept. No. 1317).

By Mr. EASTLAND, from the Committee on the Judiciary, with amendments:

S. 2741. A bill for the relief of Palmerina Caira and her minor children (Rept. No. 1318).

By Mr. JORDAN of North Carolina, from the Committee on Rules and Administration, without amendment:

S. Res. 341. Resolution authorizing the printing as a Senate document of a compilation of materials relating to reclamation repayment contracts (Rept. No. 1319);

S. Res. 343. Resolution authorizing additional expenditures by the Committee on Finance;

S. Res. 345. Resolution to print additional copies of part 1 of hearings on "Study of Food Marketing" (Rept. No. 1320); and

S. Res. 346. Resolution to print additional copies of part 2 of hearings on "Study of Food Marketing" (Rept. No. 1321).

CONSENT OF CONGRESS TO CONSTRUCTION OF CERTAIN INTERNATIONAL BRIDGES—REPORT OF A COMMITTEE (S. REPT. NO. 1304)

Mr. FULBRIGHT, from the Committee on Foreign Relations, reported an original bill (S. 3074) to give the consent of Congress to the construction of certain international bridges, and submitted a report thereon; which report was ordered to be printed, and the bill was read twice by its title, and placed on the calendar.

CERTAIN CASES IN WHICH THE ATTORNEY GENERAL HAS SUSPENDED DEPORTATION—REPORT OF A COMMITTEE (S. REPT. NO. 1306)

Mr. EASTLAND, from the Committee on the Judiciary, reported an original concurrent resolution (S. Con. Res. 92) favoring the suspension of deportation of certain aliens, and submitted a report thereon; which report was ordered to be printed, and the concurrent resolution to be placed on the calendar, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation pursuant to the provisions of section 244(a)(2) of the Immigration and Nationality Act, as amended (66 Stat. 204; 8 U.S.C. 1251):

A–3787267, Rosales-Villanueva, Jesus.
A–12615068, Lieu, Kim-Yew.
A–2984458, Moreno-Perez, Jesus.
A–1481950, Razo, Graciano.
A–12617044, Wong, Leonard Chan.
A–1228745, Highbloom, Maurice.
A–5427225, Milgrom, Joseph.
A–10774247, Yin-Soon, Woo.
A–5458343, Tamayo-Jasso, Francisco Mario.
A–4892479, Garcia-Maciel, Guadalupe.
A–3060369, Kasimoff, Myer.
A–10415990, Tescher, Harry Dent.
A–2106097, Uryga, John.
A–5557528, Zeleski, John.
A–4344720, Cusimano, Matteo.
A–2331535, Lagsdin, Paul.
A–5551391, Michelev, Theodor.
A–1551766, Salas, Gavino Rossas.
A–3490589, Wingert, Joseph Peter.
A–1455368, Zuk, George.
A–1281051, Chapchuk, Alexander Wasilewiz.
A–7961806, Daniels, Abraham.
A–10416224, Gavialis, Olgard Victor.
A–2929432, Mikalauskas, Antanas.
A–8993441, Rivera, Dionicio.
A–3964345, Tur, Theodore.
A–10639796, Alicoff, George.
A–12517043, Haw, Wong Ming.
A–6519257, Miles, Jadwiga.
A–6082963, Nurse, George Eric.
A–5718139, Rodriguez-Ochoa, Jesus Maria.
A–3995157, Thaler, Harry.
A–5932930, Siegel, Lydia Lorraine.
A–2493224, Tong, Lee See.
A–13452360, Torrez-Lopez, Ignacio.
A–5486037, Tye, Wong Fook.
A–1344623, Zielinski, Stanislau Viktor.
A–4448147, Mlongian, Mike.
A–10414728, Mossotti, Edward.
A–3520411, Rzeczkowski, Edward.
A–4350398, Soffra, Joseph Losano.
A–13088696, Estrada-Perez, Cesario.
A–10416202, Freeman, Mary.
A–5937239, Mohammed, Abdulleh.
A–1852835, Rios-Gonzalez, Porfirio.
A–3097327, Tow, Ben.
A–1744555, Basar, Nick.
A–12534391, Chin, Kun.
A–12519941, Chun, Ong.
A–3498265, Guraves, Stanley.
A–3173756, Nicoara, John.
A–4088206, Talian, Isidor Teodor.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. FULBRIGHT, from the Committee on Foreign Relations:

Charles W. Yost, of New York, for promotion from the class of career minister to the class of career ambassador; and

Lucius D. Battle, of Florida; Wymberley DeR. Coerr, of Connecticut; William J. Crockett, of Nebraska; Armin H. Meyer, of Illinois; George A. Morgan, of the District of Columbia; and William J. Porter, of Massachusetts, for promotion from class 1 to the class of career minister in the Foreign Service.

By Mr. MAGNUSON, from the Committee on Commerce:

Donald R. Tibbit, and sundry other persons, for permanent appointment in the Coast and Geodetic Survey.

By Mr. JOHNSTON, from the Committee on Post Office and Civil Service:

One hundred and twenty-four postmaster nominations.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. KUCHEL:

S. 3072. A bill to revitalize the mint at San Francisco so that more coin producing capacity will be available; to the Committee on Banking and Currency.

(See the remarks of Mr. KUCHEL when he introduced the above bill, which appear under a separate heading.)

By Mr. GRUENING:

S. 3073. A bill to amend section 615 of the Internal Revenue Code of 1954, relating to the tax treatment of exploration expenditures; to the Committee on Finance.

(See the remarks of Mr. GRUENING when he introduced the above bill, which appear under a separate heading.)

By Mr. FULBRIGHT:

S. 3074. A bill to give the consent of Congress to the construction of certain international bridges; placed on the calendar.

(See reference to the above bill when reported by Mr. FULBRIGHT, from the Committee on Foreign Relations, which appears under the heading "Reports of Committees.")

By Mr. PASTORE:

S. 3075. A bill to amend the Atomic Energy Act of 1954, as amended, and for other purposes; to the Joint Committee on Atomic Energy.

By Mr. DOMINICK:

S. 3076. A bill for the relief of William Zee Man Fai; to the Committee on the Judiciary.

By Mr. YARBOROUGH:

S. 3077. A bill to amend Public Law 49, 84th Congress, to authorize the State of Texas to lease certain lands to the city of Austin; to the Committee on Armed Services.

CONCURRENT RESOLUTION

CERTAIN CASES IN WHICH THE ATTORNEY GENERAL HAS SUSPENDED DEPORTATION

Mr. EASTLAND, from the Committee on the Judiciary, reported an original concurrent resolution (S. Con. Res. 92) favoring the suspension of deportation of certain aliens, which was placed on the calendar.

(See the above concurrent resolution printed in full when reported by Mr. EASTLAND, which appears under the heading "Reports of Committees.")

REVITALIZATION OF SAN FRANCISCO MINT

Mr. KUCHEL. Mr. President, I introduce, for appropriate reference, a bill to revitalize the mint at San Francisco so that more coin producing capacity will be available. There is a shortage of coins in America. That is especially true in the Far West. There is, and has been since almost the beginning of our history, a mint in San Francisco.

In 1962, legislation was passed through Congress which made the mint facilities in San Francisco simply an assay office. I suggest that one means by which all the machinery and available manpower at San Francisco with reference to the assay office might best be utilized to solve the problem of the shortage would be to pass legislation such as I introduce, so that the Director of the Mint may go forward. And, while they simply engage in the receipt of gold and silver, the facilities there may be used and expanded, if necessary, in order to overcome the shortage of coins.

The **ACTING PRESIDENT** pro tempore. The bill will be received and appropriately referred.

The bill (S. 3072) to revitalize the mint at San Francisco so that more coin producing capacity will be available, introduced by Mr. KUCHEL, was received, read twice by its title, and referred to the Committee on Banking and Currency.

EXPLORATION DEDUCTIONS FOR MINERS ARE DESIRABLE AND NEEDED

Mr. GRUENING. Mr. President, more than a year ago, in May 1963, I conducted, as chairman of the Minerals, Materials, and Fuels Subcommittee of the Senate Interior and Insular Affairs Committee, a series of hearings on the state of the American mining industry. At these hearings the subcommittee heard testimony from a wide variety of spokesmen for the mining industry, for the Government and from other groups having an interest in the welfare of this important segment of the Nation's industrial operations.

The picture that then emerged, and which has not changed at all significantly since the time of the hearings, was that of a great industry that has become a stepchild of the Federal Government and which in many areas has suffered a disastrous decline. While, for example, agriculture, manufacturing of all kinds, and the transportation industry receive subsidies, technical assistance and tax advantages of one kind or another to foster their prosperity, the mining industry has been very largely neglected, and even discriminated against in the development of Federal policies and programs.

While I think there are none who will deny that the mining of raw materials is essential to the industry and commerce of the world, I find that few are aware of how hampered it is by a lack of application of progressive or sympathetic policies by the Federal Government. Consequently, our mining industry is continually declining as a major contributor to the prosperity of the Nation.

Our neighbors to the north, in Canada, have had an entirely different attitude toward the development of mineral resources. There are constant reminders in news of mining operations that generous tax advantages, subsidies, and a generally liberal attitude toward the industry in Canada have made mining a progressive, prosperous industry in that great country. At the same time, in the United States, mining fails to make its proper contribution to the gross national product; does not provide the opportunities it could for employment of our citizens; and falls in its rating in the scale of the national economy.

Revitalization of mining in the United States should be an important component of the plans for removing poverty as a condition of our existence. Here is an area where there are marvelous opportunities for solving problems of unemployment, for increasing earnings of those now working, and for making a positive contribution to a prosperous United States.

The mining industry itself has repeatedly called attention to a particular restriction on its effectiveness, which I am certain can be and should be removed. That is the present internal revenue law limiting deductions of mining industries for exploration expenses to a total of $400,000, with an annual limitation of $100,000.

This arbitrary restriction on deductions that may be taken for exploration expenses, essential to development of a mining property, presents an obvious and unjustified inhibition of investment in mining enterprises. This, in turn, limits employment opportunities, limits income of those employed, and inevitably results in failures in development of properties that could, instead of remaining worthless, make a contribution to a prosperous economy.

Recognizing the inhibiting effect on the mining industry of the present internal revenue law, I introduced, on June 27, 1963, with Senators ALLOTT, BARTLETT, BIBLE, ENGLE, HUMPHREY, LONG of Missouri, MCGOVERN, MOSS, MUNDT, and SIMPSON, a bill, S. 1807, which would have completely removed all limitations on the deduction of exploration expenditures in the case of minerals other than oil or gas. This bill was later introduced as an amendment to H.R. 8363—Public Law 88–272—the Revenue Act of 1964.

Unfortunately, it was impossible to obtain favorable action on this legislation during consideration of the general revenue law.

The reason lay in an adverse report on the amendment by the Treasury Department.

The principal objection of the Treasury Department to the previous amendment I introduced to H.R. 8363 was that the expenditures that would have been made currently deductible by the taxpayer are, in fact, capital investment and recoverable through depletion allowance provisions of the Internal Revenue Code.

At the outset, I think there are grounds for taking issue with the principle that exploration expenditures are capital investment. It is my view, and that of the miners, that these expenses are operating expenditures that should be fully deductible in the same manner as research expenditures of other industries. In our time of breathtaking progress in all fields of engineering and science, mining exploration techniques and methods have changed and advanced as rapidly as research methods in any modern industry. There was testimony to this at the hearings, to which reference was made above, by Assistant Secretary John Kelly of the Department of the Interior, who testified as follows:

> Our future technology is dependent upon the vigor with which we find and appraise new sources of ores and minerals and devise more effective methods for handling and processing ores and waste.
>
> * * * * *
>
> The technology of finding, extracting, and processing minerals has greatly changed during the past 30 years. Indeed, the changes have been almost revolutionary. Most mineral deposits that have eluded surface search by the prospector, using conventional methods of ore finding, probably repose beneath soil, valley fill, or barren rock at depths where detection requires the application of scientific techniques and special instrumentation. Also, the list of minerals for which we search is no longer confined only to the precious and the base metals. The oldtime prospector is vanishing, being replaced by trained fieldmen equipped with the techniques of geophysics and geochemistry, and utilizing new methods of geological analysis. His burro is replaced by the jeep, the airplane, or the helicopter.

Assuming, as a realist, that while all else changes and hence there is progress, there will be no change in the attitude of the Treasury Department that the exploration expenses of mining industries represent capital investment and cannot be allowed as deductions as expenses from income, is unassailable and immutable law, I have had drafted a new bill to meet the argument of the Department on this point and at the same time include provisions necessary to give impetus to the progress and prosperity of the American mining industry.

The bill I now introduce would allow full deduction of exploration expenditures by mining industries as they are paid or incurred, without regard to the $400,000-total, $100,000-annual limitation now in the internal revenue law. However, the taxpayer would, when a mine reaches the producing stage, be required to comply with further provisions resulting in the recapture by the Treasury Department of taxes representing the difference between those which would have been levied if the expenses had been capitalized and amounts actually paid under the new provisions. In other words, the taxpayer whose net profits, hence taxes, would be reduced during the exploration stage of a mine, by reason of deduction of exploration expenses, would be required, when he has a profitable operation underway, to pay taxes in the amount which would have been levied but for the provisions of this bill.

At the time a mine reaches the producing stage, the taxpayer would be given alternatives of (A) including in gross income for the taxable year in which production is reached an amount equal to that previously deducted as exploration expense less the amount by which the depletion deduction of the mine has been reduced as a result of the expense deduction; or, (B) forgoing deductions for depletion until the amount of depletion allowable otherwise equals the amount of the exploration expenditures deducted. If alternative (A) is taken, the amount includible in income for the year would be added to the adjusted basis of the mine. If alternative (B) is taken the basis of the property would not be reduced.

It is the belief of the mining industry the enactment of this legislation will have the effect of stimulating exploration; hence development; hence prosperity of the Nation. Insofar as it represents an innovation in tax procedure, it is not one which would deprive the Federal Government of revenues needed and otherwise collectible. In fact, it is my belief this treatment of the mining industry would generate income and, in the long run, stimulate the economy so that we might look forward to an increase in tax revenues as a result of its enactment.

In passing I might refer to another ground of opposition to the amendment to H.R. 8363 I proposed earlier in this session of Congress. At that time argument was advanced that removal of limitations on exploration deductions would be of greater assistance to the very large mines than to small mining operations having less profitable operations, thus less tax liability. In answer to this, I would first point out the proposal I am now introducing is quite different from the amendment to H.R. 8363 introduced earlier in this session.

The basis of the argument against this form of relief for the mining industry seems to lie in the assumption that the reason for enactment of the present law allowing limited deductions was to adjust deductions at a point that would be of maximum benefit to small miners as contrasted with the very large mining operations. While there is some reason to question whether this was a major factor in enactment of the existing law, it would seem to be entirely consistent to increase the tax benefit for small—as well as large—miners on the theory that if a little relief is good for them more might be even better.

The fact is, most current mining operations are small, as can be seen from the attached tabulation prepared by the Department of Interior listing numbers of mines in operation in 1962—the last year for which data are available—by tonnage of ores produced. Thus, to the extent benefit will come from the legislation I now propose it is certain to extend to small miners as well as large ones.

I ask unanimous consent that the text of the bill I now introduce, together with the tabulation of the Interior Department on size of mining operations, be printed in full at the conclusion of these remarks and that the bill be appropriately referred.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill and tabulation will be printed in the RECORD.

The bill (S. 3073) to amend section 615 of the Internal Revenue Code of 1954, relating to the tax treatment of exploration expenditures, introduced by Mr. GRUENING, was received, read twice by its title, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, Section 615 of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following new subsection:

"(e) EXPENDITURES IN EXCESS OF LIMITATION—

"(1) ELECTION OF TAXPAYER.—If exploration expenditures paid or incurred before the beginning of the development stage of a mine are not deductible under subsection (a) because they exceed the limitation of $100,000 set forth in subsection (a) or the limitation of $400,000 set forth in subsection (c), at the election of the taxpayer such excess expenditures shall be allowed as a deduction when paid or incurred despite such limitations, but the claiming of such deductions shall make applicable the provisions of paragraph (2) if and when the mine reaches the producing stage.

"(2) RECAPTURE PROVISIONS.—If a mine reaches the producing stage after the taxpayer has claimed any deduction under paragraph (1) for exploration expenditures in respect of any interest included in the mine, then the deduction for the adjusted exploration expenditures, as defined in paragraph (3), shall be recaptured as follows:

"(A) If the taxpayer so elects, the taxpayer shall include in gross income for the taxable year in which the mine reaches the producing stage an amount equal to the adjusted exploration expenditures chargeable to the mine, and the amount so included in income shall be added to the adjusted basis of the mine as of the beginning of such year; and

"(B) If the taxpayer does not elect the application of subparagraph (A), then the deduction for depletion under section 611 with respect to the mine (or if the mine is only a part of an aggregated property, then the respect to the aggregated property) shall be disallowed until the amount of depletion otherwise allowable equals the amount of such adjusted exploration expenditures chargeable to the mine. The basis of any property shall not be reduced by the amount of any depletion which would be allowable but for the application of this subparagraph.

"(3) DEFINITION.—For the purposes of this subsection, the term 'adjusted exploration expenditures' with respect to any mine means the amount of the exploration expenditures in excess of the amount deductible under subsection (a) which would have been added to the basis of the mine (or to an aggregated property which includes a mine) if the expenditures had been capitalized instead of deducted under paragraph (1), reduced by the amount, if any, by which the percentage depletion deduction for the year of the exploration expenditures was reduced on account of the deduction of such excess expenditures."

The tabulation presented by Mr. GRUENING is as follows:

TABLE 9.—*Number of domestic metal and nonmetal mines in 1962 classified by commodity and magnitude of annual crude ore production*

Commodity	Total number of mines	Less than 100 short tons	100 to 1,000 short tons	1,000 to 10,000 short tons	10,000 to 100,000 short tons	100,000 to 1,000,000 short tons	1,000,000 to 10,000,000 short tons	Over 10,000,000 short tons
Metals:								
Bauxite	11		1	2	5	3		
Beryllium	36	16	11	8	1			
Copper	115	33	15	11	20	17	16	3
Gold:								
Lode	126	87	28	7	2	1	1	
Placer	155	30	40	32	32	16	4	1
Iron ore	186	3	7	21	38	82	33	2
Lead	64	28	21	8	1	5	1	
Manganese ore	3		1	1	1			
Manganiferous ore	5				3	2		
Mercury	39	14	15	6	4			
Molybdenum	2		1				1	
Nickel	1						1	
Platinum-group metals	1						1	
Silver	71	34	21	8	5	3		
Titanium minerals	8			1	1	2	4	
Tungsten	8	1	3	1	1	2		
Uranium	449	86	155	127	59	22		
Zinc	82	5	7	7	37	26		
Total, metals	1,362	337	326	240	210	181	62	6

TABLE 9.—*Number of domestic metal and nonmetal mines in 1962 classified by commodity and magnitude of annual crude ore production*—Continued

Commodity	Total number of mines	Less than 100 short tons	100 to 1,000 short tons	1,000 to 10,000 short tons	10,000 to 100,000 short tons	100,000 to 1,000,000 short tons	1,000,000 to 10,000,000 short tons	Over 10,000,000 short tons
Nonmetals:								
Abrasives [1]	18	5	6	3	4			
Aplite	4				3	1		
Asbestos	6			2	2	2		
Barite	53	2	7	10	15	19		
Boron minerals	5		2	2			1	
Clays	1,234	7	81	367	660	118	1	
Diatomite	12	2	2		4	4		
Feldspar	62	6	18	19	16	3		
Fluorspar	20	1	7	3	7	2		
Gypsum	69	1		7	28	33		
Greensand	3			3				
Mica:								
Scrap	25	1	2	6	14	2		
Sheet	113	67	27	15	4			
Olivine	6			4	2			
Perlite	16		4	5	5	2		
Phosphate rock	48			3	9	22	13	1
Potassium salts	7					3	4	
Pumice	93	3	14	31	40			
Pyrites	4			1	3			
Salt	22			3	4	12	3	
Sodium carbonate (natural)	3				1		2	
Stone:								
Crushed and broken	3,045	24	80	365	1,106	1,379	89	2
Dimension	561	42	167	241	100	11		
Sulfur:								
Frasch-process mines	11					9	2	
Other mines	2			2				
Talc, soapstone, and pyrophyllite	78	1	17	38	21	1		
Vermiculite	7	2	1	1	1	2		
Wollastonite	5	1	1	2	1			
Other [2]	9			3	2	4		
Total, nonmetals	5,541	165	436	1,136	2,052	1,634	115	3
Grand total	6,903	502	762	1,376	2,262	1,815	177	9

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[1] Emery, garnet, grinding pebbles, and tripoli.

[2] Epsomite, graphite, kyanite, lithium minerals, magnesite, and sodium sulfate (nat.).

AMENDMENT OF FOREIGN ASSISTANCE ACT OF 1961—AMENDMENTS (AMENDMENT NO. 1177)

Mr. MUNDT (for himself, Mr. LAUSCHE, and Mr. MORSE) submitted an amendment, intended to be proposed by them, jointly, to the bill (H.R. 11380) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes, which was ordered to lie on the table and to be printed.

AMENDMENTS NOS. 1179 THROUGH 1182

Mr. MORSE. Mr. President, I ask unanimous consent that I may submit out of order, and that they may be printed and lie at the desk, my second batch of amendments to the very unsound Foreign Aid bill that is pending before the Senate. This batch is to be followed by other batches which will be submitted during the week.

The ACTING PRESIDENT pro tempore. The amendments will be received, printed, and lie on the table.

SOCIAL SECURITY AMENDMENTS OF 1964—AMENDMENTS (AMENDMENT NO. 1178)

Mr. GORE (for himself and Mr. McCARTHY) submitted amendments, intended to be proposed by them, jointly, to the bill (H.R. 11865) to increase benefits under the Federal old-age, survivors, and disability insurance system, to provide child's insurance benefits beyond age 18 while in school, to provide widow's benefits at age 60 on a reduced basis, to provide benefits for certain individuals not otherwise eligible at age 72, to improve the actuarial status of the trust funds, to extend coverage, and for other purposes, which were referred to the Committee on Finance, and ordered to be printed.

REAPPORTIONMENT OF STATE LEGISLATURES—ADDITIONAL COSPONSOR OF BILL

Mr. LAUSCHE. Mr. President, the Senator from Illinois [Mr. DIRKSEN] has introduced in the Senate a bill, S. 3069, dealing with the recent Supreme Court decisions holding that the senatorial representation in State legislatures must be on the basis of one vote for one individual, and that the historic and traditional and philosophic representation of geographical areas by senators must come to an end.

The bill which the Senator from Illinois introduced deals with this issue. I am in complete accord with the traditional, historical, and philosophical method of choosing senators.

The framers of our Federal Constitution and the framers of our State constitutions contemplated that representatives in State legislatures would be chosen on the basis of population, and that senators would be chosen on the basis of representing districts without regard to population.

Never in my whole career have I heard the argument advanced that that was not the purpose of the framers of our Federal and State Constitutions. As a boy in school, as a student of law, and as a judge, it has always been my understanding that senators in State legislatures were chosen, not on the basis of population, but on the basis of geographical areas to be represented in those legislative bodies.

I doubt if more than a small percentage, and probably even less than a small percentage, of the people of our country have ever conceived that it was the objective of the framers of the State constitutions and the Federal Constitution that senators be chosen on the basis of population.

If the Supreme Court has authority to hold that State senators in State legislatures must be chosen on the basis of population, I suppose, to be logical, it ought to go one step further and say that large States shall have more senators than small States. That has never been the concept of the American people.

For that reason I ask unanimous consent that my name be subscribed as a cosponsor of the bill introduced by the Senator from Illinois [Mr. DIRKSEN], S. 3069, to amend title 28, United States Code, to provide for a temporary stay of proceedings in any action for the reapportionment of any State legislative body.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, August 4, 1964, he presented to the President of the United States the following enrolled bills:

S. 2218. An act to authorize the Secretary of the Interior to accept the transfer of certain national forests lands in Cocke County, Tenn., for purposes of the Foothills Parkway, and for other purposes;

S. 2339. An act conferring jurisdiction upon the U.S. Court of Claims to hear, determine, and render judgment upon the claim of Sarpy County, Nebr.; and

S. 3001. An act to amend title 37, United States Code, to increase the rates of basic pay for members of the uniformed services.

TAX LIABILITY SETTLEMENT BY TREASURY DEPARTMENT IN FAVOR OF NATIONAL FARMERS UNION

Mr. WILLIAMS of Delaware. Mr. President, today I invite attention to a case in which the Treasury Department made an unusually attractive settlement of a $2,673,923.15 tax liability of the National Farmers Union and its related companies for only $456,199.09 plus accrued interest of $233,010.16. This represents a compromise settlement of less than 20 cents on the dollar.

The record shows that for the years 1951 through 1957, a total tax deficiency of $2,673,923.15 was proposed against the National Farmers Union and three of its affiliated companies.

These assessments were as follows:

National Farmers Union Service Corp., docket No. 90258	$1,442,134.95
National Farmers Union Property & Casualty Co., docket No. 90259	862,037.32
The Farmers' Educational and Cooperative Union of America, docket No. 90257	369,750.88

These three claims, totaling $2,673,923.15 plus interest, were settled for only $456,199.09, plus interest of $233,010.16.

As an explanation for this extremely liberal settlement, the Internal Revenue Service claimed that the reduced settlement "was due in large part to attributing identical items of income to each of the three organizations in order to protect the Government's interests."

I do not accept this argument as a satisfactory explanation. First, while there may have been some duplication, this explanation could only account for a small part of the compromise reduction.

I can see no justification for the Treasury Department's having allowed the National Farmers Union to settle its $2,673,923.15 liability for only $456,199.09, or less than one-fifth of what they owed, and I am sure that many smaller taxpayers whose liabilities are collected to the last dollar will agree.

Mr. President, I ask unanimous consent to have printed in the RECORD a letter signed by Commissioner Caplin in which he confirms the amount of the deficiency and explains the settlement, followed by a statistical breakdown of these proposed assessments and compromise.

There being no objection, the letter and table were ordered to be printed in the RECORD, as follows:

U.S. TREASURY DEPARTMENT,
INTERNAL REVENUE SERVICE,
Washington, D.C.

Hon. JOHN J. WILLIAMS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR WILLIAMS: This is in reply to your letter of June 27, 1963, concerning the tax liability of the National Farmers Union, which I previously acknowledged.

As you probably know, the case of the National Farmers Union involves three related organizations; namely, the Farmers' Educational and Cooperative Union of America, National Farmers Union Service Corp., and National Farmers Union Property & Casualty Co. These related cases were docketed before the Tax Court of the United States under docket Nos. 90257, 90258, and 90259, respectively.

The specific information which you requested is set forth in the enclosed schedule. The deficiencies set forth in the statutory notices in the total amount of $2,673,923.15 were settled by a stipulated agreement in the total amount of $456,199.09 plus accrued interest of $233,010.16. Interest on the proposed deficiencies shown in the statutory notices has not been previously computed since the proposed deficiencies had not been assessed because of the tax court proceedings.

By way of explanation, I would like to point out that the size of the deficiencies asserted in the statutory notices was due in large part to attributing identical items of income to each of the three organizations in order to protect the Government's interests. The statutory notices are a part of the public record of the tax court cases.

I trust that this will give you all of the information you need. If I can be of any further service to you in this matter please let me know.

With kind regards.

Sincerely,

MORTIMER M. CAPLIN.

	Year	Tax previously assessed	Deficiency proposed in statutory notice	Deficiency per stipulated settlement	Accrued interest on stipulated deficiency
The Farmers' Educational and Cooperative Union of America, docket No. 90257.	1953	None	$96,824.56	None	None
	1954	None	68,362.88	None	None
	1955	None	80,450.80	None	None
	1956	None	87,036.08	None	None
	1957	None	37,076.56	None	None
Total		None	369,750.88	None	None
National Farmers Union Service Corp., docket No. 90258.	1951	None	47,893.51	$526.04	$354.95
	1952	None	85,205.05	30,080.88	18,492.74
	1953	None	263,142.86	209,359.48	116,145.76
	1954	None	121,641.28	14,004.37	6,928.90
	1955	None	192,419.66	87,245.87	37,931.63
	1956	None	49,460.21	None	None
	1957	None	682,372.38	49,676.41	15,636.50
Total		None	1,442,134.95	390,893.05	195,490.48
National Farmers Union Property and Casualty Co., docket No. 90259.	1951	$5.97	197,101.74	13,409.30	9,048.15
	1952	7,497.87	125,067.43	15,693.22	9,647.68
	1953	2,465.84	320,757.79	15,192.29	8,428.18
	1954	59,158.82	202,227.13	21,011.23	10,395.67
	1956	None	16,883.23	None	None
Total		69,128.50	862,037.32	65,306.04	37,519.68
Grand total		69,128.50	2,673,923.15	456,199.09	233,010.16

POLITICAL ADVERTISING—GOP FOREIGN POLICY?

Mr. YOUNG of Ohio. Mr. President, it seems to me that with the debate taking place this week in the Chamber on our foreign assistance program it is proper for me to invite the attention of the Senate to the fact that recently I came into possession of a number of gold-tipped matches, in attractive red and silver matchbooks, which were used in connection with the nomination of our colleague the Senator from Arizona [Mr. GOLDWATER], in his drive for the Republican presidential nomination.

They are most attractive matches housed in a beautiful red and silver matchbook. It was a matter of surprise to me to note on the back of each matchbox the printed notation, "Made in Sweden."

Officials and employees of the Ohio Match Co. of Wadsworth, Ohio, and other match companies in my State take a dim view of this, and they wonder why their companies or some other American match companies were not selected as being good enough for the Goldwater campaign braintrust—or should I term it "brainless trust"—for the manufacture of the beautiful matchbooks urging the nomination of our colleague, the Senator from Arizona [Mr. GOLDWATER].

At any rate, it seems to me that in view of the foreign assistance bill which is being considered in the Senate this week, it is of interest to note that the Republican candidate for President has apparently already become entangled in foreign affairs by his followers in the purchase and distribution of these matchbooks.

The question occurs to me, Mr. President, Is this Goldwater campaign gimmick, or advertising with matchbooks made in Sweden, some Goldwater campaign committee leaders' view of the proper policy of the Grand Old Party—the Republican Party—for foreign aid? Is it also indicative of their views regarding the serious problem of the outflow of gold from our Nation?

Mr. CLARK. Mr. President, will the Senator from Ohio yield?

Mr. YOUNG of Ohio. I am glad to yield to the Senator from Pennsylvania.

The ACTING PRESIDENT pro tempore. The time of the Senator from Ohio has expired.

Mr. YOUNG of Ohio. Mr. President, I ask unanimous consent that I may proceed for 1 additional minute.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. CLARK. I wonder whether the Senator does not believe that the fact that these matchbooks were manufactured in Sweden would be some indication that the GOP standard bearer is now going to go all out for President Kennedy's trade expansion program?

Mr. YOUNG of Ohio. This does help the trade expansion program to some extent. It also helps the prosperity of an already prosperous Sweden—a great and friendly nation.

THE PROPOSED MULTILATERAL NUCLEAR FORCE—MLF

Mr. CLARK. Mr. President, yesterday, my colleague and seatmate, the senior Senator from Idaho [Mr. CHURCH], made what I thought was a very valuable suggestion. He said that there is a great deal of pressure in certain areas of the State Department, and in other parts of the administration, for the adoption of a multilateral nuclear force which would provide for the creation of naval vessels carrying Polaris missiles to be manned by mixed crews of our NATO allies; which would carry nuclear warheads, but on which, however, the United States would retain its veto with respect to their firing.

I believe that the Senator from Idaho was wise in urging that the question of the multilateral force be explored fully and in the open, not only by Members of Congress, but also by the public generally.

In order to follow the wise suggestion of Senator CHURCH, I ask unanimous consent that an address delivered on April 22, 1964, by Hon. Gerard C. Smith, special adviser to the Secretary of State, before the U.S. Naval Academy Foreign Affairs Conference at Annapolis, Md., entitled "Problems of Foreign Policy in Connection with the Nuclear Defense of NATO" be printed at this point in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

PROBLEMS OF FOREIGN POLICY IN CONNECTION WITH THE NUCLEAR DEFENSE OF NATO

(Address by the Honorable Gerard C. Smith, special adviser to the Secretary of State, before the U.S. Naval Academy Foreign Affairs Conference, Annapolis, Md., Wednesday, April 22, 1964)

I. INTRODUCTION

Admiral Minter, distinguished guests, delegates, faculty, midshipmen, I am honored to be here to join with you in opening the Fourth Naval Academy Foreign Affairs Conference, attended by outstanding young men and women from all over the United States.

This year's conference considers "Problems of U.S. Foreign Policy in the European Community."

I would like to discuss with you tonight a project which is designed to meet one of the most pressing of these problems: How can the United States share strategic deterrent responsibilities with its NATO allies without promoting independent national nuclear forces?

The solution we propose to this problem has much to do with the sea; naval officers have contributed greatly to it. I speak of the MLF—the multilateral force—the proposed missile fleet for NATO.

II. THE SETTING

First, let us look briefly at the problem to which this MLF project is addressed.

Since the war, we have been trying to create a working partnership between a uniting Western Europe and North America.

That partnership, though not yet fully realized has been more successful than we once dared to hope.

The reconstruction of Europe under the Marshall plan, the development of NATO, the creation of three European communities, the Coal and Steel Community, the Common Market, and Euratom have all contributed to this success. They have helped European countries to draw closer to each other and to North America, and to progress further toward higher levels of economic and social well-being, more stable and promising relations with the countries of Eastern Europe and the Soviet Union, and a somewhat more durable peace.

Obstacles to continuing progress, of course, exist. The road ahead—the continuing movement toward European integration and Atlantic partnership—will not be smooth. The long-term prospect is favorable; but the inevitable only comes to pass, as Justice Holmes wisely observed, through human effort.

I am told that a British Army manual used to advise that the best way to avoid mortar fire is by going forward. By the same token, the way for Europeans and Americans to avoid being sidetracked or blocked by the obstacles to European integration and Atlantic partnership is by going forward in new joint programs.

For Europeans: In programs which follow the classic pattern of European integration, affording every interested country an opportunity to join on a basis of equality, without any suggestion of first- or second-class membership.

For Europeans and Americans: In programs which follow the classic pattern of Atlantic partnership—close association with the United States while leaving open the opportunity for an ever larger European role as Europe moves toward political unity.

Such new joint ventures are needed just as much in defense as in other fields. Neither European integration nor Atlantic partnership will rest on a solid basis if they extend only to the economic area.

A relapse into nationalism would be particularly disruptive in the field of nuclear weapons. If each industrially qualified ally should build its own nuclear weapons, a harvest of division and allied friction would result, weakening the Atlantic alliance, seriously prejudicing the efficiency of the alliance nuclear deterrent, and adding complications in the field of arms control. Alternatively, if the European Community were to be divided into first and second class citizens, with some countries claiming special status by reason of national nuclear programs which other countries lack, this would not be conducive to a cohesive community.

III. THE PROBLEM

Against this background, we now face the question of how best to respond to European nuclear concerns.

Over the past 7 years the Soviet Union has been deploying hundreds of rockets aimed at Western Europe. This array is still growing.

Although programed U.S. forces would be adequate to meet the threat, there is a good case for replacing some of these programed forces with medium range missiles.

On military grounds, two successive NATO Supreme Commanders, Generals Norstad and Lemnitzer, have urged deployment of such missiles to help cover Soviet forces directly threatening Europe.

Broader political and psychological considerations are also involved.

The Soviet leaders have not hesitated to put their rockets to political use. They have reminded European countries from time to time how easily the U.S.S.R. could destroy the Acropolis or the orange groves of Italy or, for that matter, all of England or France. Nuclear blackmail addressed to Europe lay at the heart of Moscow's pressure on Berlin over the period 1958–62.

It is not surprising, therefore, that Europeans living so near this Soviet nuclear power have been anxious to have a larger role in long range strategic deterrence, to complement their existing manning, ownership, and share in control of shorter range missiles.

IV. CRITERIA GOVERNING AN EFFECTIVE RESPONSE

For years leaders of the alliance have been seeking to devise an effective response to this European concern. There is a good measure of agreement on the criteria which any response should meet:

(1) It should achieve its immediate political purpose. It should respond to the concerns of our European friends.

(2) It should achieve its military purpose. It should be a credible and substantial component of the alliance nuclear deterrent.

(3) It should be a stable and responsible form of deployment. It should not add to the complex disarmament problem or make it more difficult to bring the arms race under international safeguarded restraints.

(4) It should be financially manageable. It should not retard needed economic growth, social reform, or buildup of conventional military forces.

(5) It should strengthen the prospects for European unity and trans-Atlantic partnership.

V. ALTERNATIVE RESPONSES

Three possible responses to the European nuclear/MRBM problem have been considered:

(1) Strategic nuclear weapons needed to cover the direct threat to NATO Europe could be provided by U.S. forces, with the Europeans having a larger consultative role about their use.

(2) The United States could supply medium range missiles to allied forces for national manning and ownership.

(3) The United States and interested allies could jointly own, man, and control medium-range missiles deployed to the European theater.

The first course—virtually exclusive U.S. coverage of the threat—does not seem likely to respond fully to European concerns.

It would not provide medium range missiles close at hand to offset Soviet rockets, unless such missiles were deployed to U.S. forces only. We would be hard put, in this case, to explain to our allies why we proposed to deny them any role in ownership, manning, and control of such missiles. This kind of discrimination could not fail to be politically divisive.

Some people believe that increased consultation between the United States and its allies about the use of U.S. strategic power would constitute an adequate response to this problem.

Discussion and exchange of information about strategic forces is, indeed, now taking place within the NATO framework. This process has increased in pace within the last year and we favor continuing efforts to extend such consultation. Improved arrangements for doing so were agreed upon at the Ottawa NATO meeting only last year.

If consultation about alliance strategic forces remain imperfect, it is not for lack of good will or machinery. Rather it is because the consultation is one sided. So long as consultation means other countries advising the United States about what to do with American strategic power, to which they have made little contribution, I have the feeling that it will, while useful, remain limited in effect. The effectiveness of consultation is apt to be in direct proportion to the degree of participation, by the consulting nations, in the operation they are consulting about.

Moreover, participation in nuclear matters within Europe is unequal. Some countries already have national nuclear weapons programs. The nonnuclear powers in Europe may not be prepared to accept indefinitely this inequality in participation. Improved nuclear consultation will not cure that inequality.

For all these reasons, European leaders are likely to find nuclear consultation with the United States an inadequate substitute for a role of active participation in operation of strategic weapons.

I turn now to the second course of action: deployment of medium-range missiles to allied national forces.

We followed this course in deploying first generation IRBMs to the maritime flank area of NATO Europe: United Kingdom, Italy, and Turkey. Under this system, the missile was nationally owned and manned by the allied country in question. Any wartime decision to fire the missile would have required the agreement of the United States and the owning country, under the so-called two key system.

These first generation missiles were highly vulnerable to attack, and therefore have been phased out as obsolescent.

In deploying new medium range missiles, it has seemed to us, as well as to some of our European partners, that this pattern of national deployment should not be extended to new strategic weapons. New nationally owned and manned strategic missile forces could be devisive within the alliance and unsettling in terms of East-West relations. We ought rather to be moving toward forms of ever closer integration in the ownership, manning and control of such weapons.

If the answer lies neither in a near monopoly of U.S. responsibility in the strategic field, even with improved consultation, nor in U.S. bilateral sharing with other national forces of the alliance, what is left?

The creative answer that has emerged, and is beginning to assume concrete form, is the MLF.

VI. MLF: THE PREFERRED RESPONSE

Here is our present concept of the MLF. It is, of course, subject to refinement in the process of arriving at an international agreement. It would be a fleet of surface warships, armed with Polaris missiles, owned, controlled, and manned jointly by a number of NATO nations.

The force would be under the military command of an allied officer and under the general policy direction of a board of high officials of the participating nations. The force would be open to any NATO member willing to assume a fair share of the costs and responsibilities. No nation's share could exceed 40 percent.

The force would be manned by a mix of officers and crews from participating nations. Each ship would be manned by nationals of at least three countries, with no nation providing more than 40 percent of the personnel in any ship.

Major participants—that is, those countries underwriting a significant percentage of the costs—would undoubtedly enjoy a position of special influence, not only on control but on such other matters as budgets, size, and future developments of the force.

Firing of the missiles in wartime would be by decision of an agreed number of participants, including the United States.

In the longer term, as President Johnson said at Brussels last November, "evolution toward European control as Europe marches toward unity is by no means excluded." Any change in the control formula would, of course, require the approval of all the participants. It would hinge not only on European unity but also on sufficiently wide European participation so that no single country could play a dominant role. All this would not come about quickly. In the case of the United States, participation in the force as well as any change in the control formula would require congressional consent.

The concept of a multilateral force was first suggested by then Secretary of State Herter, with the approval of President Eisenhower, at the NATO Council meeting in December 1960. It was reaffirmed by President Kennedy in a speech at Ottawa the following year. Since then it has generated increasing interest.

A working group representing the United States, Italy, Germany, the United Kingdom, Belgium, Holland, Greece, and Turkey has been meeting in Paris since October 1963. Its aim is to reach general understanding of what the MLF would involve, and of its technical and political feasibility. Encouraging progress is being made. There seem to be no insuperable difficulties

A naval demonstration of mixed-manning is about to start on a U.S. guided missile destroyer, U.S.S. *Biddle*. Personnel from the United States, Germany, Italy, the United Kingdom, the Netherlands, Greece, and Turkey will take part. In about a month's time European officers and men will start to take over about half the ship's billets. It is good to be able to report that the officers and men of the *Biddle* are deeply interested and confident of success in working out this promising possible prototype of future allied cooperation.

It long has been standard practice to have crews of many nationalities on merchant ships.

Crews of a number of European allied nations manned some British ships in World War II.

And mixed-manning has been successfully carried out for prolonged periods in the turnover of U.S. naval vessels to foreign navies.

Our Navy and all allied naval experts who have examined the problem have concluded that, with skillful training and good motivation, efficient and happy ships can be jointly manned by crews made up of men from allied navies.

VII. EUROPEAN INTERESTS

Let us now look at the MLF against the criteria which, as I mentioned earlier, must govern any response to the European missile problem.

To take the political criterion first: Would the MLF respond to European concerns?

We believe that it would do so in several ways:

(1) It would deploy medium range missiles to the European area. European countries which agree with General Lemnitzer, the Supreme Allied Commander in Europe, in favoring such deployment would be encouraged. They would expect these missiles' presence to help not only to deter aggression but also to frustrate attempts at ballistic blackmail.

(2) It would, as a high European defense official said recently, be "a clamp holding the United States and Europe together." Because the force would be jointly owned, it should further strengthen the profound U.S. commitment to the common defense of Europe symbolized and given substance by the presence of our forces in Berlin, in Germany, and elsewhere in Europe.

(3) It would narrow the present gap between nuclear and nonnuclear powers in Europe. All members of the MLF would share in ownership, managing, and manning the force.

(4) It would increase the effectiveness of consultation about use of alliance nuclear forces. MLF would afford its members the knowledge, sense of responsibility, and participation needed to make nuclear consultation effective. The mere existence of MLF, and the need for decisions about its targeting, deployment, and future evolution, are bound to improve the depth and significance of such consultation. Far from being an alternative to improved allied nuclear consultation, MLF may well be an essential component to a more meaningful form of consultation.

(5) It would be a nuclear defense program in which Europe's role and influence could grow as Europe moved toward unity. The eventual possibility of such a larger European role is an important element in making the MFL a viable alternative to national nuclear weapons programs.

Obviously, MLF does not offer what national nuclear programs purport to do: national nuclear status. It is intended to move in exactly the opposite direction. It offers a collective approach to the nuclear weapons problem.

While the present appeal of MLF is thus largely to major nonnuclear European powers, we can hope that in the long run countries now having programs of their own may also come to see the merits of the MLF.

VIII. MILITARY QUESTIONS

I turn now to the second criterion against which any proposed response to the European missile problem must be tested: What about the military utility of MLF?

The U.S. Navy, the Joint Chiefs of Staff, and the Secretary of Defense, after close study, have concluded that MLF would be militarily effective and a useful element of NATO's strategic deterrent forces.

General Lemnitzer has stated he would welcome MLF because it would help to meet his military requirement.

As presently planned, the MLF would have Polaris A-3 missiles of great penetration capacity. These missiles would be usable for all the purposes of deterrence and defense of Europe for which the weapons of U.S. Polaris submarines are capable. They would be effective against many missile sites, airfields, and other targets threatening European nations of the NATO Alliance. These missiles would be assigned to NATO and placed under the operational control of SACEUR. They would be targeted by SACEUR and be included in NATO strategic plans.

The U.S. Navy has studied the survivability of the MLF from the standpoint of possible surveillance and attack on MLF warships by submarines, surface vessels, aircraft, and missiles. It conducted this study under contingencies of cold war, limited war, and general war.

In concluded that MLF's survivability would be high—more than sufficient to insure its effectiveness as a deterrent, an operating force, and a reliable second strike retaliatory system.

MLF warships would be almost indistinguishable from thousands of other ships in the same area; they would, in peacetime, be lost in 3 to 4 million square miles of Atlantic and Mediterranean waters surrounding NATO territory; they would be able to outrun most trailing vessels and able to scrape off shadowing submarines in friendly coastal waters too shallow for submarine operation; they would operate behind the shield of the NATO land mass over which attacking planes could not fly unopposed; they would benefit from protection by NATO air and surface forces during hostilities; and they could exploit the blanketing effect of islands and restricted passages for protection from radar detection and tracking.

The fact that the United States is prepared to devote resources and manpower to MLF is the best evidence of our confidence in its invulnerablity and military effectiveness.

A question may arise as to the relation of the MLF to the level of existing and programed U.S. forces.

Certainly, the United States now has strategic forces of immense powers. But future increases in U.S. missile strength are being programed for two reasons:

1. Present U.S. strategic delivery systems rely to a large degree on manned bombers. As some of these bombers become obsolescent, they must be replaced.

2. The Soviet rocket inventory is not static—it continues to grow. If effective deterrence is to be maintained, NATO forces must keep pace, until safeguarded international arms control arrangements are achieved.

As I indicated earlier, the increased Western missile strength that is needed could be made up either of wholly U.S. forces or a mix of United States and Allied forces. If the latter course is followed, the MLF could substitute for some of the presently programed U.S. forces. At the December meeting of the North Atlantic Council, Secretary McNamara said:

"If the members of the alliance should wish, we are prepared to join other interested allies in substituting sea-based medium-range missiles for some of the longer range systems now included in our program and, in that event, we believe that this force should take the form of the multilateral surface-ship force now under discussion."

The MLF could thus not be a net addition to, but a substitution for, some of the increased strength the United States now plans to build.

Would the MLF be a credible part of NATO's deterrent to war?

As a strategic weapon system with a high degree of survivability, the MLF is likely to be fired by the participating governments, which would have to act at the highest level, only in one of two circumstances.

(1) In response to Soviet nonnuclear attack, so strong that it could not be contained by nonnuclear forces. The NATO governments have already agreed on guidelines for such circumstances.

(2) Under second-strike conditions, after a Soviet nuclear attack. In this event, the prior fact of Soviet nuclear attack should, in effect, make the decision. Nuclear war would already have begun.

Their decision would be facilitated by experience in working together in the MLF. The process of continuous consultation and planning which will be required for peacetime operation of the MLF should widen the area of agreement among MLF members about strategic matters. It would thus permit them to decide more readily on the wartime conditions under which these missiles would be fired.

There is thus little doubt that Moscow will regard the MLF as a credible component of Western nuclear armament.

IX. EFFECT ON EAST-WEST RELATIONS

I turn now to the third criterion: A strategic missile deployment to the European theater should not have a damaging effect on the chances for disarmament and for improving relations with the Soviet bloc.

A central and persisting security problem of the alliance is how to build and maintain an effective defense posture in such a way as to reinforce, rather than weaken, efforts to bring military power under safeguarded international control.

While prosecuting our defense programs, we must stay alert to any opportunities for realistic arms control arrangements. Especially when dealing with nuclear weapons systems of unimaginable destructive potential, we must resist the natural mental callousness that tends to accumulate in those who have to deal for long periods with awful but necessary things.

I can assure you that these considerations weigh heavily on the planners who are putting together the program to carry out the MLF concept.

It is fair to say that the MLF would constitute the first weapons system in history especially designed with arms control considerations in mind.

It is especially designed not to result in the national proliferation of nuclear weapons.

Recently Secretary Rusk pointed out that "the detailed arrangements for the MLF will include mutually agreed strong and enduring safeguards against any one nation's securing control of any of the MLF weapons. We believe that when the Soviet Government understands this it will recognize that the MLF does not constitute a proliferation of national nuclear systems but, on the contrary, is an alternative to it."

Let me be more specific:

The missiles in the MLF will be manned, owned, and controlled multilaterally, rather than nationally, as was the case with earlier model strategic missiles deployed in Europe. The MLF will thus not involve nuclear missiles in the hands of any individual state.

Any wartime decision to fire the missiles would be by multilateral agreement, rather than by bilateral agreement as in the case of these earlier strategic missiles. The MLF will thus increase the number of states with a finger on the safety catch, rather than on the nuclear trigger.

There would be no increase of risk of compromise of weapons design data under MLF. Multilateral custodial procedures would assure that individual countries had no greater access to information about how to design and manufacture weapons than at present under the NATO Atomic Stockpile. Stringent protection against espionage and sabotage will also be provided.

All of this is not to say that MLF will be welcomed by the U.S.S.R. It will do its best by propaganda and diplomacy to forestall MLF. This must be expected because MLF would not only constitute an offset to Soviet rockets opposing Europe, but would also evidence a new degree of Atlantic unity which Soviet policy has long sought to prevent.

Nevertheless, it is clear that it is in the interest of the United States and the U.S.S.R. not to pursue a policy of proliferation, whatever may or may not be recorded in formal agreements on this subject. And the MLF—by offering a viable alternative to national nuclear weapons programs—should improve the chances for limitation of national weapons producing centers.

Even though the MLF would not result in proliferation of nuclear weapons, a question is sometimes put as to whether it is sensible to continue with a major new weapons system while negotiating about disarmament. The answer is simple: The U.S.S.R. continues to strengthen its missile arsenal targeted on Western Europe. So long as these hundreds of Soviet rockets are arrayed against Europe, effective European participation in strategic deterrence should not be precluded.

This participation need not, moreover, increase the presently planned level of Western missile strength. For, as I have already indicated, the MLF could substitute for some of the now programed U.S. weapons. This is one reason the U.S. Government has said publicly that the MLF would be consistent with a missile freeze.

This European participation could, moreover, be helpful in efforts to bring nuclear armaments under international control. For the MLF would not only give its members, as coowners of significant nuclear power, a good claim to participate in disarmament negotiations; it would also give them the strategic understanding required to play an effective role in such negotiations.

And now a special word about the relation of the MLF to recently announced fissionable material cutbacks. These cutbacks are welcome steps. But, as President Johnson and Premier Khrushchev have said, this is not disarmament. The U.S. cutback is designed to bring production in line with need, and to reduce tension while maintaining necessary power. President Johnson has reaffirmed all the safeguards against weakening our nuclear strength which we adopted at the time of the test ban treaty. The cutbacks do not ease the specific problem MLF is designed to meet.

X. COST

Another important criterion is that the costs of a missile force should be economically manageable. It should not retard economic and social progress or the development of needed conventional forces.

During the first 5 years of construction of the force we estimate that the average annual costs to European nations becoming major participants in the MLF would be between 1 percent and 4 percent of their average annual defense expenditures. The cost to the smaller countries would be an even smaller percentage of their defense budgets. In later years the annual cost would be very much less for all these countries.

These are costs well below those of other major military programs being carried out by these NATO countries. They seem well within the margin of adjustment in the defense budgets and the national economics involved.

XI. EUROPEAN UNITY AND ATLANTIC PARTNERSHIP

The last of the criteria that I mentioned is that any approach to the European missile problem should contribute to our political goals: Atlantic partnership and European unity.

Political and military cooperation in NATO has been a good start toward the Atlantic partnership. Economic cooperation in OECD, and increased trade opportunities now being sought in the Kennedy round will, we trust, constitute a second functional base. MLF offers the nucleus of a transatlantic nuclear defense association which could be an additional political military underpinning for a concrete Atlantic partnership.

The MLF would also contribute to European integration. It would do so in three major ways:

(1) It should reduce the attraction and apparent rewards of national nuclear programs—thus diminishing the likelihood that such politically divisive programs will spread.

(2) It would narrow the present gap between nuclear and nonnuclear powers in Europe—a gap which cannot fail to impede the European community's progress toward unity.

(3) It would require joint European work, and create a venture in which European countries would find it advantageous to concert common positions.

European unity will thus be furthered by the need for the European nations to come together in order to achieve specific purposes. The common control of nuclear energy for deterrence, sought under the shadow of a threat peculiarly addressed to Europe, is such a purpose.

If MLF can reduce the obstacles to European integration and Atlantic partnership that nuclear weapons nationalism is causing, it would be well worth its costs many times over.

We must go forward toward European and Atlantic unity on a broad front if we are to achieve our goals. The MLF can be one part of this broad movement.

XII. CONCLUSION

These are the important reasons why President Johnson said in his speech at the Associated Press luncheon on April 20: "We realize that sharing the burden of leadership requires us to share the responsibilities of power. As a step in this direction we support the establishment of a multilateral nuclear force composed of those nations which wish to participate."

The MLF is a new concept. It is designed to meet a new need: closer integration within the alliance in the strategic nuclear field—accomplished in a way that will not hinder progress toward arms control.

Because it is a new concept, a wrench to accustomed ways of thinking will be needed to bring it about. But we are moving into changing times. Bold innovation is needed in these times. We must seize the opportunities open to us with vigor and courage.

Mr. CLARK. This address is what might be called the standard case in support of MLF. Ambassador Smith makes his points cogently and well.

However, there is another side of the case. It has been discussed by the well-known and able Washington lawyer, John Silard, in a study for the Council for a Livable World. His article is entitled "Should the United States Continue To Promote the Multilateral Nuclear Force?"

This paper forms the arguments in opposition to MLF. I think they deserve serious consideration. I ask unanimous consent that the paper entitled "Should the United States Continue To Promote the Multilateral Nuclear Force?", written by John Silard, be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SHOULD THE UNITED STATES CONTINUE TO PROMOTE THE MULTILATERAL NUCLEAR FORCE?

(By John Silard)

In 1960 Secretary of State Herter first proposed creation of a NATO multilateral strategic nuclear force. When Premier de Gaulle made manifest his break with the United States and his determination to develop a French nuclear capacity, the administration's response was a strong espousal of the Multilateral Nuclear Force. The MLF was intended as a facesaving device for the United States, which would quiet claims in England and Germany for independent nuclear capability by the offer of a nuclear partnership among the allies who hold out against De Gaulle's unilateralist policy.

The initial lukewarm reaction among our NATO allies and here at home, has induced the belief within the last year that the MLF is a dormant proposal. That belief is erroneous. Having won the formal approval of the administration, plans to activate the MLF have progressed under the leadership of a contingent in the State Department for whom MLF is a major commitment. The Navy, too, has become interested because of the potential accretion to its operations with the fleet of nuclear vessels contemplated by the MLF. Meanwhile, President Johnson's proposal for a nuclear freeze to be negotiated with the Soviets has been stalled at Geneva by the Russians who point out that we cannot coincidentally activate a freeze and build a strategic nuclear fleet. Moreover, while it was anticipated that the opposition of the Labor Party in Great Britain would preclude activation of the MLF, there is growing doubt whether the Labor Party will hold to its present position if it wins the elections. In sum, MLF plans are proceeding in the face of disinterest both among our allies and at home, while opponents within our own Government cannot effectively exert their influence as long as our official policy remains wedded to the MLF.

What is the MLF? Essentially, it is a partnership in the operation of a fleet of vessels equipped with strategic nuclear weapons. The Polaris-armed vessels would be manned by mixed forces from various NATO participants, with a veto by anyone of the major participating nations on the firing of the weapons. Of course, the veto renders the partnership unequal, since the United States with its nuclear forces in Europe thereby remains the only country which can independently of its allies activate a nuclear exchange. Accordingly, some German advocates of the MLF hope that ultimately the veto will be removed, and Germany will thus obtain its own nuclear force through the MLF. We have encouraged this hope by assurances that MLF is only the beginning of a true European force. That was the suggestion made by Deputy Assistant Secretary of State Schaetzel in a presentation in September 1963 in Oxfordshire, England. Yet such a veto-free MLF would be quite contrary to our present proposals at Geneva for a nuclear freeze and an agreement against further proliferation, with the result that there exists a present inconsistency in our overt representations to the Soviets and our thinly veiled promises to NATO countries.

This memorandum examines the principal arguments advanced by the proponents of the MLF, reviews countervailing considerations, and suggests some alternative courses of conduct for the administration, should it be determined that the present insistent U.S. advocacy of the MLF is not in the national interest:

A. THE PROPONENTS' MAJOR ARGUMENT: STOPPING NATIONAL NUCLEAR FORCE DEVELOPMENT

A principal argument advanced by proponents of the MLF is that England, Germany, and possibly other nations will follow De Gaulle's independent force example unless we can offer these nations a larger nuclear role within the NATO Alliance. Initially, it might be questioned whether the modest nuclear capability which France will attain is more troublesome in its military and political implications than the prospect of a large European strategic force with Germany a predominant participant. Exposition of the view that such a development would be less disturbing than the political and military implications of the MLF appears in the March 1963 issue of the Reporter in an article by Henry A. Kissinger, and it will not be repeated here. We examine here in its short and its long-term implications the antiproliferation argument made for the MLF:

1. MLF in the short run

It is clear that, for the 1960's, MLF proponents vastly overestimate European desire for a larger nuclear role. It is said that without MLF the Germans would soon follow the example of De Gaulle in developing an independent nuclear capacity. But with respect to Germany, not only would an independent nuclear force violate the existing treaties, it would cause a reaction by the Russians, as well as the United States, of a dimension which would give the Germans serious pause before entering on a provocative and expensive nuclear program.

There is, in fact, no evidence that the Germans presently desire a nuclear force of their own. What the Germans do desire in the short run is assurance that the United States is committed to employing its nuclear forces in Europe to forestall any form of aggressive action from the East, and that our weapons are targeted so as to assure that a nuclear exchange would also involve Russian territory, not just German soil. Yet for this modest German concern, the MLF goes too far. Bringing technical personnel from European nations into a second-level role in the targeting and deployment of our existing strategic missiles would go most of the way toward meeting existing German concern about the U.S. nuclear umbrella. The MLF, on the other hand, will create an entirely new nuclear force at sea, which is both expensive and unnecessary in strategic military terms. Moreover, it may kindle rather than quiet nuclear aspirations among our European allies, and thus propel the very sentiment it is claimed the MLF would foreclose—the aspiration for independent nuclear capability. If we espouse the view that our allies' self-respect requires parity of nuclear participation with us, it will not be long before they espouse the same view. By contrast, without our active salesmanship, nuclear arms development may remain unpopular in Germany, England, and other nations.

2. MLF in the long run

While the MLF is more than is needed to meet the present concern of our allies, on the other hand it is inadequate to meet what are likely to be the long-term aspirations of NATO nations. As Kissinger's analysis points out, the force of De Gaulle's position for independent nuclear capability is based upon the realization of some fundamental differences of outlook between the United States and European nations. Thus, as much as our nuclear posture in Europe serves to preserve our close relations with allies and to hold the line for our positions vis-a-vis the Soviets, we may yet be increasingly disinclined actually to use these weapons in an exchange which could precipitate an all-out war of annihilation between the United States and the Soviets.

Moreover, the glue in the NATO alliance has been the existence of the common enemy in the East, but a predictable progression of closer relationships with the Soviets, fear of a resurgent Germany, and conflicting economic interests such as those reflected in the split over the Common Market, may radically alter the present community of interest between the United States and some of its NATO allies.

To the extent that anticipations of such changes exist in Europe, there will be growing interest in independent nuclear forces or a European nuclear force not subject to a U.S. veto. In the case of Germany, there will be the added incentive of the role of swing-nation which the pseudopartnership will not satisfy. In sum, as much as the MLF exceeds the presently manifested desire for NATO-nation participation in the nuclear deterrent, it will fall short of the long-term European demand for independent nuclear capability.

It may therefore be anticipated that the strongest pressures will ultimately arise for abandonment of the U.S. veto on the use of the MLF, and that such pressures may in time succeed with the result that the MLF will have paved the way for the very proliferation of nuclear weaponry which it is supposed to forestall. Alternatively, if NATO countries cannot attenuate or force abandonment of the U.S. veto, they may then proceed with the development of their independent nuclear forces, with the added stimulus and know-how which we ourselves have provided through the MLF. It seems clear, therefore, that the MLF is not a proper answer either to the existing or to the longer range nuclear aspirations of our NATO allies, and will more likely hasten than retard the spread of nuclear weapons in Europe.

B. SUBSIDIARY ARGUMENTS FOR THE MLF

1. MLF as a bargaining device

Some administration officials who are not advocates of the MLF would nevertheless continue on our present course on the theory that in future bargaining with the Soviets over arms control in Europe, the MLF would provide an additional pawn for trading. Yet as an experienced negotiator knows, one may bargain with assets, but it is difficult to bargain to an advantage with liabilities. If MLF is a free world liability, it cannot become a bargaining asset with the Soviets.

Even more importantly, the bargaining pawn argument disregards the fact that if the MLF actually comes into being, it may be impossible to convince our own allies to give it up for an arms control agreement. Once a strategic European force is in existence, our NATO allies may say with some credibility that if it was worth creating for the collective security, it is worth keeping and ought not to be surrendered short of a complete and general disarmament agreement. It is therefore probable that while creation of the MLF may provide an additional pawn for trading with the Soviets in a European arms control agreement, it would represent a pawn which our own allies will refuse to trade.

2. MLF as a mere multilateral substitute for bilateral controls

Proponents urge that the MLF multilateral control with vetoes by major participants, is not materially different from the existing bilateral control over tactical and medium range nuclear weapons in Europe. These proponents argue that with respect to the present nuclear weapons in Europe there is already a system of shared control with the situs nation, and that all the MLF will do is to add more trigger fingers whose concurrence would be necessary for the firing of the weapons.

Apart from some question whether the MLF controls will in fact not give increased leverage to other nations with respect to the use of nuclear weapons, this argument blurs the critical distinction between strategic and tactical weapons. The decision that our NATO allies should share in the deployment and control of tactical weapons located in Europe may have been right or wrong, but it was a radically different decision from that posed by MLF. For a decision to fire the missiles in the MLF would be to launch an attack on the Soviet Union with weapons of medium range so deployed as to be able to reach Soviet targets. In such an event there would ensue a nuclear war in which countless millions of Soviet and American citizens would perish. By contrast, the decision to give our NATO allies bilateral controls over tactical weapons was only a determination that a nuclear exchange initiated within the boundaries of NATO nations properly requires their participation in the decisional process. Accordingly, the MLF cannot be passed off as a mere extension of a bilateral control system to a multilateral control system, for the weapons of strategic war deployed in the MLF have radically different significance for the United States from the nuclear weapons over which we presently share controls with NATO allies.

3. MLF as step toward a Western European strategic force

A final argument made by some proponents, is the converse of the principal nonproliferation rationale for the MLF. Under this argument, it would be desirable to move toward a Western European alliance possessing its own strategic nuclear weapons free of U.S. control and U.S. responsibility. The proponents who welcome such a force, urge that the MLF is desirable not because it will end the spreading of nuclear weapons but because it will promote it.

To the extent that this view rests on the desire for a Western European unity it may, for sake of argument, be conceded that such a force would in fact promote some accretion in the unity of the NATO alliance. Yet the chief reason for such unity would be not fear of the Soviets, but fear of the Germans—the anticipation that without participation by other allies, the MLF would be a German-American nuclear alliance. Certainly, this is a fragile base for European unity. Moreover, the price paid in the proliferation of nuclear weapons to more countries and the destabilization of the nuclear balance between the Soviets and the United States by this third force, is a price too high to be paid. In the last analysis, the integrity of the MLF proposal itself becomes subject to question when it is advertised simultaneously as a device which will contain and a device which will promote strategic nuclear weapons in Europe.

C. UNDESIRABLE CONSEQUENCES OF OUR MLF SUPPORT

There are five major unfavorable aspects to the continuing U.S. insistence upon creation of the MLF:

1. Nuclear freeze and nonproliferation agreements imperiled

President Johnson's proposals at Geneva for nuclear freeze and nonproliferation agreements, have been imperiled by our support of the MLF. The Russians quickly seized upon the MLF, pointing out that we could not both stand still and move ahead at the same time, and would have to abandon the MLF if we are serious about the proposed agreements. The Russian claim of inconstancy is somewhat confirmed by William Foster's quoted statement in the Herald Tribune of January 24, 1964 that the U.S. freeze proposal would not include the MLF. And as the editorial in the Washington Post of February 12, 1964 points out, there is some inconsistency between our offering NATO the MLF as the beginning of a European force and our asserting to the Soviets that it is consistent with a nuclear freeze.

2. Deemphasis of conventional force expansion in Europe

Replacement of nuclear with conventional defensive capability in Europe has been a major policy of the administration. To the extent that the MLF will be costly to our NATO allies and emphasize their continued protection through nuclear response, it militates against the administration's stress on the need for conventional capability among our NATO allies.

3. Production of European rift rather than unity

Our European allies are not requesting the MLF but are having it forced upon them by our insistence.[1] With the exception of some element in Germany, the MLF is not welcomed among the other nations, who must join it from fear of German predominance. The MLF is thus a rift-producing issue among our allies. And it is also causing serious internal political friction in NATO countries since it requires them to cast their lot unequivocally either with the United States or De Gaulle. Such a sharp choice situation has unfavorable consequences upon West Germany, and by drawing another divisive line among our allies, disserves the European unity and settlement aspirations entertained by many within our administration. As the Kissinger analysis in the Reporter pointed out: "The effort to isolate France by developing in the nuclear field a structure in which West Germany would be the key European member may in fact overstrain the fabric of European cohesion and Atlantic solidarity, and also undermine the domestic stability of West Germany. It is in nobody's interest—least of all West Germany's—to set in motion events that can only end with suspicion and concern in most of the countries of the West about Germany's nuclear role. This is bound to aid the Soviet thrust to divide the West through the fear of Germany. A divided country, which in the space of 50 years has lost two wars, experienced three revolutions, suffered two periods of extreme inflation and the trauma of the Nazi era, should not, in its own interest, be placed in a position where, in addition to its inevitable exposure to Soviet pressure, it becomes the balance wheel of our Atlantic policy."

4. Political repercussions in the Congress

It also seems clear that the MLF is not presently favored in the Congress, or likely ultimately to win its support. It probably violates or strains the McMahon Act by giving nuclear information to other countries. It gives concern to those who have worried about a reemerging Germany as a predominant European power which controls European fortunes. It is not favored by those who value our nuclear monopoly and the direct controls which we have retained upon the strategic weapons of potential annihilation. Meanwhile, the administration has completely bypassed the Congress. The closer we approach activation of MLF, the larger will be the cumulative weight of these congressional concerns.

5. Nuclear race escalation

Following the test ban, there have been widespread hopes that a way would be found to reach a plateau in the nuclear arms race in which there would be a leveling off of nuclear forces within present limits, and no expansion of weaponry to countries which are nuclear free today. Apart from the additional numbers of strategic weapons and nations with such weapons which the MLF would involve, it is today the single proposal for a new advance which stands in the way of a leveling off of the nuclear arms race. This is a serious new ground for a reassessment of the MLF proposal.

D. THE LARGER CONTEXT: ENDING THE EUROPEAN DIPLOMACY OF ARMAMENTS

Almost all current debates about the MLF are limited to the existing political and military relationship in Europe. All are predicated upon the assumption that there remains a military threat in Europe from the east which requires degrees of nuclear capability in Western Europe. First, however, it must be noted that, except for the special problem of Berlin, conventional forces are demonstrably adequate for the defense of Western Europe against conventional force attack. Moreover, the very hypothesis of an attack upon Western Europe becomes less and less credible as the years pass. Without Soviet participation, such an attack would be meaningless in military terms and therefore unlikely of initiation; with Soviet participation it would unquestionably initiate a world war, which again provides a highest level deterrent. Nor is it clear just what Soviet hope would impel such an attack. Our present military posture in Europe is based on a threat which no one believes.

The fact is that we have continued to give a preemptive position to military policy and nuclear power in Europe, in an era when the real problems of Europe are economic and political rather than military. Our continuing diplomacy of weaponry, both against the Soviets and vis-a-vis De Gaulle, stands in the way of the traditional diplomacy, prevents desired economic and cultural exchange, and other normal adjustments between countries as well as the necessary political developments within them. The MLF perpetuates obsession with military response to rifts with the Soviets and between the Allies, in an era which calls not for an arms polemic but for the progression of relationships between sovereign states.

Those who would promote a detente and ultimately a settlement in Europe, must look beyond such merely military alinements such as the pseudopartnership of the multilateral nuclear force. For the nuclear arms race and the diplomacy of armaments in Europe will not cease as long as the United States itself is the chief promoter of new nuclear weapons systems. On the other hand, a return to the traditional international diplomacy in Europe would foster a climate in which national possession of nuclear arms would appear less vital either for national prestige or national security. As long as the United States remains ready to employ its nuclear strength against a nuclear attack in Europe, there is in fact no security necessity for national nuclear forces. And the demand for nuclear arms in NATO countries attributable to the desire for national prestige and self-esteem, reflects a desire which we ourselves are fostering when we proclaim by devices such as the MLF that our NATO allies must have a first-ranking role in the operation of a strategic weapons system. In short, the only way in which our NATO allies can be induced not to strive for a strategic nuclear system of their own is if we ourselves cease our obeisance to nuclear power as the cornerstone of European policy and European defense.

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[1] "USIA Research and Reference Service" report, dated April 5, 1963: "The reaction of the Western European press to U.S. Ambassador Merchant's recent trip indicated an overwhelming rejection of the kind of multilateral nuclear force (MLF) envisaged by the United States. Editorial comment was heaviest and most negative in West Germany. The rejection of the multilateral nuclear force within the NATO framework was commonly based on the belief that the United States was offering a hastily improvised and confused politically motivated and exorbitantly expensive device which would afford West Europe neither increased security nor increased voice in nuclear decisions. Supporters of the U.S. suggestion, for the most part a minority of Italian, British, and Scandinavian voices, saw it as the lesser of two evils and a possible starting point for discussions. By the end of the Merchant trip, most papers were openly speculating that the multilateral nuclear force plan in its present form would be scrapped with the debate continuing on the central issue of nuclear interdependence within the Western Alliance. Hopes were also expressed that the United States would find a way to dispel the confusion aroused by its original multilateral force proposals."

Today we welcome agreements to prevent the spread of nuclear weapons to Latin America and other areas where they are not presently deployed. One may hope that tomorrow we may recognize that in Europe, too, the proper goal is not an accretion in nuclear armaments but the replacement of the nuclear confrontation by political and economic settlements and conventional forces adequate to assure that they are honored. At a time when we should seek to move away from the nuclear arms race, the multilateral nuclear force is a move in precisely the wrong direction.

E. ALTERNATIVES TO U.S. PROMOTION OF THE MLF

There are essentially three alternatives to the present U.S. position:

1. Abandoning the MLF

While this may constitute long-term wisdom for the United States, it is unlikely that we would renounce the MLF in the near future without at least a serious quid pro quo from the Soviets. It should be noted that if the United States abandons the MLF, it may continue to adhere to its opposition to the independent development of nuclear capability by Germany, and other nations, and we may expect some success in holding our allies to that position at least for the next few years.

2. Initiating a slowdown of MLF activation

This seems the most desirable immediate step, but there is always difficulty in taking the first step away from an established course. Senate Foreign Relations Committee hearings might serve as a temporary brake. A slowdown should pave the way toward ultimate recession by the United States from the MLF proposal.

3. A replacement for MLF

A more modest nuclear partnership might be proposed to meet the present concerns of NATO allies. Second level technical people could be brought into the targeting and planning phases of our existing strategic nuclear force, to give added assurance of our readiness to employ the nuclear umbrella. To the extent that we are, in fact, ready to employ that umbrella, it seems highly desirable that our allies be assured that this is so. By this means we may satisfy some present concerns among our NATO allies without creating a new strategic striking force in Europe and opening the door to an independent European nuclear third force with its troublesome political and military implications.

COMMENCEMENT ADDRESS BY SENATOR MARGARET CHASE SMITH AT HAHNEMANN MEDICAL COLLEGE AND HOSPITAL

Mr. HILL. Mr. President, I am happy to say that at its commencement exercises on June 4, Hahnemann Medical College, of Philadelphia, Pa., conferred on our colleague, Senator MARGARET CHASE SMITH, the honorary degree of doctor of humane letters. Surely no one more richly deserved the honor than did Senator SMITH. As chairman of the Senate Appropriations Subcommittee on Health, I want to say that there has been no member of the committee more devoted to the cause of the health of our people and of all peoples. She has made many fine contributions to the cause. She has, indeed, been a leader and a valiant warrior in the battle for medical research, medicine, rehabilitation, hospitals and other health facilities, and the advancement of health and medical care. I am sure I express the sentiments of all Members of this body when I congratulate Hahnemann Medical College on the honor it has done Senator SMITH, and say how proud we are that this richly deserved honor has come to her. I ask unanimous consent that Senator SMITH's remarks at the commencement exercises be printed at this point in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

REMARKS OF SENATOR MARGARET CHASE SMITH, AT COMMENCEMENT EXERCISES AT HAHNEMANN MEDICAL COLLEGE AND HOSPITAL, PHILADELPHIA, PA., JUNE 4, 1964

President Cameron, members of the board of trustees, members of the faculty, members of the graduating class, students and friends, I am deeply appreciative of the honor awarded me by your distinguished and highly esteemed institution. It is a coveted distinction to be associated with you for I am keenly aware of the great contribution that Hahnemann Medical College makes to the field of medicine, medical research, and health.

It has been my privilege for a decade to have made sustained efforts in support of the cause of medical research in my capacity as a member of the Senate Appropriations Subcommittee on Health. Prior to my Senate service, it was my good fortune to be chairman of the House Armed Services Medical Subcommittee and in that capacity to have been the sponsor of several medical bills, including those for the nursing corps in the armed services.

With the exception of spiritual well-being, there is nothing more important in life than our health, both physical and mental, and happiness, which is essentially good mental health. And it is to this that your medical profession is dedicated.

Sometimes I think that Members of Congress are made whipping targets by the public more than any other group. But now and then I wonder when I hear some complain about the various professions including yours. And when I hear those complaints I feel a kindredship with you—and I try to answer the complainants with my own simple observations of "thank God for the doctors and the nurses and all that they do for us."

So on this occasion, I want to express my gratitude to you and to the medical profession for the great humanitarian service you render and to say that it is with the greatest pride that I accept the honor association with the medical profession that you have given me today.

EMERGENCY TRANSPORTATION CRUCIAL FOR DEFENSE

Mr. McGEE. Mr. President, it is well known that efficient and available transportation is a necessity in meeting any emergency—natural or manmade. The national plans for providing us with efficient transportation were outlined in a speech made by C. K. Faught, Jr., Deputy Director of the Office of Emergency Transportation, at the Salem Conference on Highway Traffic Regulation, at Winston-Salem, N.C., yesterday, August 3.

This speech not only points out the progress that has been made and is being made in preparation, but also illustrates the fact that this work is being done in the best traditions of America, with local initiative and local, State, and Federal governments each called upon to do what they can to best provide for the national welfare.

I ask unanimous consent that this speech be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

REMARKS BY C. K. FAUGHT, JR., DEPUTY DIRECTOR, OFFICE OF EMERGENCY TRANSPORTATION, DEPARTMENT OF COMMERCE, BEFORE THE SALEM CONFERENCE ON HIGHWAY TRAFFIC REGULATION IN EMERGENCY, AT WINSTON-SALEM, N.C., AUGUST 3, 1964

When disaster strikes, highway transportation is a crucial factor for survival and recovery. We live in a very dangerous world. In recent months we have witnessed the flooding of seven States in the Ohio River Basin, floods in Montana, and a crippling earthquake in Alaska, with severe damage to the States' transportation system. The destruction in the epicenter area during the seismic shocks upon our 49th State was not unlike that which might occur as a result of nuclear fission in an atomic war.

This terrible earthquake created problems without precedent. In recent years there has not been a natural disaster with such widespread devastation and damage to buildings, docks, ports, railroads, highways, and private homes. A sizable segment of the State's production facilities were destroyed, difficult problems and long-term economic rehabilitation are faced by its citizens.

It was very gratifying to see the swift, efficient, and calm response of the Alaskan people, their government, and the several Federal departments and agencies which moved with rapidity to bring initial aid to the stricken communities of the State. There has been a tendency to emphasize the military contribution and response to this crisis. It should be noted that the civil response was equally quick and effective.

As you know, the major freight transportation links between Alaska and its source of supplies are ocean shipping, and rail and highway movement inland. There was severe damage to both dock facilities and the interior railroad and highway systems. Fortunately, the 1,300-mile Alcan Highway, located outside the quake area, suffered only minor damage. However, the roads connecting the major cities of the State in the quake area sustained extensive damages with current estimates at $65 million. In less than a week, with priority attention to highway and road repair, the major inland arteries were in use for the movement of critically needed supplies for rehabilitation and recovery.

Let us reflect for a moment upon the capabilities of highway transportation in emergency. Highway transport is inherently dispersed, more so than other modes of transport. The major segment of highway facilities, vehicles and terminals are likely to be outside the concentrated industrial centers. When subjected to natural disaster or bomb damage, roadways inherently have low vulnerability and high versatility. They can go most anywhere by circuitous routes if need be. Highways are not subject to devastation over long periods from such phenomena as twisted rails, blocked harbors, or bomb damage. Equally important, highways are plentiful and everywhere.

In order to plan for maximum emergency utilization of these valuable highway civil assets and resources, we find a requirement for procedures covering emergency highway traffic regulation. The need for emergency highway traffic regulation may lie in any situation ranging from normal control of road traffic to the extreme situation caused by massive destruction, fallout radiation, or other limiting causes at one or more points.

The purpose of emergency highway traffic regulation is twofold: to assure the highest degree of space allocation under emergency conditions and, concurrently, to facilitate essential military movements, essential civil movements in support of the war effort and maximum freedom on the highways for the citizens at large.

My purpose here today is to sketch in the scope of the total emergency transportation planning program, recognizing the interdependence of all Federal agencies, the State and the local governments in the proper coordination of the national plan for emergency preparedness promulgated by the Office of Emergency Planning, Executive Office of the President.

The approval and publication of chapter 6, the transportation chapter, of "The National Plan in May" set the course for definitive and comprehensive planning by all segments of government and industry alike who have an interest in the operation and utilization of our civil transportation resources in an emergency. The transportation chapter was prepared by the Office of Emergency Transportation with assistance of the Interstate Commerce Commission, the Bureau of Public Roads, the Civil Aeronautics Board, the Federal Aviation Agency, the Maritime Administration, the Coast and Geodetic Survey, the Department of the Interior, the Tennessee Valley Authority, the Department of Defense, the Corps of Engineers for Civil Works, and the St. Lawrence Seaway Development Corporation.

In approving the transportation chapter and signing the preface, Mr. McDermott, Director of the Office of Emergency Planning, termed it "a milestone in the evolution of preparedness policies and the basis for emergency planning in the field of transportation at all levels of government." He emphasized that "the chapter had resolved issues that had remained unsettled for far too long." He also urged "that the chapter be put to work immediately by the Federal agencies and the States in improving our emergency preparedness."

Four weeks ago, on July 6, President Johnson signed a new foreword for the National Plan for Emergency Preparedness; he said, in part: "As a nation we are dedicated to peace and freedom. But we are realistic enough to know that to achieve these goals in today's world we must remain militarily strong and economically vigorous.

"The ultimate objective of civil emergency preparedness is a partnership of the Federal Government, the States, and the people, working to preserve and enhance our way of life—and prepared to mobilize our personal talents and material resources in order to meet essential human needs, to support our military effort, and to survive as a free and independent nation. Civil emergency preparedness will also strengthen our military deterrence and our efforts to achieve practical arms control.

"The preparedness measures outlined in the national plan for emergency preparedness are essential. They must be fulfilled. As President, I pledge that those responsibilities of the Federal Executive Branch will be carried out, and I urge the chief executives of State and local governments, the leaders of labor and industry, and all Americans to accept and fulfill their particular roles."

I would like now to highlight a few of the important fundamental points and basic principles of the national plan.

These are:

(1) Total national involvement by all citizens and governments at all levels.

(2) Primacy of Federal responsibility for the direction and coordination of the total national civil emergency preparedness program.

(3) National survival to be coupled with the preservation of national values including the preservation of representative constitutional government, law enforcement, and judicial proceedings.

(4) Preservation of the long-established basic principle of civil control.

(5) Private operation of industry, subject to Government regulation only to the extent necessary to the public interest.

(6) Maximum reliance on the capabilities of existing governmental organizations.

(7) State and local preparedness plans and emergency civil defense operations plans to be compatible with those of the Federal Government.

These are the basic guidelines upon which chapter 6 on transportation was developed.

The Office of Emergency Transportation was established in May 1962 to be the focal point in Government for the coordination of all preparedness planning relating to the use of civil transportation of all modes, both domestic and international, in an emergency.

With the publication of chapter 6 of the national plan, the Federal Government is now for the first time fully committed to the principle of centralized control of all forms of civil transportation in an emergency to assure movement of essential civil and military needs in the national interest. The plan set forth the following planning factors for emergency implementation:

"The President would order the Secretary of Commerce, subject to the overall policy guidance of the Director, Office of Emergency Planning, (1) to implement policies and control systems governing civil transportation for the movement of all types of passenger and freight traffic by mode or within a mode and (2) to determine the proper apportionment and allocation of the total civil transportation capacity or any portion thereof to meet essential civil and military needs.

"The Secretary of Commerce would redelegate these emergency transportation responsibilities to the Director, Office of Emergency Transportation.

"The President would order heads of Federal transportation agencies to implement appropriate emergency plans and programs for their respective modes in consonance with overall policy direction of the Secretary of Commerce.

"The Secretary of Commerce through the Director of the Office of Emergency Transportation would promulgate plans, policies, and procedures required to effect appropriate control systems and would be prepared to provide administrative facilities for the performance of emergency transportation functions."

The in-being expansion capability of the peacetime planning staff of the Office of Emergency Transportation lies primarily in its National Defense Executive Reserve Unit, which is comprised of men carefully selected from the chief executive office level of our transportation industry. This top executive talent has been assigned to predesignated key positions in the regional and national staff of the Office of Emergency Transportation.

In a national emergency the Office of Emergency Transportation will coordinate the execution of transportation operational and utilization functions currently assigned to and prepared by the respective Federal transportation agencies. It will maintain a continuing assessment of total transportation capability by mode; it will make bulk allocations of transportation capacity, time phased, and based upon relative urgencies and national priorities, to claimant or resource agencies who, in their turn, will make suballocations through their own internal traffic management procedures to the actual shippers and shipping agencies.

The control systems will be administered by appropriate agencies (the Interstate Commerce Commission, the Civil Aeronautics Board, and the Maritime Administration) with much the same relationships that exist today. The Bureau of Public Roads and the Federal Aviation Agency are assigned traffic control functions. Direct Federal authority will be interposed only on the interstate forms of transportation. State and local authority will manage intrastate and local transportation, in keeping with overall Federal policy and coordination, as necessary.

Certain basic principles are governing:

(1) Controls will be applied only when and to the degree necessitated by the situation.

(2) Carriers will continue to manage their own operations.

(3) Industrial traffic managers will continue to perform their normal traffic management functions.

(4) The normal shipper-carrier relationships will prevail, subject only to the control system procedures.

A key element in the overall national plan for emergency preparedness is a special responsibility assigned to the Bureau of Public Roads by the President which is emergency highway traffic regulation. This function, to be effective, must have the close cooperation of four groups: the Bureau of Public Roads, the State highway departments, the State and local police, and the highway users.

As you know, the Bureau of Public Roads has led the way in highway planning and has enlisted the support and expertise of the National Highway Users Conference in developing plans and procedures for organizing highway users to deal with emergency problems. It is most gratifying to learn that 16 States have already officially designated their respective State highway users conferences to assist in the planning, organization and implementation of user support in the event of a national emergency, with several other States ready to move in this direction. We hope the remaining States will soon accept this arrangement.

In closing I wish to quote Mr. Rex M. Whitton, our very able Federal Highway Administrator, in commending the National Highway Users Conference cooperation in this program. He said in part:

"One of the most important of the Bureau of Public Roads' programs is that covering highway traffic regulation in emergency. We are grateful to the National Highway Users Conference for its assistance in organizing highway users throughout the Nation to help, in any State, to meet the urgent need for this program of traffic regulation in the event of emergency. This fine cooperation typifies the spirit which will insure ultimate victory for us if our country should ever be attacked."

I thank you very much for the privilege of speaking before this important conference.

MORE TRIBUTES TO NISEI COMBAT LINGUISTS

Mr. FONG. Mr. President, on June 11, I offered in the Senate a tribute to Nisei combat linguists—the more than 6,000 Japanese-Americans who, because of their gallantry and special training in the language of the enemy, performed a unique and indispensable service to this country. On that occasion, I said:

> Twenty years after World War II, the full story of Japanese-Americans who fought in the Pacific has yet to be told. But gradually, in various segments, more information about the unsung exploits of thousands of Nisei who served the United States in military intelligence service is coming to light, even though much of their work is still classified by the Department of Defense.

I inserted into the CONGRESSIONAL RECORD an article entitled "Best Kept Secret of World War II," from Saga magazine, which related the deeds of these "Americans with Japanese faces."

I am pleased to note that another magazine has published an article giving more details about the Nisei linguists. It appears in the July, 1964, issue of the American Legion magazine. The article was written by Bill Hosokawa, a Nisei, who is the associate managing editor of the Denver Post. An accurate, veteran newsman, Mr. Hosokawa was a war correspondent for the Denver Post during the Korean conflict, and covered some of the critical battles of that war.

Any American who reads Mr. Hosokawa's account of the Nisei linguists and their contribution to our victory in the Pacific in World War II will be impressed, as I am, with the quiet, yet dauntless, courage and tenacity displayed by those who served as military intelligence linguists.

I ask unanimous consent that Bill Hosokawa's article, entitled "Our Own Japanese in the Pacific War," be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From American Legion magazine, July 1964]

OUR OWN JAPANESE IN THE PACIFIC WAR

(NOTE.—Our use of Japanese Americans in the Pacific War was so hush-hush that virtually nothing has been told of them until now. Here's their amazing story.)

(By Bill Hosokawa)

One of the least known stories of World War II is the remarkable tale of the unique record of more than 6,000 Japanese Americans, better known as Nisei, in the war in the Pacific against Japan. These Nisei performed a service in the uniform of the United States that nobody else could perform—and at considerable risk of being shot not only by the enemy, but, out of mistaken identity, by their own comrades as well.

To this day it is a common belief that we dared use no Nisei in the Pacific. Had it not been for the insistence of Lt. Col. (now Brig. Gen.) John Weckerling and Capt. (now Col.) Kai E. Rasmussen, who were on duty with 4th Army Intelligence at the Presidio in San Francisco in 1941, perhaps we would not have used them.

But nobody who had the misfortune to be at Maggot Hill in Burma with Merrill's Marauders (the 5307 Composite Group, Provisional) in the Easter season of 1944 has any doubt that Japanese Americans served with distinction against the Japanese.

Maggot Hill was one of the most critical battles of the war in the struggle for Burma. The hill's real name was Npum Ga, and it was not important before or since. Merrill's 2d Battalion held the hill against the vastly superior Japanese 18th (Kurume Shidan) Division, the crack outfit that had swept through Malaya and Burma in earlier campaigns.

If the battle had been lost, the Marauders would have been destroyed as an effective fighting unit, and their mission in Burma would have failed. The primary objective of the 2d Battalion in the battle was to get out alive.

The GI's hung on for 15 tortured days. Finally, on Easter Sunday, they were rescued by the 3d Battalion which broke through enemy lines while the 1st Battalion, near exhaustion after a 5-day march, kept the foe off balance with diversionary attacks.

There were many heroes on Npum Ga, and not the least of them was a shy, slight, bespectacled Japanese American, Sgt. Roy Matsumoto. Matsumoto had the facial characteristics of the enemy, but he was an American, born in California. Like all the other Marauders, he had volunteered for the mission. Unlike most of the others he had two jobs—rifleman and translator.

When darkness fell over the jungle Matsumoto crawled out beyond American lines to within earshot of the enemy, where he lay and listened alone. One night he heard the Japanese planning a dawn attack along a lightly defended sector. A breakthrough would have been disastrous. Risking fire from both sides, as he always did on these missions, Matsumoto slipped back with the information. The 2d Battalion, placing its fate in the hands of Matsumoto's intelligence, concentrated its power at the reported point of attack.

Just as Matsumoto had said, the attack opened at first light. Suddenly the dawn was hideous with the enemy's screams but the GI's, forewarned, were ready. Under their concentrated fire the first wave of attackers crumpled. The second wave hesitated in bewilderment.

Fearing that they might withdraw to fight another day, Matsumoto leaped to his feet and screamed in Japanese: "Charge, you soldiers of Japan, charge, charge, charge."

Reacting with blind discipline, the Japanese rose and advanced straight to their deaths in the withering gunfire. After the attack was beaten off the GI's counted 54 enemy bodies; how many more casualties the foe had been able to drag back was never known. For his part in the victory Matsumoto was awarded the Legion of Merit.

Sergeant Matsumoto was one of 14 Japanese American (Nisei) who served with the Marauders. Most of them had equally hair-raising experiences. All were decorated, and half of them won battlefield commissions.

These men were among the more than 6,000 Nisei linguists who were trained to serve with Allied forces in the Pacific during World War II. Of that number, 3,700 served in combat areas before the surrender. They went into action with the Marines at Guadalcanal. They took part in every landing in the bitter island-hopping campaign up through New Guinea, the Marianas, Philippines, and Okinawa, and finally participated in the surrender ceremonies in Tokyo Bay.

Our Nisei in the Pacific were assigned to the U.S. Joint Intelligence Center in Hawaii, to every Army division, the Marines, Navy, paratroops, OSS, and OWI units. Some were loaned to British, Australian, New Zealand, and Chinese forces. Attuned to the Japanese tongue, the Nisei were the eyes and ears of Allied fighting forces. Through their skills and courage they saved countless American and Allies' lives and helped shorten the war by many months.

The Nisei served at the headquarters of the 6th, 8th and 10th Armies, and the I, IX, X, XI, XIV, and XXIV Corps. Also with the 1st Cavalry at Los Negros, Leyte and Manila; with the 6th Infantry at Sansapor in New Guinea and in Northern Luzon; with the 7th Infantry at Attu, Kwajalein, Leyte, and Okinawa; with the 11th Airborne at Leyte, Manila, and Cavite; with the 24th Infantry in New Guinea, Leyte, Corregidor, Verde Island, and Mindanao; with the 25th Infantry at Guadalcanal, New Georgia, and in the Philippines; with the 27th Infantry at Makin Island, Saipan, and Okinawa; with the 31st Infantry in Southern Minadanao; with the 32d Infantry at Buna, Aitape, and Leyte; with the 33d Infantry at Baguio; with the 37th Infantry at Munda, Bougainville, Lingayen Gulf, and Manila; with the 38th Infantry during the recapture of Bataan; with the 40th Infantry at Los Negros, Luzon, and Panay Island in the Philippines; with the 41st Infantry at Salamaua, the Marshalls, Mindanao, and Palawan; with the 43d Infantry on New Georgia, New Guinea, and Luzon; with the 77th Infantry at Guam, Leyte, and Okinawa; with the 81st Infantry at Angaur, Peleliu, and Ulithi; with the 93d Infantry on Morotai, New Guinea, and the Philippines; with the 96th Infantry at Leyte and Okinawa; and with the American Division at Guadalcanal, Bougainville, and Cebu.

They were also attached to headquarters of the 5th, 7th, 10th, 11th, 13th, 14th and 20th Air Forces. They were with the Marines at Tarawa, Guadalcanal, and Iwo Jima; with the Advance Alaskan Department at Adak; with the British in India and the Australians in Borneo.

Teams of 10 men were usually stationed at division headquarters, with smaller teams on regimental and battalion levels. Nisei interpreters usually landed with the second or third invasion waves—they were too valuable to risk in the first wave—to provide instant translation of the enemy's shouted orders, intercepted messages, or captured documents.

The commanders who depended on the Nisei were lavish in their praise. "I couldn't have gotten along without them," said the late Maj. Gen. Frank D. Merrill, whose Marauders broke the Japanese hold on Burma and opened the land route into China.

Maj. Gen. Charles A. Willoughby, the late General MacArthur's chief of intelligence, declared in Tokyo: "The information received through their skills proved invaluable to our battle forces." Col. G. F. Blunda, commander of the Southeast Asia Translation and Interrogation Center, in New Delhi, India, said each Nisei linguist "was as valuable as an infantry company."

Because they were so important to the Pacific war effort, the American command kept them out of the publicity spotlight. The Nisei G–2 boys, as they were called, received none of the attention showered on their brothers in the 442d (Go for Broke) Regimental Combat Team which fought with such valor, and paid such a price in blood, in Italy and France. During the fighting the linguists were under security wraps. After the surrender of Japan their story was lost in the flush of victory.

Like Sergeant Matsumoto, many of the linguists operated in the frontlines and even behind enemy lines. They accompanied Marines and GI's on jungle patrols. They tapped phone lines and manned forward observation posts, providing their officers with instant translations of Japanese commands.

In a battle not far from Myitkyina, Burma, Sgts. Robert Honda and Roy Nakada, of

Honolulu, and Sgt. Ben Suget, of Los Angeles, tapped a telephone wire and listened to communications between elements of the Japanese 18th Division. They overheard reference to an enemy ammunition dump, then located it on a map. U.S. bombers soon destroyed it. Honda later operated with the OSS Kachin Rangers in the Myitkyina-Fort Hertz area for 8 months from March to November 1944. Another Nisei, T3 Shig Mazawa, now of Chicago, commanded a unit of Kachin tribesmen in setting ambushes for Japanese troops.

Under heavy enemy fire, Sgt. Henry Gosho, now a State Department official, interpreted the foe's shouts in the midst of a battle in Burma, enabling his platoon to shift its firepower to repel a heavy assault.

Gosho served for a time in the U.S. Embassy in Tokyo after the war and is now in Washington, D.C.

Sgt. Hoichi Kubo, of Hawaii, earned the Distinguished Service Cross for risking his life to talk a group of dangerous enemy holdouts into surrendering. Sgt. Jack Tanimoto, of Gridley, Calif., won the Silver Star for similar action on Okinawa.

Some died in battle. Sgt. Frank T. Hachiya, of Hood River, Oreg., was awarded a Silver Star posthumously. Hachiya was attached to the 7th Division Headquarters and did not have to go into combat. He volunteered to cross a valley on Leyte under enemy fire to scout Japanese positions. He was out ahead of his patrol when a sniper shot him. Hachiya killed the sniper and, although mortally wounded, brought back the needed information.

But most of the Nisei worked in the anonymity of command posts and rear echelon headquarters at the tedious and demanding job of translating captured documents. These documents included battle plans, defense maps, tactical orders, intercepted messages, and diaries. Their efforts turned up a mass of information that enabled American commanders to anticipate enemy action, evaluate their strengths and weaknesses, avoid surprise, and strike where they were least expected.

Headquarters duty alternated between utter boredom and a series of frenzied, intense, 20-hour days when captured documents were rushed back following battle. Most teams were commanded by an intelligence officer who helped evaluate the findings. Often, captured maps of enemy defense positions were translated and rushed back to the front in time to turn the tide of battle. On the rare occasions when prisoners were captured, they were hurriedly interrogated by Nisei. Lt. Kan Tagami, of Selma, Calif., with the 124th Cavalry in the CBI Theater, said the big difficulty was in overcoming the prisoners' fear that they would be killed. Once the Nisei won their confidence, the POW's talked freely. Since the Japanese Army expected its men to die rather than be captured—and since they didn't expect the United States to have Japanese-speaking personnel—Japanese troops were not security conscious. "They talked their heads off," said Lieutenant Tagami.

The album of the Military Intelligence Service Language School, published in 1946, says the Nisei "translated the entire Japanese battle plans for the naval battle of the Philippines. These plans were captured from the commander in chief of the combined Japanese fleets when the plane in which he was hurrying to join his fleet made a forced landing in the Philippines. * * * Likewise, the complete Japanese plans for the defense of the Philippine Islands also were made known through the work of the language specialists from the school long before our forces had landed on Leyte."

I have not been able to identify the lost enemy fleet commander for certain, but a Japanese war history says that Adm. Mineichi Koga, who succeeded Adm. Isoroku Yamamoto as commander in chief, was forced down during a storm while flying from Palau to Davao in the Philippines on March 27, 1944. Koga and several members of his staff were killed in the crash.

The Japanese were lulled into a false sense of security in their belief that Americans could not fathom the complexities of their language. They didn't know until the end of the war that every captured document was being rushed back to translating teams.

The enemy's laxness astounded U.S. officers. Our ability to take advantage of it, plus the fact that Japanese codes had been cracked, led one military historian to remark that never did one nation know so much concerning its foe's intentions as did the United States during most of the Pacific campaign.

Yet the skills of the Nisei were almost lost to the nation by our inability to see their potential.

During the darkening summer of 1941, a handful of American officers tried to alert superiors to the importance of Japanese language specialists in the seemingly inevitable war ahead. Among them were Brig. Gen. John Weckerling, then a lieutenant colonel, and Col. Kai E. Rasmussen, then a captain. Rasmussen had studied Japanese as a military attaché in Tokyo and he knew what a difficult language it was to learn.

Both Weckerling and Rasmussen were on duty with the 4th Army intelligence staff at the Presidio in San Francisco. Weckerling later became deputy assistant chief of staff, G–2, of the War Department general staff. Rasmussen became commandant of the Military Intelligence Service Language School.

"Men who can read, write and speak Japanese are as necessary as guns, planes and ships," protested Rasmussen in urging a linguist program. "We do not have these men. Knowledge of the enemy's tongue, as well as the workings of his mind, is imperative if our intelligence service is to function."

Rasmussen and Weckerling knew that only a very few Americans of European ancestry were familiar with Japanese, mostly businessmen or members of missionary families. Our college Japanese language programs were elementary and had had far too few students to serve a national need. There was no time to teach students in these courses enough Japanese to be militarily useful. Even finding qualified teachers was a problem.

The only alternative was to use Nisei—the American-born offspring of Japanese immigrants—who naturally had a Japanese language background. The trouble was that they were an unknown quantity to most highly placed officials. The Nisei had embraced American ways with characteristic thoroughness. But could these youths of an alien race, only one generation removed from the old country, be trusted in battle and in highly sensitive intelligence work against the people of their own blood?

Weckerling and Rasmussen argued that the Nisei were loyal. Rasmussen himself is of foreign birth—he speaks both English and Japanese with an accent—and he reminded the others that the United States is made up of immigrant groups. As it turned out, there was never any occasion to question the loyalty of a single Nisei GI.

The two officers had trouble convincing the War Department of the feasibility of their project. After costly delays they won reluctant approval for a small-scale language school. Indicative of the Department's dim view, the school was placed under the 4th Army, which at the time had jurisdiction over the west coast, and not under the Army's regular specialized training program. The initial appropriation was for only $2,000.

Weckerling and Rasmussen had no time to be discouraged. There was work to be done. But they ran into difficulty almost immediately when they discovered that the vast majority of Nisei were too thoroughly Americanized. Of the first 3,700 men interviewed, only 3 percent proved to speak Japanese fluently. The next 4 percent could be considered fairly proficient in Japanese. Another 3 percent knew just enough so that they could be used after intensive training. And even the best of them had to be taught military vocabulary and usage.

I was among those Colonel Rasmussen interviewed. I thought I could boast a fair speaking knowledge of the language, but he quickly proved me completely inadequate in other respects. First he asked me to read a high school text. I could make out perhaps 2 or 3 characters in 100. The colonel kept lowering the standard until we got down to a level I could handle—third grade.

"Hosokawa," Colonel Rasmussen rasped with ill-concealed disgust, "you'd make a helluva Jap."

Rasmussen turned me down as hopelessly ignorant. Later, I was evacuated from my home in Seattle, Wash., to the war relocation center at Heart Mountain, Wyo., from where I moved to Des Moines, Iowa, to work on the Des Moines Register. For reasons unknown to me, I was never drafted. During the Korean war I served as a correspondent for the Denver Post, covering the defense of the Taegu perimeter, the Inchon landing, and first recapture of Seoul.

A job of monumental proportions lay ahead of Rasmussen and he had no time to waste on me. Selective Service provided military intelligence with the name of every draftee of Japanese parentage. Rasmussen and Weckerling, or their aids, interviewed all of them for Japanese language proficiency. The most able were selected for transfer to the school as soon as it could be started. Two were picked to be instructors. One of them was a brilliant attorney named John F. Aiso, who was serving as a private, first class. Aiso is a native of Los Angeles, a graduate of Brown University in Providence, R.I., and his law practice had earlier taken him to the Far East. Aiso eventually was named director of academic training. He left the service at the end of the war as a lieutenant colonel and today is a California superior court justice.

The two servicemen and two Nisei civilians were ordered to set up a curriculum and prepare textbooks for a Japanese military language school at crash speed. Because of lack of funds, the first texts were mimeographed.

On November 1, 1941, scarcely 5 weeks before the outbreak of war, the 4th Army Intelligence School was opened in a converted hangar at Crissy Field, the Presidio, San Francisco. Half the hangar was used for classrooms, the other for barracks. Orange crates were pressed into service as chairs until furniture could be wangled from more adequately endowed outfits.

There were 60 handpicked students in that first class—58 Nisei and 2 Caucasians. All day and late into the night they studied Japanese reading, writing, interrogation, translation, and interpretation; analysis of captured documents; Japanese geography and mapreading; Japanese military organization and technical terms. For good measure they were given lectures on the social, political, economic, and cultural background of Japan.

Fifteen of the students couldn't keep up and had to be reassigned. After 6 months, 35 of the graduates were divided between the marines headed for Guadalcanal and the 7th Division in the Aleutians. The remaining 10 were added to the faculty to teach an enlarged second class.

The Army meanwhile was evacuating all persons of Japanese origin from the west coast as a security measure. Some 100,000 men, women, and children, citizens and aliens alike, were packed off to inland camps. With the source of students gone from the west coast, the school was transferred to larger quarters at Camp Savage in Minnesota. By then the top brass could see the value of the program. It was reorganized as a Military Intelligence Service Language School under direct War Department supervision, and on June 1, 1942, a second class of 200 men, virtually all Nisei, got underway.

The rough spots discovered in the first class were smoothed out and an even more rigorous routine adopted. Classroom sessions started at 8 a.m. and ended at 4:30 p.m. Additional classes were held from 7 p.m. to 9 p.m. The academic term was 6 months. So rapid was the pace that even the more able students had to study every spare minute to keep up. Lights out was at 11 p.m., but it was common practice to continue cramming by flashlight under bedcovers. Examinations were held Saturday mornings. The rest of the weekends were spent in road marches and field maneuvers, for these men were expected to be soldiers as well as linguists.

No one was happier than members of the faculty when performance records began to come back from distant fronts. A report from the 6th Infantry at Sansapor, New Guinea, reads in part:

"A captured map of the enemy infantry regiment was brought in by the infantry boys * * *. The Nisei language team worked feverishly to decode the vital message contained on the map * * *. We found the disposition of the troops and its future plans. It stated on the map that the (enemy) regiment would commence attacking at 2000. Preliminary information was sent to all commanders concerned* * * The corps commanding general was informed of the hot news and he immediately ordered all corps, division, and independent artilleries to point their guns at the location of the enemy. At 1945 the barrage started with all guns firing simultaneously * * *. The next morning the recon troops went out into the impact area and they found the enemy was practically wiped out * * *. That ended the campaign." What had promised to be a hand-to-hand battle was won solely with intelligence and artillery.

There was one plea common to all these communications: "Send us more Nisei linguists."

By the fall of 1944, the school had turned out 1,600 enlisted graduates, 142 officer candidates, and 53 officers. Reflecting the stepped-up tempo of the war in the Pacific, the Army ordered the school's efforts redoubled.

The school was moved to even more spacious quarters in Fort Snelling, near Minneapolis. Almost without exception the students entering later classes knew less Japanese than had those in the first classes, increasing the burden on the instructors. The faculty was placed on duty every evening as tutors. Classes were scheduled 6 days a week. Many of the linguists were shipped off with a bare minimum of basic military training.

Just as the Nisei as a group had to prove themselves to the War Department at the outset, many of the linguists faced individual problems in winning the confidence of fellow GI's. Except for the Westerners, most of our servicemen had never encountered Nisei before and many assumed they were Japanese prisoners pressed into American uniform.

Akiji Yoshimura, who now runs a cleaning plant in Colusa, Calif., recalls he had to prove he was an American by repeating "lalapalooza" for soldiers who had heard Japanese were unable to pronounce the letter "l."

"In 1943 I shipped out on the troopship *Lurline*, a converted Matson liner, headed for Burma via Bombay," Yoshimura says. "We were passing under the Golden Gate Bridge, headed out into the Pacific, when a GI came up and asked, 'Say, how're things in your country?'

"Obviously he thought I was a prisoner of war who had had a change of heart. I replied: 'They look damned good from here.' He was astonished that I didn't have an accent and he didn't know whether to believe me when I explained I was a native Californian on my first trip out of the States."

During the long voyage Yoshimura and other Nisei lectured the troops on Japanese weapons, tactics, customs, and training. By the time they disembarked at Bombay on the way to Burma, even the skeptics had been convinced the Nisei were thoroughly American. They trained for 2 months at Hsamshingyang with the 5307 Composite Unit.

One day in Burma, Yoshimura remembers, he and a Nisei buddy were bathing in a stream out of sight of the bivouac area when a GI new to the Marauders approached.

"You fellows Chinese?" he asked.

Without thinking, Yoshimura replied: "Nope, we're Japanese."

The soldier blanched, and Yoshimura hurriedly assured him the proper term was Japanese Americans. Yoshimura fought through five major campaigns with the Maurauders, then was sent to the Sino Translation and Interrogation Center in Kunming, China, where he was commissioned.

One of the questions most often asked the Nisei was, "What do you think the Japanese will do to you if they capture you?"

They had a standard reply: "Don't know. But they'll have to run like hell to catch us."

Fortunately, none of our Nisei was ever captured by the enemy, although Cpl. Tony Uemoto, a native of Honolulu, had the uncomfortable experience of being seized by our Chinese allies near Tonkwa, Burma, where he was serving with the 475th Infantry (Mars Task Force). They took his shoes away to prevent escape and marched him 4 hours in his bare feet to American lines as a prisoner.

One of the more fabulous characters of the Burma campaign, S. Sgt. Kenny Yasui, had an even closer shave. Yasui stood 5 feet 3, weighed 120 pounds, and loved dice and poker. He volunteered to go with three GI's to bring in a group of Japanese hiding on an island during the Irrawaddy River mopup.

All four stripped and swam to the island with only their hand weapons. Standing stark naked on a sandbar, Yasui announced loudly that he was a Japanese colonel working with the Americans and ordered all soldiers to surrender.

A Japanese noncom appeared and helped Yasui round up 15 fully armed men. Yasui lined them up and was about to order them to give up their arms when a Japanese officer sprang from a thicket and threw a grenade. Yasui ducked into a foxhole out of harm's way. His companions opened fire, and the officer and several of the Japanese enlisted men were killed.

Yasui took possession of the dead officer's sword, put the survivors through close-order drill to establish his authority, then boarded a makeshift raft and had the prisoners push him back across the stream, much to the admiration of his buddies. Yasui's bravery won him the Silver Star.

By the end of the war in August 1945, the language school was a smooth-running organization with 1,800 students. With victory, the school shifted its emphasis from military Japanese to general Japanese and civil affairs, for the work of the newest linguists was just beginning. Their assignment was to take part in the occupation and reconstruction of the defeated country. The last 2,300 who were trained graduated so late that all their duty was in Japan until the Korean war.

In Japan, the Nisei were put to work interpreting for military government teams, locating and repatriating imprisoned Americans, translating seized military documents, in counterintelligence, rounding up war criminal suspects and interpreting at their trials. They were as valuable in the cleanup after victory as they had been in combat. The very presence of Nisei in the occupation army contributed much to the rapid democratization of Japan. They helped to smash black market operations, evaluate Air Force bomb damage, train Japanese military police, and supervise repatriation of Japanese prisoners.

The school was finally deactivated in June 1946, after graduating some 6,000 men. Today, a skeleton operation is still maintained at the Presidio in Monterey, Calif.

Many of the Nisei decided to make the army their career and spent additional tours of duty in Japan. When war broke out in Korea in 1950, they were among the first American troops sent to the front. The United States was as short of Korean linguists at that time as it had been of Japanese specialists a decade earlier. However, since virtually all adult Koreans are familiar with the Japanese language, the Nisei once again served their Nation's needs. Nisei were rushed to places like Taejon, Chonju, and Taegu, with the 1st Cavalry, the 25th Division, 5th Army RCT, and the 27th Infantry.

Many of our Nisei of the Pacific war have long been civilians again, but others are still serving, not only as linguists but in the broader field of military intelligence.

For example, there's Maj. Ken Sawada, of Denver, who is now stationed at Fort Bragg and who spent two tours of duty in Okinawa. Major Sawada served in Australia, New Guinea, and the Philippines in World War II, was among the first to land in Japan after the surrender, was assigned to counterintelligence work and interpreted at war crime trials. On his most recent oversea tour he was detached to Thailand to train troops under combat conditions.

As historians get around to evaluating the contributions Nisei linguists made to the war effort, it is likely that a good many eloquent tributes will be voiced. But none will be so meaningful as the words that some unremembered editor wrote for the Military Intelligence Service Language School album: "Information and knowledge of the enemy obtained by these men cannot be measured in words, but by the weight of victory itself."

In September 1962, Colonel Rasmussen addressed a reunion of the Hawaiian Veterans of the Military Intelligence Service, at the Hilton Hawaiian Village in Honolulu. Speaking with a voice that had the familiarity and urgency of an air-raid warning, he urged that the United States establish a national academy of languages at once as a security measure. Before the men he trained in World War II, he declared: "We must establish the study of languages as a total career, military as well as civilian. When I realize that people behind the Iron Curtain speak 55 languages and more than 200 dialects, it makes me fearful of our responsibilities in this area. Linguists do not appear automatically. You cannot create language experts overnight."

CONTRIBUTION OF LAND-GRANT COLLEGES

Mr. LONG of Missouri. Mr. President, we are deeply conscious of the dramatic contribution land-grant colleges have made to the development of America. Today, the vast wealth of technical experience these colleges have created is being brought to bear on the problems of development in less-developed countries.

Since 1957, the University of Missouri, proud benefactor of the Morrill Land-Grant Act, has been assisting the agricultural development of northeast India. As part of the AID technical assistance program, the university has been sending agricultural engineers, poultry experts, and extension farm managers to India. At the same time 75 Indian students have studied agricultural technology at the University of Missouri. Ten of these students are on the campus right now.

One of the people most responsible for the creation of this mission to India was Elmer Ellis, president of the University of Missouri since 1955. Last week Elmer Ellis, who is also president of the Association of State Universities and Land-Grant Colleges, addressed the International Rural Development Conference here in Washington. This speech is particularly appropriate to our current debate on foreign aid.

Therefore, Mr. President, I ask unanimous consent that President Ellis' speech be printed in the Record.

There being no objection, the speech was ordered to be printed in the Record, as follows:

The Land-Grant College International Rural Development

(By Elmer Ellis)

Secretary Freeman and I have the honor of representing very old institutions—at least old when compared to this postwar baby, AID. Administrator Bell will appreciate why Secretary Freeman and I reflect a bit over a long, eventful, and generally successful history of the institutions and agency we represent. Both the USDA and the land-grant colleges celebrated their first century of public service in 1962. There are many ways of measuring the economic and cultural progress that has occurred in our first century of cooperative efforts. To me, one of the most meaningful is to reflect that in 1862, well over half of our people lived on farms, and their output of food and fiber was more than 50 percent of the Nation's total product. Many people only remotely concerned with agriculture have in the past few years, come to appreciate its magnificent contributions as they have compared American surpluses of food and fiber with the food deficits of most other nations—east and west.

Beginning with the Marshall plan and continuing through the various technical assistance programs, the peoples of the world have come to these shores and asked: How do you do it? What is the secret of your productivity? The answers that have arisen out of the sober reflection of many of us are that the land-grant colleges and the USDA deserve much of the credit. Recently, Russell Thackrey stated: "Seriously, it is no exaggeration to say that in all those countries of the free world which are striving toward a better life for their people * * * the idea of the land-grant university is America's most popular export."

It has been a little surprising to some Americans to realize how different the land-grant college idea was, and is, compared to the higher educational systems of most of the world. This difference was acutely realized a century ago when men of vision and determination were struggling to breathe life into this strange new institution. In 1862 there were 21 State universities, mostly founded on an earlier land grant, and under the inspiration of Thomas Jefferson had hopes of making substantial changes in higher education to meet American needs. These hopes remained largely unrealized. In addition there were many more private, usually church related, colleges and universities. All were essentially liberal arts institutions with some professional training in medicine and law in the State universities and theology, too, in the church colleges.

In the view of the men of the soil and of business, these older State universities and private colleges were literary colleges which produced too few graduates who had the interests or the abilities to bridge a stream, or to find a solution for hog cholera, or to develop a more drought-resistant wheat.

The Land-Grant College Act had three new concepts:

1. Colleges to serve all people and not just a few learned professions.
2. Colleges to concern themselves with all aspects of nature and all fields of endeavor "in order to promote the liberal and practical education of the industrial classes."
3. Provision of Federal finance for education under a broad general grant without any accompanying Federal control of education.

When Justin Morrill became a Congressman in 1855, he was interested in establishing a national agricultural school somewhat similar to West Point or Annapolis. By the time, 2 years later, of his introduction of the first draft of the land-grant bill, he had shifted to the view of State colleges which finally prevailed in the second and successful bill. Each of the subsequent acts—the Second Morrill Act, the Hatch Act establishing the agricultural experiment stations, and the Smith-Lever Act establishing agricultural extension—developed these basic concepts further. Each of these acts provided for a partnership between Federal funding and State administration of the colleges. There were many who doubted the wisdom of Federal funds appropriated without detailed Federal controls. They doubted the existence of the necessary maturity and responsibility within the colleges.

Looking back now on a century of the land-grant colleges, three-quarters of a century of the agricultural experiment stations and a half century of the Agricultural Extension Service, it is apparent that the decision to put faith in the maturity and accountability of the State agencies was a wise one. In fact, few would argue that the accomplishments in teaching, research, and extension would have been half as great if these colleges and experiment stations had received their funds and performed their duties on the basis of carefully prescribed contracts from the Treasury Department or even from the USDA. In fact, the very idea of such tight controls is almost unimaginable now, so well established is the land-grant way.

The land-grant colleges have not been satisfied merely to instruct students on the campus and the people on the farms, and to perform certain research functions. The land-grant colleges also showed the farmers how to help themselves by developing in their own communities institutions and leadership which would best serve them in such matters as marketing, buying, credit, public health, education, transportation, and other services essential to rural life. Without these institutions our rural economy could not have developed as it has.

I have the honor of being president this year of the Association of State Universities and Land-Grant Colleges. I have often reflected upon the curious local, State, and National orientation of these colleges and universities. They are in every sense State schools which are woven into the warp and woof of each State's culture.

Yet nearly all of them came into being because of an act passed by the National Congress. Moreover, many of the land-grant schools would never have survived those tumultuous early years without the support of that national land grant. State appropriations for State universities operations did not begin until the 1870's. Federal moneys have always been a major part of the budgets of these State institutions. There are many good reasons for this Federal-State partnership which has evolved. The benefits of agricultural research very seldom stop at the State boundary. There is no such thing as a Missouri vaccine for hog cholera. Our students come in increasing numbers from other States and nations and the benefits of their education accrue to even larger numbers of States and nations.

The participation of the land-grant institution in the postwar technical assistance program has seemed another natural phase in the widening responsibilities of these State-National schools. As we in AID and the schools reflect upon the accomplishments and disappointments of our postwar association, it may be profitable, and even consoling, to consider a bit of the early history of these agricultural colleges. While we point to a century of progress, we might more accurately talk of a half century of getting started and then a half century of progress. Just as we labor at this Conference to obtain fresh insights, so our precursors in the 1860's and 1870's labored to discover what a college of agriculture is or ought to be. What shall be taught? How shall new information be generated? The skepticism of some practical farmers with the potential of a college of agriculture was exceeded only by the skepticism of most educational leaders. The first dean of the Missouri College of Agriculture, George C. Swallow, was a geologist. Dean Swallow's decade of service was not without trouble. A summary of his record by a latter day faculty member captures beautifully the situation: "Swallow saw the splendor of practical education for a rural citizenry who desired technical knowledge of their calling. But what the people wanted they were not ready to seek; and had they been ready the means of teaching them were small. So Swallow failed though his goal remained."

Perhaps that statement has a faintly contemporary ring to Administrator Bell, as, he reviews some of the efforts of rural development in various countries.

Though there were many false starts and failures in the early days of land-grant colleges, their goal did remain. Farmers by 1900 had no doubt as to the worth of the colleges. Soon other groups began to appreciate the flow of engineers, technicians, and applied scientists that were coming from the classrooms. The land-grant philosophy which dignified physical effort and work on practical problems had begun to produce a stream of social dividends. Gradually the concept grew that the colleges were of service to all the people. The concept that "the State is our campus" became popular. At the University of Missouri we take pride in having set up a few years ago a single unified extension division which extends adult education to all the citizens of our State. President David Henry, a few years ago, wrote as follows: "What has been unchanging about the land-grant institutions has not been their external form or method of organization. The chief persisting elements in the family resemblance have been faith in the efficacy of learning by the many, vigorous applications of the democratic idea to educational service, adaptability in meeting each new task so as best to serve the welfare of the State, loyalty to the high mission of the university in any setting at any time, the advancement of knowledge and the search for truth."

Let me turn to this all-important topic of rural development. I am confident that most, or all, of you in this conference will agree with Ambassador Bowles' recent statement: "What happens in the muddy little villages and rural towns, so often bypassed by economists and technicians of development, will largely shape the economic and political history of Asia, Africa, and Latin America in the coming years."

With the announcement of the point 4 program by President Truman in 1949, the land-grant colleges entered into a new phase of international activities. On behalf of the executive committee of our association, President Hannah dispatched a letter to President Truman offering the facilities of the land-grant colleges to aid in the point 4 program. This offer was promptly accepted and in the next few years many of our land-grant colleges accepted contracts for work with institutions abroad. The first Administrator of the Technical Cooperation Administration was President Henry G. Bennett, of Oklahoma State University, who was killed in a plane crash in Iran after about 1 year of service. There has continued from the beginning close cooperation with AID and its predecessor organizations.

To develop toward a prosperous Western-style economy, the productivity of the individual farmer in rural Africa, Asia, and Latin America must grow tremendously. This growth can occur only as he uses better methods and more capital. These matters can seem so simple to the American in an American environment, but all of you know just how difficult it is to find a feasible way of accomplishing these steps. The colleges, of course, have no capital to loan nor any Public Law 480 food to dispense. All that they have is know-how and—even more important—the researcher's ability to find out new know-how.

The technical assistance task of the colleges is to develop knowledge and then teach the practical application of it.

The scope of the know-how is very broad and demands the best energies of scientists in many fields. Know-how is needed: To build a chicken coop and a marketing co-op; to apply insecticides and to develop an efficient farm supply system; to improve the sanitation of a village and to flush away cultural taboos which have outlived their usefulness in the society; to dignify manual labor and to make more workable the idealism of those educated people who are still cut off by class and custom from their fellow countrymen; to plant improved seeds in the soil and in the minds of men; to raise up water for irrigation and to raise up elementary schools; to build modest capital improvements on individual plots and to build a system of capital accumulation and credit which will begin to finance such improvements.

We can never be as confident of our advice on repairing a fault in a democratic government as in repairing a tractor or other farm implement. Nurturing the growth of a tender new democratic institution can be much more frustrating than nurturing a new plant variety. But all of these activities are exceedingly important. Our job is not just to solve agricultural problems, although that we must do; our job is also to solve the problems of developing people and institutions which in turn become solvers of agricultural and other problems.

The dean of the College of Agriculture at the University of Missouri, Elmer Kiehl, spoke recently in Bhubaneswar, Orissa, India, to a seminar of participants in our university program there. Dean Kiehl commented that: "The greatest challenge of India is that educated people must make sacrifices of time and talent, creating attitudes for the greatest goal in these tremendously important times. The key to India's future lies in the hands of the trained people—the most precious and scarce resource of India." In our program in India we have become more and more aware of the need to develop the continuing attitude of service—the willingness to make do with inadequate facilities and pay and all the rest because the job is worth doing.

One of the highlights of the centennial celebration of our association was a series of reports by four international study groups. These reports are published in the Centennial Convocation, volume II of the 1961 proceedings. I recommend highly their reading to any of you who may have missed them.

The frustrations involved in university experiences abroad in the 1950's appear occasionally in these reports, but it is immensely encouraging to note the thread of cautious optimism and the willingness to dream big dreams which run through the reports of all the groups. This positive thinking is a merger of three currents of thought of widely divergent origin. On the one hand is the faith in the age-old ideal that scholarship has no international boundaries and that its communication is almost always profitable for increased understanding and material progress. On the other hand is the national recognition that this country has an opportunity unique in the history of the world for helping to revolutionize education for billions of people and for shaping the leadership of scores of nations. It cannot be ignored. The third stream is a confidence built during our first century as land-grant colleges that we have the capacity to meet this tremendous challenge which is ours.

There was a notable girding of the loins by these study group committees who knew well the many problems that are faced. Each of us is challenged. Congress needs to provide us a charter—another Morrill Act—which spells out the needs, outlines a more workable partnership of Federal agencies with State universities, and sets up a system of more adequate funding. The necessity of total university commitment has been emphasized many times without much visible results because the administrative and financial environment has simply not permitted it.

Within such a charter of longtime ends and means, it is up to us in groups like these represented here today to meet with vision the problems which beset us. We educators must accept responsibility for full involvement. Only our best efforts will be good enough.

Our faculties must come to understand that they face the challenge and opportunity of building a great new common market of ideas and knowledge. They must be involved in the long-term program planning, implementation, and appraisal. They must think through the roles which they can play, individually and collectively. As one of our centennial study groups reported, "A university stance is required which clearly stimulates and challenges bright young professors to make intellectual commitments to international affairs, studies, and programs for substantial periods of time."

One of the study groups at the 1961 meetings posed the goal of the university having a branch campus abroad with free interchange of students and faculty. While this concept could be misconstrued in some quarters, it is meaningful to college administrators as to the degree of responsibility and involvement which may sometimes be desirable. Not all universities will be willing to undertake such responsibilities. No university will be able to undertake them without a much more adequate Federal budget. I can imagine a coming and going of professors and their graduate students, a building of library resources, etc., which would revolutionize the attitudes of faculties toward what are now known, sometimes unfavorably, as foreign assignments. In this day of jet travel, there is no reason, except shortsighted financing, why a professor cannot return to his home university more frequently than every other year. To obtain the proper interaction between the home and the branch campus, he must return annually or more often.

President John Gardner, of Carnegie, in his important report made this spring to Administrator Bell, notes that AID does not know the universities well enough to demand and get their best efforts. I endorse wholeheartedly his suggestion of a number of steps to bridge this gap, including the development of procedures for facilitating the temporary interchange of personnel, special planning conferences, and all the rest.

President Gardner proposes that a semiautonomous Government institute be set up as a separate corporate entity under its own board of trustees and budget but ultimately responsible to the Administrator of AID. This institute, which he goes so far as to christen the National Institute for Educational and Technical Cooperation, is envisioned as the key to the development of long-term technical assistance programs. Moreover it would be the focal point for developing a more enduring relationship between AID and the universities. University administrators and USDA would be represented on the board of trustees, and a true partnership might gradually evolve. Universities must become other than sellers of services, and AID must become other than buyer of services, if the necessary creative energies are to be released for the tasks at hand. As Gardner puts it, "in its oversea activities as well as at home, the university will function as a university and not merely as a pool of technical talent or an employment broker. It will remember that its unique role is not only to apply present knowledge but to advance the state of knowledge, not only to supply experts today but to train the next generation of experts.

I hope that this paper has made it obvious that we in the universities believe that this Nation faces a tremendous challenge and opportunity. We further believe that a partnership between such national agencies as AID and the USDA and the universities is essential to develop a solid program which utilizes the strength of each. I would be sadly remiss if I did not include here the tremendous contributions of the private foundations. In our program in India, we have come to appreciate the leadership of really magnificent people in the Ford and Rockefeller Foundations. Technical assistance is not the total story, of course. There is a place for Public Law 480 and all kinds of action projects. Nor is technical assistance strictly the province of the universities, for many tasks are better done by those in AID or USDA. We welcome the opportunity in meetings like these to work out those cooperative arrangements, which may someday seem as historic as the Morrill Act and the establishment of Agriculture as a Department at Cabinet level.

SENATE FINANCIAL DISCLOSURE BILLS

Mr. McGOVERN. Mr. President, on Thursday, July 30, the Sioux City (Iowa) Journal published what I consider to be an excellent editorial regarding the financial disclosure bills introduced by Senators CLARK, CASE, and WILLIAMS of Delaware.

The editor makes the point that the Senate has been insistent on requiring Cabinet members and other appointed officials to make full disclosure of financial interests; yet, the Senate has voted against making public the financial transactions of Senators.

As one who voted for the Case, Clark, and Williams disclosure bills, I ask unanimous consent that the editorial be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Sioux City (Iowa) Journal, July 30, 1964]

THE SENATE REJECTS

The Senate's rejection of the new proposed financial disclosure rule and its substitution of a milk-toast "commission to study how best to prevent conflicts of interest among all Federal employees" is an action that won the Senators no stature.

Financial disclosure does not demean a Senator. It does permit knowledge of his financial interests, if any, outside the Senate. In most cases, we suspect, the disclosure would show nothing any fairminded person could quarrel with. In a few cases it might. The least the public should be permitted to know is what potential conflict of interest exists for any Senator.

The Senate has been particularly insistent on requiring Cabinet members and other appointed officials to make full disclosure of their financial interests, and in some cases has forced appointees to divest themselves of certain holdings. There was no move for a "commission to study" the matter in these numerous cases. It would seem even more important that those who make the laws observe the same standards, instead of operating on a two-standard basis.

What the Senate action does is to direct suspicion upon all Senators; the suspicion is that some of them have dealings they wish to hide. This is unhealthy and unfair, and has no place in Congress. The quicker it is corrected the better. Home folks would do well to make it plain to their Senators and to candidates for the Senate that a "full disclosure" rule is highly desirable, and that the people are determined to have one, or else.

ADVERSE IMPACT ON DOMESTIC BEEF AND MUTTON INDUSTRY OF ACTIVITIES OF DEPARTMENT OF STATE AND DEPARTMENT OF AGRICULTURE

Mr. LAUSCHE. Mr. President, on July 31, the American Farm Bureau Federation, through its secretary-treasurer, sent a letter to Secretary of State Rusk. Copies of the letter were sent to Secretary of Agriculture Freeman, George W. Ball, and Christian Herter. The letter described the adverse impact on our domestic beef and mutton industry of the activities of the Department of State and the Department of Agriculture.

The letter contained statements which I believe are substantially accurate; and I believe the readers of the CONGRESSIONAL RECORD will find an analysis of the statements interesting.

Therefore, I ask unanimous consent that the letter be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMERICAN FARM BUREAU FEDERATION,
July 31, 1964.

Hon. DEAN RUSK,
Secretary of State,
U.S. Department of State,
Washington, D.C.

DEAR MR. SECRETARY: The action of the U.S. Senate in passing a bill to set legislative quotas on beef, mutton, and other meat imports constitutes a well deserved rebuke to the U.S. Department of State and the U.S. Department of Agriculture.

Both of these agencies of the executive branch of Government admit that U.S. meat imports from abroad have increased and that prices received by domestic livestock producers have declined substantially.

We do not contend that the increase in meat imports is the sole cause of the decline in livestock prices. The action of the U.S. Department of Agriculture in dumping large quantities of Government-owned feed grains onto the market in 1961 and 1962 stimulated an expansion in livestock production which has been greater than the market would absorb at the level of cattle prices which prevailed in those years.

The new wheat program recommended by the U.S. Department of Agriculture and enacted by Congress with the Department's encouragement has artificially depressed the market for feed wheat—and for other feed grains as well—and is encouraging a continuation of the current high level of livestock production in the face of market forces which would ordinarily bring about a prompt adjustment in output.

Nevertheless, the fact is that increased meat imports have aggravated a situation brought about by a misuse of discretionary authority by the U.S. Department of Agriculture.

Instead of handling the import situation in accordance with provisions of the Trade Expansion Act of 1962—which you know the Farm Bureau vigorously supported—the U.S. Departments of State and Agriculture conducted secret negotiations with four of the major meat exporting countries. The so-called voluntary agreements emanating from these negotiations have amounted to a betrayal of American agriculture. Their effect has been to give foreign competitors assurance that they will be permitted to increase sales in the U.S. market in the future in return for a relatively small cutback at the present time. This action could encourage foreign cattlemen to expand production for the U.S. market.

As bad as the voluntary meat agreements are in and of themselves, there is another most important and far-reaching aspect that deserves attention. It is in the interest of the United States for our negotiators at the current GATT session in Geneva to insist on realistic reductions in trade restrictions, including nontariff restrictions, against U.S. export—especially agricultural exports. But the precedent established by our Government's negotiating a commodity agreement for meat has cut the ground out from under the U.S. representatives if they in fact do attempt to obtain meaningful concessions for U.S. agriculture.

International commodity agreements are not acceptable substitutes for meaningful reciprocal trade negotiations. International commodity agreements are an effort to promote government supply-management on an international scale. The international version of government supply-management is no better than the domestic variety, which has been rejected by both the Congress and American farmers. Having proceeded down this road, the U.S. Department of State should not have been surprised at the rebuke received from the U.S. Senate this week.

The Senate's action should be a warning that use of so-called voluntary agreements to circumvent the U.S. Tariff Commission and the provisions of the Trade Expansion Act of 1962, jeopardizes both the success of the current trade expansion program and the enactment of future foreign trade legislation.

Sincerely yours,

ROGER FLEMING,
Secretary-Treasurer and
Director, Washington Office.

THE 174TH ANNIVERSARY OF THE U.S. COAST GUARD

Mr. PELL. Mr. President, as a member of the U.S. Coast Guard Reserve since prior to our entry into World War II, and at present a Captain in the Reserve, and as one who has long believed in the outstanding contribution this service has made to our Nation, both in war and peace, I take this opportunity to call attention to the Coast Guard's 174th anniversary, today.

Under the leadership of Adm. E. J. Roland, Coast Guard Commandant, this service is utilizing modern scientific advances while maintaining its traditional and historic missions, to insure maritime safety and maritime law enforcement.

Admiral Roland states:

> The Coast Guard must pursue a vigorous and dynamic program of research and development, to remain abreast of technological progress adaptable to aids to navigation systems. Through international cooperation, the Coast Guard should spearhead development of a standard, worldwide system of aids to navigation.

According to the Coast Guard, approximately 20 percent of its officer personnel are employed in a program designed to make the U.S. merchant fleet the safest in the world, with special emphasis on fire prevention. The result has been that no major fire has occurred on an American passenger vessel at sea for nearly a generation.

The Coast Guard reports that during the past year it answered 39,603 calls for assistance, and saved 2,894 lives; and that with new and faster ships and aircraft, it can widen its operational scope, with fewer facilities.

The Coast Guard is also contributing increasingly to our national oceanographic effort, through the oceanic studies carried out by its International Ice Patrol, Bering Sea Patrol, and ocean weather stations in the Atlantic and Pacific Oceans.

In enforcing Federal marine regulations in an educational, rather than in a punitive manner, the Coast Guard has established a Recreational Boating Safety Division, to deal exclusively with the remarkable increase during recent years in this type of boating. Coast Guard responsibility ranges from small pleasure craft to the nuclear ship *Savannah*, and from the ordinary seaman to the master of the largest ocean liner.

Mr. President, as we mark this 174th anniversary, let us remember the constant vigilance of the Coast Guard which bears so significantly on our Nation's security and its well-being.

ORDER OF BUSINESS

The **PRESIDING OFFICER** (Mr. WALTERS in the chair). Is there further morning business? If not, morning business is closed.

INTEREST EQUALIZATION TAX ON CERTAIN FOREIGN SECURITIES

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the pending business, interest equalization tax on certain foreign securities (H.R. 8000), be laid before the Senate.

The **PRESIDING OFFICER.** Is there objection? The Chair hears none, and it is so ordered.

The Senate resumed the consideration of the bill (H.R. 8000) to amend the Internal Revenue Code of 1954 to impose a tax on acquisition of certain foreign securities in order to equalize costs of longer term financing in the United States and in markets abroad, and for other purposes.

THE CALENDAR

Mr. **MANSFIELD.** Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1229, H.R. 8009, and that all the bills following be considered in sequence.

The **PRESIDING OFFICER.** Is there objection? Without objection, it is so ordered.

Mr. **MANSFIELD.** Mr. President, I ask unanimous consent that at the appropriate place in the RECORD I may have printed excerpts from the reports and other matters. I understand that all these measures were reported unanimously by the Committee on Labor and Public Welfare.

The **PRESIDING OFFICER.** Is there objection? The Chair hears none, and it is so ordered.

CERTAIN NURSING HOME CARE FOR CERTAIN VETERANS

The Senate proceeded to consider the bill (H.R. 8009) to amend title 38, United States Code, to provide certain veterans with urgently needed nursing home care and nursing care facilities while reducing the cost to the United States of caring for such veterans, and for other purposes which had been reported from the Committee on Labor and Public Welfare with amendments on page 1, after line 7, to strike out:

> (2) The Administrator, subject to the approval of the President, is authorized to establish and operate not more than two thousand additional beds for the furnishing of nursing home care to eligible veterans in facilities over which the Administrator has direct and exclusive jurisdiction.

And, in lieu thereof, to insert:

> (2) The Administrator, subject to the approval of the President, is authorized to establish and operate not less than four thousand beds for the furnishing of nursing home care to eligible veterans in facilities over which the Administrator has direct and exclusive jurisdiction.

On page 3, line 13, after the word "the", to strike out "Chief Medical Director" and insert "Administrator"; on page 4, line 18, after "January 1,", to strike out "1964" and insert "1965"; and on page 6, line 1, after "June 30,", to strike out "1964" and insert "1965".

Mr. **YARBOROUGH.** Mr. President, H.R. 8009 would provide nursing home care for our veterans as an answer to the growing medical and health needs of our aging veterans population. This legislation has been carefully considered and proposed to meet both the needs for increased medical care for the steadily increasing number of aging veterans as well as for the need for nursing care for veterans now occupying Veterans' Administration hospital beds who no longer need the technical and professional services of doctors in a hospital, estimated by some to number 10,000 veterans, but their afflictions are such that they are unable to take care of themselves.

These veterans have been allowed to remain in their hospital beds simply because they have no place else to go, and the Veterans' Administration has refused to throw them out on the street. At the present time, the cost of maintaining these hospital beds averages $27 a day; under the proposed bill the nursing care needed by these veterans has a ceiling of $9 a day—less than a third of the present cost of providing needed medical care. As you can see, this bill would be instrumental in saving the Government two-thirds of what it is presently paying to provide adequate medical care in these cases, while at the same time freeing the more expensive beds for the steadily growing waiting list for chronic and acute medical cases. Hence, we would in effect be achieving two purposes; we would be providing just the type of medical care needed for the nursing-home patients at a considerable savings and we would be adequately taking care of the veterans who under the present situation just cannot get the treatment which their acute illnesses demand.

Under the proposed bill, we would be providing at least 4,000 of these nursing home care beds. The need for this amount as a minimum has been clearly established. Even by the very conservative figures of the Veterans' Administration, there are over 3,700 beds now being occupied by veterans who have utilized maximum hospital treatment and are now in need only of nursing home care. But, the other estimates of this need range from this low by the VA to the 9,700 reported by the House Committee on Veterans' Affairs. It is to be noted here that whichever figure is taken, it is undisputed that an urgent need exists to establish 4,000 of these nursing home care beds.

Even these figures fail to demonstrate the extent to which immediate action is needed. There has been, in the past few years, increasing concern with the problems of the elderly. The aged suffer many more days of illness, and are more subject to chronic conditions. Characteristically, the aged have a smaller income from which to provide themselves proper medical care. The aged veteran is a large and growing proportion of this aged population. At present there are nearly 1 million veterans who are 70 years old or over, and these older veterans account for one-third of veterans hospital admissions. There are 85,000 World War II veterans aged 65 to 69. By 1975 it is estimated that this figure will have increased tenfold to 889,000. Overall, in 1960 there were 1,781,000 veterans 65 and over. By the year 2000 there will be an estimated 8,384,000 veterans 65 years of age—an increase of more than 470 percent in only 40 years. We are therefore faced with a desperate need to provide necessary and deserved care. Unless we act quickly we shall never keep pace with the rising numbers of those requiring help, and H.R. 8009 is a needed action which attacks these problems with a new approach.

This Nation has never failed to recognize the needs of its veterans who have answered their country's call on the battlefields of the world. Through the GI bills we assisted the veterans in readjusting to civilian life. We have provided hospital and medical care to treat the injuries suffered by our servicemen in the defense of their country, and we have recognized the needs of our veterans' families by life insurance and compensation, and educational assistance for war orphans. This is a good record of which we can be proud, but we must not rest on our past successes; we must rise to meet the new problems and new needs of our veterans.

In order to provide our veterans with a complete medical program, we must supplement our present treatment with a new program to provide needed intermediate care. After a veteran has been given maximum medical benefits in our Veterans' Administration hospitals, we must help him to reenter the community without serious handicap. This bill would greatly aid the veteran and his family in making the difficult transition from a hospital to his eventual place in the community.

In summation, there is an admitted need for nursing home care to supplement the present medical treatment for our veterans. At present, if the facilities for their care are not available, the patient's only choice is to remain indefinitely in the hospital. This is not the best atmosphere for him, and it imposes a tremendous burden on the already crowded hospitals. It siphons away space desperately needed for the acutely ill who require intensive, highly professional care. This bill will allow us to take care of illnesses more promptly, and therefore will prevent more serious illnesses which are ultimately more expensive and require longer use of crowded hospital facilities—in a healthy society, there is no alternative for prompt medical care.

In addition, more nursing beds and homes would save the Government and the economy a great deal of money, since it is much more expensive to keep a patient in a hospital bed than in a nursing home. By providing this essential intermediate care, we would facilitate an orderly transition from the hospital to a place in the community.

Mr. President, due to the extent and immediacy of the need for this nursing home care, I suggest that we cannot hesitate, but should enact H.R. 8009 into public law.

The **PRESIDING OFFICER.** The question is on agreeing to the committee amendments.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

The title was amended, so as to read: "An Act to amend title 38, United States Code, to provide veterans with urgently needed nursing home care and nursing care facilities while reducing the cost to the United States of caring for such veterans, and for other purposes."

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1293), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

EXPLANATION OF THE BILL

Section 1 of the bill, as reported, provides that the Administrator may, subject to the approval of the President, establish and operate not less than 4,000 nursing home care beds for veterans eligible for such care in facilities over which the Administrator has direct and exclusive jurisdiction. An administrative ceiling of 125,000 hospital beds was established during the Eisenhower administration.

While the cited authority is discretionary, let there be no doubt or misunderstanding as to the intent, purpose, and desire of the committee. The 4,000 nursing home care beds are to be provided in the immediate future and to be fully operated at the earliest practicable date. It is fully expected by the committee that every bed of this type which is placed in operation by the VA will be fully utilized for the purpose stated.

The net increase provided by this bill shall be not less than 4,000 and whether or not the new hospital ceiling is 127,000, or the nursing care beds are included in the domiciliary allotment (which is not governed by any ceiling other than availability of funds), is of no concern to the committee so long as intermediate or nursing home care beds are provided in the amount indicated.

Further, such nursing home beds may be based on renovation or modernization of existing Veterans' Administration facilities as is quite possible, or it may be new construction along the lines of the long-term chronic care unit just beginning operation at the Kecoughtan, Va., Veterans Hospital.

Section 2 authorizes the Administrator to transfer any long-term patient in a Veterans' Administration hospital who has received maximum hospital benefits, and who will require nursing home care, to other facilities outside the control of the Veterans' Administration, but at the expense of the agency, so long as the per diem cost does not exceed one-third of the cost applicable to a general hospital operated by the Veterans' Administration. The per diem cost of care in a VA hospital at present is approximately $27. Such nursing home care is not to be furnished for a period longer than 6 months in the aggregate in connection with any one transfer except where in the judgment of the Administrator a longer period is warranted. The Administrator is authorized to prescribe and establish such standards for nursing home care facilities in privately operated facilities as he may determine. The 6-month limitation prescribed is the same period of time as that advocated by the Administration in its medical care program. Any nursing home in which a veteran would be placed would be in conjunction with the general Veterans' Administration hospital nearest to the institution.

One of the principal purposes of section 2 is to aid the veteran and his family in making the transition from a hospital to his eventual place in the community. The range of cost of providing nursing care in the several States is indicated in the table which follows:

Range of monthly charges in licensed nursing homes available for the care of veteran patients within a radius of 50 miles of the reporting VA hospital, 1962

VA hospital	Range	
	Minimum	Maximum
All VA hospitals	$75	$700
Alabama:		
Birmingham	200	300
Montgomery	200	300
Tuscaloosa	(1)	(1)
Tuskegee	125	225
Arizona:		
Phoenix	150	300
Tucson	125	500
Whipple	175	250
Arkansas:		
Fayetteville	125	175
Little Rock	175	250
North Little Rock	105	300
California:		
Fresno	210	500
Livermore	255	500
Long Beach	255	325
Los Angeles:		
G.M. & S. section	225	500
NP section	225	500
Oakland	255	500
Palo Alto	300	700
San Fernando	225	600
San Francisco	300	600
Sepulveda	200	350
Colorado:		
Denver	175	350
Fort Lyon	165	195
Grand Junction	100	200
Connecticut:		
Newington	218	530
West Haven	275	600
Delaware: Wilmington	160	320
District of Columbia: Washington	200	400
Florida:		
Bay Pines	200	650
Coral Gables	180	300
Lake City	175	350
Georgia:		
Atlanta	125	150
Augusta	125	300
Dublin	150	300
Idaho: Boise	135	350
Illinois:		
Chicago (research)	175	300
Chicago (West Side)	140	(2)
Danville	180	330
Downey	125	540
Dwight	135	350
Hines	140	585
Marion	125	175
Indiana:		
Fort Wayne	160	250
Indianapolis	85	300
Marion	150	200
Iowa:		
Des Moines	150	300
Iowa City	110	300
Knoxville	125	300
Kansas:		
Topeka	135	225
Wadsworth	100	400
Wichita	135	450
Kentucky:		
Lexington	100	250
Louisville	100	600
Louisiana:		
Alexandria	150	200
New Orleans	125	500
Shreveport	125	365
Maine: Togus	190	300
Maryland:		
Baltimore	145	200
Fort Howard	145	200
Perry Point	135	350
Massachusetts:		
Bedford	191	500
Boston	210	300
Brockton	200	600
Northampton	180	400
Rutland Heights	265	420
West Roxbury	204	425
Michigan:		
Ann Arbor	250	350
Battle Creek	180	250
Dearborn	210	375
Iron Mountain	135	225
Saginaw	180	300
Minnesota:		
Minneapolis	175	300
St. Cloud	150	300
Mississippi:		
Biloxi	125	180
Gulfport	100	200
Jackson	100	200

See footnotes at end of table.

Range of monthly charges in licensed nursing homes available for the care of veteran patients within a radius of 50 miles of the reporting VA hospital, 1962—Continued

VA hospital	Range	
	Minimum	Maximum
Missouri:		
Excelsior Springs	$100	$475
Jefferson Barracks	150	250
Kansas City	150	300
Poplar Bluff	110	175
St. Louis	175	650
Montana:		
Fort Harrison	175	300
Miles City	135	185
Nebraska:		
Grand Island	85	200
Lincoln	80	400
Omaha	100	240
Nevada: Reno	175	500
New Hampshire: Manchester	213	433
New Jersey:		
East Orange	220	400
Lyons	200	500
New Mexico:		
Albuquerque	165	300
Fort Bayard	175	225
New York:		
Albany	130	400
Batavia	150	600
Bath	210	300
Bronx	260	400
Brooklyn	260	400
Buffalo	233	450
Canandaigua	200	500
Castle Point	281	368
Montrose	240	542
New York	260	400
Northport	135	210
Sunmount	140	300
Syracuse	177	250
North Carolina:		
Durham	75	250
Fayetteville	160	250
Oteen	145	250
Salisbury	150	275
North Dakota: Fargo	150	300
Ohio:		
Brecksville	160	280
Chillicothe	100	200
Cincinnati	120	250
Cleveland	160	450
Dayton	140	300
Oklahoma:		
Muskogee	150	250
Oklahoma City	125	600
Oregon:		
Portland	169	330
Roseburg	200	330
Pennsylvania:		
Altoona	160	320
Butler	100	300
Coatesville	175	300
Erie	220	300
Lebanon	160	300
Philadelphia	180	240
Pittsburgh (general)	250	700
Pittsburgh (psychiatric)	200	250
Wilkes-Barre	250	280
Puerto Rico: San Juan	300	500
Rhode Island: Providence	189	450
South Carolina: Columbia	135	250
South Dakota:		
Fort Meade	150	180
Hot Springs	150	225
Sioux Falls	105	250
Tennessee:		
Memphis	155	300
Mountain Home	125	280
Murfreesboro	150	300
Nashville	125	200
Texas:		
Amarillo	150	275
Big Spring	100	225
Bonham	100	255
Dallas	120	300
Houston	75	(2)
Kerrville	125	250
Marlin	120	250
McKinney	100	250
Temple	150	250
Waco	75	200
Utah: Salt Lake City	120	400
Vermont: White River Junction	175	300
Virginia:		
Kecoughtan	125	250
Richmond	150	275
Salem	150	250
Washington:		
American Lake	125	195
Seattle	200	350
Spokane	125	194
Vancouver	150	265
Walla Walla	129	400

See footnotes at end of table.

Range of monthly charges in licensed nursing homes available for the care of veteran patients within a radius of 50 miles of the reporting VA hospital, 1962—Continued

VA hospital	Range	
	Minimum	Maximum
West Virginia:		
Beckley	$165	$360
Clarksburg	135	225
Huntington	150	300
Martinsburg	160	240
Wisconsin:		
Madison	120	600
Tomah	120	250
Wood	150	300
Wyoming:		
Cheyenne	200	300
Sheridan	125	175

[1] No nursing homes available in area.

[2] Not stated.

After the Civil War many States established old soldiers' homes which ultimately were enlarged and their functions changed until today we have 33 such homes in 28 States. A list of these homes with their operation costs will be found on page 28. Under existing law the Administrator of Veterans' Affairs is authorized to pay not more than $2.50 for each day of care given to any veteran in any one of these State homes if the veteran is entitled to receive hospital or domiciliary care in a VA facility. Section 3 continues this $2.50 per day rate for those veterans who are currently in the home but establishes a new rate of $3.50 per day for any veteran who is admitted to the home after the date of enactment of this bill, for the first time and who receives nursing home care there. It is estimated that approximately 70 percent of those now in the homes are receiving domiciliary care.

Today a veteran may be admitted for hospital or domiciliary reasons and is thereafter maintained if he develops into a nursing-care case but he cannot be admitted in the latter category for the first time and have the VA pay any of the per diem cost. Section 3 would permit the VA to pay this cost.

Section 3 also repeals the so-called offset provisions in the law today which permits a reduction by one-half of any amount which is retained by the home from any payments of pension or compensation made to such veteran and, unless wives or widows of veterans are admitted and maintained, by such home, by any other amounts collected in any manner from such veteran and used for the support of such State home.

Section 4 authorizes, on a matching basis, $5 million, for each of the next 5 fiscal years to assist the States in the construction of new buildings or the expansion, remodeling, modification, or alteration of existing structures in order to provide nursing home beds in their State homes. Appropriate authority is granted the Administrator of Veterans' Affairs to prescribe standards governing such construction.

It should be emphasized that this grant is not restricted to States with existing State homes, but rather applies to all States whether or not they at the present time operate a State home. A 10-percent limitation applies on the funds that may be granted to any State for construction of nursing home care facilities. All the funds must be used for the construction of nursing home care facilities and not to enlarge or increase existing facilities for hospital or domiciliary care. Facilities would be constructed on the basis of the war veteran population in each State but not to exceed facilities to provide in excess of one-half bed per 1,000 war veterans in the case of any State.

Section 5 provides that any veteran who is in receipt of the aid and attendance pension or compensation shall not have his pension reduced on account of the aid and attendance allowance earlier than the first day of the second calendar month which begins after the date of the veteran's admission for hospitalization by the Veterans' Administration. This provision is identical in purpose to section 2 of Public Law 87-645, which provides the same sort of arrangement for veterans receiving the maximum rate of compensation for service-connected disabilities. In the committee report (H. Rept. 1469, 87th Cong.) on H.R. 10743 (Public Law 87-645) it was stated:

"Section * * * of the bill provides that veterans who are receiving the statutory award of $450 and also additional compensation of $150 while not in a hospital, will have their compensation continued until the first day of the second month which begins after they are hospitalized. Inasmuch as it costs the Veterans' Administration approximately $25 a day to hospitalize each patient in a general, medical, and surgical hospital, and more for those veterans who are in the paraplegic class, it is obvious that the payment of this additional compensation, in lieu of furnishing hospital care, is in effect, a saving to the Government. It seems reasonable to the committee and also good medical practice to permit these badly disabled service-connected cases to report to a hospital whenever they are in need of care without suffering a financial loss. Even at these rather liberal rates, many paralyzed veterans experience difficulty in making ends meet, since some require 24-hour care in their home and must pay out sizable amounts to individuals employed to take care of them.

"Section * * * of the bill had its origin in H.R. 3350 (87th Cong.). This latter bill, as originally introduced, provided that this allowance would be discontinued (a) on admission for hospitalization if at that time the prognosis of his case indicated it was likely he would be hospitalized for 60 days or more, or (b) the first day of the third calendar month following the month of admission in all other cases. This section, as reported, provides that it will only be discontinued from the first day of the second calendar month which begins after the day of his admission. If the veteran leaves the hospital against medical advice and is thereafter readmitted, the allowance during this period of hospitalization shall be discontinued from the date of such readmission for so long as that hospitalization continues. The Veterans' Administration has not formally reported on this proposal but a representative of the Veterans' Administration did comment during the hearings held during the 1st session of the 87th Congress. Informal advice has been received from the VA that there would be no great cost, administrative or otherwise, as a result of the enactment of this section."

This section is favored by the Veterans' Administration and the comments quoted above apply with equal validity to this legislation affecting aid and attendance pensioners.

Section 6 authorizes the Administrator of Veterans' Affairs to furnish any type of therapeutic, rehabilitative, and medical equipment and supplies, if medically indicated and the veteran is eligible for an invalid lift or would be so eligible if it were not for the fact that he has one. The devices which the committee has in mind are indicated by the list which appears on page 27. The invalid lift was authorized as a section of Public Law 86-211, effective July 1, 1960. The use of this device has not been widespread—only 270 such lifts have been furnished. This experience indicates the possible use of the authority contained in section 6.

Section 7 relates to the CBOC program—completion of bed occupancy. Section 612 (b), title 38, United States Code, added Public Law 86-639, provides that where a veteran reaches a condition in his medical treatment such as to warrant no further medical care in a Veterans' Administration hospital, he may be placed in the CBOC program and in effect be cared for on an outpatient basis to round out the hospital care. Administratively this has been limited to for a period not to exceed 1 year. Section 7 would remove this administrative time limit of the CBOC program in the case as to six specific diseases from which many of our older veterans are suffering: (1) Cardiovascular-renal disease, including hypertension, (2) endocrinopathies, (3) diabetes mellitus, (4) cancer, (5) neuropsychiatric disorders, and (6) tuberculosis. Care could be given so long as medical judgment dictated such action.

SUMMARY

In summary, the committee recommends a multipronged approach to the need for nursing home care as follows:

1. Authorizing the use of not less than 4,000 beds in the existing Veterans' Administration system.
2. Providing for limited care in a private nursing home for certain Veterans' Administration patients who have received maximum hospital benefits.
3. Increasing aid to State homes by providing for a 5-year program of capital outlays (on a matching basis) and a larger per diem contribution for the care of nursing home patients.
4. Encouraging veterans receiving aid and attendance pension to reenter hospitals for brief stays without loss of their pension, thus preventing longer stays and more serious illnesses.
5. Furnishing prosthetic appliances to certain aid and attendance pensioners on an outpatient basis of the type and variety required in their everyday lives and which would be furnished if they were in a hospital.
6. Extending of the CBOC program to keep prospective nursing home care patients in their own homes and in their own environment as long as possible.

COMMITTEE'S POSITION

At the time of the hearings before the Subcommittee on Veterans' Affairs on H.R. 8009, the Veterans' Administration had not activated a single nursing home type bed pursuant to the memorandum by President John F. Kennedy dated August 12, 1963, authorizing the activation of 2,000 such beds within the VA system. Nor at the time of this report has there been any indication that these beds are being activated.

Admitting that there are many nursing home care type patients occupying VA hospital beds who have received maximum hospital and medical benefits—a minimum of 3,700—and admitting that adequate authority exists for the institution of nursing home type care by the VA, the Veterans' Administration opposes the addition of any more beds for nursing home care.

The Bureau of the Budget's position, and presumably that of the administration, is that no beds for this purpose should be provided for veterans as a class or group, but rather that the needs of veterans should be met as part of an overall program available to all members of the population. It is the committee's position that any program which would meet a portion of this need, and which could be integrated into a more general plan, if and when such general plan is authorized, should be implemented. It is assumed that participation in this program will be on the same basis following maximum hospital treatment as admissions to Veterans' Administration hospitals, and that this type care will be instrumental in providing more space for the increasing number of acute medical patients.

Given a need for this type nursing care which the Veterans' Administration has not denied exists, and because of the reluctance of the Veterans' Administration to take the initiative in utilizing its authority, if any action is to be taken in this field by the Veterans' Administration, it will require enactment of this or similar legislation.

The enactment of this legislation will give at least 4,000 veterans who need it, better care at less cost to the Government.

Following is a cost analysis of H.R. 8009 made by the VA based on the anticipated amendment providing for a total of not less than 4,000 beds:

"COST ANALYSIS OF H.R. 8009

"1. Section 1, authorizing 'not more than 2,000 additional beds for the furnishing of nursing home care' will be adequately implemented by action under the Presidential authorization of August 12, 1963, pursuant to existing law. Accordingly, the enactment of this section would not entail additional cost to the Government over that which will result from existing planning. In the debate on the floor of the House when H.R. 8009 was being considered, it was asserted that the enactment of section 1 would result in an authorization of 2,000 beds in addition to those authorized by the President. As presently drafted and as passed by the House, we do not agree with this conclusion. However, the cost of an additional 2,000 beds, if section 1 were amended to provide for them, would be $12 million.

"2. It is difficult to estimate the number of patients who might be transferred each year from Veterans' Administration hospitals to non-VA nursing homes for care at Government expense if section 2 were enacted. This might be influenced by other provisions of the bill. The average cost of such contract care on a nationwide basis is rather uncertain, but if a unit cost of $8 per day were used this program could entail an additional cost for the first year of about $8 million. During the following years the cost would probably increase to an approximate $12 million annually by the fourth and fifth years.

"3. The cost of section 3, providing for an increase by $1 of the per diem rate for new nursing home patients in State homes, is quite uncertain since we cannot determine how many new admissions in the State homes would be for nursing home care. If about 20 percent of the average members load of 9,100 veterans in 33 State homes consisted, after enactment, of new admissions for nursing home cases, the annual additional cost of the $1 increase for these cases would be about $664,000. About $500,000 annually must also be added to the cost because of the proposed repeal of the provisions for offsetting certain amounts collected by the home from members. Thus, the aggregate cost of section 3 could run at about $1.1 or $1.2 million annually. Over a period of time it may be assumed that this might materially increase as the volume of admissions of new nursing home patients grows. If our recommendations are adopted for keeping the nursing home rate at the existing level for hospital and domiciliary patients of $2.50 per day and continuing the existing offset requirements, it is not anticipated that section 3 of the bill would result in any significant increase in Federal expenditures during the first 5 years following its effective date. This is based upon the assumption that there would not be any substantial increase in the average member load during that period due to the specific provision for payments covering veterans admitted for nursing home care.

"4. Section 4 contains its own cost factors by authorizing appropriations of $5 million per year for a 5-year period to defray the program of matching grants for construction of State home nursing care facilities for veterans.

"5. Section 5 is difficult to estimate since certain assumptions must be made regarding the frequency of hospitalization of the type patients involved. However, it is anticipated that the first-year cost will approximate $1.135 million.

"6. Section 6, providing for certain appliances and equipment to veteran pensioners eligible for an invalid lift, is not susceptible for precise estimate since we have no way of knowing how many veterans might meet the requirements and what types of devices they might desire. We think the average cost per eligible veteran might be around $200 the first year and somewhat higher thereafter; and that as many as 2,200 might qualify the first year, with some increase in the number in following years. Accordingly, it is estimated that the cost of section 6 could range $440,000 in fiscal year 1965 to $624,000 in fiscal year 1969.

"7. We have not attempted to estimate the cost of section 7 of the bill since we have no way of knowing now many veterans in the group receiving pension or compensation based on need for regular aid and attendance would require continuing outpatient services, following hospitalization, for the specified diseases. This will be particularly uncertain as to the frequency of such need for outpatient attention."

CERTAIN HOSPITAL AND OTHER SERVICES TO RECIPIENTS OF MEDAL OF HONOR

The bill (S. 1046) to provide hospital, domiciliary, and medical care for non-service-connected disabilities to certain recipients of the Medal of Honor was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That paragraph (2) of section 601 of title 38, United States Code, is amended by inserting immediately after "Indian Wars" the following: ", or any veteran awarded the Medal of Honor".

The title was amended, so as to read: "A bill to provide hospital, domiciliary, and medical care for non-service-connected disabilities to recipients of the Medal of Honor."

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1294), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

EXPLANATION OF THE BILL

Chapter 17 of title 38, United States Code, deals with hospital, domiciliary, and medical care. S. 1046 would amend the definition of "veteran of any war" as contained in chapter 17 to include any veteran awarded the Medal of Honor.

The effect of this amendment would be to provide hospital, medical, and domiciliary care for non-service-connected disabilities to veterans awarded the Medal of Honor, regardless of whether the veteran served during peacetime or wartime, on the same basis as such care is now provided to veterans who served during a period of war.

Mr. YARBOROUGH. This bill (S. 1046) would amend the definition of "veteran of any war" as used in chapter 17 of title 38, United States Code, to include any veteran awarded the Medal of Honor.

The effect of this amendment would be to provide hospital, medical, and domiciliary care for non-service-connected disabilities to veterans awarded the Medal of Honor, regardless of whether the veteran served during peacetime or wartime, on the same basis as such care is now provided to veterans who served during a period of war.

The Veterans' Administration and the Bureau of the Budget have reported favorably on this bill.

EXTENSION OF CERTAIN CONSTRUCTION AUTHORITY TO PROVIDE ADEQUATE VETERANS' HOSPITAL FACILITIES IN LOS ANGELES, CALIF.

The bill (H.R. 7751) to extend certain construction authority to the Administrator of Veterans' Affairs in order to provide adequate veterans' hospital facilities in Los Angeles, Calif., was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1295), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

The veteran population of the Los Angeles, Calif., metropolitan area urgently requires an expansion of the Veterans' Administration hospital facilities. The 1960 census figures showed the total population of that area as 6¾ million, including more than 1 million veterans potentially eligible for Veterans' Administration hospitalization. At the present time, the agency operates one large hospital in west Los Angeles and in the general area operates three other hospitals—one of them a general medical and surgical, one neuropsychiatric, and one for tuberculosis. To meet the need produced by the large veteran population in this area, the Veterans' Administration is planning to construct an additional 1,040-bed (800 general medical and surgical and 240 neuropsychiatric) hospital in the Los Angeles area. This installation will cost approximately $24 million.

For years the Veterans' Administration has followed the policy of locating its new hospitals as close as possible to medical centers. The committee understands this practice since, it is argued, it greatly enhances the recruitment and training of physicians and other professional personnel and promotes the efficiency of the VA medical treatment and research programs. This, proponents say, all adds up to better care for the Nation's sick and disabled veterans.

In the light of this policy and after a careful survey of the Los Angeles area, the Veterans' Administration has concluded that the most desirable site for the new hospital is an approximately 25-acre tract known as Hazard Park, located adjacent to the University of Southern California Medical Center. This land is owned by the city of Los Angeles. Working through and with the concurrence of the General Services Administration, an arrangement has been worked out with officials of the city to exchange Hazard Park for a portion of the land of the Veterans' Administration Center in West Los Angeles, which is excess to the needs of the Veterans' Administration. The city of Los Angeles desires a portion of this tract for public recreational purposes, and if it is so used it would be approximately equal in value to the Hazard Park tract. The city is also interested in acquiring from GSA other portions of the tract for these same purposes.

Some years ago the Department of the Army obtained a 25-year lease on a portion of Hazard Park and erected a Reserve training center on it. Unfortunately, the magnitude of the proposed hospital and its related space requirements (parking facilities, etc.) render it impracticable to erect a hospital on Hazard Park unless the Reserve training center can be removed. Los Angeles city officials are willing to furnish a new site for the proposed replacement of the Hazard Park Reserve Training Center. The committee understands that the city's board of public works is now in the process of selecting several specific sites for consideration by representatives of local Army Reserve units. Department of Defense officials have indicated that the Department would not object to relocating the present Reserve center—assuming that the site and construction of the replacement center meet with its approval and that the center is constructed and made ready for occupancy without cost to that Department.

H.R. 7751 would authorize the Administrator of Veterans' Affairs to construct an Army Reserve center for the Department of Defense and pursuant to specifications established by that Department (or a component thereof) on a site to be provided by the city of Los Angeles. When the center is completed, the Department of Defense would be authorized to assume full control of it and relinquish to the Veterans' Administration all right, title, and interest in and to the existing Reserve center on Hazard Park. The bill would make funds appropriated to the Veterans' Administration for the construction of hospital and domiciliary facilities available for the construction of the Reserve center and would authorize the construction under any procedure now authorized for the construction of Veterans' Administration hospitals. The last mentioned provision is intended to permit the Administrator to construct the Reserve center under a contract with a private construction firm or by using the services of the Army Corps of Engineers on a reimbursable basis.

The Veterans' Administration has advised that the cost of the Reserve center built in accordance with Department of Defense specifications would not exceed $1 million, and could be somewhat less. The agency already has $750,000 allocated from past appropriations (available until expended) for the purpose of securing a site for the new hospital. This money will of course be available for the construction of the Reserve center since it will not be necessary to spend it in obtaining another hospital site.

The Veterans' Administration advised the committee that there is no other site close to the University of Southern California Medical Center which would be suitable for the new hospital. Furthermore, the committee is advised, because of the nature of the urban area involved, a more remote (and therefore less desirable) site would cost more than the cost of relocating the Reserve training center.

Mr. YARBOROUGH. Mr. President, the bill (H.R. 7751) proposes that in order to make available an adequate site for the proposed VA hospital on land known as Hazard Park, Los Angeles, Calif., the Administrator of Veterans' Affairs, be authorized to construct an Army Reserve center for the Department of Defense. Upon completion of the Reserve center, the Department of Defense would then relinquish to the VA all right, title, and interest to the existing Army Reserve center located on Hazard Park. This bill would make funds appropriated to the VA for the construction of hospital and domiciliary facilities available for the construction of the Army Reserve center.

This site is located adjacent to the University of Southern California Medical Center, and according to a long established policy of the VA which locates VA hospitals adjacent to or near medical schools, it has been determined that this is the most desirable site to be found in Los Angeles.

The Department of Defense, the General Services Administration, Bureau of the Budget, city of Los Angeles, and the Veterans' Administration approve this bill.

The VA already has $750,000 of appropriated funds available for the purpose of securing a site for the new hospital. They estimate that this amount, and not more than $1 million will be sufficient to construct the new Reserve training center.

BILLS PASSED OVER

The bill (H.R. 8251) to amend section 612, title, 38, United States Code, to authorize dental services where discharges were corrected by competent authority from dishonorable to conditions other than dishonorable, was announced as next in order.

Mr. YOUNG of Ohio. Mr. President, may I ask the distinguished majority leader to pass this measure temporarily?

Mr. MANSFIELD. All right. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H.R. 8611) to facilitate the performance of medical research and development within the Veterans' Administration, by providing for the indemnification of contractors was announced as next in order.

Mr. LONG of Louisiana. Mr. President, may we have an explanation of this bill?

Mr. MANSFIELD. The bill was reported unanimously by the Committee on Labor and Public Welfare under the chairmanship of the distinguished Senator from Alabama [Mr. Hill]. The purpose, as I understand, is to make it possible to increase medical research and development within the Veterans' Administration. As I recall, although I am not certain at the moment about this, its purpose is to use funds for the betterment of the Veterans' Administration.

Mr. LONG of Louisiana. Mr. President, I ask that the bill go over.

Mr. MANSFIELD. Over.

The PRESIDING OFFICER. The bill will be passed over.

CONVEYANCE OF CERTAIN REAL PROPERTY UNDER CONTROL OF ADMINISTRATOR OF VETERANS' AFFAIRS

The bill (H.R. 10610) to provide for the conveyance of certain real property under the control of the Administrator of Veterans' Affairs was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 1298), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

This bill authorizes the Administrator of Veterans' Affairs to convey for 50 percent of its appraised value, 39 acres of land presently within the hospital reservation at McKinney, Tex., to the city of McKinney, Tex., for recreational purposes.

The then War Department in 1943 acquired some 270 acres of land on which was erected the Ashburn General Hospital, and in 1946 the Secretary of War transferred the land with the improvements thereon to the Veterans' Administration, and today the Veterans' Administration maintains a 270-bed hospital on this original property. In 1955, 140 acres of the original tract were declared surplus and disposed of through the General Services Administration. In July 1958, 10 acres of the 140-acre tract were conveyed to the McKinney Independent School District by the Department of Health, Education, and Welfare, and in May of 1959 the General Services Administration conveyed the balance of 130 acres to the city of McKinney for park and recreational purposes at one-half the appraised value.

The bill also provides for all reasonable safeguards for the interest of the United States, including reversion of title if used for other than recreation or park purposes or if alienated.

The bill, as passed by the House, has the support of the Veterans' Administration and the Bureau of the Budget.

There would be no additional expenditures of Government funds as the result of the enactment of this legislation.

CONVEYANCE OF CERTAIN REAL PROPERTY UNDER CONTROL OF ADMINISTRATOR OF VETERANS' AFFAIRS

The bill (H.R. 10611) to provide for the conveyance of certain real property under the control of the Administrator of Veterans' Affairs was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 1299), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

This bill authorizes the Administrator of Veterans' Affairs to convey to the city of McKinney, Tex., the sewage treatment plant at the Veterans' Administration hospital, in consideration for the free treatment of all sewage from the hospital for a period of 10 years from the date of conveyance.

The arrangement provided for by the bill would relieve the Veterans' Administration of all expense of operating the plant for the 10-year period. The plant is about one-half mile east of the main reservation and the disposal plant has a capacity for a city of 5,000 population. The patients and employees at the Veterans' Administration hospital constitute the equivalent of approximately 500 persons, thus the hospital is presently utilizing 10 percent of this plant's capacity. It is assumed by the VA that there will never be an assessment on the Veterans' Administration for expansion of the plant.

Under the authority proposed by section 2 of the bill, the Veterans' Administration will incorporate in the deed of conveyance all necessary provisions to protect the interests of the Government, including one requiring the city to guarantee adequate sewage disposal service to the VA hospital at all times, and at a rate not to exceed that charged the general public for like service, after the 10-year period mentioned in the bill.

Mr. YARBOROUGH. Mr. President, the two bills just passed (H.R. 10610 and 10611) concern the conveyance by the Veterans' Administration of excess property that it has at the VA hospital in McKinney, Tex., to the city of McKinney, Tex.

In each case, appropriate provision has been made to protect the interest of the U.S. Government. In each case, the bill is supported by the Veterans' Administration and the Bureau of the Budget.

Mr. MANSFIELD. Mr. President, that concludes the call of the calendar at this time.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

OUTPATIENT DENTAL SERVICE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the pending business be laid aside temporarily and that the Senate turn to the consideration of Calendar No. 1232, the bill (H.R. 8251).

The PRESIDING OFFICER. The bill will be stated by title.

The CHIEF CLERK. A bill (H.R. 8251) to amend section 612, title 38, United States Code, to authorize dental services and treatment in cases where discharges were corrected by competent authority from dishonorable to conditions other than dishonorable.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill.

Mr. YARBOROUGH. Mr. President, this bill (H.R. 8251) would extend the 1-year limit for filing applications for outpatient dental care in those cases where the type of discharge which the veteran had at the time of his release from the service was later corrected to a type such as to make his discharge or release qualify for the furnishing of this dental service. The limit would be 1 year from the date of the corrective action, in accordance with the present 1-year limit from the date of discharge. This 1-year period would not begin to run until the date of enactment of this proposal when the corrective action occurred before enactment. It would apply to less than compensable service-connected conditions.

This legislation, if enacted, would be identical in purpose to Public Law 88-3, which provides the same sort of treatment for payment of the $250 burial allowance where the veteran's beneficiary was originally ineligible because of the type of discharge of the veteran—a discharge which was later corrected.

COST

The VA estimates the cost would be less than $50,000 annually for the first 5 years.

The Veterans' Administration and the Bureau of the Budget report favorably on this bill.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1296), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

This bill would extend the 1-year limit for filing applications for outpatient dental care in those cases where the type of discharge which the veteran had at the time of his release from the service was later corrected to a type such as to make his discharge or release qualify for the furnishing of this dental service. The limit would be 1 year from the date of the corrective action, in accordance with the present 1-year limit from the date of discharge. This 1-year period would not begin to run until the date of enactment of this proposal when the corrective action occurred before enactment. It would apply to less than compensable service-connected conditions.

This legislation, if enacted, would be identical in purpose to Public Law 88-3, which provides the same sort of treatment for payment of the $250 burial allowance where the veteran's beneficiary was originally ineligible because of the type of discharge of the veteran—a discharge which was later corrected.

Comparatively few cases are involved by this bill and the Veterans' Administration estimates that the cost would be less than $50,000 annually for the first 5 years.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

INTEREST EQUALIZATION TAX ON CERTAIN FOREIGN SECURITIES

The Senate resumed the consideration of the bill (H.R. 8000) to amend the Internal Revenue Code of 1954 to impose a tax on acquisition of certain foreign securities in order to equalize costs of longer term financing in the United States and in markets abroad, and for other purposes.

Mr. JAVITS. Mr. President, I am opposed to the pending measure. Probably I have been its most inveterate opponent for, in my judgment, a very basic reason: it represents a new departure on the part of our Nation, in that it is a tax on capital, unjustified by the situation which we face, and representing a bankruptcy of other ideas with which to deal with an international balance-of-payments situation that our Treasury authorities apparently had got their teeth into over a long period of time, and now feel than cannot let go of, even though the time has passed them and their remedy by.

It is quite understandable that I should oppose the bill, because I represent, in part, the leading financial community in the United States, which understands only too well what is afoot here, and what we are getting ourselves into.

Let me make it clear that the bill represents also a most unusual concept of executive activity. I ask Senators to consider seriously its effects upon them in their States and upon the Federal Government generally. Let it be noted that this "law," which will not be a law until it is passed by Congress and signed by the President, has been in effect since July 1963. That sounds pretty silly, but it is a fact, because when the Treasury sent us this bill and the President asked for this tax on July 18, 1963, it was specified that it would be retroactive until July 19, 1963, except for some modest exception for listed securities, as to which it is retroactive to August 17, 1963.

For all practical purposes, therefore, both borrowers and lenders and both sellers and buyers of foreign securities have been inhibited since that time. For all practical purposes, transactions have dried up. It has been widely advertised—and I shall demonstrate the fallacy of that argument in a few minutes—that this represents the great success of the interest equalization tax idea.

I point out that Congress is supinely doing the Treasury's bidding, in that the bill now before the Senate would carry out the very retroactivity called for by the Treasury. Whether justified or not is immaterial. All we are doing is making good on a postdated check issued by the Treasury of the United States. That is all we are doing. If this proposal were justified on the merits, we are not above being humble about our prerogatives and going ahead to do what needs to be done. But it is not justified on the merits.

As I said when I opened my remarks, time has passed this whole situation by. This remedy is inapposite and inappropriate to what is being sought. It will not accomplish it, and certainly no one will pretend that the bill should be passed for the purpose of raising $30 million a year in revenue, which is the estimate of the amount of revenue the bill would produce. There are many ways to produce more revenue than that.

All that the bill would do would be to single out the United States before the whole world as a nation that does not know how to deal with the situation of being the financial leader of the world. The United States would be acting in a manner which would be very dangerous in its implications, in order to cut down on the outflow of capital. Such capital outflows are inherent to the idea of being the leading financial power in the world, the leading banker in the world.

Let us remember that because we have this status now it does not mean that we shall have it forever. Also, the fact that we have this status now is very valuable to the United States. The fact is that in the modern world, in the private enterprise society in which we live, the power to control credit is as valid as money in the bank and resources. In short, the credit standing of the United States and its ability to have its obligations marketed anywhere in the world at face value, with complete reliance upon the value of the dollar throughout the world, are the elements of our greatest strength.

What is Russia suffering from now? Russia is suffering from the fact that she is not credit worthy, that she cannot go out into the markets of the world and borrow, as can the United States. She must pay cash on the barrelhead. One of the best examples is the fact that even in the wheat deal made between the United States and Russia on a very short term credit basis of some 18 months, we had a terrific row in the Senate about the fact that Russia's Communist government had no credit worthiness at all—and I believe that is correct.

At the same time, I cannot stand by, representing a State which contains the greatest financial markets in the world, and the best financial brains in the world, and see the United States take an ill-advised position—which we would take should this so-called interest equalization tax bill be enacted—and deprive itself in that way of its standing as the sophisticated leader of the world in banking, credit, and finance.

That is why I have consistently and constantly opposed the measure, why I oppose it today, and why I shall offer alternatives to it which will be much better designed to accomplish what is sought to be accomplished by this novel and unusual tax, and also better designed to prevent that strain and embarrassment to our leadership of the world in terms of banking and finance which would be represented by adoption of this tax.

Mr. LONG of Louisiana. Mr. President, will the Senator yield for a question?

The **PRESIDING OFFICER** (Mr. NELSON in the chair). Does the Senator from New York yield to the Senator from Louisiana?

Mr. JAVITS. I am glad to yield to the Senator from Louisiana.

Mr. LONG of Louisiana. If the Senate should agree to the 25-percent proposal offered by the Senator from New York, or to his proposal to create a Capital Issues Committee, would the Senator then be in favor of the proposed legislation?

Mr. JAVITS. Of course. I have never been found wanting in fidelity to my ideas. If the Senate adopted the alternative for a Capital Issues Committee, or if the Senate adopted an amendment with respect to exempting the first 25 percent of American purchases, of course I would favor the proposed legislation. The proposed legislation would then be, in a sophisticated way, designed to accomplish the purposes which, if any, need to be accomplished, and very largely stand by the purposes of the committee. At the same time, it would not, in my judgment—and I believe in the judgment of many others, of whom I shall be quoting a great many—embarrass and jeopardize the standing of the United States as the financial and banking leader of the free world.

Mr. LONG of Louisiana. The Senator has made an argument which to me would remain applicable to the bill even if the amendments were agreed to. That is why I asked the question, whether the Senator would be in favor of the bill in the event his amendments were agreed to. I wondered whether he could go along with the bill in any case. In that connection, let me say on the subject of foreign aid. Sometimes I have offered amendments to reduce our foreign aid expenditures, with the plan to vote against the foreign aid bill even if my amendments are agreed to.

Mr. JAVITS. Perhaps the Senator from Louisiana and I are speaking at cross purposes. The amendment which I have on the 25-percent proposal would materially reduce the impact of the interest equalization tax. As amended, it would not be the bill before us at all. A standby Capital Issues Committee would be good for the bill. I would not wish Senators to have any idea that I intend to vote for the bill as it is now before the Senate. I intend to vote against it, unless it is revised to reflect what I consider to be, in modesty—and I am not pretending to be any bigger than my breeches—the measure calculated to do what we need to have it do. I expect to explain that in detail, rather than use the "broadsword" approach represented by the interest equalization tax.

We must first understand exactly what is the factual situation before we can understand what needs to be the remedy. Let us remember that the issue originated when our authorities were in great alarm about the continuance over a period of years of the deficit in the U.S. balance of payments. I and other Senators invited marked and striking attention to the fact that we were running a serious imbalance in our international payments and that sooner or later we had to do a number of things about it. That imbalance first alarmed us when it represented the figure of about $3½ billion for the year 1958. It concerned us deeply notwithstanding the fact that in 1960 it reached its high watermark of $3,181 million and then began to be reduced.

By the end of 1963, the imbalance in our international payments was running approximately $1,942 million.

Let us remember, then, the frame of reference generally contiguous to that time, when Secretary Dillon testified before the Joint Economic Committee, of which I am a member, and I questioned him closely as to what would be a deficit in our international payments with which we could live.

My best recollection of his testimony was that he said that we could live with a balance-of-payments deficit something in the area of $1 billion to $2 billion—not continued indefinitely—for a considerable number of years.

In 1962, the deficit in our international payments at the end of the year ran at an average figure of approximately $2,200 million.

In 1963, after being very large earlier in the year—which is the alleged reason for bringing in this interest equalization tax—it very materially diminished toward the end of the year, so that we ended up within the $2 billion figure to which I have referred.

It is interesting that in the very year in which this interest equalization tax was brought out, our imbalance in international payments had already been reduced to a figure which is alleged to be acceptable. The excuse for the tax was the alleged unusual outflow of private long-term capital from the United States abroad, which the Treasury claimed contributed so unusually to our imbalance in international payments that it had to be stopped. Hence, the very drastic tax was proposed.

As soon as the tax was proposed, the uncertainty thus engendered cut off almost entirely U.S. private long-term foreign investment of the kind which is reached by the tax. But our problem is not whether dollars go out of the United States for investment abroad. There is a great deal to be said for dollars going out for investment, which produces income, as I shall demonstrate in a little while, because we get more income from our investments than we invest abroad every year—including the worst year picked by the Treasury.

What matters to us is that the dollars go out at all. As I shall demonstrate in a little while, the fact that there was a crackdown on U.S. foreign investment, practically drying it up, did not stop dollars from going out. The dollars were going out on commercial loans, for example, and those commercial loans are exempted from the bill. In short, the bill is as riddled with exceptions as a sieve.

It is so impractical that it cannot be administered in the way that those who designed it wanted to have it administered, yet permit us to continue to do business in the world. The exceptions themselves would nullify the effect of the law, as I shall prove shortly.

Hence, we would have the law with all its disadvantages it would cause to the American leadership of finance and business in the world, without retaining for us its benefits. The dollars would go out just the same.

One thing that is often forgotten is that the big factor in the balance of payments of the United States is our trade surplus. If we did not have our trade surplus, we would really be broke in a very real way. The trade surplus is now running at approximately $6¼ billion a year. And anything that rocks that boat on a basis as problematical and impractical as the interest equalization tax is too infinitely dubious a maneuver for the United States.

I point out something which is very interesting. I stated that the income on our investments exceed the outgo. Referring to the charts of the committee itself, $2,609 million in long-term capital, presumably, left the United States in 1962. Our income on foreign investments that year was $3,850 million. In the succeeding year of 1963, against the figure of $3,188 million of alleged long-term foreign investment, our income was $3,982 million from foreign investments.

That is not all. This bill would exempt many people. Senators in looking at the chart which the committee has prepared, on page 5, will see that the great bulk of new securities which we are trying to cut off originated in Canada and Japan.

The report is frank enough to state that it is expected that Canada would be exempt, for a very good reason. We have a large export balance of trade with Canada. If we embarrass the Canadians by raising capital here, they could very neatly cut off a big part of our income from our export surplus. That would be an extremely unprofitable deal. When one examines the chart, he finds that for the year 1962, almost one-half of the total outflow of dollars from the United States in terms of new issues of foreign securities was investment in Canada. And when one adds to that about 10 percent for investments in Japan, and another 15 or 20 percent for other exempted investments, like that for Latin America, or other less developed countries, he finds mighty small pickings left in what this tax is going to effect. It would effect very little. I say advisedly—and I believe I can prove it in the course of this debate—that the value of the investments from the United States would not be appreciably diminished by this tax. It would continue practically unimpaired.

Indeed, most of the authorities say that very thing. The only thing that we shall have gotten out of this proposal will be the reputation of being amateurs in the matter of handling our international balance of payments, and a grave impairment of our position in the capital market of the world and in the banks of the world.

A $30 million profit from this tax would be the most unprofitable $30 million we have ever taxed in the history of this country, in my judgment.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. LAUSCHE. The Senator referred to page 5 of the report. Did I correctly understand that he said that in 1962 the total investments by American nationals abroad in new issues of foreign securities amounted to $1,076 million?

Mr. JAVITS. Yes. I ask the Senator to compare that figure of $1,076 million with the figure for 1962 in table 2, on page 4, which is $2,609 million.

It is the $1 billion figure which would be mainly affected, not the $2,609 million. The $2,609 million figure is the total outflow caused by private long-term capital outflows. The $1,076 million represents the purchases by Americans of new issues of foreign securities in 1962. Therefore, the relevant figure is not the $2,609 million. The relevant figure is the $1,076 million.

If one looks at the top of the table, he sees how much of that is Canadian investments. There was a total of $457 million in Canadian investments. The report itself at page 2 lists as one of the principal exclusions in the bill:

> New security issues which the President exempts in the interest of international monetary stability, presumably new Canadian securities.

Mr. LAUSCHE. I believe the Senator referred to American nationals investing about 50 percent in Canada. He referred to the figure of $457 million, as against $1,076 million.

Mr. JAVITS. Exactly.

Mr. LAUSCHE. Another large portion of the aggregate $1,076 million is investments in Japan, of $101 million. Is any special treatment accorded to Japan in the bill?

Mr. JAVITS. There is no special treatment. But the rumor is rife—and rumors around this town generally have some substance—that our diplomatic situation with Japan, and the fact that there is a big surplus of exports over imports with Japan, a very good customer, will make us consider Japan in the same classification as Canada. We shall place her in the same situation as Canada, either unqualifiedly or with relatively minor qualifications. And for all practical purposes, we can count that $100 million out.

Mr. LAUSCHE. Is there any provision in the bill which would give discretionary power to the Secretary of the Treasury when he deems the circumstances to warrant it, to accord this special treatment to other nations as well as Canada?

Mr. JAVITS. Surely. That power is given to the President. Item 6 on page 2 of the report specifies exactly that. I invite the Senator to read it.

Mr. LAUSCHE. Referring to the year 1963, the total investment of American nationals abroad in the form of new foreign securities was $1,289 million, of which $737 million constituted investments in Canada.

Mr. JAVITS. That is correct. And $140 million in Japan.

I point out also, as bearing exactly upon that point, that the bill would make exceptions for underdeveloped countries. Both Latin American and other less developed countries are listed here collectively in round figures for a little over $100 million. So what is left is Western Europe to the extent of $270 million, and other developed countries to the extent of $17 million. For that we would strike a blow at the credit leadership and banking leadership of the United States from which we might never recover. I believe the proposal is most ill-advised and not at all worth what it would cost.

As I conceive our role in the Senate—and the Senator from Ohio [Mr. LAUSCHE] has emphasized it—when we have some degree of specialization, when we are operating in an area about which we allegedly know something by virtue of a lifetime of training and experience, it is more than a responsibility to lay that fact before the Senate.

It is a duty. All my adult life, with the exception of the 4 or 5 war years, I have been active in the financial world. Knowing the subject as I do, and seeing what we would do to ourselves in such an ill-advised way, it would be the height of irresponsibility if I did not lay the facts before the Senate. The Senate will then work its will. But Senators ought to understand, if any one Senator can make them understand, precisely what it is about—we would be striking a damaging blow at American financial leadership with no real benefit to the United States. It is one of those reckless ideas that someone picked out of the air because he did not know what else to do with it. Time and events have passed it by. Still the proponents of the bill cling to it because they put it forward and there is nothing else to do.

Mr. LONG of Louisiana. Mr. President, will the Senator yield at that point?

Mr. JAVITS. Not yet. I understand that two committees have passed on the bill. I respect those committees. I believe that I am correct. It is also possible that I am in error. But I would be untrue to myself if I did not speak with conviction on this particular subject, knowing how infinitely valuable is to the United States in terms of its strength in the world, its leadership position in respect to finance.

Mr. LAUSCHE. Mr. President, will the Senator yield for one additional question?

Mr. JAVITS. Certainly.

Mr. LAUSCHE. I am concerned about the imbalance of payments which we are suffering and the narrow margin of gold reserves that we have to meet our international obligations if demands were made for payment in dollars. I should like to stop the outflow of dollars, or at least diminish it. If the proposed legislation is not the way to do it, has the Senator given any thought as to how we could effectively improve our position?

I do not mind stating that I have given thought to the subject, and that a number of things that have occurred to me. First, we should keep ourselves in a better competitive position in the world with respect to selling our goods, so that our prices can compete with the prices of foreign-made goods; second, we should start an intense program to encourage American citizens to visit America as tourists and not visit the foreign nations of the world; third, it is argued that while our interest rates are low, and the interest rates in foreign nations are high, the American dollar seeks earnings in foreign countries.

Has the Senator given any thought as to what would be a substitute for the proposed effort to stop the outflow of dollars?

Mr. JAVITS. Yes; and the Senator is buttressed by an outstanding report to the President of the United States on that subject made by "The Task Force on Promoting Increased Foreign Investment in United States Corporate Securities and Increased Foreign Financing for United States Corporations Operating Abroad," a task force headed by Mr. Fowler of the Treasury Department, which contains about 40 recommendations as to how we can attract capital into this country.

Let us understand——

Mr. LAUSCHE. Does that report state that we shall attract capital if we raise our interest rates?

Mr. JAVITS. That report states that we shall attract capital into this country if we make American investments attractive by the conditions in our own country. That process is proceeding very actively. Also more and more American companies can do their financing abroad for their own enterprises abroad.

The interest equalization tax bill would exempt direct investments abroad, so we would not reach that area under the bill.

Other ways to improve our balance of payments are: expansion of our exports; and we are doing pretty well in that direction. As I have said, we have a $6.25 billion export surplus indicated for this year; also we have cut down very materially already in foreign procurement of military goods and expenditures of all kinds for American personnel abroad.

We need to get very much more aid from our allies in terms of foreign aid, both military and economic. We are doing pretty well in the struggle which we are waging, but not as well as we should.

The Senator from Ohio has referred to increased tourism. We are derelict in not expending the necessary amount of money to encourage more tourism to the United States. We cannot get more than a few million dollars from the Congress, although it is understood that hundreds of millions of dollars of expenditures for tourism are made by countries abroad.

Finally, our tourists spend abroad about $3 billion. There is no limitation whatever upon spending by American tourists abroad. Almost every country in the world has a limitation on spending by foreign tourists in the United States.

Those are some of the factors. There are many more. But those are some of the ways in which we could deal directly with our balance-of-payments problems so that the results would be infinitely more appreciable in terms of money and infinitely less damaging to the interests of the United States than the proposed equalization tax. The details which I have analyzed constitute one of the great reasons why I have so strongly opposed the tax.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. CARLSON. I commend the Senator from New York for his timely and knowledgeable discussion of a problem which for several years past has confronted our Nation. Yesterday I spoke rather briefly on the subject. I said I believed we ought to think twice before we continue the program.

I share the Senator's views with regard to a program that is regressive when international cooperation and freer world trade are involved. In my opinion, it could be most damaging if it should develop that inflationary pressures continue in foreign countries, and those countries impose more restrictions on their own currencies.

I believe the Senator has rendered a real service, and I commend him for it.

Mr. JAVITS. I am grateful to the Senator from Kansas, who is a member of the Committee on Finance. I understand that in the committee he opposed this very ill-advised measure.

Another point which I believe is important as a basis upon which to discuss the question is as follows: Even if we do impose the interest equalization tax, will we actually dry up in any material way U.S. private foreign investment? The answer is no, because even after we had imposed the tax, it would still be so much more attractive to raise funds in the United States that the tax would be paid, the money would be raised, and the dollars would flow out just the same.

Mr. LONG of Louisiana. Mr. President, I wish to comment on the statements made by the Senator from New York first.

Statements have been made to this Senator repeatedly—and I know of no reason to challenge them—that any nation which has tried to be the world banker for any foreign country has always gone broke. England tried to do it for a considerable period of time. Finally, it found it could no longer be the world banker.

The United States has come to be the banker for the world. As it has become the world banker, it has found itself in the process of going broke. In previous times, we owned most of the world's gold. We could meet demands on our currency with gold. In the early 1930's, this Nation withdrew from the gold standard insofar as our citizens are concerned, but we would redeem dollars in gold for the central banks of other nations of the world. That is no longer the case. Foreign nations have now drawn on our gold reserves to the point where we now have left about $15.6 billion worth of gold.

Our law requires that this country keep on hand gold to the extent of one-quarter of the currency we have outstanding in this country, which would be $12.8 billion. So, one might say, this country has $2.8 billion in gold which under the law it could pay to foreign governments. How many dollars and credits do these governments have on which they may demand payment in gold? It works out to be $23.1 billion. So we have $2.8 billion in gold to pay those liabilities of $23.1 billion.

It is not quite as bad as it might appear from those figures, because we have holdings and investments which, in a great emergency such as England faced in World War II, could be seized by this Government and used by the Government to pay off those obligations. May the good Lord grant that that will never happen to the United States, although it happened to England during World War II.

So we have $2.8 billion in gold that we can use, without any authorization by Congress, to pay out in response to demands from abroad. This in itself would be inadequate to meet foreign government demands if those demands were made all at the same time.

In this bill we propose to say to what extent American funds can be used overseas for foreign investments. As to every underdeveloped country we want to help, we have proposed an exemption from this legislation.

Canada has been running an unfavorable balance of trade amounting to $1.5 billion annually, and it has carried on by borrowing from the United States in order to meet its obligations. It is proposed under this legislation to permit that situation to continue. The only change proposed by this measure insofar as Canada is concerned is to say that Canada can continue to meet its deficits by borrowing from the United States so long as that borrowing does not increase Canadian reserves at the expense of the U.S. monetary position.

With regard to Europe, we propose to say that American investors, such as Standard Oil, General Motors, Ford, and others that want to build plants and produce overseas may do so. They may continue to invest their money in new plants and manufacture goods overseas. The only real change is that when foreigners in developed countries want to borrow from the United States, when Frenchmen want to finance plants for the benefit of the French, and to hire Frenchmen, or when Germans want to borrow money from the United States for the benefit of Germans, for operations in Germany, to hire Germans, and to make profits entirely for the good of Germans, they will be discouraged from doing so to the extent of about a 1 percent a year interest charge. Thus, they will not be so eager to drain our gold reserves.

The purpose of the bill is to make the interest cost about 1 percentage point higher for developed countries. When the French, the Germans, the Belgians, the Dutch, the Italians, and all the developed countries of Europe—and Japan—wish to expand their operations in their own countries, they will borrow from our country only to the extent that it will cost 1 percent more in terms of francs, marks, guilders, and so forth. They all understand this. All these countries have had to take action at one time or another to protect their currencies. They understand why we have to take action to protect our currency. They have to rely upon this country to be their banker. We do not depend on them to be our banker. These countries are grateful for the advantage that they have achieved at the expense of the United States. Nobody else under the sun would dream of carrying the burden we are carrying.

Friendly countries must understand that this is an attempt to place some kind of a control on the outflow of American gold, because we are in danger of becoming bankrupt as the world's banker. They understand we must do this.

We told them what we have in mind. The Secretary of the Treasury has explained it to the European Organization for Economic Cooperation and Development, which includes all our allies and friends in Western Europe. They proceeded to write us a letter and said they understood that this was a proper way to protect our position. Not only have we moved in the most modest, moderate, and reasonable way that could be conceived, but we have gone to them and explained to them, and they approved it as a practical matter. This is a way of saying to them, "Do you want to approve America's position or not?"

The argument has been made by the Senator from New York and others that the situation has improved so that we do not need to pass this tax bill. Why has it improved? Because it is a retroactive tax, and anyone dealing in foreign securities knew that if he were to buy the foreign securities, he was going to have to pay the tax. And so there has been a great reduction in such security dealings. That is why the situation has improved.

Prior to the time the proposed tax was announced we were running an unfavorable balance of payments as high as $5 billion a year, and we could not pay it off the way it was. So something had to be done. Since that time the unfavorable balance of payments has been reduced to about $2 billion a year, of which $1.8 billion, or more than half of it, is attributable to this tax. That is the best advice we can get from those who advise the United States. They are headed by a great international banker, Mr. Douglas Dillon, whose whole adult lifetime has been spent in dealing with these problems in this field. This is one of a number of steps that we should take.

About 2 years ago Congress enacted a law providing that our tourists could no longer bring back $200 worth of commodities duty free, but only $100 worth. That was a mere drop in the bucket, compared with the problem that now faces us. If we wish to do something about the problem, we should pass the pending measure, because that will fill half the bucket. The other half can be filled by passing other measures that will be initiated by the executive branch.

The executive branch of the Government has done everything within its power to make the military purchase more commodities in this country. It has put the pressure on Germany in a friendly way. We have said to Germany, "We are keeping our troops in Germany to defend your country. We think it only fair that you buy military equipment from us." We are selling them great amounts of military equipment. The cost will run into billions of dollars.

There are various measures that can be undertaken by the President, the Secretary of the Treasury and by the Secretary of Defense, and such measures are being taken, to protect the position of the United States as the world's banker.

However, sooner or later, Congress has to do something. Up to now we have done nothing more than make mere gestures. We need to do something of substance in the way of protecting America's position in the world.

I am very much interested in America being the leader of the entire world in monetary and financial matters. Because I do believe that America should be the banker to the world, I am trying to change the law with the pending bill.

Passing the pending proposed legislation would put us in the position that every other banker sooner or later finds himself in. We must realize that our funds are not unlimited. We cannot possibly finance the entire world. We must decide between what we should do for our friends and what they can do for themselves. We must ask how far we can expect the countries of Western Europe to finance themselves.

Some years ago, we were financing German sales through our foreign aid program and our German friends told us that they had no capital markets, and that therefore they were unable to finance themselves but had to depend on dollars from the United States. They said this was necessary so that they could sell their commodities to third party countries. Our answer was that they should create capital markets, that they were prosperous and therefore ought to be able to create capital markets for themselves. They have done much of that. France has done much of it. England has emerged again as a strong power. These countries can now carry their burdens. They do not have to look to us to shepherd them through their financial transactions. We must ask them to do for themselves what they are capable of doing. They are well able to carry their burdens. They are making no real complaint about the pending bill. The only people who might possibly complain are the dealers in world securities who expect to make a commission while Uncle Sam, perhaps, goes broke.

Much as I feel kindly toward every friendly group, the fact remains that sometimes we must balance the interest of 180 million people against the interest of a few others.

Mr. GORE. Mr. President, the question raised by the amendment offered by the distinguished senior Senator from New York is not whether the United States will have to be the banker to the free world, but whether it will be a prudent banker to the free world. This, it seems to me, was the thrust of the able speech which the distinguished junior Senator from Louisiana has made.

Our country must not only husband its resources, but be its own counselor and be the master of the distribution of those resources. I use "distribution" in this sense, not as referring to a gift, but in its sense of reality; and to resources whether by way of loan or by way of investment.

The senior Senator from New York is experienced and able in this field, as well as in many other fields. However, it seems to me that the experience he has had and the ability which he possesses should lead him to the conclusion that entirely voluntary action is an unreliable safeguard. Indeed, it is no safeguard at all.

The Senator rightly points out that a number of exemptions are provided in the bill, and that those exemptions will permit the outflow of capital which is sought to be precluded by the proposed tax.

The remedy is to eliminate the exemptions, not to render the whole bill meaningless by placing reliance exclusively upon voluntary compliance.

Therefore I hope the Senate will reject the amendment of the distinguished senior Senator from New York.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GORE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I regret that it was necessary for me to absent myself from the Chamber and that I was therefore, unable to hear the distinguished Senator from Louisiana [Mr. LONG] analyze my statements with respect to the bill. I shall deal with his remarks in due course. At this time, I should like to proceed with my argument in chief.

When I yielded the floor a little while ago, I made the point that even if Congress imposed the interest equalization tax, it would not result in reducing the outflow of dollars represented by private investment. The best evidence of that is found in the testimony before the committee itself. Witnesses testified that as soon as the uncertainty concerning whether the tax would be imposed or not—which uncertainty has existed by executive fiat, really, since July 1963—was lifted, securities flotations, in their judgment, would be just about what they were before, because two reasons intervene.

First, interest rates in the United States for the sale of prime securities of oversea borrowers are such that it would still be profitable, notwithstanding the 1-percent addition to the rate of interest, to raise money in the United States. I have before me a table of the interest rates now generally prevalent in the other major industrial countries, which are the primary countries that would be reached by the inhibition of the interest equalization tax. They show current long-term interest rates. The table shows that except for one country, Switzerland—and I shall deal with that situation in a moment—even after one adds 1 percent to the long-term rate of interest in the United States, it would make it profitable to raise money here.

For example, the Canadian rate of interest in June 1964 was 5.19 percent. The rate of interest in France, the last figures we have being for May 1964, was 5.49 percent. The rate of interest in the United Kingdom is 6.16 percent. These are the average rates of current interest on first-rate long-term securities of the kind we are discussing.

In the United States, the comparable rate is 4.13 percent. So when we add the 1-percent difference that would be added by the interest equalization tax, the rate in the United States would be less than it is, notwithstanding the difference, in Canada, France, Germany, and the United Kingdom, the principal industrial countries of the world.

Switzerland is one country in which the rate of interest is less than it is here. In Switzerland, the rate is 4.05 percent. But Switzerland does not raise any appreciable amount of money that would be reached by the interest equalization tax; nor can much be done about raising money in Switzerland, because there is very tight control by the Swiss themselves over their borrowing, not through any interest equalization tax, but through direct Government action. In addition, Swiss markets will not absorb very much in the way of financing. So for these built-in reasons, the Swiss situation represents no analogy to our situation.

As to our situation, the fact that the other industrial countries have higher interest rates, which will easily accommodate the 1-percent differential which the tax will impose, makes it very clear that this will be no inhibition on borrowing.

Second, it is well known, and was testified to time and again in the hearings before the Committee on Finance, that the United States is the only market in the world in which appreciable amounts of money can be raised, not that it is entirely raised from American sources. On the contrary, it is estimated that, until recently, only about 40 percent was raised from American sources. This percentage may be greater now. The rest is raised from sources abroad.

This is borne out by the committee itself, from figures which the Senator from Ohio [Mr. LAUSCHE] and I discussed a while ago, which showed that, according to figures in the committee report, in round figures, about one-third of the flotations in this country were sold to Americans. This is without taking account of the many exceptions which the bill would create.

The importance of the American market is its marketing organization. The importance of the American market is that our banking firms are experts in the distribution of securities. So although they distribute less than a majority of the securities in the United States, their distribution sources and their prestige throughout the world are so great that they constitute the best marketing organizations in the world for securities.

AMENDMENT OF FOREIGN ASSISTANCE ACT OF 1961

The Senate resumed the consideration of the bill (H.R. 11380) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

The **PRESIDING OFFICER.** The morning hour having expired, the Chair lays before the Senate the unfinished business, which will be stated by title for the information of the Senate.

The **LEGISLATIVE CLERK.** A bill (H.R. 11380) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

INTEREST EQUALIZATION TAX ON CERTAIN FOREIGN SECURITIES

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside and that the Senate resume the consideration of the bill (H.R. 8000) to amend the Internal Revenue Code of 1954, to impose a tax on acquisition of certain securities in order to equalize costs of longer term financing in the United States and in markets abroad, and for other purposes.

There being no objection, the Senate resumed consideration of the bill.

Mr. JAVITS. Mr. President, as I pointed out a moment ago, it is the distribution organization of American banking firms which makes this market the most desirable in the world, and which will continue to make it the most desirable in the world, in view of the fact that there is no interest advantage. On the contrary, the advantage will still be with the flotation in this market. The tax will not diminish the flow of investment which moves abroad out of the United States but will, on the contrary, have a deleterious effect, which I have described, on the American banking position. This is borne out by Secretary Dillon himself. In a letter to me dated May 28, 1963, he said:

> Even if long-term interest rates rose above those in Europe and Japan, we would expect foreign governments and corporations, particularly those needing relatively large amounts of money, to resort to the highly developed U.S. market.

It seems to me that that is a direct admission by the Secretary of the Treasury as to the inability of this particular bill to have the effect which is claimed for it.

I have already pointed out the fact that the interest rate differential would still leave the interest rate in the United States lower. In addition, underwriting costs in Europe are considerably higher than in the United States. This is a third reason why borrowing would continue to be pursued in this country.

Furthermore, a decrease in the U.S. capital supplied to foreign markets would result in an increase in demand for foreign capital and a pressure for higher interest rates abroad. While the interest rate spread between the United States and Europe initially would be reduced by approximately one percentage point under the bill, the spread would probably return to approximately its pretax size after the offsetting increase in foreign rates that would really result.

Mr. President, I ask unanimous consent that a table entitled "Level of Long-Term Rates in Selected Countries," based on data supplied by the Federal Reserve Board, to which I have referred, may be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Level of long-term interest rates in selected countries

Year and month	Country					
	Canada [1]	France [2]	Germany [3]	Switzerland [4]	United Kingdom [5]	United States [6]
1962—January	4.98	5.52	5.90	2.96	6.69	4.08
February	4.96	5.62	5.70	2.99	6.43	4.09
March	4.90	5.62	5.60	3.10	6.35	4.01
April	4.80	5.48	5.60	3.25	6.34	3.89
May	4.88	5.53	5.80	3.14	6.25	3.88
June	5.05	5.40	5.90	3.26	6.33	3.90
July	5.39	5.32	5.90	3.19	6.12	4.02
August	5.41	5.33	6.00	3.14	5.98	3.97
September	5.39	5.37	6.00	3.11	5.77	3.94
October	5.20	5.34	6.20	3.12	5.77	3.89
November	5.05	5.37	6.20	3.11	5.81	3.87
December	5.07	5.31	6.10	3.12	5.74	3.87
1963—January	5.08	5.34	6.00	3.14	5.79	3.88
February	5.09	5.36	6.00	3.13	5.97	3.92
March	5.07	5.36	6.00	3.10	6.02	3.93
April	5.01	5.29	6.00	3.10	5.81	3.97
May	4.90	5.36	6.10	3.14	5.67	3.97
June	4.89	5.28	6.10	3.15	5.59	4.00
July	5.03	5.24	6.10	3.22	5.55	4.01
August	5.21	5.28	6.10	3.25	5.50	3.99
September	5.21	5.37	6.10	3.33	5.53	4.04
October	5.05	5.41	6.10	3.44	5.58	4.07
November	5.14	5.41	6.00	3.42	5.77	4.10
December	5.15	5.36	6.00	3.54	5.93	4.14
1964—January	5.18	5.45	5.90	3.64	5.95	4.15
February	5.18	5.44	5.90	3.80	6.08	4.14
March	5.24	5.42	6.00	3.89	6.08	4.18
April	5.27	5.46	6.20	3.88	6.08	4.20
May	5.20	5.49	6.30	4.02	6.16	4.16
June	5.19	------------	------------	4.05	6.24	4.13

[1] Yield on 3¾-percent Government bonds callable Jan. 15, 1975–78.

[2] Yield of nonindexed public and semipublic bonds.

[3] Yield on 6-percent fully taxed public issues.

[4] Yield on 12 Government and Federal railway bonds.

[5] "Flat" yield on 3½-percent war loan callable after 1952; average of daily quotations, 1955–58; average of weekly quotations, 1959–61; thereafter average of daily quotations.

[6] Yield on bonds maturing or callable in 10 years or more.

Source: Board of Governors of the Federal Reserve System.

Mr. JAVITS. I also ask unanimous consent that the Fowler committee report to which I have been referring at appropriate places in my remarks be printed in the RECORD, as well as a recital of the principal exclusions in the bill which appear at page 2, table 1, which analyzes the imbalance in U.S. payments over the period of years since 1949; also table 2, which analyzes the impact of various items in the U.S. balance of payments, like securities transactions, to which I have referred in this debate; also, table 3, page 5 of the committee report relating to issues of foreign securities purchased by U.S. residents, by area of origin of issue.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE PRESIDENT,
The White House.

(Report to the President of the United States from the task force on Promoting Increased Foreign Investment in U.S. Corporate Securities and Increased Foreign Financing for U.S. Corporations Operating Abroad.)

TERMS OF REFERENCE

As 1 of 10 actions in his program to reduce the deficit in the U.S. balance of payments and defend U.S. gold reserves, President Kennedy, on October 2, 1963, appointed this task force and charged it with developing programs in the 3 following areas:

(1) A broad and intensive effort by the U.S. financial community to market securities of U.S. private companies to foreign investors, and to increase the availability of foreign financing for U.S. business operating abroad;

(2) A review of U.S. Government and private activities which adversely affect foreign purchases of the securities of U.S. private companies; and

(3) The identification and critical appraisal of the legal, administrative, and institutional restrictions remaining in the capital markets of other industrial nations of the free world which prevent the purchase of U.S. securities and hamper U.S. companies in financing their operations abroad from non-U.S. sources.

In December 1963, President Johnson reaffirmed President Kennedy's charge to the task force and asked that its report be submitted to him.

LETTER OF TRANSMITTAL

APRIL 27, 1964.

DEAR MR. PRESIDENT: As charged by President Kennedy and reaffirmed by you, we have examined ways and means of promoting increased foreign investment in the securities of U.S. private companies and increased foreign financing for U.S. business operating abroad.

Herewith we submit our views as to the nature of the problems, the obstacles to be surmounted, and our recommendations for actions by the private sector and the Government. We have endeavored to limit our recommendations to measures which we believe can produce tangible results within at least the medium term.

It should be recognized that no single recommendation of ours can be expected to have a sudden or dramatic effect on the balance of payments. Carrying out our recommendations will require a broad range of actions by U.S. international business organizations and U.S. financial firms, the executive branch of the Government and the Congress. Efforts by the United States to attract and retain foreign investment can succeed, we believe, only if they occur within a framework of sound U.S. fiscal and monetary policies.

Confident that the programs which we recommend can contribute to reducing the deficit in our international transactions, we pledge our own best efforts toward achieving their success.

Very respectfully yours,

HENRY H. FOWLER,
Chairman.
ROBERT M. MCKINNEY,
Executive Officer.
CHARLES A. COOMBS.
FREDERICK M. EATON.
G. KEITH FUNSTON.
GEORGE F. JAMES.
GEORGE J. LENESS.
ANDRE MEYER.
DORSEY RICHARDSON.
ARTHUR K. WATSON.
WALTER B. WRISTON.
JOHN M. YOUNG.
RALPH A. YOUNG.

I. INTRODUCTION

The magnitude and persistence of past U.S. balance-of-payments deficits, accompanied by large gold losses, have been of increasing concern both to the public and private sectors of our country. This situation, if allowed to continue indefinitely, would endanger our international financial position. During the past 9 months there has been an improvement in our balance of payments. Since some of this improvement may be only temporary, the importance of dealing with the basic factors involved in the problem is in no way diminished.

Significantly, our balance-of-payments deficit does not arise because of any general inability to compete in international markets. Indeed, we have had a large export surplus of commercial goods and services. However, this surplus, which includes the current return from U.S. foreign investments, has not been large enough to offset our Government expenditures abroad for defense and for economic aid, together with our outflow of new private capital.

That our exports of capital—especially in the form of long-term investment—have been on a large scale is natural. The U.S. economy generates a large volume of savings. No other country has a comparable capacity to supply capital both at home and abroad. As a result, the United States has supplied much of the free world demand for capital throughout the postwar period. Returns from these investments, already a major favorable element in our balance of payments, will be even more important in the future.

Nevertheless, concentrated outflows of private capital can create severe difficulties, even for a country with the financial strength of the United States. Difficulties arise particularly when such capital movements occur at a time when the dollar is already under pressure for other reasons. The United States experienced such a combination of conditions in 1962 and early 1963. This created a situation which—had it been permitted to continue unchecked—could have imperiled the stability of the dollar and, hence, of the international monetary system.

These conditions led to a series of actions by the U.S. Government in July 1963. This program included measures to: (1) raise short-term interest rates, (2) reduce further Government expenditures overseas, (3) expand commercial exports, (4) increase foreign tourism in the United States, and (5) finance the balance-of-payments deficit in ways that result in a minimum drain on our gold stock. In addition, the President requested congressional approval of the proposed interest equalization tax on purchases of foreign securities by U.S. residents, designed as a temporary expedient to stem the accelerating outflow of private capital into foreign portfolio investments. In his message presenting this program, President Kennedy announced his decision to create this task force and set forth its terms of reference.

In carrying out its assignment, the task force called for advice and assistance from major segments of the U.S. industrial and financial communities. The counsel received from representatives of investment banking and brokerage firms, securities exchanges, investment companies, commercial banks and industrial corporations has contributed greatly to the effectiveness and realism of the task force's deliberations.

The purpose of our report is to set forth actions which we recommend be taken by the U.S. private sector and the U.S. Government, designed—

1. To improve the U.S. balance of international payments by increasing foreign investment in U.S. corporate securities;

2. To guide U.S.-based international corporations into making increased use of the pools of savings now accumulating in industrial nations in which they do business; and

3. To help establish conditions under which restraining influences on capital flows between the industrially advanced countries—including the proposed U.S. interest equalization tax—can be removed, diminished or allowed to expire.

Because of the favorable prospects for the U.S. economy, some of the savings accumulated in other industrial countries are flowing here for investment. It is not unreasonable to expect that this flow could be increased, particularly if U.S. taxation of foreign investors and other inhibiting factors were alleviated and our private selling efforts reinforced.

The incentives and influences governing international capital flows are, however, complex and not wholly predictable. Habits and fears derived from a lifetime of experience with wars, inflation, depressions, and crises are at least as important in influencing investment decisions as are the day-to-day movements of security prices, dividend rates and economic indicators.

Against this background, the main concern of the task force has been to satisfy itself that its recommendations will operate in the right direction, and as promptly as possible.

The findings and recommendations of this report are directed to four main areas:

First, the U.S. financial community; that is, investment banking and brokerage firms, commercial banks, investment companies and securities exchanges.

Second, U.S. industrial corporations with substantial operations overseas.

Third, U.S. taxation of foreign investors in U.S. securities and the clarification of questions which have arisen in connection with the administration of Federal securities laws.

Fourth, the reduction—or elimination, where circumstances permit—of monetary, legal, administrative, and institutional restrictions abroad which inhibit investment by foreigners in the securities of U.S. corporations and which hamper U.S. companies in financing their oversea operations from foreign sources.

II. ACTIONS INVOLVING THE U.S. FINANCIAL COMMUNITY

This section of the report presents our views as to measures which the U.S. securities industry—brokers, dealers, investment bankers, securities exchanges, and investment companies—and commercial banks, in cooperation with U.S. corporations whose shares are publicly held, can take to increase the ownership of U.S. corporate securities by investors in the other industrial nations of the free world.

Direct ownership of equity securities by the public is not nearly so broad in other countries as in the United States. Foreigners owning U.S. securities tend to be wealthy, sophisticated investors. In most countries facilities for serving a broad investing public have not been developed as intensively as in the United States. Most investors abroad encounter difficulty in obtaining information about companies and securities. Securities transactions are generally handled through banks, which make little or no effort to encourage equity investment by customers with small accounts. Indirect ownership of equities through institutions, such as pension and insurance funds, is at a less-developed stage abroad than in the United States; moreover, the number and size of such institutions are considerably smaller than in the United States. Despite these circumstances, we believe foreign purchases of U.S. securities can be significantly expanded.

Our recommendations here are concerned with (1) selling U.S. corporate securities abroad, (2) adapting U.S. corporate securities to foreign markets, (3) selling U.S. investment company shares abroad, (4) providing information to foreign investors, and (5) attracting foreign bank deposits.

Selling U.S. corporate securities abroad

Recommendation No. 1: U.S. investment bankers and brokerage firms should intensify their efforts to develop facilities for reaching foreign investors directly.

Recommendation No. 2: U.S. investment bankers and brokerage firms should seek modification of foreign regulations and practices which unduly restrict the ability of U.S. firms to promote the sale of U.S. securities or to deal directly with potential foreign customers.

Foreigners may buy U.S. corporate securities by: (1) placing orders with foreign banks or brokers, who in turn may either place the orders with U.S. firms for execution in the U.S. market or execute the orders on a foreign exchange or in the foreign over-the-counter market; or (2) placing orders directly with brokers in the United States or with their oversea offices for execution in the United States. However, not all of these channels are open in all countries.

Despite the recent growth in offices of U.S. brokerage firms abroad, sales efforts by U.S. brokers are hampered in most foreign countries by restrictions on advertising or direct approaches to potential investors. In some countries, U.S. brokerage firms are prohibited from soliciting securities business of any kind. In others they are permitted to deal only with banks.

Opportunities may exist to open new channels for dealing directly with the local investing public. Every effort should be made to find and utilize such opportunities, even though it may require modification of established practices or governmental regulations.

Recommendation No. 3: U.S. investment bankers and brokerage firms, with the cooperation of interested U.S. corporations, should endeavor to obtain shares of U.S. corporations for distribution abroad.

In certain cases it may be possible for U.S. securities firms to obtain blocks of U.S. securities for distribution exclusively abroad. Distribution abroad may involve a greater amount of time and effort and, possibly, greater compensation to foreign broker-dealer firms than would distribution in the United States. However, as pointed out below, certain circumstances may be present which would significantly increase the attractiveness of exclusive oversea distribution.

One source of such blocks would be outstanding securities that would have to be registered with the Securities and Exchange Commission (SEC) if sold in the United States. However, because of the time and expense involved, or for other reasons, it may not be desirable to register such blocks. Holders of such securities might prefer to have U.S. securities firms undertake distribution abroad, and thus avoid the inconvenience and cost of registration with the Securities and Exchange Commission. U.S. corporations could cooperate by directing attention of large stockholders to the possible advantages of selling blocks in foreign markets.

Where the expenses can be justified by sound business purposes, interested U.S. corporations might be willing to absorb costs of distributing their shares abroad. In such circumstances, blocks of shares could be provided by two means: First, corporations wishing to raise additional capital could, where feasible, issue new shares for sale abroad. Second, corporations which consider it advantageous and practical to have increased foreign ownership of their shares, but which do not need new capital, might have blocks of their outstanding shares acquired in the open market for eventual redistribution abroad.

It would be shortsighted, however, to take advantage of lack of regulations in other countries comparable to those of the Securities and Exchange Commission in the United States. As long as adequate disclosures are made when issues are being offered abroad, there should be no need to go through the formality and expense of registration in the United States.

Recommendation No. 4: The Securities and Exchange Commission should issue a release setting forth the circumstances under which it would normally issue a "no action" letter providing that no registration be required on public offerings of securities outside of the United States to foreign purchasers, including dealers.

The Securities and Exchange Commission heretofore has been helpful in issuing "no action" letters in individual cases when the facts permitted. If a general policy could be set forth, however, it would clarify the position of the Commission in this regard and facilitate the activities of U.S. investment bankers in foreign markets. It would also be helpful if such a policy statement indicated that (1) a simultaneous private placement of the same securities in the United States would not prevent the issuance of a "no action" letter, and (2) the sale could be conducted from and closed in the United States.

Recommendation No. 5: The Securities and Exchange Commission should issue a release eliminating the requirement that foreign underwriters participating exclusively in distributions of securities to nonresidents of the United States register as broker-dealers.

Foreign securities dealers are often asked to participate in a U.S. underwriting or selling syndicate. Although the Securities and Exchange Commission has attempted on a case-by-case basis to free such foreign dealers from the necessity to register as broker-dealers, enough uncertainty remains to make this situation an impediment to the successful distribution of U.S. securities abroad. There should be no requirement for foreign brokers to register even though they may belong to an underwriting or selling group, other members of which are engaged in the distribution of the same securities in the United States.

Recommendation No. 6: U.S. investment bankers should include foreign banks and securities firms as underwriters, whenever possible, or as selling group members in new offerings and secondary distributions of either domestic or foreign securities.

The inclusion of foreign banks and securities firms as members of the underwriting groups for domestic or foreign securities would directly involve them in the responsibility for the successful distribution of a portion of the offerings abroad.

Recommendation No. 7: U.S. investment bankers and brokerage firms should organize the underwriting and distribution of dollar-denominated foreign securities issues so that the maximum possible amount is sold to investors abroad.

In the past several years, sales to foreigners of new securities issues underwritten in the United States have been primarily foreign government and foreign corporate bonds (including convertible debt securities) denominated in U.S. dollars. Since the proposal of the interest equalization tax, however, such issues in the U.S. capital market have been practically nonexistent. When final action has been taken on the tax and the market for newly issued foreign securities reopens, U.S. investment bankers should endeavor to place the largest possible proportion of these securities abroad in order to minimize the impact on our balance of payments. (From the standpoint of the foreign borrower whose securities are subject to the interest equalization tax, this will reduce the amount of the issue subject to the tax.) Similar efforts should be made with respect to foreign securities offered in the U.S. market which are exempt from this tax.

Recommendation No. 8: U.S. commercial banks should intensify efforts to attract foreign trust accounts for investment in U.S. corporate securities.

Typically, trust accounts of foreigners managed by U.S. commercial banks are invested in U.S. securities; thus their growth is a positive factor in our balance of payments. New trust accounts could be solicited by: (a) more intensive use of foreign branches for this purpose; (b) oversea sales visits by trust officers; and (c) establishment of oversea trust companies or related facilities.

Recommendation No. 9: The Securities and Exchange Commission should serve as an information center regarding listing requirements, and distribution regulations and practices abroad.

The Securities and Exchange Commission has expressed to the task force its willingness to serve as a clearinghouse for information on relevant foreign securities laws and practices and on issuers' experiences in selling securities overseas.

Adapting U.S. corporate securities to foreign markets

Recommendation No. 10: Major U.S. corporations should arrange for U.S. banks and trust companies to issue, through their foreign branches and correspondents, depositary receipts for U.S. corporate shares.

The task force believes that depositary receipts in bearer or registered form, which would be "good delivery" internationally, would be useful in facilitating foreign investment in U.S. corporate securities. Trading of depositary receipts on foreign stock exchanges would be facilitated by having them (1) denominated in fractions of whole shares, thus bringing the unit prices closer to those customary in foreign markets, and (2) printed in the language of the country in which they are to be traded.

The costs of the depositary receipts now available to European investors are borne by the holders. Corporations whose securities are already available in depositary receipt form, or who wish to initiate depositary receipt arrangements, should consider absorbing some of the costs of the service. Some foreign corporations whose shares are traded in the United States in the form of American depositary receipts presently bear such costs.

Selling U.S. investment company shares abroad

Foreign holdings of U.S. investment company shares have shown a steady increase over the years. Initial foreign participation was primarily through purchase of shares of closed-end investment companies. A few of these have had, and continue to have, substantial foreign shareholders; some are listed on European stock exchanges. With the cooperation of the companies concerned, foreign interest in this medium for investment in the U.S. economy can be increased.

Since the foreign distribution of U.S. open-end investment company (mutual fund) shares is largely through banks and brokers, opportunities for direct solicitation by the issuers are limited. A few specialized U.S. sales organizations solicit foreign investors directly, primarily in countries without developed financial institutions.

Recommendation No. 11: U.S. investment companies should plan and carry out a program to acquaint foreign investors with the advantages of owning U.S. closed-end investment company shares.

Recommendation No. 12: Distributors of U.S. open-end investment company shares should devise methods for achieving additional foreign distribution of such shares, where locally permitted.

Recommendation No. 13: U.S. investment company distributors should seek the modification of foreign regulations and practices which restrict the availability of their shares to foreign investors.

Recommendation No. 14: U.S. closed-end investment companies should seek to place original and secondary offerings of their shares with foreign investors and, where feasible, list these shares on major foreign exchanges.

The Investment Company Institute has agreed to inform its member companies of the objectives of this task force, suggesting that they undertake more active study of foreign distribution opportunities. Some foreign banks and securities dealers on which U.S. investment companies depend for distribution offer shares of their own investment companies. Nevertheless, there are banks and other potential distributors in Europe and elsewhere who do not have competitive issues to offer. More aggressive search for such distributors would undoubtedly develop additional sales.

In addition, the institute is studying the feasibility of a detailed country-by-country review of legal, tax, and registration requirements to assist the educational and promotional efforts of U.S. mutual fund sponsors. It is also considering translation into foreign languages of basic materials describing investment companies.

Providing information to foreign investors

The flow of information on securities markets and individual corporations which the U.S. public receives as a matter of course from the press, radio, brokerage firms, advisory services, and directly from companies is unique. Abroad, comparable information is not readily available. Thus information disclosed by publicly owned U.S. corporations is one of our most effective potential aids as we seek to channel a growing share of foreign savings into U.S. investments.

Recommendation No. 15: In order to promote the purchase of U.S. corporate securities abroad—

(a) the U.S. financial community should cooperate closely with major U.S. corporations in the dissemination of corporate reports in foreign languages and in the publication of financial data in foreign newspapers;

(b) U.S. investment bankers and brokerage firms should prepare research and statistical reports in foreign languages for distribution to foreign investors through local banks and securities firms and promote the publication of more detailed U.S. stock market and financial information in the foreign press;

(c) facilities of U.S. commercial banks should be fully utilized to distribute to foreign financial institutions and investors reports, preferably in foreign languages, on the U.S. economy;

(d) U.S. securities exchanges should take advantage of new communication techniques and reduced rates to promote broader use abroad of stock quotation and financial news services;

(e) U.S. investment bankers and brokerage firms should offer securities orientation and sales training programs to personnel of foreign banks and securities firms; and

(f) U.S. investment bankers, brokerage firms and securities exchanges should work with their foreign counterparts and the foreign press to broaden share ownership by foreign investors.

Some U.S.-based international companies already publish reports in foreign languages. Distribution of reports directly to investors abroad is more difficult than in the United States, however, and is complicated by the predominant foreign practice of not registering shares in the names of beneficial owners. Consequently, it is necessary for such companies to work closely with foreign banks to insure that their reports reach the actual shareowners. Companies also should take particular care to include the foreign news services and the foreign press in news distributions.

U.S. securities firms are an important channel abroad for market information on U.S. securities. But since local regulations or traditions limit their ability to reach the public directly in many countries, U.S. firms now concentrate their efforts on supplying material to foreign banks and brokers. Still missing, however, is a means for providing broader circulation of U.S. market news to the general public abroad. To fill the requirement, U.S. securities firms with foreign offices should supply local newspapers with abridged tables of prices of U.S. securities converted to local currencies. They should ascertain and provide the type of daily market news foreign papers will publish.

U.S. commercial banks now do a thorough job of keeping U.S. firms informed of financial conditions abroad. Beyond this, they should intensify their efforts to acquaint foreigners with the general desirability of investing in the United States.

The full stock ticker service, which until now has been prohibitively expensive outside the United States and Canada, is making its appearance overseas. Because up-to-the-minute price information is a necessary brokerage service, this should encourage foreign investment in U.S. securities.

Personnel of foreign banks and brokerage firms who deal directly with ultimate purchasers abroad often have little knowledge of U.S. securities or U.S. market procedures. Representatives of U.S. international securities firms should consider offering such personnel condensed versions of the training given registered representatives in the United States.

Educational programs designed to broaden share ownership would be advantageous to all industrialized countries. Here the U.S. securities industry can play a constructive role, both directly and by assisting their foreign counterparts in devising and conducting their own information programs.

Attracting foreign deposits in U.S. banks

Recommendation No. 16: The Congress should adopt legislation discontinuing mandatory regulation of maximum interest rates on domestic and foreign time deposits.

Recommendation No. 17: Pending adoption of such legislation, the Federal Reserve Board of Governors should administer regulation Q in a flexible manner permitting U.S. commercial banks to meet internationally competitive interest rates on both domestic and foreign time deposits.

Foreign time deposits with maturities exceeding 1 year in U.S. banks are similar to foreign purchases of longrun securities in their effect on the U.S. balance of payments. Encouraging such deposits thus is clearly within the terms of reference of the task force.

While an increase in short-term deposits in the United States by foreigners would not reduce the U.S. payments deficit as customarily defined, it would tend, at least temporarily, to reduce the volume of liquid dollar assets that foreign central banks might use to buy gold.

Similarly, greater short-term investment in this country by U.S. residents and corporations who would otherwise place their funds abroad would directly reduce the U.S. payments deficit.

The growth in time deposits in U.S. banks in recent years has reflected increases in rates paid on such deposits, following increases in the maximum rates under regulations of the Federal Reserve Board of Governors and the Federal Deposit Insurance Corporation. Foreign official time deposits have likewise risen substantially since their exemption from regulation in October 1962.

The objective of increasing commercial banks' ability to compete for foreign time deposits could be enhanced either (1) by legislation completely abolishing the power of the Board of Governors of the Federal Reserve System to regulate maximum interest rates on time deposits, or (2) by placing that authority on a standby basis, as the present administration has proposed. Members of the task force are divided in their opinion as to which of these alternatives should be used to achieve this objective; hence no recommendation as between these alternatives is made.

III. ACTIONS INVOLVING U.S.-BASED INTERNATIONAL CORPORATIONS

Dividends, interest, and other receipts from existing U.S. direct investments abroad have, in recent years, been about twice as large as our new direct investment outlays in foreign countries. It is clear, therefore, that foreign operations of U.S.-based international corporations are already making an important positive contribution to the U.S. balance of payments. Nevertheless, for limited periods of time and with respect to certain areas of the world, our outflows of capital can exceed our receipts from those areas. Hence, it is also clear that programs designed to (1) increase foreign ownership of the shares of U.S. corporations and (2) maximize the use of foreign sources of finance can increase the overall positive contribution which U.S.-based international corporations make to the U.S. balance of payments.

We set forth below specific programs we believe will be of interest to managements of international corporations based in the United States. These programs are not presented as detailed prescriptions for action, since the complexity of the subject matter makes that impossible. Rather, they are suggested as general procedures which might prove feasible under certain circumstances.

Increasing foreign ownership of the securities of U.S. corporations

Increasing foreign ownership of the securities of U.S. corporations will require initiatives by both the U.S. private and public sectors. In section II we have discussed actions by brokerage and investment banking firms, investment companies, commercial banks, and the securities exchanges. In this section we take up actions by the corporations themselves.

Recommendation No. 18: U.S.-based international corporations should consider the advantages of increased local ownership of their parent company shares in countries in which they have affiliates.

Recommendation No. 19: Where consideration under recommendation No. 18 above is favorable, corporation should collaborate with the U.S. financial community in encouraging greater foreign ownership of their shares.

In addition to the balance-of-payments impact, there is yet another dimension to the role of free world international corporations, wherever based. Through their plants, distribution, facilities, and other business operations, strong local relationships have been developed to encourage and support their growth. These relations would be further strengthened if they were extended to include that of corporation to stockholder.

Recommendation No. 20: U.S. securities exchanges should submit a plan acceptable to the Securities and Exchange Commission permitting U.S.-based international corporations to encourage foreign ownership of their stock.

Under this plan, which would be publicly announced and open to all brokers, a corporation would be permitted to pay whatever compensation is necessary to achieve distribution of its securities abroad. The broker receiving the compensation would be permitted to pay all or part of such compensation to the employee or foreign broker producing the order. Once initiated, such a plan would continue until terminated by the corporation.

Recommendation No. 21: The Treasury Department should issue a ruling that would establish the tax deductibility of costs incurred by U.S. corporations in arranging for securities firms to place their securities outside the United States as part of programs to improve their oversea relationships.

The task force recognizes that any plan undertaken by a corporation to distribute its shares abroad would involve certain costs. However, in many cases, the good will which would be created by corporations having a substantial number of shareholders in other countries where they do business might be considered to justify the costs. Since many U.S. corporations have already adopted programs in the nature of institutional advertising, designed to improve their oversea relationships, it would appear that any expenses incurred in encouraging securities firms to place stock overseas as a part of these programs should be appropriate deductions from taxable income as ordinary and necessary business expenses.

Recommendation No. 22: Corporations should collaborate with U.S. investment bankers in the utilization by the latter of techniques for distribution abroad of new or secondary issues of their stock.

Some corporations may find that there are advantages in having blocks of their stock sold abroad. U.S. investment bankers can suggest a variety of means by which such blocks can be made available for distribution abroad. The cooperation of the U.S. corporations involved is essential to the success of such a distribution.

Recommendation No. 23: U.S. corporations should offer their shares to employees in foreign countries where stock purchase, supplemental compensation or other incentive plans are feasible and desirable.

Many U.S. corporations encourage employee ownership of parent company shares; some offer financial incentives to promote such ownership by their oversea employees. Most countries permit such plans, although some restrict purchase of foreign shares by their nationals. Where savings plans for foreign employees are currently in force or are under consideration, parent company stock could form an important feature of such plans, subject, of course, to local regulations. Funded pension plans of foreign affiliates may also offer scope for greater investment in U.S. securities.

Many foreign nationals employed by U.S. companies abroad may be unfamiliar with shares but may have had experience with interest-paying investments. Hence, convertible bonds of the parent companies or of their subsidiaries would be in some cases attractive instruments for employee savings plans.

Recommendation No. 24: U.S.-based international corporations should consider the advantages of listing their shares on foreign stock exchanges.

Many large U.S. corporations are not listed on foreign stock exchanges; other U.S. companies are listed on exchanges of some countries but not on others. Although most foreign trading in listed U.S. corporate securities will probably continue to take place on exchanges in New York, listing of such securities on foreign securities exchanges should stimulate their purchase by foreigners. Financial and other information regarding U.S. corporate issuers derived from listing applications and reporting requirements would be disseminated abroad in local languages. Also, listing would assist in creating local markets for such securities, an important consideration in connection with local public offerings or large private placements of securities.

After initial holdings of their stock abroad have been established, U.S.-based international corporations should make every effort to insure adequate continuing local markets for the shares.

Maximizing the use of foreign sources of debt financing

Foreign debt financing raises fewer policy issues for U.S. corporations with foreign subsidiaries than does the issuance and sale of equity securities. The primary factors to be considered are the relative availability of loan funds, the costs of such financing considered in conjunction with exchange risks, and the basic characteristics of local sources of finance.

Many countries strictly limit access to their capital markets by all borrowers. They also limit the amount of credit even if access is gained. It should be emphasized, however, that these limitations are less severe with respect to local companies, even though they may be affiliates of U.S. parent corporations.

Generally speaking, the level of interest rates and other financing costs tend to be higher abroad. These costs and other limitations have been of greater importance in long-term debt issues than in short- and medium-term financing from banks and other financial institutions. Accordingly, many oversea subsidiaries have relied on short-term financing to a greater degree than would be considered sound financial practice in domestic operations.

Such short-term loans are actively sought by foreign banks and foreign affiliates of U.S. banks, with the limits of available funds and local government policies. These banking connections have become important sources of local influence and information for U.S. business firms operating abroad. Consequently, they are often relied on even where costs may be somewhat higher than for other sources of financing.

In this connection, the task force notes that the ability of oversea branches and affiliates of U.S. banks to provide foreign debt financing is enhanced by making Public Law 480 and other counterpart funds available to such branches and affiliates. This practice, already of long standing, should be encouraged to the greatest extent feasible consistent with other objectives of the program, where possible placing such funds on a long-term basis and thereby facilitating badly needed capital loans.

Recommendation No. 25: U.S.-based international corporations should instruct their senior officers and policy groups to keep foreign financial operations under constant review, examining as standard procedure all proposals for new financing from the standpoint of the effect of their actions on the U.S. balance-of-payments.

With achievement of a high degree of convertibility and the diminution of exchange risks, the incentives for maximizing foreign sources of financing are not as strong as several years ago. Nevertheless, we believe that the introduction of U.S. balance-of-payments considerations into all corporate financial decisions could do much to increase corporate borrowing abroad.

All corporations operating abroad, as a matter of routine, rely on normal trade credits, accrued tax liabilities, and other sources of working capital not involving borrowing. These sources are significant and opportunities for further expansion should be actively sought.

Recommendation No. 26: U.S.-based international corporations should, where feasible, finance their foreign operations in a manner which minimizes the outlay of cash.

The use of securities where foreign properties are being acquired improves the balance of payments to the extent that it reduces the immediate outflow of cash funds from the United States or avoids the use of funds which otherwise might be remitted to the United States. Many governments actively solicit the establishment of foreign firms in developing regions. Special inducements are offered, such as low rentals for new plant facilities, tax advantages, and attractive local financing. By taking advantage of these opportunities, U.S. companies planning to produce abroad can reduce the need for capital funds from the United States.

U.S. corporations investing overseas should examine the possibility of utilizing foreign currency loans (the so-called "Cooley loans") made available in certain countries by the U.S. Government out of receipts from the sale of surplus agricultural commodities under Public Law 480.

Recommendation No. 27: In cases where new capital is required, U.S.-based international corporations should consider, in appropriate cases, broadening local ownership by offering in foreign capital markets bonds or preferred stock of their local affiliates convertible into common shares of the U.S. parent corporation.

Convertible securities should appeal to foreign investors because they can be designed to provide—in addition to conversion privileges—the interest rate, maturity, sinking fund, redemption, and other provisions conforming to the local markets' requirements. Whether converted or not, and whether issued in dollar denominations or in the currency of a foreign country, the sale of such securities would reduce the amount of direct dollar investment by U.S. parent companies. As the issuer of the securities would be a foreign subsidiary, a foreign purchaser would be free of U.S. tax on the dividends or interest payments, although shares issued on conversion would be those of the U.S. parent.

Recommendation No. 28: U.S.-based international corporations should be encouraged to make available, through trade or banking channels, specific case studies of foreign financing operations to small- or medium-sized U.S. firms interested in foreign operations but less aware of foreign financing opportunities.

As we have seen, commercial banks and agencies of foreign governments provide U.S. firms with information on foreign financing. Industrial corporations and trade associations through well-organized programs could supplement this information by providing special information for U.S. firms planning to operate abroad. Specific case studies of foreign financing operations of individual industrial corporations could be distributed by the corporations themselves or by business schools and business and financial organizations. Such studies would also be appropriate for seminars in schools of business administration. They would be invaluable to small- and medium-sized corporations which may be less aware of the opportunities for foreign financing and its implications for the U.S. balance-of-payments problem.

IV. ACTIONS INVOLVING THE U.S. GOVERNMENT

Efforts by the private business community to market U.S. corporate securities to foreign investors and to increase the availability of foreign financing for U.S. corporations operating abroad should be accompanied by U.S. Government efforts to reduce existing deterrents to these activities which arise from practices, regulations, and law here and abroad.

Preceding sections of this report have referred to specific areas where the modification of U.S. laws and Government practices—as administered by the Treasury Department, the Securities and Exchange Commission, and the Federal Reserve Board—would facilitate private programs. In this section, we recommend revision of U.S. taxation of foreign investors in U.S. securities. The task force wishes to stress that no tax concessions to U.S. corporations or individuals are recommended. Our recommendations here relate solely to the removal or reduction of obstacles to foreign investment in U.S. securities.

The U.S. Government should take appropriate action where monetary, legal, administrative, and institutional restrictions in other countries inhibit the purchase of U.S. corporate securities by foreign investors and hamper U.S. companies in financing their oversea operations from foreign sources. Primarily, this will involve diplomatic initiatives, either bilaterally or multilaterally.

This section will also identify foreign governmental restraints and practices to which diplomatic initiatives should be addressed.

As might be expected, views held by various members of the task force reflect the division of opinion over the desirability of the interest equalization tax, fully developed in hearings before the House Ways and Means Committee. It does not seem necessary to review these differences here; nevertheless, nothing said or unsaid in this report is intended to represent any departure from the views individual members may continue to hold on this subject.

Revising U.S. taxation of foreign investors

Revision of U.S. taxation of foreign investors is one of the most immediate and productive ways to increase the flow of foreign capital to this country.

Our recommendations for changes in taxation of foreign investors are intended to remove a number of elements in our tax structure which unnecessarily complicate and inhibit investment in U.S. corporate securities without generating material tax revenues. They are not intended to turn the United States into a tax haven, nor to drain funds from developing countries.

Basic provisions in Internal Revenue Code for taxation of nonresident alien individuals and foreign corporations

Except as provided in tax treaties with certain countries, nonresident alien individuals not engaged in trade or business in the United States are taxed at a minimum of 30 percent on (a) dividends, interest, and other periodic income from U.S. sources, and (b) capital gains in the United States under the circumstances specified below. This 30-percent tax is applied against gross income and is withheld at the source, except in the case of taxable capital gains and other minor exceptions. If such gross income from U.S. sources in any year exceeds $19,000,[1] nonresident alien individuals are required to compute the tax on their U.S. source net income at regular rates if this method of computation yields a higher total tax than the minimum 30-percent tax on gross income. Nonresident alien individuals engaged in trade or business within the United States are, in general, subject to tax on all their U.S. source income, including capital gains (whether or not derived from the conduct of such trade or business) on the same basis and at the same rates as U.S. citizens.

Nonresident alien individuals not engaged in trade or business in the United States are taxed, at rates specified above, on capital gains realized in the United States if they are (a) physically present in the United States for 90 days or more during a taxable year, or (b) physically present in the United States when the gain is realized.

The U.S. property of nonresident alien decedents (which by definition includes shares of U.S. corporations) is subject to U.S. estate tax at normal rates.

Foreign corporations engaged in trade or business in the United States are taxed on all of their U.S. source income, whether or not derived from the conduct of such trade or business, on the same basis and at the same rates as domestic corporations. Foreign corporations not engaged in trade or business within the United States are taxed at a flat rate of 30 percent on the gross amount of dividends, interest, and other periodic income received from U.S. sources, but are not taxed on capital gains.

In addition, any foreign corporation meeting the personal holding company tests is subject, with certain exceptions, to a tax of 70 percent on its undistributed personal holding company income. Moreover, if any such corporation derived more than 50 percent of its gross income for a 3-year period from U.S. sources, that percentage of its dividends equal to the percentage of its gross income derived from U.S. sources is treated as U.S. source income to the shareholders themselves and taxed accordingly.

Reciprocal tax treaties in effect with most of the industrialized countries of the world modify the basic provisions of the Internal Revenue Code which are summarized above. Most of the treaties reduce the rate of withholding tax on dividends and interest paid to residents (both individuals and corporations) of the treaty country. Typically the rate is reduced from 30 percent to 15 percent on dividends and from 30 percent to 15 percent or in some cases zero, on interest. The provisions for progressive taxation of individuals whose income from U.S. sources in any year exceeds $19,000 generally are eliminated. Certain treaties eliminate capital gains tax liability. Most of the benefits available to foreign investors under the treaties are restricted to residents of the treaty country who are not engaged in trade or business within the United States through a permanent establishment.

Specific recommendations

Our recommendations have been conceived as a package, designed in part to simplify the tax laws and reporting requirements applicable to foreign investors, in part to reduce taxation of foreign investors and in part to make evident to the world that the United States welcomes foreign investment. To the degree that the package approach is discarded and the package is broken down into its components, some being accepted and other rejected, more of the potential impact will be lost than might necessarily be expected by analysis of the financial effect of any particular proposal.

The major source of U.S. tax revenue from foreign investors is the withholding tax currently imposed on dividends and interest paid such investors by U.S. corporations. We have not recommended the removal of, or a reduction in, this tax. Thus adoption of our recommendations would not materially reduce tax revenues and would leave intact the major bargaining point for the United States should it desire in the future to negotiate new or modified reciprocal tax treaties with other countries.

The withholding tax on dividends and interest, in some cases, certainly deters investment by foreigners in the United States, and the different rates of withholding tax provided by the code and the various treaties are a source of confusion. The United States should, however, first attempt to attract foreign investment by attacking the several areas of taxation that deter investment without generating material revenues.

Adoption of our recommendations would not eliminate the need to extend and modernize our tax treaties. Among other desirable changes: the United States should work for the reciprocal reduction of withholding taxes on dividends and interest and toward reciprocal elimination of all taxes on the income of pension trusts and similar investors that are exempt from tax in their country of residence. Such changes will, however, take time.

Recommendation No. 29: Eliminate U.S. estate taxes on all intangible personal property of nonresident alien decedents.

U.S. estate taxes, especially as applied to shares of U.S. corporations owned by nonresident alien decedents (which are subject to U.S. estate taxes irrespective of whether they are held in this country or abroad), are believed to be one of the most important deterrents in our tax laws to foreign investment in the United States. U.S. estate tax rates are materially in excess of those existing in many countries of the world and, despite the treaties in effect with several countries, the taxes paid on a nonresident alien decedent's estate, some portion of which is invested in the United States, generally would be greater than those paid on a nonresident alien decedent's estate, no portion of which is invested in the United States. We understand that the revenues received by the United States as a result of estate taxes levied on intangible personal property in estates of nonresident alien decedents are not large.

Under existing U.S. tax law, a foreigner willing to go through the expense and trouble of establishing a personal holding company, incorporated abroad, and assuring himself that this personal holding company does not run afoul of the U.S. penalty taxes on undistributed personal holding company income, can already legally avoid estate taxes. Consequently, for such an investor U.S. estate taxes are avoidable through complicated and expensive procedures, while for other foreign investors they are likely to result in a considerable tax penalty. This is an unsound situation which directly deters foreign investment in the United States and significantly worsens the overall image of this country as a desirable place to invest.

Recommendation No. 30: Eliminate (with respect to income not connected with the conduct of a trade or business) the provisions for progressive taxation of U.S. source income of nonresident alien individuals in excess of $19,000 and provide that no nonresident alien whose tax liability is fully satisfied by withholding shall be required to file returns.

The provision for progressive taxation of foreign investors and the companion requirement to file returns, in our opinion constitutes one of the major sources of confusion and misunderstanding for potential foreign investors in the United States. The revenues produced by this tax are understood to be negligible. Progressive taxation of foreign investors does not exist in many other industrialized countries of the world.

Treaties with most industrialized countries already eliminate the provision for progressive taxation of nonresident alien individuals who are residents of treaty countries. However, there are throughout the world vast sums of capital that have left their countries of origin. Typically, these funds are held in treaty countries by residents of nontreaty countries. If the provisions for progressive taxation of nonresident alien individuals were removed from the code, the position of the United States in competing with other industrialized nations for such capital would be strengthened.

Furthermore, we must recognize that the actual fiscal impact of this, or any other, tax law on the persons to whom it applies does not measure the extent to which the law deters or limits potential investment by persons who are unwilling or unable to master its complexities. This is especially true when dealing with foreigners, whose familiarity with U.S. laws and practices is limited. Even those foreigners with substantial funds available for investment often find it troublesome and expensive to obtain sound U.S. tax advice, with the result that they channel their investments elsewhere.

Were the Internal Revenue Code amended to eliminate progressive taxation of nonresident alien individuals not engaged in trade or business within the United States, the entire U.S. tax liability of substantially all such aliens would automatically be fully satisfied by withholding at the source. These aliens would have no actual, or potential, additional tax liability and no returns to file. There could be no confusion as to the applicability of our tax laws to them. This would be highly desirable.

Recommendation No. 31: Eliminate the provision for taxation of capital gains realized by a nonresident alien individual when he is physically present in the United States; extend from 90 to 180 days during a taxable year the time that a nonresident alien individual may spend in the United States before becoming subject to tax on all capital gains realized by him during such year.

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[1] $21,200 in 1965 and thereafter.

Many foreign countries do not tax capital gains, and the threat of such taxation in the United States, therefore, deters investment in the United States by foreigners. In principle, the United States already exempts from taxation capital gains realized by nonresident alien individuals and foreign corporations not engaged in trade or business in the United States. But this exemption is limited by the imposition of a tax on capital gains realized when a foreign individual is present in the United States and by the imposition of tax on all capital gains realized by a foreigner in any year during which he is present in the United States for 90 days or more. These limitations are sufficiently stringent and, in the case of the physical presence test, sufficiently illogical that they impair the basic concept that capital gains of nonresident alien investors are exempt from U.S. taxation. It is our understanding that the revenues stemming from capital gains taxation imposed as a result of these limitations are small.

The physical presence test would appear to have no practical justification and, although easily avoided, it poses a potential trap for the unwary, unsophisticated or uninformed investor. As such, it contributes to the feeling among foreign investors that investment in the United States is complicated and potentially hazardous from a tax standpoint. The 90-day test is, in our opinion, too short a period.

Eliminating the physical presence test entirely and extending the 90-day period to 180 days would, we believe, remove most of the present unfavorable impact of potential capital gains taxation.

Recommendation No. 32: Provide that a nonresident alien individual engaged in trade or business within the United States be taxed at regular rates only on income connected with such trade or business.

There is obvious justification for taxing nonresident alien individuals at regular rates on earnings from a trade or business conducted within the United States. However, the logic of extending such taxation to the investment income of foreign investors is open to question. This provision certainly deters foreign businessmen operating in the United States from becoming investors in the United States, and may also deter foreigners already investing in the United States from commencing a trade or business here.

The problem posed by the present system of taxation may be particularly acute in the case of foreign investors owning and operating real estate (or having it operated for them). Such investors are deemed engaged in a trade or business, even though the real estate activities may be more in the nature of an investment than a business. Real estate investors of this type are often large potential investors in securities. To the extent that an investor is engaged in one of these two activities, he is to a great degree precluded from engaging in the other.

We recognize the administrative complications the Internal Revenue Service would face in segregating a foreign investor's activities along the lines discussed above. But we believe that this is an important part of the package of recommendations for attracting additional foreign investment and that an attempt should be made to resolve these difficulties.

Recommendation No. 33: Amend the definition of personal holding companies appearing in the Internal Revenue Code so that foreign corporations owned entirely by nonresident alien individuals are excluded from the definition.

The penalty provisions of the personal holding company tax were designed to prevent the use of holding corporations as a device to escape the graduated tax rates applicable to individuals. Elimination of progressive taxation on the nonbusiness income of nonresident alien individuals, therefore, would remove a basic reason for imposing penalty taxes on personal holding companies entirely owned by nonresident aliens. Such corporations are currently excluded from the definition of personal holding companies if less than 50 percent of their gross income is derived from U.S. sources. If the exclusion were broadened, as we have recommended, this would remove the substantial incentive existing under current law to limit the portion of such corporations' assets which is invested in the United States. This change would have no effect on the taxation of personal holding companies having U.S. shareholders.

Recommendation No. 34: Clarify the definitions of engaging in trade or business to make it clear: (i) That a nonresident alien individual or foreign corporation investing in the United States will not be deemed engaged in trade or business because of activity in an investment account or by granting a discretionary investment power to a U.S. banker, broker, or adviser; and (ii) that a nonresident alien individual or foreign corporation will not be deemed engaged in trade or business by reason of the mere ownership of real property, by reason of a strict net lease, or by reason of an agent's activity in connection with the selection of real estate investments in the United States.

There is a general feeling of confusion among foreign investors over the application to investment activities of the tests for engaging in trade or business. This confusion certainly fosters a fear among foreign investors that they may, through inadvertence, be deemed to have engaged in trade or business and thereby become subject to regular U.S. taxation on their income and gains. These fears, whether or not realistic, unquestionably are a deterrent to foreign investment in this country.

Clarification of three major points through the issuance of regulations or rulings would aid materially in eliminating the existing confusion and fears. One would be to make it clear that the degree of activity in a securities account is not a factor in determining whether or not a nonresident alien individual or foreign corporation is engaged in trade or business in the United States.

The second would be to affirm that the granting by a nonresident alien individual or a foreign corporation of a discretionary power for the purchase and sale of securities to a U.S. banker, broker, or adviser does not constitute engaging in trade or business in the United States.

Third, under present law, many advisers feel that any ownership of real property by foreign investors creates a question of doing business. Clarification of this question should have a favorable effect on the amount of real estate investments made by foreign investors in the United States and probably also on the amount of security investments made by foreign investors desiring to own both real estate and stocks.

Implementation

Basic to our recommendations is the belief that any steps taken must be unilateral moves by the United States. Negotiation of reciprocal tax treaties typically extends over many years and results in separate rules for each treaty country. To attempt to implement our recommendations through treaty negotiation would vitiate the possibility of their having an immediate impact on the balance of payments. Decisive unilateral action is necessary to preserve the package concept which is essential if our recommendations are to have their maximum favorable impact on investor psychology throughout the world.

We do not believe it sound to defer changes in U.S. taxation of foreign investors on the grounds that there still exist restrictions on the ability of U.S. securities firms to market the securities of U.S. corporations abroad. Although such restrictions do exist, many important industrialized countries do not prevent their residents from purchasing U.S. securities through one channel or another. Thus there are substantial sums of foreign capital that are susceptible to being attracted to the United States for investment, if the tax laws of this country are amended to make such investment more attractive. In fact, the existence of other restrictions on the flow of foreign investment to the United States and the time needed to have these restrictions removed are strong arguments in favor of making unilateral changes in our tax laws. These changes can be made with a minimum of delay.

Conclusion

Our recommendations for tax revision, if adopted as a package, would greatly simplify the entire question of U.S. taxation of foreign investors. Adoption of our recommendations would remove the substantial deterrent to foreign investment in the United States posed by a certain unwillingness among potential foreign investors to undertake complicated procedures for minimizing U.S. taxes. These procedures are often necessary if the investor is to avoid tax burdens which limit the attractiveness of investment in the United States. Complexities of the current system of U.S. taxation of foreign investors discourage these investors and advisers who endeavor to live within the confines of the law and good conscience. These complexities result in minuscule tax revenue, substantially reduce the incentive to invest here and encourage disrespect for our laws.

Reducing restraints on the sale of U.S. securities in other capital markets

The monetary disturbances of the 1930's, followed by World War II and the abnormal needs and circumstances of reconstruction, left Europe and most other advanced areas of the world with relatively small and inefficient capital markets. These markets were separated from each other and from the remainder of the world by numerous monetary, legal, administrative, and institutional restrictions. Much progress has been made in recent years toward removing controls on the movement of capital between industrial countries and toward improving the internal functioning of their capital markets. Nevertheless, restrictions still impede foreign purchases of U.S. securities and limit the ability of U.S. firms to obtain long-term financing for their oversea operations from foreign sources.

Although the task force has conducted an intensive study of restrictions in other capital markets, we have not attempted to set forth all of our findings here. The identification and critical appraisal of restrictions remaining in the capital markets of other industrial countries have been covered extensively in a recent study by the Treasury Department, made publicly available by the Joint Economic Committee of Congress. In this section of our report, we summarize the most important legal and administrative obstacles abroad which impede foreign investment in U.S. corporate securities. No useful purposes would, we believe, be served by making detailed recommendations as to the removal of foreign restrictions or methods by which other countries could improve their domestic capital markets. In each country these matters are often complex and technical; they involve delicate domestic relationships; frequently they transcend financial considerations and encompass national policies well beyond the terms of reference of the task force. It should be noted that efforts to remove restraining influences on sales of U.S. securities to foreigners will raise in foreign financial markets the question of the continuance of the U.S. interest equalization tax as a factor affecting the sales of foreign securities to U.S. citizens, however temporary and special its basis.

Exchange controls

Recommendation No. 35: The Department of State and the Treasury Department should take bilateral diplomatic action aimed at securing the step-by-step removal of remaining exchange controls on capital transactions between advanced capital-forming countries and the discontinuance or liberalization of special exchange markets or procedures for investment transactions.

Substantial progress has been made in removing exchange controls, yet the situation is still far from satisfactory. Only the United States, Canada, Germany, and Switzerland are free of exchange controls. Although adopting the aim of full liberalization, France, Italy, the Benelux countries and Austria have preserved certain restrictions. A third group of countries, which includes the United Kingdom, Ireland, Japan, Australia, Spain, and the Scandinavian countries, retain a wide range of controls for balance of payments and monetary policy reasons.

The impact of exchange controls varies according to the operations regulated. In general, treatment of direct investment is the most liberal; the treatment of financial loans (that is, loans not linked to commercial transactions) is the least liberal. Treatment of portfolio investment has been formally liberalized in Austria and the Common Market countries, but even some of these countries retain practices which tend to be restrictive.

In some countries, for example, foreign securities may be purchased only through authorized banks. In some cases, certificates of ownership of foreign securities must be kept on deposit at these banks; in other cases purchases of foreign securities which are not listed on securities exchanges sometimes require the prior approval of exchange control authorities.

Japan, Australia, Spain, Ireland and the Scandinavian countries all exercise tight control over foreign portfolio investments; except in rare instances, their nationals are not permitted to buy foreign securities. Although residents of the United Kingdom may freely acquire foreign listed securities and certain U.S. over-the-counter securities, they can do so only with funds obtained from the limited pool of investment dollars which now sell at a premium of about 11 percent, after having been as high as 14 percent earlier in 1964. These investment dollars represent primarily the proceeds of sales for dollars or other foreign currencies, of foreign securities held by United Kingdom residents.

Capital issues control

Recommendation No. 36: The Department of State and the Treasury Department should encourage and support the enlargement of free world capital markets and urge countries with balance-of-payments surpluses to relax their capital issues control in order to permit an expanded volume of international lending.

New issues of foreign securities are carefully controlled in most major countries. The liberalization of capital issues raises sensitive questions because sales of new securities issues have a direct impact on interest rates, patterns of investment and the balance of payments. Some countries restrict distributions of foreign securities in attempts to prevent heavy demand for capital by foreign borrowers from driving up domestic interest rates and siphoning off a high proportion of domestic savings. In some countries direct controls over securities issues are in part designed to channel financial resources into investments considered of high priority by the government concerned. Although there has been some recent relaxation with respect to foreign borrowing in the United Kingdom, the capital issues control policy of that country generally has been to reserve the London new issues market for sterling securities for residents of the sterling area and the European free trade area.

Regulation of institutional investors

Recommendation No. 37: The Department of State and the Treasury Department should request that the Organization of Economic Cooperation and Development (OECD) initiate a comprehensive review of the practices and regulations in member countries relating to investment portfolios of financial institutions.

Regulations governing the investment portfolios of institutions such as commercial banks, insurance companies, savings banks, investment companies and pension funds—while principally designed to protect depositors, shareholders, or policyholders—often tend in practice to create protected markets for certain privileged borrowers and to restrict foreign investment. Foreign securities, even when denominated in domestic currencies or protected against exchange risks, are usually discriminated against by regulatory authorities. Offerings of new or secondary issues of foreign securities in particular are much more difficult to market abroad when certain large institutional investors are not allowed to subscribe.

Financial institutions in most countries have gradually been permitted to increase the proportion of their assets held in equities. The risk involved in holding good-quality foreign securities would, in many cases, be no greater than the risk involved in investing in many domestic securities. We believe serious consideration should be given to relaxing restrictions on the amount of securities denominated in foreign currencies that can be held by such institutions.

Role of international organizations

Recommendation No. 38: The Department of State and the Treasury Department should, through appropriate international bodies, particularly the OECD, advocate the step-by-step relaxation of monetary, legal, institutional, and administrative restrictions on capital movements, together with other actions designed to increase the breadth and efficiency of free world capital markets.

The international movement of capital is kept under constant review by the Organization for Economic Cooperation and Development, to which the United States belongs. This Organization can and should be more intensively utilized as a forum for review and confrontation on restrictions impeding the flow of capital among its members. Similarly, the OECD can assist in developing more effective capital markets in countries where these markets have lagged behind rapid industrial growth.

Recommendation No. 39: The Department of State and the Treasury Department should urge the International Monetary Fund to encourage step-by-step elimination of capital controls. The Fund should be requested to prepare a study dealing with remaining capital controls and how their elimination can encourage stabilizing movements of long-term capital and thus contribute to balanced international payments.

The International Monetary Fund can play an important role in eliminating restrictions on long-term capital movements associated with security purchases. Member countries are required to inform the Fund of capital restrictions they impose. Annual consultations of the Fund provide an opportunity for review and for comments by the U.S. Executive Director. Although the Fund cannot formally take exception to capital restrictions—since its approving jurisdiction is limited to restrictions on current transactions—it can indicate that removal of capital restrictions would be helpful to the international financial mechanism. The decision by the Fund in 1961 to make its resources available to finance balance-of-payments deficits arising from capital outflows should help encourage countries to eliminate capital controls.

V. CONCLUSION

Other industrial nations, especially those in Western Europe, have made impressive economic progress in the postwar period. This has been reflected in the growing volume of savings and the strengthened balance-of-payments position of most of these countries.

Moreover, the institutional framework for foreign portfolio investment in U.S. corporate securities has been strengthened in recent years. U.S. financial firms have a large and growing number of oversea branches and affiliates staffed with highly trained personnel. This, together with the current vigor of the U.S. economy, has created an environment favorable to increased sales abroad of the shares of U.S. corporations.

At the same time, many U.S. corporations have established themselves in industrial countries where capital markets are expanding; prospective investors in these countries can readily identify these corporations with products and services of internationally recognized quality. The framework for financing abroad these foreign operations of U.S. corporations has thus also been strengthened.

In our investigations, however, we have found a number of obstacles—both at home and abroad—which limit increased foreign investment in U.S. private companies. In this report, we have identified the more important of these restraints and have made recommendations which, in our opinion, could improve the U.S. balance-of-payments position in this area within a reasonable period of time. Concerted efforts in both the public and private sectors of our country are required if these recommendations are to prove effective.

U.S. corporations and financial firms are already making an important and growing contribution to our receipts from abroad. Because of our overall balance-of-payments problem, however, it is imperative that every effort be made to increase this contribution. To this end, our report has outlined a variety of actions in several areas. Collectively, these actions could yield impressive results.

We urge the U.S. financial community, U.S. industrial corporations, and the U.S. Government to give close and continuing attention to the problems and opportunities set forth in our report.

The increased freedom of capital movement and increased participation by foreign citizens and financial institutions in the ownership and financing of U.S. business will serve to strengthen the economic and political ties of the free world as well as its monetary system. Therefore, we attach special importance to our recommendations concerning possible reduction or elimination of obstacles to the international flow of capital.

The work of the task force has, we feel, resulted in increased exchange of information in areas of potential cooperation between the financial community, industrial corporations, and public agencies. Our final recommendation is that this exchange of information and cooperation be continued.

The principal exclusions in the bill relate to—

(1) Securities acquired from a prior American owner;

(2) Securities received in connection with a wide range of export transactions;

(3) Debt obligations received by commercial banks in the course of their commercial banking business;

(4) Direct investments in corporations or partnerships owned 10 percent or more by the investor;

(5) Securities of "less-developed-country corporations" and obligations of less-developed countries;

(6) New security issues which the President exempts in the interest of international monetary stability, presumably new Canadian securities;

(7) Reserves maintained by insurance companies doing business in foreign countries; and

(8) Investments of foreign membership dues by labor unions and other exempt organizations.

U.S. balance of payments annually for the period 1949–62, and quarterly for 1962, 1963, and the 1st quarter of 1964

[In millions of dollars; quarterly figures seasonally adjusted annual rates]

1949	175
1950	−3,580
1951	−305
1952	−1,046
1953	−2,152
1954	−1,550
1955	−1,145
1956	−935
1957	520
1958	−3,529
1959	−3,743
1960	−3,881
1961	−2,370
1962	−2,203
1963 [1]	[1]−1,942

U.S. balance of payments annually for the period 1949–62, and quarterly for 1962, 1963, and the 1st quarter of 1964—Con.

[In millions of dollars; quarterly figures seasonally adjusted annual rates]

1962:	
I	−2,992
II	−1,760
III	−1,336
IV	−2,724
1963: [1]	
I	−2,838
II	−4,592
III	−172
IV	−460
1964: I	−168

[1] Includes receipts from sales of nonmarketable, medium-term convertible Government securities.

Source: U.S. Department of Commerce.

TABLE 2.—*U.S. balance of payments, 1960 through 1st quarter 1964*

[In millions of dollars]

	1960	1961	1962	Total	1963 [1]				1964 [1]
					1st quarter	2d quarter	3d quarter	4th quarter	1st quarter
Commercial trade balance	2,822	3,196	2,079	2,287	388	447	611	841	1,123
Commercial services balance	1,528	2,288	2,477	2,168	572	460	565	571	817
Balance on commercial goods and services [2]	4,350	5,484	4,556	4,455	960	907	1,176	1,412	1,940
Military expenditures	−3,048	−2,954	−3,044	−2,897	−747	−731	−711	−708	−720
Military cash receipts [3]	336	394	669	623	184	200	88	151	223
Government grants and capital-dollar payments to foreign countries and international institutions	−1,110	−1,139	−1,077	−886	−251	−254	−192	−189	−140
Government capital receipts, excluding debt prepayments, borrowings, and fundings [4]	543	516	501	445	99	95	163	88	135
Remittances and pensions	−672	−705	−738	−826	−213	−219	−203	−191	−202
Private capital:									
Long-term	−2,107	−2,177	−2,609	−3,188	−1,103	−845	−470	−770	−677
Short-term	−1,438	−1,492	−752	−726	15	−514	43	−270	−632
Unrecorded transactions	−772	−998	−1,111	−286	−124	42	−277	73	−108
Balance on regular transactions	−3,918	−3,071	−3,605	−3,286	−1,180	−1,319	−383	−404	−181
Special Government transactions [5]	37	701	1,402	1,344	458	171	426	289	1 9
Overall deficit	−3,881	−2,370	−2,203	−1,942	−722	−1,148	+43	−115	−42

[1] Seasonally adjusted by not annual rates.

[2] Nonmilitary merchandise and service transactions less those financed by Government grants and capital.

[3] Excluding advances on military exports.

[4] Includes small changes in miscellaneous Government nonliquid liabilities.

[5] Not seasonally adjusted. Includes nonscheduled receipts on Government loans, advances on military exports, and sales of nonmarketable medium-term securities, including $350,000,000 of nonmarketable medium-term convertible securities in the 1st quarter of 1963, $152,000,000 in the 2d quarter of 1963 and $175,000,000 in the 3rd quarter, $25,000,000 in the 4th quarter.

Source: Survey of Current Business.

TABLE 3.—*New issues of foreign securities purchased by area, 1961 through 1st quarter 1964 (not seasonally adjusted)*

[In millions of dollars]

	Total 1961	1962					1963					1964
		I	II	III	IV	Total	I	II	III	IV	Total	I
Canada	237	10	112	41	294	457	368	264	79	26	737	91
Western Europe	57	35	138	15	7	195	65	154	19	34	272	--------
Japan	61	11	17	48	25	101	17	66	52	5	140	--------
Other developed countries [1]	43	(2)	(2)	(2)	(2)	60	--------	17	--------	--------	17	--------
Latin American Republics	18	(3)	19	(3)	[4] 83	[4] 102	13	--------	23	--------	36	13
Other less developed countries	95	(2)	(2)	(2)	(2)	77	18	17	10	22	67	24
International institutions	12	80	1	3	--------	84	--------	--------	--------	--------	--------	4
Total, new issues	523	170	312	133	461	1,076	481	518	183	87	1,269	132

[1] Australia, New Zealand, South Africa.

[2] Not available.

[3] Less than $500,000.

[4] Includes $75,000,000 issue by Inter-American Development Bank.

Source: Survey of Current Business and Department of Commerce.

Mr. JAVITS. Mr. President, it is interesting to me that the well-informed financial press is opposed to this proposed legislation.

On September 1, 1963, the New York Times published an article which states in part as follows:

> The tax is difficult to reconcile with President Kennedy's assertions that the present tax structure must be simplified and trade barriers reduced. The addition of the tax would complicate the tax structure and would establish a tariff on capital, putting into effect a two-price system for funds. And despite the administration's claims that the tax will not interfere with the workings of the free market, it is clearly a form of control.

The exemptions provided for in the bill exclude from the tax the major areas of capital outflow, taxing only a relatively insignificant total of transactions—indeed, approximately 10 percent of total private U.S. capital exports, according to careful estimates submitted to the Senate Finance Committee by the Association of Stock Exchange Firms.

Again, it must be remembered that bank loans are exempt here. Since most lending abroad—and for the most part foreign bonds—are purchased by U.S. institutional investors, such as banks, insurance companies and the like, the net effect would be to permit banks to lend money abroad tax free, but to deny to the other institutional investors the same right.

The foreign borrower would be "funneled" into the bank loan route, if we should enact the proposed legislation.

It is interesting and important to note that U.S. bank loans to foreigners have increased since the freeze which came about through the announcement of the tax and its retroactive date. Preliminary Treasury, Commerce, and Federal Reserve Board figures indicate that commercial bank loans to foreigners have more than tripled—from approximately $400 million in 1962 to $1.28 billion in 1963.

It is important to note that the Senate Finance Committee takes the position in its report that it does not intend that the tax apply to loans or investments in foreign currencies made by foreign branches of U.S. banks to the extent of foreign currency deposits acquired in the ordinary course of their business.

In accordance with the custom of the country in which the branch is located, many countries' long-term financing of that character is done by bank loan.

Also, direct investment, investment by a company in a subsidiary or affiliate is exempt from tax. This has exceeded the net outflow caused by new securities in every year since 1960, including the alleged high-water mark year of 1963, and the first quarter of 1964.

That is significant, because a premium would be placed upon further direct investments and furthering that type of outflow, so that again this tax would be nullified.

I have no objection to that whatever, because as my previous statement a little while ago will demonstrate, we receive more income from our investments abroad annually than we invest abroad in any one year. This includes even investments which it is proposed to cut off by this tax. So private U.S. foreign investments should be encouraged and not discouraged, because they represent a profit to the United States.

The bill also provides exemption from the tax on original or new issues, when the President determines that it is required for the stability of the international monetary system. As expressed by the committee, without any question this would result in the exemption of new Canadian securities, and that is the biggest bulk of what is involved in the dollar outflow.

I pointed out that it was at least an advantage, and in some cases more than that. It is conceivable also that under the same section the President is likely to exempt Japan, with which we have a favorable balance of trade, and which badly needs American capital.

Underdeveloped countries are also exempted. When one adds it all up, we get back to the testimony placed in the hearings by the witness for the Association of Stock Exchange Firms, and that is, that no more than 10 percent of the capital outflow from this country will be reached. This is a minuscule operation, for which we shall be incurring very serious international loss for this most unusual tax on capital.

The tax would be inequitable also because it would penalize the small investor, who would be subject to the tax on the purchase of a few shares or a few bonds of a foreign corporation, while a large company, or a wealthy individual, could purchase, tax free, a substantial interest in the same foreign corporation. The bill would exempt from the tax, purchases involving 10 percent or more of the total combined voting power of all classes of stock of the foreign corporation.

That is one of the exemptions that is responsible for my statement that the bill is riddled like a sieve with exemptions. It has been said knowledgeably that the tax might very well worsen our balance-of-payments position. Dr. Lawrence Krause, of the Brookings Institution, has noted that:

> You must always distinguish between improving the balance of payments and stopping a capital flow. These are not identical. You may deter some capital flow and you pay for it in lower exports or some other feedback in the balance of payments.

The program to tax American capital investments abroad thus may offset the benefits of efforts to increase U.S. exports. This would be truly devastating. That is the real strength of the American balance-of-payments position—material surplus of our exports over our imports.

It is significant that nearly every witness who testified before the Finance Committee and before the House Ways and Means Committee, when questioned about the interest equalization tax, either opposed it or supported it only with the greatest reluctance. Even its advocates have admitted that it would not be desirable as a permanent measure. Yet, experience suggests that such "temporary taxes" often become permanent.

Notwithstanding this general lack of enthusiasm, the administration continues to press for its approval with the unconvincing argument that if the bill does not pass, foreigners will feel that the United States is not serious about eliminating its balance-of-payments deficit. Rejection of the proposed tax would strengthen the confidence of foreigners in the strength of our adherence to basic and oft-stated principles of a national policy of free and open world markets for goods and capital.

The proposed tax would erect an artificial wall to the free flow of private capital with longrun effects that would be damaging to both our domestic economy and to our foreign economic policy.

I refer again to an editorial which was published in the New York Times of July 24, 1963, reading as follows:

> This measure is inconsistent with the position of the United States as the world's banker and with the longstanding objective of lowering barriers to trade and capital movements. Instead, it suggests that we are regressing toward direct controls over capital, which led to the breakdown of international finance a generation ago.

The persistent deficit in our balance of payments is not attributable to private investments abroad. As the Brookings Institute's recent report on the balance of payments pointed out, receipts of dividends and interest on U.S. investment abroad have consistently exceeded new outflows of U.S. capital to foreign countries, with the exception of the 1957–58 period. The Brookings' study concluded that, although earnings primarily reflect investments made in previous years, recent new U.S. investments abroad already seem to be contributing to higher return flows to the United States.

I quoted figures from an authoritative source, namely page 10 of the June 1964 issue of the Survey of Current Business of the U.S. Department of Commerce, which bears out that statement.

In his message of July 18, 1963, introducing the proposed interest equalization tax, the late President Kennedy pointed out that total U.S. foreign investments amounted to an estimated $72 billion, including approximately $12 billion of relatively low yield loans extended to foreign governments by the U.S. Government and such agencies as the Export-Import Bank. Of the remaining $60 billion, the so-called "direct investments" account for approximately $47 billion, while "portfolio investments"—that is security investments—are estimated at roughtly $12.5 billion. The total 1963 income enjoyed by the United States on account of foreign investments was estimated by the President at $4.3 billion, which is the largest income item on the U.S. balance of payments.

Mr. President, I wish to stress that point again. The total 1963 income enjoyed by the United States on account of foreign investments was estimated by the President at $4.3 billion, which is the largest income item on the U.S. balance of payments.

It is, therefore, not surprising that so much criticism is directed at the proposed legislation. While few can argue against the need for effective measures designed to create equilibrium in our balance of payments, many are appalled at the thought that the interest equalization tax is directed against the one type of capital export which contributes more toward a future equilibrium than any segment of our economy.

Mr. President, a great point has been made about the fact that the securities market for foreign investments dried up once this tax was announced and the announcement was made retroactive, with Congress supinely going along exactly as the Executive wrote the ticket, whatever may be the facts, and whatever may be the changes in the figures.

I comment now briefly about developments in this country and abroad since last July, which I believe, in themselves, call for rejection of the bill at this time.

Since the introduction of this measure, there have been several important developments which already have had, and will continue to have, a favorable impact in the future on our balance of payments.

The condition of economic growth in Europe and the relatively slow growth in the United States has been reversed. By the time the bill H.R. 8000 was proposed in July 1963, both the U.S. economy and the U.S. security markets were outstripping their oversea counterparts. Growing labor costs, produced by a shortage of workers, increasing production costs, and spiraling prices, have produced the familiar profits squeeze in Europe and have slowed growth. American investors also have been taking a much harder look at European countries. Recent financial difficulties experienced by Machines Bull in France and Olivetti in Italy have led to wide concern about the thin capitalization of many foreign companies.

European capital markets have expanded their internal lending activities significantly in recent years, even prior to the introduction of the proposed tax. This is a conclusion reached by a Treasury study entitled "A Description and Analysis of Certain European Capital Markets," prepared for the Joint Economic Committee in connection with its study last year of the U.S. balance of payments. This expansion has already resulted in increased markets for foreign securities in Europe. According to Secretary Dillon's testimony on June 29, sales of foreign securities in European capital markets increased from $200 million during the first half of 1963, to $600 million during the same period of 1964. This expansion has made possible the financing of projects from domestic sources previously financed with capital obtained in the United States.

Since the passage of the tax cut early this year, our investment climate has improved and investment for plant equipment has increased substantially. Such investments were 3 percent higher during the first quarter of 1964 than had been anticipated as late as December 1963. The total of such investments for 1964 is expected to reach $43.9 billion, 10 percent above the fourth quarter of 1963, and 12 percent above 1963 as a whole. In striking comparison, the actual increase in capital spending between 1962 and 1963 was only 5 percent—increasing from $37 to $39 billion. The improved investment climate created by the tax cut has attracted U.S. investment which would have otherwise been invested abroad and may attract additional foreign investment to the United States.

Another factor that must be considered is the substantial expansion of our exports. Between 1962 and 1963, U.S. merchandise exports increased by $1.4 billion, from $20.6 to $21.9 billion compared with an increase of $566 million between 1961 and 1962. During the first quarter of this year, our exports were running at an annual rate of over $24 billion, 21 percent higher than in the first quarter of 1963. Such factors as the stability of prices in the United States and continued inflation in Europe and more effective export promotion techniques will be of assistance in maintaining our exports at a high level. On the other hand just such a factor as this interest equalization tax could put a real damper on it. That is why I object to it so strongly.

In this connection I ask unanimous consent that the revised balance-of-payments outlook for 1964 issued by the highly authoritative National Foreign Trade Council on July 20, 1964, along with a related article from the July 23, 1964, issue of the Journal of Commerce may be printed in the RECORD at this point of my remarks.

There being no objection, the report and the article were ordered to be printed in the RECORD, as follows:

[From the National Foreign Trade Council, Inc., July 16, 1964]

BALANCE-OF-PAYMENTS OUTLOOK—1964 REVISED

INTRODUCTION

The attached tables (M-4012 and M-4015) outline the revised outlook for the U.S. balance of payments during 1964 compared with the provisional results for the first half of the year and the original estimates for 1964 agreed upon by members of the NFTC balance-of-payments group at their meeting in January. The new, revised estimates were adopted by the NFTC balance-of-payments group at a meeting on July 16. Following the customary practice, these revised figures are predicated on: (1) No major adverse disturbance in the world political situation; (2) the carrying out of defense and other governmental programs now underway or projected as approved. Any development or circumstance materially affecting the continued validity of these assumptions could bring about a considerable change in the outlook as presented. Further, the estimates envisage a continued high level of U.S. business activity during the remainder of the year, and no drastic shift in export or import price levels. Exports of military-end items transferred under military grants are excluded from the computation in view of the special nature of these transactions.

DOLLAR EXPENDITURES

A total of approximately $37.8 billion (exclusive of strictly military aid) is now expected to be made currently available to foreign countries during 1964 as a result of sales of goods and services to the United States, military expenditures abroad, private remittances and pensions, governmental economic grants and other capital outflows, and net private investments from the United States. This sum is both $1.9 billion more than the original estimate of January 1964 and $2.1 billion more than was made available during 1963. The substantial increase in projected payments from the original January estimate is almost entirely attributable to a $1.7 billion increase in the expected outflow of private capital.

Merchandise imports: During the first half of 1964 expenditures on commercial merchandise imports into the United States amounted to approximately $8.9 billion. Preliminary figures also indicate that the level of imports was higher in the second quarter than in the first and that an upward trend now appears to be underway. It was generally felt that this advance would continue into the second half of 1964 with the result that imports for the year as a whole might run from $200 million to $500 million above earlier expectations. In adopting a revised estimate of $18.2 billion some members of the group expressed the thought that the pace of inflation in various countries abroad might tend to retard their export sales, including those to the United States, but the general consensus was that this was not immediately significant.

Import services and miltary expenditures: In January total expenditures on import services, including transfers of investment income to foreigners, were placed at $6.9 billion for 1964 or $600 million more than comparable payments in 1963. During the first half of the year, however, outlays on transportation, travel and miscellaneous services and transfers of investment income to foreigners were at a seasonally adjusted annual rate of only $6.6 billion. Accordingly, the estimate for the year was revised downward to $6.7 billion. On the other hand, in the light of experience during the first half of the year, the estimate for military expenditures abroad was raised by $100 million.

Remittances and pensions: The estimate for remittances and pensions was readjusted to bring it into line with the 1963 level, which now appears to have been $100 million higher than had been first indicated by the preliminary figures available in January.

Government grants and capital transactions: During the first half of this year Government grants and capital outflows have been held at an abnormally low level, but the rate is expected to be higher in the second half of 1964, especially since several transactions are pending, including payment in the form of notes of the first installment of the increased subscription to the International Development Association. Accordingly, the January estimate of $4.5 billion was left unchanged.

Private capital flows: During 1963 there was an outflow of private capital from the United States of $4.2 billion in the form of direct and long-term portfolio investments and transfers of short-term funds. Last January, it was the view of the group that there might be some slackening this year in the rate at which new direct investment was being made abroad, and that while the outflow of long-term portfolio capital had been extremely limited during the second half of 1963, a moderate recovery might take place during 1964. It was not felt, however, that the recovery would be sufficient to bring the total back to the $1.6 billion level of 1963. A slight reduction was also originally projected for the outflow of short-term funds.

However, on the basis of provisional data and other indications for the first half of the year, the group has now concluded that direct investments could well equal or even slightly exceed the 1963 level and, therefore, has raised the January estimate for this item to $2 billion. For the same reason and also in anticipation of the considered possibility that there will be a rise in new issue flotations once the interest equalization tax proposal has been enacted, the group also revised upward by $200 million its estimate for long-term portfolio investment. Thus far this year there has been an outward movement of approximately $1 billion in short-term funds, which means a substantially higher annual rate than had been anticipated. In this connection, several members of the group noted that the outflow was still relatively moderate in view of the circumstances, such as the existence of some fairly favorable rate differentials abroad. It was also pointed out that there undoubtedly was close relationship between the movement of some of these funds and the general expansion in exports. Assuming that there might be a slackening in the rate of short-term capital outflows in the second half despite a tendency toward higher interest rates in Europe, the group put the revised total for the year at $1.6 billion.

DOLLAR RECEIPTS

Merchandise exports: In January, the group projected an increase of commercial exports of $1 billion for the year, which roughly represented a prospective gain of 5 percent over the previous year. The expansion during the first half of the year has in actual fact proceeded at a seasonably adjusted annual rate of better than 11 percent. Despite the prospect of some fall off in agricultural shipments from the first to the second half, it was the consensus of the group that gains in other categories will more than offset this drop and that the export level during the second half will be slightly higher than during the first 6 months of the year. In reaching this conclusion, the group took into account the results of the export outlook survey conducted among a wider group of NFTC members which showed widespread optimism over export market prospects during the remainder of 1964. The revised estimate of $24.7 billion represents an increase of $2 billion over the original January estimate and, if actually achieved, a gain of $2.8 billion over the total for 1963.

Investment income: Experience during the first 6 months of 1964 has tended to confirm the original estimate of $5 billion for investment income from abroad on both private and governmental account. Accordingly, this estimate was left unrevised.

Other services: Taking into account the rate established during the first half of the year, estimated receipts from military sales and from such services as transportation and tourism were increased slightly to a total of $5.6 billion.

Capital repayments: This category which includes scheduled and nonscheduled repayments on U.S. Government loans and selloffs accounted for receipts of $900 million in 1963. On the basis of information available in January, the group adopted an estimate of $1 billion for 1964. Since a slightly lower level now seems to be indicated, the group lowered its estimate to the 1963 total. Some members were of the opinion that the estimate was still overstated by $100 to $200 million.

Foreign private long-term capital and other nonliquid funds: This category includes not only the inflow of private direct and portfolio investment funds, but covers a number of special governmental transactions, including advance payments on military sales. In both 1962 and 1963 these latter transactions accounted for substantial portions of the inflow. Although on balance the total for this item was relatively small during the first half of the current year, it was concluded that in view of the fact that the increased IDA subscription will initially be made in the form of special Government securities and the estimate should be raised from $300 million to $600 million.

MONETARY RESERVE ASSETS AND LIQUID LIABILITIES

Since unrecorded transactions or errors and omissions have tended in recent years to run on the negative side somewhere between $500 million and $1 billion, possibly reflecting unrecorded capital outlays or an understatement of payments, the group in January included an estimated 1964 outflow of $500 million for this particular item. This was left unchanged.

Therefore, in the absence of any sharp acceleration in the rate of outflow of short-term capital or some unanticipated large special transactions, it is now expected that there will be a reduction in U.S. monetary assets and an increase in U.S. liquid liabilities (including U.S. Government nonmarketable, medium-term securities) of approximately $1.5 billion during 1964 which would be comparable with the seasonally adjusted rate for the first 6 months of around $700-$750 million. This would mean a deficit some $400 million less than originally projected in January and $1.1 billion less than incurred in 1963. In both instances the improvement is a direct reflection of the sharp expansion in merchandise exports. There are, of course, a number of uncertain factors at hand which might easily work against a reduction in the deficit, including the possibility that imports may rise more sharply than projected or that exports will level off or drop slightly during the second half of the year. It is also conceivable that repayments on loans will fall short of the estimated amount. Finally, it might be noted that advance payments on military sales and other prepayments continue to contribute toward a lower deficit than would otherwise be recorded.

TABLE M-4012. *International transactions of the United States—1964 estimates*

[Billions of dollars]

Type of transaction	1963 [1]	January estimate, 1964 [2]	Provisional 1st half, 1964 [3]	Revised July estimate, 1964 [2]
U.S. payments (debits) recorded	35.7	35.9	18.4	37.8
Imports:				
Merchandise	16.9	18.0	8.9	18.2
Military expenditures	2.9	2.7	1.4	2.8
Other services	6.3	6.9	3.2	6.7
Remittances and pensions	.8	.7	.4	.8
Government grants and capital outflows	4.5	4.5	2.0	4.5
U.S. private capital	4.2	3.1	2.5	4.8
Direct investments	1.9	1.6	.95	2.0
Long-term portfolio	1.6	1.0	.5	1.2
Short term	.7	.5	.95	1.6
U.S. receipts (credits) recorded	33.3	34.5	18.3	36.8
Exports:				
Merchandise [4]	21.9	22.7	12.5	24.7
Income on investments, private	4.0	5.0	2.3	5.0
Income on investments, Government	.5		.2	
Military sales	.6	5.5	.4	5.6
Miscellaneous services	4.6		2.4	
Repayments on U.S. Government loans, scheduled	.6	1.0	.3	.9
Repayments and selloffs, nonscheduled	.3		.1	
Foreign private capital other than liquid funds	.3	.3	.1	.6
Government liabilities	.4		[5]	
Excess of recorded receipts (credits) or payments (debits) (−)	−2.4	−1.4	−.1	−1.0
Unrecorded transactions (net)	−.3	−.5	−.3	−.5
Total net receipts (+) or payments (−) equals changes in official monetary assets and in liquid liabilities (increase in net liquid assets (+), decrease (−))	−2.6+	−1.9	−.4	−1.5

[1] Official statistics.
[2] Estimated by NFTC balance-of-payments group.
[3] Partially estimated from official data.
[4] Excluding military aid shipments or transfers.
[5] $50 million or less.

TABLE M-4015.—*International transactions of the United States—1963 and 1964*

[In billions of dollars]

Type of transaction	1963 [1]	January estimate, 1964 [2]	Provisional 1st half, 1964 [3]	Revised July estimate, 1964 [2]
Exports of goods and services:				
Commercial merchandise (adjusted) [4]	21.9	22.7	12.5	24.7
Transportation	5.2	5.5	2.8	5.6
Travel				
Miscellaneous services				
Income on investments	4.5	5.0	2.5	5.0
Total services	9.7	10.5	5.3	10.6
Total exports, goods and services	31.6	33.2	17.8	35.3
Imports of goods and services:				
Commercial merchandise (adjusted)	16.9	18.0	8.9	18.2
Transportation	6.3	6.9	3.2	6.7
Travel				
Miscellaneous services				
Income on investments				
Military expenditures	2.9	2.7	1.4	2.8
Total services	9.2	9.6	4.6	9.5
Total imports, goods and services	26.1	27.6	13.5	27.7
Balance on goods and services	+5.5	+5.6	+4.3	+7.6
Capital and unilateral transfers:				
Remittances and pensions	−.8	−.7	−.4	−.8
U.S. private capital (net, outflow (−)):				
Direct investments	−1.9	−1.6	−.95	−2.0
Other long term	−1.6	−1.0	−.5	−1.2
Short term	−.7	−.5	−.95	−1.6
Government grants and capital outflows (net)	−3.6	−3.5	−1.6	−3.6
Total	−8.6	−7.3	−4.5	−9.2
Foreign long-term capital and other nonliquid funds (net, inflow (+))	+.7	+.3	+.1+	+.6+
Reduction in monetary reserve assets and increase in liquid liabilities including U.S. Government nonmarketable medium-term convertible securities	+2.6+	+1.9	+.4	+1.5
Errors and omissions	−.3	−.5	−.3	−.5
Total	+3.0	+1.7	+.2	+1.6

[1] Official statistics.
[2] Estimated by NFTC balance-of-payments group.
[3] Partially estimated from official data.
[4] Excluding military aid shipments or transfers.

[From the Journal of Commerce,
July 23, 1962]

Trade Council Revises Figures—Payments Deficit Estimate Down Despite Rise in Outflow

(By Emma Doran)

Thanks largely to an indicated $6.5 billion export surplus in merchandise trade, a group of business economists and financial officers of banks and international companies has reduced its estimated 1964 balance-of-payments deficit to $1.5 billion.

The decrease in the deficit from one of $1.9 billion forecast by the balance-of-payments group of the National Foreign Trade Council (NFTC) 6 months ago, is the more striking since it is foreseen despite a private capital outflow materially higher than anticipated last January.

SEVENTH DEFICIT

A $1.5 billion deficit, the seventh consecutive one, compares with earlier adverse balances of approximately $3.5 billion in 1958, $3.7 billion—exclusive of International Monetary Fund (IMF) subscription—in 1959, $3.9 billion in 1960, $2.4 billion in 1961, $2.2 billion in 1962 and $2.6 billion in 1963.

The improvement in the U.S. trade position now expected by the NFTC group reflects heavy shipments in the first 6 months and continued optimism over export prospects for the remainder of the year. Commercial exports to a record value of $24.7 billion now are predicted versus $22.7 billion in 1963.

It was noted by the group that export expansion in the first half had proceeded at a seansonally adjusted annual rate of better than 11 percent. Despite the prospect of some fall-off in farm exports in the second half from the first half rate, it was the consensus that gains in other directions would more than offset this drop and that second half exports might be slightly higher than those in January-June.

IMPORTS-EXPORTS FORECAST

Imports are expected to show a less marked advance than exports, rising to $18.2 billion from $16.9 billion in 1963. The group observed that imports in the first half had risen to some $8.9 billion and that preliminary figures indicate that the level of imports in the second quarter was higher than in the first. It is felt that an upward trend is underway and that the year's receipts might run form $200 to $500 million over earlier expectations.

The export-import forecasts would result in an export surplus of $6.5 billion, the largest trade balance since the immediate postwar years when many European countries were prostrate and needed so much but could export so little.

Contrasting with this stronger visible trade position, the NFTC group looks for a heavier debit entry for the private capital movement An outflow of $4.8 billion this year is now forecast as compared with one of $4.2 billion last year and with the previous January estimate for $3.1 billion for 1964.

PREVIOUS ESTIMATE

Six months ago it was the view of the group that there might be some slackening this year in the rate at which new direct investment was being made abroad.

It was also thought that while the outflow of long-term fortfolio capital had been extremely limited during the second half of 1963—after the interest equalization tax had been proposed—a moderate recovery might take place during 1964.

It was not felt, however, that the recovery would be sufficient to bring the total back to the $1.6 billion of 1963. A slight reduction also was originally projected for the outflow of short-term funds.

However, on the basis of provisional data and other indications for the first half of the year, the group has now concluded that direct investments could well equal or even slightly exceed the 1963 level and, therefore, it has raised the January estimate for this item to $2 billion ($1.9 billion in 1963).

LONG-TERM INVESTMENTS

For the same reason and also in anticipation of the considered possibility that there will be a rise in new issue flotations once the interest equalization tax proposal has been enacted, the group also revised upward by $200 million its January estimate for long-term portfolio investment to $1.2 billion. ($1.6 billion in 1963.)

Thus far this year there has been an outward movement of approximately $1 billion in short-term funds, which means a substantially higher annual rate than had been anticipated. In this connection, several members of the group noted that the ouflow was still relatively moderate in view of the circumstances, such as the existence of some fairly favorable rate differentials abroad.

It was also pointed out that there undoubtedly was close relationship between the movement of some of these funds and the general expansion in exports.

Assuming there might be a slackening in the rate of short-term capital outflows in the second half despite a tendency toward higher interest rates in Europe, the group put the revised total for the year at $1.6 billion as compared to $0.7 billion in 1963.

GOVERNMENT GRANTS STEADY

The group's estimate of Government grants and capital transactions was left unchanged at the January figure of $4.5 billion.

Expenditures for import services were reduced from the $6.9 billion figures estimated last January to $6.7 billion while military expenditures were increased from $2.7 billion to $2.8 billion. Remittances and pensions were hiked from $700 to $800 million.

On the credit side, the estimate in private and Government account of investment income was left unchanged at $5 billion. Receipts from other services were increased slightly to $5.6 billion. Earlier, capital repayments had been forecast as $1 billion but a slightly lower level of $900 million is now indicated. Some thought the total might be even lower.

The figure for foreign private long-term capital and other nonliquid funds was increased from $300 million in last January's outlook to $600 million.

U.S. DOLLAR RECEIPTS

The revised 1964 outlook report of the 50-man group, puts the U.S. dollar receipts (credits) at $36.8 billion and U.S. dollar payments (debits) at $37.8 billion plus an additional outflow of $500 million on unrecorded transactions—for a deficit of $1.5 billion as reflected in changes in official monetary assets and in liquid liabilities.

The forecast is predicated on the lack of any major disturbance in the world political situation and the carrying out of defense and other governmental programs now underway or projected as approved.

It also envisages a continued high level in U.S. business activity through 1964 and no drastic shift in export or import price levels.

In making its estimate the NFTC group also cautioned that there are a number of uncertain factors at hand which might easily work against a reduction in the deficit. They include the possibility that imports may rise more sharply than projected or that exports will level off or drop slightly during the second half of the year.

It is also conceivable that repayments on loans will fall short of the estimated amount. Further, attention was called to the fact that advance payments on military sales and other prepayments continue to contribute toward a lower deficit than would otherwise be recorded.

Mr. JAVITS. Mr. President, another question which has been raised here—and is one of the two subjects debated by the Senator from Louisiana [Mr. Long] when I was absent from the Chamber—is the question of the loss of gold and what we have to do about that. We have lost about $7 billion worth of gold in the past 6 years, our stocks declining from the high point of about $21 billion in gold to the present gold stock of roughly $14 billion. But, Mr. President, that too has changed. The gold outflow declined substantially in 1963. Our gold stocks declined by only $460 million in 1963, as compared with $900 million in 1962, and during April 1964 our gold stocks have actually increased by $178 million.

It is fair to say that if we pass the interest equalization tax bill, and thereby begin to abdicate our position as the financial and credit leader of the world, the drains upon gold may be even greater. What guarantee is Secretary of the Treasury Dillon giving us that the lenders and borrowers of the world who own calls upon the United States through their central banks will not take such alarm from so unorthodox a technique as the one proposed as to begin to be worried about U.S. capability for handling the credit and financial leadership of the world? That would seem to be a sure reason for calling in their gold and their credits.

If things are going well for us—and they are going well for us now—why rock the boat with some totally new and unique approach to financial management, which the measure represents? Perhaps this is the single most powerful argument against rather than for the proposed interest equalization tax. The fact that we are beginning to acquire gold on the credit side indicates that the situation seems to have turned around, and we would be very materially tempting the fates by so unorthodox and unwise an act as the proposed interest equalization tax.

Perhaps one of the most regrettable aspects of this measure is that it is another piecemeal attempts to deal with a problem which is much more fundamental; that is, the inadequacy of the international monetary system.

A country which is creating and developing as much as ours, which has as much investment in the world as we have, a country which has so striking a favorable balance of exports over imports, a country which is suffering only an imbalance in international payments because it is carrying an unusual responsibility in the interest of the free world and is not hobbling its own businessmen or its own tourists—such a country should be favored, not disfavored, by the international monetary system. Nonetheless, our country is disfavored by the international monetary system, and instead of doing what a leader would do; namely, addressing ourselves to the reform of that system, which we have the power to lead effectively, we are considering this piecemeal and, in my judgment, picayune measure of an interesting equalization tax, which will hurt us infinitely more than it can possibly help us. Indeed, the international monetary system was created in the immediate post-World War II period at a time when the major changes which have taken place in the subsequent 16 years were not foreseen. The modernization of that system requires a new look at the adjustment process inherent in the present system and at the manner in which international credit is created by the system. Today it takes years to eliminate major international imbalances unless they are corrected by measures which hamper economic growth and world trade. There is a need for the development of a more flexible adjustment process—in the area of prices, wages, fiscal and monetary policies, interest rates—which permits the speedy restoration of balance-of-payments equilibrium without placing excessive penalties on one or another member of the system. There is also a need to provide for adequate international credit to permit a rapid expansion of international trade and financial transactions.

Today, New York is the preeminent financial market of the world. This is of great economic and political importance. We displaced London as the world's financial center because of the world wars and the ensuing limitations that Great Britain had to impose upon its capital markets.

If we can help it—and we can—we should not lose our present preeminence to Paris, London, Zurich, or any other financial center.

This bill, coming on the heels of the April 27 report issued by the Fowler Committee—the Presidential task force on the balance of payments—which suggests effective approaches to our balance-of-payments problem on the basis of cooperative steps by government and private enterprise, may very well confuse our friends overseas. On the one hand, we put barriers in the way of U.S. citizens purchasing foreign securities, while on the other, we propose to persuade foreigners to buy more U.S. securities.

I again point out, now that the Senator from Ohio [Mr. LAUSCHE] is present, that in his absence I made a point that I should like to repeat in his presence. One of the arguments made by the Senator from Louisiana [Mr. LONG] for the bill is that we have lost gold and that we have only $2.8 billion to satisfy $23 billion in U.S. liquid liabilities abroad. The rest of the gold is insulated by the 25 percent reserve requirement, namely, about $12 billion, and that we have lost in the past 7 or 8 years about $7 billion in gold.

The measure before the Senate would not put us in a position to pay all of those calls on gold. It could not possibly do so. What its advocates say is that it would indicate that we are trimming our sails intelligently, in a financial way, to try to get better control over our international balance of payments.

I have pointed out that our contribution will be miniscule; that the same amount of dollars, or more, will flow out, because of the interest rate advantage, because of the advantage of the great American financing facilities which the underwriters have, because every knowledgeable witness before the committee thought that this measure would not cut the outflow at all, but that it would give the United States a black eye in the eyes of the world as the financial leader of the world.

Nothing could be worse for inducing foreigners to call their debts on the United States than by its being embarrassed by improperly conducting its international financial affairs. Nothing could be worse than that. It would be far worse than the miniscule amount that would be gained by the enactment of this tax.

In addition, the trend of the gold flow has been reversed. We are beginning to get some value as a result of that trend. In April 1964, there was an increase of $178 million in gold stocks.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. LONG of Louisiana. As I stated when the Senator was not present—he can read it in the RECORD—our gold reserves declined from $22.857 billion as of December 31, 1957, to $15.693 billion as of May 31, 1964.

The Senator from New York is well aware of the fact that under our law we are required to keep on hand in gold about 25 percent of the Federal Reserve notes and deposits outstanding in this country, which means about $12.8 billion. So with the decline from about $23 billion to $15.7 billion in gold reserves, with another $12.8 billion which must remain to back our own currency, legally we cannot pay off much more. We will be out of gold, because the law will not let us pay our foreign creditors any more. They are holding $23 billion in dollars and credit, and we have $2.8 billion to face those liabilities with.

I assume that Congress, faced with the hard choice, will probably continue to let our gold go overseas, at the expense of Americans who hold dollars and currency in this country. But even if events should cause Congress to change the law, we are confronted with the situation that we had an unfavorable balance of $5 billion annually immediately before this legislation was proposed. The situation was improved by $1.7 billion as a result of this proposal. Other measures taken by the administration to help stanch this unfavorable balance have accounted for the other one-and-a-half-billion-dollar reduction in that balance-of-payments deficit.

The Senator from New York can have his own opinion as to the effect of the proposed tax, but it is the opinion of our experts that this proposal is responsible for more than 50 percent of the improvement that has taken place. If we do not pass this bill, the situation will rapidly deteriorate, as it was doing prior to the time the bill was proposed.

The Senator from New York has said that the situation has improved. The pending bill is the reason it has improved, at least to the extent of 50 percent.

While we want to make our credit available to other nations—and we have helped nearly every free nation in the world—we must conduct ourselves, as the world banker, more nearly as a bank really conducts itself, on the basis that its resources are not entirely unlimited. We must make certain reasonable adjustments moves that will result in our policies to stay within our capabilities.

Mr. JAVITS. Mr. President, a remedy is supposed to do what is claimed for it. It is clear that this remedy is not doing it. I challenge the figures the Senator from Louisiana has given. The Senator has stated that the imbalance in 1963 was $5 billion. It was $1.94 billion, a very different figure. I defy the Senator to show me how, when this tax will expire in 1965, we are going to prevent the outflow of foreign investments. It is claimed that our gold reserves declined from about $25 billion to $15 billion in the past 7 years. What is here proposed would make it far more likely that foreign creditors would demand payment, because we would have shown ourselves as complete amateurs.

The Senator gave the analogy of the bank. I believe I know something about banking. A bank does not impose a tax on the withdrawal of money. A bank may have to limit withdrawals, as this country could have done had Congress so provided. It has not decided to impose direct controls on the outflow of capital. This is done by other countries. Practically every other country has controls over capital fluctuations. But what is proposed here is "amateur hour." If anything, it depreciates rather than builds up confidence on the part of foreign creditors in our ability to act as the monetary leader of the world.

Mr. LONG of Louisiana. I believe the figures show that the annual rate at which this Government was running a deficit, immediately before this measure was proposed, was $5 billion a year. I applied it to the first half of 1963. I do not think there is any dispute about the figures.

It is the judgment of our people in the Treasury Department, on the best advice we have had, that the proposed tax is responsible for the improvement of our position to the extent of $1.7 billion. Looking to the future, it will result in an improvement, on an average, of $1.5 billion a year. The Senator from New York may describe this as being an "amateur hour," but as between the various contending points of view, we have to look to advisers in the international finance field, and I do not know who could pose as a professional any more successfully than Secretary Dillon. He has been in the field his entire adult life. I am sure he is as good in this field as anyone else.

This is as mild a measure as has been proposed by anyone in the executive branch. When President Eisenhower had Bob Anderson as his Secretary of the Treasury, the measures Mr. Anderson thought necessary were far more drastic than what Secretary Dillon has proposed, which comes at a much later time, when the gold reserves of the Nation have declined to a greater extent.

Mr. JAVITS. If the Senator's argument is correct, we need measures which are effective. My main argument against the proposed tax is that it would be ineffective. Of course it is a mild measure. It is so mild that it is meaningless. It would only embarrass us. That is the essence of my argument.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. JAVITS. I should like to give some facts and figures first. Then I shall be glad to yield. The Senator from Louisiana said that I was mistaken about my balance-of-payments figures, that they were running at the rate of $5 billion in the quarter before the tax was announced. Of course, our balance-of-payments deficit increased during the second quarter of 1963, but it had gone up on other occasions also. Perhaps we should not be discussing this bill at all, because the present imbalance in U.S. international payments, for the first quarter of 1964, is only $168 million, and it has been going at that rate. It seems to me that we have done a brilliant job on that basis, because the inhibition that the Senator speaks about is not an inhibition at all. What we have lost in peas we have gained in bananas. We have cut off foreign investment in this country, which normally takes $700 million or $800 million of American money. I am not talking about the total flotation. The question is how many dollars went out of the United States. We have given more than that back in commercial loans, which have gone up from $400 million to $1,400 million.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. LONG of Louisiana. If the Senator is worried about commercial loans, he should vote for the Gore amendment. I am concerned about banks lending money to defeat the purpose of the act. I thought it would be necessary to propose an amendment to deal with that situation. However, the administration does not think it is necessary at this time. If he is talking about something that is meaningless he ought to be ready to offer something in place of his voluntary capital issues committee. I have had some experience with voluntary action. We tried to control the importation of oil, if the Senator will remember, on a voluntary basis. We asked the major oil companies to cooperate. One of our great companies said, "We do not feel like having anything to do with this arrangement. It does not interest us. Take the whole program and forget it."

What happened? That one company destroyed the entire program by declining to go along with it.

The Senator comes forward with a program under which one wolf in Wall Street could destroy everything that Congress has been trying to do for the past 2 years.

Mr. JAVITS. Mr. President, I shall argue the amendment when it is called up. I am only pointing out that the measure before the Senate would not even do what its sponsors claim it would do, namely, inhibit any material flow of American capital abroad.

I shall not vote for the Gore amendment, because to adopt the amendment would be to cut off our nose to spite our face, would be to eliminate our own financial leadership, which is worth billions of dollars to the American people in all kinds of prestige and in all kinds of export and import business. The economic power which we wield is one of the evidences of our superiority over communism.

That is why I so strongly oppose the bill, because it would put us on a path of action which would be unwise, in terms of jeopardizing our financial leadership in the world, which is now so securely in the hands of the United States.

Mr. President, I offer my amendment No. 1095. I send it to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read the amendment, as follows:

On page 77, line 8, strike out "or".

On page 77, line 18, strike out the period and insert "; or".

On page 77, after line 18, insert the following:

"(4) CERTAIN OTHER TRANSACTIONS.—Are acquired by an underwriter in connection with a private placement or a public offering by a foreign issuer or obligor (or a person or persons directly or indirectly controlling, contolled by, or under common control with such issuer or obligor) and are sold as part of such private placement or public offering by the underwriter (including sales by other underwriters who are United States persons participating in the placement or distribution of the stock or debt obligations acquired by the underwriter), if not more than 25 percent of the total number of shares of stock, or of the total principal amount of debt obligations, acquired are sold (including sales by such other underwriters) to United States persons. The Secretary or his delegate may from time to time by regulations increase or decrease such percentage that may be sold to United States persons, provided that any decrease in the percentage theretofore in effect shall not be effective until 60 days after notice of such decrease is published in the Federal Register. If more than the prescribed percentage then in effect is sold to United States persons the provisions of this paragraph shall nevertheless be satisfied if a tax equal to 150 percent of the tax imposed by section 4911 is paid on the amount of sales to United States persons in excess of such prescribed percentage. Any tax so paid shall be deemed to be a tax paid under section 4911."

On page 79, line 15, before the period insert ", or, in the case of a claim for credit or refund under subsection (a)(4), establishes that the conditions prescribed in such subsection have been satisfied."

On page 80, line 3, after "person," insert: "and in the case of a claim for credit or refund under subsection (a)(4) in establishing that the conditions prescribed in such subsection have been satisfied with respect to such stock or debt obligations,".

Mr. JAVITS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, on the amendment of the Senator from New York, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. JAVITS. Mr. President, this is the first of two amendments which I shall offer to the bill in order to demonstrate to Senators what I seek to do. It was developed from a proposal made by Mr. Samuels, chairman of one of the foreign investment committees of that organization. This amendment would propose the following solution for this problem, and is mainly directed to the concept of giving the American securities market the opportunity to work in this situation as it has been the custom to do for a long period of time.

The proposed amendment would exempt from the tax to be imposed by H.R. 8000 foreign securities acquired by U.S. underwriters if no more than 25 percent, or such greater or lesser percentage of the underwritten issue as may from time to time be prescribed by the Secretary of the Treasury, is sold to U.S. persons. These amendments are consistent with the purposes of the interest equalization tax, but introduce an element of flexibility into its operations which minimizes the adverse consequences of the tax to the U.S. capital markets while at the same time retaining appropriate safeguards. Four principal points should be considered in relation to the proposed amendments.

First, U.S. portfolio investment in foreign securities unquestionably improves the U.S. balance-of-payments position in the long run. These expenditures create assets which can be sold to recoup the initial investment—with gain or loss, if any—and which, while held, provide significant revenues in the form of dividends and interest. Of course it must be recognized that in the short term an excessive rate of current capital outflow as a result of U.S. investment in foreign securities can be a matter of concern, particularly when such capital movements occur when the dollar is already under pressure for other reasons. The amendment takes this into account by limiting the portion of an underwritten issue that may be purchased by U.S. persons free of tax to whatever portion the Treasury feels is compatible with the U.S. balance-of-payments position at the time.

Second, the significant improvement in U.S. foreign trade in the course of the past year has done much to demonstrate to informed financial circles abroad the intrinsic strength of the dollar. The proposed tax made clear the intention of the U.S. Government to preserve the strength of the dollar and its willingness to take measures it deemed necessary to control the U.S. balance of payments. More flexible measures can now more effectively advance the same objectives. The proposed tax has to date acted as a complete embargo rather than merely as a protective tariff. Foreign borrowing in the United States, except borrowing that expects to be exempt from the tax when the act is enacted, has for all practical purposes been eliminated. The immediate effects of the proposed tax to date have been more severe than expected, in fact entirely too severe. While it is possible that the direct effects of the tax may be less severe when it is actually imposed upon the enactment of the act, there can be no assurance that this will be the case. Intelligent regulation requires some intermediate ground between all or nothing.

Even in terms of the Interest Equalization Tax Act's own assumption that the principal reason for foreign borrowing in the United States is the availability of cheaper money—an assumption that rather oversimplifies the complexities of the international capital markets—it is apparent that the act is too inflexible. Money market conditions and balance-of-payments trends change, often quite rapidly. Legislation is not an effective way to adjust to these changes. More than a year has passed in considering the adoption of the act itself. We can anticipate that in the future alternative demands on the attention of Congress may not permit timely consideration of modifications of the legislation necessary to permit a continuation of desirable U.S. portfolio investment at levels that are from time to time appropriate by reason of our balance-of-payments position. The proposed amendment will permit the Secretary of the Treasury to adjust the impact of foreign security issues upon our current balance-of-payments position to levels that in his judgment are appropriate without new legislation and with a minimum of Government interference with the capital market.

Third, it is desirable that the U.S. capital markets be kept open at all times to the maximum extent compatible with an acceptable current balance-of-payments position for the United States. In the international competition with socialism the importance to capitalism of a free international capital market to which private enterprise may turn for private financing cannot be overestimated. There is a significant possibility that in the next few years increased U.S. portfolio investment abroad may be necessary to maintain international liquidity. We must preserve sufficient access to our capital markets in the interim so as to be able to provide this capital as and when required. This cannot be done unless we can maintain the channels of communication with foreign financial centers, preserve the banking relationships that depend on personal acquaintance and mutual trust, and conserve the expert knowledge of foreign capital markets that our investment bankers have developed. Similarly, we must continue the interest of U.S. institutional investors in foreign securities and the flow of information to them regarding such securities. None of these essential elements will long persist if foreign issues in the United States continue to be as severely curtailed as is now the case.

One of the points made in the April 1964 report to the President of the United States of the task force on "promoting increased foreign investment" in U.S. corporate securities as a means of improving our balance of payments is that U.S. investment bankers and brokerage firms should intensify their efforts to develop facilities to reach foreign investors directly. The participation by U.S. firms in the sale of foreign securities has been one of the major reasons for the development, for the most part in the last 10 years, of the foreign contacts of these firms. Without some measure of two-way traffic in securities it is unreasonable to expect the improvement of foreign facilities that is necessary to increase the distribution of U.S. securities abroad. Too severe measures may only be self-defeating even in the short run.

Finally, the major effect of the Interest Equalization Tax Act has not been a development of a European market for security issues payable in European currencies so much as the transfer to European financial centers, primarily London, of the management of foreign security issues payable in dollars. The European market for these dollar issues was developed by U.S. investment bankers with the encouragement of the U.S. Government. It is shortsighted and anomalous that U.S. firms and institutions are not now permitted to play their natural role where these dollar issues are concerned.

One related, unfortunate effect of the tax has been a sharp reduction of our U.S. income from invisible receipts connected with the flotation of foreign securities. While the amounts are not readily determinable, millions of dollars a year are involved, taking into account lost commissions and management fees, lost sales of printers and banknote companies, lost fees to fiscal agents, lost fees of lawyers and accountants and the like. Even a very limited opening of the U.S. capital market would permit the management of many, probably of most, dollar issues to be returned to the United States and thus restore the greater part of this lost income. This can be achieved without appreciable adverse effect on the U.S. balance of payments since the greater part of these issues will continue to be sold abroad, whatever part the Treasury feels is required at the time in view of our balance-of-payments position. To cede to European bankers the financial role formerly played by U.S. investment bankers is to squander our natural position.

The operation of the proposed amendments is simple. They would exempt from the interest equalization tax that would otherwise be imposed by H.R. 8000 all securities of a foreign issue acquired by U.S. underwriters if not more than a fixed percentage of the amount of the issue were sold to U.S. persons. This percentage would initially be 25 percent. The Secretary of the Treasury would have the authority in his discretion to increase or decrease the specified percentage applicable to all issues from time to time in accordance with the Treasury's view of the U.S. balance-of-payments position. A penalty tax of 150 percent of the normal tax would be imposed on any portion of an issue sold to U.S. persons in excess of the permitted percentage.

The amendment would be applicable to both issues that are publicly offered and registered under our Securities Act of 1933 and to issues that are placed privately with a limited number of institutional purchasers. Even though the portion of the issues that could be sold in the United States without penalty will initially be only 25 percent and thereafter such greater or lesser percentage as might be determined from time to time by the Treasury, the importance of opening this additional market and the assurance of greater marketability—a factor of prime importance to European buyers—that the slight participation by U.S. persons in the issue would provide, would in many cases cause the foreign issuer to select U.S. investment bankers rather than foreign investment bankers to manage his dollar issue.

Some 5 or 6 years ago, when sales of foreign securities in the United States began to reach appreciable annual volumes, it was not at all uncommon for 60 percent or more of an entire foreign issue to be sold by the U.S. underwriter to foreign buyers. This percentage gradually declined in most cases as U.S. demand for foreign securities developed, but this experience does indicate that even a small participation by U.S. persons is enough to justify to a foreign issuer the burden of complying with the U.S. requirements applicable to a public issue. The portion of the foreign issue sold in the United States could be expected to approximate the percentage permitted at the time since the penalty would ordinarily be prohibitive.

The amendments would not be difficult to administer. The act now relies upon certificates of brokers and dealers to determine whether particular transactions are subject to the tax. The amendments would use the same procedure. In effect the managing underwriter, on the basis of certificates furnished by participating underwriters and dealers, would furnish to the Treasury a certificate as to the distribution of the underwritten securities to U.S. persons and to foreign persons.

The proposed amendments will not impair the operation of the Interest Equalization Tax Act, but will render it a more flexible instrument and cause its operation to be more consistent with the preservation of the vitality of our international capital markets. A small continuing, but controlled, volume of U.S. investment in nonexempt foreign securities is not merely acceptable, but something that is desirable in itself and, perhaps more importantly, because of its collateral effects in preserving the primacy and effectiveness of the U.S. capital market. This market is a valuable national asset which we should take pains to preserve.

Again I point out, in concluding my argument on this amendment, that by acting in this way, we will not inhibit a process that has shown great profit to the United States, great profit in terms of exports and imports, and great profit also in terms of the fact that we receive more in income from our foreign investments than the aggregate of what we put out in our foreign investments every year. That is a flow which it would be unwise to stop or interfere with.

It is for these reasons that this plan, which has appealed so deeply to the investment bankers of the Nation, is the plan which I propose to the Senate.

I refer to a letter addressed to Senator MORTON by Nathaniel Samuels, chairman of the Foreign Investment Committee of the Investment Bankers Association of the United States, in which Mr. Samuels says:

INVESTMENT BANKERS
ASSOCIATION OF AMERICA,
Washington, D.C., July 16, 1964.

Hon. THRUSTON B. MORTON,
U.S. Senate, Senate Office Building,
Washington, D.C.

DEAR SENATOR MORTON: During the course of my testimony on July 1 in opposition to H.R. 8000, I suggested that if a bill were nevertheless to be enacted, it should contain an exemption from tax for new issues on foreign securities where not more than 25 percent were sold to Americans. I also suggested that this percentage exemption be subject to increase or decrease by the Secretary of the Treasury, depending on the position of the balance of payments. Senator JAVITS subsequently introduced such an amendment.

In my testimony I pointed out that the Investment Bankers Association of America was opposed to the passage of H.R. 8000, and, as an association, had taken no position with respect to the proposed 25-percent exemption. Subsequent to the hearings, I have polled the members of the foreign investment committee of our association, and can report to you that there is general support for an amendment of this nature. I should add, of course, that our association is still opposed to the passage of H.R. 8000 in its entirety. However, if the bill should be enacted, the foreign investment committee feels strongly that the 25-percent exemption, as well as an exemption for purchases of outstanding securities and other amendments referred to in our written statement should be adopted.

In your consideration of the proposed 25-percent exemption, I and my colleagues could give you a considerable amount of detailed information, based on our underwriting experience, which would, in our opinion, demonstrate the desirability of such a provision in enabling the Treasury to achieve its objectives and yet not damage the American capital market to the extent caused by H.R. 8000. I would be glad to come to Washington at any time, if you would welcome this, to discuss this matter with you. Please do not hesitate to let me know if I can be of any further assistance.

Yours sincerely,
NATHANIEL SAMUELS,
Chairman, Foreign Investment Committee.

Mr. President, to sum up my arguments the proposed legislation would affect a relatively minor part of the foreign investment capital which is raised in the American market. When we exclude the exemptions for the year 1962, the bill would affect not more than $300 million to $400 million in foreign securities purchased by U.S. residents—which totaled $1,076 million in 1962. The difference is accounted for by Canadian issues, Latin-American Republics, and other less-developed countries, all of which would be exempt under the bill. It is also no secret that Japan would be exempt, too, which would lop off another $100 million.

So its effect would be minuscule. It is widely predicted that the same amount of foreign securities issues would be floated as before, because the difference in the interest rate is not so great as to make it unprofitable to raise money in the American market. American marketing facilities and underwriting rates are low enough to still put a premium upon selling securities issues here. So it will have no real effect except to impair the leadership of the United States in respect to the finance of the world, to impair our leadership in the banking community of the world, and to inhibit the American capital market.

Under those circumstances, the solution suggested by the chairman of the Foreign Investment Committee of the Investment Bankers Association is a fair one.

It is on that basis, Mr. President (Mr. MCGOVERN in the chair), that I hope very much that the amendment will be adopted.

I note for the RECORD that I have as a cosponsor of the amendment, whose name is on the document now sent to the desk, my colleague, the Senator from New York [Mr. KEATING].

Mr. KEATING. Mr. President, will the Senator from New York yield?

Mr. JAVITS. I yield.

Mr. KEATING. Mr. President, I am happy to cosponsor the amendment. I am opposed to the bill. In effect, it would impose a tariff on the importation of capital. It is contrary to the policy of this administration and the preceding two administrations favoring full and freer trade among the nations of the world.

I cannot understand why a bill of this kind should be recommended to the Congress. It is hard for me to believe that the President would sign a bill of this kind in light of the policy which he has enunciated to date after full contemplation of its effect and the seriousness of the step which we would be taking. But if we are to enact a bill like this, the amendment of the Senator from New York seems to me to make a great deal of sense.

If we allow not more than 25 percent of the total number of shares of any foreign issue, or of the total principal amount of any foreign debt flotation to be sold to U.S. citizens free of the tax, it would make available to foreigners approximately $700 to $800 million in capital exports annually. To that extent, at least, we would be following the announced policy of all recent administrations; namely, to foster international capital movements instead of cutting them down.

The amendment would at least serve to accommodate the bill to actual investment banking experience, since usually U.S. investment bankers, I am told, handle and distribute in the United States approximately 25 percent of any foreign securities issue or debt obligations.

This would enable the U.S. capital market to continue to operate to achieve the objective of making sufficient capital available to meet oversea demands. Under this proposal, the Secretary of the Treasury would have the authority to vary the 25-percent figure up or down, giving the measure some flexibility to meet balance-of-payments problems, which admittedly are serious. I strongly feel that the bill as it stands is the wrong way to go about meeting the problem. This amendment, however, would be an improvement. It would offer a mechanism to vary the impact of the tax depending on the condition of the payments balance at any particular time. For example, the exemption provided for in the amendment could be lowered to 20 percent, if the 25-percent exemption resulted in tax-free sales of foreign issues creating too much capital outflow relative to the offsetting credits which we receive. Conversely, as the balance-of-payments situation improves in the long run—as everyone expects it to do—the exemption percentage could be raised to 30 or 40 percent, for example, even though on the basis of actual experience 25 percent is about the average percent of foreign issues and debt distributed in the United States.

It seems to me that the amendment makes a great deal of sense. At least, to a large extent, it would relieve the complete disruption of the foreign investment market in this country, and is the least which should be done to improve a rather bad piece of legislation.

I thank the Senator from New York.

Mr. JAVITS. I appreciate the help my colleague from New York is giving me, and I am grateful to him for joining me in the fight against the proposed legislation. However, I am deeply convinced that it is unwise and would have a serious and deleterious effect upon the United States.

This is a field in which I have spent a great part of my life, and I feel constrained at least to lay before the Senate the information and the knowledge I have gained.

I am very grateful to my colleague from New York for joining me in this effort.

Mr. MILLER. Mr. President, will the Senator from New York yield?

Mr. JAVITS. I yield.

Mr. MILLER. First of all, let me commend the Senator from New York for trying to draw some of the teeth in the bill by offering his amendment.

I see a lot of merit to the amendment. But there is one sentence in the amendment which gives me great concern. That is the sentence which states that the Secretary or his delegate may from time to time, by regulation, increase or decrease such percentage as may be sold to U.S. persons, with a certain proviso. The junior Senator from New York just commented on this particular provision. It seems to me that we are getting into the area of delegation of legislative functions to the executive branch of the Government by such a provision. I cannot see much difference between the net effect of this provision and one which might increase or decrease the tax rates, merely upon the whim of a nonelected public official in the Treasury Department who, by regulation, decides to do so.

I suggest that the Senator's removal of this provision would do no harm to his amendment. At the same time it would allay some concern on the part of Senators such as myself over the net effect of the delegation of legislative power to the Secretary of the Treasury to which this provision gives rise.

Mr. JAVITS. If I sought to remove that sentence, I would be destroying the effect of the approach we are trying to take. This particular approach assumes that the bill will be passed, and that, therefore, we must make the best of a bad situation.

One of the real curses of the bill is its inflexibility. It provides for an across-the-board tax of 15 percent on foreign stocks, and a sliding scale of tax varying from 2.75 to 15 percent on debt obligations, depending on their maturity.

If we have regulation, the regulation which I suggest might sound tougher, but it is much more practical and much more likely to reduce the amount of interference with the capital market. We often get a statute that is so inflexible that no one can do anything about it.

The situation continually changes. The control over it, of course, is in the hands of Congress. We can repeal the statute if we are dissatisfied with the way in which such authority is being administered. We can hold the Secretary to account, as we often do. But the theory of the amendment requires this flexibility. The theory of the amendment is to protect us against runaway dollars over, above, and beyond what we are willing to have go into foreign investments. It is attractive to us in terms of the return which it produces, and the rates which it encourages. In order to follow out that legislative plan effectively, Senator KEATING and I, who are proposing the amendment, cannot be ourselves inflexible where we are trying to introduce an element in a bad situation of flexibility, as a way in which to endeavor to reduce its deleterious influence.

Mr. MILLER. I appreciate the explanation. I can recognize the desirability of flexibility. But, to me, the factor of flexibility should not be such as to cause us to legislate in this manner, and delegate legislative functions to a nonelective public official.

One way in which the Senator could avoid my problem would be to provide for flexibility and at the same time avoid the problem of an invalid delegation of legislative function by providing some kind of standard whereby the Secretary would be guided in raising or lowering the percentages. For example, if the balance-of-payments deficit exceeds a certain figure, he can lower it. And if the balance-of-payment deficit drops below a certain figure, he can raise it. But there is no standard whatsoever provided in this delegation of power. All the provision provides is that the Secretary or his delegate may from time to time by regulation decrease or increase the percentage.

Nothing is said about conditions or circumstances. We would trust that they would operate as reasonable people. But, it seems to me, that the function of Congress is to provide for some kind of guideline or standard before taking such action.

That is what I wish the Senators from New York, who are sponsoring this amendment, would try to devise. Much as I am in sympathy with the objective of the amendment, I believe there is a problem regarding the delegation of legislative function which must be resolved.

Mr. JAVITS. It would be impossible for me in the time left to me in this debate to frame the legislative criterion. I should therefore like to state the purpose of the amendment, which includes the criterion. I am sure that if the amendment is agreed to, the criterion can be framed later.

The criterion, roughly stated, is to exempt from the tax such percentage of foreign flotations as are normally disposed of to American residents within the limitation of an acceptable outflow of dollars for foreign investment from the United States, which is estimated by the Treasury to be in the neighborhood of $700 to $800 million a year.

That is as congently as I can state at the moment my intention in offering this amendment.

I would expect, if the amendment were agreed to, that in conference the actual language of the criterion would be properly phrased—which would probably be impossible to do under these stresses—to be included in that amendment, on the basis of which the Secretary would be authorized to act.

Mr. MILLER. I appreciate that. But it seems to me that we might take a few moments off and place that guideline in the bill itself.

There is one other possible approach. I wonder if the Senator has considered it. That is to provide that the Secretary may increase or decrease the percentage, but such increase or decrease will be held in abeyance for say a 60-day period, or even a 30-day period, and that the proposed increase or decrease will be transmitted to the Ways and Means Committee and the Finance Committee of the House and the Senate, respectively, so that they could operate by way of a veto on this proposal.

We have done that in several cases in connection with other legislation. It still provides the control of the legislative branch of the Government.

Mr. JAVITS. The relationships between the underwriters and the Treasury Department are of such character that we are dealing with people in the highest class of business. One would not need any law in order to get an underwriter to do what the Treasury Department wants done, whether the provision was written into the bill or not. In addition, I believe, the responsiveness of the Treasury Department to the Congress is so close that if we hauled the Secretary up here because we were dissatisfied, we would get action.

I agree with the Senator about the criterion. But I feel that having phrased the criterion and stated it as the author of the amendment, we can rely on the fact that if that amendment is agreed to, that condition will be carried out.

I believe in this case it is not a matter of an order of magnitude that a congressional committee should be asked to go into it on every occasion when discretion is exercised.

For example, in the consideration there is considerable discretion on the part of the Treasury Department in the application of the rates of interest which exist. I do not know of any other delegation, but there are many, I am sure, in the tax field, and in the money raising field.

Mr. MILLER. I recognize that.

Mr. JAVITS. The Senator is much more of an expert on that than I am.

Mr. MILLER. In the tax field, as the Senator from New York well knows, this has been a perennial problem, and more of an increasing concern in the past few days, as to the extent to which Congress can or should delegate tax rate changes or other matters to the Treasury Department.

The Senator from Iowa is strongly opposed to this provision, and the provision in the Senator's amendment has caused my concern.

I appreciate what the Senator has said about including a guideline in the legislative history, with the hope that it will be placed in the bill itself in conference.

Mr. JAVITS. Of that, I would have no doubt.

Mr. MILLER. I would feel much better if the Senator would take a little time to write it in the bill on the floor of the Senate while we are at it.

Mr. JAVITS. I shall try to do that. But if the Senator desires after consideration to vote for the amendment, he can do so with absolute confidence that the criterion is included.

Knowing how the Senate works, I am sure the Senator will understand why I said what I did.

Mr. President, I yield the floor.

Mr. LONG of Louisiana. Mr. President, the committee considered an amendment which was very similar to the one proposed, and voted against it.

The amendment would grant an underwriter here a credit or refund of the proposed interest equalization tax if not more than 25 percent of a given issue is sold to U.S. residents.

Its net impact would, of course, nullify the effectiveness of the interest equalization tax to the extent of 25 percent of each foreign issue.

This, in turn, impairs the very purpose of the interest equalization tax itself. It should be remembered that the objective of this tax is to divert some of the heavy volume of foreign borrowing from our capital market and thus reduce this severe strain on our balance-of-payments position. Foreign borrowing rose sharply to dangerously high levels in 1962 and early 1963—until the interest equalization tax was first proposed by President Kennedy.

Since then, as the record already clearly shows, this volume has diminished. Foreign borrowers have been diverted from our markets. Without question the imminence of the interest equalization tax—which, with the passage of this bill, will carry an effective date of July 19, 1963—has accounted for this.

This amendment, by importantly reducing the effective rate of the interest equalization tax, will materially lessen its usefulness in stemming present and future outflows of long-term portfolio capital.

Finally, it must be noted, that the amendment in no way reduces, in fact it increases, the administrative burdens on purchasers of new foreign issues. At least as much, and probably more, recordkeeping would be necessary to meet the requirements of the 25 percent exemption as is called for under existing procedures.

Mr. JAVITS. Mr. President, before we are through, although I do not know that we shall actually manage it in time, I should like to see the Senator from Iowa [Mr. MILLER] given the opportunity to offer an amendment which would establish a criterion. I stated affirmatively and clearly that a criterion should be written into the amendment. I have stated what that criterion is intended to be so far as my colleague [Mr. KEATING] and I, as authors of the amendment, are concerned.

I assure Senators that if the amendment is agreed to, I shall use every effort to see that that criterion is written into the bill in conference. I have no doubt that if an amendment like the pending amendment survives a conference, it will be written in.

To sum up the argument with respect to the subject, I wish to make it clear that while I believe in the amendment completely, the amendment is not mine in the sense of the initiative in thinking it up. The amendment was suggested by Nathaniel Samuels, of New York, who is chairman of the foreign investment committee of the Investment Bankers Association of America. In his letter of July 16, which I have read into the RECORD, he states that he has polled the members of the committee and can report that there is general support of an amendment in the nature of the one which I have proposed.

The amendment is a flexible one in the sense that it would exempt that part of the securities of any foreign flotation sold by domestic underwriters or to residents of the United States, it being estimated that that percentage would initially be 25 percent. But the Secretary of the Treasury, under my amendment, could increase or reduce the percentage in order to keep the figure within the bounds of an acceptable outflow of dollars for foreign investment by Americans.

U.S. foreign investment in portfolio securities improves the U.S. balance-of-payments position in the long run, because those expenditures create assets which can be sold to recoup the original investment and, in addition, they provide significant revenues in the form of dividends and interest.

I have pointed out that over a period of years we get a material net return from our dividends and interest on foreign private investment, far more than the amount which we invest every year. The only year in which that has not been true is the year 1957–58.

The proposed tax so far, with its retroactive date, has acted as a complete embargo rather than merely a protective tariff on capital exports. Foreign borrowing in the United States has practically dried up. This is not a very good thing. In the first place, it has probably distorted the bank loan factor of the outflow of dollars; second, it is bound to have an effect upon the United States as a money market, and therefore upon the United States as a supplier of goods which are bought with the money which can be borrowed here.

It is believed that, as money market conditions and balance-of-payments trends change so rapidly—and I have given a great many facts and figures to show how they have changed since the day when someone in the Treasury Department thought up the tax—we should provide, if we pass the bill, administrative flexibility. That is an added reason for the amendment; it would provide administrative flexibility.

It is desirable that the U.S. capital markets be kept open at all times, to the maximum extent compatible with an acceptable current balance-of-payments position for the United States. In the international competition with communism the importance to capitalism of free international capital markets to which private enterprise may turn for private financing is absolutely indispensable. There is a significant possibility that in the next few years increased U.S. portfolio and investment abroad may be necessary to maintain international liquidity. We must preserve sufficient access to our capital market in the interim so as to be able to provide the capital as and when required, and that cannot be done unless we can maintain the channels of communication of the foreign financial centers, preserve the banking relationships that it depends upon, and the actual trust upon which it is grounded to conserve the expert knowledge of foreign capital markets that our investment bankers have developed.

Similarly, we must continue the interest of U.S. institutional investors in foreign securities and the flow of information to them regarding such securities. None of these financial elements will long persist if foreign issues in the United States continue to be as severely curtailed as is now the case.

Participation by the United States and by U.S. firms in the sale of foreign securities has been one of the major reasons for the development, for the most part, in the past decade, of the foreign contacts of these firms. Without some measure of two-way improvement, it is unreasonable to expect that we shall gain in the balance of payments because of investments in this country, because we are a market for securities encouraging such investment in the United States, and, through U.S. firms, distribution of such securities.

Mr. SMATHERS. Mr. President, the amendment proposed by the Senator from New York will materially lessen the effectiveness of the interest equalization tax. For this reason I strongly urge that it be defeated.

Adoption of this amendment would, purely and simply, reduce the effective rate of the interest equalization tax. To the extent that it does so, it cripples the entire measure.

No one, not even the sponsor of this amendment, has made a claim or presented a case to the effect that the rates of tax called for in the bill are too high and should be reduced. The bill's overall rate structure, as we know, is designed to approximate an increase in our own long-term interest rates of about 1 percent a year—bringing these rates, for foreign borrowers only, more into line with rates prevailing abroad.

The objective, of course, is to divert some of the heavy demands from abroad on our capital market.

The amendment, providing an underwriter a credit or refund of interest equalization tax if not more than 25 percent of a new foreign issue is sold to U.S. residents, directly conflicts with the intent of this legislation. Its adoption would make the U.S. capital market just that much more attractive to foreign borrowers. Instead of making our market uniformly less attractive, for 100 percent of an issue, it would make it only 75 percent less attractive. The difference could be very costly indeed to our balance-of-payments position.

There is no reason whatsoever to weaken—as this amendment would—H.R. 8000. We cannot afford to toy with present and near future demands from abroad on our capital market.

It was, after all, these demands that led directly to the sharp increases in the outflow of long-term portfolio capital from the United States in 1962 and during the first half of 1963.

H.R. 8000 provides for an interest equalization tax, specifically designed to contain, via diversion to foreign markets, some of this demand for and outflow of portfolio capital which added so heavily to our balance-of-payments deficit.

In appraising this proposed amendment to such a sound, effective piece of legislation we must keep in mind that the bill itself already contains a very clear incentive for U.S. underwriters to seek maximum sales of a given issue to foreigners. When a portion of a particular foreign issue is sold abroad, the net tax incurred by the U.S. underwriter is automatically reduced. The bill, as it stands, effectively provides for a credit or refund to American underwriters for that portion of public offerings or private placements sold to foreigners.

This credit or refund procedure not only permits but effectively encourages underwriters in the United States to remain active abroad during the interim period the interest equalization tax is in effect. But it also means that some of an issue can be placed in the United States at the expense to the borrower of only a relatively small tax in proportion to the size of the whole issue.

As it stands, the bill consequently does not by any means close or seal off U.S. underwriters from foreign borrowers. U.S. dealers will certainly be able to maintain a market for foreign securities—new and outstanding.

In short, Mr. President, there is no need to "sweeten" this measure with an amendment of this nature—an amendment that weakens an urgently needed piece of legislation.

I urge that the pending amendment be defeated and H.R. 8000 be passed as it stands.

Mr. JAVITS. Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER.** The Clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed the bill (S. 653) to provide an adequate basis for administration of the Lake Mead National Recreation Area, Ariz. and Nev., and for other purposes, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the bill (S. 1991) to charter by act of Congress the National Tropical Botanical Garden, with amendments, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 931. An act to provide for the establishment of the Allegheny Portage Railroad National Historic Site and the Johnstown Flood National Memorial in the State of Pennsylvania, and for other purposes;

H.R. 3071. An act to provide for the establishment of Fort Larned as a national historic site, and for other purposes;

H.R. 7138. An act for the relief of St. Francis Levee District, Arkansas;

H.R. 7662. An act to amend the Federal Employees' Compensation Act, as amended, to provide appeal rights to employees of the Canal Zone Government and the Panama Canal Company;

H.R. 8916. An act to protect American Indians from the flooding of their lands by any department or agency of the United States before suitable provision has been made for their relocation;

H.R. 9718. An act to authorize the crediting of certain military service for purposes of reserve retired pay;

H.R. 10069. An act to authorize the exchange of lands adjacent to the Lassen National Forest in California, and for other purposes; and

H.R. 11520. An act to amend subsection (d) of section 1346 of title 28 of the United States Code relating to the jurisdiction of the U.S. district courts.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred, as indicated:

H.R. 931. An act to provide for the establishment of the Allegheny Portage Railroad National Historic Site and the Johnstown Flood National Memorial in the State of Pennsylvania, and for other purposes;

H.R. 3071. An act to provide for the establishment of Fort Larned as a national historic site, and for other purposes; and

H.R. 8916. An act to protect American Indians from the flooding of their lands by any department or agency of the United States before suitable provision has been made for their relocation; to the Committee on Interior and Insular Affairs.

H.R. 7138. An act for the relief of St. Francis Levee District, Arkansas; and

H.R. 11520. An act to amend subsection (d) of section 1346 of title 28 of the United States Code relating to the jurisdiction of the U.S. district courts; to the Committee on the Judiciary.

H.R. 7662. An act to amend the Federal Employees' Compensation Act, as amended, to provide appeal rights to employees of the Canal Zone Government and the Panama Canal Company; to the Committee on Labor and Public Welfare.

H.R. 9718. An act to authorize the crediting of certain military service for purposes of Reserve retired pay; to the Committee on Armed Services.

H.R. 10069. An act to authorize the exchange of lands adjacent to the Lassen National Forest in California, and for other purposes; to the Committee on Agriculture and Forestry.

INTEREST EQUALIZATION TAX ON CERTAIN FOREIGN SECURITIES

The Senate resumed the consideration of the bill (H.R. 8000) to amend the Internal Revenue Code of 1954, to impose a tax on acquisition of certain securities in order to equalize costs of longer term financing in the United States and in markets abroad, and for other purposes.

Mr. JAVITS. Mr. President, in the colloquy with my distinguished colleague, the Senator from Iowa [Mr. MILLER], an effort was made to develop a criterion upon which the Secretary of the Treasury could increase or reduce the percentage which would be available for American placement of a foreign securities issue without incurring the tax.

I have endeavored with the Senator from Iowa to draft the actual language to that effect. However, it seems to me that in a matter as delicate as this, and within the time which would be afforded to draft it, it is almost physically impossible to draft the appropriate provision without, perhaps, running afoul of some other difficulty which cannot be foreseen under the stress of the moment. Especially as this amendment, as drawn, has been approved by the chairman of the Foreign Investment Committee of the American Bankers Association, I believe we would be best advised to make the legislative intent very clear—which I have made clear—and ask Members of the Senate to support the amendment on that ground. The legislative intent having been made clear, it will be carried out if the amendment succeeds. That would be better than endeavoring to improvise some form of amendment on such short notice as we would have in this particular case.

Mr. DOMINICK. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. DOMINICK. I have been in conversation with some people who are concerned over the bill, and I believe the Senator's amendment deals with some phases of it. Their question is this: What procedure, if any, is set up to take care of a situation in which an American citizen has been buying foreign securities marketed in this country through a Canadian investment house? I do not know whether this question can be answered by the Senator from New York, or whether I should propound it to the manager of the bill.

Mr. JAVITS. I believe the Senator would get a more authoritative reply, from the point of view of the intention of the bill, by asking his question of the manager of the bill. I shall be glad to yield for that purpose.

Mr. DOMINICK. I wonder whether the Senator from Louisiana would address himself to this question. The question results from inquiries which have been made. What procedures have been established under the bill to provide for taxing American citizens who have been purchasing foreign securities marketed in this country through Canadian or other foreign banking circles or investment circles?

If I may expand a little, perhaps it will help. A number of foreign issues have been floated here since July 1963, on a kind of two-price basis so far as foreign investment circles are concerned. One of them is what might be referred to as the *z* price, which means the price plus the tax, and the other is a group of people who have undoubtedly been buying securities without bothering to pay that extra amount which would include the tax, and who are, therefore, in effect, at the present time spending their money for the same object at a lesser price.

The question is, If we are to make the terms of the bill retroactive to July 1963, what mechanisms are set up to pick up that tax from those who have gone through the other circles and have bought the securities at a lower price?

Mr. LONG of Louisiana. The underwriter must file a quarterly return 30 days after the end of the quarter. That return reflects whether the securities were acquired for the benefit of a foreigner or for the benefit of an American investor.

The quarterly return would cover the period back to July 1963. My understanding is that administrative procedures have been devised to apply to the bill as it exists, and that the Treasury does not anticipate any great administrative difficulty in this field. There may be some difficulty, but the Treasury believes it will be easy to surmount. If the pending amendment were agreed to, it would be materially complicated, and I do not know what the result would be.

Mr. DOMINICK. It is my understanding, and I do not like to press the point——

Mr. LONG of Louisiana. I should like to try to answer the Senator's question. If he is asking about Canadian issues, it is my understanding that Canadian issues would be exempt retroactively to July 1963, and they would not be taxed. That would not be the case with respect to other foreign issues.

Mr. DOMINICK. That is a part of the answer that I had hoped I would get from the manager of the bill. I understand it is the intention to exempt Canadian securities by Presidential action. Of course, that does not take care of the situation in which corporations or an individual may have purchased Japanese issues through a Canadian investment setup of some kind.

Mr. LONG of Louisiana. The question is whether the tax is owed. If the tax is owed, it must be paid on the quarterly return.

Mr. DOMINICK. Who must pay it?

Mr. LONG of Louisiana. It is the American purchaser who owes the tax. The effect is that the tax will be absorbed by the foreign concern that is selling the security, because, naturally, the securities would be less lucrative because of the American tax on the American who buys it.

Mr. DOMINICK. The Senator is talking about the issuer. If a Japanese issuer floats a security in the United States, and the American citizen buys that security through a Canadian investment house—this is the point I make—and many have been doing it since 1963, I have been told—how do we come back to the people who have been buying the issues without paying the increased price?

Mr. LONG of Louisiana. It is the American purchaser who owes the tax. I shall be glad to check out the point for the Senator, to see if the Treasury experts who have worked on this legislation agree with my answer. I do not wish to confuse or mislead the Senator. Those are some of the problems with which the officials in the Treasury have been struggling, to see to it that the tax would be effective. It was not intended that Canada should become a tax haven for issues from Japan or Western Europe. I am advised that Treasury agrees with my explanation of this matter.

Mr. LAUSCHE. Mr. President, will the Senator from New York yield so that I may ask a question of the Senator from Minnesota [Mr. MCCARTHY]?

Mr. JAVITS. I yield.

Mr. LAUSCHE. I have been reading the transcript of testimony, and have become intrigued by what was said by Dan Troop Smith, professor of finance of the Harvard Graduate School of Business Administration. He was questioned by the Senator from Minnesota. I should like to propound some questions to the Senator from Minnesota.

The Senator from Minnesota asked Mr. Smith this question:

> Mr. Smith, up to now the only witnesses that have spoken very strongly in favor of the interest equalization tax have been the Treasury. Do you know of any economists or any advisers to the financial community, people in the academic community, who do support the Treasury position on this legislation?

Mr. Smith's answer was:

> In my conversations I have not found any to the point of identifying them. That is not to say that they do not exist.

May I ask the Senator from Minnesota what the ultimate development of his inquiry was? Did the Senator establish that there were people in the academic world who support this vehicle as the means of helping to solve our balance-of-payments problem?

Mr. MCCARTHY. It was clear before I asked the question that some former members of the academic community who are now a part of the administration supported interest equalization as a device which might help to solve the balance-of-payments problem. Upon inquiry by some members of the staff of the Joint Committee on Internal Revenue Taxation, we were informed that there are some economists, people who work somewhere between pure theory and the practical operation of economic ideas, who thought that interest equalization would be somewhat helpful in regard to the balance-of-payments problem.

I do not believe there are any theoretical economists who particularly like this device, because it is a kind of interference in what we like to look upon as the free flow of capital market among the countries of Western Europe, the United States, and other allies, such as Japan. So it is a kind of interference with theory, and for that reason most economists would like to move away from it. But when we move to the practical application of the consequences of interest equalization, there are some who share the views of former academicians in the Treasury Department that interest equalization would be helpful in solving the balance-of-payments problem.

Mr. LAUSCHE. Then, am I to understand that those of the academic world who supported the bill—and it is shown by the record that they did—are the ones in the Treasury Department, and that the statement contained in the question of the Senator from Minnesota that the only academicians who testified were those from the Treasury Department is a fact?

Mr. MCCARTHY. That is true, although we did not really solicit testimony from others. I suggest that the academic people with whom Dan Smith associates would be likely to have the same point of view as that which he presented to the committee. But on the record, we do not have testimony that might be considered independent, outside the testimony of academic people, with regard to this particular question.

Mr. LAUSCHE. The Senator from Minnesota [Mr. MCCARTHY], speaking to Professor Smith, said:

> If you do know, because we have not had any testimony really except the Treasury testified in support of the program, and I wondered since you are in the academic community whether there was support among economists who are, say, practicing the science in its pure form or unrelated to Government agencies who support the, if not the program, at least the principle of the interest equalization tax.

Mr. Smith replied:

> In my conversations I do not recall any individuals that I could name, but I am sure there must be some who do support it. I know there have been conversations on the relative merits of this tax and on the capital issues committee.

Mr. MCCARTHY. No names were submitted, and no witnesses were called.

Mr. LAUSCHE. I observe that the Senator from Minnesota stressed that our Nation has traditionally and philosophically believed in the free flow of capital. Professor Smith testified:

> Specifically, in the Presidential message, it was stated:
>
> "This Nation will continue to adhere to its historic advocacy of freer trade in capital movements."

The Senator from Minnesota is learned in economics. Does he feel that, basically, this is the best method of solving the balance-of-payments problem?

Mr. MCCARTHY. Proposals have been made which are less desirable than this. I could state that in a kind of negative way. We have considered the proposal that there might be a Capital Issues Committee, which would pass upon each issue as it came along and would decide whether it could be floated in this country or not.

It was the conclusion that at least the imposition of interest equalization ran more or less across the entire field of securities that might be presented for sale in the United States, and that, therefore, it involved an acceptance on a more general scale; that instead of making specific decisions about specific corporations or particular issues, the laws that relate to supply and demand in the field of capital investment would operate more freely under interest equalization than they would if they were passed upon directly by a commission, thus involving the personal decision of a group of commissioners or of individual commissioners.

It was our conclusion that the interest equalization approach would do less violence to the free flow of capital than would some of the other proposals that were presented to us.

Mr. LAUSCHE. That is, it is the least objectionable with respect to the free flow of capital?

Mr. MCCARTHY. Yes; and also it would be better than raising interest rates, because that would seriously affect the entire domestic economy.

Mr. LAUSCHE. I am grateful to the Senator from New York for yielding. I wish to help in the passage of legislation that will solve our balance-of-trade problems and fortify the stability of our gold reserves.

This is a serious question. I am obliged to say that because I know that our Government is borrowing money from the International Monetary Fund. It is borrowing money from Holland, Belgium, Australia, Italy, and France on short-term, nonnegotiable bonds. We are begging our debtors to make payments in advance of the maturity dates of their obligations. All this indicates that we are in difficulty greater than is admitted by those who are responsible for our fiscal and monetary policies.

While I may not subscribe to what the Senator is urging, it is probably less objectionable than what has been promoted. I doubt very much whether I shall finally vote for the bill.

Mr. JAVITS. The reason why I offered this amendment first and shall then interpose the amendment which Professor Smith spoke of, with respect to a Capital Issues Committee, is that I conceived it to be proper to seek to perfect the bill before I offered a complete substitute.

So in offering the so-called 25-percent amendment, I followed the idea of Mr. Nathaniel Samuels, of the Investment Bankers Association, as to what would be an effort to make the bill somewhat practical, even though the association is thoroughly opposed to the bill, as I am.

Depending upon the action the Senate takes with respect to the so-called 25-percent amendment, I shall follow that by offering a complete substitute to provide for a Capital Issues Committee, which, incidentally, is what Professor Smith recommended in his testimony.

Mr. LAUSCHE. I wrote a letter to the Secretary of the Treasury asking for information concerning the amount of money that our Government has borrowed from the International Monetary Fund, the amount of money that we have received in advance of the maturity dates of obligations of our long-term debtors, and the amount of money that we have borrowed directly from foreign countries.

He answered my letter on July 30, and stated in part:

> The U.S. Government has borrowed $250 million from the International Monetary

Fund since January 1, 1962. Half of this amount was borrowed on February 13, 1964, and the other half on May 28, 1964.

Between January 1, 1962, and June 30, 1964, the U.S. Government received $1,028.5 million of advance payments on indebtedness due to the U.S. Government. Of this amount, about $133 million consisted of relatively small prepayments by Export-Import Bank borrowers, and these prepayments were not associated with efforts to ease the U.S. balance-of-payments position during the period.

The U.S. Government has issued $1,154 million of special nonmarketable foreign currency bonds to foreign central banks and governments since January 1, 1962.

Mr. President, the figures which I am quoting have their beginning date as of January 1, 1962, and run to the present date.

Mr. President, I ask unanimous consent that the letter of the Secretary of the Treasury and the official papers documenting his general statement may be printed in the RECORD.

There being no objection, the documents were ordered to be printed in the RECORD, as follows:

THE SECRETARY OF THE TREASURY,
Washington, D.C., July 30, 1964.
The Honorable FRANK J. LAUSCHE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR LAUSCHE: I am glad to furnish information in reply to the questions contained in your letter dated July 27, 1964, concerning U.S. Government borrowing abroad. The summary answer to each question is given below and the details which you requested are shown in enclosures A and B.

The U.S. Government has borrowed $250 million from the International Monetary Fund since January 1, 1962. Half of this amount was borrowed on February 13, 1964, and the other half on May 28, 1964.

Between January 1, 1962, and June 30, 1964, the U.S. Government received $1,028.5 million of advance payments on indebtedness due to the U.S. Government. Of this amount, about $133 million consisted of relatively small prepayments by Export-Import Bank borrowers, and these prepayments were not associated with efforts to ease the U.S. balance-of-payments position during the period.

The U.S. Government has issued $1,154 million of special nonmarketable foreign currency bonds to foreign central banks and governments since January 1, 1962, to help ease the balance-of-payments situation. Of this amount $200 million has been repaid. The U.S. Government also has outstanding $30 million of certificates of indebtedness denominated in Swiss francs.

The U.S. Government has not borrowed money from other agencies to help the balance-of-payments situation.

The Federal Reserve System has established a network of short-term swap arrangements with various foreign central banks, under which mutual exchange of currencies may take place for limited periods of time in order to facilitate official operations in foreign exchange markets and avert speculative pressures on particular currencies.

Traditionally, foreign holders of liquid dollars have held sizable amounts of those dollars in the form of marketable Treasury securities as working balances, investments, and reserves.

Sincerely yours,

DOUGLAS DILLON.

U.S. Treasury nonmarketable notes and bonds issued to official institutions of foreign countries [1]

[Dollar equivalent, in millions]

End of calendar year or month	Amount outstanding—Payable in foreign currencies					
	Total	Austria	Belgium	Germany	Italy	Switzerland
1962	251	---	---	---	200	51
1962—October	48	---	---	---	25	23
November	201	---	---	---	150	51
December	251	---	---	---	200	51
1963—January	381	---	---	100	200	81
February	481	---	---	200	200	81
March	481	---	---	200	200	81
April	551	25	---	200	200	126
May	605	25	30	200	200	150
June	605	25	30	200	200	150
July	655	25	30	225	200	175
1963—August	705	25	30	275	200	175
September	705	25	30	275	200	175
October	705	25	30	275	200	175
November	705	25	30	275	200	175
December	730	50	30	275	200	175
1964—January	730	50	30	275	200	175
February	730	50	30	275	200	175
March	680	50	30	275	150	175
April	732	50	30	477	---	175
May	802	50	30	477	---	245
June	802	50	30	477	---	245

[1] An additional $152,000,000 equivalent of DM bonds were issued July 1, 1964. In addition to bonds, there is outstanding a 12-month certificate of indebtedness denominated in Swiss francs equivalent to $30,000,000 issued Oct. 31, 1963.

Debt prepayments to the United States, 1962–64

Date	Country	Amount	Nature of loan
		Millions	
1962			
Apr. 19	France	$59.6	Lend-lease and surplus property.
June 29	Sweden	16.2	Marshall plan (ECA) loans.
July 12	France	293.4	Marshall plan (ECA/MSA) loans. War reconstruction credit (XM)—2 installments due in 1970 and 1971.
June 20	Italy	178.1	Marshall plan and surplus agricultural commodities (Public Law 480).
Dec. 28	France	116.6	War reconstruction credit (XM)—3 installments due in 1967, 1968, and 1969.
Total, 1962		663.9	
1963			
January-March	Peru	7.4	XM.
May	Spain	2.5	XM.
Do	Germany	.5	XM.
July 25	France	161.1	War reconstruction (XM) ($106,600,000), lend-lease termination (XM) ($54,900,000).
July 22	Netherlands	70.0	Eximbank loan ($21,100,000), ECA loan ($48,900,000).
July-September	Peru	3.3	XM.
Sept. 23	Mexico	.1	XM.
October-December	Peru	6.5	XM.
Dec. 30	Argentina	1.1	XM.
Oct. 14	Mexico	13.9	XM.
October-November	Italy	3.3	XM.
Total, 1963		269.7	
1964			
Mar. 9	Mexico	42.1	XM.
Jan. 30	Venezuela	7.5	XM.
Mar. 31	Argentina	.9	XM.
Mar. 9	Colombia	1.2	XM.
Apr. 23	El Salvador	.6	XM.
January-Marsh	Miscellaneous	1.7	AID loans.
Apr. 1 and 6	Mexico	18.1	XM.
Apr. 8 and 12	Peru	1.7	XM.
Apr. 23	El Salvador	1.2	XM.
May 1 and 22	Peru	1.1	XM.
May 20	Mexico	9.1	XM.
June 3	Peru	2.2	XM.
June 15	India	7.5	XM.
Total, Jan. 1 to June 30, 1964		94.9	

NOTE.—XM = Export-Import Bank.

Mr. JAVITS. Mr. President, I point out to the Senate that Professor Smith—whose testimony was referred to by the Senator from Ohio in his statement—said that he could find no adequate support which he could identify for this unusual and extraordinary position.

In reference to the explanation of the Senator from Minnesota as to the desire not to raise interest rates in the United States, it seems to me this is exactly what we must seek to avoid the use of taxation for—namely, a social purpose. If it has any such purpose, it certainly is an inartistic way to approach the situation, and we should turn it down.

Let me repeat, so that Senators will understand the plan under which I am proceeding, that I am seeking to perfect the bill. If my amendment should fail, I shall then offer a substitute for the entire bill—namely, the Capital Issues Committee, which was described by a good many witnesses who appeared before the committee.

Let me say to the Senator from Iowa [Mr. MILLER] that I would hope very much that he could support my amendment. Being pressed for time, I find it difficult to agree with him on an amendment that would add a criterion to my amendment.

I feel that Senators will not be running any material risk in assuming that a criterion of the kind which I have described will, in the appropriate language, be written into the bill at the appropriate time.

Mr. CLARK. Mr. President, I wish to speak for about 3 minutes on the bill.

The consideration of the proposed legislation raises an interesting question as to jurisdiction of Senate committees over this subject matter. Since this is a revenue-raising measure, primarily having jurisdiction under rule XXV, it would appear to be the Committee on Finance to which committee the bill was referred. However, I believe that all Senators would agree that the revenue aspects of the pending measure are definitely secondary.

The proposed tax is not for the purpose of raising revenue. It is for the purpose of improving our balance of payments. It seeks to make that improvement by imposing a tax on foreign bond issues for the purpose of discouraging them, the thought being—and I agree with the thought—that thereby the drain on American gold would be decreased.

Since the international aspects of this problem are really the most important part of the proposal, I should have thought the primary interest in the measure would be vested in the Foreign Relations Committee which, under rule XXV, has wide jurisdiction over all matters involving international finance, international fiscal organizations, and the like.

There is, however, a third committee, the Committee on Banking and Currency which, under rule XXV, has a real interest in this subject, not only because the jurisdiction of that committee includes banking and currency generally, and the coinage of money, but also because for a great many years there has been a Subcommittee on International Finance of the Banking and Currency Committee of which subcommittee I am the present chairman, and the Senator from New York [Mr. JAVITS] is presently a member.

I have just checked the fact of his membership. He and I were both a little bit uncertain as to whether he was a member of that subcommittee because, frankly, the subcommittee has not been unduly active, except in connection with transactions connected with the Export-Import Bank and the wheat loan to Russia.

I state, therefore, as chairman of that subcommittee, only my own views. I do not intend to make an extended statement, nor even to enter into a discussion or colloquy with other Senators.

In my opinion, the bill is sound and should be approved by the Senate. It has the strong support of the Treasury Department. I had an opportunity to discuss it with Under Secretary of the Treasury Roosa early today. In my opinion, the measure already has improved, and if passed will immeasurably improve, our balance-of-payments situation.

In my opinion, it is a sounder method of approach than that of the Committee on Capital Issues which has been fully described, not only by the Senator from New York but also by the Treasury, and discarded as a method to handle the problem of flotation of foreign issues and its impact on our gold balance and on our balance of payments.

I thoroughly understand the position of the Senator from New York, who quite naturally and, I believe, quite appropriately, represents the position of the international bankers and the banking interests in this country, who are, of course, concerned at losing a substantial amount of business and losing it as they believe, unnecessarily. This interest is not only understandable but also entirely praiseworthy.

Therefore, Mr. President, I support the proposed legislation. I support the administration. I believe that the threat of enactment of such a bill has already done vast benefit to our balance of payments.

I hope that the Senate will complete action on the bill this afternoon and send it to the President for signature.

SOCIAL SECURITY AMENDMENTS OF 1964—AMENDMENTS (AMENDMENT NO. 1178)

Mr. GORE. Mr. President, I send to the desk an amendment with the cosponsorship of the able junior Senator from Minnesota [Mr. MCCARTHY] to H.R. 11865 and ask that it be printed and appropriately referred.

The PRESIDING OFFICER. Without objection, the amendment will be received, printed, and appropriately referred.

The amendment (No. 1178) was referred to the Committee on Finance.

Mr. GORE. Mr. President, this is an amendment to the social security bill which has been referred to the Senate after passage by the House. The amendment which I have just presented embodies the social security approach to medical care and hopitalization. I am advised by the majority leader of the Senate and the assistant majority leader of the Senate that the amendment embodies the position and recommendation of President Johnson.

The Senate Committee on Finance will begin hearings, according to an announcement made today by the distinguished chairman of that committee, Senator BYRD, on the social security bill, and amendments thereto on Thursday.

In order that the subject matter of the amendment which I have introduced may be before the committee, I have submitted it. It will be the subject of hearings before the committee. I should like to have it understood that had a member of the committee senior to myself desired to offer the amendment, I would have gladly deferred. Should the distinguished and able senior Senator from New Mexico [Mr. ANDERSON] be able to return—we hope and anticipate that he will—before the completion of the consideration of the social security bill, I shall be glad to step aside in order that he may take the leadership in this battle. Or, if that should not occur, I shall be glad to step aside, and follow the leadership of the distinguished majority leader [Mr. MANSFIELD].

I wish to be a soldier in the ranks for the adoption of a medicare bill, an effective bill that will bring within the reach of the millions of people who now direly need it, a means of obtaining medical care and hospitalization.

I am confident that there are sufficient votes in favor of this bill in the Senate to assure its passage. I am not confident that it will be approved by a majority of the Senate Finance Committee, but there will, at the very least, be a substantial minority of that committee in support of the amendment.

We will give a majority support of it, if possible. In any event, there will be a strong report in support of it, and it is my hope and expectation that this amendment will be adopted by the Senate.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. CLARK. Can the Senator tell me whether the form of amendment which he has just sent to the desk is substantially similar to the amendment which I understood the Senator from Connecticut [Mr. RIBICOFF] had in mind offering and which he mentioned in our Democratic conference on yesterday?

Mr. GORE. The able junior Senator from Connecticut [Mr. RIBICOFF] stated earlier today that he had not yet completed the draft of his amendment.

From what I understand his proposal to be, the amendment which I have submitted differs considerably from it, although both would seek a similar objective. The amendment which I have submitted is the King-Anderson bill with such changes as are necessary to conform to the parliamentary and legislative requirements to be offered as an amendment to the social security bill.

Mr. CLARK. Mr. President, will the Senator yield further?

Mr. GORE. I yield.

Mr. CLARK. The Senator has stated that the amendment which he is proposing has the support of the Johnson administration.

Mr. GORE. I beg the Senator's pardon. I said I had been advised by the distinguished majority leader [Mr. MANSFIELD] and the majority whip [Mr. HUMPHREY] that this was the case. I have not personally had such assurance.

Mr. CLARK. I see the majority leader in the Chamber. I make the observation that, assuming that the information given to the Senator from Tennessee [Mr. GORE] is correct—and the majority leader [Mr. MANSFIELD] is not known to make any statements that are not correct—it may be highly advisable to leave this amendment open for cosponsorship, so that a number of us who feel pretty strongly in favor of the administration approach to medicare under social security may have an opportunity—with whatever attendant favorable publicity might result—to share in the cosponsorship of the amendment.

Mr. GORE. I appreciate the suggestion. I ask unanimous consent that the amendment lie on the desk until the close of business tomorrow, for the cosponsorship of such Senators as desire to join.

The PRESIDING OFFICER. Without objection, the amendment will lie on the desk as requested.

Mr. CLARK. Mr. President, I ask unanimous consent to have my name joined as a cosponsor of the Gore amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GORE. Mr. President, one Senator asked me to list him as a cosponsor. I had temporarily forgotten it. The distinguished senior Senator from West Virginia [Mr. RANDOLPH] asked that he be listed as a cosponsor of the amendment. I ask that his name be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. JAVITS. I wish to make it clear that as to the very bill that the Senator has introduced, what is essentially the medicare for the aged plan of the administration, I have also introduced as an amendmnet, the bill which was introduced by Senators KEATING, KUCHEL, CASE, COOPER, Mrs. SMITH, and myself, which advances substantially the plan that Senator ANDERSON and I sponsored in 1962, and which failed of enactment by a relatively narrow margin. The bill contains essentially the administration plan, plus the private enterprise option addition to that plan, more or less the 65-plus plan, nationally applied.

Since the Senator is serving notice on the Senate that medicare for aged would be considered in respect to the social security bill, I believe it is only fair for me to serve notice that we shall expect our proposal to be considered. I would also expect and hope that it may be possible for the friends of medicare for the aged to find some way of getting together in their ideas, as Senator ANDERSON, in my opinion, in a very statesmanlike and wise way got together with my colleagues, through me, and then carried the ball.

It is heartening to receive support on a proposal like this, which will be decided by a few votes one way or the other. The last time we missed by four votes. If we could attain that state of solidarity again, I would rather hope that the Senator from New Mexico [Mr. ANDERSON] could assume the burden.

I was delighted to hear the generosity with which the Senator from Tennessee [Mr. GORE] expressed the same hope.

I am sure we both feel that way. But if that should not prove possible, I do hope that some thought may be given on the majority side to selecting one or more persons—perhaps the Senator from Tennessee [Mr. GORE]—or any Senator who would seem suitable for the purpose, to see if we could again obtain maximum support for the medicare for the aged by a bipartisan agreement upon the amendment to the social security bill.

Mr. GORE. I thank the Senator. I am grateful for his interest and for his intent in this regard. I have not offered this proposal with any desire to run with the ball or to seize the initiative. It was done because Senator ANDERSON is ill and absent from the Senate. The committee is to hold hearings beginning the day after tomorrow.

It seems to me that this is a proper subject matter for hearings. I support it enthusiastically, so enthusiastically that I would be delighted to step aside in favor of the leadership of the Senator from New Mexico [Mr. ANDERSON], if he returns, or the Senator from Montana [Mr. MANSFIELD], or any other Senator who can more effectively promote its adoption.

This measure should be enacted. It should be written into law.

There are few, if any, more pressing problems than the inadequacies of medical care and hospitalization for the aged.

Mr. JAVITS. This issue is a real sleeper. Many people have the idea that it may be forgotten, and no longer be an issue today, as it was in 1960 and 1962. Some people seem to have the idea that older people have found some other way to obtain medical care.

My whole experience demonstrates that nothing could be further from the truth. What the Senator has done and what I hope we have done on our side—and the bill that I have introduced as an amendment has gone to the committee—will show that there is a real bonfire here, which is of the deepest interest to the older people of the United States. Their problems have not begun to be dealt with. The Kerr-Mills Act does not measure up to what is needed. It takes care of a very small number of people, incidentally most expensively. I join with the Senator in the expectation that we shall be making some real progress in pressing this proposal before the Senate.

Mr. GORE. I thank the Senator. I shall be glad to work with him, as I have done in the past, in bringing about the passage of an effective medical care and hospitalization provision.

Mr. LONG of Louisiana. Mr. President, will the Senator from Tennessee yield so that I may ask the majority leader about the program for today?

Mr. GORE. I yield.

LEGISLATIVE PROGRAM—ORDER TO CONVENE AT 10 A.M. TOMORROW

Mr. LONG of Louisiana. Mr. President, in view of the fact that Senators would like to know, so that they can make their plans for the evening, I should like to ask the majority leader his plans for the remainder of the day. Does he plan that the Senate shall remain in session past the dinner hour, or does he plan to have the Senate return tomorrow and complete consideration of the bill?

Mr. MANSFIELD. Mr. President, in response to the question raised by the distinguished Senator from Louisiana, the Senator in charge of the interest equalization bill, which is now pending, I had hoped that the Senate would be well on the way toward conclusion of consideration of the bill, or at least somewhere in the vicinity of a time limitation. But in view of the fact that neither seem possible at the present time, it is the intention to remain in session late tonight, because the Senate must return to consideration of the foreign aid bill. We also have to consider taking up the independent offices appropriation bill, which has been ready for some time, and others as they come along. It had been hoped by the leadership on both sides that the Congress could complete its business before the 22d of this month. That is still our hope. But if we are to achieve that desirable objective, it will mean that there will have to be a continuation of the cooperation which has been in effect since the Congress returned after the conclusion of the Republican convention.

Therefore, Mr. President—and I make the request with the full approval of the distinguished minority leader—I ask unanimous consent that when the Senate adjourns tonight, it adjourn to meet at 10 o'clock tomorrow morning.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION TODAY AND THE REMAINDER OF THE WEEK

Upon request of Mr. LONG of Louisiana, and by unanimous consent, the Subcommittee on Antitrust and Monopoly of the Judiciary Committee was authorized to meet during the session of the Senate today.

Upon request of Mr. LONG of Louisiana, and by unanimous consent, the Subcommittee on Investigation of the Government Operations Committee was authorized to meet during the sessions of the Senate this week.

Mr. LONG of Louisiana. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

INTEREST EQUALIZATION TAX ON CERTAIN FOREIGN SECURITIES

The Senate resumed the consideration of the bill (H.R. 8000) to amend the Internal Revenue Code of 1954, to impose a tax on acquisition of certain securities in order to equalize costs of longer term financing in the United States and in markets abroad, and for other purposes.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. LAUSCHE. Is there any prospect of obtaining a unanimous-consent agreement to limit debate?

Mr. MANSFIELD. I have endeavored to do so, but so far I have been unsuccessful.

Mr. JAVITS. Mr. President, I thought the Senator from Tennessee had the floor. I suggest the absence of a quorum. The call of the quorum will be brief. I merely wish to give the Senator from Iowa [Mr. MILLER] an opportunity to offer an amendment if he chooses to do so.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I wish to address myself briefly to a point made by the Senator from Pennsylvania with respect to my position on this bill. He spoke about the fact that international bankers naturally want to do business in this field. In the first place, we are not enacting laws to prevent Americans from doing business. They have a legitimate right to do so. I hope we have not reached that point. In the second place, I can hardly convince the Senate that the interest equalization tax is unwise with that argument, and I would not endeavor to do so. The Senate will not be persuaded by any such argument.

What I have been arguing to the Senate is the national interest of this country in its financial leadership. I have argued it in terms of dollars, in terms of exports and imports, in terms of the productivity of this country, in terms of the power of this country and its superiority, which is not enjoyed in the Communist regimes of Soviet Russia or China, which in itself is power in terms of checkmating communism, and in terms of the well-being of the people, which is also inherent in this kind of economic superiority.

It is in those terms that I have analyzed the issue in greater detail, and by which I have sought to convince the Senate that the interest equalization tax would not accomplish the purpose for which it is designed, but, on the contrary, would bedevil American leadership in the world, downgrade it, and thereby weaken the financial and national interests of the United States.

This is the first of the two amendments I shall offer to the bill. It is an amendment to perfect the bill if it should become law. The next amendment is a substitute for the bill, and provides for a capital issues committee. I shall then be ready to go to a vote.

The amendment before the Senate provides that 25 percent of any foreign issue floated to American residents, or such percentage, above or below, as the Secretary of the Treasury may determine to be required by the American balance-of-payments position at a particular time, shall be exempt from the tax.

This represents the amount which is normally utilized with respect to American residents of foreign flotations. It points up and emphasizes, in substance, that the theory that a $100 million flotation results in an outflow of $100 million is untrue, based on the facts which the committee cites. The great majority of them are sold abroad, but by American distribution organizations. A minor part is sold in this country, and could represent some dollar outflow. That fact points up that bankers, lawyers, and other people who function in this field are getting hidden imports of dollars of value to us, because they come into this country in payment for all those services.

On that ground, perfecting the bill so that it is really workable, I ask the Senate to support the amendment.

Mr. DOMINICK. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. DOMINICK. I speak not only with respect to the amendment, but the bill as a whole. As one interested in this problem, I had an opportunity last year to go to Europe and make a 10-day trip to four countries. In the process I talked not only with those in governmental banking circles, but those in private banking circles. Those countries included England, France, Switzerland, and Italy, four of the five of our largest creditors, four of the five countries that could put us in technical bankruptcy because of the shortage of gold holdings compared to the amount of dollar holdings which they could call and ask for gold in exchange.

While I was there, the proposal on the interest equalization tax was made by the President. While I was there the announcement that Canadian securities would largely be exempt was in the newspapers.

Both those items were of real concern to the people with whom I talked in those countries. They included not only those in foreign governmental and private banking circles, but also some of our own Treasury attachés in the embassies and others who were residents of the United States, but who were temporarily living there.

One of the conclusions to which they came was that, statistically speaking, our balance-of-payments deficit was probably not quite accurately presented, because it included, in determining the deficit, the short-term investments which are made abroad, but did not include, as an offsetting factor, short-term investments which are made here, the amount of these being unknown under our present reporting system, but being substantial.

This is another kind of imports of value that may be one of the hidden factors to which the Senator from New York referred.

These circles said, almost without exception—in fact, the whole group I talked to said without exception—that the very best thing we could do to stabilize the value of our dollar was to balance the budget and/or—and preferably "and"—drastically cut the economic portion of our foreign aid program. That was said unanimously in all those countries.

The second point is—and I am now quoting from a paragraph of the conclusions contained in my report on the dollar problem, which I wrote at the conclusion of that trip:

> The President's proposed tax on use of our capital market for sale of foreign securities was badly timed, badly announced, and ineffective, particularly after the Canadian exemption was announced.

So this program was on their minds at that time. That program as announced, and as subsequently modified by the Canadian exemption, was a nullity, so far as the balance of payments was concerned.

The Senator from New York brought out a number of important points, not the least of which is that this country has a unique asset in our capital market, and that unless we are given the privilege of making use of it, we are bound to lose the advantage of one of the prime assets which distinguishes our country and gives us our opportunity for leadership in the economic field in the free world.

At this point I ask unanimous consent to have included in the RECORD as a portion of my remarks a copy of the report on "The Dollar Problem" which I made, which gives an outline of the problems in places I visited overseas, and which has been printed with the consent of the Committee on Banking and Currency.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

THE DOLLAR PROBLEM—REPORT BY SENATOR PETER H. DOMINICK ON A FACTFINDING TRIP TO ENGLAND, FRANCE, SWITZERLAND, AND ITALY FROM JULY 22 TO AUGUST 1, 1963, COMMITTEE ON BANKING AND CURRENCY, U.S. SENATE, OCTOBER 1963

COMMITTEE ON BANKING AND CURRENCY

A. WILLIS ROBERTSON, of Virginia, chairman; JOHN SPARKMAN, of Alabama; PAUL H. DOUGLAS, of Illinois; JOSEPH S. CLARK, of Pennsylvania; WILLIAM PROXMIRE, of Wisconsin; HARRISON A. WILLIAMS, Jr., of New Jersey; EDMUND S. MUSKIE, of Maine; EDWARD V. LONG, of Missouri; MAURINE B. NEUBERGER, of Oregon; THOMAS J. MCINTYRE, of New Hampshire; WALLACE F. BENNETT, of Utah; JOHN G. TOWER, of Texas; JACOB K. JAVITS, of New York; MILWARD L. SIMPSON, of Wyoming; and PETER H. DOMINICK, of Colorado.

Matthew Hale, chief of staff.

SUBCOMMITTEE ON INTERNATIONAL FINANCE

JOSEPH S. CLARK, of Pennsylvania, chairman; JOHN SPARKMAN, of Alabama; WILLIAM PROXIRE, of Wisconsin; HARRISON A. WILLIAMS, Jr., of New Jersey; Maurine B. Neuberger, of Oregon; Thomas J. McIntyre, of New Hampshire; Peter H. Dominick, of Colorado; John G. Tower, of Texas; and Jacob K. Javits, of New York.

U. S. Senate,
Committee on Banking
and Currency,
Washington, D.C., July 9, 1963.

Hon. Dean Rusk,
Secretary of State,
Washington, D.C.

Dear Mr. Secretary: Senator Peter H. Dominick, a member of the Senate Committee on Banking and Currency, plans to travel abroad this summer, leaving the United States about July 22 and returning about August 1. He plans to visit a number of countries in Europe, including, but not limited to, England, France, West Germany, Switzerland, and Italy, for the purpose of looking into various matters of interest to, and under the jurisdiction of, this committee.

It is requested that Senator Dominick be authorized to use local currencies where available, in accordance with the provisions of section 502(b) of the Mutual Security Act of 1954, as amended.

This trip is being made in conformity with the carrying out of the duties of the committee as set forth in section 136 of the Legislative Reorganization Act of 1946.

Sincerely yours,
A. Willis Robertson,
Chairman.

Letter of Transmittal

U.S. Senate,
Washington, D.C., September 30, 1963.

Hon. A. Willis Robertson,
Chairman, Banking and Currency Committee, U.S. Senate, Washington D.C.

Dear Mr. Chairman: Transmitted with this letter is a report which has been prepared for the Subcommittee on International Finance of the Senate Banking and Currency Committee. This report, entitled "The Dollar Problem," was prepared as a result of my factfinding trip to England, France, Switzerland, and Italy, from July 22 to August 1, 1963.

I am hopeful that this report will be extremely helpful to the members of the Subcommittee on International Finance and to other Members of Congress in their considerations of the continuing balance-of-payments deficits and the continuing losses in our gold reserves.

Sincerely yours,
Peter H. Dominick,
U.S. Senator.

The Dollar Problem

(A report on a factfinding trip to England, France, Switzerland, and Italy from July 22 to August 1, 1963, by Senator Peter H. Dominick, submitted to the Subcommittee on International Finance of the Senate Banking and Currency Committee)

BACKGROUND

With many others, I have been increasingly disturbed over our continuing balance-of-payments deficits and the continuing losses in our gold reserves.

With the invaluable cooperation and consent of the chairman, Senator Robertson; the subcommittee chairman, Senator Clark; and the ranking Republican member, Senator Bennett, I arranged through the State Department and through some personal contacts to discuss the problems noted above privately and informally with Treasury attachés, the respective Ambassadors, some private commercial interests, and officers of the central banks in England, France, Switzerland, and Italy. I have retained in my file the names of all with whom discussions were held, and will be glad to make these available to any member, but because of the nature of the talks and this report it would be inappropriate to list them here.

At the outset, it might be helpful to set forth the dimension of the problems involved. Under the executive department's policy decision issued in 1934 foreign central banks may redeem their dollar holdings in gold held in our Treasury at a rate of $35 per ounce. Obviously if gold in the world market is worth more than $35 per ounce, it is advantageous to redeem dollars in gold. In the following table I is a list of the gold and dollar holdings of various countries and international organizations. As of the end of March, total potential claims against our gold exceeded $25 billion. Against this amount we then had $3.883 billion of free gold reserves over and above the approximately $12.5 billion required to back our currency.

Table I.—*Foreign gold and short-term dollar holdings as of Mar. 31, 1963*

[In millions of dollars]

	Gold	Short-term dollar holdings	Total
Austria	484	305	789
Belgium	1,372	183	1,555
Denmark	31	65	96
Finland	61	79	140
France	2,709	1,414	4,123
Germany	3,749	2,475	6,224
Greece	77	166	243
Italy	2,286	1,099	3,385
Netherlands	1,581	288	1,809
Norway	30	130	160
Portugal	476	157	633
Spain	514	190	704
Sweden	181	492	673
Switzerland	2,461	812	3,273
Turkey	140	22	162
United Kingdom	2,447	2,193	4,610
Other	322	241	563
Total	18,921	10,251	29,172
Canada	732	3,137	3,869
Latin America	1,153	2,445	3,598
Japan	304	2,233	2,537
Rest of world	2,271	2,082	4,353
Total foreign countries	23,381	20,148	43,529
International and regional	2,235	4,982	7,217
Grand total	25,616	25,130	50,746

Source: Board of Governors of the Federal Reserve System.

As of June 30, 1963, the comparable holdings of gold and dollar reserves held by foreign countries and international organizations were $25.896 billion and $25.825 billion, respectively, and our free gold reserves available to secure the foreign dollar holdings were only $3.459 billion.

In table II is a schedule showing our total gold reserves year by year from 1950. If these losses continue, we will be in technical bankruptcy within 2 to 3 years or be forced to lower the gold backing of our currency which might well start a further run on our remaining gold supply.

Table II.—*A schedule showing our total gold reserves year by year from 1950*

[In millions of dollars]

Year	Total gold stock	Month	Total gold stock
1950	22,820	1962—July	16,182
1951	22,873	August	16,139
1952	23,252	September	16,081
1953	22,091	October	16,026
1954	21,793	November	16,014
1955	21,753	December	16,057
1956	22,058	1963—January	15,974
1957	22,857	February	15,891
1958	20,582	March	15,946
1959	19,507	April	15,914
1960	17,804	May	15,854
1961	16,947	June	15,830
1962	16,057	July	15,667

Source: Federal Reserve Bulletin, August 1963, p. 1168.

The Federal Reserve Board has the authority to suspend, on a temporary basis only, the statutory 25-percent gold reserve backing our currency. This would certainly be considered an emergency situation, would undoubtedly create a dollar crisis, and would immediately trigger legislative action.

During calendar 1963 our imbalance of payments have been running at a deficit annual rate of $3.2 billion for the first quarter and $5.2 billion for the second quarter. The situation appears to be somewhat better in the third quarter, but the loss continues to be very serious.

Despite a favorable commercial trade balance, our imbalance of payments and the consequent gold losses continue, and can be traced to four fundamental expenditures and one economic factor: (1) foreign economic aid; (2) military aid; (3) tourism; (4) capital investments in foreign securities; and (5) world gold consumption exceeding gold production. Although the balance-of-payments deficit may not be as large as reported, as statistically it includes short-term investments in other countries but not foreign short-term investments here, nevertheless the gold losses cannot be blinked away. A solution must be found.

It is plain, therefore, that the stability of the value of our dollar is in the hands of our creditors, the largest of these being, as shown in table I, France, Italy, West Germany, Switzerland, and the United Kingdom.

The timing of this trip was determined by the President's speech and proposed capital tax, the hearings held in July by the Joint Economic Subcommittee, and Senate duties.

GENERAL CONCLUSIONS

(1) Vigorous opposition by our creditors to any devaluation or reevaluation of our dollar.

(2) Recognition by our creditors of the urgent need to correct our balance-of-payments deficits.

(3) The President's proposed tax on use of our capital market for sale of foreign securities was badly timed, badly announced, and ineffective, particularly after the Canadian exemption was announced.

(4) The increase in the Federal Reserve rediscount rate is helpful, but probably will not cure the long-term problem.

(5) An increase in long-term interest rates would attract foreign capital and decrease gold losses.

(6) A revaluation of our dollar would disturb France and Italy more than Switzerland and the United Kingdom, but would be matched promptly by all countries except Switzerland. The latter might try to reduce inflationary forces by raising the proportionate value of its franc by about 5 percent.

(7) Balancing of our national budget and a dramatic cut in foreign economic aid would tend to stabilize the value of the dollar.

(8) France shows increasing concern over purchases by U.S. citizens of controlling or substantial interests in key industries, but has not yet decided whether to invoke strictures on such transactions.

(9) Switzerland will continue to "sterilize" dollar deposits from out of the country so that they cannot be invested in the country. In addition, it will continue to charge the depositor instead of paying interest on the deposit. Despite these steps, dollar deposits are increasing.

(10) Gold production continues to fall behind gold consumption and gold hoardings, and the pressures on raising the price of gold to stimulate gold production increases each year. Any closing of the South African gold mines for commercial or political reasons would institute a sharp crisis in present currency transactions.

(11) There is growing discussion in Europe of the need to adopt a universal Common Market reserve currency to back their own individual currencies. It would

appear that this is a long-range program to fit into further political integration of the European countries. If it should come into effect, and this is still very doubtful, it would have an enormous impact on international trade and the currency systems of the United States and other countries of the free world not within the Common Market.

RECOMMENDATIONS

(1) Hearings should be held to determine the advisability of amending section 16 of the Federal Reserve Act (the section setting up the 25-percent gold backing of our currency). These hearings would assist in publicizing our dilemma, the need for budget cuts, the advantages and disadvantages of metallic backing of our currency, the reasons for the gold ratio now in the law, and the measures used by other countries to stimulate gold production. These hearings should be held jointly with the Minerals, Materials, and Fuels Subcommittee of the Senate Interior Committee, which has jurisdiction over legislative matters dealing with gold production and the measures now or in the future needed to stimulate such production.

(2) Consideration should be given to positive legislative steps to place our national budget in balance in order to reduce pressures on the dollar. These steps could take a number of different forms: e.g. (a) a joint effort by committees to tie any effective tax cut to a balanced budget; (b) recommendations for a joint budget committee; (c) a series of statements on the floor of the Senate to emphasize the problem with specific recommendations in reducing Federal expenditures by flat percentages; (d) hearings by the International Finance Subcommittee of the Senate Banking and Currency Committee and the Senate Foreign Relations Committee to determine more exactly recent changes in administration of the International Monetary Fund in connection with Senator JAVITS' resolution calling for an international monetary conference.

UNITED KINGDOM

South Africa produces over 70 percent of the world gold supply and provides legislative incentives to keep production profitable. Hence, any increase in the price of gold by revaluation of the dollar would further stimulate production and enhance the economy of that area. Failing this, there is a good possibility that the price-cost squeeze on gold now in effect will require many of the South African mines to close within the next 5 or 10 years. Since world consumption of gold for monetary, industrial, commercial, and artistic purposes, completely excluding the hoarders, substantially exceeds world production of gold, any shutdown of these producers or a substantial proportion of them would create a real crisis in the London gold market and probably would result in further runs on our gold reserves.

The United Kingdom currency reserves are held in the approximate proportion of 90 percent gold and 10 percent dollars. This represents a considerably larger ratio of gold to dollars than France, Belgium, Sweden, and West Germany. Hence, a revaluation of the dollar, to which all were verbally opposed, would not affect the United Kingdom as much as those countries holding a larger proportion of dollars. If any revaluation of the dollar should take place, it should be in an amount high enough to reflect changes in prices since 1935, i.e., double the present price or more, as this would give a stable atmosphere to the new valuation while a more modest increase would lead to further instability with people of most countries expecting a further revaluation in the next few years.

Financing of our balance-of-payments deficits through the sale of bonds in foreign currencies provides some guarantee against revaluation of the dollar, but psychologically this can be pushed too far as it leads some to believe that such revaluation is presently being contemplated.

At least one person suggested that further consideration be given to Mooney's theory of establishment of universal reserves to back all free world currencies, the reserve to be managed by a small group similar to the executive group of the International Monetary Fund. However, there are problems involved in the creation of any additional international credit management group.

Another suggested that any revaluation include Cutherbertson's theory of arbitrarily apportioning gains and losses between countries holding gold and dollar reserves to avoid undue impact on any free world country which has held a large proportion of dollars in order to assist the United States in its effort to protect our free gold, and several stated that Dr. Jacques Rueff's theory of a return to the gold standard would unduly restrict liquidity and cause too much hardship to be practical. A majority of those contacted, not otherwise committed for political reasons, stated that the President's capital tax program has doubtful value from the U.S. point of view and is harmful to the United Kingdom's effort to expand its own economy. General approval was given to the raise in the rediscount rate.

There was general agreement on the premise that stability of the dollar and the pound depends to a large extent on psychological factors. Hence, balancing of our national budget and a sharp cut in foreign aid as one method to reduce expenditures would evidence our determination and tend to stabilize the dollar.

The United Kingdom's economy appears to be improving slowly. There is no immediate crisis in the pound and although the United Kingdom currency reserves appear somewhat low for financing her total trade, they are probably adequate for the moment, and are well balanced to avoid problems in the event we must revaluate the dollar. Since trade is so important, the ideological problems connected with trading with the Communists are dismissed as unrealistic, and in 1962 the United Kingdom had an imbalance of trade with the Soviet bloc of £98 million. The chance of changing this attitude at this time appears unlikely with existing political and domestic pressures within England.

FRANCE

France has cooperated with the United States in our dollar and gold problems to a great degree, even though she has been unwilling to purchase our short-term obligations repayable in French francs, and despite the political disagreements between President de Gaulle and President Kennedy. She has informally agreed to hold gold purchases to $30 million per month, but this eventually placed her in a position where the ratio of her own gold reserves was falling while dollar reserves increased. In addition, France has been prepaying the loans she received in 1945 and 1949, part of these being loans from the U.S. Treasury and part through the World Bank. These prepayments have substantially helped offset our balance-of-payments deficit. This in time will reduce the cushion which we have been using to balance our payments.

France's gold reserves had fallen below 67 percent of her total reserves as of July 1, 1963, the lowest ratio of any country except West Germany. To change this trend she has recently negotiated the purchase from the United States of an additional $112 million of gold. As of August 1, 1963, her reserves had been strengthened to the proportion of about 70 percent gold with the balance in dollars. There were some indications that the percentage of gold reserves would be increased to a 73-percent level as a slight hedge against a dollar crisis.

At the present moment, France has only $700 million of external debts, all owed to the United States, and barring unforeseen circumstances, it will continue to prepay this amount. Based on recent experience, the prepayments of these debts, plus regular amortization payments, should eliminate the external debt within the next 3 years.

Although France is becoming increasingly concerned over U.S. investments in key industries in France, she does not believe that the President's capital tax program was timely or strong enough and she feels that the United States will have to impose exchange controls. She heartily approves of the raise in the short-term rediscount rate. In a banking sense, France does not care to distinguish between private investment and governmental funds, and feels that the Government should control both avenues of financing at all times. In addition, it was stated that a sharp cut in foreign aid imposed by Congress would increase faith in our determination to protect the dollar and would thereby stabilize its value, even though some countries might object.

As in London, great emphasis was placed on the psychological factors involved in currency transactions and the need to reaffirm faith in the stability of the dollar. As a result, considerable reluctance to discuss possible reevaluation was evident. Dr. Jacques Rueff's theories of stabilizing currencies by a return to the gold standard were well known and dismissed as impractical and incorrect, and the problem of decreasing gold production was recognized but treated as relatively unimportant.

A revaluation of the dollar in terms of 1963 prices ($75 to $78 per ounce) would have an adverse political effect on France as it would result in penalizing one of the few countries that has been trying to assist us in our gold loss problems by retaining dollar reserves. Obviously the penalty term is not realistic as it would merely involve loss of potential profit, not loss itself. In addition, two theories were expressed as to the possible effect of reevaluation on the gold hoardings in France, which are considered large, although no estimate of the amount involved was given. If it resulted in a reentry of the hoarded gold into the market, thus assisting in stabilizing the supply and demand for gold, it would also create strong inflationary pressures which are already in evidence and against which President de Gaulle is fighting. On the other hand, the hoarders might feel that this was only the first step in the rise of the price of gold and continue to hoard gold against future price increases. In the former event, the additional gold would create inflationary problems, and in the latter event, it would fail to stimulate the needed gold supplies. It seemed evident that both theories were advanced to discourage any further talk on revaluation and to emphasize the basic belief in the integrity of a managed currency with no metallic backing, despite the historical record of the catastrophes which this created in relatively recent French and German history.

France's economy is growing rapidly and despite strenuous effort by the Government inflationary pressures are strong. Defense budget expenses are still high despite the end of the Algerian affair, because of the emphasis on development of nuclear weapons. It is doubtful whether France will join any nuclear test ban, as President de Gaulle's concept of history places France as the defender of Europe, and he is unwilling to turn that role over to the United States. Although the Communists poll a large number of votes, our Embassy personnel feel that their actual power is not strong. This is based on the theory that large numbers of dissatisfied French traditionally vote for the party on the extreme left of the ballot and this position has been preempted by the

Communists. Hence, the vote is large, although the number of card-carrying Communists may be small.

SWITZERLAND

The Swiss commercial banking system is, of course, worldwide in renown and in operation. There is little doubt that in the eyes of the world the Swiss franc is more stable than any other currency and, consequently, whenever there is a ripple of uncertainty as to the stability of the dollar or any European currency, the Swiss banks receive an inflow of capital. This has created problems for the Swiss economy, as well as many benefits. For 2½ years inflation of about 3 percent has been occurring in Switzerland, and it has worried many of the commercial and political leaders. Despite a continuing commercial trade deficit the overall balance of payments is favorable because of the large inflow of foreign capital. This foreign capital in turn increases the inflationary pressures and hence the Swiss have taken measures to curtail its scope. For some time regulations have been in effect requiring a foreign depositor to pay the Swiss banks for deposits made and all such deposits are "sterilized" (i.e., may not be used for any investment in Switzerland). On the very day of the announcement of President Kennedy's possible exemption of Canada from our capital tax, $3 million were deposited from the United States.

The Swiss Central Bank holds reserves in an approximate proportion of 96 percent gold to 4 percent dollars, and the overall holdings in Switzerland are closer to 110 percent gold. This in turn has created some liquidity problems for Switzerland, although no concerted drive is in process to increase dollar holdings. The Swiss have purchased U.S. bonds payable in Swiss francs rather than dollars in order to assist us in financing our balance-of-payments deficit without creating more pressure on our gold reserves, and is willing to repeat the process. It was clearly indicated that this was not a continuing offer in terms of time and that while the process might help us over the short-term hump, it would not clear the long-term hump.

My attention was called to a portion of a book written by Dr. Lary, of Princeton, discussing foreign trade problems and indicating that our statistical system of computing our balance-of-payments deficit was inaccurate. Apparently the Treasury includes in its computation all short-term outflows of capital, but does not offset this with the corresponding short-term capital inflows which in 1962 were estimated to equal $1.2 billion. Although this is an interesting fact, the critical balance-of-payments figure is never less than the amount of our gold outflow, which in 1962 equaled $833 million and is presently running higher than that on an annual rate basis.

Revaluation of the dollar in terms of gold would, of course, substantially increase Switzerland's credit base because of the very high amount of gold in its currency reserves. However, the inflationary pressures which this would create were believed to be far more dangerous. Therefore, the Swiss join the English and the French in recommending against it. If revaluation should occur, it is probable that all other countries except Switzerland would revaluate their own currency to maintain present proportionate values. Switzerland, to reduce inflationary pressures, might set its franc 3 to 5 percent higher than present comparative values.

Once again, psychological values in currency stabilization were emphasized. All emphasized that President Kennedy's proposed capital tax was too little, too late, and probably would act adversely to the NATO economy, particularly with the Canadian exemption and similar concessions which would be given to Japan, and all endorsed the raise in the rediscount rate. It was felt that a sharp cut in foreign aid by Congress would strengthen belief in the stability of the dollar and that some additional share of the cost of the military assistance should be absorbed by the countries assisted and their neighbors.

Additional suggestions for balancing our payments ranged from subsidizing interest rates in the United States for foreign investors and depositors, to imposition of exchange controls on capital investments abroad, although most were aware of the difficulties involved in enacting any such proposals. Once again sharp questions were asked about the need for continuing a nationally imbalanced budget and reference was made to the increase in our own gold reserves in 1956 and 1957 when the national budget was balanced or in slight surplus.

ITALY

Italy has been growing economically very rapidly and this has put substantial pressure on wages and prices. The growth rate has been somewhat slowed recently but it is still progressing rapidly.

The Italian lira, like the French franc, is completely controlled by the Director of the Central Bank, and its value can be set at any level by his own decision and order. Although U.S. investments in Italy have been received somewhat more cordially than in France, the same fear of loss of control over key industries was expressed. No indication, however, was given that any direct restrictive measures would be imposed and the probability of this happening is small because of the overall need for capital investments for industrial and commercial growth.

Since the lira, like the other European currencies, is keyed in value to the dollar, any discussion of revaluing the dollar raises great concern. Italy's central reserves are apportioned approximately 78 percent gold and 22 percent dollars. Total reserves are not high in terms of their foreign trade, but appear adequate. It was stated strongly that revaluation of the dollar would be taken by the Communists in Italy as a sign of Western economic weakness and would substantially increase their power at the polls in the next election. Since they polled 25 percent of the total vote in this spring's election, this could be very serious. In addition, the relative low proportion of gold to dollars would mean a loss of potential profit and the Italians are not happier over this than were the French.

The attitude toward currency stabilization measures followed that of the other countries. It was felt that the proposed capital tax was too late and largely ineffective, that the rediscount raise was helpful, that the national budget must be balanced to stop our continuing gold losses, and that a cut in foreign aid funds would be a step in the right direction. Considerable skepticism was expressed about the need for any gold backing of the dollar and interest in a universal currency reserve managed by the central bankers of the Western Hemisphere was expressed. Examples of the disasters into which managed currencies have historically fallen were brushed aside on the basis of the integrity of the existing heads of the central banks, although no one undertook to guarantee either their longevity or tenure.

SUMMARY

It seems apparent that there are a number of extremely serious problems which should be studied and acted upon before potential disaster becomes actual. The first involves the very fundamental question of whether gold is needed to back a stable currency. If it is, then we should so state as a matter of policy, take steps to stop our gold losses, and find a means to stimulate gold production particularly in the United States. If it is not, then we should take successive steps to lower or eliminate the required gold backing of our currency so that we can avoid a crisis which looms ahead and which is approaching ever more rapidly with our ever increasing imbalance in payments. The second is to publicize the need for balancing our national budget.

This report should not close without expressing my appreciation to the Embassy staff members who arranged many of the meetings and schedules and to the heads of the central banks who spoke freely and frankly. As I have stated to many of the people involved that our conversations were not for public record, but for my own information and that of committee members, I have not attributed any opinion, fact, or conclusion to any particular individual.

Respectfully submitted.

PETER H. DOMINICK,
U.S. Senator.

Mr. DOMINICK. I sincerely appreciate the courtesy of the Senator from New York in yielding to me.

In conclusion, I should like to ask a couple of pertinent questions. Does the Senator from New York know of any other bill which imposes a tax which is retroactive for a year, as the proposed tax would be?

Mr. JAVITS. This is most unusual. I would not say flatly that there are none. I do not know of any. It is a most unusual technique, which has inhibited the operation of our capital market in all this time and has caused a certain distortion in the figures which I produced on commercial loans, which ballooned over this same period of time.

Mr. DOMINICK. Second, has the Senator had an opportunity to go further into the question which I propounded to the Senator from Louisiana [Mr. LONG], the Senator in charge of the bill, when he was present a short time ago, on the problem of the administration of the bill in picking up back taxes which would be subject to the provisions of the bill if it were passed?

Mr. JAVITS. The Senator's question related to dealings between American residents and Canadian security sellers, not necessarily in Canadian issues. My understanding of the proposed exemption is that it is a country-of-origin exemption; in other words, it is an exemption inherent in the originator of the financing of a Canadian issue. The same would be true of Japan, which is likely to be exempted as well. I believe the Senator from Colorado should consider the situation in terms of the exemption not extending to the point of using Canada as a conduit, with a Canadian company floating West German bond issues, for example. My understanding of the exemption is that it would not cover that issue. If the issues were bought by Americans, even if they bought them from a Canadian source, they would still be subject to the tax.

Mr. DOMINICK. I agree with the Senator's interpretation. My concern is over the transactions which have already occurred, we will say, with the Canadian firm doing something on the West German issue, which in turn is bought by American purchasers. I shall complicate it even further by assuming that it is bought with funds in a numbered account in Switzerland. How in the world will the Treasury find the administrative procedures necessary to pick up the amount of that tax so that it will apply equally to those who have complied with what they thought would be the law and those who went ahead on the theory that there would not be a law, or that they would ignore it?

Mr. JAVITS. This would be a tough nut. The Treasury has actually issued a memorandum under the aegis of its general counsel, in which it deals with a great many questions under the heading of "The Constitutionality of the Equalization Tax Act." It is dated August 6, 1963.

Mr. DOMINICK. I would assume that the Treasury, having issued the release, has said that it is constitutional.

Mr. JAVITS. I would assume so.

Mr. DOMINICK. Otherwise they would not have issued it.

Mr. JAVITS. That is correct.

Mr. DOMINICK. It seems highly unusual to establish a new policy to start in July or August of 1964 a tax which is retroactive to transactions which have occurred as long ago as July 1963. That seems wrong to me.

Mr. JAVITS. The principle of retroactivity in taxation is not unusual both from the reduction side and the addition side. However, when we are dealing with so many dynamic transactions, as we are here, it represents a most unusual utilization of the retroactive principle.

Mr. DOMINICK. I thank the Senator from New York. I believe he understands, from the series of questions that I have proposed, that I am disposed to support his amendment. If the bill should pass, by some unhappy chance, it seems to me that his amendment would improve it to that extent.

Mr. JAVITS. I am grateful to the Senator. After the amendment is voted on, I shall offer the capital issues substitute, and then Senators will have an opportunity to vote on the bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New York [Mr. JAVITS]. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Montana [Mr. METCALF], the Senator from Georgia [Mr. RUSSELL], the Senator from Georgia [Mr. TALMADGE], and the Senator from Washington [Mr. MAGNUSON], are absent on official business.

I also announce that the Senator from New Mexico [Mr. ANDERSON], and the Senator from Massachusetts [Mr. KENNEDY] are absent because of illness.

I further announce that the Senator from Maryland [Mr. BREWSTER], the Senator from Nevada [Mr. CANNON], and the Senator from Oklahoma [Mr. EDMONDSON] are necessarily absent.

I further announce that, if present and voting, the Senator from New Mexico [Mr. ANDERSON], the Senator from Maryland [Mr. BREWSTER], the Senator from Virginia [Mr. BYRD], the Senator from Oklahoma [Mr. EDMONDSON], the Senator from Georgia [Mr. RUSSELL], and the Senator from Georgia [Mr. TALMADGE] would each vote "nay."

Mr. KUCHEL. I announce that the Senator from Arizona [Mr. GOLDWATER] is necessarily absent.

The result was announced—yeas 27, nays 61, as follows:

[No. 511 Leg.]

YEAS—27

Aiken
Allott
Beall
Bennett
Boggs
Carlson
Cooper
Curtis
Dominick
Fong
Hruska
Inouye
Javits
Jordan, Idaho
Keating
Kuchel
Mechem
Morton
Mundt
Pearson
Prouty
Saltonstall
Simpson
Smith
Tower
Williams, Del.
Young, N. Dak.

NAYS—61

Bartlett
Bayh
Bible
Burdick
Byrd, W. Va.
Case
Church
Clark
Cotton
Dirksen
Dodd
Douglas
Eastland
Ellender
Ervin
Fulbright
Gore
Gruening
Hart
Hartke
Hayden
Hickenlooper
Hill
Holland
Humphrey
Jackson
Johnston
Jordan, N.C.
Lausche
Long, Mo.
Long, La.
Mansfield
McCarthy
McClellan
McGee
McGovern
McIntyre
McNamara
Miller
Monroney
Morse
Moss
Muskie
Nelson
Neuberger
Pastore
Pell
Proxmire
Randolph
Ribicoff
Robertson
Scott
Smathers
Sparkman
Stennis
Symington
Thurmond
Walters
Williams, N.J.
Yarborough
Young, Ohio

NOT VOTING—11

Anderson
Brewster
Byrd, Va.
Cannon
Edmondson
Goldwater
Kennedy
Magnuson
Metcalf
Russell
Talmadge

So Mr. JAVITS' amendment was rejected.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 31. An act for the relief of Sonja Dolata;

S. 633. An act for the relief of Michelle Su Zehr (Lim Myung Im);

S. 858. An act for the relief of Miladin Kljajin;

S. 1015. An act for the relief of Edith Annikki McRae;

S. 1336. An act to provide that the price at which the Coast and Geodetic Survey sells certain charts and related material to the public shall not be less than the cost thereof;

S. 2088. An act for the relief of Tomoe Ishikawa Westley;

S. 2219. An act for the relief of Helen Marghitsa Georgalas;

S. 2225. An act for the relief of Christiane Antoine Bronas;

S. 2336. An act for the relief of John Richard Dolby; and

S. 2436. An act for the relief of Mihailo Radosavljevic.

The message also announced that the House had agreed to the following concurrent resolutions:

S. Con. Res. 83. Concurrent resolution to authorize the printing of additional copies of the hearings on interagency coordination in environmental hazards (pesticides), part I (including exhibits);

S. Con. Res. 87. Concurrent resolution to print additional copies of a committee print of the Committee on Government Operations entitled "Catalog of Federal Aids to States and Local Governments";

S. Con. Res. 88. Concurrent resolution authorizing the printing of additional copies of the committee print entitled "A Report of a Study of United States Foreign Aid in Ten Middle Eastern and African Countries"; and

S. Con. Res. 90. Concurrent resolution to print additional copies of volumes 1 and 2 of selected readings in employment and manpower, of a committee print series.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 10939) making appropriations for the Department of Defense for the fiscal year ending June 30, 1965, and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 11049) to adjust the rates of basic compensation of certain officers and employees in the Federal Government, and for other purposes.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 10446. An act to permit the use of statistical sampling procedures in the examination of vouchers;

H.R. 10672. An act to provide for the disposition of judgment funds now on deposit to the credit of the Pawnee Tribe of Oklahoma;

H.R. 11052. An act to declare that 80 acres of land acquired for the Flandreau Boarding School is held by the United States in trust for the Flandreau Santee Sioux Tribe;

H.R. 11329. An act to provide for the relocation and reestablishment of the village of Sil Murk and of the members of the Papago Indian Tribe inhabiting the village of Sil Murk, and for other purposes;

H.R. 11412. An act to amend provisions of law relating to the settlement of admiralty claims;

H.R. 11425. An act to provide for the conveyance of 10 acres of federally owned land on the White Earth Reservation to the Minnesota Annual Conference of the Methodist Church, and for other purposes;

H.R. 11466. An act to enact subtitle II, "Other Commercial Transactions," of title 28, "Commercial Instruments and Transactions," of the District of Columbia Code, and for other purposes;

H.R. 11546. An act to validate certain payments made to employees of the Forest Service, U.S. Department of Agriculture; and

H.R. 11562. An act to authorize the Secretary of the Interior to sell Enterprise Rancheria No. 2 to the State of California, and to distribute the proceeds of the sale to Henry B. Martin, Stanley Martin, Ralph G. Martin, and Vera Martin Kiras.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills and they were signed by the Acting President pro tempore (Mr. INOUYE):

H.R. 7215. An act to direct the Secretary of the Interior to convey certain lands to the Citizen Band of Potawatomi Indians and certain other lands to the Absentee Shawnee Tribe of Indians, and for other purposes; and

H.R. 9634. An act to authorize the Secretary of Defense to lend certain Army, Navy, and Air Force equipment and provide certain services to the Girl Scouts of the United States of America for use at the 1965 Girl Scouts Senior Roundup encampment, and for other purposes.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred, as indicated:

H.R. 10446. An act to permit the use of statistical sampling procedures in the examination of vouchers; to the Committee on Government Operations.

H.R. 10672. An act to provide for the disposition of judgment funds now on deposit to the credit of the Pawnee Tribe of Oklahoma;

H.R. 11052. An act to declare that 80 acres of land acquired for the Flandreau Boarding School is held by the United States in trust for the Flandreau Santee Sioux Tribe;

H.R. 11329. An act to provide for the relocation and reestablishment of the village of Sil Murk and of the members of the Papago Indian Tribe inhabiting the village of Sil Murk, and for other purposes;

H.R. 11425. An act to provide for the conveyance of 10 acres of federally owned land on the White Earth Reservation to the Minnesota Annual Conference of the Methodist Church, and for other purposes; and

H.R. 11562. An act to authorize the Secretary of the Interior to sell Enterprise Rancheria No. 2 to the State of California, and to distribute the proceeds of the sale to Henry B. Martin, Stanley Martin, Ralph G. Martin, and Vera Martin Kiras; to the Committee on Interior and Insular Affairs.

H.R. 11412. An act to amend provisions of law relating to the settlement of admiralty claims;

H.R. 11466. An act to enact subtitle II, "Other Commercial Transactions," of title 28, "Commercial Instruments and Transactions," of the District of Columbia Code, and for other purposes; and

H.R. 11546. An act to validate certain payments made to employees of the Forest Service, U.S. Department of Agriculture; to the Committee on the Judiciary.

NATIONAL WILDERNESS PRESERVATION SYSTEM

The **PRESIDING OFFICER** laid before the Senate the amendment of the House of Representatives to the bill (S. 4) to establish a National Wilderness Preservation System for the permanent good of the whole people, and for other purposes, which was, to strike out all after the enacting clause and insert:

SHORT TITLE

SECTION 1. This Act may be cited as the "Wilderness Act".

WILDERNESS SYSTEM ESTABLISHED STATEMENT OF POLICY

SEC. 2. (a) In order to assure that an increasing population, accompanied by expanding settlement and growing mechanization, does not occupy and modify all areas within the United States and its possessions, leaving no lands designated for preservation and protection in their natural condition, it is hereby declared to be the policy of the Congress to secure for the American people of present and future generations the benefits of an enduring resource of wilderness. For this purpose there is hereby established a National Wilderness Preservation System to be composed of federally owned areas designated by Congress as "wilderness areas", and these shall be administered for the use and enjoyment of the American people in such manner as will leave them unimpaired for future use and enjoyment as wilderness, and so as to provide for the protection of these areas, the preservation of their wilderness character, and for the gathering and dissemination of information regarding their use and enjoyment as wilderness; and no Federal lands shall be designated as "wilderness areas" except as provided for in this Act or by a subsequent Act.

(b) The inclusion of an area in the National Wilderness Preservation System notwithstanding, the area shall continue to be managed by the Department and agency having jurisdiction thereover immediately before its inclusion in the National Wilderness Preservation System unless otherwise provided by Act of Congress. No appropriation shall be available for the payment of expenses or salaries for the administration of the National Wilderness Preservation System as a separate unit nor shall any appropriations be available for additional personnel stated as being required solely for the purpose of managing or administering areas solely because they are included within the National Wilderness Preservation System.

DEFINITION OF WILDERNESS

(c) A wilderness, in contrast with those areas where man and his own works dominate the landscape, is hereby recognized as an area where the earth and its community of life are untrammeled by man, where man himself is a visitor who does not remain. An area of wilderness is further defined to mean in this Act an area of undeveloped Federal land retaining its primeval character and influence, without permanent improvements or human habitation, which is protected and managed so as to preserve its natural conditions and which (1) generally appears to have been affected primarily by the forces of nature, with the imprint of man's work substantially unnoticeable; (2) has outstanding opportunities for solitude or a primitive and unconfined type of recreation; (3) has at least five thousand acres of land and is of sufficient size as to make practicable its preservation and use in an unimpaired condition; and (4) may also contain ecological, geological, or other features of scientific, educational, scenic, or historical value.

NATIONAL WILDERNESS PRESERVATION SYSTEM—EXTENT OF SYSTEM

SEC. 3. (a) All areas within the national forests classified at least 60 days before the effective date of this Act by the Secretary of Agriculture or the Chief of the Forest Service as "wilderness", "wild", or "canoe" are hereby designated as wilderness areas. The Secretary of Agriculture shall—

(1) Within one year after the effective date of this Act, file a map and legal description of each wilderness area with the Interior and Insular Affairs Committees of the United States Senate and the House of Representatives, and such descriptions shall have the same force and effect as if included in this Act: *Provided, however,* That correction of clerical and typographical errors in such legal descriptions and maps may be made.

(2) Maintain, available to the public, records pertaining to said wilderness areas, including maps and legal descriptions, copies of regulations governing them, copies of public notices of, and reports submitted to Congress regarding pending additions, eliminations, or modifications. Maps, legal descriptions, and regulations pertaining to wilderness areas within their respective jurisdictions also shall be available to the public in the offices of regional foresters, national forest supervisors, and forest rangers.

(b) The Secretary of Agriculture shall, within ten years after the enactment of this Act, review, as to its suitability or nonsuitability for preservation as wilderness, each area in the national forests classified on the effective date of this Act by the Secretary of Agriculture or the Chief of the Forest Service as "primitive" and report his findings to the President. The President shall advise the United States Senate and House of Representatives of his recommendations with respect to the designation as "wilderness" or other reclassification of each area on which review has been completed, together with maps and a definition of boundaries. Such advice shall be given with respect to not less than one-third of all the areas now classified as "primitive" within three years after the enactment of this Act, not less than two-thirds within seven years after the enactment of this Act, and the remaining areas within ten years after the enactment of this Act. Each recommendation of the President for designation as "wilderness" shall become effective only if so provided by an Act of Congress. Areas classified as "primitive" on the effective date of this Act shall continue to be administered under the rules and regulations affecting such areas on the effective date of this Act until Congress has determined otherwise. Any such area may be increased in size by the President at the time he submits his recommendations to the Congress by not more than five thousand acres with no more than one thousand two hundred and eighty acres of such increase in any one compact unit; if it is proposed to increase the size of any such area by more than five thousand acres or by more than one thousand two hundred and eighty acres in any one compact unit the increase in size shall not become effective until acted upon by Congress. Nothing herein contained shall limit the President in proposing, as part of his recommendations to Congress, the alteration of existing boundaries of primitive areas or recommending the addition of any contiguous area of national forest lands predominantly of wilderness value.

(c) Within ten years after the effective date of this Act the Secretary of the Interior shall review roadless portions of parks, monuments, and other units of the national park system, and portions of wildlife refuges and game ranges under the jurisdiction of the Secretary of the Interior on the effective date of this Act and shall report to the President his recommendations. The President shall advise the United States Senate and the House of Representatives of his recommendations with respect to each such portion for which review has been completed, together with maps and definitions of boundaries. Each such recommendation calling for a change in status shall become effective only if so provided by an Act of Congress. Nothing contained herein shall, by implication or otherwise, be construed to lessen the present statutory authority of the Secretary of the Interior with respect to the maintenance of roadless areas within units of the national park system.

(d)(1) The Secretary of Agriculture and the Secretary of the Interior shall, prior to submitting any recommendations to the President with respect to the suitability of any area for preservation as wilderness—

(A) give such public notice of the proposed action as they deem appropriate, including publication in the Federal Register and in a newspaper having general circulation in the area or areas in the vicinity of the affected land;

(B) hold a public hearing or hearings at a location or locations convenient to the area affected. The hearings shall be announced through such means as the respective Secretaries involved deem appropriate, including notices in the Federal Register and in newspapers of general circulation in the area: *Provided,* That if the lands involved are located in more than one State, at least one hearing shall be held in each State in which a portion of the land lies;

(C) at least thirty days before the date of a hearing advise the Governor of each State and the governing board of each county, or in Alaska the borough, in which the lands are located, and Federal departments and agencies concerned, and invite such officials and Federal agencies to submit their views on the proposed action at the hearing or by no later than thirty days following the date of the hearing.

(2) Any views submitted to the appropriate Secretary under the provisions of (1) of this subsection with respect to any area shall be included with any recommendations to the President and to Congress with respect to such area.

(3) There shall further be included, with any recommendations to the President and to Congress with respect to the suitability of any area for preservation as wilderness, a concise statement identifying the specific values in the particular area that warrant the preservation of the area as wilderness, together with an identification of any other wilderness areas being preserved because of the presence of similar values, indicating the acreage of each such area and the total acreage of all areas preserved by reason of the presence of the same or similar values.

(e) Any modification or adjustment of boundaries of any wilderness area shall be recommended by the appropriate Secretary after public notice of such proposal and public hearing or hearings as provided in subsection (d) of this section. The proposed modification or adjustment shall then be recommended with map and description thereof to the President. The President shall advise the United States Senate and the House of Representatives of his recommendations with respect to such modification or adjustment and such recommendations shall become effective only in the same manner as provided for in subsections (b) and (c) of this section.

USE OF WILDERNESS AREAS

SEC. 4. (a) The purposes of this Act are hereby declared to be within and supplemental to the purposes for which national forests and units of the national park and national wildlife refuge systems are established and administered and—

(1) Nothing in this Act shall be deemed to be in interference with the purpose for which national forests are established as set forth in the Act of June 4, 1897 (30 Stat. 11), and the Multiple-Use Sustained-Yield Act of June 12, 1960 (74 Stat. 215).

(2) Nothing in this Act shall modify the restrictions and provisions of the Shipstead-Nolan Act (Public Law 539, Seventy-first Congress, July 10, 1930; 46 Stat. 1020), the Thye-Blatnik Act (Public Law 733, Eightieth Congress, June 22, 1948; 62 Stat. 568), and the Humphrey-Thye-Blatnik-Andresen Act (Public Law 607, Eighty-fourth Congress, June 22, 1956; 70 Stat. 326), as applying to the Superior National Forest or the regulations of the Secretary of Agriculture.

(3) Nothing in this Act shall modify the statutory authority under which units of the national park system are created. Further, the designation of any area of any park, monument, or other unit of the national park system as a wilderness area pursuant to this Act shall in no manner lower the standards evolved for the use and preservation of such park, monument, or other unit of the national park system in accordance with the Act of August 25, 1916, the statutory authority under which the area was created, or any other Act of Congress which might pertain to or affect such area, including, but not limited to, the Act of June 8, 1906 (34 Stat. 225; 16 U.S.C. 432 et seq.); section 3(2) of the Federal Power Act (16 U.S.C. 796(2)); and the Act of August 21, 1935 (49 Stat. 666; 16 U.S.C. 461 et seq.).

(b) Except as otherwise provided in this Act, each agency administering any area designated as wilderness shall be responsible for preserving the wilderness character of the area and shall so administer such area for such other purposes for which it may have been established as also to preserve its wilderness character. Except as otherwise provided in this Act, wilderness areas shall be devoted to the public purposes of recreational, scenic, scientific, educational, conservation, and historical use.

PROHIBITION OF CERTAIN USES

(c) Except as specifically provided for in this Act, and subject to existing private rights, there shall be no commercial enterprise and no permanent road within any wilderness area designated by this Act and, except as necessary to meet minimum requirements for the administration of the area for the purpose of this Act (including measures required in emergencies involving the health and safety of persons within the areas), there shall be no temporary road, no use of motor vehicles, motorized equipment or motorboats, no landing of aircraft, no other form of mechanical transport, and no structure or installation within any such area.

SPECIAL PROVISIONS

(d) The following special provisions are hereby made:

(1) Within wilderness areas designated by this Act the use of aircraft or motorboats, where these uses have already become established, may be permitted to continue subject to such restrictions as the Secretary of Agriculture deems desirable. In addition, such measures may be taken as may be necessary in the control of fire, insects, and diseases, subject to such conditions as the Secretary deems desirable.

(2) Nothing in this Act shall prevent within national forest wilderness areas any activity, including prospecting, for the purpose of gathering information about mineral or other resources, if such activity is carried on in a manner compatible with the preservation of the wilderness environment. Furthermore, in accordance with such program as the Secretary of the Interior shall develop and conduct in consultation with the Secretary of Agriculture, such areas shall be surveyed on a planned, recurring basis consistent with the concept of wilderness preservation by the Geological Survey and the Bureau of Mines to determine the mineral values, if any, that may be present; and the results of such surveys shall be made available to the public and submitted to the President and Congress.

(3) Notwithstanding any other provisions of this Act, until midnight December 31, 1989, the United States mining laws and all laws pertaining to mineral leasing shall, to the same extent as applicable prior to the effective date of this Act, extend to those national forest lands designated by this Act as "wilderness areas"; subject, however, to such reasonable regulations governing ingress and egress as may be prescribed by the Secretary of Agriculture consistent with the use of the land for mineral location and development and exploration, drilling, and production, and use of land for transmission lines, waterlines, telephone lines, or facilities necessary in exploring, drilling, producing, mining, and processing operations, including where essential the use of mechanized ground or air equipment and restoration as near as practicable of the surface of the land disturbed in performing prospecting, location, and, in oil and gas leasing, discovery work, exploration, drilling, and production, as soon as they have served their purpose. Mining locations lying within the boundaries of said wilderness areas shall be held and used solely for mining or processing operations and uses reasonably incident thereto; and hereafter, subject to valid existing rights, all patents issued under the mining laws of the United States affecting national forest lands designated by this Act as wilderness areas shall convey title to the mineral deposits within the claim, together with the right to cut and use so much of the mature timber therefrom as may be needed in the extraction, removal, and benefication of the mineral deposits, if needed timber is not otherwise reasonably available, and if the timber is cut under sound principles of forest management as defined by the national forest rules and regulations, but each such patent shall reserve to the United States all title in or to the surface of the lands and products thereof, and no use of the surface of the claim or the resources therefrom not reasonably required for carrying on mining or prospecting shall be allowed except as otherwise expressly provided in this Act: *Provided*, That, unless hereafter specifically authorized, no patent within wilderness areas designated by this Act shall issue after December 31, 1989, except for the valid claims existing on or before December 31, 1989. Mining claims located after the effective date of this Act within the boundaries of wilderness areas designated by this Act shall create no rights in excess of those rights which may be patented under the provisions of this subsection. Mineral leases, permits, and licenses covering lands within national forest wilderness areas designated by this Act shall contain such reasonable stipulations as may be prescribed by the Secretary of Agriculture for the protection of the wilderness character of the land consistent with the use of the land for the purposes for which they are leased, permitted, or licensed. Subject to valid rights then existing, effective January 1, 1990, the minerals in lands designated by this Act as wilderness areas are withdrawn from all forms of appropriation under the mining laws and from disposition under all laws pertaining to mineral leasing and all amendments thereto.

(4) Within wilderness areas in the national forests designated by this Act, (1) the President may, within a specific area and in accordance with such regulations as he may deem desirable, authorize prospecting for water resources, the establishment and maintenance of reservoirs, water-conservation works, power projects, transmission lines, and other facilities needed in the public interest, including the road construction and maintenance essential to development and use thereof, upon his determination that such use or uses in the specific area will better serve the interests of the United States and the people thereof than will its denial; and (2) the grazing of livestock, where established prior to the effective date of this Act, shall be permitted to continue subject to such reasonable regulations as are deemed necessary by the Secretary of Agriculture.

(5) Other provisions of this Act to the contrary notwithstanding, the management of the Boundary Waters Canoe Area, formerly designated as the Superior, Little Indian Sioux, and Caribou Roadless Areas, in the Superior National Forest, Minnesota, shall be in accordance with regulations established by the Secretary of Agriculture in accordance with the general purpose of maintaining, without unnecessary restrictions on other uses, including that of timber, the primitive character of the area, particularly in the vicinity of lakes, streams, and portages: *Provided*, That nothing in this Act shall preclude the continuance within the area of any already established use of motorboats.

(6) Commercial services may be performed within the wilderness areas designated by this Act to the extent necessary for activities which are proper for realizing the recreational or other wilderness purposes of the areas.

(7) Nothing in this Act shall constitute an express or implied claim or denial on the part of the Federal Government as to exemption from State water laws.

(8) To the extent that it is not incompatible with wilderness preservation, the Secretary of Agriculture shall, in national forest wilderness areas designated by this Act, permit hunting and fishing: *Provided*, That nothing in this Act shall be construed as affecting the jurisdiction or responsibilities of the several States with respect to wildlife and fish in wilderness areas.

STATE AND PRIVATE LANDS WITHIN WILDERNESS AREAS

Sec. 5. (a) In any case where State-owned or privately owned land is completely surrounded by national forest lands within areas designated by this Act as wilderness, such State or private owner shall be given such rights as may be necessary to assure adequate access to such State-owned or privately owned land by such State or private owner and their successors in interest, or the State-owned land or privately owned land shall be exchanged for federally owned land in the same State of approximately equal value under authorities available to the Secretary of Agriculture: *Provided, however,* That the United States shall not transfer to a State or private owner any mineral interests unless the State or private owner relinquishes or causes to be relinquished to the United States the mineral interest in the surrounded land.

(b) In any case where valid mining claims, or other valid occupancies are wholly within a designated national forest wilderness area, the Secretary of Agriculture shall, by reasonable regulations consistent with the preservation of the area as wilderness, permit ingress and egress to such surrounded areas by means which have been or are being customarily enjoyed with respect to other such areas similarly situated.

(c) Subject to the appropriation of funds by Congress, the Secretary of Agriculture is authorized to acquire privately owned land within the perimeter of any area designated by this Act as wilderness if (1) the owner concurs in such acquisition or (2) the acquisition is specifically authorized by Congress.

GIFTS, BEQUESTS, AND CONTRIBUTIONS

Sec. 6. (a) The Secretary of Agriculture may accept gifts or bequests of land within wilderness areas designated by this Act for preservation as wilderness. The Secretary of Agriculture may also accept gifts or bequests of land adjacent to wilderness areas designated by this Act for preservation as wilderness if he has given sixty days advance notice thereof to the President of the Senate and the Speaker of the House of Representatives. Land accepted by the Secretary of Agriculture under this section shall become part of the wilderness area involved. Regulations with regard to any such land may be in accordance with such agreements, consistent with the policy of this Act, as are made at the time of such gift, or such conditions, consistent with such policy, as may be included in, and accepted with, such bequest.

(b) The Secretary of Agriculture or the Secretary of the Interior is authorized to accept private contributions and gifts to be used to further the purposes of this Act.

ANNUAL REPORTS

Sec. 7. At the opening of each session of Congress, the Secretaries of Agriculture and Interior shall jointly report to the President for transmission to Congress on the status of the wilderness system, including a list and descriptions of the areas in the system, regulations in effect, and other pertinent information, together with any recommendations they may care to make.

Mr. JACKSON. Mr. President, I move that the Senate disagree to the amendment of the House and request a conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Washington.

The motion was agreed to; and the Chair appointed Mr. Jackson, Mr. Anderson, Mr. Church, Mr. Kuchel, and Mr. Allott conferees on the part of the Senate.

INTEREST EQUALIZATION TAX ON CERTAIN FOREIGN SECURITIES

The Senate resumed the consideration of the bill (H.R. 8000) to amend the Internal Revenue Code of 1954, to impose a tax on acquisition of certain securities in order to equalize costs of longer term financing in the United States and in markets abroad, and for other purposes.

Mr. JAVITS. Madam President, I call up my amendment No. 1094 and ask that it be stated.

The PRESIDING OFFICER (Mrs. Neuberger in the chair). The amendment of the Senator from New York will be stated for the information of the Senate.

The Legislative Clerk. It is proposed——

Mr. JAVITS. Madam President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and the amendment will be printed in the Record at this point.

The amendment No. 1094, submitted by Mr. Javits, is as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

That (a) the President is authorized to consult with persons in the financial and investment field with a view to encouraging the making by such persons, with the approval of the President of a voluntary agreement or program limiting the sale of new issues of foreign equity securities or debt obligations to citizens or residents of the United States, or to domestic firms, corporations, or other entities, public or private. No act or omission to act pursuant to this Act which occurs while this Act is in effect, if requested by the President pursuant to a voluntary agreement or program approved under subsection (a) and found by the President to be in the national interest, shall be construed to be within the prohibitions of the antitrust laws or the Federal Trade Commission Act. A copy of each such request intended to be within the coverage of this section, and any modification or withdrawal thereof. shall be furnished to the Attorney General and the Chairman of the Federal Trade Commission when made, and it shall be published in the Federal Register.

(b) Upon withdrawal of any request or finding made hereunder the provisions of this section shall not apply to any subsequent act or omission to act by reason of such finding or request.

(c) The President may delegate any power or authority conferred upon him by this Act to any officer or agency of the United States; except that in the event such power or authority is delegated to any such officer or agency such officer or agency shall consult with the Attorney General and with the Chairman of the Federal Trade Commission not less than ten days before making any request or finding under this Act, and shall obtain the approval of the Attorney General with respect to any such request before making the same.

(d) This Act and all authority conferred thereunder shall terminate upon the expiration of   years after the date of its enactment.

Mr. JAVITS. Madam President, this is the amendment for the Capital Issues Committee, a classic alternative to what the Senate is debating.

I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. FONG. Madam President, the bill H.R. 8000 now before the Senate, to impose a tax on acquisitions of certain foreign securities in order to equalize costs of longer term financing in the United States and in markets abroad, does not, I believe, merit the approval of the Senate. If this bill is enacted, it will be the first time in the history of our country that such a tax has ever been imposed. Never before have we even attempted to tax purchases of foreign securities.

It is widely recognized that it is sound policy for the United States to move toward greater mobility of capital among countries. Progress toward this goal is increasingly urgent for the continuing growth of the interdependent economies of the free world. H.R. 8000, by tending to impede the free operation of this country's capital markets, is inconsistent with the Nation's efforts in international cooperation and with our established national policies of free exchange of international investment.

While recognizing the seriousness of the problem of the persistent deficits in our balance of payments, I do not believe that the proposed tax in the long run will improve our balance of payments significantly.

Madam President, I oppose the bill for the following reasons:

First. The proposed bill is not addressed to the chief causes of the balance-of-payments deficit. The underlying assumption of H.R. 8000 is that private portfolio investment abroad is a major cause of this Nation's balance-of-payments deficit. In recent years, however, data compiled by the U.S. Department of Commerce indicate that private portfolio investment abroad has been relatively insignificant compared to such items as military expenses, unilateral transfers to foreign countries, tourist spending abroad, direct investments, and net U.S. Government long-term capital transfers. Accordingly, two critical weaknesses in the proposed bill are revealed.

First. Significant sources of capital flowing abroad are beyond the reach of the bill. The measure will not curb the dollar outflow stemming from direct investments abroad, U.S. Government long-term capital transfers and commercial bank loans—none of which comes under the interest equalization tax. These exempted bank loans in particular have risen markedly in recent months.

Second. The proposed bill is necessarily made relatively meaningless because of some of the exemptions it properly contains. Canada, which has been the prime cause of the outflow of dollars for new foreign portfolio investment over the years, will be exempt from the bill, thus reducing even further the limited scope of the measure. In the first quarter of 1963, Canada alone accounted for $348 of the $485 million portfolio outflow.

While Canada is given this exemption, Japan, America's second largest oversea customer—buying more from the United States than the United States buys from Japan—is not accorded a similar exemption.

Although the United States had a balance-of-payments deficit of $505 million with Japan in 1962, and $55 million in the first quarter of 1963, we had a payments surplus of almost $300 million in 1961. Furthermore, the largest item accounting for a deficit in 1962 and thus far in 1963 has been net direct investment of private U.S. capital in Japan. Such dollar investment abroad would not be affected by the proposed tax.

Many of the dollars raised by Japanese firms by selling their securities in the United States are spent for American equipment and machinery. These purchases amounted to $491 million in 1961 and $516 million in 1962—far in excess of the volume of Japanese securities sold in the United States. It is unlikely that sales of this magnitude would continue if the Japanese were effectively denied access to American financial markets.

In 1963, Japan bought a total of about $2 billion in American goods. Since H.R. 8000 was proposed, however, there has been a marked drop in American export sales to Japan, particularly in industrial equipment.

The consequences to Japan in the enactment of this bill have been considered to be of such grave proportions that the Foreign Minister of Japan Masayoshi Ohira deemed it important enough to come to Washington to dissuade our Government from enacting the bill.

Madam President, I ask unanimous consent that the letter written to the Senator from Kansas [Mr. CARLSON] on July 22, 1964, by Tsunao Okumura, chairman of the Foreign Capital Committee, and the appeal written by him as chairman of the Nomura Securities Co., Ltd., and chairman of the Foreign Capital Committee, Federation of Economic Organizations, that the interest equalization tax bill would be extremely detrimental to the Japanese securities market, may be printed in the RECORD.

There being no objection, the letter and statement were ordered to be printed in the RECORD, as follows:

FEDERATION OF ECONOMIC
ORGANIZATIONS,
Marunouchi, Tokyo, July 22, 1964.

Subject: Interest equalization tax.

Hon. FRANK CARLSON,
Senator of the United States,
U.S. Senate,
Washington, D.C.,
United States of America.

DEAR MR. SENATOR: On behalf of the Foreign Capital Committee, Federation of Economic Organizations, I wish to be permitted to submit our views on the interest equalization tax bill on which your distinguished committee is now holding hearings.

Enclosed is an article which I have prepared for the local press, "The Japan Times," which will be issuing special supplements on Japanese economy and finance under the title of "Voice of Japan" which, I understand, will appear in three installments from the end of this month. I have already sent a copy of the same article to Chairman BYRD and Secretary Dillon.

The views contained herein have been fully endorsed by the Federation of Economic Organizations and reflect the thinking of the majority of the people in Japan who are dedicated to the enhancement of further good will and understanding between our two countries.

It is very presumptuous on our part to submit this humble article, but we sincerely hope that your distinguished body would kindly reconsider the effects of the interest equalization tax bill toward Japan from the gravity of the problem involved.

Respectfully submitted.

TSUNAO OKUMURA,
Chairman, Foreign Capital Committee.

INTEREST EQUALIZATION TAX BILL EXTREMELY DETRIMENTAL TO THE JAPANESE CAPITAL AND SECURITIES MARKETS—AN APPEAL TO THE AMERICAN CONGRESS AND GOVERNMENT

(By Tsunao Okumura, chairman, the Nomura Securities Co., Ltd., and chairman, Foreign Capital Committee Federation of Economic Organizations)

Since the submission of the so-called interest equalization tax bill took place before the U.S. Congress last July, an administration-requested bill imposing a special tax on the purchase of foreign securities by American investors, a tremendous blow was inflicted on the Japanese capital and stock markets—a wound so severe that the stock market has not been able to recover even up to the present moment. Because of the retroactive nature of the bill, the issuance of Japanese dollar bonds and American Depositary Receipts for Japanese equities has been virtually stopped in the New York market and the purchase of outstanding common stocks by the Americans through the market has also become negligible.

The Japanese economy—although enjoying a decade of growth—still lacks sufficient capital and its structure and requirements are analogous to the days of 1870–1910 in the American history. In order to sustain a stable growth, an induction of long-term capital is of prime importance. We, in Japan, are particularly looking forward to the inflow of the American capital. The total amount of capital which we hope to raise, offhand, either in the form of dollar bonds or in American Depositary Receipts, is around $150 to $200 million per annum—a figure roughly corresponding to 10 percent of annual new issues in Japan.

In view of the temporary suspension of the inflow of long-term capital from America, we have been forced to seek out elsewhere, particularly in the European capital market, the much needed source of capital. However, we still believe that the United States is the center of world's capital market and thus, we still look forward to receive her powerful support. The emergence, therefore, of the proposed interest equalization tax measures is of great regret to us inasmuch as the long-term American capital, either in the form of bonds or equities, has just started to fulfill its important role in solidifying the foundation of Japanese industry.

From the political, economic and cultural aspects, the relations between Japan and the United States are inseparable and interdependent, and we must exert further efforts for the promotion of deeper understanding and goodwill. Furthermore, in the field of developing underdeveloped nations of southeast Asia, greater results could be expected if the capital and efforts of America, Japan and the countries concerned would be combined and promoted jointly instead of merely relying on American help. The induction of capital to Japan is needed not only for the sake of helping Japanese economy but also from the greater perspective of promoting the industry and the well-being of underdeveloped nations of southeast Asia.

It cannot be denied that through the issuance of Japanese dollar bonds and ADR's and by the direct purchase of Japanese equities through the market by the American investors a deeper feeling of closeness and a sense of unity of both economies have been engendered, we presume. Such being the case, the relationship between our two countries must be further strengthened by means of capital flow and not to be retarded by all means by the passage of interest equalization tax bill.

Interest equalization tax when viewed from the point of capital transaction is a new form of what one may call a protective tariff. This is inconsistent to the avowed policy of free trade as advocated by the Americans all along. Furthermore, it seems highly doubtful whether this interest equalization tax can increase the U.S. revenue. On top of this, it is hard to think that the objective of "equalizing the tax" can be attained. Standards of interest rates vary world over. It is highly impossible to equalize the interest rates of various capital markets of the world with the rate adopted in the United States. Another thing, when an equalization tax is imposed on the purchase of foreign securities, such tax should be called "protective tariff." When viewed from this light, the American interest equalization tax runs counter to the liberalization policy of the United States.

Another regrettable feature of this tax is the fact that it is discriminatory. Firstly, this tax will be imposed only on securities investment and not on foreign travel, direct investment and commercial bank loans. The role of securities investment in the field of international finance and economy as well as its contribution to the balance of America's international payment is not necessarily inferior to the part played by direct investment and commercial bank loans. The profit acquired by securities investment whether in form of dividend or interest together with invested capital and capital gains are always retrievable.

Since the problem of interest equalization tax came to fore, short-term bank loans which are exempted from the said tax have started to come into Japan in increasing amount. However, what Japan really wants is long-term, stable loans.

The second discriminatory feature of this equalization tax is the fact that Canada was the only country exempted. European nations are not affected so much in view of the large Euro-dollar market. This, in final analysis, leaves Japan as the only major country which will suffer from this discrimination. And I am afraid that this will hurt the feelings of the Japanese people, at least dishearten the stanch supporters of America in Japan who are dedicated to the same ideal of democracy and people's capitalism.

The American Government has repeatedly stated that Canada was given exemption due to special relations existing between the United States and Canada. If that is the case, we urge the Americans to look at the trade relations existing between Japan and the United States.

American-Japanese trade relations have increased by leaps and bounds in the postwar period and Japan has now become one of the biggest markets in the world for American goods. In other words, Japan has contributed to the progress of American economy. The trade balance has been constantly in favor of America. To cite some figures, in 1962 the excess of Japan's imports over exports from the United States came to a total of $135 million and in 1963 a staggering figure of $314 million was recorded. From this phase of foreign trade, it could be said that Japan has contributed immensely to the improvement of America's balance of international payment. In the field of gold reserve, Japan has limited it to the minimum amount in her total foreign currency holdings and to thereby cooperate with the United States in stemming the outflow of her gold reserves.

From the foregoing it is quite clear that the proposed interest equalization tax bill will have a far-reaching, detrimental effect on the Japanese capital market and to her economy in general and will sow the seeds of ill feelings toward America. The United

States, therefore, will not gain anything. She will, above all, lose her proud position as the leader of the free world's capital market. Once she loses such a prestige, it will be extremely hard for her to regain it.

If the United States is going to pass this bill, we wish to make a strong appeal on the following two points. First is to exclude those bonds or debentures floated in the American market which will submit the entire proceeds accruing from the issue to the procurement of American-made goods and services. Second is to exempt the switchover of those shares already held in the possession of American investors. These two measures, we believe, will not entail the outflow of American dollars.

We, the Japanese people, are strongly opposed to the passage of the interest equalization tax bill. Unfortunately, if the bill comes into effect, the volume of trade between our two nations may be forced to be curtailed and may create some ill feelings toward America in the minds of the Japanese people.

It is hoped that some sober reflection will be made in the minds of American legislators, high Government officials and those who are all concerned with this interest equalization tax bill so that the true image and power of America in the minds of the Japanese people—a people dedicated to the defense of freedom and democracy in the Far East—will not be shattered and will not end in vain.

Mr. FONG. Madam President, according to Japanese officials, H.R. 8000 is likely to have, or, in fact, has already had, the following effects in Japan:

First. The proposal and threat of legislation has affected adversely private capital formation in Japan by its severe impact on the Japanese securities markets, and thus has seriously inhibited Japan's economic development during the past year.

Second. H.R. 8000 would reduce Japan's ability to aid in the development of southeast Asia through public and private entities.

Third. H.R. 8000 has weakened the economic ties between Japan and the United States, and has resulted in Japan taking a more receptive attitude toward trade with and economic overtures from the Soviet Union and Communist China.

Fourth. H.R. 8000 would seriously reduce the confidence of Japanese private and public leaders in this country's long-term intentions toward their country.

Fifth. The proposed legislation, through its deterrent effect in establishing useful economic ventures between the United States and Japan, has reduced tax-producing income for American investors.

With respect to my own State, the people of Hawaii are particularly concerned with the impact of H.R. 8000 on the State's economy and in terms of relations between Hawaii and Japan. The people of Hawaii are greatly conscious of our close ties, both political and economical, with Japan.

Any action which impairs that friendship, as the proposed tax would, could result in a serious blow to the Hawaiian economy.

The Japan Travel Bureau has estimated that as many as 50,000 Japanese citizens are ready to visit Hawaii when they are permitted to do so. According to our business leaders, should this tax be enacted, Hawaii's visitor industry, and consequently its economy, will suffer. Moreover, if even a significant fraction of the potential travel from Japan to Hawaii were curtailed as a result of the adoption of H.R. 8000, the effect would be to aggravate rather than improve our balance-of-payments position.

There are now 10,000 of Hawaii's citizens who own approximately $25 million of Japanese securities. When the announcement of the proposed tax was made last year, it caused a drop in the Tokyo stock market— with a consequent 20 percent loss to these investors. It is obvious, then, that the effect of passage of H.R. 8000 on these investors would be most severe.

Madam President, I am also concerned about the effect the proposed tax would have on Hawaii's pineapple industry, relatively small though it may be.

Until recent years, Japan permitted only small amounts of Hawaiian pineapple to be imported under a restrictive system of allocations. It was only in 1962 that the Japanese Government provided a nondiscriminatory global quota for the importation of canned pineapple. This resulted in the importation by Japan of 23,854 cases of pineapple from Hawaii in 1962, and for the first 3 months of 1963, Japan imported 25,892 cases of canned pineapple and 11,940 cases of canned pineapple juice.

There is every indication that as Japan's economy continues to grow and prosper, her people will continue to expand their use of many consumer goods, including canned fruit and specifically canned pineapple. Hawaii would like to be able to compete with other pineapple-producing areas for a share of this anticipated increased demand for pineapple, but this can be done only if Japan continues to allocate funds on a nondiscriminatory basis, or if she abolishes commodity quotas entirely. My concern is that if the proposed tax were to cause the Japanese Government to reexamine its trade policies and its allocation of funds for imports, the very real opportunity of expansion of exports of canned pineapple from Hawaii to Japan might be limited or even eliminated.

Second. Enactment of this bill could adversely affect the U.S. balance of payments by creating fears of further restrictive measures.

Paradoxically, this bill could well aggravate the situation it is designed to remedy. If enacted, it could create fears abroad of further restrictive measures designed to curb the net outflow of dollars. Foreign investors own approximately $12 billion of U.S. securities. Should their concern result in a weakening of foreign confidence in the U.S. dollar, it is conceivable that some foreign holders of U.S. securities would liquidate their positions. This would cause a further outflow of dollars. Conversely, the fears of some American investors about the value of the dollar could motivate them to buy more, rather than fewer, securities abroad. In either case, the U.S. balance-of-payments picture could deteriorate further, producing an effect opposite from the one intended. These are the hazards of a restrictive, as opposed to an affirmative, policy.

Besides the most generous estimates indicate that H.R. 8000 will have only a minimal effect on the U.S. balance-of-payments problem. A Treasury Department projection foresees the bill reducing the outflow of capital to the $500 to $700 million range that prevailed in 1959–61. Compared to the $1.1 billion total outflow in 1962, a reduction of only $400 to $600 million in the overall deficit would be realized. However, if further effect is given to the exemption promised Canada, and if it is assumed that the dollar outflow to that country equals the 1962 figure of $457 million, a maximum reduction in outflow of only $143 million would be forthcoming.

Third. The proposed bill overlooks the fact that foreign investments produce a considerable part of the U.S. income from abroad.

President Kennedy, in his special message to Congress on the balance-of-payments problem, stated that U.S. income from foreign investment amounted to $4.3 billion in 1962. He further stated that we can expect "further substantial increases in the coming years in U.S. income from these investments."

If this bill achieved its intended result of discouraging American investment abroad, the significant anticipated increases in income surely would not be forthcoming. Moreover, American owners of foreign securities might be tempted to sell their holdings for fear of retaliatory measures by foreign countries. As a result, the funds now flowing into the United States through foreign investments would decline. Accordingly, if the bill were enacted, the growth of U.S. income from foreign investments might be curtailed and the balance of payments adversely affected.

For example, in July 1963, a Japanese firm contracted to pay the Sheraton Hotel Corp. over $8 million for the Princess Kaiulani Hotel in Honolulu, anticipating the prospective increase in Japanese travel to Hawaii. This one commitment alone is equivalent to nearly one-third of the volume of the total investment of Hawaiian buyers in Japanese securities to date. In addition, through short-term investment of its large dollar earnings, Western Europe has put more capital into the United States than it has taken out through long-term borrowing.

Madam President, to summarize: The proposed interest equalization tax is ill-conceived, impractical, and if enacted could seriously undermine our Nation's foreign commerce.

It will impede our traditionally free capital market and damage America's position as financial center of the world.

It will not improve our balance of payments in the long run, because it is not addressed to the chief causes of the balance-of-payments deficit; in fact, it exempts the major areas of capital outflow, taxing only a relatively insignificant total of transactions.

It will curtail growth of income from foreign investments which have been a large source of U.S. income from abroad, and reduce the flow of foreign capital into the United States.

It exempts one of our allies, Canada, from the tax, while unfairly subjecting another ally, Japan, to its full force.

Its very proposal has badly shaken the confidence of Japan and other friendly nations in their alliances with the United States.

For these reasons, Madam President, I urge that the Senate vote down H.R. 8000.

A GIMMICK, NOT A SOLUTION TO BALANCE-OF-PAYMENTS DEFICIT

Mr. BENNETT. Madam President, we have before us H.R. 8000, the proposed Interest Equalization Tax Act of 1964, which purports to offer a substantial solution to the balance-of-payments problem. In fact, it is a gimmick evidently intended to avoid the more difficult actions needed to achieve a truly meaningful solution.

It is contended by the Johnson administration that the bill will bring a major improvement to the present deficit position of the United States in its payments balance and lead to reversal of the present serious outflow of gold from our shores or at least to lessen the flow. It purportedly would do this by restricting U.S. private investments abroad. This would be done by imposition of a tax on American purchasers of foreign stocks or bonds when purchases are made from a foreigner. The rate of tax on foreign stocks would be 15 percent while the rate on foreign bonds would be graduated from 2.75 percent to 15 percent, depending on the maturity of the obligation. The tax is intended to, in effect, equalize interest rates in the United States and with those in Europe, particularly.

It seems strange, indeed, that the administration should direct its major action to reduce the gold outflow not against U.S. Government spending abroad where we have a large deficit, but against private investment where we have a substantial surplus. This is virtually a replay of the familiar domestic theme orchestrated by the administration, the lyrics of which claim that the public sector is being starved while there is too much spending in the private sector. Now, on the international scene, we are told that private investment must be curtailed while Government spending is to continue virtually unabated. Government is preferred over private enterprise.

Our expenditures abroad for both military and nonmilitary aid have been running at a rate of about $4 billion annually. Until the administration takes positive action to reduce this outflow, no permanent solution to the balance-of-payments problem will be achieved. Yet, the administration persists in opposing efforts made by Congress to cut foreign aid appropriations, for example. Thus, the bill fails to strike at the basis or source of our balance-of-payments deficit. An analysis of our exports and imports brings to light the fact that the deficit is unquestionably a result of: first, Government grants and loans; second, oversea military expenditures; and third, greater tourist expenditures abroad than foreigners bring into this country. It is also true that when the interest equalization bill was suggested, outflows of capital had increased significantly.

This bill does not have any effect on the first three of these causes. It affects only foreign security purchases. Although the outflow in any one isolated period may exceed the income from foreign investments; in the long run, the investments result in a significant return on the capital in the form of earnings on the investment and the ultimate repatriation of the investment which constitute balance-of-payments receipts. Income in 1962 totaled $3,850 million compared to a net outflow of $3,273 million.

Instead of taking the difficult, but more courageous, action of tightening our economic belts at home through the imposition of Government fiscal and monetary discipline, the administration clearly found it to be more expedient to embrace the interest equalization gimmick. After all, this is an election year and such discipline would interfere with the all-out effort to accelerate spending, coupled with reduction of taxes, to achieve maximum effect by election day. With these increases in spending combined with tax cuts, the administration is deliberately inviting another round of inflation which, far from helping, would worsen our balance-of-payments and gold-outflow problems. Election year politics make bad economics, both on the international and on the domestic scene.

To make matters worse, the bill constitutes a clear step by the administration toward economic isolationism. Administration spokesmen consciously downgrade the U.S. capital market in New York City and embrace a supporting premise that competing capital markets should be established or expanded abroad. In other words, the Johnson administration wishes to surrender our leadership position as the world banker. Such a policy runs directly counter to the 1962 Trade Act and can only harm the current trade negotiations which the United States is conducting on two fronts: one, through the United Nations, and two, through the General Agreement on Tariffs and Trade—GATT—meetings. Moreover, the tax is already causing needless tension with our allies.

As a result of this proposed tax, the position of the United States as the world's center for capital has been jeopardized. The loss of business that has occurred has lessened exports of goods and services which would have assisted in reducing the deficit.

In contrast to the broad claims made for it, the bill curiously exempts over 90 percent of the private transactions through which American dollars go abroad. Thus, less than 10 percent of our capital expenditures would be subject to the tax. It is estimated that of the U.S. private capital exports of $16.2 billion for the period of 1960, 1961, 1962, 1963, and the first quarter of 1964, only approximately $1.5 billion would have been affected by the tax had it been in effect during those years.

It is all too evident that the administration intends to control the over 90 percent of transactions exemped by the bill through veiled or open threats to remove the exemptions unless cooperation with the Treasury is forthcoming. This psychological intimidation will be carried out at the sole discretion of the President and the Treasury Department. In other words, we are to have more and more Government controls, direct or implied, over business. Thus, the bill is revealed as much less a tax than a far-reaching regulatory measure.

Among the chief reasons why H.R. 8000 is unwise legislation is that it represents an unprecedented break in the policy of the United States to maintain a free capital market in this country. It seems difficult to justify controls on the ability of individuals in this country to freely invest in foreign securities when it has been the official policy of the Government for years to provide and support insurance programs as well as other incentives to encourage private investment in foreign enterprises. The purported policy of the United States is to encourage both U.S. investments abroad and American exports. The bill represents a partial and unwarranted reversal of that policy.

No one will contend that we have not had a balance-of-payments problem. Few will claim that our problem is over, but almost all will agree that the situation is far different today than it was when the interest equalization tax was proposed in June of last year. Many economic forces are now acting in our favor. We find that price and wage levels in various European countries have been rising rapidly in the past 2 or 3 years, while in the United States we have maintained a far lower rate of inflation. Growth rates in the United States are rising while rates of growth in Europe are slowing. The U.S. direct investment in Europe has slackened somewhat and the recent investment tax credit and lower rates for income tax should make investment in the United States, when coupled with an increasing rate of growth, relatively more attractive than investment in Europe. European markets have expanded their internal lending activities in recent years. We are expanding or seeking to expand, our exports each year. Last year exports were $1.4 billion greater than in 1962. The increase a year earlier was $566 million. Exports during the first quarter of this year were about 20 percent higher than they were during the same period of 1963.

There are indications that in the relatively near future, our balance-of-payments problem may not be one of a deficit, but instead one of a surplus with a shortage of dollars appearing in foreign countries.

Regardless of the desirability of such harsh measures as the interest equalization tax a year ago, and I opposed it then also, it is not justified in the situation we find ourselves in today.

It is claimed that the interest equalization tax is a temporary one. A termination date of December 1965, is written into the bill. Those of us who have been in Washington for a few years know that there are many temporary taxes which were passed years ago and still linger on eternally. It is difficult to have these removed once they are imposed. We already have other means of spanning temporary payments deficit periods in the form of first, formal swap agreements; second, issuance of certificates in the currency of the creditor country; and third, access to the International Monetary Fund. These arrangements do not solve the problem, but do provide time during which the basic problem may be successfully attacked if we are willing to take appropriate steps.

Because all forms of private capital exports are not included, the measure has not been effective in stemming capital outflow. It is true that the pending tax has reduced flotation of new foreign issues in the American markets but the decrease in foreign borrowings from the public securities markets has been offset by an increase in bank loans.

Through this action, the proposed legislation has discriminated against some types of investments while stimulating others. If it is our intent to slow certain investments because we decide they are undersirable then that is another matter, but if our purpose is to offset the payments deficit, then this is certainly not an effective nor equitable way to proceed. Capital outflow through securities markets result in equal or greater returns than do bank loans. This peculiar approach seems to reflect the domestic bias of the Johnson administration and projects it onto the international scene. According to this view, a bank loan is somehow more virtuous than use of the securities market.

The effectiveness of the pending legislation in stemming investment in market securities is a result of its pending and retroactive nature. I think that it is agreed to by most serious observers that, if the bill is passed and the interest equalization tax becomes effective and the rate of tax is known, needs for capital in foreign countries will dictate a return to the American markets even at the higher rate because of the broad market and the still comparable cost of capital. Thus, if the bill is passed, I think we will discover a deluge of issues and a worsening of our payments deficit approximately equal to what it would have been in the absence of the legislation. If this is true, the high price of controlling by use of the tax-tariff may well be irreparable damage and give little, if any, offsetting benefit.

The provisions of this bill discriminate against small investors. Such major transactions as that made by Ford Motor Co. to acquire control over a foreign company several years ago would be free from the tax. Since the announcement of the present proposed tax, Minnesota Mining & Chemicals and General Electric have acquired foreign companies or controlling interest in them, and now Chrysler is preparing to acquire controlling interest in another. I am informed that over $1.2 billion have been permitted to leave this country in such transactions since the date that the retroactive tax would become effective. No tax is to be levied on these transactions; yet, if a small investor wanted to acquire an interest in a similar foreign company, there would be a 15-percent tax. Obviously, this is not equitable. I am not recommending that purchases by Ford and the others mentioned be subject to the tax. I do not think they should be, but neither should those of the small investor.

Regardless of what this measure is called, it is in actuality a tariff of 15 percent to limit the importation of foreign securities or a duty of 15 percent on the exports of private capital for the purchase of foreign securities. How can the Johnson administration reconcile such a tariff when its representatives are presently in Geneva attempting to lower trade restrictions in the form of tariffs and nontariff barriers as well?

This proposal has resulted in strained relations with some of our most important trading partners and allies. The senior Senator from Hawaii [Mr. FONG] has given us some interesting examples of the problems that were created as between citizens of his State and their friends in Japan. One might even suggest that some of them have looked more favorably on dealings with Red China and other Communist countries as a result of this proposal and others which they may feel could be forthcoming.

Damage to foreign countries should not be overlooked. It is difficult to quantify in exact terms, but the stock market break that occurred in Canada, Japan, and other countries is indicative of the serious repercussions. The bill was modified immediately by exempting Canada to offset the Canadian crisis which cost that country $225 million in 1 day. The Japanese market, which received one of the worst setbacks in its history has not been able to recover from it. One witness who is an expert on business in Japan testified that the threatened tax inhibited Japan's growth during the past year. Prosperity in other countries raises the standard of living as well as prices. Such increases result in more imports from the United States and more competitive prices, and thus are favorable factors in our efforts to eliminate the deficit. There is a very close correlation between private investment abroad and our exports.

This measure imposes rigidities on our capital markets and capital flow that will be of lasting and perhaps irreparable harm. Our foreign trade position can only be weakened by these rigidities. It would be much more desirable and satisfactory to have flexibility in dealing with exports of capital if it is determined that some direct control is needed.

The bill would make it prohibitive to make desirable portfolio changes thus leading to deterioration in the quality of American-owned foreign securities. The very minimum that should be provided is that securities presently owned by Americans could be exchanged or switched for other foreign securities without being subject to the tax. This would have no effect on the balance of payments as far as an outflow of capital is concerned and if the changes resulted in more desirable securities in American portfolios, a favorable result would accrue to the United States. But this proposal was rejected by the Treasury.

This bill represents an attempt to control interest rates and credit through the U.S. Treasury rather than through the Federal Reserve Board, which has been given the responsibility and authority of regulating interest and credit. The Treasury is far more subject to political pressure than is the more independent Federal Reserve.

This bill requires security firms, the very ones that are harmed by it, to shoulder the additional burden of auditing all sales made since July of 1963 as provided for in the retroactive bill. This must be done manually at great cost. The temporary nature of the measure does not seem to justify all of the complications and expenses that would result from its enactment, even if it were successful in stemming the outflow of capital.

Foreigners have expressed concern that if the United States is resigned to measures such as this, bringing our free market to an end, it marks only the beginning of further controls in the future. I am inclined to agree that if we once give up the freedom which we now have in our financial markets, it will never be returned, but that a gradual management from Government administrative agencies will continue to encroach upon the free market.

It has been argued that if we do not pass this measure, foreigners will feel that the United States is not serious about doing away with the balance-of-payments deficit. I cannot agree with such sentiment. We cannot impress them with temporary stopgap measures. If we are to preserve the confidence in the dollar which is so necessary to avoid call upon our gold, we must show our determination to correct the causes of the payment imbalance.

Even the Secretary of the Treasury was forced to admit that the long-term effect of this unwise legislation will be adverse to our balance-of-payments position. That is precisely why the tax imposed by the bill was described by administration spokesmen as "temporary." In my opinion, any possible short-term benefits will be outweighed by both the short-term and by the longrun harm that the bill will cause.

For all of these reasons, I shall vote against passage of the bill, as I voted against its adoption in the Finance Committee, and hope that it will be defeated by the Senate.

THIRTIETH ANNIVERSARY OF TELECOMMUNICATIONS REPORTS

Mr. MAGNUSON. Madam President, Telecommunications Reports, which is frequently referred to as the bible of the nonbroadcast communications field, is celebrating its 30th aniversary on August 9.

This weekly news publication, edited since the beginning by Roland C. Davies, was started a few months after the formation of the Federal Communications Commission in 1934.

It now is subscribed to by virtually every organization in the United States with an interest in common carrier communications, as well as companies or administrations in every major nation of the world.

On July 30, the FCC wrote to Mr. Davies, congratulating him on his 30 years of service as editor and publisher, and commending him for "reliable and complete coverage of the telecommunications field."

I ask unanimous consent to have the letter from FCC Chairman E. William Henry printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FEDERAL COMMUNICATIONS COMMISSION,
Washington, D.C., July 30, 1964.

Mr. ROLAND C. DAVIES,
Editor-Publisher, Telecommunications Reports, National Press Building, Washington, D.C.

DEAR MR. DAVIES: Telecommunications Reports reaches its 30th anniversary on August 9. This is an event which should not pass without a note of recognition from the Federal Communications Commission for the important contribution made by Telecommunications Reports in the dissemination of news and information relating to the communications common carrier field and other nonbroadcast communications.

In your weekly reporting of significant activities, developments, and issues relating to these fields, you have demonstrated consistent standards of accuracy and completeness. You have chronicled the actions taken by the Federal Communications Commission, State regulatory commissions, other Government agencies, the Congress, and the communications industry.

By such reliable and complete coverage of the telecommunications field, your publication has provided the Commission and its staff with a constant source of current information which has greatly facilitated the performance of our regulatory responsibilities.

As editor and publisher of Telecommunications Reports during its entire lifetime, you deserve to take pride in the contributions you have made to this important field, and the Commission joins with me in extending sincere congratulations. It is with regret that we have heard of your recent illness and we wish to extend our very best wishes for your speedy recovery.

Yours sincerely,
E. WILLIAM HENRY,
Chairman.

Mr. MAGNUSON. Mr. Davies has been ill recently, and we in this field, as well as the committees of Congress in the communications field, wish him a speedy recovery. We join in the congratulations to him by Chairman Henry of the Federal Communications Commission.

Mr. BENNETT. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSTON. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

GOVERNMENT EMPLOYEES SALARY REFORM ACT OF 1964—CONFERENCE REPORT

Mr. JOHNSTON. Madam President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 11049) to adjust the rates of basic compensation of certain officers and employees in the Federal Government, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of today.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. JOHNSTON. Madam President, I announce that the conference report was signed by all the conferees. I commend the conferees on the part of the Senate. This was the most friendly conference that I have ever attended. We had no trouble reaching a conclusion in connection with the conference report.

I can safely say that the House yielded to the Senate in about 75 percent of the cases. That is true all the way through the conference report.

Madam President, I am very pleased to report that the conferees readily reached agreement on a compromise bill not substantially different from the Senate version. On many points at issue, the Senate positions were accepted by the conferees as representing either more recent recommendations from the Bureau of the Budget or a general consolidation of thinking arising out of the debate on the floor of the Senate when the bill was passed. On other points, reasonable compromises between Senate and House versions were reached without major disagreement.

The salary amounts set for executive positions by the Senate bill were sustained in conference, as was the establishment of five levels of executive compensation with positions listed for each level.

The compensation schedule for employees under the Classification Act as it appeared in the Senate version, with increases up to 3 percent for the four middle-management grades, was agreed upon.

A compromise figure in the salaries prescribed for Supreme Court Justices was reached.

The Senate schedule of compensation for postmasters of fourth-class post offices was adopted and the conferees approved the Senate provision which extends to all levels of the postal field service schedule annual step increases up to step 7.

With regard to the maximum salary figure for employees of the Congress, the sense of the Senate as expressed in the debate on this measure was to the effect that each body should establish its own top figure. The conferees agreed to this, so that in the compromise bill separate figures establish these congressional maximums.

Salary scales for certain officers of the legislative branch differed slightly in the original Senate and House versions. A compromise approximately splitting the difference was agreed to in the conference substitute bill.

The Senate decision to strike the Udall amendment, which provided that congressional pay increases would automatically go into effect in percentage amounts related to pay increases for the executive branch, was sustained.

The conferees accepted the amendment of the Senate which struck out the Udall amendment.

The Senate amendment making available additional funds to provide pay increases for the staffs of former Presidents was also approved in the conference bill.

The position level and corresponding salary for some 14 executive positions differed somewhat in the House and Senate versions. The relative importance of each of these positions was carefully considered in conference and reasonable compromises were agreed to.

Since the enactment of the bill in the Senate, the Post Office and Civil Service Committee has received a number of recommendations for alterations and additions in the placement of certain executive positions in the executive salary schedule. It was my view that these changes, some of them proposed by Members of the Senate, should be considered in conference and agreed upon. Since assuring some of my colleagues that such would be the case, I had been told that if these changes were considered and agreed to in conference, they would be subject in the House of Representatives to a point of order, thus providing a means by which final approval of this important measure would have been delayed.

Aware of this fact at the final conference meeting, the conferees agreed not to subject the compromise bill to such a delay. In order to permit any needed changes in the executive salary schedule, the conferees agreed to insert language authorizing the President to place an additional 30 persons, for a total of 60, in levels IV and V of the executive salary schedules.

In my view and I believe in the view of all six conferees, the conference bill is a good bill which goes a long way toward meeting the urgent salary needs of the Federal Government.

Madam President, I move that the Senate agree to the conference report.

Madam President, the distinguished senior Senator from Kansas [Mr. CARLSON] called me and said that he expected to be in the Chamber in a few minutes, but that if he were not present, not to hold up action on the conference report, and that he would submit a statement fully approving the report.

Mr. YARBOROUGH. Madam President, will the Senator yield?

Mr. JOHNSTON. I yield to the Senator from Texas.

Mr. YARBOROUGH. I compliment the distinguished senior Senator from South Carolina for his able chairmanship of the Committee on Post Office and Civil Service and for the able manner in which he steered the bill through the committee and the Senate. Likewise, I compliment him for his service as chairman of the Senate conferees in the joint conference between the Senate and the House. I also congratulate the conferees of both the Senate and the House upon the agreement they have reached. In its present form, the bill resolves the issues between the Senate and the House in the most appropriate way that could be done.

Within a matter of hours the Federal employees pay bill of 1964 will be enacted. I regret that it has taken so long to reach the end of the road with respect to this important measure. Our dedicated postal workers and Federal employees had every right to expect its enactment long ago. Nonetheless, they have been most patient and understanding of the problems that had to be overcome before the measure could be finally enacted into law. I appreciate their patience and understanding.

First, I congratulate the conferees on the part of both the Senate and House on the agreement reached. The measure in its present form resolves the issues involved in a most appropriate manner. The bill, when finally enacted, will remove many existing inequities and provide a more nearly adequate basis of computation for the men and women who faithfully perform their assigned duties.

There is one note of particular interest in the measure. There are some who would downgrade the power of the press. I am not one of those who do this. Many months ago one of Washington's most outstanding reporters dealing primarily with Federal employee matters pointed out how $10 million could be saved annually without imposing an inequity on any employee. The writer to whom I refer is John Cramer, a likeable and very effective reporter for the Washington Daily News.

In a column addressed to the President of the United States, Mr. Cramer suggested that in writing the pay bill, Congress should amend the current law so as to provide for the computation of rates of pay in full cents by rounding off the fractions to the nearest penny. This seemingly simple idea had not been previously proposed. According to the computations by the General Accounting Office and the Bureau of the Budget, the adoption of this proposal will result in a saving to the taxpayers of $10 million annually. I am happy to say that this proposal is embodied in the pay measure. I congratulate Mr. Cramer for bringing this proposal to the attention of Congress, and I commend Congress for adopting it.

Mr. JOHNSTON. Madam President, I thank the distinguished Senator from Texas for his remarks concerning me. I thank every member of the Senate Committee on Post Office and Civil Service for their hard work during the hearings and for the help they have given throughout the proceedings on this bill. I have never seen a group of Democrats and Republicans work together better than we have worked on this bill.

I yield the floor.

Mr. ALLOTT. Madam President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Colorado will state it.

Mr. ALLOTT. Is it in order at this time to move to reject the conference report; and would such a motion take precedence over the motion that is before the Senate?

The PRESIDING OFFICER. The question is on agreeing to the conference report. A majority vote is required to adopt the conference report.

Mr. ALLOTT. Do I correctly understand that a motion to reject the conference report is in order?

The PRESIDING OFFICER. A vote against the motion to agree to the conference report would serve the same purpose.

Mr. ALLOTT. Madam President, I wish to address myself to this subject for a few minutes. I hope Senators will bear with me. I do not intend to speak at great length, but I believe a few things ought to be said about the conference report.

I am sure the conference was friendly, because one of the most significant things that the Senate did with respect to the pay bill was not attended to assiduously by the conferees. That was the item concerning salaries of the members of the Supreme Court.

When the bill came from the Senate Committee on Post Office and Civil Service, it provided for a salary of $43,000 for Justices of the Supreme Court and a salary of $43,500 for the Chief Justice of the United States. By an amendment that was offered by the senior Senator from Colorado and agreed to by a vote of 46 to 40, those amounts were reduced to $38,000 and $38,500, respectively. From the temper of the Senate that night and the remarks that took place at the time, I feel certain that an amendment not to increase the salaries of the Chief Justice and Associate Justices at all would have carried, and carried to the same extent.

Since the time I offered that amendment, I have read a number of editorials and articles attributing all sorts of motives and reasons for that action. I suppose that is what a person in public life should expect.

We are all free to agree or disagree with the decisions of the Supreme Court. That has nothing to do with the situation. Fifty percent of the litigants in every lawsuit are disappointed and will continue to be disappointed. I was careful at that time, and I am careful now, not to base anything I say on any of the decisions, wise or poor, divided or unanimous, that the Supreme Court has rendered in the past few years.

I said that night, and I say now, that there is no justification for a $10,000 differential between the salaries of the members of the Supreme Court and Members of Congress.

Members of the Supreme Court do not have to maintain two homes, sometimes three. They do not have to travel back to their constituencies 10, 12, or even 20 times a year. They do not have constituents to entertain in Washington. They are not burdened with a hundred other expenses that Members of the Senate and House must bear constantly.

Members of the Supreme Court do not stand for election every 2 years, as in the case of Members of the House, or every 6 years, as in the case of Members of the Senate. When one decides to stand for election to the Senate, he must burn all his bridges behind him, including his career. The voters of his State may, in their own wise discretion, terminate the relationship and chop it off in 1 short day. Then the defeated candidate must start his career all over again.

Furthermore, when a Supreme Court Justice goes on the bench, he may remain on the bench during good behavior. He may retire at full salary and receive his full salary for the remainder of his life.

Members of Congress contribute 7.5 percent of their salary toward their retirement, which is more than many members of other branches of the Government do. Our retirement is built up gradually over a long period of years, to make it significant.

A member of the Supreme Court can get this same benefit for his widow for 3½ percent if he wishes to do so, but in order to get his own retirement, he does not have to put up 1 cent and he retires at full salary.

There are other factors involved.

One Senator, and he is in the Chamber at the present moment, recently wrote a book in which he called this body the sapless branch.

Madam President, I do not regard myself as a sapless person, and I do not intend to associate myself with any actions which would indicate that I was.

The individual members of the Supreme Court do not bear any responsibility such as that which is borne by a Senator. There is no greater integrity required in the Supreme Court than is required in the Senate—even though some Senators seem to love the picture of flagellating themselves before the public week after week and month after month. I shall not do so. I will not hold with anyone who does.

There is another aspect of this issue, and that is the amount of work that is actually done.

The Supreme Court has not been out of session for 2 or 3 weeks I believe it is—perhaps it is 4 weeks. They return in October. If the Senate is able to conclude its work this summer, some time in August, each Member of the Senate knows what he will do. He will go home and he will work even harder during those 3 or 4 months—if that is possible—than he has worked so far this year. If a Senator is fortunate enough, he may be able to squeeze a couple of weeks' vacation out of it. That is about all he will get.

So, based on the amount of work required, based upon the degree of integrity required, and based upon the ability required, there is no basis for any differentiation in salary between the Supreme Court and Members of Congress. Let us make that plain.

I do not believe that it requires a greater degree of ability to sit on the bench, a greater degree of integrity, on a greater amount of work, than it takes to be a Member of the Senate—if a Member of the Senate is doing his work.

I am very much disappointed that the chairman of the committee did not sit down hard and say, "We will not recede on this point," because we had a vote in the Senate. I believe that the chairman realized, as everyone else does, that if those figures had been set lower, out of an attitude of spite, they would have stuck in the Senate that evening.

Madam President, I am sure no point will be particularly served in my trying to do anything against the conference report other than what I have done; but I invite the attention of the Senate once more to the factors which precipitated the offering of my original amendment.

I believe that the importance and wisdom of these factors are present in the Chamber today, just as much as they were the night the Senate voted on my amendment.

I hope that the Senate is through with its self-flagellation. I hope, for once, that it will again stand up—as it did by its vote that night—and say to the whole world, "We believe the Senate to be a coequal body, not only with the executive branch, but also with the Supreme Court, which sits across the street from us."

It is no valid argument to say, "They have always received more money than we have."

It is never too late to correct inequities or injustices.

It would be my hope that when Senators come up to this issue again, they will somehow be able—either in this way or in another way—to show the other coequal branches of the Government that the Senate is in fact an equal branch of the Government, that we regard ourselves as equal, that we believe in our own integrity, that we believe in our own abilities, and that we yield nothing in these respects to the other branches of the Government.

So, Madam President, on this particular matter, I shall vote against the conference report, regardless of what other Senators may do, because it is the only way I can express my feelings about the concession which has been made on this pay raise bill.

Mr. MONRONEY. Madam President, I deeply regret that the efforts made by the committee to bring this bill to the floor of the Senate today are not satisfactory to my very dear friend, the Senator from Colorado, whom I regard with great affection.

In my opinion, the committee did the best it could in a matter on which it knew there was strong feeling on the part of the Senate.

The chairman of the Senate committee voted enthusiastically, I might say, for the amendment of the distinguished Senator from Colorado [Mr. ALLOTT]. We endeavored to maintain the Senator's position. The Senator is well aware, however, that these things are always a matter of give and take. It is necessary to compromise.

If the Senator would look at the figures, they are not quite as he quoted them.

The bill came to the Senate reported by the Senate committee at $43,000, not $43,500 as the Senator from Colorado has stated.

Mr. ALLOTT. Madam President, will the Senator from Oklahoma yield for a question?

Mr. MONRONEY. I yield.

Mr. ALLOTT. Is not the figure $43,500 for the Chief Justice?

Mr. MONRONEY. Forty-three thousand dollars.

Mr. ALLOTT. For the Chief Justice.

Mr. MONRONEY. Forty-two thousand five hundred dollars for the Associate Justices of the Supreme Court according to the figures we have from the committee. This was compromised by a reduction, let me say to the Senator from Colorado, of $3,000 below the House figure. It came up to a figure of $40,000. The existing salary is $35,500. This was a reduction of $3,000 from the House figure and reduced the increase to a far smaller amount than that given to almost any part of the legislative or executive branches of Government.

Four thousand five hundred dollars for the justices of the Supreme Court, and a similar figure of $4,500 for the Chief Justice.

If the figure had been cut much lower, we would run into a compression within the salary scale where we would be paying judges of the circuit courts, judges of the Court of Claims, judges of the court of appeals, and judges of the Court of Military Appeals, $33,000. This would have approached too narrow a range for judges sitting on the highest court in the land.

Certainly, I am sure the Senator from Colorado knows that the Supreme Court's degree of popularity is never the same; that it always goes up and down.

We are not legislating in this pay raise bill because we approve of the decisions of the Supreme Court currently under discussion. Let me say that I do not agree with many things the Supreme Court does, and I am sure the Senator from Colorado feels the same way.

But we are dealing with the highest court in the land. We are dealing with the highest court in the greatest nation in the world, on the judgment of nine men upon whom depends the final interpretation of our Constitution.

I disagreed with President Roosevelt in his Court-packing plan. I would disagree with a plan which arbitrarily reduced the salaries of the Supreme Court—and I know of course that this is not the intention of the Senator from Colorado—because their decisions were not necessarily satisfactory to me, or to him. I would not do that. Neither would the Senator from Colorado.

Certainly, many people across the Nation have the feeling that this is the reason their salaries were cut, because the raise in salary to Supreme Court Justices was so much less than that given to all other members of the executive branch, and to all other Members of Congress.

Even now, let me say that while Senators and Members of the House of Representatives are going to enjoy a $7,500 increase, the members of the Court will be enjoying only a $4,500 increase. So that the ratio between the two salaries, which has been historically different, is narrowing.

Certainly I feel that we did the best we could. The matter is always open to compromise. It has been for a long period of time. I feel that the pay bill should pass. I feel that it represents the very best possible effort to reach a solution in which the House could concur and which the Members of the Senate, after not being able to prevail with the rate fixed by the Senate, felt would be acceptable to the Senate and to the House of Representatives.

Mr. LAUSCHE. Madam President, at the very beginning I subscribe to the words spoken by the Senator from Colorado [Mr. ALLOTT].

In my public service, I have been a judge, a mayor, a Governor, and Senator. The simplest job that I had was that of a judge. I did not have to worry about bringing witnesses to court. I did not have to worry about searching the law. I knew that the lawyers would bring the evidence. I knew that they would bring the witnesses. I knew that they would supply me with briefs on the questions of law that were involved in the case before me. All that I had to possess was the pretense of intelligence.

In my assignments as mayor, Governor, and Senator, I have been burdened with labor and worry far in excess of anything that I ever experienced as a judge. In the capacity which I now occupy, I have to make decisions that deal with the economy of every family in the Nation. I have to make decisions that deal with the security of the country.

I am now subject to libel and slander. When I was a judge, all that I said came from the cathedral on high. No one challenged me. As a judge in my State, I had to contribute a part of my salary to a retirement fund. As a Senator, I have to contribute 7.5 percent of my salary to a retirement fund. The Federal judges do not have to contribute a single cent to the retirement fund. They can go on the inactive list, I believe, at the end of 10 years of service at the age of 60, and 15 years of service at the age of 55. They contribute not a single penny to the fund. For the rest of their lives, if they go on the inactive service list under the present law, the district court judges receive $22,500 a year. The circuit court judges, I believe, receive $30,000 a year. I do not know what the Supreme Court judges receive, but it is in excess of what is received by a district or circuit court judge.

The Senator from Colorado [Mr. ALLOTT] has stated that the position of the Senate with respect to heaviness of responsibility is equal to that of the courts. I say that it exceeds it by far. Those judges do not have to run. They do not have to spend money to keep their positions in an election. They have a lifetime position.

Based upon my experience as a judge, with full recognition of the dignity of the position, I say that we have debased the significance of the position of a legislator and the significance of the position of an executive officer in favor of men who in the main have nothing but a facade. There are other Members of this body who became judges. I make the confession that I never realized how my intelligence grew from the day that I was a lawyer to the next day when I was a judge. The moment I was called judge, I became a man who was infallible. But I was the same FRANK LAUSCHE, beset with the same weaknesses. So much for the judges and no more.

I believe that one of the travesties and one of of the reasons for Congress today wanting to pass a special interest equalization law to fortify the weaknesses of our gold reserves and our balance of payments is the inordinate expenditure of public moneys.

I am now asked to vote for the bill. I opposed it when it came before the Senate several weeks ago. I did not feel that the Senators should be entitled to an increase of $10,000 from 1955, or an increase in salary of from $12,500 to $22,500 a year. Now another increase is proposed, an increase of $7,500, a raise in salary from $22,500 to $30,000 a year.

When I voted against this increase of pay for myself, I made the statement, "How will I ever be able to deny any inordinate petitions for grants of taxpayers' money?" When I made that statement, I believed it. I wanted to keep myself in the position where I could say to petitioners, "I will not give to you that which I would not give to myself." I hold in my hand a letter which came from Zanesville, Ohio. I shall not identify the writer of the letter, because I do not have his consent to do so. He has written urging that I support a measure which would give to every World War I veteran a pension of $100 a month. If I should follow his advice, as a World War I veteran I would be given $100 a month. I am not entitled to it. I do not need it. But the bill which is pending before the Congress provides that every veteran of that war shall receive $100 a month. The citizen in Zanesville, Ohio, to whom I referred, has written:

> We ask you, Mr. Senator, do you really think this is fair and just for the forgotten soldier of 1917?

I was one of them.

Yes, the man enlisted in 1917 and received the $1 per day to fight and, if necessary, to die for the cause that he thought right. I cannot help chuckling, because I remember with what avidity I went to the cashier's window to get my 30 brandnew dollars.

The writer said:

> I ask you, Mr. Senator, can you face the forgotten soldier, who is asking for a pension of $100 per month for the twilight years of his life, which are not too many, as many are 68 to 75 years old, while you are asking for an increase of $7,500 a year to make $30,000 a year for you to stay in Washington, D.C.?

That citizen from Zanesville did not know that I had voted against the measure. But his argument is sound. The justice of his claim cannot be denied when he writes, in effect, "If you give yourself a 140-percent increase between 1955 and 1964, how can you deny me as a veteran a pension of $100 a month?"

I can answer the letter. I shall do so gently. The writer obviously does not know that I voted against the bill. He obviously does not know that I said I would not take this increase in salary because I did not believe I was entitled to it. That was my position on the night that the bill was passed, and that is my position today.

I wish to deal with another phase of the question. The administration is asking us today to pass an interest equalization tax bill so that the American dollar will not flow out of the United States into foreign countries. In effect, the bill states, "We are in distress. Our gold reserves are practically gone. If our short-term foreign creditors make demand for payment of our debts in gold, we cannot meet the obligation."

I can understand why that plea is being made. What is sought to be done is probably better than nothing. I would not be telling the truth unless I said that the remedy which is before us is the weak and the easy way out. No political danger of any kind whatsoever is involved. There are means of putting ourselves into a position in which the gold reserve problem would be remedied. It might require a bit of courage. We might be required to ask the public to indulge in a bit of economic austerity. But those requests of self-denial would be far less in weight and sacrifice than what might come within the next half decade unless we do something about it.

What can we do about it? We could balance the budget, but hardly anyone fights to balance the budget.

We are building into our governmental expenditures operations that will be with us until the sun dies. We are doing everything we can to give opiates to the economy. We are "beefing it up" through the following program:

First. We are reducing taxes because it will stimulate the national product.

Second. We have granted credits for capital investments because that will induce capital to invest.

Third. We have liberalized the depreciation laws, which will stimulate the economy.

Fourth. We have started to develop a public works program of the character of 1933, in the form of supplemental public works.

Fifth. We have been asked to adopt a program for the relief of people in the hills of Appalachia. That request has already brought about a request from Arkansas that we provide a similarly basic principle of aid for Arkansas and one for Minnesota. We have been asked to adopt a program to fight "poverty." That is a most appealing term, and one that is hard to argue against.

We have been asked to maintain low interest rates, subsidize local governmental mass transportation systems, expand area redevelopment and the community facilities program.

The measure before the Senate deals with the budget. It deals with placing ourselves in a competitive position with the manufacturers and the vendors of the world who are competing with us.

The President recommended that salary increases be limited to the increased productivity of labor. He asked labor leaders not to demand increased wages that would be in excess of the productivity of the workers. That formula provided that the wage increase ought not to be in excess of increased productivity, and in no event, in excess of 3.2 percent of the worker's salary.

Those were beautiful words. The Nation applauded them. But what has been the execution of those words? We have granted salaries far in excess of what the President's recommendation was. Labor leaders everywhere are demanding wages in excess of what productivity justifies. While all this is happening, our position in world markets and the world economy is growing worse. It will continue to grow worse because we are weakening our position to sell competitively goods in the world markets.

I cannot approve of this measure because it is wrong.

When the bill was originally passed, I, on this Senate floor, publicly announced that I would not accept the increase. I wrote a letter to the Commissioner of Internal Revenue asking him whether I will have to pay a tax on the $30,000 salary even though I will want only $22,500. I am awaiting his reply.

In conclusion, President Kennedy, the man who gave his life for our country said, "Do not ask what your country can do for you, but, rather, ask what you can do for your country."

The Congress of the United States, which is made up of 435 Members, says to the country, "Give each Member as much as he can get. Let him have what the traffic will bear."

How can a Member of Congress say to the soldier from Zanesville, "I will not vote for an increase for you, even though I believe you are entitled to it," when he is, extravagantly, sumptuously, and inconsiderately draining the Treasury and asking for himself everything that the country can give and thinking nothing of what he can give to his country?

Mr. MILLER. Madam President, will the Senator yield?

Mr. LAUSCHE. I yield.

Mr. MILLER. The distinguished Senator is speaking his conscience, reflecting perhaps an attitude with respect to the Senate as a whole. In my nearly 4 years as a Member of the Senate it has been my personal observation that the extravagant and deficit spending to which this body has contributed has not been due to the votes of the Senator from Ohio. If anyone were entitled to a salary increase because of his vigilance in trying to keep trust with the people and the people's hard-earned money, I am sure the Senator from Ohio would be included in that group of Senators, which, unfortunately, is in the minority.

Mr. LAUSCHE. I appreciate very much what the Senator from Iowa has said.

In my experience as mayor and Governor, I learned that those who are in the administration of government will guide themselves by the conduct of the mayor or the conduct of the Governor. If the Governor is crooked, if the mayor is crooked, all under them will become crooked. That crookedness cannot be stopped from percolating down into the lowest ranks.

With respect to the U.S. Congress, if it is extravagant, if it has no regard for balanced budgets and policies of fiscal and monetary soundness, the philosophy trickles down through the entire citizenship, leading to destruction.

Mr. MILLER. The same thing may be said also with respect to the Chief Executive of the country.

Mr. CARLSON. Madam President, there are many problems in trying to write a pay bill that affects the three branches of the Federal Government and all those associated with it. As a member of the committee of conference that signed the conference report, I feel that we have brought to the Senate a very excellent report, considering the great magnitude of these problems.

I give one warning, and that is that when we pass the bill the cost of running the Post Office Department will be increased by several hundred million dollars. A deficit will probably begin to assume larger proportions. I think it will be incumbent on this Congress, as we begin to approach 1970, with 90 billion pieces of mail, and 1980, with probably 125 billion pieces of mail, to begin a study of modernization of the great postal system of ours, or it will be incumbent upon Congress to handle problems that will cause real difficulties.

The present bill adds approximately $229 million to the postal deficit. The Postmaster General presently estimates the deficit to be $77 million. Thus the total deficit will exceed $300 million. When the deficit rises to this degree, considerations obviously turn to rate increases to make up the difference.

When the pay-rate bill was passed in 1962, the Committee on Post Office and Civil Service of the Senate made this statement in the report which accompanied the bill, H.R. 7927:

> The committee unanimously agrees that, before another adjustment in postal rates takes place, the Congress should develop, through its appropriate committees, more exact data on mail classification, postal costs, and processes having to do with greater use of machines and mail handling.

The need for a refined cost ascertainment system is well recognized. Even the Post Office Department admits that its present cost ascertainment system has many deficiencies. Such a study of cost ascertainment should take place at the earliest possible time in the 89th Congress.

On the subject of mechanization and modernization, a comparable study should take place. In response to a question regarding the major mechanization program, information was recently furnished by the Post Office Department to the Senate Subcommittee on Treasury-Post Office Appropriations which indicated that over an 8-year period, from 1957 to 1964, $125,098,000 had been appropriated for major mechanization but only $87,669,000 had been spent for that program. The difference of $37½ million was spent by the Post Office Department for purposes other than that for which it was appropriated by the Congress. Thus, apparently, this is a program which does not lack funds so much as it lacks direction and planning.

The type of study envisioned in the report of the Committee on Post Office and Civil Service in 1962 is essential to provide that degree of direction and planning necessary to place the Post Office Department in a position to efficiently handle a mail volume grown to staggering proportions.

I ask unanimous consent to have included in the RECORD as a part of my remarks an excerpt from the cost ascertainment report, 1963, an excerpt from a survey of postal rates, 1964, and certain information from the Treasury and Post Office appropriation bill for 1965.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

EXCERPT FROM COST ASCERTAINMENT REPORT 1963

The system, a statistical-accounting process, does not take into account factors, other than cost, which are generally to be considered in adjustment of postal rates and fees under the policies established by law in title 39, United States Code, section 2301–06, as amended. For example, the system does not attempt to evaluate such service differences as (1) the value of priority or deferment given to any one class of mail or service, (2) relative values of the various services to the public, and (3) the relative intrinsic values of the items handled. Such factors are not properly within the scope of a cost accounting system.

EXCERPT FROM SURVEY OF POSTAL RATES 1964

The Department's time-tested cost ascertainment system apportions to each class of mail a fair share of operating costs based on sample observations of actual use of manpower, transportation space, facilities, and equipment. In addition, each mail service is assigned a pro rata share of overhead costs, roughly in proportion to the more direct costs that the services engender. Thus, these cost allocations reflect measurements based on physical characteristics such as weight, size, length of haul, or number of sortings. But the system does not purport to measure the intangibles which make first class, for example, a far more valuable service than third class.

Major mechanization

[In thousands]

Fiscal year	Program [1]	Obligations
1964	$12,658	[2] $11,134
1963	[3] 4,500	224
1962	[4] 10,000	5,354
1961	38,147	10,567
1960	25,536	32,583
1959	20,415	18,796
1958	12,589	7,603
1957	1,253	1,408
Total	125,098	87,669

[1] Program is the amount allocated to the activity at the time the appropriation act is passed. It may be a different amount from that originally requested in the estimate to the Congress, because the appropriation is less than the amount requested or because of changed demands of the various programs. It is the amount shown in the middle column of tables in the following year's budget submission.

[2] Estimated.

[3] The original request to Congress was $27,000, which was reprogramed as follows:

		Thousands
Original request		$27,000
Less:		
Reduction in total appropriation by Congress from total request	$2,000	
Transfers to other appropriations to cover pay increases	17,373	
Other appropriation transfers	3,127	22,500
Revised program		4,500

[4] The original request to Congress was $34,753, which was reprogramed as follows:

		Thousands
Original request		$34,753
Less:		
Reduction in total appropriation by Congress from total request	$12,000	
Transfers to other appropriations	5,000	
Reprogramed to—		
Federal buildings improvement	7,121	
Vehicles and other equipment	632	24,753
Revised program		10,000

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. LAUSCHE. Madam President, I will not ask for a yea-and-nay vote. I have made my position clear on this matter. The Senate spoke on it several weeks ago. I know my words will not change what has been done.

Mr. THURMOND. Madam President, I want the RECORD to show that I am against the adoption of the conference report on the pay-increase bill.

Mr. COOPER. Mr. President, I shall vote "No" on the question of agreeing to the conference report on the pay-raise bill. I voted "Nay" on the rollcall vote on the bill when it was passed by the Senate; and my reasoning remains the same: It is that I cannot justify voting for this bill—which eventually will cost nearly $1 billion a year—at a time when over 4 million people have no jobs at all, and their families have no regular income, and when our budget has been unbalanced for 4 straight years, and will show a large deficit this year and next. I support the position so ably stated by the senior Senator from Ohio [Mr. LAUSCHE].

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

Mr. JOHNSON. Madam President, I move to reconsider the vote by which the conference report was agreed to.

Mr. McNAMARA. Madam President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

PROJECTS APPROVED BY COMMITTEE ON PUBLIC WORKS

Mr. McNAMARA. Madam President, in order that the Members of the Senate and the House, particularly the Appropriations Committees, and other interested parties, may be advised of projects approved by the Committee on Public Works, under the provisions of the Public Buildings Act of 1959, and the Watershed Protection and Flood Prevention Act, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD, information on this subject.

The first is a revised prospectus for the proposed construction of 87 small public building projects; 74 prospectuses for new buildings and acquisition of land, and 8 for extension and/or conversion of existing buildings; and 41 prospectuses for the repair, improvement, and alterations in existing buildings, approved April 4, 1963.

Approval of these buildings is based on prospectuses submitted to the committee by the Administrator of General Services, in compliance with the provisions of Public Law 249, 86th Congress. The committee also held a public hearing at which representatives of GSA appeared, and discussed the public building program, its operation, and the need for the recommended new buildings and alterations to existing buildings.

In addition, the committee approved 1 project for proposed new construction on May 13, 1963; 2 projects on June 13, 1963; and 2 alteration projects on August 20, 1963.

The second is a list of 35 prospectuses for new buildings; 1 previously approved on April 3, 1963, revised prospectus for change in location; and 28 alteration projects, approved April 30, 1963.

The third list is 3 revised prospectuses for proposed construction; 1 alteration project; and 25 prospectuses for construction of small public buildings for use primarily by the Social Security Administration, Department of Health, Education, and Welfare, throughout the United States, approved July 1, 1964.

The small watershed protection projects were approved under the provisions of Public Law 566, 83d Congress, as amended.

There being no objection, the tabulations were ordered to be printed in the RECORD, as follows:

(The proposed projects are as follows:)

GENERAL SERVICES ADMINISTRATION

PROPOSED NEW CONSTRUCTION

State and place	Project	Estimated limit of cost
Alabama:		
Cullman	Post office and Federal office building	$590,200
Tuscaloosa	Courthouse and Federal office building	2,161,000
Alaska: Tok Junction	Border station	1,641,000
Arkansas: Hope	Post office and Federal office building	470,800
California:		
Blythe	do	483,300
Harbor City	do	307,900
Jackson	do	437,000
San Bruno	Records center	1,775,000
Van Nuys	Federal office building	788,400
Colorado:		
Glenwood Springs	Post office and Federal office building	515,400
Leadville	do	267,600
Connecticut:		
Bridgeport	Courthouse and Federal office building	4,277,000
Orange	Post office and Federal office building	270,800
Windsor Locks	do	345,000
Florida:		
Cross City	do	221,400
Ocoee	do	199,300
Umatilla	do	186,900
Georgia:		
Acworth	do	202,600
Americus	Post office and courthouse	1,438,000
Chatsworth	Post office and Federal office building	307,700
Toccoa	do	439,600
Indiana:		
Evansville	Courthouse and Federal office building	3,008,000
Do	Post office and Federal office building	2,233,000
Kansas:		
Scott City	do	433,500
Wellington	do	406,900
Kentucky:		
Covington	Internal Revenue Service center	4,610,000
Olive Hill	Post office and Federal office building	228,100
Paris	do	357,700
Louisiana:		
Crowley	do	471,100
Opelousas	Post office and courthouse	1,292,000
Thibodaux	Post office and Federal office building	422,700
Maryland:		
Baltimore (vicinity)	Patent Office	48,238,000
Centreville	Post office and Federal office building	366,700
Prince Frederick	do	289,100
Suitland	Central heating plant	3,814,000
Massachusetts:		
Boston	Records center	1,073,000
Boston-Lawrence	Internal Revenue Service center	4,980,000
Marlboro	Post office and Federal office building	356,500
Milford	do	414,800
Springfield	do	4,105,000
Michigan:		
Detroit	Federal office building	33,021,000
Grand Haven	Post office and Federal office building	515,800
Missouri:		
Crystal City	do	211,200
Montgomery City	do	377,800
New Hampshire: Berlin	do	446,200
New Jersey:		
Avenel	do	205,000
Burlington	do	409,900
New Mexico: Raton	do	489,800
North Carolina:		
Cary	Post office and Federal office building	184,100
Jacksonville	do	409,700
Raleigh	Post office, courthouse, and Federal office building.	7,831,000
Waynesville	Post office and Federal office building	587,800
North Dakota:		
Fargo	do	5,183,000
Pembina	Border station	500,000
Ohio:		
Canton	Post office and Federal office building	2,951,000
Mantua	do	266,900
Oklahoma:		
Elk City	do	368,000
Hugo	do	429,800
Oregon:		
Baker	do	1,500,000
Enterprise	do	270,300
Portland	Federal office building	15,513,000
Prineville	Post office and Federal office building	392,900
Pennsylvania:		
Dallas	do	238,100
Irwin	do	364,700
Tennessee: Oak Ridge	Federal office building	4,026,000
Texas:		
San Antonio	Post office and Federal office building	7,700,000
Sulphur Springs	do	441,600
Vermont: St. Johnsbury	do	482,000
Virginia: Chester	do	194,900
Washington:		
Colville	Federal office building	481,300
Vancouver	do	717,600
Wisconsin: Horicon	Post office and Federal office building	219,700
Washington, D.C.:		
Purchase of land	Squares 168 and 169	$7,500,000
Department of Labor Building.	Federal office building	47,617,000
U.S. Tax Court	Courthouse	9,848,000

PROPOSED EXTENSION, CONVERSION

California: Calexico	Border station	$1,862,000
Massachusetts:		
Cambridge	Post office and Federal office building	887,000
Springfield	Courthouse and Federal office building	1,334,000
Michigan: Detroit	Roosevelt Park annex	3,821,000
North Dakota: Fargo	Post office and courthouse	747,000
Ohio: Canton	Post office and Federal office building	1,195,000
Vermont: St. Albans	Post office, customhouse, and Federal office building.	955,000
Washington, D.C.: National Science Foundation Bldg.	Federal office building	4,531,000

PROPOSED ALTERATION

Alaska: Anchorage	Post office and courthouse	$528,000
California: San Francisco	49 4th Street building	1,812,000
Colorado: Pueblo	Post office and courthouse	304,000
Florida: Fort Myers	Post office	244,000
Georgia:		
Atlanta	Federal annex	209,000
Gainesville	Post office and courthouse	393,000
Illinois: Chicago	Customhouse	844,000
Maryland:		
Baltimore	do	508,000
Suitland	Federal Office Bldg. No. 3	6,962,000
Do	Federal Office Bldg. No. 4	985,000
Massachusetts: Boston	Appraisers stores	1,441,000
Minnesota: St. Paul	Post office and customhouse	1,450,000
Missouri:		
St. Joseph	Post office and courthouse	356,000
St. Louis	Federal building, 208 North Broadway	525,000
Do	Post office	279,000
New Jersey:		
Newark	Federal office building, 20 Washington Pl.	1,853,000
Do	Post office and courthouse	1,343,000
New York:		
Albany	Post office, courthouse, and customhouse.	762,000
Brooklyn	Federal office building, 210 Livingston St.	1,851,000
Do	Post office and courthouse	1,327,000
New York	Appraisers stores, 201 Varick St	3,498,000
Do	Federal office building, 252 7th Ave	2,914,000
Do	Post office, Grand Central Annex	399,000
Do	Post office, Morgan Annex	1,145,000
North Carolina: Asheville	Federal building	905,000
Oregon:		
Klamath Falls	Post office	350,000
Medford	Post office and courthouse	266,000
Portland	Courthouse	1,067,000
Pennsylvania: Philadelphia	128 North Broad St	1,616,000
South Dakota: Sioux Falls	Post office and courthouse	273,000
Tennessee: Memphis	Post office, courthouse, and customhouse	560,000
Utah: Clearfield	Naval supply depot	1,265,000
Virginia:		
Arlington	Temporary building, No. 7	366,000
Do	Virginia heating, refrigeration, and sewage disposal plants.	1,472,000
Washington: Seattle	Courthouse	928,000
Wisconsin: Milwaukee	342 North Water St	445,000
Washington, D.C	Central heating and refrigeration plant	653,000
Do	Treasury Annex	453,000
Do	101 Indiana Ave. NW	825,000
Do	1626 K St. NW	480,000
Do	24th and M Street Bldg	252,000

PROPOSED SMALL PUBLIC BUILDING PROJECTS

Alabama:		
Centre	Federal office building	$217,600
Vernon	Post office and Federal office building	242,900
Arkansas:		
McCrory	do	153,000
Marshall	do	203,600
Mountain Home	do	296,700
California:		
Del Mar	do	382,700
Solana Beach	do	284,700
Weed	do	224,800

GENERAL SERVICES ADMINISTRATION—Continued

PROPOSED SMALL PUBLIC BUILDING PROJECTS—Continued

State and place	Project	Estimated limit of cost
Florida:		
Fort Lauderdale, Oakland Park Branch	Post office and Federal office building	$231,400
Miami, Gratigny Branch	do	298,800
Georgia: Warm Springs	do	116,500
Idaho: St. Maries	do	318,400
Illinois:		
Arthur	do	202,000
Red Bud	do	174,900
Indiana:		
Scottsburg	do	322,100
Shoals	do	177,200
Kentucky:		
Clinton	do	310,300
Cumberland	do	158,800
Richmond	Federal office building	273,900
Russell Springs	Post office and Federal office building	164,700
Louisiana:		
Gueydan	do	159,500
Mamou	do	123,600
Mansura	do	146,700
Oberlin	do	155,100
Maine:		
Calais	do	369,400
Lubec	do	181,700
Machias	do	317,300
Maryland: Northeast	do	218,100
Michigan:		
Lawton	do	139,500
Mancelona	do	174,300
Minnesota: Baudette	do	275,500
Mississippi:		
Bay Springs	do	224,900
Coldwater	do	128,600
Port Gibson	do	219,400
Richton	do	125,300
Missouri:		
Branson	do	245,000
Cabool	do	190,300
Nebraska:		
Fullerton	do	283,700
Gothenburg	do	252,800
New York: Keeseville	do	170,600
North Carolina:		
Andrews	do	157,400
Kinston	Federal office building	253,300
Mars Hill	Post office and Federal office building	153,400
Raeford	do	320,100
Rich Square	do	136,200
Windsor	do	225,400
Ohio:		
Ashtabula	Federal office building	291,400
Hillsboro	Post office and Federal office building	457,400
Malta	do	179,600
Oklahoma:		
Afton	do	186,400
Jay	do	259,000
Wilburton	do	311,400
Oregon: Scappoose	do	216,000
Pennsylvania:		
Berwick	do	417,200
Brookville	do	261,200
Duncannon	do	161,300
Falls Creek	do	166,700
Galeton	do	194,000
Hawley	do	252,900
Montrose	do	257,200
New Bethlehem	do	241,200
Pittsburgh:		
Cedarhurst branch	do	349,500
Green Tree branch	do	349,500
Pleasant Hills branch	do	343,500
Youngsville	do	173,500
Puerto Rico: Humacao	do	292,400
Rhode Island: Providence, Olneyville station.	do	347,800
South Carolina:		
Elloree	do	133,300
Ridgeland	do	337,500
Williston	do	146,800
Tennessee: Oneida	do	198,200
Texas:		
Buffalo	do	154,100
Carthage	do	374,000
Fairfield	do	251,600
Gonzales	do	365,000
Naples	do	182,400
Utah: Heber	do	277,500
Washington:		
Cle Elum	do	201,900
Newport	do	234,500
West Virginia:		
Cassaway	do	203,000
Glenville	do	253,500
Parsons	do	279,400
Pineville	do	252,500
Summersville	do	343,000
White Sulphur Springs	do	236,000
Wisconsin:		
Eagle River	do	278,900
Elroy	do	164,300
Total (87 projects)		20,768,600

PROPOSED SMALL PUBLIC BUILDING PROJECTS—Continued

State and place	Project	Estimated limit of cost
Michigan: Detroit	IRS national administrative service center and regional training center building.	$3,845,000
Washington, D.C	Patent Office building (revised)	48,238,000
Illinois: Edwardsville	Post Office and Federal office building	507,900
California: San Francisco	100 McAllister Street Building (alteration).	1,041,000
New York:		
Bronx	Post office and Federal office building	17,960,000
Do	Building-Bronx Central Post Office (alteration).	2,375,000
Alabama: Talladega	Post office and Federal office building	453,800
Arkansas: Magnolia	do	397,900
California:		
Lawndale	Federal Aviation Agency	6,100,000
Sacramento	Federal office building	6,932,000
Van Nuys	Federal office building (revised)	2,477,000
Florida: Umatilla (revised)	Post office and Federal office building	236,700
Georgia:		
Athens	do	2,812,000
Valdosta	Post office and courthouse	2,547,000
Idaho:		
Moscow	do	1,739,000
St. Maries (revised)	Post office and Federal office building	1,094,000
Indiana:		
Hammond	Post office and courthouse (alteration)	841,000
Indianapolis	Federal office building	13,638,000
	Post office and courthouse (alterations)	1,536,000
Kentucky: Frankfort	Courthouse and Federal office building	2,300,000
Maine:		
Portland	Post office and Federal office building (alteration).	1,491,000
Rockland	Post office and Federal office building	561,000
Maryland:		
Bethesda	National Institutes of Health, Child Research Center.	1,080,000
Woodlawn	Health, Education, and Welfare-Social Security Administration Bldgs.	9,179,000
Michigan: Grand Rapids (revised)	Courthouse and Federal office building	6,202,000
Missouri:		
Cape Girardeau	do	1,702,000
St. Louis	Federal office building	14,375,000
Do	Military personnel record center (alteration).	1,060,000
Kansas City	Federal building, 1500 East Banister Rd. (alteration).	5,500,000
Montana:		
Billings	Post office and courthouse (alteration)	473,000
Butte	do	707,000
New Hampshire: Newmarket	Post office and Federal office building	310,100
New Mexico: Gallup	Federal office building	3,251,000
New York:		
Albany	do	8,524,000
Utica	Post office, courthouse and customhouse (alteration).	311,000
North Carolina:		
Goldsboro	Federal office building	665,000
Oxford	Post office and Federal office building	528,000
Trenton	do	180,000
Greensboro	Post office and courthouse (alteration)	760,000
Ohio: Shelby	Federal supply service depot (alteration).	340,000
Pennsylvania: Erie	U.S. courthouse (alteration)	304,000
South Carolina: Spartanburg	Post office and courthouse (alteration)	490,000
Tennessee: Dyersburg	do	450,000
Texas:		
Big Spring	Post office and Federal office building	1,367,000
Houston	Federal office building (alteration)	790,000
Do	Veterans' Administration building (alteration).	720,000
McAllen	Border patrol sector headquarters	760,000
Pearsall	Post office and Federal office building	271,000
Utah: St. George	Federal office building	265,200
Vermont:		
Brattleboro	Post office, courthouse, and Federal office building (alteration).	772,000
Rutland	do	798,000
Virginia: Franconia	Federal supply service warehouse	5,805,000
Washington: Seattle	Federal office building	24,257,000
West Virginia: Mount Hope	Bureau of Mines building (alteration)	343,000
Wyoming:		
Casper	Post office and Federal office building (construction).	5,178,000
Do	Post office and courthouse (alteration)	575,000
Washington, D.C	Acquisition of certain lands in square 171	2,750,000
Washington, D.C. (metropolitan area).	General Services Administration building.	20,897,000
Washington, D.C	Government Printing Office	47,287,000
Do	City Post Office (alteration)	1,944,000
Do	711 12th St. NW. (alteration) (tentatively programed for fiscal year 1965).	369,000
Colorado: Grand Junction	Post office and courthouse (alteration)	364,000
Florida: Miami	Post office, courthouse, and customhouse (alteration).	570,000
Illinois:		
Chicago	Post office (main) (alteration)	4,450,000
Do	Federal building, 536 South Clark St. (alteration).	5,120,000
Iowa: Dubuque	Post office and courthouse (alteration)	600,000
New York: Mitchel Field, Long Island.	Federal center (alteration)	2,240,000
Arizona: Nogales (revised)	Border station facility	2,323,000

GENERAL SERVICES ADMINISTRATION—Continued

PROPOSED SMALL PUBLIC BUILDING PROJECTS—Continued

State and place	Project	Estimated limit of cost
Texas: San Antonio (revised)	Post office building, courthouse and Federal office building, post office and courthouse (alterations).	$10,111,000
Vermont: Derby Line	Border Station No. 2	504,000
Utah: Ogden	Treasury-Regional Service Center (IRS)	4,823,000
Prospectus proposing construction of 25 small public buildings for use primarily by the Social Security Administration, Department of Health, Education, and Welfare, throughout the United States.	Federal buildings	5,307,000
Alaska: Alaska Highway near the United States-Canadian Tok Junction Border.	Border station (revised)	1,641,000
Pennsylvania: Philadelphia	Post office and courthouse (William Penn Annex) (alteration).	275,000
Alabama: Mobile	Federal office building	6,165,000

WATERSHED PROJECTS

Upper Rock Creek watershed, Maryland	June 13, 1963	$2,128,000
Buck Creek, Ky	do	1,631,000
Big Nance Creek, Ala	June 26, 1963	2,559,000
Apache Junction-Gilbert, Ariz	do	5,675,000
Cheaha Creek, Ala	do	1,950,000

WATERSHED PROJECTS—Continued

State and place Project		Estimated limit of cost
Williams-Chandler, Ariz	June 13, 1963	$6,156,000
Little Tallapoosa River, Ga	do	2,705,000
Chuquatonchee Creek, Miss	do	3,756,000
Stillwater Creek, Okla	do	6,396,000
Guayanes River, P.R	do	4,365,000
Poteau River, Ark. and Okla	do	5,381,000
Middle Fork-Obion River, Tenn	do	3,014,000
Mill Creek watershed, Alabama	Mar. 2, 1964	1,684,000
Pine Creek watershed, Texas	do	4,534,000
Middle Oconee-Walnut Creek, Ga	do	4,132,000
Baker River, N.H	do	4,136,000
Lower Clear Boggy Creek, Okla	Mar. 2, 1963	5,467,000
Salt-Camp Creek, Okla	Mar. 2, 1964	3,688,000
Upper Bosque River, Tex	do	8,130,000
Big Caney, Kans. and Okla	do	5,478,000
Town Creek, Miss	do	8,831,000
Rush Creek, Ohio	do	5,711,000
North Fork of Powder River, Wyo	do	825,800
Bear-Tilda Bogue, Miss	May 28, 1964	4,650,000
Buckeye, Ariz	do	4,693,000
Lower Bayou, Okla	do	5,833,000
Upper Bayou, Okla	do	3,882,000
Okmulgee Creek, Okla	do	573,600
Turkey Ridge Creek, S. Dak	do	2,189,900
Hiawassee River, Ga	July 1, 1964	1,478,700
Muddy Creek, Kans	do	411,800
Presque Isle Stream, Maine	do	1,861,000
West Fork Duck Creek, Ohio	do	3,782,600

Mr. JAVITS. Madam President, I suggest the absence of a quorum.

The **PRESIDING OFFICER.** The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JAVITS. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

DEPARTMENT OF DEFENSE APPROPRIATION BILL, 1965—CONFERENCE REPORT

Mr. RUSSELL. Madam President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 10939) making appropriations for the Department of Defense for the fiscal year ending June 30, 1965, and for other purposes. I ask unanimous consent for the present consideration of the report.

The **PRESIDING OFFICER.** The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see the proceedings of the House of today.)

The **PRESIDING OFFICER.** Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. JAVITS. I hope the Senator from Georgia will help me to this extent. Does the Senator know whether on this side of the aisle any Senator wishes notice of consideration of the conference report?

Mr. RUSSELL. The Senator from Massachusetts [Mr. SALTONSTALL] is the ranking minority member on the conference committee. He said he wished to have the report approved as soon as possible.

Mr. JAVITS. Perhaps there could be a quorum call after the Senator from Georgia has completed his statement on the conference report.

Mr. RUSSELL. The report was unanimously agreed to. All the conferees were present, and they agreed to it. No issue is involved.

Mr. JAVITS. I thank the Senator.

Mr. RUSSELL. Madam President, as H.R. 10939 passed the other body, it provided for appropriations totaling $46,759,267,000, the military activities of the Department of Defense exclusive of military construction and civil defense. The Senate bill included appropriations totaling $46,774,401,000. The committee of conference agreed on appropriations totaling $46,752,051,000, which is, under appropriations for fiscal year 1964, by $1,471,159,000; under the budget estimates by $718,949,000; under the House bill by $7,216,000; and, under the Senate bill by $22,350,000.

I ask unanimous consent to have included in the record a tabulation by appropriation titles giving the appropriations for fiscal 1964, the budget estimates, the House allowances, the Senate allowances, and the conference allowances.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

Department of Defense appropriation bill, 1965 (H.R. 10939)

Item (1)	Appropriation, fiscal year 1964 (2)	Budget estimate, fiscal year 1965 (3)	House allowance (4)	Senate allowance (5)	Conference allowance (6)	Conference allowance compared to— Appropriation, fiscal year 1964 (7)	Budget estimate, fiscal year 1965 (8)	House allowance (9)	Senate allowance (10)
TITLE I—PERSONNEL									
Military personnel, Army	[1] $3,974,000,000	[2] $4,231,000,000	[3] $4,221,000,000	[3] $4,221,000,000	[3] $4,221,000,000	+$247,000,000	−$10,000,000		
Military personnel, Navy	[4] 2,856,800,000	[5] 3,055,000,000	[6] 3,045,000,000	[6] 3,045,000,000	[6] 3,045,000,000	+188,200,000	−10,000,000		
Military personnel, Marine Corps	725,600,000	747,000,000	[7] 741,000,000	[7] 741,000,000	[7] 741,000,000	+15,400,000	−6,000,000		
Military personnel, Air Force	[8] 4,365,700,000	[9] 4,389,000,000	[10] 4,383,000,000	[10] 4,383,000,000	[10] 4,383,000,000	+17,300,000	−6,000,000		
Reserve personnel, Army	210,600,000	242,900,000	242,900,000	242,900,000	242,900,000	+32,300,000			
Reserve personnel, Navy	95,100,000	99,200,000	[11] 99,200,000	[11] 99,200,000	[11] 99,200,000	+4,100,000			
Reserve personnel, Marine Corps	29,900,000	30,900,000	[12] 30,900,000	[12] 30,900,000	[12] 30,900,000	+1,000,000			
Reserve personnel, Air Force	57,700,000	59,200,000	[13] 59,200,000	[13] 55,800,000	[13] 59,200,000	+1,500,000			+$3,400,0
National Guard personnel, Army	249,000,000	274,500,000	274,500,000	277,500,000	277,500,000	+28,500,000	+3,000,000	+$3,000,000	
National Guard personnel, Air Force	61,500,000	69,300,000	69,300,000	69,300,000	69,300,000	+7,800,000			

See footnotes at end of table.

Department of Defense appropriation bill, 1965 (H.R. 10939)—Continued

Item	Appropriation, fiscal year 1964	Budget estimate, fiscal year 1965	House allowance	Senate allowance	Conference allowance	Conference allowance compared to—			
						Appropriation, fiscal year 1964	Budget estimate, fiscal year 1965	House allowance	Senate allowance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
TITLE II—PERSONNEL									
Retired pay, Defense	$1,228,000,000	$1,399,000,000	$1,399,000,000	$1,399,000,000	$1,399,000,000	+$171,000,000			
Total, title I	13,853,900,000	14,597,000,000	14,565,000,000	14,564,600,000	14,568,000,000	+714,100,000	$29,000,000	+$3,000,000	+$3,400,000
TITLE II—OPERATION AND MAINTENANCE									
Operation and maintenance, Army	3,369,071,000	3,463,000,000	3,429,000,000	3,444,000,000	3,439,000,000	+69,929,000	−24,000,000	+10,000,000	−5,000,000
Operation and maintenance, Navy	2,913,600,000	3,159,000,000	3,128,000,000	3,144,350,000	3,144,350,000	+230,750,000	−14,650,000	+16,350,000	
Operation and maintenance, Marine Corps	191,325,000	188,000,000	188,000,000	188,000,000	188,000,000	−3,325,000			
Operation and maintenance, Air Force	4,355,500,000	4,606,000,000	4,560,000,000	4,580,450,000	4,567,500,000	+212,000,000	−38,500,000	+7,500,000	−12,950,000
Operation and maintenance, Defense agencies	446,000,000	516,986,000	514,986,000	511,620,000	511,620,000	+65,620,000	−5,366,000	−366,000	
Operation and maintenance, Army National Guard	180,800,000	188,000,000	188,000,000	188,000,000	188,000,000	+7,200,000			
Operation and maintenance, Air National Guard	222,700,000	236,000,000	236,000,000	236,000,000	236,000,000	+13,300,000			
National Board for the Promotion of Rifle Practice	528,000	484,000	484,000	484,000	484,000	−44,000			
Claims, Defense	19,000,000	[14] 23,000,000	[15] 23,000,000	[15] 23,000,000	[15] 23,000,000	+4,000,000			
Contingencies, Defense	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000				
Salaries and expenses, Court of Military Appeals	509,000	530,000	530,000	530,000	530,000	+21,000			
Total, title II	11,714,033,000	12,396,000,000	12,280,000,000	12,331,434,000	12,313,484,000	+599,451,000	−82,516,000	+33,484,000	−17,950,000
TITLE III—PROCUREMENT									
Procurement of equipment and missiles, Army	2,931,094,000	1,779,000,000	1,650,196,000	1,656,396,000	1,656,396,000	−1,274,698,000	−122,604,000	+6,200,000	
Procurement of aircraft and missiles, Navy	2,889,145,000	2,515,000,000	2,496,358,000	2,496,358,000	2,496,358,000	−392,787,000	−18,642,000		
Shipbuilding and conversion, Navy	2,059,589,000	1,966,000,000	1,961,176,000	1,930,076,000	1,930,076,000	−129,513,000	−35,924,000	−31,100,000	
Other procurement, Navy	1,175,231,000	1,058,000,000	1,041,440,000	1,041,440,000	1,041,440,000	−133,791,000	−16,560,000		
Procurement, Marine Corps	201,960,000	181,000,000	162,944,000	162,944,000	162,944,000	−39,016,000	−18,056,000		
Aircraft procurement, Air Force	3,385,575,000	3,663,000,000	3,554,737,000	3,594,737,000	3,563,737,000	+178,162,000	−99,263,000	+9,000,000	−31,000,000
Missile procurement, Air Force	2,141,990,000	1,730,000,000	1,730,000,000	1,730,000,000	1,730,000,000	−411,990,000			
Other procurement, Air Force	878,299,000	802,000,000	779,096,000	779,096,000	779,096,000	−99,203,000	−22,904,000		
Procurement, Defense agencies	43,164,000	62,000,000	62,000,000	62,000,000	62,000,000	+18,836,000			
Total, title III	15,706,047,000	13,756,000,000	13,437,947,000	13,453,047,000	13,422,047,000	−2,284,000,000	−333,953,000	−15,900,000	−31,000,000
TITLE IV—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION									
Research, development, test, and evaluation, Army	1,386,141,000	1,397,000,000	1,340,045,000	1,340,045,000	1,340,045,000	−46,096,000	−56,955,000		
Research, development, test, and evaluation, Navy	1,525,713,000	1,451,000,000	1,369,560,000	1,374,560,000	1,372,760,000	−152,953,000	−78,240,000	+3,200,000	−1,800,000
Research, development, test, and evaluation, Air Force	3,453,376,000	3,205,000,000	3,118,000,000	3,112,000,000	3,112,000,000	−341,376,000	−93,000,000	−6,000,000	
Research, development, test, and evaluation, Defense agencies	434,000,000	519,000,000	498,715,000	498,715,000	498,715,000	+64,715,000	−20,285,000		
Emergency fund, Defense	[16] 150,000,000	[16] 150,000,000	[16] 150,000,000	[16] 100,000,000	[16] 125,000,000	−25,000,000	−25,000,000	−25,000,000	+25,000,000
Total, title IV	6,949,230,000	6,722,000,000	6,476,320,000	6,425,320,000	6,448,520,000	−500,710,000	−273,480,000	−27,800,000	+23,200,000
Total, titles I, II, III, and IV	48,223,210,000	47,471,000,000	46,759,267,000	46,774,401,000	46,752,051,000	−1,471,159,000	−718,949,000	−7,216,000	−22,350,000

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[1] In addition, $177,200,000 to be derived by transfer.

[2] In addition, $75,000,000 to be derived by transfer.

[3] In addition, $85,000,000 to be derived by transfer.

[4] In addition, $120,000,000 to be derived by transfer.

[5] In addition, $50,000,000 to be derived by transfer.

[6] In addition, $60,000,000 to be derived by transfer.

[7] In addition, $6,000,000 to be derived by transfer.

[8] In addition, $57,000,000 to be derived by transfer.

[9] In addition, $75,000,000 to be derived by transfer.

[10] In addition, $81,000,000 to be derived by transfer.

[11] In addition, $3,400,000 to be derived by transfer.

[12] In addition, $1,200,000 to be derived by transfer.

[13] In addition, $3,400,000 to be derived by transfer.

[14] In addition, for 1964, not to exceed $6,000,000 to be derived by transfer from appropriations available to the Department of Defense (H. Doc. No. 284).

[15] In addition, not to exceed $6,000,000 to be derived by transfer from appropriations available to the Department of Defense for fiscal year 1964 and to be immediately available.

[16] In addition, $150,000,000 to be derived by transfer from other appropriations available for obligation in the respective fiscal year, and authority to transfer an additional $200,000,000 under certain conditions—see sec. 536.

The **PRESIDING OFFICER**. The question is on agreeing to the conference report.

The report was agreed to.

Mr. **RUSSELL**. Madam President, in accordance with the suggestion of the Senator from New York, I suggest the absence of a quorum.

The **PRESIDING OFFICER**. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. **JAVITS**. Madam President, I ask unanimous consent that the order for a quorum call be rescinded.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **JAVITS**. Madam President, do I understand that the conference report on the Defense appropriation bill has been approved?

The **PRESIDING OFFICER**. It has been agreed to.

INTEREST EQUALIZATION TAX ON CERTAIN FOREIGN SECURITIES

The Senate resumed the consideration of the bill (H.R. 8000) to amend the Internal Revenue Code of 1954, to impose a tax on acquisition of certain securities in order to equalize costs of longer term financing in the United States and in markets abroad, and for other purposes.

Mr. **JAVITS**. Madam President, I refer now to the substitute for the bill, which I have offered. In essence it gives standby authority to the President, to establish a Capital Issues Committee, which would have jurisdiction in respect of issues of foreign securities in the United States. It is really a measure of voluntary control over capital issue flotation in this country.

The Committee is to be established by the President, if he desires to invoke the authority; and he may thereupon approve a voluntary agreement or program or conduct of activities of the Committee if he finds it is in the national interest.

From that point on, the committee would function as an autonomous body for this purpose. The amendment would give the President standby authority, which he could in turn delegate to any officer or agency of the United States, such as the Secretary of the Treasury.

The amendment is a classic alternative to the kind of unique tax which is provided in the bill, the interest equalization tax.

The amendment exempts from the antitrust laws acts by U.S. persons which occur while authority conferred on the President by this act is in effect, if such acts are pursuant to a request by the President and found by the President to be in the national interest.

Under this authority, the President or the Secretary of the Treasury could prescribe guidelines regarding the overall value of new foreign securities that may be sold in any one year to U.S. residents without undue jeopardy to the U.S. balance-of-payments position. In turn, the Capital Issues Committee, that could be created under this authority would advise the Treasury of the advisability, in their judgment, of the sale of individual new foreign securities.

Such a Capital Issues Committee would be composed of investment bankers, underwriters, and other key representatives of the U.S. financial community, as well as representatives of the general public and the Treasury. The Secretary of the Treasury, or his designee, could appropriately act as chairman of the committee.

The first question asked about this matter is, Is there a precedent for it? Of course; there is a very clear precedent. That precedent exists in the committee called the Voluntary Credit Restraint Committee, established by the Federal Reserve Board in March 1951, under the provisions of section 708 of the Defense Production Act of 1950.

The Federal Reserve Board was delegated authority by the President to develop a voluntary program to restrain domestic credit. This was at the time of the Korean war. The Federal Reserve Board, in close consultation with the Voluntary Credit Restraint Committee, developed a program for voluntary credit restraint and issued a statement of principles. It was the Committee's primary responsibility to establish criteria for distinguishing between essential and nonessential credit at the time of what was tantamount to a national emergency. The Committee issued a series of bulletins covering various kinds of credit, and specifying the kinds which it would allow. The National Committee also set up regional committees to deal with the same problems in various sections of the country. Was the Committee on Voluntary Credit Restraint effective? The answer is that it was.

We find the first clue to its activities in the Federal Reserve Bulletins of July 1951, in which it was stated:

> Through voluntary cooperation of thousands of individual financing institutions under the program, progress has been made in the restriction or postponement of credit not essential to the economy at this time. * * * While it is impossible to determine precisely the volume of credit that has been denied, a very large number of loan requests, including several sizable ones, have been delayed or refused by lenders acting voluntarily in accordance with the principles of the program.

In November 1951 the Federal Reserve Bulletin reported again that:

> The voluntary credit restraint program has been one of the factors contributing to the abatement of inflationary pressures during the late spring and summer of 1951.

The Federal Reserve Bulletin of March 1952—the service of this Committee having ended in May 1952, following about a year of operation, something like the period of time which the proposed tax is expected to remain in effect—declared:

> At the outset of the program, which was without precedent in the country's financial history, there was widespread skepticism as to what might be accomplished by a self-regulation effort in the highly competitive field of lending. This has been supplanted by a recognition that the program has proved practicable, workable, and effective as a supplement to national and regional committees, consisting of representatives of financial institutions which extend to all parts of the country, have provided lenders with criteria which have assisted them in differentiating between those credits which are essential and those which are not. As a result, the need for credit restraint in the interest of a sound dollar has become more widely understood that probably could have been accomplished by any other means.

Unlike the measure presently under consideration, the level of capital outflows due to the sale of new foreign securities could be effectively controlled by the Capital Issues Committee. That it would not be a departure from established United States practices is evidenced by the Voluntary Credit Restraint Committee, to which I have referred. At present the U.S. Government exercises control over such international financial transactions as those involving AID and Department of Defense. Unlike the interest equalization tax proposed by the administration, the Capital Issues Committee would be a standby operation and would be established by the President only if our balance-of-payments situation again reached a critical status. Also, such a committee could be dismantled at will. This would not be the case with the tax proposed by the administration, because the tax would remain in effect until the end of 1965, whether needed or not, and would have to be repealed by law in order to abolish it beforehand. It would apply across the board, no matter what the interest might be in respect of the issue, except in respect of generic exemptions, which, incidentally, take the heart out of the tax, and provide that Canada shall be exempt. Undoubtedly the exemption will be extended to Japan.

Mr. LONG of Louisiana. Madam President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. LONG of Louisiana. I have discussed this question with the Treasury. It is my understanding that the Treasury definitely does not intend to extend this provision so as to make it apply to Japan. The Treasury has no plans whatever to exempt Japanese securities under this provision, which would make possible, and which was intended to make possible, an accord with Canada, under which Canada could borrow from the United States to meet her deficit, but not to increase her surplus.

Mr. JAVITS. I have no doubt whatever of the good faith of the Senator's assertion. I accept it completely. I do not even doubt the good faith of the thought—I do not like to call it a determination—of the Treasury Department.

But in my judgment, the pressures of reality will be so great with respect to Japan, with which we enjoy a favorable balance of payments, which urgently needs capital, and which must look in essence to this market for that purpose. It is so much in our national interest that this capital market shall not be closed to Japan—that is my honest conviction, based upon considerable knowledge of the situation—that whether they think so now or not, that is exactly what will happen. The Treasury will be in charge. The Senate shows every disposition to pass the bill. However, I ask Senators to bear with me for a few months, so that we may see what will happen with respect to Japan, which is, in many ways, a case analogous to that of Canada, because rumors have been rife that that is what the Treasury will have to do. I do not wish by my statement to persuade the Senator from Louisiana to say that the Treasury will not do it. But our national interest is so infinitely superior to any pride of authorship that I would want the Treasury to exempt Japan if that were in our national interest, no matter what the Treasury says now.

I am glad the Senator has obtained this information, because it enables me to clarify an assertion I have made. It is my judgment that the pressure of international economics has caused our Government to make that decision with respect to Japan. If it were inhibited by some colloquy among Senators or some position it would have to assume in order to have the bill passed, the situation would be even worse than it is now.

Mr. LONG of Louisiana. As the Senator in charge of the bill, and as spokesman for the committee, I may say that this provision has been explained to us. The provision does not envisage Japan. I do not doubt that it could be seized upon and interpreted in such fashion as to bring about such a result. But it is not intended; and it is my judgment that if the Treasury wishes to extend it to Japan, the Treasury should come before us on this matter, but I do not believe there is any intention now to extend this exemption to Japan.

Mr. JAVITS. With all due respect and deference, I hope that the Senator will not let that stand as the final view of the committee. I beg him to think it over carefully. In my judgment, this bill is bad enough if it should be enacted. I know, of course, that the Senator believes it is a good bill, and that he is going to vote for it; and I respect him fully for it. However, I hope that we will not tie the hands of the administration, because one of the real curses in the bill is its inflexibility. I would hope that we would not make it more inflexible by any assertion made in the Chamber. We all wish our Government and country to put its best foot forward and follow a policy which is best for it. We do not wish to inhibit it in that regard. That is what I submit to the Senator in the Japanese situation.

Mr. LONG of Louisiana. As one strongly in support of the bill, it is my view that the Treasury Department feels that the proposed legislation and the amendment which is proposed to take care of the Canadian problem need not and should not apply to Japan, and it is not intended so to apply. We should not make legislative history which would cause the feeling that it was intended to have it apply to Japan.

The committee report spells that out:

> Your committee believes that the Canadian-United States relationship with respect to the close integration of their capital markets and its implications for the Canadian balance of payments is unique, and that exemption of new issues of Canadian securities under this discretionary provision should not under normal circumstances be extended to securities of other countries.

That does not preclude the assertion that the authority to exempt Japanese securities exists. I would say to the Senator from New York that I do not believe this authority would be exercised without advising Congress as to the reasons why it should be done.

Mr. JAVITS. In that statement, I go along with the Senator from Louisiana. It is different from what he previously stated. I am delighted that he made the statement. We are of one mind on that score. I know that we all wish the Government to do what is best for the people and the country, and not to have its hands tied behind its back.

My eyes are wide open to the fact that we shall be giving the Government such authority if this bill is enacted into law. We can expect it to use that authority and not to run away from it or be afraid of it.

The major European countries have government controls over foreign securities issues. These are the major factors which affect the capital market in the world. This type of regulation exists in Switzerland, in the Benelux countries, in France, and also in the United Kingdom. There the Government, or in some cases a central bank authority, exercises control over foreign securities issues. In the case of Switzerland, moral suasion is effective. Because it is a small country, the Government nods its head and everyone more or less follows along with what is wished. Or perhaps the Government acts in in cooperation with stock exchange listing committees. That is the technique in the Benelux countries. Perhaps, the most analogous case is our sister country of the United Kingdom, where action is taken on the advice of the Capital Issues Committee, exactly the proposal which is before the Senate in this amendment.

The Capital Issues Committee idea has wide support in the financial community. For example, the president of the Manufacturers Hanover Trust Co. of New York, a former Chairman of the Council of Economic Advisers to the President, Gabriel Hauge has pointed out in a November 1963 speech, that a voluntary program patterned after the voluntary credit restraint program of 1957 should be developed as an alternative to this bill. The Association of Stock Exchange Firms feels the same way. The president of the New York Stock Exchange feels the same way. So do a number of other stock exchange houses. Also, great national newspapers, such as the New York Times and the Washington Post, have consistently supported the creation of a Capital Issues Committee as an alternative to the interest equalization tax specified in the bill.

Madam President, I point out the statement of a former high official of our Government, a former Assistant Secretary of the Treasury, Mr. Dan Throop Smith, who testified before the Finance Committee. His testimony begins on page 246 of the hearings. He, as well as other witnesses, came out strongly for a Capital Issues Committee as an alternative, a much better alternative than the interest equalization tax.

With respect specifically to the Capital Issues Committee, he stated on page 252 as follows:

> Senator MCCARTHY. Do you think that same benefit might be secured through the creation of a Capital Issues Committee of some kind?
>
> Mr. SMITH. Oh, I definitely——
>
> Senator MCCARTHY. Perhaps you testified to that in your statement.
>
> Mr. SMITH. Yes. It seems to me that is an area where there are a relatively small number of major underwriters who are highly responsible members of the financial community, a Capital Issues Committee of some kind would be most effective. Senator JAVITS referred in his statement to a precedent, I think in 1950, at the time of the Korean war, when a small number of responsible citizens acted voluntarily to solve a major credit squeeze. I believe moral suasion can be very, very effective.

It seems to me that the Capital Issues Committee technique is established banking practice followed in other countries, notably in the United Kingdom, and has worked well. It is on an established and solid basis. We are dealing with entities from great underwriting companies of the country which have already shown in respect to the banking system of the country, through the Voluntary Credit Committee which I described, that a matter of this kind can be administered without very close supervision and under authority of the Treasury in a very effective way without involving the danger of inflexibility, and the prejudicial blow to our leadership of the free world in terms of the banking system, and the money and credit involved in the interest equalization tax.

In short, the President can get everything done that he wants done within an established, effective pattern, and without running afoul of new and unique ideas which, in my judgment, can be very helpful to the United States in the critical aspects of its strength in the financial field.

Mr. KEATING. Madam President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. KEATING. Madam President, I am happy to join my colleague from New York [Mr. JAVITS] as a cosponsor of this amendment to authorize a capital issues committee.

The amendment would authorize the President to consult with persons in the financial and investment fields and encourage the reaching of an agreement or program, with Presidential approval, designed to limit the sales of new foreign issues or debt obligations to U.S. citizens or other U.S. entities.

In my judgment, this is very much preferable to the bill. The bill smacks of compulsory restraint; the amendment would authorize a voluntary screening program. The bill has built-in rigidities; the amendment has great flexibility. If we are going to have anything in this field, the amendment is a much more sensible approach to the problem.

This bill is a protective tariff. No matter how one labels it, it is a protective tariff. It is contrary to our historic policy of favoring the free flow of capital and goods across international boundaries. It is contrary to the present thrust of the U.S. policy to break down tariff and nontariff barriers to trade in the free world. It sets a very poor example for other countries whom we are trying to convince as to the long-run wisdom of foreign trade unencumbered by unreasonable restraints.

The bill is basically a protectionist, isolationist measure. It shares in the same brand of economic parochialism that brought chaos to the international monetary system during the period of the great depression.

Second, in my judgment, this bill in its present form will not achieve the claimed objective. Even the 1-percent rise in long-term interest rates which this bill is designed to bring about will not stem the current level of reliance on the U.S. capital market. Our capital market is extremely efficient. With few exceptions, European money markets are far behind the United States. We are the acknowledged leading power in international finance. It is one of our greatest sources of economic strength, a positive asset. Even with the bill, it would be far and away cheaper to float foreign security and debt issues in the United States. Interest rates here would still be lower than in most capital markets abroad.

The third point that I want to make is that this bill would require the installation of direct Government controls over foreign securities distribution here. The process of applying the law and administering the exemptions under the bill would require detailed supervision by

Government officials. It would require the usual apparatus of excise-tax collection. It would inject the Government directly into the business of turning thumbs down or thumbs up in applying the law to determine which issues or obligations are to be sold with, in effect, higher interest costs to the foreign interests involved.

Furthermore, the bill cannot have any significant impact on our balance-of-payments problem. The exemptions of the bill cover about 90 percent of the ground. It is estimated that only about 10 percent of the total private U.S. capital exports will be subject to the tax. It is true that the pending of this bill has had a marked dampening effect on public offerings and private placements of foreign equity and debt instruments. But in the first place, much of the business has been diverted to conventional commercial bank loans. In the second place, the uncertainty of whether this bill would or would not pass would be expected to exercise a dragging effect on transactions which would be subject to the tax, if the bill were to pass. But that is no reason to believe that this bill inevitably would have a like effect after passage, and after this uncertainty has been removed.

The next point I make, and a very important one, is that this tax might well worsen our balance-of-payments position. Restraints like this are bound to have a feedback in different areas of foreign trade transactions. If we deter some capital outflow here, we may well have to pay for it elsewhere. We probably will have to pay for it in terms of lower exports, which would hurt our presently favorable overall trade balance. The best single way to meet the balance-of-payments problem—and, of course, the long-run solution which must be given time—is to keep working at an expanding export program; and this means not only increasing our exports of goods relative to imports, but also maintaining exports of capital which bring in substantial dividend and interest income.

This bill is the enemy of increasing our foreign exports, and this retaliatory action against the interest of other countries is bound to have results that we do not want in our foreign export field.

Private investment overseas is simply not the villain of the piece. We passed a tax cut earlier this year on the premise—and I think it was a sound premise—that expansion of the private sector of the economy, and not limitless expansion of the public sector through direct Federal outlays, was the way to create new jobs, improve the investment climate, and ultimately bring Federal revenues in balance with spending. We expressed a vote of confidence in the private sector.

Now, in this bill, we seem to be saying the opposite. We are about to take the contradictory step of restraining the private investment sector of international transactions. We are not, however, paying enough attention to the real villain, which is direct Federal spending overseas.

The total 1963 income from foreign investments, for example, was $4.3 billion, which was the largest single income item in the U.S. payments balance. But U.S. Government spending overseas is the largest contributor to the unfavorable balance, and precious little has been done about it.

Furthermore, we are faced again with one of those interesting phenomena which causes those of us who have served a good many years in the Congress to smile. We hear that the tax is to be a temporary tax. It is supposed to have a fixed termination date at the close of the 1965 calendar year. We have had a good deal of experience with so-called temporary taxes, such as the Federal retail excise taxes on cosmetics, luggage, handbags, and so forth, with which we have dealt in the present session of Congress and in many previous sessions. No one is being deceived by talk about a temporary tax. Everyone knows that this new tariff which is disguised as an excise tax because the proponents do not like the term "tariff," which the proposal clearly is, will suffer the same fate as many categories of retail and manufacturers' excise taxes. Through the perverse logic under which we so often operate, it will fall to the opponents of the tax—the opponents of the tariff—to make the case for taking it off rather than to the proponents to continue to justify it as a necessary measure. It is far easier to pass a temporary tax measure than to prevent its continuation after it has taken on the aura of permanency.

Since the tax cut bill passed earlier this year, our domestic investment climate has improved. Domestic investment has been made more attractive relative to foreign investment, and more and more savings should be diverted into capital investments here rather than abroad. Therefore, there is a steadily decreasing necessity for the enactment of the proposed legislation.

Finally, the continued inflationary trends in Europe, with higher prices and wages in every country, so far as I know, are making U.S. exports more and more competitive in oversea markets. Export trade abroad has mushroomed. We still have a long way to go to reach our goal, of course, and we can do better. But the proposed interest equalization tax—a tariff on the importation of stocks and bonds into this country—is exactly the kind of measure that could seriously hurt our export trade and reverse the favorable trend that we are now running in our trade balances and, worst of all, show the rest of the world that we are talking out of both sides of our mouth when we are pushing for freer trade policies in other acts of Congress.

This measure is opposed by all the countries with which we do business, and it should be opposed by us as injurious to the overall and long-term interest of our country. It is contrary to long-established policy. It is a protective tariff in the worst sense of the word. It takes us back to the 19th century. I do not want to go back. I will vote against the bill unless this substitute is adopted.

Mr. President, my colleague and I would not be offering the substitute as an original bill if the slate were entirely clean. But if we are to do something to restrain U.S. capital outflow, a voluntary Capital Issues Committee would be the best vehicle for action. It has a firm precedent in Korean war emergency legislation. It is no stranger to financial circles in Europe, where central banks in several countries have commonly exercised the function of screening capital issues in the public interest. It comports with our tradition of letting voluntary self-regulation substitute for direct public control whenever that would be effective. And finally, there is more than sufficient provision in this substitute amendment to safeguard the public interest through participation of the President and the interested agencies in approving and offering guidelines for the programs to be formulated by the committee.

The Capital Issues Committee has commended itself to the thinking of the American financial and investment community. With their cooperation and participation, such a committee can be expected to function well. I cannot too strongly urge the adoption of this amendment.

Mr. JAVITS. I thank my colleague for his helpful and constructive intercession. I point out that what my colleague has just referred to is the main thrust of the report to the President of the United States of the task force, headed by Henry H. Fowler, the Under Secretary of the Treasury, the so-called Fowler task force, to promote increased foreign investments in United States corporate securities and to increase financing of U.S. corporations abroad, which is directly related to reducing our balance of payments. By the proposed tax we are encouraging rather than discouraging noncompliance with the recommendations of that report, to the disinterest rather than to the interest of foreign investments in the way the Fowler committee contemplated the program would operate if we adopted the task force report.

I now yield to the Senator from Iowa [Mr. MILLER].

Mr. MILLER. I thank the Senator from New York.

THE WILLIAM WIELAND SECURITY RISK CASE

Mr. MILLER. Madam President, the able and independent reporter, Mr. Clark Mollenhoff, has performed another service by a current report on the State Department's handling of the William Wieland security risk case. This was contained in the August 3 issue of the Des Moines Register.

It appears that the State Department's Security Division has been doing too thorough a job in detecting laxity in handling some of the State Department appointments—too thorough, at least, to satisfy some of those in high positions in the Department whose embarrassment over their mistakes outweighs their first duty to demand unscrupulous conduct on the part of State Department employees.

The dedicated career officer, Otto Otepka, first determined in 1961 that Mr.

Wieland had given misleading information to security investigators who were looking into his record during the rise of the Communist dictator, Fidel Castro, when Mr. Wieland was serving in the embassies of this country at various Latin American posts. Notwithstanding Mr. Otepka's findings which, I understand, are fully corroborated by the records, Mr. Wieland was cleared by higher-ups in the State Department. I might add that it was this case, along with several others, which proved highly embarrassing to Secretary Rusk and others in the Department, and it was not long afterward that Mr. Otepka was removed from his position as head of the Security Division.

The Wieland case was so alarming that it is reported that shortly before he was scheduled for assignment to a sensitive post in Germany, the Attorney General himself intervened, acting on information from the Federal Bureau of Investigation, and Mr. Wieland was given a nonsensitive assignment in the State Department.

Last year additional facts about Mr. Wieland came to light, with the result that other security investigators in the State Department recommended that he be fired. Two of the security evaluators involved have subsequently been transferred out of the Division contrary to their own wishes, incidentally. Last March a special ad hoc committee of three men, whose names I shall not reveal at this time was appointed by the Secretary of State to review the Wieland case. I am advised that the three-man panel made its review and submitted its report all in 1 month, so that action by the Secretary of State has been delayed for 4 months, with no indication of when action will be taken.

Madam President, I said a few weeks ago that unless the Secretary of State directs that all of the emergency clearance cases be submitted to a full and complete regular investigation by the Security Division—there reportedly have been around 200 of these, as against only 8 during the entire Eisenhower administration—the suspicions and lack of confidence of the general public must be expected. I repeat that statement today, and I couple with it the further point that hard-working and firm investigators must be retained—not reassigned—in the Security Division of the Department.

Unless some changes are made in State Department activities involving security clearances and operations, I regret that laxity in the State Department will have to become an issue in this fall's presidential campaign.

I ask unanimous consent that the Register article to which I referred be inserted in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Rusk's Touchy Chore: Deciding Fate of Controversial Underling

Washington, D.C.—Secretary of State Dean Rusk is faced with the touchy political chore of deciding whether to oust William Wieland as a security risk or restore him to full status as a Foreign Service officer.

The State Department said Saturday a special three-man panel made a decision in the last few weeks. Its press office declined, however, to state whether the panel ruled for or against the Latin American expert.

Richard Phillips, Department press officer, said Rusk must make the final decision.

The Wieland case has been one of the most controversial in recent years. It is among those that caused the fight between State Department security evaluator Otto Otepka and his superiors. Otepka contended there was laxity in handling the Wieland case and others.

The original Wieland security case was up for decision in 1961 when the Kennedy administration took office. Otepka had made a decision there was not sufficient evidence to label Wieland disloyal or a Communist, but he had found that Wieland had given incorrect information to Government officials on several matters.

Otepka ruled Wieland should be forced to resign because of this questionable integrity.

Despite this finding by Otepka, Wieland was cleared by Secretray of State Rusk's Office. Wieland was about to be assigned to a highly sensitive post in Germany when FBI Chief J. Edgar Hoover went to Attorney General Robert F. Kennedy to express concern.

PAPER SHUFFLING

It was on Kennedy's orders that Wieland then was blocked from the assignment to Germany and given an administrative job in the State Department where, it was reported, he was not permitted to handle security cases.

The State Department Press Office stated at that time that Wieland was in a "paper shuffling" job, and that he was to be retained in that type of post.

Wieland had held posts in the U.S. embassies in a number of Latin American countries, including Cuba, and in the late 1950's was Director of the Office of Caribbean and Mexican Affairs at the State Department.

During that time, the FBI and other agencies submitted voluminous reports on Fidel Castro's Communist connections, some of them indicating he was a Communist. However, most of this information was stopped at Wieland's desk and did not go to higher officials.

Not having this information, President Dwight Ensenhower, Secretary of State John Foster Dulles, and later Secretary of State Christian Herter were of the opinion Castro was not a Communist—at least until a man at a White House party made some remarks to Mr. Eisenhower about Castro's Communist background. President Eisenhower was disturbed, and asked the Secretary of State to contact FBI Director Hoover.

Hoover then informed the President and Secretary of State that he had submitted much information to them that had been stopped at a lower level.

OTEPKA TESTIFIED

Otepka testified about the details of the Wieland case and the decision by superiors to overrule his finding that Wieland was "unsuitable" for employment in the State Department.

Since that time, new information has been developed in the State Department Security Division indicating Wieland was in error in contending he had met Castro only on two occasions. Investigators developed evidence indicating he had been with Castro on at least a half dozen occasions.

On the basis of these meetings and the fact they did not regard his initial answers as frank or correct, other security officials last March recommended that Wieland be fired.

This time the recommendation was that Wieland was "unsuitable" and was also a security risk because of his lack of frankness on his contacts with Castro.

This recommendation was made last March—more than 6 months after Otepka had been removed from control of the security evaluation division as a result of charges of insubordination brought by superiors.

The Wieland case was one of a number of cases involved in the dispute between Otepka and his superiors, who contended Otepka should not have given certain security information to the Senate Internal Security Subcommittee.

It is reported by usually reliable sources that this three-member panel has concluded Wieland should not be fired, but should be reinstated as a Foreign Service officer. It is now up to Secretary Rusk to rule.

President Johnson is reported concerned because of possible repercussions in the political campaign this fall. Democrats as well as Republicans on the Senate Internal Security Subcommittee have expressed disagreement with the initial decision to retain Wieland even in a paper shuffling capacity.

Mr. EASTLAND. Madam President, will the Senator yield?

Mr. MILLER. I yield.

Mr. EASTLAND. The Senator has mentioned the Wieland case, which was handled by the Internal Security Subcommittee. I know the facts about the Wieland case, and also the Otepka case. I agree with the Senator in what he has said in general, but I am surprised that the Senator compared conditions in the State Department with what prevailed under President Eisenhower, because Wieland is a product of the Eisenhower administration. Cuba was betrayed when Eisenhower was President of the United States. That was a time when, due to incompetence in the Department, the security information did not get above the level of Wieland to the people on the floor above him.

Mr. MILLER. I regret that my good friend said what he has just said, because he well knows that the case is not quite as simple as that. The Senator from Mississippi well knows that the information regarding Mr. Wieland did not come to light until after the Eisenhower administration. The Senator from Mississippi knows that if it had come to light during the Eisenhower administration, action would have been taken on it.

Mr. EASTLAND. I know that certain information has never been released to the public. Let us have all the facts. Let us be fair. I am not taking up for a Democratic administration or a Republican administration; but the truth of the matter is that Mr. Wieland is a product of the Eisenhower administration. It is hard to admit, but that is the truth.

Mr. MILLER. That is not the point I was making.

The point I was making is that when information comes out, something ought to be done about it.

Mr. EASTLAND. Yes; and for several years information was coming from all the security agencies of this Government to the effect that Castro was a Communist, and no action was taken by the Eisenhower administration. According to Mr. Earl Smith, who was the Ambassador, this Government, under President Eisenhower, established Castro in office in Cuba.

Mr. MILLER. I do not want to labor this point with my friend from Mississippi.

Mr. EASTLAND. There is nothing to argue. I have the facts.

Mr. MILLER. The Senator from Mississippi has the facts; and that is the difficulty I have with his statement. He well knows that he and his own committee have brought out facts which have not been acted on by this administration—facts which, if they had been revealed by the late John Foster Dulles or President Eisenhower, would have been acted on. I fail to see why the Senator from Mississippi has been disturbed by what I have said, because he has more information, by far, than I have, and the administration has failed to act on facts that his own committee has.

Mr. EASTLAND. The point was that information was pouring in to the effect that Castro was a Communist, and the Eisenhower administration never acted on it. Or rather, it did act on it, because it put Castro in office in Cuba.

Mr. MILLER. The Senator from Mississippi might point out that the reason the Eisenhower administration did not act was that Mr. Wieland is reported to have held that information to himself. I think this administration ought to fire Mr. Wieland.

Mr. EASTLAND. I think Wieland was involved and had been involved. The best thing to do is to change the law and clean out the State Department.

INTEREST EQUALIZATION TAX ON CERTAIN FOREIGN SECURITIES

The Senate resumed the consideration of the bill (H.R. 8000) to amend the Internal Revenue Code of 1954, to impose a tax on acquisition of certain securities in order to equalize costs of longer term financing in the United States and in markets abroad, and for other purposes.

Mr. JAVITS. Mr. President, I am prepared to have the amendment voted on. Will the Chair state the question?

The PRESIDING OFFICER (Mr. WILLIAMS of New Jersey in the chair). The question is on agreeing to the amendment of the Senator from New York, which is in the nature of a substitute for the bill. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Arizona [Mr. HAYDEN], the Senator from Alabama [Mr. HILL], the Senator from Montana [Mr. METCALF], the Senator from Georgia [Mr. RUSSELL], the Senator from Georgia [Mr. TALMADGE], and the Senator from Florida [Mr. SMATHERS] are absent on official business.

I also announce that the Senator from New Mexico [Mr. ANDERSON] and the Senator from Massachusetts [Mr. KENNEDY] are absent because of illness.

I further announce that the Senator from Maryland [Mr. BREWSTER], the Senator from Nevada [Mr. CANNON], the Senator from Oklahoma [Mr. EDMONDSON], and the Senator from West Virginia [Mr. RANDOLPH] are necessarily absent.

I further announced that, if present and voting, the Senator from New Mexico [Mr. ANDERSON], the Senator from Maryland [Mr. BREWSTER], the Senator from Viriginia [Mr. BYRD], the Senator from Oklahoma [Mr. EDMONDSON], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from West Virginia [Mr. RANDOLPH], the Senator from Georgia [Mr. RUSSELL], the Senator from Florida [Mr. SMATHERS], and the Senator from Georgia [Mr. TALMADGE] would each vote "nay."

Mr. KUCHEL. I announce that the Senator from Arizona [Mr. GOLDWATER] is necessarily absent.

The Senator from Maryland [Mr. BEALL], the Senator from Massachusetts [Mr. SALTONSTALL], the Senator from Texas [Mr. TOWER], and the Senator from North Dakota [Mr. YOUNG] are detained on official business.

On this vote, the Senator from Maryland [Mr. BEALL] is paired with the Senator from Texas [Mr. TOWER]. If present and voting, the Senator from Maryland would vote "yea" and the Senator from Texas would vote "nay."

The result was announced—yeas 17, nays 63, as follows:

[No. 512 Leg.]

YEAS—17

Aiken
Allott
Curtis
Dominick
Fong
Inouye
Javits
Jordan, Idaho
Keating
Kuchel
Lausche
Mechem
Morton
Pearson
Prouty
Simpson
Williams, Del.

NAYS—63

Bartlett
Bayh
Bennett
Bible
Boggs
Burdick
Byrd, W. Va.
Carlson
Case
Church
Clark
Cooper
Cotton
Dirksen
Dodd
Douglas
Eastland
Ellender
Ervin
Gore
Gruening
Hart
Hartke
Hickenlooper
Holland
Hruska
Humphrey
Jackson
Johnston
Jordan, N.C.
Long, Mo.
Long, La.
Magnuson
Mansfield
McCarthy
McClellan
McGee
McGovern
McIntyre
McNamara
Miller
Monroney
Morse
Moss
Mundt
Muskie
Nelson
Neuberger
Pastore
Pell
Proxmire
Ribicoff
Robertson
Scott
Smith
Sparkman
Stennis
Symington
Thurmond
Walters
Williams, N.J.
Yarborough
Young, Ohio

NOT VOTING—19

Anderson
Beall
Brewster
Byrd, Va.
Cannon
Edmondson
Fulbright
Goldwater
Hayden
Hill
Kennedy
Metcalf
Randolph
Russell
Saltonstall
Smathers
Talmadge
Tower
Young, N. Dak.

So Mr. JAVITS' amendment, in the nature of a substitute, was rejected.

Mr. GORE. Mr. President, I call up my amendment, which is at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to state the amendment.

Mr. GORE. Mr. President, I ask unanimous consent that the amendment be not read but printed in the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment, ordered to be printed in the RECORD, is as follows:

On page 94, in the matter following line 19, strike out the closing quotation marks, and after such matter insert the following:

"SUBCHAPTER B—ACQUISITIONS BY COMMERCIAL BANKS

"SEC. 4931. COMMERCIAL BANK LOANS

"(a) Standby Authority.—The provisions of this section shall apply only if the President of the United States—

"(1) determines that the acquisition of debt obligations of foreign obligors by commercial banks in making loans in the ordinary course of the commercial banking business has materially impaired the effectiveness of the tax imposed by section 4911, because such acquisitions have, directly or indirectly, replaced acquisitions by United States persons, other than commercial banks, of debt obligations of foreign obligors which are subject to the tax imposed by such section, and

"(2) specifies by Executive order that the provisions of this section shall apply to acquisitions by commercial banks of debt obligations of foreign obligors during the period, and to the extent, specified in such Executive order.

"(b) DEBT OBLIGATIONS WITH MATURITY OF THREE YEARS OR MORE.—During any period specified in an Executive order issued under subsection (a), and to the extent specified in such order, sections 4914(b)(2)(A), 4914(i)(1)(A)(ii), and 4915(c)(2)(A) shall not apply.

"(c) DEBT OBLIGATIONS WITH MATURITY FROM ONE TO THREE YEARS.—During any period specified in an Executive order issued under subsection (a), and to the extent specified in such order, there is hereby imposed, on each acquisition by a United States person (as defined in section 4920(a)(4)) which is a commercial bank of a debt obligation of a foreign obligor (if such obligation has a period remaining to maturity of one year or more and less than three years), a tax equal to a percentage of the actual value of the debt obligation measured by the period remaining to its maturity and determined in accordance with the following table:

THE TAX, AS A PERCENTAGE OF ACTUAL VALUE IS:

"If the period remaining to maturity is:	*Percent*
At least 1 year, but less than 1¼ years	1.05
At least 1¼ years, but less than 1½ years	1.30
At least 1½ years, but less than 1¾ years	1.50
At least 1¾ years, but less than 2¼ years	1.85
At least 2¼ years, but less than 2¾ years	2.30
At least 2¾ years, but less than 3 years	2.75

For purposes of this title, the tax imposed under this subsection shall be treated as a tax imposed under section 4911, except that, for such purposes, the provisions of section 4918 shall not apply.

"(d) EXCLUSIONS.—

"(1) EXPORT LOANS.—The provisions of subsection (b), and the tax imposed under subsection (c), shall not apply with respect to the acquisition by a commercial bank of a debt obligation arising out of the sale of personal property or services (or both) if—

"(A) not less than 85 percent of the amount of the loan is attributable to the sale of property manufactured, produced, grown, extracted, created, or developed in the United States, or to the performance of services by United States persons, or to both, and

"(B) the extension of credit and the acquisition of the debt obligation related thereto are reasonably necessary to accomplish the sale of property or services out of which the debt obligation arises, and the terms of the debt obligation are not unreasonable in light of credit practices in the business in which the United States person selling such property or services is engaged.

"(2) FOREIGN CURRENCY LOANS BY FOREIGN BRANCHES.—The provisions of subsection (b), and the tax imposed under subsection (c), shall not apply to the acquisition by a commercial bank of a debt obligation of a foreign obligor payable in the currency of a foreign country if, under regulations prescribed by the Secretary or his delegate—

"(A) such bank establishes and maintains, for each of its branches located outside the United States, a fund of assets with respect to deposits payable in foreign currency to customers (other than banks) of such branch, and

"(B) such debt obligation is designated, to the extent permitted by this paragraph, as part of a fund of assets described in subparagraph (A) (but only after debt obligations of foreign obligors payable in foreign currency having a period remaining to maturity of less than one year held by such bank have been designated as part of such a fund). A debt obligation may be designated as part of a fund of assets described in subparagraph (A) only to the extent that, immediately after such designation, the adjusted basis of all the assets held in such fund does not exceed 110 percent of the deposits payable in foreign currency to customers (other than banks) of the branch with respect to which such fund is maintained.

"(e) REGULATIONS.—The Secretary or his delegate shall prescribe such regulations (not inconsistent with the provisions of this section or of an Executive order issued under subsection (a)) as may be necessary to carry out the provisions of this section."

On page 2, immediately after line 8, insert the following:

"SUBCHAPTER A. Acquisitions of foreign stock and debt obligations.

"SUBCHAPTER B. Acquisitions by commercial banks.

"SUBCHAPTER A—ACQUISITIONS OF FOREIGN STOCK AND DEBT OBLIGATIONS

Mr. LONG of Louisiana. Mr. President, will the Senator from Tennessee yield for a unanimous-consent request?

Mr. GORE. I yield.

Mr. LONG. Mr. President, I ask unanimous consent that the Senate vote on the Gore amendment at 7:45 this evening, that the time between now and 7:45 be equally divided between the Senator from Tennessee and the Senator from Utah [Mr. BENNETT] and that thereafter debate on the bill itself be limited to 1 hour and that the vote on the bill be taken at 8:45 p.m., unless the Senate decides to vote before that time, with the time equally divided between the Senator from Delaware [Mr. WILLIAMS] and myself.

Mr. BENNETT. Mr. President, reserving the right to object, am I to understand that the time does not begin to run until 7:45 tonight?

Mr. LONG of Louisiana. The Senate would first vote on the Gore amendment at 7:45 p.m. After the Gore amendment had been voted on, there would then be 1 hour of debate on the bill itself.

Mr. JAVITS. Mr. President, I must object unless the unanimous-consent request does not contain a specific time for voting, because otherwise the time will be cut down too much, and we may need all the time available.

Mr. LONG of Louisiana. Does the Senator refer to the vote on the bill itself?

Mr. JAVITS. I will consent to the unanimous-consent request on the basis of 1 hour of debate on the amendment and 1 hour of debate on the bill, to be equally divided.

Mr. LONG of Louisiana. Will the Senator agree that the vote on the Gore amendment be had at 7:45 this evening?

Mr. JAVITS. If that is agreeable to the Senator from Tennessee.

Mr. LONG of Louisiana. Yes. I will not stipulate any time for the vote on the bill, except that 1 hour of debate on the bill is to be equally divided.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. GORE. Mr. President, I ask unanimous consent that a typographical error on page 2, line 18, of the bill be corrected so as to strike out "(i)" and insert in lieu thereof "(j)".

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GORE. Mr. President, when the Treasury announced that it would recommend and request the enactment of the pending bill, it also announced that it would request and recommend that the bill be made retroactive to the date of the announcement. This announcement, plus the persuasion of the Secretary of the Treasury and his staff, brought about the effectuation of the terms of the pending bill instanter. It has been effective since. However, during the ensuing 12-month period, the long-term loans of commercial banks to foreigners have increased tenfold. This, it would clearly indicate, demonstrates that some of the outflow of capital which was curbed by the proposed retrocative legislation now under consideration by the Senate was accomplished by means of long-term commercial bank loans.

Although the bill provides an exemption for such loans, the need for closing this loophole is plain to see. I advocated that this type of long-term commercial bank loans to foreign customers be included in the terms of the bill. As a result of my suggestion, I have received from Secretary Dillon a letter which I now desire to read:

> I understand that you are considering introduction of an amendment to the proposed interest equalization tax bill (H.R. 8000) which would authorize the President, on a standby basis, to impose the tax on loans by commercial banks to foreigners. Under the bill as approved by the House, loans made by commercial banks in the ordinary course of their commercial banking business are excluded from the tax.
>
> As you know, the bill now contains authority for the collection of data from banks as to their commitments to foreigners. This authority was added because of concern that the commercial bank exclusion might become a vehicle for financing which otherwise would have been supplied by sources subject to the tax.

Mr. President, I digress from the quotation to call attention to the fact that the bill contains a requirement for reporting by commercial banks on their long-term commercial bank loans to foreigners because, as the Secretary of the Treasury describes it, of a concern that the capital the flight of which would be inhibited, prevented, or discouraged by the terms of the pending bill might flow abroad through this exemption in the bill.

If we have before us the concern of the Department of the Treasury and a sufficient concern by the House of Representatives and the Senate Committee on Finance to include in the bill a requirement for reporting, it seems to me that this is a sufficient cause to provide standby authority for the President to bring such loans under the terms of the pending bill, or a similar requirement in case such power is needed.

I return to a quotation from the letter:

> This new data, which is now being furnished on a voluntary basis by those banks which have traditionally accounted for the bulk of foreign lending, has proven useful in determining the kinds of long-term credit being extended by banks to foreigners, supplementing present reports on outstanding volume.

Mr. President, on my amendment, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. GORE. Mr. President, I ask unanimous consent that the remainder of the letter be printed at this point in the RECORD.

There being no objection, the remainder of the letter was ordered to be printed in the RECORD, as follows:

> As I indicated in my testimony before the Finance Committee, our study of the reports filed by banks during the first part of 1964 does not suggest that long-term bank loans have become a direct substitute for market financing in any substantial degree, although the volume of both short- and long-term bank loans outstanding increased rapidly in 1963 and the first quarter of 1964. Although export financing accounted for a significant portion of the increase, the possibility exists that borrowers in particular countries, such as Japan, may have made greater use of bank loans than heretofore.
>
> Under present circumstances, it is difficult to determine whether the future character and volume of bank lending will be such as to warrant standby tax authority over bank loans. The Treasury has not in the past and does not now urge the adoption of such authority. On the other hand, in light of possible future trends in foreign bank lending, we are not opposed to inclusion of a provision of this type in the legislation. We would welcome the advice of the Congress on this matter.
>
> With best wishes.
>
> Sincerely,
>
> DOUGLAS DILLON.

Mr. JAVITS. Mr. President, will the Senator from Utah yield me 5 minutes?

Mr. BENNETT. I yield 5 minutes to the Senator from New York.

Mr. JAVITS. Mr. President, it is interesting to me to observe that this amendment is put forward. It is somewhat in the nature, as it were, of attacking the situation from the other end of the pole. After the arguments which have been made today about the inflexibility of this particular proposed statute, and the fact that it would not, in my judgment, and apparently the judgment of other Senators, operate in a manner conducive to the best outlook for American foreign trade, and for American leadership of the free world in bank credit, there is now a proposal to inhibit further the freedom of action on the part of the banking community, by giving authority to impose a tax on commercial bank loans.

In the first place, I notice that the committee report makes it clear that the bank loans refer to more bank loans in the ordinary course of commercial banking business. The committee report also recognizes the special role played by banks in support of: "Normal recurring finance of international business of American firms."

Obviously, loans to foreign concerns are often the basis upon which foreign concerns acquire American exports. That is exactly what the committee had in mind when it provided for this exclusion.

It seems to me that the exclusion is of such a nature that if it is abused, there are many controls over our banks through the banking system and through the Federal Reserve authorities, as well as through the Comptroller of the Currency over national banks, and through various State regulatory authorities over State banks. In addition, there is a reporting system which has already been referred to by the Senator from Tennessee as an additional protection.

I doubt very much whether any Senator, in this new and untried field of interest equalization tax, would wish to move also into the concept of taxing bank loans, with what that would mean in yet another type of control over the whole banking system.

It is true that bank loans have risen materially. I pointed that out myself in terms of financing. But this is not necessarily a bad thing, because money has a way of trying to find the necessary uses to which it must be put, and if we shut off one path for that purpose, it will open up another.

It is a fair assumption that the increase in bank loans was not as great. We must remember the issuance of securities against which this bill is directed. The increase in bank loans, I pointed out in my basic remarks, came to approximately $800 million over a period of a few years; that is, from $400 million to approximately $1.2 billion or $1.3 billion. This must be juxtaposed to the fact that the flow of investment in foreign securities, which was cut off in terms of total issue, ran into the area of approximately $2.5 billion or more on an annual basis.

I believe it is a reasonable assumption that, to the extent bank loans increased, capital was necessary to finance our international trade. When the normal amount of capital which would move into international trade was cut off, the securities route was used. Then the loan route was availed of, in my judgment, to the extent that it really represented the need for financing international trade.

I believe that the committee made this exclusion, as it explains in its report, in a considered way. I believe that it would be a grave mistake to expand this already unique and new approach to include as well the traditional freedom of bank loans which the committee itself excluded from the bill, the reasons for which the committee explained, and the reasons for which I have explained.

If anything, it would make the interest equalization tax more menacing than it is now to normal financial transactions, and even further restrict the opportunities available for American banking leadership abroad. In my judgment, it would have an adverse effect on our trade. We must remember that we are striking at the jugular vein of what is critically important for the balance of payments, as our favorable balance in international trade is now running at the rate of $6.25 billion a year, and what we have to depend upon absolutely in terms of a semblance of control over our balance of payments. I do not believe that the interest equalization tax bill would do what it should do in connection with our international balance of payments. I believe that it would be disastrous if we now impaired the American trading position, which I believe adoption of this amendment would tend to impair.

I very much hope that those who are friends of the new approach to the interest equalization tax will themselves see that their "new baby" is being jeopardized, and will reject the amendment.

Mr. GORE. Mr. President, I yield myself 3 minutes.

The PRESIDING OFFICER (Mr. PELL in the chair). The Senator from Tennessee is recognized for 3 minutes.

Mr. GORE. The Senator from New York has suggested that the pending amendment would in some way interfere with loans for exports.

I invite attention to page 22 of the bill, line 8. There is a specific exemption for export-related loans. As I stated in an address upon the pending bill yesterday, five specific exemptions from terms of the bill are provided in the bill. The fourth one, which I have just pointed out, is, "export-related loans."

The exemption to which the amendment now pending applies is the fifth exemption—long-term commercial loans to foreigners. Therefore, I suggest to the able and distinguished senior Senator from New York that he refer to the terms of the fourth exemption on page 22 of the bill. I respectfully suggest that the pending amendment provides for standby authority. It may or may not be needed. I would hope that the national interest would not require the use of the power contained in the amendment. But if it is needed in the national interest, I believe it prudent to have it ready. We should stand on guard as a result of the notice we have, in two forms.

First. The increase of such commercial long-term loans to foreigners by tenfold.

Second. The concern which the Treasury Department and the House of Representatives have demonstrated in providing a requirement for reporting.

I hope that despite the remarks of the able Senator from New York, the amendment will be agreed to.

Mr. LONG of Louisiana. Mr. President, will the Senator from Tennessee yield me 3 minutes?

Mr. GORE. I yield 5 minutes to the Senator from Louisiana.

Mr. LONG of Louisiana. I shall require only 3 minutes.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 3 minutes.

Mr. LONG of Louisiana. Mr. President, the Treasury Department has been consistent in that it did not feel the power was necessary in order to carry out the purposes of the bill.

I have a statement from the Treasury which explains the position of the Treasury.

I ask unanimous consent that the statement be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

TREASURY DEPARTMENT,
July 13, 1964.

THE COMMERCIAL BANK EXCLUSION IN THE INTEREST EQUALIZATION TAX BILL

Commercial banks making loans in the ordinary course of commercial banking business would not be subject to tax under the proposed interest equalization tax bill. In part, this is attributable to the fact that the bulk of these loans fall within the less than 3-year maturity range and would be excluded in any event. However, the commercial bank exclusion also recognizes the special role played by banks in financing U.S. exports and the international business of U.S. firms. It also permits the banks to continue freely their conduct of banking operations through branches located in foreign countries. The activities of foreign branches consist mainly of receiving deposits in foreign currencies and making loans in such currencies. These transactions have no effect on the U.S. balance of payments.

Because of the possibility of abuse of the bank exclusion, the bill authorizes the collection of detailed information on foreign bank lending to provide a basis for determining whether this exclusion should be continued and, if not, the way in which it should be modified. Analysis of the detailed information supplied by the banks on a voluntary basis since the beginning of this year does not suggest any significant direct substitution of bank loans for market financing. While the volume of long-term loans outstanding rose sharply in 1963 and the first quarter of 1964, the rise had started early in the spring of 1963, prior to the proposal of the interest equalization tax. Furthermore, if total bank loans, both short and long term, are considered, the increase in 1963 ($1.1 billion) was about the same as in 1961 ($1.1 billion) and only moderately higher than in 1960 (about $800 million).

A good part of the increase since the spring of 1963 is clearly related to the surge in U.S. exports over the same period. It is quite possible, however, that a part of the increase, particularly the shifting from short to longer term loans, is attributable to the indirect effects of the proposed tax. In adjusting to

> the tax, borrowers in countries under balance-of-payments pressure—notably Japan and Italy—have apparently found it necessary to make greater use of long-term bank loans. Initial reactions of this kind are not surprising, and there are already signs of a leveling off. Preliminary data for April and May show net long-term loans of only $53 million as compared to almost $260 million in the first quarter. Nevertheless, future trends will clearly require continuing surveillance. The Secretary of the Treasury will promptly recommend to the Congress appropriate changes in the bank loan exemption should it appear that such loans are in fact being utilized to any significant degree as substitutes for market financing.

Mr. LONG of Louisiana. Mr. President, the Treasury recognizes the fact that the issue raised by the amendment could well become a problem in the future. It is carefully watching the trends to see what develops. If that should be the case, the Treasury would expect promptly to recommend appropriate legislation to meet the problem.

I am frank to say that the junior Senator from Louisiana voted against the amendment in the committee. But he is willing to accept it as an amendment to the bill and go to conference with it and report it to the House conferees. In my judgment, this is a power that there would be no necessity to use even if it were to be placed in the bill.

On the other hand, if there were no power in the Secretary of the Treasury to invoke this tax with regard to commercial bank loans, the Secretary might find it difficult at some future date to obtain cooperation from the banking community, that would otherwise be available if he had some power to act.

It is my thought that if the Secretary does not have the power to invoke this tax with regard to commercial bank loans, he may well find the necessity for it. On the other hand, if he had the power, I believe that he would have whatever cooperation he needed on the part of the banking community, so that he would never have to ask Congress to act in this field.

I expect to vote for the amendment. I wish to make it clear that the Treasury's position is that it does not believe the authority is needed. It believes it can get by without it.

Mr. GORE. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield.

Mr. GORE. Is it not also the position of the Treasury that this is a matter of concern, and that there is the possibility that power would be needed, and that it would recommend and advise Congress in this regard, and that the Treasury does not oppose the amendment?

Mr. LONG of Louisiana. The Senator is correct. The Treasury does not oppose the amendment. As a practical matter, the area in which the Senator seeks to strengthen the bill is an area where the purpose of it could be subverted. It is entirely possible that through commercial bank loans, the purpose of the bill could be undermined. And the Senator from New York in speaking against the bill made that very point.

While these loans have increased drastically, my understanding is that such loans started to increase somewhat in volume prior to announcement of the tax. Also, the Treasury Department claims that it believes a considerable portion of the increase in commercial bank loans was due to an increase in our exports, which is good. But it is possible that this authority might become necessary. The Treasury does not at this time believe that it is necessary, but it would ask us to act in the event that it were.

I believe this amendment would help to assure us that it would not be necessary to invoke a tax with regard to the commercial banks. If there were a power to invoke the tax, that is, if there were standby authority, the probabilities are that the banks would be more cooperative if they were urged to restrain themselves somewhat and not make loans where the loans are being used as a substitute for portfolio investments.

Mr. BENNETT. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. BENNETT. The Senator has indicated, as the Senator in charge of the bill, that he is prepared to take the amendment to conference and vote for his own position.

Mr. LONG of Louisiana. Yes.

Mr. BENNETT. It seems to me that the Senator is speaking for himself. I doubt that the majority of the committee that voted against this amendment in the committee would be eager to see it taken to conference.

The Senator from Utah, for one, would resist it. Fortunately, the yeas and nays have been ordered, so before the Senator may take it to conference, it must be voted on by the entire Senate.

Mr. LONG of Louisiana. This will be the advice of the Senate on the subject.

I believe the Senator will find that we did not vote on the amendment in committee. We discussed it. But I do not believe we actually voted on it. I believe the amendment should be considered on its merits. It poses an issue. I am sure that the majority of Senators voting for the bill feel this way. We do not want to jeopardize the bill.

Mr. GORE. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield.

Mr. GORE. I can refresh the memory of the Senator in that regard. I offered the amendment at a morning session. I requested that the Treasury representatives give their views when we returned in the afternoon.

It appeared in the afternoon that the Treasury representatives had not had sufficient time to study the amendment. So we discussed the amendment. I said I would withdraw it and not press for a vote at the time. I said I would request the Treasury representatives to give their views in writing. I stated that I reserved the right to offer the amendment on the floor.

Mr. LONG of Louisiana. I believe that is a correct statement of the situation.

Mr. BENNETT. That may well be.

Mr. JAVITS. Mr. President, it seems to me that the committee was very clear on what it was to do. It was to adopt a compromise on this proposal.

Therefore, I am a little confounded by the statement of the Senator in charge of the bill, who said that the committee had changed its position.

I invite attention to page 16 of the report. It reads:

> Your committee is aware that a generalized exclusion of this type could be abused. Although that is not expected, your committee does consider it necessary to provide specific authority in the bill for the collection of detailed and timely information on the nature of, and trends in, bank lending to foreign persons. The information collected under these reporting requirements will provide a basis both for determining whether a general exclusion of this character should be continued and, if not, for indicating the specific ways in which the general exclusion should then be modified.
>
> The possible need for the practicability of amending this legislation with respect to loans of commercial banks will be reviewed by your committee should this evidence suggest that bank lending to industrialized countries abroad, whose borrowing will otherwise be subject to tax, is rising in amounts out of proportion to a general expansion in the banking business or amounts related to the normal recurring needs of international trade.

It seems to me very likely that they rejected the concept of such an amendment. I assume this is the official committee position.

I ask the Senator, in all frankness, whether we are to rely on this statement. Have we not a right to rely on the statement in the report to that effect?

Mr. LONG of Louisiana. Mr. President, let me state frankly that the statement speaks for the position of the committee. In reporting the bill, I have consulted with other members of the committee. In discussing it, I am frank to say that I believe if we had voted on the amendment in the committee, a majority of the votes would have been against the amendment. On the other hand, if Senators who voted to report the bill favorably had voted on it, the majority would have voted for the amendment. But this is a matter upon which, from the point of view of the Senator in charge of the bill, the Senate should advise us. I am not telling the Senate to vote for the amendment. But I am insisting that all Senators have an opportunity to vote for or against this matter.

May I say also that at the time the bill was considered by the committee, I did not have the views of the Treasury Department. My feeling is that if the amendment is agreed to, we shall have to see how adamant the House is. If the House is adamant, we shall have to yield on the House position. But if it is agreed to, the House will be asked to consider the amendment, just as the Senate is asked to consider it now.

Mr. BENNETT. Mr. President, how much time have the opponents?

The PRESIDING OFFICER. The opponents have 16 minutes remaining.

Mr. BENNETT. I yield myself 6 minutes.

Mr. President, the amendment is completely unnecessary as well as unwise. First, the Senator from Utah does not like standby statutory authority. I am reminded of the character Gabriel in the play "Green Pastures," which was presented 30 years ago. Gabriel went around the stage all evening with his trumpet in his hand. The fact that he had responsibility of the trumpet gave him a constant temptation to blow it. So all evening he went around saying to the Lord, "Lord, can I blow it now?"

That is what happens when a man is given standby authority. There is always a temptation to ask the question, "May I blow it now?"

In respect to the bill, I point out that even though a need might arise, we would not need standby authority. I remind Senators that the bill is unique among all other bills which the Senator from Utah ever saw introduced in the Senate.

More than a year ago an announcement was made that the Senate would seek a bill which would tax American investment in foreign securities. The Treasury said, "This tax will be imposed effective this date no matter when the bill is passed." So we were told that the tax would be retroactive, and the psychological effect of the tax went into effect the day the proposal was announced. It was so strong that it created a panic in the Canadian and Japanese stock exchanges. On the first day the loss in Canada was $225 million. In order to repair that damage, within 48 hours the American Government had to announce an exemption for Canada. Having used that technique once, if it should become necessary to apply taxes to bank credit issued for foreign borrowings, the same technique could be used again. To say, "As soon as we can pass a bill we shall pass one making the tax effective the day of this announcement," would create the same kind of psychological panic.

Mr. President, we are dealing with a very delicate situation when we deal with the question of credit. Credit is based on mutual confidence; and when that confidence is shattered or weakened, even though a year or more passes before the actual law is available, the effect is immediate.

So I say to my friends that the Treasury has shown us how to handle the situation if the bank problem becomes acute. All it is necessary to do is to do with banks what was done with foreign securities, and the effect will be immediate.

I personally oppose the further extension of the proposed tax, even on a standby basis, because I believe it would mark the end of the New York market as an international money market. We nearly killed it so far as foreign securities are concerned by the announcement of the proposal a year ago; and now, by its adoption, we would confirm it. The Treasury recognizes the damage it has done and can do, because it is giving to this particular bill a life only to the end of 1965 because, as I said in an earlier statement today, the Secretary of the Treasury himself admits that the long-range damage done by the proposal could possibly be greater than the short run benefits.

Mr. LONG of Louisiana. Mr. President, will the Senator yield to me?

Mr. BENNETT. I yield.

AUTHORIZATION FOR COMMITTEES TO MEET UNTIL NOON TOMORROW

Mr. LONG of Louisiana. Mr. President, I ask unanimous consent that the committees of the Senate be authorized to meet until noon tomorrow. The request has been cleared with the leadership on both sides of the aisle.

The PRESIDING OFFICER. Without objection, it is so ordered.

INTEREST EQUALIZATION TAX ON CERTAIN FOREIGN SECURITIES

The Senate resumed the consideration of the bill (H.R. 8000) to amend the Internal Revenue Code of 1954, to impose a tax on acquisition of certain securities in order to equalize costs of longer term financing in the United States and in markets abroad, and for other purposes.

Mr. BENNETT. Mr. President, the bill when first introduced was a shock to the international financial community. Some of the stock exchanges, including that in Japan, have not yet recovered to the full level they had reached when notice hit them that the American market was closed to their securities. We left the door open a little way. We left the door open to permit bank financing to continue, partly because we have no accurate and complete way of knowing to what extent bank financing is involved with the export market. As we get further and further into international competition, there is more and more pressure to provide longer and longer bank credits to finance exports. We can say, as we do in the bill, that there will be an exemption for export financing. But that raises a question. The provision would cause banks to make absolutely sure that the lending they are doing goes to export financing. That greatly multiplies the complexity of the situation. Foreign borrowers will be in the same position as the present foreign sellers of securities. It becomes too much of a burden in bookkeeping and in negotiation to come into the American market to get money.

Suppose the amendment were adopted and the President were given standby authority. A borrower from France or Belgium, knowing that the President had standby authority and the power to impose the tax without notice at any time, would have no way of knowing whether the tax would be imposed before his negotiations were finished. So the easy thing to do would be to turn to London, Paris, Bonn, or somewhere else to get his money. The very announcement of the bill dealt a crippling blow to our American market in foreign securities. An announcement that the President had standby authority to impose a tax on bank loans would have the same crippling effect on our position as international bankers. Once we had lost both those positions, the United States would no longer be the center of the world money market.

We have lost half of that position now and may never regain it. With that goes a little piece of our position of world leadership in many other ways. So I hope that Senators will recognize that the amendment is both unnecessary and unwise, and will reject it.

Mr. GORE. Mr. President, I have listened with interest and attention, as I always do, to the remarks of the able Senator from Utah. It seems to me that he has made a strong case for the amendment. I should like to specify. The able Senator has correctly and accurately pointed out that when the Treasury announced a year ago that it would recommend and request enactment of the bill now before the Senate, and that it would request that it be retroactive to the day of the announcement, it became effective immediately. I would not wish to see that practice extended in many regards.

I have not criticized the administration for handling a delicate problem in this way, because it was so pressing. But the able Senator has said this would indicate that if the President were given standby authority with respect to long-term commercial bank loans to foreigners, it, too, would become effective. If that be the case, then I say "Hurrah!" We would thus have possibly avoided the use of the power granted in standby status.

Now let us look at the other side of the coin. Suppose the standby authority were not granted, and that the long-term commercial bank loans to foreigners—which have increased tenfold during the past year, during which period the terms of the pending bill, as the Senator has acknowledged, have been effective—should increase by another tenfold or by a hundredfold. The likelihood would be greatly enhanced that the Government of the United States would not only be forced to request such authority, but also to use such authority. So if it were given in standby status, it would be ready and available if the need for such use should arise.

Second. According to the able Senator's argument—with which I believe I concur—its existence in standby status would very likely have such a salutary effect that its use might never be needed. So I suggest that the able Senator has, from my point of view, given at least one argument in favor of the adoption of the amendment.

The amendment is made advisable, in my view, because the bill contains a specific exemption for commercial bank loans. This exemption would be the most damaging of the five exemptions provided in the bill. It would be the most damaging to the balance-of-payments problem. Moreover, I believe it is least justifiable from the standpoint of the national welfare.

It seems to me a foregone conclusion, from the experiences we have had, and from the concern expressed by the Treasury, that this commercial bank exemption will be used, at least to some extent—and there is apprehension that it may be to a very damaging extent—to funnel funds into foreign ventures, completely free of the tax which is proposed by the pending bill, when in the ordinary course of business such funds would have been procured through public issues and, by terms of the pending bill, would have been held back, or at least restrained, because of the proposed tax in the pending bill.

We are not without examples. The Secretary of the Treasury cited an instance which involved a $20 million long-term loan by a commercial bank to a foreigner that was substituted for a public issue, which would, upon enactment of the pending bill, be subject to the tax contained therein.

Although the Secretary of the Treasury says he does not request enactment of the pending amendment, the Treasury does not oppose it. Indeed, it says it would welcome the advice of the Senate or of the Congress. Moreover, the Secretary says that the provision in the bill which requires reporting by commercial banks on long-term commercial loans to foreigners is contained in the bill because of concern that this would be used as a means of avoiding, bypassing, if not subverting, the purposes of the pending bill.

It seems to me that logic impels us strongly to the conclusion that the provision of standby authority which the President could use in the national interest, if the need for its use were indicated, would be a wise course of action.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. GORE. Mr. President, does the Senator from Utah have some time?

Mr. BENNETT. Yes.

Mr. President, how much time have the opponents?

The PRESIDING OFFICER. Six minutes and 40 seconds.

Mr. BENNETT. Mr. President, one or two things have been developed in the last statement made by the Senator from Tennessee on which I should like to comment.

In the first place, when we operate on the theory of standby power with no further review by the Congress, we have transferred and delegated power to the executive which I think we should keep in our own hands.

We are legislating in the absence of a known need for such authority. That is everwise legislation.

The Senator said, in effect, that if Congress provides standby power, and if it becomes necessary, and it is imposed, funds that might go out of this country will be held back. I believe that is the way he said it—implying that people abroad who need the money will suddenly decide they do not need it.

That is not what will happen at all. They will find another source, and the business that should have gone to the American people will go elsewhere. The money which may have gone out of the United States as a bank loan would have been earning money which would have come in as interest or dividends. We would have shut that income off and permanently transferred that source of income to another place and another market.

The Senator from Tennessee was very careful to point out that the bill would insure that the bank loan exemption would not apply to export-related loans, because they are covered by another exemption.

It is interesting to read the exemption for export-related loans. The exemption does not cover the lending of money to finance the cost of the merchandise involved. I read what the export-related exemption is limited to. It is limited to money used "by the obliger for the installation, maintenance, or improvement of facilities outside the United States which—during the period the loan is outstanding—"will be used for the storage, handling, transportation, processing, packaging, or servicing of property, a substantial portion of which is tangible personal property produced, grown, or extracted in the United States."

In this field of international commerce it is becoming increasingly necessary for the seller to extend credit to the buyer, so that, in a sense, he gets the funds with which to pay for his purchase. No loan for that purpose is covered by the export exemption. That kind of loan would be covered by the standby authority to which the Senator has referred.

I feel that the bill as a whole is a mistake. I shall vote against it. We made a mistake when we approved retroactively the action the Secretary took a year ago to take us out of the international securities market rather effectively. I believe that we would multiply that mistake if we should decide now to give the President standby authority. It would hang like a cloud over the head of every potential lending transaction and would persuade our friends to go elsewhere first, where they could deal with all the cards on the table and without the risk that in the middle of the transaction a tax would be imposed.

I hope that the Senate will reject the amendment.

How much time remains to our side?

The PRESIDING OFFICER. One minute and 30 seconds remain.

Mr. BENNETT. I yield back the remainder of my time.

Mr. GORE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GORE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Under the order previously entered, the yeas and nays having been ordered, the clerk will call the roll on the amendment offered by the Senator from Tennessee [Mr. Gore].

The legislative clerk called the roll.

Mr. LONG of Louisiana. I announce that the Senator from Arkansas [Mr. Fulbright], the Senator from Alaska [Mr. Gruening], the Senator from Arizona [Mr. Hayden], the Senator from Alabama [Mr. Hill], the Senator from Minnesota [Mr. Humphrey], the Senator from Montana [Mr. Mansfield], the Senator from Minnesota [Mr. McCarthy], the Senator from Montana [Mr. Metcalf], the Senator from Georgia [Mr. Russell], the Senator from Florida [Mr. Smathers], the Senator from Georgia [Mr. Talmadge], and the Senator from Virginia [Mr. Byrd] are absent on official business.

I also announce that the Senator from New Mexico [Mr. Anderson] and the Senator from Massachusetts [Mr. Kennedy] are absent because of illness.

I further announce that the Senator from Maryland [Mr. Brewster], the Senator from Nevada [Mr. Cannon], the Senator from Oklahoma [Mr. Edmondson], the Senator from Oregon [Mrs. Neuberger], and the Senator from West Virginia [Mr. Randolph] are necessarily absent.

I further announce that, if present and voting, the Senator from New Mexico [Mr. Anderson], the Senator from Maryland [Mr. Brewster], the Senator from Oklahoma [Mr. Edmondson], the Senator from Minnesota [Mr. Humphrey], the Senator from Montana [Mr. Mansfield], the Senator from West Virginia [Mr. Randolph], the Senator from Georgia [Mr. Russell], the Senator from Florida [Mr. Smathers], and the Senator from Georgia [Mr. Talmadge] would each vote "yea."

Mr. BENNETT. I announce that the Senator from Arizona [Mr. Goldwater] is necessarily absent.

The Senator from Maryland [Mr. Beall], the Senator from New Mexico [Mr. Mechem], the Senator from Wyoming [Mr. Simpson], the Senator from Texas [Mr. Tower], and the Senator from North Dakota [Mr. Young] are detained on official business.

The Senator from Vermont [Mr. Aiken], the Senator from Illinois [Mr. Dirksen], the Senator from Iowa [Mr. Hickenlooper], the Senator from California [Mr. Kuchel], and the Senator from Massachusetts [Mr. Saltonstall] are detained on official business at the White House.

If present and voting, the Senator from Maryland [Mr. Beall], the Senator from New Mexico [Mr. Mechem], the Senator from Wyoming [Mr. Simpson], and the Senator from Texas [Mr. Tower] would each vote "nay."

The result was announced—yeas 44, nays 25, as follows:

[No. 513 Leg.]

YEAS—44

Bartlett
Bayh
Bible
Burdick
Byrd, W. Va.
Church
Clark
Dodd
Douglas
Eastland
Ellender
Ervin
Gore
Hart
Hartke
Holland
Jackson
Johnston
Jordan, N.C.
Lausche
Long, Mo.
Long, La.
Magnuson
McClellan
McGee
McGovern
McIntyre
McNamara
Monroney
Morse
Moss
Muskie
Nelson
Pastore
Pell
Proxmire
Ribicoff
Sparkman
Stennis
Symington
Thurmond
Walters
Yarborough
Young, Ohio

NAYS—25

Allott
Bennett
Boggs
Carlson
Case
Cooper
Cotton
Curtis
Dominick
Fong
Hruska
Inouye
Javits
Jordan, Idaho
Keating

Miller
Morton
Mundt
Pearson
Prouty
Robertson
Scott
Smith
Williams, N.J.
Williams, Del.

NOT VOTING—30

Aiken
Anderson
Beall
Brewster
Byrd, Va.
Cannon
Dirksen
Edmondson
Fulbright
Goldwater
Gruening
Hayden
Hickenlooper
Hill
Humphrey
Kennedy
Kuchel
Mansfield
McCarthy
Mechem
Metcalf
Neuberger
Randolph
Russell
Saltonstall
Simpson
Smathers
Talmadge
Tower
Young, N. Dak.

So Mr. GORE's amendment was agreed to.

Mr. JAVITS. Mr. President, I ask for the yeas and nays on passage of the bill.

The yeas and nays were ordered.

Mr. JAVITS. Mr. President, will some Senator yield me time on the bill?

Mr. BENNETT. Mr. President, will the Senator withhold until the third reading of the bill is had?

The PRESIDING OFFICER (Mr. WILLIAMS of New Jersey in the chair). The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time.

Mr. BENNETT. Mr. President, I yield 5 minutes to the Senator from New York.

Mr. JAVITS. Mr. President, the bill has been debated all day. We have conclusively demonstrated, in my judgment, that it is not needed, and that it will not do what it is intended to do, that the mere fact an effort is being made to button up the loopholes on the floor of the Senate on a standby basis indicates it will not do what it is intended to do, that it will affect a very small part of foreign borrowing, that all it will perform, in my judgment, will be mischief in terms of the position of the United States which is concerned about its balance of payments.

The United States is concerned about its creditworthiness. Yet here it is undertaking to tax capital, which is completely unsound in terms of credit worthiness, and of deserving the credit leadership of the world. I am not the only one who feels this way. The record of the hearings is replete with testimony of witness after witness of the highest competence, other than those in the administration, who feel the same way.

This bill has no friends. That goes for the academic world, the banking world, and business world. It flies in the face of them all, merely because some official in the Treasury Department has placed his prestige on the line on the basis that this is the way to deal with an important aspect of our balance of payments. The Senate is going down the road with him—in my judgment, unthinkingly and unwisely.

Mr. President, I stand here to predict that it will hurt the country far more than it will help the country, that we shall rue the day we put this train of events in motion.

No other country does this. The United Kingdom, which is the most nearly analogous country to us, has a Capital Issues Committee. I would much rather give the Secretary of the Treasury absolute control of the admission of foreign securities into this country. I would much rather do that, which is at least the traditional way for important countries with banking responsibilities to handle a matter of this kind, than to go for all this nonsense which is contained in the bill, which is completely inflexible, and which will have no real effect, because the foreign borrower will pay the 1-percent tax, and there will be as many admissions of securities as before.

The only one who will be hurt will be the small investor, who may wish to buy some foreign stocks and will have to pay a 15-percent tax. Therefore, he will not do so.

It is interesting to me that the amendment of the Senator from Tennessee [Mr. GORE] now would extend the tax to commercial loans, which is unheard of. I hope that Senators will study this matter overnight. They now propose a standby tax on commercial loans by commercial banks.

Mr. KEATING. Mr. President, will the Senator yield at that point?

Mr. JAVITS. I yield.

Mr. KEATING. And thereby made it very much easier to vote against the bill. As the Senator from New York has just stated, it is absolutely unheard of to place a tax on commercial bank loans. Every commercial banker in the country will be up in arms at such a procedure as this.

And every taxpayer will be, too. I had always thought that only the Congress has power to levy taxes. Now we are giving away that power to the President on a standby basis. That is a flight from our whole tradition, and we will surely live to rue this day.

We have made a bad bill twice as bad by this action.

Mr. JAVITS. The Senator is correct.

Mr. CURTIS. Mr. President, will the Senator from New York yield?

Mr. JAVITS. I yield.

Mr. CURTIS. In the opinion of the Senator from New York, would this measure levy a tax upon foreign loans of commercial banks which may be insured or guaranteed by the U.S. Government?

Mr. JAVITS. I have little doubt that it would. It is across the board. It is a standby authority. It will be argued otherwise but, nonetheless, that is what is proposed. We have undertaken to give that authority.

Mr. CURTIS. Assuming that it is exercised, for what purpose does our Government guarantee or insure foreign loans?

Mr. JAVITS. I assume our Government guarantees them——

Mr. CURTIS. To encourage the making of them; is that not correct?

Mr. JAVITS. Of course. The Senator is correct—to encourage our foreign trade and foreign investment. We are now beginning to jeopardize big things, such as foreign trade, in which we have a $6¼ billion surplus. The income from foreign private investments far exceeds those investments. We are really getting into the big league, considering this is a bill which was supposed merely to trim around the edges.

Mr. CURTIS. Mr. President, will the Senator from New York yield for a further question?

Mr. BENNETT. Mr. President, how much time does the Senator from New York wish?

Mr. JAVITS. Five minutes.

Mr. BENNETT. I yield 5 minutes to the Senator from New York.

The PRESIDING OFFICER (Mr. MUSKIE in the chair). The Senator from New York is recognized for 5 minutes.

Mr. CURTIS. Will this standby authority permit the placing of a tax upon a loan made by an instrumentality of the United States?

Mr. JAVITS. I really have not studied the amendment of the Senator from Tennessee closely enough to answer that question with complete assurance. I believe that it applies only to commercial bank loans.

Mr. CURTIS. Then the result would be to drive all the lending that there is to be into the hands of Government agencies; is that not correct?

Mr. JAVITS. I should think that if the Government were unwise enough to use its standby authority, it would really be distorting the whole banking and monetary system, of which the United States is head and front in the world.

I can only hope and pray that there are better brains in the Treasury Department which will not use any such authority as this.

Mr. CURTIS. Is it not true that the standby authority may be used retroactively?

Mr. JAVITS. Again, I believe a study of the amendment of the Senator from Tennessee [Mr. GORE] would have to be made carefully. I would not be prepared to say that. The entire bill applies retroactively.

Mr. CURTIS. The theory of the bill applies retroactively. Congress has exerted its power to apply the tax retroactively, and this is a delegation by the Congress of its taxing power to the President; is that not correct?

Mr. JAVITS. This is a delegation by the Congress of the taxing power of the Congress to the President on a standby basis. This is breaking the line on a principle which many Senators have been so thoroughly committed to defend against; namely, giving the Executive standby authority to tax anything, or to use the taxing power of the Congress.

Mr. CURTIS. Whether used or not, it is possible for all kinds of evils to flow from the very threat that it might be used.

Mr. JAVITS. The answer is that we have surrendered in this respect a most dearly prized authority of the Congress; namely, the power to tax; and we have turned it over to the President as it affects these commercial loans.

Mr. CURTIS. I take exception to the Senator's use of the word "we." I did not vote for it.

Mr. JAVITS. Neither did I. I am speaking to an act of the Senate which has taken place by the majority and we are well aware of the implications of the word "we."

One other point should be mentioned. It should be noted that direct investments are still exempt from the bill where there is ownership of 10 percent or more of equity in the entity in which the investment is made. So that now becomes a preferred category because everything else is under the ban—standby authority for commercial loans, bonds, stocks; but not direct investments.

Whom does that favor? It favors the rich investor over the more modest investor, because direct investments are the interests with large properties abroad. They are the direct investors. They are completely out of this situation.

As to encouraging direct investments and less portfolio investments, many economists who testified doubt the desirability of that. Now we have compounded it by also moving a shadow over commercial bank loans.

I believe my colleague the Senator from New York [Mr. KEATING] has put his finger on the issue. This is a bad bill to begin with; and there is no real reason for its existence; yet someone in the Treasury Department got a brainstorm, and Congress is going down the line for him, although the time to use that brainstorm has long since passed.

I believe that the Senate will rue the day, if we enact the bill amended in this way, and the authority is really used. We shall rue the day when we started this chain of events in this highly delicate area of international finance and international credit.

We know that there are many claimants on us for $23 billion; and as someone has said, if they wished, those claimants could take us into bankruptcy.

This is a fine example for a debtor country to show its creditor countries in terms of the intelligence, wisdom, and efficiency with which it proposes to operate the international and financial credit system of the world.

I deplore it very greatly, Mr. President. I shall vote decidedly "no" on this bill. I hope the Senate will reject it.

Mr. LONG of Louisiana. Mr. President, I have been told by former Secretary of the Treasury Bob Anderson and others—and I have no reason to challenge the statement—that everyone who tries to be a banker to the whole world always winds up being broke. It is on that basis that he, as Secretary of the Treasury under President Eisenhower, recommended a program to correct our balance of payments which was far more severe than anything now in the bill.

At that time, Secretary Dillon was one of President Eisenhower's advisers. His advice was that we should not proceed so rapidly, and that we should not act so drastically.

When President Kennedy came into office, he suspended certain proposals which President Eisenhower had put into effect to stop, or at least to reduce, the drain of American gold. But he found that even the most that he could do administratively, and that his Cabinet could do in accepting their responsibilities, left us so completely at the mercy of foreigners that in the last quarter before the interest equalization tax was announced, the rate at which our balance of payments was going unfavorably was $5 billion a year. That was the 3 months preceding the announcement of this proposed tax. Since that happened, the rate of unfavorable balance has declined from $5 billion to $2 billion. That is what it is estimated that our unfavorable balance will be as of the end of this year.

Had we not taken this kind of action, this Nation might have been in the position of being the bankrupt banker for the whole world. For one thing, we want to still be able to make balancing international payments in gold.

Our gold balance declined from approximately $23 billion at the end of December 1957 to $15,700 million in May of 1964. At the time that we had the $23 billion gold balance, there were very few foreign holdings in dollars against our gold. But, although more than $7 billion of our gold has been drawn out, the foreign holdings of dollars and credits have increased until today the figure of foreign holdings is $23,100 million, for which the foreign holders are entitled to call upon us for gold payment at this time. Not all of that is held in a central bank. But about $11.9 billion—almost $12 billion—of that money is now held in foreign governments' central bank. The rest of it can be called into the central banks. These banks are in a position to call upon us for $11.9 billion of gold right now. And against that call for $12 billion we have $2.8 billion available in gold.

We are fortunate that we are able to do business with these people of other lands. They are our friends. They are our allies. They will cooperate with us. We join them in treaties, under which we work together to help solve mutual economic problems. But Uncle Sam had been operating on the basis that he was able to help everyone. He now operates on the basis that he has to have everyone's cooperation if he is to meet his payments in gold.

They are entitled to demand four times what we have to pay it with. Of course, we have a great many long-term investments in the other countries. There are all sorts of unusual things that this country could resort to if it so desired. But we do not want to. Of the $15.6 billion that we have in gold, the American public under present law is entitled to $12.8 billion as reserves. We have a law that provides, as the chairman of the Committee on Banking and Currency knows, that we must have an amount of gold equal to 25 percent of the Federal Reserve notes and deposits. So, we cannot pay out that $12 billion. That leaves us $2.8 billion on which we can rely.

There are many more severe measures that I would like to see passed to help relieve this problem. I would like to see us further subsidize the merchant marine so that we would not have to pay as much for foreign shipping to haul imports to our shores. I would like to see a reduction in oil imports. That would greatly help Louisiania and other oil-producing States. There are many things which we could do, many of which would be very expensive, but we are told that the high level of interest rates which we have is related to the fact that we have a deficit in our international payments position, and that we have to have interest rates at least as high as they now are.

This administration does not want to insist upon a bill that would require putting those interest rates as high as they are in Europe. That is why the tax is proposed. If the interest rates went up 1 percent, as we would have to do to put our market in line with the European market and the Japanese market, that one factor could cost us $3 billion a year in payments on the national debt alone. And that does not take into consideration what it would cost us to impose this burden on the State governments, or what it would cost us to impose the high interest rates on homeowners, businessmen, and other persons who must borrow.

It is felt by a great number of people that a severe recession in this country could very well start if the interest rates were to rise to peaks which would be higher than at any time we have known of in recent history, even higher than those that existed before the crash in 1929.

This is a very modest, reasonable proposal. Arrangements had been made to help Canada with her problem, so that Canada could continue to meet her deficit of payments by obtaining investment funds from the United States. We would insist that she not build up a surplus from these investment funds. We have exempted direct investments. We do not propose that there shall be any tax on commercial banks making loans in the ordinary course of their commercial banking business. And as long as those banks did not use the lending power as a device to evade the intention of the bill, no effort would be made to impose this tax upon them. Loans relating to exports are exempt. All loans to underdeveloped countries are exempt.

Even for those countries that are not exempt, a mere 1 percent tax payment which is the difference between their level of interest rate and ours, is all they would have to pay to borrow money in our markets.

Furthermore, the committee agreed to something like 40 amendments to the House-passed bill. The House committee had previously agreed to a number of amendments to the original administration bill to take care of the situation of American concerns that felt they might be placed in an unfavorable position and might have difficulty in complying with the terms of the act.

Our Secretary of the Treasury went to Europe and explained it to the Organization of Economic Cooperation and Development, of which we are a member. He explained that we had to do something. It was felt that this was about the most flexible, most reasonable, and least disruptive thing that we could propose.

They sent us a letter saying that they agreed it was about the best that we could do under the circumstances.

Mr. President, I ask unanimous consent that that letter, which I placed in the Record yesterday, be printed at this point in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

OECD,
Paris, April 15, 1964.

Mr. Douglas Dillon,
The Secretary of the Treasury,
Washington, D.C.

Dear Mr. Dillon: I am most grateful to you for your letter of March 16, with which you enclosed a copy of the interest equalization tax bill as approved by the House of Representatives. This is being studied carefully by the staff of the Secretariat.

It is my impression that the relevant bodies of the Organization—i.e., the economic policy committee, its working party No. 3, and the committee for invisible transactions—took a favorable view of the proposals as soon as full details were explained to them last autumn. They were generally agreed on the need to secure a reduction in the capital outflow from the United States without impeding the growth of the domestic capital.

We have been very encouraged to see the various kinds of improvement in the U.S. balance of payments since the early months of 1963. We shall certainly watch with great attention developments on the U.S. capital balance after the bill is enacted into law. We realized that the initial effects which were observed immediately after the tax was proposed were probably bigger than those likely to be experienced after enactment. But we are sure that this bill, when enacted, will prove a useful measure, and is indeed a major example of the flexibility of policies required to manage the balance-of-payments problems arising between our member countries.

Yours sincerely,
Thorkil Kristensen.

Mr. LONG of Louisiana. Mr. President, under the circumstances, we have gone as far as we can to accommodate anyone who is friendly with us anywhere in the world with regard to our problems.

I believe that Senators will find that even those in Europe and in Japan could be affected by this tax. It has been recommended that we extend such accommodation. They rely upon us to finance them. They rely upon us to be their banker. And anyone in business knows that if their banker goes broke, they are in trouble. There is no one else under the sun who can shoulder the burden of the rest of the world, as we have done.

Under those circumstances, the bill is about the most reasonable, modest measure that could be proposed if we are to do anything in this field. I hope very much that the Senate will pass the bill by a substantial majority.

Mr. BENNETT. Mr. President, the Senator from Utah has had a request for time. I yield 3 minutes to the Senator from Colorado.

The PRESIDING OFFICER. The Senator from Colorado is recognized for 3 minutes.

Mr. DOMINICK. Mr. President, I thank the Senator from Utah very much.

Earlier today when I was discussing this problem with the Senator from New York, I asked unanimous consent to have printed in the Record a report which I wrote after I had returned from Europe on a trip, which had been sanctioned by my chairman, the Senator from Virginia [Mr. Robertson] in July 1963. The trip was at the end of July and early August. During that particular time the announcement was made of the executive proposal for the type of tax which we are now considering. Every single person with whom I talked over there said that it was badly timed and badly announced, and would be completely ineffective.

It was the unanimous conclusion of everyone in private and governmental sources overseas that it would be ineffective.

I have looked at the hearings record of the witnesses who came before the Finance Committee, and I cannot see much to deny that point of view.

The problem that we are facing is as follows: What causes our balance-of-payments deficit? Time and time and time again it has shown that the cause is not the question of investment in assets. It is not the question of commercial trade back and forth. In part, it is the question of foreign economic aid to underdeveloped countries. But it is certainly not investment in the hard currency countries from which we derive income, and which is unanimously used by the people who are supporting foreign aid as one of the greatest examples of what we have been able to do. One of the great reasons why we really do not have the balance-of-payments deficit that everyone talks about is that we have some $60 billion worth of assets overseas, from which we are receiving income. Now it is proposed to reverse the whole process, and say that we cannot put any more investments over there. We would not invest in countries in Europe that are doing anything with hard currency.

Mr. President, I say that is wrong. It is economically wrong. If the plan could be put into operation, it would be economically wrong at that point.

In theory it would conflict with all the other policies that we have had, from beginning to end.

I know there is real concern about the situation because of my conversations with people with whom I talked overseas and people in my own State of Colorado who have been interested in the bill. I do not believe that it could be administered fairly. As the Senator from New York [Mr. Keating] has said, we have compounded a little poison with the general bill.

Mr. BENNETT. Mr. President, I yield 3 minutes more to the Senator from New York.

The PRESIDING OFFICER. The Senator from New York is recognized for 3 minutes.

Mr. JAVITS. Mr. President, I rise only because of statements made by the distinguished Senator from Louisiana [Mr. Long]. He said, first, that as banker for the world a country goes broke. It loses money. Mr. President, the British built their empire for 300 years on being banker for the world. They did pretty well.

What my colleague has in mind as a banker is one who finances foreign aid. Not at all.

A banker is one who finances profitable commercial transactions. The banking business, as it has been for hundreds of years, is still probably one of the most profitable businesses on earth. If anyone wishes confirmation of that statement, I suggest that he look at the figures. I do not care what the Senator and his friends say about the amount of money we are investing abroad. We get back from abroad more than we invest. We have done so every year except one year—1957–58. I put the figures into the Record. In the year 1963, to which the Senator referred, we received back almost $4 billion from income on private investments—not public, but private investments. That is my first point.

One of the real strengths of our Nation in the world is the fact that we are the leading banking country in the world. That is good for us. That makes our people rich. It makes our exports better. It makes our investments better. It is better for us and better for the world. We had better keep it up and make it bigger if the world is to have a prayer to pull it out of the mess it is in.

Second—and it is the only other point that I shall emphasize—the Senator has said that it is most likely that if we do not pass the tax measure, the nations of the world to which we owe money will call us for it. On the contrary, if we go through with an amateurish performance like the one proposed, it is more likely that they will call us on those very debts, having much less confidence in our leadership.

Would the bill put us in condition so that we should be able to pay $23 billion if it were called? That is nonsense. The bill does not involve cutting down the outflow of dollars. At the most, even if it worked 100 percent, it would be no more than $400 million or $500 million a year, because only $1 billion a year goes out from American investors; and of that $1 billion, one-half goes to Canada. Those are the figures in the committee's report for 1963.

Mr. GORE. Mr. President, will the Senator yield?

The PRESIDING OFFICER. The Senator's time has expired.

Mr. GORE. Mr. President, will the Senator yield 2 minutes to me?

Mr. BENNETT. The Senator has time available on his side.

Mr. LONG of Louisiana. Mr. President, I yield 3 minutes to the Senator from Tennessee.

The PRESIDING OFFICER. The Senator from Tennessee is recognized for 3 minutes.

Mr. GORE. The able senior Senator from New York has equated the return on investment per annum with foreign investment per annum. I respectfully suggest that that is not a realistic comparison. The return per annum to which he refers is the return on the accumulated investment that has been made and accumulated since this country became a republic. The Senator refers in one instance to the return on the investment for more than a century, and he equates that with the amount of a direct investment and outflow in 1 year. I suggest that that is an unrealistic measurement.

There comes a time when it is prudent for a bank to restrict the volume of its loans. There comes a time when it is prudent for a country to restrict the outflow of capital. There comes a time when it is prudent for a country to curtail the amount of investment that it or its citizens make abroad. The question is, Shall this country remain the banker of the free world? I hope that it can and will. But, if so, it can only do so if it proves itself to be a prudent banker and a prudent investor.

Mr. JAVITS. Mr. President, will the Senator yield 2 minutes to me to reply?

Mr. BENNETT. I yield 2 minutes to the Senator from New York.

The PRESIDING OFFICER. The Senator from New York is recognized for 2 minutes.

Mr. JAVITS. We have been investing in the world for 100 years, just as we have been receiving income on our investments for 100 years. The figure that is chosen for a particular year is also the crystalization, the cumulative quality of American investments for a century. What I am pointing out is that by inhibiting investments, we are not dealing with a losing proposition in terms of balance of payments. We are dealing with a going proposition in terms of balance of payments. We get more back than we put out in any 1 year—even in the worst year which the supporters of the measure cite.

The second point is as follows: I have specified how we can deal with the balance of payments. President Eisenhower specified how we could deal with the balance of payments.

I invite attention to the fact that on page 87 of the committee's hearings Secretary Dillon said that we would spend $1 billion less for military expenditures and similar matters abroad ending on January 1, 1965, than we did in 1962. That is really going into the balance-of-payments problem. I previously pointed out that we have $2 billion in tourists expenditures. We have many other things in which we could really make a dent. Why hurt an activity which is really profitable for the United States, namely, investments of the United States, particularly in view of the fact that it is in the leading banking position in the world? When a country tries to correct a situation, it does not cut off the activity in which it is making money; it cuts off the activity in which it is losing money. Under the bill we would go in exactly the opposite direction.

Mr. LONG of Louisiana. Mr. President, I yield back the remainder of my time.

Mr. BENNETT. Mr. President, I yield back the time in opposition.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. INOUYE (when his name was called). On this vote I have a pair with the senior Senator from Virginia [Mr. Byrd]. If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." I therefore withhold my vote.

The rollcall was concluded.

Mr. HUMPHREY. I announce that the Senator from Arkansas [Mr. Fulbright], the Senator from Alaska [Mr. Gruening], the Senator from Arizona [Mr. Hayden], the Senator from Alabama [Mr. Hill], the Senator from Minnesota [Mr. McCarthy], the Senator from Montana [Mr. Metcalf], the Senator from Georgia [Mr. Russell], the Senator from Florida [Mr. Smathers], the Senator from Missouri [Mr. Symington], the Senator from Georgia [Mr. Talmadge], the Senator from Virginia [Mr. Byrd], and the Senator from Pennsylvania [Mr. Clark], are absent on official business.

I also announce that the Senator from New Mexico [Mr. Anderson], and the Senator from Massachusetts [Mr. Kennedy], are absent because of illness.

I further announce that the Senator from Maryland [Mr. Brewster], the Senator from Nevada [Mr. Cannon], the Senator from Oklahoma [Mr. Edmondson], the Senator from Oregon [Mrs. Neuberger], and the Senator from West Virginia [Mr. Randolph], are necessarily absent.

I further announce that, if present and voting, the Senator from New Mexico [Mr. Anderson], the Senator from Maryland [Mr. Brewster], the Senator from Oklahoma [Mr. Edmondson], the Senator from Massachusetts [Mr. Kennedy], the Senator from West Virginia [Mr. Randolph], the Senator from Georgia [Mr. Russell], the Senator from Florida [Mr. Smathers], the Senator from Missouri [Mr. Symington], and the Senator from Georgia [Mr. Talmadge], would each vote "yea."

Mr. KUCHEL. I announce that the Senator from Arizona [Mr. Goldwater] is necessarily absent.

The Senator from Maryland [Mr. Beall], the Senator from New Mexico [Mr. Mechem], the Senator from Wyoming [Mr. Simpson], the Senator from Texas [Mr. Tower], and the Senator from North Dakota [Mr. Young] are detained on official business.

If present and voting, the Senator from Maryland [Mr. Beall], the Senator from New Mexico [Mr. Mechem], the Senator from Wyoming [Mr. Simpson], and the Senator from Texas [Mr. Tower], would each vote "nay."

The result was announced—yeas 45, nays 28, as follows:

[No. 514 Leg.]

YEAS—45

Bartlett
Bayh
Bible
Burdick
Byrd, W. Va.
Church
Dodd
Douglas
Eastland
Ellender
Ervin
Gore
Hart
Hartke
Holland
Humphrey
Jackson
Johnston
Jordan, N.C.
Lausche
Long, Mo.
Long, La.
Magnuson
Mansfield
McClellan
McGee
McGovern
McIntyre
McNamara
Monroney
Morse
Moss
Muskie
Nelson
Pastore
Pell
Proxmire
Ribicoff
Robertson
Sparkman
Stennis
Thurmond
Walters
Yarborough
Young, Ohio

NAYS—28

Aiken
Allott
Bennett
Boggs
Carlson
Case
Cooper
Cotton
Curtis
Dirksen
Dominick
Fong
Hickenlooper
Hruska
Javits
Jordan, Idaho
Keating
Kuchel
Miller
Morton
Mundt
Pearson
Prouty
Saltonstall
Scott
Smith
Williams, N.J.
Williams, Del.

NOT VOTING—26

Anderson
Beall
Brewster
Byrd, Va.
Cannon
Clark
Edmondson
Fulbright
Goldwater
Gruening
Hayden
Hill
Inouye
Kennedy
McCarthy
Mechem
Metcalf
Neuberger
Randolph
Russell
Simpson
Smathers
Symington
Talmadge
Tower
Young, N. Dak.

So the bill (H.R. 8000) was passed.

Mr. LONG of Louisiana. Mr. President, I move that the Senate reconsider the vote by which the bill was passed.

Mr. MORSE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LONG of Louisiana. Mr. President, I move that the Senate insist upon its amendments and request a conference thereon with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. Byrd of Virginia, Mr. Long of Louisiana, Mr. Smathers, Mr. Williams of Delaware, and Mr. Carlson conferees on the part of the Senate.

Mr. LONG of Louisiana. Mr. President, I ask unanimous consent that the bill (H.R. 8000) be printed with the amendments of the Senate numbered, and that in the engrossment of the amendments of the Senate, the Secretary of the Senate be authorized to make necessary technical and clerical corrections.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT OF FOREIGN ASSISTANCE ACT OF 1961

The Senate resumed the consideration of the bill (H.R. 11380) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

USE OF CERTAIN VOLATILE FRUIT-FLAVOR CONCENTRATES IN THE CELLAR TREATMENT OF WINE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside, and that the Senate proceed to the consideration of Calendar No. 1187, H.R. 4649.

The PRESIDING OFFICER. The bill will be stated by title.

The Legislative Clerk. A bill (H.R. 4649) to amend the Internal Revenue Code of 1954, to authorize the use of certain volatile fruit-flavor concentrates in the cellar treatment of wine.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Finance, with amendments, on page 4, line 4, after the word "by", to insert "the first section and sections 2 and 3 of"; after line 7, to insert a new section, as follows:

Sec. 5. (a) Section 4063 of the Internal Revenue Code of 1954 (relating to exemptions from the tax on motor vehicles) is amended by adding at the end thereof the following new subsection:

"(c) Rebuilt Parts and Accessories.—Under regulations prescribed by the Secretary or his delegate, the tax imposed under section 4061(b) shall not apply in the case of rebuilt parts or accessories."

(b) Section 4062 of such Code (relating to definitions) is amended by striking out subsection (b).

(c) The amendments made by this section shall apply with respect to articles sold on or after the first day of the first calendar quarter which begins after the date of the enactment of this Act.

And, after line 21, to insert a new section, as follows:

Sec. 6. (a) Section 4142 of the Internal Revenue Code of 1954 (relating to definition of radio and television component) is amended—

(1) by striking out the heading of such section and inserting in lieu thereof "SEC. 4142. DEFINITIONS.";

(2) by inserting before "As" the following:

"(a) Radio and Television Component.—"; and

(3) by adding at the end thereof the following new subsection:

"(b) Sale Price of Rebuilt Television Picture Tubes.—In determining the sale price of a rebuilt television picture tube, there shall be excluded from the price, in accordance with regulations prescribed by the Secretary or his delegate, the value of a television picture tube accepted in exchange."

(b) The table of sections for part I of subchapter C of chapter 32 of such Code is amended by striking out

"Sec. 4142. Definition of radio and television component."

and inserting in lieu thereof

"Sec. 4142. Definitions."

(c) The amendments made by this section shall apply with respect to articles sold on or after the first day of the first calendar quarter which begins after the date of the enactment of this Act.

The amendments were agreed to.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 1251), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

I. Summary

Your committee has accepted the House provision without change but has added two amendments on other tax matters.

The House-passed provision amends present law so that it will be practical to produce wine by removing volatile fruit-flavor concentrate—which imparts flavor and aroma to fruits and which are normally lost in the fermentation process—from the juice before the fermentation process and then to add it back to the wine after this fermentation. This provision not only permits such a method of production, but in addition also makes it clear that this process will not be considered as making the wine an "imitation" wine. This provision is to be effective as of the beginning of the second month which starts more than 10 days after the date of enactment of this bill. The Treasury Department has indicated that it has no objection to the enactment of this provision.

One of the two amendments added by your committee repeals the 8-percent manufacturers' excise tax on rebuilt automotive parts. The other amendment your committee added makes the 10-percent manufacturers' excise tax on radio and television components inapplicable to so much of the price of rebuilt television picture tubes as is represented by the fair market value of the used picture tube traded in. Both of these amendments are made effective as of the first calendar quarter beginning after the date of enactment of this bill.

VOLATILE FRUIT-FLAVORED CONCENTRATES

In the normal fermentation and production processes involved in the making of a wine, a large portion of the organic elements in the natural juice which impart flavor and aroma to the fruits is lost. It is possible, technically, to remove the elements giving rise to the flavor and aroma as "volatile fruit-flavor concentrates" from the fruit before the fermentation process and then to reincorporate them in the wine at, or near, the end of the production process. The resulting product in such a case tends to have a taste and bouquet more closely resembling the fresh fruit from which it is made than would otherwise be the case. The distillate process which enables producers to separate and collect the volatile highly flavored organic constituents of grapes and other fruits was developed by the Department of Agriculture and is used currently in the production of jellies and jams.

The separation and subsequent readdition of the volatile fruit-flavor concentrate has not proved feasible, however, in the case of wine, because of certain features of present law and the regulations under this law.

Present law (sec. 5381 of the code) states that natural wine is the product of the juice, or must, of sound, ripe grapes or other sound, ripe fruit. The law also permits the use of concentrated juice (sec. 5382(b)) in the production of wine although not specifically defining "concentrated juice." A ruling of the Internal Revenue Service[1] held that a concentrated juice from which the volatile fruit flavor has been removed in a volatile fruit-flavor concentrate plant could be used in the production of natural wine provided the volatile fruit-flavor concentrates are restored to the flashed or stripped juice before its removal from the volatile fruit-flavor plant. However, since the fermentation of the juice must occur in a winery, outside of the volatile fruit-flavor concentrate plant, this ruling, in effect, stops the use of flashed or stripped juice in the production of natural wine. At the same time the addition of volatile fruit-flavor concentrate after the fermentation, under the regulations under the Federal Alcohol Administration Act ordinarily results in the wine to which this was added being classified as an "imitation" wine.[2]

The use of volatile fruit-flavor concentrates to enhance the flavor and bouquet of wines will result in the development of products which vary somewhat from those which have customarily been available. However, your committee agrees with the House that there is no reason why winemakers should not be permitted to take advantage of a technological development of this type.

In view of the above considerations, this provision adds a paragraph to present law including among the specific processes permitted to be used in the production of natural wine the addition of volatile fruit-flavor concentrates. This volatile fruit-flavor concentrate must be produced from the same kind of fruit as that from which the wine was made, and, in addition, in the case of grape or berry wine, must be from the same variety of fruit. The proportion of the volatile fruit-flavor concentrate added under this provision may not exceed the proportion which the concentrate bears to the original juice from which it was extracted. The amendent does not limit the stage in the production process at which the concentrate may be added to the wine although, presumably, this usually will be added near the end of the fermentation processing. Under the amendment, volatile fruit-flavor concentrate may be added to wine made either from the whole juice or juice from which such a concentrate has been flashed or stripped. In the usual case, presumably, the wine to which the volatile fruit-flavor concentrate is added will be made from stripped or flashed juice. With the passage of this provision, it is also understood that the Treasury Department will revise the Federal Alcohol Administration intoxicating liquor regulations to remove the requirement that wine produced in the manner described above is to be labeled as "imitation" wine.

The fermentation of juice from which the volatile fruit-flavor concentrate has been removed is qualified as a process for making natural wine by a second amendment (sec. 5382(b)). The second amendment achieves this result by providing that juice, concentrated juice, or must processed at a volatile fruit-flavor concentrate plant (of the type specified in sec. 5511), is to be considered as pure juice, concentrated juice, or must, even though the volatile fruit-flavor has been removed, if there is added to it—or to wine made from this juice, etc.—the identical volatile flavor removed or an equivalent quantity of volatile fruit-flavor concentrate. As in the first amendment referred to above, any fruit-flavor concentrate added must be from the same kind of fruit and, in the case of berry or grape wine, from the same variety of fruit.

Present law provides that when a volatile fruit-flavor concentrate is removed from a volatile fruit-flavor concentrate plant, the concentrate must be rendered unfit for use as a beverage before removal from the place of manufacture (sec. 5511(2) of the code). By regulation, it has been held that a concentrate containing not more than 6 percent alcohol is, for this purpose, considered as a concentrate not fit for use as a beverage. This provision permits the withdrawal from one of these plants of a concentrate with an alcoholic content of up to 24 percent by volume where the concentrate is transferred to a bonded wine cellar for use in the production of natural wine as provided in the provisions referred to above.

The amendments made by this provision are to take effect on the first day of the second month which begins more than 10 days after the date of enactment of this bill.

The Treasury Department has informed your committee that the revisions proposed in this bill should have no effect on revenues since in practice volatile fruit-flavor concentrates are not now taxed.

III. REPEAL OF TAX ON REBUILT AUTO PARTS

Present law imposes an excise tax of 8 percent (scheduled to revert to 5 percent as of July 1, 1965) on the sale of automobile parts and accessories by the manufacturer. Under longstanding regulations, this tax has been held to apply to rebuilt automotive parts and accessories on the grounds that the rebuilding constitutes "manufacturing." This taxable status of rebuilt parts has been recognized by Congress in that it has provided that the sales price of rebuilt automobile parts or accessories is not to include the value of a like part traded in on the rebuilt part.

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[1] Rev. rule 57–477.

[2] Sec. 4.21(h)(1)(iii) of the Federal Alcohol Administration intoxicating liquor regulations requires wines to be designated as "imitation" if the taste, aroma, color, or other characteristics have been acquired in whole or in part by treatment with methods or materials of any kind, if the taste, aroma, color, or other characteristics of normal wine of such class or type are acquired without such treatment.

Although rebuilding of automotive parts is subjected to the manufacturers' excise tax on automotive parts and accessories, the regulations make it clear that reconditioning is not. Reconditioning, as contrasted to rebuilding, is the mere disassembling, cleaning, and reassembling (including any necessary replacement of worn parts). In practice it has frequently been difficult to distinguish between reconditioning and rebuilding. This has proved particularly difficult because reconditioning or rebuilding processes have not remained static but have continued to change. As a result, there has been a continuing dispute between the rebuilding industry and the Internal Revenue Service as to what constitutes taxable and nontaxable operations. The result has led to confusion and uncertainty as to the tax status of some processes, with some rebuilders paying tax on some processes and others not paying on substantially the same processes.

In addition to the troublesome administrative problems arising in defining what constitutes a taxable operation, the large number of small rebuilders scattered throughout the country are burdened in trying to comply with the tax.

This tax also is particularly objectionable in that its distribution among consumers is undoubtedly highly regressive. Certainly more than a proportionate part of the purchasers of automotive rebuilt parts (as distinct from new parts) are made by those with relatively low incomes; thus, the impact of the tax is believed to be heavily concentrated on the lower income groups. Moreover, the purchase of rebuilt auto parts such as generators, clutches, etc. cannot be viewed as the purchase of luxury-type items.

In view of the considerations set forth above, your committee has concluded that rebuilt automotive parts should be excluded from the tax on automobile parts and accessories. Moreover, since the revenue involved in this case amounts to only approximately $8 million a year, your committee does not believe that it is necessary to await consideration of all excise taxes before acting with respect to this small, but troublesome, problem.

Your committee's amendment exempts rebuilt auto parts from this tax as of the beginning of the first calendar quarter beginning after the date of enactment of this bill.

IV. SALE PRICE OF REBUILT TELEVISION PICTURE TUBES

Present law imposes a 10-percent manufacturers' tax on radio and television components. Included in the definition of "radio and television components" are tubes, including television picture tubes.

At the present time, there is a substantial volume of business in "rebuilding" television picture tubes. In this process, the old glass tube is used but new electronic components are placed in the tube with the result that a picture tube substantially the same as the original tube can be obtained from the process. This process comes within the definition of "manufacturing" in the same manner as does the rebuilding of automotive parts and accessories. However, the exclusion from the taxable sales price of the value of the old part traded in on the rebuilt part, which is available in the case of rebuilt auto parts, is not available in the case of television picture tubes. For that reason, the taxable price for a rebuilt tube at the present time is the charge made to the purchaser for the rebuilt tube plus the fair market value of the old tube traded in.

This gives rise to difficult administrative problems in determining the fair market value of the old tube traded in. In addition, a tax has already been paid on the value of the old tube. Only the price, over and above the value of the old tube, represents the value of new manufacturing. This was recognized in the case of rebuilt automotive parts when in 1951 the special rule was provided by Congress excluding from the taxable price of a rebuilt automotive part the fair market value of the part traded in.

In view of these considerations, your committee has amended the House bill to provide an exclusion from the taxable price in the case of rebuilt television picture tubes of the fair market value of the tubes traded in.

This exclusion is to be available with respect to articles sold on or after the beginning of the calendar quarter commencing after the date of enactment of this bill.

The PRESIDING OFFICER. The bill is before the Senate and open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

The title was amended, so as to read: "An Act to amend the Internal Revenue Code of 1954 to authorize the use of certain volatile fruit-flavor concentrates in the cellar treatment of wine, and for other purposes."

CONTINUATION OF CERTAIN EXISTING RULES RELATING TO DEDUCTIBILITY OF ACCRUED VACATION PAY—VALUE OF CERTAIN TAXABLE ESTATES

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1175, H.R. 10467.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 10467) to continue for a temporary period certain existing rules relating to the deductibility of accrued vacation pay.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Finance with amendments on page 1, after line 6, to insert:

SEC. 2. For purposes of the tax imposed by section 2001 of the Internal Revenue Code of 1954, the value of the taxable estate of Carbon P. Dubbs, who died on August 21, 1962, shall be determined by deducting from the value of the gross estate of such Carbon P. Dubbs (in addition to all other deductions and exemptions allowed by part IV of subchapter A of Chapter 11 of such Code) $808,147.87, if cash in the amount of $779,699.17 and household furnishings and equipment with a fair market value of $28,448.70 are transferred, on or before the sixtieth day after the date of the enactment of this Act, to the Department of State of the United States pursuant to and in accordance with the offer of bequest dated February 19, 1963, from the estate of such Carbon P. Dubbs (accepted by the Secretary of State pursuant to section 1021 of the Foreign Service Act of 1946 (22 U.S.C. 809 (1958)), on June 5, 1963). The deduction provided for in this section shall be treated for purposes of the Internal Revenue Code of 1954 as if it had been provided for under section 2055 of such Code, on August 21, 1962.

On page 2, after line 16, to insert:

SEC. 3. (a) The Secretary of Commerce, acting through the Bureau of Public Roads, is authorized and directed to investigate and study the feasibility of imposing taxes on those transit and commuter systems which are the beneficiaries of Federal financial assistance under the Urban Mass Transportation Act of 1964 for the purpose of raising revenues to defray Federal expenditures under such Act.

(b) In making the investigation and study under subsection (a), the Secretary of Commerce is authorized to cooperate and consult with appropriate Federal, State, and local government agencies, and with representatives of the transit and commuter service industry and national organizations concerned with mass transportation service.

(c) The costs of making the investigation and study under subsection (a) shall be paid from appropriations available for expenses of the Office of the Secretary of Commerce.

(d) The Secretary of Commerce shall report the results of the investigation and study under subsection (a), together with his recommendations, to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives at the earliest practicable date, but not later than June 30, 1965.

And, on page 3, after line 13, to insert:

SEC. 4. (a) Section 318(a) of the Internal Revenue Code of 1954 (relating to constructive ownership of stock) is amended by striking out paragraphs (2), (3), and (4) and inserting in lieu thereof the following:

"(2) ATTRIBUTION FROM PARTNERSHIPS, ESTATES, TRUSTS, AND CORPORATIONS.—

"(A) FROM PARTNERSHIPS AND ESTATES.—Stock owned, directly or indirectly, by or for a partnership or estate shall be considered as owned proportionately by its partners or beneficiaries.

"(B) FROM TRUSTS.—

"(i) Stock owned, directly or indirectly, by or for a trust (other than an employees' trust described in section 401(a) which is exempt from tax under section 501(a)) shall be considered as owned by its beneficiaries in proportion to the actuarial interest of such beneficiaries in such trust.

"(ii) Stock owned, directly or indirectly, by or for any portion of a trust of which a person is considered the owner under subpart E of part I of subchapter J (relating to grantors and others treated as substantial owners) shall be considered as owned by such person.

"(C) FROM CORPORATIONS.—If 50 percent or more in value of the stock in a corporation is owned, directly or indirectly, by or for any person, such person shall be considered as owning the stock owned, directly or indirectly, by or for such corporation, in that proportion which the value of the stock which such person so owns bears to the value of all the stock in such corporation.

"(3) ATTRIBUTION TO PARTNERSHIPS, ESTATES, TRUSTS, AND CORPORATIONS.—

"(A) TO PARTNERSHIPS AND ESTATES.—Stock owned, directly or indirectly, by or for a partner or a beneficiary of an estate shall be considered as owned by the partnership or estate.

"(B) TO TRUSTS.—

"(i) Stock owned, directly or indirectly, by or for a beneficiary of a trust (other than an employees' trust described in section 401 (a) which is exempt from tax under section 501(a)) shall be considered as owned by the trust, unless such beneficiary's interest in the trust is a remote contingent interest. For purposes of this clause, a contingent interest of a beneficiary in a trust shall be considered remote if, under the maximum exercise of discretion by the trustee in favor of such beneficiary, the value of such interest, computed actuarially, is 5 percent or less of the value of the trust property.

"(ii) Stock owned, directly or indirectly, by or for a person who is considered the owner of any portion of a trust under subpart E of part I of subchapter J (relating to grantors and others treated as substantial owners) shall be considered as owned by the trust.

"(C) To CORPORATIONS.—If 50 percent or more in value of the stock in a corporation is owned, directly or indirectly, by or for any person, such corporation shall be considered as owning the stock owned, directly or indirectly, by or for such person.

"(4) OPTIONS.—If any person has an option to acquire stock, such stock shall be considered as owned by such person. For purposes of this paragraph, an option to acquire such an option, and each one of a series of such options, shall be considered as an option to acquire such stock.

"(5) OPERATING RULES.—

"(A) IN GENERAL.—Except as provided in subparagraphs (B) and (C), stock constructively owned by a person by reason of the application of paragraph (1), (2), (3), or (4), shall, for purposes of applying paragraphs (1), (2), (3), and (4), be considered as actually owned by such person.

"(B) MEMBERS OF FAMILY.—Stock constructively owned by an individual by reason of the application of paragraph (1) shall not be considered as owned by him for purposes of again applying paragraph (1) in order to make another the constructive owner of such stock.

"(C) PARTNERSHIPS, ESTATES, TRUSTS, AND CORPORATIONS.—Stock constructively owned by a partnership, estate, trust, or corporation by reason of the application of paragraph (3) shall not be considered as owned by it for purposes of applying paragraph (2) in order to make another the constructive owner of such stock.

"(D) OPTION RULE IN LIEU OF FAMILY RULE.—For purposes of this paragraph, if stock may be considered as owned by an individual under paragraph (1) or (4), it shall be considered as owned by him under paragraph (4)."

(b)(1) Section 304(b)(1) (relating to rule for determinations under section 302(b)) and section 304(c)(2) (relating to constructive ownership) of the Internal Revenue Code of 1954 are amended by striking out "section 318(a)(2)(C)" and inserting in lieu thereof "sections 318(a)(2)(C) and 318(a)(3)(C)".

(2) Section 318(b) of such Code (relating to cross-references) is amended by striking out "and" at the end of paragraph (6), by renumbering paragraph (7) as paragraph (8), and by inserting after paragraph (6) the following new paragraph:

"(7) section 958(b) (relating to constructive ownership rules with respect to controlled foreign corporations); and".

(3) Section 382(a)(3) of such Code (relating to attribution of ownership) is amended by striking out "section 318(a)(2)(C)" and inserting in lieu thereof "sections 318(a)(2)(C) and 318(a)(3)(C)".

(4) Section 856(d) of such Code (relating to rents from real property defined) is amended by striking out "section 318(a)(2)" in the last sentence and inserting in lieu thereof "sections 318(a)(2) and 318(a)(3)".

(5) Section 958(b) of such Code (relating to constructive ownership) is amended—

(A) by striking out "the first sentence of subparagraphs (A) and (B), and in applying clause (i) of subparagraph (C)," in paragraph (2) and inserting in lieu thereof "subparagraphs (A), (B), and (C)";

(B) by striking out paragraph (3);

(C) by striking out "(4) In applying clause (i) of subparagraph (C)" and inserting in lieu thereof "(3) In applying subparagraph (C)"; and

(D) by striking out "(5) The second sentence of subparagraphs (A) and (B), and clause (ii) of subparagraph (C), of section 318(a)(2)" and inserting in lieu thereof "(4) Subparagraphs (A), (B), and (C) of section 318(a)(3)".

(6) Section 6038(d)(1) of such Code (relating to definition of control) is amended—

(A) by striking out "the second sentence of subparagraphs (A) and (B), and clause (ii) of subparagraph (C), of section 318(a)(2)" in subparagraph (A) and inserting in lieu thereof "subparagraphs (A), (B), and (C) of section 318(a)(3)"; and

(B) by striking out "clause (i) of" in subparagraph (B).

(c) The amendments made by this section shall take effect on the date of the enactment of this Act, except that, for purposes of sections 302 and 304 of the Internal Revenue Code of 1954, such amendments shall not apply with respect to distributions in payment for stock acquisitions or redemptions, if such acquisitions or redemptions occurred before the date of the enactment of this Act.

Mr. LONG of Louisiana. Mr. President, I offer an amendment to the committee amendment on page 1, line 7.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The LEGISLATIVE CLERK. On page 1, line 7, in the committee amendment after "SEC. 2." it is proposed to insert "(a)".

On page 2, after line 15, insert the following:

(b) The Commissioner of Internal Revenue is authorized to enter into a closing agreement under section 7121 of the Internal Revenue Code of 1954 to meet and satisfy the condition set forth in subparagraph (B) of the eleventh paragraph of the Agreement, as amended, made as of May 1, 1964, with respect to the probate proceedings relating to the estate of Anna Gould de Talleyrand (entitled "Probate Proceeding, Will of Anna Gould de Talleyrand, Deceased", in the Surrogate's Court of the County of New York, State of New York (file no. P3878–1961)), between the United States of America, the National Trust for Historic Preservation, the First National City Bank of New York, and others. The enactment of this subsection shall constitute approval of such closing agreement and of the allowance of the deductions in computing the taxable estate of Anna Gould de Talleyrand specified in subparagraph (B) of the eleventh paragraph of such Agreement.

Mr. MORSE. Mr. President, I should like to have an explanation of the amendment and of the bill.

Mr. LONG of Louisiana. The bill continues for 2 years the present tax treatment for accrued vacation pay. No objection was raised to the bill, and it was unanimously agreed to in committee.

As passed by the House the bill provided a deduction for accrued vacation pay is not to be denied for any taxable year ending before January 1, 1967, solely because the liability for it to a specific person has not been fixed or because the liability for it to each individunal cannot be computed with reasonable accuracy. However, for the corporation to obtain the deduction, the employee must have performed the qualifying service necessary under a plan or policy which provides for vacations with pay to qualified employees and the plan or policy must have been communicated to the employees involved before the beginning of the vacation year. This is a continuation for 2 more years of the treatment which has been available for taxable years ending before January 1, 1965.

The bill among other amendments contains an amendment offered by the Senator from Arkansas [Mr. FULBRIGHT], which approves a tax settlement which had been pending and which had been recommended by the State Department. It has to do with what had been his residence in Bermuda, which would be accepted by the State Department as the equivalent of a charitable contribution for which a deduction on the estate tax return of Carbon P. Dubbs could be claimed.

This provides that for purposes of the Federal estate tax, the taxable estate of Carbon P. Dubbs is to be determined by deducting from the gross estate—in addition to other deductions and exemptions otherwise allowable—the sum of $808,147.87 provided that cash in the amount of $779,699.17 and household furnishings and equipment with a fair market value of $28,448.70 are transferred within 60 days after the enactment of this bill to the U.S. Department of State.

The committee considered the subject and, I believe, agreed to the amendment unanimously.

Two other amendments also were made in the bill.

The Secretary of Commerce, through the Bureau of Public Roads, is to investigate and study the feasibility of imposing taxes on transit and commuter systems which are the beneficiaries of Federal financial assistance under the Urban Mass Transportation Act of 1964, for the purpose of raising revenues to defray Federal expenditures under that act. The result of this investigation and study together with the recommendations of the Secretary of Commerce are to be reported to the Committee on Finance of the Senate and the Committee on Ways and Means of the House no later than June 30, 1965.

Also the constructive ownership rules for stock for purposes of determining what is a dividend, as well as for certain other purposes, are amended to eliminate what is called the sidewise attribution rules. Under these sidewise attribution rules, for example, stock owned by a partner is treated as owned by the partnership and, in turn, other partners are treated as holding what the partnership is considered as holding. Substantially similar situations arise in the case of beneficiaries of a trust and shareholders in a corporation.

The amendment I have proposed to the bill is a proposed tax settlement which was recommended by the Commissioners of Internal Revenue and the Justice Department to the Joint Committee on Internal Revenue Taxation.

A question was raised about the case by the staff, as to whether the joint committee could approve it under existing law or whether this should be the subject of legislation. It was more or less the unanimous view of the Senate members of the joint committee—and I believe generally concurred in by the House members—that it would be better to approve the settlement by legislation, instead of having the joint committee approve it without legislation.

This proposed amendment to H.R. 10467 would permit settlement of litigation between the heirs of Anna Gould de Talleyrand, the National Trust for Historic Preservation, and the United States. At issue in a will contest proceedings in a bequest to the National Trust, a Corporation created by Congress to preserve historic sites and objects for the public. Under the will of Anna Gould de Talleyrand, the historic mansion Lyndhurst, located at Tarrytown, N.Y., together with its contents of valuable art works and furnishings is devised to the National Trust. However, there is a later codicil which purports to cancel this bequest. A proposed settlement agreement between the United States, the National Trust for Historic Preservation, and the heirs of the estate has been reached to become effective upon approval by Congress, or review by the Joint Committee on Internal Revenue Taxation. This amendment would authorize the Commissioner of Internal Revenue to perform certain duties to conform with the agreement and would constitute approval of his actions and of certain tax deductions specified in the settlement agreement.

This provision authorizes the U.S. Government to settle the litigation involving the will contest in accordance with the settlement agreement and for the Commissioner of Internal Revenue to enter into the closing agreement necessary under the Internal Revenue Code.

The settlement agreement calls for, first, the transfer to the national trust of Lyndhurst and related property with a total value of about $1,300,000; second, payment by the estate of approximately $243,000 in fees and disbursements to attorneys for the national trust and the heirs in the will contest proceedings; and, third, the deduction of these payments from the taxable estate, resulting in an estate tax refund of approximately $133,000.

The mansion Lyndhurst is to be open to the public and will be maintained out of proceeds from the sale of certain additional real estate to be transferred to the national trust under the agreement. Lyndhurst is regarded by architects as one of the great country houses of America and as one of the finest examples of American Gothic architecture. The mansion will be an important addition to the properties presently owned by the national trust and maintained for the benefit of the people of the United States. These include the Woodrow Wilson House and Decatur House, in Washington, D.C., Woodlawn Plantation at Mount Vernon, Va., and Shadows-on-the-Teche, New Iberia, La. All of these properties revert to the United States, under the Federal legislation which created the national trust, if the trust should be dissolved.

The attorneys for the Government think it is a good tax settlement. The Treasury Department thinks it is a good tax settlement. The Justice Department thinks it is a good tax settlement. The attorneys for the estate think it is a good tax settlement. However, the attorneys do not want to make the settlement on behalf of the estate until they are convinced that the Government will accept it.

The committee has already approved the Fulbright amendment, which was agreed to as a part of the bill. It involves a parallel principle involving a tax settlement.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield.

Mr. MORSE. How much tax was owed?

Mr. LONG of Louisiana. In the Talleyrand estate?

Mr. MORSE. Whatever the Government sought to collect.

Mr. LONG of Louisiana. The settlement cost?

Mr. MORSE. The estate owed the tax, did it not?

Mr. LONG of Louisiana. The value of the property transferred to the National Trust would be deductible as a charitable contribution from the estate. This would be a deduction of about $1,300,000 and would reduce the estate tax by about $700,000.

Certain legal fees for services rendered by various attorneys to the beneficiaries of the estate and allowed by the surrogate's court, also would be deductible under the amendment in determining the taxable estate in computing the amount of Federal estate tax. These fees and disbursements total about $242,000 and result in a decrease in the estate tax of about $130,000. A question is involved as to the validity of the will. The person was an American citizen and resident at the time she willed the property to the National Trust. Prior to her death, she had moved to France, and lived with relatives there. She made a codicil to the will which had the effect of renouncing the gift to the National Trust.

Mr. MORSE. The will was probated, was it not?

Mr. LONG of Louisiana. If no settlement is made the U.S. Government will have to litigate in the courts or the National Trust will have to forego receiving the property. In going to court we shall attempt to determine whether the will is valid or not valid or whether the codicils are valid or not. The question is, How much influence did the heirs exert upon these persons, who were advanved in age?

Mr. MORSE. If the will was not valid, we would be guilty of undue enrichment. Why should we follow that procedure? If the will is valid, the Government should collect taxes on the basis of the probate finding. If it is not valid, the Government does not have anything coming.

I do not know why the Government should collect on the basis of some deal, leaving in doubt the question whether it is entitled to as much as it is collecting or is entitled to collect more.

I think it is pretty bad, at 10 minutes of 9 at night, to bring up this bill. It would be difficult for me to examine figures involving $3 million.

I can see some potential principles at stake. I do not believe we ought to be setting this kind of precedent tonight, if the case is what I think it is. There is doubt as to whether the U.S. Government has any legal right, and whether the will is valid at all. We do not know whether the will is valid. If it is, let probate law flow. After probate law flows, the Government ought to collect what it has coming and is entitled to, and no more. I do not believe the taxpayers ought to take any less, either.

I know the argument will be made that in a case involving an amount as large as this, it would cost something to collect the tax. That is just too bad. But that is the way government by law operates. I would rather have the case settled through the courts than settled by this kind of compromise arrangement. I am not enthusiastic about some of the compromises I have heard the Internal Revenue Service has recommended. I never become enthusiastic about compromises that some of the other Government departments recommend.

I pay no disrespect to my good friend from Louisiana; I am sure he knows that. I merely say that the senior Senator from Oregon tonight is a doubting Thomas about this case. Being a doubting Thomas, I object to the consideration of the bill tonight.

Mr. LONG of Louisiana. I should like to submit to the Senator from Oregon a written explanation of the bill.

If the Senator will withhold his objection for a moment, I should like to say that, as a lawyer, I have felt for a long time that even a poor compromise is better than a good lawsuit. If one has a good compromise, it is far better than a good lawsuit.

Contrary to the views of the Senator from Oregon, I have many times severely chastised officials in the Department of Justice, and also those in the Internal Revenue Service for continuing to drag people through the courts, up hill and down dale, year after year, spending large sums of money to try tax cases, when the taxpayers are anxious to settle them.

In this particular case, there are a number of points to prove. The case could be decided one way or the other by the courts. The Government would have difficulty in providing its witnesses. The kind of witnesses who are available can be expected to be hostile to the Government.

This settlement is regarded as a good one by the Government attorneys, who are some of the best legal minds in the Government. It is also regarded as a good settlement by those who represent the estate. They believe this would be a good settlement. My thought would be to settle the case and get on with something else.

Mr. ERVIN. Mr. President, will the Senator from Louisiana yield?

Mr. LONG of Louisiana. I yield.

Mr. ERVIN. Have the parties in interest, the next of kin, the heirs of the deceased, and the other parties in the case agreed upon a compromise of the controversy among themselves?

Mr. LONG of Louisiana. Yes.

Mr. ERVIN. Does the amendment provide for the payment of taxes on the basis of a compromise among the parties?

Mr. LONG of Louisiana. Yes.

Mr. ERVIN. So it would be a fair tax on the estate, if the will of the decedent had made some disposition to the parties, if the tax were agreed to by compromise?

Mr. LONG of Louisiana. Yes.

Mr. ERVIN. I agree with the Senator from Louisiana. It seems to me, from my experience as a lawyer, that usually in controversies of this kind, the parties come very close to making an adjustment that is fair on the basis of the probabilities of the litigation; and it is wise to avoid litigation. So I shall go along with the Senator from Louisiana on this question.

Mr. DOUGLAS. Mr. President, I am not a lawyer and am not acquainted with the intricacies of this particular case. But in company with nearly all other Americans, my memory goes back to the circumstances under which this unfortunate woman was married originally to Count Boni de Castellane. The marriage settlement which Count de Castellane forced upon her was one of the most outrageous holdups I have ever known of. I feel that we can only have sympathy for Anna Gould. Following her first marriage, she was forced to divorce Count de Castellane. He was purely a fortune seeker. She remarried. I do not know anything about her second husband. He was another French count. He may well have been a very decent person. But I can say that, on the whole, the experience of this poor woman was that French nobility tried to strip her of every single cent they could get. They treated her in a most abominable fashion. If this situation is continuing after death, it should be looked into. We are not damaging the reputation of this poor woman, because she is dead. She suffered much in her lifetime. She was a living example that riches sometimes bring misery. It may well be that French heirs are trying to take her fortune after her death in the same way they tried to take her fortune while she was alive.

I believe the case should at least be inquired into.

Mr. LONG of Louisiana. Mr. President, I ask unanimous consent that I may withdraw the amendment.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The question is on agreeing to the committee amendments.

Mr. MORSE. Mr. President, I want to study the bill.

Mr. MANSFIELD. Mr. President, I ask that the bill be returned to the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MORSE. I have objected to the consideration of the bill tonight. I ask for the floor in my own right.

The PRESIDING OFFICER. The Chair recognizes the Senator from Oregon.

Mr. MORSE. Mr. President, before I turn to the subject I wish to discuss, and before my good friend from North Carolina [Mr. Ervin], who is a distinguished lawyer for whom I have high respect, and the distinguished Senator from Louisiana [Mr. Long], who is another lawyer for whom I have high respect, leave the Chamber, I desire to have the Record made perfectly clear about the position of the senior Senator from Oregon on the amendment.

I listened to the explanation of the amendment. The Senator from Louisiana recognizes that some complicated legal questions are involved. I seek only a few hours to study the bill. It could well be that after my study I shall be in complete agreement that this is an acceptable compromise.

I say to the Senator from North Carolina and the Senator from Louisiana that merely because the lawyers and the parties on the other side have agreed to a compromise, the Senator from Oregon will not automatically vote to approve the compromise. I know something about Government compromises or forced compromises. I know that compromises are often exacted from private citizens that are not fair to private citizens, but they go along with them because their private attorneys say, "You are going to be dragged through the courts for 2, 3, or more years, depending on how crowded the docket of the court is. The litigation costs will be very high, and you will be opposed by Government lawyers who frequently take advantage of their vantage point."

Therefore, I believe we have a duty in carrying out our responsibility of checking the executive branch of the Government—and it is our constitutional duty—to make certain that the compromise is fair to the private citizens who are involved.

On the other hand, very often it occurs in our history, Government attorneys have been willing to enter into compromises when the litigants represented powerful combines, or other great corporations and great national wealth, in which the compromises is not in the interest of the taxpayer. I am not going to sit in the Chamber, so long as I serve in the Senate, and give carte blanche approval to a bill that says Government attorneys and attorneys for litigants have agreed this is a fair compromise.

Still, when we get into the type of figure which the Senator from Louisiana has involved in the bill, I wish to take a look at it. That is all I ask. That is my parliamentary right.

I thank the Senator from Louisiana for giving me the memorandum. I may very well find myself in agreement. Let the Record show that I know the Senator from Louisiana is satisfied it is fair. I have nothing but the highest respect for him, but we may differ on a finding of fact and we may differ on a valued judgment.

I wish the Senator from Louisiana to know that I shall be ready to respond before the Senate adjourns or recesses tomorrow night on the bill. I am only asking for a few hours to look into it today.

Mr. LONG of Louisiana. Mr. President, I ask unanimous consent to have printed in the Record a letter from the Attorney General recommending this measure, the proposed settlement agreement, and other pertinent material.

There being no objection, the material was ordered to be printed in the Record, as follows:

Office of the Attorney General,
Washington, D.C.

The Speaker,
House of Representatives,
Washington, D.C.

Dear Mr. Speaker: Enclosed for your consideration and appropriate reference is draft legislation for the relief of the National Trust for Historic Preservation with respect to the estate of Anna Gould de Talleyrand.

This proposal would ratify provisions of a compromise agreement between parties in litigation in the estate of Anna Gould de Talleyrand, which by its terms can become effective only if by October 1, 1964, or such earlier date as Congress adjourns, the Joint Committee on Internal Revenue Taxation expresses no opposition to certain deductions for tax purposes, specified in the agreement, or the Congress by law approves or ratifies the agreement.

This legislation is being proposed in order to dissipate any doubt as to the authority of the Attorney General, with the concurrence of the Commissioner of Internal Revenue, to settle litigation in probate proceedings concerning disposition of real and personal property in the estate of Anna Gould de Talleyrand, daughter of Jay Gould, the 19th-century railroad magnate, where the settlement will have certain incidental tax ramifications.

At issue in proceedings in the Surrogate's Court of New York County, in which the U.S. attorney for the southern district of New York represents the United States and the National Trust for Historic Preservation, is a bequest to the National Trust of the mansion "Lyndhurst," its contents and surrounding acreage in Tarrytown, N.Y. The United States and the National Trust have maintained that provisions of a will executed by Anna Gould should be given effect. Her heirs have opposed on the ground that dispositions in favor of the National Trust were revoked by subsequent testamentary instruments.

The National Trust for Historic Preservation was created by Congress (16 U.S.C. 468 et seq.) to further the policy of the Historic Sites Act (49 Stat. 666–668, 16 U.S.C. 461–7) in "preserving for public use historic sites, buildings and objects of national significance for the inspiration and benefit of the people of the United States." It is intended by Congress to serve as a focal point for the receipt of gifts and devises of sites and landmarks of national historic importance, and of funds for their maintenance. Under provisions of the legislation the Attorney General, the Secretary of the Interior and the Director of the National Gallery of Art are ex officio members of the Board of Trustees of the National Trust. 16 U.S.C. 468b. The act establishing the National Trust provides that upon dissolution its properties shall pass to and vest in the United States. 16 U.S.C. 468c(a).

Among National Trust properties are the Decatur House and the Woodrow Wilson House in Washington, Woodlawn Plantation at Mount Vernon, Va., Casa Amesti, a house of the early Spanish Mission era in Monterey, Calif., and Shadows-on-the-Teche, a plantation estate in New Iberia, La.

Acquisition of Lyndhurst will be an important addition to National Trust properties. The mansion was built in 1838 for William Paulding, mayor of New York City, by two distinguished American architects of the 19th century, Ithiel Town and Alexander Jackson Davis. It was fitted with furnishings and wood carvings by Davis and Richard Byrnes. It has been twice enlarged by Davis, once in 1864 and again in 1880 when it was purchased by Jay Gould, the father of Anna Gould, Duchess of Talleyrand. It is regarded by architects as one of the great country houses of America and as the finest extant example of American Gothic architecture. In the mansion there are a library of rare editions, a collection of fine paintings and distinguished antiques of European and American origin. If acquired the historic mansion will be maintained as a museum open to the public. A copy of a brochure describing the operations of the National Trust is attached (exhibit A). There is also attached a list of its trustees and officers (exhibit B).

The circumstances leading to the litigation are briefly as follows: Anna Gould de Talleyrand died in December 1961, in Paris, France. Until 6 months prior to her death she had made her home in the United States for about 22 years. She owned some 539 acres of Westchester County, N.Y., property including the mansion "Lyndhurst."

In September 1959, before departing the United States for France, she executed a will in which she left "Lyndhurst," the personalty therein, and the surrounding tract of 68 acres (together with a contiguous tract of approximately 40 acres), to the National Trust for Historic Preservation, to be maintained as a nonprofit museum in honor of her father and mother. The will also purported to create a trust fund in an amount which, when added to other charitable gifts provided for by the will, would equal the maximum authorized to be given to charity under New York law (sec. 17, decedent estate law). The net income from this trust fund was to be paid to the National Trust presumably for the maintenance of "Lyndhurst."

The testatrix went to France with her daughter, the Countess de Pourtales, in May 1961. Between then and her death four documents were presented to the testatrix for execution purporting to affect disposition of her property. The first of these, which she signed on August 5, 1961, was prepared by her American attorney. It did not change the disposition of "Lyndhurst" to the National Trust nor the trust provided for its maintenance.

The second, third, and fourth documents were prepared in French legal form, before a French notaire. Each of these purported to revoke the devise of "Lyndhurst" to the National Trust. The first, dated September 27, 1961, was never signed. The second, dated October 12, 1961, bears an "X" as a signature and the last, dated November 23, 1961, only six days before her death, purports to be signed by Anna Gould before two witnesses.

The National Trust originally, and the United States later, sought inquiry into the documents executed in France which purported to revoke the gift to the National Trust. There followed extensive investigation, including the taking of testimony in France. It has become apparent, however, that the development of evidence as to undue influence or incompetence would necessarily await extensive pretrial discovery, which could be obtained only under very difficult circumstances. Thus, after extended negotiations, it seems desirable, and the parties to the litigation have agreed, to compromise and enter into an agreement adjusting all claims. The agreement, together with a stipulation updating it, is attached (exhibit C). It provides for transfer to the National Trust of Lyndhurst, its contents and surrounding properties, all valued at approximately $1,300,000. The funds that would have comprised the trust fund will be distributed among the heirs.

One condition of the agreement calls for a deduction from the taxable estate of the decedent equal to the value of the property or assets, as finally determined for Federal estate tax purposes, to be received from the estate by the National Trust. It is clear that the charitable deduction is allowable irrespective of whether the National Trust receives the property by will or by settlement of the will contest. This provision, therefore, represents no concession on the part of the United States.

The other condition calls for the deductibility for estate tax purposes of payments, in the aggrgeate amount of $242,834.87,[1] to attorneys for the heirs and for the National Trust for services rendered, and disbursements, in connection with the probate proceedings and its preliminaries.[2] The Attorney General and the Commissioner are satisfied that the fees are reasonable compensation to the private attorneys for the services they rendered and the disbursements they incurred. The estate has paid its Federal estate taxes without claiming this deduction and since the estate is in a 55-percent estate tax bracket, the deduction, if allowed, would result in a tax refund of approximately $133,600, plus interest.

In my judgment the compromise agreement is an extremely favorable one. Under it, the National Trust will receive, for use in the public interest, the historic mansion and grounds, known as "Lyndhurst," and valuable personal property, together with surrounding real property, which may be sold to provide support for the mansion. These properties have an estimated value of $1,300,000. In these circumstances I believe concession of the tax refund issue to be reasonable and that the concessions with respect to that issue and to the probate issue fairly reflect the combined litigating hazards. In my view, therefore, these concessions serve the public interest.

The Commissioner of Internal Revenue feels there is a genuine issue as to deductibility of the attorney fee item. He is, of course, aware that the Treasury Regulations purport to prohibit the allowance of attorneys' fees incurred by beneficiaries incident to litigation as to their respective interests as an item of administrative expenses. Treasury Regulations 20.2053-3(c)(3). Nevertheless, there is judicial authority to the effect that bona fide payments of such fees are deductible if agreed to by the parties and approved by the surrogate. (*Sussman* v. *United States*, 62-2 USTC Par. 12,084; 10 AFTR 2d 6221 (ED NY, June 19, 1962); see also *Central Trust Co. of Cincinnati* v. *Welch*, 304 F. 2d 923 (C.A. 6th, 1962).) The Commissioner, therefore, agrees with me that if this attorney fee issue were in litigation it would be appropriate for settlement. In the light of all the factors involved in the proposed compromise, the Commissioner interposes no objection to settlement on the basis proposed.

In view of the requirements of section 6405 of the Internal Revenue Code of 1954, that a tax refund in excess of $100,000 be reported to the Joint Committee on Internal Revenue Taxation, the Commissioner has brought this matter to the attention of that body. Some members of the committee expressed doubt about its jurisdiction at this time to review the refund contemplated by the settlement. The heirs are unwilling to defer litigation pending completion of an audit. None of the parties is willing to enter into a settlement without a binding agreement which has been either reviewed by the committee or approved by the Congress. Some members of the committee while questioning its jurisdiction at this time indicated their feeling that settlement was nevertheless in the public interest and suggested that we propose enactment of a private bill specifically ratifying or approving settlement.

Settlement of litigation involving the property, which is contingent upon the tax deductions authorized by the enclosed draft of legislation, is believed to be in the public interest. Enactment is therefore recommended.

The Bureau of the Budget has advised that there is no objection to the submission of this recommendation from the standpoint of the administration's program.

Sincerely,

——— ———,
Attorney General.

NATIONAL TRUST FOR HISTORIC PRESERVATION

OFFICERS

Chairman emeritus: David E. Finley, 815 17th Street NW., Washington, D.C.

Chairman of the Board: Gordon Gray, 800 17th Street NW., Washington, D.C.

Vice chairman: Mrs. Hermann G. Place, 45 East 62d Street, New York, N.Y.

Vice chairman: Ralph P. Hanes, Box 2105, Winston-Salem, N.C.

Secretary: Miss Patricia H. Collins, Office of Legal Counsel, Department of Justice, Washington, D.C.

Treasurer: Robert C. Baker, American Security & Trust Co., 15th and Pennsylvania Avenue NW., Washington, D.C.

Executive committee: David E. Finley, chairman emeritus; Gordon Gray, chairman; Mrs. Hermann G. Place, vice chairman; Ralph P. Hanes, vice chairman; Miss Patricia H. Collins, secretary; Robert C. Baker, treasurer; John Clifford Folger, Carlisle H. Humelsine, and Ronald F. Lee.

Executive director: Robert R. Garvey, Jr., 815 17th Street NW., Washington, D.C.

TRUSTEES (EX OFFICIO)

The Honorable Robert F. Kennedy, Attorney General of the United States; Miss Patricia H. Collins (his representative), Office of Legal Counsel, Department of Justice, Washington, D.C.

The Honorable Stewart L. Udall, Secretary of the Interior, Washington, D.C.

John Walker, III, Director, National Gallery of Art, Washington, D.C.

TRUSTEES

Mrs. William Slater Allen, 12 Benevolent Street, Providence, R.I.

Robert C. Baker, American Security & Trust Co., 15th and Pennsylvania Avenue NW., Washington, D.C.

Barry Bingham, Courier Journal & Times, Louisville, Ky.

Mrs. W. Randolph Burgess, 1248 30th Street NW., Washington, D.C.

Mrs. Lammot du Pont Copeland, Greenville, Del.

Carl Feiss, 1025 Connecticut Avenue NW., Washington, D.C.

David E. Finley, 815 17th Street NW., Washington, D.C.

Henry N. Flynt, 10 Mason Street, Greenwich, Conn.

John Clifford Folger, 725 15th Street NW., Washington, D.C.

Gen. U. S. Grant III, 1135 21st Street NW., Washington, D.C.

Gordon Gray, 800 17th Street NW., Washington, D.C.

Ralph P. Hanes, Box 2105, Winston-Salem, N.C.

Mrs. Henry P. Hoffstot, Jr., 5321 Wilkins Avenue, Pittsburgh, Pa.

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[1] The fees payable are as follows:

Cahill, Gordon, Reindel & Ohl, Esqs., attorneys for Helen Violette de Talleyrand, Comtesse de Pourtales: For legal services rendered, $60,000; disbursements, $12,932.44.

Covington & Burling, Esqs., attorneys for National Trust for Historic Preservation in the United States: For legal services rendered, $30,000; disbursements, $14,000.

Morris & McVeigh, Esqs., attorneys for Diane de Castellane, Duchesse de Mouchy: For legal service rendered, $60,000; disbursements, $4,649.02.

White & Case, Esqs., attorneys for Elizabeth de Castellane, Comtesse de Caumont, Madame Raymonde Bertin, and Pauline de Castellane, Comtesse de Bartillat: For legal services rendered, $60,000; disbursements, $1,253.41.

[2] These fees will be allowed only if authorized by the Surrogate.

Henry Clay Hofheimer, II, Southern Materials Co., Inc., Post Office Box 420, Norfolk, Va.

Carlisle H. Humelsine, Colonial Williamsburg, Inc., Box 516, Williamsburg, Va.

Ronald F. Lee, National Park Service, 143 South Third Street, Philadelphia, Pa.

Austin P. Leland, 827 Syndicate Trust Building, St. Louis, Mo.

Mrs. Atherton Macondray, 2744 32d Street NW., Washington, D.C.

Peter Manigault, 134 Columbus Street, Charleston, S.C.

Clarence G. Michalis, The Seamen's Bank, 546 Fifth Avenue, New York, N.Y.

Mrs. Hermann G. Place, 45 East 62d Street, New York, N.Y.

Mrs. Henry P. Russell, 1420 Montgomery Street, San Francisco, Calif.

Charles van Ravenswaay, Old Sturbridge Village, Sturbridge, Mass.

Walter Muir Whitehill, Boston Athenaeum, 10½ Beacon Street, Boston, Mass.

TRUSTEES, HONORARY

The Honorable **FRANCES P. BOLTON**, 2301 Wyoming Avenue NW., Washington, D.C.

The Honorable Herbert Hoover, the Waldorf-Astoria Towers, New York, N.Y.

Legal counsel: Edward Burling, Jr., Covington & Burling, Union Trust Building, 15th and H Streets NW., Washington, D.C.

Nontrustee officers: William J. Murtagh, assistant secretary.

Assistant Treasurers: Edward A. Dent, Jr., David W. K. Peacock, Jr., J. L. Sheldon.

AGREEMENT

This agreement, made as of the 1st day of May 1964, between and among:

First National City Bank of New York, a national banking corporation with principal office at No. 55 Wall Street, New York, New York;

Freeman J. Daniels, residing at No. 274 Pondfield Road, Bronxville, New York;

Helen Violette de Talleyrand, Comtesse de Pourtales, residing at Chateau du Marais, Par St. Cheron, Seine-et-Oise, France;

Elizabeth de Castellane, Comtesse de Caumont, residing at No. 26 Rue Emile-Meunier, Paris, France;

Pauline de Castellane, Comtesse de Bartillat, residing at No. 26 Rue Emile-Meunier, Paris, France;

Madame Raymonde Bertin, residing at No. 26 Rue Emile-Meunier, Paris, France;

Diane de Castellane, Duchesse de Mouchy, residing at No. 2 Rue d'Andigne, Paris, France;

National Trust for Historic Preservation in the United States (hereinafter called National Trust), a corporation with principal office at Transportation Building, Washington, D.C.;

Honorable Louis J. Lefkowitz, Attorney General of the State of New York, with office at No. 80 Centre Street, New York, New York; and

United States of America, by the Honorable Robert M. Morgenthau, United States Attorney for the Southern District of New York.

Witnesseth:

Whereas Anna Gould de Talleyrand died a resident of the City, County and State of New York on November 29, 1961; and

Whereas by petition verified January 29, 1962, Freeman J. Daniels and First National City Bank of New York (by its predecessor First National City Trust Company), as Executors named in decedent's Last Will and Testament and Codicils thereto, presented to the Surrogate's Court, County of New York, State of New York, for probate, five instruments purporting to constitute the Last Will and Testament with Codicils thereto of said Anna Gould de Talleyrand, deceased, to wit:

(a) Last Will and Testament dated September 10, 1959;

(b) First Codicil thereto dated January 25, 1961;

(c) Second Codicil thereto dated August 5, 1961;

(d) Codicil, in French Notarial form, dated September 27, 1961;

(e) Codicil, in French Notarial form, dated November 23, 1961; and

Whereas all necessary parties to the probate proceedings were named in said petition, duly cited, and have by their respective counsel appeared herein; and

Whereas in addition there appeared in the probate proceeding United States of America, asserting an interest as "one of the persons interested in the above entitled proceeding as the statutory remainderman of a named legatee and devisee, the National Trust for Historic Preservation,"; said appearance by United States of America was subsequently stricken by order of court; United States of America and National Trust have both appealed from said order; and

Whereas the testimony of the various witnesses to the several documents offered for probate was taken; and

Whereas the Surrogate's Court, New York County, by order dated January 24, 1963, determined that the time to interpose objections to the propounded instruments dated September 10, 1959, January 25, 1961, and August 5, 1961, had expired; National Trust and United States of America have each appealed from said order insofar as it determined that the time within which to file objections to the instrument dated August 5, 1961, had expired; and

Whereas the Surrogate's Court, New York County, by decree dated February 28, 1963, admitted to probate said Last Will and Testament dated September 10, 1959, and the First Codicil thereto dated January 25, 1961, and letters testamentary thereupon issued to Freeman J. Daniels and First National City Bank of New York; and

Whereas said Freeman J. Daniels and First National City Bank of New York, designated and appointed as Trustees under said Last Will and Testament and the Codicils thereto have not qualified as such Trustees; and

Whereas by decree dated March 7, 1963, the Surrogate's Court, New York County, admitted to probate said Second Codicil dated August 5, 1961; and

Whereas the Surrogate's Court, New York County, by decree dated March 19, 1963, denied probate to the Codicil in French Notarial form, dated September 27, 1961, having determined that such instrument had not been executed in compliance with the provisions of the New York Decedent Estate Law and was not subscribed at the end thereof by the testatrix; and

Whereas there remains for the consideration of the court in the probate proceeding herein the Codicil in French Notarial form dated November 23, 1961, the time within which to file objections thereto not having expired, the same having by stipulation been extended from time to time by all parties; and

Whereas said Last Will and Testament, dated September 10, 1959, in pertinent part provides as follows:

"Eighth: It is my wish that my home in the Village of Tarrytown, County of Westchester and State of New York, and certain of my paintings, etchings, prints, statuary, furniture and furnishings and other works of art not otherwise hereinabove effectively disposed of, be maintained and operated as a nonprofit museum in memory of my mother, HELEN D. GOULD, and my father, JAY GOULD. Accordingly, I give, devise and bequeath to the National Trust for Historic Preservation, 712 Jackson Place, N.W., Washington, D.C., if it will accept the same upon the terms and conditions hereof, all those certain plots, pieces or parcels of land, with the buildings and improvements thereon erected, situate, lying and being in the Village of Tarrytown, County of Westchester and State of New York, and identified on the tax maps of the Village of Tarrytown as Sheet 28, Parcel 15, containing approximately 67.9 acres, Sheet 28, Parcel 16, containing approximately 13.3 acres, Sheet 28, Parcel 27A, containing approximately 19.06 acres, and Sheet 28, Parcel 28A, containing approximately 8.23 acres, and all paintings, etchings, prints, statuary, furniture and furnishings and all other tangible personal property located in or used in connection with said real estate, except my jewelry, furs and clothing.

"The above gift and devise of reality and the above gifts and bequests of personalty are made to the National Trust for Historic Preservation on the express condition that said National Trust for Historic Preservation shall operate and maintain the same as a nonprofit museum in memory of my mother, Helen D. Gould, and my father, Jay Gould."

"In the event that said National Trust for Historic Preservation shall decline to accept, under the terms and conditions hereof, the property devised and bequeathed to it under this Article Eighth, I direct my Trustees to arrange for the operation and maintenance of the said property as a nonprofit museum (a) by selecting such other nonprofit museum or other nonprofit literary, charitable or educational organization as will agree to accept said devise and bequest under the terms and conditions hereinabove set forth, or (b) by organizing and maintaining a nonprofit charitable, scientific, literary or educational corporation, trust, fund, foundation or association for such purposes, and I give, devise and bequeath the aforesaid real and personal property to such organization selected by or organized and maintained by my Trustees.

* * * * *

"Tenth: I give and bequeath to my Trustees, hereinafter named, a sum which, when added to all other charitable gifts made herein, will equal the maximum authorized to be given to charity under the provisions of Section 17 of The Decedent Estate Law, or any other similar New York statute in effect at the time of my death, to be held in perpetuity as a trust under the following terms and conditions and for the following uses and purposes, namely:

"My Trustees shall hold, manage, invest and reinvest the same, as hereinafter provided, shall collect and receive the income thereon, and shall pay, apply and distribute the net income thereof as follows:

"(1) If said National Trust for Historic Preservation shall accept the devise and bequest under the terms and conditions set forth in Article Eighth, my Trustees shall pay the net income thereof to said National Trust for Historic Preservation; or

"(2) If said National Trust for Historic Preservation shall decline to accept said real and personal property under the terms and conditions set forth in Article Eighth, my Trustees shall pay the net income to such organization referred to in Article Eighth as may be selected by or organized and maintained by my Trustees to carry out the purposes set forth in Article Eighth."

Whereas the Codicil in French Notarial form, dated November 23, 1961, in pertinent part provides:

"I contemplate disposing of my property situate in the United States of America, at LYNDHURST and in the County of WESTCHESTER (State of New York), but, in the event of same still being my property at the time of my death, I direct that all my property situate in the United States at LYNDHURST and in the County of Westchester is to go to the three branches of my family: by one third to my daughter, Violette de POURTALIS [sic], one third to Madame de MOUCHY and one third to the children of my son Boni. Accordingly, I revoke formally the previous legacy I made in connection with such property": and

Whereas, said Anna Gould de Talleyrand did not prior to her death dispose of her property located in Westchester County, New York; and

Whereas National Trust is willing to accept the property specified in Article EIGHTH of said Last Will and Testament dated September 10, 1959, for the purposes therein specified; and

Whereas it is the position of the said Executors and of Comtesse Helen Violette de Pourtales, daughter of Anna Gould de Talleyrand, deceased, and Comtesse Elizabeth de Caumont, Cometesse Pauline Bartillat, Madame Raymonde Bertin and Diane de Castellane, Duchesse de Mouchy, granddaughters of said Anna Gould de Talleyrand, deceased, that the Codicil in French Notarial form, dated November 23, 1961, is a valid, testamentary instrument and is entitled to probate, thereby revoking all interest of National Trust in said decedent's property or estate; and

Whereas it is the position of National Trust and of United States of America, insofar as the latter may have any interest in the proceeding, that said Codicil dated November 23, 1961, is invalid, is not entitled to probate and is of no force or effect, and that therefore National Trust is entitled to take as provided under Articles eighth and tenth of said Last Will and Testament dated September 10, 1959; and

Whereas the parties hereto, being all the parties interested in the devolution of the property affected by Articles eighth and tenth of said Last Will and Testament dated September 10, 1959, after due consideration of all of the facts and circumstances believe that it will be in their best interest to compromise and adjust any issues which might be raised by the filing of objections to the Codicil dated November 23, 1961, and thereby avoid the delay and expense of extensive litigation.

Now, therefore, in consideration of the premises and the mutual covenants herein contained, it is agreed as follows:

First: Neither National Trust nor United States of America, should the latter be a proper party to the probate proceeding herein, will object to the probate of the Codicil dated November 23, 1961.

Second: The Executors shall transfer and convey to National Trust all those certain plots, pieces, or parcels of land, with the buildings and improvements thereon, situate, lying and being in the Villages of Tarrytown and Elmsford, Town of Greenburgh, County of Westchester, New York, owned by Anna Gould de Talleyrand at the time of her death, except those certain plots or parcels designated and identified on the tax maps of the the Village of Tarrytown as Sheet 54, parcel 329 and Sheet 54, Parcel 338 and that portion of those certain plots or parcels designated on said maps as Sheet 19, Parcel 63; Sheet 19, Parcel 62, lying and situate North of the New York State Thruway. The property thus reserved shall be held by the Executors for distribution in kind to the heirs of the decedent in the following shares:

One-third thereof to Helen Violette de Talleyrand, Comtesse de Pourtales;

One-third thereof to Diane de Castellane, Duchesse de Mouchy;

One-ninth thereof to Elizabeth de Castellane, Comtesse de Caumont;

One-ninth thereof to Pauline de Castellane, Comtesse de Bartillat; and

One-ninth thereof to Madame Raymonde Bertin.

All real estate taxes shall be adjusted as of the date of conveyance.

Third. The Executors shall transfer and distribute to National Trust all paintings, etchings, prints, statuary, furniture, furnishings and all other tangible personal property located in, or used in connection with, decedent's home in the Village of Tarrytown, County of Westchester, State of New York, including such articles as were located at the date of inventory and appraisal thereof in the principal residence on the property known as "Lyndhurst", and in the residence adjacent thereto known as "Spratt House", except jewelry, furs and articles of clothing and the items or articles described in the schedule annexed hereto marked "Exhibit A". The items and articles of personal property thus reserved herein shall be held by the Executors for distribution in kind to the heirs of the decedent in such manner and in such shares as the heirs shall agree upon and having reached such agreement the same shall be conveyed to the Executors in writing.

Fourth. National Trust agrees to and it or one or more successors designated at some future time by it will maintain and operate as a non-profit museum in memory of the decedent's mother, Helen D. Gould, and her father, Jay Gould, the principal residence located on the property known as "Lyndhurst", in the Village of Tarrytown, County of Westchester, State of New York, together with a parcel of real estate surrounding such principal residence which said National Trust deems appropriate or necessary for the operation of the said museum.

Fifth. National Trust agrees to retain and exhibit in said museum such of the articles of tangible personal property to be transferred to it under the terms of this Agreement as said National Trust may deem proper and appropriate for the purposes of the museum.

Sixth. National Trust shall have full and unrestricted ownership of the real and personal property to be granted, distributed, set over, conveyed or assigned to it under the terms of this Agreement, with full and unrestricted right and power to sell, hypothecate or otherwise dispose of any such property not reserved for museum purposes as herein above set forth, upon such terms, prices and conditions as it may deem proper. However, said National Trust agrees that it shall first use or apply, insofar as may be necessary, the proceeds thereof, whether principal or income, for the maintenance and support of the museum to be established under the terms of this Agreement.

Seventh. In the event that there shall for any reason exist a right of refund with respect to all or any part of the real estate taxes heretofore paid by the Executors for or in connection with the real property which is to be granted, transferred, set over or conveyed to National Trust under and pursuant to the terms of this Agreement, such refund or right to refund shall belong to and be payable to said Executors.

Eighth. It is agreed that the following attorneys will be entitled to payment from the decedent's residuary estate as compensation for legal services rendered by said attorneys in the probate proceeding herein the amounts set forth below.

Cahill, Gordon, Reindel & Ohl, Esqs., Attorneys for Helen Violette de Talleyrand, Comtesse de Pourtales: For legal services rendered, $60,000; disbursements, $12,932.44.

Covington & Burling, Esqs., Attorneys for National Trust for Historic Preservation in the United States: For legal services rendered, $30,000; disbursements, $14,000.

Morris & McVeigh, Esqs., Attorneys for Diane de Castellane, Duchesse de Mouchy: For legal services rendered, $60,000; disbursements, $4,649.02.

White & Case, Esqs., Attorneys for Elizabeth de Castellane, Comtesse de Caumont, Madame Raymonde Bertin, and Pauline de Castellane, Comtesse de Bartillat: For legal services rendered, $60,000; disbursements, $1,253.41.

Ninth. The Executors shall be entitled to commissions at the rate specified by law on all real property and tangible personal property owned by decedent and located at the time of her death in Westchester County, State of New York, computed as if said property had passed pursuant to the provisions of said Last Will and Testament dated September 10, 1959.

Tenth. All appeals presently pending on behalf of National Trust and/or United States of America in the probate proceeding herein will be, and the same hereby are, withdrawn.

Eleventh. This Agreement is made and entered into subject to the following conditions:

(A) That this Agreement be approved by the Surrogate's Court, New York County, in such form as may be necessary to provide that all property received by said National Trust pursuant to the provisions of this Agreement shall be in lieu of the property, assets or other rights which National Trust would have or might be entitled to receive pursuant to the provisions of Articles eighth and tenth of said Last Will and Testament dated September 10, 1959.

(B) That a Closing Agreement under Section 7121 of the Internal Revenue Code of 1954 be executed by the Commissioner of Internal Revenue and the Executors on or before June 1, 1964, which Closing Agreement shall in substance provide:

(1) The value of the property or assets, as finally determined for Federal Estate Tax purposes, to be received by National Trust from the estate of Anna Gould de Talleyrand pursuant to the terms of this Agreement, as and when such Agreement is approved by the Surrogate's Court of New York County, shall be deductible pursuant to the provisions of Section 2055 of the Internal Revenue Code of 1954, from decedent's gross estate in computing the amount of Federal Estate Tax to be imposed upon decedent's estate.

(2) That the total payment authorized by order or decree of the Surrogate's Court of New York County approving this Agreement to the respective attorneys, hereinabove listed, for or with respect to the legal services rendered by such attorneys in the probate proceeding herein, including their reasonable disbursements, shall be deductible pursuant to the provisions of section 2053 of the Internal Revenue Code of 1954, from decedent's gross estate in computing the amount of Federal Estate Tax to be imposed upon decedent's estate.

(C) That this Agreement be duly and properly executed by or on behalf of all necessary parties.

Failure of any one or more of the conditions hereinabove set forth shall operate to render this Agreement null and void and of no effect, and the execution hereof shall be without prejudice to the rights or interests of any of the parties hereto.

Twelfth: This Agreement may be executed in several counterparts, each of which so executed shall be deemed to be an original, and all of such counterparts shall together constitute but one and the same instrument.

In witness whereof, the parties hereto have hereunto set their respective hands and seals as of the day and year first above written.

EXHIBIT A

ESTATE OF ANNA GOULD DE TALLEYRAND—AGREEMENT

Personal property to be reserved for heirs.

I. ARTICLES INCLUDED IN INVENTORY AND APPRAISAL OF "LYNDHURST"

Description

One pair two-door cabinets (French).

One mosaic slab table.

Four Louis XVI fauteuils.

One gilt metal box with Talleyrand medal.

One Marcolinie Meiasen porcelain group.

One French gilt bronze clock.

One French miniature of Lady in 16th century attire.

One snuff box petrified wood and chased gold mounts.

One snuff box carved shell with gold mounts and oval miniature of Louis XV by Petitot.

One pair French copies of Chelsea soft paste rustic groups.

One column, Place Vendome.
Two Celadon round bowls.
One pair Regence fauteuile.
One Chelsea figure of satyr.
One Louis XV oval gueridon.
One Louis XV ladies desk.
One Louis XVI drop front desk.
One Regence acajou and kingwood bureau.
One three part dining table.
One Japanese Samurai sword.

Books

Neufforge (Architecture).
Block, M. E., "Ichthyology."
Chinese watercolor drawings.
Gesnar, C., "Historias Animalium."
Grandville, "Les Fleurs Animees."
Incunabula, collection.
Jardins.
"Les Vieux Hotels de Paris."
"Maximilian of Wied Neuwied."
Salt, Henry.
Theuriot, A., "Nos Oiseaux."
Theuriot, A., "Fleurs des Cyclamens."
"Asiatic Society."
Teniers, D., "Theatrum Pictorium."
Seventeen miscellaneous books.
Breyne, J., "Exotic Plants."
Audabert et Vieillot, "Oiseaux Dorea."
Vallois, "Nicalas."

One hundred and eighteen miscellaneous books.

Hindu manuscript.
Astrological manuscript.
Badger, C. M.
St. Hilaire, J.
Gray, John E.
Starne, L.
Octave, Uzanne.
Mary and Grandville, J. J.
Forty-four colored lithographs.

Miscellaneous

One pair bowls with Talleyrand medals.
One gilded silver tea set.
One oval footed waiter.
Circular waiter.
Eight Edwardian silver gilt circular salts.
Eight pepper urns to match.
Three Georgian Warwick cruets.
One antique Belgian coffeepot.
Set of Mauser flatware.
French set of flatware.
A pair antique Sheffield platters.
One pair 19th century vegetable dishes.

Pictures

Bernard Van Orley.
Miniature portrait of Mrs. Shepherd.

One pair Burgundian 16th century carved and polichromed wood standing figures.

II. ARTICLES INCLUDED IN INVENTORY AND APPRAISAL OF "SPRATT HOUSE"

Louis XVI console.

Pair of French late 18th century silver wine coolers.

SURROGATE COURT: COUNTY OF NEW YORK—PROBATE PROCEEDING, WILL OF ANNA GOULD DE TALLEYRAND, DECEASED

(File No. P3878–1961)

STIPULATION

It is hereby stipulated and agreed that objections, if any, to the instrument in French Notarial form, dated November 23, 1961, purporting to be a Codical to the Last Will and Testament of Anna Gould de Talleyrand, deceased, shall not be filed prior to September 23, 1964, and that the time within which to file objections, if any, to said instrument is hereby extended from July 9, 1964, to and including October 1, 1964; and

It is further stipulated and agreed that paragraph second of that certain Agreement made as of the 1st day of May, 1964, between and among First National City Bank of New York; Freeman J. Daniels; Helen Violette de Talleyrand, Comtesse de Pourtales; Elizabeth de Castellane, Comtesse de Caumont; Pauline de Castellane, Comtesse de Bartillat; Madame Raymonde Bertin; Diane de Castellane, Duchess de Mouchy; National Trust for Historic Preservation in the United States; Honorable Louis J. Lefkowitz, Attorney General of the State of New York; and United States of America, by the Honorable Robert M. Morgenthau, United States Attorney for the Southern District of New York, be and the same hereby is amended by deleting the last sentence therefrom and inserting the following:

"All real estate taxes and maintenance charges shall be adjusted on the date of conveyance as if said conveyance shall have been made on July 1, 1964. The obligation of the National Trust with respect to said taxes and charges after July 1, 1964 shall be limited to the net expense incurred by the estate after reflection of all estate or income tax deductions allowed with respect to said taxes and charges.

"Nothing contained in this Agreement shall create any future or reversionary interest or right with respect to the property thus transferred and conveyed to the National Trust in the heirs of the decedent, or any of them.

"The heirs of the decedent shall receive no interest to or in the property transferred and conveyed to National Trust by virtue of this Paragraph Second."; and

It is further stipulated and agreed that paragraph sixth of the said Agreement be and the same hereby is amended by adding to the end thereof the following:

"Nothing contained herein shall be deemed to prohibit or limit the authority of said National Trust to transfer property 'reserved for museum purposes' as set forth in Paragraph Fourth hereof, to one or more successors."; and

It is further stipulated and agreed that paragraph seventh of the said Agreement be and the same hereby is amended by substituting a comma for the period appearing at the end thereof and adding the following: "except to the extent that taxes to which such refund or right to refund relates have been borne by the National Trust pursuant to paragraph second of this Agreement."; and

It is further stipulated and agreed that paragraph eleventh, subparagraph (B) of said Agreement be and the same hereby is amended to read as follows:

"(B) That on or before October 1, 1964, a Closing Agreement under Section 7121 of the Internal Revenue Code of 1954 be executed by the Commissioner of Internal Revenue and the Executors, which Closing Agreement shall, on or before October 1, 1964, or the adjournment of the 88th Congress sine die, whichever shall first occur, be either (a) approved and ratified by the Congress of the United States or (b) reviewed without objection by the Joint Committee on Taxation of the Congress of the United States. Said Closing Agreement shall in substance provide:"; and

It is further stipulated and agreed that said agreement made as of the 1st day of May, 1964, and this Stipulation shall, when taken together, be deemed to constitute the entire Agreement between the parties.

Dated: New York, N.Y., July 9, 1964.

SIGNERS

Perkins, Daniels & McCormack, 30 Rockefeller Plaza, New York, N.Y., attorneys for petitioners.

Cahill, Gordon, Reindel & Ohl, 80 Pine Street, New York, N.Y., attorneys for Helen Violette de Talleyrand, Comtesse de Pourtales.

Morris & McVeigh, 60 Wall Street, New York, N.Y., attorneys for Diane de Castellane, Duchesse de Mouchy.

White & Case, 14 Wall Street, New York, N.Y., attorneys for Elizabeth de Castellane, Comtesse de Caumont; Mme. Raymonde Bertin, and Pauline de Castellane, Comtesse de Bartillat.

Julius Greenfield, assistant attorney general of New York, for the Honorable Louis J. Lefkowitz, attorney general of the State of New York, 80 Centre Street, New York, N.Y.

Hon. Robert M. Morgenthau, U.S. attorney for the southern district of New York, U.S. courthouse, Foley Square, New York, N.Y., attorney for the National Trust for Historic Preservation in the United States.

Lowenstein, Pitcher, Hotchkiss & Parr, 25 Broad Street, New York, N.Y., attorneys for Lady Dorothy Montagu.

Frank J. Suozet, Esq., 68 Gramercy Avenue, Yonkers, N.Y., attorney for Larry A. Volpone.

Mr. LONG of Louisiana. I certainly respect the Senator's objection. He has every right to insist upon going into complete detail in regard to the situation.

But I am frank to say that when two-thirds of a legislative body is made up of either lawyers or judges, such as the Senate, it is quite a burden to persuade two-thirds of the lawyers that a proposed settlement by lawyers is a good settlement.

Usually, if we find a case that does not involve more than $5,000, many lawyers get up and demonstrate how much law they learned in law school by debating in great detail something which involves a small amount, but when something involves as much as a million dollars about which legal minds can differ, and a good argument can be made for both sides, it would take us from now until Congress adjourns to decide whether we could have won the lawsuit or lost the lawsuit, when the facts are that both sides agree that either side could win it.

Mr. MORSE. With regard to the Talleyrand case, I understand that the proposed provision authorizes the U.S. Government to settle the litigation involving the will contest in accordance with the settlement agreement and for the Commissioner of Internal Revenue to enter into the closing agreement necessary under the Internal Revenue Code.

The settlement agreement calls for, first, the transfer to the national trust of Lyndhurst and related property with a total value of about $1,300,000.

That is not peanuts. I continue: Second, payment by the estate of approximately $243,000 in fees and disbursements to attorneys for the national trust and the heirs in the will contest proceedings, and third, the deduction of these payments from the taxable estate, resulting in an estate tax refund of approximately $133,000.

Two hundred and forty-three thousand dollars for attorney fees may be reasonable. I do not know. It is a great amount of money. It called for much legal work. But we have pretty good protection under our American system of jurisprudence in the settlement of estates to prevent attorneys from mulcting estates. The law libraries are full of cases in which attorneys have tried it. When there is any question about the reasonableness of attorney fees, in cases such as this, the court settles it. I much prefer to have the court set attorney fees if any question is raised as to whether a fee is reasonable than to have the Department of Justice attorneys and the Internal Revenue Service attorneys agree as to what would be a fair settlement of attorney fees.

With a total value of property of $1,300,000, $243,000 for attorney fees is a great deal of money. It may be that they earned it. When I am through studying the case, I may agree that they earned it. But that figure alone was enough to have me run up a danger signal as far as my position on the bill is concerned. I am glad now that I have scanned the memorandum to which I objected on the floor tonight.

COMMITTEE MEETINGS DURING SENATE SESSION TOMORROW

On request by Mr. MANSFIELD, and by unanimous consent, the special Subcommittee on Armed Services, was authorized to meet during the session of the Senate tomorrow.

CELEBRATION OF RALPH YARBOROUGH DAY IN CORPUS CHRISTI, TEX.

Mr. MOSS. Mr. President, last Friday, July 31, the city of Corpus Christi, Tex., celebrated Ralph Yarborough Day in honor of the senior Senator from Texas—whom I am proud to call my good friend.

Senator YARBOROUGH was honored, in part, because of the successful campaign he waged to create the Padre Island National Seashore Recreational Area.

It was my privilege to conduct Corpus Christi hearings on the Yarborough bill to establish Padre Island, and I remember with real pleasure the warm hospitality of the people there, and their enthusiasm for the project. I remember also the wind-swept beauty of Padre Island, and am delighted that it is being preserved.

It is not surprising that the grateful people of Corpus Christi now wish to pay tribute to the man whose dedication and hard work helped save Padre Island.

I ask unanimous consent to have a copy of the resolution declaring Ralph Yarborough Appreciation Day printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas U.S. Senator RALPH W. YARBOROUGH, our distinguished senior Senator representing our great State of Texas in the National Congress, will honor our city by a visit on July 31, 1964; and

Whereas Senator YARBOROUGH has earned the respect and esteem of his colleagues by his able and unselfish service to the Nation and to his fellowman, and has rendered ceaseless service to the State of Texas in many fields and especially and more recently in the Padre Island National Seashore project; and

Whereas his many thousands of friends in Aransas, Atascosa, Bee, Brooks, Calhoun, Cameron, Duval, Golaid, De Witt, Dimmit, Hidalgo, Jackson, Jim Hogg, Jim Wells, Karnes, Kenedy, Kleberg, Lavaca, Matagorda, Maverick, McMullen, La Salle, Live Oak, Nueces, Refugio, San Patricio, Starr, Victoria, Webb, Willacy, and Zapata Counties will join in paying special tribute and appreciation to him, and are assembling in our city for the purpose of joining in the observance of Ralph Yarborough Appreciation Day on July 31, 1964, and to honor him at an appreciation dinner that night; and

Whereas Corpus Christi is most pleased and honored by being selected as the host city for this momentous occasion, and

Whereas our city will also be honored by the visit of many public officials, dignitaries, distinguished guests, and citizens of the said 31 of our neighboring counties: Now, therefore, be it

Resolved by the City Council of the City of Corpus Christi, That July 31, 1964, be and it is hereby declared Ralph Yarborough Appreciation Day in Corpus Christi and the city of Corpus Christi is honored by the visit from our distinguished senior Senator and by being selected as the host city for this occasion; be it further

Resolved, That the City Council of the City of Corpus Christi extends to our neighboring counties and cities, and to all public officials and citizens thereof, a most warm and hearty welcome, and we hope that each will enjoy the hospitality of our city; be it further

Resolved, That the mayor of the city of Corpus Christi be and he is hereby authorized to designate from the city council a welcoming and escorting committee whose function will be to extend special greetings to Senator YARBOROUGH and to other distinguished guests on said occasion.

Adopted at the regular session of the city council this 22d day of July A.D. 1964.

DR. JAMES L. BARNARD,
Mayor,
The City of Corpus Christi, Tex.

Attest:

T. RAY KRING,
City Secretary.

Mr. YARBOROUGH. Mr. President, will the Senator from Utah yield?

Mr. MOSS. I am glad to yield to the Senator from Texas.

Mr. YARBOROUGH. Mr. President, being temporarily in the Chamber, I did not know that the distinguished Senator from Utah was to bring up the resolution at this time. However, I thank him for his generous remarks. I recall that in December of 1959, after the bill had been pending to create the Padre Island National Seashore Recreational Area after a delay of some years, when we had been unable to get a hearing by anyone, the Senator from Utah went to Corpus Christi and held the first senatorial hearing on this bill. He held a very fine hearing, listening to the testimony of many scientists in different fields of marine life, marine biology; and also botanists who had studied the type of plants which grow along that seashore. In fact, so many scientists testified that it really sparked the activity which led to passage of the bill.

The Senator from Utah was the only Senator who held hearings on the bill, when we had been asking for a hearing for more than a year; and I pay tribute to him for the great influence he had in making final passage of the bill possible.

Mr. MOSS. I thank the Senator from Texas. It was a most pleasant and enlightening experience, and one that I am delighted to have had.

I learned of the great affection which the people of Texas have for the Senator.

THE 1963 CHENEY AWARD TO MAJOR O'NEILL

Mr. KEATING. Mr. President, the time in which a man in peril chooses between his own life and that of another is but an instant; the decision is quick and final. Such an instant came on February 6, 1963, to Maj. James R. O'Neill, as the engine failed in his aircraft.

Major O'Neill chose to sacrifice his life for those of his crew members. His heroism is a great grief to those who loved Major O'Neill; yet they must feel also great pride in this man who has paid the supreme tribute to those who raised him, and to his country.

It is in honor of that heroism that the Cheney Award is given posthumously today to Major O'Neill, and presented to his mother, Mrs. Carolyn V. O'Neill, of Huntington Station, Long Island. The Cheney Award is presented annually by the Chief of Staff of the U.S. Air Force for "an act of valor, extreme fortitude, or self-sacrifice in a humanitarian interest performed in connection with aircraft."

Major O'Neill was born December 27, 1922, in Hicksville, Long Island. He entered the Army Air Corps in 1943 as an aviation cadet and was commissioned a second lieutenant in 1944. Major O'Neill attended Hofstra College from 1946 to 1950, and was recalled to active duty after his graduation.

He flew 50 combat missions in Korea, for which he was awarded the Distinguished Flying Cross, Air Medal, and Purple Heart. Following his return from Korea in 1953, Major O'Neill served in several posts, and at the time of his death, he was assigned to Detachment 2A, 1st Air Commando Wing, on temporary duty in the Republic of Vietnam, as a pilot-adviser.

I wish to offer my deepest sympathy and tribute to Mrs. O'Neill, who despite her grief, proudly receives her son's award today.

DEATH OF JUDGE DAWSON

Mr. KEATING. Mr. President, it is with deep regret that I learned today of the death of a distinguished and highly regarded member of the Federal bench. Judge Archie O. Dawson, of New York City, died suddenly last night while on vacation in California.

Judge Dawson had a long and brilliant career in the law. Judge Dawson presided at a number of trials which received great public attention, but whether the cause was great or petty, he always served with extraordinary diligence and judicious impartiality. The judicious use of humor to expedite proceedings was one of Judge Dawson's well-known trademarks.

The distinguished bench of the Southern District of New York has lost one of its great mainstays. He will be sorely missed, not only on the bench, but in the New York community. Judge Dawson was active in a number of organizations, such as the Big Brother movement. A lifelong Republican, he had been president of the New York Young Republicans and active in many campaigns.

I express my deepest sympathy to Judge Dawson's widow and family upon the passing of a jurist who served wisely and well.

PROPOSED OFFICE OF SOLAR ENERGY

Mr. HUMPHREY. Mr. President, on May 18, 1964, I introduced, for appropriate reference, my bill, S. 2853, to establish, by secretarial order, an Office of Solar Energy, in the Department of the Interior.

Since I introduced this bill, I have received numerous favorable responses and inquiries.

Among the responses was a communication from Mr. George Löf, acting director of the Solar Energy Laboratory of the University of Wisconsin, in which he outlined his experiences and observations during a recent visit to the Soviet Union.

His was the first visit of a solar specialist to the U.S.S.R.; and he was deeply impressed with the magnitude and development of the program he found there, devoted to means of exploiting the terrestrial uses of solar energy. In one case alone, he found that the staffing pattern included over 30 qualified scientific people—there being perhaps as many as 100 such people involved in like endeavors throughout the country. He pointed out that these people are working solely on terrestrial applications, and that this does not include the endeavors that are focused upon the Soviet space program. He further pointed out that he cannot count 20 such people in the United States.

I believe Mr. Löf's observations give us reason to devote more of our attention to this vital area of development of this natural resource. This is to point out that the need for increased work in tapping new and promising resources is broadly recognized as being of worldwide concern. I suggest that we have an opportunity to play the leading role in the development of this technology.

I urge the Senate to give added attention to the objectives and methods set forth in my bill, so that we expedite its execution, and thereby insure that we do not fall further behind in this vital area of resources development.

Mr. President, I also wish to call to the attention of the Senate a notation appearing in the June 22 issue of Lawyers Weekly Report.

This article points out the importance of Federal research in solar energy. It also discusses our economic competition with the Soviets, and notes that our success may depend on our ability to create or harness cheap sources of power. The author further expresses the importance of harnessing solar energy as a means of ultimately lowering power costs.

I ask unanimous consent to have printed at this point in the Congressional Record Mr. George Löf's letter to my office, dated June 15, 1964; and the article entitled "Federal Research in Solar Energy," from the June 22 issue of Lawyer's Weekly Report.

There being no objection, the letter and the article were ordered to be printed in the Record, as follows:

Denver, Colo.,
July 14, 1964.

Hon. Hubert H. Humphrey,
U.S. Senate Office Building,
Washington, D.C.

Dear Senator Humphrey: As a consulting engineer in the field of solar energy development and as acting director of the Solar Energy Laboratory at the University of Wisconsin, I have been greatly interested in your proposed legislation on solar energy research and development by the U.S. Government. I fully support your efforts to establish a sound program directed toward developing this important resource.

My purpose in writing is to give you a very brief impression of the solar energy research and development work I have just seen in the Soviet Union while on a scientists' exchange visit as a guest of the Academy of Science. It is my hope that these impressions may be of some value and importance in connection with the proposed legislation. This was the first visit of an American solar specialist to the U.S.S.R., and therefore, it may be of some special significance.

Even though I attempt to follow the published literature from the Soviet Union in this field, I was amazed at the magnitude of the development program I found. I learned that there are about 10 institutions engaged in this development, in various parts of the country in Europe and Asia, with a total of 80 to 100 capable full-time scientific personnel. These are people working entirely on terrestrial applications of solar energy and do not include those engaged in the space program. By comparison, I cannot count 20 such people in the United States.

I found that the solar development program in the U.S.S.R. is well directed, well staffed and exceptionally well financed. In Tashkent, for example, in the central Asian Republic of Uzbekistan, a large solar development center is staffed by over 30 qualified scientific people. Development of systems for electric power generation is the principal objective of this institution. There is nothing in the United States even approaching this scope.

I have often heard the argument, and I presume you have also, that the United States does not need to engage in solar energy development because we have ample supplies of fossil fuels. Conventional energy resources are even more abundant in the Soviet Union, but nevertheless, the viewpoint there appears to be that solar energy has an early potential in a few applications and has a long-range potential for many applications when their vast fossil fuel reserves begin to dwindle.

This recent trip has greatly reinforced my belief that we need a forward-looking Government-supported development program in this field. The commercial prospects for solar energy are such that we cannot expect manufacturers to invest sizable amounts of money for a doubtful early return or for a fairly certain return far in the future. Any substantial effort along this line must therefore be supported by agencies of the Federal Government concerned with the long-range natural resources picture. An Office of Solar Energy in the Department of the Interior, as your bill provides, would be very much in the national interest.

If you would like to have additional information on the solar development program in the U.S.S.R., either with respect to the technical aspects or the administrative arrangements, I would be happy to enlarge upon this brief communication to such extent as would meet your convenience. If hearings are held on your bill, I would be honored to have the opportunity to support this legislation and to outline for the committee what I consider to be a major gap in current progress in this field by the two leading countries.

Respectfully yours,
George O. G. Löf,
Acting Director, Solar Energy Laboratory, University of Wisconsin.

[From Lawyer's Weekly Report, June 22, 1964]

Federal Research in Solar Energy

The Government is laying plans to exploit the energies of the sun for civilian use. The increased interest in solar energy is due in part to recent reports of Russian research in this field. Some officials feel that cheap power may be a deciding factor in the economic competition with the Soviets. Therefore, it is important that the United States undertake research to determine solar energy's capabilities and practicalities for the civilian economy.

Already ways for harnessing solar energy have been found. In fact, much of the success of many U.S. space accomplishments has been due to its use. Steps are now proposed to study the applicability of these scientific breakthroughs to civilian needs—for heating, refrigerating, operating communications systems, pumping irrigation water. This has great potential for power-starved underdeveloped countries.

The emphasis of new Government-sponsored research would be on designs and processes which would require a low investment and relatively low operating costs. It is expected much of this research would be contracted out to private firms and educational institutions.

A measure before Congress would establish a central office for solar energy research in the Interior Department. It would coordinate the pioneering findings made in the defense and space efforts with civilian research. Government officials hope that this office could consolidate the fragmented ventures into an organized and efficient program with speedier results.

PASSAGE OF S. 1593—PLANNING FOR THE GREAT RIVER ROAD

Mr. HUMPHREY. Mr. President, I should like to note, for the Record, the significance of a bill (S. 1593) which was passed several weeks ago, to provide assistance to States bordering the Mississippi River in planning for the Great River Road.

In 1949, I first introduced proposed legislation relating to the Great River Road. That was during my first session as a U.S. Senator. In each succeeding Congress, I have introduced similar bills—but always without success. This year, however, the distinguished Senator from West Virginia [Mr. Randolph], who serves as chairman of the Subcommittee on Public Roads, determined that Congress should support more actively the planning of this scenic highway.

Under his leadership, the bill (S. 1593) introduced by the Senator from West Virginia and S. 1672, introduced by the Senator from Minnesota, received hearings and favorable consideration by the Committee on Public Works. On July 2, 1964, S. 1593 was passed by the Senate. I rise to commend and to thank my good friend, Senator Randolph, for his leadership on this highly meritorious proposal, which carries forward the idea of a great river road.

The Great River Road—or the Mississippi River Parkway, as it sometimes is called—is not a new idea. In August

1949, Congress instructed the Bureau of Public Roads and the National Park Service to make a survey for a road which would connect the Trans-Canada Highway, leading to Alaska and the Atlantic seaboard, with our great southern highway system around the Gulf of Mexico. Running along both banks of the Mississippi River for 2,470 miles, the route as conceived by the Bureau of Public Roads and the National Park Service would link the extremes of the North American and the South American Continents by following both shores of the Mississippi River.

From the joint report filed in 1951, by the Secretary of Commerce and the Secretary of the Interior, there emerged a new conception of interstate highway development—the Federal-aid parkway. The plan called for close cooperation between Federal and State authorities, in utilizing the most desirable elements of the existing road system. Due to the location of existing State highways along the proposed route, it would be possible to link them together and to obtain nearly complete control of access, without disrupting local highway patterns. When completed, the Great River Road would constitute one of the most scenic and historic routes in our national-highway system.

Several points concerning the character of the Great River Road should be emphasized. First, this road will be a scenic parkway, not a high-speed turnpike. It will be designed to enhance the beauty of the Mississippi River Valley, by preserving countryside and by restricting roadside development. Existing parkways will be utilized, wherever possible; roads which do not meet the standards of parkway construction will be brought up to approved specifications. The bill will provide the States with incentive to acquire lands for public recreation along the shores of the Mississippi.

Senate bill 1593 authorizes the Secretary of Commerce to expend an additional $250,000, from general administrative funds, for Federal assistance to the States, in planning the Great River Road.

Since becoming a U.S. Senator, I have frequently been associated with efforts to preserve for future generations our natural and historical resources. It is largely in this spirit that I have sponsored the Great River Road legislation during many Congresses. The Great River Road will traverse countryside rich in the folkfore and history of America. In Louisiana, the road will wind among the historic plantation houses of the ante bellum sugar barons. It will pass such battlefields of the Civil War as the one at Vicksburg, Miss.

The traveler will encounter the new industrialism of the South in such cities as Memphis, Tenn.; he will also encounter the historic river towns of Missouri and Illinois, such as Cape Girardeau, Cairo, Hannibal, and Quincy.

The road will climb northward, through the plains of Iowa; and the traveler will visit such cities as Davenport, Dubuque, and Marquette. Finally, the traveler will come to the exhilerating north country of Minnesota and Wisconsin. Needless to say, I could speak for some time on the beauty of the Mississippi as it passes through such cities and towns as Winona, Wabasha, Lake City, Red Wing, Hastings, St. Cloud, and Little Falls, among others, and, of course, the great twin cities of Minneapolis and St. Paul. This surely is a route which should be traveled by every American, for it provides an incomparable portrait of our land and our people. We have a clear obligation to take today the steps which will preserve, for tomorrow, this heritage for our children and our grandchildren.

Again, I commend the distinguished and able Senator from West Virginia [Mr. RANDOLPH] and the other members of the Committee on Public Works for their diligent labors which finally resulted in the passage by the Senate of the Great River Road bill. I express the strong hope that the House of Representatives will act favorably on Senate bill 1593 before the 88th Congress adjourns.

EMPLOYMENT OF CERTAIN RETIRED PERSONNEL BY DISTRICT OF COLUMBIA BOARD OF EDUCATION

Mr. MORSE. Mr. President, I send to the desk a bill for introduction and appropriate reference, to authorize the employment of retired personnel of the Federal Government by the Board of Education of the District of Columbia, and to authorize the employment of retired personnel of the Board of Education of the District of Columbia by the Federal Government. I ask that it be appropriately referred.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3078) to authorize the employment of retired personnel of the Federal Government by the Board of Education of the District of Columbia, and to authorize the employment of retired personnel of the Board of Education of the District of Columbia, by the Federal Government, introduced by Mr. MORSE, was received, read twice by its title, and referred to the Committee on the District of Columbia.

Mr. MORSE. Mr. President, I know we cannot get action on the bill this year. But I think it is fitting that it be introduced for educational purposes. I announce that I shall reintroduce it come January. As a member of the Committee on the District of Columbia, and chairman of a subcommittee that has jurisdiction of educational problems and school problems in the District of Columbia, I am very much concerned over the great shortage of teachers in the District of Columbia. We need more teachers. We cannot get enough teachers.

There are many reasons why we cannot. We must use a good many teachers who are teaching without teacher certificates. We are greatly indebted to them. As an old teacher, Mr. President, I am not one to take the position that only teachers with teacher certificates are qualified to teach. Teachers with teacher certificates at least enjoy the presumption that they are qualified to teach more subjects, that they have broader training to teach than teachers who have not qualified for teacher certificates. But a great many teachers in the District of Columbia do not have teacher certificates, but they are doing a magnificent, dedicated job of teaching. And, though we would hire in the District all certified teachers, if the supply of certified teachers were available, Congress controls the District of Columbia, to its discredit. Many years ago it ought to have given the citizens of the District of Columbia the rights of first-class citizenship, which they do not enjoy. We do not even give them the precious democratic right of self-government. Congress and the people of the District of Columbia are greatly indebted to noncertified teachers who are helping out, so to speak. By and large, as so many have told us over and over again in my committee, they are doing a good job.

But there is a supply of teachers that we are not able to use, and that my bill would permit us to use, who are certified teachers, but retired.

Many of them are on voluntary retirement. Our pension laws permit retirement on a voluntary basis after the age of 55. A good many of them would like to teach. But if they made their services available for teaching, they would lose their pensions. They can get other employment. Many of them have other employment. Many of them are working in business, and working for a great variety of employment occupations, but we cannot put them back in the classroom. They would have to give up their pension.

They do not have to give up their pension in the other jobs which they take, so long as they are not District of Columbia jobs.

My bill provides that we should face the reality that, after all, when they earn their pensions by way of voluntary retirement, they have earned them as a matter of right. It is as much a property right as my automobile, my farm, or any other real property or any other corporeal property that I own. I think it is pretty shortsighted, and not a great service to the boys and girls of the District of Columbia, to say to a qualified teacher who is well qualified to teach, and who is a certified teacher: "If you want to come back to the classroom, you will have to waive your pension for whatever period of time you teach."

My bill is realistic. I try to be a realistic Senator, and face reality. If we want those teachers in the classroom rather than in some commercial establishment in which they will not lose their pension if they work there, we must recognize what I think we ought to recognize, that when one is entitled to voluntary retirement, he has earned that retirement. That is as much a right of wealth as is represented by any corporeal piece of property. Under my bill, if passed, the Superintendent of Schools in the District of Columbia would be authorized to employ retired teachers who, in his opinion, are qualified to go back to the classroom, and let them continue to teach and continue to enjoy a pension that they have already earned.

ELECTRIC POWER IN THE NORTHWEST

Mr. MORSE. Mr. President, I turn briefly to the subject that I told the majority leader I would discuss before I close tonight.

There has been pending for a long time in both Houses of Congress a highly controversial issue known as the power intertie issue of the west coast. It is a result of our Columbia River Treaty with Canada, which I enthusiastically worked for and supported. I was proud to do my share along with my distinguished colleague [Mrs. NEUBERGER] in finally obtaining its adoption. As a result, a substantial amount of hydroelectric power will be generated in Canada. Also there will be, at so-called peakload periods, the high water periods, in which there is already in certain parts of the year a surplus of power generated by the Bonneville system. That is not firm power; that is, it is not power that is firm in its supply. It is not power which is available 12 months of the year, 24 hours of the day and night. In the Pacific Northwest there is the problem of selling surplus power; and with the addition of the Canadian power that will be coming in not too many years hence as the dams are developed on the Canadian side of the border on the Columbia, it is very important that all the power be marketable and made available to the market.

So we have been at work for a long time in trying to work out with the public utility groups—and by that I mean the public power groups and the private electric companies—an arrangement whereby this Canadian power and the surplus Bonneville power could be transmitted over transmission lines into California all the way down to Los Angeles and San Diego. That has given rise to a highly controversial dispute between public power groups and private power groups. Under the Bonneville Act, passed many years ago under the leadership of great liberal Senators and Representatives—in the Senate such men as Charles McNary, of my State, a very great liberal Republican; Hiram Johnson, of California; George Norris, of Nebraska; Bob La Follette, of Wisconsin; one of the most ardent workers in the power field from the State of Washington, Clarence Dill; Burton K. Wheeler, of Montana; Thomas Walsh, of Montana, and others I could name. As a result, there developed what has become known as the national power policy, which gives preference in the purchase of power to so-called public power districts, agencies, and groups. Sometimes it may be a municipal power organization. It may be an REA. It may be a farmers' cooperative. It may be an incorporated public power district—and there are many of them in the State of Washington. There are fewer of them in the State of Oregon, which has resulted somewhat to our disadvantage.

But no one is to blame for that except the Oregon State Legislature. For years the senior Senator from Oregon and other liberals in our State have been trying to persuade the Oregon Legislature to establish a State power agency that could serve as the purchaser and the agency through which the public preference clause, that gives preference to public power groups the right to purchase power, could be supervised. Through such an agency, we could have obtained power for our State that was lost to the State of Washington, because the State of Washington has a much larger number of so-called public power groups. But that is in the background of this controversy.

I have been subject to some criticism because I did not go for a CVA. Oh, what criticism I received for that. Some years ago an attempt was made to establish a Columbia Valley Authority on the basis, in my judgment, of a fallacious argument by analogy that we ought to have a TVA called a CVA in the Pacific Northwest.

Of course, the physical differences were great. The Pacific Northwest was an area of an abundance of water. The TVA was an area of a shortage of water. That physical fact made all the difference in the world in the opinion of the now senior Senator from Oregon, who, at the the time of the controversy, took the position that we did not need a CVA, but needed a pooling policy—which is what the Bonneville Act envisioned—whereby private utilities and public utilities would have an equitable share of a common supply of power. That supply would be put into a common pool, and the public preference clause would operate with regard to that pool; but after the public power customers had been taken care of, the private utilities were given assurance that they would have an equitable share of the power to serve customers who wished to be served by private utilities instead of public utilities.

That became the program in the Pacific Northwest prior to the Eisenhower administration. The interesting thing is that in those years it was a hot issue in my campaign of 1944, 1950, 1956; and in 1962 there was still some discussion of it, but the issue had changed slightly, as I shall point out in a moment.

The people of my State supported my position in regard to the development of a pool of power, with an equitable distribution of the power out of that pool to the private utilities and to the public utilities, with the public preference clause always to remain inviolable.

In the Eisenhower administration there came the development of the notorious partnership scheme, under which, year after year, the Eisenhower administration sent to Congress a budget cutting out recommended provisions for the building of hydroelectric dams in my State unless we would agree to the partnership scheme.

Do not forget, Mr. President, these were multipurpose dams. Under the Eisenhower scheme the American taxpayers would pay for all the nonreimbursable costs of the multipurpose dams—that is, for the flood control, irrigation, reclamation, and recreational features—and then they would turn over, in effect, at bus bar—that is, at the generator site—power generated by the streams belonging not to the private utilities, not to the Eisenhower administration, but to the then 170 million American people. I announced at the very beginning of the Eisenhower administration that they would get by with that scheme over my political dead body, and I did not intend to die politically very soon.

So year after year during the Eisenhower administration we took the fight before the Appropriations Committees of the House and the Senate. The result is that dam after dam is rising to its economic majesty, not on a partnership basis, but on the basis of being a dam that belongs to all the taxpayers of the United States.

I said in the Senate not long ago that one of the richest compensations I have received in my public service was when, earlier this year, I delivered a speech at the dedication of Cougar Dam, a great multipurpose dam in my State. The power resources of that dam would have now belonged to the private utilities for their selfish profitmaking interests if I and those who supported me—my present colleague [Mrs. NEUBERGER] and her late husband, Dick Neuberger, who preceded her—had surrendered to that raid upon the rights of the American people that the Eisenhower administration tried to get by with.

Dick Neuberger said at that time that the Eisenhower proposal was that the American taxpayers buy the cow for the private utilities and then let the private utilities milk her. That was a pretty good descriptive explanation of the Eisenhower scheme.

Green Peter is another dam now on its way to completion. The Eisenhower administration tried to make it a partnership dam but we prevented it.

The John Day Dam is one of the great dams of the Pacific Northwest. It was a dam that the Eisenhower administration tried to give away, so far as its power resources were concerned, to the private utilities for a pittance. The partnership scheme would have had the private utilities pay a pittance for the great power resources they would get under that scheme.

I mention that because it is in the background of the controversy that has developed over the intertie. Prior to the Eisenhower administration the private utilities had not only come to accept the pooling principle, but had become enthusiastic about it. The pooling principle, they learned, as some of us had told them during the years of controversy over it, was to be to their great economic advantage. They could not profiteer under it, but they would make good money under it.

The interesting thing is that during the years of operation of the so-called pooling principle, the private utilities did very well. A good many of their officers have told me how much they appreciated the fight I had made for the pooling principle. The president of one of the great western private utilities, with whom I had battled over the power issue, after he retired came to the Capitol and had lunch with me one noon. He said, "Now that I have retired, Senator, there is something I want to tell you. You and I had many differences of opinion and engaged in a good many controversies over power issues, but I want you to know that if I had been the Senator from Oregon during those years, I would have voted exactly the same way you voted on those power issues."

Of course, he represented a private utility. I recognize his obligation, as the president of that company, to get for the company what he thought he could get, without commiting any crime—although, that is sometimes a relative term, when we are dealing with the question of whether or not a policy of monopoly is in the public interest.

Why should a private utility be given control of the electric power that is generated by a multipurpose hydroelectric dam? That kind of dam is a people's dam, which means a dam that is owned by all the taxpayers. Do not forget that the navigable streams and rivers on which the dams are built belong to all the people of the country. They do not belong to the people of Oregon, Washington, or California. Sometimes partisans in my State seem to think that. They seem to think my obligation in the Senate is to get for the people of Oregon whatever I can get for them, whether they are entitled to it or not. But, Mr. President, I have always taken the position that I sit in the Senate as a Senator from Oregon, not merely for Oregon, but as a Senator from Oregon for the Nation. I have never campaigned without making that point in the campaign.

I know the history of our constitutional system, and I know that is the kind of Senate our constitutional fathers provided for. When we pass judgment on an issue from the standpoint of the question whether the issue is in the best interest of the country as a whole, we automatically do the best thing for our States, because anything which is not in the best interest of our country cannot be in the best interest of our States.

That does not mean that I do not also fight, and fight hard, for benefits for my State when those benefits are consistent with the public interest.

Therefore, in a situation such as the one I am discussing tonight, we are dealing with a mixed problem. The development of hydroelectric power, by a public or private utility in my State, is of great economic concern to the people of my State. I have the duty of seeing to it that they receive fair play and fair dealing.

However, I will not overlook the fact that if we turn over to a private utility the power generated at a public dam, at bus bar—that means at the damsite—and the power taken at that site is transmitted over private utility transmission lines, with no public control in regard to those lines, we might as well turn the dam over to the private utility. Whoever controls the transmission lines controls the dam.

There has developed through this historic struggle in the Pacific Northwest what is known as the grid system; that is, a gridiron system of transmission lines—public transmission lines and private transmission lines. Under the pooling arrangement, for which I have always stood, wheeling agreements were entered into. I take the position that this is intermingled power. Wheeling agreements wheel the power over transmission lines from damsite to the consumer—stove, refrigerator, or industrial plant. I have always insisted that such wheeling agreements must be reasonable, and that the charge for transmitting the power must be fair, equitable, and reasonable, in accordance with the standards which have developed as words of art in the power business. Such agreements are subject, of course, to regulation by regulatory bodies or officials, sometimes known as public utility commissions or power commissions—going by varied names—who see to it that a fair rate of return is made available to the company which transmits the power or, in the case of a private dam, or a low-head dam, the company which generates power in the first place and transmits it.

In the controversy over the development of the intertie—which means transmission lines which connect the dams in the Pacific Northwest with the consuming areas in Sacramento, San Francisco, Los Angeles, and San Diego—the controversy has been over who will really control the lines. Those of us who, over the past several months, have raised serious doubts about the arrangement that the Secretary of the Interior, Mr. Udall, has been seeking to negotiate, have taken the position, until recently, that we would not agree to the approval of his plan, because in our judgment, as the plan first came to us, it was weighted to the advantage of private utilities.

He does not like to hear me say that. Probably the position I have taken explains why he has followed a certain course of action in regard to a news release which came from the Department of the Interior on July 29, and which I shall criticize before I finish.

My colleague, the junior Senator from Oregon [Mrs. NEUBERGER], and I have stood shoulder to shoulder in opposition to the Department's plan for an intertie arrangement, until the latest proposal was made, which we now heartily approve.

I say most respectfully that others in Congress from some of the Western States approved the Udall plan from the beginning. Therefore, there has developed a little controversy over this issue among some of the representatives in both Houses from various Western States.

If we are to have protection of the consumer interest, we must have a preservation of the public preference clause. That is a principle which has existed ever since the time of McNary, Hiram Johnson, La Follette, Norris, Dill, Wheeler, and the others who worked with Franklin Roosevelt in developing the national power policy, which was finally written into what became known as the Bonneville Act. We must have continued protection of the public preference clause, which gives first right to purchase the power to public power groups; that is, by municipally owned powerplants, by a farm cooperative plant, or by a State public power group. There has been no real trouble about that, because there has always been sufficient power for the private power utilities to get a fair share. However, it is necessary to have the public preference clause to stop the private utilities from squeezing out the public power groups.

Although the private utilities still sell approximately 83 percent of the power generated in this country, they become very much concerned over any power being sold under a public ownership program. That is a long story, which I shall not go into tonight. However, I wished to mention it in passing. It is necessary to have not only the public power preference principle, but also the public power yardstick for the determination of rates.

Let me digress long enough to say that the public should not swallow the tax baloney of the private utilities, to the effect that they ought to be preferred because they pay taxes. They do not pay a cent of taxes. The consumers of their power pay every cent of the tax, because it is included in their rates.

The tax baloney in the high-priced advertisements of the private utility corporations in the glossy magazines, which are charged off to advertising expenses, but which amount to nothing more than political propaganda against public ownership of power by the various public power groups, is sliced pretty thin, because the so-called taxes that they pay are paid by the ratepayers, the consumers of their power.

When we take into account the taxes for which they are credited, the fact remains that the public power groups supply their consumers with power at a much lower rate. The result has been that over the years they have forced the private utilities to charge lower rates than they otherwise would have charged.

If one would know the difference between the rate policies of the public power group and those of the private power group, all that is necessary is to take a large area in which there is nothing but private power, and no public power, and see what the difference in the rate is, compared with the rate in an area in which there is both public power and private power. The interesting thing is that the competition between the public group and the private group always results in the private utility charging a rate, although usually somewhat higher, at least much nearer the public power rate than in an area where the private utility has a monopoly, with no public power group present. That is the history of this great fight. That is known as the public power yardstick. If there is not a public power yardstick to hold in check the ratemaking of the private power utilities, the poor consumer will pay through the nose.

So we have insisted that in any intertie arrangement, the Secretary of the Interior shall be required to enter into an agreement or to offer Congress an agreement that will protect the public power yardstick. I say with sadness tonight that we have had much difficulty with Secretary of the Interior Udall over that point, for, in the judgment of some of us, if we had swallowed, hook, line, and sinker, the intertie agreement that the Department of the Interior first offered, it would have been to the great advantage of private utilities and to the disadvantage of public power groups. We had some difficulty with him several months ago in regard to another arrangement he entered into, in the Colorado case. A mistake was made there, and I said so at the time. I opposed it at the time. But the agreement went through.

When I saw the development of the same pattern in connection with the Pacific Northwest and the west coast case, I made up my mind that I would stop, or help to stop, if I could, a repetition of that pattern. I suppose that, as a result, I could not win a popularity contest in the Department of the Interior; but that does not bother me in the least. I know that as a result of the fight that some of us made against the first proposal in regard to the intertie for the west coast, we have helped to produce a change in that program, so that now we can approve the program. But without that finding, the changes never would have been made.

I speak respectfully of, but in disagreement with, the Administrator of the Bonneville Power Administration, Mr. Charles Luce, for he has been the key negotiator for the Department of the Interior, with the exception of Mr. Udall himself. We have had conferences with him time and time again. My administrative assistant, Mr. Berg, and Senator NEUBERGER's administrative assistant, Mr. Tupling, have met with Mr. Luce time and again. Those two able administrative assistants have met not only with Mr. Luce, but also with representatives of the Department of the Interior, sometimes singly, and sometimes with a group from the Department.

We have kept the Department of the Interior fully informed at all times in regard to our points of disagreement concerning the intertie proposal of Mr. Udall and Mr. Luce as first made, and we have also kept them informed as to our disagreement with subsequent modifications of the so-called intertie agreement. I am not one to claim a cause-to-effect relationship in such a matter as this. I merely state my opinion, which is that if the junior Senator from Oregon [Mrs. NEUBERGER], the senior Senator from Oregon, and Representative Moss, of California, for example, and as to some of the points, the senior Senator from Washington [Mr. MAGNUSON], and others, had not raised serious questions about the Department of the Interior program, we would not have a program tonight that is as acceptable as the one that is about to be offered to Congress and which the Department of the Interior, through Secretary Udall, publicly announced on July 29.

On July 4, at Coos Bay, Oreg., the annual convention of the Oregon Democratic Party was held. The speaker at the banquet was Assistant Secretary of the Interior Kenneth Holum, an able, dedicated public servant, as is Secretary Udall. The interesting thing is that some persons seem to think that one cannot have personal professional differences over the merits of issues with Government officials and be professional about it, but that if one disagrees with Mr. Udall or with Mr. Holum, as I have on this matter from time to time, he is conducting some kind of personal vendetta. Nonsense. I have high respect for Mr. Udall, as well as for Assistant Secretary Holum. I believe that until recently they were dead wrong in their judgment in the handling of the intertie issue on the west coast, along with the Administrator of the Bonneville Power Administration, Mr. Luce.

Mr. President, I shall be found working shoulder to shoulder with them on the next issue, if we find ourselves in agreement on the merits. I shall be found taking a position of opposition if I find them to be wrong, as I believe they were at the beginning of the intertie issue.

In order to have a public power yardstick check, it was essential that there be a Government-built transmission line owned by the taxpayers of the United States, from Hoover Dam down into Nevada and Arizona. The Senators from Nevada [Mr. BIBLE and Mr. CANNON] joined us in that position. The chairman of the Committee on Appropriations, the Senator from Arizona [Mr. HAYDEN] likewise agreed, as will be seen in a moment from certain correspondence I shall place in the RECORD. That was a "must." But at the beginning, it was not in the Udall plan. When the next movement by way of compromise was offered, it was in the Udall plan. But it contained a "sleeper" clause: it was not to be built now, and the door was to be left open, or an escape hatch was to be provided, so that if, as, and when it was built, it would not foreclose the possibility that it might be built by a private company. That is having the entree passed; and, as one reaches to take the plate, it is taken away from him.

We said we could not agree to an intertie arrangement that did not specifically provide for a public power yardstick. This transmission line is essential. The two Senators from Oregon said there was another essential, and that is that the line from the dam down across the State of Oregon to the California border must be a public transmission line, and not a private transmission line.

If we did not do that, a private utility would take the power at the bus bar and damsite and we would have lost control of the power. As I stated in a speech on this subject in Florida at a meeting of a public power conference, one of the presidents of a west coast private utility company, in an article published in the Wall Street Journal not so many months ago, stated exactly what I have been stating for years; although he put it this way—"The group that controls the transmission line controls the works."

That is correct. The one that controls the transmission line controls the dam.

So the two Senators from Oregon took the position that we would not sit by and let a private utility company obtain, under the agreement offered by Secretary Udall, the authority to build the transmission line from the damsite down to the California border and think for a moment that we would thereby be protecting the consumers of power in our State.

That was quite a battle.

I have been lobbied during my 20 years of service in the Senate. I have heard all sorts of fear arguments advanced, but I have never been lobbied more vigorously than when I was lobbied on that issue. But the lobbyists now know that I was lobbied ineffectively. They did not make a dent and I told them with each conference, "You have not sold me."

I wish to see that the consumers of my State are protected; and they would not have been protected under the arrangement first proposed by Udall.

The proposal was to enter into some wheeling agreements in the future. They promise they will protect the consumers. I am not buying a pig in a poke. We do not have the agreements now. We should have to have an agreement so far as I am concerned in perpetuity, or at least for the life of the dam. There is no chance of that. It is going to continue to require the negotiation of a fair wheeling agreement. I think Udall will insist on that and I shall support him. They may get the votes to beat me, but there are other places where they can be beaten if they follow a course of action that does not protect the public, and politicians understand that language because they know that is the ballot box.

I have gone through these political wars before, and I know that when we get this type of issue to the voters, the voters will stand with me, because they know I am fighting for their legitimate economic rights.

So the two Senators from Oregon insisted on that. Such protection is in the final agreement now—the final plan.

We insisted on some other adjustments. But, of course, I do not have newspaper support. Before the final arrangement was entered into, the buzzards of the press of my State felt they had a dead carcass to feast upon, so they started writing editorials.

Mr. President, I should like to go back for a moment and tell about the visit to our State of the Assistant Secretary of the Interior, Mr. Holum—I did not finish that story.

At the Democratic Convention on July 4, at Coos Bay, Mr. Holum was the principal speaker. I had been advised that one of the things he proposed to do was to sell the Udall plan.

Being our guest, I thought he should be forewarned, it being my privilege to introduce him. So in my introduction I thought he should know, and I told him, that both Senators from Oregon were unalterably opposed to the plan.

There were many other things he planned to discuss, and he discussed them. He said very little about the Udall plan, under those circumstances, because we had already told him that that afternoon the Democratic Convention had unanimously gone on record in support of the position taken by the two Senators from Oregon in regard to the intertie. So, as his host, I informed him, and I was very polite to him by advising him of the situation.

I noticed that after July 4 there seemed to be a great recognition on the part of Mr. Luce, the Secretary of the Interior Mr. Udall, and the Assistant Secretary of the Interior Mr. Holum, that the Udall plan was unacceptable to the two Senators from Oregon as it was then written.

Now I return to the buzzards of the press who have been disappointed so many times over the last 20 years that my carcass was not yet ready to feast upon.

On July 30, 1964, the Oregonian wrote an editorial entitled "L.B.J. Helps Intertie." I ask unanimous consent to have the editorial printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

L.B.J. HELPS INTERTIE

President Johnson has been skittish about the Northwest-Southwest transmission intertie because it pleased the private utilities and the city of Los Angeles municipal utility but was opposed by Gov. Pat Brown of California and some elements of the public power movement.

The President asked Representative CHET HOLIFIELD, of California, a top hand in power and nuclear energy fields, to try to compromise the program to everyone's satisfaction while Congress was in recess for the Republican National Convention. A series of meetings at congressional and State levels brought modification of the Department of Interior's proposals.

Governor Brown and the public power dissidents did not get their all-Federal line from the Columbia to northern California. But they were assured of more surplus Columbia power and recognition of growth needs of public agencies in northern California, via private power segments of the lines.

President Johnson's approval of the $700 million interregional transmission program Wednesday should give it the needed boost for congressional appropriations to begin the Federal portions. It should be noted that one all-Federal, 750,000-volt, direct current line from the Columbia to Hoover Dam on the Colorado has always been in the plan. Also, that the Federal Bonneville Power Administration will build and operate the sections of the other 750,000-volt, direct current line and one of the 500,000-volt alternating current lines to the Oregon border, and the second 500,000-volt alternating current line from the Columbia to Round Butte Dam on the Deschutes, where private utilities would take over. Thus, BPA controls the source and initial transmission of Federal surplus power southward.

The President is right in saying that this is "a new era of cooperation between private and public power in the United States." The Government will invest only $300 million of the $700 million estimated cost. Non-Federal utilities, both privately owned and publicly owned, will finance the major share remaining.

Before acting on appropriations to start the Federal share of the program, Congress has obligated itself to adopt the Bonneville Marketing Act amendment which has been deadlocked in conference committee. This act, to protect both regions against raids on power that is not surplus to regional needs, should be cleared now that major elements have been satisfied.

We are unable to understand the negative attitude of Senators MORSE and NEUBERGER of Oregon on the intertie program, which will permit utilization of wasted power, keep Bonneville rates at a minimum, and provide the Northwest with a reverse flow of energy from the Southwest when needed in low-flow periods of the Columbia. Unlike Senators JACKSON and MAGNUSON, of Washington, who have been active in advancing the program, perhaps they just haven't taken the time to understand it.

Mr. MORSE. Apparently they were of the opinion that the original Udall plan was going through. The last paragraph of the editorial reads:

> We are unable to understand the negative attitude of Senators MORSE and NEUBERGER of Oregon on the intertie program which will permit utilization of wasted power, keep Bonneville rates at a minimum, and provide the Northwest with a reverse flow of energy from the Southwest when needed in low-flow periods of the Columbia. Unlike JACKSON and MAGNUSON of Washington, who have been active in advancing the program, perhaps they just haven't taken the time to understand it.

Of course, what bothers the Oregonian is that we understood it too well. We were too wise to the tactics of the private utilities. Unfortunately, we had come to find it necessary to be wise, also, to the tactics of the Secretary of the Interior and the Administrator of the Bonneville Administration.

The Oregonian had to eat crow fast, for the very next day, Friday, July 31, it contained another editorial, which I ask unanimous consent to have printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

FEDERAL LINE EXTENDED

Horse trading in Washington, D.C. left us behind in yesterday's editorial on the Northwest-Southwest intertie. There is, after all to be an all-Federal line from the Columbia River power system as far as Round Mountain in northern California. Taking off from the 500,000-volt, alternating current line at Round Mountain and extending to Cottonwood, to connect with the Central Valley project, will be a newly proposed 230,000-volt Federal line. The rest of the 500,000-volt alternating current line will be built southward by California Power Pool private utilities.

This was explained in news stories in late editions of the Oregonian, but the editorial did not catch up to the news.

The basic program of Federal and non-Federal cooperation in construction of the four major intertie lines, plus California and Arizona extensions, was preserved in the plan finally agreed upon and endorsed by President Johnson. The program merits support of Oregon Members of Congress for it will benefit the Northwest as much as the Southwest.

Mr. MORSE. What this yellow sheet did not tell the readers of Oregon was that the two Senators from Oregon had been working and fighting for months for exactly those protections in the intertie program. We had to fight for those programs, I say regretfully, over the opposition of Bonneville, the Department of the Interior, and some Representatives of Congress in both Houses.

The final program provides for the Hoover line. The final program provides for the public line across Oregon and into California. It will be possible to carry out the policy for which the senior Senator from Oregon has fought for more than 20 years. He fought for it in the State of Oregon before he came to the Senate.

Mr. President, I always document my charges. I ask unanimous consent to have printed at this point in the RECORD a letter to the editor of the Oregonian which I wrote under date of August 4 in answer to the editorials that I have just alluded to.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JULY 22, 1964.

Hon. CARL HAYDEN,
Chairman, Senate Appropriations Committee, New Senate Office Building, Washington, D.C.

DEAR SENATOR HAYDEN: As you know, Secretary of the Interior Udall states in his recommendations to you relative to Pacific intertie transmission that, of the four transmission lines which will extend across the State of Oregon, three will be owned by the United States, and that appropriations requests for them are now pending. The Secretary states, further, that although the fourth line, a 500-kilovolt alternating current circuit between the Columbia River and Klamath Falls, Oreg., is not actually needed at the present time, he has already selected, and plans to commit the Government to, a non-Federal contractor to build and own this line. No plans have been made to explore the possibility of getting Federal funds for its construction.

Insofar as the fourth line is not actually needed at this time, and will not in any case be constructed until after next year at the earliest, we respectfully submit that sound public policy dictates the postponement of a commitment regarding the ownership of this line until (1) it has become necessary to build it, and (2) the Secretary has explored the possibility of obtaining Federal funds for its construction.

Under the Secretary's proposal, this fourth line would be built by a private utility from Round Butte, Oreg., to the Oregon-California border and by the California Power Pool south to Los Angeles. North of the California border, this line lies wholly within the Bonneville Power Administration's legal marketing area. There are strong arguments in support of Federal ownership of all high-voltage lines of this character within the Columbia River system's primary market.

We firmly believe the final decision regarding the ownership of this line can properly be deferred without prejudice to any non-Federal bidder, and, in the interest of the State of Oregon, should be deferred until the alternative of Federal ownership has been explored, especially in light of the absence of any immediate need for this particular line.

May we assure you, furthermore, that this suggestion relative to the decision on ownership of this line in no way represents a modification of the previous record which we have made in regard to the intertie proposal.

We still hold, without reservation, that the minimum requirements for the acceptance of any proposal are: (1) a specific commitment—during this session of Congress and before a commitment on any non-Federal construction—on the construction of an all-Federal line from The Dalles to Hoover Dam, and (2) the working out of strong, explicit transmission rate controls. This latter minimum requirement can be satisfied by the establishment of specific guidelines to any subsequent contracts for the wheeling of power over the non-Federal segments of the intertie, together with provisions that any such contracts be made public and lie before the Senate for at least 60 days before they are made effective.

We know that you and the other members of your committee will give this matter your very careful consideration, and we thank you for your very kind attention to our recommendations.

With best personal regards.

Cordially,

MAURINE B. NEUBERGER,
U.S. Senator.
WAYNE MORSE,
U.S. Senator.

Mr. MORSE. In part, the letter reads:

To the EDITOR, THE OREGONIAN,
Portland, Oreg.

DEAR SIR: With reference to your editorial of July 30 on the proposed Pacific Northwest-Pacific Southwest electrical intertie, I would like to make prefectly clear the record which I have established over the past several months on this vitally important issue.

It is indeed true that this monumentous project, if properly controlled and used, would be of tremendous value to the people of the Northwest. It is also true, however, that if improperly controlled, this project would amount to the selling of our birthright for a mess of pottage. For if these transmission lines were to be constructed without the maintenance of the public power "yardstick" principle by the construction of at least one Federal line, and without an assurance that the public preference customers in the Northwest will be protected in subsequent contracts between the Government and private power companies, then this otherwise meritorious project would result in the control of our hydroelectric power by the private power companies in California.

The June 30 report to the Congress on the intertie from Secretary of the Interior Udall contained no assurance that Northwest public preference customers would be protected and no assurance that at least one of the four lines would be Federal. For that reason, I pointed out on the floor of the Senate on July 2 and July 9 that the report of the Secretary was inadequate, that it was not in the best interest of the people of Oregon, and that it must be amended to insure adequate protection to the interests of the people of Oregon before I could support it.

As the result of the efforts of those of us in Congress who share this view, Secretary Udall amended his proposal on July 29 to include an all-Federal line from the Dalles Dam to Hoover Dam, as well as a Federal line into Central Valley, Calif. It's the amended proposal to which President Johnson gave his backing on July 30.

I continue to maintain that additional provisions would be helpful to insure protection of preference customers in future contracts. Such assurances could be provided by the requirement that all such contracts lie before the Congress for 60 days before being made effective, or by reviews of such contracts by the Government Operations Committees of both Houses.

I digress from the letter long enough to point out that I want the RECORD to show tonight that come January, such a bill will be introduced. And once again Members of Congress will have an opportunity to stand up and be counted as to whether or not they want to continue to vote to protect the power policy of this country that has existed for many years. It was brought into being under the great leadership of Franklin Roosevelt, assisted by a group of liberal Republicans and liberal Democrats.

Mr. President, I said further in the letter:

I am hopeful that the regional preference bill, S. 1007, which insures that Northwest consumers will get first call on power produced in the Northwest, will soon be enacted in a satisfactory form.

The new proposal is, nevertheless, a great improvement over the original and goes much further in assuring that the interests of the Oregon power consumers will be protected; I therefore support it.

Sincerely,
WAYNE MORSE.

Mr. President, in a letter to the editor, my junior colleague, the Senator from Oregon [Mrs. NEUBERGER], also made her position clear, which was that we joined forces in support of an attempt to get these improvements into the final agreement. They were put in the final agreement. Her letter makes clear publicly also that she supports the program. Secretary Udall knew it before he issued the press release to which I shall turn to shortly. But before I do that, Mr. President, I wish to complete my documentation of the position that the two Senators from Oregon have taken in this controversy with the Department of the Interior.

Under date of July 22, 1964, Senator NEUBERGER and I sent a joint letter to Hon. CARL HAYDEN, of the Senate Appropriations Committee, on this subject. The letter reads:

DEAR SENATOR HAYDEN: As you know, Secretary of the Interior Udall states in his recommendations to you relative to Pacific intertie transmission that, of the four transmission lines which will extend across the State of Oregon, three will be owned by the United States, and that appropriations requests for them are now pending. The Secretary states, further, that although the fourth line, a 500-kilovolt alternating current circuit between the Columbia River and Klamath Falls, Oreg., is not actually needed at the present time, he has already selected, and plans to commit the Government to, a non-Federal contractor to build and own this line. No plans have been made to explore the possibility of getting Federal funds for its construction.

Insofar as the fourth line is not actually needed at this time, and will not in any case be constructed until after next year at the earliest, we respectfully submit, that sound public policy dictates the postponement of a commitment regarding the ownership of this line until (1) it has become necessary to build it, and (2) the Secretary has explored the possibility of obtaining Federal funds for its construction.

Under the Secretary's proposal, this fourth line would be built by a private utility from Round Butte, Oreg., to the Oregon-California border and by the California Power Pool south to Los Angeles. North of the California border, this line lies wholly within the Bonneville Power Administration's legal marketing area. There are strong arguments in support of Federal ownership of all high-voltage lines of this character within the Columbia River system's primary market.

We firmly believe the final decision regarding the ownership of this line can properly be deferred without prejudice to any non-Federal bidder, and, in the interest of the State of Oregon, should be deferred until the alternative of Federal ownership has been explored, especially in light of the absence of any immediate need for this particular line.

May we assure you, furthermore, that this suggestion relative to the decision of ownership of this line in no way represents a modification of the previous record which we have made in regard to the intertie proposal.

We still hold, without reservation, that the minimum requirements for the acceptance of any proposal are: (1) a specific commitment—during this session of Congress and before a commitment on any non-Federal construction—on the construction of an all-Federal line from The Dalles to Hoover Dam.

Mr. President, this was the same position that Senator HAYDEN, Senator BIBLE, and Senator CANNON took.

Continuing with the letter—

(2) the working out of strong, explicit transmission rate controls. This latter minimum requirement can be satisfied by the establishment of specific guidelines to any subsequent contracts for the wheeling of power over the non-Federal segments of the intertie.

I say to the everlasting credit of Mr. Udall and Mr. Luce that in the final arrangements which they have made with the private utilities they have written in protection in regard to wheeling charges, although in January I shall introduce a bill—and I think other Senators will cosponsor it with me—that will require any rate agreement to be on the table for 60 days before the two committees of the Senate and the House before they become finally effective. That is the way to provide a check to give the greatest assurance of protection to the paying consumer.

I repeat a part of the sentence which I have already read:

This latter minimum requirement can be satisfied by the establishment of specific guidelines to any subsequent contracts for the wheeling of power over the non-Federal segments of the intertie, together with provisions that any such contracts be made public and lie before the Senate for a least 60 days before they are made effective.

We know that you and the other members of your committee will give this matter your very careful consideration, and we thank you for your very kind attention to our recommendations.

With best personal regards.
Cordially,
MAURINE B. NEUBERGER,
U.S. Senator.
WAYNE MORSE,
U.S. Senator.

Mr. President, on the same date, July 22, I wrote a letter to the President of the United States. In keeping with protocol, I shall not read the letter or insert it in the RECORD. I only wish the RECORD to show that in my letter to the President, I made clear to the President the basis of the objections that I was making at that time to the Udall proposal. In my judgment, the ultimate results speak for themselves.

Mr. President, from the very beginning of this controversy the two Senators from Oregon—and let the RECORD tonight show it to the people of our State—have been battling away for the protection of the great power protection program of the Pacific Northwest which was enacted in the passage of the Bonneville Act, which has meant so much to the development of the private economy of the Pacific Northwest.

Despite the false propaganda of the private utilities, the greatest boon to private enterprise in the Pacific Northwest in the past 35 years has been the development of public-owned multipurpose hydroelectric dams. If any Senator thinks I am mistaken about that, I suggest that he come out and talk to the businessmen operating their businesses in the economic shadows of a Bonneville or a McNary or a Hoover or a Cougar or any of the other great publicly owned hydroelectric dams. They will state that they would not be operating their businesses there if it were not for the public power yardstick that has been made possible by the building of these people's dams, as I call them, that have forced the holding down of rates to a rate that provides for a fair return on the investment, and not a gouging return, not a profiteering return, not a rate higher than is justified, which would be the case if we just left the area to the mercy of the private utility.

Not only has the program worked to the benefit of the businessman and the household consumer, but the interesting thing is that there have been no greater beneficiaries than the private utilities themselves. When the representatives sit in one's office, they will say so. In fact, many have. In this controversy I was not opposed by outstanding private utility executives. They know me too well. They know they can always count on me to fight for them in seeing to it that they get a fair return. They also know that there is nothing they can do or say that will change my course of action so far as concerns protecting the consumers from a private utility monopoly, and their getting control of public power at the busbar of a public dam.

So I wish the people of my State to know that the two Senators from Oregon have been in the thick of the controversy for many months past, ever since Udall and Luce first proposed a so-called intertie program.

In fairness to them, I extend to them my heartiest congratulations and my compliments. In behalf of the people of my State, I extend to them my sincere thanks for finally negotiating a program that is very acceptable.

I thank such leaders on the House side as Representative Moss, of California, with whom I work, with whom I confer, and with whose views I completely agree. He is a California Representative battling away from the standpoint of the legitimate rights of California.

I express my appreciation to Governor Brown of California for his unwillingness to swallow hook, line, and sinker the Udall-Luce proposal as it was first presented. I am a little disappointed that, as a result of an oversight, I should like to believe, the Department of the Interior, over the signature of the Office of the Secretary, Mr. Udall, issued a press release under date of July 29. Note the date and note the sequence of these dates. Note that the protests of the two Senators from Oregon were made to the chairman of the Senate Appropriations Committee on July 22. The letter of the senior Senator from Oregon to the President of the United States is dated July 22. The previous statements of the senior Senator from Oregon on the floor of the Senate and the junior Senator from Oregon, along with the senior Senator from Oregon before the Senate committee, were prior to July 22.

On July 4, at the Democratic Party convention in Oregon, in which this issue was raised, the senior Senator from Oregon stated his position on the merits of the issue, which resulted in the unanimous vote of that convention in support of the position of the two Senators from Oregon. That was also long before July 29. At the beginning of this year this controversy started. There has been a consistent record on the part of the two Senators from Oregon.

Mr. President, the fact that we have disagreed with the Secretary of the Interior and his Bonneville Administrator, Mr. Luce, is no indication that we did not cooperate with them.

To the contrary, we presented our disagreements in the form of pleas for cooperation, rather than controversy, and finally ended with a final agreement of which we approve.

On July 27, Mr. Udall sent to the Senator from Arizona [Mr. HAYDEN] and Representative MAHON a letter setting forth their last proposal which became an acceptable one for the intertie. It is this proposal to which Mr. Udall refers in his press release of July 29, that I shall come to in a moment. At this point I ask unanimous consent to insert in the CONGRESSIONAL RECORD the letter of the Secretary of the Interior to Senator HAYDEN and Mr. MAHON dated July 27, 1964.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., July 27, 1964.

Hon. CARL HAYDEN and GEORGE MAHON,
Chairmen, Appropriations Committees, Congress of the United States, Washington, D.C.

DEAR SENATOR HAYDEN and MR. MAHON: As a result of conferences between Senators and Congressmen from Western States interested in the Pacific Northwest-Pacific Southwest intertie, we have been asked two questions:

1. Could our report of June 24, 1964, to the House and Senate Appropriations Committees, as amended July 21, 1964, be further amended to include an all-Federal tie between the Federal Columbia River power system and the Federal Central Valley project power system?

2. If so, what plan of service would accomplish this objective most economically?

The answer to the first question is yes, and this letter may be regarded as such a further amendment. Our report to the Appropriations Committees dated June 24, 1964, is based upon our understanding of the criteria that Congress asked us to apply in negotiations with non-Federal entities for construction of the intertie lines, see conference committee report accompanying H.R. 9140, House Report No. 1027, December 11, 1963. If it is now determined, as a matter of policy, that the intertie program include an all-Federal tie between the Columbia and the Central Valley, our report can be amended accordingly.

The answer to the second question is that an all-Federal tie between the Columbia and Central Valley systems can be accomplished most economically if the Bureau of Reclamation constructs a 500-kilovolt line from the California-Oregon boundary into Round Mountain station about 100 miles south of the State boundary; and from Round Mountain, a 230-kilovolt line to Cottonwood station, where it would connect, directly and indirectly, with five existing Federal 230-kilovolt lines now carrying Shasta and Trinity power southward to Tracy. Such a line would be an extension into northern California of the Bonneville 500-kilovolt line proposed for construction from John Day Dam to the California-Oregon boundary. The approximate cost to the Bureau of Reclamation of such lines, including substation additions, is $20,300,000. To start construction of such lines in fiscal year 1965, the Bureau would require an additional appropriation of $500,000.

The modification of our intertie report to include construction of a Federal 500-kilovolt line from the California-Oregon line to Round Mountain, and a 230-kilovolt extension into Cottonwood, requires negotiation of certain additional agreements with other utilities whose facilities would be affected, for example:

1. P.G. & E.'s agreement would be needed to interconnect the Bureau's 500- and 230-kilovolt lines at P.G. & E.'s Round Mountain station, and the Bureau's 230-kilovolt line at its Cottonwood station.

2. A long-term agreement with P.G. & E. whereby the Bureau's 500- and 230-kilovolt lines would be operated in parallel with the company's 500-kilovolt lines, and system and capacities on the Bureau and company lines between the Oregon boundary and Tracy would be pooled. The capacity of the 500-kilovolt transmission line to be constructed by the Bureau from the Oregon border to Round Mountain shall be made available, first, for the Bureau's own uses up to 400 megawatts and the balance of the capacity in said line shall be made available to carry out the proposal of the companies including the fulfillment of obligations of the companies thereunder.

3. Agreement between the Bureau and the California companies for equitably sharing the wheeling revenues payable by the State and SMUD, and for reducing the companies' wheeling charges to the Bureau for service to Tracy. It may be necessary to adjust the charge to the State and SMUD, depending upon the result of further negotiations.

4. Agreement by the Pacific Power & Light Co. and the Portland General Electric Co. regarding their participation in the intertie plan.

5. Agreement by the California companies not to withdraw the other features of their proposal, including support for The Dalles-Los Angeles 750-kilovolt, direct-current line, and service to SMUD and the State of California.

In connection with our recommendation to Congress that either the Los Angeles Department of Water & Power or the Southern California Edison Co. construct the direct current tie between the Hoover and Sylmar direct-current terminals, further negotiations will also be necessary.

We cannot say at this time whether all of these agreements could be obtained on satisfactory terms if the intertie plan were thus amended. If funds are appropriated for such a line, we will use our best efforts to obtain the agreements.

Sincerely yours,
STEWART L. UDALL,
Secretary of the Interior.

Mr. MORSE. Mr. President, the program outlined in that letter, which was the Department's last proposal, is quite different from the earlier proposals which, over the months, my colleague, the Senator from Oregon [Mrs. NEUBERGER], and I opposed.

A press release was issued by the Department of the Interior from the Office of the Secretary July 29, 1964, entitled "Pacific Northwest-Pacific Southwest Intertie Program OK'd by Federal, State, and Private Parties."

I ask unanimous consent that the entire press release be inserted at this point in the RECORD, without my reading it.

There being no objection, the press release was ordered to be printed in the RECORD, as follows:

PACIFIC NORTHWEST-PACIFIC SOUTHWEST INTERTIE PROGRAM OK'D BY FEDERAL, STATE, AND PRIVATE PARTIES

Secretary of the Interior Stewart L. Udall today announced that all parties—private, municipal, State, and Federal—have reached agreement on a plan for construction and use of the biggest single electric transmission program ever conceived in the United

States—the Pacific Northwest-Pacific Southwest intertie.

He said the Bureau of the Budget today sent to the Congress a request for $45.5 million to start construction this year of the Federal portions of three of the four lines, including both direct-current lines.

This program's provision for direct-current transmission is a history-making step that will put the United States in the forefront in world electric transmission technology.

The four lines extending from the Columbia River in the State of Washington to Hoover Dam on the Colorado and to Los Angeles and other points in California will carry more than 4 million kilowatts of power.

This is equivalent to the output of two Grand Coulee dams or equal to the daily power needs of six San Francisco's, or five Washington, D.C.'s.

These four lines will tie together electric systems—public and private—extending from Seattle to Los Angeles and Phoenix and will integrate the biggest hydro system in America (the Bonneville Power Administration), the biggest municipal system (the Los Angeles Department of Water and Power), and the largest single private system in the United States (the Pacific Gas & Electric Co.).

They will provide benefits to consumers in 11 Western States, including the customers of 248 rural electric cooperatives and municipal ssytems and other public agencies.

They will help provide a market for Canadian treaty power in the early years when it will be surplus to Northwest needs.

They will end the waste of kilowatts in the Pacific Northwest, save exhaustible fuels in the Southwest, and promote maximum electrical efficiency. This is conservation in action.

Two of these lines will be direct current transmission, including the one all-Federal line from the Dalles Dam between Washington and Oregon to Hoover Dam.

This is a top example of public and private utilities and State and Federal Government cooperation. It has two principal virtues: It reflects the diversity of ownership of electrical facilities in this country. And it provides built-in protection against monopoly.

The total investment will be approximately $700 million with the Federal Government's share about $300 million. The benefits are boundless.

Secretary Udall said the agreement as reached today calls for the Federal Government to build an additional 134 miles of line in northern California, directly linking the Federal Columbia River power system with the Federal Central Valley project in California.

He said the amended intertie plan had been agreed to by Governor Brown of California, the California congressional delegation, the California private utilities, and other key persons.

"We believe our amended plan will now be approved by Congress and funds appropriated this year to start construction of the Federal portions," Udall said.

As originally proposed to Congress, the California private utilities would have built all of the intertie facilities in northern California. Now the Bureau of Reclamation will build a 101-mile leg of one 500,000-volt alternating current line from the Oregon border to Round Mountain, Calif., and the Pacific Gas & Electric Co. will construct the remainder of this line to points south. The Bureau also will build a 33-mile tap at 230,000 volts from Round Mountain to its Cottonwood substation.

It will increase the Federal Government's investment in the intertie by approximately $20 million—from about $280 million to about $300 million, Secretary Udall said.

The full intertie package consists of four major lines from the Columbia River to southwest points and three shorter interconnecting lines.

Two of the big lines will transmit direct current at 750,000 volts—the world's longest direct-current lines. One will be all Federal, extending 830 miles from the Dalles Dam on the Columbia River to Hoover Dam on the Colorado River. The other will be built jointly by the Government and the city of Los Angeles 827 miles from The Dalles to Los Angeles.

The southern ends of the two direct-current lines will be tied together by a shorter 750,000-volt direct-current line in the future and will be built either by the city of Los Angeles or the Southern California Edison Co.

Two 345,000-volt lines also will be built from Hoover Dam to Phoenix, one by the Bureau of Reclamation and the other by the Arizona Public Service Co.

The other two major lines will be 500,000-volt alternating-current lines from the Columbia River to the vicinity of Los Angeles, serving northern and central California points on the way. These lines will be built jointly by the Federal Government and the private utilities.

Secretary Udall warmly praised all participants in the final round of negotiations which led to the revised plan. He specifically named Senators HAYDEN, MAGNUSON, JACKSON, BIBLE, and KUCHEL; Congressmen HOLIFIELD, SISK, MOSS, MCFALL, and JOHNSON.

"Congressman HOLIFIELD served as chairman for the final series of meetings," Secretary Udall said, "and he deserves an extra measure of credit for helping reconcile many different points of view."

Secretary Udall also complimented representatives of the California private utilities for "their cooperation and constructive suggestions." He added:

"With this kind of cooperative spirit between public and private power we will move forward together to give the American people the full benefits of electrical integration and maximum efficiency."

Mr. MORSE. Mr. President, Mr. Udall is a better politician than this press release would seem to indicate. Giving him the benefit of every charitable doubt, he obviously did not check the press release very carefully before it went out, because I refuse to believe that he purposely and intentionally designed the press release to do injury to the two Senators from Oregon.

I am making this speech tonight in part to attempt to offset that injury and to put the record straight. In one paragraph in the press release he states:

> Secretary Udall warmly praised all participants in the final round of negotiations which led to the revised plan. He specifically named Senators HAYDEN, MAGNUSON, JACKSON, BIBLE, and KUCHEL; Congressmen HOLIFIELD, SISK, MOSS, MCFALL, and JOHNSON.

He may say—and it would be factual—that the individuals he named hold positions on Senate and House committees; but he knows that the negotiations and conferences involve representatives far in excess of the number of members of committees. And he is a good enough politician to know that when that press release hits the newspapers in Oregon it will be used by detractors to seek to get across the false charge, "We told you so. The Senator from Oregon had nothing to do with it. Udall in effect says so. He does not even mention them as parties to the negotiations."

Secretary Udall can be called by the two Senators from Oregon as their witness of the extent to which he found himself involved, and his assistants, Mr. Luce and Mr. Holum, found themselves involved, in the negotiations with the two Senators from Oregon.

Of course, if he wanted to say, "There would not have been the agreement that I am now announcing today if the two Senators from Oregon had not opposed my previous agreement," he would be correct.

When the Senator from Washington [Mr. MAGNUSON] saw that paragraph, he said, "That is inexcusable. There is no justification for his issuing such a release."

I make the statement not only for self-interest alone, although self-interest is involved. I shall always defend myself from this kind of public relations on the part of bureaucrats. But I make the point also because the people of my State are entitled to know that the two Senators from Oregon contributed a great deal to the development of the final agreement.

Mr. Udall needs to refresh his memory on the politics he has forgotten, or the politics he obviously forgot about when he issued that press release, because any politician, any government official, would know that putting out such a release as that would be interpreted by the detractors of the two Senators from Oregon as evidence that the two Senators from Oregon were not parties to the weeks of negotiation and conference that led up to the final agreement.

I have made this speech in order to put the record straight, and I close with the suggestion that, in my judgment, Secretary Udall needs a refresher course in proper public relations with Congress.

TRANSACTION OF ADDITIONAL ROUTINE BUSINESS

By unanimous consent, the following additional routine business was transacted:

MESSAGE FROM THE HOUSE—ENROLLED BILL SIGNED

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bill, and it was signed by the Acting President pro tempore [Mr. INOUYE]:

H.R. 10503. An act to authorize appropriations for the fiscal years 1966 and 1967 for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes.

REPORT OF A COMMITTEE

The following additional report of a committee was submitted:

By Mr. BYRD of Virginia, from the Committee on Finance, with amendments:

S. 2281. A bill to clarify the components of, and to assist in the management of, the national debt and the tax structure (Rept. No. 1322).

ADDITIONAL BILL INTRODUCED

Mr. MORSE, by unanimous consent, introduced a bill (S. 3078) to authorize the employment of retired personnel of the Federal Government by the Board of Education of the District of Columbia, and to authorize the employment of retired personnel of the Board of Education of the District of Columbia, by the Federal Government, which was read twice by its title and referred to the Committee on the District of Columbia.

(See the remarks of Mr. MORSE when he introduced the above bill, which appear under a separate heading.)

AMENDMENT OF FOREIGN ASSISTANCE ACT OF 1961—AMENDMENT (AMENDMENT NO. 1183)

Mr. MILLER. Mr. President, I submit an amendment to House bill 11380, to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes. I ask unanimous consent that the amendment be printed and lie on the table, and also that it be printed in the RECORD.

The PRESIDING OFFICER. The amendment will be received, printed, and lie on the table; and, without objection the amendment will be printed in the RECORD.

The amendment (No. 1183) was ordered to lie on the table, as follows:

On page 12, line 23, add the following new subsection:

"(g) In order to encourage preservation of the financial solvency of the United Nations which is being threatened by the failure of some member nations to pay currently their assessments and/or contributions to the United Nations, no assistance shall be furnished under the provisions of this Act, to the government of any nation which is more than one year in arrears in its payment of any assessment by the United Nations for its regular budget or for peace and security operations, unless a report is first furnished by the President to the Committee on Foreign Relations of the Senate and to the Speaker of the House of Representatives setting forth his determination that such assistance should nevertheless be furnished, accompanied by the reasons for such determination, including the assurance, if any, given by the government concerned of paying (independently of such assistance) all such arrearages and placing its payments of such assessments on a current basis, or an explanation of the unusual and exceptional circumstances which make it economically incapable of giving such assurance."

AMENDMENTS NOS. 1184 THROUGH 1188, INCLUSIVE

Mr. MORSE. Mr. President, I send to the desk my third batch of amendments to the foreign aid bill. I shall have more before the week is over.

The amendments constitute a series of policy amendments. As Senators know, I think the foreign aid bill should be amended in two major ways. First, it should be amended moneywise, by reducing the money authorization in the bill to not more than $3 billion, which is about $500 million too much, but it is at least $500 million less than the administration is asking for in its so-called barebones bill, which has a great deal of fat clinging to it and I wish to cut it out. I believe we should go $500 million below $3 billion. But I would settle for $3 billion.

I say in answer to those who say that the senior Senator from Oregon never compromises that I shall compromise anything but a principle. This is a compromise on a financial amount between $3,500 million and $3 billion.

Equally important, and probably in many ways more important, I have a set of so-called policy reform amendments that would change foreign aid policies in many respects.

As I said earlier, the State Department, the AID people, and the Pentagon are already reading the handwriting on the wall. They know that time is with the senior Senator from Oregon. They have told him so. They know that sooner or later they will have to come to it. They do not wish to come to it before the coming election. That would not be politically expedient, although I happen to think that it would be politically right and I would like to see my administration stay on the side of right rather than to yield to arguments of political expediency.

Mr. President, they are already planning to set up some conferences before the next foreign aid bill is sent to the Congress to deal with these policy and financial questions which the Senator from Oregon as set out in his minority views this year, because those minority views have them troubled. The reason they have them troubled is that they cannot answer them and they know it. So, Mr. President, I have sent this third batch of amendments to the desk. I shall probably have one more batch before the week is out.

The PRESIDING OFFICER. The amendments will be received, printed, and will lie on the table.

GRANTING OF LEGISLATIVE AUTHORITY TO SELECT COMMITTEE ON SMALL BUSINESS—ADDITIONAL COSPONSOR OF RESOLUTION

Mr. PROUTY. Mr. President, at its next printing, I ask unanimous consent that the name of the Senator from Indiana [Mr. HARTKE] may be added as a cosponsor of the resolution (S. Res. 30) granting legislative authority to the Select Committee on Small Business.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT TO 10 A.M. TOMORROW

Mr. MORSE. Mr. President, in accordance with the order previously entered, I move that the Senate stand in adjournment until 10 o'clock tomorrow morning.

The motion was agreed to; and (at 10 o'clock and 36 minutes p.m.), under the previous order, the Senate adjourned until tomorrow, Wednesday, August 5, 1964, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate August 4, 1964:

THE JUDICIARY

Sidney I. Lezak, of Oregon, to be U.S. attorney for the district of Oregon for the term of 4 years, vice Clarence E. Luckey.

Robert P. Anderson, of Connecticut, to be U.S. circuit judge, second circuit, vice Charles E. Clark, deceased.

Robert C. Zampano, of Connecticut, to be U.S. district judge for the district of Connecticut, vice Robert P. Anderson, elevated.

EXTENSIONS OF REMARKS

Honorable Clair Engle

EXTENSION OF REMARKS
OF
HON. A. FERNÓS-ISERN
RESIDENT COMMISSIONER FROM PUERTO RICO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 4, 1964

Mr. FERNÓS-ISERN. Mr. Speaker, under leave to revise and extend my remarks in the CONGRESSIONAL RECORD, I avail myself of this opportunity to express my great sorrow on the passing of my good friend, Senator Clair Engle, of California. His picture adorns the wall of my office. It is autographed:

> To my good friend, Dr. Fernós-Isern, a great representative of the people of Puerto Rico—Clair Engle, chairman, House Committee on Interior and Insular Affairs.

I always found him a congenial and generous friend.

I had the honor of serving with Senator Engle on the Interior and Insular Affairs Committee from the time that I began serving in Congress in 1947 and until he was elected to the Senate in 1958. He served as chairman of this committee during the 84th and 85th Congresses. It was while Clair Engle was serving on the Interior and Insular Affairs Committee that three most important legislative measures were adopted relative to fundamental political questions of Puerto Rico. In 1947, an amendment to the Organic Act of Puerto Rico was adopted to make the office of Governor an elective office. In 1950 an act enabling the people of Puerto Rico to organize themselves politically under a constitution of their own adoption was passed. In 1952, there was passed the joint resolution whereby Congress gave its approval to the constitution which the people of Puerto Rico had adopted; thus was the Commonwealth of Puerto Rico born. Clair Engle gave his full support to the elective governor bill, which the late Michigan Congressman, Fred Crawford, had introduced. He gave full support to the Enabling Act of 1950 and to the approval of the constitution in 1952, two bills which I had introduced.

On the occasion of the celebration of the Fourth of July, 1950, in Puerto Rico, we traveled together to San Juan to participate in the ceremonies of the day; on the previous evening the President of the United States had signed the bill for which we both had fought so hard. Clair Engle and I were in Miami on the morning of that July 4th and received the news of the President's approval over the wire. He was as exultant as I was, for he always had a warm place in his heart for the people of Puerto Rico.

It was with great sadness that I first heard of his illness. It has been with great sadness that I have learned of his death. I am sure I am interpreting the feelings of the people of Puerto Rico when I speak on this occasion. The people of Puerto Rico, in turn, have always had a warm place in their hearts for Clair Engle, as they do for all our friends who have contributed to the political development of our people and to their attainment of the status of freedom, democracy, and dignity in which we now live.

I extend heartfelt sympathy to Mrs. Engle and his daughter Yvonne.

In Honor of Miss Clara Booksby

EXTENSION OF REMARKS
OF
HON. JAMES C. CORMAN
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 4, 1964

Mr. CORMAN. Mr. Speaker, on August 28, 1964, the Canoga Park Chamber of Commerce will honor Miss Clara Booksby at a luncheon on the occasion of her 100th birthday. Miss Booksby will be presented with the distinguished service award of the chamber of commerce in recognition of her long service to the community.

Miss Booksby came to the community in 1914. She served on the faculty of the high school for 25 years until her retirement in 1939. Altogether she taught in the Los Angeles City school system for 52 years.

Miss Booksby has made a valuable contribution to the growth of the valley. I join with all those honoring her and commend her for her devoted service to the youth of the Los Angeles area.

SENATE

WEDNESDAY, AUGUST 5, 1964

The Senate met at 10 o'clock a.m., and was called to order by Hon. HERBERT S. WALTERS, a Senator from the State of Tennessee.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

Eternal God, who hast set in man's heart the impulse to rear altars of prayer and temples of praise: Thou hast placed us in a world of beauty and wonder. In spite of all the evils dealing with shackles and chains that stalk the earth, we thank Thee for human kindness, for hope that shines undimmed, for faith that is dauntless, and for all the qualities of high personality that cannot be bought.

In the preservation, anywhere in the world, of these virtues, which is our high calling, grant us the supreme satisfaction that we are on Thy side, O God of justice and honor and freedom.

As we face all that rampant evil can do to thwart Thy beneficent purpose for all Thy children, strengthen our arm with the ancient assurance that though a host encamp against us, our hearts shall not fear; though war should rise against us, even then will we be confident.

Through all that we do or say here, use us, we pray Thee, as ambassadors of good will, so that at the end of the day, without stumbling or stain, we may deserve the benediction of Thy "Well done."

In the Redeemer's name we ask it. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., August 5, 1964.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. HERBERT S. WALTERS, a Senator from the State of Tennessee, to perform the duties of the Chair during my absence.

LEE METCALF,
Acting President pro tempore.

Mr. WALTERS thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, August 4, 1964, was dispensed with.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had passed the bill (S. 479) for the relief of Chung K. Won, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 439. An act to provide for the establishment of the John Muir National Historic Site in the State of California, and for other purposes;

H.R. 946. An act to authorize the establishment of the Fort Bowie National Historic Site in the State of Arizona, and for other purposes;

H.R. 3672. An act to provide for the construction, operation, and maintenance of the Savery-Pot Hook, Bostwick Park, and Fruitland Mesa participating reclamation projects under the Colorado River Storage Project Act;

H.R. 4018. An act to authorize establishment of the Saint-Gaudens National Historic Site, N.H., and for other purposes;

H.R. 4242. An act to provide for the release and transfer of all right, title, and interest of the United States of America in and to certain tracts of land in Pender County, N.C.;

H.R. 9180. An act to amend the act of August 28, 1950, enabling the Secretary of Agriculture to furnish, upon a reimbursable basis, certain inspection services involving overtime work; and

H.R. 11211. An act to provide authority for the payment of certain amounts to offset certain expenses of Federal employees assigned to duty on the California offshore islands, and for other purposes.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred as indicated:

H.R. 439. An act to provide for the establishment of the John Muir National Historic Site in the State of California, and for other purposes;

H.R. 3672. An act to provide for the construction, operation, and maintenance of the Savery-Pot Hook, Bostwick Park, and Fruitland Mesa participating reclamation projects under the Colorado River Storage Project Act; and

H.R. 4018. An act to authorize establishment of the Saint-Gaudens National Historic Site, N.H., and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 4242. An act to provide for the release and transfer of all right, title, and interest of the United States of America in and to certain tracts of land in Pender County, N.C.; and

H.R. 9180. An act to amend the act of August 28, 1950, enabling the Secretary of Agriculture to furnish, upon a reimbursable basis, certain inspection services involving overtime work; to the Committee on Agriculture and Forestry.

H.R. 11211. An act to provide authority for the payment of certain amounts to offset certain expenses of Federal employees assigned to duty on the California offshore islands, and for other purposes; to the Committee on Government Operations.

LIMITATION OF DEBATE DURING MORNING HOUR

On request by Mr. MANSFIELD, and by unanimous consent, statements during the morning hour were ordered limited to 3 minutes.

COMMITTEE MEETINGS DURING SENATE SESSION

On request by Mr. MANSFIELD, and by unanimous consent, the following subcommittees were authorized to meet during the session of the Senate today:

The Subcommittee on Indian Affairs of the Committee on Interior and Insular Affairs.

The Subcommittee on Constitutional Rights of the Judiciary Committee.

The Subcommittee on Antitrust and Monopoly of the Judiciary Committee.

On request by Mr. MANSFIELD, and by unanimous consent, the Committee on Foreign Relations was authorized to meet during the session of the Senate today.

COMMITTEE MEETING DURING SENATE SESSIONS THIS WEEK

On request by Mr. MANSFIELD, and by unanimous consent, the Subcommittee on Narcotics of the Committee on Government Operations was authorized to meet during the rest of the sessions of the Senate this week.

UNITED STATES ACTION AGAINST NORTH VIETNAM

Mr. GORE. Mr. President, whatever doubts one may have held regarding the policy and actions of the United States in South Vietnam, they are now water over the dam.

Freedom of the seas must be maintained. Aggression must be repulsed.

In this, Americans—and I hope the free world—will be united.

Let us hope and pray that the necessary action will be limited.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

Report of Export-Import Bank of Washington on Guarantees of Certain Transactions

A letter from the Secretary, Export-Import Bank of Washington, Washington, D.C., reporting, pursuant to law, on the issuance by that bank on July 16, 1964, of guarantees with respect to certain transactions; to the Committee on Appropriations.

Amendment of Presidential Inaugural Ceremonies Act

A letter from the president, Board of Commissioners, District of Columbia, transmitting a draft of proposed legislation to amend the Presidential Inaugural Ceremonies Act (with an accompanying paper); to the Committee on the District of Columbia.

Report on Unnecessary Procurement of Certain Hi-Valu Aeronautical Parts and Components Managed by the San Antonio Air Materiel Area

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on unnecessary procurement of certain hi-valu aeronautical parts and components managed by the San Antonio Air Materiel Area, Department of the Air Force, dated July 1964 (with an accompanying report); to the Committee on Government Operations.

Report on Ineffective Interservice Utilization of Selected Electronic Equipment

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on ineffective interservice utilization of selected electronic equipment, Department of Defense, dated July 1964 (with an accompanying report); to the Committee on Government Operations.

Report on Unnecessary Costs to the Government in Leasing of Electronic Data Processing Systems at Milwaukee, Wis.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on unnecessary costs to the Government in the leasing of electronic data processing systems by General Motors Corp., A–C Spark Plug Division, Milwaukee, Wis., Department of Defense, dated July 1964 (with an accompanying report); to the Committee on Government Operations.

Report on Improper Reimbursements for Personal Property Taxes to Hoffman Electronics Corp., El Monte, Calif.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on improper reimbursements for personal property taxes to Hoffman Electronics Corp., El Monte, Calif., under defense contracts and subcontracts, Department of Defense, dated July 1964 (with an accompanying report); to the Committee on Government Operations.

Report on Unnecessary Costs Incurred in the Procurement of Ground Speed and Distance Indicators From Douglas Aircraft Co., Inc.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on unnecessary costs incurred in the procurement of ground speed and distance indicators from Douglas Aircraft Co., Inc., Department of the Navy, dated July 1964 (with an accompanying report); to the Committee on Government Operations.

Report on Tort Claims Paid by Central Intelligence Agency

A letter from the Deputy Director, Central Intelligence Agency, Washington, D.C., reporting, pursuant to law, on tort claims paid by that Agency, for the fiscal year 1964; to the Committee on the Judiciary.

PETITION

The ACTING PRESIDENT pro tempore laid before the Senate a letter in the nature of a petition from the Hellenic American Committee for Cyprus of the Philadelphia Federation, of Philadelphia, Pa., signed by F. C. Charalampous, chairman, relating to the settlement of the problem of the Republic of Cyprus, which was referred to the Committee on Foreign Relations.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. ERVIN, from the Committee on the Judiciary, with amendments:

H.R. 11466. An act to enact subtitle II, "Other Commercial Transactions," of title 28, "Commercial Instruments and Transactions," of the District of Columbia Code, and for other purposes (Rept. No. 1323).

By Mr. BYRD of Virginia, from the Committee on Finance, without amendment:

H.R. 8925. An act to amend title 38 of the United States Code in order to provide that a disability which has been rated at or above a certain percentage for 20 or more years may not thereafter be reduced below such percentage (Rept. No. 1324).

By Mr. PASTORE, from the Joint Committee on Atomic Energy, without amendment:

S. 3075. A bill to amend the Atomic Energy Act of 1954, as amended, and for other purposes (Rept. No. 1325).

By Mr. ELLENDER, from the Committee on Appropriations, with amendments:

H.R. 11579. An act making appropriations for certain civil functions administered by the Department of Defense, the Panama Canal, certain agencies of the Department of the Interior, the Atomic Energy Commission, the St. Lawrence Seaway Development Corporation, the Tennessee Valley Authority, and the Delaware River Basin Commission, for the fiscal year ending June 30, 1965, and for other purposes (Rept. No. 1326).

By Mr. JOHNSTON, from the Committee on Post Office and Civil Service, without amendment:

S. 564. A bill to extend to volunteer fire companies the rates of postage on second-class and third-class bulk mailings applicable to certain nonprofit organizations (Rept. No. 1327).

By Mr. DIRKSEN, from the Committee on the Judiciary, with amendments:

S. 3069. A bill to amend title 28, United States Code, to provide for a temporary stay of proceedings in any action for the reapportionment of any State legislative body (Rept. No. 1328).

Mr. DIRKSEN subsequently said: Mr. President, in connection with the above report, I should like to read into the Record a telegram which I have received from Albany, N.Y.

It states:

August 4, 1964.

Hon. Everett Dirksen,
Washington, D.C.:

The members of the New York State Assembly Republican conferente today unanimously voted their support of the Dirksen bill today reported by the Senate Judiciary Committee and instructed me to communicate to you their sentiments.

Joseph F. Carlino,
Speaker,
New York State Assembly.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JACKSON (by request):

S. 3079. A bill to provide for the disposition of judgment funds on deposit to the credit of the Quinaielt Tribe of Indians; to the Committee on Interior and Insular Affairs.

By Mr. HOLLAND:

S. 3080. A bill for the relief of Gerys Dessalernos (also known as Gerassimos Dessalernos); to the Committee on the Judiciary.

By Mr. MORSE:

S. 3081. A bill to authorize the establishment of a public community college and a public college of arts and sciences in the District of Columbia; to the Committee on the District of Columbia.

(See the remarks of Mr. Morse when he introduced the above bill, which appear under a separate heading.)

By Mr. FONG:

S. 3082. A bill for the relief of Artemio D. Lacar; to the Committee on the Judiciary.

By Mr. SPARKMAN (for himself and Mr. Hill):

S. 3083. A bill to authorize improvement of Perdido Pass Channel, Ala., in the interest of navigation and allied purposes; to the Committee on Public Works.

By Mr. FULBRIGHT (for himself, Mr. Hickenlooper, Mr. Russell, and Mr. Saltonstall):

S.J. Res. 189. Joint resolution to promote the maintenance of international peace and security in southeast Asia; to the Committees on Foreign Relations and Armed Services, jointly.

(See the remarks of Mr. Fulbright when he introduced the above joint resolution, which appear under a separate heading.)

PUBLIC COMMUNITY COLLEGE AND PUBLIC COLLEGE OF ARTS AND SCIENCES IN THE DISTRICT OF COLUMBIA

Mr. MORSE. Mr. President, I introduce, for appropriate reference, a bill to establish a public community junior college and a 4-year college for the District of Columbia. The bill carries out many of the basic recommendations contained in the report to the President on public higher education in the District of Columbia.

The educational needs of any nation are, to a considerable extent, determined by the nature of its society. Thus, in this Nation, education has become more important as our economy expanded from a predominantly agricultural base to become the world's leading industrial power. An elementary and secondary education is no longer sufficient to prepare a large portion of our citizens for success in our complex economy and for effective participation in our present social and political systems.

The educational needs of citizens have been growing steadily throughout this Nation's history. For many years, an abbreviated grammar school education was considered adequate for the needs of most people. However, ours was a relatively unscientific agricultural economy during our early history, and this level of education was generally considered adequate.

During the first decades of the 20th century, an eighth grade education was considered sufficient for most people. As late as 1940, less than 40 percent of the Nation's employees had attended high school, and only 10 percent had attended college. However, over half of the jobs available to people in 1940 were in unskilled or semiskilled occupations, and only 14 percent were professional or managerial.

By 1960, the percent of unskilled or semiskilled jobs had declined to less than 40 percent, while the number of professional and managerial positions had increased to 22 percent. This trend is expected to continue in the future. In addition, there is a rapidly expanding need for highly skilled, technically qualified personnel. By 1976, when the present class of first-grade students graduate from high school, it is predicted that over 60 percent of all employment opportunities will be in the professional, managerial, or skilled-technical occupations.

It is imperative that young people be given ample opportunity to prepare for these conditions of employment. Such preparation will certainly require full opportunity for education beyond the high school level.

It is important that people be prepared to meet the needs of their employers. It is equally important to employers to be able to hire well-trained employees. Reports are numerous of the difficulties encountered by employers in finding skilled, well-educated people, particularly in the technical areas. The "semiprofessional" fields, such as nursing, medical technology, engineering technology, and executive secretarial positions, offer increasing opportunities for employment.

As a result of the demand for more highly qualified personnel, many people are returning to school during evening and weekends to improve their competence. Adult education and industrial education programs are expanding rapidly. These trends also emphasize the need for educational opportunities beyond high school.

Future employment opportunities will change rapidly because of inventions and progress made in automating industrial, clerical, and even managerial processes. As a result of the rapid pace of automation many persons can expect to change their occupations one or more times during their lifetimes.

Of equal significance in the long-term employment picture is the rapid expansion and application of knowledge. New procedures and techniques will be introduced at a rapid rate, and again there will be a great need for people who can learn the new procedures and qualify for these new types of employment.

Adaptability will be a most important requirement of future employees. For many people and many jobs, a high school education will not provide an adequate basis for rapid, effective retraining.

As my colleagues know, the need to provide publicly supported institutions of higher learning has long been recognized as necessary for the provision of adequate and equal educational opportunity. Every State in the United States has established a system of higher education which provides at nominal cost higher education to its residents. This principle is fundamental to the American heritage and dates back to the establishment of land grants to colleges in our States. The citizens of the District of Columbia are the sole exceptions; they do not have access to this national pattern of public junior colleges or 4-year colleges, other than the limited teacher training opportunities offered by the District of Columbia Teachers College, which because of obsolete physical facilities is woefully inadequate to meet the need. The following figures illustrate this inadequacy quite well.

In 1961–62 there were 863 applications received from freshmen students: 288 were accepted for admission; and 233 of these applicants actually registered at the school. For the years 1962–63, there were 778 applications received from freshmen: 260 of those were accepted; and 227 of the applicants actually registered. In the school year 1963–64, 560 freshmen submitted applications: 176 of the applications were accepted; and 157 of the applicants actually registered.

At the present time, the District of Columbia finds itself primarily dependent for higher educational opportunities upon the area colleges and universities—most of which are private institutions—and thus imposing a burden of educational expenses upon the District of Columbia residents which for the average family is impossible. Further, institutions of these States are increasingly reluctant to provide opportunities for the citizens of other States and those who are accepted as nonresident students pay more than resident students. The private colleges and universities within the District of Columbia are not primarily responsible for the people of this city and they have objectives, I believe, that are quite different from those of the publicly supported college.

As a matter of principle, the District of Columbia should not have to depend upon others to provide for its educational needs and responsibilities. As a practical matter the growing resistance of States to receive out-of-State students and the increasing tuition of the private colleges and universities clearly indicate that this city must provide for its own educational needs.

Mr. President, in my judgment, two types of educational institutions are required in the District of Columbia. These institutions are a community junior college and a 4-year college of liberal arts and sciences. These should be complementary institutions, each providing different but equally essential educational opportunities. The bill which I have just introduced will provide for both types of educational institutions.

The proposed community junior college should, in my judgment, be a multipurpose institution which will provide (a) comprehensive college transfer programs; (b) 2-year terminal liberal arts and technical semiprofessional programs; and (c) part-time adult educational programs.

The college transfer program should, I think, provide a high quality program fully equivalent to the first 2 years of education received in the colleges and universities.

The basic objective of a junior college transfer program is to provide students with the first 2 years of a 4-year college course. The success of the transfer program will be measured by the ability of these students to gain admission and to compete successfully with junior students in established, high quality 4-year colleges and universities. To meet this requirement, the transfer program must enroll students who have the capacity to benefit from 4 or more years of college training.

The 2-year terminal programs should provide both liberal arts and more specialized technical level programs.

Experience teaches us that a large number of students will not wish to continue their educations beyond junior college for a number of reasons. These people should be permitted to enroll in 2-year programs of instruction.

One of the most urgent national needs today is for persons to possess 1 to 3 years of education beyond high school in the technical, semiprofessional fields. The need is urgent today and is increasing each year. In my opinion, the flexibility of the junior college permits it to meet this need in admirable fashion.

The bill which I introduced today establishing a 4-year college of liberal arts and sciences should offer a strong core of liberal arts subjects and should absorb and strengthen the District of Columbia teacher training institution.

The proposed 4-year college should develop a strong liberal arts program providing a balanced offering of sciences, social studies, the humanities, and the arts. In addition, the new institution should absorb the functions of the District of Columbia Teachers College and develop and expand in cooperation with its liberal arts faculty, a strong school of education.

It seems clear to me that the establishment of a 2-year community college and a 4-year liberal arts college would provide a major improvement in the equalization of educational opportunities in the District of Columbia for the residents of the city.

Mr. President, I am advised that during the next two decades it will be necessary to virtually double the size of each existing institution of higher education in this Nation. In addition to this, it will be necessary to provide at least 1,000 new institutions with an average enrollment of over 2,500 students each. When one considers the magnitude of the undertaking of supplying the additional educational facilities to which I just referred, it seems imperative to me that the District of Columbia could and must support a broad program of college level instruction under public auspices.

In my judgment, Mr. President, there is a demonstrated need for college level instruction under public auspices in the District of Columbia. When we consider the educational needs which we must meet in the next two decades it becomes apparent that existing educational institutions in the District of Columbia will be inadequate.

I plead with individuals and groups interested in education within the District of Columbia to give serious consideration and discussion of the bill I introduced today in the next few months so that when Congress reconvenes next January, it will be possible to hold early and thorough hearings on this much needed bill.

In summary, I do not think we can overlook the overwhelming practical needs for the institutions of higher learning recommended by President's Committee for the District of Columbia, but in addition to these obvious practical facts which were previously cited, the District of Columbia has an obligation to insure that its residents have a full and equal opportunity to attain the highest level of education that their willingness to work and their natural endowment will allow. Indeed, as far as my position is concerned on this matter, the provision of higher educational opportunities is as much an obligation of our school system as is the provision of opportunities to obtain elementary and secondary educations.

Traditionally State governments and some of our larger cities have developed colleges, universities and junior colleges to provide higher education opportunities for all citizens. The District of Columbia must not continue to fall short in this function for we have the dual obligations of a State and of a large city and we must fulfill our educational obligations to our citizens in the American tradition of equal opportunity for all no matter what those citizens' economic station in life may be.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3081) to authorize the establishment of a public community college and a public college of arts and sciences in the District of Columbia, introduced by Mr. MORSE, was received, read twice by its title, and referred to the Committee on the District of Columbia.

APPLICATION OF MANUFACTURERS EXCISE TAX ON SETS OR STRINGS OF ELECTRIC LIGHT BULBS—AMENDMENT (AMENDMENT NO. 1189)

Mr. BOGGS (for himself and Mr. PELL) submitted an amendment, intended to be proposed by them, jointly, to the bill (H.R. 2855) relating to the application of the manufacturers excise tax on electric light bulbs in the case of sets or strings of such bulbs, which was referred to the Committee on Finance, and ordered to be printed.

AMENDMENT OF FOREIGN ASSISTANCE ACT OF 1961—AMENDMENTS

AMENDMENT NO. 1190

Mr. HART. Mr. President, I submit an amendment to the bill (H.R. 11380) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes, and ask that it be printed and lie on the table.

The ACTING PRESIDENT pro tempore. The amendment will be received, printed, and lie on the table.

Mr. HART. Mr. President, the purpose of this amendment is to authorize the President to use foreign currencies accruing to our Government, under this or any other act, to repair and maintain the cemeteries in Italy where rest the honored dead of the Polish Army troops who died in combat in World War II.

There are 4,085 graves of men of the Polish 2d Army who fell in the Allied offensive in Italy. The Polish Government now in control of Warsaw has no interest in maintaining these graves; the Polish Government-in-exile in London during those war years no longer survives. History recounts the bravery of the Polish 2d Army. The bitter days of fighting at Monte Cassino and the Liri Valley and the Rapido River beyond were key days in the Allied effort.

Surely the resting place of these Polish heroes should reflect the grateful thoughts in which these men are held. For this country to rehabilitate and then maintain these graves would mean much to the people of Poland. That we would concern ourselves in this matter would show any doubter that we are a nation that is not bound up in material concerns alone. I hope very much that the amendment will be adopted.

I ask unanimous consent that an article from the April 1961 issue of Better Homes and Gardens, written by Paul E. Deutschman, entitled "A GI Returns to the Great Battle Areas of Europe," be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A GI RETURNS TO THE GREAT BATTLE AREAS OF EUROPE

(By Paul E. Deutschman)

Cassino, when you reach it, is also unrecognizable except for the contours of the land surrounding it: Monte Cassino and Monte Cairo and the Liri Valley and the Rapido River beyond. The ground inside the town has been raked clear of the rubbled houses and ditches and roofless cellers where, across the narrow streets, the Germans faced first the Americans and British and later the Indians, Poles, and New Zealanders.

This is a completely new town of Aquat, rather ugly, Mediterranean-colored buildings and broad flashy blocks of flats. On the main street, there is a new, strikingly modern church, San Antonio, with a corner of its old, destroyed predecessor forming part of its eastern wall. Opposite this, behind arcades, is a large, proud combination shopping center-housing development.

But the side streets toward the river are unpaved, and the new houses there, sitting in hard mud, already have a crumbling, soon-to-be-slum look that may be due to the hot sunshine or merely to shoddy material.

Behind everything, there is Monte Cassino—hill 516—terraced with ruins and with perhaps a half dozen new villas on its lower slopes. And in the distance, looming high over the town and the valley, is the rebuilt abbey, looking almost too new and too white and unattainable still, but no longer a prize of ruins to be crept toward inch by inch.

The new winding, windswept road up to the abbey has a sign saying it was built in 1955. Halfway up, you stop at a jutting point, cement lined now, where you are certain an "88" once parked. Down below, the town is flat and open, with the people in it, now as then, like sitting ducks in a shooting gallery.

Further on, you pass an empty cellar, 50 feet deep, full of rocks and rubble. You can imagine a machinegun being parked here, but now, judging from the old fireplaces, tin cans, and papers, it is used by picnickers and lovers seeking privacy.

Finally, you turn a wide bend of road and are in the parking area of the abbey. You wander through the hushed, marble-floored courtyard, the three cloisters, the paradise loggia, basilica, and cathedral church, feeling as if you had stumbled into a better, more beautiful, and much more meaningful world than the one outside. Everything is an exact duplicate of the unbombed past, and you are overwhelmed at every step by the art treasures and the love and patience that went into their re-creation. But there is a disturbing newness here, as if perhaps another thousand years of monks living and praying on the premises are needed before the abbey becomes its old self again.

A few hundred yards below the abbey is a small sign saying: "Polish Cemetery." The Free Poles were the ones who finally stormed and captured the remains of the abbey, and you walk for about a half mile past a jangly-belled donkey, two cows feeding in the bushes, and two gypsy-like peasant women who hardly glance at you, to what is undoubtedly the most heartbreaking sight of your trip.

A graveled path leads up to a simple stone pillar with a cross on top. A growth of mimosa trees forms an impressive cross of greenery beside an altar, flanked by two Polish eagles, with 10 coats of arms on its front. Below is a plot of perhaps 500 graves.

But there is no caretaker here, and the altar has sightseers' names scratched on it (happily, no American ones). The graves are literally falling away into the earth. The crosses and flat stones are of inferior marble, and some in half; others have been eaten away by the weather so that you can barely make out the names engraved on them. Most of the men, you notice, died on May 12, 1944. Two of the crosses have faded bits of colored ribbon hanging from them, undoubtedly signifying medals. The gate has a pair of brave stone eagles on either flank, but they are corroded with holes. Underneath, there is a flame—like the Eternal Flame at Arlington or under the Arch of Triumph in Paris—but it is unlit, and there are three weatherworn wreaths alongside. You cannot help but contrast this Polish memorial with all others you have seen—and realize that there is inequality even in death.

AMENDMENT NO. 1191

Mr. DIRKSEN (for himself, Mr. Eastland, Mr. Stennis, Mr. Simpson, Mr. Jordan of Idaho, Mr. Lausche, and Mr. Williams of Delaware) submitted an amendment, intended to be proposed by them, jointly, to House bill 11380, supra, which was ordered to lie on the table and to be printed.

EXTENSION OF CERTAIN POSTAGE RATES TO VOLUNTEER FIRE COMPANIES—ADDITIONAL COSPONSORS OF BILL

Mr. BOGGS. Mr. President, I ask unanimous consent that, at the next printing of my bill (S. 564) to extend to volunteer fire companies the rates of postage on second-class and third-class bulk mailings applicable to certain nonprofit organizations, the names of the following Senators may be added as cosponsors: Senator Yarborough, from Texas; Senator Carlson, from Kansas; Senator Brewster, from Maryland; Senator Randolph, from West Virginia; Senator Beall, from Maryland; Senator Williams, from Delaware; Senator Johnston, from South Carolina, and Senator Fong, of Hawaii.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

NOTICE OF HEARINGS ON NOMINATIONS OF ROBERT P. ANDERSON TO BE U.S. CIRCUIT JUDGE, SECOND CIRCUIT, AND ROBERT C. ZAMPANO TO BE U.S. DISTRICT JUDGE, DISTRICT OF CONNECTICUT

Mr. DODD. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that public hearings have been scheduled for Wednesday, August 12, 1964, at 10:30 a.m., in room 2300, New Senate Office Building, on the following nominations:

Robert P. Anderson, of Connecticut, to be U.S. circuit judge, second circuit, vice Charles E. Clark, deceased.

Robert C. Zampano, of Connecticut, to be U.S. district judge, district of Connecticut, vice Robert P. Anderson, elevated.

At the indicated time and place persons interested in the hearings may make such representations as may be pertinent.

The subcommittee consists of the Senator from Missouri [Mr. Long], the Senator from New York [Mr. Keating], and myself, as chairman.

PLANNED DEFICITS OF THE JOHNSON ADMINISTRATION

Mr. WILLIAMS of Delaware. Mr. President, the Joint Committee on Nonessential Government Expenditures, under the chairmanship of Senator Byrd of Virginia, has just issued its June report on Government employment.

This report shows that in the month of June the administration added another 2,626 new employees to the Federal payroll.

Between January 1964 and June 1964, the first 6 months of his administration, President Johnson has added a total of 7,948 new employees to the public payroll.

This is an average of over 1,300 per month, or 325 per week. Figuring the Government on a 40-hour workweek, this means that the Johnson administration has added an average of 65 new employees to the public payroll for every day it has been in office.

Furthermore, the salary of all these new employees—along with many of the other plans of this administration—are still being financed with borrowed money.

During the 4 years since 1961, the deficits of the Kennedy-Johnson administration exceed $24.7 billion. This $24.7 billion deficit for these 4 years equals over $6 billion per year or over $500 million per month.

This administration has for the past 4 years been spending over $17 million per day more than its income, most of which goes to finance its many election-buying schemes.

Without any exception, the Kennedy-Johnson administration is the most extravagant regime that has ever occupied the White House and the recent efforts of the propaganda machines of the Democratic Party being used to paint President Johnson as a conservative is a farce.

The record does not support their claims.

Any administration that is still adding 325 new employees per week to the public payroll, and which is spending over $125 million per week more than its income, certainly must have its tongue in cheek when it talks about economy.

The deficits of the Kennedy administration averaged over $500 million per month. For the past 6 months, our deficits under President Johnson have increased and they are now running at a rate of over $650 million per month.

These planned deficits have already resulted in a substantial increase in the cost of living and unless they are stopped there will be a continuous erosion of the American dollar.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of executive business, to consider the nominations on the Executive Calendar.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF A COMMITTEE

The following favorable reports were submitted:

By Mr. FULBRIGHT, from the Committee on Foreign Relations:

Harry C. McPherson, Jr., of the District of Columbia, to be an Assistant Secretary of State.

Executive C, 88th Congress, 2d session. A supplementary Convention to the Extradition Convention between the United States and Belgium, signed at Brussels on November 14, 1963 (Ex. Rept. No. 11).

The ACTING PRESIDENT pro tempore. If there be no further reports of committees, the nominations on the Executive Calendar will be stated.

DIPLOMATIC AND FOREIGN SERVICE

The Chief Clerk proceeded to read sundry nominations in the diplomatic and Foreign Service.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that these nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations will be considered en bloc; and, without objection, they are confirmed.

COAST AND GEODETIC SURVEY

The Chief Clerk proceeded to read sundry nominations in the Coast and Geodetic Survey.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that these nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations will be considered en bloc; and, without objection, they are confirmed.

POSTMASTERS

The Chief Clerk proceeded to read sundry nominations of postmasters.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that these nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations will be considered en bloc; and, without objection, they are confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of all these nominations.

The ACTING PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

On motion by Mr. Mansfield, the Senate resumed the consideration of legislative business.

BARRY GOLDWATER: HIS NAME HAS BECOME A DEFINITION

Mr. SIMPSON. Mr. President, with his usual incisive and well-polished prose, the eminent columnist Holmes Alexander has produced a comment regarding Senator Barry Goldwater that should be shared with the Congress and the Nation via the Congressional Record.

In likening Senator Goldwater to another hard-driving and blunt-speaking American, Andrew Jackson, Columnist Alexander noted that although neither man found his forte in Webster-like eloquence:

No man in Jackson's day stood in doubt of Old Hickory's opinions. Nobody in 1964 can walk around ignorant of Barry Gold-

Water. * * * Their feelings are articulate even when their language is not.

Author Alexander correctly opines that the name Goldwater "has become a definition, and his ideas are carried on the winds."

Mr. President, I ask unanimous consent that Columnist Alexander's article taken from one of the several Wyoming newspapers in which he appears be printed in the Record. This particular column was published in the Riverton Ranger of July 28.

There being no objection, the article was ordered to be printed in the Record, as follows:

Hot Pilot

(By Holmes Alexander)

Washington, D.C.—"When I was President of the Senate and he was a Senator," wrote Thomas Jefferson concerning Andrew Jackson, "he could never speak on account of the rashness of his feelings. I have seen him attempt it repeatedly and as often choke with rage."

Men of feeling, like Jackson and Goldwater, are not glib, are not always coherent, do not consistently make their sentences scan, or unerringly choose the word that doesn't ricochet or the phrase that can't be twisted.

Nevertheless, they communicate. Their feelings are articulate even when their language is not. No man in Jackson's day stood in doubt of Old Hickory's opinions. Nobody in 1964 can walk around ignorant of Barry Goldwater. His name has become a definition, and his ideas are carried on the winds. Those who play it stupid, or play it haughty, or play it petty and pick at his admitted malaprops, are not unaware of his meanings. They understand all too well. That's what shakes them.

Like Jackson, Goldwater brings a passion into politics, and words are often weak to describe it because passion—in music, in poetry, in a mere gesture sometimes—defies reduction to grammar or to syntax. Jackson was in the Senate and filled with "rashness" when an inept if admirable idealist, President John Adams, was failing to fill the boots of the only other President we'd ever had, George Washington. Jackson lived to "choke with rage" to see a couple of hesitating eggheads, Jefferson and Madison, bungle into the War of 1812, which they'd have lost entirely if he hadn't fought and won an unorthodox battle at New Orleans when the war was theoretically over.

Like Goldwater, a westerner, Old Hickory could see no substitute for victory. Both of them scandalized the eastern establishment with forthrightness, cuss words, Tennessee and Arizona "amateurs," snappish tempers and ripsnorting attacks on the lords of the press. The dynasties of New England and Virginia never recovered from Jackson's appeal to the American people, and already Goldwater has made the ruling houses from Baltimore to Boston rue the day he was born.

But we didn't lose any more after Jackson took over. He smashed the national bank and money flowed west from Philadelphia. His language, like Goldwater's, was intemperate. Jackson threatened to hang a Senator from South Carolina and to shoot one from Kentucky, but he gave the country a new party, the Democrats, whom Jefferson had moderately called Republicans. He bawled out foreign emissaries, but no foreign troops came around to burn down the White House as they had under the scholarly Madison.

Jackson rode so roughshod over accepted tenets and fiscal doctrines that the Senate once passed a resolution of censure against him. But he loved the Union with intensity and put off the Civil War by taking action against insurrectionists. He was just and stern toward the rampaging minority race of his day, the Indians. His ardent nature aroused "hate" from his enemies and unreasoning love and loyalty from his friends. The people reelected him after a stormy term, and then elected his vice president to replace him, and now there's an equestrian statue to him across the avenue from the White House.

None of this happened to Jackson nor will to Goldwater, for holding back on "extremism in the defense of liberty" nor for scoffing at "moderation in the pursuit of justice." We can be glad to have "extremists" like the old "border captain" and the "hot pilot" and we're lucky to find a leader who scorns "moderation" as the two terms are used today.

"I will never change them," said Goldwater concerning his acceptance speech remarks. "I am going to talk at great length on that subject. I want to bring out a little more patriotism in this country."

Ask not for hair-split definitions. Listen for the fife-and-drum music that beats in this man's words. There you'll find the true meaning.

ARE OUR INTELLIGENCE ESTIMATES DOCTORED?

Mr. SIMPSON. Mr. President, Columnist Edith Kermit Roosevelt, writing in the July 19 Philadelphia Sunday Bulletin, has painted a graphic picture of the workings of our intelligence apparatus and raised a serious question as to the philosophical slanting of the intelligence reports upon which much of our national policy is based.

Miss Roosevelt quotes the very excellent and comprehensive interim report on Cuba, drafted last year by the subcommittee headed by my friend from Mississippi, Senator Stennis:

> Faulty evaluation and the predisposition of the intelligence community to the philosophical conviction that it could be incompatible with Soviet policy to introduce strategic missiles into Cuba, resulted in intelligence judgments and evaluations which later proved to be erroneous.

I believe related questions raised by Miss Roosevelt deserve the attention of the public, and I ask that her column be printed at this point in the Record.

There being no objection, the column was ordered to be printed in the Record, as follows:

Between the Lines: Intelligence Estimates "Doctored"?—Philosophical Convictions Injected Into Cuban Report

(By Edith Kermit Roosevelt)

Washington.—A Government process which is practically unknown to all citizens is the system to produce national intelligence estimates.

Estimates do not refer to budgetary matters but are supposed to be fully rounded appraisal of a situation, recommendations and possibilities. These estimates occupy a decisive position in formulating new policies or in justifying policies about to be implemented.

Indeed, a special group calling itself the Board of National Estimates exists within the Central Intelligence Agency specifically to compile and write national intelligence estimates. These estimates ultimately are concurred in by the U.S. Intelligence Board (USIB) which operates within the National Security Council structure.

All other intelligence gathering agencies, including the Defense Intelligence Agency, the service intelligence agencies, and the FBI, have representation on the USIB. The National Intelligence Estimates which evolve in this manner are used by the President, the National Security Council, and the Department of State and the Defense Department as a basis for policy.

VITAL TO SURVIVAL

Understandably, our topmost Government officials are so involved in routine bureaucratic affairs that they rely more and more on these estimates to determine their own attitudes, approval or disapproval of the most crucial issues of national and international life, matters literally of our personal and collective survival and extinction.

Yet, often these estimates are drawn up according to preconceived theories or conclusions. Instead of reflecting hard intelligence facts, many of our national intelligence estimates reflect preconceived policies or justification for policies already implemented.

The tipoff that this is in fact the case is seen in the interim report on the Cuban military buildup, put out by the Preparedness Investigating Subcommittee of the Senate Armed Services Committee.

In its "summary of major findings," the report stated that: "Faulty evaluation and the predisposition of the intelligence community to the philosophical conviction that it would be incompatible with Soviet policy to introduce strategic missiles into Cuba resulted in intelligence judgments and evaluations which later proved to be erroneous."

SCHEDULES FURNISHED

How do such philosophical convictions get injected into the determination of national intelligence estimates?

Estimates are usually based upon requests or schedules furnished by the State Department. The word "schedules" in this context does not refer to anything so crude as a railroad or time schedule. It is a capsule description of an assignment.

These "schedules" are actually a few paragraphs containing virtual instructions to the intelligence agencies that determine in advance what they are supposed to find. For example, let us take the following typical State Department schedule setting the direction on the Cuban military buildup.

"The establishment on Cuban soil of Soviet nuclear striking forces which could be used against the United States would be incompatible with Soviet policy as we presently estimate it. It would indicate a far greater willingness to increase the level of risk in United States-Soviet relations than the U.S.S.R. has displayed thus far, and would have important policy implications in other areas.

"However, Soviet military planners have almost certainly considered the contribution which Cuban bases might make to the Soviet strategic posture, and in that connection, the feasibility and utility of delivering nuclear delivery systems to Cuba. Therefore, this possibility must be examined carefully, even though it would run counter to Soviet policy."

WEAKNESS OF SYSTEM

Understandably, when they are handed such a line from higher ups, most intelligence men will choose not to credit the "tales" by Cuban exiles or bestir themselves to find photographs supporting hard intelligence facts.

Another weakness in the system is that many times members of the USIB do not agree on certain points in the national intelligence estimates or even reject an "estimate" outright. This is known to have happened when the question of U.S. resumption of nuclear testing was at issue. The estimate paper, in the view of the Joint Chiefs of Staff, "overplays the negative reaction of world opinion on the resumption of nuclear testing" by the United States. The Chiefs urged that "The 'estimate' should be rejected for policy use because it is one sided, misleading, and in large measure irrelevant."

Nevertheless, the estimate was implemented into policy at that time. Obviously, this could happen again and at a time when a Soviet breakthrough in weaponry could destroy millions of American lives.

WATCHDOG KENT

Such a system is used to neutralize or change a policy to conform with the thinking of certain elements, such as Sherman Kent, who heads the Board of National Estimates. Kent is known in the intelligence community as "a watchdog for the State Department." He was formerly head of the State Department's Office of Research and Intelligence which engages in clandestine activities. He also served as Chief of the Europe-Africa Division of the Office of Strategic Services (OSS) during World War II. Kent's file reveals that as far back as his OSS days (1941-45) the validity of his intelligence reports was questioned.

Nowadays, an official is not likely to do anything so obvious as "doctoring" reports. He just sees to it that unwanted intelligence simply is not gathered, or if it is, that it is ignored.

The perfect formula for diversion and paralysis of national policy—the formula actually set up by Alger Hiss—is exemplified in the national intelligence estimates system. In Asia and Latin America, we are witnessing its "successes."

INAUGURATION OF THE SAMUEL I. NEWHOUSE COMMUNICATION CENTER AT SYRACUSE UNIVERSITY

Mr. JAVITS. Mr. President, I wish to bring to the attention of the Senate the inauguration today of the Samuel I. Newhouse Communication Center at Syracuse University.

Mr. Newhouse, one of the leading newspaper publishers in the United States, has endowed this multimillion dollar center. An estimated $15 million will be involved before it is completed. This will again put our State in the forefront of educational activity. But, more important, it will create a center of great learning for the Nation where the skills of communication may be developed to a fine art.

The very survival of our free society, in so complex a day, is heavily dependent upon the mandate and judgment of the people. The center will be devoted to continual improvement of the manner in which the communication field presents the news and educates our people so that they may make their decisions upon the basis of fact rather than passion or prejudice.

I consider this the most signal achievement in the life of Sam Newhouse, a fellow townsman of mine, long-time friend, and his wife, Mitzie. His life has been filled with distinguished success in the newspaper world, but it has been unmatched, in my judgment, by this outstanding development.

It is not merely the resources which Mr. Newhouse will put at the command of the communication center which are so critically important, but it is the concept, and the initiative which gave birth to that concept, that characterize Sam Newhouse's finest hour.

It is a matter of such national moment that I take the time of the Senate to pay tribute to it today. The President will speak at the establishment of this center at Syracuse at 11 o'clock this morning, as will the Governor of the State of New York. It is only the business of the Senate which prevents me—and also my colleague from New York [Mr. KEATING]—from being present to do honor to this noble enterprise and to this outstanding benefactor of education and communication.

Mr. KEATING. Mr. President, an event of profound importance is taking place this morning in Syracuse, N.Y. It is the dedication of a new communications center at Syracuse University donated by Samuel I. Newhouse and the Newhouse Foundation.

This $15 million complex which has been officially opened by President Johnson will eventually be the world's largest and most advanced study center in mass communications. It is fitting that this important center will be located in the heart of an institution noted for its forward-looking academic program of worldwide importance.

The center will serve as a focal point for training in journalism and other means of communication as well as a place for forums and seminars involving world leaders and opinion shapers. The generous donation of Mr. Newhouse is another shining chapter in the career of a man who symbolizes journalistic responsibility and dedication to the public good. His influence on the mass media has already been substantial and by means of this communication complex he is assured of a leading place in history.

At a time when the influence of newspapers and other organs of mass communications is at an alltime high, it is vital that those in the profession practice the highest of standards of accuracy and sound judgment. In our fast changing, complex world the mass media have a special responsibility in the epic struggle for freedom and democracy.

I am confident the Newhouse Communication Center will be the forefront of the effort to bridge the communication gap between peoples and nations and will have a lasting impact on the endeavor to build a world of peace and prosperity through international understanding and cooperation.

I salute Mr. Newhouse and his wife and the Newhouse Foundation for making possible this exciting experiment and investment in the vital science and art of communication.

This is a joyous day, and we in New York State are honored that the Chief Executive has taken time from his arduous responsibilities, in which he has the prayers and hopes of all of us, to make the dedicatory address today.

MISSING CIVIL RIGHTS WORKERS IN VICINITY OF PHILADELPHIA, MISS.

Mr. JAVITS. Mr. President, I wish to speak in memoriam for the three young men who went to Mississippi on the Council of Federated Organizations—COFO—project to inspire Negroes there to register and vote, and who apparently have been found to have met foul play. Their bodies have now been reported to have been found in a shallow grave about 6 miles from where they were last seen alive.

This is no time to engage in a controversial diatribe on that subject. It is sad and tragic news that three young people, idealistic and aspiring only to help their fellow man to establish the strength of our country in terms of morality and justice, should have met foul play at the hands of misguided people for whom we can only weep bitter tears of regret, more than condemnation, for the commission of this crime. This is the time to utter words of sympathy and understanding to the families of these young men. This is the only comfort that we can bring to them, comfort in the understanding that they gave birth to children who had the inspiration and the desire to act in the face of such manifest danger.

When people demonstrate such courage, it should be an inspiration to all Americans. It should be an inspiration to all Negroes so that the overwhelming majority of the Negro people will know that their cause is so just that they must join with the Nation in suppressing violence, which would hurt their cause.

These young martyrs have endured death for their cause. I know that if they were able to speak, they would speak of it only in terms of morale, in terms of dedication, in terms of inspiration, and in terms of fervent hope that their sacrifice will not have been in vain, that justice in race relations will come to this country, even to Mississippi, and that the whole Nation and its youth will be helped by their sacrifices.

LEGISLATIVE PROGRAM

Mr. DIRKSEN. Mr. President, I should like to ask the distinguished majority leader [Mr. MANSFIELD] about the program for today and, if possible, for the remainder of the week.

Mr. MANSFIELD. Mr. President, in response to the question raised by my distinguished colleague, the minority leader, it is anticipated that the Senate will temporarily lay aside the foreign aid bill and take up the independent offices appropriation bill.

About 12 o'clock, noon, Mr. Pierre Salinger, who has been appointed as a Senator from the State of California by Governor Brown, will be in the Chamber, or somewhere in its vicinity. It is my understanding that there will be a little discussion at that time.

After that is disposed of, it is the intention of the leadership to return to the independent offices appropriation bill. The leadership has been informed that some time later this afternoon a resolution will be forthcoming which will be presented to the Senate. It is anticipated that there will be some debate on this subject at that time. How long it will take no one can tell.

Then it is hoped, if possible, to complete consideration of the independent offices appropriation bill, and go back to the foreign aid bill very likely tomorrow, and see what we can do toward furthering the progress of that bill, in the consideration of amendments and the disposition of speeches on the subject itself.

It is anticipated also that, whenever possible, certain legislation reported from committees, such as legislation dealing with nurses' training, and the like, will be brought to the floor of the Senate for early consideration.

Mr. DIRKSEN. May I respectfully make a comment with respect to the majority leader's announcement? I have been requested by a number of citizens of California to raise some questions concerning the legality of the appointment. This does not go to the character or the acceptability of the appointee. It involves merely a provision in the California Code, as well as the Constitution of the United States.

Since the request has been made, as minority leader I feel that I must raise that question when the certificate of appointment is presented.

Mr. MANSFIELD. Mr. President, the position of the distinguished minority leader is understood perfectly, and under the circumstances I am fully aware of the position in which he finds himself.

AUTHORIZATION FOR COMMITTEE MEETING DURING SENATE SESSION

Upon request by Mr. MANSFIELD, and by unanimous consent, the Committee on Interior and Insular Affairs was authorized to meet during the session of the Senate today.

COMMEMORATION OF THE 100TH ANNIVERSARY OF THE 2D INAUGURAL OF ABRAHAM LINCOLN

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1240, House Joint Resolution 925.

The ACTING PRESIDENT pro tempore. The joint resolution will be stated by title.

The LEGISLATIVE CLERK. A joint resolution (H.J. Res. 925) creating a joint committee to commemorate the 100th anniversary of the 2d inaugural of Abraham Lincoln.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution, which was ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1305), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

> The purpose of the joint resolution is to create a joint committee to commemorate the 100th anniversary of the 2d inaugural of Abraham Lincoln.
>
> March 4, 1965, will be the 100th anniversary of the 2d inauguration of Abraham Lincoln as President of the United States.
>
> Upon enactment of this legislation the President of the Senate is authorized to appoint four Members of the Senate and the Speaker of the House of Representatives is authorized to appoint four Members of the House of Representatives jointly to constitute a Committee on Arrangements. Thereafter, the Committee on Arrangements shall meet and select a chairman from one of their own group and such other officers as will be appropriate and needed to plan in cooperation with the National Civil War Centennial Commission, the Civil War Centennial Commission of the District of Columbia, and the Lincoln Group of the District of Columbia, and provide for an appropriate ceremony at which shall be invited the President of the United States, the Vice President of the United States, members of the Supreme Court, heads of departments, diplomatic corps, and State and local historical and patriotic societies, and such other students and scholars as may have a special interest in the occasion, and to organize a reenactment of Mr. Lincoln's first inauguration on the eastern portico of the Capitol.
>
> The committee is of the opinion that this resolution has a meritorious purpose, and accordingly recommends favorable consideration of House Joint Resolution 925, without amendment.

THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1256, and that the calendar be considered in sequence from that point.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will state the first order of business on the calendar.

PRINTING AS SENATE DOCUMENT OF COMPILATION OF MATERIALS RELATING TO RECLAMATION REPAYMENT CONTRACTS

The resolution (S. Res. 341) authorizing the printing as a Senate document of a compilation of materials relating to reclamation repayment contracts was considered, and agreed to, as follows:

> *Resolved,* That there be printed with illustrations as a Senate document a compilation of materials relating to reclamation repayment contracts, prepared by the Bureau of Reclamation of the United States Department of the Interior.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1319), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

> Senate Resolution 341 would authorize the printing with illustrations as a Senate document of a compilation of materials relating to reclamation repayment contracts, prepared by the Bureau of Reclamation of the U.S. Department of the Interior.
>
> The printing-cost estimate, supplied by the Public Printer, is as follows:

To print as a document (1,500 copies)	$2,656

PRINTING OF ADDITIONAL COPIES OF PART 1 OF HEARINGS ON "STUDY OF FOOD MARKETING"

The resolution (S. Res. 345) to print additional copies of part 1 of hearings on "Study of Food Marketing" was considered and agreed to, as follows:

> *Resolved,* That there be printed for the use of the Committee on Commerce two thousand eight hundred additional copies of part 1 of its hearings of the Eighty-eighth Congress, second session, on S.J. Res. 71, entitled "Study of Food Marketing".

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1320), explaining the purpose of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

> Senate Resolution 345 would authorize the printing for the use of the Committee on Commerce of 2,800 additional copies of part 1 of its hearings of the 88th Congress on Senate Joint Resolution 71, entitled "Study of Food Marketing."
>
> The printing-cost estimate, supplied by the Public Printer, is as follows:

Back in press, 1st 1,000 copies	$539.47
1,800 additional copies at $114.94 per thousand	206.86
Total estimated cost, S. Res. 345	746.33

PRINTING OF ADDITIONAL COPIES OF PART 2 OF HEARINGS ON "STUDY OF FOOD MARKETING"

The resolution (S. Res. 346) to print additional copies of part 2 of hearings on "Study of Food Marketing" was considered and agreed to, as follows:

> *Resolved,* That there be printed for the use of the Committee on Commerce two thousand eight hundred additional copies of part 2 of its hearings of the Eighty-eighth Congress, second session, on S.J. Res. 71, as amended, entitled "Study of Food Marketing".

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1321), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

> Senate Resolution 346 would authorize the printing for the use of the Committee on Commerce of 2,800 additional copies of part 2 of its hearings of the 88th Congress on Senate Joint Resolution 71, entitled "Study of Food Marketing."
>
> The printing-cost estimate, supplied by the Public Printer, is as follows:

Back to press, 1st 1,000 copies	$846.34
1,800 additional copies at $180.73 per thousand	325.29
Total estimated cost, S. Res. 346	1,171.63

Mr. MANSFIELD. Mr. President, that concludes the call of the calendar for the time being.

IMPROVEMENT IN WESTERN POWER TRANSMISSION

Mr. METCALF. Mr. President, the proposal of President Johnson for construction of electric power transmission interties between the Pacific Northwest and Southwest has received widespread support. The President's proposal, sent to Congress last week, greatly strengthens the all-Federal facilities, which will join power generators at Federal dams in Western States.

The President's message called for changes in the program originally sent to Congress by the Secretary of the Interior in the latter part of June. At that time, several Members of Congress raised questions about the desirability of certain partnership arrangements with private utility companies for construction of parts of the transmission interties. The junior Senator from Oregon [Mrs. NEUBERGER] was one of the first to urge, at hearings of the Senate Appropriations Committee, that greater consideration be given to all-Federal ownership of a transmission-line backbone. I wish to take this opportunity to laud the Senator from Oregon for her courageous, wise, and farsighted stand. If giant private utilities were to dominate the interregional transmission system, the position of the Federal Government would be greatly weakened in negotiating contracts for the sale and wheeling of power from federally owned multiple-purpose projects. President Johnson's revisions reflect the objectives sought by Senator NEUBERGER.

The junior Senator from Oregon played an important role in arousing public opinion in support of greater Federal participation in the intertie program. This effort included an article which she wrote, and which was published in the August 1964 issue of Frontier magazine.

I ask unanimous consent to have printed in the RECORD, with my remarks, the text of the article, which is entitled "Surrender in the West."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Frontier magazine, August 1964]

SURRENDER IN THE WEST

(By Senator MAURINE NEUBERGER)

Thirty years ago this summer, President Franklin Delano Roosevelt stood at a point where lofty crags of the Cascade Range narrow the banks of the Columbia River. He was there to herald start of construction on PWA project No. 28—and to voice a prophecy.

The President declared: "Within 3 years I hope that Bonneville Dam will be an actual fact, and that as a fact from then on it will militate very greatly to the benefit of the lives not only of the people of Oregon and Washington but to the whole course of life of the people of the United States."

F.D.R.'s forecast was only partially accurate because now the Federal Bonneville Dam and its myriad counterparts in the Columbia Basin, California's Central Valley, and on the Colorado River have militated heated political friction, as well as benefits. At the center of the controversy is a four-part, Pacific Northwest-Pacific Southwest transmission intertie package unveiled on June 24 by Secretary of the Interior Stewart Udall, westerner and New Frontiersman. In a report to Congress, Udall proposed a partnership cost-sharing of the $700-million intertie, 40 percent by the Federal Government, 10 percent by the city of Los Angeles, and 50 percent by private power companies.

Secretary Udall estimated dollar benefits of the Pacific Northwest-Pacific Southwest intertie would aggregate at least $2.6 billion during a 50-year period. Each dollar of investment would produce benefits worth $2.50. In addition to this financial bonanza, the interconnection would provide other values—for national defense, energy resource conservation, business stimulation, the prestige of world leadership in direct current transmission technology.

"The intertie proposal is engineeringly sound, economically advantageous, and consistent with the American pattern of diverse ownership of electric power facilities," Udall declared. "The multiplicity of ownership and operation also provides built-in protection against monopoly by any participant."

Udall's four-part package evoked bristling response from some western Democratic Members of Congress; applause and endorsement from others. Reaction to Udall's program among public power advocates—usually vocal in support of all-Federal construction—ranged from lukewarm enthusiasm to outright denunciation. Western Democratic unity was splintered on a key power program of the Johnson administration.

Tone of the opposition was set in a statement by Senator Clair Engle, of California, read into the committee's official record by his aid, Philip Dickinson. Engle described the Democratic administration's intertie package as "a surrender of control of the most lucrative power market in the West to a combine of six private utility companies." A spokesman for the National Rural Electric Cooperative Association said that without certain safeguards it cannot support the proposed plan "because the risk of accepting it outweighs any possible benefits which might derive from it."

The charge was echoed by Representative JOHN E. MOSS, as spokesman for 21 of his California Democratic colleagues. "The particular plan recently submitted by the Secretary of the Interior does not protect the public interest in several important respects," he stated. "Therefore, we cannot support this plan."

The debate now in evidence has been gathering steam for a long time. When the "old curmudgeon," Harold L. Ickes, was Secretary of the Interior, a report of the Pacific Northwest Regional Planning Commission outlined a transmission grid. Through it, energy would move from Bonneville and Grand Coulee Dams by an interconnection to the Central Valley system of the Bureau of Reclamation. The late J. D. Ross, first Bonneville Power Administrator, originated the idea of a western high-voltage network.

It was realized that in the Columbia Basin water which otherwise could be put through generators was spilling into the Pacific Ocean unused in the summer for lack of markets. However, in winter, power demand soared. Conversely, in the Pacific Southwest, power demand in the summer could increase by 1 million kilowatts in a few hours. This taxed the predominantly thermal California power system which relied heavily on natural gas. In winter, the California plants were partly idle. There was a waste of resources and facilities in both areas. Despite obvious economic advantages, proposals for interconnection languished in Congress for lack of funds, or other reasons. For many years, groups in the Pacific Northwest feared California would "steal" Columbia power, ignoring advantages to their own region from an exchange. Waterpower with a value of about $20 million was wasting to the sea unused.

During the Eisenhower administration, the Bonneville Power System's payout surplus of $78 million dwindled at an alarming rate. It became apparent that a deficit operation was near unless an immediate market could be developed for the surplus, wasted power. The obvious market was in California, and, in 1961, President Kennedy directed the Secretary of the Interior to "develop plans for the early interconnections of areas served by that Department's (power) marketing agencies."

In 1963, Congress appropriated $5 million to Bonneville and $2 million to the Bureau of Reclamation to start Federal construction of one or two interconnecting lines, but the Appropriations Committee report put restraints on spending the money. Congress ordered that a bill setting priorities and safeguards on power produced in the two regions must first be passed. Secondly, the Interior Secretary was ordered to conduct "good faith negotiations" with all non-Federal entities that might be interested in building any portion of the intertie facilities.

This was a wide-open invitation for diverse financial interests—some without any direct concern for western power development—to get a slice of the $2.6-billion "melon" of estimated benefits. By April 17, 1964, Secretary Udall had received 10 proposals to build all or portions of the intertie. Considering the congressional limitations, it is no wonder that the Secretary's program falls short of fulfilling historic public power preference rights, or that domination of the system by private power giants like Pacific Gas & Electric looms large and clear for the future.

THE SECRETARY WAS HANDICAPPED

Undoubtedly, Secretary Udall and his negotiating team were handcuffed by the congressional directive. The instructions for "good faith" negotiations left no flexibility for developing alternative proposals. However, a basic principle is involved here. F.D.R. and Ickes put in motion a program whose keystone was the credo that maximum benefits from publicly owned resources should flow directly to the people. As a western Senator, I have tried to implement this philosophy without dilution by partnership, without private power company tollgates between multipurpose projects and the consumer.

Through the Federal Government, the people of the United States have made a commitment for expenditure of nearly $12 billion for western multiple-purpose water projects. Vast expansion of powerplant capacity is underway throughout this half of our continent. Soon, dams in Canada will pour more kilowatts into this growing reservoir of energy. This is no time to surrender principle. Rather, we must now look to concepts of public policy equal to this march of progress. A determined effort is called for to secure for all time the kind of a transmission intertie that will fulfill the requirements of this power giant.

A FEDERAL LINE IS ESSENTIAL

In the Pacific Northwest States, the Bonneville Power Administration has for 25 years operated a transmission network serving the functions of an electric power common carrier. That regionwide system shows what could be achieved by tying together the electric power resources of the entire West with a federally constructed and operated transmission backbone. In my opinion, the program must provide at least one Federal line interconnecting Bonneville, Central Valley, and Upper Colorado projects through Hoover Dam.

The policy decision will be made only once, It should be made right. As F.D.R. said 30 years ago, "to militate" for the benefit of the people of the United States.

CONSERVATION OF NATURAL RESOURCES FOR RECREATIONAL PURPOSES

Mr. METCALF. Mr. President, the conservation of our natural resources for recreational purposes should be the concern of all Americans; and progress in this field has been made at the Federal and State levels and in cities and towns. However, additional action must be taken if Americans are to prevent the destruction of our natural resources, due to the accumulation of debris and the lack of careful planning in connection with the construction of highways, factories, and housing developments throughout the countryside.

Bernard F. Hillenbrand, executive director of the National Association of

Counties, when speaking last month to the Izaak Walton League of America, at its 42d Annual Convention and Conservation Conference, in Davenport, Iowa, told the members of the league how they and other interested Americans can act now to restore some of the beauty that is fading from the American landscape.

The county government provides a favorable instrument through which conservation programs and recreational facilities can be developed. The county encompasses many of our spacious areas which are not within the confines of the city, and therefore are not protected by local governments from destruction.

I ask unanimous consent that Mr. Hillenbrand's speech be printed at this point in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

THE SEVEN SCOURGES

(By Bernard F. Hillenbrand, executive director, National Association of Counties, Washington, D.C.)

President Brickner, officers and members of the Izaak Walton League of America, and friends, in the Old Testament of the Holy Bible, we read in chapter 3 of Ecclesiastes that for all things there is a time to plant, and a time to pluck up that which is planted; a time to break down, and a time to build up; a time to mourn, and a time to dance; a time to cast away stones, and a time to gather stones together; a time to keep silence, and a time to speak; a time to keep, and a time to cast away.

To these six admonitions for man to "enjoy the good in all his labor," I would add a seventh: a time to be alert, and a time to provide constructive leadership.

This Nation owes a debt of gratitude to the Izaak Walton League of America and to your conservation director, Joseph W. Penfold, for being alert in 1958 and for providing the initial impetus for the law which created the very effective Outdoor Recreation Resources Review Commission.

Since this Commission's report was presented to the President and the Congress in January 1962, the league has continued to be alert by providing national leadership which led to the creation of the new Bureau of Outdoor Recreation, and in promoting the Land and Water Conservation Fund proposal.

With the anticipated congressional passage and establishment of this fund, all of us must shift our outdoor recreation emphasis from the national panorama to specific projects which will improve our local communities.

TIME FOR CONSTRUCTIVE LEADERSHIP

The time has come for constructive leadership and it is needed at the local level.

What I am referring to is the need for your local chapters to join forces with other citizens, organizations, and local governmental units in the battle for a better outdoor America.

This Nation's most pressing outdoor recreation demand and requirement is for "nearby" park and recreational facilities. This challenge can only be met through aggressive and constructive local leadership.

A CHALLENGE AND AN OPPORTUNITY

Herein lie the challenge and opportunity for each Izaak Walton League local chapter. It is the need for channeling citizen interest and support toward local projects and programs which are designed to provide nearby recreational outlets or facilities which can be enjoyed by all persons.

This responsibility is not limited to the initiation or expansion of park and recreation programs alone, but it also encompasses the preservation of the scenic and aesthetic assets of local communities.

The "enemy" in this battle for beautiful communities is not any segment of society. Instead, it is inertia and disinterest of all of us.

This lack of citizen interest and support of their local governments has given birth to what I call the seven scourges.

The seven scourges are:

1. Automobile graveyards that line the highways.
2. Open, exposed garbage disposal dumps.
3. Dilapidated signs and billboards.
4. Pollution of our water and air resources.
5. Unwarranted spot and leapfrog residential development.
6. Homes built on the flood plains.
7. The lack of local planning.

WHAT RESPONSIBLE PEOPLE SAY

What do responsible people—national leaders in the field—say about these seven scourges that have resulted in the despoliation of the natural resources and beautiful surroundings of numerous communities? Let's look at some of their statements:

1. Stewart Alsop, writing in the June 23, 1962, issue of the Saturday Evening Post, says that: "Our once lovely landscape has become a garish, tasteless, messy junk heap," and that "Those of us who care enough about the uglification of America, and there are a lot of us, ought to form a national lobby—a committee to combat ugliness, to make war with our votes and our pocketbooks on those who are turning this country into a junk heap."

2. Eric Sevareid, of the Columbia Broadcasting System, writing in the Saturday Review of October 20, 1962, said: "What is the American West—after all it is space; and if spaciousness is gone, then something is gone out of America, out of the American tradition and dream, out of our image of ourselves that can never be returned, and we will become, I swear, a different people, a diminished people.

"If the laws won't stop this or regulate it with implacable severity, then I'm for anarchy and vigilantism. I would be happy to go to jail with those entirely respectable citizens of Aspen, Colo., who obey a higher law and have been known to sneak out of their picture-window homes at night and cut down billboards. Space is the key to it all."

3. President Lyndon B. Johnson, in an outstanding address at the University of Michigan on May 22, 1964, stated that: "We begin to build the great society in our countryside. We have always prided ourselves on being not only America the strong and America the free, but American the beautiful. Today, that beauty is in danger. The water we drink, the food we eat, the very air that we breathe, tare threatened with pollution. Our parks are overcrowded. Our seashores overburdened. Green fields and dense forests are disappearing.

"Once the battle is lost and our natural splendor is destroyed, it can never be recaptured. And once man can no longer walk with beauty or wonder at nature, his spirit will wither and his sustenance be wasted."

INERTIA CAN BE OVERCOME

The inertia which has provided nourishment to these seven scourges can be overcome in most communities through a constructive program of citizen interest in and support of all phases of local governmental activity.

AND COUNTIES WILL WELCOME YOUR HELP

County governments will welcome your constructive help in every county where you have a local chapter and in every county where you should have a chapter. In my opinion, there should be an active Izaak Walton League chapter in every one of the Nation's 3,043 counties.

WHY THE COUNTY?

Why am I stressing the county level of government as the focal point for your local chapters to work with in their battle for a better outdoor environment for their communities?

The answer is found in the realization that the objectives of the "playground movement" have been effectively implemented through the municipal governments and local school districts. Conversely, large statewide or national areas of significance have been and are being developed by the State and Federal levels of government.

In between these two types of existing programs lies our Nation's greatest unfilled outdoor recreation need.

THE RECREATION VACUUM

This need has been expressed as the so-called recreation vacuum and citizens are increasingly demanding that it be filled.

This vacuum can be expressed as the need for nearby local parks and recreation areas which are readily accessible to everyone, particularly for the nature-starved city dwellers who reside within the mortar and brick of large metropolitan complexes.

For most areas, the available lands for these purposes are located out in the countryside, far beyond the city limits.

This factor has clearly placed the primary local governmental responsibility for the acquisition and development of these areas squarely with the county level of government.

A DECADE OF PROGRESS

This governmental responsibility has been recognized by county governments and the decade of the 1950's brought dramatic results, including:

1. An eightfold increase, from 5,000 to 42,000, in the number of volunteer leaders who donated their services to county recreation programs.
2. A tripling in the number of county parks as they increased from 933 to 2,610.
3. A doubling in total county park acreage to 430,707 acres, with the average county park now covering 165 acres.
4. A 1960 total of 20,263 full-time employees who worked on various aspects of county park and recreation programs.
5. A doubling in county park and recreation expenditures from $67 million to over $122 million in only 5 years.

These statistics indicate the significant start that has been made by county governments in their endeavors to fill this recreational vacuum.

Nonetheless, a rapid acceleration in these programs is needed. It will require active citizen support and participation in all facets of the county's program.

A CALL FOR CITIZEN LEADERSHIP

The Izaak Walton League's local chapters today stand in the same unique position that your national organization was in 6 years ago—namely, being faced with the opportunity to provide the local leadership for creating an atmosphere of strong citizen support and direction to the programs of their local governments.

How can local chapters find out what is needed and how they can participate in their county's program?

The answer is simple—ask.

My solitary reason for being here today is to tell you that the county level of government will welcome your constructive help, your contagious enthusiasm, and your offers of cooperation, particularly when they are "backed up" by donations of land, money, facilities, and/or volunteer labor.

SPEAK UP

An urgent, pressing requirement facing all local governments is the further need for vigorous-minded citizens, hopefully through the leadership of local Izaak Walton League chapters, who are willing to speak up on the need for:

1. Long-range and continuous planning in community and county affairs.

2. An orderly development of all our outdoor resources.

3. Citizen participation in every phase of local planning and development.

4. The protection and preservation of the natural beauty of the nearby countryside.

NO SIMPLE TASK

The task will not be simple, for in its totality it will require the summoning of the American people to the realities of their local responsibilities.

NACO CAN HELP

The National Association of Counties offers its full program of services and support to any Izaak Walton League member or citizen in this cooperative endeavor.

Complete information on every facet of county parks and recreation will be provided in our 342-page book, entitled "County Parks and Recreation—A Basis for Action," which will be published next week.

The 71 articles in this book highlight the assembled knowledge, viewpoints, and suggestions of a distinguished group of national and county authorities.

It will be the first time that an action-oriented guide has ever been compiled for both citizen organizations and decisionmaking county officials.

Immediately after the land and water conservation fund bill is enacted into law, the National Association of Counties and the Citizens Committee for the ORRRC report will jointly publish a 32-page booklet which will, as its title indicates, "Spotlight County Parks and Recreation." It will stress strong citizen participation in all county programs and in this imaginative new national outdoor recreation emphasis.

These two publications will be available, upon request, to any citizen and will provide specific guidelines, ideas, and suggestions for developing or expanding countywide programs.

They will also spell out how you can contribute your time, energy, and services in a constructive and productive manner.

DEPRESSIVE IMPACT OF THE SEVEN SCOURGES

It is not necessary for me to enumerate the ill effects of the seven scourges, since they plague nearly every community in the United States. Their depressive impact on property values, esthetic sensibilities, and health considerations are readily apparent.

Despite the deleterious effect of the seven scourges, they can be controlled and eventually eliminated through an active program of public participation in the development of local plans to improve a county or a community and a similar degree of enthusiastic support in the implementation of these plans.

This goal can be achieved through an enlightened, informed, and interested public. We need active and effective citizen planning committees which will join forces with their local governments in a constructive manner to help guide the development and destiny of every community in the Nation.

My keynote address has purposely extended far beyond the confines of this room and the outstanding agenda for your organization's 42d annual convention and conservation conference.

I have attempted to reach out into each of the communities and counties where you live and provide an action-oriented program for every one of the Izaak Walton League local chapters to follow during the critical months and years before us. The time for action is now.

A VAST NEW HORIZON

This has been a rewarding experience for me to participate in this significant conference, and also to work closely during the past year with your national leaders, for I foresee the opportunity of a vast new horizon, a phalanx of local government and citizen cooperation in fully meeting this segment of the outdoor recreation challenge.

With God's help, and your local citizen leadership, His gifts of natural splendor will provide greater meaning and purpose for all of our lives.

Thank you.

ALLEGED BACKLASH

Mr. JAVITS. Mr. President, in recent weeks there has been much talk about the backlash on civil rights. Usually, the term has been used to signify alleged hostility of white citizens to the Negro struggle for equal rights and opportunities. Regardless of whether such hostility actually exists, the term has been used repeatedly since the tragic and inexcusable riots in the Negro ghettoes in New York, Rochester, and Jersey City. What is often left unsaid, however, is that this so-called backlash affects the majority of Negro citizens, as well as the whites. An editorial published in last night's edition of the New York World-Telegram and Sun called attention to this other side of the coin. I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the New York World-Telegram and Sun, Aug. 3, 1964]

THE BACKLASH

Civil rights leaders who are dragging their feet on the proposed moratorium on mass demonstrations misjudge the temper of the Negro as well as the white.

The so-called backlash isn't exclusively the property of white citizens in reaction to agitation for social change that has gone too far, too fast.

In times of heated controversy, it is the loud-mouthed rabblerouser who is inclined to get attention. These, along with some well-intentioned civil rights leaders with actually little acquaintance with conditions in city slums, have been doing a lot of talking for such places as Harlem.

The great, decent, respectable Harlem majority is incoherent or afraid to get into worse trouble by speaking up. But even in the uproar caused by the riots, some of these voices have come through.

From these it's possible to judge:

The decent majority are resentful of police, not so much because they are too tough but because they aren't tough enough. The police have failed to put down the open gambling, the open dope peddling and drunkenness in the streets where their children have to play and walk to school.

They want to get their children into integrated schools, not especially because they want them to associate with white children but because they believe, right or wrong, that the all-Negro schools are being neglected—that no proper effort is being made to give their children an education.

They want access to housing, not especially because they want to mix with whites but because they want desperately to escape from the rat and cockroach infested slums in which they presently are trapped.

These are human beings, in other words, reacting to poverty and injustice as human beings react everywhere, regardless of color.

They have a special grievance because they associate, with much justification, their troubles with the color of their skin.

But their obvious reaction to the Harlem riots was terror. They have nothing in common with the criminal element which battled the police.

And they have nothing but deeper trouble to be gained through further mass demonstrations, in these tense times, which might provide the excuse for more such disorder. Indeed, they have a great deal to lose.

They have hope of a better life in the civil rights law and in other measures, both local and national, aimed at discrimination, slums, unemployment and inferior schools. This legislation is to a very great extent the handiwork of the majority of Negro leaders of national stature who now urge a breathing spell from mass demonstrations.

The promise of this legislation may be false, but even the promise represents progress. The promise is more likely to prove false if impatient reformers plus congenital troublemakers continue to promote or condone civil disorder which prevents these laws from having a chance.

The minority of civil rights spokesmen who, in effect, would thwart this chance, misunderstand the interest of the people they claim as their own.

They go against the vast majority sentiment in this country, both white and Negro, which now wants to see things done, instead of just listen to more big talk.

SOUTHEAST ASIA PROBLEM

Mr. LAUSCHE. Mr. President, I desire to speak briefly concerning the grave problem facing us in southeast Asia.

The course adopted by the President is not of his choosing, but has been forced upon him and our Nation by the offenses committed by the Communists of North Vietnam. Our ship that was attacked was in international waters, where it had a right to be free from attacks by North Vietnam or any other nation. Neither in the interests of the security of our country nor in the proper maintenance of our honor can we afford a course of action other than the one adopted.

Southeast Asia is our first line of defense; when an enemy attacks us there, he is, in principle, attacking us on our native land. To pull out of southeast Asia would be to surrender that entire area to the Communists. Not only would it mean the capture of South Vietnam and the other lands that once were French Indochina, but it also would definitely endanger all of the lands occupied by friends of the West, including the Philippines and Australia. The stakes are graver than is generally understood. A second course would be to convert South Vietnam into a coalition government made up of friends of the West, Communists, and neutrals. Three-headed governments of this type have always been taken over by the Communists, because the Communists do not keep either the spirit or the letter of their promises.

In 1954, Indochina was broken into small nations; pursuant to solemn promises made by the Communists, Laos was to be independent, and Vietnam was to be divided into North Vietnam and South Vietnam. Never has Communist China or Communist North Vietnam kept its word in the fulfillment of the 1954 Geneva agreement. In 1962, we yielded in Laos, and established a three-headed coalition government, only to realistically discover, within a short time thereafter, that the Communists would not cooperate to maintain the coalition reign.

If we yield to the Communists in their attack upon our country's honor, we definitely shall lose the respect of the people of the world who want to be with us, not with the Reds. We shall also bring the enemy materially closer to our shores. Above everything else, our problem will not be solved or bettered, but in fact, will be substantially worsened. I am convinced that Congress will overwhelmingly stand by the President in the decision which has been made. To do otherwise would be to manifest a will not to resist lawless, unwarranted, and unjustified attacks upon our sovereignty.

FIRST ANNIVERSARY OF NUCLEAR TEST BAN TREATY

Mr. PASTORE. Mr. President, this morning, there was released at the White House a short statement commemorating the first anniversary of the nuclear test ban treaty. Identical statements have been made by the United Kingdom and the Soviet Union—the two nations which, together with the United States, were the original signatories to the treaty.

As one of those who was present in Moscow 1 year ago—on August 5, 1963—and as one who witnessed the signing of that historic document, it is with great satisfaction that I view this statement of expression of unanimity by these three major powers.

Those of us who have seen and know the power of nuclear and thermonuclear weapons recognize the importance of preventing nuclear war. Our Nation is led by a President who does not flinch from ordering U.S. military forces to use force when attacked, and at the same time limits the use of our powerful forces to that which is sufficient to maintain the peace and to protect our rights.

Those who would attack U.S. forces, whether on the high seas or elsewhere, will face immediate retaliation. While we desire peace, and continually negotiate for limitation of armaments, we do so from a position of strength. Let there be no mistake: we negotiate from strength.

The United States, as well as the other two original signatories to this treaty—the United Kingdom and the Soviet Union, can take justifiable pride in drafting and agreeing to the treaty banning nuclear-weapon tests in the atmosphere, in outer space, and under water. More than 100 other nations likewise can take justifiable pride and satisfaction in having placed their signatures on this document.

Let us hope and pray that this, the first anniversary, will be followed each year by additional anniversaries, so that as the years go by, those who follow us can point with ever-increasing confidence and proof that nations will adhere to their solemn promises, and that mankind, no matter of what nationality, will recognize and support what is right, what is proper, what is best for all mankind.

I ask unanimous consent to have printed in the RECORD the statement by the United States, the United Kingdom, and the Union of Soviet Socialist Republics, which was issued today in honor of the anniversary of the signing of the test ban treaty.

I also ask unanimous consent to have printed in the RECORD the statement made by President Johnson on July 30, in connection with the anniversary of the nuclear test ban treaty.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

JOINT STATEMENT BY THE GOVERNMENTS OF THE UNITED STATES, UNITED KINGDOM AND THE UNION OF SOVIET SOCIALIST REPUBLICS

One year ago today the treaty banning nuclear weapon tests in the atmosphere, in outer space and under water was signed by the representative of the United States, United Kingdom, and the U.S.S.R. This treaty moved our planet toward a further strengthening of peace. It helps restrict the arms race. It gives all men and women confidence that they and their children will be breathing purer air and living in a healthier, a less contaminated world. The states taking part in the disarmament negotiations at Geneva made their contribution to this cause. The positive role played by the Secretary General of the U.N. U Thant, in the conclusion of the treaty banning nuclear weapon tests in the three elements is worthy of note. Since the signing of the treaty, most of the world's states—more than 100—have joined the three original signatories. Since then, also, additional—if limited—steps have been taken to reduce nuclear hazards to mankind. Such are the resolution of the General Assembly of October 17, 1963, on banning of weapons of mass destruction in outer space and the steps taken by the United States, United Kingdom, and the U.S.S.R. in the early months of this year to cut back production of plutonium and enriched uranium.

These have been significant and valuable steps, but only first steps. Serious problems and differences remain to be dealt with in order to achieve a downturn in the arms race, effective disarmament and secure peace. With a sincere concern for the true interests of all nations and through a constructive effort to achieve agreement consistent with those interests, we can seek to move along the road to understanding and to peace.

In marking the first anniversary of the signing of the treaty banning nuclear weapon tests in the atmosphere, in outer space and under water, we declare our intention to do everything possible for the solution through negotiations of unresolved international problems in order to strengthen general peace, the benefits of which would be enjoyed by all states, big and small, and by all people.

STATEMENT BY THE PRESIDENT

A year ago this week the nuclear test ban treaty was agreed on.

Today, a year later, more than 100 nations have joined the three original signing countries. We have also seen a U.N. resolution banning weapons of mass destruction in outer space, and steps to cut back production of fissionable materials.

A year without atmospheric testing has left our air cleaner. This is a benefit to every American family—and to every family everywhere—since all radiation, however small, involves some possibility of biological risk to us or to our descendants.

At the same time, we have taken every precaution to insure the security of the United States. To this end, we have put into full effect the program of safeguards originally approved by President Kennedy on the advice of the Joint Chiefs of Staff. I can report that the Chiefs have reviewed the present program and agree that satisfactory progress is being made under it. Indeed the safeguards program leaves us much safer against surprises than we were in the period of moratorium begun in 1959.

Even if this treaty should end tomorrow, the United States would be safer and stronger than before.

We owe the test ban treaty, and this year of progress, to the determined and dedicated leadership of a great President, and the Senate of the United States. This leadership toward peace had no partisan tinge. Four-fifths of the Democrats and three-fourths of the Republicans in the Senate voted for this treaty. It is therefore right that Americans without regard to party should give thanks in this anniversary week for what the President and the Senate achieved last year.

This thankfulness can be traced to the deep desire that all of us have for a world in which terror does not govern our waking lives. We should think of a world in which we need not fear the milk which our children drink; in which we do not need engage in agonizing speculation on the future generations and whether they will be deformed or scarred.

We can live in strength without adding to the hazards of life on this planet. We need not relax our guard in order to avoid unnecessary risks. This is the legacy of the nuclear test ban treaty and it is a legacy of hope.

WESTLANDS WATER DISTRICT CONSTRUCTION CONTRACT OF 1963

Mr. MORSE. Mr. President, I would like to direct the attention of Senators to a contract now before the Senate Committee on Interior and Insular Affairs, which, unless objected to by Congress, will go into force next week. This is the Westlands water distribution system contract, and involves, in my opinion, a clear and evident circumvention of the 160-acre limitation provisions of reclamation law. It has been opposed by the National Grange, the California State Grange, the National Farmers Union, the AFL–CIO, the National Catholic Rural Life Conference, the American Veterans Committee, the National Advisory Committee on Farm Labor and the National Sharecroppers Fund.

In order to bring to light the compelling arguments against this contract, I ask unanimous consent to have printed in the RECORD at this point three of the statements made before the Subcommittee on Irrigation and Reclamation of the Senate Interior Committee on July 8 and 9 in opposition to the contract. The first of these was presented to the committee by my able and esteemed colleague, the junior Senator from Wisconsin [Mr. NELSON]; the second is the testimony of Dr. Paul S. Taylor of Berkeley, Calif., who served as consultant in the Interior Department during the administrations of Presidents Harry Truman and Franklin Roosevelt. The third was presented by Mr. Jacob Clayman, administrative director of the Industrial Union Department of the AFL–CIO. These very articulate statements outline clearly the history of this contract and establish beyond a doubt its illegality under existing reclamation law.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

Statement by Senator Gaylord Nelson on the Westlands Water District Construction Contract and Water Service Contract of 1963

SUMMARY

There has been presented to this committee through the submittal to it by the Secretary of the Interior pursuant to Public Law 86–488, 86th Congress, S. 44, June 3, 1960, a document designated "Contract Between the United States and Westlands Water District Providing for the Construction of a Water Distribution and Drainage Collector System."

Provision is made in paragraph 20 of the document that "no water shall be delivered through the distribution system to any lands or persons not eligible under the terms of articles 23, 24, and 25 of the water service contract (dated June 5, 1963) to receive water made available pursuant to that contract." As a consequence this committee is requested to approve, sight unseen, the water service contract, mentioned in the last quotation. Specifically a review of the contracts with the Westlands water district and the circumstances surrounding them, appear to reveal:

(1) A circumvention of the excess land laws written into the Reclamation Act, as amended, by the Congress to prevent land and water monopolies.

(2) A discrimination against those landowners who comply with the excess land laws and great benefits for those large, ineligible, excess landowners who will receive Federal subsidization totaling millions of dollars.

(3) An apparent relinquishment of title to water rights belonging to the United States by agreeing in the water service contract of 1963 not to assert title to those replenishment waters.

If the conclusion I have drawn in this memorandum, based upon my examination of the 1963 water service contract and the construction contract before this committee, is valid, it would appear that:

(1) The contract submitted to the Congress by the Secretary of the Interior should be rejected by this committee and returned with specific objections both as to that contract before it and the water service contract;

(2) The committee should oppose the appropriation of any Federal funds for the construction of the distribution system and drains provided for in the contract.

Under appropriate headings this memorandum reviews the contracts and physical features relating to the above mentioned contracts.

AVOIDANCE OF THE EXCESS LAND LAWS OF THE RECLAMATION ACT, AS AMENDED

Congress by Public Law 86–488, 86th Congress, S. 44, June 3, 1960, authorized the Secretary of the Interior to construct the San Luis Unit of the Central Valley project. Involved are two service areas—Federal and State. This consideration is directed solely to the former.

There are two salient features of Public Law 86–488 to which reference is now made:

1. It is specifically declared that: "In constructing, operating and maintaining the San Luis unit, the Secretary of the Interior shall be governed by the Federal reclamation laws (act of June 17, 1902 (32 Stat. 388), and acts amendatory thereof and supplementary thereto)."

2. Provided likewise by the act in question is the following: "Section 8. There is hereby authorized to be appropriated for construction of the works of the San Luis unit * * * other than distribution systems and drains the sum of $290,430,000 * * * *Provided*, That no funds shall be appropriated for construction of distribution systems and drains prior to 90 calendar days * * * after a contract has been submitted to the Congress calling for complete repayment of the distribution systems and drains within a period of 40 years from the date such works are placed in service."

Emerging from those two quoted excerpts is the obvious conclusion that the Federal service area is to be constructed, operated and maintained in conformity with the Reclamation Act as amended, including but not limited to the "excess lands laws." Basically those laws preclude the delivery of water for use on land held in one ownership which exceeds 160 acres. Obvious objectives of the laws are (a) To avoid land and water monopolies; (b) To prevent land speculation predicated upon the project development.[1]

To bring about compliance with the "160-acre limitation" mentioned above Congress has declared "that no such excess lands so held shall receive water from any project or division if the owner thereof shall refuse to execute valid recordable contracts for the sale of such lands under terms and conditions satisfactory to the Secretary of the Interior and at prices not to exceed those fixed by the Secretary of the Interior.[2] Important in regard to the precise point before this Committee is the fact that the act specifically declares that "excess lands" shall not "receive water from any project."

That prohibition is crucial and unqualified for it fixes the responsibility of the Secretary in regard to project waters with great specificity; restrains that official from providing water to lands the owners of which have not agreed to dispose of lands which exceed the 160-acre limitation. Warranted in that connection is reference to the additional fact that the legislative history of these provisions set forth with great clarity the desire of Congress to protect the public interest against land and water monopolies.[3]

On that background reference is now made to part (2) above regarding Public Law 86–488 which refers to the requirement of the San Luis Act that there be a submittal to the Congress of a contract "calling for complete repayment of the distribution systems and drains" 90 days prior to the appropriation of funds to build those systems.

In conformity with the last mentioned section 8 of the San Luis Act the Secretary of the Interior by his letter dated May 1, 1964, transmitted to the Congress what is referred to as "an appropriate contract for construction of the distribution system and drains by the United States and for repayment by the District,"[4] adding that the contract had been negotiated with the Westlands Water District.[5] Among other things that contract, now before the Congress, declares: "Land ineligible to receive water under the water service contract not to receive water service through the distribution system.

"20. No water shall be delivered through the distribution system to any lands or persons not eligible under the terms of articles 23, 24, and 25 of the water service contract to receive water made available pursuant to that contract."

Flowing from that and related provisos in the contract submitted by the Secretary of the Interior is the unavoidable legal result:

This committee will in effect be approving not only the contract which is before it. It will be approving the above-mentioned Westlands "water service contract" of June 5, 1963, which appears to contain clear violations of the excess lands laws.

QUESTION PRESENTED

Will this committee approve a contract which has not been placed before it and which appears to circumvent the congressional will as expressed in the "excess land" provisions of the reclamation laws?

These contracts will have the result of providing unjust enrichment of a few powerful corporation landowners who will be immediately and directly benefited by the contemplated expenditure of $157 million of Federal funds. Thus to subsidize these monopolies in clear violation of the reclamation law is destructive of the basic concepts giving rise to those laws.

Westlands water service contract, a circumvention of the excess land laws

There was attached to the above-mentioned letter of May 1, 1964, from the Secretary of the Interior transmitting the contract for the construction of the distribution and drainage systems a memorandum dated April 23, 1964, from Commissioner of Reclamation Dominy to the Secretary.[6] Contained in that memorandum is a review of many salient facts respecting the contract before this committee—but far from all of them, as will be more fully developed in the paragraphs which succeed. Without further elaboration on the import of it, Mr. Dominy states in the first paragraph that the contract before the committee provides for a system which "is required for the distribution of project water available to the Westlands water district under long-term contract No. 14–06–200–495A executed on June 5, 1963," hereafter referred to as the water service contract. Following that passing reference to the all-important water service contract, Mr. Dominy proceeds to describe in some detail the area to be served by the system. On the final page of the Dominy memorandum and quite out of context is this statement: "no water shall be delivered through the distribution system to any lands or persons not eligible under the terms of articles 23, 24, and 25 of the district's water service contract to receive water made available pursuant to the contract.

"These articles, the so-called excess land provisions required by reclamation law, are similar in form and content to other water service contracts for the Central Valley project."

However, it would appear from a careful examination of the water service contract and all the surrounding facts that the contract will result in a clear violation of the excess land laws of the Reclamation act.

In that connection, reference is made to the following:

(i) Seventy percent of the lands within the Westlands water district service area are ineligible to receive project water because they are owned in tracts the acreage of which far exceeds the 160-acre limitation.

(ii) All the lands within the water district—the 30 percent of eligible and 70 percent of ineligible alike to receive water—overlie a vast groundwater basin which is in no sense compartmented on the basis of land eligibility.

(iii) "Ground water underlying the district is seriously depleted and in need of replenishment, and that and additional water supply to meet these present and potential needs can be made available by and through the works constructed and to be constructed by the United States." (This is a quote from the water service contract mentioned above.)

(iv) That a substantial share of the waters—not to exceed 117,000 acre-feet annually—to be delivered pursuant to the water service contract for the express purpose of recharging "the seriously depleted" underground water; this 117,000 acre-feet is in addition to seepage from surface irrigation.

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[1] Section 5 of the original reclamation law provides "no right to the use of water for land in private ownership shall be sold for a tract exceeding 160 acres to any one landowner." For a complete review of the several acts which are involved see 68 L.D. 375.

[2] 43 U.S.C. 423(e).

[3] *Ivanhoe Irr. Dist.* v. *McCracken*, 357 U.S. 275, 297 (1957).

[4] Title of the document: "Contract Between the United States and Westlands Water District Providing for the Construction of a Water Distribution and Drainage Collection System."

[5] See attached letter of May 1, 1964.

[6] See attached memorandum of Apr. 23, 1964.

(v) That the waters thus induced underground will recharge the ground water for both the lands which are eligible to "receive" groundwater and those which are ineligible to "receive" groundwaters by reason of the "excess land laws."

(vi) That the recharge of the depleted groundwaters under the ineligible lands results in immense benefit, vastly subsidizing those lands at the expense of the individual landowners who comply with the "excess land laws."

Of great interest in regard to the benefits accruing to the large ineligible landowners is Mr. Dominy's additional statement in his memorandum of April 23, 1964:

"The contract (before this committee) provides for repayment of $157,048,000 representing the cost of constructing by the United States of a water distribution and drainage collector system and certain facilities for integrating groundwater with surface water.

"Approximately 400 existing wells in the area will be integrated into the distribution system. Well water will be mixed with surface project water in the main laterals."

Thus the water service contract and Mr. Dominy's memorandum demonstrate conclusively that the project plans are predicated upon utilization of the vast groundwater body which underlies all of the lands irrespective of their eligibility to participate in the available supply.

Essential here is further reference to Mr. Dominy's statement that the provisions of the water service contract "are similar in form and content to other water service contracts for the Central Valley project." However, what Mr. Dominy neglected to say is the fact that the contract with Westlands specifically provides for a recharge of ground water which has the result of benefiting eligible and ineligible lands alike. There is thus a most drastic and far-reaching difference from other Central Valley contracts.

MEANS OF CIRCUMVENTION OF EXCESS LAND LAWS WRITTEN INTO THE WESTLANDS WATER SERVICE CONTRACT

Knowing that the ineligible lands constituting 70 percent of all of the lands within the district will be greatly benefited from project water entering the underlying basin; knowing that the excess land laws prohibit supplying those lands with water; knowing that the spirit and intent of the reclamation laws are being violated, this attempted escape clause was nevertheless written into the water service contract:

"If project water furnished to the district pursuant to this contract reaches the underground strata of excess land owned by a large landowner * * * who has not executed a recordable contract and the large landowner pumps such project water from the underground, the district will not be deemed to have furnished such water to said lands within the meaning of this contract if such water reached the underground strata of the aforesaid excess land as an unavoidable result of the furnishing of project water by the district to nonexcess land or to excess lands with respect to which a recordable contract has been executed."

The kindest thing that may be said in regard to that "escape clause" is that it makes a travesty of the excess land laws.

Illegality of "unavoidable clause" of the Westlands water service contract—or in any other contract entered into pursuant to the reclamation laws

The illegality of the "unavoidable clause" in the Westlands water service contract would appear to be free from doubt. That is manifested by these three facts:

(a) Seventy percent of the lands within the service area of the Westlands district are lands which are in single ownership in excess of 160 acres and overlie the ground water basin which will be recharged with project water delivered by the United States;

(b) The contract for water specifically provides for inducing project waters into the ground water basin and those waters will be available for pumping for use on the 70 percent of the lands ineligible under the excess land laws.

(c) Project waters which are specifically induced underground and those waters from surface irrigation, greatly benefit the ineligible 70 percent of the water district's lands.

A most careful review of the Reclamation Act as amended and the legislative histories which preceded the enactment of those laws reveals a clear violation of the excess land laws by the contract in question. Every phase and facet of those laws and the objectives giving rise to them underscore that violation. It will remembered in regard to this matter that the reclamation laws are unequivocal respecting the 160-acre limitation. Nowhere in the laws themselves nor their antecedents will authority for the "unavoidable clause" in the Westlands contract or other Central Valley contracts be found. Equally important, however, is the fact that the circumstances surrounding Westlands differ drastically from those relating to other Central Calley contracts.

It is essential to find the source of the unavoidable clause written into the Westlands water service contract. In that connection, reference is made to hearings before this committee in 1944. In the report on those hearings under the heading "Legal Basis for Assessment of Excess Landowners by Irrigation Districts," the then chief counsel of the Bureau of Reclamation examined the crucial question on the subject and responded to that query in this manner:

"Assuming that, where the district furnishes water intentionally and according to plan to eligible lands of the district, both by surface facilities for surface irrigation and by such facilities or otherwise for augmentation of the ground water supply, project water is introduced into underground reservoirs underlying ineligible excess lands as well as eligible lands for physical reasons beyond the control of the district, is there a furnishing of water to such ineligible excess lands by the district contrary to the prohibition included in its contract with the United States as required by he reclamation law?

"It is our view that this question is to be answered in the negative, if the further assumption be indulged that the physical introduction of project water on and under project land has for its principal purpose, and its principal result is, the furnishing of irrigation water to eligible lands, with the incidental, and inevitable, result that the underground water supply of ineligible excess lands is benefited." [7]

This appears to be the genesis of the "unavoidable clause." No reference is made in the quoted ruling to any applicable law permitting this evasion of the "excess land law." Congressional will cannot be relied upon in this matter because that will through the years has been unalterably opposed to the perpetuation of land and water monopolies. In simple terms executive fiat has been indulged in to create an exception to the excess land laws where none actually exists. Insidious though that evasion may be in the light of the law, the precedent stemming from the evasion is far worse.

As is so frequently the case, a contempt for the law breeds further violation. The circumvention of the Reclamation Act by the "unavoidable clause" in the first Central Valley contracts gave rise to the present escape proviso contained in the Westlands water service contract.

There has been reviewed above the fact that Central Valley project water will be induced into the ground water aquifers within the Westlands service area and thus recharge them for the purpose of eliminating the overdraft on ground waters which stems from local pumping. That ineligible lands will be greatly benefited through Federal subsidization of the water made available by the Central Valley project has been tacitly admitted.[8] Mr. Dominy, in a letter dated May 26, 1964, to Senator **Jackson**, chairman of the committee, in regard to the groundwater recharge features of the water service contract, states: "Even if enhanced groundwater conditions (within the Westlands service area) should reduce pump lifts (for ineligible landowners) from the present say 450 feet or more to the objective depth of 300 feet, any corresponding reductions in pumping costs (of the ineligible owners) would be more than offset by the district's ad valorem assessments." [9] Logical sequitur of Mr. Dominy's statement on the subject is that, for example, the Southern Pacific Land Co. to which he alludes in the letter, will not only receive (a) a supply of Central Valley project water, it will (b) have the groundwater lifts reduced by approximately 150 feet with the immense reduction in pumping costs as a result of the project—indeed, a bonanza to ineligible water users.

Continuing in regard to the 160-acre limitation, Mr. Dominy in his letter of May 26, 1964, speaks hopefully that some day the laws of economics will enforce that legal limitation. He states: "The impact of economic pressures is expected to be such that any owners of ineligible excess lands who choose to continue pumping rather than avail themselves of project (surface) water will be under a continuing financial disadvantage." He points out in that connection that "it is expected" costs to the ineligible landowners to pump the project water will be greater than the costs to those who comply with the 160-acre limitation. Mr. Dominy then adds this most unusual statement: "All lands within the district will be assessed ad valorem taxes for a substantial part of the amounts necessary to meet the District's annual contractual payment to the United States.

"Thus to whatever extent the amounts collected as water charges for direct delivery of project water are insufficient to meet annual payment obligations, the balance will be derived from ad valorem assessments levied against all district lands, irrespective of whether they take water." What Mr. Dominy is saying is this: (a) The small landowner will pay for project water; the ineligible pumper will not; (b) if the payments by the small farmers are insufficient to meet the project costs the small farmers will also pay an ad valorem tax as well as the ineligible water user; (c) the small user will pay one charge. Thus, says Mr. Dominy, the ineligible landowner will be forced to comply with the excess land laws.

Wholly aside from the merits, if any, of Mr. Dominy's application of economic laws in lieu of the reclamation laws, these facts stand unchallenged:

This plan would deliver water to the ground water basin with the result that the ineligible landowners will immensely profit from that plan.

Apropos those circumstances Mr. Dominy speaks in sanguine terms of compliance with the excess land laws by the Southern Pacific Land Co., which owns a vast empire of lands ineligible for project water but which, under the unavoidable escape clause will receive large quantities of it—in Mr. Dominy's words, reduced ground-water lifts from 450 to 300 feet. Relative to that ineligible empire he states: "It is, of course, impossible for us to predict at this time the extent and sequence that may characterize the rate at which the company will embrace the recordable contracting program. Nevertheless the company's excess lands will be subject to ad valorem assessments levied by the district against all district excess and nonexcess land alike."

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[7] Hearings before subcommittee * * *, 80th Cong., 1st sess., on S. 912, p. 1274.

[8] See Westlands Water Service Contract, par. 3 b, c, and d.

[9] See attached letter May 26, 1964, Dominy to Senator **Jackson**.

Again there is presented the tacit admission that the excess land laws will be violated; the admission that the Southern Pacific Land Co. will not pay for the water but will pay an ad valorem tax—a tax let it be emphasized, that will be reduced in direct proportion to the costs of water paid by those who comply with the excess land laws. There is thus added to the circumvention of the excess land laws great unfairness to those landowners who comply with those laws.

Violation of the spirit and intendment of the reclamation laws is but a part of the basic objections to the Westlands water service contract. It results in a substantial gift of properties belonging to the United States and the intention to abandon claims for payment for those properties is part of that contract.

Title to the rights to the use of project waters, including seepage and return flow, resides in the United States

Title to the rights to the use of water—even though once used by project beneficiaries—continues to reside in the United States. Reference in that connection is made to a leading decision of the Supreme Court of California on the subject.[10] There, Los Angeles imported Owens River waters into the San Fernando Valley and sold them to farmers who used them. The municipality then claimed the right to recapture the waters which entered the ground-water basin by reason of the surface irrigation. Sustaining that claimed right, California's highest court stated:

"Plaintiff (Los Angeles) had a prior right to the use of the water brought to the San Fernando Valley. It did not abandon that right when it spread the water for the purpose of economical transportation and storage.

"The use by others of this water as it flowed to the subterranean basin does not cut off plaintiff's rights.

"It is immaterial whether the farmers who use the imported water acquire their rights through a transfer of land that includes a water right * * * or by some other means. In any event the importer brings the water to the land of the farmer, and the farmer uses it. In making water available, plaintiff (Los Angeles) selected an area where it could recover as much water as possible from seepage, and it should not be deprived of the benefit of its foresight."[11]

In adhering to those concepts the California court was simply adopting the same principles followed by the Supreme Court of the United States.[12] That last cited case arose from a claim by the United States to seepage water emanating from surface irrigation within a Federal reclamation project in Wyoming. Upholding the claim to the seepage water the Court set forth this quoted statement from a similar case arising in Idaho.[13]

"One who by the expenditure of money and labor diverts appropriable water from a stream, and thus makes it available for fruitful purposes, is entitled to its exclusive control so long as he is able and willing to apply it to beneficial uses, and such right extends to what is commonly known as wastage from surface runoff and deep percolation, necessarily incident to practical irrigation. Considerations of both public policy and natural justice strongly support such a rule. Nor is it essential to his control that the appropriator maintain continuous actual possession of such water. So long as he does not abandon it or forfeit it by failure to use, he may assert his rights. It is not necessary that he confine it upon his own land or convey it in an artificial conduit. It is requisite, of course, that he be able to identify it; but, subject to that limitation, he may conduct it through natural channels and may even commingle it or suffer it to commingle with other waters. In short, the rights of an appropriator in these respects are not affected by the fact that the water has once been used."[14]

These principles, uniformly accepted, are of necessity applicable to seepage and return flow waters arising from the vast development undertaken by the United States in connection with the Westlands service area.[15] Yet the water service contract respecting seepage and return flow waters within the service area purportedly abandons those waters, title to which is vested in the United States. Having reserved the seepage and return flow waters outside of the district, this provision is set forth: "But this shall not be construed as claiming for the United States any right, as waste, seepage, or return flow, to water being used pursuant to this contract for surface irrigation or underground storage within the district's boundaries by the district or those claiming by, through, or under the district."[16] The result of this contract is (a) to "give away" property of the United States; (b) to grant a great bonanza to the ineligible owners in violation of the spirit and intent of the law.

U.S. DEPARTMENT OF
THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C.

Hon. CARL HAYDEN,
President pro tempore,
U.S. Senate,
Washington, D.C.

DEAR MR. PRESIDENT: The San Luis unit of the Central Valley project was authorized by Public Law 86-488, approved June 3, 1960. Construction is proceeding on the joint Federal-State facilities.

A water service contract with the Westlands water district was executed on June 5, 1963. It calls for the delivery of up to 1,008,000 acre-feet annually during the first 10 years of project water service with lesser quantities during the remainder of the 40-year contract period.

The Westlands water district has requested the United States to construct distribution systems and drainage facilities necessary to enable it to utilize effectively the available project water supplies. Public law 86-488 authorizes such construction; however, section 8 of the act provides that no funds shall be appropriated for such work until 90 days, as defined in the act, after a contract has been submitted to the Congress calling for complete repayment of the cost of the distribution system and drains within a period of 40 years from the time such works are placed in service.

An appropriate contract for construction of the distribution system and drains by the United States and for repayment by the district has been negotiated with the Westlands water district. A copy of the contract is enclosed in compliance for section 8 of the authorizing act. For your information, there is also enclosed a copy of the memorandum which explains the contract and which I have this day approved.

A similar letter is being sent to the Speaker of the House of Representatives.

Sincerely yours,

———— ————,
Secretary of the Interior.

U.S. DEPARTMENT OF THE INTERIOR,
BUREAU OF RECLAMATION,
Washington, D.C., April 23, 1964.

Memorandum to: Secretary of the Interior.
From: Commissioner of Reclamation.
Subject: Proposed distribution system repayment contract, Westlands Water District, San Luis unit, Central Valley project, California

Enclosed for your approval is the form of a proposed distribution system repayment contract with the Westlands water district, Central Valley project. The contract provides for repayment of $157,048,000, representing the cost of constructing by the United States of a water distribution and drainage collector system and certain facilities for integrating ground water with surface water. The system is required for the distribution of project water available to the Westlands water district under long-term contract No. 14-06-200-495A executed on June 5, 1963, and for the collection and conveyance of drainage water from the district to the proposed Federal San Luis unit interceptor drain.

The Westlands water district was organized in 1952 under the laws of the State of California. It is located on the west side of the Central Valley between the trough of the valley floor and the alinement of the San Luis Canal along the foothills of the coastal range. The district forms a broad strip of land about 60 miles in length starting near the town of Mendota, Calif., and running southeasterly to Kettleman City in Fresno County. It consists of 391,053 acres of land, of which about 352,250 are irrigable and 340,000 are productive.

The lands in the district have been classified in accordance with the usual Bureau standards. About 16 percent are class 1, 42 percent class 2, 19 percent class 3, 18 percent class 4, and about 5 percent class 6. With full development of lands within the district, the anticipation is that cotton will be grown on about 92,000 acres and that there will be about 64,000 acres in seed alfalfa, 15,000 acres in alfalfa for hay, 25,000 acres in deciduous fruits, 15,000 acres in cantaloups, 5,000 acres in potatoes, 30,000 acres in sugar beets, 63,000 acres in miscellaneous field crops, 19,000 acres in vegetables, 2,000 acres in rice, and 40,700 acres in grain. Double cropping is expected to take place on about 30,700 acres.

The basic supplemental supply of project water for service to the district under its water service contract amounts to 783,000 acre-feet which includes 40,000 acre-feet for land subject to inclusion within the district. This quantity may be increased to a maximum of 900,000 acre-feet depending upon findings of future studies of ground water availability. For a period of 10 years the District may obtain as much as 1,008 acre-feet of project water annually. The current estimate is that 312,000 acre-feet of ground water will be available annually for use within the district.

The Westlands district lies almost entirely below the alinement of the San Luis Canal, and adjoins the Westplains water storage district which lies mostly above the planned alinement of the San Luis Canal. The probability is that there will be an adjustment in the boundaries of the two districts so that the San Luis Canal will eventually become their common boundary. In this adjustment there will probably be about 12,500 acres added to the Westlands water district.

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[10] *City of Los Angeles* v. *City of Glendale,* 23 Cal. 2d 68; 142 P. 2d 289, 294, 295 (1943).

[11] 23 Cal. 2d 68; 142 P. 2d 289, 295 (1943).

[12] *Ide* v. *United States,* 263 U.S. 497 (1923).

[13] 263 U.S. 497, 506.

[14] 263 U.S. 497, 506.

[15] 89 A.L.R. 210.

[16] Water service contract, par. 9c.

Facilities to be constructed under the contract include about 713 miles of water distribution pipelines with rubber gasket joints. Spacing of laterals will be generally at 1-mile intervals along section lines. Water service from these facilities will be under pressure induced by the San Luis Canal except for service to small areas adjacent to the canal which would require vertical shaft pumps located at moss screen structures. Facilities in the system will be provided for later integration of ground water from existing wells into the system. There will be no pressure-reducing stations along the laterals.

Moss screen structures will be located at each turnout from the San Luis Canal. Turnouts will have separate inlets with Venturi meters and separate gated outlets so that each screen structure can be operated independently. Outlet pipes from the screen structures will feed into a downstream closed transition pipe with a vent large enough to accommodate a float control device to activate the outlet slide gates in the structures. Such control is necessary if the plan for off-peak pumping causes objectionable canal water surface fluctuations. The turnouts from the San Luis Canal and the water measuring devices and electrical transmission facilities are not a part of the distribution system.

Approximately 400 existing wells in the area will be integrated into the distribution system. Well water will be mixed with surface project water in the main laterals. The estimated cost of constructing the water distribution facilities and facilities for integrating well water amounts to $106,363,000 and $10,160,000, respectively.

The drainage collector system will be constructed of standard and extra strength vitrified clay pipe with drainage pumping plants of the buried reservoir type sumped to permit free flow from all tributary drains at maximum discharge. The area to be covered by this system lies predominately along the east side of the district near the trough of the valley. The system will discharge into the proposed Federal interceptor drain of the San Luis unit. Estimated cost of the drainage collector facilities amounts to $40,525,000.

The weighted average per-acre payment capacity of the irrigable acreage in the district is $79. The payment capacity attributable to project water is in direct proportion as the project water relates to the total water requirement. On the basis of 783,000 acre-feet requirement from the project, such payment capacity amounts to $56 per acre. The average estimated cost associated with water service from the project including the cost of water distribution and drainage collector facilities, internal drain facilities, and pumping from the underground amounts to about $43, rounded, per acre or about 77 percent of the associated payment capacity with 23 percent remaining for contingencies. Thus, the district has ample capacity to pay for the cost of the distribution system.

Facilities to be constructed under the contract will be separated into construction groups. Construction group 1 shall include substantially all of the water distribution facilities, drainage collector facilities, and works for the integration of ground water with surface water, all as initially required and generally as exhibited in the contract. Construction groups 2 and 3 shall include added portions of the distribution system on which subsequent construction is started no later than June 30, 1974, and June 30, 1979, respectively. Any construction started after June 30, 1979, will be considered as part of construction group 3 for purposes of repayment.

The United States will acquire for the construction of the distribution system such pipeline facilities and sublaterals constructed by the district which are usable as an integral part of the system. The amount which the United States shall pay for such facilities, including rights-of-way, shall not exceed the lesser of (a) the cost which the United States would have incurred if it had constructed such facilities or (b) the appropriate costs incurred by the district in constructing said facilities less the amount received from the United States in payment of water transportation pursuant to contract No. 14-06-200-316-A. Title to rights-of-way required for construction of the distribution system may be taken directly in the name of the United States or taken by the district and then transferred to the United States. The United States shall reimburse the district for the cost of the rights-of-way.

The construction cost of construction group 1 shall be paid by the district in 80 successive semiannual installments payable on January 1 and July 1 of each year after the completion of construction of said group is announced in writing by the contracting officer. The first 10 payments will be for one-one hundred and sixtieth of the construction costs of said group and the remaining 70 payments will be for one-seventieth of the remainder of the cost. Construction costs of subsequent groups shall be paid in 80 successive equal semiannual installments payable on January 1 and July 1 of each year. The first installment with respect to each group shall become due and payable on January 1 of the year following the year of completion of the respective group as announced by the contracting officers.

The contract provides that any portion of any group under construction by the United States may be utilized by the district for its intended purposes if it does not interfere with the construction of the remainder of the system.

Upon completion of any construction group, such completed group shall be transferred to the district for operation and maintenance. The district, without expense to the United States, shall operate and maintain such transferred works in full compliance with the terms of the contract and in such manner that said transferred works shall remain in good and efficient condition. The district also agreed upon the effective date of the transfer orders to assume all obligations of the United States under any contract or contracts relating to the crossing of the distribution system facilities in, over, along, or across land or rights-of-way of public utilities, and the State of California or agencies thereof.

At any time prior to full payment of the construction cost that the contracting officer determines the district has not cared for, operated, or maintained, or delivered water from the transferred works in a satisfactory manner, the United States may assume the control of the distribution system and operate and maintain the facilities and the district agrees to surrender possession of the facilities and pay the United States for the cost of operation and maintenance. The district, in addition, shall contribute such labor and material toward the operation and maintenance of the distribution system or any portion thereof as may be requested by the contracting officer. There shall be included as part of the operation and maintenance costs such items for administration, supervision, inspection, replacement, and general expenses that properly are chargeable to such work in the opinion of the contracting officer. The facilities taken back by the United States for operation and maintenance may be retransferred to the district upon furnishing the district 90 days written notice of its intention to retransfer.

No liability will accrue against the United States and its officers and employees because of damage arising out of or in any manner connected with the care, operation, and maintenance by the district of the distribution system constructed by the United States.

The actual cost of the distribution system or any construction group thereof shall embrace all expenditures by the United States of whatever kind in connection with, growing out of, or resulting from work performed in connection with the distribution system including but not limited to the cost of labor, material, equipment, engineering, and legal work, superintendence, administration, and overhead, rights-of-way, property whether purchased from the district or others, and damage of all kinds and shall include all sums expended by the Bureau of Reclamation in surveys and investigations in connection with the distribution system both prior to and after the execution of this contract and the expense of all soil investigations and other preliminary work.

The contract provides for a reserve fund to be accumulated by the district in annual deposits of not less than $50,000 annually to be deposited into a special account created by the district. Such annual deposits shall continue until the amount in the reserve fund is not less than $250,000. Whenever the reserve fund is reduced below $250,000 by expenditures for the purpose for which it is accumulated, it shall be restored to not less than the amount set forth by accumulations of annual deposits of $50,000 annually. Expenditures from this fund shall be for the purpose of meeting extraordinary cost of care, operation, maintenance, repairs, and replacements of the distribution system, including project features operated and maintained by the district, and for care, operation, and maintenance during periods of special stress such as may be caused by drought, hurricanes, storms, or other emergencies.

In the event the United States transfers the San Luis unit of the Central Valley project or portions thereof to the State of California for care, operation, and maintenance, such transfer will not affect the rights or obligations of either party to the contract. Except as provided for in the water service contract with the district, no changes shall be made in the district either by inclusion or exclusion of lands, by partial or total consolidation or merger with another district, by proceedings to dissolve or otherwise, except upon the contracting officer's written consent thereto. No water shall be delivered through the distribution system to any lands or persons not eligible under the terms of articles 23, 24, and 25 of the district's water service contract to receive water made available pursuant to the contract. These articles, the so-called excess land provisions required by reclamation law, are similar in form and content to other water service contracts for the Central Valley project. Other provisions of the contract are similar to those found in contract No. 14-06-200-516A between the United States and the Corning Water District executed on July 3, 1963.

The board of directors of the Westlands Water District has approved the form of the proposed contract, which is identified as draft 4/8-1964. We believe the proposed contract is in the best interest of the United States and the district. Therefore, we recommend that you approve the form of the proposed contract. Thereafter, pursuant to existing delegations of authority and after execution by the district, it will be executed by the regional director, region 2, acting as contracting officer for the Secretary of the Interior on behalf of the United States.

Section 8 of Public Law 86-488 approved June 3, 1960, which authorized construction of the San Luis unit of the Central Valley project, provides that no funds shall be appropriated for construction of the distribution system and drains until 90 legislative days after a contract has been submitted to the Congress calling for complete repayment of the drains and distribution system facilities within a period of 40 years from the date such works are placed in service. In accordance with this legislative requirement, we recommend that you sign the enclosed letters transmitting copies of this approved memorandum and contract to the President of the Senate and the Speaker of the House of Representatives.

FLOYD E. DOMINY.

U.S. DEPARTMENT OF THE INTERIOR,
BUREAU OF RECLAMATION,
Washington, D.C., May 26, 1964.
Hon. HENRY M. JACKSON,
Chairman, Committee on Interior and Insular Affairs, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: We are pleased to advise you concerning the communication of April 26, 1964, from Mr. William Reich, of Oakland, Calif., as made available to us under cover of your May 12, 1964, office transmittal.

We note Mr. Reich's expression of concern over the point in time at which excess landowners in the Westlands Water District may execute recordable contracts. The San Luis unit, in which the Westlands Water District is located, is, of course, a part of the Central Valley project. In keeping with our longstanding policy, every effort is made to utilize, insofar as is practicable, uniform terms in water service and repayment contracts throughout the project. Inasmuch as heretofore executed Central Valley project contracts in general establish no specific time prior to which large landowners must have placed their excess lands under recordable contract, no such restrictions have been included in San Luis unit contracts. Under this policy, recordable contracts may be executed by the excess landowners at any time prior to delivery of water. However, in the normal course the majority of such contracts are executed shortly before irrigation facilities have reached a stage of completion where water deliveries can be made. It must also be recalled that, even though construction is completed and water deliveries are physically possible, the owner of excess lands is precluded by statute from receiving project water for his excess lands unless and until he has executed a valid recordable contract agreeing to their orderly disposition.

Looking specifically to the Westlands Water District situation, it must be borne in mind that, in the future, the district's irrigation water supply will involve three possible sources. First will be pumped water derived from the continuing nondistrict natural recharge of the deep-lying aquifers. The rate of withdrawal of this source will undoubtedly be diminished as surface deliveries of project water are initiated and there is a corresponding decrease in the districtwide pumping rate. Second will be the import of project surface water made available through San Luis unit works and facilities. The third is related to the first two and will be ground water supply resulting from deep percolation losses from surface water applications, irrespective of such water's source prior to application.

Even though the present ground water situation should show comparatively rapid improvement, the impact of economic pressures is expected to be such that any owners of ineligible excess lands who choose to continue pumping rather than avail themselves of project water will be under a continuing financial disadvantage. This stems from two sets of circumstances. First, it is expected that project water will be available at an appreciably lesser cost per acre-foot than pumped water. Second, under the joint liability contracting concept embodied in the Westlands Water District water service contract, all lands within the district will be assessed ad valorem taxes for a substantial part of the amounts necessary to meet the district's annual contractual payment to the United States. Thus, to whatever extent the amounts collected as water charges for direct delivery of project water are insufficient to meet annual payment obligations, the balance will be derived from ad valorem assessments levied against all district lands, irrespective of whether they take water.

Even if enhanced ground water conditions should reduce pump lifts from the present say 450 feet or more to the objective depth of 300 feet, any corresponding reductions in pumping costs would be more than offset by the district's ad valorem assessments.

It is our informal understanding that, in order to encourage a practical and desirable balance between the use of surface water and pumped ground water, district officials are presently working out a schedule of operational costs and assessments which will confirm the generalizations herein discussed. We furthermore have reason to believe that the interaction of those circumstances will result in general acceptance of and conformance to the recordable contracting program by large landowners in the Westlands Water District in much the same manner as has been evident elsewhere on the Central Valley project.

Insofar as the Southern Pacific Land Co. is concerned, we are advised by our regional staff in Sacramento, Calif., that all that company's holdings within the boundaries of the Westlands Water District have been legally included in the district. It is, of course, impossible for us to predict at this time the extent and sequence that may characterize the rate at which the company will embrace the recordable contracting program. In any event, whether or not the company's excess lands are under recordable contract, they will, as aforenoted, be subject to ad valorem assessments levied by the district against all district excess and nonexcess lands alike.

Please be assured that, to the best of our understanding, the procedures being followed and the provisions which make up the Westlands Water District contracts have been carefully designed to reflect properly the pertinent features of the controlling Federal statutes.

Additionally, responsive to your oral request, we are enclosing 10 copies of the remarks on "Acreage Limitation Provisions of Reclamation Law" by Acting Assistant Commissioner C. G. Stamm as prepared for a public hearing on farm labor and rural poverty held May 19, 1964, by the National Advisory Committee on Farm Labor.

Sincerely yours,
FLOYD E. DOMINY,
Commissioner.

TESTIMONY OF PAUL S. TAYLOR, PREPARED FOR PRESENTATION BEFORE SENATE SUBCOMMITTEE ON IRRIGATION AND RECLAMATION, RELATING TO WESTLANDS CONTRACT, SAN LUIS FEDERAL SERVICE AREA, CENTRAL VALLEY PROJECT, HEARINGS JULY 8–9, 1964

INTRODUCTION

1. My name is Paul S. Taylor and I reside in Berkeley, Calif. This statement in opposition to Westlands contract (or contracts) represents my personal views. Between 1943 and 1952 I served as consultant in the Interior Department during the administrations of President Franklin Roosevelt and Harry Truman, under Secretaries Harold Ickes, J. A. Krug, and Oscar Chapman. I shall appreciate it if this prepared statement, together with an attached documented analysis, can be printed in the record of the hearing, to permit summarization of my testimony orally, conserving the time of the committee, and providing more opportunity to discuss points the committee may find of special interest to it.

LEGISLATIVE OVERSIGHT

2. Westlands Water District construction contract is before Congress under a 90-day review procedure sometimes called legislative oversight. The purpose of legislative oversight is not to decide fundamental law and policy, for Congress already decided those in passing the San Luis Authorization Act of 1960 (Public Law 86–488). That act applies reclamation law to the Federal service area of which Westlands Water District is a part. Reclamation law includes excess land ("acreage limitation" or "160-acre") provisions. These require individual owners of lands in excess of 160 acres to execute recordable contracts accepting the excess land provisions if they wish to make their excess land holdings eligible to receive water. They also require the Secretary of the Interior to take the steps necessary to prevent ineligible lands from receiving project water.

3. The purpose of 90-day "legislative oversight" is to give Congress opportunity to verify in advance that proposed administrative measures conform to law and will effectively achieve its purposes. The procedure can be double edged. Congress is faced with many pages and much technical language covering complex legal, geological and administrative matters requiring knowledge and experience of specialists to understand properly. It would not be surprising if sometime Congress should discover that unintentionally it had allowed bureaucratic "amendment" of law to gain color of legality through "legislative oversight," when Congress had merely overlooked "fine print" interpretations it failed either to see or to understand. Westlands contract presents that danger, in my opinion.

THREE WESTLANDS CONTRACTS AND THE EXCESS LAND LAW

The Westlands construction contract and other documents now before Congress recite the applicability of the 160-acre limitation to lands within Westlands Water District, but mere recitation of applicability does not suffice to guarantee that the law will be applied.

5. Three contracts (or types of contracts) are involved in the Federal service area. Two of these are contracts between Westlands Water District and the United States. The third is a set of contracts that, if and when executed, will be between individual owners of excess lands and the United States.

(a) First, is the contract placed formally before Congress on May 1, 1964, by the Secretary of the Interior. It covers a portion of the Federal service area, about 391,000 acres out of 496,000 acres. It provides for construction of a water distribution system and drains within the district, and for repayment. It recites the applicability of excess land law but, as noted, this does not necessarily assure its application.

(b) Second, is a contract for water service to Westlands Water District, executed on June 5, 1963. The Secretary of the Interior refers to it in his letter transmitting the construction contract to Congress. The water service contract, too, recites the provisions of the excess land laws in articles 23, 24, and 25. But this recitation does not necessarily assure compliance. On the contrary, the water service contract also contains evidence of a calculated circumvention of the excess land laws. The deliveries of water that will be made to eligible lands are so planned that "unavoidably" they will be received by ineligible lands as well; i.e., if the Bureau of Reclamation continues its neglect to ascertain and assure eligibility prior to release of funds for further construction by Congress to be followed by construction, and delivery of water. Recognizing that water deliveries for eligible lands will be received also by ineligible lands, the water service contract has prepared in anticipation an excuse not present in the statute. Article 23(b) of the water service contract calls these illegal deliveries "unavoidable," and excuses them. This might be called a form of advance "absolution" for planned delivery of water to ineligible lands. Unless repudiated by Congress now, the Westlands contracts bid fair to achieve in the Federal service area, the same practical effect as amending and weakening the reclamation law, without changing a line or a word of the statute; it would accomplish this outside of the approved legislative procedures of resolution, study hearings, and floor deliberation.

(c) Third, are recordable contracts by which excess landowners individually agree to comply with law in return for water. Execution of these contracts is prescribed by law as the only means by which owners of excess lands can qualify their holdings as eligible to receive water. Likewise, they are the only means by which the excess land law can be applied. Likewise, it is the duty of the Secretary of the Interior to qualify all lands in the Federal service area, knowing that when he begins water deliveries at Westlands all lands will receive the water, and that without the previous execution of recordable contracts he will have violated the law.

6. Now Congress, having released around $290 million for construction of the San Luis project already, is asked to release $157 million more, for further construction to benefit giant land holdings presently ineligible to receive those benefits. No recordable contracts qualifying any excess lands to receive water are before Congress, nor in the hands of the Bureau of Reclamation. The Bureau has chosen to give expenditure of public funds priority in time—and perhaps in importance—over establishing the condition required by law to justify the expenditure.

INCENTIVES TO CIRCUMVENT EXCESS LAND LAW IN THE FEDERAL SERVICE AREA

7. All lands in the Federal service area are privately owned. About 70 percent, or 360,000 acres, are in ownerships exceeding 160 acres. A single landholder, the Southern Pacific, owns about 120,000 acres, 65,000 within Westlands district, and 55,000 acres adjacent within the Federal service area but outside the district.

8. From the beginning of Federal reclamation in 1902, eastern skeptics opposed western reclamation on the ground that a few western giant landowners eventually would get most of the benefits for themselves. Western spokesmen for reclamation tried to defend by reciting the provisions of the excess land law as protection and proof that this would not occur, and they were successful in persuading Congress at that time. Congressman Frank Mondell, of Wyoming, in charge of the reclamation bill in the House, gravely offered assurance that the excess land provisions in the bill (which were personally inspired by President Theodore Roosevelt) would result in "breaking up any large land holdings which might exist in the vicinity of Government works and * * * insure occupancy by the owner of the land reclaimed." (35 Congressional Record 6678.)

9. Congressman George W. Ray, of New York, was not persuaded, however. Leading eastern opposition he charged that nationally financed reclamation would eventuate in huge speculative gains for the western few. He said:

"And so we find behind the scheme egging it on, encouraging it, the great railroad interests of the West, who own millions of acres of these arid lands, now useless, and the very moment that we, at the public expense, establish or construct these irrigation works and reservoirs, you will find multiplied by 10, and in some instances by 20, the value of now worthless land owned by those railroad companies, the title to which they obtained through grants from the Government for building great transcontinental railroad lines" (35 Congressional Record 6685).

10. Southern support was thrown behind western reclamation by Congressman Oscar W. Underwood, of Alabama, and the 1902 bill passed. Congressman Underwood, more trusting of the future than Congressman Ray, said the bill would prevent creation of "land barons" in the West, and would open opportunities for farm boys who want farms of their own "whether they now reside in East, South, or West" (June 12, 1902).

11. The incentive of excess landholders to obtain federally subsidized water without regard to the excess land law remains about as strong in 1964 as New York's Congressman Ray thought in 1902 that it would be. A prospect of cutting water costs and capturing speculative incremental land values arising from development of the country without legal limitation, is doubtless very attractive.

12. Another way of estimating incentive to circumvent the law is on the basis of public subsidy for water development. A rough figure of $1,000 an acre subsidy appears fair, not counting indirect subsidies resulting from participation of San Luis unit in Central Valley project. (Roughly, the Federal Government is investing one-half billion dollars to reclaim one-half million acres, or $1,000 an acre. No interest is charged to landholders for deferred repayments which extend over a period of 40 years; the value of this assistance to the landholder is roughly $1,000 an acre.) Owners of 360,000 acres might expect, on this basis, to receive the benefit from subsidies of $360 million; an owner of 120,000 acres might receive the benefit of a subsidy of $120 million. The excess land law sets a ceiling of $160,000, computed on this basis, on the subsidy any individual is entitled to receive.

CURRENT ESTIMATES OF PROBABLE COMPLIANCE WITH EXCESS LAND LAW

13. The Federal San Luis service area, and specifically the Westlands Water District, now becomes the scene of a current test whether the benefits of Federal reclamation will be monopolized by a few giant landholders, as prophesied by New York's Congressman Ray 62 years ago, or distributed widely among the many, as promised by Wyoming's Congressman Mondell, and as prescribed by the excess land provisions of reclamation law.

14. Only a few weeks ago it was reported by the press that the Bureau of Reclamation expected at that time to obtain recordable contracts from owners of 150,000 acres, out of the approximately 360,000 acres in excess holdings in the Federal service area. That figure represents an estimate of about 41 percent compliance. The basis for the estimate was not given by the press. The Oakland Tribune stated on March 12, 1964:

"The Bureau now expects to get similar (recordable) contracts from owners of 150,000 acres in the San Luis project area, a huge, dry, soon-to-be-irrigated region between Los Banos and Kettleman City on the west side of the San Joaquin Valley in Merced, Madera, Fresno, Kings and Stanislaus Counties."

15. On May 26, 1964, in a letter to Senator Henry M. Jackson, chairman of the Interior Committee, Commissioner of Reclamation Floyd E. Dominy apparently was prepared to raise the March 12 estimate of compliance from 41 percent to "general acceptance." The basis for this more optimistic prophesy was not given. Neither was there an indication that it had occurred to the Commissioner to capitalize on this currently more favorable mood among excess landowners by obtaining recordable contracts from them now, and thus giving positive assurance to Congress, as it weighs whether to release $157 million more for construction, beyond the $290 million released earlier in 1960, that the benefits of these funds will go to persons entitled to receive them.

THE EXCESS LAND LAW (43 U.S.C. 423e)

16. Reclamation law makes no exceptions to its requirements, nor to any particular mode of delivering water, nor does percentage compliance meet its standards. The duty of the Secretary of the Interior and Commissioner of Reclamation is spelled out in unequivocal language and without exceptions. The statute says:

"No such excess lands so held shall receive water from any project or division if the owners thereof shall refuse to execute valid recordable contracts for the sale of such excess lands under terms and conditions satisfactory to the Secretary of the Interior" (43 U.S.C. 423e).

A good administrator so charged with a duty by a statute he is sworn to uphold, it seems to me, would move promptly to get recordable contracts first. He most assuredly, in my opinion, would not conspire to prepare excuses for barefaced violations of both the letter and spirit of the reclamation law.

GROUND WATERS AND CIRCUMVENTION OF EXCESS LAND LAW

17. Commissioner Dominy, in his letter of May 26, 1964, to Senator Henry M. Jackson, includes percolation of San Luis project surface water into the ground water reservoir among the "three possible sources" of Westlands Water District irrigation water supply in the future. He writes:

"First will be pumped water derived from the continuing nondistrict natural recharge of the deep-lying aquifers. The rate of withdrawal of this source will undoubtedly be diminished as surface deliveries of project water are initiated and there is a corresponding decrease in the districtwide pumping rate. Second will be the import of project water made available through San Luis unit works and facilities. The third is related to the first two and will be ground water supply resulting from deep percolation losses from surface water applications, irrespective of such water's source prior to application." (Commissioner of Reclamation Floyd E. Dominy to Senator Henry M. Jackson, May 26, 1964.)

18. In his memorandum of April 23, 1964, to the Secretary of the Interior, Commissioner Dominy states that "The contract provides for * * * certain facilities for integrating ground water with surface water." Another passage in the same memorandum states that "Well water will be mixed with surface project water in the main laterals." The water service contract executed on June 5, 1963, referred to by the Secretary in his letter transmitting the construction contract to Congress, recites among the "Whereases" that justify and explain the contract, "that ground water underlying the district is seriously depleted and in need of replenishment, and that an additional water supply to meet these present and potential needs can be made available by and through the works constructed and to be constructed by the United States."

19. From these statements, as well as from other evidence, it is clear that the surface water to be provided by the San Luis project will be integrated throughout with water available to the area from any other source. Since water in the ground reservoir moves both downward and laterally, project water delivered at the surface inevitably becomes available to eligible and ineligible lands alike. Once the Bureau of Reclamation delivers water to eligible lands in Westlands Water District, it will not be long before a portion of it will be available to the ineligible lands also (unless ineligibility has been eliminated by prior execution of recordable contracts by the owners of excess lands). Wells

and pumps are already installed, ready to use the project water.

20. According to Commissioner of Reclamation Dominy, there are "approximately 400 existing wells in the area [that] will be integrated into the distribution system"—(Memorandum, Commissioner Dominy to the Secretary of the Interior, April 23, 1964, p. 2). In the entire Federal service area the number of wells may be much larger. Most wells are perforated in both upper and lower water storage zones.

21. A geological fact, of crucial importance to enforcement of the excess land law in the Federal service area and some other parts of the San Joaquin Valley, was stated by the Bureau of Reclamation last year in these words: "The ground reservoir underlies the entire San Luis service area"—(Bureau of Reclamation, Sacramento, Geology and Ground Water Resources, San Luis Service Area, Central Valley project, Feb. 1963, p. 17). The ground reservoir is separated into an upper and a lower zone, but the layer separating these is punctured like a colander by a thousand active irrigation wells, most of them perforated in both zones, and twice that number of abandoned wells, through which surface water percolates in quantity to both zones, and becomes available to all lands, eligible and ineligible alike—(U.S. Geological Survey Water Supply Paper No. 1618, Use of Ground-Reservoirs for Storage of Surface Water in the San Joaquin Valley, pp. 24, 41–45, 81–88, 117–119 (1964)).

22. This geological feature has appeared for a long time to some opponents of the excess land laws, to open a prospect that the excess land law would not be successfully applied where ground water conditions prevail. Ground waters, as shown above, become available to eligible and ineligible lands alike, providing, of course, that eligibility through the execution of recordable contracts is not insisted upon by the Bureau of Reclamation as a project precondition.

23. The arch opponent of the excess land law in the 1940's, Senator Sheridan Downey, wrote this simple fact clearly into his book printed in 1947, in words he also had used in testifying before the Senate Public Lands Subcommittee earlier in the same year. He said:

"We have conclusively established: (1) That the (Central Valley) project cannot be operated except by replenishing the ground waters of the project area. (2) That it is impossible to replenish such ground waters for nonexcess farmers without equally benefiting the excess landowner"—(Sheridan Downey, "They Would Rule the Valley," p. 161; hearings before Senate Public Lands Subcommittee, 80th Cong., 1st sess., on S. 912).

24. Senator Downey did not say, if recordable contracts were insisted upon before water was made available to the ground reservoir, or were made a precondition of project construction, that there would be no ineligible lands by the time water was delivered to concern those responsible for obtaining compliance with the law. The excess land law is administratively enforceable no matter what the ground water conditions. Probably this generally unadmitted and unspoken fact, together with another, that ground water conditions are not equally favorable to irrigation in all parts of Central Valley, is the chief reason that Senator Sheridan Downey and the excess landowning interests for whom he was a spokesman in the 1940's, worked so unremittingly for outright congressional exemption. They could not depend either upon consistent nonenforcement by Bureau administrators, or be certain that succeeding Congresses would necessarily feel obliged or willing to authorize and appropriate funds for projects expected to serve water to ineligible lands.

25. The earliest reference, so far as I know, to the curious idea that ground waters might be incompatible with the excess land law, or to the more comprehensible idea that it might possibly facilitate its circumvention, places its realization in the year 1937, at the beginning of construction of the Central Valley project. A decade later in 1947, a leading opponent of the excess land law then engaged in an unsuccessful contest for exemption in the 80th Congress, Mr. Roland Curran, attributed the idea to officials of the Bureau of Reclamation:

"In 1937, I was serving as secretary of the Kern County Water Development Commission, an agency of the county of Kern. We were requested by responsible officials of the Bureau of Reclamation to take the lead in organizing into water districts those areas in need of supplemental project water and which were not already within the boundaries of a public district, able to contract for project water. The question was raised about the application of acreage limitations, at that time, as a considerable percentage of the lands to be brought into a district organization were in holdings exceeding 160 acres. We were assured by officials of the Bureau of Reclamation that, as there were no public lands in the area and that at least half of the project water would be used, of necessity, for recharging the ground water table and as there was no legal or physical way in which any landowner could be prevented from pumping what waters underlay his surface lands, that we could count with certainty that before the project was completed, the acreage limitations would be removed.

"Until 1944, this was the general understanding. In February of 1944, the Commissioner of Reclamation advised that, if any correction was made in the law or remedial legislation asked for, it was up to the people of the project area to bring it about, or to use his exact words: 'I am handcuffed on this matter.' Subsequently, at the request of local agencies in California, Congressman Elliott introduced an amendment to repeal the acreage limitations on the project." (Hearings before Senate Public Lands Subcommittee, 80th Congress, 1st sess., on S. 912, p. 1310.)

26. In 1944 another reference was made, this time by Mr. Russell Giffen, probably the largest farm operator on the San Joaquin Valley's west side and now president of Westlands Water District. He told a Senate committee in April, shortly after the House had passed the Elliott exemption rider and action in the Senate was pending, that a Bureau of Reclamation engineer had said the 160-acre law "was not to be taken seriously." Referring to a financial contribution made by landowners to west side water studies, Mr. Giffen said:

"It seems to me that the Bureau was completely in bad faith in taking that $25,000 knowing that they were going to support as vigorously as they have the 160-acre limitation." (Hearings before Senate Military Affairs Subcommittee on Central Valley Water Project, San Francisco, Calif., Apr. 7, 1944, p. 93. Mimeo. by Bureau of Reclamation, Sacramento.)

27. The excess land law was receiving an airing by Congress, and little more than a month later, in May, the national magazine Business Week reported what might be described as a tactical blueprint for eliminating or circumventing the excess land law. Four principal tactics were enumerated, including pumping from replenished ground waters.

"If the big landowners in the valley lose out in this particular fight, they have several other proposals to accomplish their end. One of them is a House bill which would authorize the Army to aid irrigation and power development to its present navigation and flood control powers. The legislation also would call for construction of a series of irrigation and power projects throughout the country, especially in Central Valley. This would circumvent the 160-acre rule, since the Army is not bound by that restriction.

"Another proposal, said to have originated among the big landowners of Fresno County, is for the State of California to take over the Central Valley project, paying the entire bill. This, too, would sidestep the 160-acre limitation. Still other landowners are sinking wells around their holdings in order to be prepared to pump irrigation water from the raised water table" ("Valley Divided," Business Week, No. 767, May 13, 1944, p. 24).

The 78th Congress foreclosed the first two tactics by denying exemption from the excess land law and by extending it to projects built by the Army Engineers.

28. Two months later, in July 1944, Senate hearings again moved to California. There Mr. S. T. Harding, a consulting engineer for Tulare Lake Basin Water Storage District, adjacent to the San Luis Federal service area, explained to the Subcommittee on Irrigation and Reclamation his opinion of the usefulness of pumping ground waters in circumventing effective application of the excess land law:

"Use of ground water by pumping is not widely practiced on Bureau projects except on the Salt River project, where, as shown above, the excess land provisions have not been enforced. The presently authorized Central Valley project will supply more water for ground water pumping than for surface delivery. In California an overlying landowner has a vested right to the use of a proportional part of the ground water supply available to all of the overlying lands. Ground water is now extensively used by means of wells and pumping plants owned and independently operated by the individual landowners. Such operations are not under the control of the local irrigation organizations. No means either legal or physical have been suggested for preventing the continuation of such pumping.

"The Bureau of Reclamation and others in these hearings have admitted that the excess land provisions will not be effective in such ground water areas" (hearings before Senate Subcommittee on Irrigation and Reclamation, 78th Cong., 2d sess., on S. Res. 295, p. 358).

NONENFORCEMENT AS A WORKABLE SUBSTITUTE FOR CONGRESSIONAL EXEMPTION

29. Although opponents of the excess land law preferred outright congressional exemption from the excess land law in 1944, they were willing to consider alternatives. Responding to a challenge to offer a workable substitute for exemption (or repeal), Mr. S. T. Harding included a possibility (which he did not regard as fully satisfactory), among others, of nonenforcement of the law:

"Another procedure might be to proceed under existing laws, include excess land provisions in repayment contracts and assume that they would not be enforced. As previously indicated, enforcement has been lax or possibly entirely missing on some past projects. On some other projects excess landowners have been allowed to continue farming the excess areas as no purchasers at the excess land terms have been found. This would not be a safe solution here. Landowners could not rely on continued future nonenforcement" (hearings before Senate Subcommittee on Irrigation and Reclamation, 78th Cong., 2d ses., on S. Res. 295, p. 363).

30. A record of nonenforcement, long-continued, had been described only a few weeks earlier to the Senate Commerce Subcommittee by Mr. Northcutt Ely, speaking for the California Water Project Authority:

"There has been no application of the excess land provision in projects involving supplemental water supplies as distinguished from projects involving development of raw land, Federal land, that has been called to attention here, and I know of no successful answer that has been found to that problem.

If no action were taken at all as to Central Valley, I imagine that the course would be exactly as it has been on the Salt River project and in Imperial Valley; that the law would remain on the books, the prohibition of delivery of water to holdings in excess of 160 acres, and that somehow the lands now under cultivation would continue to be cultivated" (hearings before Senate Commerce Subcommittee, 78th Cong. 2d sess., on H.R. 3961, p. 632) (1944).

ENFORCIBILITY OF EXCESS LAND LAW BY ADMINISTRATIVE DISCRETION

31. Congress, as noted earlier, has imposed unequivocally upon the Secretary of the Interior a duty, viz, to assure that "no such excess lands so held shall receive water from any project or division if the owners thereof shall refuse to execute valid recordable contracts for the sale of such excess lands under terms and conditions satisfactory to the Secretary of the Interior" (43 U.S.C. 423e).

This duty is unqualified, and there is no exception for water received by ineligible lands via underground seepage or percolation.

ADMINISTRATIVE DISCRETION

32. The Secretary of the Interior may exercise discretion in the means he chooses to employ to enforce the law and carry out his duty, but the tolerable limits of executive discretion certainly are exceeded if, as a result of the procedures he elects to employ, the law is circumvented.

33. The simplest, most administratively feasible means of fulfilling the Secretary's duty under the law is to require first, the execution by excess landholders of recordable contracts prescribed by law as the action necessary to qualify their excess lands to "receive water."

EXERCISE OF ADMINISTRATIVE DISCRETION ON FEDERAL SERVICE AREA

34. The Secretary of the Interior and Commissioner of Reclamation, however, have chosen another course, viz., to ask Congress to release $157 million for construction of a water distribution system first. They have made this choice before either they or Congress can possibly know what lands ever will be qualified by their owners to receive water legally from the works to be constructed. They have made it in face of the known fact that about 360,000 acres in the Federal service area are ineligible to "receive water" at the present time. They have made it in face of the known fact that among the owners of these excess lands are some who have been leading and most consistent opponents of the excess land law during the past two decades. They cannot have failed to know that every day of delay in asking for execution of recordable contracts, and every move toward release of funds—which, by presenting the Westlands contract they now are asking this subcommittee and the Congress to approve—and every cubic yard of earth moved in construction, strengthens the resistence of excess landholders to execution of recordable contracts and brings closer the day of delivery of water to ineligible lands, in violation of a law they are sworn to uphold. It places no strain on credulity to believe that the foreknowledge of violations to come, under the discretionary course presently pursued, is the motive for inclusion of the "unavoidable" excuse clause in the Westlands water service contract executed on June 5, 1963, and placed before the Senate on May 1, 1964, by reference.

35. It is apparent, from a reading of his letter of May 26, 1964, that Commissioner of Reclamation Floyd E. Dominy, in face of the legal prohibition of water deliveries to ineligible lands which he himself cites in the same letter, contemplates with equanimity spending money to construct a water distribution system before he knows whether the lands the system will be physically able to serve, and cannot avoid serving if water is run into the canals, are eligible or ineligible to receive water. He states:

"Inasmuch as heretofore executed Central Valley project contracts in general establish no specific time prior to which large landowners must have placed their excess lands under recordable contract, no such restrictions have been included in San Luis unit contracts. Under this policy, recordable contracts may be executed by the excess landowners at any time prior to delivery of water. However, in the normal course the majority of such contracts are executed shortly before irrigation facilities have reached a stage of completion where water deliveries can be made. It must also be recalled that, even though construction is completed and water deliveries are physically possible, the owner of excess lands is precluded by statute from receiving project water for his excess lands unless and until he has executed a valid recordable contract agreeing to their orderly disposition"—Commissioner of Reclamation Floyd E. Dominy to Senator HENRY M. JACKSON, May 26, 1964.

LESSONS FROM ADMINISTRATIVE EXPERIENCE AND PRECEDENT

36. Commissioner Dominy cites Central Valley project precedent for his decision to defer asking for recordable contracts, perhaps until "shortly before irrigation facilities have reached a stage of completion where water deliveries can be made."

37. The Commissioner might have cited even wider precedent for delay in asking for recordable contracts than the experience of the Bureau of Reclamation in Central Valley, Calif. But do these precedents commend themselves to an official devoted to achieving the intent of the law for the administration of which he is responsible? A few examples of the results of the discretionary election to ask for funds and construct first and delay asking for recordable contracts until later will suffice:

(a) In April of this year the Bureau of Reclamation concluded some contracts with Sacramento River diverters 20 years after completion of construction of Shasta Dam; apparently others remain to be signed. The Sacramento Union of June 26, 1964, barely 2 weeks ago, tells the story:

"The Yolo County farmers plan to use the Federal water only on a 160-acre plot—but they believe the same water can be reused on other land because it does not pick up contamination from the earth in other fields. They also expect to use ground water and other water supplies for their additional acreage and do not believe they will have to break up their holdings.

"Thus a battle, which has been waged since 1944 when the Shasta Dam was built, ended.

"The Bureau of Reclamation is offering to waive all charges for project water drawn previously by farmers if they sign a 1964 contract.

"The Bureau has now told 30 potential signers that to get the waiver they must sign the 1964 contract.

"Robert Pafford, director for Region 2 of the Bureau of Reclamation, said that he does not believe many of the landholdings will be broken up except some through economic factors.

"Similar contracts are also being prepared for users of San Luis project water. However, salt conditions in the land preclude extensive reuse of the water."

So far as I know, no recordable contracts have yet been signed along the Sacramento. And by what authority, one asks, does the Bureau of Reclamation give away the river and waive financial obligations owing to the United States?

(b) District contracts were signed on the Kings and Kern Rivers this year, 10 years after completion of construction of Pine Flat and Isabella Dams. I have not seen these district contracts, but if they resemble those executed on the Sacramento River and apparently planned for San Luis, as described by the Sacramento Union, Congress ought to scrutinize what goes on along the Kings and Kern Rivers, where not only recordable contracts but even district contracts were postponed while construction advanced. Are excess landholders, whose lands are ineligible to receive water, receiving it on the Kings and Kern?

(c) It is true that district contracts, followed by recordable contracts, were obtained by the Bureau of Reclamation along Friant-Kern and Madera Canals after construction was far advanced. This difficult feat was accomplished mainly through the skill and extraordinary devotion and determination of Richard L. Boke, Sacramento Regional Director of Reclamation at that time, who was supported stanchly in his efforts by Commissioner of Reclamation Michael W. Straus and three successive Secretaries of the Interior, namely, Harold L. Ickes, J. A. Krug, and Oscar Chapman.

(d) In Imperial Valley, Calif., a construction was completed in the thirties. Water has been delivered and received ever since without regard to the excess land law. Solicitor of Interior Fowler Harper said in 1945 that nonenforcement of the law in Imperial Valley was without sound legal foundation (Opinion M-33902, May 31, 1945) and the Department of Justice told the U.S. Supreme Court in 1957 that the excess land law properly applies to Imperial Valley. That was 7 years ago, and apparently nothing has changed.

(e) In the Salt River Valley of Arizona construction was completed nearly 50 years ago. Apparently the only form of compliance with the excess land law there has been a shadowy limitation on voting power of members of the Water Users Association, to 160 acres. A California Congressman spread upon the pages of the CONGRESSIONAL RECORD in 1949 the extensive concentration of landholding in Arizona and cited the lack of enforcement of law there, as argument to defeat the Central Arizona project proposed to Congress in that year. I have no personal knowledge of the steps taken, if any, to obtain compliance in Arizona since that time. (Bureau of Reclamation, "Landownership Survey on Federal Reclamation Projects," 1946; Pendleton, "History of Labor in Arizona Irrigated Agriculture, Unpublished Thesis," 1950, in University of California library, Berkeley; 95 CONGRESSIONAL RECORD 10126 ff; Klaus G. Loewald, "Hearings Before Senate Irrigation and Reclamation Subcommittee," 85th Cong., 2d sess., on S. 1425, S. 2541, S. 3448, pp. 230–238.)

38. These important precedents offer little support for Commissioner Dominy's decision to delay until sometime later any move to obtain recordable contracts on the San Luis Federal Service Area.

MEANING OF FREE CHOICE BY LANDOWNERS

39. Some defenders of Westlands contract and the delaying tactics of the Commissioner, emphasize the "right" of excess landholders to exercise free choice, whether to ask for water in compliance, or to refuse to ask. This is a distortion of reality and law. They have no right to receive water without asking for it according to law, nor has the Secretary of the Interior any right to permit them to receive water without signing recordable contracts. A specter is held up of some lone, obdurate, excess landholder blocking construction of the San Luis project by refusing to sign a recordable contract, to the injury of those owners whose lands are eligible. The specter is used to dissuade the Secretary from pressing now for compliance with law. One can only wonder which excess landowner, among those with excess holdings in the Federal service area, would take responsibility for blocking the project by refusing to sign.

40. "There is something wrong with this picture"—seeking to restrain enforcement against excess landowners in the interest of those in compliance. The "picture" emphasizes the rights of excess landholders to refuse to comply with law, but forgets the landless for whom the reclamation law was passed in the first place. Congressman B. F. SISK, who, in a letter of June 2, 1964, to Thomas L. Pitts, of the California Labor Federation, foresaw dangers from some lone excess landholder as "holdout," described the relations between people and project in truer terms in 1959 when he was asking the House Interior Committee to authorize San Luis project. He said:

"Some 10,500 people live in the rural areas and another 12,000 in three small cities in or adjacent to the service area. The people of these towns have struggled hard and effectively to improve their communities, but even they admit there is much to be desired in the way of business and community facilities.

"What do they face in the future if this project is not provided? Most of the cultivated land which is the basis of their economy will revert to desert. They will have to leave and seek livings and homes elsewhere, for without water, they will have no jobs and no businesses. This will be a desert in the middle of the finest and most productive agricultural area on the face of the earth, starved out of existence by lack of water." (Hearings before House Subcommittee on Irrigation and Reclamation, 86th Cong., 1st sess., on H.R. 301 et al., p. 13.)

Senator THOMAS H. KUCHEL told the Senate on May 5, 1959, that San Luis was a "rescue" project to "save some good cropland from returning to sagebrush and sand" (CONGRESSIONAL RECORD, vol. 105, pt. 6, p. 7485). No one is forcing anything on the owners of excess lands at Westlands or in the remainder of the Federal service area.

THE CONGRESSIONAL PRECEDENT FOR OBTAINING COMPLIANCE WITH EXCESS LAND LAW

41. The proper view of the relation of ground waters to compliance with law, is to see the extraordinary responsibility it lays upon the Secretary of the Interior and Commissioner of Reclamation to obtain compliance before it is too late. Congress itself has not hesitated to exact compliance by recordable contract from each and every excess landholder prior to initiation of construction work on the project. This was prescribed for the Arch Hurley project in New Mexico by act of April 9, 1938 (43 U.S.C. 600a). This furnishes a precedent that could have been followed to advantage more often by Congress in the past, and it supplies a good model for the exercise of administrative discretion now.

42. The reason for special vigilance in obtaining compliance early at San Luis, it needs be repeated, is that water deliveries that replenish ground reservoirs reach eligible and ineligible lands alike. Denials that this condition obtains at Westlands frequently are encountered even now. In light of the latest and best geological studies available these need not be taken seriously. The Secretary of the Interior and Commissioner bear a pressing responsibility because of this geological condition that so far they have shown no indication they are prepared to assume. In the same month of April of this year, when the Bureau of Reclamation was pressing for execution of district contracts—contracts described by the Sacramento Union on June 26—the Secretary of the Interior testified before the House Education and Labor Committee on the economic opportunity bill, or "war on poverty" bill. In listing those contributions that the Interior Department could make to this domestic "war," he spoke of departmental assistance to Indians, and of employment opportunities for youth on public lands. If the Secretary of the Interior made any mention of his Bureau of Reclamation, I could not find it. (See hearings on H.R. 10440, pt. 1, p. 11, sec. 3, and pp. 341–361.)

43. One more defect of Westlands contract, sufficient of itself to merit prompt disapproval by the Senate, is its failure to include 105,000 acres in the Federal service area outside Westlands district, 55,000 acres of which belong to Southern Pacific. Ground waters delivered to Westlands will become available to these 105,000 acres, for which the Secretary of the Interior has made no arrangement for either repayment or compliance. To fractionate contracting with the Federal service area in this manner is both poor administration and contrary to the procedural requirements specified in section 8 of the San Luis Act of 1960. Even the execution of recordable contracts by each excess landholder in Westlands district tomorrow, therefore, would be insufficient to correct the serious maladministration, indeed, the calculated circumvention of reclamation law now before this committee.

44. The preceding testimony does not constitute a catalog of all the deficiencies of Westlands contract. More are known, and probably still others have not been detected in the limited time available for examination of the contracts, both the document formally transmitted to Congress, and the document submitted by reference. One wonders, for example, when reading article 5 of the water service contract executed on June 5, 1963, prohibiting Westlands from disposing of water outside the district "without the written consent" of the Secretary of the Interior, whether, as in connection with a similar provision in the Glenn-Colusa contract on the Sacramento River, there may be another document on some desk somewhere saying, "Such consent has been promised to the District by means of a separate letter to be given to the District at the time of execution of the proposed contract"—(Memorandum from Commissioner of Reclamation to Secretary of the Interior, Dec. 19, 1963, Subject: Glenn-Colusa Irrigation District, approved by James K. Carr, Acting Secretary of the Interior, December 27, 1963, p. 4). I recommend to this committee, or to any persons who may make further inquiries into Westlands contract, that they examine the proviso in article 9(c), and also article 27(a) and (b)ii, to determine whether these clauses circumvent reclamation law in one respect or another, or otherwise work to its disadvantage.

45. In light of the permeation of current discussion of Westlands contract with an atmosphere of stout resistance to compliance with reclamation law, and of the marked reluctance of the Department of the Interior to proceed expeditiously toward obtaining compliance, it may be well to remind this subcommittee that there is a popular view of the excess land law. A statement made in 1951 by then Attorney General Edmund G. Brown. of California, is as valid in reflecting public opinion in California today, as it was when he made it to a House committee:

"The people most intimately concerned with its operation do not seem to find it entirely obnoxious if we may judge from the votes in the various contracting districts. * * * Thus the vote has been better than 7 to 1 in favor of the contracts authorized under the irrigation district Federal cooperation law. Numerically, therefore, my position represents that of the vast majority of the people who have had an opportunity to express themselves." (Report of a special House subcommittee on irrigation and reclamation * * * on the Central Valley project, California, as a result of hearings held October 29, 30, and 31, 1951, Sacramento, Calif., pp. 110, 111.)

46. The only proper action to take in regard to Westlands contract is to disapprove it, return it to the Secretary of the Interior at once, halt any move toward appropriations for construction, investigate administration of reclamation law wherever it may lead, search for legal remedies to correct past and current mistakes. For Westlands is only one piece of a shabby story filled with disregard for law in general and for the interest of reclamation law in particular.

We are at the threshold of a new era in western development. Use of atomic power to desalinate water and move it vast distances may produce profound results. Now is the time to initiate serious and sustained study to discover appropriate and effective ways to assure that the benefits of this future development, in large measure subsidized by Government, shall not be monopolized by a few, but shall be distributed widely.

INDUSTRIAL UNION DEPARTMENT,
Washington, D.C., July 17, 1964.

DEAR SENATOR: Enclosed I am sending you a copy of our Industrial Union Department, AFL–CIO, testimony on the Westlands contract issue. I send this to you to emphasize our opposition to the approval of the contract.

Let me point out the array of organizations who appear in opposition to approval of the contract: National Grange, California State Grange, National Farmers Union, AFL–CIO, Industrial Union Department of AFL–CIO, National Catholic Rural Life Conference, American Veterans Committee, National Advisory Committee on Farm Labor, National Sharecroppers Fund, and several individuals from California appearing in their own behalf.

In favor of the contract was the Department of Interior and the chief counsel of the Westlands irrigation district.

Listening to the testimony before the Subcommittee on Irrigation and Reclamation the wrongfulness of the Department of Interior plan to proceed with this project without first obtaining the agreement of the large landowners to divest themselves of their excess acreage became so clear that our opposition became stronger and clearer.

The Department of Interior defended its position by arguing that for 40 years (since 1924) there has been no serious effort to secure excess landholders' signatures before building irrigation projects. This past failure to energetically enforce the obvious spirit of the law is now offered as justification to continue this unwise and unsound practice in the Westlands irrigation district program.

In answer I can only observe that if the allegation about past practices of the Department of Interior is true, then I must say—for shame. And 40 years of sloppy enforcement doesn't make it right today.

Of extraordinary significance was the testimony in the hearings that the Westlands irrigation district situation was substanially different than the normal reclamation projects heretofore. The projects affected were overwhelmingly owned by small landholders. Only 3.5 percent of all the farm acreage affected by irrigation projects were owned by excess landholders. In the Westlands irrigation district 70 percent of all the land is held by excess landholders.

This stark fact takes the present contract consideration out of the routine and gives it a special and particular cast.

In our judgment, the proceeding with this contract as the Department of Interior recommends presents a threat to the integrity of our reclamation program and should be scrutinized with a most critical eye.

We urge you to disapprove the Westlands contract so that an appropriate agreement may be entered into which will fully protect the purpose of the law which is to encourage family ownership of America's farms.

We appreciate your consideration of our point of view.

Sincerely,

Jacob Clayman,
Administrative Director.

Statement by Jacob Clayman, Administrative Director, Industrial Union Department, AFL–CIO, Before the Subcommittee on Irrigation and Reclamation of the Senate Committee on Interior and Insular Affairs, Dealing With the Proposal of the Secretary of Interior for a Water Service Contract With the Westlands Irrigation District, San Luis Project, California, July 8, 1964

Mr. Chairman, my name is Jacob Clayman. I am administrative director of the Industrial Union Department of the American Federation of Labor and Congress of Industrial Organizations. I appear on behalf of the Industrial Union Department, an organization of 59 affiliated international unions with a total membership of some 6 million workers.

I am here to express our firm opposition to the proposed contract between the Department of Interior and the Westlands irrigation district in the Federal service area of the San Luis project in the Central Valley of California.

We are in complete accord with our parent organization, the AFL–CIO, in the statement presented on its behalf here today by George Taylor.

It is not our intention to lengthen the record here by attempting a detailed history of the reclamation law. All of you are familiar with that history, with the intent of Congress, with the pressures brought to bear on the Congress and the executive branches before and since the enactment of the Reclamation Act of 1902. Much of that history has been or will be touched upon in revealing detail by other witnesses, particularly by that esteemed citizen and guardian of the 160-acre limitation, Prof. Paul Taylor.

The history of the Reclamation Act has been one of struggle between those who would use the powers and finances of the Federal Government for development in the public interest, with careful protection against the unnecessary enrichment of large landholders, and those who would by one means or another use that same power and money for the enrichment of a few.

Organized labor has always supported resource development, including reclamation and irrigation projects, but we have as consistently insisted that our support was premised on development in the public interest. In the case of reclamation, this means, above all else, the avoidance of giveaways to great landed interests and, instead, development to strengthen the family farm and inhibit increasing concentration in the ownership of land.

In his fifth annual message to Congress, December 5, 1905, President Theodore Roosevelt stated our position today quite clearly:

"The creation of small irrigated farms under the Reclamation Act is a powerful offset to the tendency of certain other laws to foster or permit monopoly of the land.

"The Reclamation Act derives much of its value from the fact that it tends to secure the greatest possible number of homes on the land and to create communities of freeholders. * * * The law requires that no right to the use of water for land in private ownership shall be sold for a tract exceeding 160 acres to any one landowner. This provision has excited active and powerful hostility, but the success of the law itself depends on the wise and firm enforcement of it. We cannot afford to substitute tenants for freeholders on the public domain."

The reclamation law as described by Theodore Roosevelt in 1905 has not been changed by Congress. The acreage limitation provision has been held to be constitutional by the Supreme Court. The acreage restriction provision has continued to excite active and powerful hostility, but the Congress has not yielded to that hostility by changing the law. But may we stress another sentence in that 1905 statement, that "the success of the law itself depends on the wise and firm enforcement of it."

In our view, the proposed water contract is neither wise nor firm enforcement of the reclamation law. It would confer upon a few large landholders immense subsidies and, in our opinion, would never be improved by subsequent contracts.

We are aware that Interior has too frequently pursued the construction and even operation of irrigation projects before securing contracts requiring the disposition of excess lands. We are also aware that even where such contracts have been secured, early or late, it is common practice to put no final date for consummation in those contracts so that violation of the acreage restriction continues year after year on the basis of one pretext or another. But we are opposed to these practices as violations of the spirit and letter of the Reclamation Act, and we are here to express our unyielding opposition to adding one more bad contract on all the others.

We are experts in neither irrigation nor geology, but we place our faith and trust in those long-time champions of the public interest and the documentation they give their case, that extending water service to the Westlands District would result in furnishing water to excess landholders.

We urge this subcommittee, in the exercise of its legitimate oversight function, to disapprove the Westlands contract, return this proposed contract to the Secretary of Interior at once, and halt any further appropriations for construction until the Secretary has secured contracts from all owners of land in excess of 160 acres in the Federal service area agreeing that they will dispose of such excess lands as a condition for receiving water and stipulating a deadline for the disposal of such lands.

Moreover, we would like to urge you to conduct a general investigation of the Federal land laws, particularly in relation to reclamation. The reports we receive would indicate that this proposed contract is only the latest in a long series of acts which deserve to be revealed publicly and corrected by law or administrative action.

In view of the position we are taking here today, we would like to call to your attention a portion of a speech made at the Theodore Roosevelt Conservation Conference, October 1, 1958, by Ken Holum, then chairman of the Western States Water and Power Consumers Conference and presently Assistant Secretary of Interior.

In reviewing the attacks on resources development and conservation, Mr. Holum said:

"Theodore Roosevelt championed the small farmer and the place of the family farm in our society. Do we still regard him highly today? Is the 160-acre limitation on reclamation projects that Roosevelt championed safe and secure? * * * Have we learned to admire bigness above economic freedom?"

We express this same concern today, and urge this subcommittee to exercise its powers and influence to take firm action on this immediate problem and then focus the glare of public attention on any other evidences of carelessness, malfeasance, or lack of wisdom in administering this great program.

Mr. MORSE. Mr. President, on the basis of this testimony, I urge that the Westlands contract be disapproved and returned to the Secretary of the Interior or that it be recalled by the Secretary for further study in light of the arguments presented. Time is running short, Mr. President, and such action as I am recommending should be taken before this week ends.

Also, I ask unanimous consent to have included in the Record an editorial from the May 10, 1964, California Grange News, by Mr. J. B. Quinn, as well as a statement from the National Council on Agricultural Life and Labor.

There being no objection, the editorial and statement were ordered to be printed in the Record, as follows:

[From the California Grange News, May 10, 1964]

Time for Reflection

(By J. B. Quinn)

Maybe, also, we should take a look right at home—in this California of ours, the owners of immense acreages of irrigable land in 300,000, 200,000, 100,000 and similar sized holdings will get water from State tax supported projects that will cost the taxpayers of California around $15.40 per acre-foot, at a giveaway price of $5.40 per acre-foot.

It makes one's blood reach the boiling point to support these immense corporate landholdings with such gifts. True enough, the taxpayers of California were warned of this in 1960, but through misstatement of facts and huge sums of money for publicity purposes, the people of California were sold a bill of goods of doubtful value.

These immense landholdings should pay their proper share of the cost of this State water. This is not confined to our State water plan alone as the agreement now pending before the U.S. Congress, gives the owners of the Westlands group in Fresno County a giveaway program of Federal water—the employee of the Westlands group earned well his stipend in negotiating such a giveaway deal with the U.S. Department of Interior.

It seems that big money has some governmental heads of both California and the United States in the palm of their hands. Would that we had enough men in the official family of California as well as the United States who would be true to their oath of office and preserve the interests of all the people.

Within the next 75 days, unless either House of the U.S. Congress objects, this present giveaway to the immense landholders in the Federal service area of the San Luis Dam will get another choice gift from the people of the United States. It's time for an awakening by the electorate of this State and Nation—throw out of office those who betray their trust.

Statement From the National Council on Agricultural Life and Labor

War has been declared on poverty. Effectively to wage that war entails an attack upon the elements that give rise to poverty. One great source of rural poverty stems from the concentration of land ownership in the hands of the few who employ low-income families and individuals in the conduct of their agricultural operations.

An agency of the United States which has a mandate from Congress to foster and maintain family-sized farms is the Bureau of Reclamation, Department of the Interior. In the vast irrigation projects constructed by it with Federal funds in the Western States, the "excess land laws" limit the delivery of water to that amount required to irrigate no more than 160 acres in a single ownership (320 acres for husband and wife). The explicit intent of this provision of reclamation law is to prevent land and water monopoly and to assure that public funds fulfill public policy—that is, the promotion of family farms.

Far from enforcing either the spirit or express language of the excess land laws, the

Bureau of Reclamation has favored and continues to favor large landowners, whether it is in the Imperial Valley of California or the Salt River project in Arizona. Symptomatic of the Bureau's policies is the recent giveaway of millions of dollars to large landowners in the Glenn-Colusa area who have for 20 years diverted and used reclamation project waters in the Sacramento River without paying for the waters. Nevertheless, and seemingly with no legal basis, only weeks ago the Bureau canceled all of this vast indebtedness owing to the United States and entered into a contract exceedingly favorable to the excess-land owners.

In keeping with the Bureau's willingness to circumvent the excess land laws to the advantage of the great corporate farmers is its water service contract with the Westlands Water District in the San Luis project area in California. That document was submitted to the Congress on May 1, 1964, in accordance with the law. Within 90 days from that date it will become operative unless Congress objects to it. Contained in the Westlands contract are provisions the result of which constitutes a clear circumvention of the excess land laws.

Seventy percent of the lands within the district are owned in tracts subject to the excess land law. The United States agrees to deliver water to the district for the purpose of (a) surface irrigation; (b) recharging the depleted groundwater basin, a portion of which underlies the district. Immense benefits under the contract ensue both to lands eligible to receive water under the reclamation laws and those which are ineligible under the excess land laws. To accomplish that end the contract provides that: "The district will not be deemed to have furnished such water to said (excess) lands within the meaning of this contract if such water reached the underground strata * * * as an unavoidable result of furnishing project water by the district to nonexcess lands."

Nature of this calculated violation of the excess land laws is demonstrated by these facts: (a) The project waters which go into the underground basin are pumped for use on both the eligible lands and those which violate the laws in question; (b) it is a physical impossibility to prevent the project water from benefiting the excess-land holdings; (c) the holders of those lands, knowing they will receive the benefits of the project, pay assessments to the district for the amortization of the debt owing to the United States, the same as the owners of eligible lands; (d) the Bureau of Reclamation officials are well aware of these facts but in effect join in the subterfuge; (e) the above quoted "unvoidable" clause is thus merely a device utilized to circumvent the basic laws against serving lands in tracts exceeding 160 (320) acres, thus fostering and perpetuating the land and water monopolies in violation of the specific direction of the Congress.

Success in the war against rural poverty turns upon the ability to reverse the ever-increasing trend toward large corporate farms which exploit human and natural resources. As a consequence, the policies and practices of the Bureau of Reclamation reviewed above, in clear violation of the excess land laws, contribute to that trend and are squarely at variance with the policy expressed by the Johnson administration.

A concerted drive against congressional approval of the Westland water service contract has already been initiated. Opposition to that contract has been voiced by interested organizations and agencies. Nonetheless the contract has already been approved in great haste by the House Interior Committee. It is essential therefore that as many groups and individuals as possible write to Senator Henry M. Jackson, chairman of the Senate Interior and Insular Affairs Committee, and to other members of the committee. They should be advised of the disregard of the law by the Bureau of Reclamation and requested that the committee hold public hearings as soon as possible so that interested parties may present vigorous opposition to this clear violation of the excess land laws.

PASSAGE OF VETERANS LEGISLATION

Mr. MORSE. Mr. President, I wish to comment briefly upon three bills which emerged from the Senate Committee on Labor and Public Welfare and which passed the Senate yesterday, August 4.

First, I wish to extend to the distinguished senior Senator from Texas [Mr. Yarborough] my deep appreciation for his courtesy and thoughtfulness in bringing to my attention certain aspects of two of the bills and for the tremendous help he was to me in connection with the third. I am particularly grateful to him and to the Senate for having approved S. 1046 which, when enacted, will correct a glaring inequity in our present law.

S. 1046 provides that our Congressional Medal of Honor winners may be provided hospital domiciliary services and medical care by the Veterans' Administration when this is needed irrespective of whether the disability is service connected.

We owe to these heroes of the past the obligation, in my judgment, to see to it that they have the best medical treatment the country can afford in their later years. The situation which resulted in the introduction of the bill arose in my own State, when I learned to my surprise that under existing law one such valiant man in reduced circumstances could not receive medical care he badly needed.

On his behalf and on behalf of all Congressional Medal of Honor winners who are affected by this legislation, I wish to thank the very able chairman of the Veterans Affairs Subcommittee who took this legislation through the Senate.

I further congratulate him on the diligence with which he saw to it that H.R. 10611 and H.R. 10610 were reviewed by the subcommittee to assure that they met the provisions of the Morse formula. In the case of H.R. 10610, as explained by the majority leader, the bill contains the provision that the transfer of the property to the municipality for park and recreational purposes shall be at one-half of the appraised value. This together with the reversionary clause safeguarding the interest of the United States in this property if it is to be used in the future for other than the recreational or park purposes for which the city sought to have the land transferred, meets the criteria of the formula.

With respect to H.R. 10611, I have noted carefully that the return to the Government in the free use of the facility for a 10-year period would result in the Government obtaining the equivalent of a dollars-and-cents payment of more than one-half the fair market value of the property.

I commend the Senator on these bills and the other veterans bills he took through the Senate yesterday.

HARTKE STUDENT LOAN PROPOSAL DRAWS SUPPORT

Mr. HARTKE. Mr. President, it is my sincere hope that, following action to be taken in the near future by the full Senate Labor and Public Welfare Committee on recommendations of the Education Subcommittee, there will be before the Senate a favorable report on my bill, S. 2490, which 22 Senators have joined in sponsoring, to assist college students with their educational funds.

A major feature of the bill is the insurance of commercial loans made directly to students, at reasonable interest rates, through a Federal fund comparable to FDIC and FHA insurance. I have just received from the president of Madison Business College in Madison, Wis., a letter directed largely at this feature of the bill. Mr. Otto J. Madland speaks of the proposed "system of federally insured low-cost bank loans" as a boon to students of business schools, as I believe it would be for many other segments of higher education, as well.

I ask unanimous consent that a portion of Mr. Madland's letter be printed in the Record.

There being no objection, the excerpt from the letter was ordered to be printed in the Record, as follows:

Madison Business College,
Madison, Wis., August 3, 1964.

Senator Vance Hartke,
U.S. Senator from Indiana,
U.S. Senate,
Washington, D.C.

Dear Senator Hartke: * * * The independent business schools of America each year have trained more than 500,000 young men and women for business positions and have helped these young people serve the businesses of America in many capacities. These young people are anxious to get their education and are willing to work to attain their goals. Certainly the present bill, which I understand would help these young people get low-cost bank loans, would be of great benefit to these youths of America.

The Government has done much for education of our people during the past few years, particularly; and with the combined efforts of both the independent and public schools, I am sure we will be able to reach the educational goals for which we are striving.

We at Madison Business College, Senator Hartke, shall appreciate your doing everything possible to get this bill passed.

Sincerely,

Otto J. Madland,
President.

MICHIGAN CITY, IND., NEWS-DISPATCH ANALYZES REPUBLICAN CONVENTION

Mr. HARTKE. Mr. President, hundreds of thousands of words, perhaps millions, have been written about the events which occurred recently in San Francisco's Cow Palace and their meaning to the Nation. Out of this flood of reporting, examination, and interpretation, a series of three editorials, written by Al Spires for the Michigan City, Ind., News-Dispatch, comes as one of the more worthy and thoughtful analyses to appear in print. This series, both thoughtful and well written, is readable and thought provoking. I make no personal comment on the content, because the substance deals with the party in opposition to my own. But I believe that these editorials are deserving of attention by members of both parties.

Therefore, Mr. President, I ask unanimous consent that the three editorials, published under the headline "Convention in Retrospect," be printed in the CONGRESSIONAL RECORD. They were originally published in the issues of July 22, 23, and 24.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Michigan City (Ind.) News-Dispatch, July 22, 1964]

CONVENTION IN RETROSPECT—I

With the tumult subsiding and emotions cooling, the Republican convention now may be assessed more reasonably and rationally.

In retrospect, the two most important results of the San Francisco spectacular appear to be:

1. Conservatives took almost total control of the GOP's national machinery.

2. The liberal-conservative issue finally will be put to a clear-cut test at the polls this fall.

These central facts invite study and speculation. They also are laden with questions, some of them highly intriguing.

For example: How did the Goldwater forces gain such complete command of convention and party?

One thing is certain. It was not—as one ultraconservative newspaper reported with a perfectly straight face—a victory of the people or the GOP rank and file. GOLDWATER's lackluster primary showings made it quite clear he was no popular idol.

More accurately, it was a victory painstakingly fashioned over a period of 3 years by hardcore top party bosses, State by patient State. While other candidates sought pretty public images, the Goldwater people pursued pure political power. In the end, foes won the polls—but GOLDWATER got the delegates.

In short, GOLDWATER drew his basic strength from within the party—not from the public. And since professional politicians virtually never give without getting, the question arises: What was the price of this power?

One answer already has been provided. The Goldwater people have promised to shift control of Federal patronage from the White House to the national GOP committee. In other words, plums will be dispensed by the party, not the President.

It also is barely possible that part of this price was Congressman WILLIAM MILLER's nomination for Vice President. Publicly, MILLER is relatively unknown. He lacks outstanding qualifications to be President. But within the party he is highly regarded for notable service to the GOP. The pros like and trust him.

None of this is intended to demean GOLDWATER or disparage Republican efforts to shift power from a presidential personality to an organized, disciplined, orderly party structure.

In fact, many Republicans argue—sincerely and with some justification—that President Eisenhower's disinclination to play party politics during his 8 years in the White House seriously weakened the GOP organization.

Furthermore, this kind of high-level power politics neither affronts nor sells out the party's rank-and-file—or American voters. It cannot for the simplest of all reasons. Voters are the final judge of its rightness or wrongness.

One has to assume that the party chiefs who controlled the convention sincerely were convinced that Americans want a strongly conservative candidate. The pros, after all, have the most to lose. In politics the price of a bad guess is steep—the loss of position, power, or career.

In this connection, one rather farfetched theory has been suggested by certain cynics; namely, that Goldwater conservatives did not win control of the Republican Party but rather had it thrust upon them with malice aforethought.

Underlying this theory is the assumption that liberal eastern Republicans, deeming President Johnson unbeatable, deliberately yielded to GOLDWATER so as to crush the conservative wing with a shattering defeat at the polls.

This theory—farfetched but intriguing—will be explored tomorrow.

[From the Michigan City (Ind.) News-Dispatch, July 23, 1964]

CONVENTION IN RETROSPECT—II

One way-out speculation swirling in the Republican convention's wake is capsuled in this question: Did the Eastern liberal establishment deliberately set up Goldwater conservatives for crushing defeat by an "unbeatable" President Johnson?

When emotions cooled and battle smoke drifted away, some evidence supporting this cynical theory could be perceived.

There was, first of all, the incredible ineptness of virtually all liberal leaders. To the end, Ike withheld an endorsement. Scranton climaxed preconvention futility with a crude anti-Goldwater letter which was a cinch to backfire. Lodge came home late from Vietnam—and then accomplished little. Romney played a loner's game. Nixon, ever the opportunist, contentedly became peacemaker and unifier.

Secondly, the liberals focused glaring attention on the sorest, most hurtful Goldwater vulnerabilities—extremism (whatever the now-famed word means), civil rights and control of nuclear weapons.

Rabid Goldwater fans could see in all this a treacherous plot. Their hero had been handed tne nomination and simultaneously was set up for the kill by sinister liberal conspirators.

Cold reason applied to the realities of politics makes that theory nonsensical.

It's long been obvious that eastern GOP liberals have a community of interests and philosophies which has kept them loosely alined and largely in control of Republican machinery for two decades.

But it's a bit farfetched to suggest that easterners have a tightly knit, disciplined, all-powerful "establishment" with a coterie of kingmakers, a brilliant board of strategy and the power to execute its secret plans.

If such an establishment exists, its agents were remarkably uncoordinated and unbelievably clumsy at San Francisco—unless, of course, they were deliberately blowing the bit.

That's even more farfetched—if said establishment exists. It presumes a gamble no political realist in his right mind would take; i.e., yielding temporary control of the Republican Party on the assumption that conservatives will be crushed in November and thereafter rendered impotent.

True, today's polls give President Johnson an enormous edge over all Republican foes, especially GOLDWATER. But many things could swiftly change that—a calamity in Vietnam; a new Cuban debacle; a deep shudder in the booming economy; another scandal like the Bobby Baker case.

Too, no political realist dares ignore the President's cardiac history and the concurrent fact that Democrats are no more than a heartbeat away from an intraparty power conflict fully as vicious and hurtful as Republicans had at San Francisco.

In short, there are many imponderables that could let GOLDWATER win. If he does, conservatives will consolidate their party control so firmly that liberals can't hope to get back into power for years.

For that matter, even in defeat the conservatives conceivably could maintain the party control they won at San Francisco.

With so much to lose and so little to gain, eastern liberals would be politically insane to take such a gamble.

There could be a simple yet accurate explanation for what happened at San Francisco. The Republican Party's top-level power shift may merely reflect a major change in sentiment of the rank-and-file majority.

Plainly a conservative tide is running in the United States. Only its strength and depth are uncertain. Politicians do not create these tides. It is their nature to scent such a trend and then ride it, as an overwhelming number of GOP chiefs did at San Francisco.

Can GOLDWATER ride this tide to victory? That depends on many things—some of which will be explored here tomorrow.

[From the Michigan City (Ind.) News-Dispatch, July 24, 1964]

CONVENTION IN RETROSPECT—III

"Extremism in the defense of liberty is no vice. Moderation in the pursuit of justice is no virtue."

These words in the heart of Senator BARRY GOLDWATER's acceptance speech stirred a storm. Conservative fans cheered. Liberal foes were outraged, and some said so.

Subsequently the Senator calmed some disturbed GOP leaders (such as Eisenhower and Nixon) with more precise definitions of his terms. A few—notably Rockefeller—remain unsatisfied, so the debate continues.

Oddly enough, no disputant yet has raised a deeper and perhaps more disturbing question about the use of these controversial sentences.

Put bluntly, the question is: Was this deliberate?

Examined unemotionally, both phrases lead into a semantic swamp because each has two key words which permit the widest range of definition—extremism and liberty * * * and moderation and justice.

Of the first, GOLDWATER can say—as he did—that laying down one's life for country is extremism in the defense of liberty.

But simultaneously a John Bircher can take refuge in his own definitions—and feel licensed to continue extreme tactics in the defense of liberty against enemies more fanciful than real.

In effect, then, these phrases are a sort of magic mirror in which each viewer sees what he wants to see rather than a true and precise reflection.

It is difficult to believe this magic-mirror effect was accidental. GOLDWATER is an articulate man and a highly competent author. One of his top aides, F. Clinton White, is a brilliant, seasoned political public relations expert. Both men are skilled in the use of precise—or imprecise—words.

Thus one almost has to assume that the imprecision of GOLDWATER's phrasing was calculated. If so, it was brilliantly done—creating an attention-getting controversy on the one hand while providing a battle cry and refuge for all supporters on the other.

If Americans are to choose a President wisely, fairly and perceptively November 3, GOLDWATER, above all, must speak with clarity and precision during the coming campaign. Conflicting past statements have made his position on many vital issues fuzzy and uncertain. In addition, some segments of the liberal press, as GOLDWATER says, has twisted and distorted his views. He needs to be clearly understood.

There is yet another factor which cries for clarity and precision of expression during the campaign. Although he may personally abhor it, GOLDWATER has a mystic, almost Messianic, quality that kindles hotly passionate support.

We hope in the weeks to come GOLDWATER will discover that he can trust the main body of the American press to relay his views to voters accurately and exactly * * * and that of this trust will be born a determination to speak with clarity and precision.

Surely Republicans have noted the ever-sharpening perception and sophistication of American voters. They must know that in modern elections the extremists and party-alined blocs tend to cancel each other out, giving to thoughtful, clearheaded independents the power to elect or defeat.

To win, candidates must appeal to the intelligence, not the emotions, of these decisive voters. With this in mind, we offer to GOLDWATER this bit of paraphrased advice:

Forthright clarity in the defense of conservatism is no vice * * * and imprecision in the pursuit of the Presidency is no virtue.

HOME STUDY COURSES CAN AID POVERTY PROGRAM

Mr. HARTKE. Mr. President, there is now hanging on the walls of the reception room in my office a collection of 13 oil paintings produced by Indiana citizens. This exhibit, entitled "Painting for Pleasure," is the work of wives, mothers, and grandmothers from all walks of life. It has grown out of the work these women have done as students of the Famous Artists School, of Westport, Conn., which is one of the accredited correspondence schools affiliated with the National Home Study Council, which is the accrediting agency for all types of correspondence schools. I am happy to have this really remarkable exhibit, whose paintings are of a high quality, on display. I cordially invite any Members of Congress or others interested to visit my office and view this collection.

However, my purpose today is to call attention to the relatively little known, but highly important, field of home study as an adjunct to our more formal educational processes. Throughout our land, many educationally deprived, but ambitious, persons have started on the road to careers and leadership through home-study courses. Some of these have attained the very highest positions, and many thousands more are serving the Nation, from their own communities, in ways which first began to open to them through study of correspondence courses at home.

The National Home Study Council has suggested to me, and in correspondence with Mr. Shriver, that the educational improvement provisions of the Economic Opportunity Act might very well make room for assistance to those who wish to take advantage of home-study courses to improve their vocational and economic position. In many cases, even the small cost of a correspondence course is beyond the means of people toward whom the Economic Opportunity Act is directed. This was true in the case of a family who wrote to me earlier this year. I quote a little of that letter:

> First, I would like to tell you that I am 28 years old and my husband is 35 years old. We both dropped out of school when we were very young.
>
> We can see our mistake now. We hope it isn't too late. We have found it to be very difficult to obtain a decent job.

Then this young mother raised the very question about which I am speaking. She continued:

> We are in the less than $3,000 income and have five children, so you can see it would be very difficult for us to obtain a home-study course for the both of us for $18 a half unit apiece, and we can't go to night classes. I don't mean to sound as though we are asking for an education free of charge, because we are willing to pay as much as we can possibly afford for the both of us to finish high school.

Then she came to the point:

> Finally then my question. Is this in our President's plans on education? Is there a possibility of a home-study course that all could afford?

I forwarded this letter to Sargent Shriver, from whom I received a reply, dated April 10, which included the following:

> The President's program to combat poverty has, among other things, the aim to reach and help deserving people such as the Boldens. The bill, as it presently stands, permits and encourages communities to develop community action programs which will include provisions for adult education. It is conceivable that this could include a home-study course, as Mrs. Bolden desires.

Mr. President, I sincerely hope the antipoverty program will take advantage of the well-proven, rich resources available through home-study programs, which range from high school completion courses through those which develop all manner of commercially usable skills, from radio repair and other trades or services to the kind of "Painting for Pleasure" pictures now to be seen in my office.

With the skilled assistance of such experts in this field as the National Home Study Council, whose executive director is a distinguished educator and former president of Ohio Wesleyan University, Dr. David Lockmiller, provision of home-study courses can be a great asset to the antipoverty program.

I conclude by requesting unanimous consent that there be printed in the RECORD some material prepared by Hal V. Kelly, National Home Study Council Director of Information, who assisted in arranging for the Famous Artists School Indiana painters' exhibit, and who was present for its opening. He explains with specific examples from NHSC experience the benefits to be derived from linking home-study opportunities to the antipoverty fight. I hope and trust that in the operation of the Economic Opportunity Act, the use of home-study materials will find a place.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

WAR ON POVERTY

President Johnson has captured the imagination of America by his program entitled "War on Poverty," the economic opportunity bill now before Congress. No American questions the necessity for the national welfare in attempting to bring each adult, willing to work, a minimum yearly earning in excess of $3,000.

Not so well known is the fact that accredited home study schools constantly and effectively have been waging their own "war on poverty" for almost 75 years. Unheralded is the assistance National Home Study Council schools have been giving to millions of persons to better themselves. Little known are the hundreds of thousands of persons who sought and seek to raise their own standard of living and make themselves contributors to society.

For more than 74 years, quality home study schools have brought additional opportunity through job-related instruction to more than 35 million persons. Records at all NHSC schools substantiate successful battles to provide the education and training tools for a better way of life. Home study began its "grassroots" educational role back in the days of the lyceum and Chautauqua movement when poverty consumed even more lives than it does today. International Correspondence Schools, Scranton, Pa., back in 1890 began serving the educationally needy and today some 65 accredited private schools minister to the training wants of more than a million students in America and in countries around the globe.

Examples of training assistance to potentially poverty-ridden people are numerous. There is the case of the Italian immigrant with less than six grades of formal schooling who studied with an accredited correspondence institution and later became chief metallurgist for one of our large and well-known manufacturing companies. Another is the unemployed lumberjack from the Northwest who, through part-time study of a home study course, prepared himself in basic mathematics, enabling him to pass a civil service examination and obtain a job and security. Then, there is the case of the unemployed worker in St. Louis who sacrificed a portion of his unemployment compensation checks each month to pay for a home study course which gave him the know-how to gain steady employment as an auto mechanic; and another example is the Negro who prominently displays his diploma for a practical electrician course in his radio and repair shop—his own personal "war on poverty" which he won, and now he is the president of the Progressive Fuel & Oil Co. and president of Dan-Ray Enterprises, Inc.

Still another example is the 16-year-old boy who, while working in an industrial plant, began his own advancement with the study of an architectural course, and today he designs some of the largest school buildings in the East.

Dan Kimball, chairman of the board of Aerojet-General and Secretary of the Navy in President Truman's Cabinet, was a high school dropout. He later studied electrical engineering. Bob Jones, the 6 millionth person to enroll at one of the NHSC schools would certainly not have liked to have been placed in the poverty class, but his earnings at the time of enrollment in 1953 were only slightly above President Johnson's $3,000 minimum. Today, after completing several accredited home-study engineering courses, he is a design engineer earning a five-figure salary. The file of NHSC schools bulge with many, many more similar success stories.

Regardless of race, color, religion, these people and quality correspondence schools constantly have conducted their own "war on poverty." High school dropouts—many because of poverty—have turned to correspondence training and have developed skills and know-how that makes them employable.

These persons are among the finest examples of self-help and what is possible in the American free enterprise system. They had and continue to have the ambition, the initiative, and the determination to conduct their own "war on poverty." Through sacrifice and perseverance, they won the battle and became contributors to our great United States through their own tax contributions.

Today, National Home Study Council joins hand-in-hand with the person of vision and ambition in fighting his personal "war on poverty."

Mr. MANSFIELD. Mr. President, is there further morning business?

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

AMENDMENT OF FOREIGN ASSISTANCE ACT OF 1961

The ACTING PRESIDENT pro tempore. The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H.R. 11380) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

FOREIGN POLICY AND SECURITY

Mr. LONG of Missouri. Mr. President, we are embarked on one of the most important foreign policy debates of the current session. The outcome of this debate will have a direct effect upon the security of the American people, as well as the hopes and aspirations of millions of people in less-developed countries. Our votes on this issue will, in my opinion, determine the effectiveness of the United States in meeting the threat of Communist aggression and subversion in many parts of the world. What we decide will strengthen or weaken American leadership of the free world.

The great issue in this debate is: Should we continue a substantial program of American assistance to the growth and development of less-developed countries?

We face this issue at a time when people—both at home and abroad—are discouraged because the progress of economic and social development is slow and difficult. We can no longer hope for the rapid successes that we achieved in Europe through the Marshall plan. The fact is that the development of less-developed countries will take many more trying and turbulent years.

Since our last debate on foreign aid, there have been setbacks and frustrations. There was the crisis in Panama. There has been conflict over the establishment of Malaysia. There have been intemperate words about U.S. aid by President Sukarno of Indonesia. And at this time we see a rising Communist threat in southeast Asia. There are people in Missouri who feel that these events have frustrated our foreign aid objectives. I could not make this speech without expressing their disappointment.

Mr. President, of the several objectives in this bill, one of the most important is to provide extensive technical assistance. Both Title II—Technical Cooperation and Development Grants—and title VI—Alliance for Progress: Grants—provide funds for technical assistance. Technical assistance funds this year will amount to $300 million or around 9 percent of the total authorization.

We have known since the beginning of foreign aid that technical assistance is fundamental. It has embodied the principle that Americans have skills and technical knowledge which can stimulate development.

It has provided a myriad of face to face personal contacts between American specialists and village leaders in less-developed countries. About 50 percent of American AID personnel abroad are involved in technical assistance. We have combined the abilities of our countrymen with the foreigner's desire to learn. Together they turn the tide against the inadequacies of tradition and economic stagnation.

Technical assistance has helped to create a mood for economic and social growth. It has sent trained men out among the people to spread new ideas and ways for doing essential tasks. It has begun the spirit of cooperation which is vital for future relations between have and have-not countries.

The successes of technical assistance have been numerous. They are often the one-man or one-team projects whose greatest contribution has been to teach the use of farm machines or to improve productivity in an impoverished area.

Universities in the United States and in less-developed countries have combined their facilities and personnel to plan ways of communicating new agricultural methods and new village health programs. With food production up and health standards up, local communities can rise above subsistence levels. Some men will be able to move to the cities. Others will stay, will be healthier and better fed, and will continue to raise their own productivity levels. By increasing the flow of manpower and food to urban centers, we are fulfilling one of the basic tasks of economic development.

Mr. President, since 1957, Missouri has been participating in a technical assistance project designed to increase the agricultural productivity of northeast India. In 1961, Quinton Kinder, poultry specialist from the University of Missouri, created a modern demonstration poultry unit. With 450 Missouri White Leghorns and some Rhode Island Reds, he produced a flock of 175 layers in 1962. Last year, these hens produced more than 15,000 hatching eggs.

Meanwhile, the University of Missouri was training Professor Bora, from India, to return to Assam Agricultural College, India, to carry on Professor Kinder's work. Not long ago, Professor Bora wrote:

> The unique services of Professor Kinder to our poultry unit, and the US-AID cooperation and dedication of the fine buildings to us, will be written in the letters of gold in our heart of hearts.

Floyd E. Rogers, another professor from the University of Missouri, helped the farmers of Ankhola village triple their crops by improved irrigation. The villagers expressed their gratitude by writing:

> We like to assure you that we shall make the best use of your so generous and sincere help and would always feel proud to speak about you and your countrymen. Our * * * children will also remember in the future this kind of help from Americans.

Other Missouri universities have AID missions abroad. St. Louis University, through AID, is assisting the Catholic University of Ecuador to improve its training operations in education, foreign languages, basic sciences, nursing and social sciences.

Washington University, in St. Louis, is helping South Korea improve its business management education curriculum.

At the same time, many AID technical assistance projects in less-developed countries are calling on Missouri firms for everything from fertilizer to refrigeration equipment.

Mr. President, I am proud of the role Missouri is playing in our technical assistance program. We have seen over the years the quietly dramatic change the efforts of men and ideas can make. We have felt the warm responses of thankful people in less-developed countries.

Eventually our part in the total aid program will have brought India and several other countries far along the road toward self-sustained growth.

It is not enough to see how great the need is for our technical assistance. We must continue to come face to face with the daily problems of meeting that need if we are to say we are bearing our responsibility to the world.

Their growth and development is no less than a keystone to a world of peace and prosperity. At present the turbulence of independence, poverty, and backwardness has left many of these countries to be unstable members of the international community. The possibility of crises—such as in the Congo and Malaysia—continue. Until we have completed our role in the growth of less-developed areas, we can expect new crises. Some countries, of course, are directly threatened by Communist subversion or aggression. To these countries our national interest impels us to continue supporting and military assistance.

But foreign aid is not just an anti-Communist program. To countries where the threat is the constantly widening economic gap between them and us, we must do all we can to avert the dangers this gap is bringing.

We are a Nation whose great goal is to use our vast democratic, economic, political, and military power for the purposes of world peace. Any substantial cut in the foreign aid bill would be a step away from our goal. Every human contribution is a reaffirmation of our humble ability to respond to the most desperate needs of the world. In this response, we are preparing countries to stand on their own—strong and ready to continue the international construction of world peace.

To me, the foreign aid question is very simple. We are in a cold war with communism. The question is: Do we fight this war with dollars or do we fight it with our boys?

The principle of foreign aid is right. We have heard reports of some mismanagement in this cold war program. But we also know there have been examples of mismanagement in hot wars. I would like to point out that mismanagement in a cold war usually means loss of just dollars. In a hot war, it means loss of lives. Certainly, we must strive to tighten up our cold war aid program as much as possible.

While it may be necessary in certain instances, such as Vietnam, to commit limited military forces, I believe our foreign aid program remains an effective weapon in today's struggle between freedom and communism.

Mr. President, I wish to make it absolutely clear that as long as I am in the U.S. Senate I will vote to send our dollars to fight a cold war before I will vote to send our boys to fight a hot war.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

FLIGHT SERVICE STATIONS—INDEPENDENT OFFICES APPROPRIATIONS, 1965

Mr. PEARSON. Mr. President, it is my understanding the Senate will soon be considering the independent offices appropriation bill, the number of which bill is H.R. 11296.

Last January, the Federal Aviation Agency, which is one of the independent agencies within the purview of this particular appropriation bill, announced its intention to consolidate 42 of the 296 manned-flight service stations located in the contiguous 48 States.

Some of these consolidated stations were to be placed on a remote rather than a manned operating basis, the stations to be operated by remote control rather than by personnel at the stations.

This move by the Federal Aviation Agency was protested vigorously by most segments of aviation as a serious blow to flight safety and as being unjustified by the alleged economies to be effected thereby.

Flight service stations have been reduced in numbers continually since World War II. Immediately following the war, 464 stations were in operation. Now there are 296. The Federal Aviation Agency has proposed to reduce these stations by 42 as a first step in consolidating additional units of these facilities.

The flight service stations which are affected by this order are vital to the safety of all aviation, but to general aviation in particular. The private pilot and the business pilot use these facilities regularly, and they depend upon them for navigation and safety. The continuous reduction of these services is a serious blow to a constantly expanding segment of aviation; namely, general aviation.

The financial justification offered in connection with this move is indeed questionable. The Federal Aviation Agency contends that its action would result in savings of $1,470,000. In my State of Kansas, the proposal would affect four stations, at Russell, Dodge City, Goodland, and Manhattan. The annual saving is said to be $153,000. However, the personnel costs included in this figure are not, in fact, savings, because the personnel would be offered other positions without loss of grade or income. At the same time the Federal Aviation Agency will be required to spend at least $120,000 to remote the consolidated stations and maintain these remote facilities at an unannounced cost.

In effect, the Federal Aviation Agency has proposed a reduction of flight services and safety at a dollar saving which is, at least, questionable.

When this matter was considered by the House, the House inserted language in the appropriation bill specifically providing for "the continuation of the existing authorized flight stations." As we consider the bill, which contains funds for the Federal Aviation Agency, we find that that language has been deleted.

I appreciate the inflexible position in which the Federal Aviation Agency would find itself if the House language were to remain in the bill. The Agency should have some discretion in alining its facilities to meet the needs of the times. On the other hand, the proposals of last January were ill-conceived and not supported in fact. In this, the House obviously concurred.

I believe the record should show that the deletion of the House language by the Senate Appropriations Committee and the Senate's approval of this appropriation bill without the House language does not, in effect, endorse the action announced by the Federal Aviation Agency last January to close down several of the manned stations.

I hope that with the passage of the bill, the Federal Aviation Agency, which by and large does an excellent job, will reevaluate the proposal to close and consolidate flight service stations with great care and consideration of the general services they render to aviation.

I would not like to have that Agency, which is charged with providing services to protect the safety of all aviation, act counter to that responsibility simply to justify the administration's desire for an image of frugality.

I believe that the Federal Aviation Agency needs great flexibility in determining what stations should remain operative, and will consider the protests, as represented by the very able and persuasive case made by many who contribute so much to aviation in the State of Kansas.

Perhaps in future cases the facts which they brought out last year will be assigned the attention of the Federal Aviation Agency they deserve.

To repeat, I hope the language which has been deleted from the House version of the bill will not be interpreted as any ratification by Congress of the action of FAA in proposing to close the flight stations last year, but, rather, will be taken as representing recognition of the need for flexibility in the administration of their function.

INDEPENDENT OFFICES APPROPRIATIONS, 1965

Mr. MANSFIELD. Mr. President, what is the unfinished business?

The ACTING PRESIDENT pro tempore. The unfinished business is the foreign aid bill.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the unfinished business be laid aside temporarily and that the Senate proceed to the consideration of Calendar No. 1206, H.R. 11296, the independent offices appropriation bill.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 11296) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices for the fiscal year ending June 30, 1965, and for other purposes.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations, with amendments.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

FACILITATION OF PERFORMANCE OF MEDICAL RESEARCH AND DEVELOPMENT WITHIN THE VETERANS' ADMINISTRATION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the pending business be laid temporarily aside and that the Senate turn to the consideration of Calendar No. 1233, H.R. 8611.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 8611) to facilitate the performance of medical research and development within the Veterans' Administration, by providing for the indemnification of contractors.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Labor and Public Welfare, with amendments, on page 1, after line 8, to strike out:

"(b) With the approval of the Administrator, any contract for research authorized by this section or for medical research or development authorized by section 4101 of this title, may provide for the indemnification of contractors to the extent and subject to the limitations provided in section 2354, title 10, United States Code, except that approval and certification required thereby shall be by the Administrator."

And, in lieu thereof, to insert:

"(b)(1) With the approval of the Administrator, any contract for research authorized by this section or for medical research or development authorized by section 4101 of this title, the performance of which involves a risk of an unusually hazardous nature, may provide that the United States will indemnify the contractor against either or both of the following, but only to the extent that they arise out of the direct performance of the contract and to the extent not covered by the financial protection required under subsection (b)(5)—

"(A) liability (including reasonable expenses of litigation or settlement) to third persons, except liability under State or Federal Workmen's Compensation Acts to employees of the contractor employed at the site of and in connection with the contract for which indemnification is granted, for death, bodily injury, or loss of or damage to property, from a risk that the contract defines as unusually hazardous.

"(B) loss of or damage to property of the contractor from a risk that the contract defines as unusually hazardous.

"(2) A contract that provides for indemnification in accordance with subsection (b)(1) must also provide for—

"(A) notice to the United States of any claim or suit against the contractor for death, bodily injury, or loss of or damage to property; and

"(B) control of or assistance in the defense by the United States, at its election, of any such suit or claim for which indemnification is provided hereunder.

"(3) No payment may be made under subsection (b)(1) unless the Administrator, or his designee, certifies that the amount is just and reasonable.

"(4) Upon approval by the Administrator, payments under subsection (b)(1) may be made from—

"(A) funds obligated for the performance of the contract concerned;

"(B) funds available for research or development, or both, and not otherwise obligated; or

"(C) funds appropriated for those payments.

"(5) Each contractor which is a party to an indemnification agreement under subsection (b)(1) shall have and maintain financial protection of such type and in such amounts as the Administrator shall require to cover liability to third persons and loss of or damage to the contractor's property. The amount of financial protection required shall be the maximum amount of insurance available from private sources, except that the Administrator may establish a lesser amount, taking into consideration the cost and terms of private insurance. Such financial protection may include private insurance, private contractual indemnities, self-insurance, other proof of financial responsibility, or a combination of such measures.

"(6) In administering the provisions of this section, the Administrator may use the facilities and services of private insurance organizations, and he may contract to pay a reasonable compensation therefor. Any contract made under the provisions of this subsection may be made without regard to the provisions of section 3709 of the Revised Statutes (41 U.S.C. 5), upon a showing by the Administrator that advertising is not reasonably practicable, and advance payments may be made.

"(7) The authority to indemnify contractors under this section does not create any rights in third persons which would not otherwise exist by law.

"(8) As used in this section, the term 'contractor' includes subcontractors of any tier under a contract in which an indemnification provision pursuant to subsection (b)(1) is contained."

And, on page 5, after line 8, to insert a new section, as follows:

SEC. 2. The amendments made by section 6 of the Act of July 7, 1964 (Public Law 88-361, 78 Stat. 297), shall take effect as of January 1, 1964.

INDEMNIFICATION OF RESEARCH CONTRACTORS

Mr. YARBOROUGH. Mr. President, currently some difficulty is arising from a refusal or reluctance of contractors or suppliers to undertake or to become involved in a research or development contract, without securing some guarantee or indemnification in the event of liability resulting from these projects. As a result, some developmental work is stymied before the work is completed.

The VA requested that the original bill be introduced. However, after the bill had been passed by the House, objection was voiced by the various insurance companies, who feared that under the original bill a precedent might be set for governmental competition with private insurance. The VA did not view the bill as such. After conferences with representatives of the insurance industry, the VA submitted a suggested amendment, in the form of a complete redraft of the proposed legislation. The committee recommended passage of this bill, as amended.

The bill, as amended, authorizes the United States to indemnify a contractor against certain risks of an unusually hazardous nature. It also provides that a party to an indemnification agreement shall maintain financial protection at least equal to the amount of private insurance available. However, there is included discretionary authority whereby the Administrator may authorize a lesser amount, whenever costs or terms of private insurance would make its purchase prohibitive.

In addition to these provisions, the amendment sets forth the specifics, such as extent of coverage, limitations, and so forth, in title 38, United States Code, rather than referring to the Department of Defense provisions in title 10, for such information.

The drafting of this amendment has followed, to a great extent, a provision contained in an 87th Congress bill—section 308 of H.R. 8095—involving the National Aeronautics and Space Administration, which was favorably reported to the House by the Committee on Science and Astronautics. Similar provision is also made in the case of the Atomic Energy Commission (42 U.S.C. 2210(g)).

This bill, as amended, is supported by the VA, the Bureau of the Budget, the various insurance groups, and the U.S. Chamber of Commerce.

The second amendment would apply to H.R. 221, which we passed on June 23, 1964, and which has been signed into law by the President—Public Law 88-361. When that bill—H.R. 221—was considered by the House, that body adopted an amendment that purported to be in the identical language of S. 2636, introduced by the Senator from Alabama [Mr. HILL]. But the House inadvertently omitted the final clause of the bill. This amendment is favored by the VA; and the House has indicated that it will readily agree to it.

Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1297) explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

EXPLANATION OF THE BILL

In recent years the Veterans' Administration has encountered difficulty in obtaining necessary materials and supplies due to a reluctance on the part of contractors and suppliers to become involved in research for the development of new projects without securing some guarantee of indemnification which would protect them in the event of liability resulting from claims made as a result of damages from experiments performed pursuant to a contract with the Veterans' Administration.

Presently, no authority exists for inclusion of protection of this type to be placed in contracts negotiated by the Veterans' Administration. The cost of insurance, if such should be available, would be extremely high, if not prohibitive. Recently the problem has become acute, apparently stemming from several recent court decisions extending the legal doctrine of implied warranty of a manufactured product. The Department of Defense, as well as the National Institutes of Health have authority which provides protection for contractors dealing with those two agencies of the Federal Government. The subject bill would provide identical protection for the Veterans' Administration and would permit the inclusion in future contracts of an indemnification clause to protect contractors who were found liable for a product manufactured or developed by them and from which injury resulted.

This bill, as amended, would authorize the United States to indemnify a contractor engaged in a medical research or development project for the Veterans' Administration against certain risks of an unusually hazardous nature. It also provides, that a party to an indemnification agreement shall maintain financial protection at least equal to the amount of private insurance available. However, discretionary authority is included whereby the Administrator may authorize a lesser amount whenever costs or terms of private insurance would make its purchase prohibitive.

In addition to the provisions discussed above, the amendment would set forth the specifics, such as extent of coverage, limitations, etc., in title 38, United States Code, rather than referring to the Department of Defense provisions in title 10, United States Code, for such information.

The drafting of this amendment has followed, to a great extent, a provision contained in an 87th Congress bill (sec. 308 of H.R. 8095), involving the National Aeronautics and Space Administration, which was favorably reported to the House by the Committee on Science and Astronautics. Similar provision is also made in the case of Atomic Energy Commission (42 U.S.C. 2210(g)).

The second amendment would apply to H.R. 221, which the Senate passed on June 23, 1964, and which has been signed into law by the President (Public Law 88-361). When that bill (H.R. 221) was passed by the House, an amendment was adopted that purported to be in the identical language of S. 2636, by Senator HILL. But the House inadvertently omitted the final clause of the bill.

The Veterans' Administration believes that the cost to the Government would be minimal, and that the amendment would result in no additional cost to the Government.

This legislation was formally requested by the Veterans' Administration.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

INDEPENDENT OFFICES APPROPRIATIONS, 1965

The Senate resumed the consideration of the bill (H.R. 11296) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies and offices, for the fiscal year ending June 30, 1965, and for other purposes.

Mr. MAGNUSON. Mr. President, the independent offices appropriation bill for 1965 as reported to the Senate totals $13,585,956,500, which is $635,554,900 under the 1965 estimates, including two items requested for 1964, and is $343,355,950 over the appropriations for 1964.

However, that item, which I will explain later, and which will be brought out in the course of debate, involves the Space Agency, with respect to which the Senate had to take the budget estimates in order to negotiate that item with the House. The authorization for space had not been completed at the time the House took up the appropriation bill.

The increase over the House figure is $5,494,258,500. Again, this unusually large increase results from the need to restore $5,300 million in funds for the National Aeronautics and Space Administration, which were stricken out by a point of order on the House floor due to lack of authorization at that time. Since that time, the Senate and the House have passed the authorization bill, and it has been enacted into law.

Aside from NASA, on all the items in the bill, the increase over the House is $194,258,500, which includes $8,013,000 over the budget estimates for the following items:

For payments to air carriers under the Civil Aeronautics Board, $2 million to pay unfunded subsidy obligations to local service airlines, and $1,300,000 to conform to the Board order fixing helicopter subsidy rates.

For sites and expenses under General Services Administration, $3,700,000 for two additional projects anticipated to be shortly authorized.

For medical research under the Veterans' Administration, an addition of $1,013,000 to keep this important program adequately funded.

The larger restorations recommended by the committee are: $65 million for civil defense, $57,620,500 for General Services Administration, and $43,750,000 for Federal Aviation Agency.

Mr. President, since the bill is lengthy and complex and involves many important agencies of the Government, I ask unanimous consent that the committee amendments be agreed to en bloc, that the bill as thus amended be considered as original text, and that no points of order be considered waived.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The committee amendments agreed to en bloc are as follows:

On page 2, line 22, after the word "Office", to strike out "$4,285,000" and insert "$4,855,000"; in line 23 after the word "exceed", to strike out "$250,000" and insert $600,000", and on page 3, line 1, after the word "for" to insert "emergency preparedness and".

On page 4, line 1, after "per diem", to strike out "$880,000" and insert "$950,000".

On page 4, line 18, after the word "law", to strike out "$70,000,000" and insert "$85,000,000"; in line 19, after the word "exceed", to strike out "$15,000,000" and insert "$17,000,000"; and in line 21, after the word "amended", to strike out the comma and "and not to exceed $13,500,000 shall be available for management expenses for civil defense including not to exceed 1,000 positions".

On page 5, line 6, after the words "surveys", to strike out "and marking" and insert "marking and stocking", and in line 7, after the amendment just above stated, to strike out "$19,200,000" and insert "$69,200,000".

On page 5, after line 18, to strike out:

"No part of any appropriation contained in this Act, or of the funds available for expenditure by any corporation or agency included in this Act, shall be used for construction of fallout shelters."

On page 6, line 11, after "(50 U.S.C., App. 2281(h)),", to strike out "$8,500,000" and insert "$9,250,000".

On page 6, line 23, after the words "per diem", to strike out "$10,440,000" and insert "$10,775,000".

On page 7, line 7, after the word "exceed", to strike out "$3,000,000" and insert "$4,300,000", and at the beginning of line 9, to strike out "$79,000,000" and insert "$86,124,000".

On page 7, line 23, after the word "amended", to strike out "$21,805,000" and insert "$22,187,000".

On page 11, line 5, after the word "exceed", to strike out "$270,000" and insert "$277,000".

On page 11, line 21, after the word "facilities", to strike out "the continuation of the existing authorized domestic flight service stations,"; on page 12, line 3, after the word "of", to strike out "twelve" and insert "sixteen"; in line 4, after the word "including", to strike out "eight" and insert "twelve"; in line 5, after the word "snowshoes", to strike out "$537,600,000" and insert "$544,100,000"; in line 9, after the word "exceed", to strike out "$6,000,000" and insert "$6,344,000", and in line 10, after the word "of", to strike out "396" and insert "406".

On page 12, line 25, after the word "aircraft", to strike out "$50,000,000" and insert "$66,000,000", and on page 13, line 7, after the word "tunnel", to insert a colon and "*Provided further,* That the Administrator of the Federal Aviation Agency is authorized to reimburse the unincorporated town of Battle Mountain, Nevada, not to exceed $3,500 for the cost of road improvements abutting Government-owned property in Battle Mountain, Nevada."

On page 14, at the beginning of line 9, to strike out "$21,000,000" and insert "$42,000,000".

On page 14, line 16, after the word "ammunition", to strike out "$3,530,000" and insert "$3,600,000".

On page 15, line 3, after the word "land", to strike out "$1,620,000" and insert "$1,800,000".

At the top of page 16, to insert:

"Funds appropriated under this or any other Act for expenditure by the Federal Aviation Agency may be expended for reimbursement of other Federal agencies for expenses incurred, on behalf of the Federal Aviation Agency, in the settlement of claims for damages resulting from sonic boom in connection with research conducted as part of the civil supersonic aircraft development."

On page 16, line 19, after the word "only", to strike out "$16,310,000" and insert "$16,460,000".

On page 17, line 1, after the word "individuals", to strike out "$12,180,000" and insert "$12,699,000".

On page 17, line 9, after the words "per diem", to strike out "$12,725,000" and insert "$13,025,000".

On page 18, line 4, after the word "moving", to strike out "$213,800,000" and insert "$224,570,000", and in line 12, after "U.S.C. 3056", to strike out the colon and "*Provided further,* That no part of this appropriation may be used to finance the cost of any new or expanded space requirement of any department or agency, including moving, rental, alteration, equipment, or any other cost relating thereto, which has not previously been funded by transfer of funds to the General Services Administration to cover such costs for at least one full fiscal year".

On page 19, line 22, after the word "including", to insert "fallout shelters therein and", and in line 23, after the word "buildings", to strike out "$151,722,000" and insert "$161,247,500".

On page 20, line 7, after "Alabama", to strike out "$144,800" and insert "$152,850".

On page 20, line 10, after "Alabama", to strike out "$417,200" and insert "$440,350".

On page 20, line 12, to strike out "$169,900" and insert "$179,300".

On page 20, line 14, to strike out "$311,700" and insert "$329,000".

On page 20, line 16, after "Arkansas", to strike out "$178,100" and insert "$188,000",

On page 20, line 18, after "Arkansas", to strike out "$91,800" and insert "$96,900".

On page 20, line 20, after "Arkansas", to strike out "$179,800" and insert "$189,800".

On page 20, line 22, after "California", to strike out "$306,300" and insert "$323,300".

On page 20, line 24, after "California", to strike out "$146,000" and insert "$154,100".

On page 21, line 2, after "California", to strike out "$152,500" and insert "$160,950".

On page 21, line 4, after "California", to strike out "$255,600" and insert "$269,800".

On page 21, line 7, after the word "provided", to strike out "$2,572,200" and insert "$2,715,100".

On page 21, line 9, after "California", to strike out "$146,000" and insert "$154,100".

On page 21, line 11, to strike out "$126,700" and insert "$133,750".

On page 21, line 13, to strike out "$13,101,300" and insert "$13,932,150".

On page 21, line 15, after "Colorado", to strike out "$312,100" and insert "$329,450".

On page 21, line 17, after "Colorado", to strike out "$176,400" and insert "$186,200".

On page 21, line 19, after "Connecticut", to strike out "$240,700" and insert "$254,050".

On page 21, line 21, after "Florida", to strike out "$141,700" and insert "$149,550".

On page 21, line 21, after "Florida", to strike out "$152,800" and insert "$161,300".

On page 22, line 2, to strike out "$6,266,300" and insert "$6,731,400".

On page 22, line 4, after "Florida", to strike out "$204,400" and insert "$215,750".

On page 22, line 6, to strike out "$124,300" and insert "$131,200".

On page 22, line 8, to strike out "$127,000" and insert "$134,050".

On page 22, line 10, after "Georgia", to strike out "$208,400" and insert "$219,950".

On page 22, line 12, to strike out "$282,600" and insert "$298,300".

On page 22, line 14, after "Georgia", to strike out "$70,200" and insert "$74,100".

On page 22, line 16, to strike out "$110,600" and insert "$116,750".

On page 22, line 17, after "Illinois", to strike out "$773,700" and insert "$853,700".

On page 22, line 20, after "Illinois", to strike out "$342,900" and insert "$361,950".

On page 22, line 22, to strike out "$94,600" and insert "$99,850".

On page 22, line 24, after "Indiana", to strike out "$1,900,800" and insert "$2,087,400".

On page 23, line 2, after "Indiana", to strike out "$1,542,600" and insert "$1,700,300".

On page 23, line 4, after "Indiana", to strike out "$232,900" and insert "$245,850".

On page 23, line 6, to strike out "$119,700" and insert "$126,350.

On page 23, line 7, after "Iowa, to strike out "$7,931,700" and insert "$8,491,350".

On page 23, line 10, after "Kansas", to strike out "$281,000" and insert "$296,600".

On page 23, line 12, after "Kansas", to strike out "$259,200" and insert "$273,600".

On page 23, line 14, after "Kentucky", to strike out "$185,300" and insert "$195,600".

On page 23, line 16, after "Kentucky", to strike out "$3,438,000" and insert "$3,629,000".

On page 23, line 18, after "Kentucky", to strike out "$102,200" and insert "$107,900".

On page 23, line 20, after "Kentucky", to strike out "$148,400" and insert "$156,650".

On page 23, line 22, to strike out "$218,100" and insert "$230,200".

On page 23, line 23, after "Kentucky", to strike out "$160,800" and insert "$169,750".

On page 24, line 2, after "Kentucky", to strike out "$86,100" and insert "$90,900".

On page 24, line 4, after "Louisiana", to strike out "$3,393,000" and insert "$3,675,500".

On page 24, line 6, after "Louisiana", to strike out "$303,500" and insert "$320,350".

On page 24, line 8, after "Louisiana", to strike out "$101,600" and insert "$106,200".

On page 24, line 10, after "Louisiana", to strike out "$72,000" and insert "$76,000".

On page 24, line 12, after "Louisiana", to strike out "$80,300" and insert "$84,750".

On page 24, line 14, after "Louisiana", to strike out "$97,400" and insert "$102,800".

On page 24, line 16, to strike out "$903,600" and insert "$1,004,800".

On page 24, line 18, after "Louisiana", to strike out "$263,000" and insert "$278,150".

On page 24, line 20, to strike out "$278,200" and insert "$293,650".

On page 24, line 22, to strike out "$104,500" and insert "$110,300".

On page 24, line 24, to strike out "$220,600" and insert "$232,850".

On page 25, line 2, after "Maryland", to strike out "$205,000" and insert "$217,000".

On page 25, line 4, after "Maryland", to strike out "$114,800" and insert "$121,200".

On page 25, line 6, after "Maryland", to strike out "$185,900" and insert "$196,250".

On page 25, line 7, after "Maryland", to strike out "$3,213,000" and insert "$3,341,500".

On page 25, line 10, after "Massachusetts", to strike out "$883,800" and insert "$932,900".

On page 25, line 12, after "Massachusetts", to strike out "$3,748,500" and insert "$3,956,750".

On page 25, line 15, after "Massachusetts", to strike out "$242,800" and insert "$256,300".

On page 25, line 17, after "Massachusetts", to strike out "$274,600" and insert "$289,850".

On page 25, line 17, after "Massachusetts", to strike out "$2,704,500" and insert "$2,954,750".

On page 25, line 22, after "Michigan", to strike out "$2,925,000" and insert "$3,087,500".

On page 26, line 2, after "Michigan", to strike out "$89,000" and insert "$93,950".

On page 26, line 4, after "Michigan", to strike out "$94,100" and insert "$99,300".

On page 26, line 6, after "Minnesota", to strike out "$159,700" and insert "$168,550".

On page 26, line 8, after "Minnesota", to strike out "$8,993,300" and insert "$9,620,150".

On page 26, line 10, after "Mississippi", to strike out "$154,800" and insert "$163,400".

On page 26, line 12, after "Mississippi", to strike out "$83,500" and insert "$88,150".

On page 26, line 14, after "Mississippi", to strike out "$154,400" and insert "$163,000".

On page 26, line 16, after "Mississippi", to strike out "$80,700" and insert "$85,200".

On page 26, line 18, after "Missouri", to strike out "$142,200" and insert "$150,100".

On page 26, line 20, after "Missouri", to strike out "$125,900" and insert "$132,900".

On page 26, line 22, after "Missouri", to strike out "$248,000" and insert "$261,750".

On page 26, line 24, after "Nebraska", to strike out "$178,700" and insert "$188,600".

On page 27, line 2, after "Nebraska", to strike out "$147,800" and insert "$156,000".

On page 27, line 4, to strike out "$1,889,100" and insert "$2,061,050".

On page 27, line 6, after "New Hampshire", to strike out "$317,000" and insert "$334,600".

On page 27, line 8, after "New Jersey", to strike out "$133,200" and insert "$140,600".

On page 27, line 10, after "New Jersey", to strike out "$261,800" and insert "$276,350".

On page 27, line 12, to strike out "$12,121,200" and insert "$12,903,600".

On page 27, line 14, after "New Mexico", to strike out "$319,000" and insert "$336,900".

On page 27, line 16, to strike out "$11,034,900" and insert "$11,758,950".

On page 27, line 18, after "New York", to strike out "$106,100" and insert "$112,000".

On page 27, line 20, after "North Carolina", to strike out "$105,100" and insert "$110,950".

On page 27, line 22, after "North Carolina", to strike out "$111,600" and insert "$117,800".

On page 27, line 24, after "North Carolina", to strike out "$274,700" and insert "$289,950".

On page 28, line 2, to strike out "$164,300" and insert "$173,400".

On page 28, line 4, after "North Carolina", to strike out "$101,700" and insert "$107,350".

On page 28, line 6, after "North Carolina", to strike out "$226,900" and insert "$239,500".

On page 28, line 8, after "North Carolina", to strike out "$87,300" and insert "$92,250".

On page 28, line 10, after "North Carolina," to strike out "$401,000" and insert "$423,300".

On page 28, line 12, after "North Carolina", to strike out "$151,100" and insert "$159,500".

On page 28, line 14, to strike out "$337,300" and insert "$356,050".

On page 28, line 16, to strike out "$154,400" and insert "$163,000".

On page 28, line 18, to strike out "$107,300" and insert "$113,250".

On page 28, line 20, after "Oklahoma", to strike out "$222,400" and insert "$234,750".

On page 28, line 22, to strike out "$269,500" and insert "$284,450".

On page 28, line 24, to strike out "$174,800" and insert "$184,500".

On page 29, line 2, to strike out "$1,117,800" and insert "$1,238,900".

On page 29, line 4, after "Oregon", to strike out "$195,900" and insert "$206,800".

On page 29, line 6, after "Oregon", to strike out "$252,300" and insert "$266,300".

On page 29, line 8, after "Oregon", to strike out "$125,700" and insert "$132,700".

On page 29, line 10, after "Pennsylvania", to strike out "$267,800" and insert "$282,700".

On page 29, line 12, after "Pennsylvania", to strike out "$154,400" and insert "$163,000".

On page 29, line 14, after "Pennsylvania", to strike out "$151,700" and insert "$160,100".

On page 29, line 16, after "Pennsylvania", to strike out "$92,300" and insert "$97,400".

On page 29, line 18, after "Pennsylvania", to strike out "$96,700" and insert "$102,050".

On page 29, line 20, after "Pennsylvania", to strike out "$119,500" and insert "$126,150".

On page 29, line 22, after "Pennsylvania", to strike out "$151,700" and insert "$160,100".

On page 29, line 24, after "Pennsylvania", to strike out "$224,400" and insert "$236,850".

On page 30, line 2, after "Pennsylvania", to strike out "$151,700" and insert "$160,100".

On page 30, line 4, after "Pennsylvania", to strike out "$154,400" and insert "$163,000".

On page 30, line 6, after "Pennsylvania", to strike out "$182,300" and insert "$192,450".

On page 30, line 8, after "Pennsylvania", to strike out "$182,300" and insert "$192,450".

On page 30, line 10, after "Pennsylvania", to strike out "$182,300" and insert "$192,450".

On page 30, line 12, after "Pennsylvania", to strike out "$96,700" and insert "$107,050".

On page 30, line 14, after "Puerto Rico", to strike out "$181,300" and insert "$191,350".

On page 30, line 16, after "Rhode Island", to strike out "$235,300" and insert "$248,350".

On page 30, line 18, after "South Carolina", to strike out "$87,400" and insert "$92,250".

On page 30, line 20, after "South Carolina", to strike out "$246,500" and insert "$260,200".

On page 30, line 22, after "South Carolina", to strike out "$91,800" and insert "$96,900".

On page 30, line 24, after "Tennessee", to strike out "$131,800" and insert "$139,100".

On page 31, line 2, to strike out "$86,000" and insert "$90,800".

On page 31, line 4, to strike out "$235,600" and insert $248,700".

On page 31, line 6, to strike out "$168,700" and insert "$178,050".

On page 31, line 8, to strike out "$224,000" and insert "$236,450".

On page 31, line 10, to strike out "$104,100" and insert "$109,900".

On page 31, line 12, after "Texas", to strike out "$279,500" and insert "$295,000".

On page 31, line 14, to strike out "$161,300" and insert "$170,250".

On page 31, line 16, to strike out "$378,000" and insert "$399,000".

On page 31, line 18, after "Vermont", to strike out "$335,000" and insert "$353,600".

On page 31, line 22, after "Washington", to strike out "$120,200" and insert "$126,900".

On page 31, line 23, after "Washington", to strike out "$393,200" and insert "$415,050".

On page 32, line 2, after "Washington", to strike out "$136,700" and insert "$144,300".

On page 32, line 4, after "Washington", to strike out "$6,385,500" and insert $6,857,250".

On page 32, line 6, to strike out "$426,500" and insert "$450,200".

On page 32, line 8, after "Virginia", to strike out "$115,200" and insert "$121,600".

On page 32, line 10, after "Virginia", to strike out "$159,300" and insert "$168,150".

On page 32, line 12, after "Virginia", to strike out "$171,200" and insert "$180,700".

On page 32, line 14, after "Virginia", to strike out "$157,500" and insert "$166,250".

On page 32, line 16, after "West Virginia", to strike out "$232,200" and insert "$245,100".

On page 32, line 18, after "West Virginia", to strike out "$129,300" and insert "$136,500".

On page 32, line 20, after "Wisconsin", to strike out "$152,700" and insert "$161,200".

On page 32, line 22, to strike out "$113,400" and insert "$119,700".

On page 32, line 24, after "Wisconsin", to strike out "$120,800" and insert "$127,500".

On page 33, line 2, after "District of Columbia", to strike out "$26,027,100" and insert "27,554,050".

On page 33, line 14, after the figures "$460,000", to insert "and the maximum construction improvement cost for construction of the border station facility at Derby Line, Vermont, provided in the Independent Offices Appropriation Act, 1962, is hereby increased by $183,000".

On page 33, after line 18, to insert:

"Not to exceed $120,000 heretofore appropriated under the heading 'Construction, Public Buildings Projects', in the Independent Offices Appropriation Act, 1963, may be transferred to the appropriation for 'Construction, United States Mission Building, New York, New York', for the payment of contractor's claims."

On page 34, after line 2, to insert:

"SITES AND EXPENSES, PUBLIC BUILDINGS PROJECTS

"For an additional amount for expenses necessary in connection with the construction of public buildings projects not otherwise provided for, as specified under this head in the Independent Offices Appropriation Acts of 1959 and 1960, including preliminary planning of public buildings projects by contract or otherwise, $33,200,000, to remain available until expended."

On page 35, line 7, after the word "law", to strike out "$48,920,000" and insert "$52,420,000".

On page 35, line 22, after the word "records," to strike out "$14,955,000" and insert "$15,155,000".

On page 36, line 11, to strike out "$5,465,000" and insert "$5,765,000".

On page 37, at the beginning of line 4, to strike out "$2,875,000" and insert "$3,000,000".

On page 38, line 13, after the word "Administration", to strike out "$1,505,000" and insert "$1,530,000".

On page 39, line 13, after the word "exceed", to strike out "$19,565,000" and insert "$21,840,000".

On page 39, after line 17, insert:

"WORKING CAPITAL FUND

"To increase the capital of the working capital fund established by the Act of May 3, 1945 (40 U.S.C. 293), $100,000."

On page 43, line 8, after the word "vehicles", to insert "including one at not to exceed $4,000 and one"; in line 9, after the word "only", to strike out "$15,525,000" and insert "$15,925,000"; and in line 12, to strike out "$3,250,000'" and insert $3,500,000".

On page 44, after line 16, to insert:

"ADMINISTRATIVE EXPENSES, LOW INCOME HOUSING DEMONSTRATIONS

"For necessary expenses in connection with low income housing demonstration projects, as authorized by section 207 of the Housing Act of 1961, $50,000."

On page 45, line 23, after the word "Administration", to strike out "$15,484,000" and insert "$16,084,000".

On page 46, line 7, after the word "exceed", to strike out "thirty-six" and insert "thirty-eight", and in line 8, after the word "only", to strike out "$25,260,000" and insert "$25,710,000".

On page 46, after line 15, to insert:

"NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

"Research and development

"For necessary expenses, not otherwise provided for, including research, development, operations, services, minor construction, supplies, materials, equipment; maintenance, repair, and alteration of real and personal property; and purchase, hire, maintenance, and operation of other than administrative aircraft necessary for the conduct and support of aeronautical and space research and development activities of the National Aeronautics and Space Administration $4,413,594,000, to remain available until expended."

On page 47, after line 4, to insert:

"CONSTRUCTION OF FACILITIES

"For advance planning, design, and construction of facilities for the National Aeronautics and Space Administration and for the acquisition or condemnation of real property, as authorized by law, $262,880,500, to remain available until expended."

On page 47, after line 10, to insert:

"ADMINISTRATIVE OPERATIONS

"For necessary expenses, not otherwise provided for, of the operation of the National Aeronautics and Space Administration, including uniforms or allowances therefor, as authorized by the Act of September 1, 1954, as amended (5 U.S.C. 2131); minor construction; supplies, materials, services, and equipment; awards; purchase or hire of not to exceed two aircraft for administrative use; maintenance and operation of administrative aircraft; purchase and hire of motor vehicles (including purchase of not to exceed eighty-five passenger motor vehicles, of which forty shall be for replacement only); and maintenance, repair, and alteration of real and personal property; $623,525,500."

At the top of page 48, to insert:

"GENERAL PROVISIONS

On page 48, after line 1, to insert:

"Not to exceed 5 per centum of any appropriation made available to the National Aeronautics and Space Administration by this Act may be transferred to any other such appropriation."

On page 48, after line 5, to insert:

"Not to exceed $35,000 of the appropriation 'Administrative Operations' in this Act for the National Aeronautics and Space Administration shall be available for scientific consultations and emergency or extraordinary expense, to be expended upon the approval or authority of the Administrator and his determination shall be final and conclusive."

On page 48, after line 11, to insert:

"No part of any appropriation made available to the National Aeronautics and Space Administration by this Act shall be used for expenses of participating in a manned lunar landing to be carried out jointly by the United States and any other country without the consent of the Congress."

On page 49, line 9 after "(5 U.S.C. 55a)", to insert "purchase of one aircraft; maintenance and operation of aircraft;", and in line 11, after the word "vehicles" to insert "and aircraft".

On page 50, line 23, after "(5 U.S.C. 55a)", to insert "hire of motor vehicles;", and on page 51, line 2, after the word "Specialists", to strike out "$39,440,000" and insert "$40,578,000".

On page 51, line 19, after the word "service", to strike out "$155,000,000" and insert "$155,250,000".

On page 52, line 8, after the word "law", to strike out "$14,200,000" and insert "$14,500,000".

On page 52, line 12, after the word "expended", to strike out "$36,000,000" and insert "$38,000,000", and in line 13, after the word "which", to strike out "$1,170,000" and insert "$1,275,000".

On page 54, line 12, after "United States Code", to strike out "$34,600,000" and insert "$39,600,000".

On page 55, line 1, after "United States Code", to strike out "$91,233,000" and insert "$98,733,000".

On page 55, line 15, after the word "expenses", to strike out the comma and "but not to exceed $257,000,000,", and in line 24, after the word "expenses", to insert a colon and "*Provided further,* That, in addition, not to exceed $200,000,000 of unobligated balances of said Direct loans revolving fund shall be available, during the current fiscal year, for transfer to the Loan guaranty revolving fund in such amount as may be necessary to provide for the foregoing expenses and the Administrator of Veterans' Affairs shall not be required to pay interest on amounts so transferred after the time of such transfer."

On page 59, line 8, after the word "of", to strike out "$3,670,000" and insert "$3,825,000".

On page 65, line 21, after the word "exceed", to strike out "$9,000,000" and insert "$10,375,000", and on page 66, line 6, after the word "exceed", to strike out "$75,000,000" and insert "$78,750,000".

Mr. MAGNUSON. Mr. President, I anticipate that several amendments will be offered to the bill. Instead of discussing each item in the bill, I suggest that Senators who wish to ask questions about items or submit amendments do so, and then as the questions are asked and amendments are offered they can be considered. I suggest that procedure, rather than going through each appropriation, item by item, because it would take a long time to do so.

I yield to the Senator from Colorado, who is the ranking Republican member of the committee.

Mr. ALLOTT. Mr. President, I should like to make only a remark or two on the bill. First, I compliment the distinguished Senator from Washington [Mr. MAGNUSON] for the excellent work which he did on the bill. Undoubtedly questions will be asked about the NASA item, as the chairman has suggested. Although it is rather complicated, because of a technicality in the House of Representatives, it is necessary that the full authorization amount be included in the bill in order that the whole sum may be in conference.

There is one point which the chairman of the committee did not mention, and which I believe is worthy of mention now. For the third year the chairman and the Senator from Colorado in working on the bill have made a great effort to keep increased Government employment down. We have not been able to do that completely but, if my memory serves me correctly, the overall increase in employment in all of the budgets covered by the bill, even for such departments as the Civil Service Commission, the Federal Power Commission, any many others, which are increasing their activities greatly, would be less than 1 percent in all of those agencies, excluding NASA, and in that case we have no realistic way of estimating the employment or the increase in employment. I am sure that the chairman will agree.

Mr. MAGNUSON. Until the House and the Senate agree on a figure; then we shall know.

Mr. ALLOTT. The Senator is correct.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. ALLOTT. I yield.

Mr. MAGNUSON. I know of no Senator who has been more diligent in his work on this very complex bill than the Senator from Colorado.

I do not intend that statement to be in the nature of an apology. But the bill, involving 26 agencies of the Government, is a complex bill. Some are smaller agencies, but they are important. The two large agencies included in the bill are the space agency and the VA, which cost a great deal of money.

Three years ago the Senator from Colorado and other members of the committee, including the Senator from Massachusetts and the Senator from Oklahoma, joined the chairman in an endeavor to reduce Government employment. In our sector of Government appropriations we have done so. Last year we showed a decrease. The year before we held the number to about the same level. This year, even with NASA coming into the appropriation, the increase would be less than 1 percent.

That is a record of which I believe we can be proud. I hope we can continue that endeavor, because we feel that a great many Government expenditures are caused by the fact that once a great many people are employed, they often run around trying to find some programs in order to keep themselves busy.

Mr. President, the agencies have done excellent work, even without an increase in employment. The Senator from Colorado has done yeoman work on the bill.

Mr. ALLOTT. I appreciate the remarks of the distinguished Senator. We have made a special effort on the bill; and in view of the complexity of the bill, not only in the sums appropriated, but also with respect to the number of Government employees, the bill which the committee has reported is a good bill.

Those are all the remarks that I wish to make at the present time. I yield the floor.

Mr. BYRD of West Virginia. Mr. President, I wish to lend my support to the independent offices appropriation bill as reported to the Senate by the Appropriations Committee, of which I am a member. I have been particularly concerned about the across-the-board reductions made by the other body in construction funds for new buildings. There are six new post office and Federal buildings slated for West Virginia, and they are to be built at Gassaway, Summersville, Glenville, Pineville, Parsons, and White Sulphur Springs.

The best testimony for the action of the Senate committee in restoring 5 percent of the funds was given by Bernard L. Boutin, Administrator for the General Services Administration. He said:

> A reduction of 10 percent was applied to 130 small building projects for which the estimated improvement cost included in the GSA estimate averaged $20.29 per square foot gross area. Actual experience in construction contract awards during the past 2 years for five small buildings indicates an average cost of $22 per square foot gross area. There has been a 4-percent increase in the construction cost index since early 1963 when most of the prospectuses were submitted to the Committees on Public Works.
>
> Because of the continuing increase in construction costs we are employing various cost reduction expedients through the specification of cheaper materials so as to give reasonable assurance of construction capability within the estimates included in the GSA 1965 request. Our estimates represent the minimum requirements and because of increasing costs we strongly recommend full restoration of the reductions.

The Senate Appropriations Committee was convinced by this reasoning and believed the smaller buildings could not be constructed with the reduced funds.

Mr. President, these buildings are sorely needed in West Virginia because of the increasing activity of Federal offices in these cities. The existing leased offices are too small and too costly. The Federal Government now pays $89,395 annually for the existing facilities. In other words, the new buildings will have fully paid for themselves in less than 20 years.

There seems to be little need to recount here the stimulus that will be given to a community by a new Federal building. It is great and it is needed in each of the six communities in West Virginia.

I wish, also, to commend the Appropriations Committee for restoring $38,000 for the remodeling of the Bureau of Mines Building at Mount Hope. The expansion will greatly assist the health and safety services of the Bureau to serve the community.

Mr. PROXMIRE. Mr. President, I call up amendment No. 1170 and ask that it be stated.

The ACTING PRESIDENT pro tempore. The amendment of the Senator from Wisconsin will be stated.

The LEGISLATIVE CLERK. On page 7, lines 7–9, it is proposed to strike out "including not to exceed $4,300,000 for subsidy for helicopter operations during the current fiscal year, $86,124,000," and insert "$81,824,000".

Mr. PROXMIRE. Mr. President, the amendment would eliminate the $4.3 million subsidy for helicopter service. Before I discuss the amendment, I wish to join my distinguished colleague on the Appropriations Committee, the Senator from Colorado [Mr. ALLOTT] in commending the Senator from Washington [Mr. MAGNUSON].

The independent offices appropriation bill is the most complex appropriation bill that comes before the Senate. The defense appropriation bill is much larger, of course, but the pending bill involves so many agencies that it is extraordinarily complicated. Vital services are provided in the bill. The Senator from Washington and the Senator from Colorado have rendered distinguished service. They have devoted a great deal of time to the subject. Although my staff and I have gone over the entire bill very carefully, we are most impressed by the excellence of the work that has been done on it. I intend to offer a few amendments. One is an amendment which would eliminate the helicopter subsidy.

Mr. President, there is nothing new about my proposal. A number of Senators have been disturbed for a long time about this subsidy which we feel can be classified as an unnecessary, wasteful frill if any expenditure of the Government can be so called.

Originally, before 1954, the appropriation was conceived as a subsidy that would last 2 or 3 years for an infant industry. It has lasted 11 years and the end is nowhere in sight. In the 1963 report, as well as very often before that, we tried to end the subsidy. We tried to say that in a year or so we would cut it off.

I quote from page 14 of the Independent Offices Appropriation Conference Report of 1963. That report stated:

> The conferees agree that the subsidies for helicopters should be ended shortly, that this service should either be made self-supporting or concluded. It is recommended that the appropriate committees of the Congress give their earnest consideration to this problem in 1963.

I recall very well, as I am sure other Senators do, the discussion, both in committee and on the floor last year, in which it was indicated that there was every intention of bringing the subsidy at long last to a prompt close.

Mr. President, the subsidy started as a $2 million subsidy to the helicopter service, and it has grown steadily.

Who receives the benefit of the subsidy? Only three cities—New York, Chicago, and Los Angeles.

Who receives the benefit among the people who live in the cities or travel to the cities? First, only 1 in 7 persons in our population flies. I believe we know that in order to fly, people generally must have a reasonably good income. We are not subsidizing those whose income are so low that they need or deserve subsidies of the kind proposed. We are subsidizing people who are relatively affluent.

Furthermore, only 1 in 20 or 30 persons flies regularly, and only 1 in 1,000 ever uses a helicopter service. Are those 1 in 1,000 poverty stricken?

Let us take a look at where the helicopter service operates. In New York it operates primarily out of Wall Street and goes from Wall Street to La Guardia and Wall Street to the Kennedy International Airport. The helicopter service saves travelers from 20 minutes to 30 minutes, and that is about it. I submit that while those who work on Wall Street and would like to travel around the country deserve consideration, like every other American citizen, that they would be among the first to say that this kind of frill, this kind of subsidy, which is a multimillion dollar subsidy, is not justified, and that people ought to pay their own way when obviously they can afford to do so.

The situation in Chicago is even less justified, because in Chicago there is only one large airport that serves Chicago. It is true that Midway has been opened on a very limited basis in the past few weeks, but we recognize that the O'Hare Airport in Chicago, which is one of the largest in the world, if not the largest, is all that is necessary for the overwhelming majority of people who travel to Chicago.

Moreover, O'Hare Airport is now serviced by a superb system of freeways and tollways, so that travel from O'Hare to downtown Chicago takes about 25 minutes. I have taken it many times. Whatever justification existed before, when it took an hour to reach downtown Chicago, has disappeared.

As to Los Angeles, there is even less justification. There is only one big international airport at Los Angeles. It is true that there are many minor airports that people in business fly to and from. It is convenient for them to have helicopter service. But there is only one airport that serves the overwhelming number of people who fly to Los Angeles.

In all these areas, the helicopter service and the subsidy for it save additional time to air travelers, 30 minutes to a maximum of 1 hour, and in some cases less than that. The Federal subsidy represents more than half the cost of that service. So when a person buys a helicopter ticket in New York, Chicago, or Los Angeles, the Federal Government picks up half the tab for it. Instead of paying $9, he might have to pay $18 or $20, if there were no subsidy.

As I have said, this is a minor amendment in a big bill, but as a symptom and as a symbol of extravagance and waste, it is a very important symbol.

Furthermore, the overwhelming majority of the people do not get the benefit of this subsidy. It is confined to three larger cities and excludes the rest of the country.

I hope the Senate will this time recognize the facts and end this unjustified subsidy that benefits only one in a thousand of our people who travel—people who can well afford to pay for it.

Mr. MAGNUSON. Mr. President, the Senator from Washington is in general agreement with much of what the Senator from Wisconsin has said with respect to the basic facts he has recited. The helicopter service started as a technological experiment in aviation, and has made great progress.

The Board, in its wisdom or lack of wisdom, established, under the law, the service at subsidized rates. It established this subsidized service in three of the major air centers of the United States. The Board found that for a while perhaps the cost was greater than anticipated, or that the use of the service was not as great as anticipated, and that therefore the subsidy would have to be greater; but the Board felt it should continue a worthwhile experiment in the field of aviation in getting people to places they wish to reach by air. The committee has always looked at this item very carefully. It is not a small item. One of these days, we shall either have to eliminate it altogether or find that it is truly worth while, and extend it to more cities.

I know of no area that could use helicopter service to greater advantage than the Puget Sound area, where people could go from the airport to certain areas on the peninsula in 10 or 15 minutes, when it would require 4 or 5 hours to reach by automobile or by boat.

The Board stated that the House amount of $3 million would not take care of the three services, and that the Board had ordered subsidy rates for the three helicopter carriers aggregating $4.3 million a year, which rates were determined by the Board in accordance with the criteria set forth in section 406 of the Federal Aviation Act. Like all other subsidy rates, the helicopter rates, which establish an annual subsidy of $800,000 for Chicago, $1.6 million for Los Angeles, and $1.9 million for New York, are effective for an indefinite period into the future and will extend into fiscal year 1965, and beyond, unless or until challenged by one or more of the carriers, or reopened by the Board on its own initiative.

We have suggested to the Board that, on its own initiative, it examine into the question of helicopter service and recommend that either it be installed in other places that might be worth while, or eliminated altogether.

Last year, at the request of the committee, a task force engaged in a comprehensive field analysis of helicopter operations, which would, upon completion, be carefully considered by the Board and reported to the committee. The task force concluded the field portion of its study late in April 1964, and its findings were carefully considered by the Board.

The two major objectives of the task force were, first, to appraise helicopter services from every vantage point; and second, to assist in developing a current long-range subsidy program for helicopter services. The outline of such a program was set forth in the Board's June 1963 report to President Kennedy, entitled "Airline Subsidy Reduction Program." In that report it was estimated that approximately $26 million of subsidy would be required to support the three currently subsidized helicopter services during the 6-year period from fiscal 1963 to 1968, inclusive, with a steady downward progression in the aggregate subsidy payment, so that the total for fiscal 1968 would have been reduced to $3 million. It was noted that, on the basis of currently known facts, it is believed that worthwhile experimentation with the three carriers in this field cannot realistically be expected to continue with a subsidy aggregating substantially less than that set forth in the report.

On that basis, and on the basis that the Board had obligated itself, the committee recommended the minimum amount suggested.

It is true that the New York helicopter service lands in Wall Street, but it is not true that the service is for the benefit of those who live in Wall Street. Anyone can use the service. I suspect that most of those who have used the helicopter service are travelers. People coming from Europe to Kennedy Airport use the helicopter service back and forth, to get to and from New York. Then they may use the subway to get where they are going. There is the biggest air traffic in the world there. The helicopters happen to land in Wall Street because it is the only really open area that has proved to be safe.

I had occasion to go up there about a month ago with the President of the United States. We took a helicopter from Kennedy Airport. We were going to Connecticut, but had to land in Wall Street, and then take automobiles to go through New York. So although Wall Street is a bad name, it has not much to do with the helicopter service. I doubt that it is used very much by people who are on Wall Street. It is used by travelers.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. MAGNUSON. I wish to complete my statement. Then I will yield.

The Senator from Wisconsin is correct. I have discussed this subject with the Senator from Colorado. Perhaps helicopter service is to become a part of the integrated service furnished by airlines. Perhaps an airline will add helicopters to its fleet of airships, of which it has many. Perhaps, for example, when an airplane lands at the Seattle Airport, it will furnish helicopter service so that passengers can complete their travel by air transportation.

That would put it in the general subsidy with local service transport airlines, which now serve 657 cities in the United States. That may be necessary. It was started as an experiment. Helicopter services have greatly advanced. I can remember the time when the Secret Service would not allow the President of the United States to get into a helicopter. Now helicopters are used every day by anyone and everyone, even by those who require maximum security. Great advances have been made. They have a future in local transport systems in the United States, even in urban transportation. On that basis we should go ahead. It is easy to pick out New York, Chicago, and Los Angeles. However, it must be remembered that we made the start at the three great areas of air transportation, to see how the service would work.

I agree with the Senator from Wisconsin that probably these lines ought to charge more. I have suggested, as has the Senator from Colorado, that more be charged for the postal service. The subsidy charge would be much lower if the post office would pay the helicopter operators a reasonable rate. They haul all kinds of mail. The great bulk of their service is hauling airmail between airports. If the post office would pay the helicopter operators what they normally pay for contractual services, the subsidy would not have to be as large as it is. For some reason or other the post office pays so much per ton, rather than per pound.

The Senator from Colorado and I agree that there is ample engineering proof, by people who are objective, that the operating costs will be much lower in the future. In other words, we have reached a plateau. We have high hopes that costs will continue to go down. If the Post Office Department would pay regular rates for hauling the mail, the subsidy could be much lower.

I wished to make this explanation, because in some respects I agree with the Senator from Wisconsin. However, we had a job to do. As a lawyer, I believe that the carriers people could go into court if they wished to do so under their certificate, and the Court of Claims would allow the amount they are entitled to, because they hold a certificate from a Federal agency.

Mr. JAVITS. Mr. President, although I am from New York, I am sympathetic with the position of the Senator from Wisconsin. I can understand perfectly how he feels. He has raised this question upon several occasions. Raising such questions creates a serious consciousness of Federal expenditure policy and facilitates an accounting of the operations of our Government. The Senator from Washington [Mr. MAGNUSON] has pointed out that many improvements have been made in helicopter services. What I would like to say deals with two fundamentals. First, I point out that the Wall Street stop is only one of the stops used by the helicopter service in New York. The major service is between Newark and Kennedy International Airports. That is because they are so far apart. Because of the traffic density, a 2½-hour trip by automobile is necessary, even though on the map the distance appears to be quite short.

The real justification for the helicopter subsidy is the knowledge we gain from commercial operation of an important means of transportation. As we all know, transportation is one of the really critical problems of our Nation and our world.

I see the Senator from New Jersey [Mr. Williams] in the Chamber. Recently the Senate passed the mass transportation bill, of which he was in charge on the floor. He is very much aware of these complex problems. A remarkable breakthrough has been made with helicopter transportation. Today the helicopter performs an essential role in military air-ground support operations.

The helicopter operators claim—and I believe justly so—that a great deal of what was learned about fuel economy, operational safety, and technical operations in the daily attrition of commercial operation has been extremely valuable to the military forces. Its value has been estimated at $70 million as against the total subsidy of $46 million.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. PROXMIRE. Is it not true that the commercial helicopter service at New York, Chicago, and Los Angeles, is only a part of the commercial helicopter operation? There is also a helicopter operation in San Francisco, which is a substantial operation, and it has been operated without any subsidy. The same is true of other cities, including Milwaukee.

Mr. JAVITS. I would challenge the Senator's use of the word "substantial." In order to gain some real experience in this field it is necessary to have daily service, with the attrition that is involved.

I heard the Senator speak about the subsidy. The important difference is that these operators are losing money. In New York a major company lost three-quarters of a million dollars. They want to be self-sufficient. They have succeeded in selling half of their public offering of debentures, made in order to raise capital, and they are going ahead in a determined way. What happens here today will determine whether they can continue to formulate their plans for the future. What I like about the situation today is that the CAB apparently believes that the subsidy may be able to end after a 5-year period. This period is described at page 1019 of the record of hearings of the subcommittee. This provides, at long last, a definite commitment on this situation. For myself, without being parochial about New York, I believe that the judgment of the committee and the judgment of the CAB is that the evidence shows a breakthrough in this form of transportation.

The proposal before us stands up in terms of national interest. I appreciate the position of the Senator from Wisconsin. He goads us on; he stirs us up. However, I believe the case the committee has made justifies the continuance of the present subsidy. The matter has received serious consideration by the Appropriations Committee.

Mr. PROXMIRE. I understand that the leadership wishes to discuss another subject. Therefore, I shall not reply to the Senator from New York at this time.

Mr. DIRKSEN. Mr. President, the question has been raised that this service involves only three metropolitan centers. It is not a question of the center that is involved; it is a question of where the need exists. In Chicago, Midway Airport has been deactivated. That was done some years back. Now the heavy traffic load at O'Hare Airport is such that Midway has been reactivated.

Helicopter service is almost an indispensable service in getting people back and forth between these two airports. We have saved enough on military costs to offset what is involved. If we reduce the amount in the bill we shall not only cripple the service, but come close to killing it.

Mr. JAVITS. And the operators will be put in a position in which they can never become self-sufficient.

CALL OF THE ROLL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum. This will be a live quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll and the following Senators answered to their names:

[No. 515 Leg.]

Aiken
Allott
Bartlett
Bayh
Beall
Bennett
Bible
Boggs
Burdick
Byrd, W. Va.
Carlson
Case
Church
Clark
Cooper
Cotton
Curtis
Dirksen
Dodd
Dominick
Douglas
Eastland
Ellender
Ervin
Fong
Fulbright
Gore
Gruening
Hart
Hartke
Hayden
Hickenlooper
Hill
Holland
Hruska
Humphrey
Inouye
Jackson
Javits
Johnston
Jordan, N.C.
Jordan, Idaho
Keating
Kuchel
Lausche
Long, Mo.
Long, La.
Magnuson
Mansfield
McCarthy
McClellan
McGee
McGovern
McIntyre
McNamara
Mechem
Metcalf
Miller
Monroney
Morse
Morton
Moss
Mundt
Muskie
Nelson
Neuberger
Pastore
Pearson
Pell
Prouty
Proxmire
Randolph
Ribicoff
Robertson
Russell
Saltonstall
Scott
Simpson
Smathers
Smith
Sparkman
Stennis
Symington
Thurmond
Tower
Walters
Williams, N.J.
Williams, Del.
Yarborough
Young, N. Dak.
Young, Ohio

Mr. HUMPHREY. I announce that the Senator from Maryland [Mr. Brewster], the Senator from Virginia [Mr. Byrd], and the Senator from Georgia [Mr. Talmadge] are absent on official business.

I also announce that the Senator from Nevada [Mr. Cannon] and the Senator from Oklahoma [Mr. Edmondson] are necessarily absent.

I further announce that the Senator from Massachusetts [Mr. Kennedy] and the Senator from New Mexico [Mr. Anderson] are absent because of illness.

Mr. KUCHEL. I announce that the Senator from Arizona [Mr. Goldwater] is necessarily absent.

The ACTING PRESIDENT pro tempore (Mr. Metcalf in the chair). A quorum is present.

SENATOR FROM CALIFORNIA

Mr. MANSFIELD. Mr. President, I send to the desk the certificate of appointment of the Senator-designate from California, and ask that it be read.

The certificate of appointment was read, and ordered to be placed on file, as follows:

EXECUTIVE DEPARTMENT, STATE OF CALIFORNIA—CERTIFICATE OF APPOINTMENT

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that, pursuant to the power vested in me by the Constitution of the United States and the laws of the State of California, I, Edmund G. Brown, the Governor of said State, do hereby appoint Pierre Emil George Salinger a Senator from said State to represent said State in the Senate of the United States until the vacancy therein, caused by the death of Clair Engle, is filled by election as provided by law.

Witness: His excellency our Governor, and seal hereto affixed at Sacramento, Calif., this 4th day of August, in the year of our Lord 1964.

By the Governor:

EDMUND G. BROWN,
Governor of the State of California.
FRANK M. JORDAN,
Secretary of State.
By WALTER C. STUTLER,
Assistant Secretary of State.

Mr. DIRKSEN. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator from Illinois will state it.

Mr. DIRKSEN. Mr. President, I assume that under the rules of the Senate, and under the Constitution of the United States, the certificate of appointment is subject to challenge.

The ACTING PRESIDENT pro tempore. The certificate of appointment is in the form required by the rules of the Senate.

Mr. DIRKSEN. Mr. President, I am speaking now as to the validity of the certificate of appointment.

The ACTING PRESIDENT pro tempore. The Senator from Illinois will have to make a specific challenge. The Chair cannot rule until that is done.

Mr. DIRKSEN. That I shall do, but I am only asking whether this is the appropriate time to do so.

The ACTING PRESIDENT pro tempore. If the Senator from Illinois wishes to challenge the validity of the certificate of appointment, this is the appropriate time.

Mr. DIRKSEN. Mr. President, at the request of quite a number of citizens in California, including the Republican candidate for U.S. Senator, Mr. George Murphy, I have been requested to protest the validity of the certificate of appointment which is now being submitted on behalf of the appointee who would presently present himself to take the oath as a Senator of the United States.

Mr. President, in so doing, I should emphasize the fact that this in no way involves the acceptability or character of the appointee. This challenge goes clearly to the question of the legality of the certificate of appointment by the Governor of California. I wish to emphasize that, so that there can be no question about it.

There are some telegrams that perhaps I should read into the Record. The first one was sent to the Senator from Washington [Mr. Magnuson] I believe mainly because of the statement which was made and published in the newspapers of California.

I hold a telegram in my hand from Mr. George Murphy. With the permission of the Senator from Washington [Mr. Magnuson] I shall read it into the Record:

> Senator Warren Magnuson,
> *Democrat, Washington, D.C.*
>
> My Dear Senator: You have been quoted in the Los Angeles Times as stating that the California election laws do not apply in the case of Pierre Salinger and that the Senate is vested with the sole right of passing on the qualifications of its Members; you are of course exactly right. The case in point however does not deal with the seating of Senator. It deals with the appointment of a qualified elector of the State of California to fulfill the unexpired term of Senator Engle. This is not a question of the acceptability of an elected Senator. This is a question which has to do with the appointment by the Governor of California which most definitely is controlled by the election code of the State. I bring this to your attention not only as a candidate for the U.S. Senate but as a citizen of California who intends to see that the laws of our State are upheld. I am sure that some of the confusion in this incident was the cause of your statement and I am sending you this information merely to clear up what I am sure was a misunderstanding.
>
> George Murphy.

Mr. President, I feel impelled as a matter of duty to challenge and to pursue this matter—not at undue length because of what has happened, and I am sure it has happened, in the State of California this morning—and I read a telegram, also from Mr. George Murphy, addressed to me:

> Senator Everett Dirksen,
> *Washington, D.C.:*
>
> Democrats, Republicans, and independents alike throughout California have urged me to pursue the legal and constitutional questions raised by Governor Brown's latently political appointment of Mr. Salinger, a resident of Virginia, to the U.S. Senate from California. I am doing just that. Wednesday morning, prior to Mr. Salinger's swearing-in ceremonies in Washington, a respected and distinguished Los Angeles law firm of Gibson, Dun & Crutcher will file a petition for a writ of mandate. This action requests the superior court to order the Governor to vacate, annul, set aside, and recall the Senate appointment of Mr. Salinger on the grounds that it is illegal according to the California elections code. We anticipate the matter will be heard on or about August 17, 1964. Our law clearly, specifically, and rightfully states that the Governor cannot appoint a man to the U.S. Senate from California who has not been a resident of this State for at least 1 year. Let there be no confusion on this action. This has no relation to the previous legal question which arose when many citizens protested Mr. Salinger's original move to have his name on the primary ballot. This is an entirely separate legal problem. As a resident of California I am concerned that the Governor has ignored both ethics and law to appoint Mr. Salinger, a man who has not lived, voted, or paid taxes in California for nearly 10 years.
>
> George Murphy.

Mr. President, I now read into the Record a telegram from the law firm of Gibson, Dun & Crutcher, attorneys for George Murphy. This is addressed to me. It reads as follows:

> At the request of George Murphy, we are preparing and will file at 8 a.m. P.d.t. tomorrow in Los Angeles County, Calif., Superior Court petition of George Murphy for writ of mandate directing the Governor of California to vacate, annul, set aside, and recall the purported appointment of Pierre Salinger to the U.S. Senate and the purported commission granted to him this date upon the ground that said acts of the Governor contravene the provisions of the 17th amendment to the U.S. Constitution and of the applicable provisions of the California statutes adopted pursuant thereto. Concurrently there will be filed a notice of Mr. Murphy's intention to apply to the court for the issuance of such writ at 9:30 a.m. P.d.t., on August 17, 1964, in department 65 of said court. Copies of these documents will be mailed to you tonight airmail special delivery.
>
> Gibson, Dun & Crutcher,
> *Attorneys for George Murphy.*

Mr. President, I also read into the Record a similar telegram that has been addressed to me. It reads as follows:

> At the request of George Murphy, we will file at 8 a.m. P.d.t., tomorrow in Los Angeles County, Calif., Superior Court petition of George Murphy for writ of mandate directing the Governor of California to vacate, annul, set aside, and recall the purported appointment of Pierre Salinger to the U.S. Senate and the purported commission granted to him this date, upon the ground that said acts of the Governor contravene the provisions of the 17th amendment to the U.S. Constitution and of the applicable provisions of the California statutes adopted pursuant thereto. Concurrently there will be filed a notice of Mr. Murphy's intention to apply to the court for the issuance of such writ at 9:30 a.m. P.d.t., on August 17, 1964, in department 65 of said court. Copies of these documents will be mailed to you tonight airmail special delivery.
>
> Overton, Lyman & Prince,
> *Attorneys for George Murphy.*

I have before me a number of telegrams from citizens of California, protesting the appointment on the ground that it is not valid under California law. Only one issue is involved. It is not the character of the appointee. It is not his acceptability. Nothing personal is involved.

First, it is a clear and patent fact that section 25001 of the California Code is as clear as crystal that an appointee by the Governor must be an elector. Anyone who wants to take the trouble can verify it if he pleases, or I can read the provision. I have the section before me.

Second, article 2, section 1 of the California Code provides that any elector "must be a resident for 1 year before the day of election."

I believe it is quite generally conceded that the appointee who will be presented to the bar of the Senate was not a resident of California for a period of 1 year. Therefore, under the code definition he does not qualify as an elector as defined by the California Code. By way of justification for the acceptance of this certificate and the approval of the nominee or appointee, so that he can take his seat, there is reference to article I, section 2 of the Constitution of the United States.

The pertinent language there is this:

> No person shall be a Senator * * * who shall not, when elected, be an inhabitant of that State for which he shall be chosen.

If that is all they were relying upon, I do not believe one could make a case. The word "inhabitant" might mean someone who has probably lived there for a day, a week, a month, or a longer period of time. But there is another provision of the Constitution that has a very explicit bearing on the matter. I refer to the 17th amendment.

It provides as follows:

> The legislature of any State may empower the executive thereof to make temporary appointment until the people fill the vacancy by election as the legislature may direct.

There is no inherent power as such to make an appointment by the Governor unless that authority is conferred. I believe in the State of Wisconsin—and I am not absolutely sure about it—an appointment can actually not be made. But when the legislature provides that the Governor can make a temporary appointment to fill a vacancy in the Senate, then of course the power of the legislature comes into play. The legislature can grant the power. It can withhold the power. It can destroy the power. And the Governor would then be powerless to make any appointment whatsoever.

So the Constitution, through the 17th amendment, clearly recognizes that the legislature of a State can prescribe a condition under which an appointment can be made and considered by the Senate of the United States. The legislature has so empowered the Governor. It has prescribed that the appointee be "an elector." The legislature has defined an elector as one who has resided in the State for a period of 1 year before election. That is the basis for the writ of mandate—in other jurisdictions known as a writ of mandamus—that is filed in the Superior Court of Los Angeles County. That obviously places this certificate in issue. The matter ought to be then resolved accordingly.

Under rule VI of the Standing Rules of the Senate, an acceptable form is provided:

> CERTIFICATE OF APPOINTMENT
>
> *To the President of the Senate of the United States:*
>
> This is to certify that, pursuant to the power vested in me by the Constitution of the United States and the laws of the State of—

Then the Governor signs the certificate.

In the form that we use to be presented in the case of any appointee, there is a clear reference to the fact that the Governor relies not merely on the Constitution of the United States, but also upon the laws of the State as well.

The law of California is abundantly clear. The Governor can only appoint an elector. The code defines an elector as one who has resided in the State for a year. The person who presents himself to the bar of the Senate for the oath has concededly not been a resident of the State of California for a year. So by virtue of the 17th amendment, by virtue of the California code, by virtue of the requirement in rule VI of the rules of the Senate with respect to the certificate, by virtue of the action filed this morning in the Los Angeles Superior Court, and all other considerations that are involved, I feel that it is incumbent upon me, as the minority leader, to move that the appointment be referred to the Committee on Rules and Administration, and that the committee be instructed to report back at some ascertained date. At this point I think I ought to query the majority leader.

We have been discussing the question of fixing a day when the subject might be reported back to the Senate. So far as I am concerned, a week would be sufficient. My only difficulty is that the question has been set down for hearing on the merits—or at least that will be the request—on August 17, which is more than a week hence. It would require 13 days, I suppose, to meet that time schedule, because there will be a resolution of the case on its merits in the courts of California. I must present the question to the majority leader, because I cannot quite determine whether or not we could refer the question to the Committee on Rules and Administration for only a week and still satisfy all the requirements and considerations involved. The situation offers me difficulty. So I first wish to submit the question to the majority leader.

Obviously and properly the majority leader will offer a substitute motion for the motion that I have presented. While I have not seen the substitute, I would have to presume from past experience that the majority leader would ask that the appointee be allowed to take the oath and to take his seat in the Senate without prejudice, then sending the question to the Committee on Rules and Administration. But once it is referred to the Committee on Rules and Administration, without it having been resolved in the courts of California, and without it having been resolved by proper investigation and report by the Committee on Rules and Administration, I think the case would be closed.

I believe that my original motion ought to prevail, in view of the fact that litigation in California is pending. We cannot blink at that.

Mr. MANSFIELD. Mr. President, I realize the position in which the distinguished minority leader finds himself. I sympathize with him. I know there is nothing personally involved; and were I in his position, I would act in exactly the same circumstances.

But I believe there is another side to this picture which ought to be brought to the attention of the Senate before I offer my substitute.

Acting under the authority vested in him by the laws of California, Elections Code, division 13, chapter 1, section 25001, Gov. Edmund (Pat) Brown has appointed Pierre Salinger to fill the unexpired term of the late Senator Clair Engle.

Pierre Salinger was determined to be qualified for nomination to the office of U.S. Senator in the California primary election of June 2, 1964, and was victorious in that election.

A question has been raised with respect to Mr. Salinger's qualifications as an elector under the laws of California. Article 2, section 1 of the California Constitution states, among other things, that citizens having the right to vote in California shall have been residents of that State for the period of 1 year next preceding the date of the election. On the basis of that provision, Mr. Salinger's appointment to the Senate has been challenged.

Division 1, chapter 4 of the elections code pertaining to new residents of California provides in section 751 that a person who has been a resident of the State for at least 54 days but less than 1 year prior to the date of the general election at which presidential electors are to be selected, shall be entitled to vote for presidential electors at that election but for no other offices.

Thus, under that section, Pierre Salinger is a qualified elector, at least for the offices of President and Vice President, and meets the qualification requirements of section 25001 of the election laws under which he has been appointed.

These arguments are of minor significance however, because the Constitution of the United States sets forth in crystal clear language in article I, section 5, that each House shall be the judge of the elections, returns and qualifications of its own Members.

The U.S. Constitution further states in equally clear language in article I, section 3, that no person shall be a Senator who shall not have attained to the age of 30 years, and been 9 years a citizen of the United States, and who shall not, when elected, be an inhabitant of that State for which he shall be chosen.

Pierre Salinger is a native born citizen of the United States, is more than 30 years of age, and is an inhabitant of the State of California. In the entire history of the Senate there has been general acknowledgement that States cannot impose additional qualifications for candidates for the U.S. Senate other than those set forth in the U.S. Constitution. The same is true as respects qualifications for the House of Representatives.

Constitutional authorities have consistently held that no State may add to or detract from the qualifications prescribed in the U.S. Constitution, for Senators and Congressmen.

Any provision in the California statute respecting the appointment of an "elector" to fill a vacancy in the Senate from that State would have to be tested against the qualifications as set forth in article I, section 3, clause 3 of the Constitution as being added qualifications.

There would appear to be no doubt that Pierre Salinger meets the qualifications for the U.S. Senate as defined by the Constitution, and having presented himself to the Senate, bearing an appointment from the Chief Executive of the State of California, Gov. Edmund Brown, who is charged with the power to appoint a successor to fill a vacancy in the U.S. Senate, Pierre Salinger should be seated without prejudice.

Mr. President, as a substitute motion, I move that the oath of office be administered without prejudice and that the certificate of appointment be referred to the Senate Rules Committee for consideration of all matters raised pertaining to the appointment, with instructions that the Committee on Rules make a report thereon to the Senate not later than August 13.

Mr. KUCHEL. Mr. President, will the Senator yield for a question?

Mr. MANSFIELD. I yield.

Mr. KUCHEL. When the Senator uses the phrase "without prejudice" in the substitute motion which he now offers, we are clearly to understand, are we not, that phrase means without prejudice to the U.S. Senate or to the appointee directly involved?

Mr. MANSFIELD. Without prejudice to any institution or to anyone.

Mr. CURTIS. Mr. President, it has been my privilege to know the gentleman who stands waiting to be admitted to this body. He served as a staff member of the Select Committee on Labor-Management Relations during many months when I was there. I regard him as a friend. I respect him as a person. Certainly there is no personal animosity or feeling or issue involved here. Neither is there anything involved of a partisan nature. Who is so naive as to think the present Governor of California would not appoint a member of the majority party?

The only issue involved is an issue of law. The Constitution provides how Senators shall be elected, in amendment 17, often referred to as the direct election of U.S. Senators. Senators who wish to follow the language may refer to page 546 of the Senate Manual, 1963. It reads:

> The Senate of the United States shall be composed of two Senators from each State, elected by the people thereof, for six years; and each Senator shall have one vote. The electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislatures.
>
> When vacancies happen in the representation of any State in the Senate, the executive authority of such State shall issue writs of election to fill such vacancies.

That is the Federal Constitution provision. There is no provision of the Federal Constitution automatically giving to a Governor the authority to make a temporary appointment. The proviso in the 17th amendment vests that authority in the legislatures, and I read:

> *Provided,* That the legislature of any State may empower the executive thereof to make temporary appointments until the people fill the vacancies by election as the legislature may direct.

The Constitution remains silent as to a temporary appointment. There is no spelling out of details. It provides that the executive may make a temporary appointment pursuant to being empowered by the legislature of the State to do so.

Has that been done in this case? It has not.

The statutes of California provide, in section 25001:

> If a vacancy occurs in the representation of this State in the Senate of the United States, the Governor may appoint and commission an elector of this State, who possesses the qualifications for the office—

There is no attempt to prescribe additional qualifications. It merely carries out the proviso of the 17th amendment, which prescribes the power and the area of authority of the chief executive of a State to appoint.

I continue to read from that section of the California code—

to fill the vacancy until his successor is elected and qualifies and is admitted to his seat by the United States Senate.

I ask unanimous consent that the entire section be printed in the RECORD as a part of my remarks.

There being no objection, the section was ordered to be printed in the RECORD, as follows:

SECTION 25001. SENATE VACANCY

If a vacancy occurs in the representation of this State in the Senate of the United States, the Governor may appoint and commission an elector of this State, who possesses the qualifications for the office, to fill the vacancy until his successor is elected and qualifies and is admitted to his seat by the United States Senate. However, whenever a vacancy occurs within a term fixed by law to expire on the third day of January following the next general election, the person so appointed shall hold office for the remainder of the unexpired term unless such vacancy is filled at a special election held prior to such general election, in which case the person elected at such special election shall hold office for the remainder of the unexpired term. An election to fill a vacancy in the term of a United States Senator shall be held at the general election next succeeding the occurrence of the vacancy or at any special election. (Stats. 1961, c. 23, p. —, § 25001.)

Library references: United States 🔑11; C.J.S. United States § 11.

HISTORICAL NOTE

Derivation: Elec. C. 1939, § 10501 (Stats. 1939, c. 26, p. 294, amended by Stats. 1947, c. 375, p. 934, § 1).

Pol. C. § 1333, amended Stats. 1913, c. 156, p. 238, § 1; Stats. 1921, c. 65, p. 72, § 1.

The words "and is admitted to his seat by the United States Senate" in the second sentence, and the provisions now contained in the third sentence were added in 1947.

CROSS REFERENCES

Appointment to fill vacancy, term, see Const. art. 5, § 8.

Commissions to United States Senators, see Const. art. 5, § 8; Government Code § 1340.

Election of United States Senators, see Const. art. 5, § 20.

Time for holding general elections, see § 2500.

Mr. CURTIS. The constitution of California, article 1, section 1, defines an "elector." Among other things, it provides "who shall have been a resident of the State 1 year next preceding the day of the election."

It has been said that California changed its constitution and laws with respect to who could vote for President. That is true, but it did not provide that the meaning of "an elector" goes beyond what is contained in the provision of the constitution of California which provides that—

The legislature may extend to persons who have resided in this State for at least 54 days but less than 1 year the right to vote for presidential electors, but for no other office.

It does not make them electors. It extends to them the right to vote, based on the fact that they have been electors in another State, because it continues:

Provided, That such persons were either qualified electors in another State prior to their removal to this State or would have been eligible to vote in such other State had they remained there until the presidential election in that State: *And provided further*, That such persons would be qualified electors under section 1 hereof except that they have not resided in this State for one year.

That new provision does not make them electors. It extends to them the right to vote as presidential electors only on the basis that they had been electors somewhere else.

Mr. President, the motion of the distinguished Senator from Illinois [Mr. DIRKSEN] should prevail. There is no constitutional provision or Federal statute that directs a Governor in the appointment of a temporary Senator, but, rather, the Constitution provides that he shall do it pursuant to State law.

The Legislature of California prescribes that he could, in a certain manner, choose an elector who met the qualifications. That has not been done. That provision of law has existed for a long time in California. It has never been challenged or overturned. It is the law today.

There is but one issue before the Senate, and that is, Are we a government of law?

I shall support the motion of the Senator from Illinois.

Mr. PASTORE. Mr. President, will the Senator yield for a question?

Mr. CURTIS. I yield.

Mr. PASTORE. Does the Senator know of any case, or can he give me any citation, which indicates that a man who is empowered to vote in California for the office of President is not an elector in the spirit of the 17th amendment of which we were speaking?

Mr. CURTIS. As I read the provision of the California constitution, it does not make him an elector.

Mr. PASTORE. That is what the Senator from Nebraska is saying.

Mr. CURTIS. The provision says so. It says he shall be extended the right to vote.

Mr. PASTORE. What does that mean? When one votes for office, he is an elector. That is exactly the point.

Mr. CURTIS. No; he is not an elector for general purposes; he is an elector for special purposes only.

Mr. PASTORE. But he is an elector to be appointed for a temporary position in the Senate of the United States by his Governor.

I have as much right to say it as the Senator has to say that the appointee is not an elector. That is the question in dispute. The majority leader has made his motion. We have a certificate from the Governor, and we must take cognizance of it. It is prima facie qualification for him to hold the office to which he has been designated by the Governor, until it is proved otherwise. All I am asking the Senator from Nebraska is whether he has any citation he can give now that will give substance to the assumption he makes that the appointee is not an elector.

Mr. CURTIS. The language of the law itself. It does not make a person an elector on the same terms as a person who has the qualifications of an elector elsewhere, and who comes into California and can become an elector to vote only for President.

Mr. PASTORE. We are not asking him to vote for any office. We are merely saying that we want him to take his seat in the Senate. The Senator from Nebraska is saying that he is not an elector. I am not saying that he is empowered by the laws of California to vote for anyone, but he is an elector within the spirit and within the provision of the 17th amendment.

Mr. CURTIS. I think not.

Mr. PASTORE. I know the Senator thinks not, because he is on the other side of the aisle.

Mr. CURTIS. It is entirely possible that someone not an elector in California, but who has the necessary requirements elsewhere, could come into the State for 54 days, be permitted to vote for President, by reason of his national citizenship, then leave the State the next day, and never become an elector. The idea that California allows someone who is not an elector to vote for presidential electors does not carry with it the idea that he is an elector.

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. CURTIS. I yield.

Mr. DIRKSEN. There is a very specific case on that point. It is the case of People against Darcy. It is a California case, decided in 1943, found in 59 California 2d, 342. The court held:

There is a difference in meaning between the words "elector" and "voter", an elector being one who has the qualifications to vote, but may not have complied with legal requirements (e.g. registration) as conditions precedent to the exercise of the right to vote.

California makes a clear distinction between an elector and a voter, as defined not only in the State constitution, but also in the code.

Mr. CURTIS. I make one more point——

Mr. PASTORE. If the Senator will yield——

The ACTING PRESIDENT pro tempore. The Senator from Nebraska has the floor.

Mr. CURTIS. I should also like to point out that in two places in the Constitution, where it refers to those who are electors for purpose of choosing Members of the House of Representatives and the Senate, it provides that an elector for that purpose is someone who is an elector for the purpose of voting for members of the most numerous branch of the State legislature.

I yield the floor.

Mr. KUCHEL obtained the floor.

Mr. KUCHEL. Mr. President, I yield to the Senator from Iowa.

Mr. HICKENLOOPER. Mr. President, I wish to interrogate the majority leader. In the motion of the majority leader he uses the term "without prejudice." That point was raised a moment ago, but I should like to ask him what the meaning of the term "without prejudice" is. I preface my question by calling attention to the fact that the Senate may, after a person is seated and accepted in the body, expel him by a two-thirds vote.

It is my understanding that a majority vote, in the case of admitting someone and permitting him to take his oath of office, is all that is required. Does the Senator from Montana mean, when he uses the term "without prejudice," that if the Senate at a later date should determine that it had been mistaken in admitting the appointee and permitting him to take the oath, it would require only a majority vote of the Senate to reverse the situation and take another course of action? In other words is a majority vote controlling in the use of the term "without prejudice"? Perhaps I have spoken longer than I should have spoken.

Mr. MANSFIELD. I believe I know the answer to the question of the distinguished Senator from Iowa, but in this instance I shall ask the Chair to give the answer to the Senator from Iowa.

The **ACTING PRESIDENT** pro tempore. The phrase "without prejudice" has frequently been used in cases in which a motion was made such as the majority leader has made. In this matter we pass on the legality of seating a Senator-designate, rather than pass on an expulsion; and a majority vote would be sufficient to determine the issue. The precedents are legion.

Mr. HICKENLOOPER. I understand that precedents of various kinds are legion. I have heard that phrase used a number of times in connection with the proposed seating of a Member of the Senate. I wished to have the matter cleared up in this particular case. Assuming that the motion of the Senator from Montana should prevail and at a later date the Senate should determine that it was mistaken, or that it wanted to reverse its holding of today, and say that the appointee should not have been admitted to take the oath of office and to take his seat, would a majority vote of the Senate be controlling in that connection?

Mr. MANSFIELD. That is my understanding.

Mr. HICKENLOOPER. I should like to ask that question of the Chair.

Mr. MANSFIELD. I ask the Chair to corroborate it.

The **ACTING PRESIDENT** pro tempore. The Senator from Iowa is correct. If the matter were referred to committee, and the committee should report back to the Senate, a majority vote would determine the legality of the appointment of the Senator-designate.

Mr. HICKENLOOPER. That would revert back to this particular time.

The **ACTING PRESIDENT** pro tempore. To the time designated.

Mr. MORSE. Mr. President, a parliamentary inquiry.

The **ACTING PRESIDENT** pro tempore. The Senator will state it.

Mr. MORSE. I believe we should tie this point down. I speak from my recollection. I believe an identical ruling was made—and it can be held as a precedent—at the time of the so-called Bilbo case, when the question was raised as to whether the Senator from Mississippi should be seated. I believe the RECORD shows that the same ruling was handed down at that time. I should like to ask the Parliamentarian if that is the precedent, or if there is another precedent. I know that ruling was handed down.

Mr. HICKENLOOPER. I was on the committee at that time. I have a rather clear recollection of the situation. My recollection is that Senator Bilbo was asked to stand aside at the door. The issue was never finally resolved on the floor of the Senate, because his untimely death occurred within 3 or 4 months after that time. He never took his seat and was never permitted to take his oath of office. He was asked to stand aside at the door. That was the procedure that was followed. The committees went into the matter in the meantime. As I say, his untimely death occurred while the committees had the matter under consideration and prior to his being permitted to take the oath.

Mr. MORSE subsequently said: Mr. President, I ask unanimous consent to have printed in the RECORD immediately following my colloquy with the Senator from Iowa in regard to the question of precedents on the matter dealing with the meaning of phrase, "without prejudice," the following paragraph from "Senate Procedure" written by Mr. Watkins and Mr. Riddick, on page 240:

SWORN IN WITHOUT PREJUDICE

> In recent years various Senators-elect against whom charges or petitions of contest or both were filed have been sworn in without prejudice to either themselves or the Senate, and then the resolutions to exclude or affirm their membership in the Senate were disposed of by a majority vote at a later date.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. MORSE. I also ask unanimous consent that the footnotes and the citations of precedents be included. One is found on January 3, 1951, one on January 3, 1953, one on January 3, 1941, and one on March 27, 1942.

There being no objection, the footnotes were ordered to be printed in the RECORD, as follows:

TERM OF OFFICE

See "Salaries, etc.," pp. 555–556.

[65] Jan. 3 and 4, 1947, 80–1, RECORD, pp. 3–32, 109, 110.

[66] Mar. 3, 1927, 69–2, Journal, pp. 268, 269, RECORD, pp. 5513–5519; Dec. 2, 1930, 71–3, Journal, p. 5, RECORD, p. 32.

[67] Dec. 5, 1916, 64–2, RECORD, pp. 11, 12.

[68] Jan. 3, 1947, 80–1, RECORD, pp. 3–32.

[69] Dec. 1, 1930, 71–3, Journal, p. 5.

[70] See Dec. 12, 1929, 71–2, Journal, pp. 38, 39, RECORD, pp. 529, 533.

[71] Mar. 3, 1927, 69–2, Journal, pp. 268, 269, RECORD, pp. 5513–5519.

[72] Jan. 3, 1951, 82–1, RECORD, p. 3; Jan. 3, 1953, 83–1, RECORD, p. 7; Jan. 3, 1941, 77–1, RECORD, pp. 3–4; see Mar. 27, 1942, 77–2, RECORD, p. 3063.

[73] Ibid.

Mr. MORSE. Mr. President, the precedents are ample in support of the ruling of the Chair and in the announcement by the majority leader as to the meaning of the phrase used in the motion of the majority leader, "without prejudice."

Mr. LAUSCHE. Mr. President——

The **ACTING PRESIDENT** pro tempore. The Senator from California has the floor.

Mr. KUCHEL. When I first learned, last night, from the minority leader, that the appointment of a new Senator from the State from which I come would be challenged today, I endeavored as best I could to acquaint myself with the law pertaining to this subject, and with some of the precedents of the Senate which might apply.

It is extremely difficult, as I believe all Members of the Senate will agree, to grapple with the problem of a challenge to an election or a challenge to the appointment of a person to membership in the U.S. Senate. I must say it is not one of the more pleasant chores we have to perform. The facts in this case have been rather sketchily discussed. There is a vacancy in this legislative Hall from the State I represent. The Governor of my State has seen fit to issue a commission of appointment to Mr. Pierre Salinger. The secretary of state of my State has authenticated that document in the form and fashion generally prescribed by the Secretary of the Senate. I presume that by way of anticipation of the problem raised here today, the attorney general of my State was requested to give a formal opinion upon the matter. I have a copy of that opinion. It is a well reasoned legal document. I ask unanimous consent that its entire text be printed at this point in the RECORD.

There being no objection, the opinion was ordered to be printed in the RECORD, as follows:

OPINION OF STANLEY MOSK, ATTORNEY GENERAL, CHARLES A. BARRETT, ASSISTANT ATTORNEY GENERAL, JAMES GANULIN, DEPUTY ATTORNEY GENERAL, AUGUST 4, 1964

The Honorable Edmund G. Brown, Governor of the State of California, has requested an opinion on the following questions:

1. Can the Governor appoint a person to fill a vacancy in the office of U.S. Senator caused by the death of the incumbent?

2. Can the Governor appoint, to the office of U.S. Senator, a person who possesses the qualifications for the office established by article I, section 3, clause 3, of the U.S. Constitution even though the appointee is not an elector of the State of California at the time of the appointment?

The conclusions are:

1. The Governor may fill a vacancy in the office of U.S. Senator by appointment.

2. In filling a vacancy in the office of U.S. Senator, the Governor may appoint a person who possesses the qualifications established by article I, section 3, clause 3, of the U.S. Constitution even though that person is not an elector of the State of California at the time of the appointment.

ANALYSIS

The untimely death of the Honorable Claire Engle has given rise to a question concerning the method of filling a vacancy in the office of U.S. Senator.

The 17th amendment of the U.S. Constitution provides in part as follows:

"When vacancies happen in the representation of any State in the Senate, the executive authority of such State shall issue writs of election to fill such vacancies: *Provided,* That the Legislature of any State may empower the executive thereof to make temporary appointments until the people fill the vacancies by election as the Legislature may direct."

Acting pursuant thereto, the California leglislature has enacted Elections Code section 25001 which provides as follows:

"If a vacancy occurs in the representation of this State in the Senate of the United States, the Governor may appoint and commission an elector of this State, who possesses the qualifications for the office, to fill the vacancy until his successor is elected and qualifies and is admitted to his seat by the United States Senate. However, whenever a vacancy occurs within a term fixed by law to expire on the third day of January following the next general election, the person so appointed shall hold office for the remainder of the unexpired term unless such vacancy is filled at a special election held prior to such general election, in which case the person elected at such special election shall hold office for the remainder of the unexpired term. An election to fill a vacancy in the term of a United States Senator shall be held at the general election next succeeding the occurrence of the vacancy or at any special election."

Thus, the Governor may appoint a person to fill a vacancy in the office of U.S. Senator.

Turning to the second question, article I, section 3, clause 3, of the U.S. Constitution provides as follows:

"No person shall be a Senator who shall not have attained to the age of thirty years, and been nine years a citizen of the United States, and who shall not, when elected, be an inhabitant of that State for which he shall be chosen."

It is well settled that the qualifications established by the U.S. Constitution for the offices of U.S. Senator and Representative in Congress are exclusive and a State cannot, by constitutional or statutory provisions, add to or enlarge upon those qualifications. *State* v. *Crane*, 197 P. 2d 864, 867–874 (Wyo. 1948), and cases cited therein.

Section 25001 of the Elections Code purports to restrict the appointment to "an elector of this State." Under Elections Code section 20, an elector is a person who qualifies under section 1 of article II of the State constitution which sets forth a residency requirement of 1 year.

Thus, the question is presented as to whether section 25001 of the Elections Code, insofar as it requires an appointee to be an elector, has established an additional qualification for the office of U.S. Senator.

In *State* v. *Crane*, 197 P. 2d 864 (Wyo. 1948), a provision of the Wyoming constitution, disallowing the Governor from being eligible to any other office during the term for which he was elected, was held to amount to an additional qualification for the office of U.S. Senator and therefore could not prevent the Governor from becoming a U.S. Senator since the provisions dealing with the qualifications for the Senate and House of Representatives set forth in the U.S. Constitution were controlling. In the Crane case, the Court stated:

"The case of *State ex rel. Eaton* v. *Schmahl*, Secretary of State, 140 Minn. 219, 167 N.W. 481, decided in 1918 dealt with a provision of the Minnesota Constitution prohibiting any person who had been convicted of a felony from holding public office. Proceedings were brought to restrain the Secretary of State of Minnesota from placing the name of a candidate, one Peterson, for the United States Senate on the primary election ballot on the ground that 'since the filing of his affidavit as such candidate he was convicted of a felony in the federal court, sitting in this state, and is now under sentence by the judgment of that court to imprisonment for a term of years.' The court dismissed the proceedings, asserting that the position of Senator is a federal office created by the United States Constitution and that a state is without authority to enlarge or modify the qualifications for United States Senator prescribed by the National Constitution and also that the provisions of the Minnesota Constitution on the right to hold public office could have no application to the Office of United States Senator. Said the Court: 'Peterson is not disqualified under the provisions of the federal Constitution.'" 197 P. 2d at 870.

In *Riley* v. *Cordell*, 194 P. 2d 857 (Okla. 1948), it was held that the U.S. constitutional clause with respect to qualifications for the Senate or House was exclusive and provisions of an Oklahoma statute barring judges from becoming elected or appointed as a candidate for any office other than a judicial office could not prevent a judge from becoming a candidate for nomination for U.S. Senator. Other cases holding to the same effect are: *Wettengel* v. *Zimmerman*, 24 N.W. 2d 504 (Wis. 1948); *State ex rel. Handley* v. *Superior Court of Mannon County*, 151 N.E. 2d 508 (Ind. 1958); *Opinion of the Judges*, 116 N.W. 2d 233 (S.D. 1958); *State* v. *Crawford*, 10 So. 118 (Fla. 1891).

Certainly the pertinent portion of section 25001 of the California Elections Code requires something more of the appointee than being 30 years of age, 9 years a citizen of the United States, and being an inhabitant of the State. U.S. Constitution, article I, section 3, clause 3. To the extent that it requires him to be an elector; i.e., a resident of the State for 1 year, it is enlarging upon the U.S. constitutional qualifications for office and is invalid.

An argument might be presented that the Governor cannot appoint a person who is not an elector because the U.S. constitutional provision as to inhabitancy only refers to the individual's being an inhabitant "when elected." However, this argument is not correct because the U.S. Constitution as originally enacted did not provide for the election of a U.S. Senator by popular vote of the people, but only provided that they be "chosen by the legislature." The adoption of the 17th amendment to the U.S. Constitution for the first time provided for the popular election of U.S. Senators. Therefore, the use of the word "elected" as used in article I, section 3, clause 3, of the U.S. Constitution, should be held to include the broader meaning of selected or chosen. To the same effect is the recent California State Supreme Court case of *Barrett* v. *Hite*, 61 A.C. 83, 85–86 (1964), where the court held that the word "elected" should be construed to include the broader meaning of selected or chosen.

Though statutes are presumed constitutional, the presumption of validity is not conclusively binding on the courts. *McKay Jewelers, Inc.* v. *Bowron*, 19 Cal. 2d 595, 603 (1942). Thus, in a case such as this, where a portion of the statute is clearly contrary to the provisions of the U.S. Constitution, that portion must be declared invalid.

The portion of section 25001 of the Elections Code authorizing the Governor to appoint a person who possesses the qualifications for the office to the U.S. Senate is valid as clearly authorized by the provisions of the 17th amendment to the Constitution of the United States. This part of the section can stand alone and remain in force since it can be separated from the invalid part of the section; namely, the elector requirement, since it constitutes a completely operative expression of the legislative intent. *Danskin* v. *San Diego Unified School District*, 28 Cal. 2d 536, 555 (1946); 11 Cal. Jur. 2d Constitutional Law, sec. 87, p. 424.

It is important to note also that the provisions of the U.S. Constitution, article I, section 5, clause 1, read in part as follows: "Each House shall be the judge of the elections, returns and qualifications of its own Members."

Thus, the ultimate decision as to whether or not a particular person shall be seated in the U.S. Senate belongs to the Senate itself. Therefore, assuming a person has the requisite qualifications set forth in the U.S. Constitution, the question of whether his election or appointment is valid under a purported restriction set forth in a State statute or State constitution is left solely to the U.S. Senate. *State* v. *Crawford*, 10 So. 118 (Fla. 1891); cf., *In re McGee*, 36 Cal. 2d 592 (1951).

For the foregoing reasons, we conclude that the Governor may fill a vacancy in the office of U.S. Senator by appointment and may appoint a person who possesses the qualifications established by article I, section 3, clause 3, of the U.S. Constitution even though that person is not an elector of the State of California at the time of the appointment.

Mr. KUCHEL. Mr. President, the attorney general of California referred in his opinion to the same constitutional provisions and the same California statutes mentioned a few moments ago by the majority leader.

The Constitution of the United States provides in part, in article I, section 2, clause 2, that no one shall be a Member of the House or of the Senate unless he has been "an inhabitant of" the "State in which he shall be chosen." The key word is "inhabitant."

The able minority leader quite clearly demonstrated that the Legislature of the State of California saw fit to provide something in addition. It prescribed that a person, to be appointed to the U.S. Senate, should be an elector; and then the legislature went on to define the meaning of "elector" in such a fashion, so it is now alleged, as would disqualify the appointee from my State. The attorney general of California said, in part:

> It is well settled that the qualifications established by the U.S. Constitution for the offices of U.S. Senator and Representative in Congress are exclusive and a State cannot, by constitutional or statutory provisions, add to or enlarge upon those qualifications.

I agree.

The attorney general then cites some rather interesting cases.

In *State* v. *Crane*, 197 P. 2d 864 (Wyoming 1948), a provision of the Wyoming Constitution, disallowing the Governor from being eligible to any other office for the term for which he was elected, was held to amount to an additional qualification for the office of U.S. Senator and therefore could not prevent the Governor from becoming a U.S. Senator since the provisions dealing with qualifications for the Senate and House of Representatives set forth in the U.S. Constitution were controlling. In the Crane case, the Court said:

> The case of *State ex rel. Easton* v. *Schmahl*, Secretary of State, 140 Minn. 219, 167 N.W. 481, decided in 1918 complied with the provision of the Minnesota Constitution prohibiting any person who had been convicted of a felony from holding public office. Proceedings were brought to restrain the secretary of state of Minnesota from placing the name of the candidate, one Peterson, for the U.S. Senate on the primary election ballot on the ground that "since the filing of his affidavit as such candidate he was convicted of a felony in the Federal court, sitting in the State, and is now under sentence by the judgment of that court to imprisonment for a term of years." The court dismissed the proceedings, asserting that the position of Senator is a Federal office created by the U.S. Constitution and that a State is without authority to enlarge or modify the qualifications for U.S. Senators prescribed by the National Constitution and also that the provisions of the Minnesota Constitution on

> the right to hold public office could have no application to the Office of U.S. Senator.

Said the court:

> Peterson is not disqualified under the provisions of the Federal Constitution.

Senators will observe that the U.S. Constitution consistently is held to be supreme, and that it is beyond the power of a State to change or modify, in any fashion, the qualifications for Members of the U.S. Senate.

In *Riley* v. *Cordell*, 194 P 2d 857 (Okla. 1948), it was held that the U.S. constitutional clause with respect to qualifications for the Senate or House was exclusive and provisions of an Oklahoma statute barring judges from becoming elected or appointed as a candidate for any office other than a judicial office could not prevent a judge from becoming a candidate for nomination for U.S. Senator.

A question has been raised as to whether this appointee, now waiting outside this Chamber, is qualified or not under statutory law in the State of California. I have no doubt that these questions have been raised in good conscience and with complete good faith.

What procedure should the Senate follow? It has a choice. I speak now, not as a partisan; I speak as a U.S. Senator who respects your responsibility, Mr. President, and my own to abide by the Constitution.

From a book compiled by the Parliamentarian, I refer to a little of the procedure by which this institution has conducted its public business for a long time. I refer to page 240:

> Reference of credentials: A motion or resolution to refer the credentials of a Senator-elect to a committee is privileged, and has precedence over the administration of the oath to such a Senator-elect.
>
> After the name of a Senator-elect is called, while the question of swearing him in is pending the consideration of a resolution to refer his credentials to a committee and to deny him the right to take his oath of office in the meantime is privileged and takes precedence over swearing him in, but the resolution is open to amendment. A resolution to refer is privileged and does not have to lie over a day.
>
> Reference to a committee of a resolution denying a seat to an appointee of the Governor of a State to fill a vacancy in the Senate would not be construed to be an impediment to the administration of the oath.

That is the Parliamentarian of the Senate speaking.

From another document, prepared by the Secretary of the Senate, I read from the first page, the introduction.

Reference is made to a Senate committee report in 1921:

> The Senate is jealous of its constitutional right to be "the judge of the elections, returns, and qualifications of its own Members."

The Senate should be jealous of all its rights and responsibilities.

Then there is this interesting comment:

> On some occasions, when these credentials are presented, some Senators will submit a motion that the credentials be referred to the Committee on Rules and Administration, and that, pending report, he be denied the privilege of taking the oath of office. Upon adoption of such a motion, the Senator-elect steps aside and the Senate seat is vacant for the time being. Any question or motion arising or made upon the presentation of such credentials is privileged and would be governed by a majority vote.
>
> On other occasions, the Senator-elect is permitted to take the oath of office, and this is now regarded and followed as the proper procedure.

That is a quotation from the introduction of Senate Document No. 71, 87th Congress, 2d session, entitled "Senate Election, Expulsion and Censure Cases," and refers to what the distinguished Parliamentarian has previously written.

What are some of the precedents? That is highly important to the Senate. They must be earnestly considered as we reach our decision. Before I came here, a man came to the Senate on the Republican side of the aisle, a distinguished Senator, one whom I can call my friend. He came from the State of Maryland. Some Senators on the other side of the aisle contested his right to be sworn. They vigorously objected to his qualifications, but the Senate permitted him to be sworn and referred the matter in controversy to the committee which the Senate had created for the purpose of sifting such charges.

I am glad to recall that subsequently the committee reported that there was no basis in the charges which would disqualify the new Senator from the State of Maryland. That happened, as I say, before I came to the Senate.

I am not going to apply one kind of procedure to a Republican whose seat is challenged, and apply a different procedure when a Democrat comes here and his seat is challenged.

I have a recollection of one occurrence during my service in the Congress, a gallant and distinguished Senator on the side of the aisle of the Acting President pro tempore [Mr. METCALF], came to the Senate after being reelected, and the charge was made against the validity of his election.

The Senator held up his hand and took his oath and the Senate ordered it that way. The charges went to a committee, and they were debated on the floor of the Senate, and the Senate determined that there was no basis for the charges. Acting in accordance with precedent, the Senate, once again discharged its duty, swore in a new Member, sifted thereafter the charges against him, and ruled in his favor.

The point I make is that the precedents of the U.S. Senate in cases of dispute, rightfully, I believe, permit a Senator whose right to hold this office is contested, nevertheless, to sit "without prejudice"—the important phrase.

Thus, the American Constitution, under our theory of government, permits every State to have two sitting Senators working for their State—perhaps to attempt to use a legal distinction, a de facto Senator as distinguished from a de jure Senator, where one of them finds challenged his right to sit as a Member ber.

At any rate, I deem it most important to refer to the two precedents—and there are others—to help me make my decision. Perhaps my colleagues will wish also to consider them.

I understand that if the substitute motion of the distinguished Senator from Montana is adopted, the Senator-designate from the State from which I come will take his oath and the problem of his qualifications, under the American Constitution, and under any laws of the State of California which may have dignity under and are not in derogation of the Constitution, will be fully and completely explored, and that a report will be made to the Senate later.

Mr. MANSFIELD. Mr. President, the Senator from California is correct. Let me add, also under the rules and regulations of the Senate.

Mr. KUCHEL. I will say one more thing and then I shall take my seat.

Last Monday, certain Senators returned from California, my beloved native State. It was a sad mission, for the Senate, represented by some of us, paid its last respects to our late former colleague from California who had been unable for long months to perform most of his official functions, except at those touching and poignant times when he came into the Chamber in a wheelchair and sat over there and voted—and demonstrated his courage to the very end and his devotion to his public trust. We honor the memory of Clair Engle.

The Senate will continue in session for another 3 weeks—perhaps longer. The people of California will make a decision as to whom they wish to represent them in the Senate in the November election.

The appointee of the Governor of California does not belong to my political party. He is a Democrat. I am a Republican. I shall remain a Republican, and do what I can to increase the Republican strength in the Senate.

But, I wish California to be represented in the Senate by two U.S. Senators. That is why, after studying the law, at least sketchily, and studying the precedents of the Senate, at least hurriedly, I find it necessary to disagree with my able leader and dear friend, the Senator from Illinois [Mr. DIRKSEN], in the motion which he has made.

I believe that, upon this occasion, the interest of the American people, and the interest of the people of California in particular—and if I may add, the interest of my party—would be best served by the adoption of the substitute motion by the majority leader. That, I think, is the path which follows the Constitution, as well as the customs and traditions of the Senate. We will, thus, treat this contest exactly as the Senate has treated objections to others in years gone by.

Mr. TOWER. Mr. President, will the Senator from California yield for a question?

Mr. KUCHEL. I yield.

Mr. TOWER. Were the cases cited by the attorney general of the State of California, as read by the Senator from California, cases which were determined in State courts?

Mr. KUCHEL. The Senator is correct.

Mr. TOWER. Are there any precedents laid down by the Supreme Court of the United States on these matters?

Mr. KUCHEL. I have not found any U.S. Supreme Court decision on this point.

Mr. TOWER. Would not a decision, then, by the Supreme Court of the State of California on this matter contribute as much, carry just as much weight, or be just as valid as any decision cited by the State attorney general and determined in a State court, relative to the constitutionality of setting forth the qualifications by the legislature, or by the Governor, for an appointee to the Senate?

Mr. KUCHEL. It certainly would. I personally regret that the lawsuit, contemplated to be filed today, will be filed in the superior court, which means that if the suit were to be pursued at the conclusion or determination by the superior court, there would be possibly an appeal to the district court of appeals, and thereafter to the State supreme court in my State.

I come back to the two conclusions I reach. The State attorney general was dealing with a California State statute which he found controverted the Federal Constitution. We deal here with the question of whether this appointee should be sworn in without prejudice, which generally I interpret to mean a de facto membership in the Senate, rather than one which is de jure. If we make that decision, we should do it on the basis of precedent; and the precedents that I find sustain the position which I take. The charges would be sifted by committee, and the Senate would thereafter pass on the merits of the charges.

Mr. CASE. Mr. President, will the Senator from California yield?

Mr. KUCHEL. I yield.

Mr. CASE. Is it the Senator's understanding that the term "without prejudice" just described, among other things, by the Senator from Oregon, means that it would be without prejudice to the power of this body to act—as I believe this body will establish here today by majority vote on the question, when it comes up again—but also our action would be without prejudice to any determination of any court of competent jurisdiction. Is it the Senator's understanding that this will not, for example, render moot the question, so that the courts cannot take it under consideration?

I do not believe that the action of making this appointee a Senator, and doing so without prejudice, would foreclose the right of an individual in California to file a lawsuit against this appointee, were he to become a de facto Member of the Senate. I believe the Senator will agree with me. But I must, in all candor and honesty, say that I would assume that that appointee might, through his counsel in such a proceeding, urge that the proceeding were now a nullity.

Mr. CASE. I make the observation that the Senator's argument has been very persuasive. I believe there is every reason why we should attempt to see that California has two votes in the Senate.

I believe we should also do this without prejudice to any proper test of any legal question. I am concerned, therefore, not only that the Senate's right to act shall not be prejudice by the action that it will take, but also that it be our intention that we should not prejudice any proper appeal to the court in California.

I believe that a reference to this point by implication in the remarks of the distinguished majority leader [Mr. MANSFIELD] earlier, indicated an intention, on his part at least, that this should be so when he said, as I recall, that this should be without prejudice to any institution. I take it that he was referring to the court, as well as to the Senate.

Mr. MANSFIELD. That would be true. But I point out that in the final analysis the Senate is the sole judge as to who shall or shall not be a Member of this body. As the distinguished minority deputy leader [Mr. KUCHEL] has pointed out, the suit which it has been been announced will be initiated next week, or the week after, goes to one of the lower courts. It could be appealed, regardless of the outcome, to the next highest court. And then, it could be appealed from that court, one way or the other, to the California Supreme Court.

So I agree that the statement "without prejudice" applies to individuals as well as institutions.

Mr. CASE. Including the courts?

Mr. MANSFIELD. Including the courts.

Mr. KUCHEL. If I were in the position of the appointee, I say very frankly that I would accept jurisdiction in the State judicial system of the contemplated suit in the State from which I come. My opinion is that the court would sustain me. But, having said that, I must also completely agree with the majority leader [Mr. MANSFIELD] that the Senate is, and rightly so, jealous of its constitutional prerogatives. Its prerogatives under the American Constitution include the right, and the duty, to judge the election and the qualifications of its membership.

Mr. CASE. I do not disagree with that at all. It is conceivable that no matter what was decided by the California courts, the Senate might still decide to seat the person presently knocking at our door. That is not the question. The question is whether the action that it is proposed that we take today in admitting him without prejudice to membership in this body, is an intent to prejudice any action which the court might take.

Mr. KUCHEL. Speaking only for myself, I would say that the intention that I read into the motion made by the Senator from Montana [Mr. MANSFIELD] and the particular use of the phrase "without prejudice" means without prejudice to the Senate of the United States, to the people of California, to the appointee, or to anyone else.

Mr. COTTON. Mr. President, will the Senator from California yield?

Mr. KUCHEL. I yield.

Mr. COTTON. Like the Senator from New Jersey [Mr. CASE], I have listened attentively to the statements of the distinguished Senator from California. I have given his views most weighty consideration, he being the sole representative of the great State of California on the floor of the Senate today.

The Senator referred to certain other cases, with which some of the rest of us are familiar, of Senators whose seating had been disputed, and who had taken the oath and been seated, following which investigation and consideration had been given by the proper committee.

Is it not a fact, however, that the cases to which the distinguished Senator from California [Mr. KUCHEL] referred were cases in which the grounds for opposing their being seated in the Senate had to do with alleged violations of the election laws, irregularities, or perhaps even corruption in their election? The objection was not raised on the legal qualifications of the person to be a Senator of the United States.

Mr. KUCHEL. I cannot in good conscience answer that question by saying "yes." If X alleges that Y was elected to the U.S. Senate by fraud, he is attacking the validity of the certificate of election. In this instance, there is no certificate of election. There is a certificate of appointment, the validity of which has been called into question in another fashion.

I do not draw any distinction between an attack on the validity of a writ of election and an attack on a writ of appointment. And, reaching that conclusion, I do not draw a distinction between the type of illegality sought to be used to frustrate the writ.

Mr. COTTON. Then, if I understand the distinguished Senator correctly, in his opinion, there is no difference, and there should be no difference in procedure—I am not raising the question of election or appointment—in a case in which there are allegations about the methods used, and whether the election laws were complied with in the election of a Senator, and a proceeding in which the sole question is as to his legal qualifications to be a Member of the U.S. Senate under the Constitution and the law at this time.

Mr. KUCHEL. I would answer that question "Yes." This example has has come to mind: Suppose the Governor of a State appointed a foreigner to the U.S. Senate, but the fact that he was not an American citizen was not known, or there was a dispute about it. The Governor made an illegal and unconstitutional appointment. Let us assume that the Senate seated him on a de facto basis, and the Committee on Rules and Administration had that problem before it. It would come down to a decision on the facts as to whether the Committee on Rules and Administration and the Senate believed that the man was in truth a foreigner or believed that he was in truth an American citizen.

Mr. COTTON. I have great respect for the distinguished Senator. I believe he has been speaking very fairly and fearlessly today. I compliment him on it. But if a certificate of appointment were issued to a man whom the people of the State of California had reason to believe was not even a citizen of the United States, would the Senator from California vote to seat him first and investigate afterward?

Mr. KUCHEL. I would have to add one additional assumption to the question, and that is that there would be others who would say that he was a U.S. citizen; and they could so testify, so that the facts would be in doubt.

Mr. COTTON. I am talking about the knowledge and the conscience of the Senator from California, not that of others.

Mr. KUCHEL. Does the Senator mean to assume that I knew that the appointee was a foreigner?

Mr. COTTON. Suppose the Senator believed he was a foreigner.

Mr. KUCHEL. If I stood by at the time the appointee was born in some foreign land and could testify from fingerprints and otherwise positively that he was a foreigner, of course I would let it be known, and would vote against seating him. That is not, of course, any analogy to the matter before us.

The question is whether the Senate will follow the procedures that it has established in cases in which an attack on the validity of a Senator's appointment or election has been made.

Mr. COTTON. I thank the Senator for his interesting observation.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. KUCHEL. I yield.

Mr. MORSE. I am sure I understand the position of the Senator from California, as well as the position of the Senator from New Jersey, and that of the majority leader in regard to the meaning of the words "without prejudice" as they relate to the question raised by the Senator from New Jersey concerning possible court decisions. I wish only to make the following statement by way of caveat now: I would be greatly influenced by a court decision, but in my judgment a court decision would not waive article I, section 5, of the Constitution as to the inherent power and right of the Senate to determine the qualifications of its own Members, irrespective of a court decision.

It is perfectly clear that "Each House shall be the judge of the elections, returns, and qualifications of its own Members, and a majority of each shall constitute a quorum to do business."

So I believe we would all be greatly influenced by a court decision; but no court decision can be substituted for the decision of the Senate in determining the qualifications of its own Members.

Mr. KUCHEL. I believe that is very clear. That is why I referred time and again to the jealousy with which the Senate properly and constitutionally hugs unto itself the responsibility for determining the eligibility and qualifications of its membership.

I yield the floor.

Mr. ERVIN. Mr. President, I rise in support of the substitute motion of the majority leader. I do so notwithstanding the fact that I am prepared at this moment to vote that Pierre Salinger is a de jure junior Senator from California and as such is entitled as an absolute right to take his seat in the Senate.

I commend the position taken with so much clarity by the senior Senator from California [Mr. KUCHEL]. I commend the excellence of the legal opinion he quoted which I understand was written by Attorney General Stanley Mosk, of California. While I am not privileged to know Attorney General Mosk personally, I have had correspondence with him about bills pending before subcommittees of which I am chairman. I am of the opinion, as a result of such correspondence, that Mr. Mosk is one of the finest constitutional lawyers in the United States.

I wish to address myself very briefly to the constitutional question, and also to state as emphatically as possible that I find myself in thorough agreement with the senior Senator from California in the proposition that there is really no distinction between a Senator who comes here by certificate of election and a Senator who comes here by appointment of the chief executive of the State pursuant to an act of the legislature of the State. That is true because section 5 of article I of the Constitution provides that each House shall be the judge of the qualifications of its own Members. It makes no distinction in respect to the manner in which an individual acquires his membership in the Senate, whether by election or by appointment.

I find myself in complete agreement with the position taken by the able and distinguished senior Senator from Oregon [Mr. MORSE] that the power to determine whether a person is entitled to be admitted as a Member of the Senate and whether he possesses the qualifications for such admission belongs to the Senate and not the courts of the United States or the courts of the State. Litigation affecting questions of this kind has usually arisen, as the senior Senator from California pointed out, in cases which involve the right of a man to be allowed to run in a primary, and matters of that kind, and not to his right to admission to the U.S. Senate when he produces a certificate of election or an appointment from the Governor of his State pursuant to State laws.

It seems to me that the constitutional question involved is extremely simple. It is a fundamental principle of interpretation of all written documents, regardless of whether they be constitutions, statutes, or contracts, that in determining the proper interpretation one reads all the provisions of the written document relating to the subject which is under consideration.

The questions which confront the Senate, which will confront the Committee on Rules and Administration, and which will confront the Senate again when the Committee on Rules and Administration reports to the Senate are as follows: Does the Senator-designate from California, Pierre Salinger, possess the qualifications prescribed by the Constitution of the United States? Has he been appointed to the Senate by the Governor of California under a statute of California authorizing the Governor to fill a vacancy in California representation in the Senate? If so, he is entitled to his seat.

There are two provisions of the Constitution which relate to that subject and which are germane to a consideration of the constitutional question. The first is clause 3 of section 3 of article I, which reads as follows:

> No person shall be a Senator who shall not have attained to the age of 30 years, and been 9 years a citizen of the United States, and who shall not, when elected, be an inhabitant of that State for which he shall be chosen.

That constitutional provision clearly prescribes three, and only three, qualifications for membership in the U.S. Senate. Those qualifications are as follows——

Mr. HICKENLOOPER. Mr. President, will the Senator yield for a question on the point which the Senator has made?

Mr. ERVIN. I yield.

Mr. HICKENLOOPER. Are not the provisions which the Senator read the qualifications for membership in the Senate for one who is elected? I submit to the Senate that those are qualifications for election to the Senate, and that there is a difference between membership in the Senate and election to the Senate.

Mr. ERVIN. I have a profound respect for my good friend, the Senator from Iowa, but I believe the distinction he has drawn is not quite as wide as the distinction between tweedle-dum and tweedle-dee. I say that the provision of the Constitution to which I referred is the only place in the Constitution which prescribes any qualifications whatsoever for a Senator, and that such provision of the Constitution prescribes three qualifications, and three qualifications only:

First. A Senator must have attained the age of 30 years.

Second. He must have been for 9 years a citizen of the United States.

Third. He must be an inhabitant of the State which he represents.

I concede that the phrase of the constitutional provision I have read sets out the third qualification by specifying, in substance, that a Senator must be an inhabitant of the State he represents "when elected."

But I assert that a fair interpretation of the Constitution is that those qualifications are the qualifications, and the only qualifications, which must be possessed by any Senator, regardless of whether he comes to the Senate by election or by appointment.

Mr. LAUSCHE. Mr. President, will the Senator yield for a question?

Mr. ERVIN. I would prefer to finish. I will then yield to the able and distinguished Senator from Ohio.

Mr. LAUSCHE. Very well.

Mr. ERVIN. The other provision of the Constitution which has direct reference to this matter is the 17th amendment. The part of the 17th amendment germane to this matter is the proviso in that amendment. After referring to the requirement that Senators shall be elected by direct vote rather than by State legislatures, the amendment refers to vacancies which may occur in the representation of a State in the Senate. The proviso reads:

> *Provided*, That the legislature of any State may empower the executive thereof to make

> temporary appointments until the people fill the vacancies by election as the legislature may direct.

What power does this proviso give to the legislature of a State? I submit that its simple and unambiguous words give the legislature of a State only one power. They give the State legislature the power either to grant or withhold from the Governor of a State the right to appoint a man to the Senate to fill a vacancy until the people of the State elect someone to fill the vacancy in an election conducted according to the State law. That is all the power the proviso confers upon the legislature of a State. It would do violence to the Constitution to say that the provision in article I, section 3, which I have read, applies only to Senators who are elected to the Senate, as distinguished from Senators who are appointed to the Senate.

It is a fundamental principle that in interpreting a written document one does not place an interpretation on the document which leads to an absurd conclusion. To say that article I, section 3 prescribing qualifications of Senators, prescribes qualifications only for Senators who are elected, would result in the absurd conclusion that Senators who are appointed are not required to possess any qualifications whatever by the Constitution of the United States, but can be required to possess any qualifications whatever, wise or foolish, which a State legislature may prescribe, even though they be wholly inconsistent with the Constitution of the United States. I assert that the Constitution clearly contemplates that a man must have attained 30 years of age, that he must have been a citizen of the United States for 9 years, and that he must be an inhabitant of the State he represents in order to be eligible to serve in the Senate. Any other interpretation would lead to the absurd conclusion that a State legislature can limit the appointing power of the Governor of the State to the appointment of anyone designated in a State statute, such as teenager, or a foreigner who had never lived in the United States, or a person who is not an inhabitant of the State he is to represent.

The only power the State of California has under the 17th amendment is to say to the Governor of California, "You may appoint a person to represent California in the U.S. Senate, if a vacancy exists, until that vacancy is filled by election by the people as provided by the 17th amendment."

If the State of California or any other State can add to the three qualifications, specified in section 3 of article I, it can add any qualification it wants to. It could pass a State law providing that only baldheaded men could be appointed to the Senate. It could enact a State law providing that only redheaded men could be appointed to the Senate. Indeed it could even pass a State law providing that only idiots could be appointed to the U.S. Senate.

If we are to place a reasonable interpretation on the Constitution and give effect to all its provisions, we are compelled to say that the only qualifications for Senators are those prescribed in section 3 of article I, and that they apply uniformly to all Senators, regardless of whether they come to the Senate by election or appointment. The Legislature of California cannot add to these qualifications any additional ones. Since the Constitution of the United States provides that a person is qualified to sit in the Senate if he has attained the age of 30 years, and has been a citizen of the United States for 9 years, and is an inhabitant of the State he represents, the Legislature of the State of California cannot add the additional qualifications that he must have been an elector of that State for a year. The 17th amendment gives the Legislature of the State of California no power whatever, except the simple power to either grant or withhold from its Governor the right to fill vacancies in its Senate representation by appointment until such vacancies can be filled by election by the people. This power is given in express, and plain terms and necessarily excludes the power to add to or subtract from the qualifications for U.S. Senator set forth in section 3 of article I.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. ERVIN. I yield.

Mr. CURTIS. I thank the Senator for yielding. He is a very able lawyer. Is it not true that one of our sovereign States—Oregon, I believe—in carrying out the provisions of the proviso in the 17th amendment said that the Governor must appoint as a Senator a member of the same political party as the previous Senator before the vacancy arose?

Mr. ERVIN. Frankly, I shall have to admit that I am not familiar with the law of Oregon on this subject. The law of Oregon has not a thing to do with it.

Mr. CURTIS. Oh, yes, it has.

Mr. ERVIN. The Constitution of the United States is what fixes the qualifications.

Mr. MORSE. Mr. President, if the Senator will yield, the Oregon Legislature passed an unconstitutional act, but it was not binding on the Senate of the United States.

Mr. CURTIS. But the U.S. Senate did question it. A Democratic Senator died, and a Democratic Senator was appointed.

Mr. MORSE. It was not an issue in the seating of Senator Lusk at all. If it had been at issue, I am sure the Senate of the United States would have held that the State Legislature of Oregon had no authority to pass such an act, because it would not be binding on the Senate, and it was, in my judgment, clearly unconstitutional.

Mr. CURTIS. But the Senate followed the law of Oregon.

Mr. MORSE. The law of Oregon was not the issue, and that question did not arise.

Mr. ERVIN. Judge Lusk was seated according to the Constitution, because he possessed the qualifications prescribed by the Constitution, and not by any inconsistent provision embodied in any unconstitutional law which may have been passed by the Legislature of Oregon. Despite my high respect for my friend, the senior Senator from Nebraska, I am constrainted to reiterate that the qualifications of Senators are fixed by the Constitution of the United States and cannot be varied in any way by any act which any State legislature may enact.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. ERVIN. I yield.

Mr. MORSE. By way of diversion, there is an interesting Oregon case that goes back to the Civil War, when it was not known whether Oregon was going to go with the North or the South. Abraham Lincoln wanted a man living in California appointed as a U.S. Senator from Oregon by the Oregon Legislature, and the Oregon Legislature accommodated him. He came to Oregon long enough at least to be appointed. He came to the legislature and he was floor leader for Abraham Lincoln.

Mr. ERVIN. And he was an inhabitant of the State of Oregon, rather than California, at the time the legislature elected him.

Mr. MORSE. That is true, at the time the legislature elected him.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. ERVIN. I yield to the Senator from Ohio.

Mr. LAUSCHE. The Senator from North Carolina fully covered the question I intended to ask him. I wanted him to reconcile the proviso in the 17th amendment with the article that provides the qualifications of a person to become a U.S. Senator. I wanted to ask the Senator that question because the Senator from Nebraska contended that we must approach differently appointees as distinguished from electees. I understood the Senator from North Carolina to take the position that article I, dealing with Senators, applies to both elected persons and appointed persons.

Mr. ERVIN. That is correct. Otherwise there would be no qualifications whatever prescribed by the Constitution for appointed persons, and we would have the absurd situation that the Constitution provides qualifications for those elected, but not for those appointed.

My interpretation gives effect to all parts of the Constitution and makes them harmonize on this subject.

Mr. LAUSCHE. The proviso has been read, but I shall read it again:

> *Provided*, That the legislature of any State may empower the executive thereof to make temporary appointments until the people fill the vacancies by the election as the legislature may direct.

Am I correct in my understanding that the Senator from North Carolina, probably with justification under one of two theories, believes that it is necessary to import into the proviso the qualifications set forth in article I with respect to who may be a Senator?

Mr. ERVIN. The Senator is correct, because such interpretation harmonizes the proviso with the qualifications for Senators specified elsewhere in the Constitution.

Mr. LAUSCHE. Further, is it the opinion of the Senator from North Carolina that we cannot take one part of the

Constitution and attempt to give it an interpretation, without also considering other parts of the Constitution dealing with the same subject, and seek to reconcile them?

Mr. ERVIN. The Senator is correct. As the Senator from Ohio, who is a great lawyer, and who has been a famous judge in his State, knows, we interpret all the provisions of the Constitution as a harmonious whole so that one provision will not destroy other provisions. My interpretation of the proviso in the 17th amendment and section 3 of article I brings the constitutional provisions on the subject a harmonious whole.

Mr. LAUSCHE. It is my understanding that in the interpretation of a document in a court of law, it is necessary to look to the four corners, and from the complete document interpret its meaning. Is it the Senator's opinion that that principle likewise applies in interpreting the Constitution?

Mr. ERVIN. Exactly. The matter could not be expressed in more lucid, or more accurate form than it has just been expressed by the Senator from Ohio.

Mr. LAUSCHE. I contemplate voting for the substitute motion offered by the Senator from Montana. I shall do so because I believe that permitting Mr. Salinger to take his oath without prejudice will enable those who have questions about the legality to make inquiry as to what their rights are. I understand that the words "without prejudice," as embodied in the substitute motion, mean that Mr. Salinger will be allowed to take the oath of office without prejudice to his rights and without prejudice to the right of the Senate subsequently to change its action if it concludes by majority vote that the action taken under the motion of the Senator from Montana was erroneous.

Mr. ERVIN. That is my understanding. As the senior Senator from California has stated, it would give the Senator-designate the status of a de facto Senator, but would not adjudicate the question as to his absolute legal title to the office.

Mr. LAUSCHE. Without thinking of the bouquet the Senator from North Carolina gave me, I should like to say that the Senator from North Carolina has given the most lucid interpretation of this issue that has been presented on the floor of the Senate.

Mr. ERVIN. I thank the Senator.

Mr. CASE. Mr. President, will the Senator yield?

Mr. ERVIN. I yield.

Mr. CASE. I, too, appreciate the contribution made by the Senator from North Carolina to the discussion. I should like to ask him a question. I should also like to have the benefit of the helpful comments on this point from the senior Senator from Oregon.

I believe it is conceivable that the State legislature has no right to limit the Governor in his appointive power, authorized under the 17th amendment to the Constitution, more narrowly than it is limited under the qualifications provided by the Constitution itself. However, is it not also correct to say that an attempt by the legislature to exercise a constricting role insofar as the Governor is concerned might have two consequences, not merely one?

The senior Senator from Oregon referred to the constitutional right of the State of Oregon with regard to the requirement that the Governor be limited in his appointive power to members of the same party as that of the former Senator whose vacancy was to be temporarily filled.

Is it not possible that while a State legislature cannot limit the power of the Governor in such a way, if he attempts to do so, possibly the consequence is that the Governor either has a free hand to make the appointment or has no power at all?

Mr. ERVIN. Yes. I believe the Senator has made a good point, and a very accurate one. My interpretation of the proviso in the 17th amendment is that unless the legislature of the State exercises the power which the proviso gives it by authorizing the Governor to fill vacancies in the State's representation in the Senate by executive appointment, the Governor cannot fill such vacancies in that manner.

In other words, the proviso in the 17th amendment to the Constitution merely authorizes the State legislature to give the Governor the power, which he would not otherwise possess, to fill a vacancy in the Senate pending the filling of such vacancy by the people.

Since the Constitution clearly contemplates that the Senate is to be a body of men who are not less than 30 years of age, who have been citizens of the United States for not less than 9 years, and who are inhabitants of the States which they represent, I believe that the legislature of a State must observe those qualifications, when it enacts a statute permitting the Governor to make appointments to the Senate and any attempt on its part to add to or subtract from them exceeds the power conferred upon it by the proviso in the 17th amendment.

Mr. CASE. Does it not follow that the Governor still has the power of appointment in the case of a State law which attempts to circumscribe it?

Mr. ERVIN. The Senator is correct unless the provisions of the State law are inseparable. Any State law which undertakes to prescribe any limitation or any qualification inconsistent with those prescribed in section 3 of article I of the Constitution would be unconstitutional, certainly to the extent of its inconsistency with the article I provision relating to qualifications.

Mr. CASE. I should like to be sure that the Senator from North Carolina understands the point of the Senator from New Jersey to be that the consequence of such inability might well be to render nugatory the power of appointment itself.

Mr. ERVIN. The limitation would be unconstitutional, while the power would be valid unless the two provisions were inseparable. Such a State law would certainly create the question the Senator from New Jersey raises; namely, that the State law might be interpreted, by reason of its phraseology, to deny the very power it professes to confer.

Mr. CASE. I thank the Senator.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. ERVIN. I yield.

Mr. MORSE. The Senator from New Jersey mentioned the Oregon law, and I wish to make this comment by way of my own reservation. It is necessary to take each law and examine what the legislature provided in the law. The danger of this colloquy is that the record may be left with the conclusion that if the legislature adds any conditions or qualifications in the law not covered by the Constitution, the Governor has no power to fill a vacancy by appointment.

I say that that does not follow. We must look at the exact language of the law.

Speaking hypothetically for a moment, if the legislature enacts a law which gives to the Governor the power to fill a vacancy, that is the controlling language of the law, so far as the power to appoint is concerned.

If it then attaches to the law, as the legislature, in my judgment, did in my State, certain conditions that go beyond the qualifications for Senator as prescribed in the Constitution of the United States, those qualifications are words or language of limitation and can be separated from the body of law if the court finds that those qualifications or conditions exceed the Constitution. The court can throw out those conditions and still recognize that the law still granted to the Governor the power to appoint, and that power to appoint would then be based upon the qualifications as set forth in the Constitution of the United States.

To return to the Oregon case: If one reads that statute, the Oregon Legislature gave to the Governor of Oregon the power to appoint. That statute remained on the books a long time.

Then some years ago the legislature added a condition to the statute already on the books and provided that in carrying out the power to appoint, the Governor would have to select an appointee of the party of the person whose position he was designated to fill. A death had occurred, and the proposal was to require him to take a person from the party of the deceased Senator. In my judgment, that was clearly unconstitutional. It had nothing to do with the power of the Governor to appoint. In my judgment, those words of limitation, if there had been a test, would have been declared to exceed the constitutional qualifications, and the Governor's power to appoint would have remained inviolate so far as his power to fill the vacancy was concerned.

Mr. ERVIN. The Senator from Oregon is saying, in effect, that the question would depend on whether the provision conferring the power to appoint and the provision prescribing limitations inconsistent with those prescribed by the Constitution were separable.

Mr. MORSE. Yes.

Mr. CASE. I thank the Senator from North Carolina and the Senator from Oregon. I agree with both of them. It is a question of the interpretation of a particular law in all circumstances.

Mr. RANDOLPH. Mr. President, will the Senator from North Carolina yield?

Mr. ERVIN. I yield.

Mr. RANDOLPH. I shall support the substitute motion of the Senator from Montana [Mr. Mansfield], the majority leader. Pierre Salinger should be seated, without predjudice, as a Member of this Senate.

I wish the Record to include the fact that in the primary election in West Virginia in 1934, Rush D. Holt, the Democratic candidate, was nominated by his party. On the same day, U.S. Senator Henry D. Hatfield, a Republican, was nominated by his party to run for reelection. Senator Hatfield and the Democratic nominee, Rush D. Holt, were opponents in the November election. The result was a plurality of 68,126 votes for Mr. Holt over Senator Hatfield.

Subsequent to that election in West Virginia, there was a challenge of the seating of Rush D. Holt. The Record should reflect the action of the Senate on that challenge. On April 18, 1935, the defeated Senator, Mr. Hatfield, claimed the election of Mr. Holt to be void because Mr. Holt was not 30 years old as of the date—January 3, 1935—when his term was to begin. Of course, neither was he 30 years of age at the time he was chosen by the electorate of West Virginia in November 1934. However, Senator-elect Holt presented himself in the Senate to be sworn on June 19, 1935, 1 day after he had reached the minimum required constitutional age—30—to be seated in this body.

The Senate had taken the case under advisement. I shall not detail it except to say that by a vote of 62 to 17 the Senate seated the man who had been elected by the citizens of West Virginia. The voters of our State were aware of the fact that Mr. Holt, although nominated and elected prior to the age of 30, could present himself to the Senate on June 19, 1935, and at that time take the oath of office.

Mr. Salinger has been nominated by a large segment of California voters with foreknowledge of his qualifications.

I think this is an important citation to which I have called the Senate's attention this afternoon.

Mr. ERVIN. As I recall the Holt-Hatfield case, Holt had attained the age of 30 at the time the Senate permitted him to take the oath of office as Senator; and the Senate undertook the action it did in the exercise of its power that it is the judge of the qualifications of its Members. The Senate then decided that Holt possessed the qualifications of a Senator.

Mr. RANDOLPH. The Senator from North Carolina is correct. Action was affirmative, and the Senate seated Senator Holt, as I stated, by a vote of 62 to 17, as the judge of qualifications of its own membership.

Mr. MILLER. Mr. President, I should like to comment on several points that have been made this afternoon.

I believe the law on this point, both the constitutional provisions and the appropriate California statutes, has been quite well expressed by, particularly, the distinguished minority leader [Mr. Dirksen] and the distinguished Senator from Nebraska [Mr. Curtis]. But I should like to comment in response to a point made by the distinguished senior Senator from Rhode Island [Mr. Pastore]. In referring to a section of the California code, the Senator from Rhode Island inferred that the appointee in the case before the Senate today was an elector. I should like to cite one section of the California statute that was not quoted. I refer to section 201 of the elections code, which defines "elector" as follows:

> "Elector" means any person who qualifies under section 1 of article II of the constitution of this State.

That section of the California Elections Code has not heretofore been read. In order to find out what the legislature incorporated into its definition, one has to go to the constitution. That is where this 1-year residence provision is found. The provision in the California constitution requiring 1-year residence has been in the constitution since 1879. Starting with 1849, the constitution provided for only 6 months' residence. In 1879, and ever since that time, 1 year residence has been required to be an elector. When the California Legislature enacted this elections code, section 20, it obviously incorporated the meaning of an elector of 1 year's residence as contained in the constitution.

The Senator from Rhode Island came along and pointed out a provision of the code which, I might say, was not added until 1958. That is section 1½ of the California constitution, article II.

This, the Senator from Nebraska has previously read, but I should like to reemphasize a portion of the statute. It states:

> *And provided,* That such persons would be qualified electors under section 1 hereof except that they have not resided in this State for 1 year.

The language "would be" indicates clearly that they are not electors. They would be electors, yes, if they had resided in the State of California for 1 year, but since they have not, they are not electors.

I therefore find it inconceivable that anyone can point to this newly added statute in California as evidence that someone who has not resided in the State for 1 year is an elector for California purposes.

The distinguished Senator from North Carolina, who just finished speaking, expresses opinions with which I quite often agree. I have a great deal of respect for his knowledge of the Consitution, but I am sure that he would agree with me there are many others who also have a great deal of knowledge of the Constitution, and have differing opinions.

I believe that the Senator from New Jersey brought out a very salient point against the opinion of the Senator from North Carolina that the legislature, when it comes to authorizing a Governor of a State to make an appointment to the Senate, cannot provide other conditions than those expressed in the Constitution, article I, section 3.

If a State legislature came along and authorized a Governor to appoint someone to the Senate at the age of 29, this would be invalid because it would be directly contrary to the constitutional provision. But when the 17th amendment was adopted, under which it gives a State legislature the power to empower a Governor to make an appointment, it seems to me to be implied that a State legislature need not make a carte blanche authorization to its Chief Executive to make an appointment, but could prescribe conditions so long as they were not contradictory to the conditions or the qualifications prescribed in article I, section 3, of the Constitution.

With respect to the argument of my good friend the Senator from California, let me say that I recognize he is being very compassionate and very big about this situation. But the proposition that he advances is, I believe, subject to argument.

The Senator from New Hampshire [Mr. Cotton] began to develop the defect in the argument, that merely because the Governor of a State has sent a certificate of appointment to the Senate, therefore we should seat that appointee in order that two Senators would then represent a particular State.

I find it difficult to believe that if the Governor of California had appointed someone aged 29, believing at the time of the appointment that he was in fact 30 years of age, but evidence is presented before he arrives to take his oath of office that he is not 30 but is still 29, I find it inconceivable that we should then seat him in order that the State would have two U.S. Senators.

The argument will be made in rebuttal that we do not have such evidence in this case. It comes down to this point: Do Members of the Senate believe what they read, or do they not? Or perhaps I should say, do they wish to believe what they read, or do they not?

I believe that the language in the 17th amendment to the Constitution, the language in the code, and the constitution of the State of California are very, very clear. Were it not there, I would be the first to suggest that the appointee be seated, because I believe that when the Governor comes forth with a certificate of appointment, a prima facie case has been made that seating should be given. But, what the Senator from Rhode Island forgot, when he talked about prima facie cases, is that the first thing we do if we have such a case is to come forward with what evidence there is to rebut it. We have done so. We have done so by presenting the law of the State of California.

There is nothing new about this kind of problem. There is nothing new about questioning the authority of the Governor to appoint a Member of the Senate.

In document No. 71, 87th Congress, 2d session, entitled, "State Election, Expulsion and Censure Cases," I found four cases which I believe deserve to be brought to the attention of the Senate.

The first one will be found on page 104, and concerns Senator Glass, back in 1914. There was a question for a select committee of the Senate to determine, whether the Governor had authority to make the appointment. A majority of the committee decided that he did not have such authority. The committee's findings were adopted by the Senate 34 to 30, with 31 Senators not voting.

This, I might say, involved the construction of the 17th amendment to the Constitution. So, the Governor's appointing power was questioned, and a prima facie case did not permit the seating of the appointee. The Governor's appointing power was questioned and the appointee was found lacking and was not seated.

On page 117, this case concerned Senator Nye, back in 1926, and involved the authority of the Governor. It was looked into, but the appointee was seated.

In 1809, there was a case involving Senator Griswold, which is found on page 5 of the document to which I have referred. The question was whether the appointee was an inhabitant of the State of Ohio. It was determined that the term of residence, or other qualifications necessary to entitle a person to become an inhabitant of the State not being defined by the constitution or the laws of the State of Ohio, the certificate of the Governor that Mr. Griswold was a citizen thereof was sufficient. In other words, a prima facie case was made by the certificate. There was nothing to rebut it, because there was nothing in the laws of the State of Ohio, or in the constitution of the State of Ohio, to define an inhabitant.

But that is not so in this case. The prima facie case has been made by a certificate, but we have the laws of California and the constitution of California. That, I believe, would have merited the attention and the action of the kind of committee that looked into the Griswold case, if the State of Ohio had laws and a constitutional provision defining inhabitants.

Finally, the Bateman case is found at page 7. This was in 1828. I read from this case:

> A select committee of the Senate reported there is no doubt about the power to look behind the commission. The Senate is the judge of the elections, returns, and the qualifications of its Members. The Senate may make inquiry necessary to exercise its judgment; that if this were not so, a Governor by an abuse of his trust, either through misapprehension or design, might assume the appointing power to the exclusion of the legislature.

That was back in the days when the legislature made the appointment. But one can see how easily this could be phrased to cover the case before us. One can see how easily this could read: "That if this were not so, a Governor by an abuse of his trust, either through misapprehension or design"—and I might say I am sure it is not design; it would be misapprehension or poor advice by his legal counsel—"might assume the appointing power to the exclusion of the laws passed by the Legislature of the State of California."

That is the problem facing the U.S. Senate, as I view it. We have the power. The question is, Should we exercise it? I suggest that it would be very embarrassing to the appointee in this case if he were seated and then, as a result of the findings of the committee, it were necessary to advise him that it was too bad, but that he was not found to be qualified and he would have to resign his seat.

I suggest that it would be very embarrassing to the U.S. Senate and to every Senator here if we should go ahead and seat him, and at a later date it is decided by the courts of California that we did not know what we were talking about, that the laws of the State of California meant exactly what they said, and that we made a big "boo-boo." I do not believe it will satisfy my conscience to take that risk, certainly not until after a committee has had a chance to explore this more exhaustively than I have been able to.

I hold nothing personal at all toward the appointee, nor toward the Governor of the State of California. All I am interested in doing is seeing to it that the American people have confidence in the integrity, the wisdom, and the soundness of the U.S. Senate. I believe that if the American people were to read the same statutes that have been cited here today, they would begin to wonder what is going on in the U.S. Senate, if we were to seat this gentleman without at least having had some interpretation from the courts of the State of California.

I regret that the motion by the distinguished majority leader has not been put without an amendment or a substitute motion being made. I feel compelled to vote against the substitute motion. I hope that it will be defeated, and that the motion of the distinguished minority leader will be adopted.

If the pending substitute motion is agreed to, it will be agreed to by those who vote for it with full recognition that the courts in California may well decide that we have made a horrible mistake—not that we did not have the power to do so, but that we abused the discretionary use of that power.

Mr. President, I yield the floor.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. YOUNG of North Dakota. Mr. President, I feel compelled to vote for the substitute motion.

I was appointed on March 12, 1945, to the U.S. Senate by the then Gov. Fred G. Aandahl to succeed the late John Moses.

My appointment to the Senate at that time was clearly in violation of the State constitution of North Dakota. I was appointed on the basis that the Congress of the United States is the sole judge of the qualifications of any of its Members and took precedence over any provision in our constitution or statutes. May I read article 51 of the constitution of North Dakota. It reads as follows:

> The Governor or an officer of this State, or any manager or executive head, or other person employed either directly or indirectly in any department, bureau, commission, institution, or industry of this State, or any member of any State board shall not appoint a member of the legislative assembly to any civil office or employment of any nature whatsoever, during the term for which said member of the legislative assembly shall have been elected. No member of the legislative assembly shall accept any such appointment to civil office or other employment during the term for which he was elected.

Mr. President, if I were to vote against the substitute motion, I would be admitting that Governor Aandahl had no right to appoint me to the U.S. Senate, and that the Congress of the United States did not have the sole jurisdiction to judge as to the qualification of Members of the Senate. No one in North Dakota ever questioned the right of Governor Aandahl to appoint me.

Mr. DIRKSEN. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DIRKSEN. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. DIRKSEN. Only for purposes of clarification, my original motion is a simple motion to refer the entire question, including the certificate, to the Committee on Rules and Administration without seating the appointee.

The substitute offered by my distinguished friend, the Senator from Montana [Mr. MANSFIELD], would allow the appointee to take his seat, and then the question would be referred to the Committee on Rules and Administration with instructions to report back to the Senate by August 13.

The ACTING PRESIDENT pro tempore. The Senator is correct.

The question is on agreeing to the motion of the Senator from Montana in the nature of a substitute for the motion of the Senator from Illinois [Mr. DIRKSEN]. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BEALL (when his name was called). On this vote I have a pair with my colleague, the junior Senator from Maryland [Mr. BREWSTER]. If he were present and voting, he would vote "yea"; if I were at liberty to vote, I would vote "nay." Therefore, I withhold my vote.

The rollcall was concluded.

Mr. HUMPHREY. I announce that the Senator from Maryland [Mr. BREWSTER], the Senator from Virginia [Mr. BYRD], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Wyoming [Mr. MCGEE] and the Senator from Georgia [Mr. TALMADGE] are absent on official business.

I also announce that the Senator from New Mexico [Mr. ANDERSON] and the Senator from Massachusetts [Mr. KENNEDY] are absent because of illness.

I further announce that the Senator from Nevada [Mr. CANNON] and the Senator from Oklahoma [Mr. EDMONDSON] are necessarily absent.

I further announce that, if present and voting, the Senator from New Mexico

[Mr. Anderson], the Senator from Nevada [Mr. Cannon], the Senator from Oklahoma [Mr. Edmondson], the Senator from Massachusetts [Mr. Kennedy], the Senator from Minnesota [Mr. McCarthy], the Senator from Wyoming [Mr. McGee] and the Senator from Georgia [Mr. Talmadge] would each vote "yea."

Mr. KUCHEL. I announce that the Senator from Arizona [Mr. Goldwater] is necessarily absent.

The result was announced—yeas 59, nays 29, as follows:

[No. 516 Leg.]

YEAS—59

Bartlett
Bayh
Bible
Burdick
Byrd, W. Va.
Church
Clark
Dodd
Douglas
Eastland
Ellender
Ervin
Fulbright
Gore
Gruening
Hart
Hartke
Hayden
Hill
Holland
Humphrey
Inouye
Jackson
Johnston
Jordan, N.C.
Kuchel
Lausche
Long, Mo.
Long, La.
Magnuson
Mansfield
McClellan
McGovern
McIntyre
McNamara
Metcalf
Monroney
Morse
Moss
Muskie
Nelson
Neuberger
Pastore
Pell
Proxmire
Randolph
Ribicoff
Robertson
Russell
Smathers
Sparkman
Stennis
Symington
Thurmond
Walters
Williams, N.J.
Yarborough
Young, N. Dak.
Young, Ohio

NAYS—29

Aiken
Allott
Bennett
Boggs
Carlson
Case
Cooper
Cotton
Curtis
Dirksen
Dominick
Fong
Hickenlooper
Hruska
Javits
Jordan, Idaho
Keating
Mechem
Miller
Morton
Mundt
Pearson
Prouty
Saltonstall
Scott
Simpson
Smith
Tower
Williams, Del.

NOT VOTING—11

Anderson
Beall
Brewster
Byrd, Va.
Cannon
Edmondson
Goldwater
Kennedy
McCarthy
McGee
Talmadge

So Mr. Mansfield's amendment, in the nature of a substitute for the motion of Mr. Dirksen, was agreed to.

The ACTING PRESIDENT pro tempore. The question now recurs on the motion of the Senator from Illinois [Mr. Dirksen] as amended by the substitute of the Senator from Montana [Mr. Mansfield].

The motion, as amended, was agreed to, as follows:

Ordered, That the oath be administered to Mr. Salinger without prejudice, and that the credentials be referred to the Committee on Rules and Administration with instructions to consider all matters pertaining to the said appointment and to report back not later than August 13.

Mr. SALINGER, escorted by Mr. Kuchel, advanced to the Vice President's desk and the oath of office prescribed by law was administered to him by the President pro tempore [Mr. Hayden], and was subscribed by him.

RECESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate stand in recess for 5 minutes, so that we may greet our new colleague.

Mr. ROBERTSON. Mr. President, reserving the right to object, I wanted to make a brief statement before the Senate recessed. I sent for the record of the debate on the seating of our distinguished colleague from North Dakota, who was a member of the legislature of that State when a vacancy occurred. The State had a law that no member of the legislature could be appointed a U.S. Senator. He was appointed a U.S. Senator, and the Senate voted to confirm that appointment. I could not obtain the record in time to make that statement before.

Mr. MANSFIELD. Mr. President, I renew my request.

The ACTING PRESIDENT pro tempore. Is there objection?

There being no objection, at 2 o'clock and 35 minutes p.m. the Senate took a recess, subject to the call of the Chair.

On the expiration of the recess at 2 o'clock and 40 minutes p.m., the Senate reassembled, and was called to order by the Presiding Officer (Mr. Ribicoff in the chair).

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had passed the following bills and joint resolutions, in which it requested the concurrence of the Senate:

H.R. 1172. An act for the relief of Rolando de la Torre Arceo and John Anthony Arceo;

H.R. 1262. An act for the relief of Mrs. Maisie Magdalene Lim Ketchens;

H.R. 1322. An act for the relief of Lucia Salvucci;

H.R. 1534. An act for the relief of Lam Chong;

H.R. 2855. An act relating to the application of the manufacturers excise tax on electric light bulbs in the case of sets or strings of such bulbs;

H.R. 3747. An act for the relief of Mrs. Pavica Labetic;

H.R. 5154. An act for the relief of Wilfredo Lacar de Leon;

H.R. 5155. An act for the relief of Mrs. Guiseppa D'Aquanno, Maria D'Aquanno, and Benedicto D'Aquanno;

H.R. 5510. An act for the relief of Carmela Macaro;

H.R. 6040. An act for the relief of Chrisoula Baker;

H.R. 6093. An act for the relief of Lee Chung Woo;

H.R. 6578. An act for the relief of Mrs. Cesira Doddy;

H.R. 7178. An act for the relief of William O'Connor Swainson;

H.R. 7617. An act for the relief of Vula Roed;

H.R. 8050. An act to amend the Internal Revenue Code of 1954 to provide tax-exempt status for nonprofit nurses' professional registries operated by nurses' professional associations;

H.R. 8399. An act for the relief of Mrs. Edeltraud Englisch Franklin;

H.R. 9290. An act for the relief of Danny Hiromi Oyama;

H.R. 9361. An act for the relief of Kathryn Choi Ast;

H.R. 9519. An act for the relief of Young Soon Kim and Tai Ung Choi;

H.R. 9560. An act for the relief of Lim Sam Soon;

H.R. 9561. An act for the relief of Moni Parvanoff Floroff;

H.R. 9680. An act for the relief of Kil Ja Ahn;

H.R. 10200. An act to enact part III of the District of Columbia Code, entitled "Decedents' Estates and Fiduciary Relations," codifying the general and permanent laws relating to decedents' estates and fiduciary relations in the District of Columbia;

H.R. 10216. An act for the relief of Dr. Miguel de Socarraz;

H.R. 11064. An act to provide for the conveyance of certain real property of the United States situated in the State of Virginia;

H.R. 11652. An act to exempt from taxation certain property of the United Supreme Council, 33d Degree, Ancient and Accepted Scottish Rite of Freemasonry, Southern Jurisdiction—Prince Hall Affiliation;

H.J. Res. 1048. Joint resolution authorizing the Secretary of the Army to receive for instruction at the U.S. Military Academy at West Point two citizens and subjects of the Kingdom of Thailand; and

H.J. Res. 1115. Joint resolution authorizing the Secretary of the Navy to receive for instruction at the U.S. Naval Academy at Annapolis two citizens and subjects of the Kingdom of Thailand.

HOUSE BILLS AND JOINT RESOLUTIONS REFERRED

The following bills and joint resolutions were severally read twice by their titles, and referred as indicated:

H.R. 1172. An act for the relief of Rolando de la Torre Arceo and John Anthony Arceo;

H.R. 1262. An act for the relief of Mrs. Maisie Magdalene Lim Ketchens;

H.R. 1322. An act for the relief of Lucia Salvucci;

H.R. 1534. An act for the relief of Lam Chong;

H.R. 3747. An act for the relief of Mrs. Pavica Labetic;

H.R. 5154. An act for the relief of Wilfredo Lacar de Leon;

H.R. 5155. An act for the relief of Mrs. Guiseppa D'Anquanno, Maria D'Aquanno, and Bendicto D'Aquanno;

H.R. 5510. An act for the relief of Carmela Macaro;

H.R. 6040. An act for the relief of Chrisoula Baker;

H.R. 6093. An act for the relief of Lee Chung Woo;

H.R. 6578. An act for the relief of Mrs. Cesira Doddy;

H.R. 7178. An act for the relief of William O'Connor Swainson;

H.R. 7617. An act for the relief of Vula Roed;

H.R. 8399. An act for the relief of Mrs. Edeltraud Englisch Franklin;

H.R. 9290. An act for the relief of Danny Hiromi Oyama;

H.R. 9361. An act for the relief of Kathryn Choi Ast;

H.R. 9519. An act for the relief of Young Soon Kim and Tai Ung Choi;

H.R. 9560. An act for the relief of Lim Sam Soon;

H.R. 9561. An act for the relief of Moni Parvanoff Floroff;

H.R. 9680. An act for the relief of Kil Ja Ahn;

H.R. 10200. An act to enact part III of the District of Columbia Code, entitled "Decedents' Estates and Fiduciary Relations," codifying the general and permanent laws relating to decedents' estates and fiduciary relations in the District of Columbia; and

H.R. 10216. An act for the relief of Dr. Miguel de Socarraz; to the Committee on the Judiciary.

H.R. 2855. An act relating to the application of the manufacturers excise tax on electric light bulbs in the case of sets or strings of such bulbs; and

H.R. 8050. An act to amend the Internal Revenue Code of 1954 to provide tax-exempt status for nonprofit nurses' professional registries operated by nurses' professional associations; to the Committee on Finance.

H.R. 11652. An act to exempt from taxation certain property of the United Supreme Council, 33d Degree, Ancient and Accepted Scottish Rite of Freemasonry, Southern Jurisdiction—Prince Hall Affiliation; to the Committee on the District of Columbia.

H.J. Res. 1048. Joint resolution authorizing the Secretary of the Army to receive for instruction at the U.S. Military Academy at West Point two citizens and subjects of the Kingdom of Thailand; and

H.J. Res. 1115. Joint resolution authorizing the Secretary of the Navy to receive for instruction at the U.S. Naval Academy at Annapolis two citizens and subjects of the Kingdom of Thailand; to the Committee on Armed Services.

INDEPENDENT OFFICES APPROPRIATIONS, 1965

The Senate resumed the consideration of the bill (H.R. 11296) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies and offices, for the fiscal year ending June 30, 1965, and for other purposes.

Mr. MANSFIELD. Mr. President, what is the pending business?

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wisconsin [Mr. Proxmire].

Mr. MAGNUSON. Mr. President, prior to the discussion and swearing in ceremony of the Senator from California [Mr. Salinger], the Senate was discussing the amendment offered by the Senator from Wisconsin, which, in effect, would eliminate from the bill the subsidy for helicopter operations in the cities of Los Angeles, Chicago, and New York. I do not know whether Senators who are interested in the subject have concluded their remarks. I have concluded mine. I yield the floor.

Mr. PROXMIRE. Mr. President, the Senator from Washington [Mr. Magnuson] believes that there is a great deal of merit to the argument that the subsidy should be eliminated, but his personal conviction is that it should be extended. In his opinion the answer seems to be that it should not be confined to Los Angeles, Chicago, and New York, but should be extended to other cities. He points the need for it in the Puget Sound area. I could make the same argument for service in Milwaukee. The same argument could be made with respect to many cities in the South, as well as other parts of the country.

It is obvious that if the subsidy is extended, which started at $2 million and which has now been increased to $4,300,000, it will go up and up and up to $20 or $30 or $40 or $50 million, without end.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. RUSSELL. I commend the distinguished Senator from Wisconsin for the fight he is making. I have been a Member of this body for many years, and I have seen a subsidy of almost every kind, shape, form, and description, based on reasoning that covered a wide spectrum of pleading for special favors from the American taxpayer. What is asked for here is the most inexcusable kind of handout and subsidy in the entire history of the U.S. Government. That is my opinion. The subsidy has been in effect for a number of years.

Mr. PROXMIRE. Since 1954.

Mr. RUSSELL. It has been in operation for 11 years. It started as an aid to an infant industry, to enable it to gain some experience and to demonstrate the practicability of using helicopter service between airports in the larger cities. Since that time it has been increased to $4 or $5 million. It was cut back in one year, as I recall—I believe last year, or the year before last, when the conferees, in signing the report, indicated their desire that the subsidy be eliminated.

If there is anything worth learning from the operation of helicopters between airports, it has been learned by now.

New reasons have been brought forward every year. Last year the reason was that there was a new type of helicopter, and it was said, "Let us continue it for 2 more years, with this new type helicopter, and we shall understand it thoroughly."

This industry not only has been subsidized directly by this handout, for which we cannot find any justification whatever, but it has also benefited to the extent of hundreds of millions of dollars which the Defense Department has spent in research and development and testing helicopters.

Mr. PROXMIRE. One argument which was made against the amendment and in favor of the subsidy was that it is worth a great deal to the Armed Forces, because the helicopter service provides an opportunity for the armed services to study how the helicopter would operate under great stress; and the argument was made that the commercial helicopter operators, who receive the subsidy, are serving the armed services. The distinguished Senator from Georgia is chairman of the Committee on Armed Services, and undoubtedly is the outstanding expert in this field. How does he feel about that argument?

Mr. RUSSELL. It has no validity. If it had not been made by a Senator of the United States, it would be silly and ridiculous. I do not know which Senator made it. It has no validity whatever. There are literally thousands of helicopters operating today in the Army, Navy, Marine Corps, and Air Force. They operate under every conceivable condition and for every conceivable purpose. There is a wide variety in styles and types of helicopters that are operating in all branches of the armed services. Instead of this limited operation benefiting the Department of Defense, one of the principal subsidies these operators have received has been in the work that has been done by the Department of Defense in this area. This is a handout, pure and simple. It may have had some justification during the first 3 or 4 years of its life, but it has absolutely none today.

Another point is that as long as these three companies in three large cities have their certificates and receive this subsidy, they prevent the certification of other helicopter companies in other cities where the service is needed just as much as it is in those three cities. The Civil Aeronautics Board will not certify other companies, because to do so, would, of course, cut them in on the subsidy.

It is not only a subsidy, but a monopoly as well. It takes on all the bad aspects of combinations in this country that we have sought to prevent.

I commend the Senator from Wisconsin. I do not believe he will succeed. There is some persuasive spirit in the Senate that induces Senators to vote for it. It is not only a subsidy, but it is the most inexcusable one that Congress has ever granted.

I commend the Senator.

Mr. PROXMIRE. I thank the Senator.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. LAUSCHE. I have before me the hearings on the independent offices appropriation bill for 1965, held by the committee in the House of Representatives. At page 693 of this document appears the statement that for the year 1963 the total revenue of the three helicopter companies was $8,635,000. Of that amount $5 million was provided by way of subsidy.

That would mean that practically 70 percent of the income, or at least 65 percent of the income, was by way of subsidy. Is that the understanding of the Senator from Wisconsin regarding these figures?

Mr. PROXMIRE. That was true that year. However, I understand that this year the House provided $3 million. The Senate has increased it to $4,300,000. It has been made clear in the committee hearings that we should either give $4,300,000 or nothing, because the $3 million figure cannot be used; it would be impossible to operate with that figure. Therefore, $4,300,000 is the amount to be granted. It is somewhat less than it was in the past, much more than it should be, and far more than when the subsidy began a few years ago.

It is very close to half of the gross revenues of this subsidized commercial line. At that time it was more than half, but at the present time it is $4.3 million, with half the revenues. Gross revenues of helicopter services have increased by reason of the World's Fair. They have also increased in Los Angeles and, I presume, in Chicago.

Mr. LAUSCHE. The figures show that for 1959 the gross revenues of these companies was $7,162,000, with $4,800,000 provided by the United States. That would be more than 66 percent provided by the Government.

In 1960, gross revenues were $88,340,000, with $4,930,000—again, more than 66 percent—provided by way of subsidy.

The figures for 1959, 1960, 1961, 1962, and 1963 are practically identical. For every dollar that is taken in by way of revenue, $2 is given by the taxpayers to operate this deluxe service between airports in the cities of New York, Chicago, and Los Angeles.

Mr. PROXMIRE. That is correct. I thank the Senator from Ohio.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. HOLLAND. I strongly commend the Senator from Wisconsin for his amendment. I shall support it. I support it for, perhaps, a reason that is a little different from some that have been stated.

First, the practice is highly discriminatory. In my State are two busy airports, quite close together. One is Miami International, the other is Fort Lauderdale International. They merit, as much as any other two airports that I know of, the extension of this service to them. Of course, it is denied them, so long as the three preferred air locations—Los Angeles, Chicago, and New York—have a stranglehold on the operation.

The Senator from Washington [Mr. MAGNUSON] has mentioned the situation in his own State, and I am sure it is a worthy one.

I mention one here, involving the Nation's Capital. There are three airports—National Airport, Dulles Airport, and Friendship Airport—serving 3½ million people who are residents, besides the tremendous visitation, back and forth, of the people of the Nation who come here. No extension of helicopter service is proposed to this area. The illustrations could be continued at length.

Not long ago, I went from Fort Worth to Dallas, which, as I recall, is a distance of 20 or 30 miles. Each city has a fine, large airport. No such helicopter service is made available there. A tremendous amount of traffic moves through both airports.

Discrimination of this kind cannot be continued on a justified basis. It may have been justified as an experiment, but it certainly is not justified any more, considering the rapid growth of air travel and the fact that so many other areas qualify for such service.

The second point I wish to make is that when the helicopter company representatives appeared before the committee—I have not been a member of the committee as long as the Senator from Georgia [Mr. RUSSELL] has, but I have been a member of the subcommittee for some years—for 2 or 3 years they said to us, "If you will extend the subsidy for 1 or 2 years, we shall be able to acquire new helicopters. With them, we are sure that we can operate advantageously and profitably." They did not have even that excuse this year. To the contrary, instead of reaching that early day which they prophesied and promised heretofore, the day of termination of the subsidies, they are now talking about extending the subsidies more and more.

The operation cannot bear up under close inspection. As the Senator from Georgia has said, it is one of the worst, one of the most discriminatory, one of the most extravagant subsidies in the Nation. I hope the amendment of the Senator from Wisconsin will be agreed to.

Mr. PROXMIRE. I thank the Senator from Florida for his strong statement in support of the amendment.

I should like to address myself to the Senator from New York. Did I correctly understand him to say that the New York helicopter firm lost $750,000 last year?

Mr. JAVITS. I did not say "last year." I shall quote from the prospectus of the New York Airways Co., filed with Securities and Exchange Commission on June 3, 1964, for the public offering of debentures which states that "under the subsidy rates in effect for the last several years, New York Airways has already suffered operating losses aggregating more than three-quarters of a million dollars."

Mr. PROXMIRE. There are several reasons for that. One is that last year New York Airways had a particularly disastrous experience. It had a spectacular crash, in which a number of fatalities occurred. This forced the company to discontinue service for several weeks. It suffered a great loss of equipment. There was also a serious reduction in the service which could have been rendered during that period, and also in subsequent weeks, because many people would not fly because the helicopter crash had frightened them away from the use of the service.

Mr. JAVITS. I should like to cite more of the figures in the prospectus. The exact evidence is the best. I quote from the prospectus dated June 3, 1964:

> The company has operated at a loss in each of its last 3 fiscal years and has never paid a dividend. As of December 31, 1963, the company's current liabilities exceeded its current assets by $203,003, and it had a deficit in retained earnings of $127,625.

I point out, too, that what I was arguing a little while ago about experience was in the field of mass transport. The reason that I also made reference to the military experience with helicopters was to demonstrate the great importance of this breakthrough in transportation with respect to its military application and to point out, also, the helicopter's important role in military activity, especially in Vietnam.

The argument concerning the helicopter's transportation capacity has been made by the Senator from Washington [Mr. MAGNUSON]. I think it is sound. As cities spread out, there will be more and more need for this kind of transportation. Hours will be saved in automobile travel. For example, in the New York area, a vacation home is one that is as far as 100 miles away. Some are even farther away than that. In western areas, I think that is even more true. That is desirable. Very soon, it will not be possible to get into New York through Kennedy or Newark. It will be necessary to use airports much farther away. My guess is that it will be as much as from 50 to 70 miles away. A number of them are now being discussed. That will make helicopter operations infinitely more important.

Mr. PROXMIRE. The arguments the Senator from New York makes are strong and persuasive; but if the situation in New York can provide a better market for helicopters, let that be proved in the commercial market, by showing that they can do a better job than other means of transportation. If one of the reasons for locating an airport 50 or 70 miles away from New York is on the assumption that the Federal Government will subsidize helicopter operations indefinitely, this is a most unfortunate factor.

If the Senate should act promptly—today—and end the helicopter subsidy, there would be an adjustment in New York, Chicago, and Los Angeles based on the market facts of life. The fact is that we expect commercial companies that operate at a profit to be able to meet the competitive test. That is not being done with helicopters in New York, Chicago, and Los Angeles. For 11 long years they have been subsidized.

The Senator from New York knows perfectly well, as he said, that if a firm has operated for 3 years at a loss, even though it has enjoyed subsidies of more than $11 million a year, or has lost money in every year, it is time for Congress to end the experiment.

If the helicopter cannot prove itself on the present basis, some other realistic adjustment will have to be made in New York, and New York will have to operate on the same basis as other cities of our Nation, with the exception of Los Angeles and Chicago.

Mr. JAVITS. The airlines in other cities of the Nation are operating with subsidies.

Mr. PROXMIRE. Not helicopters.

Mr. JAVITS. Feeder airlines and other kinds of airlines. I should like to find out how we are going to solve these transportation problems in the big cities.

In other words, if we subsidize the growing of farm commodities, no matter how much money the farmer has lost, that is moral; but when we get into the cities, earning wealth and producing taxes, and we wish to give them a small subsidy to keep them from strangulation, that has suddenly become highly immoral.

The very gentlemen who plead for subsidies by the hundreds of millions of dollars stand up and say, "Oh, no; this is very wasteful. This is $4 million. We cannot afford it."

Let me point out to the Senator from Wisconsin that on page 1019 of the record of the hearings of the Appropriations Subcommittee——

Mr. PROXMIRE. Let me say, on that point, that I and a number of other Senators have supported urban renewal, have supported the housing program, and have supported the poverty program—perhaps not to the same extent as the Senator from New York, but there has not been any lack of generosity on the part of Congress toward the big cities.

It is true that the big cities have not obtained everything they have asked for, but they have received vast benefits in the past 3 or 4 years, and have received generosity from the Federal Government which they have not had before.

Mr. JAVITS. I differ with the Senator from Wisconsin on that point. I will lay side by side farm subsidies, feeder airline subsidies, and every other kind of subsidy, by population, for the 70 percent of Americans living in the big cities, and for the approximately 30 percent of Americans living in the small towns and rurals areas of America, and we will see something so topheavy that it will make our heads swim—and everyone knows that.

What are we talking about? We are talking about phasing out these subsidies. The phasing out period is outlined in detail on page 1019 of the hearings. The period would extend from 1965 to 1971, when the subsidy would disappear. That is it. At long last, as the Senator from Wisconsin said today, and by virtue of the fact that he has kept at it—for which I admire him—he has brought into being a program which is supported. This is it. This is the proposed end of it.

This phasing out of the program will give the operators their opportunity either to make it or not make it. At least, we wish them to get whatever profit they can out of the $46 million already invested by the Federal Government. In all frankness, that is the only reason I mentioned the other point. It is not a question of the Senator from Wisconsin bringing this point up, but because other Senators have raised the question who are always contending for farm subsidies or other kinds of subsidies, and they tell us how absolutely wasteful this helicopter program is. It is with respect to the general climate of that feeling that I was arguing in respect to the cities—nothing else.

Mr. PROXMIRE. Subsidies for urban renewal, for housing programs, and the poverty program, which I enthusiastically support, are subsidies which can be justified to help those who need to help themselves; but this helicopter subsidy is a subsidy for a service to persons who, on the basis of every study, need no help whatsoever. They are the affluent and well-to-do people of this Nation. Anyone who travels by helicopter, when he arrives at Kennedy Airport and wishes to go either to La Guardia or to Newark, will do so to save time and aid their convenience, spend $9 to save 30 minutes. Anyone who does that is likely to be a person with a substantial income, and not a person in Chicago or New York suffering, perhaps, from inadequate housing, inadequate education, and is in need of some assistance if he is going to get a fair break.

Mr. JAVITS. The Senator well knows that many tourist passengers travel by helicopter, because they do not wish to spend 3 hours of their time driving through automobile traffic. It costs them only $9, and the increase in price to $12 would not be great. I hope that the Senator does not mean that the travel on airlines in this country is not confined to the affluent. If that be true, the airlines would soon be bankrupt. He knows that, from sitting next to passengers who travel just as he does. He knows that they are not all affluent.

Mr. PROXMIRE. I am basing my argument on the statistics I have seen on those who travel by helicopter and those who travel by airline. While some people have trouble affording it, they do travel by helicopter. For some it is difficult. But most of those who travel by helicopter, if they are to spend $9 to save half an hour, or spend more than that, to save even less time, are not the people who, by and large, need or deserve or want Government handouts.

The Senator from New York makes a very eloquent defense of his position, as he always does. After all, it is a New York subsidy. But I cannot see how other Senators from other parts of the country can support this kind of subsidy and say that they are against excessive Government spending. If they are for the subsidy, how can they oppose any Government spending? As the Senator from Georgia pointed out, this subsidy is by far the most inexcusable of all.

Mr. JAVITS. I hope that Senators are not going to support only those measures which will benefit their own particular areas.

Mr. PROXMIRE. I do not accuse the Senator of doing that.

Mr. JAVITS. If they do that, not much will be done around here on any subject. This subsidy cannot be justified as a convenience to passengers. That argument was not raised by me, but it was raised by the Senator from Wisconsin. It has been justified entirely on its benefit to the country. That is the basis upon which I am sure the committee passed on it. The committee and the CAB, which supports the helicopter subsidy program, are more expert in this field than I, state that the subsidy is desirable and in the national interest. They state that it will promote the advance of transportation, that what has been invested has been justified, and that we should go forward with what we now have, to phase it out gradually and give it a full opportunity to perform. That is what I am basing my argument on. The affluence factor is background information. I do not happen to agree with the Senator from Wisconsin on that. It is not germane. The Senator may not agree with me on that, but I believe that it falls outside the argument. I do not believe that the United States can spend any money whatsoever, except for what is in the national interest. I am not for discriminating against the rich any more than I am for discriminating against the poor.

I have shed much blood on the floor of the Senate on both issues. All I can say is that the committee and the CAB have said categorically that this program was desirable in the interests of national transportation policy. We have sound reasons to argue for its continuance. That is the only argument I make.

Mr. PROXMIRE. The committee is divided on this question. The Senator from Georgia [Mr. RUSSELL] who is the outstanding expert on the Armed Services Committee in this country is in the best position in the Senate to judge whether this subsidy to commercial helicopters is of any value to the Air Force. He says that it is not. He says it is of no value whatsoever. More than that, he points out that the Air Force has spent hundreds of millions of dollars in research and development on helicopters, all of which is available to the commercial helicopter companies.

If we must subsidize commercial helicopters for the benefit of the Air Force, the Army, which also uses helicopters, and the Navy, it seems to me on the basis of the best judgment in this body and the best experience we have in this body, that the operation does not stand up.

Mr. JAVITS. Mr. President, will the Senator yield on that military point?

Mr. PROXMIRE. I yield.

Mr. JAVITS. Let me say that I did not say what the Senator stated. The Senator said it. I am not claiming this program as a laboratory for the Army, and neither is the committee. I am with the majority of the committee with respect to this point. I raised the point as one which the operators of helicopters had raised. I would like to add, however, that the CAB testified at page 1019 of the record of hearings of the Appropriations Subcommittee that the improvement in helicopter transportation capacity has "made a direct and substantial contribution to the national defense."

Mr. HOLLAND. Mr. President, will the Senator from Wisconsin yield?

Mr. PROXMIRE. I yield.

Mr. HOLLAND. I was intrigued by what the distinguished Senator from New York had to say about the poor treatment that the big cities receive in the way of subsidies.

I remember two most recent acts voted by Congress giving subsidies to the big cities, the Mass Transportation Act, and the Open-Air Lands Act, both of which were enacted solely for the benefit of the big cities. If the Senator from New York believes that none of the people who are traveling on feeder airlines are traveling in order to save time, he is completely mistaken. I should say that about the same proportion of people who travel from places like Gainesville, Fla., or Ocala, Fla., Tallahassee, Panama City, or other places are traveling to get on a trunkline to go to another part of the country. The feeder airlines are just as important when it comes to the great metropolitan areas.

Mr. PROXMIRE. If the Senator will allow me to interrupt at that point, the Senator is correct. Anyone who has flown from Chicago into Wisconsin knows that the feeder airlines go into Chicago from Wisconsin. They go into Los Angeles and New York. Probably the three biggest beneficiaries of the feeder subsidy are New York, Los Angeles, and Chicago. It helps all the big cities, particularly the big cities which are the centers of air traffic.

Mr. HOLLAND. The Senator is correct. When the time comes when Senators object to Federal appropriations because they do not go mostly to big cities, we should think about the welfare appropriations and others. We are talking about human beings instead of cities, villages, and small towns. We want to treat everyone alike.

We are not treating everyone alike in the matter of helicopter service. We do not have to go any farther away than this Capital area where helicopter service is so badly needed. A small, independent, and nonsubsidized service survives there in an effort to make easier the lot of people who try to transfer from one of the three great airports to the other, or vice versa.

The point is that this is something that was justified for a long time before the committee on the basis of being told:

> If you just go another year, we will get some new helicopters that will take more people, do it more rapidly, and do a better job, and we are satisfied that it will be self-sustaining.

They have now conveniently forgotten that argument. They have gotten their new helicopters. They are not self-sustaining. They are not trying to expand their service. They are not trying to cut out the subsidy. They are trying to concentrate it in the three great centers. They will not be satisfied. This subsidy was granted in the House, but the operators want it raised in the Senate so that those three discriminatory helicopter services now maintained and subsidized by the U.S. Government may continue to service the public and be subsidized.

My own feeling is that it is as wrong as it can be.

Mr. PROXMIRE. Mr. President, the distinguished Senator from New York said that the whole operation would be phased out in 5 years. As the Senator from Florida [Mr. HOLLAND] has indicated, we have been told year after year that the phaseout would be in 1 or 2 years.

The conference report in 1963 stated:

> The conferees agree that the subsidies for helicopters should be ended shortly—that this service should either be made self-supporting or concluded. It is recommended that the appropriate committees of the Congress give their earnest consideration to this problem in 1963.

We are told now in 1964, "Do not give us 1, 2, or 3 more years; we want 5 more years, and that will be the end of it."

We know that this will not be the end of it.

The Senator from Washington [Mr. MAGNUSON], who is in charge of the bill, has told us very frankly that in his view it ought to be extended. His answer is that there ought to be subsidies, not to 3 cities, but to 10 or 15 cities. There is a strong case for that argument. We should not deceive ourselves. They want the subsidy now. There is no question that it can be ended, or we can go on indefinitely with the subsidy which the Senator from Georgia [Mr. RUSSELL] has called the most inexcusable subsidy that the Senate pays.

Mr. MAGNUSON. Mr. President, I want the RECORD to be clear. We never promised, and no one ever promised, at any time that the subsidy would end in a given year. We expressed the hope that it would reach a final plateau when the operators obtained new equipment. We even went to the extent of examining their books. They conduct a rather tight operation. There are no big salaries or anything like that. Let that be understood.

While we have been dealing with the three cities—and their need for extended service has been great—on the other hand, in the Los Angeles area, eight new stations have been established. Some other factors were added in New York because of the planes going into Newark. So two factors have been involved.

We asked the Board to reexamine the situation. I want to put this point in the RECORD. I will not read all of the statement. This appears on page 59 of what we call our side slips in the Appropriations Committee. It reads:

> This statement is presented in response to the request of Chairman MAGNUSON during consideration of the Board's 1965 budget justifications before this committee on April 15, 1964.

The Board is very frank and honest about this. I read part of this earlier. The Board states:

> Pursuant to the foregoing, the Board has further considered and reevaluated its policy for subsidized helicopter services in the light of all currently known factors and developments, including particularly the repeated expressions of congressional intent and the limitations in the appropriations bills with regard to these services.
>
> Through fiscal 1964, subsidy aggregating approximately $46 million has been paid to the helicopter carriers serving the Chicago, Los Angeles, and New York metropolitan areas. These payments have made it possible for the three carriers to progress from small non-passenger-carrying rotary-wing aircraft to twin-turbine 25-passenger helicopters (in the case of Los Angeles and New York), and 12-seat piston-powered aircraft (Chicago). They have thus made a direct and substantial contribution to the national defense, have convenienced the public as well as facilitated the mail service, and have otherwise made substantial contributions to the national interest. They should also prove helpful in connection with the supersonic aircraft program which may well involve service at airports located at points relatively remote from city centers.
>
> The Board believes that these services—as a whole—can begin to break even without subsidy support sometime during fiscal 1969, and have reasonable prospect of being self-sufficient by the close of fiscal 1970. The Board is of the view that these services would require approximately $17.8 million in subsidy for the entire 6-year period from 1965 through 1970, as compared to the $46 million already invested therein.

The Board then gives us a list of what they thought year by year. They go on to arrive at their further conclusions. This was a statement made by the Board to the committee; and we asked for a complete reevaluation. I wanted it to be clear that the Board has been very frank with the committee. We have looked at the question frankly. I am having this statement printed in the RECORD so that we shall know what we are doing.

Mr. PROXMIRE. The Senator is only saying that the estimate of the CAB is that they may be able to break even in 5 years, and that if they do not break even, apparently the subsidy will continue.

Mr. MAGNUSON. The Board does not say that. The committee goes even further than the Board. We say that we believe there is some good valid justification. We say that the committee expects for the next fiscal year to completely examine the problem of subsidies for helicopter operation with a view to discontinuing them altogether, or determine if expanded operations are warranted. We do not say they are. This is our position.

Mr. PROXMIRE. In the conference report in 1963 it was stated that they would be ended, shortly, concluded, and that Congress should start ending subsidies in 1963. But now it is said that they should be self-sustaining at the close of 1970, that the committee report should be studied, and that then we should decide whether we want to retain them, or expand them.

Mr. MAGNUSON. If it is warranted, I think they should be expanded. I believe that helicopter services will be expanded all over the Nation in the next 10 years, as a part of every airline operation. Whether the operators are warranted in having a subsidy for this purpose, I do not know. It seems to me that if they become part of an airline operation, they might be phased into the operation. It should be a much better operation under the airlines. The local airlines still need this subsidy. They are contained in the bill. It sometimes seems that people think the committee wants to give the subsidies. The way some people talk, one would think we lie awake at night trying to figure out how to give away subsidies.

We are trying to provide what apparently the majority of the people desire. If we should cut out subsidies for local transport services in this country, every Senator would stand up and complain. So we are trying to continue the program as cheaply as possible. There is a strong desire for local transport service airlines. Senators and Representatives, as well as communities, keep after the CAB all the time to add new places for which airlines should provide new services. The airlines might have been off subsidies, but they are now serving 657 cities. If any Senator thinks that the people who pay the taxes in those cities would agree that those subsidies should be eliminated, I suggest that they be cut out for a couple of weeks and see what happens. Senators would beat a path to my door. They would say, "Let us reinstate this service. Let us put it in. We cannot stand this situation."

Airline subsidies are no different from other subsidies, whatever they are called. The Government has given every form of transportation this country has known a subsidy. The result has been that our transportation systems have been kept private. Railroads receive some subsidies; airlines get some; trucklines get some; the private citizens who travel the most get some. The inland waterways get some. Help for all kinds of transportation has made our country economically great.

If we had been backward in that field, we would not be as economically developed as we are. I venture to say that if a study were made of the subject, beginning back in the early days when even roads were subsidized, we would find that there has been turned back into the Treasury much more than the amount of taxes and other benefits that those subsidies have cost.

So let us not pick on the airlines when we ask them to serve communities at a loss. We tell them to furnish the service that at least the CAB and the community think they need, and it is not justifiable to pick on them because they are eligible for the subsidy.

I understand that helicopters come in a different category. We are trying to work out the problem the best we know how. The Senator from Colorado [Mr. ALLOTT] and I do not like the situation. We have been studying the problem for 5 or 6 years. At our request, we received from the Civil Aeronautics Board a pretty solid report. The problem was presented to President Kennedy, and the CAB followed up the inquiry with the report, which I shall place in the RECORD in full. If we weigh all the angles both ways on the question, we shall find that there is pretty good justification for the request.

I do not know whether it would be economically feasible for local transport lines, or even trunklines, to have subsidized operations as a part of their business. They are growing bigger and better. They are becoming safer. As the Senator knows, they can land in difficult places. In New York the other day an experiment was conducted in which a helicopter landed on top of the Pan American Building.

In my hometown a man with one helicopter lands on top of a hotel and then goes out to the airport. They are furnishing the service. If it continues, people will request me to see that the service is continued. But the man is not yet making any money on the operation. The service will be necessary as an integral part of a whole system.

Mr. President, I do not believe that the committee should be picked on for providing a subsidy which is alleged to be unjustifiable in every aspect. I thoroughly agree that it is questionable. The Senator from Georgia [Mr. RUSSELL] and I know what a problem it is. I know no place where present requests seem to fit in. I wish I had gotten in on the subsidy in the early days. Perhaps my State would have received it. But we are trying to continue the appropriation on the basis which the CAB recommends. In my view, after reading the report, the CAB apparently justifies the operation. We have been told that we could cut them all out if we wish to do so.

The Chairman of the Board said to us frankly that if we should take the House figure, which was $3 million, and divide it arbitrarily, providing $1 million for each airport, it would not work that way. It is true that the Chicago operation is smaller than the New York and Los Angeles operations. But the Chairman said that we could not operate in that way because under the law and under their certificate they are entitled to this subsidy. We have estimated $4,300,000 for the item for the coming year. As I stated before, I think they would probably have a legal case in the Court of Claims. I believe that in the case of one airport, the certificate runs for 1 year; another airport, for 2½ years; and the other, for 3 years. They are obligated, and the CAB has pointed that out in the record. It is their estimate. It is not ours. We have been told that either we pay that money or we might as well cut out the service altogether. The certificate would be canceled and that would be the end of it.

In view of the importance of the subject, we did not believe that we should take such drastic action. It is about as simple as that, even though we did not particularly like all the things we must do in that field.

Mr. RUSSELL. Mr. President——

The PRESIDING OFFICER. The Chair recognizes the Senator from Georgia.

Mr. PROXMIRE. Mr. President, will the Senator yield to me so that I may ask for the yeas and nays?

Mr. RUSSELL. I yield.

Mr. PROXMIRE. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. RUSSELL. Mr. President, I wish to make one or two brief observations.

As always, the Senator from Washington is most persuasive. The operation to which we are referring happens to be the most exclusive club on earth in receiving subsidies, grants, gifts, and handouts from the Federal Treasury. This committee of the Congress has maintained the most exclusive club on earth.

I have offered an amendment in the committee for 2 years which would open up the service to one more airport, one more city. I have attempted to let some other group of people in the United States share in the benefit. The same people that are today fighting for the subsidy said, "No; you cannot extend it by one. You must not extend it. It must stay where it is. It must remain exclusive with the three cities that have had the teat in their mouths for all the 11 years milking the Federal tax money."

Mr. President, if the program is going to be continued, I suggest that if there is any city on earth that is entitled to participate in it, it is Washington, D.C., where are located Dulles Airport, National Airport, and Friendship Airport.

Sometimes one airport is closed and a passenger must go to one of the others. If there is any place where helicopter service ought to be subsidized, it is in Washington. But the Board finds reasons and excuses for denying certificates for any other city. The majority of the committee has supported them in that position all the way down the line. They may deplore it, but they do not do anything about it. They resist every effort to get even one more city into this certification program to enjoy all the benefits.

There have been subsidies for transportation in this country. We have them today, to a certain extent, on our highways. But it is not a closed corporation. It is not a monopoly. We have it today, to a certain extent, for our airlines. But it constantly shifts from year to year. Cities go on and cities go off; lines go on and lines go off. But these three airports—Los Angeles, Chicago, and New York—go on and on forever, almost like Tennyson's brook.

Five or 6 years ago I tried to bring into the bill a provision which would permit the admission of one other airport to this exclusive field of three that have enjoyed a subsidy for 11 years, and it was resisted every inch of the way.

In my opinion, these airports ought to get along like the one in Seattle, Wash. The Senator said that some individual out there is trying to fly a helicopter. He is not making any money out of the operation, because he cannot get into the closed corporation and get a certificate. These three lines are no better than the individual in Seattle, Wash., or the operator in Washington, D.C., or the one in Atlanta, Ga., that are trying to make a living operating a helicopter service.

There cannot possibly be any excuse for continuing this exclusive club from year to year to year. The CAB can come here with a document full of a great many arguments that are based on facts as to which they alone are privy. They are the only ones who know anything about it, and any department that cannot make a good argument in support of its budget estimate should be run out of Washington, and would deserve to be. But the responsibility of the Congress should not cease with the argument of the Department and the acceptance of a justification or glorification of a subsidy payment. That is particularly true when the argument is worn as threadbare as this has been over the past several years, when the effort was made either to crack the monopoly and let someone else get in on it, or to say it has served its purpose.

I have no hope that the Senate will do anything about it. There seems to be some kind of hypnosis that attaches to this particular handout or subsidy, but it is my judgment it ought to be abolished altogether. Either it should be defeated or the poor devil who is trying to make a living in Seattle, Atlanta, Boston, or elsewhere should share a few dollars of that subsidy, instead of letting it go in big chunks to these three cities.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. HOLLAND. Is it not a fact that this is a service of convenience that saves only a few minutes, at considerable cost, which is often a deluxe service, as contrasted to the service granted by the feeder lines and trunklines, which carry people a substantial distance and save long periods of time?

Mr. RUSSELL. That is true, but there are helicopter services struggling along in places without a subsidy, when $2 million is spent in one city. The Los Angeles subsidy amounts to $2 million. But others are struggling, trying to get along, and do not get a nickel of it.

Mr. HOLLAND. The purpose of my question was to point out that this was a subsidy for a service saving at most a few minutes, a deluxe service, as contrasted with services for long distance furnished by the feeder or trunklines.

Mr. RUSSELL. I do not disparage the service. There is no comparison with feeder lines, because they change from day to day or week to week, and add on or take off. But for 11 years these same cities have been drawing every dime of this money.

Mr. HOLLAND. The point I was making is that I do not think there is a necessity attached to this service for the public convenience and necessity, as compared with the feeder lines or trunklines. It is not a service of necessity. It saves only a few minutes.

Mr. KEATING. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield the floor?

Mr. PROXMIRE. I yield the floor.

Mr. KEATING. Mr. President, I have listened with interest to our distinguished and dear friend from Georgia, "chairman of the Board of Directors" of the Senate Establishment, express his sorrow over the alleged fact that this group of helicopter carriers is an exclusive club. But this is not any club at all. The fact is that these three carriers—who serve in New York, Los Angeles, and Chicago—share in this subsidy because the CAB has determined that the services are required in the national interest and to meet public convenience and necessity. I am sure that, with the great persuasive powers our friend from Georgia has, if his suggested application for services in other cities had merit, it would be favorably acted upon by the CAB.

The committee has recommended that this subsidy be granted for this year and that this whole matter be thoroughly studied thereafter. It has pledged itself to a thorough examination of the helicopter subsidy for the next fiscal year. I think that is commendable.

I do not want to fall into the unfortunate position of attacking other subsidies when I urge this one. There are many subsidies which I have opposed, but many which I have voted for, under certain circumstances, which were not of direct benefit to the State of New York. But here is one in which we are deeply interested, and which is essential to the operation of a very busy area of the country, the same as Chicago and Los Angeles.

The helicopter service known as New York Airways has made real and substantial progress in this area. It has increased its passenger revenue miles from 2.3 million in 1959 to 4.7 million in 1963, more than doubling of service benefits over just a 4-year period. The Federal payments have been decreased from 67.3 percent of the total operating revenues in 1959 to 46.6 percent in 1963. Hopefully, that trend will continue.

But to cut the subsidy off completely would be an extremely drastic move which would have grave repercussions so far as New York Airways is concerned, and I suspect, the others. I intend to support the committee. I do not intend to throw away the results of this experiment, and I do not intend to consign these three carriers to the business of selling surplus used aircraft. I will vote against the amendment.

Further, our friend from Wisconsin is known as a humane, friendly, personable Member of this body. I think, on the very day we are swearing in our new distinguished colleague, that to try to cut off these funds for the State of California—and I never expected to find myself here pleading for California—would seem like a discourtesy to our new colleague who has just joined us here, after a vote pretty strictly along party lines. But regardless of party, all of us have cordially welcomed him. We have all known him for some time. We like him whether we may be for or against him politically.

I plead with my colleague from Wisconsin not to throw down the gauntlet to our new friend and colleague from California. It does not seem the way to treat him on his first day. At least, put over the amendment until tomorrow, because our colleague is entitled to at least that much consideration.

Mr. JAVITS. Mr. President, will the Senator yield at that point?

Mr. KEATING. I yield.

Mr. JAVITS. I should like to join in this very fine welcome to Senator SALINGER, and by his mere presence I hope he will have won his first battle in the Senate.

I thank my colleague for yielding to me.

Mr. KEATING. As a Republican, I think it is unfortunate, of course, that our colleague has been given such a timely chance to cast his first vote on a measure that means so much to the State of California. This may be just a plot on the part of our colleague from Wisconsin in order to give our colleague from California an opportunity to vote against an amendment that is bad for California, but knowing the Senator from Wisconsin the way I do, I could not bring myself to think he would be a party to anything of that kind.

Even though the yeas and nays have been ordered, I would not object for a moment if the Senator felt it appropriate to ask unanimous consent to withdraw the order for the yeas and nays, not only as a wonderful courtesy to our friend from California, but also in recognition of where the merits lie.

Let me reiterate that I want to get rid of subsidies as much as anybody else. But the subsidies in this case have been going down. The nonsubsidy revenues have been going up. I think the situation will eventually right itself, but it would be a devastating blow to have the subsidy knocked out all in 1 year. Let the committee carefully study the whole question next year. I have no doubt its study will be effective, and although I am not so foolhardy as to believe a perfect solution can be reached, I hope the committee will arrive at some of the answers.

Mr. KUCHEL. Mr. President, I say with great respect to my friend from Wisconsin that his amendment is a vicious amendment and it ought to be defeated, and defeated overwhelmingly.

Mr. KEATING. Mr. President, will the Senator yield?

Mr. KUCHEL. I do not yield at this time. Why did the Civil Aeronautics Board proceed to enter into an agreement with three private helicopter operators under which the Federal Government subsidizes a portion of their operations? They did it in accordance with the mandate of Congress in the form of a statute. That statute is still on the books. The Board has authorized private helicopter operations in three great municipalities. Senators can denounce them if they wish, but they represent a valid Federal obligation and are, indeed, a wave of the future. I see the Senator from Ohio smiling. I say that his cities will need some kind of transportation, too, to overcome the congestion in the expanding municipal areas of his State.

Mr. LAUSCHE. Yes, but——

Mr. KUCHEL. I do not yield at this time. Under the statute the Civil Aeronautics Board has given certificates to three private groups. Why did it do that? It did so because it believed, acting under law, that the public interest would be served by developing the feasibility of a new kind of airborne transportation in heavily populated areas where automobile congestion plagues the people. It did it also because it believed—and it was so advised by the Department of Defense—that there was a military interest in developing this kind of transportation.

I have before me a map of metropolitan Los Angeles, which is served by the Los Angeles Airways Helicopter System. It is an excellent system serving a great community. The Presiding Officer knows this area. He knows how long it takes to drive an automobile from Los Angeles International Airport to San Bernardino. It takes hours. It is a heavily congested area. Do Senators know how long it takes to go by helicopter? It takes 32 minutes.

My home is at Anaheim. When people ask me where I live I say I live at Anaheim, and then ask me "Where is that?" I say that is where Disneyland is located. Do Senators know how long it takes to drive from Anaheim to Los Angeles International Airport? It takes over an hour. It is possible to go there by helicopter in 16 minutes.

This helicopter service in urban areas constitutes a real possibility that ought to be developed with the aid of our Federal Government as the law provides. We should not shove this program down the drain. We should consent to continue this appropriation, to give these three separate private concerns an additional opportunity to prove the economic value of this new kind of transportation.

The reason for this operation is to have a demonstration proof that the people of the United States, as they cluster together in large open areas of the country, may have an opportunity to use a unique type of service for transportation from one point to another and, having had that opportunity, may be able to utilize it in every State of the land.

I hope the amendment will be soundly defeated.

Mr. RANDOLPH. Mr. President, I rise in opposition to the amendment offered by the diligent Senator from Wisconsin [Mr. PROXMIRE]. It is important, in this body, that we speak not as Senators from a particular State, although that is our primary interest in matters of this type. We must disregard any provincialism and think in terms of the development of a system of transport in the United States which will serve our mobile mass population.

In the State of West Virginia, we are served by six scheduled air carriers. These airlines fall into two categories. There are three trunkline carriers, American, Eastern, and United, which receive no subsidies. The local service operators are Allegheny, Lake Central, and Piedmont, which do have the help of subsidy payments. They are doing a needed job for our people.

As my esteemed colleague from Wisconsin knows, these local service carriers receive a form of subsidy, not only in my State but also in the instance of North

Central Airlines, in serving Wisconsin communities to the number of more than 15. It is important that we continue in West Virginia, a State of mountainous terrain, the local service carriers in scheduled daily operation. We are a part of the interstate air transport system. Very frankly, we need air transportation in communities like Morgantown, Clarksburg, Fairmont, Elkins, Beckley, Bluefield, Martinsburg, Wheeling, Huntington, Parkersburg, Charleston, and the surrounding area. The distances are long in travel time even though they may not be long in actual over-the-road mileage. We need air transportation developed to a maximum.

I believe it appropriate for me to document the RECORD to indicate my interest, as a Member of the U.S. House of Representatives, in bringing to the attention of Congress the need to develop the airmail pickup system in the United States.

In the mountain areas of West Virginia and in nearby States, including Pennsylvania, Ohio, Kentucky, New York, and Delaware, the airmail pickup system was pioneered. Light planes operated at regular intervals between numerous outlying communities, and by means of a unique pickup system were able to take on and discharge mail without landing. The aircraft were equipped with a grappling hook designed to enable the pilot to snatch the waiting mail pouches as they hung suspended between twin poles. At the same time, the mail being delivered was dropped to waiting attendants.

The success of this system was so widely accepted that applications for service at one time totaled 22,000 route miles to serve 13,000 communities in 29 States. On many occasions routine pickups were made when unfavorable weather conditions would have prevented the aircraft from landing. Severe snow storms and flood conditions were successfully overcome, and the mail was sped toward its destination without delay.

During World War II several useful adaptations to the airmail pickup system were devised. Grounded gliders were taken in tow by planes which were already airborne, thus giving our Armed Forces a new capability for swift mobility and flexible action. Individual personnel equipped with a special shock-absorbing harness were also snatched from the ground by low-flying planes, and gradually drawn up into the aircraft itself. This method was proven effective in evacuating wounded personnel from isolated combat areas under conditions of extreme emergency.

Positive benefit accrued to the people of the United States because of the development of the airmail pickup system—a system which was brought to fruition through experimentation and subsidy. This was done because Congress believed that such a program should go forward.

Naturally I feel there is a reluctance here to continue to subsidize the helicopter service in question because it is lodged in three large cities or metropolitan areas of the United States. I can well understand the desire to spread the benefits of the helicopter service. There should be no monopoly, and in this argument I agree with the astute Senator from Georgia [Mr. RUSSELL].

However, I wish to remind Senators that the President of the United States is a constant user of helicopters as was the late President Kennedy. I also remind Senators that new uses for the helicopters are being developed not only in commercial transportation but also in the military phase of this type of flight. Further, this service is being provided where it is most needed—in and around three of our large centers of population.

The committee is sound in its position, and after very careful study, I oppose the amendment offered by the Senator from Wisconsin.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. RANDOLPH. I yield.

Mr. MAGUNSON. The Senator from West Virginia has long been an ardent leader and supporter of aviation, both as a Member of Congress and when he was not in Congress.

When we speak about the lack of subsidies, we should consider the progress of the trunklines. It was necessary to subsidize them, and subsidize them heavily in some cases, much more than is proposed in this instance. In earlier days, we were engaged in developing aviation in the United States so that we might have the greatest commercial air transportation in the world. We now have it. But it was many years before the commercial airlines were able to operate without a subsidy. They had to become more efficient, to determine their routes, and to provide service for more people. They accomplished all those things as they expanded.

The whole question is whether we want to assist aviation to make progress. There are times when we should blow the whistle and stop; I understand that. But it was necessary to subsidize the airlines in the earlier days.

I look forward to the day, I hope not too far distant, when the local air transport services will be able to operate without subsidies. Nevertheless, I remember when the so-called trunklines were more heavily subsidized than are the helicopter services today, in order to enable them to get started. As a result, the United States today has the best airlines system in the world.

Mr. RANDOLPH. Mr. President, I appreciate the statement of the Senator from Washington. I remember when American Airlines, now one of the three or four largest scheduled air carriers in the world, was a fledgling. I recall when, in the 1930's, C. R. Smith came to me and spoke about the desire of his company to cross the State of West Virginia on its route from Cincinnati to Washington, D.C. I well remember when that small airline, a carrier that received a subsidy in its developmental period, came to West Virginia and provided air service at Charleston, Parkersburg, Clarksburg, and Elkins.

Today, C. R. Smith is chairman of the board of American Airlines, and is recognized as one of the truly constructive leaders in the development of our commercial air transport system. Under his capable guidance that company has prospered, and has expanded its service to include a much larger portion of our population.

American Airlines now serves our State only at the capital city, Charleston, through the Kanawha County Airport. The carrier removed itself from the other cities by an understanding or an agreement with the citizens of the community as well as with the Federal Government. Local service carrier would replace it and be able to provide an improved flight pattern, with additional flights, and more available seats. Subsidy in cases such as this has proven to be a wise investment in the future of our Nation.

The Senator from Washington speaks the truth. In periods of development, we must not throttle or stifle any phase of aircraft experimentation and use. Let us be Senators of vision and reality in the changing scope of air transportation.

FIRST ANNIVERSARY OF NUCLEAR TEST BAN TREATY

Mr. FULBRIGHT. Mr. President, today is the first anniversary of the signing of the limited nuclear test ban treaty, one of the notable events in contemporary world history.

Both in symbol and in substance the test ban treaty has proven to be a significant event in the trend of relations between the Soviet Union and the West. It marked a decision by both sides, albeit a tentative and even an uncertain decision, to take control of the haphazard tendencies of the cold war and to seek to guide the relations of the great nuclear powers toward peace and limited accommodation.

The significance of the test ban treaty is not that it has ended the rivalry between the Soviet Union and the free world, but that it represents a tentative agreement by both sides to conduct that rivalry by means less likely to lead to catastrophe than the competition in uncontrolled nuclear testing. The treaty further represents an acknowledgment by both sides that the conflict between them on a wide variety of issues is overriden by the common interest which they share with all other nations in the prevention of nuclear war.

It is, of course, possible that the limited agreements in various fields which have been concluded with the Soviet Union will be overturned, but it is worth noting that thus far these modest accommodations have been honored. There has been no breach of the test ban treaty in the past year, nor has there been any violation of the Antarctic Treaty in the 5 years since it was concluded for the purpose of excluding the cold war from the Antarctic Continent.

We are entitled on this first anniversary of the nuclear test ban treaty to take pride in the progress which has been achieved toward a more peaceful world order. We are further entitled to feel cautious optimism in the prospects for further limited accommodations which will result in the strengthening of the foundations of world peace.

A new psychological relationship between the Soviet Union and the West has been slowly and painfully evolving over the last few years. It is a relationship in which each has come to regard the behavior of the other as reasonably predictable, a relationship in which it has become possible for us to anticipate prudent if not benevolent behavior on the part of the Soviet leadership. It is to be hoped that this evolving tendency toward peace, symbolized by the limited nuclear test ban treaty, will continue to evolve until one day the great nations of the world are related to each other not merely by bonds of predictability but by bonds of confidence and friendship.

SECURITIES LEGISLATION

Mr. ROBERTSON. Mr. President, in July of last year, the Senate passed S. 1642, a bill framed by the Securities and Exchange Commission, and introduced by me, by request, to amend the Securities Acts, relating to securities traded in the over-the-counter market and to qualification requirements and disciplinary procedures for registered brokers and dealers. In passing that bill today, the House amended the provision relating to stock insurance companies, and made other relatively minor changes.

I have discussed the House changes in the Senate bill with Hon. William L. Cary, Chairman of the Securities and Exchange Commission, and with the Secretary of the Treasury, Hon. Douglas Dillon. Both are of the opinion that the importance of completing action on the major features of this bill before adjournment outweighs the differences that might honestly exist concerning the relative merits of the Senate and the House versions.

In view of the fact that tomorrow I shall move that S. 1642 be taken from the desk and that the Senate agree to the House amendments without a conference, I now ask unanimous consent to have printed at this point in the RECORD a letter to me, dated August 5, from Hon. William L. Cary, Chairman of the Securities and Exchange Commission, in which he recommends that the Senate accept S. 1642 as amended by the House.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

SECURITIES AND EXCHANGE COMMISSION,
Washington, D.C., August 5, 1964.

Re S. 1642.

Hon. A. WILLIS ROBERTSON,
Chairman, Committee on Banking and Currency, U.S. Senate, Washington, D.C.

DEAR SENATOR ROBERTSON: The purpose of this letter is to respond to your letter of August 5, 1964, requesting our views with respect to the changes in S. 1642 which were made by the House of Representatives. We will refer to the bill in the form it passed the Senate as the Senate bill, and to the form in which it passed the House as the House bill.

As you know, the bill has two primary purposes: First, to extend the disclosure and other requirements of the Securities Exchange Act of 1934 to larger issuers whose securities are traded in the over-the-counter market; and, second, to provide improved qualification requirements and disciplinary procedures for registered brokers and dealers.

In the first area, that of disclosure by issuers, the House committee made two changes which we regard as significant. The first involves the treatment of foreign securities under the bill, and the second relates to the securities of insurance companies. With respect to qualifications and disciplinary proceedings, the significant changes made by the House involve the requirement of compulsory membership in a national securities association, and the registration of broker-dealers whose business is exclusively intrastate.

I. FOREIGN SECURITIES

With respect to foreign securities, section 3(c)(2) of the Senate bill exempted them from the requirements of the bill unless the Commission withdrew the exemption as to any class of issuers upon the basis of a finding that continued exemption is not in the public interest or consistent with the protection of investors. The House bill subjects foreign securities to the bill but authorizes the Commission to exempt any such securities if it finds that such exemption is in the public interest and is consistent with the protection of investors. Section 3(d) of both bills in addition grants to the Commission broad powers to exempt issuers or classes of issuers from any provisions of the bill.

In its report with respect to this change the House committee explained that its amendment simply reverses this exemption procedurally and that the Commission will have broad authority to deal flexibly with the problem. The committee further specifically pointed out that failure of a foreign issuer to comply with the provisions of the bill will not of itself mean that trading in the United States in the securities of such issuer will be illegal or for that reason give rise to civil liabilities on broker-dealers trading in the securities.

The Commission believes that in the light of the House committee report and the procedures available to it, it can work out any problems involving foreign issuers in a manner that will take into account the harm that could result to investors from the disruption of the trading markets that will reflect the particular problems of foreign issuers, and that will provide significant benefits to American investors. As the House committee pointed out, the differences in the two bills are procedural. Under either approach, the substantive problems are the same and the determination of ultimate coverage is largely in the discretion of the Commission.

The House committee report makes it clear that the House bill provides the Commission with sufficiently broad authority to exempt any foreign security for which it would have allowed the initial exemption under the Senate bill to remain unrevoked.

If the approach to the House bill is adopted, the Commission will exempt all foreign securities for a period of at least 1 year. This temporary exemption would give the Commission time for further studies of foreign securities generally and to consider any problem with respect to any individual security or class or classes of securities. During the period of the temporary exemption, any foreign company, group of companies, or any interested person, such as a broker-dealer, could request that the temporary feature of the exemption be removed and present reasons why this should be done. The Commission would make appropriate findings and issue orders or adopt rules removing the temporary feature with respect to specific foreign companies or classes thereof. Thus, no foreign security would be covered until its issuer and other interested persons are given an opportunity to present their views. We believe that this approach to the foreign security problem is acceptable to the House, as indicated by the House report and by the discussion on the floor during the debate on the House bill.

In short, although we testified in favor of the approach in the Senate bill the Commission views the foreign securities provision in the House bill, especially when read in conjunction with the House report, as providing a reasonable and workable basis for dealing with the foreign securities problem.

II. INSURANCE COMPANIES

The Senate bill subjected the securities of insurance companies to the disclosure and other requirements in the same manner as the securities of other companies. The House bill exempts securities issued by insurance companies if all of three specified conditions are met. In substance these are that the insurance company file annual reports with the commissioner of insurance of its domiciliary State which conform to those prescribed by the National Association of Insurance Commissioners; that such insurance company be subject to regulation of proxy solicitation by its domiciliary State which conforms to that prescribed by such association; and that, after July 1, 1966, trading by officers, directors, and larger security holders of such company be subject to regulation by its domiciliary State substantially in the manner provided in section 16 of the Securities Exchange Act of 1934.

We understand that this change is the outgrowth of representations made to the House committee by State insurance commissioners to the effect that they would provide the necessary regulation in these areas and they believed that such regulation should be left to the States rather then undertaken by the Federal Government.

The Commission opposed this amendment before the House committee primarily upon the ground that the securities of insurance companies constitute an important segment of the over-the-counter market and there seemed no adequate basis for depriving investors in the securities of insurance companies of the same scheme of protection which is to be provided for the securities of other classes of companies.

The House committee, however, preferred to give the State insurance commissioners an opportunity to provide the necessary protection. If they are able and willing to do so, the objectives of the bill as to insurance companies will thereby be accomplished. If, in the light of experience, it should appear that adequate protection is not being provided through the medium of State regulation, as provided for in the House bill, the Congress can reconsider the question. The House bill, however, holds promise of achieving a workable approach to this problem.

III. COMPULSORY MEMBERSHIP IN REGISTERED SECURITIES ASSOCIATIONS

Section 6(a) of the Senate bill amended section 15(a) of the Securities Exchange Act of 1934 to require all registered brokers and dealers to be members of a registered national securities association. This was done because under section 7(a) of that bill the establishment of qualifications for entry into the securities business was to be accomplished through the medium of requirements by such associations, and also because the general scheme of the Securities Exchange Act and of the bills relies heavily upon self-regulation as a means of requiring adherence by brokers and dealers to appropriate standards of conduct and subjecting them to necessary disciplinary controls.

The House bill eliminates the requirement of membership in such associations. In lieu thereof that bill grants to the Commission, under three new paragraphs to be added at the end of section 15(b) of the Securities Exchange Act, power to prescribe qualifications for brokers and dealers who are not members of an association and for persons associated with such brokers and dealers, and additional rulemaking and regulatory authority over such nonmember brokers and dealers which is designed to be substantially equivalent to the authority which such associations have over their members. These provisions also require such nonmember brokers and dealers to pay to the Commission fees which are designed to defray the additional costs to be incurred by the Commission in prescribing qualifications, giving examinations, and performing the additional regulatory duties required of it with respect to such nonmember brokers and dealers. We understand that this change was made by the House committee in response to the request of certain broker-dealers, particularly certain large distributors of investment company shares who maintain their own sales forces and who are not presently members of such an association. These broker-dealers represented to the House committee that they strongly preferred to be regulated directly by the Commission rather than by associations whose members would include their competitors.

In testimony before the House committee the Commission opposed this change, primarily in deference to the achievements of self-regulation in the securities industry in raising and maintaining standards of conduct—in many cases above those required by law—and also because it believed that an extension of the existing framework of self-regulation was preferable to more intensive direct Government regulation of these particular brokers and dealers. On the other hand, we believe that the additional powers granted to us under the House bill will enable us to provide, as to these nonmember broker-dealers, standards and requirements comparable to those which will be established by national securities associations, and that we will thus be able to accomplish as to these brokers and dealers the essential objectives of the bill.

IV. EXCLUSIVELY INTRASTATE BROKERS AND DEALERS

The Senate bill would have repealed the existing exemption from the broker-dealer registration requirements of the Securities Exchange Act which is available to brokers and dealers whose business is exclusively intrastate. The House bill restored this exemption.

We suggested repeal of this exemption essentially because we believed that a requirement that such brokers and dealers register with us would facilitate our enforcement of the provisions of the Securities Exchange Act which presently apply to such brokers and dealers, particularly capital requirements and the prohibitions against fraudulent and deceptive conduct. The House committee apparently felt that the regulation of such intrastate brokers and dealers should be left primarily to the States.

Because of the interstate nature of the securities business, exclusively intrastate brokers and dealers are not an important segment of the financial community and, accordingly, the change made by the House bill is of limited importance in the overall context of broker-dealer regulation. In addition, the Commission will continue its effort to enforce the antifraud and other requirements applicable to such brokers and dealers and, as the House committee suggested, will rely upon the States to provide other needed protections. As in the case of insurance companies, if experience indicates that State regulation is not providing adequate investor protection, the Congress can reexamine the question.

The House committee made a number of other changes, none of which are objectionable to us in any way. Most of these were designed to clarify the requirements of the bill or the language used. For example, the House bill added exemptions from the disclosure requirements for certain farmers' cooperatives and other cooperatives. In our view few, if any, of these cooperatives would have been subject to the bill in any event since they would not have had the necessary number of holders of equity securities. Representatives of these cooperatives, however, desired to have it made clear in the statute that they were not subject to its requirements, and we have no objection.

Similarly the House committee added language to make it clear that the Commission's regulations are not binding upon the bank regulatory authorities in their administration of the bill's requirements as to banks which was provided for in the so-called Williams amendment to the Senate bill. This point was already clear in the Senate report.

In this connection we understand that Mr. James J. Saxon, Comptroller of the Currency, has raised a question as to whether the full jurisdiction over bank securities vested in the banking agencies in the bills would be equally applicable if such bank securities were listed on a national securities exchange. There is no basis for this distinction. Section 3(e) of H.R. 6793 places in the banking agencies "the powers, functions, and duties vested in the Commission under this title to administer and enforce sections 12, 13, 14(a), 14(c), and 16 with respect to banks." There is no distinction whatever in this language depending upon whether securities of the banks are listed on an exchange, or whether they are unlisted. Further, this language vests in the banking agencies not only the authority to administer these sections but also vests expressly the authority to enforce them. Thus all of the powers which the Commission has to enforce compliance with these sections, for example by delisting proceedings under section 19 of the act, would vest as to bank securities in the banking agencies.

Not only is this apparent on the face of the bill but it is made crystal clear in the Senate report which expressly states that the banking agencies would have all the authority vested in the Commission under any provision of the Exchange Act with respect to both listed and unlisted bank securities. This is apparent from paragraphs appearing on pages 63 and 64 of the Senate committee report. The House bill in no way reduced this grant of authority. On the contrary, the above-mentioned language added by the House serves to underscore the intention of the House committee that the Commission's rules and interpretations would not control the banking agencies.

The House committee also added a requirement that we should report to Congress following the next 3 fiscal years with reference to the operation of the amendments to the act made by the bill. We of course have no objection to so reporting and, on the contrary, will appreciate the opportunity to do so.

In summary, as indicated above, we expressed a preference for the Senate version of the bill with respect to a few matters such as the treatment of foreign securities and securities of insurance companies, and the requirement of compulsory membership in a national securities association. On the other hand, we believe that the changes made by the House are workable, and that the bill as amended represents a significant advance in investor protection. Accordingly, the House bill is satisfactory to us, and we urge the prompt enactment of this important legislation.

For the Commission:

WILLIAM L. CARY,
Chairman.

INDEPENDENT OFFICES APPROPRIATIONS, 1965

The Senate resumed the consideration of the bill (H.R. 11296) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies and offices, for the fiscal year ending June 30, 1965, and for other purposes.

Mr. ALLOTT. Mr. President, I ask unanimous consent that I may suggest the absence of a quorum, and that I may retain the floor at the conclusion of the quorum call.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ALLOTT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUPPORT OF PRESIDENT BY SENATOR BEALL IN SOUTHEAST ASIA CRISIS

Mr. BEALL. Mr. President, as a member of the Armed Services Committee, I wish to assure the President of my wholehearted support in this southeast Asia crisis.

Since the early days of our Republic, this country has advocated and fought for the principle of freedom of the seas. For 2 days in succession U.S. ships have been deliberately attacked by North Vietnamese PT boats. This long-established international principle has been deliberately violated. The President's first response was a blunt warning that grave consequences would follow if such an incident were repeated. Unheeding such warning, unconvinced of U.S. determination, the unprovoked attack was repeated. The President this time responded by ordering our military to attack the "nests" of the aggressor. This restrained retaliation should convey to the attackers that our words can be backed with action if needed.

I hope and pray that this message will be received.

Defense Department officials and the Nation are attempting to discover the motivations for these attacks. Further speculation on my part would be of no value. If, however, any foe is so naive as to construe the differences that exist during this election year as indicative of disunity and as an open invitation to further aggressive actions, let me say to such foes that nothing is further from the truth. They just have not read American history; they fail to understand American politics. For although Americans register their preferences for a political philosophy, this in no way affects the fact that our first loyalty remains to our Nation. For despite differences from within, when our Nation is challenged from without, we close ranks and unite. Senator GOLDWATER's instant endorsement of the President's policy exemplifies our unity. I salute his position, and the Nation should, also.

Mr. President, I am cognizant that national security frequently requires the withholding of information from the American public. Nevertheless I would hope, as much as national security permits, that the administration would fully disclose all information relating to this situation to the American public. For, given the facts, the American people can face any crisis, bear any burden, and pay any price to repel aggression. I urge all Americans, regardless of party, to unite behind our President.

INDEPENDENT OFFICES APPROPRIATIONS, 1965

The Senate resumed the consideration of the bill (H.R. 11296) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1965, and for other purposes.

Mr. ALLOTT. Mr. President, I renew my previous unanimous-consent request.

Mr. MORSE. Mr. President, what was the Senator's request?

The PRESIDING OFFICER (Mr. Ribicoff in the chair). That there be a call for a quorum, without the Senator from Colorado losing his right to the floor.

Mr. LAUSCHE. Mr. President, before the call for a quorum is begun, will the Senator yield to me?

The PRESIDING OFFICER. Will the Senator from Colorado withhold his unanimous-consent request for a quorum call in order to allow the Senator from Ohio to speak?

Mr. ALLOTT. I am happy to do so.

Mr. LAUSCHE. I know that the Presiding Officer cannot help in the solution of this problem; but if he could get the helicopters that have been flying around the Chamber for 3 hours out of the Chamber, and get a vote on the amendment, we would be making some progress toward having the Senate adjourn sine die by August 22.

Mr. MORSE. Mr. President, may I have the attention of the Senator from Colorado for a moment?

Mr. ALLOTT. The Senator from Oregon has it.

Mr. MORSE. Before the quorum call and before the Senator from Colorado proceeds with the bill, would he have any objection to my making a speech now, a speech that the majority leader understood I was to make this afternoon?

Mr. ALLOTT. I am sure that I would be delighted to listen to the distinguished Senator from Oregon, although I have no idea of the number of hours he proposes to speak.

It would be my hope that since I have been sitting in the Chamber since 11 o'clock, with the hope that I might add a few words of what I hope to be wisdom to the subject under discussion, I could do so for a period of a few minutes and we could then have a vote, at least on the amendment.

Mr. MORSE. Mr. President, I have a great deal of office work unfinished, about which I am very much concerned. My speech is 16¼ pages long. I would guess it would take about 45 minutes or so to deliver, which is an exceedingly short speech for me.

Aside from this facetiousness, I have cooperated today with the majority leadership, but I did not believe that I could wait indefinitely to present opposing views to those expressed by the President of the United States when he appeared on television last night.

With all the propaganda afloat in the country today, those of us who do not share the President's views should have an opportunity to present our case in opposition.

Mr. KUCHEL. Mr. President, will the Senator from Colorado yield to me?

Mr. ALLOTT. Mr. President, let me inquire of the Chair whether I have the floor at this time.

The PRESIDING OFFICER. The Senator from Colorado does have the floor.

Mr. KUCHEL. Mr. President, will the Senator from Colorado yield to me?

Mr. ALLOTT. I am glad to yield to the Senator from California.

Mr. KUCHEL. I wonder whether it would be agreeable to all Senators interested in this measure to enter into a unanimous-consent agreement to vote on the present amendment in 15 minutes, at 4:15, with the understanding that thereafter the Senator from Oregon [Mr. Morse] would be given his right to the floor.

Mr. MORSE. I would be delighted to accede. I have always been cooperative in these matters.

Mr. PROXMIRE. Mr. President, I agree to that, provided——

Mr. KUCHEL. Mr. President, will the Senator from Colorado make his unanimous-consent request now?

UNANIMOUS-CONSENT REQUEST

Mr. ALLOTT. Mr. President, I am going to exercise my prerogative, at long last, of having the floor, and I wish to make a unanimous-consent request, that there be a short quorum call, and that when that is concluded the time on the amendment be limited to 15 minutes, with 7½ minutes to be controlled by the distinguished Senator from Wisconsin, and 7½ minutes to be controlled by the chairman of the committee.

The PRESIDING OFFICER (Mr. McIntyre in the chair). Is there objection to the unanimous-consent request? The Chair hears none, and it is so ordered.

Mr. KUCHEL. The unanimous-consent agreement is made with the understanding that the Senator from Oregon [Mr. Morse] will thereafter obtain the floor.

Mr. ALLOTT. The Senator is correct.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ALLOTT. Mr. President, I ask unanimous consent that the order for the quorum call may be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALLOTT. Mr. President, I was hoping that the quorum call would bring in a few Senators who would like to hear and participate in discussion. We do not seem to have had too much luck, but I do wish to set the record straight about the helicopter program.

The helicopter program was instituted in the first instance to find out if it was possible to have an economically feasible commercial helicopter operation in this country.

Congress adopted it on this basis. It did not adopt it on any other basis. When the program began, the only vehicles available to commercial establishments or to anyone else were the small piston-powered helicopters. It was not the belief of anyone at that time that these piston-powered helicopters could be economically feasible. Everyone knew they could not be. But even then, it was a dream that we would obtain economically feasible helicopters which could be used commercially.

For 6 years I have sat in the committee and listened to the testimony. I am sure that many statements made on the floor of the Senate have been made in good faith so far as the recollection of those concerned is involved. But I wish to straighten out the record. These three helicopter operators have repeatedly stated before the committee that they could not possibly ever achieve an economically feasible operation until they obtained helicopters equipped with twin turbines.

Twin-turbine helicopters came into being and were first delivered in 1962. We were told repeatedly that when the twin turbine helicopters were received, the cost of the operation would be bound to go up.

This has proved to be true. The first year of operations showed an increase while the operators were getting used to the new equipment, while they were learning to handle the repairs, and all of the things that go with the operation. Then they said they should have a year or so to level off. They have had a year or two of leveling off. And now, with the two operations that have turbine helicopters, New York and Los Angeles, the costs of the operations have gone down.

I think the Senator from Colorado is in as good a position to speak impartially about this matter as anyone. There is no such service in Denver. There are probably a dozen large cities in this country, including New York, Boston, Seattle, places in the South, Philadelphia, Washington——

Mr. HUMPHREY. Minneapolis.

Mr. ALLOTT. The Senator from Minnesota [Mr. Humphrey] says Minneapolis is one. But if I were to put that in the Record, I would have to put Denver in, too. There are probably a dozen cities like Cleveland, Detroit, and other cities, where, because of the concentration of population, this service is felt to be a vital necessity.

But we are not providing this service just for the people of those cities which have the service. Eighty percent of the people who use this service come from across the country and into the terminal, or else they leave that terminal and go across the country.

I believe we must form a concept of these operations in the same way that we have formed a concept of feeder airlines and trunk airlines. If we cannot get that concept and cannot understand it, we cannot understand the need for helicopter services.

We have urged the operators constantly to raise their fares. They have raised them to the extent to which they can and still make their operations feasible. They are becoming more feasible.

Let us now take the argument that other citizens are being discriminated against. We have two choices. One is to chop the subsidy off here. The Government is guaranteeing the loans on many helicopters. If we cut the operators off, we shall have to make good on those loan guarantees, and what we shall do with the helicopters when we take them over, I do not know.

The second choice is to do as the Senator from Georgia [Mr. RUSSELL] suggests. This is not in the bill, as I said. He stated that we ought to expand the service to Atlanta and all over the country.

If we want to get ready to pay a subsidy of $80 million, $100 million, or $150 million a year, this is what we ought to do. At this stage of development, this is the only course available to us.

The program for the next few years, as outlined by the CAB, is $17.8 million, starting with $4.3 million this year, and going down to $1.1 million in 1970, and no subsidy in 1971. Frankly, so far as I am personally concerned, I feel that we ought to put a termination date on this program before that time. I feel that we ought to give them a year or two at the most. If the helicopters have not established themselves by that time, it should be up to them to either sink or swim. I do not—and I am sorry that I cannot—agree with my distinguished chairman [Mr. MAGNUSON] who thinks that perhaps we may have to expand subsidized helicopters all over the country. I do not believe in it. I do not think it is necessary. In another year, or in another 2 years at the maximum, we either ought to find out whether we can handle this operation on an unsubsidized basis, or we ought to quit it.

There is one other feature which no one seems to have paid attention to. I shall read from the side slips. It is in the RECORD.

I asked Mr. Boyd this question:

> Mr. ALLOTT. Your position in this has been very frank, and I am not sure that I agree with all of it, but it has been very frank, and I ask these questions simply so that we will understand completely here the situation we are dealing with.
>
> Mr. BOYD. Well, I can assure you, Senator, that we try to be frank, because the last thing we want is any conflict with the Congress. We just do not want it. But we feel unless it is made absolutely clear without any vestige of doubt that $3 million is the limitation, then we feel that our obligations under section 406 of the act are to maintain the present level of subsidy for the present operation.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. PROXMIRE. Mr. President, I yield 5 minutes of my time to the Senator from Colorado.

Mr. ALLOTT. What Mr. Boyd told us in this testimony is that under the Federal Aviation Act of 1958, he feels we would be liable for this obligation, either by appropriation from the Federal Government, or in the Court of Claims.

I thank the distinguished Senator from Wisconsin for yielding.

Mr. PROXMIRE. Mr. President, to sum up:

Mr. President, we have had a subsidy for 11 years. It was designed for an infant industry—for the helicopter industry—to get the industry going through its inception.

We were told that the subsidy would be allowed for 2 or 3 years. After 11 years the industry is still receiving a subsidy. The subsidy has been greatly expanded. It was only $2 million at the start. Now it is almost twice as high.

Mr. President, the Senator from Colorado [Mr. ALLOTT] is correct. The subsidy is not for New York, not for Los Angeles, not for Chicago, but for those who travel in helicopters. Who travels in helicopters, and why? Those who travel in helicopters are in a hurry to get from downtown New York City to one of the airports, or from downtown Chicago to O'Hare Field. Those people are willing to spend $9 or $10 to save a half an hour. I submit that the people who can afford to spend $9 or $10 to save a half hour should not be subsidized. They should pay the full cost. The Senator from Colorado is correct when he states that if we were to provide an equitable, fair helicopter service to all potential helicopter travelers in the country, it would cost $80 million or $100 million. Therefore, we should not expand this program. But if there was ever a discriminatory subsidy, if there was ever one which provided a frill and an unnecessary convenience to a handful of people, it is this subsidy.

If a Senator means it when he states that he is against unnecessary spending, he will vote against this amendment.

I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back.

The question is on agreeing to the amendment of the Senator from Wisconsin [Mr. PROXMIRE].

The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from Maryland [Mr. BREWSTER], the Senator from Virginia [Mr. BYRD], the Senator from North Dakota [Mr. McGOVERN], the Senator from Wisconsin [Mr. NELSON], the Senator from Virginia [Mr. ROBERTSON], and the Senator from Georgia [Mr. TALMADGE] are absent on official business.

I also announce that the Senator from New Mexico [Mr. ANDERSON] and the Senator from Massachusetts [Mr. KENNEDY] are absent because of illness.

I further announce that the Senator from Nevada [Mr. CANNON] and the Senator from Oklahoma [Mr. EDMONDSON] are necessarily absent.

On this vote, the Senator from New Mexico [Mr. ANDERSON] is paired with the Senator from Wisconsin [Mr. NELSON]. If present and voting, the Senator from Wisconsin would vote "yea" and the Senator from New Mexico would vote "nay."

On this vote, the Senator from Maryland [Mr. BREWSTER] is paired with the Senator from Virginia [Mr. ROBERTSON]. If present and voting, the Senator from Virginia would vote "yea" and the Senator from Maryland would vote "nay."

On this vote, the Senator from Oklahoma [Mr. EDMONDSON] is paired with the Senator from Georgia [Mr. TALMADGE]. If present and voting, the Senator from Georgia would vote "yea" and the Senator from Oklahoma would vote "nay."

On this vote, the Senator from Massachusetts [Mr. KENNEDY] is paired with the Senator from South Dakota [Mr. McGOVERN]. If present and voting, the Senator from South Dakota would vote "yea" and the Senator from Massachusetts would vote "nay."

Mr. KUCHEL. I announce that the Senator from Arizona [Mr. GOLDWATER] is necessarily absent.

The result was announced—yeas 32, nays 57, as follows:

[No. 517 Leg.]

YEAS—32

Boggs
Carlson
Church
Clark
Curtis
Eastland
Fong
Gore
Holland
Jordan, N.C.
Jordan, Idaho
Lausche
Long, Mo.
McClellan
McIntyre
Miller
Moss
Mundt
Muskie
Pearson
Prouty
Proxmire
Russell
Scott
Simpson
Smathers
Symington
Thurmond
Tower
Walters
Williams, Del.
Young, Ohio

NAYS—57

Aiken
Allott
Bartlett
Bayh
Beall
Bennett
Bible
Burdick
Byrd, W. Va.
Case
Cooper
Cotton
Dirksen
Dodd
Dominick
Douglas
Ellender
Ervin
Fulbright
Gruening
Hart
Hartke
Hayden
Hickenlooper
Hill
Hruska
Humphrey
Inouye
Jackson
Javits
Johnston
Keating
Kuchel
Long, La.
Magnuson
Mansfield
McCarthy
McGee
McNamara
Mechem
Metcalf
Monroney
Morse
Morton
Neuberger
Pastore
Pell
Randolph
Ribicoff
Salinger
Saltonstall
Smith
Sparkman
Stennis
Williams, N.J.
Yarborough
Young, N. Dak.

NOT VOTING—11

Anderson
Brewster
Byrd, Va.
Cannon
Edmondson
Goldwater
Kennedy
McGovern
Nelson
Robertson
Talmadge

So Mr. PROXMIRE'S amendment was rejected.

Mr. JAVITS. Mr. President, I move to reconsider the vote——

Mr. MAGNUSON. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. ALLOTT. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER OF BUSINESS

The PRESIDING OFFICER. Under the unanimous-consent agreement, the Chair recognizes the Senator from Oregon [Mr. MORSE].

Will the Senator suspend so the Senate may receive a message from the President of the United States?

Mr. MORSE. I yield.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the Senate by Mr. Jones, one of his secretaries.

INDEPENDENT OFFICES APPROPRIATIONS, 1965

The Senate resumed the consideration of the bill (H.R. 11296) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies and offices, for the fiscal year ending June 30, 1965, and for other purposes.

Mr. MORSE. Mr. President, I yield to the Senator from Washington [Mr. MAGNUSON], who I understand wishes to make a unanimous-consent request.

Mr. MAGNUSON. Mr. President, several Senators have asked me about the time situation. The Senator from Wisconsin [Mr. PROXMIRE] has two more amendments pending. He has kindly consented to agree to a unanimous-consent agreement on time. I now request unanimous consent that the debate on the two remaining Proxmire amendments be limited to a half hour each, 15 minutes on a side.

The PRESIDING OFFICER. Is there objection?

Mr. MORSE. Mr. President, reserving the right to object, is it understood that the time limitation will go into effect at the conclusion of my remarks?

The PRESIDING OFFICER. At the completion of the remarks of the Senator from Oregon.

TO PROMOTE THE MAINTENANCE OF INTERNATIONAL PEACE AND SECURITY IN SOUTHEAST ASIA—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 333)

Mr. HUMPHREY. Mr. President, did I correctly understand there is a message from the President of the United States at the desk?

The PRESIDING OFFICER. The Senator is correct.

Mr. HUMPHREY. I believe it is of sufficient importance, since it relates to a grave international situation, that it be read.

Mr. MORSE. I agree with the Senator.

The PRESIDING OFFICER. The message from the President of the United States will be read.

The legislative clerk read the message, as follows:

To the Congress of the United States:

Last night I announced to the American people that the North Vietnamese regime had conducted further deliberate attacks against U.S. naval vessels operating in international waters, and that I had therefore directed air action against gunboats and supporting facilities used in these hostile operations. This air action has now been carried out with substantial damage to the boats and facilities. Two U.S. aircraft were lost in the action.

After consultation with the leaders of both parties in the Congress, I further announced a decision to ask the Congress for a resolution expressing the unity and determination of the United States in supporting freedom and in protecting peace in southeast Asia.

These latest actions of the North Vietnamese regime have given a new and grave turn to the already serious situation in southeast Asia. Our commitments in that area are well known to the Congress. They were first made in 1954 by President Eisenhower. They were further defined in the Southeast Asia Collective Defense Treaty approved by the Senate in February 1955.

This treaty with its accompanying protocol obligates the United States and other members to act in accordance with their constitutional processes to meet Communist aggression against any of the parties or protocol states.

Our policy is southeast Asia has been consistent and unchanged since 1954. I summarized it on June 2 in four simple propositions:

1. America keeps her word. Here as elsewhere, we must and shall honor our commitments.

2. The issue is the future of southeast Asia as a whole. A threat to any nation in that region is a threat to all, and a threat to us.

3. Our purpose is peace. We have no military, political, or territorial ambitions in the area.

4. This is not just a jungle war, but a struggle for freedom on every front of human activity. Our military and economic assistance to South Vietnam and Laos in particular has the purpose of helping these countries to repel aggression and strengthen their independence.

The threat to the free nations of southeast Asia has long been clear. The North Vietnamese regime has constantly sought to take over South Vietnam and Laos. This Communist regime has violated the Geneva accords for Vietnam. It has systematically conducted a campaign of subversion, which includes the direction, training, and supply of personnel and arms for the conduct of guerrilla warfare in South Vietnamese territory. In Laos, the North Vietnamese regime has maintained military forces, used Laotian territory for infiltration into South Vietnam, and most recently carried out combat operations—all in direct violation of the Geneva agreements of 1962.

In recent months, the actions of the North Vietnamese regime have become steadily more threatening. In May, following new acts of Communist aggression in Laos, the United States undertook reconnaissance flights over Laotian territory, at the request of the Government of Laos. These flights had the essential mission of determining the situation in territory where Communist forces were preventing inspection by the International Control Commission. When the Communists attacked these aircraft, I responded by furnishing escort fighters with instructions to fire when fired upon. Thus, these latest North Vietnamese attacks on our naval vessels are not the first direct attack on Armed Forces of the United States.

As President of the United States I have concluded that I should now ask the Congress, on its part, to join in affirming the national determination that all such attacks will be met, and that the United States will continue in its basic policy of assisting the free nations of the area to defend their freedom.

As I have repeatedly made clear, the United States intends no rashness, and seeks no wider war. We must make it clear to all that the United States is united in its determination to bring about the end of Communist subversion and aggression in the area. We seek the full and effective restoration of the international agreements signed in Geneva in 1954, with respect to South Vietnam, and again at Geneva in 1962, with respect to Laos.

I recommend a resolution expressing the support of the Congress for all necessary action to protect our Armed Forces and to assist nations covered by the SEATO Treaty. At the same time, I assure the Congress that we shall continue readily to explore any avenues of political solution that will effectively guarantee the removal of Communist subversion and the preservation of the independence of the nations of the area.

The resolution could well be based upon similar resolutions enacted by the Congress in the past—to meet the threat to Formosa in 1955, to meet the threat to the Middle East in 1957, and to meet the threat in Cuba in 1962. It could state in the simplest terms the resolve and support of the Congress for action to deal appropriately with attacks against our Armed Forces and to defend freedom and preserve peace in southeast Asia in accordance with the obligations of the United States under the Southeast Asia Treaty. I urge the Congress to enact such a resolution promptly and thus to give convincing evidence to the aggressive Communist nations, and to the world as a whole, that our policy in southeast Asia will be carried forward—and that the peace and security of the area will be preserved.

The events of this week would in any event have made the passage of a congressional resolution essential. But there is an additional reason for doing so at a time when we are entering on 3 months of political campaigning. Hostile nations must understand that in such a period the United States will continue to protect its national interests, and that in these matters there is no division among us.

LYNDON B. JOHNSON.

THE WHITE HOUSE, *August 5, 1964.*

Mr. FULBRIGHT. Mr. President, I send to the desk a joint resolution on behalf of myself, the Senator from Iowa [Mr. HICKENLOOPER], the Senator from Georgia [Mr. RUSSELL], and the Senator from Massachusetts [Mr. SALTONSTALL], and ask unanimous consent that it be referred to the Committee on Foreign Relations and the Committee on Armed Services, sitting jointly.

The **PRESIDING OFICER.** Without objection, the joint resolution will be received and referred, as requested.

The joint resolution (S.J. Res. 189) to promote the maintenance of international peace and security in southeast Asia, was received, read twice by its title, and ordered to be referred to the Committees on Foreign Relations and Armed Services, jointly.

Mr. **MORSE.** Mr. President, I rise to speak in opposition to the joint resolution which has been introduced.

Mr. **STENNIS.** Mr. President, will the Senator yield to me so that I may request that the joint resolution be read?

Mr. **MORSE.** I shall be glad to have the joint resolution read.

Mr. **STENNIS.** Mr. President, may we have order? Will the Chair request the staff, and Senators also, to cease speaking, so that we may hear what is going on?

The **PRESIDING OFICER.** The Senate will be in order. The resolution will be read.

The joint resolution (S.J. Res. 189) was read, as follows:

Whereas naval units of the Communist regime in Vietnam, in violation of the principles of the Charter of the United Nations and of international law, have deliberately and repeatedly attacked United States naval vessels lawfully present in international waters, and have thereby created a serious threat to international peace;

Whereas these attacks are part of a deliberate and systematic campaign of aggression that the Communist regime in North Vietnam has been waging against its neighbors and the nations joined with them in the collective defense of their freedom;

Whereas the United States is assisting the peoples of southeast Asia to protect their freedom and has no territorial, military or political ambitions in that area, but desires only that these peoples should be left in peace to work out their own destinies in their own way: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress approves and supports the determination of the President, as Commander in Chief, to take all necessary measures to repel any armed attack against the forces of the United States and to prevent further aggression.

SEC. 2. The United States regards as vital to its national interest and to world peace the maintenance of international peace and security in southeast Asia. Consonant with the Constitution and the Charter of the United Nations and in accordance with its obligations under the Southeast Asia Collective Defense Treaty, the United States is, therefore, prepared, as the President determines, to take all necessary steps, including the use of armed force, to assist any member or protocol state of the Southeast Asia Collective Defense Treaty requesting assistance in defense of its freedom.

SEC. 3. This resolution shall expire when the President shall determine that the peace and security of the area is reasonably assured by international conditions created by action of the United Nations or otherwise, except that it may be terminated earlier by concurrent resolution of the Congress.

Mr. **MORSE.** Mr. President, I rise to speak in opposition to the joint resolution. I do so with a very sad heart. But I consider the resolution, as I considered the resolution of 1955, known as the Formosa resolution, and the subsequent resolution, known as the Middle East resolution, to be naught but a resolution which embodies a predated declaration of war.

Article I, section 8 of our Constitution does not permit the President to make war at his discretion. Therefore I stand on this issue as I have stood before in the Senate, perfectly willing to take the judgment of history as to the merits of my cause. I note in passing that the warnings which the Senator from New York, Mr. Lehman, and the senior Senator from Oregon uttered in 1955 in opposition to the Formosa Resolution have been proved to be correct by history. I am satisfied that history will render a final verdict in opposition to the joint resolution introduced today.

Mr. President, I shall not yield during the course of my speech, although I shall be very glad to yield to respond to questions afterward.

The senior Senator from Oregon has no illusions as to the reactions which will be aroused in some quarters in this Republic. However, I make the speech because it represents the convictions of my conscience and because I consider it essential to make it in keeping the sworn trust that I undertook when I came into this body on four different occasions and was sworn in as a Senator from the State of Oregon, pledging myself to uphold the Constitution.

I have one other remark by way of preface, not contained in the manuscript. I yield to no other Senator, or to anyone else in this country in my opposition to communism and all that communism stands for.

In our time a great struggle, which may very well be a deathlock struggle, is going on in the world between freedom on the one hand and the totalitarianism of communism on the other.

However, I am satisfied that that struggle can never be settled by war. I am satisfied that if the hope of anyone is that the struggle between freedom and communism can be settled by war, and that course is followed, both freedom and communism will lose, for there will be no victory in that war.

Because of our own deep interest in the struggle against communism, we in the United States are inclined to overlook some of the other struggles which are occupying others. We try to force every issue into the context of freedom versus communism. That is one of our great mistakes in Asia. There is much communism there, and much totalitarianism in other forms. We say we are opposing communism there, but that does not mean we are advancing freedom, because we are not.

Senators will note as I proceed in the presentation of my case in opposition to the resolution that I believe the only hope for the establishment of a permanent peace in the world is to practice our oft-repeated American professing that we believe in the substitution of the rule of law for the jungle law of military force as a means of settling disputes which threaten the peace of the world.

The difficulty with that professing or preaching by the United States is that the United States, like some Communist nations, does not practice it.

I wish to make one last introductory remark in the hope that more will understand the message of this speech, although we sometimes deplore the possibility of understanding on a subject matter that stirs so much emotion, so much feeling, and so much passion in the minds of so-called superpatriots, who seem to feel that if one raises any question or expresses any criticism of the policies of our country in the field of foreign policy, one's very patriotism is subject to question.

In the hope that there may be those who may wish to understand the basic tenet of the foreign policy philosophy of the senior Senator from Oregon, I wish to repeat what some of my colleagues have heard me say before.

My foreign policy philosophy is based on a great teaching of a great teacher in this body, one who undoubtedly exercised more influence on me in the field of foreign policy than any other person; a great Republican, who became chairman of the Committee on Foreign Relations; who was one of the architects of the San Francisco Charter; who joined with Franklin Delano Roosevelt in the announcement of that great statement in the field of foreign policy, that politics should stop at the water's edge. I refer, of course, to the incomparable Arthur Vandenberg, of Michigan.

Senators within my hearing have heard me say before that I was deeply moved by that dramatic account of Arthur Vandenberg, in which he told, so many times, how he ceased being the leading isolationist in the Senate and became the leading internationalist. It was before the atomic bomb was finally perfected, but after it was known that the atomic bomb would be successful in its perfection.

Franklin Roosevelt called to the White House late one night the leaders of Congress, the leading scientists of the country, who were working on the bomb at that time, and the military leaders of our Defense Establishment who were still stationed in Washington. As Arthur Vandenberg used to say, "We were briefed, and the conference continued until the wee hours of the morning. The scientists convinced all that there was no question that the bomb would work. Then the discussion turned to the implications of this great discovery of science."

Senator Vandenberg used to say to us, "When I came out of the White House in the wee hours of that morning, I knew that while I had been in there that night, the world had so shrunken that there no longer was any place in American politics for an isolationist."

It was then that the great record of internationalism was begun to be made by the incomparable Vandenberg. I paraphrase him, but accurately, for my speech today rests upon this tenet, this unanswerable teaching of Vandenberg. This speech is my challenge today to the members of our Government and the people of my country to follow that teaching, for I do not believe that there is an implementation of any other teaching that can offer mankind any hope for peace. Unless mankind proceeds to adopt the procedures that will make possible permanent peace, both Western civilization and Communist civilization are headed for annihilation. In my judgment, we cannot find reputable scientists who will testify that either civilization could survive a nuclear war.

That tenet of Vandenberg's is as follows: There is no hope for permanent peace in the world until all the nations—not merely some, not merely those we like, not merely those we think are friendly—but until all the nations are willing to establish a system of international justice through law, to the procedures of which will be submitted each and every international dispute that threatens the peace of the world, anywhere in the world, for final and binding determination, to be enforced by an international organization, such as the United Nations.

I am aware of all the criticisms of that tenet. But I have yet to hear a criticism that either destroys or weakens the tenet. One of the almost pro forma criticisms is that it is idealistic, it is impractical, unrealistic. The fact is that only ideals are practical. The only practicality we shall experience in the field of foreign policy or any other field of human behavior is an ideal put to work.

Vandenberg left us this great ideal. It will take years to implement it. But we must always move forward, not backward. We are moving in Asia today, but the movement of the United States in Asia is not in the direction of Vandenberg's principle.

It makes no difference who says that our objective is peace, even if he be the President of the United States. Our actions speak louder than words; and our actions in Asia today are the actions of warmaking.

As I speak on the floor of the Senate at this moment, the United States is making war in Asia.

I shall never give up, short of the actual passage of a declaration of war, my prayerful hope for peace and my prayerful hope that we will substitute the ideal of the rule of law through the only international organization that exists and that has any hope, in my judgment, of applying the rule—the United Nations.

ASIA POLICY IS CATCHING UP WITH US

Thus I say that the incident that has inspired the joint resolution we have just heard read is as much the doing of the United States as it is the doing of North Vietnam. For 10 years, the role of the United States in South Vietnam has been that of a provocateur, every bit as much as North Vietnam has been a provocateur. For 10 years, the United States, in South Vietnam, has violated the Geneva agreement of 1954. For 10 years, our military policies in South Vietnam have sought to impose a military solution upon a political and economic problem. For 10 years the Communist nations of that part of the world have also violated the Geneva accord of 1954.

Not only do two wrongs not make one right, but also I care not how many wrongs we add together, we still do not come out with a summation except a summation of wrong—never a right.

The American effort to impose by force of arms a government of our own choosing upon a segment of the old colony of Indochina has caught up with us.

Our violations of the Geneva accord have caught up with us. Our violations of the United Nations Charter have caught up with us.

Our failure to apply the provisions of the Southeast Asia Treaty have caught up with us. We have been making covert war in southeast Asia for some time, instead of seeking to keep the peace. It was inevitable and inexorable that sooner or later we would have to engage in overt acts of war in pursuance of that policy, and we are now doing so.

There never was a time when it was possible for us to impose a government upon the people of South Vietnam without constant fighting to keep it in power. There never was a time when it would be possible to "bring the boys home by 1965,"—as was once promised—or on any other date. There never was a time when the war could be fought and won in South Vietnam alone, because the Khanh junta—and any of its successors and predecessors—could not survive without massive and direct American military backing that was possible only if the war were expanded.

So the war has at last been expanded—as the Senator from Alaska and I for the last 5 months, in speech after speech on the floor of the Senate, have forewarned was inevitable if we continued our course of action. That course of action, of unilateral military action on the part of the United States, is irreconcilable with our professings as to the application of the rule of law for the settlement of disputes which threaten the peace of the world or any region thereof.

Whether the choice of expanding it was that of North Vietnam or South Vietnam is still in doubt. But I am satisfied that the present rulers of South Vietnam could not long continue their civil war unless the war were expanded.

The United States is, of course, a full partner in the Government of South Vietnam. I am satisfied that ever since 1954, when the United States did not sign the Geneva accords but instead started down the road of unilateral military action in South Vietnam, we have become a provocateur of military conflict in southeast Asia and marched in the opposite direction from fulfilling our obligations under the United Nations Charter. I am satisfied, further, that officials of both the Pentagon and the State Department during those years have ill advised the White House in respect to what our course of action should be in southeast Asia from the standpoint of a sound foreign policy.

In recent months, evidence has been mounting that both the Pentagon and the State Department were preparing to escalate the war into North Vietnam. Many of the policies they have initiated and the statements they have made in public have been highly provocative of military conflict beyond the borders of South Vietnam.

When the high emotionalism of the present crisis has passed, and historians of the future will disclose some of the provocative things that have occurred, I have no doubt that they will disclose that for quite some time past, there have been violations of the North Vietnamese border and the Cambodian border by South Vietnam, as well as vice versa.

I am also satisfied that they will disclose that the United States was not an innocent bystander. We will not receive a verdict of innocence from the jury box of history on several counts.

Our extensive military aid to South Vietnam was a violation of the Geneva accords in the first instance. Our sending troops into South Vietnam, even under the semantic camouflage of designation as military advisers, was a violation of the Geneva accords. In fact, both of those two counts were also a clear violation of the spirit and intent of the peaceful purposes of the United Nations Charter itself.

Any violations of the borders of Cambodia and North Vietnam by the South Vietnamese were not conducted in a vacuum so far as U.S. assistance was concerned.

We assisted not only with materiel, but we advised on war plans, and our military presence in South Vietnam served as an ever-present strong back-stop to the South Vietnamese. I doubt if their military leaders acted at any time without the tacit approval of their American advisers.

TONKIN BAY INCIDENT PROVOKED BY SOUTH VIETNAM

In a very recent incident which was the forerunner to the attacks on American destroyers in the Tonkin Bay, it is known that South Vietnamese naval vessels bombarded two North Vietnamese islands within 3 to 5 or 6 miles of the main coast of North Vietnam. Of course, the national waters of North Vietnam extend, according to our international claims, 3 miles seaward from the eastern extremity of those islands and 12 miles seaward under national water boundary claims of North Vietnam. While the South Vietnamese vessels were attacking the North Vietnamese islands, the newspapers tell us that U.S. vessels of war were patrolling Tonkin Bay, presumably some 6 to 11 miles off the shore of North Vietnam.

Was the U.S. Navy standing guard while vessels of South Vietnam shelled North Vietnam? That is the clear implication of the incident.

In regard to international waters, a subject which is one of the highly disputed and still unsettled questions of international law, I believe that the position of the United States is the sounder position. I believe that the 3-mile limit has the better support under international law principles. But we have neighbors to the south of us in Latin America who do not accept that principle and insist on a 12-mile limit—in one instance, as I recall, a longer limit. Time and time again international incidents arise between the United States and

Latin American countries, when American fishing boats get within the limits of the claimed national waters of our South American neighbors and are towed into port. Then begins the exchange of notes and conferences in an effort to have those men released.

The U.S. Government knew that the matter of national and international waters was a controversial issue in Tonkin Bay. The United States also knew that the South Vietnamese vessels planned to bomb, and did bomb, two North Vietnamese islands within 3 to 6 miles of the coast of North Vietnam. Yet, these war vessels of the United States were in the vicinity of that bombing, some miles removed.

Can anyone question that even their presence was a matter of great moral value to South Vietnam? Or the propaganda value to the military totalitarian tyrant and despot who rules South Vietnam as an American puppet—General Khanh, who is really, when all is said and done, the leader whom we have put in charge of an American protectorate called South Vietnam?

It should be unnecessary to point out either to the Senate or to the American people what the position of the United States and its people would be if the tables were reversed and Soviet warships or submarines were to patrol 5 to 11 miles at sea while Cuban naval vessels bombarded Key West.

It is no accident or coincidence that today's press and radio reports tell of the rumors rife in Saigon yesterday of a coup against the Khanh regime, rumors which are said to have been quelled by the expansion of the fighting.

Today's New York Times carries on its front page a story headlined "Khanh, Warned of Plots, Seeks To Bolster Regime." It is written by Seymour Topping, and it says in part:

> Once again, rumors of a coup d'etat were circulating in Saigon. There was no visible evidence that a coup against the Khanh government was imminent, but the currency of the rumors tended to undermine the authority of the regime and confidence in it.
>
> U.S. officials believe another coup after that of January 30, which brought Premier Khanh to power, and that of last November 1, which brought down the regime of President Ngo Dinh Diem, would be seriously detrimental to the war against the Vietcong.

This story also relates the efforts by General Khanh to rouse support by carrying the war into North Vietnam, and the subsequent "lift" given his regime by the involvements of the *Maddox* with the North Vietnamese PT boats.

I ask unanimous consent to have the full story printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

KHANH, WARNED OF PLOTS, SEEKS TO BOLSTER REGIME

(By Seymour Topping)

SAIGON, SOUTH VIETNAM, August 4.—Premier Nguyen Khanh struggled today to strengthen the political stability of his government as his aids privately warned of plots to drive him from office. U.S. officials were concerned about the political deterioration in Saigon.

The malaise in the capital was attributed more to a clash of rival political and military personalities than to pressure from the Vietcong insurgents.

U.S. sources said reports from provinces indicated that conditions there were generally better than in Saigon.

Once again rumors of a coup d'etat were circulating in Saigon. There was no visible evidence that a coup against the Khanh government was imminent, but the currency of the rumors tended to undermine the authority of the regime and confidence in it.

THREAT TO WAR IS SEEN

Gen. Maxwell D. Taylor, the U.S. Ambassador, was informed of the rumors, which emanated in part from responsible Government sources.

U.S. officials believe another coup after that of January 30, which brought Premier Khanh to power, and that of last November 1, which brought down the regime of President Ngo Dinh Diem, would be seriously detrimental to the war against the Vietcong.

General Khanh scheduled a Cabinet meeting for tomorrow during which he may deal with some of the reported threats to his administration. Vietnamese Government officials said General Khanh was considering a proposal to appoint military officers as deputy ministers to strengthen his authority.

Associates of General Khanh were privately accusing Dr. Nguyen Ton Hoan, leader of the nationalist Dai Veit party, of involvement in plans to force the Premier from office.

General Khanh brought Dr. Hoan to Saigon from Paris, where he had spent about a decade in exile, after the Premier had seized power. The Dai Viet leader is said to have been disappointed when he was not appointed Premier as expected, but was made one of three Vice Premiers and put in charge of the pacification program.

The Dai Viet, which has lacked a base of popular support, is reported to have been active recently in recruiting new members, especially army officers.

Some of Premier Khanh's supporters accused Dr. Hoan of having tried to recruit Maj. Gen. Tran Thien Khiem, the Minister of National Defense, who was instrumental in bringing the Premier to power.

OFFICERS LINKED TO PARTY

Reports reaching Western embassies here and well-informed Vietnamese sources also linked the Dai Viet to Gen. Nguyen Van Thieu, the Chief of Staff, and Col. Nguyen Van Ton, commander of the 7th Division.

General Khanh has relied on all officers named in the past and there was no certainty by independent observers, despite persistent reports, that any of them had become disaffected.

The Premier, who has come to look upon plotting by discontented politicians and military officers as a chronic expression of the unstable political situation in Saigon, has been devoting much of his time to dissolving political groupings directed against him.

General Khanh, bitter about his inability to muster Saigon politicians and some officers in the war effort, has recently hinted that he might forego the premiership.

The Premier has spoken of his desire to go to the United States. Ostensibly the visit would be to tell Americans more about South Vietnam's cause.

In a fit of frustration at one private Government meeting, the Premier is reported to have offered to turn over the office to Maj. Gen. Duong Van Minh, the chief of state, if he would pledge dynamic leadership in the war.

General Minh, leader of the military junta that was toppled in the coup last January, was retained as chief of state at the suggestion of the United States. He is said to have declined the offer.

The chief of state is a fairly popular figure, more so than General Khanh in some regions of the country. However, he has balked at throwing his full influence behind the younger officer who overthrew his government.

Political observers here view the demands made by General Khanh last month for a "march to the north" as an articulation of his political frustrations. The Premier, aware that his forces were too limited for such an operation against North Vietnam, apparently sounded the slogan in an effort to rouse nationalist support.

Last week Ambassador Taylor was instructed to inform Premier Khanh that his call for an extension of the war to the north was against present U.S. policy. Information about policy differences leaked to the press, embarrassing the Premier.

General Khanh protested for a time about his government's independence of action, but on Friday publicly modified his statements to fit in with Washington policy. The retreat was noted by his political enemies.

General Khanh has been given a political lift by the attack made by North Vietnamese PT boats on the U.S. destroyer *Maddox* last Sunday. The general has pointed to the attack as vindication of his view that stronger measures are necessary to counter Communist aggression.

A spokesman for the Premier today welcomed President Johnson's decision to strengthen U.S. naval patrols in the Gulf of Tonkin, where the attack on the *Maddox* took place.

Mr. MORSE. These facts are as well known to the world as they are to officials of the U.S. Government. They mean that our charges of aggression against North Vietnam will be greeted by considerable snickering abroad.

So, too, will the pious phrases of the resolution about defending freedom in South Vietnam. There is no freedom in South Vietnam. I think even the American people know that to say we are defending freedom in South Vietnam is a travesty upon the word. We are defending General Khanh from being overthrown; that is all. We are defending a clique of military generals and their merchant friends who live well in Saigon, and who need a constantly increasing American military force to protect their privileged position.

Repetitious as these remarks may seem to those who have heard me speaking on Asian policy over the last 5 months, nevertheless, the facts of our obligations under international law, and the stupidity of our policy in southeast Asia remain the same. I am aware that my words will not be popular with many, and will be unacceptable to some. But the times demand wisdom more than they demand popularity.

If war is really too important to be left to the generals, then the American people are going to have to make themselves heard soon on U.S. policy in Asia. The only hope that remains for diplomatic action in our activities in the former Indochinese peninsula is the vague hope that a large enough military buildup and a forceful enough threat to expand the war will cause Red China and North Vietnam to retreat from Laos and to cease their support of the rebels in South Vietnam.

When this retreat and this cessation of support to the Vietcong has occurred, then and only then, say our diplomatic spokesmen, might the United States consider a United Nations action in the area, or a new 14-power conference.

Such an American foreign policy is in direct violation of our international legal obligations, including our obligations under the United Nations Charter. What is worse, we have threatened war where no direct threat to American security is at stake. Many journalists who reflect this Government policy in their writings have resorted to fear arguments, seeking to create the impression that unless the United States uses its military might in South Vietnam and other parts of Asia, the security of the United States will be threatened and communism will run rampant over all of Asia. They are men of little faith in the strength of joint efforts of peaceful nations, who by solemn treaty have bound themselves together to enforce the peace through the application of the procedures of international law. They would take the United States outside the framework of international law, and that is exactly where we are today, along with North Vietnam, Red China, South Vietnam, the Pathet Lao in Laos, and possibly others.

Likewise, there are many congressional politicians who would evade their responsibilities as to American foreign policy in Asia by use of the specious argument that "foreign policy is a matter for the executive branch of the Government. That branch has information no Congressman has access to." Of course, such an alibi for evading congressional responsibility in the field of foreign policy may be based on lack of understanding, or a convenient forgetting of our system of checks and balances that exists and should be exercised in the relationships between and among our three coordinate and coequal branches of government.

Granted that there are many in Congress who would prefer to pass the buck to the White House, the State Department, and the Pentagon Building in respect to our unilateral American military action in Asia. And this resolution gives them the vehicle. Nevertheless, I am satisfied that once the American people come to understand the facts involved in the ill-fated military operations in Asia, they will hold to an accounting those Members of Congress who abdicate their responsibilities in the field of foreign policy.

It is an elementary principle of constitutional law that the executive branch of government cannot spend taxpayers' money in the field of foreign policy, or for any other purpose except when the appropriations are passed by law.

Article I, section 9, of the Constitution reads:

> No money shall be drawn from the Treasury but in consequence of appropriations made by law.

It is also elementary that before an appropriation law can be passed, an authorization bill approving of the policy requested by the President must be passed.

These legal requirements under our constitutional system give the Congress a check and voice in determining American foreign policy. Likewise, the Constitution in several other respects places checks upon the executive branch of Government in the field of foreign policy.

Under article I, section 8 of the Constitution, the power to declare war is vested in the Congress. No President has the legal authority under the Constitution to send American boys to their death on a battlefield in the absence of a declaration of war, and in the absence of a prior treaty commitment calling for that action in prescribed circumstances.

There has been a tendency in the historic debate that is taking place on United States-Asian policy for those who favor American unilateral military action in Asia to substitute the waving of the flag into tatters for a reasoned discussion of our international law obligations. Of course, that is no way to pay respect to the flag. If we are to go to war in Asia we should at least stay within the provisions of the Constitution. But a war in Asia should be recognized as being unthinkable, and every effort within reason and honor should be made to avoid it. That is why I have urged that as a substitute for American unilateral military action in South Vietnam we should appeal to the SEATO organization, and to the United Nations, for joint action on the part of the members thereof, in accordance with the provisions of those two charters, in an endeavor to substitute a keeping of the peace, for the making of war in Asia.

ORIGINS OF PRESENT CONFLICT

The sad truth is that the threats by leading American officials to make war on China and the present war crisis, are the logical end of the dismal road in Indochina that John Foster Dulles set us upon in 1954. After failing in his efforts to keep the French fighting on in Indochina, despite American aid to their war effort and the promise of direct U.S. military action, Dulles refused to put the signature of the United States on the Geneva Agreement of 1954 which marked the end of French rule there. South Vietnam also declined to sign. The most the United States said about the 1954 agreement was that we would recognize it as international law and regard violations with grave concern and as seriously threatening international peace and security.

Among the provisions of the 1954 accords was article 16:

> With effect from the date of entry into force of the present agreement, the introduction into Vietnam of any troop reinforcements and additional military personnel is prohibited—

Except for rotation of personnel, meaning French, already there.

Article 17:

> (a) With effect from the date of entry into force of the present agreement, the introduction into Vietnam of any reinforcements in the form of all types of arms, munitions, and other war material, such as combat aircraft, naval craft, pieces of ordnance, jet engines, and jet weapons and armored vehicles is prohibited.

Again, an exception was made for replacement on the basis of piece for piece of the same type and with similar characteristics.

Article 18:

> With effect from the date of entry into force of the present agreement, the establishment of new military bases is prohibited through Vietnam territory.

There is no way to escape the fact that for years the United States stood in violation of article 16, article 17, and article 18 of the Geneva accords of 1954, and yet we have the audacity to say to the world that we are helping South Vietnam because North Vietnam, and probably others, are violating the Geneva accords. I do not know what international jury box we could sell that argument to, for our duty and our obligation were, and our course of action should have been, to take to the United Nations our allegation of the violation of the Geneva accords. We should ask the United Nations to put into force and effect the procedures of international law encompassed in that charter, which we, along with all the other signatories thereto, committed ourselves and pledged ourselves to respect and obey.

Part of the 1954 agreement established an International Control Commission of Poland, India, and Canada to investigate complaints of violations. As early as its report covering 1956, this Commission found both North and South Vietnam had violated the accords of 1954, the latter in conjunction with the U.S. military aid activities.

The independent Commission, consisting of Poland, India, and Canada, found as early as 1956, that both North Vietnam and South Vietnam were in violation of the accords, and that the United States was in violation with them, because of the military aid that we have supplied in direct violation of the articles of the accord which I have previously read.

Immediately upon the signing of the 1954 agreement, the United States began to support the new Government of South Vietnam in a big way. In the letter President Eisenhower wrote President Diem, a letter still serving as the basis for our policy in 1964, aid was pledged to Diem, and in turn, "the Government of the United States expects that this aid will be met by performance on the part of the Government of Vietnam in undertaking needed reforms."

NO FREEDOM OR DEMOCRACY IN SOUTH VIETNAM

In 1964, President Johnson refers to that letter as the basis for our aid, but the part about reforms has long since been forgotten.

Viewed objectively, the conclusion cannot be escaped that in the decade following 1954, the United States for all practical purposes made a protectorate out of South Vietnam. Its new government immediately became financially dependent upon us; as rebellion against it grew, our level of aid was stepped up. By 1961, we had to send 15,000 American troops as "advisers" to the local military forces.

Do not forget the population figures we are dealing with in South Vietnam. There is a population in South Vietnam of approximately 15 million, and a South Vietnam military establishment of some 400,000 to 450,000 armed forces, pitted against South Vietnamese Vietcong. Undoubtedly they are South Vietnamese Communists, but they are South Vietnamese.

Mr. President, I have been briefed many times, as have the other members of the Foreign Relations Committee; and all this time witness after witness from the State Department and from the Pentagon have admitted under examination that they had no evidence of any foreign troops in South Vietnam from North Vietnam, Red China, Cambodia, or anywhere else.

The sad fact is that the only foreign troops that have been in South Vietnam in any numbers have been American troops. In the past couple of weeks, we have been told, but without specifications, that there is some reason to believe that there may be some congeries here and there of North Vietnamese—a captured soldier here and there who might have come from North Vietnam. Mr. President, it has been admitted, by and large, that this has been a war between South Vietnamese Vietcong, who are Communist led, and the forces of the military government of South Vietnam.

Does anyone mean to tell me that with a population of 15 million, and military forces consisting of 400,000 to 450,000 South Vietnamese troops, of various types and various services, they are incapacitated, and that we must send American boys over there to die in what amounts basically to a civil war?

Mr. President, criticism has not prevented, and will not prevent me from saying that, in my judgment, we cannot justify the shedding of American blood in that kind of war in southeast Asia. France learned that lesson. France tried to fight it for 8 years, and with 240,000 casualties. The French people finally pulled down the French Government and said they had had enough.

I do not believe that any number of American conventional forces in South Vietnam, or in Asia generally, can win a war, if the test of winning a war is establishing peace. We can win military victories. We can kill millions of people, but not without losses of our own. Then, at the end of that blood march, we shall end with the same job to perform; namely, establishing peace, but in a war-wracked world, if we survive.

Mr. President, the formula is archaic. The formula will no longer work. The nuclear age has outmoded war as an instrument for establishing and maintaining peace. The issues and problems of southeast Asia cannot be solved by military force.

That is why the senior Senator from Oregon pleads again that we return to the basic tenet of foreign policy which I cited at the beginning of this speech, taught to me by that great Republican, Arthur Vandenberg.

By 1961, we had sent 15,000 American troops as advisers to a South Vietnamese military establishment with 400,000 to 450,000 troops who seemed to be unable to defeat 25,000 to 35,000 Vietcong.

Let the record be clear—the maximum figure that any official of the executive department of government has ever given us in any briefing as to the numerical strength of the Vietcong is 35,000. More frequently it is said the number is probably nearer the neighborhood of 25,000.

Four hundred thousand to four hundred fifty thousand South Vietnamese military troops have been unable to defeat 25,000 to 35,000—to use their top figure—Vietcong.

We had to send in 15,000 American boys—at first—and we do not know with certainty how many were in the last allotment, but probably another 4,000 or 5,000 or more. And the way things are going over there today, the American people had better get ready for thousands more to be sent.

I view with great concern the danger that thousands of them will be bogged down in Asia for a long time to come. If that happens, there will be one place in the world where there will be no regrets, and that will be Moscow.

Mr. President, when the Diem government diverted itself from fighting rebels to fighting Buddhists, a coup by military proteges of the United States overthrew it. Within a few weeks, another coup replaced the Minh junta with what the American military advisers considered a more efficient military junta under General Khanh.

At no time has South Vietnam had a government of its own choosing. In fact, the Khanh junta justified its coup with the excuse that some Minh officers were pro-French, and might seek some way of neutralizing the country. What the people of South Vietnam, even those the government still controls, might want has never been given a passing thought.

Just how the present Khanh government differs from the old Bao Dai government which served as the French puppet, I have never been able to see.

Yet American leaders talk piously of "defending freedom" in South Vietnam. A Republican Member of the House of Representatives wrote me recently—and I quote from this letter:

> So far as I can tell, the governments of North Vietnam and South Vietnam are just about Tweedledum and Tweedledee and neither the people nor the governments on either side would recognize democracy if they should meet it in broad daylight and on the main street of Saigon, their main interest being in another bowl of rice.

These were the origins of our present policy in Vietnam that has led us to talk openly of war with China, and now to overt warfare with North Vietnam. Many people are saying these days that getting into South Vietnam was a terrible mistake, but now that we are there, there is no point in looking back and rehashing the wisdom of it all. How wrong they are. Surely when a nation goes as far down the road toward war as we have, it must know why it is there, what objective it is seeking, and whether the objective sought could possibly be achieved by any other means.

We say that one of our objectives is the enforcement of the 1954 agreement, which we charge has been violated by North Vietnam and China. Why we believe we have a right to enforce by force of arms an international agreement to which we are not a party has never been explained.

Nor is it explained why the massive violations of articles 16, 17, and 18 which we have engaged in especially since 1961 are the only means of calling other violators to account.

In the case of Laos, we did sign the Geneva accord of 1962, which tried to neutralize that territory. Hence, we claim that the violations we have committed ourselves were only undertaken after North Vietnam had violated the accord first. Our violations have taken the form of sending armed planes flown by American pilots over Laos. The 1962 agreement permits military equipment to be brought into the country at the request of the Laotian Government, but it forbids "the introduction of foreign regular and irregular troops, foreign paramilitary formations and foreign military personnel into Laos."

In addition, we have sent at least five shiploads of military equipment to Thailand against the day when it becomes necessary to use American troops in Laos to halt the Pathet Lao.

Like the Communist neighbors who are helping the Pathet Lao, we are not enforcing the 1962 accord; we are only helping them to destroy it.

APPLICABLE SECTIONS OF UNITED NATIONS CHARTER

Most disturbing of all have been our violations of the United Nations Charter. If our signature on that Charter means anything at all, it requires us to observe article 2, section 4:

> All members shall refrain in their international relations from the threat or use of force against the territorial integrity or political independence of any state, or in any other manner inconsistent with the purposes of the United Nations.

Other charter provisions are specific as to the duty of nations when they find themselves involved in a dispute.

Article 33 states:

> SECTION 1. The parties to any dispute, the continuance of which is likely to endanger the maintenance of international peace and security, shall, first of all, seek a solution by negotiation, enquiry, mediation, conciliation, arbitration, judicial settlement, resort to regional agencies or arrangements, or other peaceful means of their own choice.

Some of the peaceful means that have been advanced but brushed aside by the United States have been the 14-power conference advocated by France, and the introduction of a peace force from the Southeast Asia Treaty Organization.

Article 37 of the charter provides:

> Should the parties to a dispute of the nature referred to in article 33 fail to settle it by the means indicated in that article, they shall refer it to the Security Council.

Notice that the controlling verb is "shall." This is not an option but a directive. So far it has been ignored by the United States.

ALL ACTION IN SELF-DEFENSE MUST BE REPORTED TO U.N.

Even the self-defense article does not sanction what we are doing in the name of defense in South Vietnam. Article 51 states:

> Nothing in the present charter shall impair the inherent right of individual or collective self-defense if an armed attack occurs against a member of the United Nations, until the Security Council has taken the measures necessary to maintain international peace and security. Measures taken by members in the exercise of this right of self-defense shall be immediately reported to the Security Council and shall not in any way affect the authority and responsibility of the Security Council under the present charter to take at any time such action as it deems necessary in order to maintain or restore international peace and security.

There is nothing permissive about that. That may not be used as a rationalization for the United States making war instead of joining in keeping the peace in South Vietnam.

It is commonly said both in and out of government that the United Nations is a waste of time and that the Communists understand nothing but force. However, the line continues, maybe at some future date we may find it to our interest to go to the U.N.

This supposedly sophisticated argument ignores several points.

First. It may not be left to us to decide whether the issue should go to the United Nations. Article 35 provides that "any member of the United Nations may bring any dispute, or any situation of the nature referred to in article 34, to the attention of the Security Council or of the General Assembly." The disputes referred to in article 34 are those which are likely to endanger the maintenance of international peace and security.

Cambodia dragged us before the United Nations, charging violations of her border. We apologized, and suggested a U.N. border patrol to guard against future violations. But we brazened it out so fas as the Vietnam war was concerned, and served notice that we would do whatever we desired there, irrespective of the provisions of the charter.

How long we can proceed in this manner in Laos and Vietnam without being called to account at the United Nations is anyone's guess. But if we wait for another country to invoke article 35, we can be sure it will not be on grounds and under conditions most favorable to the United States.

Second. The very assumption by administration spokesmen that someday, sometime, somehow, and under some other circumstances, the United States will seek U.N. action is an admission that the issue is really one of U.N. jurisdiction. What they are saying is only that they do not think that to adhere now to the U.N. Charter would serve American interests. Their theory is that the time to negotiate is when we have first dominated the battlefield.

This amounts to saying that any treaty obligation that does not serve our national interest is just a scrap of paper. These officials take the view that we may one day resurrect the U.N. Charter from the wastebasket, but not until we think it serves our interests. Perhaps now that we can level a charge against North Vietnam, they think it serves our interest.

If that is to be our policy, then we are helping to destroy the United Nations, too, and all the advances in the rule of law in world affairs which it represents. Our moral position, which we claim as leader of the free world, will be undermined and our capacity for calling others to account for breaches of the peace will be seriously compromised.

Third. The "fight now, negotiate later" line is based on the wholly illusory assumption that Red China and North Vietnam will do what we refuse to do—negotiate when they are losing. Can we really expect that when China is faced with the same condition she was faced with in Korea, she will negotiate instead of pouring her hordes into the fray, as she did in Korea? Do we really think these two countries will go to the U.N. or to the bargaining table when the war goes against them, although we refused to do so under the same circumstances? One might as well ask whether the United States would have done so in October of 1962 had the Soviet Union come to dominate the Caribbean.

As I have said in several speeches, and repeat now, we had better face the realization of the desperado that we are dealing with in Red China. This despicable Communist leader has demonstrated time and time again, as was demonstrated in the Korean war, that he places no value on human life. Only in the past 2 or 3 years headlines blazed forth the statement that the Communist leader of Red China has said in effect that in case of war with Western imperialism they could sacrifice 400 million people and have a stronger China at the end.

I know of no reason that should justify anyone engaging in the wishful thinking or in the head-in-the-sand attitude that if we kill enough and bomb enough, North Vietnam and Red China will yield.

We need the world with us. By that I mean we need with us the nations of the world which believe in the resort to the rule of law in the settlement of disputes.

We shall not take these nations with us if we follow a unilateral military course of action in Asia that may result in the despicable Communist Chinese leader starting to send his hordes of human bodies against American military force.

I reject the premise, which I believe is clearly imbedded in the joint resolution which was introduced in the Senate today: "Fight now and negotiate later."

That is risky business. It would jeopardize the continuation of existing procedures for the peaceful settlement through negotiations of disputes which threaten the peace of the world.

A nation does not have to commit the first violation in order to be in violation of the Geneva Accords. And it does not have to commit aggression in order to be in violation of the United Nations Charter.

We have violated these accords and the U.N. Charter time and time again. We are pursuing neither law nor peace in southeast Asia. We are not even pursuing freedom. We are maintaining a military dictatorship over the people of South Vietnam, headed by an American puppet to whom we give the orders, and who moves only under our orders.

Whoever fights a war without taking the matter to the United Nations is in violation of the charter, whether that party started the fighting or not. We cannot hide behind the alibi that others violated these agreements first, although they did. To the contrary, it makes it more important that we lay the charges before the United Nations, or to a 14-nation conference, or seek to bring SEATO in to exercise peacekeeping policies until the U.N. can take jurisdiction.

FOLLY OF WAR IN ASIA

All the foregoing is important to the United States, but none of it is as important as the folly of our getting involved in a war in Asia, irrespective of legal or moral obligations. No American spokesman has ever given the American people a single reason why an American war on the Chinese mainland would be justified.

The day of the Westerner is finished in Asia, just as much as in Africa. And it no longer matters whether the Westerner is French, Dutch, British, or American. The pressure will always be against us and against our front in South Vietnam.

That is why the pious apologies for our present policy which deplore expansion of the war into North Vietnam or China, but insist that we cannot leave under pressure, have been so futile.

There will never be anything but pressure against us there so long as the local government is dependent upon us for its existence. There is no reason to think the rebellion against Khanh will ever die out. Although it may recede somewhat in the face of our overwhelming military might, it will rebound whenever we try to reduce the level of American participation.

Our best prospect for us in South Vietnam was for stalemate; but the longer the stalemate continued, the more inevitable it was the war would be escalated. And it has been escalated, and how much further it will be escalated no one can say.

The public statements by Secretary McNamara, Secretary Rusk, Admiral Felt, and General Harkins required that the United States expand the war if the Communist-led forces did not retreat from their gains in Laos and Vietnam, and American forces from nearby bases in the Philippines and Okinawa have been poised for air attacks in Laos and North Vietnam and for the entry of ground forces through Thailand into Laos.

In my opinion, our leaders counted on bluffing Communist China; but she was not bluffed in Korea when the whole United Nations was with us, and this time we have not one single ally. The faltering General Khanh has arranged for us to carry out those threats so far as North Vietnam is concerned. We may find that someone else will arrange for us to carry them out against China, too. If that time comes, we will have no choice but to resort to nuclear weapons with all the hideous consequences that entails.

Yet, the fact remains that nothing we set out to do in 1954 justifies what we are doing today, much less what we are threatening to do. We set out in 1954 to put Humpty-Dumpty back together again when we tried to establish an American foothold in southeast Asia out of the destruction of European colonialism.

Five and one half billion dollars worth of aid to South Vietnam, 18,000 American "advisers," and now the threat of war with China has not put Humpty-Dumpty back together—and never will. Out of this $5½ billion, $1¼ billion went to France to help her in the Indochina war prior to her withdrawing in 1954. Today we are spending better than $1½ million per day and will reach $2 million shortly, just as aid to Vietnam, not covering the cost of our own military force in southeast Asia. Unless the American people make their voices heard very soon, they are going to spend even more in this fruitless and unavailing task.

What this war in the last 36 hours has cost the American taxpayers and how much it will amount to as that war continues defies imagination.

HOPE FOR PEACE LIES WITH OTHER MEMBERS OF UNITED NATIONS

The stark reality is that North and South Vietnam, China, and the United States are in this hour endangering the peace of the world. We have said we will make charges against North Vietnam before the United Nations Security Council.

Why in the world we did not make those charges against North Vietnam several years ago, I shall never understand. We are going to make charges now because we are in open conflict with North Vietnam. But we have had evidence for years that North Vietnam was undoubtedly a violator of the Geneva Accords of 1954. But instead of taking our charges and our proof to the United Nations, we sent 15,000 military personnel to South Vietnam to engage in unilateral military action in South Vietnam, in violation of three articles of the Geneva Accord that I have already cited in this speech, and have violated, time and time again, article after article of the United Nations Charter. That is our sorry record.

What about the infiltration of North Vietmanese into South Vietnam to advise the Vietcong?

What about the 21,000 American troops in South Vietnam advising the Government?

What about the American air attack on North Vietnam naval bases?

What about the shelling of the islands in Tonkin Bay by South Vietnamese vessels? These were all clear acts of war.

Why is not Ambassador Stevenson going to lay these incidents, too, before the Security Council?

The best hope for peace would seem to be that the noncombatant members of the United Nations will see to it that all of the provocative activities in the Indochina peninsula are brought before the Security Council or the General Assembly of the United Nations, in accordance with the procedures of the Charter. They should invoke all—I repeat: all—the applicable provisions of the United Nations Charter irrespective of which country initiates charges or must be called to account.

They should call upon South Vietnam, North Vietnam, Laos, Cambodia, China, and the United States to stop their fighting and proceed to the conference table, where there can be applied the rules of reason rather than the fortunes of war for the settlement of the conflict.

These U.N. members not involved in this conflict must face up to one of the great challenges in all history. If they do not, they will see the United Nations Charter consumed as a casualty in the war flames of the struggle. They must enforce the Charter against all who are fighting in Asia. That is the issue—the issue of peace or war—that is facing them as well as us.

I close by pleading that my country, and its people, not forsake the moral principles and values which cry out to be saved in this hour. I plead with them not to commit themselves to a unilateral war in Asia for purposes which many of their own political leaders were ill advised in the first place. There is still no answer to the Biblical injunction:

> He shall judge among many people and rebuke strong nations afar off; and they shall beat their swords into plowshares, and their spears into pruning hooks.

The United States has everything to gain and little to lose by seeking to implement that teaching at an international conference table.

The United States has much to lose and little to gain by continuing our unilateral military action in southeast Asia, unsanctioned by the United Nations and unaccompanied by allies.

No nation in history has had such a great opportunity as this one now has to strike a blow for peace at an international conference table.

I shall not support any substitute which takes the form of a predated declaration of war. In my judgment, that is what the pending joint resolution is.

I shall not support any delegation of the duty of Congress—of Congress, not the President—to determine an issue of war or peace.

I shall not support any substitute which takes the form of military action to expand the war or that encourages our puppets in Saigon to expand the war.

Adherence to the United Nations Charter is the only policy that affords the hope of leading the American people out of this jam without a war. I shall continue to plead for such a policy as long as time remains.

If war overtakes us first, then we will have no choice but to unite behind its prosecution.

But, first, that calls for a declaration of war and not a resolution that seeks to authorize the President to make war without our declaring war. That was the position I took in 1955; and I incorporate by reference every argument I used in opposition to a preventive war resolution of that date.

But I see no more chance of conventional military victory in North Vietnam and China than in South Vietnam, and I therefore plead that the SEATO treaty and the United Nations Charter, rather than solitary force of arms, guide our actions in southeast Asia.

I am convinced that a continuation of the U.S. unilateral military action in southeast Asia, which has now taken on the aspects of open aggressive fighting, endangers the peace of the world.

Mr. President, in yielding the floor, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. BAYH in the chair). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MAGNUSON. Mr. President, I ask unanimous consent that the order for the quorum call may be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

INDEPENDENT OFFICES APPROPRIATIONS, 1965

The Senate resumed the consideration of the bill (H.R. 11296) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1965, and for other purposes.

The PRESIDING OFFICER. Under the unanimous-consent agreement previously agreed to, the two amendments will be granted 30 minutes, 15 minutes to a side.

Mr. PROXMIRE. Mr. President, I call up my amendment No. 1172 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection it is so ordered; and the amendment will be printed in the RECORD at this point.

The amendment (No. 1172) submitted by Mr. PROXMIRE is as follows:

> On page 47, line 4, strike out "$4,413,594,000" and insert "$4,313,594,000".

Mr. PROXMIRE. Mr. President, I modify the amendment so as to read:

> On page 47, line 4, strike out "$4,413,594,000" and insert "$4,345,000,000."
>
> On page 47, line 9, strike out "$262,880,500" and insert "$245,000,000."
>
> On page 42, line 23, strike out "$623,525,500" and insert "$610,000,000."

The PRESIDING OFFICER. The amendment is modified accordingly.

Mr. PROXMIRE. I will explain the modification as I go along.

There are many arguments against proceeding rapidly with the space program. I shall not make those arguments.

We know about the limited scientific manpower available in this country. It is one of our most precious assets.

I have felt for a long time that we should make a study of the availability of scientific manpower where it can be allocated in wholesale lots, as has been done in the space program, at the expense of defense and at the expense of industry itself.

Mr. CLARK. Mr. President, will the Senator from Wisconsin yield at that point?

Mr. PROXMIRE. I yield.

Mr. CLARK. While the study conducted on scientific manpower by the Subcommittee on Manpower Employment of the Committee on Labor and Public Welfare, of which subcommittee I am chairman, was not in so great a depth as one might desire, if we are thinking only in terms of the study of scientific manpower. That study, the results of which have been made public, makes it clear that scientific manpower is almost desperately in short supply in a number of areas in the country, and that the prognosis for remedying that short supply is a most pessimistic one. It seems reasonably clear that for at least another 5 or 10 years we shall not have anything like enough trained scientific manpower to take care of all the legitimate needs of the economy, private as well as public. It shows, further, that an undue percentage of our scientific manpower is now completely under the control of the Government in connection with military development and space developments.

Therefore, I support what the Senator has said so far, with respect to the need to look carefully into the utilization of scientific manpower in the space program.

Mr. PROXMIRE. I thank the Senator from Pennsylvania very much. My point, Mr. President, is that this amendment does not rely on the argument that scientific trained manpower must be conserved.

Mr. President, this space program is extremely costly. It costs more than $5 billion. It is one of the three or four most expensive programs in the Federal Government.

My amendment does not act as a meat cleaver. There is no 10-percent cut. There is no basic policy challenge involved. The amendment merely goes back to the level in every respect that was approved by the Appropriations Committee of the House. At least one member of that committee thought there should be a billion-dollar cut in the NASA appropriations, but I do not agree with that.

What the amendment does is to cut the Senate appropriations $100 million, back to the level which the House felt, after careful study, was all that was necessary to do the full, complete, total space job.

The House provided $4,345 million for research and development. The Senate has increased that by $68 million. My amendment would eliminate that increase. It would reduce NASA research and development by only 1½ percent.

On the basis of careful scrutiny and study by the staff and the experts on the House Appropriations Committee, it was felt that this was still a generous amount. Incidentally, it is an 11-percent increase, a substantial increase over what it was last year—the 1964 approved budget.

For construction, the House approved $245 million, the Senate $263 million.

My amendment would go back to the House and reduce the appropriation by $18 million, the full amount of the House recommendation.

For administration, the House approved $610 million, the Senate committee $624 million.

The Senate figure is some $130 million over last year's figure, an increase of a whopping 25 percent in a single year in overhead.

My amendment would pare the increase so that it would still constitute a substantial increase, in the neighborhood of 20 percent, but would not be so excessive as the Senate committee has recommended.

My amendment is based on the 1969 target date. It is not based upon the theory that the 1969 target date is impracticable. It permits the full Apollo leadtime, although that program depends on the successful Gemini project—and Gemini has not been proved yet. It is proposed to land men, not merely instruments, on the moon. It involves no contention that space appropriations be cut because of defense, education, or other priorities. The amendment would make a careful, relatively small and modest, limited reduction in the space program. This is such a vast program. The reduction would amount to $100 million, but goes back to the House figures which, as I say, were carefully arrived at.

I believe that in view of the great amount of money involved, the rapid increase in space spending, the fact that we still allow an 11-percent increase, and an increase of more than $400 million to be spent in the space program for research and development, my amendment deserves serious consideration by the Senate.

Mr. President, I reserve the remainder of my time.

Mr. MAGNUSON. Mr. President, the Senate is in a somewhat unusual position on the Space Agency appropriation. As I pointed out earlier, the House tentatively discussed a figure for the Committee on Science and Astronautics prior to the authorization. But they had no guidelines for appropriation. They had to guess as to what would or would not be authorized.

The House is very meticulous in these matters. I must frankly say that they have a better opportunity to go over the items line by line than we do in the Senate. In the House, a member of the Committee on Appropriations can serve only on one committee and one subcommittee. House Members spend much more time on a specific matter. But in this particular case, they had very little opportunity to make comparisons. They went ahead anyway. Then a point of order was made on the floor, and the whole amount was eliminated. The Senate in this particular case had to start afresh.

In the meantime, the Senate Aeronautical and Space Sciences Committee and the House Committee on Science and Astronautics held long hearings and completed them.

I believe the statement was made by all Senators on both committees that they know of no time when they have been more detailed in their examination of these items, and that the authorization was down to rock bottom if we were to achieve the items set forth by the Aeronautical and Space Sciences Committee, the administration, and the space exploration program.

The Senate committee practically unanimously, not knowing what the House would do or would not do in view of the situation, took the full amount of the authorization by our own committee, which testimony was to the effect that they had already given it a fine-tooth combing so that we could go to the House in conference and start with them fresh in arriving at this amount.

I do not suggest that the conference will agree to the full amount of the authorization. In any event, I do not think it would be fair to the House conferees if we did not take the authorized amount so that the conferees could work its will on that amount. Therefore I recommend that we keep the amount in the bill, and that the amendment of the Senator from Wisconsin be rejected. I do not make this recommendation necessarily because the amendment of the Senator from Wisconsin [Mr. PROXMIRE] is not well taken in terms of the dollars and cents figure. I do it because I think the legislative situation would require us to go to conference with the tight authorization amount and then work something out which might end as close to the figures of the Senator from Wisconsin as his own amendment.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. HOLLAND. Is it not true that we took not only the authorized 1965 amount for this appropriation, but also considered a supplemental item for 1964 of $141 million, which was submitted earlier in the year? And it covered the amount due on contracts in the fiscal year 1964. We allowed only half of that.

Mr. MAGNUSON. The Senator is correct.

Mr. HOLLAND. We are really about $70-odd million under the total of the two amounts, the authorization of this year and the $141 million supplemental items to wind up 1964.

Mr. MAGNUSON. The Senator is correct.

Mr. HOLLAND. I fully agree with the distinguished Senator that we ought to take the full amount. I insisted in the committee upon including the entire $141 million. It covered items which were important items having to do with the Gemini program on contracts that were let back in 1964.

I felt that we were being penny wise and pound foolish in not allowing the full amount of that item. I fully agree with the Senator's insistence that all the funds recommended in the authorization bill by no means covered the full budget request—instead, we cut that down pretty well—and in this bill we recommend that the authorized amount be allowed plus only half of the supplemental item which we considered.

Mr. MAGNUSON. The Senator is correct.

I yield to the Senator from Colorado.

Mr. ALLOTT. I should like to say to the Senator from Wisconsin [Mr. PROX-

MIRE] that in 1964 we allowed $5,100 million for this item, and later passed a supplemental authorization of $141 million, which was primarily for the Apollo program. The authorization for fiscal 1965 is $5,227,506,000. We have not appropriated any funds against the supplemental authorization of $141 million, so that authorization is still available. When we combine these, we actually have a total authorization of $5,368 million, but we took $5,300 million, which is $68 million under the authorization.

I can understand the problems that face the Senator from Wisconsin. They are not problems which are peculiar to him or peculiar to any Senator. But if he wants to get at the problem which he is considering, what he ought to do, I suggest, is to take this matter up with the Aeronautical and Space Sciences Committee and handle it by way of authorization. It is here that the policies of the space program will be determined.

The policies have been determined. This committee, although it has not provided the complete authorization by less than $68 million—and it was the distinguished Senator from Massachusetts [Mr. SALTONSTALL] who authored this—has done what it thought was the only logical thing. It basically put this item in conference with the House of Representatives, less the $68 million.

Then we shall have an opportunity to compromise between our figure and the figure that the House arrived at as being the logical, reasonable figure for the entire program. We can then decide somewhere between the $5.3 billion and the House figure, and decide where we are going and what we are going to do.

We realized—and the distinguished chairman of the committee mentioned this when the bill was brought up this afternoon—that this is a hard, tough thing to decide. It is hard to decide what we are going to do.

I have been on this committee for only 6 years. But never before have we faced a situation in which an entire appropriation was struck out in the House, so that we were the first to appropriate on a particular item. I suggest that this is really the best way to look at it.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. ALLOTT. I yield.

Mr. SALTONSTALL. What the Senator has so well stated, but in a little different way, was that what faced our committee was the full authorization plus $141 million as a supplemental item. Those two figures together are $168 million above what the House appropriated.

Mr. ALLOTT. That is correct.

Mr. SALTONSTALL. So we took $100 million of that and placed it in the figure to make an even figure of $5,300 million, as opposed to their $5,200 million. So we were $100 million over the House, and $68 million less than the full amount which we could have appropriated if we saw fit.

Mr. ALLOTT. The Senator is entirely correct. I would not try to claim that any individual Senator has omniscience in this field. But this was the best solution we thought we could find. I think it is a logical and a good solution.

Mr. PROXMIRE. Is it not true that the House did take the $141 million supplemental provision fully into consideration in arriving at its figure? The House report, on page 15 reads:

> The committee considered budget estimates totaling $5,445 million for the space program, including $141 million for a supplemental item, and $5,304 million in the 1965 budget estimates.

In other words, the House had the same figure the full, total figure before it when it made its appropriation just as we have the figure before us now.

Mr. ALLOTT. The Senator is partially right in that the $141 million figure was in the budget. But it was not in the authorization until after the House had considered it.

Mr. HOLLAND. Mr. President, if I may be privileged to be heard——

The PRESIDING OFFICER. Who yields time to the Senator from Florida?

Mr. MAGNUSON. Mr. President, I yield 5 minutes to the Senator from Florida.

The PRESIDING OFFICER. The Senator from Florida is recognized for 5 minutes.

Mr. HOLLAND. I have the honor to sit on the Aeronautical and Space Sciences Committee, which authorized the 1965 legislation, and also on the conference. We had long and difficult hearings on the authorization bill. Then when the bill went to conference, we had another difficult situation. We worked out a bill which was decidedly under the budget recommendation for the authorization bill. When we got into the Appropriations Committee work we found that we had before us the new authorized amount for fiscal 1965, plus the $141 million supplemental item that had not been up before the Appropriations Committee before, which had been waiting for action for a good many months, relating to 1964 contracts, and we had a brand-new bill so far as this whole field was concerned due to what had happened in the House.

The upshot of it was exactly as stated by the Senator from Washington [Mr. MAGNUSON] and the Senator from Colorado [Mr. ALLOTT]. We decided to put in the full amount of the 1965 authorization, which represented a large give and take between the two Houses.

Also it represented a large diminution of the original budgeted amount for the authorization bill this year, since we added to it only half of the $141 million, which was reduced under my protest. I felt that we should have added the full amount of $141 million. It seems to me that having seen only recently what the space program is doing, I believe the whole nation is proud of the recent *Ranger 7* exploits—the shots that were taken of the moon and televised back to the earth. We have some of those shots here. Taking into consideration the other things that were done that were outstanding in this field, such as weather satellites, which far exceed anything done elsewhere, and communication satellites, which far exceed anything done by anyone else, and the uniform success that we have had in the Mercury project in launching our men and bringing them back safely to earth, and the fact that undoubtedly now we have overtaken the Soviets and have passed them in many of the scientific fields, and considering the fact also that it is in Research and Development that most of this work takes place, it seems to me that we should take no smaller action than has been reported and recommended by the committee.

I feel very strongly about this. In a recent report—within the last month—the National Science Foundation has shown that the total amount devoted by the Nation this year to Research and Development is something better than $20 billion, of which about $15 billion is public money and $5 billion is private money, expended by the great industries themselves that are involved in all of the various fields in which we are moving forward. The $20 billion fund applies not only to space but also to all of our research and less than one-fourth of that is being expended in this vital and successful space effort.

Considering the important place which the space effort has in the whole picture, it seems to me that we should not reduce it, and particularly so at this time, when the subject has not been considered yet by the House itself, and we have before us a difficult conference situation. I do not know whether I shall be on the conference which will be held on this bill. However, I was a member of the conference on the authorization bill, and it was difficult enough as we tried to reconcile the points of view between the two Houses. I hope we shall not handicap the Senate conferees, whoever they are, who go into this conference. I know from experience that this is a difficult subject, and I think that this is the toughest bill in conference that has to be handled in the course of the full year, because it involves all of the independent agencies, which spend so much money and have such variant activities.

The distinguished Senator from Washington and the members of his committee to a lesser degree must be experts in some 30 different fields in order to work the bill through the committee and then handle it in conference. I hope that we shall stand by him implicitly on this subject.

Mr. LAUSCHE. Mr. President, will the Senator yield?

The PRESIDING OFFICER. The time of the Senator from Washington has expired.

Mr. MAGNUSON. Mr. President, I ask unanimous consent that the time limitation be extended for 15 minutes. I make the request for the reason that when the Senator from Wisconsin [Mr. PROXMIRE] and I entered into the agreement, I neglected to recall that the Senator from Mississippi [Mr. STENNIS] wished to express some opinions on the subject. He is a member of the Committee on Aeronautical and Space Sciences.

Mr. STENNIS. Mr. President, we have before the Senate for consideration the independent offices appropriation bill, H.R. 10456, which includes a Senate amendment containing the appropriation for the National Aeronautics and Space Administration in a total amount of $5,300 million. This total includes the $5,227,506,000 authorized earlier this year for NASA for fiscal year 1965 and an additional $72,494,000 authorized for fiscal year 1964, but unappropriated.

Mr. President, the purpose of my speaking today is to defend this amendment containing funds to carry out our national civilian space program for fiscal year 1965. We have come a long way since the first of February 1958, when we made our first launch sending into orbit a total of 30.8 pounds. There have been objections raised to our civilian space program but I do not believe that anyone can quarrel with the tremendous strides our Nation has made in space exploration in the short period of 6 years. One need only to contrast our initial endeavor of placing 30.8 pounds in orbit with the successful launch on the 29th of January this year of Saturn I placing into orbit a total of 38,700 pounds to be aware of our accomplishments. Furthermore, the United States can point with pride to the complete success of the *Ranger* 7 shot which recently photographed the moon from altitudes as low as 1,000 feet. Such a success even though we experienced some previous frustrating failures is indicative of the accomplishments that our Nation has made in the short period of 6 years.

Since the initiation of our national space policy by President Kennedy in 1961, the funding for this program has received practically bipartisan support. We have seen this program upgraded from a total appropriation of $1,671,750,000 which was appropriated to NASA for fiscal year 1962 to $5,100 million appropriated for fiscal year 1964 and $5,227,506,000 authorized for fiscal year 1965.

Mr. President, I am well aware of the fact that this shows a tremendous level of growth over the past 2 or 3 years. I personally feel, however, that this large acceleration in funding was necessary in order to provide our Nation with the basic tools necessary to achieve our goal of preeminence in space within a reasonable timetable. It is also my personal opinion that the funding for this program will now seek a level somewhere in the vicinity of $5 billion since the greater portion of our national capability in facilities and personnel has been accomplished. I need only point out that the fact that NASA's request for construction of facilities dropped from a total of $800 million requested and $680 million appropriated in fiscal year 1964 to a total of $281 million requested and $262,880,500 authorized for fiscal year 1965. This indicates that by far the larger portion of NASA's facilities have been completed or are in the process of completion. Likewise, total personnel for NASA requested for fiscal year 1965 was relatively unchanged from its requirements for fiscal year 1964.

Having participated in the hearings as a member of the Aeronautical and Space Sciences Committee I firmly supported the Senate's position with respect to NASA's authorization request for this fiscal year. I do so well aware of the fact that certain criticisms have been raised with respect to the administration's civilian space program. These criticisms stem, for the most part, from three basic arguments: First, that there is no necessity to accomplish a landing on the moon and return by 1970 and that this program could be stretched out and would make little difference if such a landing and return were planned for 1975 or 1980; second, that the buildup of the civilian space program has been at the expense of our military space program and that less money should be appropriated for our civilian space efforts and more placed in our military space efforts; and, third, that the money being appropriated for our civilian space program is just too much and would be better spent on other types of research or on other national programs.

I do not intend to address myself to the argument of whether or not we should land and return from the moon by 1970 or 1975 or 1980. The administration made a national policy determination in 1960 to land and return from the moon in this decade. I supported this national policy and still support such policy as I feel that only by establishing a goal can we achieve the overall policy of becoming preeminent in space. When we have accomplished such goal we will have provided the proper pacing for the establishment of the facilities and the know-how which will allow this Nation to determine in what ways it will maintain such preeminence. This Nation will not have to be always coming from behind by watching other nations accomplish space missions without our Nation being able to match such science and technology. We will have the option of determining which missions will be most important to us in space. I have personally considered the administration's program to achieve preeminence and I have found it to be a soundly worked out and a forward moving program which is being carried out in an economical manner and not on a crash basis. In my opinion it will provide the foundation for the gathering of the scientific know-how and the establishing of the operational capability to reach, and what is more important to maintain, this Nation's preeminence in space.

I further believe that the stretching out of this national program after the impetus has been established to carry out such program within a specified time framework, could not help but cost vastly more in the end even though perhaps the funding requirement for this fiscal year or the next fiscal year might be less.

With respect to those persons who feel that our civilian space program is being enhanced at the expense of the military space program I would only like to say that during my years in the Senate I have always been cognizant of the necessity to build and maintain as strong a military posture as is necessary to defend our Nation against any aggressor be it by land, sea, or air and I fully realize that our Nation must be capable of preventing any surprise by any aggressor who may, in the future, utilize space as a medium. I firmly believe that those who feel that the administration is neglecting our Nation's capability to defend itself in space are not really quarreling with our national space effort by both the Department of Defense and the National Aeronautics and Space Administration, but simply differ with respect to the manner in which basic space technology is being developed and managed and perhaps they are prematurely assessing our military space applications.

Mr. President, the amendment is rather simple in the figures stated. Those of us who are charged with the responsibility of the program on two committees of the Senate, the authorization and the Appropriations Committee, have finally come down to the figures stated, which in round numbers total $5.3 billion, which is over $100 million under the budget for this year as originally submitted, and in round numbers it is $75 million above the House figure for this year's budget.

The figures are a little complicated at that point, because there is about $70 million of last year's authorization that is carried over, but in round numbers—and the amendment is submitted with the greatest of faith, I know—the Senator would reduce the item by $100 million. I submit to the Senate that if there is any adjustment to make in those figures, the probabilities are that it could be better done and done more soundly by the men who will be chosen to sit around the conference table that have already been wrestling with the problem for months, and let them find a common ground on which to settle. I believe commonsense would lead us to that conclusion.

I am willing really to submit the question on that basis. But I do wish to take a moment to point out what I think would be some of the consequences if we take a meat ax approach and lop off $100 million from the figure that has been agreed upon finally by our committee. We have advanced into the lunar program now for 30 months and we have committed billions of dollars already. That program would be postponed in time from 9 to 12 months. That within itself could add additional cost to the program of operation during that time, which we know could run into many hundreds of millions of dollars.

Mr. President, I had the privilege of holding the first extensive hearings that were held by the Aeronautical and Space Committee on the broad program. I sat there in amazement to hear the testimony, and I did not believe that one-tenth of it could be done.

But as one year has followed another, it is an amazing thing the way they have fulfilled their expectations, with only a small slippage in time, and have brought this country to the point, as the Senator from Florida has said, where we are already undoubtedly superior in that field.

The so-called moonshot is the greatest demonstration of our true mastery of space—and not merely for the purpose of going to the moon alone, but for mastery of space, something in which we cannot afford to be second best.

Mr. President, I am not, of course, a military expert; however, as a member of the Armed Services Committee and the Appropriations Committee of the Senate, I have participated in the establishment of our Nation's defense programs for a number of years. I am aware that at the present time the Department of Defense is carrying out a tremendous research and development program; and that such a program includes substantial funding for military space activities. As of such time as the Department of Defense can provide me with the character and the requirements for additional military space missions, I will be among the vanguard to support such programs. In the meantime, I am cognizant of the fact that perhaps there is a closer coordination between our civilian and military space activities than there is between any other department or agency of the Government.

That has been true over the last few years, under which the program has come to fine fruition under the Secretary of Defense and under NASA.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. STENNIS. I yield.

Mr. HOLLAND. Is it not true that the defense part of the program and the NASA part dovetail together so as to complement each other; that we granted the full amount for the space program for defense; and that to diminish this NASA program would leave them out of kilter with each other?

Mr. STENNIS. That is the point I am trying to develop.

Up and down throughout the entire NASA organization and the entire Military Establishment daily contacts are being made. A surprising number of military personnel are actively working on a 24-hour-a-day assignment with NASA. I need only to indicate such ranking military men as Adm. W. F. Boone and Gen. Sam Phillips who are working full time with NASA in order to give examples of such close coordination. While it is true that some of these ranking military officers are retired, surely no one can say that they are not cognizant of our military requirements. A tremendous amount of information feeds back daily through the Aeronautics and Astronautics Coordinating Board composed of high-level NASA and military personnel. At Cape Kennedy our military launch operations and our civilian launch operations operate side by side. Close coordination exists at the topmost policy levels up to and including the Administrator of NASA and the Secretary of Defense.

Let me mention in that connection General McKee, whose services were so valued that he was given a ceremony at the White House on retirement. He is moving his desk over to NASA, and is one of the most valuable men in the entire military organization. NASA was glad to take him. His moving in there is a fine example of the coordination between the two organizations, and the need of one for the other.

While I am sure there can be shown individual cases where coordination has been lacking, nevertheless, I am convinced that as a result of executive policy and, in part, as a result of congressional persuasion, there is a genuine attempt at the highest policy level to coordinate space activities as effectively as possible.

Mr. President, I am also aware that in carrying out our national civilian objectives we are not only creating the know-how and the facilities necessary in the event of a future requirement to carry out military activities in space, but we are also establishing the industrial capability which can be immediately mobilized should the circumstances require it.

Let us never write off a loss of money we are spending in the industrial development that goes with this vital program.

We, as a nation, have learned our lesson. One need only look back to our governmental aeronautical research activities prior to World War I. The United States flew a heavier than air vehicle as far back as 1907. Yet, in 1914 and 1915 when heavier than air vehicles were utilized for the first time in warfare the United States did not have the industrial capability to provide such vehicles. This is not true at the present time with respect to space. Our aerospace corporations are actively engaged in programs, not only for NASA, but also for the military. We shall not be found wanting again.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. STENNIS. May I have 2 additional minutes?

Mr. MAGNUSON. Mr. President, I ask unanimous consent to yield 5 minutes to the Senator from Mississippi.

The PRESIDING OFFICER. The Senator from Washington has 5 minutes.

Mr. MAGNUSON. I yield that time to him.

Mr. STENNIS. Mr. President, in exploring space, our Nation as well as any other nation is straining at the state-of-the-art and technology. We are moving into a medium where relatively little is known. As we move into such a medium we are confident that we can stay abreast in the field of scientific discovery and its application to space with any other nation. In this medium it is not a case of being able to defend ourselves by building 10 planes to every 5 planes of a potential aggressor nation or 5 ships to 2 ships or 3 tanks to 1 tank in order to establish our superiority. By staying abreast of advancements in science and technology our Nation will be able to prevent any surprise in this new medium. Our national space program is geared to this accomplishment. As for the present, our Nation subscribes to the philosophy that space should be explored for peaceful purposes, and we will do so. However, should an aggressor attempt to utilize this medium for warlike activities in the future, I am confident that our Nation will be prepared to defend itself.

As for the argument that we are spending too much at the expense of our research and other national programs, my only comment is let each such program stand on its own feet. Our civilian scientific programs are well balanced in my opinion. The achievements and results which will flow from this tremendous scientific effort will be enormous. Already applications which affect our welfare are being recognized. However, the overall benefits to our national and individual well-being are incapable of being calculated at this time. History has taught us that nations which stand pat deteriorate. We do not want this to happen to the United States.

Mr. President, because of the above reasons, I firmly support the appropriation to NASA for fiscal year 1965 and recommend its adoption by the Senate.

I have already emphasized the need from the military standpoint. I do not desire to detain the Senate any longer, but I want to say with all the emphasis I can that this figure is as hard, as firm, and as conservative a figure as the Senate can work out for this bill. With all deference to the Senator from Wisconsin or any other Member of the Senate, I believe it is a firmer, harder, and a more needed figure than we would be able to work out on chance in voting the amendment up or down.

Mr. PROXMIRE. Mr. President, this is not a meat-ax cut. It is paring. This is less than a 2-percent cut. All the amendment does is cut the appropriation from $5.3 billion to $5.2 billion, and in doing so saves $100 million. It does not do it in an arbitrary way. It cuts it back to the precise figure which the House Appropriations Committee thought was adequate.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. LAUSCHE. How does the proposed cut compare with the cut proposed by the Senator from Arkansas? It is my understanding that he offered an amendment. I am not sure how much the proposed cut was.

Mr. PROXMIRE. In 1963 the Senator from Arkansas proposed a 10-percent cut. This is less than a 2-percent cut. The amendment proposed at that time by Senator FULBRIGHT was a $500 million cut. This is only a $100 million cut.

The main argument made against my amendment is that it would delay the program and perhaps keep us from developing superiority that we are obviously developing in space as compared with the Soviet Union.

Exactly the same arguments were made last year. The Senate refused to accept that argument. It adopted the Proxmire amendment and cut the appropriation back to the House level. At that time it was a $90 million cut. It did not delay the program. It has been said this afternoon by Senators who opposed my cut last year that we will still be able to stay ahead and on schedule with the moon program. Nobody says that the past NASA appropriations have not been adequate. They still say we will get to the moon in 1969.

The Senator from Mississippi, who is such an eloquent spokesman for full appropriations in this field, admitted that we are undoubtedly superior to the Russians in space.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. ALLOTT. I know the Senator would not want to misstate anything, but the testimony before the committee was that if this money were cut, it would put the program back a whole year, and it would cost us more than $100 million to catch up.

Mr. PROXMIRE. The Senator is absolutely correct. That was the testimony in 1963.

Mr. ALLOTT. And in 1964.

Mr. PROXMIRE. That was the testimony in 1962. It has been the testimony consistently. It was the argument made on the floor of the Senate in 1963. My point is that statements to the effect that if we cut the appropriation we shall postpone our schedule and never get to the moon have proved to be false. That is what happened in 1963. It was said that if we cut the appropriation back to the House figure we would never get to the moon in 1970 or 1971. We cut it. What happened? Now we are told that we shall get there by 1969.

Mr. ALLOTT. Is it not a fact that the agency had to come back for an additional authorization of $141 million in order to bolster its program?

Mr. PROXMIRE. Yes; it had to come back for additional funds, part of which are now being considered in the pending measure.

Mr. ALLOTT. It did have to spend them in order to maintain an orderly rate of progress. Is that correct?

Mr. PROXMIRE. It had to come back; that is true. The argument of the Senator from Wisconsin is that it is about time to provide some real cost discipline for NASA. This agency has grown faster than any other agency, from a $900 million appropriation only a few years ago to more than $5 billion today. All of us knows of many examples of waste in this agency. If we cut back to the figures agreed to by the House I am sure we shall be able to maintain our schedule. My amendment makes good economy and it makes good sense. I hope the Senate will adopt the amendment.

Mr. FULBRIGHT. Mr. President, I favor a reduction in the funds for the Apollo project in order to bring about a reevaluation of the goal of trying to land a man on the moon this decade, and to insure that we proceed with exploration of space on a more deliberate and thoughtful basis. I do not contend that we should cancel this project. This Nation obviously will continue to pioneer in space—as we did only a few days ago in photographing the moon. I contend only that it is unwise to continue the manned lunar program on a crash basis. NASA's entire tree will not wither away just because the Senate nips off a few buds. And in spite of what NASA officials say, I, for one, regard any Government program that grows tenfold in 5 years—from $523 million in 1960 to $5.3 billion in 1965—as a crash program.

As Members of the Senate know, the Federal budget is a listing of priorities, reflecting national needs as determined by the President and the Congress. In deciding the proper appropriation level for funding NASA activities in the 1965 fiscal year, the Senate will in effect be determining whether reaching the moon this decade deserves priority treatment over all the pressing, unmet needs in the public sector of our economy here on earth. This program consumes 20 percent of the funds available for all domestic programs. Senators must decide whether or not it warrants this high priority. I do not contend that by reducing funds for the lunar program we could automatically transfer the amounts saved to meeting domestic requirements. But I do believe that by ridding ourselves of the straitjacket timetable which requires pursuing this program on a crash basis, the budgetary climate next year will be improved considerably for bills designed to make life more bearable on this planet.

Under this bill a total of $2,749,994,000 is allocated to the Apollo project, more than half the proposed appropriation for NASA. NASA officials have told the Congress that some $35 billion will be spent on space activities this decade—$20 billion of this leading to the manned lunar landing. To meet this announced objective, $23 billion more must be appropriated in the next 5 years—an average of $4.6 billion per year; more than is budgeted this year for all Federal programs of education, natural resource development and housing, and community improvement.

Actually, $7 billion has been requested for space activities in the 1965 fiscal year budget, including $1.47 billion for the military space program and smaller amounts for other agencies with space projects. I might point out that the estimate given the Congress in 1960 for the cost of space exploration in the decade amounted to less than half the current cost estimate. I will discuss this inflation aspect of space programs in more detail later in my statement.

I wish to digress a few moments to discuss a recently published tabulation of scientific opinion on various aspects of the space program. Two thousand members of the American Association for the Advancement of Science were selected at random to receive a questionnaire prepared by the editors of Science Magazine, the official journal of the association. The results of this poll shed considerable light on attitudes within the scientific community on the space program. I ask unanimous consent to have the poll results printed in the RECORD following my remarks.

Permit me to summarize a number of the more pertinent findings. Sixty-two percent of those who replied said they did not believe it was vital to the national interest that high priority be given to a landing on the moon by 1970. In reply to a related question, only 20 percent felt that a reasonable objective would be a landing by 1970. The remainder who responded to the question said it should be 1975 or later. Seven percent apparently were of the opinion that a manned landing would never be a reasonable objective. Of those working directly or indirectly in space programs, only 28 percent believed that 1970 was a reasonable goal—33 percent favored 1975 and there were smaller percentages who favored later target dates. Fifty-eight percent felt that pursuit of science was the most important justification for the lunar landing program—only 13 percent listed national prestige as first. Military aspects influenced 7 percent, technological fallout rated 6 percent and a surprising 2 percent thought the program was justified as a public works project. When it came to their opinions on the potential of various fields of research for producing new knowledge, the scientists obviously considered the manned lunar program quite low in priority. Only 25 percent placed lunar research in the top three rankings compared with 93 percent for biomedical research, 37 percent for oceanography, 66 percent for physics research, and 62 percent for chemical research.

This poll admittedly was not conducted on a scientific basis and it cannot be said categorically that it reflects a consensus of opinion of the Nation's scientists. But it is the best indicator we have to date of how scientists feel about the space program. There has been so much pie-in-the-sky talk about technological fallout, for example, that it is somewhat enlightening to find that only a handful of scientists consider this to be sufficient justification for our major goal in space.

And that only 10 percent of these scientists rated manned space exploration as the top ranking field for production of new knowledge. And, although it may be argued that scientists are not as well qualified as politicians to gage its significance, few thought that national prestige justified manned exploration of the moon at all—even fewer listed the military aspects as of prime importance. It is abundantly clear that the program can be justified only on scientific grounds to most and the potential of this field ranks very low on the research totem pole in the opinions of these scientists.

Two major points have been advanced in opposition to slowing down the manned lunar program. First, it is said that our Nation would lose great prestige if we abandoned the goal, and, second, that the program will cost more if it is stretched out. Let me discuss each of these briefly.

Regardless of what our space officials say in denying a race with the Russians, we have placed ourselves in a posture where the American public and the world believe we are engaged in a race. Whether or not the Russians are trying to beat us is really not important. What is important is that we dispel the world of the idea that we are irrevocably committed to both beating the Russians to the moon and getting there by 1970. The Russians in this situation have shown a great deal more sense than we have. Apparently, they are trying to reach the moon but are not in a position of being the vanquished if we get there first. Khrushchev was quoted as saying during his visit to Denmark:

> It is unimportant who gets there first. If the Americans get there before us we can use their experience.

If, as our space officials say, we are not racing to the moon, what is the sense of retaining a goal which appears impossible to attain? We are out on a limb and are sawing it through with repeated statements of adherence to the pre-1970 goal. Mr. Webb told both the

Senate Aeronautical and Space Sciences and the Appropriations Committees that we have only a "fighting chance" to reach the moon in this decade and according to Dr. Welsh, of the National Aeronautics and Space Council, we have only a "50–50" chance of beating the Russians there. The Space Committee was also told by Mr. Webb that:

> If we do not receive the funds which the President has requested, there is nothing left to sacrifice except the national goal itself.

The "fighting chance" Mr. Webb referred to was based on the assumption that NASA would receive $141 million in supplemental funds for the 1964 fiscal year in addition to the full budget request for the 1965 fiscal year. In a letter to me dated February 14, 1964, a NASA official stated:

> If the $141 million fiscal year 1964 supplemental is not allowed but the 1965 budget request is approved, we estimate that the delay in accomplishing manned lunar landing will approximate 6 months.

Under the circumstances it seems there is, in fact, little if any chance that achievement of the 1969 goal is possible since the supplemental request has been cut in half by the Appropriations Committee, all of it from the Apollo project which Mr. Webb told the Congress it could not cut without making the 1969 target date unattainable. Dr. Welsh, in a refreshingly frank statement by a space official, was quoted in the Washington Star recently as saying:

> We haven't given this (1969 goal) up yet, but even if we had we wouldn't admit it.

But this minute reduction in the supplemental request puts NASA in a position to blame the Congress for forcing it to give up the target date, since it failed to supply the funds said to be essential to attaining the goal. There is no reason to continue on a crash basis when Congress has already been told, if we piece everything together, that a landing cannot be made in 1969. We are inviting far greater losses of prestige if the Nation fails to meet what has repeatedly been said to be the goal than if we acted like a mature nation and admitted that we erred in setting the goal in the first place. The policies of our Nation will have a far greater impact on the world if we sustain our space program on a more reasonable scale and divert some of the money and talent involved to solving problems here on earth. Power to influence great world events derives from a firmer base than news headlines.

The second point advanced against any cuts in the lunar program is that it will cost more if it is stretched out because of continuing overhead expenses and increased material costs. The Senator from Washington [Mr. MAGNUSON] destroyed this argument very effectively in his subcommittee session when he said:

> To carry that theory out to its supreme you would never be able to shut anything down temporarily or otherwise or slow up anything.

Senators know quite well that the space program will continue long after we have placed a man on the moon. Our billions invested in permanent physical facilities for the space effort will not be abandoned the moment a lunar landing is accomplished. As a matter of fact, this bill provides $26 million for NASA to use in trying to determine what to do after the lunar landing has been accomplished. Only last month NASA let more than $6.5 million worth of study contracts to aerospace firms to find out, according to a NASA press release:

> What manned space programs after Apollo * * * most effectively meet urgent national needs.

This does not look like NASA is planning to go out of business anytime soon. To say that the overhead costs will increase if we delay the lunar program has little validity when we put the space program in proper perspective and think of it as another of the many permanent governmental research activities. We are building for a continuing competence in space—not for a one-shot proposition.

Space officials have assured the Congress that only some $2 billion of the $20 billion for the lunar program are being spent for components peculiar to the lunar landing mission—that the other $18 billion would be spent on space exploration regardless of the moon goal. But Mr. Webb in his testimony before the Senate Appropriations Committee stated, and I quote:

> If Congress approves the NASA budget request for 1965, the United States will be more than halfway to the moon.

This indicates pretty clearly to me that any objective other than the moon is strictly secondary in NASA's plans. I think that NASA officials would be hard pressed to justify spending $35 billion in space this decade if the moon did not exist. Do Senators really believe that $18 billion would be spent on manned space exploration this decade if there were not a moon in the heavens to stimulate man's adventuresome spirit? Under the circumstances, the $2 billion allocated by NASA as peculiar to the moon project appears somewhat underestimated.

Congress has been told that the cost of the lunar landing will increase by $1 billion for each year the landing is delayed. This is a 50-percent increase—according to the NASA argument—for only a 1-year delay in a $2 billion program. This is ridiculous on the surface. NASA cannot have it both ways—it must either place the lunar landing costs at a realistic level or admit that the estimated cost increase from delays applies to the entire manned space effort.

Eighty-three percent of NASA's budget is slated for research and development. NASA absorbs over one-fourth of all funds allotted for Federal research and development in 1965. We normally think of research and development as being aimed at improvement—at doing jobs better and at a lower cost. Yet NASA has told the Congress that it will cost $6 billion more to reach the moon if we delay the target date until 1975. Apparently, no provision has been made for a payoff from research and development and NASA officials are operating on the assumption that the moonship and related systems in 1975 will be exactly the same as the one planned for 1969. I should hope that in slowing down the moon effort NASA will forgo freezing its spaceship designs and propulsion systems until it gets the results of research and development over the next few years.

If we are spending our research dollars wisely we must certainly expect discovery of new materials, new designs, and new systems which are marked improvements over the present state of the art. Mr. Webb told the members of the Senate Appropriations Committee that there was a "good return on the investment" in the form of new technology but the planning for the lunar program does not indicate any expectation of new knowledge on how to explore space more efficiently. With the inflexible goal of 1969 NASA has boxed itself into a premature freezing of its technology in order to have something that will work quickly. The selection of the design for the vehicle which will land on the moon, the LEM, before sufficient information is obtained as to the character of the moon's surface is a prime example of this haste-inspired approach. If we waited in designing the landing vehicle until we knew more about the lunar surface, after Ranger, Surveyor and the Lunar Orbiter vehicles had done their job, we could build a device to fit the circumstances it will actually encounter. At the present time no one can be sure just what sort of surface the moon will present on a LEM touchdown.

The Apollo project was described by the senior Senator from Missouri during the debate on the authorization bill as a "carefully planned program which has been going well." The facts prove quite the contrary. If the history of past NASA operations is any guide to the future, there is little likelihood that either timing or costs will come close to the target. In the case of Project Mercury, our first manned space flight effort, the plans in early 1959 called for the first orbital flight as early as April 1960. The first flight actually took place in February 1962. The project was originally scheduled for completion in September 1960—the last flight was actually made in May 1963. Congress had been told that the project would cost $200 million. The final official cost estimate was $384 million.

We were told at one time that Project Gemini, the bridge between Mercury and Apollo, would cost about $600 million. By September 1962, NASA said the entire budget for the project stood at $700 million. The hearings before the House Appropriations Committee this year revealed that the total had jumped to $1.22 billion—double the original estimates. According to the 1962 NASA schedule for Gemini, the "two-man flight should begin during the 1963–64 period."

Mr. President, 1963 has come and gone and we are approaching the three-quarter mark in 1964. The first manned flight is now scheduled for the end of this year and some observers believe that it will be early 1965 before it takes place. Senators should keep in mind that NASA has told Congress that 5,000 man-hours of space flight experience will be required before a lunar landing will be attempted. Thus far we have a total of only 54 flight-hours; 1 percent of the flight goal NASA has set for itself.

All Americans have taken great pride in the accomplishment of our astronauts in Project Mercury. Without any doubt Project Gemini will also be a significant milestone in man's exploration of space. But the experience with these two major programs must be used in determining the degree of reliance that can be placed on the assurances Congress has received as to the cost estimates and the timetable for the lunar landing project. Even by giving NASA the benefit of every reasonable doubt the cards are very much stacked against either goal being met.

The success of the seventh Ranger mission was a triumph for our space scientists and engineers. It was a historic occasion and I congratulate all who played a part in the achievement. Man's knowledge of the moon was increased immeasurably by the pictures transmitted by Ranger's cameras. However, Senators must not allow this successful mission to become their frame of reference for judging the probabilities for achieving the cost and timetable goals for the entire lunar landing program. Ranger is only one relatively small aspect of the program. But our experience with Ranger should be of value in weighing the decision facing the Congress in funding Apollo. Distressing failures rather than resounding successes have been the rule until last Friday in the Ranger program. As the June 16, 1964, report of the House Committee on Science and Astronautics, which investigated the project, stated:

> The first step in the exploration of the moon is Project Ranger.

In spite of the achievements of *Ranger 7* it has been a very unsteady step—fraught with considerable disappointments. The first Ranger probe was fired on August 26, 1961. On February 2, 1964, *Ranger 6* crashed on the moon after failing to transmit photographs—making a total of six failures out of six shots, adding up to a cost of some $260 million for the project. Several sentences in the House Committee's study report on the Ranger program illustrate quite well the difficulties inherent in pursuing the space program on a crash basis. I quote:

> Essential as the instrumented exploration of the moon may be to the Apollo mission, NASA officials readily admit that the timing of the three projects which make up the unmanned program (Ranger, Surveyor, and Lunar Orbiter) is less than optimum, much of the work being done concurrently with the manned program. Design of the Apollo system is well underway, including the most critical part, the Lunar Excursion Module. Should the surface of the moon turn out to be something substantially different from what it is now conceived to be, costly redesign of the LEM might be required.

Information disclosed by *Ranger 7*'s remarkable photographs apparently proved that dust conditions are not as dangerous as some scientists feared but that the surface generally presents formidable physical hazards not expected by others. Even though the photographs are useful in proceeding with development of the Lunar Excursion Module much additional information is required before it can be determined that a manned landing is possible.

Mr. Homer Newell, Director of Space Sciences for NASA, was quoted in the Washington Post as saying in comment on the results of Ranger:

> We'll have to wait for Surveyor, a soft-landing JPL spacecraft now being developed by Hughes Aircraft to determine whether the lunar surface is hard enough to permit a manned landing.

We are learning—but we are already several years behind schedule in the learning process. The danger now is not in going too slow but in going too fast and making serious and costly mistakes in trying to make up lost time in the schedule.

NASA is now in a position where the first step leading to a manned lunar landing has failed six out of seven times; the Atlas-Centaur missile to launch Surveyor, the second stage information gathering vehicle, failed recently in its third attempt, and the Lunar Excursion Module, the design of which is dependent on the information to be gathered by the unmanned flights is already under construction—before we know that the moon's surface will support a manned vehicle. Surely the prospects for success of Apollo within the allotted timetable and cost estimates are somewhat remote if past experience with these essential preliminary programs is a reliable guide. The facts are that under favorable circumstances NASA has not met time and cost schedules on the projects which make up the early phases of the lunar program. There is far less likelihood of attaining either the $20 billion or the 1969 goal for the manned landing at this rate.

In summary, NASA officials have told the Congress that they have a "fighting chance" to put a man on the moon by 1970 if provided with the funds requested by the President, including the $141 million supplemental request. I was advised that the lunar landing would be delayed 6 months if this supplemental was not approved. The Congress is not going to approve this amount because the Senate Committee cut it in half and, due to the parliamentary situation, the amount cannot be increased in conference. Neither Project Mercury nor Project Gemini have met time or cost schedules, leaving little room to hope that the infinitely more complex Project Apollo will stay within the official $20 billion estimate and fulfill its objective by 1970—even if circumstances were reasonably favorable. "What is past is prolog," and the history of major NASA projects furnishes little justification for optimism on meeting the time and cost goals for Project Apollo. Dick Tracy and Diet Smith may be able to make a moon landing via the comic pages with ease, but actual conditions present more complex problems.

In closing, I emphasize again that I am not opposed to the lunar landing program. I question only the pace of the program. Is it more important for us to make a more adequate attack on some of the grave deficiencies of our society or put a man on the moon by 1970? I have heard nothing which indicates that the Nation's security or the welfare of any of our citizens would suffer as a result of reducing the funds for Apollo. A persuasive case can be made that the prospects for passage of programs to improve the habitability of this planet may very well be improved if we abandon the forced pace of the 1970 goal and pursue the program in a more orderly manner.

I ask unanimous consent to have printed in the RECORD at this point articles from the Saturday Evening Post and the Reader's Digest concerning the space program, and an editorial from the August 2 issue of the New York Times.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Saturday Evening Post, Sept. 14, 1963]

ARE WE WASTING BILLIONS IN SPACE?

(By Stuart H. Loory)

Even the midsummer ice floes in Hudson Bay lost their glare for those few moments of total eclipse last July 20 when an Aerobee sounding rocket skittered up and away from Fort Churchill, Canada. Its purpose was to measure quick changes in the upper atmosphere. But after 2 seconds of flight, the rocket's booster blew up in glittering bits of debris—all the more noticeable because of the dull, unworldly eclipse light.

It was disappointment for Dr. William G. Fastie of Johns Hopkins University, whose experiment had come to naught. For the American taxpayers, it was another quarter of a million dollars lost in the space race. There was, however, no great public outcry. That small experiment and the money involved just was not worth arguing about these days when scientists build $100 million Saturn V moon rockets to fly once and then throw away as casually as a housewife discards a used paper napkin.

The Aerobee, though, should not have failed. Its defect, a flaw in the packing of the rubbery solid fuel, could have been discovered simply by X-raying the booster before use.

Why didn't they X-ray this one?

"They didn't have time," said Dr. Fastie. "This was a crash program."

What's true at the rocket research range on the subarctic tundra is also true at Cape Canaveral, Fla.; Vandenberg Air Force Base, Calif.; Wallops Island, Va., and White Sands, N. Mex. Much of the space effort is a "crash program," a breakneck race to explore and exploit the new medium stretching eternally away from our planet.

Big, blaring, burgeoning in a hundred directions, the space program stands accused today as a monstrous boondoggle—a circus intended just as much to keep American prestige afloat throughout the world as it is to exploit space. However, gains in prestige may be measured, there is widespread doubt that they are worth the cost. A formidable list of people in government, industry, education, and science have indicted the space program in recent months as a woeful waste of taxpayers' money—and of the Nation's most important resource, its skilled manpower.

Former President Eisenhower called the project to land men on the moon a "stunt." Dr. James R. Killian, Jr., board chairman of Massachusetts Institute of Technology and the former President's first science adviser, said the program may drain talent away from military and industrial projects of great importance. Senator JOSEPH S. CLARK, Democrat, of Pennsylvania likens the Soviet-American competition in space to a "high-school cross-country race."

Even people with deep professional interest and involvement in space exploration have become critical. Dr. Philip Abelson, geophysicist, editor of the prestigious Science magazine and a consultant to the National Aeronautics and Space Administration, told the Senate recently that "manned space exploration has limited scientific value and has been accorded an importance which is quite unrealistic." Prof. Polykarp Kusch, Nobel laureate in physics, told the same committee that "the present space program attempts too much too fast."

More than anything else, critics of the space effort attribute its many difficulties to undue haste—to the "crash program" approach that leads to oversights, duplications and ill-advised shortcuts in the normal procedures of scientific research. "Scientific exploration cannot be frenzied and panicky without great waste," says Dr. Simon Ramo, vice chairman of Thompson-Ramo-Wooldridge, Inc., a top aerospace contractor. Doctor Ramo thinks it is "too early" to determine whether NASA's program is "frenzied and panicky." But others are convinced it is high time to start finding out.

The Government's space budget has grown from $347.5 million in 1958—the first year after the Soviets launched Sputnik I—to $7.6 billion during the coming year. It is easy to forget the magnitude of these figures unless you equate them with down-to-earth projects. The $22 million NASA obligated last year to build a control center in Houston was more than the U.S. assessment to the United Nations. Local school boards could have built and equipped 10 high schools with the money NASA used to buy a sand island near Cape Canaveral for a moonport site. Just the quarter of a million thrown away on Doctor Fastie's little rocket could have sent at least a dozen scholars through 4 years at any Ivy League college.

Has the space program gone out of control? If so, why? And if the Nation's spacemen are perpetrating the boldest boondoggle since the construction of the pyramids, how do you pull in the reins?

Senator CLIFFORD P. CASE, Republican, of New Jersey, explains why these questions are hard to answer. "Like everything else that grows so fast, there probably is waste in the NASA budget," says CASE. "Like everything else run by ambitious, driving men, there will be duplication. But all we can do is fuss about it. It takes engineers and scientists to really make the judgments. We (Congress) have the rather unattractive job of providing the forum. The terribly troublesome thing is that when an agency has dough like this to throw around, the criticism is going to be inevitably muted."

Neither NASA nor the Kennedy administration has tried to conceal the fact that space exploration would be expensive. James E. Webb, the robust 57-year-old lawyer who is NASA Administrator, insists that "the most effective way of spending the money is worked over by our own people and then by the Bureau of the Budget," subject to "important influences" from outside scientists and congressional committees. NASA's job, he says, is to bring together people with all kinds of diverse interests and objectives in space and coordinate things in a "balanced" space program.

Yet actual control of the program is far more difficult than it might sound. Space contractors have a way of overselling their capabilities in order to get contracts. Scientists tend to oversell their pet research projects. The expanding bureaucracy of the space agency itself creates confusion and inefficiencies. Objective evaluation of these teeming activities, as Senator CASE points out, is muddled by the technical complexity—which makes it hard for laymen to second-guess the scientists—and by the quantities of money involved. In Congress, porkbarreling legislators may overlook—and even encourage—waste as long as they can get fat space contracts for their home States. Informed criticism may be "muted" even on university campuses, where $50 million in annual NASA grants can play hob with academic objectivity.

Each year since World War II, as the Nation has demanded more and more from its scientists, it has delegated more and more decisionmaking authority to them. Congressmen have stood in awe of projects involving buildings as tall as the Washington Monument and half again as large as the Pentagon. When a scientist says he needs a 6-foot thick window to watch radioactive reactions, the lawmaker cannot say no. Who is to gainsay the engineer demanding special barges, barge canals and tractors to move his 2,500-ton rockets?

The lawmakers must become familiar with projects bearing such names as OGO, EGO, POGO, and OSO (orbiting observatories budgeted this year at $194.4 million); Fire and Advanced Fire (to study heating of vehicles coming back to earth from the moon and planets at a cost of $12 million); Tiros and Nimbus (weather forecasting satellites costing $63.7 million); Kiwi, Nerva, Rift, and Rover (various phases of the nuclear-rocket program costing $96.7 million); Centaur, Scout, Delta, and Aerobee (launch vehicles costing $127.7 million); Mariner, Ranger, and Surveyor (moon- and planet-probing spaceships priced at $282.6 million); and, of course, Apollo and Gemini, the project names for the largest scientific undertaking ever mounted—man's assault on the moon. NASA plans to spend no less than $3.7 billion on that project this year alone. And that will be only a small downpayment on the $20 to $40 billion the project will ultimately cost.

NASA has been joined by the Defense Department, the Atomic Energy Commission, the Weather Bureau, and the National Science Foundation in the celestial treasure hunt. The space agency itself has grown from an outfit that builds and launches rockets into one that supports research in diverse fields ranging from the synthesis of life in test tubes to communications between man and other animal species. It has given the University of Manchester in England a grant to study the moon's surface from a station in Japan and it has given the University of Colorado money to study the impact of the space program on the city of Boulder. NASA finances projects only distantly related to space. It made a $92,615 grant to Mississippi State University to study how agrarian states can contribute to the space program and a grant of $400,000 to Columbia University for a study of how to disseminate space news to the public and train science writers. (The latter has since been canceled.)

IS THIS TRIP NECESSARY?

Considering the vast, confusing array of projects, the layman can only ask in his small voice, "Is this trip necessary?"

It is not possible to point to any program in science as an example of abject waste. The scientist always learns, even from his failures. Yet the cost of learning can come high, as illustrated by the case of Project Centaur.

In 1958 General Dynamics Astronautics and Pratt & Whitney made a proposal to the Air Force to build a rocket burning liquid hydrogen, a fuel which would give far more energy per pound than anything else our rockets burn. The industrial team estimated it could fly the first vehicle by January 1961, and then fly one a month after that through June 1961, to make the rocket operational. The original cost for all six shots was estimated at $59 million.

Troubles plagued the program throughout, however. The first flight did not take place until May 8, 1962, at which time Centaur, now a NASA project, blew up after less than 60 seconds of flight.

A subsequent congressional investigation showed that the Centaur slippage played a strong part in forcing the Defense Department to "reorient" its Advent communication satellite, cutting its size drastically and resulting in the utter waste of tens of millions of dollars. (The exact figure is classified.) Similarly investigators found that NASA had wasted $20 million in designs for the Surveyor program, which had to be thrown away because Centaur could not make its projected weightlifting capability. It also wasted $4 million in cutting the weight of last year's Mariner spaceship that flew to Venus (on a different rocket).

The investigators found both NASA and the contractors guilty of poor management. They said General Dynamics allowed fundamental design problems to go undetected. General Dynamics explained that it was using a smaller margin of safety than NASA felt desirable, that it had gambled on this margin and lost because, in one case, it could not weld thin sheets of metal into a bulkhead.

Meanwhile Pratt & Whitney ran into quality-control problems at a plant it had built in West Palm Beach, Fla., and moved the hydrogen-engine assembly line back to its East Hartford, Conn., plant. Since the missed operational date, NASA has spent $275 million in a fundamental redesign of the Centaur rocket.

Today Centaur is 2 years behind schedule; the second test flight still has not taken place. Ironically, its problems illustrate the dangers of unseemly haste. The contractors apparently rushed into the project without adequately assessing their own capacity to handle it—and NASA went along. To save time, NASA pushed other projects dependent on Centaur concurrently with Centaur itself. When Centaur failed to meet expectations, the "shortcut" became a detour.

The Ranger program to land instruments on the moon is in similar shape. As far back as 1958 the United States tried to land something on the moon in a keep-up-with-the-Soviets drive. The Army, Air Force, and industry ran up a string of eight failures in eight attempts to hit or come close to the moon. Then NASA entered Ranger in the competition in 1961 and 1962 and racked up five failures in five attempts—though only three were real efforts to hit the moon and get information home.

A NASA investigation, the details of which were never released, showed that bad management and insufficient quality control contributed to the Ranger failures. Dr. Homer Newell, head of NASA's Office of Space Sciences, hinted that poor design, sloppy fabrication and insufficient testing all played a role.

Another cause of Ranger's failures shows how scientists, in their haste, sometimes work at cross-purposes.

Each Ranger aimed at the moon was sterilized to make certain that the virgin satellite was not contaminated by life from earth before biologists could write the moon's own natural history. But NASA found that the sterilization process, which involved heating, artificially aged the Rangers, contributing to their failures.

Now, future Rangers will not be sterilized (there is probably no life on the moon anyway). Meanwhile, scientists will go back to the laboratory to do research they should already have done before they sterilize any more spacecraft.

Whatever the problems, the designers of the landing vehicles that will take men to the surface of the moon 5 to 7 years hence are pondering their blueprints without the information Ranger was to have provided on the density and regularity of the moon's surface. Scientists have nothing to show for the quarter of a billion Ranger has cost so far.

The problems of Ranger and Centaur could have been avoided if technology were not being pushed to the limit, and if scientists and engineers were paying more attention to time-consuming details. Just as the lack of an X-ray cost Dr. Fastie his once-in-a-lifetime chance to probe the upper atmosphere during an eclipse, a bumble by a computer programer cost the American taxpayers $20 million last year. One scientist made a mistake in supplying an Atlas rocket with a set of automatic steering instructions. In effect, he left a punctuation mark out of a sentence and as a result a Mariner bound for Venus roared off course and had to be destroyed. Additional checking of that work by other men would have caught that mistake.

Project Mercury, our pioneering man-in-space effort, is an example of waste engendered by pushing technology beyond its limits. For example, designers found they could not load enough oxygen into the cramped capsule with conventional oxygen bottles, so they had to design smaller bottles and then devise new welding techniques to make them withstand high pressures. That's one of the reasons Mercury ran twice its original cost of $200 million and took twice the estimated time to get a man into orbit.

But more importantly, the men running Mercury paid attention to all the details and solved every last foreseen difficulty before committing any astronauts to space flight. That's why each of the flights has been a success.

The Gemini program to place two men into orbit in a single spaceship and teach them how to rendezvous with another spaceship could be another Ranger or Centaur in the making. Representative JAMES G. FULTON, Republican, of Pennsylvania, studious member of the House Committee on Space and Astronautics, and one of the biggest boosters of the space program, does not look kindly on Gemini's progress. "If you really want an example of waste, it's Gemini," FULTON says.

The Gemini spacecraft today—a year behind schedule—bears virtually no relationship to the original proposal by the McDonnell Aircraft Corp. While McDonnell was selected on the basis of its experience with the Mercury project, many critics feel that NASA may have moved too precipitously. "They should have had competitive bidding for that contract and then they might have gotten some better designs," say Representative FULTON.

During the last half of 1962 NASA awarded contracts totaling $826 million to industry, and only $42 million—about 5 percent—worth of these were advertised for open bidding. Another $424 million—51 percent—were awarded after negotiation with one company selected from a small group invited to bid. The rest were awarded to companies without any competition whatsoever.

Besides pressuring NASA to make more use of competitive enterprise—which could produce lower prices as well as better designs—Congress could also tighten up a budget loophole. Ever since it was formed in 1958, NASA has had the authority to "reprogram" huge amounts of money, from budget items already approved by Congress to others that Congress knows nothing about until after NASA has taken action.

The agency claims it submits an austere budget, considered down to the last nickel. Yet it has reprogramed tens of millions of dollars this year from one line in the 5-volume, 14-pound budget to another. Consider the complicated building with the imposing name "Integrated Mission Control Center" now under construction at NASA's Manned Spacecraft Center near the mosquito-infested bayous between Houston and Galveston.

This is the building from which the flights to the moon will be directed in the same way the Mercury flights were directed from the control center at Cape Canaveral. Last year NASA told Congress it planned to refurbish the Mercury center to handle Gemini flights while building the Apollo center in Houston at a more leisurely pace. Congress provided $8 million for preliminary work on the Apollo center. But then NASA changed its mind, decided to move the controllers out of Cape Canaveral and to build a single Gemini-Apollo control center in Houston.

Instead of asking congressional approval for this major change in plans, NASA scraped together $21,956,700 from other parts of the budget to pay for construction of the building and over half the equipment. This year the agency presented Congress with the fait accompli and asked for an additional $8,409,000 to buy final odds and ends of equipment.

As the operational programs soar in cost, administrative expenses do not stand still. The budget for operating NASA headquarters in Washington will jump from $48.2 million this year to $65.5 million next year. Much of this increase covers the salaries of a growing layer of executives and administrators whose number has increased from 1,300 in 1962 to 2,300 proposed for this year.

In its zeal to hire experts, NASA engaged, among others, an NYU professor to advise it on how to better relationships with the universities. But Dr. George P. Simpson, an administrator who was already looking into agency-university relationships, did not know of the professor working downstairs until a reporter called it to his attention. NASA has even had to rush to miniaturize its redtape to make room for it. The budget for microfilming of records has increased from $1,640 to $158,000 in 2 years.

Up to now, Congressmen have tended to play sugar daddies to the space agency, no matter what its demands. But this year the House Committee on Sciences and Astronautics carefully sliced 8 percent from NASA's $5.7 billion budget request. The committee listened as NASA paraded its key executives into the hearing room. Each witness was primed with a written statement and supported by colorful charts, models, slides, and films. The committeemen posed searching questions and then started picking away at the five yellow volumes.

LAYMEN CAN ARGUE TOO

"Even though we're laymen, maybe we can understand as much as they do," said Representative OLIN E. (TIGER) TEAGUE, Democrat, of Texas, who heads the Manned-Spaceflight Subcommittee. "The budget started over 18 months ago. It's just an educated guess. Whoever made it up wasn't going to get caught on the short side."

After 5 years of watching NASA change its mind on various projects, TIGER TEAGUE and his colleagues decided they would argue the issues the same way they argue foreign aid, farm policy, and the disposition of rivers and harbors funds. They felt confident enough to cut $259 million from the $3.7 billion manned-spaceflight item alone, including $120 million from Project Apollo.

Representative JOSEPH E. KARTH, Democrat, of Minnesota, took a candid look at the space program after helping make the cuts. "If there is waste, some of the fault lies in Congress," he said. "After the Soviets shot Sputnik I, there was a very extreme desire to get into space. At first we felt NASA wasn't going fast enough. We forgot they hadn't time to cure—like a good cheese. We forgot they needed time to develop a good organizational setup.

"But now we are no longer overawed by the sensationalism of the overall space program. We are now much better able to evaluate each of the programs on a line-by-line basis. This year we have removed things we feel are nonessential."

When Jim Webb, long a favorite of Vice President Lyndon Johnson, saw that the House committeemen really were serious about their go-slow commands, he took his case to Johnson's territory on the other side of Capitol Hill—to the Senate Aeronautical and Space Sciences Committee. After a brief effort to get Webb to suggest cuts in his own budget, the Senators settled into a discussion of the pork-barrel features and forgot the high-flown national goals. Senator SPESSARD L. HOLLAND, Democrat, of Florida, irked by the $21 million "reprogramed" into Texas for that mission-control center, spent the better part of a morning extracting a line-by-line explanation of precisely how the agency planned to spend $312,855,000 in Florida.

"I want a clear picture of what you plan to do in Florida next year," he demanded of Webb. A wag at the press table penned a quick sketch of a barrel-shaped satellite circling the earth and labeled "Orbiting Pork Barrel."

But the committeemen pushed ahead unabashed. Senator KENNETH B. KEATING, Republican, of New York, for example, made a "formal request for what you plan in New York."

Pork-barreling became intimately associated with NASA operations back in 1961 when the agency picked Houston as the site of the Manned Spacecraft Center. Representative ALBERT THOMAS, of Houston, chairman of the House Appropriations Subcommittee that considers NASA's budget, reportedly let it be known that the center must be situated where it would benefit his Eighth Congressional District or NASA would get no money for it.

This year, the big pork-barrel issue was the $56 million electronics research center the space agency wants to build in the Boston area. The center was widely viewed as an aid to the President's brother, Senator EDWARD M. (TEDDY) KENNEDY, in redeeming his campaign promise to "do more" for Massachusetts.

The House committee took 600 pages of testimony on this and gave it only limited approval. While the space budget debate dissolved into questions of spreading the wealth, Jim Webb worked the telephone and the halls of Senate office buildings. In the end he succeeded in having over half of the House cuts restored.

Despite the leadership of the House committee, many lawmakers were still timid when asked to judge big science. Representative KATHARINE ST. GEORGE, Republican, of New York, allowed that none but "very advanced scientists" could understand the budget, which Congressmen must accept "on faith."

Yet the fact is that every voter, like every legislator, has the right and competence to express an opinion about the space program—not only because he is paying for it but because the pace of the program is directly related to national goals. In 1961, after the Soviets had placed the first man in orbit, President Kennedy challenged Russia to a race to the moon. His challenge came after a small group of men in Government decided that such a race was one we stood a reasonably good chance of winning and one that would give our national prestige an uplift. Caught up in the emotion of the moment, Congress approved the idea unanimously, paying little attention to the price tag.

Now men inside and outside Government are having second thoughts, and these may yet be translated into stiff budget cuts in the days ahead. Representative THOMAS M. PELLY, Republican, of Washington, a member of the House Committee on Science and Astronautics, took the floor during the debate on the space budget and cited a number of scientists who had questioned the value of the moon project.

Among them was Dr. Polykarp Kusch, who measures the program against such national needs as slum clearance; stopping the pollution of our streams and atmosphere; finding cures and preventatives for mental and physical diseases, and searching out scientific mysteries on our own planet. Against these needs he finds the project to allow two men to bathe in lunar dust somewhat frivolous.

NASA's leaders are befuddled by such criticism. They reply that the money diverted from space would not necessarily go into new housing or a cure for schizophrenia. They do not try to justify their program on purely scientific grounds. They admit they are running a race for space supremacy and that the race is intimately bound up in international politics.

"You should see how much we have to keep attuned to the State Department," declares one NASA official. He says that President Kennedy considers NASA part of a triumvirate with the Pentagon and State which, in some not-quite-tangible way, protects security.

NASA Chief Jim Webb believes John Glenn's flight "made the Russians change their mind about Cuba, because we took on the image of a 'can do' nation." The Apollo project, he thinks, will not only help military missile development and produce a lot of scientific information, but will impress the "many, many nations around the world who are so weak they can't afford to be with anyone but a winner and who are looking awfully hard to find a winner."

Surveys abroad by the U.S. Information Agency reportedly show a tremendous interest in the American space program. Yet many have begun to question the propagandistic value, feeling the world is getting a little bored with space flights. They wonder, too, whether the scientific information and defense byproducts couldn't be purchased more cheaply.

Above all, they do not accept the thesis that the answers to such important policy questions should be accepted "on faith." They feel the American people and their lawmakers should make the decisions, and should decide after a calm, complete debate, not in the heat of the moment with astronauts and cosmonauts whirling overhead. That kind of decision has never really been made.

[From Reader's Digest, July 1964]

HOW HASTE IN SPACE MAKES WASTE

(By Joe Alex Morris)

The U.S. space program has two faces, and—like the moon at which much of it is aimed—one face is familiar to everybody; the other is largely unknown.

The widely publicized face represents great scientific and technological achievement, with potential benefits of vast importance to our future welfare and security. With the successful orbiting of almost 60 scientific and military payloads in 1963 (compared with 17 for the Russians), some of this potential is beginning to be realized.

Unhappily, the space program's little-known face reflects the swiftest mushrooming of a bureaucratic empire in history, with an unprecedented potential for waste, blunders, mismanagement, selfish political pressures and outrageous pork-barrel grabs of the taxpayers' dollars. Some of this deplorable potential has been realized, and a great many thoughtful people, both in and out of Government, are beginning to ask some searching questions about our long-range space spending.

For example: Is so much headlong and extravagant speed in our nonmilitary space effort setting a disastrously expensive precedent for future interplanetary exploration? Will we find that the possible propaganda benefits of beating the Russians to the moon are not worth all the mistakes and confusion, the wasted billions, which inevitably attend a high-pressure program of this magnitude? Can we continue such a costly pace (studies now are being made for a possible manned flight to Mars in 1973) without courting national bankruptcy?

In the almost 6 years of its existence, the National Aeronautics and Space Administration (NASA) has spent about $12.6 billion, six times the cost of the wartime Manhattan project, which produced the atomic bomb. At its present rate of expenditure—about $5.3 billion a year—total appropriations will have topped $44 billion by the time of the moon launching, if it comes, in 1970. This adds up to about $30 a year for every man, woman, and child in the United States.

BIGGER THAN ALL OUTDOORS

Everything about NASA's program is so huge that it almost defies comprehension. Whole new industrial complexes have sprung up in answer to its demands, and new housing facilities for its people spread across the landscape.

Brevard County in east-central Florida, where Cape Kennedy is located, is typical. Its population jumped from 23,652 in 1950 to 153,000 in 1963, and is expected to climb to at least 250,000 by 1970. Now the older installations on Cape Kennedy are inadequate for the enormous Saturn V moon vehicle which will stand 362 feet high, develop a thrust of 7,500,000 pounds and cost $100 million apiece. Consequently, NASA purchased a new 88,000-acre launching site on nearby Merritt Island at about $200 an acre. Here it is constructing—for an estimated $750 million—a complex of 50 buildings and pads, 17 miles of railroad, a four-lane causeway, a bank, hospital, police and fire stations, and a heliport.

The key item in this installation is an unbelievable Vertical Assembly Building. It will cost $100 million, and will be taller than any structure south of the Washington Monument, and larger in cubic volume than the Pentagon. To provide a solid foundation for the building, it was necessary to drive over 4,000 steel pipes 160 feet down to limerock. Total cost of the foundation: $8 million.

The Florida space complex is only one of a dozen major NASA installations and numerous secondary facilities—such as the Marshall Space Flight Center in Alabama, the Ames Research Center in California, the Michoud plant on the outskirts of New Orleans, a new testing area in Hancock County, Miss., and the Manned Spacecraft Center at Houston. Nobody can estimate accurately what percentage of NASA's huge expenditures—especially those for research and development—is wasted. In anything as new as space exploration there are bound to be some errors and false starts. Yet evidence is mounting, month by month, that speed and the bungling which it breeds have resulted in flagrant and needless waste.

MISCALCULATED RISKS

For example, a mistake in specifying the permissible weight of the Surveyor spacecraft designed to orbit the moon made it necessary to redesign the craft completely, increasing the cost by $20 million.

The General Accounting Office (GAO) estimated in 1963 that bungling by NASA and private industry cost taxpayers $100 million in the Atlas-Centaur launch vehicle development program. Management of this project (since reorganized) was described as "less than adequate." To cite only one error, the first Centaur vehicle blew up 54 seconds after its launching in May 1962—a failure which should have been foreseen and avoided, a board of inquiry found, because data available 20 months earlier indicated that the Centaur's weather shield was not designed to withstand the pressure it would meet.

NASA's 1962 probe of the planet Venus was officially hailed as highly successful. Take a look, however, at the history.

In 1960 it was decided to launch an 1,100-pound Mariner spacecraft atop an Atlas-Centaur booster in the summer of 1962, to reach Venus when the planet would be in the most favorable position in relation to the Earth. The craft would carry 16 instruments to report on conditions on and around Venus. It soon became apparent, however, that the Atlas-Centaur would not be ready in time. The target date could have been delayed 19 months until Venus was again in a favorable position. Instead, NASA had the Mariner redesigned—at a cost of $4 million.

The new version, weighing only 447 pounds, was launched late in July 1962 atop an Atlas-Agena B rocket. But because of an error in the programing of automatic steering instructions, the rocket went haywire and had to be destroyed. Cost: $20 million. Then, on August 27, Mariner II was launched. It subsequently passed within 21,000 miles of Venus.

This in itself was a notable technological achievement. "But it was more of a stunt than a contribution to science," a noted scientist said recently. "When the size of the Mariner was reduced by more than half, 8 of the 16 scientific instruments aboard had to be dumped. As a result, the spacecraft was not properly equipped. The project added virtually nothing to our knowledge of the planet. The NASA people were in too big a hurry."

CART BEFORE THE HORSE

Lax management may have been a major cause of waste in Project Ranger. This project is under the technical direction of the Jet Propulsion Laboratory at Pasadena through a million-dollar-a-year NASA contract with the California Institute of Technology. In the Ranger program, which so far has cost some $250 million, there have been six failures in six attempts to make closeup photographs of the moon. NASA officials investigating the failures reported that the laboratory had resisted proposed changes to improve reliability of the spacecraft, and had followed a "shoot and hope" policy in its testing.

Some of NASA's major problems have arisen from the fact that research and development have been conducted concurrently instead of making sure, as one Congressman put it, that "the scientific homework is completed before trying to build something." In other words, the desire for speed has tended to get the cart before the horse.

Consider Project Rover, an attempt to produce a nuclear-powered rocket for deep space travel—which so far has cost NASA and the Atomic Energy Commission about $450 million. In the hope of completing the project sometime in the 1970's, work had been proceeding on three stages of development simultaneously: testing prototype reactors on the ground, design and construction of a nuclear rocket and reactor-in-flight tests. But the first stage of ground testing last year was an outstanding failure, largely because of insufficient research. The whole program had to be rearranged, and Rover's schedule is now highly uncertain. Nobody can say accurately how much of the original $450 million was wasted by the attempted speedup.

THE MONEY MOON

A vivid inside view of the fantastic and wasteful costs involved in any vast crash program is provided by the early history of Project Apollo—the attempt to place men on the moon. When the moon trip was first discussed, NASA's Administrator, James E. Webb, and his top assistants ordered a detailed study of what would be required and what it would cost. They found that thousands of different elements were needed, from huge launch pads to space suits to wear on the moon. The total tab was about $12.5 billion.

But experience told them they didn't yet have the correct figure. So Webb added an "administrator's markup" of about 60 percent. That brought the total to $20 billion, which President Kennedy then announced as the estimated cost of Project Apollo.

The record demonstrates, however, that NASA cost estimates—even after arbitrary markup—suffer from a powerful tendency toward escalation. Costs of given projects often double or triple before completion. Project Mercury for manned orbit of the earth began as a $200-million program but ended up costing almost $400 million. Project Gemini to put two men in orbit was first estimated at $500 million, but the program has expanded rapidly and will top a billion. The Manned Spacecraft Center in Texas rapidly grew from an original $60 million estimate to a $250 million installation. Most experts now believe that the price tag for placing men on the moon will double—that NASA will have spent some $40 billion on Apollo by 1970.

In the end Project Apollo itself could turn out to be the greatest waste. Many authorities believe it is highly unlikely that man can reach the moon in this decade. As yet, we haven't even been able to land instruments to determine what is on the surface of the moon. Recent discoveries raise a question whether the danger of radiation from solar flares may be far greater for moon voyagers than previously believed. And there are many other stubborn problems yet to be solved.

Even assuming eventual success, enormous waste was built into Project Apollo by turning it for propaganda reasons into a crash program. The political decision to put men on the moon by 1970 was made hurriedly—"over a weekend," one NASA scientist remarked caustically—and at a time when even the ablest scientists could not foresee the magnitude of the task. The decision meant that, instead of developing space capability step by step, the project was vastly speeded up to keep Apollo on schedule at any cost.

COST-PLUS

Further waste was built into our space program because, in the past, most NASA research-and-development projects have been on cost-plus-fixed-fee contracts. The fee or profit is fixed in advance, but the contractor's cost are paid as they accrue. In some cases, of course—especially in research and development, where costs may be unknowable in advance—this system is essential. But its defect is that contractors. knowing they will be repaid anyway, sometimes grow careless about how much they spend.

Only in recent months has NASA begun to exert better control—through incentive contracts—over spending of contractors. Since some of the spiraling costs come about because NASA changes objectives as a program progresses, aims should be more accurately determined before the contracts are let.

WHO'S RESPONSIBLE?

It would be easy but unreasonable to place all the blame for waste in our space program on NASA's management. To be sure, the agency has demonstrated an uninhibited ability to spend money, but it also has been asked to perform a near miracle in getting the United States to the top fast in space capability. Haste, as usual, has made waste, and the responsibility rests primarily upon the administration and Congress.

Administrator Webb insists that, after several reorganizations during the past 2 years, the agency has been brought under efficient control and "the right people have been put in the right spots." One can hope that this is true. One can also hope that, as we move to other projects even more daring and difficult, Congress will remember Webb's statement: "Our space program has a brake as well as a throttle. We can and will operate on whatever money Congress comes up with."

Right there, of course, lies the crux of the problem. It is not easy to apply the brake. The States and communities that now benefit hugely from NASA spending also exert powerful pressure to keep the golden stream of dollars flowing, while the States that have been left out clamor for their share. This leads to political deals—and to a skyborne pork barrel, which already has become a powerful factor in economic life here on earth.

[From the New York Times, Aug. 2, 1964]

TRIUMPH FOR "RANGER 7"

Publication of the first sample of lunar pictures taken by *Ranger 7* confirms with extraordinary force that this rocket's flight has been one of the most successful and productive experiments in scientific history. The exquisite clarity of the closeups of the moon's surface transmitted to earth assure that this event will be recorded as the real beginning of serious human exploration of the moon from the neighborhood of that satellite.

The full exploitation and analysis of new information will take several years, but even the first preliminary study has cleared up major problems and dispelled previous ignorance on important matters. The principal conclusion, of course, is that much of the lunar surface is smooth enough to be suitable for safe landing on it of manned vehicles. Areas of extreme roughness, with numerous medium-sized and small craters previously unknown, have also been found, alerting Project Apollo planners to the importance of avoiding such regions. The fears reputable scientists had expressed earlier about the possibility that the moon was covered with a thick layer of dust, in which vehicles or men landing there might be buried, have been shown to be baseless.

The conception behind *Ranger 7*'s flight has proved sound, and there is every reason for confidence that more such flights will greatly extend man's knowledge of lunar geography and topography. They should also help answer many questions about the forces that have shaped this satellite and its weird surface. Clearly, enormous amounts of information about the moon can be gathered by unmanned rockets, like *Ranger 7*, carrying cameras and other instruments.

As President Johnson indicated yesterday, the day is not distant when it will be possible to land men on the moon. But it is now plainer than ever that there is no great scientific necessity for racing to achieve this goal and thus vastly increasing the price in money and human peril. The potentiality for obtaining so much more information relatively cheaply from unmanned, instrument-carrying rockets strengthens the case for abandoning the arbitrary 1970 deadline for Project Apollo and substituting a schedule permitting orderly progress toward a manned voyage to the moon without hazards or costs dictated only by the desire to achieve this objective under maximum draft.

The PRESIDING OFFICER. Do the Senators yield back the remainder of their time?

Mr. MAGNUSON. I yield back the remainder of my time.

Mr. PROXMIRE. I yield back my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Wisconsin [Mr. PROXMIRE].

Mr. PROXMIRE. I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CLARK (when his name was called). On this vote I have a pair with the Senator from New Mexico [Mr. ANDERSON]. If he were present and voting he would vote "nay." If I were permitted to vote, I would vote "yea." I withhold my vote.

Mr. McGOVERN (when his name was called). On this vote I have a pair with the Senator from Massachusetts [Mr. KENNEDY]. If he were present and voting he would vote "nay." If I were permitted to vote, I would vote "yea." I withhold my vote.

The rollcall was concluded.

Mr. HUMPHREY. I announce that the Senator from Maryland [Mr. BREWSTER], the Senator from Arizona [Mr. HAYDEN], the Senator from Georgia [Mr. TALMADGE], and the Senator from Tennessee [Mr. WALTERS] are absent on official business.

I also announce that the Senator from New Mexico [Mr. ANDERSON] and the Senator from Massachusetts [Mr. KENNEDY] are absent because of illness.

I further announce that the Senator from Nevada [Mr. CANNON] and the Senator from Oklahoma [Mr. EDMONDSON] are necessarily absent.

I further announce that, if present and voting, the Senator from Maryland [Mr. BREWSTER], the Senator from Nevada [Mr. CANNON], the Senator from Oklahoma [Mr. EDMONDSON], the Senator from Arizona [Mr. HAYDEN], and the Senator from Georgia [Mr. TALMADGE] would each vote "nay."

Mr. KUCHEL. I announce that the Senator from Arizona [Mr. GOLDWATER] is necessarily absent.

The result was announced—yeas 20, nays 69, as follows:

[No. 518 Leg.]

YEAS—20

Burdick
Byrd, Va.
Church
Cooper
Cotton
Douglas
Fulbright
Gruening
Lausche
Miller
Morse
Nelson
Pell
Prouty
Proxmire
Robertson
Scott
Simpson
Williams, Del.
Young, Ohio

NAYS—69

Aiken
Allott
Bartlett
Bayh
Beall
Bennett
Bible
Boggs
Byrd, W. Va.
Carlson
Case
Curtis
Dirksen
Dodd
Dominick
Eastland
Ellender
Ervin
Fong
Gore
Hart
Hartke
Hickenlooper
Hill
Holland
Hruska
Humphrey
Inouye
Jackson
Javits
Johnston
Jordan, N.C.
Jordan, Idaho
Keating
Kuchel
Long, Mo.
Long, La.
Magnuson
Mansfield
McCarthy
McClellan
McGee
McIntyre
McNamara
Mechem
Metcalf
Monroney
Morton
Moss
Mundt
Muskie
Neuberger
Pastore
Pearson
Randolph
Ribicoff
Russell
Salinger
Saltonstall
Smathers
Smith
Sparkman
Stennis
Symington
Thurmond
Tower
Williams, N.J.
Yarborough
Young, N. Dak.

NOT VOTING—11

Anderson
Brewster
Cannon
Clark
Edmondson
Goldwater
Hayden
Kennedy
McGovern
Talmadge
Walters

So Mr. PROXMIRE's amendment was rejected.

LEGISLATIVE PROGRAM

Mr. DIRKSEN. Mr. President, will the Senator from Washington yield, so that I may interrogate the distinguished majority leader?

Mr. MAGNUSON. I yield.

Mr. DIRKSEN. I should like to ask the distinguished majority leader what remains for the rest of the day; and I should like to ask the distinguished Senator from Wisconsin whether he contemplates asking for a record vote on his other amendment.

Mr. PROXMIRE. I expect to have no further record votes on my amendment.

Mr. MANSFIELD. It would be the anticipation of the leadership at the conclusion of the consideration of the pending bill the Senate would stand adjourned until 12 o'clock noon tomorrow. Based upon the statement of the distinguished Senator from Wisconsin, we may be able to consider the passage of the pending bill by a voice vote.

The purpose of having the Senate convene at 12 o'clock noon tomorrow would be to give certain committees a chance to meet and to catch up with proposed legislation that is pending before them.

I would hope—and I invite the attention of the Senator from Wisconsin, if I may have it—that the Senate would be able to proceed to the consideration of the public works appropriation bill on Friday of this week.

Mr. ROBERTSON. Mr. President, I should like to move tomorrow that the Senate concur in the amendments of the House to the SEC bill. The House exempted some insurance companies. It is more important to pass the bill than to insist on our bill.

Also, I hope the majority leader will permit the senior Senator from Virginia [Mr. Byrd] to call up a little bill that will enable a Baptist church, located at a historic place where one of the relatives of George Washington lived, to buy 3 acres of land at full market value, in order that some of the military personnel and others may attend services there.

Mr. MANSFIELD. The House amendments to the SEC bill will be called up tomorrow, if that answer will satisfy the distinguished Senator from Illinois, the minority leader.

I should like to ask the distinguished Senator from Washington [Mr. Magnuson] to yield a few minutes to the distinguished senior Senator from Virginia for the purpose already expounded by the distinguished junior Senator from Virginia.

Mr. DIRKSEN. I should like to ask the majority leader about the resolution with respect to the unpleasantness in southeast Asia. It is likely to be reported by the committees tomorrow.

Mr. MANSFIELD. If it is reported, it will be taken up tomorrow.

COMMITTEE MEETINGS DURING SENATE SESSION TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Committee on Foreign Relations and the Committee on Armed Services be permitted to meet during the session of the Senate tomorrow.

The PRESIDING OFFICER (Mr. Bayh in the chair). Is there objection? The Chair hears none, and it is so ordered.

SALE OF PROPERTY TO WOODLAND BAPTIST CHURCH, FAIRFAX COUNTY, VA.

Mr. MAGNUSON. Mr. President, I yield to the distinguished senior Senator from Virginia such time as he may need.

Mr. BYRD of Virginia. Mr. President, I ask unanimous consent that the pending business be temporarily laid aside and that the Senate proceed to the consideration of H.R. 11064.

The PRESIDING OFFICER. The bill will be stated by title.

The bill (H.R. 11064) to provide for the conveyance of certain real property of the United States, situated in the State of Virginia, was read twice by its title.

Mr. BYRD of Virginia. Mr. President, the bill provides for the sale of property to the Woodland Baptist Church, Fairfax County, Va., at full value as determined by the Secretary of the Army.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (H.R. 11064) was considered, ordered to a third reading, and passed.

INDEPENDENT OFFICES APPROPRIATIONS, 1965

The Senate resumed the consideration of the bill (H.R. 11296) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices for the fiscal year ending June 30, 1965, and for other purposes.

Mr. PROXMIRE. Mr. President, I call up my amendment No. 1169. I ask unanimous consent that the reading of the amendment be dispensed with and that the amendment be printed in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 2, line 22, strike out "$4,855,000" and insert "$4,285,000".

On page 2, line 23, strike out "$600,000" and insert "$250,000".

On page 4, line 2, strike out "$950,000" and insert "$880,000".

On page 4, line 19, strike out "$85,000,000" and insert "$70,000,000".

On page 5, line 7, strike out "$69,200,000" and insert "$19,200,000".

On page 6, lines 11–12, strike out "$9,250,000" and insert "$8,500,000".

On page 6, line 23, strike out "$10,775,000" and insert "$10,440,000".

On page 7, line 9, strike out "$86,124,000" and insert "$79,000,000".

On page 8, line 1, strike out "$22,187,000" and insert "$21,805,000".

On page 11, line 5, strike out "$277,000" and insert "$270,000".

On page 12, line 3, strike out "sixteen" and insert "twelve".

On page 12, line 4, strike out "twelve" and insert "eight".

On page 12, line 5, strike out "$544,100,000" and insert "$537,600,000".

On page 12, line 9, strike out "$6,344,000" and insert "$6,000,000".

On page 12, line 10, strike out "406" and insert "396".

On page 12, line 25, strike out "$66,000,000" insert "$50,000,000".

On page 14, line 9, strike out "$42,000,000" and insert "$21,000,000".

On page 14, line 16, strike out "$3,600,000" and insert "$3,530,000".

On page 15, line 4, strike out "$1,800,000" and insert "$1,620,000".

On page 16, line 19, strike out "$16,460,000" and insert "$16,310,000".

On page 17, lines 1–2, strike out "$12,699,000" and insert "$12,180,000".

On page 17, line 10, strike out "$13,025,000" and insert "$12,725,000".

On page 18, line 4, strike out "$224,570,000" and insert "$213,800,000".

On page 19, line 23, strike out "$161,247,500" and insert "$151,722,000".

On page 35, line 7, strike out "$52,420,000" and insert "$48,920,000".

On page 35, line 22, strike out "$15,155,000" and insert "$14,955,000".

On page 36, line 11, strike out "$5,765,000" and insert "$5,465,000".

On page 37, line 4, strike out "$3,000,000" and insert "$2,875,000".

On page 38, line 14, strike out "$1,530,000" and insert "$1,505,000".

On page 39, line 14, strike out "$21,840,000" and insert "$19,565,000".

On page 43, line 9, strike out "$15,925,000" and insert "$15,525,000".

On page 43, line 12, strike out "$3,500,000" and insert "$3,250,000".

On page 44, line 21, strike out "$50,000".

On page 45, line 23, strike out "$16,084,000" and insert "$15,484,000".

On page 46, line 7, strike out "thirty-eight" and insert "thirty-six".

On page 46, line 8, strike out "$25,710,000" and insert "$25,260,000".

On page 47, line 4, strike out "$4,413,494,000" and insert "$4,313,594,000".

On page 51, line 20, strike out "$155,250,000" and insert "$155,000,000".

On page 52, line 8, strike out "$14,500,000" and insert "$14,200,000".

On page 52, line 13, strike out "$38,000,000 of which $1,275,000" and insert "$36,000,000 of which $1,170,000".

On page 54, line 12, strike out "$39,600,000" and insert "$34,600,000".

On page 55, line 1, strike out "$98,733,000" and insert "$91,233,000".

On page 65, line 22, strike out "$10,375,000" and insert "$9,000,000".

On page 66, line 6, strike out "$78,750,000" and insert "$75,000,000".

Mr. PROXMIRE. Mr. President, I ask unanimous consent that I may yield 1 minute to the distinguished Senator from Connecticut, without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUPPORT BY SENATOR DODD OF PRESIDENT JOHNSON'S ACTION ON VIETNAM

Mr. DODD. Mr. President, the immediate retaliatory action ordered by President Johnson against the North Vietnamese gunboats which had attacked our destroyers on the high seas and against their supporting facilities in North Vietnam will, I am certain, be approved by the overwhelming majority of the American people and by their Representatives in Congress.

President Johnson has made it clear that our response was limited, that we have no intention of spreading the conflict, but that our Government is prepared to take whatever measures may be necessary in order to defend the freedom of the seas and the freedom of southeast Asia.

I believe that President Johnson's prompt and decisive action is a blow for freedom and a blow for peace.

The Asian Communists for many years now have been assiduously spreading the story that the United States is a "paper tiger." They have been telling people in southeast Asia that all of the administration's actions on South Vietnam and all of its statements reconfirming our commitment to the freedom of the area, are just so much bluff because the administration's hands would be tied by the forthcoming election campaign.

Perhaps they really believed their own propaganda. Perhaps they believed that there would be no retaliation if they staged this attack on American vessels on the high seas, 65 miles distant from their own coastline. Perhaps they planned to further humiliate us in this way, and thus prove to their own people and to the other peoples of Asia that the United States is indeed no more than a "paper tiger." This, as I see it, is the only plausible explanation for what would otherwise appear to be an insane act of recklessness.

President Johnson's decisive action and the immediate support it has received from leaders of both political parties should suffice to persuade the North Vietnamese Communist leaders and their masters in Peiping that the differences which separate Republicans and Democrats and the current domestic emphasis on campaign politics do not in any way affect the essential unity of our Nation, nor do they reduce the ability of the administration to respond to open Communist aggression.

The President's action has, in short, given the lie to the Communist propaganda that our statements about South Vietnam are bluff and that the United States in a preelection period is incapable of acting decisively.

History teaches us that the failure to respond to one act of aggression inevitably begets further acts of aggression; that weakness and appeasement make the peace of the world less secure, not more secure, because they encourage the aggressors to believe that they can get away with it. It is this lesson that President Johnson was referring to when he said:

> Firmness in the right is indispensable today for peace. That firmness will always be measured. Its mission is peace.

I hope that Congress will move immediately to record its support for the action taken by President Johnson.

INDEPENDENT OFFICES APPROPRIATIONS, 1965

The Senate resumed the consideration of the bill (H.R. 11296) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies and offices, for the fiscal year ending June 30, 1965, and for other purposes.

Mr. PROXMIRE. Mr. President, this amendment reduces the total appropriations recommended by the Senate Appropriations Committee for independent offices by $293,899,050. Amendment No. 1169 accomplishes this by reducing Senate Appropriation Committee recommendations to the House level. The House appropriated $8,091,698,000 for independent offices, and in addition the House Appropriations Committee recommended an expenditure of $5,200 million for our space program, which was knocked out by a point of order on the House floor because NASA funds had not yet been authorized. Thus, in the normal course of events, the House figure would probably have been $13,291,698,000. This represents a House increase over fiscal 1964 of $49,097,450.

The Senate Appropriations Committee increase over the House figure represents a whopping $342,997,500 increase over fiscal 1964. Thus, the Senate increase over last year is almost seven times as great as the House increase.

Mr. President, in January of this year, President Lyndon Johnson pledged a "reduction in Federal expenditures and Federal employment." He then went on to say "by curtailing less urgent programs * * * I am able to recommend in this reduced budget the most Federal support in history for education, for health, for retraining the unemployed, and for helping the economically and the physically handicapped." But does the independent offices increase recommended by the Senate Appropriations Committee mean an increase in those areas of social concern the President referred to in his budget message? Does it mean an increase in education, health, retraining of the unemployed, for helping the economically and physically handicapped? The answer must be a resounding "No."

The bulk of this budget increase simply means more money for two very, very fat cats—the Federal Aviation Agency and the National Aeronautics and Space Administration. The Federal Aviation Agency, of which I shall have more to say when I discuss my amendment No. 1171, would get $60,657,500 more than they got last year. My amendment would knock out $43,750,000 of this amount by reducing the increase to that approved by the House. NASA would get a fantastic $200 million more than they received last year, should the Appropriations Committee figure be approved. Here again, my amendment would cut this figure down to the amount that would in all probability have been approved by the House had not a point of order been raised. This represents a decrease of $100 million.

The third substantial cut made by my amendment is in the civil defense agency's budget. The House cut more than $22 million from last year's appropriations. The Senate Appropriations Committee recommends an increase over last year of $42,631,000. This is $65 million over the House-approved figure. Again, my amendment would eliminate the $65 million increase. The bulk of this figure would go for shelter survey and marking. The House report felt that the great amount requested should not be approved because "the entire fallout shelter program is under study and review."

Consequently, the three biggest cutbacks my amendment makes—in NASA FAA, and civil defense—amount to $208,750,000, more than two-thirds of the total amount my amendment would save. Surely, these funds should be cut, if we use President Johnson's criterion of social utility in evaluating budget requests.

Finally, I would stress again, as I have so often before, that to increase Federal expenditures in a year of reduced taxes, and thus to accentuate our budget deficit, is irresponsible. We are not keeping faith with the American taxpayer. This is especially so, when no social ills are attacked by the increases.

Mr. President, I ask unanimous consent that a table explaining the amendment in greater detail be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

AMENDMENTS TO INDEPENDENT OFFICES APPROPRIATIONS BILL

AMENDMENT TO KNOCK TOTAL DOWN TO HOUSE FIGURE

The House appropriated $8,091,698,000. In addition to this, the House Appropriations Committee recommended $5,200 million for NASA which was knocked out on a point of order because these funds had not yet been authorized. Thus, in the normal course of events, the House figure would probably have been $13,291,698,000:

House figure	$8, 091, 698, 000
House recommendation for NASA	5, 200, 000, 000
House total	13, 291, 698, 000

The Senate committee recommended $13,585,597,050, an increase of $293,899,050 over the House total:

Senate recommendation	$13, 585, 597, 050
House total	13, 291, 698, 000
Senate increase	293, 899, 050

This amendment would reduce the total appropriation by $293,899,050 from $13,585,597, 050 to $13,291,698,050.

The budget request was for $14,221,511,400. The House version cuts $929,813,400 off this while the Senate cuts only $635,914,350:

Budget request	$14, 221, 511, 400
House version	13, 291, 698, 000
House cuts	929, 813, 400
Budget request	14, 221, 511, 400
Senate version	13, 585, 597, 050
Senate cuts	635, 914, 350

The fiscal year 1964 appropriations totaled $13,242,600,550. Thus the House would increase this for fiscal year 1965 by $49,097,450, while the Senate would make a whopping $342,997,500 increase over fiscal year 1964:

House version	$13, 291, 698, 000
Fiscal year 1964 appropriations	13, 242, 600, 550
House increase over fiscal year 1964	49, 097, 450
Senate version	13, 585, 597, 050
Fiscal year 1964 appropriations	13, 242, 600, 550
Senate increase over fiscal year 1964	342, 997, 500

Thus the Senate increase over last year is almost seven times as great as the House increase.

Mr. PROXMIRE. Mr. President, I reserve the remainder of my time.

Mr. WILLIAMS of New Jersey. Mr. President, will the Senator from Washington yield?

Mr. MAGNUSON. I yield 1 minute to the Senator from New Jersey.

The PRESIDING OFFICER. The Senator from New Jersey is recognized for 1 minute.

Mr. WILLIAMS of New Jersey. Mr. President, I oppose the amendment offered by the distinguished Senator from Wisconsin. The amendment would reduce from $42 million to $21 million the appropriations for Federal Aviation Agency research and development.

Mr. President, I hope that the Senate will accept the recommendation of our Appropriations Committee and approve the full amount requested by the administration for Federal Aviation Agency research and development. I was surprised to learn that the $42 million requested for FAA research will be—if it is approved—almost all that is being spent in the entire country on the effort to improve air safety.

The main challenge facing aeronautical science today is making air travel safer. During 1963, 896 persons were killed in nonmilitary airplane accidents in this country. The worldwide fatality rate, approximately 11 deaths per billion passenger miles flown, has not been reduced at all during the last 10 years.

Yet, commercial aviation is a rapidly expanding industry throughout the world. If air traffic continues to increase and there is no reason to believe it will not, we shall be averaging one major air disaster every day by the end of the 1980's, unless the fatality rate can be reduced. This could mean as many as 15,000 persons killed every year.

I see no reason why we have to accept a situation like this when, by continuing and expanding research projects already undertaken by air safety experts, we have a good chance to make significant advances in the reduction of flight hazards.

The National Aviation Facilities Experimental Center, near Atlantic City, N.J.—NAFEC—is one of this Nation's No. 1 research resources. Yet, if the House-approved appropriation for FAA research were approved, 25 to 30 percent of the Center's 1,300-man work force might be laid off, and half or more of the research projects now underway would have to be dropped.

Mr. President, I submit that this is the most false and dangerous kind of economy, and I strongly urge approval of the Senate Appropriations Committee recommendation of $42 million for FAA research and development.

I ask unanimous consent that a brief description of NAFEC projects, prepared at my request by Mr. Joseph Blatt, Research Director for the Federal Aviation Agency, be printed in the RECORD. This statement will show, in somewhat more technical terms, what the House action would mean to air safety research, and all who travel by air, if it were allowed to stand.

There being no objection, the description was ordered to be printed in the RECORD, as follows:

> The House action, cutting the budget request made by the President for the Federal Aviation Agency's Research and Development appropriation by 50 percent will seriously disrupt the Agency's efforts to make significant improvements in the National Airspace System in the next few years. Specifically:
>
> 1. The proposed budget contemplated $18.1 million for the development, test, and evaluation of components, systems, and procedures for the control of en route and terminal air traffic. The primary effort under the budget plan was to develop the equipment and procedures for the first phase of a semiautomated system during fiscal year 1965. Current fiscal year funds have been utilized to order the development of a significant portion of the engineering model equipment to be delivered to the National Aviation Facilities Experimental Center. The proposed reduction will force the Agency to defer the purchasing of the additional equipment required for the completion of the model. This will result in reduced effort at NAFEC and the delay of improvements in the field environment until adequate funds are provided in a future year to complete the developmental effort.
>
> 2. One of the most important research and development efforts of the Agency has been the progressive development of components to lower the permissive meteorological minima for approach and landing and ultimately develop an all-weather landing capability. The major emphasis in fiscal year 1965 was the development and implementation at NAFEC of an integrated all-weather final approach flareout and landing system with all-weather takeoff minima. Under the proposed reduction we will have to limit our efforts to the so-called category II (100-foot ceiling and one-quarter mile visibility) effort; thus denying aviation the degree of reliability and safety under all-weather conditions that the state-of-the-art could provide.
>
> 3. The radical reduction in funds will force the Agency to reappraise its decision with respect to future programs at NAFEC. As a minimum a significant reduction must be made in the personnel working on research and development projects at Atlantic City. It is estimated that this reduction in personnel will be extremely destructive of the capability that has been developed at Atlantic City over the past 5 years. It will constitute a threat to our personnel and a serious deterrent to future programs, through the reduction of the most competent personnel now on hand at NAFEC who form the nucleus of a most valuable national asset.
>
> 4. At NAFEC a portion of our effort is devoted toward applied research which involves looking at advances in the state-of-the-art and investigations looking toward the resolution of problems in the national airspace. The proposed reduction will force the Agency to eliminate this type of activity and to disband the organization we have created to work in this area.
>
> 5. The reduction will cause the Agency to completely eliminate such investigations as the utilization of very-low-frequency techniques for the resolution of long-distance transoceanic and transcontinental navigation problems and airborne collision prevention systems.
>
> 6. Work in improvement in aircraft lighting and design, improved communications, improved weather data presentation equipment, improvements to our radar acquisition system, and the development of improvements in flight inspection equipment will be seriously curtailed at NAFEC.

Mr. WILLIAMS of New Jersey. Mr. President, I urge a resounding "no" vote for the amendment of the Senator from Wisconsin.

Mr. JAVITS. Mr. President, will the Senator from Washington yield?

Mr. MAGNUSON. I yield 3 minutes to the Senator from New York.

The PRESIDING OFFICER. The Senator from New York is recognized for 3 minutes.

FLIGHT SERVICE STATIONS

Mr. JAVITS. Mr. President, on January 31, 1964, the Federal Aviation Agency announced that it intended to consolidate 42 flight service stations throughout this country in the interest of economy. Three of the flight service stations to be closed are located in Elmira, Poughkeepsie, and Utica, N.Y. The FAA's proposed action, consequently, has been a matter of vital importance and concern both to the communities affected and to New York State as a whole.

The problem of the consolidation of the flight service stations has been the subject of careful study by the Subcommittee on Transportation and Aeronautics of the House Committee on Interstate and Foreign Commerce, which held hearings on this subject on May 12, 1964. The report of the subcommittee is expected to be filed in the near future. The subject was also considered on the floor of the House on May 21, 1964, during debate on the independent offices appropriations bill. At that time, the House adopted an amendment to continue operations of certain flight service stations until the end of the fiscal year. Regrettably, the Senate Appropriations Committee did not include this amendment in the bill which it reported July 30, 1964. However, there are assurances which the Administrator of the Federal Aviation Agency gave in his letter to me of January 31, 1964, that the program of consolidation would be carried out during the next 12 to 24 months; therefore, not until, at the earliest, next February.

The Administrator testified before the Independent Offices Appropriations Subcommittee, at page 1475 of the record of hearings that the FAA had abandoned the scheme to close down the flight service stations, although it might reduce 24-hour service of the stations to somewhere between 8- and 16-hour service. Moreover, in a letter from the Federal Aviation Agency to Representative ROBERT DOLE, dated March 24, 1964, printed in the record of debate by the House on this appropriation bill, Assistant FAA Administrator William J. Schulte stated that:

> I want to reconfirm the fact that the consolidation is not planned to take place for 12 to 24 months.

It is also clear from the record of the House debate that the chairman of the Appropriations Subcommittee understood that no consolidation would take place for at least 12 months. Based on this record, it seems quite clear that the FAA will not close any of the flight service stations until very careful consideration has been given to all alternatives consistent with full flight safety at the individual airports.

The FAA has estimated that the consolidation of the 42 flight service stations would bring about substantial savings. They have estimated that the savings in consolidating the Elmira, Poughkeepsie, and Utica, N.Y., flight service stations would amount to $171,000. I should like to make clear that I have always supported and will continue to support efforts by Federal agencies to achieve meaningful savings of Federal funds. The prudent and economical use of our Government's funds is an objective worthy of our best efforts. I do believe, however, that the Federal agency which proposes economy measures must bear the burden of proof that true and meaningful savings will be accomplished without loss of necessary and vital services to our citizens.

The Senator from New York [Mr. KEATING] and I have asked the Comptroller General of the United States to prepare an analysis of the savings to be obtained by the consolidation of flight service stations in New York State. This report is presently being worked on.

In view of the representation of the Federal Aviation Agency that a careful study of consolidation plans will be made before any action is taken, I am hopeful that the Appropriations Committee will give careful continued consideration to the actions of the FAA with respect to consolidation of these stations.

I ask unanimous consent to have printed in the RECORD the most recent status report prepared by the Federal Aviation Agency on the flight service stations program.

There being no objection, the status report was ordered to be printed in the RECORD, as follows:

STATUS REPORT ON THE FLIGHT SERVICE STATION PROGRAM

The Federal Aviation Agency will test various plans for providing communications and flight assistance services to pilots from more airport locations at less cost during the next year. In the early days of aviation, one of the first services provided to pilots was collecting weather and landing area information through teletypewriter networks and communicating the information to both pilots in the air and to pilots prior to takeoff. Initially, ground personnel was placed at every location where a transmitter was needed as this was then the simplest way of providing required air-ground communications. In recent years, it has become more economical and more efficient to net several remote transmitters into one central manned ground facility and provide the same air-ground communications coverage with less personnel. As a result, the number of flight service stations has been reduced gradually over the years. These stations now could be reduced to a small fraction of the present number and provide present air-ground communications coverage. However, there remains a need to have personnel at certain airports to provide current weather and landing information during the busier hours. Thus, there needs to be a balance between the economy of centralizing communications services and the need for human observers at many airports.

To achieve this balance, the FAA has developed a plan which will permit it to reduce the number of stations which are now manned around the clock and at the same time expand the service to other airports during the busy hours to provide a better service designed to meet actual modern day aviation requirements. To be certain that the plan, as developed, does in fact meet the needs of the aviation public, tests will be conducted at various locations in the United States to determine the best balance between necessary service and the most economical operation. Representative locations will be selected to test the various methods of providing services.

The Administrator presented the plan in some detail to the Subcommittee on Transportation and Aeronautics of the Committee on Interstate and Foreign Commerce, U.S. House of Representatives.

The study that developed the plan demonstrated that the Agency needed better distribution of the flight service station resources to effect operating economies and to serve the growing needs of general aviation. The present FSS network in the 48 conterminous States consists of 297 locations of which 101 locations without control tower service have 20 or more active based aircraft. On the distribution of general aviation activities, FAA figures indicate that there are 492 public-owned airports with 20 or more based aircraft having neither flight service station nor control tower facilities. The Agency's aim is to provide service to this broader base of distribution.

Under the program presented, approximately one-half of the present FSS's will become the hard core of the system and will provide full service 24-hour communication with all en route traffic, routine weather reporting and broadcasts, monitoring of navigational aids, direction finding capability, and other regular FSS services. These hard-core stations have an average spacing of approximately 105 nautical miles and perform the normal terminal services at airports where they are located. At the remaining FSS locations that are not required as a part of the communications network, services tailored to the individual location's needs (i.e., weather reporting, airport advisory service, weather briefing, and flight plan handling) would be provided by one of two new type facilities that will be known as FSS (Manicom) or an Airport Information Desk (AID).

The FSS (Manicom) is proposed as a part-time FSS with full terminal services. This facility will operate as a satellite of the nearest hardcore FSS. Hours of operation will be compatible with the time of greatest activity at its particular location. It will have weather observation equipment, service A weather teletype, telephone line to the area FSS, a terminal radio communications capability, and the usual complement of preflight briefing manuals. It will provide a range of terminal services of quality comparable to those presently performed by existing FSS's.

The Airport Information Desk (AID) suggested in the Administrator's plan is an unmanned flight planning desk (that would include weather observation equipment, service A teletype if needed, telephone service to the area FSS, and the usual service manuals, etc.). The extent of this installation will depend upon airport sponsor participation in furnishing space, taking weather observations, etc. From the pilots' standpoint, this type of service is now provided at many general aviation airports where the sponsor has cooperated with the FAA in providing facilities and communication lines to the nearest FSS. The proposed program would extend these facilities to a large number of active general aviation airports that now have no facilities and no prospects of becoming a manned FSS.

No implementation of this plan is contemplated until after the test program has been completed. The test program will assist in refining of details, evaluating user reaction, and reaching a decision concerning the conversion program. In addition, the Agency will consider fully the findings and recommendations of the Subcommittee on Transportation and Aeronautics. This program will be subject to final review within the executive branch and presented to Congress in the President's fiscal year 1966 budget.

Mr. KEATING. Mr. President, will the Senator from Washington yield?

Mr. MAGNUSON. I yield 2 minutes to the Senator from New York.

The PRESIDING OFFICER. The Senator from New York is recognized for 2 minutes.

Mr. KEATING. Mr. President, I am also interested in the item of Federal Aviation Agency operations. The House committee recommended, and the House bill included under this item, the necessary expenses for the continuation of the existing authorized flight service stations, at least until the end of fiscal year 1965. I am interested in this item because earlier this year the Administrator of the Federal Aviation Agency announced a long-range program for decommissioning some 40-odd flight service stations around the country and for making consolidations of facilities of this type to meet safety needs. Among the stations slated for elimination and consolidation into stations elsewhere were two, in particular, in the State of New York, which in my judgment are essential facilities and, of all the stations planned to be eliminated, probably have the most meritorious case for retention. These two are located, respectively, at the Chemung County Airport, Elmira, N.Y., and at the Dutchess County Airport, Poughkeepsie, N.Y.

I was very much gratified when the House committee decided to continue all of the existing flight service stations at least for another year. The committee report does not reflect the basis upon which it acted, but I suspect that the desire to preserve the status quo was closely tied to the fact that the House Subcommittee on Transportation and Aeronautics had just recently completed a set of thorough hearings on the problem and that it would be prudent to await that subcommittee's findings and recommendations before permitting the Federal Aviation Agency to go ahead with its program and reach a stage where its actions would be irreversible for all practical purposes. I say this because, to be perfectly frank, I do not think a case can be made for retaining all of the stations planned to be shut down, and there are doubtless some which can no longer be justified and whose elimination would result in savings without endangering air safety. I can only conclude, therefore, that the House committee was interested in preserving the status quo until the other House subcommittee, which has jurisdiction over air safety regulation, rendered its report.

Now, Mr. President, when the House bill came to us in the Senate, my colleague from New York [Mr. JAVITS] and I made our views known to the Appropriations Committee. We urged the approval of the House provision which was designed to temporarily stay the hand of the Federal Aviation Agency in its flight service station consolidation program. We did so, indicating our deep interest in the two New York stations which we believed had the best case for retention. We hoped very much that the Senate committee would concur in the judgment of the House.

However, apparently the committee was convinced that the Federal Aviation Agency should not have its hands tied in this way, and it deleted the House provision in question. I regret that action, although I can understand the interest of the committee in not wanting to preclude selected shutdowns where savings probably can be made.

Naturally, I am not in a position to offer an amendment to restore the House language. To do so would require justifying the retention, for at least another year, of each and every flight service station around the country, which I not only am not prepared to do, but which I think also cannot be done upon a proper factual basis. But I still feel very strongly about the case for retaining the two particular stations in New York.

I hope that the distinguished Senator from Washington and his fellow conferees will listen with care to the representations made by the House conferees and will feel that in conference they can accept the House language rather than insisting upon its elimination.

Can the Senator assure me that the Senate conferees will carefully inquire in conference with the House conferees as to their specific reasons for including the provision on retaining the flight service stations for another year, and that we can be assured there will be good discussion of that item in the conference?

Mr. MAGNUSON. I am sure there will be, because there was apparently good discussion in the House on it. We had quite a lengthy discussion with Mr. Halaby on this matter, and he assured us that he would not—at least for the coming year—close any stations. He thought he could achieve some economies by not having stations that were perhaps on duty for 24 hours a day, but he could have them on duty for 12 hours a day and thus achieve some economies. His intention was to close 46 of the stations. He decided not to do so. He thinks he can achieve the same economies by curtailing the service which in most cases is not needed. Most of these stations are for private planes. They rarely fly at night.

The PRESIDING OFFICER. The time of the Senator from New York has expired.

Mr. KEATING. Mr. President, may I have 1 additional minute?

The PRESIDING OFFICER. The Senator from New York is recognized for 1 additional minute.

Mr. KEATING. Mr. President, I am very grateful to the Senator for that assurance. All I can say is that I hope the Senator will be convincing to the conferees by his assurance that careful consideration will be given to this matter and every possible weight given to the views which compelled the House to reach the conclusions that they did.

I can only ask for the usual courtesy and fair deliberation which the Senator from Washington [Mr. MAGNUSON] always gives to these matters.

May I say that, if the House provision should be eliminated in conference, there will be no alternative for those of us in the New York congressional delegation but to continue to pursue this matter with the Federal Aviation Agency. I have been told that, due to the long-range nature of the Agency's consolidation program, it will probably be another year in any event before certain stations, including those in New York which I have mentioned, can be removed and, as they say, "remoted" into other locations. Therefore, it may well be that the same result will be reached as an administrative matter as would result from the adoption of the House provision. I hope that will be the case. But that is no longrun solution. For the long run, we shall have to keep plugging away at the case for keeping the absolutely essential stations. I know that is the position of most of the responsible general aviation trade and pilot associations. I intend to keep up the fight for these stations, and if the House provision is not adopted, I will bring the case before the New York congressional delegation for consideration at the earliest date.

I thank the Senator for his courtesy.

Mr. SYMINGTON. Mr. President, I ask unanimous consent that a statement prepared by the chairman of the Committee on Aeronautical and Space Sciences, the Senator from New Mexico [Mr. ANDERSON], be printed in the RECORD just prior to the vote on the space amendment presented by the distinguished Senator from Wisconsin.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

THE NEED FOR A CIVILIAN SPACE PROGRAM—STATEMENT BY SENATOR ANDERSON

The idea of a civilian-directed, broad-based national space program has come under attack by factions of citizens who seem to consider outer space their private property to be divided among them.

These factions disagree on many things—including the rule of the military in space—but they do agree that NASA's role in space should be restricted to space probes in support of projects deemed important to the present scientific disciplines, and that Project Apollo should be crippled or abandoned.

One of these factions consists of some members of the uniformed military services and their friends.

This faction considers space primarily a potential new military battleground.

I can think of no more serious threat to our future as a great nation than to dismantle the national space program by treating it as some run-of-the-mill source of money and manpower to be seized by old-line public and private interests.

The age of space adds an entirely new dimension to the human experience. It will be one of the main stages upon which world history will be acted for centuries to come.

When the age of space began in 1957, many of us instantly realized that we were at one of those watersheds of history from which time would be measured into the future. We believed that those nations that best learned how to use outer space would be best able to play a leading role in the future of the world. We were determined that the United States would be such a nation.

But all we knew about space 7 years ago was that we knew so little about it.

In November 1957, the month after Sputnik I was launched, the Preparedness Investigating Subcommittee, under the chairmanship of Senate Majority Leader Lyndon Johnson, began hearings on the state of the Nation's satellite and missile programs.

The subcommittee took impressive testimony to the effect that space must be explored so that man can find out his capabilities there—and that it must be explored as a new dimension, and not from the viewpoint of any current interest.

Testimony was also given to the effect that this was the best way to develop space so that it could be used for scientific and national security purposes—to be used, in short, for the benefit of the Nation and the world.

Since no one could then imagine what space might be used for in 5, 10, or 20 years, it was best to organize the Nation to explore space in all its ramifications.

But the subcommittee was naturally concerned with the national security implications of a national space program.

The answer given to the subcommittee was this: The best way for the military to learn how to use space was to allow it to be explored by scientists whose chief concern was to obtain as much knowledge about space as possible.

The military would then be able to define military missions in space, and carry out its own experiments on the basis of the knowledge acquired.

Witnesses said that the military's primary duty was to protect the Nation here and now. Given, therefore, a choice between advanced research and development, and developing currently conceivable weapons systems, they would have no choice but to perform the latter at the expense of the former. But this in turn means that many new advanced weapons systems would not be developed because there was no current need for them.

Dr. Wernher von Braun pointed out at the hearings that the Nation lacked a powerful rocket engine at the dawn of the space age because it had no military need for one. (The Russians needed one because their nuclear warheads were heavier at the time.) But we did need one to explore space adequately—and we didn't have it.

The atomic bomb, the airplane, the submarine, radar, the machinegun—you name it—virtually every major military innovation was begun under civilian guidance or instigation. In short, develop an advanced system of technology and the military will find a use for it.

Dr. Edward Teller was asked if he thought a lunar mission would have any military significance. He replied:

"I am sure it will have * * * a great military advantage.

"But don't ask me, please, what it is. My imagination is not good enough for that.

"If you had asked me about ballistic missiles in 1945 or 1946, I would have said, 'Let's do it, and let's do it fast,' and then you would have said: 'In what particular way will you apply this in a possible war?' and I would have told you, 'I don't know, but once we make it we will find some use.'

"And I think going to the moon is in the same category."

President Eisenhower and his advisers concluded that space should be explored by a new civilian agency created especially for this purpose, and the Eisenhower administration in April 1958 introduced a bill to create what became the National Aeronautics and Space Administration.

This bill received the unanimous bipartisan support of the Congress, including the support of those Members most sensitive to the Nation's national defense requirements.

The Space Act was carefully drafted to give the Department of Defense full leeway to conduct such space experiments it deems necessary to the national defense.

Let me conclude, Mr. President, by pointing out a few facts that might have escaped some critics of our national space program:

1. The Defense Department has—and always has had—a space budget of its own—about one and a half billion dollars during each of the past 3 fiscal years.

2. The administrations of Presidents Eisenhower, Kennedy, and Johnson have encouraged the Defense Department to originate its own space projects to determine how space may best be used to promote the Nation's security—the current manned orbital laboratory is an example.

3. There has been constant improvement in the liaison among the operational agencies concerned with space: NASA, DOD, the Atomic Energy Commission, and the Weather Bureau. This enables DOD to take advantage of the other agencies' work in the space field.

There are those who feel that DOD should have a larger space budget, but that is not the issue here. The issue is: Should a budget that provides for an orderly national space program—a program that promises so many benefits to the Nation and one that will prevent our Nation's being surprised again as it was in 1957—be cut because other agencies want more money? The answer is obviously "No."

Those who talk about priorities want money transferred from the national space program to their own pet projects. But we know, Mr. President, that the Congress does not work that way. Money taken from NASA is not turned over to other agencies, but lost, and the damage done by any space project so crippled will not be made up in other ways of benefit to the United States.

Finally, for every military man who says that NASA's program is of no benefit to the Nation's security, there are several who believe that it is. This subject was debated in the Senate November 20, 1963, when last year's independent offices appropriations bill was before us. My good right arm on the Senate Space Committee, the senior Senator from Missouri, delivered an excellent speech on that occasion. I submit for printing in the Record that speech, as well as statements by some of the Nation's leading national defense experts in favor of the NASA program.

Mr. Symington. Mr. President, in the debate on this amendment yesterday, certain statements were made which would indicate that the civilian space program has little military value.

The statement was made also that the manned lunar program is not essential to the Nation's security. To my knowledge, no one has contended that the Nation will be any weaker or less able to defend itself if this program is substantially cut back.

To support these statements, answers by Gen. Curtis LeMay, Chief of Staff of the Air Force, and Gen. Maxwell Taylor, Chairman of the Joint Chiefs of Staff, were used.

Mr. President, I have listened to testimony from many witnesses, both civilian and military, over the past few years; and while there is some disagreement, of course, as to the manner in which the programs shall be pursued, I have yet to hear anyone, particularly in the military, say that our overall national space program does not materially aid the national security of the United States.

I take this opportunity to quote some of the military figures and defense figures who have testified in recent days with respect to the question now before the Senate.

General LeMay, who appeared before the Committee on Appropriations of the House of Representatives on the Defense Department Appropriations Act for fiscal year 1964, stated on page 587 of those hearings, and in answer to a question whether there was much military application to our moon-shot program, application to military requirements, the following:

"No, it is not aimed primarily at military application, but I am sure a lot of the techniques and scientific information that evolves from this program will have military application and use."

General LeMay later answered with respect to a question whether he thought it was wise for the United States as a nation to undertake the expenditures in space to reach the moon in a manned flight:

"This is a very difficult one to answer from a strictly military standpoint; of course, I would rather be trying to go to the moon for other reasons—in other words, aim it as a military project rather than just a scientific project, let science fall out rather than let the military applications fall out of it."

Secretary of the Air Force Zuckert, in appearing before the Armed Services Committee of the House on military posture hearings, stated:

"In recognition of the increased impact of space programs on our national resources and their direct effect on our future national security, Air Force space activities are closely coordinated with the National Aeronautics and Space Administration. One example is the recent agreement between the Defense Department and the National Aeronautics and Space Administration on the Gemini program."

Let me quote from Gen. Bernard Schriever, who appeared before the House Subcommittee on Manned Space Flight of the Committee on Science and Astronautics in the hearings on the NASA fiscal year 1964 authorization:

In connection with General Schriever, especially now that Admiral Raborn has retired, I believe it would be almost universally agreed that no one knows more about newer weaponry and newer weaponry plans than the able general who now heads the Air Force Systems Command, General Schriever.

On page 833, General Schriever is shown to have stated:

"I have also often stated my belief that the civilian and military portions of the national space program must complement each other with closest possible relationships at all working levels. This is why I have taken management and organizational steps such as establishing General Ritland as my Deputy for Manned Space Flight."

Quoting General Schriever further in the same hearings, in answer to the question:

Is this manned trip to the moon necessary in your judgment?

General Schriever's answer was:

"I have always felt that a lunar program was an essential objective for the overall national space effort."

General Schriever later in answer to a question asked of him whether there is both a civilian as well as a military gain or benefit from this research and development for the manned lunar landing, answered:

"Yes, definitely. Here again it is a little bit difficult to compile a laundry list of specific items and say these all have applications to the military mission. However, I can point out certain things. The Gemini program, for example, certainly has tremendous contributions to make in the objectives of that program. The whole matter of the man and creating an environment for man to operate in is absolutely essential from a military point of view.

"The near-earth activities are of greater interest to us than the ones that are essentially involved with a lunar orbit and the lunar part of the job. That does not mean that at some future date this will not also interest us."

I would like to quote from the House Committee on Science and Astronautics hearings on space posture when General Ferguson, Deputy Chief of Staff, Research and Development, testified as follows:

"The space activities of NASA have produced and will continue to produce highly important data which is available for application to problems of national security * * *. In seeking to identify and advance the development of military capabilities for space, the Air Force wishes to take full advantage of the important knowledge that NASA acquires. We strongly support, in both thought and action, the necessity and the value of NASA's scientific explorations."

I would like to call the attention of the Senate to the letter introduced in the Record on August 9 of this year by the Senator from Nebraska [Mr. Curtis] in connection with NASA's authorization. The letter was addressed to Senator Anderson, chairman of the Senate Space Committee, from Brockway McMillan, Under Secretary of the Air Force. Mr. McMillan commented on the military items in the NASA fiscal year 1964 budget. I will not take the time to read the whole letter, but simply quote from it. In it Mr. McMillan stated:

"In our search for military benefits which the Defense Department might derive from the NASA program, we have found there are many technical areas wherein advances by either agency will benefit both. It is particularly clear that the broad underlying base of technology being produced by the NASA will substantially benefit military space programs."

Finally, I would like to quote from testimony by Mr. Gilpatric, Deputy Secretary of Defense, before the Senate Space Committee, in connection with NASA's fiscal year 1964 authorization. Mr. Gilpatric's testimony can be found complete in part 1 of these hearings beginning on page 604. I will not read the entire statement, but will only make mention of a part of his statement in which he said:

"First, the United States has a single national space program. The Defense Department and the NASA are each responsible for major portions of that program. It is a primary policy objective of both of us that our efforts in the Defense Department and those of the NASA shall be conceived, planned, and executed to insure that the totality of our space efforts adds up to a single program in the national interest * * *. Space, like other mediums, affords useful and often unique ways for achieving defense objectives. Some of these are by no means uniquely military—improved ways to communicate or keep track of the weather worldwide are simply examples. Other applications may turn out to be more distinctly and uniquely useful and necessary from a strictly military point of view * * *. Space systems and devices are not simply military or nonmilitary merely because they are developed by one agency or another, since that factor does not uniquely determine their future application. Moreover, our national successes and failures in space may have significance outside the purely military domain, since they support national endeavors and validate our national will and strength in the eyes of the entire world."

I have taken the time of the Senate to quote statements made by some of our best military and civilian Defense Department officials because I feel it is important to show that our civilian space program has much application to our national security. I would not like the idea left that there will be no military benefits derived from our civilian space program. The fact that there is no direct benefit in the form of a military weapons operations system is not important at this time. I would only add in closing that I doubt if in 1907 when the Wright brothers first succeeded in lifting their fragile craft off the ground, there were very many people who stood up and said that this feat was of tremendous military significance. However, history has shown us that less than a decade later airplanes were playing a very important part in the prosecution of World War I.

I do not believe anyone at this time can possibly foresee the utilization that will be made of space. I have personally supported the U.S. position that space shall be utilized for peaceful purposes, but for myself I wish to see our program go forward so that in the future, should it ever become necessary, the United States will be in a position of preeminence in space and able to defend itself or take the offensive in this medium as well as on the land, on the sea, and in the air.

In that connection, I mentioned yesterday remarks of the Chief of Staff of the Air Force, Gen. Thomas White, before he retired from the Air Force. Going back to the days when this Agency was created, there was a great deal of apprehension about the arbitrary demarcation between the civilian and military interest in space. If it had not been for the able late senior Senator from New Hampshire, Senator Bridges, I think it fair to say the military would have had little or no position in space.

When the bill was considered—and the legislative history and the hearings held at that time will so verify—it was realized that the military should have a vital interest in the space program; and as one has watched the rapid developments in recent years in what might be called the art of defense—I hope my colleagues will realize that this art has changed more in the past 15 years than it did in the previous thousand.

The former President of the United States, and a former great military leader, Dwight D. Eisenhower, recently said he thought we should heavily reduce the number of ground forces we have in Europe at this time. I have felt that way for some time, for many different reasons. If all this is a question of expense, I would prefer to see this country save money—especially as in this case it would help us with our serious problem of unfavorable balance of payments—by taking some of our divisions out of Europe, rather than compromising in the newest of all arts, space, in which medium someday we might be forced to defend our country.

For these reasons, I shall vote against this reduction, and hope the Senate will also take into consideration the fact the amount recommended in the bill has already been reduced between some $600 million from what the administration originally requested.

EXCERPTS FROM STATEMENTS

Gen. Curtis LeMay, Chief of Staff, U.S. Air Force: "It is my opinion, as a military man, that we need without question to acquire a space capability at the earliest practicable date. The steps are clear. In order to acquire the capabilities we need, we have to solve these basic problems: One, we have to insure man's ability to work and survive in the space environment for extended periods of time. Another, we must attain the capability to place large payloads in space reliably and economically. This calls for a cheap or recoverable booster. Again we must have the capability to rendezvous with, support, and recover space payloads. Also we must acquire the means to communicate and maneuver in aerospace." (Oct. 26, 1961, speech before the Michigan post, American Ordnance Association, Detroit, Mich.)

Gen. Curtis E. LeMay, Chief of Staff, U.S. Air Force: "* * * Space will have an increasing effect on the whole gamut of political, psychosocial, and economic aspects of this Nation and the other nations of the world in the next several years. Our Nation's preeminence and our responsibilities as the leader of the free world require that we remain in the forefront of space development and utilization." (Feb. 27, 1962, statement before the Senate Committee on Appropriations, Washington, D.C.)

Lt. Gen. James E. Briggs, commander, Air Training Command: "Clearly the U.S. space program is a national program in which the military is an active partner. While projects, missions, and efforts of NASA and the military services necessarily differ, there are basic efforts relating to space that are common and noncompetitive." (Feb. 19, 1963, speech before the American Association of Education Administrators, Atlantic City, N.J.)

Secretary of the Air Force Eugene M. Zuckert: "Before I say anything about our future in space, let me establish two benchmarks. The first is that the Air Force needs everything it can get from NASA. NASA needs us, too, as the record of how NASA puts things into space indicates, but if there weren't a NASA, the same facility and capability would have to be created some other way. There is reassuring precedent for the principle of having an outside-of-defense civilian agency provide the type of support we need." (March 1963, speech to personnel at the Air Force Missile Test Center at Patrick Air Force Base, Fla.)

Commander, Strategic Air Command, Gen. Thomas S. Power: "We must continue our intensive nonmilitary effort along the entire spectrum of space and space-related sciences. The primary responsibility for this effort rests with the NASA. Its close cooperation with the Department of Defense will not only further its own objectives of the peaceful conquest of space but also help create the building blocks for the future military systems which may be required, to repeat President Kennedy's words, 'to make sure that space is maintained for peaceful purposes.'" (Second meeting on manned space flight, Dallas, Tex., Apr. 24, 1963.)

Deputy Secretary of Defense Roswell L. Gilpatric, before the Senate Committee on Aeronautical and Space Science, April 29, 1963: "The totality of our military space efforts, assessed from a national rather than a departmental standpoint, greatly exceeds the efforts of the Department of Defense alone. Space systems and devices are not simply military or nonmilitary merely because they are developed by one agency or another, since that factor does not uniquely determine their future application. Moreover, our national successes and failures in space may have significance outside the purely military domain, since they support national endeavors and validate our national will and strength in the eyes of the entire world."

Maj. Gen. Ben I. Funk, USAF, Commander, Space Systems Division (AFSC): "I am not surprised that people frequently ask: 'Why do we want to go into space?' Essentially, there are four good reasons for our interests in space. First to increase national prestige, and the importance of this I am sure is evident; second, to acquire knowledge; third, to benefit human welfare; and fourth, to strengthen national security. Naturally, we in the military are concerned primarily about defense and security, yet we recognize that all four reasons are related and—to some degree—interdependent, just as our civil and military space efforts are complementary and mutually productive. In short, we are aware that we must decide where we are going, and we must begin to acquire deeper practical experience in our space ventures. This is fundamental to any effective military space posture we hope to fashion. Of course, experimentation and exploration, as ends in themselves, are luxuries the military services can ill afford. We benefit heavily, therefore, from the investigative programs of the National Aeronautics and Space Administration. The partnership approach to the Defense Department's military space needs and NASA's nonmilitary responsibilities is a logical course to follow in the fulfillment of common space objectives. It is elemental to our mutual quest for space experience." (Article which appeared in the September-October 1963 issue of Rendezvous.)

Lt. Gen. James H. Doolittle speech, October 5, 1963: "I have great admiration for the balanced program that NASA has been able to achieve. This balanced program well meets the requirements of science, assures mastery of the art of manned space flight, provides the benefits to all mankind that will flow from useful satellites and space technology, and observes the stern necessity to prepare now in the laboratory for the space achievements and space security of the next decade and, indeed, of the next century."

Dr. Albert C. Hall, Deputy Director (Space), DOD Research and Engineering: "The United States has a single national space program clearly devoted to peaceful purposes for the benefit of all mankind * * * space systems and devices are not simply military or nonmilitary or peaceful or aggressive merely because they are developed by one agency or another. In the broad context of national security, the United States successes and failure in space may have significance for cold war political maneuvering while affecting, as well, the balance of world military power. (Oct. 22, 1963, speech to Conference on Areospace and Navigational Electronics, Baltimore, Md.)

Mr. PROXMIRE. Mr. President, I yield back the remainder of my time.

The **PRESIDING OFFICER.** All time has been yielded back. The question is on agreeing to the amendment of the Senator from Wisconsin [Mr. PROXMIRE].

The amendment was rejected.

Mr. PROXMIRE. Mr. President, I call up my final amendment, No. 1171. I ask unanimous consent that the reading of the amendment be dispensed with, and that the amendment be printed in the RECORD.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

The amendment is as follows:

On page 12, lines 24–25, strike out "and purchase of eight aircraft; $66,000,000," and insert "$65,071,000".

FAA'S HIGH-FLYING HIGH COSTS

Mr. PROXMIRE. Mr. President, I have pointed out in the past the extravagant waste that has been involved in the purchase and use of FAA aircraft. In addition, the General Accounting Office has given many examples of specific waste in the use of these aircraft. Since my original comments on this matter several months ago, I have received an amazing amount of mail from private pilots, airline pilots, aviation personnel, and even FAA personnel documenting additional instances of inefficient and nongovernmental use of FAA planes. I know that agency regulations attempt to prevent this type of problem, but it is obvious from the many, many cases which have come to my attention that these regulations have failed to solve the difficulties.

We in the Congress have an opportunity to take a very small step toward eliminating the problems of abuse. I have offered an amendment which would provide that, with respect to the total appropriation for FAA facilities and equipment, the provision for the purchase of eight new aircraft would be eliminated and an amount of $929,000 for such aircraft would also be removed.

Mr. President, I had earlier indicated my intent to reduce the provision in the bill for new facilities and equipment by approximately $2 million. However, cuts already made by the House and Senate have significantly reduced the general appropriations for this category of expenditures. Unfortunately, the provision for the purchase of the eight new aircraft has been retained in the bill.

Mr. President, the FAA has already paid some $446,110 for these aircraft on a lease-purchase basis. Therefore, the total cost of these planes is $1,375,110. The average price for each plane is $171,889. Just think of that. The price for any one of these aircraft is roughly the cost of nine moderately priced homes for taxpayers who are paying these bills.

How has FAA justified these new planes? To quote the Agency's own justification, in its entirety:

> To maintain general aviation inspectors current and proficient in modern aircraft, to fulfill long-trip requirements of air traffic inflight evaluation programs, and to provide adequate aircraft for headquarters and regional administrative travel.

Thus, the first justification is that FAA inspectors who must check out general aviation pilots must have these planes in order to keep proficient in general aviation aircraft. This sounds reasonable until we discover that out of approximately 131,000 general aviation aircraft in the United States, there are only a total of 221 Queen Airs, which is the type the FAA wishes to purchase. In other words, FAA has picked undoubtedly the most atypical general aviation aircraft in existence—and incidentally the most luxurious—in order to keep proficient in general aviation planes. Moreover, FAA has virtually none of all the other types of aircraft in which 99.9 percent of pilots fly. We do not hear anything about FAA Pipers, Cessnas, Mooneys, Stinsons, Aeroncas, Navions, or other less expensive aircraft. In fact, of all these common types, FAA has only three planes. Obviously, FAA must have only the best—and most rare—aircraft for proficiency in general aviation.

Incidentally, each of these aircraft that FAA wishes to purchase has over $70,000 of special instruments and electrical equipment. Is this typical of the general aircraft? Obviously not, since few can afford such instrumentation. If experience in typical aircraft is desired, obviously FAA should intentionally avoid such instrumentation in order to understand the ways of the general pilot. It might be argued that FAA must also know about the instrumentation in airliners. But FAA has 122 other planes already that can provide this type of knowledge. Why in the name of the heavens they fly in, must FAA have eight more aircraft with such atypical instrumentation, when so many planes are already available?

The next justification for these aircraft is in order to take FAA personnel on long trips where they can allegedly check in-flight air traffic procedures. The striking fact is that this is already the function of virtually all of the other 122 aircraft in the FAA fleet. The agency has 82 aircraft just for "Facilities flight inspection and logistics flying" and another 12 for "Job performance and proficiency flying."

Another, and just as basic criticism of this justification is that the eight planes which the FAA wishes to purchase are not typical aircraft and therefore are a poor way to test in-flight air traffic procedures, when these procedures are principally by planes nowhere near as fully equipped.

The third justification is the one that should make every citizen's blood boil. We are asked to approve the expenditure of over $1 million so that a few headquarters and regional agency officials will have "adequate" aircraft for travel. This, incidentally, is not for the Administrator who has his own million-dollar aircraft, but for other officials at lower levels.

Who else in the executive branch, who else in Congress, who else among taxpayers generally gets this kind of free "adequate" travel? This is the area where the General Accounting Office has shown the cases of the families getting free transportation to Florida, the conveyance of friends to their homes, the accidents and the destruction of Government property on essentially private trips. And these planes must be "adequate" for this purpose; namely, they must be the most expensive planes that the FAA can buy.

I urge that the amendment be agreed to.

I reserve the remainder of my time, and yield the floor.

Mr. MAGNUSON. Mr. President, I know of no such use of the FAA planes as that suggested by the Senator from Wisconsin. I have not made any inquiry. I have relied on the General Accounting and Administrative Offices themselves.

Mr. PROXMIRE. Mr. President, I also invite the attention of Senators to the fact that I made a public statement on this question for the RECORD, several months ago. In the statement I cited instance after instance of this abuse taking place.

Mr. MAGNUSON. This item involves new planes. We cannot anticipate what the new planes will be used for. They have had ample opportunity to use them in pilot training, and checking them out. That is why we allowed the item. I assure the Senator that we shall be glad to inquire into the other matters in greater detail.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. MONRONEY. The FAA knows that the purpose was to train a large number of flight check pilots, and also to give air check time to the thousands of aircraft control personnel so that they will understand what is going on in the pilot's cockpit as they are being dispatched to a safe landing from a control tower. They need this air experience. That is one of the main reasons why a large fleet—primarily consisting of DC–3's, the old veritable gooney-bird—is used so extensively in the FAA. However, because their check pilots will also check out the pilots who will fly the 707's and the fast four-motor jets, the very fast executive aircraft of a jet character, and all other types of planes, they must have quite a large and diversified fleet.

I am very surprised that the distinguished Senator from Wisconsin has not heard of a Beechcraft aircraft. It is one of the famous names in aviation.

I believe that if the Senator will look at the census of executive aircraft, the small type aircraft that businessmen generally fly, he will find that is one of the late models of executive aircraft made by Beech in Wichita, Kans.

These are not expensive planes. The planes themselves would cost in the neighborhood of perhaps $150,000, which is rated rather low for executive aircraft. Many executive aircraft cost as much as $1 million. Some of the better small jet aircraft cost as much as $500,000. But, to be useful, the planes for the FAA must have a great deal of electronic gear in them if they are to be able to check, to train, and to pinpoint the air navigational aids that are used throughout the FAA system and in this training. This plane consumes a very small amount of fuel compared with the larger planes, and therefore, if necessary, they are used for visits which must be made to other training centers or to take officials of the FAA around. I am sure these planes would be recommended rather than the DC–3's, the military Jetstar that the distinguished Senator has mentioned, or even the 707 Boeing planes that are used for checking and testing the pilots and also for checking navigational aids and air navigation in high altitudes.

So when we consider the eight planes that we are buying, while I do not know the exact price, I do know that the amount of radio and electronic gear that is in those planes is considerable, and that the cost is greater than the cost of equipment found in ordinary planes, because they must be exact, useful, and always available for the testing of the air navigational system. This item is important to equip the FAA with new model planes. These happen to be six-place planes, which is perhaps one of the reasons that not so many are sold, because twin motor executive aircraft planes of this type generally have a smaller seating capacity than a six-place plane.

I do not believe the amendment is needed. It is unnecessary to take eight planes out of the fleet, and particularly planes that are more economical to operate than many that are left in the fleet to be maintained.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that a table indicating the total aircraft fleet of FAA be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Aircraft fleet (end of year totals)

	Number of engines and engine type	Estimate June 30—	
		1964	1965
1. FAA-owned aircraft:			
(a) Aircraft for facilities flight inspection and logistics flying:			
Boeing C-135	4 jet	3	3
Convair Allison	2 turboprop	5	5
Lockheed L-749	4 piston	4	4
Fairchild C-123	2 piston	1	1
Douglas DC-3	do	56	56
Douglas C-54	4 piston	6	6
Convair T-29	2 piston	7	6
Subtotal		82	81
(b) Aircraft for job performance, proficiency flying:			
Lockheed TV-2	1 jet	5	5
Gulfstream G-159.	2 turboprop	1	1
Douglas DC-3	2 piston	1	1
Lockheed L-1329	4 jet	1	1
Beech M-65	2 piston	2	2
Beech M-80	do	------	8
Subtotal		10	18
(c) Aircraft for training:			
Convair CV-880	4 jet	1	1
Boeing 727	do	1	1
Boeing 720	do	1	1
Lockheed L-188	4 turboprop	1	1
Douglas DC-6B	4 piston	2	2
Convair 340	2 piston	2	2
Douglas DC-3	do	4	4
Convair T-29	do	1	2
Subtotal		13	14
(d) Aircraft operated for research and development test and evaluation:			
Aero Commander.	2 piston	2	2
Piper PA-22	1 piston	1	1
Convair JC-131b	2 piston	2	2
Convair T-29	do	2	2
Douglas DC-7	4 piston	1	1
Gulfstream G-159.	2 turboprop	1	1
F-9J Cougar	1 jet	1	1
Beech T-34	2 piston	1	1
Subtotal		[1] 11	[1] 11
Total FAA-owned aircraft.		116	124
2. Commercial leased aircraft:			
(a) Aircraft for facilities flight inspection:			
Douglas DC-3	2 piston	1	1
(b) Aircraft for job performance, proficiency flying:			
Beech M-80	do	8	------
Piper PA-24	1 piston	2	2
Subtotal		10	2
(c) Aircraft for training:			
Aero Commander AC-560.	2 piston	1	1
Beech M-35	do	1	1
Beech M-50	do	1	1
Subtotal		3	3
Total commercial leased aircraft.		14	6
Total FAA fleet.		130	130

[1] Includes 3 aircraft on loan from the military.

Mr. PROXMIRE. Mr. President, I made no attack on the Boeings, the Lockheeds, the Douglas, or the DC-3's. Specifically, I singled out the Queen Aire, and, as I say, the justification for those planes is "to maintain general aviation inspectors current and proficient in modern aircraft, and so on."

Mr. President, it is clear that very few modern aircraft have anything like $75,000 worth of radio equipment, let alone the rest of the cost of the aircraft.

My argument is that these planes are atypical. They are luxurious, and they do not give the aircraft inspectors and others, the kind of experience which the justification says they should have, and which alone justifies buying new planes.

Mr. President, if the Senator from Washington wishes to yield back the remainder of his time, I shall yield back the remainder of my time.

Mr. MAGNUSON. Before I do so, I should like to ask the Senator from Wisconsin what he means by luxurious. A plane is a plane. Is the Senator speaking about a plane which has a softer seat than another plane or what is it?

Mr. PROXMIRE. I am talking about the cost.

Mr. MAGNUSON. A big plane is a big plane.

Mr. PROXMIRE. If the Senator should buy a car for $1,500, it would have an adequately soft seat and a nice looking instrument panel. At the same time the Senator could spend $6,000 for a more powerful and luxurious automobile. That is what I am talking about in relation to planes.

Mr. MAGNUSON. A more efficient plane.

Mr. PROXMIRE. The Senator might put it that way—a plane that flies faster, carries more people, and probably more booze and steaks.

Mr. MAGNUSON. Mr. President, I yield back the remainder of my time.

Mr. PROXMIRE. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wisconsin [Mr. PROXMIRE].

The amendment was rejected.

Mr. YOUNG of Ohio. Mr. President, I offer an amendment which I send to the desk and ask to have stated.

The LEGISLATIVE CLERK. On page 5, line 7, it is proposed to strike the numeral and insert "$19,200,000."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Ohio.

Mr. YOUNG of Ohio. Mr. President, the Senate Appropriations Committee has recommended an appropriation of $154,200,000 for civil defense purposes in the independent offices appropriations bill. This is $65 million more than approved by the House of Representatives.

The administration originally requested $358 million for civil defense functions for fiscal year 1965. Our colleagues in the other body wisely approved only one-fourth of this amount.

Mr. President, the bulk of this $65 million increase is an additional $50 million for fallout shelters. Instead of continuing to waste taxpayers' money on this project, the House allowed only $19,200,000 for research, shelter survey, and marking. The Senate Appropriations Committee recommended $69,200,000 for this purchase. In my view, all appropriations for civil defense purposes over and above those needed for proper education and research functions are a waste of taxpayers' money. I especially object to any funds for construction of fallout shelters. Toward that end I have sent to the desk an amendment that will strike $50 million from this appropriation. This represents the additional amount recommended by the Senate Committee on Appropriations over the amount approved by the House of Representatives for research, shelter survey, and marking.

Over the past 13 years, more than $1,300,000 of taxpayers' money has been foolishly wasted on silly civil defense schemes. Today, 18 years after Hiroshima, we have no civil defense worthy of the name. Most of what exists consists of absurd plans on paper; the rest is confusion.

Any shelter program large enough to be meaningful—if such a thing is possible—would cost many billions of dollars. However, civil defense officials follow the bureaucratic rule of keeping first estimates low enough to induce Congress to authorize some colossal lunacy, knowing that they can always get more once a program is born.

We are confronted with a dilemma. I quote Jonathan Swift, who wrote:

> A strong dilemma in a desperate case:
> to act with infamy or quit the place.

Those favoring a massive fallout shelter building program have estimated that it would cost anywhere from $20 to $200 billion. In their book entitled "Strategy for Survival," Thomas L. Morton, dean of the College of Engineers at the University of Arizona, and Donald C. Latham, an electronics researcher, concluded that a national community shelter program would cost in excess of $37 billion.

Herman Kahn, one of the foremost proponents of fallout shelters, has estimated that a reasonable program might involve a gradual buildup from about $1 billion annually to somewhere in the neighborhood of $5 billion annually. A recent estimate by Prof. John Ullman, chairman of the Department of Management of Hofstra College, would place the cost as high as $302 billion. Regardless of which of the expert opinions is cited, the price tag would be astronomical. Even then, there is no guarantee that a shelter program will be at all effective. With extensive advances being made in rocket and nuclear technology, it would probably be obsolete before completion. One of the scientists now working on advanced weapons technology is reported to have said: "You ain't seen nothing yet." Compared with what is coming into sight in the way of new weapons.

There is always the possibility of more deadly types of warfare for which shelters offer no protection whatever—chemical and biological warfare. Any nation that would unleash a thermonuclear war would probably not hesitate to use other methods equally as terrifying.

Is the Congress prepared to embark on such a vast gamble and to spend perhaps $200 billion of taxpayers' money? Let us have no illusions. In reality, this is what the civil defense planners are asking us to do.

Anyone who has taken the trouble to look into the matter is aware of the fact that most building owners have ignored or refused requests to provide shelters, and that ordinary citizens have lost interest. During each crisis the get-rich-quick shelter salesmen appear. As soon as the crisis abates and public interest fades, they crawl back under the rocks from whence they came.

Mr. President, it is interesting to note that through the years this Nation and the Soviet Union were building up our nuclear capacities, no real interest could be stirred up among the general public or in the Congress for any form of civil defense. It is true that during that time over $1,300 million was appropriated in piecemeal fashion but not for any really serious or effective plan of action. Actually, we were soothing our consciences "just in case" a nuclear war would come. Year after year we appropriated $75 million or $100 million or $80 million for civil defense purposes, always "just in case." Neither the Eisenhower administration nor this administration nor the Congress over the past 13 years has really faced up to this issue. It was always easier to pretend that something was being done.

It is only human to grasp at straws when faced by an overwhelmingly difficult situation, and in appropriating these funds which gradually began to total a staggering sum, this is what was done. No one in his heart really believed that the civil defense fishnet would be of any protection in a surging sea of nuclear destruction.

Mr. President, Senators will recall that in the midst of the Berlin crisis in the summer of 1961, Congress hurriedly appropriated $200 million for fallout shelters. No American family was made any safer or more secure as a result of that expenditure. It in no way has deterred the aggressive acts of the Soviet and Red Chinese dictators. Of course, architectural firms, building contractors, and survival biscuitmakers have benefited at taxpayers' expense. We heard about millions of survival biscuits that have been purchased from a certain large grocery concern. They will never be used, of course. Most have rotted away. Some money has been put in circulation, but taxpayers have suffered.

The Cuban crisis proved that our best and probably only civil defense in this nuclear age is a firm, determined, resolute stand against aggression, such as was taken by the late great President Kennedy in October 1962, plus the nuclear power which we have to support it. We would be far wiser to appropriate additional funds for our missile programs, and our missile-bearing Polaris submarines, than for civil defense schemes that are hopeless at their inception.

Nevertheless, the civil defense planners continue to mesmerize the American public with the illusion that we have an effective civil defense program. Although the Congress appropriated $208 million in 1961 and an additional $38 million in 1962 for marking and provisioning fallout shelters, when the crisis came most of them could not be found, were not marked, or were unusable. Only a handful were provisioned. Rations and medical kits on which millions of dollars had been spent were still stocked in Federal warehouses and arsenals. Warning systems were inadequate and virtually useless. This is probably not too important, for in event of attack there would be, at most, perhaps 10 minutes' warning before the intercontinental ballistic missiles fell on American cities.

Incidentally, I note that in the budget for fiscal year 1965, the average salary for paid civil defense employees will be, before the recent pay raise, $10,592 a year, one of the highest in the entire Federal bureaucracy.

By comparison employees of the Federal Bureau of Investigation will average $9,206; $9,576 for the National Aeronautics and Space Administration; and $8,015 for the Small Business Administration, to name a few of the many important Government agencies where the average salary is less than that for civil defense employees. It would be difficult to find another agency in the Federal Government where so many have done so little to earn so much.

We must not be content to let the civil defense program drift, unconcerned about the dollars being wasted. A national disaster organization is a necessity; Alaska learned the value of such a corps after the Good Friday earthquake. But it needs redirection—with more emphasis on natural disasters and perhaps even a change of name.

Americans have always come to the aid of their neighbors when disaster threatened. I am sure that the thousands of unpaid volunteer civil defense workers, many of whom who have performed outstanding services in time of flood and other natural disaster, will continue to volunteer for any future emergencies.

The notion of civil defense as a standby agency for nuclear holocaust is unrealistic. The kind of thing needed is a disaster corps, trained for all kinds of emergencies, acts of man and God.

Mr. President, it gives me no pleasure whatever to oppose an administration program. It is laudable that an attempt is being made to offer Americans some form of survival insurance in event of a nuclear attack. However, the premiums are so fantastically expensive and the risk so remote that the kind of insurance offered in this bill is a waste of money.

Certainly some sensible forms of catastrophe planning are in order. However, I assert that it is not sound planning to divert substantial resources and effort into a program which offers very little true insurance, and which encourages a cruel illusion of security.

I strongly urge my colleagues to support my amendment which would save $50 million of taxpayers' money. This is a way for Senators who are in favor of economy to show they mean what they say. We all speak in favor of economy. I do not know a single proposal with respect to which we could more clearly demonstrate our desire for economy than this amendment. I hope Senators will grasp this opportunity to start to put an end to this utter folly.

I offer the amendment seriously. I believe that over the years the civil defense shelter program has been a waste of money. I think citizens generally do not realize that there is no fallout shelter when a nuclear warhead is properly aimed and hits the target by exploding in the atmosphere to accomplish the maximum destruction and destroy the most people.

I yield back my time.

Mr. MAGNUSON. Mr. President, I ask unanimous consent, in connection with the amendment, to place in the RECORD at this point the justification of the committee for this item, consisting of what are known as the sideslips, pages 35 through 37, and also an extract from page 4 of the report.

There being no objection, the extracts were ordered to be printed in the RECORD, as follows:

JUSTIFICATION

Amendment of language will provide for restoration of funds in shelter programs authorized by current legislation, insert specific authority for stocking similar to that enacted in the 1964 Apropriations Act and increase research and development to the amount requested in the estimate.

	H.R. 11296 approval	Budget estimate	Increase requested
1. Shelters:			
(a) Shelter survey and marking	$9,200,000	$9,200,000	0
(b) Shelter stocking	0	100,900,000	$100,900,000
(c) Identification of existing fallout protection in smaller structures	0	7,200,000	7,200,000
(d) Designing shelter systems	0	10,000,000	10,000,000
(e) Shelter development	0	103,300,000	0
(f) Shelter in Federal buildings	0	20,000,000	0
Total, shelters	9,200,000	250,600,000	118,100,000
2. Research and development	10,000,000	15,000,000	5,000,000
Total	19,200,000	265,600,000	123,100,000

1. Shelters

The program goal is the development of a nationwide system of fallout shelters, properly equipped and provisioned, to protect our population from the fallout effects of nuclear attack. It is estimated that a total of 240 million shelter spaces are required to meet this goal. The following statistics reflect progress by fiscal year, in millions of shelter spaces:

	Spaces located		Licensed and marked		Supplies available	
	Fiscal year	Cumulative	Fiscal year	Cumulative	Fiscal year	Cumulative
1962–63	104.6	104.6	42.8	42.8	50.0	50.0
1964	17.2	121.8	31.2	74.0	10.2	60.2
1965	6.2	128.0	5.0	79.0	18.8	79.0

The increase requested of $118.1 million provides the funds to meet the fiscal year 1965 objectives set forth above as well as to lay the base for obtaining additional operational shelter space in fiscal year 1966. The increase includes:

(a) Forty-six million four hundred thousand dollars for procurement of standard shelter provisions for stocking an additional 18.8 million shelter spaces. The supplies required through fiscal year 1965 are based upon a conservative projection of actual stocking experience during the 1½ years since inception of the program. Through early May 1964, balanced quantities of supplies to sustain 2 weeks occupancy for 22.2 million people have been placed in shelter areas in 43,000 facilities. However, the rated capacity of potential space in these facilities is sufficient to accommodate 34 million people, indicating that stock issue experience amounts to 65 percent of the total capacity of surveyed shelter areas. Application of this percentage factor to the 128 million spaces located in fiscal year 1965 results in a shelter supplies requirement of 83.2 million spaces. This has been discounted down to 79 million on the basis of experience rates in building owner refusals to accept stocks.

(b) Fifty-four million five hundred thousand dollars for equipment for improving shelter capacity and use. Of this amount, $50 million is related to the procurement of portable ventilation kits which, when placed in shelter areas already located by the national shelter survey, would provide for an additional 20 million licensed spaces at a cost of $2.50 per shelter space. This compares to approximately $11.90 per space for permanent ventilation improvements and $25 or more per space in new construction.

(c) Seven million two hundred thousand million dollars for the identification of existing fallout protection in structures such as private home basements and small buildings not previously covered by the national shelter survey. Location of the space available in these smaller shelters can make a significant contribution to the total of 50 to 55 million spaces which Defense Department projections indicate are required from private initiative to achieve fallout protection for the entire population. The identification of shelter space will be accomplished for single family homes by means of a high-speed computer analyzing data as submitted by the homeowner and for other small structures by a visit of an engineer to complete a simple data collection form. It is estimated that all single family homes with basements will have the opportunity of being analyzed, and that 73,400 small structures other than single family homes would also be surveyed. These small shelters do not meet Federal public shelter criteria of a minimum of 50 spaces per facility and, therefore, will not be marked and stocked at Federal expense.

(d) Ten million dollars to provide professional community planning services to local governments to help establish a workable shelter system which will include the assignment of individuals to specific shelters. These initial assignments will also define, with precision, areas of shelter deficit in which low cost opportunities to create more shelter should be exploited. The updating effort, estimated to require up to $1 million annually as new shelter space is created, would not be federally funded.

2. Research and development

The civil defense fiscal year 1965 research budget was established at the minimum level of $15 million after careful study and review of research requirements. The House Appropriations Committee has recognized the need for research by stating in its fiscal year 1963 report on the Office of Civil Defense budget request that "more study and research should be applied to the vast and complex problems involved." However, the House committee has consistently acted to reduce the requested funds; to $11 million in fiscal year 1963, to $10 million in fiscal year 1964 and $10 million in fiscal year 1965. The constantly accelerating pace of modern science is reflected in continuously improved weapons and methods of delivery. There is an obvious parallel need to keep abreast in developing effective methods for protecting the civilian population from these weapons effects and to provide the means for recovery in the event of an attack on this country. Research, properly planned and supported, can supply answers to many of the pressing questions facing civil defense today. The result will be a greatly improved and much more economical civil defense program.

The effect of the proposed restoration of funds will be reflected in many ways. It will enable us to undertake urgent new studies now backlogged because of lack of funds. It will provide for better utilization of recent advances in science and technology. It will provide missing knowledge on weapons effects and countermeasures to them. More specifically, it will provide for increased effort in many critical areas including lower cost shelter designs; improved means for protection from blast, thermal, and radiation effects; accelerated investigations of ventilation and other environmental and management problems associated with full utilization of existing shelter space. It will enable us to expedite research on fire problems resulting from nuclear attack such as fire spread and active countermeasures. It will prevent reduction of research effort on post-attack problems relating to physical environment, radiological recovery through decontamination and other means, and medical and welfare requirements. Approval of the amendment will also permit us to undertake or expand essential systems analyses in the areas of strategic concepts, national vulnerability, alternative civil defense postures, and relationships to active defense measures.

RESEARCH, SHELTER SURVEY AND MARKING

1964 appropriation	$41,250,000
Estimate, 1965 (authorized portion of $265,600,000)	142,300,000
House allowance	19,200,000
Committee recommendation	69,200,000

The committee recommends restoration of $50 million, to provide a total amount of $69,200,000 for research, shelter survey, and marking, which is $73,100,000 below the estimate for authorized programs.

Of the $50 million restoration, $30 million is recommended for procurement of standard shelter provisions for stocking additional shelter spaces; $500,000 is recommended for practical research on portable ventilation kits, to examine all possibilities before setting up a procurement program at what seems to be an excessive cost per unit; $4,500,000 is recommended for water storage equipment; $5 million is recommended for the identification of existing fallout protection in structures such as private home basements and small buildings not previously covered by the national shelter survey; and $10 million is recommended to provide professional community planning services to local governments to help establish a workable shelter system which will include the assignment of individuals to specific shelters.

The committee agrees with the House in providing $10 million for research and development, which is $5 million below the budget estimate.

Authorization for stocking the shelters is recommended by the committee.

The committee recommends deletion of the general provision prohibiting the use of funds for construction of fallout shelters.

Mr. MAGNUSON. I yield back the remainder of my time.

The PRESIDING OFFICER. Both Senators yield back their time.

The question is on agreeing to the amendment of the Senator from Ohio [Mr. YOUNG].

The amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time.

PROPOSED NEW BUILDING TO HOUSE THE "ARMS OF THE CONGRESS"

Mr. MAGNUSON. Mr. President, for several years we have been concerned about the plight of a number of important independent agencies who have no domiciles they can call their own. They subsist in borrowed space from other departments and are diffused around town, resulting in inefficiencies and in higher costs of operation.

The agencies I have in mind at the moment are the Federal Communications Commission, the Federal Power Commission, the Federal Maritime Commission, the Civil Aeronautics Board, the National Labor Relations Board, and the Securities and Exchange Commission.

Members of Congress are continually pressing members of these Commissions, the so-called arms of the Congress, to speed their investigations and decisions and to clean up backlogs of pending cases; but at the same time allowances must be made for the lack of efficiency that must inevitably result from operations in unsatisfactory, sometimes hardly healthful or sanitary, office facilities. And conditions have grown progressively worse over the years as Congress has given these agencies added duties.

Back in 1959, the Senator from Washington asked the General Services Administration to explore the possibility of housing these regulatory agencies in one building, and its preliminary survey indicated a saving of $550,000 annually in rental if just some of the agencies were brought under one roof—to say nothing of greatly improved efficiency and service to the public.

The General Services Administration is cognizant of the situation and is sympathetic. As Mr. Boutin, the Administrator, pointed out at our recent hearings:

> We are extremely in favor of doing this. Some of our regulatory agencies are atrociously housed. We think we can save a great deal of money using common services, common facilities by building a single building to house certain regulatory agencies.

He has assured us that this project is on the list. We hope early priority can be given to it, in the interest of Government efficiency and Government economy and in keeping with the President's program.

Mr. President, because the hour is late, I am sure all of us on the committee, through the Senator from Colorado [Mr. ALLOTT] and myself, want to express our deep appreciation to the work of the staff—Mr. Earl Cooper and others—on this very complicated and complex bill.

Mr. MANSFIELD. Mr. President, if the Senator will yield, I think the Senate owes a great debt of gratitude for the knowledge, the courtesy, and the kindness shown by the distinguished Senator from Washington—chairman of the subcommittee—and the ranking minority member [Mr. ALLOTT]. They rendered an outstanding service, and the Senate is better off because of it.

Mr. ALLOTT. Mr. President, I wish to express my deep appreciation to the entire staff and to the members of the committee. I think this is the most difficult appropriation bill to come before the Congress. If it were not for a great deal of hard night work and many extra hours, we would not have been able to accomplish the task. I would be very remiss if I did not express my appreciation to the members of the committee and the members of the staff, both minority and majority.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The bill (H.R. 11296) was passed.

Mr. MAGNUSON. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. ALLOTT. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MAGNUSON. Mr. President, I move that the Senate insist on its amendments and request a conference with the House on the disagreeing votes thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. MAGNUSON, Mr. ELLENDER, MR. RUSSELL, MR. HOLLAND, MR. MONRONEY, MR. ANDERSON, MR. ALLOTT, Mr. YOUNG of North Dakota, and Mr. SALTONSTALL conferees on the part of the Senate.

THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of measures on the calendar beginning with Calendar No. 1237, Senate bill 2048, and that the remainder of the calendar be considered in sequence.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

BIG HORN CANYON NATIONAL RECREATION AREA

The Senate proceeded to consider the bill (S. 2048) to provide for the establishment of the Big Horn Canyon National Recreation Area, and for other purposes, which had been reported from the Committee on Interior and Insular Affairs, with amendments, on page 1, line 9, after the word "the", to strike out "Big Horn" and insert "Bighorn"; on page 2, line 1, after the word "Proposed", to strike out "Big Horn" and insert "Bighorn"; in line 20, after the word "jurisdiction", to insert "not needed for other Federal programs which he classifies as suitable for exchange or other disposal"; on page 3, line 12, after the word "Secretary.", to insert "(c)(1) Notwithstanding any other provision of this Act or of any other law, the Crow Indian Tribe shall have the exclusive right to develop and operate, at no expense to the United States, water-based recreational facilities, including landing ramps, boathouses, and fishing facilities, along that part of the shoreline of Yellowtail Reservoir which is adjacent to lands comprising the Crow Indian Reservation. Any such part so developed shall be administered in accordance with the laws and rules applicable to the recreation area, subject to any limitations specified by the tribal council and approved by the Secretary. Any revenues resulting from the operation of such facilities may be retained by the Crow Indian Tribe.

"(2) As used in this subsection, the term 'shoreline' means that land owned by the Bureau of Reclamation which borders both Yellowtail Reservoir and the exterior boundary of the Crow Indian Reservation, together with that part of the reservoir necessary to the development of such facilities."; and, on page 5, after line 11, to strike out:

> SEC. 5. There are hereby authorized to be appropriated such sums as are necessary to carry out the purposes of this Act.

And, in lieu thereof, to insert:

> SEC. 5. There is hereby authorized to be appropriated not more than $320,000 for the acquisition of land and interests in land pursuant to this Act.

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) in order to provide for public outdoor recreation use and enjoyment of the proposed Yellowtail Reservoir and lands adjacent thereto in the States of Wyoming and Montana by the people of the United States and for preservation of the scenic, scientific, and historic features contributing to public enjoyment of such lands and waters, there is hereby established the Bighorn Canyon National Recreation Area to comprise the area generally depicted on the drawing entitled "Proposed Bighorn Canyon National Recreation Area", LNPMW-010-BC, June 1963, which is on file in the Office of the National Park Service, Department of the Interior.

(b) As soon as practicable after approval of this Act, the Secretary of the Interior shall publish in the Federal Register a detailed description of the boundaries of the area which shall encompass, to the extent practicable, the lands and waters shown on the drawing referred to in subsection (a) of this section. The Secretary may subsequently make adjustments in the boundary of the area, subject to the provisions of subsection 2(b) of this Act, by publication of an amended description in the Federal Register.

SEC. 2. (a) The Secretary is authorized to acquire by donation, purchase with donated or appropriated funds, exchange, or otherwise, lands and interests in lands within the boundaries of the area. In the exercise of his exchange authority the Secretary may accept title to any non-Federal property within the area and convey in exchange therefor any federally owned property under his jurisdiction not needed for other Federal programs which he classifies as suitable for exchange or other disposal, notwithstanding any other provision of law. Property so exchanged shall be approximately equal in fair market value: *Provided,* That the Secretary may accept cash from, or pay cash to, the grantor in such an exchange in order to equalize the values of the properties exchanged. Any property or interest therein owned by the State of Montana or the State of Wyoming or any political subdivision thereof within the recreation area may be acquired only with the concurrence of the owner.

(b) No part of lands of the Crow Indian Tribe of Montana shall be included within the recreation area unless requested by the council of the tribe. The Indian lands so included may be developed and administered in accordance with the laws and rules applicable to the recreation area, subject to any limitation specified by the tribal council and approved by the Secretary. (c)(1) Notwithstanding any other provision of this Act or of any other law, the Crow Indian Tribe shall have the exclusive right to develop and operate, at no expense to the United States, water-based recreational facilities, including landing ramps, boathouses, and fishing facilities, along that part of the shoreline of Yellowtail Reservoir which is adjacent to lands comprising the Crow Indian Reservation. Any such part so developed shall be administered in accordance with the laws and rules applicable to the recreation area, subject to any limitations specified by the tribal council and approved by the Secretary. Any revenues resulting from the operation of such facilities may be retained by the Crow Indian Tribe.

(2) As used in this subsection, the term "shoreline" means that land owned by the Bureau of Reclamation which borders both Yellowtail Reservoir and the exterior boundary of the Crow Indian Reservation, together with that part of the reservoir necessary to the development of such facilities.

SEC. 3. (a) The Secretary shall coordinate administration of the recreation area with the other purposes of the Yellowtail Reservoir project so that it will in his judgment best provide (1) for public outdoor recreation benefits, (2) for conservation of scenic, scientific, historic, and other values contributing to public enjoyment, and (3) for management, utilization, and disposal of renewable natural resources in a manner that promotes, or is compatible with, and does not significantly impair, public recreation and conservation of scenic, scientific, historic, or other values contributing to public enjoyment.

(b) In the administration of the area for the purposes of this Act, the Secretary may utilize such statutory authorities relating to areas administered and supervised by the

Secretary through the National Park Service and such statutory authorities otherwise available to him for the conservation and management of natural resources as he deems appropriate to carry out the purposes of this Act. Appropriate user fees may be collected notwithstanding any limitation on such authority by any provision of law.

SEC. 4. The Secretary shall permit hunting and fishing on lands and waters under his jurisdiction within the recreation area in accordance with the appropriate laws of the States of Montana or Wyoming to the extent applicable, except that the Secretary may designate zones where, and establish periods when, no hunting or fishing shall be permitted for reasons of public safety, administration, fish or wildlife management, or public use and enjoyment. Except in emergencies, any regulations of the Secretary pursuant to this section shall be put into effect only after consultation with the Montana Fish and Game Department or the Wyoming Game and Fish Commission.

SEC. 5. There is hereby authorized to be appropriated not more than $320,000 for the acquisition of land and interests in land pursuant to this Act.

Mr. METCALF. Mr. President, S. 2048, to create the Big Horn Canyon National Recreation Area in south-central Montana and north-central Wyoming is one of the most important recreation development bills to come before the Congress this year. Its passage and prompt development of the area is most important in light of the progress on Yellowtail Dam and the flooding of the area which will begin soon.

S. 2048 would set aside some 63,300 acres along the Big Horn River above Yellowtail Dam as a unit of the national park system. The area would include the spectacular Big Horn Canyon, some 47 miles long with cliffs rising 800 to 2,200 feet above the river. It would cover about one-third of the 195-mile shoreline created by the Yellowtail Reservoir.

In addition to the impressive scenery and geology presented in the canyon, there are sites of significant archeological and historical interest. The Smithsonian Institution is studying a narrow strip of land running the length of the canyon, on which have been found evidence of habitation by an unknown prehistoric tribe. Near the damsite are the remains of old Fort C. F. Smith, an Army infantry post established in 1866 to protect travelers on the Bozeman Trail from the Sioux and Cheyenne Indians.

Other proposed recreation facilities are:

First. A major development at Yellowtail Dam, including a visitor center, administrative headquarters, the dam overlook and scenic drive, boat excursion facilities, campgrounds, picnic areas, loading and eating facilities.

Second. Dry Head—minor—development, with camp and picnic grounds accessible only by boat.

Third. Barrys landing—major—development with boat launching facilities, lodging and eating places, camp and picnic grounds, horse corral and riding and hiking trails.

Fourth. Devils Canyon—minor—developments including archeological and geological exhibits, hiking and riding trails and overlook.

Fifth. Horseshoe Bend, outside the canyon where the reservoir will be wider and shallower. In addition to the usual facilities, there will be a swimming beach.

Sixth. Kane Bridge development including campgrounds and picnic area, boat launching site and information station.

Development, over a 10-year period, will include a highway down the west side of the reservoir, linking Interstate Highway 90 near Hardin with Wyoming State 14 near Lovell. From this highway there would be access to the recreation area at several points.

Boundaries of the proposed recreation area have been carefully drawn to avoid including private lands not absolutely necessary. All but about one-ninth of the land involved is already in Federal ownership. Within the area, more than 29,200 acres are being acquired by the Bureau of Reclamation for dam and reservoir purposes. Of the remainder, almost 27,000 acres are in the Federal land reserve. There are some 719 acres of Montana State lands, which under S. 2048 can only be acquired with the concurrence of the State. Some 6,418 acres are privately owned—4,560 acres in Montana and 1,858 in Wyoming.

The proposal does not include any lands owned by the Crow Indian Tribe, although the Crow Reservation will border about two-thirds of the Yellowtail Reservoir.

Addition of certain of these Indian lands would greatly enhance the recreation area, but they will not be included without the consent of the tribe. The Crow Indian Tribe will have the exclusive right to develop and operate water-based recreational facilities, including landing ramps, boathouses, and fishing facilities, along that part of the shoreline of Yellowtail Reservoir which is adjacent to lands comprising the Crow Indian Reservation. Any such development will be administered in accordance with the laws and rules applicable to the recreation area, subject to any limitations specified by the tribal council and approved by the Secretary. Revenues thereby produced will be retained by the Crow Tribe.

Private concessions will also be encouraged. There will be a need for a variety of lodges, cabins, trailer villages, and eating facilities. The Crow Indian Tribe can develop many of these concessions if they decide to participate in the recreation plan.

The Park Service estimates the acquisition and development cost at $7.7 million. When full recreation use is reached, the Park Service states that the Government can expect annual monetary benefits of at least $1,011,600.

The Park Service also estimates the regional recreation use alone at 154,000 visitor days annually by 1970 if full-scale development is carried through. Total use, including tourists from points outside a 100-mile radius would bring the visitor day annual total to 562,000.

The proposed Big Horn Canyon National Recreation Area is situated in one of our Nation's major vacation lands. It is only 110 miles east of our oldest and largest national park, Yellowstone, which last year attracted 1,872,500 visits. It is not too far distant from Glacier National Park in western Montana. It is just a short drive from the Custer Battlefield. It is near well-traveled vacation routes, such as U.S. Highways 87 and 212, and Interstate 90, now under construction, to the north and east. Wyoming State Highway 14 will also provide access to the area from the south.

Since this is the only proposed reservoir national recreation area in the Missouri River Basin, it would serve the water-oriented recreation needs of thousands of people from the Rocky Mountain region and the Great Plains.

Mr. President, Montana has a great many resources which have not been developed such as this recreational area. If Montana is to do its part in providing for the phenomenal recreational needs of the future development of these areas it must be accomplished now. I, therefore, sincerely urge the passage of S. 2048.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

The title was amended, so as to read: "A bill to provide for the establishment of the Big Horn Canyon National Recreation Area, and for other purposes."

AUTHORIZATION OF APPROPRIATIONS FOR WORK IN MISSOURI RIVER BASIN

The bill (H.R. 9521) to increase the authorization for appropriation for continuing work in the Missouri River Basin by the Secretary of the Interior was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1302), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of H.R. 9521, is to increase the authorization for appropriation for continuing work in the Missouri River Basin by the Secretary of the Interior. This legislation would increase by $120 million the appropriation limitation for that portion of the Missouri River Basin project which is the responsibility of the Secretary of the Interior. The authorization is confined to appropriations for fiscal years 1965 and 1966 and is further qualified by language prohibiting the appropriation of any of the funds to initiate construction of units of the Missouri River Basin project not hereafter authorized or reauthorized by the Congress.

EXPLANATION

The Flood Control Act of 1944 (58 Stat. 887) authorized the Secretary of the Interior to undertake a portion of the comprehensive plan for development of the Missouri River Basin, and section 9(e) of that act authorized the appropriation of $200 million for partial accomplishment of the works to be undertaken by the Secretary. Subsequent authorizations have increased this appropriation limitation to a total of $826 million. Against this amount, net allotments to projects as of

June 30, 1963, amounts to $783,775,646. Adding the fiscal year 1964 appropriation of $64-870,600 leaves a balance as of June 30, 1964, of $22,353,754. The amount of this balance plus the $120 million which would be authorized by H.R. 9521 would meet the Department's estimated fund needs for continuing construction during fiscal years 1965 and 1966. The Department's fund needs, totaling about $141,161,000, are set out in the following tabulation:

List of Missouri River Basin units and amounts estimated to be obligated, fiscal years 1965 and 1966

Unit or activity	Estimated fiscal year 1965 obligation program	Estimated fiscal year 1966 obligation program
Ainsworth	$6, 500, 000	$5, 340, 000
Almena	2, 650, 000	930, 000
East Bench	780, 000	190, 000
Farwell	2, 700, 000	2, 035, 000
Frenchman-Cambridge	665, 000	470, 000
Glen Elder	8, 400, 000	24, 400, 000
Transmission division	22, 175, 000	17, 955, 000
Yellowtail	19, 950, 000	17, 350, 000
Investigations	1, 743, 000	1, 828, 300
Advance planning	950, 000	1. 211, 000
Angostura	232, 000	32, 000
Bostwick	555. 000	448, 000
Cedar Buff	100, 000	121. 000
Crow Creek pump	20, 000	5, 335
Glendo	249, 000	
Hanover-Bluff	225, 000	150, 000
Helena Valley	150, 000	100, 000
Kirwin	94, 000	
Oahe-James section	100, 000	
Owl Creek	40, 000	
Shadehill	15, 000	115, 000
Technical records and as-built drawings	15, 000	15, 000
Webster	120, 000	37, 000
Total	68, 428, 000	72, 732, 635
Total, fiscal years 1965 and 1966	141, 160, 635	

The total estimated cost of the work completed and under construction by the Department of the Interior in the Missouri River Basin is $1.12 billion, including some units that were started on the basis of 1944 authorization and other units that have been subsequently authorized or reauthorized by the Congress. It is, therefore, apparent that, in addition to the funds authorized to be appropriated by this bill, an additional authorization of approximately $174 million will be required to complete the units presently under construction.

The committee believes that no additional units of the Missouri River Basin project to be undertaken by the Secretary of the Interior should be started without authorization or reauthorization by the Congress. The committee was furnished information listing 66 single-use irrigation units costing an estimated $208,039,000 and 38 multiple-purpose units costing an estimated $2,091,261 which have not been started and which are presently considered as included in the comprehensive Missouri River Basin plan. Under the committee's position, none of these units could be started until they are reauthorized by the Congress. The language in H.R. 9521 prohibiting the use of funds for starting new units is implementation of this position. If this language is retained in this legislation and is continued in subsequent bills to increase the appropriation limitation it will have the effect of requiring reauthorization by the Congress of all units that are not presently under construction. The committee believes that this procedure is necessary to provide Congress with proper surveillance and control over further development and expenditures by the Department of the Interior in the Missouri River Basin. Under this procedure, the authorizing legislation for each unit or project would include the authorization for appropriations to construct the project.

CONSTRUCTION OF CERTAIN INTERNATIONAL BRIDGES

The bill (S. 3074) granting consent of Congress to the construction of certain international bridges was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "International Bridge Act of 1964".

SEC. 2. The consent of Congress is hereby granted to the construction, maintenance, and operation of any bridge and approaches thereto, which will connect the United States with any foreign country (hereinafter referred to as an "international bridge"), and to the collection of tolls for its use, so far as the United States has jurisdiction. Such consent shall be subject to: (1) the approval of the proper authorities in the foreign country concerned; (2) commitment by the State in which the bridge would be located to review the detailed plans and specifications for the bridge with respect to structural soundness and to inspect the bridge on completion and periodically thereafter; and (3) the provisions of the Act entitled "An Act to regulate the construction of bridges over navigable waters", approved March 23, 1906 (33 U.S.C. 491–498), except for section 6 (33 U.S.C. 496), and (4) the provisions of this Act which follow hereafter.

SEC. 3. No bridge may be constructed, maintained, and operated pursuant to section 2 unless the President has first given his approval thereto. In the course of determining whether to grant such approval, the President shall secure the advice and recommendations of (1) the International Boundary and Water Commission, United States and Mexico, in the case of a bridge connecting the United States and Mexico, (2) the Governor of the State in which the bridge would be located, and (3) the heads of such departments and agencies of the Federal Government as he deems appropriate.

SEC. 4. The approval of the Secretary of the Army, as required by section 1 of the Act of March 23, 1906 (33 U.S.C. 491) shall only be given subsequent to the President's approval, as provided for in section 3 of this Act, and shall be null and void unless the actual construction of the bridge is commenced within two years and completed within five years from the date of the Secretary's approval: *Provided, however,* That the Secretary may, for good cause shown, extend for a reasonable time either or both of the time limits herein provided.

SEC. 5. If tolls are charged for the use of an international bridge constructed under this Act, the following provisions shall apply, so far as the United States has jurisdiction:

(a) in the case of a bridge constructed or taken over or acquired by a private individual, company, or other private entity, tolls may be collected for a period not to exceed sixty-six years from the date of completion of such bridge, and at the end of such sixty-six years, such bridge and approaches thereto, if not previously transferred to a public agency pursuant to section 6, shall become the property of the State wherein the United States portion of such bridge is located, and no further compensation shall be deemed to be due such individual company or entity; or

(b) in the case of a bridge constructed or taken over or acquired by a State or States or by any municipality or other political subdivision or public agency thereof, the rates of toll shall be so adjusted as to provide a fund sufficient to pay for the reasonable cost of maintaining, repairing, and operating the bridge and its approaches under economical management, and to provide a sinking fund sufficient to amortize the amount paid therefor, including reasonable interest and financing cost, as soon as possible under reasonable charges, but within a period not to exceed forty years from the date of completing or acquiring the same. After a sinking fund sufficient for such amortization shall have been so provided, any such bridge shall thereafter be maintained and operated free of tolls.

An accurate record of the amount paid for acquiring the bridge and its approaches, the actual expenditures for maintaining, repairing, and operating the same, and of the daily tolls collected, shall be kept and shall be available for the information of all persons interested.

SEC. 6. Nothing in this Act shall be deemed to prevent the individual, corporation, or other entity to which, pursuant to this Act, authorization has been given to construct, operate, and maintain an international bridge and the approaches thereto, from selling, assigning, or transferring the rights, powers, and privileges conferred by this Act to any public agency and any such successor agency is authorized to exercise the rights, powers, and privileges acquired under the section in the same manner as if such rights, powers, and privileges had been granted by this Act directly to such agency: *Provided, however,* that with respect to the collection of tolls the provisions of section 5(b) shall apply.

SEC. 7. The provisions of this Act shall apply only to international bridges the construction of which is approved under such provisions.

SEC. 8. Nothing in this Act shall be construed to affect, impair, or diminish any right, power, or jurisdiction of the United States over or in regard to any navigable waters or any interstate or foreign commerce.

SEC. 9. The Secretary of the Army shall, at the end of each calendar year, transmit to the Congress a report of all approvals pursuant to this Act during such year.

SEC. 10. The right to alter, amend, or repeal this Act is expressly reserved.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1304), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

MAIN PURPOSE

The purpose of this measure is to give the consent of Congress, subject to a number of conditions, to the construction of certain international bridges so as to make separate authorizations for individual international bridges unnecessary for the most part. In this respect, the bill follows the philosophy of the General Bridge Act of 1946 by which Congress granted consent for the construction, maintenance, and operation of bridges and approaches thereto over the domestic navigable waters of the United States.

BACKGROUND

The General Bridge Act of 1946 specifically stated that it "shall not be construed to authorize the construction of any bridge which will connect the United States, or any territory or possession of the United States, with any foreign country." Accordingly, each individual proposal to build a bridge across waters between the United States and a foreign country has had to receive separate congressional approval. Since enactment of the General Bridge Act of 1946 almost 30 such measures have been passed by the Congress. With population expanding along the northern and southern borders of the United States, it can be expected that this demand will continue, if not increase.

This factor, together with recently developing local controversies as to the sites of proposed bridges, led the Committee on Foreign Relations to explore other means of authorizing the construction of international bridges. After extensive consultation with the executive departments primarily concerned with questions relating to such international bridges, and at the request of the committee, the language embodied in the pending bill was submitted by the Bureau of the Budget and represents the consolidated views of the executive branch.

WHAT THE BILL DOES

The bill consists largely of the generally applicable provisions of the individual authorizations previously enacted and the act of 1906 entitled, "An act to regulate the construction of bridges over navigable waters" (33 U.S.C. 491–498).

The consent of Congress is granted in section 2 to the construction, maintenance, and operation of any bridge and approaches thereto, which will connect the United States with any foreign country, subject to (1) the approval of the proper authorities in the foreign country concerned; (2) a commitment by the State or States having jurisdiction over the bridge location to review the detailed plans and specifications for structural soundness and to inspect the bridge on completion and from time to time thereafter; and (3) the provisions of the 1906 act. Requirements (1) and (3) have been consistently a part of prior international bridge authorizations. The condition set forth in clause (2) has not previously been placed in such legislation but the committee considered it desirable because of the significant international consequences which might flow from the structural failure of an international bridge.

Section 3 of the bill requires the prior approval of the President to the construction, maintenance, and operation of bridges. In determining whether to give such approval, the bill provides that the President shall secure the advice and recommendations of (1) the International Boundary and Water Commission, United States and Mexico, in the case of a bridge leading to Mexico; (2) the Governor of the State in which the bridge would be located; and (3) the heads of such departments and agencies of the Federal Government as he deems appropriate. The committee would expect the Secretary of State to be among those consulted.

It seems appropriate to vest the approval power in the President because the question affects foreign relations and because a large number of Federal agencies have an interest—the Bureau of Public Roads, the Corps of Engineers, the Public Health Service, the Immigration and Naturalization Service, the Customs Bureau, among others. The President can, of course, and probably will, delegate this authority.

Section 4 follows the pattern of the 1906 Bridge Act and provides that the approval of the Secretary of the Army shall be subsequent to that of the President and shall be null and void unless construction of the bridge is begun within 2 years and completed within 5 years from the date of the Secretary's approval. In view of the planning and construction time necessary for some large projects, the bill includes a proviso that the Secretary may, for good cause shown, extend for a reasonable period either or both of these time limits. The equivalent time limitations in the 1906 Bridge Act are 1 and 3 years and in the individual international authorizations they have varied from that to as much as 3 and 6 years. The 2- and 5-year limit appears reasonable when combined with the discretionary extension authority given the Secretary of the Army.

Section 5 applies to tolls. In the case of a privately constructed or acquired international bridge the authority to collect tolls is limited to 66 years from the date of completion of such bridge. After that the bridge must be operated free of toll. The 66-year limitation has been contained in all international bridge authorizations enacted since 1959.

The bill provides that at the end of the 66-year period, the bridge and the approaches thereto, if not previously transferred to a public agency, shall become the property of the State in which the U.S. portion of the bridge is located, and no further compensation shall be deemed to be due to the private owners. It was the committee's belief that, inasmuch as a bridge serves the public convenience, provision should be made for its continuing operation after the private owners no longer could provide such operation and maintenance from funds collected through tolls. The private owners would have been compensated through the privilege of building the bridge and collecting tolls for 66 years.

In the case of a publicly owned and operated international bridge, the tolls shall be so adjusted as to provide a fund sufficient to pay for the reasonable cost of maintaining, repairing, and operating the bridge and its approaches under economical management, and to provide a sinking fund sufficient to amortize the amount paid therefor, including reasonable interest and financing cost, as soon as possible under reasonable charges, but within a period not to exceed 40 years from the date of the completion or acquisition of the bridge.

For both publicly and privately owned bridges, the bill further requires that an accurate record of the amount paid for acquiring the bridge and its approaches, the actual expenditures for maintaining, repairing, and operating the same and of the daily tolls collected, shall be kept and shall be available for the information of all persons interested.

The provisions relating to tolls charged for the use of a public international bridge are virtually identical to those contained in the General Bridge Act of 1946 except for the period of time set forth. In the General Bridge Act of 1946, this is set at 30 years. The longer period was recommended by the executive branch in the light of recent bridge bonding experience.

It should also be pointed out that the tolls on private bridges are subject to regulation by the Secretary of the Army under the provisions of 33 U.S.C. 494, which is incorporated in the bill by reference.

Section 6 authorizes individuals, corporations, or other entities which, under the act, have obtained authorization to construct, operate, and maintain an international bridge and approaches to it to sell, assign, or transfer the rights, powers, and privileges conferred upon them to any public agency or international bridge authority or commission. The latter will then be authorized to exercise these rights, powers, and privileges in the same manner as if they had been granted to it directly, except for the collection of tolls where the provisions with respect to publicly owned international bridges will apply. This identical provision has been contained in almost all individual international bridge authorizations for many years.

In order to assure continued congressional surveillance over bridges authorized by this bill, the committee provided in section 9 that the Secretary of the Army at the end of each calendar year report to the Congress on approvals made during that year.

COMMITTEE COMMENTS

On July 7 and 28, 1964, the committee, in public and executive session, considered this and other pending bridge legislation. On August 4 the committee agreed to the approach contained in the pending bill and ordered it favorably reported to the Senate.

In recommending this bill to the Senate, the committee wishes to stress that there are no great departures from precedent involved. Nothing in this bill gives advance consent to compacts or agreements between States and foreign countries or subdivisions thereof for the construction of international bridges. Bridges built under such agreements would continue to be considered ad hoc by the Congress. Nor does the bill deal with toll policy for international bridge authorities or commissions because it is felt that appropriate toll provisions could best be worked out in the context of negotiating compacts or agreements to set up such authorities. The bill is naturally limited in its effect to the territory over which the United States has jurisdiction.

The authorization contained in the bill is specific and limited and, the committee stresses, largely drawn from existing law and precedent. The committee believes that it represents a more orderly and better method for dealing with requests for permission to build international bridges than has been available heretofore. Its principal advantage is to relieve Congress of the burden of passing on a multiplicity of individual bridges.

The Committee on Foreign Relations strongly recommends this measure to the Senate and urges prompt action so that this question can be disposed of before the end of this Congress.

FRANK S. CHOW

The bill (S. 2711) for the relief of Frank S. Chow was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Mr. Frank S. Chow shall be held and considered to have been lawfully admitted to the United States for permanent residence as of October 12, 1956.

AMENDMENT OF UNITED STATES CODE RELATING TO DIVERSITY OF CITIZENSHIP

The bill (H.R. 1997) to amend subsection (c) of section 1332 of title 28, United States Code, relating to diversity of citizenship was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD, an excerpt from the report (No. 1308), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the proposed legislation is to amend section 1332(c) of title 28, United States Code, so as to eliminate under the diversity jurisdiction of the U.S. district courts, suits on certain tort claims in which both parties are local residents, but which, under a State "direct action" statute, may be brought directly against a foreign insurance carrier without joining the local tortfeasor as a defendant.

STATEMENT

Section 1332, title 28, United States Code, grants jurisdiction to the Federal district courts in all civil actions involving controversies exceeding $10,000 in value between citizens of different States. Subsection (c) of that section provides that for the purposes of section 1332 and section 1441 of title 28, United States Code, a corporation shall be deemed a citizen of any State by which it has been incorporated and of a State where it has its principal place of doing business. Section 1441 of title 28, United States Code, permits defendants in civil actions brought in State courts to remove such actions to Federal courts having jurisdiction thereof. H.R. 1997 would add a proviso to subsection (c) of section 1332 to provide that in any civil action directly against the insurer of a policy or contract of liability insurance, to which the insured is not joined as a party-defendant, then the insurer shall be deemed a citizen of the State of which the insured is a citizen, as well as of any State by which the insurer has been incorporated and of the State where it has its principal place of business.

At the present time there are two States, namely, Louisiana and Wisconsin, which have "direct action" statutes. The Wisconsin statute has been construed to hold that a party injured due to the negligence of the insured may pursue their right of action against the insurer alone, *Kujawa* v. *American Indemnity Company,* 14 N.W. 2d 31, 151 A.L.R. 1133.

The Louisiana statute was held constitutional by the Supreme Court in *Watson* v. *Employers Liability Corporation,* 348 U.S. 66. The Supreme Court held in *Lumbermen's Mutual Casualty Co.* v. *Elbert,* 348 U.S. 48, that the U.S. District Court of Louisiana had jurisdiction over a suit for damages brought under the "direct action" statute of that State.

As a result of these two statutes, tort cases involving only local residents, which in the other States would come within the exclusive jurisdiction of the State courts, would permit the filing of the law suits in the U.S. district courts in the respective States. The record indicates that in the State of Wisconsin the filing of suits under the direct action statute of that State has not imposed any undue burden upon the Federal district courts therein. However, in the case of Louisiana the testimony of the U.S. district judges and the statistics submitted by the Administrative Office of the U.S. Courts indicate a very different situation. It appears that in Louisiana a large number of cases are being filed in the Federal district courts because of the existence of the direct action statute of Louisiana. The Administrative Office of the U.S. Courts submitted the following information for the use of the committee in consideration of H.R. 1997 and its potential impact upon the business of this district; namely, the eastern district of Louisiana:

"THE JUDICIAL BUSINESS OF THE U.S. DISTRICT COURT FOR THE EASTERN DISTRICT OF LOUISIANA

"The eastern district of Louisiana has four judgeships, two of which were established by the omnibus judgeship bill of 1961. Court is held at New Orleans, where three judges reside, and at Baton Rouge, where the fourth judge makes his headquarters. Until September 1961, when the two judges authorized by the Omnibus Act were appointed, the district had only two judges.

"Volume of civil business

"More civil cases are filed per judgeship in this district than in any other district in the country. This has been true for a good many years. The flow of all civil cases and private civil cases during the last 7 fiscal years is shown in the following table:

"Civil cases commenced and terminated by fiscal year, and pending at end of fiscal year

"TOTAL CIVIL CASES

"Fiscal year	Commenced	Terminated	Pending June 30
1956	1,192	967	1,811
1957	1,417	1,281	1,947
1958	1,798	1,187	2,558
1959	1,616	1,385	2,789
1960	1,610	1,516	2,883
1961	1,681	1,406	3,158
1962	1,778	1,503	3,433
1st 3 quarters, 1963	1,569	1,333	3,669

PRIVATE CIVIL CASES

1956	1,009	780	1,599
1957	1,236	1,088	1,747
1958	1,622	1,041	2,328
1959	1,452	1,217	2,563
1960	1,454	1,322	2,695
1961	1,524	1,267	2,952
1962	1,615	1,375	3,192
1st 3 quarters, 1963	1,421	1,197	3,416

"The above figures show an almost uninterrupted increase in cases filed. The Jurisdiction Act of 1958 reduced slightly the volume of cases commenced in 1959 and 1960. However, filings in fiscal 1962 almost equaled the 1958 figure, and the filing figure for the first three quarters of 1963 portends a new record for the full year. The number of cases pending at the end of the year has increased substantially each succeeding year. The 3,433 civil cases pending on June 30, 1962, represented 2¼ years' work on the basis of 1,503 terminations during the year.

"Caseload per judgeship

"In 1962, when 1,778 civil cases were commenced, the average per judge was 445. However, the average per judgeship on a weighted caseload basis was 459. This figure more accurately reflects the actual caseload because it takes into consideration the amount of time the various natures of suit claim of the judges in order to be disposed. This average per judgeship civil figure of 459 for the eastern district of Louisiana is 150 percent greater than the national average of 185 cases per judgeship in 87 districts. The second heaviest average caseload per judgeship in the 87 districts is in the eastern district of Virginia. No other district comes anywhere near to approaching the eastern district of Louisiana's civil caseload. The eastern district of Virginia, with a civil caseload of 356 per judgeship, is over 100 cases lower.

"When the weighted criminal caseload figure is added to the weighted civil average, the eastern Louisiana average caseload per judgeship in 1962 rises to 512. The district's unenviable position at the head of the list of average caseloads per judgeship is shown in the following table, which shows the 5 highest and 5 lowest averages in the 87 districts:

"Combined civil and criminal weighted caseload

	"Rank order	Average per judgeship
Louisiana, eastern	1	512
Virginia, eastern	2	431
Texas, western	3	404
Vermont	4	383
Georgia, southern	5	381
Average, 87 districts		242
South Dakota	83	124
Hawaii	84	123
Alaska	85	107
Nevada	86	99
Delaware	87	75

"The following table shows the average civil caseload per judgeship (unweighted) for cases filed from 1956 to 1961 for the eastern district of Louisiana and nationally:

"Civil caseload per judgeship

"Fiscal year	Number of judgeships	Louisiana, eastern	86 districts
1961	4	520	178
1960	2	805	221
1959	2	808	215
1958	2	899	250
1957	2	709	236
1956	2	596	225

"Reasons for heavy caseload

"The heavy civil caseload of the district is due entirely to the great number of private cases filed. As far as cases in which the United States is a party are concerned, the district receives fewer than the average for the 87 districts.

"A number of factors peculiar to the district or the State of Louisiana contribute to the filing of a huge private civil caseload. One factor is the recent growth of the port of New Orleans to the second port of the Nation. This maritime growth has flooded the local district court with admiralty actions. Another factor is the Louisiana direct action statute which permits a suit directly against a tort feasor's insurance company without making the insured a party defendant. Diversity of citizenship is established in these cases if the insurance company is incorporated in another State and does not have its principal place of business in Louisiana, even though all the persons involved in the accident are residents of Louisiana. Another factor favoring the Federal court as a desirable forum is the fact that the State appellate court is not bound as the Federal appellate courts are by the findings of a jury in a lower court. Also, there is a decided preference among New Orleans lawyers to use the Federal court rather than the State court, despite the fact that a trial may be had in the State court in a matter of a few weeks.

"Types of civil cases commenced

"Only 163 or 9 percent of the 1,778 civil cases filed in eastern Louisiana during 1962 involved the United States. The remaining 91 percent were actions between private parties. This 91-percent ratio of private cases compares with 67 percent nationally, and strikingly indicates the tremendous impact private cases have upon the eastern Louisiana dockets.

"As would be expected as a result of the effect of the direct-action statute, tort cases predominate among the private suits. In 1962, 1,261, or 78 percent of the 1,615 private cases filed were tort actions. Their nature was as follows:

"Personal injury:	*Cases filed*
Marine	489
Motor vehicle	431
Employers' Liability Act	6
Other	219
All other tort actions	116
Total	1,261

"The number of private civil and diversity of citizenship cases filed during the last 7 years is shown in the following table:

"Civil cases filed

	"Total, all civil	Total, private	Total, diversity
1962	1,778	1,615	811
1961	1,681	1,524	790
1960	1,610	1,454	733
1959	1,616	1,452	743
1958	1,798	1,622	1,027
1957	1,417	1,236	764
1956	1,192	1,009	635

"Pending civil cases

"The 3,419 civil cases pending June 30, 1962, present a formidable problem to effect their disposition. Not only is there a tremendous number of cases, but among them are many difficult natures of suit and a more than usual number of old cases. The following table shows the number of cases pending on June 30, 1962, by jurisdiction categories and the length of time they have been pending (land condemnation suits excluded):

"Civil cases pending June 30, 1962

	"Total	Less than 1 year	1 to 2 years	2 to 3 years	3 to 5 years	5 years and over
Total	3,419	1,427	881	511	433	167
U.S. cases:						
Plaintiff	102	57	13	11	15	6
Defendant	125	35	34	22	18	16
Private cases:						
Federal question	1,668	680	430	261	238	59
Diversity	1,524	655	404	217	162	86
5th circuit, all districts	10,285	6,171	2,079	1,029	710	296

"A comparison of the total civil cases pending in eastern Louisiana and in all the district courts of the fifth circuit shows the exceptional congestion in the eastern district. Of the 1,006 cases 3 or more years old, 600, or 60 percent are in the eastern district.

"The number of civil cases pending in this district on June 30, 1962, was exceeded by only three districts—the southern district of New York with 24 judges, the District of Columbia with 15, and the eastern district of Pennsylvania with 11. The following table of civil cases pending in districts having four or more judges shows the tremendous burden which Chief Justice Christenberry and his three associates are carrying:

"District	Number of judgeships	Number of civil cases pending on June 30, 1962
New York, southern	24	11,673
District of Columbia	15	4,984
Pennsylvania, eastern	11	4,181
Louisiana, eastern	4	3,433
Illinois, northern	10	2,664
New York, eastern	8	1,867
California, northern	9	1,804
California, southern	13	1,733
Massachusetts	6	1,475
Texas, southern	5	1,458
Florida, southern	7	1,316
Ohio, northern	7	1,188
Michigan, eastern	8	991
New Jersey	8	986
Maryland	4	983
Pennsylvania, western	8	954
Missouri, western	4	747
Texas, northern	5	744
Connecticut	4	716
Minnesota	4	562

"Civil terminations

"The tremendous year-to-year growth of the pending civil caseload has not been because the volume of cases terminated has been low. Civil cases terminated per judgeship in the eastern district of Louisiana have exceeded the national average two or three times. This is shown in the following table:

"Cases terminated per judgeship

"Fiscal year	Eastern Louisiana	National average
1962	376	176
1961	352	167
1960	758	222
1959	693	236
1958	594	231

"Respectfully submitted.

"Orin S. Thiel,
"Assistant Chief, Division of Procedural Studies and Statistics."

The cited figures indicate clearly the effect which the "direct action" statute of Louisiana has upon the caseload of this district, and also clearly indicates what might be expected to occur in the Federal courts throughout the country if each of the States were to enact legislation similar to the Louisiana statute.

The committee believes that the existence of these statutes in Louisiana and Wisconsin do not come within the spirit or the intent of the basic purpose of the diversity jurisdiction of the Federal judicial system. For these reasons the committee believes that this legislation should be favorably considered.

The Judicial Conference of the United States and the Department of Justice have both recommended the enactment of this proposal. The committee, therefore, recommends favorable consideration of H.R. 1997, without amendment.

Attached hereto and made a part hereof is a letter from the Administrative Office of the U.S. Courts, dated May 16, 1963, and a letter from the Department of Justice, dated May 20, 1963, approving this proposal:

* * * * *

"The purpose of the legislation is to overcome the direct action statute of Louisiana which has the effect of permitting a citizen of Louisiana who is injured by another citizen of that State to bring an action in the Federal court directly against the tort-feasor's insurance company without joining the tort-feasor when such insurance company is neither incorporated in Louisiana nor has its principal place of business in the State."

* * * * *

"The bill has been recommended by the judicial council of the fifth circuit and the Judicial Conference of the United States. The Department of Justice considers the legislation important and meritorious and joins with the Judicial Conference and the fifth circuit judicial council in recommending its enactment."

INDUSTRIAL TRACTOR PARTS CO., INC.

The bill (H.R. 4088) for the relief of the Industrial Tractor Parts Co., Inc., was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 1309), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE

The purpose of the proposed legislation is to authorize the reliquidation and refund of duties in the case of 16 entries made at port of New York by Van Oppen & Co., Inc., as customhouse brokers for Industrial Tractor Parts Co., Inc., if application for reliquidation is made within 1 year after the date of enactment of this act.

STATEMENT

The records of the Treasury Department disclose that the entries referred to in the bill cover certain components for tracklaying tractors imported during the years 1956 to 1959, inclusive. They were liquidated dutiable in the first 5 months of 1960 under the provisions in paragraph 732 of the Tariff Act of 1930, as modified, for parts of machines not specifically provided for. No protest against such liquidations was made within the 60-day limit prescribed by section 514 of the Tariff Act.

In 1961 Van Oppen & Co., the brokers, filed a claim under section 520(c) (1) of the Tariff Act of 1930, as amended, alleging that clerical errors had been made in the liquidation of these entries and requested that a free entry be granted the commodities covered by the entries. The claim for free entry was based upon a decision of the U.S. Customs Court decided December 4, 1959, and published on December 10, 1959, as abstract 63560, which held that parts for certain tracklaying tractors of a type chiefly used in agricultural pursuits were free of duty as parts of agricultural implements under paragraph 1604 of the Tariff Act. Since the time limit under section 520(c) (1) had expired, the claim was denied.

The Treasury Department is opposed to the enactment of this bill as discriminating against other importers who may be similarly situated and undermining the principle of statutory limitations of time within which protests against decisions of collectors of customs must be filed. The report from that Department also states that no reasons have been shown to justify the failure of the importer and broker to take cognizance of the decision of the U.S. Customs Court. By the same token, however, no explanation has been provided as to why no action on abstract 63560 was taken by the customs liquidators until 17 months after it was published.

Prior to the issuance of the customs court decision of December 4, 1959, and publication of abstract 63560 on December 10, 1959, a declaration had to be made that the tractor parts were to be used for agricultural purposes before they were allowed duty-free entry. The broker for Industrial Tractor Parts Co., Inc., reported:

"Our importer contended that anyone selling primarily to wholesalers and dealers could not control the ultimate use and he would not sign an affidavit to the effect that his parts would be used for agriculture alone, when they could also be used industrially if so sold by his distributors. Thus, by adhering strictly to principle, duty was paid on all tractor parts by this importer, while many others imported free of duty. Abstract 63560 recognized that parts for certain tracklaying tractors were of a type chiefly used in agriculture and therefore could be entered as duty free without the declaration regarding their end use which in effect justifies those that availed themselves of the opportunity to file declarations, but since it was not applied to our entries by customs entry clerks, customs appraiser or customs liquidators on those entries which are covered by H.R. 4088 we contend that we have in effect suffered the unintended discrimination and that passage will right a wrong rather than discriminate against other importers, many of whom have already imported the same type of parts duty free.

"The issue of the dutiable status of tractor parts has been confused and complicated for several years by directives from the Commissioner of Customs and Treasury decisions brought about by action of interested parties. The very fact that it was almost 1½ years after the existence of abstract 63560 before action on it by customs liquidators took place at New York seems evidence that confusion was responsible. * * * Since both the U.S. appraiser and the customs liquidators involved with these entries were either unaware of the existence of the abstract or sufficiently confused by directives so as to continue to liquidate entries for these parts as dutiable, we believe that both the importer and his brokers acted reasonably by accepting their authority when advised that tractor parts were construed to be dutiable unless they could be declared for agricultural purposes only."

The departmental report refers to the failure of the importer and broker to take cognizance of the decision of December 4, 1959, and to file timely protests. However, the record fails to show why the decision was not followed by the collector of customs and the broker's entries continued to be liquidated as dutiable for the next 17 months. If the decision had been followed by the customs appraiser and liquidators no protest would have been necessary. The record does show that immediately upon learning of the abstract, when in May of 1961 a liquidator's check on a warehouse withdrawal entry indicated existence of the abstract, protests were filed. Unfortunately, the 16 entries listed in the bill were withdrawn before the 1-year period prior to the protest. Thus, $7,533.89 in duties paid on these items could not be refunded.

It appears to the committee that the employees of the customs office must share a part of the responsibility for the erroneous collection of duties over a 17-month period upon items which should have been duty free. The importer acted promptly when he became aware of the abstract which apparently was the subject of confused interpretation and application for an unreasonably long period after its issuance.

In view of the facts as outlined above, the committee recommends that this bill, H.R. 4088, be favorably considered.

GLENN C. DEITZ AND OTHERS

The bill (H.R. 4871) for the relief of Glenn C. Deitz and others was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 1310), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE

The purpose of H.R. 4871 is to relieve 12 members and former members of the Navy and Naval Reserve of liability to repay to the United States indebtedness representing the amount of per diem overpayments made to them while they were performing duty at Boardman Bombing Range, Boardman, Oreg., during the period 1958 through 1960.

STATEMENT

The facts in this case are set forth in the House report on H.R. 4871, and read as follows:

"The favorable report from the Department of the Navy states that the overpayments occurred as the result of temporary duty performed by 20 navymen who were assigned to maintenance and operational responsibilities in a remote rural area. Section 6161 of title 10, United States Code, as implemented by SecNav Instruction 7220.38A, provides authority for remission of the indebtedness of enlisted members, on active duty, to the Government. Unfortunately this authority, as defined by the Navy regulation, does not extend to the remission of the indebtedness of individuals who are no longer in active service. The 12 individuals named in the amended bill are no longer on active duty and thus are unable to benefit from the administrative relief being afforded to the other servicemen involved.

"The circumstances underlying the overpayments were as follows: In 1958 the U.S. Naval Air Station, Whidbey Island, assumed responsibility for support of functions connected with range maintenance of the Boardman Bombing Range which is located some 250 miles distant from the air station. The bombing range is in a remote, rural section of Oregon. The nearest military installation, with reference to the Boardman Bombing Range, was the Umatilla Ordnance Depot, located some 20 miles away. The ordnance depot, as well as the Boardman Bombing Range, did not have Government messing facilities or quarters available. Inasmuch as there was no official naval installation at Boardman to which personnel could be ordered on a permanent change of station basis and there was no official allocation of personnel for duty at Boardman, it was concluded that the proper procedure would be to issue temporary additional duty orders to a selected group of personnel who would assume responsibilities at Boardman. These individuals remained attached to their parent command, Naval Air Station, Whidbey Island, and received a special per diem for each day of duty performed at Boardman. Duty requirements at Boardman were continuing in nature.

"Due to the remote location of the range and the nature of the duties involved, personnel were selected for duty at Boardman who had the ability to work with little or no supervision, who could grasp quickly the complex operation of the range, and in whom a special trust and confidence could be placed. The members ordered to duty at Boardman were a select group with special training and qualifications. Rotation of the members of this group, at 6-month intervals as would ordinarily have been done in the case of personnel on temporary additional duty, was not feasible and as a matter of fact would have resulted in greater cost to the Government in terms of money and reduced efficiency. Temporary additional duty orders were therefore continued and per diem in the amount of $10 per day was paid over extended periods of time.

"In 1962 the General Accounting Office determined that payment of per diem to the members involved, over an extended period of time, was not authorized and accordingly began issuing notices of exceptions reflecting overpayments of per diem and resulting indebtedness to the Government on the part of the individual recipients.

"Upon the request of the committee, the Department of the Navy has furnished specific overpayment figures for the 12 individuals named in the amended bill. The overpayments total $33,963.87 and the amounts for each of the 12 are set forth in the letter of March 2, 1964, from the Department of the Navy, a copy of which is included in this report.

"It is noted that Mr. Deitz and the other enlisted members concerned performed their duty at the Boardman Bombing Range pursuant to written orders which were issued in good faith by competent authority, and, although pertinent regulations were misinterpreted which resulted in an administrative error on the part of the Government, the individuals in question received the payments in good faith. Repayment by the recipients of the amounts listed would obviously entail great personal hardship.

"Incidentally, it is noted that the Boardman Bombing Range was subsequently designated as a naval facility and now has an official allowance for personnel. No per diem payments have been made to personnel performing duty at Boardman on an extended basis since 1960.

"Inasmuch as the individuals named in the proposed legislation were selected on the basis of special qualifications for a special assignment of special trust and confidence with considerable hardships and sacrifice entailed, and the special per diem payments were made and accepted in good faith, the committee concurs in the stand of the Department of the Navy that it would not be equitable to require the individuals to suffer, because of the administrative error on the part of the Government."

The committee is in agreement with the views of the House and accordingly recommends favorable consideration of H.R. 4871, without amendment.

BILL PASSED OVER

The bill (H.R. 8999) to provide for the settlement of claims of certain inhabitants of the United States living in the area inundated by the sudden floods of the Rio Grande as a result of the construction of the Falcon Dam, and for other purposes, was announced as next in order.

Mr. MANSFIELD. Over.

The PRESIDING OFFICER. The bill will be passed over.

WILMER ALLERS AND JANE B. ALLERS, BOTH OF MALIN, OREG.

The bill (H.R. 9372) to remove a cloud on the title of certain property owned by Wilmer Allers and Jane B. Allers, both of Malin, Oreg., was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 1312), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE

The purpose of the proposed legislation is to provide for the release to Wilmer Allers and Jane B. Allers, his wife, of Malin, Oreg., of any interest or right of the United States under the act of August 30, 1890, to construct ditches and canals upon or through lots 4, 5, 6, and 7 of block 29 of the supplemental plat of Malin (Klamath County), Oreg.

STATEMENT

The Department of the Interior in its report approved H.R. 9372 provided certain amendments were made. Those amendments have been accomplished in the bill as it passed the House.

The facts surrounding this legislation are contained in House Report 1454 on H.R. 9372, and are as follows:

"The Department of the Interior in its report to the committee on the bill indicates that it would have no objection to the enactment of the bill provided it is amended in the form recommended by the committee. The reservation of the interest of the United States concerns the utilization of land for ditches and canals for reclamation purposes. The Department of the Interior has advised the committee that the provisions of the act of August 30, 1890 (26 Stat. 371, 391; 43 U.S.C. 945) provided for a reservation, or "floating easement," to be included in all patents issued for all public lands west of the 100th meridian. The conclusion of the Department was that the value of the right to be released under the terms of H.R. 9372 might be deemed at best to be nominal. An appraisal of the value of the interests is rendered difficult, since all lands patented in Oregon under claims originating after August 30, 1890, or validated by the act of August 30, 1890, were made subject to the reservation. In fact, the committee is advised that the cost of appraisal in all probability would greatly exceed the monetary value, if any, of the interest to be released.

"This committee is further advised that the bill H.R. 130 of the current Congress embodies a proposal of the Department and passed the House of Representatives on December 2, 1963. This bill would provide that the owner of land subject to a reservation created by the act of August 30, 1890, would be entitled to just compensation, including severance damages, if the Federal Government should exercise its right to utilize lands for ditches and canals for reclamation purposes. It is felt that relief in this instance is consistent with the policy embodied in H.R. 130.

"The basis for specific relief, as provided in the amendment to H.R. 9372, is that Mr. and Mrs. Allers have encountered difficulty in getting title insurance to their property, because of the existence of the right-of-way reservation. In view of the discussion in the report of the Department of the Interior as to the wide application of the reservation, further inquiry was made into the difficulties encountered by the Allers. They constructed a house on the property and applied for title insurance. The title insurance company declined to grant the insurance, because it construed the reservation to be a cloud upon the Allers' title. It appears that the only remedy presently available for Mr. and Mrs. Allers is to appeal to the Congress for relief."

The committee, after a review of the foregoing, concurs in the action of the House of Representatives and recommends that the bill, H.R. 9372, be considered favorably.

BILL PASSED OVER

The bill (H.R. 11255) to validate certain payments of per diem allowances made to members of the Coast Guard was announced as next in order.

Mr. MANSFIELD. Over.

The PRESIDING OFFICER. The bill will be passed over.

SIME DRAGUTIN VULIN

The Senate proceeded to consider the bill (S. 2712) for the relief of Sime Dragutin Vulin which had been reported from the Committee on the Judiciary, with an amendment to strike out all after the enacting clause and insert:

That, for the purposes of the Act of July 14, 1960 (74 Stat. 504), Sime Dragutin Vulin shall be held and considered to have been paroled into the United States on the date of the enactment of this Act, as provided for in the said Act of July 14, 1960.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1314), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill, as amended, is to provide that Sime Dragutin Vulin shall be considered to have been paroled into the United States as a refugee, on the date of the enactment of this act, under the provisions of Public Law 86-648.

STATEMENT OF FACTS

The beneficiary of the bill is a 40-year-old native and citizen of Yugoslavia, who first entered the United States as a seaman in January 1951 and departed. He last entered in May 1951 and remained. His application for an adjustment of status under the Refugee Relief Act was approved on March 18, 1955, but failed to gain congressional approval. He has been unsuccessful in his attempts to obtain adjustments under section 245 and a stay of deportation under section 243(h) of the Immigration and Nationality Act. However, his wife and two children, aged 14 and 16, have resided in a refugee camp in Italy since 1959. The beneficiary supports them and it is alleged that they have been unable to obtain parole under the fair share law because the beneficiary has been unable to adjust his status in the United States.

MRS. STYLLIANI PAPATHANASIOU

The Senate proceeded to consider the bill (S. 2742) for the relief of Mrs. Styllìani Papathanasiou which had been reported from the Committee on the Judiciary, with an amendment to strike out all after the enacting clause and insert:

That, in the administration of the Act of September 26, 1961 (75 Stat. 650), Mrs. Stylliani Papathanasiou shall be deemed to be within the purview of section 25(a) of that Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1315), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill, as amended, is to enable Mrs. Stylliani Papathanasiou to qualify for nonquota immigrant status under the provisions of section 25(a) of Public Law 87-301 as an alien whose second preference petition was filed prior to July 1, 1961.

STATEMENT OF FACTS

The beneficiary of the bill is a 56-year-old native and citizen of Greece, who presently resides in Brooklyn, N.Y., with her only child, a U.S. citizen son. She is a widow and entered the United States on May 2, 1959, as a visitor. A petition in her behalf for second preference was filed August 3, 1961, and approved September 14, 1961.

A letter, with attached memorandum, dated June 2, 1964, to the chairman of the Senate Committee on the Judiciary from the Commissioner of Immigration and Naturalization with reference to the bill reads as follows:

DEPARTMENT OF JUSTICE,
IMMIGRATION AND NATURALIZATION SERVICE,
Washington, D.C., June 2, 1964.

A-12326260.

Hon. JAMES O. EASTLAND,
Chairman, Committee on the Judiciary, U.S. Senate, Washington, D.C.

DEAR SENATOR: In response to your request for a report relative to the bill (S. 2742) for the relief of Mrs. Stylliani Papathanasiou, there is attached a memorandum of information concerning the beneficiary. This memorandum has been prepared from the Immigration and Naturalization Service files relating to the beneficiary by the New York, N.Y., office of this Service, which has custody of those files.

The bill would grant the beneficiary permanent residence in the United States as of the date of its enactment upon payment of the required visa fee. It would also direct that one number be deducted from the appropriate immigration quota.

The beneficiary is chargeable to the quota for Greece.

Sincerely,

RAYMOND F. FARRELL,
Commissioner.

MEMORANDUM OF INFORMATION FROM IMMIGRATION AND NATURALIZATION SERVICE FILES RE S. 2742

The beneficiary, Mrs. Stylliani Papathanasiou, nee Melithoniotes, also known as Stella Papps, a native and citizen of Greece, was born on October 12, 1907. She attended primary school for 6 years in her native country. The beneficiary's husband, Spyridon Papathanasiou, a native of Greece, whom she married in 1927, died on September 25, 1948. The beneficiary resides in Brooklyn, N.Y., with her only child, a married son, who is a naturalized citizen of this country, and is supported by him. Her assets are of only nominal value. The beneficiary's parents are deceased. A brother and a sister reside in Greece.

Mrs. Papathanasiou arrived in this country on May 2, 1959, and was admitted at New York, N.Y., as a visitor for pleasure until August 1, 1959. She thereafter received extensions until June 14, 1961. An application for further extension was denied and she was given until July 14, 1961, to depart voluntarily. A petition to accord the beneficiary second preference quota immigrant status, filed in her behalf on August 3, 1961, by her U.S. citizen son, was approved on September 14, 1961. However, Mrs. Papathanasiou's application for adjustment of status to that of a permanent resident under section 245 of the Immigration and Nationality Act was denied on May 9, 1962, because an immigrant visa was not immediately available to her as required by the statute. A motion to reopen and reconsider this decision was denied on March 26, 1964, for the same reason and her date to depart voluntarily was extended to April 24, 1964.

Deportation proceedings were instituted on April 30, 1964, on the ground that the beneficiary had remained in the United States for a longer time than permitted. After a hearing on May 8, 1964, she was found deportable as charged and was granted the privilege of voluntary departure with the alternative of deportation if she should fail to depart when required.

It is noted that the latest available information indicates that the second preference portion of the quota for Greece, to which the beneficiary is chargeable, is exhausted.

The beneficiary's son, Nicholas S. Papathanasiou, is the owner and president of a marine supply company in New York City from which he derives an income of about $155 a week. His wife is employed as an office manager for another company and earned about $155 a week. Their assets consist of approximately $18,000 in cash savings and personal property valued at about $5,000. Mr. Papathanasiou was inducted into the U.S. Army on October 2, 1951, and served until September 10, 1953, when he was separated from active duty and placed on the Reserve list. He was honorably discharged on October 15, 1959.

JOANNE IRENE TAYLOR

The Senate proceeded to consider the bill (S. 2812) for the relief of Joanne

Irene Taylor which had been reported from the Committee on the Judiciary, with an amendment in line 7, after the word "fee", to insert a colon and "*Provided,* That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the Immigration and Nationality Act."; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Joanne Irene Taylor shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee: *Provided,* That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the Immigration and Nationality Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1316), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill, as amended, is to grant the status of permanent residence in the United States to Joanne Irene Taylor. The bill provides for the payment of the required visa fee. The purpose of the amendment is to provide for the posting of a bond as a guarantee that the beneficiary will not become a public charge, since she is afflicted with epilepsy.

STATEMENT OF FACTS

The beneficiary of the bill is an 8-year-old native and citizen of Canada, who was refused a visa as one afflicted with epilepsy. Her father, a native-born U.S. citizen, returned to the United States on July 8, 1963, with the remainder of his family who were admitted for permanent residence. He had been taken to Canada when he was an infant. The beneficiary was permitted to enter the United States as a visitor on September 17, 1963.

BILL PASSED OVER

The bill (H.R. 6034) for the relief of Robert L. Johnston was announced as next in order.

Mr. MANSFIELD. Over.

The PRESIDING OFFICER. The bill will be passed over.

PALMERINA CAIRA

The Senate proceeded to consider the bill (S. 2741) for the relief of Palmerina Caira and her minor children which had been reported from the Committee on the Judiciary, with amendments, on page 1, line 5, after the word "and", to strike out "Cinzio" and insert "Cinzia", and on page 2, line 1, after the word "available", to insert a colon and "*Provided,* That the husband of the adult beneficiary and natural father of the minor beneficiaries shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act."; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Palmerina Caira and her minor children, Mauro Caira and Cinzia Caira, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct three numbers from the appropriate quota for the first year that such quota is available: *Provided,* That the husband of the adult beneficiary and natural father of the minor beneficiaries shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1318), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill, as amended, is to grant the status of permanent residence in the United States to Palmerina Caira and her minor children. The bill provides for appropriate quota deductions and for the payment of the required visa fees. The bill has been amended to correct the spelling of the minor female beneficiary's name and to provide that the husband of the adult beneficiary and natural father of the minor beneficiaries shall not be accorded any right, privilege, or status under the Immigration and Nationality Act.

STATEMENT OF FACTS

The beneficiaries of the bill are a 21-year-old mother and her children, aged 6 and 2, all natives and citizens of Italy. They entered the United States on January 27, 1963, as visitors and presently reside in the Bronx with the adult beneficiary's parents. Her father is a naturalized U.S. citizen and her mother is a lawful permanent resident. A sister and brother are U.S. citizens and three sisters and a brother are permanent residents. She also has a citizen uncle and none of her relatives remain in Italy. She is legally separated from her husband and receives no support from him. It is alleged that she suffered great hardship from the time of her marriage at the age of 14 until her separation from her husband and subsequent entry into the United States.

A letter, with attached memorandum, dated June 5, 1964, to the chairman of the Senate Committee on the Judiciary from the Commissioner of Immigration and Naturalization with reference to the bill reads as follows:

U.S. DEPARTMENT OF JUSTICE,
IMMIGRATION AND
NATURALIZATION SERVICE,
Washington, D.C., June 5, 1964.

A-13844005.
A-13854886.
A-13854885.

HON. JAMES O. EASTLAND,
Chairman, Committee on the Judiciary, U.S. Senate, Washington, D.C.

DEAR SENATOR: In response to your request for a report relative to the bill (S. 2741) for the relief of Palmerina Caira and her minor children, there is attached a memorandum of information concerning the beneficiaries. This memorandum has been prepared from the Immigration and Naturalization Service files relating to the beneficiaries by the New York, N.Y., office of this Service, which has custody of those files.

The bill would grant the beneficiaries permanent residence in the United States as of the date of its enactment upon payment of the required visa fees. It would also direct that three numbers be deducted from the appropriate immigration quota.

The beneficiaries are chargeable to the quota for Italy.

The committee may desire to amend the title of the bill by adding the names of the two minor children as set forth in the body of the bill. The correct spelling of the minor female beneficiary's given name is Cinzia.

Sincerely,

RAYMOND F. FARRELL,
Commissioner.

MEMORANDUM OF INFORMATION FROM IMMIGRATION AND NATURALIZATION SERVICE FILES RE S. 2741

The beneficiaries, Palmerina Caira, nee Di Vito, and her son and daughter, Mauro Caira and Cinzia Caira, are natives and citizens of Italy, born on April 18, 1943, July 29, 1958, and December 23, 1961, respectively. Mrs. Caira attended primary school for 7 years in her native country. She was married there in August 1957 to Nunziato Caira, also an Italian citizen. They have been legally separated since 1961, and the family receives no financial support from him. The beneficiaries reside in the Bronx, N.Y., with Mrs. Caira's parents, Attilio and Angela Di Vito. Her father is a naturalized U.S. citizen and her mother is a lawful permanent resident. The adult beneficiary has not been employed in this country and has assets of only nominal value. She and the children are supported by her father, a construction laborer earning about $140 a week. His assets approximate $14,000. Mrs. Caira's three sisters and a brother are also lawful permanent residents of this country. Another sister and a brother are naturalized U.S. citizens.

The beneficiaries arrived in the United States on January 27, 1963, and were admitted at New York, N.Y., as visitors for pleasure to May 15, 1963. They received extensions to January 15, 1964. Palmerina Caira's application for a change of status to that of a nonimmigrant student was thereafter denied on January 21, 1964, upon a finding that she was not a bona fide nonimmigrant and was merely attempting to prolong her stay in the United States. An appeal from this decision was dismissed on March 18, 1964, by the regional commissioner, Burlington, Vt., and the beneficiaries were given until April 26, 1964, to depart voluntarily. Deportation proceedings were instituted against the adult beneficiary on April 28, 1964, on the ground that she had remained in the United States for a longer time than permitted. After a hearing on May 7, 1964, she was found deportable as charged and was granted the privilege of voluntary departure with the alternative of deportation if she should fail to depart when required.

The adult beneficiary's father intends to file a petition to accord her fourth preference quota immigrant status. The latest available information indicates that this portion of the quota for Italy is exhausted.

AUTHORIZATION FOR ADDITIONAL EXPENDITURES BY THE COMMITTEE ON FINANCE

The resolution (S. Res. 343) authorizing additional expenditures by the Committee on Finance was considered and agreed to, as follows:

Resolved, That the Committee on Finance is hereby authorized to expend from the contingent fund of the Senate, during the Eighty-eighth Congress, $5,000 in addition to the amount and for the same purpose, specified in section 134(a) of the Legislative Reorganization Act approved August 2, 1946.

MANAGEMENT OF NATIONAL DEBT AND TAX STRUCTURE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate skip over the next few measures on the calendar and proceed to consider Calendar No. 1259, S. 2281.

There being no objection, the Senate proceeded to consider the bill (S. 2281) to clarify the components of, and to assist in the management of, the national debt and the tax structure, which had been reported from the Committee on Finance, with an amendment to strike out all after the enacting clause and insert:

That the Secretary of the Treasury shall, on or before March 31 of each year (beginning with 1965), submit to the Senate and the House of Representatives a report setting forth, as of the close of December 31 of the preceding year, the aggregate and individual amounts of the contingent liabilities of the Government, and of each department, agency, and instrumentality thereof, including, without limitation, trust fund liabilities, Government-sponsored corporations' liabilities, indirect liabilities not included as a part of the public debt, and liabilities of insurance and annuity programs, including their actuarial status on both a balance sheet and projected source and application of funds basis. The report shall also set forth the collateral pledged, or the assets available (or to be realized), as security for such liabilities (Government securities to be separately noted), and an analysis of their significance in terms of past experience and probable risk. The report shall set forth the required data in a concise form, with such explanatory material as the Secretary may determine to be necessary or desirable, and shall include total amounts of each category according to the department, agency, or instrumentality involved.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1322), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

SUMMARY OF BILL

This bill would require the Secretary of the Treasury to submit annually to the Congress a brief report setting forth the amounts of the contingent liabilities of the Federal Government, including those of agencies and instrumentalities of the Government.

GENERAL STATEMENT

In the past, it has been the practice of the Federal Government to determine its financial requirements on an annual basis. This bill does not depart from this practice. However, an annual system of budgeting does not present a complete picture of the financial condition of the United States because it fails to depict numerous categories of Federal obligations and commitments which are subject to contingencies.

Moreover, by present methods, U.S. liability under many of its insurance and guarantee programs is difficult to measure and analyze. This is because sufficient information regarding these programs either is not available at all, or if it is available, it is inadequately presented.

In many cases information with respect to contingent liabilities of specific governmental programs now is available only in reports of specific agencies or corporations. However, these data frequently lose much of their usefulness because they are not combined with similar data with respect to other programs. Thus, although part of this information may now be available it is not published in one place or on a uniform basis, and does not facilitate understanding of the current financial condition of the United States.

Your committee believes that it is desirable to make available in a single, concise report, pertinent information with respect to the current status of the contingent liabilities of the Federal Government, including its long-range obligations and commitments. Indeed, the committee recognizes a responsibility to make available in such a report—as clear and complete as possible—the overall financial condition of our Government. Such a report, consolidating information now available only in part in many diverse reports with information which is not now available at all, will enable the Congress to have a better understanding of the current fiscal needs of the Federal Government.

For this reason, the committee has approved, and recommends enactment of a bill requiring the Secretary of the Treasury to submit to the Congress, by March 31, of each year, a report showing the amount (both on an aggregate and on an individual basis) of the contingent liabilities of the Federal Government, determined as of December 31 of each year, commencing with 1964.

The contingent liabilities referred to by the bill include (1) liability of the Government under its various trust funds, such as the old-age and survivors' insurance trust fund and the highway trust fund; (2) liabilities of Government-sponsored corporations (for example, the Commodity Credit Corporation); (3) indirect liabilities of the Federal Government not included as part of the public debt, such as Federal Housing Administration debentures; and (4) liabilities of Federal insurance and annuity programs.

Under the bill, data with respect to these insurance and annuity programs (which include the civil service retirement system, veterans' pension, and war risk insurance programs) is to include information regarding their actuarial status on both a balance-sheet basis and a projected source-and-application-of-funds basis.

Where appropriate, the report is also to indicate the collateral pledged, or the assets available, as security for the specified liabilities, and an analysis of their significance in terms of past experience and probable risks. Thus, for example in the case of federally insured home mortgages the assets available on foreclosures may, in favorable circumstances, offset the potential Federal liability.

In order to provide flexibility and to present data included in the report from being misconstrued or misleading, the bill provides that the Secretary of the Treasury may set forth such explanatory material as he determines to be necessary or desirable. Under this provision, if he believes particular data are likely to lead to improper conclusions he may qualify that data sufficiently to negate such conclusions.

Although the Bureau of the Budget does not favor the bill, in its report to the committee (dated December 12, 1963), it indicated its agreement with the objectives of the bill, as follows:

"We agree with the objective of S. 2281 that the Congress and its committees should have available whatever information they need with respect to the financial status of the Government. In accordance with this objective, the Treasury Department has been preparing, semiannually, for a number of years, a statement on long-range commitments and contingencies of the U.S. Government. The Bureau of the Budget has on occasion worked informally with Treasury staff on this matter, and consideration has been given to possible extensions and refinements of the data. I believe that more can be done in this respect and, together with the Treasury Department, we shall work with the responsible Government agencies to this end.

"If, in addition, your committee or any other committee of the Congress would like to have particular tabulations, such as those described in S. 2281, we believe it would be appropriate to ask the Treasury Department to supply them when needed. However, we believe the nature of such tabulations should be left flexible to be determined from time to time, rather than being fixed in a statute."

It is the opinion of the Committee on Finance, as already indicated, that the bill, as reported, preserves the flexibility of tabulations urged in the departmental report.

Moreover, the committee fully recognizes the desirability of refining data now being compiled in order to make it more meaningful and useful, and the bill as reported permits this. By drawing together tabulations regarding contingent liabilities of various departments, agencies, and Government-sponsored corporations, no doubt the Treasury Department will find new ways by which statistical refinements can be made, and tabulating methods improved. This can only serve to increase the quality of the report required by the bill.

The report will fill a need which has been felt by the Congress for many years.

APPENDIX

The following data prepared by the Treasury Department indicates for the items included therein the type of information which would be presented on a Government-wide basis in the reports called for by the bill. This data was compiled as of December 31, 1962, and is the last such report the Treasury has issued except in response to a special request made at the June 23, 1964, hearing before the Committee on Finance on H.R. 11375, relating to a temporary increase in the public debt. The preliminary information submitted by the Treasury Department in response to this special request employs statistical and tabulation methods different from those previously used by the Treasury Department and these new methods may replace the earlier procedures.

"LONG-RANGE COMMITMENTS AND CONTINGENCIES OF THE U.S. GOVERNMENT, AS OF DECEMBER 31, 1962

"The attached statement cover the major financial commitments of the U.S. Government, except the public debt outstanding and those involving recurring costs for which funds are regularly appropriated by the Congress and are not yet obligated, such as aid to States for welfare programs and participation in employee retirement systems. The statement is segregated into four categories; namely, (a) loans guaranteed and insured, etc., by Government agencies; (b) insurance in force; (c) obligations issued on credit of the United States; and (d) undisbursed commitments, etc.

"The items appearing in this statement are quite different from the direct debt of the United States. They are programs of a long-range nature that may or may not commit the Government to expend funds at a future time. The extent to which the Government may be called upon to meet these commitments varies widely. The liability of the Government and the ultimate disbursements to be made are of a contingent nature and are dependent upon a variety of factors, including the nature of and value of the assets held as a reserve against the commitments, the trend of prices and employment, and other economic factors.

"Caution should be exercised in any attempt to combine the amounts in the statement with the public debt outstanding for that would involve not only duplication but would be combining things which are quite dissimilar. As indicated by the enclosed statement, there are $118.1 billion of public debt securities held by Government and other agencies as part of the assets that would be available to meet future losses. The following examples illustrate the need for extreme caution in using data on the contingencies and other commitments of the U.S. Government.

"1. The Federal Deposit Insurance Corporation had insurance outstanding as of December 28, 1962, estimated to be $179.1 billion. The experience of the Federal Deposit Insurance Corporation has been most favorable. During the period this Corporation has been in existence, premiums and other income have substantially exceeded losses which has permitted the retirement of Treasury and Federal Reserve capital amounting to $289.3 million (all repaid to Treasury), and the accumulation of $2.5 billion reserve as of December 31, 1962. The Corporation's holdings of public debt securities as of that date amounted to $2.6 billion which already appears in the public debt total. Out of $335.9 billion of assets in insured banks as of December 28, 1962, $70.6 billion are in public debt securities (also reflected in the public debt). The assets, both of insured banks and the Federal Deposit Insurance Corporation, as well as the continued income of the Corporation from assessments and other sources, stand between insured deposits and the Government's obligation to redeem them.

"2. The face value of life insurance policies issued to veterans and in force as of December 31, 1962, amounted to $39.8 billion. This does not represent the Government's potential liabilities under these programs since some of these policies will probably be permitted to lapse and future premiums, interest, and invested reserves amounting to $6.9 billion of public debt securities should cover the normal mortality risk.

"3. Under the Federal Reserve Act of 1913, as amended, Federal Reserve notes are obligations of the United States which, as of December 31, 1962, amounted to $29.4 billion. The full faith and credit of the United States is behind the Federal Reserve currency. These notes are a first lien against the $53.9 billion of assets of the issuing Federal Reserve banks which includes $30.8 billion of Government securities already included in the public debt. These notes are specifically secured by collateral deposited with the Federal Reserve agents which, as of December 31, 1962, amounted to $25.2 billion in Government securities and $7.6 billion in gold certificates."

Long-range commitments and contingencies of the U.S. Government, as of Dec. 31, 1962

[In millions of dollars]

Commitment or contingency and agency	Gross amount of commitment or contingency	Public debt securities held by Government and other agencies
Loans guaranteed, insured, etc., by Government agencies:		
Agriculture Department:		
Commodity Credit Corporation	(1)	------------
Farmers' Home Administration: Agricultural credit insurance fund	395	------------
Commerce Department:		
Office of the Secretary: Aircraft loan guarantees	28	------------
Maritime Administration: Federal ship mortgage insurance revolving fund	[2] 435	9
Export-Import Bank of Washington	[3] 652	------------
Housing and Home Finance Agency:		
Federal Housing Administration:		
Property improvement loans	[4] 398	104
Mortgage loans	39, 506	589
Office of the Administrator: Urban renewal fund	903	------------
Public Housing Administration: [5]		
Local housing authority bonds and notes (commitments covered by annual contributions)	3, 256	------------
Local housing authority temporary notes	957	------------
Interior Department: Bureau of Commercial Fisheries: Federal ship mortgage insurance fund, fishing vessels	1	------------
Interstate Commerce Commission	149	------------
Small Business Administration: Revolving fund	23	------------
Treasury Department:		
Reconstruction Finance Corporation liquidation fund	(6 7)	------------
Federal Civil Defense Act of 1950, as amended	[8] 1	------------
Veterans' Administration	[8] 16, 122	------------
Defense Production Act of 1950, as amended	110	------------
Total loans guaranteed, insured, etc., by Government agencies	62, 936	702
Insurance and guarantees in force:		
Agency for International Development: Industrial guarantees	916	------------
Agriculture Department: Federal Crop Insurance Corporation	[9] 358	------------
Commerce Department: Maritime Administration: War risk insurance revolving fund	39	3
Export-Import Bank of Washington:		
War risk and expropriation insurance	2	------------
Insurance on exports issued through Foreign Credit Insurance Association	474	------------
Federal Deposit Insurance Corporation	[10] 179,088	2, 603
Held by insured commercial and mutual savings banks	------------	70, 606
Federal Home Loan Bank Board: Federal Savings and Loan Insurance Corporation	[10] 77, 349	641
Held by insured institutions	------------	5, 302
U.S. Information Agency: Informational media guarantees	4	------------
Veterans' Administration:		
National service life insurance	38, 596	5, 859
U.S. Government life insurance	1, 252	1, 002
Total insurance and guarantees in force	298, 078	86, 016
Insurance and guarantees in force—Continued		
Obligations issued on the faith of the United States:		
Postal savings certificates:		
U.S. Postal Savings System	[11] 531	556
Canal Zone Postal Savings System	[11] 4	4
Total postal savings certificates	535	560
Other obligations: Federal Reserve notes (face amount)	29, 378	[12] 30, 820
Undisbursed commitments, etc.:		
To make future loans:		
Agency for International Development:		
Development loans	791	------------
Alliance for Progress, development loans	93	------------
Development loan fund liquidation account	827	------------
Loans to U.S. firms and domestic or foreign countries	9	------------
Other U.S. dollar and foreign currency loans	1, 971	------------
Agriculture Department:		
Commodity Credit Corporation	3	------------
Farmers' Home Administration:		
Agricultural credit insurance fund	12	------------
Direct loan account	12	------------
Emergency credit revolving fund	2	------------
Rural housing and other loans	15	------------
Rural Electrification Administration	892	------------
Export-Import Bank of Washington: Regular lending activities	1, 612	------------
Housing and Home Finance Agency:		
Office of the Administrator:		
College housing loans	395	------------
Public facility loans	108	------------
Urban renewal fund	654	------------
Housing for the elderly	31	------------
Public Housing Administration	131	------------
Interior Department:		
Bureau of Commercial Fisheries: Fisheries loan fund	(7)	------------
Defense Minerals Exploration Administration: Defense Production Act of 1950, as amended	(7)	------------
Small Business Administration (revolving fund)	108	------------
Veterans' Administration (veterans' direct loan program)	37	------------
Total undisbursed commitments to make future loans	7, 703	------------
To purchase mortgages:		
Housing and Home Finance Agency:		
Federal National Mortgage Association:		
Secondary market operations	28	------------
Special assistance functions	327	------------
Total commitments to purchase mortgages	355	------------

See footnotes at end of table.

Long-range commitments and contingencies of the U.S. Government, as of Dec. 31, 1962—Continued

[In millions of dollars]

Commitment or contingency and agency	Gross amount of commitment or contingency	Public debt securities held by Government and other agencies
Insurance and guarantees in force—Continued		
To guarantee and insure loans:		
Agriculture Department: Farmers' Home Administration: Agricultural credit insurance fund	13	
Commerce Department: Maritime Administration: Federal ship mortgage insurance revolving fund	39	
Housing and Home Finance Agency: Federal Housing Administration	6,132	
Defense Production Act of 1950, as amended	22	
Total commitments to guarantee and insure loans	6,206	
Insurance and guarantees in force—Continued		
To guarantee and insure loans—Continued		
To purchase investment company debentures: Small Business Administration (revolving fund)	37	
Unpaid subscriptions, etc.:		
International Bank for Reconstruction and Development	5,715	
Inter-American Development Bank	200	
International Development Association	123	
Total unpaid subscriptions, etc	6,038	

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[1] Guaranteed loans and certificates of interest, amounting to $1,113,000,000 as of Dec. 31, 1962, are included in the Corporation's balance sheet with the direct loans.

[2] Includes accrued interest.

[3] Includes political risk export guarantees amounting to $333,000,000.

[4] Represents Administration's portion of insurance liability. Estimated amount of insurance in force and loan reports in process as of Dec. 31, 1962, is $1,592,000,000. Loan insurance shall not exceed 10 percent of such loans.

[5] The full faith and credit of the United States is pledged to the payment of all amounts agreed to be paid as per sec. 302 of Public Law 87-70 approved June 30, 1961.

[6] Represents deferred participations.

[7] Less than $500,000.

[8] Represents the Veterans' Administration portion of insurance liability. The total amount of loans in the hands of private lenders is estimated at $29,754,000,000.

[9] Represents estimated insurance coverage for the 1962 crop year.

[10] Estimated insurance liability.

[11] Excludes accrued interest.

[12] Includes public debt securities amounting to $25,179,000,000 that have been deposited by the Federal Reserve bank system with the Federal Reserve agents as specific collateral.

NOTE.—The above figures are subject to the limitations and precautionary remarks, as explained in the foreword to this statement.

Mr. MANSFIELD. Mr. President, that concludes the call of the calendar.

ORDER FOR ADJOURNMENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate adjourns tonight, it adjourn until 12 o'clock noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRIBUTE TO SENATOR JACKSON

Mr. BIBLE. Mr. President, in the June issue of Current News, a publication of the Salt River project of the State of Arizona, there appears a well-deserved tribute to the distinguished chairman of the Senate Interior and Insular Affairs Committee. Under the title, "Champions of Reclamation," the record of "SCOOP" JACKSON as one of the great congressional leaders in the field of western natural-resource development is clearly and concisely told.

This recognition is particularly appropriate, since it comes from one of the most water-conscious areas of our Nation, and from a pioneer reclamation project. I take this opportunity to read the first two paragraphs of the article; and I ask unanimous consent that the entire article be printed in the RECORD, following my remarks:

> Senator HENRY M. JACKSON, of the State of Washington, commands the respect of all those who are dedicated to the future of our great Nation. His reputation is born, not of some empirical philosophy bred by political expediency, but is based on firm-footed convictions which have grown out of study and analyses of the basic factors of the past and present strength and prosperity of our country—basics which have made America great among the nations of the world.
>
> High upon the list of these basics is Senator JACKSON's belief in the importance of our natural resources. He believes that the preservation and development of our natural resources are vital. Reclamation is important to our Nation's future, and he considers the development of reclamation resources should be given the highest priority. And by reason of these convictions, he stands tall among the champions of reclamation.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Current News, June 1964]

CHAMPIONS OF RECLAMATION

Senator HENRY M. JACKSON, of the State of Washington, commands the respect of all those who are dedicated to the future of our great Nation. His reputation is born, not of some empirical philosophy bred by political expediency, but is based on firm-rooted convictions which have grown out of study and analyses of the basic factors of the past and present strength and prosperity of our country—basics which have made America great among the nations of the world.

High upon the list of these basics is Senator JACKSON's belief in the importance of our natural resources. He believes that the preservation and development of our natural resources are vital. Reclamation is important to our Nation's future, and he considers the development of reclamation resources should be given the highest priority. And by reason of these convictions, he stands tall among the champions of reclamation.

Senator JACKSON can rightfully be called a product of the soil, born in Everett, Wash., 52 years ago, the son of a pioneer Snohomish County family. He received his early education at the Everett public schools and later attended the University of Washington, where he studied law, graduating with an LL.B. degree. After being admitted to the bar in 1935, he became associated in the practice of law with the law firm of Black & Rucker. And he held his first elective office in 1938, when he was elected prosecuting attorney of his home county, Snohomish, at the age of 26.

At that time, and even years before, reclamation was an important issue in his State. For decades, the people in that area sought for some feasible plan to apply the water of the Columbia River to the rich, but arid land of central Washington.

It is a matter of public record how Grand Coulee Dam eventually solved this problem, not only making farming possible in an arid area of 1,200,000 acres, but providing flood control and hydroelectric power amounting to 1,974,000 kilowatts.

Equally well known is the great Bonneville Dam on the border of Washington and Oregon. Actual construction of the dam began in 1933, when Senator JACKSON was still in law school. Bonneville brought great economic benefits to the Pacific Northwest, especially in the matter of electric power, for in time it became a part of the Bonneville Power Administration, which markets the electric energy generated at Federal power projects in the Columbia River Basin, covering five States.

Reclamation developments of this type, and others, made people in the Pacific Northwest cognizant of the dividends possible through the development of latent natural resources. It proved again that the development of reclamation resources not merely benefit a few, but contribute to our national economy as a whole. And it is why Senator JACKSON recently said, "Public power has brought more private enterprise to the Pacific Northwest than anything else since the white man moved in."

The youthful HENRY M. JACKSON was raised in a climate of rugged individualism, where people saw the need to build a strong economy through public cooperation in the development of their natural resources. And it was here that public power brought economic security, for the public power movement is the success story of the State of Washington and the Pacific Northwest.

This was the legacy HENRY M. JACKSON brought with him to Congress when he was elected to represent Washington's Second District in 1940. He served in the House for six terms, and was elected to the Senate in 1952. And as evidence that he represents the strong, forward thinking of his State, he was reelected in 1958 by 319,000 votes, the largest margin in the history of the State for the office of Senator.

At present, Senator JACKSON serves on three major committees, plus a joint committee—a range of congressional activity matched by few other Members. He is chairman of the Senate Interior and Insular Affairs Committee. Other committee assignments are in Government Operations, where he is ranking member of the McClellan Investigations Subcommittee. He is on the Armed Services Committee, and on the Joint Committee on Atomic Energy, being chairman of the Subcommittee on Atomic Weapons.

But it is as chairman of the Senate Interior and Insular Affairs Committee where his strong convictions regarding reclamation's potential in the development of our natural resources come into play. He believes the committee has a duty to oversee the proper development and utilization of these resources.

"This is a tremendous responsibility," he says, "and much of the country's future will depend on how we meet it. I am thankful that the people of the United States give every indication of realizing the importance of the full and complete development and advancement of knowledge of our land, water, mineral, and recreational resources. In the face of our ever-growing population and requirements for these resources, this national awareness of the necessity for the proper conservation and wise utilization of our resources will make our future task, although difficult, much more rewarding."

ADDRESS BY SENATOR MUSKIE ON FEDERAL-STATE-LOCAL RELATIONS

Mr. HILL. Mr. President, in April the junior Senator from Maine [Mr. Muskie] delivered a most timely, informative, and thought-provoking address on Federal-State-local relations in government, at the annual convention of the Alabama League of Municipalities. As we know, Senator Muskie, in his position as chairman of the Subcommittee on Intergovernmental Relations, has given much time and study to this important area of governmental interest; and it is a pleasure for me to request unanimous consent that his able address be printed at this point in the Record, so that his presentation and recommendations may receive the wider circulation and study they merit.

There being no objection, the address was ordered to be printed in the Record, as follows:

Intergovernmental Relations

(By Edmund S. Muskie, U.S. Senator, State of Maine)

Whether we work as public officials at city hall or in the State capitol, at the courthouse, or in the Halls of Congress, we are all part of the same Federal system—the oldest unchanged system of constitutional government the world has ever seen. Anyone who has studied this system or served under it cannot fail to realize that the basic foundation of our country is, and hopefully always will be, local self-government. Our national responsibilities today in both the domestic and international sphere cannot be met unless we successfully discharge our local responsibilities.

For 18 years our attention and resources have been focused on meeting the demands of national security and international relations. Our needs at home, as a result, have been subordinated to this paramount concern; many have been neglected and some have even been ignored.

DIVIDE OUR ATTENTION

We have reached the time, however, when we must divide our attention. Tensions in world politics are certainly not ending. The threat to freedom has certainly not passed away. We must obviously continue to maintain America's national posture. But it would be foolish for us to continue—as we have tended to do in the past—to ignore the challenges that confront us right here at home. The continuing strength and dynamism of our entire social and political system depends upon a positive response to the problems confronting our States and their local units of government.

If we catalog the most urgent of our domestic issues, a majority of them appear to be primarily local in nature. Water and air pollution, urban sprawl, education, economic development, and adequate transportation systems, to mention only a few, are challenges that initially demand a forceful local response.

The States and the Nation obviously have a vital interest in the successful solution of these local problems. It does not follow, however, that the central government either in Montgomery or Washington can achieve solutions by taking over wholesale the rights and responsibilities of local governments. Federal and State involvement must not destroy local government but must assist it, and supplement it and enable it to surmount its difficulities.

DEFEND INDEPENDENCE

It is constitutional and fitting that we should be stout defenders of the independence and autonomy of each level of government. But as the then Vice President Johnson pointed out in an address last August to the 40th Annual American Municipal Congress in Houston: "There is a lesson we can learn and apply from the world today. The most independent local governments on earth are those in the underdeveloped nations. In fact, the major obstacle to development in many parts of the world is the noncooperation, jealousy, suspicion, and enmity, village to village, tribe to tribe, section to section. What much of the world has still to learn—what we must not forget—is that levels of government must function interdependently if they are to succeed independently."

This is wise counsel. The result of a survey done by the Senate Subcommittee on Intergovernmental Relations, of which I am proud to serve as chairman, indicates that most State and local officials accept that counsel.

The responses from more than 460 State and local officials gave the subcommittee and the Congress a balanced and informed cross-section of grassroots opinion concerning the broad issues bearing directly on the future of American federalism. More than 75 percent of the respondents accept the principle of cooperation as the approach to be followed in Federal-State-local relations. What does this involve?

First, Federal-State-local relations are essentially one system when it comes to practical matters; but each level must attempt to maintain its separate identity and source of power.

Second, the functions of Government are not and cannot be neatly parceled out among the three levels; instead, several activities are undertaken jointly and result in significant continuing responsibilities to be exercised by all on a partnership basis.

POLICYMAKING PROCESS

Third, policymaking in the intergovernmental process is and must be shared among the various public bodies in the three echelons, so that the basic principle of traditional federalism is preserved.

Fourth, Federal grants-in-aid continue to be an inescapable and important feature of contemporary intergovernmental relations; they provide a necessary means whereby the three levels of government can collaborate to fulfill common purposes; if not encumbered with excessive administrative redtape, they can also strengthen State and local governments.

Fifth, representative, responsive, and responsible State governments are vital to the proper functioning of American federalism; they collect a sizable proportion of our total revenues, directly administer several important governmental services, and provide much-needed assistance to the local units of government.

Sixth, when properly empowered, financed, and aided, county and municipal governments—singly and in voluntary association with one another—can themselves meet many of the challenges that urban growth has created.

And lastly, Federal-State-local relations should be viewed primarily as a network of functional, financial, and administrative arrangements which seek to advance the common good; a power balance, however, must exist among the three levels of government for successful collaboration in this area, if we are to preserve the voluntary stimulus that is so essential for any full-pledged cooperative endeavor.

COOPERATIVE FEDERALISM

These, then, are the elements of what I like to call cooperative federalism:

1. Our system of government;
2. Operating on three levels;
3. Meshed into a flexible, living, dynamic instrument for dealing with our common problems;
4. Sharing responsibilities in such a way as to insure:
   a. That no problems are ignored;
   b. That each level of government is equipped to do its share of the job competently;
   c. That each problem is dealt with effectively; and
   d. That each level of government has enough authority to meet its responsibilities, but that such power is subject to safeguards which will insure against abuse of that authority.

Are these impossible standards? My answer is that we have come close to meeting them for 175 years.

If we focus our attention on the financial and administrative aspects of Federal and local relations, Alabama emerges as one of the foremost proponents of cooperative federalism. These practical aspects of intergovernmental relations—it is to be remembered—tell us more about the Federal system than most of the political slogans and campaign oratory that deal with the subject.

IN 20TH CENTURY

To begin with, the dollars and cents of federalism reveal that big government at all levels has been one of the major developments of the 20th century. Over the past 60 years, aggregate Federal, State, and local taxes experienced nearly a hundredfold increase. Total governmental revenues jumped from $1.7 billion in 1902 to nearly $149 billion in fiscal 1962. Total governmental indebtedness amounted to an average of $41 for every man, woman, and child in 1902. Today it amounts to more than $2,041 in current dollars. Past wars, the depression, the cold war, inflation, the population explosion, and a mushrooming metropolitan growth are basic causes for these increases.

The real question raised by this development, however, is whether any one level has experienced a disproportionate growth, to the detriment of another. During the thirties and World War II, Federal revenues greatly overshadowed those of State and local government. The record since the war, however, clearly demonstrates that this gap is closing rapidly. In 1944 the State and local share amounted to only one-fourth of all governmental revenues. Today it is nearly two-thirds as large as the Federal take, despite the fact that the Federal Government must finance foreign policy and the astronomical costs of defense from its share.

IN THE FIELD OF DEBT

The same pattern reveals itself in the field of intergovernmental debt. Federal indebtedness increased by 15 percent between 1946 and 1962, while State and local debt skyrocketed 410 percent during the same period; and private indebtedness reached an all-time high of more than $322 billion by 1962—a 420-percent increase. In 1946 the national debt constituted 58 percent of all public and private debt. Sixteen years later, this proportion had shrunk to only 27 percent.

Compared with State, local, and private standards, the postwar Federal growth rate has been modest, even conservative. The State and local figures demolish the widely shared belief that these levels of government are unwilling or unable to assume their proper share of the financial responsibility for the expanding services required to meet today's problems. In fact, if we concentrate solely on the total direct civil expenditures of all levels of government for fiscal 1962 (this excludes Federal defense, space, veterans and interest costs), we find that the Federal Government's proportion came to only 27 percent, as against more than 48 percent for local governments and nearly 25 percent for the States. Big cities, big counties, big States, as well as a big Federal Government, are obviously with us, whether we recognize it or not. And they have grown because the problems have grown, in size and complexity.

CONTROVERSIAL CHAPTER

Nationwide, Federal aid to State and local governments is probably the most controversial chapter of the intergovernmental relations story. In absolute terms, these expenditures have increased greatly during the past 3 decades. Federal grants totaled about $200 million in the early thirties, and even with numerous depression programs the figure came to only $2 billion in 1940. During World War II it slipped back to less than $1 billion annually. Most of the real growth, then, came after 1946 with the expansion of existing grants and the enactment of some 49 new programs, and, in the last fiscal year, it amounted to $7.9 billion.

Overall, these figures dramatize the need to supplement local resources. We should recognize that the postwar growth in national production, population, urbanization, and standard of living has generated mounting requirements for additional governmental services, especially at the State and local level. And the fact is that the State and local governments have found that their resources are limited and strained. Cooperative federalism has been an effective means for supplementing these resources—as a way of making available to lower levels of government the revenue sources of higher levels of government.

CENTRALIZATION HALTED

This device has thus slowed down the trend to centralization, and has enabled lower levels of government to retain responsibilities and jurisdiction they might otherwise have lost. The picture of shared revenues in Alabama is a case in point. Federal payments totaling nearly $182 million accounted for over 31 percent of your total 1962 State and local revenue. Only three other States had a higher percentage for that year. Clearly Alabama recognizes the need for Federal involvement in various domestic programs and accepts the grant-in-aid device as a means of solving urgent common problems.

The National Government, of course, has no monopoly on grants-in-aid. While it dispersed $7.9 billion to State and local applicants during the last fiscal year, the States awarded nearly $11 billion in grants to their own local governments. Last year over 30 percent of Alabama's general expenditures was earmarked for local government purposes. State aid provided nearly 41 percent of your total local revenues.

Is it better for a higher level of government to share its revenues with lower levels, or to assume more of the responsibilities of lower levels? As you well know, both National and State aid is of crucial importance at your level of government. The significance of these two grant sources can be better appreciated when we remember that approximately $7 out of $8 of all local revenue are provided from the much-criticized and overburdened property tax. At present its $20 billion annual yield nearly equals the combined revenues of all State-imposed taxes. Nationwide, almost 50 percent of the greatly increased State and local tax burden required to finance postwar increases in local services has been borne by this tax. It is understandable, therefore, that many local officials here and throughout the country accept the grant-in-aid device as an indispensable feature of our intergovernmental relations system.

EQUALIZATION FACTOR

The equalization factor is another dimension of Federal-State-local relations. Since World War II, Congress has paid increasing attention to the question of whether the distribution of Federal grants should take into account the differences in the ability of States and their local units of government to finance these grant programs from their own sources. Recognition of this varying capacity has usually taken the form of attempting to compensate for the imbalance by including an equalization provision in the matching and/or apportionment formulas. Many programs, however, do not include this feature. In some, it has been applied in a way that fails to accomplish the objectives of Congress. In still others, it has been ignored altogether, when changing conditions indicate a pressing need for its inclusion. Of all the Federal grants enacted prior to 1963, only about one-third contain fairly explicit equalization provisions. Putting it more bluntly, the intent of Congress to level out some of the inequalities in grant-aided State programs has not been fully realized. And inadequate consideration has been given to variations in program needs and in the ability of the States to support grant activities.

A question of growing concern in the intergovernmental relations field is: To what extent should the Federal Government be involved in direct relationships with local government? To what extent should the Federal Government undertake to promote more effective local action in dealing with problems which overlap local jurisdictional lines? Metropolitan area problems are especially involved in the answers to such questions.

GREATER COHERENCE

I firmly believe that the Federal Government must recognize the need for greater coherence, greater economy, and convenience in its local development programs by reexamining the 40-odd existing grant programs that bear directly on urban activities. Congress and the appropriate executive agencies should authorize and encourage, to a greater degree than has been the case in the past, responsible joint participation by local governmental units that have common problems and common program objectives. Federal programs should promote, not hinder, procedures for interlocal cooperation and joint exercise of powers. Specific Federal authority for joint participation in Federal aid projects by two or more eligible State or local governments exists in only one-quarter of these programs, and only another one-quarter has implied legislative authority and administrative regulations permitting such cooperative efforts. We all have a stake in correcting this condition.

The States also have a responsibility in enacting legislation to encourage joint undertakings by political subdivisions that face an areawide problem. I understand that Alabama does provide partial authorization for such interjurisdictional contracts and joint agreements. And your State constitution does contain a provision permitting such activities. An enactment last year by the Georgia Legislature, however, merits close examination. The Georgia act attempts to actively, not passively, encourage interlocal projects by authorizing increased State aid as an incentive to political subdivisions to join in such undertakings.

FEDERAL-LOCAL GROUP

Of all the Federal-local development programs, 25 are in the direct Federal-local category. To encourage greater State participation in these programs, some authorities recommend that these grants be initially channeled through the States. Such a proposal would affect some 22 programs, with a 1963 total of nearly $23 million, in which you directly participated.

While believing that the States have a major responsibility in developing their urban and regional areas, I doubt that such a proposal would be wise. In the first place, the nature of the problems involved does not always require that all levels of government be involved in every program of joint action. Secondly, a uniform administrative pattern for channeling all Federal funds for urban and related activities would undermine the flexibility that has contributed so greatly to their successful operation. And finally, the failure of many States to develop an understanding of and sympathy for these cooperative efforts should not be overlooked.

In light of these considerations, I believe the States, not the Federal Government, should seize the initiative. They should first establish appropriate administrative machinery to carry out their new responsibilities, make significant financial contributions, and, when appropriate, provide technical assistance to the local governments concerned. Then and only then should Congress require that such Federal grants to local governments be channeled through the States.

In brief outline, these are the significant dimensions of intergovernmental finances as they relate to the Nation, to Alabama, and her local units of government. If they tell us anything concerning the applied theory of federalism, they tell us this:

BIG GOVERNMENT

First, big government is as characteristic of all jurisdictional levels in Alabama as it is throughout the rest of the Nation.

Second, like their counterparts elsewhere your State and local governments have indicated a capacity and a willingness to assume a major share of the fiscal burden imposed by the requirements for expanded public services.

Third, with soaring State and local budgets, Federal aid has taken on added and crucial significance for decisionmakers at these levels of government.

Fourth, the specific inclusion of an equalization factor in one-third of the existing grant programs has somewhat benefited yours and other less wealthy States; its exclusion from the remaining two-thirds, however, hinders the reduction of inequality in program performances here and in other States, like my own.

COLLABORATION PATTERN

Fifth, a pattern of collaboration in the fiscal and program areas exists among the three jurisdictions, and the Federal and State grants-in-aid are the chief manifestations of this cooperation.

Sixth and last, this grand design of cooperative federalism has emerged without undermining the independence and freedom of fiscal choice of the State and local units of government; on the contrary, many authorities believe, and I concur, that these joint efforts have actually reinforced the identity of these governments.

These are the hard dollars and cents facts of federalism in the Nation, in Alabama, and in her local governments. Your record suggests that you prefer interdependence, not anarchy—and cooperation, not jealous competition. If the spirit prevails here and throughout the other 49 States, we can confidently face the lengthy agenda of unfinished business that confronts us at each of our different levels. Success in this great enterprise will dramatically demonstrate that the Federal Government, the States, and the local governments are allies, not adversaries, under the Constitution. Equally important, the world will again observe that we can work closely together for the benefit of our country which we all seek to serve.

SELECT COMMITTEE ON YOUTH—ADDRESS BY SENATOR PELL

Mr. JACKSON. Mr. President, on July 16, the junior Senator from Rhode Island [Mr. PELL] spoke, as the official guest of William G. Davis, Minister of Education of the Province of Ontario, Canada, at a luncheon meeting of the Select Committee on Youth, recently established by the Ontario Parliament.

Senator PELL was invited to address the committee of the Ontario Parliament because of the important role he has played in the study of youth in the United States, and because his own efforts partly inspired the formation of the Select Committee. I believe Senator PELL's address in Canada will be of special interest to my colleagues.

I ask unanimous consent that it be printed at this point in the RECORD, together with an editorial from the Montreal Star of July 16, 1964.

There being no objection, the speech and the editorial were ordered to be printed in the RECORD, as follows:

SPEECH BY SENATOR CLAIBORNE PELL BEFORE THE SELECT COMMITTEE ON YOUTH OF THE ONTARIO PARLIAMENT, TORONTO, CANADA, JULY 16, 1964

I am delighted to be here, and especially appreciate the kind invitation of the Minister of Education, William Davis, to meet with Chairman Syl Apps and the rest of the Select Committee on Youth.

The establishment of a Select Committee on Youth by the Ontario Parliament is a remarkable first. It is remarkable in the sense that not only do you recognize that the youth of any country is its greatest national resource, but you intend, at a high governmental level, to do all you can to develop it.

Youth is a time of growing up, of expectation, often of rebellion against the past. It is a time of inner questioning and outward pressures, of great challenges, of unmeasured visions—and it is a time of problems; of innumerable adjustments which are often painful.

The problems are sociological, environmental, parental. They are problems of war and peace, of jobs and job seeking, of growing up too fast, of urbanization, of automation, of dropouts from school, of education, of rapid technological change, of bombs and missiles that can annihilate, of population explosion, of competition among men and nations, of fashion and fads, of poverty and affluence.

We have an increasing concern with youth, just as their concern is increasing with the swift and bewildering changes of the present and those projected toward the future. Our concern is manifested in many ways—we view with horror and alarm the increase in juvenile delinquency, and we set up programs to combat it; we see the jobless and idle, and we set about training them for productive employment; we look at the undereducated and the uneducated, and we construct new schools and accelerate our efforts to correct these deficiencies.

These are commendable activities, but I believe we are missing the mark.

These are important programs, but they imply single, scattered shots.

And if we continue a fragmented approach, we will never make substantial progress in helping to solve the problems confronting youth, nor in providing them with those opportunities that derive from a highly advanced society.

I suggest in the United States, that we develop a national youth policy. And while I am here before this distinguished gathering, I would broaden my suggestion to the international sphere, so that we may mutually share our best thinking and sound planning.

But let me confine my remarks for purposes of discussion to my own country.

What do I envision in a national youth policy?

First, I believe we must treat youth as a whole, and not in the fragmented fashion we have followed in the past—with separate activities involving the delinquent, the physically unfit, the dropout. While many young people have problems, or are problems, the great majority are ordinary, average youngsters. And, in addition, we have that small percentage who are far above average—the brilliant and talented.

I am not suggesting we lump all these segments of youthful society into one big pot, add a pinch of salt and some spice, stir and blend, and see what we get.

I am suggesting that we look at the total of our youth, that we develop a national youth policy which will open the way for all our young people to set their sights a little higher, to strive for better things, to participate more fully, to develop more responsibility. If youth is the greatest resource of any nation, and I believe it is, we must treat with all youth, and not just with those that vex or disturb us. We must open up new avenues, new opportunities for the fortunate, as well as for those who are now less fortunate.

Accepting a national youth policy as the objective, we must then set out the procedural steps that will achieve it.

As with any major policy undertaking, we must first determine the facts, the data on youth. I am presently having prepared for me, a statistical study on youth—health, physical fitness, education, employment, income, marriage, mobility—in short, who they are, and where they are. This will be helpful in composing the full picture of youth, in ascertaining its dimensions more precisely. For example, if 50 percent of our youngsters are physically unfit, we do not want to construct a program to treat with 10 percent of that problem.

Where they exist, we must determine the scope of the problems. We must recognize that dropouts and delinquents most often represent symptoms of something wrong in society. The root cause must be found, examined, and to the best of our ability, eliminated.

A few months ago, as you know, the Library of Congress prepared at my request a two-volume report entitled "Profile of Youth." Though it has been termed the most comprehensive study of its kind yet compiled in the United States, and though it detailed many significant activities being undertaken for the benefit of young people in my country, it suggested to me, most of all, that important gaps exist in these activities. Many have been started only recently. As a result of this report, I feel that further and more specific inquiry is essential.

For example, a State of Maryland study of high school dropouts showed that their too-early departure from school is not necessarily caused by a lack of mental ability, but rather is linked closely with a lack of interest, with apathetic work, with a lack of participation in athletics and extra-class activities. It is also closely linked with the unskilled labor field and with poverty, with environmental conditions which stifle or undermine.

Thus, the school dropout problem is many faceted. We cannot cure it alone in the classroom, or alone in the home. The solution requires a combined effort.

Education is, of course, vital to youth, especially in these days of rapid technological advances, when new and complex skills are required; and we must examine, with those who have no specific educational problem, how best to develop ability and talent to their maximum. In respect to the development of ability, I have become deeply interested in the concept of the outward bound program, one with which I am certain you are familiar.

Outward bound began in England during the trials of World War II, when German submarines were destroying numbers of British ships. It was discovered, starkly, that a great many able-bodied seamen simply lost their will to survive when confronted by the emergency hardships of open lifeboats and cold, stormy seas. I remember one lifeboat load of survivors my own escort ship once plucked from the North Atlantic, a cruel sea indeed in winter, where the individual in best shape was an old engineer. He had the will to survive. His younger, half-dead boatmates did not. These seamen apparently preferred to give up, to almost relinquish life under these circumstances, rather than to combat the elements while awaiting possible rescue. Granted the hardships were extreme and terrifying, but those who succumbed were often lacking in survival techniques; and, most important, they did not recognize their full potentials.

The first outward bound school was founded beside a rocky and windswept port in Wales to remedy this situation and to provide young men with the inner fiber to withstand needless and weakening defeatism.

Today there are six outward bound schools in England, training youth not for war but for positions of responsibility in peacetime. British industries are helping finance this program and are sending young employees to these schools. It's estimated that approximately 80,000 young Britishers have participated in them. There are other outward bound schools in Africa, Malaysia, Australia, New Zealand, and Holland. And there are now two in my own country established in Colorado and Minnesota. This summer another school will be taking shape off the rocky and sometimes windswept coast of Maine.

I have recently discussed plans with those setting up the program in the United States. Enrollment in the schools is expected to double this year over last, and to almost double again next year.

The numbers of young men participating in outward bound in the United States are still small; but approximately 600 will be taking part next summer in the Colorado and Minnesota schools, with consecutive courses in progress. The Maine school is expected to be fully completed by 1965.

Each course lasts 26 days. Instructors must be experts in combating the elements in their given areas—experts in mountain climbing in Colorado, experts in the rugged and wild and forested terrain of Minnesota, experts in climbing cliffs and seamanship in Maine.

The actual numbers participating in these expanding courses, it seems to me, are not so important now as the philosophy governing the schools.

Briefly, the philosophy is that each individual has within himself abilities of which he is not fully aware. A unique experience can serve to bring out these abilities: some sort of test or task which at first seems insurmountable: we may think we have gone to the limits of our endurance, but we can go further, if only by a step or two. The program of outward bound applies this concept to youth. For each of the 26 days, a little more difficult task is carefully planned; and the youth who begins at the foot of the mountain, so to speak, ends up on top. He goes through the arduous but carefully regulated and supervised experience with others, equally uncertain at first. But he proves something of immense significance to himself in those 26 days. He proves he can achieve his goal, and then one just beyond it.

He has a different attitude. In a word, he can do what seemed impossible. And he returns home a changed young man, with a sense of strength within himself.

These young men are from a great variety of backgrounds, from the very poor on scholarship funds to those who can afford the $350 tuition.

As one graduate of the program recently remarked, "Whatever else I do in life, I will never again be afraid to try."

In brief, we must develop and accept new ideas and new approaches; we must not be confined by the strictures of old, accepted precepts. We have a long way to go, and many difficult tasks ahead of us if we are to realize the vast potential our youth have.

And we must not think that this is an adult endeavor—we must sit down with our young people, hear their views, learn their problems, understand their hopes and aspirations, and with them develop the very best plan to meet the mounting challenges of a space age and whatever is to follow. We need to undertake a national dialog with youth, for as much as they need our help and guidance, we need theirs. I believe such a dialog is vital to any national youth policy.

[From the Montreal Star, July 16, 1964]

POLICY FOR YOUTH

Many people, when they think of the problems of youth, think of problem youth. Senator CLAIBORNE PELL, of Rhode Island, was more to the point when he told the Select Committee on Youth of the Ontario Legislature that "if youth is the greatest resource of any nation, and I believe it is, we must treat with all youth, and not just those that vex and disturb us."

Senator PELL, who has taken a leading role in the study of youth in the United States, said that he has been calling for a national youth policy at home, but that the problem was indeed international and that the best thinking and planning on the subject should be shared.

There are many who would agree with the Senator when he says that too often in dealing with youth many commendable activities miss the mark because they imply single scattered shots, separate activities involving the delinquent, the physically unfit, or the dropout.

Senator PELL gave the select committee food for thought when he said, "I am not suggesting that we lump all these segments of youthful society into one pot. * * * I am suggesting that we look at the total of our youth, that we develop a national youth policy which will open the way for all our young people to set their sights a little higher, to strive for better things, to participate more fully, to develop more responsibility."

TRANSACTION OF ADDITIONAL ROUTINE BUSINESS

By unanimous consent, the following additional routine business was transacted:

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had agreed to the amendments of the Senate to the bill (H.R. 11611) to establish a National Commission on Technology, Automation, and Economic Progress.

The message also announced that the House had passed a bill (H.R. 2324) for the relief of Rosa Stefano Ratajczak, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (H.R. 10041) to improve the public health through revising, consolidating, and improving the hospital and other medical facilities provisions of the Public Health Service Act, and it was signed by the Acting President pro tempore (Mr. METCALF).

HOUSE BILL REFERRED

The bill (H.R. 2324) for the relief of Rosa Stefano Ratajczak, was read twice by it title and referred to the Committee on the Judiciary.

COMMITTEE MEETING DURING SESSION OF THE SENATE TOMORROW

On request of Mr. MANSFIELD, and by unanimous consent, the Committee on Foreign Relations and the Committee on Armed Services were authorized to meet during the session of the Senate tomorrow.

ADDITIONAL BILL

An additional bill was introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JACKSON (for himself and Mr. MAGNUSON):

S. 3084. A bill to authorize the Secretary of the Interior to construct, operate, and maintain the Touchet division, Walla Walla project, Oregon-Washington, and for other purposes; to the Committee on Interior and Insular Affairs.

ADJOURNMENT

Mr. SALINGER. Mr. President, I move that the Senate stand in adjournment until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 7 o'clock and 39 minutes p.m.) the Senate adjourned, under the previous order, until tomorrow, Thursday, August 6, 1964, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate August 5, 1964:

DIPLOMATIC AND FOREIGN SERVICE

The following-named Foreign Service officer for promotion from the class of career minister to the class indicated:

To be career ambassador

Charles W. Yost, of New York.

The following-named Foreign Service officers for promotion from class 1 to the class indicated:

To be career ministers

Lucius D. Battle, of Florida.
Wymberley DeR. Coerr, of Connecticut.
William J. Crockett, of Nebraska.
Armin H. Meyer, of Illinois.
George A. Morgan, of the District of Columbia.
William J. Porter, of Massachusetts.

COAST AND GEODETIC SURVEY

Subject to qualifications provided by law, the following for permanent appointment to the grades indicated in the Coast and Geodetic Survey:

To be lieutenant commanders

Donald R. Tibbit
K. William Jeffers
Harold E. McCall
Gerald C. Saladin

To be lieutenant

George M. Cole, Jr.

POSTMASTERS

ALASKA

Katherine D. Nordale, Juneau.

ARIZONA

Velma R. Billingsley, Cameron.
Richard Fasoulis, Claypool.
Kenneth J. Repp, Glendale.
Balvina C. O'Neil, Hayden.
Mary E. Sulger, Huachuca City.
Ula J. Merrell, Pinetop.
Thomas J. Lemme, Rillito.
Wallace Ashcroft, Springerville.
C. P. Tupper Jones, Wenden.
Clarence J. de Corse, Yuma.

CALIFORNIA

Henry S. Johnstone, Jr., Cotati.
Francis T. Claffey, Newhall.
Hazel L. Lewis, Stanton.

CONNECTICUT

Charles P. Fox, Hampton.
Thomas A. Hayes, Simsbury.

FLORIDA

Clarence D. Donaldson, Lake Mary.

GEORGIA

Hugh R. Dorsey, Jr., Barnesville.
Harold L. Wilson, Tennga.

IDAHO

D. Dale Davis, Downey.
Marcella G. McFadden, Plummer.
Robert L. Willer, Sandpoint.
Loren D. Kenyon, Wilder.

ILLINOIS

Helen W. Miller, Palos Heights.
Patrick M. Gorman, Peotone.

INDIANA

James C. Jackson, Elwood.
Charles R. Miller, St. John.
M. Louise Smith, Wilkinson.

IOWA

Selah W. Jones, Imogene.
Dorothy M. Lowell, Postville.
W. Douglas Magnussen, Royal.
Wayne W. Acken, Waverly.

KANSAS

Marjorie M. Niedens, Bazine.
Bernice L. Zirkle, Berryton.
Clois R. Coyan, Fort Scott.

KENTUCKY

Elton B. Souder, Corinth.
Harry C. Wheeldon, Jr., South Carrollton.
George W. Billings, Jr., Stanton.

LOUISIANA

Walter O. Hunter, Coushatta.
William L. Dees, Jr., Floren.
Beulah L. Berly, Marthaville.
Jules A. Dupuy, Minden.

MAINE

Celia E. Laughlin, Brooklin.
Millard P. Crowley, Jr., Jonesport.

MARYLAND

Herschel S. Blackburn, Edgewood.

MASSACHUSETTS

John E. Wilk, Adams.
Theodore O. Hyora, Chatham.

Herbert P. DeCouto, Eastondale.
Nicholas J. Putzu, Richmond.

MICHIGAN

Raymond J. Halfmann, Fowler.
Velma L. Bancroft, Maple Rapids.
Jack L. Pontius, Twin Lake.
Adora M. Kisshauer, Walled Lake.

MISSOURI

Glenn W. Rhodes, Sr., Advance.
George W. Brown, Caruthersville.
Leo G. Kidd, Eureka.
Joseph L. Nestle, Glencoe.

MONTANA

Cecil F. MacDonald, Jr., St. Regis.

NEBRASKA

Orvale J. Widick, Farnam.
Edward W. Lechner, Grand Island.
Francis L. Jewett, Kennard.
Herman P. Kaup, Snyder.

NEW JERSEY

John T. Murphy, Keansburg.

NEW MEXICO

Reese L. Greaves, Lovington.

NEW YORK

John J. Murphy, Brookview.
Nathan Raskin, Ellenville.
Robert J. Piper, Herkimer.
Ralph K. Braden, Knox.
Thomas A. Napier, Lewiston.
Edward R. Perrin, Palmyra.
Thomas D. Cloonan, Pittsford.
Peter La Monica, Pleasantville.
Frances W. Schillaci, Rock Glen.
John J. Streppone, Sparkill.
Florence P. Harrad, Van Hornesville.
Richard A. Vimmerstedt, West Falls.
Joseph J. Durish, West Sayville.

NORTH CAROLINA

Donald H. Elingburg, Arden.
Jasper G. Douglas, Knightdale.
Wilbur J. Underhill, Wendell.

NORTH DAKOTA

Everett R. DeMars, Bathgate.
Phebe E. Kirmis, Jud.
Leif M. Forde, Landa.
Leslie L. Bahr, Mooreton.
Gerald E. Vallier, Oberon.

OHIO

C. H. Hertenstein, Bellefontaine.
Robert J. Haeuptle, Milan.
William L. Henry, North Hampton.

OKLAHOMA

W. Ike Webb, Hugo.
Clarence C. Towns, Keota.
Donald L. Harman, Nardin.

OREGON

Charles M. Cox, Lowell.
Alice J. Thoreson, Talent.

PENNSYLVANIA

Edward L. Ricci, Ambridge.
Woodrow W. Weaber, Annville.
Timothy C. Donohue, Bradford.
James M. Welsh, East Pittsburgh.
Andrew F. Gresh, Hiller
Robert R. Himmelberger, Myerstown.
Walter R. Barron, Slippery Rock.
John J. Laurito, Turtle Creek.
Robert L. Cross, Wyano.

SOUTH DAKOTA

Homer V. Morris, Custer.

TENNESSEE

Ralph Lewis, Erwin.
Felix B. Spence, Holladay.
John W. Dunn, Townsend.
Ray E. Kizer, Wildersville.

TEXAS

John M. Harkins, Crosbyton.
James T. Maness, Granbury.
Charles E. Rutter, McQueeney.
Nicholas V. Jebbia, Stafford.
Glenn H. Williams, Stephenville.

VERMONT

Carroll E. Brown, East Ryegate.
Lawrence M. Casey, Underhill Center.

VIRGINIA

Jean P. McDonald, Round Hill.

WASHINGTON

Benjamin L. Morse, Auburn.
Mary J. Sterley, Elmer City.
Geraldine N. Stegenga, Ford.
Virginia O. Bockemuehl, Hartline.

WEST VIRGINIA

John S. Ballingall, Cabincreek.
Ralph L. DePollo, Jr., Thomas.

WISCONSIN

Gladys L. Thorpe, Darien.
Daniel J. Cress, Phillips.
Bernard E. Matchey, Whitehall.

HOUSE OF REPRESENTATIVES

WEDNESDAY, AUGUST 5, 1964

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

Ecclesiastes 12: 13: *Fear God, and keep His commandments: for this is the whole duty of man.*

Almighty God, unto whom we are compelled and constrained to bring our finite minds and our fallible judgments and our sinful hearts to be pardoned and purified, may we always enter upon our responsibilities and tasks with confidence and courage.

Grant that in times of darkness and shadows, when we long to see the future events more clearly, we may commit and trust ourselves to the leading of Thy spirit for Thou art too wise to err and too kind to injure.

Inspire us with new ventures of faith and larger vistas of outlook as we labor together for a social order which has in it a love that is as extensive and inclusive as the love of God.

May we never take a neutral or negative attitude toward life's moral and spiritual principles but may we place ourselves on the side of those who do justly, love mercy, and walk humbly with Thee.

In Christ's name we pray. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment bills and a joint resolution of the House of the following titles:

H.R. 7751. An act to extend certain construction authority to the Administrator of Veterans' Affairs in order to provide adequate veterans' hospital facilities in Los Angeles, Calif.;

H.R. 8251. An act to amend section 612, title 38, United States Code, to authorize dental services and treatment in cases where discharges were corrected by competent authority from dishonorable to conditions other than dishonorable;

H.R. 10610. An act to provide for the conveyance of certain real property under the control of the Administrator of Veterans' Affairs;

H.R. 10611. An act to provide for the conveyance of certain real property under the control of the Administrator of Veterans' Affairs; and

H.J. Res. 925. Joint resolution creating a joint committee to commemorate the 100th anniversary of the 2d inaugural of Abraham Lincoln.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 4649. An act to amend the Internal Revenue Code of 1954 to authorize the use of certain volatile fruit-flavor concentrates in the cellar treatment of wine; and

H.R. 8009. An act to amend title 38, United States Code, to provide certain veterans with urgently needed nursing home care and nursing care facilities while reducing the cost to the United States of caring for such veterans, and for other purposes.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1046. An act to provide hospital, domiciliary, and medical care for non-service-connected disabilities to recipients of the Medal of Honor.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 4) entitled "An act to establish a National Wilderness Preservation System for the permanent good of the whole people, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. JACKSON, Mr. ANDERSON, Mr. CHURCH, Mr. KUCHEL, and Mr. ALLOTT to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 10939) entitled "An act making appropriations for the Department of Defense for the fiscal year ending June 30, 1965, and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11049) entitled "An act to adjust the rates of basic compensation of certain officers and employees in the Federal Government, and for other purposes."

JUNIOR CHAMBER OF COMMERCE DRIVING CHAMPION CROWNED

Mr. EDMONDSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The **SPEAKER**. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. **EDMONDSON**. Mr. Speaker, the U.S. Junior Chamber of Commerce has just concluded competition in the 13th annual National Teenage Safe Driving Road-E-O and has crowned the national champion in ceremonies here in the Nation's Capital.

America's 1964 driving champion is 17-year-old Ned Aberly of Oak Park, Mich. Second place in the national finals went to John Rupprecht, 18, of Baltimore, Md., and third prize to 18-year-old John Whitney of Cheyenne, Wyo.

The Jaycee-sponsored safe driving Road-E-O is designed to give young drivers the opportunity to improve their ability to drive safely, improve their driving habits and attitudes and to stimulate community interest in high school driver education programs. Nearly 3 million young Americans have taken part in the competition since it started in 1952.

This great program undoubtedly contributes as much as any other in the Nation to the cause of safe driving. This year 48 States and the District of Columbia participated in the contest.

Approximately 310,000 teenagers in more than 2,140 communities where Jaycee chapters are located entered the 1964 competition for the various prizes, including $4,500 worth of college scholarships to the national winners.

It was a pleasure to attend the banquet here last week where the National winners and State champions were honored and to hear the outstanding remarks of the new Jaycee national President, Stan Ladley of Bartlesville, Okla.

The appreciation of the entire Nation is due to the Junior Chamber of Commerce, to Lincoln-Mercury division of Ford Motor Co. and to Lincoln-Mercury dealers throughout the country for sponsoring this constructive and educational program.

NON-SERVICE-CONNECTED PENSION BILL

Mr. **TEAGUE** of Texas. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The **SPEAKER**. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. **TEAGUE** of Texas. Mr. Speaker, I take this time to announce to the Members of the House that the House Veterans' Affairs Committee reported a non-service-connected pension bill—H.R. 1927, House Report No. 1694—this morning which so far as I know will take care of every person who might be adversely affected by the social security bill—H.R. 11865—recently approved by the House.

Mr. Speaker, I also take this time to announce that the bill is endorsed by the Veterans of World War I of the U.S.A., Inc., by the American Legion, by the VFW. The Veterans of World War I has stated that they will not insist upon the discharge petition as indicated in the letter from National Commander Kime:

> VETERANS OF WORLD WAR I
> OF THE U.S.A., INC.,
> *Washington, D.C., August 4, 1964.*
>
> Hon. OLIN E. TEAGUE,
> *Chairman, Veterans' Affairs Committee,*
> *House of Representatives,*
> *Washington, D.C.*
>
> DEAR CONGRESSMAN TEAGUE: At the briefing last Friday, July 31, on proposed changes in veterans' pension laws, those present in your office, in addition to yourself and Mr. Meadows, were Francis Stover and Jimmie Van Zandt from the Veterans of Foreign Wars, John Erickson and I from Veterans of World War I.
>
> My information is that the House Veterans' Affairs Subcommittee on Veteran Compensation and Pension have, this morning, reported the proposed bill to the full committee, which I understand will meet tomorrow.
>
> As stated to you on July 2: "If the House Veterans' Affairs Committee will come out with a good bill, you will not hear anything more from national headquarters about discharge petition No. 4 during my administration."
>
> With the information proposed in the present bill, reported by the subcommittee, I repeat the above statement, and in addition in our official publication, the Torch, and through a bulletin to all national and department officers, will make every effort possible to gain support of the proposed bill after it has been voted out of the full committee.
>
> Sincerely yours,
> W. R. KIME,
> *National Commander.*

The bill has 12 sections and is effective, generally, on January 1, 1965.

Section 1 provides six new exclusions from income in determining pension eligibility:

First, 10 percent of the payments to an individual under any public or private retirement, annuity, or income plan. Example: social security being received by the veteran in the amount of $1,800 a year—$180 of this sum, or 10 percent, would be excluded in determining income eligibility. This would not operate, however, in contributory pension plans until an individual receiving pension on October 31, 1964, had recouped his contribution.

Second, amounts paid by the veteran for the last illness and burial of his deceased spouse or child.

Third, profit from the disposition of real or personal property other than in the course of business.

Fourth, payments received as a result of jury duty or other obligatory civic obligations.

Fifth, payments under the war orphans educational assistance program.

Sixth, bonus or similar payments from a State.

Section 2 removes the requirement that a child file a report every year showing annual income received during the preceding year.

Section 3. Under Veterans' Administration pension regulations a veteran, in order to receive pension at age 65, in addition to meeting the income requirements must be unemployable, and have a 10-percent disability. Section 3 would remove the requirement of a 10-percent disability as well as unemployability attributed thereto.

Section 4 provides increases shown in the tables which follow—existing law in black brackets, new matter proposed in the bill in italic.

Veterans without dependents

[Column I		Column II
Annual income		
More than—	Equal to or but less than—	
	$600	$85
$600	1,200	70
1,200	1,800	40]

Column I		*Column II*
Annual income		
More than—	*Equal to or but less than—*	
	$800	*$90*
$800	*1,300*	*70*
1,300	*1,800*	*40*

Veterans with dependents

[Column I		Column II	Column III	Column IV
Annual income		One dependent	Two dependents	Three or more dependents
More than—	Equal to or but less than—			
	$1,000	$90	$95	$100
$1,000	2,000	75	75	75
2,000	3,000	45	45	45]

Column I		*Column II*	*Column III*	*Column IV*
Annual income		*One dependent*	*Two dependents*	*Three or more dependents*
More than—	*Equal to or but less than—*			
	$1,200	*$100*	*$105*	*$110*
$1,200	*2,200*	*75*	*75*	*75*
2,200	*3,000*	*45*	*45*	*45*

Widows without dependents

[Column I		Column II
Annual income		
More than—	Equal to or but less than—	
	$600	$60
$600	1,200	45
1,200	1,800	25]

Column I		*Column II*
Annual income		
More than—	*Equal to or but less than—*	
	$800	*$65*
$800	*1,300*	*45*
1,300	*1,800*	*25*

Widow with one dependent

[Column I		Column II
Annual income		
More than— but	Equal to or less than—	
	$1,000	$75
$1,000	2,000	60
2,000	3,000	40]

Column I		*Column II*
Annual income		
More than— but	*Equal to or less than—*	
	$1,200	*$80*
$1,200	*2,200*	*60*
2,200	*3,000*	*40*

Section 5 increases the additional allowance for aid and attendance cases from $70 to $100.

Section 6 provides a new rate of $35 additional to any veteran who is permanently housebound.

Section 7. Existing law excludes $1,200 of the wife's income and counts the balance in determining the veteran's eligibility for pension where the veteran is married. The amendment would exclude $1,200 or all earned income whichever is the greater.

Section 8 provides the same sort of protection for the non-service-connected aid and attendance pension cases as is now available for the service-connected cases receiving compensation under 38 United States Code 314(r). That is, the allowance shall not be discontinued until the first day of the second calendar month which begins after the date of the admission for VA hospitalization rather than immediately as is the case today. This section also makes similar provisions for aid and attendance compensation allowances under provisions other than 314(r).

Section 9 authorizes individuals who are receiving aid and attendance pension allowances provided by 38 United States Code 521(d) to be furnished drugs or medicine which are prescribed by a physician.

Section 10 makes a technical correction to existing law to make certain that a widow may not receive more than an award of death pension on account of the service of her husband in more than one war.

Section 11 permits the same 10-percent exclusion factor described in section 1 for the "old law" cases—pensioners under law in effect on June 30, 1960.

Section 12. The bill is generally effective January 1, 1965, except that the section relating to recoupment shall not apply to any individual receiving pension on October 31, 1964, until his contributions have been recouped.

BEEF IMPORTS

Mr. ROOSEVELT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, it is good to know that the Rules Committee followed the wise suggestion of Chairman WILBUR MILLS of the Ways and Means Committee that the controversial "beef import" restriction bill be sent to conference. It is certainly important that such a forum have the opportunity to discuss many of the vital questions which are raised by this issue.

For instance, there should be a careful review of what the proposal might do to our general trade negotiations. Los Angeles, for example, has many firms whose export trade might be severely affected by any unwise and precipitous action, and the overall trade picture needs to be taken into consideration. We should also assess the possible retaliation that could come from such countries as Australia and Argentina, again in the context of our overall export trade and balance-of-payments position.

In the agricultural area, what is the possible effect on such export products as cotton, rice, tobacco, and soybeans? Equally important, what would unreasonable legislation do to the consumer prices of lower cost meat and meat products and the cost of living of low-income families?

I have never been unsympathetic to the needs of any special group, and especially this group, but I am hopeful that there is a middle position which will not adversely affect the much wider interests involved, including jobs in our port areas, in the shipping industry, in the storage industry, and in the processing industry.

I am confident that under Chairman MILLS' direction, all factors will be given fair consideration, and I commend the majority of the Rules Committee for a wise decision.

THIS PAPER TIGER HAS CLAWS AND TEETH

Mr. SIKES. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. SIKES. Mr. Speaker, the action of President Johnson in ordering a prompt and vigorous strike on North Vietnam torpedo boat bases will evoke hearty applause. Too long have we turned the other cheek when actions of aggression on our planes and ships occurred. This is language which the Communists can understand and respect and which the American people have long wanted.

The action of Vietminh in attacking U.S. destroyers was an obvious test of U.S. determination. They have boasted that the United States is a paper tiger. Now they know this is no paper tiger; it has teeth and claws and will use them. There is, of course, the chance that action will spread. We have to take the risk. Had we failed to make vigorous response, the message to our friends would have been loud and clear.

It must be recognized that the willingness of the Vietcong forces to provoke this incident indicates that the day of a showdown over Vietnam may not be very distant. The tide has been running against South Vietnam for a number of months. There has been a substantial buildup of Vietcong forces there, and they are fighting with new vigor and effectiveness. The United States is still hopeful this situation can be checked and the Vietcong actions reversed without spreading the conflict or without an all-out commitment of U.S. forces. Regardless of the outcome of the incidents of the past few days, a new look may soon be necessary to determine whether Vietnam can be saved without a sterner effort on our part.

Sometimes we are tempted to relax our vigilance. Sometimes we wonder about the necessity of spending half of each tax dollar for defense. Sometimes there are those who decry the emphasis on military over civilian activities. These are the times and these are the conditions which prove the wisdom of our course. Without a strong defense we would long ago have been pushed aside by the Communist war lords. But it is equally necessary to show a willingness to use that military strength when there is a justification. Indecision, lack of determination, unwillingness to risk a showdown, negate a strong defense. The enemy wants trouble no more than we. But in too many instances we have let him face us down. I hope there will be no more of this.

ANNOUNCEMENT

Mr. GROVER. Mr. Speaker, I am recorded as not voting on rollcall No. 200, defense appropriations conference report.

When this rollcall was taken, I was at the office of General LeMay in the Pentagon attending the presentation ceremony of the 1963 Cheney Award posthumously awarded to Maj. James O'Neill, a resident of my district who was killed in Vietnam last year in performance of his duties with the U.S. Air Force.

I ask unanimous consent that the RECORD show that had I been present I would have voted "Aye."

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

SECURITIES ACT AMENDMENTS OF 1964

Mr. HARRIS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 6793) to amend the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended, to extend disclosure requirements to the issuers of additional publicly traded securities, to provide for improved qualification and disciplinary procedures for registered brokers and dealers, and for other purposes.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 6793), with Mr. KEOGH in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday, the gentleman from Arkansas [Mr. HARRIS] had 19 minutes remaining, and the gentleman from Illinois [Mr. SPRINGER] had 16 minutes remaining.

The Chair recognizes the gentleman from Arkansas.

Mr. HARRIS. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, when the Committee rose on yesterday the gentleman from Massachusetts [Mr. KEITH] was discussing the problem outlined in the minority report having to do with the particular section of the bill dealing with "marketmakers." During his discussion the gentleman from New York [Mr. FARBSTEIN] raised some questions regarding that particular section and in addition thereto the gentleman from New York [Mr. FARBSTEIN] had raised another question concerning foreign securities as treated in this bill.

Since then I have had occasion to discuss the matter further with the gentleman from New York [Mr. FARBSTEIN] and with the Chairman of the Securities and Exchange Commission. I have today received a letter addressed to me regarding three specific issues, one having to do with the foreign corporations that would be requested to register and file reports, one having to do with the domestic companies refusing to register and file reports, and another which expressed concern about section 16(d) with reference to the profit-recovery provision, having to do, as I said a moment ago, with "marketmakers." This letter explains and clarifies further the questions that were raised yesterday. I was advised by the gentleman from New York [Mr. FARBSTEIN] that it would clear the matter up in his own mind.

The letter I have referred to is as follows:

AUGUST 5, 1964.

Re H.R. 6793.

Hon. OREN HARRIS,

Chairman, Committee on Interstate and Foreign Commerce, House of Representatives, Washington, D.C.

DEAR MR. HARRIS: This letter is written at the request of Congressman FARBSTEIN, who after yesterday's session asked us to set forth our views on three questions raised by him.

I

Mr. FARBSTEIN asked whether the failure of a foreign corporation to register or file reports as required under the bill would automatically mean that American investors and broker-dealers could not trade in that corporation's stock. The answer is categorically "No," as is made clear in the House committee report.

II

Mr. FARBSTEIN also asked what steps the SEC would take if a domestic company refused to register or file reports as required by the bill. As you pointed out on the floor yesterday, we could move administratively, obtain a mandatory injunction to compel compliance by the issuer, or in cases of willful violation, seek criminal sanctions. These are our traditional remedies; as you will remember, injunctive and civil contempt remedies were finally resorted to in the Goldfine matter. As is the case with foreign corporations, noncompliance with the reporting or registration requirements of the bill does not automatically freeze trading by shareholders or broker-dealers.

III

Finally, Mr. FARBSTEIN expressed concern about proposed section 16(d), which would provide that the extension of the profit-recovery provisions of section 16(b) would not reach sales and purchases by marketmakers. Several points should be made.

1. None of section 16 now applies to marketmakers. The bill will extend, for the first time, the reporting requirements of section 16(a) to them. This will put marketmakers who are insiders in a goldfish bowl by increasing the information available to the SEC and the public—monthly, public reports of trading activity will, for the first time, be exacted.

2. Section 16(d) is a highly limited provision and is by no means an absolution from civil, administrative, or criminal sanctions for the misuse of inside information. Section 16(d) does not condone misuse of inside information or weaken the antifraud provisions prohibiting such misuse. If there is any such misuse, any purchaser or seller harmed thereby could recover under the antifraud sections of the Exchange Act. Furthermore, any such misuse would subject the dealer to administrative, injunctive, or criminal sanctions—for example, the dealer could be put out of the securities business. The Commission has unique reporting, inspection, and surveillance powers over marketmakers, which powers can be used effectively to detect such misuse. These powers are much broader than the SEC's powers over other corporate insiders subject to section 16. Again, we emphasize that even with the section 16(d) exemption, the bill will provide more, rather than less, protection against the misuse of inside information by marketmakers.

3. Section 16(d) says that, in limited circumstances, marketmakers may continue marketmaking activities without being subjected to the profit-recovery provisions of section 16(b)—a provision to which they are not now subject. The section 16(d) exemption is available only if the dealer qualifies as a marketmaker—one who stands ready as a part of his regular business to buy and sell the stock at realistic prices. Furthermore, the exemption is limited to sales and purchases (i) in the regular course of the dealer's business of marketmaking and incident to that function, and (ii) of stock not then or theretofore held in an investment account—that is, the stock must be dedicated to marketmaking. To insure that the exemption is available only for bona fide marketmaking—an activity which is the key to liquidity in the over-the-counter market and which the leaders of the securities industry maintain is vital to small companies in raising new capital—the Commission is given broad powers to define the key terms in the exemption and to impose terms and conditions limiting it.

We are sending a copy of this letter to Mr. FARBSTEIN.

WILLIAM L. CARY,
Chairman.

Mr. SPRINGER. Mr. Chairman, I yield 3 minutes to the gentleman from Vermont [Mr. STAFFORD].

Mr. STAFFORD. Mr. Chairman, I take this time to address an inquiry to the author of the bill, the gentleman from West Virginia [Mr. STAGGERS] or the chairman of the committee, the gentleman from Arkansas [Mr. HARRIS].

There is a situation I could imagine in which one company in an industry has about 900 shares of stock outstanding and has over $1 million of assets, so that it is covered by the provisions of this bill, if it passes and becomes the law of the land. Today this is the only company in its industry which has enough stock outstanding and enough assets to be covered by the bill. This means that if the bill does become the law of the land the company in question will be forced to make disclosures which will be helpful to its competitors, and they will not have to make such disclosures of their business in turn.

My question to the sponsor of the bill or the chairman of the committee is, Are there any provisions in this bill or the 1934 Securities Act, as amended, which could be used by this company to protect itself against such a situation?

Mr. STAGGERS. In answer to the gentleman from Vermont, I would say that if the company has over 750 stockholders it will be required to file for registration under the bill. It will not be required to list on either of the exchanges. Since the company that my colleague has referred to is in a unique industry known throughout the United States, they can in filing their statement ask that they be given confidential treatment, especially as to those parts in which they might disclose something to their competitors. I do not say that this will be done because this is in the discretion of the SEC. But, certainly, they are allowed a great deal of latitude to protect the industries and the investors of this country. We had to do that because we could not write up a bill that would serve every industry and every individual. Does that answer my colleague's inquiry on this particular point?

Mr. STAFFORD. Yes. That answers my inquiry and I appreciate the information that my distinguished colleague, the gentleman from West Virginia [Mr. STAGGERS] has given to us.

Mr. STAGGERS. I thank my colleague. I am certain that the gentleman from Vermont is always very zealous in protecting the interest of the people in his district and we certainly want to help in doing that.

Mr. STAFFORD. I thank the gentleman.

Mr. Chairman, I yield back the balance of my time.

Mr. HARRIS. Mr. Chairman, I yield 10 minutes to the gentleman from West Virginia [Mr. STAGGERS], the chairman of the subcommittee, who did a magnificent job in conducting the hearings on this bill and in reporting it out to the committee.

Mr. STAGGERS. Mr. Chairman and my colleagues in the Congress, as was explained yesterday, not once but many times, this is a highly technical bill. Hundreds of people have participated in the framing of the legislation that is now before the Congress. It has been 3 years in the making. There were 2 years of intensive investigation by our highly competent group of investigators who went into all details of the operations of the securities exchange markets of America. There was almost a year of hearings during which every segment of the financial interests of America had an opportunity to appear and to present their views, and all were carefully considered. There were many long hours and days of executive sessions by the subcommittee.

At this time I feel that I could not close my part in this effort without paying tribute to some of those who had a very active part in the forming of the bill.

Perhaps before I do so, I should say what brought on an investigation of the securities markets and the resulting bill. It was the direct result of a great number of irregularities and manipulations that had come to the notice of the public and, in the light of that, the Congress thought we should tighten up the laws and perhaps make some reforms which would protect the public interests of America. That is the reason this bill is before this Congress today—to do just that.

As I say, I would like to pay tribute to some of those who played a very active part in the formation of the bill. I cannot name them all because they run into the hundreds. I shall name only those whose support and cooperation made possible a full and fair investigation, and those who contributed generously of their ability and fairmindedness in working through a maze of intricate technicalities to legislation that would serve the interests of both the securities markets and the general public.

Mr. Chairman, this is one of the most bipartisan bills I have ever seen brought to the floor of this Congress. I will go into that a little bit later, but first I would like to pay tribute to the chairman of our committee, OREN HARRIS, of Arkansas. Yesterday I heard one of the highest tributes ever paid to a Member of the Congress or the head of a committee.

One of my colleagues came to me and said. "Who is in charge of this bill?" I said. "OREN HARRIS, of Arkansas." He said, "Well that is good enough for me, because I know if he is in charge and it comes out of his committee, it is a good bill and is in the interests of the people of this country."

I thought that was a great tribute to a legislator. I can say this is not only about this bill but about many of the bills he has promoted and brought before the Congress, and which are now enacted into public law. He has written his name in ineffaceable letters on the annals of history, in bills which affect the people of this land—all of them for the good and the public interest.

On our committee JOHN DINGELL, of Michigan, GILLIS LONG of Louisiana, and LIONEL VAN DEERLIN, of California worked assiduously and hard each day the subcommittee was in session.

On the opposite side of the aisle our colleague, the gentleman from New Jersey [Mr. GLENN], was at all the meetings and worked hard, cooperating in every way that was possible. Certainly his influence is to be found in the bill, as well as that of the gentleman from Massachusetts [Mr. KEITH] and the gentleman from Pennsylvania [Mr. CURTIN].

This is the reason why I say this is purely a bipartisan bill. It is not that we did not have differences of opinion among the Members, among the seven men who were there. We did have many differences of opinion, but the overriding interest was the public interest always. We asked, "Is this good for America?" That was the deciding criterion used by the members of the subcommittee in voting the bill out and bringing it to the full committee.

I might say that in the full committee the fact was accepted without question that the subcommittee had worked long and hard trying to bring a good bill to the full committee.

I should like especially to pay tribute to the staff of the Committee on Interstate and Foreign Commerce for the great work they did in analyzing testimony and in proposing expedients that would be appropriate to the purposes of the bill.

The present chairman of the Securities and Exchange Commission, I understand, will be going back to his private post at Columbia University. He certainly will leave and go home with the thanks of the Congress, and of those people of this land who are interested in the financial markets. He has served the Securities Exchange Commission with distinction, and the Nation owes him a debt of gratitude. He and his staff were always ready at a moment's notice to lend assistance and to give guidance and help in regard to the bill. We wish him a very happy return to private life at Columbia University.

In regard to the major securities and exchange markets, I wish to pay my tribute to Keith Funston, president of the New York Stock Exchange, for the many times he appeared before our committee and for his full disclosure of all information pertinent to the task of the subcommittee, as well as for his frankness in admitting that certain things could be done to strengthen the market and to protect the public.

I pay tribute to one of his able assistants and specialists, Walter Frank.

In the same light, I pay tribute to Edwin Etherington, president of the American Stock Exchange.

Another gentleman who lent great aid to the committee was Wallace Fulton, executive director of the National Association of Securities Dealers. He is now past president, but he certainly lent his assistance and his aid in any way that he could to cooperate with us in the formulation of this bill, and we, too, wish him a happy retirement, now that he has retired as president of the National Association of Securities Dealers.

There are many others who have played a very prominent part and, as I said, who have cooperated from a bipartisan standpoint to make the bill what it is.

We think as a committee that we have brought to this Congress the very best bill that we could possibly bring here. We could not satisfy every individual in every segment of industry and of the investing public, but we believe we have brought to the Congress the very best bill that we could in order to protect the public interest of this land. That is the duty of the Congress as written in the Constitution. We feel that we have done this in a way that would serve the Nation, and at the same time impose no unreasonable restrictions on business, and no roadblock on a rapidly moving economy.

Mr. Chairman, I hope that this bill will be received by the Congress without a dissenting vote, because, as I say, we have spent many, many months in hearing all opinions and in coming to what we believe was an honest and fair conclusion to all the problems that have arisen.

At this time I would like to pay a special tribute to the gentleman from Massachusetts, HASTINGS KEITH, who certainly worked long and hard on his side of the aisle and on his side of the committee and who brought many searching questions to us and supplied much useful information to the committee in helping to form and prepare the bill. He has served not only with credit to his home district, but with honor to the Nation.

Mr. SPRINGER. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. KEITH].

Mr. KEITH. Thank you.

Mr. Chairman, I appreciate very much the kindness with which our subcommittee chairman, the gentleman from West Virginia [Mr. STAGGERS], has spoken of my efforts. It is really from the heart that I say to my colleagues that it was his leadership, and his patience that made this bill possible. This bill is the result of very real cooperation between the securities industry, the committee staff, and our colleagues on the Subcommittee on Commerce and Finance. We owe our chairman a real debt of gratitude for his foresight, his patience, and his untiring efforts. So, too, does the economy of our country, which will profit from the flow of capital which will come from the confidence that the investing public will have as a result of this updating of the Securities Act.

And so, Mr. Chairman, we in the Congress and our constituents who are the American public owe a great deal to our very fine colleague and good friend, HARLEY STAGGERS, chairman of the Subcommittee on Commerce and Finance.

Mr. Chairman, during the debate yesterday on the securities acts amendments of 1964, there were several questions raised as to the advisability of granting an exemption to certain broker-dealers who act as marketmakers in the over-the-counter market. The committee has recommended that these broker-dealers who also serve on the board of directors of an issuer be exempted from the short-swing profit recovery provisions of section 16(b) of the 1934 act if—and I emphasize the word if—they are acting in the capacity of marketmaker. The questions that were raised indicated that there are some serious misconceptions about this exemption. I would like to now try to clear up these misconceptions and answer the questions that were raised.

First, Who must file reports on insider trading? Section 16(a) of the act requires that officers, directors, or stockholders having more than a 10-percent interest in the corporation must file reports with the Commission disclosing their trading in that company's stock. The marketmaker who also serves on the board of directors is not—I repeat—not exempted from filing these reports. He must disclose any trading that he does in that stock and disclose any profits that he made. He must carry on his trading activity in a "fish bowl." The Commission will know of the marketmakers trading activity in the stock.

Second, Will this marketmaker be able to use information he obtains as an insider to make profits by buying or selling that stock at appropriate times? The answer to this is an emphatic "No."

If a broker-dealer uses inside information in this manner for his own gain, the Commission has the power to put him completely out of business if it wishes to. I would point out to my colleagues the Commission's action in a recent case where an insider had obtained information about a company's plan to reduce its dividend and had disposed of his holdings in that company before the cut was publicly announced. Under the antifraud section of the 1934 act, the Commission acted against the offending broker and suspended his trading rights for a period of time. It could have completely expelled him from trading and cut off his right to do business in the securities market.

Mr. Chairman, the market making function that is performed by these broker-dealers is of real value to the public and the securities markets. In the over-the-counter market, there is no central marketplace where public orders to buy and sell are matched. Marketmakers—that is, broker-dealers who stand ready to buy and sell reasonable amounts of stock for their own account—or in the terms of the bill, "in the ordinary course of business"—perform two valuable functions: First, they make possible the operation of the market by providing a central location to which orders flow; and, second, they add marketability and liquidity by assuming the risk of taking long or short positions. As marketmaking activity in a stock increases, so does liquidity and the ability of a shareholder to sell his stock. If there is no marketmaking activity in an over-the-counter stock, holders of that stock will usually find that they can sell their stock only with difficulty and perhaps at a substantial discount from its real value and that the stock will be given a low loan value.

When one or more broker-dealers make a market in a stock, the issuer and its shareholders are benefited in another way. The new capital needed by a smaller company is most often raised from the public through the machinery of the over-the-counter market, principally by underwriters and underwriting syndicates which actively merchandise the securities. An existing or potential active trading market in a company's stock is a great aid to the company when it needs to go to the public for new funds, since the marketability and acceptability of corporate securities is dependent to a large degree upon the belief and confidence of the buyer that the security can, if he desires, be sold at a fair price. Thus, an active trading market aids the company in selling a new issue and in obtaining a fair price for it.

Companies, especially smaller companies, often desire that a representative of a broker-dealer be on their board of directors because of the broker-dealer's experience and knowledge in finance and shareholder relations. In such a case, it is natural to turn to a broker-dealer making a market in the company's stock.

Broker-dealers which sponsor a company's stock frequently desire to have, or insist upon having a representative on the company's board to protect the shareholders to whom they have previously recommended and sold stock by seeing to it that there is no conflict between the company's activities and the legitimate interests of shareholders. That kind of conflict is more likely to be present in a smaller company having just gone public and having a management accustomed to being accountable to only a small group of shareholders composed predominantly of themselves.

Thus, underwriting activity often naturally leads to the dual role of director-marketmaker, since the underwriter frequently sponsors the underwritten stock and the company desires the benefit of the broker-dealer's financial and shareholder relations experience or the broker-dealer desires or insists upon representation upon the board to perform a watchdog function.

Mr. Chairman, the dual role performed by these marketmakers in the over-the-counter market is a valuable one. There are more than adequate safeguards now in existence to prevent the misuse of inside information—an offending broker-dealer jeopardizes his right to do business. Information as to the activities of these marketmakers will be available to the Commission and I am sure that it will not hesitate to take the necessary action against any marketmaker who abuses this exemption.

In conclusion, Mr. Chairman, your committee, with the excellent cooperation of both the industry and the Securities and Exchange Commission, have worked long and hard on this most complex subject of regulating the securities markets. Our system of private enterprise and private capital will be strengthened by the addition of these amendments to the securities laws—they are fair and workable. Continued confidence in the stability of this system will naturally flow from the enactment of this legislation. I strongly urge my colleagues to grant it their support.

Mr. PICKLE. Mr. Chairman, I rise in support of H.R. 6793. It is good, sound legislation, offering adequate protection to the public and at the same time leaving the securities market free from unnecessary regulation. It is a bill, national in scope, yet it gives to the States the primary responsibility of regulation. It is the product of thorough study by the Securities and Exchange Commission and many hours of hearings by this committee. I think, in the main, it will benefit the whole securities industry, both public and private.

I am especially happy to see that those areas where the State has the adequate facilities to regulate, as in the insurance field, the committee deemed it best to leave this to State jurisdiction, assuming the State wishes to exercise this jurisdiction. Also, I think it was wise to leave the banks under the regulation of the standing agencies, such as the Federal Reserve System. Further controls would lead to duplication and overlapping among the agencies and would put an undue burden on the banks.

Neither do I think that compulsory membership in the National Association of Securities Dealers was a necessary measure, in view of the fact that my own State's standards are higher than those under that provision. As it is, security dealers can belong to NASD, or similar associations, and choose to come under direct control of SEC.

I realize that this bill is not all the Securities and Exchange Commission recommended but I think it is a good compromise and protects the public.

Mr. Chairman, I would also like to voice my appreciation to the chairman of the full committee and the subcommittee, Mr. HARRIS and Mr. STAGGERS, to the committee staff and to the Chairman of the Securities and Exchange Commission, Mr. William Cary. I must admit that the securities market and its mechanics are very complex, but with the help of the committee chairmen, the staff and Chairman Cary we were able to quickly get a good layman's knowledge of the bill and its ramifications.

Finally, I wish to extend to Chairman Cary the thanks and appreciation for a job well done. What benefits come from this bill will be the direct results of the conscientious, thorough study which he and his staff made during the past several years. I know that the Commission and the Nation have benefited by his leadership and they will miss his presence.

Mr. SPRINGER. Mr. Chairman, at this time I have no further requests for time.

Mr. HARRIS. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. All time has expired. Under the rule, the Clerk will now read the substitute committee amendment reported in the committee bill as an original bill for the purpose of amendment.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Securities Acts Amendments of 1964".

SEC. 2. Section 3(a) of the Securities Exchange Act of 1934 is amended by adding at the end thereof the following four paragraphs:

"(18) The term 'person associated with a broker or dealer' means any partner, officer, director, or branch manager of such broker or dealer (or any person occupying a similar status or performing similar functions), or any person directly or indirectly controlling or controlled by such broker or dealer, including any employee of such broker or dealer, except that for the purposes of section 15(b) of this title (other than paragraph (7) thereof), persons associated with a broker or dealer whose functions are clerical or ministerial shall not be included in the meaning of such term. The Commission may by rules and regulations classify, for the purpose of any portion or portions of this title, persons, including employees, controlled by a broker or a dealer.

"(19) The terms 'investment company', 'affiliated person', and 'insurance company' have the same meanings as in the Investment Company Act of 1940.

"(20) The terms 'investment adviser' and 'underwriter' have the same meanings as in the Investment Advisers Act of 1940.

"(21) The term 'person associated with a member' means a person who is registered with a registered securities association pursuant to its rules or who is associated with a broker or dealer which is a member of such association."

SEC. 3. (a) Section 12(b) of the Securities Exchange Act of 1934 is amended as follows:

(1) Subparagraphs (I) through (K) of paragraph (1) are redesignated as (J) through (L), respectively.

(2) A new subparagraph (I) is added after subparagraph (H) to read as follows:

"(I) material contracts, not made in the ordinary course of business, which are to be executed in whole or in part at or after the filing of the application or which were made not more than two years before such filing, and every material patent or contract for a material patent right shall be deemed a material contract;"

(3) A new paragraph (3) is added at the end of subsection (b) to read as follows:

"(3) Such copies of material contracts, referred to in paragraph (1)(I) above, as the Commission may require as necessary or appropriate for the proper protection of investors and to insure fair dealing in the security."

(b) Section 12(f) of said Act is amended to read as follows:

"(f)(1) Notwithstanding the foregoing provisions of this section, any national securities exchange, subject to the terms and conditions hereinafter set forth—

"(A) may continue unlisted trading privileges to which a security had been admitted on such exchange prior to the effective date of subsection (g)(1) of section 12 of this title.

"(B) upon application to and approval of such application by the Commission, may extend unlisted trading privileges to any security duly listed and registered on any other national securities exchange.

If an extension of unlisted trading privileges to a security was originally based upon its listing and registration on another national securities exchange, such privileges shall continue in effect only so long as such security shall remain listed and registered on any other national securities exchange.

"(2) No application pursuant to this subsection shall be approved unless the Commission finds, after appropriate notice and opportunity for hearing, that the extension of unlisted trading privileges pursuant to such application is necessary or appropriate in the public interest or for the protection of investors.

"(3) The Commission shall by rules and regulations suspend unlisted trading privileges in whole or in part for any or all classes of securities for a period not exceeding twelve months, if it deems such suspension necessary or appropriate in the public interest or for the protection of investors or to prevent evasion of the purposes of this title.

"(4) On the application of the issuer of any security for which unlisted trading privileges on any exchange have been continued or extended pursuant to this subsection, or of any broker or dealer who makes or creates a market for such security, or of any other person having a bona fide interest in the question of termination or suspension of such unlisted trading privileges, or on its own motion, the Commission shall by order terminate, or suspend for a period not exceeding twelve months, such unlisted trading privileges for such security if the Commission finds, after appropriate notice and opportunity for hearing, that such termination or suspension is necessary or appropriate in the public interest or for the protection of investors.

"(5) In any proceeding under this subsection in which appropriate notice and opportunity for hearing are required, notice of not less than ten days to the applicant in such proceeding, to the issuer of the security involved, to the exchange which is seeking to continue or extend or has continued or extended unlisted trading privileges for such security, and to the exchange, if any, on which such security is listed and registered, shall be deemed adequate notice, and any broker or dealer who makes or creates a market for such security, and any other person having a bona fide interest in such proceeding, shall upon application be entitled to be heard.

"(6) Any security for which unlisted trading privileges are continued or extended pursuant to this subsection shall be deemed to be registered on a national securities exchange within the meaning of this title. The powers and duties of the Commission under section 19(b) of this title shall be applicable to the rules of an exchange in respect of any such security. The Commission may, by such rules and regulations as it deems necessary or appropriate in the public interest or for the protection of investors, either unconditionally or upon specified terms and conditions, or for stated periods, exempt such securities from the operation of any provision of section 13, 14, or 16 of this title."

(c) Section 12 of said Act is further amended by adding thereto the following new subsection:

"(g)(1) Every issuer which is engaged in interstate commerce, or in a business affecting interstate commerce, or whose securities are traded by use of the mails or any means or instrumentality of interstate commerce shall—

"(A) within one hundred and twenty days after the last day of its first fiscal year ended after the effective date of this subsection on which the issuer has total assets exceeding $1,000,000 and a class of equity security (other than an exempted security) held of record by seven hundred and fifty or more persons; and

"(B) within one hundred and twenty days after the last day of its first fiscal year ended after two years from the effective date of this subsection on which the issuer has total assets exceeding $1,000,000 and a class of equity security (other than an exempted security) held of record by five hundred or more but less than seven hundred and fifty persons,

register such security by filing with the Commission a registration statement (and such copies thereof as the Commission may require) with respect to such security containing such information and documents as the Commission may specify comparable to that which is required in an application to register a security pursuant to subsection (b) of this section. Each such registration statement shall become effective sixty days after filing with the Commission or within such shorter period as the Commission may direct. Until such registration statement becomes effective it shall not be deemed filed for the purposes of section 18 of this title. Any issuer may register any class of equity security not required to be registered by filing a registration statement pursuant to the provisions of this paragraph. The Commission is authorized to extend the date upon which any issuer or class of issuers is required to register a security pursuant to the provisions of this paragraph.

"(2) The provisions of this subsection shall not apply in respect of—

"(A) any security listed and registered on a national securities exchange.

"(B) any security issued by an investment company registered pursuant to section 8 of the Investment Company Act of 1940.

"(C) any security, other than permanent stock, guaranty stock, permanent reserve stock, or any similar certificate evidencing nonwithdrawable capital, issued by a savings and loan association, building and loan association, cooperative bank, homestead association, or similar institution, which is supervised and examined by State or Federal authority having supervision over any such institution.

"(D) any security of an issuer organized and operated exclusively for religious, educational, benevolent, fraternal, charitable, or reformatory purposes and not for pecuniary profit, and no part of the net earnings of which inures to the benefit of any private shareholder or individual.

"(E) any security of an issuer which is a 'cooperative association' as defined in the Agricultural Marketing Act, approved June 15, 1929, as amended, or a federation of such cooperative associations, if such federation possesses no greater powers or purposes than cooperative associations so defined.

"(F) any security issued by a mutual or cooperative organization which supplies a commodity or service primarily for the benefit of its members and operates not for pecuniary profit, but only if the security is part of a class issuable only to persons who purchase commodities or services from the issuer, the security is transferable only to a successor in interest or occupancy of premises serviced or to be served by the issuer, and no dividends are payable to the holder of the security.

"(G) any security issued by an insurance company if all of the following conditions are met:

"(i) Such insurance company is required to and does file an annual statement with the Commissioner of Insurance (or other officer or agency performing a similar function) of its domiciliary State, and such annual statement conforms to that prescribed by the National Association of Insurance Commissioners or in the determination of such State commissioner, officer or agency substantially conforms to that so prescribed.

"(ii) Such insurance company is subject to regulation by its domiciliary State of proxies, consents, or authorizations in respect of securities issued by such company and such regulation conforms to that prescribed by the National Association of Insurance Commissioners.

"(iii) After July 1, 1966, the purchase and sales of securities issued by such insurance company by beneficial owners, directors, or officers of such company are subject to regulation (including reporting) by its domiciliary State substantially in the manner provided in section 16 of this title.

"(3) The Commission may by rules or regulations or, on its own motion, after notice and opportunity for hearing, by order, exempt from this subsection any security of a foreign issuer, including any certificate of deposit for such a security, if the Commission finds that such exemption is in the public interest and is consistent with the protection of investors.

"(4) Registration of any class of security pursuant to this subsection shall be terminated ninety days, or such shorter period as the Commission may determine, after the issuer files a certification with the Commission that the number of holders of record of such class of security is reduced to less than three hundred persons. The Commission shall after notice and opportunity for hearing deny termination of registration if it finds that the certification is untrue. Termination of registration shall be deferred pending final determination on the question of denial.

"(5) For the purposes of this subsection the term 'class' shall include all securities of an issuer which are of substantially similar character and the holders of which enjoy substantially similar rights and privileges. The Commission may for the purpose of this subsection define by rules and regulations the terms 'total assets' and 'held of record' as it deems necessary or appropriate in the public interest or for the protection of investors in order to prevent circumvention of the provisions of this subsection."

(d) Section 12 of said Act is further amended by adding thereto the following new subsection:

"(h) The Commission may by rules and regulations, or upon application of an interested person, by order, after notice and opportunity for hearing, exempt in whole or in part any issuer or class of issuers from the provisions of subsection (g) of this section or from section 13, 14, or 15(d) or may exempt from section 16 any officer, director, or beneficial owner of securities of any issuer, any security of which is required to be registered pursuant to subsection (g) hereof, upon such terms and conditions and for such period as it deems necessary or appropriate, if the Commission finds, by reason of the number of public investors, amount of trading interest in the securities, the nature and extent of the activities of the issuer, income or assets of the issuer, or otherwise, that such action is not inconsistent with the public interest or the protection of investors. The Commission may, for the purposes of any of the above-mentioned sections or subsections of this title, classify issuers and prescribe requirements appropriate for each such class."

(e) Section 12 of said Act is further amended by adding thereto the following new subsection:

"(i) In respect of any securities issued by banks the deposits of which are insured in accordance with the Federal Deposit Insurance Act, the powers, functions, and duties vested in the Commission under this title to administer and enforce sections 12, 13, 14(a), 14(c), and 16 (1) with respect to national banks and banks operating under the Code of Law for the District of Columbia are vested in the Comptroller of the Currency, (2) with respect to all other member banks of the Federal Reserve System are vested in the Board of Governors of the Federal Reserve System, and (3) with respect to all other insured banks are vested in the Federal Deposit Insurance Corporation. The Comptroller of the Currency, the Board of Governors of the Federal Reserve System, and the Federal Deposit Insurance Corporation shall have power to make such rules and regulations as may be necessary for the execution of the functions vested in them as provided in this subsection and none of the rules, regulations, forms or orders issued or adopted by the Commission pursuant to this title shall be in any way binding upon such officers and agencies in the performance of such functions, or upon any such banks in connection with the performance of such functions."

SEC. 4. Section 13(a) of the Securities Exchange Act of 1934 is amended to read as follows:

"SEC. 13. (a) Every issuer of a security registered pursuant to section 12 of this title shall file with the Commission, in accordance with such rules and regulations as the Commission may prescribe as necessary or appropriate for the proper protection of investors and to insure fair dealing in the security—

"(1) such information and documents (and such copies thereof) as the Commission shall require to keep reasonably current the information and documents required to be included in or filed with an application or registration statement filed pursuant to section 12, except that the Commission may not require the filing of any material contract wholly executed before July 1, 1962.

"(2) such annual reports (and such copies thereof), certified if required by the rules and regulations of the Commission by independent public accountants, and such quarterly reports (and such copies thereof), as the Commission may prescribe.

Every issuer of a security registered on a national securities exchange shall also file a duplicate original of such information, documents, and reports with the exchange."

SEC. 5. (a) Section 14(a) of the Securities Exchange Act of 1934 is amended to read as follows:

"SEC. 14. (a) It shall be unlawful for any person, by the use of the mails or by any means or instrumentality of interstate commerce or of any facility of a national securities exchange or otherwise, in contravention of such rules and regulations as the Commission may prescribe as necessary or appropriate in the public interest or for the protection of investors, to solicit or to permit the use of his name to solicit any proxy or consent or authorization in respect of any security (other than an exempted security) registered pursuant to section 12 of this title."

(b) Section 14(b) of said Act is amended to read as follows:

"(b) It shall be unlawful for any member of a national securities exchange, or any broker or dealer registered under this title, in contravention of such rules and regulations as the Commission may prescribe as necessary or appropriate in the public interest or for the protection of investors, to give, or to refrain from giving a proxy, consent, or authorization in respect of any security registered pursuant to section 12 of this title and carried for the account of a customer."

(c) Section 14 of said Act is further amended by adding thereto the following new subsection:

"(c) Unless proxies, consents, or authorizations in respect of a security registered pursuant to section 12 of this title are solicited by or on behalf of the management of the issuer from the holders of record of such security in accordance with the rules and regulations prescribed under subsection (a) of this section, prior to any annual or other meeting of the holders of such security, such issuer shall, in accordance with rules and regulations prescribed by the Commission, file with the Commission and transmit to all holders of record of such security information substantially equivalent to the information which would be required to be transmitted if a solicitation were made, but no information shall be required to be filed or transmitted pursuant to this subsection before July 1, 1964."

SEC. 6 (a) Section 15(a) of the Securities Exchange Act of 1934 is amended to read as follows:

"SEC. 15. (a) (1) No broker or dealer (other than one whose business is exclusively intrastate) shall make use of the mails or of any means or instrumentality of interstate commerce to effect any transaction in, or to induce the purchase or sale of, any security (other than an exempted security or commercial paper, bankers' acceptances, or commercial bills) otherwise than on a national securities exchange, unless such broker or dealer is registered in accordance with subsection (b) of this section.

"(2) The Commission may by such rules and regulations or orders as it deems necessary or appropriate in the public interest or for the protection of investors, either unconditionally or upon specified terms and conditions or for specified periods, exempt from paragraph (1) of this subsection any broker or dealer or class of brokers or dealers specified in such rules, regulations, or orders."

(b) Section 15(b) of said Act is amended to read as follows:

"(b) (1) A broker or dealer may be registered for the purposes of this section by filing with the Commission an application for registration, which shall contain such information in such detail as to such broker or dealer and any persons associated with such broker or dealer as the Commission may by rules and regulations require as necessary or appropriate in the public interest or for the protection of investors. Except as hereinafter provided, such registration shall become effective thirty days after the receipt of such application by the Commission or within such shorter period of time as the Commission may determine.

"(2) An application for registration of a broker or dealer to be formed or organized may be made by a broker or dealer to which the broker or dealer to be formed or organized is to be the successor. Such application shall contain such information in such detail as to the applicant and as to the successor and any person associated with the applicant or the successor, as the Commission may by rules and regulations require as necessary or appropriate in the public interest or for the protection of investors. Except as hereinafter provided, such registration shall become effective thirty days after the receipt of such application by the Commission or within such shorter period of time as the Commission may determine. Such registration shall terminate on the forty-fifth day after the effective date thereof, unless prior thereto the successor shall, in accordance with such rules and regulations as the Commission may prescribe, adopt such application as its own.

"(3) If any amendment to any application for registration pursuant to this subsection is filed prior to the effective date of the registration, such amendment shall be deemed to have been filed simultaneously with and as part of such application; except that the Commission may, if it appears necessary or appropriate in the public interest or for the protection of investors, defer the effective date of any such registration as thus amended until the thirtieth day after the filing of such amendment.

"(4) Any provision of this title (other than section 5 and subsection (a) of this section) which prohibits any act, practice, or course of business if the mails or any means or instrumentality of interstate commerce are used in connection therewith shall also prohibit any such act, practice, or course of business by any broker or dealer registered pursuant to this subsection or any person acting on behalf of such a broker or dealer, irrespective of any use of the mails or any means or instrumentality of interstate commerce in connection therewith.

"(5) The Commission shall, after appropriate notice and opportunity for hearing, by order censure, deny registration to, suspend for a period not exceeding twelve months, or revoke the registration of, any broker or dealer if it finds that such censure, denial, suspension, or revocation is in the public interest and that such broker or dealer, whether prior or subsequent to becoming such, or any person associated with such broker or dealer, whether prior or subsequent to becoming so associated—

"(A) has willfully made or caused to be made in any application for registration or report required to be filed with the Commission under this title, or in any proceeding before the Commission with respect to registration, any statement which was at the time and in the light of the circumstances under which it was made false or misleading with respect to any material fact, or has omitted to state in any such application or report any material fact which is required to be stated therein.

"(B) has been convicted within ten years preceding the filing of the application or at any time thereafter of any felony or misdemeanor which the Commission finds—

"(i) involves the purchase or sale of any security.

"(ii) arises out of the conduct of the business of a broker, dealer, or investment adviser.

"(iii) involves embezzlement, fraudulent conversion, or misappropriation of funds or securities.

"(iv) involves the violation of section 1341, 1342, or 1343 of title 18, United States Code.

"(C) is permanently or temporarily enjoined by order, judgment, or decree of any court of competent jurisdiction from acting as an investment adviser, underwriter, broker, or dealer, or as an affiliated person or employee of any investment company, bank, or insurance company, or from engaging in or continuing any conduct or practice in connection with any such activity, or in connection with the purchase or sale of any security.

"(D) has willfully violated any provision of the Securities Act of 1933, or of the Investment Advisers Act of 1940, or of the Investment Company Act of 1940, or of this title, or of any rule or regulation under any of such statutes.

"(E) has willfully aided, abetted, counseled, commanded, induced, or procured the violation by any other person of the Securities Act of 1933, or the Investment Advisers Act of 1940, or the Investment Company Act of 1940, or of this title, or of any rule or regulation under any of such statutes or has failed reasonably to supervise, with a view to preventing violations of such statutes, rules, and regulations, another person who commits such a violation, if such other person is subject to his supervision. For the purposes of this clause (E) no person shall be deemed to have failed reasonably to supervise any person, if—

"(i) there have been established procedures, and a system for applying such procedures, which would reasonably be expected to prevent and detect, insofar as practicable, any such violation by such other person, and

"(ii) such person has reasonably discharged the duties and obligations incumbent upon him by reason of such procedures and system without reasonable cause to believe that such procedures and system were not being complied with.

"(F) is subject to an order of the Commission entered pursuant to paragraph (7) of this subsection (b) barring or suspending the right of such person to be associated with a broker or dealer, which order is in effect with respect to such person.

"(6) Pending final determination whether any registration under this subsection shall be denied, the Commission may by order postpone the effective date of such registration for a period not to exceed fifteen days, but if, after appropriate notice and opportunity for hearing (which may consist solely of affidavits and oral arguments), it shall appear to the Commission to be necessary or appropriate in the public interest or for the protection of investors to postpone the effective date of such registration until final determination, the Commission shall so order. Pending final determination whether any such registration shall be revoked, the Commission shall by order suspend such registration if, after appropriate notice and opportunity for hearing, such suspension shall appear to the Commission to be necessary or appropriate in the public interest or for the protection of investors. Any registered broker or dealer may, upon such terms and conditions as the Commission may deem necessary in the public interest or for the protection of investors, withdraw from registration by filing a written notice of withdrawal with the Commission. If the Commission finds that any registered broker or dealer, or any broker or dealer for whom an application for registration is pending, is no longer in existence or has ceased to do business as a broker or dealer, the Commission shall by order cancel the registration or application of such broker or dealer.

"(7) The Commission may, after appropriate notice and opportunity for hearing, by order censure any person, or bar or suspend for a period not exceeding twelve months any person from being associated with a broker or dealer, if the Commission finds that such censure, barring, or suspension is in the public interest and that such person has committed or omitted any act or omission enumerated in clause (A), (D) or (E) of paragraph (5) of this subsection or has been convicted of any offense specified in clause (B) of said paragraph (5) within ten years of the commencement of the proceedings under this paragraph or is enjoined from any action, conduct, or practice specified in clause (C) of said paragraph (5). It shall be unlawful for any person as to whom such an order barring or suspending him from being associated with a broker or dealer is in effect, willfully to become, or to be, associated with a broker or dealer, without the consent of the Commission, and it shall be unlawful for any broker or dealer to permit such a person to become, or remain, a person associated with him, without the consent of the Commission, if such broker or dealer knew, or in the exercise of reasonable care, should have known, of such order.

"(8) No broker or dealer registered under section 15 of this title shall, during any period when it is not a member of a securities association registered with the Commission under section 15A of this title, effect any transaction in, or induce the purchase or sale of, any security (otherwise than on a national securities exchange) unless such broker or dealer and all natural persons associated with such broker or dealer meet such specified and appropriate standards with respect to training, experience, and such other qualifications as the Commission finds necessary or desirable. The Commission shall establish such standards by rules and regulations, which may—

"(A) appropriately classify brokers and dealers and persons associated with brokers and dealers (taking into account relevant matters, including types of business done and nature of securities sold).

"(B) specify that all or any portion of such standards shall be applicable to any such class.

"(C) require persons in any such class to pass examinations prescribed in accordance with such rules and regulations.

"(D) provide that persons in any such class other than a broker or a dealer and partners, officers, and supervisory employees (which latter term may be defined by the Commission's rules and regulations and as so defined shall include branch managers of brokers or dealers) of brokers or dealers, may be qualified solely on the basis of compliance with such specified standards of training and such other qualifications as the Commission finds appropriate.

The Commission may prescribe by rules and regulations reasonable fees and charges to defray its costs in carrying out this paragraph, including, but not limited to, fees for any examination administered by it, or under its direction. The Commission may cooperate with securities associations registered under section 15A of this title and with national securities exchanges in administering examinations and may require brokers and dealers subject to this paragraph and persons associated with such brokers and dealers to pass examinations administered by or on behalf of any such association or exchange and to pay to such association or exchange reasonable fees or charges to defray the costs incurred by such association or exchange in administering such examinations.

"(9) In addition to the fees and charges authorized by paragraph (8), each broker or dealer registered under section 15 of this title not a member of a securities association registered pursuant to section 15A of this title shall pay to the Commission such reasonable fees and charges as may be necessary to defray the costs of additional regulatory duties required to be performed by the Commission because such broker or dealer is not a member of such a securities association. The Commission shall establish such fees and charges by rules and regulations.

"(10) No broker or dealer subject to paragraph (8) of this subsection shall effect any transaction in, or induce the purchase or sale of, any security (otherwise than on a national securities exchange) in contravention of such rules and regulations as the Commission may prescribe designed to promote just and equitable principles of trade, to provide safeguards against unreasonable profits or unreasonable rates of commissions or other charges, and in general, to protect investors and the public interest, and to remove impediments to and perfect the mechanism of a free and open market."

(c) Section 15(c) of said Act is amended by adding at the end thereof the following new paragraphs:

"(4) If the Commission finds, after notice and opportunity for hearing, that any person subject to the provisions of section 12, 13, or subsection (d) of section 15 of this title or any rule or regulation thereunder has failed to comply with any such provision, rule, or regulation in any material respect, the Commission may publish its findings and issue an order requiring such person to comply with such provision or such rule or regulation thereunder upon such terms and conditions and within such time as the Commission may specify in such order.

"(5) If in its opinion the public interest and the protection of investors so require, the Commission is authorized summarily to suspend trading, otherwise than on a national securities exchange, in any security (other than an exempted security) for a period not exceeding ten days. No broker or dealer shall make use of the mails or of any means or instrumentality of interstate commerce to effect any transaction in, or to induce the purchase or sale of, any security in which trading is so suspended."

(d) Section 15(d) of said Act is amended to read as follows:

"(d) Each issuer which has filed a registration statement containing an undertaking which is or becomes operative under this subsection as in effect prior to the date of enactment of the Securities Acts Amendments of 1964, and each issuer which shall after such date file a registration statement which has become effective pursuant to the Securities Act of 1933, as amended, shall file with the Commission, in accordance with such rules and regulations as the Commission may prescribe as necessary or appropriate in the public interest or for the protection of investors, such supplementary and periodic information, documents, and reports as may be required pursuant to section 13 of this title in respect of a security registered pursuant to section 12 of this title. The duty to file under this subsection shall be automatically suspended if and so long as any issue of securities of such issuer is registered pursuant to section 12 of this title. The duty to file under this subsection shall also be automatically suspended as to any fiscal year, other than the fiscal year within which such registration statement became effective, if, at the beginning of such fiscal year, the securities of each class to which the registration statement relates are held of record by less than three hundred persons. For the purposes of this subsection, the term 'class' shall be construed to include all securities of an issuer which are of substantially similar character and the holders of which enjoy substantially similar rights and privileges. Nothing in this subsection shall apply to securities issued by a foreign government or political subdivision thereof."

Sec. 7. (a) Section 15A(b) of the Securities Exchange Act of 1934 is amended as follows:

(1) The semicolons at the end of paragraphs (1) through (8) are stricken out and periods are inserted in lieu thereof.

(2) Paragraph (3) thereof is amended to read as follows:

"(3) the rules of the association provide that any broker or dealer who makes use of the mails or any means or instrumentality of interstate commerce to effect any transaction in, or to induce the purchase or sale of, any security otherwise than on a national securities exchange, may become a member of such association, except such as are excluded pursuant to paragraph (4) or (5) of this subsection, or a rule of the association permitted under this paragraph. The rules of the association may restrict membership in such association on such specified geographical basis, or on such specified basis relating to the type of business done by its members, or on such other specified and appropriate basis, as appears to the Commission to be necessary or appropriate in the public interest or for the protection of investors and to carry out the purpose of this section. Rules adopted by the association may provide that the association may, unless the Commission directs otherwise in cases in which the Commission finds it appropriate in the public interest so to direct, deny admission to or refuse to continue in such association any broker or dealer if—

"(A) such broker or dealer, whether prior or subsequent to becoming such, or

"(B) any person associated with such broker or dealer, whether prior or subsequent to becoming so associated,

has been and is suspended or expelled from a national securities exchange or has been and is barred or suspended from being associated with all members of such exchange, for violation of any rule of such exchange.".

(3) Paragraph (4) thereof is amended to read as follows:

"(4) the rules of the association provide that, except with the approval or at the direction of the Commission in cases in which the Commission finds it appropriate in the public interest so to approve or direct, no broker or dealer shall be admitted to or continued in membership in such association, if such broker or dealer—

"(A) has been and is suspended or expelled from a registered securities association (whether national or affiliated) or from a national securities exchange or has been and is barred or suspended from being associated with all members of such association or from being associated with all brokers or dealers which are members of such exchange, for violation of any rule of such association or exchange which prohibits any act or transaction constituting conduct inconsistent with just and equitable principles of trade, or requires any act the omission of which constitutes conduct inconsistent with just and equitable principles of trade.

"(B) is subject to an order of the Commission denying, suspending for a period not exceeding twelve months, or revoking his registration pursuant to section 15 of this title, or expelling or suspending him from membership in a registered securities association or a national securities exchange, or barring or suspending him from being associated with a broker or dealer.

"(C) whether prior or subsequent to becoming a broker or dealer, by his conduct while associated with a broker or dealer, was a cause of any suspension, expulsion, or order of the character described in clause (A) or (B) which is in effect with respect to such broker or dealer, and in entering such a suspension, expulsion, or order, the Commission or any such exchange or association shall have jurisdiction to determine whether or not any person was a cause thereof.

"(D) has associated with him any person who is known, or in the exercise of reasonable care should be known, to him to be a person who, if such person were a broker or dealer, would be ineligible for admission to or continuance in membership under clause (A), (B), or (C) of this paragraph."

(4) Paragraphs (5) through (10) thereof are redesignated as paragraphs (6) through (11), respectively, and a new paragraph (5) is added to read as follows:

"(5) the rules of the association provide that, except with the approval or at the direction of the Commission in cases in which the Commission finds it appropriate in the public interest so to approve or direct, no person shall become a member and no natural person shall become a person associated with a member, unless such person is qualified to become a member or a person associated with a member in conformity with specified and appropriate standards with respect to the training, experience, and such other qualifications of such person as the association finds necessary or desirable, and in the case of a member, the financial responsibility of such member. For the purpose of defining such standards and the application thereof, such rules may—

"(A) appropriately classify prospective members (taking into account relevant matters, including type of business done and nature of securities sold) and persons proposed to be associated with members.

"(B) specify that all or any portion of such standards shall be applicable to any such class.

"(C) require persons in any such class to pass examinations prescribed in accordance with such rules.

"(D) provide that persons in any such class other than prospective members and partners, officers and supervisory employees (which latter term may be defined by such rules and as so defined shall include branch managers of members) of members, may be qualified solely on the basis of compliance with specified standards of training and such other qualifications as the association finds appropriate.

"(E) provide that applications to become a member or a person associated with a member shall set forth such facts as the association may prescribe as to the training, experience, and other qualifications (including, in the case of an applicant for membership, financial responsibility) of the applicant and that the association may adopt procedures for verification of qualifications of the applicant.

"(F) require any class of persons associated with a member to be registered with the association in accordance with procedures specified by such rules (and any application or document supplemental thereto required by such rules of a person seeking to be registered with such association shall, for the purposes of subsection (a) of section 32 of this title, be deemed an application required to be filed under this title)."

(5) Redesignated paragraph (9) is amended to read as follows:

"(9) the rules of the association provide that its members and persons associated with its members shall be appropriately disciplined, by expulsion, suspension, fine, censure, or being suspended or barred from being associated with all members, or any other fitting penalty, for any violation of its rules.".

(6) Redesignated paragraph (10) is amended to read as follows:

"(10) the rules of the association provide a fair and orderly procedure with respect to the disciplining of members and persons associated with members and the denial of membership to any broker or dealer seeking membership therein or the barring of any person from being associated with a member. In any proceeding to determine whether any member or other person shall be disciplined, such rules shall require that specific charges be brought; that such member or person shall be notified of, and be given an opportunity to defend against, such charges; that a record shall be kept; and that the determination shall include—

"(A) a statement setting forth any act or practice in which such member or other person may be found to have engaged, or which such member or other person may be found to have omitted.

"(B) a statement setting forth the specific rule or rules of the association of which any such act or practice, or omission to act, is deemed to be in violation.

"(C) a statement whether the acts or practices prohibited by such rule or rules, or the omission of any act required thereby, are deemed to constitute conduct inconsistent with just and equitable principles of trade.

"(D) a statement setting forth the penalty imposed.

In any proceeding to determine whether a broker or dealer shall be denied membership or whether any person shall be barred from being associated with a member, such rules shall provide that the broker or dealer or person shall be notified of, and be given an opportunity to be heard upon, the specific grounds for denial or bar which are under consideration; that a record shall be kept; and that the determination shall set forth the specific grounds upon which the denial or bar is based.".

(7) Section 15A(b) of said Act is further amended by adding at the end thereof the following:

"(12) the rules of the association include provisions governing the form and content of quotations relating to securities sold otherwise than on a national securities exchange which may be disseminated by any member or any person associated with a member, and the persons to whom such quotations may be supplied. Such rules relating to quotations shall be designed to produce fair and informative quotations, both at the wholesale and retail level, to prevent fictitious or misleading quotations, and to promote orderly procedures for collecting and publishing quotations.

The provisions of this subsection, as in effect prior to the date of enactment of the Securities Acts Amendments of 1964, shall be applicable to the rules of any registered securities association which was registered on such date until July 1, 1964. After July 1, 1964, the Commission may, after notice and opportunity for hearing, suspend the registration of any such association if it finds that the rules thereof do not conform to the requirements of this subsection, as amended by section 7 of the Securities Acts Amendments of 1964, and any such suspension shall remain in effect until the Commission issues an order determining that such rules have been modified to conform with such requirements."

(b) Section 15A(d)(2) is amended by striking the figure "(9)" inserting in lieu thereof "(10)", and by inserting "and paragraph (12)," immediately after "inclusive,".

(c) Section 15A(g) is amended to read as follows:

"(g) If any registered securities association (whether national or affiliated) takes any disciplinary action against any member thereof or any person associated with such a member or denies admission to any broker or dealer seeking membership therein, or bars any person from being associated with a member, such action shall be subject to review by the Commission, on its own motion, or upon application by any person aggrieved thereby filed within thirty days after such action has been taken or within such longer period as the Commission may determine. Application to the Commission for review, or the institution of review by the Commission on its own motion, shall operate as a stay of such action until an order is issued upon such review pursuant to subsection (h), unless the Commission otherwise orders, after notice and opportunity for hearing on the question of a stay (which hearing may consist solely of affidavits and oral arguments)."

(d) Section 15A(h) of said Act is amended to read as follows:

"(h)(1) In a proceeding to review disciplinary action taken by a registered securities association against a member thereof or a person associated with a member, if the Commission, after appropriate notice and opportunity for hearing, upon consideration of the record before the association and such other evidence as it may deem relevant—

"(A) finds that such member or person has engaged in such acts or practices, or has omitted such act, as the association has found him to have engaged in or omitted, and

"(B) determines that such acts or practices, or omission to act, are in violation of such rules of the association as have been designated in the determination of the association,

the Commission shall by order dismiss the proceeding, unless it appears to the Commission that such action should be modified in accordance with paragraph (2) of this subsection. The Commission shall likewise determine whether the acts or practices prohibited, or the omission of any act required, by any such rule constitute conduct inconsistent with just and equitable principles of trade, and shall so declare. If it appears to the Commission that the evidence does not warrant the finding required in clause (A), or if the Commission determines that such acts or practices as are found to have been engaged in are not prohibited by the designated rule or rules of the association, or that such act as is found to have been omitted is not required by such designated rule or rules, the Commission shall by order set aside the action of the association.

"(2) If, after appropriate notice and opportunity for hearing, the Commission finds that any penalty imposed upon a member or person associated with a member is excessive or oppressive, having due regard to the public interest, the Commission shall by order cancel, reduce, or require the remission of such penalty.

"(3) In any proceeding to review the denial of membership in a registered securities association or the barring of any person from being associated with a member, if the Commission, after appropriate notice and hearing, and upon consideration of the record before the association and such other evidence as it may deem relevant, determines that the specific grounds on which such denial or bar is based exist in fact and are valid under this section, the Commission shall by order dismiss the proceeding; otherwise, the Commission shall by order set aside the action of the association and require it to admit the applicant broker or dealer to membership therein, or to permit such person to be associated with a member."

(e) Section 15A(k)(2) of said Act is amended to read as follows:

"(2) The Commission may in writing request any registered securities association to adopt any specified alteration of or supplement to its rules with respect to any of the matters hereinafter enumerated. If such association fails to adopt such alteration or supplement within a reasonable time, the Commission is authorized by order to alter or supplement the rules of such association in the manner theretofore requested, or with such modifications of such alteration or supplement as it deems necessary if, after appropriate notice and opportunity for hearing, it appears to the Commission that such alteration or supplement is necessary or appropriate in the public interest or for the protection of investors or to effectuate the purposes of this section, with respect to—

"(A) the basis for, and procedure in connection with, the denial of membership or the barring from being associated with a member or the disciplining of members or persons associated with members, or the qualifications required for members or natural persons associated with members or any class thereof.

"(B) the method for adoption of any change in or addition to the rules of the association.

"(C) the method of choosing officers and directors.

"(D) affiliation between registered securities associations."

(f) Section 15A(l) of said Act is amended (1) by striking out the semicolon at the end of paragraph (1) thereof and inserting a period, and (2) by striking out paragraph (2) and inserting the following:

"(2) after appropriate notice and opportunity for hearing, by order to suspend for a period not exceeding twelve months or to expel from a registered securities association any member thereof, or to suspend for a period not exceeding twelve months or to bar any person from being associated with a member thereof, if the Commission finds that such member or person—

"(A) has violated any provision of this title or any rule or regulation thereunder, or has effected any transaction for any other person who, he had reason to believe, was violating with respect to such transaction any provision of this title or any rule or regulation thereunder.

"(B) has willfully violated any provision of the Securities Act of 1933, as amended, or of any rule or regulation thereunder, or has effected any transaction for any other person who, he had reason to believe, was willfully violating with respect to such transaction any provision of such Act or rule or regulation."

Sec. 8. (a) Section 16(a) of the Securities Exchange Act of 1934 is amended to read as follows:

"Sec. 16. (a) Every person who is directly or indirectly the beneficial owner of more than 10 per centum of any class of any equity security (other than an exempted security) which is registered pursuant to section 12 of this title, or who is a director or an officer of the issuer of such security, shall file, at the time of the registration of such security on a national securities exchange or by the effective date of a registration statement filed pursuant to section 12(g) of this title, or within ten days after he becomes such beneficial owner, director, or officer, a statement with the Commission (and, if such security is registered on a national securities exchange, also with the exchange) of the amount of all equity securities of such issuer of which he is the beneficial owner, and within ten days after the close of each calendar month thereafter, if there has been a change in such ownership during such month, shall file with the Commission (and if such security is registered on a national securities exchange, shall also file with the exchange) a statement indicating his ownership at the close of the calendar month and such changes in his ownership as have occurred during such calendar month."

(b) Section 16 of said Act is further amended by redesignating subsection (d) thereof as (e) and adding a new subsection (d) as follows:

"(d) The provisions of subsection (b) of this section shall not apply to any purchase and sale, or sale and purchase, and the provisions of subsection (c) of this section shall not apply to any sale, of an equity security not then or theretofore held by him in an investment account, by a dealer in the ordinary course of his business and incident to the establishment or maintenance by him of a primary or secondary market (otherwise than on a national securities exchange or an exchange exempted from registration under section 5 of this title) for such security. The Commission may, by such rules and regulations as it deems necessary or appropriate in the public interest, define and prescribe terms and conditions with respect to securities held in an investment account and transactions made in the ordinary course of business and incident to the establishment or maintenance of a primary or secondary market."

Sec. 9. Section 20(c) of the Securities Exchange Act of 1934 is amended to read as follows:

"(c) It shall be unlawful for any director or officer of, or any owner of any securities issued by, any issuer required to file any document, report, or information under this title or any rule or regulation thereunder without just cause to hinder, delay, or obstruct the making or filing of any such document, report, or information."

Sec. 10. Subsection (b) of section 23 of the Securities Exchange Act of 1934 is amended by adding at the end thereof the following new sentence: "The Commission shall include in its annual reports to the Congress for the fiscal years ended on June 30 of 1965, 1966, and 1967 information, data, and recommendations specifically related to the operation of the amendments to this Act made by the Securities Acts Amendments of 1964."

Sec. 11. The first sentence of subsection (b) of section 32 of the Securities Exchange Act of 1934 is amended (1) by striking out "pursuant to an undertaking contained in a registration statement as provided in" and inserting in lieu thereof "required to be filed under" and (2) by inserting immediately after "this title" the following: "or any rule or regulation thereunder".

Sec. 12. Section 4 of the Securities Act of 1933 is amended to read as follows:

"Sec. 4. The provisions of section 5 shall not apply to—

"(1) transactions by any person other than an issuer, underwriter, or dealer.

"(2) transactions by an issuer not involving any public offering.

"(3) transactions by a dealer (including an underwriter no longer acting as an underwriter in respect of the security involved in such transaction), except—

"(A) transactions taking place prior to the expiration of forty days after the first date upon which the security was bona fide offered to the public by the issuer or by or through an underwriter.

"(B) transactions in a security as to which a registration statement has been filed taking place prior to the expiration of forty days after the effective date of such registration statement or prior to the expiration of forty days after the first date upon which the security was bona fide offered to the public by the issuer or by or through an underwriter after such effective date, whichever is later (excluding in the computation of such forty days any time during which a stop order issued under section 8 is in effect as to the security), or such shorter period as the Commission may specify by rules and regulations or order, and

"(C) transactions as to securities constituting the whole or a part of an unsold allotment to or subscription by such dealer as a participant in the distribution of such securities by the issuer or by or through an underwriter.

With respect to transactions referred to in clause (B), if securities of the issuer have not previously been sold pursuant to an earlier effective registration statement the applicable period, instead of forty days, shall be ninety days, or such shorter period as the Commission may specify by rules and regulations or order.

"(4) brokers' transactions executed upon customers' orders on any exchange or in the over-the-counter market but not the solicitation of such orders."

SEC. 13. The amendments made by this Act shall take effect as follows:

(1) The effective date of section 12(g)(1) of the Securities Exchange Act of 1934, as added by section 3(c) of this Act, shall be July 1, 1964.

(2) The effective date of the amendments to sections 12(b) and 15(a) of the Securities Exchange Act of 1934, contained in sections 3(a) and 6(a), respectively, of this Act, shall be July 1, 1964.

(3) All other amendments contained in this Act shall take effect on the date of its enactment.

Mr. HARRIS (interrupting the reading of the bill). Mr. Chairman, this bill has been thoroughly considered and worked out in great detail by the subcommittee and the full Committee on Interstate and Foreign Commerce. It is a highly technical bill. It has been explained for the record in general debate. It would seem to me that no purpose could be gained by reading the technical language in this bill and in view of the fact that it has been thoroughly discussed and explained, I ask unanimous consent that further reading of the bill be dispensed with.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. KEOGH, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 6793) to amend the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended, to extend disclosure requirements to the issuers of additional publicly traded securities, to provide for improved qualifications and disciplinary procedures for registered brokers and dealers, and for other purposes pursuant to House Resolution 801, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

The SPEAKER. Pursuant to the provisions of House Resolution 801, the Committee on Interstate and Foreign Commerce is discharged from further consideration of the bill S. 1642.

The Clerk will report the title of the bill.

The Clerk read the title of the bill.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Securities Acts Amendments of 1963".

SEC. 2. Section 3(a) of the Securities Exchange Act of 1934 is amended by adding at the end thereof the following four paragraphs:

"(18) The term 'person associated with a broker or dealer' means any partner, officer, director, or branch manager of such broker or dealer (or any person occupying a similar status or performing similar functions), or any person directly or indirectly controlling or controlled by such broker or dealer, including any employee of such broker or dealer. The Commission may by rules and regulations classify, for the purpose of any portion or portions of this title, persons, including employees, controlled by a broker or a dealer. By rules and regulations the Commission shall appropriately exclude from the scope of subsection (b) (other than paragraph (3) thereof) of section 15 of this title persons associated with a broker or dealer whose functions are clerical or ministerial.

"(19) The terms 'investment company', 'affiliated person', and 'insurance company' have the same meanings as in the Investment Company Act of 1940.

"(20) The terms 'investment adviser' and 'underwriter' have the same meanings as in the Investment Advisers Act of 1940.

"(21) The term 'person associated with a member' means a person who is registered with a registered securities association pursuant to its rules or who is associated with a broker or dealer which is a member of such association."

SEC. 3. (a) Section 12(b) of the Securities Exchange Act of 1934 is amended as follows:

(1) Subparagraphs (I) through (K) of paragraph (1) are redesignated as (J) through (L), respectively.

(2) A new subparagraph (1)(I) is added to read as follows:

"(I) material contracts, not made in the ordinary course of business, which are to be executed in whole or in part at or after filing of the application or which were made not more than two years before such filing, and every material patent or contract for a material patent right shall be deemed a material contract."

(3) A new paragraph (3) is added to read as follows:

"(3) Such copies of material contracts, referred to in paragraph (1)(I) above, as the Commission may require as necessary or appropriate for the proper protection of investors and to insure fair dealing in the security."

(b) Section 12(f) of said Act is amended to read as follows:

"(f) Notwithstanding the foregoing provisions of this section, any national securities exchange, subject to the terms and conditions hereinafter set forth, (1) may continue unlisted trading privileges to which a security had been admitted on such exchange prior to the effective date of subsection (g)(1) of section 12 of this title, or (2) upon application to and approval of such application by the Commission, may extend unlisted trading privileges to any security duly listed and registered on any other national securities exchange. If an extension of unlisted trading privileges to a security was originally based upon its listing and registration on another national securities exchange, such privileges shall continue in effect only so long as such security shall remain listed and registered on any other national securities exchange.

"No application pursuant to this subsection shall be approved unless the Commission finds, after appropriate notice and opportunity for hearing, that the extension of unlisted trading privileges pursuant to such application is necessary or appropriate in the public interest or for the protection of investors.

"The Commission shall by rules and regulations suspend unlisted trading privileges in whole or in part for any or all classes of securities for a period not exceeding twelve months, if it deems such suspension necessary or appropriate in the public interest or for the protection of investors or to prevent evasion of the purposes of this title.

"On the application of the issuer of any security for which unlisted trading privileges on any exchange have been continued or extended pursuant to this subsection, or of any broker or dealer who makes or creates a market for such security, or of any other person having a bona fide interest in the question of termination or suspension of such unlisted trading privileges, or on its own motion, the Commission shall by order terminate, or suspend for a period not exceeding twelve months, such unlisted trading privileges for such security if the Commission finds, after appropriate notice and opportunity for hearing, that such termination or suspension is necessary or appropriate in the public interest or for the protection of investors.

"In any proceeding under this subsection in which appropriate notice and opportunity for hearing are required, notice of not less than ten days to the applicant in such proceeding, to the issuer of the security involved, to the exchange which is seeking to continue or extend or has continued or extended unlisted trading privileges for such security, and to the exchange, if any, on which such security is listed and registered, shall be deemed adequate notice, and any broker or dealer who makes or creates a market for such security, and any other person having a bona fide interest in such proceeding, shall upon application be entitled to be heard.

"Any security for which unlisted trading privileges are continued or extended pursuant to this subsection shall be deemed to be registered on a national securities exchange within the meaning of this title. The powers and duties of the Commission under subsection (b) of section 19 of this title shall be applicable to the rules of an exchange in respect of any such security. The Commission may, by such rules and regulations as it deems necessary or appropriate in the public interest or for the protection of investors, either unconditionally or upon specified terms and conditions, or for stated periods, exempt such securities from the operation of any provision of section 13, 14, or 16 of this title."

(c) Section 12 of said Act is further amended by adding thereto the following new subsection:

"(g)(1) Every issuer which is engaged in interstate commerce, or in a business affecting interstate commerce, or whose securities are traded by use of the mails or any means or instrumentality of interstate commerce shall—

"(i) within one hundred and twenty days after the last day of its first fiscal year ended after the effective date of this subsection on which the issuer has total assets exceeding $1,000,000 and a class of equity security (other than an exempted security) held of record by seven hundred and fifty or more persons; and

"(ii) within one hundred and twenty days after the last day of its first fiscal year ended after two years from the effective date of this subsection on which the issuer has total assets exceeding $1,000,000 and a class of equity security (other than an exempted security) held of record by five hundred or more but less than seven hundred and fifty persons

register such security by filing with the Commission a registration statement (and such copies thereof as the Commission may require) with respect to such security containing such information and documents as the Commission may specify comparable to that which is required in an application to register a security pursuant to subsection (b) of this section. Each such registration statement shall become effective sixty days after filing with the Commission or within such shorter period as the Commission may direct. Until such registration statement becomes effective it shall not be deemed filed for the purposes of section 18 of this title. Any issuer may register any class of equity security not required to be registered by filing a registration statement pursuant to the provisions of this paragraph. The Commission is authorized to extend the date upon which any issuer or class of issuers is required to register a security pursuant to the provisions of this paragraph.

"(2) The provisions of this subsection shall not apply in respect of—

"(A) any security listed and registered on a national securities exchange;

"(B) any security issued by an investment company registered pursuant to section 8 of the Investment Company Act of 1940;

"(C) any security, other than permanent stock, guaranty stock, permanent reserve stock, or any similar certificate evidencing nonwithdrawable capital, issued by a savings and loan association, building and loan association, cooperative bank, homestead association, or similar institution, which is supervised and examined by State or Federal authority having supervision over any such institution;

"(D) any security of an issuer organized and operated exclusively for religious, educational, benevolent, fraternal, charitable, or reformatory purposes and not for pecuniary profit, and no part of the net earnings of which inures to the benefit of any private shareholder or individual; or

"(E) any security of a foreign issuer, including any certificate of deposit for such a security, unless the Commission, by rules or regulations, or by order after notice and opportunity for hearing, on its own motion finds that a substantial public market for the equity securities of such issuer or of a class of issuers which includes such issuer exists in the United States and that continued exemption of securities of such issuer or class of issuers is not in the public interest or consistent with the protection of investors.

"(3) Registration of any class of security pursuant to this subsection shall be terminated ninety days, or such shorter period as the Commission may determine, after the issuer files a certification with the Commission that the number of holders of record of such class of security is reduced to less than three hundred persons. The Commission shall after notice and opportunity for hearing deny termination of registration if it finds that the certification is untrue. Termination of registration shall be deferred pending final determination on the question of denial.

"(4) For the purposes of this subsection the term 'class' shall include all securities of an issuer which are of substantially similar character and the holders of which enjoy substantially similar rights and privileges. The Commission may for the purposes of this subsection define by rules and regulations the terms 'total assets' and 'held of record' as it deems necessary or appropriate in the public interest or for the protection of investors in order to prevent circumvention of the provisions of this subsection."

(d) Section 12 of said Act is further amended by adding thereto the following new subsection:

"(h) The Commission may by rules and regulations, or upon application of an interested person, by order, after notice and opportunity for hearing, exempt in whole or in part any issuer or class of issuers from the provisions of subsection (g) hereof or from section 13, 14, or 15(d) of this title or may exempt from section 16 hereof any officer, director, or beneficial owner of securities of any issuer, any security of which is required to be registered pursuant to subsection (g) hereof, upon such terms and conditions and for such period as it deems necessary or appropriate, if the Commission finds, by reason of the number of public investors, amount of trading interest in the securities, the nature and extent of the activities of the issuer, income or assets of the issuer, or otherwise, that such action is not inconsistent with the public interest or the protection of investors. The Commission may, for the purposes of any of the abovementioned sections or subsections of this title classify issuers and prescribe requirements appropriate for each such class."

(e) Section 12 of said Act is further amended by adding thereto the following new subsection:

"(i) In respect of any securities issued by banks the deposits of which are insured in accordance with the Federal Deposit Insurance Corporation Act, the powers, functions, and duties vested in the Commission under this title to administer and enforce sections 12, 13, 14(a), 14(c), and 16 thereof (1) with respect to national banks and banks operating under the Code of Law for the District of Columbia are vested in the Comptroller of the Currency, (2) with respect to all other member banks of the Federal Reserve System are vested in the Board of Governors of the Federal Reserve System, and (3) with respect to all other insured banks are vested in the Federal Deposit Insurance Corporation."

SEC. 4. Section 13(a) of the Securities Exchange Act of 1934 is amended to read as follows:

"(a) Every issuer of a security registered pursuant to section 12 of this title shall file with the Commission the information, documents, and reports below specified (and such copies thereof as the Commission may require) in accordance with such rules and regulations as the Commission may prescribe as necessary or appropriate for the proper protection of investors and to insure fair dealing in the security—

"(1) Such information and documents as the Commission shall require to keep reasonably current the information and documents required to be included in or filed with an application or registration statement filed pursuant to section 12.

"(2) Such annual reports, certified if required by the rules and regulations of the Commission by independent public accountants, and such quarterly reports, as the Commission may prescribe.

Every issuer of a security registered on a national securities exchange shall also file a duplicate original of such information, documents, and reports with the exchange."

SEC. 5. (a) Section 14(a) of the Securities Exchange Act of 1934 is amended to read as follows:

"(a) It shall be unlawful for any person, by the use of the mails or by any means or instrumentality of interstate commerce or of any facility of a national securities exchange or otherwise, in contravention of such rules and regulations as the Commission may prescribe as necessary or appropriate in the public interest or for the protection of investors, to solicit or to permit the use of his name to solicit any proxy or consent or authorization in respect of any security (other than an exempted security) registered pursuant to section 12 of this title."

(b) Section 14(b) of said Act is amended to read as follows:

"(b) It shall be unlawful for any member of a national securities exchange, or any registered broker or dealer, in contravention of such rules and regulations as the Commission may prescribe as necessary or appropriate in the public interest or for the protection of investors, to give, or to refrain from giving a proxy, consent, or authorization in respect of any security registered pursuant to section 12 of this title and carried for the account of a customer."

(c) Section 14 of said Act is further amended by adding thereto the following new subsection:

"(c) Unless proxies, consents, or authorizations in respect of a security registered pursuant to section 12 of this title are solicited by or on behalf of the management of the issuer from the holders of record of such security in accordance with subsection (a) of this section and the rules and regulations thereunder, prior to any annual or other meeting of the holders of such security, such issuer shall, in accordance with rules and regulations prescribed by the Commission, file with the Commission and transmit to all holders of record of such security information substantially equivalent to the information which would be required to be transmitted if a solicitation were made; but no information shall be required to be filed or transmitted pursuant to this subsection before July 1, 1964."

SEC. 6. (a) Section 15(a) of the Securities Exchange Act of 1934 is amended to read as follows:

"(a) No broker or dealer shall make use of the mails or of any means or instrumentality of interstate commerce to effect any transaction in, or to induce the purchase or sale of, any security (other than an exempted security or commercial paper, bankers' acceptances, or commercial bills) otherwise than on a national securities exchange, unless such broker or dealer (A) is registered in accordance with subsection (b) of this section, and (B) is a member of a securities association which is registered pursuant to section 15A of this title.

"The Commission may by such rules and regulations or orders as it deems necessary or appropriate in the public interest or for the protection of investors, either unconditionally or upon specified terms and conditions or for specified periods, exempt from clause (A) or (B), or both, of this subsection (a) any broker or dealer or class of brokers or dealers specified in such rules, regulations, or orders. Clause (B) of this subsection (a) shall be inapplicable with respect to: (i) all brokers and dealers during any period in which there is no registered securities association, and (ii) any broker or dealer during any period in which the rules of each registered securities association preclude the membership therein of such broker or dealer solely because of the geographical location of, or type of business done by, such broker or dealer."

(b) Section 15(b) of said Act is amended to read as follows:

"(b)(1) A broker or dealer may be registered for the purposes of this section by filing with the Commission an application for registration, which shall contain such information in such detail as to such broker or dealer and any persons associated with such broker or dealer as the Commission may by rules and regulations require as necessary or appropriate in the public interest or for the protection of investors. Except as hereinafter provided, such registration shall become effective thirty days after the receipt of such application by the Commission or within such shorter period of time as the Commission may determine.

"An application for registration of a broker or dealer to be formed or organized may be made by a broker or dealer to which the broker or dealer to be formed or organized is to be the successor. Such application shall contain such information in such detail as to the applicant and as to the successor and any person associated with the applicant or the successor, as the Commission may by rules and regulations require as necessary or appropriate in the public interest or for the protection of investors. Except as hereinafter provided, such registration shall become effective thirty days after the receipt of such application by the Commission or within such shorter period of time as the Commission may determine. Such registration shall terminate on the forty-fifth day after the effective date thereof, unless prior thereto the successor shall, in accordance with such rules and regulations as the Commission may prescribe, adopt such application as its own.

"If any amendment to any application for registration pursuant to this subsection is filed prior to the effective date thereof, such amendment shall be deemed to have been filed simultaneously with and as part of such application; except that the Commission may, if it appears necessary or appropriate in the public interest or for the protection of investors, defer the effective date of any such registration as thus amended until the thirtieth day after the filing of such amendment.

"Any provision of this title (other than subsection (a) of this section and section 5) which prohibits any act, practice, or course of business if the mails or any means or instrumentality of interstate commerce are used in connection therewith shall also prohibit any such act, practice, or course of business by any broker or dealer registered pursuant to this subsection or any person acting on behalf of such a broker or dealer, irrespective of any use of the mails or any means or instrumentality of interstate commerce in connection therewith.

"(2) The Commission shall, after appropriate notice and opportunity for hearing, by order censure, deny registration to, suspend for a period not exceeding twelve months or revoke the registration of, any broker or dealer if it finds that such censure, denial, suspension, or revocation is in the public interest and that such broker or dealer, whether prior or subsequent to becoming such, or any person associated with such broker or dealer, whether prior or subsequent to becoming so associated, (A) has willfully made or caused to be made in any application for registration or report required to be filed with the Commission under this title, or in any proceeding before the Commission with respect to registration, any statement which was at the time and in the light of the circumstances under which it was made false or misleading with respect to any material fact, or has omitted to state in any such application or report any material fact which is required to be stated therein; or (B) has been convicted within ten years preceding the filing of the application or at any time thereafter of any felony or misdemeanor which the Commission finds: (i) involves the purchase or sale of any security, (ii) arises out of the conduct of the business of a broker, dealer, or investment adviser, (iii) involves embezzlement, fraudulent conversion, or misappropriation of funds or securities, or (iv) involves the violation of section 1341, 1342, or 1343 of title 18, United States Code, as heretofore or hereafter amended; or (C) is permanently or temporarily enjoined by order, judgment, or decree of any court of competent jurisdiction from acting as an investment adviser, underwriter, broker, or dealer, or as an affiliated person or employee of any investment company, bank, or insurance company, or from engaging in or continuing any conduct or practice in connection with any such activity, or in connection with the purchase or sale of any security; or (D) has willfully violated any provision of the Securities Act of 1933, or of the Investment Advisers Act of 1940, or of the Investment Company Act of 1940, or of this title, as any of such statutes heretofore have been or hereafter may be amended, or of any rule or regulation under any of such statutes; or (E) has willfully aided, abetted, counseled, commanded, induced, or procured the violation by any other person of the Securities Act of 1933, or the Investment Advisers Act of 1940, or the Investment Company Act of 1940, or of this title, as any such statutes heretofore have been or hereafter may be amended, or of any rule or regulation under any of such statutes or has failed reasonably to supervise, with a view to preventing violations of such statutes, rules, and regulations, another person who commits such a violation, if such other person is subject to his supervision; or (F) is subject to an order of the Commission entered pursuant to paragraph (3) of this subsection (b) barring or suspending the right of such person to be associated with a broker or dealer, which order is in effect with respect to such person. For the purposes of clause (E) of this paragraph, no person shall be deemed to have failed reasonably to supervise any person, if (i) there have been established procedures, and a system for applying such procedures, which would reasonably be expected to prevent and detect, insofar as practicable, any such violation by such other person; and (ii) such person has reasonably discharged the duties and obligations incumbent upon him by reason of such procedures and system without reasonable cause to believe that such procedures and system were not being complied with. Pending final determination whether any such registration shall be denied, the Commission may by order postpone the effective date of such registration for a period not to exceed fifteen days, but if, after appropriate notice and opportunity for hearing (which may consist solely of affidavits and oral arguments), it shall appear to the Commission to be necessary or appropriate in the public interest or for the protection of investors to postpone the effective date of such registration until final determination, the Commission shall so order. Pending final determination whether any such registration shall be revoked, the Commission shall by order suspend such registration if, after appropriate notice and opportunity for hearing, such suspension shall appear to the Commission to be necessary or appropriate in the public interest or for the protection of investors. Any registered broker or dealer may, upon such terms and conditions as the Commission may deem necessary in the public interest or for the protection of investors, withdraw from registration by filing a written notice of withdrawal with the Commission. If the Commission finds that any registered broker or dealer, or any broker or dealer for whom an application for registration is pending, is no longer in existence or has ceased to do business as a broker or dealer, the Commission shall by order cancel the registration or application of such broker or dealer.

"(3) The Commission may, after appropriate notice and opportunity for hearing, by order censure any person, or bar or suspend for a period not exceeding twelve months any person from being associated with a broker or dealer, if the Commission finds that such censure, barring or suspension is in the public interest and that such person has committed or omitted any act or omission enumerated in clause (A), (D) or (E) of paragraph (2) of this subsection (b) or has been convicted of any offense specified in clause (B) of said paragraph (2) within the time specified therein or is enjoined from any action, conduct, or practice specified in clause (C) of said paragraph (2). It shall be unlawful for any person as to whom such an order barring or suspending him from being associated with a broker-dealer is in effect, willfully to become, or to be, associated with a broker or dealer, without the consent of the Commission, and it shall be unlawful for any broker or dealer to permit such a person to become, or remain, a person associated with him, without the consent of the Commission, if such broker or dealer knew, or in the exercise of reasonable care, should have known, of such order."

(c) Section 15(c) of said Act is amended by adding at the end thereof the following new paragraphs:

"(4) If the Commission finds, after notice and opportunity for hearing, that any person subject to the provisions of section 12, 13, or 15(d) of this title or any rule or regulation thereunder has failed to comply with any such provision, rule, or regulation in any material respect, the Commission may publish its findings and issue an order requiring such person to comply with such provision or such rule or regulation thereunder upon such terms and conditions and within such time as the Commission may specify in such order.

"(5) If in its opinion the public interest and the protection of investors so require, the Commission is authorized summarily to suspend trading, otherwise than on a national securities exchange, in any security (other than an exempted security) for a period not exceeding ten days. No broker or dealer shall make use of the mails or of any means or instrumentality of interstate commerce to effect any transaction in, or to induce the purchase or sale of, any security in which trading is so suspended."

(d) Section 15(d) of said Act is amended to read as follows:

"(d) Each issuer which has filed a registration statement containing an undertaking which is or becomes operative under this subsection as in effect prior to the date of enactment of the Securities Acts Amendments of 1963, and each issuer which shall after such date file a registration statement which has become effective pursuant to the Securities Act of 1933, as amended, shall file with the Commission, in accordance with such rules and regulations as the Commission may prescribe as necessary or appropriate in the public interest or for the protection of investors, such supplementary and periodic information, documents, and reports as may be required pursuant to section 13 of this title in respect of a security registered pursuant to section 12 of this title. The duty to file under this subsection shall be automatically suspended if and so long as any issue of securities of such issuer is registered pursuant to section 12 of this title. The duty to file under this subsection shall also be automatically suspended as to any fiscal year, other than the fiscal year within which such registration statement became effective, if, at the beginning of such fiscal year, the securities of each class to which the registration statement relates are held of record by less than three hundred persons. For the purposes of this subsection, the term 'class' shall be construed to include all securities of an issuer which are of substantially similar character and the holders of which enjoy substantially similar rights and privileges. Nothing in this subsection shall apply to securities issued by a foreign government or political subdivision thereof."

SEC. 7. (a) Section 15A(b) of the Securities Exchange Act of 1934 is amended as follows:

(1) Paragraph (3) thereof is amended to read as follows:

"(3) the rules of the association provide that any broker or dealer who makes use of the mails or of any means or instrumentality of interstate commerce to effect any transaction in, or to induce the purchase or sale of, any security otherwise than on a national securities exchange, may become a member of such association, except such as are excluded pursuant to paragraphs (4) and (5) of this subsection: *Provided*, That the rules of the association may restrict membership in such association on such specified geographical basis, or on such specified basis relating to the type of business done by its members, or on such other specified and appropriate basis, as appears to the Commission to be necessary or appropriate in the public interest or for the protection of investors and to carry out the purpose of this section; rules adopted by the association may provide that the association may, unless the Commission directs otherwise in cases in which the Commission finds it appropriate in the public interest so to direct, deny admission to or refuse to continue in such association any broker or dealer if (i) such broker or dealer, whether prior or subsequent to becoming such, or (ii) any person associated with such broker or dealer, whether prior or subsequent to becoming so associated, has been and is suspended or expelled from a national securities exchange or has been and is barred or suspended from being associated with all members of such exchange, for violation of any rule of such exchange;".

(2) Paragraph (4) thereof is amended to read as follows:

"(4) the rules of the association provide that, except with the approval or at the direction of the Commission in cases in which the Commission finds it appropriate in the public interest so to approve or direct, no broker or dealer shall be admitted to or continued in membership in such association, if (i) such broker or dealer, whether prior or subsequent to becoming such, or (ii) any person associated with such broker or dealer, whether prior or subsequent to becoming so associated, and who continues to be so associated after such broker or dealer knew or in the exercise of reasonable care should have known that such person (A) has been and is suspended or expelled from a registered securities association (whether national or affiliated) or from a national securities exchange or has been and is barred or suspended from being associated with all members of such association or from being associated with all brokers or dealers which are members of such exchange, for violation of any rule of such association or exchange which prohibits any act or transaction constituting conduct inconsistent with just and equitable principles of trade, or requires any act the omission of which constitutes conduct inconsistent with just and equitable principles of trade, or (B) is subject to an order of the Commission denying, suspending for a period not exceeding twelve months or revoking his registration pursuant to section 15 of this title, or expelling or suspending him from membership in a registered securities association or a national securities exchange, or barring or suspending him from being associated with a broker or dealer, or (C) by his conduct while associated with a broker or dealer, was a cause of any suspension, expulsion, or order of the character described in clause (A) or (B) which is in effect with respect to such broker or dealer, and in entering such a suspension, expulsion, or order, the Commission or any such exchange or association shall have jurisdiction to determine whether or not any person was a cause thereof;".

(3) Paragraphs (5) through (10) thereof are redesignated as paragraphs (6) through (11), respectively, and a new paragraph (5) is added to read as follows:

"(5) the rules of the association provide that, except with the approval or at the direction of the Commission in cases in which the Commission finds it appropriate in the public interest so to approve or direct, no person shall become a member and no natural person shall become a person associated with a member, unless such person is qualified to become a member or a person associated with a member in conformity with specified and appropriate standards with respect to the training, experience, and such other qualifications of such person as the association finds necessary or desirable, and in the case of a member, the financial responsibility of such member. For the purpose of defining such standards and the application thereof, such rules may (A) appropriately classify prospective members (taking into account relevant matters, including type of business done and nature of securities sold) and persons proposed to be associated with members, (B) specify that all or any portion of such standards shall be applicable to any such class, (C) require persons in any such class to pass examinations prescribed in accordance with such rules, (D) provide that persons in any such class other than prospective members and partners, officers and supervisory employees (which latter term may be defined by such rules and as so defined shall include branch managers of members) of members, may be qualified solely on the basis of compliance with specified standards of training and such other qualifications as the association finds appropriate, (E) provide that applications to become a member or a person associated with a member shall set forth such facts as the association may prescribe as to the training, experience, financial responsibility, and other qualifications of the applicant and that the association may adopt procedures for verification of qualifications of the applicant, and (F) require any class of persons associated with a member to be registered with the association in accordance with procedures specified by such rules (and any application or document supplemental thereto required by such rules of a person seeking to be registered with such association shall, for the purposes of subsection (a) of section 32 of this title, be deemed an application required to be filed under this title)."

(4) Redesignated paragraph (9) thereof is amended to read as follows:

"(9) the rules of the association provide that its members and persons associated with its members shall be appropriately disciplined, by expulsion, suspension, fine, censure, or being suspended or barred from being associated with all members, or any other fitting penalty, for any violation of its rules;".

(5) Redesignated paragraph (10) thereof is amended to read as follows:

"(10) the rules of the association provide a fair and orderly procedure with respect to the disciplining of members and persons associated with members and the denial of membership to any broker or dealer seeking membership therein or the barring of any person from being associated with a member. In any proceeding to determine whether any member or other person shall be disciplined, such rules shall require that specific charges be brought; that such member or person shall be notified of, and be given an opportunity to defend against, such charges; that a record shall be kept; and that the determination shall include (A) a statement setting forth any act or practice in which such member or other person may be found to have engaged, or which such member or other person may be found to have omitted, (B) a statement setting forth the specific rule or rules of the association of which any such act or practice, or omission to act, is deemed to be in violation, (C) a statement whether the acts or practices prohibited by such rule or rules, or the omission of any act required thereby, are deemed to constitute conduct inconsistent with just and equitable principles of trade, and (D) a statement setting forth the penalty imposed. In any proceeding to determine whether a broker or dealer shall be denied membership or whether any person shall be barred from being associated with a member, such rules shall provide that the broker or dealer or person shall be notified of, and be given an opportunity to be heard upon, the specific grounds for denial or bar which are under consideration; that a record shall be kept; and that the determination shall set forth the specific grounds upon which the denial or bar is based; and".

(6) Section 15A(b) of said Act is further amended by adding two unnumbered paragraphs at the end thereof, to read as follows:

"The rules of the association shall include provisions governing the form and content of quotations relating to securities sold otherwise than on a national securities exchange which may be disseminated by any member or any person associated with a member, and the persons to whom such quotations may be supplied. Such rules relating to quotations shall be designed to produce fair and informative quotations, both at the wholesale and retail level, to prevent fictitious or misleading quotations, and to promote orderly procedures for collecting and publishing quotations.

"The provisions of this subsection, as in effect prior to the date of enactment of the Securities Acts Amendments of 1963, shall be applicable to the rules of any registered securities association which was registered on such date until July 1, 1964. After July 1, 1964, the Commission may, after notice and opportunity for hearing, suspend the registration of any such association if it finds that the rules thereof do not conform to the requirements of this subsection, as amended by section 7 of the Securities Acts Amendments of 1963, and any such suspension shall remain in effect until the Commission issues an order determining that such rules have been modified to conform with such requirements."

(b) Section 15A(d)(2) of said Act is amended by striking out "(9)" and inserting in lieu thereof "(10)".

(c) Section 15A(g) of said Act is amended to read as follows:

"(g) If any registered securities association (whether national or affiliated) shall take any disciplinary action against any member thereof or any person associated with such a member or shall deny admission to any broker or dealer seeking membership therein, or shall bar any person from being associated with a member, such action shall be subject to review by the Commission, on its own motion, or upon application by any person aggrieved thereby filed within thirty days after such action has been taken or within such longer period as the Commission may determine. Application to the Commission for review, or the institution or review by the Commission on its own motion, shall operate as a stay of such action until an order is issued upon such review pursuant to subsection (h), unless the Commission shall otherwise order, after notice and opportunity for hearing on the question of a stay (which hearing may consist solely of affidavits and oral agruments)."

(d) Section 15A(h) of said Act is amended to read as follows:

"(h)(1) In a proceeding to review disciplinary action taken by a registered securities association against a member thereof or a person associated with a member, if the Commission, after appropriate notice and opportunity for hearing, upon consideration of the record before the association and such other evidence as it may deem relevant, shall (A) find that such member or person has engaged in such acts or practices, or has omitted such act, as the association has found him to have engaged in or omitted, and (B) shall determine that such acts or practices, or omission to act, are in violation of such rules of the association as have been designated in the determination of the association, the Commission shall by order dismiss the proceeding, unless it appears to the Commission that such action should be modified in accordance with paragraph (2) of this subsection. The Commission shall likewise determine whether the acts or practices prohibited, or the omission of any act required, by any such rule constitute conduct inconsistent with just and equitable principles of trade, and shall so declare. If it appears to the Commission that the evidence does not warrant the finding required in clause (A), or if the Commission shall determine that such acts or practices as are found to have been engaged in are not prohibited by the designated rule or rules of the association, or that such act as is found to have been omitted is not required by such designated rule or rules, the Commission shall by order set aside the action of the association.

"(2) If, after appropriate notice and opportunity for hearing, the Commission finds that any penalty imposed upon a member or person associated with a member is excessive or oppressive, having due regard to the public interest, the Commission shall by order cancel, reduce, or require the remission of such penalty.

"(3) In any proceeding to review the denial of membership in a registered securities association or the barring of any person from being associated with a member, if the Commission, after appropriate notice and hearing, and upon consideration of the record before the association and such other evidence as it may deem relevant, shall determine that the specific grounds on which such denial or bar is based exist in fact and are valid under this section, the Commission shall by order dismiss the proceeding; otherwise, the Commission shall by order set aside the action of the association and require it to admit the applicant broker or dealer to membership therein, or to permit such person to be associated with a member."

(e) Section 15A(k)(2) of said Act is amended to read as follows:

"(2) The Commission may in writing request any registered securities association to adopt any specified alteration of or supplement to its rules with respect to any of the matters hereinafter enumerated. If such association fails to adopt such alteration or supplement within a reasonable time, the Commission is authorized by order to alter or supplement the rules of such association in the manner theretofore requested, or with such modifications of such alteration or supplement as it deems necessary if, after appropriate notice and opportunity for hearing, it appears to the Commission that such alteration or supplement is necessary or appropriate in the public interest or for the protection of investors or to effectuate the purposes of this section, with respect to: (A) The basis for, and procedure in connection with, the denial of membership or the barring from being associated with a member or the disciplining of members or persons associated with members, or the qualifications required for members or natural persons associated with members or any class thereof; (B) the method for adoption of any change in or addition to the rules of the association; (C) the method of choosing officers and directors; and (D) affiliation between registered securities associations."

(f) Section 15A(1)(2) of said Act is amended to read as follows:

"(2) after appropriate notice and opportunity for hearing, by order to suspend for a period not exceeding twelve months or to expel from a registered securities association any member thereof, or to suspend for a period not exceeding twelve months or to bar any person from being associated with a member thereof, if the Commission finds that such member or person (A) has violated any provision of this title or any rule or regulation thereunder, or has effected any transaction for any other person who, he had reason to believe, was violating with respect to such transaction any provision of this title or any rule or regulation thereunder, or (B) has willfully violated any provision of the Securities Act of 1933, as amended, or of any rule or regulation thereunder, or has effected any transaction for any other person who, he had reason to believe, was willfully violating with respect to such transaction any provision of such Act or rule or regulation."

Sec. 8. (a) Section 16(a) of the Securities Exchange Act of 1934 is amended to read as follows:

"(a) Every person who is directly or indirectly the beneficial owner of more than 10 per centum of any class of any equity security (other than an exempted security) which is registered pursuant to section 12 of this title, or who is a director or an officer of the issuer of such security, shall file, at the time of the registration of such security on a national securities exchange or by the effective date of a registration statement filed pursuant to subsection (g) of section 12 of this title, or within ten days after he becomes such beneficial owner, director, or officer, a statement with the Commission (and, if such security is registered on a national securities exchange, also with the exchange) of the amount of all equity securities of such issuer of which he is the beneficial owner, and within ten days after the close of each calendar month thereafter, if there has been a change in such ownership during such month, shall file with the Commission (and if such security is registered on a national securities exchange, shall also file with the exchange) a statement indicating his ownership at the close of the calendar month and such changes in his ownership as have occurred during such calendar month."

(b) Section 16 of said Act is further amended by redesignating subsection (d) as subsection (e) and adding a new subsection (d) as follows:

"(d) The provisions of subsection (b) of this section shall not apply to any purchase and sale, or sale and purchase, and the provisions of subsection (c) of this section shall not apply to any sale, of an equity security not then or theretofore held by him in an investment account, by a dealer in the ordinary course of his business and incident to the establishment or maintenance by him of a primary or secondary market (otherwise than on a national securities exchange or an exchange exempted from registration under section 5 of this title) for such security. The Commission may, by such rules and regulations as it deems necessary or appropriate in the public interest, define and prescribe terms and conditions with respect to securities held in an investment account and transactions made in the ordinary course of business and incident to the establishment or maintenance of a primary or secondary market."

Sec. 9. Section 20(c) of the Securities Exchange Act of 1934 is amended to read as follows:

"(c) It shall be unlawful for any director or officer of, or any owner of any securities issued by, any issuer required to file any document, report, or information under this title or any rule or regulation thereunder without just cause to hinder, delay, or obstruct the making or filing of any such document, report, or information."

Sec. 10. Section 32 of the Securities Exchange Act of 1934 is amended by striking out subsection (b) and by redesignating subsection (c) as subsection (b).

Sec. 11. Section 4 of the Securities Act of 1933 is amended to read as follows:

"Sec. 4. The provisions of section 5 shall not apply to any of the following transactions:

"(1) Transactions by any person other than an issuer, underwriter, or dealer; transactions by an issuer not involving any public offering; or transactions by a dealer (including an underwriter no longer acting as an underwriter in respect of the security involved in such transaction), except (a) transactions taking place prior to the expiration of forty days after the first date upon which the security was bona fide offered to the public by the issuer or by or through an underwriter, (b) transactions in a security as to which a registration statement has been filed taking place prior to the expiration of forty days after the effective date of such registration statement or prior to the expiration of forty days after the first date upon which the security was bona fide offered to the public by the issuer or by or through an underwriter after such effective date, whichever is later (excluding in the computation of such forty days any time during which a stop order issued under section 8 is in effect as to the security), or such shorter period as the Commission may specify by rules and regulations or order, and (c) transactions as to securities constituting the whole or a part of an unsold allotment to or subscription by such dealer as a participant in the distribution of such securities by the issuer or by or through an underwriter. With respect to transactions referred to in clause (b), if securities of the issuer have not previously been sold pursuant to an earlier effective registration statement the applicable period, instead of forty days, shall be ninety days, or such shorter period as the Commission may specify by rules and regulations or order.

"(2) Brokers' transactions, executed upon customers' orders on any exchange or in the over-the-counter market, but not the solicitation of such orders."

Sec. 12. The amendments made by this Act shall take effect as follows:

(1) The effective date of section 12(g)(1) of the Securities Exchange Act of 1934, as added by section 3(c) of this Act, shall be July 1, 1964.

(2) The effective date of the amendments to sections 12(b) and 15(a) of the Securities Exchange Act of 1934, contained in sections 3(a) and 6(a), respectively, of this Act, shall be July 1, 1964.

(3) All other amendments contained in this Act shall take effect on the date of its enactment.

Passed the Senate July 30, 1963.

Attest:

Felton M. Johnston,
Secretary.

Mr. HARRIS. Mr. Speaker, I move to strike out all after the enacting clause of the bill S. 1642 and insert in lieu thereof the provisions contained in the bill H.R. 6793 as passed.

The motion was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 6793) was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. HARRIS. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days to extend their remarks in the appropriate place of the Record.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

HOUSE SELECT COMMITTEE ON GOVERNMENT RESEARCH

Mr. ELLIOTT. Mr. Speaker, by direction of the Committee on Rules I call up House Resolution 810 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

> *Resolved,* That the fourth paragraph of House Resolution 504, Eighty-eighth Congress, is amended by striking out "prior to December 1, 1964" and inserting in lieu thereof "prior to January 3, 1965".

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. ELLIOTT. I yield to the gentleman from Iowa.

Mr. GROSS. With what does this resolution deal, if I may ask the gentleman?

Mr. ELLIOTT. This resolution provides that the Select Committee on Government Research have until January 3, 1965, to file its reports instead of next December 1, as fixed in the original resolution.

I would like to say to the gentleman from Iowa that the passage of this resolution will not require any additional moneys for the operations of the committee.

Mr. GROSS. If the gentleman will yield further, I am delighted to hear that the resolution will require no further funds.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

CALL OF THE HOUSE

Mr. ROOSEVELT. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ROOSEVELT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 204]

Alger
Avery
Baring
Beckworth
Bennett, Mich.
Bolling
Bolton,
  Frances P.
Brock
Buckley
Cederberg
Davis, Tenn.
Diggs
Dingell
Edwards
Everett
Evins
Finnegan
Green, Oreg.
Harvey, Mich.
Healey
Hébert
Hoffman
Jones, Mo.
Kee
Lankford
Lennon
Lesinski
Lloyd
Miller, N.Y.
Norblad
Passman
Pillion
Randall
Rhodes, Ariz.
Riehlman
Rumsfeld
Senner
Sheppard
Shipley
Shriver
Thompson, La.
Toll
Tollefson
Wallhauser

The SPEAKER. On this rollcall, 388 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

NATIONAL COMMISSION ON TECHNOLOGY, AUTOMATION, AND ECONOMIC PROGRESS

Mr. O'HARA of Michigan. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 11611) to establish a National Commission on Technology, Automation, and Economic Progress, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

> Page 4, line 13, strike out "and" the second time it appears.
>
> Page 4, line 14, after "Commission," insert: "and the Director of the United States Arms Control and Disarmament Agency,".
>
> Page 4, lines 16 and 17, strike out "the Secretary".
>
> Page 5, line 3, strike out "Commission" and insert: "President".
>
> Page 5, line 3, after "appoint" insert: "by and with the advice and consent of the Senate and, without regard to the provisions of the Classification Act of 1949, as amended, to fix the compensation of,".
>
> Page 6, line 17, strike out "$2,000,000" and insert: "$1,000,000".

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

Mr. GRIFFIN. Mr. Speaker, reserving the right to object—and I shall not object—I know that there are several Members on this side who would appreciate it if my colleague from Michigan would briefly explain what is taking place.

Mr. O'HARA of Michigan. The bill H.R. 11611 was passed by the House of Representatives to establish a National Commission on Technology, Automation, and Economic Progress. It was sent to the Senate, where it was amended in three particulars.

The first amendment, to section 6, involved a grammatical change with no change in substance.

The second amendment has to do with the appointment of the Executive Secretary of the Commission, providing for his appointment by the President, with the advice and consent of the Senate, and with respect to the fixing of his pay.

The final amendment reduces the authorization for appropriations from $2 million to $1 million.

Mr. GRIFFIN. Can the gentleman from Michigan assure me that the leadership on this side of the aisle is aware of the request now being made by the gentleman?

Mr. O'HARA of Michigan. It is my understanding that the gentleman from New Jersey [Mr. Frelinghuysen], the ranking minority member of the committee, and the minority leader, the gentleman from Indiana [Mr. Halleck], have both agreed to the unanimous-consent request.

Mr. GRIFFIN. Mr. Speaker, I withdraw my reservation.

Mr. TAFT. Mr. Speaker, reserving the right to object, Mr. Speaker, I would like to ask the gentleman from Michigan if there is any change whatsoever in the provisions relating to the subpena powers involved as it originally passed the House.

Mr. O'HARA of Michigan. I want to assure the gentleman that there is no change whatsoever in the House provision with respect to that matter.

Mr. TAFT. I thank the gentleman for that assurance and, Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

ACTION IN THE FAR EAST

Mr. FOREMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. FOREMAN. Mr. Speaker, I am thankful that this administration has finally recognized that extreme measures taken in the defense of American naval ships and lives is no vice.

This provocative attack on our forces by the Communists could be expected as a result of our no-win, vacillating foreign policy. If we are to prevent escalated war and further hostile provocations, then the United States must make it unmistakedly clear to the Communist aggressors that we will not back down in the defense of American lives and freedom, and further we are prepared to use whatever force necessary to maintain this firm foreign policy.

The U.S. retaliatory action was consistent with the positive dependable foreign policy action that I have been calling for since the beginning of this administration. This positive action, however, answers only a small part of the overall problem—we have more than a PT boat war on the mainland of Vietnam—and it is time for this administration to act decisively, and present a positive plan to win this war.

There is far less risk while we are strong and while the enemy is divided, and overextended, of using our strength as a shield, and our firm purpose as a sword, to settle without war, the claims of freedom and the crimes of tyranny. Wherever and whenever we moved from strength, we have moved closer to peace. Wherever we have moved from fear, indecision and weakness, we have moved closer to war.

COMMITTEE ON RULES

Mr. YOUNG. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain privileged reports.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

ECONOMIC OPPORTUNITY ACT OF 1964

Mr. YOUNG. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 806 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

> *Resolved,* That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 11377) to mobilize the human and financial resources of the Nation to combat poverty in the United States. After general debate, which shall be confined to the bill and continue not to exceed six hours, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Education and Labor, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions. After the passage of the bill H.R. 11377, it shall be in order in the House to take from the Speaker's table the bill S. 2642 and to move to strike out all after the enacting clause of said Senate bill and to insert in lieu thereof the provisions contained in H.R. 11377 as passed by the House.

The SPEAKER. The gentleman from Texas [Mr. YOUNG], is recognized for 1 hour.

Mr. YOUNG. Mr. Speaker, I yield the gentleman from Ohio [Mr. BROWN] 30 minutes and pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 806 provides for consideration of H.R. 11377, a bill to mobilize the human and financial resources of the Nation to combat poverty in the United States. The resolution provides an open rule with 6 hours of general debate; after passage of the bill, H.R. 11377, it shall be in order to take S. 2642 from the Speaker's table, move to strike out all after the enacting clause and insert in lieu thereof the House-passed language.

The United States is the first major nation in history which can look forward to victory over poverty. Our wealth, our income, our technical know-how, and our productive capacity put this goal within our grasp. As a nation, we clearly have the capacity to achieve this victory; what we need now is a commitment on the part of the people, the communities, private organizations, and all levels of government.

The purpose of H.R. 11377 is, first of all, to express this commitment, to state explicitly that the Congress and the Federal Government are committing this Nation to a war designed to eliminate poverty. This legislation also proposes programs which, during the first year of this war, will expand opportunities for youth; stimulate communities to initiate local action programs; help rural families now destitute to increase their income; provide a sounder base for the rehabilitation of poor areas of our great cities; provide special programs for undereducated adults and migratory agricultural workers; and encourage more States to use public assistance as an instrument for helping families lift themselves out of poverty; and recruit and train volunteers who will help carry out the war on poverty.

Mr. Speaker, one important aspect of this legislation may well cause this legislation to be one of the most constructive pieces of legislation presented to the Congress in our time. The provisions of the bill which vest the Director of the program with the responsibility and authority to examine into and institute steps to eliminate overlapping, antiquated, and wasteful programs in the general field of assistance is not only desirable, but an absolute necessity. We have heard testimony that more than $4 billion annually is being spent in direct assistance programs in this country; we have heard testimony that there are 42 governmental agencies and departments spending $32 billion annually in programs related to assistance; and we have heard that there are now instances of families having been on relief for as much as four generations. Certainly, all would agree that this course of things must be altered.

I want to commend the administration for having the courage to attack this problem. I feel that the authority of the Director in this field should be spelled out more clearly for purposes of emphasis and I intend, at the proper time, to offer an amendment for this purpose.

Mr. Speaker, I urge the adoption of House Resolution 806.

Mr. BROWN of Ohio. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, if my colleagues will forgive me a personal allusion, I would like to start my discussion of this legislation by saying that 46 years ago this year I was elected as a "kid" Lieutenant Governor of my State and began my first public service presiding over a State legislature.

Mr. Speaker, in the 46 years that have come and gone since that time I have had considerable experience with legislative matters. It is my honest conviction, and my earnest belief, that in all those 46 years I have never encountered a piece of legislation as loosely drawn, as poorly prepared, so poorly written, and so badly documented as the bill that this rule would make in order for consideration under 6 hours of general debate, H.R. 11377, which has the official name of "Economic Opportunity Act of 1964," but has been given, for obvious reasons, the very attractive political name of the "antipoverty bill."

Mr. Speaker, for many days the Committee on Rules, of which I am a member, heard testimony given for and against this measure by Members of the House, especially by those who have spent the most time studying the bill. I note that not a single Member of the minority supported this legislation, in the committee which gave it birth, and that all but one Member of the minority signed a minority report giving their dissenting views.

This bill, which has a first-year price tag on it of $962.5 million for the balance of fiscal 1965, carries no restriction on the amount of money that may be spent under it in fiscal 1966 or fiscal 1967.

The bill itself is a "conglomeration," if I may use that word advisedly, of programs that have either been submitted to the Congress in the past and not acted upon, submitted to the Congress and defeated by it, or, approved by the Congress in some instances in the past and tried out by the administration in power at that particular time, found to be wanting for various reasons, and abandoned by the administration that gave the idea birth in the first place.

Mr. Speaker, the bill itself is divided into some six titles.

Title I includes different youth programs. Part A of title I provides a job corps to be established to provide training and work experience for boys and girls aged 16 through 21. The total time enrollment is not to exceed 2 years for any individual. Enrollees may be provided with living, travel, and leave allowances, as well as quarters subsistence pay, and would be entitled to readjustment allowances that would amount to about, I believe, $1,200 for 20 months of service.

Mr. Speaker, if I understand the measure correctly, according to the testimony given on this matter, this program alone would average—a cost for each enrollee—about $4,700 a year. For $4,700 per year you could send a boy or a girl to a pretty high-grade university or college, even Harvard, if you desired to do so, and perhaps have a little bit of money left over if they were careful with their expenses.

The statement and argument is made that many of these youngsters are not equipped mentally to take a college course; that they are not even high school graduates, and perhaps some of them have not completed grade school. So they are to be given special training in a job corps which will be somewhat similar, in some instances, not in all, to the Youth Conservation Corps of the 1930's, where we put young men out in the woods for a while. They built up their health, but in the end the program was abandoned by the administration because there was no great demand for trained woodsmen, and boys were not trained or equipped to do other types of work.

This bill provides in part B for a work-training program to provide work experience for unemployed young men and women, and so forth.

Now, we have a number of these training programs already in existence. We have, of course, as you know—for this House has passed it—legislation authorizing the expenditure of hundreds of millions of dollars for vocational training in the schools and technical institutions of the country. The fact of the matter is to meet the issues involved in this bill, according to the testimony given to us, we now have 42 different

Federal programs dealing with poverty, and to help those who may be in need of assistance, relief, or what have you. In addition to these 42 special programs already established, already funded, if you please, we have 150 other Government programs which devote a great part of their attention and of their expenditures in looking after people who may be out of work, need job training, or further education.

We are spending hundreds of millions of dollars on these projects now in addition to the new programs suggested here.

We also have a work-study program set up under this bill. The purpose of this is to stimulate part-time employment of students in institutions of higher learning who are from low-income families. We will soon have a bill before us providing those desiring to go to college and do not have the funds to pursue courses of higher education in colleges and universities to obtain liberal assistance or loans from the Government, in some instances on a forgivable basis. That bill will be along as a part of the Defense Education Act, and will cost a billion dollars for its program alone.

For these three different subjects I have mentioned, the pending bill proposes in fiscal 1965—that is, for the balance of this year up to July 1 next—to authorize an appropriation of $412.5 million.

Title II of the bill deals with another entirely different subject. It is for new urban and rural community action programs, whatever they may be, and the purpose of the section is to provide "stimulation and incentive for urban and rural communities to mobilize their resources to combat poverty through community action programs."

We have a number of similar programs for this very purpose already in existence, already funded with taxpayers' money, already operating, applications already on file, and more being received regularly.

Part (b), title II, provides for a new adult basic education program. We have some of these already. We have job-training programs now underway for adults so that they can be retrained, if as the result of automation they are taken out of some particular activity, so as to make a living doing something else. We have several of these youth and adult programs in effect. Some States have had more dropouts from similar State-operated programs than from any of their regular school programs.

According to the bill, the cost of title II would be, for fiscal 1965, the balance of this year, $340 million.

Title III deals with special programs to combat poverty in rural areas. This seems to be, as I can best understand it, something of a revitalization of the old resettlement program of early New Deal days, when Rex Tugwell went out and bought much fine farmland, built some little modern houses thereon, and resettled people on 40 acres of land. They had this program in our State, but it lasted only a couple of years. We spent $30 or $40 million on it. It did not work. It did not help the people we thought it would help at that time. But here we are again, trying to do the same old thing in this area of national politics and national planning.

This bill would permit, for instance, the Director of this program under title III to make grants, that is, cash gifts, of not to exceed $1,500 to rural families, and to loan such families for as long as 15 years up to $2,500, in the aggregate, to use in farming, and we already are paying a great many Americans large sums not to raise crops. Yes, we are paying hundreds of millions of dollars to reduce farm production, but that is the other side of the story.

Part B of title III, deals with migrant workers and their families, under a program that may be justified, and probably could serve a good purpose.

Part C deals with the appropriations needed to finance this particular title III, $50 million for 1965, or the balance of this fiscal year alone.

Title IV deals with employment and investment incentives, so as to let the little businessman who cannot get credit anywhere else borrow money from the Government to start a business, in competition with other businesses. If he cannot get any assistance at home from anybody, then the Federal Government will come in and pick up the check. Remember we already have a Small Business Administration that seemingly has done a good job of helping small business finance itself, as needed, and the repayments thereunder have been fairly good. But this section goes even further than that. It goes way beyond what Congress has provided for the Small Business Administration, and the repayment of its loans.

Title V deals with work-experience programs. The purpose of that title is to expand opportunities for constructive work experience, whatever that may be. You must take this proposal into consideration along with these other matters. They do not quite jibe. They do not quite fit.

Title VI—Administration and Coordination, provides that there be set up in the Office of the President an Office of Economic Opportunity, with a director, too, and that agency will receive about $10 million during this present fiscal year to administer this law.

To show you just how loosely drawn this whole piece of legislation is, I understand the Education and Labor Committee itself will present somewhere around 47 different corrective amendments to it. The committee handled this legislation in such great haste and great hurry, without adequate hearings, that the committee itself has found, since that time, that these amendments are necessary if the bill is to be put into any sort of presentable form.

Everybody is against poverty, nobody wants poverty; everybody wants to help needy people, who try to help themselves. We all want to help them, of course, but first they must want to help themselves. Those who need help assistance should take advantage of opportunities now given under present, existing programs.

We should not create, we should not establish, new programs to be piled on top of the programs we already have. We should not add new expenditures to those we already have authorized for these existing programs.

Instead, in the opinion of most people who have studied this bill carefully, and certainly the opinion of many members of the sponsoring legislative committee, this measure should be returned to the Committee on Education and Labor from whence it came for restudy and the holding of complete and adequate hearings. Hearings were not held at all on some of these sections—or for only an hour or two on others—so no real study, no real attention, no real consideration was actually given to the language in this bill. Of course, that means when this measure comes up under the 55-minute rule, besides these 47 correcting amendments the committee itself will want to make in an attempt to whip their legislation into shape for House consideration, that undoubtedly many other Members will have amendments they will want to offer to this measure, if it is to be made workable at all, and there is a real doubt as to whether this legislation that is before us now can be used, as a basis, or as a skeleton, upon which to build, so as to make a good workable bill out of it so as to do the things the sponsors of the legislation say they want to do and accomplish.

The SPEAKER. The time of the gentleman has expired.

Mr. YOUNG. Mr. Speaker, I yield 5 minutes to the gentleman from Indiana [Mr. MADDEN].

Mr. MADDEN. Mr. Speaker, our good friend and colleague on the Rules Committee, the gentleman from Ohio [Mr. BROWN], stated there were hardly any hearings on this legislation. According to the records of the Committee on Education and Labor, there were 20 days of hearings. One hundred and twelve witnesses appeared before the committee and there were 8 days of hearings by the committee in executive session.

Mr. Speaker, on legislation of this type we are going to hear the usual speeches about it being complicated, and about there being something mysteriously complex about the bill and that there has not been sufficient work done on it and that it should go back to the committee for further study. This will be the same kind of talk that we have heard on every piece of legislation similar to this.

But nevertheless this is a bill that will bring to millions in this country an opportunity to enjoy just a few of the ordinary privileges and abundances that all citizens of this country should have an opportunity to enjoy.

There are over 30 million people in this country who can be classified as being in the poverty bracket—30 million people.

After World War II, I called General Hershey and asked him if he had a breakdown of the number of draftees who were called in the draft and who were sent home because they were educationally deficient or could not read or write. Do you know that there are 11 States in this Nation where between 27 and 33 out of 100 boys were sent home because they could not read or write? They did not have the educational qualifications to be privates in the Army or to be second-class seamen in the Navy.

I will say that the State of Indiana was very fortunate in that respect because Indiana only had 2 percent out of every 100 boys who could not read or write or were educationally deficient to qualify as privates in the Army or third-class seamen in the Navy.

This legislation is going to help educate thousands of boys and girls over the years and to give them an opportunity in their younger years to go to school and to learn something about the fundamentals that will give them a chance to take their place as useful American citizens.

There are about 1 million people thrown out of work every year as a result of automation in industry. I attended a banquet in Detroit about a year and a half ago and one of the officers of the Ford Motor Co. said that they had just completed a large assembly line plant where one person will do the work that four people did before. The assembly line was almost a half mile long. He said that you could practically take a pair of binoculars and look down that big long assembly line and not see anybody working. Modern machinery and scientific inventions did work which formerly required manpower.

Unemployment—brought about by automation—is one of the problems that this bill will help solve.

Another important fact is that there are some 1 million high school graduates and dropouts, boys who come out of high school every year, looking for jobs. This bill will help those boys to secure jobs, because it will give them needed educational background.

We will hear about what this will cost over $900 million. J. Edgar Hoover made a speech about a year ago in which he stated that the cost of juvenile delinquency to this Nation is $3.5 billion a year, and that most juvenile delinquency is brought about by reason of a lack of opportunity or education for the unemployed or uneducated youth of this country.

Furthermore, about $4 billion is spent over the Nation every year on the relief rolls. This bill, if enacted into law, will greatly reduce that $4 billion of expense we are paying out now on relief, because it will give to millions of families in this country an opportunity to educate or prepare their children for careers so that they can enjoy some of these great abundance and privileges which a prosperous nation offers craftsmen or workers with experience and talent.

These millions of whom I speak do not have any lobby here in Washington. There is no lobby working the legislative halls for these common folks who will be benefited by passage of this bill.

Yes, we are going to hear speeches on this floor with Members saying, "My gracious, what a cost this will be. This bill will be a terrific cost on the taxpayers."

We know just about what it will cost. According to this bill, I believe the cost is a little more than $900 million.

Most Members who will get up to make speeches against this legislation will be the same people who in the past have voted for big handouts for cartels and industries and bureaus who could afford to pay large salaries for high priced lobby organizations to represent them here in our Nation's Capitol.

The SPEAKER pro tempore (Mr. Albert). The time of the gentleman has expired.

Mr. YOUNG. Mr. Speaker, I yield 5 additional minutes to the gentleman Indiana.

Mr. MADDEN. These people who will make some of the speeches voted to give a big handout to the cotton industry, not long ago. The cotton moguls have quite a lobby here to help them out. Some of these same Members voted to give assistance through subsidies to the shipping industry.

I heard Senator Douglas a few years ago say, over on the other side of the Capitol, that about $4 billion could be taken into the Treasury if we would reduce or knock down that 27½ percent oil depletion allowance the oil boys have been enjoying for over 20 years. This bonanza was enacted as a temporary war measure, but the oil lobby has retained it long after the war crisis has past. Even a 20-percent reduction of this mammoth handout would more than finance this antipoverty bill.

We might go along and mention a few more subsidies. We might mention the banks, for instance. During the first few months of the Eisenhower administration interest rates were increased thanks to that wizard of high finance, Secretary of the Treasury George Humphrey.

Members will remember the great concessions, the high interest concessions, they received for loaning money overseas. If they lose $1, the Government will pay them back.

How about the cost-plus handout bonanza in the Government cost-plus contracts which if pared down would pay for several antipoverty bills.

These poor folk who will be benefited by passage of this bill should have a chance to get legislation to aid their education through this great legislative body.

My friends, the people are watching this legislation. The people over the country want to know what is going to happen. Millions of families in this country would like to enjoy some of this Nation's abundance. They are going to watch the vote on this bill, to see whether those who voted for these handouts to the big boys, to the so-called fat cats, will get in line to vote for a little help to millions of boys and girls from poor families who need fundamental help and jobs.

Mr. Speaker, I yield back the remainder of my time.

Mr. BROWN of Ohio. Mr. Speaker, I yield 5 minutes to the gentleman from Iowa [Mr. Gross].

Mr. GROSS. Mr. Speaker, we have just heard a dissertation on the oil depletion allowance, the "fat cats," and the "big boys."

I predict to you that as long as Lyndon Johnson sits in the White House there will be no legislation enacted affecting the oil depletion allowance.

I have a bill in on that subject.

Mr. MADDEN. Mr. Speaker, will the gentleman yield?

Mr. GROSS. Certainly I yield to the gentleman from Indiana.

Mr. MADDEN. I have heard the gentleman almost every day for years and years get up and talk about economy and about the poor taxpayers.

But in all these years I have never heard the gentleman mention anything about that oil depletion allowance.

Mr. GROSS. Just for the information of the gentleman from Indiana, let me say to him that I have in this Congress, and have had for several years, a bill that would reduce to 15 percent the oil depletion allowance. Now will the gentleman from Indiana tell me he has a bill in Congress to reduce the oil depletion allowance?

Mr. MADDEN. Yes, but I have made several talks on it and I have presented the situation before the Rules Committee on it on a number of occasions. Will the gentleman join me next session in that kind of a bill and, instead of 15 percent, how about 27½ percent?

Mr. GROSS. It is presently 27½ percent. I will settle for 15 percent or lower. But instead of the gentleman from Iowa joining with the gentleman from Indiana, suppose the gentleman from Indiana joins the gentleman from Iowa who has the legislation pending.

Mr. MADDEN. That would be very fine. I did not know you had a bill in. You must have filed that by the light of the moon because this is the first I have heard of your bill. The Gross oil depletion repeal bill is the best kept secret in the gentleman's long legislative record.

Mr. GROSS. I suppose every bill is filed overnight. Is it not?

Mr. MADDEN. If the gentleman will yield further, I read in the newspaper several years ago about a $300,000 campaign contribution check by the oil lobby to a Republican national committee banquet. They refused that check and it was finally siphoned through to the GOP by some Republican State committee.

Mr. GROSS. I do not know any more about that $3,000 check than I know about the $14,000 offer that was allegedly made to a Democrat Member of Congress.

Mr. MADDEN. A $300,000 check I said.

Mr. GROSS. I do not know any more about that $300,000 check than I know about a $14,000 offer which I read about in the papers the other day.

You tell me all about it some cold, rainy day when we do not have anything else to do.

Mr. NELSEN. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Minnesota.

Mr. NELSEN. I just checked in the dictionary for the word "holler," and I could not find a definition. Do you know what it means?

Mr. GROSS. What?

Mr. NELSEN. Holler. H-o-l-l-e-r. I could not find it in the dictionary. I understand the gentleman from Indiana suggests you have been hollering, and

I went out to check the definition and I cannot find it.

Mr. GROSS. Coming from southern Iowa, we used to speak of "hollers" and "cricks." I do not know whether this is what is being referred to or not. It escapes me. The gentleman from Indiana says there are 38 million people living in poverty in this country. I would remind you that only yesterday the House completed action on a bill that is going to take some 500-odd Members of Congress out of the ranks of the poverty stricken as well as a good many hundreds of others, including Federal judges and Justices of the Supreme Court, and so on, and so forth. With their salaries raised to $30,000 a year, no longer are Members of Congress going to be among the poverty stricken. Mr. Speaker, I am not impressed by the fact that someone says there are 38 million people living in poverty in this country. I just do not believe it, for I have seen no reliable statistics to that effect. Even if there were 38 million people living in poverty, simple arithmetic would tell anyone that on the basis of spending $1 billion or less than $30 per year per person, would not begin to eradicate poverty. This bill is political gimmickry at its worst.

The SPEAKER pro tempore (Mr. ALBERT). The time of the gentleman from Iowa has expired.

Mr. YOUNG. Mr. Speaker, I yield 10 minutes to the chairman of the Committee on Rules, the gentleman from Virginia [Mr. SMITH].

Mr. SMITH of Virginia. Mr. Speaker, here we go again with legislation by labels. We are in the habit here of putting a fancy, attractive, appealing, and tear-jerking title on some legislation that might not be too popular and hope to get it through by the popularity of the label. I was impressed with that when this bill first was introduced and talked about. I thought it woud be nice to kill poverty, because many of us, I know in this House, have suffered the pangs of poverty and know what it is. So I was attracted by it. I got the bill as soon as it was introduced, feeling that maybe here was something really constructive that could be done. I read that bill. Then I waited until the bill came out of committee. Then I took and sat down for a couple of evenings and I made a careful study of the bill. I did not just read it; I read it sentence by sentence and paragraph by paragraph. And I stopped to see what were the implications of it and what could be done, but chiefly what could not be done. You will find, if you read this bill, that there are very few things that cannot be done. I would say that the principal feature of this bill is that it says, "Here is $1 billion, take it and abolish poverty."

In the short time that I have I want to point out to you just a few of the highlights of this bill and what I consider the uncertainties of it. After much study, and after hearings in the Committee on Rules, I just do not know where it starts and where it stops, what it does and what you cannot do with it. I think you can do anything you want to under this bill. Let us take a few examples.

The first title of this calls for the revival of the old CCC camps. How are they going to be made up? In the first place, the bill says that they shall be camps for young men and young women. Are they to be coeducational? Well, they say, we would not think of doing anything like that, but you must not pass legislation on what somebody thinks they will not do. You must pass it on what the language of the bill itself says you can do. That is responsible legislation.

Besides boys and girls, what else are these camps composed of? They have to be between the ages of 16 and 22, but they may not be those who have had a high school education. No, that is prohibited under the bill. They must be boys and girls who have not graduated from high school who are in effect what we call dropouts. And do you know, before you can take anybody in there, the school authorities of the particular area have to certify that this boy or this girl is not capable of further education. Does it not pretty nearly spell out a concentration camp of delinquents, youthful delinquents, or potential delinquents? Of course, they will be integrated.

And I want to call attention particularly to the Members who are troubled with that problem or who used to be troubled with it. Of course, the trouble has now gone to the North. Of course, we do not have any Armed Forces going into the North to take care of that trouble. But if it happened south of the Potomac River, we would have the Army, the Navy, and the Air Force down there pretty quickly.

I want to say to the Members from the South who are going to vote for this bill—and I know there are a lot of them who are going to vote for it—that they are voting to implement the civil rights bill that they opposed and voted against. These are going to be integrated camps in your area and your Governor has no right or power to prohibit their coming into his State.

They are not going to be very popular south of the Potomac River. Just think about that before you get around to voting on this bill. Someone said that is the law of the land. Maybe it is, but still some of us do not like it; and I think there are more now who do not like it, who rather liked it when they voted for it a month or so ago. I believe they are beginning to find out what it is all about.

Mr. Speaker, throughout this entire program one will find if one studies it as I have studied it, that there is a duplication, a duplication of other programs, every bit of it. It duplicates education because it provides for vocational education. It duplicates programs of the Department of Agriculture because it provides for soil surveys and mapmaking. The Department of Agriculture has been putting out maps of counties and analyses of the soil for more years than I can count. There is only one agricultural program that puzzles me, and that is included for these camps to do. That is that they are supposed to work on "disturbed plant communities."

With respect to disturbed plant communities, I wish somebody here on the Agriculture Committee would tell me what a "disturbed plant community" is. Maybe that is a new thing. I do not think the Agriculture Department has gotten around to it.

But, Mr. Speaker, the whole bill from one end to the other—and there are seven titles—there are duplications and you will find them crossing lines with other agencies and other appropriations. Almost every one of these titles has something to do with the further allocation to educational problems.

Mr. Speaker, we are spending over $5 billion a year on education. That is what the Federal Government contributes to education. We have a bill now pending up in the Rules Committee for an extension of the Defense Education Act. This poverty bill provides for various and sundry programs of education from the graded school up to and including college education. We have bills covering it all. Why confuse the situation with these things? But, it is labeled "poverty." We are going to kill poverty. Here is $1 billion with which to do it. Of course, this $1 billion will only last 1 year. They talk about this $1 billion killing poverty. No; this is just the nose under the tent. You will be voting several billion dollars each year for this program after it gets started. Did you know that this crosses over with the Small Business Administration? You know there is a title contained in this bill that authorizes them to get in on that game with small business and make loans and turn them over to the Small Business Administration? Why do you not give it to the Small Business Administration, if you want to? Why complicate the thing and make it so confusing?

Mr. Speaker, nobody knows where we are going in this bill or why.

With further reference to the agricultural program, yes; they are going to make grants to farmers. They are going to give them $1,500 to get started. Anyone who knows anything about farming knows that $15,000 will not give you a start on a farm.

Then they are going to make the loans of $2,500 plus the grants of $1,500 that they make them, and the chapter on farming is so drafted that anyone who knows anything about farming knows that the person who wrote that title of the bill did not know anything about the farm and that he would not know a horse from a cow.

The SPEAKER pro tempore (Mr. ALBERT). The time of the gentleman from Virginia has expired.

Mr. YOUNG. Mr. Speaker, I yield 2 additional minutes to the gentleman from Virginia.

Mr. SMITH of Virginia. Well, I will hurry along.

Now, Mr. Speaker, we have community programs. Do you know what they do?

These community programs are programs, I do not know what they are going to do, but according to this they can do anything that otherwise could not be done. It looks like a boondoggling proposition to start with. They can sponsor programs not only those sponsored by the governing body of the community, but by any nonprofit organization.

What is a nonprofit organization? Can they set up a project to help the Ku Klux Klan, can they turn money over to the NAACP, can anybody find anything in this bill that would stop them from sponsoring the establishment of a nudist colony in your State or county? Think about that, look at it, read it, and study it. If you read this bill I do not think any reasonable person could support it in its present form.

It also goes into health, education, and welfare. Did you know that it amends the Social Security Act in title VII? Nearly every title crosses over into the jurisdiction of some other legislative committee or into the field of some organization that is already set up, already appropriated for, and already spending the taxpayers' money.

If you will read the bill I do not think it will pass.

Mr. BROWN of Ohio. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio [Mr. TAFT].

Mr. TAFT. Mr. Speaker, I take this time to address myself to the general proposition of this bill that for some reason the attack against poverty must be made in one office or under one man as through this measure. I think it should be made clear at the outset that from the very inception of our country we have been engaged in a war against poverty, and that success, judging by the standard of living in this country, has not been entirely withheld. We shall continue those programs, and all of us should work to continue those programs.

I call your attention to the fact that in discussions previously held on this bill during special order we pointed out the fact that over $30 billion of present programs are engaged in activities that relate to equality of opportunity and helping the people of the Nation to help themselves. We have listed over $8 billion in specific programs dealing with the area of poverty under eight different governmental departments.

It seems to me that the mere coordination in just this program, which will at best—on a money spent basis—add not more than one-eighth to the present effort directed to this problem, is not going to be the proper solution.

This bill represents a consolidation of other legislation that has come before various committees of the House during this session; the grouping together of a lot of programs that should have separate consideration by the House. Many facets of the program were never considered by the appropriate committees for these particular programs. As to title I, part A, the Job Corps, we have pending, as passed by the committee a Youth Unemployment Act which goes into that matter. We have considered what the need might be in this area and we have spelled this out.

With regard to the Domestic Peace Corps, the subcommittee of which I am a member has already acted favorably on and reported a domestic Peace Corps proposal, which, incidentally, takes some 20 pages to spell the program out in detail. That proposal has been put on the shelf entirely, and as a result we find just two lines or less in this bill giving blanket authority to the Director, without any definition or sense of direction as to how this particular program is going to work. Many of the other programs, the farm programs, the small business loan programs, the various scholarship or loan programs involved under title I, part C, are more of a duplication of present programs than they are new programs in any way, shape or form.

Mr. GOODELL. Mr. Speaker, will the gentleman yield?

Mr. TAFT. I yield to the gentleman from New York.

Mr. GOODELL. I think the gentleman will recall that he asked the chairman of the subcommittee handling the National Service Corps bill if this provision of the poverty bill meant that the National Service Corps bill was dead, and his reply was that if it was not dead before the poverty bill came up here it was critically ill. In other words the National Service Corps could not stand on its own feet.

Mr. TAFT. That is true. That position was backed up by two members of the Cabinet, the Secretary of Labor, and the Attorney General, of whom I asked the same question as to the Domestic Peace Corps. The argument is made that because you are putting in a few new programs, not merely supplementing programs already existing, you must put them in a separate agency. Somehow this is going to be the answer to all the problems of poverty we have faced throughout our history. That is a gimmick, nothing but a political gimmick, and should be so labeled.

Mr. BROWN of Ohio. Mr. Speaker, I yield 5 minutes to the gentleman from Nebraska [Mr. MARTIN], a member of the Rules Committee.

Mr. MARTIN of Nebraska. Mr. Speaker, as a member of the House Education and Labor Committee and the subcommittee which conducted hearings on this bill, and as a member of the Rules Committee, the more I have seen and the more I have studied this piece of legislation the more firmly convinced I am that this is one of the worst pieces of legislation that has ever been presented to the Congress of the United States.

I am firmly convinced, Mr. Speaker, that because of the provisions of this act and the way that it is drawn we are going to set up in this country a czar whose power will greatly exceed that of any member of the President's Cabinet, because it places this czar, the administrator of this program, over and above eight different departments of our Federal Government, members of the President's Cabinet. This czar has the power to override their decisions in the operation and the conduct of this antipoverty bill.

Let me make another point. It is a strange paradox that in this country—and there will be many speeches made on this subject within the next 60 to 90 days in the United States—that the gross national product is the highest in the history of our country, that the prosperity of this country is at the highest point that we have ever seen or any other nation in the entire world has ever seen, yet on the other hand while the administration is talking about this great prosperity we have to enact a billion-dollar-a-year antipoverty program to take care of the extreme poverty which we are told exists in the United States. It seems to me someone is playing both ends against the middle in regard to this legislation.

We have been told that there are 9,250,000 families in poverty in the United States, and this is according to the President's Council of Economic Advisers, whose income is below $3,000 a year. That is the poverty cutoff point for this legislation. This is a total of about 35 million people.

Who are these people? Let us analyze it just a moment. Retired people; there are about 20 million. There are about 20 million people on social security. Many of these people on social security do not receive enough money to put them above this poverty classification of $3,000 a year income. We have over 1 million members of the armed services who qualify as poverty citizens of the country. We have the elderly and disabled persons. We have 8 million persons who are receiving some form of relief. This was true of 1963. Then we had in 1963, 6 million persons who drew unemployment benefits throughout the country.

Let me read to you very quickly just a few provisions in this bill to point out some of the very, very bad features of it. I understand the committee itself is going to have to make at least 47 amendments to correct mistakes that were made in the drawing up of this bill in committee. So you can see it was not very soundly and wisely considered in the Committee on Education and Labor.

Under the Job Corps program on page 5: "Only in exceptional cases shall enrollees in the Corps be graduates of an accredited high school,".

Now that means we are not going to take our top young people. That means we are going to take young people who have not completed high school either because of financial difficulties or perhaps because their IQ is low, and they do not have the ability to do their school work. We are not going to get a high-class program in this Job Corps program by the very language included in the bill itself.

Under part B of this Job Corps program, section III, let me read to you just a few lines:

> The purpose of this part is to bring useful work experience opportunities for unemployed young men and women through participation in State and community work training programs so that public agencies and private nonprofit organizations will be enabled to carry out programs which will permit or contribute to an undertaking or service in the public interest that otherwise would not be provided.

This gives wide latitude to the czar of the program to assist private nonprofit organizations. Under this heading could be included political parties, chambers of commerce, labor unions, and so forth.

This is another illustration of the looseness with which this bill has been drawn. Section 113 on page 9 of the bill provides:

> The Director is authorized to enter into any agreements providing for the payment

by him of part or all of the cost of a State or local program.

This means that the Director for a work training program may, if he so desires, contribute 100 percent to the operation of the program contrary to the language in section 115 on page 12 of the bill.

Title III: Special Programs To Combat Poverty in Rural Areas is perhaps the most fantastic of any in the entire bill. This authorizes the Director to make an outright grant of $1,500 to low-income rural families for practically any use.

What right do we have to give to one segment of our economy outright grants of $1,500 for families who are in a low-income bracket?

In addition, this section of the bill provides that loans of up to $2,500—with 15 years in which to repay the loan—may be granted to families in this classification. It is assumed that these loans will be made only to families who cannot qualify for loans under the Farmers Home Administration program or from other sources.

Perhaps one of the most unbelievable sections in the entire bill is Section 303: Families' Farm Development Corporations. This provides that nonprofit corporations may be set up to purchase farmland which may then be subdivided with improvements built thereon and resold to farm families.

If a loan is sustained by a nonprofit corporation the Director of the program will make up the loss to the corporation.

This is the old Farm Security Administration under Mr. Tugwell, which was operated briefly in the thirties. This program was a complete failure.

I questioned Sargent Shriver when he testified before our subcommittee in regard to this on his first appearance, and he was not aware that we even had such a program during the thirties.

As he was the last witness before the subcommittee, approximately 6 weeks later I again asked him if he had done some research on the FSA program in the thirties. His reply is quoted on the bottom of page 1536 and the top of page 1537 to my question.

Mr. Shriver referred me to Mr. James Sundquist, Deputy Under Secretary of Agriculture, and his reply was truly amazing. I quote:

> Our material is not yet in shape to submit for the record, sir. These old records have been very hard to run down and get anything satisfactory from. We are still doing our best. When we can get something we will submit it for the record.

Bear in mind that Mr. Shriver had 6 weeks in which to dig up this information, and that was the final answer that I received.

This program, Mr. Speaker, is so unrealistic that the American citizen is unable to understand and realize that some Members of the Congress are serious about the enactment of this fantastic program. I urge, Mr. Speaker, a resounding defeat for this bill when we have the final vote within the next 2 days.

The SPEAKER pro tempore (Mr. ALBERT). The time of the gentleman has expired.

Mr. YOUNG. Mr. Speaker, I yield to the gentleman from South Carolina [Mr. WATSON] for the purpose of making a unanimous consent request.

Mr. WATSON. Mr. Speaker, I ask unanimous consent to revise and extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. WATSON. Mr. Speaker, let me first assure you and my esteemed colleagues that my opposition to the administration's Economic Opportunity Act is in no way opposition to the humanitarian principle of combating poverty. The thought of any American citizen living under substandard conditions, without the so-called essentials of life, is as appalling to me as it is to any man seated today in this illustrious Chamber of lawmakers. However, neither H.R. 10440, nor its replacement, H.R. 11377, hold the answers which will remedy human economic misery in the United States.

Before looking at criticisms and specific aspects of the bill, I would like to discuss the whys and wherefores of the legislation in general:

Proponents of this measure have apparently just discovered poverty in the United States and think they can eradicate it with one sweep of the congressional arm. Let us not forget that this is an election year. In this great land of opportunity, the sight and thought of poverty strikes anger, fear, and determination in the hearts of all its citizens. Surely any man who would champion such a cause as hand-to-hand combat with poverty would command the admiration of all freemen. By this I do not mean to imply that President Johnson is thinking only of his own election. However, the well-timed announcement of his declaration of war must be taken into consideration. Fighting poverty has not just come into style, and it will not go out of style in November. We must think in terms of man's eternal battle with poverty, which will continue long after you and I have served our terms in Congress. Poverty is not a situation which can be ended with one positive vote here in Congress.

I would also like to discuss some general criticisms of the bill:

In the first place, the whole of the United States is not in the depths of poverty as one might think from the publicity given the President's plan. We have come a long way, even just in the past 30 or 35 years. Using 1962's dollar value, 50 percent of America's families had an income of $3,000 or less in 1929. Using the same standard, that figure has steadily dwindled to about 20 percent at the present time.

Also, the so-called poverty standard of $3,000 per year per family is not a workable one. In some sections of the country, $3,000 is a more than adequate family income, while in others it is indeed substandard. And let us not forget the senior citizens living on social security and our fine military personnel, many of whom have incomes of less than $3,000. Also, in many other countries of the world $3,000 a year would allow a family to live in regal wealth.

The program seems to forget the very young, where proper aid might truly mold better Americans, and the elderly citizens, who, according to the "poverty standard," make up a large portion of our "poverty-stricken," due to their reliance on social security.

In another respect, to say that one-fifth of America's families are living in poverty can but damage the prestige of the United States abroad. At present, we are engaged in a rather "warm" cold war with the Soviet Union and communism. At least on the surface, the major issue is economic, with the uncommitted nations of the world watching to see which economic system, capitalism or communism, can offer them the most. With the Soviet Union claiming economic prosperity for all her people and the United States talking about her poverty-stricken masses, how can we hope to influence the rest of the world away from communism and toward free enterprise, capitalism, and liberty?

And even if this extremely important consideration is disregarded, the question remains: Can we simply legislate poverty out of existence? Or is poverty more of a socioeconomic humanitarian problem which will be with us for many years to come?

I would not be so quick to oppose the administration's plan if it showed promise of making definite inroads against American poverty or of providing a new approach with which this great Nation might do battle with one of its internal enemies. However, I see no such merit in this plan. It is a hastily thrown-together conglomeration of previous congressional rejects, duplications, and bypassments of existing agencies and programs, couched in vague, indefinite terms. It would seem to me that the major contribution of this act would be the establishment of an entirely new layer of Federal bureaucracy, headed by a so-called "poverty czar," with almost limitless powers. Under no circumstances can I see where such a contribution would benefit any but those of the bureaucracy itself.

And finally, the increased Federal spending embodied in this bill is far from encouraging to those advocates of sound, conservative, constitutional government. Congress has already been called upon to increase the national debt limit to $324 billion, with an implied trend of more and more Federal spending. This bill alone would cost almost $1 billion for the first year, with no price tag as yet set on the second and third years. This is a high price to pay for the wrong approach to a problem. This proposed plan is building up high hopes among America's less fortunate—hopes that are destined to be dashed upon the rocks of failure when the program does not live up to expectations.

To emphasize my point, I would like to make a few random criticisms of specific sections of the bill:

Title I: The so-called "Job Corps," which title I would create, would, in actual practice, serve an additional purpose: To encourage high school dropouts.

Why should a discouraged young person, who is having trouble in school, continue to struggle toward graduation when the Federal Government will pay him for doing easy tasks and supposedly give him an education at the same time? However, the education he would receive would be little more than skimpy vocational training. So, not only does the program fail to hit at the heart of the matter, it would cost $190 million for 40,000 enrollees, or $4,700 each, for the first year. Also, the goals of the work-study program embodied in this title are already covered by the National Defense Education Act.

Title II: This title would allow the so-called "poverty czar" to completely bypass State and local government and pay part or all costs of any antipoverty program carried on by a public or private nonprofit organization. The implications of this title are unbelievable and all but unthinkable. Is this to imply that State and local government is no longer worthy even of consideration in matters which affect the people directly under it? On the contrary, State and local governments are better qualified to handle actions and programs in their own particular localities. And in addition, such action goes completely against the basic principles upon which this great Nation was founded.

Title III: The already existing Farmers Home Administration was designed to aid those promising rural citizens who need economic help for their farms. However, this title would provide up to $1,500 in direct grants for farmers whose operations are so marginal and unpromising that they cannot qualify for FHA loans. This is nothing more than subsidization of unsuccessful farming operations and rural slums. Also, the agrarian land reform program called for in this title would be so detrimental to our economy that it has been endorsed by the Communist Party.

Title IV: This title would do nothing more than duplicate and overlap the program of the Small Business Administration. It may also be criticized, however, for the contradictory, ambiguous language in which it is set forth.

Title V: Duplication is again the key word in this title. It would allow the program's director to meddle in already established programs now being properly administered by the Secretary of Health, Education, and Welfare.

Title VI: It is this title which would set up the new layer of uncalled-for Federal bureaucracy with the Office of Economic Opportunity on top which would be headed by a Director and four Deputy Directors. I have already noted that such agencies called for in the bill would largely be useless duplications and that the Director, who would be given a great and undefined grant of power and authority, can be called without exaggeration a "czar" in his own right. Also, the volunteers in service to America program in this title is nothing more than a new name for the Domestic Peace Corps. It is obvious that proponents of the Domestic Peace Corps, fearing congressional rejection, are attempting to sneak it in on the tail of this omnibus bill.

I can, then, but reach these conclusions:

Although a properly conceived and properly administered crusade against poverty might well be to the benefit of this Nation, I do not feel the present bill under consideration here meets these conditions. I have studied the bill carefully in hopes that I, in conjunction with other like-thinking Congressmen, might, through a series of amendments, bring the bill around to the best interests of the Nation as a whole.

However, it is the basic approach with which I am in disagreement, as well as the apparent underlying purpose of the bill. The idea of such a program of useless duplications being carried on exclusively by a Federal bureaucracy under the dictatorship of one man is far beyond acceptance by myself. I urge each of you today to carefully consider these aspects of the bill, for there is an alternative:

Numerous agencies and programs formulated to combat poverty in the United States are already in existence, and additional legislation is pending before Congress. The food stamp bill, for example, is designed to help keep marginal families off welfare, and at the same time reduce our enormous storage bills. The implementation of this plan will not only benefit the small merchant, but will act as a further deterrent to the squandering of welfare payments.

Let us concentrate our efforts toward making these already existing programs work, rather than initiating a completely new, costly, pie-in-the-sky plan which would provide nothing but additional cost and Federal tyranny.

Mr. YOUNG. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. PUCINSKI].

Mr. PUCINSKI. Mr. Speaker, I ask unanimous consent to speak out of the regular order.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Illinois.

There was no objection.

Mr. PUCINSKI. Mr. Speaker, last night President Johnson wrote a new chapter in American courage when he instructed the American Navy to take appropriate steps——

Mr. CURTIS. Mr. Speaker, I demand the regular order. I make the point of order that the gentleman is out of order and he should proceed in the regular order.

The **SPEAKER** pro tempore. The gentleman from Illinois asked for and received permission to speak out of the regular order.

Mr. CURTIS. I did not hear that and if I had, I would have objected.

Mr. PUCINSKI. Mr. Speaker, last night President Johnson wrote a new chapter in American courage when he instructed the American Navy to take appropriate measures to destroy the North Vietnam bases from which the torpedo boats were launched to make the attacks—unprovoked attacks—on two American destroyers. I think that all Americans can find a great deal of courage and hope, and certainly inspiration, in the act of our President.

I think we can also find a great deal of satisfaction in the fact that President Johnson had contacted the Republican nominee for President before he took the action, and certainly the Republican nominee joined the President in agreeing that this bold action was necessary. I think these two great Americans have served notice on the arrogant Communists not to miscalculate our American determination during an election year.

I think the action taken yesterday certainly gives the entire free world renewed hope that the United States cannot be driven too far. It particularly will give new hope to the people behind the Iron Curtain. I have reason to believe that the action taken last night by President Johnson and the heroic action taken by our Navy in destroying these North Vietnam bases will have an electrifying effect behind the Iron Curtain because now millions of victims of international communism who are captives of the Communists are going to find there is hope for freedom in the world and that the United States can be driven just so far.

It would appear to me that the action taken last night by the U.S. Government in destroying these bases gives new meaning to the slogan on one of our early American flags which proclaimed, "Don't tread on me."

The notice given to the Communists yesterday is clear and concise. The U.S. Government quite properly is now waiting for further developments. The President has stated we are not anxious to escalate this into an all-out war. But neither will we permit our adversaries to misinterpret our patience.

By our decisive action yesterday, we have served notice on the arrogant jackal in North Vietnam, that we are not going to be pushed around.

I believe that all Americans can take pride in the action of our Navy. We mourn the loss of two aircraft and their pilots in this initial strike. The fact remains that these two young men have joined a long history of gallant Americans who have given their lives and have not hesitated in the defense of freedom.

Mr. YOUNG. Mr. Speaker, I have no further requests for time. I yield back the remainder of my time, and I move the previous question.

The previous question was ordered.

The **SPEAKER** pro tempore. The question is on agreeing to the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ECONOMIC OPPORTUNITY ACT OF 1964

Mr. POWELL. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 11377) to mobilize the human and financial resources of the Nation to combat poverty in the United States.

The **SPEAKER** pro tempore. The question is on the motion offered by the gentleman from New York.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 11377, with Mr. RAINS in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from New York [Mr. POWELL] will be recognized for 3 hours and the gentleman from New Jersey [Mr. FRELINGHUYSEN] will be recognized for 3 hours.

The Chair recognizes the gentleman from New York [Mr. POWELL].

Mr. POWELL. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. POWELL. Mr. Chairman, I rise in support of H.R. 11377, the Economic Opportunity Act of 1964, a bill to mobilize human and financial resources of the Nation in a concentrated and coordinated effort to combat the sources of poverty in the United States. The United States is the richest Nation in the world, yet, paradoxically, in our midst are 35 million men, women, and children living in poverty.

The philosophy of this bill is that these people can be helped to become self-sufficient contributing members of our Nation, through education, training, and proper motivation. Such people find themselves isolated from the mainstream of our affluent society. Our poor cannot be compared to the poor in other countries where a man may function as an integral part of his community even though he may have difficulty caring for his family. Our society is such that our poor feel helpless and separate, and often unwanted.

The Economic Opportunity Act of 1964 is a comprehensive bill. It must be, for the causes of poverty are many, and the solutions must aim at these multiple causes.

Some are poor because their parents and grandparents were poor. They have grown up in homes where living on welfare is a way of life. In a recent study it was revealed that 40 percent of the mothers and/or fathers receiving aid to dependent children benefits had been reared in homes where some form of public assistance had been received at some time. The home has provided no motivation to improve their lot. They must be shown a better way of life that will help them to escape from this vicious cycle in which they are caught. For them, this bill would provide not only motivation, but training and education and, in some cases, work.

Some are poor because they have been bypassed by industrial change. These people have the motivation to work, but they do not have the special training that is necessary for existing jobs. To help them, a different approach is needed. They do not need to be motivated. They are in need of specific vocational training and in many instances basic education that will give them the degree of literacy needed to get a job in a space age society. This, too, is provided in H.R. 11377.

Some are poor because they are attempting to make a living from inadequate farms. These people may be called the "landtrapped," for they have grown up in a rural society and are emotionally unprepared to adjust to an urban society. There are three approaches that might be taken toward these people. One might do nothing, allow them to continue to live in poverty. This is an inhumane approach. One might force them to move. This would be Government intervention into the private lives of citizens. One might help them to live the rest of their days in some sort of dignity, able to care for themselves. This is the purpose of our bill.

Some are poor because the male head of the household is unemployed, disabled or nonexistent. These families face special problems. Often the mothers are unable to provide adequately for the children. For these, work opportunities are provided. Thus, as indicated, the causes of poverty are many and the various parts of this bill aim at these many causes.

Some have said that we do not know how to identify the poor, that using a $3,000 breakoff point for poverty is unsound. Yet the overwhelming bulk of testimony before this committee has stressed that there was no problem in identifying poor people. Far more have already been identified than can be provided for by this bill.

This bill is economically sound. Dr. Heller testified that $4 billion is spent each year in our country on public assistance alone. It is estimated that another $22 billion is spent because of crime. This bill seeks to reduce public assistance payments by enabling people to become self-sufficient. In addition to reducing public assistance expenditures, it is estimated that if the families now living on $2,000 per year were able to raise their incomes to $3,000 per year, $14 billion additional dollars would be spent each year, creating greater commercial demands and more jobs, a strong boost to our economy.

Some argue that the bill bypasses the States. The purpose of this bill is to mobilize all resources, Federal, State, and local. Poverty is a national problem. It must be attacked on a national level and it must coordinate all existing resources. Testimony before this committee by Governors and local authorities has supported Federal participation. The Governor of Kentucky stated that many States do not have the resources to attack the problem of poverty themselves. If this problem is not attacked on a national level, the States succeeding in solving their poverty problems will be faced with the burden of a migration of the poor from other areas. Poverty is not uniform, hence the Director is given broad discretion in implementing the provisions of the bill according to the peculiar needs of the situation to be met.

He must utilize existing agencies to the maximum and cooperate with agencies both public and private, in order to give the greatest help to the most needy. Cabinet members who testified agreed that it was least wasteful to have an agency to coordinate activities related to poverty. The Economic Opportunity Act of 1964 is a bill which will stimulate our communities to initiate action designed to attack the roots of poverty. It will expand opportunities for young people to gain education, skills, and experience necessary to participate fully in our Nation's life. It will help landtrapped farmers to increase their incomes through grants and loans. It will increase employment opportunities through loans to small businesses. It will help migratory workers to overcome their particular plight. It will provide basic education to adults who need it to gain employment. It will encourage our communities to orient their programs toward rehabilitation rather than toward public assistance. It will coordinate efforts of various Federal, State, and local agencies so that this will truly be a united war against poverty.

Let us note in more detail the provisions of the bill before you.

Title I, youth programs, is aimed at young men and women unable to make use of existing opportunities to better their lot.

Part A, the Job Corps, authorizes the establishment of rural and urban residential training centers for those who are hampered by their present environment. By providing a change of surrounding, balanced educational and vocational training, useful work experience, recreation guidance and counseling, and health facilities, these people will gain the motivation and skill necessary to return them to jobs or to further training. Living and readjustment allowances are designed to instill attitudes of thrift.

Part B authorizes the establishment of work-training programs. These are designed to give to unemployed youth a chance to escape from poverty by providing them with opportunity to work and, through this work, to gain training not available in private employment or existing public programs. A major goal of this part is to enable these young people to remain in or to return to school. The target is the dropout, or the potential dropout, who will be encouraged, through work experience and financial assistance, to continue his academic training. Cooperation will be sought from the Department of Labor in an effort to gain as sponsors of the projects local public and private nonprofit groups demonstrating a desire to combat poverty. Projects will be distributed equitably among the States with an eye to locating projects in areas severely affected by poverty.

Part C authorizes work-study programs. It benefits those unable to obtain existing financial aid for higher education. These programs will be coordinated with the Department of Health, Education, and Welfare, and participating institutions will be responsible for the selection of students and for the supervision of the jobs.

Allotments to States will be made on the basis of full-time college enrollment, the number of high school graduates, and the number of children 18 years or under from families with incomes of less than $3,000 a year.

Determination of the eligibility of students will be made on the basis of need.

Part II, part A, authorizes the establishment of urban and rural community action programs.

This part represents a supreme effort to mobilize and to unify the entire Nation in a war against poverty. A large part of the inspiration will come, as it must, from the local people themselves. The Federal Government will guide and assist them to this end.

A community action program eligible for Federal assistance must mobilize and utilize resources, public or private, in an attack on poverty. It must provide services, assistance, and other activities of sufficient scope and size to give promise of progress toward the elimination of poverty, or a cause or causes of poverty. It must be developed, conducted, and administered with the maximum feasible participation of residents of the area. It must be conducted, administered, or coordinated by a public or private nonprofit agency or a combination thereof.

Programs will vary from community to community. As much flexibility as possible will be left to the communities, so long as their programs come to grips with the core of the problems and offer promise of their solution.

A formula of allotments to States is established on the basis of the number of public assistance recipients, the number of unemployed, and the number of children 18 years or younger from families with incomes of less than $1,000 a year.

Part B, adult basic education, will enable many of the 11 million people of 22 years or more, with less than a sixth grade education, to gain literacy.

There is overwhelming evidence that these people can be educated successfully and can then obtain employment opportunities previously closed to them, and thereby become less dependent on others.

To recapture these people, grants are authorized to States presenting acceptable adult basic education plans. The programs themselves will be administered by the States.

States must continue to pay at least as much for adult basic education as they have paid in the previous year.

Title III, special programs to combat poverty in rural areas, strives to raise to a decent level the living standards of those committed to rural life, unable to adjust to urban life, and unable to benefit from existing programs of assistance to raise themselves from poverty.

Part A authorizes the director to make grants through the FHA to individuals of up to $1,500 for agricultural purposes, and up to $2,500 for nonagricultural purposes. This title also includes special consideration for the plight of the migrant worker and his family through programs addressed to housing, sanitation, education, and day care centers for children of migratory laborers.

Title IV, employment and investment incentives, is aimed at still another group of people unable to make use of existing programs, and capable of being returned to the mainstream of American life.

The target is very small business concerns and those qualified persons seeking to establish such concerns.

The Director is authorized to make 15-year loans to $15,000 to these people. Programs will be administered by the Small Business Administration.

Special attention will be given to the long-term unemployed, and, to assure permanent effects, the Director may require a borrower to participate in a management training program as a condition of the loan. Provisions are made to insure repayment of the loans and to prevent duplication of any existing programs or newly created community action programs.

Title V, work experience programs, strives to build upon the succesful experience of community work and training programs authorized by the 1962 amendments to the Social Security Act.

This title is geared to lift out of poverty those unable to provide for themselves or their families.

Title VI, administration and coordination, establishes the Office of Economic Opportunity in the Executive Office of the President. The Director of the Office will be selected by the President, with the advice and consent of the Senate.

The Director will have authority to carry out the programs outlined in the bill and, with the approval of the President, to delegate any of his powers under the bill.

The intent of the bill is to utilize the Director as a coordinating body who will make maximum use of existing resources and facilities. Provision is made to insure that all Federal programs related to the purposes of the bill will be carried out in a coordinated manner.

Part A authorizes personnel and facilities to be made available to the Director and enables him to disseminate information and data. It also creates VISTA, Volunteers in Service to America, who will provide services for titles I and II of this bill.

Protection under local minimum wage laws is guaranteed to all laborers employed in conjunction with this bill, in keeping with the Davis-Bacon Act.

Part B spells out means by which effective coordination of all antipoverty programs will be obtained.

Title VII, treatment of income for certain public assistance purposes, protects those receiving assistance under this act, so that such assistance cannot be considered as income. In this way, people will not be deterred from participating in the programs for fear that their relief payments will be lowered.

Appropriations are authorized for each title for a period of 1 year. At the end of that time, the Director must gain approval of Congress for further funds—$412,500,000 is authorized under title I; $340 million under title II; $50 million under title III; $150 million under title V; and $10 million under title VI. This makes a total of $962,500,000.

Thus, the Economic Opportunity Act of 1964 represents a carefully designed plan to attack the many roots of poverty.

To reach out to those on the fringe of our society, it creates new programs and expands existing programs within a solidly constructed framework.

If this bill becomes law, countless men, women, and children, untouched by existing legislation, will find new hope and will become active participants in our great democracy.

Ladies and gentlemen, we are dealing with a vital matter, for human lives and the well-being of our Nation are at stake. I urge your support in passing this measure.

Question. Are State governments and State agencies bypassed by the poverty program?

Answer. No. State governments and agencies are not bypassed. Nowhere in the Economic Opportunity Act is there any provision which prohibits or inhibits any State government or State agency from taking an active part in the programs authorized. The way is open for every State government and every State agency to participate fully in the planning and administration of poverty programs under the act.

Moreover, the act contains many provisions which specifically authorize State participation or direct the Director of the Office of Economic Opportunity to facilitate effective participation by States. These provisions include:

1. Authorization for grants to States to operate youth camps.
2. Authorization for grants to States to administer youth work-training programs.
3. Specific instructions to the Director to facilitate effective participation of the States in community action programs.
4. Grants to States to develop poverty programs or to provide technical assistance to communities planning poverty programs.
5. Aid for State plans to expand adult basic education programs, an area of traditional State interest.

Aid through State welfare agencies to broaden public assistance programs by adding work and basic education elements for unemployed parents and other needy persons.

Six Governors testified on behalf of this legislation before the House Committee on Education and Labor; not one objected to the arrangements proposed under this act. Governor Hughes of New Jersey, who is Chairman of the Committee on Public Health and Welfare of the National Governors' Conference, polled the members of that committee and found that their consensus supported the legislation. Gov. Mark Hatfield of Oregon has expressed his support. In short, the officials who are most concerned about the role of the States in carrying out the war on poverty endorsed the approach in the Economic Opportunity Act of 1964.

Question. Won't the poverty program undermine traditional Federal-State-local government relationships by setting up a new system of direct grants to local communities?

Answer. Congress has already authorized and appropriated funds for many programs in which the Federal Government gives grants or makes loans directly to communities. These include impacted areas aid under the Office of Education, and other kinds of research and demonstration projects administered by that Office; grants made by the Public Health Service and by the National Institute of Mental Health; environmental health programs; and a number of programs administered by the Welfare Administration and the Vocational Rehabilitation Administration. It also includes airport construction by the Federal Aviation

Agency, most of the programs under the Area Redevelopment Administration, the greater part of grants and loans available under the Housing and Home Finance Agency, and loans under the Small Business Administration.

The budget for the fiscal year 1965 included $1,462.9 million in new obligational authority, and $1,385.1 million in expenditures for these programs. Clearly, Congress has already set many precedents for direct Federal grants and loans to communities.

Question. Why shouldn't the community action program and the youth work-training program be carried out exclusively through State plans?

Answer. Requiring these two programs to be carried out through State plans would impose a rigid straitjacket on two of the major parts of the poverty program. It would frustrate any action at all in most States for at least a year, and in some cases several years.

The door for State plans and administration of work-training and community action under the Economic Opportunity Act is wide open. Any State which has a State plan ready to propose can do so. Any State which wants to obtain a grant to develop a State plan can do so.

But most States do not have State plans ready to implement. To require State plans would mean that many good local projects ready to be carried out would be delayed months or years until an overall State plan was developed.

Furthermore, many States believe that the most effective way to carry out a program as comprehensive and multifaceted as the attack on poverty must be is to reply on grassroots local planning with general coordination at the State level. Requiring State plans would, in effect, overrule the decisions of State and local authorities on the best way to carry out the program.

Let me make one point clear. There is nothing in this act which prohibits or inhibits State planning in any way. This act is based on the conviction that State and local authorities are the best judges of the most effective way to organize to combat poverty, and that this act should therefore provide the flexibility to support whatever kind of local programs can be gotten under way most quickly with promise of the most effective results.

Question. Will there be jobs for Job Corps enrollees after they finish this very expensive training program?

Answer. Clearly, there is no point in undertaking the Job Corps program unless there will be jobs for the graduates. Training for jobs and job placement will be the heart of the Job Corps program; therefore, in order to assure that Job Corps graduates are trained for a job which will exist and in which they can perform adequately, the Job Corps program will:

(1) carefully identify the job openings which will exist in the labor market area, including the impact of automation and technological change on employment openings;

(2) carefully plan the training curriculum so that enrollees are prepared for these jobs;

(3) match the kinds of training programs which are offered with the skills, capabilities and interests of the enrollees so that they are prepared for a job which they want and which they will have the capacity to perform;

(4) operate a placement system whereby trainees will be referred to employment opportunities with appropriate followup to assure that they get a job and stick with it.

This placement system will work to develop specific jobs in industry for Job Corps graduates. Many companies have already volunteered to make new openings for successful Job Corps graduates trained for their needs.

Because of the stimulus of the tax cut, there are now more than 2 million jobs available which did not exist a year ago. So long as our overall economy remains healthy, this four-point plan for training and placing Job Corps enrollees together with the cooperation of American businessmen will assure that the money invested in their training will yield returns in terms of production of goods and services.

Furthermore, many enrollees will not go directly into a job after their Job Corps enrollment. Many will go into more advanced technical and vocational educational schools for which they were not eligible before their enrollment. Some will go into special on-the-job training programs or apprenticeship programs and some may go on to higher education in junior colleges and universities.

Question. Is it worth investing $4,700 per year for each Job Corps enrollee? How does this compare to the cost of a Harvard education?

Answer. Every Job Corps enrollee must meet two criteria. These are:

(1) He must need more education and training before he could qualify for a job which promises to support him and his family on a decent standard of living.

(2) It must be impracticable for the enrollee to continue his education and training in local community facilities.

Clearly, most young Americans who meet these criteria—and there are hundreds of thousands of them—have not only inherited poverty but will pass this same poverty on to their children unless they can get an opportunity to develop their skills further. The Job Corps is this opportunity.

Without this opportunity, many of these will become public assistance recipients. Some will enter a life lived on the borders of crime and delinquency. Few will be able to contribute to our society and economy according to their full potential.

With this opportunity, most of the enrollees will stay off the relief rolls and out of the courts. Furthermore, this year's training will not only enable him to earn substantially more immediately than he would otherwise be able to; it will also open the doors to other training programs and apprenticeships of which he is not now eligible. Surveys indicate that a year or more of such training will enable enrollees to earn from $15,000 to $60,000 more in their lifetime than they would otherwise. This is surely a high payoff on a $4,700 investment.

Furthermore, Job Corps enrollees will in many cases be doing work of great value to the conservation of our natural resources. To hire full-time employees to do this badly needed conservation work would be far more expensive.

And Job Corps will not be luxurious. Life in the Job Corps will be austere, with barracks accommodations and the enrollees taking care of much of their own maintenance.

And lastly, the Job Corps will provide a much more closely supervised education program for substantially less than the cost of a Harvard education, most of which is actually paid for by alumni gifts and not the student.

Question. Will not the Job Corps require thousands of teachers who will have to be recruited away from existing Federal, State, and local educational institutions?

Answer. The Job Corps will require educational specialists, but contrary to popular belief, not all types of teachers are in short supply. Referring to the publication "Teacher Supply and Demand in Public Schools, 1964," issued by the Research Division of the National Education Association in April 1964, the greatest shortages of teachers occur in elementary school positions and in certain specific subject fields in high school, such as foreign languages and science. In fact, many of the kinds of teachers which will make up the bulk of the staff of the Job Corps camps are not in critically short supply. These include teachers of social studies, physical education, commerce, agriculture, home economics, and industrial arts. Moreover, the vast majority of the staff in Job Corps camps need not be master teachers. Most will be subprofessionals working under the guidance of a few master teachers, and many will be volunteers.

Furthermore, Job Corps centers will, in some cases, be located close to educational centers where the part-time services of experts can be easily arranged for.

The Job Corps will also rely heavily on VISTA volunteers which will provide opportunities for the active retired and young college graduates to use their capabilities in a vital public service. The college work-study program will also be a source of part-time counselors and teachers who will have the combined advantage of skills plus a low-income background. This makes them particularly effective as success examples to the kinds of young men and women in the Job Corps.

Question: Will not the work-training program in part B of title I compete with and confuse existing programs?

Answer. The work-training program was planned in close cooperation with the Department of Labor and will be administered through that Department. While the work-training program is similar in some aspects to some activities under the Manpower Development and Training Act, the Department of Labor would hardly propose undertaking a new program if it were going to compete with and confuse what it is already doing. In fact, the work-training program will be a valuable adjunct to Military Defense Training Act programs, giving broader flexibility in terms of the kinds of youths who can be reached, the kinds of organizations which will administer the programs, and the kinds of training and work which can be arranged.

Question. Won't the work-study programs in title I, part C, duplicate assistance to college students now being provided under the National Defense Education Act?

Answer. No. The work-study program does not compete with, but complements the National Defense Education Act. That act authorizes loans to students to help them pay their college expenses. The work-study program, on the other hand, would enable students from low-income families to obtain part-time jobs to help them enter into or complete their college education. Students from low-income families ordinarily cannot expect any financial help from their family to help pay the costs of a college education. Scholarships and student loans help, but earnings from a part-time job are often needed to cover heavy tuition and living expenses.

On these jobs, the students would do needed work on the college campus and in the communities near the college.

The work-study program, therefore, has two major benefits:

(1) It would allow students without financial resources to enter into or continue their college education;

(2) It would result in the accomplishment of useful work in and around the university.

In many cases, work projects in the communities near the university will relate directly to the war on poverty. For instance, college students can tutor students who are falling behind in local schools; they can work in settlement houses and urban renewal projects; and they can help education and other activities on Indian reservations and in other pockets of poverty.

Question. Isn't the adult basic education program in part B of title II identical to that contained in H.R. 5542, which is currently before the House Rules Committee?

Answer. That is substantially correct, although there are, of course, minor changes which make the adult basic education program consistent with the rest of this bill. The authority for that program was added by the House Education and Labor Committee to the Economic Opportunity Act of 1964 because it so clearly attacks one of the most basic causes of poverty. Many of the more than 20 million adult Americans with less than an eighth grade education lack the basic foundation on which to build a productive life—the ability to read, write, or perform simple arithmetic. Without these basic skills, they are destined to a future of minimum earnings, personal deprivation for themselves and their families, social dependency, and recurrent or persistent joblessness.

If title II–B is passed as a part of the total war on poverty, there will, of course, be no need for separate passage of H.R. 5542.

Question. Wouldn't title IV of the Economic Opportunity Act duplicate authority already in the Small Business Administration and unnecessarily involve a new bureaucracy in the administrative affairs of an established Government agency?

Answer. As has repeatedly been stated in testimony and in the reports of both the House and Senate Committees which held hearings on this bill, authority for the day-to-day administration of title IV loans to small businesses will be delegated by the Director to the Administrator of the Small Business Administration.

In order to insure that the program helps to fulfill the purposes of the act by concentrating on the poor, the Director will participate in the establishment of basic guidelines and operating policy, but the program itself will be run by the Small Business Administration staff of over 3,000 business analysts and credit advisers.

Under title IV, poor people will be able to obtain the credit necessary to start or expand a small business on more liberal terms than can now be offered by the Small Business Administration under their existing legislation. In addition, title IV provides explicit authority requiring management training—which is critical to the success of these small enterprises, as a prerequisite or part of the loan agreement.

Question. Won't title V permit the Director to intervene in programs already in existence and now being administered by the Department of Health, Education, and Welfare?

Answer. As has repeatedly been stated in testimony and in the reports of both the House and the Senate committees which held hearings on this bill, the authority for the day-to-day administration of title V work-experience programs will be delegated by the Director to the Secretary of Health, Education, and Welfare. In fact, the language of the bill itself authorizes the Director only to transfer funds to the Secretary of HEW to enable him to make payments for projects authorized by the Social Security Act.

The purpose of title V is simply to expand the opportunities for constructive work experience and other needed training available to people living in poverty by expanding the amount of funds available to the Secretary of Health, Education, and Welfare for experimental pilot and demonstration projects. These projects aim at helping public-assistance families stay together and at helping the heads of these families obtain the education and skills with which they can get a job to support the family.

Question. Doesn't title VI create a new Federal bureaucracy with the most sweeping and undefined grant of power to be found anywhere in the Federal Government, permitting the Director to oversee the affairs of established agencies of the Government?

Answer. President Johnson has declared a war against poverty. Victory in this war demands the mobilization of all available resources of the Federal Government. Title VI gives the Director of the Office of Economic Opportunity the minimum tools necessary to lead the Nation in combat against poverty. If the powers are mismanaged, the Congress has ample opportunity to rewrite them, for the act requires a new authorization in less than 1 year from today.

The act creates no new Federal bureaucracy. OEO's staff will be small, the minimum necessary to provide essential leadership for the war on poverty.

Existing Federal agencies will be called upon to administer the majority of the vital programs created. The work-training program is intended to be delegated to the Labor Departement. The work-study, adult education, and work experience programs will be administered by the Department of Health, Education, and Welfare. The rural area programs of title III and the employment and investment incentives program of title IV will be administered by the Agriculture Department and the Small Business Administration. The Office of Economic Opportunity will operate only four programs—Job Corps, VISTA, community action, and migratory labor. Even here, the major Federal role will be review of and response to applications for grants, volunteers, and other assistance developed by and received from the local communities. Except for the Job Corps, these programs will be carried out at the local level with locally employed staff personnel.

The bill provides the Director with a mandate to assist the President in coordinating the antipoverty efforts of all Federal agencies. This mandate is central to victory in the war on poverty.

The Director will be directly accountable to the President and to Congress for making sure that the war on poverty is carried out effectively without duplication and overlap. This is consistent with the basic principle of administration to pinpoint responsibility, not diffuse it.

The provisions of title VI are carefully drawn to give the Director specific powers needed to perform his role. He may call upon other Federal agencies to supply data, reports, and other materials so that he may keep informed of the direction of their programs and efforts, and, where necessary, suggest ways to make those programs and efforts more effective in the war on poverty.

Finally, the President is authorized to direct that particular Federal programs and functions be carried out, insofar as not inconsistent with other applicable law, in conjunction with or in support of the programs authorized under this act. This provision merely emphasizes the President's ever-present duty of seeing that the laws enacted by the Congress are carried out in an effective, efficient, and coordinated way.

The provisions of title VI of this bill represent, in my judgment, a responsible answer by the Congress to the oftheard claim that Federal programs are overlapping, inconsistent, and uncoordinated. We are here charging the President and the Director of OEO with a most arduous responsibility of pulling together all the activities of the Federal Government, insofar as consistent with law, in an efficient, effective attack upon poverty. The tools provided in the bill in title VI are no more than adequate to this high purpose.

Question. Has this bill been hastily assembled?

Answer. No.

A partial list of leaders consulted by Mr. Shriver includes: 21 leaders of education and civic groups, 31 leaders in business and agriculture, 11 State and local officials, and 12 labor leaders.

In addition the following Government officials participated: seven members of the Executive Office of the President, one member from the Department of the Treasury, one member from the Department of Defense, four members of the Justice Department, three members of the Department of the Interior, seven members of the Department of Agriculture, seven members of the Department of Commerce, five members of the Department of Labor, and five members of the Department of Health, Education, and Welfare.

Included in the above list are: The Director of the Bureau of the Budget; the Assistant Secretary of the Treasury; the Deputy Assistant Secretary of Defense; the Attorney General; the Secretary of the Interior; the Secretary of Agriculture; the Secretary of Commerce; the Secretary of Labor; and the Secretary of Health, Education, and Welfare.

In addition, the Chairman of the Civil Service Commission, the Administrator of HHFA, the Director of Selective Service, the Administrator of SBA, and the Deputy Council General participated in the planning of this legislation.

A 17-man task force, drawn from 8 different agencies, has worked exclusively on the poverty legislation.

The Committee on Education and Labor held 20 days of hearings and heard testimony from 112 different witnesses, and was in executive session for 8 days.

The committee staff provided the members with one of the most comprehensive studies of poverty in existence, a 300-page print entitled "Poverty in the United States," which was developed in cooperation with research specialists from 17 Federal departments and agencies.

Question. Why is it necessary to include women in the Job Corps?

Answer. In 1950 6 percent of all families with children were headed by women. In 1960 this figure rose to 7½ percent. In 1962 this figure rose to 8¼ percent. It is obvious that many women must be trained to support their families.

Furthermore, in 1962 the average mother-family, with the same number of children as a husband-wife family, earned only 40 percent of the income of the husband-wife family.

In 1961 there were 2.3 million mother families with incomes of less than $3,000.

The Department of Agriculture consigns about 71 percent of mother-child families to low income class.

Statistics show that homes with many children are apt to have lower family incomes than those with few children.

Data on high school graduates show that almost as many girls as boys drop out of school. It is estimated that almost 1 million children drop out of school each year.

Question. Will the Director be besieged by irrelevant requests from various private organizations, in conjunction with the community action programs?

Answer. This is safeguarded by language in section 202(a)(2) which limits Federal assistance to programs of sufficient scope and size to give promise of progress toward the elimination of poverty.

Section 205(a) further limits assistance to programs designed to carry out purposes of this part.

Sections 205(b) and 205(c) provide further guidelines to enable the Director to weed out irrelevant programs.

Question. Will title IV, by lowering credit requirements, enable unreliable people to get loans?

Answer. The criteria used in giving loans will be: (1) character, (2) management abilities, (3) earnings, and (4) credit record.

Eugene Foley, Director of the SBA, cited the Small Business Opportunities Corporation in Philadelphia. This was a cooperative effort of prominent businessmen, city officials, the Philadelphia Fellowship Commission, Drexel Institute of Technology, ARA, and SBA.

This project has been exceedingly well received and has received major impetus from the local business community. It uses the same criteria for giving loans as proposed under title IV of this bill.

In addition, an independent group in New York, called the Interracial Business Committee, provides this type of assistance. This group is cochaired by Harvey Russell, vice president of Pepsi Cola, and Rodman Rockefeller, vice president of International Basic Economy Corp.

In light of the support from the leaders of the business community for this type of program, it is safe to say that lowering credit requirements will open opportunities to more people without increasing the risks.

Question. Hasn't poverty as a problem in the United States been greatly exaggerated?

Answer. In the last 4 months, more than 100 witnesses have testified before congressional committees. An overwhelming consensus of these witnesses has been that the time has come for a national commitment to eliminate poverty. To many, no further proof is needed beyond the fact that 35 million Americans, including 12 million children, face a future clouded by poverty and lack of opportunity for education, training, and a decent job. Even the Republican Party platform accepts this principle.

Mr. Chairman, in addition to my prepared remarks, which will be printed in the Record, which I have furnished to each Member of the House through the mail this morning, I wish to say that this is the most important piece of legislation before this Nation today.

Thirty-five million Americans in this affluent society live on the poverty line or below. It is estimated that it costs the average American family $4,700 a year minimum to live according to the American standard of living and cost of living. The poverty line, therefore, is far less than what it should be. The poverty line we have chosen is $3,000 a year per family, or less.

Two million five hundred thousand American citizens right now are living in families which make $990 a year or less.

This it not a local problem. This is not a problem which can be dealt with by private resources. This problem can only be attacked on a massive national basis with the Federal Government spearheading the effort.

Anyone who says that this committee did not spend time in deliberations is not telling the truth. In my 20 years in this body, Mr. Chairman, serving on many committees, I have never seen any committee spend as much time in deliberation, in hearings, and in writing up a bill as this Committee on Education and Labor has spent on this particular legislation before us.

I want to pay a special tribute—and I do this with the authorization of the full Democratic caucus committee—to the staff headed by Dr. Wolfe for the overtime they have put in day after day. They have been working on this bill since March 17.

I do not know how any man or any lady in this body can vote against this bill and go back and face the people in their area, because even those who come from the wealthiest type districts, such as my distinguished colleague from New Jersey represents, still do have people that are on the poverty line.

This bill will save this Nation $11 billion in welfare payments now being made by city and State governments. One billion dollars may sound like a lot, but it is like pennies when you compare it to the money we are sending abroad at the rate of $3 billion plus a year and when compared to the $46 billion plus we have allocated for our Defense Establishment.

This bill will save money. I do not know how anyone, I repeat, can face their voters, even though they come from a district where the vast majority may be wealthy and above the poverty line. I do not know how they can face their conscience. Thirty-five million Americans are in need of this bill today. I say that this Congress now has before it the opportunity to act morally, in the great Judeo-Christian traditions of our Nation. It is a moral obligation.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. POWELL. Yes. I yield to the gentleman from Iowa.

Mr. GROSS. Now the gentleman says there are 35 million people living in poverty, and the gentleman from Indiana [Mr. Madden], a few moments ago, said there were 38 million people living in poverty. Now which is it?

Mr. POWELL. I will say one thing. When you get around to those figures, it does not matter which it is.

Mr. GROSS. Oh.

Mr. GRIFFIN. Mr. Chairman, will the gentleman yield?

Mr. POWELL. I am very glad to yield to my distinguished colleague, a member of the committee, the gentleman from Michigan [Mr. Griffin].

Mr. GRIFFIN. I wish only to clarify what legislation the chairman is talking about, and I say that in all seriousness, because I have read the remarks which he did distribute among the Members and which I understand he has placed in the Record, referring to the debate on H.R. 11377. Among the points made on the very first page of those remarks as distributed is the statement that there will be a "veto power which can be exercised by Governors on the establishment of Job Corps camps in their States" and the statement that "a veto power which can be exercised by Governors over community action programs administered by private nonprofit organizations."

Is the gentleman referring to the bill reported by our committee and which is before the House at this time, or is he referring to some other piece of legislation?

Mr. POWELL. The gentleman from Michigan asked a very, very precise question, and the gentleman from Georgia, who will offer the bill, will answer your question.

Mr. Chairman, I now yield to the gentleman from Georgia such time as he may desire. The gentleman from Georgia [Mr. Landrum].

Mr. GOODELL. Mr. Chairman, will the gentleman yield?

Mr. LANDRUM. For a question?

Mr. GOODELL. Yes. I would like to request, just for the record, since the question was asked just prior to the gentleman from Georgia taking the floor, if he would direct his initial remarks in answer to the question of the gentleman from Michigan [Mr. Griffin].

Mr. LANDRUM. I did not hear the question and I do not now intend to yield for that purpose; I shall later.

Mr. Chairman, this Congress, coming to the consideration of the Economic Opportunities Act of 1964, has the most glorious opportunity it has had since I have been privileged to be a Member to marshal its resources, moral, spiritual, intellectual and financial, for the purpose of removing from this land of plenty a condition which is threatening the very structures of our foundation. This bill announces the policy of the United States to eliminate poverty in the midst of plenty, the paradox of poverty in the midst of plenty. That alone is worth the consideration and all the time that we have given to this subject.

The mere authorization of slightly less than $1 billion is of no consequence compared to the announcement that it is now our policy to marshal and mobilize all of our resources, moral, spiritual, intellectual, and financial, to challenge a condition, a disease, that as I said a moment ago is eating at the very substance of our society.

Poverty—what is poverty? Poverty, to my mind, is this: a condition which prevents an individual or a group of individuals from enjoying the full benefits of citizenship and which likewise prevents him and them from participating in the full responsibilities of citizenship.

That is poverty. There is in my judgment no dollar level at which you can establish poverty as such. But there is a level at which you can establish whether a man or groups of men are able to enjoy the full benefits of American citizenship and, likewise, able to discharge the full responsibilities of citizenship.

Mr. Chairman, someone has said in the lampooning and the ridiculing and the cynical statements that have been made about this legislation that poverty has been with us for all the ages. Truly, it has and perhaps it will be with us for many years to come.

But in the frontier days in American history we learn, if we have not read it before, that poverty was once spread out over the land.

Mr. Chairman, when we were boys and when our forefathers were boys poverty could be dealt with on an individual or small group basis. The family could pick up and move to a new frontier. Land opened and opportunities were available. However, not much education and training were required. But down through the years we have reached a state of civilization and of development in this country where that is no longer possible. The frontiers such as existed for our forebears and for us as young men simply do not exist any more.

Mr. Chairman, we have a condition developing with the accumulation of large segments of our population in our urban centers that was recently portrayed in one of our leading publications in a cartoon showing a beginning with slums and then a step into hopelessness, then frustration, resentment, and violence, with the only ultimate result, anarchy.

Mr. Chairman, that is what we are faced with today. We are dealing with social dynamite. When we decline to recognize it, we blind ourselves to our own self-destruction.

Mr. Chairman, Euripides, one of the great philosophers, had his definition of poverty.

> Poverty—

He says—

> possesses this disease; through want it teaches man evil.

Mr. Chairman, that is the subject with which we are dealing today.

Now, I have told you something about what I think we are dealing with. How do we propose to approach this problem? First, as I stated, by simply announcing to all of our citizens and to the world that whatever resources we have are being here mobilized with authority to attack this disease at its roots.

Heretofore we have treated this subject in a benevolent and charitable manner.

We have dealt with it on the basis of its consequence. We propose here to deal with it on the basis of its causes. We propose to go to the roots of it.

How? First, by the establishment of a job corps to take care of the very people my distinguished friend from Virginia, our beloved Chairman of the Rules Committee, said would be enrolled. People who have not finished high school, and who, according to local authorities, have little prospect of finishing high school. That is true. That is what the bill provides.

We propose to provide a type of training to those who will volunteer for this program that will prevent them from becoming an adult subject of poverty under the definitions I have described. Incidentally, I would like to say at this point that at the appropriate time in the proceedings I shall offer as a substitute for the House bill the bill recently passed by the other body with certain amendments, one particularly to expand the authority of the Governor of a State to veto the launching and the carrying out of a program under this legislation and one likewise to prevent any funds appropriated under authority of this bill from accruing to the benefit of political parties.

The Job Corps, simply and briefly, will do this: It will provide basic educational opportunities, vocational educational opportunities, in the hope that we may provide these youngsters with some skill salable in the labor market today.

One of the most conservative economists in the whole of this country, Dr. Lawrence Lockley, of the School of Business Administration, University of Santa Clara, Calif., had this to say about the Job Corps:

> If we can institute a Job Corps which will contribute the basis for establishment of literacy and the acquiring of salable skills, then let us be up and at it.

That is exactly what we propose to do with the job corps, and, mind you, the Job Corps will have only volunteer enrollees in it. There will be no compulsion, no conscription, no draft—solely a voluntary proposition.

Likewise, we provide in the first title of the bill a work-training program designed to reach some of these who are on the verge of becoming dropouts, who are on the verge of being classified by the local authorities as one for whom additional training in the public schools or local institutions is not practical or feasible.

That is the requirement under the bill. We propose to try to reach those through a program administered by the Department of Labor in order to help them acquire a high school education and be equipped to go on and take training in the vocational and industrial schools.

You know, it requires today in order to enter and pursue successfully a course of study in a vocational school a literacy level above the eighth grade. In most instances a high school education is required.

Continuing briefly with the last part of title I, we have a work-study program. In this country today there are thousands of young men and women who complete their high school education and have the necessary mental qualifications to meet the entrance requirements for the college or institution of higher learning of their choice, but they cannot meet the financial requirements, and oftentimes because of this despondency develops and drifting results. So we have provided here a work study program, to be run how? By the institution where that child from a low-income family wants to go, through the channels of the institution management, the funds being supplied for the first 2 years 90 percent, and following that, under the Senate bill which we propose to offer as a substitute, 75 percent.

Likewise there can be an opportunity to work off campus in jobs approved by the institution participating in the program. Is there any welfare dole in that? Is there any reason whatever why we should not feel with such a program that we are doing as we are called upon to do by all the lawgivers of the past, marshaling our resources and developing them so that we can bring forth the best in this land?

This title I provides that none of these Job Corps camps or residential training centers can or will be established in any State until a plan for one has been presented to the Governor of that State, and within 30 days from the time it is presented he has disapproved of it. We propose to include that in our substitute.

Mr. Chairman, the next title is Title II: Urban and Rural Community Action Programs. This is designed to assist in removing the obstacles to educational and cultural advancement in rural and urban communities. For this we propose to mobilize through local organizations all of the local resources we have to try to remove from the communities the condition that is threatening, as I said a moment ago, our entire structure.

In this community action program, the other body adopted an amendment which provides, similar to the provision I have just recited with respect to title I, that no community action plan, no contract shall be entered into between the director of this new agency and a community organization until that plan has first been submitted to the Governor of the particular State, and he has not within a period of 30 days vetoed it.

We propose to amend in our substitute that provision and include not only the provision that contracts with private institutions and agencies shall be submitted to the Governor, but that contracts also with public agencies carrying out these programs be submitted to the Governor and not become effective in a State unless the Governor has not within 30 days vetoed such plan or contract.

How much more local control can you provide? What else is there to be done?

Mr. FRELINGHUYSEN. Mr. Chairman, will the gentleman yield so that I can answer these questions?

Mr. LANDRUM. I am not asking the gentleman for an answer.

Mr. FRELINGHUYSEN. Mr. Chairman, will the gentleman yield?

Mr. LANDRUM. Mr. Chairman, I do not yield.

Mr. FRELINGHUYSEN. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and eighteen Members are present, a quorum.

The gentleman from Georgia is recognized.

Mr. LANDRUM. Mr. Chairman, to move quickly and briefly into the other parts of the bill, because I do not want to consume too much time, the next title, title III of the bill which we propose to offer as our substitute, provides for loans of up to $1,500 to be made to families who cannot now meet the requirements of other Federal loan programs and provides likewise for an additional $2,500 loan to farm families for other than agricultural enterprises provided, of course, they meet the requirements that there is reasonable expectation that the loan can be repaid and that the loan will increase the income of the recipient.

The Farmers Home Administration will administer that.

Moving now to the next title. Title IV will be covered by various members of the committee.

We have liberalized the lending authority of the Small Business Administration. Under the House bill $15,000 was the limit, but under the bill that we propose to offer as a substitute that limit is placed at $25,000 for the Small Business Administration to enter into loan agreements with small businesses with the particular understanding that these small businesses so helped will be able to participate directly in the success of a community action program in the area where the loan is made.

Title V proposes to establish work experience programs to restore to unemployed persons job skills which they have lost or to provide them with new job skills so that they may be able to find employment.

Title VI deals entirely with the administrative setup of the bill and establishes the Office of Economic Opportunity, with a director, one deputy, and certain assistant directors. It authorizes and directs the new director to deal through all of the various agencies of the Government who will be assisting in the promotion of this.

Now, I should like to talk briefly about some of the reasons why I feel so strongly we ought to pass this bill.

This will not be an expensive program. This will be the most conservative social program I have ever seen presented to any legislative body. There is not anything but conservatism in it.

The cost to this Nation today for public assistance alone is $4,331,934,000. The State governments pay into that $2,626,967,000. That is the direct cost. That is the cost we can measure as being paid out to people who are making no contribution whatever to our government and very little to their own happiness.

The indirect costs—in courts, criminal prosecutions, incarceration of prisoners and administration of juvenile programs—are estimated to run between $20 billion and $25 billion a year.

Let me give a few examples of various States and what costs are involved. To show that I am not prejudiced, I will start with my own State of Georgia.

Mr. TEAGUE of California. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Seventy Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 205]

Alger
Auchincloss
Avery
Baring
Barrett
Bass
Beckworth
Bennett, Mich.
Bolling
Buckley
Clark
Corman
Davis, Tenn.
Diggs
Dingell
Duncan
Everett
Evins
Finnegan
Green, Oreg.
Hanna
Harvey, Mich.
Hébert
Hoffman
Hull
Jones, Mo.
Kee
Kilburn
Kirwan
Lankford
Lennon
Lesinski
Lloyd
Miller, N.Y.
Murphy, N.Y.
Norblad
Passman
Pillion
Randall
Rivers, Alaska
Rumsfeld
Sheppard
Shipley
Shriver
Sisk
Smith, Calif.
Thompson, La.
Toll
Wallhauser
Wharton

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. RAINS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H.R. 11377, and finding itself without a quorum, he had directed the roll to be called, when 383 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. The Chair recognizes the gentleman from Georgia [Mr. LANDRUM].

Mr. LANDRUM. Mr. Chairman, as I was stating before the quorum call, I want now to deal with some statistics, some of the real necessities for this effort. I know statistics are dry, but when statistics are given with a combination of facts, as I have them here, to me they come alive, and in coming alive they become shocking.

I cannot understand how any person seeing these statistics, realizing that they exist, can say other than I said a moment ago, that this is the most conservative legislation ever offered to deal with the subject of education and welfare. Listen as I start with my own State.

In Georgia last year, 1963, we spent $96,445,000 on public assistance and 77.7 percent of that came from Washington.

Alabama last year spent $109,267,000 on public assistance and 76.9 percent of that came from Washington.

California spent $657,752,000 and 4 percent, I believe, came from Washington.

These statistics mean nothing until they are associated with additional statistics.

In Georgia we have 142,000 boys and girls under 18 years of age living in families with less than $1,000 a year income.

In Alabama we have 165,000 such children.

In North Carolina last year, 1963, $82,567,000 was spent on public welfare and 77.1 percent of that came from Washington.

In North Carolina there are 216,000 young boys and girls under 18 years of age living in families with less than $1,000-a-year income.

Now that likewise is meaningless unless you put it with something else.

If our aim here was only to add another layer of icing on an already heavily coated welfare cake, then we would be wrong in every essence of this bill. But that is not our aim. What we propose to do is to try to upgrade the quality of these young men and young women so that they can meet the requirements of the modern-day employer and add to their family income.

Why is it important that we do that? Listen to this statistic. Do you know that 40 percent—40 percent of the heads of families where these children are—and that is the figure across the Nation and I have just picked out a few States on which I have given you these figures—40 percent of the heads of these families were themselves children in families drawing public welfare. What then do we have? We have an ever-increasing cycle of a child of poverty becoming a parent of poverty. We have had that cycle increasing until it is threatening to become one of the largest single items in our budget.

The aim of this bill is to start that cycle on a diminishing turn and to hope that we can give these boys and girls a skill that will help them learn—a skill that will allow them to become taxpayers instead of tax eaters.

I gave you the statistics from Georgia, North Carolina, and from Alabama. I could give you similar figures for all the States.

Listen to these figures from some of the cities. The statistics I gave for the States were for 12 months. These next I shall recite are for 1 month, for December 1963.

Cook County, Ill.—Chicago—spent $14,124,114 on public assistance; $12,562,127 of that came from Washington.

New York City, composed of five counties, spent $29,670,485, and $27,514,582 of it came from Washington.

This means to me that money from Jasper, Ga.; from Biloxi, Miss.; from Waycross, Ga.; from Birmingham, Ala.; from Tuscaloosa, Ala.; from every town and hamlet in this country is involved. To pay for what? For a dole, for a handout to people who cannot and do not make any contribution to this society whatever because they are devoid of a skill with which to make a contribution and with which to make a living.

It is said that we ought to stop all of this welfare. Members go home and preach against the everlasting growth of this welfare roll.

What we fail to recognize is that these youngsters under 18 years of age in families now earning less than $1,000 a year themselves are going to Chicago, New York, St. Louis, Los Angeles, Philadelphia, and Atlanta.

To show that I am not prejudiced, I will recite some figures with respect to Atlanta and Fulton County, where we have spent tremendous sums. In Fulton County, Ga., last year, in December—we are dealing with December 1963—$956,106 was spent on public assistance; $904,116 of it came from up here.

Let me pose a question for your consideration. What could we have done in the public schools and in the vocational and trade schools with only half that sum? How near could we have come to meeting the demanding needs for new instructional materials, new buildings, and better qualified teachers if we had had only half that sum?

Moreover, how much more could we meet the demands and obligations of a 20th century citizenship with the group of people who receive these benefits able to make a contribution, satisfied in comfortable homes, working with skills to earn livings for their families.

Secretary Wirtz made the statement before our committee that more than 53 percent of the draftees from New York City were unable to meet the requirements of the Selective Service law.

What sort of a problem does that pose? Does it give you any pause, that these human beings are reproducing in their own images?

Are you concerned that the frustration may develop into violence and anarchy? Surrounding you, at the top of the ceiling, are the medallions of the lawgivers of the ages. Sandwiched in between two of the great ones, Jefferson and Mason, you find etched into stone the words of Daniel Webster saying, as you look at them daily, you, as Members of this body, do something to call forth the resources of this land; do something to develop its powers; do something to promote its general welfare; do something so that you and I may be remembered for what was accomplished in our day and time.

That is what this bill is. This bill is nothing more or less than an education and training bill designed to marshal and call forth our resources, as I said at the outset—the moral, intellectual, spiritual, and financial resources—to rid this country of a condition that makes us somewhat like the Prometheus myth, where in a land of plenty we may be eating our own livers and congratulating ourselves on a good meal.

Never in my experience in this Congress has such as array of witnesses appeared before the Committee on Education and Labor as appeared in behalf of this legislation. From all levels of the Government, the Cabinet and below the Cabinet level, labor, the social workers, and the educational leaders, and finally a panel of businessmen composed of Tom Nichols, chairman of the executive committee of the Olin Mathieson Co., Mr. Virgil Martin, president of the Scott-Pirie-Carson department stores in Chicago, and Mr. Ralph Besse, president of the Cleveland Electric Illuminating Co. In essence their combined testimony was this: You gentlemen, trustees of the people, are charged with the responsibility of doing something, being made aware of a condition, and being responsible for removing the condition, just as we as officers would call our stockholders and our board of directors together if we were confronted with a condition such as confronts you in many of our cities in these United States, and we have to take whatever steps are necessary or else our business would not survive. You are the trustees of the people, they say. It is your job to see, and now that you are aware of the condition, it is your responsibility to see that those resources are marshaled to go to the causes and the roots of the condition and remove them. We have the information. We have the technical know-how. We have the financial resources to combine with the cities and the States and the towns of this Nation.

And I say that we as Americans today have the willpower and the determination to do it. And I believe this Congress is going to give this legislation an overwhelming vote of victory when the final vote comes.

The CHAIRMAN. The time of the gentleman from Georgia [Mr. LANDRUM] has expired.

Mr. FRELINGHUYSEN. Mr. Chairman, will the gentleman yield?

Mr. LANDRUM. Mr. Chairman, I yield myself 1 additional minute.

Mr. FRELINGHUYSEN. I am not sure that I can even ask my question in 1 minute.

Mr. LANDRUM. I am not, either.

Mr. FRELINGHUYSEN. Mr. Chairman, I should like to ask the gentleman from Georgia just what the nature of the substitute which is to be proposed will be. I should like to ask if and when the rank-and-file Members of the Congress are going to be given the opportunity to see its contents. It is of interest that so far we are not debating the bill that was reported out of the committee, in spite of this impressive array of witnesses, and in the length of time taken by our committee.

Mr. LANDRUM. I have your question, and if you want me to answer, I will take the time to answer it.

Mr. FRELINGHUYSEN. I should appreciate it.

Mr. LANDRUM. As you have been, I have been a Member of this Congress for 12 years. I have always found it easy to procure a document passed by the other body. I know of no reason why that has not been available to you. It has been available to me. The bill which we propose to offer as a substitute to the bill under consideration is the bill passed by the other body. We propose to add an amendment to the so-called Smathers amendment, in which the Governor is given the power to veto a plan or a contract with a private organization within his State. We propose to expand that Smathers amendment to include public agencies, also. Beyond that there are no substantive amendments except one, I believe, will be proposed, to insure that no proceeds under this bill will go to the benefit of political parties.

Now, as to when you may have it available, I would think that you could settle that question yourself.

Mr. POWELL. Mr. Chairman, will the gentleman yield?

Mr. LANDRUM. I yield.

Mr. POWELL. There are several hundred copies in the pages section now.

Mr. FRELINGHUYSEN. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, this debate has already indicated that my suggestion that the House be allowed at least 8 hours to discuss the contents of this bill was a wise one. One member of the committee has taken 44 minutes, and yet was able only to find the time to yield 1 minute for questions, even though many other members of the committee would like to have asked questions of the gentleman from Georgia. Thus we can see the kind of predicament we may be in.

It is somewhat difficult for me to know where to begin. We do not yet know for sure just what it is that the House is going to be asked to vote upon. Neither do I, at least, know just what the parliamentary situation would be if a substitute were offered and if it were to be accepted.

Perhaps, I should address a parliamentary inquiry to the Chair.

Mr. Chairman, if a substitute along the lines proposed by the gentleman from Georgia were to be offered, and if it were to be accepted, would the parliamentary situation be such as to allow any number of additional amendments with respect to the legislation? Or would we be sharply curtailed in what further changes might be made on the floor?

Mr. Chairman, I am not sure I have made my question clear, but I shall be glad to rephrase it if the Chair so desires.

The CHAIRMAN (Mr. RAINS). The Chair understands the parliamentary inquiry.

If a substitute were to be offered there would be opportunity to amend the substitute.

Mr. FRELINGHUYSEN. There would be an unlimited opportunity to amend the substitute, but after a vote on the substitute no further amendments would be allowed? Is that the case?

The CHAIRMAN. If it were adopted; that is correct. You would have an opportunity to amend the substitute.

Mr. FRELINGHUYSEN. Of course, this situation emphasizes the importance of every Member being aware of the change in the nature of the bill we shall be considering, and presumably amending, Friday or perhaps late tomorrow.

Mr. Chairman, it comes as no great surprise to me that the bill passed by the Senate should be the point of departure, with some further changes to be offered by the gentleman from Georgia. The committee bill is obviously too weak; in my own opinion the Senate-passed bill is no better.

Mr. Chairman, I have had access to the Senate-passed bill, but I do think we might have had an understanding about what changes were to be proposed before we reached this stage of the debate.

Mr. WESTLAND. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield to the gentleman from Washington.

Mr. WESTLAND. I have been real interested in what the gentleman has said and what the gentleman from Georgia [Mr. LANDRUM] has said, that we are not going to consider this bill H.R. 11377.

Mr. Chairman, I have had this report on my desk and I have studied it at some length, trying to make myself aware of just what is contained in this legislation.

Now, do I understand that this is not what we are going to consider, but that it will be the Senate bill?

Mr. FRELINGHUYSEN. The gentleman is quite correct.

Mr. WESTLAND. If the gentleman will yield further, I presume that many other Members of the House have spent some time studying this report, but this bill is not what we are going to vote on?

Mr. FRELINGHUYSEN. I might say to the gentleman that his time has been wasted. We shall have discussion on another bill, which involves changes in titles I, II, and III, and presumably all other titles.

We will have no adequate consideration of this new bill. So far as I can see, for example, there will be no opportunity to discuss the significance of the proposed veto power of the Governor in the Senate-passed bill, or the changes yet to be proposed in that language.

Mr. WESTLAND. If the gentleman will yield further, can the gentleman tell me when the decision was made not to consider this bill on which this committee has spent months, but to consider some other bill that comes from the other body?

Mr. FRELINGHUYSEN. My guess would be—and I might say to the gentleman I have no way of knowing how the proponents have been handling this—that the leadership is afraid that the bill as proposed by the committee would be defeated. They recognize the necessity of making many other changes, which still are not available to the rank and file, even though a vote is imminent.

In my opinion, this is an effort to buy support in the form of votes.

Mr. THOMPSON of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I might say that I shall be glad to yield to the gentleman from New Jersey [Mr. THOMPSON]. I admit our time is equally precious, but I would be glad to yield. We need a discussion between the proponents and opponents of this bill at some point during its consideration.

Mr. THOMPSON of New Jersey. If my colleague from New Jersey [Mr. FRELINGHUYSEN] is worried, as he is wont to be, about this, I would like for one of our colleagues to take and hand to the gentleman the bill, S. 2642, which was passed by the other body, and the committee print. There are several hundred copies of them available for all the Members of the House.

We could consider all the members of the Committee of the Whole House on the State of the Union peers rather than some rank and file.

The gentleman will note in the comparative print that except for the Smathers amendment on a substantive level, there are relatively minor changes.

Mr. FRELINGHUYSEN. The gentleman has enlightened me sufficiently. I have already said that I have a copy of the Senate-passed bill. However, there was no indication until now that that bill would be the basis for our consideration, and not the bill passed by the committee.

This strikes me as an odd parliamentary situation.

Mr. THOMPSON of New Jersey. If the gentleman will yield further——

Mr. FRELINGHUYSEN. If the gentleman has something to say.

Mr. THOMPSON of New Jersey. If the gentleman has a copy of it, he is familiar with the proposal as the ranking member of the committee.

Mr. WESTLAND. Mr. Chairman, will the gentleman yield further?

Mr. FRELINGHUYSEN. I yield to the gentleman from Washington.

Mr. WESTLAND. I think the gentleman from New Jersey [Mr. THOMPSON] and perhaps the minority members of the committee may be well aware of what is contained in the Senate version of this bill. However, the Members of the House of Representatives have been trying to study what came out of the Committee on Education and Labor. Now you throw them a curve and say you are not going to handle this bill at all.

I have been studying the House bill, not the Senate bill. I think it would be a good thing if the House were to adjourn now and go back and study the Senate bill.

Mr. DENT. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield to the gentleman from Pennsylvania.

Mr. DENT. I might say the gentleman from New Jersey did not protest, the same gentleman will offer the substitute here, the labor bill, the so-called Landrum-Griffin bill. There was no protest on the Republican side that you did not have time to study it, but you fell over each other voting for it. At that time you did not know what was in the bill, why be concerned about this?

Mr. FRELINGHUYSEN. That answer is easy. There was a knowledge on the part of those in favor of the Landrum-Griffin bill as to what the contents of that bill were. There was no knowledge that the proponents of the committee bill were going deliberately to abandon it during debate on the bill. The proponents admit, and recognize, that the bill as reported by the committee could not be favorably considered by the House.

This is the point we were making over a period of 4 months; namely, that unless changes were made in the bill the bill did not justify support. On that point I feel just as strongly today as ever. So far as I have examined the changes made by the Senate bill, I do not think it changes one iota my objections to the proposals originally recommended by President Johnson.

Mr. Chairman, there are occasions which transcend routine business or even the more important work of this body. There are occasions when political differences are laid aside when, in the broad national interest, the judgment of this great body is exercised with the special courage of the independent mind. On such occasions this House rises to greatness.

Mr. Chairman, this bill, H.R. 11377, presents us with just such an occasion. We all know that this bill is in reality the President's bill. We all know that without such sponsorship no such bill would have been introduced by the gentleman from New York [Mr. POWELL] and the gentleman from Georgia [Mr. LANDRUM]; that no such bill would have been considered by the Committee on Education and Labor; and that it could not on its merits reach this floor or have any chance of enactment.

Unfortunately, the bill which the President seeks so earnestly is unsound and unwise. For that reason, regardless of our political affiliation, we must have the special courage to reject the demand that it be enacted.

We must reject this bill out of concern for those Americans who endure poverty, because the bill is not addressed to solving any of the basic causes of poverty. We must reject it in our concern for the orderly administration of 42 Federal antipoverty programs, identified by the Secretary of Health, Education, and Welfare, because this bill overlaps, duplicates, or interferes with these programs. Finally, we must reject this bill because it is absolutely contrary to every sound principle we have developed in the establishment of Federal relations with State and local government, and with private organizations and individuals.

This bill is the furthest extension of Federal authority and centralized power which has ever been proposed by any national administration in this century.

The President in his March message referred to the need for "local plans calling upon all the resources available to the community." This bill does not seek such places.

The issue before us is not whether we support measures for Federal-State efforts, locally administered, to combat poverty, because we have approved such programs in every major sphere of social and economic concern. According to the Bureau of the Budget, these programs have a combined annual cost of $32 billion in Federal funds alone.

The real issue before us is whether we approve and endorse—in the guise of a war on poverty or for any other reason—a massive, unbridled extension of Federal authority into the public and private affairs of every community in this country. We must decide whether or not to approve an extension of Federal power with no semblance of meaningful responsibility, direction, or participation by State and local government.

Mr. Chairman, the truth of what I am saying is plain and clear in almost every line of this bill. The issue is a mindless, needless, dangerous centralization of power. To conservative Members of both parties, let me say that centralization is so embedded in every section of this bill that no process of amendment on this floor can root it out; no kind of veto power at the State level can put into this bill the kind of State and local responsibility that is found in almost every other Federal program. The character of this bill cannot be disguised by any face-saving device that has not been attempted already.

Mr. Chairman, it was over 20 weeks ago—on March 16—that President Johnson submitted the recommendations contained in the bill now before us. At that time he urged a "national war on poverty," with our objective "total victory." Just what he meant by this is not yet clear. If it was a way of dramatizing that the poor have problems, he may have made a good point. If he was asserting that his specific recommendations, contained in the poverty package now before us, would achieve total victory, he was on less sure grounds.

In any event, hearings on the President's recommendations began in the House Committee on Education and Labor on March 17. Some 1,700 pages of testimony were the result, and the bill now before us could be called the product of these hearings. This bill, however, as this discussion today has revealed, is in no sense the end product. It has too many weaknesses—despite frantic efforts by its proponents—to be accepted as it is. Some 47 technical amendments must be made to correct errors overlooked in the rush to bring forth a bill. In addition, it has been rumored and is just now confirmed that other changes, many major in character, are to be proposed.

Let me make my own position clear. I am against poverty. I agree with Euripides that poverty is evil. I feel help should be given to those who need it, as help has been given since our Nation was founded. In this Nation's continuing concern for the less fortunate, the Federal Government has, and has always had, an important role to play. To define that role, and to strengthen the ways in which we in Washington can appropriately help, is of course an inescapable responsibility of Congress.

Let me also make clear, however, that I am unalterably opposed to the bill before us. I say this with regret, because I feel our committee might have offered constructive suggestions, deserving of wide report. I am convinced that the provisions of this bill are unwise; to pass such a program might jeopardize major ongoing programs, both public and private. Passage of this poverty package would accomplish little except to set up still another unneeded Federal agency with virtually unlimited authority to spend in a single year almost $1 billion as a new "poverty czar" may see fit.

I am speaking now as a legislator, Mr. Chairman. I shall give more details in a moment in explanation of why I feel so strongly about the particular programs and methods proposed in this joint education and training bill. It is not just a question of Congress simply doing something. I am not speaking in opposition to this ill-advised and loosely drawn proposal because I am a Republican, but because I have inescapable responsibilities as a Member of Congress. Naturally I am gratified that so many Republicans—and some Democrats, also—recognize the bill's weaknesses—and indeed the danger which this bill represents.

Mr. Chairman, I regret, too, that the President has proven so impatient with Congress, and that he has deemed it necessary to exert such unusual pressure to have this bill passed. He acts as if Congress were being asked simply to "declare war" on poverty. Obviously this is not the case. His recommendations, if adopted, could wreak havoc with many substantial programs authorized by Congress, some only recently such as manpower training and vocational education programs.

I regret, too, that the President himself has lent his weight to making a reasonable discussion of this program more difficult. He has helped, deliberately or not, to make "poverty" a partisan issue. He has not hesitated to excoriate as blind opponents those who express doubts about the bill's provisions. He has expressed regret that there should have been a party line vote in reporting the bill out of committee, yet he ignores the refusal of the proponents of the bill—who admittedly are Democrats—to accept any of the suggestions of the bill's critics—who admittedly happen to be Republicans. I deplore this party line division, and from the outset of the hearings all of us Republicans have sought to avert such a development.

I have no wish to dwell on this problem except to say that the proponents of this bill who happen to be Democrats—have also refused—either in committee or on the floor, including the discussion today—to engage in meaningful discussion or debate on the merits and demerits of this legislation. By this deliberate and consistent perversion of the legislative process, these same proponents present us now with a bill which contains fatal weaknesses.

Let me say also that we Republicans are proud of the many contributions which we have been able to make over the years to sound bipartisan consideration of legislation, much of it highly controversial. As a member of the House Committee on Education and Labor for 12 years, I recall that a high degree of bipartisanship was developed on such major legislation as Federal aid in the construction of schools, labor reform legislation and the National Defense Education Act. More recently, major Republican suggestions were considered, and adopted, in such landmark legislation as manpower training and vocational education. Had an honest effort been made in this poverty area, similar Republican suggestions might have helped develop sound legislation instead of what we have before us today.

To those on both sides of this aisle who consider themselves to be liberals, or, if you prefer, "moderates," let me say that this bill does not involve any liberal principle. It is a radical proposal. It has been claimed that this bill is conservative, presumably because no more money is requested. I oppose it so strongly not simply because it infringes on States rights, although it surely does so to a startling degree. I oppose this bill because it proposes to attack broad social and economic problems in a manner that utterly disregards State or local or private responsibility. When all its wordy provisions are reduced to a basic proposition, it is that the power to make every decision, to approve every course of action, to select every beneficiary, is left to a single, appointive Federal official.

This is the kind of power, and the kind of disregard for the responsibilities and the duties of citizens, that has smothered and destroyed liberal institutions. Read this bill. In every key section are the crucial phrases "the Director is authorized to enter into agreements, to arrange, to provide, to establish, to prescribe, to approve." The Director, in every important instance, would establish the criteria for the operation of every project authorized under this bill, whether conducted by public or private agencies at the local, State, or Federal level. Again I urge you to read this bill.

The label of "antipoverty" on this poisonous concoction does not alter its content. Every power-struck totalitarian regime in modern history has promised to eliminate poverty through the complete centralization of power. Such nonsense has been the lowest common denominator of totalitarianism of both the right and of the left, whether espoused by a petty tryrant or a monster capable of menacing the whole free world. The creation of a Federal poverty czar in possession of unlimited authority would not inaugurate a "war on poverty"; it would initiate a turning away from the path of liberal democracy.

President Johnson, however badly advised in the form of this bill, is a stanch advocate of democracy. So, too, are Mr. Shriver, under whose auspices the bill was drafted, and the gentleman from New York [Mr. Powell], and the gentleman from Georgia [Mr. Landrum], who cosponsored it in the House. Yet, in their all-too-evident haste to throw this package together, they have created a proposal which runs counter to the fundamental principles of liberal government. It is no less dangerous because their intentions are good.

We would do a favor to the present national administration by killing this proposal.

During the course of this debate, we hope to discuss every part of this bill in sufficient detail to demonstrate its futility. Major weaknesses appear almost at a glance. I shall briefly review some of those.

Title I of the bill is a rerun of so-called youth employment programs which have been proposed before but not acted upon by the House. However, there are some critical differences between this proposal and the youth conservation bill approved last year by our committee. One of the major differences is that the poverty Director is given far more authority than we accorded the Secretary of Labor or the Secretary of Health, Education, and Welfare.

The first thing to notice about the youth proposals is that they go far beyond the concept of work camps for potential juvenile delinquents, or of training for unemployed youths. They actually authorize a new Federal system of education, which will operate alongside of and in competition with State educational systems. This is not Federal aid to education, it is Federal education—and there will be no State or local responsibility for its operation.

Now look at the so-called work training and work study parts of title I, the second being for college students. Both call for up to 100 percent Federal financing, and both authorize Federal payment for work done for private, nonprofit organizations. Of course, the work training part duplicates in large measure the program of work study we authorized only last year in the Vocational Education Act—except that the vocational education program is run by the regular public school authorities in the States.

The "work study" part in this bill covers the very same college students who would be eligible for loan assistance under the National Defense Education Act. It duplicates, or broadens, the purpose of that act, but with far different methods.

What is the really new and different element in these two programs, aside from the degree of Federal direction? It is the concept of Federal subvention of work done for private organizations. Which organizations and what kind of work? Any—I repeat—any nonprofit organization which is carrying on "work in the public interest." And whom, we might ask, determines what is and is not "work in the public interest?"

The answer to that crucial question is that the Federal poverty czar determines what is work in the public interest. He alone makes this determination, without a single limitation or guideline in this bill.

Ask yourselves another question: "Is this type of authority wise, proper, or necessary in the hands of a Federal official?"

The "community action" program in title II of the bill goes even further. This title establishes direct Federal responsibility for the whole range of social and economic problems dealt with by public and private agencies. This is the heart of the bill, if it can be said to have one. Contrary to what has been asserted, local people will not have control asserted.

"Community action" is an unlimited extension of the experimental program established by the Juvenile Delinquency Act. This program, incidentally, for 3 years has floundered around in endless planning and confusion in several of our major cities. But this bill goes beyond the community planning concept of the Juvenile Delinquency Act.

This bill authorizes virtually 100 percent Federal financing of the work of private or public organizations in fields such as welfare, housing, health, education, employment, and job training. These private organizations need not be representative of the community, and the projects need not be participated in, nor even approved by, local or State government.

Please note this carefully: the Federal poverty czar would decide which organizations would participate, where such activities would be concentrated, and how they would be operated. He alone would determine the criteria for the approval of private projects supported by Federal funds. Any nonprofit, private organization in this country would be eligible to receive Federal funds—including religious organizations—provided only that the organization and its program meets with the approval of the Federal poverty czar, purely on the basis of criteria determined by him.

This power of approval is the power not only to favor one private group over another, but to control the activities of the favored group. This is a degree of Federal authority—operating in every community in this country—that is without parallel in our national history.

This bill does not provide for State and local public agencies to control any aspect of this program. They can participate, but on the terms laid down by the poverty czar in Washington. The bill, you will notice, in section 209, requires the Director to establish procedures for the participation of the States in community action programs. The "procedures" are left up to his discretion; there is no voice for State government in the matter. This is described by the bill's proponents as State cooperation; it is clearly a master and servant relationship.

Aside from the privilege of participation and cooperation on terms laid down by the poverty czar the only option given to either a State or local government is that the Governor may offer comments on a proposed project. This is so meaningless as to be insulting. Even if a Governor could veto a project in his State, this would not be the kind of State planning, responsibility, and partnership found in every other major Federal program in the States.

Title III is the extraordinary Federal-grant, land reform scheme that is supposed to help poor farmers. According to the American Farm Bureau, it would help only to perpetuate rural poverty on subsistence farms. The remarkable thing about this title—aside from the dubious character of the programs—is that it was ever considered by our committee. Clearly, any such sweeping program for American agriculture should be passed upon by the Committee on Agriculture.

Not only is our committee incapable, in terms of jurisdiction and competence, to give due consideration to a farm bill, it in fact did not really consider this title. The title was gavelled through over the objections of the gentleman from Minnesota [Mr. QUIE] and the gentleman from Illinois [Mr. FINDLEY], who are the only members who also serve on the Committee on Agriculture. They will discuss the details of this title in the course of debate.

Title IV, like title III, should never have been considered by our committee. It deals with assistance to small business, and should have been assigned to the Select Committee on Small Business, or to the Committee on Banking and Currency.

Title V completely duplicates the authorization in the Social Security Act for the Secretary of the Department of Health, Education, and Welfare, to finance pilot projects which show promise of finding new ways to prevent dependency. I have no idea what it is even doing in the bill before us, because no new authority is needed for this purpose.

Later in the course of debate, I shall discuss some of the incredible administrative features of this bill. One point should be made now: this bill does nothing to coordinate existing Federal antipoverty programs. No such authority is needed, because such coordination is part of the job of the President of the United States and of his Cabinet officers, and it is a part of the daily routine of the executive departments.

The poverty czar is not given a coordinating role. Every authorization in this bill is a direct authorization to him. A new Federal agency, with a new bureaucracy, is established to carry out these programs. He may farm them out to whomever he pleases, and on his own terms, or he may administer them himself. This applies to the entire bill, with the exception of the unnecessary authorization in title V.

We are asked to create a new super agency dealing with poverty, and duplicating and overlapping the present massive Federal commitment in this field.

Make no mistake about it: this bill departs completely from any concept of State and local responsibility. It is to be a Federal show. This bill charts a new, and extreme, and radical direction for American government.

Mr. LANDRUM. Mr. Chairman, I yield 10 minutes to the gentleman from Kentucky [Mr. PERKINS].

Mr. PERKINS. Mr. Chairman, in the zeal of debate we should not obscure the real problem with which we are now confronted. We are not talking about future unemployment or economic problems. We are talking about 35 million American citizens who derive little benefit from the most productive society in the history of mankind. We are talking about 1 million out-of-school and unemployed youngsters who view the future with hopelessness whether they live in the jungle of the urban slum or in the barrenness of an eroded or mined-out hillside. We are talking about 8 million adult citizens who have not had the benefit of a basic education and who find most employment doors shut to them. We are talking about hundreds of thousands of small farmers who do not have the financial backing to put their small acreages on a sufficiently productive basis to support a family.

In the district it is my privilege to represent, there are many young people anxious for an opportunity for work-training and further education who have no real chance to acquire it. There are families who cannot afford to keep children in school. Merchants, professional people, and businessmen throughout Appalachia and eastern Kentucky are caught in a stagnation of economic activity because of the need for greater employment, training, and educational opportunities. Ever since I have been in Congress, I have fought to secure the public works economic development and education legislation which are desperately required in Appalachian eastern Kentucky. This bill, together with the Appalachian legislation pending before the Public Works Committee, is a giant step in assuring economic stability and growth for the entire region. We have not reached this point in the legislative consideration of programs for Appalachia or the impoverished either overnight or by accident. Thanks to the strength, the courage, and the complete determination of our President to bring this Nation to its full greatness as a democratic society, we are seeing many legislative deliberations, studies, debates, hearings, and efforts now bearing fruit. In this connection, it is gratifying to me that a strong foundation for the wisdom and justification for title I has been laid in the hearings which were initiated in 1961 on youth employment programs and the Youth Conservation Corps program.

Early in the 87th Congress I introduced H.R. 4971 to establish a Youth Conservation Corps, to provide financial assistance to young people to pursue higher educations, and to provide employment and training for young people who desired specific vocations.

Following the 1961 hearings the House Education and Labor Committee reported H.R. 8354—see House Report No. 833 and House Report No. 1540 of the 87th Congress—a bill which I introduced to establish a Youth Conservation Corps and help finance programs sponsored by local communities to create employment opportunities for young people. Improvements were made in this legislation following hearings which were held in the first session of this Congress resulting in the favorable reporting of my bill, H.R. 5131. Title I—parts A and B—of the bill we are now considering, embodies the concepts set forth in H.R. 5131—House Report No. 199, 88th Congress—and yet broadens the authority so as to give the administration greater latitude in fashioning work training programs for youngsters who without such programs have little hope for meaningful employment. Moreover, I believe that the work-study program for needy college students provided in part C is a very appropriate extension of the program authorized for vocational education students in Public Law 88-210, the Vocational Education Act of 1963.

Likewise, part B of title II dealing with adult basic education has had laid for it a strong foundation in the hearings conducted by the general Subcommittee on Education in 1962 and 1963, resulting in the favorable majority reports—House Report No. 1551, 87th Congress and House Report No. 638, 88th Congress.

It would be a serious oversight at this point if I were not to recognize and commend the active interest, support, and leadership given legislation to cope with these problems by distinguished colleagues and members of the general Subcommittee on Education—the gentleman from Indiana [Mr. BRADEMAS], the gentleman from North Carolina [Mr. SCOTT], the gentleman from California [Mr. BROWN], the gentleman from New York [Mr. CAREY], and the gentleman from Hawaii [Mr. GILL]. While the distinguished minority of our subcommittee have not always agreed, their active participation in the proceedings of the subcommittee has thrown considerable light on the problem, enabling the legislation which we have fashioned from time to time to be more effective in dealing with problems. In fact there should be no complaint that the legislation has not been carefully considered by the Congress. To the contrary, in my judgment, we have dallied too long in initiating the broad programs of employment and training for our unemployed and out-of-school young people and while we have been idle the problem has been growing.

There are almost 1 million out-of-school and unemployed young people between the age of 16 and 21 years. At hearings conducted by the subcommittee it is my privilege to chair, it was revealed that in 1960 the average number of young people between these ages who were out of school and looking for work, were about 450,000. By 1962 that number had grown to an average of about 700,000. Without effective action this number will continue to climb because 26 million new workers are due to enter the labor force during the 1960's as compared to 19 million who entered in the fifties—an increase of 40 percent and the number of young people age 16 to 21 in the labor force in the 1960's will be 5½ times greater than in the fifties. Traditionally our world of work has been such that a young person entering the labor force for the first time could find employment in the unskilled and semiskilled categories or he could support himself as he gained in experience, maturity, education, and training. This is no longer true for it is in these occupational categories that the processes of automation have had their most telling effect. At best the prospect of unskilled jobs have remained, and will continue to remain at the current level. Thus the portion of unskilled occupational categories in a growing labor force is actually declining. Most of the increase in the work force must find employment in the more skilled jobs. These are precisely the jobs for which the untrained youngster is not qualified. This is not only true of our domestic labor force, but also of the manpower requirements of the Armed Forces accounting to some extent for the large percentage of selective service rejectees.

JOB CORPS

Part A of title I authorizes the establishment of a Job Corps to prepare young men and women for the responsibilities of citizenship and employment. The Job Corps is designed to serve the needs of hundreds of thousands of rural and urban young Americans who are out of school and out of work, or who are employed in dead-end jobs; these are Americans who find the exit from a life of poverty blocked by lack of opportunity to improve their skills and capacities.

The aforementioned group includes a substantial number of young women, and the committee has therefore provided that participation in the Job Corps be available to them. Statistics cited during the committee hearings on H.R. 11377 indicate that approximately 46 percent of all school dropouts are young women. Since women comprise approximately one-third of our labor force, it is the committee's desire that at the very minimum the number of young women in the Job Corps should be as nearly as practicable in the same proportion.

The Job Corps will seek to enroll those young persons age 16 through 21, for whom the best prescription is a change in surrounding and associations. Individuals who have not graduated from an accredited high school may be enrolled only when further attendance by such individuals in any regular academic, vocational, or training program is impracticable. The Director will establish procedures to obtain the views of local school authorities with respect to the practicability of continuing training or education for such enrollees. In addition, high school graduates may also be enrolled in exceptional circumstances such as failure to pass the selective service mental achievement examination, or other evidence of failure to meet academic achievement necessary for job placement.

To those who volunteer and are selected, the Job Corps will offer a rewarding opportunity for education, vocational training, useful work, recreation and physical training, and other appropriate activities welded into a carefully designed program.

The enrollees in the Job Corps will live in either conservation or training centers in rural or urban areas. Both will be residential. The conservation centers of approximately 100 to 200 youth each will offer a healthy, out-of-doors life where the discipline of work and new skills will be learned while our Nation's parks, forests, and other natural resources are improved. The training centers will be larger and many will use excess Government facilities no longer needed for their original purpose.

In some centers, education and vocational training will be provided through local public educational agencies or private vocational educational institutional or technical institutes where these institutions can provide substantially equivalent training with reduced Federal expenditures. Similarly, some centers will be planned and managed by other institutions which have rich resources to contribute to youth education and guidance programs, while in others the training will be provided by the Job Corps itself.

An additional resource expected to play an important role in the operation of Job Corps centers will be the VISTA volunteer.

In Job Corps centers, enrollees will participate in well-rounded programs designed both to build up new skills and instill habits and attitudes essential to future employment. Through education, and work and skill training, enrollees will learn the meaning of self-respect and self-confidence through their own achievements. New vocational goals never before open to these young men and women will open up in the training programs which will be offered. The entire core of the program will be based on building each individual's employability in a job which will enable him to maintain himself and his family on a decent living standard.

In addition to the education and training each enrollee will receive, he or she will also benefit from a new and wholesome environment, physical training, adequate medical service, and intensive guidance and counseling. Social responsibility, respect for others, and pride in personal achievement will be encouraged through extracurricular programs tailored to the needs of the enrollees. The living, travel, leave, and readjustment allowances will likewise be designed to instill thrift and responsibility.

WORK-TRAINING PROGRAMS

The work-training programs in title I, part B, are designed to give unemployed young men and women aged 16 to 21—including both those in school and those out of school—a chance to break out of poverty by providing them with an opportunity to work, and, through work, a training experience not now available to them in private employment or under any existing Federal program.

It is anticipated that the administration of this part will give particular attention to work programs which will enable young people to maintain regular high school attendance or return to high school if they have already dropped out.

The work offered young men and women in this program will increase their employability by enabling them to acquire new skills and work habits on a job. Attention will also be given to counseling during and job placement after the work-training period.

The work in these projects will not only give youth who are victims of poverty an opportunity to increase their employability, but it will also give them a chance to help their own communities to become part of what the President recently call the "great society" by providing important public services that would not otherwise be provided.

In the administration of the work-training program the Director will coordinate the program with the Secretary of Labor. It is contemplated that the Department of Labor will cooperate with the Director in the execution of the program by contracting through field representatives with the local groups, both public and private nonprofit, who will actually run the projects as sponsors. The projects will be distributed equitably among the States, taking into account the need of youth. Distribution within States should emphasize locating projects in areas where poverty problems are concentrated and chronic.

The enrollees in the program must be young men and women, aged 16 through 21, from impoverished families or neighborhoods who are:

First. Out of school, unemployed, and who need assistance and experience to resume and maintain school attendance;

Second. Out of school, unemployed, and not planning to return to school, who need work experience in order to prepare for formal training or for a job; or

Third. In school, but who are identifiable as potential dropouts and for whom a work experience and financial assistance would provide the necessary incentive to continue in school—and so increase their employability.

The committee has used the term "unemployed" in its broadest sense. In the administration of this part it is anticipated that the Director will give particular attention to work programs which will enable young people to maintain regular high school attendance or return to high school if they have already dropped out.

Programs can be sponsored by State or local public agencies or by private nonprofit agencies. Sponsors must demonstrate ability and desire to reach out to and deal effectively with the poverty group for whom the program is intended. A private employer engaged in normal business with the public may not become a project sponsor.

The kinds of jobs on which the youth will work are varied. They may work in occupations which are being newly developed or they may be in occupations for which there is a greatly increased demand in the public and the private nonprofit sectors, such as auto mechanics, office workers, draftsmen trainees, cook's assistants, nurses' aids, and hospital orderlies. They may also be in occupations related in the development of recreation facilities, the conservation of natural resources, and neighborhood improvement projects.

All of the jobs will provide important services and should be designed to increase the employability of the youth. In no instances will the youth thus employed replace others already now employed.

The actual programs will vary from State to State and locality to locality because they will be tailored to meet local needs.

Works places can be in hospitals, playgrounds, libraries, local government departments such as recreation, health, sanitation, public works, schools, State or county parks and forests, settlement houses, and other places where public services can be performed.

The number of work hours can vary in different programs. Part-time daily employment can be combined with school attendance. Full-time employment can be offered to those who plan to resume their education or need to increase their employability through work experience.

This program fills a gap and provides another tool to meet the growing problem of unemployed youth. Other programs recently enacted or now before the Congress have provided other tools. Training under the Vocational Education Act and the Manpower Development and Training Act is a curriculum-centered remedy for the development of skills. The Job Corps provides an "away from home" work and training experience for those who will respond to it.

The existing program most similar to this part is the work-study program authorized in the Vocational Education Act of 1963 which provides similar work experience only to those in full-time attendance in vocational schools. But it would not be available to more than 80 percent of the school population—those not in vocational programs—nor to the over 1 million youth who are out of school and out of work.

The Federal share of the cost of projects during fiscal years 1965 and 1966 will be 90 percent, with the sponsor contributing 10 percent either in cash or in kind. The Federal contribution thereafter will be 50 percent. The costs shared by the Federal Government will normally include the costs of wages for the youth, project administration, selection and job placement, supervision and training on the job, and counseling.

TITLE II URBAN AND RURAL COMMUNITY ACTION PROGRAMS

Of great importance to the elimination of the sources of poverty throughout our Nation are the provisions of title II of this bill. Two basic programs are authorized by this title. The first recognizes the great importance of local initiative and leadership in developing the types of local projects which will assist communities to provide greater educational and employment opportunities for the families of that community which, even in the face of plenty, find it difficult to find shoes and acquire three meals a day, to be able to obtain medical care and in general who live from day to day on a very marginal form of assistance. These conditions are shocking and intolerable.

Title II would provide local leadership with financial assistance, the necessary "tools" with which to put in motion projects giving such families the opportunity to leave the treadmill of poverty which many families have handed down from generation to generation. Thus this title would help finance special programs and projects dealing with health, vocational rehabilitation, housing, counseling, employment and job training, special remedial and other educational assistance outside the framework of the normal school curriculums which in that community gave promise of being effective in eliminating local sources of economic depravity. For such local action programs the legislation would authorize to be expended in my State of Kentucky, $4,837,770 in the first year of the program.

In addition to this, part B would provide the State of Kentucky with $129,000 the first year to initiate and expand local programs of adult basic education so as to provide our more mature citizens who grew up in a world requiring little or no formal education, to obtain basic educational skills in a world which today requires them for meaningful employment.

ADULT BASIC EDUCATION

This part is designed to remedy a serious national problem by assisting the States in providing basic education to educationally deprived adult citizens. There are in the United States over 11 million adults 22 years of age and older who have completed less than 6 years of schooling. Most of the 11 million persons with less than a sixth grade education—and many of the more than 20 million adult Americans with less than an eighth grade education—lack a solid foundation of basic education—the ability to read, write, and do simple arithmetic. Without this ability, many are committed to a future of minimum earnings, recurrent or persistent joblessness, social dependency, and personal deprivation. Many are unable to cope with written instructions in connection with the use of medicine, the direction of traffic, the operation of appliances and equipment, and the completion of employment and tax forms. Consequently, many such persons are unemployed, and in their present condition, virtually unemployable.

The cost to the Nation of this lack of basic education among so large a group is staggering. Supported, in part, by public funds and unable to benefit from major vocational training programs because of the lack of basic educational skills, large numbers of undereducated adults are dependent on public assistance, unemployment compensation, public and private charities, and their relatives. This legislation is a positive program designed to combat poverty and thereby reduce the burden imposed upon the Government, private institutions, and individuals.

The committee believes that large numbers of these educationally deprived citizens will seek instruction and greatly benefit from it if the opportunity afforded by this legislation is provided in conjunction with a comprehensive assault on poverty.

Many nations—including our own—have shown that the problem of adult undereducation can be attacked and virtually wiped out. Unfortunately, with little exception, State school systems—overburdened in recent years by increasing demands of growing populations—have not often ventured into this field. This fact alone is one of the major reasons why very few schools with classes for adults are reported to offer courses designed specifically to overcome basic deficiencies in reading, writing, and elementary mathematics. For the most part, basic instruction of this nature is now limited to very large cities and designed for the benefit of recent immigrants.

The problem of adult educational deprivation is not one that will go away by itself. It is true that in 1957 nearly 60 percent of all adults with extreme educational deficiencies were over 55 years of age. It is also true that our children are considerably better educated than their parents. But census data tell us that time alone brings scant quantitative improvement to the problem. It has been suggested that with nearly universal State compulsory school attendance laws the problem will disappear. Census data indicate clearly that the problem will not disappear or even be appreciably reduced in many decades without action. In 1960 a total of 8,303,000 adults aged 25 and over had less than 5 years of schooling. A decade earlier, 9,446,000 adults had completed less than 5 years of schooling. The net differential between 1950 and 1960 was therefore 1,143,000, or an average decrease of only about 114,000 a year over the 10-year period.

An overriding consideration is that the learning tools of reading, writing, and arithmetic open the doors of opportunity not only to occupational training and productive work, but also to the larger life of the mind and spirit. The illiterate or near illiterate person, while employed, may be shut from a whole world of personal growth opportunities as well as from occupational advancement opportunities. Adult basic education is a fundamental approach to independent learning, to adjustment of manpower to changing occupational requirements, to elimination of poverty, and to the larger satisfactions in personal growth made possible through acquisition of the basic learning tools.

Attention is called to the rapidly changing job opportunity market. "Employed today and unemployed tomorrow" is a fact in our present-day society. Some occupations are fading out rapidly and others are coming to the fore with increasing demand for workers. With a great need for trained personnel in the service and health occupations, as well as in some of the areas below the technician level, the key element for a substantial breakthrough to improved occupational status is adult basic education. For many the bar to productive work and independent living will remain until a national, State, and local effort is undertaken in this field.

In order to speed the elimination of adult undereducation, this part authorizes grants to States which have approved State plans for adult basic education programs. Allotments to the States would be based on relative numbers of adults, aged 22 and over, within a State who have not completed more than a fifth-grade education as compared with the number of adults in such category in the Nation as a whole, but with a minimum of $50,000 for any State.

SMALL FARM FAMILY PROGRAM

Mr. Chairman, the program envisioned by title III will afford many family-size farms and rural families to obtain the financing through grants and loans by which their farm operations can be improved to the point that the families occupying those farms will enjoy greater income and an increased standard of living. In hearings conducted by the committee on which it is my privilege to serve, time and again we have been told of the devastating effect of automation on the employment picture. In no occupation has the effect of automation been more devastating than on the small family farm. Technology has fashioned for the farm mechanized implements which have contributed greatly to the productivity of farm labor. Unfortunately, many of our small farms on which many rural Americans are barely subsisting, the cost of utilizing modern farm practices in simply providing a living for the family, are priced far beyond the financial capacity of the family. Many such farm family units could be placed on an economical operating basis if the financial backing and resources were available to enable such farmers to acquire appropriate land for a family farm operation. In this connection, title III would authorize grants up to $1,500 to low income rural families which could be used to acquire and improve real estate, reduce encumbrances, improve the operations of farms, as well as even finance nonagricultural enterprises appropriate to the farm locale which would supplement the farm income. In addition to such grants, loans may be made up to $2,500 for the same purpose. Title III is vital to the total program of eliminating poverty because there are so many American citizens today who cannot be appropriately retrained for any other occupation.

In no way do I, nor the majority members of the committee, nor the administration advocating this program, consider grants authorized under this title to be welfare payments to simply supplement the present income of poor families living on a farm. It is our thought that these grants would be made for the specific purpose of enabling that family farmer to raise and maintain his farm income so as to eliminate him from the rolls of the welfare recipient enabling him to make an income to support his family in health and comfort as well as upon which to base an eventual retirement paid for by himself in his contributions to the social security insurance program.

Title IV—Employment and Investment Incentives: Title IV of the bill broadens the lending authority of the Small Business Act so as to adequately meet the special loan needs of very small businesses which privately operate at marginal levels. Loan maturities, when necessary, are authorized to be extended to 15 years. Provision is made for management training courses as an integral part of the loan progrm. Other liberalizing provisions are made so as to make small business loans more readily available to individuals and to smaller enterprises.

Title V—Work Experience Programs: This title is of extreme importance both from the immediate short-range viewpoint as well as in connection with the long-range effort to establish economic independence to impoverished families. It involves first, an expansion of the existing so-called jobless dad program so that public assistance funds, both from the State and Federal level, can be utilized in compensating unemployed fathers for work performed on public projects. Further extensions of this principle are authorized by the legislation in further work and training programs in connection with public assistance, extension of the concept to help widows who often have the great burden of being the sole support of their children, and finally a provision which would permit the extension of the jobless parent program to other needy unemployed individuals.

Title V is of critical importance in many areas such as in eastern Kentucky where we must immediately begin to bridge the gap between unemployment and jobs for everyone who seeks them. Vocational education, the strengthening of educational programs at every level, health projects, counseling and guidance, increased attention to public works programs, all in my judgment will assure in the long run, the establishment of economic stability in Appalachia, but in the meantime, immediate assistance in the form of employment such as provided in title V, is essential.

Mr. Chairman, I wish to compliment my distinguished colleague, the gentleman from Georgia [Mr. LANDRUM], for his outstanding leadership and legislative skill in bringing this legislation to the floor.

Mr. FRELINGHUYSEN. Mr. Chairman, will the gentleman yield?

Mr. PERKINS. Yes. I yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. I wonder if the gentleman read the statement submitted for the RECORD by the gentleman from New York [Mr. POWELL] with respect to the Job Corps enrollees.

Mr. PERKINS. I have not. I have not read the statement of the gentleman from New York, but I agree wholeheartedly that this bill is for everybody. It is for all races, it is for all sections of the country. I think it is time we enacted a Youth Corps to do something for these youngsters.

Mr. FRELINGHUYSEN. Mr. Chairman, would the gentleman yield for a further question with respect to the Job Corps?

Mr. PERKINS. Yes, I will.

Mr. FRELINGHUYSEN. The gentleman from New York [Mr. POWELL] argues that there is no point in undertaking the Job Corps program unless there will be jobs for the graduates. He then says training for jobs and job placement will be the heart of the Job Corps program.

I wonder if the gentleman from Kentucky will agree with me that there is no language in the provision establishing the Job Corps which indicates either training for specific jobs or job placement will be the heart of the Job Corps program?

The **CHAIRMAN.** The time of the gentleman from Kentucky has expired.

Mr. **LANDRUM.** Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. **PERKINS.** I wish to answer the gentleman from New Jersey by stating that the language in the bill, both in the Senate bill and in H.R. 11377, is identical in that respect.

Mr. **FRELINGHUYSEN.** The gentleman is not answering my question.

Mr. **PERKINS.** Those enrollees will be accepted in the Job Corps but when they are enrolled, naturally, they are going to be thoroughly counseled, they are going to be tested, and they are going to be placed, whether it is in a training center or the Conservation Corps camp.

Mr. **FRELINGHUYSEN.** I am referring to job placement after they go through this routine of the camp. There is no reference to job placement. There is no reference to matching the skills of these illiterates with the jobs.

Mr. **PERKINS.** I am confident that all educators, whether public, private, vocational, and at all levels will cooperate very closely with the 1,900-odd employment State offices throughout the country in an effort to ascertain available employment opportunities and the training and education required for youngsters to be able to fill them.

Mr. **ROOSEVELT.** Mr. Chairman, will the gentleman yield?

Mr. **PERKINS.** I yield.

Mr. **ROOSEVELT.** Mr. Chairman, if the gentleman will look at either the Senate bill or the House bill—and they are the same——

Mr. **FRELINGHUYSEN.** Can we not agree on which bill we should be looking at?

Mr. **ROOSEVELT.** The same language is found in both. Section (b) says: "arrange for the provision of education and vocational training of enrollees in the Corps."

Mr. **FRELINGHUYSEN.** Which section (b)?

Mr. **PERKINS.** It is section 103.

Mr. **ROOSEVELT.** That is title I, section 103.

Mr. **PERKINS.** It is at the bottom of page 3.

Mr. **ROOSEVELT.** It goes on and says: "arrange for the provision of education and vocational training of enrollees in the Corps:".

Then at line 9 it says: "provide or arrange for the provision of programs of useful work experience and other appropriate activities for enrollees;".

Mr. **FRELINGHUYSEN.** But there is no reference to the placement of enrollees in jobs when they get through with this tour.

Mr. **ROOSEVELT.** That is just nit-picking.

Mr. **FRELINGHUYSEN.** I do not see how it can be described as nit-picking when——

The **CHAIRMAN.** Does the gentleman from Kentucky [Mr. PERKINS] yield?

Mr. **PERKINS.** Not at this point.

Mr. Chairman, let me say in conclusion that I consider one of the most important aspects of this so-called poverty package the assurance that every child that needs education and training will be given the opportunity to pursue education to the full extent of his ability.

In part of the district that it is my privilege to represent children are being denied even an elementary or secondary education because of lack of income in the family, because of inadequate transportation facilities, because of poor roads, all of which, of course, relate to total picture of poverty in Appalachia. To strike at the very heart of the cause of this we have got to begin with our young people. No programs have been suggested to the committee better than the proposals with which we come before this body today. I want to state that for several years in hearings before the General Subcommittee on Education I have listened to experts from private foundations, the best social workers throughout the country, and all the other people, with special knowledge and leaders in this field who are concerned about youth training, education and employment, and all of them support this legislation.

I cannot see where the opposition is offering anything constructive.

At this point I am inserting in the RECORD remarks which I feel are pertinent to this debate that I made on the floor of the House on March 14, 1961, supporting H.R. 4971 which I introduced in February 1961, to create greatly expanded training education and employment opportunities for our young people.

YOUTH CONSERVATION CORPS

The SPEAKER. Under previous order of the House, the gentleman from Kentucky [Mr. PERKINS] is recognized for 30 minutes.

Mr. PERKINS. Mr. Speaker, for several years I have introduced legislation providing for a Youth Conservation Corps. On July 27, 1959, I introduced H.R. 8404 to authorize the establishment of a Youth Conservation Corps which was identical to the legislation sponsored by Senator HUMPHREY and other Members in the Senate. Early this year I introduced similar legislation H.R. 4158 and in late February, H.R. 4971.

Mr. Speaker, I personally feel that my bill, H.R. 4971, authorizing the establishment of a Youth Conservation Corps providing employment and educational services to enrollees is essential in these times. In most instances the unemployed youth are the children of unemployed adults. This is particularly true in the whole mining area of eastern Kentucky. These children cannot hope to get the proper training and education unless some agency, such as the Youth Conservation Corps, is established.

The Nation has been impressed—but some of us have not been surprised—by the reaction of young people to President Kennedy's setting up of a Youth Peace Corps. Although we are celebrating the Civil War Centennial, we are still a young Nation and we have chosen a vigorous young President to lead us. He has asked us to move forward with him—and we will. But to move forward with the full vigor of which we are capable, we must conserve and preserve and use wisely all of our resources, both our natural resources and our human resources. For this reason I have introduced H.R. 4971 to which I invite your attention and ask for your interest and your support.

We are now engaged in the consideration of various measures designed first to combat recession and for the longer run to take special measures to improve the lot of all our people, particularly those in economically depressed areas. To accomplish this purpose, a number of things must be done and done promptly. Representing a district which has for a long time faced difficult economic problems, I intend to support fully both the antirecession and longrun recovery measures.

There is one area, however, which perhaps transcends all others in importance. It is the opportunity—or lack of it—which the young people of this country will have in the years just ahead to play their parts in and make their contributions to the development of the Nation.

We are facing in the very near future a situation the extent and importance of which we are just now beginning to be aware of. By 1970, there will be 46 percent more young people under 25 in the labor force than there were last year. Some 26 million will come into the labor market during the 1960's. Will they be able to complete their schooling, which is increasingly needed to qualify for the kinds of jobs which will exist, to find jobs, to contribute to the support of their families? If not, what will they do?

With an expanding population—which will increase to about 208 million by 1970—we are using up our natural resources at an alarming rate and in many instances are not making the best use of the things we have. Just recently President Kennedy's task force pointed out the tremendous need for conservation and development of our natural resources.

My bill, H.R. 4971, proposes the creation of a Youth Conservation Agency to move on both these fronts at the same time; namely, to conserve, develop, and utilize the abilities and energies of this tremendous wave of young people who, during their generation, will face problems of a magnitude we can only dream of.

In 1957, Senator HUBERT HUMPHREY, of Minnesota, with great foresight introduced a bill to establish a Youth Conservation Corps. After extensive hearings it was passed by the other body during the 86th Congress. Senator HUMPHREY and 19 other Senators have reintroduced it during this session. A number of similar bills have been introduced by my colleagues in this House. These bills provide for the establishment of resident camps where young men can be assigned to do productive conservation work and gain work experience and training. I favor this program and have provided for it in my bill. I believe, however, that to meet the needs and to serve larger numbers of young people, other types of programs are required, and I have also included them.

First. In many parts of the country—such as the great cities as well as the depressed areas—there are young people in need of employment and there is likewise a great deal of work to be done. For example, there are city and State parks, wildlife refuges, school grounds, recreational areas, and so forth, where young men and women could be employed on a local work program, or day-haul basis. While perhaps lacking some of the features of the camp program, these local work programs would have other advantages. By permitting the young people to live at home, they would be considerably less costly, and the young people would be readily available for any regular job openings that may develop. Local educational facilities could be used for making up basic educational deficiencies and for related vocational training.

Second. Hundreds of letters come to my desk from families where the principal wage earner is unemployed or only partly employed, saying they have great difficulty keeping their children in school—and especially in high school—due to lack of money for clothing, supplies, and various school expenses. Even where the family head is employed, the great majority of families cannot afford the ever-growing expense of sending their young people on to college. The number of scholarships and loan funds is woefully inadequate to meet the need. Furthermore, most such grants—and rightly so—go to the most gifted students or those taking certain specialized courses. But there are millions of average and above-average students who should go to college so they can be prepared to meet the demands of the job market but who are financially unable to do so.

I propose, therefore, a program of student workships to meet this problem. Under this program, students would be given part-time employment on work programs set up and supervised by the school and college authorities. This would not only help the students meet their necessary expenses, but would help the institutions to expand their services to take care of the growing demands on them. Incidentally, this program would be made available not only to public schools and colleges, but to all private, nonprofit institutions, such as parochial and private schools. And let us not forget that it is in the American tradition to work one's way through school.

Third. Under this bill employment on local out-of-school work programs and on student "workships" would be available to young women as well as young men. There is much useful work that could be done in every community by young women. They could be assigned to public agencies such as county and city offices, welfare agencies and the like to enable them to render needed services not possible within regular budgets. They could be assigned to work centers where they could repair or make clothing for needy families, especially those with young children. Some could be used in the conservation programs. In the schools and colleges they could be assigned to be library and laboratory assistants clerical aids to take some of the paperwork off the shoulders of the already overburdened teachers, assist in hospitals and clinics and in dozens of worthwhile activities.

In addition to the value of the work performed through conservation projects, local work activities of various kinds and student work programs, two other very important benefits would accrue both to the young people themselves and to the Nation.

First, priority in assignment could be given to unemployed young people from families where the primary wage earner has exhausted or is not eligible for unemployment compensation. The wage earned by the youth would help in meeting family expenses, thus lessening the need for direct welfare grants of various kinds. And how much better this would be in terms of the pride and self-respect of the young people and their families.

Second, they would gain work experience and work training which is so important in qualifying for regular jobs. There is a great deal of talk these days about automation and technological change and their effect on employment. When we hear these words, we are inclined to think about a huge computer or an automatic assembly line. We tend to overlook the fact that the impact of technological change has probably been greatest in the area of agricultural and unskilled jobs. Land is cleared, ditches dug, crops raised, materials packed and handled by machinery. Think of how many elevator operators have been replaced by automatic elevators. And it is many of these disappearing unskilled jobs that young people have traditionally relied on to get their initial work experience and thus to enter the labor market. The first two questions a prospective employer asks are, "How much education have you had?" and "What experience have you had?"

Much fine work in preparing young people for jobs is being done in vocational education schools' apprenticeship programs and by industry through its own training programs. However, for the first time since 1934 when the CCC camps were started, there is not now in this country a large, federally financed work program through which out-of-school and unemployed young people can get work experience and training and which gets them better prepared to enter the labor market. During the 1930's we had the CCC and the other youth programs including student work programs in schools and colleges.

During the 1940's was the biggest of all—the military services. We took millions of young men—and young women—and taught them not only how to fight but how to do a thousand and one things, all the way from how to cook or speak Japanese to how to repair complicated electronic equipment. After World War II and on through the 1950's we had the huge GI education and on-the-job training program. I think one of the reasons we did not have the great unemployment we feared after World War II was because so many of our young people came out of service and went into GI education programs where they acquired skills and work experience that enabled them to move smoothly back into the labor force. Now these programs have ended or are limited in scope and at the very time we are faced with the greatest percentage growth of young people seeking work in the history of our Nation.

I mentioned earlier that the number of young people seeking to enter the labor force will increase by 26 million during this decade. This is serious enough, but two aspects of the situation make it even more so.

First, the curve is starting to rise, but it takes its biggest jump not toward the end of the 1960's but at the middle of it. The number of young people reaching 18 each year ready to enter the labor force or go to college will increase from 2.6 million in 1960 to 3.8 million in the single year 1965—a rise of nearly 50 percent. This means that we do not have much time; we need to get started now during this session. We have some experience which will be helpful, but it takes time to organize, erect camps, and so forth. Fortunately I understand that the conservation agencies have many planned projects they could get started on rather quickly.

Second, is the gloomiest statistic of all. It is estimated that during this decade there will be some 7.5 million school dropouts—about one-third of whom will not go beyond the eighth grade. And this is during the space age. Hopefully, by greatly improving our school systems, as President Kennedy has proposed, and by adopting some student aid measures as proposed in this bill, we might be able to shave that figure somewhat. But it will still be large. And what are we going to do with them at a time when employers demand higher educational attainment and greater skills and when a high school diploma is an indispensable ticket to even many jobs low on the scale. We cannot encase them in concrete and drop them in the ocean as we do our atomic wastes. We will ignore them only at the risk of soon facing social problems in this country more frightening than any of us like to contemplate.

I have been asked what relation the programs contemplated in this bill will have with respect to the Youth Peace Corps—particularly if it includes some recently discussed domestic aspects. In my opinion, they are two entirely different things. For years, many private social agencies and church organizations in this country, such as the American Friends' Service Committee and others, have conducted programs designed to help communities with their social problems. In my own section of the country, private and religious agencies have established schools and carried on worthwhile programs such as that of the Frontier Nursing Service. The programs contemplated in this bill would not affect such activities; in fact, it could even be used to supplement them.

The basic purpose of this bill is to provide, on a large scale, work experience and training for unemployed young people, especially those in depressed areas and from families whose income is nonexistent or insufficient to meet basic needs. At the same time their enthusiasm and energy would be directed to increasing the wealth and the welfare of the Nation through conservation and public service programs.

I have deliberately waited till the conclusion of this talk to mention one other pressing national problem—that of juvenile delinquency. It is a matter of the gravest concern to all of us. Some States have had considerable success with work camps designed specifically for the rehabilitation of juvenile delinquents. This is well worth doing.

But I think it would be unfortunate if any program for young people set in motion by the Federal Government should be discussed primarily in these terms. This program is much broader than that. True, it would probably be the most effective preventive measure that could be devised. When you take energetic young people off the street corners and out of the back alleys, give them a chance to work and learn and earn and feel they are doing something not only for themselves but for their families and for their country, you are getting at the cause—not simply curing the effect. And this program would serve millions of fine young men and women who are not now and never will be delinquents but who need an opportunity to prepare themselves to be useful citizens and effective members of our labor force.

Mr. Speaker, in conclusion, I wish to state that my bill, H.R. 4971, contains the provisions of the Humphrey bill but is somewhat broader, as outlined above.

I yield to the gentlewoman from West Virginia [Mrs. KEE].

Mrs. KEE. Mr. Speaker, I wish to associate myself with the remarks of the gentleman from Kentucky. For several years, I have likewise introduced legislation providing for a Youth Conservation Corps because I personally feel this would mean so much to the whole Appalachian areas. I am well aware of the billions of trees that were planted on badly needed land, the thousands of miles of fire trails, and the thousands of bridges and buildings that were constructed by the Civilian Conservation Corps during the 1930's, and I realize the need for such action today to give some employment to these youngsters in the distressed areas. I am delighted that the bill of the gentleman from Kentucky contains provisions for local work activities of various kinds and student work programs, in addition to the conservation projects. I am hopeful that we will be able to get a program of this type enacted into law during this session of the Congress.

Mr. PERKINS. I certainly wish to thank the gentlewoman for her contribution, especially since she has been so active in her efforts to get similar legislation enacted in the past.

Mr. Speaker, I now yield to the gentleman from West Virginia [Mr. SLACK].

Mr. SLACK. Mr. Speaker, let me first of all compliment my colleague from Kentucky on the forcefulness of his presentation in behalf of this measure to deal with a serious problems affecting our youth. All of us are familiar with the quotation as old as mankind—"As the twig is bent, the tree shall grow," but I fear we have been too preoccupied with the vast problems of the day to turn a proper share of our attention to the coming generations, and how they must be shaped to keep our country strong tomorrow.

I speak in support of H.R. 4971, and note with satisfaction that Representative PERKINS indicates that aggressive measures will be taken to secure broad support among the membership of this House and call up the bill for hearings before the Committee on Education and Labor. This is a bill with multifold good objectives. It will offset the negative influences which beset much of our youth who are presently living in bad environments; it will teach them the virtues of thrift and hard work, and acquaint them with the dignity of labor. It will keep them in a healthful outdoor activity during their formative years. It can become a natural part of the President's recent suggestion for a program of national emphasis on physical fitness.

Not only will we profit in terms of improved human beings and citizens, but we may also expect tangible gains through the conservation of our natural resources. Some 30 years ago, we instituted a conservation movement among our youth as a result of an existing depression. The results of the program were such that we can reasonably expect a program as suggested by this bill to meet with even greater success. I bring up this point because my district is among those which contain certain counties now depressed by long-term unemployment.

Of all the undesirable effects on man and his works which I have observed in depressed communities, none have troubled me as much as the effects on family unity and the hopes of the young. They have literally no place to go, and nothing to look forward to at the most impressionable period of their lives. I cannot see how a measure of this kind can do anything but improve the situation for the young people of depressed communities. There is an alternative to hopelessness and delinquency, and we have here a chance to devise such an alternative.

I hope that, in the welter of problems stretching from Laos to the Congo, and from the United Nations to Berlin, we do not lose sight of our own youth and the guidance they need and deserve to have from us. For this reason, I am in full accord with the sponsor of this bill, and pledge to him my most vigorous support in its pursuit to a successful conclusion.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mr. FRELINGHUYSEN. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. BELL].

Mr. BELL. Mr. Chairman, it is with great regret that I rise to speak against H.R. 11377.

Nothing would bring me greater pleasure than to be able to honestly say that the solution to the problem of poverty in our land lies in this bill.

The answer, unfortunately, is not in H.R. 11377 and I would not be acting responsibly if I attempted to have you believe otherwise.

It cannot be doubted that a war should be waged against poverty.

The ends are not to be questioned, but I am here to say that the means to these ends are, and should be questioned.

The President has said, let us begin to fight poverty. Page 87 of the House report indicates the scope of the Federal programs involved. Forty-two programs in seven departments are already in operation to fight poverty. These programs with current appropriations of almost $32 billion would seem to indicate that the Federal Government has been committed to fight poverty for some time. We already have the machinery available to fight poverty, and let us use it.

Let us use these currently ongoing programs which many of us have supported, such as have been established in the vocational education program, the National Defense Education Act, the Manpower Development and Training Act, the Area Redevelopment Act, and many others.

These should be improved and possibly expanded if necessary.

But, Mr. Chairman, the question we are considering today is this: Does H.R. 11377 present an effective method to fight poverty in 1964?

I know it does not and I will point up some of the weakneses of this ineffective scatter-gun approach in the Landrum bill.

Specifically, the lack of sound reasoning is apparent in title I of the bill which includes the controversial Job Corps.

Title I of this so-called poverty bill includes the so-called youth programs, and it is divided into three parts at a total cost of $412.5 million in the first year.

Part A, the actual Job Corps, involves $190 million in the first year.

Part B, the work training program, involves $150 million in the first year.

And part C, the work study program, involves $75.5 million in the first year.

It should be pointed out at the very outset that the Job Corps of title I is not a novel plan.

Basically, the Job Corps is a slightly modified version of H.R. 5131, the Youth Conservation Corps proposal introduced in March of 1963.

H.R. 5131 has remained in the House Rules Committee without action for over a year.

That committee has not seen fit in its wisdom to bring this plan out of the committee.

The principal difference between H.R. 5131 and the current proposal is that the former placed the program under the jurisdiction of the Secretary of Labor, whereas the latter places it under the jurisdiction of a new Federal office, the Office of Economic Opportunity.

The Job Corps has been compared to the Civilian Conservation Corps of the 1930's. I hold, however, that there are vast differences between the times and circumstances of each.

The CCC camps came into existence in a time of great depression when approximately 11 million of our citizens were unemployed, and this included a large part of our Nation's youth.

Today, however, we are experiencing one of the longest sustained economic booms in history. Employment is the highest in history. Therefore the times are not the same and the problems obviously are not the same. How possibly can the solutions be the same? Nineteen hundred and sixty-four problems must be solved with 1964 techniques.

The focus of this part is upon school dropouts and selective-service rejectees. These are young people who for physical, mental, or social reasons have not been able to cope effectively with their environment and who have not moved ahead with the majority of their generation. The primary need of this group is retraining, rehabilitation, and most importantly, economic opportunity.

It is my feeling that the Job Corps proposal does not provide the specialized instruction and retraining to meet these needs. Such retraining must be carried out where the facilities, the equipment, and the trained personnel are available.

As I have said, the initial program for 40,000 enrollees will cost $190 million in the first year. This amounts to about $4,700 per enrollee. This is more than enough to send a young person to any of this Nation's top colleges.

If effective results could be expected from this program, it would be one thing, but when one considers that participation in the plan is purely voluntary and the enrollee may stay or go as he pleases, it must be conceded that it is, at best, a financial long shot.

The youth who would most benefit from the Youth Corps camps may not even volunteer. If he does volunteer, will he stay for the duration of the program? In this connection, I would point to an experiment in my own State of California. This experience verifies my contention. In California a $300,000 program which sought to retrain school dropouts itself became a victim of the dropout problem. During the first 6 months of the program 101 of the 194 youths enrolled dropped out. Of the remaining 93 only 11 completed the course. There is no reason to believe that the Job Corps will have any greater success.

Mr. FRELINGHUYSEN. Mr. Chairman, will the gentleman yield?

Mr. BELL. I yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. I have no desire to interrupt the gentleman except for the fact he mentions a program in his own State, which reminds me there was one in the State of New Jersey that lasted from March until July of this year. By that time the enrollees had dropped out, and the teachers had gone back to teaching somewhere else. Some of the enrollees got into vocational schools where they said they were more appropriately placed.

This shows the difficulty of establishing a job corps as contemplated without any kind of a definition, as this legislation proposes.

I might also say that we need not only look at the initial cost of this program the projected increase in the number of enrollees to 100,000 on the official basis. Some proponents suggest as many as 1 million may need this Federal education.

We have had no estimate of the cost from those who are backing this measure in the second year of the 2-year tour of duty of these enrollees.

This is another indication we are biting off a responsibility which may well lead to a vast increase both in cost and the nature of the problem in handling this number of young people.

Mr. BELL. I thank the gentleman. Mr. Shriver himself stated before the committee he would not be alarmed if there was a 50-percent dropout rate in the Job Corps.

Mr. THOMPSON of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. BELL. I yield.

Mr. THOMPSON of New Jersey. I also dislike to interrupt the gentleman and I thank him for yielding. With respect to the New Jersey project which the gentleman just cited, it was from its very beginning highly experimental in nature, not backed up by any previous experience such as we have had in other programs, and was intended only to be experimental in the sense that a handful of youngsters were to be taken. I do not think the gentleman wants to indicate that the mere fact of dropout or of cost is expected by anyone to control. This is dragging youngsters off the streets, and as for 100 percent of them staying, nobody can expect that. We do not either.

Mr. BELL. The point I am trying to make is that we already have programs such as manpower retraining, which does have basic education in it, that it does appeal to youth, that it does everything we have in this Job Corps, and all we have to do is merely expand it, that is, develop it, and use the manpower retraining program and the vocational educational programs we already have.

Mr. FRELINGHUYSEN. I agree with the gentleman. It should also be pointed out that the manpower retraining program calls for area residential schools if it is desirable in such cases for young people to be moved from their environment which is inhibiting them. This kind of approach will indicate if it is a sound idea. But in any event we are suggesting an experiment. The fact that a small experiment failed in my State of New Jersey does not indicate that a large Federal experiment will be successful; in fact, the contrary. It would suggest to me the adoption of a small program and the adoption of an existing system, such as was adopted by our committee a year ago but on which no action was taken.

Mr. GOODELL. Mr. Chairman, will the gentleman yield?

Mr. BELL. I yield to the gentleman from New York.

Mr. GOODELL. Since the manpower training program has been mentioned here, I should like to make some reference to the statement of my chairman, who posed in one of his questions, Will there be jobs for Job Corps enrollees after they finish this very expensive program? Then he goes on and says there will be jobs. He cites four specific reasons. He said the Job Corps will do the following things: First, carefully identify job openings which exist in the labor-market area. Second, carefully plan the curriculum to see that the enrollees are prepared for those jobs. Third, match the training to the desires and abilities of the enrollees. And fourth, proper retraining.

This sounds good. In connection with the manpower retraining program I have one question. It is that they have failed in this very respect. They have failed to do a proper job of evaluating the job skills that are in shortage in various areas. They have not given this the kind of priority they should have. They have not even promoted a study to see the change in job skills from year to year in this country so we can get an idea of the trend and any psychological change.

The chairman points out these four items that he says will be done. There is not a single thing in the bill, not a single reference in title I, to require that these things be done or even to show a desire to set them up and do this kind of thing. We did require that these four items be accomplished in the manpower retraining bill, and they have not been done adequately.

So I say to the gentleman, this answer sounds very good, but it points up the great weakness in this bill, that it is so broadly written that they can answer any question by saying, "Certainly, the Director will do that." But the Congress of the United States in this legislation is not exercising its responsibility to require that they be done.

Mr. BELL. I might add further, if they have not accomplished it under the manpower development program yet, which is a going program, how can it ever be expected to be accomplished in another program which has not even made these four items a requirement?

Mr. GOODELL. Exactly. They have not accomplished it adequately under the manpower development and retraining program where we specifically direct them to do this and we do not have any such direction or guidance in this legislation. Certainly, these things should be done. But they are dealing with the hard core of unemployed people who will be going to these job corps camps admittedly and they will have to have very careful surveys done. We should require this.

The CHAIRMAN. The time of the gentleman has expired.

Mr. FRELINGHUYSEN. Mr. Chairman, I yield 5 additional minutes to the gentleman from California [Mr. BELL].

Mr. BELL. Furthermore, it appears this bill would add to our already acute teacher shortage that we have in the country. We all know that the teacher shortage problem in our conventional school systems is very acute right now. Where can we hope to find adequately trained teaching staffs for these isolated camps, for example, in Wyoming perhaps; or in Alaska?

I will point out too that just last year this Congress through the Committee on Education and Labor approved a greatly expanded Manpower Development and Training Act and Vocational Education Act. And as I said before, this carefully drafted piece of legislation aims directly at the problem of the 16- to 22-year-old age group.

It has been stated that the Vocational Education and Manpower Training Acts appeal to a different group of people than the Job Corps. This statement is absolutely not accurate. The bill does appeal to the same groups. It has the same basic educational program, that is, the reading, writing and arithmetic or literacy found in the Manpower Development and Training Act. This provides basic education for all those who have an education of the sixth grade or less. You can get your basic education and literacy training under the Manpower Development and Retraining Act.

Now why do we need another program? We voted for this before. Do we have to have more programs to do the same thing?

We have heard statistics this afternoon—many statistics—and I say that if these other already established programs are not being effective, perhaps we should work to improve them or expand them if need be.

Mr. GOODELL. Mr. Chairman, will the gentleman yield?

Mr. BELL. I yield to the gentleman.

Mr. GOODELL. I want to express my strong agreement with what the gentleman is saying and my strong disagreement with some statements made on the other side of the aisle with reference to the supposed fact that we do not have any existing programs aimed at these people. We have enacted broad amendments to the Manpower and Retraining Act that extended the original youth section and Manpower Retraining Act. The original section of the Manpower Retraining Act adopted a good portion of the youth section from the original bill, the youth conservation corps bill. These programs are now available to be implemented and if we get the funds, they should work. I think they can do the job and we certainly do not have to have an additional one on top of that.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. BELL. I yield to the gentleman.

Mr. PERKINS. I think we are losing sight of the fact that most of the unemployed youngsters today have never held a job. Hundreds of thousands cannot qualify for the Manpower Development and Retraining Act. Many are rejected from military training for educational deficiencies by the armed services. I think the gentleman from California will well understand that the vocational education bill and other programs we have to cover the youth are totally inadequate to offer a solution to the problems of needy children who require work opportunities and extensive training and counseling. In many instances our vocational education offerings require at least a ninth grade education. The different trades and crafts under vocational education are offered at the 10th-grade level. Most all vocational education courses require a substantial foundation in basic educational skills before they are admitted and in most States vocational training is not offered except on the high school level.

In addition, the vocational educational facilities are now extremely limited so that it is impossible to reach this group whom we are trying to reach by this legislation. I agree with the gentleman from California that the Vocational Education Act of 1963 will do much to eliminate future youth training problems, but I disagree with him about present day needs.

Mr. BELL. I hate to dispute with my friend.

Mr. PERKINS. Is that not correct?

Mr. BELL. I must say that my friend is not accurate. My friend from Kentucky knows very well that the Manpower Development and Training Act does have programs for youth.

Mr. PERKINS. Mr. Chairman, will the gentleman yield further?

Mr. BELL. I do not yield further at this time.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. FRELINGHUYSEN. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. GOODELL. Mr. Chairman, will the gentleman yield?

Mr. BELL. I yield to the gentleman from New York.

Mr. GOODELL. If the gentleman from Kentucky will read the amendments to the manpower retraining act which we enacted last December he will see that we placed in that act a broader authority for special programs aimed at youth, so that they could take them into the programs regardless of how many years of school they had finished. We put in a special provision allowing them to take in youngsters who needed basic education, as well as adults who needed basic education.

The gentleman's statement is flatly wrong in terms of authority today under the law to give training and education to these people.

To the extent that the gentleman talked about a ninth-grade education being required under certain State vocational education programs, that is a requirement of the States themselves. That is not a Federal requirement. The gentleman knows it. The gentleman cites that example, which is not true across the country. It is not true in the State of New York. It is not true in most States. Under the manpower training program it is not at all involved.

The CHAIRMAN. The time of the gentleman from California has again expired.

Mr. FRELINGHUYSEN. Mr. Chairman, I shall be glad to yield the gentleman 2 additional minutes. I understand there is a desire on the part of some Members to terminate the debate on the bill for today at a fairly early time, so I am reluctant to make further extensions. I do yield the gentleman 2 additional minutes.

Mr. BELL. Mr. Chairman, the only difference is that both the Manpower Development and Training Act and the Vocational Education Act have the distinct advantage of already being in operation and functioning. Even with this experience, both the manpower development and training program and the vocational education program are having trouble in getting the necessary number of teachers to handle the resulting demands.

Should we now at this time superimpose other programs, before we know even the immediate and ultimate potentials of existing programs?

In summary, then, the Job Corps simply does not fit the needs of the times. It will not equip the enrollee to make his way in the modern world.

I firmly believe that the funds can be spent more effectively by concentrating on the educational programs authorized and envisioned by the Manpower Development and Training Act and the Vocational Education Act. The need is to put these young people in tune with their actual needs, not to put them in tune with nature.

Mr. Chairman, I wanted to point out one further thing with regard to one statement made. It was stated that H.R. 11377, the poverty bill, is nothing more than an education and training bill. If that is not what the manpower development and training program and the vocational education program are, I do not know what they are.

Mr. FRELINGHUYSEN. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, I take this time to request of the proponents of the legislation, which we will presumably be voting on on Friday, if they will be good enough to put in the Record today the substitute which they anticipate will be offered when the amending process begins. I understand the basic substitute will be the bill passed by the Senate, but with certain changes. In order to expedite matters when the time comes, it would be very helpful if everyone had the exact language of the proposed substitute. I would request that this be done.

Mr. LANDRUM. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I am glad to yield to the gentleman from Georgia.

Mr. LANDRUM. The bill which is proposed as a substitute has been printed in the Record days before and debate on it has been printed in the Record days before in the consideration of the other body. The bill is now available both to the majority and to the minority in sufficient quantities for each individual to have as many copies as he may desire. So we do not desire to print it again in the Record.

The CHAIRMAN. The time of the gentleman from New Jersey has expired.

Mr. FRELINGHUYSEN. Mr. Chairman, I yield myself an additional minute.

My ears may have deceived me. As I understood the gentleman from Georgia, he said a substitute would be offered, which would entirely replace the committee bill, consisting of the bill passed by the Senate with certain major amendments. One amendment would affect the Governors' veto, and another would propose that no activity should benefit a political body. Maybe my ears did deceive me, but it was my understanding that this would be the substitute. I am particularly concerned about the changes in the bill passed by the Senate. That is why I ask for a substitute, if it is planned that this be offered.

Mr. LANDRUM. I will state to the gentleman as clearly as I know how to state it that the amendments which we propose are in the Record, and I see no need to publish them in the Record. As a matter of fact, there is a comparative print available in sufficient numbers for all to have a copy if they wish.

Mr. FRELINGHUYSEN. Mr. Chairman, that is not correct. If in the proposed substitute there is a reference to a broadened veto, that is not in the Senate bill. If there is a reference to the proposed prohibition of benefits going to political parties, that is not in the Senate bill.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. FRELINGHUYSEN. Mr. Chairman, I yield myself an additional minute, because I still think there has been a lack of clarification on the part of the gentleman from Georgia as to whether the substitute will be simply the Senate-passed bill or something else, such as a further modification of the Senate-passed bill.

Mr. LANDRUM. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I am glad to yield, and this time I hope to get some information.

Mr. LANDRUM. One more time I shall state, the substitute which we shall offer will be the bill passed by the Senate with the additional amendment to the Smathers amendment that the veto power extended to the Governor by the amendment be carried over to public agencies as well as to private institutions, and with one additional amendment, that no funds appropriated under the authority of this bill shall accrue to the benefit of a political party.

Mr. FRELINGHUYSEN. Mr. Chairman, if necessary, I will yield myself an additional minute, because the gentleman from Georgia has finally confirmed what I thought he had stated earlier. He now tells us that the substitute will not be the bill passed by the other body but the bill passed by the other body with two major amendments. It is with respect to the language of the two major amendments that I am requesting information today. We should have knowledge as to just what we are supposed to be considering, and further amending, if that is going to be the case. Do I understand from the gentleman that he refuses to give us the language of the proposed substitute, including the changes in the bill passed by the Senate?

Mr. LANDRUM. Certainly we will be glad to provide you with that language.

Mr. FRELINGHUYSEN. In the Record, Mr. Chairman. I think every Member is entitled to it.

Mr. LANDRUM. I put it in the Record a half dozen times this afternoon.

Mr. FRELINGHUYSEN. No, sir; you have not put anything in the Record with respect to that language.

The CHAIRMAN. The time of the gentleman from New Jersey has again expired.

Mr. FRELINGHUYSEN. Mr. Chairman, I yield myself 2 additional minutes.

The CHAIRMAN. The Chair will remind the gentleman from New Jersey that we cannot put anything in the Record in the Committee until we get back in the House.

Mr. FRELINGHUYSEN. The gentleman from Georgia just said he has put it in the Record and now the Chair says he could not have put it in the Record. My request is that at some point, either during the debate in Committee or when we come back in the House, that the gentleman from Georgia will reveal the language he is proposing to offer which will change the Senate-passed bill. I request unanimous consent that this language be made available. I do not think the suggestion is an extreme one, and I would hope my request is a reasonable one.

Mr. GOODELL. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield.

Mr. GOODELL. Judging from the huddle going on over there, they are just now trying to find out.

Mr. FRELINGHUYSEN. I suspect that they do not know; but may I ask the gentleman from Georgia whether he now believes he did or did not put in the RECORD the proposed amendments during today's discussion of this bill?

Mr. LANDRUM. Mr. Chairman, if it will expedite matters and satisfy the gentleman from New Jersey we have no objection to placing the entire amendment in the RECORD.

The referred-to amendment follows:

AMENDMENT TO H.R. 11377 OFFERED BY MR. LANDRUM

Strike out all after the enacting clause and insert in lieu thereof the following: "That this Act may be cited as the 'Economic Opportunity Act of 1964'.

"FINDINGS AND DECLARATION OF PURPOSE

"SEC. 2. Although the economic well-being and prosperity of the United States have progressed to a level surpassing any achieved in world history, and although these benefits are widely shared throughout the Nation, poverty continues to be the lot of a substantial number of our people. The United States can achieve its full economic and social potential as a nation only if every individual has the opportunity to contribute to the full extent of his capabilities and to participate in the workings of our society. It is, therefore, the policy of the United States to eliminate the paradox of poverty in the midst of plenty in this Nation by opening to everyone the opportunity for education and training, the opportunity to work, and the opportunity to live in decency and dignity. It is the purpose of this Act to strengthen, supplement, and coordinate efforts in furtherance of that policy.

"TITLE I—YOUTH PROGRAMS

"Part A—Job Corps

"Statement of Purpose

"SEC. 101. The purpose of this part is to prepare for the responsibilities of citizenship and to increase the employability of young men and young women aged sixteen through twenty-one by providing them in rural and urban residential centers with education, vocational training, useful work experience, including work directed toward the conservation of natural resources, and other appropriate activities.

"Establishment of Job Corps

"SEC. 102. In order to carry out the purposes of this part, there is hereby established within the Office of Economic Opportunity (hereinafter referred to as the 'Office'), established by title VI, a Job Corps (hereinafter referred to as the 'Corps').

"Job Corps Program

"SEC. 103. The Director of the Office (hereinafter referred to as the 'Director') is authorized to—

"(a) enter into agreements with any Federal, State, or local agency or private organization for the establishment and operation, in rural and urban areas, of conservation camps and training centers and for the provision of such facilities and services as in his judgment are needed to carry out the purposes of this part, including but not limited to agreements with agencies charged with the responsibility of conserving, developing, and managing the public natural resources of the Nation and of developing, managing, and protecting public recreational areas, whereby the enrollees of the Corps may be utilized by such agencies in carrying out, under the immediate supervision of such agencies, programs planned and designed by such agencies to fulfill such responsibility, and including agreements for a botanical survey program involving surveys and maps of existing vegetation and investigations of the plants, soils, and environments of natural and disturbed plant communities;

"(b) arrange for the provision of education and vocational training of enrollees in the Corps: *Provided*, That, where practicable, such programs may be provided through local public educational agencies or by private vocational educational institutions or technical institutes where such institutions or institutes can provide substantially equivalent training with reduced Federal expenditures;

"(c) provide or arrange for the provision of programs of useful work experience and other appropriate activities for enrollees;

"(d) establish standards of safety and health for enrollees, and furnish or arrange for the furnishing of health services; and

"(e) prescribe such rules and regulations and make such arrangements as he deems necessary to provide for the selection of enrollees and to govern their conduct after enrollment, including appropriate regulations as to the circumstances under which enrollment may be terminated.

"Composition of the Corps

"SEC. 104. (a) The Corps shall be composed of young men and young women who are permanent residents of the United States, who have attained age sixteen but have not attained age twenty-two at the time of enrollment, and who meet the standards for enrollment prescribed by the Director. Participation in the Corps shall not relieve any enrollee of obligations under the Universal Military Training and Service Act (50 U.S.C. App. 451 et seq.). Only in exceptional cases shall enrollees in the Corps be graduates of an accredited high school, and no person shall be accepted for enrollment in the Corps unless the local school authorities have concluded that further school attendance by such person in any regular academic, vocational, or training program, is not practicable.

"(b) In order to enroll as a member of the Corps, an individual must agree to comply with rules and regulations promulgated by the Director for the government of the Corps.

"(c) The total enrollment of any individual in the Corps shall not exceed two years except as the Director may determine in special cases.

"Allowance and Maintenance

"SEC. 105. (a) Enrollees may be provided with such living, travel, and leave allowances, and such quarters, subsistence, transportation, equipment, clothing, recreational services, medical, dental, hospital, and other health services, and other expenses as the Director may deem necessary or appropriate for their needs. Transportation and travel allowances may also be provided, in such circumstances as the Director may determine, for applicants for enrollment to or from places of enrollment, and for former enrollees from places of termination to their homes.

"(b) Upon termination of his or her enrollment in the Corps, each enrollee shall be entitled to receive a readjustment allowance at a rate not to exceed $50 for each month of satisfactory participation therein as determined by the Director: *Provided, however*, That under such circumstances as the Director may determine a portion of the readjustment allowance of an enrollee not exceeding $25 for each month of satisfactory service may be paid during the period of service of the enrollee directly to a member of his or her family (as defined in section 609(c)) and any sum so paid shall be supplemented by the payment of an equal amount by the Director. In the event of the enrollee's death during the period of his or her service, the amount of any unpaid readjustment allowance shall be paid in accordance with the provisions of section 1 of the Act of August 3, 1950 (5 U.S.C. 61f).

"APPLICATION OF PROVISIONS OF FEDERAL LAW

"SEC. 106. (a) Except as otherwise specifically provided in this part, an enrollee shall be deemed not to be a Federal employee and shall not be subject to the provisions of laws relating to Federal employment, including those relating to hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits.

"(b) Enrollees shall be deemed to be employees of the United States for the purposes of the Internal Revenue Code of 1954 (26 U.S.C. 1 et seq.) and of title II of the Social Security Act (42 U.S.C. 401 et seq.), and any service performed by an individual as an enrollee shall be deemed for such purposes to be performed in the employ of the United States.

"(c) (1) Enrollees under this part shall, for the purposes of the administration of the Federal Employees' Compensation Act (5 U.S.C. 751 et seq.), be deemed to be civil employees of the United States within the meaning of the term 'employee' as defined in section 40 of such Act (5 U.S.C. 790) and the provisions thereof shall apply except as hereinafter provided.

"(2) For purposes of this subsection:

"(A) The term 'performance of duty' in the Federal Employees' Compensation Act shall not include any act of an enrollee—

"(i) while on authorized leave or pass; or

"(ii) while absent from his or her assigned post of duty, except while participating in an activity authorized by or under the direction or supervision of the Corps.

"(B) In computing compensation benefits for disability or death under the Federal Employees' Compensation Act, the monthly pay of an enrollee shall be deemed to be $150, except that with respect to compensation for disability accruing after the individual concerned reaches the age of twenty-one, such monthly pay shall be deemed to be that received under the entrance salary for GS-2 under the Classification Act of 1949 (5 U.S.C. 1071 et seq.), and section 6(d)(1) of the former Act (5 U.S.C. 756(d)(1)) shall apply to enrollees.

"(C) Compensation for disability shall not begin to accrue until the day following the date on which the enrollment of the injured enrollee is terminated.

"(d) An enrollee shall be deemed to be an employee of the Government for the purposes of the Federal tort claims provisions of title 28, United States Code.

"(e) Personnel of the uniformed services who are detailed or assigned to duty in the performance of agreements made by the Director for the support of the Corps shall not be counted in computing strength under any law limiting the strength of such services or in computing the percentage authorized by law for any grade therein.

"Political Discrimination and Political Activity

"SEC. 107. (a) No officer or employee of the executive branch of the Federal Government shall make any inquiry concerning the political affiliation or beliefs of any enrollee or applicant for enrollment in the Corps. All disclosures concerning such matters shall be ignored, except as to such membership in political parties or organizations as constitutes by law a disqualification for Government employment. No discrimination shall be exercised, threatened or promised by any person in the executive branch of the Federal Government against or in favor of any enrollee in the Corps, or any applicant for enrollment in the Corps because of his political affiliation or beliefs, except as may be specifically authorized or required by law.

"(b) No officer, employee or enrollee of the Corps shall take any active part in political management or in political campaigns, except as may be provided by or pursuant to statute, and no such officer, employee or enrollee shall use his official position or influence for the purpose of interfering with an election or affecting the result thereof. All such persons shall retain the right to vote as they may choose and to express, in their private capacities, their opinions on all political subjects and candidates.

"(c) Whenever the United States Civil Service Commission finds that any person has violated the foregoing provisions, it shall, after giving due notice and opportunity for explanation to the officer or employee or enrollee concerned, certify the facts to the Director with specific instructions as to discipline or dismissal or other corrective actions.

"State-Operated Youth Camps

"SEC. 108. The Director is authorized to enter into agreements with States to assist in the operation or administration of State-operated programs which carry out the purpose of this part. The Director may, pursuant to such regulations as he may adopt, pay part or all of the operative or administrative costs of such programs.

"Requirement for State Approval of Conservation Camps and Training Centers

"SEC. 109. In carrying out the provisions of part A of this title no conservation camp, training center or other similar facility designed to carry out the purposes of this Act, shall be established within a State unless a plan setting forth such proposed establishment has been submitted to the Governor of the State and such plan has not been disapproved by him within thirty days of such submission.

"Part B—Work-training programs

"Statement of Purpose

"SEC. 111. The purpose of this part is to provide useful work experience opportunities for unemployed young men and young women, through participation in State and community work-training programs, so that their employability may be increased or their education resumed or continued and so that public agencies and private nonprofit organizations will be enabled to carry out programs which will permit or contribute to an undertaking or service in the public interest that would not otherwise be provided, or will contribute to the conservation and development of natural resources and recreational areas.

"Development of Programs

"SEC. 112. In order to carry out the purposes of this part, the Director shall assist and cooperate with State and local agencies and private nonprofit organizations in developing programs for the employment of young people in State and community activities hereinafter authorized, which whenever appropriate, shall be coordinated with programs of training and education provided by local public educational agencies.

"Financial Assistance

"SEC. 113. (a) The Director is authorized to enter into agreements providing for the payment by him of part or all of the cost of a State or local program submitted hereunder if he determines, in accordance with such regulations as he may prescribe, that—

"(1) enrollees in the program will be employed either (A) on publicly owned and operated facilities or projects, or (B) on local projects sponsored by private nonprofit organizations, other than projects involving the construction, operation, or maintenance of so much of any facility used or to be used for sectarian instruction or as a place for religious worship;

"(2) the program will increase the employability of the enrollees by providing work experience and training in occupational skills or pursuits in classifications in which the Director finds there is a reasonable expectation of employment, or will enable student enrollees to resume or to maintain school attendance;

"(3) the program will permit or contribute to an undertaking or service in the public interest that would not otherwise be provided, or will contribute to the conservation, development, or management of the natural resources of the State or community or to the development, management, or protection of State or community recreational areas;

"(4) the program will not result in the displacement of employed workers or impair existing contracts for services;

"(5) the rates of pay and other conditions of employment will be appropriate and reasonable in the light of such factors as the type of work performed, geographical region, and proficiency of the employee;

"(6) to the maximum extent feasible, the program will be coordinated with vocational training and educational services adapted to the special needs of enrollees in such program and sponsored by State or local public educational agencies: *Provided, however,* That where such services are inadequate or unavailable, the program may make provision for the enlargement, improvement, development, and coordination of such services with the cooperation of, or where appropriate pursuant to agreement with, the Secretary of Health, Education, and Welfare; and

"(7) the program includes standards and procedures for the selection of applicants, including provisions assuring full coordination and cooperation with local and other authorities to encourage students to resume or maintain school attendance.

"(b) In approving projects under this part, the Director shall give priority to projects with high training potential.

"Enrollees in Program

"SEC. 114. (a) Participation in programs under this part shall be limited to young men and women who are permanent residents of the United States, who have attained age sixteen but have not attained age twenty-two, and whose participation in such programs will be consistent with the purposes of this part.

"(b) Enrollees shall be deemed not to be Federal employees and shall not be subject to the provisions of laws relating to Federal employment, including those relating to hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits.

"(c) Where appropriate to carry out the purposes of this Act, the Director may provide for testing, counseling, job development, and referral services to youths through public agencies or private nonprofit organizations.

"Limitations on Federal Assistance

"SEC. 115. Federal assistance to any program pursuant to this part paid for the period ending two years after the date of enactment of this Act, or June 30, 1966, whichever is later, shall not exceed 90 per centum of the costs of such program, including costs of administration, and such assistance paid for periods thereafter shall not exceed 50 per centum of such costs, unless the Director determines, pursuant to regulations adopted and promulgated by him establishing objective criteria for such determinations, that assistance in excess of such percentages is required in furtherance of the purposes of this part. Non-Federal contributions may be in cash or in kind, fairly evaluated, including but not limited to plant, equipment, and services.

"Equitable Distribution of Assistance

"SEC. 116. The Director shall establish criteria designed to achieve an equitable distribution of assistance under this part among the States. In developing such criteria, he shall consider among other relevant factors the ratios of population, unemployment, and family income levels. Not more than 12½ per centum of the sums appropriated or allocated for any fiscal year to carry out the purposes of this part shall be used within any one State.

"Part C—Work-study programs

"Statement of Purpose

"SEC. 121. The purpose of this part is to stimulate and promote the part-time employment of students in institutions of higher education who are from low-income families and are in need of the earnings from such employment to pursue courses of study at such institutions.

"Allotments to States

"SEC. 122. (a) From the sums appropriated to carry out this title for a fiscal year, the Director shall reserve the amount needed for making grants under section 123. Not to exceed 2 per centum of the amount so reserved shall be allotted by the Director among Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands and the Virgin Islands according to their respective needs for assistance under this part. The remainder of the sums so reserved shall be allotted among the States as provided in subsection (b).

"(b) Of the sums being allotted under this subsection—

"(1) one-third shall be allotted by the Director among the States so that the allotment to each State under this clause will be an amount which bears the same ratio to such one-third as the number of persons enrolled on a full-time basis in institutions of higher education in such State bears to the total number of persons enrolled on a full-time basis in institutions of higher education in all the States;

"(2) one-third shall be allotted by the Director among the States so that the allotment to each State under this clause will be an amount which bears the same ratio to such one-third as the number of high school graduates (as defined in section 103(d)(3) of the Higher Education Facilities Act of 1963) of such State bears to the total number of such high school graduates of all States; and

"(3) one-third shall be allotted by him among the States so that the allotment to each State under this clause will be an amount which bears the same ratio to such one-third as the number of related children under eighteen years of age living in families with annual incomes of less than $3,000 in such State bears to the number of related children under eighteen years of age living in families with annual incomes of less than $3,000 in all the States.

"(c) The amount of any State's allotment which has not been granted to an institution of higher education under section 123 at the end of the fiscal year for which appropriated shall be reallotted by the Director, in such manner as he determines will best assist in achieving the purposes of this Act. Amounts reallotted under this subsection shall be available for making grants under section 123 until the close of the fiscal year next succeeding the fiscal year for which appropriated.

"(d) For purposes of this section, the term 'State' does not include Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands.

"Grants for Work-Study Programs

"SEC. 123. The Director is authorized to enter into agreements with institutions of higher education (as defined by section 401(f) of the Higher Education Facilities Act of 1963 (Public Law 88-204)) under which the Director will make grants to such institutions to assist in the operation of work-study programs as hereinafter provided.

"Conditions of Agreements

"SEC. 124. An agreement entered into pursuant to section 123 shall—

"(a) provide for the operation by the institution of a program for the part-time employment of its students in work—

"(1) for the institution itself, or

"(2) for a public or private nonprofit organization when the position is obtained through an arrangement between the institution and such an organization and—

"(A) the work is related to the student's educational objective, or

"(B) such work (i) will be in the public interest and is work which would not otherwise be provided, (ii) will not result in the displacement of employed workers or impair existing contracts for services, and (iii) will be governed by such conditions of employment as will be appropriate and reasonable in light of such factors as the type of work performed, geographical region, and proficiency of the employee:

Provided, however, That no such work shall involve the construction, operation, or maintenance of so much of any facility used or to be used for sectarian instruction or as a place for religious worship;

"(b) provide that funds granted an institution of higher education, pursuant to section 123 may be used only to make payments to students participating in work-study programs, except that an institution may use a portion of the sums granted to it to meet administrative expenses, but the amount so used may not exceed 5 per centum of the payments made by the Director to such institution for that part of the work-study program in which students are working for public or nonprofit organizations other than the institution itself;

"(c) provide that employment under such work-study program shall be furnished only to a student who (1) is from a low-income family, (2) is in need of the earnings from such employment in order to pursue a course of study at such institution, (3) is capable, in the opinion of the institution, of maintaining good standing in such course of study while employed under the program covered by the agreement, and (4) has been accepted for enrollment as a full-time student at the institution or, in the case of a student already enrolled in and attending the institution, is in good standing and in full-time attendance there either as an undergraduate, graduate, or professional student;

"(d) provide that no student shall be employed under such work-study program for more than fifteen hours in any week in which classes in which he is enrolled are in session;

"(e) provide that in each fiscal year during which the agreement remains in effect, the institution shall expend (from sources other than payments under this part) for the employment of its students (whether or not in employment eligible for assistance under this part) an amount that is not less than its average annual expenditure for such employment during the three fiscal years preceding the fiscal year in which the agreement is entered into;

"(f) provide that the Federal share of the compensation of students employed in the work-study program in accordance with the agreement will not exceed 90 per centum of such compensation for work performed during the period ending two years after the date of enactment of this Act, or June 30, 1966, whichever is later, and 75 per centum thereafter;

"(g) include provisions designed to make employment under such work-study program, or equivalent employment offered or arranged for by the institution, reasonably available (to the extent of available funds) to all eligible students in the institution in need thereof; and

"(h) include such other provisions as the Director shall deem necessary or appropriate to carry out the purposes of this part.

"Sources of Matching Funds

"SEC. 125. Nothing in this part shall be construed as restricting the source (other than this part) from which the institution may pay its share of the compensation of a student employed under a work-study program covered by an agreement under this part.

"Equitable Distribution of Assistance

"SEC. 126. The Director shall establish criteria designed to achieve such distribution of assistance under this part among institutions of higher education within a State as will most effectively carry out the purposes of this Act.

"Part D—Authorization of appropriations

"SEC. 131. The Director shall carry out the programs provided for in this title during the fiscal year ending June 30, 1965, and the two succeeding fiscal years. For the purpose of carrying out this title, there is hereby authorized to be appropriated the sum of $412,500,000 for the fiscal year ending June 30, 1965; and for the fiscal year ending June 30, 1966, and the fiscal year ending June 30, 1967, such sums may be appropriated as the Congress may hereafter authorize by law.

"TITLE II—URBAN AND RURAL COMMUNITY ACTION PROGRAMS

"Part A—General community action programs

"Statement of Purpose

"SEC. 201. The purpose of this part is to provide stimulation and incentive for urban and rural communities to mobilize their resources to combat poverty through community action programs.

"Community Action Programs

"SEC. 202. (a) The term 'community action program' means a program—

"(1) which mobilizes and utilizes resources, public or private, of any urban or rural, or combined urban and rural, geographical area (referred to in this part as a 'community'), including but not limited to a State, metropolitan area, county, city, town, multicity unit, or multicounty unit in an attack on poverty;

"(2) which provides services, assistance, and other activities of sufficient scope and size to give promise of progress toward elimination of poverty or a cause or causes of poverty through developing employment opportunities, improving human performance, motivation, and productivity, or bettering the conditions under which people live, learn, and work;

"(3) which is developed, conducted, and administered with the maximum feasible participation of residents of the areas and members of the groups served; and

"(4) which is conducted, administered, or coordinated by a public or private nonprofit agency (other than a political party), or a combination thereof, with maximum feasible participation of public agencies and private nonprofit organizations primarily concerned with the community's problems of poverty.

"(b) The Director is authorized to prescribe such additional criteria for programs carried on under this part as he shall deem appropriate.

"Allotment to States

"SEC. 203. (a) From the sums appropriated to carry out this title for a fiscal year, the Director shall reserve the amount needed for carrying out sections 204 and 205. Not to exceed 2 per centum of the amount so reserved shall be allotted by the Director among Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands according to their respective needs for assistance under this part. Twenty per centum of the amount so reserved shall be allotted among the States as the Director shall determine. The remainder of the sums so reserved shall be allotted among the States as provided in subsection (b).

"(b) Of the sums being allotted under this subsection—

"(1) one-third shall be allotted by the Director among the States so that the allotment to each State under this clause will be an amount which bears the same ratio to such one-third as the number of public assistance recipients in such State bears to the total number of public assistance recipients in all the States;

"(2) one-third shall be allotted by him among the States so that the allotment to each State under this clause will be an amount which bears the same ratio to such one-third as the annual average number of persons unemployed in such State bears to the annual average number of persons unemployed in all the States; and

"(3) the remaining one-third shall be allotted by him among the States so that the allotment to each State under this clause will be an amount which bears the same ratio to such one-third as the number of related children under 18 years of age living in families with incomes of less than $1,000 in such State bears to the number of related children under 18 years of age living in families with incomes of less than $1,000 in all the States.

"(c) The portion of any State's allotment under subsection (a) for a fiscal year which the Director determines will not be required for such fiscal year for carrying out this part shall be available for reallotment from time to time, on such dates during such year as the Director may fix, to other States in proportion to their original allotments for such year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum which the Director estimates such State needs and will be able to use for such year for carrying out this part; and the total of such reductions shall be similarly reallotted among the States whose proportionate amounts are not so reduced. Any amount reallotted to a State under this subsection during a year shall be deemed part of its allotment under subsection (a) for such year.

"(d) For the purposes of this section, the term 'State' does not include Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands.

"Financial Assistance for Development of Community Action Programs

"SEC. 204. The Director is authorized to make grants to, or to contract with, appropriate public or private nonprofit agencies, or combinations thereof, to pay part or all of the costs of development of community action programs.

"Financial Assistance for Conduct and Administration of Community Action Programs

"SEC. 205. (a) The Director is authorized to make grants to, or to contract with, public or private nonprofit agencies, or combinations thereof, to pay part or all of the costs of community action programs which have been approved by him pursuant to this part, including the cost of carrying out programs which are components of a community action program and which are designed to achieve the purposes of this part. Such component programs shall be focused upon the needs of low-income individuals and families and shall provide expanded and improved services, assistance, and other activities, and facilities necessary in connection therewith. Such programs shall be conducted in those fields which fall within the purposes of this part including employment, job training and counseling, health, vocational rehabilitation, housing, home management, welfare, and special remedial and other noncurricular educational assistance for the benefit of low-income individuals and families.

"(b) No grant or contract authorized under this part may provide for general aid to elementary or secondary education in any school or school system.

"(c) In determining whether to extend assistance under this section the Director shall consider among other relevant factors the incidence of poverty within the community and within the areas or groups to be affected by the specific program or programs, and the extent to which the applicant is in a position to utilize efficiently and expeditiously the assistance for which application is made. In determining the incidence of poverty the Director shall consider information available with respect to such factors as: the concentration of low-income families, particularly those with children; the extent of persistent unemployment and underemployment; the number and proportion of persons receiving cash or other assistance on a needs basis from public agencies or private organizations; the number of migrant or transient low-income families; school dropout rates, military service rejection rates, and other evidences of low educational attainment; the incidence of disease, disability, and infant mortality; housing conditions; adequacy of community facilities and services; and the incidence of crime and juvenile delinquency.

"(d) In extending assistance under this section the Director shall give special consideration to programs which give promise of effecting a permanent increase in the capacity of individuals, groups, and communities to deal with their problems without further assistance.

"Technical Assistance

"Sec. 206. The Director is authorized to provide, either directly or through grants or other arrangements, (1) technical assistance to communities in developing, conducting, and administering community action programs, and (2) training for specialized personnel needed to develop, conduct, or administer such programs or to provide services or other assistance thereunder.

"Research, Training, and Demonstrations

"Sec. 207. The Director is authorized to conduct, or to make grants to or enter into contracts with institutions of higher education or other appropriate public agencies or private organizations for the conduct of, research, training, and demonstrations pertaining to the purposes of this part. Expenditures under this section in any fiscal year shall not exceed 15 per centum of the sums appropriated or allocated for such year to carry out the purposes of this part.

"Limitations on Federal Assistance

"Sec. 208. (a) Assistance pursuant to sections 204 and 205 paid for the period ending two years after the date of enactment of this Act, or June 30, 1966, whichever is later, shall not exceed 90 per centum of the costs referred to in those sections, respectively, and thereafter shall not exceed 50 per centum of such costs, unless the Director determines, pursuant to regulations adopted and promulgated by him establishing objective criteria for such determinations, that assistance in excess of such percentages is required in furtherance of the purposes of this part. Non-Federal contributions may be in cash or in kind, fairly evaluated, including but not limited to plant, equipment, and services.

"(b) The expenditures or contributions made from non-Federal sources for a community action program or component thereof shall be in addition to the aggregate expenditures or contributions from non-Federal sources which were being made for similar purposes prior to the extension of Federal assistance.

"Participation of State Agencies

"Sec. 209. (a) The Director shall establish procedures which will facilitate effective participation of the States in community action programs.

"(b) The Director is authorized to make grants to, or to contract with, appropriate State agencies for the payment of the expenses of such agencies in providing technical assistance to communities in developing, conducting, and administering community action programs.

"(c) In carrying out the provisions of title I and title II of this Act, no contract, agreement, grant, loan, or other assistance shall be made with, or provided to, any State or local public agency or any private institution or organization for the purpose of carrying out any program, project, or other activity within a State unless a plan setting forth such proposed contract, agreement, grant, loan, or other assistance has been submitted to the Governor of the State, and such plan has not been disapproved by him within thirty days of such submission: *Provided, however*, That this section shall not apply to contracts, grants, loans, or other assistance to any institution of higher education in existence on the date of the approval of this Act.

"Equitable Distribution of Assistance

"Sec. 210. The Director shall establish criteria designed to achieve an equitable distribution of assistance under this part within the States between urban and rural areas. In developing such criteria, he shall consider the relative numbers in the States or areas therein of: (1) low-income families, particularly those with children; (2) unemployed persons; (3) persons receiving cash or other assistance on a needs basis from public agencies or private organizations; (4) school dropouts; (5) adults with less than an eighth-grade education; and (6) persons rejected for military service.

"Preference for Components of Approved Programs

"Sec. 211. In determining whether to extend assistance under this Act, the Director shall, to the extent feasible, give preference to programs and projects which are components of a community action program approved pursuant to this part.

"Part B—Adult basic education programs

"Declaration of Purpose

"Sec. 212. It is the purpose of this part to initiate programs of instruction for individuals who have attained age eighteen and whose inability to read and write the English language constitutes a substantial impairment of their ability to get or retain employment commensurate with their real ability, so as to help eliminate such inability and raise the level of education of such individuals with a view to making them less likely to become dependent on others, improving their ability to benefit from occupational training and otherwise increasing their opportunities for more productive and profitable employment, and making them better able to meet their adult responsibilities.

"Grants to States

"Sec. 213. (a) From the sums appropriated to carry out this title, the Director shall make grants to States which have State plans approved by him under this section.

"(b) Grants under subsection (a) may be used, in accordance with regulations of the Director, to—

"(1) assist in establishment of pilot projects by local educational agencies, relating to instruction in public schools, or other facilities used for the purpose by such agencies, of individuals described in section 212, to (A) demonstrate, test, or develop modifications, or adaptations in the light of local needs, of special materials or methods for instruction of such individuals, (B) stimulate the development of local educational agency programs for instruction of such individuals in such schools or other facilities, and (C) acquire additional information concerning the materials or methods needed for an effective program for raising adult basic educational skills;

"(2) assist in meeting the cost of local educational agency programs for instruction of such individuals in such schools or other facilities; and

"(3) assist in development or improvement of technical or supervisory services by the State educational agency relating to adult basic education programs.

"State Plans

"Sec. 214. (a) The Director shall approve for purposes of this part the plan of a State which—

"(1) provides for administration thereof by the State educational agency;

"(2) provides that such agency will make such reports to the Director, in such form and containing such information, as may reasonably be necessary to enable the Director to perform his duties under this part and will keep such records and afford such access thereto as the Director finds necessary to assure the correctness and verification of such reports;

"(3) provides such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the State under this part (including such funds paid by the State to local educational agencies);

"(4) provides for cooperative arrangements between the State educational agency and the State health authority looking toward provision of such health information and services for individuals described in section 212 as may be available from such agencies and as may reasonably be necessary to enable them to benefit from the instruction provided under programs conducted pursuant to grants under this part; and

"(5) sets forth a program for use, in accordance with section 213(b), of grants under this part which affords assurance of substantial progress, within a reasonable period and with respect to all segments of the population and all areas of the State, toward elimination of the inability of adults to read and write English and toward substantially raising the level of education of individuals described in section 212.

"(b) The Director shall not finally disapprove any State plan submitted under this part, or any modification thereof, without first affording the State educational agency reasonable notice and opportunity for a hearing.

"Allotments

"Sec. 215. (a) From the sums allocated for grants to States under section 213 for any fiscal year, the Director shall reserve such amount, but not in excess of 2 per centum thereof, as he may determine, and shall allot such amount among Puerto Rico, Guam, American Samoa, and the Virgin Islands according to their respective needs for assistance under this part. The remainder of the sums so allocated for a fiscal year shall be allotted by the Director on the basis of the relative number of individuals in each State who have attained age eighteen and who have completed not more than five grades of school or have not achieved an equivalent level of education, as determined by the Director on the basis of the best and most recent information available to him, including any relevant data furnished to him by the Department of Commerce. The amount allotted to any State under the preceding sentence for any fiscal year which is less than $50,000 shall be increased to that amount, the total thereby required being derived by proportionately reducing the amount allotted to each of the remaining States under the preceding sentence, but with such adjustments as may be necessary to prevent the allotment of any of such remaining States from being thereby reduced to less than $50,000. For the purposes of this subsection, the term 'State' shall not include Puerto Rico, Guam, American Samoa, and the Virgin Islands.

"(b) The portion of any State's allotment under subsection (a) for a fiscal year which the Director determines will not be required, for the period such allotment is available, for carrying out the State plan (if any) approved under this part shall be available for reallotment from time to time, on such dates during such period as the Director may fix, to other States in proportion to the original allotments to such States under subsection (a) for such year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum which the Director estimates such State needs and will be able to use for such period for carrying out its State plan approved under this part; and the total of such reductions shall be similarly reallocated among the States whose proportionate amounts are not so reduced. Any amount reallotted to a State under this subsection during a year shall be deemed part of its allotment under subsection (a) for such year.

"(c) The allotment of any State under subsection (a) for the fiscal year ending June 30, 1965, shall, except to the extent reallotted under subsection (b), remain available until June 30, 1966, for obligation by such State for carrying out its State plan approved under this part.

"Payments

"SEC. 216. (a) From a State's allotment available for the purpose, the Federal share of expenditures, under its State plan, for the purposes set forth in section 213(b) shall be paid to such State. Such payments shall be made in advance on the basis of estimates by the Director; and may be made in such installments as the Director may determine, after making appropriate adjustments to take account of previously made overpayments or underpayments: except that no such payments shall be made for any fiscal year unless the Director finds that the amount available for expenditures for adult basic educational programs and services from State sources for such year will be not less than the amount expended for such purposes from such sources during the preceding fiscal year.

"(b) For the fiscal year ending June 30, 1965, and the fiscal year ending June 30, 1966, the Federal share for each State shall be 90 per centum. For the succeeding fiscal year the Federal share for any State shall be 50 per centum.

"Operation of State Plans; Hearing and Judicial Review

"SEC. 217. (a) Whenever the Director, after reasonable notice and opportunity for hearing to the State educational agency administering a State plan approved under this part, finds that—

"(1) the State plan has been so changed that it no longer complies with the provisions of section 214, or

"(2) in the administration of the plan there is a failure to comply substantially with any such provision,

the Director shall notify such State agency that no further payments will be made to the State under this part (or in his discretion, that further payments to the State will be limited to programs under or portions of the State plan not affected by such failure), until he is satisfied that there will no longer be any failure to comply. Until he is so satisfied, no further payments may be made to such State under this part (or payments shall be limited to programs under or portions of the State plan not affected by such failure).

"(b) A State educational agency dissatisfied with a final action of the Director under section 214 or subsection (a) of this section may appeal to the United States court of appeals for the circuit in which the State is located by filing a petition with such court within sixty days after such final action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Director, or any officer designated by him for that purpose. The Director thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code. Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Director or to set it aside, in whole or in part, temporarily or permanently, but until the filing of the record, the Director may modify or set aside his order. The findings of the Director as to the facts, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may remand the case to the Director to take further evidence, and the Director may thereupon make new or modified findings of fact and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence. The judgment of the court affirming or setting aside, in whole or in part, any action of the Director shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code. The commencement of proceedings under this subsection shall not, unless so specifically ordered by the court, operate as a stay of the Director's action.

"Miscellaneous

"SEC. 218. For purposes of this part—

"(1) the term 'State educational agency' means the State board of education or other agency or officer primarily responsible for the State supervision of public elementary and secondary schools, or, if different, the agency or officer primarily responsible for supervision of adult basic education in public schools, whichever may be designated by the Governor or by State law, or if there is no such agency or officer, an agency or officer designated by the Governor or by State law;

"(2) the term 'local educational agency' means a board of education or other legally constituted local school authority having administrative control and direction of public elementary or secondary schools in a city, county, township, school district, or political subdivision in a State, except that if there is a separate board or other legally constituted local authority having administrative control and direction of adult basic education in public schools therein, it means such other board or authority.

"Part C—Voluntary assistance program for needy children

"Statement of Purpose

"SEC. 219. The purpose of this part is to allow individual Americans to participate in a personal way in the war on poverty, by voluntarily assisting in the support of one or more needy children, in a program coordinated with city or county social welfare agencies.

"Authority To Establish Information Center

"SEC. 220. (a) In order to carry out the purposes of this part, the Director is authorized to establish a section within the Office of Economic Opportunity to act as an information and coordination center to encourage voluntary assistance for deserving and needy children. Such section shall collect the names of persons who voluntarily desire to assist financially such children and shall secure from city or county social welfare agencies such information concerning deserving and needy children as the Director shall deem appropriate.

"(b) It is the intent of the Congress that the section established pursuant to this part shall act solely as an information and coordination center and that nothing in this part shall be construed as interfering with the jurisdiction of State and local welfare agencies with respect to programs for needy children.

"Part D—Authorization of appropriations

"SEC. 221. The Director shall carry out the programs provided for in this title during the fiscal year ending June 30, 1965, and the two succeeding fiscal years. For the purpose of carrying out this title, there is hereby authorized to be appropriated the sum of $340,000,000 for the fiscal year ending June 30, 1965; and for the fiscal year ending June 30, 1966, and the fiscal year ending June 30, 1967, such sums may be appropriated as the Congress may hereafter authorize by law.

"TITLE III—SPECIAL PROGRAMS TO COMBAT POVERTY IN RURAL AREAS

"Statement of Purpose

"SEC. 301. It is the purpose of this title to meet some of the special problems of rural poverty and thereby to raise and maintain the income and living standards of low-income rural families and migrant agricultural employees and their families.

"Part A—Authority to make grants and loans

"SEC. 302. (a) The Director is authorized to make—

"(1) loans of not to exceed $1,500 to low-income rural families where, in the judgment of the Director, such loans have a reasonable possibility of effecting a permanent increase in the income of such families by assisting or permitting them to—

"(A) acquire or improve real estate or reduce encumbrances or erect improvements thereon,

"(B) operate or improve the operations of farms not larger than family sized, including but not limited to the purchase of feed, seed, fertilizer, livestock, poultry, and equipment, or

"(C) participate in cooperative associations; and

"(2) loans to such families, having a maximum maturity of fifteen years and in amounts not exceeding $2,500 in the aggregate to any family at any one time, to finance nonagricultural enterprises which will enable such families to supplement their income.

"(b) Loans under this section shall be made only if the family is not qualified to obtain such funds by loan under other Federal programs. The Director may reduce or release obligations resulting from a loan made under this section if he finds that the debtor has attempted in good faith to comply with his loan obligations and that either the objective for which the loan was made will likely not be achieved or the indebtedness exceeds the debtor's reasonable payment ability.

"Cooperative Associations

"SEC. 303. The Director is authorized to make loans to local cooperative associations furnishing essential processing, purchasing, or marketing services, supplies, or facilities predominantly to low-income rural families.

"Limitations on Assistance

"SEC. 304. No financial or other assistance shall be provided under this part unless the Director determines that—

"(a) the providing of such assistance will materially further the purposes of this part, and

"(b) in the case of assistance provided pursuant to section 303, the applicant is fulfilling or will fulfill a need for services, facilities, or activities which is not otherwise being met.

"Loan Terms and Conditions

"SEC. 305. Loans pursuant to sections 302 and 303 shall have such terms and conditions as the Director shall determine, subject to the following limitations:

"(a) there is reasonable assurance of repayment of the loan;

"(b) the credit is not otherwise available on reasonable terms from private sources or other Federal, State, or local programs;

"(c) the amount of the loan, together with other funds available, is adequate to assure completion of the project or achievement of the purposes for which the loan is made;

"(d) the loan bears interest at a rate not less than (1) a rate determined by the Secretary of the Treasury, taking into consideration the average market yield on outstanding Treasury obligations of comparable maturity, plus (2) such additional charge, if any, toward covering other costs of the program as the Director may determine to be consistent with its purposes;

"(e) with respect to loans made pursuant to section 303, the loan is repayable within not more than thirty years; and

"(f) no financial or other assistance shall be provided under this part to or in connection with any corporation or cooperative organization for the production of agricultural commodities or for manufacturing purposes.

"Part B—Assistance for migrant agricultural employees and their families

"SEC. 311. The Director shall develop and implement as soon as practicable a program to assist the States, political subdivisions of States, public and nonprofit agencies, institutions, organizations, farm associations, or individuals in establishing and operating programs of assistance for migrant agricultural employees and their families which programs shall be limited to housing, sanitation, education, and day care of children. Institutions, organizations, farm associations, or individuals shall be limited to direct loans.

"Part C—Authorization of appropriations

"SEC. 321. The Director shall carry out the program provided for in this title during the fiscal year ending June 30, 1965, and the two succeeding fiscal years. For the purpose of carrying out this title, there is hereby authorized to be appropriated the sum of $35,000,000 for the fiscal year ending June 30, 1965; and for the fiscal year ending June 30, 1966, and for the fiscal year ending June 30, 1967, such sums may be appropriated as the Congress may hereafter authorize by law. Not to exceed $15,000,000 of the funds appropriated under other titles of this Act for the fiscal year ending June 30, 1965, may also be utilized for the purposes of part B of this title.

"Part D—Indemnity payments to dairy farmers

"SEC. 331. (a) The Secretary of Agriculture is authorized to make indemnity payments, at a fair market value, to dairy farmers who have been directed since January 1, 1964, to remove their milk from commercial markets because it contained residues of chemicals registered and approved for use by the Federal Government at the time of such use. Such indemnity payments shall continue to each dairy farmer until he has been reinstated and is again allowed to dispose of his milk on commercial markets.

"(b) There is hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

"(c) The authority granted under this section shall expire on January 31, 1965.

"TITLE IV—EMPLOYMENT AND INVESTMENT INCENTIVES

"State of Purpose

"SEC. 401. It is the purpose of this title to assist in the establishment, preservation, and strengthening of small business concerns and improve the managerial skills employed in such enterprises; and to mobilize for these objectives private as well as public managerial skills and resources.

"Loans, Participations, and Guaranties

"SEC. 402. The Director is authorized to make, participate (on an immediate basis) in, or guarantee loans, repayable in not more than fifteen years, to any small business concern (as defined in section 3 of the Small Business Act (15 U.S.C. 632) and regulations issued thereunder), or to any qualified person seeking to establish such a concern, when he determines that such loans will assist in carrying out the purposes of this title, with particular emphasis on employment of the long-term unemployed: *Provided, however,* That no such loans shall be made, participated in, or guaranteed if the total of such Federal assistance to a single borrower outstanding at any one time would exceed $25,000. The Director may defer payments on the principal of such loans for a grace period and use such other methods as he deems necessary and appropriate to assure the successful establishment and operation of such concern. The Director may, in his discretion, as a condition of such financial assistance, require that the borrower take steps to improve his management skills by participating in a management training program approved by the Director. The Director shall encourage, as far as possible, the participation of the private business community in the program of assistance to such concerns.

"Coordination With Community Action Programs

"SEC. 403. No financial assistance shall be provided under section 402 in any community for which the Director has approved a community action program pursuant to title II of this Act unless such financial assistance is determined by him to be consistent with such program.

"Financing Under Small Business Act

"SEC. 404. Such lending and guaranty functions under this title as may be delegated to the Small Business Administration may be financed with funds appropriated to the revolving fund established by section 4(c) of the Small Business Act (15 U.S.C. 633(c)) for the purposes of sections 7(a), 7(b), and 8(a) of that Act (15 U.S.C. 636(a), 636(b), 637 (a)).

"Loan Terms and Conditions

"SEC. 405. Loans made pursuant to section 402 (including immediate participations in and guaranties of such loans) shall have such terms and conditions as the Director shall determine, subject to the following limitations—

"(a) there is reasonable assurance of repayment of the loan;

"(b) the financial assistance is not otherwise available on reasonable terms from private sources or other Federal, State, or local programs;

"(c) the amount of the loan, together with other funds available, is adequate to assure completion of the project or achievement of the purposes for which the loan is made:

"(d) the loan bears interest at a rate not less than (1) a rate determined by the Secretary of the Treasury, taking into consideration the average market yield on outstanding Treasury obligations of comparable maturity, plus (2) such additional charge, if any, toward covering other costs of the program as the Director may determine to be consistent with its purposes: *Provided, however,* That the rate of interest charged on loans made in redevelopment areas designated under the Area Redevelopment Act (42 U.S.C. 2501 et seq.) shall not exceed the rate currently applicable to new loans made under section 6 of that Act (42 U.S.C. 2505); and

"(e) fees not in excess of amounts necessary to cover administrative expenses and probable losses may be required on loan guaranties.

"Limitation on Financial Assistance

"SEC. 406. No financial assistance shall be extended pursuant to this title where the Director determines that the assistance will be used in relocating establishments from one area to another or in financing subcontractors to enable them to undertake work theretofore performed in another area by other subcontractors or contractors.

"Duration of Program

"SEC. 407. The Director shall carry out the programs provided for in this title during the fiscal year ending June 30, 1965, and the two succeeding fiscal years.

"TITLE V—WORK EXPERIENCE PROGRAMS

"Statement of Purpose

"SEC. 501. It is the purpose of this title to expand the opportunities for constructive work experience and other needed training available to persons who are unable to support or care for themselves or their families. In carrying out this purpose, the Director shall make maximum use of the programs available under the Manpower Development and Training Act of 1962, as amended, and Vocational Education Act of 1963.

"Payments for Experimental, Pilot, and Demonstration Projects

"SEC. 502. In order to stimulate the adoption of programs designed to help unemployed fathers and other needy persons to secure and retain employment or to attain or retain capability for self-support or personal independence, the Director is authorized to transfer funds appropriated or allocated to carry out the purposes of this title to the Secretary of Health, Education, and Welfare to enable him to make payments for experimental, pilot, or demonstration projects under section 1115 of the Social Security Act (42 U.S.C. 1315), subject to the limitations contained in section 409(a) (1) to (6), inclusive, of such Act (42 U.S.C. 609 (a)(1)–(6)), in addition to the sums otherwise available pursuant thereto. The costs of such projects to the United States for the fiscal year ending June 30, 1965, shall, notwithstanding the provisions of such Act, be met entirely from funds appropriated or allocated to carry out the purposes of this title.

"Authorization of Appropriations

"SEC. 503. The Director shall carry out the programs provided for in this title during the fiscal year ending June 30, 1965, and the two succeeding fiscal years. For the purpose of carrying out this title, there is hereby authorized to be appropriated the sum of $150,000,000 for the fiscal year ending June 30, 1965; and for the fiscal year ending June 30, 1966, and the fiscal year ending June 30, 1967, such sums may be appropriated as the Congress may hereafter authorize by law.

"TITLE VI—ADMINISTRATION AND COORDINATION

"Part A—Administration

"Office of Economic Opportunity

"SEC. 601. (a) There is hereby established in the Executive Office of the President the Office of Economic Opportunity. The Office shall be headed by a Director who shall be appointed by the President, by and with the advice and consent of the Senate. There shall also be in the Office one Deputy Director and three Assistant Directors who shall be appointed by the President, by and with the advice and consent of the Senate. The Deputy Director and the Assistant Directors shall perform such functions as the Director may from time to time prescribe.

"(b) Notwithstanding the provisions of section 5(b) of the Reorganization Act of 1949 (5 U.S.C. 133z–3(b)), at any time after one year from the date of enactment hereof the President may, by complying with the procedures established by that Act, provide for the transfer of the Office from the Executive Office of the President and for its establishment elsewhere in the executive branch as he deems appropriate.

"(c) The compensation of the Director of the Office of Economic Opportunity shall be fixed by the President at a rate not in excess of the annual rate of compensation payable to the Director of the Bureau of the Budget.

"(d) The compensation of the Deputy Director of the Office of Economic Opportunity shall be fixed by the President at a rate not in excess of the annual rate of compensation payable to the Deputy Director of the Bureau of the Budget.

"(e) The compensation of the Assistant Directors of the Office of Economic Opportunity shall be fixed by the President at a rate not in excess of the annual rate of compensation payable to the Assistant Secretaries of the Executive Departments.

"Authority of Director

"Sec. 602. In addition to the authority conferred upon him by other sections of this Act, the Director is authorized, in carrying out his functions under this Act, to—

"(a) appoint in accordance with the civil service laws such personnel as may be necessary to enable the Office to carry out its functions, and, except as otherwise provided herein, fix their compensation in accordance with the Classification Act of 1949 (5 U.S.C. 1071 et seq.);

"(b) employ experts and consultants or organizations thereof as authorized by section 15 of the Administrative Expenses Act of 1946 (5 U.S.C. 55a), compensate individuals so employed at rates not in excess of $100 per diem, including travel time, and allow them, while away from their homes or regular places of business, travel expenses (including per diem in lieu of subsistence) as authorized by section 5 of such Act (5 U.S.C. 73b–2) for persons in the Government service employed intermittently, while so employed: *Provided, however*, That contracts for such employment may be renewed annually;

"(c) appoint, without regard to the civil service laws, one or more advisory committees composed of such private citizens and officials of the Federal, State, and local governments as he deems desirable to advise him with respect to his functions under this Act; and members of such committees (including the National Advisory Council established in section 605), other than those regularly employed by the Federal Government, while attending meetings of such committees or otherwise serving at the request of the Director, shall be entitled to receive compensation and travel expenses as provided in subsection (b) with respect to experts and consultants;

"(d) with the approval of the President, arrange with and reimburse the heads of other Federal agencies for the performance of any of his functions under this Act and, as necessary or appropriate, delegate any of his powers under this Act and authorize the redelegation thereof;

"(e) utilize, with their consent, the services and facilities of Federal agencies without reimbursement, and, with the consent of any State or a political subdivision of a State, accept and utilize the services and facilities of the agencies of such State or subdivision without reimbursement;

"(f) accept in the name of the Office, and employ or dispose of in furtherance of the purposes of this Act, or of any title thereof, any money or property, real, personal, or mixed, tangible or intangible, received by gift, devise, bequest, or otherwise;

"(g) accept voluntary and uncompensated services, notwithstanding the provisions of section 3679(b) of the Revised Statutes (31 U.S.C. 665(b));

"(h) allocate and expend, or transfer to other Federal agencies for expenditure, funds made available under this Act as he deems necessary to carry out the provisions hereof, including (without regard to the provisions of section 4774(d) of title 10, United States Code) expenditure for construction, repairs, and capital improvements;

"(i) disseminate, without regard to the provisions of section 4154 of title 39, United States Code, data and information, in such form as he shall deem appropriate, to public agencies, private organizations, and the general public;

"(j) adopt an official seal, which shall be judicially noticed;

"(k) notwithstanding any other provision of law relating to the acquisition, handling, or disposal of real or personal property by the United States, deal with, complete, rent, renovate, modernize, or sell for cash or credit at his discretion any properties acquired by him in connection with loans, participations, and guaranties made by him pursuant to titles II and IV of this Act;

"(l) collect or compromise all obligations to or held by him and all legal or equitable rights accruing to him in connection with the payment of obligations until such time as such obligations may be referred to the Attorney General for suit or collection;

"(m) expend, without regard to the provisions of any other law or regulation, funds made available for purposes of this Act (1) for printing and binding, and (2) for rent of buildings and space in buildings and for repair, alteration, and improvement of buildings and space in buildings rented by him; but the Director shall not utilize the authority contained in this clause (A) except when necessary in order to obtain an item, service, or facility, which is required in the proper administration of this Act, and which otherwise could not be obtained, or could not be obtained in the quantity or quality needed, or at the time, in the form, or under the conditions in which, it is needed, and (B) prior to having given written notification to the Administrator of General Services (if the exercise of such authority would affect an activity which otherwise would be under the jurisdiction of the General Services Administration) or the Chairman of the Joint Committee on Printing (if the exercise of such authority would affect an activity which otherwise would be under the jurisdiction of such Committee) of his intention to exercise such authority, the item, service, or facility with respect to which such authority is proposed to be exercised, and the reasons and justifications for the exercise of such authority; and

"(n) establish such policies, standards, criteria, and procedures, prescribe such rules and regulations, enter into such contracts and agreements with public agencies and private organizations and persons, make such payments (in lump sum or installments, and in advance or by way of reimbursement, and in the case of grants, with necessary adjustments on account of overpayments or underpayments), and generally perform such functions and take such steps as he may deem to be necessary or appropriate to carry out the provisions of this Act.

"Volunteers in Service to America

"Sec. 603. (a) The Director is authorized to recruit, select, train, and—

"(1) upon request of State or local agencies or private nonprofit organizations, refer volunteers to perform duties in furtherance of programs combating poverty at a State or local level; and

"(2) in cooperation with other Federal, State, or local agencies involved, assign volunteers to work (A) in meeting the health, education, welfare, or related needs of Indians living on reservations, of migratory workers and their families, or of residents of the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, or the Trust Territory of the Pacific Islands; (B) in the care and rehabilitation of the mentally ill or mentally retarded under treatment at nonprofit mental health or mental retardation facilities assisted in their construction or operation by Federal funds; and (C) in furtherance of programs or activities authorized or supported under title I or II of this Act.

"(b) The referral or assignment of volunteers shall be on such terms and conditions as the Director may determine, but volunteers shall not be referred or assigned to duties or work in any State without the consent of the Governor.

"(c) The Director is authorized to provide to all volunteers during training and to volunteers assigned pursuant to subsection (a)(2) such stipend, not to exceed $50 per month, such living, travel, and leave allowances, and such housing, transportation (including travel to and from the place of training), supplies, equipment, subsistence, clothing, and health and dental care as the Director may deem necessary or appropriate for their needs.

"(d) Volunteers shall be deemed not to be Federal employees and shall not be subject to the provisions of laws relating to Federal employment, including those relating to hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits, except that all volunteers during training and such volunteers as are assigned pursuant to subsection (a)(2) shall be deemed Federal employees to the same extent as enrollees of the Corps under section 106 (b), (c), and (d) of this Act.

"Economic Opportunity Council

"Sec. 604. (a) There is hereby established an Economic Opportunity Council, which shall consult with and advise the Director in carrying out his functions, including the coordination of antipoverty efforts by all segments of the Federal Government.

"(b) The Council shall include the Director, who shall be Chairman, the Secretary of Defense, the Attorney General, the Secretaries of the Interior, Agriculture, Commerce, Labor, and Health, Education, and Welfare, the Housing and Home Finance Administrator, the Administrator of the Small Business Administration, the Chairman of the Council of Economic Advisers, the Director of Selective Service, and such other agency heads as the President may designate, or delegates thereof.

"National Advisory Council

"Sec. 605. There is hereby established in the Office a National Advisory Council. The Council shall be composed of the Director, who shall be Chairman, and not more than fourteen additional members appointed by the President, without regard to the civil service laws, who shall be representative of the public in general and appropriate fields of endeavor related to the purposes of this Act. Upon the request of the Director, the Council shall review the operations and activities of the Office, and shall make such recommendations with respect thereto as are appropriate. The Council shall meet at least once each year and at such other times as the Director may request.

"Revolving Fund

"Sec. 606. (a) To carry out the lending and guaranty functions authorized under titles III and IV of this Act, there is authorized to be established a revolving fund. The capital of the fund shall consist of such amounts as may be advanced to it by the

Director from funds appropriated pursuant to section 321 and shall remain available until expended.

"(b) The Director shall pay into miscellaneous receipts of the Treasury, at the close of each fiscal year, interest on the capital of the fund at a rate determined by the Secretary of the Treasury, taking into consideration the average market yield on outstanding Treasury obligations of comparable maturity during the last month of the preceding fiscal year. Interest payments may be deferred with the approval of the Secretary of the Treasury, but any interest payments so deferred shall themselves bear interest.

"(c) Whenever any capital in the fund is determined by the Director to be in excess of current needs, such capital shall be credited to the appropriations from which advanced, where it shall be held for future advances.

"(d) Receipts from any lending and guaranty operations under this Act (except operations under title IV carried on by Small Business Administration) shall be credited to the fund. The fund shall be available for the payment of all expenditures to the Director for loans, participations, and guaranties authorized under titles III and IV of this Act.

"Labor Standards

SEC. 607. All laborers and mechanics employed by contractors or subcontractors in the construction, alteration or repair, including painting and decorating of projects, buildings and works which are federally assisted under this Act shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a—276a-5). The Secretary of Labor shall have, with respect to such labor standards, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267; 5 U.S.C. 133—133z-15), and section 2 of the Act of June 13, 1934, as amended (48 Stat. 948, as amended; 40 U.S.C. 276(c)).

"Reports

"SEC. 608. Not later than one hundred and twenty days after the close of each fiscal year, the Director shall prepare and submit to the President for transmittal to the Congress a full and complete report on the activities of the Office during such year.

"Definitions

"SEC. 609. As used in this Act:

"(a) The term 'State' means a State, the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, or the Virgin Islands, and for purposes of title I and part A of title II such term includes the Trust Territory of the Pacific Islands; and the term 'United States', when used in a geographical sense, includes the foregoing and all other places, continental or insular, including the Trust Territory of the Pacific Islands, subject to the jurisdiction of the United States.

"(b) The term 'agency', unless the context requires otherwise, means department, agency, or other component of a Federal, State, or local governmental entity.

"(c) The term 'family,' in the case of a Job Corps enrollee, means—

"(1) the spouse or child of an enrollee, and

"(2) any other relative who draws substantial support from the enrollee.

"Part B—Coordination of antipoverty programs

"Coordination

"SEC. 611. (a) In order to insure that all Federal programs related to the purposes of this Act are carried out in a coordinated manner—

"(1) the Director is authorized to call upon other Federal agencies to supply such statistical data, program reports and other materials as he deems necessary to discharge his responsibilities under this Act, and to assist the President in coordinating the antipoverty efforts of all Federal agencies;

"(2) Federal agencies which are engaged in administering programs related to the purposes of this Act, or which otherwise perform functions relating thereto, shall—

"(A) cooperate with the Director in carrying out his duties and responsibilities under this Act; and

"(B) carry out their programs and exercise their functions in such manner as will, to the maximum extent permitted by other applicable law, assist in carrying out the purposes of this Act; and

"(3) the President may direct that particular programs and functions, including the expenditure of funds, of the Federal agencies referred to in paragraph (2) shall be carried out, to the extent not inconsistent with other applicable law, in conjunction with or in support of programs authorized under this Act.

"(b) In order to insure that all existing Federal agencies are utilized to the maximum extent possible in carrying out the purposes of this Act, no funds appropriated to carry out this Act shall be used to establish any new department or office when the intended function is being performed by an existing department or office.

"Preference to Community Action Programs

"SEC. 612. To the extent feasible and consistent with the provisions of law governing any Federal program and with the purposes of this Act, the head of each Federal agency administering any Federal program is directed to give preference to any application for assistance or benefits which is made pursuant to or in connection with a community action program approved pursuant to title II of this Act.

"Information Center

"SEC. 613. In order to insure that all Federal programs related to the purposes of this Act are utilized to the maximum extent possible, and to insure that information concerning such programs and other relevant information is readily available in one place to public officials and other interested persons, the Director is authorized as he deems appropriate to collect, prepare, analyze, correlate, and distribute such information, either free of charge or by sale at cost (any funds so received to be deposited to the Director's account as an offset to such cost), and make arrangements and pay for any printing and binding without regard to the provisions of any other law or regulation.

"Prohibition of Federal Control

"SEC. 614. Nothing contained in this Act shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over the curriculum, program of instruction, administration, or personnel of any educational institution or school system.

"Authorization of Appropriations

"SEC. 615. The Director shall carry out the programs provided for in this title during the fiscal year ending June 30, 1965, and the two succeeding fiscal years. For the purpose of carrying out this title (other than for purposes of making credits to the revolving fund established by section 606(a)), there is hereby authorized to be appropriated the sum of $10,000,000 for the fiscal year ending June 30, 1965; and for the fiscal year ending June 30, 1966, and the fiscal year ending June 30, 1967, such sums may be appropriated as the Congress may hereafter authorize by law.

"TITLE VII—TREATMENT OF UNEMPLOYMENT COMPENSATION BENEFITS AND INCOME FOR CERTAIN PUBLIC ASSISTANCE PURPOSES

"Unemployment Compensation

"SEC. 701. (a) No individual who otherwise is entitled, under title XV of the Social Security Act or the unemployment compensation law of any State, to any unemployment benefit shall be denied such benefit, or have such benefit reduced, solely because he or any other person participated in any work, training, or other activity, provided by any program established by, pursuant to, or assisted under, title I or II of this Act.

"(b) No individual shall be denied participation in any work, training, or other activity provided by any program established by, pursuant to, or assisted under, title I or II of this Act solely because he, or any other person, receives, or is entitled to receive, any benefit under any unemployment compensation law.

"Public Assistance

"SEC. 702. (a) Notwithstanding the provisions of titles I, IV, X, XIV, and XVI of the Social Security Act, a State plan approved under any such title shall provide that—

"(1) the first $85 plus one-half of the excess over $85 of payments made to or on behalf of any person for or with respect to any month under title I or II of this Act or any program assisted under such title shall not be regarded (A) as income or resources of such person in determining his need under such approved State plan, or (B) as income or resources of any other individual in determining the need of such other individual under such approved State plan;

"(2) no payments made to or on behalf of any person for or with respect to any month under such title or any such program shall be regarded as income or resources of any other individual in determining the need of such other individual under such approved State plan except to the extent made available to or for the benefit of such other individual; and

"(3) no grant made to any family under title III of this Act shall be regarded as income or resources of such family in determining the need of any member thereof under such approved State plan.

"(b) No funds to which a State is otherwise entitled under title I, IV, X, XIV, or XVI of the Social Security Act for any period before July 1, 1965, shall be withheld by reason of any action taken pursuant to a State statute which prevents such State from complying with the requirements of subsection (a)."

Mr. FRELINGHUYSEN. I thank the gentleman from Georgia. I am sorry that I had to take 5 minutes of our precious time to get this concession.

Mr. LANDRUM. Mr. Chairman, I will see that the gentleman from New Jersey gets an exact copy of it.

Mr. FRELINGHUYSEN. My request was not that the gentleman from New Jersey have it, but that every Member of the House have it and that it be incorporated in the RECORD.

Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. RICH].

Mr. RICH. Mr. Chairman, it has been estimated that the antipoverty bill will provide for the expenditure of some $947½ million for the first year of its operation and that this will merely be the start of the expenditure of many billions of dollars in the years ahead. I thought it might be of interest to you, my colleagues, to think back and contemplate the cost of the Work Projects Administration and the Public Works Administration programs some years ago, and while I realize that in the intervening years inflationary processes have changed our financial status, yet this dollar-to-dollar comparison is the only one we can make.

Work Projects Administration: The Works Progress Administration was created by Executive Order No. 7034 of May 6, 1935, under authority of the Emergency Relief Appropriation Act of 1935. Its primary purpose was to carry on a program of public works projects in cooperation with State and local authorities and to assist the unemployed by providing work opportunities on such projects. Reorganization Plan No. 1, which became effective on July 1, 1939, provided that the Works Progress Administration should be incorporated into the Federal Works Agency and its name changed to the Work Projects Administration. In a letter from the President to the Federal Works Agency Administrator on December 4, 1942, liquidation of this program was authorized.

In the "Final Report on the WPA Program," issued by the Federal Works Agency, the total cost of WPA operations for the 8-year period from 1935 through 1943 are reported as amounting to $10,750,500,969. Of this total, $10,568,796,592 was spent by the WPA and $181,705,000 was disbursed by other Federal agencies cooperating in this program.

Public Works Administration: The National Industrial Recovery Act of June 16, 1933, provided for the creation of the Federal Emergency Administration of Public Works. Although, even in its early years, this agency was known as the Public Works Administration, it was not until July 1, 1939, that it was officially designated as such. Reorganization Plan No. 1, which became effective on July 1, 1939, consolidated the Federal Emergency Administration of Public Works into the Federal Works Agency to be administered as the Public Works Administration. PWA was scheduled to expire on June 30, 1942, under authority of the Public Works Administration Appropriation Act of 1938. Its life was later extended to June 30, 1943, by the Independent Offices Appropriation Act for the fiscal year 1943.

The work of this agency essentially was to encourage the construction of useful public works as a means of alleviating the problem of unemployment and stimulating economic recovery. It was authorized to develop long-range plans for a comprehensive program of public works projects which would include the construction, repair and improvement of highways, parkways, public buildings and other facilities. It was also empowered to extend loans and grants to States, municipalities and other public agencies for non-Federal projects and to finance the construction of certain Federal public works projects.

We have not been able to find in the Library of Congress a report which gives a final summary of the accomplishments of the Public Works Administration. However, in the "Third Annual Report of the Federal Works Agency for 1942," the following data were found which give some indication of the total cost of operations of this program through June 30, 1942:

Number of projects	34,524
Estimated total cost	$6,128,757,391
Total disbursements	$4,156,387,170
Loans	$3,346,059,543
Grants	$810,327,627

In a similar report made for the following year it was reported that an additional $31,878,966 had been spent during the fiscal year 1943. This report also disclosed that 97 projects yet remained incomplete involving a total cost of $274,976,593.

It is apparent, therefore, that the expenditures contemplated by this Congress in times of prosperity will far exceed those expenditures authorized by the Congress during the Nation's worst depression in the 1930's and its aftermath in the early 1940's. I am sure that all of us earnestly seek prosperity and good times for our country and that all Americans agree that persons who are truly needy should be protected and provided for. Yet, I wonder if this program, so highly recommended by the administration, is the best one for attaining our goals. We should, and must, learn by the lessons of the past. In my humble opinion, it seems to me that this Congress should hesitate before the adoption of such a staggering financial program in an effort to make sure that we are going in the right direction. Adding financial burden upon financial burden really does not seem the clear path to stability, prosperity and a continuing progression of a sound economy.

Mr. FRELINGHUYSEN. Mr. Chairman, I yield such time as he may consume to the gentleman from Ohio [Mr. AYRES].

Mr. AYRES. Mr. Chairman, H.R. 12040 will be offered or a substitute in the exact form printed below:

H.R. 12040

A bill to establish a National Human Resources Development Commission

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Human Resources Development Act of 1964".

FINDINGS AND DECLARATIONS OF PURPOSE

SECTION 1. Through the economic system of free enterprise, nurtured under a free society in which the powers of government are limited and decentralized so as to encourage maximum participation and responsibility on the part of individual citizens, the economic and social well-being of the United States have progressed to a level unequaled in world history. The opportunities for personal advancement and the benefits of widespread prosperity, although far exceeding that available to the citizens of any other nation, are unavailable to some citizens of the United States because of their lack of education, lack of training in marketable skills, location in areas afflicted by long-term economic dislocation, or condition of dependency due to social conditions over which they have little control.

It has always been the policy of the United States, implemented by numerous Acts of the Congress and of State and local governments, to foster a society in which every person who is willing to work has the opportunity to live in decency and dignity. In order to more fully effectuate that policy, the Congress finds it necessary:

(1) To review the scope, cost, and effectiveness of all existing programs presently maintained or assisted by the Federal Government to combat the causes and effects of poverty in the United States;

(2) To examine into and analyze the underlying causes of poverty in the United States, including but not limited to the factors of mental and physical capability, industrial dislocation, geographical immobility, lack of proper education and training, and unemployment;

(3) To define those areas of unmet community and individual needs to which new programs need be directed or established programs redirected to more effectively deal with the causes and effects of poverty in the United States;

(4) To assess the most effective means of meeting the problems of poverty in a manner designed to accomplish the maximum degree of self-sufficiency and the minimum degree of dependency among our citizens; and

(5) To recommend specific administrative and legislative action which should be taken by the Federal, State, and/or local governments in meeting their responsibilities to effectively overcome the causes and effects of poverty in the United States.

SEC. 2. In order to carry out the objectives of this Act there is hereby established the National Human Resources Development Commission, hereinafter referred to as the "Commission".

SEC. 3. The Commission shall be composed of eighteen members, twelve of whom shall be public members, appointed by the President, by and with the advice and consent of the Senate. The remaining six members shall be appointed as follows: Three, who shall be Members of the Senate, not more than two of whom shall be members of the same political party, shall be appointed by the President pro tempore of the Senate; three, who shall be Members of the House of Representatives, not more than two of whom shall be members of the same political party, shall be appointed by the Speaker of the House. The public members of the Commission shall be drawn from representative segments of the Nation such as industry, labor, education, manpower development and utilization, and related fields. One of such public members shall be designated by the President as Chairman of the Commission. Ten members of the Commission shall constitute a quorum. Any vacancy in the Commission shall not affect its power, but shall be filled in the same manner in which the original appointment was made.

SEC. 4. The Commission shall make a comprehensive and impartial study and make recommendations from time to time as needed for constructive action in the areas designated in section 1 of this Act.

SEC. 5. Public members of the Commission appointed from outside Government shall each receive $100 per diem when engaged in the actual performance of duties of the Commission.

SEC. 6. There is hereby established a Federal Interagency Committee consisting of the heads of the Departments of Agriculture, Labor, Commerce, Defense, Health, Education, and Welfare, Chairman of the Council of Economic Advisers, Administrator, Small Business Administration, Administrator, Housing and Home Finance Agency, and Director of Bureau of the Census, or their designees, to advise the Commission and to maintain effective liaison with the resources of such Departments and agencies. The Secretary of Labor and the Secretary of Health, Education, and Welfare shall serve as Cochairmen of the Committee.

SEC. 7. (a) The Commission shall have power to appoint and fix the compensation of such personnel as it deems advisable, without regard to the provision of the civil service laws and the Classification Act of 1949, as amended. In addition, the Commission may procure temporary and intermittent services to the same extent as is authorized for the departments by section 15 of the Act of August 2, 1946 (60 Stat. 810), but at rates not to exceed $75 per diem for individuals.

(b) The Commission is authorized to appoint an executive secretary to oversee the work of the staff under the general direction of the Commission.

SEC. 8. All members and other personnel of the Commission shall be reimbursed for travel, subsistence, and necessary expenses in accordance with law.

SEC. 9. The Department of Health, Education, and Welfare shall provide the Commission necessary administrative services (including those related to budgeting, accounting, financial reporting, personnel, and procurement) for which payment shall be made in advance, or by reimbursement, from funds of the Commission in such amounts as may be agreed upon by the Commission and the Secretary of Labor.

SEC. 10. The Commission, or on the authorization of the Commission, any subcommittee or panel thereof, may, for the purposes of carrying out its functions and duties, hold such hearings and sit and act at such times and places as the Commission or such subcommittee may deem advisable.

SEC. 11. The Commission is authorized to negotiate and enter into contracts with private organizations to carry out such studies and to prepare such reports as the Commission determines to be necessary in order to carry out its duties.

SEC. 12. The Commission is authorized to secure directly from any executive department, agency, or independent instrumentality of the Government any information it deems necessary to carry out its functions under this Act; and each such department, agency, and instrumentality is authorized and directed to cooperate with the Commission and, to the extent permitted by law, to furnish such information to the Commission, upon request made by the Chairman.

SEC. 13. The Commission shall submit a final report of its findings and recommendations to the President and the Congress by June 30, 1965. The Commission shall cease to exist thirty days after submitting its final report.

SEC. 14. There are hereby authorized to be appropriated to the Commission, out of any money in the Treasury not otherwise appropriated, such sums not in excess of $1,500,000, as may be necessary to carry out the provisions of this Act.

Mr. LANDRUM. Mr. Chairman, I ask unanimous consent that the gentleman from New York [Mr. GILBERT] may extend his remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. GILBERT. Mr. Chairman, passage of the bill before us, the Economic Opportunity Act of 1964, has been anxiously and prayerfully awaited by the millions of poor people in our Nation, as well as by communities, civic and public leaders, and conscientious Americans throughout our country. I introduced a bill identical with the administration's bill, to show my strong support; I testified before the Committee on Education and Labor when hearings were held and urged approval of the bill. I am happy to have the opportunity to cast my vote in favor of the bill. This Congress must take favorable action now so that the crusade against poverty can begin and the programs provided can be implemented.

To the opponents of this measure I would point out that the 80 percent of our population in comfortable circumstances has now been alerted to the sad and deplorable plight of the 20 percent which is poverty stricken, and this Congress has the responsibility to afford them the opportunity to take part in the "unconditional war on poverty" requested by the President. Since the day that the President outlined his program, thousands of editorials, feature stories, and articles have been written on the subject; the needs of our poor have been graphically placed before us. The poor of our Nation have been termed "the invisible Americans." They are no longer invisible; our eyes have been opened and we have been forced to see them and to recognize them wherever they are, and they are everywhere, in every city and in every region. I repeat a statistic which you have now heard many times; one out of every five Americans lives in poverty. Thirty-five million Americans are poor and without hope, and we are the richest Nation on earth. We stand shamed in the eyes of the world because of our gross neglect.

Great leaders from every walk of life, representatives of labor organizations, educators, social workers, civic leaders, city, county, and State officials, testified before the committee in charge and urged approval.

Perhaps no bill in our history has aroused so much enthusiasm, so much interest, so much willingness to help one's fellow man, as has the one before us. I have received many communications from my constituents telling me of their great interest and their wish to do all they can to help; many groups are now being formed in my district for the purpose of cooperating to the fullest in carrying out the programs; individuals are ready to volunteer their services, and eagerly await the opportunity to do so. I believe that this spirit of good will exists throughout our Nation and that right-thinking Americans and all who desperately need the assistance provided, expect their Representatives to cast their votes in favor of the program and that they will be grievously shocked at any negative action.

My district, the 22d District of New York, is one which contains many of the poverty stricken. Our problems are so vast and overwhelming that they cannot be solved by the city of New York alone; we must have the Federal assistance provided by this bill. Ample testimony was given the committee to prove that no municipality, no State, no community, can do the job alone. We must put to use all the powerful weapons at our disposal; knowledge possessed by our governmental agencies, the initiative of local communities, and the determination of dedicated Americans who wish to help.

It is commendable that in the programs contemplated, the emphasis has been placed on the youth of our Nation. The proposed Job Corps, the work training program, and the work study program, will be of inestimable value to hundreds of thousands of our young people who are today without hope, without education, without training, without jobs. When we help them to help themselves, we break the vicious cycle of poverty which enmeshes families from generation to generation. When we make it possible for them to learn skills, develop their full potential in education, help them to become self-respecting, give them hope and a constructive program and goal in life, then we are saving them from a life of bitterness, frustration, juvenile delinquency, and crime. The futures of these young people are in our hands today. We are faced by an awesome responsibility; do we save our youth or do we relegate them to a lifetime of terrible deprivations? I emphasize that the future of our Nation rests upon the shoulders of our youth; all of our youth, not a favored few. All are entitled to education and economic opportunities, and all must be adequately equipped for good citizenship and its demands if we expect to retain our leadership in world affairs.

The community action, adult basic education, and rural antipoverty programs provided in the bill are also vitally important and necessary. All help to eliminate the root causes which make people poor.

Even as cold statistics cannot measure the terrible despair suffered by the poor, so there is no yardstick by which we can measure the full extent of the benefits which will accrue by implementation of this bill, the dawn of hope, the chance for education, training, and employment, for the realization of ambitions and plans for their children, now beyond the reach of so many.

It has been pointed out many times that this bill represents a prudent program. It is particularly beneficial, because it provides equal opportunity, self-help, and cooperation among Government, industry, and private organizations in a common cause. It does not represent handouts but lays the groundwork for a realistic undertaking which will give people a chance to become self-supporting, to take their rightful place in our society, to be able to walk through life with dignity and not be objects of charity.

All Members of Congress have received many pleas for passage of this bill. The need for this legislation has been strongly shown; irrefutable evidence was presented to the Committee on Education and Labor to the effect that this bill is of vital importance to all regions of our country. It is the duty of this Congress to pass the bill. This is no time for political maneuverings or to seek political advantage; this is the time for an honest, clear look at the facts and positive, effective action to combat one of our Nation's gravest ills, poverty.

I welcome this opportunity to help fulfill the hopes of the millions of our unfortunate citizens who look to us for the assistance provided. I am convinced that the war on poverty can, and must, be won. To desert our poor and refuse them the help provided by the legislation before us is unthinkable.

Mr. ALBERT. Mr. Chairman, I ask unanimous consent that the gentleman from New Jersey [Mr. MINISH] may extend his remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. MINISH. Mr. Chairman, Americans today face one of the most important decisions of this century. No one can make it for them and the so-called equalizing forces of the economic system can no longer be depended on to provide automatic solutions. Americans must decide whether they will, or will not, make a full scale effort to eliminate poverty in the United States.

Many of us thought that this question had been settled in the 1930's. We took seriously the pledges of the New Deal as did those who made them. But as John F. Kennedy said during the 1960 campaign:

> But the job which Franklin Roosevelt set out to do in 1935 is not yet done—that opening battle was won—but the war against poverty and degradation is not yet over.

The noble goal to alleviate the plight of our needy citizens has been undercut by those who have let poverty go unnoticed on the back streets of our placid suburban communities, and multimillion-dollar uptown developments.

These well-situated citizens would like to wish away the some 4 million Americans who are unemployed. They would also like to ignore the fact that 14 million families and unrelated individuals have incomes of less than $2,000 a year.

By regarding the situation of these unfortunate people as the product of their own laziness or irresponsibility many otherwise thoughtful Americans absolve themselves of any responsibility in this matter. According to them, poverty and unemployment are personal problems that can only be solved by a basic change in the attitudes of the poor and the unemployed.

Even a cursory investigation into who is poor and who is unemployed should serve as a deterrent for such meaningless generalizations, and yet these ideas persist.

Today there is hope that the magnitude of poverty in the United States will be exposed to such an extent that the thoughtless will no longer be able to remain insulated from the real world. Much is being written and much is being said about the condition of some 40 or 50 million Americans who are, by any reasonable standard, poor. Let us review some of the facts regarding who is poor in our "affluent society," and outline a few of the suggestions regarding the correction of this deplorable situation.

First, there are the 4 million unemployed. The people of this Nation must begin to realize that an uncomfortably high level of unemployment has become a characteristic of the U.S. economy. Since 1957, unemployment has averaged 6 percent of the labor force. This is the highest long-run rate since the depression. We must also accept the fact that this sort of unemployment cannot be attributed to a basic human aversion to work. In light of a recent Labor Department study it is difficult to see any future for this sort of rationalization which ignores the real problem we face.

The Department of Labor made a survey of the nearly 10 million persons who were out of work a month or more in 1961. The conclusion drawn from this study was that those surveyed showed a strong desire to remain in the labor force and were willing to accept lower paying jobs or shift to a different type of work to get back on a payroll. Furthermore, the study noted that all those surveyed had tried to find work by at least one standard method and 87 percent had used two or more approaches.

I would like to stress that this is the first survey of this type undertaken in the United States and that all past contentions have been based on unscientific generalizations. Therefore there is every reason to believe that the findings of the Labor Department study present a true picture of the attitudes of our unemployed.

Another important finding in this study has to do with the characteristics of the unemployed. If these people are trying to find work, then it is important to know why they have been unsuccessful. The report indicates that the jobless, as a rule, were less educated than the average worker and more likely to be in less skilled, lower paying occupations. Seventy percent were men and the vast majority were in the prime working years from 20 to 64.

This tends to support the contention of Charles Killingsworth, Michigan State University economist, who has argued that the prime cause of current high rates of unemployment are structural imbalances in our economy. That is to say that rapid technological advances have reduced the need for blue-collar, low-skilled, and uneducated workers—whom we have in superabundance—while these same advances have increased the demand for highly educated workers—who are in short supply.

If this be the case, we are dealing with a problem that will grow by leaps and bounds as the economy advances. More and more men will fall into the unemployable category as automation takes its toll. Answers must be found that will realistically deal with this dilemma. Economic growth must not come to mean the growth of human misery due to the frustrations of unemployment.

We must bear in mind, however, that the unemployed in this country make up only a portion of those who are living in poverty. A second question that confronts American society is what shall be done about the continued inequities in the distribution of income in the United States.

Most of us have assumed that there has been a redistribution of income going on in the United States that would eventually lead to a more equitable share of total income going to all groups. While it is true that income has been growing in constant dollars, and that since 1929 the total share of the Nation's income going to the highest one-fifth of the population has been reduced, it is also true that the share of national income going to our poorest fifth has changed little since 1929 and not at all since 1944.

Herman P. Miller, of the Bureau of the Census, has done a fine job in exposing the income redistribution theory as largely myth. In a recent Census publication Miller shows that 42 percent of the 45 million families and 13 million unrelated individuals in the United States received only 14 percent of the $332 billion national income in 1959. These 24.5 million families and individuals received less income than their 2.1 million counterparts who had incomes of more than $15,000 a year. More dramatically, all of these low-income families and individuals had annual incomes of less than $4,000, and 23 percent had incomes of less than $2,000.

These are the people that Michael Harrington writes about in his recent book, "The Other American." Harrington calls these unfortunates our "invisible poor" and he advises us that they number 40 to 50 million people at present. Who are these people?

Miller tells us that the aged form the single largest bloc in the low-income group. Most of them are in retirement and live on social security pensions. Second, are the families with no workers who live on pensions, welfare payments, or other types of income other than earnings. Third, we find families with a female at the head of the household. Many of these families include mothers with young children, and it is difficult for these mothers to be wage earners. Some work only part time or in low-paying jobs. Fourth, there are the Negroes. Although they make up only 10 percent of the population they constitute 21 percent of the low-income group. Harrington refers to these people as "the rejects" of modern society.

Can it be that America has become so crass in its affluence that it no longer looks upon the poverty of fellow Americans as an intolerable indignity? Are we so self-satisfied and self-seeking that we are no longer moved to action by the disclosure of such conditions?

The President has answered that question by setting the stage for a great revival of humanism in this country. In his state of the Union message President Johnson made the following observation and commitment:

> Unfortunately many Americans live on the outskirts of hope—some because of their poverty and some because of their color, and all too many because of both.
>
> Our task is to help replace their despair with opportunity. And this administration today here and now declares unconditional war on poverty in America.

The bill before the House today, the Economic Opportunity Act of 1964, is designed to put these words into action. Of course, this measure alone cannot by itself win the fight against the Nation's most dangerous domestic enemy. Many more specific measures are required to create adequate economic opportunities for the millions who are now stranded on the islands of poverty in our affluent society. Poverty can be destroyed only by a concentrated and simultaneous attack on all its causes. Our objective must be to cure it, not merely relieve the symptoms of poverty.

The Economic Opportunity Act, however, is an essential weapon in the fight against poverty. It is significant that those most involved with the problems of poverty and dependency—the Governors and mayors and other officials of our great metropolitan areas—have given H.R. 11377 their enthusiastic endorsement. The Governor of New Jersey, the Honorable Richard J. Hughes, has called this legislation "an effort to restore the soul of America, an investment in saved taxes as well as human values."

Poverty is a needless waste of our most valuable natural resource—our people. The millions whose minds, bodies, and spirits have been ravaged by poverty could be gainfully employed, contributing to the growth of our economy, providing purchasing power to pump new dollars into our economy and paying taxes to support their local, State, and Federal governments. Instead, they drain already existing resources.

H.R. 11377 is a bold attempt to end that waste by giving our people mired in depressed areas and festering urban slums an opportunity to share in the promise of this Nation. It is both the freedom and the responsibility of those who love democracy to make choices regarding the goals of our society. These things cannot be left to the chance workings of an impersonal economic system nor to the authoritarian dictates of the bureaucracy. Americans must choose to eliminate poverty and commit their time and energy to seeing the job through or it will never be done.

Mr. ALBERT. Mr. Chairman, I ask unanimous consent that the gentleman from Massachusetts [Mr. BOLAND] may extend his remarks at this point in the RECORD and include extraneous matter.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. BOLAND. Mr. Chairman, today I wish to speak in behalf of H.R. 11377—the Economic Opportunity Act of 1964. In my opinion, it is one of the most worthy and significant proposals we have considered in recent years. I urge its speedy passage and enactment as a major step in eliminating a gigantic domestic problem.

Poverty in America is a phrase with a disturbing ring to it, disturbing because poverty here should have disappeared long ago, as the victim of the progress and prosperity which most of us have experienced. Perhaps, in absolute terms, American poverty is not as extreme as the poverty of India or North Africa or South America where deprivation is the norm and prosperity the exception. But it is in a relative sense that we must consider this problem at home. We live in a country where the rate of growth is phenomenally rapid. Why—if such is the case—do 20 percent of our people remain poor? Why are their efforts not utilized in our forward progress for the benefit of the economy, the society and themselves? We have grown without the help of one-fifth of our people but with their help we could have done more. To allow this to continue is an unconscionable waste of human resources and an unnecessary loss in human welfare.

Our youth especially should be lifted up from need. Children form a considerable percentage of the poor—children without fathers living in the home, children of minority groups, children of poor rural areas. We must offer the children of poverty the same advantages we offer our more fortunate youth so that they do not have to follow the pattern that their parents have lived before them.

The unemployment rate of young people is 17 percent—three times the average unemployment rate for the entire civilian labor force. This in itself explains why we must be concerned that our young men and women are trained to compete for jobs in an increasingly complex and demanding world. Without this training, they will only continue the trend that we must now try to break—and we will see increases in youth crime and the waste of their capabilities and talents that were never developed. We must prepare them for a future unblighted by joblessness and need. This bill provides some programs for these young people. Under the provisions residential youth camps and training centers in both urban and rural areas will provide work training for those who have left school and are jobless and for those who can benefit from training while continuing in school. It will give to youths who cannot now afford it, the chance for higher education through a work-study program.

The pending legislation does more than provide a way out of poverty for young people. It offers many others who stayed behind a chance to catch up with the rest of the country. It will offer the rural poor an opportunity to enlarge their base of income by expansion and improvement of their holdings; it will allow the marginal businessman to secure his footing and stabilize his enterprise; it will allow the welfare recipient to learn a trade and once again to earn the means of providing a livelihood for himself and his family; it will allow the sticken community the assistance to work to solve its own problems with its own self-tailored multifaceted program of improvements.

Poverty is an anachronism in America. This legislation will perhaps not provide all the answers, but the proposals it contains represent a start. President Johnson gave his reasons for submitting this bill. For the same reasons, I support the Economic Opportunity Act—"because it is right, because it is wise, and because, for the first time in our history, it is possible to conquer poverty."

Mr. Chairman, I think it most appropriate at this time to call to the attention of my colleagues a series of seven articles on aspects of poverty in my home city of Springfield, Mass. These revealing and in-depth stories appeared in the Springfield Union early in June, and I ask unanimous-consent approval to have them printed at this point in the RECORD for my colleagues to peruse:

[From the Springfield (Mass.) Union, June 9, 1964]

IN OUR OWN BACKYARD: CITY TO BE BATTLEGROUND IN WAR AGAINST POVERTY

(This is the first of seven articles on aspects of poverty in Springfield. Since the President's announcement of a war on poverty, much has been written about the national problem. The series is an attempt to fit Springfield into the national picture.)

The war on poverty may begin soon but no one knows where it will lead or when it will end.

Any unconditional war on poverty must meet some of the largest social questions of the time.

TWO REVOLUTIONS

Two of those questions are so thorny they are being called revolutions: the rising of the American Negro and the spread of automation.

And the war will have to be waged not only in Washington and the South and in Harlem. For those living here, the war will be in Springfield.

Because the problem exists here, specific proposals for Springfield are being worked into a program by a committee combining personnel from the city government and private agencies.

Some of the proposals are coming from city department heads who were asked by Mayor Ryan what programs they would like to institute to fight poverty if money were made available by the Federal Government. The proposals for Springfield will be reviewed in another article in this series.

STATISTICAL ANALYSIS

Statistics on the problem gathered from the 1960 census in this city indicate that:

About 15 percent of the families in Springfield—one in every seven—can be classed as poor.

About 5 percent of Springfield families can be classed as destitute.

About 20 percent can be classed as deprived.

These persons are found most among the aged, the nonwhite, the fatherless family, the unskilled and unschooled. Concentrations of poverty exist in the city about where one would expect to find them: in the older, more rundown sections of the city, such as the North End, according to census tract information.

MORE VIVID REPORTS

But the quality of the problem of poverty is not adequately told in statistics about income. The health department released information last year which tells more vividly what poverty is like.

A Puerto Rican in a poorer section of the city, the health department pointed out after a study, is 80 times more likely to have tuberculosis than a white person living elsewhere in the city. A Negro is eight times more likely to have the disease. Dr. Lowell Bellin, public health commissioner, is awaiting results of a study of the death of infants in these poorer sections. He suspects infant mortality there is higher than in other sections of the city.

There are few other measurements in the city of physical and mental disease, delinquency and crime, wasted lives, and despair which characterize poverty throughout the Nation.

THREE-THOUSAND-DOLLAR THRESHOLD FIGURE

There has been some difficulty in arriving at a definition of poverty, but most agencies dealing with the problem are settling on a threshold figure for family income of $3,000 a year. For an unattached individual, the figure would be less, probably $2,000 a year.

The census counted 6,555 such families in Springfield.

A definition of destitution has been offered by Gunnar Myrdal, Swedish economist, in his book, "Challenge to Affluence." He simply takes half the poverty income figure as a threshold figure for destitution. Thus it would be $1,500 a year for a multiple-person family and $1,000 a year for an unattached individual.

There were about 2,100 such families in Springfield when the 1960 census was taken.

"DEPRIVED" CLASSIFICATION

Although the poverty program will be dealing with the poor, there are many families in Springfield whose level of income is not really adequate. Myrdal classes these as deprived.

Their level of income is not at what the U.S. Department of Labor termed in a 1960 issue of the Monthly Labor Review as "modest but adequate." The modest but adequate level, according to the Labor Department, would maintain a family at a level of adequate living, according to prevailing standards of what is needed for health, efficiency, nurture of children, and for participation in social and community activities.

The Department estimated the modest but adequate level for 20 large cities in 1960 and placed the level in Boston at $6,317. An informed guess might place the threshold figure in Springfield at $5,000 a year.

The 1960 census found about 20 percent of Springfield families in this struggling shadow area of between $3,000 and $5,000 a year income, a total of 9,132 families.

FIGURES INCLUDE AID

All the figures, according to the U.S. Census Bureau, include transfer payments such as welfare aid.

The poor, according to a U.S. Department of Health, Education, and Welfare publication, are those whose basic and irreducible needs exceed their means to satisfy them.

But the statistics are somewhat deceiving, for there are groups within the poor who are in worse shape than others. Although the poor are all in desperate straits, some are more so than others.

(Next: The aged poor in Springfield.)

[From the Springfield (Mass.) Union, June 10, 1964]

WAR AGAINST POVERTY: II: FINANCIAL PINCH HARDEST FOR MANY IN OVER-65 AGE GROUP IN CITY

One of the large pockets of poverty in Springfield exists among those over 65, judging from data processed by the staff of the community renewal program.

INCOME UNDER $1,000

Information gathered in the 1960 census showed that of those over 65 in the metropolitan district, above 40 percent—2 of every 5—had incomes of less than $1,000 a year.

The picture would be the same if the figures were restricted to the city alone, according to CRP. An official of the U.S. Census Bureau said the figures include transfer payments such as welfare aid and social security.

Typically now, the elderly person lives alone. An income of $1,000 a year or less for a lone individual can be classed as destitution. Another 27 percent of those over 65 had incomes of between $1,000 and $2,000, according to the CRP.

The total of those over 65 living on an income under the threshold figure for poverty was 67 percent, more than two-thirds of the elderly in the district. There is little reason to believe that the situation has changed since the figures were collected in 1960.

WOMEN'S PLIGHT WORSE

Among the elderly, women seem to be in worse plight than men, perhaps because there are more of them and because most pensions stop with the death of the husband.

The median income of men between 65 and 74—the half-way mark between the lowest and the highest incomes in the group—was $2,348 a year in the metropolitan district, and for men 75 and over, $1,405.

The figures for women: Between 65 and 74, the median income is $910; for women 75 and over, the figure drops to $785 a year.

According to CRP, 20,235 persons over 65 were counted in Springfield in 1960. Figures from the local social security office indicate that virtually all of them receive monthly social security benefits.

The average such benefit is about $80 a month. The highest allowable benefit is $127 a month.

There are indications that for very many of the elderly, the social security check is the most important source of income.

DRAW ON SAVINGS

According to George Mack, chairman of the Springfield Council for the Aging, many try to live on social security and whatever amounts they can add from savings, rather than ask for welfare aid.

The resistance, he said, is to giving up a measure of independence. "Many think it is a disgrace to ask for old age assistance," he said.

[From the Springfield (Mass.) Union, June 11, 1964]

WAR AGAINST POVERTY: III—PRIVATION, DISCRIMINATION SNARES THAT ENTRAP CITY'S NEGROES

The problems of the nonwhite American are so firmly entangled in the problem of poverty that sometimes it is difficult to find out where the one stops and the other begins.

TWIN SNARES FOR NEGRO

The Negro in this city is so caught in the twin snares of privation and discrimination, according to an urban league official, that if all barriers of discrimination fell tomorrow, the Negro would still be held fast by poverty.

Educators have pointed out that a Negro child from a poor family often is so demoralized by a poverty-wracked home that he will fail in school and may become a high school dropout.

Without sufficient education and lacking proper motivation he probably is headed for the pool of unemployed, unskilled persons. Without skill to earn sufficient income, he must be counted among the poor and if he rears a family, the children may follow the same dreary circle.

That is, if they grow to adulthood. Dr. Lowell Bellin, public health commissioner, recently reported that the infant mortality rate among Negroes in the city is 40.62 for each 1,000 live births. The mortality rate for white infants is 17.48 for each 1,000 live births, less than half the Negro rate.

Negro leaders here and across the country have made clear they feel the Negro situation is like a room without doors. Civil rights groups in this city as in many others have set out to make a door in that room.

NO RACIAL CLASSIFICATION

The school department here is forbidden by law to classify students by race. It is an antidiscrimination law but it also hides the extent of the Negro dropout problem, since there are no statistics on the Negro dropout rate.

Negro leaders in the city contend that a large percentage of the dropouts are nonwhite.

According to a school department official, the department has not tried to gather any statistics on this aspect of the problem, by classifying dropouts by residence, for instance, to find out whether most dropouts come from Negro sections of the city.

The concentration of nonwhites in certain sections of the city, a fact obvious to all residents, has been documented. The 1960 census found 15 census tracts—divisions of the city for ease of study—out of 33 with fewer than 75 nonwhites living in them. There were four tracts with concentrations of more than 1,500 nonwhites and one had more than 4,200.

An official of the Springfield Department of Public Welfare said recently that the department was confident that all those eligible for welfare benefits among the elderly who wished to receive the benefits were enrolled in the program.

The welfare department has no statistical division and could not estimate how many eligibles were left out of the aid programs. However, CRP figures may support Mack's contention that many elderly are hesitant to apply for welfare aid. The total of 1963 cases in old-age assistance and medical aid to the aged, two welfare programs for the elderly, was 3,687, about 18 percent of the over-65 population.

FORTY PERCENT UNDER $1,000

But figures already given indicate that about 40 percent of the aged had incomes of $1,000 a year or less, including aid payments.

An article on the problems of the aged in Springfield done by the Springfield Union a few years ago indicated that most elderly persons had to live on a very strict budget. In one case the money was budgeted down to the last 50 cents. Even a small rise in ordinary living costs can have a disproportionate effect on such strict budgets of fixed incomes.

Thus, when busfares rose from 25 cents to 30 cents, attendance at the downtown centers of the Golden Age Club and the Hobby Club reportedly suffered a sharp drop.

Another way the elderly apparently cut costs is to live in rundown housing. The CRP compared census tracts showing concentrations of elderly in the city with other census tracts showing concentrations of substandard housing. The correlation or overlapping was "high."

SKIMP ON HEALTH CARE

To avoid "going on the welfare" Mack said, many of those over 65 skimp on meals and health care. Sickness is a common ruin of savings accounts among the elderly, he said, and sometimes it is a very demoralizing force.

Two private social agencies in the city, the Community Council and the National Council of Jewish Women, have started a pilot program of bringing food to the elderly in their homes. The program, Meals on Wheels, aims to allay one of the most common complaints of the elderly—loneliness—as well as to furnish properly nourishing meals at low cost.

Apparently there is a need for such a program. The Union's article of a few years ago quoting an elderly woman who was asked what retired persons did when a budget just would not stretch over all the days in a month.

"They don't eat," she said.

DEPRESSION DEPICTED

Figures released by the community renewal program, working with the 1960 census data, show the economic depression among the city's Negroes:

The median income of the nonwhite male was about 29 percent lower in the city than the median income for all males here. For the nonwhite female, it was about 9 percent below the median for all females in the city.

The median income is the halfway point between high and low incomes for a group. The median for all males in the city was $4,432, but the median for nonwhite males was $3,224. The median for all females was $1,622, but the median for nonwhite females was $1,478.

In the whole labor force of the city in 1960, about 6 percent were unemployed. For the nonwhite labor force, the figure was 10 percent.

FEWER HOURS WORKED

And the situation may be worse. According to the Urban League, "When at work, nonwhites generally average 2 or 3 fewer hours per week than whites."

As for young workers, according to the Manpower Report of the President, about 3 in 10 nonwhite workers between 16 and 19 were unemployed in 1963 in the Nation, almost twice as many as for the comparable white group.

"Since 1955," the same report points out, "the jobless rate among nonwhite teenagers has risen fast."

Many Government reports document the Negro's position in America, and many persons have pointed out how inseparable are the cries for civil rights and the cries for relief from poverty. Any large Government program to attack poverty must deal with the Negro problem.

LONG YEARS OF DENIAL

"The Negro," according to Chester N. Gibbs, executive secretary of the Urban League here, "has never been able to prove himself because of long years of deprivation and denial. He has never been able to demonstrate his worth as an individual."

If a disproportionate number of Negroes are dropouts, Gibbs stated, and if a disproportionate number are limited to unskilled work or to unemployment, the city is rearing a growing pool of alienated, angry persons in the Negro community.

This is not just unhealthy economically, he said. "Given the racial climate in the Nation, it is dangerous."

(Next: The dropout.)

[From the Springfield (Mass.) Union, June 12, 1964]

War Against Poverty: IV—Dropouts Find Jobs for Unskilled Scarce

In one sense, the city has no dropout problem.

Students always have dropped out of school, a school department official points out, and two generations ago nearly all but the college-bound dropped out without a high school diploma.

GROWING PROBLEM

The dropout problem today is really the shrinking market for unskilled workers. According to the State division of employment security, it is a growing problem.

In the 1962-63 school year, there were 389 dropouts from the city's high schools, about 7 percent of the 5,722 enrolled. The 7-percent figure has remained stable for the past 3 years.

That figure is considerably below the national rate of 12.3 percent.

"What causes dropouts? Many things, but principally the restlessness of adolescence," according to U. Cleal Cowing, supervisor of the school department's bureau of pupil services, the school official quoted above.

MANY RETURN LATER

"The dropout often fails to realize the consequences his decision might have," Cowing said, "and many, although the school department does not know how many, come back to finish later.

"To high school kids, $50 a week looks pretty big. Later they find that's about all they'll ever get and they come back," Cowing said: "I asked one boy who returned what we could have done to keep him. He said, 'Mr. Cowing, nobody could tell me anything when I was 17.' "

Statistics probably do not have much impact on high schoolers. The community renewal program has compared the number of school years completed among persons in the city with the incidence of unemployment and found a very high correlation.

According to a CRP official, it means that the less schooling a person in the city has, the more likely he is to be out of work.

But high school dropouts do learn a hard lesson when they bump into the job market for the unskilled.

"There are never enough jobs," a DES worker who deals with dropouts said about the problem.

SHORTAGE OF JOBS FOR THEM

"Dropouts are increasingly looking for work," she said, "and there is a shortage of jobs they can do. There are legal limits to workers under 18—they are not allowed around hazardous machinery, for instance—and after they reach age 18, they usually lack the skill to get a good job," she said.

"A dropout also is at a disadvantage," she noted, "because employers look suspiciously on anyone who did not finish school. In a job, the unskilled worker may find himself out of the competition when openings arise for promotion."

According to the DES Bureau of Statistics and Research in Boston, there were 22 applications for jobs on file for every job vacancy in the Springfield metropolitan district at the end of March, a measure of the high unemployment rate here.

But, according to the DES, there were 48 applications for every unskilled job on file and 24 for every semiskilled job.

Moreover, with a growing population, the maturing of the wartime baby boom, dropouts and recent graduates, the labor force is expanding in this area, the DES reported.

DRAFT REJECTIONS

Dropouts apparently swell the ranks of those who are rejected for the draft in preinduction testing in the area. According to Lt. Col. Robert F. Tansey, commander of the U.S. Army recruiting station for western Massachusetts, about half those tested for induction fail either the mental or the physical test.

"Of 1,706 boys sponsored in the first quarter of the year," he said, "871 failed, 504 for not passing physical standards, 312 for failing the Armed Forces Qualification Test, and the rest for having police records."

"The average high school graduate," Colonel Tansey said, "passes the qualification test."

Although the dropout does trouble the educator—"We do have a guilty conscience about it," Cowing noted—the main problem for society in the dropout is that he will be forced out of a chance to work by the increasing need for skilled workers. Some writers have even expressed the fear that if the pool of unskilled, unschooled, and unemployed citizens keeps growing, a permanent lower class may form in America.

A main force, automation, whose strength still is ungaged, seems to be pushing in that direction even in Springfield.

(Next: Automation.)

War Against Poverty: V—Automation Taking Toll in Springfield Area

Many persons agree that automation is having an effect in this area but nobody can say how great it is.

One difficulty in knowing what progress automation has made here is that there is no generally accepted definition of what it is.

MANY MEANINGS

"The term * * * has been given widely varied meanings by different authors," the 1964 Manpower Report of the President points out. The report settles on a general definition: the use of mechanisms in place of human labor to monitor as well as perform work.

The same report points out that "both theoretical and practical difficulties have so far prevented" direct measurement of the progress of automation. According to Robert W. Hutton, secretary of the Employers' Association of Western Massachusetts, there is no measure of automation locally either.

"But it's hitting those who can least afford to be out of work," Hutton said. "There is definitely a narrowing of job opportunity in unskilled categories."

Automation can have two main effects: by using machines to take the place of workers or to obviate the need of hiring more, it can put men out of work or remove jobs from the market.

HIGHER SKILLS NEEDED

By introducing increasingly sophisticated machines, it can demand higher skills from workers.

There is evidence of both effects in Springfield.

There are other reasons besides automation for laying off workers but an analysis of unemployment figures can show where the job market has shrunk.

In the Springfield metropolitan area, according to the Greater Springfield Joint Civic Agencies, there are about 14,700 out of work, 7.2 percent of the labor force. The rate was 5.8 percent 3 years ago when 11,550 were jobless.

When the statistics are broken down, the only significant drop is in manufacturing jobs. The area dropped 3,700 manufacturing jobs in that time while jobs among the trades actually rose slightly.

However, how much automated processes in manufacturing were responsible for the drop is still unmeasured.

ATTRITION, NO LAYOFFS

There is stronger evidence of how automation can shrink the job market. American Bosch Division of American Bosch Arma Corp. has installed a computer system, for instance, which has allowed the company to institute an attrition system without layoffs.

Payroll processing at Bosch, according to Walter Baker, press relations officer, used to take five or six persons a week to do. The computers do it now in 2½ hours.

The company's system of data processing is used to speed up office procedures involving clerical tasks. Its principal uses are in furnishing information to control production and in controlling inventory. With precise information, the company is able to produce more economically. The margin left previously for human error is eliminated.

"We get a lot more information from the system than we did before working by guess and by golly," Baker said.

ANOTHER TYPE OF SYSTEM

But there is a difference between what Bosch has done in getting precise production information, and the use of the computerized machines on the production line, or "numerical control." In numerical control, a system Bosch does not plan to install, the worker's task is to give the machine instructions. The computer, not the worker, then operates the machine on the production line.

Bosch is only one of the companies using computers now for clerical tasks. Data processing systems seem especially well suited to the business of insurance companies and Massachusetts Mutual Insurance Co. is expected to use them to a greater extent when its new wing, now under construction, is finished.

Hopefully, a decrease in present production jobs will be blotted out by an increase in service jobs or by the development of entirely new industrial lines. Nationally there has been an increase in service jobs. The worker displaced by automation last year may be repairing television sets now.

But the continuing high unemployment rate is an indication that the transition is slow. Meanwhile, the State division of employment security states, there are 48 workers available for each unskilled job listed in this area.

SPECIALISTS SHORTAGE

While the job market for unskilled or semiskilled workers shrinks, there is a growing need for some skilled workers. In the midst of high unemployment in Springfield, there is a shortage of many specialists. This is a nationwide phenomenon called structural unemployment which is a measure of how the use of sophisticated machinery can demand higher skills from workers.

The city, for instance, has been carrying on an attrition program for workers since Mayor Ryan took office. About 160 fewer workers were employed after he was in office 9 months in 1962 than in the previous September.

But the city during the mayor's first term had to raise some salaries to attract hard-to-get talent such as planners, data processing machine operators, and nurses.

BADLY WANTED HELP

The Springfield area has a high unemployment rate but a glance at the classified advertisements in the Springfield Union show that some skilled workers—vertical turret lathe operators or systems analyst programers for instance—are badly wanted.

A man put out of work because his job has been made obsolete by a machine can turn to the federally financed program under the Manpower Development Training Act but he must have some native aptitude before he will be considered, according to the local DES.

Originally proposed for retraining those put out of work by technological change, it has become a way workers may get better jobs, according to one DES worker.

This training program does not appear adequate to meet the challenge of large unemployment. The courses last about 25 weeks and enrollments are selective. Since the program started last year, only 70 in this area have been trained. Another 39 are now in training.

PRIVATE INDUSTRY TRAINING

Estimates vary as to how well private industry is doing in conducting its own on-the-job training. One industrialist said that machines are cheaper than men in the long run because of the increasing upward pricing of wages by labor unions.

An industrial officer commented that, although businessmen recognize the problem of the shrinking job market for the unskilled, they "cannot as businessmen act as welfare organizations" by taking up the task of training and retraining.

Informal training, worker to worker, is common, a spokesman of the Bureau of Research and Statistics of the DES noted, but industry on the whole is "backward in retraining."

The same DES spokesman, noting that "automation is an unmeasurable thing" said, "We know there's a great deal of it going on."

CUT DOWN CLERICAL TASKS

There are about 40 users of computers in this area now, according to Dana Hoyt, systems engineer manager of International Business Machines. Nearly all of them are working to cut down labor in record keeping and other clerical tasks.

The chief inroad of the computer in this area, he said, is not in cutting down present employment but in cutting the need for future workers, the familiar attrition system.

There is not much direct computer control of manufacturing here, he said, but the area is headed that way and is making progress.

"It is definitely coming," he said, "and the city should take cognizance of the trend and prepare for it."

(Next: The children of the poor.)

[From the Springfield (Mass.) Union, June 16, 1964]

WAR AGAINST POVERTY: VI—PROGRAMS MUST HELP CHILDREN OF POOR

If the forthcoming war on poverty puts its accent on youth, it may be because the problem is so huge.

THIRTY-YEAR WAR

Those who speak about ending poverty in the Nation talk about a long war whose real aim will be to break the circle of poverty for a generation, today's children. One economist, Robert Lampman, of the University of Wisconsin, has estimated it will take 30 years.

The circle of poverty, locking one generation of a family in poverty with the next, has been documented as a national problem. Both local and national studies have indicated that the children of the poor lack not only resources but the motivations to seek a better life and that they are likely to be tomorrow's poor.

An article last year in the Social Security Bulletin of the U.S. Department of Health, Education, and Welfare stated, "There seems to be sufficient basis * * * for adopting as a working hypothesis that perhaps the single medium most conducive to the growth of poverty and dependency is poverty itself."

TREND OF GENERATIONS

The Springfield Union, in a series of articles last year, studied families in the welfare department's aid to dependent children program. The articles indicated that the same trend of poverty, afflicting one generation after another, exists in Springfield.

How many children of the poor are there in Springfield? There are few statistics available. Many of the children, it is expected, would be found among a large subgroup of the poor: the fatherless families.

In this city, according to the community renewal program which works with data from the 1960 census, there were 2,229 fatherless families. About 30 percent of them had incomes of less than $3,000 a year, the threshold figure commonly adopted as the poverty line. The figures, according to the U.S. Bureau of the Census, include welfare payments.

The 30-percent figure is about double the percentage of Springfield families generally which had incomes of less than $3,000, an indication that fatherless families constitute one of the principal poverty problems in the city.

HOPE IN EDUCATION

Although local figures are lacking for the number of children among the poor, the U.S. Department of Health, Education, and Welfare has noted that nationally "one-third of the present poor are children. The greatest hope for eliminating poverty in the future is to improve the availability and quality of education for the poor children of today."

The same report states, "There is a growing need to provide facilities for the care of children of working mothers."

In a recent study on Negro problems, Dr. Hermon D. Bloch, an industrial and labor relations professor at the State University of New York, says that one reason for disintegration of a family without a male head is that the mother must work.

"Parental neglect combined with substandard incomes forces the youngsters to fend for themselves," he says, so that often the youngsters fall into delinquency and acquire a police record and their "social and economic chances are ruined."

Presumably a similar cycle works in this city and solutions to poverty proposed here will have to meet it.

(Next: The war on poverty.)

[From the Springfield (Mass.) Union, June 17, 1964]

WAR AGAINST POVERTY: VII—PRESIDENT'S STRATEGY IS BROAD, VARIED, LEAVES ROOM FOR LOCAL INITIATIVE

The war on poverty as proposed by the Johnson administration promises to be a war on many fronts.

ALLOWS FOR INITIATIVE

The $962 million package includes broad proposals, like the heralded Job Corps, to attack poverty on a national level, and leaves room for local initiative in "community action programs," like the one being formed here now.

The administration program would set up a Federal center, the Office of Economic Opportunity, to supervise the poverty program, but promises widespread work through already existing Federal agencies.

It establishes a new Federal agency with all the propensity of such agencies for red-tape and at the same time promises to cut red-tape by setting up an information center where answers will be immediately available.

Here are some of the main national approaches proposed in the poverty program:

THE JOB CORPS

It will tackle the program of hundreds of thousands of male youths between 16 and 21 who are out of school and out of work by setting up conservation camps and training centers. Enrollment in either, both voluntary, will be for 2 years and members will receive a modest living allowance.

Both the camps and the training centers would aim at giving basic education and training for employment but the conservation camps would aim at more personal attention for those youths who have formed through privation, a hard shell of distrust.

The basic education aims are—what the youths are to be brought up to—are so modest they seem to indicate a failure of society and the educational system; an ability to read at seventh grade level; an ability to complete application forms clearly and legibly and to write simple letters; an ability to understand addition, subtraction, multiplication, division, and fractions; and an ability to be understood in conventional situations and to understand directions.

THE WORK-TRAINING AND THE WORK-STUDY PROGRAMS

In these, young men and women would be able to work part time in approved jobs so as to increase their chances of employment and attend school. The work-study program is intended for college students.

FAMILY UNITY THROUGH JOBS

This program's purpose is to give vocational and literacy training to persons enrolled in the aid to families with dependent children welfare program.

VOLUNTEERS FOR AMERICA

A domestic program patterned after the Peace Corps, the volunteers program would enlist persons for a year, including a month's training. The volunteers would receive a $50 allowance and necessities would be provided. They would be assigned through Federal, State, and local agencies to work on poverty program jobs and for allied jobs being conducted by various Federal agencies.

COMMUNITY ACTION PROGRAMS

The proposal is left with an open end. The communities themselves must come up with an appraisal of the scope of their problems and the plans to combat them, aiming always at the roots of poverty.

The Federal planning for this took into account many scattered activities in cities which could be fitted into the war on poverty. The community action program planning is to sharpen those which are good, cut out duplication and group them in a comprehensive, specifically aimed package for each city.

However, at the beginning of the poverty program, community projects are likely to be approved in a limited number of communities. One periodical put the probable number of communities at 75.

For this reason, Springfield city officials have tried to move quickly to draw up a program for submission to Washington. A draft program has been drawn up by a small committee and a meeting of a large group of department heads will be held soon to hammer out the city's proposal.

Included in the draft document are proposals to:

Put young persons to work in city and social agencies while they go to school. A canvass has rounded up offers of 200 positions.

Establish prekindergarten schools to allow mothers of fatherless families to work and to break attitudes of poverty early in children.

Establish health centers in poor neighborhoods.

Set up training courses for mothers on the rolls of the aid to families with dependent children welfare program.

It may be the community programs which would provide the most flexibility to the war on poverty with their ideas coming from many persons and being formed in many pilot projects. Because of this, the community programs may be more difficult to administer than the national programs like the Job Corps which apply a single remedy to one age group.

Other blanket solutions have been proposed; for instance, doubling social security payments to remove about 5 million elderly from the rolls of poverty. Recently, a guaranteed annual wage for low-income families also was suggested.

The amount of discussion about the poverty program is an indication of the enthusiasm it has generated in many quarters by those who feel the Nation now can eliminate a problem as old as history. Where the enthusiasm finally will lead if the many-faceted war on poverty is released by Congress is impossible to foretell. Some have seen through it a widening of the role of government in society far beyond the limits now thought acceptable.

The enthusiasm has been put into words by many persons, among them Whitney M. Young, Jr., executive director of the National Urban League. At a hearing of the U.S. House Committee on Education and Labor on the poverty program, he spoke specifically about Negro youth, but his words might apply to the poor of all racial groups:

"This is what we in the Urban League and the other civil rights groups, churches and hopefully you, will be saying to Negro youth: that though you have faced barriers, discrimination, things that would have suggested that you are a nobody, that you are really somebody. And though there have been placed in front of you all of the handicaps, the obstacles, though you have been humiliated and though they would suggest that you are a second-class citizen, you are really a first-class human citizen.

"Stretch your minds and fly. This is what the poverty program is all about."

Mr. ALBERT. Mr. Chairman, I ask unanimous consent that the gentleman from California [Mr. COHELAN] may extend his remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. COHELAN. Mr. Chairman, this Economic Opportunity Act will not by itself stop poverty in our country. It will not even, in my judgment, do enough to reduce our painfully persistent problem of hard core unemployment. But with 35 million persons—a group which represents fully one-fifth of America's families—existing in the "other America" of deprivation, cut off from the gates of opportunity, strong new efforts must be made and I rise in support of the bill.

Simple statistics deny a casual approach to this problem of poverty. For while more Americans than ever before are enjoying a higher and a rising standard of living, 11 million children, one-sixth of our youth, go to bed hungry at night. In 1.1 million families, women sit up at night trying to figure out how to feed their four children on $5 a week. In 3.8 million homes, no breadwinner goes off to work in the morning. In 16 million households, children bring their homework home to a parent who has no more than an eighth grade education.

These Americans live on the outskirts of hope. For them it is a struggle merely to exist, and an unattainable dream to maintain a standard of living commensurate with human dignity.

And these people are not poor because they want to be poor, because they are stupid or because they are lazy. They are poor because, as author Michael Harrington points out in his excellent study on the problem of poverty:

> They made the mistake of being born to the wrong parents, in the wrong section of the country, in the wrong industry, or in the wrong racial or ethnic group.

Most of these people, through no fault of their own, have had no hope of escape from their plight of poverty until now. Circumstances pulled them into the grinding circle, and circumstances have kept them there.

The tax cut, to be sure, has already begun to accelerate our rate of economic growth. By creating 2 to 3 million new jobs it has and will open exits from poverty at a faster pace.

But open exits mean little to those who cannot move—to the millions who are caught up in the clutches of poverty because of illiteracy, lack of skills, and racial discrimination. We must create new jobs but we must also equip the poor with the knowledge, the skills, and the health to fill them.

Mr. Chairman, the conquest of poverty is within our power. As the Council of Economic Advisers pointed out in their report this year, about $11 billion a year would bring all poor families up to the $3,000 income level we have taken to be the minimum for a decent life. This, the Council states, would not be an intolerable public burden since it would represent less than 2 percent of our gross national product.

But, as the Council has correctly emphasized, this is an unacceptable "solution" for it deals only with symptoms. The roots of poverty would remain untouched. The only solution acceptable to the American people—including the poor themselves—is one which enables each family to earn enough to raise its standard of living above the poverty level. It is one which enables everyone but the disabled to participate as full-fledged members of our modern economic society.

This bill accepts that challenge and places the initiative and responsibility where it properly belongs—upon local leadership to formulate long-range, comprehensive plans to eliminate poverty in each community. And I am pleased to report that in my community, the Seventh District of California, plans are already well underway to implement this legislation.

This bill offers a new hope, a new opportunity, a new life to those of our fellow citizens who up to now have not been able to share in the abundance of American society. It is a program which can open for the young, the opportunity to learn; for the able bodied, the opportunity to work; and for all, a better opportunity to live in decency and dignity.

This bill is a further attack on a major unmet need of our time and I urge its support and enactment.

Mr. LANDRUM. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. RAINS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 11377) to mobilize the human and financial resources of the Nation to combat poverty in the United States, had come to no resolution thereon.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Ratchford, one of his secretaries.

H.R. 12253

Mr. MILLS. Mr. Speaker, I ask unanimous consent that the Committee on Ways and Means may have until midnight Saturday, August 8, to file a report on the bill H.R. 12253.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

COMMITTEE ON BANKING AND CURRENCY

Mr. RAINS. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may have until midnight tonight to file a report on the housing bill.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

COMMITTEE ON FOREIGN AFFAIRS

Mr. MORGAN. Mr. Speaker, I ask unanimous consent that the Committee on Foreign Affairs may meet tomorrow during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

Mr. HALLECK. Mr. Speaker, reserving the right to object—and I will say to the gentleman I shall not object because he and I discussed this matter earlier—in line with the suggestion made to the Speaker and the majority leader earlier today, if we are in a serious effort, and I hope we are, to adjourn sine die by August 22, we probably are getting to the point where legislative committees should wind up their business—they probably should have wound it up before now—except, of course, in a matter like this that is of great necessity and urgency.

Mr. Speaker, as I said, I shall not object to this request, but I want at this time to indicate my conviction that if the legislative committees have not on the whole completed their business by this time, probably we should not be having meetings of those committees during sessions of the House.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

THE SITUATION IN SOUTHEAST ASIA—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 333)

The SPEAKER laid before the House the following message from the President of the United States, which was read and referred to the Committee on Foreign Affairs, and ordered to be printed:

To the Congress of the United States:

Last night I announced to the American people that the North Vietnamese regime had conducted further deliberate attacks against U.S. naval vessels operating in international waters, and that I had therefore directed air action against gunboats and supporting facilities used in these hostile operations. This air action has now been carried out with substantial damage to the boats and facilities. Two U.S. aircraft were lost in the action.

After consultation with the leaders of both parties in the Congress, I further announced a decision to ask the Congress for a resolution expressing the unity and determination of the United States in supporting freedom and in protecting peace in southeast Asia.

These latest actions of the North Vietnamese regime have given a new and grave turn to the already serious situation in southeast Asia. Our commitments in that area are well known to the Congress. They were first made in 1954 by President Eisenhower. They were further defined in the Southeast Asia Collective Defense Treaty approved by the Senate in February 1955.

This treaty with its accompanying protocol obligates the United States and other members to act in accordance with their constitutional processes to meet Communist aggression against any of the parties or protocol states.

Our policy in southeast Asia has been consistent and unchanged since 1954. I summarized it on June 2 in four simple propositions:

1. America keeps her word. Here as elsewhere, we must and shall honor our commitments.

2. The issue is the future of southeast Asia as a whole. A threat to any nation in that region is a threat to all, and a threat to us.

3. Our purpose is peace. We have no military, political or territorial ambitions in the area.

4. This is not just a jungle war, but a struggle for freedom on every front of human activity. Our military and economic assistance to South Vietnam and Laos in particular has the purpose of helping these countries to repel aggression and strengthen their independence.

The threat to the free nations of southeast Asia has long been clear. The North Vietnamese regime has constantly sought to take over South Vietnam and Laos. This Communist regime has violated the Geneva accords for Vietnam. It has systematically conducted a campaign of subversion, which includes the direction, training, and supply of personnel and arms for the conduct of guerrilla warfare in South Vietnamese territory. In Laos, the North Vietnamese regime has maintained military forces, used Laotian territory for infiltration into South Vietnam, and most recently carried out combat operations—all in direct violation of the Geneva agreements of 1962.

In recent months, the actions of the North Vietnamese regime have become steadily more threatening. In May, following new acts of Communist aggression in Laos, the United States undertook reconnaissance flights over Laotian territory, at the request of the Government of Laos. These flights had the essential mission of determining the situation in territory where Communist forces were preventing inspection by the International Control Commission. When the Communists attacked these aircraft, I responded by furnishing escort fighters with instructions to fire when fired upon. Thus, these latest North Vietnamese attacks on our naval vessels are not the first direct attack on Armed Forces of the United States.

As President of the United States I have concluded that I should now ask the Congress, on its part, to join in affirming the national determination that all such attacks will be met, and that the United States will continue in its basic policy of assisting the free nations of the area to defend their freedom.

As I have repeatedly made clear, the United States intends no rashness, and seeks no wider war. We must make it clear to all that the United States is united in its determination to bring about the end of Communist subversion and aggression in the area. We seek the full and effective restoration of the international agreements signed in Geneva in 1954, with respect to South Vietnam, and again at Geneva in 1962, with respect to Laos.

I recommend a resolution expressing the support of the Congress for all necessary action to protect our Armed Forces and to assist nations covered by the SEATO Treaty. At the same time, I assure the Congress that we shall continue readily to explore any avenues of political solution that will effectively guarantee the removal of Communist subversion and the preservation of the independence of the nations of the area.

The resolution could well be based upon similar resolutions enacted by the Congress in the past—to meet the threat to Formosa in 1955, to meet the threat to the Middle East in 1957, and to meet the threat in Cuba in 1962. It could state in the simplest terms the resolve and support of the Congress for action to deal appropriately with attacks against our Armed Forces and to defend freedom and preserve peace in southeast Asia in accordance with the obligations of the United States under the Southeast Asia Treaty. I urge the Congress to enact such a resolution promptly and thus to give convincing evidence to the aggressive Communist nations, and to the world as a whole, that our policy in southeast Asia will be carried forward—and that the peace and security of the area will be preserved.

The events of this week would in any event have made the passage of a congressional resolution essential. But there is an additional reason for doing so at a time when we are entering on 3 months of political campaigning. Hostile nations must understand that in such a period the United States will continue to protect its national interests, and that in these matters there is no division among us.

LYNDON B. JOHNSON.

THE WHITE HOUSE, *August 5, 1964.*

MAINTENANCE OF INTERNATIONAL PEACE AND SECURITY IN SOUTHEAST ASIA

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that it shall be in order at any time during the remainder of this week for the Speaker to recognize for a motion to suspend the rules and pass a joint resolution to promote the maintenance of international peace and security in southeast Asia.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

Mr. HALLECK. Reserving the right to object, Mr. Speaker, I should like to say at the outset that you, Mr. Speaker, and the majority leader, have discussed this matter with me. I think it is a matter of urgency.

I think it might be well to clarify the request by suggesting that as we discussed earlier today, it is expected that this resolution will be called up on Friday. If some unforeseen circumstance should make that impossible on Friday, then, of course, we would have to go ahead and call it up on Saturday. But may I inquire of the majority leader as to his intention and purpose in calling up this resolution?

Mr. ALBERT. If the gentleman will yield, that is our intention. It was understood in our discussions with the minority leader and the chairman of the

Committee on Foreign Affairs. We do expect and plan to call it up on Friday.

Mr. HALLECK. Further reserving the right to object, of course this is a resolution that was discussed by those of us who were at the White House with the President, the Chairman of the Joint Chiefs of Staff, the Secretary of State, and other people who were there. This resolution I believe to be in the national interest, following pretty much the pattern of resolutions adopted some time ago having to do with Formosa and the Middle East. As far as I am concerned, I expect to support the resolution.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

LET'S FACE UP TO THE TRUTH

Mr. YOUNGER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. YOUNGER. Mr. Speaker, on July 21, Mr. Charles L. Gould, a member of the San Francisco Rotary Club, addressed that group on the subject "Let's Face Up to the Truth." Mr. Gould has a distinguished record in the newspaper world and has presented one of the most thought-provoking and inspiring addresses that has ever been my pleasure to read. It is extremely timely in view of the current events in Vietnam and I sincerely hope that every Member of Congress and every reader of the Congressional Record will take the time to read this most inspiring address, which follows:

Address by Charles L. Gould Before the Rotary Club, San Francisco, Calif., July 21, 1964

Before moving into the main body of my address let me place myself on record on several points.

First, I do not presume to stand before you as an expert. I speak to you as a newspaperman and as a newspaper reader who has been watching world developments with care and concern for many years. I also speak to you as a Navy man who has been privileged to serve in many parts of the world in two wars. It is from knowledge gained in these areas of experiences that I compose my remarks today.

Second, I am not a saber rattler. I deplore war—but deplore slavery more. I believe the United States must strive to avoid fuzziness or fogginess on international positions. Fuzziness can be misinterpreted as weakness. And weakness can encourage overt acts by those who seek to dominate the world.

Third, I am not a political or military extremist in any sense of the term. I subscribe to sound, solid, substantial policies at all levels of government. I am opposed to those who preach the "womb to the tomb" concept of socialized government—just as I am opposed to any concept that would wipe out all of the social agencies created in the past 30 years. I place the Ten Commandments, the Golden Rule, our Constitution, and the Bill of Rights as the best human navigational aids ever conceived by man. In the military sphere, I advocate every sensible and reasonable alternative to war— but, if we must engage the enemy in actual combat, I believe we must always fight to win.

Fourth, I do not see Reds under every bed. At the same time, I do not believe the Communist evil—external or internal—will disappear if we ignore it. We cannot afford to underestimate the cunning and cleverness of the high priests of this godless ideology and their dedicated disciples.

Fifth, I do not buy the philosophy that equates the right with the left. I deplore many things advocated and practiced by the so-called extreme rightists. However, I recognize these political rightists as a homegrown variety while the true leftists have roots in Moscow and are dedicated to the overthrow of our Government and the destruction of our liberties. The extreme rightists—as disturbing as they are—have no tanks or planes or guns. Since the end of World War II, there is no place in the world where they have acquired a single acre of land. In fact, rightist strong men like Chiang Kai-shek, Syngman Rhee, Batista, Peron, Trujillo, and Jiminez have had nothing but trouble since the end of World War II. However, the track record of the Communists during these years is clear for all to see.

Now, after establishing that frame of personal reference, let's look at the world. The cold war is nearly two decades old and the end is not yet. The bright bauble of real peace continues to elude us, and at this moment, in a dozen nations throughout the world, the United States is painted as the evil force on the international stage.

Our flag is desecrated in Panama; our sentries are spat upon in Berlin; we are insulted in Saigon, in Cyprus, in Zanzibar, in the Argentine, in Venezuela, in Pakistan, in Ghana, in Yemen.

Despots and dictators of the Castro, Nkrumah, Adoula, Sukarno, stature make wild and reckless charges and Uncle Sam becomes Uncle Sap to countless millions.

These widely separated incidents don't happen by accident. The sound and fury is the discordant music of an international orchestra. Back of most of the musical crescendos on the world stage you will find Communist leaders moving and manipulating pliable groups to their will.

Let's get down to specifics and talk about some incidents here in San Francisco. Take a look at some of the leaders of the city hall riots; look at those who were in the forefront of the Fair Play for Cuba demonstrations; study those who stormed the Presidio 2 months ago. Yes, compare them with those who were among the leaders in the palace sit-ins and at automobile row. In each group you will find a few familiar faces—the faces of a few individuals with Communist affiliations who seize upon every controversy to benefit their evil ends.

Now, let there be no misunderstanding of what I say.

Let me make it patently clear that the Communists are not—I repeat—are not responsible for the conditions that have resulted in the explosive civil rights movement here in San Francisco and across the width and breadth of our fair land.

We are responsible. You and I. We share guilt in being party to the national blindness, ignorance, apathy, and bitterness that placed a social blight on millions of our citizens.

None should minimize the injustice that has been done. None should underestimate the need for change and improvement.

At the same time, however, none should fail to realize that the most oppressed and depressed in our society today have greater freedom and greater privileges than do all the millions who are enslaved in Communist lands around the world.

Here, our Government fights to move minds long frozen with bias and prejudice.

Here, our Government fights to protect the rights of those who suffer under the burden of discrimination.

But what of other lands?

Turn the clock back to October of 1956. Listen with memory's ear to the roar of tanks and guns; listen to the shrieks of terror and pain as the tyrant forces of communism destroyed and devastated thousands of Hungarian patriots who sought only a portion of the freedom possessed by our most oppressed.

Let those in other lands who point the finger of shame at our Nation's social problems, pull back the curtains of truth and carefully and thoughtfully let them examine some of their own sordid practices and prejudices.

I do not mean to say that the evils of others make our evils less wrong. I do say that bigotry and bias are cancerous growths that exist in all lands and must be eradicated.

Legislation can point the way to social improvements. But only through education can these evils be truly eliminated. Education of those who cause the pain as well as education of those who have suffered too long.

In this last regard, we can point with some pride to the truth that the average Negro in our land has three times as many chances of obtaining a college education as does the average citizen—white or black—in England.

Let us, therefore, with eyes wide open—and hearts wide open, too—move with wisdom and alacrity to bring universal justice in our 50 States. Let us, at the same time, recognize as do most responsible Negroes, that the soil of civil disobedience is ideal for the sowing of Communist seeds.

Honorable groups gather to petition or parade and then, under the skillful manipulations of a handful of trained agitators, the groups become lawless mobs. And the legitimate and vital civil rights movement suffers as a foreign ideology profits by dissension in our land.

Now, there are those among us who find it hard to believe that a foreign power would use such wiles and treachery to undermine, divide, and weaken our Nation.

There are those who believe that Khrushchev is mellowing—that the threat of communism is on the wane. They point to the fact that a few months ago Nikita gave the aging Harriman the symbolic bear hug and our Nation moved with dispatch to ratify the limited test ban treaty on nuclear devices. They say that more recently, Khrushchev released another dove of peace from the Kremlin as he quickly responded to our cutback in the manufacture of nuclear warheads.

But, let us ask ourselves: Is Khrushchev truly holding forth the olive branch? Is there truly a thaw in the cold war? Or is the Russian dictator merely zigging or zagging as a time-buying maneuver in his dedicated drive toward domination of the world?

Let us listen to Khrushchev himself. A few months ago in a conference with a group of Western diplomats, he said—and I quote—"You are rejoicing that we are arguing with the Chinese, but the more pleased you feel now, the worse you will feel later on." Not by word or deed have the Communist leaders changed their basic aims and objectives—to destroy our freedom.

But we are a peace-loving nation. We are eternal idealists. We let our hearts rule our heads. We let our hopes fault our vision. We close our eyes to truth and pray that the tyrants of the world will be converted to peace and brotherhood.

This faulty vision is not new with us. In the 1930's we closed our eyes to the invasion of Manchuria, the invasion of Ethiopia, the invasion of Poland, the invasion of Finland. We closed our eyes to these evils until the world exploded on our doorstep on December 7, 1941.

After World War II, we again closed our eyes to the sweep of terror as the Communist torch inflamed a dozen nations. Then—then on June 26, 1950, we again faced up to reality. As the Red hordes swept down from the north in distant Korea, President Truman called a halt.

Once more brave men from every State in the Union answered the call to colors and went forth to fight and die for freedom. Those who lived, however, learned the sad truth that their sacrifices—by some measures—had been in vain. For perhaps the first time in this Nation's history, we compromised on the battlefield and our military forces became political pawns on an international chessboard.

Since 1953, when a peace pact was signed in Panmunjom, we have lived on a seething powder keg as the Communists have picked and probed and provoked on a dozen nerve centers of the world.

They tested our determination to resist aggression. And they found us wanting. They moved into Tibet and we took no action. They trampled Hungary and we took no action. They built the wall in Berlin and we took no action.

Yes, in truth, we are a people who fervently pray for peace. We are a people who hate war.

Bullies can push us around. We smile and turn the other cheek. But they can push us just so far—and no further.

And "far enough"—I believed—came on October 22, 1962, as the Russian warlords—convinced that we were weak and decadent—moved forward in a mighty buildup of military strength on our very doorstep.

A patient President was pushed to the limits of endurance. And a proud people heard him take the peace of the world in his hands as he quietly, with courage and conviction, told Khrushchev and his evil disciples: This far and no further.

I am sure that you and I shared the same emotions that momentous Monday evening as our late President delivered his historic ultimatum.

I am sure that you and I shared the same prayer—that our Nation would not retreat from its declared position; that our Nation would not again agree to a Korean-type compromise; that our Nation would embark upon a policy of firmness that was clearly and positively spelled out so that the Communists would know exactly where we stand; so that the chances of war through accident or miscalculation would be reduced or—hopefully—eliminated.

Overnight, the nations of the free world responded to our act. Votes of confidence were unanimous among the nations of Latin America—our NATO allies saluted and applauded our position.

Immediately after that fateful day in October, however, we again allowed our pride to fault our vision. We eased away from our firm position. We failed to force through our demand for "on the spot" inspections of the missile sites. U Thant spoke soft and conciliatory words. People high in our own Government were apparently willing to justify a maintenance of the status quo.

They pointed with pride to the truth that Khrushchev did remove the mammoth missiles—that he did remove some of his troops.

Do they not realize that the most significant fact about the Cuban affair was not that Khrushchev removed the missiles? The significant lesson we should learn and never forget is that he put them there in the first place.

He put them there as an offensive weapon aimed at the very heart of the Western Hemisphere.

And the hour of danger has not passed. We know the Russians have planes and tanks and guns and men in Cuba. We know the island bristles with short-range missiles. We know that Cuban ports are visited by Russian submarines. We know that the island is used as a staging area for Communist agents trained to sabotage, infiltrate, and create riots and revolution in Panama, the Dominican Republic, in Haiti, Central America, and South America.

So long as Khrushchev controls Cuba, the Communist threat hangs like a dark cloud over all the Americas.

The takeover in Cuba forged one more link in the Communist chain of satellite nations around the world.

In the past two decades, nearly a billion people have been added to the Communist camp as the Iron and Bamboo Curtains were stretched to envelop additional countries.

We have seen Latvia, Lithuania, Estonia, Poland, Albania, China, Czechoslovakia, East Germany, North Korea, North Vietnam, and Tibet disappear from the family of free nations.

During these same momentous years, the United States and other nations of the Western bloc have championed the emancipation of all nations of the world. And they have given more than lipservice to these aims. Since the end of World War II, the Western bloc has given freedom and independence to the Philippines, the Cameroons, Ceylon, India, Pakistan, Israel, Malaya, Nigeria, Somalia, Sudan, Togoland, Sierra Leone, Gabon, Laos, Malagasy, Morocco, Ivory Coast, Niger, Senegal, Upper Volta, Mauritania, Tanganyika, Western Samoa, and half a dozen other nations with strange sounding names.

The free world has given freedom and independence to this long list of former colonies and protectorates—freedom to more than 30 nations and more than a billion men, women, and children.

Who, then, are the aggressors? Those who preach and practice freedom? Or those who enslave the hearts and minds of men?

Since the end of World War II, the United States has waged the most costly battle of peace the world has ever known. We have opened our hearts and our pocketbooks to the underfed and underprivileged in a hundred nations. Since 1946 we have spent more than a hundred billion dollars in foreign aid and military assistance.

Take a map of the world. Close your eyes and place a pin in any inhabited area. Wherever you touch you will find some people who have benefited as a result of the generous heart of the American people.

The Communists, too, were active during these tortured postwar years. They battled—but not for peace. They didn't use dollars for their offensive. They used intrigue. They used deceit. They broke contracts. They broke agreements. They broke the will of the people to resist. And—when needs be—they used terror, violence, revolution, and war.

In all these years since the end of World War II, there has not been a single hour when bitter, brutal fighting was not going on in some quarter of the globe. There was civil war in China. There were factional fights in Greece. There was the onslaught in Egypt. There were scrimmages in Iraq. There was Korea. And Vietnam, Hungary, Lebanon. There was Tibet, Laos, and the Congo. And the end is not yet.

Even as I speak, the powder keg of the Far East threatens to erupt into a major conflict as Communist guerrillas strike and run in the steaming jungles of Vietnam. Lose this critical area—as well we may—and there is danger that Thailand, Laos, and Cambodia will be gobbled up by the madmen of Moscow and Peiping.

At this point, let me make it clear that I do not make any major distinction between Chinese communism and Soviet communism. While there has been a rift or a split between Mao and Khrushchev, neither has, by word or act, deviated one iota from the basic aims of the Communist manifesto to dominate the world.

They differ on policies. They argue on procedures. But they agree on their ultimate goal. We must, therefore, in my opinion, continue to consider communism as a monolithic ideology that is determined to crush and destroy the United States and all nations that now preserve freedom of thought and freedom of opportunity.

There are, of course, those who say we overestimate the danger of the Communists. There are those who say we can coexist with the godless ideology of the Kremlin. There are those who say that war has now reached such horrible proportions that we must learn to live with the Communists regardless of the price.

I know not where you stand—but, for myself, I feel that this sapping of our moral strength—this justifying of false values—is the greatest danger of all. If we lose our will to resist, if we permit wide-scale moral distintegration, if we fall into the poisonous trap of looking for peace at any price, then there is grave danger that Khrushchev will make good his boast that he will bury us. His promise that our grandchildren will live under communism can become a horrible truth.

We failed to read and heed Hitler's "Mein Kampf." And we paid a terrible price for neglecting to study and analyze this blueprint for destiny through destruction. Let us not make the same mistake again.

The Communists have their manifesto for world domination. It has been endorsed by Lenin. It was supported by Stalin. It has been championed by Molotov, Malenkov, Beria, Khrushchev, and Mao.

It is a conception of world domination through destruction and deception. It has been followed faithfully by the Kremlin hierarchy these many years. They are still practicing it. They will continue to practice it in the future. They will plead for disarmament. They will plead for nuclear controls. But always on their terms.

They will preach peace—but prepare for war. It is imperative, therefore, that we remain strong and vigilant as we seek the road to lasting peace.

Fortunately, our Government leaders and our military commanders have never forgotten the tragic lesson of Pearl Harbor. They are on guard against sneak attack. They have resisted the pressures of peace groups and have given this Nation the most powerful arsenal the world has ever known.

It should be recognized by all our citizens that in this tinderbox period of the hydrogen bomb, the greatest deterrent to war is the enemy's knowledge that we have the capacity to retaliate against the first attack.

The Russians do know of the devastating strength and firepower that the United States can direct against the Soviet homeland in the event of surprise attack. I refer, of course, to the spectacular capabilities of our missile forces, our Strategic Air Command, and, in particular, our Navy and Polaris fleet.

The planes aloft of the Strategic Air Command, and the units of the fleet that are at sea cannot be wiped out on a first strike surprise by the enemy. Thus, our retaliatory capabilities are inherent in our present military posture.

So long as we maintain this absolute power to retaliate, it is my firm conviction that the Soviets will never launch a major attack. These ships of ours, this underwater Navy of ours, and the planes of the Air Force, together with the mighty missiles that stand at the ready, are the free world's major source of material and military strength today.

But we need more than military strengh. We need moral strength. We need willpower. We need conviction and determination and dedication. These are individual strengths that cannot be generated by military leaders, nor by political leaders.

This kind of power and strength must come from the brains and the hearts of the people. Must come from you and me.

This is both the test and the power of our system. Our national strength comes not from our political leaders, but from the hundred and eighty million citizens who have never failed our constitutional principles in an hour of crisis.

To preserve this strength at the individual level, we must strive to improve our communications at the individual level. We must each reaffirm our faith in our way of life.

We must take a new and honest and objective look at the rich and glorious heritage that is ours.

Long before that imposing glass edifice to man's hopes and dreams was erected at 42d Street and the East River in New York City, we were—in truth—a united nation. We were a nation born of oppressed peoples. We were born in revolt against tyranny and slavery.

We are a nation enriched by the strength and culture of a hundred peoples. In our national bloodstreams are strains of every land. We are Greek and Pole and Russian. We are German, Dane, and Dutch. We are French and Turk and Czech. We are Indian, Chinese, Japanese, and Serb. We are Mongol, English, Irish, and Finn. We are black and white and red and yellow. We are Catholic, Protestant, and Jew. We are Moslem and Buddhist and Shinto. We worship at all shrines and have heartstrings that reach across all oceans.

We have a culture enriched by centuries of struggle as our fathers and their fathers before them cast off their yokes and fought for freedom and opportunity.

We have the heritage of Bunker Hill, of Lexington and Concord. Our fathers fought and died for principles of pride and decency and honor at Gettysburg, Chancellorsville, and Bull Run. Yes, and at Chateau Thierry, the Marne, Okinawa, Normandy, the Chosen Reservoir, and Vietnam.

We came from a hundred lands and we built a new nation. Our sons have returned to those lands and fought and died in defense of principles we hold dear.

Unfortunately, however, in the recent past, pride in country has fallen on hard times. We have tended to downgrade and discount our glorious past. We have minimized the role we have played in raising the hearts and hopes of all enslaved peoples. We have clouded the accomplishments of our Nation's heroes. As a result of the actions and remarks of a few, patriotism—honorable, honest patriotism—has become suspect. Patriotism has become a nasty word.

Well, not in my lexicon. For myself, I blush not when I declare for the record that I have great pride in my Nation. I have great pride in our history. I have great pride in our heroes. I have great pride in our flag.

Just as I hesitate not a moment to proclaim my love for my family and my love for my church, I hesitate not a moment to profess my love for my country.

I have no desire to lock these feelings in my heart. If this pride and this posture causes me to be labeled a flag-waving provincial, I will consider the charge as the highest personal compliment.

Now, let there be no misunderstanding of what I say. I do not endorse any organization. I do not endorse any special group or any special interests. I do endorse the plain, old-fashioned Fourth-of-July kind of spine-tingling personal patriotism that was such a rich part of our national culture for more than 165 years.

There are those who say we have no ideology to match the promise and the hope of the Communists.

I say, let them read again the Declaration of Independence. Let them carefully and thoughtfully study the story of our Constitution and our Bill of Rights. These are the instruments of our national strength—and of our individual strength. These are the flags that kindled hope in the hearts of oppressed peoples for a century and a half.

Let us again communicate these truths to our own people, and to our neighbors. If we do this, we'll have less of a problem making our citizens understand our tax programs and our space programs and our military programs. We'll have less of a task in bringing true understanding to our people if we spell out in moral and spiritual terms what they're fighting for, and what they're paying for, and what their sons may be dying for.

And it must be our charge to our representatives that when they sit down at the conference table to seek the road to a just and lasting peace, that they speak firmly and with conviction in these aims, these ideas, these ideals. They must have confidence in our inner strength; they must be fortified by the faith and power and courage of our people.

They must do what is right whether it pleases the uncommitted nations or not. They must speak softly but carry the big stick.

If we do this, we may not win any international popularity contests, but our national pride and our national prestige can reach new heights.

And we can sleep at night in the comfortable knowledge that our children, and our children's children, will live in peace and freedom—under God.

I thank you.

JAPANESE NATIONALS USED TO BREAK BARGAINING IN FISH INDUSTRY

Mr. PELLY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. PELLY. Mr. Speaker, the Japanese have their fish processing boats operating in Alaska waters. How can American cannery operators who pay a minimum of $3 an hour compete with foreign labor which receives only 33 cents an hour?

The following editorial from the July 24 issue of the Seattle Post Intelligencer tells a story of the short-sighted folly of Alaska's Governor in inviting foreign fish buyers to intervene in a dispute between American fish packers and fishermen over the price of fish.

GOVERNOR EGAN'S ERROR

How Gov. William A. Egan of Alaska runs the 49th State is generally the business of Alaskans.

But when Governor Egan butts independently into the international field, and explains himself later to the State Department, it is of concern to all of us.

Last week Governor Egan invited Japanese freezer ships into Prince William Sound to buy pink salmon. The invitation was accepted. The Governor's grandiose over-all excuse was that he was "protecting the economic health and welfare of the American citizen."

This in a three-page telegram to Secretary of State Rusk. The Governor also charges "interference in Alaska's internal affairs." Secretary Rusk might well reply that the Governor is interfering in national and international diplomacy.

We take due note of Governor Egan's more valid defenses. He says that he was concerned when packers and fishermen failed to come to terms on the price of fish, and feared that the pink salmon run would "rot in the streams" which is a correct biological reference. He pointed out that his action does not interfere with collective bargaining, because legally the fishermen of Prince William Sound are not members of such a bargaining pact but are independent contractors. That is fact. He claims that not to salvage the run would jeopardize the position of the North Pacific Fisheries Commission with regard to our international fishing treaty. That is a matter for experts to decide and is far too complex for the kind of judgment Governor Egan has displayed in this instance.

Much as we sympathize with the position of the fishermen of Prince William Sound, and however carefully we note Governor Egan's defense of his action, we find no plausible excuse for his invitation to Japanese packers. It is of interest to note that his "solution" found no widespread support among Alaskans themselves.

It was an arrogant move certain to give rise to more problems than it solved, and in making it Governor Egan has embarrassed the Nation as well as his constituency.

As a final resort he has blamed his problem and confusion on "vested interests in Seattle" because two of the major Prince William Sound packers have headquarters here. This is demagoguery added to grave error.

Let us hope somebody straightens him out before he causes further damage.

BEEF IMPORT AMENDMENTS

Mr. SCHADEBERG. Mr. Speaker, I ask unanimous consent that the gentleman from Minnesota [Mr. NELSEN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. NELSEN. Mr. Speaker, this morning I appeared before the House Rules Committee in support of House Resolution 812 which asks House concurrence in the beef import amendments adopted by the Senate to H.R. 1839.

I include the statement, which I prepared for presentation to the Rules Committee, in the RECORD at this point in my remarks:

STATEMENT BY CONGRESSMAN ANCHER NELSEN, BEFORE THE HOUSE RULES COMMITTEE, IN SUPPORT OF CONGRESSIONAL ACTION TO PLACE LIMITATIONS ON IMPORTS OF BEEF, AUGUST 5, 1964

Mr. Chairman, I appear in support of House Resolution 812. The situation which has prevailed in the livestock industry for the past year and according to all indications will continue to vex this important segment of our agricultural economy dictates that the House of Representatives concur in the action taken by the Senate to establish reasonable import restrictions on beef, veal, and mutton.

This question of placing import restrictions on meat imports has had a long and stormy legislative history in this, the 88th Congress. Following the voluntary agreements entered into with the major exporting countries earlier this year many of us here in the Congress, realizing that these voluntary agreements were not adequate, introduced legislation calling for quota limitations on the imports of beef, veal, and mutton based on a high 5-year average. Here in the House of Representatives these proposals are still pending in the House Ways and Means Committee.

Meanwhile over in the Senate an attempt was made by Senator Hruska, of Nebraska, to amend the wheat-cotton bill by attaching a provision to establish limitations on the imports of beef and beef products. This Hruska amendment was voted down with the assertion that hearings would be held on beef import proposals in due course by the Senate Finance Committee. These hearings were in fact held and the Finance Committee amended H.R. 1839 by adding the beef import provisions which now are contained in the bill which is lying on the Speaker's desk. I might point out that Senator Mansfield in a statement presented to the U.S. Tariff Commission in May predicted this legislative course when he stated that, "It is my belief that the Finance Committee will report out favorable legislation and then, if my reasoning is right, it will go not to the House, but to a conference committee for consideration and then if agreement is reached, go to both Houses for final consideration."

In past months I have called to the attention of my colleagues here in the House of Representatives rumors stating that a political game was, in fact, being played with this beef import question. I need not go into the details of these rumors at this point, but I am sure, Mr. Chairman, that the great majority of Members of the House of Representatives would not want the House to be looked upon as the obstacle in the path of this legislative proposal. We do not want it said of us that the Senate-passed beef quota legislation was allowed to die over here in the House of Representatives and that the leadership here in the House saw fit to take no action in behalf of the livestock industry of the United States.

Now it will be said that the question of establishing beef import quotas has not been considered by the House Ways and Means Committee and that H.R. 1839 should, in the orderly course of business, be referred to committee for consideration. I would like to point out, however, that time is short. We are nearing the end of this session of the Congress and during the course of the past months, Members of the House have had adequate opportunity to study the great wealth of material which has been presented on the floor of the House of Representatives and over in the Senate. The hearings and report of the Senate Finance Committee have been available and I might point out that a voluminous report of the U.S. Tariff Commission on this same subject was submitted to the Senate Finance Committee on June 30. Little that is not already known would be developed in further hearings on this question in the House Ways and Means Committee at this point.

I would like to point out further, Mr. Chairman, that although any type of statutory restrictions on the imports of beef is vigorously opposed by the administration, we are faced with the fact that such a proposal—and I might add at this point that the Senate amendment to H.R. 1839 is a reasonable proposal—was adopted with leadership support over in the Senate by a substantial margin of 72 yeas and 15 nays. Actually, 6 of these 15 nay votes were cast by Republicans and only 9 of the 3-to-1 Democrat margin in the Senate voted in support of the administration's position. I might also add, Mr. Chairman, that only 2 Senators of the 17-member Senate Foreign Relations Committee voted to support the administration's position.

If it is the administration's contention that the adoption of such import restrictions would wreck havoc with our pending foreign trade negotiations, then it would seem that a vast majority of the administration's party members in the Senate are of a differing opinion.

Now we certainly do not want to take any action that might place the United States in a difficult position during the course of the GATT negotiations, but I am certain that our allies are aware of our own domestic needs and would expect that we would afford protection for our own livestock industry in much the same manner as they have used import restrictions to protect their domestic industry. After all, the United States has fewer trade barriers to foreign imports of cattle and beef than any other country. I would like to point out that even though the United States has become the largest importer of beef and veal in the world today, the only protection offered the livestock producers in this country is a flat 3 cents per pound tariff rate which was reduced in 1948 from 6 cents per pound. On the other hand, the two heaviest exporters of beef to the United States, Australia and New Zealand, do have substantial restrictions on meat imports. Australia prohibits imports of cattle and beef from the United States under a health restriction and in addition, the Australian Government's tariff board has the authority to impose emergency tariffs or other types of import controls whenever it is deemed necessary to protect Australian producers. New Zealand, likewise, prohibits imports of most meats and packinghouse products.

It is my contention, Mr. Chairman, that the livestock industry here in the United States should be afforded at least some protection from competitive imports in the face of the existing domestic price situation.

I recognize the fact that the level of imports thus far in 1964 is considerably lower than it was in 1963, when it reached the high level of approximately 11 percent of domestic production. This, of course, is due in part to the market situation in European countries where the beef price situation is much more attractive than it has been for some years. While our domestic beef prices have come down, the supply situation in most European countries has driven the price upward. We, of course, have no assurance that this situation will continue and without some reasonable protection, our domestic livestock industry is faced with a potential threat.

Beef production here in the United States has been on a consistent increase since 1957 and all indications point to a continued high level of supply. Although 1964 will set a record high for cattle slaughter and beef production, the number of cattle and calves on farms on January 1 of next year will again be larger than a year earlier and establish a new record. I might point out, also, that cows and heifers on farms in January of this year reached a new high, continuing the trend of increase which began in 1958.

In closing, Mr. Chairman, I urge that the House concur in the action taken by the Senate on H.R. 1839 and thus place the Congress on record as doing what is necessary for the protection of our domestic livestock industry.

JOBS FOR YOUNG PEOPLE: REALISTIC APPRAISAL NEEDED

Mr. SCHADEBERG. Mr. Speaker, I ask unanimous consent that the gentleman from New Hampshire [Mr. Cleveland] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. CLEVELAND. Mr. Speaker, the Federal Government can aid employment prospects for young people by providing counseling services and by liberalizing minimum wage requirements, but it is a disservice to American youth to claim that there is a quick and easy solution to unemployment. Proposed Government counseling centers can assist schools in assessing a young person's abilities, give encouragement for needed training, and help guide the individual toward a job. But the Federal minimum wage complicates the job picture for young people because it now stands as an artificial barrier to many young unskilled persons who are not hired by firms due to the cost of training them on the job. Exceptions should be made in minimum wages to give the unskilled a chance to learn while earning reduced but important income.

It should also be remembered in discussing youth unemployment that a principal factor in determining a young person's success in obtaining needed education and employment is his attitude toward education and work. There are limits to what the Federal Government can do to alleviate the employment problems of young people.

The Federal Government can provide counseling centers, aid to school guidance programs, information on job requirements and employment prospects, and assistance to school vocational education programs. But the Federal Government can do little to influence parents in developing proper attitudes for their children. The Government is also limited in influencing local schools and school administrators to undertake needed modernizing and revamping of curriculums.

While the Federal Government cannot solve the problem of unemployment for young people, a liberalized minimum wage and improved counseling would certainly be a significant step in the right direction. But it should be emphasized that there is no quick and easy solution.

I would like to include here in the Record a thoughtful editorial, "Jobs for Teenagers," from the Wall Street Journal of July 24:

Jobs for Teenagers

As the Government mounts a "massive" attack on teenage unemployment, it is important to keep the problem in perspective. Too often its elements, and hence some of the proposed solutions, tend to get a little distorted.

Statistical reports, for one thing, often overstate the problem itself. While it is true that the teenage jobless rate is three times the figure for workers generally, it is also true that more than one-third of the unemployed youths are seeking only part-time work, in many cases because they're still in school.

Such young people may sorely need the income to remain in school or to help support their parents; their economic problem cannot be lightly dismissed. But it is not the same as the problem of jobless teenagers who must fully support themselves, and it's far different from the problem of adult family breadwinners who cannot find jobs.

In the second place, there is a dangerous tendency to overstate the Federal Government's ability to deal with teenage joblessness. The Government clearly can help, but it neither can nor should try to do the job alone.

For instance, the Government can do little to deter the parents who drive their offspring into academic programs beyond their abilities—and thus into failure and frustration. Nor can it do much with parents who go to the opposite extreme of overpermissiveness and fail to provide children with any incentive for achievement. These problems, along with others that arise in the home, must be solved largely by the parents themselves.

There also are limits to the extent that the Government can influence local schools toward changes that will help keep students interested in education. One useful step along this line has been Washington's nudging of vocational education programs away from their traditional emphasis on agriculture and toward courses of more use in our modern society. But no matter how sound this idea and others may be, putting them into practice is the task of local school administrators.

Though much of the responsibility thus lies with parents and schools, a great deal of it rests with the young people themselves; not all of the motivation can be supplied from outside. If a teenager is lazy or indifferent, he will gain little from the finest of vocational training.

That's why perhaps the most promising aspect of the Government's proposed program is its provision for counseling centers scattered around the country. Supplementing existing school and private services, the counselors would try to gage a teenager's abilities, possibly encourage him to seek needed training, and attempt to guide him toward a job.

In still another way the Government could, if it would, do much for teenagers: It could lower an artificial economic barrier that keeps many unskilled youths unemployed. This barrier, as University of Chicago economist George Stigler and other experts have shown, is the Federal minimum wage of $1.25 an hour.

Here again, however, the Government could not do the whole job. States also set minimum wages and labor unions, with their steep starting-pay requirements and other restrictions, raise still higher obstacles. The result is that many employers simply cannot afford to hire unskilled teenagers, for either part- or full-time work, and train them on the job.

As Professor Stigler notes, the idea of lower pay rates won't sit well with some people: "A fine thing," they will say, "to raise the economic status of a boy by lowering his wage rate to a dollar an hour." "A fine thing indeed." I reply, "to raise it from zero to a dollar." Many teenagers, we suspect, would agree with Mr. Stigler.

Thus, parents, private groups, governments and young people themselves, if they work together, can do much to ease the problem. But it would be a disservice to teenagers for Washington or anyone else to claim a quick and easy solution. And it is a disservice to the public to blow up a problem which is serious enough in some areas into the dimensions of a new national crisis.

REAPPORTIONMENT OF STATE LEGISLATIVE BODIES

Mr. SCHADEBERG. Mr. Speaker, I ask unanimous consent that the gentleman from Montana [Mr. BATTIN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. BATTIN. Mr. Speaker, in order to prevent chaos in the legislative process in the State of Montana, I have introduced a bill to stay the proceedings for reapportionment of State legislative bodies.

By a recent Supreme Court decision it would appear that such an action is necessary and it will also give Congress time to reflect upon a proposal for a constitutional amendment introduced by myself and others recently which would allow one house of a State legislature to be apportioned on a basis other than population.

The time remaining in this session may not be sufficient to complete the careful study that such a proposal merits. Therefore, in view of the threat of the Federal Courts to apply immediately this decision so as to give a State as little as 15 days to comply, I believe it is absolutely essential to the orderly process of representative government that the courts be stayed from further usurpation of the role and function of the legislative branch.

POSTHUMOUS PRESENTATION 1963 CHENEY AWARD TO MAJ. JAMES R. O'NEILL

Mr. SCHADEBERG. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. GROVER] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. GROVER. Mr. Speaker, the Cheney Award was established in memory of 1st Lt. William H. Cheney, Air Service, who was killed in an air collision at Foggia, Italy, on January 20, 1918. Presented annually by the Chief of Staff, U.S. Air Force, the Cheney Award is given for "an act of valor, extreme fortitude, or self-sacrifice in a humanitarian interest performed in connection with aircraft."

Maj. James R. O'Neill has been selected for the 1963 Cheney Award. Major O'Neill distinguished himself by extraordinary heroism while acting as advisor-pilot during an aerial flight over the Republic of Vietnam on February 6, 1963. On that date while on a support mission, Major O'Neill's aircraft encountered engine failure while flying at an extremely low altitude over hostile territory. With complete selflessness and devotion to the highest principles of his profession, Major O'Neill elected to remain at the controls to insure the safe bailout of the crew members. By his heroic action, Major O'Neill saved the lives of the crew members at the sacrifice of his own life. Major O'Neill's dedicated and professional performance as a pilot reflects great credit upon his country and the U.S. Air Force. His achievement conforms to the highest traditions and standards established for the Cheney Award. Clusters for both the Distinguished Flying Cross and Purple Heart have been awarded to Major O'Neill posthumously.

Major O'Neill was born December 27, 1922, in Hicksville, Long Island, N.Y. He entered the Army Air Corps in 1943 as an aviation cadet and was commissioned a second lieutenant in 1944. Following separation from the service in 1946 he attended Hofstra College on Long Island and graduated in June 1950. He was recalled to active duty in 1950 and flew 50 combat missions in Korea for which he was awarded the Distinguished Flying Cross, Air Medal, and Purple Heart. Following his return from Korea in 1953 he served as an instructor pilot at Reese Air Force Base, Tex., and subsequently as operations officer at Laon, France, and budget officer of the 26th Air Division, Hancock Field, N.Y. At the time of his death Major O'Neill was assigned to Detachment 2A, 1st Air Commando Wing, on temporary duty in the Republic of Vietnam.

Major O'Neill is the son of Mrs. Carolyn V. O'Neill, Twin Oaks Apartments, 7 York Drive, Huntington Station, Long Island, N.Y., in my congressional district.

I join with Gen. Curtis E. LeMay, Chief of Staff, U.S. Air Force, in expressing my pride in this acknowledgment of the heroism of Maj. James R. O'Neill and my compliments to his very brave mother who received the award yesterday in his memory.

ARCHIE O. DAWSON, U.S. JUDGE

Mr. SCHADEBERG. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. LINDSAY] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. LINDSAY. Mr. Speaker, the Nation, the Nation's judiciary, and a great many ordinary people, are the lesser off today because of the death of U.S. Judge Archie O. Dawson, of the southern district of New York.

Judge Dawson, friend of thousands, beloved husband of Barbara, and generous counselor to many, died suddenly in California following his attendance at the Biennial Conference of the International Bar Association in Mexico City.

The Nation does not often produce men like Archie Dawson. Ten years ago he gave up a very lucrative and very exciting law practice in order to serve the country on the Federal court. I know how much personal sacrifice this meant for Judge and Mrs. Dawson. The U.S. Court for the Southern District of New York, probably the leading and strongest Federal trial court in the country, was immediately strengthened by his presence. He brought to it wise knowledge, a trial lawyer's keen balance, judicial restraint, and great moral fiber. Judge Dawson's death is an immeasurable loss to the Federal judiciary.

Judge Dawson practiced law for 30 years in New York as a partner in the firm of Dorr, Hand & Dawson. His achievements were many. He was a fearless defense counsel and trial lawyer. He was enormously respected by the bar and his colleagues on the bench. He was one of the most prominent presidents that the New York Young Republican Club ever had in its 53-year history. In 1933 he lead the club in the fight that resulted in the needed reform of the Republican organization in New York County. He was a delegate to the New York State Constitutional Convention in 1933, vice president of the National Republican Club from 1935 to 1937, and an early key adviser and supporter of Gov. Thomas E. Dewey. On several occasions a Moreland Act commissioner on appointment of Governor Dewey.

Mr. Speaker, as Judge Dawson's Representative in Congress, and one who has always been proud to have him as a friend and wise counselor, I want to express my deepest sympathy to Mrs. Dawson and to Judge Dawson's two brothers, Leslie L. Dawson, of Bedford Hills, N.Y., and Stanley Dawson, of New Brunswick, N.J. Their loss is deeply shared by many.

Mr. Speaker, Mr. Don Ross of the New York Herald Tribune, wrote a moving obituary of Judge Archie Dawson, and under unanimous consent I place it in the RECORD at this point:

[From the New York (N.Y.) Herald Tribune, Aug. 4, 1964]

JUDGE ARCHIE O. DAWSON, PRESIDED AT COHN TRIAL

Judge Archie O. Dawson, 65, of the U.S. district court, died yesterday in Los Angeles, Calif., while on a vacation trip, according to word received at his office here. His secretary, Miss Agnes Kennedy, reported that Mrs. Dawson, in a telephone call from California, said the judge had died of a coronary heart attack. He lived at 1088 Park Avenue.

Judge Dawson had celebrated his 10th anniversary on the bench last June 15 with an informal party in the U.S. Courthouse on Foley Square. Active in Republican politics and in legal circles for many years, he was appointed to the bench by President Eisenhower in 1954.

One of his last trials was that of Roy M. Cohn on charges of perjury and conspiring to obstruct justice. In order to hurry the slow trial along, Judge Dawson at times resorted to bench pounding. When a defense lawyer said he wanted to go home because he was tired, Judge Dawson adjourned court for the day and advised the lawyer to take "a stiff drink" to get into shape again. A mistrial was declared because a woman juror's father died and she was dismissed to go home. In a subsequent trial, Mr. Cohn was acquitted.

Judge Dawson left New York July 17 on his vacation. He was accompanied by his wife, Mrs. Barbara Gage Dawson. In Mexico City he attended the conference of the International Bar Association. He flew to Los Angeles and he and Mrs. Dawson were to visit Mrs. Charles L. Robinson, of Glendale, Calif., Mrs. Dawson's sister. The judge was due back in New York August 11 to attend the convention of the American Bar Association here.

LAW PARTNERS

Judge Dawson practiced law for 30 years in New York. He was a partner in the firm of Dorr, Hand & Dawson until his appointment to the bench. His political activities were many. He had been president of the New York Republican Club in 1933 and was prominent in the fight that year to unseat Samuel S. Koenig who had been Republican leader of New York County for 21 years.

He was a delegate to the New York State Constitutional Convention in 1933 and vice president of the National Republican Club from 1935–37. In 1942, he was executive director of the Dewey for Governor Committee and 2 years later was assistant campaign chairman of the Republican National Committee.

On several occasions, he served as a Moreland Act commissioner on appointment of Governor Dewey. (The act empowers a Governor to appoint commissioners to investigate State agencies.) In 1943, Governor Dewey named Judge Dawson to look into charges of contagion and filth at Creedmoor State Hospital, a mental institution at Queens Village, Queens, where an amoebic dysentery epidemic had taken several lives. Judge Dawson's report was credited with helping to clean up conditions not only at Creedmoor but at other State mental hospitals.

DEFENDER

As a lawyer, Judge Dawson was the attorney for Mrs. Oksana Kasenkina, the Russian schoolteacher who jumped out of a window of the Soviet consulate in New York in 1948. The Soviet Government sent $250 to Roosevelt Hospital to pay Mrs. Kasenkina's hospital bills but she refused the money though she had none of her own and the cost of her room was $13 a day exclusive of medical and surgical charges.

It was Judge Dawson who quoted Mrs. Kasenkina in a press conference as saying "No, no. Please don't let them take money from the Soviets for taking care of me." And it was he who prevailed upon the hospital to return the money. The bill was later paid by an anti-Communist organization.

Judge Dawson sometimes quoted the Bible from the bench. In 1958 he delivered a lecture on Christian charity to a group of Congregational Church ministers and laymen who came before him to press a suit against the proposed merger of the Congregational Christian Church and the Evangelical Reformed Church.

He told them that their time and money should be devoted to the practice of Christianity rather than to acrimonious and costly litigation. He estimated they had already spent $500,000 in their suit and probably would spend $1 million before they were through.

"Dare any of you, having a matter against another, go to law before the unjust, and not before the saints?" he asked them, quoting St. Paul in the Epistle to the Corinthians.

BIG BROTHER

Judge Dawson had been for many years chairman of the board of the Big Brother Movement, an organization of prominent citizens that seeks to fight juvenile delinquency.

Judge Dawson was born in Pomfret, Conn. He was graduated from Columbia College summa cum laude in 1921 and received a bachelor of laws degree from Columbia University Law School in 1923. He was a member of the American Bar Association, the New York State Bar Association, the New York County Lawyers Association and the Bar Association of the city of New York. He was a Mason and a member of the Scarsdale Golf Club.

Besides his wife, he is survived by two brothers, Leslie L. Dawson, of Bedford Hills, N.Y., and Stanley Dawson, of New Brunswick, N.J. Funeral arrangements were not complete last night.

DON ROSS.

THE CRISIS IN SOUTHEAST ASIA

Mr. SCHADEBERG. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. HALL] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. HALL. Mr. Speaker, all of us here in this House recognize that we are at this moment involved in a crisis in southeast Asia. Certainly, extreme military action is no vice in defense of freedom when our capital ships are attacked, and now the Nation is and must be united on this premise.

I recall the Cuban blockade announcement of October 18, 1962, just before the off-year elections. At that time a number of us in the House were called to Chicago for a briefing. I believe now, as I did then, that the country must unite behind the administration's actions. But looking back to the Cuban crisis, had we not seized defeat from the jaws of victory when we had the Communists overextended and the world on our side, the action today might have been avoided.

This time we must be firm in our resolution and prosecute our reprisal to the problem without fear, not only for our own liberty and rights of the open sea, but for all freedom-loving nations.

Just as we have today acted to eliminate bases used by Communist PT boats, so must we also consider the interdiction of Communist supply lines through Laos and Communist North Vietnam, toward hastening the conclusion of this distant war which saps our strength. Surely, in the events of the past 48 hours, we can set our sights toward victory, realizing that anything less will threaten the freedom of all southeast Asia and even beyond.

Mr. Speaker, I pray for peace with honor, and support the administration in its current effort. I do not believe that a firm stand on the part of the United States will escalate into general war with either the Chinese or the Russians. Quite the opposite; the very foolhardiness of the attack by PT boats on our destroyers suggests that our will is being tested, and a failure to demonstrate that will on our part could be disastrous. The stand we are now taking has long been indicated and is properly imposed.

NEWHOUSE COMMUNICATIONS CENTER

Mr. SCHADEBERG. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. RIEHLMAN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. RIEHLMAN. Mr. Speaker, it was a rare privilege for me to attend a dinner last night in Syracuse, N.Y., honoring newspaper publisher, Samuel I. Newhouse. The occasion was held to thank Mr. Newhouse for donating $15 million to Syracuse University to establish the Samuel I. Newhouse Communications Center.

The center's first building, the school of journalism, was dedicated today.

It is an honor for me to represent the congressional district in which this new communications center is located. In this complex world of ours, there is no doubt that heavy emphasis must be placed on communications and information if we are to understand one another and the other countries who are our neighbors.

This center will be the world's largest and most advanced study center in mass communications.

Samuel I. Newhouse has come a long way in the world since his birth in a New York City tenement. He is a classic example of the poor boy who, by diligence, thrift, drive, and belief in the American way has pulled himself to the top of his profession by his own efforts.

The youth of our community and our Nation could well study his life to find guideposts for success.

To show the respect, esteem, and fondness for Samuel I. Newhouse and his charming wife, I am inserting the tributes which accompanied Gold Medals for Distinguished Service to Journalism.

Also, I wish to insert the speech of Samuel I. Newhouse at the dinner. It shows, better than I can say, the vision of this man and the heavy responsibilities he feels as he guides his publishing and broadcasting organizations.

TEXT OF CITATIONS

(Following is the text of "Distinguished Service to Journalism" citations which accompanied gold medal awards given last night to Mr. and Mrs. Samuel I. Newhouse.)

SAMUEL I. NEWHOUSE

For more than half a century, you have labored long and tirelessly to create a communications empire whose foremost purpose is to serve the community and Nation.

Selflessly, you have dedicated yourself to the cause of freedom which is exemplified in the complete and unfaltering belief that editorial direction rightfully shall remain in the hands of the citizens of the community.

Without regard for personal power, you have dedicated yourself to this new concept of responsibility. You have neither influenced the editorial opinions of your newspapers nor changed their institutional character. In permitting unfettered freedom of action, you have established a new pattern for those in command of mass media of communications.

Without exception, your entire career has been devoted to public service. Establishing the Newhouse Foundation and the Newhouse Communications Center are but two instances of your zeal for progress and civic welfare.

This generation and those to follow will indelibly mark your role in mass communications and cherish the legacy you have entrusted to them.

For demonstrating in the traditional American way that hard work, intelligence, and uncompromising integrity are still the formula by which success can be attained in public life, you have shown that life dedicated to others can gain the loftiest heights despite the most humble of beginnings.

By unanimous action of the Faculty of the School of Journalism of Syracuse University, we hereby, on this 4th day of August 1964, award you this Gold Medal for Distinguished Service to Journalism.

MITZI E. NEWHOUSE

Since earliest recorded history, the maxim that "Behind every man * * *" has gained credence. This is no less true today as exemplified by a life devoted to husband, family, community, and Nation. In your role as wife, mother, colleague, and spirited citizen, you have—for more than four decades—marched side by side with your distinguished husband.

Your diversity of interests, your deep human sympathy and intelligent awareness are to a significant degree responsible for the achievements which we honor today. Your interest in design, your leadership in fashion, and your knowledge of the arts have had an undeniable impact and reflection in many aspects of the publications under the Newhouse aegis.

Your service to important causes has transcended the most generous bounds. You have given a great part of your life to civic, social, and welfare activities. Your influence will continue to serve as an inspiration to others.

For your loyalty, for your humility, for your wise guidance and counsel, and for your efforts in so many quiet and unnoticed ways * * * by unanimous action of the faculty of the School of Journalism of Syracuse University, we hereby, on this 4th day of August 1964, award you this Gold Medal for Distinguished Service to Journalism.

TEXT OF NEWHOUSE ADDRESS

(Following is the text of an address delivered by Samuel I. Newhouse last night at a dinner in his honor at Hotel Syracuse.)

Governor Rockefeller, Chancellor Tolley, friends, it seems a long time ago—some 5 years—since Chancellor Tolley and I first sat down to discuss the possibility of creating a communications center at Syracuse.

And may I say at the outset what a satisfying experience it has been to work with our chancellor on this project.

It has been stimulating to watch an idea grow into a handsome structure—the first of three dedicated to the education of promising young news talent.

I cannot be unaware of a dramatic contrast that concerns my name. The first time it appeared anywhere was on a birth certificate written in a New York City tenement, where I was born.

I am proud of that.

Tomorrow I will see my name inscribed on the wall of what is perhaps the most modern school of communication in the world. I am proud of that, too.

But I am proudest of my ties with the people gathered in this room tonight—first, of course, my immediate family: my wife, my sons, and my grandchildren; my brothers and sisters; and my old and good friends.

They all know how I cherish them.

My particular embrace tonight, too, is to my professional associates here. It is to those editors and publishers who, over the years, have nourished and helped develop our family of newspapers.

For the fact is that I look upon our newspapers as a family and at each acquisition as if of another child.

Our elementary concern is of its health and then its growth. Although each is flesh of our flesh, and ink of our ink, each develops in its own way, with its own looks, its own views, its own independent spirit—the way children do.

They speak differently, too—for they are the voices of all America. Their accents are from the far Northwest, the East, and the South—accents from all the regions of our land. But despite the differences in accents, they are united in one common aim: the newspapers' dedication to the truth.

The mass media are enormously influential. They affect human judgment, shape our desires, and influence our choices. They can lull a community into complacency or charge the atmosphere with reforming zeal. They can appeal to the grossest urges or cultivate the highest aspirations. They can subvert an entire nation or they can enhance an open society.

Communication is a two-way process. We may print words, broadcast a speech, or televise an event but the man who reads, or listens, or watches is also a part of the process of communication. The mass media have a special responsibility in making sure that the news of the world is reported accurately. But all of us—from the lowliest private citizen to the highest officials of industry, labor, education, and government must share in this responsibility.

We are entrusted with instruments of massive power—the press, the microphone, and the camera. Indeed, they are the crucial weapons in a struggle for men's minds and hearts. They are also the vital implements for creating the good society.

Our ever-bigger cities call for new ways of keeping things in harmony with human values. Complex social movements must be explained clearly if each person is to play an intelligent role. In a democracy, political life must be kept meaningful for the average man if he is to remain a vital participant.

It is right and fitting that such a communications center be located within a dynamic university with world-embracing interests. The many fields of study provide an unparalleled opportunity for the interplay of creative talents of the first rank.

That is why all of us in communications, education, and government have a special responsibility to report to the peoples of the world and to our own people, and in reporting today's news the mass communicators must understand the forces that work in the world around us. Policies of nations and peoples alter too quickly for journalists to make inflexible judgments. Today's so-called enemy is tomorrow's friend. Indeed, we have no lasting enemies so much as we have ill-informed peoples.

In the end, it is the quality of persons who choose to make mass media their career that counts. We hope—my wife, my sons, and myself—that the brightest possible young men and women will be found and awarded scholarships at this center. It is our hope that the most accomplished teachers who can be found will continue to be added to the present outstanding faculty as an incentive to journalism students to come to Syracuse.

It is our hope that great leaders of this Nation and the world will be drawn to its forums and seminars to shed the light of their experience and judgment on the great issues of the day, thus making this city and this university a continuing focus of interest and culture.

And so, I am grateful to Chancellor Tolley for having shown me the way, for helping me fulfill the responsibility I feel as a publisher toward this community and Nation. I am happy that I can share this pride in my lifetime with all of you here tonight.

Tomorrow the President of the United United States will dedicate the great building which will bear the name first written on a birth certificate in the tenements of New York.

For all of this, Governor Rockefeller, Chancellor Tolley, distinguished guests, ladies and gentlemen—I am deeply grateful and proud.

NORTH VIETNAM PROVOCATIVE ATTACK ON DESTROYERS

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. HANNA] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. HANNA. Mr. Speaker, we here in Congress and Americans throughout our land are asking themselves what, if any, are the hidden motives and undetermined meanings of the North Vietnam provocative attack on the destroyers of our 7th Fleet. I should like to suggest one very disturbing possibility and predict that its presence in this matter will soon be acknowledged.

For the past 35 years the Soviet Union has pursued a strategy of reducing the area of the ocean classified as the "high seas" or international waters. In this manner the Soviets have sought to degrade the naval power of the United States and reduce its area of operation and effectiveness as a weapon in the arsenal of freedom. Techniques utilized by the Russians have been to create new historic bays; to extend territorial waters; to use the outer limits of the Continental Shelf to determine limits of controlled seas. It is not surprising to find other Communist controlled states employing these same arguments and techniques.

May I predict, Mr. Speaker, that the opening cries of the North Vietnamese will ring with righteous cries of indignation accusing the destroyers, the U.S.S. *Maddox* and the *C. Turner Joy* of illegal intrusion into waters defined as within the territorial jurisdiction of North Vietnam.

The further extension of the doctrines now being forwarded and projected by Communist strategy, could, in the South Pacific and Far East area, bring all narrow oceanic passages under the jurisdiction of coastal or island states.

The effective and free use of naval forces would by the same token be measurably reduced. There is a disturbing, yes, an alarming trend which seeks to impose restraints on the deployment of seaborne forces on the historic high seas. The developing limitations and restraints are calculated to harm most seriously the United States because of our heavy reliance upon our superiority in naval striking power.

Mr. Speaker, one of the serious reasons behind my introduction of H.R. 11232, providing for research and study of the development of the law of the seas was to alert the United States to these important trends now evident in the international law affecting the jurisdiction of territorial waters. I suggest that the incidents of the last few days may give crisis flavor to a matter which has previously had only urgent concern in the minds of too few of our Nation's leaders.

I may be wrong, but I await the exchanges before the United Nations with great interest as to the claims and counterclaims as to who was the provocateur in the disturbing warlike incidents in the Gulf of Tonkin.

NEW LAWS ARE WHAT MAKE PROGRESS POSSIBLE

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. GONZALEZ] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. GONZALEZ. Mr. Speaker, those of us who have kept faith in the American people, in their moral code, and in their respect for law and order, have been confident of the ultimate success of the Civil Rights Act of 1964. It has seemed a simple truth to those of us who voted for passage of this law that although laws by themselves cannot make people good, they can make good people safe, and they can establish standards of behavior for all people to follow. And we know that those who would deny the force and influence of the law on both the individual and society must also deny the force and influence of the Ten Commandments, the Laws of Moses, the Old Testament and the New Testament, the Code of Justinian, Anglo-American Jurisprudence, and all the other great codes and bodies of law which have supported, encouraged, and guided civilizations from the earliest times. But these things cannot be denied.

Rowland Evans and Robert Novak, coauthors of the widely syndicated column, "Inside Report," have written an article for the current August 8, 1964 issue of the New Republic, entitled "Birmingham—Keeping Our Fingers Crossed," illustrating the effects of the Civil Rights Act of 1964 which are already noticeable. Of Birmingham, Ala., the authors write:

> This city, whose violence and murder spawned the civil rights bill last summer, is now the hopeful symbol of southern compliance with the new act.

That statement was made after observing the events that have transpired in Birmingham since the act was signed into law by President Lyndon B. Johnson on July 2, 1964. For, contrary to the dire predictions of those who opposed the civil rights bill, there have been no riots in Birmingham. According to Evans and Novak, there has not been any trouble worthy to be dignified an "incident."

The authors' conclusion is one that bears repeating:

> There is a great lesson in Birmingham. Over the years, public figures from Dwight Eisenhower to BARRY GOLDWATER have said that progress in civil rights depends on a change in men's hearts, not new laws. Birmingham today seems to prove otherwise, that new laws are what make progress possible.

It has been only a month since the enactment of the Civil Rights Act. But the record of achievement already established by the responsible citizens of Birmingham is a hopeful sign. I ask unanimous consent that the article by Rowland Evans and Robert Novak be inserted at this point in the RECORD.

BIRMINGHAM—"KEEPING OUR FINGERS CROSSED"

(By Rowland Evans and Robert Novak)

Perhaps it is only Birmingham purging itself. This city, whose violence and murder spawned the civil rights bill last summer, is now the hopeful symbol of southern compliance with the new act. Compliance in moderate, progressive Atlanta would have been no surprise. In segregationist, tension-ridden Birmingham, it seems a miracle.

But there are no miracles today in the South, particularly not in this rawboned, blue-collar steel town that sprouted out of Alabama's coal and iron ore deposits during the industrial revolution. The story of Birmingham's decision to accept, not to fight, the toughest civil rights law in history is the story of fastidious planning, dating back to last summer even before President Kennedy had finally decided to ask Congress to outlaw discrimination in public accommodations.

"We're still keeping our fingers crossed," William (Billy) Hamilton, a slight, chain-smoking political technician, told us the other day. Hamilton is executive secretary to Mayor Albert Boutwell. One source of possible trouble is the lurking figure of Gov. George Wallace. Wallace has been ominously quiet about Birmingham's new life. He might still turn triumph into disaster.

One motel (which shall be nameless) was schizophrenic about the new law's public accommodations section. When other motels and hotels decided to admit Negroes the moment President Johnson signed the new law, it threatened to hold out. City officials pleaded with the manager:

"The choice of course is yours, but if you can't go along please resign from the motel association. It is vital when the association issues its announcement of compliance that it be unanimous."

Reluctantly, the holdout went along. The hotel and motel association's July 3 announcement proclaimed to "the traveling public and the citizens of Birmingham" that compliance "will be observed by all members."

One place to view the new Birmingham is the Parliament House, a swank motel with plush lounges and elegant bars—and, of course, a lily-white clientele until now. At the Parliament House one day last week, two Negro young women chatted softly over their meal in the pleasant, sun-lit lunchroom, surrounded by whites. Across the lunchroom, a white-collared Negro, sportily dressed, ate alone. The scene was scarcely credible in a city that a year ago was dishonored by the snarl of police dogs, the arrogant presence of Wallace's State troopers, and the bombing-murder of children.

In the heart of downtown Birmingham, Abe Slotnik's 20th Century Restaurant, where lawyers and bankers like to eat lunch, was all white on the day we stopped in. "No one's come in here," Slotnik said. "When they do, they'll be served just like you. I'm not fighting the Government."

So far there has not been any trouble worthy to be dignified as an "incident." The closest to it came one evening in the formal dining room of the Parliament House. Two white couples got up and walked out when a party of nine Negroes walked in. The whites had ordered their meal and left without paying.

"We let them go," a Parliament House clerk explained. "The food hadn't gotten to their table. But it was foolish of them. They probably found the same thing at the next place."

What has happened in Birmingham the past few weeks is not the start of the biracial millennium. But as a case study of compliance with a law repellent to the majority, today's Birmingham story is as encouraging as last year's violence was frightening.

It starts with a document composed by Billy Hamilton at the instruction of the mayor and the request of the chamber of commerce shortly after the Senate adopted cloture on the civil rights bill. Cloture ended the filibuster and assured passage of a strong bill.

Acting on orders from Mayor Boutwell, Hamilton had been in and out of Washington for weeks, conferring with top administration officials and with Northern businessmen with extensive interests in the South. Beginning last summer these businessmen had been secretly helping the Kennedy-Johnson administration prepare the way for the law.

Dated June 23, Hamilton's document has become a classic. Mayors and chambers of commerce all over the South have asked for it to help their own adjustment to the public accommodations section of the new law. It has three basic features:

First, it makes no effort to "sell" compliance to reluctant businessmen.

Second, it states flatly that "the real danger of disorder or disruption of business will lie in reaching no decision at all—in making no plans" to deal with the sweeping changes of the new law. The absence of plan, it adds, "will leave revolutionary elements free to operate on their own initiative—in effect, fill a vacuum."

Third, it pledges police protection to proprietors of restaurants, hotels, motels, lunch counters and other "public accommodations," whether they plan to comply with the law or resist it until tested in the courts.

This pledge of police protection by the city of Birmingham, working with the business community, was the foundation on which the city built its compliance program. The dynamics of the civil rights revolution, particularly in the South, have proved that a reliable police force under the direction of men committed to law enforcement is the big obstacle to rule of the mob.

Birmingham learned this from the violence that spread through its streets last year. But last year, for example, Birmingham's police department did not have much of a chance. On several occasions (once right after a truce had been reached with the Negro demonstrators) Wallace's State troopers rolled into Birmingham, clubbing and bullying, and preempted the city's own law enforcement.

The drafting of the city document (labeled ponderously "An Informational Memorandum With Regard to the Civil Rights Act of 1964") followed a series of quiet discussions between city officials and half a dozen leading citizens of Birmingham, all of them members of the chamber of commerce. These meetings started in early May. Frank Newton, the president of the chamber, and Crawford Jonhson, III, the president-elect, carried the main load for business. Mayor Boutwell, M. E. Wiggins, president of the city council, and Hamilton represented the city. From New York came Julius Manger, head of the Manger Hotel chain with headquarters at the Vanderbilt Hotel.

Manger was one of a dozen northern executives with business interests throughout the South who were summoned by President Kennedy to the White House last summer. They were asked to help prepare a new psychological climate among southern businessmen and their traditional methods of dealing with the race question. For a year, they worked with Presidents Kennedy and Johnson and Attorney General Robert Kennedy and his deputies. They toured the South, not trying to sell the new civil rights bill but acting as mediators between Washington and southern business, and between southern business and Negro leaders.

When Boutwell called the first Birmingham meeting in May, it was as secret as a council of war. He told Birmingham business that once the law was signed, the city had to have a plan and that this plan had to be "announced to the world."

"We're not asking any of you to tell us whether you are or are not going to comply," the mayor said. "We're simply informing you that there is no longer any doubt that the law is going through and that it will definitely include a public accommodations section. We must have a plan."

A day or two before President Johnson signed the bill, the "informational memorandum" was sent to every member of the chamber of commerce, to all the newspapers (including Negro journals), radio and television stations. It got a lukewarm endorsement from the Negro press. The 13-page memorandum contained a detailed description of the public accommodations section, what enterprises would be exempt, and how the conciliation service would operate. It emphasized that Birmingham had "no statute, resolution, ordinance or other provision" for enforcement of the new law, but that once an entrepreneur had decided what to do—whether comply or resist—he would be fully protected by local police. By July 2, the day President Johnson signed the law, every establishment covered by the law had informed Mayor Boutwell of its willingness to comply.

What the city hoped was that responsible Negroes would test the restaurants, motion picture houses and hotels immediately, before rabble-rousers could whip up emotions either among Birmingham's Negroes or angry whites. This is precisely what happened.

On the evening of July 2, Rev. Fred Shuttlesworth, leader of the city's Negroes, assembled his followers at 5th Avenue and 16th Street. It was time to test the new law, he said. He advised his people to be ready for "massive resistance." He set Friday as the day for testing.

Instead of "massive resistance," Shuttlesworth's men quietly entered the Parliament House and were immediately taken to the dining room. They entered all the city's movie theaters and were ushered politely to seats. They entered Brittling's Cafeterias and were shown to the end of the line. They were accepted everywhere. Shuttlesworth was dumbfounded when the Negro testers reported back to him that not once had they been refused service.

As we write this, nothing has disturbed the tranquillity of desegregation in Birmingham. The extraordinary demonstration vindicates those who predicted last summer that desegregation in the Deep South was possible only if backed by the force of Federal law. Only then would the moderates (who had always been willing to desegregate) be able to do so. Only then would the segregationists who had cried "never here" be able to save face.

There is a great lesson in Birmingham. Over the years, public figures from Dwight Eisenhower to BARRY GOLDWATER have said that progress in civil rights depends on a change in men's hearts, not new laws. Birmingham today seems to prove otherwise, that new laws are what make progress possible.

PRAISE TO THE POLISH-AMERICANS

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. RYAN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. RYAN of Michigan. Mr. Speaker, in mid-April, one of my distinguished colleagues made his weekly radio reports in his area to his constituents. In that report he made certain statements to which I take great exception and to which remarks I object very strenuously.

The remarks of my colleague were broadcast over a number of radio stations in Hawaii and contained several references to the Polish-American groups in the United States, among which he stated that the Polish-American minority group is the second lowest economic group, and that they are "next to the lowest rung of the economic and social ladder against improvement of the lot of those on the lowest rung."

He further indicated that the Polish-Americans, as late-coming non-Anglo-Saxon immigrants, have long been a struggling minority group which has only recently begun to achieve status in American society; that they are concerned by the rise of other groups who were lower than the Pole in the economic structure.

I was deeply disturbed about these statements because they are an insult to a wonderful group of people. I am of the firm belief that his remarks were improper, irregular, and totally unnecessary. It was a derogatory attack on Polish-Americans throughout the entire United States of America.

My congressional district contains a vast number of Americans of Polish extraction. The people of other nationalities in this area, as well as throughout America, have much respect and admiration for them. They are respected and admired for their many fine contributions and dedications to our American culture, to our American economic system, and to the defense of our country. They are simply considered to be good Americans.

The Poles, as a nation, are a proud people and enjoy a rich and splendid heritage. Their love for freedom and liberty has been carried over to the American shores by the great number of immigrants who came here to seek a better way of life for themselves and their families. They do not resent the fact that some people have been able to make more rapid strides in developing their economic status; they know full well that some individuals can and do obtain economic and social gains more rapidly than others. However, they are constantly endeavoring, like any other American, to properly do all they can to better the standard of living and their position in our American society, and thus make greater contributions to the general well-being of the community in which they live.

Americans of Polish extraction have shown their desire to be a part of the life of these United States. Overwhelming proof of this fact is their ability and their natural ease to cooperate and work with and blend with all peoples of other nationalities. Many of them are people of influence in their city and State; many have provided much leadership in various endeavors undertaken by civic, religious, fraternal, and business associations. They are a proud credit to America.

The younger generation of Polish-Americans are rapidly gaining stature in whatever sphere of productive activity they enter. More and more young men and women of Polish extraction are continuing and expanding the contribution of their forefathers and are developing to be important leaders of our American society. This is because of the spirit, drive, and determination which was imparted to them by their fathers and mothers to gain a higher rung on the economic and social ladder.

Yes, indeed, people of Polish-American ancestry can hold their heads high as they proudly walk the spacious lands of America, and be proud of the fact that their blood runs with the blood of their forefathers.

Yes, indeed, all other Americans can be grateful and thankful that so many people from Poland found their way to the American shores, because of the countless contributions they have made to make our land truly a better America.

I am proud and very glad to have so many of these people reside within my congressional district.

MATTHEW FONTAINE MAURY: MEMORIALIZATION

The SPEAKER pro tempore (Mr. LIBONATI). Under previous order of the House, the gentleman from Texas [Mr. THOMPSON] is recognized for 30 minutes.

Mr. THOMPSON of Texas. Mr. Speaker, on January 19 of this year, the historic Old House of Delegates Hall of the State Capitol in Richmond, Va., was the scene of an impressive commemorative program on the pioneer naval scientist, Matthew Fontaine Maury—1806–73—conducted by the Stonewall Jackson chapter, United Daughters of the Confederacy. The principal speaker was Capt. Miles P. DuVal, Jr., U.S. Navy, retired.

In an eloquent address, Captain DuVal succeeded admirably in bringing Maury's life and achievements into historical focus, and, in fact, revitalizing the fame of this much neglected figure in U.S. history.

As a consequence, the General Assembly of Virginia, which was then in a regular session, on March 5, 1964, adopted Senate Joint Resolution 38, introduced by Senator Blake T. Newton, of historic Westmoreland County, urging the Secretary of the Navy to authorize and direct the publication of the collected writings of Maury. Certainly, the Department of the Navy and the Congress should give to the effort involved the most earnest and effective support.

Because of the uniquely high quality of the commemorative exercises, I included the entire proceedings as part of my remarks on March 16, 1964, in the House of Representatives. In these, I described the extraordinary historic setting provided by the State capitol of Virginia for the program and emphasized Maury as a protege of Sam Houston, the great hero of my own State of Texas.

Since publication in the RECORD, the Maury proceedings have been widely acclaimed by leaders in science and education, and by many others. Indeed, the responses have been most gratifying.

Mr. Speaker, the story of Matthew Fontaine Maury is that of a truly universal man. His accomplishments and scientific impulses were so vast and timeless in character that their influence has transcended the boundaries of States and nations, the limits of peoples and professions, the continents and even the oceans; and, in fact, can never end. The vast magnitude of their impact entitles him to every honor that our Nation can bestow.

The publication of Maury's collected writings as urged by the Virginia Legislature would be a tremendous service to the history of science and of the United States. But that alone is not enough. There should be others that would make him better known in the Nation's Capital City, where he resided between 1842 and 1861; at the U.S. Naval Academy, for the founding of which in 1845 he was largely responsible; and over the Nation at large.

With these objectives in mind, I urge the following program:

First. A commemorative postage stamp without reference to any specific dates other than the years of Maury's life, 1806–73.

Second. A memorial in Washington comparable to the Arch of Trajan, preferably at the Naval Observatory or on the Mall.

Third. An expressive, tangible memorial at the Naval Academy.

Mr. Speaker, this program would serve to inspire the future officers of our gallant Navy, attract attention among the thousands who visit Washington, and alert the Nation to a great chapter in American history.

In order that the people of our country, the Congress, and the executive branch of the Federal Government may know of the interest aroused by the January 19, 1964, commemorative program on Matthew Fontaine Maury, I include the indicated resolution of the Virginia Legislature and a number of letters that I have received as parts of my remarks:

SENATE JOINT RESOLUTION 38

Joint resolution relating to publication of the writings of Matthew Fontaine Maury

Whereas the mighty achievements and scientific impulses of Matthew Fontaine Maury have been likened to the great ocean currents that he so successfully studied and have become universal in their influence, carrying beneficence to all lands and peoples; and

Whereas his extensive writings are important parts of the history of the United States and of science; and

Whereas his writings have never been published in collective form but are diffused in various depositories and thus not readily available to scholars; and

Whereas the major scientific contributions of Matthew Fontaine Maury in the fields of astronomy, exploration, hydrography, meteorology and oceanography were made during the years 1834–61 while serving in the U.S. Navy: Now, therefore, be it

Resolved by the Senate of Virginia (the House of Delegates concurring), That the General Assembly of the Commonwealth of Virginia urges the Secretary of the Navy to authorize and direct the assembly and publication in collected form of all writings of Matthew Fontaine Maury; and requests the Virginia delegation in the Congress to cooperate with the Secretary of the Navy in any possible way to bring about such compilation and publication;

Resolved further, That the clerk of the senate is directed to send a copy of this resolution to—

1. All Members of the Virginia delegation in the Congress of the United States.
2. The Governor of Tennessee and the presiding officers of both houses of the legislature of that State, which act shall be deemed a request to the Tennessee Legislature for appropriate concurring action thereby; and
3. The Secretary of the Navy of the United States.

DEPARTMENT OF THE NAVY,
BUREAU OF NAVAL PERSONNEL,
Washington, D.C., March 26, 1964.

DEAR MR. THOMPSON: This is in reply to your recent letter in which you brought to my attention, the address you delivered in the House of Representatives, on March 16, in connection with the memorialization of Matthew Fontaine Maury.

It is a pleasure to know that you have seen fit to have recorded, in the CONGRESSIONAL RECORD, the roles of the participants at the recent proceedings in honor of Maury. The U.S. Navy is justifiably proud of the achievements of this great American. It is most commendable that the State of Virginia should pay tribute so appropriately to this great man.

As yet we have not determined the full distribution of the information that you have forwarded, however, you may be assured that it will be brought to the attention of appropriate U.S. Navy publications staffs over which I have control.

Thank you again for bringing these proceedings to my attention.

Sincerely yours,
W. R. SMEDBERG III,
Vice Admiral, U.S. Navy.

OFFICE OF THE SUPERINTENDENT,
U.S. NAVAL ACADEMY,
Annapolis, Md., March 23, 1964.

MY DEAR MR. THOMPSON: Thank you for the excerpt from the CONGRESSIONAL RECORD containing the memorialization of Matthew Fontaine Maury. I appreciate your sending along this fine account of one of the champions for the establishment of the U.S. Naval Academy. We are pleased to see this fine tribute to Maury, for whom our English, history, and government building is named. A portrait of Commander Maury is presently exhibited in our museum.

I am referring the copy of the RECORD to the head of my English, history, and government department. We have also obtained a copy for our museum files.

Thank you again for an interesting historical record.

Sincerely yours,
C. S. MINTER, Jr.,
Rear Admiral, U.S. Navy,
Superintendent.

U.S. NAVAL INSTITUTE,
Annapolis, Md., April 13, 1964.

Hon. CLARK W. THOMPSON,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN THOMPSON: We wish to thank you for having sent us a copy of your most informative and interesting address, "Matthew Fontaine Maury: An Outstanding Memorialization." The address is a welcome addition to our historical files.

We are forwarding you a copy of the April 1964 proceedings, as we are sure you will enjoy an article by Mr. William J. Cromie entitled, "The First American Oceanographer," appearing on pages 56 through 59.

We look forward to your continued interest in the Naval Institute and the proceedings.

Very respectfully,
R. T. E. Bowler, Jr.,
Commander, U.S. Navy,
Secretary-Treasurer and Editor.

Virginia Military Institute,
Office of the Superintendent,
Lexington, Va., March 20, 1964.
Hon. Clark W. Thompson,
House of Representatives,
Washington, D.C.

Dear Congressman Thompson: I wish to thank you most sincerely for your speech before the House of Representatives memorializing Matthew Fontaine Maury, and for sending me copies of your remarks from the Congressional Record. Maury is, of course, a great hero of VMI because of his love for this beautiful part of the country and for his service on our faculty.

My best regards.

Sincerely,
George R. E. Shell,
Major General,
Superintendent.

U.S. Merchant Marine Academy,
Kings Point, Long Island, N.Y.,
March 23, 1964.

Dear Congressman Thompson: Thank you for sending me a copy of your remarks recorded in the Congressional Record concerning Matthew Fontaine Maury the famous naval scientist.

Maury is held in high esteem here at the Academy and you will be interested to know that each year at graduation, The United Daughters of the Confederacy present "The Matthew Fontaine Maury Award" to the Cadet "who is among the highest 10 percent in mathematics and science subjects and outstanding in leadership, military bearing, and aptitude."

Your remarks were most enlightening even to an admirer of Maury. They are most interesting and seem to cover every phase of his life and I am having copies made for our cadets.

We appreciate your kindness in sending us a copy of your remarks.

With best regards.

Sincerely,
Gordon McLintock,
Rear Admiral, USMS,
Superintendent.

Virginia Historical Society,
Richmond, Va., March 19, 1964.
Hon. Clark W. Thompson,
House of Representatives,
Washington, D.C.

Dear Mr. Thompson: I thank you warmly for your thoughtfulness in forwarding to us the extract from the Congressional Record containing your splendid paper on our distinguished son, Matthew Fontaine Maury. It is an excellent address, with the speaker measuring up fully to the eminent qualifications of his subject.

It occurs to me that you might be interested in becoming a member of the Virginia Historical Society. It would give me great pleasure to nominate you for election, should this meet with your wishes. The connections between Texas and Virginia, as you well know, have been long and intimate; indeed, the Old Dominion has a somewhat possessive attitude toward the Lone Star State.

Cordially yours,
John Melville Jennings,
Director.

The Filson Club,
Louisville, Ky., May 8, 1964.
Hon. Clark W. Thompson,
House Office Building,
Washington, D.C.

Dear Mr. Thompson: I wish to thank you for the copy of the Congressional Record of March 16, 1964, which contains your remarks relative to the commemorative ceremonies in connection with the birthdays of Lee and Jackson, held in Richmond, Va., on January 19, 1964, by the United Daughters of the Confederacy; also the remarks in full by Capt. Miles P. DuVal, Jr., USNR. We are very glad to have this in our files, and wish to thank you for your courtesy and thoughtfulness.

With kindest regards, I am,

Cordially yours,
Richard H. Hill,
Secretary.

Georgetown University,
Washington, D.C., March 23, 1964.
Hon. Clark W. Thompson,
House Office Building,
Washington, D.C.

Dear Congressman Thompson: I am most grateful to you for your kindness in sending me a copy of your address in the House of Representatives on March 16 concerning Matthew Fontaine Maury. It was extremely thoughtful of you to think of me.

With every best wish, I am,

Sincerely yours,
Edward B. Bunn, S.J.,
President.

Georgetown University
Alumni Association,
Washington, D.C., March 23, 1964.
Hon. Clark W. Thompson,
U.S. House of Representatives,
Washington, D.C.

Dear Mr. Thompson: I wish to thank you for the copy in the Congressional Record of your address on Matthew Fontaine Maury in which you quote an address by a 1937 postgraduate of Georgetown. I will send a copy to Father Repetti, the director of our archives, as I am sure he will be interested in the references it contains to a Georgetown graduate of over a century ago.

Before it finally reaches Father Repetti, I shall first ask Father Heyden, director of our observatory here at Georgetown, to read it, as I am sure he will be interested in the many references to the Naval Observatory.

Thank you for this information. I sincerely appreciate your thoughtfulness in sending it to us.

Very truly yours,
Rev. Anthony J. Zeits, S.J.,
Acting Executive Secretary.

New York University,
New York, N.Y., March 24, 1964.
Hon. Clark W. Thompson,
House of Representatives,
Washington, D.C.

Dear Mr. Thompson: I was pleased to receive a copy of your address on Matthew Fontaine Maury which you presented in the House of Representatives. Thank you very much for sending it to me.

Sincerely yours,
James M. Hester.

U.S. Naval Academy Alumni Association,
Annapolis, Md., March 23, 1964.
Hon. Clark W. Thompson,
House of Representatives,
Washington, D.C.

Dear Mr. Thompson: Please accept my thanks for your thoughtfulness in forwarding to me your very interesting remarks on Matthew Fontaine Maury which appeared in the March 16 issue of the Congressional Record.

The Naval Academy Alumni Association very much appreciates your interest in and support of the organization.

Most sincerely yours,
R. B. Derickson,
Captain, U.S. Navy (Retired), Editor.

New York Yacht Club,
New York, N.Y., April 7, 1964.
Hon. Clark W. Thompson,
Old House Office Building,
Washington, D.C.

Dear Congressman Thompson: Thank you for your presentation to us of a copy of your address to the House on March 16, 1964, on the subject of Matthew Fontaine Maury.

Because of the fundamental contribution of Maury, we are binding the address and placing it with our collection of Maury's writings.

It was gratifying to read the included address of Capt. Miles P. DuVal, Jr., U.S. Navy (retired), and to learn that Maury is now receiving recognition for his important achievements.

In view of the prominence of Sam Houston in American history, it is to be hoped that you can interest someone to do for him in the way of vitalizing his life and achievement as was done for Maury by Captain DuVal.

With renewed thanks for your presentation.

Yours most sincerely,
Sohei Hohri,
Librarian.

U.S. Coast Guard Academy,
New London, Conn., March 23, 1964.

Dear Mr. Thompson: Thank you for your letter of March 17, 1964, enclosing a copy of your address on March 16 in the House of Representatives on the achievements of Matthew Fontaine Maury. The account of the life and accomplishments of this great man have particular significance to our cadets who are preparing to serve their country in the U.S. Coast Guard.

Sincerely yours,
W. J. Smith,
Rear Admiral, U.S. Coast Guard.

U.S. Naval Postgraduate School,
Monterey, Calif., March 24, 1964.
Hon. Clark W. Thompson,
House of Representatives,
Washington, D.C.

Dear Mr. Thompson: I am in receipt of your letter of March 17 and the excerpt from the Congressional Record—House—memorializing Matthew Fontaine Maury. It is indeed a justly deserved tribute. Further, it highlights the importance of the oceans and the environmental sciences involving them.

We at the U.S. Naval Postgraduate School are among those foremost in America in teaching sciences of the ocean and are happy to learn that such a distinguished Representative of our citizens as you hold similar views and interests.

Congratulations on your address. It is indeed a support to our morale and our effort to keep America strong.

Very sincerely,
Charles K. Bergin,
Rear Admiral, U.S. Navy.

Naval War College,
Newport, R.I., March 30, 1964.

My Dear Mr. Thompson: I wish to express my pleasure in receiving from you a copy of the Congressional Record in which you portrayed the life of Lt. Matthew Fontaine Maury, U.S. Navy.

I appreciate your recognition that the heritage of the Naval War College, in part, stems from the requirement for education of naval officers expressed by that outstanding officer.

Sincerely yours,

B. L. Austin,
Vice Admiral, U.S. Navy,
President.

The Rockefeller Institute,
New York, N.Y., May 26, 1964.

Dear Mr. Thompson: Thank you very much for your kindness in sending me a copy of the Congressional Record of May 16 which contains the proceedings of the memorialization in Richmond, Va., of Matthew Fontaine Maury. As a scientist and yachtsman, I have long been a great admirer of Maury. While I was president of the Johns Hopkins University, I had the privilege of naming an oceanographic research vessel for Maury at the time of its christening. I am also grateful to you for your support of a national oceanographic program.

With cordial regards, I am,

Yours sincerely,

Detlev W. Bronk,
President.

U.S. Department of Commerce,
Weather Bureau,
Washington, D.C., March 23, 1964.

Hon. Clark W. Thompson,
House of Representatives,
Washington, D.C.

Dear Mr. Thompson: On behalf of Dr. White and the Weather Bureau, I want to thank you for sending us copies of your address in the House of Representatives on March 16, 1964.

Matthew Fontaine Maury was truly a "Benefactor of Mankind." Your highlighting of Maury's contribution to the Nation, along with the recognition you have given to Captain DuVal's untiring efforts, is deeply appreciated.

Sincerely yours,

James M. Beall,
Public Information Officer.

National Academy of Sciences,
May 1, 1964.

Hon. Clark W. Thompson,
U.S. House of Representatives,
Washington, D.C.

Dear Mr. Thompson: Thank you very much indeed for your kind letter of April 27 with a copy of the Congressional Record of March 16, 1964, containing a historical memorialization of the career of Matthew Fontaine Maury. I shall not only read it with great interest but shall call it to the attention of my colleagues in the Academy.

Sincerely yours,

Frederick Seitz,
President.

Delray Beach, Fla.,
March 23, 1964.

Hon. Clark W. Thompson,
House of Representatives,
Washington, D.C.

My Dear Mr. Thompson: It was extremely thoughtful of you to send me the copy of the Congressional Record that carried your splendid speech of March 16 on Matthew Fontaine Maury.

May I as a Virginian thank you for your magnificent tribute to Virginia with which you opened your address. That surely betokens the largeness of spirit that is the hallmark of Texans.

It is wonderful to know that you have given your congressional colleagues and the world (through publication in the Congressional Record) the basic facts of Maury's great service to his Nation and fellow man even as your fellow leader of Texas, Sam Houston, gave Maury his first opportunity to enter this service.

During the years I spent in Washington doing the research from the private papers of Maury in the Library of Congress, and from those of his contemporaries, and from the public papers of Maury in our National Archives, I learned how great is the ignorance of modern-day Americans about this man to whom we owe so much. I, therefore, consider your speech an act of high patriotic education and I hope it will be widely distributed.

In this connection, I believe you may be interested to know that a good many citizens feel it is high time that our Government let the people of the country know that an American pioneered the science of oceanography that is now considered a handmaiden to the defense of the United States—through recognizing Matthew Fontaine Maury with a commemorative stamp. One person who feels this is important is your congressional colleague, Senator A. Willis Robertson, who lives not far from the birthplace of the great Sam Houston in Rockbridge County, Va. He and other men of thought have written the Postmaster General urging a Maury commemorative stamp. I trust that you will feel this is something that is wise to do and I very much hope you will write and lend your weight to this proposal. There is no centennial date they can use on such a stamp but this is not a necessity—I notice the one to Audubon carries no such legend—it is far more important to have on it the legend "Pioneer of Oceanography," or words to that effect—and the dates of his life 1806–73.

With repeated thanks, I am,

Sincerely,

Frances Leigh Williams.

AGRICULTURE AND CANNING INDUSTRY IN WISCONSIN AND MINNESOTA

The SPEAKER pro tempore (Mr. Libonati). Under previous order of the House, the gentleman from Wisconsin [Mr. Laird] is recognized for 30 minutes.

Mr. LAIRD. Mr. Speaker, Wisconsin has always taken pride in being a leading food producing State. I note with great pleasure a new and important economic study which not only confirms the justice of this pride, but also shows for the first time how mutually productive the relationships between a large number of Wisconsin farmers and the Wisconsin canning industry are to my State, and to the Nation.

This significant study, made by Dr. J. Robert Strain, of Iowa State University, under a grant from the National Canners Association, makes clear Wisconsin's position as a leading producer of canned foods.

Dr. Strain confirms that Wiconsin produces more canned green peas and canned sweet corn than any other State. He also shows that we produce an estimated 28 percent of all the canned cabbage, and 30 percent of the canned beets, in the United States.

The Wisconsin canning industry packs an estimated $133 million worth of canned goods annually. This is a major contribution to the economy of my State, and it benefits a great many people. For instance, canners pay about $24 million a year for wages and salaries; they pay about $40 million annually to the packaging industry and for ingredients; $15 million is paid to utilities, and for taxes and services; and $24.6 million annually goes to develop, service, and promote the canning industry's markets, and for miscellaneous overhead. In addition, the canning industry purchases from Wisconsin farmers raw products valued at $29.5 million.

All of this shows that the canning industry plays an important role in Wisconsin. But Dr. Strain's study goes further and reveals two facts which make the farmers' and the canning industry's achievements even more impressive.

In the first place, it is shown that even though a small percent of crop acreage is devoted to canning crops and a small portion of total agricultural income is generated from canning crops—2.6 percent and 2.3 percent respectively—these canning crops account for 20 percent of total gross income from all cash crops sold in Wisconsin.

Second, Dr. Strain establishes for the first time the full extent of the very substantial additional services which canners provide to Wisconsin farmers. These additional services—such as providing seed, planting, spraying, harvesting, and hauling—amounted in the year studied by Dr. Strain to approximately $5.5 million. This $5.5 million combined with cash payments to farmers resulted in raw product purchases valued at $29.5 million.

Dr. Strain made a confidential survey of Wisconsin canners which showed that an average of $61.69 was paid to farmers for a ton of raw green peas. However, an additional average $33.82 per ton was provided in these special services. This brought the total value to the farmers per ton of green peas to an average of $95.51.

In the year studied, additional services by canners amounted to 21.93 percent of the total farm value of the crops purchased for canning.

The facts revealed by this study, Mr. Speaker, give us far more understanding, and appreciation, of the value of the canning industry to Wisconsin, and of the accomplishments of Wisconsin farmers who serve this industry, than we have had before. The contract system of farming, which makes up a great portion of the canning industry's operations, works to the benefit of both the industry and the farmers. It assures the farmer of a fair and guaranteed price in advance for his crops, and it assures the canner of the ready availability of high-quality products—an assurance he must have in order to plan his operations with efficiency.

It should be pointed out that the canning industry carries out its work without any Federal subsidy or control. The efficacy of this entire system is proved by the fact that canned foods continue to rank very low on the consumer cost-of-living index.

Mr. Speaker, the canning industry and the farmers of Wisconsin can be proud of their accomplishments. I am grateful to Dr. Strain, and the National Canners Association, for the service they have performed in preparing and presenting this study.

Mr. Speaker, I now yield to the gentleman from Minnesota [Mr. Nelsen] to report on his State.

Mr. NELSEN. Mr. Speaker, farming is an important part of life in Minnesota, and the canning industry in my State plays an important and productive role in Minnesota agriculture. Just how important, and how productive, this role is can be seen in a new economic study of the Minnesota canning industry.

Under a grant from the National Canners Association, Dr. J. Robert Strain, an agricultural economist at Iowa State University, has made a thorough appraisal of what and how much canners do for the Minnesota economy.

Dr. Strain's findings show that Minnesota farmers and canners are highly productive. My State competes with our neighbor of Wisconsin as the leading producer of canned sweet corn, producing about 23 percent of the national total. Minnesota ranks third among all the States by producing 14 percent of the Nation's canned green peas.

It is significant that production of both these crops in Minnesota has greatly increased in recent years. Dr. Strain notes that between 1950 and 1961, production of sweet corn for canning rose by 92.4 percent, and production of green peas for canning rose by 48.6 percent.

The dollar contribution of canners to the Minnesota economy is impressive. They annually pack about $69 million worth of canned foods, and this benefits many groups of citizens. In the year studied by Dr. Strain, Minnesota canners paid $12.3 million in wages and salaries; $20.8 million to the packaging industry and for additives; $7.7 million to utilities, and for taxes and services; $13.8 million for sales and market development, and for miscellaneous overhead; and $14.1 million was paid to farmers for raw product purchases.

But the amount paid to farmers for raw product purchases does not tell the entire story of the benefits they receive from canners. Dr. Strain's study reveals the very interesting fact that Minnesota canners in the year studied, provided additional services to growers worth $3.8 million. These services included providing seed, planting, spraying, harvesting, and hauling. A confidential survey of canners showed that for sweet corn, these services amounted to 19.6 percent of the total farm value placed on the crop. For green peas, these services were a surprising 45.7 percent of the crop value.

Just how important canning plants are to the communities where they are located is shown in Dr. Strain's finding that the 37 canning plants in Minnesota represent an average investment of more than $2 million each. Such an investment, of course, gives a community added value in real estate, in building construction, and in the manufacture and supply of both plant and farm equipment.

All in all, Dr. Strain's study casts a great deal of light on the harmonious and mutually beneficial relationship that exists between farmers and canners in my State.

The canning industry makes an important contribution to Minnesota, and to the Nation, and it does this without Federal subsidy or control. The economic efficiency of this industry may be appreciated if we consider that it gives to a substantial number of Minnesota farmers a fair and guaranteed price for their crops, gives profitable employment to a large number of Minnesota workers, and furnishes canned foods to American housewives at stable and low retail prices.

Dr. Strain's work is an important study of an important economic activity. I compliment him and the canning industry for making it available to us.

THE NASSER ARMS BUILDUP

The SPEAKER pro tempore (Mr. Libonati). Under previous order of the House, the gentleman from New York [Mr. Halpern] is recognized for 15 minutes.

Mr. HALPERN. Mr. Speaker, I have continued to note with alarm the arms procurement and development program of Colonel Nasser in Egypt. It is wholly unjustifid by any rational criteria and constitutes, in effect, a naked threat to the peace.

The absurdity of these conditions is that the United States is subsidizing this threat. Instead of restraining the forces vocally bent upon aggression, our Government dispatches assistance which in turn permits the United Arab Republic to divert her own resources toward the purchase and development of modern weaponry. The irony of this is that no nation threatens Egypt or the Arab lands.

Mr. Daniel Heller, distinguished and able national commander of the Jewish War Veterans of the United States, returned from a recent visit to the Middle East and confirmed all the awesome reports. The Nasser regime has received Komar-class missile ships, ground-to-air missiles, Mig-21 jets equipped with air-to-air missiles, and Tupolev-16 and Ilyvshin-28 jet bombers. Approximately 1,000 modern tanks were further acquired from Soviet Russia. The Egyptian Navy has 10 efficient submarines. The Government has been involved in an energetic program to develop ground-to-ground missiles with the instrumental assistance of German scientists.

It is readily apparent that this weaponry is creating an untenable arms imbalance in the area. If war is inevitable, it will be made so because this relative military power in the hands of reckless persons will drive them to precipitous action. It is time our Government, recognizing the inherent dangers, took affirmative action to redress the disequilibrium and bolster the elements of peace.

A clear mandate from the Congress calls upon a stoppage of aid to any country preparing for aggression against another recipient of our aid. The legislative record of this amendment in the House leaves no doubt that this provision was aimed at the United Arab Republic. In addition, after a full assessment of the situation, it is essential that the West consider a program of military assistance to Israel in order to offset the alarming advantage which Egypt is continuing to acquire.

I was particularly interested in reading a statement issued recently by the Board of Rabbis of Greater Philadelphia regarding Israel and the prospects of peace in the Middle East. It is a forthright and wise expression and I would like to include it at this point in the Record:

ISRAEL AND PEACE IN THE MIDDLE EAST

(Statement by the Board of Rabbis of Greater Philadelphia)

As rabbis and leaders of major congregations in the city of Philadelphia, we are proud of our country's constructive and positive achievements in the Near East.

We appreciate the cordial friendship of the peoples and Governments of the United States and Israel—a friendship deepened by understanding by their common commitment to the preservation of freedom and democracy throughout the world.

We shall never forget that it was the Government of the United States which was the first to recognize the State of Israel. Moreover, consistent with its policy of aiding fellow democracies and allies, our Government has generously assisted Israel's economic development and has taken effective measures to reinforce her security. At the same time, the United States has helped to raise the living standards of all the people in the region by its aid to the Arab States, to the United Nations Relief and Works Agency for the Arab refugees and to the United Nations Emergency Force.

We welcome renewed assurances by our Government that it will not stand idly by if there is an outbreak of aggression in the Middle East.

But we must regretfully take not of ominous realities.

Sixteen years after the establishment of the State of Israel, the Arab States persist in a state of war. They continually threaten to destroy Israel and to drive her people into the sea; they carry on their boycotts and blockades; they prepare to divert her waters; they acquire massive armaments; they predict the inevitability of war.

Despite the assistance the United States rendered to Egypt during the Suez crisis, and despite the assurances given by the United States at the time Israel withdrew her forces, the Egyptian Government continues to block Israel shipping and to seize her cargoes, in defiance of international law and the United Nations armistice agreements.

In the face of this continuing threat, we deeply regret that our Government has failed to support measures calling for an end to the Arab war and for direct negotiations between Israel and the Arab States, looking to the settlement of their differences.

We regret that our Government's tactics on the issue of the Arab refugees has encouraged the Arabs to believe that Israel should accept repatriation in the absence of a peace settlement, and at a time when such repatriation may be regarded as a hostile invasion.

We respectfully call attention to the recent statement of the Congress of the United States calling for an end to aid to nations which are preparing for aggression. We trust our Government will review its policy in the light of the congressional declaration, the continuing arms race, and the threat to reopen hostilities.

At the same time, in order to attain stability and to promote the peace, we urge our Government to reinforce Israel's development and security and to renew the guarantees necessary to prevent aggression.

Above all, we advocate a constructive and progressive program to summon Arabs and Israelis to the peace table in the best interests of all the people of the Middle East.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mrs. GREEN of Oregon (at the request of Mr. DENT), for the balance of the week, on account of serious illness in family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. LAIRD, for 30 minutes, today.

Mr. THOMPSON of Texas, for 30 minutes, today; to revise and extend his remarks and include extraneous matter.

Mr. HALPERN (at the request of Mr. SCHADEBERG), for 15 minutes, today; and to revise and extend his remarks and include extraneous matter.

Mr. BATES (at the request of Mr. SCHADEBERG), for 1 hour, on Wednesday, August 12; and to revise and extend his remarks and include extraneous matter.

Mr. FEIGHAN (at the request of Mr. ALBERT), for 30 minutes, today; and to revise and extend his remarks and include extraneous matter.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. KASTENMEIER.

Mr. TEAGUE of Texas.

Mr. HARRIS, his remarks in the House today, and to include a letter from the Chairman of the Securities and Exchange Commission.

Mr. PERKINS, the remarks he made in the Committee of the Whole today and to include extraneous matter.

Mr. PHILBIN in three instances.

Mr. LANDRUM (at the request of Mr. ALBERT) to revise and extend his remarks during general debate today and include tables and other extraneous material.

Mr. AYRES (at the request of Mr. SCHADEBERG) and to include H.R. 12040.

(The following Members (at the request of Mr. SCHADEBERG) and to include extraneous matter:)

Mr. MCLOSKEY.

Mr. MARTIN of California.

(The following Members (at the request of Mr. ALBERT) and to include extraneous matter:)

Mr. POWELL.

Mr. RIVERS of South Carolina.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 1046. An act to provide hospital, domiciliary, and medical care for non-service-connected disabilities to recipients of the Medal of Honor; to the Committee on Veterans' Affairs.

ENROLLED BILL SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 10041. An act to improve the public health through revising, consolidating, and improving the hospital and other medical facilities provisions of the Public Health Service Act.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H.R. 1892. An act to repeal the act of October 22, 1919 (41 Stat. 293; 43 U.S.C. 351–355, 357–360);

H.R. 2977. An act to authorize the sale of certain lands of the Cheyenne River Sioux Tribe;

H.R. 2989. An act to further amend the Missing Persons Act to cover certain persons detained in foreign countries against their will, and for other purposes;

H.R. 4739. An act to amend section 406 of title 37, United States Code, with regard to the advance movement of dependents and baggage and household effects of members of the uniformed services;

H.R. 5302. An act to direct the Secretary of the Interior to convey certain lands in the Newton area, California, to Clarence J. Wilder;

H.R. 6007. An act to permit the vessel *SC–1473* to engage in the fisheries;

H.R. 7215. An act to direct the Secretary of the Interior to convey certain lands to the Citizen Band of Potawatomi Indians and certain other lands to the Absentee Shawnee Tribe of Indians, and for other purposes;

H.R. 7833. An act to amend the act entitled "An act to provide for the distribution of the land and assets of certain Indian rancherias and reservations in California, and for other purposes," approved August 18, 1958 (72 Stat. 619);

H.R. 8523. An act to authorize the conveyance of certain lands to the city of Saxman, Alaska;

H.R. 8654. An act to terminate a restriction on use with respect to certain land previously conveyed to the city of Fairbanks, Alaska, and to convey to said city the mineral rights in each land;

H.R. 9634. An act to authorize the Secretary of Defense to lend certain Army, Navy, and Air Force equipment and provide certain services to the Girl Scouts of the United States of America for use at the 1965 Girl Scouts Senior Roundup encampment, and for other purposes;

H.R. 10319. An act to amend title 10, United States Code, to authorize increased fees for the sale of U.S. Naval Oceanographic Office publications;

H.R. 10483. An act to authorize the sale of 58.19 acres of Eastern Shawnee tribal land in Oklahoma;

H.R. 10503. An act to authorize appropriations for the fiscal years 1966 and 1967 for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes;

H.R. 10973. An act to provide for the disposition of judgment funds on deposit to the credit of the Lower Pend D'Oreille or Kalispel Tribe of Indians; and

H.R. 11035. An act to authorize the extension of certain naval vessel loans now in existence.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 58 minutes p.m.) the House adjourned until tomorrow, Thursday, August 6, 1964, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2377. A letter from the Comptroller General of the United States, transmitting a report on a review of personal property taxes included in the prices of defense contracts and subcontracts with Hoffman Electronics Corp., El Monte, Calif., disclosing that the corporation had improperly claimed and was reimbursed $55,619 by the military departments for taxes paid to Los Angeles County and that, in addition to the improper reimbursement of $55,619, Hoffman retained $3,433 of a tax refund from Los Angeles County which should have been returned to the Government, Department of Defense; to the Committee on Government Operations.

2378. A letter from the Comptroller General of the United States, transmitting a report on a review relating to unnecessary costs to the Government in the leasing of electronic data processing systems by General Motors Corp., A–C Spark Plug Division, Milwaukee, Wis., Department of Defense; to the Committee on Government Operations.

2379. A letter from the Comptroller General of the United States, transmitting a report relating to the Department of the Navy's incurring unnecessary costs of approximately $200,000 in the procurement of ground speed and distance indicators from Douglas Aircraft Co., Inc., Department of the Navy; to the Committee on Government Operations.

2380. A letter from the Deputy Director, Central Intelligence Agency, transmitting a report relating to certain claims paid by the Central Intelligence Agency for the fiscal year 1964, pursuant to the Federal Tort Claims Act of 1946, Public Law 79–601; to the Committee on the Judiciary.

2381. A letter from the Comptroller General of the United States, transmitting a report on a review relating to the Army's needs for various electronic equipment during 1962 and 1963, findings disclosing that equipment valued at $882,700 was available in the other services but was not transferred until the General Accounting Office brought this matter to the Army's attention, Department of Defense; to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H.R. 1927. A bill to amend title 38, United States Code, so as to revise the rates of disability and death pension authorized by the Veterans' Pension Act of 1959, and for other purposes; with amendment (Rept. No. 1694). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H.R. 11332. A bill to authorize certain veterans' benefits for disability or death resulting from injuries sustained prior to January 1, 1957, by reservists while proceeding directly to or returning directly from active duty for training or inactive duty training; without amendment (Rept. No. 1695). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H.R. 11461. A bill to provide for the designation of certain Veterans' Administration facilities; without amendment (Report. No. 1696). Referred to the Committee of the Whole House on the State of the Union.

Mr. COLMER: Committee on Rules. House Resolution 814. Resolution providing for taking H.R. 1839 from the Speaker's table, disagreeing to Senate amendments, and requesting a conference with the Senate; without amendment (Rept. No. 1698). Referred to the House Calendar.

Mr. O'NEILL: Committee on Rules. House Resolution 817. A resolution providing for the consideration of H.R. 5673, a bill to prohibit the introduction into interstate commerce of any shipping container manufactured in the United States from imported steel unless the container is marked so as to indicate the country of origin of the steel; without amendment (Rept. No. 1699). Referred to the House Calendar.

Mr. SISK: Committee on Rules. House Resolution 818. A resolution providing for taking S. 1007 from the Speaker's table and sending the bill to conference; without amendment (Rept. No. 1700). Referred to the House Calendar.

Mr. O'NEILL: Committee on Rules. House Resolution 819. A resolution providing for the consideration of H.R. 4731, a bill to amend section 402(d) of the Federal Food, Drug, and Cosmetic Act; without amendment (Rept. No. 1701). Referred to the House Calendar.

Mr. HOLIFIELD: Joint Committee on Atomic Energy. H.R. 12228. A bill to amend the Atomic Energy Act of 1954, as amended, and for other purposes; without amendment (Rept. No. 1702). Referred to the Committee of the Whole House on the State of the Union.

Mr. PATMAN: Committee on Banking and Currency. H.R. 12175. A bill to extend and amend laws relating to housing, urban renewal, and community facilities, and for other purposes; without amendment (Rept. No. 1703). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. GILBERT: Committee on the Judiciary. S. 2170. An act for the relief of Mary Lane Laycock; with amendment (Rept. No. 1697). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MILLS:

H.R. 12253. A bill to correct certain errors in the tariff schedules of the United States; to the Committee on Ways and Means.

By Mr. BATTIN:

H.R. 12254. A bill to amend title 28, United States Code, to provide for a temporary stay of proceedings in any action for the reapportionment of any State legislative body; to the Committee on the Judiciary.

By Mr. BEERMANN:

H.R. 12255. A bill to amend title 28, United States Code, to provide for a temporary stay of proceedings in any action for the reapportionment of any State legislative body; to the Committee on the Judiciary.

By Mr. CLARK:

H.R. 12256. A bill to amend the Trade Expansion Act of 1962; to the Committee on Ways and Means.

By Mr. MATTHEWS:

H.R. 12257. A bill to amend title 28, United States Code, to provide for a temporary stay of proceedings in any action for the reapportionment of any State legislative body; to the Committee on the Judiciary.

By Mr. BROYHILL of Virginia:

H.R. 12258. A bill to increase annuities payable to certain annuitants from the civil service retirement and disability fund; to the Committee on Post Office and Civil Service.

By Mr. FASCELL:

H.R. 12259. A bill to amend the International Claims Settlement Act of 1949 to provide for the determination of the amounts of claims of nationals of the United States against the Government of Cuba; to the Committee on Foreign Affairs.

By Mr. SELDEN:

H.R. 12260. A bill to amend the International Claims Settlement Act of 1949 to provide for the determination of the amounts of claims of nationals of the United States against the Government of Cuba; to the Committee on Foreign Affairs.

By Mr. LIPSCOMB:

H.J. Res. 1143. Joint resolution designating the 8-day period beginning on the 12th day of October of each year as Patriotic Education Week; to the Committee on the Judiciary.

By Mr. MONAGAN:

H.J. Res. 1144. Joint resolution to amend the Constitution of the United States to guarantee the right of any State to apportion one house of its legislature on factors other than population; to the Committee on the Judiciary.

By Mr. MORGAN:

H.J. Res. 1145. Joint resolution to promote the maintenance of international peace and security in southeast Asia; to the Committee on Foreign Affairs.

By Mrs. FRANCES P. BOLTON:

H.J. Res. 1146. Joint resolution to promote the maintenance of international peace and security in southeast Asia; to the Committee on Foreign Affairs.

By Mr. ZABLOCKI:

H.J. Res. 1147. Joint resolution to promote the maintenance of international peace and security in southeast Asia; to the Committee on Foreign Affairs.

By Mr. WHALLEY:

H. Con. Res. 339. Concurrent resolution requesting the President to set aside and proclaim a National Country Music Month; to the Committee on the Judiciary.

By Mr. BARRY:

H. Con. Res. 340. Concurrent resolution expressing the sense of the Congress that the President should bring the Baltic States question before the United Nations, and for other purposes; to the Committee on Foreign Affairs.

By Mr. MATTHEWS:

H. Res. 816. Resolution to provide for the concurrence of the House of Representatives to the Senate amendments to H.R. 1839; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. GIAIMO:

H.R. 12261. A bill for the relief of Mr. Paolo Eligio; to the Committee on the Judiciary.

By Mr. MATHIAS:

H.R. 12262. A bill for the relief of Angela and George John Kapantais; to the Committee on the Judiciary.

By Mr. VANIK:

H.R. 12263. A bill for the relief of Hansel L. Steele, Christopher W. Steele, and Celine Y. Steele; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII:

1000. The SPEAKER presented a petition of Henry Stoner, Avon Park, Fla., relative to the appropriation of money for any department, agency, or administration of the Federal Government, which was referred to the Committee on Rules.

EXTENSIONS OF REMARKS

What's Wrong With the Council of California Growers?

EXTENSION OF REMARKS

OF

HON. PATRICK MINOR MARTIN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 5, 1964

Mr. MARTIN of California. Mr. Speaker, after the American people found out the truth about our program of bringing supplementary farm labor from Mexico last year, the Congress extended the urgently needed bracero program until December 31 of this year.

The Congress was quite properly informed that if our farmers did not have supplementary labor at harvesttime, much of our food and fiber would rot in the fields. The deleterious effects of this upon our exploding population, upon farmers and upon nonfarm businesses, upon union and nonunion workers and, indeed, upon our friend Mexico to the south were made eminently clear.

No one likes rising food costs. No one likes to lose a job or see his business decline. No one likes to plant crops he cannot harvest. And no one, I submit, really wants to end the most successful foreign aid program we have ever had—successful because it is based on contact between the people of two countries and not on contact between heads of state.

Yet with the record clear and regardless of an unchallenged report by the University of California to the effect that supplementary farm labor will be sorely needed in California at least through 1968, the Council of California Growers threw in the towel last February without consulting those who helped win an extension of the bracero program in 1963.

Now, when plantings are way down in California; when our gross agricultural productivity will most assuredly be down by millions of dollars in 1965; when we know and are concerned that for each dollar of that productivity which will be lost, $5 will be lost in the nonfarm business sector of our economy; when we know that, because of this loss, thousands of nonfarm workers, union and nonunion alike, will lose their jobs, and hundreds of businesses will suffer, the Council of California Growers has the audacity to level an attack upon an avid supporter of the bracero program.

Well, I did not agree with the council's misguided alliance with labor and the Governor of California last February, and I do not agree with its July 13 newsletter now. And let me predict that a new study by the University of California will show the foolishness of that alliance.

Arguments for the bracero program are just as valid now, if not more so, than when they were given to the Congress in 1963. The Council of Growers admits all of this but sits on its hands, criticizing the friends of agriculture instead of taking positive action now.

Instead of spewing venom against the friends of agriculture, the council might well support legislative action to keep the bracero program or put forth efforts to convince the President that Executive authority be exercised to extend the program or its equivalent. Finally, I would like to suggest that the council ought to have guts enough to help rather than hinder California agriculture.

Salute to Upper Volta

EXTENSION OF REMARKS

OF

HON. ADAM C. POWELL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 5, 1964

Mr. POWELL. Mr. Speaker, today Upper Volta celebrates the fourth anniversary of her independence, and we are proud to extend warm felicitations on this occasion to His Excellency Maurice Yaméogo, President of Upper Volta; and His Excellency John Boureima Kabore, Upper Volta's Ambassador to the United States.

This nation has progressed under the farsighted and wise leadership of Mr. Yaméogo, who had been President since April 25, 1959. This former teacher, Minister of Agricultural Economy, Minister of the Interior, and President of the Government Council has guided this new country with great agility and care through the difficult days that preceded and followed independence. Under the direction of Mr. Yaméogo the domestic economy of the country has prospered and its foreign policy has been peaceful and stable.

Upper Volta, slightly larger than the State of Colorado, covers an area of 105,900 miles in the heart of West Africa and has a population of about 3,500,000 people. Its most serious problem is the fact that it is landlocked, located 500 miles from the Gulf of Guinea and more than 1,000 miles from the Atlantic Ocean at Dakar. Upper Volta has attempted to hurdle this natural barrier to trade by becoming a member of the Council of the Entente which is a trade association made up of the countries of Niger, Dahomey, the Ivory Coast and Upper Volta. The Council has already set up a custom union as well as a Solidarity Fund for financial assistance to each of its member states. It has also provided for the coordination of the development plans of the four countries and of their policies in the fields of taxation, public administration, labor legislation, public works, transportation, and communications. This association is a fine example of the way in which cooperation among African nations can lead to economic benefits for all, as well as providing for cooperation among these nations in other areas.

The present democratic government, the Legislative Assembly, is elected by direct and universal suffrage and a commission is presently studying the possibility of having the President elected directly by the people—he is presently appointed by the Assembly—has made great progress in expanding transportation, improving agricultural pasturage and livestock methods, and instituting programs to expand cultivable land and to restore Upper Volta's primary forests. Attempts are being made to increase industrial and manufacturing output and to increase exports. All these efforts to improve the living conditions of the people and to promote the economic well-being of the country have been remarkably successful though there is much yet to be done. Nonetheless, all signs point to the fact that Upper Volta's future is a promising one indeed.

The early history of Upper Volta is not well known. In the 19th century the Mossi dominated the region and controlled its government. In 1896 the French established a protectorate and in 1919 the country was made a part of French West Africa. Just 4 years ago Upper Volta achieved the independence that its leaders desired for so long. They have used their freedom wisely and their democratic government with its forward-looking policies in all areas of governmental activity are an example to the continent of Africa and further proof of what a free people can accomplish. The citizens of Upper Volta are the first to admit that there is much to do before their country will reach a higher standard of living. But they can be proud of their accomplishments. The new hospital at Quagadougou is one of the most modern and completely equipped in all French-speaking Africa.

Other improvements in health and welfare attest to the accomplishments of this country. The people of the United States congratulate all the citizens of Upper Volta and, on their Independence Day, wish them well in the years to come. Past accomplishments augur well for the future of this growing democracy in the heart of Africa.

It is well for all of us to pause for a moment today and consider the words of President Yaméogo which he spoke on the first Independence Day of Upper Volta. They present the philosophy of this new country very well and are serving as guidelines for its development:

> It is into a world long seen from the perspective of another dimension that the young African nations are making their entrance today as full partners; but if history makes them belated Wise Men, the gifts that they bring to the cradle of the New World are no less costly, for they are made of age-old wisdom and the will to construct. Their dynamism, long buried within, will be devoted to the reconciliation of the worlds in behalf of the only worthwhile cause—that of man himself.
>
> Africa, land of age-old wisdom, must, on the contrary, bring to the world the new dimension which, up to now, has been lacking and has kept it from finding its equilibrium; the source of this contribution is in its traditions of brotherhood, of solidarity and, also, in the depths of its philosophy conceived on the scale of man. The age-old wisdom to which I refer will hold surprises in store; all that remains is to allow time to do its work.

Molybdenum Disposal Program

EXTENSION OF REMARKS

OF

HON. PHILIP J. PHILBIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 5, 1964

Mr. PHILBIN. Mr. Speaker, Subcommittee No. 2 of the House Armed Services Committee of which I am chairman, has recently been considering and acting upon several measures authorizing the disposal of certain materials from the national stockpile, and many of these have passed the House and are being implemented by the General Services Administration.

One of these dealt with the disposal of molybdenum. Since certain statements have been made criticizing the manner in which this particular disposal is being conducted at the present, I think I should furnish a brief explanatory statement outlining the situation for the benefit of the Members of the House and those concerned.

H.R. 11235 became law on July 14, 1964. During the hearings on this matter on June 17, 1964, before Subcommittee No. 2 of the House Armed Services Committee, Mr. Maurice J. Connell, Commissioner, Defense Materials Service, General Services Administration, testified that consultation by mail had been conducted with industry and that there was substantial agreement on the plan to make an initial offering of 2 million pounds on a competitive basis and that such disposal would be limited to domestic consumption. Thereafter, the subsequent offerings will be made periodically, depending upon the evaluation of previous sales and of existing market conditions, but that all sales would be limited to domestic consumption.

Following the plan outlined before this subcommittee, the General Services issued invitations for bids on July 16, 1964, to 255 invitees. Sealed bids were received from 38 parties. There were responses from five others that they did not intend to submit a bid.

In order to broaden the base so that small users could participate in the bidding, the 2 million pounds offered were broken into lots varying between 24,000 and 25,000 pounds. Any bidder could bid on all of the lots or any part thereof, but not on less than one lot.

The invitation for bids stated that the entire 2 million pounds would be restricted for domestic consumption and that the sales would be limited to: First those who would use or consume the molybdenum in the puurchaser's own domestic facility; or second those who would process the molybdenum or would have it processed, and would then sell it to domestic consumers. Each was notified in the invitation for bids that prior to award, the successful bidders would be required to furnish certification that they were in one or the other of the two above-mentioned categories. In addition, to speed the flow of molybdenum to domestic industry, a requirement was included requiring the processing and sale of the molybdenum within 90 days from the date of delivery. The terms for the sale are cash, free on board storage location.

The sealed bids were publicly opened on July 27, 1964. Bids ranged from a low of $158 for the entire 2 million pounds to a high of $3.44 per pound. This latter figure covers a bid for one lot only. No awards have been made as yet. At the present time, the General Services Administration is in the process of screening information which will verify the bidders' certification. Thus, prior to award, GSA will require the bidders to name their processors and to give the location of the plants where the molybdenum will be processed. Prior to being permitted to take delivery, the successful bidder will be required to name the domestic consumer to whom he has made the sale.

While handling this initial offering, GSA met with industry on Friday, July 31, 1964, to make plans for the disposal of an additional 5 million pounds of molybdenum. Invitations for bids were sent out August 1, 1964. Again, all of the material is restricted for domestic consumption, and except for one lot of about 120,000 pounds, the molybdenum has been divided into lots of 24,000 to 25,000 pounds. While the terms for this second offering are substantially the same as in the first, a few new restrictions have been added to safeguard all segments of domestic industry. These new restrictions will limit anyone other than a processor from acquiring more than 250,000 pounds. A processor will be limited from acquiring more than 2 million pounds. All bidders, except those who will directly consume the material in the form sold by the Government, will be required to name the domestic processor at the time of submitting his bid.

In my opinion, Mr. Bernard Boutin, Administrator, General Services Administration, Commissioner Connell and his staff at GSA are to be commended for the dispatch with which they are proceeding and the safeguards they have imposed at the request of the committee in getting this 2 million pounds of molybdenum into domestic consumption.

Let me make it clear that our subcommittee is very conscious of the need for making available to domestic industry excess stockpile critical materials at the most favorable terms to the Government and in this process also making available through careful disposal procedures such quantities of these materials excess to Government requirements which may be disposed of to meet the urgent needs of certain industries that find these materials in short supply and urgently required for their operations.

Our committee has insisted in all the disposal measures that there must be orderly disposal that will not disrupt the markets, avoid any attempt to establish price fixing as a guiding policy of such disposals, and give all users a fair opportunity to bid and procure.

I should point out that while the committee deplores the short supply in industry of any of these materials, it is not our practice to recommend disposal of them until appropriate guarantees can be given by the Government agencies concerned regarding the strategic and security factors, and until we receive assurances that our orderly disposal policy will be complied with by the General Services Administration.

I hope it will be noted and understood by the Members and the industry and all concerned that it is not possible for the committee to recommend disposal from existing stockpiles solely to relieve short supply in industry of stockpile materials. The needs of the Government come first and only excess materials can be channeled into domestic markets.

Moreover, it has been our committee policy to recommend the disposal of excess materials primarily for domestic consumption. Up to this time that policy has been accepted and followed by disposal agencies.

I regret that there should be any misunderstanding with reference to the policy, practice, and procedure followed with respect to the disposal program, and trust that this statement will clarify the facts.

Johnson Lauds Ranger Scientists

EXTENSION OF REMARKS

OF

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 5, 1964

Mr. TEAGUE of Texas. Mr. Speaker, the significance of the successful *Ranger* 7 flight is well described by President Johnson in his remarks following this historical event. The Sunday Star of August 2, 1964, records an excellent summary of these comments which are important to all Americans:

LEADERSHIP GAIN CITED—JOHNSON LAUDS RANGER SCIENTISTS

I want to say that all Americans are very proud of you today. We are proud of this historic extension of man's knowledge. We are proud of our scientists, our engineers, and all the great time under the leadership of one of the greatest of all Americans, Jim Webb (Space Agency Administration), who are responsible for this success. We can be duly proud of our free and open society, our system of government.

We started behind in space. We were making many apologies just a few years ago. We had our failures, but we kept our faith in the ways of freedom, and we did not follow the easy or the inexpensive course.

We know this morning that the United States has achieved fully the leadership we have sought for freemen. But we do not claim this as an American triumph alone. In the brief period of time that I have occupied the Office of the Presidency, I have visited with the leaders of many countries. I have found a deep and exciting interest among all these leaders in cooperating with us and extending their hands to us to supplement the work that we are doing.

I thank them for their tracking stations. I thank them for their joint participation with us. We have considered this adventure a truly peace weapon, rather than a military might.

VICTORY FOR PEACE

I think we can say this morning that this is a victory for peaceful civilian international cooperation in this hour of frustration, when so many people are getting upset at some minor disappointments.

I think we can all take great pride in this development. More than 60 countries all around the world work for us and work for peaceful progress and work for peaceful uses of outer space.

It is good to learn from this event that we are on the right course. We know that if we can continue on that course, and if you great scientists, most of whom know no party and no political allegiance, who are concerned with freedom first and America second—if we continue to give you support without any tinge of partisanship, you will give us the leadership and ultimately the supremacy in an area that is essential to the prolongation of civilization itself.

If we could only supplant the fear and the hate, the bitterness and the division, the poison and the venom that our fellow man contains, with the hope and the optimism and the achievements represented by this venture here, how much better our world will be for ourselves, our children, and our grandchildren.

I want to say this in conclusion. In this century in which we live, all my life we have been either preparing for war or fighting a war or protecting ourselves from war. When I grew up as a kid, one of my first real memories was hearing the powder go off on an anvil on Armistice Day.

SEES GAINS THEREFROM

I remember the terror that flowed from the *Lusitania*. I remember seeing boys come marching home, and the welcome we gave them at our little schoolhouse. I remember leaving, the day after I voted, to go to the South Pacific, and later the Atlantic, and all the men who gave their lives in World War II.

I have seen the billions and billions of dollars we have spent in the 17 years since that war to protect Western civilization. I would remind you that we spent $30 billion more in the last 4 years on defense alone than was being spent 4 years ago. We were spending about $42 billion a year then, and we are spending $51 billion now.

But now, today, as the most powerful Nation in the world, why do we have satisfaction from that? Not just because it protects our scalps and allows us to sleep at night knowing that we are safe, but, No. 2, it gives us the opportunity to enjoy the fruits of this society and to develop this land, not just with parks and recreational areas, highways, and swimming pools, things of that kind, but all the blessings that are going to flow from these scientific discoveries and achievements.

These men don't wear a DSM (Distinguished Service Medal) this morning, and we are not presenting them any Congressional Medal of Honor. But they do have, and all of their associates from Mr. Webb down to the fellow who sweeps out the dust in the remote test laboratory, the gratitude and admiration of all faiths, of all parties, of all regions.

You are welcome to the White House. The people who live here are mighty proud of you.

Planned Utilization of the Nation's Soil and Water Resources

EXTENSION OF REMARKS

OF

HON. PHILIP J. PHILBIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 5, 1964

Mr. PHILBIN. Mr. Speaker, it was most pleasing to me to have word early this afternoon that the House Committee on Agriculture has ordered reported with clarifying amendments my soil and water resources development bill, H.R. 5406. I want to take this opportunity to commend and thank my good friends and colleagues on the committee for this prompt action on my bill.

I am particularly grateful for the warm and effective interest of the distinguished and able gentleman from Texas, my esteemed friend, the Honorable W. R. POAGE, the chairman of the Subcommittee on Conservation and Credit, who conducted hearings on July 27 on this bill. On that same day, the subcommittee ordered the bill reported to the full committee with amendments suggested by the Secretary of Agriculture, the Honorable Orville L. Freeman.

More than other Members of Congress, my good friends and colleagues, the distinguished and able members of this subcommittee are fully aware of the impact of the rapid urbanization of previously purely agricultural areas on the Soil Conservation Service and the ever-growing demand for the services of this agency.

Requests for technical assistance on soil and water conservation problems from landowners other than farmers have increased steadily every year and the members of this subcommittee recognized long before the average Member of Congress that the resources of our soil conservation districts are being pressed in meeting these demands.

All of us recognize that the urban population is steadily increasing, producing an urban sprawl where we find entire regions becoming mixed rural-urban areas. This urban expansion is creating new serious pressures on the land.

These pressures include such needs as sites for new homes, shopping centers, schools, industries, highways, sewage disposal areas, water supply reservoirs, wildlife refuges, recreational areas, and just plain ordinary open green space.

This urban diffusion creates new area-wide development problems also with solutions required not only for the farmer, but for the commuting suburbanite as well.

Many Members of Congress, familiar with the work of the Soil Conservation Service, are realizing that as more rural land becomes urbanized, the changing land use has brought about new local soil conservation district programs that more properly concern the communities within their boundaries, rather than the individual farmer.

The result has been that many of these local soil conservation districts are now devoting the greater proportion of their activities to proper land use, scientific land revision and to land protection, improvement, and management of the changing areas.

Expanding urbanization has made it necessary for the USSCS districts to go into programs far beyond their original conception because a growing number of cities and towns are now applying for the Soil Conservation Service specialized soil surveys and interpretations to assist them in their planning activities.

In recent years, the trend has become increasingly significant—soil surveys, once used mostly for agricultural purposes, now are being put to use by planning commissions all over the Nation to assist them in making land-planning decisions. In my own State, some 200 planning commissions have become aware of the importance of good soils information and there are nearly 50 cities and towns with requests pending for SCS soil surveys on a cost-sharing basis.

We recognize that all taxpayers contribute toward the cost of soil surveys and in many places there is an immediate direct share of the benefits of accurate and detailed soils information.

The further participation of our urban areas in these benefits would help reduce the cost of homes, roads and other man-made structures and also help them in their efforts toward development of their natural resources.

Problems of the land are shared by all taxpayers, whether they are city dwellers, suburbanites or farmers. No one questions that these problems increase with the rapid expansion of the many counties and metropolitan areas which have doubled their population in the past 10 years.

As more and more people leave the city for the suburbs or the rural fringe areas, fewer and fewer people live in truly rural areas. The farmer when he first came to the land had to know the potential and limitations of his soil. Now it is necessary for whole communities to know the kind of soils they have and where the various types of soil are located.

They have to know the extent of soils free from overflow, the soils that are dry most of the time, the soils that have high bearing strength and do not require extensive foundations, the permeable soils suitable as septic tank filter fields, the deep soils that do not present problems of excavation for basements, pipelines or highways.

All these facts, and many others, can be found in the SCS soil surveys. Today some of the biggest boosters of the SCS surveys and maps are engineers, planners, and local officials who are responsible for highway construction and suburban developments.

These local officials have learned that many of the basic principles that have made farming so efficient in this country can be applied equally as well to the selection and management of soils for housing, highways, recreation, and related uses. Basically, the soil classification and maps are the same in both rural and urban areas.

Local planning and conservation officials, concerned with providing new living space for city-based people, have great need for soil surveys especially in those areas changing from rural to urban use. In my own State, there are 351 cities and towns and at least half of them have need for soils information. In my own congressional district, there are only 132,000 acres soil surveyed out of about 800,000 and it will be 1985 before the SCS soils mapping job is completed.

The ever growing need for good soils information in my own State has led me to introduce H.R. 5406. This measure, drawn up for me by the Office of the Legislative Counsel of the House, would authorize the Soil Conservation Service to make soil surveys, furnish technical assistance and obtain the cooperation of other Federal agencies in assisting urban areas in planning for the changing use of our soil and water resources.

In addition, by focusing attention on soils studies for urban planning, my bill would help to protect the land that should remain in agriculture because of its high productive capacity.

H.R. 5406 can be an effective tool for good urban planning—especially in the fringe areas where the interests of the farmer, the suburbanite, the businessman, the factory owner all meet—by making possible the expansion of the Soil Conservation Service in this vital field.

My bill adds no new authority to the Department of Agriculture for soil surveying. What it does do, however, is help clarify and emphasize the need for this scientific program, developed over the last 60 or more years, and permit funds on a cost-sharing basis to be used primarily to meet the critical needs of our nonfarm citizens.

The losses now being sustained by these citizens and by local governments from mistakes in soil selection probably run into hundreds of millions for the country as a whole. None of this sad waste is necessary because we have soils suitable for housing with the proper soil selection and designs. What is lacking in many places including my own State is up-to-date soil information which the Soil Conservation Service can provide.

As I have said, my bill adds no new authority to the Department of Agriculture, but it does provide a clear-cut congressional recognition of and emphasis on the need for soil surveys and interpretive services for areas requiring these aids.

The original purpose of soil surveys was primarily to serve rural areas. My bill now recognizes and seeks to fill the need for soils information by urban-fringe areas. The soil surveys for these areas are basically the same as those for farming areas, except that the mapping is somewhat more detailed and different interpretations are emphasized and highlighted.

The use of soil surveys by both public and private agencies and by individuals continues to increase. While the major use for soil surveys continues to be a basis for guiding land use adjustments and for the orderly planning and applications of soil and water conservation on farms, ranches, and watersheds, my bill seeks to assist such nonagricultural users as State, city, and town planning and conservation groups in their growing need for soils information applicable to urban and urban-fringe areas.

Since its introduction on April 2 last year, H.R. 5406 has aroused considerable interest and support in many sections of the country. Requests for the bill have become so numerous that I found it necessary to have reprinted remarks I made in the House when I introduced the bill.

It would seem that the objectives of H.R. 5406 are desirable and worthwhile because of the rapid growth of the country, the expansion of urban areas, and the need for planning and accurate data to help solve the many problems of the population explosion taking place in this country. To delay in this matter will only create even bigger problems not only with respect to urban expansion, but also for our agricultural areas and our people engaged in agriculture. I hope that the House will take early and favorable action on this bill.

Vietnam Resolution

EXTENSION OF REMARKS
OF

HON. ROBERT W. KASTENMEIER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 5, 1964

Mr. KASTENMEIER. Mr. Speaker, we will be called on shortly to ratify, by resolution of Congress, the President's action in response to incidents in the Tonkin Gulf. We will give him our support, recognizing that the Chief Executive alone can conduct and coordinate our foreign policy in time of oversea crisis.

Yet, the haunting suspicion remains that Congress, acting on a slender volume of information, may endorse, as it did in 1898, a disproportionate response to a limited and ambiguous challenge.

At this time we know that a far reaching decision has been made and carried out. But we can scarcely judge its military necessity or political wisdom. To learn that it is warmly supported by the Republican presidential nominee is not a comforting reassurance to many of us. Nor does conspicuous mention of this support quiet fears that this decision is more responsive to the Republican nominee's previous policy recommendations than to the essential requirements of the military situation.

Many questions remained to be answered—eventually by the men who write history, or sooner by the men in whose hands it rests. Ultimately we will know why North Vietnam chose to engage the United States on the high seas where our supremacy is secure; at this hour we can only hope that the attacks were not designed to draw us into the kind of retaliation which could serve as provocation for intensified hostilities on land. Sooner or later we will know whether our attack on mainland facilities was an unnecessary escalation of the southeast Asian conflict; at present we can only speculate that our earlier policy of meeting specific aggressive acts at sea might have soon immobilized the North Vietnamese Navy.

But still more compelling than these unanswered questions is the near certainty that we have expressed our frustration with this ugly war in a way which diminishes and postpones our hopes of achieving a solution more enduring than military victory. The courage to relentlessly pursue such a solution is more demanding than the decisive use of undoubted power. The world may applaud our decisiveness; we must judge for ourselves whether we used our power courageously.

The Seas Must Remain Free

EXTENSION OF REMARKS
OF

HON. L. MENDEL RIVERS

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 5, 1964

Mr. RIVERS of South Carolina. Mr. Speaker, the unwarranted attacks upon an American destroyer, the U.S.S. *Maddox* in international waters off Vietnam, serves to remind us once more that the seas will be free only so long as free peoples provide the strength to make them so. This act of state piracy by the Communist North Vietnamese Government was suitably dealt with by our naval forces, including carrier based aircraft. This is a lesson—a relatively inexpensive one—which I hope will be taken seriously by every American. It is this: we need strength at sea. The need is here and now. We need ships—more ships and better ships than we now have. We need planes—more planes, and better ones, to assure our supremacy in the air over the areas in which our naval forces operate. We need the latest weapons for our Marine Corps, that they may be ever ready for the multitude of indispensable tasks they may be called upon to do. What we have seen this weekend is just another tip of the iceberg. Beneath, a vast, unseen challenge to our right to use the seas is building. If we have any sense of responsibility to ourselves and to our children we must be about the task of making ourselves ready to meet this challenge when it emerges.

And while the attention of the most of us was occupied by the more spectacular happenings off Vietnam, an event of equal significance was taking place on the other side of the world. The world's first nuclear-powered task force is now on the third day of its epochal voyage around the globe. Starting at Gibraltar at 7 a.m. our time last Friday, three proud new ships—*Enterprise, Long Beach,* and *Bainbridge*—will steam 30,000 miles over the next 2 months without once refueling. Proceeding around Cape of Good Hope and Cape Horn from Atlantic to Indian to Pacific to Atlantic, their speed overall will average 20 knots, and will prove as nothing else could, the seakeeping qualities of nuclear power for ships. What a landmark on the horizon of peaceful usage of atomic energy. What a tribute to the genius of all who made this feat a reality.

I pause here to again pay my deepest respects to one in particular who had more to do with giving our Nation a modern, global seapower than any other living man: our colleague the Honorable CARL VINSON, who is leaving our company after 50 years of service to the Congress and the Nation. It was CARL VINSON, who saw in the early thirties the need for a modern, two-ocean Navy; who authored the Vinson-Trammell Act which made it a reality; who has ever since urged on every development which might be used to build our strength on the sea. And of all these developments, none has moved, has advanced the Navy so far, or holds such promise for further advancement in the future, as the harnessing of the atom.

Did you know that the Navy's active participation in the development of atomic energy goes back a full quarter of a century, to 1939? Even before the controlled reaction of fissionable materials had been achieved, the Naval Research Laboratory was actively investigating the process as a source of ship propulsion. The war years which followed transferred interest to the explosive aspects of nuclear fission, but in 1946 the Navy resumed its investigations on nuclear propulsion for ships. The monumental contributions of Admiral Rickover's group and others since then are a matter of detailed public record which needs no further repetition here. I did want to inject this comment to show that our U.S. Navy was among the very first agencies of our Government to see the enormous possibilities of the fissionable atom.

And now three powerful new ships of our nuclear Navy are proving a vital quality which has always been essential to a nation's defense forces: mobility—in a depth and meaning we have never known before. The incredible endurance of ships that can cruise several times around the world without refueling and at top speed, gives a new meaning to the old term. It means our ships can go anywhere on the high seas they are needed, stay as long as they are required, and then move swiftly to a new troubled area which may require their presence. They can rapidly come to the assistance of a beleaguered ally, or strengthen another of our forces which may require additional assistance. The greatest, most restricting logistic concern of any seagoing commander—the availability of ship's fuel—is no longer a consideration.

And this, to me, is the connection between the events of the past weekend which took place on opposite sides of the world. Somewhere in the world the Communists challenge us on the high seas. If further strength is needed at the point of the challenge, the nuclear-powered ships of a modern Navy from any point on the globe can be dispatched immediately at top speed to the area and arrive there full of fight and ready for extended operations. This is true mobility. It is the lesson to be derived from the shootings in the Gulf of Tonkin and the quiet passage of our three nuclear-powered ships down the West Coast of Africa. Only 3, alas, when the need is for 300. But it does represent the start of what must be one of the really essential undertakings of the American people of this decade: to bring the potential of nuclear power to full reality in the surface fleet as well as its undersea arm, so that our Navy can reap the enormous advantages available to it through true mobility of its ships. I pledge to you all, and to the people of our Nation, an unrelenting effort to complete the work in which we have only fairly begun: the rebuilding of a modern, nuclear-powered Navy which will give our Nation the true mobility on the sea which it needs and must have in the years ahead. This we must do, if we want to be remembered as a great nation which honored its obligation to keep the priceless asset of the seas on the side of freedom.

The Supreme Court's Unwise Decisions on Apportionment

EXTENSION OF REMARKS

OF

HON. ROBERT T. McLOSKEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 5, 1964

Mr. McLOSKEY. Mr. Speaker, the most recent decisions of the Supreme Court regarding apportionment of State legislative bodies have rocked this country. These decisions illustrate just how far the Court has strayed from any reasonable construction of its own rightful place among our political institutions. The recent and multiplying scourge of judgemade law which has set about to recklessly and antidemocratically reform a nation in the Court's image must be checked at once.

The improper decisions of the Court in the apportionment cases demand, for the sake of our whole system of government, reversal. To accomplish this purpose, I have introduced legislation which would start the machinery for a constitutional amendment. The amendment would have the effect of overruling the Court's unwise decisions on apportionment and reestablishing some of the battered States rights in this area.

At this time, under unanimous consent, I would like to include in the Record, a copy of the statement which I submitted to the House Judiciary Committee in support of House Joint Resolution 1087:

STATEMENT OF REPRESENTATIVE McLOSKEY

Mr. Chairman, the foundations of liberty are once again under attack by the Supreme Court. In the most recent decisions by that branch it has been declared that State legislative bodies, representing the people of the States, are no longer able to determine their own apportionment systems. In these decisions a giant stride away from the system of guarded liberties, which the Constitution established, has been made. House Joint Resolution 1087, which would restore some of those liberties the Court has threatened, is the subject of my presentation here today.

House Joint Resolution 1087 would call into operation the amending process of the Constitution in order to provide that a State legislature would have the constitutional prerogative of apportioning one house of its State assembly on some basis other than population. The amending process has not been referred to very frequently with success in the history of this country—a dozen times in the past century and a half. An amendment to the Constitution is a grave action to be relied upon only with the utmost care and after arduous consideration. It is after such care and consideration that I have introduced House Joint Resolution 1087.

The necessity of this proposal has been demanded by certain decisions of the U.S. Supreme Court which wantonly fly in the face of history and openly ignore the explicit statements of the U.S. Constitution. The Court, over the cogent and articulate warnings of Justices Harlan, Clark, and Stewart, has vindicated a special theory of political representation as the only one acceptable under the 14th amendment's equal protection clause. By newly established Court constructed precedents, by typically fuzzy Supreme Court logic, by completely ignoring the history of our country, and by openly ignoring the clear words of the Constitution, the Court has removed from the people the sovereign power to establish their own State representative assemblies on grounds which are not explicitly prohibited by the Federal Constitution. The recent rash of political decisions handed down by the Supreme Court are clearly based on the personal political prejudices of the Justices masquerading under such theories of judicial review as "activism" and "developing constitutionalism." The ways in which these pernicious theories of judicial review endanger our system of government are many.

First, the Court has done immediate wrong to the States affected by their decision. By robbing the States of their sovereign power to apportion their own legislatures by political process, the Supreme Court has taken one of the most fundamental of legislative prerogatives; and by so doing, has effectively reduced State government to a hollow facade. The Federal judiciary has taken to itself the power to pass on the acceptability of State apportionment, and could presumably dictate the political climate of a State by gerrymandering from the bench. In wronging the States by disallowing theories of representative government acceptable for centuries, the Court has also wronged the people of the affected States by denying them the right to decide their own criteria for legislative apportionment. And clearly, the Constitution does not deny the people these rights. As Justice Harlan pointed out in his dissent in *Reynolds* v. *Sims*, the only section of the Constitution dealing directly with State legislative apportionment recognizes and accepts the possibility of imposed inequities in the right to vote. Paragraph 2 of the 14th amendment which the majority of the Court flatly ignored spells out the remedy—and it is an optional remedy—for a reduction by a State in the size of its qualified electorate. The 15th amendment prohibits a State from denying a citizen the right to vote merely because of "race, color, or previous condition of servitude." The 19th amendment adds to the list of reasons why the right to vote may not be abridged, a person's sex. The 24th amendment would add to the list, the payment of a special tax. Nowhere in the Constitution is the right to vote guaranteed against abridgment or partial abridgment on the basis of place of residence. The Supreme Court of the United States has no legitimate right to declare that such a prohibition exists when, in fact, it clearly does not. If, when the 14th amendment and the constituent equal protection clause was ratified, geographic factors were supposed to have been eliminated from consideration in legislative apportionment, a statement to that effect surely would have been added to the prohibitions of the contemporary 15th amendment. And if, by oversight, the people of the United States omitted it there, surely they would have included it in the later 19th amendment which also altered suffrage or in the most recent 24th amendment which once again affected the franchise. The undeniable fact of the matter is that the American people have never overwhelmingly held to the "one-man, one-vote" theory of representative government; the fact that the Supreme Court thinks they should have, notwithstanding.

One wrong, then, that the apportionment decisions accomplish is a deprivation of States rights. The Court, in the abused name of personal rights, has denied the rights of the States and vindicated, above all else, Court's rights—the rights of the courts to make any of their own private prejudices and moral convictions the law of the land. Yet, if in trampling States rights the Court has gone beyond the wildest dreams of judicial activists and beyond any reasoned understanding of the Constitution, the greatest wrong which the Court has inflicted is against the Constitution itself and the free government it established.

The flagrant exercise of what Justice Harlan has dubbed the "amending power" of the Supreme Court threatens, above all else, our separation of powers. Now, in the 20th century, when the need for the division of powers, both horizontal and vertical, is most urgent, the Court is breaking down the walls. Now, when power and authority are easily and rapidly pyramided, when the advances in the study of molding masses into conformity are progressing steadily, an effective system of power diffusion is paramount. We, who are aware of the truism that absolute power corrupts absolutely, cannot sit by and watch the Supreme Court destroy the checks for liberty which our Constitution clearly set down. We must remember, too, that the checks and balances in our system do not always execute themselves, especially when one branch develops a craving lust for control. The relationships of the branches to each other is constantly varying and in danger of reaching a state of imbalance. When such an imbalance is evident, action is the responsibility of the branch whose powers are being usurped. The Court, time and again in the past 10 years, has assumed legislative powers and has ignored State authority, and so the Congress and the States must act.

The Court's action presents a danger to the Constitution in still another way. The recent decisions which use the Constitution as a substitute for a legal code, and which are based on the theory that every supposed ill which befalls the American people has a solution in the Constitution, is a serious danger to the Constitution.

The Constitution does not go to great lengths to demand that Government achieve certain ends thought by judges to constitute justice. What a constitution in fact and in theory does is to establish a government, define its powers and limits, and allow it to determine its own ends and its own definitions of justice. Judicial notions of social and political justice cannot be allowed to stand as the law of the land. If they were, the dynamics of our free society, devoted to republican principles and government by representative elections would inevitably give way to general abdication of responsibility which is so characteristic of government by lawsuit or dictate.

I would also remind my fellow Representatives that capricious usurpation of power, whether in the name of the majority, the minority, the rich, the poor, justice or injustice, is tyranny. Our real liberties are protected by our unique system of checks and balances which sacrifices quick action and expediency for personal freedom. Our system is and must remain more important than isolated and controversial policy reforms, and the Supreme Court is threatening that system.

Last, but not least, among those whom the Court has wronged in the apportionment decisions is the Supreme Court itself. As Justice Frankfurter was always quick to point out, the Court cannot continue to gallop through the political thicket with reckless abandon and expect not to get its robes torn. Because the Court has no mandate from the people, because it has no power to lay or collect taxes, and because it has no armies, it is dependent for its legitimacy and efficacy upon the good will of the people. From newspapers and from my own experience with the public, I can attest that this good will is wearing quite thin. This present Court is in danger of wrecking itself as an effective political institution.

I recognize that an amendment to the U.S. Constitution must be something more than a means of scolding the Court. An amendment to the Constitution must be defensible on the grounds of what, in particular, it seeks to accomplish.

Above all else, the amendment envisioned in House Joint Resolution 1087 would seek merely to reestablish principles of representative government older than the Nation itself. It has long been the practice of Americans to take into account factors other than population in the process of legislative apportionment. As a matter of historical fact, if State legislatures had been apportioned strictly on the basis of population at the time of the ratification of the Constitution, the Constitution might never have been ratified at all. In the late 18th century there were also inequities in State legislative districts, but at the time, they favored the city populations and acted to the detriment of the western farmers in each of the States. The political complexion of what was then the West was antifederalists, if not anarchistic. Had the principle of "one man, one vote" been fully accepted under these circumstances, the Constitution might never have been ratified. A system of representation which produced the Constitution of the United States cannot be all bad.

The statements of Chief Justice Warren that: "Legislators represent people, not trees or acres (;) * * * [L]egislators are elected by voters, not farms or cities or economic interests * * *" is alarming. If there seems to be one truism, above all others in American politics it is that interest groups are an integral part of the political system. From Madison's "Federalist No. 10" to Beard's studies of American history to the work of the Nye committee, the realistic assumption in America has been that interest groups do play an active part in politics. What the Court has done is to turn their backs on the true conditions and merely insure that the control of government shifts from some groups to different groups. And I do not believe it is coincidence that the groups destined to rule by Court fiat are generally more sympathetic to the same causes of reform the Court has been serving.

The function of geographical representation has never been to represent trees or pastures, but it has been to insure a fair system of checks and balances in State governments among very real and differing interests. It is in this respect that the Court has deprived many minority interests of their checks upon the actions of the numerical majority.

What my amendment really provides for is a return to the States and to the people the authority to set their own criteria for legislative apportionment in one house of their State legislature. Any opposition to such a suggestion would have to come from someone who had a political ax to grind. A stretching of the Federal Constitution and the 14th amendment to make it cover State legislative practices portends much ill if allowed to stand.

For the reasons outlined in this statement, I urge that this committee report House Joint Resolution 1087 favorably. I regret that the times and a reckless Court have required this action, but it would be a greater mistake for us to sit idly by and concede the Supreme Court's sovereign power by default, than it would be to move boldly for a constitutional amendment. I do not mean to minimize the gravity of my proposal, but we are left no sure alternatives.

Before closing, I would like to point out for the record what my amendment does not do. It would not require or encourage any particular kind of legislative apportionment. It would merely put the decision back into the hands of the people's elected representatives—back where it belongs.

As we consider this proposal, I would like to have you keep in mind that there are no assurances against who will be the targets of an unchecked Court. Our memories cannot be so short.

Redistribute Immigration Quotas

EXTENSION OF REMARKS

OF

HON. PHILIP J. PHILBIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 5, 1964

Mr. PHILBIN. Mr. Speaker, revision of our basic immigration laws is a most desirable objective and I am hopeful that the Congress will soon have the opportunity to act on pending proposals to liberalize the quota restrictions.

I note that the administration's proposals in S. 1932 call for the reallocation of unused quotas and the creation of a quota reserve pool to help ease the current immigration restrictions.

In this respect, Mr. Speaker, back in 1953 I first introduced legislation to create a pool of unused immigration quotas to enable many Americans to bring close relatives to this country. My proposal differs from some pending proposals in one important respect in that beneficiary countries would repay quotas whenever immigration rates rise in those countries not using all of the quotas authorized by law.

This particular provision would protect nationals behind the Iron Curtain who are being refused exit permits by their governments once freedom is restored to these unhappy lands.

Just recently, I was pleased to present my views on my bill, H.R. 1106, to the Subcommittee on Immigration of the House Judiciary Committee.

This bill would amend section 201 of the Immigration and Nationality Act so as to provide that all quota numbers not used in any year shall be made available to immigrants in oversubscribed areas in the following year, and for other purposes.

I think it can be readily seen from the title of the bill that it would accomplish very worthwhile objectives without increasing immigration quotas, and that would seem to me to promote desirable reform of our immigration laws. I favor every reasonable proposal to increase quotas and liberalize the law.

As Members of the House so well know, there are some countries in northern Europe where the quotas are now undersubscribed, and some countries in southern Europe where the quotas are heavily oversubscribed in varying degrees.

This situation is all the more difficult because of the fact that some of these quotas are very small to begin with. This is due largely to the way the respective quotas are established under the nationality rule.

It has been suggested that the overall quotas should be raised, that broader exceptions should be written into the law, that all close relatives of American citizens, veterans, and legally admitted aliens otherwise qualified, should be admitted. Many proposals have been made to this end and now are pending.

I am sure the Congress always has in mind the practical aspects of immigration legislation and our past experience and difficulties encountered in passing liberalizing legislation in this field. But admittedly, these problems should not deter us as Members of Congress from doing our duty as we see it, to infuse into our immigration laws a more humane spirit that would accommodate them to the needs of a great cosmopolitan country like our own which has welcomed so many immigrants from many lands to our shores, and opened up for them and their dear ones the wide vistas of opportunity that citizens and residents of this great free Nation enjoy.

I may state that I am strongly in favor of organic revision and improvement of the immigration laws by this Nation, although I fully appreciate the very difficult problems that are involved in accomplishing this task.

It would, therefore, seem to me that the proposal contained in my bill being moderate, fair, and reasonable and requiring no massive departure from the policy Congress has followed in the past presents a very attractive, reliable, current method of bringing about desirable reforms in our immigration laws. Such a measure in my opinion could pass the Congress.

I will not go into the various theories, or the philosophy, of immigration laws in general, but I should like to stress this one point, and that is the great, compelling desirability of establishing policies and laws here that would encourage and permit the reuniting of families, thus making it possible for our fellow citizens and residents of this country to bring their dear ones here to join them in larger numbers and more quickly than has been permitted in the past under existing law.

For these reasons, I think that my pending bill has special and very broad appeal. It has been endorsed in principle by President Truman, by President Eisenhower, by President Kennedy, and I understand that President Johnson may also be favorably disposed and sympathetic toward the proposal. It is a sane, practicable approach to a very thorny problem and it has wide support in the Nation.

It seems quite understandable that such a moderate, yet effective, measure to accomplish a result that most Americans want, would meet with strong favor on the part of the American people, and I hope and urge that the Congress will, at an early date, grapple boldly with the problem involved here, and approve my bill, or one like it, that will enable us to take a step forward from the maze of formalism and technicality and rather complacent attitude and method which the Nation has been pursuing, and enact a law that will in the real sense help many loyal Americans to be reunited with their families from overseas.

This measure would also emphasize our interest in perpetuating and enriching the spiritual doctrines we have embraced throughout our national life of affording a haven and refuge for the oppressed, the persecuted, and the lowly within the boundaries of our Nation.

Such a measure would be cordially received, not only at home, but abroad, where the people of many nations, nationalities, and races are observing us with a critical eye to ascertain whether we really mean what we say when we talk about America being the land of freedom, equality, and opportunity, and a place where people are treated equally under the law, and given the benefit of constitutional safeguards, equal privileges, and entitlements that have meant so much to our Nation and the world.

It is believed by a great many Americans that the national origin system is unfair, unworkable, and discriminatory in its operation. Notwithstanding that fact, if we accept it as many do, it remains that my bill leaves undisturbed the present overall immigration quota totals.

On the other hand, the bill seeks to redistribute some 60,000 or more, unused quota numbers, which are lost each year through lack of applicants in certain countries among countries where long quota waiting lists and heartbreaking delays exist, and where the quotas are generally heavily oversubscribed.

The bill has its proper safeguards in that it would permit the Government over a 5-year period to recapture from any of the affected countries, quota numbers which were redistributed to other nations and which would be lost forever if not used under present immigration laws.

I assert with ample justification, I believe, that my bill would correct certain inequities arising from the act, which provides such small quotas from such countries as Italy and Greece as well as several other countries.

For example, the idea of Italy and Greece, nations from which in a true sense we have drawn so much of our national heritage in terms of freedom, personal liberty, and culture, having less than 6,000 quota numbers is understandably unjustifiable, logically inconsistent, and disruptive of those cordial understandings and sympathetic bonds of approval, friendship, and trust which are necessary to enlightened international policy.

It can be said that not only Italy and Greece, but Lebanon, Turkey, Poland, Lithuania, Israel and some other countries too, have not been accorded proper quotas, considering the quality of loyalty, fidelity, and constructive contributions of the natives of those countries, who have been outstanding citizens and residents of our own Nation.

We can well take notice of the fact that the operation of our immigration laws has been in many instances harsh, unfair, unsympathetic and arbitrary with regard to the applications of many splendid American citizens who have sought to promote reunion with their relatives in these countries.

Unquestionably the quotas have been discriminatory toward the countries of southern Europe, the Near East, and other nations. It should be noted that northern European countries quota numbers have been undersubscribed at an increasing rate and that the quotas of southern Europe and other parts of the world have been oversubscribed at a very heavy rate.

I should also like to make the point that this condition is bringing disillusionment and resentment to a great many American citizens who feel that their own Government is not treating them fairly in preventing their reunion with their own flesh and blood and close relatives abroad, and I do not believe that this is a healthy or wholesome situation.

My bill offers a ready remedy for the injustices and inequities that have resulted from our basic immigration laws, and since my bill would move in a very substantial way to rectify these conditions, I would be especially grateful to this House for extending the measure the most sympathetic and painstaking consideration, because I believe the measure is definitely in the public interest of our own Nation as well as beneficial to our foreign policy, to the morale of our citizens and to a better understanding in the world.

HOUSE OF REPRESENTATIVES

THURSDAY, AUGUST 6, 1964

The House met at 12 o'clock noon.

Rabbi Joseph S. Safsel, Congregation Shomrei Habrith, Reading, Pa., offered the following prayer:

Almighty God, who has been our source of comfort and spirit throughout all generations—and to whom Thy children turn in their moments of despair—we beseech Thy blessings upon this day, to instill within our hearts Thy divine wisdom and understanding to guide us through our deliberations in planning the laws of our beloved Nation.

Instill a love of mankind and understanding among Thy children wherever they may be, so that neighbor will live in peace with neighbor, and the seeds of hatred and unrest shall be turned into peace and tranquillity.

Guide us through these trying days of uncertainty with Thy light of truth; give us the moral courage to inspire mankind that the plow is mightier than the sword.

We pray that the words of Thy prophet be fulfilled: "And the Lord shall be King over all the earth—in that day shall the Lord be one, and His name One." Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 1997. An act to amend subsection (c) of section 1332 of title 28, United States Code, relating to diversity of citizenship;

H.R. 4088. An act for the relief of the Industrial Tractor Parts Co., Inc.;

H.R. 4871. An act for the relief of Glenn C. Deits and others;

H.R. 9372. An act to remove a cloud on the title of certain property owned by Wilmer Allers and Jane B. Allers, both of Malin, Oreg.;

H.R. 9521. An act to increase the authorization for appropriation for continuing work in the Missouri River Basin by the Secretary of the Interior; and

H.R. 11064. An act to provide for the conveyance of certain real property of the United States situated in the State of Virginia.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 8611. An act to facilitate the performance of medical research and development within the Veterans' Administration, by providing for the indemnification of contractors.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 8000. An act to amend the Internal Revenue Code of 1954 to impose a tax on acquisitions of certain foreign securities in order to equalize costs of longer term financing in the United States and in markets abroad, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BYRD of Virginia, Mr. LONG of Louisiana, Mr. SMATHERS, Mr. WILLIAMS of Delaware, and Mr. CARLSON to be the conferees on the part of the Senate.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 11296. An act making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1965, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MAGNUSON, Mr. ELLENDER, Mr. RUSSELL, Mr. HOLLAND, Mr. MONRONEY, Mr. ANDERSON, Mr. ALLOTT, Mr. YOUNG of North Dakota, and Mr. SALTONSTALL to be the conferees on the part of the Senate.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested.

S. 2048. An act to provide for the establishment of the Bighorn Canyon National Recreation Area, and for other purposes;

S. 2281. An act to clarify the components of, and to assist in the management of, the national debt and the tax structure;

S. 2711. An act for the relief of Frank S. Chow;

S. 2712. An act for the relief of Sime Dragutin Vulin;

S. 2741. An act for the relief of Palmerina Caira and her minor children;

S. 2742. An act for the relief of Mrs. Styliani Papathanasiou;

S. 2812. An act for the relief of Joanne Irene Taylor; and

S. 3074. An act to give the consent of Congress to the construction of certain international bridges.

SUBCOMMITTEE ON IMMIGRATION AND NATIONALITY POLICY OF THE COMMITTEE ON THE JUDICIARY

Mr. FEIGHAN. Mr. Speaker, I ask unanimous consent that Subcommittee No. 1, on Immigration and Nationality Policy, of the Committee on the Judiciary, may be permitted to conduct hearings during general debate this afternoon.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

Mr. HALL. I object, Mr. Speaker.

The SPEAKER. Objection is heard.

STEVENSON SPEAKS FOR AMERICA

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, the Chicago Tribune, which is a Republican newspaper and is supporting Senator GOLDWATER for the Presidency, devotes its lead editorial in this morning's edition to what it terms "Ambassador Adlai E. Stevenson's calm and lucid discussion before the United Nations yesterday of Communist torpedo attacks upon American warships off the coast of North Vietnam." The editorial is headed "Mr. Stevenson Speaks for America."

I quote from the final paragraph of this editorial:

> Mr. Stevenson has put Communist piratical acts and the systematic campaign to conquer South Vietnam and Laos in clear perspective. His unadorned recital of what has happened and is happening in southeast Asia will go a long way toward persuading the people that they now are informed about Communist objectives and the purpose of American counteraction.

Mr. Speaker, in times of national crises Americans close ranks and unity is the shield of patriotism. The Chicago Tribune is abiding by the finest traditions of our country in approving and praising the performance in this suspense-frightened occasion of a distinguished son of Illinois with whom on political occasions the Tribune usually is in disagreement. Truly, Mr. Stevenson spoke for America, and a united American people stand behind his words.

U.S. MARSHALS SHOULD ARREST AMERICANS RETURNING FROM CUBA

Mr. ROGERS of Florida. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. ROGERS of Florida. Mr. Speaker, there are currently some 84 American students touring Communist Cuba as guests of Fidel Castro. They are destined to return to the United States sometime Saturday, or shortly thereafter, according to reliable reports. Just as was done last year when a similar group defied the ban on such travel, this group will probably land at one of the airports in the New York area.

U.S. marshals should be on the spot to arrest these U.S. citizens who have violated U.S. law in the most flagrant manner. These same Americans should be prosecuted to the fullest extent under the law.

And adequate legal sanctions exist under 8 United States Code 1185, which prescribes penalty of 5 years in prison and $5,000 fine, as well as 18 United States Code 371, carrying 5 years' imprisonment and $10,000 fine. The first provision spells out the law dealing with violating the travel ban on Cuban visits. The second citation covers conspiracy, which it clearly appears to be in this case.

These American citizens went to Cuba completely aware of their violations. Each passport issued them bore the words "This passport not valid for travel to or in Communist-controlled portions of Cuba." They had every intention of defying the United States by going on a Communist "Havana holiday."

I have contacted the Internal Security Division of the Department of Justice to urge that these arrests be made immediately, and these particular sections of the law be applied with full weight.

REAPPORTIONMENT

Mr. VANIK. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. VANIK. Mr. Speaker, if the efforts to attach a rider to the foreign aid authorization bill to suspend the recent reapportionment decision of the U.S. Supreme Court is successful, it will be my intention to vote against the bill.

The reapportionment decision of the Supreme Court was long overdue. The growth of the State of Ohio has been thwarted by the "cornstalk brigade" in the Ohio Assembly under the Hanna amendment which provided one legislator to every county, regardless of population. These rural legislators have consistently represented real estate instead of people in cruel disregard of growing urban needs.

The legislative rider would perpetuate the injustice of the present rural domination of State affairs. The tactic is designed to push constitutional amendments to nullify Supreme Court rulings through the several State legislatures while they are still illegally controlled by the "cornstalk brigade." The proposal is an act of legislative mischief which could permanently impair the equality of citizenship.

COMMITTEE ON AGRICULTURE

The SPEAKER laid before the House the following communication, which together with the accompanying papers, was referred to the Committee on Appropriations:

U.S. HOUSE OF REPRESENTATIVES,
COMMITTEE ON AGRICULTURE,
Washington, D.C. August 5, 1964.

Hon. JOHN W. MCCORMACK,
The Speaker,
The House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: Pursuant to the provisions of section 2 of the Watershed Protection and Flood Prevention Act, as amended, the Committee on Agriculture today considered the following work plans transmitted to you by Executive communication and referred to this committee and unanimously approved each of such plans. The work plans involved are:

Watershed, State, and Executive communication number:

Mill Creek, Georgia, No. 2220, 88th Congress.

Turtle River, Georgia, No. 2220, 88th Congress.

Marshyhope Creek, Delaware and Maryland, No. 2220, 88th Congress.

Wellington-Napoleon, Missouri, No. 2220, 88th Congress.

One hundred and two river tributaries, Missouri, No. 1789, 88th Congress.

Sincerely yours,

HAROLD D. COOLEY,
Chairman.

CALL OF THE HOUSE

Mr. ROOSEVELT. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 206]

Alger
Ashley
Avery
Baker
Baring
Bass
Bennett, Mich.
Bolling
Brock
Buckley
Davis, Tenn.
Dingell
Everett
Evins
Fulton, Tenn.
Green, Oreg.
Griffin
Harvey, Mich.
Healey
Jones, Mo.
Kee
Lankford
Lennon
Lesinski
Mailliard
Meader
Miller, N.Y.
Morrison
Murray
Norblad
Passman
Pepper
Pillion
Powell
Sheppard
Siler
Staebler
Tollefson
Wallhauser
Whitten
Wilson, Charles H.
Winstead

The SPEAKER. On this rollcall, 389 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

VETERANS' PENSION BILL

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that on Monday next it may be in order for the Speaker to recognize the chairman of the Committee on Veterans' Affairs, the gentleman from Texas [Mr. TEAGUE] to call up under suspension of the rules the bill, H.R. 1927, the veterans' pension bill.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

VETERANS' NURSING CARE AND NURSING CARE FACILITIES

Mr. TEAGUE of Texas. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill, H.R. 8009, to amend title 38, United States Code, to provide certain veterans with urgently needed nursing home care and nursing care facilities while reducing the cost to the United States of caring for such veterans, and for other purposes, with the Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments as follows:

> Page 1, strike out all after line 7 over to and including line 3 on page 2 and insert:
>
> "'(2) The Administrator, subject to the approval of the President, is authorized to establish and operate not less than four thousand beds for the furnishing of nursing home care to eligible veterans in facilities over which the Administrator has direct and exclusive jurisdiction.' "
>
> Page 3, line 8, strike out "Chief Medical Director" and insert: "Administrator".
>
> Page 4, line 12, strike out "1964" and insert: "1965".
>
> Page 6, line 7, strike out "1964" and insert: "1965".
>
> Amend the title so as to read: "An Act to amend title 38, United States Code, to provide veterans with urgently needed nursing home care and nursing care facilities while reducing the cost to the United States of caring for such veterans, and for other purposes."

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

Mr. TEAGUE of Texas. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. TEAGUE of Texas. Mr. Speaker, I am happy to move to concur in the Senate's amendments today to this bill on nursing care which can only be described as a landmark in the field of veterans' law.

The amendments of the Senate are consistent with the intent and hopes of the Committee on Veterans' Affairs and this House, and their major purpose makes clear that the Administrator, subject to the approval of the President, shall establish and operate not less than 4,000 nursing care beds. The bill, as it passed the House, had a 2,000 figure but, as the debate made clear at the time of the House action, this was in addition to the 2,000 previously authorized by the President in August of 1963.

Another amendment places the responsibility for transfers to private nursing homes in the hands of the Administrator rather than the Chief Medical Director, but obviously this is a technicality.

The third amendment provides that the increase in payments for nursing care patients to State homes shall be effective January 1, 1965, instead of 1964.

The other amendment involves a change in the title of the bill which does not affect the substance.

I want to take this opportunity, Mr. Speaker, to again pay tribute to the special subcommittee which held the hearings and deliberations which led to the reporting and enactment of H.R. 8009. This subcommittee was headed by the gentleman from Tennessee [Mr. EVERETT] and the other members who served so ably with him were the gentleman from Texas [Mr. ROBERTS], the gentleman from Ohio [Mr. SECREST], the gentleman from Wisconsin [Mr. SCHADEBERG], and the gentleman from Kansas [Mr. ELLSWORTH]. The members worked in closest harmony and the veterans of this country are indebted to them for the comprehensive measure which will soon be on the statute books of this country.

Our thanks, too, to the several veterans' organizations and their representatives who have done so much to accomplish this result today.

PAYMENT OF SPECIAL PENSION TO HOLDERS OF THE CONGRESSIONAL MEDAL OF HONOR

Mr. TEAGUE of Texas. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 2434) to amend section 560 of title 38, United States Code, to permit the payment of special pension to holders of the Congressional Medal of Honor awarded such medal for actions not involving conflict with an enemy, and for other purposes, with a Senate amendment thereto.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

> Page 1, lines 4 and 5, strike out "by (1) striking out ', who has attained the age of fifty years,' and (2)".

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. TEAGUE of Texas. Mr. Speaker, I move to concur in the Senate amendment with an amendent which I offer.

The Clerk read as follows:

> Amendment offered by Mr. TEAGUE of Texas: In lieu of the matter proposed to be stricken by the Senate amendment insert the following:
>
> "(1) by striking out 'fifty years' and inserting in lieu thereof 'forty years' and (2)".

The SPEAKER. The question is on the motion of the gentleman from Texas.

The motion was agreed to.

A motion to reconsider was laid on the table.

Mr. TEAGUE of Texas. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. TEAGUE of Texas. Mr. Speaker, the amendment would make all veterans who hold the Congressional Medal of Honor and who are 40 or more years of age eligible for the special $100 a month pension.

Prior to the enactment of Public Law 87–138, there had been a 65-year age requirement, and this law reduced it to age 50. The bill which became Public Law 87–138 in the form which it passed the House, H.R. 845, of the 87th Congress, had no age requirement. The Senate inserted the 50-year requirement and this was accepted in order to get the legislation on the books. When the House passed H.R. 2434 in this Congress, there was no age limitation.

Thus, it will be noted that the House has consistently believed that there should be no limitation of age on this pension for the highest of all honors offered by this Government. In an effort to pass this legislation, I am trying to meet the other body halfway and set the age limit at 40.

INDEMNIFICATION OF CONTRACTORS, MEDICAL RESEARCH AND DEVELOPMENT WITHIN THE VETERANS' ADMINISTRATION

Mr. TEAGUE of Texas. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 8611) to facilitate the performance of medical research and development within the Veterans' Administration by providing for the indemnification of contractors, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

On page 1, strike out all after line 8 over to and including line 6 on page 2 and insert:

"(b) (1) With the approval of the Administrator, any contract for research authorized by this section or for medical research or development authorized by section 4101 of this title, the performance of which involves a risk of an unusually hazardous nature, may provide that the United States will indemnify the contractor against either or both of the following, but only to the extent that they arise out of the direct performance of the contract and to the extent not covered by the financial protection required under subsection (b) (5)—

"(A) liability (including reasonable expenses of litigation or settlement) to third persons, except liability under State or Federal Workmen's Compensation Acts to employees of the contractor employed at the site of and in connection with the contract for which indemnification is granted, for death, bodily injury, or loss of or damage to property, from a risk that the contract defines as unusually hazardous.

"(B) loss of or damage to property of the contractor from a risk that the contract defines as unusually hazardous.

"(2) A contract that provides for indemnification in accordance with subsection (b) (1) must also provide for—

"(A) notice to the United States of any claim or suit against the contractor for death, bodily injury, or loss of or damage to property; and

"(B) control of or assistance in the defense by the United States, at its election, of any such suit or claim for which indemnification is provided hereunder.

"(3) No payment may be made under subsection (b) (1) unless the Administrator, or his designee, certifies that the amount is just and reasonable.

"(4) Upon approval by the Administrator, payments under subsection (b) (1) may be made from—

"(A) funds obligated for the performance of the contract concerned;

"(B) funds available for research or development, or both, and not otherwise obligated; or

"(C) funds appropriated for those payments.

"(5) Each contractor which is a party to an indemnification agreement under subsection (b) (1) shall have and maintain financial protection of such type and in such amounts as the Administrator shall require to cover liability to third persons and loss of or damage to the contractors' property. The amount of financial protection required shall be the maximum amount of insurance available from private sources, except that the Administrator may establish a lesser amount, taking into consideration the cost and terms of private insurance. Such financial protection may include private insurance, private contractual indemnities, self-insurance, other proof of financial responsibility, or a combination of such measures.

"(6) In administering the provisions of this section, the Administrator may use the facilities and services of private insurance organizations, and he may contract to pay a reasonable compensation therefor. Any contract made under the provisions of this subsection may be made without regard to the provisions of section 3709 of the Revised Statutes (41 U.S.C. 5), upon a showing by the Administrator that advertising is not reasonably practicable, and advance payments may be made.

"(7) The authority to indemnify contractors under this section does not create any rights in third persons which would not otherwise exist by law.

"(8) As used in this section, the term 'contractor' includes subcontractors of any tier under a contract in which an indemnification provision pursuant to subsection (b) (1) is contained."

On page 2, after line 12, insert:

"SEC. 2. The amendments made by section 6 of the Act of July 7, 1964 (Public Law 88–361, 78 Stat. 297), shall take effect as of January 1, 1964."

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

Mr. TEAGUE of Texas. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. TEAGUE of Texas. Mr. Speaker, this was requested by the Veterans' Administration. The first amendment added by the Senate is in line with the basic policy inherent in this bill and is acceptable to the Veterans' Administration. It was raised by several private insurance companies and it is my understanding that this meets with the approval of the commercial insurers.

The second amendment is, in effect, supplementary to the recently enacted Public Law 88–361, which provides educational assistance to the children of veterans permanently and totally disabled from a service-connected cause.

The net result of this amendment added by the Senate would be to make special restorative training effective January 1, 1964, and it would involve very few cases. The Public Law 88–361 was approved on July 7, 1964.

ECONOMIC OPPORTUNITY ACT OF 1964

Mr. LANDRUM. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 11377) to mobilize the human and financial resources of the Nation to combat poverty in the United States.

The SPEAKER. The question is on the motion offered by the gentleman from Georgia.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 11377, with Mr. RAINS in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday the gentleman from New York [Mr. POWELL] had 1 hour and 55 minutes remaining, and the gentleman from New Jersey [Mr. FRELINGHUYSEN] had 2 hours and 4 minutes remaining.

The Chair recognizes the gentleman from Georgia.

Mr. LANDRUM. Mr. Chairman, I ask whether the gentleman from New Jersey desires to yield time.

Mr. FRELINGHUYSEN. I shall be glad to yield time, Mr. Chairman. I yield 10 minutes to the gentleman from New York [Mr. GOODELL].

Mr. GOODELL. Mr. Chairman, let me say at the outset that as long as I have been here in the Congress I do not know as I have seen a piece of legislation that was more poorly constructed than this one. I do not know as I have seen a piece of legislation where more pressure has been brought to bear upon the membership than this one. I think it is unprecendented. Certainly from my viewpoint it is. I have heard from Congressmen on both sides of the aisle who told me that there will be various consequences in their favor if they can give a vote on this poverty bill. I have been told by some of the people on our side of the aisle of instances where there have been offers of unenthusiastic opposition to them from the Democratic Party and the Democratic candidate. Most seriously from my viewpoint, the final pressure that now seems to be underway is to convince those Members who say they cannot bring themselves to vote for this legislation to take a walk. Now, when anybody, least of all, I think, leaders in an administration, have the temerity to urge Members of Congress to take a walk on an issue as vital as this, then I think there is something wrong. This is the kind of an issue where I hope every Member is going to be here to vote on the amendments as they are offered, and I hope that every Member that is physically able is going to be here to be recorded. Certainly this kind of an issue should not be decided by the absentees, by those who take a walk at the request of the administration or anybody else.

Mr. ROOSEVELT. Mr. Chairman, will the gentleman yield?

Mr. GOODELL. Yes. I will yield to the gentleman from California.

Mr. ROOSEVELT. The gentleman has made a very serious charge. Would the gentleman be specific as to what members of the administration have asked any Member of Congress to take a walk?

Mr. GOODELL. I do not want to get into any personalities. There are a great many Members who have said this to me, that this is the final desperate request that is urged by various administration spokesmen. I hope it is not true. It has not been done in my presence. The reason why I have brought it to the floor is to try to prevent this kind of thing from happening if it is going on. I certainly do not make any specific charges as to individual personalities. I do not think that would be proper at this point.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. GOODELL. I yield to the gentleman from Iowa.

Mr. GROSS. I do not know what is meant by taking a walk on the part of Members, but yesterday afternoon I saw a number of Members taking a walk out here to the Rayburn Room, and my suggestion would be that if it is going to be used for Shriver headquarters to pressure people to vote for the poverty bill, the leadership here ought to take the sign down out there that says "Reserved for Members of Congress," or whatever it is, and let the public in and let everybody in if it is going to be used for a lobbying headquarters.

Mr. CAREY. Mr. Chairman, will the gentleman yield to me?

Mr. GOODELL. Yes. I will yield to the gentleman.

Mr. CAREY. If I may direct a comment on the matter of an extension of walk taking, it seems to me during the session yesterday a most prominent walk was taken by about 12 members of the minority in order to break the quorum and delay the bill. Besides that, the most notorious abstention I can recall was in the other body when the tie vote was had in that body to approve this bill and a very, very prominent Republican was absent on a tie vote. If we have that kind of walk taking, I hope he continues to walk.

Mr. GOODELL. I do not think we have to go any further with this discussion except that we will see by the record when we get to the vote-taking stage if this is actually transpiring. I hope it will not transpire.

I might say also, as an aside, in the meantime, since we have had apparently politics in this bill from the very beginning when it was sent up here, that there have been a good many people suggesting that perhaps the best thing that could happen for the Republican Party is to have this legislation pass, that it might mean the difference in 25 or 30 congressional races and, if it does not pass, then it does not become quite as great an issue, because the people might not realize everything that is in this piece of legislation. Now I, by nature, resist taking a position that might serve political purposes but which puts on the statute books bad legislation. But, if it is going to be political, perhaps that will be the major result of this in the end.

Mr. THOMPSON of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. GOODELL. I yield.

Mr. THOMPSON of New Jersey. Mr. Chairman, I know the gentleman from New York would like the Record clear. By referring to the Record following any recorded vote I hope the gentleman does not mean in advance to imply that any absentees which there might be at the time of the vote would be absentees because someone has been induced, as he says, to take a walk. Some of our colleagues on both sides are either ill or have pressing personal problems and cannot be here, under any circumstance.

Mr. GOODELL. I certainly did not mean to imply that we were prejudging anything of that nature, obviously. I just hope that we are going to have the maximum participation in this matter from beginning to end.

Mr. THOMPSON of New Jersey. I did not think the gentleman did mean to imply that and I wanted to give him the opportunity to state it for the Record.

Mr. GOODELL. I appreciate the gentleman's intention and if there was any shred of such an implication let the Record be cleared up.

Mr. FRELINGHUYSEN. Mr. Chairman, will the gentleman yield?

Mr. GOODELL. I yield to the gentleman.

Mr. FRELINGHUYSEN. I appreciate that the gentleman has not had much time to state his case with respect to the specific provisions of this bill. Yet this discussion indicates part of the nature of the problem that we are going to face when we vote. One of the things that disturbs me very deeply is that we will not even know what we are voting on, from all signs, at the time we bring this bill to a vote.

The gentleman from Georgia, at my suggestion, has submitted in yesterday's Record a copy of the substitute which he is planning to offer for the committee bill. My concern is that we will be inevitably making amendments to that substitute, a substitute which I might say will not be formally before the House. We have only the committee bill, which has already been abandoned, to modify. The situation before us creates a parliamentary situation which strikes me as being very unusual.

The gentleman from New York has said that he thinks the committee bill was poorly constructed. That surely is true, yet now we have the added difficulty of amending a bill which is not before us. We shall have instead a very lengthy substitute as a reference to the Congressional Record of yesterday will indicate. Our problem, therefore, is going to be far more complicated. This situation again suggests that the committee has not done its homework. The best thing we can do with this bill is to send it back to the committee for a straightforward consideration of the changes proposed in the substitute, as well as other suggestions which have been made.

Mr. GOODELL. I think the gentleman makes a good point. I think from the viewpoint of all of us it is difficult when there are 47 technical changes in the committee bill that are presented immediately. Now we are hearing about other changes that are obviously conceived simply to satisfy a few Members whose votes may be wavering, on the other side of the aisle.

I want to say in that respect and out of the order that I had in mind in talking about this bill, that one of the things that causes me most concern is this so-called veto power of a Governor. This was put in on the other side of the Capitol, with reference to aid to private organizations. As I understand the situation as described by the gentleman from Georgia, the substitute that will be put before us by the leadership will apply this veto not only to grants to private organizations but also to public grants.

Now, I say frankly that this is not a States rights amendment that you are going to propose. It is a segregationist amendment.

Mr. Chairman, I believe in States rights. I believe the States should develop these programs, that they should have the option to meet their local problems with maximum flexibility.

The CHAIRMAN. The Committee will informally rise to receive a message.

Thereupon, the Speaker resumed the chair.

The SPEAKER. The House will be in order.

The Chair will receive a message.

The Doorkeeper. Mr. Speaker, a message from the President of the United States.

The President's Secretary. Mr. Speaker——

The SPEAKER. Mr. Secretary.

The President's Secretary. I have been directed by the President of the United States to deliver to the House of Representatives a message in writing.

The SPEAKER. The Committee will resume its sitting.

Mr. RAINS. The Committee will be in order. The Committee will resume its consideration of the bill.

The gentleman from New York is recognized for 10 additional minutes.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. FRELINGHUYSEN. Mr. Chairman, I yield the gentleman 10 additional minutes.

Mr. GOODELL. Mr. Chairman, I say that advisedly because I believe that a single Governor's veto is perhaps the most negative form of States rights that could possibly be recognized in this legislation.

It means in effect that in any State where a program is designed to help a particular type of people the Governor can simply say, "No, if you are going to do it that way, I veto it; I do not want that kind of program in here."

Mr. Chairman, we have assurances, and I trust the gentleman from Georgia will agree with me, that this program will permit no discrimination on the basis of race.

We suggested the possibility in the hearings that perhaps this should be written into the bill, and I quote from the record, page 313 thereof, when I asked the Attorney General a question:

> In other words, it is your opinion, as written, that there would be no discrimination in any respect of this program?

The Attorney General said:

> That is correct.

I then asked further:

> And any activity which received Federal money would have no discrimination involved?

The Attorney General replied:

> I think that would depart from the very heart of the program, Congressman. It makes no sense to discriminate against a poor person because he is a Negro or an Indian.

I then asked:

> If any community action group or any part of it is receiving Federal money, there could be no discrimination in that group or in that organization, or in that community action project or program?

The Attorney General replied:

> That is correct, because I think it violates the very heart and soul of the bill.

Now, Mr. Chairman, I believe the gentleman from Georgia [Mr. LANDRUM] has stated—and I presume he will confirm here—that he agrees with the statement of the Attorney General in the hearings, and that there will be no discrimination and that we do not need a specific amendment to bar discrimination in this program; is that correct?

Mr. LANDRUM. Mr. Chairman, will the gentleman yield?

Mr. GOODELL. I yield.

Mr. LANDRUM. The civil rights bill is an accomplished fact. The decision of the Supreme Court of the United States in the case of Brown against the Board of Education is an accomplished fact.

There is no discrimination at the U.S. Naval Academy, the U.S. Military Academy at West Point, or the U.S. Air Force Academy in Colorado.

There is no discrimination in the armed services of the United States.

While it is true that there are among us those who while we do not like to discriminate, do nevertheless choose on our own desires to segregate rather than to integrate in the connotation placed upon those two terms.

Nevertheless those of us including myself who believe like that and who have worked against civil rights legislation, have not prevailed.

We are men, we are public servants, and we must recognize what the law is. We cannot choose what laws we will obey and what laws we will disobey. We as responsible citizens, as public officials, must acknowledge facts that are facts, and insofar as I am concerned there is no need here at this time for further discussion of this matter. To do so is only to fill the RECORD with inflammatory material designed to build prejudice where tolerance would be more desirable and more constructive.

Mr. GOODELL. I appreciate the very fine remarks of the gentleman, and I trust he was not implying that it was my object to inflame anything here. My concern, however, is a deep one. Assuming that to be true, and the gentleman has stated this before to me, the assurance of the Attorney General in the RECORD and other assurances, plus the civil rights law being on the books, here convinced me we do not have to offer an amendment along that line.

However, I have been concerned with the manpower and vocational bills. Many of these programs are not available as they should be to all citizens. You are setting up a program now, you are accepting the Senate amendment and adding to it, which will give a Governor a veto over the operation of this program in a State. I hope that the gentleman from Georgia before the debate is over, and others who participate will discuss the significance of this change, what their intention is, and give us some guidelines to follow in the Senate substitute.

Mr. FRELINGHUYSEN. Mr. Chairman, will the gentleman yield?

Mr. GOODELL. I yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. Is it not true also that this so-called Governor's veto would allow a Governor to prohibit a Federal program from coming into his State without specifying any grounds? He might well do so because he did not like the discrimination this Federal program would represent. Such a veto would provide authority to a Governor who did not want to see a nondiscriminatory program in his State, even though it might benefit other people in the State.

Mr. GOODELL. The gentleman has asked me a question, and I would like to have a gentleman on that side answer it: Does the Governor have to give a reason if he vetos a given program?

Mr. LANDRUM. There is no provision in this part of the amendment which would require the Governor to give a reason. All that the amendment states, and I am sure the very delightful and able gentleman from New York has read it and knows it very well, is that there is no provision in the amendment requiring a Governor to give a reason. All the provision requires is that the Governor must within 30 days, if he does not want it in there, veto it.

Mr. GOODELL. I thank the gentleman for his expressions "able" and "delightful," and I would want to express to him my special gratification for the word "delightful" in describing me under these circumstances.

Mr. CEDERBERG. Mr. Chairman, will the gentleman yield?

Mr. GOODELL. I yield to the gentleman from Michigan.

Mr. CEDERBERG. Can the gentleman from Georgia advise us as to what his opinion is that a Governor might give for a veto? That is, can you give your opinion?

Mr. LANDRUM. I would think any person who dared to offer a reason for the Governor would be most presumptuous. The Governor is the chief executive of the State. Not having to specify in the bill the reasons, the specific reasons he must give, he can do what he pleases.

Mr. GOODELL. That is my view, and I agree with that; but that illustrates the major point that I raise. To me States rights is a positive, constructive thing, not a negative thing. States rights, as it is going to be written in the legislation will permit the States to build a program but it does not require Federal authorities to implement programs through the States and have them develop their own programs. I think that it is provided in virtually all of our Federal grants-in-aid programs that the States develop plans and the localities develop their own programs. I am sorry that kind of a proceeding is not followed here, because when that is followed you do not have to get into the question of veto.

The State is developing its own program and running its own program. The locality is running its own program. Then you have constructive States rights. I am afraid this is a very negative approach to the States rights principle.

I should like to emphasize here that I think there are many positive things that could be done to increase the tempo of our war on poverty in this country. We on our side of the aisle developed some suggestions. The gentleman from New Jersey [Mr. FRELINGHUYSEN] introduced a bill that did utilize a normal Federal-State agreement type of procedure. We hoped this could be the design for progress. It did not turn out to be, and I will not go into the reasons why it did not. We have suggested more recently a seven-point basic outline of a program that could help meet the problems of poverty. But let us get down to some really signficant debate on this issue. It is not a question of whether you are for or against a war on poverty.

Mr. Celebrezze indicated there were 42 existing Federal programs which were directed at poverty today. He indicated that if you wanted to tabulate the Federal programs that affect poverty you could go as high as 150 or 170 Federal programs. When you take the rundown of costs of these programs, the Federal Government spends about $32 billion a year on fighting poverty. I think they could be better focused. I think in many cases they could be beefed up. I think that in many cases if some of them could be taken off the books we would be better off and the impoverished would be better off. But we have come now to the stage where those of us who want a constructive and positive position on this, not from a party viewpoint but from a public official's viewpoint, a Congressman's viewpoint, have no place to go. We can only, each of us, examine our consciences in this respect.

Let me talk about this bill and tell you why I have to say no to this bill and why there is no way I can conceive of, under these pressures and these circumstances, to redeem this piece of legislation.

Let me start by giving you a little illustration of how poorly this bill is drafted, how wide open it is. This is not Federal aid to education, this is direct Federal education, in the Job Corps. There is no requirement for involvement of the local education people or the State. The Federal Government does not just go in and aid and possibly control the local administration here. The Federal Government will go in and do the educating itself. I think the implications of this are rather serious.

I personally was one of the first ones to propose the residential school type of job training facility. I think there is a great potential to this if we do it through the localities' initiative and through local control and State and local participation.

The answer was given every time we raised this question on the other side that, "Of course, we will do it that way. We will work through the local people, get the local education officials involved." Admittedly, you can do that under this bill as written, because as written the director can do almost anything he wants to under this legislation. There are very few restraints, very few guidelines. If the Director thinks what he is doing is going to do some good in fighting poverty, he can do it.

An example of how broadly this is drawn is that this bill permits a direct grant to a church, not just to a church school and not just to a private school. I am not talking about that. It permits that also. But it permits a direct grant to a church, under the language of this bill, under title II, providing the church is going to use the money to fight poverty in some way. It does not even have to use the money exclusively to fight poverty. The church does not even have to guarantee that the facilities the church builds will not be used for sectarian instruction or religious worship.

Now some people on the other side of the aisle may think this is raised, to use the words of the gentleman from Georgia, as an inflammatory issue. It is not raised because of that. I have tried to talk about this in a bipartisan way. I have tried to settle the issue with my colleagues, eminent constitutional lawyers on the other side of the aisle, in a precise way so that there could be no controversy associated with it.

I have before me a letter which I think all of you have received within the last few days dated August 4, 1964, from the American Civil Liberties Union. It says bluntly that this antipoverty bill creates "a serious constitutional problem threatening to weaken our Nation's historic commitment to the independence of church and state." The Civil Liberties Union recommends a specific amendment to the bill as follows:

> Nor may any grant be made from this part to any school or school system which is part of or affiliated with any church or religious institution.

Now I do not agree with that amendment as written. I think it is too broad a brush. We could have had a very specific approach, but we do not. So what is going to happen now—none of the changes in the Senate bill or any other announced amendment will meet this problem. We are going to pass legislation that permits direct grants for religious purposes in violation of the Constitution. This, I think, is a very serious matter that should not be brushed under the rug. When I raised this question in the special order that we took, no one chose to answer or tried to discuss the issue.

Mr. CAREY. Mr. Chairman, will the gentleman yield?

Mr. GOODELL. I am delighted to yield to the gentleman from New York who is one of the eminent constitutional lawyers to whom I referred.

Mr. CAREY. You have just made the statement that it is possible under this bill to make a direct grant for religious purposes. Would you specify what language you find in this bill that would allow a direct grant for religious purposes?

Mr. GOODELL. I would be delighted to show you the language. The question turns in the opposite direction because you have an urban and rural community action program under title II, and I read from section 205:

> The Director is authorized to make grants to, * * * public or private nonprofit agencies, or combinations thereof, to pay part or all of the costs of community action programs which have been approved by him pursuant to this part, including the cost of carrying out programs which are components of a community action program.

A church is a private nonprofit agency. There are no prohibitions made. The gentleman knows that originally to avoid Federal money going for religious purposes, a section was put into the bill barring any aid to go to any school except through public school officials. Then an additional sentence provided that private school pupils could participate and get the benefits of this, but the money had to be administered by the public authorities.

Now that language has been eliminated and we have eliminated general aid to education.

Mr. CAREY. That is correct.

Mr. GOODELL. We have, however, left special remedial and noncurricular educational assistance as eligible here, and other types of aid, provided only that the Director determines the program involves a fight on poverty. He could, for instance, give a grant to a church to utilize a Sunday school facility part-time for a remedial course.

Does the gentleman disagree with that. There is no prohibition of such a grant under this language.

Mr. CAREY. I do not know why the gentleman selects the words, or picks out, Sunday schools.

Mr. GOODELL. Well take any building adjacent to or part of a facility of a church.

Mr. CAREY. Is it not true in the section to which you refer when you used the term "religious purposes" we specifically state the categories of assistance that are possible under this bill—health, welfare, and education of a special remedial type? These are specific categories of assistance and none of them could be construed by any stretch of the imagination as religious purposes.

Is it not also true that this is to be for the benefit of the low income individual? Therefore, it cannot be for the benefit of a church; it can be only for the benefit of an individual.

Mr. GOODELL. Does the gentleman concede my point that a direct grant could be made to a church to build a facility which could be used as a Sunday school facility and also to teach special remedial courses of some kind?

Mr. CAREY. I do not see such in this bill.

Mr. GOODELL. Where is there a prohibition?

Mr. CAREY. We categorically state it must be for "special remedial" educational assistance for the benefit of low income individuals and families.

Mr. GOODELL. As I say, they could build the facility and use it for this, among other purposes. They could use it for the church part of the time and for teaching special remedial courses the remainder of the time.

Mr. CAREY. That is an impossible application of the language.

Mr. GOODELL. It is not impossible, I tell the gentleman.

Mr. CAREY. The Director would designate the facilities in which the program would take place, as part of a community action program.

Mr. GOODELL. The gentleman said the bill specifies the types of program eligible. I did not want to get off on that tangent.

I think we can say that a direct grant could go to a church for the specific types of programs named. Those specific programs are not exclusive. We name those programs in the bill merely as illustrations. The words are: "including employment, job training and counseling, health, vocational rehabilitation, housing, home management, welfare, and special remedial" training and so on.

Mr. FRELINGHUYSEN. Mr. Chairman, will the gentleman yield?

Mr. GOODELL. I yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. We also should refer to the language in section 202(a)(4) which defines a community action program as one "which is conducted, administered, or coordinated by a public or private nonprofit agency, or a combination thereof."

This would clearly allow a church organization, a religious association, to qualify for assistance so long as the activity which it was conducting was for some aspect of, and of some benefit in alleviating, poverty.

Mr. GOODELL. There is no question about that.

Mr. FRELINGHUYSEN. I stress this point. The gentleman from New York [Mr. GOODELL] is accurate in saying that the grant could be made to a church organization so long as the activity conducted by the church was for the purpose of alleviating poverty, along the lines the gentleman from New York [Mr. CAREY] has suggested.

The two positions are not contradictory. The gentleman from New York [Mr. CAREY] surely is not arguing that a church would not be qualified if it were making a contribution toward the alleviation of poverty.

Mr. GOODELL. I say to the gentleman that if we are to have a program to fight poverty which does not utilize the private facilities available in this country, then something is wrong.

The point I am making is that the language which has been drawn here is so sloppy and so broad, trying to brush this issue, apparently, under the rug, that there could be direct grants for religious purposes or for sectarian instruction. It would be possible to have them, and they probably would have in marginal type cases.

I do not mean to say that I would anticipate that Mr. Shriver, if he directed the program, would go out to make a grant to a church for religious worship. But he would make grants to religious groups for purposes that would be, in this area, very questionable constitutionally. We give him no guidelines at all as to proper restraints on government involvement in religious activities.

This language has been written so that they could make grants which were completely unconstitutional.

Mr. CAREY. Mr. Chairman, will the gentleman yield?

Mr. GOODELL. I will yield to the gentleman, but let me make an illustration first.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. FRELINGHUYSEN. Mr. Chairman, in view of the importance of this discussion, I yield 5 additional minutes to the gentleman from New York.

Mr. GOODELL. Let me give an illustration of a specific case where this point was raised.

During the hearings I believe the gentleman from California [Mr. BELL] asked a question of a witness, as to whether a direct grant could be made to support a birth control operation or clinic. I believe at that time the gentleman from Georgia [Mr. LANDRUM] said most vehemently that this was ridiculous and it could not be done. When we went back to the offices, I was handed a "Meet the Press" transcript, in which Mr. Shriver said directly that it could be done. Subsequently we questioned other witnesses and it was resolved, I believe on the record finally and unequivocally, that it could be done.

This kind of confusion illustrates the point I make here. Birth control information may well be an important approach to relieving the problems of some of the poor. Why deny that such grants can be made It would be possible for grants not only for this type of purpose but also for other purposes and in ways which might violate very important precepts of some of our religious organizations.

I personally believe that language could be devised to avoid this. We could permit private organizations to participate properly in programs of Federal sponsorship, but let's not walk into the china shop of constitutionality like a bull rampaging around.

We will have something here which will come back and haunt us unless we do something about it now.

Mr. BELL. Mr. Chairman, will the gentleman yield?

Mr. GOODELL. I yield to my colleague from California.

Mr. BELL. Not only did Mr. Shriver make this statement in "Meet the Press" program, but also again Mr. Shriver repeated the statement to me in answer to a question during the hearings, when he again said that birth control could be involved in this program.

Mr. GOODELL. My friends, the point I am trying to make here is this——

Mr. CAREY. Mr. Chairman, will the gentleman yield?

Mr. GOODELL. Yes. I yield to the gentleman.

Mr. CAREY. I think it should be very carefully and precisely stated here that the light in which this took place was on the basis of a statement of an individual who gave the statement as his personal views in this matter and who was complaining that this bill did not deal with population control. His claim was that the bill did not go to what he considered to be the heart of the poverty problem. In this connection, I will say that the potential Director was asked if as part of a community program the community's own local program involved this delicate matter, could he assist the program. He was not asked about birth control.

Mr. GOODELL. The gentleman is stating himself that the Federal grant could go directly to an organization to promote birth control. They could do it.

Mr. CAREY. I deny that.

Mr. GOODELL. The language is here.

Mr. CAREY. The sponsor of the bill made it very clear in the hearings he does not consider it so.

Mr. GOODELL. We are really in a very confused situation, because if the sponsor made that clear, he directly contradicted statements in the record not only by Sargent Shriver but a great many others.

Mr. CAREY. Only by the construction you care to place on the colloquy, and I say you, whether intentionally or by inadvertence, seek to place broadening language in the record on this bill for the creation of legislative history which will do the very thing the gentleman fears.

Mr. GOODELL. Let me say something here, Mr. Chairman. Regular order, Mr. Chairman.

I am sorry that the accusation has to be constantly placed here that we are trying or I am trying to introduce something for some sort of obscure purposes or indirect purposes. I come here as a Congressman, as a Member of the U.S. Congress. This bill apparently is going to be whiplashed through the House of Representatives in a way that is so infused with some kind of partisanship or some kind of political considerations that we cannot discuss these very serious issues on a constructive and solid basis. There is no dispute that we should have programs to fight poverty, but when we have a program sent down here with a label, "War on Poverty," and every Congressman is supposed to fall into line and say, "I am for that program no matter what is in it because it is to fight poverty," and say that we cannot discuss the details of these things but must bring them out and cannot put in the corrective amendments that are so desperately needed, then there is something wrong. I say to the gentleman I am not trying to raise controversy for the sake of controversy. You are arguing with the constitutional judgment of many, many esteemed constitutional authorities. They feel there is a very serious question here.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. LANDRUM. Mr. Chairman, I yield 15 minutes to the gentleman from California [Mr. ROOSEVELT].

Mr. ROOSEVELT. Mr. Chairman, let me open my remarks by saying that I hope it is distinctly understood—and certainly it is by all of us on this side of the aisle—that we want to convince everybody that this is a bill that they should support. We intend to do it in a most constructive manner. I want to say also that I think the manner, the tenor of the debate so far, well indicates the kind of opposition which we have faced right along in trying to enact this bill. We have been accused of being politically minded in offering this legislation. Of course, it is a political legislation in the sense that the Democratic Party has always been the party which has proposed these kinds of measures to help people that need help the most from their Government. My friends, I am proud of this.

So if this is an unfair political consideration I can only say that we have to fight it on that basis because the opposition has spent a good time this morning first in saying that we are trying to put pressures on people. They are complaining about trivialities by the tens and by the hundreds. Then they go on to raise hobgoblins, hobgoblins which they know are certainly not going to happen in the administration of this bill.

Mr. Chairman, let us remember this. Let us assume that we had an administrator—and I would resent it and I do resent the implication that the administrator who has already been named to administer this bill is the kind of man who would do the kind of things which our opposition has accused him of doing; but even if he should do such a thing, let me remind you that this bill comes back to this body in less than 1 year's time. And certainly I am sure the gentleman will agree that if any such thing has gotten into the picture, the next Congress would take care of it in very quick order before it could spread or do any damage of any kind.

Mr. GOODELL. Mr. Chairman, will the gentleman yield?

Mr. ROOSEVELT. Briefly; I have only a short time myself.

Mr. GOODELL. Mr. Chairman, I was asked to yield a good many times and enjoyed yielding to Members on the other side; I appreciate the gentleman's consideration. Let me say that I do not believe these are hobgoblins. I would appreciate it if the gentleman would direct his remarks to the places in the bill which would prevent these things from happening, the things that I have discussed. My concern here is this. I do not impugn anybody's motives. I certainly tried very hard to avoid impugning the motives of Mr. Shriver or anyone else who might direct this program. I have great faith that he would do his job honestly and with integrity and as conscientiously as it is possible to administer this program. What I am saying is that it is our obligation to write a good piece of legislation that is constitutional and that is within the bounds of what we consider to be good public policy. I do not believe that at this stage at least this is a government of men; it is still a government of laws. We are here to write the law in the proper way, and I would like to get the discussion down to the merits of these points in detail, if we can.

Mr. ROOSEVELT. Mr. Chairman, I would be happy to go on with my discourse. I know the gentleman's feeling. He made it very clear. And let me say that he was well answered by the gentleman from New York [Mr. CAREY] and I think the record will speak for itself.

Some question has been raised by my friends of the other party as to the fact that they would like to know what are the differences between the bill and the Senate bill plus the amendments which will be introduced. I think I could list them so quickly that it would become obvious to every Member of this House that they are not substantial or detailed changes, that they can be easily understood and they are here in the RECORD. Every Member of Congress can know them and will have no difficulty in knowing what he is voting on.

But, just for the sake of the record, let me stress the major points. We have already discussed the so-called veto power of the Governors. Let me simply say that the record of the hearings is replete with the efforts of the gentlemen sitting on my left to try to get the Governors to say that they wanted that veto power, that they thought it should be mandatory, but now they come in and complain about it. So I submit to you, Mr. Chairman, that this is obviously, therefore, a political objection. They got what they wanted and now that they have it, they think that it might get a few votes on this side of the aisle. That, primarily, is why they are against it.

Mr. Chairman, I want to go on with the details that the gentleman asked me about. The differences are these. The age of an adult is changed from 22 to 18.

I am sure everyone is going to be terribly bothered about that.

Then there was an insertion in the other body of a section which prohibits political discrimination and political activity.

I am sure everyone is going to be very worried about that.

Then the next important change deals—and this I would grant is an important change—with the changing of grants to loans. But, again, I believe the majority of my friends on this side have been for that also during most of the history of this kind of educational activity.

So, Mr. Chairman, I do not believe that they would object to that.

Then the next thing was to delete the family farm development corporation. Again, this was an item which was attacked vigorously by my friends in the hearings on the other side of the aisle. So, again, I hope they are not unhappy with that.

Then, next, we have a brandnew thing which did not come up on the House side at all. It refers to indemnity payments to dairy farmers. I believe this is the one really new item which deserves perhaps some consideration. I am not a dairy farmer. I am convinced that it has some relationship to poverty under a very unusual circumstance. I certainly am not going to oppose it and I do not believe most Members of the House will.

Then, lastly, there is a section put in here which is for the purpose of expediting information on the program and how it is run. It will also enable the Director where he does not need to construct and build buildings or sees no need to build buildings, to rent a building to enable groups of people who can be helped under the poverty program to rent the buildings.

That, my friends, represents the only essential changes, outside of the Governor's veto.

Yet we are told that we are taking a brandnew radical approach.

So, my friends, I think it becomes increasingly clear what is basically in this bill. Every Member of this House understands the situation full well.

What, then, are the philosophical differences?

First of all, of course, it should be recognized that our opponents recognize that it was a Democratic President who came up with a poverty program. He was following in the steps of almost every other Democratic President, beginning with my father, if you will excuse the personal reference, when he urged the country to do something about that one-third of our population which was ill clad, ill fed, and ill housed; that in the modern day perhaps started Democratic administrations concentrating on this effort.

Mr. Chairman, I have to say for the record—and I think it is irrefutable—that the leaders have to do something about that one-fourth of our disenfranchised Nation today, and a Democratic administration has come forward to do that. I am proud of it. I hope every Democrat on this side of the aisle will be proud of it too.

Mr. Chairman, I want to emphasize that while we have had differences on this side of the aisle, it is not in this area; for my friends, I go back a long way to the New Deal times, and I remember that it was the late Speaker Rayburn who fought to bring about much of the so-called New Deal program. And, I remember it was a Representative from Mississippi by the name of Rankin who, while I might have disagreed with him on some points of his beliefs, was a leader in the establishment of the TVA, a milestone in the progress of our Nation.

So, Mr. Chairman, the record will show that we have a united party on these broad social issues, and I pray and hope that we will have the same today or tomorrow when the issue is finally decided.

Then, Mr. Chairman, we come to the old argument—it was stated by the ranking minority Member in his opening argument and it is always the same when we are trying to do something about a social program—that there is a centralization of authority. It is claimed that we are foisting the centralized authority, giving power to the Federal Government. But when we tried to discuss a little item to reduce some of that centralized authority, to give this veto power to the Governor, where do we find our friends on the other side of the aisle once again?

So, yes, it is a political question all the way through. But I refer you to title II, my friends, where we have written into this bill—and I am going to paraphrase my opposition for a moment and say I have been here as long as some of those who have spoken and I have to my knowledge not found a better written bill than this bill, a bill that does go more directly to the question, and that can be documented beyond any question, and which needs to be acted upon.

Let me say to you that again you will find in title II that we have left the responsibility to the communities of our Nation. It is they who must come forward with their programs. These are known as community action programs. They must follow, they must fulfill the desire of the Director, and of the Members of Congress, who have directed the Director to do so, to get from the community, both in the private sector and in the public sector, that kind of a program which is particularly applicable to the needs of that community. If there was ever a strong, decentralized bill, it is this bill, and in that title II beyond any question.

There are certain areas where we have given the Federal Government the need to take the lead. One of them is in the so-called CCC camp extension, which my friends referred to. I want to make it very clear if you took a vote in this Nation today one of the things you would get almost unanimous support for is continuation of the basic principles of the CCC camps. They were successful in our country, and there can be no question about that.

Here we have simply said that we recognize that is such a complicated question, as my friends on the other side have stated, it needs national leadership, and they try to tear us apart by saying there has been a failure in California or a failure in New Jersey. This, Mr. Chairman, is probably clear documentation that the only really effective way to do this is to run it on a national basis because it is pretty clear that only the National Government can give the leadership necessary to make it an effective program.

Again, there was written into this bill, and we on the House side are glad to accept it, that there is no State which is going to have even that kind of a program in its area unless the Governor of that State after 30 days in which to consider it does not veto the placing of that camp within that State.

I cannot see how it can be said we have not welded together for the first time perhaps in a long time in this kind of legislation the kind of cooperation between the Federal Government and the State government and the local communities so much desired. If there is probable any example of the exercise of our way of democracy, our system of government, as embodied in this bill, I do not know what it is.

I hope as you read this bill you will go through it and see it does the things which in your heart you know you would like to have done in your area and in your community. It is sometimes said there are other Federal programs going forward and that they are large in number and in considerable expense. But I can assure you again if you will look at the bill you will find we wrote in the bill that these programs must be coordinated with this bill; that there will be no overlapping of other programs and what is required in this bill. There is nothing that can be done under this bill which is already being done by another program. We have brought efficiency to government. And, Mr. Chairman, we are always accused of not paying enough attention to the efficiency in our Government. Here we have written it specifically in form which anyone can understand.

I say to you that weakness of the gentlemen's argument on the other side is clearly shown when they get up and say all these other programs are doing what is required here. I must say they were frank enough to indicate that some of those programs should be abandoned. Until they make up their minds what they are going to abandon I would think I would rather leave it to the Director of this program to coordinate these activities together, bring order out of chaos, and do those kinds of things which would give us a rounded attack on the hard core problem of poverty in our Nation.

Mr. GOODELL. Mr. Chairman, will the gentleman yield?

Mr. ROOSEVELT. I yield to the gentleman from New York.

Mr. GOODELL. I would like to get the debate off from the political aspects of this.

Mr. ROOSEVELT. I am sure you would.

Mr. GOODELL. The gentleman said a great deal about the Democratic Party and its position. I would just say that in the 8 years of the Eisenhower administration, using the criterion of a $3,000 income here, the number of people in this country with $3,000 or less income went from 28 percent to 21 percent, and in the past 3 years it has gone from 21 to 19 percent. There has been a leveling off. We have been virtually stalled on a poverty plateau for the last 3 years. So it is a question of what is the best way of fighting poverty. I will say to the gentleman that I do not believe that the Republican Party wants to fight poverty more than the Democratic Party, or vice versa, I think every American wants to fight poverty in the most effective way possible. But there is a little difference of philosophy as to the best way of advancing that end in this country. That is where the debate should lie, not about which party is supposedly oriented one way or another.

Mr. ROOSEVELT. I thank the gentleman for his comment. I think the history books and the record will have to decide whether he is correct or I am correct.

Mr. FRELINGHUYSEN. Mr. Chairman, will the gentleman yield?

Mr. ROOSEVELT. I yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. I thank the gentleman for yielding. I should like to ask him two questions. The gentleman has just said, and I will paraphrase him, that nothing can be done under this bill which is already being done under other programs. I wonder how he can reconcile this assertion with the description of this bill by the gentleman from Georgia that this is an education and training bill. There are education and training programs of one sort or another involved in this bill and certainly there are already other programs dealing with these problems.

Mr. ROOSEVELT. The gentleman's question exactly answers what I am talking about. The gentleman says because we talk about vocational training in this bill and there is already an act for vocational training that means there is going to be duplication in vocational training. If that is not twisted logic I know of no better example. There are various areas of vocational training and those involved in it can go further with it. However, there are things which we can do under that act, and there are steps, and they are spelled out, that can be taken by the Director that can be done under this act but not under the other act.

Mr. FRELINGHUYSEN. The gentleman says there is no intention to duplicate, but surely the bill provides no prohibition. He has just said that the new Director will have sense enough not to trespass on the established programs, but there is no assurance that this will be the case.

Mr. ROOSEVELT. I have only 1 minute left, and I want to finish my last statement.

May I say to my friends on the other side of the aisle that I hope some of you will find in this bill when we finally write it, when it is ready for passage, the kind of thing that may not have everything in it that you would like, but in the best interests of the people concerned that need it most you will not put partisan politics above the need of those people.

I will say to my friends on this side that we have tried not to make this thing a Federal program but to make it a community, a State, and Federal program, and that you therefore may join with the rest of us in the Democratic Party in fulfilling once again the great heritage of our party, to pass, to legislate, to enact, and then to administer for the great needs of large numbers of Americans. We again face a crisis in our Nation. As we face it today, I pray our people will feel that their Government so deeply deserves their support that whatever sacrifice is required to love their country and defend it, they are willing to do it, because their Government has served them well.

Mr. Chairman, we in Congress must never accept the thesis that poverty is here to stay, that it is a problem which we can ameliorate but not eliminate. I support this antipoverty legislation, not because it will solve all problems, but because it will firmly establish a recognition that the problems exist, and that our society, through its Federal, State, and local governments, is determined to embark on a comprehensive, coordinated, continuous compaign to eradicate the problems from American life.

Nowhere in the Federal Government can a community now find broad support for a concentrated program to attack poverty. As a result, the combined expenditures of Federal, State, and local governments and private foundations are too often dispersed into many single-purpose projects, each of which may be worthwhile in its own bounds but which fail to achieve the effectiveness a coordinated approach can bring. The community action approach permits an effective and practical use of all Federal, State and local sources in combating poverty in a community.

Title II of this bill would provide local planning and operating support for the development of new approaches to the problems of poverty. The comprehensive, multifaceted program which I feel can best attack poverty in any given community has already been put into effect in certain areas. California has several projects already in operation which would qualify for assistance under title II. These demonstrate that the concepts in this bill are valid and can be of tremendous use in helping poor families break the poverty cycle which tie them to lives without hope. One is the Avalon Community Center in Los Angeles, serving some 65,000 people in a ghetto where half of the families live in poverty. For 2 years now the center has offered classes in reading and grooming, helping with school work and personal problems, a range of services calculated to show its clients how to achieve dignity and independence. That project is founded on the principle very few of the poor prefer the dole to an honest job, a statement of probable fact that was borne out in a recent Department of Labor survey which showed 87 percent of the sample had actively sought a job within the past 2 years. Forty percent of the Avalon Center is financed by California State funds but under that State's law the financing must be withdrawn once the experimental stage ends. Surely this is the type of program where Federal assistance must be available.

In San Francisco, four centers serve as examples of community efforts which should qualify for help under this program. Among them they serve 160,000 people. Approximately 10 percent of the people who use these centers earn less than $3,000 per year and few earn much more. The centers serve as language schools, health clinics, and halfway houses for teenagers unfortunately away from home and too young to earn a living. They are also valuable training grounds for workers in the fight against poverty in other areas.

In hearings on this bill the mayor of Chicago, the Honorable Richard A. Daly, told us of a cooperative program being conducted in his city almost entirely by three private agencies: the YMCA, the Boys Club, and the Chicago Youth Center, cooperating with such public and private agencies as the Illinois State Employment Service, the Cook County Department of Public Aid, Chicago Commission on Youth Welfare, and the Welfare Council of Metropolitan Chicago. The pilot project is designed to help 1,000 youth, many of whom lack the equivalent of a sixth-grade education, to reach the necessary education level of employment and to acquaint them with job skill experience so that they may finally be placed in employment. This is an example of the way public and private agencies can get together and cooperate toward the development of a program which makes a meaningful effort to break the poverty cycle.

Most of the trainees in this program are between the ages of 17 and 21 and most have dropped out of high school in their second year, and most were classified as "functional illiterates" when they entered the program. They were unable to read or do arithmetic past the fifth-grade level and some had never worked although all were unemployed. None had a consistent employment record. During the first 24 weeks of the program attendance averaged 80 percent although there was no screening and everyone was taken on a first-come, first-serve basis. This program conducts two principal activities. A little more than half of the trainees are enrolled in basic education units learning reading, writing, arithmetic, and employment disciplines. The remaining enrollees are in vocational workshops, training as automobile service station attendants, duplicating machine operator training, mail handling, and clerk-typist training. They will be placed in jobs this summer, said Mayor Daly.

The Federal assistance contemplated in title II of this act would also be available to programs such as that conducted by the Chicago Board of Education which is aimed toward the assistance of disadvantaged youth. Its urban youth program develops educational and job training programs for school dropouts between the ages of 16 and 21.

The mayor of another great city in this country, St. Louis, told this committee of the human development corporation which has developed a coordinated attack on the basic causes of poverty and youth crime in a target area of 110,000 people in the heart of St. Louis. In this area, family incomes are below the level requisite for decent living, unemployment, disease, broken homes, unsafe and unsanitary housing, school dropouts, and high death rates run together. Forty-five percent of the people in the target area are under 20 years of age; 55 percent of the residents are of a minority group. Mayor Raymond R. Tucker recognizes however that there is a need for more than coordination. His human development corporation seeks to bring services directly to the people through neighborhood stations located throughout the target area. These neighborhood stations will provide initial contact points for programs in the fields of employment education, group therapy, family counseling, legal assistance, youth groups, housing improvements, and health services.

I am impressed by these gateway stations or halfway houses, as we call them in California, which are being located in the neighborhoods and which will deal directly with the families in the neighborhoods. It is absolutely essential that the community action programs obtain the active participation of the residents of the area, which participation must be in terms of both developing and carrying on the various programs.

I anticipate that the Office of Economic Opportunity will encourage the development of community action programs which would carry out a multifaceted, coordinated attack on the interrelated causes of poverty, with participation by the widest possible range of community organizations. However, the development of such a comprehensive communitywide plan cannot be a prerequisite to the extension of financial assistance to a public or private agency for the development or execution of a program which gives promise of progress toward elimination of a cause or causes of poverty. I cannot stress too urgently that there must be room for experimentation for the development of new and imaginative approaches to problems involved. Pioneering is called for in the war on poverty. Such pioneering has been the traditional role in our society of the smaller agency oftentimes private, with its flexibility and freedom to test out new ideas. I stress the need for funds which would be made directly available to groups free to work on the new ideas that are being developed.

This is not to underestimate the role of the comprehensive plan and the large coordinating group, but the administrators of the programs will need the resources to introduce the innovations more likely to come at points through the small voluntary group efforts. Thus it is absolutely important that the bill's provisions for direct grants to private agencies be maintained. In this regard I would make the point that the skills and talents of many groups are going to be needed. I urge that support be given to a wide variety of groups, drawing the line only where the primary purpose of the work is the propagation of creed.

Though we have some examples of the broad comprehensive community action program which this bill hopes will be established in all communities, the fact is that only a few of the large communities have been able to put such programs on the drawing board or into effect. The vast, vast majority of communities in this country have neither the resources nor the funds to even initiate at the development stages such a broad-based and comprehensive approach to the problems of poverty in their communities. Therefore, it is absolutely essential that Federal assistance under title II be available to individual agencies or to certain private organizations which can develop a program which does give promise of progress toward elimination of poverty or a cause of poverty. I am thinking of an organization which would provide day-care programs for young children where the only parent or both parents have to be away from the home earning a living. Such programs can assist both the child and the family toward improving the home environment, preparing deprived children for more productive school experience, and widening the horizons for the family. I am thinking also of assistance to a school board for a remedial reading or arithmetic program. I am thinking of a program through a local health agency or organization which would extend health services or health education to poor families in the community.

We must remember that it may take many months, perhaps even years in some instances to develop comprehensive programs in certain communities. The "maximum feasible participation of public agencies and private nonprofit organizations," must be read in this light. It must be the maximum feasible participation for that community.

The allotment to States set out in section 203 assures that all States will participate in the assistance provided. If you read that section of the bill you will note that the allotments are based on crucial indicia of poverty: the number of public assistance recipients, the number of persons unemployed and the number of children under 18 in families with incomes of less than $1,000.

Section 204 which provides financial assistance for development of community action programs recognizes that many communities simply do not have the financial ability to develop a community action program, and wisely accepts the proposition that all communities should be encouraged and aided in meeting the problems of the hard-core poverty in their midst. This will also allow those communities to develop a comprehensive program out of existing single-purpose programs.

Section 205 provides financial assistance for conduct and administration of community action programs. Again, the necessary emphasis is on the comprehensive program but provision is made for assistance to components which are designed to achieve the purposes of title II. General aid to education is prohibited. Subsection (c) sets out guidelines which the Director shall consider in granting assistance, and the criteria are clearly hard-core poverty indicators: low-income families, unemployment, public or private assistance, migrant or transient families, school dropout rate, military service rejection rate, disease, disability, infant mortality, housing, crime, and juvenile delinquency.

Under section 206 specialized personnel will be available to assure development and conduct of community action programs. This is augmented by section 207 which provides for research, training, and demonstration.

In the best tradition of Federal and State cooperation and partnership in major programs directed at aiding citizens in all our States, section 209 provides for assistance to State agencies which in turn provide assistance to local community action programs. And the Senate amendments which added subsection (c) clearly and definitely lays to rest the charge that the States are being bypassed; for the Governor is given the veto power over any assistance to private organizations within the State. Clearly, this is not a case of Federal preemption.

Section 210 deals with the problem of allocation of funds within a State, and sets out guidelines which again are aimed at hard-core poverty.

Finally, section 211, though recognizing the importance of assisting single agency or organization programs which are directed at a cause of poverty where the comprehensive community action programs has not yet been developed, emphasizes the concept which is explicit through all of title II—that the various agencies and organizations within a community must get together and with the intended recipients develop a program which coordinates their resources and talents toward the elimination of hardcore poverty in their community. This emphasis is wholly proper, but we must not ignore those communities where comprehensive programs will be slow in developing, or where feuding factions may make the development and implementation of such a program impossible. The authority given the Director to assist programs which are directed at a specific cause of poverty in the community is the great hope for communities where the poor cannot or will not be helped by those who control the public and private funds, talents, and other resources essential to the development and conduct of a comprehensive community program.

Mr. Chairman, there is an area of poverty long recognized by our fellow citizens. These are the problems of so-called migratory agricultural workers.

On April 22, 1964, while the Committee on Education and Labor was holding hearings on the bill before this body, I stated for the record:

> Let us not forget that the substandard living and working conditions of the migratory farmworker represents one of the most infamous and deep-seated stigmas on our affluent society.
>
> As part of the war on poverty which presently engages this administration and our Congress, we must not fail in the battle for decency and dignity for our farm laborers. We have skirmished to futility too often. We must now, in this session, commit all the forces available to this great Nation, both economic and creative, to meet and conquer poverty wherever it appears, and particularly where it attacks a group so poorly armed to defend itself as our fellow Americans—the migratory farm laborers.

I am particularly pleased that part B of title III provides for assistance for migrant agricultural employees and their families. Other worthy proposals are before the Congress which go beyond those in this bill. These should, however, have priority.

An immediate effect and bearing upon the conditions which create and perpetuate poverty for our migratory laborers can be achieved through the measures which are provided in section 311 of the Economic Opportunity Act of 1964. You will note that such programs shall be limited to housing, sanitation, education, and day care for children.

In limiting the programs under this part of the four enumerated areas, the committee refers specifically to three Senate-passed bills and another Senate bill now pending before the Housing Subcommittee of the Committee on Banking and Currency.

SENATE BILL 521—EDUCATION

Senate Report 201 sets out the following general explanation of this bill:

> The bill establishes a 1-year program of Federal educational assistance to States and local communities seriously affected by the seasonal impact of migratory families. The program will be administered by the U.S. Commissioner of Education. The Federal assistance will be available to States for the purpose of improving educational opportunities for migratory children and also for pilot projects for adult education programs for migratory workers.

Only States qualifying as migrant agricultural employee States will be eligible to receive aid for migratory child and migratory adult educational programs.

Under the child education provisions of the bill, assistance is directed to the child of a migrant agricultural employee, the definition of which permits home-base States to receive assistance under the bill and, in addition, covers both interstate and intrastate migratory farmworkers.

Title I of the bill provides for payments to State educational agencies, and through them to local educational agencies, to help defray the cost of educating migratory children during the regular school session. The Federal assistance will be based on the average cost of education per public school child per day for the State. Federal funds could not be used for the acquisition of land, the erection of facilities, interest, or debt service.

Title II of the bill authorizes grants annually to State educational agencies for necessary summer schools for migratory children conducted by local educational agencies or institutions of higher learning. These grants will be allotted among the migrant agricultural employee States on the basis of their relative populations of migratory workers during the normal summer school period. Federal funds could not be used for the acquisition of facilities or costs related to any such acquisition.

Title III of the bill authorizes grants annually to State educational agencies for State and interstate planning and coordination of programs concerning educational problems of migratory children.

Title IV of the bill authorizes grants annually to State educational agencies to defray operating costs of pilot projects for adult education for migratory workers. The pilot projects would be conducted by local educational agencies or institutions of higher learning, or both. Grants would be made by the U.S. Commissioner of Education for programs of fundamental education and training for healthful modern living, including, but not limited to, programs such as literacy education, remedial elementary and secondary education, child care, personal hygiene, sanitation, homemaking skills, nutrition, and job improvement activities.

The bill expressly prohibits any Federal control of education in the States and local communities.

SENATE BILL 522—DAY CARE SERVICES

Senate Report 198 sets out the following: Section 5(a) authorizes an appropriation to enable the Secretary of Health, Education, and Welfare to make grants to public and nonprofit agencies, institutions, and organizations for paying part of the cost of establishing and operating day-care facilities for children of migratory agricultural workers.

Grants shall not be made available to any day-care facility unless the Secretary is satisfied that the facility—which may include a private home—will meet State standards.

Section 5(b) prohibits a State from obtaining Federal funds to assist in providing day-care facilities when such facilities were used to obtain Federal funds under the general day-care provisions of the Social Security Act.

It is to be noted that the committee has modified the Senate bill in one particular: institutions, organizations, or individuals—as opposed to States, political subdivisions of States and public and nonprofit agencies—shall be eligible under this program for direct loans only.

SENATE BILL 526—SANITATION

Senate Report No. 199 sets out the following general explanation of this bill:

By easing the financial burdens that prohibit the farmer from providing improved sanitation facilities for migratory farmworkers, this bill will make three major contributions toward improving the health of migrant farm families.

First, this bill (S. 526) will be a valuable adjunct to the Migrant Health Act (Public Law 87-692), which was passed in the last session of the Congress and signed by the President on September 25, 1962. This act provides family health clinics for migrants. But without improving the environmental health conditions of the migrant, the medical services, inoculations, and education in the healthful living provided under the Migrant Health Act, will be of limited benefit to these unfortunate citizens.

Second, once financial assistance is available to farmers, State legislatures will be less hesitant to pass adequate sanitation or health codes.

The approach of this legislation then is eminently realistic. The assistance to States recommended in this bill (S. 526) is essential and will encourage public and private agencies to improve environmental health conditions of migrant agricultural families.

SENATE BILL 981—HOUSING

This bill is pending before the Housing Subcommittee of the Banking and Currency Committee of the Senate. It amends existing provisions of the 1949 Housing Act and would add two new sections to the laws. First, an amendment to section 504(a) of the Housing Act would authorize the Secretary of Agriculture to provide a domestic farm laborer with a loan-grant combination of up to $1,000 for making repairs or improvements to a dwelling occupied by him to make such dwelling safe and sanitary and remove hazards to the health of the occupant, his family, or to the community.

Second, section 514 of the Housing Act would be amended to authorize the Secretary of Agriculture to provide loan insurance to domestic farm laborers for the purpose of assisting them in the provision of adequate housing and related facilities.

Third, the bill would add a new section 516 to the Housing Act to authorize the Secretary of Agriculture to make direct loans to farmers, State and local governments, public and private organizations, and to domestic farm labor for the purpose of providing adequate domestic farmworker housing.

Fourth, an added section 517 would authorize the Secretary of Agriculture to provide financial assistance to States and local governments, public or private nonprofit organizations, or farm associations in order to assist in the establishment of low-rent housing for domestic farm laborers and their families.

These various bills, and the programs or projects contemplated thereunder, constitute the limits of the authority granted to the Director under this part. He is authorized to utilize for these purposes not to exceed $15 million of the funds appropriated for the fiscal year ending June 30, 1965, which $15 million he may take from the appropriations for any or all titles of the act.

Mr. FRELINGHUYSEN. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. TAFT].

Mr. Chairman, will the gentleman yield?

Mr. TAFT. I yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. I regret very much that there seems to be no possibility that the proponents of this legislation will yield to those who would like to ask them questions. They never seem to have enough time to have a direct confrontation and exchange of ideas so we must use up our own time to question their questions.

The gentleman from California has suggested that in my opening statement yesterday that I had overemphasized the danger of unnecessary overcentralization of authority under this program. He suggested that this proposed Governor's veto should allay our fears on this point. He suggested we should take a look at the community action program as an indication of how well we are decentralizing authority under this program.

I might say that the community action title description is a complete misnomer, if it is thought that a community must necessarily be involved under this bill. President Johnson, when he made his initial statement about the legislation, suggested the importance, and I quote him directly, of local plans calling on all the resources available to the community in order to attack poverty. I might say that a community action program can be initiated by a single agency, public or private, within a community. There is no requirement for the utilization of all available community resources. Originally an application had to be made by an organization broadly representative of the community, and that language was stricken out. So what we have, in the language of the bill, is a very real danger of a fragmentation of authority. There is no requirement of a community action in order to qualify for Federal funds. The determination as to whether this community gets the funds or not rests entirely with the Director.

There is no kind of meaningful partnership between a local community or with the States. Surely a veto power on the part of a Governor does not mean there is going to be any meaningful participation by the State or the local community in the development of plans. It merely means that if the Governor does not like a program, he may prohibit the Federal Government from coming in. I do not see how this proposal would in any way overcome our objections. There is still a very unwise overcentralization of power in the hands of a single Director of the war on poverty.

Mr. TAFT. I thank the gentleman for his contribution.

I would like to start my remarks by saying I would second strongly everything that the gentleman from New Jersey has said.

I would particularly like to address the attention of the committee to title II, the "community action" program which we have been discussing.

It has been stated by the sponsor of the bill, the gentleman from Georgia, that a community plan must be submitted before any community action program is undertaken.

This is an interesting statement. It was made before the Committee on Rules and it was made again here on the floor of the House yesterday. Yet, in the language of the bill, there is absolutely no requirement that a plan of any kind be submitted before the Director decides to participate in a community action program. The Senate apparently did put in some language which is found in section 202(4) which requires some participation by public agencies and private nonprofit organizations primarily concerned with the community's problems on poverty.

As I indicated yesterday in talking on the rule, I feel that the battle against poverty has been an American dream. It is a goal that has long been pursued and it has been a crusade upon which we have long been embarked.

I do not know how many of you have served on boards and various welfare agencies in your own community which deal with this problem, but I know many have. I know that I can say in all modesty that I have served on such boards. I served for 2 years as chairman of the Community Health and Welfare Council of my own county in Ohio. I saw there the actions that are going on by a multiple number of agencies, probably 60 or 70, attempting to attack this problem in all its facets.

I mentioned yesterday also that we have already on the books many, many programs which do require local and State participation and local and State financing. Neither is required under this bill. It could be, only if the Director desired to put it in.

Having some knowledge of the kinds of pressures with respect to financing which come up in these cases, it seems extremely likely that the financing under title II would be 100-percent Federal financing. It would be surprising if it turned out to be anything else.

In many ways this attack which we are supposed to be launching upon poverty would enable the Director to do as he pleased. I do not distrust this gentleman who has been named as the possible Director of this program, but we are dealing, as has been said many times, with a government of laws and not of men. There is absolutely no requirement that the Director consult with anyone, other than to find some local agency of some sort, public or private, which will be willing to go along. If he did not have one available, he could create one willing to go along with him and sign up under a contract saying, "We will go ahead with a new program in which you will prescribe all of the conditions and provide 10-percent of the financing."

This approach presents a great many dangers. In many communities it may have the result of harming rather than of helping the war against poverty.

It is the nature of health and welfare setups in many communities that there are jealousies and there is duplication between and among various agencies. The community chests and the planning councils have attempted to pull these together and eliminate problems. Yet what is proposed would enable the Federal Director to come in and take sides. He could start a new agency, without any approval of such local planning council or planning agency, without any requirement that there be a local interest involved.

That is the primary weakness in this approach.

Mr. GOODELL. Mr. Chairman, will the gentleman yield?

Mr. TAFT. I am glad to yield to the gentleman from New York.

Mr. GOODELL. Briefly stated, I believe this is the problem we have faced over and over again: The authority to be granted here to the Director would permit him to do this in almost any way he wished.

When we raise questions as to having local participation, they can very honestly answer, "Yes; the Director can do it that way," as the gentleman from New York [Mr. POWELL], the chairman, did throughout his original speech. They can say, "The Director will do it that way."

Every time we try to assure a government of laws by writing in some guideline, some standard, some requirement that it be done that way they say, "No. No. No. Don't put in anything like that, because he has to have full and complete authority to do anything he wants."

That is not State and local responsibility nor rights.

Mr. TAFT. I concur with the gentleman's statement.

Mr. FRELINGHUYSEN. Mr. Chairman, will the gentleman yield?

Mr. TAFT. I am glad to yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. I should like to quote the remarks of two prominent Democrats, who testified before our committee on this point, to demonstate the point that the gentleman from Ohio is pointing out.

Mayor Cavanagh, of Detroit, pointed out:

> We have been acutely aware of the need for a concerted and determined community action program against the roots of poverty. * * *
>
> I think one of the problems, at least in the cities, is the fragmentation of approach as evidenced by individuals and separate programs enacted either locally or on a Federal level.

Surely the power which is now to be given to the Federal Director over poverty, in the Office of Economic Opportunity, will encourage the very fragmentation of effort about which the gentleman from Ohio is concerned, as is also the mayor of Detroit.

We have seen concrete evidence of this in New York City, where various antipoverty groups have come down to Washington, D.C., to call on Mr. Shriver, to find out what chance they have of getting money.

As Mayor Wagner pointed out, he believes that if Federal antipoverty money goes into New York City he should have a say as to where it goes.

Despite the mayor's appeal, there is no requirement in this bill that local government will have any responsibility. There is a possibility of contacting localities, but there is no requirement for a partnership endeavor in this program. Surely we would be going in the wrong direction if we were to authorize such a freewheeling approach as this.

Mr. TAFT. It is interesting that the gentleman mentioned Mayor Wagner, because the impact which this fragmentation can cause is well demonstrated in an article written about Mayor Wagner's visit to Washington, published in the New York Times of August 4. I quote it in part:

> Mayor Wagner came here today looking for money for his antipoverty program and went home with promises of cooperation.
>
> It appeared, however, that it might take some time before the promises would be converted into cash. * * *
>
> The mayor declined to say what proposals he had put before Mr. Celebrezze and Secretary of Labor W. Willard Wirtz in separate closed sessions.

It is interesting that the mayor was dealing not with the Director of the poverty program at all but with these two gentlemen.

The CHAIRMAN. The time of the gentleman has expired.

Mr. FRELINGHUYSEN. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. TAFT. Continuing, the article states:

> All Mr. Wagner would say about his requests was that they involved principally programs for retraining unemployed workers and vocational education for young people.

Let me suggest that the primary programs we have here which are under the departments—he was talking to the right men and to the right Cabinet officers—the primary programs we have, from the point of view of funds, resources, or anything else deal in the area of vocational training and retraining of unemployed workers. They are not in this bill but, rather, in those that we have already put on the books. The gentleman from California was mentioning just a short while ago that he felt all of the programs in this area have been sponsored by the party of which he is a member. If I recall correctly, these programs have had bipartisan support. As a matter of fact, the manpower development and training bill was basically a Republican bill and we supported its recent extension. I do not think there is any monopoly. We do not make any claim that we have a monopoly in any particular area of legislation, but on the other hand, I do not think we are willing to grant a monopoly to the other side, either.

I would like to ask one question of the gentleman who is the sponsor of the bill. I would like to put the question to the chairman of the committee perhaps. May I have the attention of the gentleman?

Under title I, part B, which the gentleman from Georgia discussed yesterday, it has been said very broadly—and I believe the gentleman repeated the statement—that this was to help somehow in the dropout situation and to eliminate the dropouts. Just as a matter of interpretation, I would like to ask the gentleman about the word in the bill in title I, part B, requiring that any recipient of this program be "unemployed." Would this not, under the usual construction of the word "unemployed" and the qualifications for unemployment compensation, eliminate any youth who is in school from the coverage of the program? If so, what does the gentleman expect that part B will do about the drop-out problem? I have felt, of course, that this is a problem that must primarily be handled in the schools. Title I, part B, is designed not to go into the schools with an anti-dropout program but, rather, to take care of those who have already dropped out. Does the gentleman have any reply to my statement?

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. TAFT. Yes. I yield to the gentleman.

Mr. PERKINS. May I say to the gentleman that the word "unemployed" does not exclude youth who have dropped out of school.

Mr. TAFT. The question which I was putting to the gentleman is whether or not it included youth who are in school but who may become dropouts unless they have some additional assistance.

Mr. PERKINS. It does not exclude that group. It is intended to take care of the potential dropout.

Mr. TAFT. Does the gentleman believe anyone who is in school and does not have a job is one of the unemployed?

Mr. PERKINS. Well, the word "unemployed" there is not construed narrowly. It is construed broadly, and the report makes it very plain that we intend to take care of the potential dropout as well as the youth that is not going to school or the unemployed youth.

Mr. TAFT. I think the use of the word is very confusing and probably would be interpreted otherwise.

Mr. PERKINS. I think the gentleman will agree with me the language is broad in the bill and, furthermore, the report is very clear on the specific point.

Mr. LANDRUM. Mr. Chairman, will the gentleman yield to me?

Mr. TAFT. I will be glad to yield to the chairman of the subcommittee.

Mr. LANDRUM. In addition to what the gentleman from Kentucky [Mr. PERKINS] said in his colloquy, I would suggest an inspection of the language in section 112 would show that there is a requirement that these programs shall be coordinated whenever appropriate with programs of training and education, which would be a sufficient safeguard for that.

Mr. TAFT. I think that the use of this word and the lack of clarity of thinking on it indicates once more the failure in draftsmanship which has gone into this bill.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. TAFT. I yield to the gentleman.

Mr. PERKINS. On page 6 of the report we find at the top of the page:

> 1. Out of school, unemployed and who need assistance and experience to resume and maintain school attendance—

Then we get down to No. 3—

> in school, but who are identifiable as potential dropouts and for whom a work experience and financial assistance would provide the necessary incentive to continue in school—and so increase their employability.

I think the language is very clear in the bill.

Mr. TAFT. The language of the bill is clear. It says they have to be unemployed. Under this definition every student in every school who did not have a job would have to be classified as one of the unemployed.

Mr. Chairman, there is one other item I would like to mention, in closing, and that is the supposition that seems to be made here that by adding the amendment allowing a Governor's veto as to any program under title I or title II we have somehow solved the problem and given deference to States rights. I question very seriously whether this is a proper State constitutional approach to say that any Governor alone shall have the right, without going to his legislature or through the proper constitutional procedures of the States that are involved, to act for the State in this connection. What authority would the Governor have under the State constitution? If he has none, as I suspect, the provision to all practical purposes is meaningless.

Mr. LANDRUM. Mr. Chairman, I yield 12 minutes to the gentleman from New Jersey [Mr. THOMPSON].

Mr. THOMPSON of New Jersey. Mr. Chairman, I rise in support of the bill H.R. 11377, and particularly to discuss section 603, which authorizes the recruitment, training, and assignment or referral of Volunteers in Service to America—VISTA, if you will.

This assignment to me has been made because VISTA is the outgrowth of extensive hearings conducted during 1963 by the subcommittee which I chair on a bill to create a national service corps. I introduced that bill, H.R. 5625, and more than 40 of our colleagues joined as cosponsors. Some of the cosponsors were from the other side of the aisle. The printed transcript of these hearings together with submitted statements, letters, telegrams and the like, were published in two volumes, totaling almost 700 pages.

These hearings have been available now for nearly a year, and the Members have had the opportunity to study them. It is significant to note the overwhelming testimony in favor of a Federal project which would recruit and train volunteers to spend some time helping their fellow citizens to help themselves.

We found that there was an intense spirit of service throughout the United States. We found a pressing need to stimulate still greater volunteer activity throughout the Nation. We found that the public and social service agencies believe that a nationally sponsored program for full-time volunteer service will afford an effective means of stimulating greater volunteer activity at all levels. We found, further, that these same agencies believed such a program would encourage more young men and young women to pursue the helping professions as a career.

Additionally, and of greatest significance, we found that these volunteers will make material contributions by their own efforts toward the elimination of the causes and effects of poverty.

I shall not go into the provisions of section 603 in great detail, for it is well covered in the committee report, and, with unanimous consent, I shall include in the RECORD, at the conclusion of my remarks, that portion of the report dealing with VISTA. In order, however, that there is no misunderstanding, I want to emphasize several points about what VISTA will and will not do.

VISTA will recruit and train volunteers.

It will refer volunteers, upon request—I repeat, upon request—of State or local agencies or private nonprofit organizations to perform duties in furtherance of programs combating poverty at a State or local level. Volunteers who are referred cease to be the responsibility of the Director of the Office of Economic Opportunity.

VISTA will assign volunteers, in cooperation with other Federal, State, or local agencies involved in work in meeting the needs of:

The original citizens of this land, the American Indians.

Those who pick the seasonal crops, the migrant farmers.

Those in the slum areas of our cities.

The bypassed Americans, those in isolated rural areas.

The forgotten Americans, the mentally retarded and mentally ill, in nonprofit institutions assisted in their construction or their operation by Federal funds.

Finally, whether assigned or referred, there is an overall category which VISTA will serve: The children in our less fortunate families who, above all, need to have their horizons lifted and to be shown their true potential in our American way of life.

In contrast, there are some things VISTA will not do:

It will not go into any State without the consent of the Governor. We cannot tell Governors what to do, but, as is pointed in the committee report, we would fervently hope that this consent would be forthcoming at all times, and especially where volunteers have been requested to work on an Indian reservation, in a Job Corps camp, or in a federally supported community action project.

It will not go anywhere except by local invitation. This is statutory in the case of referred volunteers. In the case of assigned volunteers, I believe we have made and are presently making clear, by legislative history, that by the words "in cooperation with other Federal, State, or local agencies involved," we mean that the Director of the Office of Economic Opportunity will respond to a request for assignment in the same manner as he would to a request for referral.

By incorporating a federally sponsored volunteer corps in the Economic Act, rather than making it a separate program, we have succeeded in pinpointing the use to which VISTA will be put. I freely credit my colleague, the gentleman from New Jersey [Mr. FRELINGHUYSEN], for pointing out the need to pinpoint the areas where volunteers might work. It was one of his frequent and well founded criticisms of the original National Service Corps bill. Our minority colleagues also—as an examination of the hearings will show—indicated that a federally sponsored national volunteer program should be confined to areas of direct Federal responsibility.

As an integral part of the Economic Opportunity Act VISTA volunteers are now closely keyed into the overall antipoverty effort. They may participate in activities under this act, as aids, counselors, teachers, and advisers. They will assist in carrying out other Government programs on Indian reservations, in the District of Columbia, Puerto Rico, Guam, American Samoa, the Virgin Islands, or the trust territories. They may assist in programs for migratory workers. In the field of mental health, they may only work in those institutions where Federal funds have been used in part or in whole in the construction or operation of the facility. The philosophy here has been to restrict their use to those areas of Federal responsibility.

We have authorized the use of volunteers in areas where the Federal connection is not so clearly defined, but we have limited the Federal responsibility to the recruitment and training of the volunteers. We have further limited Federal responsibility to make referrals, upon request, only to State and local or nonprofit agencies when the project is one to combat poverty. When a volunteer is referred, as against assigned, the local sponsoring agency is responsible for his subsistence and the payment of such stipend as is deemed desirable.

In substance, we have pinpointed VISTA to poverty, either under this bill or outside it, and to areas of defined Federal responsibility.

Minority members of the subcommittee know how reluctant I was to give outright veto powers to the Governors. I wanted very much to bring the State and local governments into the picture. However, in the end, I bowed to what I conceived to be the weight of numbers. No matter how much we wrestled with the semantics of legislative language, we knew that the work of volunteers, under whatever name, could not be successful without the full cooperation of State and local authorities.

VISTA's authorization takes less than two pages of this bill. A great deal of work on the part of my subcommittee went into it. Fifteen days of hearings. Many conferences. Many attempts by many people to work out language and to crystallize thinking. VISTA is the essence of all that work.

Mr. TAFT. Mr. Chairman, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from Ohio.

Mr. TAFT. I think it very interesting, in view of what the gentleman is saying, that the bill he proposed originally, and on which there were extensive hearings, was some 20 pages in length. They now put that bill on the shelf, giving up the basic concept of the Domestic Peace Corps, and cut it down to 2 pages, with no standards, and with nothing but a general finding by the Director that the program be related to poverty.

Is the gentleman truly satisfied that in the two pages left he has gotten his money's worth on the original program he recommended?

Mr. THOMPSON of New Jersey. I am satisfied. I might say I am more than satisfied. I refer the gentleman to the whole bill. There would be more than 2 pages were there not cross-references to other sections, particularly in titles I and II, which contain language that existed in the original legislation.

I think, as with so many other things, boiling down often gives something a little better taste and improves it. I say that is true with respect to the original 20-page bill. I think the gentleman well recognizes, whether he will admit it at this point or not, his footprints appear in VISTA, because the gentleman from Ohio is a member of the subcommittee, whom we will miss. He is the one who carried the burden and the argument that this activity should be limited to areas of known and specific Federal responsibility. I did not want to take the gentleman away from anything with which he was thoroughly familiar. I have not done that.

Mr. FRELINGHUYSEN. Mr. Chairman, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. I should like to commend the gentleman for his statement and ask him how he feels about the role of the local and State governments that occurred during our discussion. Does he feel that the community action program as provided for in title II of the bill with the so-called veto by the Governors as provided in the Senate-passed bill, that the modification of that veto proposed by the gentleman from Georgia provides an adequate rule for the State, for local units, and a determination of the operation and administration of the community action program?

Mr. THOMPSON of New Jersey. Well, I admit quite candidly, given my "druthers," I would not have the veto power because I can conceive in a few isolated instances of disagreements within the State between the Governor and the mayor of any city who has a project. I do think, however, that there is an enormous amount left to be done—an adequate amount—under this modest proposal left to be done constructively under the terms set forth by the local and State governments.

Mr. FRELINGHUYSEN. Would the gentleman comment on Mayor Wagner's statement that he made to us in committee:

> I feel very strongly that the sovereign part of each locality in which such a community act is prepared would have the power of approval over the makeup of the planning group, the structure of the planning group, over the plan.

Mr. THOMPSON of New Jersey. I was not particularly impressed by that statement.

The CHAIRMAN. The time of the gentleman from New Jersey has expired.

Mr. LANDRUM. Mr. Chairman, I yield the gentleman 3 additional minutes.

Mr. THOMPSON of New Jersey. Mr. Chairman, first of all Mayor Wagner knows better than to call a municipal government a sovereign. He is a very splendid public servant, but I am not disturbed at all by his statement.

Mr. FRELINGHUYSEN. Is it not lack of sovereignty of New York City that is worrying him? He feels perhaps the city is being shortchanged by the State.

Mr. THOMPSON of New Jersey. New York City is so large sometimes a mayor could consider it sovereign.

The fact is, however, like every other city in the United States, it is a creature of the State, unlike the State being a creature of the Federal Government.

Mr. ROOSEVELT. If the gentleman will yield, it could possibly be that the mayor of New York, having had some problems with the Governor of New York, feels very strongly about this.

Mr. THOMPSON of New Jersey. He may have that in mind. I might say that the city of New York and particularly Brooklyn have already undertaken a large-scale project with their own money, and a very constructive one, in that area.

Mr. GOODELL. Mr. Chairman, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from New York.

Mr. GOODELL. The gentleman will recall that when the mayors testified, not only Mr. Wagner but the mayors of Syracuse and Chicago brought out that they felt community action should be taken only with the local government participating. They asked that this be required. One of my concerns is that when we asked to require this specifically, there was a refusal to do so. The request of the mayors in that respect was turned down, and the Federal Government now can go into Syracuse or New York City or Chicago without the approval of the local authority or the local government there. I suppose the gentleman in his comments about the Governors and mayors might well have had in mind the problem of having some program starting in the city of Birmingham which the Governor of Alabama might veto.

Mr. THOMPSON of New Jersey. I might say I am much more familiar with New Jersey.

Mr. CAREY. Will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from New York.

Mr. CAREY. I just wanted to make it abundantly clear that the mayor of the city of New York, facing the problem which we face in that great city, with 90,000 people out of work and out of schools in the ages between 16 and 21, is anxious to take such steps as are necessary to handle such problems in that city, and he feels Federal Government help appropriate to do that, and he wholeheartedly supports this bill in each and every particular.

Mr. THOMPSON of New Jersey. He has done that. I am equally certain that the Governor of New York, who is an outstanding Governor and an entirely responsible one, will not allow any political considerations to veto a major project.

I might say also there has been no attack on the VISTA program. I hope at least we have had success with respect to it.

Mr. GOODELL. I want to thank the gentleman for the work he did on that program. I think this is one of the better programs. I am sure the gentleman is correct that the Governor of New York would not veto projects going into New York City which were desired by New York City. The point was made, and I think the gentleman will concede it, that there is nothing in this legislation to prevent a project from going into New York City that the mayor of New York City did not want and in which the community of New York was not participating. Language preventing such a possibility was the direct request of the mayor of New York and the other mayors.

Mr. THOMPSON of New Jersey. That might be true. I think the gentleman is worrying too much about this, because it is inconceivable to me that any project of any merit to be assigned in New York or to be approved by Governor Rockefeller would not be approved by the Governor. Both men are extremely conscious of the problem.

Mr. GOODELL. We feel no project should go in without local participation, but when we try to require it they say, "Don't do that. It will tie our hands, because some time we might want to go in without that approval."

Mr. FRELINGHUYSEN. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. JOHANSEN].

Mr. JOHANSEN. Mr. Chairman, I have taken this time as a member of the Manpower Utilization Subcommittee to raise some questions. I call the attention of the Committee to section 602 (a) and (b) of the bill:

> In addition to the authority conferred upon him by other sections of this Act, the Director is authorized, in carrying out his functions under this Act, to:
>
> (a) appoint in accordance with the civil service laws such personnel as may be necessary to enable the Office to carry out its functions, and, except as otherwise provided herein, fix their compensation in accordance with the Classification Act of 1949;
>
> (b) employ experts and consultants or organizations thereof as authorized by section 15 of the Administrative Expenses Act of 1946, compensate individuals so employed at rates not in excess of $100 per diem.

Mr. Chairman, I take this time primarily to ask a question as to whether the law is being obeyed either by the executive branch or by this House.

When I speak of the law I refer specifically to Public Law 801 of the 84th Congress which provides that in the event of proposed legislation involving an estimated annual expenditure of appropriated funds in excess of $1 million, there shall be submitted to the Congress by the sponsors and by the executive agency or agencies involved, certain detailed information including a statement for a 5-year period—the first 5 years of the program—of the estimated required maximum additional man-years of civilian employment by general categories or positions; expenditures for personal services; and expenditures for all purposes other than personal services.

Now I have read and reread the report, both the majority and the minority report, and I fail to find this information provided.

I am advised by a member of the staff of the Manpower Utilization Subcommittee that an inquiry directed to the staff of the Committee on Education and Labor this forenoon indicated that that information had not been supplied and at least the individual staff member contacted was not even cognizant of Public Law 801.

I am further advised by a member of the staff of our subcommittee that the Assistant Director for Legislative Liaison in the Bureau of the Budget stated that as of 11 o'clock this morning, the executive branch had not submitted employment estimates on this bill.

It is an ironical fact, however, that on the contrary the August 1964 issue of the Air Force magazine quotes a statement by Mr. Shriver made at a meeting of the Air Force Association Retired Council in June to the effect that the Job Corps itself as a single title in this bill will involve by 1966 a full-time staff of some 20,000.

Furthermore, this article from the Air Force magazine of August 1964 states that retired military personnel are eligible or will be eligible to appointment to these positions subject to dual compensation restrictions which under present law would exclude Regular officers but would not exclude Reserve officers.

I think it is a matter of very serious concern that before committee action, or before whatever action is taken by the House on this matter, this information required by the law should be supplied, and I suggest it ought to have been supplied and incorporated in the committee report itself.

Mr. ROOSEVELT. Mr. Chairman, will the gentleman yield?

Mr. JOHANSEN. I am happy to yield to the gentleman.

Mr. ROOSEVELT. I think the distinguished gentleman should realize under the terms of this bill that is to go into effect, it is limited to 1 year. At the end of that time it must come back to the Congress for any further implementation. In other words, this is just a temporary agency. I would not try to dissemble in any way: It is naturally the hope that the agency will do a good enough job so we have laid out the guidelines for additional years.

What the designate director has said merely refers to the assumption that he will do a good enough job to go ahead. Next year, when they come back for a renewal for a longer period of time, the law will be completely fulfilled.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. FRELINGHUYSEN. Mr. Chairman, I yield the gentleman 3 additional minutes.

Mr. ROOSEVELT. Mr. Chairman, will the gentleman yield further?

Mr. JOHANSEN. I yield to the gentleman from California.

Mr. ROOSEVELT. I believe the gentleman knows that has been submitted for this current year, which is presently authorized. The full details of what will be required have been submitted.

Mr. JOHANSEN. Of course, the gentleman's statement does not conform with the information I have as to the detailed employment figures and data.

Mr. ROOSEVELT. If the gentleman will yield further, I believe the gentleman will find that in this congressional presentation dated March 17, 1964, in which all the details are laid out. A copy was sent to every Member of the House.

Mr. TAFT. Mr. Chairman, will the gentleman yield?

Mr. JOHANSEN. I yield to the gentleman from Ohio.

Mr. TAFT. With respect to the publication which has just been referred to, which was distributed to all Members of the House, on page 59 it is stated, in regard to the cost of volunteers referred and assigned and so forth, that the total cost will be $1,200. I believe that figure leaves out the ordinary expenses involved.

The testimony on the National Service Corps bill, as well as the report, clearly states that the average cost estimated for a service corps man is $4,100 per employee.

I believe the committee should also know that in a discussion with me one of the gentlemen who has been working on the bill—apparently the gentleman who expects to be appointed in charge of title I, the Job Corps program—indicated to me that in the Job Corps program there will be 1 employee for every 5 enrollees. This would mean, with 40,000 enrollees in the first year, there would be 8,000 additional Federal employees or perhaps some non-Federal employees. Some of them perhaps would be under the VISTA program. They would be semi-employees. The cost would be in excess of $4,000 a year each.

We are not talking about hay here. If we have a youth corps which reaches 200,000 or 300,000 ultimately, with 1 employee for every 5 enrollees, we can pretty well envision the number of additional Federal employees we will run into.

Mr. JOHANSEN. Let me ask the gentleman from California whether this yellow brochure which he showed reports the estimated maximum man-years of civilian employment involved in this legislation.

Mr. ROOSEVELT. If the gentleman will yield, I believe the answer is "no," beyond this 1 year, because it was not felt that this would be possible until a further program was enacted.

Mr. JOHANSEN. Does it provide information as to the man-years of civilian employment for the 1 year?

Mr. ROOSEVELT. If the gentleman will give me a few minutes, I will try to determine that.

Mr. JOHANSEN. Certainly. I am not trying to embarrass the gentleman. The law is quite clear.

The CHAIRMAN. The time of the gentleman from Michigan has again expired.

Mr. FRELINGHUYSEN. Mr. Chairman, I yield the gentleman from Michigan 3 additional minutes.

Mr. ROOSEVELT. Mr. Chairman, will the gentleman yield?

Mr. JOHANSEN. I yield to the gentleman from California.

Mr. ROOSEVELT. I believe it important to point out that while the law does require that, and certainly the Appropriations Committee can insist on it before they do anything, under no circumstances could more money be spent than authorized under the bill.

Mr. JOHANSEN. I say, with all respect to my friend from California, that is not what the law provides. The law does not provide anything based upon whether the plan proves to be good after 1 year, or that they are to thereafter provide such information. The law specifically states that the information is to be supplied with respect to any new program which is advanced and recommended by the executive branch. I submit that the law has not been complied with.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. JOHANSEN. I am glad to yield to the gentleman from Iowa.

Mr. GROSS. This appears to be the second time within a few days that the Committee on Education and Labor has failed to conform to the provisions of Public Law 801.

Mr. JOHANSEN. The gentleman is correct.

Mr. GROSS. A few days ago the committee brought out a bill to establish a National Commission on Technology, Automation, and Economic Progress.

Mr. ROOSEVELT. Will my friend yield so I can answer that?

Mr. JOHANSEN. Yes. I yield to the gentleman from California.

Mr. ROOSEVELT. The gentleman is enough of a parliamentarian to know that there is no requirement that the committee do this in the law he referred to, but there is a requirement on the executive branch.

Mr. JOHANSEN. I decline to yield further in order that I may respond.

The requirement is on the executive branch, but does the gentleman suggest that it does not impose a concomitant requirement on the committee to see to it that the executive branch conforms?

Mr. ROOSEVELT. If the gentleman will yield further, the answer to his question is we feel we have known that and we will find the reference here that we have done it for the 1 year, which is all we could do it for, because we did not want to imply by any implication that we were setting up more than a 1-year program.

Mr. JOHANSEN. Let me say to the gentleman, and I will await documentation to establish that, but in the meantime the record is transparently clear that in the report of the committee it was not done. That information was not called for in this law for the simple purpose of collecting statistics. It was provided in the law in order that this House, before it committed itself to this program and before it gave birth to a new bureaucracy, knew something about what the size and the cost of that new bureaucracy would be; and if nothing else, by dereliction, in failing to provide that information in the committee report, you frustrate and defeat the very purpose of this law. I sit, as does my friend from Iowa, on the Manpower Utilization Subcommittee week after week and hear reports about the necessity for increased manpower because of what Congress did. This legislation I refer to came out of the Post Office and Civil Service Committee and the Manpower Utilization Subcommittee because of this very situation. You talk about birth control. The purpose of this provision of the law is to provide birth control on bureaucracy, and this law is flouted, openly flouted, by disregard and neglect if not by deliberate ignoring of its provisions.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. FRELINGHUYSEN. I yield the gentleman 1 additional minute.

Mr. HALEY. Mr. Chairman, will the gentleman yield to me?

Mr. JOHANSEN. Surely. I yield to the gentleman from Florida.

Mr. HALEY. Does not the gentleman know there are so many cats and dogs in this bill that no committee of the Congress could comply with all of the laws it covers?

Mr. JOHANSEN. Of course. In response to that, I will say it is one of the reasons why we ought not to pass this bill. It is also an additional reason why Congress ought to have the information that the law makes mandatory we have.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. LANDRUM. Mr. Chairman, I yield 10 minutes to the gentleman from New Jersey [Mr. DANIELS].

Mr. DANIELS. Mr. Chairman, I rise in support of H.R. 11377. This is an investment in the future of America, an investment that will pay for itself many times over—not only in the humanitarian sense of giving greater dignity, satisfaction, and the sharing by individuals in the life of their community but will provide to millions of Americans the realization of a new chance. Also in hard dollars and cents terms, expand the economy in tax receipts, and other economic advantages resulting from the effects on the economy, thus providing greater opportunities for 30 million Americans. As Walter Heller, chairman of the President's Council of Economic Advisers, has said, "Returns on capital invested in human beings are fully as real and as great as those we realize on the money we invest in machines and equipment."

Every businessman knows that any investment that will reduce costs is a wise one; for if costs go down, profits go up. And it is at this level that lies the wisdom of the Economic Opportunity Act—the reduction of the costs of poverty, both to the community in general and to government—local, State, and National. There are at least five such costs which will be reduced or eliminated by the President's war on poverty.

First, the cost of alleviating that which this bill would seek to prevent; the cost of welfare, unemployment compensation, workmen's compensation, various veterans' benefits, old age assistance, aid to families with dependent children, and so on. A HEW report on special types of public welfare assistance showed the Federal Government alone spending $2.7 billion, States spending $1.7 billion, local governments spending $625 million, for a total of $5 billion. We spend $8.6 million for aid to dependent children alone; $2.7 billion for unemployment insurance benefits; $18.6 million for food stamp; $101.6 million for agricultural commodities distribution; $251.8 million for commodity credit corporation donations; $171 million for public housing contributions of the Federal Government. Public expenditures for welfare—Federal, State and local—are usually estimated at a minimum of $6 billion; and that does not even include private charitable expenditures for this same item, which have been estimated at, at least, $10 billion. On this first item alone, then, we have a potential savings, eventually, of at least $16 billion every year—money that could be used for, say, balancing the budget—for an initial investment of less than $1 billion per year. What businessman—or member of a party who seeks to defend business interests—could refuse such an investment?

Second, there is the cost to the Nation of the unused potential productivity resulting both from unemployment and from the relative inefficiency of workers in the lower income brackets. We have a paradox in this country of a great need for some kind of workers—I understand that many companies have already volunteered jobs for successful job corps graduates trained to their needs—at the same time that we have a vast number of unemployed workers eager for jobs; simply because the workers are not trained to fill the jobs that are open.

The loss to the companies and to the Nation resulting from having to tolerate unfilled positions will be eliminated by training potential unemployed workers to fill these positions through training programs under the bill we are considering today. Moreover, there is a loss in productivity from those who have jobs but are in the lower-income brackets, because of inefficiency resulting from ill health. A national health survey shows that these people are chronically ill four times as much as others, and are absent from work twice as much. As Walter Heller has said about this economic problem:

> The cause of poverty here is not lack of jobs, but lack of the higher skills and productivity needed to yield a decent income. These people must be equipped with the knowledge, skills, and health to find and hold better jobs.

Here again, such programs, as the Job Corps under the present bill will train people for these more productive jobs, and save the country the loss of potential productivity through poverty. This is a savings which could be even greater—even a better investment—than savings on welfare expenditure. HUBERT HUMPHREY summarized it well when he said:

> The great sums of money we spend each year on welfare pales before the hidden loss in productivity and national income which we lose through continued poverty and unemployment.

Connected with this is the third, and perhaps greatest, loss resulting from poverty: The loss to American business of the great markets that would be provided by 30 million Americans if they could exercise the tremendous purchasing power of earned dollars that would accompany an escape from poverty. President Johnson has pointed out that by raising the average productivity of only 10 million of our poor enough to lift their annual earnings by a modest $1,000, our Nation would gain—if you include the multiplier factor—that is, if you increase a person's income, you also increase the income of those to whom he is a customer and thereby raise incomes in the long run as much as 3 or 4 times what you increase them initially—at least $14 billion of added output each year. This factor alone would pay back to the Federal Government, figuring on minimum income tax rates, its original $1 billion investment with a handsome profit.

The fourth problem connected with poverty is crime—a problem that we, in the District of Columbia, are made especially aware of. David L. Baselon, Chief Judge of the U.S. Court of Appeals for the District of Columbia recently discussed the connection between poverty and crime—the impetus given to crime by lack of supervision of youth, school dropouts, and so forth—and concluded that "a successful war on poverty would come close to solving the crime problem." Quite a return on a $1 billion per year investment—near solution to a problem on which Federal, State, and local governments have spent billions.

This is an especially important point, it seems to me, in light of the most disturbing recent riots; riots conducted mostly by teenagers and men in their early twenties in the very conditions—unskilled, unemployed, living under substandard conditions—that this bill provides specific provisions to prevent. It is not enough to be against violent outbreaks; the question is, What does one do to prevent them?

I urge those who oppose this bill to seriously consider the moral implications of refusing to take action, such as that contained in the antipoverty program, to prevent future incidents like the ones that have occurred this past week.

Finally, a successeful war on poverty would considerably reduce the costs of local government. Los Angeles has made a study of the problem and found that blighted areas cost the city 87 percent more in fire department services, and 125 percent more in health services than more prosperous communities, while yielding only 38 percent of tax revenues. Here, then is still another return on our investment; cheaper and more soundly financed local government.

Any one of these reasons would make the bill we are considering today a good investment; all five reasons make it mandatory that anyone with sound business sense realize that a vote against the bill resulting in its defeat will continue the alternative problems met by the bill; that is, continued enormous welfare costs; continued underutilization of our resources; continued realization of only four-fifths of our potential home market for American business; continued high crime rates; and continued high costs of services to slum areas without compensating tax revenues. Tens of billions of dollars of yearly costs that could have been prevented by an annual investment of only $1 billion.

And lest I be accused of speaking too generally about this program, let us see what kind of investments we are making specifically under the bill. For example, under the Jobs Corps training program, studies indicate that enrollees will be able to earn from $15,000 to $60,000 more in their lifetime than they could otherwise. Again, quite a return on an initial investment of $4,700.

By emphasizing the dollars and cents return on this bill, I do not mean to ignore the moral aspects of this issue. I believe very strongly that it is for primarily moral reasons that we must do something for our own indigent; that we owe it to those who have been denied economic opportunity—who lacked the initiative to go out and inherit a department store—to make the American dream something realizable for all. Only if we take strong action to do something about slum and rural poverty can we feel that we are moving toward what President Johnson has called the great society, a society with justice and equality as well as power and affluence. Moreover, other bills for which we have worked hard would become meaningless without some effort to extend economic opportunity to more Americans. There is a grim irony in extending, through a public accomodations section, the right to a man to use a restaurant, but deny him the training necessary for him to make enough money to feed his family adequately. But I have emphasized the monetary return on this investment because it has struck me as strange that some of those who make it quite clear that they have good business sense, would avoid an investment that has the kind of return that no sane businessman would consider turning down.

This is a bill that would help not only those at whom it is aimed, though that is of the greatest importance, but also the entire country; whether through lessening relief burdens, expanding production potential, increasing business markets by one-fifth, vastly decreasing crime rates, or reducing the costs of State and local government.

In one of the finest insights of his great inaugural address, our late and beloved President Kennedy pointed out that "If a free society cannot help the many who are poor, it cannot save the few who are rich." I believe that this is as true within our society as it is in our country's relations with the poorer nations of the world. In view of our successes in helping the indigent abroad, then we certainly can garner greater benefits in our Nation by helping the indigent right here at home. I urge passage of H.R. 11377.

Mr. LANDRUM. Mr. Chairman, I yield 5 minutes to the distinguished majority leader [Mr. ALBERT].

Mr. ALBERT. Mr. Chairman, the debate on the antipoverty bill has not only been of a very high order but has made the Members aware that the great Committee on Education and Labor has done a tremendous job of work. First of all, I think it is in order to commend the committee for the quality of this and other important bills it has produced. It has made the 88th Congress the greatest education Congress in the history of this country. I commend all of the members of that committee, and I know we all commend the distinguished gentleman from Georgia [Mr. LANDRUM] upon his masterly handling of this bill on the floor. I also commend Republican members who have stated their points of view.

I think we are confronted with a national problem which everybody recognizes exists. The distinguished ranking minority member of the committee, the gentleman from New Jersey [Mr. FRELINGHUYSEN] introduced an antipoverty bill, if I am not mistaken. I do not think there is any question about the issue. I think we have before us a critical need and we have before us a bill which will meet it with appropriate solutions.

Mr. Chairman, I have had the honor of observing our great President since he took office last November. He has had incomparable burdens. He has done an incomparable job.

I can say without fear of contradiction that the President believes that this is the most important domestic bill that he has sent to the Congress. He has geared the entire budget, both defense and domestic programs, to mobilize an attack on what he believes is one of the most important problems confronting the American people, namely: the problem of the man and woman, the boy and girl, who, living in an era of unparalleled national prosperity, are not able to participate either at all or to any reasonable degree in that prosperity.

The President has said time after time that what he wants to do is to take those who have no hope, no opportunity, no job, no income, and try to make taxpayers instead of taxeaters out of them. In this era when our gross national product is reaching an alltime high we have 35 million people who live at the dead end streets of American life. We have too many people who are abjectly poor.

If their daily lives are bleak, their futures are even more grim. In the words of the gentleman from Georgia [Mr. LANDRUM] who has devoted much thought and effort to this matter, the children of poverty today become the parents of poverty tomorrow. The poor exist as an ulcer on the healthy artery of American affluence and all our efforts to create new jobs offer no relief to those who have developed no motivation and no skills with which to seize opportunity should it ever come their way. Theirs is the profile of a minority group—the American poor. These human beings want not only to grasp a few of the necessities of life, bread and butter, and shelter, but they also want to be a part of and contribute to the generation and society in which they live. I think this is true of the most forlorn and desperate boy who walks the streets of the slums of any great city in this country—hopeless, frustrated, deprived of the opportunity of being a full-fledged human being.

I think it is true of the despairing boy of the marginal farm of the South, of the Middle West or the Far West. I think it is true of the boy on the front porch of the shack in the stripped mines of Appalachia.

Shall we look to the local communities to assume the entire burden of breaking the hammerlock of poverty, of rescuing these young lives, although in the main they lack both size and economic ability to handle alone a comprehensive attack on poverty?

Or shall we shape from our Federal, State, local, and private programs a key with which to open the door on increased earning power and spread opportunities for education, skills and jobs, for health, for community, and area rehabilitation?

Only a national, multipronged, cooperative program, utilizing all the resources available to us from these four major areas, can handle a problem which is national in scope and diverse in its causes, while producing the common result of extreme and persistent poverty.

Our deficiencies in training and education among the poor are being accented and increased by our rapid technological advances.

A good example of this in my own State of Oklahoma was cited by Commissioner of Education Keppel in his testimony before the committee. He said that recently when an Armour & Co. plant closed in Oklahoma City, an automation committee established by the company, the United Packinghouse Workers Union, and the Amalgamated Meat Cutters Union, found that of the 170 workers who were tested for retraining, only 60 had enough educational background to indicate that they would benefit from vocational training. The remaining 65 percent were told that their best chance for employment would be in casual labor.

Now we all know that jobs for unskilled labor are becoming increasingly scarce and that many of those in the poverty bracket work at them, sometimes more than one person in the family, and still they cannot make enough to provide a decent basic standard of living.

The minority report points out that poverty has decreased steadily over the past quarter century. But I am told that the erosion of poverty has slowed substantially since 1957, which indicates to me that, contrary to the faith and hopes of some, time is not the cure-all for poverty and that technology is not going to wait for us to handle poverty by attrition—we are going to have to cope with it—now, on a broad scale, under firm marching orders.

The test of a nation's power today is the number of scientists, engineers, draftsmen, machine operators, scientific farmers, and mechanics that it counts among its population. We have an untapped resource of millions of people that we can add to our reservoir of trained and educated workers and taxpayers. Not as a matter of economics, nor logic, nor common decency, nor in fairness to future generations, can we justify excluding the American poor from the mainstream of American life. We must use our most valuable resources, our human resources, and use all of them.

Lasswell defines a democracy as a system in which there is actual and obvious movement toward a larger sharing by more and more citizens in the realization of such values as respect, wealth, enlightenment, skill, affection, well-being, rectitude, and power.

Does a democratic government thus serve its proper purposes when it ignores its obligation to implement democracy for all its people—to make human dignity a fact as well as a theory, to share opportunity and progress rather than to hoard or monopolize it?

Is democracy becoming an ideology which we claim but do not work at? Around the world there are thousands of wistful faces turned to America—not merely because democracy is a soul-satisfying and noble ideology but because it represents to them three meals a day, a chance to go to school, to get a decent job.

A few weeks ago we voted an appropriation of $3.5 billion for foreign aid to maintain and encourage the free governments around the world. We sell democracy as a humane form of government whose most attractive feature is opportunity for all. We say, in effect, that the stark contrasts between rich and poor, so common in the Old World, and the rigid caste systems which limit opportunity and are common in the whole world, are not permitted to exist under our form of government. How then can we continue to operate under the resignation that the poor we have always with us?

The economic news today is very bright with forecasts of a GNP for 1964 which will hit a new high of approximately $62.3 billion. We are setting new records in jobs, wages, profits, dividends, and income while Federal expenditures this year were kept below estimates and the deficit turned out to be smaller than expected. Prosperity has a firm foothold and the forecasts indicate that we have not yet seen the top of the ladder. Yet joblessness among our young people and among our minorities has not even been nudged by these overall gains. These people are not moving one whit closer to the mainstream of American well-being.

Mr. Speaker, it makes no sense for the richest nation in the world willingly to wall off a sizable sector of its population from opportunities to contribute. We need these people in active participating roles. Technology is forcing a radical change in the basis of industrial leadership, economic success, and world power. It is making human resources our most valuable asset. Our planning, our goals will have to change to reflect this shift in emphasis.

It is time now, Mr. Speaker, to do more than dab a little ointment on the wound of poverty. It is time to treat the basic ailment so that all Americans can contribute to the strong economy we must have to sustain the tremendous costs of our military defenses and space development. By upgrading the lot of some of our people, we are insuring the freedom and progress of all our people.

This committee in reporting this bill has performed a memorable service for the Congress and the country. I hope all Members, regardless of politics, regardless of the section of the country from which they come, will back the magnificent effort of the men and women who have worked out and brought to us one of the true landmarks of a legislative session which I think is one of the most memorable in the history of the Congress.

Mr. LANDRUM. Mr. Chairman, I yield 10 minutes to the gentleman from Indiana [Mr. BRADEMAS].

Mr. BRADEMAS. Mr. Chairman, at the outset of my remarks I want to pay tribute to the eloquent statement just made in support of this legislation by our distinguished majority leader, the gentleman from Oklahoma [Mr. ALBERT]; and also to pay tribute to the superb leadership which is being given on this bill by the distinguished gentleman from Georgia [Mr. LANDRUM].

Mr. Chairman, I rise for the purpose of discussing title I, part C, the work-study program, which is directed to encouraging part-time employment of college students who are from low-income families and need the earnings in order to pursue their college study.

I should explain that if it were not for serious illness in her family, the distinguished gentlelady from Oregon [Mrs. GREEN] would explain this part of the bill and I am sure she regrets not being able to be here.

Mr. Chairman, in 1958 when the National Defense Education Act was enacted, Congress declared that "we must increase our efforts to identify and educate more of the talent of our Nation. This requires programs that will give assurance that no student of ability will be denied an opportunity for higher education because of financial need."

We have accomplished a great deal in meeting this objective but we still have a long way to go.

There are each year more than 100,000 high school graduates of ability who fail to go on to college—young men and women who have the capacity to obtain a college degree, but who are denied the opportunity for one, largely because of the financial inability of their parents to contribute to their educational expenses. A recent Office of Education financed survey, Project Talent, at the University of Pittsburgh, shows that 30 percent of high school seniors in the 80 to 90 academic percentile of their class, and 43 percent of the 70 to 80 percentile fail to enter college.

This nationwide study further found that young men and women from low-income families have much less chance of going to college than those from middle- or upper-class families.

At this point, I would like the RECORD to show data from Project Talent depicting the shocking talent loss now suffered by the Nation.

Estimated costs for tuition and required fees and total cost of attending college, per student, 1930–31 through 1980–81

Year	Tuition and required fees		Total costs of attending college	
	Public	Private	Public	Private
1980–81	$760	$1,815	$2,400	$3,640
1978–79	653	1,647	2,270	3,450
1976–77	560	1,494	2,160	3,280
1974–75	480	1,355	2,040	3,100
1972–73	411	1,229	1,940	2,940
1970–71	353	1,115	1,840	2,780
1968–69	303	1,011	1,740	2,640
1966–67	260	917	1,640	2,570
1964–65	222	831	1,560	2,370
1962–63	191	753	1,480	2,240
1960–61	179	676	1,400	2,090
1958–59	164	584	1,330	1,950
1956–57	142	495	1,260	1,820
1954–55	139	438	1,190	1,700
1952–53	137	420	1,130	1,590
1950–51	138	414	1,070	1,480
1948–49	140	396	1,010	1,380
1946–47	125	330	960	1,290
1944–45	95	280	910	1,200
1942–43	88	276	860	1,120
1940–41	82	270	830	1,080
1938–39	79	256	810	1,050
1936–37	78	253	790	1,020
1934–35	75	252	770	1,000
1932–33	71	251	750	980
1930–31	71	252	730	960

Percent of high school seniors not entering college [1] by scholastic aptitude [2] and income [3]

[Percent not entering college]

Percentile:	*Percent*
90 to 100	15
80 to 90	30
70 to 80	43
60 to 70	54
50 to 60	60
0 to 50	76

[1] College attendance or nonattendance as reported by students on followup questionnaire 1 year after testing (1961).

[2] Scholastic aptitude as measured by composite of 4 Project Talent tests (1960).

[3] Income as measured by reported family income from Project Talent student information blank, item 173 (1960).

NOTE.—Project Talent—Office of Education cooperative research program, project 226.

Percentages of high school graduates who did not enter college within 1 year after completing grade 12,[1] by aptitude percentile [2] and family income [3]

MALE

Aptitude level percentile	Less than $3,000	$3,000 to $5,999	$6,000 to $8,999	$9,000 to $11,999	$12,000 and up
98 to 100	0	3.9	4.8	4.1	1.5
90 to 97.9	12.1	13.3	11.4	7.5	3.3
75 to 89.9	24.6	26.7	19.4	16.1	9.9
50 to 74.9	51.8	47.5	40.3	33.2	20.3
0 to 49.9	80.4	72.7	68.1	59.8	50.3
FEMALE					
98 to 100	10.5	2.5	6.7	6.0	3.2
90 to 97.9	36.7	19.2	16.1	14.9	4.8
75 to 89.9	38.9	43.2	30.2	28.2	10.1
50 to 74.9	74.8	64.2	57.4	40.8	29.2
0 to 49.9	82.6	81.8	77.2	69.6	52.1

[1] College attendance was reported by respondents to the mail questionnaire who constituted about 67 percent of the Project Talent sample of 12th-grade pupils.

[2] Academic aptitude was measured by a composite of 9 Project Talent tests (C–002). Percentiles are based on a representative sample of pupils in grade 12 (March–April).

[3] Family income for 1959, as estimated by 12th-grade pupils on the student information blank, item No. 173, in 1960.

NOTE.—Project Talent—Office of Education cooperative research program, project 2333.

Much has been said about the high school dropout—and deservingly so. However, the high percentage of college dropouts also presents a serious problem—a problem of great national concern when we consider the well-documented statistics showing critical manpower shortages of qualified and trained personnel. Enrollment figures for our colleges and universities indicate that approximately 40 percent of all students who begin college withdraw before graduation. These are youths of proven ability—accepted as qualified candidates for a degree—but students who fail to achieve their objective primarily because of financial hardship.

As we look to the future and to spiraling college costs, there will be many more college dropouts and a greater percentage of qualified high school graduates who fail to enter college unless a program is offered to complement the student loan program now in effect.

In 1930 the total yearly cost of attending a public college was $730; today it is $1,560 and in 1980 it will be $2,400. Attendance at a private college in 1930 cost $960; today it is $2,370 and in 1980 the total yearly cost is estimated at $3,640. Let us not forget that under the National Defense Education Act student loan program today, the maximum amount a student may borrow is $1,000 per year; that is only two-thirds of what it costs at a public college and less than one-half of what it costs to attend a private college. And may I add that the average loan under the title II program is only $478.

Moreover, National Defense Education Act borrowers are heavily concentrated in families earning $3,000 to $7,000 per year. For example, 52 percent of borrowers' families earn $4,000 to $10,000 annually.

There is clearly therefore a need for an additional program to aid those in families earning $3,000 or less.

In response to those who are dubious, let me cite the authoritative study of the American Council on Education, by Elmer D. West, "Financial Aid to the Undergraduate":

> It is reasonably safe to state that the available financial aids go to the socially and economically favored segment of the population.

We have not yet reached the neediest students of our Nation and, without the college work-study program, we will not meet the overall objective of this act: to open to everyone the opportunity for a complete education, an essential objective if we are to begin to shatter the cycle of poverty.

At present more students help to finance their college education from their part-time earnings than from loans and scholarships combined. If additional employment opportunities could be made available, many more able students from poor families would be able to enter and complete college. It is the purpose of the college work program, proposed in title I, part C, to stimulate and promote the part-time employment, both on and off campus, of needy students with the result that more than 140,000 students will be assisted the first year.

In the words of a leading college student aid officer, college work-study is a vast "undeveloped resource." I ask unanimous consent that the Record carry at this point a most illuminating article by Dustin Burke, director of student employment at Harvard University.

STUDENT EMPLOYMENT—AN UNDERDEVELOPED RESOURCE

(By Dustin M. Burke, director, student employment office, Harvard University)

Our experience at Harvard University over the last 10 years suggests that many students can contribute from $1,000 to $2,000 a year toward their college expenses by working part time during the academic year and full time in the summer.

Self-help of this magnitude is possible for students at any college where officials (1) cultivate willingness by the college staff to hire student labor, (2) provide funds to develop an effective employment program, and (3) give the program director a free hand to explore and develop potential job opportunities for students.

Most colleges have concentrated their efforts in the area of part-time work during the school year. More progress is needed in helping students get summer jobs where potential earnings are higher and there is no conflict with ongoing academic commitments.

Perhaps the major reason that colleges have not made the same progress in developing employment programs as they have in the area of scholarships and loans is because responsibility for such programs has not been placed in the hands of those most concerned with student financial need—the scholarship and financial aid officials. At one college, student employment may be the realm of an assistant dean; at another, it may be that of the personnel office; at a third, that of the placement office. Rarely are both part-time and summer employment efforts (if the latter exist at all) coordinated by the same office. Under these circumstances there is little opportunity for communication among colleges to encourage the sharing of knowledge and the solving of common problems through the combined efforts of a group.

SINGLE OFFICE HAS ADVANTAGES

The advantages in administering part-time and summer employment through one office, together with the financial aid, scholarship, and admissions programs, appear to be that (1) the greatest pressure for proper utilization of job opportunities will come from the office most concerned with the influence of employment upon admissions decisions and the makeup of the student body, (2) communications among colleges are well established in the areas of scholarships and admissions, thus providing a ready medium for the exchange of ideas, (3) under these conditions the employment officer has information on each student's needs, background, and interests and can develop solutions to individual problems, and (4) because the employment officer acts in conjunction with the scholarship office, each student knows that his performance on the job becomes a matter of record in both offices.

To obtain optimum results in the search for campus jobs, the employment officer needs the wholehearted support of university officials from the president to the hiring supervisor.

In the early 1950's, when John U. Monro, then director of financial aid and now dean of Harvard College, began a search for campus jobs, he was able to enlist the support not only of the president of the university and of several deans, but also the active assistance of the director of personnel. Their efforts developed into a crusade as they sought areas in which large numbers of jobs might be available—in the face of the prevailing attitude of supervisors that students were poor workers.

Gradually this attitude changed. Stemming from a philosophy that the university exists for the students, that all other Harvard people are secondary and must take advantage of every opportunity to assist students, support of student employment activities grew steadily stronger. Now, all union contracts permit hiring of students for any job. Student pay equals that of everyone else doing the same job. Department heads have been selected and evaluated in terms of their willingness to adjust work schedules to utilize student help.

The success of this approach is demonstrated by the fact that in 1961–62, two university operations—dining hall and dormitory crews—paid 883 students $305,405.

Another important step occurred in 1952 when Mr. Monro sought 50 part-time jobs which could be promised to students entering Harvard College. The demand for this assistance led to the development of an assured job program which grew from 50 jobs paying an average of $250 in 1952 to the 1962 level, which permitted the college's scholarship committee to promise more than 400 of the 1,150 incoming freshmen jobs yielding, on the average, $400 for an average of 10 hours of work per week during the academic year.

STUDENT EMPLOYMENT GROWS

Despite outright grants of $1,500,000 and gift loans (loans that can be interest free for as long as 10 years) of $600,000, some 1,628 of the 4,700 undergraduates at Harvard College in 1961–62 found it necessary to work part time during the academic year. Their average earnings were $420. In the same year, 2,500 students sought help in finding summer work through the student employment office. Only 2 years before, fewer than 1,200 students had used the facilities of the office for summer jobs.

Such experience, plus the freedom to explore new areas, explain two significant developments at Harvard. One is a program of courses sponsored by the student employment office to teach students skills which yield high hourly rates of pay. The other is the existence of Harvard Student Agencies, Inc., established in 1957 to train students in entrepreneurial skills and to afford opportunities for higher earnings.

Harvard Student Agencies (HSA), a nonprofit corporation, provides the capital and organizational facilities to enable students to operate small businesses and earn money with which to meet their college expenses. The corporation was established after a study of similar programs at Yale and Princeton Universities. HSA is unlike other programs, however, in that it is legally separate from the university and operates on a year-round basis. Although still in its infancy, the corporation yielded $100,000 in earnings to students in 1962. Twenty-two of its part-time managers and workers earned an average of more than $1,000 each.

In a sense, HSA trains managers of small businesses. The 33 constituent agencies of HSA are manned by nearly 70 student managers whose pay ranges from $400 to $2,500 for work ranging from 3 to 5 weeks part time in the fall (newspaper and magazine subwork continues the year around). The businesses range from the normal sales operation in the fall (newspaper and magazine subscriptions, beer mugs, and class rings), to publications like the "Harvard Student Calendar" and the "Let's Go—Student Guide to Europe," and finally to housepainting.

JOB SKILLS ESSENTIAL

A review of the U.S. Department of Labor unemployment predictions for the 1960's indicates the need for helping students develop skills which remove them from the ranks of unskilled labor. Estimates are that widespread unemployment will prevail for unskilled labor. Paradoxically, indications are that there will be a shortage of labor in many skilled trades. The unskilled student who seeks part-time or summer employment will meet severe competition, but if he offers skilled assistance, he will be in demand.

Clearly, then, students should be encouraged to utilize their learning abilities in the acquisition of marketable skills and they should be helped to discover the remunerative potential of skills they may already possess. The organization and support for the development of student talents has been encouraged at Harvard College through the sponsorship of convenient, low-cost courses offered by the summer employment program. Typical of the courses available have been ones in bartending, computer programing, teacher-machine programing, marine engine troubleshooting, short-order cooking, waiting on tables, sailing-program management, swimming pool management, office machines and procedures, electric typing, and recreation program management. More than 300 students a year now participate in these courses, some of them as instructors.

Often a course leads to the development of a small business, as was the case when a number of students who had been trained to tend bar for private parties saw the need for additional services and encouraged the establishment of a catering agency in HSA. Prior to their training to become bartenders, these students earned $1.25 to $1.50 an hour. After training, they earned from $1.75 to $2.50 an hour.

Through such means as these, we hope to educate ourselves and our students so well in the process of developing high-paying skills that, as college expenses continue to rise, our students will be able to earn from $2,000 to $3,000 a year within the decade ahead.

DOES WORKING AFFECT GRADES?

There is substantial evidence to demonstrate that time devoted to earning money need not detract from a student's academic or extracurricular life if intelligent advice and planning are provided. The following table, for example, compares the grades of working Harvard students and the undergraduate at large.

[In percent]

1961-62 academic performance [1]	Sample of 3,679 undergraduates [2]	Sample of 1,171 working students
Group I	2.6	2.2
Group II	15.6	14.6
Group III	26.5	26.9
Group IV	24.7	27.5
Subtotal	69.4	71.2
Group V	14.6	16.5
Group VI	.8	.8
Insufficient	1.0	.7
Unsatisfactory	9.1	10.8

[1] Group I denotes academic achievement of 3½ A's, ½ B; group II: 1½ A's, 2½ B's; group III: 3½ B's, ½ C; group IV: 1½ B's, 2½ C's; group V: 3½ C's, ½ D; group VI: 3 C's, 1 D; unsatisfactory: less than 3 C's and 1 D.

[2] Does not include degree candidates in senior class. Figures do not include 5.1 percent student withdrawals.

The college work-study program will have many advantages. It will encourage able and needy high school graduates to continue their education. It will assist colleges and universities in broadening and expanding their on-campus work programs. It will reduce the number of college dropouts. It will stimulate and promote the use of qualified college students in community action programs, the Job Corps and in other educational, recreational, social service, welfare, and health activities in the community. And it will provide worthwhile work experience for students in employment opportunities at the college or university or with public or nonprofit private agencies in work which will further the student's educational objective.

The committee report and legislative history make it abundantly clear that the Director of the Office of Opportunity will set the broad policy guidelines to assure that the college work-study program will be coordinated with other antipoverty programs under this act. But actual administration of the college work-study program will be by the colleges and universities of the Nation working with the U.S. Office of Education, which now administers the successful National Defense Education Act student loan program.

The committee has provided for a State distribution of the $72.7 million available for this part on the basis of three factors. One-third of the funds will be allotted among the States on the basis of the relative number of students enrolled in college on a full-time basis in the several States. This is one of the basis for the distribution of funds under the student-loan program of the National Defense Education Act. Second, one-third of such funds will be allotted among the States on the basis of the relative number of high school graduates in the several States. This is a factor used in the distribution of funds under the Higher Education Facilities Act of 1963. And, lastly, one-third of the funds will be allotted on the basis of the relative number of children under 18 years of age who are living in families with annual incomes of less than $3,000 in the several States. This latter factor was included by the committee in order to insure that the funds were made available in those areas where there is greatest need. To further insure that the Federal funds will be available to those institutions which can and want to use the funds, the committee has very wisely provided the Director with discretion in the reallotment of funds which have not been used by the universities.

The manner of the reallotment will be that which will best achieve the goal of the act; namely, to help college students who do not go to college because they cannot afford it.

The use of a three-factor formula for the distribution of funds will permit an equitable distribution of funds across the United States. The inclusion of a factor related to poverty and the provisions for reallotment and initial distribution of funds within a State will insure a concentration of work-study programs in those colleges and universities which serve poverty areas and enroll large numbers of students from low-income families, whether or not these families or the institutions are located in a poverty area.

To be eligible to participate in a work-study program, a student must either be enrolled or accepted for enrollment in an institution of higher education. He must be from a low-income family—a family whose total income and assets are such that it cannot contribute support to the educational expenses of the student. The legislation further requires that the student be in need of the earnings in order to pursue a course of study at the college or university. Again, the Committee believes that the legislative intent is clear: students under this program will be those for whom a National Defense Education Act loan is insufficient to meet the costs of a college education today.

Each student participating in a work-study program carried on under this act must, in the opinion of the college—not of the Federal Government—be capable of maintaining good grades while employed under the program. To insure that students are not overburdened, the legislation specifically prohibits a student from working more than 15 hours in any week in which classes in which the student is enrolled are in session. Studies of the academic achievements of working students show that the grades of students who work part time are as good or better than the grades of nonworking students. In 1940 a survey of 65,000 students working in the first major student-work program, a program carried on under the National Youth Administration, showed: first, NYA students averaged higher grades than the general student body in 81 percent of the institutions; and second, almost two-thirds of the working students ranked in the upper half of the student body, and that in each of the States, a majority of the NYA students had higher scholastic averages than the general student body. Recent studies of the working student at the University of Denver, the University of Southern Illinois, and at Harvard University demonstrate that time devoted to work need not detract from a student's academic or extracurricular life. I will be glad to make these findings available to any colleague who has an interest in them.

Each college and university will be encouraged to develop two types of student employment: on-campus employment and off-campus work with public and nonprofit organizations. On campus, overburdened teachers will be provided with students to read papers and correct examinations. Other students will work in the library, as research assistants in laboratories, for the university press, and in the college business and engineering offices.

Off-campus employment with a public or nonprofit organization may include a variety of different types of employment. Under the provisions of the bill, work offcampus must be work which is either related to the student's educational objective or work which is in the public interest and would not otherwise be provided. Work related to the student's educational objective means employment which is an extension of some substantial part of the student's academic progress or work which is clearly connected with the student's long-range vocational goal. Engineering students might work with the State or County Department of Roads, potential social workers could work with welfare agencies, possibly in aid of the community action programs under title II, and potential nurses and premedical students could obtain worthwhile experience and render valuable service in hospitals, nursing homes, and clinics. The bill further permits employment in fields such as education, recreation, health, social services, and community service. Regardless of their course of study, students could work as youth advisors, junior counselors, and recreational leaders. In such instances the college financial needs of the student will be satisfied; the student will gain invaluable work experience, and the total community will benefit from the services performed.

In testimony before our committee, representatives of the educational community have expressed concern that a potentially serious drain on college resources may soon be the administrative costs incident to federally supported education programs. In recognition of this concern, and in order to compensate colleges for the costs of developing off-campus employment, the committee has specifically provided that a small portion of funds made available under this program may be used to meet administrative expenses and supervisory overhead expenses. The amount so used may not exceed an amount equal to 5 percent of the Federal funds earmarked for off-campus employment.

Institutions which may participate in this program include those colleges and universities providing education programs leading to a bachelor's degree, community and junior colleges with 2-year programs acceptable for full credit toward such a degree, and technical institutes offering 2-year programs in engineering, mathematics, and the physical and biological sciences designed to prepare students for work at the semiprofessional or technician level in the fields of engineering, science, and technology. Thus, we will aid students in virtually all post-secondary education, as we did last year in the Higher Education Facilities Act of 1963—Public Law 88-204.

Francis Keppel, the distinguished U.S. Commissioner of Education, in testimony before the Special Subcommittee on Education, summarized what it means to the Nation when able students do not continue on to colleges. He said:

> For every American youngster with college capabilities who is denied the opportunity of starting or completing a college education, we do not merely limit the individual opportunities which come with greater education—we also retard this Nation's scientific advance, we slow its economic growth, and we deplete its reservoir of future leadership.

It is clear that no greater investment can be made in our struggle against poverty than an investment in the education of our youth. An investment in human resources is proven to be an investment which returns both intangible and tangible benefits to the individual and to the community. In addition to the services performed for the community by the college graduate, it is interesting to note that the resulting benefits to the community can be measured in monetary terms. The average lifetime earnings of a college graduate are $453,000. A person with only a high school diploma can be expected to earn approximately

$273,000 during his lifetime—$180,000 less than a college graduate. Thus, it can be demonstrated, that the average lifetime income tax pay by a college graduate is approximately $68,000, or $38,000 more than paid by a person with only a high school diploma.

The program proposed in title I–C will benefit the Nation, the community and, more important, the needy and talented student to whom the Congress of the United States has already promised an opportunity for a complete education. We must keep that promise.

Finally, I would like to read into the RECORD two communications I have just received from the American Council on Education, representing the full spectrum of American higher education, and from the Association of State Universities and Land-Grant Colleges, in support of this vital legislation.

WASHINGTON, D.C., *August 6, 1964.*

Representative JOHN BRADEMAS,
House Office Building,
Washington, D.C.:

The American Council on Education has consistently supported legislation to provide work-study opportunities for needy college students. The council strongly endorses the work-study proposal now being considered in H.R. 11377.

LOGAN WILSON,
President.

WASHINGTON, D.C., *August 6, 1964.*

The Honorable JOHN BRADEMAS,
Representative from Indiana,
House Office Building,
Washington, D.C.:

The Association of State Universities and Land-Grant Colleges has long advocated an experimental work-study program which would expand employment opportunities for worthy colleges students. Representatives of the association have on several occasions testified in support of such a program before committees of the House and Senate. The association's position is that such a program should be administered by and through educational channels.

RUSSELL I. THACKREY,
Executive Secretary, Association of State Universities and Land-Grant Colleges.

Mr. BEERMANN. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Seventy-three Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 207]

Alger
Auchincloss
Avery
Baker
Baring
Bass
Bennett, Mich.
Bolling
Brock
Buckley
Cameron
Clark
Davis, Tenn.
Diggs
Dingell
Everett
Evins
Green, Oreg.
Harvey, Mich.
Hébert
Jarman
Jones, Mo.
Kee
Kilburn
Kirwan
Lankford
Lennon
Lesinski
Lipscomb
MacGregor
Miller, N.Y.
Morrison
Nelsen
Norblad
Passman
Pool
Sheppard
Sikes
Siler
Staebler
Steed
Teague, Calif.
Willis
Wilson, Ind.

Accordingly, the Committee rose; and the Speaker pro tempore [Mr. ALBERT] having assumed the chair, Mr. RAINS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill H.R. 11377, and finding itself without a quorum, he had directed the roll to be called, when 386 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

Mr. GOODELL. Mr. Chairman, I yield 3 minutes to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, it is never quite possible to anticipate what will happen when a multimillionaire President goes out shopping for poverty.

On May 8, 1964, President Lyndon Johnson flew by courtesy of the Air Force and the taxpayers to Gainesville, Ga. His was apparently a dual mission: an attempt to repair his broken political fences and to find a pocket of poverty. Like the chicken and the egg, it is difficult to say which came first.

Among other things, on this ostensible mission of seeking out poverty, he called for enactment of his civil rights bill, and called on the people of Gainesville to erect a monument to the gentleman from Georgia [Mr. LANDRUM]. Whether this was in token of Georgia's position in connection with enactment of civil rights legislation is not quite clear.

What is clear is the Atlanta Constitution's reporting on May 9, 1964, of one of the pockets of poverty discovered by Lyndon Johnson in Gainesville.

Under the heading: "Aged Negro Tells of His Dreams," the fawning Atlanta Constitution dutifully reports as follows:

> President Lyndon B. Johnson Friday stood before a decaying shack in a slum neighborhood and listened intently to an elderly Negro's dream of some day building a new store here (in Gainesville).

The "aged" principal of this little poverty drama in Georgia was one 62-year-old Alvertus J. Butler, who has operated the same store in the same place since 1938. He said that secret service agents had been out to see him four times in preparation for the President's poverty visit.

Despite the elaborate stage setting, the newspaper account says the President's first question to Butler was: "Is this your store?"

"Yes, sir," said Butler. "I hope I can build a new one if it—the urban renewal program—passes. But I don't want to have to move from here if I can help it."

Almost immediately, according to the news accounts, Johnson emerged from the store, outmaneuvered his guards and walked into the crowd for a round of handshaking. Politics, not poverty, was again the order of the day.

Four days ago, on August 2, a reporter for Atlanta, Ga.'s, new newspaper, the Atlanta Times, interviewed Alvertus Butler and got the story that Atlanta's new frontier sheet deliberately overlooked.

Alvertus Butler, the Georgia Negro selected to talk to Lyndon Johnson on May 8 on the subject of poverty, does not consider himself in the needy category at all.

As was brought out in the Atlanta Times story on August 2, this Negro operates a successful janitorial service and store. He has provided his children with college educations. He likes to take long vacation trips every other year, and has traveled in Canada and Mexico and every other State on the mainland except Florida.

Incidentially, he drives a late model Lincoln Continental with air conditioning.

The Atlanta Times asked Butler how he feels about the so-called antipoverty program. Butler replied:

> I do not believe in handouts or charity. Charity makes tramps, not men. A man can get anything he wants if he just works. I have.

It appears that when better cases are made for rejecting the Landrum-Powell so-called poverty bill, the State of Georgia and Lyndon Johnson will supply them.

Mr. PERKINS. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. DENT].

Mr. DENT. Mr. Chairman, a long time ago I found I did not have time in my busy schedule to read editorials that generally criticized my party or my friends. I did not lose much in not doing that because sooner or later they cropped up in the RECORD. When a Republican had nothing else to do, he would read something that somebody else thought of for him in the form of an editorial.

Mr. Chairman, this legislation appears to be condemned more by what some people think about the approach to presenting the legislation than by what is contained in it. Very few opposition speakers have taken the time to discuss the need or the lack of need for this kind of legislation. This bill before us for the first time in the history of this Nation, or any other civilized nation, is aimed at the eventual elimination of the oldest curse amongst men—poverty. No nation, no matter how wealthy it may be, can justify a claim to greatness while in its midst it has millions of people, young and old, living in the midst of abject poverty. Some two-fifths of the citizens of this Nation of ours live in conditions below the normal standards considered to be a minimum way of life in our Nation.

As in most cases of governmental aid and subsidy, this legislation started out on the premise that its funds would be distributed, on the basis of the old formula of need, counting, of course, the average income in a State.

This committee has wisely worked out a new formula which will give to the once prosperous States an even and equitable distribution of the funds in this particular piece of legislation. Because of the high wage and high income economic conditions in many of the so-called wealthy States of yesterday, we find that in most of the appropriating bills that come out of Congress the northeastern States of this Nation have suffered because of a depreciation in the amount of taxes paid to the Treasury and the amount returned to that State. If you will look up the record you will find that the very States that at one time were known as prosperous States of this Nation have now become what we call permanently depressed States of the Union.

I find in my long years of living on this earth—I say "long" because it will not be a great many years when I will have reached the Biblical allowance of three score years and ten—that poverty has no color. It has no religious creed and no ethnic background. All peoples have had poverty in their midst. To the everlasting credit of this period of our life and our history and to the courageous leadership of the President of the United States, Lyndon B. Johnson, we now are trying to do something about it.

We are not going to believe, as some would, that because there have always been the poor, necessarily there must always be the poor. I will not take the time of this Congress to paint for you a picture of poverty as I have seen it and as I have known it, living in a strikebound coal camp in the days before the recognition of the rights of labor, in the cold winter when even the root cellar was bare, when the leather from old mining boots began to look very tempting to the palate.

Poverty is an affliction. It is not like a common cold, that can be relieved by short treatment or a quick cure. Poverty is deep-rooted and degrading. It destroys the family. It destroys the initiative of the children and the hopes of the unborn.

This legislation will probably pass up a whole generation in its attempt to relieve poverty in the next generation, and that is as it should be. Those of us born and living as of this year, sitting in this House today, have an opportunity to meet this challenge. The quarrel here is not so much that the legislation is not needed or that there is no poverty. Has any opponent dared say there is not poverty in this Nation? Because we have a great prosperity amongst those of us who now have worldly goods, do we fail to recognize those in need? Does a preacher quit preaching the Gospel when the church is full, knowing that outside are the lost souls? There can be no end to the search for the alleviation of need and want among our people.

This Nation, so great in the eyes of all the people, has in its midst abject and degrading poverty to the tune that if measured by the Members of this body would lead to a stampede to the rostrum to speak in behalf of this legislation. But the ugly head of politics a few days before a national election has caused men of otherwise good will to become callous and cold in their regard today of a problem they know is one that must be met by the Members of the Congress of the United States.

There sit in this House, and I am as guilty as any, Members who vote for billions of dollars for relief in foreign nations. The same Members cannot smell the stench of the poverty and need within a block and a half of the Capitol they sit in. They sit here and watch the banking element of the United States increase the interest on the public debt 1.2 percent last year and take from the public pocket $3,100 million, better than three times the total cost of this legislation, aimed at relieving the need of hundreds of thousands of our peoples.

My State, once known as the Keystone of the Nation, is now known as the Keystone of Appalachia, that area of need where 30.3 percent of all the families in the United States are earning less than $3,000 a year. That is the area of these United States that succored the Southern States in their hour of need in those days when they had no industry and want stalked the barren cottonfields.

It is the area that gave to the West its great dams and its great restoration projects for their idle fields.

It is the area that has paid out its billions of dollars in subsidies to the cottongrowers and the textile mills in order to keep this particular section of our Nation alive.

We come to you now and say that we no longer can sustain from 187,000 to 215,000 families perennially and annually on the relief rolls.

The 456,000 citizens in my State in this moment, this day of our Lord, are living off relief at a cost of $27 million a month.

Another 272,000 workers are drawing unemployment compensation.

We no longer can sustain this drain upon the future of our area and our State.

We need help and we need it now.

I say to you, Pennsylvania Members on the Republican side, that if you fail to recognize the needs of your State and vote because of the political turnover of the Governor of your State, a young man for whom many, many liberal Republicans had the hope would turn out to be a little different—a man who has called upon, as I understand, the Republican Members, to reject this legislation and yet a man who knows that he has asked and he has begged this Congress to pass a bill known as Appalachia to give some $800 million to that depressed area of our Nation. A great portion of this $800 million will go to the State of Pennsylvania.

Can we be so callous in Pennsylvania as to demand for our needy people special legislation and to close the door upon the needs of others?

Are we as Representatives of that great State saying to this Congress, as did our Governor, "Yes, we want you to give us special legislation to rehabilitate our forests; to reclaim our devastated coal lands; to bring back to our people and to our institutions hope for tomorrow"—but only for Pennsylvania and not for the rest of the country?

How callous can you be? I say to you, I will not ask the Members of this Congress to vote for Appalachia if the Members of the Pennsylvania delegation do not support the needy in other States of the Union.

I say to you that this bill is fair. Pennsylvania needs it. If we get from you the aid that we need and want, then we owe it to you to give you the aid your needs demand.

Mr. Chairman, the legislation before us is a challenge to every Member of this Congress.

The issues are clear cut. It is a division by this body as to where the resources and revenues of this Nation are to be used in our effort to rebuild our depreciating personal economy.

The question of the cost of this program appears to be the whipping boy in the efforts of the opportunists to defeat the measure.

Now all of us must realize that this is the red herring in the whole issue.

When you stop to think about other items of cost voted for or approved by the silence of the Members, the cost of this program, less than $1 billion, might be considered modest by comparison.

My worthy colleagues of the opposition stampeded the rollcall in their efforts to pass a poverty bill subsidizing the textile mill owners the sum of $370 million to be divided up by the millowners after they had already cut up their 1963 profit pie of $162 million.

Now you may not see the need for the families earning under $3,000 a year for the kind of help provided by this present proposal, you certainly must admit that the criteria for passing out $370 million to a handful of textile millowners was less compelling than the need and wants of the thousands of families who can be rehabilitated under this program.

Again let us look at our generosity over the years in the area of aid to our foreign friends, allies, and yes, even our former enemies. We gave billions of dollars in an effort to eradicate the physical damages, the industrial destruction, and the rehabilitation of the victims of the catastrophe of worldwide war.

In this program we ask for only the same consideration for our longtime poverty-stricken peoples and communities. Is this too much to ask for? I think not.

There is another area of cost that we never hear anything about from the detractors and destroyers of any and all legislation aimed at alleviating the conditions of want and need from that great mass of our peoples estimated at 40 percent of our total family population.

I refer to the following legislative analysis of the Federal Reserve Board and interest rates:

EXCERPT FROM A STATEMENT BY WILLIAM SUMNERS JOHNSON, ECONOMIC CONSULTANT AND DIRECTOR OF THE JOINT ECONOMIC COMMISSION

On the other hand, the Federal Reserve has very drastically shortened the money supply, relative to the volume of goods and services requiring money transactions. It has been reducing the money supply consistently since the end of World War II. To illustrate, in 1947, the money supply (demand deposits and currency) was equal to approximately one-half (48 percent) of the gross national product of that year. Last year, 1963, the money supply was down to approximately one-fourth (26 percent), of the gross national product.

How does all this pick the consumer's pocketbook?

Consider this: a 1 percentage point increase in the interest rate on an FHA or farm home mortgage of 30 years meant that the family buying a home has to make monthly payments that are 10 percent higher than the payments of the family who bought before the rate went up. In 30 years this farmer will have to pay.

Also consider this: between 1952 and March of 1964, the average interest rate paid on the Federal debt increased by only 1.208 percent, which doesn't seem like much. But this increase means that on a debt of $310 billion, the taxpayers are paying an added $3 billion, $100 million annually—to say nothing of the added amounts they are paying on the State and local debts. When so many people think that less than $1 billion is too much for the Federal Government to spend for a war on poverty, what do they say of paying an extra $3.1 billion a year to make the rich richer just on the Federal debt alone?

The Treasury has announced a new refunding of $41.7 billion of the national debt which it has offered to swap for new issues at higher interest rates. This move will easily cost the public tens of millions of dollars a year in additional interest charges. This I believe is a betrayal of the American people since interest rates are already too high. The amount of interest on this sum which is only about 14 percent of the national debt is $1,790 million; almost double the cost of the poverty program.

THE GREATEST MONSTER OF ALL

Interest rates and control of the entire monetary system set by the Federal Reserve Board determines the economic life of every city, town, and hamlet in the United States. The Federal Reserve Board through its monetary controls has pushed the country into every depression and recession of the last 50 years. It caused the agricultural depression of 1920 by raising the discount rate to 7 percent which simply meant that the country banks had to pay 7 percent on all their funds received from the central system. As a result they were forced to call all the paper held by the farmers.

The Federal Reserve Board caused the recessions of 1954, 1958, and 1960 by decreasing the money supply by selling Government bonds and raising the discount rate. During the years of the Eisenhower administration the Secretary of the Treasury cooperated with Federal Reserve policy by driving up interest rates on Government bonds to more than 4 percent.

During these 8 years interest rates spiraled. Farmers paid not 4 or 5, but 8, 9, or even 10 percent. All Government agencies had to raise their interest rates to be competitive in the money and bond markets. Finally, the Treasury offered to pay 5 percent on an intermediate bond which meant that other interest rates had to be much higher.

Competition or natural economic forces had little to do with interest rates, credit, money supply. All are determined by the Wall Street bankers who sit on the Open Market Committee of the Federal Reserve Board. This group constitutes a fourth branch of Government, responsible to no one, not even the President.

When Walter Heller, Chairman of the President's Council of Economic Advisors was asked by Congressman REUSS, of Wisconsin, to try and find out if the Federal Reserve Board was going to raise interest rates again (thus canceling out the effects of tax reduction) Heller said he couldn't find out—that Congress might since the Board was supposed to be responsible to Congress.

Then, Congressman REUSS said Congress couldn't find out either—that the only time he received any information about what the Board was going to do was when he read it in the papers.

William McChesney Martin has hinted to a congressional committee that he may act to check inflation. In other words, Congress acts to lower taxes and pump more money into the bloodstream of business and Martin plans to take this money out of the bloodstream by tightening up credit and contracting the money supply.

This is where we came in. The Federal Reserve Board is still playing the old shell and pea game as it did in 1920, 1930, 1954, 1956, and 1960, only the date is changed. Martin and the big bankers are obsessed with the idea that the economy can be controlled by monetary tinkering. They have no business messing with the economy. Their ideas are as obsolete as a dodo or a kerosene lamp on an electrified farm.

Until something is done to restrict, amend, or do away with the power of the bankers it is doubtful if the country can ever get back on a full employment basis. It is doubtful if the farmers can ever secure a rightful share of the national income and it is doubtful if the pockets of poverty in our economic system can ever be eliminated. The only authority for regulation of the monetary system is in the Full Employment Act of 1946, and the Constitution of the United States which says that money matters are the responsibility of the Congress.

THE 12 MEN WHO DECIDE

The 12 men who decide how credit and money shall be influenced are relatively unknown to the public. But these 12 men—the Federal Reserve's Board of Governors and members of the Federal Open Market Committee—wield great power over the economy.

Seven are appointed by the President of the United States as members of the Board of Governors of the Federal Reserve. The other 5 are selected from the Presidents of the 12 regional Federal Reserve Banks to serve with the Board of Governors as the 12-man Federal Open Market Committee. Their power pervades every part of American economic life.

Mortgage rates, length of credit terms, the interest on auto payments, the cost of borrowing money—these are everyday effects of Board decisions. Federal Reserve actions also affect business and Government credit terms and supplies of credit. In turn, these influence the momentum of the whole economy. Both production and employment feel the impact of monetary decisions. As the Federal Reserve Board's official publication, The Federal Reserve System, explains: "The Federal Reserve, through its influence on credit and money, affects indirectly every phase of American enterprise and every person in the United States."

Let me give you some compelling figures and facts on the impact of poverty without taking the time of the Congress to paint a picture of the hopelessness of a family destined by local economics to a life on the relief rolls or the despair and degradation that first follows the unemployed and finally becomes a way of life for so many of our citizens who deserve a better fate.

Poverty in some of the areas of our Nation is more than a passing ailment—it is an affliction. Let us look at what has happened to many of the States of our Union.

Distribution of employment in the industry groups [1] *with special capability for providing employment for the Nation's poverty-stricken unemployed, in relation to the distribution of the poverty-stricken families in the United States*

	In the United States		In the State		Ratio of total families in State to total in United States	Ratio of total families with incomes under $3,000 in State to U.S. total	Estimate of employment [2] in the—				Ratio of employment in the 48 Industries in the State to—		Manufacturing employment in 1962	Unemployment rate in 1962
	Total families in 1960	Total families with incomes under $3,000 in 1959	Total families in 1960	Total families with incomes under $3,000 in 1959			22-industry group	23-industry group	3-industry group	48 industries	Total manufacturing employment in the State	Total U.S. employment in the 48 industries		
	Thous.	*Thous.*	*Thous.*	*Thous.*	*Percent*	*Percent*					*Percent*	*Percent*		*Percent*
Total United States	45,128	9,560	--------	--------	100.00	100.00	574,663	676,253	266,469	1,517,385	100.00	100.00	16,777,734	5.6
Total of regions	44,378	9,484	--------	--------	98.32	97.85	470,933	546,015	243,941	1,260,889	[3] 7.72	83.10	16,336,230	5.2
Appalachia:														
Alabama	--------	--------	791	309	1.75	3.23	1,700	8,879	508	11,087	4.81	.73	230,388	5.8
Georgia	--------	--------	949	338	2.10	3.54	5,105	2,599	3,871	11,575	3.45	.76	335,828	4.7
Kentucky	--------	--------	753	286	1.67	2.99	2,079	3,841	2,229	8,149	4.89	.54	166,701	6.0
Maryland	--------	--------	763	116	1.69	1.21	3,278	2,345	1,376	6,999	2.78	.46	251,503	5.3
North Carolina	--------	--------	1,092	406	2.42	4.25	3,859	6,807	6,074	16,740	3.32	1.10	503,646	4.3
Ohio	--------	--------	2,465	386	5.46	4.04	21,979	67,011	8,090	97,080	8.11	6.40	1,196,338	5.5
Pennsylvania	--------	--------	2,903	488	6.43	5.10	39,768	43,593	33,439	116,800	8.36	7.70	1,396,781	7.9
Tennessee	--------	--------	894	342	1.98	3.58	5,395	8,446	10,026	23,867	7.60	1.57	313,816	5.9
Virginia	--------	--------	955	266	2.12	2.78	2,017	883	3,227	6,127	2.21	.40	277,295	3.5
West Virginia	--------	--------	462	151	1.02	1.58	7,151	1,337	250	8,738	7.46	.56	117,175	10.8
Total	--------	--------	12,027	3,088	26.64	32.30	92,331	145,741	69,090	307,162	[4] 6.41	20.24	4,789,471	--------
South:														
Arkansas	--------	--------	452	216	1.00	2.26	1,838	3,385	3,950	9,173	9.02	.60	101,747	5.9
Florida	--------	--------	1,297	368	2.87	3.85	2,478	3,726	966	7,170	3.35	.47	214,149	5.7
Louisiana	--------	--------	771	275	1.71	2.88	368	1,848	--------	2,216	1.74	.15	127,711	6.3
Mississippi	--------	--------	501	259	1.11	2.71	3,958	1,926	1,818	7,702	6.64	.51	115,915	5.1
Oklahoma	--------	--------	613	190	1.36	1.99	602	1,073	--------	1,675	1.86	.11	89,824	4.7
South Carolina	--------	--------	541	214	1.20	2.24	1,189	1,252	4,041	6,482	2.71	.43	239,395	4.3
Texas	--------	--------	2,393	688	5.30	7.20	2,782	15,536	1,645	19,963	4.00	1.32	499,002	4.8
Total	--------	--------	6,568	2,210	14.55	23.13	13,215	28,746	12,420	54,381	[4] 3.92	3.58	1,387,743	--------

See footnotes at end of table.

Distribution of employment in the industry groups[1] *with special capability for providing employment for the Nation's poverty-stricken unemployed, in relation to the distribution of the poverty-stricken families in the United States*—Continued

	In the United States		In the State		Ratio of total families in State to total in United States	Ratio of total families with incomes under $3,000 in State to U.S. total	Estimate of employment [2] in the—				Ratio of employment in the 48 industries in the State to—		Manufacturing employment in 1962	Unemployment rate in 1962
	Total families in 1960	Total families with incomes under $3,000 in 1959	Total families in 1960	Total families with incomes under $3,000 in 1959			22-industry group	23-industry group	3-industry group	48 industries	Total manufacturing employment in the State	Total U.S. employment in the 48 industries		
	Thous.	*Thous.*	*Thous.*	*Thous.*	*Percent*	*Percent*					*Percent*	*Percent*		*Percent*
Total of regions—Continued														
Northeast:														
Connecticut	------	------	654	64	1.45	.67	27,541	24,836	1,098	53,475	12.94	3.52	413,404	5.0
Delaware	------	------	112	18	.25	.19	562	------	------	562	1.21	.04	46,573	4.5
Maine	------	------	240	55	.53	.58	5,210	514	14,610	20,334	20.16	1.34	100,886	5.7
Massachusetts	------	------	1,292	160	2.86	1.67	23,520	25,998	48,952	98,470	14.04	6.49	701,389	5.5
New Hampshire	------	------	153	23	.34	.24	1,510	1,684	15,283	18,477	21.07	1.22	87,694	3.5
New Jersey	------	------	1,581	180	3.50	1.88	44,430	31,376	3,617	79,423	9.99	5.23	794,826	6.3
New York	------	------	4,336	600	9.61	6.28	120,587	64,117	23,703	208,407	11.21	13.73	1,859,214	5.4
Rhode Island	------	------	220	37	.49	.39	9,508	866	2,373	12,747	10.77	.84	118,321	7.0
Vermont	------	------	94	22	.21	.23	1,626	509	165	2,300	7.03	.15	32,711	7.0
Total	------	------	8,682	1,159	19.24	12.13	234,494	149,900	109,801	494,195	[4] 11.89	32.57	4,155,018	------
North Central:														
Illinois	------	------	2,592	389	5.74	4.07	42,139	44,514	12,614	99,267	8.44	6.54	1,175,411	4.7
Indiana	------	------	1,198	215	2.65	2.25	20,874	24,039	2,120	47,033	8.20	3.10	573,546	4.9
Iowa	------	------	712	180	1.58	1.88	465	6,822	100	7,387	4.50	.49	164,274	3.1
Kansas	------	------	569	127	1.26	1.33	168	1,413	------	1,581	1.41	.10	112,078	3.7
Michigan	------	------	1,944	305	4.31	3.19	10,472	52,639	1,917	65,028	7.05	4.28	922,029	6.7
Minnesota	------	------	837	179	1.85	1.87	2,768	7,087	950	10,805	4.76	.71	227,159	5.2
Missouri	------	------	1,133	305	2.51	3.19	7,792	14,317	25,572	47,681	12.73	3.14	374,560	5.1
Nebraska	------	------	366	95	.81	.99	1,591	544	------	2,135	3.43	.14	62,163	3.1
Wisconsin	------	------	987	172	2.19	1.80	6,130	25,194	9,357	40,681	9.11	2.68	446,711	4.1
Total	------	------	10,338	1,967	22.90	20.57	92,399	176,569	52,630	321,598	[4] 7.92	21.19	4,057,931	------
West:														
Arizona	------	------	312	66	.69	.69	250	1,134	------	1,384	2.55	.09	54,195	5.1
California	------	------	3,992	563	8.84	5.89	35,285	31,359	------	66,644	5.04	4.39	1,320,997	5.9
Colorado	------	------	439	80	.97	.84	247	2,715	------	2,962	3.06	.20	96,828	4.2
Idaho	------	------	166	35	.38	.37	------	173	------	173	.58	.01	29,995	5.5
Montana	------	------	166	33	.38	.34	------	407	------	407	2.01	.03	20,250	5.1
Nevada	------	------	72	9	.16	.09	------	145	------	145	2.13	.01	6,801	5.1
New Mexico	------	------	222	54	.49	.56	------	350	------	350	2.38	.02	14,678	4.7
Oregon	------	------	460	78	1.02	.82	1,524	3,319	------	4,843	3.76	.32	128,721	5.2
Utah	------	------	209	31	.46	.32	100	548	------	648	1.31	.04	49,597	4.5
Washington	------	------	725	111	1.61	1.16	1,088	4,909	------	5,997	2.68	.40	224,005	5.4
Total	------	------	6,763	1,060	14.99	11.08	38,494	45,059	------	83,553	[4] 4.29	5.51	1,946,067	------

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[1] That is, the 22-industry group, the 23-industry group, and the 3-industry group which are separately analyzed in the study, "The Impact of U.S. Foreign Economic Policy on the War on Poverty."

[2] This is the actual number of total employees in 1962 in the industry groups as reported by the Bureau of the Census.

[3] This ratio is the sum of the total estimates of employment in the 48 industries in all regions to the sum of the total manufacturing employment in 1962 in all regions.

[4] This ratio is the total estimate of employment in the 48 industries in each region to the total manufacturing employment in 1962 in the relevant region.

Source: U.S. Department of Commerce, Bureau of the Census, "County Business Patterns, First Quarter 1962"; U.S. Department of Labor, "Manpower Report of the President and a Report on Manpower Requirements, Resources, Utilization, and Training," March 1964; Committee on Education and Labor, House of Representatives 88th Cong., 2d sess., "Poverty in the United States," April 1964.

Pennsylvania had as late as April of this year 447,000 persons on public relief.

The cost of aid to this group amounts to between $260 and $320 million each and every year, and the end is not in sight.

In the month of April, which was the lowest month since 1963, the cost was $23,183,000.

In the same month 187,642 families were forced to appeal to the relief board for the necessities of life.

I am not proud of the fact but the matter of family relief has become part of the way of life of many families whose hopes for betterment in the future depend upon the action of the House.

The relief load in Pennsylvania fluctuates very little. The year-in-and-year-out load has become static; the affliction is chronic.

There are many causes for our continuing deprivation in our area of this Nation.

Not the least of the influences that are destroying our hopes for a comeback is the continuing drive of the profiteering exploiting import-export group who for selfish or at least personal gains are promoting the elimination of all safeguards for U.S. industry and the U.S. worker at the Customs Office.

No Nation can survive in a free-for-all competitive fight where no holds are barred between high-cost and low-cost production areas.

I believe the issue is clear cut. We cannot fully recoup our losses in Appalachia while the free-trade nonprotective proponents succeed in their uneconomic, unsound aims, and are left to freely promote their false doctrines of free trade to an unsuspecting public and the Congress of the United States.

In the search for an answer to our poverty in some areas we must consider all the angles.

The United States is exporting jobs to foreign countries at a faster rate than either industry or Federal subsidy programs can create new ones.

This is the inescapable conclusion of a well-documented study of the effects of this Nation's foreign trade policies on employment trends in this country.

The study also revealed:

First. President Johnson's appealing war on poverty is threatened with dismal failure in its goal of creating new jobs for America's unskilled and poorly edcated men and women who make up the mass of the Nation's poverty stricken.

Second. Our foreign economic policy not only contradicts the job goals of the war on poverty, but also is unresponsive to the realities of the employment needs of the Nation's impoverished, job-hungry group.

The Economic Opportunity Act of 1964, the administration's blueprint for waging war on unemployment and poverty, ignores the impact of foreign trade on joblessness.

This is an unfortunate and perhaps fatal weakness in the administration's battle plan.

The measure does recognize the need for improvement of social services to the poverty stricken. It does provide for job retraining and creation of new educational opportunities.

But these steps, while necessary, simply do not in themselves create new jobs.

The measure, as introduced, called for an assault on joblessness through a $36 million Federal incentive loan program for domestic industries.

Architects of the plan said this fund would create 10,000 new jobs at the rate of $3,600 per job in industries designated by Secretary of Commerce Luther H. Hodges as offering the greatest potential for employment of the impoverished, poorly educated, unskilled worker.

The Commerce Department designated 83 industries as qualifying for incentive loans based on their meeting a five-point test during the 1958–62 period. The criteria established included:

First. A moderate or better growth trend.

Second. A low capital investment per employee.

Third. A low to moderate wage rate.

Fourth. A relatively high use of blue-collar workers.

Fifth. A high labor intensity as measured by labor costs as a percentage of sales.

The 83 industries listed by the Commerce Department are engaged in textile and apparel manufacture, furniture making, wood and paper products, glassware and metal production, and appliance and machinery manufacture.

PRECEDENT FOR LOAN PROGRAM

There is precedent for both the Federal incentive loan program contemplated in the antipoverty bill and for the conviction that high labor content industries offer the greatest promise for creation of jobs that can be filled by impoverished, low-skilled employees.

In its recent annual report the Area Redevelopment Administration said its industrial loan program had been responsible for creation of 20,431 jobs through expenditure of $57.1 million over a 2-year period.

But little or no actual study has been given in the past to what effect, if any, foreign trade and our balance of payments have had on actual employment trends.

Like a shadowy specter, foreign trade has lurked in the background of employment statistics and until now has avoided serious inspection.

This study was undertaken, therefore, in an attempt to relate our foreign trade experience in recent years to the levels of employment in the industries most affected by the antipoverty crusade—a crusade that has captured the imagination of Americans from all walks of life.

The study drew heavily upon available export-import data which had been correlated by the Bureau of the Census. The technique of converting export-import trade balances into job equivalents, through use of output per worker ratios, provided the means for analyzing the effects of foreign trade on the employment experience of industries in the control groups.

JOB LOSSES CITED

Using the Commerce Department's criteria, the study disclosed:

First. Imports resulted in a net loss of 21,174 production jobs between 1958 and 1962 in 48 industries counted upon by the administration to provide new jobs through Federal incentive programs.

Second. An additional 13,763 jobs in nonproduction and service industries which would have been supported by the 21,174 production jobs were lost.

Third. Projection of these experiences to cover 152 industries, of which the 48 were merely a sampling, indicates that 116,460 jobs were lost as a result of increased imports.

The 152 industries include the 83 which met all five tests established by the Commerce Department plus 69 others which met 4 of the 5 tests established to identify those with big potential for employment of unskilled workers.

Paradoxically, none of the industries represented in this study were damaged by the dramatically higher levels of imports from foreign producers. The American industries, on the contrary, enjoyed moderate to good production, sales, and earning increases, and were able to increase capital investments to expand production facilities.

Where did the damage strike?

The full burden of the adverse economic effects of our foreign trade policy was borne by those least able to shoulder it—jobless unskilled breadwinners whose families represent approximately one-fifth of our 30 million citizens living in poverty today.

An increasing proportion of consumer demand in this country for products of the 152 industries was met by goods imported from foreign countries—each of which enjoyed virtually full employment during the 5-year period.

Consider these contrasts in unemployment rates for 1962 alone: the United States, 5.6 percent; Japan, 0.9 percent; Belgium, 1.8 percent; West Germany, 0.7 percent; France, less than 1 percent; United Kingdom, 2 percent; the Netherlands, 0.8 percent; and Italy, 3.1 percent.

These unemployments ratios were recorded in a year when U.S. imports of goods produced by the 48 industries studied had reached $888.1 million, a 90.9 percent increase over the level of such imports in 1958.

During this same 5-year period, exports of the 48 study industries increased only 18.8 percent from $638.0 million to $758.2 million.

Simply put, imports of products of the industries studied quadrupled the rate of growth of their exports during the 5-year period and America's balance of trade shifted from a plus $172.8 million to a minus $129.9 million.

It is apparent from these facts that any steps taken to reduce joblessness in these particular industries that do not provide for an adjustment in the foreign trade picture will meet with certain failure.

SELECTION OF THE INDUSTRIES INCLUDED IN THE STUDY

Of the 83 industries designated by the Commerce Department as meeting all 5 tests, 22 were found to have import-export data correlated by the Census Bureau, providing a representative sampling for study of the effects of foreign trade on their employment trends.

Since one of the five tests—that of a moderate growth trend in employment in recent years—has no connection with identifying industries capable of employing low skill, untrained workers, the study applied the four remaining tests to a broad group of industries. It was found that 69 industries met all of the requirements set by the Secretary of Commerce with the exception of the growth rate tests. Of these 69 industries, 23 were found to have import-export data correlated by the Census Bureau, providing a representative sampling of the four-test group for purposes of analysis.

In addition, three industries with substantial foreign trade which met four or five of the tests were studied separately. For one of the three, among the 83 designated by the Commerce Department, foreign trade data could not be correlated without joining it to a separate industry not included among the 83. The third industry, also included in the list designated by the Secretary of Commerce, accounted for such a large proportion of the exports of those industries for which import-export data had been correlated that its inclusion in the group would have seriously distorted analysis of the average situation of the industries in the total group. Thus, these three industry groups were studied separately from the other two control groups.

The answers to two questions were sought in the study:

First. Are export trends creating jobs of the type the long-term unemployed and members of poor families can perform?

Second. Are import trends eliminating jobs of this type more rapidly than Government programs and private industries can create them?

RESULTS OF ANALYSIS

The results of the analysis of the three groups of industries are depicted graphically, which establish the following salient facts:

First. A weakness common to all of the 48 industries in the 3 study groups is the labor-intensive nature of their output; that is, their products require a relatively high degree of direct labor in the productive process. Since wage rates abroad are uniformly lower by decisive margins than in the United States, foreign industries with comparable plants, equipment, and technology to those of American industries have a competitive advantage through significantly lower production costs.

Second. Job losses attributable to increased competition from imports occurred in all three control study groups during the 5-year period regardless of whether consumer demand for the products was slight or relatively high. This reflects the decisive competitive advantage enjoyed by foreign producers as a result of lower production costs stemming from lower wage rates in the labor-intensive industries.

Third. Relatively high capital expenditures helped to boost the productivity per worker among the industries in the three control groups. This appears to have contributed to moderate increases in exports by domestic producers, but it did not keep import penetration of domestic markets within the same moderate bounds. The noticable exception in export growth occurred in the group of 3 industries studied separately from the 22 and 23 industry groups. The 17-percent average annual rate of growth recorded in the smaller grouping was due primarily to the impact of U.S. buying of textile machinery for export to underdeveloped countries under foreign aid programs. From 1955 to 1963 more than $6.2 billion was expended for such purchases with 44 percent of the total spent in the United States.

Fourth. So long as the industries are labor intensive, regardless of the relative strength of demand, imports increase more swiftly than either domestic or export demand, due to the advantage of lower wage rates enjoyed by foreign producers. The inevitable consequence is an adverse change in the U.S. balance of trade in such products and a concurrent net loss of employment from domestic to foreign producers of the goods. A summary of the shift in the U.S. balance of trade in the 48 labor-intensive industries studied shows:

[Dollar amounts in millions]

Products of industry group	1958	1962	Percent change
U.S. imports:			
22 industries	$216.6	$419.8	
23 industries	198.7	335.5	
3 industries	49.9	132.8	
Total	465.2	888.1	+90.9
U.S. exports:			
22 industries	252.4	281.8	
23 industries	307.0	335.7	
3 industries	78.6	140.7	
Total	638.0	758.2	+18.8
U.S. balance of trade:			
22 industries	+35.8	−138.0	
23 industries	+108.3	+.2	
3 industries	+28.7	+7.9	
Total	+172.8	−129.9	−175.2

A summary of the losses in domestic employment in the 48 industries studied resulting from the adverse foreign trade experience shows:

Products of industry group	1958	1962	Change 1958–62	Percent change
Losses in employment to imports:				
22 industries	13,567	23,752	10,185	
23 industries	12,070	17,213	5,143	
3 industries	4,355	9,555	5,200	
Total	29,992	50,520	20,528	+68.4
Gains in employment due to exports:				
22 industries	13,617	12,742	−875	
23 industries	15,435	14,307	−1,128	
3 industries	5,705	7,062	+1,357	
Total	34,757	34,111	−646	−1.9
Net gain or loss of employment from foreign trade:				
22 industries	+50	−11,010	−11,060	
23 industries	+3,365	−2,906	−6,271	
3 industries	+1,350	−2,493	−3,843	
Total	+4,765	−16,409	−21,174	−444.4

The net loss of jobs of 21,174 represents the number of potential jobs lost as a result of the deterioration of our foreign trade balances in the products of the labor-intensive industries included in the three groups.

In addition to the direct loss of these production workers, the nonproduction workers in the same industries and the supporting and service industry workers called into action would have totaled 13,763—based on 65 supporting workers per 100 production jobs as estimated by ARA—for a gross job loss of 34,937.

The 48 industries studied are a representative sampling of 152 industries, all of which meet 4 or 5 of the Commerce Department tests for high employment potential of impoverished, low-skill workers. The sample group represents 30 percent of the 152 industries Projecting the job loss experience of the sample group to the larger group reveals that the total loss of job potential due to foreign trade in labor-intensive industries was 116,460 during the 5-year period 1958–62.

The total of jobs exported reaches the staggering magnitude of over 11 times the number of jobs (10,000) which the administration proposed creating through a $36 million incentive loan fund to the same types of industries as were adversely affected by our foreign trade imbalance.

ACTION NEEDED TO REVERSE JOB FLOW

It becomes clear that we are exporting jobs at a faster rate than either Government subsidy programs or industry investment spending can create them.

It also becomes clear that our foreign economic policy is unresponsive to the realities of the employment needs of the Nation's impoverished, unemployed worker.

If a successful attack on poverty and unemployment is to be mounted in the United States, some action must be taken to stem the flow of jobs from this country to the relatively low-wage countries competing with our domestic blue-collar industries.

A logical first step is action by President Johnson to reserve the product categories of these labor-intensive industries from further tariff reductions in the trade agreement negotiations now underway in Geneva. This would rule out the proposed 50 percent across-the-board reduction in U.S. duties on the products of foreign industries competing in our domestic markets with our own industries. It would not reverse the outflow of jobs from our shores, but it would at least prevent acceleration of this trend.

A necessary second step to bring back to this country the jobs lost since 1958 to foreign industries is action to limit imports of the products of these blue-collar industries. This could be achieved by limiting such imports to an amount 25.8 percent above the 1958 level of such imports, thus restoring to domestic industry groups the output potential lost to foreign producers since that time.

The reduction of imports required would be $302.7 million, equivalent to only 9.2 percent of the increase in imports in all manufacturing between 1958 and 1962.

Congressional action is needed to set import ceilings because the administration may take such action only when it finds an industry or group of industries has suffered serious injury as a result of unfavorable trade conditions. In the case of the industries cited in this study, no such finding is possible since, as a group, they are enjoying relatively good fiscal health while the army of unemployed in the blue-collar field is growing year by year as producers in other lands increase their sales in the U.S. market at a more rapid rate than the Nation's own industries.

THE IMPACT OF U.S. FOREIGN ECONOMIC POLICY ON THE WAR ON POVERTY: INTRODUCTION

The President has sounded for a national war on poverty; with total victory the objective. It is to be an allout effort to enable people to develop and use their capacities to share in the general well-being of the Nation.—President's message on poverty, March 16, 1964.

The creation of job opportunities for those without jobs, and jobs with a decent income for those among the poor who are in marginal jobs, is a prime means of winning the war on poverty. The size of the job-creating effort required is formidable.

If unemployment were to be reduced a percentage point—to 4½ percent, there would still be over a million long-term unemployed; that is, persons out of work for 15 or more weeks. A large part of these come from the ranks of the poverty stricken. Lacking education or skills, they cannot compete for jobs which require skills and training.—Statement of the Secretary of Labor before the House Education and Labor Committee, March 19, 1964.

Even among the ranks of the skilled and well-trained workers, unemployment and poverty are a reality. While technological change rarely makes workers unemployable, "it is frequent for a displaced worker to find himself required to accept a less challenging and lower paying job. The specialized skill, experience, and seniority which contributed to earning power in the original job frequently do not have transferable market value."—Economic Report of the President, January 1964, page 102.

The burden of technological displacement often falls most heavily on those least able to bear it. Overwhelmingly, the groups displaced have been the less-skilled, less-educated, and therefore poorer members of the labor force. "Some of these workers, who have nontransferable skills or are 'too old' at 40 or 50 to be reabsorbed, are unable to get regular jobs or, in many cases, any work at all. They find themselves in a downward spiral that pulls their children down with them"—the War on Poverty, a Congressional Presentation, March 17, 1964, page 4.

Poverty as the child of unemployment also has a regional aspect. "High rates of unemployment and underemployment and their invariable result—severe poverty—may be found in broad areas such as Appalachia and the Ozarks or in smaller pockets such as certain depleted mineral and lumber areas of the North and the slum-ridden core areas of many of our larger cities. Obviously, one of the most necessary and effective measures for the alleviation of poverty in these areas is to provide a means of stable employment for those who cannot find work"—Ibidem, page 45.

Actions designed to improve the social services available to the poverty stricken, and to give them basic education and training will not in themselves remove these unfortunate people from the ranks of the poverty stricken. They need private enterprise to create jobs—testimony of Administrator, Area Redevelopment Administration, before House Public Works Committee, May 6, 1964. Industries will be their salvation—testimony of the Under Secretary of Commerce, before the House Public Works Committee, May 5, 1964.

SOURCES OF JOBS FOR THE POVERTY STRICKEN IN INDUSTRY

Because of the low skill and training level of the people who predominate in the poverty group, job opportunities necessarily must come from industries with low skill and training requirements for entrants into their work force. The Secretary of Commerce has supplied the following tests to identify the industries most likely to have the ability to provide jobs for the poor—statement of the Secretary of Commerce before the House Education and Labor Committee, March 19, 1964.

First. A moderate or better growth trend in recent years;

Second. A low investment per employee;

Third. A low to moderate wage rate;

Fourth. A relatively high use of blue-collar workers;

Fifth. A high labor intensity, as measured by labor cost as a percentage of sales.

Using these tests, the Commerce Department identified 83 industries as those which appear to offer considerable promise in providing jobs for unemployed persons in the poverty group—the list of 83 industries is set forth in table I, appendix. The tests were refined by the Area Redevelopment Administration, which made the 83 industry selections, as follows:

First. Growth trend: Average employment 1958–60 compared with 1961–62. If 0 to 5 percent moderate; if 5 to 10 percent high growth; over 10 percent, very high growth.

Second. Investment per employee: Less than $7,500 required. If under $1,500, very low; $1,500 to $3,500 low; $3,500 to $7,500, moderate—1957 data.

Third. Wage rate average hourly earnings, production workers. If under $1.50, very low; $1.50 to $2, low; $2 to $2.75, moderate—1962 data.

Fourth. Proportion of blue-collar workers: Production workers as percent of total employment. If 60 to 75 percent, moderate; if 75 to 80 percent, high; if over 80 percent very high—1962 data.

Fifth. Labor intensity: Today payroll as percentage of value of shipments. If 20 to 30 percent, moderate; if 30 to 40 percent, high; if over 40 percent, very high—1962 data.

These tests were developed in connection with title IV of the administration bill, H.R. 10443—the Economic Opportunity Act of 1964—providing for loans up to the sum of $10,000 per job created to firms willing to expand or to come into being and to commit themselves to employ workers from the ranks of the long-term unemployed and members of low-income families.

Data used were taken from Bureau of the Census, 1958 Census of Manufactures, and Annual Surveys of Manufactures, 1959–62.

Opposition to this portion of the bill led to its elimination—see for example House Report 1458, 88th Congress, reporting H.R. 11377, a "clean bill" which elminates the $36 million loan fund. But the tests are appropriate for use in identifying potential sources of jobs for the unemployed in the poverty group in any event. They recognize the low level of skills possessed by these unemployed. They also recognize the particular characteristics of industries which would be able to use workers with a relatively low level of skills.

Whether or not the special loan fund is provided as incentive to firms in these industries to expand their operations, the tests helpfully focus attention on those sectors of the manufacturing economy of the Nation where growth must occur if jobs are to be provided for the unemployed members of the poverty group.

THE JOB-CREATING POTENTIAL OF INDUSTRIES UNDER FEDERAL INCENTIVE PROGRAMS

How many new jobs of the type the long-term unemployed and the unskilled, untrained members of poor families can fill need to be created to win the war on poverty?

In March 1963, 600,000 poverty families were headed by a person who was unemployed. A prior study made in 1961 indicated that 1.6 million family heads were unemployed. Counting the dependents of unemployed family heads, as shown in that study, any program to provide jobs for unemployed family heads would benefit at least one-fifth of the 30 million poverty stricken—"Poverty in the United States," Committee on Education and Labor, House of Representatives, April 1964, page 208.

Area redevelopment projects approved through June 30, 1963, are expected to assist in creating 90,000 jobs. This leaves an unemployment gap of 510,000 jobs in the poverty belt. If these jobs were created, it would bring the unemployment rate in the Nation's low-income areas down to the current national average of about 5.4 to 5.6 percent unemployment—Annual Report of the Area Redevelopment Administration, 1963, page 5.

What programs, projects, or economic forces can create these 510,000 jobs, so urgently needed to win the war on poverty? Under the administration's projected 3½ percent annual productivity increase, 2.1 million jobs per year must be created to keep unemployment from rising. An additional 1.4 million jobs must be created each year for the rest of the decade to absorb the increase in the labor force—U.S. Senate, Committee on Labor and Public Welfare, Subcommittee on Employment and Manpower, "Toward Full Employment," April 19, 1964, page 17. There is considerable doubt that the growth in the economy will fill this need, let alone go beyond and dry up the persistent unemployment among the poverty stricken—"Total employment has been growing, but not at the pace required by these needs." Manpower Report of the President, March 1964, page 15. Report on Manpower Requirements, Resources, Utilization, and Training, U.S. Department of Labor, March 1964, page 4. "Toward Full Employment: Proposals for a Comprehensive Employment and Manpower Policy in the United States," Report of the Subcommittee on Employment and Manpower Policy, Committee on Labor and Public Welfare, U.S. Senate, April 19, 1964, page 2.

The administration's target for creation of jobs by private enterprise specifically to help the poverty problem was formally expressed in title IV of the war on poverty bill, H.R. 10443. It provided for loans to firms undertaking to create jobs for the long-term unemployed and members of poor families.

The total loan fund of $36 million was premised on an average of $3,600 per new job created, or an incentive fund to stimulate the employment of 10,000 poverty-stricken workers—statement of the Secretary of Commerce, before the House Education and Labor Committee, March 19, 1964.

That target was based on the experience of the Area Redevelopment Administration. By the end of fiscal 1963, it had approved industrial loans totaling $57,160,000. It estimated the job-creating potential of these loans as being equivalent to 20,431 jobs—Annual Report of the Area Redevelopment Administration, 1963, page 15. Total industrial/commercial loans totaled $123,433,000; public facility loans and grants totaled $94,858,000. The total number of jobs created through these loans and grants was 90,000 including an estimated 65 indirect jobs created for each 100 direct jobs. Confer annual report, page 5.

This represents a 2-year effort. Since the area redevelopment program is also directed to the increase of employment in areas of chronic unemployment and depressed economic conditions, the magnitude of the job-creation effort is a useful reference point by which to appraise similar efforts under the war on poverty program. The 10,000-job objective of title IV of the war on poverty bill is a prudent goal by this standard.

Despite the greater total need—510,000 jobs—an increase of 20,000 jobs suitable for relatively untrained persons would be of importance in the war on poverty.

FOREIGN TRADE DEVELOPMENTS AS AFFECTING THE WAR ON POVERTY

Little attention has been given to the impact of foreign trade developments on the Nation's war on poverty. Are export trends creating jobs of the type the long-term unemployed and members of poor families can perform?—The chairman of the Board of Manpower, Inc., has declared that "The greatest weapon we could use in the war against poverty would be expanded export trade, for we could absorb 100,000 people into production for every $1 billion boost in export volume." Journal of Commerce, April 28, 1964. Are import trends eliminating jobs of this type more rapidly than Government programs and private industry can create them?—Mr. V. Giscard d'Estaing, French Minister of Finance, recently observed that increased imports of manufactured products in 1963 were estimated to represent the equivalent of the annual output of 170,000 employees of that nation. International Financial News survey, April 24, 1964.

Ignoring the effects of the Nation's foreign trade in manufactures on the war on poverty would be a disservice to the President's call for total war on an enemy "which threatens the strength of our Nation and the welfare of our people."—The President's message on poverty, March 16, 1964.

The possibility exists that the Nation's foreign trade balance in the commodities produced by the industries especially suited to provide employment opportunities for the poverty stricken is helping or harming the war on poverty by advancing or retarding the potential of such industries for new jobs. The facts should be determined.

If foreign trade is helping the Nation to win that war, a correct assessment of its contribution is needed in order that other measures may be scaled realistically to the actual growth required from other sources.

If foreign trade trends are harming the Nation by eliminating job growth in such industries, that fact must be recognized, brought out into the open, and dealt with.

If the Nation is, in fact, threatened with defeat in its war on poverty because adverse import balances neutralize the benefit of other job-creating activities, the cause of such defeat must be known. Without such knowledge, the courage required to overcome the forces of defeat cannot be exercised. The Nation cannot afford to lose this war by default.

The data are at hand to determine these facts. The tests proposed by the Secretary of Commerce identify the sectors of industry capable of providing jobs for the poverty stricken. Title IV of the war on poverty bill, and the experience of the area redevelopment program, supply a benchmark with which to evaluate the significance of gains or losses of employment in these industrial sectors due to foreign trade.

The necessary correlation of import-export data by industrial classification has been achieved, so far as practicable, by the Bureau of the Census and other cooperating Government agencies.—See U.S. Department of Commerce, Bureau of the Census, "U.S. Commodity Exports and Imports as Related to Output, 1962 and 1961," grouping in terms of the 1957 Standard Industrial Classification for industries statistical data for U.S. exports of domestic merchandise, imports for consumption, and domestic output. This, the latest in a series of such reports commencing with data for 1958, republishes the export-import data by industry classification for the years 1958–62. The technique of converting import-export trade balances into employment equivalents through use of output per worker ratios has been demonstrated.—See Salant and Vaccara, "Import Liberalization and Employment," the Brookings Institution, Washington, D.C., 1961, pages 87, 91, 186. See footnote 26, infra.

It remains only for the relevant economic data to be brought together, analyzed, and the results presented. That is the purpose of this paper.

EMPLOYMENT EFFECTS OF FOREIGN TRADE ON INDUSTRIES SELECTED BY THE COMMERCE DEPARTMENT AS POTENTIAL EMPLOYERS OF THE POVERTY STRICKEN

To determine the effect of foreign trade on particular industries, it is necessary to correlate export and import data with the basic economic data of the industry. This requires the grouping of foreign trade data by output categories of the Standard Industrial Classification. Since the classification systems for import, export, and domestic industry data differ considerably, the correlation problem is difficult, and cannot be accomplished for many industry groups.

Of the 83 industries identified by 4-digit Standard Industrial Classifications as most likely to be able to provide jobs for the poverty stricken, the Bureau of the Census has been able to correlate import and export data for only 24 industries—see table I, appendix.

These 24 industries are well distributed throughout the larger group of 83. Their selection, based on the fortuitous event of the matchability of data under the differing classification systems, is entirely random. They may be taken as representative of the larger group under these circumstances.

Two of the 24 industries are atypical and will be separately analyzed. The other 22 industries will thus comprise the primary group of industries whose domestic operations will be examined in relation to import and export trends. These 22 are identified in tables I–1 through I–5, appendix.

The full group of 83 industries identified by Secretary Hodges' five tests for industries with job potential for the poverty stricken had a total employment in 1962 of 2,715,648 workers. The group of 22 industries to be analyzed had 574,667 employees in that year, or 21.2 percent of the total.

The basic data for these 22 industries are summarized in table II, appendix. These data show that the group is well above the national average for all manufacturing concerns in economic growth. They are a dynamic group, vigorously expanding employment and output under strong demand conditions. This is shown by the following trends in basic performance factors:

First. Employment increased, 1958 to 1962, at the average rate of 3.5 percent per year. All manufacturing industries as a group, in contrast, boosted employment at only an average rate of 1.2 percent per year in that period—See table V, appendix, for all manufacturing.

Second. Shipments rose, in value, an average 7 percent per year, much more briskly than all manufacturing sales, which increased at the average rate of 5.2 percent per year.

Third. Value added by manufacture increased an average 7.4 percent per year, somewhat ahead of all manufacturing at 6.2 percent per year. Value added per production worker in the 22-industry group, however, rising at the average rate of 4.3 percent annually, lagged behind the performance of all manufacturing industries at an average 5.1 percent per year. Either rate is commendable for this measure of productivity—see address by the Secretary of Commerce, Los Angeles Industrial Fair and Congress, Los Angeles, Calif., March 6, 1964, page 3; also, the Secretary's address before the Peninsula Manufacturers Association, Palo Alto, Calif., March 5, 1964, page 3. Output per manhour in the private sector of the economy increased at the average rate of 3.1 percent, 1958–63—"Toward Full Employment," report of Subcommittee on Employment and Manpower, Senate Committee on Labor and Public Welfare, April 19, 1964, page 17.

In all manufacturing, output per manhour rose an average 3.7 percent 1960 to 1963. The value added per worker rate of increase of the 22 industries is well above these national productivity estimates—Economic Report of the President, January 1964, page 97.

Fourth. Capital expenditures rose an average of 10.4 percent per year, four times the rate of increase in the all-manufacturing group at an average rate of 2.6 percent per year. Capital expenditures per production worker in the 22-industry group rose an average 6.6 percent per year, also quadruple the rate of increase in all manufacturing industries, at an average of 1.7 percent per year.

In view of the low capital expenditure rate for all manufacturing, the greater efficiency implied by the higher value added per production worker rate of increase by all manufacturing would seem to be the result of increased utilization of previously underutilized capacity. The 22-industry group's much higher rate of capital expenditure increases, on the other hand, coupled with the somewhat lower rate of increased productivity, would seem to imply that the latter's boost in output came through the creation of new capacity rather than absorbing previously underutilized capacity.

These data suggest that the 22-industry group was expanding capacity as well as output, while the all-manufacturing group was expanding output in existing capacity—see table annexed to address by Chairman, President's Council of Economic Advisers, before the Midwest Economics Association, Chicago, Ill., April 17, 1964, indicating that the actual operating rate of all manufacturing industries in December 1963 was an estimated 85 percent, and in December 1964, 87 percent.

Fifth. Earnings per production worker rose an average of 2.7 percent per year in the 22-industry group; and by 3.5 percent for all manufacturing. In view of the more rapid rise in the value of shipments in the 22-industry group than in the all-manufacturing-industries group, the lower rate of increase in earnings per worker led to a higher earnings rate in the smaller group, as indicated below.

Sixth. Gross earnings, as measured by the value of shipments less the sum of payroll and materials costs, increased for the 22-industry group at the average annual rate of 8.6 percent. Gross earnings is calculated by subtracting payroll costs from value added by manufacture, which in turn is approximately equal to the value of shipments less the cost of materials, electrical energy, and fuel. See item A–10, tables II–V, appendix. For all manufacturing, the average rate of increase was 7.5 percent per year.

Seventh. The labor intensity of the output was higher in the 22-industry group, with payroll costs averaging 29.8 percent of the value of shipments in 1962—down from 30.5 percent in 1958. In all manufacturing, payroll costs represented 22.5 percent of the value of shipments in 1962, virtually unchanged from the 1958 average of 22.6 percent.

The vigor of demand for the products of the 22-industry group is unmistakable. Its strength carried the group well above the average of all manufacturing industries, and provided, through increased sales, the funds for a rapid increase in capital expenditures for an expansion of capacity and a striking increase in employment.

On the average, these industries were in buoyant economic circumstances which should have placed them on an excellent footing to face foreign competition in the import and export markets. The single factor of disadvantage of this group for such competition in comparison with the all manufacturing group lay in the significantly higher labor content of its products.

The foreign trade experience of this dynamic, expanding group of industries is a seeming paradox. From the data presented in table II, appendix, the outstanding aspects of that foreign trade experience are summarized as follows:

First. Imports of products competitive with the output of the 22 industries increased at an average rate of 19.6 percent per year. This was more than double the rate of increase in imports of all manufactures, which rose an average 9.2 percent per year, 1958–62.

Second. Exports by the 22-industry group increased a modest average 2.8 percent per year. Exports of all manufactures were nearly twice as swift in their increase, rising at the average rate of 4.8 percent per year.

Third. The balance of trade in the products of the 22 industries accordingly shifted from a favorable balance of $35.8 million in 1958 to a sharply unfavorable balance of $138 million in 1962. The rate of decline was an average 121 percent per year. The all-manufacturing group had a favorable balance throughout the period, but it declined from $5.6 billion in 1958 to $5.2 billion in 1962, a drop of 8.2 percent over the period.

Fourth. The import share of apparent domestic consumption rose rapidly, at an average rate of 10 percent, notwithstanding the increased rate of output of the 22 industries mentioned above. At the same time, the export portion of their shipments declined at the average rate of 4.5 percent per year. This import penetration of the domestic market and simultaneous shrinkage in the export output of the 22-industry group was 3 times as great as the experience of the all-manufacturing group. Imports of all manufactures increased their share of the domestic market at an average rate of 3.3 percent from 1958 to 1962, while the portion of domestic industry shipments of manufactures exported declined at the average rate of 0.2 percent per year.—Chart omitted from the RECORD.

The seeming paradox lies in the fact that the 22-industry group with a more dynamic economic performance than the average of all manufacturing fared much more poorly in foreign trade than the all-manufactures group. The adverse force of swift import penetration of domestic markets and sharply falling export activity was 3 times as great on the 22-industry group as on all manufacturing as a whole.

Two factors must be given primary weight in bringing this about. The strength of domestic demand for the products of the 22 industries was sufficient to expand the domestic market rapidly enough to receive the increased domestic output along with the increased imports. The high labor content of the domestic products gave the foreign products a sufficient advantage under lower foreign wage costs to command a more rapid entry into the expanding domestic market than the increased domestic output.

The situation of the 22-industry group is not the usual one of domestic industries forced into marginal pricing and depressed earnings by rapidly rising imports entering a market too stagnant to permit growth for both the domestic and foreign product. For the group as a whole, economic injury of this sort is not suggested by the aggregate data—though this may well be the situation of individual industries within the group.

Instead, the case of the 22 industries illustrates the important but paradoxical fact that adverse foreign trade developments may, in a dynamic market, cause an absolute loss of domestic jobs without causing the domestic industries concerned serious economic injury. From the point of view of the Nation's war on poverty it is of outstanding importance that the capacity of rapidly increasing imports and declining exports to eliminate jobs, actual and potential, even in a dynamic domestic market, be understood.

The employment consequences of the foreign trade developments discussed above may be summarized as follows:

First. The employment equivalent of imports, measured by converting import values on a current import factor basis at output per worker ratios for the years in question, increased from 13,567 workers in 1958 to 23,752 in 1962. This represents a loss of 10,185 potential jobs to the domestic economy. These losses of potential jobs increased at the average rate of 16.7 percent per year, 1958 to 1962. For all manufacturing industries, losses of potential jobs due to imports increased at the average rate of 4.8 percent during the period.

Second. The employment equivalent of exports, measured by converting export values at output per worker ratios for the years in question, declined from 13,617 jobs in 1958 to 12,742 jobs in 1962. This is a loss to the economy of 875 jobs. These losses grew at the average rate of 1.5 percent per year during the period. In the all manufacturing industry group, there were job gains due to exports, averaging 0.8 percent per year.

Third. The employment potential due to foreign trade changed from a gain of 50 jobs in 1958 in the 22-industry group to a loss of 11,010 jobs in 1962. The net loss of jobs during the period due to adverse foreign trade trends was 11,060.

The 11,060 jobs lost to the 22 industries, and to the domestic economy, as a result of the adverse foreign trade trends described above are of major importance to the war on poverty. This is more jobs than the administration hoped to create through the expenditure of $36 million under title IV of the war-on-poverty bill.

The ARA has found that for every 100 jobs created directly, another 65 jobs come into existence indirectly—annual report of the Area Redevelopment Administration, 1963, page 5. This figure of 65 jobs created indirectly per 100 created directly would appear to be an underestimate when compared with Salant and Vaccara, in the work cited, pages 44–45, who give the relationships between employment decreases in a given industry and the consequent employment decreases in all industries; application of the median figure, 58.53 percent, derived by them, leads to an estimated indirect loss of 70.58 jobs for each direct decrease of 100 jobs. The jobs that would have been created domestically to fill the demand supplied by increased imports and the declining exports would have called into being 7,189 additional jobs. The total loss to the Nation, therefore, is 18,249 jobs. Had these jobs been created in the United States, with its high rate of unemployment, rather than abroad, where acute labor shortages exist, the poverty-stricken, long-term unemployed heads of poor families would have benefited—the unemployment rate in 1962 in the United States was 5.6 percent, compared with 0.9 percent in Japan, 1.8 percent in Belgium, 0.7 percent in West Germany, less than 1 percent for France, 0.8 percent in the Netherlands, 2 percent in the United Kingdom, and 3.1 percent in Italy. International Labour Review, Statistical Supplement, March 1964; "EEC Graphs and Notes on the Economic Situation in the Community," February 1964, page A2.

EMPLOYMENT EFFECTS OF FOREIGN TRADE ON OTHER INDUSTRIES WHOSE ECONOMIC CHARACTERISTICS MAKE THEM POTENTIAL EMPLOYERS OF THE POVERTY STRICKEN

The tests formulated by the Secretary of Commerce to identify industries with special potential as employers of the jobless among the poverty stricken are based on a realistic appraisal of, first, the lack of skills or training of those persons, and second, the ability of industries which are highly labor intensive, but low in skill or training requirements for new workers, to employ such persons.

The industries which meet the Secretary's five tests are likely to have low entry requirements for new employees so far as skill and training are concerned. Being labor intensive, an increase in demand or output in such industries is likely to be more quickly translated into new jobs for unskilled workers than for others.

One of the five tests, a moderate or better growth trend in employment in recent years, has no connection with identifying industries with products of high labor content and an ability to employ low-skill, untrained workers. Rather, it is based on the notion that the best opportunity for further growth exists in industries already experiencing a growth trend.

The job potential for the poverty stricken in industries which meet all of the tests except growth in employment, however, could be substantial. An examination should be made to determine how large a group of industries is involved which meet all of the tests except that of growth in employment. The employment potential of those industries under all pertinent economic circumstances should be considered. Unless this is done, the full potential for creating jobs for the poverty stricken in industries particularly able to employ them cannot be known.

Accordingly, the Secretary's tests were applied to all other four-digit SIC industries for which import and export data have successfully been correlated by the Bureau of the Census. A group of 23 industries was identified which meet each of the tests except growth in employment as measured by the Commerce Department. These industries are well distributed throughout the Standard Industrial Classification system.

Since the selection of this new group was based on fortuitous factors, as previously explained in connection with the 22 industries which meet all five tests, the group represents a random sample. The 23 industries may therefore be taken as representative of all industries which meet the four tests. It is estimated that a total of 69 industries with an estimated 2,028,738 employees in 1962 meet the four tests, but not the fifth. Of the total of 416 four-digit SIC manufacturing industries, 83 met the Secretary of Commerce's 5 tests. Of the remaining 333 industries, the Bureau of the Census was able to correlate import and export data for 111. This is a 33⅓ percent sample of the 333. An analysis of these 111 industries identified 23 which meet the four tests—excluding the fifth test of growth in employment. These 23 represent a 20.7 percent sample of the 111 industries. Since the 111 were representative of the 333, the analysis reasonably indicates that 20.7 percent or 69, of the 333 would meet the four tests. Total employment of the 23 in 1962 was 676,253; average of the 23 was 29,402. Since the 23 are representative, it may be assumed that the average employment, 29,402, is representative of employment in the 69 industries which, out of the 333, would meet the four tests. Therefore, total employment in the 69 industries may be estimated at 29,402 by 69, or 2,028,738. The 23 industries selected on the basis of availability of export-import data had 676,253 employees in 1962, or 33 percent of the total.

The basic data for this group of 23 industries are summarized in table III, appendix. These data show that this group of industries has been consistently below the national average for all manufacturing concerns in economic growth. Moreover, the group is markedly below the economic growth rates of the 22-industry group previously discussed.

First. Employment increased, 1958 to 1962, at the average rate of 0.1 percent per year for the 23-industry group. A 6.5 percent rise in employment in 1959 was erased by 1961, and employment remained relatively unchanged at the end of the period. This contrasts with the 1.2 percent average rate of increase for all manufacturing, and the 3.5 percent rate for the 22-industry group.

Second. Shipments rose, in value, an average 4.5 percent per year, lagging moderately behind the average of all manufacturing at 5.2 percent, and well below the rate of increase of the 22-industry group of 7 percent per year. The demand for products of the 23 industries was thus weaker than for manufactures generally, and much weaker than for the products of the 22-industry group.

Third. Value added by manufacture increased an average of 5.2 percent per year, lagging behind the rise in all manufacturing of 6.2 percent, and in the 22-industry group of 7.4 percent per year. Value added per production worker rose an average 4.8 percent per year, also below the all manufacturing rate of 5.1 percent. Here the 23-industry group performed better than the 22-industry group, whose average rate of increase for the 1958–62 period was 4.3 percent per year. However, part of the difference in performance between the 22-industry group and the 23-industry group is attributable to a more rapid rate of increase in average annual man-hours per production worker in the 23 industries, 0.9 percent, as compared with the 22 industries, 0.2 percent.

Fourth. Capital expenditures by the 23-industry group rose an average 11.2 percent per year, in contrast to the all manufacturing rate of 2.6 percent. It is about the same as the rate achieved by the group of 22 industries. Capital expenditures per production worker in the 23-industry group rose an average 10.8 percent per year, well ahead of the 6.6 percent rate for the 22-industry group, and strikingly above the average of all manufacturing, at 1.7 percent per year.

Fifth. Earnings per production worker rose an average 3.3 percent per year in the 23-industry group. This was close to the average of all manufacturing at 3.5 percent, and above the performance of the 22-industry group whose employee earnings rose at the average rate of 2.7 percent per year.

Sixth. Gross earnings, as measured by the value of shipments less the sum of payroll and materials costs, increased at the average rate of 7.2 percent per year. This was close to the performance of all manufacturing industries as a whole at 7.5 percent per year, but below the rate of increase in gross earnings of the 22-industry group, at 8.6 percent per year.

Seventh. The labor intensity of the output of the 23-industry group was on the average 30.3 percent of the value of shipments in 1962—down from 31.4 percent in 1958. In all manufacturing, payroll costs accounted for 22.5 percent of the value of shipments in 1962, virtually unchanged from 1958. The labor intensity in the 23-industry group was nominally higher than the 22-industry group, where the corresponding ratio was 29.8 percent in 1962.

From this analysis it is evident that the quality of demand was entirely different for the 23-industry group than for the 22. The 23 experienced a below-average rise in demand; the 22, a sharply above-average increase. The above-average rate of capital expenditures for the 23 coupled with relatively slack demand increased productivity sufficiently so that increases in employment were not required to produce the moderately increased output.

The high rate of increase in capital expenditures per worker indicates that these industries are, on the average, quite progressive. The ultimate determinant of their economic pace is simply the relatively weak state of demand for their products, in contrast with the exceptionally strong demand for the products of the group of 22 industries.

The 23-industry group has two basic disadvantages in competing with foreign products: the high labor content of its products, and the cost burden of the under utilization of capacity reflect by the slackness in domestic demand in the face of sharply increased capital expenditures.

The foreign trade experience of this group of industries conforms to the economic consequences of these principal disadvantages: the slackness of demand affects the imports as well as the domestic shipment; and the high labor content makes imports sufficiently competitive to yield a steady penetration of the domestic market notwithstanding the relatively weak state of domestic demand.

From the data presented in table III, appendix, the outstanding aspects of the foreign trade experience of the 23-industry group are summarized, as follows:

First. Imports of products competitive with the output of the 23-industry group increased at an average rate of 14.4 percent per year, 1958–62. This compares with the rate of 9.2 percent for all manufactures, and 19.6 percent for the 22-industry group. The higher rate than all manufactures reflects the two disadvantages previously mentioned. The lower rate than that of the 22-industry group reflects the lower level of demand for products of the 23-industry group in the U.S. market.

Second. Exports by the 23-industry group increased an average 2.4 percent per year, 1958–62. This is virtually the same rate as the 22-industry group, but only half the 4.8-percent rate of increase in exports of all manufactures. The nearly identical expansion rate in exports for the 22- and 23-industry groups reflects the basic fact that high labor content industries have little success in surmounting the cost and price advantages which low foreign wage costs yield in labor-intensive, low technological content products.

Third. The balance of trade in the products of the 23 industries declined from a favorable balance of $108 million in 1958 to $0.2 million in 1962. The rate of decline was an average 34.2 percent per year, compared with a decline in all manufactures of 8.2 percent for the entire period. This decline, though pronounced, was less extreme than in the case of the 22-industry group, whose favorable trade balance dropped at the average rate of 121 percent per year.

Fourth. The import share of apparent domestic consumption rose rapidly, at an average rate of 8.6 percent per year, compared with an average rate of import penetration of all manufactures of 3.3 percent per year. The export portion of the shipments of the 23-industry group declined at an average rate of 3 percent per year, 1958–62, compared with an average 0.2 percent decline in the export share of shipments of all manufactures.—Chart omitted from the RECORD.

It may seem paradoxical that the 23-industry group, with a higher labor intensity in its products than the 22-industry group, and a less vigorous rate of output, has not experienced developments in foreign trade as adverse as those affecting the more dynamic 22-industry group. The explanation is found in the difference in the strength of demand in the domestic market for the one group of products compared with the other.

Growth in both imports and domestic shipments is ultimately a function of domestic demand. The cost advantage of foreign products with high labor content tends to yield a more rapid rate of increase for imports than for domestic shipments of like products. The increase in imports is necessarily more rapid in labor-intensive product areas enjoying the strongest domestic demand. This economic axiom is demonstrated by the data for the 23-industry group when compared with those for the 22-industry group.

The employment implications of the foreign trade developments in the less dynamic industry group—the 23—are vitally important to victory in the war on poverty. These implications may be drawn from the foreign trade data of the 23-industry group shown in table III, appendix. They may be summarized as follows:

First. The employment equivalent of imports, measured from import values at domestic output per worker ratios, increased from 12,070 jobs in 1958 to 17,213 jobs in 1962. The rate of increase averaged 9.6 percent per year, in contrast to the 4.8 percent rate for all manufacturing industries. Loss of job potential due to import displacement is thus occurring in the 23-industry group at double the rate at which potential jobs are being lost in manufacturing as a whole. The net increase in job losses in the 23-industry group during the period was 5,143. This is about half the loss in job potential experienced by the 22-industry group during the period.

Second. The employment equivalent of exports, measured by converting export values at output per worker ratios for the period 1958–62, declined from 15,435 jobs in 1958 to 14,307 in 1962. The average rate of decline was 1.7 percent per year, in contrast with the 0.8 percent rate of decline experienced by all manufacturing. The net job loss was 1,128, somewhat more than the loss of 875 jobs experienced in the export decline in the 22-industry group.

Third. The net employment potential of foreign trade for the 23-industry group changed from a net gain of 3,365 jobs in 1958 to a net loss of 2,906 jobs in 1962. This represents a total loss of 6,271 jobs between 1958 and 1962 as a result of the adverse developments in foreign trade of the products of the 23-industry group.

The 6,271 jobs lost to the 23 industries from adverse developments in foreign trade represent a lost opportunity for employment of the poverty stricken. Though the extent of the loss is about half that in the 22-industry group, it is large enough to be of real importance in winning the war on poverty.

When these production worker job losses are augmented by the supporting and service industry jobs which their creation would generate, the total loss stemming from the impact of foreign trade on the 23-industry group is 10,347. This is more jobs lost to the poverty stricken than the administration sought to create through title IV of the war on poverty bill.

These jobs might have been reserved for the poverty stricken. Instead, they were exported to be filled in the acutely labor-short producing areas of Europe and Japan. This need not occur. Given an understanding of the problem, and the importance of these job opportunities for the Nations' poverty stricken, the beginning of policy formation for a reasonable regulation of the rate of growth in imports to control these losses can take place. The need is acute here; nonexistent in the industrial countries abroad.

EMPLOYMENT EFFECTS OF FOREIGN TRADE ON A MIXED GROUP OF INDUSTRIES, ATYPICAL OF THE PRECEDING GROUPS, WITH POTENTIAL FOR EMPLOYMENT OF THE POVERTY STRICKEN

Three industry groups with substantial foreign trade, and responsive to four or five of the tests proposed by the Secretary of Commerce to identify potential employers of the poverty stricken have been separated from the 22- and 23-industry groups previously discussed.

For one, included in the 83-industry group selected by the Commerce Department, foreign trade data could not be correlated without joining to it a separate industry not included among the 83. These combined industries thus belonged neither with the 22- nor the 23-industry group.

Another industry, also included among the 83, accounted for such a large proportion of the exports of the group of industries out of the 83 for which import-export data had been correlated by the Bureau of the Census that its inclusion in the group would have introduced a bias seriously distorting analysis of the average situation of the industries in the group.

These three industries were therefore separated from the other groups for independent analysis.

This three-industry group is less dynamic in employment and output than the average of all manufacturing. It is, however, considerably more dynamic than all manufacturing in capital expenditures on both an absolute and a per worker basis. This has yielded a higher rate of increase in productivity per worker for the three than for all manufacturing. The data in table IV, appendix, pertaining to this three-industry group may be summarized as follows:

First. Employment increased, 1958 to 1962, at the nominal average rate of 0.5 percent per year. This is above the 0.1 percent rate of growth for the 23-industry group. It is, however, below the 1.2 percent annual rate of increase for all manufacturing, and sharply below the 3.5 percent annual rate for the 22-industry group.

Second. Shipments rose, in value, an average of 4.6 percent per year, almost identical with the growth rate for the 23-industry group. This rate is below the average of all manufacturing at 5.2 percent, and well below the growth rate for shipments by the prime 22-industry group, at 7 percent per year.

Third. Value added by manufacture increased an average of 4.7 percent per year, below the growth rate of all the other groups. These ranged upward as follows: The 23-industry group, by 5.2 percent; the average of all manufacturing, 6.2 percent; and the prime 22-industry group, 7.4 percent per year. Value added per production worker, the main productivity index, rose for the three-industry group an average of 6.2 percent per year—above the rate of increase in productivity for all the other groups. They rose at the following rates: The 22-industry group, by an average of 4.3 percent per year; the 23-industry group, 4.8 percent; and the average of all manufacturing, 5.1 percent. Thus, the three-industry group's increased output coupled with its lower rate of growth in employment yielded the highest per worker productivity rise.

Fourth. Capital expenditures by the three-industry group contributed importantly to this rise in per worker productivity. For the period 1958 to 1962, the 3-industry group increased its capital expenditures at the average annual rate of 11.6 percent, ahead of the 11.2-percent rate for the 23-industry group, the 10.4-percent rate of the prime 22-industry group, and sharply ahead of the 2.6-percent average rate of increase for the all-manufacturing group. Capital expenditures per worker by the three-industry group rose an average of 14.5 percent yearly, 1958 to 1962. This was far ahead of the 10.8-percent rate of the 23-industry group, the 6.6-percent rate of the 22-industry group, and the 1.7 percent rate for all manufacturing.

Fifth. Earnings per production worker rose an average of 4.1 percent per year in the three-industry group, above the performance of all the other groups. All manufacturing annual production worker earnings rose an average of 3.5 percent per year; those of the 23-industry group, 3.3 percent; and the 22-industry group by 2.7 percent. The larger influx of new workers in the more rapid growth in employment in the latter groups undoubtedly influenced these average per worker earnings figures. In view of the stable employment situation in the three-industry group, the 4.1 percent average annual rate of increase in worker earnings indicates exceptional participation by the workers in the increased sales of the industry.

Sixth. The gross earnings of the three-industry group, measured by the difference between the value of shipments and the sum of payroll and materials costs, increased an average 6.4 percent per year. This was below the rate of increase experienced by the other industry groups. The prime 22-industry group was greatest, at an average 8.6 percent per year, and all manufacturing next at 7.5 percent followed by the 23-industry group at 7.2 percent. The higher rate of increase in capital expenditures and of employee payments by the three-industry group contributed to some extent to the lower gross earnings performance.

Seventh. The labor intensity of the output of the three-industry group was, on the average, 32.9 percent of the value of shipments in 1962—down from 35.5 percent in 1958. This 8-percent decline in the labor content of the group's products is due to the large increase in capital expenditures and in the productivity of its workers. None of the other groups experienced such a marked reduction in the labor content of their products. All manufacturing reduced the labor cost portion of the value of shipments less than one-half of 1 percent, 1958 to 1962; the 22-industry group, by slightly over 2 percent; and the 23-industry group by 3.5 percent.

From this analysis, it is evident that the three-industry group achieved exceptional productivity rises with the help of above-average capital expenditures. Demand was too weak, in the face of this increased production efficiency, to result in output calling for any significant increase in the work force. Under stable employment conditions the exceptional improvement in productivity brought about a sharp reduction in the proportion of the value of shipments represented by labor costs.

The three-industry group retained at the end of the period, however, a major disadvantage from the point of view of foreign trade in the residual high labor intensity of product. The foreign trade experience of this group of industries reflects to a degree the competitive handicap of the difference in domestic and foreign wage costs in a labor-intensive product category.

The sharp increase in productivity and the sharp decline in the labor intensity of product represent mitigating factors which manifested themselves in the industry group's export experience. The export experience was significantly influenced by heavy U.S. foreign aid expenditures for textile machinery for shipment to underdeveloped countries. As of June 30, 1963, project expenditures on textile machinery for countries of the Near East, South Asia, and the Far East during the period 1955–63 totaled $6.2 billion; nonproject expenditures for textile machinery for export to such areas totaled $66.5 million. In fiscal year 1963, 44 percent of AID expenditures for textile machinery were made in the United States. Source: Agency for International Development.

From the data presented in table IV, appendix, the key aspects of the foreign trade experience of the three-industry group are summarized, as follows:

First. Imports of products competitive with the output of the three-industry group increased at an average rate of 28.1 percent per year, 1958–62. This is double the rate of the increased imports affecting the 23-industry group, at 14.4 percent, and triple the rate of increased imports of all manufactures, at 9.2 percent per year. It is also well above the 19.6 percent average rate of increased imports in the 22-industry group.

The strength of domestic demand increased in the 3-industry product group at virtually the same rate as in the 23-industry group, but below that for all manufacturing. Yet the imports of the products competitive with the three-industry group rose sharply at double the rate of increase of the 23-industry group. The higher labor intensity of the products of the 3 in comparison with the 23 provides a partial explanation of the swifter import rise.

Second. Exports by the three-industry group also increased at a recordbreaking pace. The average rate of increase was 17 percent per year, 1958–62, compared with a 2.4 percent rate for the 23-industry group, 2.8 percent for the 22-industry group, and 4.8 percent for all manufacturing as a whole. Foreign aid expenditures for textile machinery, one of the three industries, chiefly explains this strong export rise, as previously noted.

Third. The balance of trade in the products of the three industries rose irregularly, 1958 through 1961, from $28.7 million to $43.1 million, then dropped off sharply to $7.9 million in 1962. The drop in the trade balance, 1962 compared with 1958, was 72.5 percent from 1961 to 1962, 81.7 percent.

Fourth. The important share of apparent domestic consumption rose steadily during the period 1958 to 1962, increasing at the average rate of 21 percent. This sharply contrasts with the average rate of import penetration of 10 percent per year for the 22-industry group, 8.6 percent for the 23-industry group, and 3.3 percent per year for all manufacturing as a whole. The export portion of the total shipments by the three-industry group fluctuated during the period, increasing on the average by the rate of 1.1 percent per year.—Chart omitted from the RECORD.

Because of the strong foreign aid subsidization of exports of textile machinery, the experience of the three-industry group is not representative of the participation in the export trade which a labor-intensive U.S. industry with similar economic characteristics would normally attain. Even with such governmental assistance for its exports, however, the group's net experience with foreign trade has been decidedly adverse.

The employment implications of the foreign trade trends for the group of three industries are quite serious. Like those affecting the 22- and 23-industry groups, they constitute a significant deterrent to the creation of jobs for poverty-stricken, unemployed persons of low skill levels in labor-intensive industries. From the foreign trade data shown on table IV, they may be summarized as follows:

First. The employment equivalent of imports, measured by converting cost, insurance, and freight import values at output per worker ratios, increased from 4,355 jobs in 1958 to 9,555 jobs in 1962—an average increase of 21.9 percent per year. This is the sharpest job loss rate of any of the groups: that for the 22-industry group averaged 16.7 percent per year; the 23-industry group, 9.6 percent; and all manufacturing, 4.8 percent per year during the same period.

Second. The employment equivalent of exports, measured by converting export values at output per worker ratios, increased from 5,705 jobs in 1958 to 7,062 jobs in 1962—an average rate of increase of 6.2 percent per year. This atypical export performance, influenced by heavy foreign aid expenditures, contrasts sharply with the 0.8-percent rate of increase for all manufacturing, the 1.7-percent rate of decline for the 23-industry group, and the 1.5-percent rate of decline for the 22-industry group.

Third. The net employment potential due to foreign trade of the 3-industry group changed from a net gain of 1,350 jobs in 1958 to a net loss of 2,493 jobs in 1962. This represents a total loss of 3,843 jobs between 1958 and 1962 as a result of the adverse developments in foreign trade of the products of the 3-industry group.

These 3,843 jobs lost to the three industries from adverse developments in foreign trade must be added to the lost opportunities for employment of the poverty stricken previously discussed. Though smaller than the losses sustained in the 22- and 23-industry groups, these employment positions transferred to foreign industry could have been held in America for the benefit of our long-term unemployed.

When augmented by the indirect jobs of supporting and service industry personnel which their creation would have called into being, the total loss from adverse foreign trade balances in the products of the three-industry group amounts to 6,341 potential jobs.

SUMMARY OF THE FOREIGN TRADE DEVELOPMENTS AFFECTING THE INDUSTRY GROUPS WITH SPECIAL POTENTIAL FOR EMPLOYING THE POVERTY-STRICKEN

The three groups of industries analyzed in preceding sections of this study respond to the principal criteria which tend to identify those industries particularly capable of providing employment for low-skilled or untrained workers. This is the class of worker victimized by long-term unemployment and its economic blight in depressed areas.

Because these industries are labor intensive—that is, their products require a relatively high input of direct labor in production, they may be especially sensitive to foreign competition. Since wage rates abroad are uniformly lower—by decisive margins—than in the United States, foreign industries with comparable plants, equipment, and technology as American industries often have significantly lower costs than their U.S. competitors.

The rebuilding of plants, and the reequipping of factories in Europe and Japan after World War II have frequently brought foreign manufacturing establishments to a more efficient state of unit labor productivity than like establishments in the United States. It is sensible and factual, therefore, when considering the potential as employers of the poor of domestic industries which are highly labor intensive in their operations, to consider the impact of foreign trade developments on the operations and potential of such industries.

In the war on poverty, it is agreed that the creation of new job opportunities, as quickly as possible, for the employable persons among the poverty stricken is essential. Correctly the Government is looking to particular kinds of industries to provide such employment. They have not provided the desired number of jobs heretofore. To do so in the future will require some change in the economic circumstances of these industries.

These industries are in a fluid economic situation. Government policies leading in the direction of expansion can be helped, neutralized, or undermined by other forces. Foreign trade is one of these potentially helpful—or harmful—forces. The exact potential, and its magnitude, must be ascertained. Once known, policy can be made which responds with realism to the actual situation of these potential employers of the poverty stricken.

The foreign trade developments affecting these industries have been discussed as part of each industry group's analysis. By considering the principal economic forces at work on these groups—each significantly different from the others—these foreign trade developments can be placed into proper perspective.

From this analysis, it has been indicated that job losses in the United States can and do occur from adverse foreign trade balances whether demand within the domestic market for the products concerned is strong or weak.

As industries boost their productivity per worker by a high rate of capital expenditures, they may become more competitive with imports, and in export markets. In none of the three groups, with their differing economic characteristics, however, did the increase in productivity keep imports of labor-intensive products within the range of the average rate of growth in domestic demand for manufactured products. Increased productivity appears to sustain moderate increases in exports of labor-intensive manufactured articles, but it does not keep import rises within an equally moderate rate of growth.

So long as the industries are labor intensive, regardless of the relative strength of demand, imports increase more swiftly than either domestic or export demand. The consequence is inevitable: The U.S. balance of trade in such products changes adversely. The net loss of trade subtracts employment here, and adds it abroad for the production of the increased flow of foreign goods into the U.S. market.

The implications of these developments for the labor-intensive domestic industries which comprise the groups able to contribute to new employment opportunities for the poverty stricken appear grave.

This shift in the U.S. balance of trade in labor-intensive manufactures is shown by the following summary of U.S. foreign trade in the products of the three industry groups analyzed in this study:

[Dollar amounts in millions]

Products of industry group	1958	1962	Percent change
U.S. imports:			
22 industries	$216.6	$419.8	----------
23 industries	198.7	335.5	----------
3 industries	49.9	132.8	----------
Total	465.2	888.1	+90.9
U.S. exports:			
22 industries	252.4	281.8	----------
23 industries	307.0	335.7	----------
3 industries	78.6	140.7	----------
Total	638.0	758.2	+18.8
U.S. balance of trade:			
22 industries	+35.8	−138.0	----------
23 industries	+108.3	+.2	----------
3 industries	+28.7	+7.9	----------
Total	+172.8	−129.9	−175.2

The growth in imports is more than quadruple the growth in exports. The trade balance has quickly—and permanently—swung into a deficit, which is worsening at a rapid rate.

The combination of forces—loss of exports and swift increase of imports—means loss of domestic output and employment. The trend is so gross, and so persistent, as to be unmistakable.—Chart omitted from the RECORD.

SUMMARY OF THE EMPLOYMENT EFFECTS OF FOREIGN TRADE IN THE INDUSTRY GROUPS WITH SPECIAL POTENTIAL FOR EMPLOYING THE POVERTY STRICKEN

Three Government programs—two in being and one proposed—are directed toward the creation of new jobs for the long-term unemployed in economically retarded areas. These programs are based upon Federal loans to stimulate expansion of activity in industries located in areas and with employee entrance requirements likely to result in new jobs for members of poor families.

The Area Redevelopment Administration and the Small Business Administration have spent $110.5 million in an effort to create an estimated 45,079 jobs in industrial facilities in such areas since their programs began—annual report of the Area Redevelopment Administration, 1963, pages 5, 15; Small Business Administration, press release, SBA 1598, May 1, 1964. Title IV of the war on poverty bill would seek to create 10,000 jobs with the aid of $36 million. Adverse trends in foreign trade in labor-intensive manufactures can substantially erase the benefit to the hard-pressed areas of unemployment where these jobs are being created.

The 10,000-job goal of the war-on-poverty bill and the 45,079-job achievement of the two Government agencies present realistic measures with which to appraise the significance of job gains or losses from foreign trade in the industry groups most likely to employ the poverty stricken.

The following summary presents the indicated gains and losses in employment in these industry groups:

Products of industry group	1958	1962	Change 1958–62	Percent change
Losses in employment due to imports:				
22 industries	13,567	23,752	10,185	-------
23 industries	12,070	17,213	5,143	-------
3 industries	4,355	9,555	5,200	-------
Total	29,992	50,520	20,528	+68.4
Gains in employment due to exports:				
22 industries	13,617	12,742	−875	-------
23 industries	15,435	14,307	−1,128	-------
3 industries	5,705	7,062	+1,357	-------
Total	34,757	34,111	−646	−1.9
Net gain or loss of employment from foreign trade:				
22 industries	+50	−11,010	−11,060	-------
23 industries	+3,365	−2,906	−6,271	-------
3 industries	+1,350	−2,493	−3,843	-------
Total	+4,765	−16,409	−21,174	−444.4

The net loss of jobs of 21,174 represents the number of potential jobs lost as a result of the deterioration of our foreign trade balances in the products of the labor-intensive industries included in the three groups.

The 21,174 jobs are the direct loss of production workers. The nonproduction workers in the same industries, and the supporting and service industry workers called into action as a result of the new production jobs add 65 indirect jobs for every 100 direct jobs gained or lost—annual report of the Area Redevelopment Administration, 1963, page 5. The 21,174 loss figure should thus be expanded by 65 percent to 34,937.

These three groups do not include all of the industries possessed of the high proportion of blue-collar workers in manufacturing operations characterized by a high labor content which make the most likely source for jobs for the poor of the Nation. Rather, they have a sample comprised of those particular industries for which it was possible to make a correlation of export and import data with domestic output.

The job loss for these three groups of industries should, therefore, be projected on the basis that it represents 30 percent of the total loss. Employment in the 48 industries in the three groups represents 30 percent of the total group of industries of which they are representative. So projected, the 34,937 loss becomes a total loss of job potential due to foreign trade in labor-intensive industries of 116,460 workers.

Three tests have been identified by which to measure the significance of job losses in the kinds of industry analyzed in this study, so far as the war on poverty is concerned. The administration sought a 10,000-job gain through title IV of the war on poverty bill. The Area Redevelopment Administration and the Small Business Administration separately have directed their programs to a 20,000-job gain objective. Together they have created some 45,000 jobs, during the entire life of their programs.

Whether 10,000, 20,000, or 45,000 is used as the test, the loss of job potential as a result of adverse foreign trade developments in those industries where the greatest potential for helping the poverty stricken exists equals or exceeds every test.

The Nation's foreign economic policy is unresponsive to the realities of the employment needs of the Nation's poor. It is insensitive to the job losses resulting from adverse trade balances in the labor-intensive products of the potential employers of the poor. As presently conceived, the Nation's foreign economic policy is neutralizing the effectiveness of other Governmental policies and programs for helping the jobless.

Indeed, the foreign trade developments identified in this study are an absolute barrier to the achievement by the Government of the gains in jobs for the poverty stricken which are essential to victory in the war on poverty.—Chart omitted from the RECORD.

SUMMARY AND CONCLUSION: THE POLICY IMPLICATIONS OF THE IMPACT OF FOREIGN TRADE ON INDUSTRIES WITH POTENTIAL FOR PROVIDING EMPLOYMENT FOR THE NATION'S POVERTY STRICKEN

This study establishes the following facts:

First. The industries with the greatest potential for providing jobs for the poverty stricken are, on the average, experiencing markedly adverse foreign trade trends.

Second. These trends consist of exceptionally swift increases in imports, and absolute or relative declines in exports.

Third. These trends exist both in industry groups characterized by vigorous growth and strong domestic demand, and in groups limited in growth by slack domestic demand.

Fourth. As shown by an analysis of the geographic distribution of employment in the 22-industry group, these industries are favorably located with respect to the chronically depressed areas in which the Nation's poor reside.

Fifth. In each of the groups of industries studied, job-creating potential is being sharply reduced by a rapid and disproportionate increase in the share of domestic consumption supplied by imports and by a decline in the proportion of the output of these industries which is exported.

Sixth. The transfer of an increasing share of the domestic market for the products of such industries to imports and of their export trade to foreign producers represents an absolute loss of output which the domestic industry groups would have supplied but for the increased foreign supply. This loss of domestic output to foreign suppliers necessarily involves a loss of actual or potential jobs in the U.S. industries sustaining such foreign trade impact.

Seventh. This shift in the foreign trade of the products of these industries between 1958 and 1962 involved a direct loss of 21,174 production workers in 48 industries, and an indirect loss of an additional 13,763 white collar and service industry workers.

Eighth. This total loss of 34,937 jobs directly and indirectly related to foreign trade developments in the 48 industries is equal to over 3 times the number of jobs the Government hopes to create in industry through title IV of the war on poverty bill. It is equal to 78 percent of all new jobs created in industry in the entire life of the area redevelopment program and the local development company loan program of the Small Business Administration. In magnitude the foreign trade job loss substantially eliminates the benefit to the economy of these job-creating incentive programs.

Ninth. The 3 groups of industries comprising the 48 industries studied are representative of a total of 152 labor-intensive industries capable of providing employment for the poverty stricken. On the basis of the results in the 48, taken as a random sample, the total group of 152 industries sustained a loss, directly and indirectly, of 116,460 workers due to adverse developments in foreign trade between 1958 and 1962.

Tenth. Whether the job loss be taken as 21,174, or 34,937, or 116,460, the consequences for the war on poverty are clear. The Nation cannot succeed in eliminating or substantially reducing the long-term unemployment problem of the poverty stricken if the total job potential of incentive programs for the creation of new employment for the poverty stricken is destroyed by adverse developments in foreign trade.

Eleventh. The job-creating objectives of the war on poverty for the reduction of long-term unemployment among the poverty stricken are threatened with clear and overwhelming defeat under existing foreign trade trends affecting the industry groups which are the Nation's best hope for providing such jobs.

The foregoing facts pose the following policy issues:

First. Should not the product categories of these labor-intensive groups be reserved from further reductions in duty in the trade agreement negotiations now in progress?

The proposed 50-percent linear reduction in industrial duties which the U.S. Government is seeking in trade agreement negotiations under GATT would accelerate the adverse foreign trade trends referred to above.

Neither the Tariff Commission nor the Office of the Special Representative for Trade Negotiations is required under the Trade Expansion Act to evaluate the probable economic effects of such a reduction in duty in terms which would identify the above-described loss of job potential for the guidance of the President.

Unless, therefore, the attention of the President is drawn to this problem, he will not have an opportunity to use his authority under section 225(c) of the Trade Expansion Act to reserve the product categories of the labor-intensive groups of industries analyzed in this study from further tariff reductions.

Second. Should not action be taken by the United States to limit imports of all articles in the product categories of these labor-intensive groups to the extent of restoring to the domestic industry the output lost to imports since 1958?

As a result of an adverse shift of $302.7 million in the balance of trade in the products of the 3 industry groups, the Nation sustained a loss of 34,937 jobs. The increase in imports of articles competitive with the products of these industry groups between 1958 and 1962 equaled $422.9 million.

A limitation of imports to an amount 25.8 percent above the 1958 level would restore to these domestic industry groups the output potential lost to foreign producers during the period 1958–62. This restoration would result in an increase in employment in the approximate amount of the 34,937 job loss referred to above.

The reduction in imports required would be $302.7 million, equivalent to only 9.2 percent of the increase in imports in all manufactures between 1958 and 1962.

The tariff adjustment authority of the Trade Expansion Act is limited to the correction of "serious injury" to a domestic industry. The condition precedent to the use of the authority is a determination by the Tariff Commission that increased imports, caused in major part by a tariff concession, are the major cause of such "serious injury."

This "serious injury" test is wholly inapplicable to the situation presented in this study in which actual and potential jobs, urgently required for the Nation in behalf of its poverty stricken, are being lost due to adverse foreign trade trends. Loss of jobs or job potential in industries capable of providing employment for the poverty stricken is the test required here—not serious injury to the industries concerned.

In the principal industry group discussed above, that of the 22 industries, a "serious injury" determination is out of the question. Is the Nation to be helpless to regulate its foreign trade so as to serve the needs of its poor?

The President has emphasized that no economic objective is of greater importance than winning the war on poverty. If jobs are to be created in the requisite numbers to provide employment for the poverty stricken, major job losses in the industries which must provide that employment must be halted. These job losses occur in the foreign trade area. The action required must be taken in that area.

Since the President lacks the authority to act, action should be taken by the Congress to authorize the limitation of imports in a manner and to the extent necessary to prevent the loss of jobs, actual and potential, for the poverty stricken.

Incentive: Oil Import Curb Should Get Green Light as Part of Appalachia Program

Now that President Johnson's multibillion-dollar Appalachia bill has been introduced and accorded a warm bipartisan welcome in Congress, it would seem a fair assumption that everybody officially involved would be equally interested in a practicable means of assisting much of the Appalachian area that wouldn't cost the Government a dime.

The plan is simplicity itself—open the domestic market to more coal, the great basic industry of the Appalachian region, by cutting down on the amount of imported residual fuel oil.

In a timely letter to Chairman WILBUR D. MILLS, of the House Ways and Means Committee, Joseph E. Moody, president of National Coal Policy Conference, Inc., points out that "coal is the most important indigenous industry and resource in Appalachia," that the mining and transportation of coal "produce more jobs and generate more consumer spending power than any other industrial activity in coal areas," and that therefore "expansion of coal production will mean more jobs now, not at some indefinite time in the future after the expenditure of hundreds of millions of dollars by the Government."

It is a matter of common knowledge that imported residual is, as Moody puts it, "the largest single obstacle to expanded markets for Appalachian coal." This is so because it is a byproduct of oil refining, and can be and is sold at whatever price is necessary to undercut the competition. Thus in its historic east coast market, coal is no real competitor. Its only salvation lies in limiting the amount of residual that can be brought into the country.

The industry had hoped that the imposition of mandatory import controls by Presidential decree undertaken in 1959 would provide the necessary measure of protection. Unfortunately, progressive increases in the import quota—the latest of which was but recently announced by Secretary Udall—have, in Mr. Moody's words, "vitiated the good intentions of the program." Therefore, legislation has been introduced that would limit residual imports by law to 50 percent of consumption. This is the legislation, supported in writing by 170 Members of the House of Representatives, on which Mr. Moody requests Congressman MILLS to begin immediate hearings.

This, it would seem, is not too much to ask of a Congress apparently eager to inaugurate a costly program designed to bring an end to "despair and hopelessness" in the 10-State Appalachian area. It is a supplementary measure which should appeal with particular force to the official sponsor of the President's Appalachia bill, Senator JENNINGS RANDOLPH, of West Virginia, who is no stranger to the problem posed by the undercutting competition of imported fuel.

[From Morgantown (W. Va.) Dominion-News, May 11, 1964]

EVER BESET BY ENEMIES, OFTEN BETRAYED BY FRIENDS: COAL POURS HALF BILLION INTO STATE

(By Bill Hart)

Coal—ever beset by its powerful enemies, often betrayed by some of its friends—pours more than a half billion dollars yearly into the economy of West Virginia, accounting for approximately one-fourth of the total income from coal for the Nation. These findings are the result of a survey made by Operations and Policy Research, Inc., of Washington, D.C., at the request of the National Coal Association, National Coal Policy Conference, Inc., and the United Mine Workers of America. Specifically, according to the report, coal means annually in West Virginia $541,608,506 and directly affects the economy of 35 of our 55 counties. In the seven-State area, covered by the coal report, the industry provides $2,290 million.

Imports of residual oil, now currently running at a rate of 210 million barrels annually, or the equivalent of 50 million tons of coal annually—much of it taken from the northern West Virginia coal output—is one of the major obstacles to a normal prosperity in many of the coalfields including Monongalia and other northern West Virginia coalfields. For more than a decade, the Dominion-News, in stories and editorials, has tried to arouse sufficient public support to cause the residual oil imports to be restricted to a reasonable quantity permitting the coal industry in West Virginia in particular to have a medium of prosperity.

In 1963, under the prodding of numerous friends of coal, 180 Members of Congress signed a resolution proposing legislation to take away the Presidential powers involving residual oil quotas as they affected the coal industry. U.S. Senator JENNINGS RANDOLPH, of West Virginia, led this fight in informing the late President Kennedy personally and by letter that if residual oil quotas continued to mount he would be forced to join with other Members of Congress in passing legislation taking this power away from the Chief Executive.

Residual oil quotas have steadily mounted under three President, Truman, Eisenhower, and Kennedy showing that the political affiliation of the Chief Executive has little influence on the problem since the powerful oil interests and others have usually been able to provide a "synthetic scarcity of heating oil along the eastern seaboard at the height of the heating season" which has resulted in additional lifting of residual oil quotas.

What position President Johnson is going to take remains to be seen, but informed sources in the coal industry do not expect him to act other than his predecessors. If this be the case, coal's friends, and the legions seem to be growing in the face of the now obvious threat to economy in West Virginia and other coal-producing States to continue the work done last year in Congress leading to eventual enactment of law restricting the Presidential power.

Coal's greatest customer at this time—and perhaps for all predictable time to come—is in the generation of electric power and it is in this field that the greatest danger to the prosperity of coal rests in the building of generating plants capable of burning this waste product from foreign oil refineries—residual oil.

In the past 3 or 4 years, however, the coal industry, finally aware of the great danger—for years as an industry it did little or nothing as the residual oil imports grew—has formed a number of agencies the chief ones being the new belligerency of the National Coal Association, the National Coal Policy Conference, Inc., and the creation within the bosom of the United Mine Workers of America by John L. Lewis, before he retired as its president, a bureau of marketing and research and placed as its director the astute and knowledgeable Michael Widman whose research and production of facts in behalf of coal is one of the main reasons the report on what coal means to the economy of our State and sister States is now a matter of record.

HOW COAL WAGES ARE SPENT IN WEST VIRGINIA

Food: $76,304,825.

Housing: $73,860,898.

Wages: [1] $271,547,420.

Paid for:

Services and supplies: $236,110,664.

Taxes (other than Federal corporate taxes): $33,950,422.

Apparel: $21,995,341.

Transportation: $31,771,048.

Medical care: $15,749,750.

Recreation: $14,935,108.

Personal care: $6,245,591.

Other goods and services: $30,684,858.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. FRELINGHUYSEN. Mr. Chairman, I yield 8 minutes to the gentleman from Minnesota [Mr. QUIE].

Mr. QUIE. Mr. Chairman, we have before us today legislation that has been termed many things. As we look at the poverty that is before us today, I will say that this legislation is reactionary. It brings us back to the days of the thirties as though we were in a depression again. The same solutions to the problems that are advocated here in this legislation are the solutions that were tried and in most cases found wanting in the thirties.

I will cite title III, for example. It was unacceptable. Everybody knew it. But yet because of a poverty of ideas, this was all that was suggested for rural America. It certainly was realized in the other body and here today that for corporations to set up land reform and grants in the way set out in title III was unacceptable and now it is going to be dropped.

The Democrats on the House Committee on Education and Labor would not listen to those of us in the minority but blindly followed the idea boys who recommended this to the President. Now to gain votes the most controversial part of title III will be dropped—nothing seems to be done on merit, but rather is purely politically motivated whenever the majority acts.

Title III is going to be dropped in the substitute which will be offered by the gentleman from Georgia. If one wants some good reading about a rural poverty program similar to the one advocated in title III prior to the change, all he need do is get hold of the study which was made in 1941, entitled "Activities of the Farm Security Administration," a report of the select committee of the House Committee on Agriculture to investigate the activities of the Farm Security Administration. This was under the chairmanship of the now chairman of the House Committee on Agriculture, the gentleman from North Carolina [Mr. COOLEY].

I should like to read a few words from the conclusion of that select committee:

> The committee is of the opinion that * * * that agency has not been wisely administered and has been used as an experiment station of un-American ideas and economic and social theories of little or questionable value.

There is no better description of what was proposed in title III than those words used in the conclusion of the committee which studied the Farm Security Administration.

When it is stated that grants are dropped in title III, this is not entirely correct. The changes have not been made to the extent we thought they had been made. Even though it is stated that no grant will be provided, loans will be provided. If we will look at section 602, subsection (1) we find that the Director is to be given the authority to compromise all obligations to him; and, therefore, even though aid is in the form of loans, it reminds me very much of the old nonreimbursable loans which were suggested last year on another package. Compromise in that subsection means the Director can forgive the loans in title III and title IV of the bill. These are some of the unforeseen things that can happen if this legislation is passed without further study.

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[1] Coal wages include wages for coal miners, railroad workers engaged in transportation of coal, and workers employed in the manufacture of mining equipment. These expenditures calculated in accordance with Bureau of Labor Statistics formula.

The Farmers Home Administration has been in the business of assisting our low-income farmers for quite a while. Now annually the Farmers Home Administration utilizes $327.5 million in direct loans to low-income families, and 90 percent of these loans are to farmers who have less than $3,000 annual income. You see, already we are engaged in the business of assisting low-income farmers.

The $35 million to be provided under title III could best be used merely by adding it to the present authority of the Farmers Home Administration.

Although during this election year the Democrats have suddenly begun wringing their hands over the plight of the poverty-stricken farmers, the farmers themselves have been quietly improving their own lot through self-reliance, initiative, and the helping hand of the Farmers Home Administration. In the 10-year period from 1953 to 1962, the number of farmers with a family personal income of less than $3,000 has declined almost 40 percent. The exact breakdown is this:

Farm operator families with family personal income of less than $3,000

1953	2,694,000
1954	2,656,000
1955	2,572,000
1956	2,452,000
1957	2,338,000
1958	2,066,000
1959	2,152,000
1960 (including Alaska and Hawaii)	1,973,000
1961 (including Alaska and Hawaii)	1,825,000
1962 (including Alaska and Hawaii)	1,667,000

So much for title III. At least it is less obnoxious now.

Mr. FRELINGHUYSEN. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. I should like to call attention to the fact that the bill passed by the Senate does drop any reference to grants, but instead institutes two kinds of loans. One apparently is to be reimbursable—at least there is an indication they are to be reimbursable—and the other has no indication as to if or when.

When the Secretary of Agriculture testified before our committee he said:

> The grant is the thing that makes the difference. Without the grant he would not have the capital resources to repay any loan and you could not make any loan.

To my mind this seems to be a clear indication that, so far as what they were trying to prove by this rural program, the grants were the key part of the breaking of the cycle of rural poverty.

Elimination of the grants, at least according to Secretary Freeman, seems to be a process of eliminating the advisability of this kind of program.

Mr. QUIE. The gentleman is correct. The committee has gone against all of the advice it received in the testimony by those in favor of this bill. I believe it was the part of wisdom to drop the parts of title III which they did.

Let us look at the whole question of poverty in this country.

As mentioned by the gentleman from California, in the 1930's, when his father was the President, there were at least one-third of the people ill clothed, ill housed, and ill fed. Indeed, we find from the statistics given by the Census Bureau that in 1929, using 1962 dollars as a standard, more than 50 percent of American families had an annual income of less than $3,000. By 1947, this figure had fallen to 30 percent. During the Eisenhower administration, this dropped to 21 percent, and now it is stated that 20 percent of the people are in poverty.

I think we all recognize the fact that many of these programs which have been tried did not prove out. They did not bring people out of poverty. However, during the period of the Eisenhower administration we worked at seeing that the economy operated in an atmosphere where new jobs would be made available in the private sector of our economy. This happened, and people came up out of their poverty status.

If we want to correct poverty, I believe there are only two ways that we can do it. One is to see that the jobs are available; that the economy expands so that there are jobs for those who come into their employable years. Secondly, that we educate people and train them so that they can fill the jobs in modern-day America.

The Department of Labor indicates that there are more jobs available today that are not being filled than there are unemployed. That means people who are unemployed do not have the skills to fill certain jobs which are not being filled. What can we do about it? We have already passed legislation in the Manpower Retraining Act and in the vocational education bill. I think it would be much wiser if we utilized the money in this bill to expand those programs farther, if this was necessary, than to start new programs which have been tried before and found wanting.

Let us look at one problem that this bill does not attack. When you see young people who are not motivated, who are juvenile delinquents, who are unemployed, and who just do not have the ability or the desire to get ahead, we wonder how did this all happen. The studies that have been made by noted individuals who understand human behavior indicate that the root of the trouble is found in early childhood.

The Ford Foundation estimates that one out of three children in urban areas is culturally deprived. By 1970, half of the youngsters of our Nation's cities will be similarly disadvantaged. These children suffer from cumulative handicaps for which 2 years in a work camp at the age of 16 or 18 cannot compensate. According to Martin Deutsch of the Institute of Developmental Studies of New York Medical College, children from slum areas lack a sense of auditory discrimination. Assailed by the raucous noises of the city, they learn to "tune out" the rest of the world in self-defense. They learn not to concentrate in order to survive.

Lacking adult attention and companionship, they grow up in a nonvocal environment where they seldom hear human voices speaking to them. They cannot speak good English for they never hear it. Communication is largely by gesture, facial expressions, and monosyllabic sentences. Their attention span is short, for there are few tasks or experiences which demand full attention for long periods of time.

Their whole environment encourages physical action, not mental activity. There is no preparation for the abstract learning of the schoolroom. They lack motivation, for they have little to look forward to, and their parents, of whom only 10 percent have finished high school and 33 percent have completed elementary school, do not encourage them.

Planning is nonexistent and futile. Luck, not hard work and foresight, is emphasized, for it is the major factor in the lives of the adults of the community. Most of the children literally do not even understand the meaning of the word "work" or the place of jobs in our society. The fathers are often missing or unemployed and the family is on welfare. Those fathers who do work usually are unskilled laborers dependent on sporadic daywork.

An estimated 65 percent of the children studied by Dr. Deutsch have never been more than 25 blocks from home. Half have no pen, pencil, or paper in the home. The experiences we provide automatically for our own youngsters are lacking in the lives of these children. They see no books, magazines, pictures, drawings, or animals. No one reads childhood stories and poems to them. Their lives are not enriched by trips to the zoo, museum, park, or even a modern department store. And we wonder why they cannot understand first-grade readers about Dick and Jane visiting Grandpa's farm. The experiences necessary for learning, understanding, and relating facts are almost totally lacking.

Most of the scholastic problems faced by the young people slated for volunteer work camps stem from this early childhood environment. In the sequence of development, a child first hears his parents speak and learns to listen to them and to understand words. Then he begins to speak in increasingly complex sentences. With this background of language skills, he learns to read and then to write. If the foundation is weak, the child may never become truly literate.

The deprived child is characterized by poor health, inadequate motivation, malnutrition, lack of cleanliness, lack of basic learning skills, and lack of social skills. He starts school behind his middle-class counterparts and drops farther behind each year. As Attorney General Robert Kennedy pointed out in his testimony before the Subcommittee on the War on Poverty Program, by the third grade, 30 percent of Harlem pupils are behind their grade level. By the sixth grade, the figure is 80 percent.

Early difficulty in school due to poor background develops a negative self-image in the child, leading to rebellion and acceptance of the values of the gang. This is accentuated by the slum child's unsupervised freedom to roam and to adopt peer group values. In the value system of the environment of underprivileged children, school is not worthwhile. They cannot succeed in overcoming their background and they see no benefit by doing well in school. They do poorly on IQ tests because of their lack of personal experiences and inability to read, and less effort is made to teach them because of their low test scores. Their apathy and indifference toward school is understandable.

In the words of Professor Deutsch:

> Not only do they fall behind in the basic skills, such as reading and arithmetic, but they also respond minimally to the broader aspect of the function of the school: The instilling of a respect for knowledge, the fostering of the development of the cognitive skills necessary for acquiring knowledge, and that general function of equipping a child to live as a responsible citizen.

Yet this bill for "total commitment" against poverty ignores this vicious cycle caused by a poverty-breeding environment. Instead, we are trying to undo the results of years of neglect by 2 years of conservation work, or by programs directed at improving the lot of poverty-stricken adults, despite the admission of Secretary of Health, Education, and Welfare Celebrezze that little can be done to reach the parents, who continue to pass their negative attitudes on to their children.

Dr. Urie Bronfenbrenner, of the National Advisory Council of the Institute of Child Health and Human Development, has advocated the establishment of day-care centers in deprived areas to provide scheduled programs of stimulation and training for preschoolers. He has emphasized the relative ease of teaching and preparing these children at a young age rather than trying to undo the effects of their environment at the age of 16 or more. The truth of this assertion was borne out by the further testimony of Attorney General Kennedy concerning a project to reclaim teenage boys in which "for each success story, there are 10 examples of where only the surface has been scratched." Medical science has long ago demonstrated that prevention costs incalculably less than cure in terms of anguish, time, and money.

Robert J. Havighurst, noted child and educational psychologist, says that slum children suffer four different deprivations: First, affectional; second, intellectual; third, nutritional; and fourth, model person. Although attempts are made through school lunch programs and welfare benefits to correct the physical neglect of underprivileged children, little thought is given to other types of neglect. Through programs for very young children, the schools can provide for these needs of a disadvantaged child: development of an acceptable self-image, knowledge of nutrition and basic hygiene, self-confidence, motivation to achieve, experiences basic to the learning process, and socially acceptable male models. This must be done early, for studies have shown that by the fourth grade, school experiences have little influence on development of new attitudes of motivation and achievement in culturally deprived pupils.

In his final report, "Juvenile Delinquency Evaluation Project," in New York City, Prof. Robert M. MacIver declares:

> The school's function is to educate, and where the family and the community fail to provide the social adjustment and the psychological development necessary to prepare the young to receive the education the school offers, it must step in to provide it within the area of its capacity. The school is in a peculiarly strategic position to perform such a preventive and rehabilitative function.

Several cities have instituted successful programs to aid culturally deprived children. Among them are Detroit, New York City, Baltimore, Boston, Philadelphia, Chicago, Houston, and New Haven, Conn. Although there are variations in each program, their general aim is to enrich the lives of youngsters who are ill-equipped to profit from the public school system. Tape-recorded stories, books, toys, blocks, and field trips are usually included to widen horizons and develop language skills. Order, beauty, and color are brought into the lives of children whose world is drab and unstimulating. Heavy emphasis is placed on liaison with parents, who often want an education for their children but feel alienated from the school. It is hoped that a more positive attitude toward the school will foster an interest in helping the child and encouraging him in his education.

I believe that special emphasis should be placed on this type of program as a vital part of title II. Here is a real opportunity for the Federal Government to work in partnership with the States and local communities in developing a program beyond the traditional responsibilities of the public schools. We must acknowledge the limitations of our present educational system in dealing with children of deprived backgrounds. Only in this way can we really eliminate poverty from the American scene.

In the meantime, we cannot overlook the millions of children already in school who have been suffering from poor preparation and continual failure. Their hopes for success are dim in schools designed for middle-class values and problems, especially since most teachers in slum areas are sent there for disciplinary reasons or for lack of seniority. We need better teachers in slum areas, and we need more of them. Experts have estimated that 40 professionals, including classroom teachers, guidance counselors, reading improvement teachers, psychologists, and others are needed for every 1,000 average pupils. In areas of cultural deprivation, however, 70 or more are needed. Yet today in many deprived areas, schools lack even this minimum number of 40 per 1,000, doubtless because per pupil expenditures in slum areas are less than half that of more affluent suburban developments. To add to the problem, schools in deprived areas are characterized by rapid teacher turnover. For example, one class in New York had six teachers in one term.

One solution is a special corps of teachers trained to enter these poverty areas and teach the socially handicapped on a temporary basis. Good teachers can work miracles, while poor or uninterested ones cannot succeed at all. Most teachers lack the understanding, training, and special proficiency to teach in slum areas. Slow children are not necessarily stupid, but they respond to the attitude of the teacher and act accordingly. If the teacher thinks a child cannot learn, the child will prove him right.

This special corps must consist of teachers who are free of prejudices and preconceptions. They must feel and show respect for the individuality of the child. They must be dedicated to teaching with an awareness of the special circumstances surrounding their pupils.

I believe this special corps of teachers should be paid adequate salaries by the Federal Government and be made available to any school district which has a large number of poverty-stricken children, if such school districts desire to permit these teachers to spend a period of time in their schools. They should be available for a period of 1 to 3 years depending on the severity of the children's handicap. This will have the effect not only of greatly upgrading the education the children receive, but also of upgrading the teachers already in the system. The horizons of all in the community will be lifted. Such a program will provide no Federal assistance for teachers' salaries in the community but would surely provide the stimulus for upgrading which is greatly needed and would serve to break the vicious continuity which we find in many poverty-stricken areas and families today.

At present only three small courses in teachers' colleges make any effort to prepare teachers to work with slum children. One exception is Hunter College in New York, which is doing an especially notable job in preparing young teachers to work specifically with deprived children. Special attention must be given to recruitment and training of teachers for the disadvantaged. The job must be given the prestige and importance it deserves.

The Federal Government presently assists in the training of teachers of the mentally or physically handicapped. I believe this training should be expanded to provide for assistance and special training of the socially and culturally handicapped. Not only are the areas which breed poverty not equipped with adequate teachers but sending good teachers from middle-class areas will not necessarily mean that such teachers are equipped to teach poverty-stricken children. I believe that teachers of poverty-stricken children require special training just as the teachers of the mentally retarded, the deaf, and the blind must have special training in order to reach their students.

Of course this is a long-range program, but there is no quick cure for the serious, festering disease of poverty, and we delude ourselves by adopting fast, seemingly easy panaceas that must eventually end in disillusionment.

Mr. PERKINS. Mr. Chairman, I yield 10 minutes to the gentleman from Illinois [Mr. PUCINSKI].

Mr. PUCINSKI. Mr. Chairman, we have now heard more than 4 hours of extremely interesting debate on this bill. Certainly I think many of the arguments have been valid and persuasive, but when you reduce this legislation down to its lowest denominator—and heaven knows it is a complicated bill—when you reduce it to its lowest denominator, it has one purpose and one purpose only. That purpose is to get people off of relief. You can read through all of the titles of this bill and you can argue about the programs, the plans, and the formulas, but you wind up with one conviction; namely, that the purpose of this legislation is to get people off of relief.

I think when every American, whether he be a Democrat, a Republican, or an independent, whether he comes from the big city or the farm, whether he comes from the North, the South, the East, or the West, when every American fully recognizes the purpose of this bill, he will say "amen." I say that because is there a Member in this House who does not have in his congressional district local, township, county, or State governments whose resources are not taxed beyond all ability because of the rising cost of public relief?

There is not one single government in America that has not felt the rising cost of public relief. Humanitarian as it may be, the public dole is extremely expensive. And so I submit that this legislation is a monument to President Johnson's courage and bold understanding of the problems of the small communities of America. I submit to my colleagues, those who are inclined to vote against this bill, that when they vote against this legislation they are in effect voting for a continuation of the so-called welfare state.

What did our committee, what did the President intend when he proposed this legislation? He proposed to meet this great dilemma of our democracy, where, on the one hand, we have more people employed today than ever in the history of our country, a record prosperity—and yet, on the other hand, the dilemma we are faced with is that we have 4½ to 5 million unemployed.

The President quite properly recognized the fact that creating more jobs is not the only answer to getting these people into productive activity. There are tens of thousands of jobs begging today. Our committee has had all sorts of evidence to indicate that a vast number of these unfortunates who are unemployed today want to work, they want to enjoy the dignity of being employed. It is a fiction to believe that people are on relief because they do not want to work. But tragically—and there are volumes of testimony before our committee to prove this—many of these chronically unemployed people, some of them going into the third generation, are functionally unemployable. They are unprepared for employment. They are people who have come from the farms, people who are not used to urban life, people who are not equipped for urban occupations.

These are the people whom we are talking about. These are the people we attempt to help in this legislation.

Mr. Chairman, we in this country today are spending $44 billion on all forms of welfare assistance. I say anybody who remains blind to these mounting figures is doing an injustice to his own community and to his country. There is not a Member who will refute the statement that next to the cost of public education, police and fire protection, the next single highest item in every community's public budget is general relief. This legislation is designed to make these people employable, to take them off relief, to give them the dignity they seek, and to relieve the taxpayer of the burden of public welfare.

And so I repeat, Mr. Chairman, that those who would vote against this bill should ponder these facts carefully because by voting "no" on this legislation they are in effect saying, "We are for a continuation of the welfare state. We are for continuing the high cost of welfare to our taxpayers; we do not want to reduce and ultimately eliminate the welfare state." I could never subscribe to or support such a principle and therefore I shall vote to reduce the cost of public welfare by supporting this bill and help get people off relief.

If you really want to get down to business on this question of the high cost of government then I say take a look at this legislation and support it. This legislation, of course, has many aspects to it. As has been properly stated here, as we have gone along, this legislation will be examined very carefully. This legislation comes back before the House committee within less than 8 months. At that time we will have an opportunity to eliminate those programs that are not operative, those programs that are not workable.

My colleague from California earlier raised the question about title I, the Job Corps. He said, "What is the difference between this and the Manpower Retraining Act?" There is a most significant difference. The manpower retraining program which our committee has voted out, and figures therefrom which I shall include in the RECORD today showing how effectively it has worked in Chicago and is working in Chicago, is but one weapon in the arsenal of this great assault on poverty.

But the Job Corps differs in this respect, that here for the first time we are setting up in this generation the youth camps to which you can take these young people.

Yes; these are young people in many instances who out of restlessness are engaged in demonstrations and various other activities, young people who should be taken into these youth camps and given decent quarters and decent housing, decent education in order to prepare them for gainful employment. That is the difference. These are the same type of youth camps that proved so successful as CCC camps during the 1930's.

Mr. Chairman, the manpower retraining program does not provide for the establishment of any youth camps. The Job Corps provision does provide for them. That is the basic difference. All the people I have talked to, enthusiastically support reestablishing the youth camps to get these restless youths off the street.

Mr. BELL. Mr. Chairman, will the gentleman yield?

Mr. PUCINSKI. I yield to the gentleman from California.

Mr. BELL. I would like to point out that it is our belief, and I think it is the belief of the gentleman fundamentally, that what these people want, is job training; is that not correct?

Mr. PUCINSKI. Fundamentally, these people——

Mr. BELL. Fundamentally, these people want job training and they can get it under the manpower retraining program, they can get it under the ARA program and they can get it under the vocational education program, and why cannot these presently established programs be expanded to enlarge this effort?

Mr. PUCINSKI. My colleague the gentleman from Califorina sat in on the writing of the manpower retraining bill and he knows that the manpower retraining bill has been created fundamentally for that American who has been displaced from his job by automation, a man who has still many productive years left and a man who is going to be retrained because his job has been taken out from under him.

Mr. Chairman, this is the fundamental purpose—the fundamental purpose—of the manpower retraining program.

Mr. Chairman, I should like to show to my colleague how well the bill is working out. I will give the gentleman an example of one man in Chicago, who, after being on public relief with his wife and five children and receiving $220 a month relief, was retrained to be a chef and is now privately employed earning $330 a month.

Mr. BELL. If the gentleman will yield further, has the gentleman any assurance that this proposed program as contained in this bill will work out any better?

Mr. PUCINSKI. The fact of the matter is that it has been stated repeatedly by the distinguished author of this bill, who is one of the most respected Members of this House of Representatives, that we will have an opportunity to look at this legislation again in 8 months and if there are any features of this legislation that are not working, certainly we will have an opportunity to revise it.

Mr. BELL. Mr. Chairman, will the gentleman yield further?

Mr. PUCINSKI. Mr. Chairman, I decline to yield further at this time.

The CHAIRMAN. The gentleman from Illinois declines to yield.

Mr. PUCINSKI. This legislation is directed for the most part to that third generation of unfortunates who have not had an opportunity to get a decent start in life.

Mr. Chairman, title I provides—let us look at the bill—for the authorization of pilot projects to provide constructive work experience or training for unemployed fathers or needy persons. It is hoped that these pilot projects will stimulate the States to develop similar programs.

The act also provides for the training of volunteers to help in community projects. These volunteers will perform roughly the same duties in this country which the tremendously successful Peace Corps has performed abroad, but will be under the control of the local agencies using them.

Mr. Chairman, I should like to call to the attention of my colleagues who are inclined to oppose this legislation that throughout this bill there is not one single step that the Federal Government can take without the authority and the permission from local governments or local not-for-profit private organizations.

Mr. Chairman, this is not a bill which sets up this great big Federal bureaucracy that is going to move in on every single community in America.

Mr. Chairman, the Federal Government has to first be invited in order to participate. Let us not lose sight of that particular point.

We have heard here throughout the day arguments that this is the "road to Washington." This is a Federal assistance program, aimed primarily at those communities of America that above all want to help themselves.

Let no one deny that this act is a milestone in our Nation's history. It marks our recognition, as a people, of the plight of one-fifth of our citizens whose poverty and deprivation is in stark contrast to the comfort and affluence of the rest of the Nation. It is an acknowledgment that we cannot tolerate poverty amidst plenty. It is a testimony to our determination to eradicate a social evil which lays waste to millions of lives and deprives us of millions of dollars.

We have made progress in reducing poverty, but it has not been enough. In 1947, one-third of the families in this country lived on substandard incomes. Today that proportion has been reduced to one-fifth. But one-fifth is still far too much. One-fiftieth would be too much. It is inconceivable that the richest Nation in the world will permit over 10 million of its families to be underfed, ill-housed, and denied the opportunities for social and economic growth open to the rest of its citizens. This act will open the path to opportunity to the one-fifth of our citizens who have been denied for so long.

Some of you doubt that this bill poses an effective remedy to poverty. Let me persuade you otherwise by summarizing some of its major provisions. The act provides for community action programs. Under this title, communities would be allowed to plan and carry out their own antipoverty programs. It was formulated in the belief that local citizens know and understand their problems best and, with proper resources, are the most capable of solving them.

Another title of the act authorizes pilot projects to provide constructive work experience or training for unemployed fathers or needy persons. It is hoped that these pilot projects will stimulate the States to develop similar programs.

The act also provides for the training of volunteers to help in community projects. These volunteers will perform roughly the same duties in this country which the tremendously successful Peace Corps has performed abroad, but will be under the control of the local agencies using them.

I have reserved title I of the act to last because I think, in many ways, it is the most significant aspect of the program. Title I concentrates on youth. These young people are one of the Nation's greatest assets for the future. As an asset they must be developed and fully utilized. Title I provides for three distinct programs: a Job Corps; a work-study program; and a work-training program, "the neighborhood youth corps."

The Job Corps focuses on young men and women aged 16 to 22. It will provide them with desperately needed employment and vocational training and enable many of them to work toward the conservation of our Nation's precious resources. My colleague from California asked why this is needed if we already have the Manpower Retraining Act. There is a difference.

Title I also provides for a work-study program which will enable college students from low-income families to pursue education which would have been thwarted by lack of opportunity to earn or by the necessity to remain out of school to help support their families.

I want to make particular reference to title I–B of the act, the work-training program. This program will perhaps do more than anything else under title I to redress one of the greatest evils of our time—the appalling problem of unemployed youth. These youths, who spring from poverty-ridden environments, who lack the social, educational, and vocational skills to make meaningful and productive lives for themselves are, in their present state, a positive detriment to society. Title I–B of this act will provide these young people with new opportunities, with new hope, with broader aspirations and horizons by giving them a new sense of direction and motivation. All this can be accomplished, quite simply, by giving them a chance to work, by giving them the opportunity to acquire the educational and vocational skills necessary to get a job and keep it.

As you know, title I–B will allow the Office of Economic Opportunity to enter into agreements with State and local governments or nonprofit organizations to pay part of the cost of full- or part-time employment. Such employment will enable young men and women aged 16 to 21—including both those in school and those out of school—to continue or resume their education or to increase their employability.

It astounds me when I think that there are some in this great House who doubt the need for the program. This need is so apparent, it is so overwhelming, its manifestations can be seen everywhere. I am sure that many of you see evidence of it on daily trips from your homes to this Chamber. Travel the streets of Washington, see for yourselves those groups of listless young men and women whose blank stares and apathetic expressions signify their meaningless lives, their hopeless situations.

Yet I know that there are those of you who still doubt, those of you who feel that this program is not necessary. For your benefit let me cite some facts which offer indisputable evidence of the need for this program. Unemployment rates of young people between the ages of 16 and 24 are twice the average for workers of all ages. In 1963, 17 percent of all 16- to 19-year-old workers were jobless and seeking work, three times the average unemployment rate for the entire civilian work force. Altogether, unemployed young people aged 16 to 24 now represent about one out of every three unemployed workers in the United States.

The situation is even worse for nonwhite youths. In 1963, about 3 out of every 10 nonwhite youths between the ages of 16 and 19 were unemployed—almost twice as many as for the comparable white group. Better than one out of every four nonwhite boys, and better than one out of three nonwhite girls was unemployed during 1963. Can there be any doubt in your minds that this appalling situation must be corrected?

This is only part of the problem. Its tremendous magnitude becomes readily apparent when one considers that 26 million new young workers will enter the labor force during the decade of the 1960's. And unless strenuous measures are taken to prevent it, 30 percent of this number will be school dropouts.

After hearing these figures, how can anyone fail to be impressed by the tremendous significance of the problem? It must be remedied if we are to avoid the social chaos and anarchy inherent in the situation.

The passage of this bill will mean the beginning of a concentrated attack on poverty and deprivation. For thousands of the Nation's families and for hundreds of families in Chicago, it will mean the opportunity to lift their heads above the clouded and troubled circumstances of personal want. It will mean an end to the chronic and persistent problem of keeping a job. It will be the doorway through which the children of our Nation's impoverished may pass to greater potential for full and productive lives.

As an example of what Federal programs of this nature can do for our country and its people, I should like to discuss briefly the impact of the Manpower Development and Training Act—a companion piece of legislation—on our Nation and on Chicago. As you know, this act was passed in March of 1962, and provides for the retraining of unemployed workers whose skills have become obsolete and who need new skills in order to obtain jobs in our rapidly changing economy. The act also provides for the training of youths who need educational and vocational skills in order to find employment in our complex society. The act authorizes the payment of training allowances to unemployed workers who can qualify for them.

As some of you may know, there are three types of programs available under the act: Institutional, on the job, and experimental and demonstration. Institutional training programs are administered jointly by the Departments of Labor, and Health, Education, and Welfare. They are usually conducted in public vocational schools or similar-type institutions. The on-the-job training program is administered by the Department of Labor. Training is ordinarily conducted in an employer's establishment. Experimental and demonstration projects are contracted out to private or public organizations by the

Department of Labor. They offer special counseling and testing services and prevocational literacy training to the individuals who need these services in order to qualify them for regular training programs.

The Manpower Development and Training Act program is having a tremendous impact on our economy. Since the beginning of the program through the middle of July of this year, over 240,000 individuals had been approved for training, over 190,000 in institutional projects, over 15,000 in on-the-job projects, and over 43,000 individuals in experimental and demonstration projects.

Statistics available through May 1 of this year indicate that almost 100,000 individuals were enrolled in institutional training projects, and that better than 44,000 people had successfully completed their training. Almost 73 percent of those who completed have found employment, 9 out of 10 of them in jobs directly related to the training they received.

In my own city of Chicago, 92 projects had been approved through the middle of July to train or serve almost 9,500 people. These projects involve a total commitment of almost $12.5 million.

The majority of the trainees, over 7,000 of them, are approved for institutional training projects. The jobs for which training is approved run the gamut of the occupational ladder, from semiprofessional and technical jobs through semiskilled blue-collar ones. Projects have been approved for various types of technicians, reflecting the increased demand for this type of worker in our complex economy. Cooks are being trained to fill jobs in the expanding food service industry. Projects have been initiated to train licensed practical nurses to help meet the needs of a population that is more health conscious, and contains an increasingly large proportion of elderly people. Many of the courses are training people to work in various types of automobile repair and service occupations, occupations that have been hard to fill in recent years. Chicago is an industrial city, and many of the occupations approved for training reflect this fact. Projects have been approved for welders, screw machine operators, tool and die makers, and solderers.

The five on-the-job training projects in the city are offering training to over 1,200 individuals in such diverse occupations as electronics assembler, punch-press operator, instrument calibrator, screw machine operator, and busdriver.

One of the two experimental and demonstration projects approved for Chicago is of particular interest because it is really a pilot project for the type of program that will be developed under title I–B of the Economic Opportunity Act. Work-training programs, similar to the experimental and demonstration project I will describe, will have a special impact on the crowded and impoverished areas of Chicago's west and south sides. Through such programs, thousands of youths will be offered constructive opportunities to earn income, to become ready for employment, to gain basic education, and to stay or return to school. They will be equipped, in short, to wage their own personal war on poverty.

The experimental and demonstration project I referred to is called "Job opportunities through better skills." This project will train 1,000 unskilled, undereducated, and unemployed youths to become useful, contributing members of society. The project is sponsored by the Chicago boys clubs, the Chicago youth centers, and the YMCA. It is raising young people to the necessary educational level for employment, helping them attain skill experience, developing attitudes required for successful employment, and placing these youths in employment. Trainees are moved into on-the-job training or employment when academic achievement and staff and counselor evaluation and testing of personality, aptitude, and achievement indicate their readiness.

This project was started in the fall of 1963. It has demonstrated conclusively that basic education, motivation, on-the-job training, and a chance to obtain full-time work can turn frustrated, useless lives, constituting a huge social waste, into productive social assets, and self-respecting, self-supporting human beings. Over 90 companies in the Chicago area now employ over 200 of these young people in a variety of permanent jobs. These youths have earned over $100,000 since completing their training, and have saved the city and the State a tremendous amount of tax dollars in relief payments. There are now more than 100 young people waiting for on-the-job training opportunities, and it is anticipated that another 400 will be available for such training in a few months.

In closing, let me cite a personal success story which indicates what this type of training can do for a human being. This is the story of a young man who enrolled in the Chicago project I have just referred to. This boy entered training with noticeably low reading and math skills, and showed little improvement over a 5-month period. The boy did, however, show great interest in automobile engines and their repair, and the vocational education instructor managed to keep him busy and excited by giving him many special jobs in this area. Recently, the trainee was placed in a job at a South Side Standard Oil station in Chicago. Within a week he was promoted to the one-man night shift where he has the sole responsibility of operating the station.

This is what Federal job training has done for one individual. Multiply him by thousands of boys and girls and you get some idea of what work-training programs under the Economic Opportunity Act can do for the youth of our country. It is within your power to grant these deprived youths an opportunity to break out of the spiritual and physical poverty which surrounds them.

You have the power to change what will inevitably be wasted, frustrated lives into meaningful and productive ones, not only for the individuals involved, but for this great society of ours which stands to benefit tremendously from the increased productivity and social usefulness generated by the thousands of young men and women who will find profitable employment under the auspices of the Economic Opportunity Act.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. ROOSEVELT. Mr. Chairman, I yield the gentleman an additional 30 seconds.

Mr. PUCINSKI. I thank the gentleman from California.

Mr. ROOSEVELT. Mr. Chairman, will the gentleman yield?

Mr. PUCINSKI. I yield to the gentleman from California.

Mr. ROOSEVELT. I want to state to my colleagues that earlier in the debate the gentleman from Michigan [Mr. JOHANSEN] raised a question relative to Public Law 801 of the 84th Congress.

I have secured the information which the gentleman wants but unfortunately the gentleman cannot be on the floor at this particular time. However, by arrangement with him, we shall discuss the matter under the 5-minute rule on tomorrow.

The CHAIRMAN. The time of the gentleman from Illinois has again expired.

Mr. FRELINGHUYSEN. Mr. Chairman, I yield 8 minutes to the gentleman from Illinois [Mr. FINDLEY].

Mr. FINDLEY. Mr. Chairman, title III of this bill deals with poverty in rural areas. It is difficult for those of us who are interested in the legislation to know exactly what language we are considering. I am informed that the language in the bill passed by the other body, as it appears in the comparative print of August 3 of the Committee on Education and Labor, is the language which will be a part of the substitute bill to be offered by the gentleman from Georgia.

Therefore I will direct my remarks and questions to title III in the form in which it passed the other body. If I may have the attention of someone on either side of the aisle, members of the Committee on Education and Labor, I would like to ask several questions.

For example, on page 43 of the comparative print there is language which relates to the so-called loans not to exceed $1,500, and the language indicates proceeds of the loans may be used to reduce encumbrances. I would like to ask if this provision is restricted to encumbrances brought about by agricultural activities?

Does anyone know if it is so restricted?

It is a rather broad and general statement, and I would suspect if there is no clarification the land could have been mortgaged to buy almost anything, perhaps a motorcycle, then the mortgage could be lifted by a $1,500 loan.

Mr. ROOSEVELT. It is our distinct understanding this is limited in principle to apply to the operation of a farm for agricultural purposes only, and in order that the legislative record may be clear, I so state.

Mr. FINDLEY. If the gentleman does not mind considering another question, the section also provides loans having a maximum of $2,500 in order "to finance nonagricultural enterprises which will enable such families to supplement their income."

To be eligible for such loan, is it the gentleman's understanding that the applicant must be a farmer, must be engaged in agricultural pursuits?

Mr. ROOSEVELT. Yes; he must be engaged in agricultural pursuits. Many farmers, in order to make their farms pay, do engage in nonagricultural activities; therefore this is limited to financing those nonagricultural activities and to help him stay on the farm so he may continue to be a small farmer.

Mr. FINDLEY. That was my guess as to the intent of the language although it is not clear. But if this type of loan has merit, it seems to me it ought to be available to any citizen of the United States, whether he is a farmer or not. In other words, why should we shut the door on a nonfarmer from borrowing up to $2,500 to improve his income with nonagricultural enterprises?

Mr. ROOSEVELT. I would refer the gentleman to the section of the bill, title IV, "Employment and Investment Incentives," which would do exactly that.

Mr. FINDLEY. The gentleman does agree these loans in this section would be restricted to farmers?

Mr. ROOSEVELT. In this section; yes.

Mr. FINDLEY. Now, turning to page 44, a rather strange provision appears which authorizes the Director to reduce or release obligations resulting from a loan under this section—that applies to both the $1,500 and the $2,500 variety—if it appears to the Director that the indebtedness exceeds the debtor's reasonable ability to pay.

With a forgiveness provision like this, is it right and proper to call this a loan program? A loan program ought to be under rules which are reasonably businesslike. As presented, it has a peculiar, phony ring.

On page 45 is the proviso that the director shall see to it that there is reasonable assurance of repayment of the loan, yet on the top of page 44 the director is given the authority to reduce or release the obligations if the indebtedness exceeds the debtor's reasonable payment ability. The provisions contradict each other. It is a strange loan program that obviously has not been thoroughly and carefully drafted.

Next, I would point out language on page 41 which deals with cooperative associations:

> The Director is authorized to make loans to local cooperative associations furnishing essential processing, purchasing, or marketing services, supplies, or facilities predominantly to low-income rural families.

Must these cooperatives, in order to be eligible for these open-end loans, be agricultural cooperatives? It is not clear in the language. Does anyone know the answer to that?

Mr. ROOSEVELT. Mr. Chairman, will the gentleman yield?

Mr. FINDLEY. I yield to the gentleman from California.

Mr. ROOSEVELT. It is our understanding that the purpose here is that because this is in the section that deals with rural areas the provision shall be applicable to local cooperatives primarily.

Mr. FINDLEY. Primarily; in other words, the cooperatives must be primarily agricultural in character?

Mr. ROOSEVELT. That is right.

Mr. FINDLEY. I am sure the gentleman will agree with me that the language is far from clear on that point. It also seems to me that these cooperatives, in order to be eligible for the loans, must consist of predominantly low-income rural families. I should be glad to be corrected if I am wrong.

Mr. ROOSEVELT. I do not want to go beyond what it actually says, that the loans themselves shall be limited to low-income rural families. It does not say that the cooperative itself must be wholly or even predominantly made up of low-income family members.

Mr. FINDLEY. Now I am really confused, because this section says the director is authorized to make loans to local cooperative associations, and it does not deal with loans to individuals. That is another indication that this title has not been carefully constructed.

Mr. MICHEL. Mr. Chairman, will the gentleman yield?

Mr. FINDLEY. I yield to the gentleman from Illinois.

Mr. MICHEL. I do not want to interrupt the gentleman's line of questioning, but it seems to apply to rural electric cooperatives to some extent. I wonder whether or not they are excluded from this area, or do they participate in this?

Mr. FINDLEY. As best I can interpret this language, being defined as intended cooperatives furnishing essential processing, purchasing, or marketing services, supplies or facilities predominantly to low-income families, I would say electric cooperatives would have to serve such low-income families predominantly to qualify. Moreover, the loan interest rate provided for rural electric cooperatives is about half the rate provided for these loans, so it is doubtful cooperatives would apply even if eligible.

But it seems that the Bank for Cooperatives, set up for the express purpose of helping cooperative associations with their financing problems would be the logical place for any cooperatives—whether consisting mainly of low-income families or not—to get loans. I see no need for a new agency of Government to make loans to cooperatives consisting mainly of low-income farm families. So far as I know, no such cooperatives have been formed, and none is in prospect. Cooperatives open to all farmers regardless of income apparently are meeting farm needs adequately.

Mr. ROOSEVELT. I think the record should be clear. May I refer to page 22 of the report on this bill:

> Section 304 authorizes loans to local cooperatives furnishing essential processing, purchasing, or marketing services, supplies, or facilities predominantly to low-income rural families.

Therefore, I think my remark should be corrected in that light:

> It is recognized that in many areas existing cooperatives serve farm families at all levels of income. It is also recognized that credit provided through the banks for cooperatives of the farm credit system has been of tremendous importance in financing the excellent structure of cooperatives which have been so useful and beneficial to farm families and U.S. agriculture generally.
>
> Nevertheless, the committee believes there is a real need for supplementary financing flexible enough to help establish new cooperatives and finance existing cooperatives that serve mainly poor farm families.

I think that covers the intent of the committee.

Mr. FINDLEY. I thank the gentleman, but will repeat that neither the need nor demand for this loan service has been established.

Finally, Mr. Chairman, I call attention to the provision of title III which amounts to preferential treatment granted to dairy farmers, apparently high income as well as low income dairy farmers. The language is on page 48.

I doubt that any legislation is needed to provide fair and proper indemnity payments to dairy farmers in view of the fact that cranberry producers were indemnified by the Government several years ago in a similar situation. Furthermore, if legislation is needed, it should not be limited to dairy farmers alone, but should be available to producers of all commodities.

The CHAIRMAN. The time of the gentleman has expired.

Mr. LANDRUM. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. CAREY].

Mr. CAREY. Mr. Chairman, I would like to spend just a few moments to discuss what this bill is and what this bill is not. Certainly, this bill is not a giveaway nor is it any kind of an extension of the Federal Establishment.

What this bill is, is a bill to strengthen America. It is a bill which represents hard work in its very essence and in its every word.

It represents the hard work of the sponsor of this bill, the distinguished gentleman from Georgia [Mr. LANDRUM], and of the members of this committee.

It represents the hard work of an overworked and overburdened staff which despite its size has managed to write an illustrious chapter for this Congress and which has won for us the title "The Education Congress of 1963."

I pay tribute to the Members of the minority who have helped to write every chapter that has won for us this title "The Education Congress."

I would hope in a most constructive way that they would assist on writing this last and most important chapter of the hard work and "Education Congress of 1963."

This bill calls for hard work among the leadership who will conduct it. We have seen such hard work and there is good evidence of it on the part of Mr. Shriver and his staff who have made themselves generously available to the committee in the hard work of preparing this bill.

I think it is most significant that the prospective Director of the program has already given tremendous evidence of his ability to conduct this kind of program.

No one will question or quarrel with this in the light of the great record he has written as Director of the Peace Corps. Now he is willing to go on the line to conduct this program according to the will of the Congress and come back to the Congress and give an accounting of the program and the hard work that is enjoined upon every one of us in making this program work.

I think we owe it to him to give him the chance with his committee and with his advisory group to run this program and run it well.

I would point out there is no element in this bill, and there is no title in any section in this bill which does not require a commitment of hard work on the part of the leadership and on the part of the participants in the program.

This bill is for work training and the development of work habits. For many of those who enjoy its benefits, this will be the first taste of hard work that they have ever had. If we do not pass the bill, they may never taste hard work.

I do not want to deal in lengthy statistics. I am confronted with living people in my area. Of course, statistics are meaningful. But I want to emphasize one single factor in my area that has made a great impression upon me. We have out of work and out of school some 90,000 young people in the great metropolitan areas between the ages of 16 and 21. That is the size of six army divisions. It is four times the size of the New York City police force. These young people are out of work. They are out of school. They are out at night and they are out for trouble—yes—and they are open to any kind of mischief, predilection or vice that is available to them. I say that we have to do something to change the course of this kind of situation and the kind of things that develop as a result of such conditions. Yes, and there is something involved here in this program that is more than just humanitarian.

We need the development of every manpower resource which is available to us in this century. One of our great foes at this time is a slumbering giant across the Pacific. The giant is flexing his muscles. That giant has one tremendous asset which we all recognize—yes, the greatest population in the world in enslavement.

To contend with that giant we have to develop every young American to carry his share of the burden of freedom. That development begins now.

We have a choice before us. Do we write an American epic? Do we stand now and say we need these young men and we need these young women as full participants in democracy and freedom? Or do we leave them to roam the streets? Do we leave them neglected? Do we leave them as dropouts from society because of the human corrosion that is taking place in this country today?

It is good sound business to prevent corrosion at the source.

I have been surprised, frankly, that some of the opponents of this program have called it an extension of Federal power and a new precedent. Perhaps it is a new precedent, just like the Northwest Ordinance was a new precedent, like the Morrill Land-Grant College Act was a new precedent, like the GI bill was a new precedent, like social security was a new precedent. Not one of those increased the power of the Federal Government, but every one of those—as is true of this bill—increased the strength of the American Nation. This is the difference we must consider.

This bill will increase the strength of the Nation, not the power of the Federal Government, by developing human resources.

At this juncture in the consideration of the bill I believe it is important to note that this again is not precedent legislation. This is not the first time that America has seen a humanitarian need and determined to meet it. I believe the most notable precedent of that kind took place after World War I, and after World War II.

On the 10th of this month, by resolution of the Congress, we will salute the great American who directed such programs. He, in his own words, said that that program called for the expenditure—in terms of the obligation of our assets, of our manpower, and of our resources—of more than $50 billion. I refer to the great relief program conducted by former President Herbert Hoover, in the greatest humanitarian extension in this century in postwar Europe.

We spent $50 billion. For what? To save lives in Europe. To develop the European economy. To extend the greatest exercise of charity in the history of mankind. Because of that Europe was made strong. Europe was able to survive. Europe is free today.

If we did it then, as a great humanitarian and noble experiment, what is wrong with carrying that principle into every precinct of America today, and saying we will do it for those who are in want, who are needy, on the same basis?

The sponsor of the bill, the gentleman from Georgia, well called this an education and training bill. Is there anyone who means to say, on our committee, on the minority side—after having heard the testimony before our committee—that there are not unmet needs, even though we have passed all of the legislation which we have passed in this Congress? There are unmet needs which must be met at this time, and this bill will help to meet those needs.

There are gaps in education. There are gaps in respect to manpower. If there are not such gaps, why do we find children out of school and out of work?

Let me also remind you that the Higher Education Act of this year, which was so well supported by the minority, will mean a need for feed stock for these colleges in the years to come. Will we give the boys and girls of our Nation an opportunity to get the educational experience they now seek? Will we expand their opportunities, by hard work programs, to enable them to participate in college education? Will this bill simply be for those who have been able to afford this in the past, who fortunately have had the means at their disposal to enter colleges?

This bill has to be for everyone. This bill can only be for everyone if we set this foundation in the Economic Opportunity Act.

This I believe is the challenge before Congress now. Is the American epic only for the fortunate? Is the American epic only for the few? Does the American epic extend to the rural farms? Does it extend to the slums in the cities? Is it available to all?

This is the question before the Congress today. I say we have to answer this question in the affirmative.

This is a hard work bill.

This bill requires a commitment by every participant. It deals with the concept of welfare. It is a bill directed at the heart of this problem. We can make it a better bill, and I hope I will be here next year to work with the minority to the end that it may be even better, but we need it in the hands of a capable administrator, one who can follow it very closely. As soon as we start on this we are taking a step forward.

Mr. FRELINGHUYSEN. Mr. Chairman, will the gentleman yield?

Mr. CAREY. Yes. I yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. I want to say at the outset that I share the gentleman's concern about the unfinished business of this country. We Republicans and Democrats have worked together on our committee toward that end. I feel very strongly about the educational disadvantages we have in many parts of this country which contribute some of the pockets of poverty that we talk so much about. The question is whether this program provides an adequate means to get at the people we are all concerned with. As we both know, the community action program, as this bill is now written, can no longer provide any meaningful aid to education even though that was presumably one of the main targets to be hit by that program. We now have a provision in this bill saying there is to be no general aid to education. It is not a question of our differences over the desired objective but a question of our differences as to the suitability of the means.

The gentleman from New York very eloquently stated that he and I may work next year on a better bill. I would suggest the first step toward doing that would be to defeat this bill. We should send it back to the committee where we can improve it and bring it forth in good time next year, with the election behind us both.

Mr. CAREY. The gentleman and I disagree on this one point. The gentleman feels we can wait 9 months and that 9 months is not a long time to let poverty continue. I think if we agree on the existence of this condition, we should begin now. We cannot wait 9 months, because that means starvation and privation. I say poverty is here now. Let the bill pass now.

Mr. FRELINGHUYSEN. Mr. Chairman, I yield such time as he may desire to the gentleman from Illinois [Mr. MICHEL].

Mr. MICHEL. Mr. Chairman, I rise in opposition to the so-called antipoverty bill, for in my opinion, it is unsound legislation in its present form; and as such, it is contrary to the public interest. The bill would impose just another super bureaucracy upon the American people, charged with handling of a so-called poverty program which appears to be unrelated with other Federal and State programs in this field.

Not only that, but the bill would neither create nor encourage the creation of any substantial new employment; it will not prepare any substantial number of our unemployed for gainful employment in the highly skilled labor market of 1964; and it will contribute nothing of substance to the expansion of economic opportunity.

On the other hand, the creation of a new layer of Federal bureaucracy headed by a poverty czar with the unlimited power to bypass all State and local governments could well mark finish to any meaningful future for the States and local governments in the orderly conduct of this Nation's affairs.

Although the bill would create nothing new of value in the war against poverty, it would duplicate and interfere with a vast panorama of well-established existing programs, ranging from the Rural Electrification Administration, social security benefits, unemployment compensation, and farm subsidy grants to extensive programs of rehabilitation, retraining and education. The combined costs of all these programs now exceeds $66 billion a year.

The administration feels that the Employment Opportunity Act charts a new course. Fine, high-sounding words to describe the old New Deal philosophy of Government interference in local affairs in the guise of doing good.

The youth program suggested is just the CCC under another name, with some schooling added. Unless force is used, the 100,000 dropouts who failed to take advantage of today's educational opportunities will hardly go to school in a Government camp where discipline will perforce be stricter than at home.

The administration states that the community action program will let local people devise their own plans to fight poverty on the local level. Then, when the plans are approved by the Office of Economic Opportunity, the Government will finance 90 percent of the cost. But who ever heard of a Federal office approving and financing any program it did not dominate? The Domestic Peace Corps has been rejected before as impractical and expensive duplication of work being done by governmental and private groups.

I would now like to concentrate my attention on the rural aspects of this bill. These appear to me to be designed to place a premium upon failures of the past and branch out into avenues which are better handled by other agencies of the Government.

Assistant Secretary of Agriculture John A. Baker in a speech delivered on June 22, 1964, before the rural administration field conference in Milwaukee, Wis., made the tieup between the REA and the antipoverty program abundantly clear. He said:

> Now you ask where do you, as REA field men, fit into the picture in a war on poverty? The antipoverty program would provide a new thrust for the rural areas development work you have underway. It would make loans available to local cooperatives serving low-income families. It would also provide loans up to $15,000 to small businesses for carrying out the purposes of the act. Thus, in your search for credit in your areas development work, you would have two new sources of financing.

There are numerous provisions of the bill that will provide funds that can be used to further the REA program. This would be in addition to or in place of funds provided under the loan authorization contained in the Department of Agriculture appropriation bill to be used for section 5 loans.

In section 302(a) of this bill, sums up to $1,500 can be granted as a gift, and not a loan, to rural families to be used in whole or in part "to participate in cooperative associations." Loans up to $2,500 with 15 years maturity also can be made to such families for similar purposes. Section 304 also would authorize the making of loans to local cooperative associations "furnishing essential facilities predominantly to low-income rural families." This would authorize loans to REA cooperatives above and beyond those provided in the REA loan authorization contained in the Department of Agriculture Appropriations Act.

In addition, under section 303, loans and grants can be made to cut up large agricultural holdings into family-type farms. These loans and grants can be made to cover not only the cost of the land itself, but also for "land and water development, and related facilities." Grants under this provision—section 303 (a)—could be used to assist in the development of REA cooperatives to provide electric distribution services for such new agricultural developments.

Thus, this bill provides back-door financing not only for grants and loans to facilitate the acquisition of electric facilities and equipment—comparable to the loans authorized by section 5 of the act of 1936—but for loans and grants to assist in the formation of REA electric cooperatives. Obviously, as Assistant Secretary Baker was quite correct in pointing out to REA representatives weeks ago, this bill "would provide new thrust for the rural areas development work you have underway.'

Under this bill, funds could be used to provide for the purchase of electrical machinery and equipment. As the House is aware, some of the most severe criticisms aimed at the Rural Electrification Administration during the past few years have been for its use of section 5 loans to finance snowmaking equipment, ski lifts, lumber mills, knitting machinery, planer mills, and similar enterprises. Referring back to the Assistant Secretary's speech to REA personnel, I believe now is the proper time to warn Mr. Baker that if he plans to use REA personnel to further the antipoverty boondoggle, REA will once again be back as it was several years ago before the Congress took the initiative to bail it out. Actually, what Mr. Baker is really saying to REA personnel is that "you go ahead and do under the Poverty Act what Congress says you cannot do under the REA Act."

Salaries and expenses of REA officials are appropriated by Congress each year in the Department of Agriculture bill.

The Senate Appropriations Committee, in its 1964 report on the Department of Agriculture appropriations bill, emphasized that:

> Section 5 loan funds were not to be used as a substitution for loan funds available under the Area Redevelopment Act, Public Law 87-27.

Further, the House Appropriations Committee, in its recent report on the Department of Agriculture bill for fiscal year 1965, stated that section 5 loans should be "directly related to the distribution, generation, or transmission of electrical energy."

Thus, both committees have made it abundantly clear that loan funds are not available for activities authorized under other programs, such as the Area Redevelopment Act and must be directly related to distribution, generation, or transmission of electrical energy.

With these committee reports in effect, no official of the Department of Agriculture should be encouraging REA personnel to carry out activities not authorized by the Rural Electrification Act—such as area development work and antipoverty. To assure the REA administrative funds may not be used to implement or foster programs such as antipoverty, for which REA loan funds cannot be legally made available, I will make every effort when the Department of Agriculture appropriations bill for 1965 goes into conference to make certain that language is included in this report to prohibit REA administrative funds to be used for carrying out programs not authorized by the act. In the meantime, I think this body would be well advised to defeat this antipoverty bill, and substitute sound and sane legislation designed to help that segment of our population, who for reasons beyond their control, need aid to get back on their feet.

The best way to meet the problem of poverty is through a practical program such as proposed by four members of the House Education and Labor Committee. Their nonpartisan, 7-point antipoverty program would be developed along the following lines—State, local, and private agencies must be given a part in any antipoverty program—the present bill bypasses them; the Federal Government should stimulate local community action, instead of dictating "rigid, uniform Federal requirements on a national basis"; needs of the very young and the aged should receive highest priority in any poverty program, because they make up more than half of the Nation's poor—the present bill neglects them; social security benefits should be improved—beneficiaries should be allowed to earn more without loss of benefits; selective service induction should be made as soon after 18 as possible; a new, high-level commission should be named to coordinate all Goverment statistical agencies, help automate employment services, promote needed studies of poverty; and the present laws dealing with poverty should be fully implemented—the administration's program would overlap many of them.

In closing, I might remind my colleagues, Mr. Chairman, that in May of this year I introduced an amendment to the agriculture appropriations bill to help alleviate one of the greatest instances of poverty and destitution this country has witnessed—Alaska after the earthquake. The amendment was eventually rejected without any help from the administration. Now, how can we meet here proposing millions to alleviate so-called poverty throughout the Nation when we could not appropriate a fraction of that amount to meet the problems of the catastrophe in Alaska when the evidence was clear that the need existed and prompt action was mandatory? I think the answer is clear—the administration felt there just was not enough votes in Alaska.

Mr. Chairman, I should like to include an editorial from the Chicago Tribune entitled "The Administration's Propaganda Army" at this point in my remarks followed by a very fine letter written to me by my good friend Mr. Ralph Monk, vice president of Caterpillar Tractor Co.

[From the Chicago Tribune, June 29, 1964]

THE ADMINISTRATION'S PROPAGANDA ARMY

The 15,000 managers and directors of the Government-financed rural electric and telephone systems are being urged to become a key task force in the Johnson administration's war on poverty. John A. Baker, Assistant Secretary of Agriculture, who heads Department activities that include the Rural Electrification Administration, outlined administration efforts to line up field help for the antipoverty drive in a recent speech to the REA conference in Milwaukee.

"If all the managers and directors of the REA-financed systems are mobilized in this drive to wipe out poverty in the rural areas, we would have a key task force of more than 15,000 persons," he said. "They would have at their command more than 38,000 additional employees, all backed by a membership well over 5 million."

The REA is only 1 of 12 Agriculture Department agencies whose activities are being coordinated to advance the administration's rural areas development program. The program is supposed to improve the lot of people on farms and in small towns through Government loans, grants, and technical assistance in a wide variety of projects that range from building water systems and apartment houses for the elderly to digging fish ponds and forming farm vacation associations.

Other agencies mobilized under this program, known as RAD include the Agricultural Stabilization and Conservation Service, the Farmers Home Administration, the Farmer Cooperative Service, and the Federal Extension and Forest Services. A national advisory committee on RAD includes representatives of every rural interest in the Nation. The Agriculture Department also enlists help from other Government departments, including Commerce, Labor, and Health, Education, and Welfare, and a number of agencies.

All these agencies and departments comprise hundreds of thousands of Government employees. The ASCS, which administers crop control and subsidy programs, alone has more than 100,000 full- and part-time employees scattered through every agricultural county and township in the land. These employees get their orders direct from Washington through State and county committees, and they continually bombard farmers by mail and phone in efforts to propagandize them on the benefits of enrolling in programs that bring Federal subsidies.

In addition, employees of the various agencies act as consultants to local RAD committees. These committees are comprised of unpaid volunteers who are local business and civic leaders, whose jobs it is to think up community projects that require Government assistance. At last count there were 64,523 persons serving on 2,117 country resource development committees, and 7,415 persons on 117 multicounty area organizations.

This is a formidable array of departments, agencies, payrollers, and unpaid do-gooders whose objective it is to sell Federal programs to the rural citizenry. Few persons on the local level, whether volunteer or on the payroll, are going to risk the stigma of not being "for the community" by opposing Federal cash for a water system, conservation program, or similar project that takes only a "few thousand dollars" from Washington.

And since most of those people are on the Federal payroll, and thus have vested interests in the program, it is not likely they are going to omit emphasizing the Johnson administration's role as benefactor in passing out the taxpayers' money. With this kind of propaganda army fielded by the administration at taxpayers' expense, the Republicans may expect a hard fought contest in November.

CATERPILLAR TRACTOR CO.,
Peoria, Ill., June 9, 1964.

Hon. ROBERT H. MICHEL,
207 Old House Office Building,
Washington, D.C.

DEAR BOB: We note that the House Education and Labor Committee has approved the President's omnibus war on poverty bill (introduced as H.R. 10440). We have studied and formed some opinions on this approach to solving the problem of poverty in the United States, and I thought you might like to have some of our views on this subject.

First of all, BOB, let me say that we recognize the seriousness of the problem in the United States. Poverty may not be as widespread as the administration contends, but it does exist in many areas of the Nation, and in sufficient degree to be of real concern to all Americans.

For this reason, it deserves public attention and action to seek out solutions. But while some of the proposals included in H.R. 10440 have merit, the bill as a whole seems to us to represent an extremely costly collection of proposed solutions for effects rather than causes of poverty in the United States.

To illustrate how costly this approach would be, we estimate that the first year cost of this program ($1 billion) would tend to add $1 million to Caterpillar's tax bill. That represents the cost to one company, and indicates how enormously expensive this program would be to many others.

We feel there are some positive alternatives which might prove equally effective, and would not be nearly as costly. In our opinion, these alternatives deserve serious consideration by our Government in its efforts to find solutions.

Some of the alternative ways to fight poverty in the United States might be:

(1) Continuing efforts to increase U.S. exports and thereby create more jobs for Americans. One way to accomplish this: by negotiating reciprocal tariff reductions, as we are attempting to do at the GATT meetings in Geneva.

(2) Continuing attempts to minimize inflation, thereby protecting those Americans, particularly older people, who are attempting to live on fixed incomes sometimes only slightly above the $3,000 figure used by the Government as a measurement of poverty.

(3) Restraint by organized labor in its increasing demands for higher wages and benefits.

(4) Meaningful civil rights legislation designed to insure equal educational and employment opportunity for minority groups.

(5) More selective use of State aid to schools to upgrade education in "poverty impacted" areas.

(6) Effective private local, State, and Federal training programs to adequately prepare the unemployed for today's job needs.

(7) Fuller utilization of the handicapped, the aged, and the underemployed by making it possible for them to earn more without jeopardizing current benefits.

(8) Promotion of more labor mobility by making State unemployment compensation programs more interchangeable.

(9) Liberalization of Kerr-Mills medical assistance to induce all States to adopt such programs, making social security-financed hospital care unnecessary.

(10) Concentration of more effort locally to create an awareness, desire, and willingness on the part of local organizations, such as chambers of commerce, to find solutions to poverty problems.

Please excuse the length of this letter, BOB; but in addition to expressing opposition, I also wanted to at least outline some of our ideas for alternatives to the war on poverty proposal. I would appreciate your consideration of these opinions.

Sincerely,

RALPH.

Mr. FRELINGHUYSEN. Mr. Chairman, I yield such time as he may desire to the gentleman from Ohio [Mr. CLANCY].

Mr. CLANCY. Mr. Chairman, we are not dealing today with a new enemy. The war against poverty has been waged for decades in the United States. It would seem to me that before we vote to make another declaration of war against poverty, it would be wise to know what weapons are now available and how well they are being used in the war against poverty. We are attempting to wage war on poverty in 1964 with weapons of 1934. This bill encompasses programs that are as old as the New Deal itself. It is the same old soap with a different label.

I think it is important to state at the outset my belief that the dimensions of the problem of poverty have been exaggerated and, I fear, primarily for political purposes with resultant damage to our image abroad. The yardstick of $3,000 annually of cash income per family is an unreliable measure of individual welfare in many instances.

It fails, for example, to measure accumulated assets and noncash income. This is not to say that poverty does not exist in the United States, for we know that it does. But imprecise measurements serving as definitions of poverty are inadequate tools to serve as a basis for remedial action.

There are so many glaring defects in the bill under consideration here today that time does not permit even a cursory discussion of them all. I would like, however, to comment briefly on just a few of them.

First and foremost is the incredibly loose drafting of this something-for-everybody bill. It is impossible to understand completely what is proposed in the bill because, to an unprecedented extent, what would emerge in practice would be shaped by the individuals responsible for administering the programs rather than from guidelines set forth in the legislation itself.

It is of deep concern to me that this measure proposes the creation of an entirely new agency of Government to be headed by a director who will be given extensive grants of wide-ranging authority over present agencies and departments.

In addition, I find appalling the absence of a requirement for local or State government approval of proposed community action programs. No clearance of an application for Federal aid with a State or local public agency is required beyond the affording of an opportunity for the Governor of the State involved to comment. This amounts to an unrestrained grant of power to the Federal administrative agency to bypass both State and local public officials and established communitywide health and welfare organizations. This is a dangerous precedent, and it would seriously undermine traditional Federal-State-local government relationships.

At the present time, a substantial part of the total national budget is allocated to programs designed to prevent, alleviate, and overcome the causes and effects of poverty in this country. The tremendous sum spent by all levels of government, added to the billions spent by private organizations represents a total national expenditure of approximately $100 billion.

The omnibus approach of this bill duplicates to a far-reaching extent current Federal antipoverty programs such as vocational education, manpower retraining, aid for the aged, and similar Government efforts. According to the Secretary of Health, Education, and Welfare, 42 existing Federal programs have a "direct application to poverty."

Furthermore, the appropriation authorizations in the bill, totaling $962,500,000, are for the first year only. This is nothing more than a starting point of massive new Federal expenditures, contrary to the recently expressed policy of the Congress to restrain Government spending.

With respect to the proposed Job Corps, I question the degree of effectiveness of short-term efforts to impart basic education, vocational training, and a sense of social responsibility to youths, while displaced in a strange environment. The CCC camps of years ago did very little, if indeed anything, to equip a youth to cope with the problem of obtaining employment in the urban areas of our Nation.

Also, I would express doubt as to the reality of a Jobs Corps program which involves operating expenses of some $4,700 annually per enrollee, plus substantial camp construction and other costs, when these cost levels are compared with the average costs of vocational training or, perhaps more important, with the cost of a college education. This sum is more than enough to educate a student in many of our finest colleges for a period of 2 years. Far better it is, in my estimation, for our young people to obtain a higher education than to place them in camps and later return them to the labor market no better equipped than they were for a career in an industrialized society.

Certainly those of us who will vote against this bill desire for all Americans full employment, better living conditions, and the elimination of poverty. Our concern for the aged and infirmed, the school dropout, and other of our citizens in need of assistance is every bit as great as that of our colleagues who will support H.R. 11377. Our differences lie not in the ends desired, but instead in the means best suited for achieving these ends.

I believe we should concentrate our efforts on making the existing 42 Federal programs more effective, rather than laying the seeds of mass confusion by proposing still other overlapping and duplicating programs.

H.R. 11377 must not be allowed to become law. This is not the way to relieve poverty. Rather, the solution lies, to a large extent, in the adoption of Government policies and attitudes that will permit the free enterprise system to operate at peak efficiency and in this way produce more and better jobs. No outpouring of Federal funds, such as proposed by this bill, can cure the infinitely complex causes of poverty in America.

I shudder to think of the staggering costs that will be borne by the taxpayers in the years to come if this bill becomes law. Accordingly, I strongly urge the defeat of this bill. It is purely a gimmick to temporarily reduce the high unemployment rolls in an election year. Gimmicks we do not need.

Mr. FRELINGHUYSEN. Mr. Chairman, I yield such time as he may desire to the gentleman from Missouri [Mr. HALL].

Mr. HALL. Mr. Chairman, an Ozark friend has well said, "If those Federal fellers would quit telling us we are poverty stricken, we would not be."

How ironic, it seems to me, that the Congress is today considering a so-called war-on-poverty bill within a few days after the action of this House in bowing to the demands of the President and bestowing a 33-percent increase in pay upon Members of Congress, the Cabinet and the Federal judiciary.

Some may say that we have now lifted Congressmen and Cabinet officers out of their poverty status, but I say the proponents of this measure, and I am proud that I am not among them, have acted irresponsibly and without reason. This administration has effectively blocked legislation to give relief to our farm constituents against excessive beef imports. By its silence it has blocked efforts to consider legislation that would permit this House to put the apportionment of State legislatures back in the hands of the people. It has blocked efforts to consider Republican proposals covering a wide range of national problems.

But it has forced through a substantial pay hike for those whose incomes already are at least 10 times higher than its definition of poverty. Now we are considering a second bill which would add a 43d layer of Federal bureaucracy to the 42 Federal programs in the Department of Health, Education, and Welfare alone, which already has responsibilities in the poverty field. Also, I suggest a study of the President's own Bureau of the Budget salary scale. There is no poverty there.

Rome had its bread and circuses but were there excesses any greater than what this House did last Tuesday, and what it seems bent again on doing today?

Mr. FRELINGHUYSEN. Mr. Chairman, I yield 8 minutes to the distinguished gentleman from Ohio [Mr. AYRES], a member of the committee.

Mr. AYRES. Mr. Chairman, the preamble of the Constitution of the United States dedicates us to promoting the welfare of all of the people of our Nation. I do not mention this as a reminder to the Members of the Congress. I know full well that this is always in your hearts and minds.

Our primary concern is for the less fortunate citizens. This has been true of this 88th Congress as it was true of the 1st Congress and of all of the intermediate Congresses.

I reiterate these truths solely because some stories and speeches might have led people to believe that we, the elected representatives of the people, had no concern for those who were impoverished. These stories must certainly have given the citizens of foreign countries a false impression of our Congress.

We all know the full meaning of poverty—some of us from firsthand experience—others from working for welfare measures. From 14 years of service in this House, I know that our concern transcends party lines. Many times, I have worked with members of the opposite political party so as to bring a constructive measure to this floor. This has been particularly true when that measure affected the welfare of the poor. The great majority of the Members of this House have set aside politics when problems affecting the needy arose.

If I were but to describe the programs budgeted for fiscal 1965 that combat poverty, it would consume more time than is allotted for the entire debate on this measure. I would just remind you that there are 51 such programs that we have financed. These programs are aimed directly at aiding those in straightened circumstances.

The amount involved here is $8.7 billion. Not included in this are such recently passed measures as the raise in social security payments and the tax cut. These affect others than the poor.

These funds are administered by the following Federal departments and agencies: The office of the President; the Agriculture Department; the Commerce Department; the Health, Education, and Welfare Department; the Interior Department; the Labor Department; the Housing and Home Finance Agency; and the Small Business Administration. They have experience in the handling of these specialized problems. There are those who criticize their administration of recently passed legislation affecting the training and retraining of the unemployed. These critics would take the administration out of their hands. This Congress has amended the Manpower Training Act to permit basic education to become part of the job training program.

We realize that the battle against poverty should be continuous. Congress has voted for every constructive measure that has pointed toward any solution to the many phases of the problem.

Now we are asked to support an omnibus measure under the direction of a single director. The inference can only be that the past congressional approach of creating new programs and placing them in existing governmental agencies was in error. A careful analysis of this measure before us today will show an almost unbelievable amount of duplication of working programs. If, as is claimed, the present programs are not effective in combatting poverty, they should be repealed or revised. I certainly would not be in favor of this drastic action without a complete reevaluation of all of the aspects of poverty.

The House Education and Labor Committee held hearings on this omnibus antipoverty bill—a bill that even its proponents admitted presented a network of problems. I believe that you will agree with me that sections of the proposed bill might have better been scrutinized by the Banking and Currency, Agriculture, and Ways and Means Committees. If this had been done, I am certain that we would have eventually had a more operative measure.

Seemingly, speed of enactment of this bill took precedence over the proper deliberation that would have perhaps brought about some improvements in the present programs affecting our less fortunate citizens. The distinguished gentleman who is scheduled to head this new agency seemed to be working against a most early deadline. I have been told that many of his friends felt that his leadership for this legislation would make him the most popular political figure in the Nation. Proof that such has not been the case was recently given to us. Great numbers of people did not rally behind him as a champion in the battle against poverty.

Many proponents of this bill brought suggested improvements to our attention. Some mayors of large cities have antipoverty programs now in operation. They are receiving large funds from the Federal Government toward their costs. Naturally they are looking to this proposed bill for additional funds.

I agree with these local officials in their desire for, and I quote from the words of one of them, "a considered and concerted attack on poverty." I can but believe that you must agree that the legislation before us has not had the due consideration that such an omnibus bill should have.

The mere definition of poverty should be made.

Mr. Walter Heller told our committee, and I quote his words:

> The dimension of poverty is $3,000 for a family. This is the dividing line that sets off the poor.

If this be the deadline then my father—a minister—lived in poverty all of his life. I know that he, and we, his children never considered ourselves among the impoverished.

I favor an all-out attack on poverty. I do believe that we probably can improve existing legislation and devise new methods of attack if we knew exactly the effectiveness of present legislation and better understood the problem from a local level.

Having seen no evidence that H.R. 11377 would make a wage earner out of any member of the unemployed, I have offered a substitute bill that would create a commission to "review the scope, cost, and effectiveness of all existing programs; to examine into and analyze the underlying causes of poverty; to define those areas of unmet community and individual needs to which new programs need be directed or established programs redirected to more effectively deal with the causes and effects of poverty; to recommend specific administrative and legislative action which should be taken by the Federal, State, and/or local governments." I have been quoting from the objectives of the substitute bill.

I am offering this measure in the complete spirit of nonpartisanship. I would not take any leadership away from the President. The bill contains the provision that 12 of the 18 members should be designated by the President—the other 6 members to be named by the leaders of the House and Senate.

I emphasize the nonpartisan nature of my bill because this issue has already been designated as one of pure politics. We have heard it said that such a loosely drawn measure would never see the light of day had this not been the year that we conduct our national election.

I have been shown a letter on White House stationery that seems to bear this out. The letter was addressed to Mr. Joseph A. Califano, Jr., the General Counsel of the U.S. Army. This letter stated that Mr. Califano, Jr., had been designated by the Secretary of Defense as personal contact in the Defense Department for the Job Corps. The letter written by Sargent Shriver's chief aid, Adam Yarmolinsky, called upon Mr. Califano, Jr., to prepare camps for the Job Corps.

This plan as outlined by Mr. Yarmolinsky stressed several times the immediacy of creating a visible impact by opening these camps by early fall. They were to be opened so speedily that a training staff would not be assembled and the Army was being alerted that they would probably be expected to provide active military personnel.

It is indeed hard to understand the sudden rush for this legislation when teaching personnel is not available. Certainly our war on poverty should be conducted in depth and not for the visible impact that it might make on the voting public.

The need of a deep study is evident to all of those who listened to the evidence that was brought before our committee.

I gained several convictions from listening to local officials. One is that any program must be designed to meet the demands of local labor markets. We should investigate the creation of urban conservation corps with the enrollees living at home. We should conduct an investigation whether any potential urban enrollee would join a job corps based in a military camp. Local officials and some Members of this House have serious doubts that they would do so.

A full survey should be made of draft rejects and school dropouts to see as to the type of program in which they would be willing to participate.

A job survey should be conducted to make certain that we were training men for available jobs. Both New York's Mayor Wagner and AFL-CIO Chieftain Meany showed a deep concern about this. This survey should be made on a local level. Journeymen tool and die operators are in short supply in my district—one that was unemployed in the city of Washington could not find an opening.

The causes of poverty are many. Proposals that have come before us have encompassed the creation of marriage counseling, the treatment of alcoholics and psychiatric care for the emotional immature among many others.

We have been told that this bill is pointed at the most hardened poverty cases. Perhaps we can find a way to prevent poverty from taking such a firm foothold. Perhaps we can help those communities that are poverty prone.

Certainly we should be able to find a better solution to the unemployment of our young people than just dumping them into Army camps for 2 years. Those of us who served in the military remember our own readjustment difficulties on our return to normal life.

We will have lost nothing by the short delay necessary for a commission to make a real survey of the entire problem.

The Chief Executive told the top official of the organization of guidance counselors that the antipoverty program would need 1,000 counselors to be effective. That official stated that these necessary advisers are not available at this time. Their replacement by the military would not be advantageous to the enrollees in the program.

It is simply a question whether we want to vote for a title or to really delve into the situation to the extent that we can present constructive legislation that will solve the complex problem of poverty.

Under my substitute bill, the President can assemble our Nation's greatest labor, industrial, educational, welfare, and legislative leaders. They can meet with those local leaders who have firsthand information in their own districts on the causes of poverty. From all of this could come the greatest assault on poverty that the world has ever known.

I ask your support for H.R. 12040.

Mr. JOELSON. Mr. Chairman, will the gentleman yield?

Mr. AYRES. I yield to the gentleman from New Jersey.

Mr. JOELSON. In charging that this program is political is not the gentleman in effect saying that this is a program that the people of America want and indeed clamor for and demand, and that it is a response to the demands of the people, because that is what politics really is?

Mr. AYRES. I will say to the gentleman that if through the bill that we passed out of the committee, that if in that legislation, we were creating one wage earner I would give it consideration. But we had testimony from Mr. Meany, the head of the AFL-CIO who said: "What good does it do to take the kids off the streets for 2 years when you are going to turn them out after 2 years with nothing to do?"

We have no idea how this training program is going to be conducted. I know now, based on the letter from Mr. Yarmolinsky, that the Defense Department, at least the military, are going to be running them and I assume that they will keep them busy. But whether or not these young men will become wage earners, I will say to my friend from New Jersey, I have no way of knowing. We have had no testimony that there would be any new wage earners in this field. We have had our manpower and retraining program. We have had concrete examples right down in Cambridge just a month or so ago when all of a sudden someone in the administration discovered the difficulty down there was unemployment and they were going to have 200 people entering the manpower and retraining program. The gentleman knows how many showed up.

Mr. JOELSON. Mr. Chairman, if the gentleman will yield further?

Mr. AYRES. I yield.

Mr. JOELSON. I would merely say that being political means that one is responding to the needs of the people. I would certainly be the first to confess proudly that I am being political, because I think that is what we are here to do.

Mr. AYRES. I appreciate the gentleman's statement.

Mr. ROOSEVELT. Mr. Chairman, will the gentleman yield?

Mr. AYRES. I yield to the gentleman from California.

Mr. ROOSEVELT. I think the gentleman, of course, has taken a letter out of context and given it an unfavorable interpretation. But let me say to the gentleman very frankly what the writer of the letter was trying to do, if I interpret him correctly, was to answer those charges that have come from your side of the aisle that this was simply a political gesture and in an effort to insure that the people must understand that this was not a political gesture; that we meant what we said and that we wanted to be prepared and move ahead. I shall be happy to put in the RECORD the kind of specific jobs which are open today and which, if this bill goes into effect, we will be able to train these people to take.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. LANDRUM. Mr. Chairman, I yield 10 minutes to the gentleman from Maryland [Mr. SICKLES].

Mr. SICKLES. Mr. Chairman, I can stand here and say—yes, with pride—that we live in an abundant land. No other people in the history of mankind have had the diverse goods and the physical comfort that accrue to great numbers of our people. As we look around our homes at the many physical comforts we have and as we look out our picture windows, many of us realize that the portrait of this great Nation is marred by the fact that one of five of our citizens does not share the abundance that most of us are fortunate to have.

Often when we speak of fighting poverty here in America, we hear the quote "The poor will always be with you." So it is written—so it may be—that the poor will always be with us. I am sure there will always be those who would not take a job if it was offered to them. There will always be those who would not continue with their education if given a chance and there will always be those who squander both the wealth of others and the hopes that others have for them. I believe, however, that if the great majority of those Americans who now live in poverty were given half a chance, they could, and yes they would, pull themselves up by their economic bootstraps.

Americans have traditionally had compassion, great compassion, for those in less fortunate circumstances than themselves. Our history is just full of stories of the pioneers on the frontier helping a new family build their first house or helping those who were victims of fire, Indians, drought, or the many other certainties that comprised life in those days. Ours has traditionally been a land of great opportunity with virgin forest eagerly awaiting the lumbermen, with virgin soil responding to the farmers' steel plow and myriads of business opportunities in the cities that formed the heart of an economy growing by leaps and bounds. Today the buzz saw has replaced the ax and the electronic drill the miners' pick. Today the tractor has replaced the steel plow and one combine reaps a harvest that once took a thousand men to sow. Small business opportunities have given way to the growth of great corporations that dominate the marketplace. With all these changes has come the standard of living for the average American that is unparalleled in history. With these changes have come machines that have swept the assembly line clear of the unskilled. Machines that have moved from farm to factory to offices replacing many skilled workers in their wake. Perhaps most important of all are the changes demanded in our level of education—no longer can an unskilled, unschooled man rise to the top. Today's society demands the best well-trained minds we can muster.

Just what are we doing here in America today to provide new jobs to replace the old, to provide new skills to replace the old and to provide a better education and economic opportunity for all? We are doing far too little and the bill before us today offers us an opportunity to redress a neglect of the past. Yes, we have given Americans subsistence welfare aid to keep them alive, but we must help them get off the welfare rolls. Yes—we have created jobs—thousands of jobs—but they lag behind our growing labor force. Yes, we have gotten better schools and better teachers, but the child of poverty does not need simply better schools—he needs the best schools to offset the other experiences in his daily life.

It is time that we dropped our paternalistic attitude by saying these people are getting welfare and that is all that they need. We need to help them break the welfare cycle and the cycle of dependency that encircles them. Time after time in city after city, it has been shown that the health, education, and welfare services that we have been providing to the poor are not adequate to the task of remedying their plight. Title II of the bill seeks to remedy this situation and reach these people in a positive way.

The missing job opportunities that our forebears found so plentiful in America will be provided both by programs in title I of the bill, by expanding small businesses and by making many family farms healthy economic units once more.

Education starts the day of your birth and ends in this world when you are interred. The children of the poor when starting their school experience are culturally years behind more fortunate neighbors. Even if they are bright enough to overcome this handicap and finish the free public education provided to them, it is unlikely that they can afford a costly college education no matter how academically able they are. By providing preschool aid as is contemplated under title II of the bill, we can compensate for home and neighborhood environment that does little to nurture the latent talent many children of the poor are endowed with. By providing part-time jobs to those who have the ability to go to college, we are guaranteeing both them and ourselves a better future. The effort begun here today to help the poor lift themselves above an accident of birth is truly part of our great American tradition that man should be given a fair chance to develop his capacities to the fullest both for the benefit of himself and our Nation. Americans today but need the opportunities that our fathers had and I am sure they will make the most of them.

The Volunteers-In-Services to America, here at home, will demonstrate as the Peace Corps did abroad as do people who are working to eliminate the causes of poverty in their local communities, that there still burns within the American people a spirit of compassion and sympathetic understanding for those who are seeking a better way of life. A great nation cannot ignore its poor—a great society cannot be built if they are ignored and we in the House cannot turn our backs on our fellow Americans who need our help. I yield back the balance of my time.

Mr. LANDRUM. Mr. Chairman, I yield such time as he may consume to the gentleman from New Jersey [Mr. PATTEN].

Mr. PATTEN. Mr. Chairman, in a country as wealthy as the United States, the existence of poverty is more than a challenge—it is a dangerous enemy that must be fought until it is defeated.

Poverty weakens our economy, increases social unrest and darkens America's image throughout the world.

When an estimated 30 to 35 million Americans living—or merely existing—in the strongest and wealthiest nation in the world are deprived of the basic essentials of life, every American should be concerned—and ashamed.

But concern, shame, and criticism alone cannot defeat poverty, for poverty is a stubborn and tenacious foe that deprives about one-fifth of our people from being more active, healthy, and effective citizens.

They lack adequate food.

They lack adequate clothing.

They lack adequate housing.

And they lack adequate education.

These privations are a great tragedy, but they can be overcome if all levels of government become allies in this critical fight to help defeat man's ancient enemy.

These are startling and dismaying facts, but if we start to battle this devastating and cruel enemy now, the war against poverty can, must, and will be ultimately won.

The Economic Opportunity Act would not be a panacea, nor would it crush poverty in 1 year, or one battle. But it would be the first and most important one fought.

I hope that every American joins in this historic, essential, and just war, which, if victorious, would make us a stronger, more respected and prosperous nation.

If the earning power of those suffering from poverty is increased by only $100 a year a person, purchasing power in the Nation would be increased from $3 to $3.5 billion.

President Johnson has pointed out:

> Poverty at home is an enemy of our society as much as aggressors abroad.

Poverty will be defeated if we combine our economic, social, and human resources and work together—not as Democrats, not as Republicans, not as independents—but as responsible and compassionate Americans and as fellow human beings.

Mr. **LANDRUM**. Mr. Chairman, I yield such time as he may consume to the gentleman from Pennsylvania [Mr. MOORHEAD].

Mr. **MOORHEAD**. Mr. Chairman, I rise in support of H.R. 11377, the Economic Opportunity Act of 1964. My congressional district and my city of Pittsburgh want to enlist for the duration of the war against poverty.

The solutions to these problems, which are so varied, are beyond the jurisdiction of any single department or agency in the executive branch. Similarly, at the local level the war against poverty will cut across jurisdictional lines. In the field of community development, with the Pittsburgh renaissance, Pittsburgh has demonstrated civic patriotism and a talent for bringing together business, labor, and government to work cooperatively for community betterment.

I think this talent to cooperate across jurisdictional lines will make Pittsburgh an ideal frontline soldier in the war against poverty.

We are ready to start now.

Based on the hope that this Congress will pass H.R. 11377, Pittsburgh civic agencies in cooperation with the mayor's office have adopted a proposed community action program of the type contemplated in part A of title II of the bill. The cooperating agencies include: the Pittsburgh Board of Education, the Catholic school system, the health and welfare association, Allegheny County Board of Assistance, Allegheny County Health Department, ACTION-Housing, Inc., the city planning commission, settlement houses, and other agencies.

The aim of Pittsburgh's draft proposal is to develop a unified program for attacking poverty by combining new and experimental programs with existing programs in health, education, welfare, employment, housing, urban renewal, and economic development.

Over 60 percent of the proposed funds is allocated to compensatory education programs. Team teaching and prekindergarten programs are designed to combat the hard fact that the disadvantaged youngsters usually suffer from poor backgrounds and never catch up to their middle-class classmates.

We in Pittsburgh intend to use this legislation to break the cycle of poverty by which the handicaps which kept the father impoverished are handed on to the children.

The uneducated father tends to be poor and live in a slum, bringing up his children in a home environment which does not contribute to the educational process. At the same time and to our shame, the schools in such a neighborhood tend to be well below average and thus the vicious cycle repeats itself—the child of poverty becomes the father of poverty.

The Pittsburgh program and H.R. 11377 are needed because our entire educational system is based on the assumption that education takes place in a middle-class community where a great deal of the process of education is carried on at home. In the case of a young person whose parents are poor and uneducated and who lives in a rural or an urban slum, the basic assumption is false.

The new and exciting thing about this legislation is that, with its emphasis on young people, it recognizes that the greatest challenge is to break these patterns of poverty which occur generation after generation.

The key element of this legislation is found on page 9 of the report where it is said "educational attainment can break the cycle of poverty."

The Pittsburgh community action program is grounded on this same proposition. In the proposal it is said:

> We believe that the fundamental tools for breaking the cycle of poverty are programs designed to raise the educational level of individuals within the community. The emphasis in the Pittsburgh program will be on educational experiences of an innovative type within the schools, designed specifically with the problems of the culturally deprived in mind.
>
> Although poverty affects all age groups, the community action program in Pittsburgh is primarily geared to attacking the problems of youth. This focus is necessary in a program that has relatively limited resources. It is our belief that an investment in the young will produce the greatest possible dividends in terms of eliminating the causes of poverty.

However, Pittsburgh has recognized, as has the Committee on Education and Labor, that the causes of poverty are many and varied and that a varied assortment of solutions are necessary. Accordingly, Pittsburgh has drafted a proposal for a work training program of the type contemplated in part B of title I of H.R. 11377. The city proposes a meaningful work experience in city government for some 1,108 young men and women from 16 to 22 years of age. The jobs would be in the fields of parks and recreation, public safety, bureau of traffic planning, lands and buildings, public works, and the Carnegie Library.

The work training program would be coordinated with the community action program in recruitment, counseling, and work programs. The draft proposal states:

> The highest priority programs will be those that most enhance the employability of the participants by providing them with the best means of continuing or resuming their education or imparting to them a more marketable skill.

In the hope of the enactment of title IV of this bill, Pittsburgh has instituted another program. A group of Negro and white businessmen have organized a nonprofit corporation, the Business and Job Development Corp., and in association wtih Duquesne University, has applied to the Area Redevelopment Administration for a technical assistance grant. The object of the proposal is to create job opportunities for ethnic groups by creating and expanding small businesses which can employ minority group members at all levels from chairman of the board to janitor.

The importance of Negro business leadership was stressed by Theodore H. White in an article entitled "Racial Collision in the Big Cities," where he pinpointed the Negro-white problem in the large urban centers in the following way:

> Most Americans with a leadership urge express it in private business and industry, where the Nation's executive talent so brilliantly flourishes. But this world of private enterprise is largely closed to leadership Negroes by prejudice, and only rarely have Negroes tried to penetrate it as other groups have done, with ventures of their own. Thus Negro leadership talent turns inward. And as their educational levels rise, they find they can lead only one way—against the common enemy they perceive in all white people.

With the possible exception of home ownership, there is no more stabilizing influence on an individual than ownership of one's own business. The entrepreneur, large or small, has an important stake in the stability of his community.

This is the essential purpose of title IV. However, to enable the title IV program to have its widest possible effect, potential applicants should be sought, screened and trained by nonprofit local agencies. This is the purpose of the successful and practical businessmen who formed in Pittsburgh the Business and Job Development Corp. In their proposal to ARA they said:

> In order to create and expand these small businesses, managers and entrepreneurs must be trained, financed, counseled, and encouraged. This is the program and goal of the Business and Job Development Corp. This program would prove an opportunity for Negro and white small businessmen to work together at all levels of these new and expanded businesses.

Opponents of H.R. 11377 criticize the bill for being "disorganized," hastily assembled and having a "varied assortment" of programs. Mr. Chairman, I think that the way that public and private agencies in Pittsburgh have responded in a practical way in anticipation of the passage of this legislation demonstrates that H.R. 11377 contains sound and workable programs to help us solve the perplexing problem of poverty in the midst of plenty.

Mr. LANDRUM. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. HANNA].

Mr. HANNA. Mr. Chairman, to altogether too many people the term "poverty" is equated with money. It is a simple matter of comparison between those who are "poor" and those who are "rich." Such an approach leads to the obvious obfuscation of relativity. It could be demonstrated that there are a variety of comparisons any place on the scale of incomes where one group was relatively poor to a group much more favorably placed on the income scale.

Too, a reference solely to income even at a low rate of say $3,000 a year brings in the irrelevant referrals to groups such as draftees, pensioners, and handicapped persons. These may have their own basis for appeal for our consideration for our assistance and support, but they are for all significant purposes irrelevant to the question and problem of poverty.

Poverty is only incidentally a condition of low income. In its essence, poverty is deprivation of opportunity to improve. It is a cellular isolation in a backwater environment well out of the mainstream of progress. Poverty is a 3-year-old boy with six to eight brothers and sisters living in a third-floor apartment of three or four rooms. He has a poorly educated mother and no father. His playground is the street. His homelife is a bedlam of confusion and a minimum of care. Direct conversation is likely to be in such limited phrases as "eat," "get out," "go to sleep," and "shut up." There are no books; there is little guidance, encouragement, or recognition. The most important needed quality to the very young may be denied—love. At 6 years of age this youngster is snatched from this casual existence and placed in school to learn. For the first time someone asks him to communicate in a meaningful way. He is exposed to the simplest request of recitation and has no experience on which to draw. He finds himself in a group which already may know the alphabet and have quick answers for simple questions. He is a first-grade failure—a sure candidate for dropout, a strong prospect of unemployment, a likely father of another of the same stamp. This, Mr. Chairman and gentlemen, is poverty. Poverty is a girl of this environment, who is pregnant at 13, a girl given no surroundings but conflict and no hope except welfare. These youngsters who know no privacy, who have no sense of person, who have no sense of belonging except to their kind and no sense of responsibility except to a sustaining of life; these are the children of poverty.

Contrast this with the poor. A struggling college boy can be poor but he is not so impoverished. A draftee may be poor but he is not so impoverished. A pensioner at the twilight of a productive life may be poor but he is not so impoverished. An immigrant coming from another land may arrive here poor, but he is not so impoverished.

The poverty we are here addressing ourselves to is the impoverishment of opportunity. The denial from the beginning of life to compete for improvement. We are here seeking to assault the walls of a subsociety. This subsociety will by 1970 provide us with 1½ million youngsters between the ages of 16 and 20 who will be out of school and out of work. They will be on our streets, in our jails, on our relief rolls. The truth of the matter is our society will be threatened by these young people who have grown up outside of it.

Do we not want these people to be self-sustaining and contributing members of our society, not threats to our strength and drags on our resources? Is it not better to have them taxpayers instead of tax users?

Now I know that many of our colleagues who equate poverty with money, say of any program to improve the lot of the impoverished that it is simply an immoral exercise of taking from the rich and giving to the poor in a vain attempt to equalize. This is not true. No effort made by us will equalize the lot of men. But this should not deter us from investing in programs and processes whereby we bring an equal and meaningful equality of opportunity to all our citizens. It is an investment in the best tradition of American principles. It is an investment called for by our long-range national interest. I remind the Members that above the Speaker's podium and inscribed in marble on our wall is the following admonition by Daniel Webster:

> Let us develop the resources of our land, call forth its powers; build up its institutions; promote its great interests and see whether we also in our days and generation may not perform something worthy to be remembered.

May we look to these factors in the instant legislation in relation to Mr. Webster's moving request. How many times have we said and heard said that the richest resource we have in America are the young people of our Nation. Are they not worth calling on our powers to help them, building our institutions to serve them and promoting our great interest in developing them? Can we call on our powers, build our institutions, and promote our interest without investing our money? Obviously, we cannot. Shall we be deterred because this great and noble effort requires commitment of our funds that we may garner the returns and dividends of a stronger, richer, more stable nation?

It has been said that this program will be abused. That it will direct help to persons who are too lazy or too indolent to be materially benefited. This is true. For every worthy piece of legislation whose aim it has been to improve the lot of our people, there have been those of our citizens who have used the opportunities; those who have ignored the opportunities; and those who have abused the opportunities. That is the risk of legislating for a large and diverse population with a variety of human virtues and human weaknesses. But because we cannot help all, should we neglect all? Our experience has demonstrated that for every new program of opportunity, there has been a wealth of positive response that justified its inception and far outweighed the failures and abuses. We suggest that is the reasonable expectation from this legislation.

It has been said that the sections of this legislation are 1934 answers to 1964 problems. I would remind all that in 1900 we bought a ticket on a coach which provided transportation in the west—in a stagecoach drawn by four horses. In 1964, we buy a ticket on a coach which is the rear section of a jet propelled aircraft that crosses the United States in 4 hours.

There are some Americans who are not blinded to progress just because we indulge our desires for the familiar by returning the old names and the old forms for the new and more advanced ideas.

Let us keep our eye clear and our purpose progressive. Let us recognize the foe. Let us join in the fight to vanquish the subsociety of poverty.

Mr. LANDRUM. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. ROYBAL].

Mr. ROYBAL. Mr. Chairman, as a former member of the Civilian Conservation Corps of the 1930's, I rise in support of the legislation before us.

I speak from experience when I say that the time I spent in the CCC was one of the greatest experiences of my life, second only to the privilege of serving in the Congress of the United States.

But it is possible that I would not be here today, had it not been for the opportunity afforded me at a time when jobs were almost impossible to acquire, and many young men were roaming the streets and highways of our Nation, broken in heart and spirit, and with no hope for the future.

As the oldest of a family of eight, I joined the CCC after graduating from high school and became a part of a working team that helped conserve our national parks and forests and other resources of our Nation.

This provided the incentive that lifted the feeling of despair, and provided the will to continue my education, making it possible to take a place as a successful member of our society.

The legislation before us can do the same for thousands of young people who, because of circumstances beyond their control, are victims of the seeds of poverty.

Worst of all, they are byproducts of the subbasement of an affluent society whose neglect has condemned them to an unwholesome atmosphere that breaks down the human body and destroys the spirit and the hope of the individual, often pervading his life and remaining his only legacy for his children.

Today, thousands of Americans having been bypassed by the technological advances of our times, are unable to adequately provide for their children, whose own lack of preparation, opportunity, and incentive will force them to inhabit the slums of our cities and take a place in the economic underworld of the forgotten.

This is not what we want for our country, whose income level is at an all-time high, whose vigorous purchasing power makes possible a two-car family which has added freezers to their refrigerators, automatic dryers to their automatic washers, swimming pools to their backyards, air conditioners to their homes and cars, and have more free time to switch off the appliances and get away from it all.

We want a society that provides the opportunity, and the incentive for the victims of adverse circumstances, who with a small push can take his place in our constantly expanding community, and can well be the custodian of our destiny as he takes over when we are gone.

He can be trained now to build roads, construct the dams, till the soil, and produce the food that will feed the hungry mouths of humanity.

As one who knows, because I was there, I will support the passage of the legislation before us.

This will provide opportunity, and reduce the domain of the poor, the impoverished, and the oppressed, making it possible to emerge victorious in our war on poverty.

Mr. LANDRUM. Mr. Chairman, I yield 10 minutes to the gentleman from Florida [Mr. GIBBONS.]

Mr. GIBBONS. Mr. Chairman, I rise in support of this legislation. I believe it is a very fine legislation. It has certainly been well studied and well debated in this 6 hours of general debate.

Mr. Chairman, based upon the observation of the faces of my colleagues here in the House this afternoon, I think it is obvious that their minds are made up and we are now ready to vote.

However, Mr. Chairman, I believe there are some things that must be said before we get to a vote in order to clarify some of the points and charges that have been made here on the floor today and yesterday.

First of all, Mr. Chairman, we would be led to believe that poverty does not really exist, based upon the ridiculous arguments that we have heard. Yet, all of us know that poverty does really exist and that it is very real in our land.

Mr. Chairman, somebody raised the question as to whether there were 32 million people living in poverty or 38 million people living in poverty. I say to the members of the committee that if there are just 1 million people living in poverty and we can do something about it, then it is incumbent upon this Congress to act in this field, for poverty in the midst of plenty, which we have in this great Nation, is something that we cannot afford as men, as Americans, and as leaders of the free world.

Mr. Chairman, we are not going to be judged in this battle for men's minds by the number of shiny streets we have or by the number of fine houses which we have but, unfortunately, we are going to be judged by the number of people in our country who cannot afford the basic necessities of life and who do not have the training to obtain a good job.

Those are the criteria by which we are now being judged in this battle for the minds of men. There is a great national purpose to this legislation, that we raise up every American not by a handout, not by a giveaway, not by any magic hocus-pocus, but by the same fine American principles that have supported this country.

The charge goes out that this program does not meet the challenge of eliminating poverty. I will have to say in all honesty, certainly it will not eliminate poverty completely, but it will do it better than any program we have had before. The next Congress can come back and can refine this program after we have gained experience from its operation and can develop a better program from the foundation we now build. I think after the election there will be an air of bipartisanship in reference to this legislation. I am sorry politics has been raised in the manner it has been raised. We owe it to ourselves as world leaders, we owe it to ourselves in keeping with our Judeo-Christian concepts to promote the well-being of our fellow man. I think we can do it. We can do it by giving our people hope, by giving our people an opportunity for a more productive life, by giving people training they need. That is what this bill does.

In analyzing people who have lived in poverty, we find that there exists in our society a great cycle of poverty. We find in some instances that people in our society have lived on public welfare, the dole, the handout, for as long as four generations. We go back to one generation and we find out that there is a heavy load of repeaters in this cycle of poverty.

This legislation is designed to try to break that cycle of poverty, having been born and raised in poverty, going on and creating a family, creating another child of poverty, as the cycle goes on. This legislation is designed to break that endless chain and to put people back to work.

How does it do that? First of all, it sends to the Job Corps some of the most discouraged people we have, people who have been dropouts in school, who have not succeeded scholastically, people who have had no work experience. This Job Corps will encourage them to break away from the environment they have been living in and to go out and to seek, perhaps for the first time in their lives, work experience and work training. This is to some of us who have been raised in good homes, who have had great opportunities, may not seem significant, but to the great hopeless mass of people this will be their first opportunity. Many who go to the Job Corps will be draft rejectees because they do not even possess the physical or the mental or the educational requirements needed to qualify for our armed services.

I point out that in World War II, America had so many draft rejectees because of educational and other failures, they certainly scraped the bottom of the barrel so far as manpower was concerned. I know because I had the privilege of trying to train some of them. That those who were rejected and never even got into the service were the equivalent of 20 Army divisions of about 15,000 men apiece. This high percentage has been reduced some in the time intervening since World War II, but it is still too large.

Second, we have community-action programs. These community-action programs answer the complaint that I have heard for years, "Don't try to solve everything in Washington." "Let us go back and let the people at home solve their own problems." "Let us not be dictated to by Washington." Community-action programs answer this complaint, because if your community does not want a program to attack the causes of poverty, it will never start one. Community-action programs start only in the local communities. They cannot start in Washington.

Mr. FRELINGHUYSEN. Mr. Chairman, will the gentleman yield on that point?

Mr. GIBBONS. I yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. There is no requirement that a community initiate an application for Federal assistance.

Mr. GIBBONS. The gentleman is correct.

Mr. FRELINGHUYSEN. A private agency may begin such an operation. Surely the decision of a Federal agency whether or not to honor such an application would constitute a very complete kind of control over whether a program could be set up. This is a complete bypassing of community action. I do not see how the gentleman can say that this bill would provide any meaningful community action or participation. The community is not an individual.

Mr. GIBBONS. I am glad the gentleman brought this up. In developing community-action programs, certainly the legislation does not require each community to develop each program, but this community-action program springs from within the community and not from Washington. It can spring from small groups, it can spring from entire communities. Some of our communities are so large, and so complex as we learned in the juvenile delinquency program, it is almost impossible to get everybody in the community to get together and decide on a program and work it out. So the committee profited from the experience we have had of 3 or 4 years in attempts made under the juvenile delinquency program to try to work out a community-action program. In some cases there will be a large number of people involved; in other words, the whole community, but unless the community initiates a program, or someone in the community initiates a program, nothing becomes effective. In addition to the safeguard that a program must start in a local community there is another safeguard. Nothing will become effective whatever under the amendment we intend to offer tomorrow if the Governor disapproves it within 30 days. In other words, the Governor will have 30 days from the time the community-action program is submitted to him to veto it.

So it seems to me this is the very essence of community action. Certainly it would be something less than the whole community of New York, for instance, but it would be a true community-action program.

In developing this legislation, I believe that the Democratic members of this committee have met every major and serious objection that the Republicans have had about this proposal. We will submit tomorrow an amendment by which we cut out the possibility of any of these funds being used to promote a political party. This very valuable criticism was raised by Mr. GRIFFIN, a member of this committee. Tomorrow at the proper time the amendment will be submitted. I hope it will be adopted.

I hope the amendment to allow the Governor to veto programs both under title I and title II, public and private, that may come into his State that may be objectionable to him as chief executive of the State, will be adopted.

I urge all Members to vote for this legislation.

Mr. FRELINGHUYSEN. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. ASHBROOK.]

Mr. AYRES. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Eighty-two Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 208]

Alger
Auchincloss
Avery
Baker
Baring
Bass
Bennett, Mich.
Blatnik
Bolling
Buckley
Clark
Conte
Davis, Tenn.
Dingell
Everett
Evins
Fulton, Tenn.
Gray
Green, Oreg.
Harvey, Mich.
Healey
Hébert
Jones, Mo.
Kee
Kilburn
Lankford
Lennon
Lesinski
McMillan
Miller, N.Y.
Morrison
Moss
Norblad
Passman
Powell
Sheppard
Sikes
Siler
Staebler
Steed
Thompson, La.
Thompson, N.J.
Wallhauser
Whitten
Willis
Wilson, Ind.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. RAINS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill H.R. 11377, and finding itself without a quorum, he had directed the roll to be called, when 384 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

Mr. ASHBROOK. Mr. Chairman, a great deal has been said about the interest that all of us have in eradicating poverty in this country. A great deal has been said about the intentions in this bill to start a program to attack this blight on the American scene. However, too little has been said about some of the other things that can be done under this bill which will only incidentally affect an all-out attack on poverty.

It has been said that this is really an education bill. With that I heartily agree, but in most cases it is an effort to bypass the local boards of education. I will not dwell on that point right now. In many ways this is aid to education by simply calling education "welfare."

It has been said also that an amendment to be submitted tomorrow will prevent political activity simply by saying that Democratic and Republican groups or parties could not qualify as local organization under this bill. I suggest in no way will this rule politics out of the poverty program. It has also been said an amendment giving veto power to the Governor will be offered and that local groups will thereby preserve their integrity. But nothing has been said about local groups who may want projects that are inconsistent with not only the intention of the bill but the stated will of the Congress.

I will point out two specific areas. In the civil rights bill we took racial balance out of any proposals for desegregation of schools, yet under this bill funds of great proportion can be used for that specific purpose. I suggest in New York City alone the officials there are boldly proclaiming that the poverty program will be used for the racial balance in your school districts.

I refer to the New York Times and to the statement of James Donovan, president of the board of education, himself a great authority in the field of education in New York City. The heading of the New York Times article states as follows: "Donovan To Seek State and U.S. Aid To Revise Schools; Shriver Is Approached; Promises Fair Consideration."

I happen to be a printer, and I imagine the word "revised" would fit well in the column. What they mean is racial balance.

Later on it is said:

> James B. Donovan, the president of the Board of Education, said yesterday that he would ask for substantial State and Federal funds to help the school system reduce racial imbalance and improve education.
>
> REPORTS CONVERSATION
>
> Mr. Donovan said that he talked to Mr. Shriver by telephone Tuesday afternoon to tell him of the committee's recommendations and to point out that Federal aid would be needed. Mr. Shriver, he added, said that when an appeal for funds was officially made it "will receive fair and prompt consideration."

It goes on to say:

> In explaining his proposed bid for Federal funds, Mr. Donovan noted that the State report had pointed out that since the end of World War II more than 700,000 Negroes and Puerto Ricans had moved into the city and 800,000 whites had left.
>
> It would be just as unfair to expect the city to cope with this problem alone, he said, as it would have been to require Miami to pay the entire cost of settling more than 200,000 Cuban refugees in recent years.

Under that fair and prompt consideration for an early change, as far as this Congress is concerned, the civil rights bill completely removed racial balance from the area where you have desegregation of schools.

I repeat, not only can the poverty program be used for purposes of this type because of the broad discretion given to the Director of the program, not only can it be used but it will be used. In New York City we see definite plans to get into this poverty program and take $100 million for the resettlement, which might mean transportation, relocation, anything the Director feels is feasible, to relocate within the city.

Mr. CAREY. Mr. Chairman, will the gentleman yield?

Mr. ASHBROOK. I yield to the gentleman from New York.

Mr. CAREY. I will say to my distinguished colleague, he has brought up the subject of the New York schools. I think the record needs to be corrected here.

First of all the superintendent to whom he refers is not now the superintendent. He is suffering from a heart attack and has been hospitalized several months. This all took place several months ago, long before this bill came up in final form. The gentleman well knows in this bill there is a clear definition under section 205(b) that:

> No grant or contract authorized under this part may provide for general aid to elementary or secondary education in any school or school system.

Even though funds may be allocated for aid to education under a State plan, this plan shall not apply to this bill. Mr. Donovan did approach Mr. Shriver, but we do not know what suggestion they made. However, surely no such funds are available in this bill.

Mr. ASHBROOK. You said you do not know. That is what I am saying, you do not know what can be done with this bill. Transporting or relocating, while not directly giving funds to the New York school system, can be used as a part of the poverty program and will effectuate the same desired purpose.

On the other hand, there will be politics involved. We have seen the strife in Harlem over the expenditure of $175 million. An article in the New York Times of July 30 is included at the end of these remarks:

> CLARK QUITS POST ON HARYOU BOARD—SAYS ANTIPOVERTY PROGRAM IS DOOMED IF IT IS LINKED TO POLITICAL DYNASTIES
>
> (By R. W. Apple, Jr.)
>
> Dr. Kenneth B. Clark has resigned from the board of Haryou-Act with a warning that its antipoverty program will be doomed if it is used to perpetuate political dynasties.
>
> Several weeks ago, Dr. Clark charged that Representative ADAM CLAYTON POWELL was attempting to assume control of the agency's $117 million Harlem campaign by dictating the choice of an executive director and other officers.
>
> Dr. Clark, a professor of psychology at City College, served as acting chairman and chief project consultant of Harlem Youth Opportunities Unlimited (Haryou), which was recently merged with Associated Community Teams (ACT).
>
> CITES COLLEGE DUTIES
>
> His resignation, disclosed in a letter dated Tuesday and addressed to Dr. Arthur Logan, the chairman of Haryou-ACT, is effective Friday. Dr. Clark said he was leaving because of the pressure of his duties at City College.
>
> Dr. Logan asserted in an interview that Dr. Clark's decision "in no way reflects a cleaverage" in the program. He added that it was impossible "to overestimate the services Dr. Clark had rendered to the community and the entire city."
>
> However, Dr. Clark's comments, while muted, made it clear that he was still concerned about the fate of the new agency. He called its program "the last chance available for thousands of young people in the (Harlem) community."
>
> CARTER BACKING REPORTED
>
> It was also learned yesterday that the Haryou-ACT personnel committee, which is

conducting the search for an executive director, has been giving serious consideration to Lisle C. Carter, Jr., a 39-year-old Negro who is a Deputy Assistant Secretary of Health, Education, and Welfare.

The personnel committee met last Monday night and was reported to have drawn up a tentative list of prospects. Mr. Carter was understood to have the backing of influential persons at the White House as well as at city hall.

The Federal Government, the city government, and private organizations are expected to provide the financing for the Haryou-ACT program. It will be based on a 600-page Haryou study, 2 years in preparation, called "Youth in the Ghetto."

In his letter, Dr. Clark said that at least three conditions must be met if the Haryou-ACT program was to succeed. They were as follows:

"There must be a strong, vigilant, and independent board of directors" willing to resist "all forms of subtle and flagrant pretenses and postures" and to see that "public funds are used * * * to improve the lives of our young people."

"There must be a top staff of qualified people who are identified with the anguish, the frustration, and the affirmative needs of the young people of Harlem"—a staff with "integrity, professional competence, and involvement."

Public officials must be made to understand "that the time for lipservice, doubletalk, and even well-financed gimmicks has passed" because of "the desperate urgency of the predicament of Harlem's youth."

Dr. Clark said he was convinced that "the major danger to our society is to be found in the extent to which the inhumanity which is the Harlem ghetto" has bred into its youth a conviction that they have nothing to gain by lawful behavior.

"If our city is to be spared the danger of repeated social explosions," he added, "there must be a genuine commitment and action toward the immediate resolution of the longstanding abuses which have plagued this community—such as criminally inferior schools, pervasive job discrimination, deteriorated, and rat-infested housing, and ugly and unsanitary conditions which threaten the health of the community and the city."

The blandishments of politicians would be difficult to resist, Dr. Clark wrote, because "the more irritating forms of pretense and the most effective techniques for political control are insidious and tend to come under the guise of 'sweet reasonableness.'"

At the beginning of the controversy over control of Haryou-ACT, Dr. Clark was considered an ally of Mayor Wagner and most of the executives of ACT were considered the allies of Representative Powell, the powerful Harlem Democrat, who has often been at odds with the mayor.

In recent days, however, the political skirmishing has appeared to be diminishing. An indication of this was the election of Dr. Logan, a respected Harlem surgeon who was identified with neither the Powell nor the Wagner forces.

I would point out to my good friend from New York that this is more recent, July 30. I will put the exact statement in the Record. The wire service story of that date said:

New York.—Educator Kenneth B. Clark resigned yesterday as a director of Haryou-ACT in the culmination of his month-long quarrel with Representative Adam Clayton Powell, the Harlem Democrat, over the agency's staffing.

The organization has a $117 million budget for rehabilitating the youth of Harlem. It was created by the merger of Harlem Youth Opportunities Unlimited (Haryou) with Associated Community Teams (ACT).

Clark, a psychology professor at City College, warned in his resignation that the program will fail if it is used to "perpetuate political dynasties."

He had charged that Powell was trying to take over the agency to make it part of a vast patronage system under his control.

I remind the Members of this body that when you are talking about $117 million that is no small amount.

Mr. Chairman, I insert at this point in the Record, an article by Leonard Buder.

Donovan To Seek State and U.S. Aid To Revise Schools: He Plans To Ask Governor To Call a Special Session To Vote Integration Funds—Shriver Is Approached: Promises Fair Consideration—School Head Says State Plan Requires Millions

(By Leonard Buder)

James B. Donovan, the president of the board of education, said yesterday that he would ask for substantial State and Federal funds to help the school system reduce racial imbalance and improve education.

He said that he intended to ask Governor Rockefeller to call a special session of the legislature this summer to vote additional State aid. As for Federal funds, he said he had spoken to Sargent Shriver, head of President Johnson's antipoverty campaign.

Mr. Donovan said that several hundred million dollars would be needed to put into effect the improvements recommended by a State advisory committee and to carry out other new programs.

"If the Governor can call a special session of the legislature to lower the price of a bottle of whisky by $1," he said, "then he certainly should be able to call a special session to appropriate extra funds for education."

REPORTS CONVERSATION

Mr. Donovan said that he talked to Mr. Shriver by telephone Tuesday afternoon to tell him of the committee's recommendations and to point out that Federal aid would be needed. Mr. Shriver, he added, said that when an appeal for funds was officially made it "will receive fair and prompt consideration."

The advisory committee, which had received its assignment from Dr. James E. Allen, Jr., the State education commissioner, called for reorganization of the city school system.

The committee, in its report Tuesday, proposed a system in which primary schools would go through the 4th grade, middle schools would cover grades 5 through 8 and high schools would cover grades 9 through 12. The present setup consists of 6-year elementary schools, 3-year junior high schools and 3-year high schools.

Mr. Donovan told of his plans at a news conference aboard the liner Queen Mary before he sailed for Europe on a combined business and pleasure trip.

Facing reporters—and occasionally a curious passenger—in the drawing room on the promenade deck, Mr. Donovan said the board had instructed Dr. Calvin E. Gross, the superintendent of schools, to draw up detailed recommendations and a timetable for implementing the State proposals. Dr. Gross was told to put a price tag on every item, Mr. Donovan said.

The superintendent announced later that he had appointed a committee to analyze the report, but that this would not result in a long delay or another report.

MEMBERS ARE LISTED

Serving on the committee are Dr. Bernard E. Donovan, executive deputy superintendent; Dr. John B. Kind, deputy superintendent for instruction; Adrian Blumenfeld, administrator of school planning and research, and Dr. Jacob Landers, assistant superintendent in charge of coordinating the integration program.

Dr. Gross made the announcement after a 2-hour meeting at the Roosevelt Hotel at which he discussed the State report with civil rights leaders. Among those present was the Reverend Dr. Milton A. Galamison, who led the school boycotts on February 3 and March 16.

The superintendent said that the meeting was "one of the best we've had yet." He described the reaction of the rights leaders to the report as "cautious but extremely interested."

Many questions were asked at the meeting, Dr. Gross continued, about "if, how, and when" the State proposals would be put into effect. Decisions on these questions, he said, would have to be made by the school board after they had received recommendations from him and his staff.

Dr. Gross denied, as Mr. Donovan had earlier, that the State report would necessarily persuade the system to drop consideration of its controversial school-pairing plan.

The advisory committee opposed compulsory transportation of young children, as would be required by some pairings of Negro elementary schools with predominantly white or integrated schools. It also said that the board's proposed pairings would not substantially reduce racial imbalance.

However, Mr. Donovan said at his news conference that the system would not "foolishly make one or two pairings that won't fit into the citywide integration program."

In explaining his proposed bid for Federal funds, Mr. Donovan noted that the State report had pointed out that since the end of World War II more than 700,000 Negroes and Puerto Ricans had moved into the city and 800,000 whites had left.

It would be just as unfair to expect the city to cope with this problem alone, he said, as it would have been to require Miami to pay the entire cost of settling more than 200,000 Cuban refugees in recent years.

Asked why he had not mentioned the city as a source of additional funds, Mr. Donovan replied that he had previously emphasized the need for more city money.

Mr. Chairman, I yield back the balance of my time.

Mr. FRELINGHUYSEN. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. Jensen].

Mr. JENSEN. Mr. Chairman, will someone please tell the House the exact amount of funds requested in this bill for the fiscal year ending June 30, 1965, and for the two succeeding fiscal years—the exact amount please.

Mr. ROOSEVELT. It is $962,500,000.

Mr. JENSEN. Is that for the 3 years?

Mr. ROOSEVELT. No, that amount is for just 1 year, the fiscal year ending June 30, 1965.

Mr. JENSEN. Well, your bill is not quite clear on that point I am sure you will admit.

Mr. ROOSEVELT. No, I am afraid I could not admit that. I think it is clearly stated that it is limited to 1 year and it is required that the agency come back to the Congress for any additional funds that will be needed beyond that date.

Mr. JENSEN. All right, be that as it may. I thank the gentleman.

Mr. ROOSEVELT. If the gentleman will yield further, in order to accomplish that the appropriations are authorized title by title, so it is tied down I think beyond any peradventure of doubt.

Mr. JENSEN. I thank the gentleman.

Now, Mr. Chairman, in light of our Federal debt of at least $315 billion as of this very minute and in view of the fact that there is another deficit for this fiscal year staring us in face; and while we are taking over 30 percent of the income of the American people for taxes, both unseen taxes and direct taxes of every nature, and while Uncle Sam at this very minute is involved in a costly, killing, shooting war in Vietnam where American boys are losing their lives by the hundreds, I ask you, my colleagues, how any Member of this House can conscientiously support a bill of this magnitude at this time.

Former President Kennedy pleaded with all the American people to not think of what they could do for themselves, but what they could do for their country.

My colleagues, ask yourself this question: Does this bill square with that admonition? Of course, it does not.

In the minority report on this bill, you will find a listing of 48 agencies of this Government to which we appropriated over $31 billion already during this session of the Congress to control poverty and to assist the needy people of this Nation.

I shall insert that list in the RECORD with my remarks:

Federal programs currently operating to combat poverty (appropriations for fiscal year 1964)

[In thousands of dollars]

DEPARTMENT OF AGRICULTURE	
Extension services	80, 180
Rural renewal	1, 200
Rural housing for elderly	3, 500
Direct loans	486, 000
Rural housing repairs	3, 355
Housing for domestic farm laborers	3, 000
Food distribution:	
Sec. 32 and CCC (domestic)	416, 200
Food stamp	44, 600
School lunch	182, 000
Special milk	100,000
Forestry and soil conservation	509, 000
Total	1, 829, 035
DEPARTMENT OF COMMERCE	
Vocational training and retraining in redevelopment areas	8, 500
Industrial and commercial loans	132, 000
Public facility loans	(1)
Public facility grants	(1)
Technical assistance	4, 500
Total	145, 000
DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE	
Public health	1, 483, 787
Indian health	65, 048
Maternal, child health, and crippled children	68, 777
Vocational education	56, 917
Public library services and construction	7, 500
Aid to impacted areas	344, 410
National Defense Education Act	235, 788
Teachers of handicapped children	14, 185
Old age, survivors, and disability insurance benefits	17, 071, 940
Public assistance	2, 886, 055
Child welfare services	32, 943
Juvenile delinquency	6, 950
Vocational rehabilitation	128, 407
Manpower development and training	164, 977
Total	22, 567, 684
HOUSING AND HOME FINANCE AGENCY	
Urban planning	21, 150
Urban renewal—contract authority	1, 400, 000
Appropriation to liquidate contract authority	104, 805
Mortgage insurance—permanent indefinite authorization to expend from corporate debt receipts	142, 395
Low-rent public housing	212, 484
Public facility construction—financed from authorization to expend from public debt receipts enacted in 1961	----------
Low-income housing demonstration projects	43
Contract authority	5, 000
Appropriation to liquidate contract authority	1, 157
Loans for housing for the elderly	100, 000
Federal National Mortgage Association—financed from authorization to expend from public debt receipts enacted in prior years	----------
Total	1, 987, 034
DEPARTMENT OF THE INTERIOR	
Indian affairs	217, 541
Conservation:	
Bureau of Land Management	126, 364
Geological Survey	63, 700
Bureau of Reclamation	357, 531
National Park Service	128, 976
Fish and Wildlife Service	109, 449
Research in health and safety in mining operations	1, 596
Territories and trust territory	46, 506
Total	1, 051, 663
DEPARTMENT OF LABOR	
Employment services	173, 330
Unemployment compensation	4, 009, 199
Labor standards	18, 400
Total	4, 200, 929
FUNDS APPROPRIATED TO THE PRESIDENT	
Accelerated public works	30, 000
Grand total	31, 811, 345

[1] Included in "Industrial and commercial loans."

Mr. Chairman, the programs listed above are well established, and their administration is in the hands of recognized Government agencies, manned by experienced personnel. If these programs need to be expanded or modified, their administration should, in our opinion, continue to vest in established Government agencies. I see serious disadvantages in placing fragmentary duplications of these programs in the hands of a new and untried agency, headed by a new and untried poverty czar. The duplication of function and administrative dispersal contemplated by the pending legislation invites administrative chaos and confusion which may well imperil the effective administration of existing programs. There is no justification—economic, organizational, or administrative—for the creation of any such superagency.

Mr. ROOSEVELT. Mr. Chairman, I yield 6 minutes to the distinguished gentleman from Hawaii [Mr. GILL].

Mr. GILL. Mr. Chairman, there has been a great deal of technical discussion on this bill, but too little time has been spent on the more human problems this measure would attempt to meet.

I mention but two: breaking the vicious cycle of poverty and building natural resources for future generations.

Most of us, in our own areas, are familiar with the cycle of poverty. We have noted—and the statistics bear it out—that many who are in the poverty class not only tend to remain there but raise children who in turn tend to remain members of this group. To use a social worker's phrase, the "hard-core" welfare cases are an example of this transmission of poverty from generation to generation.

Of course we could brush the matter aside and say poverty is a person's own fault, or we could approach the ridiculous and order people to stop being poor. Outside of a few fringe elements in our political spectrum, these ideas have little appeal.

Most of us realize that failing to share in the abundant opportunities of our abundant society rests both on personal motivation and the tangled web of circumstance.

This bill would attempt to cure both. It does little good to tell the unwed mother of half a dozen children who lives on welfare payments, and any other source of funds available, that she should stop and improve herself and her family, when she has neither the skill, the motivation, or the opportunity to do so. It does little good to tell the young boy of that family that he should stay out of pool halls, that he should go back to school, that he should take up a useful life elsewhere, when all he knows of society and comradeship is in that pool hall.

In titles I and II and in the VISTA corps, we have means to break this cycle. We can offer the boy useful work in a different environment, where he can learn to want to learn. We can mobilize the many skilled local agencies which may be dealing with the mother in a haphazard, incomplete way, to motivate and help that unfortunate woman to become a more constructive citizen.

Much has been said about overlapping and duplication in this bill. Little has been said about the chaos which obtains in our current welfare efforts. Not only do we have a multitude of private and governmental agencies on many levels dealing with parts of the same cases, but doing it with waste and inefficiency. For example you may have one family, or parts of it, under the jurisdiction or care of a government welfare agency, a juvenile court, a public health agency, a public housing agency, a school or two, a private settlement house, and a church. Sometimes each knows what the other is doing; quite often they are unaware of other interest. Trained and dedicated workers in each of these agencies or groups may be wasting valuable time and money in duplicated effort and not be treating the whole problem.

This bill will help them to pull together in joint and effective programs.

Now, to another effect of this measure which is seldom mentioned, conservation.

This House in recent weeks has passed a number of far-reaching and crucial measures aimed at the protection and development of our open spaces and natural resources. The wilderness bill and the land and water conservation fund measure are but two of them. We have only to go through some of our parks and national forests today to find the living evidence of the monumental good done by the old CCC in the 1930's. Several decades have passed but the fruit of that brief endeavor ever grows in our land.

Certainly, in this bill we can provide part of the implementation for the new drive toward conservation and natural development which this Congress has given to the Nation. Hopefully our children can give thanks for the natural works we help save and create, just as we can now give thanks for that program over 30 years ago.

Mr. FRELINGHUYSEN. Mr. Chairman, I yield 6 minutes to the gentleman from Iowa [Mr. HOEVEN]. I regret that I have no more time than that to yield to him, as I did promise to yield to him.

Mr. HOEVEN. Mr. Chairman, at the very outset, let me say that I am not in favor of poverty. Furthermore, may I suggest that the milk of human kindness does not flow alone in the veins of the sponsors of this legislation.

H.R. 11377, the so-called antipoverty bill, in its last analysis is nothing more or less than a political gimmick trotted out at this late date in the session to get votes in this election year. It is a warmed-over version of many old proposals previously presented to the Congress, some of which have been tried and found wanting. Conveniently, this is an omnibus bill which seeks to compel Members of the House to take the bitter with the sweet. This, of course, is an old political trick. I dare say that if the different proposals in the bill were presented separately, most of them would be soundly defeated.

It is difficult for me to understand why in this day and age of unprecedented prosperity, as contended by the administration, the United States should in the consideration of this bill be presenting to the world an image of abject poverty within our borders. On September 8, 1960, the late President Kennedy declared that 5 million Americans were living in poverty. In January 1964, President Johnson's National Policy Committee on Pockets of Poverty reported 20 million Americans went to bed hungry every night. If these figures are true, and I doubt it very much, this means that there has been an increase from 5 million to 20 million poverty units in the last 3½ years of Democratic administration, certainly a record of which the party in power cannot be very proud.

I do not know of a single person who is in favor of poverty. We all want to eradicate poverty and only disagree on how it should be done. In this connection, permit me to point out what we are already doing to fight poverty in this country. The following Federal programs in fighting poverty already exist. These, and their annual costs include: Food stamp plan, $51 million; vocational rehabilitation grants, $100 million; student loan program, $135 million; vocational education acts, $190 million; public works acceleration, $214 million; Area Redevelopment Administration, $222 million; Indian education and welfare, $249 million; donation of commodities to needy persons, $304 million; public housing loans, $399 million; manpower retraining, $411 million; urban renewal, $1.3 billion, or a grand total of $9 billion. If you add social security, then the figure jumps to $25 billion a year. Adding almost another billion dollars under the provisions of this bill would hardly seem to be the answer when the expenditure of $25 billion has resulted in creation of what the administration considers to be 20 million paupers. Although the bill before us asks for an appropriation of almost a billion dollars, it must be remembered that the first proposal covering this legislation provided for a $4 billion initial appropriation. Thus, the sights have been lowered to gain more support for the bill, but no one should be fooled by such a concession. The bill before us is only "a foot-in-the-door" operation with a potential cost of $3 or $4 billion a year before we get through, this all to be added to our already astronomical national debt.

One of the objectives of the bill is to aid unemployment, a worthy cause indeed. The State of West Virginia has been pictured as a pocket of the largest unemployment. Yet, according to a recent survey made by the Council of California Growers, a report from the director of employment of the State of West Virginia came this startling reply:

> We regret to inform you that West Virginia is a demand State instead of a supply State for agricultural labor. We recruit hundreds of workers from Southern States, especially Florida, for our crop harvest. During the past 11 years, we have also found it necessary to utilize foreign workers from the British West Indies.

If the State of West Virginia is a real pocket of unemployment, it is difficult to understand why unemployed manpower in West Virginia is not utilized to harvest the crops so as to make it unnecessary to import labor from other States or foreign countries—this in a State where very little "stoop labor" is involved.

Title III is one of the most objectionable titles in the bill. This title sets up special programs to combat poverty in rural areas. It is similar to what was attempted in the late 1930's and early 1940's under the Farm Security Administration. In 1944, the select committee of the Committee on Agriculture of the House of Representatives, under the chairmanship of the gentleman from North Carolina [Mr. COOLEY], made a report on the operations of the Farm Security Administration. The select committee issued a report finding no need for the duplication of Federal agencies furnishing analogous types of services to low-income farmers. This is exactly what title III of H.R. 11377 proposes to do. Therefore, we should give serious attention to what was tried in the 1930's relating to similar programs which were then found wanting.

Title III is a real phony, which instead of alleviating poverty in rural areas will actually perpetuate poverty on the land. Section 302 authorizes grants up to $1,500 to low-income rural families who have no debt-paying ability. Such grants are a complete handout and can be used to acquire improved real estate, reduce encumbrances, operate or improve operations of farms, purchase membership in cooperatives, and finance nonagricultural enterprises that supplement farm income. This would include timber-felling equipment, tools and supplies required in guiding hunters and fishermen, capital items, or an on-the-farm machinery repair shop, and similar tools and equipment. This is all to be done with a handout of a mere $1,500.

The committee report on H.R. 11377 states that among other things, these grants are to produce some improvement in the farmer's financial structure. The report further states:

> It is expected that in a majority of cases, the farmer will then be able to meet his future capital needs through existing credit sources.

This really is a laugh. How in the world can a farmer with a $1,500 grant which he is to use for farm purposes automatically acquire a credit rating which will permit him to borrow $2,500 to finance nonagricultural enterprise? Such loans would have a maturity of 15 years with no security required. This loan will be in addition to loans presently available under other Federal programs. But that is not all. Section 303 calls for Federal assistance for "family farm development corporations." Such corporations will buy land, divide it into family-size farms, build farm buildings, fences, et cetera, and sell it "at appraised value when used for agricultural purposes." In many States, "appraised value" for tax purposes runs 30 percent or less of actual value. But Uncle Sam will take care of that, too, for subsection (d) says:

> The Director is authorized to make grants to such corporations in amounts sufficient to make up the deficiency between the cost of the farms and the net proceeds received from the sale of such farms.

What this all means is that one farmer, if he wants a farm, must make his own downpayment and borrow the rest at commercial rates whereas another farmer, being deemed underprivileged, will get a Government gift of the downpayment, plus a loan, plus a sale price below cost.

With the Nation already suffering from a surplus of farm produce, part of which must be purchased by the taxpayers, it remains to be seen how much the national economy will be improved by creating thousands of new Government-subsidized family farms for the benefit of those who have not been able to make the grade otherwise. The whole procedure set out in section 303 apparently is a program to take from the "haves" and give to the "have nots" at taxpayers' expense. Such a program may be popular in totalitarian countries but certainly has no place in our American economy.

In connection with all this, I call your attention to section 602(k) of the bill wherein the Director—who, by the way, will take over many of the functions of the Secretary of Agriculture—is authorized, notwithstanding any other provision of law relating to the acquisition, handling, or disposal of real or personal property by the United States, to deal with, complete, rent, renovate, modernize, or sell for cash or credit at his discretion any properties acquired by him in connection with loans, participations, and guarantees made by him pursuant to title III and IV of the act. Furthermore, the Director is authorized to "collect or compromise all obligations to or held by him and all legal or equitable rights accruing to him in connection with the payment of obligations until such obligations may be referred to the Attorney General for suit or collection."

These provisions completely exempt the Director from all existing laws governing the handling of U.S. property, plus granting him the privilege of compromising, forgiving part or all of the loans advanced in good faith by the U.S. Government, until such time as these loans "may be," not "must be," referred to the Attorney General for collection. This is the most unusual arbitrary authority given to any individual in Government and is nothing more or less than a complete new Federal giveaway.

The Director, under the provisions of the bill, would completely take over many functions of the Department of Agriculture. For instance, the Director would delegate authority for administering grants under section 302 to the Secretary of Agriculture, who in turn would assign responsibility to the Farmers Home Administration. This puts the Secretary of Agriculture in a most novel position.

Section 321 of the bill authorizes an annual appropriation of $50 million for fiscal year 1965, of which $15 million is earmarked for the assistance of migratory farmworkers and their families as set out in section 320. This leaves $35 million available to finance the balance of the rural aspects of the poverty program in fiscal year 1965. During his testimony before the House Agriculture Committee on title III of the bill, the Administrator of the Farmers Home Administration said that $10 million was budgeted for loans to cooperatives and $2.8 million would be needed to pay additional administrative expenses for 350 extra employees. Of the $50 million authorized for fiscal year 1965, with $15 million earmarked for migratory labor assistance, $10 million for cooperative loans, and $2.8 million for administrative expenses, this would only leave a balance of $22.2 million for grants and loans. Now $22.2 million is a lot of money, but when it is divided among 1.5 million poor farm families mentioned in the majority report, it comes out to $14.80 a year per family, hardly enough to begin to make any real dent in rural poverty.

More likely the funds will be distributed to a few select families. The Department of Agriculture testified before our committee that perhaps 2,500 families would receive grants and loans. What then happens to the rest of the 1.5 million families? Are they any less needy than the selected handful? The point I am making is this: The present provisions of title III make only a token effort toward the real solution of poverty. Certainly title III in its present form will not solve it and instead will disillusion thousands of poor farmers and make more difficult the ultimate solution of their problems.

The requests for loans through the Farmers Home Administration far exceed the money available. It seems to me that the better part of wisdom would be to give the Farmers Home Administration additional money to meet its ever-increasing demand for loans. The Farmers Home Administration is now operating quite adequately and helps the low-income farmers to get on their feet when they are unable to borrow money through regular credit channels. Under the Farmers Home Administration, the farmer is not classed as a pauper; he is given an opportunity to work himself out of his financial difficulties. If more money is made available to the Farmers Home Administration, much more could be done to alleviate poverty in our rural areas. This is the real way of fighting poverty in rural areas.

"War on Poverty" is a terrific slogan, particularly in an election year. It puts doubters under the suspicion of being in favor of poverty. Nothing is further from the truth. Aside from political considerations, we must all face realities if we are to make any real contribution toward solving the poverty problem. Certainly title III will not solve the problem and will instead disillusion thousands of poor farmers and make more difficult the ultimate solution of their problems. Let us not perpetuate poverty on the land.

Mr. LANDRUM. Mr. Chairman, I yield 4 minutes to the gentleman from California [Mr. BROWN].

Mr. BROWN of California. Mr. Chairman, we have had, I believe, a very enlightening debate here this afternoon. Often in the past I have felt that such debate on the floor of the House would not change the opinions or votes of most of the Members of this body. Today, though, I have a feeling that the rigor of our critical discussion has indeed changed the views of some of the Members of the House and perhaps has swayed some of those who have been undecided. I sincerely hope that they have decided to join with the majority of the committee, by supporting this bill, in a positive response to the desperate needs of millions of impoverished Americans.

I do not wish in the brief time that is available to me to make general remarks about the nature of the bill before us. I believe that many eloquent speakers earlier in the debate have more than adequately discussed the purpose and structure of the bill and the debilitating poverty it is designed to combat. I merely wish to call the attention of my colleagues to one particular section of the bill with which I am particularly concerned, section B of title II, the so-called adult illiteracy section.

I have long been concerned with the problems and programs of adult education in this country and with the national scandal of widespread adult illiteracy. In spite of what many members of the committee may think, the statistics of the 1960 census dramatically reveal that the alarming extent of illiteracy and undereducation in our land is still a major problem which we must confront. Today, there are 2 million adult Americans who cannot read or write; 8,300,000 persons 25 years or over who have had less than 5 years of schooling; and 22 million individuals of working age who have had less than 8 years of education and who, because they cannot properly read and write, also fall into the category of "functional illiterates." These are people who cannot fill out job applications adequately. These are people who face a grim future of recurrent or persistent joblessness, social dependency, and minimum chances for achieving a successful and useful life. They cannot be hidden and their plight must not be ignored.

Is this problem related to poverty? Quite obviously it is. If you look at the rolls of the needy, those who are drawing aid to needy children and those who are drawing general welfare payments, you will find that a disturbingly large percentage of these people are in the illiterate classification. A large percentage of those who have been unemployed for a long period of time, those who have exhausted their benefits, and those who have given up looking for work also fail the basic test of literacy.

Clearly, it is important that we deal with this problem in a poverty bill, and that is what we are doing under section B of title II.

Mr. Chairman, there were many criticisms of a general nature that were made by many of the opposition party when they attacked the way this bill is designed to be administered. They said it would not give adequate attention to the roles of the States in the planning of programs. They indicated that they might approve such a bill if it did make such provisions.

Mr. Chairman, in this particular section this is exactly what we do. The States present their own plans and tell us how they propose to meet their local problem of illiteracy. This is submitted by the educational organization in each of the States, the body charged with the administration of education. The plan is submitted and approved by the Federal Government and upon approval the State receives the funds provided for under this provision of this bill. These, of course, are relatively modest. The section provides for a mere $25 million to strengthen the educational programs in each of the 50 States of the Union so that they themselves may better deal with the problem. This is far from adequate but it is a beginning.

For the interest of my colleagues I am enclosing a table of the proposed distribution of these funds among the several States. I hope it will help, along with the many arguments already presented, to answer their criticisms. The figures on the extent of illiteracy which I am also enclosing, I hope will convince them to vote in the affirmative.

Estimated distribution of $25,000,000 under the provisions of title II, part B, for adult basic education [1]

	Estimated State amounts	Estimated population aged 22 and over with less than 6 grades of school completed
Total, United States and outlying parts	$25,000,000	-------------
50 States and the District of Columbia	24,500,000	11,102,147
Alabama	784,885	358,014
Alaska	50,000	11,268
Arizona	193,830	88,413
Arkansas	429,815	196,054
California	1,459,432	665,699
Colorado	126,307	57,613
Connecticut	290,490	132,503
Delaware	50,000	20,641
Florida	753,885	343,874
Georgia	1,010,237	460,805
Hawaii	111,918	51,050
Idaho	50,000	16,960
Illinois	1,102,606	502,938
Indiana	376,215	171,605
Iowa	147,162	67,126
Kansas	129,269	58,964
Kentucky	646,796	295,027
Louisiana	945,650	431,345
Maine	73,952	33,732
Maryland	417,064	190,238
Massachusetts	525,245	239,583
Michigan	721,923	329,295
Minnesota	210,418	95,979
Mississippi	578,297	263,782
Missouri	521,435	237,845
Montana	50,000	20,998
Nebraska	87,301	39,821
Nevada	50,000	7,722
New Hampshire	50,000	19,180
New Jersey	777,023	354,428
New Mexico	149,979	68,411
50 States and the District of Columbia—Con.		
New York	$2,308,501	1,052,990
North Carolina	1,125,733	513,487
North Dakota	55,911	25,503
Ohio	895,882	408,644
Oklahoma	311,460	142,068
Oregon	101,411	46,257
Pennsylvania	1,351,530	616,481
Rhode Island	104,357	47,601
South Carolina	662,779	302,317
South Dakota	50,000	21,291
Tennessee	816,691	372,522
Texas	1,928,340	879,585
Utah	50,000	16,498
Vermont	50,000	11,249
Virginia	827,526	377,464
Washington	165,830	75,641
West Virginia	319,935	145,934
Wisconsin	358,214	163,394
Wyoming	50,000	9,082
District of Columbia	94,766	43,226
Outlying parts:		
American Samoa Canal Zone Guam Puerto Rico Virgin Islands	500,000	-------------

[1] Distribution based on the estimated population aged 22 and over with less than 6 grades of school completed, with a minimum of $50,000 distributed to each of 50 States and the District of Columbia and 2 percent ($500,000) reserved for distribution to the outlying parts.

Persons 25 years old and over with less than 8 years of school completed

[As of Apr. 1, 1960, census]

State	Total (thousands)	Resident population 25 years and over [1]					
		Less than 8 years of school completed [2]			Median school years completed		
		Number (thousands)	Percent of age group	Rank of State	Total	White	Non-white
Total	100,375	22,732	22.6	--------	--------	--------	--------
United States (50 States and the District of Columbia)	99,438	22,056	22.2	--------	10.6	10.9	8.2
Alabama	1,670	643	38.5	47	9.1	10.2	6.5
Alaska	105	16	15.7	17	12.1	12.4	6.6
Arizona	661	138	20.9	30	11.3	11.7	7.0
Arkansas	964	331	34.4	43	8.9	9.5	6.5
California	8,869	1,300	14.7	13	12.1	12.1	10.5
Colorado	941	126	13.4	10	12.1	12.1	11.2
Connecticut	1,482	274	18.5	26	11.0	11.1	9.1
Delaware	246	48	19.6	28	11.1	11.6	8.4
District of Columbia	461	98	21.2	31	11.7	12.4	9.8
Florida	2,845	650	22.8	34	10.9	11.6	7.0
Georgia	2,015	811	40.3	48	9.0	10.3	6.1
Hawaii	309	82	26.7	38	11.3	12.4	9.9
Idaho	340	37	10.8	2	11.8	11.8	9.6
Illinois	5,808	1,048	18.0	24	10.5	10.7	9.0
Indiana	2,550	432	17.0	19	10.8	10.9	9.0
Iowa	1,541	211	13.7	11	11.3	11.3	9.5
Kansas	1,216	159	13.1	8	11.7	11.8	9.6
Kentucky	1,610	535	33.2	42	8.7	8.7	8.2
Louisiana	1,639	688	41.9	50	8.8	10.5	6.0
Maine	534	84	15.7	16	11.0	11.0	10.7
Maryland	1,693	461	27.2	39	10.4	11.0	8.1
Massachusetts	3,011	523	17.4	20	11.6	11.6	10.3
Michigan	4,219	739	17.5	21	10.8	11.0	9.1
Minnesota	1,845	269	14.6	14	10.8	10.8	9.9
Mississippi	1,065	403	37.8	46	8.9	11.0	6.0
Missouri	2,493	535	21.5	32	9.6	9.8	8.7
Montana	356	47	13.3	9	11.6	11.7	8.7
Nebraska	791	96	12.2	7	11.6	11.7	9.6
United States etc.—Con.							
Nevada	160	17	10.9	3	12.1	12.2	8.8
New Hampshire	345	56	16.3	18	10.9	10.9	11.7
New Jersey	3,600	739	20.5	29	10.6	10.8	8.0
New Mexico	445	108	24.2	37	11.2	11.5	7.1
New York	10,124	1,969	19.4	27	10.7	10.8	9.4
North Carolina	2,307	956	41.4	49	8.9	9.8	7.0
North Dakota	324	59	18.4	25	9.3	9.3	8.4
Ohio	5,378	954	17.7	22	10.9	11.0	9.1
Oklahoma	1,300	304	23.4	35	10.4	10.7	8.6
Oregon	996	121	12.1	6	11.8	11.8	9.9
Pennsylvania	6,606	1,425	21.6	33	10.2	10.3	8.9
Rhode Island	498	118	23.6	36	10.0	10.0	9.5
South Carolina	1,136	493	43.4	51	8.7	10.3	5.9
South Dakota	360	50	13.8	12	10.4	10.5	8.6
Tennessee	1,912	666	34.9	44	8.8	9.0	7.5
Texas	5,031	1,514	30.1	40	10.4	10.8	8.1
Utah	419	38	9.0	1	12.2	12.2	10.1
Vermont	213	31	14.6	15	10.9	10.9	10.5
Virginia	2,083	756	36.3	45	9.9	10.8	7.2
Washington	1,577	185	11.7	5	12.1	12.1	10.5
West Virginia	1,000	305	30.5	41	8.8	8.8	8.4
Wisconsin	2,175	387	17.8	23	10.4	10.4	9.0
Wyoming	174	20	11.6	4	12.1	12.1	9.3
Guam	28	11	38.8	--------	--------	--------	--------
Puerto Rico	925	656	70.9	--------	--------	--------	--------
Virgin Islands	14	9	61.2	--------	--------	--------	--------

[1] Resident population includes institutional population but excludes Armed Forces abroad.

[2] Based on years of "regular" schooling completed through formal education obtained in public and private kindergartens and graded schools.

Source: U.S. Department of Health, Education, and Welfare; based on U.S. Department of Commerce, Bureau of the Census; "U.S. Census of Population: 1960, General Social and Economic Characteristics," final report, PC (1) series for each State.

Projected educational attainment

Years of school completed	Millions of persons 25 years and over			
	1950	1960	1970	1980
13 or more	11.9	15.7	20.4	28.2
9 to 12	33.3	44.8	57.3	76.0
5 to 8	32.6	30.5	26.0	21.5
0 to 4	9.8	8.0	6.4	5.2
Total	87.5	99.0	110.0	130.8

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. FRELINGHUYSEN. Mr. Chairman, I yield such time as he may consume to the gentleman from Ohio [Mr. BETTS].

Mr. BETTS. Mr. Chairman, I am sure everyone agrees that the basic cause of poverty is unemployment and one of the major defects of this bill is that it fails to come to grips with some of the real reasons for unemployment. For instance, foreign imports have adversely affected domestic markets to the extent of materially reducing employment. One needs only look to the coalfields of West Virginia for an example. While unemployment plagues this area, the administration allows residual oil to be shipped into the country to the detriment of the coal industry.

A thorough study of this problem has been made by Mr. Eugene Stewart, of Washington, for Trade Relations Council of the United States, Inc., and I feel it is timely to consider it in connection with this bill. It concludes that, due to our foreign economic policy, U.S. industries are incapable of creating new job opportunities for the Nation's poverty-stricken unemployed, even if this legislation is enacted—which I hope will not happen.

As you know, the bill calls for a Federal incentive loan program for domestic industries. This program is supposed to create 10,000 new jobs at the cost of $3,600 per job. According to the criteria established, 83 industries have been qualified by the Commerce Department as eligible to receive such loans.

This study examines 24 of these 83 qualified and 24 of 69 other industries which meet all but one of the criteria laid down to see why they have not been able to create these needed jobs heretofore. Only these industries were examined because the Bureau of Census did not have available the necessary import-export data on the others.

Briefly, the study revealed that between 1958 and 1962 in these industries:

First. Imports into the United States had increased by 90.9 percent.

Second. Exports from the United States had increased only 18.8 percent.

Third. Our unfavorable balance of trade increased by 175.2 percent.

By comparison, within these same industries from 1958 to 1962:

First. The loss in employment due to imports was 68.4 percent.

Second. The gain in employment from imports was nonexistent; in fact, there was a slight loss of 1.9 percent.

Third. In sum total there was a 444.4 percent loss of employment from foreign trade or 21,174 jobs.

When added to the 13,763 workers who depended on these production workers for their jobs, there was a 5-year loss of 34,937 jobs in these 48 selected industries. Enlarged to encompass the original 152 industries, this meant a loss of 116,460 jobs resulting directly from increased imports.

My colleagues might be interested in the characteristics of these 152 industries. They all had a low capital investment per employee, a low to moderate wage rate, a relatively high utilization of blue-collar workers and, most important, a high per unit labor content. These are not isolated industries, by any means, but range from those manufacturing corsets to those manufacturing welding apparatuses.

Since, to the best of my knowledge, the administration is not planning to change its trade policy, I am somewhat puzzled as to how this incentive loan program will create additional jobs. As I understand it, our negotiatiors have gone to Geneva to even further bargain down our tariff rates, thus, allowing more imports into our domestic markets. In fact, this Congress gave them that very authority under the Trade Expansion Act of 1962.

Let us not for one minute be fooled by this smokescreen war on poverty. We do not need a war on poverty because the private enterprise system has failed to provide jobs for these people. It could have met the challenge if it were allowed to function unhampered by contradictory Government policies and if it were released from the dictates of politicians trying to buy the love of the world with fat foreign aid checks, what amounts to unilateral tariff reduction, and the like. Democratic Congresses and the administration of the last 3½ years have intentionally opened the floodgates and allowed foreign-produced goods to pour into our domestic markets. This they will continue to do. Thus, while domestic consumption of goods and services has increased, much of it has been satisfied by our Western allies; and, yes, by our enemies in the struggle for survival—the Communists. Maybe the consumer has not suffered much, but surely the worker has. And, who has profited? foreign industries paying substandard wages, or using slave labor.

We need a complete, nonpartisan reexamination of our foreign economic-trade policy, both as to the methods and the results. Hopefully, this would lead to a thorough reshaping of such policy. To establish a new—yet unworkable—Government program for the present and future victims of an existing bad Government program is a hoax. Let us go to the basic causes of unemployment—to the source. Increased imports are one such cause. To do otherwise is not unlike the dog that chases his tail round and round because someone pulled his ears.

Not wishing to fill the RECORD with detailed statistics, I am placing at this point in the RECORD a summary of this study. The full study can be obtained by writing the executive secretary, Trade Relations Council of the United States, Inc., 122 East 42d Street, New York, N.Y. I highly recommend it as a valuable aid for those concerned about the true causes of unemployment:

THE IMPACT OF U.S. FOREIGN ECONOMIC POLICY ON THE WAR ON POVERTY

(A study of the implications of foreign trade developments for the capabilities of U.S. industries to create new job opportunities for the Nation's poverty-stricken unemployed)

The United States is exporting jobs to foreign countries at a faster rate than either industry or Federal subsidy programs can create new ones.

This is the inescapable conclusion of a well-documented study of the effects of this Nation's foreign trade policies on employment trends in this country.

The study also revealed:

1. President Johnson's appealing war on poverty is threatened with dismal failure in its goal of creating new jobs for America's unskilled and poorly educated men and women who make up the mass of the Nation's poverty stricken.

2. Our foreign economic policy not only contradicts the job goals of the war on poverty, but also is unresponsive to the realities of the employment needs of the Nation's impoverished, job-hungry group.

The Economic Opportunity Act of 1964, the administration's blueprint for waging war on unemployment and poverty, ignores the impact of foreign trade on joblessness.

This is an unfortunate and perhaps fatal weakness in the administration's battle plan.

The measure does recognize the need for improvement of social services to the poverty stricken. It does provide for job retraining and creation of new educational opportunities.

But these steps, while necessary, simply do not in themselves create new jobs.

The measure, as introduced, called for an assault on joblessness through a $36 million Federal incentive loan program for domestic industries.

Architects of the plan said this fund would create 10,000 new jobs at the rate of $3,600 per job in industries designated by Secretary of Commerce Luther H. Hodges as offering the greatest potential for employment of the impoverished, poorly educated, unskilled worker.

The Commerce Department designated 83 industries as qualifying for incentive loans based on their meeting a five-point test during the 1958–62 period. The criteria established included:

1. A moderate or better growth trend.
2. A low capital investment per employee.
3. A low to moderate wage rate.
4. A relatively high use of blue-collar workers.
5. A high labor intensity as measured by labor costs as a percentage of sales.

The 83 industries listed by the Commerce Department are engaged in textile and apparel manufacture, furniture making, wood and paper products, glassware and metal production, and appliance and machinery manufacture.

PRECEDENT FOR LOAN PROGRAM

There is precedent for both the Federal incentive loan program contemplated in the antipoverty bill and for the conviction that high labor content industries offer the greatest promises for creation of jobs that can be filled by impoverished, low-skilled employees.

In its recent annual report the Area Redevelopment Administration said its industrial loan program had been responsible for creation of 20,431 jobs through expenditure of $57.1 million over a 2-year period.

But little or no actual study has been given in the past to what effect, if any, foreign trade and our balance of payments have had on actual employment trends.

Like a shadowy specter, foreign trade has lurked in the background of employment statistics and until now has avoided serious inspection.

This study was undertaken, therefore, in an attempt to relate our foreign trade experience in recent years to the levels of employment in the industries most affected by the antipoverty crusade—a crusade that has captured the imagination of Americans from all walks of life.

The study drew heavily upon available export-import data which had been correlated by the Bureau of the Census. The technique of converting export-import trade balances into job equivalents, through use of output per worker ratios, provided the means for analyzing the effects of foreign trade on the employment experience of industries in the control groups.

JOB LOSSES CITED

Using the Commerce Department's criteria, the study disclosed:

1. Imports resulted in a net loss of 21,174 production jobs between 1958 and 1962 in 48 industries counted upon by the administration to provide new jobs through Federal incentive programs.

2. An additional 13,763 jobs in nonproduction and service industries which would have been supported by the 21,174 production jobs were lost.

3. Projection of these experiences to cover 152 industries, of which the 48 were merely a sampling, indicates that 116,460 jobs were lost as a result of increased imports.

(The 152 industries include the 83 which met all 5 tests established by the Commerce Department plus 69 others which met 4 of the 5 tests established to identify those with big potential for employment of unskilled workers.)

Paradoxically, none of the industries represented in this study were damaged by the dramatically higher levels of imports from foreign producers. The American industries, on the contrary, enjoyed moderate to good production, sales, and earning increases, and were able to increase capital investments to expand production facilities.

Where did the damage strike?

The full burden of the adverse economic effects of our foreign trade policy was borne by those least able to shoulder it—jobless unskilled breadwinners whose families represent approximately one-fifth of our 30 million citizens living in poverty today.

An increasing proportion of consumer demand in this country for products of the 152 industries was met by goods imported from foreign countries—each of which enjoyed virtually full employment during the 5-year period.

Consider these contrasts in unemployment rates for 1962 alone: The United States, 5.6 percent; Japan, 0.9 percent; Belgium, 1.8 percent; West Germany, 0.7 percent; France, less than 1 percent; United Kingdom, 2.0 percent; the Netherlands, 0.8 percent; and Italy, 3.1 percent.

These unemployment ratios were recorded in a year when U.S. imports of goods produced by the 48 industries studied had reached $888.1 million, a 90.9-percent increase over the level of such imports in 1958.

During this same 5-year period, exports of the 48 study industries increased only 18.8 percent from $638 million to $758.2 million.

Simply put, imports of products of the industries studied quadrupled the rate of growth of their exports during the 5-year period and America's balance of trade shifted from a plus $172.8 million to a minus $129.9 million.

It is apparent from these facts that any steps taken to reduce joblessness in these particular industries that do not provide for an adjustment in the foreign trade picture will meet with certain failure.

SELECTION OF THE INDUSTRIES INCLUDED IN THE STUDY

Of the 83 industries designated by the Commerce Department as meeting all 5 tests, 22 were found to have import-export data correlated by the Census Bureau, providing a representative sampling for study of the effects of foreign trade on their employment trends.

Since one of the five tests—that of a moderate growth trend in employment in recent years—has no connection with identifying industries capable of employing low skill, untrained workers, the study applied the four remaining tests to a broad group of industries. It was found that 69 industries met all of the requirements set by the Secretary of Commerce with the exception of the growth rate tests. Of these 69 industries, 23 were found to have import-export data correlated by the Census Bureau, providing a representative sampling of the 4-test group for purposes of analysis.

In addition, three industries with substantial foreign trade which met four or five of the tests were studied separately. For 1 of the 3, among the 83 designated by the Commerce Department, foreign trade data could not be correlated without joining it to a separate industry not included among the 83. The third industry, also included in the list designated by the Secretary of Commerce, accounted for such a large proportion of the exports of those industries for which import-export data had been correlated that its inclusion in the group would have seriously distorted analysis of the average situation of the industries in the total group. Thus, these three industry groups were studied separately from the other two control groups.

The answers to two questions were sought in the study:

1. Are export trends creating jobs of the type the long-term unemployed and members of poor families can perform?

2. Are import trends eliminating jobs of this type more rapidly than Government programs and private industries can create them?

RESULTS OF ANALYSIS

The results of the analysis of the three groups of industries are depicted graphically, which established the following salient facts:

1. A weakness common to all of the 48 industries in the 3 study groups is the labor-intensive nature of their output; that is, their products require a relatively high degree of direct labor in the productive process. Since wage rates abroad are uniformly lower by decisive margins than in the United States, foreign industries with comparable plants, equipment, and technology to those of American industries have a competitive advantage through significantly lower production costs.

2. Job losses attributable to increased competition from imports occurred in all three control study groups during the 5-year period regardless of whether consumer demand for the products was slight or relatively high. This reflects the decisive competitive advantage enjoyed by foreign producers as a result of lower production costs stemming from lower wage rates in the labor-intensive industries.

3. Relatively high capital expenditures helped to boost the productivity per worker among the industries in the three control groups. This appears to have contributed to moderate increases in exports by domestic producers, but it did not keep import penetration of domestic markets within the same moderate bounds.

The noticeable exception in export growth occurred in the group of 3 industries studied separately from the 22 and 23 industry groups. The 17-percent average annual rate of growth recorded in the smaller grouping was due primarily to the impact of U.S. buying of textile machinery for export to underdeveloped countries under foreign aid programs. From 1955 to 1963 more than $6.2 billion was expended for such purchases with 44 percent of the total spent in the United States.

4. So long as the industries are labor intensive, regardless of the relative strength of demand, imports increase more swiftly than either domestic or export demand, due to the advantage of lower wage rates enjoyed by foreign producers. The inevitable consequence is an adverse change in the U.S. balance of trade in such products and a concurrent net loss of employment from domestic to foreign producers of the goods. A summary of the shift in the U.S. balance of trade in the 48 labor-intensive industries studied shows:

[Dollar amounts in millions]

Products of industry group	1958	1962	Percent change
U.S. imports:			
22 industries	$216.6	$419.8	
23 industries	198.7	335.5	
3 industries	49.9	132.8	
Total	465.2	888.1	+90.9
U.S. exports:			
22 industries	252.4	281.8	
23 industries	307.0	335.7	
3 industries	78.6	140.7	
Total	638.0	758.2	+18.8
U.S. balance of trade:			
22 industries	+35.8	−138.0	
23 industries	+108.3	+.2	
3 industries	+28.7	+7.9	
Total	+172.8	−129.9	−175.2

A summary of the losses in domestic employment in the 48 industries studied resulting from the adverse foreign trade experience shows:

Products of industry group	1958	1962	Change 1958/62	Percent change
Losses in employment to imports:				
22 industries	13,567	23,752	10,185	
23 industries	12,070	17,213	5,143	
3 industries	4,355	9,555	5,200	
Total	29,992	50,520	20,528	+68.4
Gains in employment due to exports:				
22 industries	13,617	12,742	−875	
23 industries	15,435	14,307	−1,128	
3 industries	5,705	7,062	+1,357	
Total	34,757	34,111	−646	−1.9
Net gain or loss of employment from foreign trade:				
22 industries	+50	−11,010	−11,060	
23 industries	+3,365	−2,906	−6,271	
3 industries	+1,350	−2,493	−3,843	
Total	+4,765	−16,409	−21,174	−444.4

The net loss of jobs of 21,174 represents the number of potential jobs lost as a result of the deterioration of our foreign trade balances in the products of the labor-intensive industries included in the three groups.

In addition to the direct loss of these production workers, the nonproduction workers in the same industries and the supporting and service industry workers called into action would have totaled 13,763 (based on 65 supporting workers per 100 production jobs as estimated by ARA) for a gross job loss of 34,937.

The 48 industries studied are a representative sampling of 152 industries, all of which meet 4 or 5 of the Commerce Department tests for high employment potential of impoverished, low-skill workers. The sample group represents 30 percent of the 152 industries. Projecting the job loss experience of the sample group to the larger group reveals that the total loss of job potential due to foreign trade in labor-intensive industries was 116,460 during the 5-year period 1958 to 1962.

The total of jobs exported reaches the staggering magnitude of over 11 times the number of jobs (10,000) which the administration proposed creating through a $36 million incentive loan fund to the same types of industries as were adversely affected by our foreign trade imbalance.

ACTION NEEDED TO REVERSE JOB FLOW

It becomes clear that we are exporting jobs at a faster rate than either Government subsidy programs or industry investment spending can create them.

It also becomes clear that our foreign economic policy is unresponsive to the realities of the employment needs of the Nation's impoverished, unemployed worker.

If a successful attack on poverty and unemployment is to be mounted in the United States, some action must be taken to stem the flow of jobs from this country to the relatively low-wage countries competing with our domestic blue-collar industries.

A logical first step is action by President Johnson to reserve the product categories of these labor-intensive industries from further tariff reductions in the trade agreement negotiations now under way in Geneva. This would rule out the proposed 50 percent across-the-board reduction in U.S. duties on the products of foreign industries competing in our domestic markets with our own industries. It would not reverse the outflow of jobs from our shores, but it would at least prevent acceleration of this trend.

A necessary second step to bring back to this country the jobs lost since 1958 to foreign industries is action to limit imports of the products of these blue-collar industries. This could be achieved by limiting such imports to an amount 25.8 percent above the 1958 level of such imports, thus restoring to domestic industry groups the output potential lost to foreign producers since that time.

The reduction of imports required would be $302.7 million, equivalent to only 9.2 percent of the increase in imports in all manufacturing between 1958 and 1962.

Congressional action is needed to set import ceilings because the administration may take such action only when it finds an industry or group of industries has suffered serious injury as a result of unfavorable trade conditions. In the case of the industries cited in this study, no such finding is possible since, as a group, they are enjoying relatively good fiscal health while the army of unemployed in the blue-collar field is growing year by year as producers in other lands increase their sales in the U.S. market at a more rapid rate than the Nation's own industries.

Mr. FRELINGHUYSEN. Mr. Chairman, I yield such time as he may consume to the gentleman from New York [Mr. ROBISON].

Mr. ROBISON. Mr. Chairman, my file on poverty in America considerably antedates the moment when the present occupant of the White House made his startling discovery of the fact that poverty does, indeed, exist here in the otherwise land of plenty.

Since that discovery, however, the availability of material on this subject has increased substantially, and my file is correspondingly bulging at the seams.

Poverty does, of course, exist today in America and, wherever it does, it constitutes one of the most urgent and human problems which our society has yet to wholly solve.

The objective of a "war on poverty"—in order to find new and better ways in which the Federal Government can assist our citizens to elevate themselves and their children from such a class—is one that is shared by all of us who serve in this body. It is an objective that is, or ought to be, above politics.

Nevertheless, if we are each to do our duty, here, as responsible legislators, we must make sure that whatever new action or direction we may take, in what is actually a never-ending "war" on poverty, is soundly constructed and devised in order that we make progress toward our common goal. Anything less, would be not only a disservice to those who depend upon us for responsible representation, but could also result in perpetrating a cruel hoax on those less fortunate of our fellow citizens who look to all levels of government and particularly now, since the President has laid so much emphasis on this bill, to the Federal Government for some measure of relief.

I think it now does little good, as some of my colleagues have been doing, to take the time of the Committee to detail the kind and nature of those individual or geographical "pockets" of poverty that dot our otherwise prosperous and expanding economy. All of us who have spent any time at all on this subject, are painfully aware of the fact that they exist. Our awareness of this is accurately mirrored by the formidable structure we have fashioned of some 42 separate and existing Federal programs, of one kind or the other, all designed and presently working to combat and overcome those "pockets" of poverty. Through this structure, we are now spending—though I know this is repetitive—approximately $32 billion a year to serve the same general ends that this bill is supposedly designed to serve.

And, Mr. Chairman, we have made progress—or, at least we did in those years in which we were able to keep the cruel tax of inflation, which falls the hardest on the poor, under control. To refer to the minority views in the committee report, in 1929—using 1962 dollars as a standard—more than 50 percent of American families had incomes of less than $3,000 a year. By 1947, this figure had fallen to 30 percent, and by 1962 to only 21 percent.

How much of this progress in our continuing "war" on poverty was due to the miraculous ability of our free enterprise system to produce steady economic growth, and how much was due to the "nudging" of these various Federal programs is, of course, debatable.

But before I lose sight of the importance of the control of inflation in all this, let us remember that during the years of the Truman administration—when the cost of living really zoomed—real family incomes were no higher in 1952 when Mr. Truman left office than they were in 1945 when he entered it.

Now, it is true that—for the past 3 years—we have been sort of stalled on a plateau of poverty with no real reduction, using the present administration's poverty "yardstick," in the ranks of the poor, and this in the face of vastly increased Federal spending of almost every kind.

Now, what does this mean? Well, to me it means that our present programs are not getting at the root causes of continuing hard-core poverty in America, and probably will not get to them no matter how much more we spend thereon.

Now, it is true that some of those programs—those which are the newest—have not really had a chance, yet, to show what they can do. Specifically, since the bill before us bears down so hard on educational opportunities for the poor—and quite properly, I think—those programs which have not had a real chance to produce include the vastly expanded manpower retraining program and the new Vocational Education Act.

Try as I can, I am unable to find anything in H.R. 11377 which will do anything in the field of education which these programs—and perhaps the National Defense Education Act—cannot do.

For that matter, I am equally unable to find anything really new in concept in H.R. 11377, which would better get at the root causes of hard-core poverty in our land than anything the Federal Government is already doing.

Oh, the bill does include some things we are not presently doing, but each of them have either been rejected or not accepted by this or recent Congresses as being inadvisable, or were tried in the old depression days of the thirties and found woefully wanting.

Perhaps this is why there is so little enthusiasm for this bill on the other side of this aisle. The absence of that enthusiasm has been communicated to me by many of my colleagues over there—as the news media could undoubtedly find out if they would dig hard enough—though, clearly, my friends over there are going to vote for this bill because the present administration has laid its prestige on the line for its passage.

And so, in a very few days, Mr. Chairman, the President will probably be announcing with pride, on signing this bill into law—thanks to a compliant Congress that took the easy way out—that he is now able, to use his own words, "to show the way" to eradicate poverty for all time from our shores.

And afterward, perhaps, there will be rejoicing in the streets of Harlem and in the Negro sections of Rochester, in my own State of New York, as well as in all the other slum sections of our other cities and towns and in our marginal-farmland areas as well, where so many of our fellow citizens—and with good reason—are discontented with their economic lot.

But, I cannot help but wonder—as some of you may be wondering—how that discontent may grow when this hodgepodge of a poverty-poultice fails, as I think it must, to soothe the inflammation of economic distress and of want that plagues our society.

If there was anything—I repeat, anything—really new in this bill that, even with the poorest sort of administration, had any sort of a chance at making a real dent in the ranks of the poor, I would be for it wholeheartedly.

Or, if—with the help of some of you—I were able to sort out some of those few sections of the bill that held any sort of promise, such as the Job Corps section, if it could be amended to bring it more in line with the old CCC operation, I would be for them because I think it urgently necessary to try anything that has a reasonable chance of serving as some sort of anchor for those thousands of our youth who are school dropouts, or unemployed and unemployable draft rejectees.

But I know what is going to happen—as it so often does around here; I am going to be asked to buy the whole kettle of fish in this barrel, or none of them, and, if that is my only option, I shall have no other option but to vote "no" on the bill, knowing full well that through the magical alchemy of politics this will—somehow—make me in "favor" of poverty.

There is much yet to be done in our never-ending war on poverty—a war in which the Federal Government has a large and proper role to play. The hearings that were held in connection with this bill have produced a wealth of material and of useful suggestions as to what we might do. And, despite the political dilemma in which the President has placed me, I think we can all be properly grateful to him for having so focused the national attention on how far we have yet to go in this field as well as on how desperately we need to rethink our problem and to search for the real causes of self-perpetuating poverty in order that, some day in the near future, we can really mount an attack thereon.

Would it not be the wisest course of action, I therefore ask of all of you, to recommit this bill to the Committee on Education and Labor, in the hope and expectation that, absent the political atmosphere of this particular year, it can produce a better and more useful product, and one to which we can all give our support?

This is the course of action I urge upon you.

Mr. FRELINGHUYSEN. Mr. Chairman, I yield such time as he may consume to the gentleman from New York [Mr. PIRNIE].

Mr. PIRNIE. Mr. Chairman, the measure before us has aroused widespread interest across the Nation in what is taking place in this great Chamber. Citizens the length and breadth of these United States will focus their attention on the reports of this debate, especially the outcome of the vote.

I share with them profound concern for the myriad problems facing the poor and less fortunate people of our Nation. No one has to draft me for any war on poverty. I enlisted in the cause long ago and can assure you that I will never apply for a discharge.

The problems of the impoverished are the problems of all America. Thousands of responsible individuals share this view and have done something about it. The phenomenal success of Community Chest and United Fund drives in city after city throughout our country provides concrete evidence that those that have are deeply concerned for the welfare of those that have not.

I must admit that the so-called war on poverty is an appealing phrase that has captured the imagination of all who have been exposed to it. After all, everyone is against poverty and the objective of the "war"—complete victory over poverty—is one with which we can all agree. It is in the selection of weapons with which to fight the war that disagreement occurs. As the minority report on this measure so eloquently states:

> While it is true that governments at all levels, as well as numerous private organizations, have contributed and are continuing to contribute mightily to the eradication of poverty in America, the fact remains that the principal source of accomplishment in this endeavor has been, and must continue to be, our free society and competitive economy.

At the risk of inserting a partisan tone in my remarks, let me say that while I am certain that the proponents of this bill, starting with the President, are very much against poverty, as we all are, the primary objective of the measure is to win friends and influence people who will actively support the administration at the polls in November. After reviewing all the facts, I can come to no other conclusion.

This entire poverty problem, although serious, has been grossly overstated with regard to its extent in the United States. And, equally important, the many local, State and Federal programs currently in operation to combat poverty, have either been greatly underestimated in terms of their effectiveness, or totally ignored by the proponents of the bill.

We are led to believe that 35 million people in this Nation are poverty stricken. We are told that the problem is becoming more intense each day and that, because of the absence of grandiose schemes to reverse the tide, our Nation is nearing its darkest hour. These statements cannot be taken lightly. They are not bedtime stories or fairytales. But, they are a long way from the whole truth, and it has always been my understanding that the people want nothing but the truth.

Let us examine the claim that 35 million of our friends and neighbors are poverty stricken. According to the administration, the poverty yardstick is an annual cash income of $3,000 or less.

Using that standard, more than a million men and women in the armed services, including one of my own sons who is currently on active duty with the Army in Europe, are poverty stricken because of income not up to $3,000 per year. And, using that same measuring device, thousands and thousands of young people who are attending school full time, but find it necessary to work part time to help finance their continuing education, are also poverty stricken.

In my hometown of Utica, N.Y., there are two outstanding young educational institutions, neither one of which is yet two decades old, whose classrooms are apparently jammed with poverty stricken students. That is, of course, if the students' financial positions are measured by the poverty yardstick. At these two colleges—Utica College and Mohawk Valley Community College—more than 80 percent of the student body are employed. In the vast majority of cases, the students are working because they need the money to pay for their education. They are finding it somewhat difficult to pursue their studies but they are evidencing that "get up and go" spirit for which this Nation is famous. They are working hard for something important and, I am proud to say, they are well on the way to becoming tomorrow's leaders.

I have one objective in mind in citing these two instances, and that is to do all that I can to bring to light the fact that the administration's claim that 35 million Americans are poverty stricken is a gross misstatement of fact. The very same people who in 1960 falsely claimed that the prestige of our Nation was suffering abroad, are guilty of uttering equally false and damaging statements today. And these statements are seriously affecting our prestige in nations of the world that formerly regarded the United States as the land of opportunity and unlimited success. Political expediency still appears to be the rule of thumb in their actions.

Another area that demands attention has to do with existing programs that are operating and experiencing a marked degree of success in combating poverty. The American public is being led to believe that little or nothing is presently being accomplished to battle this most serious problem of poverty. If programs now underway are meeting the great challenge of combating poverty, why should the administration propose such a broad new plan? I believe that the answer is now quite apparent. November 3 will soon be here.

Let us look at the facts. Secretary of Health, Education, and Welfare Anthony Celebrezze, in testifying on the bill under discussion before the House Committee on Education and Labor, reported that at present the Federal Government has 42 different programs in operation to combat poverty. From the Bureau of the Budget, we learn that almost $32 billion was appropriated for these programs during fiscal year 1964. We have food distribution programs, manpower development and training operations, low-income housing projects, unemployment compensation, accelerated public works. We have all these programs and many more too. And, I have not even touched upon the many, many State and local programs that also are in effect.

Do we, at the cost of billions of dollars to the taxpayers, need elaborate plans to duplicate those many programs that already are doing the main part of the job that has to be done? The answer is a most definite "No."

This administration and this Congress would do well to attack poverty by preserving jobs right here in this country. On many previous occasions, I have alerted our State Department to the devastating competition of foreign imports. I have stressed that our American standard of living was built into the cost of our manufactured products, making some trade protection necessary if industry in our country was to survive. This plea has been ignored and plants from my district have been closed as their operations have been transfererd to new plants constructed abroad.

The loss of these jobs is indeed critical in my area but this experience is not unique. Countless communities around the country are likewise affected. I know there must be trade between nations and adjustments are required but let us be realistic. Let us remember the most effective solution to poverty is employment and do all in our power to preserve and protect the jobs of our domestic economy.

It is not enough to oppose a plan designed to tackle a problem even if one does not agree with that plan. There is an attending responsibility to propose an alternative solution to what problems may exist.

Even though it has been demonstrated that the war on poverty is presently being fought on several fronts, it may be that more action is needed. It is with a sincere desire to review what has been done and to evaluate what may be done to further combat poverty that I introduced H.R. 12152, a bill to establish a National Human Resources Development Commission to make a comprehensive and impartial study with regard to existing programs dealing with the problems created by poverty and to recommend a suggested course of future action to effectively erase poverty from the face of this Nation.

It would be far more sensible for Congress to be called upon to act upon the recommendations of such a commission than the makeshift proposals in the bill we have before us. Otherwise we may be guilty of waste and confusion. In the meantime we should employ effectively and promptly the weapons which have been provided.

Mr. FRELINGHUYSEN. Mr. Chairman, I yield such time as he may consume to the gentleman from Illinois [Mr. ANDERSON].

Mr. ANDERSON. Mr. Chairman, I feel constrained to speak briefly this afternoon on the so-called antipoverty bill because of some remarks that were made yesterday by the chairman of the Education and Labor Committee at the opening of debate on this measure. He, and also other speakers on the majority side of the aisle have stated that this bill, designed as it is—so they say—to get to the roots of the poverty problem and to eliminate the squalor and misery of those enmeshed in the chains of the poverty cycle is a matter of conscience and a moral issue. They imply, indeed they say with some considerable breast beating, that those who oppose this measure are indifferent to the 9 million families or the 35 to 40 million Americans who they say exist below the poverty line of $3,000 of annual income for a family of four. They acclaim in self-righteous tones that the opponents of this bill are cold and calloused with respect to human needs; whereas they, the proponents, are gifted not only with the vision to see the need but the wisdom to prescribe the proper solutions to the poverty problem.

Now, Mr. Chairman, I realize full well that it is entirely consistent with human nature that we all seek self-vindication for our beliefs and actions. But, Mr. Chairman, it is far more than such a desire to seek and attain self-vindication that prompts me to cast off the specious and empty charge of indifference to and neglect of human suffering as the reason for my opposition to the L.B.J. poverty package. Indeed, if I were disposed to consume my time in mere recrimination I would suggest that some of the leather-lunged orators and stentorian voices who have filled this Chamber with their sententious denunciations of one of mankind's most ancient foes—poverty—are the real culprits when the charge of cynicism and calloused indifference is made.

A former Princeton professor, Professor Emeritus Harley Lutz once said:

> War on poverty is a slogan that can reasonably be expected to yield considerable political mileage. No one is in favor of poverty and criticism if a program purporting to deal with it is as risky, politically, as being in favor of sin or against motherhood.
>
> Yet the odds are heavily against complete elimination of poverty by any kind of degree of government action. The dramatic announcement of the slogan may carry for some the implication that theretofore poverty had been tolerated, but that little serious thought or effort had been given to the amelioration.

Here I might digress parenthetically to note that it has already been abundantly pointed out that with 42 existing poverty programs in the Department of Health, Education, and Welfare alone, and with an estimated current annual poverty budget of around $32 billion a year on the Federal level alone—the Johnson administration is not the first to seek to alleviate poverty.

But to conclude this particular thought I quote again very briefly from Professor Lutz:

> The fact is that the whole history of economic progress is a record of the struggle against poverty in the sense of the scarcity or deficiency of goods in relation to needs. Everything that has been done to increase production from the most primitive tools and instruments to today's enormous complex of machines, materials, technology, and skills has broadened and strengthened the drive to minimize scarcity.

Mr. Chairman, we are fighting the war against poverty today on scores of different fronts as we must and should. The American people are helping in that battle with annual contributions on a voluntary basis of more than $10 billion to churches, private and public charities, and foundations.

We, in the Congress, fought it in this very Chamber just 2 days ago when we approved a military pay raise. For it has been reliably estimated and reported that more than a million of our military personnel and their dependents would, on the basis of their annual cash income, fall below what has been described in this debate as the "poverty line." We fought it here a few days earlier when we approved a 5-percent overall increase to the beneficiaries under our social security system. Back in 1962 I recall voting for the so-called public welfare amendments to the Social Security Act. They were certainly designed to enable our welfare officials and administrators to more effectively and efficiently wage the war against poverty by requiring certain recipients of public assistance to seek training or retraining in some useful capacity.

The Vocational Education Act of 1963 certainly must stand at the very head of the list of weapons that the Congress has sought to place at the disposal of the proper officials within the executive branch to fight both unemployment and underemployment, two of the root causes of poverty. Yet the States have not yet even been given the opportunity to implement the expanded programs authorized by this legislation before in a lot of sound and fury we find Mr. Shriver—L.B.J.'s personal chief of staff in the poverty war—talking about new programs with such glamorous names as VISTA to take up the slack.

As was pointed out so conclusively in the hearings on this bill, the opening section of the Vocational Education Act clearly states that its purpose is:

"To develop new programs of vocational education, and to provide part-time employment for youths who need the earnings from such employment to continue their vocational training on a full-time basis, so that persons of all ages in all communities of the State—those in high school, those who have completed or discontinued their formal education and are preparing to enter the labor market, those who have already entered the labor market but need to upgrade their skills or learn new ones, and those with special educational handicaps—will have ready access to vocational training or retraining which is of high quality, which is realistic in the light of actual or anticipated opportunities for gainful employment, and which is suited to their needs, interests, and ability to benefit from such training."

Mr. Chairman, I ask the members of the committee if it is not feasible and infinitely wiser to implement the provisions of this act than to embark on a series of new and untried programs designed apparently to achieve the same objective.

Mr. Chairman, when we passed the Vocational Education Act of 1963, we also provided for new work-study programs with Federal compensation. We provided for residential vocational schools with all expenses paid for school dropouts or unemployed youths.

Mr. Chairman, the bill we are now asked to approve and for which we are asked to authorize an additional $1 billion, in large part merely duplicates this legislation and piles new programs on top of similar and existing programs.

Mr. Chairman, when one begins to contemplate the folly of this ill-conceived legislation, you wonder if since Mr. Johnson ruled out Mr. Shriver as a vice-presidential possibility, there is not a certain desperate urgency behind the intensified efforts this week to make Mr. Shriver our new "Poverty Czar."

Mr. Chairman, as a Member of the 87th Congress I was among those who voted for the Manpower Development and Training Act. This act also makes provision for new opportunities for school dropouts and unemployed or underemployed youths. It provides in short for new programs for the counseling and training of our youth. This act is likewise so comparatively new that our experience under it is still relatively limited. Yet now we are being urged to rush into a new, overlapping, and duplicate-type program.

The question has been very aptly put, Why would not the youth who might volunteer for a Job Corps be better advised to take advantage of the Manpower Training and Development Act or opportunities under the Vocational Education Act? How would the residential centers of the Job Corps differ materially or essentially from the residential-vocational schools envisioned in the Vocational Education Act? Why should the work-study courses of the Vocational Education Act under the Department of Health, Education, and Welfare be duplicated by work-training programs under the proposed Office of Economic Opportunity? These questions go unanswered.

Mr. Chairman, I think that there is a very fundamental ideological difference that separates those who are for and those who are against this bill. It is this fundamental difference in philosophy rather than indifference to the suffering of those who are rightfully classed as "poverty stricken" that has compelled me to the conclusion that I cannot in good conscience and on any moral basis support the text of the legislation that is before us.

On February 8, 1964, Gunnar Myrdal, the Swedish sociologist, wrote an article for the New Republic entitled "The Warm Poverty." In it appears this very significant quotation:

> A common characteristic of all the reforms directed at raising the quality of the labor force and eradicating poverty in the midst of plenty is that the increased expenditure will be public expenditure. Even when poverty is gone, when there is little or no unemployment or underemployment, a relatively much larger part of the Nation's needs will have to be met by collective means. In the future society toward which we are moving, where our productive efforts will increasingly have to be devoted to the care of human beings, health, education, research, and culture, and to making our communities more effective instruments for living and working, public spending will be an ever larger part of total spending. This is because it is not very practical or economical, and in most cases not even possible, to rely on private enterprise for filling these types of demands.

Mr. Chairman, this most succinctly stated is, I believe, the great society of which President Lyndon Johnson now speaks since the New Frontier has passed into limbo in the lexicon of American political slogans. The great society is one which envisions an era where man becomes increasingly dependent upon the state and increasingly despairs of being able to achieve the goals of a better life through the mechanisms in the private sector of the economy.

Mr. Chairman, the antipoverty bill is merely one measure in a whole dreary series of such proposals that flow ever more swiftly from the maw of the Government apparatus which has spread its tentacles into every phase of American life. It is conceived in the spirit of hopelessness with respect to the ability of the private American economy to properly produce and distribute the goods and services that our people need to lead happy and abundant lives. Mr. Chairman, I reject outright that philosophy of despair, and therefore and consistent therewith I must vote against this bill. Norman Thomas recently enthusiastically embraced this bill as a socialistic measure which really amounted to the adoption of a great part of his platform.

Mr. Chairman, the American people have in a series of free elections regularly rejected Mr. Thomas and his Socialist Party and platform. I think that when the Madison Avenue veneer is stripped from this bill they will likewise reject it as the means to solving the problem of poverty in the United States.

Mr. FRELINGHUYSEN. Mr. Chairman, I yield such time as he may consume to the gentleman from Ohio [Mr. McCulloch].

Mr. McCULLOCH. Mr. Chairman, I believe that a Congressman should be in his district to confer and visit with his constituents whenever official duties do not require him to be in Washington.

When Congress adjourns, I expect to return home and to be available for conferences and visits with residents of the Fourth District in the courthouse of each county seat between 8 a.m. and 4 p.m., in accordance with the following schedule:

Allen County, Lima: Thursday, August 27.

Auglaize County, Wapakoneta: Wednesday, August 26.

Darke County, Greenville: Tuesday, September 1.

Mercer County, Celina: Monday, August 31.

Miami County, Troy: Tuesday, August 25.

Preble County, Eaton: Wednesday, September 2.

Shelby County, Sidney: Monday, August 24.

No appointments will be necessary. Any problems with, or opinions concerning, the Federal Government will be proper subject for conference.

Of course, I will be glad to see residents of the district, in my Piqua office, any time that Congress is not in session, except on the days scheduled above.

Mr. FRELINGHUYSEN. Mr. Chairman, I yield the balance of the time to a member of the committee, the gentleman from Michigan [Mr. Griffin].

Mr. GRIFFIN. Mr. Chairman, as the Members of this House well know, I have a warm affection and only the highest regard for the author of this particular bill, my good friend, the gentleman from Georgia [Mr. Landrum]. I sincerely wish it were possible on this occasion for me to rise and lend my support to this bill which bears his name—and I most certainly would do so if it would, in fact, achieve the noble and universal goal of curing poverty.

Among the members of our Committee on Education and Labor we have had our agreements—and we have had our sharp disagreements concerning the merits of various bills. Considering the emotional, political and highly explosive nature of the subjects which come before our committee—subjects with which we must necessarily deal, day in and day out, I think it quite remarkable and a tribute to the individual members of that committee that somehow—even despite an occasional lockout or sit-in—we still speak to one another. Indeed, we are friends, and find it possible to respect the sincerity of those with whom we disagree.

Having said that, I could not be true to my sense of conscience and my deep conviction if I did not say, with all the emphasis at my command, that this is the worst piece of legislation—and probably the most damaging to our constitutional Federal-State system of government—that has ever come from the Education and Labor Committee during my 8 years of service as a member.

If there is one bedrock principle upon which our political and economic system depends, and to which we have always pointed with pride, it is the fundamental principle that ours is a government of laws—not of men. A bill like this, which is so patently an outright transfer of legislative authority to the executive branch—a bill which actually creates a government of men, and not of laws—should and must be stricken down. Surely, no expedient or temporary political advantage can justify the enactment of this bill.

Some may wonder how could I use such harsh words with respect to this bill. In what way does it create and foster a government of men, rather than law?

The bill is referred to as a war on poverty—but where in the bill is there a definition of "poverty"? Have you looked for it?

Does the bill, anywhere, define the most important term used in connection with this legislation? No. We are told in press releases and we are assured by the people in the administration that they know what the term "poverty" means. They say that anyone with an income of $3,000 or less is considered poverty-stricken. But there is no such definition in the bill. Are we talking about a government of laws—or of men?

If $3,000 of income is to be the yardstick, it should be kept in mind that families differ as to their size and their needs. And what about the couple with 500 shares of IBM stock? They would have an income of less than $3,000 a year, but they would have assets of over a quarter of a million dollars. Mr. Shriver assures us that he would take such factors into account. But, we have only his personal assurance. There is nothing in this bill that draws meaningful lines or distinctions concerning the meaning of "poverty"; neither do we know how long Mr. Shriver is going to be Director of this particular program.

I could point to section after section to prove my point, but let me refer briefly in the short time available to page 42, which is the program to assist migratory workers. If there is any area where the Congress ought to do something, it is in this field. We have jurisdiction because migratory workers are involved in interstate commerce.

But look at what this bill provides. Beginning in line 23 it says:

> The Director shall develop and implement as soon as practicable a program to assist States and political subdivisions of States, public and nonprofit agencies, institutions, organizations, farm organizations or individuals in establishing and operating programs of assistance for migrant agricultural employees etc.

Is not this a great way to legislate? We, the Congress, are not developing a program to assist migratory workers. In this bill we say that "the Director shall develop and implement" a program to assist migratory workers.

The bill provides no meaningful guidelines, no standards. The only limitations are that such programs "developed and implemented" by the Director should be within the general fields of housing, sanitation, education, and day care of children.

This is an example—but only an example—of the approach and philosophy of the entire bill.

The bill should be defeated; and I hope that there will be enough Members who will have the courage tomorrow to vote against this bill.

Mr. ROOSEVELT. Mr. Chairman, I yield 1½ minutes to the gentleman from New York [Mr. RYAN].

Mr. RYAN of New York. Mr. Chairman, America is the most prosperous nation in the world. Our factories produce more goods; we have the highest per capita income; we have the highest standard of living.

However, there is the "other America"—one-fifth of the Nation—living in poverty and deprivation in the subbasement of our society. These 35 million men, women, and children inhabit every region of the country—the rat-infested slums of Harlem, the dying towns of eastern Kentucky, the flat fields of Alabama and Mississippi, the depleted areas of upper Minnesota, and the reservations in Arizona. No State can boast that poverty is unknown within its borders, and no city can cover up its urban pockets of poverty.

Raw statistics cannot convey the depth of poverty in America, but they can bring home the magnitude of the problem. If we accept a yearly income level of $3,000 for a family as the upper limit of poverty—and there are many who consider this estimate as too low—then there are fully 9.3 million families living below the poverty line. One-sixth of the young people in America, over 11 million children, are members of families living in poverty. And more than half of these families 5.4 million of them, with 17 million members—have yearly incomes below $2,000.

But the statistics do not convey the true impact and extent of poverty in America. Who are the poor? The poor are found in every State, among every race and religion, in all age groups, and come from all levels of education backgrounds. But some groups are more heavily afflicted by poverty, not because they are lazy by nature and deserve their fate—as some would have us believe—but because they have been denied educational and job opportunities, or because their skills are outmoded in a technological age, or because they are too old or too young to fill a job, or because they live in areas filled with dying towns, as industries dry up and machines leave their hands idle.

There are more than a million migrant farmworkers in the United States. For their hours of backbreaking work in the fields, they earn an average annual wage of only $1,164. Federal minimum wage laws do not cover migrant farmworkers; practically none of them have unemployment insurance; and they must work until they die, since very few are protected by social security.

In the Appalachian region of eastern Kentucky thousands of hardy and proud coal miners have been without jobs for several years. Some of them can earn from $3 to $10 a day scrabbling out coal in unsafe truck mines, but this work is rarely steady. In Kentucky's Perry County, 16,000 out of 36,000 people are on relief. The average unemployment rate in the seven-county area of eastern Kentucky hardest hit by the declining coal industry is over 50 percent. The 10-State region of Appalachia, with 16 million inhabitants, lost over 1.5 million in the 1950's through migration to the big cities in the North, and as the educated and the young flee this area in increasing numbers, it will become more difficult to pull Appalachia out of the bog of poverty.

Too many of the elderly are poor. Over 75 percent of those over 65 years of age have incomes under $2,000 a year. Social security is often just enough to keep starvation at arm's length, and even the boost in social security payments made by this body recently is barely enough to mark time. A 1960 report by a Senate committee graphically noted the plight of the aged:

> At least half of the aged—approximately 8 million people—cannot afford today decent housing, proper nutrition, adequate medical care * * * or necessary recreation.

I cannot adequately portray the real effect of poverty; what it means to live in a slum, to lack an education or the skills to hold a decent job, or to face prejudice and bigotry, or to watch a town fall into despair and lethargy. But the facts of poverty must be faced, and we must mobilize our resources to attack the roots of the problem.

President Johnson has summoned America to a war on poverty. In his state of the Union message the President said:

> Unfortunately, many Americans live on the outskirts of hope—some because of their poverty, some because of their color, and too many because of both.

More than 9 million American families are living in poverty, with total annual incomes of less than $3,000 a year, less than $60 a week. These families, plus single individuals with incomes of less than $1,500 a year, total about 35 million Americans—a fifth of our Nation living in a world of poverty.

Their world is without pride or privacy. Hope is nonexistent. Ambition is a myth. Most horrible of all, in this world, the disease of poverty is inherited. From father to son, mother to daughter, from one generation to the next, poverty breeds poverty.

Negroes make up about 10 percent of our total population, but they make up more than 22 percent of our poverty-stricken population. Seventeen percent of all white families suffer from poverty. But more than twice that, 44 percent of all American Negro families suffer in poverty.

In New York City, based on the 1960 census, we have some 317,000 families living in poverty—on incomes below $3,000. That is about 18 percent of the population, almost one out of every five.

Negroes make up about 14.7 percent of the city's total population, but they make up 29.2 percent of the city's poor population. Puerto Ricans make up 7.9 percent of the city's total population, but they make up 18.8 percent of the city's poor population.

The recent unfortunate events in Harlem, Bedford-Stuyvesant, Rochester, and Jersey City underscore the frustration and despair which poverty produces. They underscore the urgency of an attack not on the consequences but on the causes—inadequate education, inadequate housing, inadequate job opportunity. For idle youth—out of school, out of hope—we must provide economic opportunity. We were warned about this social dynamite long ago. Time is running out.

Yesterday the gentleman from Georgia [Mr. LANDRUM] pointed out how in the past problems of poverty might be dealt with on an individual or group basis. For instance, the family could move to new land. But, he said, the frontiers which existed for our forebearers simply do not exist anymore. He is right. He recognizes the complexities of our modern industrialized, urbanized society, and the Committee on Labor recgonizes them and has attempted to deal with them in the bill before us.

H.R. 11377 is a first skirmish in the war on poverty. One legislative measure will not conquer poverty, but "let us begin" in the words of John F. Kennedy.

We are debating whether or not to allocate less than $1 billion to an attack upon poverty. That is about 1 percent of the total Federal budget. It is less than 2 percent of what we spend in defense. It is just $33 per poverty-stricken American.

Under the allocation formulas, New York State would get no more than $120 million.

In terms of New York State's 17 million people, and its huge poverty problems, it is little more than a drop in the poverty bucket. Both New York State and City have massive needs in adult education and in care of poor children. The State has more than a million residents 22 years or older who have less than a 6th-grade education. Some 150,000 children in the State are members of families with total incomes of less than $1,000 a year. And the New York City administration has claimed the city itself spends about a billion dollars a year on poverty—with no particularly dramatic effects.

From the statistics alone, it is obvious the Economic Opportunities Act is only a first tentative step toward meeting the problems of poverty and the potentials of our economy.

Mr. Chairman, now let us examine the specific provisions of the bill itself. Title I is designed to expand the opportunities for our youth to gain the education, skills, and experience needed to escape from the vicious cycle of poverty into which they were born.

In October of 1963, 730,000 of our youth were out of school and out of work—a figure which represents a 22-percent increase in a 1-year period. Left to itself, the problem will multiply. Title I includes three different programs aimed at reaching this group. The first of these is a voluntary Job Corps with camp-based programs of education and vocational training or conservation work for young men and women. The conservation camps will do more than provide basic skills and education; one of their goals is to change attitudes from indifference to interest, from resignation to ambition. Since poor environment is generally conceded to be one of the primary causes of poor educational achievement and lack of interest, it is extremely important to take our most deprived youth out of their usual environments. For any of the 72,000 New York youths who might be eligible for membership in the Corps, this might well be the first time that they had ever been exposed to an atmosphere outside of overcrowded tenements.

The recently published Haryou study of Harlem's youth illustrates the magnitude of the problem in New York City. Only half of the children under 18 live with both parents; the median income of Harlem's residents is a bare 60 percent of the city's median income; Harlem's unemployment rate is more than twice that of the city; over 43 percent of Harlem's employed workers are employed in work that is not expanding or is being cut back; 90 percent of the area's buildings are over 33 years old; the infant mortality rate is almost double the city's as a whole. Approximately 41 percent of those entering high school drop out before graduation.

There is a high proportion of substitute and unlicensed teachers in the classrooms of Harlem's schools. With such figures as these, the need for a solution to the problems of deprived youth is clearly indicated. The Job Corps would be a beginning. It would not, as its critics claim, duplicate existing training programs, because only those who are ineligible for training in already existing programs would be eligible for service in the Corps.

Part B of title I provides another approach to the problems of disadvantaged youth by giving them work training experience in their own communities. Those who are school dropouts are eligible as well as those who are still in school. It is anticipated that the training offered in part B will enable potential dropouts to remain in school while at the same time preparing them for the job market upon their leaving school. An additional useful purpose is served through the nature of the training—which is to be done through public and nonprofit community service agencies. The work accomplished is expected to provide a new and needed service to the community. This aspect of title I in no way duplicates the work-study program authorized in the Vocational Education Act of 1963. Under this act similar work experience is provided only to those in full-time attendance in vocational schools. This is only 20 percent of the total school population in the United States, and obviously the Vocational Education Act does not apply to the over 1 million of our youths who are out of school and out of work.

Part C authorizes college work-study programs where provisions for part-time employment will give financial assistance to the qualified but needy college student. The amount of financial assistance through scholarships available is not nearly enough to aid the able youth who come from low-income families. The provisions of part C are expected to benefit 140,000 students from low-income families per year and to make it possible for many of these students to attend college who would not otherwise be able to do so.

Title II provides a different type of solution to the problem of poverty. Its purpose is to encourage urban and rural communities to mobilize their resources to combat poverty through community action programs. A community action program to be eligible for assistance must provide services of sufficient size to give promise of progress toward the elimination of poverty. Employment, job training and counseling, health, vocational rehabilitation, housing, home management, and special noncurricular educational assistance are some of the fields in which the community action program should participate. The effect of this title would be to give new impetus to communities to attempt a coordinated effort at eliminating poverty. Coordination of all local public and private organizations working in the welfare field is expected to be an important result of this program. The community will be able to make a concerted attack against poverty in all its forms.

Mr. Chairman, I am concerned that local community action programs be closely supervised by the Office of Economic Opportunity. It will not be enough to authorize community action programs and leave their administration to local public and private agencies. For instance, under the Manpower Development and Training Act, the departments having jurisdiction too often have been too reluctant to step in and exercise proper supervision, too ready to yield to the demands of local and State autonomy. Layers of city and State bureaucratic redtape can strangle any worthwhile concept. It must not happen in this program.

Part B of title II establishes adult basic education programs with instruction provided for adults who are deficient in reading and writing the English language. Since this failure frequently results in unemployment, part B is one more provision aimed at reducing unemployment. In 1960, there were 8 million persons over 25 years of age who had had less than 4 years of schooling. Statistics show that the unemployment rate for those with low educational achievement is more than double that of adults who have had more years of schooling. A 1957 study in New York showed that almost a fifth of the mothers on the aid-to-dependent-children rolls had not completed the fifth grade and that half of the heads of families receiving general assistance had never gone beyond the sixth grade. I do not understand how the need for the provisions of part B can be denied.

Title III aims at yet another group of the deprived in our Nation—the rural poor. There are many loan programs for agricultural purposes currently administered by the Department of Agriculture, but the continuing existence of a large body of impoverished farmers has brought home the fact that the agricultural loans are not benefiting significant numbers of small farmers. The statistics on rural poverty bear this out. Nearly half the poor in the United States are in the rural areas. One in every three rural families has a cash income under $3,000 a year; 6.5 million of the rural poor live on farms. A large proportion of these families are headed by individuals with extremely limited mobility because of age, lack of education, and training.

Section 302 provides assistance to families who are at the present time ineligible for loans for farm-operating purposes. The provisions of title III, part A, will enable the boxed-in farmer sufficiently to improve his position so that he may live in a self-sufficient manner on the farm.

Part B of title III provides financial resources to initiate programs in the fields of education, sanitation, housing, and day-care services for migrant workers and their families. It is expected that the types of programs to be established will be similar to those outlined in detail in my bills H.R. 4903, H.R. 4904, and H.R. 4905.

The migrant in America has always been the forgotten man. Because he has no powerful lobbying force to champion his cause, he has been exempt from receiving the benefits of most of the welfare legislation of the past decades. In 1961, the average migrant worked only 116 days in the year and earned a total of $1,123, according to estimates. There are almost 2 million people in this most impoverished group of our rural poor, 750,000 of whom are children who at the present time are offered no educational opportunities by many of the States in which they work. We cannot deny the existence of a part of our population on whose work so many of our large farmers depend. The plight of the migrant in America today is a disgrace in a country whose agricultural resources are almost limitless, often because of migrant labor.

Title IV in effect is similar to the purpose behind part A of title III. Whereas title III broadens the rural loan provisions administered by the Farmers Home Administration, title IV extends the loan provisions of the Small Business

Administration so that it will benefit the owners of very small family businesses. By helping such businesses to get on their feet, it is expected that they will be able to provide a needed source of jobs on the urban employment market.

Title V will give work experience and training to unemployed fathers and other needy persons on the welfare roles. This is to be accomplished through the extension of programs now existing under the Social Security Act for experimental and demonstration projects.

Under title V the training programs are geared so that those currently on the welfare roles may become self-sufficient. Public assistance is necessary for those who have no place else to turn. But it provides subsistence only. It deadens the spirit. It provides no encouragement, no incentive, no room for growth. Retraining when coupled with welfare will provide such incentive. It will give new hope to those who are desperately poor, encouraging them to develop the skills that will enable them to make their own way in our increasingly complex society.

Under title VI, VISTA—Volunteers in Service to America—is created as a domestic counterpart of the highly successful Peace Corps with the volunteers selected and trained to take part in specific programs connected with the war on poverty. This section incorporates many provisions of my bill, H.R. 5650, which I introduced last year, to establish a National Service Corps. This will provide a unique program to channel the enthusiasm and dedication of American youth in the attack upon the economic and social ills of our society.

Mr. Chairman, the programs which I have outlined, properly administered and carried out, can help lift thousands of Americans from poverty. However, the eradication of poverty will require a massive effort fought on many fronts. Other legislation will be needed.

Raising the minimum wage and extending coverage under the Fair Labor Standards Act can be one of the most effective weapons in the war on poverty. One statistic not widely known is that only 6 percent of those living in poverty are unemployed. Most of those who live in poverty are employed, but at such meager wages that their families are left without essential needs fulfilled. The poor who are employed are often underemployed or working at almost starvation wages. For example, Federal regulations establish a minimum wage for migrant farmworkers in Arkansas of only 60 cents per hour. Another example: In 1961, the average weekly wage of hotel and motel employees, who are not covered by the Fair Labor Standards Act, was $45.54; for laundry workers it was $49.28. Workers in these wage catagories constitute the hard core of America's poor. I have urged that the Federal minimum wage be raised to at least $1.50 per hour, and coverage should be broadened to include many of those who work for wages below the poverty line. On May 13 I introduced H.R. 11237, to raise the minimum wage to $1.50.

The House recently passed a bill to raise benefits under the Social Security Act by 5 percent, an average of $4 a month. But the bill completely neglects the need for hospital insurance for the aged under social security. We cannot pretend to fight a war on poverty while ignoring the pressing health needs of our 17 million citizens over 65 years of age.

Mr. Chairman, let me turn to another matter. I am greatly disturbed by, and deplore, the intention of the committee to accept the Senate amendment giving State Governors a veto over the establishment of conservation camps or training centers under title I. Furthermore, I understand the committee intends not only to accept the other Senate amendment giving a Governor the veto power over private community action projects where they are not working with public agencies, but to extend it to include public agencies as well. So a Governor will be able to veto city programs within his own State.

This bill is addressed to a national problem. We must not let "States rights" choke off a solution.

Yesterday the gentleman from Georgia [Mr. LANDRUM] made the point that this bill offered education, training, and job opportunities in place of a dole, in place of public assistance. He cited statistics showing how much of the money spent in cities and States for public assistance comes from the U.S. Treasury.

Now it is proposed to give a Governor a veto, to let him stand between the poor and opportunity, to let him decide who in his State shall benefit from this farsighted bill and who, for lack of opportunity and motivation, shall be relegated to the dole. By this veto the Governor will require the Federal Government to continue to pay the bill for poverty through public assistance and deny the Federal Government the means to provide motivation and training to change conditions for this and future generations.

Let us recognize this veto power for what it is—a device to keep the Negro in his place, to preserve segregation.

It has been said that no Governor would exercise this veto. Let me remind my colleagues that the State of Louisiana has refused to sign an agreement with the Federal Government for Manpower Development and Training Act projects. And as soon as Mississippi knew that projects would have to be integrated, plans for manpower development and training projects came to a halt.

And in 1963 in Leflore County, Miss., the distribution of Federal surplus food was cut off by a local veto. This coincided with a voter registration drive in Greenwood. What reason is there to believe that there is a willingness to raise the general standard of living of the Negro population in 1964?

I urge my colleagues on the committee to dispel this shadow of States rights which would becloud the vision of this bill.

Mr. Chairman, in summation, this bill presents us with the opportunity to mobilize our resources and to get to the root of the problem of despair and hopelessness that is caused by poverty in this country. I think it is perfectly clear from recent events that have taken place in New York, Rochester, and Jersey City that this desperation does exist. These events underscore the need to attack causes.

Yesterday we were told by the distinguished gentleman from Georgia that this bill dealt with the causes and not with the consequences of poverty. I think he put it well. This is what we are going to do. We are asking this Congress to appropriate less than a billion dollars. That is about 1 percent of the Federal budget, about 2 percent of what we spend on defense; $33 for each poverty stricken individual in this country. Yet we appropriate five times that amount of money without blinking an eye in mobilizing our scientific and technological resources to explore space. It is high time that we address ourselves to mobilizing our resources to explore and find solutions for the improvement of life here on earth. It is the challenge we face here today. Let us meet it.

Mr. ROOSEVELT. Mr. Chairman, I yield the remainder of the time to the author of the bill, whose courage, whose persistence, whose every effort to make this bill a success, are well known to all of us, the gentleman from Georgia [Mr. LANDRUM].

Mr. LANDRUM. Mr. Chairman, I think I have not enjoyed any experience I have had in the Congress any more than I have enjoyed the experiences had with the Committee on Education and Labor, and particularly my dear, delightful, and able young friend, the gentleman from Michigan, BOB GRIFFIN.

I have said on many occasions that he is one of the most constructive men as well as one of the most able men that I have ever known. Yet he, like all men, is human and occasionally one does get his negative motors all revved up. The only trouble with BOB in this instance is that he has been going in reverse since last March. Up to that time he was going real well. But I have deep affection for him. I love him and admire him. This is one instance where I cannot agree with him that we are exactly uprooting the foundations of our economy by appropriating approximately $1 billion, not to cure poverty, but to develop means of curing the cause of poverty. We are going after poverty causes, we are going to the root of poverty, the causes of it.

Might I ask my distinguished friend and the members of the committee, Is there any real danger of destroying the fundamental economic foundations of this country by doing something that will increase the incomes, the employable skills, the employability of hundreds of thousands of people who are today unemployed because they have no salable skills? Is it endangering the economic welfare of this country, is it endangering the fiscal soundness of the dollar to take measures to stop this ever-increasing cycle and growth of welfare, welfare, welfare, of paying people who can make no contribution to the Government and make no contribution to their own happiness?

I say to you, Mr. Chairman, it is time for America to move along with the sharpest swords that we can to break this cycle of the child of poverty becoming the parent of poverty.

Mr. FOGARTY. Mr. Chairman, I rise in support of this bill entitled the "Economic Opportunity Act of 1964." The other day I saw a photograph of a child—a hungry child—in a magazine advertisement—for CARE, I believe it was. He was only a bag of bones, and it might be too late for him already. A lack of food—vitamins—simple nourishment—may already have stunted his growth, given him rickets or worse.

Never mind; we can turn the page. We think, "Thank God, it cannot happen here."

Well, think again.

It has happened here. It does happen here.

You do not have to go very far—a few blocks from this building will do—to find children sleeping six in a bed, with bug bites swelling their bodies.

You can walk down an alleyway and find youngsters scrabbling through trash cans, trying to salvage something—anything—a little better than what they have or do not have.

They grow up this way, impoverished in body and mind. They learn things; yes, useful, negative things like how to avoid the rent collector, how to stay out of the way of the police, how to stretch out unemployment payment periods.

Mainly they learn to survive. It is not easy, and it is not being made any easier by our attitudes toward them.

Moreover, we have somehow managed to lump the poor all together—the worker and the drug addict, the simpleminded and the antisocial—and we say that maybe that is the way things ought to be; that if there was any good in these people, they would not be poor.

We have found a perfect place for them: under the carpet. We build great new highways to go around and above where they live. If their homes are too much of an eyesore we tear them down—and send the tenants to overcrowd another slum.

We do everything we can except weed out the roots of poverty.

When impoverished people have more children than they can afford to raise, we shake our heads; and we are surprised by their seeming indifference to tomorrow. For some reason, we expect the poor to have the same standards and values that we do.

F. Scott Fitzgerald once remarked that "the very rich are different from you and me." Well, so are the very poor. For one thing, they are constantly reminded of differences between their lives and our lives; and, in too many cases, tragically enough, learn to hate anyone better off.

Some of the embittered are part of an increasing force of youngsters—1 million today—who are out of school and out of work. These young people, ranging in age from 16 through 21, come from urban slums and rural backwaters. A large number of them have failed the selective service examination. Some belong to juvenile gangs. Almost all are caught in the squeeze of poverty.

Dr. James Conant has described these youngsters as "social dynamite." He may be understating. J. Edgar Hoover's report on crimes committed in 1963 reveals that 50 percent of the arrests made for burglary and larceny involved young people under the age of 18. Further, they committed 63 percent of the auto thefts in the United States.

As our teenage population continues its rapid growth in the years ahead, these out-of-work, out-of-school young men and women will gradually swell the ranks of the unemployed to an increasingly dangerous level. Harlem and Rochester, ominously enough, may be a portent of things to come. Outcasts and castoffs have very few other ways of calling attention to their plight.

Today we are spending $26 billion a year on crime prevention. Tomorrow the prospect is for a greater expenditure—for crime prevention and for unemployment compensation. There is only one alternative: Invest now in the rehabilitation of these young people. In other words, treat the cause, not the effects.

The Job Corps program presented by President Johnson in his Economic Opportunity Act offers a plan to do just that—a plan for salvaging these wasted human resources while they can still be diverted into constructive channels.

During the next fiscal year, the Job Corps will take 40,000 young volunteers from deprived families; it will take them out of substandard environments and place them in wholesome conservation camps and job training centers. It will see to it that they have good food, clean clothing, fresh air, and responsible adult supervision.

The program will focus on the 16- through 21-year-old youngster who needs basic education and a new environment to equip him for employment in our society. It will teach these youngsters reading, writing, and a trade—but, most of all, it will teach them how to use the vast opportunities available in this country today.

No teenager in the Job Corps will ever have to feel alone and unguided. In each conservation camp, for instance, there will be 3 basic education teachers and 1 health and recreation instructor for every 100 enrollees. Work projects will be supervised by from 7 to 10 counselors assigned to each 100 trainees.

Experienced forest rangers, wildlife experts, and the like will be on the camp staff. The volunteers will learn from them such skills as basic surveying, truck driving, carpentry, cooking, even simple engineering.

As the Department of Interior knows too well, there is plenty of work for the volunteers to do. There are rutted roads to be repaired, there are lakes to be restocked, there are reforestation projects in desperate need of extra hands. There is no room for "make work" here. The backlog of things to be done is too great.

Through work and through schooling, the Job Corps proposes to give these poverty-trapped youngsters a sense of purpose. It wants to develop a feeling of worth in them and pride in a job well done.

Volunteers with a higher level of skills and a more developed sense of responsibility can be enrolled at once in job training centers. Here they will have access to practical vocational training. They will be working with job counselors, and these jobs counselors will be directly in touch with potential employers. The counselors can and will be in a position to give the trainee comprehensive advice on the job market situation. They can help him find the most suitable place for his specific talents and they can work with him to develop those talents.

These centers will be similar to the camps in that both will be residential and offer academic as well as vocational training.

For an estimated 20,000 training center students, there will be some 3,000 staff personnel, including basic education teachers, vocational instructors, health-recreation teachers, and administrative and support personnel.

Each volunteer for the Job Corps will be receiving a living allowance ranging from about $30 to $50 a month, depending upon the location of the camp and the services provided. An additional amount will be paid for assigned leadership duties, and upon finishing the course, each member will receive a separation payment of $50 for each month of satisfactory participation.

Volunteers may also allot $25 of this money to a dependent. If they do, the Office of Economic Opportunity will match the payment.

Of course, the trainees can leave the program at any time. Some, naturally, will. But hopefully, the vast majority will stay for 10 to 12 months, depending upon the courses they are enrolled in. When they do leave, they can take with them new skills and new confidence and hope for the future.

Separate from the Job Corps, title I of the President's antipoverty bill authorizes a work-training program. This will allow grants to State and local governments and to nonprofit organizations to create full-time, and part-time jobs for the 16- to 22-year age group. These jobs will be developed in the youngsters' own home areas and could provide work for up to 200,000 youngsters in the first year alone.

Every town, every city, every area in this country has some work that needs doing. In many places, hospitals would welcome extra help for nurses; schools could do with more clerical aid; parks need help for putoff landscaping projects.

Whatever is to be done, local groups will organize, plan, and supervise. They will see to it that the jobs offered will meet three main requirements: First, that they provide experience and increase the employability of the youngster; second, that they be in the public interest and would not otherwise be done; and third, that they not cause the displacement of anyone now employed.

You know, some of those boys you see hanging around on street corners, they are there because the only place they have to go is "out"—and sadly, the only thing they have to do is "nothing." The pickup jobs available even in my youth do not exist today. Some have been automated out of being. Some—like carrying blocks of ice from the ice house—have disappeared with the times. Others—like fence painting and grass mowing—have become leisure-time occupations for the rest of us. Things have come to the point where we can "do it ourselves"; improved methods and materials make it possible—but not too long ago, these were jobs and we employed young people—and old people—to do them.

It is not so much that we have to make new jobs to replace those which, as the Pentagon people would say, are "phased out"—it is more a matter of looking around and seeing, recognizing what remains to be done. We have to open our eyes and see the situation as it is today and as it might be tomorrow. We have to plan for the future, not just let it drop on us.

There is work to be done, all right, and there are plenty of idle hands to do it. The push, the incentive—these are the things that have been lacking. If it takes the U.S. Government to play "Marryin' Sam" and put the two together, then let us get on with it.

We owe this to our young people. We owe it to our old people, too. Too many of the aged and aging are pushed into poverty because they can no longer find work—because medical bills eat up their savings; because they don't know where to look for help.

The community action program of the Economic Opportunity Act can help to rescue these people. Faced with the problems of the old and impoverished, the community can act; it can draw upon the financial resources of the Office of Economic Opportunity for a start.

The two most severe problems of the elderly are failing health and loss of spirit. The community action program will fight both. Through expanding outpatient services, using home nursing aids, creating neighborhood service centers, and involving the elderly as workers in local service projects, the community action program will enable communities to improve the health services and general living conditions of the aged.

The elderly face isolation and boredom. Their world is frequently limited to the four walls of a rented room. It will be the job of workers in the community action program to seek out these hidden aged and lead them to health, recreational, and welfare services.

Local neighborhood centers, developed as part of the community action program, will be in easy access to these elderly people. Through them, health, recreation, and social welfare services will be available on a neighborhood basis.

But the elderly need more than services. The community action program would call on talented retirees to work in local programs. It would use them to reach young people and adults themselves in need of help. These retirees could work as teachers, tutors, aids in child day-care centers; even as leaders in some recreation programs. In this way they would remain a vital part of the local community.

Another way to attack the problem is before it becomes a problem. I believe the Older Americans Act which I have proposed can deal effectively in this area, supplementing the work and goals of the Economic Opportunity Act. Through research and technical aid—foresight and planning—we can work to eliminate some of the difficulties of the elderly before they arise.

Briefly, it is the purpose of H.R. 10088 to create an operating agency known as the Administration on Aging within the Department of Health, Education, and Welfare.

This new agency would serve as clearinghouse of information on problems of the aged and aging. It will help in all matters pertaining to the aging. It will administer grants, develop and conduct research and demonstration programs in the field of aging, provide technical help to State and local governments dealing with the problem. It will prepare and publish educational materials dealing with the welfare of older persons, and collect statistics having to do with them. In general, it will stimulate more effective use of resources now in existence.

The bill authorizes $5 million for the fiscal year ending June 30, 1965, $8 million for the fiscal year ending June 30, 1966, and for the fiscal year ending June 30, 1967, and each of the 2 succeeding years such sums as Congress may appropriate in grants to the States for community action.

It further authorizes $1.5 million for the fiscal year ending June 30, 1965, $3 million for the fiscal year ending June 30, 1966, and for the fiscal year ending June 30, 1967, and for each of the 2 succeeding fiscal years such sums as Congress may appropriate. These funds will be used by the Secretary of Health, Education, and Welfare to carry out the purposes of the act and to provide the services and assistance needed by private or nonprofit private agencies, organizations, and institutions.

As President Kennedy said in his special message to Congress on elderly citizens:

> The heart of our program for the elderly must be opportunity for and actual service to our elder citizens in their home communities. The loneliness or apathy which exists among many of our aged is heightened by the wall of inertia which often exists between them and their community.
>
> We must remove this wall by planned, comprehensive action to stimulate or provide not only opportunities for employment and community service by our elder citizens but the full range of the various facilities and services which aged individuals need for comfortable and meaningful life.

This is the goal of the Older Americans Act. The Economic Opportunity Act equally aspires to using all the capabilities of all the people.

In the rich world we live in, we wastefully throw away too much that is not worn out. Sometimes we even discard the unused—for instance, the young person born bright but poor.

Is poverty a good reason to let these talents go to waste?

Hardly.

This is a fiercely competitive world, and we need every bit of help we can get to stay on top of it. If, as is often the case, the only way a boy or girl from a low-income family can go to college is by working at the same time, well, then by all means, let us make certain there are jobs for them.

This bill would authorize $72 million to, in effect, guarantee them jobs. The authors of this bill envision approximately 140,000 part-time jobs being made available to needy students. Ninety percent of the costs will be financed by the Office of Economic Opportunity. Ten percent will come from the individual employer—probably colleges and universities which will be in the position of both needing and giving help.

This is a two-way proposition for the Nation, also. The money we spend in this area will come right back to us. When you increase a person's earning power, you increase the gross national product. We get returns in taxes and in money put into circulation.

The psychologists say a child is a product of both heredity and environment. We cannot do anything about heredity, but we have immense power when it comes to environment.

It is like blocking a river to make a dam: We can control the river then, keep it from overflowing its banks and flooding homes and farmlands, and we can change its course and make it go where it does the most good.

Today, with virtually bottomless intellectual and technical resources, we can effect the same substantial changes in the life of a child. It seems almost a miracle. We can catch a falling boy and turn him right around to go the other way—up—and we can hold him steady when he totters and set him straight on the road to achievement. We have the ability. We must use it.

The great society envisioned by President Johnson will be the result of how we use these tremendous tools. We can build great buildings, we can fill our homes with every luxury imaginable, we can create comfortable, swift means of transportation; but our society is a society of human beings and it succeeds or fails, depending on how well its members accommodate one another. The poverty we must eliminate is the poverty of opportunity; above all, the poverty of spirit that blinds one man to the justified needs of another.

Mr. BYRNE of Pennsylvania. Mr. Chairman, we live in the strongest, richest Nation in the history of man. The average American takes for granted luxuries that would have dazzled the greatest monarchs of antiquity. Never in history have so many had so much to be thankful for.

Yet our prosperity, although great, is not universal. It is spotted with pockets of poverty. By conservative estimates, one-fifth of our people live in deprivation.

This poverty knows no geographical limits. There is not a Member of Congress who does not number some of America's poor among his constituents. It strikes the young and the old, the black and the white, the rural and the city dweller alike.

Today's poor stand in danger of being cut off from the mainstream of American progress. Technological advances, and increasing educational requirements make it unlikely that many of them will ever hold a job unless major steps are taken to train them. And the worst part of poverty is that it so often is passed along from one generation to the next.

Statistics can tell part of the story. In my own district, according to the 1960 census, there were 13,211 of our 97,003 families living on incomes of less than $2,000 a year.

We may disagree over the best definition of poverty, but who would argue that a family in a major American city can live decently on less than $2,000 a year?

Also in my district, we find 11 percent of the adults with less than a fifth grade education, and an average of 9 years of school completed.

We recognize that not everyone can be a college graduate, but who would argue that a ninth grade education is enough to cope with the complexities of modern society?

No matter how much progress we have made, I am not satisfied when decent people live in rat-infested slums, when able men cannot find jobs, when children drop out of school to enter a life of frustration.

There are those who say the poor have only themselves to blame for their plight. If you are poor, they say, you must be lazy or stupid.

I disagree emphatically. There are, among the 35 million poor in America, 11 million children. Are these children lazy or indolent? No, their only offense was being born to the wrong parents.

I say that our society has a moral obligation to help its 35 million poor people work their way into the mainstream of American life. And I believe that to help the poor is to strengthen our national economy. As the President says, we can make taxpayers out of tax users.

That is what the Economic Opportunity Act would do. Its three youth programs in title I do not provide handouts; they provide jobs for boys and girls who want to better themselves.

The community action program does not provide a Federal blueprint; it calls for local initiative and local leadership.

The aid to the rural poor and aspiring small businessmen is in the form of loans that will serve as pump primers, and will be repaid.

The VISTA program calls for an army of idealistic Americans of all ages, to bring the spirit of the Peace Corps to our own pockets of poverty.

This legislation makes sense. It recognizes that our Nation has the resources to eliminate poverty, and commits us to that noble end.

It provides no overnight solutions. Rather, it will lay the foundation for victory in the most compassionate war in man's history—President Johnson's war against poverty.

Mr. HALPERN. Mr. Chairman, I rise to express my support for the measure before us. In fact, I feel so strongly about the need for this type of legislation that I have joined in its sponsorship, my bill being H.R. 11906.

It is naturally true that the legislation will not, in one sudden sweep, completely cure the substance and source of economic deprivation in this country. There never has been a society which has fully eradicated this element. It would be a critical misinterpretation of the pending legislation to presume that it can erase all poverty in America.

But I am convinced that the Nation must make a beginning toward addressing itself to these problems. Although every year our per capita income will increase, a minority of millions will be unaffected simply because they lack the basic wherewithal to make a start. Although we are supposedly sailing forth in an unprecedented growth period, the unemployment level remains above 5 percent of the working force, and this idleness centers among the unskilled and uneducated and among minority groups.

Records in company profits, machine tool orders, gross national product, savings, income, total consumption, and construction are denoted each month. America has reached a plateau of prosperity unmatched in history.

Let it not be said, however, that all Americans are sharing in this great wealth. There are millions of families to whom these business statistics are meaningless. They are the people to whom this legislation is addressed. In simple truth, these families lack the fundamental ingredients such as basic education which can mean the difference between opportunity and stagnation.

The Council of Economic Advisers estimates that in 1962 about 9.3 million families of 4 had an annual income approximating $3,000. This represented 20 percent of American families. The Twentieth Century Fund found that about 1 family in every 10 families of 4 members or more had an income of less than $2,500 which it defined as abject poverty.

There are two factors that are crucially important when speaking of poverty. On the one hand, deprivation is a cyclical characteristic. Chances are that it will be repeated from one generation to the next in any particular family.

The second element concerns the means whereby this condition can in some way be alleviated. If government has a role to play—which I believe it does—then it must aim its policy at the source. Programs, therefore, should be substantially directed toward the youth of the country.

H.R. 11377 fulfills this criteria. Title I is concerned with youth programs. Efforts will be made on a community basis to enhance the employability of young men and women.

Another program would enlist graduate and undergraduate students in part-time work at colleges, universities, public agencies, or nonprofit organizations so that they will have the financial means to continue their studies. The project is limited to low-income families.

The Job Corps plan will enroll youths for basic education and vocational training, laying the basis for their future employability—in the economic society.

Mr. Chairman, let me conclude by saying that our viability and capacity as a great world power depends as much upon what we do at home as upon the naked instruments of military preeminence. The durability of our society rests upon the ability of the people's representation to grasp critical and often subtle problems which corrode the fabric of that society. I am concerned about millions of Americans who, because they lack the most basic tools of winning a livelihood, are left behind in the wake of economic prosperity. History will judge whether the majority were so preoccupied with enjoying the fruits of material comfort that they failed to uncover the ugliness beneath the lid. It is our great obligation to unearth means whereby those who are left in poverty, unwittingly so, are granted the opportunity to learn basic skills so that they too can fulfill a meaningful role in American society. In my mind there is no more urgent objective than this.

Mr. FRASER. Mr. Chairman, I rise in support of H.R. 11377, popularly known as the war on poverty bill.

There has been some talk about this program as being a "political gimmick"—a giveaway program. It is true that it is political. Politics is government, and government is helping people do what they cannot do for themselves. There is nothing suspect or wrong with this. It is our highest duty and we should pursue it vigorously.

H.R. 11377 could be the most important bill passed by the 88th Congress. It will be recorded in legislative history as our declaration that poverty in the United States can be eliminated.

Poverty is a complex and varied problem, and its causes are numerous. The solutions to it are hard to come by. Most poor people in America are not poor because they are lazy or lack initiative. The poor, in the words of one author, "are not basically different from their fellow Americans. But they have had the bad luck to be born in a poor region, or to be trained for a dying or automating industry. They may have dark skins. They may be sick. They may have lost their jobs after they were 40 years old—too old to find new jobs but not old enough to die. Or, like the American Indians and the small farmers, they may merely have been born into an obsolete culture."

These people can be helped. They do not need welfare. They need and deserve a helping hand. Ignoring the needs of the poor will only drive them to greater despair and place more and more of them on our relief rolls.

President Johnson's program will work because it is not a welfare or handout program. It will give underprivileged people the opportunity to help themselves. Through education, work experience, and vocational training programs the disadvantaged youth of America will have an opportunity to qualify for a decent job and become productive citizens in our society.

Some people are saying this is a Federal "grab for power." But the work already being taken by local organizations around the country indicates that this will not be a federally dominated program. The community action section of the bill enables those who are most familiar with local problems to work toward the elimination of poverty.

When the bill was first introduced in Congress, Mayor Naftalin of Minneapolis, which I represent, asked the Hennepin County Health and Welfare Council to set up a committee to study poverty in Minneapolis and to work with whatever Federal agencies were given responsibility for the antipoverty program.

This committee has been established and is representative of local agencies as well as the community at large. Representatives of Government, business, welfare, labor, education, religious and community organizations are included on the committee. The committee has already set about its work of identifying the areas of poverty in our city.

The administration's poverty bill is only part of the overall effort we must make in the United States to eradicate poverty. This bill will complement the other measures we have passed in this Congress—such as the food stamp plan, the tax cut, the many aid-to-education bills, mass transit, social security increase, the civil rights act, and, we hope, hospital insurance under social security.

I urge that we demonstrate by our vote on this bill that the unconditional declaration of war on poverty made by our President has our full support. It is time now for America to act to brighten the future of millions of its citizens.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

All time has expired.

The Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Economic Opportunity Act of 1964".

Mr. ROOSEVELT. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. RAINS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 11377) to mobilize the human and financial resources of the Nation to combat poverty in the United States, had come to no resolution thereon.

CRIMINAL JUSTICE ACT OF 1964

Mr. CELLER submitted a conference report and statement on the bill (S. 1057) to promote the cause of criminal justice by providing for the representation of defendants who are financially unable to obtain an adequate defense in criminal cases in the courts of the United States.

GENERAL LEAVE TO REVISE AND EXTEND AND INCLUDE EXTRANEOUS MATTER

Mr. ROOSEVELT. Mr. Speaker, I ask unanimous consent that those Members who spoke in Committee of the Whole today may revise and extend their remarks and include extraneous material.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

GENERAL LEAVE TO EXTEND

Mr. ROOSEVELT. Mr. Speaker, I ask unanimous consent that all Members may extend their remarks in the body of the RECORD following the conclusion of the remarks of the gentleman from Georgia in Committee of the Whole.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PUBLIC VERSUS PRIVATE ENTERPRISE IN LATIN AMERICA

Mr. HALL. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. CURTIS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CURTIS. Mr. Speaker, in recent years, the trend toward government ownership of enterprise in Latin America has increased to the point where it may threaten the future wealth, creativity and freedom of the people of this region. The threat on monopoly control in Latin America today comes much more from public than from private enterprise.

The longstanding argument that public ownership is sometimes better than private does not apply here. The Latin American experience offers few, if any, examples of public enterprises—particularly when they enjoy monopoly positions—that are as efficient as private enterprises. Not only are private firms generally more efficient than public enterprises, but they are also more apt to introduce innovations and to expand their operations when opportunities arise. In addition, individual self-reliance and decentralized, private decisionmaking are of paramount importance in fostering the evolution of democracy.

Doctrinaire appraisals of the business structure of Latin America will continue to be unproductive. The more important issue concerns the effect of government ownership and operation of business enterprises on the social, political, and economic development of the area. It is this issue that is discussed by Frank Brandenburg former senior economist of the National Planning Association, in an article in the NPA's monthly publication, Looking Ahead. The article is an adaptation of a longer report by Mr. Brandenburg, entitled "The Development of Latin American Private Enterprise."

In appraising measures to promote and strengthen Latin American private enterprise, Mr. Brandenburg maintains that the existence and practices of state ownership often promote attitudes of distrust and lack of confidence on the part of private entrepreneurs. Observing, for example, that deficit financing and inflation—the fiscal and monetary twins of much Latin American economic policy—have advanced hand in hand with the expansion of state enterprise, local entrepreneurs inquire whether larger doses of the same medicine will not result in increased state ownership, which, in turn, will exacerbate inflationary problems and absorb scarce resources needed to raise the direct output of private industry.

The article points out that the success of policies and programs of the U.S. Government, other governments, and international aid agencies that would give promise of materially strengthening the growth of Latin American private enterprise, depends on three major considerations: the capacity of foreign governments and international agencies to assist domestic private enterprise, the attitudes of Latin American governments toward such assistance, and the absorption capacity of Latin American recipients.

Mr. Brandenburg goes on to warn that if the international agencies confine their contacts to government circles, they will be giving less help than they could and may at times actually hinder the evolution of a sound and democratic business structure.

Mr. Speaker, I think this article gives us an important insight into the ownership structure of Latin American enterprise, an insight we need to effectively understand and assist Latin America's drive toward political stability and economic maturity. With unanimous consent, I include the article in the RECORD at this time:

THE OWNERSHIP STRUCTURE OF LATIN AMERICAN PRIVATE ENTERPRISE

(The following article has been adapted from a report on "The Development of Latin American Private Enterprise," by Frank Brandenburg, former NPA senior economist. Published under the auspices of the NPA Committee on Overseas Development, the study was made under the research program of the Agency for International Development (AID) of the U.S. Department of State.)

The century-old debate on the merits of private versus public ownership assumes a very special importance in Latin America today. Latin American private enterprise, which can make a crucial contribution to economic growth and democratic evolution in a region long troubled by violent, authoritarian and extremist politics, has entered upon a critical period. Choices have already been made and are now being made which decisively affect the concentration of economic power, and thus of political power as well. The advocates of statism are articulate and politically effective. The advocates of private enterprise appear to be less so.

If private enterprise is valuable for the economic growth and democratic evolution of Latin American countries, effective policies and programs should be devised for its support because its position is more vulnerable there than in the relatively more advanced countries.

The classical arguments about the relative merits of public and private enterprise were worked out during the 19th century, primarily in the context of the economically more advanced countries. Although the nationalization of large productive enterprises has often appeared to the relatively low income countries to be the easiest solution to problems of political strength and economic justice, the trend toward socialization may threaten future wealth, creativity, and freedom unless it is checked in some countries and reversed in others. The situation in Latin America today also differs in that public ownership in Latin America is more dominant than in the classical European and North American economies of the 19th century.

In recent years the trend toward government ownership of the largest enterprises has been increasing to the point where the threat of monopoly control in Latin America today comes much more from public than from private enterprises.

It is sometimes argued in Latin America that a public enterprise monopoly is tolerable, if not beneficial, while a private enterprise monopoly is not. Although a public enterprise monopoly may be desirable in certain manufacturing fields for reasons of national defense or public health, yet in terms of comparative economic efficiency Latin American experience offers few, if any, examples of public enterprises—particularly when they enjoy monopoly positions—that are as efficient as private enterprises. Not only are private firms generally more efficient than public enterprises but they are also more apt to introduce innovations and to expand their operations when opportunities arise. In addition, individual self-reliance and decentralized, private decision making are of paramount importance in fostering the evolution of democracy. The conclusion is inescapable that, if scarce resources of capital, skills, and materials are to be used effectively for development purposes, public enterprises are likely to be even less tolerable as monopolies than are private enterprises.

Recent studies of industry in a number of Latin American countries have emphasized the need for tax incentives, elimination of excessive business regulation, improvement in labor relations and educational, managerial, and technical programs, removal of bottlenecks in import and export controls, and expansion of government counseling and financing of small business. Whether these measures will promote and strengthen private enterprise depends, however, not merely on the effectiveness of the measures themselves but on what happens in the entire social, political, and economic framework of a country. Specific business policies designed to strengthen local entrepreneurship must be consistent with the political culture and the economic system as a whole.

Whenever one talks with informed Latin Americans about national character, political life, and socioeconomic change, discussions usually shift to some facet of the subject of capitalism and socialism. Doctrinaire approaches, totally irrelevant to either socialism or capitalism or, for, that matter, to Latin American realities, often turn rational discussion into an unproductive, heated debate. Nonetheless a real issue is present: What is the effect of government ownership and operation of business enterprises on social, political, and economic development of a country?

Two difficulties compound the complex issue. First, universal guidelines to evaluate the comparative advantages of public and private initiative have not been established either in the United States or in Latin America. Second, reliable data on sales, profits, losses, subsidies, and taxes—the kind of statistical material necessary for measuring the performance of the individual firm—are simply nonexistent.

In an effort to bring the discussion into a more factual context, lists were compiled of the 30 largest business enterprises in the 6 Latin American countries with the highest national incomes—Argentina, Brazil, Chile, Colombia, Mexico, and Venezuela. These enterprises exercise a predominant influence on economic life and constitute the key group of "big business" in several Latin American countries. With some exceptions, particularly in the case of Mexico, virtually every industrial enterprise below this level is privately owned.

In drawing up the lists of the top business enterprises in the six Latin American countries, the size of firm was determined by capital and reserves or, in the case of a few wholly State-owned enterprises, by approximate equivalents of capital and reserves. Statistics on each firm represent accountings on January 1, 1963, or the nearest date for which reliable data were available. Because of the special position of copper and nitrates in the Chilean economy, two lists were compiled for that country, one inclusive of all investments, the other exclusive of the copper and nitrate exporters, who are, in a fundamental sense, outside the Chilean economy. Plans to compile two lists on both Colombian and Venezuelan enterprise—one inclusive of all investments and the other exclusive of petroleum companies, which are also, in a fundamental sense, outside the domestic economy—had to be abandoned when the data on private petroleum companies proved unavailable.

An analysis of the distribution of ownership of the 30 leading enterprises in the 6 Latin American countries shows the extent of nationalization of industry, the largest single problem in governmental relations with private enterprise in Latin America.

In simplified form, the distribution of ownership between Government, local private capital, and foreign private capital is as follows:

	Government	Domestic private	Foreign private
Argentina	61.3	20.5	18.2
Brazil	59.1	20.0	20.9
Chile [1]	63.3	18.0	18.7
Colombia	54.1	39.1	6.1
Mexico	82.2	13.9	3.9
Venezuela	74.0	22.9	3.1
Average for 6 countries	65.8	22.4	11.8

[1] Excluding copper and nitrate exporters.

From a statistical presentation of the pattern of equity ownership of the top industrial enterprises, the following country-by-country picture emerges:

ARGENTINA

The Government owns outright 7 of the 29 business enterprises in the country, almost 100 percent of another, and is completing payments for 100 percent of a ninth. Private ownership is virtually shut out of Argentina's 5 largest enterprises, whose combined capital and reserves surpass the entire investment of all private firms in the top 29.

BRAZIL

Government owns all or part of 15 enterprises of the top 32, and retains majority control in 14 of them. Government investment in the two largest enterprises in Brazil, Rede Ferroviária Federal (railways) and Petróleo Brasileiro (petroleum), is substantially greater than the entire foreign private investment in the top 32 enterprises.

Ownership structure at the top of Brazilian business enterprise is far more complex than in any of the other five countries surveyed. Combinations of the four sources of capital (national government, state governments, private foreign investment, and private domestic investment) account for the equity in half of the 32 largest enterprises in Brazil.

CHILE

Ownership ratios in Chile (excluding copper and nitrate exporters) reveal a pattern strikingly similar to that in Argentina and Brazil. Government is involved in a total of 11 enterprises, in 9 of which it owns 100 percent. Eight of the nine wholly state-owned enterprises are found in the top 12. On a list inclusive of all investments, Chilean private entrepreneurship is completely excluded from the top 10 firms.

COLOMBIA

Domestic private investment (excluding petroleum) is more extensive in Colombia than in any of the other five countries surveyed. It controls 17 of the top 32 enterprises and owns outright 13 of them. It accounts for almost 30 percent of total investment in the top 10 enterprises and for over 39 percent of that represented in the top 32.

Notwithstanding the dynamic growth of the private sector in Colombia and the relatively broad ownership participation in Colombian business, the Colombian Government still accounts for in excess of one-half of the total nonpetroleum investment represented in the top 32 enterprises.

MEXICO

Government ownership of the leading enterprises in the country is by far the most spectacular in Mexico. The Mexican Government has steadily acquired equity in one sector of economic activity after another, extending public investment to telegraph, railroads, petroleum industry, chemical plants, banks and related financial institutions; steel, textile, and lumber mills; airlines; electric power; basic consumer goods distribution; mining and smelting; warehousing; and telephones. Among the big countries of Latin America, Mexico alone exhibits an ownership structure in which the 11 largest enterprises are exclusively state owned. Mexico's two largest enterprises, Ferrocarriles Nacionales de Mexico and the Comision Federal de Electricidad, each account for greater financial resources than that represented by total private investment, Mexican and foreign, in the top 30 enterprises combined.

VENEZUELA

The proportion of government ownership of big business in Venezuela is considerably higher than in Argentina, Brazil, Chile, and Colombia, and is surpassed only by Mexico. Government investment accounts for seven out of every eight bolivares invested in the top 10 enterprises, and for almost three-fourths of the total investment in the 30 largest enterprises. Equally striking is the meager role played by foreign private investment in nonpetroleum enterprises: only three companies of this type appear on the list of the 30 largest enterprises in Venezuela.

In the six Latin American countries surveyed, government ownership is highest in Mexico, lowest in Chile (including copper and nitrate exporters) and in Colombia (excluding the petroleum companies). Domestic private ownership is highest in Colombia (excluding petroleum companies), lowest in Mexico. Foreign private ownership is highest in Chile (inclusive of all investments), lowest in Mexico and Venezuela (excluding petroleum investments in Colombia and Venezuela).

An obvious effort is being made in Latin American countries to get private enterprise in general, and foreigners in particular, out of the extraction of subsoil resources and utilities.

In considering measures to promote and strengthen Latin American private enterprise, the ownership problem is important because the existence and practices of state ownership promote attitudes of distrust and lack of confidence on the part of private entrepreneurs, attitudes which persist even where a rationale for state enterprises does exist.

Distrust and lack of confidence are not necessarily manifestations of dogmatism and doctrinaire assumptions on the ownership question. There is justification in contending on nondoctrinal grounds that improving the contribution of Latin American government to self reliance and private entrepreneurship requires substantial reforms in the present administration of state enterprises, a halt to further socialization, and divesting the state of some of its holdings, particularly in manufacturing industry. Observing that deficit financing and inflation—the fiscal and monetary twins of much Latin American economic policy—have advanced hand in hand with the expansion of state enterprise, local entrepreneurs inquire whether larger doses of the same medicine will not result in increased state ownership which, in turn, will exacerbate inflationary problems and absorb scarce resources needed to raise the direct output of private industry. Involved here is serious examination of the cause and effect of burgeoning bureaucracies, of whether political expediency and doctrinaire socialism in government—rather than alleged practical necessity or the oft-quoted "tradition of state ownership" in Latin America—lie at the root of socialization of the means of production.

Additional queries can be made. Is it easier for the State to control a monopoly which is in the hands of private investment or one run by an autonomous State entity? While utilities are owned by the State outside of Latin America, is there any parallel to the characteristic inefficiency and politicking of state enterprises in Latin America, to the interference of state enterprises in foreign policy or interference of government officials in the routine management of state enterprises for personal financial and political gain? Have state enterprises proven more socially conscious or socially responsible than private enterprises? Will workers now in private enterprises work better if these enterprises are placed under state ownership? Beset by nagging problems of raw material, fuel, and power supplies provided by state enterprises, no less than by shortcomings in normal transportation and communication media run by the state, many Latin American entrepreneurs express doubt about whether the presumed advantages of state ownership are not outweighed in many instances by the lack of efficiency, controllability, responsibility, and social consciousness of government enterprises.

Varying approaches to the state ownership question are taken by governments in the six Latin American countries. Brazil, for example, has shown tendencies toward increasing state ownership. Following a decree authorizing expropriation of private utilities (signed by President Goulart in May 1962), a schedule of priorities for expropriation has been established, and four industries were singled out for early state takeover: telephone, telecommunications, electric power production and distribution, and natural gas production and distribution. Strict enforcement of the decree would invest the state with exclusive ownership control of the 10 largest enterprises in Brazil. Argentina, in contrast, worked out in July 1963 a set of comprehensive proposals on possible divestment of certain state holdings to achieve relief from chronic public deficits. So far, however, no concrete steps have been taken to implement these proposals. In Mexico, Government policy has seldom departed from the dogma: "once a state industry, always a state industry." The law of December 22, 1962, designed to improve management of state enterprises and to insure a closer supervision by the President, contains an interesting clause restricting the change of ownership:

"When a state enterprise incurs losses for 3 consecutive years, or three periods of economic activity greater than 1 year, the executive branch will either plan its reorganization if so required by the necessities of the Mexican market or order its dissolution; however, in no case may the enterprise be sold as a unit to the private sector."

Although strong state ownership forces are operating both in Colombia and in Chile, these two countries offer concrete examples of less dogmatic approaches to the ownership question. In both, the state participated actively in the initial establishment of a steel mill—in Acerías Paz del Río in Colombia and in Cía. Acero del Pacífico in Chile—lent political support to the projects, and qualified the mills for the external financing that required government guarantee. Once the mills began production on a relatively sound basis, government reduced its equity by selling its shares to private companies and the general public. The Colombian ownership transfer was carried out by offering the taxpayer the choice of either acquiring Acerías Paz del Río securities to the extent of a set percentage above his normal taxes or otherwise of simply paying additional taxes. By 1964, government was sharing ownership with some 180,000 individuals. This method of transfer emphasized equitable stock ownership and made tens of thousands of new stockholders while it also made new funds available to the Government.

Variations on the Acerías Paz del Río procedure may offer Latin American governments a practical way of avoiding greater socialization and possibly even of divesting themselves of some enterprises in order to concentrate their efforts on building roads, schools, and public housing. Given existing conditions, there is little likelihood that private capital will invest voluntarily in more than a few select utilities. In fact, much private investment already in utilities is probably considering how to get out with some compensation.

In developing economies like those of Latin America, the relationships between the government and private enterprise and the relative emphasis placed on the public and private sectors need to be flexible and responsive to changing needs and capabilities. The essential requirements are that a developing country recognize the vital role which modern private enterprise can play in national development and that it be prepared to adopt and implement the government policies and programs conducive to the growth of private enterprise.

The success of policies and programs of the U.S. Government, other governments, and international aid agencies that would give promise of materially strengthening the growth of Latin American private enterprise within the framework of the Alliance for Progress depends on three major considerations: the capacity of foreign governments and international agencies to assist domestic private enterprise, the attitudes of Latin American governments toward such assistance, and the absorption capacity of Latin American recipients.

The future of free enterprise in Latin America depends on many factors. If entrepreneurs are lazy or concerned only with their own and their families' welfare and not at all with that of their employees, their survival is impossible. If national governments harass business with unpredictable taxes and tariff duties, with rampant inflation and expanding expropriation, they can stifle free enterprise. If foreign industrialists maintain rigid barriers against domestic employees and concern themselves exclusively with taking profits out of the country, they can dim the prospects for economic independence. And if international agencies confine their contacts to government circles, they will be giving less help than they could, and may at times actually hinder the evolution of democracy.

Whatever actions may be taken by governmental, international, and foreign organizations will be of no help to Latin American private entrepreneurs unless they help themselves. In Latin America today, native businessmen dominate small and medium industry and still hold a small proportion of large industry. Their current prevalence gives them a large part of the responsibility for future developments. Whether or not they make a real contribution toward realizing the social and economic aspirations of their communities is likely to determine not only their own future but also that of freedom itself in Latin America.

POLICE HEROES BENEFIT FUND NEEDED

Mr. HALL. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. FINDLEY] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. FINDLEY. Mr. Speaker, my remarks will require 10 minutes.

Based on information compiled by J. Edgar Hoover, Director of the Federal Bureau of Investigation, here is what will take place in our Nation during these 10 minutes:

Between the time my remarks begin and end, 40 major crimes will be committed, including 1 girl or woman forcibly raped, 3 aggravated assaults, 2 armed robberies, 20 burglaries, 10 automobiles stolen, and 10 other larcenies. Crime goes on relentlessly every 10 minutes, so multiply this crime record by 6 to get the total for an hour, by 144 for a day.

Between this very moment and 1 hour from now someone in the United States will be murdered.

And every 3 days a law officer will be killed as he goes about his hazardous work trying to reduce crime in his community.

We are able to work on Capitol Hill in safety. Back home, all Americans are able to follow normal pursuits reasonably safe and carefree for one reason and one reason only: 300,000 law officers patrol the streets and byways. Were it not for these officers, no American citizen would dare venture out of his house—day or night—without strapping a pistol on his hip for self-protection.

Have you ever stopped to think what America would be like without able, dedicated, courageous law officers? It would be a jungle of cringing fear, violence, and death.

By exposing themselves to danger, law officers buy safety for each of us and keep the crime rate—shocking though it is—from skyrocketing.

When they put on their uniforms, pin on their badges, buckle on their pistol, and begin an 8-hour shift they are prime targets for thousands of criminals, narcotic addicts, hoodlums, and Communist subversives. In a single 8-hour shift they are each exposed to more danger than most of us will encounter in a lifetime.

Imagine the thoughts that must cross their minds daily. Personal danger? Of course. Gnawing worry over what will happen to their wife and children if death should be their lot that day? Of course.

Despite these dangers, despite this gnawing worry, I cannot cite one single instance in which a police officer hesitated even one moment to expose himself to danger.

Police officers deserve a pat on the back, not brickbats on the head.

They deserve applause, not jeers.

They deserve fairplay, not reckless—and I repeat reckless—charges of brutality.

They deserve our helping hand and encouragement not distain and indifference.

And when death in line of duty comes to one of these guardians of law and order, the family of the fallen hero deserves financial help.

Last month Officer Donovan was shot and killed on a street corner in Washington, D.C., by a bystander he had not even noticed. The assailant explained later, "His uniform bugged me." Officer Donovan left a widow and a daughter.

Early this week in New York City a 24-year-old police officer—married and father of two children—was shot and killed while attempting to arrest a man who had just robbed two women and at gunpoint was forcing them to disrobe.

Danger knows no race. Recently in Chicago a Negro patrolman, Sam Hall, was shot and killed without warning when he stepped from his squad car to investigate shots he had heard nearby. He, too, left a widow and two children.

Last year 88 law officers were killed in the line of duty. The rate is rising, and this year the total is expected to exceed 100. It is now averaging one every 3 days.

Police death in the line of duty happens so often it has become almost commonplace. It is taken for granted. We read of police killings in the paper, yawn, say, "Isn't that awful," and turn to Dick Tracy. If some kind soul observes that policemen lead a hazardous life, the likely response is an indifferent, "They get paid for it, don't they?"

Of course they do get paid—at a rate just a shade above what it costs to hire common labor. For this pay they expose themselves to danger every day, literally looking for trouble. And if one gets shot and killed in the process, what happens? A few—precious few—communities provide proper benefits. Most provide none. Often the benefit is the proceeds of a hat passed among old friends to pay a grocery and milk bill.

Most communities pay out more for rabies shots to keep their dogs from going mad than to benefit the family of an officer killed in the line of duty by a person gone mad.

In this year of rising lawbreaking and crime, police officers are unsung heroes. In many communities they are on the receiving end of contempt, abuse, and violence.

Recently in Lansing, Mich., for example, a police officer attempted to take into custody a man he had disarmed after a scuffle. A crowd of 100 bystanders protested against his action so aggressively he was unable to make the arrest until additional police arrived.

The majority of us, of course, abhor this type of treatment and truly appreciate the services rendered by law officers. But we are silent about it. We say nothing and do nothing to encourage law officers.

How long has it been since you complimented a policeman on the work he is doing? The sad truth is the compliments are few and far between, but the verbal abuse plentiful.

In remaining silent and unappreciative, we unwittingly strengthen the hand of the criminals, the subversives and the rabble rousers whose objective is to weaken law and order. Police work as a career daily becomes less attractive, and recruitment of capable officers becomes more difficult.

We can all have a part in leading a crusade back to law and order by honoring police officers and their families in a significant meaningful way. We can all have a part in rebuilding the moral fiber of the police establishment itself at every level, including the dedicated man walking the beat in your block.

We can reaffirm our faith in the laws we have enacted and the men we have delegated to defend them. We can do so, not so much to ease the Nation's conscience—though easing is in order—but rather to express our support for authentic American heroes and the way of life they make possible.

At a convention of the Department of Illinois American Legion, I recently proposed that the American Legion establish a fund which will give assurance to every policeman in the United States that if he dies in the line of duty any financial problems confronting his widow and children will be adequately and properly met, including a regular income to the widow until the children reach the age of 18.

I suggest that the fund be known as the police heroes benefit fund, that it be operated by a special American Legion commission and that resources be raised by voluntary public subscription.

This new responsibility is a logical one for the American Legion, dedicated as it is to strengthening the American way of life, in which law and order is so fundamental. I am sure the Legion, if it decides to take up this new opportunity for service, will find many American citizens and business firms anxious to provide the money needed.

The establishment of the police heroes benefit fund could be a significant step in reversing the trend toward lawlessness, in building respect for law and order, and in keeping safe the streets and byways of America.

My 10 minutes are up. Crime—like time—marches on. Forty major crimes have been committed, including one forcible rape, three aggravated assaults, two armed robberies, 20 burglaries, 10 automobiles stolen, and 10 other larcenies. And during the last 3 days, somewhere in America, a police officer was killed in the line of duty.

OPPOSING ANTIPOVERTY BILL

Mr. HALL. Mr. Speaker, I ask unanimous consent that the gentleman from Indiana [Mr. HARVEY] may extend his remarks at this point in the RECORD and include extraneous matter.

The **SPEAKER.** Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. HARVEY of Indiana. Mr. Speaker, I rise in opposition to H.R. 11377. Before I mention some of my reasons for opposing this bill, however, I want to say that the bill's authors have written it so cleverly that anyone daring to voice an opinion against it would, therefore, necessarily be against "economic opportunities."

As one who considers a lack of economic opportunities one of the most important domestic issues facing our Nation, I am glad for this time to set the record straight on my position.

I, for one, will acknowledge that there is definitely a problem. As one who has concerned himself with the practical side of the problem rather than the academic side, I think something can be done to help our less-fortunate citizens in lower-income brackets. However, and I want to make this point perfectly clear, I do not think the enactment of the antipoverty bill is the answer. In fact, I think it is the worst thing we could possibly do if we are to really cure the causes of unemployment.

Some of my good friends on the other side of the aisle have said on occasion that the Republicans in Congress are obstructionists for taking a position of opposition against H.R. 11377. Let me say first that I do not consider myself the spokesman for all the Republican Party, but I am the spokesman for RALPH HARVEY and I say the Federal Government has no business in undertaking a program of this magnitude. It is fiscally unsound and it will not cure the problems outlined by those who have sponsored this legislation.

Money funneled into the Treasury for redistribution to pockets of poverty and unemployment is not, in my opinion, the answer to this problem. The Federal Government needs to consider, and we here in the Congress should be concerning ourselves with, something other than more handouts and doles. A program that will create an economic climate where private investment in capital equipment would be encouraged, thereby paving the way for the construction of factories, would ultimately provide the answers to the unemployment and poverty questions.

The training of men and women as proposed in this legislation is all well and good, and I am not challenging the good intentions of the people responsible for H.R. 11377. But I do say that there must be jobs waiting for these men and women when their training is completed.

I recently read an article which asserted that an investment of nearly $18,000 was required to employ one person in a factory in America. This is a staggering figure; nevertheless, I do not doubt that this figure is accurate.

In the United States today there are millions of people with money, money that could be invested in private enterprise if the business climate was right. Thrift institutions are bulging at the seams with people's savings. Why, then, do we find many citizens afraid and unwilling to invest in private business ventures? Why are they afraid to take a chance? Why the fear of risk? Where is the pioneer spirit in America? I will tell you where it is. It got buried someplace after the architects of social legislation came along and offered to care for our good citizenry from the cradle to the grave.

The Federal Government has not only failed to take appropriate steps to encourage private investment in business, but it has discouraged private investment. Prohibitive corporate taxes, the double taxation on interest and dividends are only a few reasons why we find the state of our economy in its present shape.

My good friends, we are not talking about a few million dollars today. We are talking about a billion. If history and experience tell us anything, we should be reminded that an initial expenditure of $1 billion for a program mushrooms the following years into several billions.

Our tax rates are already prohibitive. I think a great many of the designers of social legislation forget that our citizens not only pay Federal taxes but they pay State and local property taxes as well.

My question is simply this, and I raise it about every time we consider a bill: Can we afford this? Can we or will we be able to replenish the funds for the Office of Economic Opportunities with another billion next year and in the following years? Programs do not stop here. They start here and this is only the beginning as far as the cost of this program is concerned.

In closing I would just like to say that I think this is the most extravagant piece of pork-barrel legislation ever to reach this august body in an election year and I urge the rejection of H.R. 11377.

POVERTY AND POLITICS

Mr. HALL. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. Foreman] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. FOREMAN. Mr. Speaker, we have heard so much about poverty in this country recently from the politicians who would propose to solve all our problems with new welfare doles, that it is apparent that a dangerous disservice is being done to our people, here and abroad. It is wrong to picture this country as a land of hunger and privation. To do so damages us throughout the world. There are some who are in need, of course, but the problems affecting them can be solved without discoloring the true picture which prevails in our land. Exaggerated statements about poverty—in election year conversations—only help to prove the lies that Russia and her satellites have been trying to spread about our great free country for the past 30 years.

No responsible American is for poverty. No responsible American disregards or ignores poverty wherever it may exist in this country. But the most responsible Americans understand that this, like any great historic evil, will never be solved by mere slogans, and still less, by all but open appeals to class and economic prejudices. It is sad enough that poverty exists at all. But it is tragic when the poor are turned into a political football.

The cruelest thing you can do to a man is to teach him to depend on charity and handouts as a way of life, for by so doing, you deprive him of his self-respect. Self-respect demands a producing job, a chance to make one's own way, a task to perform what the Nation's advancing economy requires. That is precisely the kind of job no government can ever provide, the kind of job created solely by personal enterprise.

Our new President declared in his Economic Report to Congress January 20, 1964, that 35 million Americans were in poverty today. His predecessor declared during the 1960 presidential campaign, just 3 years earlier, that 17 million Americans went to bed hungry every night on a substandard diet. Under this kind of administration, and at this rate, it should not be long before all Americans will be poverty stricken.

The administration is proposing the new "poverty package," H.R. 10440, at a total first-year cost of $962.5 million and a projected cost in subsequent years that could easily run as high as $15 billion annually. Excluding social security benefits and other trust funds, 42 Federal programs now existing and aimed directly at eliminating the causes of poverty and its effects, will cost nearly $9 billion in fiscal 1965.

America's needy have not exactly been abandoned to the wolves for lo these many years, although you could possibly lose sight of the facts amid the cries of "new and better deals." America, for most of its years, has waged a war on poverty. Whenever we have waged that war, in our factories, farms, shops, mines, oil fields, over the counters and under the free enterprise system, we have won that war. This war on poverty can only be won that way. When we work our way to wealth, we win that war. When government tries to spend its way to wealth, we lose that war.

It was American freedom, and that alone, which first made it possible for our country and the world to dream of a day when poverty might be abolished. It is American freedom, and that alone, which is the only really new idea, the only genuine "bold new program" in all history for the production of wealth for all. Socialism is the latest form of an age-old fraud, that something can be created out of nothing, that we can get wealth by merely wishing for it or claiming it as a right, that government can plan a man's life for him better than he can. Socialism is a fraud because it creates poverty while constantly promising to abolish it, and so by a vicious circle maintains itself in power.

The answer to the problem of poverty lies not in emotional publicity but in reason, not in prejudice but in production not in new Federal agencies but in less burdensome government which will permit a higher rate of growth.

The "best deal" for eliminating poverty is the creation of new jobs and employment opportunities through an expansion, encouragement, and unleashing of our free enterprise economy, not by catchy political slogans, shopworn programs, or more welfare handouts.

POVERTY BILL—SENATOR NORRIS COTTON'S COGENT COMMENTS

Mr. HALL. Mr. Speaker, I ask unanimous consent that the gentleman from New Hampshire [Mr. Cleveland] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CLEVELAND. Mr. Speaker, President Johnson's poverty bill was passed by the Senate over the opposition of many clear-thinking legislators who deplored the duplication, waste, and inappropriateness of the measure. One of the Senators whose comments on this legislation are particularly cogent and noteworthy is New Hampshire's distinguished senior Senator, Norris Cotton. Senator Cotton pinpoints weaknesses of the poverty bill with devastating logic. He aptly describes its passage as "heartbreaking" and scores its duplication of effort and scatter-gun approach.

Cotton points out more than $30 billion is already being spent by the Federal Government in this area. In addition, the minority views in the report on the bill by the House Education and Labor Committee state on page 86:

> A total of $66.5 billion was spent by all levels of government for "social welfare" purposes in 1962. During the same year, an additional $33.5 billion was spent by private organizations for the same purposes. This constituted a total national effort of $100 billion.

The Senator is to be commended for his political integrity in analyzing this controversial legislation in an articulately written newsletter which I would like to include here in the Record:

Norris Cotton Reports to You From the U.S. Senate

The legislative highlight of the week was the President's antipoverty bill which passed the Senate overwhelmingly—but not with my vote. This program, costing nearly a billion dollars at the start and increasing every year, may be good election fodder, but it's a sure-fire guarantee of more debt and more inflation, even if we don't build a single hospital or school or add a bomber or submarine to our defense.

"War on poverty" has popular appeal. Indeed, most of us have been fighting that war all our lives. The bill includes some worthwhile projects which, if singled out, I could support—notably job training and adult education. But, 65 pages of ill-defined, scatter-shot programs, dictated by the whim and fancy of a national Director and a $10 million corps of Federal officials, is almost heartbreaking to contemplate at a time when we should make every dollar count.

The most glaring defect is that nearly every feature of this bill duplicates present Federal projects. We are now spending millions for job training in three separate programs—vocational education, manpower training, and area redevelopment. These should be consolidated and streamlined—but no—this bill adds a fourth. Small business loans to stimulate employment duplicate exactly the present Small Business Administration. The farm loan feature of this bill is already handled by the Farmers Home Administration. These are but a few examples. This poverty bill is mostly frosting—topping, but not supplanting, programs that have been snowballing for years. Hearing the hymns of praise for this "new" program, one would never suspect that the Federal Government already has 42 antipoverty programs, running from school lunches to food stamps, from student loans to public works. One would never dream that $33 billion is devoted every year to our war on poverty, a sum greater than any one of our Nation's expenditures except for national defense.

Much of the bill is a revival of the leaf-raking days of the depression era. Its "community action" is a rehash of the old WPA. CCC camps are reinstated. They were needed in the 1930's with 13 million jobless youth. Now there are jobs for all who can qualify, and it's a poor investment to keep youth in camps when they come out as unskilled as when they went in—especially when each boy costs the taxpayer as much as a year at Harvard. Job training centers, on the other hand, are needed. They are about the only feature in the bill that attacks the basic cause of poverty, not merely the symptoms.

And remember this. Not one cent in this many-sided program is earmarked for those who need it most—the old people. When we want to provide higher social security and increased medicare, why spread a billion dollars helter-skelter, taking money that could give more adequate help for the aged?

We can't show the fallacies in huge Federal programs by mouthing catch-phrases like "centralized government" and "bureaucracy." It takes down-to-earth examples from our own experience to bring home the facts.

I remember a county commissioner defeated for reelection because he purchased groceries for the county poor from certain favored storekeepers. Rival merchants soon discovered it, and punishment was swift and sure. Thus local programs police themselves, while billion-dollar Federal programs line the pockets of the faithful.

I recall the wealthy parishioner who responded to his pastor's appeal for foreign missions by handing him a nickel. After enjoying the minister's horror, he gave him a $10 bill saying: "The nickel is for the poor heathen. The $10 will get it to them." How the dollar shrinks as it goes from Washington, through all the command posts, to poverty's battlefront.

If this antipoverty bill, or anything like it, had come to the Senate when Lyndon Johnson was majority leader, he would have chopped it into little pieces—for the birds.

A NEW BILL TO BAR FOREIGN FISH PROCESSING IN U.S. TERRITORIAL WATERS

Mr. HALL. Mr. Speaker, I ask unanimous consent that the gentleman from Washington [Mr. PELLY] may extend his remarks at this point in the RECORD and include extraneous matter.

The **SPEAKER.** Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. PELLY. Mr. Speaker, I have introduced H.R. 12275 similar to legislation being cosponsored in the other body at I understand, by the two distinguished Senators from my State of Washington, Senators MAGNUSON and JACKSON.

This bill would amend Public Law 88-308, the recently passed law that bans foreign commercial fishermen from fishing within the territorial waters of the United States.

The amendment such as the Senators and myself propose would expand and clarify the definition in subsection "c" of Section 5 of the act so as to insert language to ban freezing, packing or other processing.

This new definition is made necessary to ban Japanese freezer ships which have been operating in Alaskan waters recently. The Japanese pay their workers 33 cents an hour; we pay ours not less than $3 per hour. Because of this differential in processing costs American canners cannot compete with the Japanese in buying raw fish from Alaskan fishermen.

Unless the administration takes action our American fish canners will have to go out of business and hundreds of American workers will lose their jobs.

The purpose of introducing this bill now, Mr. Speaker, is to obtain agency reports so it can have early attention next year.

PROVIDING ASSISTANCE TO ALASKA FOR RECONSTRUCTION

Mr. ASPINALL submitted a conference report and statement on the bill (S. 2881) to amend the Alaska Omnibus Act to provide assistance to the State of Alaska for the reconstruction of areas damaged by the earthquake of March 1964 and subsequent seismic waves, and for other purposes.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Ratchford, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On August 3, 1964:

H.R. 4177. An act to authorize the Secretary of the Army to convey to the city of St. Paul, Minn., all right, title, and interest of the United States in and to certain lands heretofore conveyed to such city.

On August 4, 1964:

H.R. 248. An act to amend section 801 of title 38, United States Code, to provide assistance in acquiring specially adapted housing for certain blind veterans who have suffered the loss or loss of use of a lower extremity;

H.R. 1742. An act for the relief of the Wetzel County Hospital, New Martinsville, W. Va.;

H.R. 3220. An act for the relief of Hugh M. Brady;

H.R. 5814. An act for the relief of Norman R. Tharp;

H.R. 6442. An act for the relief of Jasper E. Tate;

H.R. 6652. An act to authorize the Administrator of Veterans' Affairs to sell at prices which he determines to be reasonable direct loans made to veterans under chapter 37, title 38, United States Code;

H.R. 6882. An act for the relief of the Maloney Bros. Nursery Co., Inc.;

H.R. 8184. An act for the relief of Mr. and Mrs. Blanton Darbro;

H.R. 8709. An act for the relief of Eugene R. Wooster, Jr.;

H.R. 9021. An act to authorize the use of two tracts of land situated in Salt Lake City, Utah, for public school purposes;

H.R. 9199. An act for the relief of CWO Stanley L. Harney; and

H.R. 9764. An act for the relief of Anne S. Henkel.

THE 45TH REPORT ON LEND-LEASE OPERATIONS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 310)

The **SPEAKER** laid before the House the following message from the President of the United States which was read, and, together with the accompanying papers, referred to the Committee on Foreign Affairs and ordered to be printed:

To the Congress of the United States:

I am transmitting herewith the 45th report to Congress on lend-lease operations. This report covers the calendar year 1963.

This report is submitted in accordance with the provisions of section 5, subsection (b), of the Lend-Lease Act of March 11, 1941.

LYNDON B. JOHNSON.

THE WHITE HOUSE, *August 6, 1964.*

ANTHONY F. BERNARDO AND AMBROSE A. CERRITO—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 334)

The **SPEAKER** laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I am returning, without my approval, enrolled bill H.R. 4501, for the relief of Anthony F. Bernardo and Ambrose A. Cerrito.

These employees, while assigned by the Navy Department to McMurdo Sound, Antarctica, worked many extra hours to complete their assignment within a very short period. Because of a statutory ceiling on their aggregate base pay and overtime pay within each 2-week pay period, however, they could not be compensated for all of their extra hours.

Many other employees, similarly motivated and similarly dedicated, in our national defense programs, in our space programs and in our national emergencies caused by floods and fires, have voluntarily worked long hours of overtime without being compensated, because of the statutory prohibition. This is unfortunate, but unavoidable, so long as the limitation upon salaries in the law remains in existence. It would be highly preferential to permit payment to Mr. Bernardo and Mr. Cerrito while denying it to the thousands of others employed under similar circumstances. Regretfully, therefore, I am constrained to veto the legislation.

LYNDON B. JOHNSON.

THE WHITE HOUSE, *August 6, 1964.*

The **SPEAKER.** The objections of the President will be spread at large upon the Journal.

Without objection, the bill and message were referred to the Committee on the Judiciary and ordered to be printed.

ECONOMIC OPPORTUNITY ACT OF 1964—MEMORANDUM RELATING TO JOB CORPS

Mr. ROOSEVELT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, during the debate in the Committee of the Whole a letter from Mr. Adam Yarmolinsky addressed to Mr. Joseph A. Califano, Jr., Assistant Secretary of Defense, was referred to. In order that the matter might be taken in the proper context, I ask unanimous consent that the entire memorandum be printed in the Record at this point.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The letter referred to follows:

June 13, 1964.

Memorandum for Mr. Joseph A. Califano, Jr.:

I understand from Bob McNamara that he has designated you as our personal contact in Defense to coordinate planning for the proposed job corps. I appreciate very much the interest in this program which has been expressed by Mr. McNamara, Mr. Vance, and yourself.

To keep you up to date on our present thinking, we anticipate the necessity of starting the job corps in a clearly visible way throughout the country during the early fall, assuming passage of our bill in the next month or so.

We expect to start a large number of conservation camps within 3 months after passage of the bill. These will be spread throughout the country in a large number of States, based to some extent on the amount of Federal conservation work required in each State. Our present thinking does not include a requirement for very major logistical support for these camps from the Defense Department. We expect instead that the Departments of Agriculture and Interior with the assistance of GSA can handle a good deal of this. There may be, however, a need to call on Defense for provision of some initial issues of individual clothing and equipment, major real property items and some transportation assistance, unless we are able to get this quickly through GSA. Another area that will be a problem and a challenge is the provision of medical and dental support, which I hope Defense will analyze thoroughly in conjunction with the Department of Health, Education, and Welfare. This would help us to determine a workable solution.

During the first year, we hope to open about 10 of the large training centers with 1,000 to 2,000 enrollees each. Here again, we would like to make a visible impact by opening perhaps half of these in the first 3 or 4 months after the bill passes. There are a number of complex considerations which will influence our decision on which of these locations will be selected. My staff, however, will be able to give you our current thinking on these at any time you wish.

It would be, of course, very helpful if we had some kind of preliminary engineering surveys of possible facilities to help us in our decision. Rehabilitation of the selected facilities will eventually be needed to accommodate 1,000 or 2,000 enrollees, plus an approximate 20 percent overhead for provisional staff, administrative and logistical support. We would be interested in determining the estimated costs and leadtime for this rehabilitation work. I realize that to give us the major logistical support we have contemplated may require initially the commitment of Defense resources and active military personnel to some extent. After the initial period I would hope, and I am sure this is in accord with your desires, that we can turn to contract support to accomplish as much of this as is practicable.

I hope this will give you an indication of our current thinking, and that it will be of value to you in your planning.

Adam Yarmolinsky.

LEGISLATIVE BRANCH APPROPRIATION BILL, 1965—PERMISSION TO FILE CONFERENCE REPORT

Mr. ALBERT. Mr. Speaker, on behalf of the gentleman from Oklahoma, [Mr. Steed], I ask unanimous consent that the managers on the part of the House have until midnight, Friday, August 7, to file a conference report on H.R. 10723, the legislative branch appropriation bill for the fiscal year 1965.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

COMMITTEE ON THE DISTRICT OF COLUMBIA—PERMISSION TO FILE CERTAIN REPORTS

Mr. ALBERT. Mr. Speaker, on behalf of the gentleman from South Carolina [Mr. McMillan], I ask unanimous consent that the Committee on the District of Columbia may have until midnight, August 8, to file certain reports.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

HOUR OF MEETING TOMORROW

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

THE LATE JUDGE ALFRED J. CILELLA OF THE CIRCUIT COURT OF COOK COUNTY

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. Libonati] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. LIBONATI. Mr. Speaker, Judge Alfred J. Cilella, of the circuit court of Cook County, was one of the most popular Italo-American young leaders in the Chicago area. His recent sudden death was a terrific shock to the whole community. The very incident of his death was tragic—suddenly collapsing due to heart failure while playing golf with his son Alfred, Jr. at the Butterfield Country Club, south of Lombard, Ill.

He received his law degree from Northwestern University after graduating from McKinley High School and Crane Junior College. He was a star baseball player and received bids from the major leagues.

He was admitted to the bar in 1935 and entered public life in 1943 as a State representative. He became committeeman of the 36th ward until his election to the city council as alderman, 1951. He was reelected in 1955 and later was elected to the circuit bench in June 1958.

His great interest in youth activities and their problems prepared him for a great work in this field upon his assignment to the family court where he served for 2½ years. His improvements in procedures and modern concept of youth reforms were instituted during his judicial service there. As alderman he was chairman of the youth commission as well as serving on the executive board of the Chicago Council of the Boy Scouts of America 1955–61.

During his career he received many honors for his civic, political and spiritual leadership in many causes. In 1961, he was given the Order of Merit of the Italian Republic.

His whole career was based upon a high standard of moral honesty in dealing with others. He was a quiet individual unless unduly aroused by brazen and crazy conduct of those appearing before him. He was fair but positive in his thinking. Once he made up his mind be became immovable in voicing his decision. He came from a humble background and knew the trials and tribulations of the poor and unfortunate. John Cilella was a man through and through—and a brilliant judge who dealt out real justice.

Although some misjudged his actions as indicative of puritanic reasoning—in reality he was a man of decision—and was unswerving in his determination to see things through. At most levels of human reaction to court problems he was in reality a softy—but if the facts contradicted his natural personal feelings he became rigid and stern in carrying out his judicial determination. He certainly was too young to die. The maturity of years of experience were upon him—his greatest work still remained undone.

The members of the Illinois delegation mourn his sad loss and extend to his darling wife, Mabel, his loving children, Alfred, Jr., and Linda Mary our heartfelt condolences.

The citizens of the city, county and State have lost a great leader, judge and public servant. May God bless him with everlasting life.

SUPPORT PRESIDENT JOHNSON IN VIETNAM

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from Connecticut [Mr. Monagan] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. MONAGAN. Mr. Speaker, the Committee on Foreign Affairs this morning reported out a joint resolution supporting the action of President Johnson in response to the recent attacks by Communist North Vietnam on U.S. naval vessels, and supporting the President's determination "as Commander in Chief, to take all necessary measures to repel any armed attack against the forces of the United States and to prevent further aggression."

President Johnson has responded to these unlawful attacks on our ships with firmness and with responsibility. It is imperative that we give him our full support and that we express our conviction that the United States does not intend to be badgered or frightened out of its role as the foremost defender of freedom in the world.

This Nation has pledged to the people of South Vietnam that we shall protect them from being gobbled up by the Communist oppressors from the north. More importantly we are determined under no circumstances to countenance an attack upon the forces of this country in international waters without taking appropriate action to repel the attack and prevent its repetition.

Our objective has been and remains world peace, and we must be firm in our pursuit of that objective—even if it requires strong action such as we took in the Tonkin Gulf.

As a member of the Foreign Affairs Committee, I had the honor of supporting President John F. Kennedy under the somewhat similar circumstances of the Cuban missile crisis. Today our committee voted a resolution of strong support for President Johnson as did the Senate Foreign Relations Committee. I now urge the House to confirm, by acting favorably on this resolution, our full support for President Johnson in taking such measures as may be necessary to insure the safety of this country and of the free world.

EFFECT OF URBAN RENEWAL ON SMALL BUSINESSES

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. Sisk] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. SISK. Mr. Speaker, from time to time we have both heard and read about the supposed adverse effect that urban renewal is having on small businesses.

In my home city of Fresno, we have several urban renewal projects underway, and in connection with our downtown project, a survey was made by the Fresno Redevelopment Agency of 75 businesses which had moved from the project area as of February 25, 1964.

In brief, this survey shows that 51 of the 75 businesses have reestablished. Of these, 33 relocated within the project area—10 of whom selected temporary locations because they plan to return to the project when redevelopment is completed. Thirteen moved within the Fresno metropolitan area, two moved out of town, and three have not yet decided upon their new location. Another 24 discontinued operations.

The feature of this report which I have found most informative is the listing of the reasons why these business owners decided to discontinue their operations. Twelve decided to retire, principally because of age. Four had other businesses and decided to devote full time to them, three had been trying to dispose of their businesses prior to project execution, two plan to reestablish at a later date, one was in bankruptcy, and two gave no reasons.

Also, in the same connection, I noticed on page 3 of NAHRO Renewal Newsletter of June 22, 1964, the following item. I think this article speaks for itself:

Kinnard Criticizes Renewal's Critics

William N. Kinnard, Jr., director of the Institute of Urban Research at the University of Connecticut, sent the following letter to the editor of Nation's Business magazine shortly after the magazine published an article critical of urban renewal's effect on small businesses. The article cited conclusions supposedly taken from the study Mr. Kinnard made with Zenon S. Malinowski, "The Impact of Dislocation From Urban Renewal Areas on Small Business," University of Connecticut, July 1960. NAHRO distributed copies of this study to its agency members in January 1961. Mr. Kinnard wrote:

"Your April issue contains on pages 36, 37, and 95, an interesting, provocative, and misleading article entitled "University Studies Disclose: This Federal Program Destroys Jobs." This particular type of journalism is, to me, indicative of the worst sort of distortion and misrepresentation of which a free press can be accused. It is readily apparent to anyone familiar with the study conducted at the University of Connecticut, of which I happen to be coauthor, that the writer of your article did not choose to discuss the report in full. One point out of many has been taken out of context and blown up without regard to a balanced view of the truth.

"It is particularly interesting that your article does not dwell upon the fact that, in large part as a result of our study, corrective and ameliorative steps have been taken, both through Federal legislation and through administrative actions, to improve the situation significantly.

"This is not to say that there are no longer problems associated with business relocation of dislocation. They are concentrated in areas other than the urban renewal program at the present time, however. I refer particularly to inequities in treatment among the different programs.

"If you are to use the names of great universities, it seems to be only fair that you should present an accurate and full picture of what their publications actually say. I am including copies of subsequent studies on our part to illustrate what I mean.

"Frankly, I am deeply disturbed by the implications of your article. It is unfair to us and to the urban renewal program."

ADDRESS BY MR. SAMUEL I. NEWHOUSE DELIVERED ON EVE OF DEDICATION OF NEWHOUSE COMMUNICATIONS CENTER AT SYRACUSE, N.Y.

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from Louisiana [Mr. Boggs] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. BOGGS. Mr. Speaker, it is with great pleasure that I call to the attention of my colleagues in the Congress a very fine address delivered on August 4 at Syracuse, N.Y., by Mr. Samuel I. Newhouse, owner of the Newhouse newspapers and one of our Nation's leading newspaper publishers.

Mr. Newhouse's speech was delivered on the eve of the dedication by President Johnson of a magnificent new Samuel I. Newhouse Communications Center at Syracuse University. The President dedicated the first of four communications media buildings, for which Mr. Newhouse has so generously donated $15 million.

These buildings will house regular classrooms, seminar rooms, laboratories, and other facilities for instruction in all kinds of journalism courses; in radio and television courses; in advertising and advertising design; in audiovisual studies, and related subjects. This splendid quadrangle of buildings also will include radio and television studios; darkroom laboratories, and other specially designed rooms for certain courses.

In his fine address, Mr. Newhouse emphasized the great responsibilities which the various communications media owe to the American people, and to the people of the free world. He said that the newspapers of his chain and those of our country as a whole are dedicated to seeking the truth and reporting it accurately. He cited one of the principal factors which make his group of 19 newspapers such a vital force in their communities around the Nation—and that is their individual independence, one from the other, in editorial policy.

Among the finest newspapers in Mr. Newhouse's group are the two in my home city of New Orleans, La.—the Times-Picayune and the New Orleans States-Item. The editors and reporters of the Picayune and the States-Item continually do a splendid job of reporting accurately the significant news events occurring in the New Orleans area and in the State of Louisiana. I am proud to enjoy the friendship and close association—as I have for so many years—of one of Mr. Newhouse's finest publishers, Mr. John Francis Tims, president of the Times-Picayune Publishing Corp. Mr. Tims is a great credit to the newspaper profession, and his wise and able direction of two of Mr. Newhouse's newspapers is a terrific asset to Mr. Newhouse. Mr. Tims is ably assisted by Mr. Robert Gough, vice president and general manager of the Picayune and the States-Item; my lifelong friend and associate, Mr. George W. Healy, Jr., vice president and executive editor of both newspapers, and many, many other capable men. Both Mr. Healy and Mr. Gough and the Picayune's Washington correspondent, Mr. Edgar A. Poe, represented the Times-Picayune Publishing Corp. at the dedication ceremonies for the Newhouse Communications Center. They also attended the Tuesday night banquet on the eve of the dedication, when Mr. Newhouse delivered this fine address.

Mr. Speaker, Mr. Newhouse's rise from the son of poor immigrant parents to his present position of prominence and responsibility is truly an "Horatio Alger" story in the finest American tradition. Through his business acumen and his dedicated humanitarian spirit, Mr. Newhouse has contributed to the strengthening of America's free enterprise system. It is to Mr. Newhouse's credit that he is making possible this fine new communications center, not only for Syracuse University, but also for the young people of our country who aspire to study journalism and related subjects in the communications media field.

By his good works, Mr. Newhouse has brought honor and credit not only to himself and his family, but also to the entire newspaper profession, and I am proud to salute him.

Mr. Newhouse's speech follows:

Address on Tuesday, August 4, 1964, at Syracuse, N.Y., by Samuel I. Newhouse, Owner of the Newhouse Newspapers, Presented on the Eve of the Dedication of a New $15 Million Newhouse Communications Center at Syracuse University

Governor Rockefeller, Chancellor Tolley, friends, it seems a long time ago—some 5 years—since Chancellor Tolley and I first sat down to discuss the possibility of creating a communications center at Syracuse.

And may I say at the outset what a satisfying experience it has been to work with our chancellor on this project.

It has been stimulating to watch an idea grow into a handsome structure—the first of three dedicated to the education of promising young news talent.

I cannot be unaware of a dramatic contrast that concerns my name. The first time it appeared anywhere was on a birth certificate written in a New York City tenement, where I was born.

I am proud of that.

Tomorrow I will see my name inscribed on the wall of what is perhaps the most modern school of communications in the world. I am proud of that, too.

But I am proudest of my ties with the people gathered in this room tonight—first of course, my immediate family: my wife, my sons and my grandchildren, my brothers and sisters, and my old and good friends.

They all know how I cherish them.

My particular embrace tonight, too, is to my professional associates here. It is to those editors and publishers who, over the years, have nourished and helped develop our family of newspapers.

For the fact is that I look upon our newspapers as a family and at each acquisition as another child.

Our elementary concern is with the newspaper family's health and then its growth. Although each is flesh of our flesh, and ink of our ink, each develops in its own way, with its own looks, its own views, its own independent spirit—the way children do.

They speak differently, too, for they are the voices of all America. Their accents are from the far Northwest, the Midwest, the East, and the South; accents from all the regions of our land. But, despite the difference in accents, they are united in one common aim; the newspapers' dedication to the truth.

The mass media are enormously influential. They affect human judgment, shape our desires, and influence our choices. They can lull a community into complacency or charge the atmosphere with reforming zeal. They can appeal to the grossest urges or cultivate the highest aspirations. They can subvert an entire nation or they can enhance an open society.

Communication is a two-way process. We may print words, broadcast a speech, or televise an event but the man who reads, or listens, or watches is also a part of the process of communication. The mass media have a special responsibility in making sure that the news of the world is reported accurately. But all of us—from the lowliest private citizen to the highest officials of industry, labor, education, and government—must share in this responsibility.

We are entrusted with instruments of massive power; the press, the microphone, and the camera. Indeed, they are the crucial weapons in a struggle for men's minds and hearts. They are also the vital implements for creating the good society.

Our ever-bigger cities call for new ways of keeping things in harmony with human values. Complex social movements must be explained clearly if each person is to play an intelligent role. In a democracy, political life must be kept meaningful for the average man if he is to remain a vital participant.

It is right and fitting that such a communications center be located within a dynamic university with world-embracing interests. The many fields of study provide an unparalleled opportunity for the interplay of creative talents of the first rank.

That is why all of us in communications, education and government have a special responsibility to report to the peoples of the world and to our town people. In reporting today's news the mass communicators must understand the forces that work in the world around us. Policies of nations and peoples alter too quickly for journalists to make inflexible judgments. Today's so-called enemy is tomorrow's friend. Indeed, we have no lasting enemies so much as we have ill-informed peoples.

In the end, it is the quality of persons who choose the mass media for their career that counts. We hope—my wife, my sons, and myself—that the brightest possible young men and women will be found and awarded scholarships in this center. It is our hope that the most accomplished teachers who can be found will continue to be added to the present outstanding faculty as an incentive to journalism students to come to Syracuse.

It is our hope that great leaders of this Nation and the world will be drawn to its forums and seminars to shed the light of their experience and judgment on the great issues of the day, thus making this city and this university a continuing focus of interest and culture.

And so, I am grateful to Chancellor Tolley for having shown me the way, for helping me fulfill the responsibility I feel as a publisher towards his community and his nation. I am happy that in my lifetime I can share this pride with all of you here tonight.

Tomorrow the President of the United States will dedicate the great building which will bear the name first written on a birth certificate in the tenements of New York.

For all of this, Governor Rockefeller, Chancellor Tolley, distinguished guests, ladies and gentlemen, I am deeply grateful and proud.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Feighan, for 30 minutes on Wednesday, August 12, and to revise and extend his remarks.

Mr. Flood, for 60 minutes, on August 12, to revise and extend his remarks and include extraneous matter.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Congressional Record, or to revise and extend remarks, was granted to:

Mr. Tollefson.

Mr. Pepper.

Mr. Betts to include extraneous material in connection with his remarks during debate in Committee of the Whole on H.R. 11377.

Mr. Jensen to include extraneous tabular material with his remarks made in the Committee of the Whole today.

Mr. Dent to include extraneous matter, tables, and charts in remarks made in Committee of the Whole today.

(The following Member (at the request of Mr. Hall) and to include extraneous matter:)

Mr. Roudebush.

(The following Members (at the request of Mr. Albert) and to include extraneous matter:)

Mr. Keogh.

Mr. Donohue in four instances.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 2048. An act to provide for the establishment of the Bighorn Canyon National Recreation Area, and for other purposes; to the Committee on Interior and Insular Affairs.

S. 2281. An act to clarify the components of, and to assist in the management of, the national debt and the tax structure; to the Committee on Ways and Means.

S. 2711. An act for the relief of Frank S. Chow; to the Committee on the Judiciary.

S. 2712. An act for the relief of Sime Dragutin Vulin; to the Committee on the Judiciary.

S. 2741. An act for the relief of Palmerina Caira and her minor children; to the Committee on the Judiciary.

S. 2742. An act for the relief of Mrs. Styliani Papathanasiou; to the Committee on the Judiciary.

S. 2812. An act for the relief of Joanne Irene Taylor; to the Committee on the Judiciary.

S. 3074. An act to give the consent of Congress to the construction of certain international bridges; to the Committee on Foreign Affairs.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 1997. An act to amend subsection (c) of section 1332 of title 28, United States Code, relating to diversity of citizenship;

H.R. 4088. An act for the relief of the Industrial Tractor Parts Co., Inc.;

H.R. 4871. An act for the relief of Glenn C. Deits and others;

H.R. 7751. An act to extend certain construction authority to the Administrator of Veterans' Affairs in order to provide adequate veterans' hospital facilities in Los Angeles, Calif.;

H.R. 8251. An act to amend section 612, title 38, United States Code, to authorize dental services and treatment in cases where discharges were corrected by competent authority from dishonorable to conditions other than dishonorable;

H.R. 9372. An act to remove a cloud on the title of certain property owned by Wilmer Allers and Jane B. Allers, both of Malin, Oreg.;

H.R. 9521. An act to increase the authorization for appropriation for continuing work in the Missouri River Basin by the Secretary of the Interior;

H.R. 10610. An act to provide for the conveyance of certain real property under the control of the Administrator of Veterans' Affairs;

H.R. 10611. An act to provide for the conveyance of certain real property under the control of the Administrator of Veterans' Affairs;

H.R. 10939. An act making appropriations for the Department of Defense for the fiscal year ending June 30, 1965, and for other purposes;

H.R. 11049. An act to adjust the rates of basic compensation of certain officers and employees in the Federal Government, and for other purposes; and

H.J. Res. 925. Joint resolution creating a joint committee to commemorate the 100th anniversary of the second inaugural of Abraham Lincoln.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 31. An act for the relief of Sonja Dolata;

S. 633. An act for the relief of Michelle Su Zehr (Lim Myung Im);

S. 858. An act for the relief of Miladin Kljajin;

S. 1015. An act for the relief of Edith Annikki McRae;

S. 1336. An act to provide that the price at which the Coast and Geodetic Survey sells certain charts and related material to the public shall not be less than the cost thereof;

S. 2088. An act for the relief of Tomoe Ishikawa Westley;

S. 2219. An act for the relief of Helen Marghitsa Georgalas;

S. 2225. An act for the relief of Christiane Antoine Bronas;

S. 2336. An act for the relief of John Richard Dolby; and

S. 2436. An act for the relief of Mihailo Radosavljevic.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 55 minutes p.m.), under its previous order, the House adjourned until tomorrow, August 7, 1964, at 11 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2382. A letter from the Archivist of the United States, General Services Administration, transmitting a report on records proposed for disposal under the law; to the Committee on House Administration.

2383. A letter from the Commissioner, Federal Prison Industries, Inc., U.S. Department of Justice, transmitting the annual report of the Board of Directors of the Federal Prison Industries, Inc., pursuant to the act approved June 23, 1934 (18 U.S.C. 4127); to the Committee on the Judiciary.

2384. A letter from the Assistant Administrator for Legislative Affairs, National Aeronautics and Space Administration, transmitting a report to the House of Representatives pursuant to 10 U.S.C. 2304(e), listing certain required information with respect to contracts made by the National Aeronautics and Space Administration under 10 U.S.C. 2304(a) (11) and (16); to the Committee on Science and Astronautics.

2385. A letter from the Comptroller General of the United States, transmitting a report on a review relating to uneconomical security guard force operations at the National Reactor Testing Station, Idaho, Atomic Energy Commission, findings disclosing that the operation by the Commission of a single Government guard force would result in savings of about $212,000 annually that are attainable by the elimination of duplicative supervisory staffs and by the reduction in the number of guards; to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MORRIS: Committee on Interior and Insular Affairs. H.R. 11162. A bill granting the consent of Congress to an amendment to the Breaks Interstate Park compact between the Commonwealths of Virginia and Kentucky; without amendment (Rept. No. 1704). Referred to the Committee of the Whole House on the State of the Union.

Mr. BONNER: Committee on Merchant Marine and Fisheries. S. 927. An act to amend title 12 of the Merchant Marine Act, 1936, in order to remove certain limitations with respect to war risk insurance issued under the provisions of such title; without amendment (Rept. No. 1705). Referred to the Committee of the Whole House on the State of the Union.

Mr. BONNER: Committee on Merchant Marine and Fisheries. S. 2701. An act to provide for an investigation and study to determine a site for the construction of a sea level canal connecting the Atlantic and Pacific Oceans; with amendment (Rept. No. 1706). Referred to the Committee of the Whole House on the State of the Union.

Mr. CELLER: Committee on the Judiciary. H.R. 4989. A bill to amend title 28 of the United States Code to transfer the counties of Genesee and Shiawassee in the State of Michigan from the northern division to the southern division of the eastern judicial district; with amendment (Rept. No. 1707). Referred to the Committee of the Whole House on the State of the Union.

Mr. MORGAN: Committee on Foreign Affairs. House Joint Resolution 1145. Joint resolution to promote the maintenance of international peace and security in southeast Asia; without amendment (Rept. No. 1708). Referred to the Committee of the Whole House on the State of the Union.

Mr. CELLER: Committee of conference. S. 1057. An act to promote the cause of criminal justice by providing for the representation of defendants who are financially unable to obtain an adequate defense in criminal cases in the courts of the United States (Rept. No. 1709). Ordered to be printed.

Mr. ASPINALL: Committee of conference. S. 2881. An act to amend the Alaska Omnibus Act to provide assistance to the State of Alaska for the reconstruction of areas damaged by the earthquake of March 1964 and subsequent seismic waves, and for other purposes (Rept. No. 1710). Ordered to be printed.

Mr. STEED: Committee of conference. H.R. 10723. An act making appropriations for the legislative branch for the fiscal year ending June 30, 1965, and for other purposes (Rept. No. 1711). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON:

H.R. 12264. A bill to amend title 28, United States Code, to provide for a temporary stay of proceedings in any action for the reapportionment of any State legislative body; to the Committee on the Judiciary.

By Mr. BERRY:

H.R. 12265. A bill to amend title 28, United States Code, to provide for a temporary stay of proceedings in any action for the reapportionment of any State legislative body; to the Committee on the Judiciary.

By Mr. BURKE:

H.R. 12266. A bill to amend the Internal Revenue Code of 1954 with respect to the income tax treatment of business development corporations; to the Committee on Ways and Means.

By Mr. PATMAN:

H.R. 12267. A bill to provide for notice of change in control of management of insured banks, and for other purposes; to the Committee on Banking and Currency.

By Mr. WIDNALL:

H.R. 12268. A bill to provide for notice of change in control of management of insured banks, and for other purposes; to the Committee on Banking and Currency.

By Mr. POAGE:

H.R. 12269. A bill to extend the Agricultural Trade Development and Assistance Act of 1954, and for other purposes; to the Committee on Agriculture.

By Mr. ABELE:

H.R. 12270. A bill to amend title 28, United States Code, to provide for a temporary stay of proceedings in any action for the reapportionment of any State legislative body; to the Committee on the Judiciary.

By Mr. MATHIAS:

H.R. 12271. A bill to increase the annuities of certain schoolteachers in the District of Columbia who retired prior to October 1, 1964; to the Committee on the District of Columbia.

H.R. 12272. A bill granting the consent of Congress to a compact relating to taxation of motor fuels consumed by interstate buses and to an agreement relating to bus taxation proration and reciprocity; to the Committee on the Judiciary.

H.R. 12273. A bill to repeal subsection (d) of section 1346 of title 28 of the United States Code relating to the jurisdiction of the U.S. district courts; to the Committee on the Judiciary.

By Mr. MILLS:

H.R. 12274. A bill to amend the Internal Revenue Code of 1954 with respect to the income tax treatment of small business investment companies; to the Committee on Ways and Means.

By Mr. PELLY:

H.R. 12275. A bill to amend the act prohibiting fishing in the territorial waters of the United States by vessels other than vessels of the United States in order to expand the definition of the term "fisheries"; to the Committee on Merchant Marine and Fisheries.

By Mr. PEPPER:

H.R. 12276. A bill to provide assistance for students in higher education by increasing the amount authorized for loans under the National Defense Education Act of 1958 and by establishing programs for scholarships, loan insurance, and work study; to the Committee on Education and Labor.

By Mr. SAYLOR:

H.R. 12277. A bill to provide for relocation payments in cases of property affected by coal mine subsidence or underground mine fires; to the Committee on Banking and Currency.

By Mr. GUBSER:

H.R. 12278. A bill to authorize the Secretary of the Navy to convey to the city of Sunnyvale, State of California, certain lands in the county of Santa Clara, State of California, in exchange for certain other lands; to the Committee on Armed Services.

By Mr. HALPERN:

H.R. 12279. A bill to amend the act approved July 14, 1960 (74 Stat. 526), as amended, relating to the establishment of a register of names in the Department of Commerce of certain motor vehicle drivers; to the Committee on Interstate and Foreign Commerce.

H.R. 12280. A bill to amend section 204(a) of the Interstate Commerce Act so as to authorize the Interstate Commerce Commission to encourage the adoption by the several States of laws in conformance with the Uniform Vehicle Code, published by the National Committee on Uniform Traffic Laws and Ordinances, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ANDERSON:

H.J. Res. 1148. Joint resolution to amend the Constitution of the United States to guarantee the right of any State to apportion one house of its legislature on factors other than population; to the Committee on the Judiciary.

By Mr. BROOMFIELD:

H.J. Res. 1149. Joint resolution to promote the maintenance of international peace and security in southeast Asia; to the Committee on Foreign Affairs.

By Mr. GALLAGHER:

H.J. Res. 1150. Joint resolution to promote the maintenance of international peace and security in southeast Asia; to the Committee on Foreign Affairs.

By Mr. PIRNIE:

H.J. Res. 1151. Joint resolution to amend the Constitution of the United States to guarantee the right of any State to apportion one house of its legislature on factors other than population; to the Committee on the Judiciary.

By Mrs. SULLIVAN:

H.J. Res. 1152. Joint resolution to authorize the President to proclaim the fourth Sunday in November in each year as John Fitzgerald Kennedy Day; to the Committee on the Judiciary.

By Mr. COHELAN:

H.J. Res. 1153. Joint resolution to promote the maintenance of international peace and security in southeast Asia; to the Committee on Foreign Affairs.

By Mr. PATMAN:

H. Con. Res. 341. Concurrent resolution to provide for the printing of "A Primer on Money" as a House document; to the Committee on House Administration.

By Mr. FORD:

H. Con. Res. 342. Concurrent resolution to insure equal rights and self-determination for the peoples of Latvia, Lithuania, and Estonia; to the Committee on Foreign Affairs.

By Mr. COOLEY:

H. Res. 820. Resolution to provide additional funds for the further expense of studies and investigations authorized by House Resolution 38; to the Committee on House Administration.

By Mr. TAFT:

H. Res. 821. Resolution to establish a Special Committee on Captive Nations; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ABELE:

H.R. 12281. A bill for the relief of Pham Thi Ly (also known as Mrs. Hai-Linh Tran); to the Committee on the Judiciary.

By Mr. KEITH:

H.R. 12282. A bill for the relief of Maria Rosalinda de Medeiros Pacheco; to the Committee on the Judiciary.

By Mr. MURPHY of New York:

H.R. 12283. A bill for the relief of Frances von Wedel; to the Committee on the Judiciary.

By Mr. PATTEN:

H.R. 12284. A bill for the relief of Wilfredo C. Causing; to the Committee on the Judiciary.

By Mr. ROGERS of Florida:

H.R. 12285. A bill for the relief of Andon Kumru and his wife, Aline Kumru; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

1001. The SPEAKER presented a petition of Henry Stoner, Avon Park, Fla., relative to congratulating the National Aeronautics and Space Administration for the great success on July 31, 1964, of its *Ranger 7* photographic flight to the moon; to the Committee on Science and Astronautics.

SENATE

THURSDAY, AUGUST 6, 1964

The Senate met at 12 o'clock meridian, and was called to order by the Acting President pro tempore (Mr. METCALF).

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

Our Father, God, who art the living reality behind and beyond all life's fleeting shadows: In these anxious days, still filled with the alarms of strife, as in all the world the forces of freedom mass their moral and material might against rampant evil which seeks to enslave the world, may there shine in splendor before our eyes the spiritual objectives for which we pledge our all.

Keep us, we beseech Thee, vividly aware that the global battle which rages between the darkness and the light can never be won by force of material arms alone.

In this historic Chamber, within whose walls in the vanished yesterdays the faith of democracy was proclaimed by eloquent voices, may we this day, in all the dangers we face, lift with confidence and gratitude the banners which proclaim our faith in the sovereignty of God and the dignity of man.

By Thy grace, bring us at least to a nobler and better tomorrow, with freedom and equality and justice under all skies.

And Thine shall be the kingdom, and the power, and the glory. Amen.

THE JOURNAL

On request by Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, August 5, 1964, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Ratchford, one of his secretaries, and he announced that on August 4, 1964, the President had approved and signed the act (S. 944) to provide for the presentation by the United States to the people of Mexico of a monument commemorating the independence of Mexico, and for other purposes.

REPORT ON LEND-LEASE OPERATIONS—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which, with the accompanying report, was referred to the Committee on Foreign Relations:

To the Congress of the United States:

I am transmitting herewith the 45th report to Congress on lend-lease operations. This report covers the calendar year 1963.

This report is submitted in accordance with the provisions of section 5, subsection (b), of the Lend-Lease Act of March 11, 1941.

LYNDON B. JOHNSON.

THE WHITE HOUSE, *August 6, 1964*.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had passed the bill (S. 1642) to amend the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended, to extend disclosure requirements to the issuers of additional publicly traded securities, to provide for improved qualification and disciplinary procedures for registered brokers and dealers, and for other purposes, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the following joint resolutions, in which it requested the concurrence of the Senate:

H.J. Res. 113. Joint resolution authorizing the Secretary of the Army to receive for instruction at the U.S. Military Academy at West Point two citizens and subjects of the Republic of Vietnam; and

H.J. Res. 1072. Joint resolution authorizing the Secretary of the Army to receive for instruction at the U.S. Military Academy at West Point a citizen and subject of the Empire of Iran.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Acting President pro tempore:

S. 31. An act for the relief of Sonja Dolata;

S. 633. An act for the relief of Michelle Su Zehr (Lim Myung Im);

S. 858. An act for the relief of Miladin Kljajin;

S. 1015. An act for the relief of Edith Annikki McRae;

S. 1336. An act to provide that the price at which the Coast and Geodetic Survey sells certain charts and related material to the public shall not be less than the cost thereof;

S. 2088. An act for the relief of Tomoe Ishikawa Westley;

S. 2219. An act for the relief of Helen Marghitsa Georgalas;

S. 2225. An act for the relief of Christiane Antoine Bronas;

S. 2336. An act for the relief of John Richard Dolby; and

S. 2436. An act for the relief of Mihailo Radosavljevic.

HOUSE JOINT RESOLUTIONS REFERRED

The following joint resolutions were each read twice by their titles and referred to the Committee on Armed Services:

H.J. Res. 113. Joint resolution authorizing the Secretary of the Army to receive for instruction at the U.S. Military Academy at West Point two citizens and subjects of the Republic of Vietnam; and

H.J. Res. 1072. Joint resolution authorizing the Secretary of the Army to receive for instruction at the U.S. Military Academy at West Point a citizen and subject of the Empire of Iran.

LIMITATION OF DEBATE DURING MORNING HOUR

On request by Mr. MANSFIELD, and by unanimous consent, statements during the morning hour were ordered limited to 3 minutes.

COMMITTEE MEETING DURING SENATE SESSIONS ON MONDAY AND TUESDAY OF NEXT WEEK

On request by Mr. MANSFIELD, and by unanimous consent, the Committee on Rules and Administration and the subcommittees thereof were authorized to meet during the sessions of the Senate on Monday and Tuesday of next week.

COMMITTEE MEETINGS DURING SENATE SESSION

On request by Mr. MANSFIELD, and by unanimous consent, the following subcommittees were authorized to meet during the session of the Senate today:

The Subcommittee on Internal Security of the Judiciary Committee.

The Subcommittee on Constitutional Rights of the Judiciary Committee.

On request by Mr. HUMPHREY, and by unanimous consent, the Subcommittee on Indian Affairs of the Committee on Interior and Insular Affairs was authorized to meet during the session of the Senate today.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of executive business, to consider the nomination on the Executive Calendar.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The ACTING PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORT OF A COMMITTEE

The following favorable report of a nomination was submitted:

By Mr. EASTLAND, from the Committee on the Judiciary:

Santos Buxo, Jr., of Puerto Rico, to be U.S. marshal for the District of Puerto Rico.

The ACTING PRESIDENT pro tempore. If there be no further reports of committees the nomination on the Executive Calendar will be stated.

DEPARTMENT OF STATE

The Chief Clerk read the nomination of Harry C. McPherson, Jr., of the District of Columbia, to be an Assistant Secretary of State.

Mr. MANSFIELD. Mr. President, this nomination gives me a great deal of personal satisfaction. As Senators know, Harry McPherson was general counsel for the Democratic policy committee and the chief legislative counsel on the Democratic side for a number of years. In these capacities his performance of duty as a general adviser was invaluable; his counsel as an attorney was of the highest credit to his profession; his very presence in any gathering was rewarding.

I believe that he earned the approbation of the entire membership of this body—Republicans and Democrats alike.

Since he has left us, he has advanced quite rapidly, and I am delighted that his many talents are being utilized to the fullest, and that his integrity and his understanding are being recognized.

I am very glad to see this nomination brought before the Senate, and to vote for its approval.

Mr. DIRKSEN. Mr. President, will the majority leader yield?

Mr. MANSFIELD. I yield.

Mr. DIRKSEN. Mr. President, I can recall no Senate employee who brought such amiability and such a high degree of courtesy and diligence to his chores with respect to the Senate as did Harry McPherson.

What the majority leader states is eminently correct. He was only too glad to serve all sides. Along with everything else, he brought an innate ability that was quite uncommon for a young man of his age.

I am delighted to see his advancement. I am sure it is fully merited, and that it is an expression of the confidence, esteem, and trust which is reposed in him by those whom he serves.

He is truly a great public servant.

The ACTING PRESIDENT pro tempore. The question is, Will the Senate advise and consent to the nomination of Harry C. McPherson, Jr., to be an Assistant Secretary of State?

The nomination was confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of this nomination.

The ACTING PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

On motion by Mr. MANSFIELD, the Senate resumed the consideration of legislative business.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT ON CONTRACTS NEGOTIATED BY NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

A letter from the Assistant Administrator for Legislative Affairs, National Aeronautics and Space Administration, Washington, D.C., transmitting, pursuant to law, a report on contracts negotiated by that Administration, for the 6-month period ended December 31, 1963 (with an accompanying report); to the Committee on Aeronautical and Space Sciences.

NOTICE OF CERTAIN CHANGES IN OUTSTANDING VOTING STOCK OF INSTITUTIONS INSURED UNDER TITLE IV OF NATIONAL HOUSING ACT

A letter from the Chairman, Federal Home Loan Bank Board, Washington, D.C., transmitting a draft of proposed legislation to provide for notice of certain changes in outstanding voting stock of institutions insured under title IV of the National Housing Act, and for other purposes (with accompanying papers); to the Committee on Banking and Currency.

REPORT ON UNECONOMICAL SECURITY GUARD FORCE OPERATIONS AT THE NATIONAL REACTOR TESTING STATION, IDAHO

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on uneconomical security guard force operations at the National Reactor Testing Station, Idaho, Atomic Energy Commission, dated July 1964 (with an accompanying report); to the Committee on Government Operations.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The ACTING PRESIDENT pro tempore appointed Mr. JOHNSTON and Mr.

CARLSON members of the committee on the part of the Senate.

CIVIL RIGHTS—RESOLUTION

The ACTING PRESIDENT pro tempore laid before the Senate a resolution adopted by the National Women's Committee for Civil Rights, Washington, D.C., expressing appreciation for the enactment of the civil rights bill, which was ordered to lie on the table.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. FULBRIGHT, from the Committee on Foreign Relations, without amendment:

S.J. Res. 189. Joint resolution to promote the maintenance of international peace and security in southeast Asia (Rept. No. 1329).

(See the remarks relating to the above joint resolution, which appear under a separate heading.)

REPORT OF JOINT COMMITTEE ON REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES—FEDERAL EMPLOYMENT AND PAY—REPORT OF A COMMITTEE

Mr. BYRD of Virginia. Mr. President, as chairman of the Joint Committee on Reduction of Nonessential Federal Expenditures, I submit a report on Federal employment and pay for the month of June 1964. In accordance with the practice of several years' standing, I ask unanimous consent to have the report printed in the RECORD together with a statement by me.

There being no objection, the report and statement were ordered to be printed in the RECORD, as follows:

FEDERAL PERSONNEL IN EXECUTIVE BRANCH, JUNE 1964 AND MAY 1964, AND PAY, MAY 1964 AND APRIL 1964

PERSONNEL AND PAY SUMMARY

(See table I)

Information in monthly personnel reports for June 1964 submitted to the Joint Committee on Reduction of Nonessential Federal Expenditures is summarized as follows:

Total and major categories	Civilian personnel in executive branch			Payroll (in thousands) in executive branch		
	In June numbered—	In May numbered—	Increase (+) or decrease (−)	In May was—	In April was—	Increase (+) or decrease (−)
Total [1]	2,481,494	[2] 2,478,868	+2,626	$1,320,466	[2] $1,365,622	−$45,156
Agencies exclusive of Department of Defense	1,451,653	1,442,576	+9,077	762,410	787,335	−24,925
Department of Defense	1,029,841	[2] 1,036,292	−6,451	558,056	[2] 578,287	−20,231
Inside the United States	2,325,335	[2] 2,314,053	+11,282			
Outside the United States	156,159	164,815	−8,656			
Industrial employment	549,214	551,486	−2,272			
Foreign nationals	140,299	145,760	−5,461	25,609	[3] 26,517	−908

[1] Exclusive of foreign nationals shown in the last line of this summary.
[2] Revised, see appendix, p. 11.
[3] Revised on basis of later information.

Table I breaks down the above figures on employment and pay by agencies.

Table II breaks down the above employment figures to show the number inside the United States by agencies.

Table III breaks down the above employment figures to show the number outside the United States by agencies.

Table IV breaks down the above employment figures to show the number in industrial-type activities by agencies.

Table V shows foreign nationals by agencies not included in tables I, II, III, and IV.

The appendix on page 18344 shows revisions in civilian employment and payroll figures for the Department of Defense and grand totals for the months of March, April, and May 1964.

TABLE I.—*Consolidated table of Federal personnel inside and outside the United States employed by the executive agencies during June 1964, and comparison with May 1964, and pay for May 1964, and comparison with April 1964*

Department or agency	Personnel				Pay (in thousands)			
	June	May	Increase	Decrease	May	April	Increase	Decrease
Executive departments (except Department of Defense):								
Agriculture	108,487	102,413	6,074		$49,052	$52,142		$3,090
Commerce	33,270	32,181	1,089		20,941	21,156		215
Health, Education, and Welfare	83,293	82,540	753		44,193	45,710		1,517
Interior	69,707	65,443	4,264		37,410	37,285	$125	
Justice	32,485	31,982	503		21,832	22,494		662
Labor	9,258	9,248	10		5,958	6,229		271
Post Office	585,313	586,638		1,325	284,970	292,842		7,872
State [1] [2]	41,402	41,639		237	22,286	23,021		735
Treasury	86,748	89,865		3,117	53,664	56,863		3,199
Executive Office of the President:								
White House Office	349	342	7		248	251		3
Bureau of the Budget	520	487	33		446	474		28
Council of Economic Advisers	41	39	2		34	34		
Executive Mansion and Grounds	74	76		2	49	44	5	
National Aeronautics and Space Council	25	25			22	25		3
National Security Council	43	42	1		36	37		1
Office of Emergency Planning	350	356		6	309	325		16
Office of Science and Technology	69	109		40	58	44	14	
Office of the Special Representative for Trade Negotiations	28	26	2		25	25		
President's Commission on the Assassination of President Kennedy	22	21	1		29	27	2	
President's Committee on Consumer Interests	16	9	7		6	4	2	
President's Committee on Equal Opportunity in Housing	6	6			5	5		
Independent agencies:								
Advisory Commission on Intergovernmental Relations	31	40		9	24	27		3
American Battle Monuments Commission	439	438	1		98	99		1
Atomic Energy Commission	7,270	7,248	22		5,631	5,908		277
Board of Governors of the Federal Reserve System	633	611	22		417	438		21
Civil Aeronautics Board	840	834	6		669	707		38
Civil Service Commission	3,887	3,875	12		2,409	2,427		18
Civil War Centennial Commission	5	5			4	4		
Commission of Fine Arts	6	6			6	6		
Commission on Civil Rights	89	81	8		50	48	2	
Delaware River Basin Commission	2	2			2	2		
Export-Import Bank of Washington	292	287	5		209	228		19
Farm Credit Administration	233	232	1		182	187		5
Federal Aviation Agency	[3] 45,438	45,261	177		33,300	34,439		1,139
Federal Coal Mine Safety Board of Review	7	7			5	5		
Federal Communications Commission	1,527	1,467	60		1,076	1,130		54
Federal Deposit Insurance Corporation	1,316	1,256	60		845	[4] 890		45
Federal Home Loan Bank Board	1,299	1,270	29		903	850	53	
Federal Maritime Commission	231	232		1	195	191	4	
Federal Mediation and Conciliation Service	414	410	4		373	390		17
Federal Power Commission	1,132	1,061	71		791	827		36
Federal Radiation Council	4	4			4	4		
Federal Reconstruction and Development Planning Commission for Alaska	8	6	2		1	([5])	1	
Federal Trade Commission	1,144	1,131	13		849	886		37
Foreign Claims Settlement Commission	207	195	12		105	110		5
General Accounting Office	4,346	4,237	109		2,935	3,077		142

See footnotes at end of table.

TABLE I.—*Consolidated table of Federal personnel inside and outside the United States employed by the executive agencies during June 1964, and comparison with May 1964, and pay for May 1964, and comparison with April 1964*—Continued

Department or agency	Personnel				Pay (in thousands)			
	June	May	Increase	Decrease	May	April	Increase	Decrease
Independent agencies—Continued								
General Services Administration	34,897	34,395	502		$17,230	$17,867		$637
Government Printing Office	7,352	7,317	35		4,302	4,540		238
Housing and Home Finance Agency	13,840	13,729	111		8,853	9,276		423
Indian Claims Commission	20	21		1	22	22		
Interstate Commerce Commission	2,390	2,366	24		1,712	1,779		67
National Aeronautics and Space Administration	32,510	31,582	928		24,035	25,450		1,415
National Capital Housing Authority	439	443		4	206	215		9
National Capital Planning Commission	63	58	5		40	43		3
National Capital Transportation Agency	43	44		1	41	43		2
National Gallery of Art	318	314	4		139	145		6
National Labor Relations Board	2,030	1,990	40		1,468	1,533		65
National Mediation Board	139	134	5		118	130		12
National Science Foundation	1,063	990	73		692	707		15
Panama Canal	14,773	14,752	21		5,449	5,347	$102	
President's Committee on Equal Employment Opportunity	61	61			42	43		1
Railroad Retirement Board	1,847	1,850		3	1,086	1,141		55
Renegotiation Board	206	207		1	180	190		10
St. Lawrence Seaway Development Corporation	160	161		1	102	103		1
Securities and Exchange Commission	1,379	1,347	32		978	1,030		52
Selective Service System	7,108	7,092	16		2,274	2,436		162
Small Business Administration	3,378	3,309	69		2,246	2,353		107
Smithsonian Institution	1,569	1,491	78		799	833		34
Soldier's Home	1,123	1,101	22		387	369	18	
Subversive Activities Control Board	27	26	1		24	25		1
Tariff Commission	289	269	20		207	217		10
Tax Court of the United States	156	155			133	138		5
Tennessee Valley Authority	17,353	17,593		240	10,876	11,079		203
U.S. Arms Control and Disarmament Agency	170	156	14		140	163		23
U.S. Information Agency	11,971	11,896	75		5,768	5,366	402	
Veterans' Administration	172,081	173,395		1,314	79,950	82,574		2,624
Virgin Islands Corporation	591	648		57	255	261		6
Woodrow Wilson Memorial Commission [4]	1	[5] 1			([6])			
Total, excluding Department of Defense	1,451,653	1,442,576	15,436	6,359	762,410	787,335	730	25,655
Net change, excluding Department of Defense			9,077				24,925	
epartment of Defense:								
Office of the Secretary of Defense	2,090	2,069	21		1,738	1,787		49
Department of the Army	369,560	370,950		1,390	194,175	199,837		5,662
Department of the Navy	332,682	331,521	1,161		186,903	194,212		7,309
Department of the Air Force	289,798	296,498		6,700	156,150	162,919		6,769
Defense Atomic Support Agency	1,931	1,951		20	990	1,037		47
Defense Communications Agency	883	865	18		796	635	161	
Defense Intelligence Agency [7]	2,093	[8] 2,076	17		1,472	[8] 1,563		91
Defense Supply Agency	30,274	29,836	438		15,536	15,987		451
U.S. Court of Military Appeals	40	39	1		34	36		2
Interdepartmental activities	8	7	1		5	5		
International military activities	54	55		1	40	45		5
Armed Forces information and education activities	428	425	3		217	224		7
Total, Department of Defense	1,029,841	[8] 1,036,292	1,660	8,111	558,056	[8] 578,287	161	20,392
Net decrease, Department of Defense			6,451				20,231	
Grand total, including Department of Defense [9] [10]	2,481,494	[8] 2,478,868	17,096	14,470	1,320,466	[8] 1,365,622	891	46,047
Net change, including Department of Defense			2,626				45,156	

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[1] June figure includes 15,642 employees of the Agency for International Development as compared with 15,882 in May and their pay. These AID figures include employees who are paid from foreign currencies deposited by foreign governments in a trust fund for this purpose. The June figure includes 4,084 of these trust fund employees and the May figure includes 4,141.

[2] June figure includes 1,082 employees of the Peace Corps as compared with 1,151 in May and their pay.

[3] Subject to revision.

[4] New agency, created pursuant to Public Law 87-364.

[5] Revised on basis of later information.

[6] Less than $500.

[7] Reported as "Classified activities" March 1965–February 1964, inclusive.

[8] Revised, see appendix, p. 11.

[9] Exclusive of personnel and pay of the Central Intelligence Agency and the National Security Agency.

[10] June figure includes 406 employees of the Interior Department employed under the Public Works Acceleration Act (Public Law 87-658), as compared with 574 in May.

TABLE II.—*Federal personnel inside the United States employed by the executive agencies during June 1964, and comparison with May 1964*

Department or agency	June	May	Increase	Decrease
Executive departments (except Department of Defense):				
Agriculture	107,309	101,217	6,092	
Commerce	32,616	31,509	1,107	
Health, Education, and Welfare	82,636	81,877	759	
Interior	69,098	64,814	4,284	
Justice	32,124	31,630	494	
Labor	9,162	9,142	20	
Post Office	583,729	585,065		1,336
State [1] [2]	10,830	10,784	46	
Treasury	86,083	89,201		3,118
Executive Office of the President:				
White House Office	349	342	7	
Bureau of the Budget	520	487	33	
Council of Economic Advisers	41	39	2	
Executive Mansion and Grounds	74	76		2
National Aeronautics and Space Council	25	25		
National Security Council	43	42	1	
Office of Emergency Planning	350	356		6
Office of Science and Technology	69	109		40
Office of the Special Representative for Trade Negotiations	28	26	2	
President's Commission on the Assassination of President Kennedy	22	21	1	
President's Committee on Consumer Interests	16	9	7	
President's Committee on Equal Opportunity in Housing	6	6		
Independent agencies:				
Advisory Commission on Intergovernmental Relations	31	40		9
American Battle Monuments Commission	7	7		
Atomic Energy Commission	7,233	7,211	22	
Board of Governors of the Federal Reserve System	633	611	22	
Civil Aeronautics Board	840	834	6	
Civil Service Commission	3,884	3,872	12	
Civil War Centennial Commission	5	5		
Commission of Fine Arts	6	6		
Commission on Civil Rights	89	81	8	
Delaware River Basin Commission	2	2		
Export-Import Bank of Washington	292	287	5	
Farm Credit Administration	233	232	1	
Federal Aviation Agency	[3] 44,327	44,166	161	
Federal Coal Mine Safety Board of Review	7	7		
Federal Communications Commission	1,524	1,464	60	
Federal Deposit Insurance Corporation	1,314	1,254	60	
Federal Home Loan Bank Board	1,299	1,270	29	
Federal Maritime Commission	231	232		1
Federal Mediation and Conciliation Service	414	410	4	
Federal Power Commission	1,132	1,061	71	
Federal Radiation Council	4	4		

See footnotes at end of table.

TABLE II.—*Federal personnel inside the United States employed by the executive agencies during June 1964, and comparison with May 1964*—Continued

Department or agency	June	May	Increase	Decrease
Independent agencies—Continued				
Federal Reconstruction and Development Planning Commission for Alaska	8	6	2	--------
Federal Trade Commission	1,144	1,131	13	--------
Foreign Claims Settlement Commission	173	161	12	--------
General Accounting Office	4,267	4,159	108	--------
General Services Administration	34,872	34,369	503	--------
Government Printing Office	7,352	7,317	35	--------
Housing and Home Finance Agency	13,637	13,526	111	--------
Indian Claims Commission	20	21	--------	1
Interstate Commerce Commission	2,390	2,366	24	--------
National Aeronautics and Space Administration	32,495	31,568	927	--------
National Capital Housing Authority	439	443	--------	4
National Capital Planning Commission	63	58	5	--------
National Capital Transportation Agency	43	44	--------	1
National Gallery of Art	318	314	4	--------
National Labor Relations Board	1,998	1,958	40	--------
National Mediation Board	139	134	5	--------
National Science Foundation	1,059	984	75	--------
Panama Canal	172	169	3	--------
President's Committee on Equal Employment Opportunity	61	61	--------	--------
Railroad Retirement Board	1,847	1,850	--------	3
Renegotiation Board	206	207	--------	1
Saint Lawrence Seaway Development Corporation	160	161	--------	1
Securities and Exchange Commission	1,379	1,347	32	--------
Selective Service System	6,956	6,940	16	--------
Small Business Administration	3,320	3,253	67	--------
Smithsonian Institution	1,552	1,474	78	--------
Soldiers' Home	1,123	1,101	22	--------
Subversive Activities Control Board	27	26	1	--------
Tariff Commission	289	269	20	--------
Tax Court of the United States	156	155	1	--------
Independent agencies—Continued				
Tennessee Valley Authority	17,351	17,592	--------	241
U.S. Arms Control and Disarmament Agency	170	156	14	--------
U.S. Information Agency	3,475	3,378	97	--------
Veterans' Administration	171,093	172,414	--------	1,321
Woodrow Wilson Memorial Commission [4]	1	[5] 1	--------	--------
Total, excluding Department of Defense	1,388,392	1,378,946	15,531	6,085
Net increase, excluding Department of Defense	--------	--------	9,446	
Department of Defense:				
Office of the Secretary of Defense	2,040	2,018	22	--------
Department of the Army	322,889	320,471	2,418	--------
Department of the Navy	309,439	308,090	1,349	--------
Department of the Air Force	266,933	269,344	--------	2,411
Defense Atomic Support Agency	1,931	1,951	--------	20
Defense Communications Agency	834	815	19	--------
Defense Intelligence Agency [6]	2,093	[7] 2,076	17	--------
Defense Supply Agency	30,274	29,836	438	--------
U.S. Court of Military Appeals	40	39	1	--------
Interdepartmental Activities	8	7	1	--------
International Military Activities	34	35	--------	1
Armed Forces Information and Education Activities	428	425	3	--------
Total, Department of Defense	936,943	[7] 935,107	4,268	2,432
Net increase, Department of Defense	--------	--------	1,836	
Grand total, including Department of Defense	2,325,335	[7] 2,314,053	19,799	8,517
Net increase, including Department of Defense	--------	--------	11,282	

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[1] June figure includes 2,942 employees of the Agency for International Development as compared with 2,843 in May.

[2] June figure includes 696 employees of the Peace Corps as compared with 770 in May.

[3] Subject to revision.

[4] New agency, created pursuant to Public Law 87-364.

[5] Revised on basis of later information.

[6] Reported as "Classified Activities" March 1963–February 1964, inclusive.

[7] Revised, see app., p. 11.

TABLE III.—*Federal personnel outside the United States employed by the executive agencies during June 1964, and comparison with May 1964*

Department or agency	June	May	Increase	Decrease
Executive departments (except Department of Defense):				
Agriculture	1,178	1,196	--------	18
Commerce	654	672	--------	18
Health, Education, and Welfare	657	663	--------	6
Interior	609	629	--------	20
Justice	361	352	9	--------
Labor	96	106	--------	10
Post Office	1,584	1,573	11	--------
State [1] [2]	30,572	30,855	--------	283
Treasury	665	664	1	--------
Independent agencies:				
American Battle Monuments Commission	432	431	1	--------
Atomic Energy Commission	37	37	--------	--------
Civil Service Commission	3	3	--------	--------
Federal Aviation Agency	1,111	1,095	16	--------
Federal Communications Commission	3	3	--------	--------
Federal Deposit Insurance Corporation	2	2	--------	--------
Foreign Claims Settlement Commission	34	34	--------	--------
General Accounting Office	79	78	1	--------
General Services Administration	25	26	--------	1
Housing and Home Finance Agency	203	203	--------	--------
National Aeronautics and Space Administration	15	14	1	--------
National Labor Relations Board	32	32	--------	--------
National Science Foundation	4	6	--------	2
Panama Canal	14,601	14,583	18	--------
Selective Service System	152	152	--------	--------
Independent agencies—Continued				
Small Business Administration	58	56	2	--------
Smithsonian Institution	17	17	--------	--------
Tennessee Valley Authority	2	1	1	--------
U.S. Information Agency	8,496	8,518	--------	22
Veterans' Administration	988	981	7	--------
Virgin Islands Corporation	591	648	--------	57
Total, excluding Department of Defense	63,261	63,630	68	437
Net decrease, excluding Department of Defense	--------	--------	369	
Department of Defense:				
Office of the Secretary of Defense	50	51	--------	1
Department of the Army	46,671	50,479	--------	3,808
Department of the Navy	23,243	23,431	--------	188
Department of the Air Force	22,865	27,154	--------	4,289
Defense Communications Agency	49	50	--------	1
International Military Activities	20	20	--------	--------
Total, Department of Defense	92,898	101,185	--------	8,287
Net decrease, Department of Defense	--------	--------	8,287	
Grand total, including Department of Defense	156,159	164,815	68	8,724
Net decrease, including Department of Defense	--------	--------	8,656	

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[1] June figure includes 12,700 employees of the Agency for International Development as compared with 13,039 in May. These AID figures include employees who are paid from foreign currencies deposited by foreign governments in a trust fund for this purpose. The June figure includes 4,084 of these trust fund employees and the May figure includes 4,141.

[2] June figure includes 386 employees of the Peace Corps as compared with 381 in May.

TABLE IV.—*Industrial employees of the Federal Government inside and outside the United States employed by the executive agencies during June 1964, and comparison with May 1964*

Department or agency	June	May	Increase	Decrease
Executive departments (except Department of Defense):				
Agriculture	3,535	3,900	--------	365
Commerce	5,969	5,804	165	--------
Interior	9,176	9,255	--------	79
Post Office	274	260	14	--------
Treasury	5,380	5,339	41	--------
Independent agencies:				
Atomic Energy Commission	276	269	7	--------
Federal Aviation Agency	2,597	2,717	--------	120
General Services Administration	1,952	1,919	33	--------
Government Printing Office	7,352	7,317	35	--------
Independent agencies—Continued				
National Aeronautics and Space Administration	32,510	31,582	928	--------
Panama Canal	7,323	7,357	--------	34
St. Lawrence Seaway Development Corporation	160	160	--------	--------
Tennessee Valley Authority	14,230	14,418	--------	188
Virgin Islands Corporation	591	648	--------	57
Total, excluding Department of Defense	91,325	90,945	1,223	843
Net increase, excluding Department of Defense	--------	--------	380	

TABLE IV.—*Industrial employees of the Federal Government inside and outside the United States employed by the executive agencies during June 1964, and comparison with May 1964*—Continued

Department or agency	June	May	Increase	Decrease
Department of Defense:				
Department of the Army:				
Inside the United States	[1] 135,425	[2] 137,036		1,611
Outside the United States	[1] 4,125	[2] 4,406		281
Department of the Navy:				
Inside the United States	188,146	187,335	811	
Outside the United States	1,275	1,275		
Department of the Air Force:				
Inside the United States	126,272	127,823		1,551
Outside the United States	998	1,008		10
Department of Defense—Continued				
Defense Supply Agency:				
Inside the United States	1,648	1,658		10
Total, Department of Defense	457,889	460,541	811	3,463
Net decrease, Department of Defense			2,652	
Grand total, including Department of Defense	549,214	551,486	2,034	4,306
Net decrease, including Department of Defense			2,272	

[1] Subject to revision.

[2] Revised on basis of later information.

TABLE V.—*Foreign nationals working under U.S. agencies overseas, excluded from tables I through IV of this report, whose services are provided by contractual agreement between the United States and foreign governments, or because of the nature of their work or the source of funds from which they are paid, as of June 1964 and comparison with May 1964*

Country	Total		Army		Navy		Air Force	
	June	May	June	May	June	May	June	May
Canada	9	9					9	9
Crete	84	86					84	86
England	2,597	2,762			108	109	2,489	2,653
France	17,049	17,667	13,699	14,288	8	9	3,342	3,370
Germany	69,552	72,690	58,760	61,640	69	82	10,723	10,968
Greece	266	271			28	35	238	236
Japan	44,174	45,555	15,273	15,353	13,151	[1] 13,275	15,750	16,927
Korea	5,528	5,661	5,528	5,661				
Morocco	637	655			637	655		
Netherlands	55	56					55	56
Trinidad	348	348			348	348		
Total	140,299	145,760	93,260	96,942	14,349	14,513	32,690	34,305

[1] Revised on basis of later information.

APPENDIX

Employment by the Defense Intelligence Agency and its payroll costs were omitted from the monthly personnel reports published by the Joint Committee on Reduction of Nonessential Federal Expenditures for March, April, and May 1964 because the employment figures for this agency temporarily were classified during that period. These figures were declassified by the Department of Defense as of July 6, 1964.

As a result of the declassification revisions in civilian employment and payroll figures for the Department of Defense and grand totals, as published by the committee in tables I and II of Committee Prints Nos. 242, 243, and 244 for the months of March, April, and May 1964, are shown as follows:

	Personnel				Payroll (in thousands)			
	February	March	April	May	January	February	March	April
Table I.—Consolidated table of Federal personnel inside and outside the United States:								
Department of Defense:								
Previously reported total	1,038,201	1,037,290	1,037,265	1,034,216	$596,155	$530,383	$580,578	$576,724
Add: Defense Intelligence Agency	1,965	2,055	2,068	2,076	1,403	1,256	1,583	1,563
Revised total	1,040,166	1,039,345	1,039,333	1,036,292	597,558	531,639	582,161	578,287
Agencies exclusive of Department of Defense	1,430,229	1,432,755	1,443,091	1,442,576	822,765	731,183	782,399	787,335
Revised grand total	2,470,395	2,472,100	2,482,414	2,478,868	1,420,323	1,262,822	1,364,560	1,365,622
Table II.—Federal personnel inside the United States:								
Department of Defense:								
Previously reported total	935,339	934,879	935,140	933,031				
Add: Defense Intelligence Agency	1,965	2,055	2,068	2,076				
Revised total	937,304	936,934	937,208	935,107				
Agencies exclusive of Department of Defense	1,365,345	1,368,063	1,378,716	1,378,946				
Revised grand total	2,302,649	2,304,997	2,315,924	2,314,053				

STATEMENT BY SENATOR BYRD OF VIRGINIA

THE MONTH OF JUNE 1964

Civilian employees

Executive agencies of the Federal Government reported civilian employment in the month of June totaling 2,481,494 compared with 2,478,868 in May. This was a net increase of 2,626, including a net decrease of 168 in temporary employment under the public works acceleration program authorized by Public Law 87-658.

Civilian employment reported by the executive agencies of the Federal Government, by months in fiscal year 1964, which began July 1, 1963, follows:

Month	Employment	Increase	Decrease
July 1963	2,518,857	9,149	
August	2,515,033		3,824
September	2,492,170		22,863
October	2,494,175	2,005	
November	2,493,379		796
December	2,487,856		5,523
January 1964	2,473,546		14,310
February	2,470,395		3,151
March	2,472,100	1,705	
April	2,482,414	10,314	
May	2,478,868		3,546
June	2,481,494	2,626	

Total Federal employment in civilian agencies for the month of June was 1,451,653, an increase of 9,077 as compared with the May total of 1,442,576. Total civilian employment in the military agencies in June was 1,029,841, a decrease of 6,451 as compared with 1,036,292 in May.

Civilian agencies reporting larger increases were Agriculture Department with 6,074, Interior Department with 4,264, and Commerce Department with 1,089. The largest decreases were reported by the Treasury Department with 3,117, Post Office Department with 1,325, and Veterans' Administration with 1,314. Agriculture, Interior, and Treasury Department changes were largely seasonal.

In the Department of Defense the largest increase in civilian employment was reported by the Navy Department with 1,161. The largest decreases were reported by the Air Force Department with 6,700 and the Army Department with 1,390.

Inside the United States, civilian employment increased 11,282, and outside the United States civilian employment decreased 8,656. Industrial employment by Federal agencies in June totaled 549,214, a decrease of 2,272.

These figures are from reports certified by the agencies as compiled by the Joint Committee on Reduction of Nonessential Federal Expenditures.

Foreign nationals

The total of 2,481,494 civilian employees certified to the Committee by Federal agencies in their regular monthly personnel reports includes some foreign nationals employed in U.S. Government activities abroad, but in addition to these there were 140,299 foreign nationals working for U.S. agencies during June who were not counted in the usual personnel reports. The number in May was 145,760. A breakdown of this employment for June follows:

Foreign nationals

Country	Total	Army	Navy	Air Force
Canada	9			9
Crete	84			84
England	2,597		108	2,489

Foreign nationals—Continued

Country	Total	Army	Navy	Air Force
France	17,049	13,699	8	3,342
Germany	69,552	58,760	69	10,723
Greece	266	--------	28	238
Japan	44,174	15,273	13,151	15,750
Korea	5,528	5,528	--------	--------
Morocco	637	--------	637	--------
Netherlands	55	--------	--------	55
Trinidad	348	--------	348	--------
Total	140,299	93,260	14,349	32,690

SUMMARY FOR FISCAL YEAR 1964, ENDED JUNE 30, 1964

For the past 9 years the Committee, in its statement accompanying the monthly personnel report for June—the last month in the fiscal year—has summarized the changes in Federal civilian employment during the year ending. Following this practice, changes during fiscal year 1964 are summarized below.

There was a net decrease of 28,214 in civilian employment by executive branch agencies of the Federal Government during fiscal year 1964 which ended June 30, 1964. The total at the end of the year was 2,481,494 as compared with 2,509,708 in June 1963.

Civilian and military agencies

There was a net decrease during the year of 8,031 in employment by civilian agencies of the Government, and a decrease of 20,183 in civilian employment by military agencies. Employment by civilian agencies at the year-end totaled 1,451,653 as compared with 1,459,684 a year ago. Civilian employment by military agencies totaled 1,029,841 as compared with 1,050,024 in June 1963.

Inside and outside the United States

There was a decrease of 21,601 in employment within the United States by Federal executive agencies, and a decrease of 6,613 in employment outside the United States. Employment inside the United States as of June 30, 1964, totaled 2,325,335 as compared with 2,346,936 a year ago. Employment outside the United States as of June 30, 1964, totaled 156,159 as compared with 162,772 a year ago.

Employment for the year is summarized as follows:

Federal civilian employment, June 1963 to June 1964

	June 1963	June 1964	Decrease
Total	2,509,708	2,481,494	28,214
Civilian agencies	1,459,684	1,451,653	8,031
Military agencies	1,050,024	1,029,841	20,183
Inside the United States	2,346,936	2,325,335	21,601
Outside the United States	162,772	156,159	6,613

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred, as follows:

By Mr. ALLOTT:

S. 3085. A bill for the relief of Demetrious Tsatsas; to the Committee on the Judiciary.

By Mr. MAGNUSON (for himself and Mr. JACKSON):

S. 3086. A bill to amend the act prohibiting fishing in the territorial waters of the United States by vessels other than vessels of the United States in order to expand the definition of the term "fisheries"; to the Committee on Commerce.

(See the remarks of Mr. MAGNUSON when he introduced the above bill, which appear under a separate heading.)

By Mr. HARTKE:

S. 3087. A bill for the relief of Olga Milanovitch; and

S. 3088. A bill for the relief of Athanasia Nikolopoulos and Soterios Nikolopoulos; to the Commitee on the Judiciary.

PROHIBITION OF ALIEN FISHING VESSELS IN TERRITORIAL WATERS OF THE UNITED STATES

Mr. MAGNUSON. Mr. President, for myself and my colleague, the junior Senator from Washington [Mr. JACKSON], I introduce, for appropriate reference, a bill to prohibit any foreign vessel from processing fish in our territorial waters. During the past several weeks, eight Japanese factory ships have, upon invitation, entered our territorial waters to not only purchase, but process raw salmon. These vessels are each of a size exceeding 3,000 tons and each had a complement of crew and workers numbering over 100. I believe that it is obvious to all that this practice is one that places the American cannery operator, employing American labor, paying Federal taxes and subjected to all other American laws, in an impossible competitive position. I understand, for example, that the present wage rate paid employees on Japanese factory ships is approximately 33 cents an hour. I have, however, requested the Bureau of Commercial Fisheries to provide me with a comprehensive, detailed and factual intelligence report on all aspects of this engagement.

I must add, Mr. President, that I was amazed that this activity was carried out with no Federal agency reporting any violation of our present immigration, customs, labor, Coast Guard, revenue or communication law. Only the Department of State seems to realize the seriousness of the situation and has asked the Japanese Government to take what could become an important "second look" at this grave problem.

To the best of my knowledge, this was the first occasion for a foreign factory ship to engage in purchasing and processing fishery products within our territorial waters. This whole matter must be carefully reviewed by all Federal agencies and by Congress. It is my hope that the introduction of this legislation will initiate this comprehensive review and lead to a determination by all concerned that this type of incident will not reoccur.

The PRESIDING OFFICER (Mr. INOUYE in the chair). The bill will be received and appropriately referred.

The bill (S. 3086) to amend the act prohibiting fishing in the territorial waters of the United States by vessels other than vessels of the United States in order to expand the definition of the term "fisheries" introduced by Mr. MAGNUSON (for himself and Mr. JACKSON) was received, read twice by its title, and referred to the Committee on Commerce.

AUTHORIZATION FOR THE SECRETARY OF THE ARMY TO PAY FAIR VALUE FOR IMPROVEMENTS LOCATED ON RAILROAD RIGHT-OF-WAY—CHANGE OF REFERENCE

Mr. MILLER. Mr. President, I ask unanimous consent that the bill (H.R. 1136) to authorize the Secretary of the Army to pay fair value for improvements located on the railroad right-of-way owned by bona fide lessees or permittees, which was previously referred to the Committee on Public Works, be re-referred to the Committee on the Judiciary.

I have coordinated this request with the chairmen of both committees and with the leadership.

The PRESIDING OFFICER. Without objection, it is so ordered.

SOCIAL SECURITY AMENDMENTS OF 1964—AMENDMENTS (AMENDMENT NO. 1192)

"BLANKETING IN" OF PERSONS OVER 72

Mr. HARTKE. Mr. President, I submit an amendment which I intended to propose to H.R. 11865, the social security amendment bill, which would be in keeping with the general tenor of the bill as drafted but which would go somewhat further along the same lines.

I refer to the present section 5 of the bill, which would liberalize the eligibility requirements for an estimated 600,000 persons over 72. Under the present proposal, there would be a transitional insured status, so that in order to receive a $35 monthly benefit a man of 72 would have to meet a requirement of 6 quarters of coverage. This would decrease by one quarter for each additional year of age, so that a man of 76 or over would need 3 quarters, while women are covered in the same way at 3 years earlier in age. There is a similar sliding scale of coverage requirements for liberalized widow's benefits, depending on the quarters of coverage and the year of the husband's death.

Here is an administratively complex provision which still leaves no benefits for somewhere near a million persons, most of whom did not have the opportunity to qualify for the quarters of coverage now required. It is among these people that poverty is often most intense. Inez Robb, the well-known columnist, recently wrote that supermarket clerks have become accustomed to the sight of old people, including those known not to keep pets, loading their shopping carts with cans of dog food. We are in a most pitiable state when our elderly are reduced to such a means of economizing, even though in terms of nourishment alone they may be finding one more way to stretch their meager food dollars.

According to estimates appearing in the House report, the provisions of the present section 5 with its limitations would benefit about 600,000 at a cost of $250 million. I am reliably informed that this figure was not thoroughly researched at the time for lack of sufficient notice to the estimators, who subsequently explored more fully the effect upon widows. The revised figure, which I believe will be in tomorrow's testimony, reduces the number included to about 400,000 and the cost to $160 million.

The amendment which I am submitting as a substitute for the present section 5, by its broader application, would give a badly needed modicum of assistance to many persons not now included. The Social Security Administration reports that about 60 percent of these people are dependent upon public assistance, and that Federal old-age assistance payments would be reduced by about $200 million if all persons over 72 are "blanketed in" as my amendment would do.

To sum up, my amendment would immediately bring under social security all persons 72 years of age and older who are not presently covered. To qualify for the stipulated monthly benefit of $40, they must be U.S. citizens, continuously in residence for the past 18 months, or if not a citizen, a continuous resident for the past 10 years. In addition, after 1967 such an individual must have not less than two quarters of coverage for each calendar year after 1964. These quarters, however, may have been previously earned. There is, however, a provision which will provide these blanket benefits only to those who have less than $100 in monthly benefits from any other governmental pension. For a State, Federal, or other such pension exceeding $100 monthly, there would be an offset of the excess against the social security benefit. Thus, instead of a $40 monthly social security benefit, a person with a $120 monthly civil service pension would receive only $20. No pension would be paid for any month in which the recipient was an inmate of a public institution; in which an alien recipient is outside the United States; or to anyone affiliated with a Communist organization as defined by reference to the Internal Security Act of 1950.

Mr. President, the proposal of the present section 5 is a step in the right direction, but it is too short and feeble a step. Rather than aiding only 400,000 persons by the complex quarter system set forth there, we should put into the system all of the million and a half persons presently excluded in most cases by no fault of their own. They just happened to be born at the wrong time to be able to qualify under the existing rules during their working years. About half of these people had to give up work several years ago before they could qualify for social security, while the other half are widows whose husbands died before they were able to qualify.

Congress has broadened the coverage until today more than 76 million workers are in covered employment. But there are still persons living, and many of them among the most needy, who were already retired when we brought in 10 million new workers in 1950. Another 10 million farm laborers and professional workers were made eligible in 1954, but those who had given up such work before 1954 were also unfortunate. They have never been able to qualify. Inadvertently or not, they have been discriminated against. The just and equitable way to deal with them in today's society is not to treat them as the society into which they were born in the last century would have done. It is to allow them to share in the affluence of the United States today, to recognize their need, to fight these great pockets of personal poverty by a reasonable but heartwarming practice of concern for their welfare.

Part of the reasonableness of the proposal I make lies in its provisions for making this a transitional period to carry us forward to the time when all those now under expanded coverage will have been qualified and the problem of the elderly without pension benefits will be automatically eliminated. By 1970 the 1½ million eligible under my amendment would be reduced to about 1.17 million. It is estimated by Mr. Robert J. Myers of the Social Security Administration that no new persons would be added to the roll after 1971. By 1975, the toll of time would reduce beneficiaries to the number of 550,000, to 180,000 by 1980, to 50,000 by 1985, and to only 10,000 by 1990. Benefit disbursements would decrease accordingly each year.

While the cost would be heavier at the start, it is instructive to note the words of Mr. Myers in a memorandum he prepared as Chief Actuary of the Social Security Administration under date of June 26, 1964. He says:

> About 60 percent of those blanketed-in would be OAA recipients, who would have their OAA payments reduced or, in some cases, eliminated. The Federal savings in OAA would be about $200 million in 1965, and gradually reducing amounts in subsequent years. Over the 7-year period, 1965–71, such Federal savings would total about $1,180 million, or somewhat more than the $985 million of reimbursements to the Trust Fund (from the General Treasury). After 1971, there would continue to be Federal savings with respect to OAA, and these would total about $650 million more.

While Mr. Myers' memorandum was directed to the proposal of Congressman JOHN W. BYRNES, in H.R. 2829, my own proposal is very closely related to it, so that I do not believe the figures quoted are substantially in error for this amendment.

The complete blanketing-in of all those over 72, as my amendment would do, would still provide for these people only $480 per year each at $40 per month. The total cost in the first year, which would be the highest year, would be at that rate, for a million and a half persons, about $720 million. Taking out the $200 million in OAA savings which Mr. Myers estimates, the net cost would be $520 million.

This is a sum which this Nation can well afford for the benefit of its elderly citizens, who did not have an opportunity by the accident of their birth in the wrong year to become eligible for benefits. We can help to restore to those 60 percent who are now on old-age assistance the dignity which their declining years deserves to know. They are our mothers and fathers, the grandfathers and grandmothers who built the base upon which rests today's unprecedented prosperity. We can, and we must, do this much for them.

The PRESIDING OFFICER. The amendment will be received, printed, and appropriately referred.

The amendment (No. 1192) was referred to the Committee on Finance.

AMENDMENT OF FOREIGN ASSISTANCE ACT OF 1961—AMENDMENTS (AMENDMENTS NOS. 1193 AND 1194)

Mr. DOMINICK submitted two amendments, intended to be proposed by him, to the bill (H.R. 11380) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes, which were ordered to lie on the table and to be printed.

NOTICES OF MOTIONS TO SUSPEND THE RULE—AMENDMENTS TO PUBLIC WORKS APPROPRIATION BILL

AMENDMENT NO. 1195

Mr. ELLENDER submitted the following notice in writing:

> In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H.R. 11579) making appropriations for certain civil functions administered by the Department of Defense, the Panama Canal, certain agencies of the Department of the Interior, the Atomic Energy Commission, the St. Lawrence Seaway Development Corporation, the Tennessee Valley Authority, and the Delaware River Basin Commission, for the fiscal year ending June 30, 1965, and for other purposes, the following amendment; namely, on page 4, line 13, after the word "expended" insert: ", and of which not to exceed $131,500 shall be available for construction of a road from the new townsite of Lower Brule to Counsellor Cove, and such work is hereby authorized".

Mr. ELLENDER also submitted an amendment (No. 1195) intended to be proposed by him, to House bill 11579, making appropriations for certain civil functions administered by the Department of Defense, the Panama Canal, certain agencies of the Department of the Interior, the Atomic Energy Commission, the St. Lawrence Seaway Development Corporation, the Tennessee Valley Authority and the Delaware River Basin Commission, for the fiscal year ending June 30, 1965, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

AMENDMENT NO. 1196

Mr. ELLENDER also submitted the following notice in writing:

> In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H.R. 11579) making appropriations for certain civil functions administered by the Department of Defense, the Panama Canal, certain agencies of the Department of the Interior, the Atomic Energy Commission, the St. Lawrence Seaway Development Corporation, the Tennessee Valley Authority and the Delaware River Basin Commission, for the fiscal year ending June 30, 1965, and for other purposes, the following amendment; namely, on page 4, line 13, after the word "expended" insert: ", of which $64,000 shall be available for the readjustment and alteration of the facilities of the Broughton Mutual Telephone Co. to permit continued service to the present users not affected by the Milford Dam and Reservoir project".

Mr. ELLENDER also submitted an amendment, No. 1196, intended to be proposed by him, to House bill 11579, making appropriations for certain civil functions administered by the Department of Defense, the Panama Canal, certain agencies of the Department of the

Interior, the Atomic Energy Commission, the St. Lawrence Seaway Development Corporation, the Tennessee Valley Authority, and the Delaware River Basin Commission, for the fiscal year ending June 30, 1965, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

AMENDMENT NO. 1197

Mr. HAYDEN submitted the following notice in writing:

In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intetnion to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H.R. 11579) making appropriations for certain civil functions administered by the Department of Defense, the Panama Canal, certain agencies of the Department of the Interior, the Atomic Energy Commission, the St. Lawrence Seaway Development Corporation, the Tennessee Valley Authority and the Delaware River Basin Commission, for the fiscal year ending June 30, 1965, and for other purposes, the following amendment; namely, on page 11, line 25, after the words "Port Chicago" insert a colon and the following: "*Provided further,* That not to exceed $26,000 shall be available for reimbursement to the city of Malta, Montana, for the cost of improvements to streets and appurtenant facilities adjoining property under the jurisdiction of the Department of the Interior in that city to be nonreimbursable and nonreturnable".

Mr. HAYDEN also submitted an amendment, No. 1197, intended to be proposed by him, to House bill 11579, making appropriations for certain civil functions administered by the Department of Defense, the Panama Canal, certain agencies of the Department of the Interior, the Atomic Energy Commission, the St. Lawrence Seaway Development Corporation, the Tennessee Valley Authority, and the Delaware River Basin Commission, for the fiscal year ending June 30, 1965, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

AMENDMENT NO. 1198

Mr. HAYDEN also submitted the following notice in writing:

In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H.R. 11579) making appropriations for certain civil functions administered by the Department of Defense, the Panama Canal, certain agencies of the Department of the Interior, the Atomic Energy Commission, the St. Lawrence Seaway Development Corporation, the Tennessee Valley Authority, and the Delaware River Basin Commission, for the fiscal year ending June 30, 1965, and for other purposes, the following amendment; namely, on page 11, line 25, after the words "Port Chicago" insert a colon and the following: "*Provided further,* That not to exceed $200,000 of funds made available for improvement of access roads in the Weber Basin project area shall be nonreimbursable".

Mr. HAYDEN also submitted an amendment, No. 1198, intended to be proposed by him, to House bill 11579, making appropriations for certain civil functions administered by the Department of Defense, the Panama Canal, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Saint Lawrence Seaway Development Corporation, the Tennessee Valley Authority and the Delaware River Basin Commission, for the fiscal year ending June 30, 1965, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

AMENDMENT NO. 1199

Mr. HAYDEN also submitted the following notice in writing:

In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H.R. 11579) making appropriations for certain civil functions administered by the Department of Defense, the Panama Canal, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Saint Lawrence Seaway Development Corporation, the Tennessee Valley Authority and the Delaware River Basin Commission, for the fiscal year ending June 30, 1965, and for other purposes, the following amendment; namely on page 11, line 21, after the word "customer" insert a colon and the following: "*Provided further,* That not to exceed $2,000,000 as proposed in Senate Document 89, Eighty-eighth Congress, for maintaining suitable water quality in the Colorado River shall be nonreimbursable".

Mr. HAYDEN also submitted an amendment, No. 1199, intended to be proposed by him, to House bill 11579, making appropriations for certain civil functions administered by the Department of Defense, the Panama Canal, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Saint Lawrence Seaway Development Corporation, the Tennessee Valley Authority, and the Delaware River Basin Commission, for the fiscal year ending June 30, 1965, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

AMENDMENT NO. 1200

Mr. HAYDEN also submitted the following notice in writing:

In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H.R. 11579) making appropriations for certain civil functions administered by the Department of Defense, the Panama Canal, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Saint Lawrence Seaway Development Corporation, the Tennessee Valley Authority and the Delaware River Basin Commission, for the fiscal year ending June 30, 1965, and for other purposes, the following amendment; namely on page 13, after line 6, insert:

"EMERGENCY FUND

"To reimburse the emergency fund authorized by the Act of June 26, 1948 (62 Stat. 1052) for expenses incurred for repair of flood damage to irrigation facilities of the Milk River and Sun River Federal Reclamation Projects, $1,000,000. to remain available until June 30, 1965."

Mr. HAYDEN also submitted an amendment, No. 1200, intended to be proposed by him, to House bill 11579, making appropriations for certain civil functions administered by the Department of Defense, the Panama Canal, certain agencies of the Department of the Interior, the Atomic Energy Commission, the St. Lawrence Seaway Development Corporation, the Tennessee Valley Authority, and the Delaware River Basin Commission, for the fiscal year ending June 30, 1965, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

THE PUBLIC WORKS APPROPRIATION BILL, 1965—AMENDMENTS (AMENDMENTS NOS. 1201, 1202, AND 1203)

Mr. PROXMIRE submitted three amendments, intended to be proposed by him, to the bill (H.R. 11579) making appropriations for certain civil functions administered by the Department of Defense, the Panama Canal, certain agencies of the Department of the Interior, the Atomic Energy Commission, the St. Lawrence Seaway Development Corporation, the Tennessee Valley Authority, and the Delaware River Basin Commission, for the fiscal year ending June 30, 1965, and for other purposes, which were ordered to lie on the table and to be printed.

EXPRESSION OF THE SENSE OF THE CONGRESS THAT THE UNITED STATES SHOULD, ON CERTAIN COMMODITIES, BARGAIN AND NEGOTIATE IN GOOD FAITH—ADDITIONAL COSPONSOR OF CONCURRENT RESOLUTION

Under authority of the order of the Senate of July 31, 1964, the name of Mr. Dirksen was added as a cosponsor of the concurrent resolution (S. Con. Res. 91) to express the sense of the Congress that the United States should, on agricultural commodities as well as other commodities, bargain and negotiate in good faith as it is pledged to do under the Reciprocal Trade Act, submitted by Mr. Douglas (for himself and other Senators) on July 31, 1964.

SOCIAL SECURITY AMENDMENTS OF 1964—ADDITIONAL COSPONSORS OF AMENDMENT NO. 1178

Under authority of the order of the Senate of August 4, 1964, the names of Senators Bartlett, Clark, Dodd, Douglas, Hart, Humphrey, McIntyre, McNamara, Muskie, Randolph, Ribicoff, and Williams of New Jersey were added as additional cosponsors of amendment No. 1178, submitted by Mr. Gore (for himself and Mr. McCarthy), on August 4, 1964, intended to be proposed to the bill (H.R. 11865) to increase benefits under the Federal old-age, survivors, and disability insurance system, to provide child's insurance benefits beyond age 18 while in school, to provide widow's benefits at age 60 on a reduced basis, to provide benefits for certain individuals not otherwise eligible at age 72, to improve the actuarial status of the trust funds, to extend coverage, and for other purposes.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, August 6, 1964, he presented to the President of the United States the following enrolled bills:

S. 31. An act for the relief of Sonja Dolata;

S. 633. An act for the relief of Michelle Su Zehr (Lim Myung Im);

S. 858. An act for the relief of Miladin Kljajin;

S. 1015. An act for the relief of Edith Annikki McRae;

S. 1336. An act to provide that the price at which the Coast and Geodetic Survey sells certain charts and related material to the public shall not be less than the cost thereof;

S. 2088. An act for the relief of Tomoe Ishikawa Westley;

S. 2219. An act for the relief of Helen Marghitsa Georgalas;

S. 2225. An act for the relief of Christiane Antoine Bronas;

S. 2336. An act for the relief of John Richard Dolby; and

S. 2436. An act for the relief of Mihailo Radosavljevic.

THE CHARITABLE CONTRIBUTIONS FROM REPUBLICANS AND INDEPENDENTS BEING CHANNELED INTO AN ANTI-GOLDWATER MOVEMENT

Mr. SIMPSON. Mr. President, (Mr. INOUYE in the chair), the Washington Evening Star on Monday, August 3, 1964, carried an item from Louisville, Ky., which I found to be both astounding and shocking. The story concerned the annual conference of the Urban League meeting in the Kentucky city.

The article quoted a Mr. Whitney Young, Jr., executive director of the Urban League, to the effect that if Republicans win the White House this fall, the election will be followed by increased violence and mob action.

Mr. Young was quoted by the Star reporter as saying:

> The election of Senator GOLDWATER as President would open the door to rioting and disorder.

The Star story went on to quote Mr. Young:

> The ultraconservative faction of the Republican Party has no consideration or sympathy for Negroes.

Mr. President, this statement is patently ridiculous. The Senator from Arizona has time and again demonstrated his deep humanitarian nature. As an individual, guided by his own conscience and not forced by Government, he has taken the lead in the cause of social justice and equality for all. His record of individual action in this area is without blemish and one of which he—and all Republicans—can be justly proud.

This misstatement of fact, as heinous as it is, is not the worst feature of the situation as expounded by Mr. Young. It might be well to point out to my colleagues and to all Republicans everywhere that the Urban League is a member organization of the United Givers Fund or the Community Chest, or howevery the charitable organization is called in various communities. I have checked with the UGF in Washington, D.C., and find that the Urban League does receive funds from the charity drives conducted annually in this area. I was told, too, that a majority of Urban League chapters throughout the Nation are financed through the charitable donations to Community Chests or United Givers Funds.

Such organizations have no business entering politics. Charity upon which they depend knows no political bounds; Republican dollars are just as generously given as Democratic dollars.

I personally resent very much having my charity so misused and turned against my party and the party's nominee for President. If the Urban League is to become a political arm of the Democratic National Committee, then let the Democrat Committee finance it. If it is to remain a charitable institution, then let it confine its activities to charity and leave politics alone.

I ask unanimous consent that the article to which I have referred may be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Evening Star, Aug. 3, 1964]

UNITED STATES TO BAR SCHOOL FUNDS IN BIAS CASES, LEAGUE TOLD

(By Clarence Hunter)

LOUISVILLE, KY., August 3.—The U.S. Office of Education will "move swiftly and vigorously" to withdraw public school funds where racial discrimination persists, Commissioner of Education Francis I. Keppel said today.

He did not name any school systems which face immediate cutoff of Federal funds in his address to the annual National Urban League conference here.

Mr. Keppel said that school districts which are under Federal court orders to desegregate and are doing so in good faith will continue to get Federal money.

Those school districts under court order to desegregate which are not moving in good faith face the probability of losing Federal financing, Mr. Keppel indicated.

School systems which are not under court order to desegregate which are not moving in good faith face the probability of losing Federal financing, Mr. Keppel indicated.

School systems which are not under court order to desegregate, he said, but which file applications for Federal financing, will be required to assure the Office of Education that they are moving toward compliance with the 1954 Supreme Court decision.

NATIONAL SURVEY DUE

Title VI of the 1964 Civil Rights Act "means that Federal financial resources must never be used to assist one group, by virtue of color or national origin, to achieve an advantage over another," Mr. Keppel noted.

The Office of Education, he continued, will make a national survey of the "availability of equal educational opportunities in public education at every level." It has this responsibility under the Civil Rights Act, he noted.

His office, Mr. Keppel added, will upon request assist local school systems and communities prepare, adopt, and implement plans for a desegregation of their educational systems.

As the league conference opened. Whitney Young, Jr., league executive director, told a news conference that the election of Senator GOLDWATER as President would open the door to rioting and disorder.

REJECTION OF NEGROES CHARGED

"The ultraconservative faction of the Republican Party has no consideration of sympathy for the plight of Negroes," Mr. Young said.

Asked if he thought occupancy of the White House would cause Mr. GOLDWATER to change his civil rights ideas, Mr. Young replied:

"I have seen no rejection or repudiation of support by Senator GOLDWATER, since the Republican Convention, of the Ku Klux Klan or the racists. I would hope and pray of that he would address himself to the most crucial domestic problem of our time—civil rights—as well as the problem of poverty, unemployment, medical care, slums and social disorganization."

Mr. Young declared later in his keynote address that the Urban League "is more concerned with State's responsibilities than with States rights." In contrast to Senator GOLDWATER's controversial convention declaration on extremism, Mr. Young said:

"The Urban League believes that extremism, whether in the form of black nationalism or white Ku-Kluxism, is not a virtue but a vice."

He added that the Urban League believes moderation "as exemplified by positive, responsible action on the part of enlightened businessmen, labor leaders, Government officials and all decent Americans, is a virtue."

His address opening the conference at the Sheraton Hotel, was in some respects, a departure for the chief executive of the National Urban League.

The league, an interracial agency founded in 1910 to secure equal opportunity for Negro citizens, has carefully remained nonpartisan. It refrains from lobbying for legislation, for example, but it works within the framework of existing legislation to bring about social change.

Executives and staff members of the league's affiliates in 66 cities in 30 States and the District were told at meetings Saturday to get busy with voter registration campaigns which would qualify as many Negroes and whites as possible for the fall elections. Urban League units in Westchester County, N.Y., and Chicago already have voter registration efforts underway.

At his news conference, Mr. Young said President Johnson "would make a serious mistake" if he assumed a conservative posture. "It would confuse and dampen the ardor of liberals who would not work with the same zeal and it would be an invitation to return to the days of the Klan (influence) in the Democratic Party."

DEFENSE OF AMERICA'S NEWS MEDIA

Mr. McINTYRE. Mr. President, much has been said of late in extreme criticism of America's news media. Added to the old cries of sensationalism and circulation-building, have been accusations that the media have been captured either by the extreme left or the extreme right—depending on who is doing the criticizing. On the one hand, it is said, newspapers, magazines, radio, and television have not the courage to take a stand, being fearful of advertisers and sponsors. Then, again, there is the charge that reporting is not objective enough, that it is the job of the newsman merely to tell the news and keep his own observations to himself.

It is not my intention to defend the news media, for a couple of reasons: First, to the extent that they are responsible—which is a great extent—they are protected by the Constitution and by their own abilities to defend themselves. Second, I do not feel qualified as an expert in this field.

However, it is almost universally agreed that the Columbia Journalism Review, published by Columbia University Graduate School of Journalism, is perhaps the single most responsible critic of the American press. The current issue of the Review has a most worthwhile article entitled "Public Service: A 1964 Honor Roll." It was written by Columbia's Prof. John Hohenberg, author, journalism professor, and secretary to the advisory board on the Pulitzer Prizes.

In the article, Professor Hohenberg discusses some of the outstanding Pulitzer entries of the last year and draws this conclusion:

> True, we have by no means seen the last of shoddy newspapers and bad newspaper work, any more than we have been able as yet to achieve the millennium in politics, business and industry, law, medicine, religion, or the arts. But the readers of a respectable proportion of the American newspapers' 60 million copies a day do have the assurance that their editors and publishers are not satisfied to print a little news, a lot of stale entertainment, and whatever advertising they can hustle in a wholly unnecessary effort to stay in business.
>
> That kind of newspaper is on the way out. The public service newspaper, so deeply conscious of its social responsibility, is on the rise. That is the brightest and most helpful sign for our journalism.

Mr. President, I think these words ring true nationally, and I know they do in my State of New Hampshire. I have had my share of knocks in the New Hampshire press, and I have too much respect for the great majority of it to think these few words will do anything to change that. There is in my State, as elsewhere, a segment of the press that somewhere along the line lost sight of its duty to inform its readers, in depth but objectively in its news columns, while confining its opinions, responsibility, and truthfully, to its editorial columns.

These editors and publishers can not differentiate between molding public opinion and inciting to riot. Instead of serving the necessary purpose of devil's advocate, they choose to play the role of kingmaker—selecting candidates, putting words into their mouths, directing their every movement, and then pronouncing them perfectly suited for the electorate. These yellow sheets, spewing a onesided, lopsided siren song, earn my contempt, and wherever I can I would do my best to expose them to a partially unsuspecting public.

But my lack of respect for the irresponsible minority of the news media does not extend to all its members any more than my distaste for vultures makes me hate all birds, or my dislike for extremists has turned me against mankind. Those who insist we have a controlled press should look toward the Soviet Union's news media. Those who cry that the press has been captured by the leftwing, the liberals, or the Democratic Party should check how many of our most respected newspapers have seldom, or never, supported a Democrat for public office. To those who complain segments of the press have changed their allegiance only since the complainers have sought office, I would humbly suggest that before placing the blame, they take a good, long look at themselves and what they stand for.

Mr. President, I request unanimous consent that the article published in the summer 1964 issue of Columbia Journalism Review entitled, "Public Service: A 1964 Honor Roll," be printed at this point in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Public Service: A 1964 Honor Roll

(By John Hohenberg)

Kentucky's prison system is undergoing major reform.

North Carolina and Tennessee will have stricter voting laws in the 1964 presidential election.

Needy families in Washington, Baltimore, and several other cities are now protected against illegal profiteering in the Department of Agriculture's surplus food program.

In Arizona and Florida, prospective homeowners no longer will be victimized by fraudulent sales by mail of real estate.

In Florida, taxpayers will save millions of dollars in future bond issues through a full-scale reorganization of the State's road construction program.

Hundreds of youthful dropouts will be back in school in Indiana next fall without the expenditure of an extra cent of public funds.

In Philadelphia, the police department will be rid of those who once helped South Philadelphia's numbers racketeers.

These are a few examples of the accomplishments recorded by American newspapers in scores of public service programs and campaigns during the Pulitzer Prize season just past. Never before in the 48 years of the Pulitzer awards has there been so long and diversified an honor roll of accomplishments, large and small. In a responsible American newspaper campaign in 1964, the heaviest public service emphasis is likely to be on the progress of integration, on better government, and on better schools, accompanied by a deepening concern over the administration of public institutions and the conduct of public officials. Beyond purely local or national interests, there is a small but developing body of investigatory reporting of foreign affairs and public service presentations of background materials based on foreign policy discussions.

Very little of this is calculated to produce old-time screaming headlines or to send circulation figures soaring. When such a thing does happen, it is usually by accident, not by design. A worthwhile undertaking in public service journalism is rarely a good short-term investment, for it entails heavy additional costs, a far greater total staff effort, and a certain amount of risk even for highly successful managements. No way has yet been found to guarantee success in any such campaign and there are, of course, many that fail.

Still, an ever-increasing segment of the responsible American press is engaging in such work, often in the face of public apathy or even downright public hostility. Out of the 443 exhibits in the 1964 Pulitzer Prize categories for public service, for the 4 reporting divisions, and for editorial writing, more than half dealt with the press' commitment to the public interest in one form or another. (Nominees in cartooning, photography, and special citations accounted for the rest of the 626 entries.) Moreover, as has been pointed out by J. Montgomery Curtis, director of the American Press Institute, many similar efforts in the daily and weekly field were not entered, but scarcely went unnoticed in their own areas.

INTEGRATION A FAVORED TOPIC

The intense national press interest in the progress of integration, which was by far the most popular subject among the exhibits, illustrates a change in American newspapers' attitudes. Ten years ago, at the time of the historic Supreme Court decision on school segregation, there was no apparent interest in so touchy and difficult a topic. This year, newspapers in almost every major city and in many smaller ones—Eastern, Midwestern, Western, and among the more courageous and dedicated in the South—actively advanced the cause of integration in a mature and sophisticated manner.

A special Pulitzer citation, given to the Gannett Newspapers for their use of success stories in integration, was a partial recognition of the importance of the volume and quality of special coverage of the most challenging social problem of this era. Many individual newspapers, through the use of imaginative editing and reporting techniques and the bold display of pictures, made a special effort to give the public the essential background for an understanding of the crisis. Here was no mere routine recital of dull and unrelated facts (the curse of the newspaper) but a calculated effort to piece together the complicated mosaic of an emerging social pattern, surely a task worthy of the best in journalism.

It is obviously impossible to name every superior effort in this field. Some of the best were the Chicago Daily New's superb team report, "The Negro in Chicago"; a series by staff writers and Negro leaders in the St. Louis Post-Dispatch; the New York Post's special report on Negro education; the Washington Post's detailed coverage and interpretation; and extended commentaries and campaigns in the Des Moines Register, Denver Post, Charlotte Observer, Cincinnati Enquirer, and Boston Globe.

Among editorial writers, civil rights also dominated. For the second successive year the Pulitzer Prize went to the owner of a small weekly in Mississippi. This year the recipient was Hazel Brannon Smith of the Lexington Advertiser. But her courageous battle against the White Citizens Councils was not by any means a lone effort. There were others throughout the South who spoke for sanity and reason, among them Eugene Patterson of the Atlanta Constitution and John A. Hamilton of the Norfolk Ledger-Star. It was in part because of the work of Hamilton and his newspaper that the 1,700 Negro children of Prince Edward County, Va., once more are attending school, through the creation of a free school association, after a 4-year struggle. This achievement came a year before the Supreme Court's decision of May 26, 1964, calling for the reopening of the public schools in that county.

Both the 1964 presidential campaign and the public interest in civil rights legislation make it evident that integration is likely to be prominent for some time to come in American public service journalism. The overwhelming support the cause has received on the Nation's editorial pages outside the South is bound to be reflected in renewed campaigns and series in the news columns. There is a commitment here that is deep and lasting.

GOOD GOVERNMENT

The cause of good government—accompanied by exposés of bad government, misgovernment, and nongovernment—continues to attract the interest of enterprising newspapers in a volume second only to that of integration. The watchdog instinct will not be denied.

In the year just past, the Charlotte Observer did a staggering amount of work in exposing vote frauds based mainly on the misuse of absentee ballots. It was finally able to convince the legislature that reform of North Carolina's absentee ballot law was necessary. New laws were the result of the Observer's energetic campaign.

Nor was the Nashville Tennessean's exposure of vote frauds any less thorough. In addition to pushing through needed voting reforms, the Tennessean's campaigning helped convict six persons, including a city councilman, on a vote-fraud conspiracy charge.

In the equally important field of legislative reapportionment, victories were won by the Monterey Peninsula Herald in California and by the Hartford Times in Connecticut.

Issues of even greater complexity were explored by other newspapers. The New York Herald Tribune's series on "Our Sideline Legislators" created an uproar in the Republican-dominated New York Legislature with an exposure of some members' outside business interests. The San Jose News delved into a pattern of influence that had been exerted on California's State government. The Boston Globe did a series on "Reform in Massachusetts," certainly long overdue, and the Charleston Mail exposed "mystery companies" that were doing business with West Virginia's State government. Perhaps the most difficult feat in this area was the Wall Street Journal's carefully documented account of the outside business interests of some Federal judges, a forbidding but important subject.

Newspapers that campaigned in specific areas of government and pinpointed their targets appeared to achieve the most spectacular results. The St. Petersburg Times, winner of the Pulitzer Prize gold medal for public service, attacked irregularities in Florida's State road construction program, forced the resignation of the chairman of the Florida State Turnpike Authority, and achieved both reorganization and reform, with consequent savings of millions of dollars in future bond issues.

The Washington Daily News, through Samuel Stafford's one-man inquiry, unmasked wide abuses and profiteering in the Department of Agriculture's surplus food program for needy families, bringing about necessary reforms in Washington, Baltimore, and other cities.

In Kentucky, the Louisville Times, through the brilliant work of young reporter, Dick Berger forced reforms in the State's penal system. By going to prison voluntarily, Berger was able to uncover major abuses and to help his paper develop support for a 4-year program to create a model correctional plan.

There were achievements of equal importance elsewhere. The Cleveland Plain Dealer played a major role in the investigation and subsequent conviction of the Cuyahoga County recorder. The Dallas Morning News conducted a detailed inquiry into a railroad commissioner's outside oil interests. The Nashville Tennessean exposed workhouse conditions in Nashville through the efforts of John W. Hemphill, Jr., who became a voluntary prisoner to do the job. Another reporter, Rodney E. Wenz, finding employment as a psychiatric aid, helped the Rockford Register-Republic achieve reforms in an Illinois institution for the mentally retarded.

In another exposé, the Philadelphia Bulletin published the most unusual evidence of the year—pictures of city policemen in front of a south Philadelphia numbers bank. Results included a departmental shakeup, four arrests, and a Pulitzer Prize for Frederick A. Meyer, the photographer, and James V. Magee and Albert V. Gaudiosi, reporters.

Much more investigatory reporting was required of Robert A. Caro before his newspaper, Newsday, of Garden City, N.Y., was able to spring the trap on Florida and Arizona land-by-mail promoters, forcing many of them out of business and bringing about at least five indictments.

The detective story of the year came from Norman C. Miller, of the Wall Street Journal, another Pulitzer Prize winner. His was the first comprehensive account of the multimillion-dollar bankruptcy of the Allied Crude Vegetable Oil & Refining Co. and the huge swindle accompanying it.

There were a number of other campaigns dealing with the administration of justice, some more successful than others. The Miami News investigated alleged irregularities in Florida auto insurance. The Flint Journal attacked an alleged fraud in a Michigan water supply project. And in New York City, all newspapers protested editorially when a Bronx judge's son was freed by three other Bronx judges in connection with the auto deaths of five persons. After campaigns by the New York Journal-American, the New York Herald Tribune, and the New York Post, the judge's son was finally convicted of punching a Post photographer.

Widening interest in education attracted the attention of newspapers as large as the Chicago Tribune, with a special series on higher education, and as small as the Baxley News-Banner, which did a series on that Georgia town's own school problems. The Indianapolis News put on a campaign against school dropouts that achieved substantial results without any increase in funds for education. Thoughtful campaigns for the improvement of education facilities were published in such papers as the Cincinnati Enquirer, the Fall River Herald News and the Tucson Citizen. In Salt Lake City, the temporary solution of a school crisis was brought about in large part through the work of the Deseret News and the Salt Lake Tribune.

MODEST VICTORIES

Some newspapers were content to achieve relatively small victories which were, nevertheless, of benefit to their communities. Thus, the Clinton Herald raised funds to remodel and save the only hospital in Clinton, Iowa. The Duluth Herald and News-Tribune led a successful drive for a new auditorium. The Gainesville Sun of Florida exposed a home repair racket. The High Point Enterprise of North Carolina successfully fought for a school lunch program. The Kansas City Star discovered that some psychiatric patients had been put in a jail for lack of room in hospitals and succeeded in halting the practice. The New York Journal-American, in 2 days, persuaded New York City to rename Idlewild Airport in honor of John F. Kennedy. The Ogdensburg Journal battled for and restored regular airline service for its area in New York. The Orlando Sentinel put on a successful drive for a theater-convention hall.

This year, as in every year, a few newspapers uncovered new topics for public service campaigns. Before the assassination of President Kennedy, the Christian Science Monitor published a series by Josephine Ripley advocating a halt to all sales of guns by mail order, the method by which Lee Oswald obtained his profile. Newsday campaigned for a bridge between Connecticut and the Orient Point end of Long Island. The Minneapolis Tribune published a different kind of hospital series by Victor Cohn, its science editor, who reported on the city's hospitals in a highly sophisticated manner. The Wall Street Journal published an exposé of connections between the Mafia and business. Edwina Davis, science editor of the Atlanta Journal, did a series on epidemiology programs at the Atlanta Communicable Disease Center. The New Orleans States-Item published an article about a retarded child, written by his father. The Oakland Tribune and other papers in the area campaigned to halt the filling of San Francisco Bay. An investigatory series on Pennsylvania rural slums was featured by the Lancaster New Era. One of the most complex of all subjects, the national wheat referendum, was explained for city folk by Richard Orr, farm editor of the Chicago Tribune. Allan Temko, an architectural critic, published a protest in the San Francisco Chronicle against the design of a new cathedral in the city.

All the more familiar subjects were present in considerable numbers, some achieving more than others—urban renewal, science in industry, health problems, conservation of parklands, the problems of minorities other than Negroes, traffic safety, water conservation, the problems of labor. But the one closest to the hearts of the newspapermen themselves was the brilliant and revealing article by A. H. Raskin, of the New York Times, on the 114-day New York newspaper strike. There are few who can write even one such story during a lifetime.

This outpouring of public service journalism is a testimonal to the ever-deepening commitment of the responsible American press to the protection of the public interest. True, we have by no means seen the last of shoddy newspapers and bad newspaper work, any more than we have been able as yet to achieve the millennium in politics, business and industry, law, medicine, religion, or the arts. But the readers of a respectable proportion of the American newspapers' 60 million copies a day do have the assurance that their editors and publishers are not satisfied to print a little news, a lot of stale entertainment, and whatever advertising they can hustle in a wholly unnecessary effort to stay in business.

That kind of newspaper is on the way out. The public service newspaper, so deeply conscious of its social responsibility, is on the rise. That is the brightest and most hopeful sign for our journalism.

PROVOCATIVE ACTS OF THE UNITED STATES IN SOUTHEAST ASIA

Mr. MORSE. Mr. President, I ask that there be printed following my remarks in the RECORD telegrams that I received this morning in support of the position that I took yesterday on the floor of the Senate protesting the provocative acts of the United States leading to war in southeast Asia for the past several years.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. MORSE. Mr. President, these acts are provocations of which the United States, in my opinion, was guilty. U.S. action led to the violation of our rights by North Vietnam when they fired upon our ships. The violation of our rights came after the aggressive acts of South Vietnam naval-wise against two islands within 3 to 5 miles off the shore of Vietnam, with the full knowledge of the United States that the acts were going to take place. And while the acts were taking place, U.S. aircraft were in Tonkin Bay.

I received only two telegrams of criticism. But because those telegrams questioned my human paternity, I do not think they should be printed in the RECORD. Those are the only two wires that have been excluded from those which were received in my office.

EXHIBIT 1

PORTLAND, OREG., *August 6, 1964.*

Senator WAYNE MORSE,
Washington, D.C.:

We appreciate and applaud the courage evidenced in your statements on Vietnam. If there is a history, you will surely be remembered for it. Our prayers are with you. Perhaps even one speaking words of sanity can help turn the tide away from war.

Dr. and Mrs. John B. Urner.

Sausalito, Calif., *August 6, 1964.*

The Honorable Wayne Morse,
U.S. Senate, Washington, D.C.:

We support the correctness of your stand on Vietnam. We wish to protest the cruel and vicious attack by our country on North Vietnam. Unilateral action should end now. Thank you for your courageous voice.

Harold and Alma Johnson.

New York, N.Y., *August 6, 1964.*

Senator Wayne Morse,
Senate Office Building, Washington, D.C.:

Bravo for seeing and describing the quote emperor's clothes in southeast Asia.

Virginia Gerson.

Pasadena, Calif., *August 6, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Deeply disturbed and concerned over military action by United States in North Vietnam. Encourage and support your stand in this regard.

Sincerely,

E. Kellogg Peckham.

Berkeley, Calif., *August 6, 1964.*

Senator Wayne Morse of Oregon,
Senate Office Building,
Washington, D.C.:

Admire you no end for your stand—alone again if need be—against this stupid Hitler-like aggression in southeast Asia. As Democrats we are humiliated and angered by President Johnson's knuckling under to Senator Goldwater. Surely there must be better, more courageous men available at the approaching convention.

Barbara and George E. Davis.

San Francisco, Calif., *August 6, 1964.*

Senator Wayne Morse,
Washington, D.C.:

Your courageous Vietnam position represents the true sensibility and true Americanism in Washington. Congratulations.

John Bancroft.

New York, N.Y., *August 6, 1964.*

Senator Wayne Morse,
Senate Building,
Washington, D.C.:

Our profound thanks for your lone voice of sanity. There are many of us who, like you, prefer truth and peace.

Dore Ashton.

St. Louis, Mo., *August 6, 1964.*

Hon. Wayne Morse,
Senate Office Building,
Washington, D.C.:

Your lonely dissenting voice against President Johnson's reaction in Vietnam warrants approval. We share your feelings and concern and thank you for expressing your views.

Stephen and Joyce Best.

New York, N.Y., *August 6, 1964.*

Senator Wayne Morse,
Washington, D.C.

Dear Senator Morse: I support and encourage your responsible and thoughtful opposition to the congressional resoluton regarding our military action against North Vietnam. I trust that your courage will be hailed by all thinking people who are dedicated to the cause of peace and true American dignity.

Louis Gersten.

Orange, Calif., *August 6, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Thank you for your courageous espousal of unpopular opinion in the national interest. I, too, fear that we may muddle into a conflict with China which may bleed us of millions of young men and billions of dollars and the best we can hope for is another stalemate unless we are willing to go the full route to a nuclear exchange with Russia. You have again proven you are a leader and not a follower. Thank you.

Roberrt R. Haan, M.D.

Brooklyn, N.Y., *August 6, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Keep up the good work. You are our one hope for peace and sanity. We need more men like you regarding Vietnam war.

Robert Klein.

Watsonville, Calif., *August 6, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Your position on southeast Asia policy brave and sensible. You have our gratitude and full support.

John and Mary Teeling.

Beverly Hills, Calif., *August 6, 1964.*

Senator Wayne Morse,
Senate Building, Washington, D.C.:

Your voice of sanity speaks for all who would cry out against the futility of our present course in Vietnam.

Mr. and Mrs. I. B. Adelman.

Santa Barbara, Calif., *August 6, 1964.*

Senator Wayne Morse,
Washington, D.C.:

I am shocked at my country's provocative warlike acts in Asia, Cuba, or any other backward area. Our go-it-alone policy is proof enough that in the eyes of our allies and our so-called friends, we are abusively using our power in unpopular causes. These provocations point up the ignorance among the American people of the realities and changes that are taking place in other parts of the world. I suspect our Government censorship is responsible for this ignorance.

V. L. Atkins.

Berkeley, Calif., *August 6, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

We appreciate your courageous stand on current Vietnam crisis. Continue vocal opposition to further aggression.

Jeannette Hermes,
President, Boatrockers Democratic Club.
Al Hermes,
Berkeley Young Democrats.

Los Angeles, Calif., *August 6, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Highly commend splendid courage and truth of your speech. Stand firm.

Juliette Green.

Springfield, Mass., *August 6, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Your vision and courage on Vietnam stand out like a beacon among the blind yes-men in our public life. Why are there not more of you? We salute you.

Mr. and Mrs. Charles Mackey.

Mill Valley, Calif., *August 6, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Proud your forthright stand against U.S. action against North Vietnam. More power to you.

Marguerite Edises.

Chicago, Ill., *August 6, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Grateful commendation of your courageous stand opposing our further involvement Vietnamese crisis.

Mr. and Mrs. Lester Wickstrom.

Beverly Hills, Calif., *August 6, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Strongly support your intelligent and courageous statement opposing our disastrous policy in Vietnam. Bombing cities of small nations hardly proves devotion to freedom. It brings to memory Warsaw and Rotterdam.

Aris Anagnos.

Highland Park, Ill., *August 5, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

We agree with your North Vietnam position. However, your speech and position on this subject not carried by our local news media. A copy of your Senate speech on the North Vietnam crisis is urgently requested along with any other pertinent information your office has.

Dr. and Mrs. Philip Mozer.

Oakland, Calif., *August 6, 1964.*

Senator Wayne Morse,
Washington, D.C.:

Congratulations on your courage in Vietnam crisis and work for peaceful settlement.

Elizabeth Tandy.

Berkeley, Calif., *August 6, 1964.*

Senator Wayne Morse,
U.S. Senate, Washington, D.C.:

We applaud your courageous stand denouncing outrageous U.S. aggression against North Vietnam.

Mr. and Mrs. Thomas F. Mayer.

Chicago, Ill., *August 6, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

We strongly support your intention to vote against war resolution.

Frank and Vivian Archer.

San Francisco, Calif.,
August 6, 1964.

Hon. Wayne Morse,
Senate Office Biulding,
Washington, D.C.:

Believe history will sustain your position on Vietnam if history continues.

Moris and Francis Watson.

Tujunga, Calif., *August 6, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Wholeheartedly support your statement on Vietnam situation. Urge resolving by United Nations.

Mr. and Mrs. H. Cole.

Los Angeles, Calif., *August 6, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Thank God for your courage and your voice of sanity in the Senate. You speak for all Americans who cherish our traditional ideals of truth and justice. Please keep up the fight for peace.

Sidney Clute.

Tarzana, Calif., *August 6, 1964.*

Senator Wayne Morse,
Washington, D.C.:

We wholeheartedly support you for your honest and courageous stand on Vietnam.

You speak for every intelligent American. Good luck to you and your efforts.

Sincerely,

Serge and Esther Hovey.

Kansas City, Mo., *August 6, 1964.*
Senator Wayne Morse,
U.S. Senate, Washington, D.C.:

We strongly support the position you have taken concerning the role of the United States in Vietnam. We thank you for your courage shown in this hour of crisis.

Prof. and Mrs. F. E. Wagner.

Los Angeles, Calif., *August 6, 1964.*
Senator Morse,
Washington, D.C.:

Congratulations on your courage and outspoken speech. We pray for peace every day.

Marian Mosley.

St. Louis, Mo., *August 6, 1946.*
Senator Wayne Morse,
U.S. Senate, Washington, D.C.:

We look to you for leadership and enlightenment at this dangerous time. We feel President Johnson's decision is extreme in view of the alternatives and possible consequences.

Sincerely,

Mr. and Mrs. Julius Newman.

San Rafael, Calif., *August 6, 1964.*
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Thank you for your brave stand on Vietnam. Keep on fighting. The lives you save will be mankind.

Mr. and Mrs. Harold Heller and Children.

New York, N.Y., *August 6, 1964.*
Senator Wayne Morse,
Washington, D.C.:

I appreciate your thoughtful and courageous opposition to U.S. involvement in Vietnam.

Dorothy Lane.

Los Angeles, Calif., *August 6, 1964.*
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Highly commend splendid courage and truth of your speech. Stand firm.

Juliette Green.

San Rafael, Calif., *August 6, 1964.*
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

We firmly support your stand on present situation in southeast Asia.

Mr. and Mrs. Warren Gold.

Redondo Beach, Calif., *August 6, 1964.*
Senator Wayne Morse,
Washington, D.C.:

May God continue to guide you in your courageous fight for peace.

Peter J. Guzvich, M.D.

Los Angeles, Calif., *August 6, 1964.*
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

We strongly support your position in calling for immediate conference in United Nations on Vietnam crisis. Any other course we agree catastrophic to world peace. Your courage inspires all of us and we are urging our Congressmen to support your stand.

Mr. and Mrs. Meyer Eisenbe.

Los Angeles, Calif., *August 6, 1964.*
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Support your courageous stand on Vietnam all the way. Keep up the good fight.

Richard and Mary Lewis.

Berkeley, Calif., *August 6, 1964.*
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

We highly commend your statement today on the Vietnam situation. We urge that you call for withdrawal of U.S. forces from the area of North Vietnam.

Mr. and Mrs. Robert H. Sicular.

Lemon Grove, Calif., *August 6, 1964.*
Senator Wayne Morse,
Washington, D.C.:

Keep telling the truth about Vietnam. Your courage will long be remembered.

Frank Bardacke.

Encinitas, Calif., *August 6, 1964.*
Senator Wayne Morse,
Washington, D.C.:

May God be with you. We will always love you as the most righteous of men.

The Newton Family.

Oakland, Calif., *August 6, 1964.*
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

In complete agreement with stand on Vietnam. Truth can be lonely profession. Have courage.

David and Cindy Arnold.

Los Angeles, Calif., *August 6, 1964.*
Senator Wayne Morse,
Washington, D.C.:

Wish to commend you on your courageous stand to prevent war.

Mrs. Julia W. Sherman.

San Rafael, Calif., *August 6, 1964.*
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

An expression of gratitude for your forthright statement concerning Government action in southeast Asia.

Jack Brandon.

San Rafael, Calif., *August 6, 1964.*
Senator Wayne Morse,
U.S. Senate,
Washington, D.C.:

We're with you all the way.

Pauline Malcher,
Robert Malcher,
Campbell Johnson,
Rod Johnson,
Brett Malcher.

San Rafael, Calif., *August 6, 1964.*
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

I agree wholeheartedly with your statements on Vietnam. I wish there were something I could do about it.

Ann Balfour.

Los Angeles, Calif., *August 6, 1964.*
Senator Wayne Morse,
Washington, D.C.:

Senator Morse, I fully support you in your stand on North Vietnam. Thank you.

Mrs. L. Adelson.

Riverside, Calif.,
August 6, 1964.
Senator Wayne Morse,
Washington, D.C.:

Congratulations on your courage and stand on Vietnamese situation.

Mr. and Mrs. G. I. Hicks.

Los Angeles, Calif., *August 6, 1964.*
Senator Wayne Morse,
Washington, D.C.:

We heartily support your stand on the radio tonight.

Mr. and Mrs. Leo Sandvik.

Sausalito, Calif., *August 6, 1964.*
Senator Wayne Morse,
Senate Office Building, Washington, D.C.:

We strongly support your courageous stand against Congressional resolution condoning Vietnam attack.

Mr. and Mrs. Alexander Bernhard.

Denver, Colo., *August 6, 1964.*
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Your courageous position against extending war in Vietnam deserves support of all thoughtful citizens.

Clara A. Lee.

Inglewood, Calif., *August 6, 1964.*
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

We endorse your sane approach to the Vietnam crisis.

Mrs. Leon Kossoy.

Los Angeles, Calif., *August 6, 1964.*
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

All thinking, unhysterical Americans appreciate your objectively courageous stand, constructively criticizing President Johnson's unwise action in southeast Asia yesterday.

Alexander M. Man.

North Hollywood, Calif.,
August 6, 1694.
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

We support your position on Vietnam 100 percent.

Louise Rousseau and Saki Dikran.

San Diego, Calif., *August 6, 1964.*
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Heartily applaud your stand concerning current crisis but am afraid you will jeopardize the support you deserve.

B. S. Blankenship.

Berkeley, Calif., *August 6, 1964.*
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

We fully support your stand against the war in southeast Asia.

R. Stephen Warner.

Oakland, Calif., *August 6, 1964.*
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Congratulations on your stand against military action in Vietnam.

Mr. and Mrs. Paul Terrill.

Ames, Iowa, *August 6, 1964.*
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Congratulations on your forthright courageous stand on Vietnam. Your remarks were the most sensible and informative I have heard. If heeded, our true interests and the ideals for which we stand would be better served in southeast Asia.

Craig Harrison.

New York, N.Y., *August 6, 1964.*
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Strongly commend your courageous struggle against Vietnam intervention. Keep up this good work.

Muriel Bartel.

Cleveland, Ohio, *August 6, 1964.*

Senator Wayne Morse,
U.S. Senate,
Washington, D.C.:

In regard to the Vietnam situation you're like a lone voice crying in the wilderness and I sincerely hope you will be heard.

Kathleen Smith Geathers.

San Francisco, Calif., *August 6, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

We support your Vietnam position. Advocate settling the dispute by conference, not bombs.

Mr. and Mrs. Bert Brauer.

San Francisco, Calif., *August 6, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.

We support you on your stand against the resolution concerning the Vietnam crisis.

Mr. and Mrs. Maurice P. Smith.

Los Angeles, Calif., *August 6, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.

You are to be commended for your fearless and upright stand with regard to Vietnam.

Mrs. Harry Goodman.

Yuba City, Calif., *August 6, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.

We join you in urging the President to withdraw immediately and gracefully from Vietnam.

Heahn and Saralee Halprin.

East Lansing, Mich., *August 6, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.

Commend courageous stand concerning Vietnam. Urge you persevere in lonely task of speaking truth.

T. H. Greer.

Hawthorne, Calif., *August 6, 1964.*

Senator Wayne Morse,
Washington, D.C.:

We support your position on our interference in southeast Asia. Keep America out of war.

Mr. and Mrs. J. Trojan.

Los Angeles, Calif., *August 6, 1964.*

Senator Wayne Morse,
Senate Building, Washington, D.C.:

Completely support your forthright statement on Vietnam crisis.

Ruben W. Borough.

Gary, Ind., *August 6, 1964.*

Senator Wayne Morse,
Senate Office Building, Washington, D.C.:

You speak for all sensitive Americans in your opposition to the appalling role of our Government in Vietnam. History will undoubtedly prove you to be one of the outstanding Senators of all times.

Burton and Fredrika Wechsler.

Santa Rosa, Calif., *August 6, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Thank you for the courageous and rational stand you are taking in opposing efforts to escalate war in southeast Asia. Sending copies to Senators Kuchel and Salinger.

Mr. and Mrs. Jack Rudinow.

Detroit, Mich., *August 6, 1964.*

Senator Wayne Morse,
Washington, D.C.:

Support your stand against Vietnam resolution. Favor conference of all concerned nations to end war.

Mrs. S. Reinstein.

Los Angeles, Calif., *August 6, 1964.*

Senator Wayne Morse,
Washington, D.C.:

Stand by your guns on Vietnam. Many more of us than you realize are backing you.

Frances W. Shippey.

Minneapolis, Minn., *August 6, 1964.*

Senator Wayne Morse,
Washington, D.C.:

Earnestly support your Vietnam stand. You are voice of reason in this tragic game.

Georgiana Stanich.

Los Angeles, Calif., *August 6, 1964.*

Senator Wayne Morse,
Senate Foreign Relations Committee,
Washington, D.C.:

We respect and commend your courage. Keep talking in the cloakroom, on the Senate floor, before the cameras. The people need your voice. God bless your voice.

Mrs. Bess Klinman.

Washington, D.C., *August 6, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

We are with you about stopping the war in South Vietnam.

Mrs. Dorothy Maund.

Bloomington, Ind., *August 6, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Congratulations on your thoroughly pertinent and honest interpretation of U.S. sea policy. Tragedy that you alone expressed the truth ignored by your colleagues but all the more commendable for that reason.

Tom Magan,
Charles Medawar,
Bob McClure.

Oakland, Calif., *August 6, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

We admire your courage in speaking out against American action in Vietnam. Keep up your fight to keep us out of war.

Mr. and Mrs. M. A. Bunow.

Pasadena, Calif., *August 6, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Vietnam developments very distressing. Negotiations, not bombs. Prove U.S. greatness, support your position.

Irvin and Eleanor Ashkenazy.

West Covina, Calif., *August 6, 1964.*

Senator Wayne Morse,
Washington, D.C.:

It is with profound respect and approval I regard your position on Vietnam.

D. and Mrs. Leonard Larts.

Levittown, N.Y., *August 6, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Greatly admire your courageous clearheaded opposition to disastrous Vietnamese policy for sons and myself. Thanks.

Karl Bernhard.

Long Beach, Calif., *August 5, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.

Dear Senator: We agree with your views on Vietnam and have wired the President we appreciate your unusual courage in this difficult situation.

Mr. and Mrs. Alfred Dawsn.

San Francisco, Calif., *August 6, 1964.*

Senator Wayne Morse,
Washington, D. C.:

Wholeheartedly support your position on Vietnam. More power to you.

Phillip Shapiro, M.D.

Beverly Hills, Calif., *August 6, 1964.*

Senator Wayne Morse,
Senate Office Building, Washington, D.C.:

We heartily support your stand on Vietnam. True patriotism needs your sane voice.

Dr. and Mrs. Eugene Farber.

Los Angeles, Calif., *August 6, 1964.*

Senator Wayne Morse,
Senate Office Building, Washington, D.C.:

Heartiest congratulations on your stand regarding Vietnam.

Jacqueline Tunberg.

Pasadena, Calif., *August 6, 1964.*

Senator Wayne Morse,
Senate Office Building, Washington, D.C.:

We urge your continued opposition to our present policy in southeast Asia.

Ray Hartsough.

Santa Ana, Calif., *August 6, 1964.*

Senator Wayne Morse,
Washington, D.C.:

Copy following wire sent Senator Kuchel: "Support the truth and conscience of Wayne Morse's stand against President Johnson's Vietnam resolution."

L. F. B. Heintz.

Culver City, Calif., *August 6, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

God bless you. You are right.

G. M. Snyder and Family.

Spokane, Wash., *August 6, 1964.*

Hon. Wayne Morse,
U.S. Senator from Oregon,
Senate Office Building,
Washington, D.C.:

In or out of the cloakroom I support your vote against the proposed Vietnam resolution. I am a long-term Democrat of conviction, not of expediency.

R. Max Etter, *Lawyer.*

Berkeley, Calif., *August 6, 1964.*

Wayne Morse,
Senate Office Building,
Washington, D.C.

Dear Senator: Stand fast. We support your position in this Vietnam crisis.

Sam and Ruby Wainwright.

Biloxi, Miss., *August 6, 1964.*

Senator Wayne Morse,
U.S. Senate Office Building,
Washington, D.C.:

Approve of your view of the Vietnam trouble.

Mrs. Vera M. Squires.

Berkeley, Calif., *August 6, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Support for your position on Vietnam bring U.S. troops home.

Mr. and Mrs. Lewis Suzuki.

San Jose, Calif., *August 6, 1964*.
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

We do not agree on U.S. position in Vietnam. Take this subject out of politics. We are too great a nation for this.

Mr. and Mrs. Bernard G. Enright.
Mrs. H. Mooney.

Chicago, Ill., *August 6, 1964*.
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Fully support your efforts stop U.S. intervention in Vietnam. Urge you filibuster enabling resolution for further military involvement. Rally American people for peace.

Leroy Wolins.

Cleveland, Ohio, *August 6, 1964*.
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Congratulations on your Vietnam statement, Senator Morse. You have consistently shown sanity and reason when others settled for patriotism and self-righteousness. Popularity is not the test of the truth and I sincerely hope you will continue to speak out as an independent both on national and international affairs.

Marjorie Rickards.

Denver, Colo., *August 6, 1964*.
Senator Wayne Morse,
Senate Chambers, Washington, D.C.:

Congratulations on your forthright statement. Please keep up the good fight. Save this lovely world.

Mr. and Mrs. Robert T. Stone.

Woodland Hills, Calif.,
August 6, 1964.
Senator Wayne Morse,
Washington, D.C.:

It is tragic that there are not more Senators with your courage, patriotism, and honor.

Paul Stone.

New Bedford, Mass.,
August 5, 1964.
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

We support your courageous stand against suicidal Vietnam policy. Stevenson admitted *Maddox* fired the first shots. Hope Johnson is not trying to out-Goldwater Goldwater.

Mr. and Mrs. Douglas Perry.

San Francisco, Calif., *August 5, 1964*.
Senator Wayne Morse,
Washington, D.C.:

Admire wholeheartedly your position regarding *Maddox* incident. U.N. must arbitrate.

Isabel and Lewis Hanson.

Chicago, Ill.,
August 5, 1964.
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

I commend your efforts to get the U.S. Government out of a very dangerous military involvement in Vietnam and to the conference table instead. Please try to filibuster the congressional resolution supporting President Johnson's extremely unwise adventure in the Gulf of Tonkin and North Vietnam.

Sincerely,

Lee Hoover.

New York, N.Y.,
August 5, 1964.
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Strongly support your courageous position on Vietnam; you represent most decent people.

Paul Samberg.

New York, N.Y.,
August 5, 1964.
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Strongly support your splendid fight against senseless American policy in Vietnam.

Leslie and Sheila Okin.

Jordan, N.Y., *August 5, 1964*.
Senator Wayne Morse,
U.S. Senate, Washington, D.C.:

Your lonely and heroic stand is true patriotism and morality.

Lincoln Figart Jordan.

Buffalo, N.Y., *August 5, 1964*.
Senator Wayne Morse,
U.S. Senate, Washington, D.C.:

I commend your courageous opposition to U.S. action in Vietnam.

Dr. Elwin H. Powell.

Charleston, S.C., *August 5, 1964*.
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.

Agree with you.

Douglas Jenkins,
American Consul General, Retired.

Lake Hopatcong, N.J., *August 5, 1964*.
Senator Wayne Morse of Oregon,
Senate Office Building, Washington, D.C.:

Your policy on Vietnam is correct as well as courageous.

Arthur Liebman.
Edna Liebman.
Mark Kiszner.
David Schochet.

Great Neck, N.Y., *August 5, 1964*.
Senator Morse,
Senate Building, Washington, D.C.:

Your statement today regarding U.S. position in Vietnam stands as a beacon of hope for all Americans who cherish peace.

Mr. and Mrs. Oberwager.

Jamaica, N. Y., *August 5, 1964*.
Senator Morse,
Senate Building, Washington, D.C.:

We support you fully in your efforts to prevent war. Keep it up.

Stanley Finger.

San Francisco, Calif., *August 5, 1964*.
Senator Wayne Morse,
Washington, D.C.:

For sake of humanity please hold firm. Congratulations on your stand aginst war in Vietnam.

Eugene Alexander.

Newport News, Va., *August 5, 1964*.
Hon. Wayne Morse,
U.S. Senate, Washington, D.C.:

Congratulate your outspoken statement position on vital national issue. Is 1964 Tonkin Bay incident another 1939 Gleiwitz incident? Your impartial inquiry is only guarantee that international problem is not made election year football.

D. C. Clos.

Inglewood, Calif., *August 5, 1964*.
Senator Wayne Morse,
Washington, D.C.:

We support your courageous stand on Vietnam.

Douglas and Ann Ferguson.

Maple Heights, Ohio,
August 5, 1964.
Senator Wayne Morse,
Washington, D.C.:

Expressing your different views on Vietnam crisis took courage. I agree wholeheartedly.

Mrs. Mary Danko.

Silver Spring, Md., *August 5, 1964*.
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Am grateful for your intelligent views on Vietnam problem.

Lucille Harris.

San Francisco, Calif., *August 5, 1964*.
Hon. Wayne Morse,
U.S. Senate,
Washington, D.C.:

Please increase your effort to end war in Vietnam and stop sending support of predated declaration of war. Please get cloak room votes onto Senate floor.

Richard and Rosina Belmour.

Hyannis, Mass., *August 5, 1964*.
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Congratulations on your stand on Vietnam. You are doing a great service for America.

Mrs. Douglas W. Reynolds.

Upper Darby, Pa., *August 5, 1964*.
Senator Wayne Morse,
Washington, D.C.:

Have read your August progressive article and heard your quote on radio tonight. Am with you all the way as are most thinking Americans.

Edith Kline.

Orange, Calif., *August 5, 1964*.
Senator Wayne Morse,
Washington, D.C.:

We applaud your condemnation of our Government unlawful actions in Vietnam which threaten war.

Mr. and Mrs. Theodore Shapin.

Los Angeles, Calif., *August 5, 1964*.
Senator Wayne Morse,
Washington, D.C.:

Congratulations on statement re Vietnam. Stand strong. We need voice of sanity. Thank you.

Ellen Estrin.

Lombard, Ill., *August 5, 1964*.
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Applaud your opposition to Vietnam policy. Unilateral action must stop. Defer to United Nations.

William and Charlotte Kuenning.

Mahopac, N.Y., *August 5, 1964*.
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Your statement on TV is the voice of sanity in a sea of confusion. You're absolutely correct and you are not alone. Thinking people owe you a debt of gratitude. Your outstanding courage amidst hysteria is to be congratulated. How can we help?

Mr. and Mrs. Edward Wallerstein.

Los Angeles, Calif., *August 6, 1964.*
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

We support your position on Vietnam and commend your courage.

Esther and Abraham Cahn.

San Francisco, Calif., *August 5, 1964.*
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Congratulations on your courageous stand on the Vietnam policy. Many Americans stand behind you.

J. Maynard.

Coloma, Mich., *August 5, 1964.*
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Congratulations on your stand on Vietnam. We need more statesmen like you.

Mrs. C. E. Killebrew.

Los Angeles, Calif., *August 5, 1964.*
Senator Wayne Morse,
Washington, D.C.:

Thank you for statement on Vietnam situation. Urge political solution before war.

Joan Laurence.

Palo Alto, Calif., *August 5, 1964.*
Senator Wayne Morse,
Washington, D.C.

We fully approve your position on Vietnam.

James and Elizabeth Robertson.

Detroit, Mich., *August 5, 1964*
Senator Wayne Morse,
Washington, D.C.

Be steadfast in your struggle for truth, justice, peace. All mankind will bless you.

Alice Herz.

Scarsdale, N.Y., *August 5, 1964.*
Senator Wayne Morse,
Senate Office Building, Washington, D.C.:

Admire your courage in appeal for basic morality and peacemaking in Vietnam.

Robert and Sara Cory.

Glen Oaks, N.Y.,
August 5, 1964.
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Fully support your statement today against involvement Vietnam. Have wired President our strong protest.

Mr. and Mrs. David P. Bennett.

Needham, Mass.,
August 5, 1964.
Senator Wayne Morse,
U.S. Senate, Washington, D.C.:

Completely agree with your sentiments expressed over NBC. Why are we warmongering in South Vietnam?

Mrs. Charles E. Southworth.

Akron, Ohio,
August 5, 1964.
Wayne Morse,
Senator from Oregon,
Washington, D.C.:

In this time, when the military advantage of unity seems to be taking precedence over the moral virtue of truth, your honest and complete evaluation of events may prevent us from becoming a nation of united hypocrites. The world's most powerful country in the word needs a conscience.

David Marilla.

Great Neck, N.Y.,
August 5, 1964.
Senator Wayne Morse,
Washington, D.C.:

Heard your statement Vietnam TV. Admire your courage and agree with you 100 percent.

Mrs. Donald Philips.

Baltimore, Md.,
August 5, 1964.
Senator Wayne Morse,
Washington, D.C.:

Congratulations on being the one sane voice in Washington today. I support you on deploring the Vietnam incident and believe that United Nations control is the only solution.

Respectfully yours,
Mrs. Fannie Tuomi.

Baltimore, Md.,
August 5, 1964.
Senator Wayne Morse,
Washington, D.C.:

We wholeheartedly concur with your stand that the United Nations handle the Vietnam crisis and that the President not be given right to decide on war by himself. We are asking our Congressman, Representative Garmatz, to support you.

Respectfully yours,
Mr. and Mrs. Robert Lee.

Baltimore, Md.,
August 5, 1964.
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Congratulations on your stand on Vietnam. Let us get out of Vietnam and allow the United Nations to settle it.

Mrs. Vera Cmbala.

Columbus, Ohio,
August 5, 1964.
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Congratulations. Continue to demand lawful procedure. No blank checks.

Lawrence Grener.

Staten Island, N.Y.,
August 5, 1964.
Senator Wayne Morse:

Appreciate your opposition to the President's resolution and support your proposed change of policy.

Joan Mangum.

Scranton, Pa.
August 5, 1964.
Hon. Wayne Morse,
U.S. Senator,
Washington, D.C.:

An enemy attack and a patrol action does not justify aggression. This war has passed from France to the United States. This is not the course of peace. I support your brave, solitary stand in the Senate.

Ray Kenowski.

Brooklyn, N.Y., *August 5, 1964.*
Senator Wayne Morse,
U.S. Senate,
Washington, D.C.:

Thanks for your courageous Vietnam stand. We need more advocates of moral foreign policy.

Madeline Carley.

Tarzana, Calif., *August 5, 1964.*
Senator Wayne Morse,
Washington, D.C.:

Congratulations on your sanity and rationality. May your views prevail and promote realistic fair settlement.

The Busch Family.

New York, N.Y., *August 5, 1964.*
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

We heartily support your courageous and sane stand in speaking out against our rash acts regarding North Vietnam.

Stein Family.

Oswego, N.Y., *August 5, 1964.*
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

We are with you in the southeast Asia situation.

Willard Riker.

Palo Alto, Calif., *August 6, 1964.*
Senator Wayne Morse,
Washington, D.C.:

Thanks for courageous reasonable stand on Vietnam question. You speak for many otherwise unrepresented now.

Sandra Drake.

Sebastopol, Calif.,
August 6, 1964.
Hon. Wayne Morse,
U.S. Senator from Oregon,
Senate Office Building,
Washington, D.C.:

Your remarks regarding escalation Vietnam war appreciated here. We are behind you 100 percent.

Hassel W. Smith, Jr.,
Donna D. Smith,
Shirley Sheahan.

Laguna Beach, Calif., *August 6, 1964.*
Senator Morse,
Washington, D.C.:

Extension of war to North Vietnam by President is shocking. What we are doing in South or North Vietnam is beyond my understanding.

It was good to hear Senator Morse on TV as a voice of genuinely peaceful silence. Millions now are for a real peace. A ceasefire and handling by the U.N. as outlined by some is indicated, not bombing. The attempt to eliminate foreign policy as an election issue is too dearly bought from Goldwater.

Mrs. Alie Dale Jackson.

Los Angeles, Calif., *August 6, 1964.*
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

My friends, family, and I are alarmed at recent events in Vietnam. We don't want war in southeast Asia. Let's get out before it's too late. God bless you for speaking for peace.

Allen Zak.

Los Angeles, Calif.,
August 5, 1964.
Senator Wayne Morse,
Washington, D.C.:

Last evening President Johnson, after consulting with Barry Goldwater, announced that American planes had conducted air strikes upon North Vietnamese naval bases. This act reflects a strong movement to the right by the present administration, an obvious capitulation to Goldwaterism. Many people, including Senator Wayne Morse and the Oregon Democratic State Central Committee, have urged a political solution in Vietnam and a removal of the issue to the United Nations. Under the present circumstances this seems the only sane answer to the situation. The possible escalation of this conflict into another Korean war must be opposed. I urge you to do everything in your power to stop this madness.

Seniel Ostrow.

Cambridge, Mass., *August 5, 1964.*
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Fullest support on Vietnam. Letter follows.

John Dickinson.

New Orleans, La., *August 6, 1964.*
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Congratulations on being the only Senator with the sense and guts to act as an adult on the Vietnam situation. Please send copies of this to Senators Ellender and Long.

James Lake.

Baltimore, Md., *August 5, 1964.*
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Hope you will persist in questioning U.S. goals in southeast Asia and broaden debate on President Johnson's requested resolution of support for air and naval action to include (1) bypassing of United Nations, (2) possible escalation of war, (3) effect on freedom of debate during presidential campaign, (4) futility of meeting social upheavals in Asia by use of weapons and war.

Dr. and Mrs. Wilson Wing.

Concord, Calif., *August 5, 1964.*
Senator Wayne Morse,
Washington, D.C.:

No gunboat diplomacy over Vietnam crisis. Truly great society must never fear to negotiate.

Mr. and Mrs. Raymond Gilbert.

Middlebury, Vt., *August 5, 1964.*
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Many Americans agree with your position in the present south Asia crisis. The United States must disengage itself from an immoral and dangerous policy in this sector.

Professor Andre Malecot.

Columbia, Mo., *August 6, 1964.*
Senator Wayne Morse,
Washington, D.C.:

Commend you for opposition to President's request for force in Vietnam. Share your view.

John Schuder.

Washington, D.C., *August 6, 1964.*
Senator Wayne Morse,
U.S. Senate,
Washington, D.C.:

We support you 100 percent on your stand on Vietnam. Please continue to make yourself heard.

Mr. and Mrs. Sam Shore and
Sidney Shore.

Oakland, Calif.,
August 6, 1964.
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

We support your efforts to stop interference in Vietnam.

Mr. and Mrs. John Ruimaker.

Jamaica, N.Y.,
August 6, 1964.
Senator Wayne Morse,
Washington, D.C.:

Your fight against warlike actions of U.S. Government in southeast Asia is in the best tradition of American decency and the world of sanity. It will earn you the respect of history and the gratitude of Americans everywhere who truly love their country enough to fight for peace.

Nettie and Paul Becker.

Elgin, Ill., *August 6, 1964.*
Senator Wayne Morse,
Washington, D.C.:

We support your courageous and forthright stand on Vietnam.

Ruth and Jim Humprey.

Cornwells Heights, Pa.,
August 5, 1964.
Senator Wayne Morse,
Washington, D.C.:

Admire and agree with stand on undeclared war in Vietnam.

Beatrice Sinclair.

San Jose, Calif.,
August 5, 1964.
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Congratulations on your stand against U.S. attack on North Vietnam.

Jeraldine Gordon.

San Antonio, Tex.,
August 5, 1964.
Senator Wayne Morse,
Washington, D.C.:

Believe that many voiceless Americans today accept you as their spokesman. We are truly grateful.

Mr. and Mrs. Wm. J. Lytle.

Chicago, Ill.,
August 5, 1964.
Senator Wayne Morse,
Washington, D.C.

Dear Sir: You have stated the facts. God give you continued strength to stand against the President's resolution concerning further powers with respect to the Vietnam crisis.

Respectfully yours,
Donna E. Workman.

North Hollywood, Calif.,
August 5, 1964.
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Your only voice thousands informed citizens protesting U.S. warmaking. Speak boldly before too late.

Mrs. Elsa Clay.

San Francisco, Calif., *August 5, 1964.*
Senator Wayne Morse,
Senate Building,
Washington, D.C.:

Full support to your opposition to our policy in Vietnam. Negotiation must replace provocation.

Merton and Janice Dushkes.

New York, N.Y., *August 5, 1964.*
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Heartily applaud your stand for international law and order.

P. Strawman.

Richmond, Calif., *August 5, 1964.*
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

I support your position on Vietnam that this should be settled in the U.N.

Anthony Russo.

Longmeadow, Mass., *August 5, 1964.*
Senator Wayne Morse,
Senate Building,
Washington, D.C.:

Thank God we have one brave man with the courage of his conviction. As a lifelong Democrat I'm with you 100 percent.

Irene Goodless Lediard.

Chicago, Ill., *August 6, 1964.*
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Regardless of those in Congress rushing to disassociate themselves from your position about our Government involvement in Vietnam, I believe many more Americans agree with you. Personally I am grateful for your past and present efforts toward a rational attitude on the part of our Government in this area. Government officials of both parties have for months urged an extended war into North Vietnam. They now surely do not believe U.S. citizens are naive enough to believe their explanation for the provocative presence of our 7th Fleet off the coast of North Vietnam. The remarkable speed of bipartisan government is always evident where cold or hot wars are concerned. I believe it could be better applied to legislation on the many problems of our impoverished millions of unemployed, our aged, and the education of our youth.

Zina Kleinstein.

Royal Oak, Mich., *August 5, 1964.*
Senator Wayne Morse,
Senate,
Washington, D.C.:

Why don't you run for President. The American people want peace.

Joseph W. Benton.

Rochester, N.Y., *August 5, 1964.*
Senator Wayne Morse,
Senate Offices,
Washington, D.C.:

Congratulations forthright stand against spreading war in Vietnam.

R. Levins Yauco Avuertorlico.

Pittsburgh, Pa., *August 6, 1964.*
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Your courageous stand in re U.S. foreign policy in southeast Asia is to be admired and respected by all those who deplore abuse of power and irresponsibility in relations between nations.

Paul Geisel,
Nore Dinardo,
Scott Cook,
Mike Kupersanin,
Diane Frank,
Mildred Baer,
Members, Social Science Program, University of Pittsburgh.

Portland, Oreg., *August 6, 1964.*
Senator Wayne Morse,
Washington, D.C.:

We wholeheartedly support your stand on the Vietnam resolution. We admire your courage.

Mr. and Mrs. Stephen J. Karakashian.

Gresham, Oreg., *August 6, 1964.*
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.

Dear Senator: Wired President Johnson, Secretary Rusk, Ambassador Stevenson, Secretary U Thant appraising them our belief Vietnam crisis should be handled by U.N. That we're in Vietnam illegally and would lose respect all freedom loving nations if we persist in present program. Thanks for your great fight.

M. Chamberlin.

Astoria, Oreg., *August 6, 1964.*
Senator Wayne Morse,
U.S. Senate,
Senate Office Building,
Washington, D.C.:

Commend wisdom and morality your position on Vietnam.

Mrs. John Larson.

Troutdale, Oreg., *August 6, 1964.*
Senator Wayne Morse,
Washington, D.C.:

Feeling mutual. You have our support on your stand on Vietnam.

Mr. and Mrs. Clarence Baxter.

Ann Arbor, Mich., *August 6, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

About Vietnam we appreciate your continuing resistance to panic and your persistence in questioning easy assumptions. Here are some unanswered questions based on news reports about the first attack on the destroyer *Maddox* on Sunday.

1. Why was the attack announced from Pearl Harbor instead of Washington and not until 2 hours after it happened? See Chicago Tribune, Monday, page 1, column 7.

2. If the attack was unprovoked why was there a delay from Sunday morning until the second attack had been reported about noon on Tuesday before an official U.S. protest was made public? See Chicago Daily News, Wednesday, page 1. All times are U.S. eastern daylight.

3. On Saturday, August 1, apparently before the first seafight involving *Maddox*, Hanoi protested an attack by American and South Vietnam warships on North Vietnam islands. Said to have been made last Thursday. Chicago Tribune, Sunday Associated Press story on page 3, column 4. The New York Times, Tuesday, August 4, page 2, column 2, reported that on Sunday after the first seafight, Hanoi claimed that U.S. warships had shelled the islands of Honne, Nonngu in the gulf of Tonkin; on page 3, column 1, the Tuesday Times also reported that these islands were said to be in North Vietnam territorial waters and are about 40 miles northwest of the point at which the *Maddox* was reported by the Navy to have been attacked. On page 2, column 2, the Tuesday Times said that Senator Russell had reported some South Vietnamese naval activity in the gulf of Tonkin. In column 3 on page 2, the Tuesday Times quoted a report without a stated source that the U.S. destroyers on the Tonkin gulf patrol have sometimes collaborated with South Vietnamese hit-and-run raids on North Vietnamese port cities. Though the destroyers themselves stay in territorial waters questions, any or all of these stories correct as a South Vietnam naval attack on the islands been underway since last Thursday was *Maddox* at time of the seafight on Sunday providing cover for his attack? If so, would this be a violation of U.S. treaties or international law? Whose authority was it ordered and was Congress consulted?

4. Regarding the Navy's announced chronology of the first seafight—

A. What is the reason for the unexplained reference to the sighting by *Maddox* of a fleet of 75 junks at 11 p.m. Saturday, 2 hours and a half before it first sighted torpedo boats?

B. Why did it take the 50-mile-per-hour torpedo boats more than 2 hours and a half after they were first reported more than 10 miles north of *Maddox* at 1:30 a.m. to close to within range of *Maddox* at 4:08 a.m.? When the seafight actually began was *Maddox* running away to the south at full speed from 1:30 a.m. to 4:08 a.m.? If so, would this have put *Maddox* 30 miles off Vietnam coast as reported by the Navy and 40 miles southeast of the islands at 4:08 a.m. when the seafight began? What were the positions of *Maddox* at 1:30 a.m. when it sighted the patrol boats and at 11 p.m. Saturday in relation to North Vietnam coast and the islands reported by Hanoi to have been under attack by U.S. Naval vessels?

C. If patrol was routine and attack unprovoked, how was *Maddox* able to report at 3:40 a.m. that the apparent intention of the 50-mile-per-hour torpedo boats was to attack it 28 minutes later at 4:08 a.m.? The torpedo boats are reported by the Navy as still being 5,000 yards, almost 3 miles away, from *Maddox*. The seafight began at 4:08 a.m.

D. Language of the Navy chronology is consistent with torpedo boats having launched torpedoes at *Maddox* from 5,000-yard range after, not before, coming actual fire from *Maddox*. Who fired first? Under normal circumstances is the approach of a foreign warship within 3 miles of a U.S. warship considered grounds for opening fire on it? If so, what is U.S. policy about Russian patrol bombers which have been reported as routinely flying over U.S. warships in international waters? Since Detroit newspapers are on strike we have no reliable current news about the second seafight involving *Maddox* reported to have occurred on Tuesday.

Questions:

Was this also in the immediate vicinity of the islands reported by Hanoi as under attack?

Does the Navy plan to release a chronology similar to that released on the first *Maddox* seafight?

These are unpopular questions but in view of the record of bipartisan errors in similar international incidents from U-2 to the Bay of Pigs it seems appropriate that they be asked. (Copies McNamara and Hart.)

Nathan B. Hall.

Los Angeles, Calif., *August 6, 1964.*

Hon. Senator Wayne Morse,
Senate Building, Washington, D.C.:

Support your fight against our participation in Vietnam war. Urge continue efforts for peace.

Mr. and Mrs. A. Spindel.

Burbank, Calif., *August 6, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Applaud your courage. Support your stand on Vietnam crisis. Keep talking sense to United States.

Mr. and Mrs. S. J. Waxman.

Pacific Palisades, Calif., *August 6, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

We support your position on Vietnam.

Mr. and Mrs. Leo Zimmerman.

Glendora, Calif., *August 6, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

I agree with you 100 percent on the Vietnam crisis.

Mary Ollie Jones.

Los Angeles, Calif., *August 6, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

We fully support your stand for American withdrawal from southeast Asia. Keep up the good work, continue to spread the truth, and fight the aggressive policies of the U.S. Government. Informed and peace-loving Americans support you.

Morris and Nina Indman.

Downey, Calif., *August 6, 1964.*

Senator Wayne Morse,
Washington, D.C.:

Thank you for your courageous stand against the North Vietnam war.

Jeffery Ewing.

Sherman Oaks, Calif., *August 6, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Heartily support your decision regarding Vietnam. Please continue working for withdrawal of our forces.

Mr. and Mrs. J. Kovner.

Schenectady, N.Y., *August 6, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Urge negotiated truce Vietnam now. Avert world holocaust.

Esther Langworthy.

Evanston, Ill., *August 6, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Military action violates U.N. Charter, destroys peace. Insist upon negotiation. Applaud words of Wayne Morse.

Alice Walton.

Blairstown, N.J., *August 6, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Thank you, Senator Morse, for your courageous stand on international issues.

Caroline Lexow Babcock.

Studio City, Calif.,
August 6, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Admire wholeheartedly your position. Thank heavens for Maverick.

Alan Tasker Brown.

Bloomington, Ind.,
August 6, 1964.

Hon. Wayne Morse,
U.S. Senate,
Washington, D.C.:

Fully support your position for peace in southeast Asia. Yours is one of the few voices of moderation in these troubled times.

Don and Rita Lichtenberg.

Sheboygan, Wis.,
August 6, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Support your position of South Vietnam. Congratulations.

Sol Bensman.

Chicago, Ill., *August 6, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

We are in complete agreement with your stand on Vietnam.

Allen and Elaine Herzog.

New York., N.Y.,
August 6, 1964.

Senator Wayne Morse,
U.S. Senate,
Washington, D.C.:

We wish to declare total support and sympathy your sane courageous statement opposing congressional resolution re southeast Asia.

William and Less Huntington.

Hanover, N.H., *August 6, 1964.*

Senator Wayne Morse,
U.S. Senate,
Washington, D.C.:

I want to salute your courageous stand and to express full agreement with your criticism of our policy in southeast Asia.

Alexander Erlich,
Columbia University.

Silver Spring, Md., *August 6, 1964.*

Senator Wayne Morse,
U.S. Senate,
Washington, D.C.:

This citizen is grateful for the one honest and courageous senatorial voice re U.S. involvement in southeast Asia. May God give you strength.

Robert G. Kassebaum.

Missoula, Mont., *August 6, 1964.*

Senator Wayne Morse,
U.S. Senate Office Building,
Washington, D.C.:

We the undersigned support your stand in the southeast Asia crisis and hope you will continue to work for a peaceful settlement through the United Nations.

E. W. and Jean S. Pfeiffer.
Dexter and Susan Roberts.
Emily Loring Myer.
Florence Chessin.
Roger Dunsmore.

Syosset, N.Y.,
August 6, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Thanks and congratulations for your opposition to vote predated declaration of war in Vietnam.

Mr. and Mrs. E. R. Stabler.

Baltimore, Md.,
August 6, 1964.

Hon. Wayne Morse,
U.S. Senate,
Washington, D.C.:

Our thanks for your courage and sanity. You have our unqualified vote of confidence.

Warren and Eleanor Therien.

Columbus, Ohio,
August 6, 1964.

Hon. Wayne Morse,
Sente Office Building,
Washington, D.C.:

We heartily approve your opposition to military extremism. God bless you and strengthen you.

Samuel A. Corson Family.

Middletown, Conn.,
August 6, 1964.

Senator Wayne Morse,
Washington, D.C.:

Your position is the only sane voice.

Elizabeth Peterson.

Cleveland, Ohio,
August 6, 1964.

Wayne Morse,
Senate Office Building,
Washington, D.C.:

We support your stand on Vietnam.

Charles C. Davis.

Orono, Maine,
August 6, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

You have more courage than is represented by the cumulative votes against you today. Congratulations.

Dr. E. Vaughan Gulo.

Norfolk, Va.,
August 6, 1964.

Senator Wayne Morse,
U.S. Senate,
Washington, D.C.:

I appreciate your sane voice concerning Vietnam. Press for rejection.

Mrs. Ann Greenberg.

Ann Arbor, Mich.,
August 6, 1964.

Senator Wayne Morse,
Washington, D.C.:

Congratulations on your courageous stand on the Vietnamese crisis. This is a matter for the United Nations rather than hasty unilateral military retaliations. Aside from danger of escalation we are setting a poor example to the smaller nations whom we urge to settle their differences peaceably.

Homer and Lois Chance, Lois Disney, Gregory and Judy Buboff, Theodore and Edith Hefley, Hugh and Beatrice Henshaw, Mark C. and Phyllis Pilisuk.

Oakland, Calif., *August 6, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Keep up the strong stand against U.S. military action in Vietnam.

Mr. and Mrs. G. D. Wright.

Fresno, Calif., *August 6, 1964.*

Hon. Wayne Morse,
U.S. Senate,
Washington, D.C.:

Masses of us thank you for your courage. If civilization lasts your name will be long remembered.

Ruth and Claude Hasty.

Albuquerque, N. Mex.,
August 6, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

All power to your courageous stand against the suicidal folly of attacking a very poor and weak nation. The attack can only intensify the poverty which makes communism inevitable and more powerful.

Dwight Spencer.

Philadelphia, Pa.,
August 6, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Urge Senate recommend no further military action in southeast Asia. Seek negotiated settlement through United Nations.

L. P. Carner.

Los Angeles, Calif.,
August 6, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Applaud your courageous statement critizing our actions in Vietnam. With North Vietnam we share responsibility for major war neutralization. Only hope.

Mr. and Mrs. Wm. Gompert.

Denver, Colo.,
August 6, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

We commend and support your stand against expanding war in Vietnam.

V. D. Walker.

Concord, Calif., *August 6, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

We are most grateful for your courageous stand on Vietnam and you have our complete support. You have laid the cards on the table for all to see this dirty business. Keep up the fight as there must be millions behind you.

Mr. and Mrs. M. C. Belknap.
Mrs. C. M. Davidson.

North Hollywood, Calif.,
August 6, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

We wholeheartedly support your position on South Vietnam and commend your personal courage. Urge continued fight against President Johnson's request of Congress for carte blanche authority in southeast Asia.

Mr. and Mrs. Thomas Jacobs.

Hamden, Conn.,
August 6, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Fully support your position on our role in South Vietnam.

Margaret Casanova.

Los Angeles, Calif.,
August 6, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Strongly support your intelligent and mature position on Vietnam situation.

R. K. Goodwin.

Astoria, Oreg.,
August 6, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Congratulate you for your statesmanship and courage on Vietnam.

Herman J. Birch.

Indianapolis, Ind.,
August 6, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Appreciate your efforts to insist on thoughtful discussion of all implications in South Vietnam crisis. Hope consideration will be given to possible international conference leading to political rather than primarily military settlement.

Robert A. Fangmeier.

Los Angeles, Calif., *August 6, 1964.*

Senator Wayne Morse,
Washington, D.C.:

Congratulations on your stand against U.S. military aggressiveness in Vietnam or anywhere. Keep sanity in world.

Dan and Frances Troy.

Chicago, Ill., *August 6, 1964.*

Senator Wayne Morse,
Washington, D.C.:

Congratulations on your stand opposing war in Vietnam. Get more Senators to support you.

Mr. and Mrs. Maurice Silver.

Tampa, Fla., *August 6, 1964.*

Senator Wayne Morse,
U.S. Senate, Washington, D.C.:

Heard your statements on TV. Am with you 100 percent.

Mrs. John Rodriguez.

New York, N.Y.,
August 6, 1964.

Senator Wayne Morse,
U.S. Senate,
Washington, D.C.:

Agree with your statement re Vietnam and wholeheartedly support your courageous stand.

Mr. and Mrs. John Dobbs.

New York, N.Y.,
August 6, 1964.

Senator Morse,
Senate Office Building,
Washington, D.C.:

Yes, yes, yes—and keep saying it. You are a sweet voice of reason on Vietnam.

Morton and Carol Kaplan.

Boston, Mass.,
August 6, 1964.

Senator Wayne Morse,
Washington, D.C.:

I am happy to see that the light of reason still shines. Thank you; copy speech.

Arthur Sheehan.

Minneapolis, Minn.,
August 6, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

We support your minority position. Please continue to speak up.

William and Eleanor Otterness.

Redmond, Oreg., *August 6, 1964.*
Senator Wayne Morse,
Washington, D.C.:

In entire agreement. Do anything you can to stop it.

Mr. and Mrs. B. S. Knowles.
Dr. and Mrs. C. E. Stewart.

Lebanon, Oreg., *August 6, 1964.*
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

I am proud of your courageous stand on Vietnam. I heard you at Kansas University.

Carl Bangs.

Portland, Oreg., *August 6, 1964.*
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

I agree with your stand on the Vietnam situation.

Miss Mabel Downs.

Portland, Oreg., *August 6, 1964.*
Wayne Morse,
Washington, D.C.:

I support your speech condemning U.S. unilateral action in southeast Asia and opposing congressional resolution.

Ronald Subotnick.

Eugene, Oreg., *August 6, 1964.*
Senator Wayne Morse,
Washington, D.C.:

Strongly support your view that U.S. policy in Vietnam has been provocative unjustified unwise.

Mr. and Mrs. Robert Leeper.

Portland, Oreg., *August 6, 1964.*
Senator Wayne Morse,
Senate Office Building, Washington, D.C.:

Wholeheartedly support your stand on Vietnam and oppose expansion of McNamara's war.

Dr. Morris Malbin.

Portland, Oreg., *August 6, 1964.*
Senator Wayne Morse,
Senate Office Building, Washington, D.C.:

We fully support your lone and courageous dissent to U.S. warmongering in Vietnam.

Mr. and Mrs. Feuerberg.

Salem, Oreg., *August 6, 1964.*
Senator Wayne Morse,
Senate Office Building, Washington, D.C.:

We support the position you are taking regarding the crises in Vietnam.

Respectfully,
Mr. and Mrs. John Fullenwider.

Portland, Oreg., *August 6, 1964.*
Senator Wayne Morse,
Washington, D.C.:

Thank God for a sane voice. Thank you for voicing 20th-century realities.

Dr. and Mrs. Jacques Singer.

Salem, Oreg., *August 6, 1964.*
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

We support your position on Vietnam.

Huey Frederick.

Portland, Oreg., *August 6, 1964.*
Senator Wayne Morse,
Washington, D.C.:

Now more than ever your courageous denunciation of Pentagon aggression vital lest humanity perish.

John P. Van-Hyning.

Madison, Wis., *August 6, 1964.*
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Accept my full support for your position and action on American policy in southeast Asia.

William A. Williams.

Salem, Oreg., *August 6, 1964.*
Senator Wayne Morse,
Washington, D.C.:

We support you on negotiations rather than extending Viet war.

Robert and Shirley Miller.

Salem, Oreg., *August 6, 1964.*
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

We support you to urge negotiations and not to extend Viet war.

Mr. and Mrs. James E. Nelsen.

Eugene, Oreg., *August 5, 1964.*
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Endorse your position on Vietnam without qualifications.

Martin and Joan Acker.

Salem, Oreg., *August 5, 1964.*
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Praise your statement tonight on Vietnam crisis. You are absolutely right. Urge you keep talking.

Marvin and Violet Mettleton.

Madison, Wis., *August 6, 1964.*
Hon. Wayne Morse,
U.S. Senate,
Washington, D.C.:

Congratulations on your intelligence, honesty, and courage.

Gladys Borchers.

New York, N.Y., *August 6, 1964.*
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Thanks for bringing out the facts about our Navy in North Vietnam. We support you.

Mr. and Mrs. H. L. Feay.

Hollywood, Calif., *August 6, 1964.*
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Thanks for your courage and your decency in opposing escalation of war in Vietnam. Thank God one man in the Senate tells the truth. You are defending not only the lives and consciences of Americans but the future itself.

Mary P. Austin.

Columbia, S.C., *August 6, 1964.*
Senator Wayne Morse,
U.S. Senate, Washington, D.C.:

Support opposition Vietnam action continue fight. Support you all the way. No more war.

Emmett J. Durant.

San Francisco, Calif.,
August 6, 1964.
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Highly respect your position, urge you insist on United Nations decision before further action.

Margaret Driggs.

Inglewood, Calif.,
August 6, 1964.
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Support your Vietnam position.

Gail Eaby.

Leonia, N.J., *August 6, 1964.*
Senator Wayne Morse,
U.S. Senate, Washington, D.C.:

We and many others support your stand Vietnamese crisis and hope for full investigation.

Leroy J. Ellis and Dorothy M. Ellis.

Alhambra, Calif., *August 6, 1964.*
Senator Wayne Morse,
Washington, D.C.:

Congratulations on your position in favor of more restraint on our part in Vietnam.

Respectfully,
William F. Graves.

Stamford, N.Y., *August 6, 1964.*
Hon. Wayne Morse,
U.S. Senate, Washington, D.C.:

Dear Senator Morse: Today you are representing all that is best in Americanism. Future generations will honor you for your stand; do not falter.

Respectfully,
Stephen D. Jacoby.

Oakland, Calif., *August 6, 1964.*
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Congratulations on your stand regarding Vietnam. Best wishes.

Mott D. Cannon.

Santa Monica, Calif., *August 6, 1964.*
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Heartily endorse your stand southeast Asia. Keep up good work.

Harold K. and Kean Mantius.

Chicago, Ill., *August 6, 1964.*
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Thank you—thank you—thank you.

Atlantis Marshall.

Los Angeles, Calif.,
August 6, 1964.
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Blessings, voice of sanity. Keep up pressure for United Nations peaceful solution Vietnam and southeast.

Frances Nelson.

Wichita, Kans., *August 6, 1964.*
Senator Wayne Morse,
Senate Building, Washington, D.C.:

Why the administration's so unpromising venture 3,000 miles away after all the undecisiveness, confusion, and deceit? Why not only 80 miles away? I don't believe it's too late yet. Frankly, I am scared to death and we are depending on your good judgment.

Bill Sontag.

Riveredge, N.J., *August 6, 1964.*
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

We fully support your courageous action in the Vietnam crisis.

Respectfully,
Mr. and Mrs. Carl Fischer.

Oakland, Calif.,
August 6, 1964.
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

We support your position on Vietnam. Urge you embark on nationwide speaking tour.

Mr. and Mr. A. Brumer.

Los Angeles, Calif.,
August 6, 1964.
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Heartily commend your opposition to present action Vietnam. Suggest neutralization of southeast Asia.

Edna MacGowan.

New York, N.Y.,
August 6, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Deeply grateful to you for speaking on behalf of millions who want peace. May you continue to stand firm.

Elizabeth Moos.

Berkeley, Calif., *August 6, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Congratulations for not being stampeded by unconvincing evidence into so-called deliberate bodies war hysteria.

Ruth Anspach.

New York, N.Y., *August 6, 1964.*

Senator Wayne Morse,
Washington, D.C.:

Admire your brave attitude and sane thinking on the Vietnam situation. Thank you.

Frances M. Malden.

Bar Harbor, Maine,
August 6, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Support your opposition to our military action in North Vietnam and admire your courageous stand for truth and justice.

Gacia Bodde.

Brooklyn, N.Y., *August 6, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Congratulations on your reported stand against war.

Albert Lazarus.

New York, N.Y., *August 6, 1964.*

Senator Wayne Morse,
U.S. Senate,
Washington, D.C.:

Congratulations. Support your position Vietnam.

Rothschild.

New York, N.Y., *August 6, 1964.*

Senator Wayne Morse,
Congress of the United States,
Washington, D.C.:

Thank you for your courageous stand on the Vietnam issue. Future generations will thank you.

Howard King.

Chapel Hill, N.C., *August 6, 1964.*

Senator Wayne Morse,
U.S. Senate,
Washington, D.C.:

With you all the way. Keep talking.

Mrs. Arthur P. Miller.

New York, N.Y., *August 6, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Keep up good fight for sanity peace and justice. Am wiring my Congressmen do likewise. Congratulate and bless your courage.

Clara Colon.

West Cornwall, Conn., *August 6, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Congratulations on Vietnam stand. History and good men everywhere will applaud your courage. Continue bravely.

Jeremy Brecher.

Pasadena, Calif., *August 6, 1964.*

Senator Wayne Morse,
U.S. Senate,
Washington, D.C.:

We support your stand in Vietnam.

Dr. and Mrs. Jerome Weinberg.

Naperville, Ill., *August 6, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

We praise you for your stand on the crisis in Vietnam.

Eugene W. Kreves.

Shenorock, N.Y., *August 6, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Congratulations on your courageous position. The majority of American people believe as you do.

Mr. and Mrs. Leonard Drapkin.

Grand Forks, N. Dak., *August 6, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Support your position on southeast Asia. It is in the victorious tradition of progressive dissidence.

Albert Stern.

Colorado Springs, Colo.,
August 6, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Few dare tell the truth today about Vietnam. We are thankful for your voice.

Helena Chase Johnson,
Mansi Kern,
The Pines Cheyenne Mountain.

Los Angeles, Calif.,
August 6, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Please do everything possible to continue your battle against the terrifying actions taken by our Government in Vietnam. You are one of the few fighting for truth and justice. May you have the strength and determination to carry on this fight despite the grim power of your opponents who seek to hide the truth from those to whom it matters most, the citizens of the United States. No words can express my appreciation of the debt we owe you. Good health and good luck.

Roberta Diamond.

Lincoln, Nebr.,
August 6, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Deeply appreciate your stand opposing hypocrisy of simultaneous peaceful talk belligerent action.

R. H. Marks.

Grove, Ill.,
August 6, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

I cheer you for your stand on crisis in Vietnam.

Mary Phillips,
Lemont, Ill.

Washington, D.C.,
August 6, 1964.

Senator Wayne Morse,
U.S. Senate,
Washington, D.C.:

Support heartily your position of conscience in Viet crisis.

George Spencer.

Hancock Center, Mass.,
August 6, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

You have support of all thinking people. Do not give up the battle.

Dr. Richard M. Schneer.

Washington, D.C.,
August 6, 1964.

Senator Morse,
Senate Office Building,
Washington, D.C.:

Commend you on Vietnam. Please filibuster White House war resolution until Monday.

Ben Stackler.

New York, N.Y.,
August 6, 1964.

Wayne Morse,
Senate Office Building,
Washington, D.C.:

Strongly support your criticism of southeast Asia policy and endorse your refusal support congressional resolution.

Robert Brown.

Los Angeles, Calif.,
August 6, 1964.

Senator Morse,
Senate Office Building,
Washington, D.C.:

Approve your stand on Vietnam situation.

Zelda Grubbs.

State College, Pa., *August 6, 1964.*

Senator Wayne Morse,
U.S. Senate,
Washington D.C.:

Approve your position as on TV interview yesterday. Urge complete use of United Nations.

Warren S. Smith.

New Haven, Conn., *August 6, 1964.*

Senator Wayne Morse,
U.S. Senate,
Washington D.C.:

Strongly support your Vietnam stand in New York Times today.

Ralph F. Guertin.

Los Angeles, Calif., *August 6, 1964.*

Senator Wayne Morse,
Washington D.C.:

Your honest, courageous statement concerning Vietnam is outstanding example of best in American public life.

Thomas Amneus.

Valley Stream, N.Y., *August 6, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington D.C.:

Thank you for your continued sanity on Vietnam.

Leah Harris.

New York, N.Y., *August 6, 1964.*

Senator Wayne Morse,
Washington D.C.:

Admire your sane and courageous stand on the Vietnamese issue. You have our full support.

Irving M. Zeitlin.

San Jose, Calif., *August 6, 1964.*

Senator Wayne Morse,
Washington, D.C.:

We, the rational minority, support your courageous stand on Vietnam.

John Bernstein,
President, FDR Democratic Club, California Democratic Council.

Rochester, N.Y., *August 6, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

You are right. We want no war. Let's get out of Vietnam before too late.

Karl Nell,
Rochester, N.Y.

BOSTON, MASS., *August 6, 1964.*

Senator WAYNE MORSE,
U.S. Senate,
Washington, D.C.:

Congratulations on your courageous criticism of Vietnam reprisal. Please continue to question wisdom of our policy.

FLORIAN WEISSENBORN.

MONTCLAIR, N.J., *August 6, 1964.*

Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.:

Many thanks for your reasonable and sane statement regarding Vietnam. Your courage and judgment appreciated.

Mrs. L. FREEMAN,
Montclair, N.J.

PORTLAND, OREG., *August 6, 1964.*

Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.:

Support your position on Vietnam.

Mr. and Mrs. A. H. KERR,
Portland, Oreg.

EUGENE, OREG., *August 6, 1964.*

Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.:

Bravo. Your position on Vietnam absolutely right. Conference table civilized solution.

CATHERIN LAURIS.

ASTORIA, OREG., *August 6, 1964.*

Senator WAYNE MORSE,
U.S. Senate,
Senate Office Building,
Washington, D.C.:

I support your position on Vietnam and everything else.

SHANE RUUTTILA.

ASTORIA, OREG., *August 6, 1964.*

Senator WAYNE MORSE,
U.S. Senate,
Senate Office Building,
Washington, D.C.:

I applaud your decision to vote no on Vietnamese resolution and salute your courage.

JULIA RUUTTILA.

PORTLAND, OREG., *August 6, 1964.*

Hon. WAYNE MORSE,
Senate Office Building,
Washington, D.C.:

Bravo. Heartily favor negotiation Vietnam crisis. American withdrawal overdue.

G. BERNHARD FEDDE.

IOU NO. 28—20 QUESTIONS ABOUT YOUR LOADED LIGHT BILL

Mr. METCALF. Mr. President, a favorite propaganda technique of the IOU's—they call themselves investor-owned utilities—is the rigged quiz. Electrical consumers are asked questions and told answers which create an image of the local power company as home folks, overburdened by taxes and regulation but nevertheless struggling to meet the payroll, just as the corner grocer.

Anyone interested in an elaboration of this technique will find most interesting the articles, "A Farm Family Visit to a Powerhouse," and "Rigging Your Own Quiz Programs" which appeared in the June 8, 1961 and November 23, 1961 issues, respectively, of "Public Utilities Fortnightly," an industry publication.

Mr. President, there is a great need for consumer understanding of utility operation. The electric light and power industry is the Nation's largest. Every month millions of American families each pay the local power company up to $5 more than it needs to provide electrical service, expand and make a reasonable profit. For many consumers, the $60-a-year overcharge cancels out the income tax reduction voted by Congress this year.

Companies use part of this monthly overcharge to finance a massive propaganda campaign, through their advertising and public relations programs and by contributions to a variety of organizations which want to shift more taxes from the rich to those less able to pay and which would abolish the United Nations. They also seek to weaken or destroy their nonprofit competitors—the rural electric, municipal and public utility district power suppliers. The IOU's do not like competition, which forces them to reduce rates.

Part of the overcharge is kept by the companies as extra profit. However, ordinary stockholders in power companies do not always benefit from the consumer overcharge. In fact, if you hold stock in an investor-owned power company, you may get "taken" twice—once when you pay your light bill and again when you get your dividend check. The equity of ordinary stockholders in some power companies is being diluted by creation of additional stock which is sold to company insiders for as little as one-fourth of the price charged ordinary stockholders.

In an attempt to provide better understanding of this issue, I have prepared 20 questions and answers which will, I hope, help offset the rigged quiz programs of the power companies and afford consumers a better understanding of their electricity bills.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD, these 20 questions and answers.

There being no objection, the questions and answers were ordered to be printed in the RECORD, as follows:

TWENTY QUESTIONS

1. Who supplies the power?
2. How do power suppliers differ?
3. How do IOU's differ from other businesses?
4. Don't power companies pay any taxes?
5. Do the IOU's refund taxes when they collect too much?
6. Must an IOU refund other overcharges?
7. How are electric rates set?
8. Are IOU profits increasing?
9. Are IOU rates too high?
10. Don't lower rates increase sales?
11. Do IOU insiders get cut-rate stock?
12. What do options cost?
13. Are option windfalls taxed?
14. Aren't options more costly than salaries?
15. Then why do IOU's use options?
16. What will reduce my light bill?
17. How do IOU's distribute propaganda?
18. How do IOU's help ultra-right groups?
19. Do the companies publicize such gifts?
20. Who pays for this propaganda?

1. Who supplies the power?

About three-fourths of the electricity in the United States is supplied by 220 companies. These are the large "investor-owned utilities" (as they call themselves) or the IOU's (as I perfer to call them). Together these companies comprise the largest industry in the United States, with about 12 percent of all capital invested in business in the Nation.

The rest of the power—less than 25 percent—is supplied by nonprofit systems, including municipals (city owned), rural electric cooperatives, and public utility districts.

All power suppliers are alike in one sense. They are monopolies, being the sole supplier of power in a given area, with rare exceptions.

2. How do power suppliers differ?

The IOU's and rural electric cooperatives are privately owned; the other systems are publicly owned. The IOU's are controlled by principal stockholders, which are frequently holding companies, insurance companies,[1] banks or individuals who live far from the companies' service areas. The rural electrics are controlled by the consumers they serve. Each customer has one vote. Likewise the municipal and public utility district systems are locally controlled.

Control of the IOU's is usually centralized. In fact, in some instances all voting at annual meetings—of millions of shares of stock—is by proxy. The primary interest of IOU investors is profit.

In contrast, the primary interest of consumer-owned power suppliers is good service, at the lowest possible cost.

3. How do IOU's differ from other businesses?

Competitive, free enterprise businesses are subject to risks and losses. About 15,000 ordinary businesses fail each year. There has not been a failure in the giant electric light and power industry in more than a generation. This is because, as utilities, they are granted numerous special favors by government and practically guaranteed all expenses, including taxes, plus profit. In other words, they are essentially cost-plus contractors, assured costs, including taxes, plus profit.

4. Do not power companies pay any taxes?

No. Despite what many IOU's advertise, each company "merely acts as tax collector for the Government." Surprisingly, these are the words of a private power spokesman, Edwin Vennard, managing director of Edison Electric Institute, the IOU trade association. You, the customer, pay the taxes when you pay your light bill. They are included by the company as part of its expenses.

If you don't pay those taxes which are included in your light bill, the company will cut off your lights.

In their advertisements, some IOU's try to appear to be identical to other businesses. But the IOU's have a monopoly on an essential product, for which demand is unparalleled, along with the practical assurance of all expenses—including taxes—plus profit.

How many other businesses are in that category?

5. Do the IOU's refund taxes when they collect too much?

Hardly ever. In fact many IOU's do not even pass on tax reductions to the consumer who buys electricity at a rate set high enough to pay the company's taxes and other expenses. Under the Revenue Act of 1964, for example, private power companies get two tax reductions—a 2-percent cut in 1964 and an additional 2 percent reduction in 1965. But according to a State-by-State survey by the New York Times in June of 1964, many companies do not plan to pass this tax reduction on to their customers and several State regulatory commissions have indicated they will make no effort to get the companies to do so.

This is only the most recent example of the IOU's failure to pass tax reductions on to the customer. Since World War II the

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[1] Just one insurance company—Metropolitan Life—has more than twice as much invested in the electric power industry as the Federal Government has invested in the Tennessee Valley Authority.

Federal Government has granted nine tax reductions to the IOU's. Many companies have simply pocketed the reduction. Since 1954 the IOU's have obtained more than a billion dollars in tax relief through accelerated amortization (fast writeoffs of property for tax purposes) and more than a half a billion dollars through liberalized depreciation. The investment tax credit provides them an annual tax savings of more than $50 million. The Revenue Act of 1964 will save the industry $50 million in 1964 and $100 million in 1965 and every year thereafter. In addition power companies have distributed more than $741 million in tax-free dividends which, because of rapid depreciation, are considered a return of capital.

Thus, in summary, many private power companies are really tax collectors who, when the Government cuts the tax rate, keep on collecting taxes from the consumer at the higher rate. But if taxes are raised, IOU's pass the increase on to the consumer. So the IOU's collect more tax dollars than they turn over to local, State, and Federal Governments.

6. Must an IOU refund other overcharges?

No. One of the principles of utility regulation is the "water over the dam" rule. Under this principle, if revenues or expenses are incorrectly estimated, the party damaged does not get a refund. Another way of stating this principle would be the old phrase, "let bygones be bygones." The trouble with this rule, as far as the electric consumer is concerned, is that in rate cases most of the experts are on the side of the IOU's. Many regulatory commissions do not have sufficient staff to analyze critically the company's statements. And in most States electric consumers are unorganized.

One of the cases I have used to illustrate how the "water over the dam" principle hurts the consumer involves the Virginia Electric & Power Co. About 10 years ago it started sending out light bills every other month, instead of each month. During a rate case at that time the company was asked how much money it would save sending out only half as many bills. The company said there would be practically no savings. The State regulatory commission accepted this statement, and granted the company the rate increase it requested. Yet by 1962 the company was telling its shareholders that it was saving almost $2.5 million a year just by bimonthly billing. This saving was not passed on to the consumer. And as late as February 1964, a spokesman for the State regulatory commission said he didn't even know how much the company was saving by bimonthly billing.

Recent studies of the companies' own reports show that 95 IOU's overcharged their consumers more than $2.2 billion in recent years. But past overcharges cannot be balanced off against future profits. The money is gone—water over the dam.

So the IOU's are better off than the ordinary cost-plus contractor, who sometimes has to go before a renegotiation board which will require him to return excess profit.

7. How are electric rates set?

Officials elected by the electric consumers establish rates for rural electric cooperatives and municipals. But rates for IOU's, which serve four out of five Americans, are in most cases established by a State regulatory commission. Most commissions and utility consultants consider a 6-percent rate of return on investment to be reasonable. Thus if the company has $100 million invested in plant and equipment, rates will be set to provide the company a net operating income or profit of $6 million ($100 million times 6 percent) after expenses, including taxes, are deducted from revenue.

A 6-percent rate of return on investment usually means a 9- or 10-percent return on common stock. This is because carrying charges on bonds and preferred stock, by which the average IOU raises well over half its capital, are well below 6 percent—about 4 or 4½ percent.

TYPICAL RATE OF RETURN

Revenue ($20 million) minus expenses ($14 million) (including taxes) equals net operating income ($6 million) divided by rate base ($100 million) (plant and equipment) equals rate of return, 6 percent. Because of lax regulation the rate of return for some companies has risen as high as 9 percent.

8. Are IOU profits increasing?

Yes. Standard & Poor's, a leading investment adviser and financial publisher, reported in 1963 that "in the past few years, a number of electric utilities increased their earnings to the extent that rates of return on invested capital reached or exceeded those allowed by regulatory authorities." Net income for electric utilities "has advanced from 14.5 cents out of every revenue dollar in 1952 to 18 cents in 1962, a gain of almost 25 percent," according to a 1963 report by Merrill Lynch, Pierce, Fenner & Smith, the largest investment stock brokerage house.

Standard & Poor's predicted that "the extraordinary growth of the electric power and light industry during recent years is but a foreshadowing of continued progress to come."

9. Are IOU rates too high?

Yes. According to Standard & Poor's the net earnings of electric utilities increased $543 million from 1958 to 1962, yet during the same 4-year period the net effect of IOU rate changes was an increase, of $85 million.

The net effect of rate changes is now a slight decrease, but these small cuts don't begin to give the customer his due. Technological changes have produced great savings. Although cost of electricity to the residential customer is less than two-thirds what it was during World War I, twice as many kilowatt hours of power can now be obtained from a ton of coal as was possible at the end of World War II. Power pooling is also providing spectacular savings. These intertied transmission systems will provide savings estimated at $3 billion, just from reduction of reserve capacity, by 1980.

Forbes magazine reported in 1964 that the industry's "net income is rising faster than net property and the industry's rate of return has moved up steadily." But instead of sharing the increasing profits with the consumers, the solution to the rate of return "problem," according to Forbes, "seems to lie in expanding the rate base."

10. Don't lower rates increase sales?

Yes, they do. Furthermore, when IOU's reduce rates, they still do well financially. Most of the IOU's close to the Tennessee Valley Authority have reduced rates more, proportionately, than companies in other parts of the country. And their common stock earnings have increased more than twice as fast as the national average. In Oregon and Washington residential families use from two to four times as much electricity as persons in Montana, where the rates are about twice as high. Oregon and Washington have substantial Federal power development and consumer-owned power systems which provide yardsticks by which the public can compare profit and nonprofit power. There is not a single municipal power system or public utility district in Montana.

11. Do IOU insiders get cutrate stock?

Yes, many do. Power companies, which are assured expenses, including big salaries and retirement plans, plus profit, are different from competitive businesses, some of which argue that they have to offer restricted stock options to key executives to provide incentive. But during the complacent 1950's a number of power companies—by now at least 29—started issuing their key executives restricted stock options. One of the lucky IOU executives can now buy the stock at a price no more than or even slightly below what it was when the option was granted. The market value of many utility stocks has increased fivefold—in one case, fourteenfold—since 1950. This means that an IOU executive with a stock option may buy, for $100, the same amount of stock for which an ordinary stockholder must pay several hundred dollars. Some IOU insiders in Texas and Montana made several hundred thousand dollars apiece in windfall profits by using the restricted stock option.

In the case of the president of the Montana Power Co., who made $370,000 in windfall profit in one option transaction, the windfall has more than doubled to about $800,000 because of the increasing market value of the stock.

12. What do options cost?

It is impossible for a regulatory commission to estimate the future value of option stock. Therefore, profits from options are not included in the ratemaking process. Issuance of these options dilutes the equity of ordinary stockholders and indirectly reduces the company's capital, because stock sold on the market provides the company full market value, while option stock does not. Furthermore, availability of option stocks encourages company officials to forgo rate reductions and make ever greater profit, thus, increasing the market value of the stock, so their windfall profit will be even larger when they exercise their options.

13. Are option windfalls taxed?

Not always. If the company executive sells his stock, he will have to pay only capital gains, which is 25 percent or less. If he gives the stock to a tax-exempt organization he may be able to deduct the market value of the stock—not just the lower option price—from his gross income.

But with smart advice from his tax lawyer, he may give the stock to his wife or children and avoid not only Federal income tax, capital gains tax and gift tax but also—with advice planning—estate tax as well.

The average American may make less in his life than an IOU official makes in one option transaction, but the consumer might pay more taxes on his lifetime earnings than the IOU executive pay on this one windfall.

14. Aren't options more costly than straight salary increases and bonuses?

Absolutely. There is no question that stock options are far costlier than salary increases or bonuses because the latter are tax-deductible. The cost of stock options, on the other hand, is not. For example, suppose a utility company president makes a $300,000 profit through the restricted stock option. The company is therefore out $300,000 in capital forgone. But if the president had received a $300,000 bonus, and if the State or Federal regulatory commission ruled that the $300,000 bonus was compensation for services rendered, the company would be out nothing. It could include the entire $300,000 in its operating expenses, which the company gets from its customers.

15. Then why do IOU's use options?

IOU expenses, including taxes, are simply passed on to the consumer. Perhaps more importantly, bonuses and salaries are sometimes publicized and options are usually hidden. Not even stockholders are told much about option benefits. Power companies sometimes send their own propaganda and reprints from the Reader's Digest along with the light bill. But have you ever seen a report from a power company on how its officials are benefiting—at the expense of the ordinary stockholder and consumer—from a restricted stock option plan?

16. What will reduce my light bill?

Regulatory commissions composed of strong members who do what they are supposed to do (regulate the utilities) and backed by an expert staff and an informed organization of electric consumers will help obtain savings for the ratepayer while still allowing the power companies to make a reasonable profit. However, the most effective method of rate reduction is to give the IOU's more competition, in the form of municipal power systems, rural electric cooperatives, public utility districts, and Federal power projects.

These are "yardstick" competitors because the operations and rates charged by private power companies can be measured against them.

The IOU's attack these competitors as socialistic or worse, although all of them are much more democratic than IOU's. The monopoly IOU's have no real competition and they are afraid of even remote competition-by-comparison offered by yardstick competitors.

For example: Georgia Power paid the city of Rome, Ga., $50,000 for its agreement "not to establish a municipal electric system in competition with" Georgia Power.

A rural electric cooperative in Montana was charged 9½ mills per kilowatt hour by Montana Power Co. until Congress voted funds for a transmission line to serve the cooperative, whereupon the company promptly cut the rate to 5½ mills.

Back in the thirties, the Consolidated Edison Co. of New York City fought off a rate reduction, then cut rates anyhow. Why? Because the then Mayor Fiorello La Guardia threatened to set up a municipal powerplant as a yardstick by which reasonable rates for the city could be determined.

As former Federal Power Commissioner Howard Morgan said in 1963:

"Regulation must be supplemented by programs that in addition to their other roles would provide the yardsticks and competitive restraining forces necessary to assist the regulatory commissions in their efforts to hold the price of electric utility rates to just and reasonable levels. * * * Few utilities * * * can stand the glaring contrast between their own rates and those of the Federal and rural electrification programs. Wherever such a glaring contrast has existed, the utilities have found means of reducing costs and rates. They have had no other choice."

17. How do IOU's distribute propaganda?

The companies enclose propaganda reprints in bills to consumers and reports to stockholders. They spend millions of dollars on advertising. The Federal Trade Commission reviews questionable ads of some industries but not the institutional ads of the IOU's, although one series of national ads by the companies, which associated the companies' competitors with communism, was termed "particularly ugly" by the late President Kennedy. The IOU's "plant" editorials with friendly editors. They circulate in most States films such as "The Power Within," which attacks rural electric cooperatives. The film is accompanied by a detailed manual instructing the person who shows the film how to get his audience to write Congressmen letters which "appear spontaneous and not as though it were a planned concerted effort by any one interested group" being careful not to "betray the source of the letters to the recipient."

The Federal Power Commission has said that the cost of propaganda should not be charged to consumers. But the regulatory commission staffs—thanks to utility lobbying—do not have sufficient staff to check closely on many aspects of company operations.

18. How do IOU's help ultraright groups?

Many power companies contribute regularly to organizations which advocate abolition of the United Nations and the income tax, curtailment of IOU competition (rural electrics, municipal and Federal power programs) and denial of civil rights. These organizations include Manion Forum, America's Future, Harding College (and its national education program), the Southern States Industrial Council, the Committee for Constitutional Government, and the Foundation for Economic Education (which publishes the Freeman magazine). Many power company executives also serve as officials of these organizations, which widely distribute radio programs, pamphlets, editorials, and newsletters.

19. Do the IOU's publicize such gifts?

Not if they can help it. In reports to the Federal Power Commission, some companies lump several hundred thousand dollars as "contributions" despite regulations which require some itemization. Sometimes these contributions are listed as part of the companies' operating expenses, chargeable to the consumer. Frequently a number of companies will make regular, fairly small contributions to various ultraright organizations. That way the contribution of each company doesn't seem too significant. But similar, regular contributions from many companies provide, in total, sizable retainers for the ultraright organizations.

20. Who pays for the IOU propaganda, overcharges and options?

In 1931 Ernest Gruening, then a newspaperman and now U.S. Senator from Alaska, wrote a book about power company propaganda, entitled "The Public Pays."

The book was reissued in 1964 with an amended title, which still answers the question—"The Public Pays, and Still Pays."

RESOLUTION FAVORING SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to the consideration of calendar No. 1242, Senate Concurrent Resolution 92.

The PRESIDING OFFICER. The concurrent resolution will be stated by title.

The Legislative Clerk. A concurrent resolution (S. Con. Res. 92) favoring the suspension of deportation of certain aliens.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the concurrent resolution was considered and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation pursuant to the provisions of section 244(a)(2) of the Immigration and Nationality Act, as amended (66 Stat. 204; 8 U.S.C. 1251):

A–3787267, Rosales-Villanueva, Jesus.
A–12615068, Lieu, Kim-Yew.
A–2984458, Moreno-Perez, Jesus.
A–1481950, Razo, Graciano.
A–12617044, Wong, Leonard Chan.
A–1228745, Highbloom, Maurice.
A–5427225, Milgrom, Joseph.
A–10774247, Yin-Soon, Woo.
A–5458343, Tamayo-Jasso, Francisco Mario.
A–4892479, Garcia-Maciel, Guadalupe.
A–3060369, Kasimoff, Myer.
A–10415990, Tescher, Harry Dent.
A–2106097, Uryga, John.
A–5557528, Zeleski, John.
A–4344720, Cusimano, Matteo.
A–2331535, Lagsdin, Paul.
A–5551391, Michelev, Theodor.
A–1551766, Salas, Gavino Rossas.
A–3490589, Wingert, Joseph Peter.
A–1455368, Zuk, George.
A–1281051, Chapchuk, Alexander Wasilewiz.
A–7961806, Daniels, Abraham.
A–10416224, Gavialis, Olgard Victor.
A–2929432, Mikalauskas, Antanas.
A–8993441, Rivera, Dionicio.
A–3964345, Tur, Theodore.
A–10639796, Alicoff, George.
A–12517043, Haw, Wong Ming.
A–6519257, Miles, Jadwiga.
A–6082963, Nurse, George Eric.
A–5718139, Rodriguez-Ochoa, Jesus Maria.
A–3995157, Thaler, Harry.
A–5932930, Siegel, Lydia Lorraine.
A–2493224, Tong, Lee See.
A–13452360, Torrez-Lopez, Ignacio.
A–5486037, Tye, Wong Fook.
A–1344623, Zielinski, Stanislau Viktor.
A–4448147, Miongian, Mike.
A–10414728, Mossotti, Edward.
A–3520411, Rzeczkowski, Edward.
A–4350398, Soffra, Joseph Losano.
A–13088696, Estrada-Perez, Cesario.
A–10416202, Freeman, Mary.
A–5937239, Mohammed, Abdulleh.
A–1852835, Rios-Gonzalez, Porfirio.
A–3097327, Tow, Ben.
A–1744555, Basar, Nick.
A–12534391, Chin, Kun.
A–12519941, Chun, Ong.
A–3498265, Guraves, Stanley.
A–3173756, Nicoara, John.
A–4088206, Talian, Isidor Teodor.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 1306), explaining the purposes of the concurrent resolution.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE OF THE CONCURRENT RESOLUTION

The purpose of the concurrent resolution is to record congressional approval of suspension of deportation in certain cases in which the Attorney General has suspended deportation pursuant to section 244(a)(2) of the Immigration and Nationality Act, as amended. Under the prescribed procedure, affirmative approval by both the Senate and the House of Representatives is required before the status of the aliens may be adjusted to that of aliens lawfully admitted for permanent residence.

STATEMENT OF FACTS

The concurrent resolution relates to certain cases in which the Attorney General has suspended deportation under the provisions of section 244(a)(2) of the Immigration and Nationality Act, as amended. These cases are the first to be submitted to the Congress under the provisions of that section subsequent to its amendment by section 4 of Public Law 87–885. The aliens are deportable as former subversives, criminals, immoral persons, violators of the narcotic laws or violators of the alien registration laws. The discretionary relief may be granted to an alien within these categories upon a showing (1) of 10 years' continuous physical presence in the United States following the commission of an act or the assumption of a status constituting a ground for deportation; (2) that he has not been served with a final order of deportation up to the time of his application for suspension of deportation; (3) that he has been a person of good moral character during the required period of physical presence; and (4) that his deportation would result in exceptional and extremely unusual hardship to himself or to his spouse, parent, or child, who is a citizen or an alien lawfully admitted for permanent residence.

Included in the concurrent resolution are 52 cases which were referred to the Congress between February 1, 1963, and March 1, 1964. Two cases referred during that period were withdrawn by the Attorney General, and nine cases were not approved. In each case included in the current resolution, a careful check has been made to determine whether or not the alien (a) has met the requirements of the law; (b) is of good moral character; and (c) warrants the granting of suspension of deportation.

The committee, after consideration of all the facts in each case referred to in the concurrent resolution, is of the opinion that the concurrent resolution (S. Con. Res. 92) should be agreed to.

SETTLEMENT OF CLAIMS OF CERTAIN INHABITANTS OF THE UNITED STATES DUE TO SUDDEN FLOODS OF THE RIO GRANDE RESULTING FROM CONSTRUCTION OF THE FALCON DAM

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1247, H.R. 8999.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 8999) to provide for the settlement of claims of certain inhabitants of the United States living in the area inundated by the sudden floods of the Rio Grande as a result of the construction of the Falcon Dam, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill (H.R. 8999) was ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1311), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the proposed legislation is to provide for the settlement of claims by certain inhabitants of the United States and welfare agencies or political subdivisions of the State of Texas for damage to or loss of personal property and expenses incurred in the relocation of persons or personal property by reason of the construction of the Falcon Dam and resultant sudden floods of the Rio Grande during the period August 27, 1953, to September 1, 1954.

STATEMENT

According to the report of the House of Representatives on H.R. 8999, the following are the facts involved in this legislation:

"The claims here involved stem from the construction of the international Falcon Dam on the Rio Grande pursuant to the treaty of 1944 with Mexico. The U.S. section of the International Boundary and Water Commission, the agency responsible for the construction, found it necessary to request the Attorney General to acquire the rights-of-way on the U.S. side of the river by court proceedings in eminent domain because of the absence of anything more than the scantiest of land title records. The necessary court actions were completed, declarations of taking to vest title in the United States filed, and money equivalent to the estimated value of the properties being taken deposited with the registry of the court for the benefit of the property owners. Because of the confused title situation, some residents of the reservoir basin area were unable to collect their share of the money deposited. Others who did collect found that the fair market value offered for their ancestral houses of adobe and rock would pay for hardly any type of relocation shelter. Furthermore, the law did not provide compensation for movable personal property or for the costs of moving this personal property.

"As the dam neared completion and the date for flooding the area approached, an intensive notification and warning program was instituted. Nevertheless, some 20 of the occupants remained who had refused to vacate or move their personal property. On August 27, 1953, when the flood began, their personal possessions were locked in the houses of which they formerly claimed ownership. Local authorities provided emergency evacuation services, but nonetheless considerable personal property was lost in the sudden flood.

"The Department of State reports that from the very beginning the people to be displaced, many of whom were humble folk of Mexican origin, illiterate and inexperienced in such matters, did not comprehend the limitations in law confronting the U.S. Section in its attempt to be just and helpful, and had a pervading dread of becoming implicated in a process of law. While it may be said they were misguided in their resistance, it is not difficult to understand why the inhabitants were distrustful and easily influenced by the false and unfortunate rumors, protests, and misinformation widely circulated in the area at the time. In contrast to the relocation facilities made available by the Mexican Government, New Zapata, the place on the U.S. side of the river where most of the displaced persons had indicated an intention to move, was not completely ready for occupancy before the flood. There were no schools, no drinking water, or electricity; the courthouse had not been completed; and the streets were largely unimproved.

"The Department of Justice has made a statement which might be quoted in part as a summary description of the peculiar circumstances at the reservoir:

" 'Never in the experience of the Lands Division has there been a case in which so much publicity has been given to irresponsible statements by any and every one * * *. The newspapers widely circulated in the area concerned have almost every day published either a letter * * * or an article wherein it is strenuously urged that the United States is legally obligated to pay landowners for their properties, that amounts of money which will be required to build substitute facilities of equal proportions * * *. These matters have gone on until it is, in our opinion, no longer possible for the persons affected to have any clear, unbiased view of the law applicable to the situation.'

"Thus, while the U.S. section of the International Water Commission and the Department of Justice have made and are making available to all claimants compensation for damages alleged to have been caused by the construction, operation, and maintenance of the Falcon Dam and Reservoir, clearly a number suffered damages for which no compensation has been paid. Preliminary investigation has resulted in a listing of claims approximating $62,450, but prior to actual processing of the claims it is, of course, not possible to determine that this total represents all or even a majority of the individual claims which could be filed. The Zapata County authorities have itemized emergency services for the inhabitants costing $7,242.98. Although it may be argued that the inhabitants were partly responsible for the damage to their personal possessions, the committee is persuaded that the unusual circumstances and conditions preceding the sudden floods justify the special consideration contemplated by the bill.

"SECTION-BY-SECTION ANALYSIS

"H.R. 8999 incorporates the conclusions and recommendations of the committee following the consideration of H.R. 786 and consultation with officials of the Department of Justice, the Department of State, and the International Boundary and Water Commission. It incorporates certain recommendations submitted by the departments reporting on H.R. 786 and H.R. 684 (87th Cong.).

"*Section 1*

"The U.S. Commissioner on the International Boundary and Water Commission, the U.S. section of which was designated by the treaty of 1944 with Mexico as the agency for the construction of the international Falcon Dam, is granted authority to administer three types of claims:

"(1) For damage to or loss of personal property on or after August 27, 1953, when the flooding began, and before September 1, 1954;

"(2) For actual expenses incurred by any welfare agency, municipal corporation, or other political subdivision of the State of Texas in rendering assistance in the emergency relocation of persons or personal property because of the floods; and

"(3) For actual expenses for the moving of persons and possessions made necessary by the construction of the dam.

"The Commissioner is given the entire responsibility for the receiving, adjudication, or determination and payment of the claims. To the extent a claim has been compensated by insurance, it shall not be eligible for payment.

"Because a period of approximately 10 years has elapsed since the accrual of the claims, provision is made that the claims may be filed by the persons suffering the damage, loss, or expense, or by their heirs at law. The estate of any deceased claimant would be a proper party claimant if the claims had been litigated and therefore it is considered proper that survivors shall have the right of recovery. Claims for damage to or loss of real property are not eligible for payment since it is not intended to apply to lands in condemnation proceedings pursuant to which the United States acquired title and for which compensation has already been paid. As will be noted hereafter, no payment of any award shall exceed $2,500 in amount, except for awards on claims under subsection (2), while claims under subsection (3) are also subject to an additional specific limitation or maximum of 25 percent of the fair value of the land from which the claimant, his family, and their posessions have been moved.

"In the adjudication of claims under subsection (1), the Commissioner is specifically directed to take into account difficulties of obtaining final proof of all items of loss, is authorized to apply equitable considerations, and shall not be bound by formal rules of evidence. It is the intention of the committee that the hearings and proceedings for the determination of claims be conducted as informally, expeditiously, and at as little expense to the claimants as possible.

"*Section 2*

"A period of 12 months from the date of the enactment of H.R. 8999 has been provided for the filing of claims. In the event a period of 12 months from the date of enactment ends on a Saturday, Sunday, or legal holiday, claims postmarked on the next succeeding working day should be counted as timely.

"The Commissioner is specifically prohibited from considering any claims for death, personal injury, personal inconvenience, physical hardship, mental suffering, loss of anticipated profits, or loss of anticipated earnings.

"Section 3

This section provides that in conducting hearings and investigations the Commissioner shall be subject to the provisions of sections 9 and 10 of the Federal Trade Commission Act of September 26, 1914, as amended (15 U.S.C. 49, 50). These provisions relate to the examination of documentary evidence, attendance of witnesses, and production of books, papers, and documents. U.S. marshals or their deputies are to serve subpenas either personally, by registered mail, by telegraph, or by leaving a copy thereof at the residence or principal place of business of the person to be served. Proof of service shall be by a verified return by the individual serving the subpena which sets forth the manner of service. A written record of all hearings and proceedings is to be maintained, which records shall be open to public inspection.

"Witnesses summoned to attend any hearing or investigation are to be allowed the same compensation as is allowed witnesses in the courts of the United States.

"Section 4

"A decision shall be issued by the Commissioner on each claim filed and the award or order of dismissal shall be based upon written findings of fact with reasons for the decision fully stated. A copy of the decision is to be mailed to each claimant or his attorney.

"Payment of an award on any claim shall in no event exceed $2,500 except for claims of welfare agencies, municipal corporations, or other political subdivisions of the State of Texas which are not so limited. The committee is presently aware of only one such claim, that of Zapata County, which has indicated that a total of $7,242.98 was spent in the emergency evacuation of inhabitants and their possessions. Claims for moving expenses, subsection (3) are also subject to the payment limitation that no more than 25 percent of the fair value of any parcel of land shall be paid to the owners and tenants thereof (or their survivors). This limitation is the same as that set by statute for other departments in their payment of moving expenses incident to land acquisition and is adopted for purposes of uniformity.

"Subject to the foregoing limitation, the Commissioner is authorized to make payment of awards out of the funds to be appropriated by the Congress for this purpose. Full reports of all adjudications and the amounts paid are to be submitted to the Congress. The decisions of the Commissioner are to be final and conclusive barring any further claims against the United States arising out of the same subject matter.

"Section 5

"The Commissioner is given a 1-year period following the authorization of appropriations for completion of the claim program. As provided in section 2, a 1-year period following the enactment of this act is provided for the filing of claims. Under a subsequent section, provision is made for certain initial funds for the payment of the administrative costs of the claims program. It is anticipated that this sum will be sufficient for the initial costs to be incurred in establishing the procedures for claims adjudication, giving notice of the claims program, and the receipt of claims. When the number of claims to be adjudicated and the amounts necessary for the payment of awards has been approximated, and appropriations therefor provided, a period of 1 year thereafter is granted for the completion of the claims program, including adjudication of all claims, issuance of decisions, and payment of awards.

"Section 6

"Attorneys' fees are limited to a maximum of 10 percent of the amount paid on an award. When requested, the Commissioner may, as a part of the award, determine and allow reasonable attorneys' fees, subject to the limitation of 10 percent of the amount to be paid out of, but not in addition to, the amount of payment on the award. Any attorney who charges, demands, receives, or collects a fee for services rendered in connection with a claim under this act in excess of 10 percent of the amount paid on such claim shall be guilty of a misdemeanor and subject to a fine of not more than $2,000, or imprisonment of not more than 1 year, or both.

"Section 7

"In order to carry out the claims program, the Commissioner is authorized to employ such persons as he deems necessary without regard to the provisions of the civil service laws and the Classification Act of 1949, as amended. It is anticipated that the Commissioner may require the services of a clerk, attorneys, examiners, and interpreters. However, he is authorized to utilize the services of personnel from other Federal agencies on a reimbursable basis. The exemption from the requirement of the civil service procedures is for the purpose of expediency in view of the intention that the claims program be completed in a short time without the creation of a staff of permanent, full-time employees who would accrue tenure, retirement rights, etc.

"The Commissioner may call upon Federal departments or agencies other than the International Boundary and Water Commission for information or records. He is also authorized to secure the cooperation of State and local agencies and to reimburse such agencies for services rendered. Additionally, he is authorized to utilize voluntary and uncompensated services, to assist the needy claimants in the filing of claims, to make such investigations as may be necessary, and to prescribe the rules and regulations for the administration of the claims programs.

"Section 8

"The committee has been informed that certain sums appropriated for the construction of the Falcon Dam have not been completely expended. Pending the appropriation of funds to the Department of State for the use of the U.S. section, International Boundary and Water Commission, United States and Mexico, for the administration of a claims program and the payment of awards, an initial sum, not to exceed $20,000 from the Falcon Dam construction funds, is to be used for the payment of administrative costs of the claims program provided for in this act."

The House of Representatives has found that this legislation is appropriate and required and is an appeal to the Congress for relief in a situation wherein there is no other hope for relief for the individuals suffering from such damages and losses.

The committee has given this matter careful consideration and believes that under all of the circumstances this legislation is meritorious. It is, therefore, recommended that the bill, H.R. 8999, be considered favorably.

Attached hereto and made a part hereof are reports from the Department of State, the Department of Justice, and the Department of Health, Education, and Welfare on this legislation.

VALIDATE CERTAIN PAYMENTS OF PER DIEM ALLOWANCES MADE TO MEMBERS OF THE COAST GUARD

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of calendar No. 1249, H.R. 11255.

The **PRESIDING OFFICER.** The bill will be stated by title.

The Legislative Clerk. A bill (H.R. 11255) to validate certain payments of per diem allowances made to members of the Coast Guard.

The **PRESIDING OFFICER.** Is there objection to the request of the Senator from Montana?

The motion was agreed to; and the Senate proceeded to consider the bill.

The **PRESIDING OFFICER.** The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill (H.R. 11255) was ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 1313), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE

The purpose of the bill is to validate the payments of per diem allowances totaling about $8,000 made to 51 members of the Coast Guard for the period from March 8 to July 2, 1959, while those members were assigned to a precommissioning detail for the Reserve Training Center, Yorktown, Va., and to permit the refund of amounts repaid by the members concerned.

STATEMENT

The bill was introduced in accordance with the recommendations of an executive communication transmitted to the Congress by the Department of the Treasury which recommends its enactment.

The executive communication from the Department of the Treasury sets forth the facts in the case as follows:

"The purpose of this proposed legislation is to validate the payments of per diem allowances, totaling about $8,000, made to 51 members of the Coast Guard for the period from March 8, 1959, to July 2, 1959, while those members were assigned to a precommissioning detail for the Reserve Training Center, Yorktown, Va. The bill would also permit the refund of amounts repaid by the members concerned, and would allow credit, to the extent of the validated payments, in the accounts of the authorized certifying officers who made the payments.

"The personnel involved were issued travel orders to Yorktown, Va., where the Coast Guard was taking over a Navy facility to use as a Reserve training center. These members were ordered to Yorktown for temporary duty to make the facility ready for commissioning as an active Coast Guard unit. Upon commissioning, the members of the precommissioning detail were assigned to permanent duty at the unit. Government family quarters were not available until after the station was commissioned. Consequently, the members were required to maintain themselves at Yorktown while their families remained at another location.

"The General Accounting Office has disallowed the payment of per diem in cases such as this on the basis that a permanent change of station is accomplished upon arrival at the geographic location of the permanent duty and not at the time of commissioning of the unit. Therefore, per diem payments for temporary duty would not be authorized, despite the fact that quarters were not available until some time after the station was commissioned.

"The Department feels that under the particular circumstances of this case, it is unjust to require the personnel involved to refund the payments they received. In most cases, these payments did not cover the additional expenses incurred by the members assigned to this duty. Recovery of the payments thus caused a financial hardship due to circumstances over which the individuals had no control."

In its favorable report on the bill the Committee on the Judiciary of the House of Representatives said:

"In making its decision in this case the committee has carefully considered the circumstances surrounding the payment of per diem in this instance. The 51 coastguardsmen were issued travel orders to Yorktown, Va., where the Coast Guard was taking over a Navy facility to use as a Reserve training center. These members of the Coast Guard were ordered to Yorktown for temporary duty to make the facility ready for commissioning as an active Coast Guard unit. Upon commissioning, the members of the precommissioning detail were assigned to permanent duty at the unit. Government family quarters were not available until after the station was commissioned. The committee has taken particular note of the fact that, because family quarters could not be made available until after commissioning, these coastguardsmen were required to maintain themselves at Yorktown while their families remained elsewhere.

"This committee has concluded that the facts of the case demonstrate that at the outset this was a typical situation under which per diem is normally paid. The orders were for temporary duty, the members were sent to a station which had not been commissioned and they were required to be absent from their normal homes or regular station in order to accomplish their assigned mission of preparing the facility for Coast Guard use. However, the per diem payments were subsequently disallowed, because the General Accounting Office ruled that the subsequent assignment of these personnel to permanent duty at the unit had the effect of invalidating the payments.

"The committee recognizes the fact that the ruling in this instance involves a general fiscal policy matter. However, the application was the result of the particular factual situation outlined above, and had the effect of imposing a particular hardship on the servicemen involved. The Treasury Department communication notes that even after the station was commissioned, quarters were not available to the men for some time. Further, the payments in most cases did not cover the additional expenses incurred by the members assigned to this duty, and recovery of the payments caused additional financial hardships for them. This was a case where the servicemen had no control over the situation. They were assigned this duty by orders issued by Coast Guard authorities, and they complied with their orders as members of the Armed Forces.

"The committee finds that in the light of the particular circumstances of this case legislative relief is clearly justified. The individual service members should not be required to bear the consequences of the somewhat technical interpretation of the law concerning per diem payments in this instance. Accordingly, it is recommended that the bill be considered favorably."

The committee believes that the bill as recommended by the Department of the Treasury and approved by the House of Representatives is meritorious and recommends it favorably.

Attached and made a part of this report is a letter, dated April 27, 1964, from the Department of the Treasury.

ROBERT L. JOHNSTON

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1253, H.R. 6034.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 6034) for the relief of Robert L. Johnston.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary with an amendment on page 1, line 9, after the word "from", to strike out "June 1, 1959, through March 31, 1963," and insert "June 17, 1959, through March 20, 1963,".

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1317), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the proposed legislation, as amended, is to relieve Robert L. Johnston, a retired Regular Army warrant officer, of all liability to refund to the United States the amounts paid him for his services as a civilian employee of the Department of the Army in the period from June 1, 1959, through March 31, 1963, which employment was subsequently held to have been in violation of section 2 of the act of July 31, 1894, the Dual Office Act.

STATEMENT

The report of the Department of the Army states that that Department has no objection to this legislation. The report of the Comptroller General of the United States states that that agency offers no recommendation concerning the merits of the bill but notes that the Government appears to have received Mr. Johnston's services during the period of his unlawful employment.

The facts and recommendations surrounding this claim, as set forth in the House report on H.R. 6034, are related as follows:

"On July 31, 1956, Robert L. Johnston retired from the Army as a warrant officer with more than 20 years of active and honorable military service. In 1959 he applied for civilian employment with the Department of the Army in Texas stating on his application that he was a retired Regular Army warrant officer. On June 17, 1959, he was appointed unit aide with the VIII U.S. Army Corps at an annual salary of $4,040. He continued in this employment until March 17, 1963, when, for the first time, he was notified by the Army Finance Center that he had been employed in violation of the Dual Office Act. As a result, Mr. Johnston was separated from his employment on March 20, 1963. By this time he had spent 3 years and 9 months as a civilian employee. As is noted in the Army report, Mr. Johnston is now subject to refund some $17,030.04 which represents the full amount earned by him in this period.

This committee has concluded that it is clearly inequitable for the Government to derive the benefit of Mr. Johnston's services and then to claim that the money he earned should be repaid, because it was "illegally expended." The Army report makes it clear that Mr. Johnston revealed his retired status in his initial application for employment. Further, the Army states that "[I]t appears that as late as October 1962, when the erroneous employment was discovered, the employing agency considered Mr. Johnston to be legally employed. Even then, another 6 months transpired before he was notified of the illegal employment." This circumstance merely compounded the unfairness to Mr. Johnston. This committee finds that there is no question but that Mr. Johnston acted in complete good faith in accepting civilian employment. The liability created by this chain of events would impose a severe and unconscionable hardship on Mr. Johnston. The Army report notes that he is experiencing difficulty in meeting the normal costs of living. Further, his wife suffers with cancer and has been under a doctor's care since June of 1961. This fact has prevented her from contributing to the family income."

The committee, after a review of all of the foregoing and the departmental reports, believes that under the circumstances there is merit to the legislation and, therefore recommends that the bill, H.R. 6034, as amended, be considered favorably.

Attached hereto and made a part hereof are the reports of the Department of the Army and the Comptroller General of the United States.

SECOND-CLASS AND THIRD-CLASS BULK MAILINGS FOR VOLUNTEER FIRE COMPANIES

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 1264, S. 564.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 564) to extend to volunteer fire companies the rates of postage on second-class and third-class bulk mailings applicable to certain nonprofit organizations.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill, which was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4359(e)(2) of title 39 of the United States Code is amended by inserting after the word "fraternal," the words "volunteer fire companies,".

SEC. 2. Section 4452(d) of such title is amended by inserting after the word "associations" where it appears in the first sentence a comma and the words "and volunteer fire companies,".

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1327), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

EXPLANATION AND ANALYSIS

S. 564 would amend 39 U.S.C. 4359(e)(2) and 39 U.S.C. 4452(d) by adding volunteer fire companies to the group of qualified nonprofit organizations entitled to use preferential second- and third-class postage rates for bulk mailings. Other groups already authorized by statute to use such preferential rates include religious, educational, scientific, philanthropic, agricultural, labor, veterans', fraternal, associations of rural electric cooperatives, and one official highway or development publication of each State of the Union.

Volunteer fire companies perform an invaluable service to the American public. Without these citizens' unpaid efforts to protect both life and property, most villages and small towns would either be without fire protection or would have to undertake the expense of a professional fire department. In many cases, this alternative would prove financially impossible. In an effort to maintain and improve firefighting equipment, volunteer fire companies solicit public support by means of mailed letters requesting contributions. Even at present, third-class bulk rates, the cost of such solicitations proves to be a strain upon the very limited budgets of many companies. S. 564 would extend to this worthwhile group a privilege of the law which is presently enjoyed by several other groups and associations.

Mr. **MANSFIELD**. Mr. President, I move to reconsider the votes by which these measures were passed.

Mr. **JAVITS**. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. **KEATING**. Mr. President, volunteer firefighting organizations play a valuable and important role mainly in rural areas where the cost of professional firefighters is prohibitive. Their work is as hazardous as that of the professional firefighters yet their monetary reward is none. Some may question the necessity of extending bulk mailing privileges to these fire departments for they do not know the type of mail these organizations send out.

Primarily, their mailings are concerned with fire safety rules and regulations, appeals for assistance and other such matters closely related to the functioning of these departments. Certainly, in my judgment, we should encourage mailings of this sort—mailings which if heeded may save millions of dollars worth of property as well as incalculable cost in human life.

Under present law, bulk mailing permits have been allowed by the U.S. Post Office only to educational, religious, scientific, philanthropic, agricultural, labor, veterans or fraternal organizations, or associations not organized for profit. Unfortunately, volunteer fire departments have not qualified under this category although they have sought to be included on a number of occasions. Thus, the only recourse for them is through this legislation.

I know what a fine job these volunteer fire departments perform, frequently under very adverse circumstances. I give my wholehearted support to this measure.

FIRE ISLAND NATIONAL SEASHORE

Mr. **MANSFIELD**. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1236, S. 1365.

The **PRESIDING OFFICER**. The bill will be stated by title.

The **Legislative Clerk**. A bill (S. 1365) to establish the Fire Island National Seashore, and for other purposes.

The **PRESIDING OFFICER**. Is there objection to the request of the Senator from Montana.

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs with an amendment to strike out all after the enacting clause and insert:

That (a) for the purpose of preserving for public outdoor recreation purposes certain relatively unspoiled and undeveloped beaches, dunes, and other natural features within Suffolk County, New York, which possess high recreation values to the Nation, the Secretary of the Interior is authorized to establish an area to be known as the Fire Island National Seashore.

(b) The boundaries of the national seashore shall extend from the Fire Island Inlet to the Brookhaven-Southampton town line. The boundaries are delineated on a map identified as "Boundary Map, NS–FI–7100, Proposed Fire Island National Seashore, March 1964". The Secretary shall file the map with the Federal Register, and it may also be examined in the offices of the Department of the Interior.

Sec. 2. (a) The Secretary is authorized to acquire, and it is the intent of Congress that he shall acquire as appropriated funds become available for the purpose or as such acquisition can be accomplished by donation or with donated funds or by transfer, exchange, or otherwise, the lands, waters, and other property, and improvements thereon and any interest therein, within the boundaries of the seashore as established under section 1 of this Act. Any property or interest therein owned by the State of New York, by Suffolk County, or by a political subdivision thereof may be acquired only with the concurrence of such owner. Notwithstanding any other provision of law, any Federal property located within such area may, with the concurrence of the agency having custody thereof, be transferred without consideration to the administrative jurisdiction of the Secretary for use by him in carrying out the provisions of this Act. In exercising his authority to acquire property in accordance with the provisions of this subsection, the Secretary may enter into contracts requiring the expenditure, when appropriated, of funds authorized by this Act, but the liability of the United States under any such contract shall be contingent on the appropriation of funds sufficient to fulfill the obligations thereby incurred.

(b) When the Secretary determines that lands and waters or interests therein have been acquired by the United States in sufficient quantity to provide an administrable unit, he shall declare the establishment of the Fire Island National Seashore by publication of notice in the Federal Register.

(c) The Secretary shall pay not more than the fair market value, as determined by him, for any land or interest therein acquired by purchase.

(d) When acquiring land by exchange the Secretary may accept title to any nonfederally owned land located within the boundaries of the national seashore and convey to the grantor any federally owned land under the jurisdiction of the Secretary. The lands so exchanged shall be approximately equal in fair market value but the Secretary may accept cash from or pay cash to the grantor in order to equalize the values of the lands exchanged.

(e) The Secretary shall not acquire any privately owned improved property or interests therein within the boundaries of the seashore, or any property or interests therein within the communities delineated on the boundary map mentioned in section 1, except beach or waters and adjoining land within such communities which the Secretary determines are needed for public access to the beach, without the consent of the owners so long as the appropriate local zoning agency shall have in force and applicable to such property a duly adopted, valid, zoning bylaw that is satisfactory to the Secretary.

(f) The term "improved property" as used in this Act shall mean any building the construction of which was begun before January 1, 1963, and such amount of land, not in excess of three acres, on which the building is situated as the Secretary considers reasonably necessary to the use of the building: *Provided*, That the Secretary may exclude from improved properties any beach or waters, together with so much of the land adjoining such beach or waters as he deems necessary for public access thereto.

Sec. 3. (a) In order to carry out the provisions of section 2, the Secretary shall issue regulations, which may be amended from time to time, specifying standards that are consistent with the purposes of this Act for zoning bylaws which must meet his approval.

(b) The standards specified in such regulations shall have the object of (1) prohibiting new commercial or industrial uses, other than commercial or industrial uses which the Secretary considers are consistent with the purposes of this Act, of all property within the national seashore, and (2) promoting the protection and development for purposes of this Act of the land within the national seashore by means of acreage, frontage, and setback requirements.

(c) Following issuance of such regulations the Secretary shall approve any zoning bylaw or any amendment to any approved zoning bylaw submitted to him that conforms to the standards contained in the regulations in effect at the time of adoption of the bylaw or amendment. Such approval shall remain effective for so long as such bylaw or amendment remains in effect as approved.

(d) No zoning bylaw or amendment thereof shall be approved by the Secretary which (1) contains any provision that he considers adverse to the protection and development, in accordance with the purposes of this Act, of the area comprising the national seashore; or (2) fails to have the effect of providing that the Secretary shall receive notice of any variance granted under, or any exception made to, the application of such bylaw or amendment.

(e) If any improved property, with respect to which the Secretary's authority to acquire by condemnation has been suspended according to the provisions of this Act, is made the subject of a variance under, or become for any reason an exception to, such zoning bylaw, or is subject to any variance, exception, or use that fails to conform to any applicable standard contained in regulations of the Secretary issued pursuant to this section and in effect at the time of passage of such bylaw, the suspension of the Secretary's authority to acquire such improved property by condemnation shall automatically cease.

(f) The Secretary shall furnish to any party in interest upon request a certificate indicating the property with respect to which the Secretary's authority to acquire by condemnation is suspended.

Sec. 4. (a) Owners of improved property acquired by the Secretary may reserve for themselves and their successors or assigns a right of use and occupancy of the improved property for noncommercial residential purposes for a term that is not more than twenty-five years. The value of the reserved right shall be deducted from the fair market value paid for the property.

(b) A right of use and occupancy reserved pursuant to this section shall be subject to termination by the Secretary upon his determination that the use and occupancy is not consistent with an applicable zoning bylaw approved by the Secretary in accordance with the provisions of section 3 of this Act, and upon tender to the owner of the right an amount equal to the fair market value of that portion of the right which remains unexpired on the date of termination.

Sec. 5. The Secretary shall permit hunting and fishing on lands and waters under his administrative jurisdiction within the Fire Island National Seashore in accordance with the laws of New York, except that the Secretary may designate zones where, and establish periods when, no hunting shall be permitted for reasons of public safety, administration, or public use and enjoyment. Any regulations of the Secretary under this section shall be issued after consultation with the Conservation Department of the State of New York.

Sec. 6. The Secretary may accept and use for purposes of this Act any real or personal property that may be donated for such purposes.

Sec. 7. The Secretary shall administer, protect, and develop the Fire Island National Seashore in accordance with the provisions of this Act and the applicable provisions of the laws relating to the national park system, and the Secretary may utilize any other statutory authority available to him for the conservation and development of natural resources to the extent he finds that such authority will further the purposes of this Act. Appropriate user fees may be collected notwithstanding any limitation on such authority by any provision of law.

Sec. 8. The authority of the Chief of Engineers, Department of the Army, to undertake or contribute to shore erosion control or beach protection measures on lands within the Fire Island National Seashore shall be exercised in accordance with a plan that is mutually acceptable to the Secretary of the Interior and the Secretary of the Army and that is consistent with the purposes of this Act.

Sec. 9. There is hereby authorized to be appropriated not more than $16,000,000 for the acquisition of land and interests in land pursuant to this Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 1300), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

THE PROJECT

Fire Island is one of the Nation's finest undeveloped beaches and is located in close proximity to the largest concentration of population in the United States. Early action is indicated to preserve this fine area for the public benefit and enjoyment. Unless this area is protected soon for public purposes, it is obvious that it will be developed for limited private use and the opportunity to establish an outstanding and sorely needed national seashore will be lost forever.

As originally proposed, the national seashore extended from the western tip of Fire Island 52 miles east to the village of Southampton, containing approximately 8,000 acres of land. It is now provided that the national seashore be confined to a lesser area, limited mainly to Fire Island. This reduced area includes about 33 miles of shoreline, or about 5,700 acres of land.

The bill further provides that private property, both improved and unimproved, may be retained by its owner, within certain designated communities, as long as it is maintained in accordance with approved local zoning requirements, except that the Secretary may acquire within such designated communities any beach or waters together with so much of the land adjoining them as he deems necessary for public access. It is also provided that Federal, State, county, and municipal lands cannot be acquired without the consent of the owner.

On its field investigation of the area, the committee members were impressed with the fact that there are no roads traversing Fire Island and it is the intent of the committee that the Park Service continue it in its present roadless state. Access to the area is now available by the use of bridges and ferries. The use of the park itself should be confined to trails for bicycles, hikers, and other recreationists.

In its presentation the Park Service indicated that the cost of acquiring the 3,300 acres outside the Robert Moses State Park, the Smith Point County Park, and the designated communities would not exceed $16 million. The committee has therefore written into the bill authorization limitation of that amount for the acquisition of land and interests in land.

The committee was impressed with the unanimity of sentiment from all citizens and organizations in the area in support of this legislation. The New York State Council of Parks and the Suffolk County Board of Supervisors have taken a position in favor of its establishment. The committee has received literally hundreds of letters and telegrams expressing unqualified support.

STATISTICAL SUMMARY OF THE PROPOSED AREA TO BE ACQUIRED

Location: South shore of Long Island in Suffolk County, N.Y.

Area of proposed seashore:	*Acres*
Land	5, 700
Water	16, 270
Total	21, 970

Length of national seashore: 33 miles.

Area of Robert Moses State Park: 1,000 acres.

Area of Smith Point County Park: 260 acres.

Landownership:	*Acres*
Federal	90
State	1, 000
County	1, 789
Town	45
Village	16
Private	2, 754
Total	5, 694

Estimated land acquisition cost:	
Appraiser's estimate	$15, 700, 000
Proposed department position	16, 000, 000

Estimated cost of development:	
1st 5 years	$5, 730, 000
Future years	788, 000
Total	6, 518, 000

Estimated cost of operations (management protection aind maintenance):	
1st year	$68, 116
2d year	147, 852
3d year	279, 923
4th year	425, 175
5th year	508, 257

Population within 100-mile radius: 16 million.

The committee unanimously recommends enactment of this bill.

Mr. JAVITS. Mr. President, I am most gratified that the Senate has passed S. 1365, legislation to establish a Fire Island National Seashore, for which with Senator Keating I have fought for years. The Senate's action today on the bill which we introduced, marks an important step in the establishment of a magnificent natural and recreational area for enjoyment and use by almost 20 percent of the population of the United States located in the area extending from Boston to Baltimore, and especially of the 11 million people in the New York metropolitan area. The Fire Island National Seashore will be available to almost one-third of this Nation's population living within a day's drive.

The passage by the Senate of S. 1365 is, to a great degree, the result of the work and support of the local communities in the Fire Island area whose determination to establish a national seashore has been unbounded. The national seashore would preserve approximately 33 miles of shoreline and about 5,700 acres of land for outdoor recreation purposes. The legislation provides that private property, both improved and unimproved, may be retained by its owner in certain designated communities as long as it is maintained in accordance with approved local zoning requirements. The Secretary of the Interior is authorized, however, to acquire within such designated communities any beach or waters together with portions of the land adjoining them which he deems necessary for public access.

The national seashore will provide ample opportunities for recreation such as swimming, fishing, hunting, clamming, boating, camping, nature studies, and other outdoor activities. Figures published by the Department of Interior show that in 1959 nearly 90 million visits were made to county and municipal beaches in Connecticut, New York, and New Jersey. These visits were concentrated at public recreation areas whose shoreline represented only 5 percent of the total recreation shoreline in the three States. Fire Island's shorelines, having great recreational value, thus will provide much needed public recreation opportunities in an area which lacks extensive enough facilities of this kind. The Fire Island National Seashore will, moreover, effectively complement State and county efforts for providing expanded recreation facilities.

I am most hopeful that the House of Representatives will act quickly on this important legislation and that its enactment, which would provide a major contribution to this Nation's outdoor recreational capacity, will follow promptly in this session of the Congress.

Mr. KEATING. Mr. President, within 50 miles of New York City and within hours of 20 percent of the American people lies the barrier beach of Fire Island. It is in an unspoiled state and offers the city dweller and the crowded suburbanite an opportunity to get away from it all. There are magnificent sand beaches and sparkling surf at Fire Island. There is a sunken forest of unique beauty and botanical fame. Perhaps most important, there is uncluttered space and a clear horizon—room to see the sun and stretch the soul.

More than a year ago, my colleague and I introduced legislation to make Fire Island a national seashore after the pattern of the Cape Cod and Point Reyes National Seashores. Our proposal has been supported by conservationists, by recreation and urban planning authorities, by the Fire Island community and by the Department of the Interior. Similar legislation was introduced on the House side and has been reported favorably by the House Interior Committee.

The Public Lands Subcommittee of the Senate Interior Committee, headed by the distinguished Senator from Nevada has worked diligently on this bill. I commend and appreciate their efforts to expedite passage of the bill. On our inspection tour of Fire Island earlier this summer we renewed our determination to establish the seashore this year and it now appears that this goal will be met.

Mr. President, I have always believed that the parks should be where the people are. The Congress has done much to ease the burdens of the city dweller. The mass transportation and air pollution legislation enacted during this Congress are two prime examples of our concern for the growing number of Americans who live in urban areas. The Fire Island National Seashore bill affects another aspect of the urbanite's needs. It relates not to his physical comfort, his economic condition or his health and safety, but to his desire for peace and quiet, for rest and recreation. I urge the Senate to take account of these needs to establish the Fire Island National Seashore—not only for the tens of millions of Americans who will enjoy it this year and next year, but for the generations of unborn citizens for whose benefit it will be preserved.

IN THE GULF OF TONKIN

Mr. CHURCH. Mr. President, in this morning's Washington Post there appears a column by the distinguished columnist, Walter Lippmann, entitled "In the Gulf of Tonkin."

The article shows such unusual perception and displays such insight and wisdom that I commend it to my colleagues in the Senate.

I ask unanimous consent to have the article printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TODAY AND TOMORROW: IN THE GULF OF TONKIN

(By Walter Lippmann)

It is not yet clear why the Hanoi government decided to attack the 7th Fleet. But the encounter is a reminder that the United States is present in the seas around and in the air over southeast Asia. The North Vietnamese and Chinese infantry can do nothing against this invincible and well-nigh invulnerable military presence. What is more, nothing that happens on the ground on the Asian mainland can alter the fact that the United States cannot be driven out of southeast Asia. The lasting significance of the episode is the demonstration that the United States can remain in southeast Asia without being on the ground.

And so, while it may well be true that the jungle war cannot be won, it is also true that the United States need not and will not cease to be a great power in southern Asia. Moreover, as long as we exercise our enormous power with measure, with humanity, and with restraint, as the President is intending to use it, the risks of a wider war are limited.

The more firmly the fact is established that our presence in southeast Asia is primarily as a sea and air power, the safer it will be to enter the negotiations which is the only alternative to an endless and indecisive war in the jungle.

It is necessary to prove to the Chinese, who probably do not really understand sea power because they have none, that the elephant cannot drive the whale out of the ocean. This is an essential preliminary to a good negotiation. The Chinese will have to accept our permanent presence as a great power in the South Pacific.

It will be necessary also to convince many Americans that the United States would not enter such negotiations as a defeated power. On the contrary, the United States is an undefeated power, and as against the Chinese, it is an invincible power.

Naval power is a silent service, and that is one reason why it is such a suitable instrument of a policy which seeks to make no conquest on the mainland but is concerned only to deter and contain military expansion. Only a few years ago, it was the established American military doctrine that we should not engage the American Army on the mainland of Asia. Our strength is in sea power. We have departed from the old doctrine, perhaps because we had to. But the main line of American policy should be to return to it. For it is based on a true understanding of our position on this globe.

DISTINGUISHED SERVICE TO JOURNALISM CITATION AWARDED TO MR. AND MRS. NEWHOUSE

Mr. KEATING. Mr. President, Tuesday evening preceding the ceremony inaugurating the Newhouse Communications Center, Syracuse University, the chancellor of the university, William P. Tolley, made an unexpected but deeply merited award to Mr. and Mrs. Samuel I. Newhouse. It was their farsighted generosity which made possible the communications center which, when completed, will be the world's largest and most advanced study institution for mass communications.

Mr. President, the distinguished service citations which accompanied the gold medal awards presented to Samuel I. Newhouse and Mitzi E. Newhouse, tell a story of community service and public responsibility that deserves highest credit. The address delivered by Mr. Newhouse shows very clearly the heavy burden of responsibility which lies upon our press and newspapers today to chronicle the daily life and the human values of our free society.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD the text of the Distinguished Service to Journalism citations and of Mr. Newhouse's profound and meaningful address.

There being no objection, the text of the citations was ordered to be printed in the RECORD, as follows:

TEXT OF CITATIONS

(Following is the text of "Distinguished Service to Journalism" citations which accompanied gold medal awards given last night to Mr. and Mrs. Samuel I. Newhouse.)

SAMUEL I. NEWHOUSE

For more than half a century, you have labored long and tirelessly to create a communications empire whose foremost purpose is to serve the community and Nation.

Selflessly, you have dedicated yourself to the cause of freedom which is exemplified in the complete and unfaltering belief that editorial direction rightfully shall remain in the hands of the citizens of the community.

Without regard for personal power, you have dedicated yourself to this new concept of responsibility. You have neither influenced the editorial opinions of your newspapers nor changed their institutional character. In permitting unfettered freedom of action, you have established a new pattern for those in command of mass media of communications.

Without exception, your entire career has been devoted to public service. Establishing the Newhouse Foundation and the Newhouse Communications Center are but two instances of your zeal for progress and civic welfare.

This generation and those to follow will indelibly mark your role in mass communications and cherish the legacy you have entrusted to them.

For demonstrating in the traditional American way that hard work, intelligence, and uncompromising integrity are still the formula by which success can be attained in public life, you have shown that life dedicated to others can gain the loftiest heights despite the most humble of beginnings.

By unanimous action of the faculty of the School of Journalism of Syracuse University, we hereby, on this 4th day of August 1964 award you this Gold Medal for Distinguished Service to Journalism.

MITZI E. NEWHOUSE

Since earliest recorded history, the maxim that, "Behind every man * * *" has gained credence. This is no less true today as exemplified by a life devoted to husband, family, community, and Nation. In your role as wife, mother, colleague, and spirited citizen, you have—for more than four decades—marched side by side with your distinguished husband.

Your diversity of interests, your deep human sympathy, and intelligent awareness are to a significant degree responsible for the achievements which we honor today. Your interest in design, your leadership in fashion, and your knowledge of the arts have had an undeniable impact and reflection in many aspects of the publications under the Newhouse aegis.

Your service to important causes has transcended the most generous bounds. You have given a great part of your life to civic, social, and welfare activities. Your influence will continue to serve as an inspiration to others.

For your loyalty, for your humility, for your wise guidance and counsel, and for your efforts in so many quiet and unnoticed ways * * * by unanimous action of the faculty of the School of Journalism of Syracuse University, we hereby, on this 4th day of August 1964 award you this Gold Medal for Distinguished Service to Journalism.

TEXT OF NEWHOUSE ADDRESS

(Following is the text of an address delivered by Samuel I. Newhouse last night at a dinner in his honor at Hotel Syracuse.)

Governor Rockefeller, Chancellor Tolley, friends:

It seems a long time ago—some 5 years—since Chancellor Tolley and I first sat down to discuss the possibility of creating a communications center at Syracuse.

And may I say at the outset what a satisfying experience it has been to work with our chancellor on this project.

It has been stimulating to watch an idea grow into a handsome structure—the first of three dedicated to the education of promising young news talent.

I cannot be unaware of a dramatic contrast that concerns my name. The first time it appeared anywhere was on a birth certificate written in a New York City tenement, where I was born.

I am proud of that.

Tomorrow I will see my name inscribed on the wall of what is perhaps the most modern school of communication in the world. I am proud of that, too.

But I am proudest of my ties with the people gathered in this room tonight—first, of course, my immediate family: my wife, my sons and my grandchildren; my brothers and sisters; and my old and good friends.

They all know how I cherish them.

My particular embrace tonight, too, is to my professional associates here. It is to those editors and publishers who, over the years, have nourished and helped develop our family of newspapers.

For the fact is that I look upon our newspapers as a family and at each acquisition as if of another child.

Our elementary concern is of its health and then its growth. Although each is flesh of our flesh, and ink of our ink, each develops in its own way, with its own looks, its own views, its own independent spirit—the way children do.

They speak differently too—for they are the voices of all America. Their accents are from the far Northwest, the East and the South—accents from all the regions of our land. But despite the differences in accents, they are united in one common aim: the newspapers' dedication to the truth.

The mass media are enormously influential. They affect human judgment, shape our desires, and influence our choices. They can lull a community into complacency or charge the atmosphere with reforming zeal. They can appeal to the grossest urges or cultivate the highest aspirations. They can subvert an entire nation or they can enhance an open society.

Communication is a two-way process. We may print words, broadcast a speech, or televise an event but the man who reads, or listens, or watches is also a part of the process of communication. The mass media have a special responsibility in making sure that the news of the world is reported accurately. But all of us—from the lowliest private citizen to the highest officials of industry, labor, education and Government must share in this responsibility.

We are entrusted with instruments of massive power—the press, the microphone and the camera. Indeed, they are the crucial weapons in a struggle for men's minds and hearts. They are also the vital implements for creating the good society.

Our ever-bigger cities call for new ways of keeping things in harmony with human values. Complex social movements must be explained clearly if each person is to play an intelligent role. In a democracy, political life must be kept meaningful for the average man if he is to remain a vital participant.

It is right and fitting that such a communications center be located within a dynamic university with world-embracing interests. The many fields of study provide an unparalleled opportunity for the interplay of creative talents of the first rank.

That is why all of us in communications, education and government have a special responsibility to report to the peoples of the world and to our own people, and in reporting today's news the mass communicators must understand the forces that work in the world around us. Policies of nations and peoples alter too quickly for journalists to make inflexible judgments. Today's so-called enemy is tomorrow's friend. Indeed, we have no lasting enemies so much as we have ill-informed peoples.

In the end, it is the quality of persons who choose to make mass media their career that counts. We hope—my wife, my sons and myself—that the brightest possible young men and women will be found and awarded scholarships at this center. It is our hope that the most accomplished teachers who can be found will continue to be added to the present outstanding faculty as an incentive to journalism students to come to Syracuse.

It is our hope that great leaders of this Nation and the world will be drawn to its forums and seminars to shed the light of their experience and judgment on the great issues of the day, thus making this city and this university a continuing focus of interest and culture.

And so, I am grateful to Chancellor Tolley for having shown me the way, for helping me fulfill the responsibility I feel as a publisher toward this community and Nation. I am happy that I can share this pride in my lifetime with all of you here tonight.

Tomorrow the President of the United States will dedicate the great building which will bear the name first written on a birth certificate in the tenements of New York.

For all of this, Governor Rockefeller, Chancellor Tolley, distinguished guests, ladies and gentlemen—I am deeply grateful and proud.

TOP FRENCH AWARD TO U.S. CITIZEN, COL. ROGER E. BRUNSCHWIG

Mr. KEATING. Mr. President, the State of New York and the Nation are honored by the outstanding service of Col. Roger E. Brunschwig, of Old Chatham and New York City. Distinguished veteran of two World Wars, Colonel Brunschwig has just received the highest award in the French Legion of Honor, the Grand Croix.

Colonel Brunschwig was honored on July 24 by President de Gaulle, who presented the order in behalf of France. He is one of the founders, and vice president, of an organization of French war veterans who received face wounds in World War I. During World War II, Colonel Brunschwig joined General de Gaulle's Free French forces. In 1942 he became head of the Free French Military Liaison Mission to the U.S. forces, and in June 1944, he landed in Normandy with the first allied forces. Colonel Brunschwig became a Grand Officer of the Legion of Honor in 1945, and is now one of 75 outstanding military officers to hold the Grand Croix. New York is proud to claim Colonel Brunschwig as a resident, and on behalf of the State which I represent I wish to offer him my hearty congratulations.

Mr. President, I request unanimous consent to have printed at this point in the Record an article in the Chatham Courier about Colonel Brunschwig.

There being no objection, the article was ordered to be printed in the Record, as follows:

COLONEL BRUNSCHWIG RECIPIENT OF HIGHEST LEGION OF HONOR RANK

Col. Roger Brunschwig, of Old Chatham and New York City, received the Grand Croix, the highest rank in the French Legion of Honor. The Grand Croix was bestowed upon Colonel Brunschwig at a ceremony held in the courtyard of Les Invalides, in Paris, Friday, July 24. General de Gaulle presented the medal.

Colonel Brunschwig is head of Brunschwig & Fils, Inc., of New York City, manufacturers and importers of textiles and wallpapers. He was one of the founders of the Union des Blessees de la Face, known as Les Gueules Casses, an organization of French war veterans having received face wounds. The colonel is now vice president of that organization, which is one of the leading war veteran groups in France.

Colonel Brunschwig was born on July 14, 1891 in Argenteuil (Seine-et-Oise Department). During World War I, he was a lieutenant, then captain, in the 27th Batalilion des Chasseurs. He received his face wound on November 5, 1916. At that time he became a Chevalier in the Legion of Honor and helped found the Union des Blessees de la Face. He was successively promoted to officer and to commander of the Legion of Honor.

During World War II, Colonel Brunschwig joined General de Gaulle in London and entered the Free French forces. He was promoted to lieutenant colonel and then colonel. In 1942 colonel Brunschwig was named head of the Free French Military Liaison Mission to the U.S. forces. In June 1944 he landed in Normandy with the first allied forces and served until the end of the German campaign. At that time he was head of the 200 French liaison officers serving with the American forces.

Colonel Brunschwig received two new citations for his service in World War II and was awarded the rank of Officer of the Medal of Resistance. He became a grand officer of the Legion of Honor in 1945.

The rank which Colonel Brunschwig received, the Grand Croix, is the highest in the Legion of Honor. Only about 75 persons hold it.

EMPLOYMENT OF PERSONS WHO HAVE BEEN IN PRISON

Mr. LONG of Missouri. Mr. President, as chairman of the Senate Subcommittee on National Penitentiaries, one particular problem has caused me great concern for several years. That problem is the attitude of Federal agencies and many private employers toward the hiring of ex-prisoners. Many firms will give them no consideration at all. Even the Federal Government, whose policies in this regard ought to be enlightened, will not hire an ex-prisoner unless he has been released from prison or parole for at least 2 years. Only rarely will he be taken on the Government payroll even after this period.

The attitude of business and Government executives is reflected in an article which appeared in the Wall Street Journal sometime ago written by a staff reporter, Ed Cony. The average businessman, according to the article, seems to take the attitude that it is all right for another firm to hire an ex-prisoner but not his own firm. In other words, "let the other guy do it."

I can well understand the desire to keep the hoodlums and hirelings of organized crime out of business organizations, but it is a destructive and self-defeating social policy to put up such barriers against any and all persons who have been in prison. Very few of the total number of persons who go to prison have been actively engaged in organized crime. By and large prisoners come from the ranks of the most impoverished fifth of our society, and in most cases their offenses are relatively minor, the forgery of small checks, using a car without authorization, and so on. Mr. James V. Bennett, Director of the U.S. Bureau of Prisons, in a recent article said regarding the prison population of the Nation, "Most of them are not the murderers, rapists, and kidnapers pictured by the average citizen."

There are nearly 90,000 persons released from Federal and State institutions for adult offenders each year. Nearly a million others are released from local jails, workhouses, and detention facilities. Approximately half of the ex-prisoners have families. A high incidence of unemployment among these ex-prisoners accounts for poverty and human misery among literally millions of American citizens. This group is a significant part of our total national poverty problem and must be considered in carrying out the Nation's fight against economic distress.

Mr. Bennett has reported to the National Penitentiaries Subcommittee some significant research findings that bear on this problem. According to a 5-year study made by the University of Illinois under a Ford Foundation grant, 90 percent of all releases have every intention of making good when they get out of prison. This is in sharp refutation of popular impressions to the contrary. Moreover, most of them carry through on their intentions. Two-thirds of the people who come out of our Federal prisons do not again get into trouble.

But it is no easy matter for them. Too many of them, along with their families, have to endure extreme economic deprivation for many months. Typically, they can obtain only short-term employment within the first few weeks after their release. It is nearly 6 months on the average before any appreciable number of them obtain steady jobs.

Most ex-prisoners are strongly motivated to make good, and employers will find them willing to work extremely hard when given the opportunity to earn the self-respect that comes from honest employment. In the files of the Bureau of Prisons are many case histories of men who have become extremely valuable members of the firms that hired them. I know of one instance where a radio station took a chance on a man who had served several years in a Federal penitentiary for stealing a car and taking it across a State line in connection with an escape from a State institution. In a half-dozen years this ex-prisoner worked his way up to the position of general manager of the entire chain.

Another example is Mr. Morris "Red" Rudensky, who makes no attempt to hide his prison record. He did not take well to prison life at first, but he finally settled down to it, like most prisoners do, and made the best of it. When he came out he went to work for Brown & Bigelow, of St. Paul, Minn., the largest specialty advertising firm in the world. He has been there for more than 20 years now, and is one of its key executives. He says regarding his experience in Federal penitentiaries, "Over the years I found the average inmate anxious to go straight. The age-old tale that prisons are crime schools is the bunk."

His employer must have thought so too. Red met his employer, the late Charlie Ward, in Leavenworth prison. Ward, as president of Brown & Bigelow, developed a deliberate policy of hiring ex-prisoners. Over the years he put hundreds on the payroll, and his policy paid off. They served the firm faithfully and well.

I hope that as the President's antipoverty program is put into effect the employment problems of the ex-prisoner will not be neglected or forgotten. Efforts should be made to educate employers and find jobs for ex-prisoners. I also hope that the U.S. Civil Service Commission will liberalize its stringent regulations concerning the employment of ex-prisoners. The President intends that the Federal Government shall provide leadership in the overall campaign against poverty, and this is a practical way for the Government's recruitment agency to implement that leadership.

But beyond this the people of our Nation have recognized the wisdom of trying to help those who go to prison to live law-abiding lives after their release. Our institutions provide a number of programs and services designed to help the inmate adjust to a life of freedom after his release. These include medical and psychiatric services, vocational and technical training, academic schooling, and religious and moral guidance. Now it seems inconsistent to me for the Federal Government, after striving to help these men while on the inside, to turn its back on them once they are released. The Government and private business must recognize the need for these men to have jobs. I do not believe we can afford to continue to turn down these men merely because they have served time. Each man should be considered individually. Certainly the fact that he has violated the law must be a part of the consideration. However, it must be remembered that that was in the past. The most important consideration is what can be expected in the future. If we are not willing to give these men a new chance there is little hope that we will ever solve the problem of crime and delinquency.

The Government should be the first to recognize that there are many jobs on which an ex-prisoner could be given a chance without in any way adversely affecting the public interest. However, it has yet to do so. I believe immediate attention should be given to revising present policies so that ex-prisoners will not automatically be ruled out when they apply for Government jobs. If the Government takes such action, I foresee more private businesses adopting reasonable policies in this regard.

Mr. President, I am optimistic that the men whom the President has chosen to administer the antipoverty program already recognize this problem and its relationship to their responsibilities. I wish to assure them of the complete cooperation of the Subcommittee on National Penitentiaries in finding ways of minimizing the amount of unemployment and poverty accounted for by ex-prisoners. Action in this area is indispensable to the success of the antipoverty program.

RESOLUTION OF COMMONWEALTH'S ATTORNEYS OF VIRGINIA

Mr. BYRD of Virginia. Mr. President, the Commonwealth's attorneys of Virginia held their 25th annual meeting at Virginia Beach on July 25, 1964. These are the officers elected in Virginia to uphold the laws.

They adopted three resolutions which I hope every member of the Federal judiciary and every leader of the Federal Government will read with personal and official application.

These resolutions restate fundamental principles which we should always keep in view. All officials of all governments—Federal, State, and local—should constantly adhere to them.

I also commend these resolutions to the public generally. It is their duty and responsibility to require adherence by public officials who represent them in government.

For these reasons, I ask unanimous consent that the resolutions be published in the body of the RECORD, as part of my remarks.

It was my privilege to address this meeting; and the Honorable THOMAS DOWNING, Member of Congress from the First Virginia District, placed my remarks in the RECORD of July 29, page 17419.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

Be it resolved by the Association of Commonwealth's Attorneys of Virginia assembled at its 25th annual meeting at Virginia Beach, Va., July 25, 1964, That:

Whereas the Supreme Court of the United States has in recent years, and especially the last decade, ignored precedents and laws of long standing, and has taken upon itself the role of a judicial oligarchy, and

Whereas this association is deeply concerned over the lawlessness in the Nation encouraged by recent decisions of the said Court; and

Whereas we, the members of this association, are alarmed over the soaring crime rate and disrespect for the law in the Commonwealth and Nation;

Now, therefore, the Association of Commonwealth's Attorneys of Virginia, in convention assembled this 25th day of July 1964, at Virginia Beach, deplore the continued actions of the U.S. Supreme Court in harassing, hamstringing, and hampering law enforcement through its decisions protecting criminals and Communists. We fear that should this trend continue we will have a lawless society.

We view with alarm the Court's disregard of precedent and its blatant usurpation of legislative and executive functions.

ERNEST P. GATES,
Secretary.

Be it resolved by the Association of Commonwealth's Attorneys of Virginia assembled at its 25th annual meeting at Virginia Beach, Va., July 25, 1964, That government, State and Federal, renew awareness of the basic fundamental rights of all our citizens to life, liberty, and the pursuit of happiness, to the distinction between right and privilege; and that these governments in striving for equality, guard against supremacy, in striving to guarantee rights of one, guard against invasion of the fundamental rights of another, in striving to protect personal rights of one, guard against the denial of the property rights of another; and that government, State and Federal, confine its activities within the scope of its duties and responsibilities; and be it further

Resolved, That the Federal Government refrain from pressure tactics, refrain from supression of truth and magnification of half-truths; refrain from encouragement and aid to programs reasonably calculated to cause consternation and alarm in the local communities of this Nation; and refrain from policy determination and directives that disrupt the peace and tranquillity of the pursuit of happiness of the peoples of this Nation.

Ernest P. Gates,
Secretary.

Be it resolved by the Association of Commonwealth's Attorneys of Virginia assembled at its 25th annual meeting at Virginia Beach, Va., July 25, 1964, That we commend the Virginia delegation in Congress for their valiant fight in the Congress against the civil rights law which was recently enacted. While their actions were in vain, their opposition served to inform the American public of the evils inherent in the law and dangerous implications therefrom.

Ernest P. Gates,
Secretary.

BAIL BOND REFORM

Mr. HARTKE. Mr. President, joint hearings by the Judiciary Committee's two Subcommittees on Constitutional Rights and on Improvements in Judicial Machinery are continuing today. Consideration is being given to the three bills introduced by the Senator from North Carolina [Mr. Ervin] to make certain reforms in Federal bail bond statutes. As a cosponsor of these three bills—S. 2838, S. 2839, and S. 2840—I am hopeful that my colleagues of the Judiciary Committee and of the Senate will find it possible to support the changes needed. As a contribution to their consideration, Mr. President, I ask unanimous consent that there be printed in the Record an article which has just come to my attention. It was published in the June issue of the Journal of the American Judicature Society. The article is entitled "Punishment Before Trial," and evidently it has been prepared by the editors, since no author's name is attached.

There being no objection, the article was ordered to be printed in the Record, as follows:

Punishment Before Trial—Abuses of Pretrial Detention and Bail Are Being Corrected in a Massive Nationwide Attack

"At this moment, in this city, there are hundreds of youngsters between the ages of 16 and 21 in jail."

"I don't believe it."

"Go to the jail and see for yourself."

The speakers were two businessmen, seated comfortably in a club lounge, in New York City. Louis Schweitzer, the man who didn't believe it, took up his friend's suggestion and visited a jail. He found the boys, as predicted, including three who were less than 16, to the consternation of the officials, who hadn't even known it.

It is bad enough to be in jail as punishment for crimes committed, but Schweitzer found that many of those he saw there, and many inmates of jails all over the country, have never been convicted of any crime. A sizable number of them, when tried, are found not guilty and acquitted.

Then why are they in jail?

Because they are poor. Our system requires in most instances that persons accused of crime put up money or bond to guarantee their appearance when the trial date comes. If they don't have the money, they just stay in jail until that day arrives.

"Each year, the freedom of hundreds of thousands of persons charged with crime hinges upon their ability to raise the money necessary for bail. Those who go free on bail are released not because they are innocent but because they can buy their liberty. The balance are detained not because they are guilty but because they are poor. Though the accused be harmless, and has a home, family, and job which make it likely that if released he would show up for trial, he may still be held. Conversely, the habitual offender who may be dangerous to the safety of the community may gain his release." [1]

Justice Bernard Botein, of New York, has provided some startling figures on the heavy incidence of pretrial detention in New York:

"In 1962, 58,458 persons, of whom 12,995 were adolescents, were confined to prison while awaiting disposition of criminal charges pending in city and State courts. The adults spent an average of 28 days apiece in jail; the adolescents an average of 32 days. The total staggering number of days spent in jail by these 58,000 presumably innocent individuals during the year was 1,775,788. Persons accused of Federal offenses in 1963 spent an estimated 600,000 days in local prisons." [2]

The situation is not peculiar to New York. A 1958 study cited by Justice Botein disclosed that 28 percent of the defendants in New York could not raise $500 bail, and 45 percent could not raise $2,000. In St. Louis, 79 percent could not raise bail; 75 percent in Baltimore and Philadelphia; 65 percent in the District of Columbia. In a survey of four Federal districts the percentage of defendants who could not raise $500 ranged from 11 to 78 percent.

Louis Schweitzer, who is not a lawyer, but a chemical engineer and industrialist, decided to do something about all this. What he has done in the short space of 3 years makes up a brilliant new chapter in the history of judicial administration in this country, and it reached a culmination last month when more than 400 lawyers, judges, law enforcement officials and other interested persons, led by Chief Justice Earl Warren and Attorney General Robert F. Kennedy, met in Washington for a 3-day National Conference on Bail and Criminal Justice.

The conference was cosponsored by the U.S. Department of Justice and the Vera Foundation, Inc., of New York, which is the instrumentality established by Mr. Schweitzer to implement his determination to seek and further the equal protection of the laws for the indigent accused.

Mr. Schweitzer was not, of course, the first person to become aware that there are serious problems in this area of judicial administration. In his address on the last day of the conference, Attorney General Kennedy read from a report on bail:

"In too many instances the present system * * * neither guarantees security to society nor safeguards the rights of the accused. It is lax with those with whom it should be stringent, and stringent with those with whom it could safely be less severe."

The Attorney General observed that this report, which might well have emanated from this conference, was in fact written 37 years ago.[3]

The background of the American bail system was traced for the conference by Chief Justice Warren in his opening address:

"These provisions in the Federal system were established early in our history. In the Judiciary Act of 1789, which antedated the eighth amendment to the Constitution, bail was established as a right in all criminal cases except when the punishment might be death. In capital cases bail was discretionary with the courts * * *. The eighth amendment, which is a part of the Bill of Rights, became effective some 2 years later, and declared that 'excessive bail shall not be required.' This clause has generally been construed as guaranteeing a right to bail by logical implication."

Of the present Federal provisions, the Chief Justice remarked that "the amount of bail under the rule is to be such as will insure the presence of the defendant, account being taken of the nature and circumstances of the offense charged, the weight of the evidence against him, his financial ability to give bail, and the character of the defendant. Though the amount of bail is thus left to judicial discretion, such discretion must not be abused." He noted that bail provisions and problems are essentially similar in both Federal and State courts.

A survey by Justice Botein of pretrial detention practices in European countries indicates that in none of them is the situation as bad as here. In England the most commonly used device to guarantee appearance is a simple promise—a personal recognizance—to forfeit a stated sum in case of nonappearance, and forfeitures are very rare, possibly because penalties are more lenient. In Italy, Sweden, and Denmark bail is frowned upon as undemocratic and as giving the rich an advantage over the poor. In Italy 90 percent of those charged with minor or moderately serious crimes are released without any kind of pledge or guarantee.

THE MANHATTAN BAIL PROJECT

Facts like these led to the Manhattan bail project, the first activity of the Vera Foundation. Launched in October 1961, in cooperation with the New York University School of Law and the Institute of Judicial Administration, and financed by a grant from the Ford Foundation, the project is based on the hypothesis that courts will be willing to release on recognizance if they can be given verified information about a defendant's reliability.

Under the project's operation, defendants are interviewed by law students immediately after arrest. Information is obtained about residence, family, employment, relatives and other relevant factors. A point system is used to evaluate these factors and arrive at a recommendation. If release is recommended, the information is given to the judge. The project staff then keeps in touch with the defendant and sees that he is reminded of his obligation to come to court.

Up to the date of the conference, a total of 2,630 persons were so released. Of these, only 24 had failed to appear. Thus the effectiveness of the system is well over 99 percent. The financial saving to the city in not having to support those persons in jail is substantial; the financial benefit to the individuals themselves and their families in not being kept from employment is much greater, and the human benefit to them and their families is incalculable.

The successful experience in New York has led to the initiation of similar projects in a number of other cities. The District of Columbia bail project has been in operation since January 20, 1964. Prior to the project's inception practically no defendants were granted release on recognizance. In its first 3½ months the project recommended release in 94 out of 367 cases. In 54, release was on recognizance, in 10 the amount of the bond was lowered, and in 30, motions were denied. Up to the time of the conference the record in the District of Columbia was perfect—no defendant had failed to appear.

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[1] Daniel J. Freed and Patricia M. Wald, "Bail in the United States: 1964," a 116-page printed report to the National Conference on Bail and Criminal Justice.

[2] From Justice Botein's address at the opening session of the National Conference on Bail and Criminal Justice.

[3] A. L. Beeley, "The Bail System in Chicago," 1927. The bail reform movement of that day was not without results. See "Detroit Court Solves Bail Problem," 16 J. Am. Jud. Soc. 143 (February 1933).

On February 3, 1964, a 1-year pretrial release project began operations in Des Moines, Iowa, sparked by a series of newspaper articles by a reporter, Gilbert Cranberg. In its first 3 months 180 release recommendations were made and 178 granted. Only one failed to appear; two came in a day late. A recognizance release program for indigent criminal defendants was adopted in February 1963, by the Circuit Court for Criminal Causes in St. Louis, with investigations and followup in the hands of the court's probation officers. Since March 1963, a pretrial release program has been in operation in the municipal court of Chicago (now a part of the new unified circuit court), with interviews, verifications and recommendations handled by members of the staff of the public defender's office.

Other similar bail projects reported to the conference are in operation in Nassau County, New York, Baltimore, Tulsa, Detroit, and Los Angeles, and more are in the planning stage for Boston, New Haven, Syracuse, Newark, Philadelphia, Miami, Cleveland, San Francisco, Oakland, and Seattle.

THE SUMMONS—A SUBSTITUTE FOR ARREST

By its definition, release either on bail or on recognizance is a device to restore the liberty of a person who has been deprived of his liberty—arrested. The widespread and successful use of pretrial release suggests that in many cases arrest probably was never necessary. Justice Arthur J. Goldberg recently remarked:

"In some parts of the world—indeed, in many parts of this country when men of means are involved—arrests are made whenever possible in a dignified manner. The accused is notified that he is being investigated and he is called to police headquarters by a summons rather than bodily arrest. I am not suggesting that this can be done in every case, but it certainly can and should be done in many."[4]

The summons is used instead of arrest throughout the country in traffic cases and to a much more limited extent in certain other relatively minor offenses. Michael J. Murphy, police commissioner of the city of New York, reported to the conference on the Manhattan summons project, initiated in March 1964. This pilot project is located in the 14th precinct, the central shopping and industrial area, and use of the summons has been extended to apply to the offenses of simple assault and petty larceny. Persons apprehended are interviewed expeditiously, the information is verified by telephone, and if the recommendation is favorable, a summons is issued returnable in from 5 to 10 days. The entire process may take an hour and a half or less.

The summons project offers all of the benefits of the bail project plus one very important additional one—the person involved may still answer "No" to the question "Have you ever been arrested?"

At the time of the conference the Manhattan summons project had been in operation less than 2 months and statistical information was sketchy and unreliable. However, no person served with a summons had so far failed to appear.

At the conference the Manhattan bail project was described by Herbert J. Sturz, executive director of the Vera Foundation and director of the Manhattan bail and summons projects; the Des Moines pretrial release project by its director, Dan L. Johnston; the District of Columbia bail project by Circuit Judge John A. Danaher; and the release on recognizance program of the eastern district of Michigan by Judge Wade H. McCree, Jr.

Other panels were devoted to other related problems. Herman Goldstein, executive assistant to Chicago Police Superintendent O. W. Wilson, Garrett H. Byrne, president of the National District Attorneys Association, Defense Lawyer Edward Bennett Williams, of Washington, D.C., and Judge Luther Alverson, of Atlanta, discussed preventive detention through intentionally high bail or other means. Pretrial release based on money or other conditions was discussed by Caleb Foote, of the University of Pennsylvania School of Law; Richard H. Kuh, assistant district attorney, New York; Frank Wright, president, United Bonding Co., Indianapolis; and Charles H. Bowman, University of Illinois. Judge George Edwards, of the Sixth Circuit U.S. Court of Appeals, moderated a panel on pretrial releases of juveniles with Raymond A. Dahl, assistant police chief, Milwaukee; Warren Thornton, chief probation officer, Sacramento; and Orman W. Ketcham, District of Columbia Juvenile Court.

Announcement was made that facilities of both of the organizations sponsoring the Conference—the U.S. Department of Justice and the Vera Foundation—will be put at the disposal of organizations or agencies interested in inaugurating projects similar to those described. Inquiries may be directed to the National Conference on Bail and Criminal Justice, in care of the Department of Justice, Washington, D.C., or the Vera Foundation, 30 East 39th Street, New York, N.Y.

DEPENDENT CHILD'S BENEFITS AFTER AGE 18 WHILE ATTENDING SCHOOL

Mr. HARTKE. Mr. President, the social security amendments now before the Finance Committee, and receiving hearings, contain, in section 3, new provisions by which a dependent child's benefits may be continued after age 18, to assist such a child in continuing his education.

This is a needed change if we are to encourage, wherever possible, the securing of advanced education by our youth—a national policy which has received Presidential support, and which is necessary if we are to develop to the full the rich resources of our youth's potential. It is needed because in so many instances the sudden cessation of benefits at the 18th birthday leaves a family unable to maintain the child any longer even in high school, to say nothing of college.

I have recently received a letter on this subject which speaks most earnestly and poignantly of the writer's own situation. It comes from a constituent who lives in my own home city of Evansville, Ind. It is written in pencil, and it speaks very clearly for itself.

I ask that this letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JULY 25, 1964.

DEAR SIR: I'm writing in regard to a small article I read in the paper. It has to do with a proposal to be put to Congress in regards to the old-age pensions and widows social security checks. I believe it is supposed to increase the old-age pensions and that widows can draw their money past their youngest child's age of 18 if the child is still in school.

I am a widow. My youngest child will be 18, 7 months before she graduates from high school. Because of this it may result in her having to quit school. You see I'll be 53 years old and there are no jobs that will pay me enough to keep a home going and her in school, even if she works part time. I am capable of working at a job that pays decent wages but at my age they just laugh in my face. I was past 40 when my husband died and would be lucky to get a $25 a week waitress job (not take home pay) because of my age, so I live on my checks. I draw $166 a month and pay rent, fuel, utilities, phone bill, groceries, clothes, home upkeep, insurance including hospitalization, my daughter's school expenses in high school, doctor bills, dentist bill, and glasses for both of us. Bus fare is $6 a month alone for her to go back and forth. By being home I can cook things such as beans and potatoes and cheap groceries. I cannot do this on less money. I need very few clothes myself not working out. So please, please do what you can to get this bill passed as quick as it can be. Thousands of widows are in the same predicament I am and would thank you.

I thank you very much for listening to me and I know you will do your best to help.

Yours sincerely,

MRS. FRANCES MCGILL.

EVANSVILLE, IND.

RAMPART CANYON DAM WILL PROVIDE FLOOD PROTECTION FOR NATIVE CITIZENS OF THE YUKON AND FOR WILDLIFE RESOURCES

Mr. GRUENING. Mr. President, the great Rampart Canyon Dam, on the Yukon River, has been recognized as the most valuable site in the free world for the production of a very large quantity of very low cost hydroelectric power. The production, at the Rampart site, of nearly 5 million kilowatts of power at the incomparably low price of two to three mills per kilowatt-hour will bring the United States a long way toward parity with achievements of the Soviet Union, where two hydroelectric power projects of comparable size—the largest in the world—are either producing electricity or are approaching the completion of construction. For Alaska, the construction of Rampart means the establishment of a climate for industrial development and for utilization of our wealth of mineral resources, now largely untapped. Low cost power is, for Alaska, the key to prosperity and a stable economy, whereas in other States, communities thrive on payrolls and activity supplied by agriculture and industries based on other kinds of natural resources.

While much attention has been given to the enormous potential for economic development that Rampart represents, it is also important to recognize the flood-control benefits that will come with the construction of Rampart. The great dam to be constructed on the Yukon will, at last, give native citizens and wildlife of the Yukon protection against the sudden disaster of floods that have caused repeated damage and destruction in the area.

Along the Yukon, in central Alaska, are several native villages—at Circle, Fort Yukon, Venetie, Beaver, Stevens Village, Rampart, and Chalkyitsik—where the residents have an urgent claim to relief from misery, poverty, and danger from flood waters. The people of the Yukon live in almost total isolation from the rest of the world, without means of access to it, except by relatively uncertain airplane transportation.

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[4] New York Times magazine, Mar. 15, 1964.

The isolation of these villages is one of the reasons—but not the only one—why the inhabitants are bereft of most of the conveniences and, indeed, the necessities of life, which are taken for granted by residents of more fortunate communities. Running water, plumbing, electricity, effective heating, and reliable sources of supply of food, clothing, and other commodities do not exist there. There is no development of the natural resources of the area, so as to provide a stable economy. Therefore, unemployment is generally the status of individuals who, in another community, would be wage earners. The main source of livelihood is trapping and fishing, a way of life not conducive to economic independence, and certainly not to prosperity. As a result, many people are on welfare, although they should be contributing skills and work to society, and enjoying a far better existence than they do now.

A recent press release of the district engineer of the U.S. Corps of Engineers, at Anchorage, calls attention to the fact that, in addition to poverty and the lack of opportunity for advancement, there is the annual threat of floodwaters that suddenly sweep away life and property. Every few years, some of these villages are partly flooded by the waters of the Yukon River. This causes the loss of homes and other property.

This year, according to the Corps of Engineers, assistance evaluated at $100,000 was provided flood victims of the Yukon-Kuskokwim breakup. Using Army and Air Force helicopters, the corps moved 90 people from Stevens Village, on the Yukon, along with 460 from the Kuskokwim villages. Three hydraulic engineers employed by the District flew more than 100 aerial reconnaissances during the breakup period. The Navy was called in to drop 25,000 pounds of bombs, to blast out ice jams and to open mantle ice—an emergency measure to prevent flooding and to alleviate flood damage.

A year ago, there were newspaper accounts of similar flood emergencies and accompanying rescue operations in the area. In 1963, the community of Rampart, on the Yukon, was one of the villages where flood waters descended on virtually helpless residents in 20 minutes, and left water and cakes of ice as high as the roof of the village store. According to one account, the residents had time only to move, with children and dogs, to safe and higher ground. They almost forgot a man who was sleeping in one of the log cabins. He was aroused just before his cabin was destroyed by the churning ice.

As for the Rampart flood in 1963, it is of some interest to note that, although communications and the village generating plant were knocked out, an enterprising storekeeper did manage to save some of his stock; and the village liquor cache was rescued when the storekeeper lassoed the small building and towed it to safety.

The people of the Yukon will be immediately and most dramatically benefitted by the construction of Rampart. For the first time in their long history, they will have a chance for education, for jobs, for access to the world outside, and for participation in the community of the free world—opportunities they are now denied.

Among groups professing to represent the interest of the Alaska natives there has been talk to the effect that the construction of Rampart would result in deprivation of property and hunting and fishing rights of the native citizens of the Yukon, as a result of the construction of the giant reservoir that will be required. Those in Alaska who have studied the matter, including the great majority of the residents of the villages, believe the outside Indian Rights Association and organizations from other parts of the United States who would hinder construction of Rampart do not fully understand the condition of the Alaska natives.

Alaskans believe—and rightly so, I think—that the construction of the Rampart Dam will be the best thing that could happen for the people of the Yukon. While it is true that they will have to move when the waters of the reservoir begin to flood their communities, at present they are forced to move by the unpredictable and dangerous flood waters in the spring of the year. When they move to make room for Rampart Dam, the people of the Yukon will have a choice as to where they will live. They will be able to state a preference as to the relocation of their villages in safe places where they will have a chance for advancement and prosperity never before possible.

As for wildlife resources of the area, including the important migratory fowl that nest in the Yukon basin, the construction of the Rampart Dam will provide needed protection of nesting grounds. A recent press release by the Department of the Interior and newspaper reports from the area have called attention to poor breeding conditions in Alaska this year, as a result of the flooding of the Yukon. This results, of course, in a declining number of waterfowl, and, consequently, a decrease in game for sportsmen in the lower 48 States this fall. The July 21 release by the Interior Department, in reporting on waterfowl conditions throughout the United States, states:

> In Alaska conditions were poor. The spring thaw began in a routine manner in April. Many ducks and geese arrived on schedule near the end of the month. A hard freeze in May delayed nesting, and when the cold weather finally broke in June, melting snow flooded many of the low nesting grounds. These conditions are expected to adversely affect waterfowl production in Alaska this year.

Construction of the Rampart Dam will, in the future, greatly reduce the threat of flooding of nesting grounds, and will, in fact, represent a protective feature for this valuable resource.

The flood-control benefit to be derived from the great Rampart Canyon Dam is one more feature of this project that will enhance the Yukon environment for the welfare of wildlife. In the past, I have called attention to experience, reported by the Department of Interior, at other great river-development projects in the West, where an increase in wildlife resources has been generated by the presence of large reservoirs and associated facilities incident to the reclamation projects. We may expect the same benefits in the Rampart area.

The construction of Rampart Dam will mean dramatic progress, not only for Alaska, but also for the entire free world. Not the least of the benefits that will come will be the protection the great dam will provide from nature's rampages on the Yukon.

I ask unanimous consent that the press release of July 21, 1964, by the Department of the Interior be printed in the Record.

There being no objection, the release was ordered to be printed in the Record, as follows:

Duck Breeding Population Up; Breeding Area Drought Continues

The spring waterfowl survey by the Interior Department's Bureau of Sport Fisheries and Wildlife indicates a slight increase in ducks over the number seen in a similar survey a year ago, but the drought that has plagued important nesting grounds on the northern prairies for 6 years is still much in evidence.

Bureau Director Daniel H. Janzen said the size of the fall flight depends on nesting success, which in turn depends largely on the amount and type of summer rainfall and other factors which effect production.

Meanwhile, he added that some field reports just received indicate serious deterioration of water conditions in a number of nesting areas. Director Janzen said a complete report on the summer production survey will not be available until early next month.

The spring survey by the Bureau is aimed at finding out the general condition of waterfowl nesting areas and the number of breeding ducks in those areas.

There was a wide variation in the number and quality of water areas or potholes in the breeding grounds. The numbers of ponds and water levels were higher than average in southwestern Manitoba, southeastern Saskatchewan, and extreme southern Alberta. These increases were more than offset, however, by decreases elsewhere.

In the Dakotas and western Minnesota, the estimated number of ponds decreased 47 percent. For the entire prairie pothole country, the decrease was 8 percent.

Elsewhere in the waterfowl breeding range, conditions varied from poor to good. In Alaska conditions were poor. The spring thaw began in a routine manner in April. Many ducks and geese arrived on schedule near the end of the month. A hard freeze in May delayed nesting, and when the cold weather finally broke in June, melting snow flooded many of the low nesting grounds. These conditions are expected to adversely effect waterfowl production in Alaska this year.

The pattern of spring weather in northern Alberta and the Northwest Territories was almost identical to that in Alaska but, except for flooding in some river deltas, habitat conditions appeared good.

The thaw was early in northern Saskatchewan, northern Manitoba, and Ontario. With a few exceptions, water conditions appeared adequate to good.

While water conditions in the breeding areas generally were below average, there was a somewhat larger breeding population of waterfowl. The survey indicated this population is up 14 percent. Director Janzen emphasized again, however, that hunting success this fall will depend not on the number of birds that went north in the spring but on the size of the fall flight, which is determined by nesting conditions.

GENERAL EISENHOWER INTERVIEWED ON D-DAY BY GERMAN NEWS MAGAZINE, DER SPIEGEL

Mr. SCOTT. Mr. President, in connection with the 20th anniversary of D-day, General Eisenhower granted an interview, while vacationing in Palm Springs, Calif., to Messrs. Claus Jacobi and Conrad Ahlers, for publication in the June 6, 1964, edition of their news magazine.

This interview is most significant. It was published in a former enemy country, which General Eisenhower helped to liberate from Hitler's slavery, which he conquered as Commander in Chief of the Allied Forces, and which he helped to establish as a free democratic nation—the new Federal Republic.

I think it most timely that this interview be preserved in the CONGRESSIONAL RECORD. Therefore, I ask unanimous consent that it be printed in the RECORD.

There being no objection, the interview was ordered to be printed in the RECORD, as follows:

GENERAL EISENHOWER INTERVIEWED

The plop of a golf club hitting the ball breaks the silence of the room. Through the open window comes the sound of a hummingbird flying amongst the blossoms. In the wooden guesthouse, of the Jacqueline Cochran Ranch, Dwight D. Eisenhower moves his chair closer to the desk.

After playing with a yellow pencil, he puts it down for a moment. Unhesitatingly, he has answered question after question with military precision.

That the biggest landing operation in world history took place on June 5 and saved Germany from the atomic bomb, is the consequence of a decision that the then Supreme Commander of the Allied Expeditionary Forces, and subsequent President of the United States, had to take on June 5, at 4:15 a.m. absolutely alone. This decision—ordering the channel crossing in spite of a storm of almost hurricane force—he could neither share with his subordinates nor with Roosevelt and Churchill. Eisenhower recalls: "I gambled with fate." This gamble made world history.

In accordance with the Anglo-American global strategy planned first for the defeat of Germany, and then that of Japan, Eisenhower was ordered, right after the Japanese struck at Pearl Harbor in 1941, by the U.S. Chief of Staff, George Catlett Marshall, to design a strategy whereby Hitler's fortress of Europe could be penetrated and opened up from England's shores.

This strategy offered, according to Eisenhower, three obvious advantages:

During the preparations of the Allied venture, England would be automatically secure against any possible German attacks.

A landing on any other front—for example, the Mediterranean—would have caused far more difficult supply problems.

The menace to the whole of the Atlantic coast, from Narvik to Gibraltar, caused by Allied concentration in England, would compel the high command of the German armed forces to spread their resources over a length of 4,000 miles.

From the beginning, Eisenhower regarded the French northwest coast as the target for the invasion. He then took over the U.S. command in North Africa, and later in Italy. Meanwhile, further preparations for the invasion were planned by the British Brigadier Frederic E. Morgan. Finally, in November 1943, Churchill and Roosevelt were able to promise Stalin, who urgently demanded a second front, a landing in France about May 1, 1944.

Eisenhower's appointment as Allied Supreme Commander was made public on Christmas Eve, 1943. The orders he received were: "You will gain a foothold on the European Continent, and you will undertake, together with our Allies, operations, the goal of which is the heart of Germany and the destruction of her armed forces."

All of southern England was converted into a gigantic army camp during the first months of 1944. From the 3½-ton trailer—a pile of Western paperbacks and the photographs of Mamie and his son by his bunk—Eisenhower commanded almost three million men, 5,000 ships and 9,000 aircraft. For reasons of security all barracks (staging areas) were hermetically sealed off from the rest of England; 163 new airfields and a new railway network of 500 miles were constructed; in American and British dockyards landing craft and manmade harbors were built to be towed across the channel.

The invasion, at first called "Bolero" and "Roundup," was finally given the code name "Overlord." "Overlord" Supreme Commander Eisenhower accepted Brigadier Morgan's plan, which proposed that the landing take place between Le Havre and Cherbourg, and not at the narrowest part of the channel off Calais. After objections by Field Marshal Montgomery, he insisted, however, in two major changes: that the number of divisions for the assault be increased from three to five and that three airborne divisions be dropped in advance. Reviewing his decision taken at that time, the golf player on the Californian ranch says today: "An attack with only three divisions would certainly have failed; without airborne troops we might have succeeded, though their deployment was extremely important, since it secured our flanks and harassed the Germans."

The plan to extend the front made a postponement of the invasion from May to June necessary, when the required number of landing craft was ready.

The Air Force had gained an important month for its objective to destroy enemy communications thereby preventing the bringing up of German reserves.

Already, in 1942, Eisenhower regarded complete air superiority a necessity for any landing venture; still nowadays he considers air supremacy the decisive factor for the successful invasion.

However, at the same time, the postponement endangered the timing of Operation Overlord, because there were only a few days in each month lunar cycles and sunrise met the requirements for a landing.

These conditions only existed on June 5, 6, and 7. In order to make full use of those days, Eisenhower chose June 5 as preliminary D-day. On Sunday, June 4, at 4 a.m., a Scottish group captain, J. N. Stagg, and his meteorologists, briefed, as every morning, Supreme Commander Eisenhower and his generals on weather conditions. Their forecast for the decisive following day: Low-lying clouds, heavy wind, and rough sea.

That meant for the military situation: air support impossible; naval artillery almost ineffective because of the turbulent sea; landing craft largely unmaneuverable.

Eisenhower decided to postpone the attack. On account of the distance to be covered, a number of convoys, consisting of war and transport ships, had already left the previous night for the destination. Only 40 miles off the French coast they were ordered back to port.

Eisenhower was asleep till late in the morning after having been up almost all night. Most of that Sunday he spent alone in his trailer. Now and then he went to the door and looked at the sky. In the afternoon he took a stroll; in the evening the meteorologists briefed him once again. On the following morning the decision had to be taken whether a new order for attack should be given or not.

The decision Eisenhower had to take, upon which the destiny of the war rested, depended on the weather. If the invasion had to be canceled on June 5, 6, or 7, it could not take place before June 19. On that day sunrise and tides would meet the requirements, but the previous night would be without moonlight—a condition that was extremely unfavorable for airborne units. The other alternative was to wait until July, when combination of favorable conditions would arise again. However, such a long postponement would have such consequences that the thought of it was too bitter to contemplate (Eisenhower). This would have been almost insufferable for the morale of the closely confined invasion troops. Moreover, both they and their ships were threatened by retaliation on the part of German V-weapons, which Allied intelligence service were reporting as imminent. In fact, the first V-1 was fired on June 12, the first V-2 in the beginning of August.

The projected landing and target areas could scarcely be kept secret any longer. However, had the Germans only learned the invasion schedule and had they succeeded in attacking the staging areas effectively, then the whole venture might have been jeopardized.

Such a misadventure would have been a catastrophe for the Allied war strategy. Eisenhower considered it possible that the Soviets, under such circumstances, might sign a separate peace treaty with Hitler. At any rate, a regrouping of all Anglo-American armed forces and a new strategic concept would have been necessary.

On Monday morning, June 5, at 3:30 a.m., Eisenhower rode once again over the muddy roads to Naval Headquarters at Southwick House near Portsmouth. A hurricanelike storm drove the rain almost horizontally against the car.

Today in the extensive desert valley in the California mountains Eisenhower recalls that drive: "A landing on such a morning, as originally planned, would have been a catastrophe. But however depressing the weather, it was evident that we could rely on the weather frogs who dissuaded us."

This conviction, as well as the knowledge of the risk connected with a further postponement, helped the supreme commander to come to a decision that morning. The long-range weather forecast of the meteorologists was as unfavorable as ever. For the morning of June 6, however, they forecast a period of relatively quiet weather which would last about 36 hours. The conference of the assembled generals in the library of Southwick on the pros and cons was brief. All looked at their supreme commander. The decision rested exclusively on him as to whether the order for the invasion should be given for the following day, June 6. Eisenhower was silent for a moment. Then he said: "OK. We will go ahead."

The weather, which up to now had endangered Operation Overlord more than the German Army, became at this moment an ally of the supreme commander. It brought about an opportunity for which every attacking commander hopes, and of which a commander of amphibious troops, prior to a landing, does not even dare to dream: Complete surprise of the enemy.

The weather on June 5 was so bad that German Army meteorologists had reported to their generals that an invasion would be unlikely. Evaluations of weather conditions during Allied landings in North Africa, Sicily, and Italy had led to the assumption that the Allies always waited for good weather. However, the approaching temporary lull over the Atlantic, that triggered Eisenhower's invasion directive, had escaped the German meteorologists' attention. Eisenhower: "They did not have as much information as we had from our subs in the Atlantic."

On this morning the favorable bad weather report, which was given by Chief Meteorologist Col. Dr. Walter Stöbe, was received cheerfully by Commander in Chief Field Marshal Von Rundstedt, in St. Germain, outside Paris. The commander in chief had slept late then signed the "estimate of Allied intentions" for the Fuhrer as follows: "Imminence of an invasion is not in evidence." Then the field marshal drove with his son, a lieutenant, to his favorite restaurant, the Coq Hardi, for lunch.

At the headquarters of Army Group B at La Roche Guyon, the seat of the Duke of Laroche Foucauld, the chief of staff, Lieutenant General Speidel, was looking forward to a dinner to which he had invited his friend, Ernst Jünger. Speidel's superior and commander of the Army Group B, Field Marshal Rommel, holding the same rank as the commander in chief west, Von Rundstedt, had left his headquarters in a black Horch staff car the day before. Put at ease by continuous bad weather, the marshal, responsible for the defense of the most endangered coastal strip, wanted to take a 1-day vacation at home at Herrlongen near Ulm and then proceed to Obersalzberg to report to Hitler. He took along a cardboard box containing a pair of handmade gray suede shoes, size 5½, for his wife Lucie-Marie; whose birthday was on June 6.

That very day was also the birthday of 84th Army Corps, Maj. Gen. Erich Marcks. As he was due to leave for Rennes for a troop exercise of the 7th Army, which all other high-ranking commanders in Normandy were also attending, his staff wanted to surprise him with several bottles of Chablis in his office at headquarters at St. Lo.

The invasion exercise scheduled for June 6, in which General Marcks was going to play the role of the "Allies," was based on the assumption of a landing in Normandy—as was actually about to come to pass on that very same day. The genuine German prognosis of the situation, however, expected the Allied invasion at Pas de Calais, opposite Dover, where the channel is at its narrowest, and the German border nearest.

The Allies played up the Germans' erroneous estimate of the situation by means of mock air raids, by misleading intelligence reports and deceptive radio transmissions.

The deception was as perfect as was the surprise. Even Hitler himself, whose intuition in 1943 had led him to believe in a landing on the Cotentin Peninsula thought later of an attack on the Pas de Calais area where consequently German crack units were concentrated and the Atlantic wall's strongest fortifications erected.

Laborers had been at work on the construction of the Atlantic wall, since Hitler, in autumn 1941, had expounded to the generals his idea to make Europe an "impregnable fortress." Supreme Commander West, Von Rundstedt, called it an "enormous bluff"; Rommel was appalled after he had inspected the coast for the first time in the fall of 1943.

In the months following his appointment as supreme commander of army group B he pushed forward the defense buildup with simple, but deadly gadgets. More than 5 million mines had been laid in his coastal sector by the beginning of June. A large variety of underwater obstacles against invasion by sea and beach defense installations against airborne landings were erected, most of the devices having been designed by Rommel himself.

Between Von Rundstedt and Rommel there were considerable differences of opinion as to how an invasion attempt should be frustrated. Supreme Commander West favored a mobile war concept. His plan to combat the invasion was to keep the German tank divisions inland and attacking only after the Allies had gained a foothold. In the face of Allied air superiority, Rommel disagreed completely with this theory. He was positive that tank units should be posted as near the landing areas as possible in order to meet the invasion head on.

Whilst on a tour of inspection, he pointed to the beach and said to his aide, Capt. Relmuth Lang: "Here on the beach the war will be won or lost. The first 24 hours of the invasion are decisive. For Germans and Allies alike it will be the longest day."

The invasion exercise, however, was destined never to take place and one-legged German General Marcks, who was to play the part of the "Allies," was the first high-ranking German officer to receive the report of the genuine invasion.

The staff of the 84th Army Corps had already gathered for the birthday party shortly before midnight when an antiaircraft battery in the vicinity opened fire. An Allied bomber plunged down burning. The bells of St. Lo Cathedral tolled midnight. The officers entered the room of their commanding general. The birthday bottles were opened. An hour later General Marcks and his staff were still in the office studying the maps for the projected exercise. Suddenly the telephone rang. The commander for the 716th Division north of Caen reported: "Paratroops have landed east of the Orne." It was 11 minutes past 1 a.m., June 6. The invasion had begun.

Eighteen thousand paratroopers formed the vanguard of the invasion. Two U.S. airborne divisions were on the right flank, one British airborne division was dropped, or landed in gliders, on the left flank of the beachhead.

To give the operational order, was one of Eisenhower's most difficult decisions. Soon it was to become evident why.

Pathfinder troops jumped in advance to mark landing areas. "When you land in Normandy," said the commander of the 101st U.S. Airborne Division, General Gavin, "you have only one ally, God."

The waves of airborne units were scattered by heavy antiaircraft fire and strong winds. Paratroopers drifted down into the sea, plunged into swamps, landed on church steeples, trees, minefields and burning houses.

U.S. Private Ernest Blanchard sawed off the top of his thumb when he cut loose his parachute. U.S. paratroop-priest, Francis Simpson, said a prayer whilst diving into the swamp in search of his lost Mass kit. Paratrooper John Steele dangled helplessly in his harness from the church steeple of Ste. Mere-Eglise.

Two British paratroopers landed squarely on the lawn before the headquarters of Commander Josef Reichert who was playing cards. "Sorry, but we landed here simply by accident," they explained.

Maj. Gen. Matthew B. Ridgeway, chief of both U.S. airborne divisions found himself completely alone in a field. As he recalled later: "At least if no friends were visible neither were any foes." The commander of the 101st U.S. Airborne Division and at present U.S. Chief of Staff, Maxwell D. Taylor, had bidden Eisenhower a rather stiff farewell because he did not want the Supreme Commander to know that he had torn a ligament while playing ball the previous afternoon met with the same fate. At first he found himself in the company of several officers but only two or three enlisted men. "Never," he scoffed, "have so few been commanded by so many."

Nevertheless, the part of the paratroopers for the success of the invasion can scarcely be overestimated. The confusion spread amongst the Germans was increased by the use of lifelike dummies which were dropped in many areas. In cooperation with the French underground, mobilized by secret radio transmissions, the paratroops destroyed many communication systems. The Americans took possession of several dams which constituted the only link between eventual landing beaches and the interior. The British took important bridges and silenced the first coastal batteries. At dawn, the paratroops had accomplished their mission: The flanks of the invasion area were secured.

On the German side, the Chief of Staff of the 7th Army, Maj. Gen. Max Pemsel, had alerted the army at 1:30 after a call from General Marcks.

He telephoned his commanding officer, Col. Gen. Friedrich Dollmann, and roused him from sleep with the words: "I believe this is the invasion. Will you please come over?"

Pemsel was the first German staff officer to recognize the invasion for what it was. However, his appraisal of the situation met with rejection and disbelief on the part of his superior officers. Several times he called Rommel's chief of staff, Lt. Gen. Hans Speidel, at Army Group B headquarters. Even when Pemsel telephoned again at 2:15 a.m. stating that "the air landings constitute the first phase of enemy action on a larger scale, and off Contentin's east coast the noise of engines is clearly audible" answered Speidel that in his opinion the affair was "only locally confined." The war diary of the 7th Army records: "Chief of Staff Army Group B (Speidel) believes that for the time being this is not to be considered a large-scale operation." At the same time the biggest armada in history was on its way; 200,000 soldiers in 5,000 ships approached their 5 respective beachheads: Utah Beach and Omaha Beach of the Americans in the west, "Gold," "Juno," and "Sword" of the British and Canadians in the east, total stretch of 35 miles. Nine thousand aircraft roared above them. "The power and the fury of the free world," writes Cornelius Ryan in "The Longest Day," "had at last launched their attack."

The sea was rough. Ships and landing craft were crammed, and smothered in the odor of diesel oil, sweat, and vomit. The invaders sang, prayed, played dice and swore. Almost all were seasick.

Maj. Werner Pluskat, commander of four beach batteries of the 352d Division, the landing sector soon to become known as Omaha Beach, was one of the first to spot the armada. At dawn, from the observation bunker built into the cliffs, he looked through the telescope: the horizon was dotted with ships, estimated at about 10,000 by the major. Then hell broke loose.

At X hours minus 5 minutes on D-day—thus expressed in military terms—on June 6, 1944, at 5:25 a.m., the first to roll on to Omaha Beach were 32 amphibious tanks. After 1,453 days of German occupation the liberation of France had begun.

Hitler was asleep at Obersalzberg. During the night of June 5 to 6 he had listened, in the company of Eva Braun, party leaders and their wives, to recordings of Wagner, Lehar and Strauss till long after midnight. Then his personal physician, Dr. Morell, gave him, as usual, a sleeping draught. When the invasion began, he could not be reached by his military aides. Without Hitler's permission the Commander in Chief West, Field Marshal von Rundstedt, was not authorized to employ those panzer reserves—the 12th S.S. Division and Panzer Lehr Division both of which were under direct orders of the OKW (High Command of the German Armed Forces).

Even before the first Allied troops had landed, the Commander in Chief West had requested OKW headquarters at Berchtesgaden by telephone and teletype that these panzer reserves be released and placed at his disposal.

OKW Chief of Operations Jodl, already up since 5 a.m.—having had for breakfast his customary coffee, toast and soft-boiled egg—refused to comply: the decision could only be made by the Fuhrer. But the Fuhrer was asleep, and his generals did not consider the news important enough to disturb him.

OKW chief of operation did not believe this to be the real invasion—an opinion shared by almost all of the higher German military leaders. Even Hitler, who had risen late in the morning and had placed the panzer reserves at Rundstedt's disposal between 2 and 3 p.m.—10 hours too late—fired this impatient query at his generals: "Gentlemen, is this or is not this the invasion?" Germany's military leaders had become victims of the idea that the real Allied invasion would take place at Pas de Calais. For another 6 weeks this erroneous estimate of enemy intentions determined German strategy thus aided the success of the Allied invasion in Normandy.

The Allies, by cleverly playing up to the Germans with regard to their own strength and intentions, had decisively contributed to this erroneous idea. Today Eisenhower recalls with a broad grin: "Speidel, a good man, wrote even 4 years after the invasion in his book that 75 divisions had been available exclusively for such plans, but I had only about half of that."

Twenty years after the invasion, the Allied Supreme Commander discloses for the first time that he had been considering a plan for a second landing, however, not at Pas de Calais, on the left flank of his first landing, but south of Cherbourg, on the right flank of invasion.

This second landing was planned in case the floating harbors turned out to be a failure, and Cherbourg could not be taken and repaired in time for providing the invasion troops with a supply base.

Field Marshal Rommel who had also for a long time believed in the probability of a second, major landing at Pas de Calais, was at his home in Herrlingen when he received the telephone message of the landing in Normandy from his Chief of Staff, Speidel, shortly after 9. He did not interrupt Speidel. It was not till his Chief of Staff had finished that the marshal said: "How stupid of me." And once again: "How stupid of me."

Immediately he ordered a panzer counter attack to combat the enemy where he was weakest: on the beach. Soon after the black Horch of the Desert Fox raced back to France. He arrived at his headquarters at La Roche Guyon late in the evening. From the chief of staff's office came the sound of music: Speidel was listening to Wagner. The first German panzer counter attack had already failed.

Rommel's aide, Lang, ventured to ask the marshal for his opinion. Rommel shrugged his shoulders: "I hope we can make it, Lang. Up to now I have nearly always had success." But the longest day of the war, the first decisive 24 hours of the invasion had slipped through his hands. The marshal never caught up with these lost hours.

Today, Supreme Commander Dwight D. Eisenhower also admits that the first 24 hours were the most critical phase of the invasion next to the subsequent breakthrough of his forces from the Contentin Peninsula for the attack on Paris.

The German combat strength was roughly as anticipated: "I was always sure that three of the five landings would be successful." In all, the sixth of June cost the Allies approximately 11,000 casualties, the Germans 8,000; on each side about 50 percent of these casualties were dead.

Eisenhower: "Before the invasion began, I estimated the chances of success at 8 or 9 to 10." Nevertheless, in anticipation of possible failure, he drafted a communique on a slip of paper. It stated that he had withdrawn the troops who had bravely and faithfully fulfilled their duty, and that he alone was fully responsible for any possible mistakes which may have been made. This paper has not been filed in the archives. "I had put it into my wallet," explains Eisenhower, and he no longer remembers when he destroyed it.

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

AMENDMENT OF SECURITIES EXCHANGE ACTS

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1642) to amend the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended, to extend disclosure requirements to the issuers of additional publicly traded securities, to provide for improved qualification and disciplinary procedures for registered brokers and dealers, and for other purposes, which was, to strike out all after the enacting clause and insert:

That this Act may be cited as the "Securities Acts Amendments of 1964".

SEC. 2. Section 3(a) of the Securities Exchange Act of 1934 is amended by adding at the end thereof the following four paragraphs:

"(18) The term 'person associated with a broker or dealer' means any partner, officer, director, or branch manager of such broker or dealer (or any person occupying a similar status or performing similar functions), or any person directly or indirectly controlling or controlled by such broker or dealer, including any employee of such broker or dealer, except that for the purposes of section 15(b) of this title (other than paragraph (7) thereof), persons associated with a broker or dealer whose functions are clerical or ministerial shall not be included in the meaning of such term. The Commission may by rules and regulations classify, for the purpose of any portion or portions of this title, persons, including employees, controlled by a broker or a dealer.

"(19) The terms 'investment company', 'affiliated person', and 'insurance company' have the same meanings as in the Investment Company Act of 1940.

"(20) The terms 'investment adviser' and 'underwriter' have the same meanings as in the Investment Advisers Act of 1940.

"(21) The term 'person associated with a member' means a person who is registered with a registered securities association pursuant to its rules or who is associated with a broker or dealer which is a member of such association."

SEC. 3. (a) Section 12(b) of the Securities Exchange Act of 1934 is amended as follows:

(1) Subparagraphs (I) through (K) of paragraph (1) are redesignated as (J) through (L), respectively.

(2) A new subparagraph (I) is added after subparagraph (H) to read as follows:

"(I) material contracts, not made in the ordinary course of business, which are to be executed in whole or in part at or after the filing of the application or which were made not more than two years before such filing, and every material patent or contract for a material patent right shall be deemed a material contract;"

(3) A new paragraph (3) is added at the end of subsection (b) to read as follows:

"(3) Such copies of material contracts, referred to in paragraph (1)(I) above, as the Commission may require as necessary or appropriate for the proper protection of investors and to insure fair dealing in the security."

(b) Section 12(f) of said Act is amended to read as follows:

"(f)(1) Notwithstanding the foregoing provisions of this section, any national securities exchange, subject to the terms and conditions hereinafter set forth—

"(A) may continue unlisted trading privileges to which a security had been admitted on such exchange prior to the effective date of subsection (g)(1) of section 12 of this title.

"(B) upon application to and approval of such application by the Commission, may extend unlisted trading privileges to any security duly listed and registered on any other national securities exchange.

If an extension of unlisted trading privileges to a security was originally based upon its listing and registration on another national securities exchange, such privileges shall continue in effect only so long as such security shall remain listed and registered on any other national securities exchange.

"(2) No application pursuant to this subsection shall be approved unless the Commission finds, after appropriate notice and opportunity for hearing, that the extension of unlisted trading privileges pursuant to such application is necessary or appropriate in the public interest or for the protection of investors.

"(3) The Commission shall by rules and regulations suspend unlisted trading privileges in whole or in part for any or all classes of securities for a period not exceeding twelve months, if it deems such suspension necessary or appropriate in the public interest or for the protection of investors or to prevent evasion of the purposes of this title.

"(4) On the application of the issuer of any security for which unlisted trading privileges on any exchange have been continued or extended pursuant to this subsection, or of any broker or dealer who makes or creates a market for such security, or of any other person having a bona fide interest in the question of termination or suspension of such unlisted trading privileges, or on its own motion, the Commission shall by order terminate, or suspend for a period not exceeding twelve months, such unlisted trading privileges for such security if the Commission finds, after appropriate notice and opportunity for hearing, that such termination or suspension is necessary or appropriate in the public interest or for the protection of investors.

"(5) In any proceeding under this subsection in which appropriate notice and opportunity for hearing are required, notice of not less than ten days to the applicant in such proceeding, to the issuer of the security involved, to the exchange which is seeking to continue or extend or has continued or extended unlisted trading privileges for such security, and to the exchange, if any, on which such security is listed and registered, shall be deemed adequate notice, and any broker or dealer who makes or creates a market for such security, and any other person having a bona fide interest in such proceeding, shall upon application be entitled to be heard.

"(6) Any security for which unlisted trading privileges are continued or extended pursuant to this subsection shall be deemed to be registered on a national securities exchange within the meaning of this title. The powers and duties of the Commission under section 19(b) of this title shall be applicable to the rules of an exchange in respect of any such security. The Commission may, by such rules and regulations as it deems necessary or appropriate in the public interest or for the protection of investors, either unconditionally or upon specified terms and conditions, or for stated periods, exempt such securities from the operation of any provision of section 13, 14, or 16 of this title."

(c) Section 12 of said Act is further amended by adding thereto the following new subsection:

"(g)(1) Every issuer which is engaged in interstate commerce, or in a business affecting interstate commerce, or whose securities are traded by use of the mails or any means or instrumentality of interstate commerce shall—

"(A) within one hundred and twenty days after the last day of its first fiscal year ended after the effective date of this subsection on which the issuer has total assets exceeding $1,000,000 and a class of equity security (other than an exempted security) held of record by seven hundred and fifty or more persons; and

"(B) within one hundred and twenty days after the last day of its first fiscal year ended after two years from the effective date of this subsection on which the issuer has total assets exceeding $1,000,000 and a class of equity security (other than an exempted security) held of record by five hundred or more but less than seven hundred and fifty persons,

register such security by filing with the Commission a registration statement (and such copies thereof as the Commission may require) with respect to such security containing such information and documents as the Commission may specify comparable to that which is required in an application to register a security pursuant to subsection (b) of this section. Each such registration statement shall become effective sixty days after filing with the Commission or within such shorter period as the Commission may direct. Until such registration statement becomes effective it shall not be deemed filed for the purposes of section 18 of this title. Any issuer may register any class of equity security not required to be registered by filing a registration statement pursuant to the provisions of this paragraph. The Commission is authorized to extend the date upon which any issuer or class of issuers is required to register a security pursuant to the provisions of this paragraph.

"(2) The provisions of this subsection shall not apply in respect of—

"(A) any security listed and registered on a national securities exchange.

"(B) any security issued by an investment company registered pursuant to section 8 of the Investment Company Act of 1940.

"(C) any security, other than permanent stock, guaranty stock, permanent reserve stock, or any similar certificate evidencing nonwithdrawable capital, issued by a savings and loan association, building and loan association, cooperative bank, homestead association, or similar institution, which is supervised and examined by State or Federal authority having supervision over any such institution.

"(D) any security of an issuer organized and operated exclusively for religious, educational, benevolent, fraternal, charitable, or reformatory purposes and not for pecuniary profit, and no part of the net earnings of which inures to the benefit of any private shareholder or individual.

"(E) any security of an issuer which is a 'cooperative association' as defined in the Agricultural Marketing Act, approved June 15, 1929, as amended, or a federation of such cooperative associations, if such federation possesses no greater powers or purposes than cooperative associations so defined.

"(F) any security issued by a mutual or cooperative organization which supplies a commodity or service primarily for the benefit of its members and operates not for pecuniary profit, but only if the security is part of a class issuable only to persons who purchase commodities or services from the issuer, the security is transferable only to a successor in interest or occupancy of premises serviced or to be served by the issuer, and no dividends are payable to the holder of the security.

"(G) any security issued by an insurance company if all of the following conditions are met:

"(i) Such insurance company is required to and does file an annual statement with the Commissioner of Insurance (or other officer or agency performing a similar function) of its domiciliary State, and such annual statement conforms to that prescribed by the National Association of Insurance Commissioners or in the determination of such State commissioner, officer or agency substantially conforms to that so prescribed.

"(ii) Such insurance company is subject to regulation by its domiciliary State of proxies, consents, or authorizations in respect of securities issued by such company and such regulation conforms to that prescribed by the National Association of Insurance Commissioners.

"(iii) After July 1, 1966, the purchase and sales of securities issued by such insurance company by beneficial owners, directors, or officers of such company are subject to regulations (including reporting) by its domiciliary State substantially in the manner provided in section 16 of this title.

"(3) The Commission may by rules or regulations or, on its own motion, after notice and opportunity for hearing, by order, exempt from this subsection any security of a foreign issuer, including any certificate of deposit for such a security; if the Commission finds that such exemption is in the public interest and is consistent with the protection of investors.

"(4) Registration of any class of security pursuant to this subsection shall be terminated ninety days, or such shorter period as the Commission may determine, after the issuer files a certification with the Commission that the number of holders of record of such class of security is reduced to less than three hundred persons. The Commission shall after notice and opportunity for hearing deny termination of registration if it finds that the certification is untrue. Termination of registration shall be deferred pending final determination on the question of denial.

"(5) For the purposes of this subsection the term 'class' shall include all securities of an issuer which are of substantially similar character and the holders of which enjoy substantially similar rights and privileges. The Commission may for the purpose of this subsection define by rules and regulations the terms 'total assets' and 'held of record' as it deems necessary or appropriate in the public interest or for the protection of investors in order to prevent circumvention of the provisions of this subsection."

(d) Section 12 of said Act is further amended by adding thereto the following new subsection:

"(h) The Commission may by rules and regulations, or upon application of an interested person, by order, after notice and opportunity for hearing, exempt in whole or in part any issuer or class of issuers from the provisions of subsection (g) of this section or from section 13, 14, or 15(d) or may exempt from section 16 any officer, director, or beneficial owner of securities of any issuer, any security of which is required to be registered pursuant to subsection (g) hereof, upon such terms and conditions and for such period as it deems necessary or appropriate, if the Commission finds, by reason of the number of public investors, amount of trading interest in the securities, the nature and extent of the activities of the issuer, income or assets of the issuer, or otherwise, that such action is not inconsistent with the public interest or the protection of investors. The Commission may, for the purposes of any of the above-mentioned sections or subsections of this title, classify issuers and prescribe requirements appropriate for each such class."

(e) Section 12 of said Act is further amended by adding thereto the following new subsection:

"(i) In respect of any securities issued by banks the deposits of which are insured in accordance with the Federal Deposit Insurance Act, the powers, functions, and duties vested in the Commission under this title to administer and enforce sections 12, 13, 14(a), 14(c), and 16(1) with respect to national banks and banks operating under the Code of Law for the District of Columbia are vested in the Comptroller of the Currency, (2) with respect to all other member banks of the Federal Reserve System are vested in the Board of Governors of the Federal Reserve System, and (3) with respect to all other insured banks are vested in the Federal Deposit Insurance Corporation. The Comptroller of the Currency, the Board of Governors of the Federal Reserve System, and the Federal Deposit Insurance Corporation shall have power to make such rules and regulations as may be necessary for the execution of the functions vested in them as provided in this subsection and none of the rules, regulations, forms or orders issued or adopted by the Commission pursuant to this title shall be in any way binding upon such officers and agencies in the performance of such functions, or upon any such banks in connection with the performance of such functions."

Sec. 4. Section 13(a) of the Securities Exchange Act of 1934 is amended to read as follows:

"Sec. 13. (a) Every issuer of a security registered pursuant to section 12 of this title shall file with the Commission, in accordance with such rules and regulations as the Commission may prescribe as necessary or appropriate for the proper protection of investors and to insure fair dealing in the security—

"(1) such information and documents (and such copies thereof) as the Commission shall require to keep reasonably current the information and documents required to be included in or filed with an application or registration statement filed pursuant to section 12, except that the Commissioner may not require the filing of any material contract wholly executed before July 1, 1962.

"(2) such annual reports (and such copies thereof), certified if required by the rules and regulations of the Commission by independent public accountants, and such quarterly reports (and such copies thereof), as the Commission may prescribe.

Every issuer of a security registered on a national securities exchange shall also file a duplicate original of such information, documents, and reports with the exchange."

Sec. 5. (a) Section 14(a) of the Securities Exchange Act of 1934 is amended to read as follows:

"Sec. 14. (a) It shall be unlawful for any person, by the use of the mails or by any means or instrumentality of interstate commerce or of any facility of a national securities exchange or otherwise, in contravention of such rules and regulations as the Commission may prescribe as necessary or appropriate in the public interest or for the protection of investors, to solicit or to permit the use of his name to solicit any proxy or consent or authorization in respect of any security (other than an exempted security) registered pursuant to section 12 of this title."

(b) Section 14(b) of said Act is amended to read as follows:

"(b) It shall be unlawful for any member of a national securities exchange, or any broker or dealer registered under this title, in contravention of such rules and regulations as the Commission may prescribe as necessary or appropriate in the public interest or for the protection of investors, to give, or to refrain from giving a proxy, consent, or authorization in respect of any security registered pursuant to section 12 of this title and carried for the account of a customer."

(c) Section 14 of said Act is further amended by adding thereto the following new subsection:

"(c) Unless proxies, consents, or authorizations in respect of a security registered pursuant to section 12 of this title are solicited by or on behalf of the management of the issuer from the holders of record of such security in accordance with the rules and regulations prescribed under subsection (a) of this section, prior to any annual or other meeting of the holders of such security, such issuer shall, in accordance with rules and regulations prescribed by the Commission, file with the Commission and transmit to all holders of record of such security information substantially equivalent to the information which would be required to be transmitted if a solicitation were made, but no information shall be required to be filed or transmitted pursuant to this subsection before July 1, 1964."

SEC. 6. (a) Section 15(a) of the Securities Exchange Act of 1934 is amended to read as follows:

"SEC. 15. (a) (1) No broker or dealer (other than one whose business is exclusively intrastate) shall make use of the mails or of any means or instrumentality of interstate commerce to effect any transaction in, or to induce the purchase or sale of, any security (other than an exempted security or commercial paper, bankers' acceptances, or commercial bills) otherwise than on a national securities exchange, unless such broker or dealer is registered in accordance with subsection (b) of this section.

"(2) The Commission may by such rules and regulations or orders as it deems necessary or appropriate in the public interest or for the protection of investors, either unconditionally or upon specified terms and conditions or for specified periods, exempt from paragraph (1) of this subsection any broker or dealer or class of brokers or dealers specified in such rules, regulations, or orders."

(b) Section 15(b) of said Act is amended to read as follows:

"(b) (1) A broker or dealer may be registered for the purposes of this section by filing with the Commission an application for registration, which shall contain such information in such detail as to such broker or dealer and any persons associated with such broker or dealer as the Commission may by rules and regulations require as necessary or appropriate in the public interest or for the protection of investors. Except as hereinafter provided, such registration shall become effective thirty days after the receipt of such application by the Commission or within such shorter period of time as the Commission may determine.

"(2) An application for registration of a broker or dealer to be formed or organized may be made by a broker or dealer to which the broker or dealer to be formed or organized is to be the successor. Such application shall contain such information in such detail as to the applicant and as to the successor and any person associated with the applicant or the successor, as the Commission may by rules and regulations require as necessary or appropriate in the public interest or for the protection of investors. Except as hereinafter provided, such registration shall become effective thirty days after the receipt of such application by the Commission or within such shorter period of time as the Commission may determine. Such registration shall terminate on the forty-fifth day after the effective date thereof, unless prior thereto the successor shall, in accordance with such rules and regulations as the Commission may prescribe, adopt such application as its own.

"(3) If any amendment to any application for registration pursuant to this subsection is filed prior to the effective date of the registration, such amendment shall be deemed to have been filed simultaneously with and as part of such application; except that the Commission may, if it appears necessary or appropriate in the public interest or for the protection of investors, defer the effective date of any such registration as thus amended until the thirtieth day after the filing of such amendment.

"(4) Any provision of this title (other than section 5 and subsection (a) of this section) which prohibits any act, practice, or course of business if the mails or any means or instrumentality of interstate commerce are used in connection therewith shall also prohibit any such act, practice, or course of business by any broker or dealer registered pursuant to this subsection or any person acting on behalf of such a broker or dealer, irrespective of any use of the mails or any means or instrumentality of interstate commerce in connection therewith.

"(5) The Commission shall, after appropriate notice and opportunity for hearing, by order censure, deny registration to, suspend for a period not exceeding twelve months, or revoke the registration of, any broker or dealer if it finds that such censure, denial, suspension, or revocation is in the public interest and that such broker or dealer, whether prior or subsequent to becoming such, or any person associated with such broker or dealer, whether prior or subsequent to becoming so associated—

"(A) has willfully made or caused to be made in any application for registration or report required to be filed with the Commission under this title, or in any proceeding before the Commission with respect to registration, any statement which was at the time and in the light of the circumstances under which it was made false or misleading with respect to any material fact, or has omitted to state in any such application or report any material fact which is required to be stated therein.

"(B) has been convicted within ten years preceding the filing of the application or at any time thereafter of any felony or misdemeanor which the Commission finds—

"(i) involves the purchase or sale of any security.

"(ii) arises out of the conduct of the business of a broker, dealer, or investment adviser.

"(iii) involves embezzlement, fraudulent conversion, or misappropriation of funds or securities.

"(iv) involves the violation of section 1341, 1342, or 1343 of title 18, United States Code.

"(C) is permanently or temporarily enjoined by order, judgment, or decree of any court of competent jurisdiction from acting as an investment adviser, underwriter, broker, or dealer, or as an affiliated person or employee of any investment company, bank, or insurance company, or from engaging in or continuing any conduct or practice in connection with any such activity, or in connection with the purchase or sale of any security.

"(D) has willfully violated any provision of the Securities Act of 1933, or of the Investment Advisers Act of 1940, or of the Investment Company Act of 1940, or of this title, or of any rule or regulation under any of such statutes.

"(E) has willfully aided, abetted, counseled, commanded, induced, or procured the violation by any other person of the Securities Act of 1933, or the Investment Advisers Act of 1940, or the Investment Company Act of 1940, or of this title, or of any rule or regulation under any of such statutes or has failed reasonably to supervise, with a view to preventing violations of such statutes, rules, and regulations, another person who commits such a violation, if such other person is subject to his supervision. For the purposes of this clause (E) no person shall be deemed have failed reasonably to supervise any person, if—

"(i) there have been established procedures, and a system for applying such procedures, which would reasonably be expected to prevent and detect, insofar as practicable, any such violation by such other person, and

"(ii) such person has reasonably discharged the duties and obligations incumbent upon him by reason of such procedures and system without reasonable cause to believe that such procedures and system were not being complied with.

"(F) is subject to an order of the Commission entered pursuant to paragraph (7) of this subsection (b) barring or suspending the right of such person to be associated with a broker or dealer, which order is in effect with respect to such person.

"(6) Pending final determination whether any registration under this subsection shall be denied, the Commission may by order postpone the effective date of such registration for a period not to exceed fifteen days, but if, after appropriate notice and opportunity for hearing (which may consist solely of affidavits and oral arguments), it shall appear to the Commission to be necessary or appropriate in the public interest or for the protection of investors to postpone the effective date of such registration until final determination, the Commission shall so order. Pending final determination whether any such registration shall be revoked, the Commission shall by order suspend such registration if, after appropriate notice and opportunity for hearing, such suspension shall appear to the Commission to be necessary or appropriate in the public interest or for the protection of investors. Any registered broker or dealer may, upon such terms and conditions as the Commission may deem necessary in the public interest or for the protection of investors, withdraw from registration by filing a written notice of withdrawal with the Commission. If the Commission finds that any registered broker or dealer, or any broker or dealer for whom an application for registration is pending, is no longer in existence or has ceased to do business as a broker or dealer, the Commission shall by order cancel the registration or application of such broker or dealer.

"(7) The Commission may, after appropriate notice and opportunity for hearing, by order censure any person, or bar or suspend for a period not exceeding twelve months any person from being associated with a broker or dealer, if the Commission finds that such censure, barring, or suspension is in the public interest and that such person has committed or omitted any act or omission enumerated in clause (A), (D) or (E) of paragraph (5) of this subsection or has been convicted of any offense specified in clause (B) of said paragraph (5) within ten years of the commencement of the proceedings under this paragraph or is enjoined from any action, conduct, or practice specified in clause (C) of said paragraph (5). It shall be unlawful for any person as to whom such an order barring or suspending him from being associated with a broker or dealer is in effect, willfully to become, or to be, associated with a broker or dealer, without the consent of the Commission, and it shall be unlawful for any broker or dealer to permit such a person to become, or remain, a person associated with him, without the consent of the Commission, if such broker or dealer knew, or in the exercise of reasonable care, should have known, of such order.

"(8) No broker or dealer registered under section 15 of this title shall, during any period when it is not a member of a securities association registered with the Commission under section 15A of this title, effect any transaction in, or induce the purchase or sale of, any security (otherwise than on a national securities exchange) unless such broker or dealer and all natural persons associated with such broker or dealer meet such specified and appropriate standards with respect to training, experience, and such other qualifications as the Commission finds necessary or desirable. The Commission shall establish such standards by rules and regulations, which may—

"(A) appropriately classify brokers and dealers and persons associated with brokers and dealers (taking into account relevant matters, including types of business done and nature of securities sold).

"(B) specify that all or any portion of such standards shall be applicable to any such class.

"(C) require persons in any such class to pass examinations prescribed in accordance with such rules and regulations.

"(D) provide that persons in any such class other than a broker or a dealer and partners, officers, and supervisory employees (which latter term may be defined by the Commission's rules and regulations and as so defined shall include branch managers of brokers or dealers) of brokers or dealers, may be qualified solely on the basis of compliance with such specified standards of training and such other qualifications as the Commission finds appropriate.

The Commission may prescribe by rules and regulations reasonable fees and charges to defray its costs in carrying out this paragraph, including, but not limited to, fees for any examination administered by it, or under its direction. The Commission may cooperate with securities associations registered under section 15A of this title and with national securities exchanges in administering examinations and may require brokers and dealers subject to this paragraph and persons associated with such brokers and dealers to pass examinations administered by or on behalf of any such association or exchange and to pay to such association or exchange reasonable fees or charges to defray the costs incurred by such association or exchange in administering such examinations.

"(9) In addition to the fees and charges authorized by paragraph (8), each broker or dealer registered under section 15 of this title not a member of a securities association registered pursuant to section 15A of this title shall pay to the Commission such reasonable fees and charges as may be necessary to defray the costs of additional regulatory duties required to be performed by the Commission because such broker or dealer is not a member of such a securities association. The Commission shall establish such fees and charges by rules and regulations.

"(10) No broker or dealer subject to paragraph (8) of this subsection shall effect any transaction in, or induce the purchase or sale of, any security (otherwise than on a national securities exchange) in contravention of such rules and regulations as the Commission may prescribe designed to promote just and equitable principles of trade, to provide safeguards against unreasonable profits or unreasonable rates of commissions or other charges, and in general, to protect investors and the public interest, and to remove impediments to and perfect the mechanism of a free and open market."

(c) Section 15(c) of said Act is amended by adding at the end thereof the following new paragraphs:

"(4) If the Commission finds, after notice and opportunity for hearing, that any person subject to the provisions of section 12, 13, or subsection (d) of section 15 of this title or any rule or regulation thereunder has failed to comply with any such provision, rule, or regulation in any material respect, the Commission may publish its findings and issue an order requiring such person to comply with such provision or such rule or regulation thereunder upon such terms and conditions and within such time as the Commission may specify in such order.

"(5) If in its opinion the public interest and the protection of investors so require, the Commission is authorized summarily to suspend trading, otherwise than on a national securities exchange, in any security (other than an exempted security) for a period not exceeding ten days. No broker or dealer shall make use of the mails or of any means or instrumentality of interstate commerce to effect any transaction in, or to induce the purchase or sale of, any security in which trading is so suspended."

(d) Section 15(d) of said Act is amended to read as follows:

"(d) Each issuer which has filed a registration statement containing an undertaking which is or becomes operative under this subsection as in effect prior to the date of enactment of the Securities Acts Amendments of 1964, and each issuer which shall after such date file a registration statement which has become effective pursuant to the Securities Act of 1933, as amended, shall file with the Commission, in accordance with such rules and regulations as the Commission may prescribe as necessary or appropriate in the public interest or for the protection of investors, such supplementary and periodic information, documents, and reports as may be required pursuant to section 13 of this title in respect of a security registered pursuant to section 12 of this title. The duty to file under this subsection shall be automatically suspended if and so long as any issue of securities of such issuer is registered pursuant to section 12 of this title. The duty to file under this subsection shall also be automatically suspended as to any fiscal year, other than the fiscal year within which such registration statement became effective, if, at the beginning of such fiscal year, the securities of each class to which the registration statement relates are held of record by less than three hundred persons. For the purposes of this subsection, the term 'class' shall be construed to include all securities of an issuer which are of substantially similar character and the holders of which enjoy substantially similar rights and privileges. Nothing in this subsection shall apply to securities issued by a foreign government or political subdivision thereof."

SEC. 7. (a) Section 15A(b) of the Securities Exchange Act of 1934 is amended as follows:

(1) The semicolons at the end of paragraphs (1) through (8) are stricken out and periods are inserted in lieu thereof.

(2) Paragraph (3) thereof is amended to read as follows:

"(3) the rules of the association provide that any broker or dealer who makes use of the mails or any means or instrumentality of interstate commerce to effect any transaction in, or to induce the purchase or sale of, any security otherwise than on a national securities exchange, may become a member of such association, except such as are excluded pursuant to paragraph (4) or (5) of this subsection, or a rule of the association permitted under this paragraph. The rules of the association may restrict membership in such association on such specified geographical basis, or on such specified basis relating to the type of business done by its members, or on such other specified and appropriate basis, as appears to the Commission to be necessary or appropriate in the public interest or for the protection of investors and to carry out the purpose of this section. Rules adopted by the association may provide that the association may, unless the Commission directs otherwise in cases in which the Commission finds it appropriate in the public interest so to direct, deny admission to or refuse to continue in such association any broker or dealer if—

"(A) such broker or dealer, whether prior or subsequent to becoming such, or

"(B) any person associated with such broker or dealer, whether prior or subsequent to becoming so associated,

has been and is suspended or expelled from a national securities exchange or has been and is barred or suspended from being associated with all members of such exchange, for violation of any rule of such exchange.".

(3) Paragraph (4) thereof is amended to read as follows:

"(4) the rules of the association provide that, except with the approval or at the direction of the Commission in cases in which the Commission finds it appropriate in the public interest so to approve or direct, no broker or dealer shall be admitted to or continued in membership in such association, if such broker or dealer—

"(A) has been and is suspended or expelled from a registered securities association (whether national or affiliated) or from a national securities exchange or has been and is barred or suspended from being associated with all members of such association or from being associated with all brokers or dealers which are members of such exchange, for violation of any rule of such association or exchange which prohibits any act or transaction constituting conduct inconsistent with just and equitable principles of trade, or requires any act the omission of which constitutes conduct inconsistent with just and equitable principles of trade.

"(B) is subject to an order of the Commission denying, suspending for a period not exceeding twelve months, or revoking his registration pursuant to section 15 of this title, or expelling or suspending him from membership in a registered securities association or a national securities exchange, or barring or suspending him from being associated with a broker or dealer.

"(C) whether prior or subsequent to becoming a broker or dealer, by his conduct while associated with a broker or dealer, was a cause of any suspension, expulsion, or order of the character described in clause (A) or (B) which is in effect with respect to such broker or dealer, and in entering such a suspension, expulsion, or order, the Commission or any such exchange or association shall have jurisdiction to determine whether or not any person was a cause thereof.

"(D) has associated with him any person who is known, or in the exercise of reasonable care should be known, to him to be a person who, if such person were a broker or dealer, would be ineligible for admission to or continuance in membership under clause (A), (B), or (C) of this paragraph."

(4) Paragraphs (5) through (10) thereof are redesignated as paragraphs (6) through (11), respectively, and a new paragraph (5) is added to read as follows:

"(5) the rules of the association provide that, except with the approval or at the direction of the Commission in cases in which the Commission finds it appropriate in the public interest so to approve or direct, no person shall become a member and no natural person shall become a person associated with a member, unless such person is qualified to become a member or a person associated with a member in conformity with specified and appropriate standards with respect to the training, experience, and such other qualifications of such person as the association finds necessary or desirable, and in the case of a member, the financial responsibility of such member. For the purpose of defining such standards and the application thereof, such rules may—

"(A) appropriately classify prospective members (taking into account relevant matters, including type of business done and nature of securities sold) and persons proposed to be associated with members.

"(B) specify that all or any portion of such standards shall be applicable to any such class.

"(C) require persons in any such class to pass examinations prescribed in accordance with such rules.

"(D) provide that persons in any such class other than prospective members and partners, officers and supervisory employees (which latter term may be defined by such rules and as so defined shall include branch managers of members) of members, may be qualified solely on the basis of compliance with specified standards of training and such other qualifications as the association finds appropriate.

"(E) provide that applications to become a member or a person associated with a member shall set forth such facts as the association may prescribe as to the training, experience, and other qualifications (including, in the case of an applicant for membership, financial responsibility) of the applicant and that the association may adopt procedures for verification of qualifications of the applicant.

"(F) require any class of persons associated with a member to be registered with the association in accordance with procedures specified by such rules (and any application or document supplemental thereto required by such rules of a person seeking to be registered with such association shall, for the purposes of subsection (a) of section 32 of this title, be deemed an application required to be filed under this title)."

(5) Redesignated paragraph (9) is amended to read as follows:

"(9) the rules of the association provide that its members and persons associated with its members shall be appropriately disciplined, by expulsion, suspension, fine, censure, or being suspended or barred from being associated with all members, or any other fitting penalty, for any violation of its rules.".

(6) Redesignated paragraph (10) is amended to read as follows:

"(10) the rules of the association provide a fair and orderly procedure with respect to the disciplining of members and persons associated with members and the denial of membership to any broker or dealer seeking membership therein or the barring of any person from being associated with a member. In any proceeding to determine whether any member or other person shall be disciplined, such rules shall require that specific charges be brought; that such member or person shall be notified of, and be given an opportunity to defend against, such charges; that a record shall be kept; and that the determination shall include—

"(A) a statement setting forth any act or practice in which such member or other person may be found to have engaged, or which such member or other person may be found to have omitted.

"(B) a statement setting forth the specific rule or rules of the association of which any such act or practice, or omission to act, is deemed to be in violation.

"(C) a statement whether the acts or practices prohibited by such rule or rules, or the omission of any act required thereby, are deemed to constitute conduct inconsistent with just and equitable principles of trade.

"(D) a statement setting forth the penalty imposed.

In any proceeding to determine whether a broker or dealer shall be denied membership or whether any person shall be barred from being associated with a member, such rules shall provide that the broker or dealer or person shall be notified of, and be given an opportunity to be heard upon, the specific grounds for denial or bar which are under consideration; that a record shall be kept; and that the determination shall set forth the specific grounds upon which the denial or bar is based.".

(7) Section 15A(b) of said Act is further amended by adding at the end thereof the following:

"(12) the rules of the association include provisions governing the form and content of quotations relating to securities sold otherwise than on a national securities exchange which may be disseminated by any member or any person associated with a member, and the persons to whom such quotations may be supplied. Such rules relating to quotations shall be designed to produce fair and informative quotations, both at the wholesale and retail level, to prevent fictitious or misleading quotations, and to promote orderly procedures for collecting and publishing quotations.

The provisions of this subsection, as in effect prior to the date of enactment of the Securities Acts Amendments of 1964, shall be applicable to the rules of any registered securities association which was registered on such date until July 1, 1964. After July 1, 1964, the Commission may, after notice and opportunity for hearing, suspend the registration of any such association if it finds that the rules thereof do not conform to the requirements of this subsection, as amended by section 7 of the Securities Acts Amendments of 1964, and any such suspension shall remain in effect until the Commission issues an order determining that such rules have been modified to conform with such requirements."

(b) Section 15A(d)(2) is amended by striking the figure "(9)" inserting in lieu thereof "(10)", and by inserting "and paragraph (12)," immediately after "inclusive,".

(c) Section 15A(g) is amended to read as follows:

"(g) If any registered securities association (whether national or affiliated) takes any disciplinary action against any member thereof or any person associated with such a member or denies admission to any broker or dealer seeking membership therein, or bars any person from being associated with a member, such action shall be subject to review by the Commission, on its own motion, or upon application by any person aggrieved thereby filed within thirty days after such action has been taken or within such longer period as the Commission may determine. Application to the Commission for review, or the institution of review by the Commission on its own motion, shall operate as a stay of such action until an order is issued upon such review pursuant to subsection (h), unless the Commission otherwise orders, after notice and opportunity for hearing on the question of a stay (which hearing may consist solely of affidavits and oral arguments)."

(d) Section 15A(h) of said Act is amended to read as follows:

"(h)(1) In a proceeding to review disciplinary action taken by a registered securities association against a member thereof or a person associated with a member, if the Commission, after appropriate notice and opportunity for hearing, upon consideration of the record before the association and such other evidence as it may deem relevant—

"(A) finds that such a member or person has engaged in such acts or practices, or has omitted such act, as the association has found him to have engaged in or omitted, and

"(B) determines that such acts or practices, or omission to act, are in violation of such rules of the association as have been designated in the determination of the association,

the Commission shall by order dismiss the proceeding, unless it appears to the Commission that such action should be modified in accordance with paragraph (2) of this subsection. The Commission shall likewise determine whether the acts or practices prohibited, or the omission of any act required, by any such rule constitute conduct inconsistent with just and equitable principles of trade, and shall so declare. If it appears to the Commission that the evidence does not warrant the finding required in clause (A), or if the Commission determines that such acts or practices as are found to have been engaged in are not prohibited by the designated rule or rules of the association, or that such act as is found to have been omitted is not required by such designated rule or rules, the Commission shall by order set aside the action of the association.

"(2) If, after appropriate notice and opportunity for hearing, the Commission finds that any penalty imposed upon a member or person associated with a member is excessive or oppressive, having due regard to the public interest, the Commission shall by order cancel, reduce, or require the remission of such penalty.

"(3) In any proceeding to review the denial of membership in a registered securities association or the barring of any person from being associated with a member, if the Commission, after appropriate notice and hearing, and upon consideration of the record before the association and such other evidence as it may deem relevant, determines that the specific grounds on which such denial or bar is based exist in fact and are valid under this section, the Commission shall by order dismiss the proceeding; otherwise, the Commission shall by order set aside the action of the association and require it to admit the applicant broker or dealer to membership therein, or to permit such person to be associated with a member."

(e) Section 15A(k)(2) of said Act is amended to read as follows:

"(2) The Commission may in writing request any registered securities association to adopt any specified alteration of or supplement to its rules with respect to any of the matters hereinafter enumerated. If such association fails to adopt such alteration or supplement within a reasonable time, the Commission is authorized by order to alter or supplement the rules of such association in the manner theretofore requested, or with such modifications of such alteration or supplement as it deems necessary if, after appropriate notice and opportunity for hearing, it appears to the Commission that such alteration or supplement is necessary or appropriate in the public interest or for the protection of investors or to effectuate the purposes of this section, with respect to—

"(A) the basis for, and procedure in connection with, the denial of membership or the barring from being associated with a member or the disciplining of members or persons associated with members, or the qualifications required for members or natural persons associated with members or any class thereof.

"(B) the method for adoption of any change in or addition to the rules of the association.

"(C) the method of choosing officers and directors.

"(D) affiliation between registered securities associations."

(f) Section 15A(l) of said Act is amended (1) by striking out the semicolon at the end of paragraph (1) thereof and inserting a period, and (2) by striking out paragraph (2) and inserting the following:

"(2) after appropriate notice and opportunity for hearing, by order to suspend for a period not exceeding twelve months or to expel from a registered securities association any member thereof, or to suspend for a period not exceeding twelve months or to bar any person from being associated with a member thereof, if the Commission finds that such member or person—

"(A) has violated any provision of this title or any rule or regulation thereunder, or has effected any transaction for any other person who, he had reason to believe, was violating with respect to such transaction any provision of this title or any rule or regulation thereunder.

"(B) has willfully violated any provision of the Securities Act of 1933, as amended, or of any rule or regulation thereunder, or has effected any transaction for any other person who, he had reason to believe, was willfully violating with respect to such transaction any provision of such Act or rule or regulation."

Sec. 8. (a) Section 16(a) of the Securities Exchange Act of 1934 is amended to read as follows:

"Sec. 16. (a) Every person who is directly or indirectly the beneficial owner of more than 10 per centum of any class of any equity security (other than an exempted security) which is registered pursuant to section 12 of this title, or who is a director or an officer of the issuer of such security, shall file, at the time of the registration of such security on a national securities exchange or by the effective date of a registration statement filed pursuant to section 12(g) of this title, or within ten days after he becomes such beneficial owner, director, or officer, a statement with the Commission (and, if such security is registered on a national securities exchange, also with the exchange) of the amount of all equity securities of such issuer of which he is the beneficial owner, and within ten days after the close of each calendar month thereafter, if there has been a change in such ownership during such month, shall file with the Commission (and if such security is registered on a national securities exchange, shall also file with the exchange) a statement indicating his ownership at the close of the calendar month and such changes in his ownership as have occurred during such calendar month."

(b) Section 16 of said Act is further amended by redesignating subsection (d) thereof as (e) and adding a new subsection (d) as follows:

"(d) The provision of subsection (b) of this section shall not apply to any purchase and sale, or sale and purchase, and the provisions of subsection (c) of this section shall not apply to any sale, of an equity security not then or theretofore held by him in an investment account, by a dealer in the ordinary course of his business and incident to the establishment or maintenance by him of a primary or secondary market (otherwise than on a national securities exchange or an exchange exempted from registration under section 5 of this title) for such security. The Commission may, by such rules and regulations as it deems necessary or appropriate in the public interest, define and prescribe terms and conditions with respect to securities held in an investment account and transactions made in the ordinary course of business and incident to the establishment or maintenance of a primary or secondary market."

Sec. 9. Section 20(c) of the Securities Exchange Act of 1934 is amended to read as follows:

"(c) It shall be unlawful for any director or officer of, or any owner of any securities issued by, any issuer required to file any document, report, or information under this title or any rule or regulation thereunder without just cause to hinder, delay, or obstruct the making or filing of any such document, report, or information."

Sec. 10. Subsection (b) of section 23 of the Securities Exchange Act of 1934 is amended by adding at the end thereof the following new sentence: "The Commission shall include in its annual reports to the Congress for the fiscal years ended on June 30 of 1965, 1966, and 1967 information, data, and recommendations specifically related to the operation of the amendments to this Act made by the Securities Acts Amendments of 1964."

Sec. 11. The first sentence of subsection (b) of section 32 of the Securities Exchange Act of 1934 is amended (1) by striking out "pursuant to an undertaking contained in a registration statement as provided in" and inserting in lieu thereof "required to be filed under" and (2) by inserting immediately after "this title" the following: "or any rule or regulation thereunder".

Sec. 12. Section 4 of the Securities Act of 1933 is amended to read as follows:

"Sec. 4. The provisions of section 5 shall not apply to—

"(1) transactions by any person other than an issuer, underwriter, or dealer.

"(2) transactions by an issuer not involving any public offering.

"(3) transactions by a dealer (including an underwriter no longer acting as an underwriter in respect of the security involved in such transaction), except—

"(A) transactions taking place prior to the expiration of forty days after the first date upon which the security was bona fide offered to the public by the issuer or by or through an underwriter,

"(B) transactions in a security as to which a registration statement has been filed taking place prior to the expiration of forty days after the effective date of such registration statement or prior to the expiration of forty days after the first date upon which the security was bona fide offered to the public by the issuer or by or through an underwriter after such effective date, whichever is later (excluding in the computation of such forty days any time during which a stop order issued under section 8 is in effect as to the security), or such shorter period as the Commission may specify by rules and regulations or order, and

"(C) transactions as to securities constituting the whole or a part of an unsold allotment to or subscription by such dealer as a participant in the distribution of such securities by the issuer or by or through an underwriter.

With respect to transactions referred to in clause (B), if securities of the issuer have not previously been sold pursuant to an earlier effective registration statement the applicable period, instead of forty days, shall be ninety days, or such shorter period as the Commission may specify by rules and regulations or order.

"(4) brokers' transactions executed upon customers' orders on any exchange or in the over-the-counter market but not the solicitation of such orders."

Sec. 13. The amendments made by this Act shall take effect as follows:

(1) The effective date of section 12(g)(1) of the Securities Exchange Act of 1934, as added by section 3(c) of this Act, shall be July 1, 1964.

(2) The effective date of the amendments to sections 12(b) and 15(a) of the Securities Exchange Act of 1934, contained in sections 3(a) and 6(a), respectively, of this Act, shall be July 1, 1964.

(3) All other amendments contained in this Act shall take effect on the date of its enactment.

Mr. ROBERTSON. Mr. President, I move that the Senate concur in the amendment of the House.

It is a source of real gratification to me to have the privilege of bringing before the Senate S. 1642, the Securities Acts Amendments of 1964. This bill has had a long career. I introduced it at the request of the Securities and Exchange Commission on June 4, 1963. Careful and thorough hearings were held by Senator Harrison A. Williams, Jr., of New Jersey, chairman of the Securities Subcommittee of the Banking and Currency Committee. After careful consideration by the subcommittee and the committee, during which the Senator from New Jersey [Mr. Williams] and the Senator from New York [Mr. Javits] worked out an amendment which solved problems in the banking field, the Senator from New Jersey [Mr. Williams] reported the bill to the Senate, and the Senate passed it last July.

I regret that the Senator from New Jersey [Mr. Williams] has been detained by an important engagement in his home State. He sent word to me that he would like to have me go ahead, at the request of the majority leader, and ask for action now on the bill. He said that perhaps he would make some statement concerning it for the Record after his return.

The House Committee on Interstate and Foreign Commerce, under the able leadership of its chairman, Oren Harris, and Congressman Staggers, of West Virginia, reviewed the proposals of the SEC and particularly S. 1642 most carefully in extensive hearings last year and this year. The House committee reported the bill on May 19, with several substantive changes. In addition, Chairman Harris filed an extensive and illuminating report. The House amendments and Chairman Harris' report have now been available to the industry and the SEC for more than 2 months, so there has been ample time for all of us to have heard from any of our constituents who might be interested in the bill.

As soon as the bill passed the House, I requested Chairman Cary to obtain the comments of the SEC on these House amendments, and I received their comments promptly.

Yesterday I inserted in the Record the SEC letter giving its position on the amendments. It appears at page 18128 of the Record. If the Senator from New Jersey [Mr. Williams], the chairman of our subcommittee, were present, he would explain the bill in greater detail at this point. But I do not believe that such an explanation is necessary, because, as I have said, we have had ample time for comment both on the principal provisions of the bill and on the few amendments the House made.

Both the Treasury Department and the SEC have said that they accept the House amendments. Today I received a letter from the New York Stock Exchange stating that it recommends that the Senate enact the bill promptly.

Mr. President, I ask unanimous consent that that letter be printed at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. ROBERTSON. I am glad that there is present in the Chamber the distinguished Senator from New York [Mr. Javits], who has taken a great interest in this subject. Of course, he represents the financial center of the now known world. Recently we saw in a large issue of the American Banker a report on the banks of New York. One of the banks is the second largest in the world, and another is the fifth largest in the world and of course, everyone knows that the two largest stock exchanges are in New York City as well as many other financial institutions. The Senator from New York [Mr. Javits] represents large financial interests. He will discuss the bill.

The essence of what I wish to say was printed in the Record yesterday.

I reach the same conclusion as that expressed by the SEC at the end of Chairman Cary's letter when he said:

> We believe that the changes made by the House are workable, and that the bill as amended represents a significant advance in investor protection. Accordingly, the House bill is satisfactory to us, and we urge the prompt enactment of this important legislation.

The immediate legislative history of S. 1642 began in June 1963. However, its roots go far back of 1963. The Frear and Fulbright bills of 1949 and 1954 would have applied to most major unlisted securities the registration and reporting requirements applicable to listed securities. The matter was considered again in 1955 in Senator FULBRIGHT'S study of the stock market and the securities industry.

The appointment of William L. Cary as Chairman of the SEC in 1961, together with the appointments of former Senator Frear, Mr. Cohen, Mr. Whitney, and Mr. Woodside as members, gave occasion for the Commission to make a review of the securities industry and securities legislation. This review was crystallized by House Joint Resolution 438, initiated by Congressman Mack and Congressman HARRIS, which our committee supported fully. As a result of the resolution, an extensive study of the entire securities industry was conducted under the able leadership of Milton H. Cohen, whose report will long be a landmark and a mine of information in the securities world.

In my judgment, the able leadership of Chairman Cary and the constructive qualities of the members of the Commission were clearly shown in the preparation of the Commission's 1963 legislative program which is now before us in the form of S. 1642. Mr. Cary and the Commission worked constructively and diligently with all elements of the securities industry in an effort to present to the Congress an effective legislative program which would bring about the changes which the special study showed were necessary, and which would at the same time have the support of all elements of the securities industry. I encouraged Mr. Cary to discuss his bill with the securities industry, and I urged him to present to the Congress an effective bill which the entire industry could support. The hearings which the Senator from New Jersey [Mr. WILLIAMS] conducted before our Securities Subcommittee demonstrate that Mr. Cary and the Commission achieved this result.

In my judgment, the Securities Acts Amendments of 1964 is the most important legislation in this field since enactment of the Investment Company Act of 1940. Senator Williams of New Jersey, Senator Javits, of New York, Mr. Cary, and all others concerned with this bill can take great satisfaction in the responsible and effective work which has resulted in a sound bill.

I urge the Senate to accept the recommendations of the SEC as set forth in Chairman Cary's letter and agree to the House amendments and send S. 1642 to the President for his signature.

EXHIBIT 1

NEW YORK STOCK EXCHANGE,
New York, N.Y., August 6, 1964.

Hon. A. WILLIS ROBERTSON,
Chairman, Committee on Banking and Currency, U.S. Senate, Washington, D.C.

DEAR SENATOR ROBERTSON: The Securities Acts Amendments of 1964 (H.R. 6793, S. 1642), now before the Senate for final action, provide new, comprehensive safeguards for the investing public, while broadening and strengthening the tested concept of self-regulation by the securities industry.

These amendments bear the strong endorsement of the New York Stock Exchange. We commend them to the Senate's earnest attention, with a respectful request for their early enactment.

With deep appreciation for your past and present efforts in behalf of this all-important legislation,

Cordially and sincerely,
EDWARD C. GRAY,
Executive Vice President.

Mr. President, I now yield to a distinguished member of the Committee on Banking and Currency, the senior Senator from New York [Mr. JAVITS].

Mr. JAVITS. Mr. President, I, too, regret, as does the chairman, that the Senator from New Jersey [Mr. WILLIAMS], chairman of the subcommittee, who introduced the bill, is not here to speak at this time. His remarks will be available for the RECORD as soon as he returns to the Senate floor, which will be very shortly.

In the course of my remarks, I shall have a question or two to ask of our chairman, and I hope he will remain in the Chamber for a minute or two.

First, let me underline what our chairman has said with respect to the importance of the bill. It is landmark and extremely significant legislation. It will affect the 3,000 larger industrial concerns whose stock is sold in the over-the-counter market, which has heretofore been free from the disclosure requirements of the SEC as they affect listed securities, because of what the president of the New York Stock Exchange has quite properly called the double standard for listed and unlisted securities.

The main effect of the bill will be to apply to those unlisted securities, the over-the-counter traded securities, the same disclosure and financial requirements, proxy solicitation and insider trading requirements, as currently apply, under the Securities Exchange Act of 1934, to companies listed on the stock exchanges. That is the landmark advance which is a part of the bill.

The amounts involved in this aspect of the bill are very large. It is estimated that unlisted securities dealt with by the bill represent trading of $20 billion a year in securities. That is about 35 percent of all securities traded on the registered stock exchanges, which are estimated at about $55 billion a year. The new requirements for the unlisted securities, many of which are of very large companies and companies in which there is very active trading—including practically all the insurance companies and banks, for example—affect directly the holdings of 17 million American holders of American securities. So we have here a proposed act which ranks in magnitude with the original securities laws.

As to the acceptance by the Senate of the House version of the bill, the chairman of the committee has already placed in the RECORD the letter addressed to him by Chairman Cary of the SEC.

At this point I would like to interject that Chairman Cary has exercised a fine influence in the SEC and on the securities markets generally. I regret very much to see him leave that position, though his successor, Commissioner Cohen, is well experienced in the SEC, and I believe will carry on just as well. However, I do wish to express my regret at Chairman Cary's leaving the agency.

Chairman Cary's letter analyzed in detail the changes that have been made. I shall touch the highlights very briefly.

The basic purposes of the bill as it was passed by the Senate continue to be served—that is, the applicability to unlisted securities of the same requirements for disclosure and ethical dealing as prevail for listed securities.

There is another aspect to the bill, namely, improved qualification requirements and disciplinary procedures for those who may engage in over-the-counter transactions, the registered brokers and dealers in unlisted securities.

A few changes have been made by the House, but I do not regard them as changing the fundamental quality of the bill. A significant change which the House made was to relieve insurance companies of the principal impact of the bill. The House version of the bill exempts the securities of insurance companies, but would keep a string on them so that if it later seems advisable to bring insurance companies under the Federal regulations, there will be an open door to come back and ask for appropriate legislation.

The major question was whether or not the State regulatory agencies already have enough authority over insurance companies so that the disclosure required by them would be adequate for all purposes, and whether the insurance companies should be burdened with additional filings with Federal establishments. The House version of the bill requires filings of a regularized and rather complete character by insurance companies with their State authorities. That provision is reasonable, in my judgment. It was felt wise to proceed first on that basis to see whether the State authorities could not give the public what it would get with respect to insurance companies under the bill as the Senate had passed it.

The other significant change in the securities aspect of the bill relates to trading in foreign securities. Those were exempted when the Senate considered the bill. We provided that the SEC could withdraw the exemption if the SEC found it was not in the public interest or not consistent with the protection of investors to continue the exemption.

The House reversed that procedure, and provided that foreign securities should be subject to regulation, but that the SEC could exempt affirmatively if it found that such regulation was not in the public interest and consistent with the interests of security holders.

The securities industry itself was very much opposed to the House provision. It opposed it on the grounds that great harm would come to investors from disruption of trading in foreign securities, that foreign traders would be disinclined to trade if foreign securities were under the same requirements as applied to domestic securities, and that the tendency would be to do their trading abroad, with better markets and greater activity, and with resulting disadvantage to American holders.

I am inclined to agree with that view. I strongly opposed the House provision and was very insistent on sending the bill to conference to deal with it.

In view of the overriding desire to have the bill enacted, however, I share the belief of many securities organizations that, on balance, we should accept the bill, with the assurance given us by the SEC. This assurance, which is in the RECORD as a part of Chairman Cary's letter to the chairman of the committee, is that the Commission will exempt, in a blanket way, all foreign securities for a period of at least 1 year. During that time those who believe that they should have permanent exemptions could appear before the Commission and give their reasons; and the Commission would grant such permanent exemptions as it deems advisable.

As there is grave concern about this provision, I should like to address a question to the chairman of the committee. I suggest to him and his committee that when the blanket exemption is close to its expiration date, it would be well to call the SEC before the committee and have a review of its experience with this exemption, what it proposes for the future, whether it proposes to continue it, or whether it proposes to terminate it. At least in the exercise of legislative oversight our committee would then have an opportunity to judge how the House provision has worked, so that if we are unhappy with it we can initiate legislation to deal with the situation.

Would the chairman look with favor upon calling the SEC before the committee so that we could get a complete understanding of how it fared, and what it proposed to do?

Would he also look with favor on any application which perhaps might be made by an individual who felt that he had been imposed upon by the SEC in the administration of this provision, so that we could consider whether, within the limits of propriety and convenience, we could premit him, in the course of a hearing such as I have suggested, to air his grievances?

Mr. ROBERTSON. In answer to the first question, the chairman would be very glad to ask the SEC to come before the committee and report. I should also like to refer to the language in the letter which I read yesterday and put in the RECORD:

> The House committee also added a requirement that we should report to Congress following the next 3 fiscal years with reference to the operation of the amendments to the act made by the bill. We of course have no objection to so reporting and, on the contrary, will appreciate the opportunity to do so.

With this requirement in section 10 of the House amendment, and with an opportunity to have an additional oral report if need be, I believe we will be able to assure all who are interested in this provision that it will be administered cautiously and wisely.

As to looking favorably on a complaint, all that the chairman feels justified in saying is that he will consider any complaints we may receive on this point with the greatest of concern and interest. Certainly we would give a fair hearing and careful consideration to any such complaint.

Mr. JAVITS. That is all I asked or could ask of the chairman, that he look favorably on a hearing.

If people felt that they had a real grievance and that there was a congressional body to which they could look for a hearing on their grievance, I believe it would be a great element of confidence in the administration of this provision of the act, which encountered a good deal of opposition among securities people.

Mr. ROBERTSON. I am sure the distinguished Senator from New York has known me long enough to be able to assure his constituents that anyone who has a real grievance will be able to obtain a hearing before our committee.

Mr. JAVITS. I thank the Senator from Virginia. What he has said should prove to be very satisfactory to all concerned.

In regard to another aspect of the bill, the House eliminated the requirement for compulsory membership in a registered national securities association, but it substituted rather tight SEC regulation as an alternative. Therefore an individual broker-dealer could take his choice. I think that is fair. We had grave doubts about compulsory membership. We thought it would be a convenience to the industry to handle the problem in the manner proposed, giving brokers and dealers the opportunity to form their own associations without being forced to join the National Association of Securities Dealers. I do not see any reason why the House provision should not be satisfactory.

The House also decided to leave those who deal strictly in intrastate business to State jurisdiction, rather than to bring them under Federal regulatory power. Again, this is a situation the effectiveness of which we can observe.

Another problem was raised with respect to intercession of Federal bank regulatory authorities in regard to the securities of banks. I feel that this problem has been reasonably dealt with in its totality by the bill which is before us.

With the assurances given us by our chairman, I hope the Senate will concur in the House amendments.

I again refer to the outstanding work the chairman of the committee has done in bringing this bill to the point where it is now. He started long ago, and it has required many years for the recommendations which were contained in bills which he had introduced so long to be finally adopted by Congress. However, better late than never.

I also pay my respect and tribute to the Senator from New Jersey [Mr. WILLIAMS], who will speak for himself later. He is the chairman of the Securities Subcommittee of the Banking and Currency Committee.

With the legislative oversight which we have in the committee, which I know will be exercised with the usual skill that our staff has shown in these matters, we shall be able, I believe, to make this a very meaningful and important piece of legislation.

I should like to pay tribute also to Matthew Hale, who is our chief of staff in the committee, and to those who work under him, for the painstaking and fine efforts they have expended in bringing this bill to its present state.

I join my chairman in expressing the expectation that the Senate will concur in the House amendment.

Mr. ROBERTSON. Mr. President, I join the distinguished Senator from New York in paying tribute to our chief of staff, Mr. Hale. I also take this opportunity to pay tribute to my predecessor as chairman of our important committee. I recall that he conducted hearings on the stock market in 1955. Some economists and college professors had written to us saying that the stock market was too high and that somebody would be badly hurt if we did not do something to pull it down.

After they had testified, we called a famous dealer in the stock market before us. He was none other than Bernard Baruch. He testified that if the economists and professors knew what the stock market was going to do, they would have all the money, and we would have none. Of course I knew that he had some. At any rate, he said that he could not say that the stock market was too high. Furthermore, he said he did not think anyone knew whether it was too high.

What happened? I do not do any trading on the market, and I seldom read the stock quotations. But my impression is that the stock market has gone up a great deal, and pretty consistently, in the past 9 years.

The Senator from Arkansas [Mr. FULBRIGHT] recommended that Congress enact a law to bring trading in unlisted securities under the jurisdiction of the SEC. We now have such a bill before us.

I am pleased to yield now to the distinguished Senator from Arkansas.

Mr. FULBRIGHT. Mr. President, I appreciate the remarks the distinguished chairman of the Banking and Currency Committee has made regarding the legislation he has discussed. I recall with a great deal of interest the time to which he has referred, nearly 10 years ago, when we studied the stock market. It is my recollection that we did not assert that the market was too high. We felt that it had gone up too rapidly within too short a time, and it looked as if it might threaten to develop into another 1929. It was a matter of timing rather than extent. I suppose no one could ever say that the market is too high, absolutely. It is always relative; other factors enter into the situation.

Senators will recall that the time was immediately following the tax reduction bill, about which some of us had some reservations. I believe it was the only tax reduction bill that I opposed. However, special considerations entered into it.

I congratulate the distinguished chairman of the committee and the other members of the committee for bringing this bill to final action, providing the protection that it does. Of course no bill provides final and complete protection. However, the movement started at that time has led to the bill now before the Senate. I believe it to be an excellent bill.

I join the Senator from Virginia and the Senator from New York in urging the Senate to pass the bill. The enactment of the bill will be a great step forward in bringing order into the area of unlisted securities. It is an area in which many of our smaller investors are interested. I congratulate the Senator from Virginia for bringing the bill to this point.

Mr. ROBERTSON. I appreciate very much the kind remarks of the distinguished Senator from Arkansas, the former chairman of the Committee on Banking and Currency. Further to identify the hearings in 1955, I recall that one of the witnesses who testified that the market was not too high was either the president of General Motors or the head of the Buick division of General Motors.

Mr. FULBRIGHT. It was the president of General Motors.

Mr. ROBERTSON. I asked him, "Mr. President, it may not have any great bearing on whether the stock of General Motors is too high or not; but why can you not put in Buick cars clocks that will run?"

He said he would look into that. I had a Buick car which I had operated for 109,000 miles. The engine was all right, but the clock stopped after a year. I bought another one in 1940, and that stopped this year. So General Motors stock has not stopped going up, but the clocks in Buick cars do not run forever yet. But I cannot bring that situation under this bill.

Mr. JAVITS. Mr. President, I think we had better say a word for the Ford Motor Co. [Laughter.]

I, too, wish to join in commending the distinguished Senator from Arkansas [Mr. Fulbright]. I did not have the pleasure of serving under him when he was chairman of the committee; but I served with him while he was a member of the committee. I should have mentioned that when I spoke in chief. I wish to acknowledge, with the greatest respect, his leadership and initiative in respect to the measure which has now been brought to fruition.

Mr. FULBRIGHT. I thank the Senator from New York.

Mr. WILLIAMS of New Jersey subsequently said: Mr. President, S. 1642, which passed the Senate on July 30 of last year, represents the legislative recommendations of the Securities and Exchange Commission. A companion bill H.R. 6793, was introduced in the House where extensive hearings were held. The bill was amended in some respects by the Interstate and Foreign Commerce Committee and passed by the House on August 5, 1964. I would like to discuss the more important features of S. 1642, and urge that this body accept the House amendment.

This bill contains numerous provisions that will greatly protect the investor in over-the-counter stocks against abuse. The House has made minor changes mainly with respect to registration for foreign securities and insurance companies, and membership in a registered securities association, but these changes do not detract from the main purpose of the bill.

This bill, which is mainly the result of the congressional directive to reevaluate and to study the effectiveness of the securities markets—Public Law 87-196—seeks to amend the Securities Exchange Act of 1934, and in one respect, the Securities Act of 1933. This is very important legislation designed to deal with areas where the present statutory structure of the securities acts is inadequate and vitally in need of strengthening.

There are two basic purposes of S. 1642. First, it seeks to apply the same standards of disclosure to certain over-the-counter securities that are now required of securities listed on the various exchanges. This would eliminate the present dual standard and put all securities with a substantial public interest in the same category as far as the registration, reporting, proxy, and insider-trading provisions of the 1934 act are concerned.

Second, the bill attempts to strengthen the qualification standards and controls over those in the securities industry by raising the standards for entry into the business; by enlarging the scope of self-regulation by the registered securities associations involved; and by giving the Commission greater disciplinary controls over offending brokers, dealers and their employees. This portion of the bill is also primarily directed at the over-the-counter market.

This legislation is necessary in order to maintain the confidence that the American people have shown in the use of our capital markets. It is important not only from the standpoint of investor protection against abuse, but also from the fact that the securities industry is vital in the growth and development of our country's financial and economic system. Without its smooth operation, business would be severely impeded in its efforts to secure needed financing. It is to the continued effective use of the securities markets that this legislation is aimed.

The major proposals in S. 1642 are set out below.

DISCLOSURE IN OVER-THE-COUNTER STOCKS

This legislation attempts to extend to the over-the-counter market the same protections now afforded to listed stocks. Initially, it would require all companies having $1 million in assets and a class of equity securities held of record by 750 or more persons to register with the Commission and assume the responsibilities of listed companies. After 2 years, or whatever longer period the Commission deemed necessary, the stockholder requirement would be reduced to 500, provided that the company still has assets of $1 million. It is estimated that approximately 3,100 and 3,900 new companies respectively will come within the coverage of the bill under the two new standards.

S. 1642 requires the registration of the securities of banks which heretofore have been exempt from the provisions of the securities laws. Under my amendment, however, the banking regulatory agencies are given the authority to administer and enforce the provisions of the proposed new law with respect to securities issued by banks under their jurisdiction. The bill, as introduced in the Senate originally, would have left the enforcement of these sections to the banking regulatory agencies only when they specifically requested it. The House amendment makes it clear that the regulatory agencies are not bound by rules and regulations of the SEC.

Another House amendment exempts stock insurance companies from registration when they are regulated by State law in three important ways. The issuing insurance company must be required by State law to file annual statements and give proxies that conform to standards set by the National Association of Insurance Commissioners. Also, after July 1, 1966, the insurance company must be subject to State law on insider trading in substantially the same manner as now provided in section 16 of the 1934 act for other companies.

The bill as amended by the House does not exempt from registration securities issued by foreign companies and certificates of deposit issued against such securities. But the Commission could exempt foreign securities by rule or order if it finds that the continued registration is not in the public interest or is not consistent with the protection of investors. I am happy to say that the Commission, in a letter to Senator Robertson which has been made a part of the Record, indicates that, as a practical matter of necessity, the first step would be to exempt all foreign securities for 1 year.

The entire structure of Federal securities legislation is based on disclosure. It was felt that by making all relevant information available to the investor, he could then properly make investment decisions and to a greater degree be protected against securities frauds. The special study indicated that there was a significant gap in the information available to most investors in unlisted companies.

This legislation attempts to rectify that situation after first requiring these larger companies to register, by then requiring them to keep current the information and documents contained in the registration statement and to file such annual and other periodic reports as the Commission deems necessary. It will also be unlawful for any person or member of a national securities exchange to solicit proxies for any unlisted securities in contravention of the rules and orders of the Commission. The Commission is also empowered to adopt rules to require issuers who do not solicit proxies to file similar information with the Commission to be distributed to shareholders prior to any meeting where a vote may be taken.

The Commission is given the authority to delist securities registering under the new section after an administrative proceeding in order to protect investors against materially misleading filings. The Commission could apply to a U.S. district court for the enforcement of these orders. The Commission is also empowered with the authority summarily to suspend over-the-counter trading in any security for periods of 10 days where fraudulent or manipulative practices have deprived a security of a fair and orderly market.

The insider-trading provisions now applicable to directors of listed companies will apply under S. 1642 to the largest over-the-counter companies. This requires officers and directors of unlisted companies and stockholders holding more than 10 percent of any class of such securities to inform the Commission of all their holdings in these securities, and provides for recovery of any profit on behalf of the issuer where any director or officer makes any combination of purchase or sale within a 6-month period. This provision eliminates proving intent or knowledge or inside information on the part of officers and stockholders. However, there is an exemption here for dealers who make for themselves a primary or secondary market for such securities.

The Securities Act of 1933 would be amended to extend the present 40-day requirement for delivery of a prospectus by a dealer to a prospective buyer to 90 days for new issues of companies which had not previously sold their securities pursuant to an effective registration statement under that act. It is felt that this provision will improve the "hot issue" problem.

QUALIFICATIONS AND SELF-REGULATION

The second major area in S. 1642 deals with qualification standards and controls over those in the securities business. Self-regulation by industry organizations under the supervision of the Commission has proved to be extremely valuable as a means for providing effective regulation against unethical conduct on the part of brokers and dealers. The Commission believes that the responsibilities of the self-regulatory agencies should be substantially strengthened and expanded.

Although the amended bill does not require compulsory membership in a registered securities association, it is felt that some type of regulation for all brokers and dealers in over-the-counter stocks is necessary to provide maximum protection for the public. Thus, for those dealers who do not choose to join such an association, the Commission is given the authority to regulate the nonmembers in a manner similar to that of the association and to charge them for this additional regulation. Thus, several segments of the over-the-counter market which have chosen to remain for the most part outside the scheme of self-regulation would now be covered.

The 1934 Act embodies the concept that entry into the securities business should be the right of anyone regardless of qualification. The report of the special study showed that this concept is now obsolete and not in the public interest. Since the securities business is growing larger and more complex every day, it is only natural that qualifications should be set to eliminate the incompetent and dishonest who attempt to take advantage of the unwary investor. Registered securities associations would be required to adopt rules establishing standards of training, experience and competence for members and their employees and to establish capital requirements for members. The Commission would have the authority to change any rules promulgated by the associations.

As a supplement to the strengthening of entrance requirements, the Federal bases of disqualification of brokers would be extended to include offenses involving securities transactions and other types of financial offenses that reflect on a person's suitability to handle other people's money.

This bill would require a broker-dealer to supervise its employees much more closely than it has in the past. A large firm would be required to check the activities of its branch offices, or suffer censure by the association.

In a disciplinary action, the Commission could proceed directly against an employee of a broker or dealer rather than against the entire firm. The power of a registered association so to act would also be clarified. The Commission would be empowered to impose intermediate sanctions short of putting a firm out of business or taking no action at all.

The amended bill retains the intrastate exemption as it is in present law. The Senate bill would have required these broker-dealers who conduct an exclusively intrastate business to register under the 1934 Act. It was felt by the House that the regulation of these individuals should be left to the States.

Registered securities associations will be required to adopt rules designed to produce fair and informative quotations of unlisted securities.

The time for appealing from a decision of a registered association to the Commission is shortened from 60 to 30 days. The Commission is empowered to order, after a hearing, that an appeal from the registered association will not stay the judgment rendered by that body. This is to insure that individuals disciplined by the association will not take advantage of the period of time before the Commission reviews the case to commit further acts that might be harmful to the public interest.

The House also added the requirement that the Commission report to Congress in each of the next 3 years regarding the effectiveness of the amendments to the act made by this bill.

The Commission strongly approves this legislation and urges that it be enacted into law.

I ask unanimous consent that excerpts from my orginal report to the Senate on S. 1642, from the Committee on Banking and Currency, and an endorsing resolution adopted by the Board of Governors of the American Bar Association, be inserted in the RECORD following my remarks.

Mr. President, I am proud to have been able to share with my distinguished Chairman, Senator ROBERTSON, the task of guiding this highly important measure through this body. I now urge that we accept S. 1642 as passed by the House.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

GENERAL STATEMENT

I. INTRODUCTION

A. Special study

The amendments to the securities law proposed in S. 1642 have, in large part, been carefully studied and favorably considered by this committee in prior years. More recently, however, the need for these amendments has been spotlighted and documented by those portions of the Report of the Special Study of the Securities Markets which have been transmitted to Congress.

The Special Study was authorized and directed by the Congress in Public Law 87-196, which became law on September 5, 1961. Senator WILLIAMS, chairman of the Securities Subcommittee of this committee, summarized the purpose of the Special Study when the Senate was considering the resolution which became Public Law 87-196:

"House Joint Resolution 438 would authorize $750,000 for the Securities and Exchange Commission to make a study and investigation of the adequacy, for the protection of investors, of the rules of national securities exchanges and national securities associations.

"Few things are more important to the growth of American industry than the flow of capital through its markets. At all costs, investor confidence in these markets must be maintained. With this in mind, I have expressed my support on several occasions of a broad study and investigation of the securities industry.

"The words 'study and investigation' as they are expressed in the resolution—and the order in which they appear—are very significant. Their usage indicates that the Securities and Exchange Commission would be authorized not only to search for abuses in present laws and regulations but also, through a comprehensive study, to accumulate the facts and professional opinions which would serve as a firm basis for future legislation designed to offer the investor more substantial protection." [1]

Representative HARRIS, chairman of the House Interstate and Foreign Commerce Committee, and Representative Mack, then chairman of the Subcommittee on Commerce and Finance of that committee, also emphasized the need for and the broad purpose of the special study in remarks on the floor of the House.[2]

By Public Law 87-561, effective July 27, 1962, the reporting date for the special study was extended and additional funds were authorized to be appropriated.

On April 3, 1963, the Commission transmitted to Congress parts I and III of the report.[3] Part II was transmitted on July 17,[4] and the final portion, part IV, is expected in the near future.

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[1] CONGRESSIONAL RECORD, vol. 107, pt. 13, p. 17132.

[2] CONGRESSIONAL RECORD, vol. 107, pt. 13, pp. 16919-16929.

[3] H. Doc. 95, pts. 1 and 3, 88th Cong.

[4] H. Doc. 95, pt. 2, 88th Cong.

B. Securities industry

The securities markets play a vital role in the U.S. economy. In a capitalistic society in which the corporate form of enterprise prevails, securities are an important form of private property. The markets for distributing securities into public hands and for continuous trading in outstanding securities involve directly or indirectly large numbers of people as owners and traders. But at least equally important, the performance of the securities markets affects the well-being of the economy and contributes importantly to the Nation's economic growth. This is why, to use the words of the Securities Exchange Act of 1934, such markets are "affected with a national public interest," and why their performance is of continuous concern to the Congress.

The state of the securities markets has an important bearing on the flow of new capital into private enterprise, and thus on the country's rate of economic growth. As the special study reports, during the 5-year period 1957-61, corporations in the United States raised $39 billion for plant, equipment, and working capital by issuing stocks and bonds. During this period also the rates of yield and interest set in primary securities markets importantly affected the allocation of an additional amount of $109 billion by U.S. corporations for plant and equipment expenditures plus $38 billion for other investments and increased net working capital.

Such expenditures lie at the heart of the job-creating processes of an enterprise economy. Thus, as brought out in the hearings, during 1962 the 650 member firms of the Investment Bankers Association, through their 2,600 offices located in nearly 600 cities across the country, raised $15.3 billion of new capital for industry, States, cities, and non-Federal governmental agencies.

"In almost every case, this money found its way into payrolls. People were given jobs working on the thousands of projects started with this money.

"Economic studies have developed the fact that for each $10,000 of money raised in the form of new issues, a new job for a year is created. Thus, it can be estimated that 1,500,000 people are working this year on enterprises which were started last year with the funds raised by the investment banking industry in the form of new issues.

"Since the war we have raised on a comparable basis $215 billion—a lot of money furnishing much new employment across the country." [5]

The securities markets, in providing through an elaborate structure the means to bring buyers and sellers together and to reflect the price of capital funds and the value of capital assets in the economy, have widely distributed ownership in such capital assets directly or indirectly in the economy. As the special study points out, by the end of 1961, individuals had accumulated net financial savings of approximately $900 billion, of which direct holding of corporate securities represented more than one-half; these holdings were more than twice as large as the deposits and currency of individuals. The New York Stock Exchange estimates that in April 1962 over 17 million individuals owned shares in publicly held corporations.

In addition to direct holdings, private retirement and insurance programs for individuals, dependent to a large extent on investments in corporate securities, potentially affect an even larger segement of the population. By the end of 1961, holdings of corporate securities by life insurance companies and private pension funds were estimated at $93 billion, of which corporate stocks represented about 40 percent. Personal trust funds held $57 billion in corporate securities, mostly common and preferred stocks.

Such a large distribution of claims to capital assets to such a large number of people requires a large volume of trading and distribution. According to the special study report, the total dollar volume of stocks, rights, and warrants traded on the 14 registered stock exchanges in 1962 amounted to $55 billion, of which the New York Stock Exchange alone accounted for 86 percent. The study report estimates further that in 1961 the dollar volume of trading in over-the-counter securities, considering only public sales, equaled about 35 percent of that traded on the exchanges. Share volume, however, on the over-the-counter market was estimated to be 75 percent of exchange volume in that year.

The size of the securities industry and its importance to our Nation's business, commerce, and financial structure clearly require that Congress give special attention to this segment of our economy.

C. Present law

The Securities Act of 1933 was the first of the six Federal securities statutes enacted. That act requires full disclosure in the initial public distribution of securities and contains antifraud provisions. The Securities Exchange Act of 1934, the second Federal securities statute enacted, contains antifraud provisions, and also disclosure provisions concerning securities listed on exchanges. The Securities Exchange Act also establishes standards of conduct for those in the securities business. These standards are enforced in two complementary ways: (1) through direct controls by the Commission, and (2) through self-regulation by industry groups, with appropriate oversight by the Commission.

The other Federal securities acts are:

1. The Trust Indenture Act of 1939, which, integrated with the Securities Act, provides that certain bonds and similar evidences of indebtedness shall be issued under an indenture meeting specified requirements, including an independent and financially responsible trustee, and that the indenture be duly qualified with the Commission.

2. The Investment Advisers Act of 1940, which requires the registration of persons whose business is advising or informing others about securities, and regulates their contracts and transactions.

3. The Investment Company Act of 1940, which relates to entities whose primary business is investing in other companies; e.g., a mutual fund. Such entities must register with the Commission, and their management, voting and capital structure, financial reporting, and offering of securities are subject to Commission regulation.

4. The Public Utility Holding Company Act of 1935, which was enacted to meet the special problems of those companies holding as subsidiaries gas and electric utilities. It requires the holding companies to register, regulates their finances and operations, and provides for simplification and integration of the holding company structure.

These six Federal securities laws protect investors by a two-pronged approach: (1) Regulation of practices of issuers of securities, such as the disclosure requirements in the Securities Act of 1933 and the Securities Exchange Act, and (2) regulation of practices of those in the securities trading business and related businesses, such as the regulation of broker-dealers in the Securities Exchange Act. S. 1642 would improve the investor protection provisions in each category.

D. Testimony on S. 1642

Sections 2, 6(a), 6(b), and 7 of S. 1642 deal with the strengthening of qualification standards and controls over those in the securities business and the strengthening of self-regulation. This portion of the bill is strongly supported by the major groups in the securities industry and by many others.

The remainder of S. 1642 deals with the improvement of investor protection through expanded disclosure (similar to that now required of issuers of securities listed on an exchange) and other requirements for issuers of over-the-counter securities in which there is a public interest. This portion of the bill was unanimously supported by the major securities industry groups, and also by the U.S. Chamber of Commerce. The National Association of Securities Dealers, the Association of Stock Exchange Firms, the Investment Bankers Association, and the U.S. Chamber of Commerce suggested certain changes in the bill. Other individuals, firms, and groups, including the National Association of Real Estate Boards, supported this portion of S. 1642. This part of the bill was also supported by the Federal Reserve Board.

Although individuals have registered opposition to disclosure provisions of S. 1642, there is no general opposition to this portion of the bill. However, the Department of Commerce, the American Bankers Association, and the U.S. Chamber of Commerce qualified their support by recommending that the provisions of the bill relating to banks be administered by the appropriate Federal bank regulatory agencies. The committee has so provided. The FDIC, while favoring full and proper disclosure by banks, opposed S. 1642 as introduced. The Comptroller of the Currency stated that his present rules in this area as to national banks are sufficient and that amendments of this sort should be to the appropriate banking acts. The insurance industry, while not opposing the provisions of the bill generally, has maintained, as has the U.S. Chamber of Commerce, that they should not be applicable to insurance companies.

II. DISCLOSURE

The two portions of S. 1642—disclosure, and qualifications and self-regulation—will work together to insure improved standards in the securities markets by the combination of better information about securities on the one hand, and better qualified people to sell them on the other. For convenience, however, this general discussion is divided into two parts—one for each of the two portions of S. 1642.

A. Background

1. Disclosure Philosophy of the Federal Securities Laws

The Federal securities laws are based upon the principle that the public interest is furthered and investors are protected from securities frauds when they are provided with adequate financial and other information to permit informed investment decisions about the securities in which they might invest, or have invested. This is reflected in the preamble of the Securities Act of 1933, which recites the purpose of that act to be—

"To provide full and fair disclosure of the character of securities sold in interstate and foreign commerce and through the mails, and to prevent frauds in the sale thereof, and for other purposes."

The Securities Act of 1933 made this principle applicable to securities initially offered for public sale, and the history of the Securities Exchange Act of 1934 shows that it was considered equally applicable to securities traded in the securities markets. Thus, this committee, in its 1934 report on stock exchange practices, stated:

"It is universally conceded that adequate information as to the financial structure and condition of a corporation is indispensable to an intelligent determination of the quality of its securities. The concept of a free and open market for securities necessarily implies that the buyer and seller are acting in the exercise of an enlightened judgment as to what constitutes a fair price. Insofar as the judgment is warped by false, inaccurate, or incomplete information regarding the corporation, the market price fails to reflect the normal operation of supply and demand."[6]

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[5] Hearings on S. 1642, p. 81.

The need for accurate information as a basis for investment decisions and as a bulwark against fraud and manipulation has been recognized not only by the Congress, but by leaders of the financial and business community who testified before the subcommittee on S. 1642. They agree that it is essential for the proper functioning of free capital markets that securities be bought and sold on the basis of reliable and complete information. As the author of a recent study sponsored by the Financial Analysts Federation stated:

"We believe that no responsible management wants to have among its shareholders those who have paid too much for the stock of their company due to inadequate or poorly timed information.

"Unfounded rumors grow better in darkness than in the light of facts. The policy of providing complete information at the usual periodic reporting times has the definite advantage of precluding great 'surprises' to the shareholders and, perhaps more importantly, it lessens the likelihood of excessive overvaluation or undervaluation of the company's common stock in the marketplace."[7]

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III. QUALIFICATIONS AND SELF-REGULATION

A. Background

One of the basic purposes of the Securities Exchange Act of 1934 is to regulate the conduct of broker-dealers and persons associated with them, both through direct Commission controls and through self-regulation by industry groups, with appropriate Commission oversight. Sections 15(a) and 15(b) of the act supply direct Commission controls by requiring, with some exceptions, broker-dealers doing business otherwise than on an exchange to register with the Commission and by providing for denial or revocation if a firm, or any person associated with it, has been convicted of crimes involving securities transactions or the securities business, is enjoined from engaging in any act or practice in connection with securities transactions, or has willfully violated either the Securities Act of 1933 or the Securities Exchange Act of 1934.

The act has, since its enactment and continuously to the present, also recognized that self-regulation by the industry, with appropriate Commission oversight, is a necessary and desirable complement to the direct Commission controls. The act provides that national securities exchanges could and should add to investor protection through supervision and discipline of member broker-dealers and persons associated with such broker-dealers. Sections 6(b) and 6(d) require, respectively, that the rules of an exchange provide for the disciplining of its members and that the rules be adequate to insure fair dealing and to protect investors. Section 6(c) provides that nothing in the act shall prevent an exchange from adopting and enforcing any rule not inconsistent with the act and the regulations thereunder and the applicable law of the State in which it is located. Commission oversight is provided by several sections. Section 6 gives the Commission some discretion in approving or disapproving an application by an exchange for registration. Section 19(a)(3) empowers the Commission to suspend or expel a broker-dealer from membership for violations of the act. Section 19(a)(1) empowers the Commission to suspend for up to 12 months or withdraw the registration of an exchange if the exchange has violated the act or has failed to enforce, so far as is within its power, compliance with the act by a member or by an issuer of a security registered thereon. Section 19(b) empowers the Commission to alter or supplement the rules of an exchange in certain areas.

Self-regulation in the securities industry was further extended in 1938. Senator Maloney, then a member of this committee, introduced S. 3255, which was enacted that year and is popularly cited as the "Maloney Act." Section 15A of the Securities Exchange Act, added by the Maloney Act, provides for registration with the Commission of national securities associations, which are organizations of over-the-counter broker-dealers established primarily for the purpose of providing, in the over-the-counter market, a medium for self-regulation comparable to the securities exchanges in the listed market. Section 15A contains detailed provisions concerning the rules, organization, and disciplinary proceedings of such associations and gives the Commission broad oversight, similar to that it has over exchanges.

The report of this committee accompanying the Maloney Act gave the following statement of the philosophy upon which its proposal to regulate over-the-counter markets was based:

"The committee believes that there are two alternative programs by which this problem could be met. The first would involve a pronounced expansion of the organization of the Securities and Exchange Commission; the multiplication of branch offices; a large increase in the expenditure of public funds; an increase in the problem of avoiding the evils of bureaucracy; and a minute, detailed, and rigid regulation of business conduct by law. It might very well mean expanding the present process of registration of brokers and dealers with the Commission to include the proscription not only of the dishonest, but also of those unwilling or unable to conform to rigid standards of financial responsibility, professional conduct, and technical proficiency. The second of these alternative programs, which the committee believes distinctly preferable to the first, is embodied in S. 3255. This program is based upon cooperative regulation, in which the task will be largely performed by representative organizations of investment bankers, dealers, and brokers, with the Government exercising appropriate supervision in the public interest, and exercising supplementary powers of direct regulation. In the concept of a really well-organized and well-conducted stock exchange, under the supervision provided by the Securities Exchange Act of 1934, one may perceive something of the possibilities of such a program."[8]

At present, only one securities association, the National Association of Securities Dealers, Inc. (the NASD), is registered under section 15A. The position of the Commission with respect to the creation of additional securities associations is given in a letter from the Commission.

Since 1938, Congress has continued to give its attention to problems concerning the qualifications of, and controls over, persons in the securities business and to self-regulation. In 1940, the Investment Advisers Act of 1940 was passed. That act, modeled somewhat after the Securities Exchange Act of 1934, protects the public and investors against malpractices by persons paid for advising others about securities.

Early in 1959, Senator Robertson, chairman of this committee, introduced five bills, proposing amendments to all Federal securities acts except the Public Utility Holding Company Act. Extensive hearings were held by this committee and by the House Interstate and Foreign Commerce Committee on related bills. On June 28, 1960, your committee reported five substitute bills. These bills were limited to suggestions originating with or approved by the Commission; the committee, recognizing the short time remaining in the 86th Congress and desiring to insure legislation by both bodies, postponed consideration of certain controversial legislation originally proposed by the Commission (Congressional Record, vol. 106, pt. 12, pp. 15611–15612). Among these five bills were S. 3773, to amend the Investment Advisers Act, and S. 3770, to amend the Securities Exchange Act; Senate Reports Nos. 1760 and 1757, respectively, accompanied those bills.

S. 3773 was intended to effect a general strengthening of the Advisers Act and dealt in detail with the qualifications of investment advisers. For example, it proposed to increase the number of financial offenses that would serve as the basis of denial or revocation of registration of an investment adviser; to add an intermediate sanction of suspension for up to 12 months in lieu of revocation; and to make changes in the procedure for postponement of registration. S. 3770 proposed similar changes in the Securities Exchange Act, with regard to the registration of broker-dealers, in order to create a parity in the registration provisions of the two acts; it also contained two amendments to section 15A.

The five bills reported by this committee on June 28, 1960, were passed by the Senate on July 2. On August 30 of that year the House of Representatives passed S. 3773, amending the Investment Advisers Act, and S. 3771, amending the Trust Indenture Act, but none of the other bills. Thus, the qualification provisions of the Advisers Act were made far stronger than the qualification provisions of the Exchange Act.

S. 1642 deals with many of the same problems considered in S. 3770, and dealt with by statutory amendment, insofar as investment advisers are concerned, in S. 3773. S. 1642 also contains amendments similar to the two amendments to section 15A proposed in S. 3770.

The portion of S. 1642 which would strengthen the qualification standards of, and controls over, those in the securities business and enlarge the scope of self-regulation contains the following proposed changes in existing law:

"All over-the-counter broker or dealer firms would be required to be members of a registered securities association.

"Registered securities associations would be required to adopt rules establishing standards of training, experience, competence and other qualifications for members and persons associated with members and to establish capital requirements for members.

"The Commission would be empowered, in disciplinary proceedings, to proceed directly against an individual associated with a broker or dealer in lieu of proceeding against the entire firm, and the authority of a national securities association to do the same would be clarified.

"In disciplinary proceedings against a firm, the Commission would be expressly empowered to impose the lesser sanctions of temporary suspension of registration for up to 12 months or censure, if it concludes that the drastic step revoking registration is not warranted.

"The Commission's powers to require alteration or supplementation of the rules of a registered securities association relating to organization, discipline, and eligibility for membership would be broadened.

"Certain other changes would be made, including: a slight broadening of the category of crimes, injunctions, acts, and omissions that afford a basis for disciplinary proceedings by the Commission, including the addition of willfully aiding and abetting in violations, or failure reasonably to supervise employees and others who violate, as another basis for such proceeding; eliminating, in the case of registered brokers and dealers, the necessity for proving that the mails or instrumentalities of interstate or foreign commerce were used in a particular prescribed transaction; eliminating the exemption from registration for brokers or dealers whose business is 'exclusively intrastate' but who use the mails or any means or instrumentalities of interstate or foreign commerce; shortening the period for appeals to the Commission from action taken by a registered securities association from 60 to 30 days; giving the Commission the power to lift a stay of action taken by a registered securities association while the appeal is pending before the Commission, if the Commission finds that the public interest or the protection of investors requires such action; requiring a registered securities association to have rules relating to quotations of securities sold other than on an exchange, which rules shall be designed to produce fair and informative quotations; and making certain other clarifying changes in existing law."

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[6] S. Rept. 1455, 73d Cong., 2d sess. (1934), p. 68.

[7] Anderson, "Corporate Reporting for the Professional Investor" (1962).

[8] **S. Rept. 1455, 75th Cong., 3d sess. (1938),** pp. 3–4.

These amendments have been strongly supported by the following groups in statements and testimony before the committee:

1. National Association of Securities Dealers, Inc.
2. Investment Bankers Association.
3. Association of Stock Exchange Firms.
4. National Association of Real Estate Boards.
5. New York Stock Exchange.
6. American Stock Exchange.
7. Midwest Stock Exchange.
8. Pacific Coast Stock Exchange.
9. Detroit Stock Exchange.
10. Boston Stock Exchange.
11. Investors Diversified Services, Inc.

In addition, the Association of Mutual Fund Plan Sponsors, Inc. supported the requirement that all broker-dealers doing any over-the-counter business be required to be members of a registered securities association, but made no comment on the remainder of S. 1642.

RESOLUTION ADOPTED BY THE BOARD OF GOVERNORS UPON RECOMMENDATION OF THE SECTION OF CORPORATION BANKING AND BUSINESS LAW, MAY 18, 1964

Resolved, That the American Bar Association support in principle provisions of Senate bill 1642, 88th Congress (called the Securities Act Amendments of 1963) intended to accomplish the following objectives:

(a) Improve investor protection in the over-the-counter market by extending the reporting requirements (secs. 12, 13), proxy rules (sec. 14) and "insider" trading provisions (sec. 16) of the Securities Exchange Act of 1934, which now apply solely to "listed" companies, to certain other companies in which there is a substantial public interest;

(b) Extend and strengthen the standards of entrance into the securities business and define, in more particular terms, the powers of industry self-regulating groups and of the SEC; and

(c) Curb excessive swings in the prices of new "hot issues" by lengthening the period for delivery of prospectuses with respect to securities issued to the public for the first time, with power in the Commission, however, to shorten the period; be it further

Resolved, That the section of Corporation, Banking and Business Law be authorized to represent the American Bar Association in supporting enactment of such legislation; and to make such appearances before congressional committees and to take such other action as may be deemed desirable to that end.

Mr. ROBERTSON. Mr. President, I renew my motion that the Senate concur in the amendment of the House.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Virginia.

The motion was agreed to.

Mr. JAVITS. Mr. President, I move that the Senate reconsider the vote by which the Senate has concurred in the House amendment.

Mr. MANSFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, it is anticipated that shortly there will be brought up a treaty on the Executive Calendar, known as the Supplementary Convention of Extradition With Belgium. I ask unanimous consent that the yea-and-nay vote called for on treaties be held on this convention at 2 o'clock this afternoon.

Mr. JAVITS. Mr. President, before that request is tied down, is it a treaty that we are expected to vote on?

The PRESIDING OFFICER. The Supplementary Convention of Extradition With Belgium.

Is there objection? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that following the vote on the treaty the Senate take up the Vietnam joint resolution (S.J. Res. 189) to promote the maintenance of international peace and security in southeast Asia.

The PRESIDING OFFICER. Without objection, the request is agreed to.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of executive business for the consideration of the convention on the Executive Calendar.

The motion was agreed to; and the Senate proceeded to consider executive business.

SUPPLEMENTARY CONVENTION OF EXTRADITION WITH BELGIUM

The Senate, as in committee of the whole, proceeded to consider the Supplementary Convention of Extradition With Belgium (Ex. C, 88th Cong., 2d sess.), dated in Brussels, November 14, 1963, which was read the second time, as follows:

SUPPLEMENTARY CONVENTION TO THE EXTRADITION CONVENTION OF OCTOBER 26, 1901, AND THE SUPPLEMENTARY CONVENTION OF JUNE 20, 1935, BETWEEN THE UNITED STATES OF AMERICA AND BELGIUM

The Government of the United States of America and the Government of His Majesty the King of the Belgians,

Being desirous of enlarging the list of crimes and offenses on account of which extradition may be granted under the Convention concluded between the two countries on October 26, 1901, and the Supplementary Convention concluded between the two countries on June 20, 1935, with a view to the better administration of justice and the prevention of crimes in their respective territories and jurisdictions,

Have resolved to conclude a further Supplementary Convention for this purpose and have appointed as their Plenipotentiaries:

The President of the United States of America:

His Excellency Mr. Douglas MacArthur II, Ambassador Extraordinary and Plenipotentiary of the United States of America at Brussels;

His Majesty the King of the Belgians:

His Excellency Mr. Paul-Henri Spaak, Minister for Foreign Affairs,

Who, after having exhibited to each other their respective full powers, found to be in due and proper form, have agreed as follows:

ARTICLE I

1. In Article I of the Extradition Convention of October 26, 1901, the words: "as principals or accessories" are deleted.

2. The last paragraph of Article II of the Convention is replaced by the following provision: "There are included in the crimes and offenses above enumerated both the attempt to commit any of such crimes or offenses and participation as an accessory thereto, when such attempt or participation is punishable by the laws of the two countries."

3. Paragraph 13 of Article II of the said Extradition Convention of October 26, 1901, is completed by the following words: "as well as the abduction or detention of a person or persons in order to exact money from them or their families, or for any other unlawful end."

4. The following acts are added to the list of crimes and offenses numbered 1 to 14 in the said article II of the Extradition Convention of October 26, 1901, and to the list of crimes and offenses numbered 15 and 16 in the first Article of the Supplementary Extradition Convention concluded between the two countries on June 20, 1935; that is to say:

17. perjury or the giving of false testimony when it is punishable by the laws of the two countries;

18. abduction or detention of women or girls for immoral purposes;

19. bribery of public officials or persons charged with a public service;

20. exposure or abandonment of children, willful desertion or willful nonsupport of minor or dependent children, or of other dependent persons, provided that the crime or offense is extraditable under the laws of both countries;

21. Crimes or offenses against the laws relating to the illicit traffic in narcotic drugs.

ARTICLE II

The present Supplementary Convention shall be considered as an integral part of the said Extradition Convention of October 26, 1901, and it is agreed that the final paragraph of Article II of that Convention as set forth herein shall be applicable under appropriate circumstances to all the crimes and offenses listed in the said Convention of October 26, 1901, to the crimes and offenses listed in the said Supplementary Convention of June 20, 1935, and to the crimes and offenses listed in the present Supplementary Convention.

ARTICLE III

The present Supplementary Convention shall be ratified and the instruments of ratification shall be exchanged at Washington as soon as possible.

It shall enter into force 1 month after the exchange of ratifications and it shall continue in force and cease to have effect in the same manner as the said Convention of October 26, 1901.

IN WITNESS WHEREOF, the respective Plenipotentiaries have signed the present Supplementary Convention in the English and

French languages, and have hereunto affixed their seals.

Done at Brussels, in duplicate, this 14th day of November 1963.

For the Government of the United States of America:

Douglas MacArthur 2d

For the Government of His Majesty the King of the Belgians.

P. H. Spaak

Mr. FULBRIGHT. Mr. President, this is a simple convention. It is entitled "Supplementary Convention to the Extradition Convention of October 26, 1901, and the Supplementary Convention of June 20, 1935, between the United States of America and Belgium."

The first extradition convention between the United States and Belgium was signed on March 19, 1874. Subsequently extensions of the convention have been made from time to time, the last being on August 24, 1935.

The convention merely adds new crimes which are made extraditable under the convention.

The crimes covered by the new convention are perjury; abduction or detention of women or girls for immoral purposes; bribery of public officials; exposure, abandonment, or nonsupport of children; and narcotics offenses. These crimes are added to the other crimes covered by pre-existing conventions.

The convention also provides that the accessories to the crimes which are covered in the previous agreements are also made extraditable. Under the 1901 convention, the language "when such attempt or participation is punishable by the laws of the two countries" applies to attempt only, and not to accessories. The new convention applies to accessories.

This convention is in the nature of a routine extension of the coverage of a convention for extradition. It was approved unanimously by the Committee on Foreign Relations. I do not believe there is any objection to it whatsoever.

The PRESIDING OFFICER. Under the provisions of the unanimous-consent agreement, the vote on the resolution of ratification will be taken at 2 o'clock this afternoon.

Mr. MANSFIELD. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll. The legislative clerk proceeded to call the roll.

Mr. MORSE. Mr. President, I ask unanimous consent that the order for the quorum call may be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

HANDLING OF EMERGENCIES BY HOSPITALS IN THE DISTRICT OF COLUMBIA

As in legislative session.

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the Record a report on the handling of emergencies by hospitals in the District of Columbia which has been submitted by Dr. Murray Grant, Director of the Public Health Department of Washington, D.C.

There being no objection, the report was ordered to be printed in the Record, as follows:

Report on Handling of Emergencies by Hospitals in the District of Columbia

Following the report several days ago of an instance in which an emergency ambulance was apparently denied access to a hospital in the District of Columbia, the Department of Public Health has made an investigation of this question as it related to all hospitals in the District; the District Health Director, Dr. Murray Grant, has released the following statement:

"The results of our investigation show clearly that it has been the practice, for some time, for hospitals to notify the District of Columbia Fire Department Emergency Ambulance Service when the hospital feels that it cannot accept any additional patients for inpatient care so that the ambulance would take the patient directly to another hospital, usually District of Columbia General. It has also been the practice for hospital officials to notify the District of Columbia Emergency Ambulance Service when only certain kinds of patients can be admitted such as medical or surgical patients. This situation would seem to be undesirable because of the fact that it places the fire department ambulance crewmen in the impossible position of having to distinguish between different kinds of patients; this sometimes means they are endeavoring to make a diagnosis which is obviously beyond their capability. Furthermore, it is clear that patients requiring emergency attention should be taken to and treated by the nearest available medical facility and not transported some distance away during which time the patient's condition may have become considerably worse.

There are, however, a number of problems which have contributed to the present situation. In the first case, the occupancy rate of hospitals in Washington is, in general, high. During much of the year, most of the general hospitals have an occupancy rate in excess of 80 percent. In fact, there have been many occasions in which private physicians have had difficulty in securing admission of private patients because of the shortage of beds available. This means that on occasion, and this may be quite frequent in some hospitals, there are simply no available beds for inpatients at that hospital. It may further mean that while there are beds available for so-called medical cases there may be no beds available for surgical patients. In other words, if the emergency ambulance service transports a patient to a hospital which has no available beds to which that patient can be admitted then the hospital is forced to request that the patient be transported to another hospital for inpatient care. Aside from the fact that it is usually better practice for the patient to be handled completely in one facility, there is the additional real difficulty of scarcity of transportation between hospitals. That the fire department's present complement of seven ambulances is kept busy can be gleaned from the fact that last year it responded to almost 30,000 calls. This is the only general public ambulance service available in the District. The nonemergency ambulance services are those which are operated by the Department of Public Health or by private concerns. The Health Department resources have been overtaxed for some time and it has been forced to develop a contract with a private ambulance service to assist in providing needed transportation for patients. Therefore, were an emergency patient to be delivered to a hospital in which no inpatient beds were available and the hospital saw the patient and determined that there was need for the patient to be admitted, there is no certainty that there would be any ambulance facility available to transport that patient to a hospital in which beds are available. It is possibly for this reason that the hospitals have requested the emergency ambulance service to transport the patient directly to a hospital in which beds are known to be available.

It is also clear from this and other known evidence including the fact that the Washington hospitals serve not only the residents of the District of Columbia but also a high percentage of people who live in the suburbs, that there is a real need for the construction of additional hospital beds here. In fact, the current estimated need for additional hospital beds in the Washington area is 1,800 and, of course, this number will rise as the population of the area increases.

It also points out one additional fact, namely, that while in some areas of the country it may be true to say that hospitals are anxious to treat tax-supported indigent patients because of their need to increase their bed occupancy rate, this is not nearly as true in the District of Columbia in view of the available data which indicate that these hospitals already have a high occupancy rate. Furthermore, the reimbursement to these hospitals by the District government for the care of indigent patients is considerably less than that which these hospitals receive from private patients. Accordingly, hospital administrators here are not overly anxious to handle tax-supported bed patients at the existing reimbursement rates for such care. It should, however, be clearly pointed out that the hospitals in the District of Columbia do not turn away emergency patients on the basis of their being indigent. In fact, our investigation has shown clearly that during the time that emergency ambulance service was requested to transport patients to other hospitals, the hospitals which were reputedly crowded did admit a number of tax-supported patients who arrived at the hospital by other methods.

There is one additional problem common to many cities in the country; namely, that one person's opinion of what constitutes an emergency does not necessarily correspond with another's. This is particularly true in the case of fire department crewmen who may construe a patient to be an emergency but when the patient arrives at the hospital the medical authority there does not consider the patient to be an emergency. It is true that many patients transported to hospitals by the emergency ambulance service are not real emergencies in the medical sense.

In summary, therefore, it is our recommendation that all of the hospitals in Washington be open to emergency patients of all kinds with the District of Columbia Fire Department Emergency Ambulance Service being directed to transport emergency patients to the nearest hospital. We believe that this view is also shared by the hospitals themselves. That hospital should be willing and ready to see the patient and to provide such emergency treatment as may be needed and to determine whether the patient needs to be hospitalized. If the hospital has beds available then, of course, it will admit the patient; if it does not have beds it would immediately call an ambulance service and request that the patient be transported to a hospital where beds are available. This would provide the best emergency service for patients and would remove an obligation on the part of the fire department ambulance crewmen from trying to make medical decisions which they may not be competent to make. It will be necessary for us to work out definitive arrangements for transportation of these emergency patients from the hospital where no beds are available to one into which they may be admitted. We intend to tackle this problem immediately and to work closely with the hospitals, fire department, and medical society representatives in resolving this matter.

From a long range point of view it is clear that we will need to intensify our efforts aimed at increasing the number of available hospital beds in the Washington area and we will have to continue to review the rates of reimbursement to the contract hospitals for the care of indigent patients.

Mr. MORSE. Mr. President, I highly commend Dr. Grant for this sound report. It seems to me that he has made a recommendation which is unquestionably sound.

The controversy which has developed in respect to hospital service in the District of Columbia in emergency cases can be discussed under this hypothetical situation. As a member of the District of Columbia Committee, I have been advised that some of the hospitals had notified the District of Columbia ambulance service, which is operating under the administration of William C. Weitzel, deputy fire chief, that emergency cases picked up by fire department ambulances would not be taken to the nearest hospital, if that hospital notified the fire department that it was closed to emergency patients. As a result, some of the emergency cases picked up by fire department ambulances were taken across town, although the accident, the bleeding, the heart attack, or the injury may have occurred within a few blocks of a given hospital, and the trip across town sometimes would take, depending upon the traffic conditions and the hour of the day, from 20 to 45 minutes longer than would have been necessary if the patient could have been taken immediately to the emergency room of the nearest hospital.

I asked for an exploration of the facts and a report. The investigation, which was conducted by Dr. Grant at the direction of Commissioner Walter Tobriner, bore out the fact that some hospitals have, from time to time, notified the ambulance service that their emergency rooms were closed.

I did not know whether there was a good reason for that, and I thought I should find out the facts. I knew as a matter of sound policy that something should be done to make it possible to keep emergency rooms open.

The report of Dr. Grant which I have placed in the RECORD is Solomon-like in its implications, for he finds that on some occasions the ambulance service has been directed not to take emergency cases to the nearest hospital.

Dr. Grant recommends as a matter of policy that patients should, at all events, be taken to the nearest hospital. If that hospital does not have a room or a bed to which the emergency case can be taken, after the examination in the emergency room has taken place, at that time, after the first aid and emergency treatment has been given to the patient in the emergency room, the patient should be transported to a hospital where there is a bed available.

That recommendation seems to me to be obviously sound, because if there is an emergency case—an internal bleeding case, for example, or a serious automobile accident case—minutes count. Minutes can mean the difference between life and death. But, after emergency treatment has been given, in most instances, so I am advised, it would be safe, then, to transport the patient to a bed in another hospital.

That is the recommendation of Dr. Grant. I highly commend him for it. It is a sensible recommendation.

I am very much disappointed to read in the press that some hospital administrators are not pleased with it.

I repeat what I said the other day, that if it is a matter of money, then we should see to it that the money is made available by necessary appropriations in the District of Columbia budget to provide for such humane treatment.

I do not see how we could possibly justify on moral grounds, on sound medical grounds, or, for that matter, on grounds of ordinary decency—a failure to follow the principle and the teaching of the good Samaritan. We should require that an emergency case be taken to the emergency room of the nearest hospital.

Therefore, I hope that the hospital administrators will cooperate with Dr. Grant and devise whatever procedures are necessary, or agree to whatever budgetary recommendations may need to be made, in order to carry out this obviously sound and humane policy.

Mr. President, I read another account, in which it is reported that the director of the ambulance service said he would still have problems, because there are not enough ambulances, that the few ambulances they have are kept busy, and that if they take a patient to an emergency room of a hospital the ambulance cannot stand by waiting for a disposition of the case at the end of the emergency treatment, because other ambulances are not available to move back and forth with emergency cases from one hospital to another.

I believe that is an administrative problem, too.

I believe that we must work out whatever procedures are necessary, including budgetary grants which will make it possible to accord humane treatment to emergency cases.

I believe that the first step has been taken—the Dr. Grant report and finding.

I say to that report, "Amen." I completely agree in the recommendation that Dr. Grant has made.

I suggest to the District Commissioners—Mr. Tobriner in particular, as President of the Board of District Commissioners—to Deputy Fire Chief Weitzel, the hospital administrators, and also to Dr. Grant, that they gather around a conference table, decide upon a program, and determine what will be necessary to carry out the program which will implement this humane and, I believe, obviously sound recommendation of Dr. Grant of the Public Health Service of the District of Columbia.

If a financial problem is involved, I specifically recommend that they suggest to the two District of Columbia Committees of Congress that they meet with them and see what is needed to fulfill our obligations.

I close by saying that Congress is not devoid of its obligations in this matter. All parties concerned are clearly obligated to take the necessary steps at all levels, including the legislative level, to see to it that the people in the District of Columbia know that if one of them were to get hurt, suffer a heart attack, stroke, or any other emergency that would require immediate medical attention at a hospital, on an emergency basis, he would be taken to the nearest hospital.

I cannot think of our doing less than that. I strongly recommend that this matter be taken care of as rapidly as possible. I have been surprised at the number of people who have called, since I first raised the question in the Senate Chamber, to express their thanks and appreciation to me for the position I have taken. They told me of pretty bad experiences they have had in the past in regard to not being taken to the nearest hospital.

My investigation of the matter thus far does not square with the claims of the administrators of some of the hospitals who say that their emergency rooms are never closed to a real emergency case. As the director of the ambulance service, Deputy Chief Weitzel, has pointed out, the drivers of the ambulances are not doctors. They have only had first aid training.

I say to the hospital administrators, "You have no right to try to pass the buck to the driver of an ambulance." If an accident has occurred, if someone has suffered a stroke, if there has been a prostration on the street, that is an emergency in the view of the layman. Ambulance drivers are laymen. We should not seek to put upon them the burden of making a finding as to whether or not it is an emergency case. They ought to have authority to take the person to the emergency room of the nearest hospital and let the doctor in charge there render a decision.

I have a suspicion that in some of these instances when the ambulance service has been notified that the emergency room is closed, it probably involves a matter of medical personnel, or interns in the hospital—and I am not qualified to pass judgment on that administrative problem. I find it difficult to believe that a hospital, the recipient of large sums of Federal aid—money which all hospitals receive—would not at least have someone on duty who could handle an emergency case.

MURDER IN MISSISSIPPI

As in legislative session,

Mr. JAVITS. Mr. President, I spoke yesterday in deep sorrow in memoriam for the three young men whose bodies were found in Mississippi. Today, the newspaper tells us that the identifications are complete, and that what had been feared is so.

I consider them martyrs in a great cause, in which about 800 other young people are now working in Mississippi, whose safety and security are also at stake. I extend publicly my own condolances and sympathy and those of Mrs.

Javits and, I am sure, of millions of Americans to the families which are bereaved.

I call attention to an eloquent editorial in the New York Times today referring to this matter, entitled "Murder in Mississippi." I quote from the editorial:

> If there were no obstacles to Negro voting in that State—

Meaning Mississippi—

> there would be no "invasion."

I read that because it relates so directly to the issue of States rights and States responsibilities. The editorial points out:

> Mississippi and other Southern States look upon civil rights workers as alien intruders, sowing strife and fomenting dissention. But the civil rights workers who are taking part in the Mississippi summer project, a campaign that started before the new law was enacted, are not engaged in any subversive or illegal activity.

The editorial continues:

> Mississippi cannot declare itself off limits to the rest of the Nation, nor can the rest of the Nation regard Mississippi as something separate and apart.

The editorial continues:

> These murders will serve to remind decent and responsible people everywhere that lawlessness or mob rule cannot be tolerated.

A great responsibility rests upon the State of Mississippi and its people—and its people, I am sure, regard themselves as law-abiding, decent, religious Americans—to pay careful heed to what has occurred. As time goes on, this will prove to be one of the most critical events in the civil rights struggle.

The theory is that some part of the United States is closed to Americans for the legitimate purpose of pursuing their own rights, and seeking to safeguard the rights of others and to gain those rights under the Constitution of the United States. This theory is as antipathetic to the Federal system as was the Whisky Rebellion in George Washington's day in Pennsylvania. It cannot be tolerated or endured. It is inconceivable that any American should believe it could be tolerated or endured. Nor can any citizen of Mississippi who has the right to vote in that State and to protest to the Governor or who is eligible to vote in another part of Mississippi than southwest Mississippi, exculpate himself from responsibility, any more than any one of us in any State can exculpate himself from responsibility.

I am confident that the President, the Federal Bureau of Investigation, and the Department of Justice will pursue this matter with the utmost diligence and care.

I hope that through the conscience of the people of Mississippi, they will call upon the State government and the State officials to do the same.

Something horrendous has happened, something beyond opposition to civil rights or civil rights bills. It is something which is imperiling the right of every American to pursue his constitutional rights in every part of the United States. No part of the country is excluded. As soon as we begin to exclude any part, we have lost the very basis of the United States of America. And no American would do that, even at the peril of his own life.

I believe this appeal must go out not only to the people of our own Nation to be conscious of what has occurred, and as an inspiration to other youths in their idealism trying to attain rights for others despite the greatest danger, but also to the people of Mississippi themselves. The people of Mississippi have no hesitancy about appealing to the conscience of the people of New York. We have a right to appeal to their conscience at this time. Three young flowers have been cut off in the very prime of manhood out of sheer madness. This action undermines the very basis of the United States. It cannot be tolerated. I am sure the country will not tolerate it. I can hardly conceive how it can be tolerated in Mississippi.

If some progress can be made along this line, if there are no obstacles to the voters in Mississippi, that could be the best memorial that anyone could erect to these three very heroic young men.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD the editorial entitled "Murder in Mississippi" in the New York Times of August 6, 1964.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

MURDER IN MISSISSIPPI

The discovery of the bodies of the three civil rights workers confirms the awful fears that arose when they first disappeared in Mississippi 6 weeks ago. Triple murder, by foul and violent means, has been committed. It is the most futile of all responses to the fight for equal rights, as well as the most monstrous. For terrorism is sure to strengthen the resolve to implement and enforce the law, not spur resistance to it.

The triple murder is creating this reaction. Mississippi's Governor, Paul B. Johnson, Jr., has pledged to "exert every effort to apprehend those who may have been responsible." Unfortunately, there is little in the State's record to warrant optimism that any massive response will come from its law enforcement agencies. The champions of white supremacy and the defenders of States rights in Mississippi have shown much less resolve than northern officials in making clear that they do not condone resort to violence or terror by either side in the civil rights conflict. If they now fail to honor the Governor's pledge, the Federal Government will have no choice but to do the job.

Mississippi and other Southern States look upon civil rights workers as alien intruders, sowing strife and fomenting dissension. But the civil rights workers who are taking part in the Mississippi summer project, a campaign that started before the new law was enacted, are not engaged in any subversive or illegal activity. If there were no obstacles to Negro voting in that State, there would be no "invasion."

Mississippi cannot declare itself off limits to the rest of the Nation, nor can the rest of the Nation regard Mississippi as something separate and apart. The murders of Michael Henry Schwerner, Andrew Goodman, and James Earl Chaney are a horrendous example of an unthinking and inhuman reaction that might happen wherever mobs make themselves custodians or nullifiers of the law.

These murders will serve to remind decent and responsible people everywhere that lawlessness or mob rule cannot be tolerated. They can be responsible for a new determination to bring the murderers to justice and to affirm the need for law and order. The horror stirred by their murder must also bring a firmer resolution that the Nation's effort to end discrimination be accomplished without violence or bloodshed. This is no help for the victims and scant solace for their families, but they will gain a noble and deserved epitaph if their death helps to lead to a peaceful victory for the cause in which they enlisted so hopefully.

LAW ENFORCEMENT

As in legislative session,

Mr. ALLOTT. Mr. President, a few weeks ago I made some remarks upon the floor of the Senate, under the title "Let Us Weep for the Innocent." I am very disturbed and perturbed about the lawlessness which pervades our country. As one who has sponsored or cosponsored some 57 bills or amendments relating to civil rights, as one who has in each instance voted for cloture in an attempt to bring to resolution the proposed civil rights legislation upon the floor of the Senate, and as one who believes in the cause of civil rights from a moral basis, I believe I can speak and speak frankly, because I can speak as a friend.

Those who are now precipitating riots do the cause of civil rights no good. They do not represent the true, sincere minority groups in this country who want more than anything else to have the right to vote. And, who wish only the assurance of equal justice before the law in the courts of this country. And, who wish the right more than anything else to equal opportunity. Those are the essences of freedom. They are the most important essences of freedom.

Subsequent to the remarks which I made, stressing the responsibility of the individual citizen in keeping the peace in our cities, I received numerous editorials from over the country. One of the most recent was by Bob Whearley of the Denver Post, published under his byline on July 28, which I ask unanimous consent to have printed in the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A CASE FOR POLICEMEN

(By Bob Whearley)

We've known a lot of policemen over the years—good ones, bad ones, and guys who were just putting in 25 years so they could collect their pensions. Some of them have been our friends. But friends or not, and be they good, bad, or indifferent, they're the ones we feel sorry for in all this race violence that has broken out around the country.

For our money, it takes guts to wade into a riot and attempt to break it up while bottles and rocks are raining down on you from rooftops.

And it takes more than guts—it takes patience and understanding—to successfully keep the peace in the first place. We think the Denver Police Department has been doing a pretty fair job of just that.

The reason for all this from a slightly jaded newspaperman is that we're getting fed up with all the pap that has been put out about "corrupt, gangster-ridden police force" and why "the press covers up another police scandal."

POLICY QUESTIONS

We will never lug home the Footprinters award for kindness to the department.

But now, with all these screams of brutality, we're going to stick up for the department. Sure, we know there are cases where some people have gotten rough treatment. Maybe they had it coming, and maybe not.

Our point is that every case has to be judged on its own merits.

In the course of a recent assignment, we had occasion to talk to a lot of people who have been doing the loudest hollering. We asked them why all the blanket charges about corruption and coverup.

"We're just trying to draw attention to the situation," one of them replied. "We don't think all policemen are bad—just some of them."

We know of one Spanish-American gal who closely follows the papers for the slightest indication someone with a name like Ramirez or Garcia has gotten a cross look from a policeman. She then dashes forth and gets the poor fellow's mother to sign a formal complaint which she has quite conveniently typed up.

We know of cases where outraged cries of brutality were touched off by the fact police dogs were used to flush burglars from darkened warehouses. The fact that the "victims" were inside, merrily burglarizing the joint, is handily overlooked.

CREDIT TO COMMUNITIES

There haven't been any real riots here, of the kind they've had in Harlem and Brooklyn and Rochester, N.Y. We think the credit for this belongs to the police and to the Spanish-American and Negro communities as a whole—not to some of the so-called spokesmen for those communities.

A while back, the Committee Against Police Brutality, which claims about 100 members, called on Denver's Spanish-Americans to reject the convention hall bond issue, by way of protesting Mayor Currigan's failure to create an independent review board to weigh brutality complaints.

This didn't make much sense to us, but still it made more sense than some of the committee's talk about protest marches on city hall. Stirred by a highly emotional issue, a crowd has a way of turning into a mob—and the overall intelligence of a mob is slightly less than that of its most dimwitted member.

A police sergeant for whom we've got a lot of respect was telling us the other day that he looks upon his profession as the most regulated of any in modern society.

A policeman, he explains, not only is governed by the rules and regulations of the department, but by the laws that affect all citizens; he can be sued or arrested if he breaks those laws. What's more, he says, "we can be nailed to the cross by Federal authorities if we violate a man's civil rights."

In other words, protection is there for the people with whom he deals. We sometimes wonder if maybe cops don't need a little more protection, too.

Mr. ALLOTT. Prior to that I was sent an editorial from the Evening Star of Orlando, Fla., of June 29, commending and commenting on these remarks. I ask unanimous consent that it may be printed at this point in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Let's Weep for the Innocent

Senator Gordon Allott, Republican, of Colorado, had a few words to say on the U.S. Senate floor the other day that make good sense.

Looking at the increasing lawlessness in this country, Senator Allott said, in essence: "Let us start weeping for the innocent instead of the guilty."

He called for the people, and the Supreme Court, to reorientate their thinking.

Of citizens, he said: "It is about time for the average American citizen to begin to realize that the laws and the police are to protect us against the lawless, and that they are not a whipping post for every crackpot who happens to get a few ideas about the protection of the people."

Of the Supreme Court, he said: "It is about time, also, that our Supreme Court started to use a little commonsense and realized that the laws are to protect the innocent against outrages occurring by the hundreds and thousands from one end of the country to the other.

"The Supreme Court has lost itself in a maze of technicalities, in which it seems to me, they have no realization of what is going on in the cities; and the application of commonsense to legal principles has been completely lost."

What Senator Allott is saying is that we have overprotected the wrongdoer and underprotected his victims.

We have perverted the doctrine that it is better that a hundred criminals go free than that one innocent person suffer.

The perversion came through the overstretching of the theory of reasonable doubt far beyond the point of reasonableness.

Yet strangely enough, though we see the courts bending over backwards to award a criminal his freedom on a technicality, as in the cases of unreasonably seized evidence, the same unreasonably seized evidence may be used in civil cases.

In this paradox, the personal liberties of law-abiding citizens are given less protection than is accorded persons suspected of crimes.

This trend was emphasized, ironically, in a debate on the same Senate floor a few minutes later.

Senator Tower, Republican, of Texas, had introduced an amendment to the civil rights bill which would require the investigators of the Equal Employment Commission to identify themselves when conducting an unfair employment practice case.

This identification is a "must" with the FBI, Internal Revenue and other reputable governmental agencies.

Tower had good reason, aside from the fact that it is the courteous thing to do, simple and a wholly reasonable safeguard of legality.

As he pointed out, that there were documented cases where investigators of the President's Equal Employment Commission had not done this and misled and "entrapped" witnesses.

Yet, the Tower amendment went down to a 30 to 55 defeat and another civil liberty went by the boards.

Yes, it appears that it is time for the people of the United States to stop weeping for the Rosenbergs, the Chessmans, the "Bird Men" of Alcatraz.

It is time to start weeping for the innocent victims of the murderer, the rapist, the armed thugs, the muggers, and the other willful repeater criminals for whom the people and the courts apparently have such a fondness in the present state of our law.

Nor can we find solace in the present efforts of some of our Florida bleeding hearts to abolish capital punishment as long as the present state of lawlessness exists. It may not deter crime, but it will at least remove some of them from circulation.

Mr. ALLOTT. Mr. President, it is time for the people of this country to realize that it is not for the law enforcement officials, district attorneys, or the courts alone to carry the responsibility for peace, law, and order. If our individual citizens do not accept their share of the responsibility for law and order in this country, our Constitution and all of our pretensions before the eyes of the world are completely meaningless.

There are many facets of the subject and I wish to speak of only two of them. I repeat, equally with the district attorneys or prosecuting attorneys and the judges, every citizen in our country who has ever been called to serve on a jury and has served has had a responsibility. Every citizen in this country who has been called upon for jury duty, and who, by twisting the facts a little bit has made it appear to the court that for some reason he could not serve is as much responsible for the enforcement of the law or the lack of it as the district attorneys, the prosecuting attorneys, the judges, or the officials of the court. Because no man in this country, whether he serves on a jury or not, can escape his responsibility for the enforcement of the law. And when we see people, in the District of Columbia particularly, although it is true all over the country, who we know to be guilty, for we have had confessions from them, made not under coercion, and some citizen who serves on the jury is able to twist his own conscience a little because the person charged might have an old father or an old mother or three or four children, and turn him loose, we are distorting and twisting the Constitution, and we are distorting and twisting the laws. The laws of this country are designed not only for the protection of individuals, but also for society as a whole.

I am sick and tired of the weeping and the wailing of people who seem to be concerned only about those who have been arrested. I have no doubt that there are times when law enforcement officers overstep themselves. I shall discuss that point in a moment. But it is time to weep for the innocent and to remember that the laws are for the protection of those innocent. The laws were not designed only for the protection of the man who is accused. They are designed for the protection of all, so that, God willing, my wife or any man's wife may walk the streets of Washington, D.C., the Capital of the United States, the rampart of freedom, with some degree of safety. Without being afraid of being robbed or raped or hit over the head or cut up, as many of the women in this city have been.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. ALLOTT. I am happy to yield.

Mr. LONG of Louisiana. As the Senator well knows, there have been a number of riots in the city of New York, because an incident occurred in which a policeman, in discharging his duties, was confronted by a group of lawless people. One of those lawless people was a young Negro, who pulled out a switchblade knife and attempted to attack the policeman, with the mob supporting him. The policeman, in discharging his duty, shot the person with the switchblade knife and dispersed the mob.

It has been suggested that the policeman should be tried for murder because he fired the pistol in the discharge of his duties and in doing so he killed a young juvenile delinquent. People are weeping and wailing about the juvenile who attacked the policeman with the switchblade knife. I suggest that had not that policeman, in discharging his duties, shot down that young criminal, he probably would have had to be put in the gas chamber in 4 or 5 years, while in the meantime he killed people and raped women, using the switchblade knife. One of those women could have been the Senator's wife or daughter.

Sooner or later that criminal is going to encounter a law-abiding citizen and that switchblade murderer is going to be confronted by law-abiding people. The same thing happened when the Communists decided to attack our destroyers. One of our destroyers turned tail and left, but it finally decided to turn back, and when it did the attacker ran into our 5-inch guns.

Is it not true that sooner or later lawless people must encounter people who respect the law?

Mr. ALLOTT. I answer my friend with an unequivocal "Yes."

I think the time has come when we must reorient our thinking and quit the do-gooder wailing for young hoodlums whose only excuse for breaking our law is that they are trying to put on the rest of us the responsibility for their lack of self-control in their own actions.

With respect to what the Senator from Louisiana said, there is another aspect of that particular case. I was just about to reach the second point that I intended to make in my brief remarks. If the policeman had not shot at that time—assuming the facts to be as we read them in all the newspapers, even the bleeding heart papers—it might well have been that a good officer, a man whose position in society is as a friend of society, to protect the rights of society, would be lying dead on the street, with the life blood running out of his jugular vein as the result of being cut by a switchblade knife. Would there be any wailing and weeping for him, as there has been for the other man?

Mr. LONG of Louisiana. Mr. President, will the Senator yield further?

Mr. ALLOTT. I yield.

Mr. LONG of Louisiana. If I recall correctly, the policeman who shot the young switchblade assassin had been decorated several times for bravery and courage in the performance of his duties.

Mr. ALLOTT. That is correct.

Mr. LONG of Louisiana. He is paid to face that kind of hazard. His life was in jeopardy at the time.

While the Senator from Colorado and I differed about the basic issue of the civil rights bill, we did not differ about this principle. While we might differ about the question of social segregation, we do not dispute the fact that when an officer is trying to protect people against criminals armed with knives, in violation of the law, he has the right to use his own discretion, and we should stand behind him, just as we stand behind the President, when, in his discretion, he fights back against Communist assassins.

Mr. ALLOTT. The Senator is correct. I intend to support the President in the particular act he took yesterday and in the resolution which will be before the Senate shortly.

I now move to the other facet of the matter which I wanted to discuss. It is time we started supporting our police officers. If we do not support them, if they do not have our confidence, if they do not know that the people are behind them in their efforts to sustain the law, what is left between us and anarchy?

I felt I could discuss this matter because my friend knows—and I know he has disagreed with me about my position on civil rights—that my position has been consistent all the way through, not only since I came to the Senate 10 years ago, but before that. I feel I can say these things without being accused of being a civil rights baiter or anything else; but we have reached the place where we cannot tolerate lawlessness.

When we look at the picture, we consider not only the policeman we have been talking about. Every time someone is arrested, a bleeding heart rises and says, "This man was treated roughly when he was arrested." It is one of the fundamental rules of law that a man has a right to use any force necessary to protect himself when he is attacked. So far as I am concerned, that is my rule of life. If I were attacked I would use whatever force was at hand to protect myself or my family.

What does a policeman do? He is confronted by people with switchblade knives. He is confronted by people with Molotov cocktails, that can burn him to the extent that he is in danger of losing his life. He is confronted by a broken bottle, which can kill him, or, if he is lucky, be disfigured for the rest of his life so he will hardly be recognizable. He is confronted by mobs with chains and clubs with barbed wire wrapped around them. The policeman, whose duty it is to enforce the law, by some is expected to stand up and face a crowd like that and docilely lay his hand on somebody and say, "I arrest you."

It does not make any commonsense. The sooner the people stop weeping for the bums and crooks and hoodlums who are rampaging on our streets, and start looking upon their law enforcement officers as the people who stand between them and anarchy on our streets, the better off our country will be.

I call the streets of Washington a jungle. It is a jungle. No man, let alone a woman, can walk the streets of Washington downtown with safety.

A few days ago a man came into my office with bandages, one under his throat and one under his nose. I asked him what happened to him. He said that around 52d and Park Avenue, at 8 o'clock in the evening, a young hoodlum had approached him with a switchblade and said, "Give me your pocketbook." He said, "I won't." The fellow made a slash at him. He thought he had not touched him, but he had.

He was lucky to be alive.

The only point I am trying to make is that the time has come to reorient our thinking. No citizen can any longer avoid his responsibility. When he condones the loose action of a jury in turning a man loose because of some outside factor, and not upon the basis of whether he is guilty or not guilty, he himself contributes to lawlessness.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. ALLOTT. I yield.

Mr. LONG of Louisiana. The Senator has made a magnificent speech. What he says is completely correct. I know the Senator very well, and I know him to be a man who can cover the ground he stands on, no matter in what respect he may be tackled. He speaks of something that should be said to the American people, particularly when he says that we have gone too far in trying to protect hoodlums and burglars and professional criminals, and that it is time that we started to think about law-abiding citizens.

Mr. President, it is time we started to think in those terms. We cannot continue to listen to the bleeding hearts, whose theory is that we should turn young murderers loose, only to have them go out to murder five or six more people. They should be put in the gas chamber. While we might lose one person in that way, we would probably save 5 or 6 others. Sooner or later we must revert to the basic intelligence of our forefathers, who knew how to deal with hoodlums and people of that type.

In the first place, they trained their children well. Those they could not train they found some way of handling. We must get away from the idea of a community in which citizens accept no responsibility, even declining to report a crime, and declining to let a policeman use his own discretion in defending his own person when he is trying to enforce the law.

The situation is becoming ridiculous. I say frankly to the Senator that that type of of mentality can lead to a takeover by a kind of aggressive communism, which could destroy the entire country. We make a mistake when we accept the theory that a person must not use more force than absolutely necessary in order to resist those who would destroy the freedom and liberty of the citizenry.

I recall that when the Senator first came here we discussed a resolution which had to do with giving the right to President Eisenhower to act with regard to a crisis. I cannot recall at the moment what it was. At that time the Senator told me a story about a young man who had been a prizefighter. This young man had told the Senator that he had become persuaded that even though he might be a better fighter than the other man, he had better knock the other man down the first chance he had, because he knew that the other man was in the ring to knock him down. Therefore, pulling one's punches when one is on the side of righteousness does not make too much sense. The Senator's idea was right at the time he expressed it, and it is right now.

Mr. ALLOTT. I thank the Senator. I appreciate very much the remarks he has made.

We are in a bad way when a man or woman can be robbed or beaten on the street, in the presence of 15 or 16 onlookers, and they, Americans, stand there and watch the crime being committed, without making any attempt to call the police, or making any attempt to help the person who is being set upon. When that sort of thing happens one wonders what is happening to the country. It is about time we looked at this situation very hard indeed. I thank the Senator.

THE CENTRAL ARIZONA PROJECT

As in legislative session,

Mr. ALLOTT. Mr. President, one of the subjects which will be before the Senate before long is what is known as the central Arizona project. A distinguished former Member of the Senate and former Governor of Colorado, Edwin C. Johnson, has prepared a statement on this subject, which I think is very appropriate. It sets out the situation in which the Upper Basin States find themselves. I ask unanimous consent that it may be included in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY GOV. EDWIN C. JOHNSON, UPPER COLORADO RIVER BASIN COMMISSIONER

Statement with respect to the Supreme Court's interpretation of the Boulder Canyon Project Act and decision in *Arizona* v. *California*, rendered June 3, 1963, which points out and defines the tremendous power, responsibility, and authority of the Secretary of Interior, below Lee Ferry, in the lower basin of the Colorado River and his utter lack of power, responsibility, and authority above Lee Ferry, in the upper basin, where complete power, responsibility and authority is rightfully assumed by the congressionally approved Upper Colorado River Basin Compact, and is vested by it in the Upper Colorado River Basin Commission, and more especially in the matter of delivery of water to the lower basin at Lee Ferry by the upper basin

Please note the following points of great interest:

1. Colorado, Utah, and Wyoming produce practically every drop of the water in the so-called main stream of the Colorado River in both the upper and lower basins.

2. Under the seven-State Colorado River compact, the upper basin consisting of Colorado, New Mexico, Utah, and Wyoming and the lower basin consisting of Arizona, California, and Nevada are each apportioned the exclusive beneficial consumptive use of 7,500,000 acre-feet of water per annum, in perpetuity, from the Colorado River system.

3. Also under the seven-State Colorado River compact, the States of the upper division are ordered to not cause the flow of the Colorado River at Lee Ferry to be depleted below an aggregate of 75 million acre-feet for any period of 10 consecutive years reckoned in continuing progressive series beginning with the first day of October next succeeding the ratification of this compact. The effective date of this provision is October 1, 1944, the year Arizona ratified the compact (Arizona being the last of the seven States to ratify).

4. The Upper Basin States of Arizona, Colorado, New Mexico, Utah, and Wyoming, negotiated the Upper Colorado River Basin compact (approved by Congress) on October 11, 1948, which divided the waters among them, that had been apportioned to them by the Colorado River compact. It also established the obligations of each of them with respect to the deliveries of water required by the Colorado River compact to be made at Lee Ferry; promoted interstate comity; removed causes of present and future controversies; secured expeditious agricultural and industrial development of the upper basin; and secured the right to store water and to protect life and property from floods.

5. The term "Lee Ferry" means a point in the main stream of the Colorado River in the State of Arizona 1 mile below the mouth of the Paria River. The term "upper basin" means those parts of the States of Arizona, Colorado, New Mexico, Utah, and Wyoming within and from which waters naturally drain into the Colorado River system above Lee Ferry. The term "lower basin" means those parts of the States of Arizona, California, Nevada, New Mexico, and Utah within and from which waters naturally drain into the Colorado River system below Lee Ferry.

6. The Upper Colorado River Basin compact named a commission to which it delegated complete and detailed authority and power to carry out each and every purpose for which the compact was created. This document contains 5,793 words and not one of these words makes any reference to the Secretary of the Interior. It most certainly does not bestow upon him any administrative, executive or other authority in the Upper Colorado River Basin.

7. Congress authorized the lower basin to negotiate a compact to give it full authority to govern itself but the lower basin failed to take advantage of that privilege so Congress through the Boulder Canyon Project Act was compelled to provide lower basin government which it did. And Congress made the Secretary of the Interior the Administrator and executor of this law and clothed the Secretary with great power to be wielded by him only in the lower basin of the Colorado River.

8. The Supreme Court interpreted the Boulder Canyon Project Act in *Arizona* v. *California* (373 U.S. 546, June 3, 1963). First it ruled the upper basin of the Colorado River out of that case. The Supreme Court said:

"The motion of California to join the States of Colorado and Wyoming as parties to this case is denied. The motion to join Utah and New Mexico as parties is granted only to the extent of their interest in lower basin waters." (350 U.S. 114, Dec. 12, 1955.)

In *Arizona* v. *California*, 373 U.S. 566, the Supreme Court said:

"However the Project Act, by referring to the compact (the Colorado River compact) in several places, does make the compact relevant to a limited extent. To begin with, the act explicitly approves the compact and thereby fixes a division of the waters between the basins which must be respected."

The Secretary of Interior has not and does not respect this basic division however.

The Supreme Court speaking:

"The act (Boulder Canyon Project Act) also declares that the Secretary of the Interior and the United States in the construction, operation, and maintenance of the dam (Hoover Dam) and other works and in making of contracts shall be subject to and controlled by the Colorado River compact. Such references were used only to show that the act (Boulder Canyon Project Act) and its provisions were in no way to upset, alter, or affect the compact's congressionally approved division of water between the basins." (373 U.S. 567, *Arizona* v. *California*.)

The Supreme Court speaking:

"We would also look to it (the Colorado River compact) to resolve disputes between the upper and lower basins." (373 U.S. 567, *Arizona* v. *California*.)

The Supreme Court speaking:

"He (the Secretary of Interior) and his permittees, licensees, and contractees are subject to the Colorado River compact, section 8(a) (Boulder Canyon Project Act), and therefore can do nothing to upset or encroach upon the compact's allocation of Colorado River water between the upper and lower basins." (373 U.S. 585, *Arizona* v. *California*.)

Supreme Court speaking:

"We have agreed with the master that the Secretary's contracts with Arizona for 2,800,000 acre-feet of water and with Nevada for 300,000, together with the limitation of California to 4,400,000 acre-feet effect a valid apportionment of the first 7,500,000 acre-feet of mainstream water in the Lower Basin. There remains the question of what shall be done in time of shortage. The master, while declining to make any findings as to what future supply might be expected, nevertheless decided that the project act and the Secretary's contracts require the Secretary in case of shortage to divide the burden among the three States in this proportion: California 4.4/7.5; Arizona 2.8/7.5; Nevada 0.3/7.5. While pro rata sharing of water shortages seem equitable on its face, more considered judgment may demonstrate quite the contrary. Certainly we should not bind the Secretary to this formula. We have held that the Secretary is vested with considerable control over the apportionment of Colorado River waters. And neither the project act nor the water contracts require the use of any particular formula for apportioning shortages. While the Secretary must follow the standards set out in the act (Boulder Canyon Project Act), he nevertheless is free to choose among the recognized methods of apportionment or to devise reasonable methods of his own. This choice, as we see it, is primarily his, not the master's or even ours. And the Secretary may or may not conclude that a pro rata division is the best solution.

"It must be remembered that the Secretary's decision may have an effect not only on irrigation uses but also on other important functions for which Congress brought this great project into being—flood control, improvement of navigation, regulation of flow, and generation and distribution of electric power. Requiring the Secretary to prorate shortages would strip him of the very power of choice which we think Congress, for reasons satisfactory to it, vested in him and which we should not impair or take away from him. For the same reasons we cannot accept California's contention that in case of shortage each State's share of water should be determined by the judicial doctrine of equitable apportionment or by the law of prior appropriation. These principles, while they may provide some guidance, are not binding upon the Secretary where, as here, Congress, with full power to do so, has provided that the waters of a navigable stream shall be harnessed, conserved, stored, and distributed through a Government agency under a statutory scheme.

"None of this is to say that in case of shortage, the Secretary cannot adopt a method of proration or that he may not lay stress upon priority of use, local laws and customs, or any other factors that might be helpful in reaching an informed judgment in harmony with the act (Boulder Canyon Project Act), the best interests of the Basin States (Arizona, California, Nevada), and the welfare of the Nation. It will be time enough for the courts to intervene when and if the Secretary, in making apportionments or contracts, deviates from the standards Congress has set for him to follow, including his obligation to respect "present perfected rights" as of the date the act (Boulder Canyon Project Act) was passed. At this time the Secretary has made no decision at all based on an actual or anticipated shortage of water, and so there is no action of his in this respect for us to review. Finally, as the master pointed out, Congress still has broad powers over this navigable international stream. Congress can undoubtedly reduce or enlarge the Secretary's power if it wishes. Unless and until it does, we leave in the hands of the Secretary where Congress placed it, full power to control, manage, and operate the Government's Colorado River works and to make contracts for the sale and delivery of water on such terms as are not prohibited by the Project Act." (*Arizona* v. *California*, 373 U.S. 592, 593, 594.)

To comprehend the Supreme Court dictum it must be kept in mind that it was speaking only of the lower basin where the Secretary of Interior has very great authority. The frequent references to the Boulder Canyon Project Act makes that very clear. Also the references to 2,800,000 acre-feet of water to Arizona, 300,000 acre-feet to Nevada, and 4,400,000 to California ties this dictum very definitely only to the three lower States. It is worthy of repetition that the Secretary of Interior has been given tremendous authority with respect to water in the lower basin and no authority over water in the upper basin. The Boulder Canyon Project Act deals almost exclusively with water below Lee Ferry.

Supreme Court speaking:

"We are satisfied that the Secretary's power must be construed to permit him, within the boundaries set down in the act (Boulder Canyon Project Act), to allocate and distribute the waters of the main stream of the Colorado River." (*Arizona* v. *California*, 373 U.S. 590.)

When the above is read in and not out of context, it is crystal clear that it has reference only to the lower basin where the Secretary of Interior does have complete administrative and executive power and authority.

9. The water now being stored in Glen Canyon is water that belongs to the upper basin. The upper basin has a clear title to every drop of it.

CIVIL RIGHTS—A PLAN FOR PROGRESS

As in legislative session,

Mr. ALLOTT. Mr. President, many of the efforts which are made in this country to solve the basic issue of racial discrimination are given no notice. I was very much impressed by an article entitled "Joint Statement on 'Plan for Progress'" published by the Colorado Fuel & Iron Co. for the benefit of all of its personnel, on Monday, June 29, 1964. It is such a great step forward and such a great step toward trying to do the things we were trying to do with the civil rights bill, that I believe it is worthy of reproduction in the CONGRESSIONAL RECORD. Therefore I ask unanimous consent that this forward looking, dynamic program in this area be included in my remarks for the benefit of the other Members of the Senate.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

JOINT STATEMENT ON "PLAN FOR PROGRESS"

(By the Colorado Fuel & Iron Corp. and the President's Committee on Equal Employment Opportunity)

The Colorado Fuel & Iron Corp. is pleased to join with the President's Committee on Equal Employment Opportunity to advance the cause of equal employment and advancement opportunity for all and to further implement the corporation's longstanding policy of nondiscrimination in employment.

This policy was recently stated to be as follows:

"It is the corporation's policy not to discriminate against any employee or applicant for employment because of race, creed, color, or national origin. This policy applies not only in the area of original employment of applicants but also with regard to training, transfer, promotion and every other area of personnel activity which can affect employees of the corporation."

In an effort to insure the absence of discrimination on account of race, creed, color or national origin and to facilitate the improvement of intergroup relations the Colorado Fuel & Iron Corp. is voluntarily adopting the following plan for progress:

UNDERTAKINGS BY THE COLORADO FUEL & IRON CORP.

I. Dissemination of policy

A. The above policy, which has been communicated to management at all levels and to all employees, be recommunicated from time to time to those having responsibility for the employment, training, promotion, and transfer of employees.

B. Copies of this plan for progress will be made available to unions representing employees of the Colorado Fuel & Iron Corp.

C. Employees will be informed of this plan for progress through appropriate corporation publications and communications.

D. Copies of this plan for progress will be made available to all management employees.

E. The subject of equal employment opportunity will continue to be discussed at appropriate management and supervisory meetings.

II. Responsibility for implementation of policy

A. The heads of the corporation's divisions and subsidiaries shall be responsible for the implementation of this plan for progress through responsible subordinates.

B. The director of industrial relations will provide necessary procedural guidance in the coordination and application of this plan for progress.

III. Recruitment of placement

A. Consistent with the policy set forth above, the Colorado Fuel & Iron Corp. will continue to fill vacancies by promoting from within whenever qualified employees are available and to fill its job requirements by selecting from the available labor force those applicants who are best qualified to perform the work required.

B. Transfer and promotion of employees shall continue to be based on the qualification of employees in relation to the job requirements of the corporation, and they shall continue to be selected for transfer or promotion without regard to race, creed, color, or national origin.

C. The Colorado Fuel & Iron Corp. will continue to advise its recruitment sources of the corporation's policy of equal employment opportunity.

IV. Training

A. Qualified employees who are members of minority groups will continue to receive equal opportunity to participate in the corporation's in-plant training programs, such as on-the-job and apprentice training programs.

B. The Colorado Fuel & Iron Corp. will continue to make participation in such off-hours training programs as it sponsors available to qualified employees on the same basis without regard to race, creed, color, or national origin.

V. General

A. The Colorado Fuel & Iron Corp. will make periodic reviews of programs concerned with nondiscrimination at each of its operations.

B. The Colorado Fuel & Iron Corp. will cooperate with agencies devoted to the improvement of intergroup relations within the communities where it operates.

C. The Colorado Fuel & Iron Corp. will make periodic reports to the Committee, for its confidential use, of employment information available from corporation records in order to assist in evaluating the effectiveness of this program.

UNDERTAKINGS BY THE PRESIDENT'S COMMITTEE ON EQUAL EMPLOYMENT OPPORTUNITY

I. Recruiting

The Committee will:

A. Continue to work with the U.S. Department of Labor's employment specialists to cooperate with the appropriate State employment services in reviewing and intensifying efforts to obtain qualified applicants for referral to the Colorado Fuel & Iron Corp., consistent with the stated needs of the corporation, without regard to race, creed, color, or national origin.

B. Continue to solicit the support of appropriate specialized community agencies to assist recruiting efforts under this plan for progress.

II. Training

The Committee will work with the U.S. Department of Health, Education, and Welfare in reviewing, encouraging, and strengthening counseling and guidance services in school systems where the Colorado Fuel & Iron Corp. has major operations. That Department has assigned personnel to encourage participation of persons in minority groups in its vocational education programs. In addition, new programs are being developed aimed at the encouragement of cooperative efforts between educational facilities, community agencies, and employers as to this program.

III. Labor liaison

The Committee will work with appropriate unions at both the local and national levels to enlist their continuing cooperation in the furtherance of this program.

IV. Contracting agencies

The Committee will work with the appropriate contracting agencies to assist the Colorado Fuel & Iron Corp. and the Committee in coordination and follow-through on their undertakings under this plan for progress.

V. Community relations

The Committee will work with the appropriate agencies and groups within the communities in which the Colorado Fuel & Iron Corp. operates for the purpose of developing community acceptance and adoption of nondiscrimination practices in employment.

VI. General

The Colorado Fuel & Iron Corp. should feel free to report to the Committee any difficulties encountered in achieving this plan for progress in those instances where it reasonably believes the services of the Committee can be materially constructive in overcoming them.

For the Colorado Fuel & Iron Corp.:

L. C. ROSE,
President.

For the President's Committee on Equal Employment Opportunity:

LYNDON B. JOHNSON,
President of the United States.

Mr. ALLOTT. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

FIRST ANNIVERSARY OF LIMITED NUCLEAR TEST BAN TREATY

As in legislative session,

Mr. HUMPHREY. Mr. President, 1 year ago yesterday representatives from the United States, the United Kingdom, and the Soviet Union affixed their signatures to a document—a document widely acclaimed throughout the world as a step toward peace, as a step toward sanity in the nuclear age.

The document was the limited nuclear test ban treaty. Within a short time, over 100 nations signed or acceded to the agreement.

Here at home, the Senate Committees on Foreign Relations and on Armed Services cooperated in holding extensive hearings on the political and military implications of the treaty. In its report, the Committee on Foreign Relations, by a vote of 16 to 1, recommended that the Senate give its advice and consent to the treaty. The same bipartisan support was evidenced in the Senate by an overwhelming majority of both Republicans and Democrats.

We have now experienced 1 year without testing in the prohibited environments—1 year without adding to the dangers of radioactive fallout—1 year of restraint and control in this particular area of the arms race.

I hope this manifestation of arms control will continue and form a basis for greater progress toward peace and security. It must, if our American heritage and the rest of Western civilization is to survive. For we live in an era in which war would not result in victory for either side. We live in an era in which man's problems would only be dissolved by dissolving man. As the late President Kennedy stated in his speech at American University a year ago last June:

> Should total war ever break out again, all we have built, all we have worked for, would be destroyed in the first 24 hours.

And President Johnson has long recognized the need of meaningful and safeguarded nuclear arms control. No one can assert that our President is a Johnny-come-lately to the American security scene. In commenting last week on the anniversary of the test ban treaty, he said:

> Even if this treaty should end tomorrow, the United States would be safer and stronger than before. We owe the test ban treaty, and this year of progress, to the determined and dedicated leadership of a great President, and the Senate of the United States.

This statement was born of knowledge, experience, and an abiding sense of just attribution. But I can say, from many years of close association with President Johnson, that we also owe the test ban treaty to him. Among his many duties, this former colleague was chairman of the Preparedness Investigating Subcommittee of the Committee on Armed Services.

As Senate minority and majority leader, he supported the efforts of the Eisenhower administration to arrive at a safeguarded nuclear test ban treaty. As Vice President, he participated in the deliberations of the Executive Branch Committee of Principals, including the Secretaries of State and Defense, Director of ACDA, Director of CIA, Chairman of AEC, Special Assistant to President on National Security Affairs and Science and Technology, which approved the test ban proposal. He presided over the Senate when we approved the treaty last September; and last January, in a message to the 18-nation Disarmament Conference in Geneva, he urged agreement "on the banning of all nuclear weapons tests under effective verification and control" as further evidence of his commitment to this goal.

This is a man who recognizes the need of maintaining our strength in the absence of safeguarded alternatives. He has demonstrated this once again this week in responding to unprovoked attacks on U.S. vessels in southeast Asia. But our President is also a man who has said:

> Once upon a time even large-scale wars could be waged without risking the end of civilization. But what was once upon a time is no longer so, because general war is impossible * * * and some alternatives are essential.

He has said:

> We can live in strength without adding to the hazards of life on this planet. We need not relax our guard in order to avoid unnecessary risks.

And he has concluded:

> This is the legacy of the nuclear test ban treaty and it is a legacy of hope.

Mr. President, I concur in the sentiments expressed by our Chief Executive, who is also our Commander in Chief. I am proud of the part we in the Senate have played in bringing the limited nuclear test ban treaty to a successful conclusion, and I am proud of the leadership our President has demonstrated in his pursuit of peace and national security through the control and reduction of worldwide armaments.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a press release of the Department of State entitled "Joint Statement by the Governments of the United States, United Kingdom, and the Union of Soviet Socialist Republics."

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

JOINT STATEMENT BY THE GOVERNMENTS OF THE UNITED STATES, UNITED KINGDOM, AND THE UNION OF SOVIET SOCIALIST REPUBLICS

One year ago today the treaty banning nuclear weapon tests in the atmosphere, in outer space and under water was signed by the representative of the United States, United Kingdom, and the U.S.S.R. This treaty moved our planet toward a further strengthening of peace. It helps restrict the arms race. It gives all men and women confidence that they and their children will be breathing purer air and living in a healthier, a less contaminted world. The states taking part in the disarmament negotiations at Geneva made their contribution to this cause. The positive role played by the Secretary General of the U.N., U Thant, in the conclusion of the treaty banning nuclear weapon tests in the three elements is worthy of note. Since the signing of the treaty, most of the world's states—more than 100—have joined the three original signatories. Since then, also, additional—if limited—steps have been taken to reduce nuclear hazards to mankind. Such are the resolution of the General Assembly of October 17, 1963, on banning of weapons of mass destruction in outer space and the steps taken by the United States, United Kingdom, and the U.S.S.R. in the early months of this year to cut back production of plutonium and enriched uranium.

These have been significant and valuable steps, but only first steps. Serious problems and differences remain to be dealt with in order to achieve a downturn in the arms race, effective disarmament and secure peace. With a sincere concern for the true interests of all nations and through a constructive effort to achieve agreement consistent with those interests, we can seek to move along the road to understanding and to peace.

In marking the first anniversary of the signing of the treaty banning nuclear weapon tests in the atmosphere, in outer space, and under water, we declare our intention to do everything possible for the solution through negotiations of unresolved international problems in order to strengthen general peace, the benefits of which would be enjoyed by all states, big and small, and by all people.

THE DUAL CHALLENGE OF THE JERSEY CITY RIOTS

As in legislative session,

Mr. HUMPHREY. Mr. President, the mayor of Jersey City has released a statement on the Jersey City riots which merits the attention of the Senate. Mayor Thomas J. Whelan notes that violence and lawlessness cannot be tolerated. But he also notes that he supports the Negroes' striving for full civil rights.

This is the dual challenge which the recent riots in Northern States presents to Congress and the Nation. There must be a restoration of law and order, but there must be equally forceful determination to remedy the social and economic situations which contribute so directly to these outbreaks.

I ask unanimous consent to have printed at this point in the RECORD an editorial entitled "Jersey City's Riots," published in the New York Times of August 5, 1964, and the full text of Mayor Whelan's statement on the Jersey City riots.

There being no objection, the editorial and statement were ordered to be printed in the RECORD, as follows:

JERSEY CITY'S RIOTS

The race riots in Jersey City fit into a pattern that is becoming alarmingly familiar. While they differ in some respects from the disorders in Harlem, Brooklyn, and Rochester, the causes and the way the social and economic desperation expresses itself are similar. Since there are many cities and suburbs in the North where these same conditions exist, the danger of other riots in other places has to be faced.

When the body politic is sick, as is the case in this respect in the United States, the search for remedies must not falter. It is to state the obvious to say that the social evils of racial inequality in the United States have to be eradicated, but it is also obvious that this cannot be done quickly or easily.

Jersey City's Negro and Puerto Rican community has been growing in size, spreading, and for the most part living under bad slum conditions in which the youth, especially, find insufficient opportunity for education, work, and recreation. The rioting in Jersey City, incidentally, was done mainly by youths.

This type of violence, as was seen in Harlem, Bedford-Stuyvesant, and Rochester, comes like an explosion. But the powder is there, and has been there for a long time. The moderate, responsible and farsighted members of the community, black and white, work to bring about better conditions, as in fact they did in Jersey City.

But this type of progress, which can be termed evolutionary, is necessarily gradual. It is not surprising that certain elements among the Negroes—desperate, reckless, impatient—should seek the violent, essentially revoluntionary solution. Always there is a small criminal element that moves in to do looting and wanton destruction. If there are Communists or other leftwing radicals, they will take advantage of the situation, but they are a lunatic fringe, not the cause of the rioting. Something—which can be quite trivial—acts like a spark, and then comes the explosion.

Once again it must be said, for Jersey City and elsewhere, first that law and order must be enforced and secondly that responsible elements, Negro and white, in government and out, must act to restrain the extremists and above all to set vigorously about the task of correcting the basic causes of the violence.

Perhaps the greatest need of all is to instill hope and faith in the Negro community that the future will be better than the present or the past. Meanwhile, it cannot be repeated too often that the ones who suffer most from rioting are the Negroes themselves. They are defeating their own purposes, not only in one locality, but in the whole nation.

Text of Whelan Statement

To all Negroes in Jersey City, may I say that I not only sympathize with your cause—I support it.

But I will neither support nor tolerate outbreaks of violence or terror by any citizen or any group of citizens, whether they be black or white.

Let me assure all respectable citizens that their persons, their homes, and their businesses will be protected.

Anyone who attacks a policeman had better be prepared to come off second best and will most certainly suffer the consequences.

Anyone who inflicts bodily harm on another will feel the full wrath of the law.

I am not going to permit Jersey City to become another Harlem or another Rochester because of the actions of a few terrorists, intent upon destroying years of excellent relations in our city among all races.

The complaint has been raised of police brutality. There is no excuse for the use of unnecessary force on the part of the police. Where there has been brutality it will be dealt with sternly.

But every citizen must understand that pillaging, looting, hooliganism, and hoodlumnism are hardly the way to right a wrong.

Unless the people realize this, an orderly society is impossible to maintain. Lawbreakers must be treated in the same manner, no matter what their color. The police, however, have the right and the duty to arrest those they believe guilty of breaching law and order.

The rioting that broke out in this city as the aftermath of a routine arrest is another piece in the fabric of pressure being wrapped around enforcement agencies.

I will not hamstring our police department and I will not license lawbreaking. This is simply a case of hoodlumnism versus law and order and I am determined that law and order will win.

Mr. HUMPHREY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, in view of the unanimous-consent agreement entered into, I ask unanimous consent that the order for the quorum call may be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUPPLEMENTARY CONVENTION OF EXTRADITION WITH BELGIUM

The Senate, as in Committee of the Whole, resumed the consideration of the Supplementary Convention of Extradition With Belgium (Ex. C, 88th Cong., 2d sess.), dated in Brussels, November 14, 1963.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays on the extradition convention with Belgium.

The yeas and nays were ordered.

The PRESIDING OFFICER. Without objection, the extradition convention with Belgium (Ex. C, 88th Cong., 2d sess.) will be considered as having been passed through its various parliamentary stages up to the point of the consideration of the resolution of ratification, which the clerk will read.

The legislative clerk read as follows:

Executive C

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the supplementary convention to the extradition convention of October 26, 1901, and the supplementary convention of June 20, 1935, between the United States of America and Belgium, which supplementary convention was signed at Brussels on November 14, 1963. (Ex. C, 88/2.)

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the resolution of ratification? The yeas and nays have been ordered; and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from Massachusetts [Mr. Kennedy], and the Senator from New Mexico [Mr. Anderson] are absent because of illness.

I further announce that the Senator from Nevada [Mr. Cannon], the Senator from Oklahoma [Mr. Edmondson], the Senator from Tennessee [Mr. Gore], the the Senator from Georgia [Mr. Talmadge], and the Senator from Tennessee [Mr. Walters] are necessarily absent.

I further announce that, if present and voting, the Senator from New Mexico [Mr. Anderson], the Senator from Nevada [Mr. Cannon], the Senator from Oklahoma [Mr. Edmondson], the Senator from Tennessee [Mr. Gore], the Senator from Massachusetts [Mr. Kennedy], the Senator from Georgia [Mr. Talmadge], and the Senator from Tennessee [Mr. Walters] each would vote "yea."

Mr. KUCHEL. I announce that the Senator from Arizona [Mr. Goldwater] is necessarily absent.

The Senator from Kentucky [Mr. Cooper] is detained on official business and, if present and voting, would vote "yea."

The yeas and nays resulted—yeas 91, nays 0, as follows:

[No. 519 Leg.]

YEAS—91

Aiken
Allott
Bartlett
Bayh
Beall
Bennett
Bible
Boggs
Brewster
Burdick
Byrd, Va.
Byrd, W. Va.
Carlson
Case
Church
Clark
Cotton
Curtis
Dirksen
Dodd
Dominick
Douglas
Eastland
Ellender
Ervin
Fong
Fulbright
Gruening
Hart
Hartke
Hayden
Hickenlooper
Hill
Holland
Hruska
Humphrey
Inouye
Jackson
Javits
Johnston
Jordan, N.C.
Jordan, Idaho
Keating
Kuchel
Lausche
Long, Mo.
Long, La.
Magnuson
Mansfield
McCarthy
McClellan
McGee
McGovern
McIntyre
McNamara
Mechem
Metcalf
Miller
Monroney
Morse
Morton
Moss
Mundt
Muskie
Nelson
Neuberger
Pastore
Pearson
Pell
Prouty
Proxmire
Randolph
Ribicoff
Robertson
Russell
Salinger
Saltonstall
Scott
Simpson
Smathers
Smith
Sparkman
Stennis
Symington
Thurmond
Tower
Williams, N.J.
Williams, Del.
Yarborough
Young, N. Dak.
Young, Ohio

NAYS—0

NOT VOTING—9

Anderson
Cannon
Cooper
Edmondson
Goldwater
Gore
Kennedy
Talmadge
Walters

The PRESIDING OFFICER (Mr. Ribicoff in the chair). Two-thirds of the Senators present having voted in the affirmative, the resolution of ratification is agreed to.

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that the President be immediately notified of the action of the Senate in agreeing to the resolution of ratification.

The PRESIDING OFFICER. Without objection, the President will be immediately notified.

LEGISLATIVE SESSION

On motion by Mr. Fulbright, the Senate resumed the consideration of legislative business.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had concurred in the amendment of the Senate to the bill (H.R. 2434) to amend section 560 of title 38, United States Code, to permit the payment of special pension holders of the Congressional Medal of Honor awarded such medal for actions not involving conflict with an enemy, and for other purposes, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H.R. 8009) to amend title 38, United States Code, to provide certain veterans with urgently needed nursing home care and nursing care facilities while reducing the cost to the United States of caring for such veterans, and for other purposes.

The message further announced that the House had agreed to the amendments of the Senate to the bill (H.R. 8611) to facilitate the performance of medical research and development within the Veterans' Administration, by providing for the indemnification of contractors.

MAINTENANCE OF INTERNATIONAL PEACE AND SECURITY IN SOUTHEAST ASIA

Mr. MANSFIELD. Mr. President, I ask that the Vietnam resolution be laid before the Senate. It has been cleared with the chairmen of the Committee on Foreign Relations and the Committee on Armed Services, with the ranking members of those committees, with the distinguished minority leader [Mr. DIRKSEN], and with the distinguished senior Senator from Oregon [Mr. MORSE], who is interested in the subject.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the joint resolution (S.J. Res. 189) to promote the maintenance of international peace and security in southeast Asia.

Mr. MANSFIELD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MANSFIELD. Mr. President, is it agreed that a vote on the treaty with Belgium will be had at 2 o'clock?

The PRESIDING OFFICER. The Senator is correct.

Mr. MANSFIELD. Mr. President, a further parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MANSFIELD. Mr. President, is it further understood that it is the intention to call up the so-called Vietnam resolution following the vote on the treaty?

The PRESIDING OFFICER. That is correct.

Mr. MANSFIELD. Mr. President, I wish to make a few remarks on the Vietnam resolution.

The President has acted against repeated Communist provocations in the Tonkin Gulf. He has acted in the hope of preventing an expansion of the conflict in Asia, in the hope of minimizing the American involvement on that continent.

He has weighted the degree of military response to the degree of military provocation. He has taken military steps for legitimate defense and, at the same time, he has brought the matter to the conference tables of the United Nations, as a matter of urgency in connection with the maintenance of world peace.

He has counseled with the congressional leadership, the relevant committee chairmen and ranking minority members and the Republican candidate for President. Two nights ago he informed the entire Nation of his action.

The President, in short, has acted with a cool head and a steady hand in a most critical situation. He has acted as the leader of a great free nation, fully aware of a great nation's responsibilities to itself, to freedom, and to the peace of the world.

Let no man make light of what has been done in the past 72 hours. What has been done is no automatic or certain solution to the difficulties. A reasoned approach to this situation on our part is no assurance that others will have the same capacity. Our own restraint is no guarantee of the restraint of others. Our wish for peace is not necessarily the wish of others.

But the President has acted in the hope of restraining the dogs of war. It remains to be seen, now, whether others will act in the same fashion. Escalators go up as well as down and, in this instance, our hand is not the only hand on the control. We hope for the best. But let us also be prepared for the worst. The situation may well become more critical—far more critical—before its resolution becomes visible.

One would hope that those who have acted with provocation will now cease so to act. One would hope that the United Nations will be helpful. One would hope that those nations deeply concerned but not directly involved in Indochina will redouble their efforts to find a peaceful solution to all of the difficulties which have beset the peninsula for almost two decades and ourselves for 10 years.

But those are matters which are not in our own hands alone. For us, it is sufficient at this time to know that the President has set a course for the best interests of the Nation, for Democrats and Republicans alike, for the Government and people of the United States. He asks for and he will have, in this endeavor, the support of the Congress and the people of the United States. Let there be no doubt of that in any nation in Asia or in any part of the world. What needs to be done to defend ourselves will be done. What can be done by us to give human freedom a chance in southeast Asia will be done. It will be done not alone by the President. It will be done not alone by the armed services which he commands. It will be done not alone by Democrats or by Republicans. It will be done by an entire Nation united in their trust and in their support of the President of the United States.

Mr. FULBRIGHT. Mr. President, I ask unanimous consent to correct the text of the resolution. There was a technical mistake, an omission on line 10, page 2, as follows, following the words "consonant with the Constitution," the words "of the United States" were inadvertently left out. It is perfectly obvious that it was the Constitution of the United States that was being referred to. I ask unanimous consent that it be corrected.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. FULBRIGHT. Mr. President, pursuant to the order of the Senate on yesterday, the Committee on Armed Forces, headed by the distinguished Senator from Georgia [Mr. RUSSELL], and the Committee on Foreign Relations met jointly this morning to take testimony on Senate Joint Resolution 189.

Mr. President, I recommend the prompt and overwhelming endorsement of the resolution now before the Senate. The resolution, which has been approved by the Committees on Foreign Relations and Armed Services with only one dissenting vote, endorses the wise and necessary action of President Johnson in ordering the 7th fleet and its air units to take appropriate measures in response ot the unprovoked attacks on American naval vessels by North Vietnamese torpedo boats. The resolution further expresses the approval and support of the Congress for the determination of the President to take such action as may be necessary, now and in the future, to restrain or repel Communist aggression in southeast Asia.

The action taken by the United States in retaliation for the North Vietnamese torpedo boat attacks must be understood both in terms of the immediate situation and in terms of the broader pattern of Communist military and subversive activities in southeast Asia over the past 10 years. On both levels the North Vietnamese regime is patently guilty of military aggression and demonstrably in contempt of international law.

As stated in the report of the joint committee on the resolution:

> The North Vietnamese campaign against the South has increased in scope and tempo. It has added a new dimension to traditional concepts of warfare and aggression—the dimension of subversion and terror on a planned, centrally directed, and coordinated basis. This new kind of aggression is not symbolized by armies marching across frontiers with bands playing and flags waving. But it is no less outrageous international behavior.

The facts of the immediate situation are clear. On August 2 the U.S. destroyer *Maddox* was attacked without provocation by North Vietnamese torpedo boats in international waters in the Gulf of Tonkin. The American vessel, with the support of aircraft from the U.S.S. *Ticonderoga*, fired back in self-defense and drove off the attackers. The United States thereupon warned the Hanoi regime of "grave consequences" in the event of further military attacks on American forces. On August 4 the *Maddox* and another destroyer, the *C. Turner Joy*, were again attacked by North Vietnamese torpedo boats in international waters. The attack, which lasted for over 2 hours, was without any doubt a calculated act of military aggression. The United States thereupon responded with air strikes against North Vietnamese torpedo boats and their supporting facilities at various points on the coast of North Vietnam.

The American action was limited and measured in proportion to the provocation which gave rise to it. It was an act of self-defense wholly consistent with article 51 of the United Nations Charter and an act of limited retaliation wholly consistent with the international law of reprisal. The single, most notable fact about the American action was its great restraint as an act of retaliation taken by a great power in response to the provocation of a small power.

The action taken by the United States was appropriate as policy as well as justified in law. An act of unambiguous aggression cannot be tolerated or ignored without inviting further provocations, especially when the act is committed by a regime which has been engaged in consistent and repeated aggression against its neighbor states.

Has the attacks on the *Maddox* and the *C. Turner Joy* been isolated occurrences it might have been appropriate to respond by a lesser act of force than that employed, or even by measures short of force. This, however, is not the case. The North Vietnamese regime has made an international career of aggression almost since its inception in 1954. Certainly supported and quite possibly incited by Communist China, North Vietnam has persistently engaged in subversion and more direct hostilities against the duly constituted governments of both Laos and South Vietnam. It has done these things in gross violation of the Geneva Agreement of 1954 and of the Geneva Agreement of 1962 pertaining to Laos. It has done these things in violation of international law, in contempt of the United Nations Charter, in malice toward its neighbors, and in reckless disregard of the requirements of peace in southeast Asia.

Under these circumstances, it was incumbent upon the United States to act, as it did, in a manner proportionate to the provocation. Viewed in the context of the immediate provocation, the retaliatory measures taken by the United States were necessary and justified. Viewed in the context of a decade of reckless and irresponsible behavior on the part of the North Vietnamese regime, the action taken by the United States was the minimum consistent with its own vital interests and with its obligations to its allies and partners in southeast Asia.

The situation in southeast Asia illustrates an extremely important principle of foreign policy—that the challenges which confront us in the world are widely varying in character and intensity and must be dealt with accordingly by a wide variety of instruments and policies. Just as it is a mistake to assert that force is the only proper response to every challenge of Communist power, it is no less a mistake to assert that military action is never a necessary instrument of policy. Whatever the outcome of the present crisis in southeast Asia, it is important for us to refrain from making sweeping generalizations as to both the provocation and our response to it. Special combinations of circumstances suggest special patterns of response, which may or may not be valid in different situations.

The point which I wish to make is that while we must be consistent in the objectives of our foreign policy, we must be flexible in the instruments we use to attain them. We must bear in mind that military force is not an end but an instrument, a dangerous and repugnant one which is never desirable but sometimes essential. It is equally unwise to assume that force must never be used and to assume that its successful use in one instance warrants its use in any or all others.

The current crisis in southeast Asia, I believe, is one in which the use of limited American force has been necessary and may be necessary again. It is essential, however, that we evaluate this crisis in its global context. That context is one in which hopeful tendencies toward peace are on the rise despite events in crisis areas such as Vietnam. It would be a great mistake to allow our optimism about promising developments in our relations with the Soviet Union and Eastern Europe to lead us to any illusions about the aggressive designs of North Vietnam and its Chinese Communist sponsor. It would be no less a mistake to allow our concern with baleful events in southeast Asia to drive us to actions and attitudes which would undermine current progress toward the relaxation of tensions with the Soviet Union and the European Communist regimes. At all times, but especially at this moment of crisis, we must be extremely clear about the different policies pursued by different Communist regimes, about the different challenges which they pose and the different responses which they warrant. We must have the wisdom and the discrimination to be able, when necessary, to engage simultaneously in the local prosecution of hostilities and the global pursuit of world peace.

In southeast Asia itself, we must leave no doubt in the minds of both adversaries and friends as to what our objectives are and what they are not. It should be clear to all concerned that our purpose is to uphold and strengthen the Geneva Agreements of 1954 and 1962—that is to say, to establish viable, independent states in Indochina and elsewhere in southeast Asia, states which will be free of and secure from the domination of Communist China and Communist North Vietnam. It should be emphasized that we wish the nations of southeast Asia to be free of and secure from domination by Peiping and Hanoi, but not necessarily hostile to these regimes. It should be further emphasized to all concerned that our objective is not to establish our own military power in Indochina or in any way to bring the nations of Indochina under our own domination or even to bring them into an American "sphere of influence."

It should be made clear to the Communist powers of Asia, if it is not yet sufficiently clear, that they can enjoy peace and security as long—but only as long as they confine their ambitions within their own frontiers. It should also be made clear that whenever the Communist powers show a willingness to settle the problems of southeast Asia by peaceful and lawful means, these problems can then be placed largely or entirely under the jurisdiction of the United Nations. It should be made equally clear to these regimes, if it is not yet sufficiently clear, that their aggressive and expansionist ambitions, wherever advanced, will meet precisely that degree of American opposition which is necessary to frustrate them. The resolution now before the Senate is designed to shatter whatever illusions our adversaries may harbor about the determination of the United States to act promptly and vigorously against aggression. For this reason, Mr. President, I urge its prompt and overwhelming adoption by the Senate.

Mr. President, in addition to the strong support of the Congress, there have been expressions of widespread support for the President's action in the country and in the press. I ask unanimous consent that there be inserted in the Record at this point a number of newspaper editorials which are illustrative of the general support for President Johnson's actions in southeast Asia.

There being no objection, the editorials were ordered to be printed in the Record, as follows:

[From the Philadelphia Inquirer, Aug. 6, 1964]

A Nation United

In this grim, dark hour—when the issue of peace or war hangs precariously in the balance—President Johnson has called upon the American people to meet the test of courage and determination that has been thrust suddenly and irrevocably upon us all by a treacherous foe.

The Nation must stand firm and united in unwavering support of the President at this crucial juncture in the history of mankind.

We are confident that Americans, irrespective of political party, shall do so—in keeping with the highest traditions of this country in times of crisis.

In his solemn address to the world on Wednesday, at Syracuse, Mr. Johnson reiterated and expanded upon points he made late Tuesday night in his report on the swift succession of ominous events in southeast Asia.

The President is right, beyond any question, in making it clear to the leaders of Communist North Vietnam, and to any other government bent on unprovoked aggression, that America's earnest desire for peace is not to be misconstrued as weakness.

Delivering one of the finest addresses of his long career in public service, Mr. Johnson summed up the situation succinctly at Syracuse in these terse phrases: "The attacks were deliberate. The attacks were unprovoked. The attacks have been answered."

After the North Vietnamese torpedo boats had opened fire against U.S. naval craft in international waters, for the second time in 3 days, it was unmistakably clear that the American reply, in action as well as words, needed to be prompt and appropriately forceful—commensurate with the seriousness of the North Vietnamese challenge and the flagrant disregard they showed for the rights of our vessels to sail the seas without interference.

These rights have been hard won, over many years, by valiant Americans. Freedom of movement on the oceans must be defended.

Retaliatory U.S. air strikes against North Vietnamese torpedo boat bases and other installations, as reported by Defense Secretary McNamara, unfortunately have resulted in the loss of American planes and, possibly, American lives. This sorrowful and tragic development underlines not only the perils that must be faced in the battle zone but the sacrifices that all of us must be prepared to accept.

"Aggression unchallenged is aggression unleashed," the President said at Syracuse. This is undeniable truth. To retreat from, or even to tolerate, armed attack against vessels of the U.S. Navy would be to invite steadily bolder assaults that would lead us surely and inevitably down the path of war.

Mr. Johnson's notation of broken promises made by the North Vietnamese Government, in pacts signed by them in 1954 and 1962, is a timely reminder of the demonstrated untrustworthiness of the Red regime in Hanoi. It is fitting also that the President, while reaffirming this country's commitments to allies, has reminded those allies that the fight for freedom ought not to be the sole burden of any one nation but should be a collective responsibility. Our allies—in NATO, in the Far East, and elsewhere—can help the cause of peace by giving unqualified endorsement to U.S. action against North Vietnam.

Freedom and peace remain our goals—but let those forces of enslavement and armed aggression abroad who have unleashed their fire against us give pause. They will do well to show a healthy respect for America's resolve to defend, by whatever means necessary, our rights on the high seas and to carry out, by whatever action required, our obligations abroad in the struggle against Communist aggression.

[From the Washington Post, Aug. 6, 1964]

STERN CRISIS

President Johnson has earned the gratitude of the free world as well as of the Nation for his careful and effective handling of the Vietnam crisis. The paramount need was to show the North Vietnamese aggressors their self-defeating folly in ignoring an unequivocal American warning and again attacking the American Navy on the high seas. This Mr. Johnson did by means of a severe but measured response deftly fitted to the aggression: retaliation against the boats and bases used in the attack.

The air strikes did not merely decimate Hanoi's fleet, leaving it unable to defend its own coast, and demonstrate North Vietnam's vulnerability to American power. The counterattack smashed the "paper tiger" myth, proving the U.S. readiness to use whatever means necessary to stand up for its interests in the Far East and underlining the reliability of its commitment to its friends there.

Most immediately, the reprisal rendered obsolete the old terms of the debate on whether to carry the guerrilla war in South Vietnam back to the aggressors in the North. Long reluctant to do this itself on the ground, or to have Saigon forces do it, the United States has now acted alone, by sea and air. Whatever restraint had previously been exercised through lack of precedent or provocation has been removed by the events in the Tonkin Gulf. No one can tell at this point the precise form which the Vietnam war will take, but it is bound to be a new form, and the newness would seem inevitably to be on the side of more direct American participation and more direct action against the North.

To a capital and a world sensitive to the uses of power by an American President, the crisis—the first major foreign-policy crisis faced by President Johnson—has found him not wanting in toughness or in nuance. But the crisis has also pointed up the office of the Presidency as the single center of control and responsibility for American power. It is worth remarking that this respect for the Presidency has been conveyed even by those who believe that, for instance, local military commanders should be given discretion for important decisions in the field.

Military measures were only a part of President Johnson's response. He coordinated them with the other constituencies and communities of which he is the leader. He asked and got from Senator GOLDWATER a promise of nonpartisanship. The Senator, like the patriot he is, instantly forsook politics and stood by his side. He also went, calmly, to the people, both American and foreign, offering information and reassurance in appropriate degrees.

The President went to Congress too for a resolution of national unity and support, and to the United Nation, for international backing. The request to Congress, like his approach to Senator GOLDWATER, may later affect the election campaign, but the seriousness of the situation warrants these expressions of confidence and cooperation. The U.N. plea forces the Soviet Union to a climactic choice between its conflicting interests in the Communist and Western worlds. But regardless of the Security Council's stance on the torpedo attacks, a condign response has already been meted out to Hanoi.

The impressive orchestration of American policies contrasts revealingly with the fragmented and tardy reactions of the different Communist states. This broken pattern, including the fact that Premier Khrushchev was out in the Soviet hinterlands, suggests how unexpected Hanoi's attacks were to some Communists and how unexpected Washington's reprisals were to others. There is still no convincing explanation of why Hanoi would challenge the United States under conditions so patently unfavorable to it. One notes, however, that there is in Hanoi a war weariness conducive to desperate heroics; that Hanoi has seemed to share Peiping's distorted vision of the American "paper tiger"; and that the Tuesday attack fell on the anniversary of the test ban, a Soviet-American agreement based on the fact that the "paper tiger" has nuclear teeth.

This element of uncertainty in Hanoi's intentions is what makes the crisis potentially dangerous. The fear is, of course, that Hanoi's harassments may be a prelude to escalation of the war in Vietnam, perhaps drawing in Peiping. It was the President's awareness of these ominous possibilities that made his management of the crisis so significant and correct.

[From the New York Herald Tribune, Aug. 6, 1964]

THE RIGHT RESPONSE

President Johnson spoke clearly and acted with prompt decision in reply to the second torpedo boat attack on American ships in the Tonkin Gulf. The reasons behind the wanton North Vietnamese provocations are still mysterious, but there is nothing obscure about Mr. Johnson's firm statement that "there can be no peace by aggression and no immunity from reply"—especially against the background of the sharp and effective American air assault on the North Vietnamese naval bases.

The United States has a chain of sentries around the world; lonely men in Korean trenches, lonely planes over the Arctic wastes, lonely ships in distant seas. They keep watch over an uncertain peace. But their vigil would have no meaning if it were not that power stands leashed behind them; power ready to be used swiftly and with vigor for peace. That power, and the equally essential will to use it, found expression in the action ordered by President Johnson against North Vietnam.

The power was still on leash. The air action against the aggressor's bases was a limited action. And in that fact, no less than in the speed and efficiency of the response, lies much of the effectiveness of the policy put into effect by the President. As he said, the overall strength of the United States is "vast and awesome." But it is not a monolithic mass, like the European armies before World War I, impossible to guide or check by diplomacy once the initial impetus is given. It is not just "the button," whose rejoinder must be nuclear war or supineness. It can be used to pinpoint and punish the immediate offenders—in this case, the North Vietnamese mosquito fleet.

Thus, whoever planned the torpedo-boat attacks, for whatever purpose, stand warned. If they were probing the intentions of the United States, of Red China, of the Soviet Union, they at least know that the United States will resist aggression, and that it has the capability of doing so.

At the same time, the rest of the world knows that this capability will be used with restraint; that force will be used in proportion to the need. The United States can, as Mr. Johnson said, welcome and invite the scrutiny of all men who seek peace, "for peace is the only purpose of the course we pursue."

The controlled force of the American counterblow has clearly made its impact on the world. From its friends, this country has received such congratulations as that of Japan (very directly concerned with the problem of Communist expansion in Asia) and such encouragement as that of Britain in the Security Council. From the Soviet Union has come denunciation—but it is oddly perfunctory. In asking that North Vietnam come to the United Nations, even the Soviet delegate on the Security Council seemed to be trying, in some earnestness, to find out what has been going on in the Tonkin Gulf.

The United States, too, is puzzled by much of what has been happening in southeast Asia. But it stands as one behind the President's action. The hearteningly prompt support given Mr. Johnson's course by Senator GOLDWATER is only the most striking of many evidences of the unity of Americans in the face of this strange kind of terrorism on the high seas.

[From the New York Times, Aug. 6, 1964]

WIDER WAR

On July 24, President Johnson said that "the United States seeks no wider war" in Vietnam, but he warned that "provocation could force a response." That provocation—twice repeated—now has brought a response that has been, in the President's words, "limited and fitting." Whether this ends the incident now is up to North Vietnam and to Communist China. The United States plans no further military strikes if there are no further Communist attacks. President Johnson has made it clear that "we still want no wider war."

Whether or not the confrontation stops there, the crisis in southeast Asia has been altered in fundamental ways—all involving great uncertainties and even greater dangers.

The United States has become a direct combatant on a significant scale, even if only briefly. The sword, once drawn in anger, will tend to be unsheathed more easily in the future.

Congressional authority for future military action will, in effect, be delegated to the President by the joint resolution scheduled to be voted today. The President has rightly asked that the resolution express a determination that "all necessary measures" be taken.

The concept of a Communist "privileged sanctuary," heeded hitherto both in Korea and Indochina, has been breached. The circumstances under which North Vietnam may be struck again remain undefined. But the rules of the war have undergone a basic change—a change that applies to Communist China as well as to Hanoi. President Johnson was clearly addressing Peiping when he warned "any who may be tempted to support—or to widen—the present aggression" that "there can be no peace by aggression and no immunity from reply."

Hanoi's sea patrol fleet largely has been wiped out and, lacking an air force, North Vietnam has been shown to be virtually open to hostile air attack. Hanoi's willing allies in Peiping are now under pressure to provide new means for sea and air protection—and even, perhaps, to intervene directly. Hanoi's reluctant allies in Moscow are under pressure, as yesterday's Soviet statement showed to demonstrate their backing for North Vietnam before world Communist opinion.

Ranks have been closed in the United States with Senator GOLDWATER's open support for administration action. If Hanoi's attacks were an attempt to exploit political and racial division in the United States, the American reaction has proved this futile. Vietnam, in fact, has been taken out of the presidential campaign for the moment. The attempt to keep it out, by retaining Republican support, means that President Johnson henceforth will find firmness politically easier to emphasize than restraint.

American reluctance to go to an Indochina peace conference, as urged by President de Gaulle, is strongly reinforced. If Hanoi's purpose was to force such a conference, it could not have been more poorly advised.

These are some of the political and military realities after the Tonkin Gulf exchange.

The lines have hardened. A highly dangerous period has opened. It is a time that calls for coolness, as well as determination, for restraint as well as firmness.

We still have no real idea of what prompted the North Vietnamese to launch their potentially suicidal adventure. The Nation's united confidence in its Chief Executive is vital. No one else can play the hand. That confidence will be best maintained by a continued adherence to the principles the President himself has enunciated of firmness but a firmness that will always be measured—a firmness whose mission is peace.

[From the Baltimore Sun, Aug. 6, 1964]

PEACE THE PURPOSE

At Syracuse University yesterday, while the world waited for further developments in southeast Asia, President Johnson set forth the central concern of this Nation for all to see. "We welcome—and we invite—the scrutiny of all men who seek peace, for peace is the only purpose of the course we pursue." Only hours before, after a second Communist attack on American naval vessels, the President had ordered an air strike against the torpedo-boat bases along the coast of North Vietnam. The attack had been carried out, and the bases lay in ruins. Two American airmen had been lost. In its promise to repulse aggressors the United States had not been bluffing. Of that there could no longer be any doubt.

It is not an easy thing to loose even a small fraction of the military power available to the Commander in Chief, but in this case there was no choice. "Aggression unchallenged," the President said, "is aggression unleashed." In striking back at a time of grave provocation, the United States hoped not to spread the fighting but to pinch it off before it got out of hand. To reasonable governments the message should be clear, but American forces are being deployed in such a way as to respond appropriately if somewhere there is a misreading. That, too, is a statement of American purpose.

If there has been a suspicion abroad that the American people are dangerously disunited, this episode is proof to the contrary. Crisis always draws Americans together, and on this issue support for President Johnson is without reservation. Senator GOLDWATER set the pattern for his party, and congressional leaders, briefed early at the White House, have responded with the traditional closing of ranks. When the Nation is under the gun, politics loses all coloration. The quick rush of support from America's allies also has been gratifying.

None can foretell the perils that lie ahead. North Vietnam is an annoyance, but it is not the major consideration. The key to peace in Asia is hidden in Communist China, in the course it may essay alone, or with the encouragement of Moscow. Yesterday's convoking of a United Nations session was intended not only as a report to the nations but as an assessment of the intentions of the Soviet bloc. Whatever the dangers, the United States will face them with the courage possessed only by those who are both free and strong.

Mr. McGOVERN. Mr. President, will the Senator from Arkansas yield?

Mr. FULBRIGHT. I yield.

Mr. McGOVERN. Without in any way casting any doubt on the wisdom of the resolution, there are a few brief questions that I should like to address to the Senator from his comments, if he would be willing to comment.

All of us have been puzzled, if not baffled, as to why a little state such as North Vietnam should seek a deliberate naval conflict with the United States with the overwhelming naval and air power that we have in that area. In an effort possibly to throw some possible light on that question, Mr. Murrey Marder, in his column in the Washington Post yesterday, made the following statement in the closing paragraph of his column:

> North Vietnam on Sunday charged that the United States and South Vietnam had sent warships "to shell the Hon Me and Hon Ngu islands in the territorial waters" of North Vietnam. Those islands are near the area where the *Maddox* was attacked Sunday. Hon Me is used as a naval base, American sources said, and Communist PT boats have been seen in the area.
>
> The United States has denied that any of its warships shelled the islands of Hon Me and Hon Ngu. However, despite some reports published yesterday, the State Department denial did not equally exculpate South Vietnam. It only denied American participation.
>
> SPECULATION ON ATTACK
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> There are some indications, however, that the South Vietnamese may in fact have attacked the two islands American officials have declined to discuss that, although U.S. warships on occasion reportedly have escorted South Vietnam vessels part way to their targets.

I wonder if the Senator from Arkansas could shed any light on the possible explanation for the North Vietnamese attack.

Mr. FULBRIGHT. In dealing with warfare, which essentially is an irrational business, it is dangerous to speculate as to the motives of one's enemies or adversaries. However, in this case, first, the Secretary of Defense himself stated, after the first attack on the *Maddox*, that he did not expect a repetition of the attack. He made that statement publicly. That showed how wrong he was. He said he could see no motive for it, and none of us at the first meeting we had on the question could explain why that kind of attack by a few torpedo boats against the elements of the 7th Fleet should take place, whether it was an isolated action or an impulsive action by the local commander.

But after the action was repeated, it was shown to be clearly calculated. It is my understanding, as best I can interpret what actually happened, that there were some South Vietnamese raids, if they might be so-called—coastal raids—by South Vietnamese junks or naval vessels—the only kind of naval vessels they have. My information is that they have relatively small PT boats, comparable to those of North Vietnam, plus what are called motorized junks, and those from time to time have engaged in what are called hit-and-run raids, none of them of a major nature, by South Vietnamese boats with South Vietnamese crews.

Our own naval vessels, such as the *Maddox* and other associated vessels, have never engaged in any attacks on those islands or anywhere else in North Vietnam.

The best information that I have from high officials in our Government in this field is to the effect that our boats did not convoy or support or backup any South Vietnamese naval vessels that were engaged in such attacks.

Mr. McGOVERN. The Senator would say the implication of the article is probably in error?

Mr. FULBRIGHT. It has been asserted by others that the *Maddox* was backing up or convoying the smaller vessels of the Vietnamese.

The testimony I am familiar with shows that this is not a fact.

I am reminded also that it was asked whether or not the junks of the South Vietnamese had American personnel in the nature of advisers or otherwise. We were advised they did not, that they were manned by non-Americans in all cases. In other words, the patrol duty by such ships as the *C. Turner Joy* and the *Maddox* was an operation for patrol, to keep our own forces informed about the activities in this very critical area, and was entirely unconnected or unassociated with any coastal forays the South Vietnamese themselves may have conducted.

Mr. McGOVERN. I should like to put one other question to the Senator. Over the past few days, possibly the past 2 or 3 weeks, there have been statements in the press quoting General Khanh, the South Vietnamese leader, as saying that the war had to be won by carrying it to North Vietnam. Almost simultaneously our administration leaders have been quoted as saying that the only way the war can be won is by taking on the guerrillas in South Vietnam, and that our policy is not one of extending the war to the north; quite to the contrary, that the victory must be had in the south and that we will take all reasonable steps to confine the war to South Vietnam.

Does the Senator think there is any danger in this resolution that we may be surrendering to General Khanh's position our attitude as to where the war should be fought?

Mr. FULBRIGHT. I do not think there is any danger of that. There is, of course, a danger in this whole area, and there has been for 10 years. It is dangerous. The policy of our Government not to expand the war still holds. That is not inconsistent with any response to attacks on our vessels on the high seas where they have a right to be.

Mr. McGOVERN. I agree.

Mr. FULBRIGHT. I do not think the policy that the war be confined to South Vietnam has changed. I think it is still the policy. I think it is the correct one. What causes difficulty is the fact that this is a new type of war. It is not a war in the orthodox sense. This is subversion, inspired and conducted through infiltration of supplies and men by a neighboring country without a declaration of war. It does not fit the pattern of the traditional way we think of war. It is, nevertheless, aggression—a modernized, specialized kind of aggression, brought to a high degree of perfection by the leader of the Chinese Communists, Mao Tse-tung, who established the basic theory of how to conduct this type of warfare.

It is difficult to adjust our concepts to warfare of this kind. I think it is just as savage and as much in violation of international good behavior and law as is an overt invasion by troops. I tried to make this point in my remarks. North Vietnam has been an aggressor against South Vietnam; and I do not think so merely because of the testimony in the past 2 or 3 days. Over several years, we have received testimony about what the North Vietnamese were doing in Laos and to a much higher degree in South Vietnam.

They had two major ways of approaching South Vietnam, one by sea, and one by ground. The sea approach was the easiest way to supply the Mekong Delta. So we helped the South Vietnam Government try to interrupt the transfer of men and supplies to the Mekong Delta. Junks were built up for that purpose. The boats that may have struck at the coastal areas of North Vietnam may have been supplied by us. We have been helping South Vietnam arm itself. I do not know about the specific boats.

I personally think this is a perfectly legitimate and proper way to defend oneself from the kind of aggression South Vietnam has been subjected to for many years.

Mr. McGOVERN. I am inclined to agree with the Senator. I did not want my remarks to be interpreted as prejudicing the case for aid——

Mr. FULBRIGHT. I am glad to try to clarify the situation. It is difficult and confusing.

Mr. McGOVERN. There have been references in the press to the effect that General Khanh was in political trouble and that one way he thought he could get out of it was to divert attention from failure in the conduct of the war in the south to some kind of strike in the north, presumably largely underwritten by the United States. It was because of my concern with that possibility that I raised these questions.

I thank the Senator for yielding.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. ELLENDER. The Senator has stated that in the last 2 or 3 days the committee has had some hearings. Can he tell us how long these ships of ours have been in that area?

Mr. FULBRIGHT. On patrol?

Mr. ELLENDER. On patrol, yes and at whose request?

Mr. FULBRIGHT. We have had patrols in the Tonkin Gulf for about 18 months.

Mr. ELLENDER. At whose request were these patrols made?

Mr. FULBRIGHT. These are international waters. Our assistance to South Vietnam is at the request of the South Vietnamese Government. The particular measures we may take in connection with that request are our own responsibility. The particular ships on this particular patrol are there at our own decision.

Mr. ELLENDER. Are they part of the 7th Fleet, which protects Formosa?

Mr. FULBRIGHT. Yes.

Mr. ELLENDER. The Senator says our ships have been in that area for a year and a half.

Mr. FULBRIGHT. Yes.

Mr. ELLENDER. In the Gulf of Tonkin?

Mr. FULBRIGHT. In the Gulf of Tonkin. I can be corrected on this by the distinguished chairman of the Armed Services Committee. My recollection is that they have been in that particular area a year and a half.

Mr. RUSSELL. Mr. President, elements of our fleet have been in this gulf periodically for about 1½ years.

Mr. ELLENDER. Why?

Mr. RUSSELL. These waters are the high seas. If in our general patrolling throughout the world and in the movements of our fleet on the high seas everywhere we saw fit to send our ships there. Certainly no foreign nation has a right to challenge our use of the high seas. We have a right to be there.

Mr. ELLENDER. Was any action taken by any of our ships to prevent the carrying of war materiel to the Mekong Delta?

Mr. FULBRIGHT. Does the Senator mean ships flying our flag and manned by our personnel?

Mr. ELLENDER. Yes.

Mr. FULBRIGHT. It is my understanding that that operation was conducted entirely by Vietnamese ships and personnel.

Mr. ELLENDER. Were we there to protect them?

Mr. FULBRIGHT. No; what happened here happened on patrol duty. As the Senator from Georgia has said, these ships were there in accordance with our responsibility and our rights in this general area. The ships were not assigned to protect anyone. They were conducting patrol duty. That question was asked specifically of the highest authority, the Secretary of Defense and the Secretary of State.

They stated without equivocation that these ships, the *Maddox* and the *C. Turner Joy*, were not on convoy duty. They had no connection whatever with any Vietnamese ships that might have been operating in the same general area.

Mr. ELLENDER. Was their presence in the delta area at the request or suggestion of the South Vietnamese Government?

Mr. FULBRIGHT. They were not in the delta area. Does the Senator mean in the Gulf of Tonkin area?

Mr. ELLENDER. I understood that this—

Mr. FULBRIGHT. The delta area is north of the gulf area.

Mr. ELLENDER. I am trying to discover if our forces could have done anything which might have provoked these attacks. You say the ships were not engaged in any activity near the Mekong Delta?

Mr. FULBRIGHT. No; where they were is hundreds of miles north of the delta area.

Mr. ELLENDER. The ships that were attacked?

Mr. FULBRIGHT. Yes.

Mr. ELLENDER. The patrols carried out in the delta area were to give protection or confidence to the junks and patrol boats that were there to prevent the North Vietnamese from carrying materials of war to the South Vietnamese from carrying materials of war to the South Vietnamese. Is that correct?

Mr. FULBRIGHT. That was not the duty of the *Maddox* or the *C. Turner Joy*. They were on patrol duty in the Gulf of Tonkin—not near the Mekong Delta. They had nothing to do with the interruption of such traffic as may be carried on between North Vietnam and the delta. This duty was assigned to a fleet of junks and small craft of the South Vietnamese Navy. That is still their function. They stop and examine thousands of people in order to identify them and see what they are up to. They have found a good many North Vietnamese who were coming down to carry on guerrilla warfare.

Mr. ELLENDER. Is the Senator satisfied from the evidence presented to the committee that our Armed Forces, that is, our naval forces, did nothing to invite the attack that was made in the last few days?

Mr. FULBRIGHT. Nothing that they are not entitled to do. Their very presence in the Gulf of Tonkin could be said by someone to invite an attack, but they had every right to be there, and they were not shelling the coast or intervening in any of the legitimate operations of the Government of North Vietnam. In an area in which there is tension and in which there has been this very bloody kind of guerrilla warfare or irregular warfare, one might say, broadly speaking, that their presence could be a provocation. I do not think so. I do not believe that can be rightfully said. They had every legitimate right to be there.

Mr. ELLENDER. I do not question that fact at all. My question was directed to whether or not the evidence showed any act on our part which might have provoked this attack.

Mr. FULBRIGHT. I would say categorically that that was not shown. Whatever provocation there may have been arose, if it did arise, from the activity of the North Vietnamese ships.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. BREWSTER. I had the opportunity to see warfare not so very far from this area, and it was very mean. I would look with great dismay on a situation involving the landing of large land armies on the continent of Asia. So my question is whether there is anything in the resolution which would authorize or recommend or approve the landing of large American armies in Vietnam or in China.

Mr. FULBRIGHT. There is nothing in the resolution, as I read it, that contemplates it. I agree with the Senator that that is the last thing we would want to do. However, the language of the resolution would not prevent it. It would authorize whatever the Commander in Chief feels is necessary. It does not restrain the Executive from doing it. Whether or not that should ever be done is a matter of wisdom under the circumstances that exist at the particular time it is contemplated. This kind of question should more properly be addressed to the chairman of the Armed Services Committee. Speaking for my own committee, everyone I have heard has said that the last thing we want to do is to become involved in a land war in Asia; that our power is sea and air, and that this is what we hope will deter the Chinese Communists and the North Vietnamese from spreading the war. That is what is contemplated. The resolution does not prohibit that, or any other kind of activity.

Mr. BREWSTER. I thank the distinguished chairman.

Mr. MORTON. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. MORTON. Mr. President, first I say to the distinguished Senator from Arkansas that I approve the action that has been taken, and I approve this resolution. On the matter which was the subject of the colloquy between the chairman of the Foreign Relations Committee and the distinguished Senator from Louisiana, can we not associate our presence in the Gulf of Tonkin to a degree with our own interpretation of our obligations under the SEATO Treaty?

Mr. FULBRIGHT. Yes. I made mention of it. That is a further responsibility that we undertook in alining ourselves with other countries in trying to bring peace and stability into this area. That was another obligation which we undertook. It fortifies our right or responsibility for being in the Gulf of Tonkin.

Mr. MORTON. I believe the action taken by the President helps to avoid any miscalculation on the part of either the North Vietnamese or the Chinese Communists. I believe the joint resolution gives that policy further strength. In my opinion, the three major wars in which we have been involved in this century have come about by miscalculation on the part of the aggressor.

I believe Congress should speak loud and clear and make it plain to any would-be aggressor that we intend to stand here. If we make that clear, we will avoid war, and not have to land vast land armies on the shores of Asia. In that connection I share the apprehension of my friend the Senator from Maryland [Mr. BREWSTER].

Mr. FULBRIGHT. The Senator has put it very clearly. I interpret the joint resolution in the same way. This action is limited, but very sharp. It is the best action that I can think of to deter an escalation or enlargement of the war. If we did not take such action, it might spread further. If we went further, and ruthlessly bombed Hanoi and other places, we would be guilty of bad judgment, both on humanitarian grounds and on policy grounds, because then we would certainly inspire further retaliation.

This situation has been handled in the best way possible under the circumstances, so as to calm the situation, and not escalate it into a major war.

Mr. MORTON. I thank the Senator from Arkansas.

Mr. FULBRIGHT. I yield to the Senator from Ohio.

Mr. LAUSCHE. I should like to add something to the answer that was given to the Senator from Louisiana [Mr. ELLENDER]. In my opinion, the evidence is very clear that our Government did not design or manipulate a situation which would precipitate violence. The proof shows clearly that the commander of the *Maddox*, when the patrol boats were following it, called the commander of the *Ticonderoga* and informed him that the North Vietnamese patrol boats were following him and were indicating all the purposes of violence. It was not until the patrol boats fired upon the *Maddox* that the *Maddox* took any action. We waited; and no action was taken by our Government until the torpedoes were set into motion. Our ship turned seaward.

Second, the island of Hainan is in the gulf. Chinese aircraft and military bases are on that island. Our ships were patrolling the gulf, surveying the activities that were going on in the gulf. My answer is that not to have been there would have been a disservice to our country. We were where we had a right to be. We did nothing to precipitate this unwarranted action. The action of violence was not on the part of our Government, but on the part of the North Vietnamese against us.

What were we to do? Were we to allow them to fire at us and take no action? The commander of the *Maddox*, when he contacted the commander of the *Ticonderoga*, acted with complete restraint and indicated no purpose of engaging in violence. Not until we were fired upon did we fire back.

Furthermore, to conclude that we developed a design to precipitate this violence is not supported by any testimony whatsoever. To make the pronouncement that we manipulated the situation, that we designed a set of circumstances that would give us an excuse to fire, is wholly unwarranted. Not one syllable of testimony supports that conclusion.

Mr. FULBRIGHT. Will the Senator from Ohio allow me to answer questions? Then he may speak on his own time.

Mr. LAUSCHE. Just half a second more.

Mr. FULBRIGHT. I thought the Senator wished to ask a question. But I have no objection to his concluding his statement.

Mr. LAUSCHE. I wanted to give my understanding of this very important, crucial aspect of the dispute. I repeat: There is not a single bit of testimony warranting the conclusion that we manipulated or designed the situation.

Mr. ELLENDER. Mr. President, I was questioning the Senator from Arkansas merely to seek assurance that the evidence shows there was no possibility that our forces took any action, even accidentally, which might have provoked an attack. Certainly I did not intend to intimate that the commanders of our ships were at fault, or that we were looking for an excuse to attack North Vietnam.

Mr. LAUSCHE. I understand, Mr. President. I merely wanted to make plain that our forces were not at fault in any way; that our ships had a perfect right to be in those waters, and that there is absolutely no evidence of any design or manipulation involved in the chain of events which took place. I did not wish to allow that impression to stand in the RECORD.

Mr. JAVITS. Mr. President, will the Senator yield? I wish to ask a question.

Mr. FULBRIGHT. I should like to yield the floor.

Mr. JAVITS. I wish to ask a question, and a rather serious one.

I shall support the resolution, because I think we must defend freedom in that area, or else see the balance of a large segment of the population of the world tipped against freedom. The degree of our resistance under the action that may be taken in southeast Asia, under the resolution, will determine not only future events in Vietnam, but also the freedom of Malaysia, India, Pakistan, and Indonesia, and perhaps even Australia and New Zealand.

My question is this: To the extent that the Senator may know—and be permitted to disclose—are we not implementing the Southeast Asia Collective Defense Treaty? This treaty has eight countries who are parties to it including the United States—three in the area, the rest in Europe, Australia, and New Zealand, and ourselves. The inclusion of Cambodia, Laos, and Vietnam is by protocol. That is, the protection of the treaty is extended to them, though they are not parties to it.

The question I address to the Senator is this: Are we to assume that the action which the President has taken with respect to reacting to the attack on American vessels is the result of a consultation with our allies who are parties to the Southeast Asia Collective Defense Treaty? If it is, what are we to assume with respect to the future progress of the action which we authorize under the resolution, which is admittedly a broad action? Is it that the President may take all necessary steps, including the use of Armed Forces, to assist any member or protocol state, which would include Laos, Cambodia, and Vietnam, in the Southeast Asia Collective Defense Treaty, that may request assistance in defense of its freedom?

What I wish to know from the Senator is, first: Have we consulted with our allies? Second, what are we to look to from our allies in the way of assistance, aid, comfort, partnership, and the future implementation of the resolution? It is one thing to stand alone; it is another thing to stand with seven other countries, three of them in the area, implementing a solemn commitment, which is just as binding on them as it is on us. I am sometimes inclined to agree with those who say that we cannot be the policeman or guardian of the whole world. We cannot lead it by the hand. We can be the linch pin; but what are we to accept from the others?

Mr. FULBRIGHT. That is quite a question. It has several facets, all of them of pertinent interest.

First, this particular action was not taken in consultation with the other signatories of the Southeast Asia Treaty. It was an act for which we took the responsibility. It had nothing to do with the treaty. The fact that we are present in the area grows, at least in part, out of our obligations under the treaty. That is one of the reasons why we are in the area, and have been for a number of years. But we would have the right to be there without the treaty.

As to the contribution of the protocol states—there are three, as the Senator from New York has said. Under the Laotian Agreement of 1962, Laos is out of the treaty. Cambodia has renounced any desire to be protected by the United States. So actually this is a technical way of saying that we are assisting South Vietnam, because that country is all that is left. That phrase means South Vietnam.

As to contributions by other members of SEATO, they have been too little. There has been consultation in the past on numerous occasions, in an effort to persuade the other countries to bear a greater share of the burden. The question has been asked, "What are the others doing"? We were informed as late as this morning, and on other occasions in the past several days, that they are not doing very much. Pakistan is preoccupied with its own problems with India, so I do not believe Pakistan is doing anything.

The French are doing a good deal in the way of investment. France has a traditional relationship there. France supplies some personnel, but the major part of her contribution is in the form of investment.

Australia's contribution has been small, but Australia is building up her contribution of advisory and military personnel and some contribution of technical assistance. The same is true of New Zealand. The Thai, of course, are there in the area and they are, I am sure, anxious to do what they can. Who else is there?

Mr. JAVITS. The Philippines and the United Kingdom.

Mr. FULBRIGHT. The Philippines have not made a large contribution. The United Kingdom has been more than occupied with its responsibilities in Malaysia and has made no contribution.

Mr. JAVITS. That is in the right direction——

Mr. FULBRIGHT. An indirect contribution, yes; but it is in Malaysia. The greater part of the burden has been borne by this country. Unfortunately, we find this to be true in other areas as well. Until recently, within the past several years, we were the only major free country capable of doing it. Now the other countries that are becoming more capable have not yet assumed what I consider to be their proper part of an overall effort to defend free countries.

Mr. JAVITS. I should like to ask one followup question of the Senator from Arkansas.

Mr. FULBRIGHT. I am ready to yield the floor so that the distinguished Senator from Georgia [Mr. RUSSELL] can give the Senate much more light on the situation, but I am glad to yield to the Senator from New York.

Mr. JAVITS. I believe that the Senator will agree that we are dealing with pretty substantial matters.

Mr. FULBRIGHT. They are very important. I consider this situation to be a facet of the most important matter now before the country.

Mr. JAVITS. I agree with the Senator. Let me ask one further question: May a Senator voting for the resolution assume that the United States, with all its means, diplomatic and otherwise, will continue, first, to keep the SEATO Treaty in effect by continuing consultations even if for the moment it does not get enough assistance from our partners; second, it will continue to press for maximum contributions compatible with their own capabilities and their own national security from their other partners; third, that it will continue to utilize all the organs for international peace which are mentioned here, including the United Nations, in order to secure freedom in that area. And because the President gets the resolution, we are not going to vote on that one proposal and make everything else perfunctory.

Mr. FULBRIGHT. We have had positive assurance from the Secretary of State about the very matter the Senator is discussing. I approve of that policy. Much has been said about bringing the United Nations into it. I am sympathetic to that. One of the Members of this body has had a great deal to say about that. I approve of it, with this reservation, or this qualification, that it is not timely, when one is in dire straits, to turn over a situation such as this to a body which is not equipped to assert the kind of power I believe to be necessary to stabilize the area.

At the present time, this is not a quarrel in which a "yes" or "no" to the United Nations would bring them in to control and direct this effort. Having assumed this burden, and the situation having deteriorated as it has, I believe that we have to establish some sort of stability before we can say to the United Nations, "You take it."

I look forward to the time when this can be done. I believe that if we could ever stabilize the situation and there were some reasonable assurance that North Vietnam and the Chinese would leave these people alone, we could take it to the United Nations with some assurance that it would work.

Mr. JAVITS. With the thoughts and the principles I have laid out, can the Senator commit himself, as chairman of the Foreign Relations Committee, to bring our "sentinel," to follow through on these matters, after the joint resolution is passed.

Mr. FULBRIGHT. I shall do everything I can, within the limits of my capacity and my position on the Senate Foreign Relations Committee, because I really agree with this philosophy. I am not looking for an expansion of war. I am looking, in any way that I can, to bring in with us both our allies and the United Nations, when and if conditions can be created that that would be a feasible procedure to follow. I believe that this particular action is well designed to help stabilize the entire area.

Mr. JAVITS. I agree with the Senator, provided we would have some feeling in our heart that there will be a really manful followthrough, which we have sometimes lacked before.

Mr. FULBRIGHT. The Senator did not ask me this precisely, but I must say that the Secretary of State has performed extremely well.

Mr. JAVITS. I agree with the Senator.

Mr. FULBRIGHT. The Secretary of State is an indefatigable worker. He has consulted with the members of SEATO on numerous occasions. The Senator has read about it in the past. I do not know how he stands up under the constant schedule of visits and consultations that he has endured during the past 3 years. I believe that he is committed to the proposition the Senator has stated. I certainly am. I hope that we can work this problem out. I believe that we have had some success in the past. We tend to forget every instance of success in working with countries on situations somewhat like this one—perhaps not quite so threatening, but we have had some bad ones, and they have faded into the past.

Mr. JAVITS. The Senator is correct.

Mr. FULBRIGHT. The combined judgment of the military and the civilian branches of the Government has worked extremely well in this instance. They all seem to be in agreement. The Chairman of the Joint Chiefs testified that they were unanimous in their recommendation. There seems to be no division within the highest circles of our Government. I thought it was very encouraging.

Mr. JAVITS. I shall detain the Senator no longer. I shall vote with the Senator from Arkansas on this basis.

Mr. MILLER. Mr. President, will the Senator from Arkansas yield?

Mr. FULBRIGHT. I am glad to yield to the Senator from Iowa.

Mr. MILLER. I also support the resolution. However, there is some phraseology in the resolution which troubles me somewhat. I should like to ask a question about it. On page 2 of the resolution, there is a clause which reads:

> That the Congress approves and supports the determination of the President * * * to prevent further aggression.

I was wondering whether there was any particular design in the wording of that clause, or if we intend to not only talk about further aggression, but also the President's determination to put an end to present aggression?

Mr. FULBRIGHT. That whole phrase reads—

> * * * to take all necessary measures to repel any armed attack—

That is one we have just had—

> against the forces of the United States and to prevent further aggression.

I am sure that we took action calculated to prevent further aggression, because it was a very good, positive, and affirmative action.

Mr. MILLER. It is left open. It does not say aggression against whom. It is broad enough so that it could mean aggression against the United States, or aggression against the South Vietnamese Government, which I would suggest certainly fits in with the President's determination——

Mr. FULBRIGHT. I believe that both are included in that phrase.

Mr. MILLER. I would hope so.

Mr. FULBRIGHT. I would so take it.

Mr. MILLER. If that is so, then we are talking about further aggression against the South Vietnamese, but it seems to me that we should be talking about present aggressive action. We should be talking about the President's determination to put an end to present aggression as well as further aggression. I am sure that this is his determination, but I do not believe that we have said it. I merely call this to the attention of the Senator from Arkansas, because I thought it was perhaps——

Mr. FULBRIGHT. I do not believe that the Senator should look solely at that part. Section 2 is important and is related to this question.

Mr. MILLER. Section 2—it covers it very well. My own regret is that we do not also cover it in the first part of the resolution.

Mr. FULBRIGHT. Would that not be unduly repetitive and make the resolution longer than necessary? The original resolution proposed to certain members of both committees was quite long and involved. On the advice of members of the committee, the Department cooperated in reducing the resolution to what we thought would be its bare essentials, both as to its "whereas" clauses and to the resolution itself. We thought it would be much clearer and more positive to make it as concise and limited as possible. If there is fault to be found with the resolution because it is too limited, I believe that I, along with some of my colleagues, must bear a part of that responsibility.

Mr. MILLER. I know that it is difficult to draft a resolution of this kind to satisfy everyone and keep it concise. I know that conciseness is a virtue, but all I should like to do is to point out what I have done and, also, to inquire whether there will be any change in the resolution. I leave that up to the distinguished chairman of the committee. I affirm the opinion of the Senator from Arkansas that we are supporting the President's determination not only to prevent further aggression, but also to put an end to present aggression. I would appreciate his expression on that policy.

Mr. FULBRIGHT. Section 1 deals, in general, with the attacks on U.S. forces and the aggression against us. Section 2 deals with the attacks on SEATO, of which we are a part. We have a dual role. We are a sovereign power. Our forces are in the Gulf of Tonkin, and the aggression there is one thing. We are also part of SEATO. This is not spelled out, but that is the general idea, I believe, that is expressed in the two sections.

Mr. MILLER. But there is no intention expressed other than to prevent further aggression and stop the present aggression in southeast Asia.

Mr. FULBRIGHT. That is correct.

Mr. MILLER. I did not think there was. But I wanted to make that crystal clear.

Mr. FULBRIGHT. The Senator is correct.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I would be glad to yield. But I am embarrassed not to turn the floor over to the Senator from Georgia [Mr. Russell].

Mr. RUSSELL. The Senator need not be embarrassed. He can handle the situation.

Mr. HOLLAND. Mr. President, if either of the two questions that I shall ask concerns matters that the distinguished Senator from Arkansas [Mr. Fulbright] thinks the Senator from Georgia [Mr. Russell] should answer, I shall be glad to refer them to the Senator from Georgia.

My first question is, Based upon the knowledge that we all have, that Malaysia has a long frontier with Indonesia and Burma with Red China, am I correct in my understanding that neither Malaysia nor Burma is a party to or a protocol state of the Southeast Asia Collective Defense Treaty?

Mr. FULBRIGHT. That is correct. In the report, on page 3, there is a statement with regard to the SEATO and protocol members. A statement was made about the protocol members.

Mr. HOLLAND. I heard the statement. I want the record to be very clear that Congress is not being asked by the joint resolution to make any advance commitment relative to these two states.

Mr. FULBRIGHT. The Senator is absolutely correct in his statement. In the preliminary meeting which was concerned with the drafting of the resolution, this very point was brought up. This language does not cover either Malaysia or Burma.

Mr. HOLLAND. I thank the Senator. I have one more question. I note in section 3, with interest and with approval, if I correctly understand it, the provision that, in effect, Congress reserves the right to terminate any advance expression or commitment in this field by the passage of a concurrent resolution upon which the President would not have to pass. Am I correct in that understanding?

Mr. FULBRIGHT. That is correct. This whole joint resolution can be terminated at any time by a concurrent resolution of the Congress. That is taken verbatim, I believe, from the Mideast resolution.

Mr. HOLLAND. Mr. President, I thank the Senator. I believe that is a very proper matter to be included here. It shows clearly that while Congress is giving various assurances and approval of certain acts, if necessary, by the President in the fields covered by the resolution, it delimits those fields clearly. Then it futher reserves to itself the right to terminate, for any cause sufficient to itself, this advance expression or commitment.

Mr. FULBRIGHT. The Senator is correct. That was put there for that purpose.

Mr. NELSON. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. NELSON. I could not hear all the colloquy between the Senator from Arkansas [Mr. Fulbright] and the Senator from Iowa [Mr. Miller]. I heard a part of it.

As I understand, the mission of the United States in South Vietnam for the past 10 years, stating it in the negative, has not been to take over the Government of South Vietnam, and has not been to provide military forces to do battle in place of South Vietnamese forces. To state it in the positive sense, our mission has been to supply a military cadre for training personnel, and advisory military personnel as well as equipment and materiel—our objective being to help in the establishment of an independent stable regime. And, if my memory is right, we had about 1,000 troops there the first 5 or 6 years, up to 1960. There are now approximately 16,000 troops there. In addition, it is now proposed that this number be expanded to, I believe, 21,000.

Looking at sentence 6 of the resolution, I understood it to be the position of the Senator from Iowa [Mr. Miller] that Congress is saying to the President that we would approve the use of any might necessary in order to prevent further aggression. Am I to understand that it is the sense of Congress that we are saying to the executive branch: "If it becomes necessary to prevent further aggression, we agree now, in advance, that you may land as many divisions as deemed necessary, and engage in a direct military assault on North Vietnam if it becomes the judgment of the Executive, the Commander in Chief, that this is the only way to prevent further aggression"?

Mr. FULBRIGHT. As I stated, section 1 is intended to deal primarily with aggression against our forces. "That the Congress approves and supports the determination of the President, as Commander in Chief, to take all necessary measures to repel any armed attack against the forces of the United States and to prevent further aggression."

This means to me that it is with regard to our own forces. I believe section 2 deals with the SEATO area, which we are committed to protect under our treaties, particularly when they ask for our assistance.

If the situation should deteriorate to such an extent that the only way to save it from going completely under to the Communists would be action such as the Senator suggests, then that would be a grave decision on the part of our country as to whether we should confine our activities to very limited personnel on land and the extensive use of naval and air power, or whether we should go further and use more manpower.

I personally feel it would be very unwise under any circumstances to put a large land army on the Asian Continent.

It has been a sort of article of faith ever since I have been in the Senate, that we should never be bogged down. We particularly stated that after Korea. We are mobile, we are powerful on the land and on the sea. But when we try to confine ourselves and say that this resolution either prohibits or authorizes such action by the Commander in Chief in defense of this country, I believe that is carrying it a little further than I would care to go.

I do not know what the limits are. I do not think this resolution can be determinative of that fact. I think it would indicate that he would take reasonable means first to prevent any further aggression, or repel further aggression against our own forces, and that he will live up to our obligations under the SEATO treaty and with regard to the protocol states.

I do not know how to answer the Senator's question and give him an absolute assurance that large numbers of troops would not be put ashore. I would deplore it. And I hope the conditions do not justify it now.

Mr. NELSON. We may very well not be able to nor attempt to control the discretion that is vested in the Commander in Chief. But the joint resolution is before the Senate, sent to us, I assume, at the request of the executive branch.

Mr. FULBRIGHT. The Senator is correct.

Mr. NELSON. It was sent to the Congress in order to ascertain the sense of the Congress on the question. I intend to support the joint resolution. I do not think, however, that Congress should leave the impression that it consents to a radical change in our mission or objective in South Vietnam. That mission there for 10 years, as I have understood it, has been to aid in the establishment of a viable, independent regime which can manage its own affairs, so that ultimately we can withdraw from South Vietnam.

Mr. President, we have been at the task for 10 years. I am not criticizing the original decision to go into South Vietnam. I do not know how long that commitment should be kept in the event we are unable to accomplish our mission. And I would not wish to make a judgment on that question now. But I would be most concerned if the Congress should say that we intend by the joint resolution to authorize a complete change in the mission which we have had in South Vietnam for the past 10 years, and which we have repeatedly stated was not a commitment to engage in a direct land confrontation with our Army as a substitute for the South Vietnam Army or as a substantially reinforced U.S. Army to be joined with the South Vietnam Army in a war against North Vietnam and possibly China.

Mr. FULBRIGHT. Mr. President, it seems to me that the joint resolution would be consistent with what we have been doing. We have been assisting the countries in southeast Asia in pursuance of the treaty. But in all frankness I cannot say to the Senator that I think the joint resolution would in any way be a deterrent, a prohibition, a limitation, or an expansion of the President's power to use the Armed Forces in a different way or more extensively than he is now using them. In a broad sense, the joint resolution states that we approve of the action taken with regard to the attack on our own ships, and that we also approve of our country's effort to maintain the independence of South Vietnam.

The Senator from Wisconsin prompts me to make a remark which perhaps I should not make. He has said that we might be mistaken in our action. If any mistake has been made—and I do not assert that it has been—the only questionable area is whether or not we should ever have become involved. That question goes back to the beginning of action in this area, and I do not believe it is particularly pertinent or proper to the debate, because in fact we have become involved. However, the Senator has mentioned it. As an academic matter, the question might be raised. But having gone as far as we have in 10 years, it seems to me that the question now is, How are we to control the situation in the best interest of our own security and that of our allies? I believe that what we did was appropriate. The joint resolution is appropriate, because it would fortify the strength of the Executive and the Government. It would put the Congress on record—and we are the most representative body that we have under our system—as supporting the action. If anything will deter aggression on the part of the North Vietnamese and the Chinese, I believe it would be the action taken together with the joint resolution supporting the action. That is the best I can do about justification of the resolution. In frankness, I do not believe the joint resolution would substantially alter the President's power to use whatever means seemed appropriate under the circumstances. Our recourse in Congress would be that if the action were too inappropriate, we could terminate the joint resolution, by a concurrent resolution, and that would precipitate a great controversy between the Executive and the Congress. As a practical question, that could be done.

Mr. NELSON. I have a couple of additional questions. But first I wish to say that I did not suggest that by the use of hindsight I would now conclude that the intervention in 1954 was wrong. I do not know. I understand the necessity for the United States, since it is the leader of the free world, to do all it can in furtherance of the protection of the idea of freedom and independence, and that, to do so, we must take gambles. We shall lose some; we shall win some. I believe the public is slow to recognize that we have vast responsibilities, and they expect us to win every gamble that we take. I do not expect that. And I do not now rise here to criticize the original decision.

But I am concerned about the Congress appearing to tell the executive branch and the public that we would endorse a complete change in our mission. That would concern me.

Mr. FULBRIGHT. I do not interpret the joint resolution in that way at all. It strikes me, as I understand it, that the joint resolution is quite consistent with our existing mission and our understanding of what we have been doing in South Vietnam for the last 10 years.

Mr. NELSON. Did I correctly understand the Senator from Arkansas to say a while ago that the language of the resolution is aimed at the problem of further aggression against our ships and our naval facilities?

Mr. FULBRIGHT. I think that is the logical way to interpret the language. It makes reference to the armed attack against the forces of the United States which has just taken place, and to prevention of further aggression against our forces. Then the joint resolution passes on to our obligations under the treaty, which involves other countries.

I believe also that it is implicit, if not explicit, in the next section that the intent is to prevent the continuing aggression that now exists against South Vietnam.

Mr. NELSON. If the Senator would permit, I should like to ask a few brief additional questions. I could not hear the colloquy between the Senator from Arkansas and the Senator from Louisiana. In relation to international boundary waters, can the Senator tell me what distance offshore we recognize in respect to North Vietnam and Red China?

Mr. FULBRIGHT. Three miles is the established principle that we recognize.

There is some difference among countries. Some countries try to assert a distance greater than that. Some assert a greater distance for reasons such as the ownership of minerals, for example, but do not assert it for political reasons, such as control of the surface of waters. They agree that another country has the right to be there.

Recently an effort has been made to divide the North Sea for purposes of exploration for oil. It is not being divided in the sense that we would be excluded from crossing the North Sea. It is still the high seas.

But we recognize the 3-mile limit for political purposes. We might recognize a boundary a greater distance from a country if that country wished to drill for oil. We have done so in other places.

One of the reasons given for sending the *Maddox* in closer than 12 miles from the shore was that in doing so the action would demonstrate that we do not recognize the 12-mile limit.

Mr. NELSON. That was to be my next question. Does the Senator know how close to the North Vietnam coast or the Red China coast our ships were patrolling?

Mr. FULBRIGHT. It was testified that they went in at least 11 miles in order to show that we do not recognize a 12-mile limit, which I believe North Vietnam had asserted.

Mr. NELSON. The patrolling was for the purpose of demonstrating to the North Vietnamese that we did not recognize a 12-mile limit?

Mr. FULBRIGHT. That was one reason given for going in to a point 11 miles from the coast. The patrolling as such was not for that purpose. That action was in execution of our mission and our responsibility in that area under the SEATO treaty. As I said a moment ago, we have a right to go where we like on the high seas. The reason we are in this particular area is that we have assumed responsibilities under the treaty as well as bilaterally with South Vietnam.

Mr. NELSON. Recognizing, as we all do, the great sensitivity of all countries, especially enemies, or those hostile to each other, what purpose in the promotion of our mission in South Vietnam is served by having our ships go within 11 miles of the North Vietnam coast?

Mr. FULBRIGHT. This strikes me as a question that raises a difficult problem, with which I tried to deal in describing modern war. The Senator refers to the sensitivities of the North Vietnamese. What about the fact that the North Vietnamese have for years been sending in trained personnel, material, guns, and ammunition, to attack their neighbor? Why should the United States be so careful about the sensitivities of North Vietnam? Of course, we were there for the purpose of observation of what went on in that area, because our people felt it necessary as a part of our activities in protecting and helping to protect South Vietnam.

The problem is difficult. Who is the aggressor in this area? It has been asserted on the floor, and elsewhere, that the United States is the provocateur, the aggressor, and that we ought to be ashamed of ourselves. I do not subscribe to that view. I know it is difficult to go into a person's motives. There is a rule about doing so on the Senate floor. So far as I know of this situation, we have been trying, in good faith, to help these countries establish their own independence.

I have no doubt in my own mind that the moving party in this matter has been North Vietnam, supported by Red China. They feel this is an area over which they should have domination. It is an area over which many centuries ago they did. I have no doubt that in the long run it is an area where they will have great influence. We do not profess or expect to dominate that country or annex it or control it in any way.

We have adopted the principle that we shall do what we can to enable the people there to have an independent life and control their own affairs. We have tried, in good faith, to do it in this area. We have been interfered with, in a most material and vicious and savage way. The program of terror has been almost unprecedented. I suppose there has been some precedent for it, but it has been long continued, violent, and vicious.

We have tried our best to control this situation. We have supported the Government of South Vietnam. We had every right to have patrols in the Gulf of Tonkin to see what was going on and to be informed about any movements—the usual function of patrol in a critical area. I do not see why we should be so responsive to the sensitivities of the North Vietnamese. I am sure that the presence of our ships there is bothersome and irritating to them, but they brought it on themselves. For my part, I do not apologize for it at all. I do not believe they are in any position to question our right to be in the Gulf of Tonkin, or in any position to question our right to assist South Vietnam, however irritating it may be to Ho Chi Minh.

Mr. NELSON. Let me repeat that I presently intend to support the joint resolution. I do not think we should give up recognized international rights. I do not suggest that we need to apologize to anybody. I do suggest—and this is what I do not understand—if patrolling that close has no necessary bearing upon the mission we have insisted we have in South Vietnam, it would seem to me that perhaps it is not the exercise of our best judgment to do it.

Let me put the question another way.

Mr. FULBRIGHT. I apologize to the Senator. I was diverted for just a moment. I did not hear what he said.

Mr. NELSON. What I said was that, recognizing what we assert to be our rights, I am suggesting that if patrolling that close does not have a direct, necessary bearing upon the accomplishment of our mission, I am wondering whether we should be taking the risk of the sinking of our ships.

Mr. FULBRIGHT. That is a legitimate question. All I can say is that, from the best information I have, it most certainly has an important relevance to our mission in the observation of the traffic that goes through the area.

Whenever there is a state of tension such as exists between us and South Vietnam on the one hand, and North Vietnam, on the other, I think it is traditional that the activities of the adversary be observed as closely as possible. This is one of the principal sea routes for the supplying of North Vietnam. The information we would normally find there is important.

I do not see how the Senator could believe that this was not relevant to our efforts to assist South Vietnam, or, to put it another way, to restrain the activities of North Vietnam, and especially to be forewarned if there were a possibility of a major blow.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. RUSSELL. May I say to the distinguished Senator from Arkansas that it is extremely irritating to me, and I believe to millions of American citizens, that Soviet Russian ships should patrol the waters and sail in the waters off our coast, 3 miles from our shores, near some of the most sensitive installations we possess. It irritates me no end, but I have not advocated, and very few Americans have advocated, violating international law by moving out and making attacks on those Russian ships because they are in highly sensitive areas for us. This kind of activity is carried out by all nations of the world that have any navy worthy of the name. If it is not done by warships, it is done by ships in other guise, to try to get information. The mere fact that to have a ship of a nation one does not like, within international waters, off that country's shores, is irritating, seems to me to be scanty excuse for the attacks in these two cases. It so happens that in the second attack, as I understand it, the ship was 60 miles offshore.

Mr. FULBRIGHT. Mr. President, I would like to yield the floor.

Mr. SCOTT. Mr. President, will the Senator yield to me before he yields the floor?

Mr. NELSON. Mr. President, I simply am asking questions to be sure I am adequately informed.

Mr. FULBRIGHT. I understand. I do not quarrel with the Senator at all. He is perfectly within his rights to ask for information.

Mr. NELSON. I would conclude by saying that no two situations are comparable, but it would be mighty risky, if Cuban PT boats were firing on Florida, for Russian armed ships or destroyers to be patrolling between us and Cuba, 11 miles out. It would be a grave risk for her to be testing our viewpoint about her patrolling that close when Cuban boats were firing on Florida. So the question was whether the patrolling that close was really necessary to the accomplishment of our mission. We are, after all, dealing with the possibility of incinerating the whole world.

Mr. FULBRIGHT. As the Senator from Georgia pointed out, Russian ships come within 4 or 5 miles, although not within 3 miles, of our shores.

Mr. NELSON. I referred to the assumption of Cuban boats firing on Florida.

Mr. FULBRIGHT. We are not firing on Cuba, nor they on us. I do not see how the case is analogous. There is a new state of modern warfare that is not orthodox. It is subversion and guerilla warfare. These people are, for all practical purposes, engaged in a war, without a declaration of war, that is going on between South and North Vietnam.

Mr. NELSON. I have taken enough time. I merely wish to add that it is not quite correct to say that we are not firing on North Vietnam.

Mr. FULBRIGHT. We are not firing on Cuba, I said.

Mr. NELSON. I said assume a situation in which Cuba was firing on the coast of Florida with PT boats. It would be a risky thing for Russia to be out there testing our viewpoint about their patrols within 11 miles of our coast.

Mr. FULBRIGHT. I do not deny that it is risky. The whole operation is risky. It is full of risks.

Mr. NELSON. I hope we do not take risks that are unnecessary for the achievement of an objective that we have asserted to be ours for the past 10 years.

Mr. FULBRIGHT. I hope so.

Mr. SCOTT. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. SCOTT. I support the resolution. I was glad to hear the chairman say that there is nothing in the resolution which limits the right of the President to repel any attack or prevent further aggression within the areas described in the resolution.

Mr. FULBRIGHT. That is correct.

Mr. SCOTT. That is one of the reasons I support the resolution. As I understand it, the question of so-called privilege sanctuaries has always been a question of how long such sanctuaries remain privileged if the security of the United States is menaced by vessels operating out of such privileged sanctuaries. I believe the President has quite properly and rightly announced that the United States is authorized and seeks approval of Congress to continue to act to defend the United States, even if it be against a so-called or hitherto described privileged sanctuary. Is that not correct?

Mr. FULBRIGHT. I think that is correct. The retaliatory action taken against the bases from which these ships came fits that description.

Mr. SCOTT. I do not have the experience that the distinguished Senator from Arkansas has. However, I have heard the President, in off-the-record discussions, refer to the pros and cons of privileged sanctuaries generally, without reference to a specific country.

I understand he is doing now what he was at any time prepared to do if in his judgment it was necessary to do it.

Mr. FULBRIGHT. It was wise and proper to do it. It is difficult to generalize about these matters. I believe that under the circumstances which existed in this situation he was wise. The action was well calculated and designed to achieve his purpose. I hesitate to generalize too far, because the conditions under which these things are done must be understood. We should not ruthlessly attack a country under different circumstances, perhaps, than these. I have reference to the Greek rebellion. Senators will remember that we had forces there seeking to maintain the independence of Greece. The Communists had a sanctuary across the border. By persistence we finally brought the affair to a successful conclusion. When that border was closed, the rebellion stopped, and Greece went on its way quite successfully as an independent country. That is what we hope to bring about here.

Mr. SCOTT. I believe we all have confidence that the President was right under international law to do what he did, whether it be called hot pursuit or anything else, in order to protect this country.

Is it not a fact that our naval planes, in the course of reconnaisance along the Chinese mainland, have received—and this is not classified information, and it has been published in the newspapers—numerous warnings and, in fact, a series of warnings, for having proceeded within the 12-mile zone, which, of course, we do not recognize, but these warnings were based on our penetrating what the Communists call a 12-mile zone. That is nothing new. There have been a whole series of similar objections. However, we have been engaged in this process for the purpose of protecting the 7th Fleet and protecting our lines of communication and protecting our roles and missions and protecting the security of the United States.

Our vessels had every right to be where they were within the 12-mile limit and without the 3-mile limit. That is what I understood the Senator to have said.

Mr. FULBRIGHT. I said it so happens—I say this to keep the record straight—that the actual attack, according to my information, took place far beyond the 12-mile limit. The first attack was approximately 25 miles out, and the second was about 60 miles.

Mr. RUSSELL. I believe it was 30 and 60 miles.

Mr. FULBRIGHT. Yes.

Mr. RUSSELL. I might add that our vessels had turned away from the South Vietnam shore and were making for the middle of the gulf, where there could be no question, at the time they were attacked.

Mr. FULBRIGHT. At the time of the first attack they were steaming away from the shoreline. The second attack came at night. The first one was in the daytime. Our ships were not within the 12-mile limit, so called, at the time of the attack. I have stated that from time to time we did go deliberately within the 12-mile limit simply to emphasize our nonrecognition of the 12-mile limit, or, to put it another way, to establish and reaffirm our right to go there.

Mr. SCOTT. That clarifies the situation. I am glad the President has acted. The action was very much indicated. I believe it helps to make our Nation more secure. I intend to support the resolution.

Mr. COOPER. Mr. President, will the Senator yield for two questions?

Mr. FULBRIGHT. Yes.

Mr. COOPER. I know the Senator has been on his feet for a long time.

Mr. FULBRIGHT. It is not that. The Senator from Georgia would like to say something.

Mr. RUSSELL. My remarks will be very brief.

Mr. FULBRIGHT. I am perfectly willing to continue. I believe the Senator from Georgia should have an opportunity to say something.

Mr. COOPER. I thank the Senator. I ask these questions for two reasons: One is to get the opinion of the chairman of the Foreign Relations Committee and of the chairman of the Armed Services Committee as to the extent of the powers that are given to the President under the resolution. The second is to distinguish between a situation in which we act in defense of our own forces, in which without question we would risk war, and the commitment to defend South Vietnam.

My first question goes to the first section of the resolution—the operative part which, as the chairman has said, applies to any armed attack or any aggression directed against the forces of the United States.

Mr. FULBRIGHT. That is correct.

Mr. COOPER. In that case, of course, we confirm the power that the President now has to defend our forces against an immediate attack.

Mr. FULBRIGHT. The Senator is a very distinguished lawyer, and I therefore hesitate to engage in a discussion with him on the separation of powers and the powers of the President. We are not giving to the President any powers he has under the Constitution as Commander in Chief. We are in effect approving of his use of the powers that he has. That is the way I feel about it.

Mr. COOPER. I understand that, too. In the first section we are confirming the powers.

Mr. FULBRIGHT. We are approving them. I do not know that we give him anything that he does not already have. Perhaps we are quibbling over words.

Mr. COOPER. We support and approve his judgment.

Mr. RUSSELL. Approve and support.

Mr. FULBRIGHT. Approve and support the use he has made of his powers.

Mr. COOPER. The second section of the resolution goes, as the Senator said, to steps the President might take concerning the parties to the Southeast Asia Collective Defense Treaty and the countries under the protocol—which are, of course, Laos, Cambodia, and South Vietnam. The Senator will remember that the SEATO Treaty, in article IV, provides that in the event an armed attack is made upon a party to the Southeast Asia Collective Defense Treaty, or upon one of the protocol states such as South Vietnam, the parties to the treaty, one of whom is the United States, would then take such action as might be appropriate, after resorting to their constitutional processes. I assume that would mean, in the case of the United States, that Congress would be asked to grant the authority to act.

Does the Senator consider that in enacting this resolution we are satisfying that requirement of article IV of the Southeast Asia Collective Defense Treaty? In other words, are we now giving the President advance authority to take whatever action he may deem necessary respecting South Vietnam and its defense, or with respect to the defense of any other country included in the treaty?

Mr. FULBRIGHT. I think that is correct.

Mr. COOPER. Then, looking ahead, if the President decided that it was necessary to use such force as could lead into war, we will give that authority by this resolution?

Mr. FULBRIGHT. That is the way I would interpret it. If a situation later developed in which we thought the approval should be withdrawn, it could be withdrawn by concurrent resolution. That is the reason for the third section.

Mr. COOPER. I ask these questions——

Mr. FULBRIGHT. The Senator is properly asking these questions.

Mr. COOPER. I ask these questions because it is well for the country and all of us to know what is being undertaken.

Following up the question I have just asked and the Senator's answer, I present two situations that might arise.

Under the first section of the joint resolution, the President is supported and approved in action he may take "to repel any armed attack against the forces of the United States and to prevent further aggression."

It has been reported that we have already sent our planes against certain ports in North Vietnam. I am sure that the reason is "to repel armed attack and to prevent further aggression" against U.S. forces.

Under section 2, are we now providing the President, if he determines it necessary, the authority to attack cities and ports in North Vietnam, not primarily to prevent an attack upon our forces but, as he might see fit, to prevent any further aggression against South Vietnam?

Mr. FULBRIGHT. One of the reasons for the procedure provided in this joint resolution, and also in the Formosa and Middle East instances, is in response, let us say, to the new developments in the field of warfare. In the old days, when war usually resulted from a formal declaration of war—and that is what the Founding Fathers contemplated when they included that provision in the Constitution—there was time in which to act. Things moved slowly, and things could be seen developing. Congress could participate in that way.

Under modern conditions of warfare—and I have tried to describe them, including the way the Second World War developed—it is necessary to anticipate what may occur. Things move so rapidly that this is the way in which we must respond to the new developments. That is why this provision is necessary or important. Does the Senator agree with me that this is so?

Mr. COOPER. Yes, warfare today is different. Time is of the essence. But the power provided the President in section 2 is great.

Mr. FULBRIGHT. This provision is intended to give clearance to the President to use his discretion. We all hope and believe that the President will not use this discretion arbitrarily or irresponsibly. We know that he is accustomed to consulting with the Joint Chiefs of Staff and with congressional leaders. But he does not have to do that.

Mr. COOPER. I understand, and believe that the President will use this vast power with judgment.

Mr. FULBRIGHT. He intends to do it, and he has done it.

Mr. COOPER. I do not wish to take more time now, because the distinguished Senator from Georgia wishes to speak, and I want to hear him.

Mr. FULBRIGHT. I have no doubt that the President will consult with Congress in case a major change in present policy becomes necessary.

Mr. COOPER. I will speak further later in the day. I wish to say this now: I know it is understood and agreed that in the defense of our own ships and forces any action we might take to repel attacks could lead to war, if the Vietnamese or the Chinese Communists continued to engage in attacks against our forces. I hope they will be deterred by the prompt action of the President.

We accept this first duty of security and honor. But I would feel untrue to my own convictions if I did not say that a different situation obtains with respect to South Vietnam. I know that a progression of events for 10 years has carried us to this crisis. Ten years have passed and perhaps the events are inevitable now, no one can tell. But as long as there is hope and the possibility of avoiding with honor a war in southeast Asia—a conflagration which, I must say, could lead into war with Communist China, and perhaps to a third world war with consequences one can scarcely contemplate today—I hope the President will use this power wisely with respect to our commitments in South Vietnam, and that he will use all other honorable means which may be available, such as consultations in the United Nations, and even with the Geneva powers.

We have confidence in the President and in his good judgment. But I believe we have the obligation of understanding fully that there is a distinction between defending our own forces, and taking offensive measures in South Vietnam which could lead progressively to a third world war.

Mr. FULBRIGHT. The question concerns the kind of actions taken in this instance. I think the President took action that is designed to accomplish the objective the Senator from Kentucky has stated. That is what I have tried to make clear. I join in the Senator's hope that all-out war can be avoided.

Mr. McGOVERN. Mr. President, will the Senator yield for one question?

Mr. FULBRIGHT. I shall yield for one question; then I shall yield the floor.

Mr. McGOVERN. The Senator may recall that about 10 years ago, on December 2, 1954, the United States signed with the Nationalist Chinese Government a mutual defense treaty. In effect, we committed ourselves to joint defense for security interests in the western Pacific.

Shortly after that agreement was signed, there was a considerable amount of anxiety expressed in the United States that perhaps we in effect had surrendered control of our foreign policy in that part of the world to the Nationalist Chinese. Partly to offset that anxiety, there was an exchange of notes between Secretary Dulles and the Nationalist Chinese Minister of Foreign Affairs, in which the two gentlemen agreed in effect that if there were to be any action by military forces on the part of either the Nationalist Chinese Government or ourselves in the western Pacific, the two countries would consult with each other, and that any such action would be taken only after mutual agreement.

I am wondering whether there is any similar protection written into the security arrangements that we have with reference to South Vietnam. Is that kind of protection, for example, written into the SEATO agreement, or in any of the notes which have been exchanged between our Governments, so that we would not, in effect, be surrendering control of our actions in southeast Asia to the Government of South Vietnam?

Mr. FULBRIGHT. I do not believe we are surrendering control to them. Under the SEATO Treaty, as I recall it, we take our own actions according to our constitutional processes. I do not believe that we have surrendered control of our actions. However, as a practical matter our influence upon the Government of South Vietnam is a matter of relations between our Ambassador and General Khanh. We consult daily, I believe, with regard to the conduct of our mutual affairs in that area. To give a short answer, I know of no exchange of notes, or anything of that kind. I do not recall any testimony on the precise point the Senator has brought up.

Mr. McGOVERN. What I am getting at is, suppose the Government of South Vietnam, for whatever reason, should decide to launch a major military attack on North Vietnam, would we be obligated in any kind of arrangement we have with South Vietnam?

Mr. FULBRIGHT. No. We have no obligation to follow through with a situation which we believe to be unwise, stupid, or silly. We could disavow it and withdraw and have nothing to do with it. We have no treaty agreement or any other agreement that I know of that binds us to follow through with that.

Mr. LAUSCHE. The southeast Asia treaty provides specifically that it is applicable only when aggressions are committed against members of the treaty, and is not applicable should members of the treaty commit aggressions against countries other than those who are members of the treaty. That is written into the treaty.

Mr. FULBRIGHT. I believe that it also applies only to aggression from Communist countries.

Mr. MORSE. It covers the protocol countries.

Mr. McGOVERN. I was not a Member of the Senate at the time, and I know that the Senator from Arkansas knows infinitely more about it than I do, but when the Formosa resolution was approved by Congress early in 1955, I believe that the approval for that resolution was secured partly because of the exchange of notes which had taken place months before, in which both Nationalist China and the United States agreed that neither country would undertake any kind of military action in the Pacific without making it a joint action. It is on the basis of that assurance that the Formosa resolution was approved. So that is why I rose to ask my question.

Mr. FULBRIGHT. I know of no such exchanges in this case.

Mr. McGOVERN. I thank the Senator.

Mr. FULBRIGHT. Mr. President, I yield the floor.

Mr. RUSSELL. Mr. President, I shall be very brief in my comments in support of this resolution.

Mr. STENNIS. Mr. President, would the Senator from Georgia wish to suggest the absence of a quorum?

Mr. RUSSELL. I do not think so. I thank the Senator, however, for his thoughtfulness.

Mr. President, this resolution has precedents in those that were adopted at the time of the crisis in Formosa, at the time of the crisis in the Middle East, and also in connection with Cuba. These other resolutions will be remembered by many Members of the Senate.

Some reservation has been expressed about the grant of power—which is broad power—to the President. The language that grants this power to the present President of the United States is almost identical with the language used in granting similar power to President Dwight D. Eisenhower in the case of Formosa, and Matsu and Quemoy—the two islands just off the Chinese mainland held by Chiang Kai-shek against the wishes of Red China. The Red Chinese had been shelling those islands intermittently and there was great apprehension that they were about to launch an attack to capture them.

Congress granted President Eisenhower almost the identical power that would be granted in section 2 of this resolution, to enable him to protect those islands, in the event that he concluded they were important and vital to the maintenance of international peace and security, and the vital interests of the United States.

What became of that power?

It is in existence at this very moment. Senators refer to the new power which is being granted today. But the power granted to President Eisenhower existed during the tenure in office of John Fitzgerald Kennedy, and resides at this very moment in Lyndon Baines Johnson at the White House—power which is very similar, except for the geographic area involved, to that which we propose to grant today in the case of North Vietnam.

The same is true with respect to the Middle East resolution. We granted certain power to President Eisenhower in March of 1957, in connection with the situation in the Middle East, by approving a resolution that reads:

> The President is authorized to undertake in the general area of the Middle East military assistance programs with any nation or group of nations in that area desiring such assistance. Furthermore, the United States regards as vital to the national interest and world peace the preservation of the independence and integrity of the nations of the Middle East. To this end, if the President determines the necessity thereof, the United States is prepared to use Armed Forces to assist any such nation or group of nations requesting assistance against armed aggression from any country controlled by international communism.

What became of that power?

It is in existence today. It has never been terminated or annulled by the means set forth in the resolution. The same situation is true in the case of the Cuban resolution. The power that was originally granted to President Kennedy, the assurance of support from the Congress, is in existence today and resides in the Chief Executive.

Unless some steps should be taken to cancel it, the power granted in this resolution with respect to the vast difficulties in Vietnam—and I do not underestimate them, neither do I undertake to underrate them—will continue for whoever is elected President in November.

Mr. President, the spirit of crisis and impending danger that hung over this Chamber when we were considering the Formosa resolution was far greater than it is at this very hour. But in that instance, and when we approved the other similar resolutions, our national solidarity and our steadfastness in the face of crisis prevented much more serious and much broader military action.

I am sure that all of us who intend to vote for the joint resolution pray that the adoption of the resolution, and the action that may be taken pursuant to it, will achieve the same purpose and avoid any broadening of war, or any escalation of danger.

This resolution does not alter the constitutional separation of responsibility for the conduct of foreign relations for the command of our Armed Forces and for the establishment and maintenance of our Armed Forces. Instead, the resolution is intended to demonstrate that Congress approves the retaliatory action that has been taken in defense of our flag and our Armed Forces, and that Congress shares in the determination that this country will do everything necessary to defend our national interests, wherever they may be endangered.

The events that bring the resolution before us are too well known to require detailed repetition. Suffice it to say that U.S. naval vessels have been attacked while in international waters. The President has authorized a response. That response was, in a way, commensurate with the attacks up to this point. If there is further unprovoked military action against our forces, response under this resolution will undoubtedly be tailored to fit the facts and needs of that situation.

There is, of course, the hope that the outrageous attack which gave rise to this resolution is only a spontaneous, irresponsible action by the North Vietnamese without the direction and approval of any of their Communist associates. The rulers of North Vietnam must know that any further belligerency toward us or our forces can lead to their destruction. If they prove to be so irresponsible as to continue these unprovoked attacks, they will be inviting consequences of the direst sort.

In the present circumstances, it will serve no useful purpose to debate the wisdom of our original decision to go into Vietnam. It is unnecessary for me to state that I had grave doubts about the wisdom of that decision. It would certainly do no good to dwell on those doubts here today. Indeed, second guesses about our foreign policy, and what it should be in that area, or whether our support to South Vietnam has been too much, or has been too little, are not involved directly in the question before us. What is involved is our right as an independent state to operate our vessels upon international waters that have been recognized as free to all states for many centuries. Involved also is our national honor. Our national honor is at stake. We cannot and we will not shrink from defending it. No sovereign nation would be entitled to the respect of other nations, or, indeed, could maintain its self respect, if it accepted the acts that have been committed against us without undertaking to make some response.

Our Armed Forces are capable of a broad range of reaction. In the instant case, the President selected one so limited that no reasonable and objective observer could assume a desire on our part to escalate the war or to broaden its scope. I shall say, however, that if future events demand a more vigorous response, this Nation has the power, and I believe our people have the will, to use that power. The portents of this resolution are great. No action whatever can be taken in the field of international relations in today's troubled world that does not involve some danger. But I submit to this body the view that I firmly believe there is much more danger in ignoring aggressive acts than there is in pursuing a course of calculated retaliation that shows we are prepared to defend our rights.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. SALTONSTALL. Mr. President, unfortunately I have been at a legislative appropriation conference. I have not heard all of the discussion. But I know that the chairman of the Committee on Foreign Relations and the chairman of the Committee on Armed Services have gone into the broad aspects of this problem very thoroughly. I join the Senator from Iowa and with the two committee chairmen in sponsoring this resolution. I believe it is of fundamental importance to our prestige in the world today and to the prestige of our armed services.

Mr. President, from the beginning of our Nation, Massachusetts men have always gone down to the sea in ships. We are proud of our Navy. We know its strength and effectiveness in preserving our country and our defenses.

Its prestige and the prestige of our country in the eyes of the world is at stake.

It is the responsibility of the President to take immediate action to defend our country when he believes that it is under attack in one way or another.

As the representative of all our people, he now asks Congress to support him in the position he has taken in this instance where our Navy has been fired upon. He made the decision to retaliate for the attack.

The resolution before us today lends support to the President's decision to defend our Navy and to build up and to maintain its prestige in the eyes of the world.

I support it wholeheartedly and hope that the Senate will adopt it by an overwhelming vote. Because I believe in the sentiments and principles set forth in the resolution, I joined in sponsoring it.

I believe it is one of the most fundamental propositions to come before the Senate since I have been a Member of this body and I hope there will be little opposition to it.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. RUSSELL. I am glad to yield to the Senator from Missouri, who happens to be the only Member who serves on both committees that met jointly to consider the resolution today.

Mr. SYMINGTON. Mr. President, I have listened with great interest to the remarks of the distinguished senior Senator from Georgia, the leading civilian military authority in this town today. I would associate myself with his remarks, as well as with those of the distinguished chairman of the Committee on Foreign Relations, one of the truly great scholars of those matters having to do with foreign affairs.

It seems to me this is a relatively simple matter we are discussing this afternoon.

I would agree that it is not as serious as other recent crises and most certainly it is not as serious as the Cuban confrontation, where a possible aggressor had nuclear weapons.

The matter for decision is whether the United States accepts an attack on one of its ships 65 miles offshore or should defend itself against this clearly planned aggression.

If we allow these attacks to proceed without any response, the position, the prestige of the United States abroad that part of the world, very possibly in all other parts of the world, would suffer a serious loss of respect. The free world continues free today because of the physical, economic, and above all spiritual strength of the United States, although we welcome any and all support from our allies. It is a privilege to be on the floor of the Senate and hear my chairman once again express his pride and confidence in the future of America. It is also a privilege to associate myself with his remarks.

Mr. RUSSELL. I thank the distinguished Senator for his very kind words.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. RUSSELL. I shall yield first to the Senator from Louisiana, and then I shall be glad to yield to the Senator from Iowa, who is a member of the Foreign Relations Committee.

Mr. ELLENDER. Mr. President, I am in thorough agreement with the views expressed by my friend the senior Senator from Georgia [Mr. RUSSELL].

I should like to ask whether or not the Senator knows if any effort has been made by us in the last few days or in the past to get our allies to join us in our effort, and whether any insistence has been made by his committee in order to effectuate that endeavor.

Mr. RUSSELL. Mr. President, that question is not primarily within the purview and jurisdiction of the Armed Services Committee, but I may say to my distinguished friend that no one feels more deeply than I do—about the fact that when the United States intervenes, many others who have equal responsibility have tended to say, "Let Uncle Sam do it." I will say that I have been assured by both the Secretary of State and the Secretary of Defense that they have endeavored to get assistance. The Senator is familiar, of course, with the peculiar conditions that exist with respect to France at the present time.

France is a nation that had more familiarity with this area of the old colonial days than any of the other nations of the Western World. Great Britain is a tried and trusted friend. But they are engaged at the present time in the Malaysian operations. Their armed forces are not as large as I should like them to be. But their military strength is on a standby status under the threats that have been issued by Sukarno against the new state of Malaysia.

Australia has increased its assistance in Vietnam within the past 6 or 8 months. They actually have personnel in the field now as advisers with military units, just as American military personnel serve with those units.

I do not make any of those statements to indicate that I think our associates are doing as much as they can or as much as they should. But there has been some increase at least, and I hope and earnestly pray that this will be a harbinger of willingness to assume a fairer share of the great responsibility of protecting the free world from domination by international communism.

Mr. ELLENDER. Does not the Senator think that it is incumbent upon us as members of the SEATO organization to make every effort to get assistance from the members of SEATO? As I understand, France, the United Kingdom, Pakistan, New Zealand, Australia, the United States, the Philippines, and Thailand, are members of SEATO. Is it not incumbent upon us to have a meeting of SEATO before we go too far? The reason I make that statement is that I fear that we shall once again be left holding the bag, alone, unless we do something along those lines.

Mr. RUSSELL. I share the Senator's feeling. The Senator knows that SEATO meets at regular intervals. We have been assured that our representatives have urged increasing assistance. The question is important, not only from a military standpoint, but also from a psychological standpoint. It is important that all countries associated in SEATO make a more substantial contribution to this deplorable condition that exists in Vietnam.

As I said at the outset, the question is one which is more within the jurisdiction of the Foreign Relations Committee than that of the Armed Service Committee, but I have been concerned about it. I have done what I could to encourage our representatives to insist upon greater participation.

Mr. ELLENDER. I express the hope that action will be taken soon, and that we shall not have a repetition of what happened in South Korea. As the Senator knows, we carried most of the burden there—in fact, over 90 percent of it—and in excess of 90 percent of the soldiers who died in South Korea, other than South Koreans, were American.

Mr. RUSSELL. We carried more than 90 percent of the financial and logistical cost.

Mr. ELLENDER. Yes, indeed, we did. Unless we take action now to try to get our allies to assist, the chances are that the burden will fall upon us.

Mr. RUSSELL. I thank the Senator. I now yield to the distinguished Senator from Iowa.

Mr. HICKENLOOPER. Mr. President, I thank the distinguished Senator from Georgia. I shall not repeat the philosophical and political arguments that have taken place on the floor of the Senate in support of the resolution. They have been amply presented by the Senator from Georgia, the chairman of the Armed Services Committee, and by the Senator from Arkansas, the chairman of the Foreign Relations Committee. As one of the cosponsors of the joint resolution, I merely wish to approve the basic arguments underlying the submission of the joint resolution and its purposes, its necessity, and its justification.

We are in a serious situation. Any time a question of this kind comes up it is of the utmost seriousness. I shall not go far enough to say that it is a question of extreme situation. I do not know whether I dare use that word or not. But it is of the greatest seriousness. I will say that. Therefore we must act, not only in defense of the national honor and the prestige of the United States, but also in defense of the basic principles which we will either defend or see destroyed and eroded away by our inaction.

I have always felt that it was a little bit silly, if a fire started in one of the main buildings of a town or in someone's house, to call a meeting of the town council to determine whether the fire department should be called. Meanwhile, the fire is burning down the building. Someone must get a bucket or a hose and put out the fire.

We are up against much the same situation here on the question with which we are confronted. As the Senator from Georgia has pointed out, the proposed action is not without precedent. In my experience, which has encompassed the various resolutions to which the Senator has referred in his argument, we have joined with the President on various occasions in certain defined areas of the world for the purpose of protecting the interests of the United States and the protection of freedom. On certain principles involved in Presidential action, involving force, I am not in full agreement with all of my colleagues; I am in agreement with some and in disagreement with others as to the inherent power of the President or the extent of such power.

In this case there is not the slightest question in my mind that the President not only has full authority, but has a responsibility, to protect American institutions and interests when they are attacked, without having to come to the Congress for that authority.

At a future date, the question of use of American force may give rise to some persuasive arguments, perhaps on both sides of the question. However, a resolution of this kind forecloses that argument and joins the Congress with the President of the United States in unity in saying that when our forces are attacked, when we are endangered, we are united, not only in repelling, but, if necessary, in attacking the source of that infection or difficulty that is threatening us. That is why I say it is our responsibility. That is why I have joined as a cosponsor of the resolution.

I, as I am sure every Member of the Senate, regret that we must take this action, but we must let not only our enemies but our friends in the world know that there is a line beyond which the United States will not tolerate destruction or endangering of freedom.

If we are to survive in a world of freedom—if that is to be our objective—we will keep our commitments and hold our heads high, as we always have, and defend our liberties and rights.

While this issue could become emotional, I hope we are approaching it with considerable calmness and objectivity. I am sure the overwhelming majority of the Members of this body are approaching it with objectivity and calmness, but sincere determination and unity on any issue must be shown not only to our enemies, but to our friends.

I join the Senator from Louisiana in the earnest hope and desire that our allies and associates will come in with us. That is very true. But again, if someone is drowning and another has the power to save him, he does not say, "I won't jump in and get you out unless you and you and you also jump in with me and help me get the person out of durance vile and a state of extremus."

When something like that happens, we have a responsibility to ourselves, to our civilization, and to the cause of freedom, to do something about it. I think that is the way we are approaching the issue here.

We must invite and urge all freedom-loving nations to join with us, if possible, but a dangerous situation exists now. That is why the resolution is urgent and essential. It is why I support it. As the President pointed out, similar authority exists in other areas, and it will only enlarge those powers for this section of the world, under the circumstances which exist there.

I congratulate the Senator from Georgia for the clarity of the statement he has made.

Mr. RUSSELL. I thank the Senator from Iowa. I have been privileged to serve with him for many years. He approaches these problems without the slightest hint of partisanship. He is a great patriot and Senator. No more loyal or dedicated patriot has ever served in the Senate.

Mr. GRUENING. Mr. President, it is always difficult not to accede to a request from the President of the United States, especially one which is couched in terms of high principle and national interest. I have no doubt that the President fervently believes that the course he is pursuing in southeast Asia is in the best interests of the Nation.

By long established practice, the Executive conducts the Nation's foreign policy. But the Congress and particularly, by constitutional mandate, the Senate has a right and duty in these premises to "advise and consent." Especially is this true when it is specifically called upon by the Executive, as is the case now, for its participation in momentous decisions of foreign policy. Therefore we in the Senate would be derelict in our duty if we did not individually express our views if those views embody doubt or dissent, and where a vote is called for, to cast that vote as our conscience directs.

As early as March 10, nearly 5 months ago, I took the floor and in an address of considerable length urged that the United States get out of South Vietnam, at least to the extent of patricipation by our soldiery. Since that time, I have discussed U.S. participation in this area of the world repeatedly. I have stated and restated my view that this was not our war; that we were wholly misguided in picking up the burden abandoned by France 10 years ago after the French had suffered staggering losses running into tens of thousands of French young lives and vast sums of money to which the United States contributed heavily, and thereupon entering upon a policy which would be bound to result, as it has resulted, in the sacrificing of the lives of our young Americans in an area, and in a cause that in my reasoned judgment poses no threat to our national security.

I have repeatedly called attention to the pertinent fact that we, the United States, are going it all alone; that our SEATO allies, the United Kingdom, France, Australia, New Zealand, the Philippines, Pakistan, and Thailand, are not taking part, despite our earnest pleas for them to do so, which pleas may, in recent days, have resulted in a few slight token gestures which are wholly insignificant. I have called attention to the fact, and do again, that whereas American boys are dying in combat, although presumably they are there as advisers, no British boys are on the firing line; no French boys are any longer at the front, they appear to have learned their lesson; no Australian youths are being killed; no New Zealand youngsters are being sacrificed; no Philippine casualties are being incurred; and the same may be said for the Pakistanis, despite the fact that we have given them close to a billion dollars in military aid.

In any event, I am convinced that peace will not be established by military means. Sooner or later the issue is bound to be settled at the conference table. Eventually, why not now?

While I am deeply convinced that American security is not involved, the allegation that we are supporting freedom in South Vietnam has a hollow sound. We have been supporting corrupt and unpopular puppet dictatorships which owe their temporary sojourn in power to our massive support. They have scant support from their own people, who have shown little disposition to fight. Hence our steadily increasing involvement. Yet we have persistently alleged that the war cannot be won except by the South Vietnamese. It is not happening, nor will it.

Some weeks ago I urged on the floor of the Senate that the United States take the lead in seeking a cease-fire, and that this be accompanied and implemented by a United Nations police force, as has been done in the Congo and is being done in the formerly troublesome border between Israel and Egypt. It has worked there. It has largely put an end to border strife and killing. Why not try it in South Vietnam, where the cost in lives has already proved infinitely greater?

But the United States has not pursued peace as it has pursued and carried out armed intervention on an ever-increasing scale.

The latest episode—the attack by North Vietnam vessels—on U.S. naval vessels, I consider an inevitable development of the U.S. steady escalation of our own military activities in southeast Asia in recent weeks. I do not justify or condone that attack on our ships. It was both stupid and outrageous. I do not at all disagree with the administration's policy of countering this attack and of not merely repelling the attackers but destroying them and giving them the same medicine which they seek to inflict on our vessels.

But that does not mean that I can approve the whole U.S. policy of active, unilateral military intervention in southeast Asia, and I have expressed myself repeatedly to that effect in the Senate.

I repeat now that I do not consider this our war and that I feel that all Vietnam is not worth the life of a single American boy. We inherited this putrid mess from past administrations, and we should have made, and should now make, every effort to disengage ourselves. We have lost altogether too many American lives already. Unless we reverse our policy, their number will steadily increase.

I regret, and consider it a pity, that both our political parties appear now to be committed to a policy of war in southeast Asia. Yet American public opinion, judged by my mail, is overwhelmingly committed to a different policy—a policy of peace. It apparently at this time has no spokesman in the high councils of either major political party. My mail pours in with virtual unanimity on this subject. It comes from all over the country. It comes from a truly representative cross section of the American people. It includes bishops, deans of schools and colleges, university professors, business executives, teachers, retired Army officers, and it comes from every State of the Union.

The case against the pending proposal to endorse our southeast Asian policy of steadily increasingly escalation, which despite the President's expressed desire not to extend the war, has taken place and will take place inevitably, the case against this pending resolution, was admirably, and in my view—wholly convincingly—set forth in great detail yesterday by the distinguished senior Senator from Oregon, WAYNE MORSE.

I would hope that every Member of this body would have read his comprehensive analysis of how the situation has reached its present tragic involvement before each casts his vote. No one, in the Senate or elsewhere, can consider himself fully informed to pass judgment on the momentous decision we are asked to make and its involvement of our country without hearing both sides of the argument. The press has given very little of this other side.

Senator MORSE has presented the case for not voting approval of the administration's course. I have long supported a similar view. I do support enthusiastically the taking of the latest episode; namely, the attack by North Vietnamese vessels on U.S. naval vessels, and our reprisal, to the United Nations.

But not merely this serious incident which is a part of the undeclared war in southeast Asia, should be considered. The United Nations should not be limited to consideration of that incident by itself. I do not see how it can logically do so. Let us hope—and I do hope—that out of this may come a complete investigation by the United Nations of the whole southeast Asian situation, and that from this may emerge a referral of that situation to the council table.

The joint resolution, Senate Joint Resolution 189, which we are considering in section 2, bases its case in part on the charter of the United Nations. The drafters of this resolution seem to have disregarded several other provisions of the United Nations Charter, which seem to me highly pertinent, indeed far more pertinent.

Article 33 provides:

> The parties to any dispute, the continuance of which is likely to endanger the maintenance of international peace and security, shall, first of all, seek a solution by negotiation, inquiry, mediation, conciliation, arbitration, judicial settlement, resort to regional agencies or arrangements, or other peaceful means of their own choice.

I submit, Mr. President, that the United States, as well as North and South Vietnam, have totally ignored this specific mandate. Have any of these three parties to this dispute, as this article requires, sought "a solution by negotiation, inquiry, mediation, conciliation, arbitration, judicial settlement, resort to regional agencies or arrangements, or other peaceful means of their own choice"?

Mr. President, I ask this question:

Has the United States, has South Vietnam, has North Vietnam, obviously parties to the long-standing dispute, or have any of our SEATO presumed allies, following the clear prescription of article 33 of the United Nations Charter, sought "first of all"—let me note that the charter says "first of all"—a solution by negotiation?

Have they sought a solution by inquiry?

Have they sought a solution by mediation?

Have they sought a solution by conciliation?

Have they sought a solution by arbitration?

Have they sought a solution by judicial settlement?

Have they sought a solution by "resort to regional agencies or arrangements"?

Have they sought a solution by resort to "other peaceful means of their own choice"?

Obviously, they have not. Obviously, none of the parties to the dispute, "the continuance of which" is certainly "likely to endanger the maintenance of international peace and security," sought any one of the eight means which the United Nations Charter spells out so clearly.

The United States has not only not done so. It has not even attempted to do so.

South Vietnam, whose policies and very existence the U.S. controls, has not done so.

North Vietnam has not done so.

Obviously, the United States, far from being, as Senate Joint Resolution 189 asserts in section 2, "consonant with the Charter of the United Nations," has flagrantly disregarded it.

But to have done otherwise, to have resorted to these peaceful means, namely, "first of all" to "seek a solution by negotiation, inquiry, mediation, conciliation, arbitration, judicial settlement, resort to regional agencies or arrangements, or other peaceful means," would have been precisely the policy which I deeply believe we should have followed.

At the very least we should have tried.

But, instead, we have become more and more enmeshed in the folly of an inherited policy, with steady enlargement of the area of conflict, a steady increase in American participation, and a mounting loss of American lives.

Despite the President's declared worthy purpose not to expand the conflict, the conflict has been and is being steadily expanded. We are adding more advisers, and we are increasing our participation by all three branches of the service—Air Force, Navy, and Army. And with these increases, there will be inevitably an increasing loss of American lives.

It is a difficult and painful decision for me to make, but in good conscience I cannot do other than to vote "no" on the pending resolution.

Mr. KUCHEL. Mr. President, I ask unanimous consent that the text of Senate Joint Resolution 189 be printed in the RECORD at this point in my remarks.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

> Whereas naval units of the Communist regime in Vietnam, in violation of the principles of the Charter of the United Nations and of international law, have deliberately and repeatedly attacked United States naval vessels lawfully present in international waters, and have thereby created a serious threat to international peace; and
>
> Whereas these attacks are part of a deliberate and systematic campaign of aggression that the Communist regime in North Vietnam has been waging against its neighbors and the nations joined with them in the collective defense of their freedom; and
>
> Whereas the United States is assisting the peoples of southeast Asia to protect their freedom and has no territorial, military, or political ambitions in that area, but desires only that these peoples should be left in peace to work out their own destinies in their own way: Now, therefore, be it
>
> *Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Congress approves and supports the determination of the President, as Commander in Chief, to take all necessary measures to repel any armed attack against the forces of the United States and to prevent further aggression.
>
> SEC. 2. The United States regards as vital to its national interest and to world peace the maintenance of international peace and security in southeast Asia. Consonant with the Constitution and the Charter of the United Nations and in accordance with its obligations under the Southeast Asia Collective Defense Treaty, the United States is, therefore, prepared, as the President determines, to take all necessary steps, including the use of armed force, to assist any member or protocol state of the Southeast Asia Collective Defense Treaty requesting assistance in defense of its freedom.
>
> SEC. 3. This resolution shall expire when the President shall determine that the peace and security of the area is reasonably assured by international conditions created by action of the United Nations or otherwise, except that it may be terminated earlier by concurrent resolution of the Congress.

Mr. KUCHEL. By way of emphasis I wish to read section 2 of the resolution, as follows:

> SEC. 2. The United States regards as vital to its national interest and to world peace the maintenance of international peace and security in southeast Asia. Consonant with the Constitution and the Charter of the United Nations and in accordance with its obligations under the Southeast Asia Collective Defense Treaty, the United States is, therefore, prepared, as the President determines, to take all necessary steps, including the use of armed force, to assist any member or protocol state of the Southeast Asia Collective Defense Treaty requesting assistance in defense of its freedom.

Mr. President, this is not the first time that the legislative branch of our Government has been called upon to recognize and to confirm in the President the authority, the duty, and the responsibility resting in him to take such steps as he deems appropriate under our Constitution, to defend our country and our people, and to discharge America's solemn obligations as they may arise through our agreements for collective security with like-minded free nations all around the globe.

I remember the Middle East resolution. I remember the Formosa resolution. Both came to Congress from President Eisenhower. Both were requested so that all might know that the people's representatives in this branch of the Government agreed with the Chief Executive of the United States with respect to the authority he possessed and the circumstances under which he would be compelled to utilize his power.

Those two resolutions demonstrated to all the world the unity, dedication, and solidarity of purpose not only among the representatives of the people in Congress and the President, but among the people of our country as well.

Once again a storm is gathering over a long tormented area of this weary world. Ominous and ugly are the threat and thrust of communism in southeast Asia. The storm may yet be dissipated, but only if the Red regime unmistakably understands that the United States will honor its pledge and assist her SEATO allies in time of peril.

That is the plain intent of the joint resolution now about to be passed by Congress. Let friend and foe alike understand that we—America—shall keep the faith. Our country stands together in the face of danger. That is the clear meaning of our message. If Communist Asia, even at this late time, carefully assesses the high cost of her contemplated marauding aggressions, peace can return to the lands of her peaceloving neighbors, and the sun will shine again.

Mr. CHURCH obtained the floor.

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. CHURCH. Mr. President, without losing my right to the floor, I yield to the distinguished Senator from Mississippi.

Mr. STENNIS. I thank the Senator for yielding.

Few persons have had more concern than I during the last 10 years about the growing menace and threat by the Communists to freedom in Vietnam. I have recently taken sworn testimony, classified, from some of our pilots who have been on duty in Vietnam during the last 2 years. I can say with solemnity, but with certainty, that a grave and serious situation already exists on the mainland of Vietnam. We are involved to an appreciable degree.

Someone has suggested that the conditions necessitating this joint resolution are not nearly so serious as those which confronted us when the Formosa joint resolution was before Congress. On the whole, I suppose I would agree. Still, I believe we would make a great mistake if we minimized in any degree the graveness and seriousness of the situation confronting us now.

I do not believe the American people have been sufficiently warned and informed about the gravity of conditions there.

I remember that when the Formosa resolution was before the Senate for consideration a few years ago, a Member of this body, who is no longer with us, said he believed that if the resolution were passed, the United States would be at war in 90 days. That prediction proved to be erroneous. On the contrary, I believe the Formosa resolution helped us to avoid war. I believe this one will, too. That is one of the major reasons why it deserves support.

Today we have no choice. Our flag has been attacked, and our country has been challenged in international waters—on the high seas—where we had a right to be. Our flag and our men have been fired upon. Many hundreds, if not thousands, of our naval personnel could have lost their lives had the torpedoes been more accurately aimed and hit one or more of the destroyers.

We properly gave the aggressors fair warning after the first shot. Then they hit us again. Very properly, we then struck back.

The matter has now been referred to Congress, to see what we will do; whether or not we believe the action taken was right; whether we shall stand on that realistic policy in the future; and whether we are united. Either we must stand our ground or run away. That may be oversimplicity; but if we do not send such a message as that, we are in reality inviting another attack from any nation, large or small, who might wish to push us around.

We have already struck the aggressors a severe blow. Section 1 of the resolution merely expresses the attitude of Congress that we will stand by it and will strike again, if necessary. I believe this firm course, if we take it, may be our last or only chance to avoid what could quickly develop into full-scale war. The joint resolution shows our unity as well as our determination. It also shows that no one dares to attack us without paying a heavy price therefor.

I emphasize that the situation is serious; but it will become far worse if we show the slightest weakness or hesitation. If we must have a showdown, it is far better that it comes before Red China obtains nuclear weapons. Our honor, our safety, and our security are at stake.

For these reasons, I shall vote for and support the resolution. None of us are happy about the situation in Vietnam and about our position there. But that bridge has long since been crossed. We are already there. We dare not run away, certainly not while we are under attack. I am sure the people will support this position. They will be given the opportunity to understand more about what is happening in Vietnam.

I commend the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Georgia [Mr. RUSSELL], the Senator from California [Mr. KUCHEL], and other Senators for their remarks and their position on this grave matter and endorse their position.

Mr. CHURCH. Mr. President, the ominous events that have taken place in the Gulf of Tonkin merely serve to emphasize how close we are living to the fuse of war. Whether those events have lighted that fuse remains for the future to disclose.

None of us has any doubt about why this joint resolution is before the Senate. It results directly from the Communist attack on the American destroyers. Those ships, when attacked, were on the high seas, where they had a legal right to be. Those ships, from all that we have been told, were not engaged in my aggressive action directed against the shores of North Vietnam.

Our reply to the first attack upon the *Maddox* was confined to the immediate defensive needs of the destroyer. When a second, clearly premeditated attack followed, the President chose not to confine over counteraction to the immediate defenses of the ships involved, but to retaliate in kind. Having twice been stung by bees, he chose to strike back at the hive itself. Still, the retaliation was limited to the PT bases on the North Vietnamese coast, and to the petroleum tanks that fueled the PT boats themselves.

The President is to be commended for the restraint, as well as for the promptness and effectiveness of the American retaliation.

In the narrowest sense, the joint resolution could be supported on grounds of ratifying the action already taken, our right to free access to the seas, and our duty to defend ourselves, in appropriate ways, against attacks upon us.

Mr. President (Mr. SALINGER in the chair), I believe that on such ground alone Congress would be justified in its support of the joint resolution, upon the principle that the punishment was fitted to the crime.

The President has emphasized—and I believe properly so—that in the retaliatory action we have taken, there is not to be read any change of purpose on the part of the United States. He has stated that it is not our policy or our purpose to expand the war. If that expansion occurs, then it will be the choice of others—not our own. I am in wholehearted agreement with the emphasis he has given to the peaceful goals we hope to serve, and to the fact that it is not the policy of the United States to extend the war in southeast Asia.

But, Mr. President, it would not be either candid nor correct to consider this resolution on such narrow grounds.

It is necessary to recognize that our situation today must be viewed within the context of American policy in the Far East; otherwise, our ships would not be in the Gulf of Tonkin, and the serious events of the past few days would not have occurred.

I have had doubts about American policy in southeast Asia. I have expressed those doubts from time to time, in this Chamber, in interviews for publication in newspapers, and in magazine articles I have written. My doubts have not been eradicated by the attacks made upon American destroyers in the Gulf of Tonkin. My misgivings have not been dissipated by the ominous events of the past few days. Rather, they have been intensified. Because who can say that these events are not the natural consequence of the hazards we have assumed by the policy we have adopted in this part of the world?

We had every reason to expect that some such incident might occur. It is a risk we assumed, necessarily, when we chose to intervene, following the defeat of the French, in that great peninsula which was once French Indochina—when we assumed an American responsibility for the future of this remote region of the world.

I have entertained and continue to entertain, serious misgivings about the correctness of American policy in southeast Asia. It seems to me that this policy is more the product of our own addiction to an ideological view of world affairs—an affliction which affects us as well as the Communists—rather than a policy based upon a detached and pragmatic view of our real national interests.

However, my dissent, to the extent that I hold it, and to the degree that I have been able to define it, is not appropriate for this occasion. This is not a time to decry the policy. A country must live with the policy it adopts, whether it be wise or foolish.

We have adopted the policy. It was initiated under the Eisenhower administration, when the original decision was made for the United States to intervene actively in South Vietnam. It has been inherited and upheld by the Kennedy administration, and by the Johnson administration, in the years which have followed.

Congress shares its responsibility for that policy. If we have not formulated it, we have funded it, from year to year, with our votes. Who is there to say that we have not acquiesced in it down through the years?

So, Mr. President, we must accept the consequences of our own actions. We must now face the fact that the difficulties in which we find ourselves are our responsibility, in having chosen to pursue a course of action which exposed us to such hazards.

It is in this spirit that I approach the pending joint resolution. Under the circumstances, we must unite behind the President.

The attack upon us cannot be justified. It was an act of aggression. When this country, or its ships, or its military personnel are made targets of attack, then Congress will uphold whatever action the President takes in defense of American interests and American lives.

I shall vote for the joint resolution in the belief that President Johnson will wisely use the authority conferred by the resolution, and that he will have the same attitude toward it that he has displayed in other crises; namely, an attitude of reason, responsibility, and restraint.

I believe that President Johnson is a man of peace. I believe that he is sincerely interested in doing everything possible to keep the war from spreading, in this seething and dangerous area of the world.

At the same time, I believe that he will uphold the honor and the good name of the United States against any nation that would make itself our enemy.

Mr. President, it is with a heavy heart, with a genuine concern about the future of American policy in Asia, and with a zealous desire that we might examine all of its tenets in the days ahead, that I shall vote for the joint resolution, confident that in a time of crisis the President's hand must be upheld, and that the lives and interests of the U.S. citizens must be protected against all her enemies.

Mr. GORE. Mr. President, will the Senator from Idaho yield?

Mr. CHURCH. I yield.

Mr. GORE. I wish to congratulate the Senator upon an able, candid, courageous, and eloquent address.

With him, I have attended many executive sessions of the Senate Foreign Relations Committee for the past few years in which the subject of U.S. policy and action in the Indo-Chinese Peninsula was under discussion.

The able Senator has lucidly put forward his reservations and doubts. Although I have not publicly voiced my doubts, as has the Senator from Idaho, nevertheless, in the performance of the duty of a Senator to advise and consent, I have, in the executive sessions of the committee, expressed deep concern and I have raised critical questions as the Senator from Idaho will recall, about U.S. policy in Vietnam.

Perhaps I was remiss in not giving public expression to these views. But every Member of this body performs his duty as he sees it. It had been my view that I could perform best and most responsively in executive sessions of the committee.

Now, however, when U.S. forces have been attacked repeatedly upon the high seas, as I said immediatey upon the convening of the Senate after the second attack, whatever doubts one may have entertained are water over the dam. Freedom of the seas must be preserved. Aggression against our forces must be repulsed.

I compliment the Senator and associate myself with almost all the sentiments he has expressed.

To go further back, I was one of those who did not think it wise for the United States to undertake this burden after the fall of Dienbienphu. That, too, is history. We must act today in light of facts today.

I join the Senator in the conclusion he reaches in support of the joint resolution. I join him, too, in confidence that President Johnson will act with prudence, caution, and wisdom, and with the courage necessary for the eventualities that may come.

Mr. CHURCH. I thank the Senator very much for his remarks. I appreciate them more than I can say.

CHARTER FOR NATIONAL TROPICAL BOTANICAL GARDENS

The **PRESIDING OFFICER** laid before the Senate the amendments of the House of Representatives to the bill (S. 1991) to charter by Act of Congress the National Tropical Botanical Garden, which were, on page 1, line 8, strike out "associates and"; on page 1, line 10, strike out "national" and insert "Pacific"; on page 2, line 8, after "bylaws," insert "not inconsistent with this Act,"; on page 2, line 11, before "purposes" insert "objects and"; on page 2, line 12, strike out "purposes and objects" and insert "objects and purposes"; on page 2, line 24, strike out "sciences" and insert "sciences;" on page 2, strike out line 25; on page 3, strike out line 13; on page 3, line 14, strike out "(b)" and insert "(a)"; on page 3, line 16, strike out "(c)" and insert "(b)"; on page 3, line 17, strike out "(d)" and insert "(c)"; on page 3, line 20, strike out "(e)" and insert "(d)"; on page 3, line 25, strike out "(f)" and insert "(e)"; on page 4, strike out lines 1 through 8, inclusive; on page 4, after line 8, insert:

> (f) to take and hold by lease, gift, purchase, grant, devise, or bequest, or by any other method, any property, real, personal, or mixed, necessary or proper for attaining the objects and carrying into effect the purposes of the corporation, subject, however, to applicable provisions of law of any State or the District of Columbia (1) governing the amount or kind of such property which may be held by, or (2) otherwise limiting or controlling the ownership of any such property by a corporation operating in such State or the District of Columbia;

On page 4, line 9, strike out "(h)" and insert "(g)"; on page 4, line 12, strike out "(i)" and insert "(h)"; on page 4, line 18, strike out "(j)" and insert "(i)"; on page 5, line 12, after "SEC. 6." insert "(a)"; on page 5, line 16, before "The" insert "(b)"; on page 8, line 8, after "trustees." insert "The Corporation shall also keep at its principal office a record of the names and addresses of its members entitled to vote."; on page 8, strike out line 15; on page 8, strike out lines 16 through 23, inclusive, and insert:

> USE OF INCOME; LOANS TO OFFICERS, TRUSTEES, OR EMPLOYEES
>
> SEC. 13. (a) No part of the income or assets of the corporation shall inure to any member, officer, or trustee, or be distributable to any such person during the life of the corporation or upon dissolution or final liquidation. Nothing in this subsection, however, shall be construed to prevent the payment of reasonable compensation to officers of the corporation in amounts approved by the board of trustees of the corporation.
>
> (b) The corporation shall not make loans to its officers, trustees, or employees. Any trustee who votes for or assents to the making of a loan to an officer, trustee, or employee of the corporation, and any officer who participates in the making of such loan, shall be jointly and severally liable to the corporation for the amount of such loan until the repayment thereof.

On page 9, strike out lines 1 through 3, inclusive; on page 9, strike out line 4; on page 9, strike out lines 5 through 8, inclusive; on page 9, after line 8, insert:

> USE OF ASSETS ON DISSOLUTION OR LIQUIDATION

On page 9, line 9, before "Upon" insert "SEC. 14."; on page 9, line 13, strike out "through the National Park Service"; on page 9, line 17, after "trustees" insert ", consistent with the purposes of the corporation,"; on page 10, lines 3 and 4, strike out "National" and insert "Pacific", and to amend the title so as to read: "An Act to charter by Act of Congress the Pacific Tropical Botanical Garden."

Mr. DIRKSEN. Mr. President, S. 1991 passed the Senate July 23, 1964, and on August 3, 1964, the House passed the bill with amendments. The principal effect was changing the name to the Pacific Tropical Botanical Garden, so as not to give the organization preference over other tropical botanical gardens, both public and private.

The sponsor of the Senate bill has advised the Committee on the Judiciary that he desires the Senate to concur in the amendments of the House.

On behalf of the Committee on the Judiciary, I, therefore, move that the Senate concur in the House amendments to S. 1991.

The **PRESIDING OFFICER.** The question is on agreeing to the motion of the Senator from Illinois.

The motion was agreed to.

COMMEMORATION OF FORMER PRESIDENT HOOVER'S 90TH BIRTHDAY

Mr. DIRKSEN. Mr. President, I ask unanimous consent that an attested copy of Senate Joint Resolution 184, for the commemoration of the Honorable Herbert Hoover's 90th birthday, August 10, 1964, approved by the President of the United States on August 6, 1964, may be prepared and printed in such appropriate format and binding as the Joint Committee on Printing may direct, and that it be transmitted to the former President by the Secretary of the Senate.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

MAINTENANCE OF INTERNATIONAL PEACE AND SECURITY IN SOUTHEAST ASIA

The Senate resumed the consideration of the joint resolution (S.J. Res. 189) to promote the maintenance of international peace and security in southeast Asia.

VICTORY AND PEACE IN SOUTHEAST ASIA

Mr. SIMPSON. Mr. President, whatever the reasons may be for some Senators opposing either the language or the purpose of the resolution before the Senate, I am sure that there can be no disagreement on one point—that party lines cease to exist on issues affecting the national security of the United States and of the free world. I rise to lend my wholehearted support to this resolution. I was heartened by the decision to strike against the naval bases from which the unprovoked attacks on our naval ships were launched. At long last perhaps here is the beginning of the initiative that has been totally lacking in our southeast Asian effort, for it is our purpose not only to "assist in defense," as the resolution states, but to assist in achieving victory against an avaricious enemy bent upon the total conquest of all of southeast Asia.

Mr. President, I support this resolution because in Vietnam there is a crisis in which politics has no part. But, let me say that I sincerely hope that the next time Soviet missiles are implanted in Cuba or the next time Cuban exiles attempt to exercise their rightful prerogatives in fighting for the freedom of what was once known as the Pearl of the Antilles the United States will act with spontaneity, enthusiasm, and force comparable to what we have done in Vietnam.

It is tragic that a response as dramatic as our destruction of naval bases upon the territory of a sovereign Asian state was not executed in our own hemisphere in October of 1962 or even earlier—in April of 1961. Had we responded then with arms as well as metaphors, we could have struck a significant blow for freedom and independence in our own hemisphere.

I support wholeheartedly the military action of this Government against the North Vietnamese naval bases, and I support this resolution in the sincere and reverent hope that it indicates an end of our policies of indecision, vacillation, and compromise, and heralds the beginning of that measure of commitment which will forge victory from the Communist-fomented chaos of southeast Asia.

Mr. PELL. Mr. President, I support the pending resolution.

Not only is it important to stand behind our President in this time of tension, when unity is above partisan debate, but I have confidence in President Johnson's prudence and in his determination to avoid any unnecessary widening or escalation of military clashes.

I have full confidence that the President with his wide experience and his intimate knowledge today of the facts of this situation will even further strengthen our efforts toward peace as he seeks to avoid any weakening of our position and purpose.

Still, let us think ahead as we support this resolution. Ho Chi Minh's action cannot have been by error or accident. Therefore, let us practice prudence and play our hand with reason and calmness. If we over-respond, we can, by destroying installations considered vital by Communist China to her national interest, induce an outpouring of Red Chinese soldiers as happened in Korea.

In the days and weeks ahead, this current crisis may—and probably will—worsen. Let us act—and wisely. And, let us resolve here and now, today, in wisdom, and for the sake of our people and Nation, to keep this issue removed from the arena of political conflict and ambition. Rather, let us support this issue in the reasoning place of men's minds which we have helped establish for this purpose—the United Nations.

I would hope, too, that other freedom-loving Asian nations, particularly Pakistan, the Philippines, and Japan, might help us carry some of the burdens for keeping the peace in the Far East. It is also their responsibility to participate in this endeavor, which is vital to their safety and security as well. It is my hope that such a sharing of the load may also emerge from the United Nations Security Council.

This country's policy cannot, and must not, be pummeled for the sake of political gain. As an American, I urge leaders of both political parties to exert every effort to keep Vietnam out of this campaign.

I trust the people and press of the world will be aware that as the world's strongest nation and defender of freedom, we will not stand for unprovoked attack or aggression, but at the same time be aware we do not seek material or territorial gain. We only desire freedom, for ourselves, and for peoples of other nations.

Mr. MORSE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. Will the Senator withdraw that request?

Mr. MORSE. I shall withdraw it on the condition that the Senator from Kentucky [Mr. Cooper] asks for a quorum call at the close of his remarks, unless I am back on the floor.

Mr. COOPER. That is agreeable.

Mr. MORSE. Mr. President, I withdraw the request for a quorum call.

Mr. COOPER. Mr. President, I appreciate the courtesy of the Senator from Oregon.

A few moments ago I directed several questions to the chairman of the Foreign Relations Committee, and I spoke briefly on the joint resolution. I wish now to raise some considerations which I know have addressed themselves to the President of the United States, but which we have the duty, in this debate, to convey to the President of the United States.

I intend to vote for the joint resolution. I shall vote for it not merely because we are required to do so because of recent events. I shall vote for it because it expresses the unity of one purpose to defend our country.

The first section of the resolution supports the President and approves his determination to take all necessary measures to repel any armed attack against the forces of the United States and to prevent further aggression. That is his right and authority. If we have any power to confirm it, we do confirm it. We support him in his power to protect the security of our country and its honor. I join other Senators wholeheartedly in asserting our support of the President.

Earlier, I raised questions about the second section of the joint resolution, although I know it is practically impossible to separate the objectives of the first section from those of the second section. In response to my questions, the distinguished chairman of the Foreign Relations Committee, the Senator from Arkansas [Mr. Fulbright], and I believe, the chairman of the Armed Services Committee, the Senator from Georgia [Mr. Russell], confirmed my viewpoint that in passing this joint resolution we would satisfy the conditions of the SEATO treaty, and would exercise our constitutional function to give the President of the United States authority to do what he determines may be proper and necessary with respect to any situation which affects our security in South Vietnam.

I believe that is the essence of the second section. At least that was the meaning and interpretation given to it by the chairman of the Foreign Relations Committee.

There is no choice so far as the first section of the joint resolution is concerned. If there is any attack upon our troops, our vessels, or our installations, we have the duty, for our security and our honor, to defend our own forces.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. COOPER. I am glad to yield.

Mr. MORSE. I am not sure I understand the meaning of the Senator's comment on the SEATO treaty. Is the Senator arguing that the SEATO treaty gives us the authority to do what we have done in South Vietnam?

Mr. COOPER. No. What I said is that article IV of the SEATO treaty provides that in the event of an armed attack upon one of the parties to the SEATO treaty, or upon the countries such as South Vietnam included in the protocol, the United States, or any party to the treaty, could take action after resorting to its constitutional processes—which I would assume would mean coming to the Congress for authority.

Earlier today I asked the chairman of the Foreign Relations Committee and the chairman of the Armed Services Committee whether they considered that, by enacting the resolution, the Congress would be exercising its constitutional process, providing to the President power to take such action as he determined proper in South Vietnam in the future?

Mr. MORSE. I shall not interrupt the Senator further. I shall discuss the point in detail later. I only wish the Senator to know that, in my opinion, we have violated the United Nations Charter time and time again in South Vietnam, and that we cannot justify it on the basis of carrying out the SEATO treaty.

Mr. COOPER. A few minutes ago, the Senator from Mississippi [Mr. Stennis] said that the situation is not simple. We are in a crisis.

I hope that this joint resolution, connected with the resolute action the President has taken, will have effect in bringing the North Vietnamese and the Communist Chinese to their senses, and that they will know that to continue to take aggressive measures could lead to consequences which can hardly be contemplated. And we must know for ourselves the extent of the determinations we are making. Whether we dislike saying it—and there is a tendency to dislike making the statement—it must be said that there is great danger in the situation. The two attacks upon our destroyers indicate a system in the action of North Vietnam or the Communist Chinese.

We remember that, during the early days of the Korean war, the threats of Communist China were not believed—but they were carried out. We must contemplate, hoping that it will not be true, the possibility of an expanded war. And with an expanded war, which again we hope will not occur, there is the possibility of a great war.

I make this statement because the President has, with respect to our action in South Vietnam, a certain maneuverability, and avenues of negotiation which should be assiduously used, however they may be received.

I have confidence in President Johnson. I know that he is a man of good judgment. I know that he speaks truly when he says it is not our intention to expand the war except as it would be in our own defense. And I know that he is a man of peace. But I hope very much that he will continue to make every effort to find, if it is possible, some solution for the situation in South Vietnam, without the choice of war.

I may not be joined by others in the statement I am about to make, but I have not believed that southeast Asia is the chief area of interest to the United States. We are committed in Europe and believe our chief interest is in the Western Hemisphere and Europe. In the Pacific we are committed to the defense of Formosa, Korea, Japan, and the Philippines. I do not know how widely we can spread our resources and our men in the military forces. It may be argued that this decision has been made, because for 10 years we have been on the present course, in South Vietnam. But I shall still emphasize my hope that the President of the United States will use all of the great powers of his office and of our country to find some peaceful and just solution in South Vietnam, slender as the chance may be.

The Senator from Oregon has argued the subject for months; I have spoken on it. There is still the possibility of reference to the United Nations. There is still the possibility of action through the Geneva powers; and these courses must not be overlooked.

Like many other Senators, I have had some experience in war, an experience which I value above all others. Anyone who has had such experience knows, awesome as it is, that it does not make one less afraid or less courageous. It makes one determined to protect the security and honor of his country. But it makes one also more determined and more thoughtful about seeking out every honorable and just course to avoid the possibility of a great war, and the awful eventuality of a nuclear war with all the sorrow and disaster it would bring to our country and humanity.

I am hopeful that the joint resolution and the President's action will bring reason to the North Vietnamese and the Communist Chinese, and that they will cease their aggressions. But I state my conviction that the President and the Congress have the responsibility to continue to work for ways, consonant with our honor and security, to avoid the great catastrophe of war. If we cannot do so, we stand together to defend, at whatever cost, our country and freedom.

Mr. JAVITS. Mr. President, I should like to support the position just enunciated, with his usual heart and humanity, as well as wisdom, by my colleague from Kentucky. I rise not necessarily because he needs any support. His word is strong enough in this Chamber and in the world. I rise only because the discussion ties in so closely with the questioning of the Senator from Arkansas on the real meaning and implication of the Southeast Asia Collective Defense Treaty. We who support the joint resolution do so with full knowledge of its seriousness and with the understanding that we are voting a resolution which means life or the loss of it for who knows how many hundreds or thousands? Who knows what destruction and despair this action may bring in the name of freedom? I hope we shall be very sober in our judgment, as befits the great historic tradition of this body.

We have a right to expect from the President of the United States, who will receive this great grant of confidence, which I am sure the Senate will give by an overwhelming vote, and from the Foreign Relations Committee, which has direct charge of these matters in this body, as vigorous a diplomatic effort as we are authorizing in the other field. We have every right to believe that the nations in the SEATO treaty have interests in this region as great as ours. They may not be able to muster the military power we can, but they certainly can muster some help which will give them a sense of participation. We know they can muster great moral strength. There is a great population in that area. Pakistan has a population of more than 100 million. India, though in dire trouble, is still the counterweight to Communist China. She has a profound interest in what happens in that area. Indonesia, Malaysia, and Thailand have considerable influence. All those strengths must be mustered, in a physical and moral sense. The same is true of France, Great Britain, and others.

I thoroughly agree with the Senator from Oregon [Mr. MORSE] as to the moral strength—although I do not agree with him as to what we have to do in this situation—that must be mustered by the United States, constantly and continuously, to appeal to the conscience of the world, in order to give the world an opportunity to bring about a sense of justice and morality, and an opportunity to act in its own freedom.

In fundamental aspect, the prize that the Chinese Communists are seeking is the possession of the great arsenal of production in Asia, including Japan. The aim of Communist China in respect of Japan is parallel to that which the Soviet Union, in its worst Stalinist days, had toward Germany. They seek a ready-made arsenal in order to develop it quickly——

Mr. LAUSCHE. Mr. President, will the Senator yield? Will he repeat what he just said? I think it is important.

Mr. JAVITS. I thank the Senator. The objective of the Chinese Communists is the great arsenal of production which is Japan, just as the objective of the Soviet Union in its Stalinist days—and probably still is—was the great arsenal of production which was Germany. They are the main bases which the Communists are seeking to capture.

We must understand the deep feeling of every American and every American family on this question. I have already received in my office, as I am sure all other Senators have, numerous telegrams since yesterday on this subject. I was awakened three times between 12 o'clock and 3 in the morning—and I do not complain; I understand the feelings of the families involved—by people in New York telling me how deeply concerned they were and with what prayer and devotion I must determine how to act on the joint resolution.

For those people we have a pledge to use every instrument of diplomacy, as we are willing to use every element of force, necessary to preserve freedom.

We have also another pledge. The Senator from Kentucky [Mr. COOPER] said it was expected that these means should be used with the greatest moderation and understanding of the vital issue with which we are dealing.

Also, and finally, we have the sad duty which generals have in war, of comparing the number of casualties we are willing to endure in order to achieve an objective which will save even greater casualties. Does anyone think that President Truman had an easy decision to make about dropping the bomb on Hiroshima? Yet history records that a million or more lives were saved, devastating as the dropping of that bomb was.

These are dread decisions which great powers must make. They must make them with morality, and with a willingness to walk the extra 10 miles—to paraphrase President Eisenhower—and consider every avenue that means an "out," even if we have to swallow a little pride, in dedicating ourselves to using every means of diplomacy and persuasion on the people of the world, while they have yet time to exercise a choice.

I hope the joint resolution will be administered in that spirit by the President and by the Foreign Relations Committee, which also bears a heavy responsibility as the trustee of all of us here.

It is under those conditions that I shall, with deep knowledge and notice of what I am doing, cast my vote for the joint resolution.

Mr. LAUSCHE. Mr. President, I wish to make some comments with respect to what was said by the Senator from New York dealing with what we obligate ourselves to do by this resolution. Earlier today the Senator from New York made some inquiries on this subject. Other inquiries have been made by other Senators.

Under the first section of the resolution, we commit ourselves and authorize the Commander in Chief to take all necessary measures to repel any armed attack against the forces of the United States and to prevent further aggression.

In other words, under the first section, we contemplate that our Government shall repel any armed attack against the forces of the United States and will take such action as is necessary to prevent further aggression.

Section 2 has been rather widely discussed this afternoon. I wish at this time to call attention to certain articles of that section. It deals solely with the Southeast Asia Collective Defense Treaty, SEATO. It empowers the President to determine, limited by the authority of SEATO, what action we shall take in protecting the rights of the members of SEATO. Our obligations under SEATO are divided into two parts.

Part I, in substance, declares that the Government of the United States will join in the protection of its fellow members against any aggression. I wish to emphasize that under the first part of article IV of the SEATO Treaty our Government is only obligated to lend its military forces in instances in which our allies are attacked and such attack endangers the security of our country. I wish to read the first part of article IV, which is applicable to the statements which I have thus far made:

> Each party—

That means each party that has subscribed to the SEATO Treaty—

> recognizes that aggression—

I emphasize the word "aggression"—

> by means of armed attack in the treaty area against any of the parties or against any State or Territory which the parties by unanimous agreement may hereinafter designate, would endanger its own peace and safety, and agrees that it will in that event—

The question is, What event? The answer is in the event of attack and that in addition thereto it endangers the security of the United States of America, our country will—

> act to meet the common danger in conformity with its constitutional processes.

Under article IV of SEATO we are obligated only to give military help to our allied members of SEATO when they are attacked from without. We are not obligated to give them help if they attack nations which are not members of SEATO.

The first half of article IV makes it abundantly clear that under the SEATO Treaty our Government is not obligated to come to the aid of any country unless that country, a member of SEATO, has been attacked by an enemy and that attack endangers our security. Probably I ought to add that the treaty makes it conditional that the countries which attack, and upon which we are allowed to impose our military strength, are Communist countries.

Now we come to the second half of article IV of the SEATO Treaty. The second half deals with no attack upon members. It deals with conduct that does not constitute an attack but which endangers the security of the member countries.

I read the provisions of the second half of article IV:

> If, in the opinion of any of the parties, the inviolability or the integrity of the territory or sovereignty or political independence of any party in the treaty area or of any other State or territory to which the provisions of paragraph 1 of this article from time to time apply, is threatened—

I wish to repeat that—

> is threatened in any way other than by armed attack or is affected or threatened by any fact or situation which might endanger the peace of the area, the parties shall consult immediately in order to agree on measures which should be taken for the common defense.

The second half of this article, dealing with our obligations, provides, in effect, that if one of our allies is not attacked but is subjected to threats and conduct that endanger the security of the country and ourselves, we do not have the obligation to impose our Armed Forces in order to secure a settlement of that threat.

In the second instance, our obligation is only to sit down with the members and consult. We say to the members in that consultation: "None of us has been attacked. Therefore, there is no obligation to impose our arms according to our constitutional processes." In effect, it is further stated that, though we have not been attacked, the practices and the activities to which we have been subjected are a danger to the security of the individual and the composite countries.

In the second half of the section, the members are obligated to consult and determine what the course shall be.

Now I get down to what I term to be the significant aspect of section 2 of the resolution. To the President, Congress assigns the rights that are vested in Congress itself. In the event there is an attack upon an allied country, the United States is obligated to come to its aid against that attack (provided such an attack in the opinion of the United States endangers the security of the United States). In the event there is no attack, we have no obligation whatsoever, except the obligation to consult. I have discussed this aspect of the problem, because today a number of Senators asked questions implying that it was their belief that if South Vietnam attacked North Vietnam, under the SEATO treaty we were obligated to give South Vietnam help. That is not true. We are not obligated at all. We are obligated only when an attack has been made by North Vietnam on South Vietnam. That attack must be in an offensive and, of course, belligerent nature.

I ask unanimous consent that articles IV and the second part of article XI be made a part of the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

ARTICLE IV

> 1. Each Party recognizes that aggression by means of armed attack in the treaty area against any of the Parties or against any State or territory which the Parties by unanimous agreement may hereafter designate, would endanger its own peace and safety, and agrees that it will in that event act to meet the common danger in accordance with its constitutional processes. Measures taken under this paragraph shall be immediately reported to the Security Council of the United Nations.
>
> 2. If, in the opinion of any of the Parties, the inviolability or the integrity of the territory or the sovereignty or political independence of any Party in the treaty area or of any other State or territory to which the provisions of paragraph 1 of this Article from time to time apply is threatened in any way other than by armed attack or is affected or threatened by any fact or situation which might endanger the peace of the area, the Parties shall consult immediately in order to agree on the measures which should be taken for the common defense.
>
> 3. It is understood that no action on the territory of any State designated by unanimous agreement under paragraph 1 of this Article or on any territory so designated shall be taken except at the invitation or with the consent of the government concerned.

UNDERSTANDING OF THE UNITED STATES OF AMERICA

> The United States of America in executing the present Treaty does so with the understanding that its recognition of the effect of aggression and armed attack and its agreement with reference thereto in Article IV, paragraph 1, apply only to communist aggression but affirms that in the event of other aggression or armed attack it will consult under the provisions of Article IV, paragraph 2.

Mr. LAUSCHE. Mr. President, I yield the floor, and I suggest the absence of a quorum.

The **PRESIDING OFFICER.** The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. RANDOLPH. Mr. President, there is no reluctance and no reservation in my support for the pending resolution. The President of the United States has acted with firmness and wisdom. The course of action followed—and apparently decreed for the immediate future as well—has the merit also of embracing directness and objectivity without involving the danger of unlimited hostile activity. There should be maximum unity within the Government on this issue—and this degree of unity is as incumbent on the Congress as on the executive branch.

I believe the President was right in requesting that there be an emphasis in the resolution—indeed, an expressed determination that "all necessary measures" be taken. In effect, congressional authority for future military action in southeast Asia would be delegated to the President—and properly so—by this resolution.

Columnist David Lawrence calls attention today to U.S. Ambassador Adlai Stevenson's speech in the United Nations Security Council yesterday in which he said the attacks on the U.S. Navy vessels in international waters of the Tonkin Gulf were "part of a larger pattern with a larger purpose."

And, as the New York Times this morning declared editorially:

"The lines have hardened. A highly dangerous period has opened. It is a time that calls for coolness as well as determination, for restraint as well as firmness."

Although we can suspect, as Ambassador Stevenson indicated, that the attacks were part of a larger pattern with a larger purpose, I agree with the Times' further editorial comment:

"We still have no real idea of what prompted the North Vietnamese to launch their potentially suicidal adventure. The Nation's united confidence in its Chief Executive is vital. No one else can play the hand. That confidence will be best maintained by a continued adherence to the principles the President himself has enunciated of firmness, but a firmness that will always be measured—a firmness whose mission is peace."

Mr. THURMOND. Mr. President, I rise in support of the resolution which is the pending business before this body.

It is not the United States of America which is the aggressor in southeast Asia. The Communist aggressors launched the attack on U.S. Navy forces in the Bay of Tonkin, and they are the aggressors in Laos and in Vietnam. The United States had no alternative but to retaliate against the unwarranted and unprovoked attack by North Vietnamese on U.S. destroyers.

It is fitting that the Congress express its approval and its support of the determination of the President to take all necessary measures to repel any armed attack against the forces of the United States and to prevent further aggression.

Mr. President, the approval and support which the Congress now expresses for the President to take necessary measures to repel any armed attack against the forces of the United States is not new. This authority the President now has, and, indeed, he has been exercising this authority as well as the authority to assist our southeast Asian allies to repel armed attacks against their nations and their armed forces.

The resolution which we are considering today does approve a new element which has not, prior to this week, been exercised, and that is the taking of all necessary measures to prevent further aggression. I sincerely hope that the President will take all necessary measures to prevent further aggression, not only against our own military forces, but also to prevent further aggression against our southeast Asian allies. If he does so, it will mean that we are at last abandoning our purely defensive posture in favor of a "win policy" in the war which the Communist aggressors have initiated and are continuing.

It is imperative that victory, not stalemate, be our objective in dealing with Communist aggression in southeast Asia.

Mr. HUMPHREY. Mr. President, I wish to state my support of the joint resolution before the Senate, Senate Joint Resolution 189. I know that this matter is of serious consequence, but I also know that the precedent of a joint resolution to promote the maintenance of international peace and security is well established. I well recall, as I am sure other Senators have in the debate, that in the instance of the Formosa crisis, and in the instance of the Middle East crisis, Congress joined the President in a statement of national security policy relating to our national security interests in those areas. The joint resolution before us follows very much the same guidelines and the same form as the other resolutions to which I have referred.

It is my view that the President has the authority under the Constitution to order the Armed Forces of the United States to protect the vital interests of this country whenever those interests are threatened. In other words, the President was acting fully within his authority when orders were given to the destroyer *Maddox* to repeal the PT boat attack from the North Vietnamese.

The President, as Commander in Chief, not only has the authority under the Constitution to use the Armed Forces of the United States for the protection of our freedom and security; he has the duty to do so. In the day and age in which we are living, attacks upon our country often come swiftly. They frequently come at a time and a place in which only a swift response will achieve the purpose of the action. Delayed response would be of no avail.

We live at a time when communications make it possible for an enemy to strike serious blows at our country and to adversely affect our vital interests, and to do it so rapidly and so decisively that unless we can respond quickly, we shall suffer defeat before we even have an opportunity to evaluate what has happened.

So I believe that President Lyndon B. Johnson, in ordering our aircraft to destroy certain facilities of the North Vietnamese regime, facilities which have been used to harass American shipping and to attack units of the American fleet, did what he should have done. He is to be commended for having done it, and is to be respected for the manner in which he took this decision action.

The joint resolution now before the Senate, in the "whereas" clauses, states the facts. It reads:

> Whereas naval units of the Communist regime in Vietnam, in violation of the principles of the Charter of the United Nations and of international law, have deliberately and repeatedly attacked United States naval vessels lawfully present in international waters, and have thereby created a serious threat to international peace; and
>
> Whereas these attacks are part of a deliberate and systematic campaign of aggression that the Communist regime in North Vietnam has been waging against its neighbors and the nations joined with them in the collective defense of their freedom; and
>
> Whereas the United States is assisting the peoples of southeast Asia to protect their freedom and has no territorial, military, or political ambitions in that area, but desires only that these peoples should be left in peace to work out their own destinies in their own way: Now, therefore, be it

All those statements in the "whereas" clauses are facts—known facts of foreign policy and known facts of international life.

This Nation has an obligation to fulfill its treaty responsibilities. This Nation, as a leader of peoples in the free world and of free nations in the world, has the responsibility of assuming the heavy burdens of leadership, which at times includes the defense of helpless people, the defense of defenseless people.

Therefore, Mr. President (Mr. BREWSTER in the chair), the joint resolution before the Senate makes note of the fact "that the Congress approves and supports the determination of the President, as Commander in Chief, to take all necessary measures to repel any armed attack against the forces of the United States and to prevent further aggression."

I do not believe that anyone would disagree that such measures are necessary.

Surely, we cannot permit an unprovoked attack upon the forces of the United States without response. Surely, the Congress would not condone a pattern of international conduct that would deny the fleet of the United States the use of international waters. It is a part of our national history and our national heritage to support freedom of the seas—from the time of George Washington, through the administration of Thomas Jefferson and the incidents with the Barbary pirates, up to this very hour. As a great maritime power, we must insist upon a strict application of international law, insofar as the high seas and international waters are concerned.

Therefore, the attack which was made upon our vessels had to be repulsed; and in repulsing that attack it was essential that the particular facilities in the haven from whence the attack took place should be destroyed.

The second section of the resolution recites once again what has been the policy of this Nation since 1954, insofar as southeast Asia is concerned.

It states very directly and simply for all to understand.

> The United States regards as vital to its national interest and to world peace the maintenance of international peace and security in southeast Asia.

We are signatories to the SEATO treaty. The South Vietnamese Government—the government of a free country—has asked for our assistance. We have a mutual assistance pact with them. We have given assurances, since the days of the Eisenhower administration, through the Kennedy administration, and now into the Johnson administration, that the obligations of the mutual assistance agreement will be fulfilled.

It is my view that the minute we back away from commitments we have made in the defense of freedom, where the Communist powers are guilty of outright subversion and aggression, on that day the strength, the freedom and the honor of the United States starts to be eroded.

I remember a Senator once saying in this Chamber that he doubted very much whether the Communist nations intended to blow the world to pieces; that he thought possibly they intended to pick it up piece by piece.

The more I think of that expression, the more truth there seems to be in it.

The aggressor seeks to bite off piece by piece the areas of freedom. They seek to do it through terror, subversion, and persistent aggression.

We have seen this happen in our own hemisphere. We have watched, for example, how the Castro Communist regime in Cuba used every conceivable means to destroy the free government of Venezuela through subversion, terrorism, assassination, propaganda—every conceivable method, military, economic, and political.

I am of the opinion that what is going on in southeast Asia is a persistent attack on the part of the Communist forces to nibble away at certain areas in southeast Asia which we can call free and independent, to take them one by one—this would include Laos, Cambodia, Vietnam, in the southeast Asia peninsula.

Let us not forget for a single moment that only a few months ago an international agreement was arrived at in reference to the country of Laos, and a man by the name of Souvanna Phouma, who was a neutralist, was elected as the Premier. I can recall when Souvanna Phouma was looked upon as less than desirable to the Government of the United States. But he is the Premier of Laos, and he is attempting to keep the obligations and to fulfill the commitments of the international agreement. All the forces in that little country were supposed to have come together and were supposed to follow the commitments and the terms of the agreement—the rightist forces, the neutralist forces, and the Pathet Lao.

What has happened?

The Pathet Lao, the Communist forces, have waged a relentless attack upon the established regime. Were it not for the Government of the United States resisting, were it not for the Government of the United States attempting to maintain the strength of the established regime and government of Souvanna Phouma, Laos today would be only another Communist-bloc country.

I do not believe that we show any love of peace by letting the Communists take the world over piece by piece. We show no love of peace by permitting unprovoked and unadulterated aggression to take place against friendly and peace-loving nations, or against the Armed Forces of the United States.

What this joint resolution does is to place the elected representatives of the American people in Congress assembled on record as supporting the actions of the Commander in Chief in defense of American sovereignty, in defense of American Armed Forces, and in fulfillment of our treaty obligations and commitments.

A great power must be an honorable power. A great nation must be willing at times to make great and difficult decisions. I would be the last to say that this decision did not have within it the possibilities of even greater troubles ahead. But I do not believe that we can duck these troubles. I do not believe that we can avoid them by pretending they are not there.

I do not believe, if the fleet had been withdrawn from Tonkin Bay area where it was attacked, that it would have made the Chinese any more peaceful, or the North Vietnamese any more considerate of the legitimate rights of the people of South Vietnam. On the contrary, I believe that were we to have withdrawn, or had we pretended it was nothing more than a little incident, all it would have done would have been to feed the beast of aggression. North Vietnam, in concert with the Communist Chinese regime, would have continued to build up its airfields, its depots, its supply lines, and its bases.

So we did what we had to do.

Mr. CHURCH. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield.

Mr. CHURCH. Would not the Senator agree with me that there is a proper time to question the merits of a national policy, whether it be in southeast Asia or anywhere else in the world? One of the functions of the Senate is to keep our foreign policy under continuing surveillance.

There is a time to question the route of the flag, and there is a time to rally around it, lest it be routed. This is the time for the latter course, and in our pursuit of it, a time for all of us to unify.

Mr. HUMPHREY. Mr. President, the Senator from Idaho, in his usual and brilliant manner, has stated the case precisely and succinctly. There is not only a time, but there is an obligation on the part of Members of this body to question policy, to express concern if we have a doubt, or to express approval. That is what the Senate of the United States is for. That is why we have the committee structure. That is why we have committee hearings and testimony. There is a time when we can get up and say that the policy ought to go in another direction, and suggest alternatives. And Senators have done so.

But there comes a time when the aggressor may feel that because of our discussions, we are disunited, and he then could launch an attack.

The power that we have today is to be used for the cause of peace and justice. The power that the American people have in their great military establishment is to help other people as well as ourselves in their pursuit of freedom and in their pursuit of national independence and national dignity.

I believe that we are using it for this purpose. I commend the President of the United States, not only the present President, but the others—the late beloved President Kennedy, and former President General Eisenhower—not only because they were at times willing to use the power, but also because they had the moral character to restrain the use of power that was in their hands when that restraint was necessary.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. CARLSON. Mr. President, the Senator from Idaho [Mr. CHURCH] has just made a statment. I think I would be less than frank if I did not state, as a member of the Committee on Foreign Relations, that I had several times questioned the policy of this country in southeast Asia.

It seems to me that that time has passed. It seems to me that the President has a responsibility, and that Congress has the duty to insist that our Nation's rights of protection on the high seas be observed, that none of our vessels are fired on, and, that we defend ourselves by retaliatory action.

It seems to me that in dealing with international problems, we must show firmness. We must show strength. For that reason, I support the President's decision in this matter. I shall vote for the resolution.

I had hoped that there would have been some way that we could have arrived at an arrangement in southeast Asia without continually seeming to be escalating the war.

I have watched the progression of this situation for about 10 years. I know that every other member of the Committee on Foreign Relations has, too. It has concerned me greatly. It seems that we take step after step that involves us in a situation from which it is most difficult to extricate ourselves, even by conferences in the United Nations, or meetings in any other area of the country that we might select.

I associate myself with the remarks of the Senator from Idaho. We have reached a place where we have not only to support the President, because he has the responsibility, but we have a duty and a privilege today, and we should exercise it.

Mr. HUMPHREY. Mr. President, I thank the Senator from Kansas. Lest I be misunderstood, I, too, on occasion have expressed concern over certain aspects of our policy in southeast Asia. I have tried to make at times what I thought were constructive suggestions to modify, to complement, or strengthen that policy.

I believe that this must be done. Our objective must be made crystal clear. Our Government is not attempting to accelerate a conflict. Our objective is to achieve stability in the area so that we can then go to the conference table. But we ought to make it clear to the world that we do not intend to sit at the conference table with a Communist gun at our heads.

We do not intend to sit at the conference table while the Communist forces continue acts of aggression against ourselves or against our allies. The Communists must learn sometime that the United States of America and other nations associated with it are not going to be blackmailed by Communist subversion, Communist aggression, and Communist power tactics. They must learn that we are perfectly willing to assume the role at the conference table of negotiation and diplomacy, but only under circumstances in which there is a respect for law and order, and in which there is a respect for national sovereignty.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. SPARKMAN. I think we can all subscribe to the views expressed by the Senator from Idaho [Mr. CHURCH] as affirmed by the Senator from Kansas [Mr. CARLSON]. Of course, we are not supposed merely to take things without questioning. The thought occurred to me that down in the Foreign Relations Committee, where we meet so often, we exercise the power of questioning. When we have briefings and conferences, the individual members of the committee express themselves and ask questions. Most of the time we gain a pretty fair understanding among ourselves and the representatives of the State Department, the executive department, and the military who come before us. I do not know of any problem that has been considered more frequently and more vigorously than the problem of southeast Asia, not merely Vietnam, but also Laos, Cambodia, Thailand, and the entire area of southeast Asia, but particularly the Indochina states.

It has not been one that we merely accepted. Some of the thoughts that have been exchanged in the Foreign Relations Committee have been helpful to the State Department and the Defense Department in trying to meet the problems. I fully agree with the Senator from Kansas that this is a responsibility of the President. When President Eisenhower proposed, in 1953, the Formosa Straits resolution, I spoke on the floor of the Senate regarding that resolution. At that time I said that the resolution was not necessary, that the President had full power and authority to pronounce this policy and to carry it out. I related it back to the Truman doctrine in the Greece-Turkey situation in 1947. The Senator will remember that President Truman came before Congress and said, "This is what I have done. This is the program. I wish you to appropriate the money to carry it out."

I have always felt that the President had such power. However, I supported President Eisenhower's resolution on the Formosa Straits issue, and I supported the resolution on the issue involving the Near East, because the President made it clear, as it is made clear at the present time, that what he wanted was a show of unification on the part of the country. Such an expression is provided in the joint resolution before the Senate. It is inherent in it, and it certainly has been in the expressions of the President.

There is one provision in the joint resolution which particularly pleases me, and it follows up closely the resolution relating to the Formosa Straits, the Near East resolution proposed by President Eisenhower, and the Cuban resolution proposed by President Kennedy. It recognizes the power of the President to do these things in defense of our country on the high seas. But it calls for support from the Congress and from the people of the United States. For that reason I believe it is a good resolution, and I think it fully complies with the requirements that all of us would expect.

Mr. HUMPHREY. I say to the Senator from Alabama that the analysis of the joint resolution and the work of the Foreign Relations Committee, not only at times in the offering of such resolutions or in passing upon them, is exactly my understanding of the constitutional powers of the President and the reason for this type of joint resolution. The President does have the power. The joint resolution in no way would weaken his constitutional prerogatives or powers, but it would place behind the President, as a demonstration to the American people, and to the world the fact that the Congress of the United States, representing the people of the United States, supports the action that has been taken. Indeed it not only supports it but, is strongly behind it.

I think that is very important. I call to the attention of the Senate the fact that the Communists have a way throughout history of engaging in aggressive attacks during our election years.

They have some sort of feeling that possibly the country is disunited. One of the most revealing experiences each time is how, regardless of party preference or individual views, the American Congress and the people of our country unite. That has been true in the present instance. The President of the United States consulted and spoke with members of both parties who were called to the White House. Officials of the Government have been to the Congress. The President of the United States was in contact with the standard bearer of the Republican Party. All united in support of the action that was taken and the joint resolution.

Mr. SPARKMAN. It is a mobilization of the strength of democracy.

Mr. HUMPHREY. Mr. President, I should like to yield to the Senator from Montana.

ORDER FOR ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate adjourns tonight, it adjourn to meet at 10 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

MAINTENANCE OF INTERNATIONAL PEACE AND SECURITY IN SOUTHEAST ASIA

The Senate resumed the consideration of the joint resolution (S.J. Res. 189) to promote the maintenance of international peace and security in southeast Asia.

ORDER FOR LIMITATION OF DEBATE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be a time limitation of 3 hours on the pending joint resolution, 2 hours to be given to the Senator from Oregon [Mr. MORSE], and 1 hour to be divided between the majority leader and the minority leader, and that a vote on the joint resolution occur at 1 o'clock tomorrow afternoon.

I ask unanimous consent that the provisions of rule XII, clause 3, requiring a quorum call, be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

The unanimous-consent agreement, subsequently reduced to writing, is as follows:

UNANIMOUS-CONSENT AGREEMENT

Ordered, That effective at 10 a.m. on Friday, August 7, 1964, debate on the joint resolution (S.J. Res. 189) to promote the maintenance of international peace and security in southeast Asia shall be limited to 3 hours, of which 2 hours shall be allocated to the Senator from Oregon [Mr. MORSE], and 1 hour to the majority and minority leaders, and that a vote on the passage of the said joint resolution shall be taken at the hour of 1 p.m. on said day, August 7, 1964.

Mr. BARTLETT. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the Senator from Alaska.

Mr. BARTLETT. I have had deep doubts about the wisdom of our policy in Indochina, with particular reference to Vietnam. I have expressed those doubts many times on the floor of the Senate and elsewhere.

I have feared that there might be an escalation of the war, but I never dreamed that its possibility would come from such causes as have been noted during the past several days.

Mr. President, it has seemed to me that the basic need—that of inspiring the people of South Vietnam to fight for their freedom, to bring into being a government of stability, a government that would be free of Communist influence—has been too often lacking, despite the massive help that we have given in that far-off land.

The distance between the United States and southeast Asia has been one of the basic difficulties we have encountered. It has been said repeatedly that that part of the world is vital to our national security. There can be doubt on that point. I have never felt, that the proposal as advanced by President de Gaulle, that the war in southeast Asia should be negotiated, was worthy of derision from us or from anyone else. I thought that the proposal should be considered carefully. I believe that; and I have had no reason to change that view, that in the long run the only satisfactory one of concluding what is a desperate situation, not only for the South Vietnamese, but also for us, could be arrived at around the conference table. But it has been apparent from the start—so far as I was concerned at least—that we should not go to the negotiating table from a stance of weakness. We must, first, set up a system there through military strength, through desire on the part of the South Vietnamese themselves, where negotiations might be conducted on a basis of equality.

But whatever my views or the views of others on this sorry situation may have been, the fact remains that they now must be considered in the light of what has happened this week. For me there will be no difficulty in voting for the joint resolution which is now being considered by the Senate. All Americans must unite behind their President and behind their Government in the hope, as the President has so frequently expressed during the past few days, that there will be no further developments in the war, that the strikes which we have made, after acts of aggression have been committed against us, will constitute a sufficient warning, and that even now, in this hour of crisis, the dangers will be resolved, and that at a date not too far distant, peace may be restored to those unhappy lands.

Meanwhile, it is my intention to vote tomorrow for the joint resolution.

For me, there is no alternative.

I wish we had never committed ourselves to the course of action upon which we embarked several years ago. But we did. And now we have been attacked. Our honor, our integrity, our vital interests are assuredly now at issue. We can do but one thing as I see it—unite behind the President.

Mr. HUMPHREY. Mr. President, I thank the Senator from Alaska for his comments. I conclude by saying that the Senator from Minnesota will vote for the joint resolution.

I invite the attention of our countrymen to the fact that the desire of the Government is for peace with justice; the desire of the Government is for the cessation of hostilities in any part of the world; the desire of the Government is not to extend or to expand the struggle or the war in southeast Asia; the desire of the Government is to have nations live by their commitments, their treaty obligations, and to respect the sovereignty and independence of the nations in that area. This Government has as its objective the fulfillment of its treaty obligations; and our action in southeast Asia is directed toward that purpose.

I commend the President and hope that the joint resolution will be overwhelmingly supported.

Mr. BYRD of West Virginia. Mr. President, I rise to support the joint resolution to promote the maintenance of international peace and security in southeast Asia. The deliberate and unprovoked military attacks by the North Vietnamese upon our naval vessels created a situation in which the President was forced to take immediate and firm action. The action was taken, and all Americans can be proud of the firmness which our military forces have displayed. It has been a firmness, without giving the appearance of being tough, and I feel that the exercise of restraint, in the use of the overwhelming power which we possess in the area immediately affected, has created a very favorable impression throughout the free world.

While the initial incident appeared at first at be an isolated event, subsequent aggressive action by the North Vietnamese indicated that the attacks were planned and carried out for purposes concerning which we are not fully aware even at this moment. For the United States to have vacillated or hesitated would have encouraged further acts of aggression, and, in my judgment, we had only one course to pursue in the upholding of our country's honor and in the protection of its immediate and long-term security. That course was taken. We should be under no illusions as to the grave consequences which may follow in the train of events which have recently transpired. We may be confronted with an escalating Vietnamese war, and the danger of deeper U.S. involvement must be faced up to. We know not what lies ahead. We do not know what the next Red move may be, but we can hope that the resoluteness and determination which have already been displayed by our Commander in Chief and our military forces will duly impress the North Vietnamese and Red China and indeed the Soviet Union, and that the Communist regimes in those countries will not dare to discount the danger to world peace involved in further provocative behavior.

The people of America share with other freedom-loving nations the fervent hope that reason will prevail and that peace can be restored in the Far East. Nonetheless, the unity and determination of the American people, through their representatives in Congress, should be manifested in terms which are certain and clear. It is imperative that the resolution be adopted unanimously and with promptitude. As a member of the Senate Committee on Armed Services, I voted this morning to favorably report the resolution, and I am now ready to support its adoption by the Senate. Our country is not interested in the plunder of aggrandizement, but our country is bound to resist every peril to our security and the security of the free world. Action, not words, should be the order of the day.

Mr. MORSE. Mr. President, as the record of the Senate already shows, the majority leader and I had a conference a few moments ago, in which a unanimous-consent agreement was reached that the Senate would resume tomorrow morning at 10 o'clock, that we would vote at 1 o'clock tomorrow afternoon, that the senior Senator from Oregon would be allowed 2 hours of that time, and that the other hour would be divided equally between the majority and minority leaders.

I shall make my major rebuttal speech at that time, but for just a few moments tonight there are certain facts I want to put into the RECORD, so that they will be in the RECORD tomorrow.

Yesterday I made a major speech in opposition to the pending resolution. I now incorporate that speech by reference and stand on every word I uttered.

In that speech I said the United States was a provocateur, along with South Vietnam, North Vietnam, Red China, and the Pathet Lao in Laos, and possibly on some occasions, Cambodia, and that the United States must assume and be charged with its share of responsibility for a series of provocations that have led to the crisis which now exists in southeast Asia.

I repeat it tonight. I am satisfied that there is no question about it.

Mr. President, we have stood in violation of the United Nations Charter for years in South Vietnam. Even the neutral commission composed of representatives from India, Canada, and Poland found North Vietnam and South Vietname in violation of the articles of the Geneva accords. The South Vietnam violation was due to the military operations of the United States in South Vietnam. That is our provocation.

As will be seen before I finish these brief remarks tonight, we have not reported our military buildup in South Vietnam to the United Nations under article 51, which is a clear treaty obligation of the United States. We have never done it, Mr. President.

So the senior Senator from Oregon does not modify in one iota his charge that contrary to its treaty obligations, the United States has been a provocateur in southeast Asia along with South Vietnam, North Vietnam, Red China, the Pathet Lao in Laos, and possibly Cambodia.

No one can possibly justify the attack on American ships in Tonkin Bay off North Vietnam. The senior Senator from Oregon, from the very beginning, has been highly critical of it and has condemned it.

As in domestic criminal law, crimes are committed, but they are sometimes committed under provocation. The provocation is taken into account by a wise judge in imposing sentence.

Some provocative factors were involved, which I mentioned yesterday, but I want to mention them again tonight for the record. On Friday, July 31, South Vietnamese naval vessels—not junks but armed vessels of the PT boat type made available to South Vietnam by way of our aid program—had bombed two North Vietnamese islands. One island is approximately 3 miles and one approximately 5 miles from the main coast of North Vietnam.

As I made clear this morning in the committee meeting, the United States did not act in a vacuum with respect to that bombing. The United States knew that the bombing was going to take place. The United States has been in close advisory relationship with the military dictatorship we have been supporting as a military protectorate in South Vietnam for quite some time. We knew for quite some time that the dictator of South Vietnam has wanted to go north. We know that recently there was a big demonstration in Saigon, staged pretty much by students, but there were others, and in response to a speech made by Dictator Khanh, the cry was, "Go north, go north, go north," which meant that the cry was for escalating the war into North Vietnam.

We also know that as a result of that incident, which ended in an incident of some riot proportions, in that the rioters pulled down some memorials which had been erected to the French dead in Saigon, General Khanh and Ambassador Taylor had some diplomatic conversations. Most Senators have read that the latest diplomatic conversation had taken place at a party out in the country, at an estate, which Khanh and the Ambassador had attended. The stories which came out of that meeting were to the effect that they had resolved their differences and that there was a recognition on the part of the general that the United States would not favor an extension and expansion of the war to the north.

On Friday, July 31, the war was escalated to the north. That is not a matter of infiltration. That is not a matter of junks seeking to bring in supplies. That is not a matter of South Vietnamese intelligence people being slipped into North Vietnam or of North Vietnamese intelligence agents being slipped into South Vietnam. This was a well thought out military operation. These islands were bombed.

When these islands were bombed, American destroyers were on patrol in Tonkin Bay, and they were not 60 or 65 miles away. What I am about to say I can say without revealing the source and without violating any secrecy.

It is undeniable that in the patrolling operations of our destroyers in Tonkin Bay the destroyers have patrolled within 11 miles and not more than 3 miles off the coast of North Vietnam. The reason that these are the figures is that there is a conflict between the United States and North Vietnam. North Vietnam claims that her national waters go out to 12 miles. She is not the only country in the world that claims it. The United States takes the position that national waters extend only 3 miles. I believe our position is absolutely right. I believe the weight of international law is in favor of us. I think the so-called exceptions which are often cited in international law cases, which certain proponents seek to use to throw doubt over the whole principle, are exceptions which apply in geographic locations in the world and are special in their nature. Some Latin American neighbors claim not only 12 miles, but, in some instances, more than 12 miles, particularly when they think extending the national waters beyond 12 miles may give them great commercial advantages in respect to fishing rights.

I only mention it in passing to show that this fact is a point of international law which is frequently under considerable dispute and controversy.

I repeat my premise. There is no question about the fact American naval vessels, in their legitimate rights of patrol in Tonkin Bay, patrolled within an area of 3 miles to 11 miles in extent.

They patrolled under 12 miles to demonstrate that we did not recognize any 12-mile limit, and stayed beyond 3 miles to make it clear that we respected and abided by what we thought was the international law right of North Vietnam.

We had the international right to do that. The senior Senator from Oregon has never taken the position that we have no right to patrol in Tonkin Bay in international waters. It ought to be done with discretion. If we wish to argue in one breath that we are against escalating the war, we have a little difficulty in the next breath justifying, in my judgment, the course of action that we followed in respect to South Vietnamese bombing of the two islands 3 to 5 miles off the coast of North Vietnam, and then having American naval vessels, a part of our Navy, so close to the North Vietnamese coast, although in international waters, as they were on Friday, July 31, when the bombing took place.

Oh, Mr. President, the Pentagon and the State Department throw up their hands in aggrievement if anyone suggests, as I did in my speech yesterday, that their very presence there is subject to the interpretation that they were a backstop. All the protestations on the part of the State Department and the Pentagon cannot change a physical fact. The presence of those ships in that proximity to the North Vietnamese coast, while an act of war was being committed against North Vietnamese coast by the bombings of those islands, was bound to implicate us. We are implicated.

One can deny, deny, and deny, but the fact that the ships were that close while the bombing took place is bound to be interpreted as a provocation, and also must be considered when we look at the matter of the reaction to it as an extenuating fact.

Mr. President, I do not know exactly the mileage location of the American naval vessels while the bombing took place. I do not know whether it was 4 miles, 11 miles, or 20 miles. But the very fact that these ships were in that general area of Tonkin Bay, where they could have given, if it became necessary, protection, in my judgment implicates the United States.

It is bound to be looked upon by our enemies as an act of provocation; and it makes us a provocateur under the circumstances.

It is difficult to find out exactly what happened in regard to the ultimate attack on the *Maddox* on Sunday. The bombing took place on Friday. But I think I violate no privilege or no secrecy if I say that subsequent to the bombing, and apparently because there was some concern about some intelligence that we are getting, our ships took out to sea; that is, they changed their course, instead of remaining close to the mainland of North Vietnam, as they had a perfect right under international law to do. But as a result of the concern that was caused by the bombardment by the South Vietnamese—our ships went a considerably greater distance from the shores of North Vietnam. Approximately 60 miles offshore was the point at which the attack by the North Vietnamese PT boats took place.

That was an act of aggression on their part against the United States. There is no question that we were clearly within our rights in replying with force and sinking their ships, if we could. Apparently we did sink one of their ships. That closed that incident.

Mr. LAUSCHE. Mr. President, will the Senator yield for a question?

Mr. MORSE. I shall be glad to yield.

Mr. LAUSCHE. The Senator just made the statement that, on the basis of certain intelligence received by, I assume, the commander of the *Maddox*——

Mr. MORSE. I am not going to comment on that. I think I have said all that I have a right to say within the proprieties.

Mr. LAUSCHE. There has been no proof of any kind whatsoever that any intelligence was received, except as to the pursuit by the PT boats of our *Maddox*. So my question is, On what basis does the Senator from Oregon say that we received certain intelligence that our ships were being attacked?

Mr. MORSE. I did not say that. Read the record. Have the record read back.

Mr. LAUSCHE. Will the Senator please state, then, what his understanding——

Mr. MORSE. If it will help the Senator, I will repeat what I said. I had pointed out that after the bombardment of the islands, the American ships, from the point where they were, took out to sea a greater distance.

Then I made the comment that it was my understanding that on the basis of intelligence reports there was some concern about the situation. I did not say what the Senator said I said. I do not think I should say it. I do not believe the Senator from Ohio should say it, either.

Mr. LAUSCHE. I am glad to have the Senator's information.

Mr. MORSE. I do not think the Senator from Ohio should say it either; but on the basis of intelligence reports, a decision was made that our ships should go farther out to sea. That is all I have said.

Mr. LAUSCHE. Does the Senator mean on the basis of knowledge, or on the basis——

Mr. MORSE. It is on the basis of what the Senator from Ohio and I heard in a secret session of the committee. I think I have said all I should say. I merely say that there was a change in our patrol policy, that our patrol boats went farther out to sea and were followed by the PT boats of North Vietnam.

Finally, on Sunday, they were close enough together for the engagement to take place.

Mr. LAUSCHE. So that we may have an understanding, our *Maddox* did go out to sea; but according to my recollection, that had no relationship to what had happened on the islands. It had a relationship to the pursuit that was being made by the PT boats of our *Maddox*.

Mr. MORSE. I have not said it had a relationship to what had happened in the islands. I am merely saying—the conclusion I am about to make in a moment is—that we had naval craft in the area of Tonkin Bay, where the enemy, in my judgment, had good reason to believe that there was a cause-to-effect relationship between the bombardment and our naval boats, and that our authorities knew of the bombardment. It does not make any difference whether the *Maddox* knew of the bombardment. Our authorities had the right to put the *Maddox* wherever they wanted to put her. The fact is that our authorities knew of the plans for the bombardment. The conclusion I was about to make is that they made a great mistake, in my judgment, in having our ships as close as they were to the mainland of North Vietnam when that bombardment took place, for they assisted the North Vietnamese to draw the conclusion that there was a relationship between the American patrol boats and the boats bombarding the islands. I think that was the only interpretation we could expect the North Vietnamese to make; and it would be exactly the same interpretation the United States would make under reverse circumstances.

Mr. LAUSCHE. Mr. President, will the Senator from Oregon yield further?

Mr. MORSE. I yield.

Mr. LAUSCHE. The exchange of our words will not solve this problem. However, I am obliged to say that my recollection of what has been testified to is completely inconsistent with what the Senator from Oregon has stated.

Mr. MORSE. The Senator from Ohio is entitled to his interpretation of what we both heard. I am satisfied that my interpretation is unquestionably correct as to what happened to those ships.

The point the Senator from Oregon is making is that if we had knowledge—and we did have knowledge—that there was to be a South Vietnamese bombardment of the islands, we should not have had our ships anywhere in the area. In my judgment, we ought to have had them well beyond the 60 miles where the engagement finally took place. But there is no question that they were much closer to the North Vietnamese coast before that engagement took place. In fact, they were trailed out to 65 miles by the PT boats.

My point is, if we are to talk about provocation, that the United States was a provocateur by having any ships anywhere within striking distance or bombing distance; and the South Vietnamese boats did bomb those islands. We should have been completely out of the scene.

If Senators want my opinion, a "snow-job" is being done on us by the Pentagon and the State Department in regard to that bombardment. Not only had we full knowledge of it, but it was being done with our tacit approval. If we did not want to escalate the war into North Vietnam, that was the time for the United States to stop escalating.

Mr. LAUSCHE. I recognize the absolute sincerity of the Senator from Oregon in the statement he has made. I hope that he will also recognize that I am trying to be sincere.

Mr. MORSE. No one could be more sincere than the Senator from Ohio. We are just poles apart in regard to what our obligations and actions ought to be in South Vietnam. The Senator from Ohio favors the program that we are following, which, in my judgment, is a historic mistake. I oppose it. Two men could not be more sincere.

Mr. LAUSCHE. I should like to state my judgment as to what the evidence shows. Our Government had no knowledge of any nature about the attacks which were made upon the two islands by the North Vietnamese. The *Maddox* was miles——

Mr. MORSE. Do not talk about the *Maddox*; talk about our American officialdom in Saigon, and our American officialdom in the Pentagon and the State Department. I state categorically that they knew the bombardment was going to take place before the ships ever moved up there.

Mr. LAUSCHE. Let me state to the Senator from Oregon that there is not a syllable of such testimony in the record which has been taken in the several days we have been listening to witnesses supporting the declaration made by the Senator from Oregon.

Mr. MORSE. There was complete admission that that was known.

Mr. LAUSCHE. It is the judgment of——

Mr. MORSE. It was written out in cold print.

Mr. LAUSCHE. It is the judgment of the Senator from Oregon based in a measure upon his wish that that happened, because that is in conformity with the position that he has taken. There is no testimony in the——

Mr. MORSE. I shall ignore the——

Mr. LAUSCHE. Of any kind that——

Mr. MORSE. I shall ignore the implications of that snide remark.

Mr. LAUSCHE. That is not a snide remark.

Mr. MORSE. It certainly is a snide remark, but I shall ignore the implications of it and state categorically that high officials of this Government have admitted on the record that they were aware of plans for the bombardment, but that they had nothing to do with it, they said—but they were aware of it.

Mr. LAUSCHE. There is no testimony to that effect whatsoever. That is an inference made by the Senator from Oregon as to the——

Mr. MORSE. Get permission of the State Department or the Pentagon to publicly release the whole of the transcript without a single word deleted, and let the country know what they said.

Mr. LAUSCHE. I should like to discuss this subject a little further, but we shall not reach any conclusion, except I must say that I disagree fully with the statements made by the Senator from Oregon.

Mr. MORSE. I know that the Senator from Ohio has good hearing, but on that occasion I do not believe that he was hearing very well.

I yield 1 minute to the Senator from Pennsylvania.

Mr. CLARK. I shall be brief.

I shall be unavoidably absent from Washington tomorrow, having been of the view that the vote on this resolution would take place tonight. I have been unable to change my plans.

I state for the record that I strongly support the pending joint resolution. Were I present here, I would vote for it. I dislike to make the statement to the distinguished Senator from Oregon [Mr. MORSE] that my prognosis is that the resolution will pass.

Mr. MORSE. The resolution will pass, and Senators who vote for it will live to regret it.

Mr. President, to pick up where I left off, the point I am making is that I believe that when the United States became aware of the fact that South Vietnamese planned to bomb the two islands, the United States should have moved in and done everything it could to prevent an escalation of the war.

In my judgment, that act constituted a major escalation of this war. The escalation has been speeding up at an increased tempo ever since. I had made the point that there were naval boats in Tonkin Bay in much closer proximity to the two islands, 3 to 5 miles from Vietnam, than the 60- to 65-mile location which the *Maddox* had reached on Sunday when the attack took place, the bombardment taking place on Friday.

Mr. President, I wish to make it clear that it is quite irrelevant and immaterial whether the captain of the *Maddox* knew anything about the bombardment of the island. He was not conducting a war. He was under orders. I am taking the criticism that, in my judgment, American armed vessels should not have been as close to the islands as they were on Friday, July 31. In my judgment, that gave cause for the North Vietnamese to assume that there was a cause-and-effect relationship between the bombardment by the South Vietnamese vessels and the presence of the American naval patrol boats in Tonkin Bay at the location where they then were.

I repeat that I believe we not only had every right, but we had the clear obligation to protect our men aboard, to protect the vessels, and proceed with the military action by way of the response that our vessels gave to the PT boats of the North Vietnamese who were attempting to torpedo them.

On Tuesday, the next incident occurred. I agree with those who have expressed perplexity as to why the North Vietnamese on Tuesday night in a storm, after 9 o'clock, apparently at night, attempted another armed attack on our vessels.

It certainly was within our right, and I believe our clear duty in order to protect the men aboard and the vessels, to respond with military action designed to sink the attacking vessels.

Mr. President, that action on both Sunday and Saturday night was completely within the realm of international law. We were completely engaged in acts of self-defense. We had every right to respond with force.

I now come to the delicate question. I come to the one, Mr. President—and I make the statement respectfully—about which many people wave the flag into tatters. That is the subsequent action, when our ships were not under fire, in which the United States escalated the war to the mainland of North Vietnam, and the United States selected for itself targets on the mainland of North Vietnam to bomb. We know that that was substantial bombing. We know that that involved the bombing of the areas where their naval vessels were harbored, and that it involved the bombing of ammunition dumps and oil locations.

I do not care how one tries to spell it. I do not care with how much political fervor by way of semantics we attempt to describe it. The fact is that the United States was not protecting any ships at that time.

Mr. President, we either believe in settling international disputes by resort to the procedures of international law or by resort to war. We cannot cut this one both ways. After the second attack in defense of our ships in which we engaged, unless we expect to be charged with engaging in acts of aggression, we should have immediately laid our case under the United Nations Charter before the Security Council of the United Nations. In my judgment, we were dead wrong in proceeding to bomb the establishments on the mainland of North Vietnam and then out of the corners of our mouths saying, "Well, we are not seeking to expand the war. We do not want to widen the war. We are just going to defend ourselves."

Mr. President, bombing those sites was not necessary for self-defense at that point. At that point the United States was guilty of an act of aggression. The United States could no longer after that say that the war was being escalated only by South Vietnam, for the United States then escalated the war into North Vietnam. It is my judgment that it violated its obligations under the United Nations Charter, for there is nothing in the United Nations Charter that justifies such an act of aggression under those circumstances.

What a much stronger position we would be in in keeping with our oft-repeated professing that we believe in the substitution of the rule of law for the jungle war of military might as a means of settling disputes between nations.

Mr. President, we should have resorted to the United Nations then.

Oh, say some in their patriotic speeches, that would have been putting our tail between our legs and running.

What nonsense. I should like to use an argument by analogy in the field of domestic law. We lawyers know that there are few controversies between people that can be more heated than a dispute over a boundary line between property owners. The lawbooks are full of remarkable accounts of what human frailties cause people to do sometimes over a dispute involving boundary lines. So let us take my farmers A and B. They have one rough argument over a boundary line. The disputes took place for some time. Finally one day A and B met in the area of the disputed boundary. A pulled a gun on B, shot at him, and missed him. B, exercising his right to defense, knocks him down, takes the gun away from him and beats him up, and B goes back home. On his way back home he says, "I have more guns."

Now, A was in the right and B was in the wrong. B was the aggressor; A was the aggressed upon, and he had a just cause for assault or a more serious crime—assault with intent to kill. Instead of taking his charge to the courts, going down and getting the sheriff to take jurisdiction and proceeding to take the course of judicial process, suppose A decided he would invade B's home and destroy the guns that he might have in his home. We know what would happen under domestic law to Mr. B under those circumstances. In the second case he would now be the aggressor.

I use the analogy, but I do not apply it beyond the point that I now make, and that is that after the second attack, there is no question that we had North Vietnam dead to rights in any charge we might bring before the United Nations. And that is where we should have gone. Let us face the foreign policy that we decided to follow. That is what I meant yesterday when I pointed out that apparently the line of American foreign policy in southeast Asia is the line that we shall demonstrate to them that we shall use force, and that there will be more force to come if they do not desist from violations of their international obligations. When I say "they," I mean North Vietnam, Red China, the Pathet Lao, and others on that side of this war.

That is the policy that the United States apparently has been trying to get away with. It is a policy that asserts that if we merely use enough force, and make clear by way of enough threats that it will be pretty bad and hard on them if they do not fold and yield to our threats—if we follow that course of action, we shall avert the danger of war. Under that policy we greatly increase the risk of a full-scale war in Asia. But whether we did or not, that policy cannot be justified as a matter of principle, because that policy cannot be reconciled with our obligations under the United Nations Charter. In my judgment, we ought to abide by our treaty obligations.

Although I know the point I have just made is highly unpopular with those who think we ought to do just as we please under the circumstances and then, after we dominate the battlefield, go to the United Nations, and that that is the policy of my Government. It is dead wrong. It is wrong in principle. It is wrong in morality. It is wrong also because it cannot be reconciled with our professing that we do not believe in the use of military might as the weapon to be used to settle disputes that threaten the peace of the world. To the contrary, we claim a belief in a resort to the rules of reason as they are embodied in treaties we have signed, such as the United Nations Charter.

So I say we are a provocateur. My colleagues become excited and seem to think I am guilty of some heinous accusation without any substantiation in fact. We would have been in a stronger position before the eyes of the world tonight if, after we had responded, as we had a right to respond Tuesday night, to the attack on our ships, we had on Wednesday laid that issue before the United Nations and asked the United Nations to proceed to take action encompassed under the jurisdiction of the United Nations. Oh, no. We had to proceed to bomb the mainland of North Vietnam on the basis that we had the right to do it in self-defense because they had attacked our ships on the high seas.

We have a right to do it if we want to make war, but then we should not deny that we have a policy of war when we say we are seeking peace. It is hypocrisy to say out of one side of one's month, "We only want peace," but to say from the other side of the mouth, "But we are justified in committing acts of war."

Issues of international litigation are involved in this case. There would not be a system of justice on the domestic front if we allowed people to shoot each other up while a trial was being conducted to determine whether the shooting of A by B was justified.

Mr. President, other arguments were made today. Several Senators think they help their case by voting for the joint resolution if they make statements in the Record such as were made today, to the effect "We want it understood that, although we are going to vote for this resolution, it is very important that we make clear to our allies that they come in under the SEATO Treaty and be of help to us."

They asked questions as to whether or not the resolution gives assurance of it. There is not a word of it in the resolution. There is not a word in the resolution that involves any commitment by anybody that there is going to be any help under the SEATO Treaty. All we say is that, because of the SEATO Treaty, we are going to do certain things.

It was said by one of my good colleagues that Great Britain was involved elsewhere, and that Pakistan and India are involved elsewhere. With hundreds of millions of dollars of American military aid under the foreign aid of past years, they are maneuvering themselves into a position where they can conduct a war against each other—with American equipment—if somebody pulls the trigger and a battle starts over Kashmir.

As I have been heard to say on the floor in recent weeks, even the foreign minister of Pakistan stood up in the Press Club in Washington, D.C., and publicly stated that they had no intention of helping us in South Vietnam. As the Congressional Record will show, I made the statement that we should make it clear that we are cutting off military assistance. That would be a good thing, anyway, from the standpoint of maintaining peace between India and Pakistan, because they could not carry on a war very long if the United States did not continue to pour millions of dollars of the American taxpayers' money into those countries by way of foreign aid.

We were told that Australia is stepping up its assistance and that she is going to increase the number of men she has sent there. He forgot to say that the offer of Australia was to increase the manpower contribution to the war in Vietnam from 30 to 60. Mr. President, do not think you misunderstood me. That is the figure—from 30 to 60 men.

As I said to the Secretary of State when he made the announcement some weeks ago, he insulted my intelligence and the intelligence of the American people.

There was one other condition in that great offer on the part of Australia to expand its contribution and help in South Vietnam. Perhaps, in 4 months, they may be able to have six cargo planes available.

Of course, if there is one thing we can get along without, it is cargo planes. We have our own surplus of them.

Mr. President, when we run down the list of allies, we find none of them offering to send boys to do any of the dying in South Vietnam. The dying will have to be done by American boys and South Vietnamese boys.

If any Senator thinks he is a face saver, in connection with a vote from this joint resolution, on the basis that the resolution is going to help increase the cooperation of our allies under SEATO in the conduct of the operations in South Vietnam, I say there is not a word in the resolution that would justify any such hope or implication.

Another Senator thought, in the early part of the debate, that this course would not broaden the power of the President to engage in a land war if he decided that he wanted to apply the resolution in that way.

That Senator was taking great consolation in the then held belief that, if he voted for the resolution, it would give no authority to the President to send many troops into Asia. I am sure he was quite disappointed to finally learn, because it took a little time to get the matter cleared, that the resolution places no restriction on the President in that respect. If he is still in doubt, let him read the language on page 2, lines 3 to 6, and page 2, lines 11 to 17. The first reads:

> The Congress approves and supports the determination of the President, as Commander in Chief, to take all necessary measures to repel any armed attack against the forces of the United States and to prevent further aggression.

It does not say he is limited in regard to the sending of ground forces. It does not limit that authority. That is why I have called it a predated declaration of war, in clear violation of article I, section 8 of the Constitution, which vests the power to declare war in the Congress, and not in the President.

What is proposed is to authorize the President of the United States, without a declaration of war, to commit acts of war.

It is not a new position for the senior Senator from Oregon. I opposed the Formosa resolution in 1955. I opposed the Middle East resolution in 1957. I will say something about those resolutions in a moment.

Let us go to section 2 of the pending joint resolution. Line 9 reads:

> Consonant with the Constitution and the Charter of the United Nations and in accordance with its obligations under the Southeast Asia collective defense treaty, the United States is, therefore, prepared, as the President determines, to take all necessary steps, including the use of armed force—

It does not say "excluding the use of the Army." It does not say "including the use only of the Navy." It does not say "including the use of the Air Force." It says, "including the use of armed force." That is all branches of the Military Establishment, and nuclear as well as conventional weapons.

> to assist any member or protocol state of the Southeast Asia Collective Defense Treaty requesting assistance in defense of its freedom.

Mr. President, it is as broad as the Military Establishment. A Senator cannot get any consolation out of that by hoping that, if he votes for it, the President cannot send out large numbers of ground forces.

U.S. FORCES TO BE COVERED INCLUDE THOSE IN SOUTH VIETNAM

I was very much interested in the comments of several Senators in the debate this afternoon in regard to the SEATO Treaty. I say most respectfully that the SEATO Treaty will not help any Senator, either. The resolution supports "all necessary measures to repel any armed attack against the forces of the United States."

We have forces of the United States in South Vietnam. I should like to ask the proponents of the joint resolution, before the debate is over, to tell us whether the language "all necessary measures to repel any armed attack against the forces of the United States" includes our Armed Forces in South Vietnam, which now include troops, vehicles, tanks, and aircraft. Apparently we are pouring more in. There is no question that we have more then 20,000 troops there tonight. Does this language mean an authorization to become full combatants in the civil war if there is an attack on any segment of our forces in South Vietnam?

Let us face the issue. I do not believe there is any doubt that we are being engaged, in an increasing tempo, in escalating this war into North Vietnam. I am not sure that we shall be able to stop there. We may take it into Red China before we are through. I am also satisfied that we shall become combatants along with the South Vietnamese in the civil war. That is exactly what they would like.

They have done a very poor job settling their own civil war.

Here is a country, as I stated in my speech last night, of 15 million population. Here is a country, with its armed forces of 400,000 to 450,000 men, engaged in a civil war with a group of Vietcongs—South Vietnamese, too—of not more than 35,000. The testimony before our committee is that it is probably in the neighborhood of 25,000. Fifteen million people, with an armed force of 400,000 to 450,000 soldiers, cannot bring under subjugation a dissident group of 25,000 or 35,000 people, in spite of the fact that the American taxpayer has poured $3½ billion into South Vietnam. Whom do they think they are fooling? They will not fool the American people indefinitely.

The French Government tried that. For 8 long bloody years they did a pretty good job of fooling the French people. But after 240,000 casualties, including 90,000 killed, and thousands upon thousands badly wounded, the French people pulled down the government. They said, "We have had enough. We are not going to sacrifice any more French manhood."

Unpopular as it is, I am perfectly willing to make the statement for history that if we follow a course of action that bogs down thousands of American boys in Asia, the administration responsible for it will be rejected and repudiated by the American people. It should be.

Mr. President, this problem in Asia cannot be settled by war. The problem in Asia requires a political and economic settlement. It requires a negotiated settlement. It requires a conference table settlement. It requires the application of reason, not bullets.

I cannot understand what is happening to my country. I cannot understand what makes people think that way. There are not many at the grassroots of America who think that way. People in positions in Government think that we can entrench ourselves as a military power in Asia and bring about a peaceful solution of the problem. The result will be that the yellow race will hate us more than it hates us already. If the yellow race has not made clear to the white man that Asia is not his fort, I do not know what the white man has to learn by way of an additional lesson.

The place to settle this controversy is not by way of the proposed predated declaration of war, giving to the President the power to make war without a declaration of war. The place to settle it is around the conference tables, the only hope mankind has for peace; namely, the United Nations.

With all its shortcomings, if we destroy it—and we would destroy it with a war—not much hope will be left.

NO LIMITS ON WORDS "FURTHER AGGRESSION"

Before the debate is over tomorrow I should like to have the proponents of the resolution comment on the fact that the resolution continues with the words "and to prevent further aggression."

I should like to have the proponents spell that out. Further aggression against whom? Further aggression by whom?

I should like to have them spell out the provisions of the SEATO Treaty and the United Nations Charter with which our actions are consonant. If we are engaged in helping South Vietnam repel an armed attack, we are obliged under the SEATO Treaty and under article 51 of the U.N. Charter to report it to the Security Council. We have not done that through all the years.

Some of my colleagues in the Senate object to my calling the United States a provocateur. Our constant, repetitious violation of our treaty obligations under the U.N. Charter, which I set out by documentation yesterday in my speech on the floor of the Senate, is clear provocation. We have said to our potential enemies, "We are going to do what we want to do, and you can like it or not." Not so many weeks ago Adlai Stevenson lent his lips in the Security Council to say, in effect—in my judgment to his historic discredit, and it would have been better if he had resigned as Ambassador—as the representative of the United States at the United Nations that the United States was going to do what it wanted to do in Asia, and they could like it or not.

That is not the world statesman for whom I campaigned in 1952. No, Mr. President; we are a provocateur nation. We have provoked trouble because we have not even kept our commitments, either under SEATO or article 51 of the United Nations Charter, by carrying out the requirement of the reports that we are pledged to make, and by placing the issue before the U.N.

Yet we are saying to the world, "All we want is peace." Our Secretary of State says that we will have peace if the countries of North and South Vietnam will do exactly what we want them to do. In essence, that is what the position of the Secretary of State adds up to. There would not be lawsuits, either, if one of the parties would do what the other wanted him to do. That is what the controversy is all about.

FIRST OBLIGATION IS TO FOLLOW U.N. CHARTER

I do not agree with the North Vietnamese. I do not agree with the Vietcong. But we must face up to the fact that they, too, have their international rights; and the place to settle the controversy over international rights and obligations in this modern day is not on a battlefield, but around the conference table, where the procedures or authorities that set forth the rules of international adjudication will prevail.

The great Senator from Alaska [Mr. Gruening] in his speech this afternoon, cited that important article of the United Nations Charter that places upon every signatory thereto the obligation, first—that is spelled "f-i-r-s-t"—to seek to resolve disputes by way of adjudication or mediation or arbitration or conciliation or negotiation. In that great speech, the Senator from Alaska cited the disputes, and then, in one rhetorical question after another, asked: Have we taken it to arbitration? Have we taken it to conciliation? Have we taken it to mediation? Have we taken it to negotiation? Have we taken it to conference? The answer is that the United States has a grade of zero on that examination. We have flunked the course.

To Senators who object to my suggesting that the United States is a provocateur nation, I say we have a dismal record—so dismal that it spells out the word "provocateur." I listened to a couple of my colleagues on television last night. They had heard the senior Senator from Oregon charge that we are a provocateur nation. So I was all ears. I thought I was going to hear the case that we are not. But there was no case.

It is so easy to say that these things should not be said; that they create disunity and misunderstanding. So long as there is any hope to win a peace and stop a war, the senior Senator from Oregon will state the facts as he honestly believes them to be. When those facts involve misdoings of my own country, it is all the more important that they be stated.

Mr. President, we have a great historic opportunity to strengthen the cause of the rule of law in the world. But we cannot strengthen it and make war at the same time.

The Senator from Alaska [Mr. Gruening] said again today, as he said a few weeks ago, that what is needed is an agreement to enter into a cease-fire order. Why have we not proposed it? That is the kind of speech Adlai Stevenson should be making at the United Nations. I am greatly disappointed that the other signatories to the United Nations Charter have not been proposing it.

Are we so powerful that they dare not bring up a case to which we are party without our consent? I am exceedingly disappointed that North Vietnam, South Vietnam, the Pathet Lao, the United States, and Red China have not had the rules applied to them in connection with the war in southeast Asia, because that war cannot be reconciled with the United Nations Charter and the obligations in respect thereto by the signatories thereof.

But, say Senators, Red China is not a member of the United Nations. Red China does not have to be a member of the United Nations for the signatories thereto to take jurisdiction over a threat to the peace of the world. Where do Senators get the idea that the United Nations does not go into action unless all the countries involved in a threat to the peace of the world are members of the United Nations? Senators should re-read the Charter of the United Nations. I have read it for the benefit of the Senate. It has occurred time and time again during the last 5 months.

I say with great sadness in my heart that many of the signatories to the United Charter have failed mankind by not having brought before the United Nations this threat to the peace of the world in Asia, in all of its aspects.

Some Senators said to me today, "What is the matter with you, Wayne? Don't you know that we now have this situation in Tonkin Bay before the Security Council?"

Certainly. We had another one before the Security Council a while back, when the little prince in Cambodia kicked us out of Cambodia, and said, "We have had enough of you. Get out. We don't want any more of your aid." Then he filed charges against us for violating his borders, after we had been caught redhanded and had a helicopter shot down after it had dropped a fire bomb and burned a village, killing 16 civilians. Unfortunately, the American boy who was flying that helicopter was sacrificed. We quickly apologized. But, as I have said, does anyone think that that apology would have been forthcoming if we had not been caught? We would not have heard about the incident. I am satisfied that that was not the only violation of Cambodia's borders by both South Vietnam and the United States. We heard about this one only because we got caught.

What about all the threats and actions and incidents that preceded that in the Gulf of Tonkin? Why have they never been submitted to the Security Council?

Here we are about to authorize the President of the United States to do whatever he wishes and use any armed force he likes, not in the Gulf of Tonkin, but anywhere in southeast Asia. But there is no "southeast Asia" question before the U.N.

Why not? If there is not a breach of the peace and a threat to international peace and security there, I do not know what is.

All of South Vietnam for the last 3 years has been a threat to the peace. Why is not that situation placed before the U.N.?

We do not get much consolation out of our sorry record of not having reported our courses of action under article 51 of the United Nations Charter. I hope some Senators tomorrow will have something to say about that. I have a long list of interesting fallacious arguments and exhibitions of wishful thinking that were expressed in the debate this afternoon; but I shall reserve them for tomorrow.

Mr. President (Mr. Hart in the chair), I close by commenting only on previous resolutions passed in the Senate: Formosa, the Middle East, and Vietnam.

I ask unanimous consent to have printed in the Record in parallel column form, as shown in the paper which I hold in my hand, a comparison of those resolutions.

There being no objection, the statement was ordered to be printed in the Record.

VIETNAM

Whereas naval units of the Comunist regime in Vietnam, in violation of the Charter of the United Nations and of international law, have deliberately and repeatedly attacked United States naval vessels lawfully present in international waters, and have thereby created a serious threat to international peace;

Whereas these attacks are part of a deliberate and systematic campaign of aggression that the Communist regime in North Vietnam has been waging against its neighbors and the nations joined with them in the collective defense of their freedom;

Whereas the United States is assisting the peoples of southeast Asia to protect their freedom and has no territorial, military or political ambitions in that area but desires only that they should be left in peace to work out their own destinies in their own way; now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress approves and supports the determination of the President, as Commander in Chief, to take all necessary measures to repel any armed attack against the forces of the United States and to prevent further aggression.

Sec. 2. The United States regards as vital to its national interest and to world peace the maintenance of international peace and security in southeast Asia. Consonant with the Constitution and the Charter of the United Nations and in accordance with its obligations under the Southeast Asia Collective Defense Treaty, the United States is, therefore, prepared, as the President determines, to take all necessary steps, including the use of armed force, to assist any protocol or member state of the Southeast Asia Collective Defense Treaty requesting assistance in defense of its freedom.

This resolution shall expire when the President shall determine that the peace and security of the area is reasonably assured by international conditions created by action of the United Nations or otherwise, and shall so report to the Congress, except that it may be terminated earlier by a concurrent resolution of the two Houses.

Mr. MORSE. Mr. President, in connection with these resolutions, several Senators stated this afternoon that the United States was not asking for any more in the resolution now before the Senate than has already been asked for

CUBA	FORMOSA	MIDDLE EAST
Whereas President James Monroe, announcing the Monroe Doctrine in 1823, declared that the United States would consider any attempt on the part of European powers "to extend their system to any portion of this hemisphere as dangerous to our peace and safety"; and	Whereas the primary purpose of the United States in its relations with all other nations, is to develop and sustain a just and enduring peace for all; and	
Whereas in the Rio Treaty of 1947 the parties agreed that "an armed attack by any state against an American state shall be considered as an attack against all the American states, and, consequently, each one of the said contracting parties undertakes to assist in meeting the attack in the exercise of the inherent right of individual or collective self-defense recognized by article 51 of the Charter of the United Nations"; and	Whereas certain territories in the west Pacific under the jurisdiction of the Republic of China are now under armed attack, and threats and declarations have been and are being made by the Chinese Communists that such armed attack is in aid of and in preparation for armed attack on Formosa and the Pescadores, Whereas such armed attack if continued would gravely endanger the peace and security of the west Pacific area and particularly of Formosa and the Pescadores; and	
Whereas the Foreign Ministers of the Organization of American States at Punta del Este in January 1962 declared: "The present Government of Cuba has identified itself with the principles of Marxist-Leninist ideology, has established a political, economic, and social system based on that doctrine, and accepts military assistance from contracontinental Communist powers, including even the threat of military intervention in America on the part of the Soviet Union; and Whereas the international Communist movement has increasingly extended into Cuba its political, economic, and military sphere of influence: Now, therefore, be it	Whereas the secure possession by friendly governments of the western Pacific island chain, of which Formosa is a part, is essential to the vital interests of the United States and all friendly nations in or bordering upon the Pacific Ocean; and Whereas the President of the United States on January 6, 1955, submitted to the Senate for its advice and consent tc ratification a Mutual Defense Treaty between the United States and the Republic of China, which recognizes that an armed attack in the west Pacific area directed against territories, therein described, in the region of Formosa and the Pescadores, would be dangerous to the peace and safety of the parties to the treaty: Therefore be it	
Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the United States is determined— (a) to prevent by whatever means may be necessary, including the use of arms, the Marxist-Leninist regime in Cuba from extending, by force or the threat of force, its aggressive or subversive activities to any part of this hemisphere; (b) to prevent in Cuba the creation or use of an externally supported military capability endangering the security of the United States; and	*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That the President of the United States be and he hereby is authorized to employ the Armed Forces of the United States as he deems necessary for the specific purpose of securing and protecting Formosa and the Pescadores against armed attack, this authority to include the securing and protection of such related positions and territories of that area now in friendly hands and the taking of such other measures as he judges to be required or appropriate in assuring the defense of Formosa and the Pescadores.	*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That the President be and hereby is authorized to cooperate with and assist any nation or group of nations in the general area of the Middle East desiring such assistance in the development of economic strength dedicated to the maintenance of national independence.
(c) to work with the Organization of American States and with freedom-loving Cubans to support the aspirations of the Cuban people for self-determination.		SEC. 2. The President is authorized to undertake in the general area of the Middle East, military assistance programs with any nation or group of nations of that area desiring such assistance. Furthermore, the United States regards as vital to the national interest and world peace and preservation of the independence and integrity of the nations of the Middle East. To this end, if the President determines the necessity thereof, the United States is prepared to use armed force to assist any nation or group of such nations requesting assistance against armed aggression from any country controlled by international communism: *Provided,* That such employment shall be consonant with the treaty obligations of the United States and with the Constitution of the United States.
	This resolution shall expire when the President shall determine that the peace and security of the area is reasonably assured by international conditions created by action of the United Nations or otherwise, and shall so report to the Congress.	This joint resolution shall expire when the President shall determine that the peace and security of the nations in the general area of the Middle East are reasonably assured by international conditions created by action of the United Nations or otherwise except that it may be terminated earlier by a concurrent resolution of the two Houses of Congress.

in the past, as though that were a sound argument. What has that to do with whether or not we pass the pending joint resolution? If we made mistakes in the past—as we have done, in my judgment—we should not make another one now.

I did not make those mistakes. With that great liberal, the former Senator from New York, Herbert Lehman, who in my 20 years of service in the Senate has had no peer, I joined in 1955 in opposition to the Formosa resolution. At that time, I pointed out, as I have done in the course of this debate, that it, too, was a preventive war resolution. By a preventive war resolution at that time, we meant that it was a resolution that, first, sought to give the Secretary of State and the Chairman of the Joint Chiefs of Staff the authority to make a strike against the mainland of China before an act of aggression had been committed by China against the United States.

As a result of the argument in committee over that statement, Mr. President, the Senate will remember that we received the famous Eisenhower White House statement, in the course of that debate, to the effect that the President, and he alone, would make the decision as to what course of action would be followed under the resolution.

I stated that that was not good enough for me. I do not intend to give to any President the power to make war by way of a predated declaration of war. I argued then, as I have argued in this historic debate, that the power to make war is vested in the Congress and not in the President. I voted against it.

With reference to the Formosa resolution there was a reference to the President, and I quote from it:

> That the President of the United States be and he hereby is authorized to employ the Armed Forces of the United States as he deems necessary for the specific purpose of securing and protecting Formosa and the Pescadores against armed attack, this authority to include the securing and protection of such related positions and territories of that area now in friendly hands and the taking of such other measures as he judges to be required or appropriate in assuring the defense of Formosa and the Pescadores.

The same principle is embodied in the pending joint resolution.

The Middle East resolution was another predated or undated declaration of war resolution, giving to President Eisenhower predated declaration of war power in the Middle East. That will be found in the Middle East resolution:

> Furthermore, the United States regards as vital to the national interest and world peace the preservation of the independence and integrity of the nations of the Middle East. To this end if the President determines the necessity thereof, the United States is prepared to use Armed Forces to assist any nation or group of such nations requesting assistance against armed aggression from any country controlled by international communism.

Clear authorization of what I stated at the time, and repeat tonight, was an unconstitutional power to be vested in the President of the United States.

CUBAN RESOLUTION DELEGATED NO POWER TO PRESIDENT

Now we come to the Cuban resolution. The interesting thing is that the Cuban resolution was not a resolution designed to vest any power in the President. That fact has been lost sight of in debate this afternoon. Senators have stated that we did this in the Cuban resolution. The answer is that we did not.

I voted for the Cuban resolution. I voted for the Cuban resolution because that constitutional power of Congress was not delegated to the President in that resolution.

In a statement I wrote to my constituents on October 2, 1962, discussing my vote on that Cuban resolution, I stated:

> On September 21, I joined 85 other Senators in voting for the following resolution on our relations with Cuba: "The United States is determined (a) by whatever means necessary, including the use of arms, to prevent the Marxist-Leninist regime in Cuba from extending, by force or threat of force, its aggressive or subversive activities to any part of this hemisphere; (b) to prevent in Cuba the creation or use of an externally supported military capability endangering the security of the United States; and (c) to work with the Organization of American States and with freedom-loving Cubans to support the aspirations of the Cuban people for self-determination."
>
> Earlier, I had joined in signing a unanimous joint report from the Foreign Relations and Armed Services Committees, recommending adoption of this resolution. The report was made following hearings at which we heard from Secretary of State Rusk and William P. Bundy, Director of the Office of International Security Affairs of the Defense Department.
>
> They described in some detail, in closed session, the nature and technique of the sea and air surveillance we maintain over Cuba, and over activities on this narrow island. It was from this observation that they were able to say that the military activities in Cuba are still of a defensive nature and not now an offensive threat to the United States.
>
> The resolution, unlike the Formosa and Middle East resolutions, is not a delegation of warmaking power to the President. It is a statement of U.S. foreign policy. It is one I heartily endorse, and one which should be read carefully and with sober consideration in both Havana and Moscow.

Mr. President, I close by reading the full language of the Cuban resolution. I have just made a distinction between the Cuban resolution, the Formosa and the Middle East resolutions—and now the southeast Asia resolution, which is as different as night from day.

The Cuban resolution provided:

> Whereas President James Monroe, announcing the Monroe Doctrine in 1823, declared that the United States would consider any attempt on the part of European powers "to extend their system to any portion of this hemisphere as dangerous to our peace and safety"; and
>
> Whereas in the Rio Treaty of 1947 the parties agreed that "an armed attack by any State against an American State shall be considered as an attack against all the American States, and, consequently, each one of the said contracting parties undertakes to assist in meeting the attack in the exercise of the inherent right of individual or collective self-defense recognized by article 51 of the Charter of the United Nations"; and
>
> Whereas the Foreign Ministers of the Organization of American States at Punta del Este in January 1962 declared: "The present Government of Cuba has identified itself with the principles of Marxist-Leninist ideology, has established a political, economic, and social system based on that doctrine, and accepts military assistance from extracontinental Communist powers, including even the threat of military intervention in America on the part of the Soviet Union"; and
>
> Whereas the international Communist movement has increasingly extended into Cuba its political, economic, and military sphere of influence: Now, therefore, be it
>
> *Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That the United States is determined—
>
> (a) to prevent by whatever means may be necessary, including the use of arms, the Marxist-Leninist regime in Cuba from extending, by force or the threat of force, its aggressive or subversive activities to any part of this hemisphere;
>
> (b) to prevent in Cuba the creation or use of an externally supported military capability endangering the security of the United States; and
>
> (c) to work with the Organization of American States and with freedom-loving Cubans to support the aspirations of the Cuban people for self-determination.

Mr. President, there is not one word authorizing any power to be vested in the President of the United States.

Senators have forgotten the record made when we debated, in connection with the Cuban resolution, what is proposed under the southeast Asian resolution. That question was debated on the floor of the Senate.

I say with sadness, in view of the situation in the Senate tonight, that when the Cuban resolution was being considered, a substantial number of Senators served clear notice that they would not vote for it if it sought to authorize any power in the President of the United States.

Out of deep affection and great love for President Kennedy, I say that President Kennedy did not ask to have any authority authorized in that resolution as far as the Presidency was concerned. I have no quarrel with that statement of foreign policy. I would have no quarrel with that statement of foreign policy applied to southeast Asia.

Under that statement of policy, doors are left open and the obligations remain clear, to resort to the peaceful procedures set forth in the United Nations treaty, and set forth in our other treaty obligations.

I close, Mr. President, by saying, sad as I find it to be to have to say it, that in my judgment there is no course of action that I could possibly follow in keeping with my conscience and my convictions in regard to my constitutional obligation under the oath that I took four times when I came into this body, but to vote against the joint resolution tomorrow. In my judgment, this resolution, no matter what semantics are used, spells out the ugly words: "Undated declaration of war power to be vested in the President of the United States."

Congress has no constitutional power to grant such authority to the President of the United States. The only difficulty is that under our constitutional system, I know of no way that we can get it before the Supreme Court for a constitutional determination.

Mr. President, I yield the floor.

MAIL ORDER TRAFFIC IN FIREARMS

Mr. DODD. Mr. President, I believe this subject is important to both the Sentors from Oregon and Ohio, and I am sure that they will think so. I know they do, because they have spoken to me about it.

Mr. President, this morning's New York Times contains a very extensive article pointing out that 1 million mail-order guns are sold each year in the United States. These weapons are sold sight unseen, without the knowledge of local police authorities, to people who may be criminals, mentally deranged persons, juveniles, or racial extremists.

The number of weapons in private hands, according to the National Rifle Association, has reached 1 billion rifles, pistols, and shotguns, and several billion rounds of ammunition.

Twenty-five thousand self-styled minutemen have armed themselves and formed into quasi-military units, presumably to defend against a Communist takeover which they expect to come about by 1973.

Crime was up 10 percent last year. Since 1958 the crime rate has grown five times as fast as the population. To a considerable extent, the burgeoning crime explosion can be attributed to the easy availability of murderous weapons, and the easiest, most secret manner of obtaining these weapons is through the mails.

Eight thousand five hundred murders were committed in the United States last year, one for every hour of the day. More than half of these murders were committed with guns and, since half of the guns sold annually are mail-order weapons, we may safely assume that a large percentage of these murders were committed with weapons obtained anonymously through the mails.

The control of crime and of the use of dangerous weapons are matters which, under our system of government, must fall most heavily upon local and State authorities. Yet, there is a considerable Federal responsibility in this area.

For years I have been trying to secure a restrained but workable law to control interstate sales of dangerous weapons through the mails. This law would simply require that purchasers of mail-order weapons must correctly identify themselves as to proper name, age, residence, and the absence of a criminal record, and that local police authorities must be informed of the identity of mail-order weapons purchasers in their jurisdictions.

For many long months those who favor this proposed legislation have worked to gain its acceptance by the responsible elements in the arms industry—arms manufacturers, arms dealers, law enforcement people, and sportsmen's groups, such as the National Rifle Association. In this we were successful.

Then we launched a vigorous effort to gain public acceptance of this proposed legislation. I have thousands of letters and hundreds of newspaper editorials, many of which I have inserted in the Record from time to time, attesting to the success of this effort.

For additional long months, we struggled to get a favorable report for this proposed legislation from the Juvenile Delinquency Subcommittee, and from the parent Judiciary Committee. In this we were successful.

And there was a long effort to win support and clearance by the various departments of the executive branch. In this we were also successful.

All of these years of effort seem now about to go down the drain despite the crime explosion, despite the assassination of President Kennedy with a mail-order weapon, despite the large shipments of these weapons into areas of racial unrest, despite the fantastic growth of private arsenals, and the forming of armed vigilante groups all across the Nation.

The effort is going down the drain because, with the Congress close to adjournment, it is still awaiting action in the Senate Commerce Committee. A number of hearings have been held on this bill by the Commerce Committee, and I have testified at two of them.

I know personally that a number of committee members favor the bill. Yet, despite the fact that every procedural requirement has been met, that every preliminary legislative hurdle has been overcome, we cannot get action on the key step, the voting on this bill, either up or down, by the full committee.

What seems to be influencing some members of the committee to withhold action on this bill are the protests of people who are either misinformed or bamboozled.

Mr. LAUSCHE. Mr. President, will the Senator from Connecticut yield at that point?

Mr. DODD. I am glad to yield.

Mr. LAUSCHE. I do not wish my silence in the Chamber while this statement is being made to be construed that I am one who is trying to stop the Senator's proposal. I am a member of the Commerce Committee. I believe implicitly in the soundness of what the Senator is trying to do. At the last meeting of the executive committee, I urged that the Senator's bill be sent to the floor for either approval or disapproval.

Mr. DODD. I am very happy that the great Senator from Ohio has made that statement, because I should have made it. He has been one of the great, strong arms that I have had associated with me in this effort. I am happy that he reminds me of his support. I have also been supported by many other Senators.

Mr. President, in most cases the misinformed protesters against this bill have been misled by those who have financial interests in gunrunning, and by those who have suspect motives which are cloaked under the false cover of anti-communism, or patriotism, or constitutional liberties.

I am convinced that this opposition does not come from responsible sportsmen's groups.

I know this because we worked with the leadership of the National Rifle Association in devising this legislation, and this leadership has testified in behalf of the bill.

The protests have come from the crackpot element, the vigilante groups, and those who have been misinformed about the bill and have not taken the trouble to read it.

No responsible weapons purchaser would be interfered with by this bill any more than he would be if he went down to the local gun store in most of the communities in this country.

I have done all that I can.

I have appealed again and again to the membership of the Commerce Committee, both to the committee as a whole and to the individual members. I know it is not the intention of this committee to delay action on this bill. Many of the members of the committee, including the chairman, the Senator from Washington [Mr. Magnuson], and the Senator from Nevada [Mr. Cannon] have gone out of their way to be courteous and considerate in dealing with my request for action on this bill. I know, that like all of our committees, the Commerce Committee is beset with a variety of problems, and that there is not enough time to deal with all of them. I am merely doing my best to see that this vital legislation gets as much of the time of the Commerce Committee as it is possible for the committee to grant. Time is running out and my only recourse is to make this one last appeal.

During this very hour in which I speak, someone, somewhere in this country is being murdered, and every hour of the day there will be another murder. Several of the murders committed today will be committed with mail-order weapons placed in the hands of unstable people, who obtained them in secrecy without the knowledge of local authorities, and, in most cases, in violation of local and State law.

All I ask is that we in the Senate carry out our responsibility for the Federal aspect of this problem by requiring that the full identity of mail-order purchasers of dangerous weapons be known, and that those who are obviously unfit to possess weapons because of age or previous criminal record, or local law, be prohibited from doing so.

I urge my colleagues to help me in getting Senate action on this bill.

Mr. President, I ask unanimous consent to have printed in the Record this morning's article published in the New York Times entitled "Minutemen Help Spur the Growth of Gun Clubs."

There being no objection, the article was ordered to be printed in the Record, as follows:

Minutemen Help Spur the Growth of Gun Clubs—Head of Anti-Communist Group Says They Join To Gain Access to Rifle Range

(By Donald Janson)

Norborne, Mo., August 1.—The number of private gun clubs in the United States has doubled in the last few years. One group that has made a contribution to the proliferation is the militantly anti-Communist minutemen organization, headquartered here.

Robert B. de Pugh, national coordinator of the rightwing group, said in an interview that it was a common tactic for minutemen, never disclosing their affiliation, to organize or join gun clubs in order to gain access to rifle ranges for target practice.

Each minuteman is under instructions to fire at least 500 rounds of ammunition a year to maintain proficiency as a marksman. Minutemen believe the United States will be subjugated by communism by 1973 and as patriots they must be prepared to resist as guerrillas in an effort to restore constitutional government.

Finding a place to shoot is no problem around Norborne, a town of 950 population and several cornfields, but it can be a problem in more densely settled places. Mr. de Pugh said gun clubs were being formed rapidly in order to lease and reserve land for ranges while land was still available in or near cities.

The minutemen, organized in small bands throughout the Nation, also train in the countryside at night for the role they believe they will soon have.

Mr. de Pugh, a 41-year-old drug manufacturer, founder of the 3-year-old organization, says there are more than 25,000 minutemen now. They are, he says, "the most dedicated, most active, and best disciplined American organization in the fight to preserve our constitutional republic."

Each supplies his own rifle, shotgun, sidearms, and other survival equipment.

UNITED STATES PROVIDES WEAPONS

Some, the Norborne chemist said, get weapons and ammunition free from the Department of Defense. This is possible through a Federal program little known outside circles of gun enthusiasts.

The program was started in 1903 to promote skill in use of firearms for the benefit of the Armed Forces in case of mobilization.

Under it, the Army's Director of Civilian Marksmanship lends rifles and gives ammunition to rifle clubs affiliated with the National Rifle Association.

Thousands of minutemen have joined the association, Mr. de Pugh said, partly because their dues support the association's campaign against passage by States of legislation restricting possession and use of firearms.

Membership in the association has doubled in the last 4 years. It now stands at 650,000. Affiliated gun clubs have doubled in number in the same period to 11,500. More than half make use of the Army program. Other clubs have been formed outside the association.

Mr. de Pugh, a lifetime member of the association, said minutemen accounted for only a small part of the increase in membership.

He said minutemen did not rely on the Army's program because the rifles are subject to recall in case of war or other emergency.

Members have no trouble buying all the guns and ammunition they want, he added.

Several States require permits to buy guns, but the Missourian said only New York further regulated possession by periodic registration and fee "harassment." He charged that this amounted to "confiscation by legislation."

GROWING ARSENAL

In Missouri, he said, citizens have no trouble getting the necessary purchase permit at the sheriff's office except in Kansas City and St. Louis where crime rates are higher.

St. Louisans simply cross the State border to Illinois and Kansas Citians to Kansas, he said, and buy guns without permits.

The arsenal in the hands of civilians has been growing rapidly. It is now estimated by the National Rifle Association at a billion pistols, rifles, and shotguns, and several billion rounds of ammunition.

A million mail-order guns, such as the one bought by Lee Harvey Oswald, the accused assassin of President Kennedy, are sold in the United States annually.

Mr. de Pugh contended that efforts to require registration and other restrictive firearms legislation were being led by Communists because, after they "take over" the United States, he said, the registration lists would alert them as to whom to disarm.

However, some Congressmen doubt whether all civilians should be trusted with the unregulated use of arms.

Representative HENRY B. GONZALEZ, Democrat, of Texas, has noted that On Target, the minuteman newsletter edited by Mr. de Pugh, recently warned "Communists and fellow travelers" that "only their leaders" restrained patriots who had learned to hit sparrows at 200 yards with a target rifle.

The newsletter told traitors to beware because "even now crosshairs are on the backs of your necks."

PRO-COMMUNISTS LISTED

Mr. de Pugh said his organization had files listing 67,000 pro-Communists whom the minutemen were watching. Two months ago, he said in the booklined office of his Biolab Corp. here, the minutemen files were cross indexed with those of six other conservative organizations.

He said that intelligence operations were as important as weaponry in the minutemen program and that 600 periodicals were read regularly as an aid in spotting suspects and building the files.

Why not leave such surveillance to the Federal Bureau of Investigation? "No law enforcement agency," Mr. de Pugh said, "can watch all the people all the time. The basic duty of patriotic American citizens is to be vigilant to protect his country in every way he can."

A recently issued minutemen booklet casts doubt on the loyalty of a wide range of elected officials.

"What do you really know about the State senator or State representative from your district?" it asks. "Could any of these men have been indoctrinated in Communist ideology at some time in their career or past education?"

"There are several men who are now known Communists who once served as U.S. Senators or Representatives and were in all probability Communists all the time."

Representative GONZALEZ said the minutemen had published "a thinly veiled threat" against him and some colleagues who voted against increasing an appropriation for the House Committee on Un-American Activities.

WEAPONS SEIZED

Others have expressed concern about some of the uses to which minutemen have put weapons. When Mr. de Pugh conducted a class in guerrilla warfare in Shiloh, Ill., 3 years ago, sheriff's deputies seized mortars and machineguns as well as rifles. Richard Lauchli, a minuteman leader from Collinsville, Ill., was arrested.

Last May Mr. Lauchli was arrested again, this time near Clinton, Ill., by Federal agents posing as arms buyers for Cuban revolutionaries seeking to overthrow the Castro regime. They seized a truckload of bombs and automatic weapons.

Mr. Lauchli is free on $20,000 bond. Mr. de Pugh says he is now a former minuteman.

The handsome, black-haired Missourian said the minutemen were more interested in quality of membership than quantity "because we are training future military leaders."

Mr. de Pugh said only 10 percent of the population would qualify as sufficiently conservative, patriotic, dedicated, and self-sacrificing for minutemen membership.

Seven thousand members have been "weeded out" in the last year, he said, for failing to measure up. Some were spies, he said. They were not dropped, simply "isolated."

"When they found they were not being included in anything of importance," he said, "they decided it would be easier to quit and infiltrate the John Birch Society."

Mr. de Pugh recently dropped out of the Birch Society. He said it "wasted too much time" on impractical efforts like its movement to impeach Chief Justice Earl Warren.

MOVEMENT IN COLLEGES

Mr. de Pugh is taking the minutemen's youth movement, which he considers vital for maintaining anti-Communist vigilance, into the Nation's colleges.

Last summer 15 college-student sons and daughters of minutemen were trained in counterpropaganda techniques to combat "leftwing influences" on their campuses.

This summer, the national coordinator said, 100 students from major colleges and universities are taking a 6-week course. The classes are conducted at three unspecified places: one in the East, one in the West, and one near St. Louis.

The first 2 weeks are devoted to a study of "the American heritage," the second 2 to Communist propaganda techniques and the last 2 to counterpropaganda.

"We want the students to be able to recognize Communist agitation for what it is," Mr. de Pugh said, "and use whatever forums are available at their colleges to counteract it."

Mr. de Pugh, soft spoken and articulate, said he planned to embark on a round of speeches himself this fall.

The oldest of his six children will enroll as a freshman in September at the Kansas City Art Institute.

The De Pugh teenagers already are well trained in weaponry. Even his 12-year-old daughter, the chief minuteman said, is "a pretty good shot" after 2 years of rifle practice.

Mr. DODD. Mr. President, there is nothing in the bill about which any legitimate sportsman need worry about, or that any legitimate hunter in the country needs to worry about.

We read every day about an explosion in the country. People are being shot and attacked on the streets. Half of the crimes are being committed with mail-order weapons.

All I ask is that we take reasonable action and do something about it. I do not know what one has to do to get a measure like this through Congress. I want to do my last bit to make clear to the people of Connecticut, whom I represent, and, indeed, to the people of the whole country, that I have done everything I could do to do something about this dangerous situation.

Imagine 1 billion dangerous weapons in the country. One billion of them. Many of them are in the hands of drug addicts, ex-criminals, and mentally deranged persons. We would not allow it in our own communities. Yet we allow it in the sphere over which only the Federal Government has control.

No one has ever said to me that this is a bad bill. They have stated, "You know the sportsmen. We must put up with their objection."

I am a sportsman. I have had guns all my life. I have hunted all my life. I am not a great sportsman. But I know something about the interest of sportsmen. I know that no honest sportsman could be opposed to the bill if he really understood it.

The only way that I know to get the bill before this body is to plead with my colleagues. The American people want it done. Public opinion polls show that 8 out of 10 people want it done.

I ask my colleagues to do something about this in the waning days of Congress. Let us give the country a break. Everyone is talking about the crime and the terror on the streets. Let us not sit idly by while nothing is done.

Mr. MORSE. Mr. President, the Senator can put me on his list. I hope he gets the bill up before Congress adjourns.

Mr. DODD. I thank the Senator from Oregon. He is a great Senator. I am encouraged. I know the majority leader wants it done. I say to the Senator from Oregon [Mr. MORSE] that I do not believe the Senator from Washington [Mr. MAGNUSON], the chairman of the committee, is against the bill.

Mr. MORSE. Mr. President, I say to my good friend from Connecticut that I will do everything I can to help. I shall help him to get more votes than I shall get in opposition to the resolution. But do not judge me by this vote delivery.

Perhaps I can get more votes for the bill of the Senator from Connecticut.

Mr. DODD. The Senator from Oregon is a very influential Member of this body. We admire and respect him. I am one of those, as he well knows, who does. I am happy to have his support for this important legislation. I wish I could give him comfort on his own difficulty here tonight.

Mr. MORSE. I am comforted by it. Senators on the other side will be uncomfortable as time passes, not the senior Senator from Oregon.

Mr. DODD. I do not want to lose the support of the Senator from Oregon on the gun bill.

REAPPORTIONMENT OF STATE LEGISLATURES

Mr. HART. Mr. President, I ask unanimous consent that the individual views of the Senator from North Dakota [Mr. BURDICK] and myself on S. 3069 be printed at this point in the RECORD, as part 2 of the Senate Report No. 1328 on that bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

The individual views of Mr. HART and Mr. BURDICK are as follows:

This bill raises immediate and serious constitutional questions. Additionally, its scope and consequences are uncertain of understanding upon mere reading of its language. It could well cause the "chaos" it professes to avoid. The bill affects the franchise of every American citizen as expressed in the election of State legislatures.

Under these circumstances, the committee owes the Senate careful hearings and full discussion based on an adequate record before action. There was no hearing; there is no record.

Believing as we do that the bill upon analysis would not be presented to the Senate, we protest the action here recommended by the committee.

THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of three measures on the calendar to which there is no objection.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

SUBTITLE II OF TITLE 28, DISTRICT OF COLUMBIA CODE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of calendar order No. 1260, H.R. 11466.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 11466) to enact subtitle II, "Other Commercial Transactions," of title 28, "Commercial Instruments and Transactions," of the District of Columbia Code, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary with amendments on page 5, line 28, after the word "wages", to insert "upon conviction", and on page 17, line 15, after the word "surety", to strike out "of" and insert "or".

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1323), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

The purpose of this bill is to revise, codify, and enact subtitle II, "Other Commercial Transactions," of title 28, "Commercial Instruments and Transactions," of the District of Columbia Code. Subtitle I, the Uniform Commercial Code, was enacted by Public Law 88–243, effective as of January 1, 1965. Inasmuch as the Uniform Commercial Code repealed and superseded the majority of sections in the existing title 28, it has become necessary to rearrange the remaining sections of that title.

The Committee on the Judiciary of the House has undertaken a comprehensive program of enacting all the titles of the District of Columbia Code. In 1963, in furtherance of this program, the House passed Public Law 88–241, enacting titles 11 to 17 of the District of Columbia Code, embracing the laws relating to the judiciary and judicial procedure. There is now pending a bill, H.R. 10200, to enact part III, consisting of titles 18 to 21, relating to decedents' estates and fiduciary relations. The present bill, which has been drafted by the committee's law revision counsel, is another step in this program of enacting the code. The titles of the code that are not enacted remain only prima facie evidence of the law, and are a consolidation rather than a true codification.

This bill is not intended to make any substantive change in existing law. The changes are simply those of style and language intended to conform with the uniform style adopted in this codification project. Redundant, awkward, and obsolete terms have been eliminated.

The courts have held on numerous occasions that in bills of this kind changes in language will not be considered a change in substance unless a clear intent to change the substance is manifested by the Congress.

The subject matter of this bill comprises the sections of eight chapters of the existing title 28, which were not repealed by Public Law 88–243, except chapter 21, which is to be transferred editorially to title 22, as it relates to criminal offenses, and chapter 23 which is proposed to be incorporated in title 21 by H.R. 10200, to enact part III of the District of Columbia Code. Also, five other sections are being transferred, by section 3 of the bill, to part II of the District of Columbia Code, as enacted by Public Law 88–241.

PERMANENT PERCENTAGE OF DISABILITY AFTER 20 YEARS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of calendar order No. 1261, H.R. 8925.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 8925) to amend title 38 of the United States Code in order to provide that a disability which has been rated at or above a certain percentage for 20 or more years may not thereafter be reduced below such percentage.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill (H.R. 8925) was ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1324), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

This bill amends existing law to provide that a disability which has been continuously rated at or above a given percentage for 20 or more years for the purposes of service-connected compensation, under laws administered by the Veterans' Administration, shall not thereafter be rated at any lesser percentage except upon a showing that the rating was based on fraud. Thus, a 30-percent rating which had been in effect for 20 continuous years could not thereafter be reduced to 20 or 10 percent. It could be increased, but if increased, the higher rating would not be protected until another 20 years had elapsed. However, during this period the protective feature would continue to apply with respect to the 30-percent rating, thus precluding reduction below that level. The proposal applies to each disability in the case of veterans with multiple disabilities.

In the 83d Congress, Public Law 311 was enacted, which prohibited the reduction or elimination of any rating for total disability which had been in effect for compensation, pension, or insurance purposes for 20 or more years. This law, which is now set forth in section 110 of title 38, United States Code, was originally opposed by the Veterans' Administration. It has in practice, however, worked extremely well, and has given no problem in the administration of the various veterans laws. In fact, quite the contrary has been the case. It has eased administration and reduced administrative costs. The same result can be expected if this proposal is enacted into law.

The Veterans' Administration has indicated that that agency did not have adequate data on which to base an accurate estimate of cost, but, as indicated above, it is the opinion of the Committee on Finance that the administrative costs will be reduced by enactment of this bill.

AMENDMENT OF ATOMIC ENERGY ACT OF 1954

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of calendar No. 1262, S. 3075.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 3075) to amend the Atomic Energy Act of 1954, as amended, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection 2 b. of the Atomic Energy Act of 1954, as amended, is deleted.

Sec. 2. Subsection 2 h. of the Atomic Energy Act of 1954, as amended, is deleted.

Sec. 3. Subsection 3 c. of the Atomic Energy Act of 1954, as amended, is amended to read as follows:

"c. a program for Government control of the possession, use, and production of atomic energy and special nuclear material, whether owned by the Government or others, so directed as to make the maximum contribution to the common defense and security and the national welfare, and to provide continued assurance of the Government's ability to enter into and enforce agreements with nations or groups of nations for the control of special nuclear materials and atomic weapons."

Sec. 4. Section 52 of the Atomic Energy Act of 1954, as amended, is repealed. All rights, title, and interest in and to any special nuclear material vested in the United States solely by virtue of the provisions of the first sentence of such section 52, and not by any other transaction authorized by the Atomic Energy Act of 1954, as amended, or other applicable law, are hereby extinguished.

Sec. 5. Subsection 53 a. of the Atomic Energy Act of 1954, as amended, between the words "The Commission" and "such material" is amended to read as follows:

"a. The Commission is authorized (i) to issue licenses to transfer or receive in interstate commerce, transfer, deliver, acquire, possess, own, receive possession of or title to, import, or export under the terms of an agreement for cooperation arranged pursuant to section 123, special nuclear material, (ii) to make special nuclear material available for the period of the license, and, (iii) to distribute special nuclear material within the United States to qualified applicants requesting such material—"

Sec. 6. Subsection 53 c. of the Atomic Energy Act of 1954, as amended, is amended to read as follows:

"c. (1) The Commission may distribute special nuclear material licensed under this section by sale, lease, lease with option to buy, or grant: *Provided, however,* That unless otherwise authorized by law, the Commission shall not after December 31, 1970, distribute special nuclear material except by sale to any person who possesses or operates a utilization facility under a license issued pursuant to section 103 or 104 b. for use in the course of activities under such license; nor shall the Commission permit any such person after June 30, 1973, to continue leasing for use in the course of such activities special nuclear material previously leased to such person by the Commission.

"(2) The Commission shall establish reasonable sales prices for the special nuclear material licensed and distributed by sale under this section. Such sales prices shall be established on a nondiscriminatory basis which, in the opinion of the Commission, will provide reasonable compensation to the Government for such special nuclear material.

"(3) The Commission is authorized to enter into agreements with licensees for such period of time as the Commission may deem necessary or desirable to distribute to such licensees such quantities of special nuclear material as may be necessary for the conduct of the licensed activity. In such agreements, the Commission may agree to repurchase any special nuclear material licensed and distributed by sale which is not consumed in the course of the licensed activity, or any uranium remaining after irradiation of such special nuclear material, at a repurchase price not to exceed the Commission's sale price for comparable special nuclear material or uranium in effect at the time of delivery of such material to the Commission.

"(4) The Commission may make a reasonable charge, determined pursuant to this section, for the use of special nuclear material licensed and distributed by lease under subsection 53 a. (1), (2) or (4) and shall make a reasonable charge determined pursuant to this section for the use of special nuclear material licensed and distributed by lease under subsection 53 a. (3). The Commission shall establish criteria in writing for the determination of whether special nuclear material will be distributed by grant and for the determination of whether a charge will be made for the use of special nuclear material licensed and distributed by lease under subsection 53 a. (1), (2) or (4), considering, among other things, whether the licensee is a nonprofit or eleemosynary institution and the purposes for which the special nuclear material will be used."

Sec. 7. Subsection 53 d. of the Atomic Energy Act of 1954, as amended, is amended by adding the words "by lease" after the word "distributed", and by amending subsection d. (5) to read as follows:

"(5) with respect to special nuclear material consumed in a facility licensed pursuant to section 103, the Commission shall make a further charge equivalent to the sale price for similar special nuclear material established by the Commission in accordance with subsection 53 c. (2), and the Commission may make such a charge with respect to such material consumed in a facility licensed pursuant to section 104."

Sec. 8. Subsection 53 e. of the Atomic Energy Act of 1954, as amended, is amended by deleting subsection 53 e. (1).

Sec. 9. Section 54 of the Atomic Energy Act of 1954, as amended, is amended by adding the following at the end thereof:

"The Commission may agree to repurchase any special nuclear material distributed under a sale arrangement pursuant to this section which is not consumed in the course of the activities conducted in accordance with the agreement for cooperation, or any uranium remaining after irradiation of such special nuclear material, at a repurchase price not to exceed the Commission's sale price for comparable special nuclear material or uranium in effect at the time of delivery of such material to the Commission. The Commission may also agree to purchase, consistent with and within the period of the agreement for cooperation, special nuclear material produced in a nuclear reactor located outside the United States through the use of special nuclear material which was leased or sold pursuant to this section. Under any such agreement, the Commission shall purchase only such material as is delivered to the Commission during any period when there is in effect a guaranteed purchase price for the same material produced in a nuclear reactor by a person licensed under section 104, established by the Commission pursuant to section 56, and the price to be paid shall be the price so established by the Commission and in effect for the same material delivered to the Commission."

Sec. 10. Section 55 of the Atomic Energy Act of 1954, as amended, is amended to read as follows:

"Sec. 55. Acquisition.—The Commission is authorized, to the extent it deems necessary to effectuate the provisions of this Act, to purchase without regard to the limitations in section 54 or any guaranteed purchase prices established pursuant to section 56, and to take, requisition, condemn, or otherwise acquire any special nuclear material or any interest therein. Any contract of purchase made under this section may be made without regard to the provisions of section 3709 of the Revised Statutes, as amended, upon certification by the Commission that such action is necessary in the interest of the common defense and security, or upon a showing by the Commission that advertising is not reasonably practicable. Partial and advance payments may be made under contracts for such purposes. Just compensation shall be made for any right, property, or interest in property taken, requisitioned, or condemned under this section."

Sec. 11. Section 56 of the Atomic Energy Act of 1954, as amended, is amended to read as follows:

"Sec. 56. Guaranteed Purchase Prices.—The Commission shall establish guaranteed purchase prices for plutonium produced in a nuclear reactor by a person licensed under section 104 and delivered to the Commission before January 1, 1971. The Commission shall also establish for such periods of time as it may deem necessary but not to exceed ten years as to any such period, guaranteed purchase prices for uranium enriched in the isotope 233 produced in a nuclear reactor by a person licensed under section 104 and delivered to the Commission within the period of the guarantee. Guaranteed purchase prices established under the authority of this section shall not exceed the Commission's determination of the estimated value of plutonium or uranium enriched in the isotope 233 as fuel in nuclear reactors, and such prices shall be established on a nondiscriminatory basis: *Provided,* That the Commission is authorized to establish such guaranteed purchase prices only for such plutonium or uranium enriched in the isotope 233 as the Commission shall determine is produced through the use of special nuclear material which was leased or sold by the Commission pursuant to section 53."

Sec. 12. Section 57 of the Atomic Energy Act of 1954, as amended, is amended to read as follows:

"Sec. 57. Prohibition.—

"a. Unless authorized by a general or specific license issued by the Commission, which the Commission is authorized to issue pursuant to section 53, no person may transfer or receive in interstate commerce, transfer, deliver, acquire, own, possess, receive possession of or title to, or import into or export from the United States any special nuclear material.

"b. It shall be unlawful for any person to directly or indirectly engage in the production of any special nuclear material outside of the United States except (1) under an agreement for cooperation made pursuant to section 123, or (2) upon authorization by the Commission after a determination that such activity will not be inimical to the interest of the United States.

"c. The Commission shall not—

"(1) distribute any special nuclear material to any person for a use which is not under the jurisdiction of the United States except pursuant to the provisions of section 54; or

"(2) distribute any special nuclear material or issue a license pursuant to section 53 to any person within the United States if the Commission finds that the distribution of such special nuclear power material to the issuance of such license would be inimical to the common defense and security or would constitute an unreasonable risk to the health and safety of the public."

SEC. 13. Section 58 of the Atomic Energy Act of 1954, as amended, is amended to read as follows:

"SEC. 58. REVIEW.—Before the Commission establishes any guaranteed purchase price or guaranteed purchase price period in accordance with the provisions of section 56, or establishes any criteria for the waiver of any charge for the use of special nuclear material licensed and distributed under section 53, the proposed guaranteed purchase price, guaranteed purchase price period, or criteria for the waiver of such charge shall be submitted to the Joint Committee and a period of forty-five days shall elapse while Congress is in session (in computing such forty-five days there shall be excluded the days in which either House is not in session because of adjournment for more than three days): *Provided, however,* That the Joint Committee, after having received the proposed guaranteed purchase price, guaranteed purchase price period, or criteria for the waiver of such charge, may by resolution in writing waive the conditions of, or all or any portion of, such forty-five-day period."

SEC. 14. Section 105 of the Atomic Energy Act of 1954, as amended, is amended by deleting the phrase ", including the provisions which vest title to all special nuclear material in the United States," from the first sentence of subsection 105 a.

SEC. 15. Section 123 of the Atomic Energy Act of 1954, as amended, is amended by adding "53," after the word "sections" in the first sentence.

SEC. 16. Section 161 of the Atomic Energy Act of 1954, as amended, is amended by adding thereto the following new subsection:

"v. (A) enter into contracts with persons licensed under section 53, 63, 103 or 104 for such periods of time as the Commission may deem necessary or desirable to provide, after December 31, 1968, for the producing or enriching of special nuclear material in facilities owned by the Commission; and

"(B) enter into contracts to provide, after December 31, 1968, for the producing or enriching of special nuclear material in facilities owned by the Commission in accordance with and within the period of an agreement for cooperation arranged pursuant to section 123 while comparable services are made available pursuant to paragraph (A) of this subsection:

Provided, That (i) prices for services under paragraph (A) of this subsection shall be established on a nondiscriminatory basis; (ii) prices for services under paragraph (B) of this subsection shall be no less than prices under paragraph (A) of this subsection; and (iii) any prices established under this subsection shall be on a basis which will provide reasonable compensation to the Government: *And provided further,* That the Commission, to the extent necessary to assure the maintenance of a viable domestic uranium industry, shall not offer such services for source or special nuclear materials of foreign origin intended for use in a utilization facility within or under the jurisdiction of the United States. The Commission shall establish criteria in writing setting forth the terms and conditions under which services provided under this subsection shall be made available including the extent to which such services will be made available for source or special nuclear material of foreign origin intended for use in a utilization facility within or under the jurisdiction of the United States: *Provided,* That before the Commission establishes such criteria, the proposed criteria shall be submitted to the Joint Committee, and a period of forty-five days shall elapse while Congress is in session (in computing the forty-five days there shall be excluded the days in which either House is not in session because of adjournment for more than three days) unless the Joint Committee by resolution in writing waives the conditions of, or all or any portion of, such forty-five-day period."

SEC. 17. Section 171 of the Atomic Energy Act of 1954, as amended, is amended by deleting the phrase "52 (with respect to the material for which the United States is required to pay just compensation)," from the first sentence; and by adding "55" after "43," in the first sentence.

SEC. 18. Subsection 183a. of the Atomic Energy Act of 1954, as amended, is deleted.

SEC. 19. Section 184 of the Atomic Energy Act of 1954, as amended, is amended by adding the words "or special nuclear material," after "other lien upon any facility" in the second sentence; and by deleting the word "property" in the second sentence and substituting the word "facility" in lieu thereof.

SEC. 20. Nothing in this Act shall be deemed to diminish existing authority of the United States, or of the Atomic Energy Commission under the Atomic Energy Act of 1954, as amended, to regulate source, byproduct, and special nuclear material and production and utilization facilities, or to control such materials and facilities exported from the United States by imposition of governmental guarantees and security safeguards with respect thereto, in order to assure the common defense and security and to protect the health and safety of the public, or to reduce the responsibility of the Atomic Energy Commission to achieve such objectives.

SEC. 21. This Act may be cited as the "Private Ownership of Special Nuclear Materials Act."

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1325), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

This bill, as reported by the Joint Committee on Atomic Energy, would amend the Atomic Energy Act of 1954 to accomplish the following principal purposes:

1. Termination of mandatory Government ownership of special nuclear materials (sec. 4): The bill would repeal section 52 of the Atomic Energy Act of 1954 which requires mandatory Government ownership of all special nuclear material within or under the jurisdiction of the United States. Provision for the continued effective regulation and control of such materials is assured in other sections of the Atomic Energy Act of 1954 as amended by this bill.

2. Mandatory private ownership (sec. 6): The bill would authorize the Atomic Energy Commission to lease, sell, or grant special nuclear material. However, unless otherwise authorized by law, the Commission could not, after December 31, 1970, distribute special nuclear material except by sale to a person owning or operating a nuclear power reactor if the material is intended for use in such reactor. After June 30, 1973, unless otherwise authorized by law, all special nuclear material previously leased to a person owning or operating a nuclear power reactor for use in such reactor, would have to be converted to private ownership, unless otherwise authorized by law.

3. Authorization to repurchase special nuclear material distributed by the Atomic Energy Commission (sec. 6): The bill would authorize the Atomic Energy Commission to enter into agreements to repurchase any special nuclear material which has been distributed by the Commission by sale but which is not consumed in the course of a licensed activity. The Commission could not, however, agree to repurchase unused or unconsumed special nuclear material obtained from the Commission through a "toll enrichment" arrangement of the type described in 5, below.

4. Direction to establish guaranteed purchase prices for special nuclear material produced in certain licensed reactors (sec. 11): The bill directs the Atomic Energy Commission to establish guaranteed purchase prices for plutonium produced in a reactor licensed under section 104 of the Atomic Energy Act of 1954 and delivered to the Commission before January 1, 1971. The Commission is also directed to establish guaranteed purchase prices for periods of up to 10 years for uranium enriched in the isotope 233, produced in a reactor licensed under section 104 and delivered to the Commission within the period of the guarantee. The Commission could establish such guaranteed purchase prices only for that plutonium or uranium enriched in the isotope 233 which the Commission shall determine is produced through the use of special nuclear material sold or leased by the Commission.

5. Authorization for uranium enrichment services (sec. 16): The bill would authorize the Atomic Energy Commission to enter into arrangements with domestic licensees for the furnishing of uranium enrichment services to such licensees. Contracts for this purpose could also be executed on an international basis in accordance with an agreement for cooperation entered into pursuant to section 123 of the Atomic Energy Act of 1954. A system of uranium enrichment services, or "toll enrichment," contemplates that the Commission would agree to accept delivery from the purchaser of depleted or normal uranium (defined in the Atomic Energy Act of 1954 as "source material") or enriched uranium and deliver to the purchaser an appropriate quantity of uranium containing a higher concentration of the isotope U^{235}. The purchaser would pay the Commission's charge for enriching services—a charge based generally upon the cost of doing necessary processing or "separative" work in the Government's diffusion plants. Under the bill, these services could not commence until January 1, 1969, although contracts for this purpose could be executed at any time after the enactment of this bill.

6. Authorization to repurchase special nuclear material distributed abroad and other international purchase arrangements (sec. 9): The bill authorizes the Commission to enter into long-term contracts to repurchase special nuclear material which has been distributed to other nations by sale pursuant to section 54 of the Atomic Energy Act of 1954 for use in a nuclear reactor and which is not consumed or is depleted in such reactor. The bill would also authorize the Commission to purchase plutonium and uranium enriched in the isotope 233, produced in reactors through the use of special nuclear material leased or sold by the Atomic Energy Commission. The prices for such material would be governed by the same standards applicable to Atomic Energy Commission licensees. (See 4, above.)

Mr. MANSFIELD. Mr. President, that concludes the call of the calendar.

COMMITTEES AUTHORIZED TO MEET DURING SENATE SESSION UNTIL NOON TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the committees of the Senate may be authorized to meet until noon tomorrow.

The PRESIDING OFFICER. Is there objection? There being no objection, it is so ordered.

TRANSACTION OF ADDITIONAL ROUTINE BUSINESS

By unanimous consent, the following additional routine business was transacted:

MESSAGE FROM THE HOUSE—ENROLLED BILLS AND JOINT RESOLUTION SIGNED

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Acting President pro tempore:

H.R. 1997. An act to amend subsection (c) of section 1332 of title 28, United States Code, relating to diversity of citizenship;

H.R. 4088. An act for the relief of the Industrial Tractor Parts Co., Inc.;

H.R. 4871. An act for the relief of Glenn C. Deits and others;

H.R. 7751. An act to extend certain construction authority to the Administrator of Veterans' Affairs in order to provide adequate veterans' hospital facilities in Los Angeles, Calif.;

H.R. 8251. An act to amend section 612, title 38, United States Code, to authorize dental services and treatment in cases where discharges were corrected by competent authority from dishonorable to conditions other than dishonorable;

H.R. 9372. An act to remove a cloud on the title of certain property owned by Wilmer Allers and Jane B. Allers, both of Malin, Oreg.;

H.R. 9521. An act to increase the authorization for appropriation for continuing work in the Missouri River Basin by the Secretary of the Interior;

H.R. 10610. An act to provide for the conveyance of certain real property under the control of the Administrator of Veterans' Affairs;

H.R. 10611. An act to provide for the conveyance of certain real property under the control of the Administrator of Veterans' Affairs;

H.R. 10939. An act making appropriations for the Department of Defense for the fiscal year ending June 30, 1965, and for other purposes;

H.R. 11049. An act to adjust the rates of basic compensation of certain officers and employees in the Federal Government, and for other purposes; and

H.J. Res. 925. Joint resolution creating a joint committee to commemorate the 100th anniversary of the 2d inaugural of Abraham Lincoln.

CONSTRUCTION, OPERATION, AND MAINTENANCE OF CENTRAL ARIZONA PROJECT—REPORT OF A COMMITTEE—ADDITIONAL VIEWS, MINORITY VIEWS, AND INDIVIDUAL VIEWS (S. REPT. NO. 1330)

Mr. HAYDEN. Mr. President, from the Committee on Interior and Insular Affairs, I report favorably, with an amendment, the bill (S. 1658) to authorize, construct, operate, and maintain the central Arizona project, Arizona-New Mexico, and for other purposes, and I submit a report thereon. I ask unanimous consent that the report be printed, together with additional views of the Senators from New Mexico [Mr. ANDERSON and Mr. MECHEM], additional views of the Senator from Utah [Mr. MOSS], minority views of Senators ALLOTT, DOMINICK, and SIMPSON, and also the individual views of the Senator from California [Mr. KUCHEL], which are to be filed later.

The PRESIDING OFFICER. The report will be received and printed, and the bill will be placed on the calendar; and, without objection, the report will be printed, as requested by the Senator from Arizona.

ADJOURNMENT

Mr. MANSFIELD. Mr. President, I move, under the order previously entered, that the Senate now stand in adjournment until 10 a.m. tomorrow.

The motion was agreed to; and (at 8 o'clock and 15 minutes p.m.) the Senate adjourned, under the previous order, until tomorrow, Friday, August 7, 1964, at 10 o'clock a.m.

NOMINATIONS

Executive nominations received by the Senate August 6, 1964:

U.S. ATTORNEY

Francisco A. Gil, Jr., of Puerto Rico to be U.S. attorney for the district of Puerto Rico for the term of 4 years. He is now serving in this office under an appointment which expired August 6, 1963.

SECURITIES AND EXCHANGE COMMISSION

Francis H. Wheat, of California, to be a member of the Securities and Exchange Commission for the remainder of the term expiring June 5, 1966, vice William Lucius Cary.

COUNCIL OF ECONOMIC ADVISERS

Otto Eckstein, of Massachusetts, to be a member of the Council of Economic Advisers.

CONFIRMATION

Executive nomination confirmed by the Senate August 6, 1964:

DEPARTMENT OF STATE

Harry C. McPherson, Jr., of the District of Columbia, to be an Assistant Secretary of State.

EXTENSIONS OF REMARKS

No Quotas on Meat Imports

EXTENSION OF REMARKS

OF

HON. HAROLD D. DONOHUE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 6, 1964

Mr. DONOHUE. Mr. Speaker, I very earnestly urge and very deeply hope this House will perseveringly reject recent Senate action, for whatever dubious reasons, placing drastic quotas on imports of beef, veal, and other meats.

This unwise gesture and projection will inevitably result, without necessity, in general increases in many meat prices, especially for our eastern families, arousing retaliatory resentment against us in Australia, New Zealand, and Latin American countries and it will seriously impair our efforts to preserve a European market for U.S. farm products.

Mr. Speaker, our agriculture experts offer clear and convincing evidence that these particular meat imports are not responsible for low cattle prices and the U.S. Tariff Commission reports sustain that evidence.

In summary the reasons advanced for imposing quotas are not tenable, meat prices will be unnecessarily increased, confidence in American efforts toward freer world trade will be undermined, resentment will be unhappily excited and our tariff negotiation procedures that are now going on will be seriously upset. In effect, Mr. Speaker, this is bad legislation that should be unyieldingly rejected, in the national interest, by this House and I trust that it will be at the proper time.

Reason for Missing Quorum Call

EXTENSION OF REMARKS

OF

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 6, 1964

Mr. PEPPER. Mr. Speaker, I would like to call to your attention the fact that several colleagues and I missed a quorum call today because of the fact the bells had not rung in the corridor of the Old House Office Building and that the electrician had been notified of this matter and was checking into it.

Testimony of Hon. Richard L. Roudebush

EXTENSION OF REMARKS

OF

HON. RICHARD L. ROUDEBUSH

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 6, 1964

Mr. ROUDEBUSH. Mr. Speaker, there is great concern in Congress about the recent Supreme Court decision affecting reapportionment of State legislatures.

The Supreme Court has taken upon itself to enter the legislative field of government by denying our individual States the right to govern themselves according to the wishes of their own people.

It has been my privilege during recent days to introduce a series of bills designed to overcome the great damage caused by the Supreme Court.

The full text of my views on the subject was presented recently before the House Judiciary Committee when I testified in behalf of my proposed legislation.

In order that the Congress be apprised of my grave concern and detailed thinking on this matter, under unanimous consent, I include my full testimony in the RECORD.

My testimony follows:

The beauty of our unique, American system has been a carefully constructed method of checks and balances.

Fortunately for generations of Americans, our Founding Fathers in a flash of genius unequaled since the dawn of civilization, wrought a constitutional system that has enabled the people of the United States to enjoy the blessings of liberty.

The prescribed function of the three branches of Government—legislative, executive, and judicial—is to act as a restraint on the others.

It is my belief, and millions of other Americans, that the Supreme Court has usurped the legislative function in its ruling of last June 15—a ruling that in effect prohibits the right of the States to use a basis other than population in apportioning membership of one house of their State legislatures.

As Justice Potter Stewart stated in his minority opinion, "The Court's draconian pronouncement, which makes unconstitutional the legislatures of most of the 50 States, finds no support in the words of the Constitution, in any prior decision of this Court, or in the 175-year political history of our Federal Union. The rule announced today is at odds with the long-established principles of constitutional adjudication under the equal protection clause, and it stifles values of local individuality and initiative vital to the character of the Federal Union which it was the genius of our Constitution to create."

The effect of this ruling on the rural and small town areas of America will be most harmful. To still the voice and conscience of rural America will be a blow to our representative form of Government, and strikes at the heart of the Federal system.

The Supreme Court has gone to the extreme position of telling the individual States they no longer can govern themselves as they please, but must abide by the Supreme Court in Washington, D.C.

The role of the Supreme Court was envisioned by our Founding Fathers as that of interpreters of the Constitution, but the present Court has a minority which believes its duty is to make law, rather than interpret law.

To alleviate and correct the damage of this Supreme Court ruling, I have joined with other Members of Congress in introducing legislation designed to get the Supreme Court back into its proper role, and prohibit its trampling traditional States rights provided by our Constitution.

Legislation which I have introduced on this matter includes H.R. 12153, which provides that no Federal court shall have jurisdiction of any action to reapportion one house of a State legislature if the other house of such legislature is apportioned according to population, and House Joint Resolution 1136, which will amend the Constitution to guarantee the right of any State to apportion one house of its legislature on factors other than population.

To authorize both houses of a legislature to be apportioned on the basis of local need or selected interest or geography would, of course, be unfair and inimical to the general public interest.

But, by the same token, the requirement that both houses be apportioned strictly on population alone would amount to a desertion of the rights of the minority and to an abandonment of the unique needs of the individual citizen.

Some people may live in areas of high employment, others in depressed areas with high unemployment. Some may be farmers, miners, fishermen or lumbermen. Some may be of one religion or national origin peculiar in need or consideration from those of another religion or national origin.

Some may live in rural areas or small towns while others live in metropolitan areas or suburban expanses. Some may direct their needs toward secondary roads or superhighways while others are more concerned about rapid transit systems. Some may require priority consideration of irrigation projects while others demand consideration of water systems.

Between each group, conflicting interests of varying degree develop, with each conflict producing a majority and a minority. Certainly, the majority must have effective rule, but the minority, too, is entitled to effective representation lest important segments of our people be completely subject to the tyranny of a temporary majority. Abandonment of this concept will most certainly convert our system of government, the oldest continuous constitutional government in the world, to something alien thereto and potentially dangerous to individual liberty.

It is correct to say, as the Supreme Court did, that legislators represent people, not trees or acres. But, the people who reside in States are more than mere numbers. They are people with dissimilar and sometimes conflicting needs, with conflicting hopes and aspirations, with ever-changing problems that sometimes fail to yield to computer logic. Through the wisdom of the people themselves, as represented by the elected leaders of sovereign States, they may well decide that there is a need for representation of particular interests in one body of a legislature in contrast to the representation of general interests in the other body.

Mr. Justice Stewart put it perfectly when he said in his dissent:

"Throughout our history the apportionments of State leigslatures have reflected the strongly felt American tradition that the public interest is composed of many diverse interests, and that in the long run it can better be expressed by a medley of component voices than by the majority's monolithic command. What constitutes reasonable plan reasonably designed to achieve this objective will vary from State to State, since each State is unique, in terms to topography, geography, demography, history, heterogeneity and concentration of population, variety of social and economic interests, and in the operation and interrelation of its political institutions."

Making his point further, Mr. Justice Stewart continued:

"A system of legislative apportionment which might be best for South Dakota, might be unwise for Hawaii with its many islands, or Michigan with its northern peninsula * * * Montana with its vast distances is not Rhode Island with its heavy concentrations of people. I do know enough to be aware of the great variations among the several States in their historic manner of distributing legislative power of the Governor's council in New England, of the broad powers of initiative referendum retained in some States by the people, of the legislative power which some States give to their Governors, by the right of veto or otherwise, of the widely autonomous home rule which many States give to their cities."

The American farmer represents only 7 percent of the total population of this Nation. Yet the general interests and well-being of the American farmer is important to every American. The Supreme Court would reduce the voice of the American farmer and the small townsman to a whisper, a legislative slave to the big cities and urban centers.

Let us make no mistake about the political implications of the Supreme Court decision. Liberal and socialist leaders in this country are already claiming the Court decision as a victory and a blow to conservatism in general.

Elimination of farm and small town representation in State legislatures will shift absolute power to the urban centers where the large population centers are controlled by advocates of liberal spending programs and socialist welfare government.

I respectfully request favorable consideration of measures to retain control of State legislatures by the States. It is time for this Nation to determine if the Constitution as devised by the Founding Fathers is still the law of the land in America, or if this precious document has been discarded usurped by the Supreme Court.

Thank you.

Excise Tax Reduction and Elimination Must Be Accomplished in the National Interest

EXTENSION OF REMARKS
OF
HON. HAROLD D. DONOHUE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 6, 1964

Mr. DONOHUE. Mr. Speaker, the problem of what to do about Federal wartime excise taxes continues to plague the Congress while it continues to penalize our people and our businesses. Surely it is time to deal with it forthrightly and realistically. Reductions made in a few areas have been too little and patchwork proposals, as recently made, have been and should be rejected because of discriminatory tendencies. The existing situation projects real hardships, contradicts the term "luxury" in this modern world, and it is economically unjustifiable. Piecemeal corrections should not be further tried; the cure should be overall and complete.

Who, in this atomic age, can really feel that cosmetics, furs, luggage, automobiles, television sets, long-distance telephone calls, washing machines, refrigerators, window air conditioners, and babies' things should be classed as luxuries and placed in the same category, for instance, as tobacco and alcohol for Federal tax purposes.

Mr. Speaker, this Congress could not close on a more fruitful or happier note than the complete revision and full repeal of the wartime Federal excise emergency taxes on so-called luxuries that by the current rule of economic reality are practically fundamental necessities.

The repeal of these excise taxes would, according to expert economic testimony, eliminate elements of drag and discrimination in our fiscal system and inject a further factor of significant influence into our economy which must be encouraged to expand, especially during this period of unemployment adjustment to the challenging impact of automation.

Mr. Speaker, I am advised the House Ways and Means Committee has practically completed their hearings on this subject and I most earnestly hope we will remain in session until that distinguished committee can prepare and present appropriate repeal recommendations to us for action. If this is not possible then I most strongly urge that, in particular consideration of the housewives and the workingwomen of this country, repeal of these Federal excise taxes be made the first order of business in the new Congress.

No Substance to Charges That Ocean Freight Rates Discriminate Against American Exporters

EXTENSION OF REMARKS
OF
HON. THOR C. TOLLEFSON
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 6, 1964

Mr. TOLLEFSON. Mr. Speaker, there have been so many misleading and erroneous statements made to our House Committee on Merchant Marine and Fisheries, and placed in the RECORD, that my colleague, the gentleman from California [Mr. MAILLIARD] and I presented a joint statement to our committee to call attention to the errors. I am inserting it in the RECORD for the same purpose.

NO SUBSTANCE TO CHARGES THAT OCEAN FREIGHT RATES DISCRIMINATE AGAINST AMERICAN EXPORTERS

Mr. Chairman, Mr. MAILLIARD has asked that the record show that he subscribes to the following statement and that it be considered a joint expression by both of us.

The purpose of the current Bonner committee hearings is very clear. It is to review the progress that the Federal Maritime Commission has made toward enforcing the dual-rate contract provisions for international steamship conferences which were legalized 3 years ago under Public Law 87–346.

In those 3 years, the Maritime Commission has been required under various congressional mandates and other pressures to try to accomplish this and a great many other things. If there have been delays in their programs, there no doubt are reasonable explanations. I know of nothing in the record that reflects adversely upon the present Commission's diligence, determination, and energy. But, unfortunately, in these hearings, we have been led along a road far away from the immediate and primary question concerning the implementation of dual-rate contracts.

Our attention has been preoccupied with serious charges against the steamship conference system itself—charges that have for some month diverted the Maritime Commission's resources and abilities away from its foremost responsibility—the effective administration of the Shipping Act of 1916, as amended, for the purpose of assisting exporters, importers, and the maritime industry to build up our foreign trade under an administration and ground rules satisfactory and fair to all. I refer, of course, to the charges that disparities between export and import rates set by conferences threaten the export trade of the United States and adversely affect the balance of payments.

We submit that it is time to lay these charges to rest once and for all and get along with the more important business at hand.

Let me emphasize that there should be proper concern over anything that impedes the foreign trade of the United States, particularly exports which are vital to our balance-of-payments position. And it is entirely appropriate, as directed in section 212(e) of the Merchant Marine Act, 1936, that the Maritime Commission maintain surveillance of rate disparities between outbound and inbound rates. But section 212 (e) of the 1936 act specifically covers only those disparities that discriminate against American exporters. Only discriminatory disparities call for action by the Commission and recommendations to Congress. The Commission's witness, who recently, in testimony before this committee, made a report under section 212(e), certainly did not establish that any discriminatory disparities exist.

Let's try to put in perspective the question of ocean freight rate disparities. Many of us have been present at hearings conducted not only by this committee but by the Joint Economic Committee in which testimony has been presented by witnesses from export industries, from steamship lines, from conferences, and from Government agencies.

Gentlemen, the case has been presented clearly, pro and con. It is in the RECORD for all to see. Therefore, what I have to say is in no sense a prejudgment.

The only valid conclusion—on the basis of the record and what we have heard—is that there is no substance to the sweeping charges made, and that such rate disparities as do exist reflect the volume flow of a commodity "in and out." The record shows, generally speaking, that where export rates for commodities appear high U.S. factory prices are so high as to preclude exportation even if they were carried overseas by the steamship companies at no cost at all. Exporters of such products are also stymied by foreign duties, tariff walls, and any number of other factors on which the level of the freight rate can have little bearing.

The charge that exporters have suffered competitively because the freight rates have been higher on certain outbound cargo than the rates for identical cargoes heading inbound is disproved by the fact that the same item in foreign trade does not move both ways between the same countries. If trade exists, it is because one nation lacks an item another has and will pay the price to get it, or because one nation can get it cheaper from another nation than it can produce the item domestically, in spite of import duties, handling, transportation, and other costs. In any event, there is no possibility of any substantial inbound and outbound trade in exactly the same item between the same points. Ocean rate disparities, therefore, either involve items that are not in fact comparable or involve comparable items for which rates are provided but do not in fact move regularly.

Commonsense would seem to dictate we accept these broad facts and concentrate our energies on the equitable solution of problems of substance, such as the proper implementation of shippers' contracts.

The steamship conferences are not to be exonerated completely from responsibility for the misunderstandings about freight rates that exist. Some disparities undoubtedly exist that may jeopardize an American export, but the conferences have the machinery to eliminate these. And there is nothing in the record to indicate they do not do so when the disparity has been brought to their attention and ship operating costs will permit an adjustment.

Furthermore, conference tariffs have been shown to be far from current. A freight rate may be listed at the request of a shipper and lay dormant without cargo, or a freight rate may be put to work for a time and then linger for years without application. So it is not surprising that an able, well-intentioned government investigator seeking to establish facts concerning freight rate disparities comes across obsolete rates which may lead him to invalid comparisons. It is only after each individual comparison is scrutinized in the light of real transactions—of cargoes that move—that we learn the comparison is meaningless.

For example, we were privileged last week to hear the distinguished senior Senator from Illinois present to this committee specific examples, prepared by the staff of the Joint Economic Committee, wherein it appeared that freight rates on certain outbound cargoes were indeed higher than comparable rates on similar commodities moving inbound. The particular data was no doubt assembled in good faith with as much attention to detail and accuracy as could be expected of those without practical experience in the international trades involved.

Two days later we heard the testimony of the American Steamship Traffic Executives Committee, which wisely emphasized that the operators' aim was not to engage in debate or to question motives of those investigating ocean freight rates, but to present the facts. They then conclusively established that some of the data previously presented were erroneous because of faulty rate information or lack of proper traffic data as to the volume flow, and that other testimony distorted the significance of the cited differentials to our export potential. For example:

In the matter of steel pipe, it was reported that it costs $50 weight or measure to ship American-made pipe from New York to Venezuela whereas it costs but $27.90 to send German or Belgian pipe from Rotterdam to Venezuela.

A meticulous study of the tariff revealed no rate of $50. The tariff contract rate on up to 12 inches inside diameter pipe from New York was $29 for 2,240 pounds. If it was 12 inches to 16 inches, it was $30 per 2,240 pounds.

If it was over 16 inches, it was $29 weight or measurement, not $50.

The net rates from Rotterdam to Venezuela and again on iron and steel pipe, after 10 percent deferred rebate on pipe up to 8 inches, was $27.41 and on 8 to 12 inches, $28.83.

On 12 to 30 inches, $35.68, weight or measurement.

We, therefore, find that instead of the impression that was left with the Committee of a tremendous discrepancy of $27.90 versus $50, that despite our cost differences in meeting competition from competitive sources of supply, the rate on 12-inch pipe from Rotterdam and New York to Venezuela is, to all intents and purposes, equalized.

As another example from many available was the statement regarding the shipment of leaf tobacco to and from Japan. The record was made that on manufactured leaf tobacco the rate of $87.25 outward per 2,000 pounds is at a disadvantage with the $51.75 rate inbound. The inward rate is a measurement rate and when you put it on the same basis as the outbound rate it would be approximately $165 a ton, or $77.73 more than the outbound rate. Tobacco runs quite heavy to measurement in contrast to weight.

Any meaningful analysis of ocean freight rates must accordingly disregard obsolete rates and paper rates and concern itself with the rate on the cargo that moves. The working rates are developed by and cannot escape the laws of supply and demand. These facts seem to have been lost in the confusion.

International freight rates, gentlemen, are set essentially by supply and demand and cannot be regulated by a single sovereign nation in a free trade economy. Even if you could get all nations to agree—which you cannot—it would be impossible to regulate international freight rates, as was pointed out by the ASTEC witnesses, unless you could first limit either the amount of cargoes available or the number of ships to carry them. I trust no one entertains any such ambitions.

There are many productive areas of investigation, of administration, of regulation, and of adjudication to which the Maritime Commission can properly devote its attention. I submit that inbound and outbound rate disparities—when they are not discriminatory—are not one of them. Discriminatory disparities, of course, are a proper subject of continuing review, but the record of these and other recent hearings shows that they do not exist significantly in the real world of international freight transactions. They may exist on paper or in theory, but as we were advised by a most competent shipper witness last week, not 1 among the 1,600 members of the National Industrial Traffic League has complained that such rate disparities are discriminatory or harmful to our exports.

It is most unfortunate in the light of the evidence that we should continue to beat the dead horse of rate disparities between our inbound and outbound traffic. I say let us leave these to the experts—the exporters and the carriers whose ships they use.

This entire investigation of rate disparities has diverted time and resources from proper areas of Maritime Commission activity. It is time to get back on the track and move ahead with purposes encouraged by this committee and laid down in Public Law 87-346 3 years ago—to administer the dual-rate contract provisions and bring about a more effective and stronger conference system. This is the road to encouraging our export trade.

THOR C. TOLLEFSON.

Non-Service-Connected Pensions

EXTENSION OF REMARKS

OF

HON. HAROLD D. DONOHUE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 6, 1964

Mr. DONOHUE. Mr. Speaker, as we appear to be approaching the end of this session and this Congress I most earnestly hope we will not leave here without extending imperatively needed legislative consideration to our veterans and their families. This need has become even greater because of action on the social security amendments providing a 5-percent increase. Unless we take prompt action to prevent it this social security increase will unintentionally but adversely affect a great number of our veterans, veterans' widows, and veterans' dependents presently receiving pensions payments.

The provisions contained in H.R. 1927 will insure among other features, that no veteran or dependent will lose pension payments because of any increase in social security allowances. The bill accomplishes this by providing that 10 percent of payments to an individual under any public or private retirement entitlement of any kind, including social security, will be excluded in determining income for pension purposes. This pending bill would improve the veterans pension system in many other respects. For instance, it raises the pension amounts for veterans and widows with low income. Such changes in these limitations will make it possible for more veterans and their dependents, who are being hard pressed to meet todays' basic living costs, to qualify for pensions and at the same time it will increase the monthly pensions of many now on the rolls by placing them in a different income limitation category. For example, a single veteran with a yearly income of $1,250 is now eligible for a pension of $40 per month. Under the terms of H.R. 1927 he would be placed into a different income bracket limitation and be eligible for a pension of $70 a month, which is little enough.

Of special interest to World War I veterans is a provision in the measure designed to eliminate the present requirement of a 10-percent disability with resulting unemployability for a veteran of 65 years of age or over to qualify for a pension. The particular provision I speak of would make all veterans eligible for a pension at age 65 if they meet the service and discharge requirements of the law and its income limitations as liberalized by the measure. As a result World War I veterans and other veterans attaining the age of 65 would not be required to prove disability or unemployability in order to qualify for a pension.

Mr. Speaker, there can be no doubt that a great many of our older veterans are having a most difficult time trying to decently live on a fixed income while the cost of living continues to increase from year to year, especially in the areas of medicines and drugs. By increasing the amount of income limitation while still retaining a veteran's pension entitlement we are encouraging him to help himself as much as he possibly can without being penalized for it.

Mr. Speaker, while H.R. 1927 does not go as far as many of us might like and while I personally feel more particular and realistic consideration should be extended to World War I veterans this measure does grant substantial and meaningful liberalization of our present veterans' pension system and it appears, at this hour, that it would be the best and only compromise legislation of this kind that can be attained.

On this score it is worthy of note that the national commander of the Veterans of World War I has evidenced his approval of the measure and I understand representatives of all the other national veterans' organizations have done likewise.

Mr. Speaker, on other occasions such as this I have expressed my very deep conviction that the best patriotic incentive and encouragement we can provide for those who may be called to future military service is the example of the equitable treatment we demonstrate of those loyal veterans and their dependents of our past wars.

The time is getting late, the economic needs of so many of our veterans and their dependents are urgent, the provisions of H.R. 1927 are equitable, the overall measure is reasonable and its purpose is in the best interest of this Nation. I urge and hope, therefore, that H.R. 1927, on behalf of all our veterans and their dependents will be brought before us and overwhelmingly approved in the immediate future.

Federal Exhibit at the New York World's Fair

EXTENSION OF REMARKS

OF

HON. EUGENE J. KEOGH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 6, 1964

Mr. KEOGH. Mr. Speaker, I wish to congratulate my distinguished colleague, the gentleman from New York, Mr. BENJAMIN ROSENTHAL, for his fine speech in the House of Representatives a few weeks ago on the U.S. Pavilion at the New York World's Fair and the exhibits which it contains.

As a Representative from Brooklyn I am a close neighbor of the fair, and had the privilege of accompanying President Johnson to the ribbon-cutting ceremony at the U.S. Pavilion on the opening day of the fair: April 22 of this year.

I was struck by the architectural beauty of the building which our Government has constructed. I have returned on subsequent occasions and have been equally impressed with the concept and execution of the exhibits which are housed in this splendid structure.

In these times of social turmoil and political unrest throughout the world it is noteworthy that our country has produced an exhibit that represents the major issues of these challenging years. It is the mark of a democratic society that it constantly reevaluates its problems and its opportunities.

The Federal exhibit, which is created around the theme "Challenge to Greatness" will help Americans and our foreign visitors alike to better understand the responsibilities and challenges that each of us face today. In our continued efforts to expand the realities of freedom there is no better place for Americans to look than to the heritage of our glorious past and to find there inspiration for our unsettled future.

The Department of Commerce which has created this imaginative show on the New York World's Fair grounds deserves our praise and our congratulations.

Equitable Revision of Our Outmoded Immigration Policy Is Imperative

EXTENSION OF REMARKS

OF

HON. HAROLD D. DONOHUE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 6, 1964

Mr. DONOHUE. Mr. Speaker, the boasted basic standards by which we Americans claim to measure a man are his strength, his integrity of character, his conscientious industry, and his personal ambition. In theory his place of birth has nothing to do with the kind of person he may be.

However and unfortunately, our current immigration laws openly contradict this theory. Under present laws, it is, for instance, clearly intimated that the Italian people are about one-thirteenth as acceptable for prospective American citizenship as the English and that the Greek people are about 200 times less desirable for American admittance than the English. There is similar discrimination against many other nationalities under the present system.

Beyond the objective injustices projected under our current immigration regulations and restrictions I think it is very practical, in our own self-interest, to point out the adverse effect the antiquated national origins quota method has on the prestige of the United States abroad and the operation of successful foreign policy.

I earnestly feel that the great majority of our citizens desire to have our immigration laws brought more realistically into line with the traditional character and disposition of the American people in order to prove we truly mean the inspiring phrase we so often use—"All men are created equal."

Mr. Speaker, there is now pending before the Congress a bill, actually the first bill our late and beloved President John F. Kennedy sent to Congress, designed to remove the bias, the prejudice, the discrimination, and the injustices of our present immigration laws. This bill is known as H.R. 7700 and I myself have introduced a bill that is practically identical to it, H.R. 8883.

These bills, and many others of like nature, would, fundamentally, along with other revisions and reforms, eliminate the present inequitable discriminatory overall quota system and set up a new method, with no great increase, of quota allocations without regard to national origins; they would insure that an individual with special talents that could be used here would not be faced with inordinate delay in admittance because of his birthplace and they would halt the existing hardships on separated families from Italy or Greece or other countries who must now most often experience agonizing postponements of family unity while large quotas for England and Ireland remain unused.

Mr. Speaker, I most earnestly hope this Congress will not adjourn without taking action on these pending revisions in our immigration laws that will demonstrate, both to ourselves and the world, that we are really serious in desiring to eradicate discrimination based on race and national origin.

At this point I would like to include the testimony I recently presented to the House Judiciary Subcommittee on Immigration in support of H.R. 7700, and my own bill, H.R. 8883, and any other bills that would achieve the equitable objective we commonly seek.

The testimony follows:

STATEMENT OF HON. HAROLD D. DONOHUE, PRESENTED BEFORE THE HOUSE JUDICIARY SUBCOMMITTEE ON IMMIGRATION IN SUPPORT OF H.R. 8883, H.R. 7700, AND SIMILAR BILLS

Mr. Chairman and members of the subcommittee, may I express the very deepest appreciation, on behalf of untold thousands of naturalized Americans, prospective American citizens, a great number of my colleagues and myself, to you for the conduct of these hearings on proposed legislation to revise our current immigration laws, which is one of the most vitally important legislative subjects that today challenges our moral conscience and legislative prudence. It is my most earnest hope that very promptly upon the conclusion of these hearings committee initiative will be exercised to expedite congressional action, before any adjournment takes place, on this pending legislation.

As one who has consistently advocated and supported continuing improvements in and expansion of our immigration laws throughout my service in the House I wish to thank you for this opportunity to submit testimony in favor of H.R. 7700 and, of course, my own bill, H.R. 8883, which is practically identical to it. Let me emphasize right now that a particular measure or author is not the important thing in this matter. Our chief concern is to urge your approval of whatever bill or vehicle you deem best designed to remove and correct the obvious injustices that have been too long projected by the outmoded provisions of our present immigration laws and regulations.

Even cursory examination of our present laws reveals their obviously unfair and unpopular discrimination against the majority of the nations of the world. This persistent discrimination has increasingly weakened our position and our overtures of world leadership and has unwittingly delivered into skillful anti-American hands an effective instrument for Communist propaganda against the United States as the proclaimed hope and asylum of the poor and persecuted, the tired and the homeless.

As a glaring example of discrimination a very heavy priority is given to immigrant applicants of the countries of Great Britain, Ireland, and Germany, yet there were more than 41,000 unused numbers in the last British quota. On the other hand countries like Israel, India, China and many others are permitted only 100 immigrants into the United States per year.

A brief review of the situation in other countries in southern and eastern Europe demonstrates similar and even greater discrimination. For example, Italy's yearly quota of 5,666 must by some supposed miraculous process attempt to cover well over 250,000 applicants. Greece has been granted a quota of 308 to process a backlog of over 100,000 qualified applicants. Poland is permitted only 6,488 persons per year to somehow be allocated among more than 60,000 annual applicants.

I feel certain that you and the great majority of Americans would judge this situation to be intolerable and it is, indeed, a matter which has seriously hurt the prestige of the United States, both at home and abroad.

Along with other deficiencies this outdated, outmoded, unjust and discriminatory quota system is the substantive evil the legislation before you is designed to correct and whose adoption will, I believe, effect such correction.

Briefly reviewing the provisions of my bill and the other measures before you we observe that their enactment would not result in any great increase in the total number of immigrants traditionally admitted to the United States; rather, the proposed legislation would eliminate, mostly over a period of 5 years, by pooling and redistribution, our present discriminatory system of national quotas and thereby alleviate the backlogs of those countries having the highest number of applicants.

Under the new qouta system that would be achieved by this proposed legislation no country would be entitled to more than 10 percent of the entire annual allocation whereas under current law three nations are granted almost two-thirds of all quota numbers. Another provision would establish an immigration board to review naturalization policy and to recommend fair and just use of unallocated quota numbers.

Further than that, by the adoption of these legislative proposals before you, close relatives of American citizens and resident aliens who have been on waiting lists for a heartbreaking length of time and those who could contribute the most, because of special skills, to the progress of the United States, would be granted highest priority regardless of their place of birth. The adoption of this provision alone would save countless expenditures of Federal money, as well as the time and energy of Federal legislators and agencies in the processing of private bills for the relief of extreme and unusual hardship immigration cases that come before this committee by the thousands every year.

Mr. Chairman and committee members, none of us should forget that this great Nation was itself founded almost altogether by immigrants. Certainly in advancing our position of world leadership and inspiration in these perilous days we can speak more convincingly for freedom everywhere when we have done our legislative utmost to give real freedom, real sanctuary, real family unity, and real opportunity to qualified immigrants who wish to begin a new life in this country. Our national history reminds us that these are the kind of people in whose behalf the original American tradition of asylum was established and whose immigration to these shores has enriched our country from its earliest days right up to this very hour.

Mr. Chairman and committee members, in his immigration legislation recommendations to Congress our late and beloved President John F. Kennedy stated—"our investment in new citizens has always been a valuable source of our strength." With this sentiment and in his valiant spirit let us pursue this proven investment and I most earnestly hope that, in your wisdom and judgment, you will feel warranted in expediting your recommendation of congressional enactment of this legislation.

SENATE

FRIDAY, AUGUST 7, 1964

The Senate met at 10 o'clock a.m., and was called to order by the Acting President pro tempore (Mr. METCALF).

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

Dear God and Father of us all, whate'er our name or sign: For this hushed and dedicated moment, gather our wandering minds and our wayward wills into Thy secret place, where even before voices here are lifted, concerning the affairs of these distraught times, we may have ears to hear a Voice whose guiding, if followed, will help us rightly to interpret the signs of these trying days.

Hasten, we pray, through us the day of an ampler life for all, when every member of Thy human family will dwell in safety among his neighbors, free from gnawing want, free from torturing fears, free to speak his thoughts, and free to choose his altar of worship.

On the tablets of our hearts, may there be written Thy decrees.

We ask it in the ever blessed name of Him who is the Way. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, August 6, 1964, was dispensed with.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Ratchford, one of his secretaries.

MAINTENANCE OF INTERNATIONAL PEACE AND SECURITY IN SOUTHEAST ASIA

The ACTING PRESIDENT pro tempore. The Chair lays before the Senate Senate Joint Resolution 189, under the agreement limiting debate and providing for a vote at 1 o'clock p.m. on its passage.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, from the time allocated to the majority leader, I move that the Senate proceed to the consideration of executive business, to consider a nomination on the Executive Calendar.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGE REFERRED

The ACTING PRESIDENT pro tempore laid before the Senate a message from the President of the United States submitting sundry nominations, which were referred to the Committee on Armed Services.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. BIBLE, from the Committee on the District of Columbia:

Gerry Levenberg, of the District of Columbia, to be a member of the Advisory Board of the National Capital Transportation Agency; and

Robert C. Wood, of Massachusetts, to be a member of the Advisory Board of the National Capital Transportation Agency.

By Mr. EASTLAND, from the Committee on the Judiciary:

William N. Goodwin, of Washington, to be U.S. attorney for the western district of Washington.

By Mr. KEATING, from the Committee on the Judiciary:

George J. Ward, of New York, to be U.S. marshal for the eastern district of New York.

The ACTING PRESIDENT pro tempore. If there be no further reports of committees the nomination on the Executive Calendar will be stated.

U.S. MARSHAL

The Chief Clerk read the nomination of Santos Buxo, Jr., of Puerto Rico, to be a U.S. marshal for the district of Puerto Rico for the term of 4 years.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of this nomination.

The ACTING PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

On motion by Mr. MANSFIELD, the Senate resumed the consideration of legislative business.

MAINTENANCE OF INTERNATIONAL PEACE AND SECURITY IN SOUTHEAST ASIA

The Senate resumed the consideration of the joint resolution (S.J. Res. 189) to promote the maintenance of international peace and security in southeast Asia.

Mr. MANSFIELD. Mr. President, yielding myself still more time under the limited arrangement, I ask unanimous consent to have printed in the RECORD a telegram sent by Joseph J. Lombardo, commander in chief of the Veterans of Foreign Wars of the United States, to President Johnson on August 5, on the subject of action in the Tonkin Bay; a telegram sent to President Johnson by E. H. Reeder, rear admiral and national president of the Reserve Officers Association on August 5; and a copy of a WTOP editorial, which was broadcast on August 5.

There being no objection, the telegrams and broadcast were ordered to be printed in the RECORD, as follows:

The PRESIDENT,
The White House,
Washington, D.C.:

I take this occasion to express to you the unreserved support of the Veterans of Foreign Wars of the United States for your decision to take prompt retaliatory naval action against vessels and supporting installations in Communist North Vietnam. Such deliberate Red attacks on our ships in international waters were a threat to our national security and our Nation's prestige that could not go unchallenged. The V.F.W., with a membership of 1,300,000 oversea combat veterans, firmly believes that the only language Communist aggressors understand is the language of power. Thus your decision to retaliate against the Communist bases should have a sobering effect on the Red leadership seeking to destroy freedom in southeast Asia and undermine the security of the United States.

JOSEPH J. LOMBARDO,
Commander in Chief, Veterans of Foreign Wars of the United States.

The Honorable LYNDON B. JOHNSON,
President of the United States,
The White House,
Washington, D.C.

MY DEAR MR. PRESIDENT: The Reserve Officers Association of the United States wishes to convey to you the unqualified support of its members in the courageous action you have taken in defense of our Nation's position in Vietnam.

E. H. REEDER,
Rear Admiral, USNR,
National President.

EDITORIAL BROADCAST, AUGUST 5, 1964, OVER WTOP TELEVISION AND RADIO

This is a WTOP editorial.

The aggravated crisis in the Far East may very well be a corollary to the recent pattern of events in that part of the world. During the last several months the United States has assumed an increasingly active role in the defense of South Vietnam, with an ever-greater application of military strength. Everything that has been said recently by highly placed American officials indicates a growing unwillingness to tolerate any prospect of defeat. The defense of the free areas of southeast Asia has become a vital American interest, and the war in South Vietnam is not a major—not a subsidiary—American effort.

It can be speculated that these changed circumstances have drawn a deliberate Communist response in the Gulf of Tonkin. There, the attacks on American destroyers might be interpreted as a Communist probe to learn whether, in southeast Asia, we really mean what we say and whether our policy has turned a good deal tougher. Under this reasoning, the incidents in the international waters off North Vietnam are a test of the credibility of our intentions.

If this is the case, the U.S. actions this week ought to be wholly convincing—perhaps more convincing than Hanoi and Peiping bargained for. President Johnson, with bipartisan concurrence, ordered a sharp counterattack on a limited number of North Vietnamese shore installations. And by so doing, the President—faced with his first serious international flareup—has proved his readiness to use force when force is required.

Of course, this is a risky business, as international confrontations always are. But there are occasions when an act of war can be a step toward peace. And as President Johnson has told the Nation, "Our mission is peace"—that, and the defense of American commitments which cannot be abandoned.

This was a WTOP editorial, Jack Jurey speaking for WTOP.

WILL THE 88TH CONGRESS BE A CONSERVATION CONGRESS?

Mr. MANSFIELD. Mr. President, I renew my request and ask that the time

I have used so far this morning be charged to me.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an article written by Edward J. Meeman, who is conservation editor of the Scripps-Howard newspapers, entitled "A Few More Acts and the 88th Will Be 'the Conservation Congress.'" This article was published in the Scripps-Howard newspapers generally across the country on August 3, 1964.

There being no objection, the article was ordered to be printed in the Record, as follows:

A Few More Acts and 88th Will Be "the Conservation Congress"

(By Edward J. Meeman)

"If this Congress keeps up the way it is going, I think it will be known as the conservation Congress."

So said Representative Morris Udall, Democrat, of Arizona, during the debate on the wilderness bill. A few minutes later the House adopted 2 amendments to strengthen the bill and then passed it by the overwhelming vote of 373 to 1.

If the 88th Congress keeps on going in that fashion, it will indeed go down in history as "the conservation Congress."

To earn that title, Congress needs to do these things:

Work out prompt agreement of the two Houses to reconcile their differing versions of the wilderness bill. With Senator Clinton Anderson and Representative Wayne Aspinall in charge of the respective bills in conference there's no difficulty there.

Take quick action in the Senate on the House-passed land and water conservation fund bill. Sometimes late in a session one House accepts from the other a bill not wholly to its liking in order to get it through. The House has worked out a land and water bill which is an improvement over the original draft submitted by the administration; it substantially meets all objections. The Senate would make no mistake to pass the House version unamended.

BILLS CAREFULLY WORKED OUT

But Congress should not be content to pass only these two big bills. There are other bills well along toward passage which can and should be sent all the way, they have been carefully worked out.

There is the river basin planning bill. It will improve the coordination of the various Federal agencies involved in water projects. It will provide a new type of Federal-State agency to assist the State to become more active in planning the desperately needed conservation of their dwindling water resources.

STILL TIME TO ADD THESE

There is yet time to add these to the Nation's permanent outdoor treasures: Ozark National Rivers, Fire Island National Seashore, Tocks Island National Recreational Area, Indiana Dunes National Lakeshore, Sleeping Bear Dunes National Lakeshore, Big Horn Canyon National Recreation Area, Lake Mead National Recreation Area, Oregon Dunes National Seashore.

Have I left out one or more areas just as deserving and also well enough along toward passage that they can be put through? Possibly. All right, Mr. Congressman, add them to the list.

The way Congress is going, many big things can be accomplished in the time that remains so that this will be truly "the conservation Congress."

MOTION TO RECONSIDER CERTAIN BILLS PASSED YESTERDAY

Mr. MANSFIELD. Mr. President, I move that the votes by which H.R. 11466, H.R. 8925, and S. 3075, the last three bills passed on yesterday, be reconsidered.

Mr. MORSE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MAINTENANCE OF INTERNATIONAL PEACE AND SECURITY IN SOUTHEAST ASIA

The Senate resumed the consideration of the joint resolution (S.J. Res. 189) to promote the maintenance of international peace and security in southeast Asia.

Mr. MANSFIELD. Mr. President, on my own time, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be dispensed with.

The PRESIDING OFFICER (Mr. Salinger in the chair). Without objection, it is so ordered.

Mr. MORSE. Mr. President, I shall proceed to discuss briefly the points that I did not cover in detail last night with regard to the pending joint resolution.

The PRESIDING OFFICER. How much time does the senior Senator from Oregon wish to yield himself?

Mr. MORSE. I yield myself such time as I may need.

Mr. President, in view of the debate which took place last night, which we did not contemplate at the time we entered into the unanimous-consent agreement, as I have stated to the majority leader, I wish now that we had fixed the time to vote at 12 o'clock today. There is little remaining to add, by way of rebuttal, to what I said last night, except the points that I shall cover this morning. However, I do want to discuss in some detail the predated declaration of war aspects of this unfortunate resolution.

I hope, as I said to the majority leader, that the defenders of this unfortunate resolution will come to the floor of the Senate and give a defense of it in answer to the points that I made in rebuttal last night and shall amplify this morning. I am waiting for their replies.

I have a little reply of my own to make this morning to the Washington Post. There is a very fallacious editorial in this morning's Washington Post entitled "Democracy's Response." I ask unanimous consent that it be printed at this point in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Democracy's Response

Congress is responding with commendable promptness and with an almost unanimous voice to President Johnson's request for support in the Southeast Asian crisis. The President consulted the leaders of both Houses and then asked for a supporting resolution not only because he felt the necessity for congressional approval of what is being done, but also because he wished to demonstrate before the world the unity of the American people in resisting Communist aggression. That unity has been demonstrated despite the reckless and querulous dissent of Senator Morse.

There is no substance in Senator Morse's charge that the resolution amounts to a "predated declaration of war." On the contrary, it reaffirms the longstanding policy of the United States of aiding the States covered by the Southeast Asia Collective Defense Treaty in the protection of their freedom as a contribution to international peace. It pledges military action only to resist aggression against American forces in that area. Of course, the President has authority to respond to attacks upon American forces without any approval in advance by Congress. So the resolution means only a recommitment of the Nation to the policy it has been following—an almost unanimous recommitment in the face of the inexplicable North Vietnamese challenge.

This means of reasserting the national will, far short of a declaration of war, follows sound precedents set in other crises. President Johnson noted in his message to Congress that similar resolutions had been passed at the request of President Eisenhower in connection with the threat to Formosa in 1955 and the threat to the Middle East in 1957. The same course was followed in 1962 at the request of President Kennedy to meet the missile threat in Cuba. None of these emergencies led to war. Rather, the firm action that this country took interrupted Communist maneuvers that might otherwise have led to war.

Congress ought to be very pleased with the now firm establishment of this mechanism for meeting an emergency with a united front. Reliance solely upon the power of Congress to declare war as a last resort would not be appropriate in these days of repeated crises short of war. A resolution of support for the executive arm in meeting an emergency has all the virtue of rallying national strength behind a firm policy—without taking the calamitous step of war in this nuclear age. We surmise that the almost unanimous sentiment behind this resolution on Capitol Hill reflects appreciation for the President's sharing of responsibility as well as support for the tough punishment for aggression that he initiated.

Mr. MORSE. The Washington Post has demonstrated in editorial after editorial that it does not have a good constitutional lawyer on its editorial staff. The editorials published in the newspaper demonstrated that fact constantly. In an editorial which appeared in this morning's issue of the newspaper there appears the following statement:

> There is no substance in Senator Morse's charge that the resolution amounts to a "predated declaration of war."

One wonders whether or not the editorial writer has ever read the joint resolution. No one can read the joint resolution and the authority proposed to be given the President in the joint resolution without recognizing that it would clearly authorize the President to proceed to follow whatever courses of action are necessary in his opinion; and such action would constitute authority to conduct war.

I should like to make an additional comment on a statement in the editorial in reference to resolutions passed by previous Congresses. In the body of the editorial the statement is made:

> President Johnson noted in his message to Congress that similar resolutions had been passed at the request of President Eisenhower in connection with the threat to Formosa in 1955 and the threat to the Middle East in 1957. The same course was followed in 1962 at the request of President Kennedy to meet the missile threat in Cuba.

The editorial writer apparently had not read, or certainly had not read recently before he wrote that editorial, the Cuban resolution, for there is no similarity between the Cuban resolution on the one hand and the Formosa, the Middle East, and the pending resolutions on the other hand.

But returning to the comment of the Washington Post that there is no substance in Senator MORSE's charge that the resolution amounts to a "predated declaration of war," I should like to read for the benefit of that unenlightened editorial writer of the Washington Post page 2 of the joint resolution:

> *Resolved by the Senate and the House of Representatives of the United States of America in Congress assembled,* That the Congress approves and supports the determination of the President—

Not the Congress, but of the President—

> as Commander in Chief, to take all necessary measures to repel any armed attack against the forces of the United States and to prevent further aggression.

The joint resolution thus gives the President warmaking power.

I shall come to another section of the resolution same item in a moment. The Commander in Chief, the President of the United States, has the inherent constitutional power immediately to defend the United States in case of an attack, but he does not have the inherent power after that immediate defense to proceed to make war. That is the distinction which this unenlightened editorial writer of the Washington Post has never grasped.

Mr. President, the right of immediate defense is something quite different from the right to proceed to lay out a campaign of war. Under the joint resolution the President would be given the authority to go beyond immediate self-defense of the United States and proceed with a war campaign. That is why I say today, as I said in 1955, and as I said at the time of the Middle East resolution, that such resolutions constitute a predated declaration of war. The Washington Post editorial writers ought to consult with Senators who occupy high positions in the Senate on the other side of the issue in connection with the defense activities of the country. They might be surprised to learn that they are not quarreling with the Senator from Oregon in regard to the effect of the joint resolution. The joint resolution does propose to give to the President of the United States authority beyond the inherent authority that he already possesses to act immediately in national self-defense.

Mr. President, that is a very important distinction in constitutional law. The Senator from Oregon repeats that, under the Constitution, the President has no power to wage war until a declaration of war is passed by the Congress. The joint resolution is a contravention of article I, section 8, of the Constitution, just as the Formosa resolution and the Middle East resolution were contraventions of the Constitution and caused the senior Senator from Oregon in the debate on those two resolutions to take a stand in opposition. As one of the Armed Services Committee leaders of the Senate told me this morning, "Wayne, there is no difference between the position that you are taking today and the position that you have taken consistently with regard to the other resolutions. No one can really quarrel with your conclusion that the joint resolution does go beyond the inherent authority of the President to act in the self-defense of our country and does vest in him authority to proceed to carry out a campaign that amounts in fact to the waging of war."

Mr. President, I do not believe we should do it. It is not necessary to do it. There is inherent power in the President as Commander in Chief under the Constitution to meet an attack immediately, and then come to the Congress of the United States asking for a declaration of war. We should require those steps, rather than give the President blanket authority under the joint resolution to proceed to wage war without a declaration of war.

Ah, but it may be said, and is said, by some in conversations with me, "But, WAYNE, a President would not do that for very long."

I do not care whether he does it for a short time or a long time. It is not necessary for him to do it, so long as he has the inherent authority to meet attack with immediate self-defense actions.

As I said in 1955, I believe it is important in these trying times that we not extend and expand the authority of the President of the United States beyond the limits of the Constitution.

It may be said that if the President should commit an unconstitutional act under the joint resolution, or if the joint resolution in effect, as argued by the Senator from Oregon, is an attempt to give to the President an unconstitutional power, he can be checked. I wish I could say that he could be. The difficulty in relation to these constitutional questions as they involve the Presidency of the United States is that we do not have a procedure for having them tested in the U.S. Supreme Court. That has been the subject of great discussion, concern, and debate among constitutional lawyers for many decades. It is difficult to bring the President of the United States before the U.S. Supreme Court. Our constitutional fathers provided for other procedural checks upon the President of the United States, one of which is impeachment, which, of course, is unthinkable when we have a President who seeks only in the exercise of his powers—though he may be mistaken in regard to having exceeded an inherent power—to protect the interest of the United States. But that is a check that is provided in the Constitution. Then, of course, we check the President in regard to the purse strings by way of appropriations.

We have the authority, of course, to check the President by way of appropriations, with his ancillary check on Congress of the veto. It is not impossible to eventually get a case before the Supreme Court involving the warmaking powers of the President, but the legal road could be long and tortuous. The time consumed would make the question moot by the time it was decided as far as the emergency is concerned will give rise to the issue in the first instance.

When Congress passes a joint resolution such as this, it is practically impossible—in fact, I think it impracticable—procedurally to have the power checked, on constitutional grounds, before the U.S. Supreme Court. I do not know, and I know of no constitutional lawyer who has ever been able to point out, a procedure by which we could bring the President before the Court on the charge that he was making war unconstitutionally. I can hear the Court, in refusing jurisdiction, say, "Congress will have to follow the procedures set out in the Constitution for checking the President."

So I am concerned about the resolution in respect to its giving to the President what I honestly and sincerely believe is an unconstitutional power—that is, the power to make war without a declaration of war. It feeds a political trend in this country that needs to be checked. For some time past in this Republic we have been moving in the direction of a government by executive supremacy.

It is very interesting to listen to the arguments that one hears for extending and expanding the power of the White House. It is exeremely important—and I speak soberly and out of a depth of great sincerity—that we never grant a single power to any President, I care not who he is, that in any way cannot be reconciled with that precious fundamental foundation of our Republic; namely, a system of three coordinate and coequal branches of Government.

It is dangerous to the freedoms and liberties of the American people to vest in any President, at any time, under any circumstances, power that exceeds the constitutional concept of three coordinate and coequal branches of Government.

The American people will quickly lose their liberty if you do not stop feeding the trend toward Government by executive supremacy. In my opinion, the joint resolution would do just exactly that. It would give to the President of the United States an authority which, in my judgment, he does not need, by any stretch of the imagination. He has inherent power to react, in the self-defense of this Republic, in the event of an immediate attack.

It is particularly essential that we continue to require a President of the United States to conform to article I, section 8, of the Constitution, in regard to making war, and that we continue to hold any President—I care not who he is—under the strictest restraint with regard to the making of war.

We have entered an era of civilization in which an unconstitutional act of war on the part of a President of the United States can lead to nuclear war and the end of this Republic, no matter how sincere a President may be in his intentions in respect to exercising the power to make war.

We need to be on guard in respect to vesting power in the White House. The White House has plenty of power under the Constitution. I am for giving the White House no more power than the Constitution gives him.

I have heard sincere colleagues on the floor of the Senate—and I respect them—differ with me in regard to the effect of the joint resolution. There are also colleagues on the other side of the issue who have come to me and said, as did one who discussed it with me this morning, "WAYNE, there is no doubt as to the effect of the resolution that you are pointing out, and that you pointed out in 1955. It bothered me in 1955; but we have every reason to count on the fact that the President of the United States will not abuse the power."

Mr. President, I do not think he would deliberately abuse the power, but he could most sincerely exercise the power in a manner that would result in great damage to this Republic.

There is an elementary rule of law which states that when we come to deal with procedural matters, if a procedure is subject to abuse we had better change the procedure.

My majority leader, who always is courteous to me and was exceedingly courteous to me in arranging the format for this debate, has heard me say many times as we have served together in this body that we should never forget that our substantive rights are never any better, and can never be any better, than our procedural rights. Our procedural rights determine our substantive rights. There are no substantive rights unless there are procedures for implementing them.

I have said many times—and the statement should be applied to this issue, because it is applicable—let me determine the procedure of any human institution or the administration of any law, and I will determine all the substantive rights anyone may have under that law, that tribunal, or that administrative body. Let me determine the procedure of any courtroom, and I will determine all the substantive rights that can be adjudicated in that courtroom."

Although some critics will say that this principle involves a legalistic abstraction, nevertheless the great principles of so-called legalistic abstraction are principles that determine, in the last analysis, whether one remains a free man or not. This is true because the procedures of our Government written into the Constitution and the laws of our country determine our substantive rights as freemen.

In my judgment, the pending joint resolution tinkers with and impairs the great procedural rights of the American people written in article I, section 8 of the Constitution—namely, that the power and the right to declare war is vested in the Congress, and not in the President of the United States.

War cannot be declared speculatively; war cannot be declared in futuro under article I, section 8 of the Constitution. War cannot be declared to meet hypothetical situations yet to arise on the horizons of the world. War is declared in relation to existing operative facts of the moment of the call for a declaration of war.

In the resolution before the Senate—and I shall read the section to which I have referred and another section momentarily—the President of the United States would be given power to make war in relation to operative facts not now in existence, but which may come into existence in futuro. That cannot be reconciled with article I, section 8 of the Constitution.

For the education of the unenlightened editor of the Washington Post who wrote the ignorant editorial in respect to this constitutional point, I hope he will reread article I, section 8 of the Constitution, and that he will read again—assuming that he ever read the resolution before he wrote the editorial—the section to which I have referred and read, and which I repeat. That part of the joint resolution reads:

> The Congress approves and supports the determination of the President, as Commander in Chief, to take all necessary measures to repel any armed attack against the forces of the United States and to prevent further aggression.

Let us analyze that sentence for a moment. Let us analyze that part of the sentence that deals with the inherent power of any commander in chief, any President, to react immediately in the defense of this Republic. That part of the sentence is not needed. He has that power now. If there is to be read into that part of the sentence which starts on line 4—"to take all necessary measures to repel any armed attack against the forces of the United States"—authority to commit an act of aggression, preventive in nature, it goes beyond the Constitution.

That was my argument in 1955. How well I remember it. In 1955 I participated in the same format of committee organization in which I took part yesterday; namely, a joint meeting of the Armed Services Committee and the Foreign Relations Committee. I opposed the Formosa resolution. My recollection is that in committee in 1955 two of us took that position. When we came to the floor of the Senate, my recollection is that I was supported by a third member, as I said last night, the great Senator from New York, Herbert Lehman; and I believe we ended in 1955 with three Senators voting against the resolution. As I remember my opening speech in 1955—and the RECORD will speak for itself—I said, as I say now, that I was standing in a position on the floor of the Senate in which a few other liberals had stood throughout the history of this great parliamentary body. Like them I was confronted with the choice of telling the American people what I was satisfied they were entitled to know about their foreign policy, and run the risk of violating the rules of secrecy of the Senate, thereby risking the discipline of the Senate, or failing in my obligation to tell the American people things that I thought they were entitled to know in regard to the foreign policy of the country and avoid running the risk of being disciplined by the Senate.

If Senators will read that speech they will see that I said I thought I could give the American people what they should be warned about within the rules of the Senate, without subjecting myself to Senate discipline. Senators will find that I said—I paraphrase the speech, but accurately:

> I wish to tell the American people that this is a preventive war resolution; and if any Senator has any question about it, let him go to the Foreign Relations Committee on the floor below and read the testimony of the Secretary of State—

Who was then John Foster Dulles—

> and the testimony of the Chairman of the Joint Chiefs of Staff of the Military Establishment—

Who was then Admiral Radford.

I said:

> If Senators will read that testimony, they will know that behind this resolution is the proposal that the Military Establishment and those in charge of American foreign policy are to be given the authority to make a strike against the mainland of China before China makes a strike against the United States. Such a strike would be an act of aggression. Such a strike would be an act of war. Authorization for such a strike in the Formosa resolution amounts to seeking to give to the Military Establishment, without a declaration of war, the power to make war. Senators will find that clear power in the resolution.

Senators will remember that in 1955 the senior Senator from Oregon took that position in the hearing before the committee. My position became known. After I took that position the chairman of the committees sitting jointly, Mr. Walter George, of Georgia, declared a recess, and announced that he would go to the White House for the purpose of discussing with the President the argument that I had made in committee. He went to the White House. Out of that conference came the famous White House pronouncement with respect to the Formosa resolution, in which President Eisenhower announced that he, and he alone, would make the decision under that resolution as to what course of action this Government would follow in implementing the Formosa resolution.

Senator George came back and had a conference with me. He thanked me for what he considered to be the service I had rendered. He said, "It was a very important service. I would not support the resolution in the absence of the White House announcement." He said, "WAYNE, I hope you will work with me now to help get the resolution through the Senate."

I said to the chairman of the Foreign Relations Committee, who served on that occasion as chairman of the committees sitting jointly, "That does not make it any better so far as I am concerned.

You missed the point of my objection. Although the testimony in committee would have left the impression that the Secretary of State and the military officials could have made the decision, they will still be making the decision, because the President will follow their advice." I said, "I would not vote for it if they had no voice in it at all, because I will not vote to give to any President this power, because the Congress of the United States must jealously guard its prerogatives under article I, section 8 of the Constitution. All that the President needs to do is to come before Congress and ask for a declaration of war. He has inherent authority to meet an emergency that requires national self-defense action prior to the time he gets to the Congress."

Senators will note in the RECORD that I used the beginning of the war with Japan as a precedent. I said, "After the strike at Pearl Harbor, Franklin Delano Roosevelt exercised the power as Commander in Chief to defend this country in national self-defense, but he came to Congress for a declaration of war.

I made that argument in 1955. I repeated it in summary form at the time of the Middle East difficulty, and I am summarizing it again in this historic debate.

I have heard no answer in all the intervening years to the constitutional point that I now raise, and of which the editor of the Washington Post who wrote the editorial this morning is abysmally ignorant.

Mr. President, this joint resolution is not needed for the defense of the Republic. It should not be used to make an end run around article I, section 8, of the Constitution. So long as an attack is in progress, the President has the inherent power to protect the Republic in self-defense. But there is reserved to Congress, under the Constitution, the responsibility of passing judgment on whether or not even an attack calls for our declaring war. It may very well be that after a response to an attack, the attacking party may start diplomatic maneuvers into motion—to surrender, to capitulate, to ask for a negotiated settlement, or to resort to the rule of law—which might cause Congress, in exercising its authority under the Constitution, to check the President and cause him to decide not to make war at that time. It is an important procedural check.

It is easy, understandable, and natural in a time of high national emotion, in a time of strong patriotic fervor, to say, "Give 'em the works." It is also true that in such an hour of high national emotion and hysteria, we who sit in seats of responsibility, so far as the legislative process is concerned, can say, "Let us wait. Let us first analyze the situation on the facts, and then vote the authority that is needed to protect the country. Sincere and honest men can differ as to the procedural form that the grant of such authority shall take."

In 1955 and again in 1957 the senior Senator from Oregon took the position, as he does in the instance of this resolution, that the Middle East resolution and the Formosa resolution would be grants of authority to the President to exercise power which would amount to predated declarations of war. That should not be done. It is not necessary. All the world knows that any country that attacks the United States will be met immediately with the exercise of the inherent power of the President, under the Constitution, to defend the Republic. All the world knows that if any country continues an attack upon this country, the President will come before this body and quickly, as the great Roosevelt did after Pearl Harbor, in 1941, obtain from Congress a declaration of war. What more is needed?

A constitutional principle is involved. It is dangerous to give to any President an unchecked power, after the passage of a joint resolution, to make war. Consider the procedural complications that could develop if Congress decided that the President was making serious mistakes in the conduct of a personal war—for it would be a Presidential war at that point, How would the President be stopped? He could not be stopped. Consider what would happen to this Republic if we got into that kind of conflict with the President in carrying out the joint resolution.

But, say some, see what the end of section 3 provides:

> This resolution shall expire when the President shall determine that the peace and security of the area is reasonably assured by international conditions created by action of the United Nations or otherwise, except that it may be terminated earlier by concurrent resolution of the Congress.

That would create a nice mess, would it not? That would be a nice portrait of the United States to paint before the eyes of the world. What havoc of disunity that kind of procedure would encompass.

What is wrong with letting the Constitution operate as written by our constitutional fathers? Why this indirect amendment of the Constitution? There are Senators, for whom I have deep affection, who become a little shaken, in our private conversations, when I say, "What you are really seeking to do is to get around the amending process of the Constitution. In effect, you are trying to get around article I, section 8, by amending the Constitution by way of a joint resolution."

I do not believe we ought to establish any more precedents of this kind. I do not accept the argument that because we have made two mistakes in the past—we made no mistake in connection with the Cuban resolution; and I shall speak of that later—because we made mistakes in the Formosa and the Middle East joint resolutions, we can make another one. Even a repetition of mistakes does not create a legal right in the President. I do not believe it is good legislative process to repeat mistakes. We ought to stop making them.

In effect, this joint resolution constitutes an amendment of article I, section 8, of the Constitution, in that it would give the President, in practice and effect, the power to make war in the absence of a declaration of war. It is also important to demonstrate to the world, including the free nations, that the Constitution of the United States is not an instrument to be tinkered with; that the Constitution is a precious, sacred document, so far as our form of government is concerned, and is not subject to subversion in the legislative process. We should never miss an opportunity to demonstrate this principle to the totalitarian nations of the world. We should never forget that under Fascist or Communist regimes there are no rights and liberties of the person.

It is proposed, by this joint resolution, to subvert the Constitution. We are engaging in a subterfuge, so far as article I, section 8, is concerned. We should not do that. We should not in any resolution tinker with the Constitution in respect to the powers and prerogatives of the President, and the limitations upon such powers and prerogatives.

Going back to section 1 of the resolution, I assert again that in the language "to take all necessary measures to repel any armed attack against the forces of the United States," there is no question about the inherent power of the President to do so without a resolution.

I have stated that if this proposed grant of power implies that the right of the President of the United States to take all the necessary measures to "repel any armed attack against the forces of the United States"—which former Secretary of State Dulles and Admiral Radford asked for in 1954—includes the authority to commit an act of aggression before an act of aggression is committed against the United States, on the basis of the theory of a preventive war, that is a dangerous doctrine. It cannot possibly be reconciled with the Constitution; nor can it be reconciled with sound national policy.

I remember that in 1955 former Secretary of State Dulles said to me, "Would you wait for the Red Chinese to strike?"

My reply was that when I thought of the billions of dollars I had joined in voting for the defense of my country, including great sums of money for intelligence service, if there were particular concern about a Red Chinese air base closest to the coast of Alaska and our intelligence agency had given us reports as to what it had found in regard to the size of that Communist air armada, I would wish to believe that when the first Red Chinese plane left the ground and started for Alaska, our alerting stations and our intelligence would be such that our planes would meet it before it ever reached Alaska.

At that time, I also made perfectly clear to former Secretary of State Dulles and former Chairman of the Joint Chiefs of Staff Admiral Radford, that under international law we could not possibly justify our being an aggressor in the first instance. I frankly stated that it was a risk which we must run in order to remain in a sound constitutional framework under our system of government.

Why should we give arbitrary discretion to mere men who happen to hold office at a given time, when the American people and their lives are at the mercy of the discretion of those mere men?

One of the great protections that the American people have in constitutional theory, under our form of government, is that we are a government of laws and not of men. Granted, we are a government of laws, it is also true that those laws must be administered by men. Human failings being what they are, we must always keep a check on the exercise of the discretion of mere men who administer government, or we shall constantly run the risk of being victimized by arbitrary and capricious discretion.

In 1955, I made clear that I had observed too frequently the psychology of trigger-happy military men, and the psychology of diplomats who convince themselves that it is necessary to pull the trigger before an act of war has been committed against us.

Mr. President, we like to boast—and for the most part our glorious history sustains the boast—that we are not an aggressor nation. Resolutions such as the pending joint resolution, as well as the Formosa resolution and the Middle East resolution, frequently raise grave doubts among our friends in the free world as to whether there are not great differences between our theory and our practice.

So, then as now, on the constitutional grounds to which I objected in the Formosa resolution, I voted against it—as I shall vote against the pending joint resolution today.

I repeat this, so that there can be no misunderstanding of my position: So far as the inherent right of the President to meet an aggression in the self-defense of the Republic is concerned, the pending resolution is not needed. The President has that inherent right now, under the Constitution. But, so far as having any right to commit an act of war in the absence of an aggression, he does not have that right under the Constitution. The pending resolution cannot give it to him under the Constitution.

Of course, we can sanction his exercise of that unconstitutional right. That is what the Senate will be doing today in adopting the pending resolution.

In constitutional effect, the Congress is saying to the President, "You can go ahead and act unconstitutionally and we will look the other way," because it is known that there is no existing procedure which would be effective by which we can check the President. Once the pending resolution is adopted, the Senate thereby will sanction such conduct. There is no way to check it by taking the case before the U.S. Supreme Court for final determination of the constitutionality of this course of action in time to be effective.

I am asked, "Should we not amend the Constitution in this respect?"

I believe that we should amend it by clearly denying to the Congress the power to pass such a resolution as this one. Because the past situations such as are present in this case are such rarities, so extraordinary and so novel, I am enough of a political realist to know that we shall never get anywhere with that kind of constitutional amendment. The only time we become interested in it is when a crisis such as this exists. When a crisis exists, it is so serious that people are not going to become interested in a very important constitutional abstraction, even though it is a constitutional abstraction which after all, is determinative, in the last analysis, of their rights as free men.

In times of hysteria and high national emotionalism, it is only human for most people, particularly those not sitting in the seats of legislative responsibility, to be willing to look the other way on such questions as I raise in this debate again this year. But I believe it is so dangerous to establish another precedent toward the creation of a government by Executive supremacy in the United States, that I am willing to stand up and oppose the overwhelming majority against me, and take all the castigation and criticism which is bound to be heaped upon my head, for a constitutional principle that I am sincerely convinced is vital to the very preservation of this Republic.

I am satisfied that if we continue to build up a wall, brick by brick, precedent by precedent, which separates the executive branch of the Government from the people, resulting in making the executive branch of the Government more and more inaccessible to direct control, we shall endanger the very survival and preservation of the Republic and our constitutional system upon which it is based.

Mr. President, if it is self-defense we are concerned about, we do not need this resolution. If it is to empower the President to commit an act of aggression before an act of aggression is committed upon us, as was the program in 1955, and as was openly testified to, let me say—I can say it now—as the transcript will show, by the Secretary of State and the Chairman of the Joint Chiefs of Staff at the time, it is a dangerous precedent, a power that never should be given, never should have been granted by the Congress, and should not be granted now under the pending resolution.

Turning to the language I have read, "to repel any armed attack against the forces of the United States," does that mean that the attack must have started, or does it mean that all the President and his advisers have to conclude is that in all probability an attack may be made.

That is preventive war. There is no power in the Constitution for the President of the United States to wage a preventive war. I cannot imagine a set of hypothetical facts which would cause the President of the United States, the Congress, the Department of State, and those in the Pentagon Building to become alarmed about the danger of an attack against the United States that cannot be taken immediately to existing channels of international law. The right of national self-defense would still vest in the inherent constitutional power of the President.

The fact that we are not doing very much about using those channels of international law does not excuse us. And as we use those channels of international law, the inherent power of the President to defend this country continues. With all the military might of this country at the present time, the world knows that that power of self-defense is adequate to protect the security interests of this country until the processes of international law can run their course.

There is no question about the meaning of the next four words on line 6 of page 2 clearly authorize—"to prevent further aggression."

That is when the whole realm of judgment upon the part of the President of the United States comes into play. That is when we substitute the President for article I, section 8 of the Constitution. That is when we say to the President, "You can go beyond acts of immediate self-defense of the Republic. You do not have to come to the Congress, as Franklin Roosevelt did after Pearl Harbor, and ask for a declaration of war. You can proceed in the exercise of your judgment to prevent further aggression."

The uninformed, unenlightened editor of the Washington Post who wrote that stupid editorial in this morning's paper has not the slightest conception of the meaning of those words. If he had, he would not have written in his editorial:

> There is no substance in Senator MORSE's charge that the resolution amounts to a "predated declaration of war."

That is exactly what those words mean. It is incontrovertible. The President would not have to come and ask for a declaration of war. He would be given sanction by Congress to make war without a declaration of war. It will be noted that I do not say "the authority," for the authority cannot be granted by Congress. Congress cannot amend the Constitution in this way. This does not conform to the amendment processes of the Constitution. It is proposed that Congress sanction the action of the President in making war if, in his judgment, he thinks making war is necessary to prevent further aggression. I shall come to that point later. But that is why I said last night that so many want to turn away from the most delicate question involved in the debate. That is why I said last night—and shall discuss it at greater length today—that the President and our country were quite right in meeting the attack on the destroyers last Tuesday night. But, in my judgment, that did not empower him, under the right of self-defense, to try to proceed beyond protecting those ships, and strike the mainland of North Vietnam. In my judgment, that constituted an act of war—not an act of self-defense.

Mr. President, at that point, under our treaty commitments, our allegations in regard to the absolutely inexcusable and illegal attack on our ships on the high seas by the North Vietnamese forces should have been taken immediately to the United Nations. As to that attack we had an unassailable case. They attacked us on the high seas and we responded in self-defense.

We were clearly within our international law rights. Unfortunately we did not stop there. We then went beyond our rights of self-defense and proceeded to bomb the mainland of North Vietnam.

We either support a rule of law procedure or we ignore it. We ignored it. We had an irrefutable case of violation of international law by North Vietnam in connection with their attack on our ships. We would have a hard time, under international law, supporting our subsequent attack on North Vietnam in the absence of a declaration of war. There will be those who will say that that is cutting the line pretty fine. Nevertheless, the difference is between acting within the Constitution and acting outside of it. It is the difference between staying within our rights of self-defense and proceeding to turn ourselves into an aggressive warmaking power.

No one despises, hates, and repudiates more than does the senior Senator from Oregon, communism, Communist regimes, including North Vietnam, Red China, Cuba, Red Russia, and all of the rest. But I do not propose to allow my hatred, my detestation, my complete disgust with the police state methods of a Communist regime to cause me to give support to a proposal to go outside the constitutional guarantees of our system of government. I want to keep my Government in an impregnable position, so that we can go before any international tribunal and establish our case, and not have thrown back in our teeth a showing to establish a series of allegations in regard to the exercise of power and military might on the part of the United States that takes us outside the framework of international law.

There is no doubt that the language, "to prevent further aggression," rouses all the objections that I made in 1955 to the Formosa resolution. This proposal seeks to vest in the President of the United States the power to carry on a so-called preventive war. By preventive war, we mean making a war against another country because it is assumed that that country is about to make war, or contemplates making war, against the United States. Such authority is not to be found in the Constitution. The Congress cannot give such authority to the President of the United States as far as the Constitution is concerned. It can sanction the exercise of the authority, but the exercise of the authority would still be just as much outside the Constitution as though the President acted without the joint resolution. The joint resolution could never make legal the exercise of such authority by the President of the United States.

That is not the only place in the resolution in which we would give to the President a preventive war authority. I refer the Senate to section 2, line 7, which provides—

> SEC. 2. The United States regards as vital to its national interest and to world peace the maintenance of international peace and security in southeast Asia. Consonant with the Constitution—

It has been agreed, by way of an amendment to the joint resolution, that that means the Constitution of the United States—

> and the Charter of the United Nations and in accordance with its obligations under the Southeast Asia Collective Defense Treaty, the United States is, therefore, prepared, as the President determines, to take all necessary steps, including the use of armed force, to assist any member or protocol state of the Southeast Asia Collective Defense Treaty requesting assistance in defense of its freedom.

Mr. President, that is an awful power to give to a President. If the Washington Post does not think that that is a predated declaration of war, the editor ought to start asking himself some questions about certain hypothetical situations.

Shall we allow any President of the United States to decide, with no check—that is, no check for immediate application—to take all necessary steps, including the use of armed force, to assist any member or protocol state of the Southeast Asia Collective Defense Treaty requesting assistance in defense of its freedom?

We had better pause long enough to take a look at the nature of some of the countries involved, because many of the countries are not free countries. Many of those countries are totalitarian countries. Many of those countries are dictatorships. It is wishful thinking to assume that it would be safe to give the President of the United States unchecked authority to proceed to use American boys in defense of those countries on the basis of claims that acts of aggression are being committed against them by some other country, without a congressional check. Have we reached the point in American foreign policy where we are going to permit the President to send American boys to their death in the defense of military dictatorships, monarchies, and fascist regimes around the world with which we have entered into treaty obligations involving mutual security, no matter what the provocation and no matter what wrongs they may have committed that cause an attack upon them? Are we going to do that without a check of Congress by way of a declaration of war? What are we thinking of? What time factor would justify such precipitate action?

Mr. President, this Senator will never vote to send an American boy to his death anywhere in the world under any such language as is contained in that part of the joint resolution. It is of utmost importance that we surround that language with a congressional check. And there is none.

One could say, as I said a few moments ago, "But, Mr. Senator, the Congress can terminate this authority by a concurrent resolution."

I have already pointed out the kind of hassle that such a situation would create, and the kind of disunity that such action would produce. The American people should be protected from a possible abuse of the authority. So long as abuse of a procedure is possible, the procedure should be modified to prevent the possibility of the abuse.

Mr. President, that is why it is so important that we hold any President—I care not who he is—to Article I, section 8, of the Constitution in the carrying out of mutual security agreements. We should hold him to the approval of the Congress before the fact and not after the fact.

Mr. GRUENING. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. GRUENING I wish the Senator would discuss what seems to me the obvious escalation of the war by the authority granted in section 2 of the joint resolution—

> To assist any member or protocol state of the Southeast Asia Collective Defense Treaty.

Mr. MORSE. I was about to do so.

Mr. GRUENING. Hitherto we have been dealing wholly with South Vietnam. The President has stated his purpose, which is quite evident—not to extend the war.

In the section to which I referred we are including a number of additional nations into which we could send our Armed Forces. The joint resolution would extend the prospective war all over southeast Asia, would it not?

Mr. MORSE. It certainly would, with no check on it.

Mr. GRUENING. In other words, in effect, the Congress would authorize an escalation of the war to Thailand, Laos, Cambodia, North Vietnam, South Vietnam—and what else?

Mr. MORSE. Pakistan.

Mr. GRUENING. I have in my possession, which I intend to present when the foreign aid bill comes before the Senate, a statement from a high official of Pakistan indicating that his government has no intention of using the nearly $1 billion in military aid that we have given to Pakistan to help out our cause because it is needed in their prospective difficulties with India.

Mr. MORSE. The Foreign Minister of Pakistan in effect made that statement in Washington, D.C., when he addressed the Press Club not so many weeks ago. He was asked by a newspaperman at the meeting to state whether or not Pakistan could be counted upon to be of assistance in southeast Asia. He said, "No."

He gave his reason. His reason was Pakistan's involvement with India. Pakistan has no intention of responding to any calls to SEATO members.

I yield further.

Mr. GRUENING. It seems to me that the joint resolution presents an unlimited authorization for war anywhere in southeast Asia, including Pakistan, which is really not in southeast Asia, but which is in south central Asia, and it seems to me a very dangerous, unwarranted, and unprecedented action.

Mr. MORSE. Do not forget, Pakistan is a member of SEATO; it obligations to South Vietnam are the same as ours.

Mr. GRUENING. Yes; but it has shown no disposition whatever to carry out its obligations under that treaty.

Mr. MORSE. That is correct; but, she being a SEATO member, we would be obligated to go to her assistance.

Mr. GRUENING. This resolution, in effect, is an authorization which would be the equivalent of a declaration of war by the Congress. Would it not be?

Mr. MORSE. I think so.

Mr. GRUENING. That is one thing I am very apprehensive about. If we should get into an all-out war, which I fear may happen, this resolution would be considered the authorization by the Congress to so proceed. Would it not?

Mr. MORSE. That is correct.

Mr. GRUENING. I expressed my views on it yesterday. I do not at all criticize the President—in fact, I think the President was correct—for repelling the assault, whatever may be the background, on American vessels and destroying the attackers. I approve of that action, but the resolution goes far beyond such action, which apparently precipitated the request by the President for such a resolution, and covers the whole of the southeast Asia area. I distinctly disagree with the administration policy.

As I have stated repeatedly, this was a policy which the President inherited, and from which I hoped he would disengage himself. He inherited it from the Eisenhower administration, from John Foster Dulles, when we picked up the fiasco the French had engaged in with the loss of over 100,000 young lives. We contributed vast sums of money to that operation. It was obviously a failure.

Now we have escalated it, as could be foreseen, and as I in fact did foretell, and as the Senator from Oregon foretold, into an all-out war in southeast Asia. Regrettably, the end is not yet. I am extremely fearful about the situation.

This is a moment when patriotic passions are aroused, and it seems indicated that we should do whatever the President asks.

It is very painful for those of us who disagree with the policy. I felt it was wrong in the beginning and have repeatedly stated for 5 months that I thought it was wrong, and that we should continue to try to find a peaceful solution; that we should take the issue to the United Nations, and seek a cease fire. It is, as I have said, painful not to support the President, but I cannot do so in good conscience under the blanket terms of this resolution.

Mr. MORSE. As the Senator knows, last night it was impossible for him, because of a previous appointment, to be present when I paid my high respects to him for his courage, statesmanship, and leadership in this matter for many months past. I said last night that the Senator from Alaska had put the issue squarely.

Now, in a very few moments, the Senator from Alaska has summarized succinctly the major points of the address I have been making on the floor of the Senate the last hour and 15 minutes. I wish to formalize those points before I come to the next major issue which I shall discuss in my speech.

What I have said expresses my views as to the power that would be granted to the President in the resolution. It is what I have called an undated declaration of war. I summarize the points as follows:

First, the unlimited language of the resolution would authorize acts of war without specifying countries, places, or times. That language cannot be reconciled with article I, section 8 of the Constitution. It amounts, in fact as well as in law, to a predated declaration of war.

Next, as I said last night, we have armed forces in South Vietnam, some 20,000, or more, apparently, with the number increasing by planeload after planeload.

Senators can bemoan and warn against a land war in Asia, but the resolution would put the United States in the middle of the Vietnam civil war, which is basically a land war.

Under the resolution Congress would give to the President of the United States great authority, without coming to the Congress and obtaining approval by way of a declaration of war, to carry on a land war in South Vietnam. The choice is left up to him.

As I said last night, the interesting thing is that South Vietnam, with a population of 15 million, and an armed force of 400,000 to 450,000 men, has been unable, through all the years of the holocaust in South Vietnam, to put down a Vietcong force of a maximum of 35,000 men. The Pentagon and the State Department, in testifying before the committee, say the number probably does not exceed 25,000. We have to have more than 20,000 American boys over there, to die in whatever numbers they are killed, in an attempt to win that war. And for whom?

Mr. President, the leaders of this Government keep talking about freedom in South Vietnam. There is not one iota of freedom in South Vietnam, for the South Vietnamese people, by and large, do not know what the word means. I quoted, in a speech the day before yesterday, a letter I received from a Republican Member of Congress, in full support of the position I have taken on this issue. I paraphrase it, although the quotation is already in the RECORD. He said that the average man of North or South Vietnam would not know what democracy looked like if he met it on the main street of Saigon. The difference between their governments is like the difference between tweedledum and tweedledee. But both are interested in the next bowl of rice.

That is why this Senator has been pleading for years, in connection with foreign policy, that the great need of the United States in the field of foreign policy is to export economic freedom, and to stop exporting military aid, for our military aid makes Communists. Prepare the seedbeds of economic freedom for the masses of the people of any country and we prepare for the growth of freedom. Unless the people are first economically free, they cannot be politically free; and, what is more important, they will never understand political freedom until they are first economically free.

There is great danger now that Congress will give to the President of the United States power to carry on whatever type of war he wishes to wage in southeast Asia. That is why I said, in answer to an argument that was made on the floor of the Senate yesterday, apparently some colleagues are laboring under the illusion that perhaps the resolution would reduce the danger of fighting a land war in Asia. There is not a word in the resolution that has any bearing on the subject. To the contrary, the broad, sweeping, sanction of power—note my language, because it cannot be done legally—the broad, arbitrary, sweeping power Congress is sanctioning for the President would in no way stop him from sending as many American boys as he wants to send into South Vietnam to make war.

As the Senator from Alaska has said over and over again, and as I have joined him in saying, all South Vietnam is not worth the life of a single American boy; and the killing of a single American boy in South Vietnam is an unjustified killing. It ought to stop. It is not going to stop until we turn our warmaking policy into a peacekeeping policy. It is not going to stop until we insist that our alleged allies in SEATO come in with as many divisions of peacekeeping units as are necessary to keep the belligerents apart. It is not going to stop until the United Nations, under the procedures of international law, can come in and keep the peace and set up whatever controls are needed, by way of United Nations trusteeships if necessary, to bring that war to an end.

This result will not be achieved by unilateral military action. It makes me sad to have to say it, but I am satisfied that history will record this horrendous mistake of the United States in its false assumption in the year 1964 that it could supplant in South Vietnam military control by Asiatics with military control by the United States.

We could never win such a war. We might win military victory after military victory. If we did not stop the escalation, we would kill millions of people, because the escalation, step by step, would lead to all-out bombing of North Vietnam and Red Chinese cities. When we were through, we should have killed millions, and won military victory after military victory, but we should still have lost the war.

The United States can never dominate and control Asia, with 800 million people in China alone. That kind of war would create a hatred for the United States and for the white man generally that would persist for centuries. Dominating Asia, after destroying her cities and killing her millions by bombings—that is the danger that we are walking into—would not make the white man supreme in Asia, but only hated.

We know what the floods of human history do. Eventually the white man will be engulfed in that Asiatic flood and drowned.

I do not know why we should be so shortsighted. It is difficult to follow the processes of international law. I suppose the saddest announcement that has been made recently is that of the Secretary General of the United Nations, Mr. U Thant, from Burma, who is not even a shadow of the great world statesman who preceded him, Dag Hammarskjold. He announced in Washington yesterday his grave doubts as to whether the Security Council could help resolve the matter.

Mr. President, we will never know until such procedures are tried. The Secretary General should have been using his voice and his influence to persuade the Security Council to carry out its obligations under the charter. Not a word has been heard from the Secretary General in regard to the power and authority of the General Assembly of the United Nations.

The Secretary General knows the power of the General Assembly if the Security Council is incapacitated by a Russian veto. I repeat what I have said for many months past on the floor of the Senate. I wish to put Russia on the spot. Let her exercise her veto, if she dares. The rest of the world will be her judge. We did not find her following that course in the Middle East, or in Cyprus, or in the Congo.

I was highly disappointed by what I considered to be the abdication of leadership and responsibility on the part of the Secretary General of the United Nations in the unfortunate statement he made in Washington yesterday.

The next point I wish to make, by way of summary, is that the fear expressed by some Senators in this debate against involvement in a land war means no more than the reservation expressed in 1954, that we should not become militarily involved in South Vietnam. We did not intend then to do any of the things we are now doing in South Vietnam, but we have done them. That pious expression of intention in 1954 came to naught. This policy is sucking us into military involvement deeper and deeper, and will continue to suck us in, under this resolution, deeper and deeper.

Mr. President, you and I will be gone in a few years; but I am satisfied that the end of the road that we are traveling today will be the engulfment and drowning in world history of the influence of the white man in Asia, if we follow this course of action.

I despair frequently at the fact that so often people in positions of responsibility are inclined to think only of the present, and not a century hence. Yet, when we are dealing with matters of foreign policy and the roots of peace or war, we need to remember that the seed we plant today, be it a seed of peace or seed of war, is the seed that will finally come to fruition in a blossoming plant, perhaps a 100 years hence.

I say most respectfully and sadly that in my judgment, in this resolution, we are planting seeds not of peace, but of war. Those who will follow us in the years to come will cry out in anguish and despair in criticism over the mistake that was made in 1964 when the joint resolution was passed.

Why do we do it? I do not know. We are dealing here basically with a civil war between conflicting forces in South Vietnam. So many in this debate have overlooked the geographic problem. Let us not forget that prior to the Geneva accord of 1954 North Vietnam and South Vietnam were one people. One could go into North Vietnam today, after he had been in Saigon, and think that he was still in South Vietnam. He would feel the same way if he first went to North Vietnam and then to Saigon. They are the same people. Unfortunately, as a result of the partition under the Geneva accord in 1954, they were divided into two countries, North Vietnam and South Vietnam.

Many of the people in South Vietnam who are involved in this civil war have close relatives in North Vietnam. One reason why the military dictator-puppet whom we are supporting in South Vietnam, Khanh, is having so much difficulty with the mass of the people—and he is having a serious difficulty—is his insistence that he must stage a blood bath in North Vietnam. He will never get the support of the people, because a blood bath would kill the relatives of hundreds of thousands of people in South Vietnam; and vice versa.

It is a tragedy that the Vietcongs try to subvert South Vietnam, but that is a reality. The solution is not the exercise of military might. As a critic of De Gaulle on many points, I say that the sad fact is that the De Gaulle solution is far superior to the American solution. The solution is a political and economic solution, not a military solution. De Gaulle is right. We should go to the conference table. We should not take the American position that we will go to the conference table only after we dominate the battlefield.

If we ever establish that principle, we shall have assassinated the rule of law as an instrumentality for settling disputes among nations. If we ever take the position that we must first dominate the battlefield, that we must be in control, that our orders must be carried out, then going to a conference table will mean only that the dominating authority tells the others at the conference table what, in effect, Adlai Stevenson unfortunately said in the sad speech he made some weeks ago before the Security Council—that, in effect, we are going to do what we think is necessary, and the others can like it or not. When he did that, as I said, he extinguished his lamp of world statesmanship.

We cannot follow the theory that underlies the present policy of our Government; namely, that until we first dominate the battlefield, we will not follow De Gaulle's suggestion to settle this dispute at the conference table. De Gaulle is right. This problem will never be settled except by a political and economic settlement. It can never be settled by the imposition of the military might of the United States upon Asia.

Mr. GRUENING. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I am glad to yield to the Senator from Alaska.

Mr. GRUENING. As I have said on previous occasions, my mail has been running several hundred to one in favor of withdrawal; in favor of the policies I have urged. Only this morning, I am in receipt of a number of telegrams which relate to the pending joint resolution. I shall read one of them into the RECORD. It comes from Oakland, Calif.:

OAKLAND, CALIF., *August 6, 1964.*

Senator ERNEST GRUENING,
Washington, D.C.:

The statement of policy of Oakland's Women for Peace representing 400 women in regard to Vietnam. Because U.S. military involvement in Vietnam endangers world peace and because the American people have not been properly informed about the magnitude and significance of our involvement, therefore we urge full public discussion and congressional debate to explore nonmilitary alternatives to the problems. We urge that the United Nations be employed to negotiate settlement and we urge that the 14-nation committee set up by the Geneva conference be reconvened to implement the United Nations settlement.

OAKLAND WOMEN FOR PEACE.

Mr. President, I have a number of other messages, which if time permits, should be in the RECORD. They are from Palo Alto, Calif., Van Nuys, Calif., from a professor at Denison University, from New York City, from Cambridge, Mass., from Fresno, Calif., from Richmond, Calif., several from Washington, D.C., from South Kortright, N.Y., from Framingham, Mass., from Berkeley, Calif., from Kemberton, Pa., from Baltimore, Md., from Fairlawn, N.J., from South Laguna Beach, Calif., from Null Valley, Calif., from Flushing, N.Y., from Ann Arbor, Mich.

Mr. MORSE. Mr. President, will the Senator from Alaska yield, to enable me to clarify the procedural situation?

Mr. GRUENING. I yield.

Mr. MORSE. I wish to yield the floor and save the remaining time for the Senator from Alaska to use for the final rebuttal, after the proponents of the joint resolution have used their hour. We have only 8 minutes left.

The telegrams are important. Senators will find in the RECORD 10 pages of telegrams that I received yesterday in response to the speech I delivered the night before last in opposition to the joint resolution.

I am satisfied that at the grassroots of America the people are overwhelmingly with the Senator from Alaska and the Senator from Oregon. My mail is running more than 100 to 1 in support of our position.

I shall yield the floor; and later, at the close of the debate, the Senator from Alaska will make the final statement.

Senators who are pleading for the passage of the joint resolution are thinking of President Johnson. I yield to no one in that respect. I have complete confidence in and high regard for President Johnson, and shall campaign with all my heart for his reelection next November. I merely think he is dead wrong on this issue. The most loyal service I can render any President is to disagree with him when I think he is wrong and to try to correct his mistaken course of action.

Mr. President, on yesterday I asked unanimous consent to insert in the RECORD a cross section of the messages that I had received in connection with the position I had taken on the predated declaration of war resolution in respect to Asia which passed just a few minutes ago.

I said that they were all favorable except two. Two of them had questioned the human source of my paternity. I did not think that under those circumstances they would be very fitting messages to insert in the RECORD.

I now ask unanimous consent to have printed in the RECORD a cross-section sampling of part of the messages that I have received today in respect to my position in opposition to the predated declaration of war resolution that the Senate, in my judgment, unfortunately passed today. All the messages I have received today are favorable. I received no messages in opposition to my position.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. MORSE. Mr. President, I now yield the floor, with the understanding that the distinguished junior Senator from Alaska [Mr. Gruening] will close the debate after the proponents of the joint resolution have spoken.

Exhibit 1

Philalelphia, Pa.,
August 2, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

You may be speaking to an empty house but the people are listening. Keep talking.

J. H. Franco.

Eugene, Oreg., *August 7, 1964.*

Senator Wayne Morse,
Washington, D.C.:

Please continue as national conscience. Job needs someone with guts.

Mr. and Mrs. D. M. Morford.
Mr. and Mrs. G. D. Slawson.
Mr. and Mrs. R. M. Wirff.

Portland, Oreg.,
August 7, 1964.

Senator Wayne Morse,
U.S. Senate,
Washington, D.C.:

Support your effort while requesting practicality and moderation.

James A. Hunt.

Portland, Oreg.,
August 7, 1964.

Senator Wayne Morse,
U.S. Senate,
Washington, D.C.:

I commend your courageous and forthright vote against U.S. military action in Vietnam.

Robert Morris Smith.

Washington, D.C.,
August 7, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

You are the only sane American leader who can save us from certain disaster. Help.

Mrs. Selma R. Rein.

New York, N.Y.,
August 7, 1964.

Senator Wayne Morse,
Washington, D.C.:

CADA admires greatly the courage you displayed yesterday when making the statement on Vietnam. Although we are divided on the solutions of the problems in Vietnam we stand united with support of you as a positive force in the Senate campus. Americans for Democratic Action urges you not to surrender your very high conviction.

Albert Reiner,
Member, National Executive Committee Campus, Americans for Democratic Action.

Detroit, Mich.,
August 7, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

My admiration to you for your courageous statesmanship in this national crisis.

Dr. Sidney Leitson.

Denver, Colo.,
August 7, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Thanks for courageous stand against Asiatic war. Persuade President to let United Nations settle conflict.

Nathan L. Beatty.

Arlington, Va.,
August 7, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Support your determined stand on policy in southeast Asia.

Thelma Duvinage.

New York, N.Y.,
August 7, 1964.

Hon. Senator Wayne Morse,
Washington, D.C.:

Congratulations for your brilliant exposition of true conditions in South Vietnam.

Kathleen Malloy.

Detroit, Mich.,
August 7, 1964.

Senator Wayne Morse,
Washington, D.C.:

Applaud your courageous stand South Vietnam representing best interest of American people.

Mary Davis.

Huntsville, Ala.,
August 7, 1964.

Senator Wayne Morse,
U.S. Senator From Oregon,
Washington, D.C.:

Heartily endorse your stand against the proposed aggressive foreign policy of the United States.

Willa Franke.

New York, N.Y.,
August 7, 1964.

Senator Wayne Morse,
Washington, D.C.:

Thanks for Vietnam speech. Keep it up.

Gwen Reyes.

New York, N.Y.,
August 7, 1964.

Senator Wayne Morse,
Washington, D.C.:

Thanks for saying in your speech what had to be said.

Alfred Cox.

Detroit, Mich.,
August 7, 1964.

Senator Wayne Morse,
Washington, D.C.:

Support your steadfast stand for Vietnam peace. America needs your voice.

Mr. and Mrs. Emanuel Graff.

Burlington, Mass.,
August 7, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Congratulations on your stand against war. We are not always right. God bless you.

James and Mary Beaudry.

New York, N.Y.,
August 7, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

More power to you. Hope you win more support.

M. Mendell.

Northridge, Calif.,
August 7, 1964.

Hon. Wayne Morse,
Senate Office Building, Washington, D.C.:

You are right. International dispute should be settled by discussion and action in the United Nations rather than by war and bombs in this age of massive nuclear weaponry.

A carte blanche declaration of war now might unleash trigger happy Goldwater in the unhappy event that he should become President.

Mrs. T. M. Stout.

Great Neck, N.Y.,
August 7, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

We support your position and your courage. Please keep up the fight.

Mr. and Mrs. Calvin Good.

Baskingridge, N.J., *August 7, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

I approve of your stand on Vietnam.

Winifred J. Hearn.

Framingham, Mass., *August 7, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Congratulate and support your courageous stand against military madness in southeast Asia.

Margaret Welch.
Penelope Turton.

New York, N.Y., *August 7, 1964.*

Senator Wayne Morse,
Washington, D.C.:

Stand firm. Oppose any further action in Vietnam. Congratulations your independence.

Anna V. Colloms.

Bethesda, Md., *August 7, 1964.*

Senator Wayne Morse,
Washington, D.C.:

America fortunate in having benefit of your voice in Congress on Vietnam. Confident public supports you despite Congress.

Louise Greenwood.

Washington, D.C., *August 7, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

My most esteemed Senator, may the stars and stripes wave forever while such splendid and honest folks like you and Senator Gruening. Both of your statements about recent U.S. action in North Vietnam gives me reassurance that not all America has gone completely nuts with arrogance and immorality. May the Lord bless you both for your courage and integrity.

Sincerely,

John E. Tafer.

Detroit, Mich., *August 7, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Congratulations on your speech on Vietnam. Best wishes.

Robert Bryce.

North Hollywood, Calif.,
August 7, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Support your position on southeast Asia crisis. Urge negotiate immediately to prevent world conflict.

Mrs. Rose Boin.

Detroit, Mich., *August 7, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

The following is copy of wire sent to Senator Philip Hart: "We urge you to support

Senator Morse's proposal to place the Vietnam situation before the U.N. We have studied the wisdom of this in previous situations. We are convinced it is wise on this occasion."

Reverend and Mrs. Estel I. Odle.

La Jolla, Calif., *August 7, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Thank you for taking a stand on another escalation of war in North Vietnam. Thank God for at least one man of reason and courage in the Senate.

Dr. and Mrs. John H. Taylor.

St. Paul, Minn.,
August 7, 1964.

Senator Wayne Morse,
Senate Office Building, Washington, D.C.:

Thank you for your loyalty to the U.S. democratic form of Government and to its people. Keep the good work up.

Olga Selke.

Yorba Linda, Calif.,
August 7, 1964.

Senator Wayne Morse,
Senate Office Building, Washington, D.C.:

Yours is only voice of sanity in Washington. Keep talking.

Mr. and Mrs. Joseph L. McNichols.

New York, N.Y.,
August 7, 1964.

Senator Wayne Morse,
Senate Office Building, Washington, D.C.:

Commend you for courageous Vietnam stand. Exert all influence to prevent escalation. Urge negotiated peace.

Stephen Slaner.

Berkeley, Calif.,
August 7, 1964.

Senator Wayne Morse,
Washington, D.C.:

Complete support for your courageous stand. Democratic alternative to war and communism must be found.

Mr. and Mrs. Richard Roman.

Costa Mesa, Calif., *August 7, 1964.*

Senator Wayne Morse,
Washington, D.C.:

Congratulations your courage and moral stand during this crisis. Good luck with your speech.

Stanley Gottliev.

New York, N.Y., *August 7, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Grateful for your courageous stand in Vietnam crisis. You are a brave honest man.

Eugenie S. Intermann.

San Bernardino, Calif., *August 7, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Urge immediate submission of entire Vietnam situation to United Nations.

Emmerson and Carolyn Simonds.

Berkeley, Calif., *August 6, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.

Dear Senator Morse: May I thank you for your stand on the Vietnam incident and your suggestions to cut foreign aid. Thank you for your courage and effort.

Sincerely,

Mrs. A. P. Allen.

Philadelphia, Pa., *August 6, 1964.*

Senator Wayne Morse,
Senate Office Building, Washington, D.C.:

Congratulations on your stand regarding Johnson's air raid. I pray your speech tomorrow will prove persuasive. More power to you.

Arnold R. Post.

New York, N.Y., *August 6, 1964.*

Senator Wayne Morse,
Washington, D.C.:

Your heroic and outspoken stand on Vietnam merits vigorous support. We support your action.

Philip Shugar.

Skokie, Ill., *August 6, 1964.*

Senator Wayne Morse,
Senate Office Building, Washington, D.C.:

I commend you highly for your courage in virtually standing alone on the resolution of the Vietnam crisis. I only wish my own Senators Douglas and Dirksen would have equal stature.

Hugh Edwards and Family.

Encino, Calif.,
August 7, 1964.

Senator Wayne Morse,
Washington, D.C.:

Few persons have courage enough to appear as good as they really are. Congratulations and good luck on your position concerning North Vietnam.

Mr. and Mrs. Frederick Arnold.

Houston, Tex.,
August 7, 1964.

Senator Wayne Morse,
Washington, D.C.:

Keep up your great fight for sane foreign policy.

Mr. and Mrs. Martin Elfant.

New York, N.Y.,
August 7, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Congratulations and thank you for your stand against war in Asia. Please continue your efforts.

W. G. Povey, M.D.

Stonypoint, N.Y.,
August 7, 1964.

Senator Wayne Morse,
Senate House,
Washington, D.C.:

We support your Vietnam stand and encourage you to continue.

Paul and Vera Williams.

Greatneck, N.Y.,
August 7, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Urgently request continuation of your efforts for peaceful negotiations in Vietnam.

Norma Yarvin.

New York, N.Y.,
August 7, 1964.

Senator Wayne Morse,
Washington, D.C.:

Keep the message going on Vietnam, we are behind you.

Howard and Leah Fritz.

Downers Grove, Ill.,
August 7, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

I laud you on your courageous stand on the crisis on Vietnam.

Mrs. Dottie Sherlock.

Nashville, Tenn., *August 7, 1964.*

Senators Wayne Morse and
Ernest Gruening,
The Capitol, Washington, D.C.:

Congratulations on being the only two Senators and courageous Members of the whole U.S. Senate and House of Representatives who have not surrendered their souls and consciences to an unprincipled order that will lead to the ultimate destruction of this Nation and the world.

Mrs. Walter Curry.

Belair, Md.,
August 7, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Heartfelt thanks and strong support for your wise courageous decision regarding Vietnam.

Adelaide Noyes.

Waterville, Maine,
August 7, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Admire your courageous stand. Am sure many level head Americans are with you.

Henry Varnum Poor.

Seattle, Wash.,
August 7, 1964.

Senator Wayne Morse,
Washington, D.C.:

Thankful for your stand on Vietnam. You speak for many citizens who oppose brutal cruelties.

Robert and Josephine Stepens.

Milwaukee, Wis.,
August 7, 1964.

Senator Wayne Morse,
U.S. Senate, Washington, D.C.:

Support your stand and vote against resolution reenforcing outrageous action of bombing North Vietnam.

Mr. and Mrs. John S. Williamson, Jr.

Ellsley, Mass., *August 7, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Courage. Keep true facts on Vietnam before public.

Katharine Kirk Stern.

Bell, Calif.,
August 7, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Our deepest gratitude to you for presenting the truth about Vietnam. You have illustrious precedence for your views and courage, notably Lincoln's on the Mexican War. Please continue your wonderful work.

Mr. and Mrs. Frank Lyman.

Newport Beach, Calif.,
August 7, 1964.

Senator Wayne Morse,
Washington, D.C.:

We are grateful for your sanity stand fast.

Nell Leichfess.

Santa Cruz, Calif.,
August 7, 1964.

Senator Wayne Morse,
Washington, D.C.:

Thank you for your stand on Vietnam.

Herbert and Eleanor Foster.

Silver Spring, Md.,
August 7, 1964.

Senator Morse,
Senate Office Building,
Washington, D.C.:

Wholeheartedly support your endeavors to have Vietnam problem negotiated.

Mrs. J. Weichbrod.

Jackson, Mich.,
August 7, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

We applaud your South Vietnam stand. Many Americans agree please continue your courageous fight.

Mr. and Mrs. Doulass Bennett and John Bennett.

Torrance, Calif.,
August 7, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

I support your "no" vote against military retaliation against North Vietnam.

Mrs. Victor M. Colton.

New York, N.Y.,
August 7, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Congratulations your partriotic stand for peace in southeast Asia.

W. C. Kelly.

Downers Grove, Ill.,
August 7, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Your stand of Vietnam crisis is courageous. Congress must fully investigate in prior Vietnam conflict.

Kathryn Parnell.

Silver Spring, Md.,
August 7, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Thank you for your courageous stand in Vietnam crisis.

Bernice Steele.

Brooklyn, N.Y.,
August 7, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

With you is our hope for the future. Continue your wonderful work and stand on Vietnam.

Mr. and Mrs. J. Soloman.

East Haven, Conn., *August 7, 1964.*
Senator Wayne Morse,
U.S. Senate,
Washington, D.C.:

I heartily support your position on Vietnam. Please continue as sole voice of American conscience.

Dr. Y. Filby.

New York, N.Y., *August 7, 1964.*
Senator Wayne Morse,
Senate Office Chambers,
Washington, D.C.:

Have wired Senators, Congressmen, urging they support your splendid stand.

Jacob Epstein.

Chevy Chase, Md., *August 7, 1964.*
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Appreciate your wonderful work in Senate and especially your stand on Vietnam.

Ruth Bender.

Scarsdale, N.Y., *August 7, 1964.*
Senator Wayne Morse,
Washington, D.C.:

We agree with your statement that war should not be declared by resolution. We enthusiastically applaud your lone stand against the Johnson resolution. It was the sole act of sanity in the national news today. You have spoken for peace-thinking Americans. Our very deep appreciation.

Mr. and Mrs. Paul Brenner.

Brooklyn, N.Y., *August 6, 1964.*
Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Congratulations on courageous speech August 5. Please send a copy.

Prof. Edward Pessen.

Portland, Oreg.,
August 6, 1964.

Senator Wayne Morse,
Washington, D.C.:

Want to express our appreciation for your forthright statement of August 5 on Vietnam.

Mr. and Mrs. John A. Dudman.

Portland, Oreg.,
August 6, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Your stand on Vietnam makes good sense to us. Yours is voice in the dark, but not a weak one. Use it and God bless you.

Mrs. Edward Potter and Mrs. Stanley Hochman.

Portland, Oreg.,
August 6, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Approve your stand against Vietnam action.

John D. Williamson.

Portland, Oreg.,
August 6, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Bravo.

Janice R. Stevens.

Portland, Oreg.,
August 7, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

We agree with your South Vietnam stand. Insist it go to U.N. for settlement.

Mr. and Mrs. Ivan Ickes.

Portland, Oreg.,
August 7, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

We wish to assure you of our support of your position on Vietnam.

Mr. and Mrs. Laird C. Brodie.

Portland, Oreg.,
August 7, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

We support your position on Vietnam. Your courageous stand will hasten negotiation.

Mr. and Mrs. George Johanson.

Portland, Oreg.,
August 6, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Strongly approve your position in Vietnam involvement. Urge efforts for nonmilitary solution of crisis.

Robert J. Rumsey.

Portland, Oreg.,
August 6, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Wish to express appreciation of your courageous stand against our involvement in Vietnam.

Mrs. Williard J. Smith.

Medford, Oreg.,
August 6, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Commend efforts against Vietnam war. U.N. discussions including China best assurance southeast Asia neutrality.

Marie M. Bosworth.

Portland, Oreg.,
August 7, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Appreciate your no vote on Vietnam resolution. You make reality instead of ritual.

Wally Priestley,
Democratic Nominee, State Representative.

Long Beach, Calif.,
August 7, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Applaud your courageous stand on Vietnam. Please continue trying to get problem to U.N.

James and Frances Goodwin.

Lower Merion, Pa.,
August 7, 1964.

Senator Wayne Morse,
Washington, D.C.:

You're the only right one in the Vietnam vote. Please don't stop.

Mrs. William Taylor.

Seattle, Wash.,
August 7, 1964.

Senator Wayne Morse,
Washington, D.C.:

Congratulations Senator Morse on the stand of truth you take pertaining Vietnam. Keep it up.

Mrs. Charles Koppel.

Detroit, Mich.,
August 7, 1964.

Senator Wayne Morse,
Washington, D.C.:

Thousands know Wayne Morse's stand on Vietnam is right we need. Expect your support.

Rhea Miller.

Bellevue, Wash.,
August 7, 1964.

Senator Wayne Morse,
Washington, D.C.:

Wish Senators Jackson and Magnuson thoughtful as you on Vietnam. Talk, not force, only solution.

Mr. and Mrs. E. C. McIntosh.

Prairie Village, Kans.,
August 7, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Glad someone had nerve enough. Thanks.

Tom Wagner.

Philadelphia, Pa.,
August 7, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

We who value liberty and justice for all applaud your efforts.

P. A. Powers.

Santa Paula, Calif.,
August 7, 1964.

Senator Wayne Morse,
Washington, D.C.:

We applaud your position against Vietnam war. Keep up your defense of welfare all mankind.

Mr. and Mrs. D. G. Malm.

Oak Park, Ill.,
August 7, 1964.

Senator Wayne Morse,
U.S. Senate,
Washington, D.C.:

Congratulations on your stand regarding resolution.

E. W. Barbour.

Los Angeles, Calif.,
August 7, 1964.

Senator Wayne Morse,
Senate Building,
Washington, D.C.

Dear Senator Morse: I hope you continue your courageous and gallant fight in exposing the fakery and double involvement in the North and South Vietnam war. You have the well wishes and prayers of many here in Los Angeles.

Harry J. Silver, M.D.

Washington, D.C.,
August 7, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Our entire family supports your admirable and heroic stand against the Vietnam resolution.

Hubert W. Leckie.

New York, N.Y.,
August 7, 1964.

Senator Wayne Morse,
The Senate,
Washington, D.C.:

Good luck on Vietnam. With you all the way.

Judith Wood.

Philadelphia, Pa., *August 6, 1964.*

Hon. Wayne Morse,
Senate Office Building,
Washington, D.C.:

Congratulations on your courageous stand today opposing blank check resolution; wish there was some way of widely publicizing your position.

Roz and Bert Kleinberg.
Florence and Alex Freund.

Detroit, Mich., *August 6, 1964.*

Hon. Senators Morse and Hart,
Washington, D.C.:

Do everything possible to stop escalation of war in Vietnam.

Mr. and Mrs. Ken Druckman.

Takoma Park, Md., *August 6, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Our family of five supports your heroic position on Vietnam.

Sam Abbott.

Takoma Park, Md., *August 6, 1964.*

Senator Morse, of Oregon,
Washington, D.C.:

Support your position regarding American activities southeast Asia. Keep up the fight.

George Abbott.

New York, N.Y.,
August 6, 1964.

Senator Wayne Morse,
U.S. Senate,
Washington D.C.:

In the heart of the crisis you have the courage to tell the truth and for that you hold our deepest gratitude. Those who can still recognize the importance of life will honor your decision to stand on honesty in this dark hour.

Joseph and Jo Roberts.

New York, N.Y.,
August 6, 1964.

Senator Wayne Morse,
Washington D.C.:

I believe your speech is in the best interest of our country.

George Englehardt.

New York, N.Y.,
August 6, 1964.

Senator Wayne Morse,
Washington, D.C.:

We applaud your courageous stand against this vicious war in Vietnam.

Mrs. Rose Burger.

Cambridge, Mass.,
August 6, 1964.

Hon. Wayne Morse,
Senate Office Building,
Washington, D.C.:

Thank you for courageous words about southeast Asia.

Gregory W. Harrison.

Chicago, Ill.,
August 6, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

We endorse completely your stand on Vietnam and congratulate you for your courage.

June and Lloyd Engelbrecht.

Philadelphia, Pa.,
August 6, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Dear Senator: We and many other citizens appreciate your courageous stand on preventing an irresponsible fruitless war in Asia. We hope you can win the support of your Senate colleagues.

Dr. Martin Goldberg,
University of Pennsylvania.
Dr. Donald Rasmussen,
The Miquon School.

New York, N.Y.,
August 6, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

We applaud your courageous stand against this vicious war in Vietnam.

Mrs. Rhoda Tanger.

Flourtown, Pa.,
August 6, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Grateful for your wisdom and courage in voting "no."

Phoebe Crosby.

Rye, N.Y.,
August 6, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

I commend your brave and correct stand as majority of one on Vietnam resolution.

Barbara Watson.

Boston, Mass.,
August 6, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Support your courageous stand on North Vietnam crisis. Hope you will vote against resolution.

Leonard Feinstein.

Croton Falls, N.Y.,
August 6, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Warmest gratitude for sane and courageous condemnation of U.S. provocative action toward North Vietnam.

Tracy D. Mygatt.

Dearborn, Mich.,
August 6, 1964.

Senator Wayne Morse,
U.S. Senate,
Washington, D.C.:

World opinion with you. Admiring your courage.

Mr. and Mrs. Edmund Kreeger.

Flushing, N.Y.,
August 6, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Your stand on Vietnam reflects our deepest convictions. Thank you.

Bess Horne.

Santa Monica, Calif.,
August 6, 1964.

Hon. Wayne Morse,
Senate Office Building,
Washington, D.C.:

Please accept the thanks of a conservative Republican for speaking as you did today on Vietnam. You are 100 percent right. Do not let your voice subside or we may all be engulfed by bipartisan stupidity.

Donald C. Warner.

West Hartford, Conn.,
August 6, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Please accept prayerful thanks for publicly expressing your protest to our recent action in Vietnam. Many thinking Americans hold your sentiments, we are weary of wars, hypocrisy, deceit, and maneuvering by cynical minds and hearts. You are a beacon in the dark.

Sonia A. Gerent.

Mount Vernon, N.Y.,
August 6, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

God bless you for your stand on Vietnam. We're with you.

Elaine and Richard Kuntz.

Philadelphia, Pa.,
August 6, 1964.

Senator Wayne Morse,
New Senate Office Building,
Washington, D.C.:

We support your courageous stand at this sensitive moment.

John Dorfman.

New York, N.Y.,
August 6, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Many thanks for your stand on Vietnam would that there were more like you.

B. Berman.

Yellow Springs, Ohio,
August 6, 1964.

Senator Wayne Morse,
Washington, D.C.:

Strongly support your stand on Vietnam situation in addresses and articles and on Senate floor.

Griscom Morgan.

Detroit, Mich.,
August 7, 1964.

U.S. Senator Wayne Morse,
Senate Building,
Washington, D.C.:

I strongly approve your courageous stand on Vietnam.

Lawrence Rosinger.

Chicago, Ill.,
August 7, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Support your efforts for peace for our Nation and humanity. Accept my thanks.

Sara Simons Gaard.

San Francisco, Calif.,
August 6, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Thank you for your courageous stand on U.S. actions and policy in southeast Asia. The U.S. Government is taking us needlessly toward war. President Johnson should not have a "free hand" as states in bipartisan resolution. United States should withdraw, allow Vietnam self-determination.

Jeff Marchant,
Mary Haan.

Mount Vernon, N.Y.,
August 6, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

I heartily approve your stand on Vietnam and deplore Johnson's action.

Dr. Bernice Bauman.

Scarborough, N.Y.,
August 6, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

God bless you for your lonely and courageous fight for truth and peace gratefully.

Mr. and Mrs. Leslie Balassa.

New York, N.Y., *August 6, 1964.*

Senator Wayne Morse,
U.S. Senate,
Washington, D.C.:

We applaud and approve your action in the North Vietnam debate. Your fight is courageous and in the highest tradition of American democracy. We wish you godspeed.

Mr. and Mrs. Lawrence Eisenberg.

New York, N.Y., *August 6, 1964.*

Senator Wayne Morse,
Washington, D.C.:

We congratulate you for your courageous stand on Vietnam. Keep fighting.

Dr. and Mrs. Samuel Siegel.

New York, N.Y., *August 6, 1964.*

Senator Wayne Morse,
Washington, D.C.:

You truly stand for peace. Congratulations.

Mr. and Mrs. Martin Abzug.

Menlo Park, Calif., *August 6, 1964.*

Senator Wayne Morse,
Washington, D.C.:

We congratulate you on your courageous humanitarian stand on Vietnam et al.

Elsie and Louis Renne.

Chicago, Ill., *August 6, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Strongly support your position on Vietnam. Geneva conference should immediately be convened.

Mr. and Mrs. Joseph Engel.

La Mirada, Calif.,
August 6, 1964.

Hon. Wayne Morse,
U.S. Senate,
Washington, D.C.:

Please give them heck in your remarks today before the Senate. Maybe some of the Senators will have the guts to stand up too and tell the American public the truth about Vietnam. You are a credit and a real public servant to our country.

Raymond E. Drapkin.

Detroit, Mich,
August 6, 1964.

Hon. Senators Morse and Hart,
Washington, D.C.:

Do everything possible to stop escalation of war in Vietnam.

Frank Liederman.

Penn Valley, Pa.,
August 6, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Your devotion to principal and conscience, your courageous campaign to expose and halt the drift to war, exemplifies the highest tradition of American patriotism and statesmanship. If nuclear war is somehow avoided and historians continue to record the past, you will be ranked high among American leaders who fought the hardest fight, keeping their country always right.

Lee Benson.

Los Angeles, Calif.,
August 7, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Congratulations on your stand on Vietnam. I believe you alone represent the thinking informed American in the Senate. I strongly urge the adoption of De Gaulle's proposals on southeast Asia. We should pull out of Vietnam and let the U.N. in. Wayne Morse for President.

John S. Burton.

Los Angeles, Calif.,
August 7, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

We commend you for your courageous position on Vietnam. We hope you do all you can to prevent further involvement in southeast Asia.

West Pico Democratic Club,
D. Rabinoff, *Vice President.*

Long Beach, Calif.,
August 6, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Congratulations on your stand on Vietnam, your integrity, and honesty commendable. Stand for America.

Albert Oliver.

New York, N.Y.,
August 6, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

We applaud your courageous stand against this vicious war in Vietnam.

Mrs. Rose Nassof.

Syracuse, N.Y.,
August 7, 1964.

Hon. Wayne Morse,
Senate Office Building,
Washington, D.C.:

We and our friends fully support you in your stand on Vietnam especially in present crisis. We applaud your courageous action in speaking out defense of morality. We urge you maintain your position.

Mr. and Mrs. Sam Feld.

Pullman, Wash.,
August 6, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

"There was truth, there was untruth, and if you cling to the truth even against the whole world, you were not mad."

We support your truthful stand on Vietnam.

Joseph Morrow, Marian Morrow, Ben Seals, William Wilson, Nicholas Sofios, Jon Miller, Richard Frucht, Vernon Davies, Department of Sociology and Psychology. Washington State University.

New York, N.Y.,
August 6, 1964.

Senator Wayne Morse,
Washington, D.C.:

Your courageous speech against our foolhardy and vicious war in Vietnam was wonderful.

Robert Grossman.

New York, N.Y.,
August 6, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

In my opinion your courageous stand on Vietnam must be accepted by our Government.

Shalom Sperber.

Laguna Beach, Calif.,
August 6, 1964.

Senator Wayne Morse,
Washington, D.C.:

We agree wholeheartedly with your views on Vietnam. May your speech today convince others.

Virginia Rice.

New York, N.Y.
August 6, 1964

Senator Wayne Morse,
The Senate,
Washington, D.C.:

Bravo for your brave but lonely stand on Vietnam. We support your position wholly.

Philip and Elaine German.

Laguna Beach, Calif., *August 6, 1964.*

Senator Wayne Morse,
Washington, D.C.:

We are in full accord with your stand on the situation in Vietnam.

Dr. and Mrs. Lewis G. Pyne.

Brooklyn, N.Y., *August 6, 1964.*

Senator Wayne Morse,
U.S. Senate,
Washington, D.C.

Dear Senator Morse: Keep up the good work. You are not alone.

Barry Goldensohn.

Sandwich, Mass., *August 7, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Again you speak sense on Vietnam. Full support from your constituent on vacation in Massachusetts.

Barbara Crowley.

Washington, D.C.,
August 6, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Congratulations for you determined efforts to save the peace in Vietnam. America is fortunate in having at least one Congressman willing to speak out for sanity and reason. Don't be browbeaten into silence—for without your courageous voice the sham will be all too apparent. If I can be of any help in the fight for peace, please call on me.

Al A. Marchione.

San Francisco, Calif., *August 7, 1964.*

Senator Wayne Morse,
Washington, D.C.:

Applaud your courageous stand on Vietnam.

Gerald Rosenfield, M.D.

San Francisco, Calif.
August 7, 1964.

Senator Wayne Morse,
Washington, D.C.:

Congratulations on your courageous stand on Vietnam situation.

Prof. David Eakins.

Seattle, Wash.
August 7, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Continue outspoken. Following message sent to President Lyndon Johnson: "Take military out of Vietnam. Mere presence is provocation for nation which depends on force and intimidation. Right military action is wrong moral action. Retaliatory strike constitutes wider war. Our responsibility and the imperative of our day is to effect positive nonviolent means for solution of international problems."

Irwin R. Hogenauer.

Austin, Tex.
August 7, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

There is one sane voice in the Senate on Vietnam. From loyal liberal Democrats.

Chester A. Briggs.

El Paso, Tex.
August 7, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Your courageous resistance to Vietnam resolution historical. Wiring Senator Yarborough to support you.

Samuel Z. Wintroub.

Cleveland, Ohio,
August 7, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Agree with and thank you for speaking out on facts about South Vietnam situation.

Katherine Marshall.

North Hollywood, Calif.,
August 7, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Congratulations for your courageous stand. United Nations should handle Vietnam problem.

Suzanne Schmidt.

Champaign, Ill.,
August 7, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Congratulations on your lonely and courageous defense of intelligent, realistic foreign policy in a dangerous age. Yours is not a profile but a soaring monument of courage.

F. Steven Simon.

Garden Grove, Calif.,
August 7, 1964.

Senator Wayne Morse,
Washington, D.C.:

Deeply appreciate your honesty and courage. Keep talking.

Bruce Church.

Palo Alto, Calif.,
August 7, 1964.

Senator Wayne Morse,
Washington, D.C.:

We support your struggle for peace in Vietnam. American intervention must end, not increase.

Mr. and Mrs. W. B. Houston, Jr.

Richmond, Calif., *August 7, 1964.*

Senator Morse,
Senate Office Building,
Washington, D.C.:

Wish to express my disapproval of increased military action in Vietnam.

Elsie Farrow.

Santa Rosa, Calif., *August 7, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Heartily indorse your rational stand against escalation of hostilities without congressional debate.

May Schwartz.

Newton, Mass., *August 7, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

We strongly support your stand opposing military action in Vietnam. We urge you to fight against the President's resolution on the Senate floor.

Saul Alice Victor.
Fred Aronow.

San Francisco, Calif., *August 7, 1964.*

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

We salute your courage in being the truthful conscience of our country. We are reaching the point of no return in southeast Asia and involvement in a situation that will be far worse than Korea with a tragic and fruitless outcome in death and destruction. We pray for peace.

Tom Siegel and Family.

Chicago, Ill.,
August 7, 1964.

Senator Wayne Morse,
U.S. Senate,
Washington, D.C.:

We applaud and support your stand on Vietnam policy.

Dr. and Mrs. Robert C. Busch.

San Francisco, Calif.,
August 7, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Thanks for speaking out. We violate peace and own freedom by waging undeclared war.

Irving Fromer.

New York, N.Y.,
August 7, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Grateful for your sane voice. Following telegram sent President Johnson, Senators Keating and Javits: "Alarmed escalation war, agree with Senator Morse, terrible mistake, urge immediate cease fire and negotiations."

Betty Millard.

Beverly Hills, Calif.,
August 7, 1964.

Senator Wayne Morse,
Washington, D.C.:

Congratulations on your position on President's Vietnam resolution.

Mr. and Mrs. R. Karshmer.

Los Angeles, Calif.,
August 7, 1964.

Senator Wayne Morse,
Washington, D.C.:

Yours is a lone voice in the wilderness but thank God for that voice.

Sincerely,

Ruth R. Peck.

Brooklyn, N.Y.,
August 7, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Congratulations on your wonderful stand on Vietnam. Yours seems to be the only voice of reason. Please continue all efforts for cease fire and peace in Vietnam.

Robert Phillipoff.

New York, N.Y.,
August 7, 1964.

Senator Wayne Morse,
U.S. Senate,
Washington, D.C.:

Congratulations on your courageous stand against those who seem only too eager to stampede us into disaster. You will go down in history as a truly great American. We are behind you a hundred percent.

Edward and Florence Shaffer.

Alhambra, Calif.,
August 7, 1964.

Senator Wayne Morse,
Washington, D.C.:

Dear Senator Morse: We applaud your courage in speaking out against the provocative and suicidal course our Government is taking in Vietnam. You can be assured that there are millions of Americans who support your voice of sanity which speaks out against a policy which is both unjust and dangerous.

Robert and Pamela Honchell.

Newport Beach, Calif.,
August 6, 1964.

Senator Wayne Morse,
Washington, D.C.:

Your discerning appraisal of Vietnam problem gives hope.

Thank you.

Richard Stewart.

Los Angeles, Calif.,
August 7, 1964.

Senator Wayne Morse: Our gratitude and support in your sane declarations on Vietnam. We need you.

Dr. and Mrs. Harold N. Zemelman.

San Francisco, Calif.,
August 7, 1964.

Senator Wayne Morse,
U.S. Senate,
Washington, D.C.:

We are proud of you, keep trying to drive some dignity and sense and commitment to humanity into policies on southeast Asia.

Mr. and Mrs. E. T. Hirschman.

Los Angeles, Calif.,
August 7, 1964.

Senator Wayne Morse,
Washington, D.C.:

If Lot had found one honest man God would have saved Sodom and Gomorrha. Please keep telling the truth about war and peace in Vietnam. There may be hope for Washington.

Warmest regards.

Robert M. Peck.

PORTLAND, OREG.,
August 6, 1964.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.:

Strongly support your brave stand on Vietnam.

Best wishes.

MICHELE IUSSO.

COMMITTEE MEETINGS DURING SENATE SESSION TODAY

Mr. MANSFIELD. Mr. President, I yield myself 1 minute.

I ask unanimous consent that the Committee on Public Works, the Subcommittee on Internal Security of the Committee on the Judiciary, and the Subcommittee on Financial Institutions of the Committee on Banking and Currency be authorized to meet during the session of the Senate today.

The PRESIDING OFFICER. Without objection, it is so ordered.

MAINTENANCE OF INTERNATIONAL PEACE AND SECURITY IN SOUTHEAST ASIA

The Senate resumed the consideration of the joint resolution (S.J. Res. 189) to promote the maintenance of international peace and security in southeast Asia.

Mr. MANSFIELD. Mr. President, I yield 5 minutes to the distinguished Senator from New York.

Mr. KEATING. Mr. President, the unprovoked attacks on U.S. vessels in international waters by armed PT boats from North Vietnam rightly led to a strong reaction on the part of the United States. Although there had been some suggestion from the Department of State that the first attack might be an isolated incident, there was no doubt whatsoever that the second attack 2 days later by an undetermined number of North Vietnamese PT boats in the early evening signaled a new course of action by Vietnam Communists, perhaps a calculated effort to escalate the conflict in Asia or perhaps a probing operation to test the strength of the U.S. reaction.

President Johnson's strong and unequivocal statement followed by the action now taken should answer some of the questions that may be asked by our friends and enemies around the world as to what the United States will do. Even more specifically the retaliation against coastal facilities in North Vietnam which supported the raiding PT boats should make clear to them that Communist forces in Asia are embarked upon a collision course in which, if necessary, the full strength of the U.S. military will be brought to bear. This resolution confirms the support of Congress for a firm policy of resistance to Communist aggression in southeast Asia.

It is curious, and perhaps something more than a coincidence, that in recent years the greatest cold war crises have come in the months immediately preceding an American election. The process of free elections and political campaigns is alien to Communist experience, and it may be that the Communists misinterpret the sharp revival of partisan political activity as a sign of division and mistrust on the part of the American people. In my judgment, the members of the Republican Party have a particularly heavy responsiblity to make clear at this time their full support and bipartisan backing for the action undertaken by the President of the United States in defense of free world interests. This the leaders of the Republican Party have done. For my part, I should like to make perfectly clear that I stand 100 percent behind the President. He has my prayers for the heavy responsibility he bears at this time and my assistance and support in whatever way can be most useful to our Nation's security.

Mr. President, there are and will always be differences of opinion as to the wisdom of the policies which have brought us to the present impasse. There are, and always will be, differences as to the future direction and detail of American policy in southeast Asia. But when the moment arrives that it is necessary to order the Armed Forces of the United States into action, the President is Commander in Chief. The allegiances of the Nation is to him. And the entire Nation joins in mourning the American airmen lost in action during this crisis.

Mr. President, there can be no doubt that these actions pose the threat of expanded military operations in Asia. What should the long-term policy of the United States be if we should be faced with the prospect of conflict with Red China? I do not believe this conflict is upon us today, but undoubtedly the situation today is more explosive and more dangerous than it was a week ago. The guns of August have again resounded through the world and none can tell the final result. Prompt retaliation was necessary.

But in the long run, American policies toward Asia, both the free nations of Asia and the Communist aggressors, must not be determined merely by speedy reaction to Communist offensives. For the future, the United States must determine whether we will defend the independence of the nations of southeast Asia at any cost and with any force, or whether our military and political policies will be strictly limited. This will be a major international issue for years to come. It should be thoroughly explored not only within the executive branch of the Government but in full coordination and consultation with Members of Congress and with the full knowledge and understanding of the people of the United States.

Mr. President, I have complete confidence in the ability of our Government to handle any immediate crisis in southeast Asia, but the long-term crisis must be settled only after long-term and penetrating analysis in which all of the factors are thoroughly weighed by all of those who bear a part of the responsibility for the defense of freedom and the future of our Nation.

Through this resolution the Congress is making clear its present support for our Commander in Chief at the moment of conflict. It is a vote of confidence in the action that has been taken, but it is not a blank check for policies that might in future be carried on by the executive branch of the Government in other cases, without full consultation by the Congress. It is not a blank check authorizing U.S. military actions against Red China, nor is it a blank check authorizing guerrilla activities or other actions on the part of the Government of South Vietnam. It is not a blank check authorizing other nations in Asia to pursue independent military actions which are not in clear defense of their own territories.

In sort, Mr. President, this resolution expresses the determination of the United States to resist aggression against our forces or our allies in Asia. It reemphasizes the principles of the U.N. Charter condemning aggression. It should also be used as a clear call for support from our allies in Asia and elsewhere who should not be slow to recognize that any attack upon the U.S. 7th Fleet is indeed an attack upon every free nation in Asia that looks to U.S. naval forces for help and security.

Mr. GRUENING. Mr. President, will the Senator yield for a question?

Mr. KEATING. I have only 5 minutes. I wish to complete my statement. The Senator from Alaska will have time in his own right to reply.

The PRESIDING OFFICER. The Senator from New York declines to yield.

Mr. KEATING. Help and coordination of policies with other free nations of Asia are important steps in the search for long-term peace in the area. In the immediate crisis, the long-term problems and needs must not be neglected.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum, and ask that the time for the calling of the quorum be charged to me.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call may be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I yield 4 minutes on the resolution to the Senator from Vermont [Mr. AIKEN].

The PRESIDING OFFICER. The Senator from Vermont is recognized for 4 minutes.

Mr. AIKEN. Mr. President, for some months it has appeared to me that an expansion of military operations in southeast Asia was inevitable. I have been skeptical of the repeated assurances of high government officials that no such expansion was contemplated.

I have repeatedly stated to those officials, including the President of the United States, that I was opposed to an expansion of the war.

The decision, however, was not mine to make. The decision, and also the responsibility for expanding such military operations, rest squarely with the President, under the authority delegated to him by the Congress over the years.

The President has now made such a decision and has assumed the responsibility.

Mr. President, I am still apprehensive over the outcome of his decision. But, since it has been made, I feel that I, as an American citizen, can do no less than support the President in his capacity as leader of our Nation.

I believe that our country will be in greater jeopardy if we do not now support his decision.

I sincerely hope that the fears I have entertained over the past few months may prove to have been groundless. I sincerely hope that the President's action, taken evidently in the belief that vigorous action now will save more lives than it will cost, will prove to be correct.

Mr. President, I shall support the joint resoultion even though I still regard the decision of President Johnson with misgivings. It is a very difficult decision to make, but I do not believe that any of us can afford to take a position opposing the President of the United States for exercising the power which we, under our form of government and through our legislative bodies, have delegated to his office.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum, and ask again that the time for the calling of the quorum be charged to me.

The PRESIDING OFFICER (Mr. BREWSTER in the chair). Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I yield 5 minutes to the distinguished Senator from New York.

Mr. JAVITS. Mr. President, I note the presence in the Chamber of the Senator from Arkansas [Mr. FULBRIGHT]. We almost exhausted him yesterday by keeping him on the floor to answer questions.

I believe that a very important question is raised by Mr. Reston's article in the New York Times of this morning in respect to our relationship with the South Vietnamese Premier, General Khanh. Mr. Reston writes of the pattern which we followed in respect to the Formosa resolution in 1954. I know the inhibitions of secrecy and the effects upon national policy in all these respects. We may assume that our Government is taking the necessary precautions so that the broad support—to use a juridical term—which we would give to the President in respect to the extended operations of a military character in this area of the world, is not an action by which our freedom of control may be taken away by actions to which the Khanh regime may commit us for practical purposes. But we would have a right to assume in voting the joint resolution that our Government is taking the necessary precautions to see that whatever commitment we undertake is our own, and that we shall not be forced into a position of broadening that commitment against our will because the country in whose interest we are working so hard will commit us beyond what we wish to be committed to as a practical matter.

In short, to be very practical, suppose we are faced with a situation in which the South Vietnamese position should be jeopardized by its own extension of the struggle beyond its own capacity to wage a successful war in North Vietnam. Then what would happen in terms of our commitment and the commitment which our President is empowered to undertake anyhow, but which we would support in the joint resolution?

Mr. FULBRIGHT. As a practical question, there is the closest cooperation between the Government of South Vietnam and our representatives, particularly our Ambassador, General Taylor. I do not believe there is any probability, or even a possibility, that they can commit us beyond what our own people believe to be in the interest of our common effort.

There is some distinction between the present situation and the declared policy of Chiang Kai-shek during the time of the Formosa resolution. As the Senator well knows, it was—and perhaps it still is—his declared intention to retake the mainland of China. That was a question of considerable concern. That Government had quite a large army of its own, and perhaps had greater capabilities than presently exist in South Vietnam.

I do not believe there is any substance to the fear that the Vietnamese could involve us beyond the point where we ourselves wish to be involved. I do not think a full scale or a substantial invasion or extension of the war without our approval and assistance could be mounted. No such invasion has been mounted. I do not know that there is any prospect of it. That is a question which I believe is in the field of tactics, on which I am not competent to comment at the moment. But on the political aspect of the question, I do not think there is any substance to the fear that the South Vietnamese may lead us down a road that we do not wish to travel. It is a question of judgment as to what is the wise road to follow, of course.

The question will remain one of great difficulty until it can be settled. I do not believe there is any reason for such a fear at the present time.

I share with the Senator, as we all do, nervousness over these resolutions. I think it is caused by nervousness about war in general. It is not because of the specific individual involved. We are all nervous about the expansion of the war. I know the President is.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. JAVITS. Mr. President, will the Senator from Illinois yield 2 additional minutes to me, so that I might finish my colloquy with the Senator from Arkansas?

Mr. DIRKSEN. Mr. President, I yield 2 minutes to the Senator from New York.

The PRESIDING OFFICER. The Senator from New York is recognized for 2 minutes.

Mr. FULBRIGHT. I am sure the President shares our concern. Great concern and apprehension are always created by the breaking out of violence in these areas.

Mr. JAVITS. I should like to ask the Senator whether we have a right to feel satisfied that our Government has taken or will take the necessary precautions to see that we shall not be committed beyond the extent to which we wish to be committed by the local Government of South Vietnam itself.

Mr. FULBRIGHT. I believe we have, both in the past and presently. I do not believe that there is any probability of their going off and involving us where we do not wish to be involved. I believe we can maintain complete control over our own commitments.

Mr. JAVITS. I believe that is a definitive answer. I accept it as such. I believe other Senators will do likewise. Again I appeal to the Senator from Arkansas with respect to the role of the Foreign Relations Committee on the question, which, in my judgment, begins rather than ends when we pass the joint resolution. I hope that, before the debate is over, the Senator will give us some definitive statement of his own feeling, so that, within the proper area of legislative oversight, those of us who wish to vote yea on the resolution may look to the Foreign Relations Committee to keep its hands on the controls, as far as the Constitution and the practice of the Congress allows, in respect to the troublesome questions which we have raised in the debate, such as the present one with respect to General Khanh and his regime and the concurrence of our allies, continuous consultation, and the other questions.

Mr. FULBRIGHT. I should like to make two statements which I believe are appropriate. First, both the present administration and the previous administration have been very good about reporting to us and briefing us about the situation. I do not believe there has been any tendency to withhold anything. I do not believe that at any time when representatives of the administration came to brief us and we requested information they have refused to divulge it. In many cases they themselves have initiated such a request as far as the information goes.

Second, the more important point in this case, I believe, is the fact that the administration went to great lengths to find the best equipped and qualified men to send to Vietnam. I personally felt great satisfaction in the selection of U. Alexis Johnson to be our civilian representative. He is one of the most experienced men we have. I know of no one who does not have a high regard for General Taylor. After all, on these difficult subjects there is no way of enacting a law or promulgating a rule which would be self-executing. We must rely to a great extent upon the wisdom, judgment, and experience of those actually in charge. I believe that is the most reassuring aspect of the question. The Government has sent two of the best men available into this very critical area.

Mr. JAVITS. Will the Foreign Relations Committee continue to play an active role in respect of the question? I believe an affirmative answer would be a real assurance to all of us.

Mr. FULBRIGHT. I do not wish to mislead anyone. As the Senator knows, our role is one of an advisory nature. Information is submitted to the committee. The administration has never held anything back, to my knowledge. It has been frank. We have an opportunity to advise them, and that is all. We cannot direct or force them. Even within the committee, as the Senator knows, there are some very sharp differences of opinion. So all we can do is to advise with them, which we have done.

On questions of importance, the administration has consulted, in addition to the committee or the senior members of the committee, and the leadership of both Houses. We have the further assurance of the majority leader, the minority leader, the whips, and senior members of the committees of both Houses.

Mr. JAVITS. If information is not volunteered, will the chairman of the committee call and get it?

Mr. FULBRIGHT. Yes; we have and do.

Mr. JAVITS. I thank the Senator.

Mr. NELSON. Mr. President, will the Senator from Arkansas yield some time to the Senator from Wisconsin?

Mr. FULBRIGHT. I shall be glad to do so. How much time does the Senator wish?

Mr. President, how much time have we remaining?

The PRESIDING OFFICER. The Senator from Arkansas has 9 minutes.

Mr. FULBRIGHT. How much time would the Senator like?

Mr. NELSON. I do not understand the Chair's response. I thought 30 minutes were left.

The PRESIDING OFFICER. Under the unanimous-consent agreement, there is a time limitation. The Senator from Oregon has 23 minutes, and the Senator from Arkansas 9 minutes.

Mr. MORSE. Mr. President, I should like all that extra time, but I want to be fair. I do not have that much time. I would be glad to use it, but I want to be fair. The time started running at 10 o'clock. I finished at 7 minutes to 11, I believe. I will take the time if the Senator from Arkansas does not want it.

Mr. NELSON. I have an amendment to suggest. If the Senator from Arkansas accepted it, I would vote for the resolution. If it were not accepted, I might not. So whose time should I take?

Mr. FULBRIGHT. I am perfectly willing to yield the Senator time.

Mr. President, does the Chair have the time reversed?

The PRESIDING OFFICER. The Parliamentarian informs the Chair that the Senator from Arkansas has 7 minutes left.

Mr. NELSON. Mr. President, not to take up all the time, would the Senator from Oregon yield me 5 minutes?

Mr. MORSE. Mr. President, I understand the Senator from Wisconsin has an amendment to offer which might make the joint resolution a little better, but still unacceptable so far as I am concerned.

Mr. President, how much time have I?

The PRESIDING OFFICER. Twenty-three minutes.

Mr. MORSE. For the good of the cause, I will yield 5 minutes to the Senator from Wisconsin.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized for 5 minutes.

Mr. NELSON. Mr. President, I ask unanimous consent that at the conclusion of my remarks and any colloquy I may have with the Senator from Arkansas there be printed in the Record excerpts from the President's address, a column from this morning's Washington Post by Chalmers Roberts, a column from today's New York Times by James Reston, a column from the Washington Post by Marquis Childs, and a reprint of an editorial from the Milwaukee Journal.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. NELSON. Mr. President, I have read the Record. There was some colloquy on the floor yesterday. I noticed that every Senator who spoke had his own personal interpretation of what the joint resolution means.

One Senator yesterday stated for the Record that he understands the resolution to mean that there will be no more privileged sanctuaries.

Another Senator interprets the resolution to mean that it would authorize the Chief Executive to eliminate any aggression, future and present. Some Senators interpret this language to mean aggression against South Vietnam; others interpret it to mean aggression directly against our military forces.

Another Senator interpreted the joint resolution to mean that it is the sense of Congress that no change is suggested by Congress in the present mission in South Vietnam—the mission that has been ours for 10 years, which is to supply advisers, technical advice, and materiel, for the purpose of attempting to encourage the establishment of an independent, viable regime, so that we can withdraw our forces; and that it has not been our mission in the past 10 years to substitute our military forces for the South Vietnamese forces, nor to join with them in a land war, nor to fight their battle for them, nor to substitute our Government for theirs.

This 10-year-old limited mission can be legitimately defended as a responsibility of ours to assist free and independent nations; and it can be legitimately questioned, too, because of the geographic location of that mission.

In any event, I am most disturbed to see that there is no agreement in the Senate on what the joint resolution means. I would like to see it clarified.

If we are telling the public by this resolution that it is our responsibility to use our forces to win a war in southeast Asia——

The PRESIDING OFFICER. The 5 minutes of the Senator from Wisconsin have expired.

Mr. NELSON. I ask the Senator from Oregon to yield me some time.

Mr. MORSE. Mr. President, I am willing to make a deal with the Senator from Arkansas. If I yield the Senator 4 minutes, will the Senator from Arkansas yield him some time?

Mr. FULBRIGHT. We have only 7 minutes.

Mr. DIRKSEN. All the time for the quorum calls came out of our time.

Mr. MORSE. I did not ask that it come out of the time on the other side. I did not ask for any quorum call. I am willing to enter into a unanimous-consent agreement that the time taken for the quorum calls be not counted.

Mr. DIRKSEN. Perhaps we should find out how the timekeeper can change the record.

Mr. MORSE. I specifically said I would reserve time to yield to the Senator from Alaska.

Mr. DIRKSEN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DIRKSEN. Is it the understanding of the Chair that the last hour was to be equally divided between the two leaders for disposition as they saw fit; and is it also correct that the time for the quorum calls was taken out of our time?

The PRESIDING OFFICER. Under the unanimous-consent agreement, 1 hour was to be divided between the leadership. Under the unanimous-consent agreement, at the request of the Senator from Montana, the time used during the quorum calls was taken out of that 1 hour.

Mr. MORSE. I say most respectfully that quorums calls were asked for by the proponents of the bill.

Mr. DIRKSEN. What happened to my half hour?

Mr. MORSE. The proponents did not have any speakers for the resolution. That is why they suggested the absence of a quorum. Let us be frank about it. We have speakers against the resolution. I shall not deny my colleague from Alaska an opportunity to close the debate on the resolution. It is now 20 minutes to 1. Do Senators still wish to vote at 1 o'clock? How much time have I remaining?

The PRESIDING OFFICER. The Senator from Oregon has 15 minutes remaining. Very briefly let the Chair state that 1 hour was allotted to the majority leader and the minority leader. It was not understood that the time was to be divided between them.

Mr. MORSE. I will reserve 10 minutes of my time for the Senator from Alaska [Mr. Gruening]. The Senators from Arkansas and Illinois may have the rest of the time and use it as they see fit.

Mr. DIRKSEN. Out of whose time is that to come?

Mr. MORSE. I have 15 minutes. I am reserving 10 minutes for the Senator from Alaska.

Mr. FULBRIGHT. We have 7 minutes.

Mr. MORSE. I will give the Senator 5 minutes of my time.

Mr. NELSON. I wonder if the Senator would accept an amendment.

Mr. MORSE. I yield 5 minutes to the Senator from Wisconsin, with the understanding that the time that I have reserved for the Senator from Alaska will be protected.

The **PRESIDING OFFICER.** The Senator from Wisconsin is recognized for 5 minutes.

Mr. NELSON. In view of the differing interpretations which have been put upon the joint resolution with respect to what the sense of Congress is, I should like to have this point clarified. I have great confidence in the President. However, my concern is that we in Congress could give the impression to the public that we are prepared at this time to change our mission and substantially expand our commitment. If that is what the sense of Congress is, I am opposed to the resolution. I therefore ask the distinguished Senator from Arkansas if he would consent to accept an amendment, a copy of which I have supplied him. I shall read it into the RECORD:

> On page 2, line 3, after the word "That" insert "(a)".
>
> On page 2, between lines 6 and 7, insert the following:
>
> "(b) The Congress also approves and supports the efforts of the President to bring the problem of peace in southeast Asia to the Security Council of the United Nations, and the President's declaration that the United States, seeking no extension of the present military conflict, will respond to provocation in a manner that is 'limited and fitting'. Our continuing policy is to limit our role to the provision of aid, training assistance, and military advice, and it is the sense of Congress that, except when provoked to a greater response, we should continue to attempt to avoid a direct military involvement in the southeast Asian conflict."

This amendment is not an interference with the exercise of the President's constitutional rights. It is merely an expression of the sense of Congress. Would the Senator accept the amendment?

Mr. FULBRIGHT. It states fairly accurately what the President has said would be our policy, and what I stated my understanding was as to our policy; also what other Senators have stated. In other words, it states that our response should be appropriate and limited to the provocation, which the Senator states as "respond to provocation in a manner that is limited and fitting," and so forth. We do not wish any political or military bases there. We are not seeking to gain a colony. We seek to insure the capacity of these people to develop along the lines of their own desires, independent of domination by communism.

The Senator has put into his amendment a statement of policy that is unobjectionable. However, I cannot accept the amendment under the circumstances. I do not believe it is contrary to the joint resolution, but it is an enlargement. I am informed that the House is now voting on this resolution. The House joint resolution is about to be presented to us. I cannot accept the amendment and go to conference with it, and thus take responsibility for delaying matters.

I do not object to it as a statement of policy. I believe it is an accurate reflection of what I believe is the President's policy, judging from his own statements. That does not mean that as a practical matter I can accept the amendment. It would delay matters to do so. It would cause confusion and require a conference, and present us with all the other difficulties that are involved in this kind of legislative action. I regret that I cannot do it, even though I do not at all disagree with the amendment as a general statement of policy.

Mr. NELSON. Judging by the RECORD of yesterday, many Senators do not interpret the resolution in the same way.

Mr. FULBRIGHT. Senators are entitled to have different views. However, most members of the committee, with one or two exceptions, interpret it the same way.

The **PRESIDING OFFICER.** The time of the Senator from Wisconsin has expired.

Mr. FULBRIGHT. Differences of interpretation are necessarily always present. I think the Senator's statement is a fair statement.

EXHIBIT 1

[From the New York Times, Aug. 4, 1964]

THE PRESIDENT'S ADDRESS

My fellow Americans, as President and Commander in Chief, it is my duty to the American people to report that renewed hostile actions against U.S. ships on the high seas in the Gulf of Tonkin have today required me to order the military forces of the United States to take action in reply.

The initial attack on the destroyer *Maddox* on August 2 was repeated today by a number of hostile vessels attacking two U.S. destroyers with torpedoes.

The destroyers and supporting aircraft acted at once on the orders I gave after the initial act of aggression.

We believe at least two of the attacking boats were sunk. There were no U.S. losses.

The performance of commanders and crews in this engagement is in the highest tradition of the U.S. Navy.

But repeated acts of violence against the Armed Forces of the United States must be met not only with alert defense but with positive reply.

ACTION NOW IN EXECUTION

That reply is being given, as I speak to you tonight. Air action is now in execution against gunboats and certain supporting facilities in North Vietnam which have been used in these hostile operations.

In the larger sense, this new act of aggression aimed directly at our own forces again brings home to all of us in the United States the importance of the struggle for peace and security in southeast Asia.

Aggression by terror against the peaceful villages of South Vietnam has now been joined by open aggression on the high seas against the United States of America.

The determination of all Americans to carry out our full commitment to the people and to the Government of South Vietnam will be redoubled by this outrage. Yet our response for the present will be limited and fitting.

We Americans know—although others appear to forget—the risk of spreading conflict.

We still seek no wider war. I have instructed the Secretary of State to make this position totally clear to friends and to adversaries and, indeed, to all.

I have instructed Ambassador Stevenson to raise this matter immediately and urgently before the Security Council of the United Nations.

CONGRESSIONAL RESOLUTION ASKED

Finally, I have today met with the leaders of both parties in the Congress of the United States and I have informed them that I shall immediately request the Congress to pass a resolution making it clear that our Government is united in its determination to take all necessary measures in support of freedom and in defense of peace in southeast Asia.

I have been given encouraging assurance by these leaders of both parties that such a resolution will be promptly introduced, freely and expeditiously debated, and passed with overwhelming support.

And just a few minutes ago I was able to reach Senator GOLDWATER and I am glad to say that he has expressed his support of the statement that I am making to you tonight.

It is a solemn responsibility to have to order even limited military action by forces whose overall strength is as vast and as awesome as those of the United States of America.

But it is my considered conviction, shared throughout your Government, that firmness in the right is indispensable today for peace.

That firmness will always be measured. Its mission is peace.

[From the Washington Post, Aug. 7, 1964]

LAND WAR FEARED—CONGRESSIONAL DOUBTS STRONG DESPITE ACCORD

(By Chalmers M. Roberts)

The Congress is about to pass a resolution upholding the President's hand in a foreign crisis but once again what the resolution says isn't everything that is in congressional minds.

Back in 1955 the Senate was so unhappy over the prospects of war with China that the then chairman of the Foreign Relations Committee, Senator Walter George, of Georgia, had to give a public assurance that the Formosa resolution gave no power to Adm. Arthur Radford, then Chairman of the Joint Chiefs of Staff, that only President Eisenhower would act under its terms.

This year a Democratic Congress will uphold a Democratic President, and the Republicans, now led by a man who wants victory in Vietnam, will back him, too.

LAND WAR FEARED

The Senate debate yesterday made amply clear that what Members fear now is escalation of the current crisis to a point where President Johnson might decide to send American troops to fight a land war in Asia.

That, said Foreign Relations Committee Chairman J. WILLIAM FULBRIGHT, is "the last thing we would want to do." But, rightly, he could give no assurance that it would not happen.

The probability, however, is that it will not happen, no matter what the Communists in either Hanoi or Peiping now decide to do. At first glance that may seem encouraging but, in fact, it means a limitation on the options that would be open to the President.

There has been a lot of talk around Washington for a long time about the "Never Again Club," a term applied to those, chiefly in the military but also among civilian leaders outside the Pentagon, who say we should never again face Red China in a land war as we did in Korea. To some, there also is an implication that nuclear weapons should be used next time.

SENATORIAL MEMBERS

It sounded yesterday as though the club has a lot of senatorial members, too, on the anti-land-war point though no one was advocating the use of nuclear weapons.

But if massed armies are ruled out—and the thousands of American soldiers we already have in South Vietnam are not such an army—the United States has only air and seapower to apply against the Communists whose strength, as demonstrated in Korea, lies in massed armies.

We do not yet know what Hanoi and Peiping will do but it would be very suprising if they accepted the American reprisal without response. Their ability to respond, given limited air power and minor sea power, most probably would have to be in the form of land army action unless it were limited to harassment, murder, and sabotage in

South Vietnam against Americans and American installations.

In short, while Congress is worrying about the United States being bogged down in a land war in Asia, the very avoidance of that—given a major Communist response—could lead to major American air and naval assaults on Communist territory.

MILITARY OR DIPLOMATIC?

Unraveling the tangle of events that led to the North Vietnamese torpedo boat attacks is, for the moment, something for the historians, since the story goes back a decade and more.

The immediate problem facing the Johnson administration is whether, if there is a major Communist retort, the United States should increase the fury of its response or whether it should attempt to find some diplomatic solution.

It is questionable, however, whether United Nations Secretary General U Thant's new suggestions will be any more attractive than General de Gaulle's earlier ones, given the total Asian Communist hostility toward the United States.

The exultation of victory, even in small doses, is a heady business. Anyone now inclined to exaltation had better think twice because there are unlikely to be any meaningful cheap victories in Asia in a military sense.

The signs of concern that showed yesterday in the Senate Chamber, rather than the overwhelming votes expected today for the resolution itself, will have to be taken into account by the President and his associates at the White House, the State Department, and the Pentagon.

[From the New York Times, Aug. 7, 1964]

Some Fundamental Questions About Vietnam

(By James Reston)

Washington, August 6.—The Nation has united quickly behind the President's strong military action in Vietnam, but unity and speed, important as they are in the present crisis, should not muffle some fundamental questions about the future political and military relationships in that area.

First, should there not be a formal public undertaking by the South Vietnamese Government that the military weapons supplied by the United States will not be used in offensive measures against Communist North Vietnam without the advance consent of the United States?

Second, should not the United States give a similar formal undertaking to the Government of South Vietnam?

Third, is the mission of the United States in South Vietnam to provide arms and advice to the Government of South Vietnam, as stated officially in the past, or is President Johnson now asking for a congressional resolution that would authorize him to take any military measures he pleases in all of southeast Asia at the request of any southeast Asian ally?

THE FORMOSA PRECEDENT

The official view here is that it is not helpful to raise such questions when the United States must act together in a hurry, but the President, as Commander in Chief, has the power to repel any new sudden attack, as he did last weekend, and it may be wise to take a day or two to analyze where we are and where we are going.

Obviously, no formal agreement between the United States and South Vietnam could be permitted to interfere with each government's right of self-defense. No American destroyer captain under Communist attack is going to be asked to wireless Saigon for permission to defend himself, and no South Vietnamese military unit defending South Vietnam is going to be asked to get permission from the United States before firing on its attackers.

However, any attack on North Vietnam by either the United States or the South Vietnamese clearly involves the possibility of retaliation by the Communists on both, and thus should be launched only by joint agreement.

This principle of joint action in mutual danger was appended to the Mutual Defense Treaty between the United States and the Republic of China signed here in December of 1954.

At that time, Secretary of State Dulles and Ambassador George K. C. Yeh, of the Chinese Republic, exchanged letters, the key paragraph of which read as follows:

"In view of the obligations of the two parties under the said treaty, and of the fact that the use of force from either of these areas (Formosa or the offshore islands) by either of the parties affects the other, it is agreed that such use of force will be a matter of joint agreement, subject to action of an emergency character which is clearly an exercise of the inherent right of self-defense."

It is stated here officially that there is already an "understanding" with the South Vietnamese Premier, Maj. Gen. Nguyen Khanh, that he will not attack North Vietnam without our consent, and, of course, the United States controls the arms and the gasoline necessary for any prolonged attack, but since General Khanh has recently been waging an open propaganda campaign for an attack on the North, it is not clear why the existing understanding should not be stated formally and publicly.

After all, even fairness to the South Vietnamese requires advance consultation, at least, before any assault on the enemy's territory.

JOHNSON'S POWERS

The proposed congressional resolution, as it now stands, is a more delicate matter. It could easily be amended to include the principle of joint agreement on any attack on the North, but amending it to restrict the President's action further is more difficult, and maybe it should not be done.

But it should at least be recognized what the resolution now authorizes. It says that the United States regards the maintenance of peace and security in southeast Asia as vital to its national interest and to world peace. And it adds:

"The United States is, therefore, prepared, as the President determines, to take all necessary steps, including the use of armed force, to assist any member or protocol state of the Southeast Asia Collective Defense Treaty requesting assistance in defense of its freedom."

This is a little different from merely sending arms and "advisers" to South Vietnam. It would approve any military action as the President determines in any part of southeast Asia, including military action in support of any nation in the Southeast Asia Treaty (whose military support of South Vietnam has been virtually nil), provided our military action were sought and the President approved.

Maybe this is what the country wants and there is a good case to be made for it, but even in the hurry to get the resolution passed there shouldn't be much objection to looking at what it says and what it doesn't say.

[From the Washington Post, Aug. 7, 1964]

Vietnam of 1964 Recalls Korea of 1950

(By Marquis Childs)

The really deep trouble in Vietnam lies outside the scope of American sea and air power. The great question is whether the South Vietnamese Army has the will to go on fighting on the ground against Communist guerrillas after 17 years of almost unremitting warfare.

Before the naval action in the Gulf of Tonkin, evidence was accumulating that war weariness and political dissension in Saigon had raised grave doubts about the future. Hints were coming from the military clique headed by Gen. Nguyen Khanh that the United States would have to take a much larger share of the burden, including even direct participation in combat.

On the recommendation of Gen. Maxwell D. Taylor, the new Ambassador in Saigon, Washington moved to increase the number of American military advisers from 16,000 to 22,000. They were, it was reported, empowered to fire back if fired on. No one can say whether this will be enough.

At the same time, disturbing rumors have circulated in Saigon about a new coup to replace General Khanh. If the worst should happen, the Johnson administration faces an awesome choice—sending in large numbers of American combat troops or expanding the war with massive bombing in the north. The risks in either course are incalculable. To get out, a third choice, seems impossible in view of what has gone before and in the light of politics in the presidential year.

The beginning of the Korean war 14 years ago comes vividly to mind. The atmosphere then was very much what it is today. Republicans and Democrats were rallying around President Truman and promising him support against Communist aggression. Robert A. Taft, minority leader in the Senate, gave reluctant assent despite his strong isolationist convictions. It was a moment of patriotic fervor in which Mr. Truman, by almost unanimous opinion, emerged as a strong and decisive President.

But that mood quickly altered. As the woefully untrained American troops that were rushed from Japan were pushed back almost off the Korean Peninsula with fearful casualties, it became "Truman's war."

By the 1952 campaign and the disaster resulting from the massive Chinese invasion, this was the chief line of Republican attack. General Eisenhower could say at the University of Illinois that Midwestern farm boys should stay at home and let Asians fight Asians.

Mr. Truman had resisted the demand to bomb the privileged sanctuary across the Yalu River. He had shown marked restraint out of concern that the war would be enlarged to a global scale. He was damned from hell to breakfast for that restraint.

There is one important difference today. In 1950, Mr. Truman went to the United Nations before responding to the North Korean attack. By a piece of luck, the Soviet delegate was absent, so that the Security Council could pass a resolution calling on the U.N. to join in resisting aggression. This time the United States struck first.

Except for the Communist nations, almost every U.N. member approved a joint defense of Korea. Even neutralist India sent an ambulance unit. If a widened conflict develops in Vietnam, this country will find it hard to rally support. It will have the look of a war waged by white men against Asians.

This is, in effect, what President de Gaulle has been saying—that the war, as it is currently being fought, cannot be won. The French tried for nearly 7 years, beginning in 1947, and they sacrificed the cream of St. Cyr, their West Point, in the vain effort. Unhappily, De Gaulle's prescription for ending the war has been based on a formula of neutralization that sounds like surrender.

Three long-term consequences of a greatly enlarged war in Asia, if it comes to that, are unforeseeable. The most important single event of the last 2 to 3 years has been the split between, the Soviet Union and China, with reverberations throughout the Communist world. In recent weeks that split has seemed to be irreconcilable. It could be healed by a war between the United States and China. Expert opinion here is that Moscow would stop short with condemnation of American moves.

But that is conjecture. As often in the past, the most baffling and frustrating element in the new crisis is the enigma of Red China. American policy has walled off a nation of 600 or 700 million people and what goes on in the fastness of Peiping is as mysterious as what may be happening on Mars. That may have been inevitable after Korea. But it is today a tragic commentary on the darkness that cloaks the dubious future in Asia.

[From a Milwaukee Journal editorial, Aug. 6, 1964, as reported in the New York Times]

APPEAL FOR RESTRAINT

It may be that the North Vietnamese, with the backing of Communist China, were testing the American will. If so, they have their answer.

There is some danger that this country may tend to overreact to North Vietnamese stings because of our political situation. President Johnson has been under attack for what opponents call a "no win" policy in southeast Asia. He has been unwisely urged to escalate the war.

Under such circumstances, a President can be handicapped in making vital decisions. President Johnson will need courage and patience and restraint to keep the Nation from the wider war that he—and all who realize what modern war is—wish to avoid.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had passed a joint resolution (H.J. Res. 1145) to promote the maintenance of international peace and security in southeast Asia, in which it requested the concurrence of the Senate.

MAINTENANCE OF INTERNATIONAL PEACE AND SECURITY IN SOUTHEAST ASIA

The Senate resumed the consideration of the joint resolution (S.J. Res. 189) to promote the maintenance of international peace and security in southeast Asia.

Mr. NELSON. Mr. President, has my time expired?

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MORSE. In fairness to the Senator from Alaska, I cannot yield any more time.

Mr. McNAMARA. Mr. President, I suggest the absence of a quorum, with the time not to be charged to either side.

Mr. FULBRIGHT. Mr. President, will the Senator withhold that suggestion?

Mr. McNAMARA. I withhold it.

Mr. FULBRIGHT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. FULBRIGHT. Since the House has passed a joint resolution which I understand is identical to our resolution, by a vote of 414 to 0, with one Member voting present, and the House joint resolution has now been received by the Senate, is it proper to ask unanimous consent to take up the House joint resolution and substitute it for the Senate joint resolution?

The PRESIDING OFFICER. It is proper to ask unanimous consent to take up the House joint resolution, and to vote on the House joint resolution in lieu of the Senate joint resolution.

Mr. MORSE. Temporarily, I shall have to object. When the time has been exhausted, if the Senator wishes to renew his request, I may not object. I do not wish to sacrifice any more of our time. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. FULBRIGHT. Mr. President, how much time have I remaining?

The PRESIDING OFFICER. The Senator from Arkansas has 2 minutes remaining.

Mr. FULBRIGHT. What happened to my 7 minutes? Every time I inquire as to how much time I have left, the time goes down by 5 minutes. I was not talking on my time. I was responding to a question by the Senator from Wisconsin. I did not yield myself any time to respond to the question. I do not see how I can possibly have used any time.

The PRESIDING OFFICER. The Chair's statement as to the remaining time is based on what the Parliamentarian advises the Chair.

Mr. FULBRIGHT. Perhaps his watch——

The PRESIDING OFFICER. All these discussions take a great deal of time.

Mr. DIRKSEN. It depends on whose time it is. The Senator from Arkansas did not yield any time.

Mr. MORSE. This is becoming ridiculous. I ask unanimous consent that the agreement be extended for an additional 10 minutes, with that time made available to the Senator from Arkansas.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. FULBRIGHT. I yield 1 minute to the Senator from Florida.

Mr. SMATHERS. Mr. President, I voted for this resolution in the Foreign Relations Committee yesterday, and I expect to support it when we vote in the Senate today.

In the committee I had the occasion to commend the Secretary of State Dean Rusk, Secretary of Defense Robert McNamara, the Chairman of the Joint Chiefs of Staff, General Wheeler, and—of course—the President of the United States, on the action which they took in response to the unprovoked, premeditated, and deliberate attacks made on our naval ships on the 2d of August and again on the night of the 4th of August.

The facts are indisputable. At the time of the first attack by the North Vietnamese PT boats on the U.S.S. *Maddox* on August 2, the U.S.S. *Maddox* was something in the neighborhood of 25 to 30 miles offshore operating in international waters in the Gulf of Tonkin. According to the testimony, the commander of the U.S.S. *Maddox* had some information that this attack might develop and he was seeking to avoid any contact with the PT boats, yet they pursued and overtook him, firing torpedoes at his ship and subsequently coming alongside and strafing him with .50-caliber machineguns.

The U.S.S. *Maddox* returned the fire, damaging seriously one of the PT boats. It was shortly after this occasion that we were briefed by the Department of Defense as to just what had transpired. Secretary McNamara told us of plans to continue to operate our naval ships in the international waters in the Gulf of Tonkin, and said that now the President had given orders for the ships and men not only to defend themselves, but to shoot to destroy. It was shortly after these orders went out that we were called to the White House and told of the second attack by a host of North Vietnamese PT boats against not only the U.S.S. *Maddox*, but the destroyer *C. Turner Joy* which was operating in conjunction with the *Maddox* some 65 miles from the nearest coast.

After all the facts were presented to us no responsible persons could arrive at any other conclusion than that the attacks were deliberate and intended to be provocative. When the President told us of his orders in response to the attack, it was agreed by all those present that our retaliation was appropriate. It was decisive; it was thorough; it was quick, and yet it was restrained and it was measured. The punishment fit the crime.

By such action the President of the United States made it clear that the United States was not going to have its ships, its men, or its flag, shot at or attacked anywhere in the world where we had a legal right to be without quick and decisive response. This action is, figuratively speaking, language which the Communists understand. If they made a miscalculation with respect to whether or not the United States was in truth and in fact, as their propaganda had insisted, a "paper tiger," they no longer suffer from such disillusionment. They now know for a certainty that we will respond totally and completely if necessary, to any unwarranted action they may take against us.

They now understand that we are concerned in southeast Asia through our membership in the SEATO Organization; and that our commitments there are totally concerned with protecting the newly independent countries of southeast Asia and assisting them in achieving freedom and democracy. They now know that we are not going to be bluffed or bullied out of our commitments to our friends and allies in that area of the world.

I, along with others, approved of this action by the President of the United States because I believe it signifies a long needed change in policy. It, in effect, states that there will never again be a haven behind which the Communists can hide after they have made attacks on us, such as existed in Korea, north of the 38th parallel.

If we should become involved in stepped-up military action in the Asiatic theater, and we of course hope and pray that we do not, but if we do, the Communists must understand that there will be no sanctuary from which their military forces can operate with impunity.

I hope and trust that those who would make these momentous decisions for the Communist world, would understand that the policy has changed.

Mr. President, I shall not delay the Senate longer. I am sure each Senator has his mind already made up. I am certain that a vast majority of Members of Congress on both sides of the aisle stand wholeheartedly behind this action taken by the President of the United States.

I am certain that every Member of the United States Congress who votes for this resolution recognizes that if we do not make such response—as we did in this recent instance against the North Vietnamese—there will be other more serious aggressions against us, and others in the free world. And the time would come when we would be forced out of international waters, and forced to retreat and run from our friends and allies around the face of the globe. This resolution makes it clear that we stand behind the President in a firm resolve to give whatever is required in time, substance, money or lives to the protection of those ideals of freedom which we hold so dear and for which this Nation has so long stood. I feel that each Senator who supports this resolution recognizes that in being true to our heritage we have no other course.

Mr. FULBRIGHT. I yield 5 minutes to the Senator from Illinois.

Mr. DIRKSEN. Mr. President, last night I read in one of the local newspapers a speculative article which undertook to give this subject something of a partisan cast. One of the expressions used was, "The President has done it again." That is an unfortunate speculation, because that was not involved in any of the discussions we have had about the joint resolution.

I attended the briefing at the White House. It lasted for almost an hour and a half. The whole case was laid on the table by the President, by the Director of the Central Intelligence Agency, by the Secretary of Defense, and by the Secretary of State. Thereafter, there was no limit on the amount of discussion or on the questions that any member of the joint leadership from both the House and Senate might have wished to propound, whether they were addressed to the Secretaries or to the President.

When the meeting was over, we discussed the content of a resolution, with the understanding that the resolution could be modified and simplified, if that were necessary or deemed desirable. That was the whole story.

Before we left the Cabinet room, the President asked every Member who was present whether he would give support to the resolution. Every Member responded. I am rather proud of the fact that every Republican who responded said that, speaking for himself and, hopefully, for the party, he would support the President in his determination to meet the crisis now before us in the South Pacific.

This is in line with every policy statement that the minority policy committee and the minority party have made with respect to foreign affairs. We have constantly emphasized that all we ask, when a decision is pending or a crisis is upon us, is to be consulted, to have an opportunity to offer alternative proposals and substitutes. When we have had our day in court and the decision has been made, we are prepared to abide by the decision and to demonstrate to the whole wide world that there is no division between the Executive and Congress in repelling aggression aimed at our forces wherever we are under protocol or treaty obligations. We have religiously adhered to that posture and that policy ever since.

The President could have taken this action in his own right as the Commander in Chief. He does not have to ask Congress about the deployment of troops, submarines, bombers, and fighter planes.

What is involved is a demonstration that the executive and legislative branches of the Government stand together in an hour of need and threat, and when there is peril in a section of the world that could easily jeopardize the entire free world.

I wished to make clear how the minority stands, and how it stood in that briefing session, and also when this subject was before the various committees of the Senate and House.

Mr. FULBRIGHT. Mr. President, I yield myself 5 minutes.

I wish to affirm what the distinguished minority leader has said. I was present at the briefings. There was not the slightest indication of any kind of partisanship in any sense. Back through the years, when similar resolutions have been under consideration, this has also been true. It was true when there was a Republican administration.

I cannot resist paying a compliment to the distinguished Senator from Illinois [Mr. Dirksen]. While on certain matters he is a great partisan leader, nevertheless, on all matters affecting the security of this country, matters which are comparable to this kind of situation, I have never seen him be partisan, either on the floor or off the floor of the Senate. He always rises above partisanship in dealing with problems that directly involve our security and reserves his partisanship, as all of us do, for less profound subjects than those which threaten the security of our country. This is, of course, normal and demonstrates the distinction between foreign relations and domestic relations.

I did not see any such article as that to which the Senator from Illinois has referred; but if there was such an article, it was entirely in error, because there was no partisanship, and none is involved in this measure.

Now I wish to say a word or two about the House joint resolution. It passed the House by a vote of 414 to 0. I do not believe that in a democracy unanimity is always necessary. Certainly, it is not necessary when we are dealing with matters of substance involving domestic legislation, or even legislation dealing with foreign relations. However, in the expression of an advisory opinion of broad policy, which this resolution is, it is a happy and fortunate circumstance if there can be a high degree of unanimity. So I am much pleased by the House action. I hope the Senate will approach that unanimity, if possible.

I realize that we all have our apprehensions about what may happen in South Vietnam or elsewhere. But fundamentally, under our system, it is the President, as our representative in these activities, who must necessarily have the dominant role, however jealous we may be of our own privileges—and we rightly should be in many areas. But in dealing with the Nation's security or with threatened warfare, we must rely to a great extent on the decisions of the Executive. We always have a reserve power, when we see that the President has made a mistake. We can always later impeach him, if we like, if we believe that he has so far departed from the sense of duty that he has betrayed the interests of our country.

But essentially the joint resolution is an exhibition of solidarity in regard to the will and determination of this country as a whole, as represented in Congress, to support the broad policies that have been well announced and well described in the words of the President, both recently and in past months. We are exhibiting a desire to support those policies. That will have a strong psychological effect upon our adversaries, wherever they may be.

I believe the joint resolution is calculated to prevent the spread of the war, rather than to spread it, as has been alleged by some critics of the resolution. I have considered every possible alternative, both those that have been suggested on the floor of the Senate and elsewhere, and I still have come back to my own conclusion that the action that was taken; the resistance that was made in the Gulf of Tonkin; the joint resolution adopted in committee; and all our actions in this connection, are best designed to contribute to the deterrence of the spread of war.

No one knows, in this uncertain world, whether the war will spread. It could easily spread because of the determination of our adversaries, in spite of anything we might do. But I sincerely believe that this action, taken with such general support by both Houses of Congress, will result in deterring any ambitions or reckless adventuresome spirit on the part of the North Vietnamese or the Communist Chinese. So I ask and hope that Members of this body will support the joint resolution.

Mr. President, I ask unanimous consent to have printed at this point in my remarks certain editorials relating to this subject.

There being no objection, the editorials were ordered to be printed in the Record, as follows:

[From the New Orleans (La.) Times-Picayune, Aug. 5, 1964]

Intentions in the Gulf of Tonkin

Whatever the Vietcong attack on the U.S. destroyer *Maddox* may mean about Communist intentions in southeast Asia, the decisive response it sparked both aboard the warship and in the White House underscores the clear American intention to stick by its commitments in that troubled area.

While viewing the incident as serious, U.S. officials were not sure what it portends. It might have been a hapless joy ride undertaken by a trio of thrill-seeking patrol boat jockeys. It might have been a tactical maneuver, a planned one-shot probe to test

U.S. reflexes in a sensitive location. It might have been the opening gambit in a drive to insulate coastal supply lines between militarily important Luichow Peninsula of Red China and North Vietnam. Or it might have been a political play to forestall pending division in the Communist ranks by increasing tensions in a vital area of conflict between East and West.

Against this range of possibilities, the U.S. response was at once appropriate and cautious. The *Maddox*'s counteraction against the three attacking torpedo boats and President Johnson's shoot to kill order illustrate the importance the United States attaches to continuance of patrols in the Gulf of Tonkin. That waterway has significant strategic importance as a line of supply for men and material in support of guerrilla activities in South Vietnam. And it offers the readiest access for assault on supply links into North Vietnam.

Orders to bolster and defend the naval positions there seem to mean that the United States intends to stay right on the job.

[From the Richmond (Va.) Times-Dispatch, Aug. 6, 1964]

THE MOMENT OF TRUTH

If the ghost of John Foster Dulles were lurking in the wings of the world stage at this climactic moment, he would smile grimly to see his policy of brinkmanship implemented by the very liberals who denounced his basic premise; namely, that the United States must dare to go the very brink of war in order to halt the expansion of Red imperialism.

President Johnson's statements of the past 2 days revealed the deep reluctance of the United States to risk a major war. But he paraphrased Dulles' contention when he said that "aggression unchallenged is aggression unleashed."

It is reassuring to learn that our NATO and SEATO allies, with the tentative exception of France, agree that the instant retaliation ordered by Mr. Johnson was unavoidable. Yet they expressed hope that Red China will realize the futility of provoking a military showdown certain to occur, should Peiping decide to overrun southeast Asia.

Whether she will do so depends to a great extent on whether Moscow considers the time propitious to revert to Stalinism, throw in her lot with Red China, and shoot the works in a desperate gamble to destroy Western capitalism and clear the track for a Communist takeover of the globe.

Moscow's temptation to do so cannot be dismissed, but it is highly doubtful that Khrushchev—and Mao, for that matter—would risk counterrevolutions. The peoples of East and West equally dread a nuclear war that would exterminate millions and, in all likelihood, condemn survivors to a painful, lingering death on a nuclear-contaminated planet.

For the time being, Moscow has worded its comments obliquely. Tass, as the Kremlin's mouthpiece, has stated that competent Soviet circles resolutely denounced the U.S. retaliatory attack on North Vietnam as absolutely unjustified. Under the circumstances some such gesture was to be expected. It is to Moscow's advantage to retain at least a perfunctory alliance with Peiping, if only to keep the West off balance, and Russian nuclear weaponry as a bargaining counter in negotiations over Berlin, Cuba, and her European satellites.

"Truth is the first casualty," in any war, as history has redundantly proved. The North Vietnamese propagandists claim that our report of a second attack on U.S. destroyers was a fabrication. Peiping's New China News Agency denounced Johnson's order to bomb North Vietnam bases as a move to enhance his position in the forthcoming presidential election.

Both claims are palpably false; the first, because the approach of North Vietnam's torpedo boats within range of the *Maddox* and *Joy* proved their intention to invite return fire; the second, because the President's decision to attack North Vietnam naval bases was approved by leaders of both parties and by Senator GOLDWATER, Mr. Johnson's opponent in the November elections.

As the President said yesterday, at Syracuse, in this crisis—"We are one Nation, united and indivisible."

[From the Atlanta (Ga.) Constitution, Aug. 4, 1964]

POLITICAL MATURITY AS WELL AS OUR NAVY ARE TESTED IN TROUBLED ASIAN WATERS

The unprovoked North Vietnamese attack on the American destroyer *Maddox* was a test both of our naval preparedness and the maturity of our diplomatic judgment.

Happily, we came through both tests with flying colors.

The *Maddox* herself was undamaged, but she and Navy jets scored hits on two of the PT marauders. The third was stopped cold.

Diplomatically, we forcefully restated our position in southeast Asia, and President Johnson backed it up with orders for a beefed-up Navy force.

But the President, for the time being at least, declined to let the incident trigger carrying the war into North Vietnam.

The difficulties of conducting a wise foreign policy and a presidential election at the same time are well illustrated by the incident. After repeated sniping from the why-not-victory crowd, the President must have been tempted to order direct retaliation on North Vietnam. But because of the delicate involvement of Vietnam in the entire southeast Asia problem, Mr. Johnson exercised restraint.

The time may indeed come when there is no honorable alternative to retaliation on North Vietnam's land bases. We should never fail to make that clear to the Communists.

In the meantime, however, President Johnson and the Navy have made our position plain:

U.S. ships have a right to sail in international waters. They will defend that right with immediate return of fire against any attacking vessel.

North Vietnamese are probing America for any signs of weakness and dissension during this political year. It is to be hoped that none of our homegrown politicians give the Reds any comfort with scatterbrained proposals.

[From the Los Angeles (Calif.) Times, Aug. 6, 1964]

UNITED STATES ANSWER TO AGGRESSION

The U.S. response to what President Johnson called deliberate and unprovoked attacks on American destroyers in the Gulf of Tonkin was fitting in selectivity, proper in application, and—given the clear, long-standing statement of U.S. intentions—inevitable in delivery.

There is not the slightest doubt that further attempts by the Communists to interfere with U.S. ships in international waters or U.S. planes in free skies will be met with retaliatory blows of equal promptness and severity.

As the President made plain in both his address to the Nation Tuesday night and his talk at Syracuse University on Wednesday, the United States seeks no enlargement of the conflict. But this Nation is united in its belief that, in Mr. Johnson's words, "there can be no peace by aggression and no immunity from reply."

We Americans have also the solemn compulsion to face the fact that the Communists, by their attack on American vessels in international waters, have themselves escalated the hostilities—an escalation we must meet. Thus the struggle in southeast Asia inevitably will become deadlier. At least now the cause is clear and we know what we are doing and why we do it.

The motives behind North Vietnam's deliberately aggressive acts are for the moment obscure. It must have been clear to both Hanoi and Peiping that shooting at U.S. ships would not frighten the 7th Fleet out of Tonkin Gulf. Nor, it should have been equally clear, would these acts be permitted to go unpunished.

The destruction of Red antiaircraft batteries in Laos 2 months ago after U.S. planes were shot at should have been ample proof of this.

Perhaps the North Vietnamese and Chinese were counting on U.S. retaliation as a lever to force greater Soviet commitment to the Communist side, in the belief that regardless of doctrinal differences the Russians would stand with their fellow Communists in the event of a showdown with the United States.

Perhaps the attacks were part of an overall strategic plan, timed to coincide with stepped-up ground activities in South Vietnam.

Or perhaps the intent was simply to gain a propaganda victory by a quick humiliation of vaunted U.S. seapower.

In any case the North Vietnamese challenge has been answered, and the United States has shown that any further attempt to escalate the conflict will indeed result in what North Vietnam has called grave consequences.

The Communists may believe that domestic U.S. policies precludes our taking effective action in southeast Asia. They are wrong. Senator GOLDWATER's statement Tuesday night and the response in Congress have shown that, as the President noted, "there are no parties—and there is no partisanship—when our peace or the peace of the world is imperiled by aggressors in any part of the world."

The crisis continues, and in the days ahead may intensify. U.S. strength in the area is being increased, a further earnest of our intentions to challenge any aggression. As the quickly mounted, multipronged strikes against the North Vietnamese naval installations proved, the United States has the power as well as the will to destroy selective targets on a controlled basis. Whether that power will be again used is very much up to the Communists.

[From the Washington (D.C.) Evening Star, Aug. 4, 1964]

SHOOT TO DESTROY

It is difficult to understand why the North Vietnamese would want to provide a clash with the U.S. 7th Fleet.

In any such encounter the odds would be overwhelmingly against the attackers. They have no naval force which would stand a chance in a sea engagement, and if they were to damage or sink a U.S. ship on the high seas this would amount to an engraved invitation for a counterattack against North Vietnam.

The fact remains, however, that three PT boats did attack the destroyer *Maddox* while the latter was on patrol in the Gulf of Tonkin, and there seems no doubt that the Communist ships came out of a North Vietnamese base.

In these circumstances, the President's response, it seems to us, has been appropriate. He has instructed the Navy to continue its patrols in the gulf, to add another destroyer to the patrol, to maintain fighter plane cover over the destroyers, and, most significantly, to shoot with a view to destroying any attacking force. This last reflects a major policy change since previous instructions to the

Maddox had been to defend itself if attacked, but not necessarily to destroy the attacker.

It seems unlikely that Hanoi, in the face of these beefed-up defensive measures, will permit any further attacks on American ships steaming in international waters. If the contrary should prove to be the case, however, the North Vietnamese would be solely responsible for the consequences—and we hope the consequences, if need for retaliation arises, will be severe.

[From the New York (N.Y.) Times]

Warning to Hanoi

President Johnson's response to the North Vietnamese attack on the destroyer *Maddox* contained the right mixture of firmness and restraint. No reprisals are being undertaken. But a strong diplomatic protest is being combined with military measures that should discourage Hanoi from further attacks, if any are planned. American naval forces in the Tonkin Gulf area are being strengthened. And they now have orders to destroy any forces that attack them, rather than merely to drive them off.

It must be hoped that this first attack by North Vietnam on the U.S. 7th Fleet was an error. South Vietnam's small naval forces have staged a number of raids on the North Vietnam coast. One theory in Washington is that the American destroyer, as seen on North Vietnamese radar, may have been taken for a similar South Vietnamese ship. Another theory is that the incident may simply have been the trigger-happy response of a North Vietnamese patrol, or its command, to an encounter with an American vessel near coastal waters. There have been other recent indications of North Vietnamese nervousness, following talk in Saigon of extending the war.

But the possibility cannot be excluded that the torpedo boat strike was intended to be the first of a series designed, perhaps, to test Washington's determination to continue aiding Saigon. If that be the case, it is essential that Hanoi realize immediately that it has opened a Pandora's box.

North Vietnam's capability of injuring the 7th Fleet is small. The power of the 7th Fleet to damage North Vietnam is incalculable. Since this must be evident, nothing is more vital than for Hanoi to be left in no doubt about the American intention to remain in the Tonkin Gulf and to continue supporting South Vietnam's military effort. The President's action should convey this message clearly.

[From the Washington (D.C.) Post]

Sober Response

The administration has responded with a reassuring blend of firmness and balance to North Vietnam's attack on the destroyer *Maddox*. President Johnson reaffirmed the shoot-back orders which had led the *Maddox* to return the fire of the three Vietnamese torpedo boats, and he beefed up the 7th Fleet patrol in the international waters off the Vietnamese coast. At the same time he directed that a protest be made through one of the indirect channels available to this country in the absence of formal relations with Hanoi.

This sequence, no less than the calmness with which it was undertaken, should leave no doubt in Hanoi's mind about the intention of the United States to claim and exercise its right to cruise in international waters and to defend itself against any further unprovoked attacks. The President's actions should also leave no doubt that the United States is determined to use its great power wisely, to husband its strength unless and until there is appropriate military and political occasion for its employment, and to avoid being tricked or provoked into imprudence.

Naturally, it will be asked if the American reaction was adequate to the needs of the situation. These needs are, in our view, limited: the protection of American ships and men and the discouragement of further attacks. Premier Khanh of South Vietnam feels the United States must also act so as not to appear a "paper tiger." One can guess that others, perhaps thinking of different ends than morale in South Vietnam, will join him in extending the list of needs which require satisfaction.

There is nothing sacred about the President's restraint, to be sure, but we feel it was tailored well to the specific challenge and that it leaves the United States in a strong position, politically and diplomatically, to take more drastic action later if that should become necessary. In our view, it was sensible to treat the attack as a single incident or uncertain purpose, and not as the deliberate start of a campaign to tease the American Navy or provoke a David-Goliath confrontation with the might 7th Fleet. Hanoi's persistent efforts to pry the United States out of the Vietnam conflict argue against the latter view. The Communists must also consider that the advantages which accrue to guerrillas on land are largely lacking to maruaders by sea.

The difficulty of reading Hanoi's mind on this score is enhanced by the peculiar half-light of signal and security which shines on, but fails to illuminate, many moves by both sides in Vietnam. Of all the moves so lighted, those connected with proposals to carry the war to the North are the most delicate. Over the weekend the North charged that two islands had been shelled by American and South Vietnamese ships and that a border village had been hit from the air by American planes crossing over from Laos. These accusations were promptly rebutted by American officials, but they contribute to the atmosphere of danger and ambiguity that enshrouds the attack on the *Maddox*.

[From the Baltimore (Md.) Sun, Aug. 4, 1964]

On Warning

When the news of the North Vietnamese attack on the U.S.S. *Maddox* was flashed back to Washington early Sunday the administration decided to play the affair in low key. That posture was deliberate and studied. At home nerves already are on edge, and in southeast Asia tension is a standard component of the atmosphere. Because the raid on the patrolling destroyer was repulsed without American casualty, there was nothing to be gained from turning it into an emotional production. The news was made public in an announcement exemplary for its restraint, and in subsequent discussion the administration portrayed the attack as an incident of minor consequence.

There is a danger in such caution. It conceivably could encourage a rash enemy, thwarted once, to try again. If the North Vietnamese or any of their allies had found the American reaction deceptive, and had thought of new adventures, the President's fresh instructions to the Navy must make the prospect singularly unattractive. The White House has ordered the patrols in the Gulf of Tonkin to be continued with air cover and in doubled strength, and the Navy is directed to destroy any attacking force. In the future there can be no doubt as to the response.

The presence of American warships off the Communist coast is necessary to the defense of South Vietnam. It is a surveillance operation designed to detect any unusual movement of troops or supplies and to prevent any sudden Communist push. It is a perfectly legal patrol, and American ships have as much right to be there as in the high seas off Hampton Roads. No ship in international waters can be expected to endure attack without reprisal, and the Communists have been put on formal notice that American reprisal will be swift and devastating.

[From the Charlottee (N.C.) Observer, Aug. 6, 1964]

Mao Facing War-or-Peace Choice in Southeast Asia

For the second time in less than 2 years the United States—and perhaps the world—stands on the brink of major war.

Now, as in October 1962, there is no need to talk of national unity or national determination. These we have in full measure.

All the political leaders who have so recently been engaged in partisan strife, from Senator BARRY GOLDWATER on down, have thrown their support to the President without hesitation in a critical hour. Congress is speedily backing his hand.

Ugly as they are, the Mississippi murders, the northern race riots and the growing bitterness between races and between political factions, all these have been suddenly thrust into the shadows by gunfire and bomb bursts in the Far East.

We wait and watch while the deployment and use of vast destructive powers move toward a showdown, link by link.

The chain began with an incident which, in a tactical sense, would scarcely have rated mention in the annals of World War II. North Vietnamese patrol boats made torpedo attacks on the *Maddox*, a 7th Fleet destroyer on solitary and lonely patrol in the Gulf of Tonkin off North Vietnam. The *Maddox* acquitted itself well, and with the help of naval aircraft, damaged and drove off the attacking craft.

President Johnson responded with the kind of caution which is imperative in world leaders in the nuclear age. He issued a warning and ordered air and surface reinforcements to the scene. It was barely possible that the attack had not been authorized by the government of Ho Chi Minh.

Tuesday a new flash came, and all doubt was blasted away. The *Maddox*, the destroyer *C. Turner Joy* and supporting aircraft had fought off another attack, sinking two enemy boats and damaging two.

In every capital of the world, all lingering questions about timidity or excessive restraint were answered by President Johnson's response. The punishing air attack which he ordered against the coastal installations of North Vietnam constituted but one thing—a heavy punch on the nose of Asian Communists.

But as the President stated, it was a "limited and fitting" response. While force was met with superior counterforce, the options for broadening the conflict now rest in the lap of Mao Tze-tung, the real originator of Communist aggression in southeast Asia.

Given the Chinese sensitivity to loss of face, it will not be an easy blow to absorb. Yet Mao has the instincts of a thousand Chinese warlords before him who knew that canny restraint, or even evasion, was sometimes necessary in the presence of great danger.

We can only hope that Chinese wisdom outweighs Chinese sensitivity in the critical hours and days ahead. For with all bluff gone, the issue is joined and a bloody and destructive war is almost certain to come with any new Communist aggression.

[From the Los Angeles (Calif.) Times, Aug. 6, 1964]

U.S. Answer to Aggression

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As the President made plain in both his address to the Nation Tuesday night and his talk at Syracuse University on Wednesday, the United States seeks no enlargement of the conflict. But this Nation is united in its belief that, in Mr. Johnson's words, "there can be no peace by aggression and no immunity from reply."

We Americans have also the solemn compulsion to face the fact that the Communists, by their attack on American vessels in international waters, have themselves escalated the hostilities—an escalation we must meet. Thus the struggle in southeast Asia inevitably will become deadlier. At least now the cause is clear and we know what we are doing and why we do it.

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The destruction of Red antiaircraft batteries in Laos 2 months ago after U.S. planes were shot at should have been ample proof of this.

Perhaps the North Vietnamese and Chinese were counting on U.S. retaliation as a lever to force a greater Soviet commitment to the Communist side, in the belief that regardless of doctrinal differences the Russians would stand with their fellow Communists in the event of a showdown with the United States.

Perhaps the attacks were part of an overall strategic plan, timed to coincide with stepped-up ground activities in South Vietnam.

Or perhaps the intent was simply to gain a propaganda victory by a quick humiliation of vaunted U.S. seapower.

In any case the North Vietnamese challenge has been answered, and the United States has shown that any further attempt to escalate the conflict will indeed result in what North Vietnam has called "grave consequences."

The Communists may believe that domestic U.S. politics precludes our taking effective action in southwest Asia. They are wrong. Senator GOLDWATER's statement Tuesday night and the response in Congress have shown that, as the President noted, "there are no parties—and there is no partisanship—when our peace or the peace of the world is imperiled by aggressors in any part of the world."

The crisis continues, and in the days ahead may intensify. U.S. strength in the area is being increased, a further earnest of our intensions to challenge any aggression. As the quickly mounted, multipronged strikes against the North Vietnamese naval installations proved, the United States has the power as well as the will to destroy selective targets on a controlled basis. Whether that power will be again used is very much up to the Communists.

[From the Chicago (Ill.) Tribune, Aug. 6, 1964]

MR. STEVENSON SPEAKS FOR AMERICA

Ambassador Adlai E. Stevenson's calm and lucid discussion before the United Nations yesterday of Communist torpedo attacks upon American warships off the coast of North Vietnam provided the American people with an understanding of the crisis in southeast Asia which, until he spoke, had been sadly lacking.

President Johnson, in his address to the Nation Tuesday night and in his speech yesterday at Syracuse University, had asked unity in support of American firmness. He is more likely to get it now that Mr. Stevenson has stated the facts and explored the Communist motives.

As our spokesman told the U.N. Security Council, the attacks by North Vietnamese patrol torpedo boats in international waters—the first 30 miles offshore and the second more than 60—were senseless in themselves. But, said Mr. Stevenson, taken as part of a larger pattern, they disclosed a relentless determination by the Communists to subjugate the whole of the area by terror and force.

In this enterprise, he emphasized, the Ho Chi Minh regime in Hanoi could not be considered to be acting alone. It was teamed up with and supported by Communist China in a systematic violation of the Geneva accord of 1954 which was supposed to guarantee the peace of the countries which formerly composed French Indochina.

Mr. Stevenson said that these aggressors must be taught that their criminal methods would not pay. He said that the American reprisal air raids against Communist torpedo boat flotillas, their bases, and their oil depots were limited in intention, designed to correct the mistaken Communist impression that the United States would hold still for any brazen act of piracy.

If Peiping and Hanoi get the message and put into practice the agreements to which they are honorbound under the Geneva accord, the Ambassador said, southeast Asia could look forward to peace. But not until there are visible proofs that the Communists intend to cease their aggressions on land and sea and leave their neighbors in peace would the United States find it possible to withdraw its forces from that part of the world.

Mr. Stevenson repeated what President Johnson had said—that the United States does not want any wider war. He went beyond that to say that the United States does not want war at all, and there would be no war in southeast Asia if the Communists, in violation of their Geneva pledges, were not making it.

The Russian spokesman, who followed Mr. Stevenson, made the usual Soviet effort to befog the issue by calling for an appearance by North Vietnam before the Council. That country is not even a member of the United Nations, and the only purpose would be to fill the air with propaganda.

We have felt all along that the American people will support the policy of this or any other administration as long as they know what it is and what is at stake. Until now, the administration has created most of its difficulties in winning public confidence by its own failure to deal honestly with the people.

When its Pentagon spokesman has declared the existence of a policy of "news management" and has spoken of news as "weaponry" available to the President, adding that is the right of a government "to lie to save itself," it is hardly inviting the confidence of the people.

Mr. Stevenson has put Communist piratical acts and the systematic campaign to conquer South Vietnam and Laos in clear perspective. His unadorned recital of what has happened and is happening in southeast Asia will go a long way toward persuading the people that they now are informed about Communist objectives and the purpose of American counteraction. The Washington administration should be relieved that its brief was given such effective presentation.

[From the Wall Street Journal, Aug. 6, 1964]

THE PRESIDENT'S DECISION

Everyone hopes the President's decisive move in ordering limited retaliation against North Vietnam will cause the Communists to abandon their forays in the Gulf of Tonkin and perhaps rethink their whole war effort. Yet, decisive though this U.S. reaction was, an aura of indecisiveness still clouds important questions on both sides of the struggle.

While Communist intentions can only be a matter of speculation, it may be that the Reds' own uncertainty about how far to push the war inspired the attacks on the 7th Fleet. At least it seems reasonable to interpret the attacks as a probing action designed to gage the American response; for a long time no one could be sure how strongly the United States would prosecute the defense of South Vietnam. Now the Communists have part of the answer, though what they will make of it is something else again.

It is possible Communist China and its allies have decided now is the time for a showdown with the United States, but their own past behavior suggests otherwise. They did not push Korea to the bitter end. They did not mount an all-out attack on Taiwan. They did not pursue the harassment of Quemoy and Matsu to the point of major hostilities.

In Vietnam itself, of course, the Red tactic has been guerrilla warfare—incessant probes for weakness, if you like—rather than frontal assaults, and so far there has been relatively little evidence of direct Chinese participation. Since this type of warfare has been increasingly successful for them, it seems likely they will continue to step it up despite their stern rebuff in the Gulf of Tonkin.

That prospect leads us to the remaining areas of uncertainty about the U.S. position. It seems beyond doubt that the Government has decided to stay in Vietnam. It seems further that a decision has been reached to make a stronger stand—advocated, perhaps not so incidentally, by Senator GOLDWATER. Even before this week's naval engagements, it was planned to beef up the American forces in South Vietnam.

But if the war aim is to rid South Vietnam of the Communists once and for all, how is it to be accomplished? It certainly is not being accomplished now. Will it be necessary to intervene in much greater force and finally take over the direction of the war from the Vietnamese generals?

Anything along that line faces serious obstacles. Those generals are jealous of their prerogatives. The political instability in Saigon is so bad that talk is heard of yet another coup. Many of the people are far from dedicated to the fight against communism and indeed an undetermined number in the countryside are evidently sympathetic to the Communist Vietcong guerrillas.

Even if it is possible to extirpate the Communists with a major undertaking, it is difficult to see how future infiltration could be prevented. At any rate, it would seem to require a very large force to seal off the various and fluid borders, and the force might have to remain indefinitely, as in Korea.

Perhaps the Pentagon has effective answers to all these questions, but our Vietnamese involvement to date does not lend much support to that hope. Indeed, the history of that involvement has been marked by indecisiveness and confusion. The United States has drifted deeper and deeper into the war, without even appearing to know how to achieve its aims or always knowing what the aims were.

For some time, however, the course of events has itself narrowed the range of indecision. That is, the failure of small-scale "advisory" action has led to progressively fuller participation and mounting American casualties until now we are at the point of limited action against North Vietnam. Unless the Communists are deterred by that, it seems only too probable that the process will continue until we are committed to doing all that is necessary to get the Communists out.

Whatever actually happens, it is regrettable the United States is once again so enmeshed in so unpromising a venture. Yet we have gone so far that there appears no acceptable alternative. And if the President's order means the Government is at last on the road to firmness and decisiveness, it may be the best hope the circumstances offer.

[From the New York (N.Y.) Daily News, Aug. 6, 1964]

BACKLASH IN TONKIN GULF

The North Vietnam Reds on Tuesday mounted their second PT boat attack on U.S. warships in the Gulf of Tonkin.

Thereupon, President Lyndon B. Johnson remembered that he is a Texan, or gave a thought to Senator BARRY GOLDWATER's repeated "Why not victory?" cracks, or both.

Anyway, the President ordered our Far East air and sea forces to backlash fittingly at the North Vietnam Reds.

Our men carried out this assignment yesterday, superbly.

U.S. naval aircraft destroyed or damaged 25 North Vietnamese PT boats, hashed up 5 torpedo bases, and wrecked the big oil storage depot at Vinh, in North Vietnam.

Cost to us: two planes and their pilots, may they rest in peace.

Unless the North Vietnamese take some more pokes at us, this backlash will be our last, according to present plans. The President said we want no wider war, in his dramatic TV-radio address to the Nation late Tuesday night.

The great majority of Americans, we believe, heartily approve all this; and we think Congress should endorse it after adequate debate.

And it is reassuring to see our Far East forces get set for whatever may grow out of the episode.

North Vietnam President Ho Chi Minh is obviously hopping mad over this unexpected singe dealt by us to his wispy whiskers. He may try to get hunk; Red China may try to help him.

Both of the Communist governments' press and radio mouthpieces are making big talk about how they will soon be coming around to get revenge for yesterday's U.S. air strikes.

In that event, it may be our heaven-sent good fortune to liquidate not only Ho Chi Minh but Mao Tse-tung's Red mob at Peiping as well, presumably with an important assist from Generalissimo Chiang Kai-shek and his Nationalist Chinese forces on Taiwan (Formosa).

[From the Providence Journal, Aug. 6, 1964]

"WE ARE ONE NATION, UNITED AND INDIVISIBLE"

In the short but calmly strong address in Syracuse, President Johnson restated this country's simple formula for the restoration of peace in southeast Asia. He also made it abundantly clear that in the current crisis, there are no parties and no partisanship dividing the American people.

What Mr. Johnson offered as a formula for peace in southeast Asia is essentially the same formula to which President Eisenhower and the late President Kennedy dedicated their efforts: the governments in that part of the globe ought to follow international agreements already supposed to prevail.

The President urged the governments there to leave each other alone, to settle their differences peacefully, and to "devote their talents to bettering the life of their peoples by working against poverty and disease and ignorance." "Peace requires that the existing agreements in the area be honored."

"To any who may be tempted to support or to widen the present aggression" by North Vietnam, he said, "I say this. There is no threat to any peaceful power from the United States, but there can be no peace by aggression and no immunity from reply. That is what is meant by the action" taken by the Navy.

Having made plain "to the people of all nations" the reasons for this Nation's course of action in recent days, the President made it equally plain that, for Americans, this is no time for politicking with crisis. Congressional support of the President yesterday dramatized this fact.

"Let no friend needlessly fear and no foe vainly hope that this is a nation divided in this political year," he said. "Our free elections—our full and free debate—are America's strengths, not America's weaknesses * * *. We are one nation, united and indivisible; united and indivisible we shall remain."

There was strength of purpose and calmness of language in the President's brief message. But there also was clarity and eloquence. There will be plenty to debate in the coming campaign, but in the face of savage threat to "our peace and the peace of the world," there is solid national unity.

[From the New York Journal-American, Aug. 6, 1964]

ACTION IN THE EAST

President Johnson has acted with appropriate firmness and dispatch in ordering retaliatory action against North Vietnam for its attacks on U.S. naval vessels on the high seas.

There is no doubt the overwhelming sentiment of the Nation is behind him. This was swiftly expresed in terms of bipartisan congressional support and included a special statement from Senator BARRY GOLDWATER.

The salient fact of this grave development in the Far East is this: the Comunists have changed the ground rules of the continuing struggle in the Far East—and now cannot unchange them. Nor should the United States, in its show of firmness, seek to unchange them.

Before the attack by North Vietnamese torpedo boats on American destroyers patroling the Gulf of Tonkin, the "rules" were clear. They specified that North Vietnam was a supplier of men and arms to Red guerrillas in South Vietnam. They specified that the United States would train and advise the forces of South Vietnam in operations against those guerrillas.

Now the North Vietnamese Government, or perhaps the Peiping Government, has apparently decided on a broader confrontation. The manipulators have thus forced the United States to raise its own sights, too. And it is too early to foresee the consequences of this sudden escalation of war in the Far East.

However, now that our sights are thus adjusted, perhaps the issue of quelling Communist imperialism in the area is closer at hand than before. Perhaps now the vast power of the United States will be brought to bear to enforce peace in the Far East.

The aim of the United States in its blows against North Vietnam is not to spread conflict and not to engage in a major war, nor should it be.

The aim is peace—peace instead of unprovoked assault on the high seas, peace instead of armed attempts to overthrow legitimate governments and peace instead of the outlaw behavior of regimes contemptuous of the fate of millions.

[From the New York Post, Aug. 6, 1964]

THE U.N. AND VIETNAM

Clearly the United States does not seek a wider war. Let us hope Asia's Communists do not either. The initial Soviet response, as given by Tass, was quite restrained. While deploring U.S. "aggressive actions," the statement avoided committing Moscow to doing anything about them.

At the U.N., the Soviet delegate was equally restrained. His request that a representative of North Vietnam be invited to participate was doubly significant.

It served to suggest that Moscow did not know what its Communist brethren in Asia were up to. It also set up interesting possibilities of dividing Hanoi from Peiping.

Whatever Russia's motives, there is every reason to invite North Vietnam.

"It is a solemn responsibility," said President Johnson Tuesday night when he disclosed an air strike was in progress, "to have to order even limited military action by forces whose overall strength is as vast and as awesome as those of the United States."

That awesome strength makes it all the more baffling that the North Vietnamese should be seeking to provoke us. Direct contact with the representatives of Hanoi may shed some light on this.

North Vietnam may not like our vessels' presence in the Tonkin Gulf. The Communists have always been sensitive about their frontiers—almost to the point of paranoia. But neither does the United States exactly welcome electronically equipped Soviet vessels carrying on continuous surveillance off Cape Kennedy.

But we put up with it. The right of ships to voyage on the high seas is incontestable. The response of the United States was wholly predictable. The question remains: Why did Hanoi do it?

The more basic question, however, is where are we heading in Vietnam? Are we being sucked into a dark tunnel from which there may be no egress?

Ambassador Stevenson eloquently stated our case. But it was a limited brief, largely restricted to justifying our air strikes under the right of self-defense set forth in article 51 of the U.N. Charter.

We owed this explanation to the U.N. But the U.N. should be more than a sounding board.

The smaller nations, those not directly involved in the dispute, and therefore capable of some detachment, should be encouraged to come forward with proposals for mediation, perhaps conciliation.

Several weeks ago U Thant called for a new Geneva conference. If the parties involved in the war could reach an agreement, Thant said, the U.N. could play a role in seeing that the agreement was carried out. "Even at this late hour," he suggested, means might be found to end the war.

Nothing happened. The United States is again perilously close to a major military venture on the Asian mainland. Surely before we venture further, a major effort should be made to open up channels of communication with our adversaries.

"Blessed are the peacemakers," said President Johnson in June, quoting the Bible in a foreign policy speech that coupled firmness with an olive branch.

Provocative as the Communists have been, that still remains true.

EDITORIAL REACTIONS TO ASIAN CONFLICT

(Following are excerpts from newspaper editorial comments on the situation in Vietnam.)

EAST

[From the New York News (independent)]

Backlash in Tonkin Gulf

Unless the North Vietnamese take some more pokes at us, this backlash will be our last, according to present plans. The President said we want no wider war, in his dramatic TV-radio address to the Nation late Tuesday night. The great majority of Americans, we believe, heartily approve all this; and we think Congress should endorse it after adequate debate.

And it is reassuring to see our Far East forces get set for whatever may grow out of the episode.

It may be our heaven-sent good fortune to liquidate not only Ho Chi Minh but Mao

Tse-tung's Red mob at Peiping as well, presumably with an important assist from Generalissimo Chiang Kai-shek and his Nationalist Chinese forces on Taiwan.

[From the Herald Tribune (independent Republican)]

The right response

Whoever planned the torpedo-boat attacks, for whatever purpose, stand warned. If they were probing the intentions of the United States, of Red China, of the Soviet Union, they at least know that the United States will resist aggression, and that it has the capability of doing so.

The controlled impact of the American counterblow has clearly made its impact on the world. From its friends this country has received such congratulations as that of Japan (very directly concerned with the problem of Communist expansion in Asia) and such encouragement as that of Britain in the Security Council. From the Soviet Union has come denunciation—but it is oddly perfunctory.

[From the Journal-American (independent)]

Action in the East

President Johnson has acted with appropriate firmness and dispatch in ordering retaliatory action against North Vietnam for its attacks on U.S. naval vessels on the high seas. There is no doubt the overwhelming sentiment of the Nation is behind him.

The salient fact of this grave development in the Far East is this: The Communists have changed the ground rules of the continuing struggle in the Far East—and now cannot unchange them. Nor should the United States, in its show of firmness, seek to unchange them.

Now the North Vietnamese Government, or perhaps the Peiping Government, has apparently decided on a broader confrontation.

[From Newsday (independent)]

Mild response

The North Vietnamese and their Chinese preceptors should now realize that we mean what we say: that further aggression will be countered by further, carefully directed force, and that the peace of southeast Asia can be reestablished overnight only if the Communists will cease meddling in the affairs of small nations that want to live at peace.

The purpose of the United States is to demonstrate that we are willing, as the President says, to face with courage and to meet with strength this challenge precisely as we did in Greece and Turkey, Berlin and Korea, Lebanon and Cuba.

On that platform for national defense, and for peace, the whole country can unite, regardless of political differences.

[From the Post (independent)]

The U.N. and Vietnam

North Vietnam may not like our vessels' presence in the Tonkin Gulf. The Communists have always been sensitive about their frontiers—almost to the point of paranoia.

But neither does the United States exactly welcome electronically equipped Soviet vessels carrying on continuous surveillance off Cape Kennedy. But we put up with it. The right of ships to voyage on the high seas is incontestable. The response of the United States was wholly predictable.

The question remains, why did Hanoi do it? The more basic question, however, is: Where are we heading in Vietnam? Are we being sucked into a dark tunnel from which there may be no egress?

The smaller nations, those not directly involved in the dispute and therefore capable of some detachment, should be encouraged to come forward with proposals for mediation, perhaps conciliation.

NEW ENGLAND

[From the Boston Herald]

Test of U.S. policy

The sudden flareup of hot war in Vietnam provides a vital test of the flexible defense strategy favored by the Kennedy-Johnson administration.

The next move is up to the Reds. If they seek a wider war, they can have it. Because of our flexible strength, because we are able to answer first in a limited and fitting way, the chances of avoiding a major showdown are good. The flexible defense strategy has given us options which may make a life-or-death difference for our generation.

[From the Hartford Courant (Republican)]

Red China blamed

As in Korea, when this country last stood up against military aggression, we may expect a world that often wonders about our maturity and responsibility to support our sharp but limited retaliation. Let us hope United Nations Security Council understands and does not temporize with a great threat to the peace it is its duty to preserve.

Most likely explanation of what has happened is that this is Red China's response to the American decision to step up its aid to South Vietnam and to all southeast Asia if need be, by way of countering increasingly successful North Vietnamese pressure southward.

MIDDLE ATLANTIC

[From the Newark Evening News]

After the storm

Whatever the intention, the attack and the precisely tailored response it has drawn serve to reinforce the conditions that must prevail before a realistic settlement can be attempted. Neither the United States nor any of its allies need, or will, settle for less freedom and more Communist encroachment in Southeast Asia. Negotiation is possible. It is desirable. But it must be more firmly rooted than in 1954 or 1962. Its results must be susceptible to more effective enforcement.

One dividend to be derived from the conflict in the Gulf of Tonkin is that the United States has demonstrated its capability of dealing with a variety of eventualities. However much they may rant and threaten in the dangerous days that lie ahead, our Communist adversaries cannot lose sight of that fact.

[From Philadelphia Bulletin (independent)]

The rapid concentration of our military might in the southeast Asia area for a major show of force lends great credence to the United States determination. The crisis in Vietnam has by no means ended, and, as Secretary Rusk said, the situation remains very explosive, but it seems to be dwindling, thanks to the clarity and forcefulness of our response.

SOUTH

[From the Washington Post]

Gratitude for Johnson

President Johnson has earned the gratitude of the free world as well as of the Nation for his careful and effective handling of the Vietnam crisis. The paramount need was to show the North Vietnamese aggressors their self-defeating folly in ignoring an unequivocal American warning and again attacking the American Navy on the high seas.

To a world sensitive to the uses of power by an American President, the crisis—the first major foreign-policy crisis faced by President Johnson—has found him not wanting in toughness or in nuance.

[From the Star (independent)]

"Paper tiger" rebutted

President Johnson's order to the 7th Fleet to bomb North Vietnamese PT boats and the facilities from which they operate is fully justified. What counteraction, if any, will come from the other side, remains to be seen. If they react forcibly, however it would be logical to expect some enlargement of the war against South Vietnam.

Our response to the PT-boat attacks should disabuse the Communist mind of the "paper tiger" fiction. But if the war in the South is stepped up we should not be content merely to hold our ground. Our purpose, as contrasted to Korea, should be to destroy the enemy and the sources from which his attacks are being mounted.

[From the Atlanta Constitution (independent Democrat)]

A test of will

The Communists apparently have decided to test our resolve, in southeast Asia and even the Congo, during this presidential election year. Quick action by both political parties and approval by GOP Nominee GOLDWATER shows there is no partisanship when the Nation's security is at stake.

We seek an honorable solution without war and welcome U.N. help, but we cannot negotiate the wanton violation of solemn treaty agreements to which we are a party.

[From the Journal (independent Democrat)]

We have made it clear

We have made our move in southeast Asia. We have replied with bombs on North Vietnam bases to deliberate attacks on our naval vessels in international waters. We have made it clear to the Reds in that part of the world that we have been pushed far enough.

Here we have done the sensible thing. It also happens to have been the honorable thing. Somewhere and some time a line had to be drawn. The Nation has been aware of this for a long time. It is a relief that this line finally has been drawn.

[From the Baltimore Sun (independent Democrat)]

There was no choice

It is not an easy thing to loose even a small fraction of the military power available to the Commander in Chief, but in this case there was no choice. In striking back at a time of grave provocation, the United States hoped not to spread the fighting but to pinch it off before it got out of hand.

The key to peace in Asia is hidden in Communist China, in the course it may essay alone, or with the encouragement of Moscow. Whatever the dangers, the United States will face them with the courage possessed only by those who are both free and strong.

[From the Louisville Courier-Journal]

War can be averted

The convincing show of the national unity on the war threat in Asia, met with speed, wisdom, and restraint by President Johnson, strengthening the possibility that a major war with Red China can be averted.

It leaves no doubt in Communist minds anywhere that if war is what they want, war is what they will get—a certainty that should bring even Peiping's fanatics to their senses unless they remain irresponsibly addicted to the opiate that only a major war can head the Sino-Soviet rift.

SOUTHWEST

[From the Houston Post]

Goldwater is quoted

There can be no question of support for the President's action. This support was aptly expressed by Senator BARRY GOLDWATER, with whom the President talked before telling the people what he planned to do.

Emphasizing his support of the President's action, the Republican presidential nominee said, "We cannot allow the American flag to be shot at anywhere on earth if we are to retain our respect and prestige."

Hopefully, the quick and decisive action by the United States will convince the world that we will carry out our commitments to all free people without seeking any wider war. Certainly the prompt support of Senator GOLDWATER should erase any doubts.

MIDWEST

[From the Chicago Sun-Times (independent)]

Whether events in Vietnam develop into full-scale warfare involving the United States now depends on what the Communists do next.

Whatever their motive for the suicidal attacks on American ships in international waters, they and all the world have learned—once again—that the United States does not become weak when divided internally by a presidential election campaign.

[From the Chicago Tribune (independent Republican)]

Unity is foreseen

Ambassador Adlai E. Stevenson's calm and lucid discussion before the United Nations yesterday of Communist torpedo attacks upon American warships off the coasts of North Vietnam provided the American people with an understanding of the crisis in southeast Asia which, until he spoke, had been sadly lacking.

President Johnson, in his address to the Nation Tuesday night and in his speech yesterday at Syracuse University, had asked unity in support of American firmness. He is more likely to get it now that Mr. Stevenson has stated the facts and explored the Communist motives.

[From the Milwaukee Journal (independent)]

Appeal for restraint

It may be that the North Vietnamese, with the backing of Communist China, were testing the American will. If so, they have their answer.

There is some danger that this country may tend to overreact to North Vietnamese stings because of our political situation. President Johnson has been under attack for what opponents call a "no win" policy in southeast Asia. He has been unwisely urged to escalate the war.

Under such circumstances, a President can be handicapped in making vital decisions. President Johnson will need courage and patience and restraint to keep the Nation from the wider war that he—and all who realize what modern war is—wish to avoid.

[From the St. Louis Post-Dispatch (independent Democrat)]

The guilt is shared

The two Communist naval attacks on units of the U.S. 7th Fleet, and the swift and devastating U.S. reply, need not and should not bring about an "escalation" of the struggle in Indochina.

This country plans no further belligerent action unless there is another attack; President Johnson and U.S. Ambassador Stevenson have made clear we want "no wider war."

It is true that if the Communists would abide by the Geneva political settlements peace and independence would be assured and military power could be withdrawn.

But the West is not guiltless in this respect, and there is not likely to be an end of the conflict short of a negotiated political settlement guaranteed by the big powers and, perhaps, supervised by the U.N.

[From the Cleveland Plain Dealer (independent Democrat)]

Warnings to Reds

North Vietnam's acts of aggression against U.S. ships in the Tonkin Gulf have been given a fitting response.

President Johnson, speaking yesterday in Syracuse, has solemnly warned there will be "no immunity to reply" from further aggression.

The meaning of the President's words is clear. There is no excuse for Hanoi or Peiping to misunderstand them.

[From the Indianapolis Star (independent)]

The proper reaction

President Johnson's decision to use full military action against Communist aggression in southeastern Asia is the proper reaction to the events of recent hours.

The attacks on U.S. naval craft in the Gulf of Tonkin appear to have been calculated provocations. To react in any way suggestive of fear or hesitation would simply invite more attacks. As long as we are involved in such a conflict, the only thing to do is try to win it.

MOUNTAIN STATES

[From the Denver Post (independent)]

Nixon's view backed

We are inclined to agree with Richard Nixon that these attacks were set up by the Chinese Reds to test U.S. reactions during the election campaign.

The Communists probably expected the Nation to be so split that the President would be afraid to react decisively to such attacks. This phenomenon of our political parties' interrupting bitter partisan warfare to close ranks whenever there is an outside threat to the Nation has baffled Europeans and Asians for years. But it is a rock-hard fact of American life.

PACIFIC

[From the Los Angeles Times (independent Republican)]

Conflict grows deadlier

Communists, by their attack on American vessels in international waters, have themselves escalated the hostilities—an escalation we must meet. Thus the struggle in southeast Asia inevitably will become deadlier. At least now the cause is clear and we know what we are doing and why we do it.

[From the Portland Oregonian (independent Republican)]

Old, familiar situation

If the facts are as represented, the American response was justified, even necessary.

What now, of the Communist response? Red China has a defense treaty with North Vietnam. So has the Soviet Union.

There is the possibility that the PT-boat attacks were designed to trigger the certain American retaliation against North Vietnam to provoke and force China's entrance to the war in southeast Asia. With each side charging aggression, the old, familiar situation which has led to other big wars has been created.

[From the San Francisco Chronicle (Republican)]

Answer to Peiping

The answer has been given. In the words of President Johnson, it was an unmistakable "positive" answer, and Peiping now knows that the U.S. forces in Vietnam can and will strike back effectively if attacked.

The principle is incontrovertible, and the measures thus far employed under it were sound and no doubt inevitable. It is the hope of world peace that they were also effective.

[From the Seattle Times (independent)]

Affront to U.S. dignity

No self-respecting nation could have permitted without retaliation the indignity of a second armed attack on its vessels in the face of a protest over the first such attack—least of all that nation which bears the principal burden of restraining Communist aggressors in all parts of the world.

[From the Philadelphia Inquirer, Aug. 7, 1964]

AS THE TENSION CONTINUES

One inevitable consequence of momentous events in southeast Asia the past few days is the necessity for American foreign policy experts to reassess the entire situation in that part of the world.

Although the basic U.S. objective—to preserve freedom and repel Communist aggression—remains the same, there will need to be major revisions in the planning and execution of methods to achieve the goal.

The Communists should have no delusions now about the overwhelming superiority of American naval power in the Far East—but on land it is a different story. For this reason, the great peril is that the Reds will step up their offensive in the jungles of South Vietnam and Laos where American destroyers, aircraft carriers and jet planes can't help much.

Meanwhile, as fresh policy studies proceed, and the U.S. military buildup in the Far East is accelerated in preparation for any eventuality, it is important for Americans to remain united behind President Johnson in this crisis and to be wary of any wishful thinking that the danger has passed. The North Vietnam dragon is nursing humiliating wounds. "Saving face" is very important in that part of the world.

Russia, apparently, is not anxious to encourage North Vietnamese attacks against the United States, as indicated by the relatively mild nature of official Soviet words emanating from Moscow and the United Nations. Red China, of course, is another matter. Peiping is always unpredictable. Mao is always dangerous.

Under existing circumstances it was shocking to have unity in Congress rudely shattered by Senator MORSE, of Oregon, a maverick Member of the President's own party, who charges that the trouble in southeast Asia "is as much the doing of the United States as it is the doing of North Vietnam." Mr. MORSE ignores all the facts in the case—notably the prolonged Communist aggression against Laos and South Vietnam and the unprovoked Red attacks on U.S. warships on the high seas.

In contrast to the ill-advised outburst by Senator MORSE was the prompt support given to President Johnson by Senator GOLDWATER in a spirit of bipartisan cooperation that is so essential in this grave time.

Facing up to all the new implications inherent in the radically altered situation in southeast Asia is a task that requires the best in all of us. This applies especially to those in positions of public responsibility who should dedicate themselves unstintingly to the task of doing whatever may need to be done to win the struggle for peace and freedom.

[From the New York Herald Tribune, Aug. 7, 1964]

AS OTHERS SEE THE TONKIN GULF

The Washington Post: "President Johnson has earned the gratitude of the free world as well as of the Nation for his careful and effective handling of the Vietnam crisis. The paramount need was to show the North Vietnamese aggressors their self-defeating folly in ignoring an unequivocal American warning and again attack the American Navy on the high seas. This Mr. Johnson did by means of a severe but measured response deftly fitted to the aggression; retaliation against the boats and bases used in the attack * * *.

"Most immediately, the reprisal rendered obsolete the old terms of the debate on whether to carry the guerrilla war in South Vietnam back to the aggressors in the north.

"To a capital and a world sensitive to the uses of power by an American President, the crisis—the first major foreign-policy crisis faced by President Johnson—has found him not wanting in toughness or in nuance. But the crisis has also pointed up the office of the Presidency as the single center of control and responsibility for American power.

"Military measures were only a part of President Johnson's response. He coordinated them with the other constituencies and communities of which he is the leader. He asked and got from Senator GOLDWATER a promise of nonpartisanship. The Senator, like the patriot he is, instantly forsook politics and stood by his side."

Pittsburgh Post Gazette: "In both his Tuesday announcement of the attack order and in his speech Wednesday at Syracuse University, the President stressed the limited nature of the American response to the gunboat attacks and the desire of the United States to avoid the tragedy of a wider war. Yet no one in Washington has any way of anticipating the thinking of officials in Peiping.

"In view of the serious danger to world peace from the broadened hostilities in southeast Asia, the United States has properly called for an emergency session of the United Nations Security Council to deal with the crisis. Hopefully, through the good offices of that agency and the good sense of responsible officials in various capitals and chancelleries, the ugly Vietnamese war can be kept from triggering an immeasurably more destructive wider conflict.

The Boston Globe: "President Johnson, speaking at Syracuse University Wednesday, enunciated the proposition that 'aggression unchallenged is aggression unleashed.' This striking phrase reiterated a principle that has long lain at the heart of American foreign policy and at the core of every international crisis, however complex it has seemed.

"Peiping, with an unsolved food problem, would like an excuse to move into the 'rice bowl' of Indochina. It might hope by a mass attack to leave the United States only the alternative of giving way or fighting a major—perhaps an all-out—war. Success would give the Chinese an immense advantage in the competition with Russia for the leadership of world communism.

"This country has moved fast to dampen any such hopes."

Christian Science Monitor: "Premier Nguyen Khanh of South Vietnam makes sense.

"He points out that President Johnson warned the Asian Communists against the "very dangerous game" they have been playing in southeast Asia. And that the Communist answer has now come. It is intensified war—both in South Vietnam and in torpedo boat attacks on an American destroyer off the North Vietnam coast.

"The immediate response from President Johnson was being announced in Washington even as the South Vietnamese Premier spoke in Saigon. It was the obvious response. The Navy was instructed to destroy any such attacker in the future.

"The United States is unavoidably going in further. The only questions are when and how far."

The Times, London: "The next step is left to the Communists, and in attempting to assess what it may be there are three guiding thoughts. The Americans, having made their counteraction, have issued no threats or ultimatums. The Communists are not forced against a wall. Secondly, the American reinforcements are enough to warn the Communists that any extension of the war would be highly costly and dangerous to them, as well as to others. And the third point: the Americans have, very rightly, put the whole matter to the Security Council."

The Guardian, Manchester: "The war will be won or lost in the south; and it would continue there if every military base in the north were pulverized. In fact, any extension of the war is likely to make the Vietcong more determined."

Frankfurter Allgemeine Zeitung: "The American revenge came unexpectedly fast and sharply * * * but still the retaliation of Washington did not get out of control. That is important."

Aurore, Paris: "In the Gulf of Tonkin it is Mao who is maneuvering with his docile satellite of North Vietnam and it is Khrushchev who is the target. How will Khrushchev get out of it?"

Vienna Volksblatt: "If Johnson rattles his saber a little it is mainly to show the electorate that he is not the defeatist and friend of Communists that GOLDWATER has made him out to be."

Mainichi Shimbun, Tokyo: "The United Nations is urged to act promptly in order to prevent the present conflict from developing into a full-fledged war."

[From the New York Herald Tribune, Aug. 7, 1964]

"BE IT RESOLVED—"

As Commander in Chief, President Johnson could, and did, order retaliatory action against North Vietnam for its unprovoked attacks upon American ships. That was a logical extension of the right of self-defense; speed was of the essence. But the continuing crisis in southeast Asia may call for other, more elaborate measures. It is sound policy to provide congressional indorsement in advance for such steps, both as an expression of the role of the legislature in the American system of government and, at least equally important, as a demonstration of American determination.

This dual role will be performed by the joint resolution to be voted today by both the Senate and House, approving the President's action and empowering him to "take all necessary steps including the use of armed force," to aid America's allies, to repel attacks upon U.S. forces, and prevent further aggression.

Red China has made it very clear that it considers North Vietnam's cause its own. It is very far from clear just what Peiping intends to do about it. But in the light of past history (in Korea, on the Indian border, along the Formosa Strait) it would be folly to brush the Red Chinese menaces aside. It would also be folly to assume that if action does not immediately follow on the threat the latter is empty.

Red China has not always made good its boasts. But it has hit hard in almost every case. It brags now that Indochina presents a far better field of military action for its teeming divisions than the Korean Peninsula, while no body of water separates China from Indochina as was the case with Quemoy, Matsu, and Formosa.

The United States and its allies, then, would do well to regard the threat from Peiping as a time bomb, which will only go off when the Red Chinese want it to. The best method of preventing an explosion is to impress, as strongly as possible, upon Mao Tse-tung and his band, that this country is prepared, physically and morally, to meet any thrust.

The joint resolution gives the President full backing for any preparations that the Armed Forces may require in the danger area. It does so publicly and unequivocally. At the same time, it gives voice to the American will. Indeed, it might be said that the most significant part of the measure is the formal preamble, which in this context is full of meaning: "Now, therefore, be it resolved."

Mr. MORSE. Mr. President, I yield the remainder of my time to the great statesman from Alaska [Mr. GRUENING].

Mr. GRUENING. Mr. President, yesterday, I made my views on the pending resolution known on the floor of the Senate, and they appear in the CONGRESSIONAL RECORD. There is no need to add to them, except to reaffirm them. It is a matter of deep regret for me that I cannot, on this major issue, support the resolution drafted by the Foreign Relations and Armed Services Committees in response to a message from the President to the Congress requesting such support.

I believe that President Johnson in his more than 8 months in office has shown himself to be a great President. I find myself in warm accord with most of his actions and declarations of policy. I intend to campaign for him after the adjournment of Congress.

Regrettably, I find myself in disagreement with his southeast Asian policy, and have repeatedly voiced my disagreement in the Chamber. The serious events of the past few days, the attack by North Vietnamese vessels on American warships and our reprisal, strikes me as the inevitable and foreseeable concomitant and consequence of U.S. unilateral military aggressive policy in southeast Asia.

I consider the action of the North Vietnamese in attacking our vessels as utterly stupid and outrageous, and our prompt retaliation justifiable and proper. But this is precisely the kind of episode that our unilateral and aggressive policy in southeast Asia would inevitably bring forth. That incident has in turn brought about the President's message and the responding resolution by Congress.

If this resolution merely affirmed its approval of the President's declared policy and action to respond to attacks on our fleet when in international waters, as he has responded, that would be one thing. I would gladly approve of such a resolution, as I approve of his action. But this resolution now before us, goes far beyond that. It not only endorses all our Government has done to date in southeast Asia, but also gives the President a blank check, not merely to do whatever he likes in South Vietnam, but, to quote the text of the resolution:

> To take all necessary steps, including the use of armed force, to assist any member or protocol state of the Southeast Asia Collective Defense Treaty requesting assistance in defense of its freedom.

That is, in effect, a predated declaration of war, if and when the Executive chooses, and war not merely in South Vietnam but in all southeast Asia.

Is that what the Congress intends?

That is what the Congress is doing.

We now are about to authorize the President if he sees fit to move our Armed Forces—that is, the Army, Air Force, Navy, and Marine Corps—not only into South Vietnam, but also into North Vietnam, Laos, Cambodia, Thailand, and of course the authorization includes all the rest of the SEATO nations.

That means sending our American boys into combat in a war in which we have no business, which is not our war, into which we have been misguidedly drawn, which is steadily being escalated. This resolution is a further authorization for escalation unlimited.

I am opposed to sacrificing a single American boy in this venture. We have lost far too many already.

I have repeatedly expressed my view which I now reiterate. That we should have been waging peace with the same energy and fervor with which we have been waging war.

I have asked, and ask again now, that instead of multiplying our Armed Forces and the resulting casualties, we request a cease-fire and seek, instead of hostile military action, a peacekeeping United Nations police force. I should be happy to see Americans as a part of that peacekeeping police force.

This procedure, as I have pointed out, has been successfully used on the Israel-Egypt border, and in the Congo. Why not try it in South Vietnam?

My time being short, I can only call attention to my earlier statement on this resolution and repeat that I cannot in good conscience support the pending resolution, which opens the door to unlimited unilateral war by our country in an area and for a cause which pose no threat to our national security, and in which no more American lives should be sacrificed.

Mr. MORSE. Mr. President, how much time remains to me?

The PRESIDING OFFICER. The Senator from Oregon has 8 minutes remaining.

Mr. MORSE. Mr. President, I shall not use all of that time. I wish only to correct a misapprehension that I was not able to cover in my speech earlier, but I wish to add one further point which I overlooked.

I was commenting on a Washington Post editorial which cited the Cuban resolution as being comparable to the pending resolution.

Last night, I pointed out that they are quite different resolutions.

I ask Senators to turn to page 18429 of the Congressional Record of August 6, where I inserted the Cuban resolution. It will be recalled that in discussion of the Cuban resolution the point was made, both in committee and on the floor of the Senate, that the resolution differed from the Middle East resolution and the Formosa resolution, in that it made no reference whatever to authorizing any power to the President of the United States. It was because of that that we were able to get support for the resolution. At the time of the Cuban resolution if there had been an attempt to give war making authority to the President, the resolution would not have received the votes it did. Some Senators announced that they would not support the resolution with such a clause in it. If we examine the resolution, we see that all it does is to set out the opinion of Congress as to what American foreign policy should be, vis-a-vis Cuba.

That is quite a different thing from giving the President any authority for a predated declaration of war in respect to Cuba, as this resolution does in respect to Asiatic problems.

I believe that history will record that we have made a great mistake in subverting and circumventing the Constitution of the United States, article I, section 8, thereof by means of this resolution.

As I argued earlier today at some length, we are in effect giving the President of the United States warmaking powers in the absence of a declaration of war.

I believe that to be a historic mistake. I believe that within the next century, future generations will look with dismay and great disappointment upon a Congress which is now about to make such a historic mistake.

Our constitutional rights are no better than the preservation of our procedural guarantees under the Constitution.

We are seeking by indirection to circumvent article I, section 8 of the Constitution. Senators know as well as I do that we cannot obtain a test before the U.S. Supreme Court of that attempt to grant warmaking powers to a President by a resolution because under this set of facts we cannot hail the President of the United States before the Supreme Court for a determination of such a question as to the unconstitutionality of the pending resolution.

I am sorry, but I believe that Congress is not protecting the procedural, constitutional rights of the American people, under article I, section 8 of the Constitution.

If the President of the United States, after Pearl Harbor, could exercise his inherent power in defense of this country, as every President has the right to do and then come before the Congress and ask for a declaration of war as Roosevelt did, then the pending regulation is not necessary. The President can come to Congress and ask for a declaration of war, as was done against Japan at that time. The President of the United States can now do likewise, if the time ever comes when the President must ask for a declaration of war against a country in Asia or anywhere else.

For the reasons I have set forth, I shall vote against the resolution.

Mr. President, I yield back the remainder of my time.

Mr. MANSFIELD. Mr. President, the senior Senator from Pennsylvania [Mr. CLARK] is necessarily absent today but has asked that he be recorded in favor of the resolution supporting the President's policies in Vietnam. The Senator would state, if he were here, that the United States was the victim of unnecessary provocation and that the United States was compelled to respond and, he would add, that it is essential for the country to unite behind the President at this time of crisis.

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of House Joint Resolution 1145, as a substitute for the Senate joint resolution.

The PRESIDING OFFICER. The Chair lays before the Senate a joint resolution coming over from the House, which will be stated by title.

The joint resolution (H.J. Res. 1145) was read twice by its title.

The PRESIDING OFFICER. Is there objection to the present consideration of the House joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

The PRESIDING OFFICER. The joint resolution is open to amendment. If there be no amendment to be proposed, the question is on the third reading of the joint resolution.

The joint resolution was ordered to a third reading, and was read the third time.

Mr. FULBRIGHT. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that the order for the quorum call may be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FULBRIGHT. Mr. President, I ask for the yeas and nays on the House joint resolution.

The yeas and nays were ordered.

The PRESIDING OFFICER. The joint resolution having been read the third time, the question is, Shall the joint resolution pass?

On this question the yeas and nays have been ordered; and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from South Carolina [Mr. JOHNSTON] and the Senator from Georgia [Mr. TALMADGE] are absent on official business.

I also announce that the Senator from New Mexico [Mr. ANDERSON] and the Senator from Massachusetts [Mr. KENNEDY] are absent because of Illness.

I further announce that the Senator from Nevada [Mr. CANNON] the Senator from Pennsylvania [Mr. CLARK], the Senator from Oklahoma [Mr. EDMONDSON], the Senator from Missouri [Mr. SYMINGTON], and the Senator from Texas [Mr. YARBOROUGH] are necessarily absent.

I further announce that, if present and voting, the Senator from New Mexico [Mr. ANDERSON], the Senator from Nevada [Mr. CANNON], the Senator from Oklahoma [Mr. EDMONDSON], the Senator from South Carolina [Mr. JOHNSTON], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Missouri [Mr. SYMINGTON], the Senator from Georgia [Mr. TALMADGE], the Senator from Texas [Mr. YARBOROUGH] and the Senator from Pennsylvania [Mr. CLARK] would each vote "yea."

Mr. KUCHEL. I announce that the Senator from Pennsylvania [Mr. SCOTT] is necessarily absent and, if present and voting, would vote "yea."

The result was announced—yeas 88, nays 2, as follows:

[No. 520 Leg.]

YEAS—88

Aiken
Allott
Bartlett
Bayh
Beall
Bennett
Bible
Boggs
Brewster
Burdick
Byrd, Va.
Byrd, W. Va.
Carlson
Case
Church
Cooper
Cotton
Curtis
Dirksen
Dodd
Dominick
Douglas
Eastland
Ellender

Ervin
Fong
Fulbright
Goldwater
Gore
Hart
Hartke
Hayden
Hickenlooper
Hill
Holland
Hruska
Humphrey
Inouye
Jackson
Javits
Jordan, N.C.
Jordan, Idaho
Keating
Kuchel
Lausche
Long, Mo.
Long, La.
Magnuson
Mansfield
McCarthy
McClellan
McGee
McGovern
McIntyre
McNamara
Mechem
Metcalf
Miller
Monroney
Morton
Moss
Mundt
Muskie
Nelson
Neuberger
Pastore
Pearson
Pell
Prouty
Proxmire
Randolph
Ribicoff
Robertson
Russell
Salinger
Saltonstall
Simpson
Smathers
Smith
Sparkman
Stennis
Thurmond
Tower
Walters
Williams, N.J.
Williams, Del.
Young, N. Dak.
Young, Ohio

NAYS—2

Gruening
Morse

NOT VOTING—10

Anderson
Cannon
Clark
Edmondson
Johnston
Kennedy
Scott
Symington
Talmadge
Yarborough

So the joint resolution (H.J. Res. 1145) was passed as follows:

Whereas naval units of the Communist regime in Vietnam, in violation of the principles of the Charter of the United Nations and of international law, have deliberately and repeatedly attacked United States naval vessels lawfully present in international waters, and have thereby created a serious threat to international peace; and

Whereas these attacks are part of a deliberate and systematic campaign of aggression that the Communist regime in North Vietnam has been waging against its neighbors and the nations joined with them in the collective defense of their freedom; and

Whereas the United States is assisting the peoples of southeast Asia to protect their freedom and has no territorial, military or political ambitions in that area, but desires only that these peoples should be left in peace to work out their own destinies in their own way: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress approves and supports the determination of the President, as Commander in Chief, to take all necessary measures to repel any armed attack against the forces of the United States and to prevent further aggression.

Sec. 2. The United States regards as vital to its national interest and to world peace the maintenance of international peace and security in southeast Asia. Consonant with the Constitution of the United States and the Charter of the United Nations and in accordance with its obligations under the Southeast Asia Collective Defense Treaty, the United States is, therefore, prepared, as the President determines, to take all necessary steps, including the use of armed force, to assist any member or protocol state of the Southeast Asia Collective Defense Treaty requesting assistance in defense of its freedom.

Sec. 3. This resolution shall expire when the President shall determine that the peace and security of the area is reasonably assured by international conditions created by action of the United Nations or otherwise, except that it may be terminated earlier by concurrent resolution of the Congress.

The preamble was agreed to.

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that Senate Joint Resolution 189 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEASING OF REAL PROPERTY BY POSTMASTER GENERAL

Mr. McNAMARA. Mr. President, I ask the Chair to lay before the Senate a message from the House on H.R. 9653.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H.R. 9653) to extend the authority of the Postmaster General to enter into leases of real property for periods not exceeding 30 years, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. McNAMARA. I move that the Senate insist upon its amendment.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Michigan.

The motion was agreed to.

TRANSACTION OF ROUTINE BUSINESS

By unanimous consent, the following routine business was transacted:

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1057) to promote the cause of criminal justice by providing for the representation of defendants who are financially unable to obtain an adequate defense in criminal cases in the courts of the United States.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

AMENDMENT OF FEDERAL CROP INSURANCE ACT

A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to amend the Federal Crop Insurance Act, as amended (with an accompanying paper); to the Committee on Agriculture and Forestry.

REPORT ON MILITARY CONSTRUCTION, AIR NATIONAL GUARD

A letter from the Deputy Assistant Secretary of Defense (Properties and Installations), transmitting, pursuant to law, a report on military construction, Air National Guard (with an accompanying report); to the Committee on Armed Services.

DISPOSAL OF CHROMIUM METAL, ACID GRADE FLUORSPAR, AND SILICON CARBIDE FROM THE SUPPLEMENTAL STOCKPILE

A letter from the Administrator, General Services Administration, Washington, D.C., transmitting a draft of proposed legislation to authorize the disposal of chromium metal, acid grade fluorspar, and silicon carbide from the supplemental stockpile (with an accompanying paper); to the Committee on Armed Services.

REPORT OF DIRECTORS OF FEDERAL PRISON INDUSTRIES, INC.

A letter from the Commissioner, Federal Prison Industries, Inc., Department of Justice, Washington, D.C., transmitting, pursuant to law, a report of that corporation, for the fiscal year 1963 (with an accompanying report); to the Committee on the Judiciary.

SUSPENSION OF DEPORTATION OF ALIENS—WITHDRAWAL OF NAME

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, withdrawing the name of David Yang from a report relating to aliens whose deportation has been suspended, transmitted to the Senate on July 1, 1964; to the Committee on the Judiciary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BAYH, from the Committee on the Judiciary, without amendment:

S. 1045. A bill for the relief of Mrs. Genevieve Olsen (Rept. No. 1332);

S. 2458. A bill for the relief of Lloyd K. Hirota (Rept. No. 1333);

S. 2750. A bill for the relief of Fred E. Starr (Rept. No. 1344);

H.R 1451. An act for the relief of Frank Mramor (Rept. No. 1337); and

H.R. 6883. An act for the relief of the estate of Eileen G. Foster (Rept. No. 1338).

By Mr. BAYH, from the Committee on the Judiciary, with an amendment:

S. 2133. A bill for the relief of Maj. Raymond G. Clark, Jr. (Rept. No. 1336); and

S. 2672. A bill for the relief of Robert L. Wolverton (Rept. No. 1335).

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. 2271. A bill for the relief of Shu Hsien Chang (Rept. No. 1341); and

S. 2790. A bill for the relief of Charles Chung Chi Lee and Julia Lee (Rept. No. 1342).

By Mr. EASTLAND, from the Committee on the Judiciary, with an amendment:

S. 2678. A bill for the relief of Dr. Victor M. Ubieta (Rept. No. 1343).

By Mr. EASTLAND, from the Committee on the Judiciary, with amendments:

S. 2759. A bill for the relief of Kim Sook Hee and Kim Lou (Rept. No. 1344).

By Mr. STENNIS, from the Committee on Appropriations, with amendments:

H.R. 11369. An act making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1965, and for other purposes (Rept. No. 1339).

By Mr. BIBLE, from the Committee on the District of Columbia, without amendment:

S. 2944. A bill for the relief of the Greater Southeast Community Hospital Foundation, Inc. (Rept. No. 1345);

H.R. 9975. An act to exempt from taxation certain property of the National Trust for Historic Preservation in the United States in the District of Columbia (Rept. No. 1346); and

H.R. 10215. An act relating to stick leave benefits for officers and members of the Metropolitan Police force of the District of Columbia, the United States Park Police force, and the White House Police force (Rept. No. 1347).

By Mr. McINTYRE, from the Committee on the District of Columbia, without amendment:

H.R. 6128. An act to amend section 15 of the Life Insurance Act to permit any stock life insurance company in the District of Columbia to maintain its record of stockholders at its principal place of business in the District of Columbia or at the office of its designated stock transfer agent in the District of Columbia, and for other purposes (Rept. No. 1348).

DEPARTMENT OF AGRICULTURE AND RELATED AGENCIES APPROPRIATION BILL, 1965—REPORT OF A COMMITTEE (S. REPT. NO. 1331)

Mr. HOLLAND. Mr. President, on behalf of the Committee on Appropriations, I send forward a favorable report on H.R. 11202, which is the annual appropriation bill for the Department of Agriculture and related agencies. We recommend that the bill be passed with various amendments which we recommend.

Mr. President, I also send forward an extensive report for printing. May I say to the majority leader that the very voluminous report of hearings on the bill has been printed and is available. The Committee will be ready to take up the bill on the floor of the Senate at such time as the majority leader may indicate.

The PRESIDING OFFICER (Mr. Salinger in the chair). The report will be received and the bill will be placed on the calendar.

REPORT ENTITLED "INTERSTATE TRAFFIC IN MAIL-ORDER FIREARMS"—REPORT OF A COMMITTEE—INDIVIDUAL VIEWS (S. REPT. NO. 1340)

Mr. DODD. Mr. President, from the Committee on the Judiciary I submit a report entitled "Interstate Traffic in Mail Order Firearms" pursuant to Senate Resolution 274, 88th Congress, 2d session, together with the individual views of the Senator from Michigan [Mr. Hart].

I ask unanimous consent that the report, together with the individual views, be printed.

The PRESIDING OFFICER. Without objection, the report will be received and printed, as requested by the Senator from Connecticut.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time and, by unanimous consent, the second time, and referred as follows:

By Mr. KEATING:

S. 3089. A bill for the relief of Dr. Haroutun M. Babigian; to the Committee on the Judiciary.

By Mr. KEATING (by request):

S. 3090. A bill for the relief of Dr. Orhan Kutlu; to the Committee on the Judiciary.

By Mr. KEATING:

S. 3091. A bill for the relief of Shabir Ahmad Kahn; to the Committee on the Judiciary.

By Mr. BAYH:

S. 3092. A bill to amend chapter 37 of title 38, United States Code, in order to make the widows of certain peacetime veterans eligible for loans under such chapter; to the Committee on Labor and Public Welfare.

By Mr. LONG of Missouri (for himself and Mr. Salinger):

S. 3093. A bill to provide for the erection of a monument on Alcatraz Island to commemorate the founding of the United Nations in San Francisco, Calif., in 1945, and to serve as a symbol of peace; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. Long of Missouri when he introduced the above bill, which appear under a separate heading.)

By Mr. JACKSON:

S. 3094. A bill for the relief of Jen Cheng Shao; to the Committee on the Judiciary.

By Mr. WILLIAMS of New Jersey:

S. 3095. A bill for the relief of Stevan Akocs, his wife, Rozalija Akocs, and their children, Carlos Akocs and Jorge Akocs; to the Committee on the Judiciary.

By Mr. CHURCH:

S.J. Res. 190. Joint resolution providing for a study and report to Congress by the Secretary of the Treasury concerning the silver policy of the United States; to the Committee on Banking and Currency.

(See the remarks of Mr. Church when he introduced the above joint resolution, which appear under a separate heading.)

MONUMENT TO COMMEMORATE THE FOUNDING OF THE UNITED NATIONS ON ALCATRAZ ISLAND, CALIF.

Mr. LONG of Missouri. Mr. President, on Monday of this week I had the privilege and honor of filing with the Congress the final report of the Commission on the Disposition of Alcatraz Island. The Commission, established by Public Law 88-138 as amended by Public Law 88-226, made several recommendations in its report as to how best Alcatraz Island might be utilized.

Today, I have the privilege of introducing on behalf of myself and the Senator from California [Mr. Salinger] legislation in this august body to implement the recommendations of the Commission. Representative Jeffrey Cohelan, of California, is introducing similar legislation in the House of Representatives today.

The primary purpose of this bill is to provide for the erection of a monument on Alcatraz Island to commemorate the founding of the United Nations in San Francisco, Calif., in 1945, and to serve as a symbol of peace.

To achieve this noble objective, this bill would establish a commission to be known as the United Nations Monument Commission. The Commission's function would be to develop and execute suitable plans for the erection of the monument. Moreover, the international architectural competition, designed to select the most suitable monument for erection on the island, will be under the general supervision of the Commission, as will be the demolition and removal of the present structures on the island and the building of the monument.

Although all costs incurred in the demolition and building aspects on the island are to be borne by the San Francisco Chapter of the American Association for the United Nations, rather than the Federal Government, the proposed legislation provides for the Commission, in consultation and cooperation with the Secretary of Interior, to oversee activities on Alcatraz. The National Park Service is charged with administering, protecting, and developing the monument after it is built.

Provision is also made in this proposal for utilization of part of the island by the State of California for public purposes, compatible with the primary use of the island. Furthermore, if, within the next 5 years, the monument is not begun and the Commission has not certified to the Secretary of Interior that sufficient funds are available to complete the monument, the authority granted in this legislation shall cease.

Mr. President, this legislation will honor a noble and eternal desire of man—the desire to live out his life in peace and tranquillity. The United Nations founded almost 25 years ago in San Francisco, is dedicated to the perpetuation of world peace and brotherhood. This monument, upon completion, will stand as a symbol of all peoples' wishes that the United Nations not fail in its ennobling goal and that world peace become a reality.

Therefore, Mr. President, for myself and the junior Senator from California [Mr. Salinger] I introduce for appropriate reference a bill "to provide for the erection of a monument on Alcatraz Island to commemorate the founding of the United Nations in San Francisco, Calif., in 1945, and to serve as a symbol of peace."

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3093) to provide for the erection of a monument on Alcatraz Island to commemorate the founding of the United Nations in San Francisco, Calif., in 1945, and to serve as a symbol of peace, introduced by Mr. Long of Missouri (for himself and Mr. Salinger), was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

STUDY AND REPORT CONCERNING THE SILVER POLICY OF THE UNITED STATES

Mr. CHURCH. Mr. President, my friend and colleague in the House of Representatives, Compton White, who represents the congressional district which is the Nation's leader in silver production, has introduced in that body a joint resolution directing the Secretary of the Treasury to make a special study of the silver policy of the United States.

Mr. President, I think the introduction of this joint resolution shows commendable foresight and sound judgment. I wish to give all possible support to Representative White's timely effort to persuade the Treasury to come to grips with this problem. Accordingly I introduce, for appropriate reference, a companion joint resolution to the one now pending in the House.

The PRESIDING OFFICER. The joint resolution will be received and appropriately referred.

The joint resolution (S.J. Res. 190) providing for a study and report to Congress by the Secretary of the Treasury concerning the silver policy of the United States, introduced by Mr. Church, was received, read twice by its title, and referred to the Committee on Banking and Currency.

CHANGE OF REFERENCE

Mr. HRUSKA. Mr. President, I ask unanimous consent that the Committee on the Judiciary be discharged from further consideration of S. 284, a bill for the relief of Ethel R. Loop, the widow of Carl R. Loop, and that it be referred to the Committee on Foreign Relations.

Investigation by the staff of the committee indicates that this bill deals with the granting of an annuity under the Foreign Service retirement system and that in the past the Committee on Foreign Relations has handled similar bills. A precedent for such action was made in the reporting by the Foreign Relations Committee of a bill for the relief of Mrs. Mary Leute, the widow of a vice consul in the State Department.

Without in any way prejudicing the jurisdiction of the Committee on the Judiciary, the committee in this instance believes that this bill should be processed by the Foreign Relations Committee and, therefore, requests the discharge and referral to that committee of S. 284.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT OF FOREIGN ASSISTANCE ACT OF 1961—AMENDMENT (AMENDMENT NO. 1204)

Mr. DODD. Mr. President, I submit an amendment which I intend to propose to amendment No. 1191, submitted by the Senator from Illinois [Mr. DIRKSEN], and I ask that it be printed and lie on the table.

This amendment can be explained very simply.

Senator DIRKSEN's provision would stay court action until the end of the second regular session of the legislature which begins after the date of enactment. My amendment would change this by providing that the stay shall be in effect only until the end of the first regular session of the legislature following the date of enactment.

I am in substantial agreement with the purpose of the distinguished minority leader. But I think his amendment goes too far, for it could delay by as much as 4 years the reapportionment of State legislatures.

At the time Senator DIRKSEN's original proposal was considered by the Judiciary Committee I stated that while I was in general agreement with it, I thought the time element involved was too long, and I reserved the right to offer a modifying amendment.

There is no question that many of our State legislatures, including the Connecticut General Assembly, have for many decades been grossly misapportioned, to such an extent that rural areas have been vastly overrepresented and urban areas gravely underrepresented.

There is also no question about the fact that in the past these State legislatures have been steadfast and obdurate in their refusal to reform themselves and that the Congress of the United States has failed consistently in its responsibility in this area, thus leaving the long-delayed solution finally to fall into the hands of the Federal judiciary.

Granting all this, and understanding the compelling need for reform, I still feel that the Federal judiciary has reacted to an excess of inaction with an excess of haste.

I do not believe that the entire political structure of many States should be suddenly overhauled by judicial fiat.

I think it is unnecessary and unseemly to have State legislatures hastily summoned by court orders with their powers and duration arbitrarily fixed.

I think it is unnecessary and unseemly for the courts to require that problems which have been building for almost two centuries, and which involve the very political fabric of our State governments, must be resolved in a few days or weeks.

When I see State constitutions being overturned, reapportionment actions of State legislatures being summarily rejected, referendums of the whole people of a State being perfunctorily set aside—I am compelled to feel that prudence and reason require that the Congress be given time to look this over with a view to a possible constitutional amendment, and that our Governors and State legislatures be given time to act on this fundamental question with some deliberation. And by some deliberation I mean with at least that amount of time afforded by one normal session of the legislature.

The process by which States redesign their systems of representative government should at least be an orderly process. What we have instead under some of these court orders is an almost frantic haste and confusion.

In Connecticut the court order requiring reapportionment was one which the Governor, motivated by complete goodwill and by a deep-seated desire for reform, nevertheless considered impossible to comply with. He appeared before the court and petitioned the court personally and got a relaxation of the decree so that the Connecticut General Assembly might proceed with some sense of order.

Other States have not been so fortunate.

Just as I do not believe that needed reapportionment should be frustrated by long delay, neither do I believe that our Governors and State legislators should be forced to jump through hoops like college freshmen at a fraternity hazing.

I believe that the form by which free government reaches its decisions is often as important, and sometimes more important, than the substance of those decisions.

Therefore, I am in agreement on basic principles with the minority leader, Senator DIRKSEN.

We disagree, however, on the amount of time which constitutes a sufficient period of deliberation by State legislatures. I think that the old phrase, "Justice delayed is justice denied," has some application here. One regular session of the legislature should provide a sufficient amount of time to redesign the electoral districts of a State.

In closing, let me point out that there is no one who believes more strongly than I in the need for reapportionment of our State legislatures in order to bring them more closely in harmony with the principle of equality of representation.

I do believe, however, that a reasonable amount of time should be given to our State legislatures to comply, in the best tradition of their own deliberative processes, with Supreme Court rulings and lower court orders.

In view of the fundamental nature of the reforms being sought, and the multiplicity of factors that must be considered in the solution, I think it is sensible and reasonable to allow our State governments one regular legislative session to accomplish these needed and long overdue reforms.

My amendment would see that justice is done without having justice unduly delayed.

The PRESIDING OFFICER. The amendment will be received, printed, and lie on the table.

FEDERAL REINSURANCE OF PRIVATE PENSION PLANS ACT—ADDITIONAL COSPONSORS OF BILL

Under authority of the order of the Senate of August 3, 1964, the names of Mr. BARTLETT, Mr. HART, and Mr. RANDOLPH were added as additional cosponsors of the bill (S. 3071) to establish a self-supporting Federal reinsurance program to protect employees in the enjoyment of certain rights under private pension plans, introduced by Mr. HARTKE on August 3, 1964.

INCORPORATION OF AMERICAN ACADEMY OF ACTUARIES—ADDITIONAL COSPONSOR OF BILL

Mr. KEATING. Mr. President, I ask unanimous consent that my name may be added as a cosponsor of the bill (S. 3027) to incorporate the American Academy of Actuaries, introduced by the Senator from Connecticut (for himself and other Senators) on July 24, 1964.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT OF FOREIGN ASSISTANCE ACT—ADDITIONAL COSPONSOR OF AMENDMENT NO. 1191.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the name of the senior Senator from Arkansas [Mr. MCCLELLAN] be added as a cosponsor of the amendment (No. 1191), intended to be proposed by the Senator from Illinois [Mr. DIRKSEN] to the bill (H.R. 11380) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes. This amendment was submitted by the Senator from Illinois on Wednesday, August 5, and provides for a temporary stay of proceedings in any action for the reapportionment of any State legislative body.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE FREIGHT-CAR SHORTAGE—MYTH OR REALITY?

Mr. COTTON. Mr. President, the August 6 issue of the Journal of Commerce contains an article which provides a calm, dispassionate, and reassuring analysis of the problem of freight-car shortages.

Its author, Ben Kelley, an experienced and able observer of the transportation scene, lays to rest many of the myths which have persistently clung to this matter. He specifically points out that the demand for boxcars so far this year had fallen considerably short of the number of cars supplied by the railroads last year on a sustained basis over a period of many weeks, and that fears of a serious shortage may be exaggerated.

The article is of special interest, because legislation which unfortunately is linked with the problem is now pending in the Senate. The bill, S. 1063, would give the Interstate Commerce Commission greater power to fix freight-car rental rates. My own views are set forth in the minority views on the bill.

However, as the article implies, the dispute over this proposed legislation has prevented those concerned with the problems from focusing their attention on other, more important aspects of the freight-car supply situation, including such things as Government movements of stored grain from warehouses to ports and elevators at the height of an unusually good crop season.

I hope the day will soon come when those concerned will lay aside their fixed positions on per diem legislation, and will sit down to deal frankly and constructively with the whole freight-car supply question.

I ask that this article be printed in the Record, as a part of my remarks.

There being no objection, the article was ordered to be printed in the Record, as follows:

Fears of Freight-Car Shortage May Have Been Overstated

(By Ben Kelley)

Washington, August 5.—Say "freight-car shortage" to just about any regular user of the railroads and he'll turn white, start trembling, and beg you to change the subject.

It's an almost built-in reflex, instilled in volume rail shippers by years of shouting about boxcar deficits, legislative and Interstate Commerce Commission pronouncements and, most important, some pretty hair-raising experiences with rail equipment deficiencies.

The reflex is operating again this year, as it almost always does around grain crop time, because of solemn declarations by leading Senators and the ICC that the rail freight car shortage problem is worse than ever, with no signs of correction in sight.

ICC recently issued a report of its initial investigation of the car situation, and its outlook was gloomy indeed. On its heels came a statement by Senator Warren Magnuson, Democrat, of Washington, chairman of the Senate Commerce Committee, warning that this year may see the worst rail boxcar shortage in the Nation's history.

BILL REPORTED

Senator Magnuson's statement accompanied the release of his committee's favorable report of S. 1063, a bill affecting rail intraindustry car rental levels. Not altogether justifiably, this legislation has become inextricably a part of debate over the rail car shortage situation. Senate action on the bill is not expected before next week.

Aside from issuing one background statement on boxcar supply levels and demands, the railroad industry as a whole has kept silent in the face of current ICC and senatorial criticism. But industry carloading figures, and computations based on them, seem to support the proposition that unless circumstances change radically, the Nation is not in for the worst boxcar shortage in its history, as feared by Senator Magnuson, nor for that matter is it in for any kind of serious rail equipment deficit this year.

Among other things, the figures show that the railroads are able, under the most severe pressure, to sustain boxcar loading levels far higher than those being currently demanded of them by seasonal grain crop movements.

An examination of adjusted figures for the first 28 weeks of 1963, for instance, shows that during that period the railroads handled an average of 203,555 carloads of boxcar traffic per week, ranging from a high of 219,990 to a low of 184,472 boxcars.

At their heaviest demand point in 1963, the railroads handled a peak of 231,105 loads of boxcar traffic, and for 8 weeks sustained a level of roughly 224,500 carloads of this freight.

These peaks were reached in the fall of the year, when the boxcar shortage had become so acute that ICC and the Association of American Railroads were churning out emergency orders embargoing the movement of grain to glutted ports and elevators, requiring hurry-up return of empty boxcars to owners, and urging surplus roads to send equipment to their deficit colleagues.

DEMAND LIGHTER

These were trying times for grain shippers, ports, the railroads, and other customers who needed but could not get boxcars. They did seem to illustrate, however, that the carriers could under pressure meet demands for up to 224,500 cars a week on a sustained basis.

This year's comparable figures, also adjusted, show that nothing approaching such demands have yet been made on the industry, despite the fact that the Nation already has wrapped up its first major seasonal grain crop harvest and is into its second.

For the first 28 weeks of 1963, the boxcar loading high was 219,990 in one week, the average, 203,555, and the low, 184,427 cars. The high does not nearly approach the high for the same period of last year, not to speak of the 1964 boxcar peak or the sustained 8 weeks of 224,500 cars per week.

NO TROUBLE

While it seems fair on the basis of these figures to say that the railroads are having no trouble this year in meeting demands, grain or otherwise, for boxcars, it also should be stressed that there is a boxcar shortage being felt right now.

And, it can be expected, there will always be a boxcar shortage of sorts on the Nation's railroads, probably even if the Congress passes the pending bill to give ICC greater power over intraindustry car rental rates.

One reason for this is that even if the railroads have sufficient boxcar equipment on line to meet peak-period demands—which they certainly don't—it would be hard to assure that this equipment was always distributed or placed so as to enable consistently expedited and balanced handling of traffic.

Certainly proponents of the per diem bill are correct in saying that under it, ICC could set rental rates at levels intended to encourage deficit roads to build their own boxcars rather than use the cars of other lines, such as happens when eastern terminal-type carriers utilize boxcars of the granger roads on a rental basis.

RESULT QUESTIONABLE

But it is problematical whether this would stimulate the deficit roads to acquire enough boxcars to meet peak-period demands. Very few industries can afford to equip for peaks, and the railroad industry's regulatory and financial position does not allow it to be one of them.

Also, the railroads have probably less control over the peaks and valleys of their boxcar traffic than do other enterprises over their business flows. While many categories of railroad freight are both predictable and balanced—iron and steel articles, for instance, move on a fairly regular basis with plenty of advance warning for the carriers—the basic boxcar demand commodities, grain and grain products, are neither.

Crop harvests, for one, cannot be scheduled by grain interests since they depend on such unknown elements as weather. Sudden volume movements of stored grains and of grain products by Government and private shippers are made not with an eye to freight car availability, but because of market, price, and similar nontransportation considerations. It is widely believed, for instance, that last year's grain car shortage would never have become so acute had the Government refrained, at the height of an unusually good crop season, from moving volumes of stored grain from warehouses to ports and elevators.

Whether Senator Magnuson, ICC, and others who fear an even worse boxcar shortage this year are justified is hard to say. So far, however, their worries have not been borne out. The first harvests are completed and the boxcar situation looks good.

VIETNAM SENATE JOINT RESOLUTION 189

Mr. BIBLE. Mr. President, again we are faced with a crisis involving Communist aggression—this time, in troubled southeast Asia. Again the United States has answered with firm resolve and stern force the Communist offensive action.

This is a time, I believe, when it is our privilege as well as our duty as U.S. Senators to pledge our fullest support, without hesitation, to the President, as Commander in Chief of the Armed Forces.

The United States is a great and powerful nation, a world leader. It can remain great and powerful, however, only so long as it makes indelibly clear to the world in general, and to Communist aggressors in particular, that it will never tolerate abuses of the kind that have been made upon our naval vessels in the Gulf of Tonkin.

This does not mean the United States can follow a policy of passive self-defense. Force must be met with force. We must retaliate, as well as defend ourselves.

This, the United States has done, under the able leadership of President Johnson. The Communist regime of North Vietnam is now forcefully aware that an attack against the United States will bring swift retaliation.

Certainly it is clear to the world that the United States has no territorial or political ambitions in southeast Asia. The United States wants only to protect the freedoms of the people in southeast Asia—to help insure that they will be let alone, to live in peace and to freely pursue their own destiny. Communist aggression seeks to thwart this goal. When this Communist aggression struck at the United States, the President had to make clear to foe, as well as to friend, that our Nation will not be coerced.

I fully support the President's decision. I believe he had no choice. Now he must know that in this time of crisis, he has the unstinting backing of Congress. This is why I believe it is our duty to pass the joint resolution now before us, thus giving the President the backing and the authority he vitally needs in this critical time.

SOUTHEAST ASIA

Mr. CHURCH. Mr. President, this morning's column by Marquis Childs, "Washington Calling," is devoted to an analysis of the comparison between the present situation in southeast Asia and the conditions which prevailed in 1950 with respect to Korea.

The most striking similarity, of course, is that the country and the Congress have rallied in support of our President's response to acts of armed aggression, as they rallied behind President Truman 14 years ago.

Mr. Childs has noted that the defense of South Korea, begun in a mood of "patriotic fervor," became "Truman's war" as the American casualties mounted. He recalls General Eisenhower's statement, at the University of Illinois, that midwestern farm boys should stay at home, and should let Asians fight Asians.

As we prepare today to give our support to the resolution which deals with the crisis in Vietnam, it would be well for us to remember our Korean experience, and to hope that what we learned from it may enable us to avoid similar pitfalls in southeast Asia.

I ask unanimous consent that Mr. Childs' column be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Aug. 7, 1964]

VIETNAM OF 1964 RECALLS KOREA OF 1950

(By Marquis Childs)

The really deep trouble in Vietnam lies outside the scope of American sea and air power. The great question is whether the South Vietnamese Army has the will to go on fighting on the ground against Communist guerrillas after 17 years of almost unremitting warfare.

Before the naval action in the Gulf of Tonkin, evidence was accumulating that war weariness and political dissension in Saigon had raised grave doubts about the future. Hints were coming from the military clique headed by Gen. Nguyen Khanh that the United States would have to take a much larger share of the burden, including even direct participation in combat.

On the recommendation of Gen. Maxwell D. Taylor, the new Ambassador in Saigon, Washington moved to increase the number of American military advisers from 16,000 to 22,000. They were, it was reported, empowered to fire back if fired on. No one can say whether this will be enough.

At the same time, disturbing rumors have circulated in Saigon about a new coup to replace General Khanh. If the worst should happen, the Johnson administration faces an awesome choice—sending in large numbers of American combat troops or expanding the war with massive bombing in the north. The risks in either course are incalculable. To get out, a third choice, seems impossible in view of what has gone before and in the light of politics in the presidential year.

The beginning of the Korean war 14 years ago comes vividly to mind. The atmosphere then was very much what it is today. Republicans and Democrats were rallying around President Truman and promising him support against Communist aggression. Robert A. Taft, minority leader in the Senate, gave reluctant assent despite his strong isolationist convictions. It was a moment of patriotic fervor in which Mr. Truman, by almost unanimous opinion, emerged as a strong and decisive President.

But that mood quickly altered. As the woefully untrained American troops that were rushed from Japan were pushed back almost off the Korean peninsula with fearful casualties, it became "Truman's war."

By the 1952 campaign and the disaster resulting from the massive Chinese invasion, this was the chief line of Republican attack. General Eisenhower could say at the University of Illinois that Midwestern farm boys should stay at home and let Asians fight Asians.

Mr. Truman had resisted the demand to bomb the "privileged sanctuary" across the Yalu River. He had shown marked restraint out of concern that the war would be enlarged to a global scale. He was damned from hell to breakfast for that restraint.

There is one important difference today. In 1950, Mr. Truman went to the United Nations before responding to the North Korean attack. By a piece of luck, the Soviet delegate was absent, so that the Security Council could pass a resolution calling on the U.N. to join in resisting aggression. This time the United States struck first.

Except for the Communist nations, almost every U.N. member approved a joint defense of Korea. Even neutralist India sent an ambulance unit. If a widened conflict develops in Vietnam, this country will find it hard to rally support. It will have the look of a war waged by white men against Asians.

This is, in effect, what President de Gaulle has been saying—that the war, as it is currently being fought, cannot be won. The French tried for nearly 7 years, beginning in 1947, and they sacrificed the "cream" of St. Cyr, their West Point, in the vain effort. Unhappily, De Gaulle's prescription for ending the war has been based on a formula of neutralization that sounds like surrender.

Three long-term consequences of a greatly enlarged war in Asia, if it comes to that, are unforeseeable. The most important single event of the last 2 to 3 years has been the split between the Soviet Union and China, with reverberations throughout the Communist world. In recent weeks that split has seemed to be irreconcilable. It could be healed by a war between the United States and China. Expert opinion here is that Moscow would stop short with condemnation of American moves.

But that is conjecture. As often in the past, the most baffling and frustrating element in the new crisis is the enigma of Red China. American policy has walled off a nation of 600 or 700 million people and what goes on in the fastness of Peiping is as mysterious as what may be happening on Mars. That may have been inevitable after Korea. But it is today a tragic commentary on the darkness that cloaks the dubious future in Asia.

KNOWLEDGE OF COMMUNIST CHINA NEEDED

Mr. CHURCH. Mr. President, Max Frankel has served as the Moscow correspondent for the New York Times, as well as reporting from Cuba, before assuming his present post as diplomatic correspondent in Washington for his newspaper. In the August 2 issue of the New York Times magazine, he has published a worthy article on Communist China. In the article he points out how little we know about Communist China, and how potentially dangerous such a lack of information can be in the conduct of our foreign relations. As Mr. Frankel accurately notes:

> Inadequate amounts and uses of information once led to catastrophic misjudgment in Korea, and could again in the many Asian situations where Peiping and Washington are now competing for influence.

Increased communication between these two great nations would not only allow us to better fathom Chinese intentions and capacities, but would also better assure that the Communist Chinese do not minimize our resolve. Better communication at all levels—those of journalism, scholarship, and tourism—would help diminish the chances of misjudgment and potential conflict for both sides. I ask unanimous consent that this excellent article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CHINA: WHAT WE KNOW AND DON'T KNOW

(By Max Frankel)

In Washington these days most of the talk about Communist China is full of dread. It ranges from hysterical forecasts that a yellow horde is gathering in the East to take vengeance with nuclear weapons against the whites of the West, to the dispassionate judgment of the highest officials that China will be this Nation's most serious diplomatic challenger in the 1970's.

At all levels, China's need to assert herself someday soon is taken for granted, just as it is assumed that the job of coping with the oriental colossus will fall primarily to the United States.

If we are to deal intelligently with the coming perils of life with Peiping we shall need knowledge and understanding. Even now, in the contest for Vietnam, many Americans have been urging the administration to get really tough because China is at her weakest, too weak to fight. Other persons, notably General de Gaulle, have cited China's weakness to justify their counsel of negotiation and neutralization. For several months now, Peiping and Washington have been exchanging ominous diplomatic signals and warnings about when they would and when they would not directly confront each other militarily in Vietnam—through broadcasts, news conferences, and "background" briefings, through editorials and rallies, through unreliable and self-appointed mediators in other nations, and through wooden but direct conversations in Warsaw.

Yet our lack of any real knowledge about morale in China and about the mood of her leaders makes it impossible to judge what opportunities may be passing by and which messages are getting through.

Our lack of knowledge about China's secondary leaders and other influential officials makes it impossible to predict whether we can expect more or less belligerence from Peiping in the next year and the next decade.

We cannot really judge how deeply runs the bitter conflict between Peiping and Moscow or whether there is any reasonable chance that it will be muffled in the foreseeable future. And it is impossible to know with what conduct and through what contact we might ourselves put an end to the enmity between China and the United States—even if we would.

We are, in short, ill equipped not only for battle against China but also for friendlier dealings with her. Worst of all, we are in constant danger in our ignorance of falling victim to illusions and miscalculations about Peiping's strength or weakness, at home and abroad. Indeed, what little we do know about China tells us mostly how much remains unknown.

We know the Chinese to be a proud, patient, industrious, and impoverished people ruled now by the latest of a long line of authoritarian regimes. That regime is fiercely Chinese and uniquely Communist. Urgent industrialization and eventual empire appear to be its principal goals.

Ambition and prudence seem to be vying for the soul of the regime. In 15 years, it has raced repeatedly to the brink of domestic or foreign disaster, only to pull back shrewdly and suddenly in sober estimates of reality.

Thus, despite a succession of economic adventures and natural calamities, Communist China has preserved a semblance of national cohesion. And with a national power that is only a fraction of its potential, China has already fought the United States to a stalemate in Korea, humbled India, cowed most of her lesser neighbors, humiliated several European diplomacies, challenged the authority of her erstwhile Soviet ally and rallied a surprising number of other Communist Parties to her revolutionary cause.

Also apparently vying inside China are a desire to modernize the nation and a desire to preserve or to instill a primitive revolutionary zeal. It is a conflict typified by political struggle between the veteran Chinese Marxists who won the country in 1949 after a long civil war and the younger experts and bureaucrats whom they have promoted to responsible office to try to make the country work.

But these tantalizing insights have limited value. At bottom, we know very little. Even our bits of specific knowledge are mostly clues to our ignorance.

We know, for instance, that China's population is about 700 million, give or take 50 million. We guess that the population will reach 800 million by 1970 and about one billion by 1980. We know that at least every fifth human being on earth is Chinese and that four of every five of those is a peasant. Yet for all we really know about these masses—about their ambitions and dreams—they might as well live on the far side of the moon.

We know that economically China is a crippled colossus, barely capable of feeding herself. Her industry is running at about half of capacity and she is unable to develop or exploit her great natural and human resources. By 1967, at best, China is expected to regain the production levels of 1957, but with 100 million more mouths to feed.

Yet we know also that the regime has been quick to recognize its failures and to take shrewd—not just punitive—measures to counteract unrest and dissension among its people.

The facts are hard to get. We have learned, years after the event, of widespread revolt and violence. Natural disasters, like floods, have struck millions of people in China without a word reaching the outside world at the time. Forced-labor camps are known to exist, but no one outside knows the number of prisoners or the size of their contribution to the Chinese economy.

We have been fortunate, however, to know enough to realize that some Chinese leaders were themselves wary of the forced-development program known as the great leap forward, to credit them with a capacity to reverse their policies and to discount the widespread predictions of total collapse.

We have known just enough, also, not to mistake the signs of occasional unrest in some Chinese military units for mass defections. The Chinese Army, when tested, fought well and with impressive discipline against India 2 years ago. In fact, some captured Chinese documents, showing how Peiping had regained the loyalty of recalcitrant elements in the military, were more important as a measure of the regime's stability than as a demonstration of unrest.

Even a partial knowledge of Chinese military and diplomatic practice and history has made American analysts properly wary of Soviet propaganda about the recklessness of Peiping. Before China intervened in Korea, even as she was shelling the offshore island of Quemoy and even after she had marched far into India, they point out, she was consistently cautious in guarding herself against rash commitments to battle.

Thus, though we know that China is working to acquire nuclear weapons, that she may explode a crude nuclear device this year or next and that in 5 to 10 years she may possess a useful arsenal of modern weapons, there is as yet no certain knowledge of how she will behave with such power.

Nor is our information much better about the top of the Chinese hierarchy. We know that Mao Tse-tung, the venerable chairman of the Chinese Communist Party, sage, tactician, philosopher, and part-time poet, is something more than the presiding officer of state but also something less than an absolute tyrant. We can imagine the shrewdness and tenacity of this 70-year-old leader, if only because we imagine the many economic and social pressures that he must have withstood. But it has been years since he has given even a polished public account of himself.

We know the names and ranks and backgrounds of Mao's principal aids and potential successors, men in their sixties who are themselves of his generation. But we know virtually nothing of their personalities, power struggles, and political differences. We obtain only an occasional report on the conduct or character of the most influential professional and military men and institutions.

It is from such slivers of information that we must guess about the future leadership of this giant nation, its temperament and its capacities. The current guess is that the next decade will bring two quick successions in China and both are sure to widen the information gap.

The first, it is thought, will result in the temporary elevation of one of Mao's associates. The second, the experts predict, will represent the triumph of a new generation of middle-aged men long blocked from the uppermost rungs of power. These younger men seem to be more interested in the perfection of their own society than in the conquest of others, but they have matured almost entirely inside Communist China and may be suffering from acute parochialism.

We can only guess about them and about the contemporary political tensions in China. The wartime intimacy between the Chinese Communist Party and the Chinese peasantry seems to have been destroyed in recent years. And the party itself, now grown to 17 million members, seems broadly divided between the 3 million party veterans of the civil war and those who were admitted after victory in 1949 but who have never been fully trusted as heirs.

Such general hints of the complexity of Chinese society today are useful only to the extent that they prevent rash and simple judgments and actions.

The consequences of our ignorance are obviously great. Calculations of strengths and weaknesses in an adversary are essential to the choice of diplomatic tactics and so are estimates of the temperament and skill of the opposing officials.

A combination of shrewd analysis, clever response and luck enabled the United States in 1958 not only to turn back a Peiping offensive in the Taiwan Strait, but also, inadvertently, to exacerbate the still dimly understood conflict between Moscow and Peiping.

With only limited intelligence information, Washington sensed that Peiping's determination to recapture the offshore islands was less than complete. It also sensed a reluctance in Moscow to support a Chinese adventure. The American response, therefore, was deliberately ambiguous. If it had been too timid, it would have invited Chinese attack. If it had been too beligerent it would probably have forced the Russians to side more firmly with their Chinese allies in a march to the nuclear brink. Information, correctly applied, made the difference.

Similarly, sound analyses in 1962 led to confident estimates here that the Chinese Army, though far extended into India, would not be turned loose for a general attack and would be withdrawn eventually to the disputed frontier region even without a threat of American intervention.

Washington's best information about China at the moment relates to the Chinese economy. The analyses run about 6 months late, but they provide a good picture of general economic conditions on the mainland. Last year, for instance, the experts who had patiently gathered small needles in the stacks of published materials came within 5 percent of estimating China's actual grain harvest.

But the value of some knowledge only demonstrates the need for more. It is almost impossible to appraise the future development of China as long as we remain ignorant not only of the Chinese peasant but of the attitudes and lives of urban youth, party men, members of the intellectual elite and the armed forces.

Inadequate amounts and uses of information once led to catastrophic misjudgment in Korea and could again in the many Asian situations where Peiping and Washington are now competing for influence.

Would diplomatic relations between Washington and Peiping alleviate the situation? The lack of official contact has probably discouraged some scholars from China studies, but it is not a primary cause of our ignorance. It may, indeed, be only a principal consequence. Survivors among the old China hands in our diplomatic service have little opportunity these days to practice their art outside of Hong Kong, but the indiscriminate attacks on them during the McCarthy era 14 years ago did more damage.

The nations that maintain embassies in Peiping—Communist as well as Western nations—do not acquire much more knowledge than we. Their diplomats are severely restricted in their movements and in contacts with Chinese officials. Their occasional travels around the country provide only vague impressions and some corroboration for the suspicions of analysts far away.

Actually, the mounds of published Chinese materials, though often hard to come by, are growing more rapidly than the ranks of men needed to glean wisdom from their somber pages.

As Prof. Mary C. Wright of Yale has pointed out, there are simply too few scholars working on contemporary China, too many materials awaiting classification and appraisal, too few research facilities to encourage new recruits and too many experts who waste time on the impressions of travelers and neglect the basic research that could have enduring value.

American policymakers have begun to feel this neglect and to appreciate their ignorance. They have begun to lobby for the admission of newsmen and scholars to Communist China and they are encouraged to find more university students specializing in Chinese affairs, for the entire nation must be educated if the government is to be free to apply knowledge. The prospect, however, is that Americans will be exploring the far side of the moon long before they become reacquainted with the most populous nation on earth.

BEEFING UP OF POLICE CAMPAIGN AGAINST NARCOTIC ADDICTION IN NEW YORK CITY

Mr. DODD. Mr. President, yesterday's New York Times contained a very interesting article about the beefing up of the police campaign against narcotic addiction in New York City. The article quotes Police Commissioner Murphy to the effect that narcotics arrests in New York have jumped 38 percent in the last 6 months and that during that period more than $2 million worth of heroin and marihuana and unidentified quantities of amphetamines and barbiturates have been seized in the New York City area alone.

At the present time the Senate Committee on Labor and Public Welfare is considering legislation which I introduced to assist police authorities in the control of dangerous drugs such as amphetamines and barbiturates by requiring producers and distributors of these drugs to keep strict reports, which are available to police authorities, of the exact amounts of these drugs produced and the outlets to which they are distributed.

I wish to congratulate the Labor and Public Welfare Committee and praticularly Senator YARBOROUGH, the chairman of the subcommittee handling this bill, for the time and effort that has been spent in consideration of this bill. I have high hopes that the bill will be reported out of the committee and acted on by the Congress before adjournment.

The situation in New York City is merely further evidence of the urgent necessity for giving law enforcement authorities more tools to fight the startling growth of narcotic addiction.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a copy of the statement which I made on Monday of this week before the Senate Labor and Public Welfare Committee outlining the growth of narcotic addiction in all areas of the country, together with a copy of this morning's article from the New York Times entitled: "Police Intensify Narcotics Drive."

There being no objection, the statement and article were ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR THOMAS J. DODD, CONCERNING PROPOSED LEGISLATION RELATING TO DANGEROUS DRUGS BEFORE THE SUBCOMMITTEE ON HEALTH, LABOR AND PUBLIC WELFARE COMMITTEE, U.S. SENATE, AUGUST 3, 1964

Mr. Chairman and members of the committee, I appreciate your invitation to appear before you to testify on this urgently needed legislation. It deals with a problem that I, as a member and chairman of the Senate Subcommittee to Investigate Juvenile Delinquency, have been concerned with for the past 5 years. I refer to the staggering amounts of psychotoxic drugs that are diverted every year into illegal channels, millions of which end up in the hands of our Nation's youth.

I reported to the Senate on August 24, 1961, that in the year 1960, drug companies in this country produced 5¾ billion capsules of barbiturates and 4 billion tablets of amphetamine drugs. This is in addition to millions of bootleg drugs that find their way into the black market. At that time, I indicated that we had no idea of the percentage of these drugs that is used illegally. In the interim, based on the quantities involved in seizures of illegal dispensers in these drugs, we now know that the volume of the extremely dangerous "pep pills" and "goof balls" sold illegally equal, and might actually exceed, the amounts sold legally in the Nation's drug stores.

The reason for this situation is that there are no adequate Federal controls over the distribution of these drugs.

In my opinion, the bill we are discussing today, S. 2628, would provide these controls.

The provisions in my bill will provide these controls by requiring that:

1. Manufacturers, compounders, and processors of barbiturates and amphetamines be required to register their names and addresses with the Department of Health, Education, and Welfare.

2. Manufacturers and others engaged in receiving or disposing of such drugs be required to keep records of the quantities of such drugs they handle and make these records available to food and drug inspectors.

3. Adequate authority be given to drug inspectors to inspect establishments, inventory stocks, vehicles, and other facilities relevant to the proper investigation of the disposal of drugs.

4. Possession of these drugs be illegal, except if the drugs are for one's own use or for the use of a member of his family.

In emphasizing the seriousness of illegal trafficking in these drugs, S. 2628 calls for more severe penalties for those found selling to children and teenagers.

The subcommittee has held seven major hearings on drug addiction throughout the Nation.

We found that during the last 5 years, the illegal use of the billions of these pills which have flooded this country, has reached epidemic proportions. The results of this traffic which have come to our attention revealed the following picture:

The illegal use of these drugs is increasing at a fantastic rate among juveniles and young adults.

The use of these drugs has a direct causal relationship to increased crimes of violence.

The use of these drugs is replacing, in many cases, the use of the "hard" narcotics, such as opium, heroin, and cocaine.

The use of these drugs is more and more prevalent among the so-called white-collar youths who have never had prior delinquency or criminal records.

The use of these drugs is increasingly identified as causes of sexual crimes.

Mr. Chairman, I feel this bill has had as much study, analysis, and consideration at this point as any piece of legislation I have ever been associated with. Since May 23, 1961, when I first introduced this bill, it has been subjected to the scrutiny of the President's Commission on Narcotic and Drug Abuse; the Departments of Health, Education, and Welfare; Treasury; Justice, and State; the law enforcement agencies in New York City and the State of California, where this problem is greatest; the Association of Juvenile Court Judges; the International Juvenile Police Officers Association; the Pharmaceutical Manufacturers Association; and the distinguished representatives of a number of religious faiths. All of these groups have approved of or endorsed this bill over the past 3½ years. Thousands of parents have written to me urging passage of the bill. Even the president of the largest producer of stimulant drugs in the United States personally wrote to me and endorsed this legislation.

This is a bill which tightens acknowledged inadequacies in the law, inadequacies which are permitting a wave of narcotic addiction to go unchecked in this country. It was publicly and repeatedly supported by the late President Kennedy. It has the support of every group that knows anything about this problem. It has been asked for by police officials all over the country. It has been backed by every witness who testified before the Juvenile Delinquency Subcommittee, including three drug company presidents.

I don't know anyone who is against it.

As recently as July 15, 1964, President Johnson issued a statement calling for a higher priority on Government efforts against narcotics and drug abuse. President Johnson's directive followed the lines of the first 25 recommendations of his Commission's report on narcotic and drug abuse.

I would like to quote recommendation 13 from that report:

"The Commission recommends that all nonnarcotic drugs capable of producing serious psychotoxic effects when abused be brought under strict control by Federal statute."

The report states further:

"On January 28, 1963, Senator THOMAS J. DODD submitted to the Senate a bill (S. 553) to provide close Federal regulation of the manufacture, sale, and distribution of certain dangerous drugs, notably the barbiturates and amphetamines.

"A similar bill (H.R. 6848) was submitted to the House of Representatives by Congressman JAMES J. DELANEY."

The Commission concluded:

"The manufacture, sale, and distribution of dangerous drugs is a national business, conducted across State lines, and the interstate character of the traffic, both licit and illicit, limits the ability of any single State to cope with its individual problem. Only the Federal Government can provide uniform minimum standards of regulation. Reliance on State laws for complete recordkeeping would prove chaotic. The Commission favors the plan of regulation proposed by the Dodd-Delaney bill."

The Commission made a specific observation concerning any new legislation providing for Federal regulation of the manufacture, sale, and distribution of dangerous drugs. They concluded such legislation should not be limited to the barbiturates and amphetamines, but should extend to all nonnarcotic drugs capable of producing serious psychotoxic and antisocial effects when abused.

S. 2628 has been broadened to include such drugs in accordance with the Commission's recommendations and on the basis of independent investigation by the subcommittee.

Mr. Chairman, the abuse of these "dangerous drugs" is still growing at an alarming rate. Our staff contacted police departments all over the country as recently as last Friday. The attorney general of the State of California told us: "Every dope peddler we have picked up this year has a complete assortment of pills available for sale. Dangerous drugs are a bigger problem for youths than heroin or marihuana."

He told my staff that dangerous drug arrests in California had increased 75 percent from 1960 to 1963.

The Illinois Division of Narcotic Control reported a 100-percent increase in dangerous drug cases from 1960 to the present.

Chicago alone reported that 1964 is 60 percent ahead of 1963 in this type of arrest.

Baltimore reported that its 1964 arrests are 52 percent ahead of 1963.

New York City reported a 33-percent increase in 1963 over 1962.

The chief of police of one of our largest resort cities, frequented by thousands of teenagers, summed up the situation for the country as a whole when he said, "The traffic in dangerous drugs is heavier than ever."

I feel we have given enough study to this problem, we have proven it to be enormous in terms of the numbers of lives ruined; and we have proven it to be a major contributor to this Nation's crime problem.

I urge the committee to consider S. 2628 favorably so that the Congress may give to our Federal agencies the weapons they need to fight the illegal traffickers in dope.

[From the New York Times, Aug. 6, 1964]

POLICE INTENSIFY NARCOTICS DRIVE—SQUAD IS EXPANDED, REVIEW PANEL ESTABLISHED AND TRAINING EXTENDED

Police Commissioner Michael J. Murphy strengthened the department's program against narcotics yesterday.

The commissioner ordered the formation of a departmental narcotics enforcement review board, the assignment of more men to the 200-member narcotics squad, and the extension of special training in narcotics enforcement to the 600 men and women in the youth division.

Deputy Commissioner Walter Arm, who announced the moves at police headquarters, said that the stepped-up drive against the illegal drug traffic would be concentrated in three areas—Harlem, East Harlem and the Bedford-Stuyvesant section of Brooklyn.

These are the areas, he said, where most narcotics addicts live. But, he added, the department's efforts would have their effect all over the city.

Mr. Arm emphasized that the commissioner's orders had not been prompted by the recent racial riots here nor by the current Senate Government Operations Subcommittee investigation into drug addiction.

Senator JACOB K. JAVITS had said Tuesday before the subcommittee that the removal of dope addicts from the streets of Harlem and Bedford-Stuyvesant would help to reduce tensions. He called the addicts an "incendiary element."

Mr. Arm said that the moves announced yesterday had been studied and considered for a long time.

The new narcotics enforcement review board will evaluate all the procedures and personnel policies in connection with the police role in the suppression of the illegal drug traffic, Commissioner Murphy said.

The board will also attempt to develop new methods of enforcement, particularly against the higher-ups in the narcotics traffic, he said.

The head of the new board is Deputy Commissioner Aloysius J. Melia, the department's trial commissioner. The four permanent members are Philip J. Walsh, chief of detectives; Deputy Chief Inspector Patrick J. McCormack, of the narcotics bureau, Deputy Inspector Charles S. Crowley of the youth division, and Lt. Ellsworth A. Monahan, director of the legal bureau.

Commanding officers in the field will rotate as temporary members of the board. There will also be a number of consultants, including Mr. Arm.

The training program to be extended to the youth division includes courses in the types of narcotic drugs, the methods of pushers, and the types of evidence required for conviction. The classes are administered by the police academy and the narcotics bureau and have already been given to about 600 plainclothesmen.

The commissioner said the training had resulted in a sharp increase in arrests of narcotics violators. In the first half of this year, he said, 3,187 arrests were made, compared with 2,303 in the first half of last year, an increase of 38 percent.

Narcotics seized by the police in the 6 months included almost 12 pounds of heroin valued at $1.5 million, 439 pounds of marihuana valued at $700,000, and quantities of amphetamine, known as pep pills, and barbiturates that are used as goofballs.

"All our efforts and attention and as much manpower as we can spare will be devoted to the narcotics problem," the commissioner said. "We will welcome the help of all persons in supplying us with information about illegal and clandestine activities."

FOREIGN AID—NASSER AGGRESSION IN THE MIDDLE EAST

Mr. DODD. Mr. President, I have had occasion to join with some of my colleagues in the past in protesting against our continued large-scale aid to the Nasser regime so long as it continues to engage in aggression against its neighbors and to threaten the annihilation of the State of Israel. I have taken the stand that continued aid should be made conditional on the abandonment of military aggression as an instrument of state policy and of an evidence that the United Arab Republic is prepared to seek a conciliatory settlement of the differences that now threaten the peace of the Mediterranean area.

In the current issue of the Atlantic Monthly there is an article entitled "Bomb Shop in the Nile: Target Israel" by Terence Prittie, which I wish to call to the attention of all my colleagues. Mr. Prittie in this article presents detailed information about Nasser's preparations for a war of annihilation against the State of Israel involving the use of short-range rockets now being produced in Egypt and of subnuclear weapons, including packages of strontium 90 which could be used as instruments of total genocide in an area the size of Israel.

Mr. President, I ask unanimous consent to have the article by Mr. Terence Prittie printed in the RECORD at this point. I earnestly hope that my colleagues will find the time to read it. After reading it, I believe that most of them would agree that it makes no sense to continue pumping aid into a country the bulk of whose physical effort is directed toward the military subjugation or annihilation of her neighbors.

Foreign aid should be an instrument for peace. But by providing foreign aid without any conditions to would-be aggressors, we make ourselves, willy nilly, passive abettors of their aggression.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Atlantic Monthly, August 1964]

BOMB SHOP IN THE NILE: TARGET ISRAEL

(By Terence Prittie)

(After 16 years of service as the Manchester Guardian correspondent in West Germany, Terence Prittie has now been recalled to Fleet Street to become the Guardian's diplomatic correspondent. The following news story is one of the most startling which he uncovered on his way home.)

At the end of April the British Foreign Secretary, R. A. Butler, made what appeared to be a gaffe when he said in Washington that President Nasser of Egypt was in possession of minor nuclear missiles. His statement was supposed at the time to have arisen out of some misunderstanding of Nasser's program for producing rockets with conventional warheads, which Nasser has assured the world he intends to fire off some day against Israel. In London the Foreign Office could not explain Mr. Butler's Washington statement, beyond the thought that he had misread one of his background briefs.

Mr. Butler certainly chose his words with less than his usual carefulness. But the meaning behind his words was plain: The British Government is increasingly concerned over Nasser's threats to Israel, which have included such sinister phrases as "burning the cancerous growth of Israel" out of the Middle East. The evidence that Nasser is planning to destroy Israel should be examined on the basis of his openly declared statements of intention. The truism is too often forgotten that if a man says something often enough, he will not only come to believe it but will feel obliged to implement it.

Nasser's campaign to compass the destruction of Israel has four main features. He is planning to secure the removal of the British from their present military bases in Aden, Cyprus, and Libya. He is building up his conventional armed strength. In addition, he has made considerable progress with a crash program to produce ground-to-ground rockets in sufficient numbers to be able to flatten Israel's few cities and decimate its closely concentrated population. Finally, he has been experimenting with the production of weapons of genocide of both a nuclear and subnuclear type.

It is easiest to leave the question of the ejection of the British from their military bases to the last. Nor need a great deal be said about the building up of Egyptian conventional armed strength. Egypt today has squadrons of Ilyushin 28 and Topolev 16 bombers, which are better than anything Israel has. Egypt has the Stalin heavy tank, which, again, is much bigger than the British Centurion medium tank used by the Iraeli army. Egypt is building HA 300 jet fighters at the Heluan aircraft factory outside Cairo. The HA 300 has been designed by an Austrian engineer, Professor Brandner, and has passed its flight tests. Egypt would, of course, aim at achieving overwhelming superiority in the air before attacking Israel. At sea, the Egyptians have 7 destroyers to Israel's 3, and 10 submarines to Israel's 2.

Two wars against Israel have convinced President Nasser that the Egyptians, man for man, are no match for the Israelis. Therefore even an immense superiority in conventional weapons and in manpower (the population of Egypt is 10 times that of Israel) would not guarantee victory in a third war. This is why the Egyptians, with the vital help of German and other foreign scientists and technicians, have been working on a crash program for the production of long- and medium-range rockets at their Factory 333 at Heliopolis, a few miles east of Cairo. Three main types of rocket are being developed there.

The first is a single-stage rocket, using fluid fuel and carrying a half-ton warhead. It has the code name Al Zafar (the Victor). Some dozens of this rocket, which has a range of 235 miles, have already been produced. It was first fired in public tests on July 23, 1963.

More powerful is Al Kahar (the Conqueror). This, too, is a single-stage rocket, using fluid fuel and carrying a warhead of up to 2 tons in weight. It has a range of about 375 miles. Finally, there is a two-stage rocket. Al Raid (the Explorer), which is still in process of development. Its first stage will be based on the Conqueror, and its second-stage rocket will be smaller than the Victor. The size of its warhead has still to be determined, but would presumably be about half a ton. Al Raid would have a range of more than 600 miles.

These three rockets supply the foundation for Nasser's assertion that he now has weapons which cover the whole distance from Cairo to Beirut. All three rockets are being adapted for use from mobile launching pads, which could if necessary be towed through the Sinai Peninsula and up to Israel's borders. But their range makes this unnecessary, and the chief attraction of the rockets for Nasser is that they could be fired off in safety 100 miles and more from the frontier. For the total length of Israel from north to south is barely 100 miles. Israel's width averages no more than 30 to 35 miles.

The Egyptians are also building light naval craft, somewhat smaller than frigates, which are to be equipped with launching pads for rockets in place of conventional apparatus for torpedoes. Although they would presumably carry only small rockets, naval craft could play an important part in a saturation attack on Israel's cities, which are nowhere more than 10 miles from the sea (the only exception is the Jewish half of Jerusalem).

It is believed that Nasser intends to build between 800 and 1,000 rockets for an assault on Israel. This will take him roughly 2 years at the present estimated rate of progress. The key to his success is the continued presence in Egypt, in his employ, of the 2 dozen German scientists and 500 to 600 German and other foreign technicians who have been there for the past 3 years.

The German rocket colony in Egypt, according to recent estimates, consists of approximately 500 technicians with more than 1,000 dependents. The senior scientists are paid from $3,000 to $5,000 a month, which is perhaps three times what they would earn in West Germany. They are generally given free houses and domestic staff, and few of them show the slightest desire to return home. The pay and living conditions of all the technicians are, in like manner, far better than what they would expect at home. The German colony has its own club on an island in the Nile and its own school, which is by far the biggest German school abroad. Perhaps the greatest attraction in working for Nasser lies in the power and responsibility involved. In Egypt these Germans are important people.

Nasser certainly wants to keep them there. Egypt is desperately short of scientists and high-class technicians. His rockets, his nuclear experiments, and the satellite which he claims he will fire into space are the work of his German hirelings.

The Egyptians, operating on their own, would probably have to scrap their rocket program. This is why the Israel Government is so anxious that the German Federal Government should take active steps to recall Germans working on armaments in Egypt. So far, in spite of frequent Israel representations during the last year and a half, the Bonn Government has done nothing beyond preparing the draft of a law which would enable passports to be withdrawn from German citizens carrying out work of this kind. If such a law were passed, these Germans would have to be buried abroad.

West German hesitance over putting this legislation before the Bundestag deserves a note. There is a powerful pro-Arab lobby in Bonn, where a section of the Christian Democratic Party and virtually the whole Free Democratic Party are opposed to any action which could harm German trade interests in the Middle East. West German heavy industry provides the most powerful single pro-Arab pressure group, and a small group of firms has considerable influence with the Federal Government. The group includes the steel and heavy engineering firms of Krupp, Thyssen, Kloeckner, and Demag, which have major industrial interest in Egypt.

Nasser's rocket program, used with his other conventional weapons, would be of sufficient scope to cripple Israel and secure her total military defeat. This, of course, is Nasser's primary objective in a war with Israel. But it is not his only objective. He has sworn to blot out Israel completely and to incorporate the whole of Palestine in a unified Arab state or, if that cannot be organized, in Egypt. The most that he would contemplate leaving of Israel would be a Jewish ghetto in Palestine, but it is very doubtful whether he would be prepared to leave even that. For a Jewish ghetto would continue to attract more Jewish immigrants, and the claim and hope for a Jewish national state would be kept alive. This is why Nasser is contemplating using weapons of genocide against Israel.

I learned details of his experiments in this direction from a scientist who worked for more than a year for Nasser. This scientist was in close touch with a member of Nasser's inner circle of assistants, Mahmoud Khalil. Khalil and a dozen other comparatively young men who form the inner circle often work 18 to 24 hours a day and make no secret of their pride in "burning themselves out" in the service of their country. One of the tasks of this small group during the last 2 years has been to examine the possibilities of producing weapons of genocide.

Three particular possibilities have been explored. The first was to produce a nuclear bomb of the Hiroshima type, which ranks today as out of date to the great powers, but which would be amply sufficient to blot out Israel's centers of population. This project, which was given the name "Operation Cleopatra," was held up because of the inability of the German scientists in Nasser's employ to produce an easily transportable bomb or a nuclear warhead light enough to be fitted onto a rocket. In addition, the Egyptians do not have a large atomic reactor for producing plutonium or a diffusion plant for producing fissile uranium. For a Hiroshima-type bomb, Nasser would have to procure uranium, a very difficult matter.

Yet he has undoubtedly examined the possibilities of doing this. One proposed method was to buy 20-percent enriched uranium (which is available for peaceful purposes) and to enrich it up to the 90 percent required for a bomb. Another was to buy numbers of laboratory reactors, which can produce up to 8 grams an hour of 90-percent enriched uranium. Yet another possibility was to build a nuclear power station for peaceful purposes in Egypt, and negotiations to this end have already taken place with a British firm, Kennedy & Donkin. Nasser has suggested that a British-built nuclear reactor could act as a partner to the Aswan Dam power stations. He has conducted his negotiations quite openly on that pretext.

Mahmoud Khalil is reported even to have discussed with Nasser the chance of bribing officers of the British Air Force to fly British-based planes to Cairo, and to bring as many as three nuclear bombs with them. This may sound like science fiction. Indeed, this possibility was never explored any further, but it is of interest that it was even considered.

The second possibility of producing weapons of genocide was explored under a different project, "Operation Ibis." Its purpose was to produce small missiles with a limited radioactive fallout. These missiles, known as "radioactive rubbish bombs" by experts in this field, could be dropped from aircraft, fired as artillery shells, or used in the warheads of rockets. They would be difficult to handle, and for this reason Nasser has been employing gamma-ray experts from Germany and other European countries who have been working on protective casings, clothing, and other equipment. Such weapons would have a delayed effect, by poisoning food, water, and the atmosphere.

The third possibility examined in Egypt was that of causing heavy losses to an enemy population by exploding small packages of strontium 90, of 2 or 3 pounds. Strontium 90 in powder form could be exploded in small containers, which could be fired from weapons of a light mortar or even bazooka type. The packages and the weapons could be deposited beforehand in Israel, or even in countries friendly to Israel, and could be exploded by Egyptian agents. Strontium 90 has a life of about 20 years. Once again, this may sound like science fiction. Once again, it must suffice to say that this plan was carefully examined by Nasser's advisers.

The revelation that the Egyptians have been considering the possible use of weapons of genocide has given rise to some misconceptions. It has been argued, for instance, that names such as "Cleopatra" and "Ibis" would never be used by Egyptians, who would surely prefer Arabic code names. The answer is that these names were used by the foreign scientists working for Nasser. An Egyptian code name will doubtless be furnished if any one of the three projects gets underway. So far, there is no direct evidence that a production program for any of the three has begun.

A second misconception is that, because the use of weapons of genocide would be militarily useless, Nasser must have abandoned projects like "Operation Ibis." This is a highly ingenuous suggestion, for Nasser would clearly never use radioactive rubbish bombs alone but as supplementary to his rockets and other conventional weapons. The object of "Operation Ibis" would be quite simply to scare the Jews out of the Middle East.

There is nothing fanciful about this. The burning adoration of the Jews for Eretz-Israel, the national home and Promised Land, is such that they would not think of deserting it after military defeat and might even be prepared to go once again into bondage in the land of Egypt—if by so doing, they could keep their claims alive. But genocide, coming only 20 years after Hitler's final solution, the extermination of 6 million European Jews, would pose a terrible threat. If Israel's present population were destroyed, or prevented by radioactive fallout from propagating their species, could the remaining Jews of the world ever again mount a resettlement of Israel and another return to the Promised Land? It is highly doubtful, for Israel's present small population constitutes the kernel of Jewish idealism and faith.

One must revert to point 1 of Nasser's campaign to destroy Israel: the removal of the British from their Middle East bases. These were the bases used for the ill-fated and badly judged British intervention at Suez in 1956. These bases would be used again if Nasser were to launch an unprovoked and genocidal attack on Israel. This is why Nasser has asked the ruler of Libya, King Idris, to end the leases of airbases to Britain and the United States at El Adem and Wheelus Field. This is why Nasser has sent an army of 42,000 men to the Yemen, as a first step toward destroying the British-sponsored South Arabian Federation and liquidating the Aden base. This is why Egypt has, after the Soviet Union, been the principal supplier of arms to the Greek Cypriots. Nasser intends to close the eastern Mediterranean and the Red Sea to the West.

Complementary to this intention is Nasser's desire to build a firm alliance with the Soviet Union, a desire which was plainly advertised during Khrushchev's visit to Cairo in May. The Soviet Union can be of immense use to Nasser in the economic and military fields. It is supplying Egypt with a $280 million loan, with increased technical aid for industrial development and irrigation, and with secondhand armaments at cut prices. But of much more importance is the future diplomatic role of the Soviet Union in the Middle East, which will be designed to counter and finally to eradicate Western influence in the area. It is naive to imagine, as some Western commentators have done, that Nasser has much more to gain from an Egyptian-Soviet entente than

Khrushchev has. The latter can now set to work to turn the Middle East into a bastion against Western imperialism (and, incidentally, against Chinese communism), to outflank the Central Treaty Organization, to open the road to peaceful penetration of India (bereft of Nehru) and Africa. A rejuvenated Islam could be a very useful ally for a Soviet Union which must want to take up a dominant middle position between Western Europe and Red China.

The State of Israel asks for nothing more than to be left in peace. Israel has offered to join in guarantees of all existing frontiers in the Middle East. It would willingly offer money and technical aid in solving the problems of the Palestinian-Arab refugees. It has offered to share in the utilization of the waters of the River Jordan for peaceful purposes, although it is going ahead with pumping its share from the Sea of Galilee to the deserts of the Negev. Israel threatens nobody, and even when forced to go to war with Arab neighbors, has set out to keep its military victories within strict bounds, thereby giving Arab prestige the chance to recover. The essence of Israel policy has been to develop good relations with its neighbors. In the long-term future, Israel could be of tremendous use to the Arab countries, by providing technical advice and a model of how to run a modern state.

The Israelis, naturally, are desperately worried by Nasser's arms buildup. The Prime Minister, Levi Eshkol, said on May 20: "With the aid of German and other scientists Egypt is developing missile armaments on a large scale and devoting incessant effort to their improvement and expansion. She is also engaged in developing destructive weapons which are not to be found today in the Middle East." This was an oblique reference to Nasser's experiments with weapons of genocide. The Israel Government has appealed repeatedly for the recall of the German and other foreign scientists; the Knesset did this once again on May 4.

What should, or what can, the Western Powers do about Nasser's plans to destroy Israel?

The United States and Britain can guarantee Israel's existing frontiers and offer a similar guarantee to the Arab nations. Steps should be taken in the United Nations to secure the withdrawal of the large Egyptian Army from the Yemen. The West German scientists should go back to their own country. It should be made plain to Nasser that Britain has no intention of giving up her Middle East bases until there is real stability in that area. Finally, the Arab nations should be encouraged to regard the State of Israel as a fact. In return, the Western Powers must offer to make a major contribution toward the resettlement of the Arab refugees in Arab countries and toward building up the economies of those countries. The Arab States should be made to understand that the desire to avert a war in the Middle East does not stem from anti-Arab feelings, and that nothing will be gained in the long run by trying to play off rival world blocs against one another.

Above all, there is a paramount need for close collaboration in the Middle East between the United States and Britain. Their immense joint stake in Middle East oil is reason enough for this, and there is no harm in saying so. But much more important is the very real threat of war breaking out, if not today or tomorrow, then in all probability in the near future. Nasser's arms buildup suggests that this could be.

THOSE MYSTERIOUS FEDERAL HOSPITALS WITH NO PATIENTS

Mr. PROXMIRE. Mr. President, another world has recently come to my attention. This is a world financed by our Federal Government—that is, by the American taxpayer—but which very few taxpayers apparently know anything about. It is a world in which the Federal Government performs all sorts of functions which it does not perform in our world, and yet the functions benefit no one. In fact, the explicit Government policy is to see to it that any benefits are kept away from potential beneficiaries.

Let us consider hospitals, as an example. For several years, the Federal Government has been, unbeknown to most of us, in the process of buying brandnew hospitals and distributing them around the countryside. These hospitals are complete in almost every sense. They have 200 beds, complete surgical and diagnostic equipment, a full supply of drugs and medicines, and all the subsidiary paraphernalia, such as sheets, rubber clothes, and so on.

These hospitals lack only two things. First, they lack patients. Despite widespread stories about a hospital shortage in our Nation, there is a Federal policy that these hospitals not be used.

Second, the hospitals I am describing lack buildings. Instead, the Government houses the hospitals in crates. The crates are then placed in various storerooms or basements around the country. Naturally, rent is paid on the storage space, just as rent would be paid for a hospital building. The space used by these hospitals in boxes is fairly substantial—some 15,000 square feet, apiece.

Are there many of these mysterious hospitals? Yes, indeed. Some 1,900 of these 200-bed hospitals are already incarcerated around the countryside; and another 750 newer, more modern hospitals have now started, to be distributed from the apparently inexhaustible Federal cornucopia. It is anticipated that within the next few years we shall have some 9,500 of these hospitals. Just think of that—9,500 200-bed hospitals spread around the Nation, but with a clear prohibition against use, while many small communities lack hospital care, and many large city hospitals are overcrowded.

Are these mysterious hospitals expensive? The 1,900 hospitals already in place cost the American taxpayers some $38 million. Each of the new 750 hospitals is costing some $45,000. In other words, assuming no increase in costs—a highly dubious assumption—our total investment in these hospitals will run to nearly $400 million. Other estimates are as much as twice the amount.

These are, of course, only the initial investment costs. Rental charges are an additional cost. Moreover, these hospitals deteriorate, even without use. Drugs lose their potency, rubber cracks, and so on. It is estimated that through this means, about 1 percent of the initial investment is lost, each year. So, naturally, in this other world, such losses have to be made up by further Federal expenditures. The General Services Administration uses manpower to visit once a year each of these hospitals without patients. All deteriorated items are thrown away, and new products replace them—adding more expense, but, of course, no more service, because there was no service to begin with.

Mr. President, the other world I am describing is the world of civil defense. I think it is a world we might wish to look at. Virtually no thoroughgoing examination has been made of this world, despite the fact that it exists, it is mushrooming, and the expansion is being generated with taxpayer dollars.

First of all, Mr. President, I think we should consider whether we need this other world. Of course, the answer is we need everything. But I do not believe we have asked ourselves whether we need these expenditures on civil defense more than we need the benefits that could come from other uses of these funds, including such uses as the possible retirement of some of our national debt.

Let me make clear that I do not question all necessary expenditures for defense. But in the civilian area, there are so many other threats against civilians that seem so much more real and immediate than the threat of outside aggression. There are, to name just one area, the threats of illness and injury. Funds spent now for hospitals without patients could be spent for the direct treatment of these illnesses and injuries, through private insurance plans or by other means. There are, of course, many other alternatives.

Moreover, the threat to which civil defense expenditures are addressed is both vague and nebulous, whereas the other social dangers are more clear and pressing. What type of civil defense do we need? No one knows. Surely, therefore, we should not attempt to throw up every type of bulwark we can think of, against possibilities that are far less real than the needs within our own community.

Why should we follow a policy of sterilizing these funds, so that no peaceful use can be made of them? Consider the case of the crated hospitals: It would seem obvious that if they are not to be simply a form of crude subsidy to the producers of hospital supplies, who at present are the only ones who benefit from the purchases, then the hospital equipment should be used, not buried and allowed to rust or rot. The only parallel I know to this kind of waste is the subsidy we pay gold producers to take gold out of the ground, so the Government can put it back into the ground at Fort Knox.

Does the policy of using these hospital supplies make sense, in case of atomic attack? Of course. Where will the injured go after an attack, except to a hospital? It can be argued that the hospitals will be destroyed. But there is the same likelihood that the warehouses with the crated hospitals will be destroyed. Hospital equipment in hospitals can be dispersed just as easily as the same equipment in crates can. But it may be alleged that small dispersed hospitals at present do not have the standby capacity to handle all the injured. This argument does not stand up. First, it is well known that 70 percent of inpatients in hospitals at any one time could be removed from the hospitals in case of emergency. Second, many past emergencies have shown the amazingly expendable capacity of our hospitals. Third, if the problem is one of having sufficient trained personnel and organization, what good will crates in a warehouse be? Finally, it would seem doubtful that any of us, if injured, would have the omniscience to go to a warehouse, regardless of how crowded a hospital might be.

But now let us consider the infinitely longer period of time when there will be no atomic attack. During all this time, we would follow the wasteful policy of having hospital equipment, but not using it, even though the need for the equipment exists. The logical approach would be to put the equipment in hospitals, not in crates; and to use the equipment to provide services, not just to consume space.

If a hospital shortage existed, clearly these supplies would help alleviate it. The financial burden on small community hospitals—which, incidentally, are rather effectively dispersed—would be eased.

Drugs and other perishables could be rotated and used, rather than be ruined or destroyed. How will an adequate inventory be assured in case of attack? One way would be to check the hospital inventories, instead of, as now, checking the crates. Another—and even simpler—way would be to require the drug companies, which thus far have been getting this subsidy, to maintain higher inventories, which could be sent to particular locations in time of need.

Mr. President, I strongly urge both Houses of Congress to examine this question. In addition, I intend to vote against the appropriation of any further funds for civil defense purposes—for the purchase of these mystery hospitals—until a study of the reasonableness of this program has been made.

PUBLIC WORKS APPROPRIATIONS, 1965

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of calendar No. 1263, H.R. 11579.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 11579) making appropriations for certain civil functions administered by the Department of Defense, the Panama Canal, certain agencies of the Department of the Interior, the Atomic Energy Commission, the St. Lawrence Seaway Development Corporation, the Tennessee Valley Authority and the Delaware River Basin Commission, for the fiscal year ending June 30, 1965, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to the consideration of the bill, which has been reported from the Committee on Appropriations with amendments.

Mr. ELLENDER. Mr. President, before the Senate for consideration is the bill that deals with moneys appropriated for the civil functions of the Department of Defense, the Atomic Energy Commission, the TVA, and certain agencies of the Department of the Interior including the Bureau of Reclamation. I am very hopeful that consideration of the bill can be concluded this afternoon, so that, as soon as possible, we may go to conference with the House on the disagreeing amendments.

The bill passed the House on June 16, and was referred to the Committee on Appropriations on June 17. The bill was reported to the Senate on August 5.

I do not believe it is necessary for me to give a lengthy explanation of the bill. The report on it is on the desks of the Senators, and I believe it quite clearly sets forth the action of the committee.

Except for two or three items, I believe the bill is noncontroversial. I expect that amendments will be offered to decrease amounts recommended for certain public works projects.

At the conclusion of my statement, I will ask that the committee amendments be adopted en bloc and that the bill as thus amended be considered as original text, so that the Senate will have ample opportunity to work its will on the bill.

Mr. President, as is customary, the Subcommittee on Public Works divided itself into three subcommittees for the consideration of the pending bill. The portion of the public works appropriation bill dealing with the Bureau of Reclamation and the power marketing agencies of the Department of the Interior was handled by my good and able friend, the distinguished senior Senator from Arizona [Mr. HAYDEN], who is also the chairman of the Committee on Appropriations. The portion of the bill covering the Atomic Energy Commission and the Tennessee Valley Authority was handled by my good friend, the distinguished senior Senator from Alabama [Mr. HILL]. I handled the portion dealing with the civil functions of the Department of the Army, and the Public Works Acceleration Act.

The hearings on this bill started on March 23, and continued through July 7, 1964. The subcommittee held 41 sessions for the purpose of taking testimony, and 4 executive sessions for the purpose of marking up the bill. The subcommittee heard 1,186 witnesses, which included representatives of various organizations; 539 of the witnesses appeared before the subcommittee dealing with the civil functions of the Department of the Army; 520 of the witnesses appeared before the subcommittee headed by the senior Senator from Arizona [Mr. HAYDEN]. The remaining 127 witnesses appeared before the subcommittee headed by the senior Senator from Alabama [Mr. HILL]. The hearings comprise four volumes, which contain 3,658 pages of testimony. Senators have a complete set of them on their desks. They constitute the basic information upon which the subcommittee based its recommendation to the full committee.

It will be recalled that last year I stated it was my belief that in the future the committee should, in a measure, curtail much of the repetitious testimony that is given from year to year on the continuing projects. I am pleased to report that as a result of my appeal to the witnesses to confine their testimony on continuing projects to new matters, the length of the civil functions portion of the hearings was reduced by 102 pages. The committee received all of the information required for its action and, at the same time, saved the taxpayers considerable expense.

Mr. President, with respect to title I, before marking up the civil functions portion of this bill, we reviewed every project that was presented to the subcommittee, budgeted or unbudgeted. We examined into every single request made of the subcommittee for planning or construction. After all the requests were made, the engineers were called back to obtain their views on the projects presented to the subcommittee. The purpose of this recall was to find out whether the engineers could economically and efficiently utilize the additional funds requested by the local witnesses, and whether the Corps of Engineers had the capability to undertake the unbudgeted new starts requested.

As in the past, the subcommittee heard all the witnesses who desired to present testimony on unbudgeted projects, and also on budgets for which more funds were asked than were budgeted. The same is true of surveys and new planning starts. As in the past, there is not a single project that has been recommended by the subcommittee or by the committee as a whole for which there is not justification in the hearings before the Senate.

I am proud to say that the subcommittee has not included, either in this instance or in the past, any projects that were not completely justified by the Corps of Engineers, and as to which their capability was not clearly shown.

As to projects that were requested and that were budgeted, the subcommittee spent considerable time reviewing them with the Engineers.

The Senate has before it a complete justification for all planning and construction projects that were included in the bill by the Senate committee, and all projects that were recommended by the House as well.

In order to balance the bill, and in order to take care of worthy areas not previously included in the bill, I recommended to the subcommittee the inclusion of a number of projects that had been requested by witnesses from all over the country, and by Members of both the Senate and House of Representatives. I hope that the Senate will agree to the recommendations of the Committee on Appropriations and that it will be possible to retain the majority of the projects in the conference with the House.

At this point I wish to repeat that all the new projects and new starts, both in construction and in engineering, that were recommended by the House were adopted by the Senate Appropriations Committee. So I am hopeful that, in conference, the House will agree to the few projects the Senate committee put in the bill. I believe that never since the year I became chairman of the subcommittee have the House and Senate been so close, both moneywise and in the number of projects recommended by both Houses. So I do not anticipate much trouble in conference with the House.

The House committee added 17 unbudgeted construction projects and 15 unbudgeted planning items. The House reduced the budget for construction, general, by $6,610,000; of which $5 million was an increase in the item reduction for savings and slippage.

As we all know, many projects are delayed because the engineers or the local people may have difficulty in obtaining sufficient land on which to build projects, or rights-of-way to construct roads. It is normal that over the years this slippage has amounted to from 4 to 5 percent of the overall amount provided by the bill. The engineers have advised that the budgeted amount for slippage is the maximum reduction without jeopardizing the construction programed.

In title I, the Senate committee considered a budget estimate of $19,800,000 which was submitted to the Senate after the House had acted on the bill. Senate increases to the revised budget, including restoration of the $5 million for slippage, account for $19,800,000 of the $37,024,000 increase recommended for construction generally.

The Senate committee recommended $630,000 for 9 unbudgeted planning items and $5,089,000 for 14 unbudgeted construction projects.

Mr. President, I ask unanimous consent to have printed at this point a table explaining the committee action on title I.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Title I—Civil functions, Department of the Army

Cemeterial expenses			$13,295,000
The budget estimate, and the amount allowed by the House.			
Corps of Engineers:			
General investigations			22,269,000
Above the budget		$2,474,000	
Above the House, including restoration of $1,000,000 for slippage		1,679,000	
Above 1964		3,154,000	
Construction, general			[1a] 942,791,200
Increases to budget estimate including restoration of House cut, of which $5,000,000 is for slippage	$19,800,000		
9 new planning starts	630,000		
14 new construction starts	[1b] 5,089,000		
28 House-approved items raised	11,635,000		
2 House items reduced	−130,000		
Total	37,024,000		
Above the House		$37,024,000	
Above the budget		[2] 43,683,200	
Above 1964		115,644,700	
House compared with the budget prior to revision of July 30, 1964, S. Doc. 90:			
15 new planning starts	1,047,000		
17 new construction starts	[1c] 11,952,000		
13 increases in budget items	20,070,200		
3 budget items reduced	−6,610,000		
Total	26,459,200		
House bill above budget		26,459,200	
Corps of Engineers—Continued			
Operation and maintenance			$158,676,000
The budget estimate, and the amount allowed by the House.			
Flood control, hurricane, and shore protection emergencies			4,150,000
The budget estimate, and the amount allowed by the House.			
General expenses			15,575,000
The budget estimate, and the amount allowed by the House.			
Flood control, Mississippi River and tributaries			79,920,000
Above the budget		$8,060,000	
Above the House		6,370,000	
Above 1964		2,058,000	
Canal Zone Government:			
Operating expenses			29,088,000
The budget estimate, and the amount allowed by the House.			
Capital outlay			4,821,000
The budget estimate, and the amount allowed by the House.			
Total, title I			1,270,585,200
Above the budget		$54,217,200	
Above the House		45,073,000	
Above 1964		128,547,700	

[1] New future commitments are as follows:

[a] New future commitment	$370,552,000
[b] New future commitment for 35 new starts in budget	511,267,000
[c] New future commitment	199,609,000
Total new commitment	1,081,428,000

[2] Includes $26,329,200 added by the House.

Summary by titles

SUBCOMMITTEE RECOMMENDATIONS

Title I—Civil Functions, Department of the Army			$1,270,585,200
Above the budget		$54,217,200	
Above the House		45,073,000	
Above 1964		128,547,700	
Title II—Department of the Interior			387,913,000
Above the House		8,410,000	
Below the budget		42,587,000	
Below 1964		21,409,200	
Items deferred for later consideration:			
Reimbursement to city of Malta, Mont	$26,000		
Weber Basin project road	200,000		
Pacific Northwest-Pacific Southwest intertie	45,500,000		
Total	45,726,000		
Title III—Atomic Energy Commission			$2,631,008,00
Above the House		$6,935,000	
Below the budget		61,992,000	
Below 1964		111,661,000	
Title IV—Independent offices			52,046,000
Compared with the House		Same	
Below the budget		$4,000,000	
Below 1964		25,251,000	
Grand total all titles			4,397,387,200
Above the House		$71,418,000	
Below the budget		43,361,800	
Below 1964		9,853,500	

Mr. ELLENDER. Mr. President, the budget estimates provided for 35 new construction starts. I commend the administration for taking such action. The projects recommended are all necessary, and it is essential that each year an adequate number of new construction projects be added to the program if the national needs for the development of our water resources are to be met in an orderly and efficient manner.

TITLE II

Mr. President, title II deals primarily with reclamation projects and the power marketing agencies of the Department of the Interior. As I have said, it was handled for the committee by the chairman of the Appropriations Committee, the Senator from Arizona [Mr. HAYDEN].

The committee considered budget estimates for the Department of the Interior agencies amounting to $430,500,000, plus $5,300,000 in reprograming requests. Of this, $53,800,000 was transmitted to Congress after the House had passed the bill.

The committee recommends an appropriation of $433,639,000, including the reprogramed amounts. The largest addition to the House bill, of course, is $45,500,000 for the Pacific Northwest-Pacific Southwest electric intertie. Provision is made for initiating construction of three of the four lines recommended by the Secretary of the Interior.

The recommendation for the Pacific Northwest-Pacific Southwest intertie is one of the two items which I question the advisibility of undertaking at this time.

The committee also recommends funds to accomplish emergency construction work for the National Park Service, for weather modification research, for an engineering office for the Bureau of Reclamation, for tile drains to improve the quality of water going to Mexico through the Colorado River, and for additional work on the Central Valley and Columbia Basin projects.

Reductions from budget estimates have been recommended in connection with transmission facilities in the Central Valley project, in the Missouri River Basin, and in the Southwestern Power Administration area.

TITLE III

Mr. President, the committee recommended $2,631,008,000 for the Atomic Energy Commission. The committee recommendation is $17,935,000 above the House, which is offset by an increase of $11 million in operating revenues for a net increase in appropriated funds of $6,935,000; $61,992,000 below the budget; and $111,661,000 below the appropriation for 1964.

ATOMIC ENERGY COMMISSION

For operating expenses, the committee recommended an increase of $17,935,000, of which $6,435,000 was for the reactor development program; $8 million was for physical research; and $3.5 million for special nuclear materials. For plant and capital equipment, the committee recommended $363 million, the amount allowed by the House and $7 million below the estimate.

TITLE IV

For the Tennessee Valley Authority, the committee recommends $47,915,000, the amount allowed by the House and $3 million below the budget estimate. Included in the recommended appropriation is $5 million for the Land Between the Lakes demonstration program. This is an item in which I am personally opposed.

There is a substantial question as to whether this development is authorized. The question is a factual one. If the development is, in fact, simply a study, experiment, or demonstration "necessary and suitable" to the making of plans useful to Congress and the several States under section 22 of the Tennessee Valley Authority Act of 1933, it would appear to be authorized by that section. If, however, the recreation area is, in fact, an end objective in itself, not related to the making of plans useful to Congress or the States, or not "necessary and suitable" to the making of such plans, it would not appear to be authorized. I believe their own testimony convicts them on this score.

If this project should be carried forward, it should be carried out by the National Park Service. The advantages claimed for this site should be studied by the appropriate committees of Congress and weighed against the alleged advantages of other sites presently being considered for recreational areas to serve the same area.

Under this same authority, in connection with a future TVA dam and reservoir, the chairman of the Board states that a major objective in the proposed Tellico project will be the development of the reservoir and adjacent lands in such a way as to permit the project to make the maximum possible contribution to the economy of the region. They propose to acquire some 16,500 acres of shoreline lands which extensive studies have shown to be suited for development and use for industry, public and private recreation, and home sites; that detailed plans for the development of the shoreline land be developed in cooperation with appropriate State and local agencies; and that the development plans be implemented through an orderly schedule of disposal of lands and land rights as the demand arises for industrial sites, home sites, and recreational development sites. This is not something I fear will happen. It is the announced plan of chairman in a letter to a Member of the House of Representatives.

Is it the intent of this Congress to acquiesce in the condemnation of private lands, for subsequent disposal to private interests, according to the whims of a bureaucrat? They could, under this philosophy, acquire private land by condemnation, determine that it was in the interest of the economic development of the TVA area to furnish a plant site free of charge to, say, a textile mill in New England. I, for one, cannot subscribe to this philosophy.

If acquisition and disposal of land is the announced intention of TVA with respect to the Tellico project on the Little Tennessee River, this same Board of Directors could decide to dispose of any or all of the lands in the Between the Lakes area in the same manner. For these and other reasons, I am opposed to the acquisition of land for the Between the Lakes development.

Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc; and that the bill as thus amended be regarded, for purposes of amendment, as original text; and that no point of order shall be considered to have been waived by reason of agreement to this request.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. MORSE. Once again I wish to express to the Senator from Louisiana, the chairman of the Subcommittee on Public Works of the Appropriations Committee, on behalf of the people of my State, appreciation for the fair impartiality with which he handled all the requests of the Senators from Oregon in regard to Oregon projects. He knows as well as I do that there will always be in my State those who will not be happy about some of the exclusions. But I owe it to the Senator from Louisiana and to the members of his committee to say to the people of my State that in a given year we cannot receive favorable action on all of our requests, and that we received fair consideration from the Senator from Louisiana, which is all that any State is entitled to. I am satisfied that in the future, as we present additional information, which obviously will be needed on a few projects to satisfy the Appropriations Committee, we shall continue to receive a decision from the Senator from Louisiana on the merits of our case.

As a lawyer, I know that sometimes a judge does not place the same weight and value on the evidence submitted to him that counsel places upon it. I wish the people of my State to know that in my years of experience with the Senator from Louisiana I have found him to be a fair and just judge, and I am not at all discouraged, may I say to those in my State who may be disappointed, in regard to our cases in the future before this fair judge. But I wish to say to this judge and to the people supporting the projects that were approved, in respect to those projects, that he did my State justice. And he did my State justice in regard to the cases that he rejected. A lawyer never agrees with a decision that may go against him; therefore I do not agree with the decision of the court in this instance, but I am satisfied that I received judicial treatment, and that is all to which we are entitled.

I want the Senator to know that I shall be back next year pleading my case again. I hope at that time I shall have evidence that will convince the Senator on the Oregon cases. But for the decisions he has rendered in approving the Oregon projects, I thank the Senator sincerely, not only in behalf of myself, but the people of my State.

Mr. ELLENDER. I thank the distinguished Senator from Oregon. It is rather difficult to turn down good projects. Of course, it is necessary in many States. We must live within the budget, if possible. We have not always done so in the past. We increased the amount to some extent to more or less balance the bill so as to insure that all States receive their fair share of the funds provided. I do not know whether some worthy projects were overlooked or not, but the committee thought certain projects should be added to the bill.

I am proud to say that this administration has added quite a few new projects, which made our task easier. The House added a few projects, and so did the Senate committee. All in all I think we have a fairly well-balanced bill.

Mr. MORSE. The Senator has our deep appreciation.

Mr. ELLENDER. Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc, that the bill as thus amended be regarded, for purposes of amendment, as original text, and that no point of order shall be considered to have been waived by reason of agreement to this request.

The PRESIDING OFFICER. Is there objection?

Mr. McCLELLAN. Mr. President, reserving the right to object, what was the request?

Mr. ELLENDER. To have the committee amendments agreed to en bloc, and to have the bill then considered as original text.

Mr. McCLELLAN. Subject to further amendment?

Mr. ELLENDER. Yes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The committee amendments agreed to en bloc are as follows:

On page 3, line 16, after the word "construction", to strike out "$20,590,000" and insert "$22,269,000".

On page 4, line 9, after the word "construction", to strike out "$905,767,200" and insert "$942,791,200", and in line 10, after the word "expended", to insert "of which $64,000 shall be available for the readjustment and alteration of the facilities of the Broughton Mutual Telephone Co. to permit continued service to the present users not affected by the Milford Dam and Reservoir project; and of which not to exceed $131,500 shall be available for construction of a road from the new townsite of Lower Brule to Counsellor Cove, and such work is hereby authorized."

On page 6, line 1, after the word "August", to strike out "8" and insert "18".

On page 6, line 17, after "(33 U.S.C. 702a, 702g–1)", to strike out "$73,550,000" and insert "$79,920,000".

On page 10, after line 3, to insert:

"NATIONAL PARK SERVICE

"Construction

"For an additional amount for 'Construction' for the purposes set forth in the Act of August 7, 1946 (60 Stat. 885), $1,800,000."

On page 10, line 21, after the word "exceed", to strike out "$400,000" and insert "$450,000"; in line 22, after the word "expended", to strike out "$10,354,000" and insert "$12,404,000", and in line 23, after the word "which", to strike out "$9,054,000" and insert "$11,054,000".

On page 11, line 15, after the word "expended", to strike out "$182,433,000" and insert "$185,689,000"; in line 16, after the word "which", to strike out "$80,000,000" and insert "$83,030,000"; on page 12, line 4, after the word "customer", to insert a colon and the following additional proviso:

"*Provided further,* That not to exceed $2,000,000 as proposed in Senate Document 89, Eighty-eighth Congress, for maintaining suitable water quality in the Colorado River shall be nonreimbursable".

And on page 12, line 11, after the name "Port Chicago", to insert a colon and the following additional provisos:

"*Provided further,* That not to exceed $26,000 shall be available for reimbursement to the city of Malta, Montana, for the cost of improvements to streets and appurtenant facilities adjoining property under the jurisdiction of the Department of the Interior in that city to be nonreimbursable and nonreturnable: *Provided further,* That not to exceed $200,000 of funds made available for improvement of access roads in the Weber Basin project area shall be nonreimbursable".

On page 14, after line 2, to insert:

"EMERGENCY FUND

"To reimburse the emergency fund authorized by the Act of June 26, 1948 (62 Stat. 1052), for expenses incurred for repair of flood damage to irrigation facilities of the Milk River and Sun River Federal reclamation projects, $1,000,000, to remain available until June 30, 1965."

On page 19, at the beginning of line 10, to strike out "$41,220,000" and insert "$87,420,000".

On page 20, line 18, after the word "area", to strike out "$2,610,000" and insert "$2,440,000".

On page 23, line 1, after the word "vehicles", to strike out "$2,261,073,000" and insert "$2,268,008,000".

On page 27, line 1, after the word "exceed", to strike out "$6,000" and insert "$2,000".

Mr. CARLSON. Mr. President, I take this opportunity to express my appreciation to the distinguished Senator from Louisiana. I also wish to express my appreciation to the Senator from Arizona [Mr. HAYDEN]. He presided over the hearings on matters relating to the Bureau of Reclamation.

We in Kansas are indebted to the distinguished Senator from Louisiana and to the committee—and this is equally true of the Senator from Arizona [Mr. HAYDEN]—for the inclusion of very worthy projects in our State.

The Senate is fortunate, and I believe our Nation is fortunate, in having both these Senators serve on this important committee. I know of no Senators who have devoted more time or are better qualified to approve or reject projects when it comes to controlling water runoff and controlling water for beneficial uses, than these two Senators. On behalf of the people of Kansas I express my appreciation to both of them.

Mr. ELLENDER. I thank the Senator from Kansas.

Mr. HRUSKA. Mr. President, it is my privilege to serve as a member of several of the subcommittees of the Committee on Appropriations; but I derive particular satisfaction from serving on the Subcommittee on Public Works.

The projects appropriated for by the bill now before the Senate meet longstanding and rigid standards. They are carried out by well established and experienced agencies including the Army Corps of Engineers, the Bureau of Reclamation, and the Atomic Energy Commission.

Every project in the bill has been carefully considered for a long period of time, many of them for several years. They have been carefully examined, not only by the Committee on Appropriations, but also by the Committee on Public Works in some instances, and the Committee on Interior and Insular Affairs, in others with a view toward determining whether authorization is justified.

These projects provide needed development of our land and water resources, and our atomic resources. This is a bill in which the Senate can take pride, because it is in the classic traditions of a government doing for its people what they cannot do, or do so well, for themselves.

The bill is very close to the amount of the budget request. It is only $2,364,200 above the budget estimate of $4,440,749,000. The total definite appropriations come to $4,387,278,200, which is divided among four titles, as follows:

Title I, civil functions, $1,270,585,200; title II, Department of the Interior, $433,639,000; title III, atomic energy, $2,631,008,000; and title IV, independent offices, $52,046,000; or a total of $4,387,278,200.

Of the increase over the amount appropriated by the House, $45.5 million is represented by a single item, the item for the Pacific Northwest-Pacific Southwest intertie project, to which the chairman of the subcommittee referred. Without this item, the committee's recommendation would be very close to the total amount approved by the other body.

Mr. President, not all of the projects that might have been included in the bill have been. I cite this as evidence of the rigid standards and requirements which Congress, in its wisdom, has written into the law.

The bill can properly be regarded as an investment in the future of America, because it represents a substantial addition to our capital plant. It is an investment from which we can expect a sizable return. The committee insists on this by demanding a showing of a favorable ratio of benefit to cost.

Mr. President, I commend the distinguished Senator from Louisiana for his careful and concise presentation of this important appropriations bill.

It has, as in past years, been a distinct pleasure to work with him and the other members of the subcommittee.

It has been a difficult year for all committees of the Senate. Throughout the many weeks of debate on the civil rights bill, committees were not permitted to meet during sessions of the Senate, except in emergency situations. This resulted in long delays in hearings and broken schedules.

The situation was particularly acute insofar as the Committee on Appropriations was concerned. It is the one committee which has the critical responsibility of providing adequate funds for the many departments, agencies, and commissions of the Federal Government. And it is the one committee which must constantly meet deadlines imposed by considerations of sound fiscal management.

There is no need for me to discuss each appropriation item and the amounts involved therein, as I am sure the Members of the Senate have been fully informed on this by the lucid and detailed remarks of the committee leadership and by the information contained in the committee report.

The Corps of Engineers phase of the bill is particularly complex. There are numerous surveys and active projects throughout the country involving countless towns and cities, in each State. Due consideration must be given to each project and to the views of all concerned. At the same time close attention must be given to the overall money to be spent. Representatives of the various political subdivisions, as well as private and other nongovernmental organizations are understandably eager to complete their projects as soon as possible.

It is my privilege to serve as ranking minority member on the Public Works Appropriations Subcommittee as well as the special subcommittee handling appropriations for the Atomic Energy Commission and the Tennessee Valley Authority. The distinguished Senator from Alabama [Mr. HILL] is chairman of this special subcommittee and he, too, has done a fine job. I want to also commend the distinguished Senator from Rhode Island [Mr. PASTORE] for his expert guidance of the hearings and the executive consideration of the budgetary request of the AEC. His position as chairman of the Joint Committee on Atomic Energy and his membership on the Appropriations Committee provide him with vast knowledge of the various atomic energy programs of the Nation.

There has been one deviation this year from the customary handling of activities by the Atomic Energy Commission. Last year Congress adopted an amendment to the basic act governing various AEC programs. This amendment permitted the Joint Committee, for the first time, to review the entire AEC program, as well as the Commission's budgetary requirements. The Joint Committee is now in the position of being able to make legislative recommendations on any or all of the AEC program, and to suggest to Congress a ceiling on amounts to be allowed the Commission.

Mr. President, I feel that this amended procedure is a sound improvement. It gives Congress a doublecheck on the programs and the spending. I am confident the Commission is also pleased to have this added opportunity to fully review and justify its proposals.

Another major area of this bill is that covering appropriations for the Bureau of Reclamation and the power marketing agencies. I shall not go into the activities of these agencies and their requirements, but I do want to pay great tribute to two highly respected and very able gentlemen, our honored and beloved chairman from Arizona, Senator HAYDEN, and our senior and ranking minority member from South Dakota, Senator MUNDT. Their guidance of hearings on budget requests from these agencies moved smoothly and every estimate was handled with complete fairness to all concerned. I know the difficult task they had in consideration of the proposed electric power transmission lines between the Pacific Northwest and the Pacific Southwest.

Before I close, Mr. President, I wish to express my special appreciation to the dedicated work of the committee staff, especially Messrs. Kenneth Bousquet and Paul Eaton, of the majority staff, and Mr. Edmund King, of the minority staff. They have, as in the past, provided talented and capable assistance, which we deeply appreciate.

Mr. PROXMIRE. Mr. President, I call up my amendment No. 1201. I ask unanimous consent that the reading of the amendment be dispensed with and that it be printed at this point in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 4, lines 9 and 10, delete "$942,791,200" and insert in lieu thereof "$941,491,200".

Mr. McCLELLAN. Mr. President, will the Senator yield, without losing the floor, to permit me to make a general statement?

Mr. MANSFIELD. Mr. President, will the Senator from Wisconsin yield, without losing his right to the floor?

Mr. PROXMIRE. I yield to the majority leader.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that on the pending amendment there be a limitation of debate of 30 minutes, 15 minutes to a side; and that on the other two amendments of the Senator from Wisconsin the time be limited to 20 minutes, 10 minutes to a side, the time on the amendments to be controlled by the distinguished Senator from Wisconsin and the distinguished Senator from Louisiana.

Mr. PROXMIRE. Mr. President, I am content, provided that I may yield to the Senator from Arkansas outside my time.

Mr. McCLELLAN. Mr. President, I ask unanimous consent that the time of the Senator from Wisconsin not begin to run until I have concluded my remarks.

Mr. MANSFIELD. That is what the Senator from Wisconsin has asked.

The PRESIDING OFFICER. Is there objection?

Mr. PROXMIRE. I ask that the time on the amendment not run until the Senator from Arkansas and the Senator from Connecticut have spoken briefly.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. McCLELLAN. Mr. President, I wish to join other Senators who have complimented the distinguished chairman of the Public Works Subcommittee for his faithful, diligent, and effective work on this appropriation bill. The program of projects financed by this bill are those which are most vital to the progress, prosperity, and economic growth of our country. They are improvements whose construction have heretofore been authorized—improvements that will strengthen the economy of the Nation. Therefore, they have my wholehearted support.

Experience has proven that this character of projects that have been authorized and appropriated for and which have been constructed or which are now under construction are fully justified economically. The expenditures to be made under this bill are primarily expenditures of investment in the long-range growth and development of our great natural resources and in the conservation and use of the vital water resources of the country.

One reason why I wish to comment on this bill is because it contains an increase in the appropriation for the Arkansas River program. That increase over the House allowance comes about for this reason: In the original budget, the President requested an appropriation of $84 million for the Arkansas. At that time, because of my support for economy wherever it can be effected, I told the President that we were hopeful that that amount, although it was some $18 million below what the Corps of Engineers said it could economically expend, could be lived with—that it would be acceptable. However, thereafter, when the Corps of Engineers analyzed the $84 million and undertook to apply the analysis to the various projects, so as to keep the program on schedule, it was found to be inadequate and that it would be impossible to keep the program advancing and completed as planned by 1970. In other words, the Corps of Engineers found that another $15 million would be required, and that a total of $99 million would have to be appropriated for the Arkansas program in order to keep it on schedule and to meet the target date for completion in 1970.

This situation was analyzed and examined and it was found that a delay of 1 year would occur in the completion of the project, and that the result would be a loss of $43 million in benefits which would accrue from the 1 year delay in construction and completion of the project. Delaying construction for 1 year would incur a direct cost out of the Treasury of between $10 million and $11 million.

Furthermore, Mr. President, the increased cost of purchasing the land that will be inundated would run from $800,000 to $1 million.

In addition, it was found that of the 27 counties in Oklahoma and Arkansas through which the river flows, 23 are eligible for area redevelopment funds.

It was also found that the additional money would provide an overall number of 1,320 jobs in this distressed area.

We presented the facts to the President of the United States. I talked with him personally about it on three different occasions in conferences at the White House. When he became convinced, after checking the figures which I have related, the President in his wisdom—and realizing that not to keep the construction on schedule as originally planned would be false economy, and that losses would occur in the manner which I have outlined, plus others, perhaps, to which we have not referred specifically—on July 30 sent forward a supplemental budget estimate which included $14 million additional for the Arkansas River project.

I wish to express my appreciation to the President for his consideration, and for the consideration which was given by the committee, the chairman of the committee and other members, in accepting the decision of the President. This additional appropriation is more than justified.

I know that it is a wise course. The Federal Government and the Treasury will actually save money by reason of having increased the amount necessary to complete the project on schedule so that the target date for completion by 1970, as heretofore announced, can be met.

Mr. President, I ask unanimous consent to have printed in the Record a copy of the letter the President transmitted to the President pro tempore of the Senate on July 30, transmitting the supplemental budget to which I have referred, together with the reasons stated therefor.

There being no objection, the letter and supplemental budget were ordered to be printed in the Record, as follows:

The White House,
Washington, July 30, 1964.

The President pro tempore of the Senate.

Sir: I have the honor to transmit herewith for the consideration of the Congress an amendment to the budget for the fiscal year 1965 in the amount of $19,800,000 for the Corps of Engineers.

The details of this request and the necessity therefor are set forth in the attached letter from the Director of the Bureau of the Budget, with whose comments and observations thereon I concur.

Respectfully yours,
Lyndon B. Johnson.

[Estimate No. 29, 88th Cong., 2d sess.]

Executive Office of the President,
Bureau of the Budget,
Washington, D.C., July 27, 1964

The President,
The White House.

Sir: I have the honor to submit herewith for your consideration an amendment to the budget for the fiscal year 1965 in the amount of $19,800,000 for the Corps of Engineers—Civil, as follows:

Department of Defense—Civil

DEPARTMENT OF THE ARMY

Corps of Engineers—Civil

Budget appendix page	Heading	Request pending	Proposed amendment	Revised request
347	Construction, general	$879,308,000	+$19,800,000	$899,108,000

The proposed amendment would provide an additional $14 million for construction work on Arkansas River navigation project in 1965. Recently completed studies indicate that an earlier completion date will result in a substantial increase in benefits by enabling the project to be completed in phase with industrial development plans in the

States of Arkansas and Oklahoma. Its construction also provides an important stimulus to economically distressed areas in these States.

The remaining $5.8 million would be used to maintain construction schedules on the J. Percy Priest Reservoir, Tenn.; on the Perry Reservoir, Kans.; and on an important element of the central and southern Florida project. The added amount will permit earlier realization of significant urban flood control and other project benefits.

The amount requested herein when added to amounts previously requested will not raise total requests above the totals proposed in the 1965 budget.

The amendment is in addition to those transmitted to the Congress on March 9, 1964, House Document No. 240, and on May 28, 1964, House document No. 309.

The foregoing item has been carefully reviewed and I recommend its transmission to the Congress.

Respectfully yours,
ELMER B. STAATS,
Acting Director of the
Bureau of the Budget.

Mr. ELLENDER. Mr. President, will the Senator from Arkansas yield?

Mr. McCLELLAN. I am glad to yield to the Senator from Louisiana.

Mr. ELLENDER. I, too, consulted the President with respect to the items to which the Senator from Arkansas has referred. I stated to the President that I was impressed with the testimony, which showed that if the project were delayed by 1 year, the benefits that would be lost would be—I believe the estimate was three times more than the additional amount that would be required this year to complete the project by the target date. I jokingly told the President that whether he sent an amended budget estimate to the Congress or not, I would put the additional money in the bill.

Mr. McCLELLAN. The Senator did. The Senator agreed to put it in the bill. I express my appreciation to him also. But again let me say for the record that no special favors were asked.

Mr. ELLENDER. None.

Mr. McCLELLAN. We based the request on the merits of the project, on its benefits to the communities affected and to the area of the country that was being developed, and also on the basis of the impact it would have——

Mr. ELLENDER. In savings.

Mr. McCLELLAN. On the Treasury of the United States.

Mr. ELLENDER. In other words, the savings that would be made.

Mr. McCLELLAN. Yes—the savings. It was false economy not to do it—not to add this $14 million additional. It was prudence and frugality to appropriate it. I talked with the President on three different occasions about it, and when the figures came in, when the Corps of Engineers had reported to the Bureau of the Budget the figures I had given to the President, they were fully substantiated by the Corps of Engineers.

This is an excellent and fully justified project, one that should be expedited to completion without any undue or unnecessary delay.

I thank the distinguished Senator from Wisconsin [Mr. PROXMIRE] for permitting me to proceed at this time.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that I may yield on the same basis as before to the Senator from Connecticut [Mr. DODD] without my time being limited.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DODD. Mr. President, I am grateful to the Senator. I wish to join briefly in the well-deserved words of praise for the chairman of this subcommittee who has been remarkably diligent and at all times most considerate.

As I remember, last March I went to the Senator from Louisiana and recommended that a sum of $25,000 be appropriated for a study of the Thames River and New London Harbor channel by the Corps of Engineers. He was most gracious and considerate. I wish to thank him for his help. I owe him a debt of gratitude for the interest he took in it.

The Thames River is a vital artery into the heartland of eastern Connecticut. Its course should be thoroughly surveyed in order to properly plan channel improvements for its waterborne traffic.

I am grateful to the Senator from Louisiana for his great help in moving this program forward.

I should like to direct a question to him: Am I to understand that the additional funds recommended by the committee for survey and navigation studies would be available for such a project as the Thames River project?

Mr. ELLENDER. What we have done in the past and what we have done in this case is to approve a lump sum increase for surveys and direct the engineers to apply those increased amounts to surveys which were submitted to the committee. The Senate committee has always followed a policy of not earmarking funds for any particular survey. The Corps of Engineers is authorized to select from among those surveys submitted to the committee, the ones they feel are most urgent. Sometimes, as the Senator may know, they may budget $25,000 to $50,000 for a survey, and then, after the Corps of Engineers spends $3,000 or $4,000 of that amount, they find out that further work on that survey is not feasible and, therefore, they give it up. We always provide a lump sum to take care of surveys which are presented to the committee and which show some promise.

I assure the Senator that a good case has been made for the study to which he has referred, and I am hopeful that the corps will provide some funds for that study.

Mr. DODD. I am grateful to the Senator from Louisiana.

Mr. PROXMIRE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Wisconsin will state it.

Mr. PROXMIRE. Is the number of my pending amendment 1201?

The PRESIDING OFFICER. The Senator is correct. How much time does the Senator yield himself?

Mr. PROXMIRE. Mr. President, I yield myself 10 minutes.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized for 10 minutes.

Mr. PROXMIRE. Mr. President, this amendment would eliminate the $1.3 million which the Corps of Engineers has requested to deepen and widen the harbor at Palm Beach, Fla.

The total cost asked for this project is $5.6 million, of which $5.1 million would be Federal funds. The $1.3 million appropriations request would be to complete the central, or dogleg section of the three-sectioned dredging proposal. My amendment would prohibit funds for any further work on the dogleg, and would halt the project altogether.

I have six reasons for opposing this appropriation. Essentially, all six points lead to the same inescapable conclusion: This project no longer has any justification. Due to certain changes in the local situation at Palm Beach, there is no longer any need to deepen and widen the harbor. Allowing money for going ahead with the dredging would be granting money for a completely useless activity. Furthermore, allowing appropriations for it would be not only spending money for a project which will benefit no one, but would also be funding a program which will actually harm someone. With no positive benefits remaining, only the harmful effects of the dredging would be left.

My first point is that the principal user of oil in Palm Beach harbor is switching to natural gas, thus diminishing the anticipated benefits of the project for petroleum commerce.

The Florida Power & Light Co. is the principal user of the oil delivered to Palm Beach Harbor. The justification of the project in the Senate hearings says in reference to the annual tonnage of oil received by the Palm Beach docks, that:

> The increase [in oil tonnage] is due to accelerated enlargement of the local steam-electric plant. * * * Tanker benefits have increased accordingly.

The local steam-electric plant mentioned is the Florida Power & Light facility at Riviera Beach, obvious in pictures of the harbor.

The principal purpose of the Palm Beach project is to deepen the harbor bottom to make it easier for oil tankers to maneuver and unload. The Corps of Engineers' justification says on the same page:

> The bulk of the benefits [of the project] would accrue to petroleum products commerce. About 80 percent of the vessels entering the harbor with drafts of 23 feet or more are tankers.

The justification claims that 800,000 tons of oil will be received in 1965, 1.4 million tons in 1990.

But, Mr. President, prospective oil receipts in the harbor neglect the fact that F.P. & L. has just recently announced the conversion of 25 percent of their facilities to the use of natural gas, and in the long run plans to convert the whole plant to gas. The news article announcing the conversion to gas in the Miami Herald of June 20, 1964, says:

> A company official said long-range plans call for elimination of fuel oil at the 730,000-kilowatt plant, which towers above the Lake Worth shoreline a block north of West Palm Beach.

Richard Hill, the company's division manager, said that a 100-percent conversion was in the works, and that total conversion would take only the completion of a satisfactory contract and the approval of the Federal Power Commission.

Even with the 25 percent oil cutback, though, the figures listed in the Senate hearings, including the benefit-cost ratio, are out of date. The Corps of Engineers has admitted that they have not taken the partial conversion of the F.P. & L. plant into consideration in any new estimate of the Palm Beach project. They said that they do not plan to refigure the project with the new factor included until next year. Congress now has a set of inaccurate figures justifying this project. The present benefit-cost ratio given is 1.7 to 1. This has been calculated without considering the fact that the Florida Power & Light Co. has reduced its oil use by 25 percent. The 1.7 benefit-cost ratio is figured with 50 years of benefits anticipated and a discount rate of 2⅞ percent. But, if we were to include the more realistic discount rate of 4 percent, we would find that with the same 50-year life, the benefit-cost ratio would drop to 1.2. This ratio still does not take into consideration the 25-percent cutback in oil shipments, much less the eventual 100-percent elimination of oil by the F.P. & L.

A 1962 report of the Corps of Engineers is the latest we have in the way of statistics about the benefits of the project. It estimates that $366,000 would be saved by the project in total, $248,000 of which would accrue to savings in operation of oil tankers. This is 68 percent of the benefits of the project going to petroleum commerce. Now, we learn that petroleum commerce is to be cut 25 percent. This cutback cuts into a large portion of the petroleum commerce of the harbor, which is the principal import there. Furthermore, we have no assurance from the corps that the F.P. & L. facilities will be using oil in the near future. If they discontinue the use of oil, 68 percent of the project benefits is erased.

An added factor is that natural gas is becoming a competitive product with oil in the Palm Beach area.

The prospective supplier of gas to the area, the Florida Natural Gas Co. in Orlando, Fla., has stated that plenty of gas could be made available to the F.P. & L. All the needs of the area could be supplied without much trouble. They are already supplying 25 percent of the F.P. & L. fuel. They further stated that gas costs would not exceed present oil costs. A nearby example of this trend to gas is Fort Pierce, Fla., less than 60 miles from Palm Beach. Fort Pierce has switched to gas completely, gas supplied by the same gas company, Florida Natural Gas, and this switch was made with no change in costs.

With a 100-percent conversion to gas at the Palm Beach powerplant, only $88,000 are left in projected benefits. Is this worth the $500,000 to be paid for the project by the port district or the $5 million spent by the Federal Government?

The Corps of Engineers says that the 25-percent reduction of oil use by the F.P. & L. will not affect the current benefit-cost ratio of 1.7 to 1 very substantially. But this seems to be a questionable claim when we consider these facts:

First. Eighty percent of the vessels with drafts of over 23 feet in the Palm Beach Harbor are tankers. The project is principally for their benefit, since the harbor is already 27 feet deep, and will be deepened to 33 feet.

Second. The 1963 Corps of Engineers report as I have cited claims that 68 percent of the benefits of the project would be savings in tanker costs.

Third. The Senate hearings state that 640,000 tons of oil are expected on the average annually from 1961 to 2010. This means 84 percent of the total tonnage carried to the harbor would be oil. The dry cargo average was 134,000 tons.

Fourth. The Senate hearings furthermore claim that next year, 1965, 630,000 tons of oil alone would be hauled to the docks. This is due to the enlargement of facilities there—see page 662 of the hearings.

Fifth. The corps has also claimed that there are other oil users in the area which would be benefited, besides the F.P. & L. But, when asked how many tons are used by all these users put together, they said that only 120,000 tons were not used by the F.P. & L. in 1962. The oil consumption at F.P. & L. was estimated at 630,000 tons in 1963, so we can infer from that that consumption in 1962 was not much less than 630,000 tons.

Mr. President, these facts indicate that a large percentage of the total commerce going into Palm Beach harbor is oil specifically for the F.P. & L. plant, and thus that a 25-percent cutback in their oil use is significant for the benefit-cost ratio of the project. Consider the effect, moreover, of a 100-percent oil cutback on the benefit-cost ratio.

Is the rest of the benefit for dry cargo shipping? This leads to my second major point.

Dry cargo tonnage has been reduced since the 1959 report justifying the project. The 1959 corps report on the harbor calculated economic feasibility figures which considered heavy railroad car ferry traffic to and from Havana, Cuba, which has now completely ceased.

There is no other ship commerce in need of the harbor deepening. The harbor is now 27 feet deep. Eighty percent of the ships using it which require more than 23 feet are tankers. The deepening was justified largely because a greater depth was needed for larger tankers expected in the future. With the tankers no longer being used because oil is not to be used, the only other ship commerce would be of the dry cargo type. But, the majority of the dry cargo types have been car ferries, which require only 16 to 18 feet in water depth. Even if these still ran between Havana and Palm Beach, they would not need a deeper harbor—see page 23, 1959 Report.

My third point, Mr. President, is that all but one of the communities off the Palm Beach Harbor have passed resolutions against the project.

Resolutions opposing the project have been received from the city councils of Riviera Beach—where the Florida Power & Light Co. is located—West Palm Beach, and Palm Beach Shores. Palm Beach is the only town which has not denounced it formally. While it is true that the Palm Beach Port Commission approved the project by a 2-to-1 vote, the one dissenting vote was cast by the commissioner who is the only one elected by the towns of Palm Beach and Palm Beach Shores, the towns most affected potentially by the project.

I also have statements by owners of local electronics industries which oppose the project.

Fifth, several towns are considering the passage of anti-air-pollution measures, making the use of oil by power companies uneconomical and prohibitive. The Florida Power & Light Co. has admitted that its Riviera Beach plant spews 80 tons of ash a day out from their smokestacks. The air pollution committee of that community has recommended prosecution of the plant for violating air pollution regulations. It was in response to this threatened prosecution that the company has changed part of its facilities to gas. Other towns are contemplating the same type of regulations. Several industries in the area have lined up against the port project on the grounds that it will lead to further air pollution, if oil is continued to be used by the powerplant. This pollution, to their minds, makes it hard to attract people to Palm Beach to work.

Sixth, the project endangers valuable beach property through flooding. Deepening the harbor will make Lake Worth more susceptible to the effects of rising ocean tides. Several spots are especially vulnerable. Tides have risen steadily through the years subsequent to dredging activities. It is true that a study of the University of Florida said that on the basis of testing a model of Palm Beach Harbor, little flooding is likely to occur, for the tides would rise only six-tenths of a foot. But if their calculations are wrong, no provisions are made for those who suffer the loss. And, hurricane flooding was not ever considered.

My last point, Mr. President, is that the project endangers fish and wildlife in the Lake Worth area. U.S. Fish and Wildlife Service has stated that the turbidity in the water caused by the dredging can chase away many of the sports fish in the Lake Worth area. Their major concern was with the means of disposal of the silt and stone dredged. The spoil—dumping—areas chosen are in locations known to be choice spawning areas for local fish. The Izaak Walton League of the region and State have opposed this project for conservation reasons, as have many other local conservation organizations.

At least, we must oppose these appropriations until further information is given the Congress, including:

First. The benefit-cost ratio of the $1.3 million dogleg dredging, the various percentages of benefits, and expected tonnages for the Palm Beach Harbor, and so forth, with the 25-percent oil cutback of the F.P. & L. figured in.

Second. An assurance in writing from the F.P. & L. that no further conversion to natural gas is planned within the next 10 years or so, or longer.

I reserve the remainder of my time.

Mr. MANSFIELD. Mr. President, I have a unanimous-consent request which I would like to add, if granted, to the previous request. I ask unanimous consent that in addition to the agreement previously entered into, there be 30 minutes allowed for all other amendments, and 1 hour on the bill, the time to be divided equally between the proponents and the opponents.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ELLENDER. Mr. President, during the hearings the project to which the Senator from Wisconsin refers was again requested by local delegations from Palm Beach. The committee heard of no opposition to it which would constitute evidence for the record. After conclusion of the hearings, and as soon as the committee received the first information from the opposition, I asked the engineers for their reaction to that opposition. The result of their study was furnished to me on August 4, 1964. I shall not take the time of the Senate to read that letter. I ask unanimous consent to have it printed at this point in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Department of the Army,
Office of the Chief of Engineers,
Washington, D.C., August 4, 1964.

Hon. Allen J. Ellender,
Chairman, Subcommittee on Public Works,
Committee on Appropriations,
U.S. Senate.

Dear Mr. Chairman: Further reference is made to your letter inclosing correspondence which you received from Mr. Gene Dyer of Palm Beach, Fla., concerning the Federal project for improving Palm Beach Harbor. Reference also is made to a subsequent telephone request from Mr. Bousquet of the subcommittee staff for the prompt submission of available information.

A continuing contract to initiate dredging of the improvement of Palm Beach Harbor, authorized by the 1960 River and Harbor Act, was awarded by our Jacksonville district engineer on June 17, 1964, with funds appropriated for fiscal year 1964. This contract provides for obtaining project dimensions in the middle section of the channel, including that portion which has been hazardous to navigation. Funds in the amount of $1,300,000 were included in the 1965 budget for the purpose of completing this initial contract work. The contractor is expected to start test dredging of the channel this week.

The commissioners of the Port of Palm Beach District are the local assurers for the harbor improvement and they furnished those assurances of local cooperation in July 1961. All available evidence also indicates the district's intent to comply with the requirements of the authorizing act. The district has contributed $152,300 as its matching share of the project cost for work contemplated through fiscal 1965. The port district has purchased a site for additional tank storage capacity and a pipeline easement from the port area to the proposed tank storage area. They also are reported to be seeking prospective users of this storage capacity.

In its report on which authorization of the Palm Beach Harbor improvement was based (H. Doc. 283, 86th Cong.), the corps estimated that the average annual petroleum products tonnage over the 50-year economic life of the project would be 640,000 tons. This tonnage estimate did not include any commerce attributable to the siting of an oil refinery or petrochemical plant in the Palm Beach area and no benefits from such commerce were claimed by the corps then or now. Accordingly, the adoption of resolutions opposing the siting of such industries in Palm Beach County has had no effect on the economic justification of the navigation improvement.

Petroleum products seaborne receipts at Palm Beach Harbor for 1962, amounted to over 396,000 tons, of which about 81,500 tons were for users other than the Florida Power & Light Co. plant at Riviera. Petroleum tonnage for other users is expected to increase to about 500,000 tons during the economic life of the project. The Florida Power & Light Co. has increased the generating capability of its Riviera plant at a rate faster than was expected at the time the corps was preparing its report in House Document 283, 86th Congress. The projected capability by 1965 was then estimated to be a maximum of 371 megawatts whereas the company increased its capability to 737 megawatts in 1963. A partially offsetting factor to the expected tonnage growth in fuel oil receipts required to serve the increased powerplant capability has recently arisen. This factor was the conversion by the company to the use of 25 percent gaseous fuel on June 19, 1964. According to company officials, the purpose of the conversion to a 25-percent gas operation was because of community protests to the smoke and air pollution resulting from the use of fuel oil alone. The use of the present proportions of 25 percent gas and 75 percent fuel oil is reported to have eliminated the smoke plume. The assistant to the operating vice president of the Florida Power & Light Co. in a letter of July 24, 1964, cited the company's fuel oil needs through 1968, based on use of 25 percent gas fuel, which amounts to more than 530,000 tons annually. A recalculation of the Palm Beach Harbor improvements economic justification on the basis of the partial conversion to gas fuel shows the project to have a ratio of benefits to costs of 1.3 to 1.

In a May 1964 primary election contest for two of the three Port of Palm Beach District commission offices, in which enlargement of the harbor was recognized to be a principal issue, two proponents of the harbor improvement defeated two opponents of that improvement. One of the primary victors is unopposed in the November 1964 election.

The contractor who was awarded the initial dredging contract is expected to dump his dredge spoil at sea if he decides to use a dipper dredge. If he uses a pipeline dredge, he has the option of using either Peanut Island or an area along the south side of the south jetty. These same areas also will be available for disposal of spoil from dredging of the remainder of the improvement. Selection of the spoil areas and the method of deposition has been coordinated with the local sponsors, affected State agencies, and the U.S. Fish and Wildlife Service.

With regard to any detrimental effects resulting from the harbor improvement, it is considered that such effects would be minor. In this connection, the Fish and Wildlife Service considers that increased turbidity from the dredging process may result in reduced fishing until the sediments have restabilized but that this would be a short-term effect. Also, a model study by the University of Florida's Coastal Engineering Laboratory revealed that, under extreme tidal conditions, the maximum rise in Lake Worth due to enlargement of the ship channel would not exceed 0.6 of 1 foot. The average annual damages due to increased tidal flooding from the channel enlargement have been included in our economic evaluation of the project and amount to only $6,100.

I hope the foregoing information will adequately serve your needs.

Sincerely yours,

R. M. Page,
Colonel, Corps of Engineers
(For Jackson Graham, Major General,
U.S. Army, Director of Civil Works).

Mr. ELLENDER. Mr. President, the record shows that the Palm Beach harbor project has a benefit-to-cost ratio of 1.7, which is a very good ratio. I am sure that the distinguished Senator from Florida [Mr. Holland] can explain to the Senate the merits of this project better than I can. I yield 5 minutes to the distinguished senior Senator from Florida, or as much time as he desires.

Mr. HOLLAND. Mr. President, I speak not only for myself but for my distinguished colleague, the junior Senator from Florida [Mr. Smathers] on this question.

First, I wish to express our deep appreciation for the enthusiastic interest which the Senator from Wisconsin has shown in our State. We invite him to work over with a fine-tooth comb all Florida projects at any time.

Second, I wish the record to be quite clear on this point. The appropriation in the bill is not all that the engineers stated was their 1965 potentiality for the project. The record shows that the Engineers stated their potentiality was $2.7 million. The $1.3 million which we granted is enough to permit the completion of the present contract on which work is under way.

I wish the record to show clearly what that particular contract covers. It covers only section B, or the inner or median section B in the project. That section was begun for a very particular and necessitous reason. There is a so-called dogleg or channel turn in the channel that comes into the harbor, on which two tankers became hung up in the months just prior to the hearings conducted by the distinguished Senator from Louisiana.

It became clearly evident that the effectiveness of the port to serve the present commerce—not commerce far into the future—was thoroughly jeopardized by the continuance of this jutting out angle into the channel; so the work was provided to be begun last year when we put in an emergency $250,000, requiring that it be begun in this particular part of the project, and a continuing contract was let, not to cover the entire project, but only this particular part, and the $1,300,000 which we put in this year is intended to complete that particular part only of the project.

The Senator from Wisconsin is not the only one who is interested in the entire project. Our committee was interested; and when we found that there was continuing opposition, we made the following provisions in our report. I wish them to be in the Record:

> As a result of these objections, the committee has taken the matter up with the Corps of Engineers and has been informed that the funds appropriated last year were utilized to initiate a continuing contract for the central portion of the authorized deepening, which includes the dogleg that was the location of several serious groundings last year. The funds requested for fiscal year 1965 are to be utilized for the continuation

> and completion of the contract now underway. The committee desires that the Corps of Engineers reevaluate the economic justification for this project based on current conditions and be prepared to present up-to-date factual information to the committee at the time of the fiscal year 1966 appropriations hearings.

Mr. President, I do not see how the distinguished chairman of our committee or the committee itself could have been more careful in its recommendation for the appropriation of this particular amount.

I wish the record to show a little about this port. First, most of the port was locally built. For example, Senators will find on page 663 of the hearings that the engineers testified:

> Jetties constructed at the entrance by local interests consist of two parallel rubblestone structures 800 feet apart; the north jetty and revetment being about 1,800 feet long and the south jetty, 1,700 feet long. The cost of this completed work was $1,689,000.

Senators will not find many ports in the United States where the local harbor people have paid for both of the jetties. I call that point to the attention of Senators.

Senators will find on page 1283 of the hearings the statement of the total local investment in the harbor to date:

> Local investment already exceeds $5 million.

That demonstrates how interested the people in that area have been in providing a good port.

The next thing I wish to call to the attention of the Senate, but only briefly, is the fact that not only is the Florida Power & Light Co. interested in the port, but also the great Pratt & Whitney plant there, is a large user of oil. Six new sugar plants, in addition to the two that have long been there, are great users of oil and will use oil in greater quantities in the future than in the past. They use it in the process of evaporating sugar cane juice.

The needs of that port are established. They are clear. We believe that next year when hearings on the question are held, the record will be so clear that the committee will be completely justified in continuance of the project.

At this time there is no doubt that this particular item of $1.3 million is not only justified, but also it is good commonsense to complete the work of removing from the channel the hazard which has already caused serious damage in the case of the grounding of two huge tankers.

Without any further elaboration on the question, I merely wish to say that with reference to the furnishing of gas to the Florida Power & Light Co., that day is not here yet. I wish it were. I wish we could meet in our State the very great needs for natural gas. The trouble is that the one great line that reaches into the Peninsula of Florida cannot supply the present needs of the present applicants. The junior Senator from Florida [Mr. SMATHERS] and I are continuously besieged by individuals, industries, and municipalities which are trying to obtain gas to convert their local utilities to gas fuel production. We cannot get it because it is not there. It must be brought all the way from the Louisiana or Texas fields. There is a limit to the amount that can be brought through present facilities. It means a great additional investment before the needs of the additional applicants—and I am sure most of them are completely justifiable—can be met.

So we are not talking about something that can be done tomorrow or next year—we do not know at what time in the future—when we talk about new gas fuel for the greatly increased and expanded Florida Power & Light plant at the port of Palm Beach.

One more word. This trouble started over the desire of some local interests, who have been beaten down for a long time, to put an oil refinery in that area. My colleague and I joined in the insistence that no such thing be done, because it was too close to both vacation and residential areas to justify putting in any such development.

That is not in the picture at this time, and never could be in the picture with the support of the delegation from Florida and with the support of the citizens of that area. It would be manifestly undesirable to put an oil refinery in the midst of that area. But the complaint begun at that time aroused apprehensions, which still exist, and which can best be met by the determined resistance of the two Senators from Florida, the Representative from that district, who lives in Palm Beach, Hon. PAUL ROGERS, and the entire Florida delegation, to putting an oil refinery at that particular place. We would never consent to it.

I hope the amendment will be defeated.

Mr. PROXMIRE. Mr. President, I yield myself 2 minutes.

The Senator from Florida is absolutely correct in one respect. The report does ask for a reevaluation of the program but I say we should wait and get the reevaluation before we spend the money. Let us first ask the questions. Let us first get the answers. Then and only then we can spend the money if it is wise. We should not first spend the money and then ask the questions. Local investment is fine. This is a fine harbor. I am not talking about the past, but the future. I am talking about expansion. It is said that possibly Pratt & Whitney and a sugar refinery are going to have a need for oil. I wonder how the people who are subject to the 80 tons of ash from the Florida Power & Light are going to look on such a conversion to oil.

Mr. President, my previously stated objections to this project stand without significant change in any important respects. There is no need for spending millions to dredge this harbor. The purpose, to permit more oil transportation, has disappeared. It is gone. I hope the Senate will look favorably on this amendment.

Mr. SMATHERS. Mr. President, will the Senator yield me 1 minute?

Mr. ELLENDER. I yield to the Senator from Florida such time as he needs.

Mr. SMATHERS. Mr. President, I wish to associate myself completely with the remarks made by my distinguished senior colleague from Florida [Mr. HOLLAND] with reference to the amendment offered by the Senator from Wisconsin.

I think it is obvious on the face of it that the Senators from Florida have a better understanding of this particular project than even the industrious Senator from Wisconsin.

I commend and congratulate the able chairman of the Subcommittee on Public Works for the consideration which he has given to this particular project. The statement which is contained in the report sums the matter up completely. It is pointed out that this is a continuing contract. There is a responsibility to go through with it to eliminate the hazards in the harbor, so that present commitments can be lived up to and so that next year, before the budget is made up for 1966, the Corps of Engineers can come in and make a reevaluation of the whole project.

I am confident, in light of what my senior colleague from Florida has said and the confidence the Senate has in the distinguished chairman of the subcommittee, that the amendment will be soundly defeated.

Mr. ELLENDER. Mr. President, I yield back the remainder of my time.

Mr. PROXMIRE. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wisconsin [Mr. PROXMIRE].

The amendment was rejected.

Mr. McCLELLAN. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Arkansas will be stated.

The LEGISLATIVE CLERK. It is proposed, on page 20, line 19, to strike out "$2,440,000" and insert "$2,610,000."

Mr. McCLELLAN. Mr. President, the amendment would restore $170,000 covering two items in the House bill. One of them covers $120,000, affecting a number of towns in southeast Missouri and one town in Arkansas. I shall read from the justification as contained in the sideslips. Incidentally, these items were in the bill as passed by the House, and through an inadvertence in some way, they were not covered in the bill as it came from the Senate committee.

I have discussed the matter with the chairman of the full Committee on Appropriations [Mr. HAYDEN], who handled the Southwestern Power Administration features of the bill. I believe he will accept the amendment.

I read from the justification:

> Transmission interconnections—Southeast Missouri municipalities, $120,000.—These funds are the estimated amounts required to complete construction of a 69-kilovolt transmission extension to connect the Government's existing 69-kilovolt line extending to Sikeston substation to the Government's 161/69-kilovolt substation at Idalia and also to initiate construction of 69-kilovolt extensions to provide service to the municipal preference customers of New Madrid, Malden, Campbell, and Piggott from the Jonesboro-Idalia 161-kilovolt line, construction of which has been scheduled for fiscal year 1964.

I also read from the sideslip relating to the $50,000 item:

> Kennett substation, $50,000: These funds are the estimated amounts required to initiate construction of a 161/69-kilovolt substation on the Jonesboro-Idalia 161-kilovolt line at or near the city of Kennett, Mo. This substation is planned and will be designed to provide service to the city of Kennett with whom contract negotiations are in progress and, in addition, this substation will be located and designed to provide terminal facilities to permit a 69-kilovolt interconnection for delivery of power and energy to the M. & A. Electric Power Cooperative of Poplar Bluff, Mo., and also to permit 69-kilovolt transmission extensions to certain southeast Missouri municipalities. This project will enable the Government to market additional blocks of hydropower and energy which will produce an estimated annual revenue of $550,000. The funds requested for this budget year will provide for the purchase of the necessary substation site and the construction of terminal structures for the Jonesboro-Idalia line, the construction and completion of which will precede that of this proposed substation. Funds to complete the construction of this substation will be requested in the following budget year.

I ask the distinguished chairman of the full committee, the Senator from Arizona [Mr. HAYDEN], if he is willing to accept the amendment.

My colleague from Arkansas [Mr. FULBRIGHT] is interested, as are both Senators from Missouri. This amendment would not add any funds to the bill as passed by the House. The House included these items. The amendment would restore those funds. I was not present at the markup of this part of the bill. I was present during the markup of the public works provisions of the measure, but when that part of the markup was concluded, I had to leave for another appointment.

Mr. HAYDEN. I have no objection to the amendment.

Mr. FULBRIGHT. Mr. President, I join my colleague in his statement. I received a call this morning from people who are extremely interested in this small item. As my colleague has said, it was contained in the House version. I hope very much that the Senate will adopt it. I believe that its omission was an oversight.

Mr. LONG of Missouri. Mr. President, I wish to be associated with the distinguished Senators from Arkansas. This is a matter that is extremely vital to southeast Missouri. Some of the towns in southeastern Missouri have been among the earliest consumers of public power from the time it became available. The use of such power in that area has increased eight times. It is still rapidly increasing. The matter is of extreme importance to southeast Missouri, particularly to cities like Poplar Bluff, Kennett, and other cities in that area. I am grateful to the Senator for offering the amendment, and to the chairman of the committee for accepting it.

Mr. ELLENDER. Mr. President, a few hours ago the distinguished Senator from Missouri [Mr. SYMINGTON] came to see me about this particular matter. I stated to him that the item was included in title II, which was handled by the distinguished Senator from Arizona [Mr. HAYDEN], and that I would talk with the Senator from Arizona in support of this budgeted item. As was stated by the distinguished Senator from Arkansas, the item was not only budgeted, but it was also in the House version. I am glad to note that the distinguished Senator from Arizona has agreed to accept the amendment.

Mr. McCLELLAN. I yield back the remainder of my time.

Mr. HAYDEN. I yield back the remainder of my time.

The PRESIDING OFFICER. All time for debate has expired. The question is on agreeing to the amendment offered by the Senator from Arkansas.

The amendment was agreed to.

Mr. PROXMIRE. Mr. President, I call up my amendment No. 1202, and ask that its reading be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment offered by Mr. PROXMIRE is as follows:

> On page 4, lines 9 and 10, delete "$942,791,200" and insert in lieu thereof "$942,126,200".

Mr. PROXMIRE. Mr. President, this amendment would eliminate $665,000 which is being asked to complete planning and to undertake construction on the Brookville Reservoir project. If ever undertaken, this project would ultimately cost the Federal Government $27.2 million. In other words, this is merely a downpayment.

The project consists of a dam and reservoir to be built 2.4 miles north of Brookville, Ind., on the East Fork of the Whitewater River. Flood control and improved recreation and fish and wildlife facilities are the major benefits which will allegedly result from this project.

However, the actual benefits will simply not be great enough to justify this project.

The last serious flood in the area was in 1913. Since then dredging of the river has been completed and levies have been built. It is patently ridiculous to use the $639,000 damage caused by the 1913 flood to justify a project today, when major provisions have already been made to prevent another such flood.

Those floods which have occurred since 1913 are largely attributable to the West Fork of the Whitewater River, rather than the East Fork where the proposed project is to be built. Actually, the East Fork drains only 383 square miles, or only one-fourth the total area of the Whitewater River Basin.

However, the most telling criticism of this project is that the land which would be destroyed by the reservoir and dam would be of as great a value and of equal size as the land which would be protected by the dam. The main stem of the steep-sloped river which would be protected by the dam is only 29 miles long, while the reservoir would be over 20 miles long and would cover 2,600 acres.

The local farmers themselves are upset over this situation. At a hearing held in Brookville, the soil and water conservation districts of the three counties in the area submitted independent statements which all expressed concern over the loss of valuable bottom land as a result of the project. The value of the production on the land which will be lost has been estimated to be between $350,000 and $500,000 per year.

The plain fact is that adequate flood protection is undoubtedly possible through existing programs. The Whitewater Valley Watershed Association has been organized in the area to foster watershed projects as provided for under Public Law 566. An application was filed in June 1961 for a watershed project on the east fork of the river. This was recently amended to include all the area drained by the east fork. Planning parties are now being organized to carry through work on this watershed project. No attempt is being made to analyze the flood control benefits of the proposed dam with the watershed program taken into consideration. As a matter of fact, the soil and water conservation districts of the counties involved all said that that project should not be built until the watershed projects had been completed. And, Colonel Pinnel of the Corps of Army Engineers in Senate Appropriations Committee hearings said that the watershed project would definitely provide upstream flood protection.

Does it not seem likely that this going project will take care of the minimal flood problem in the east fork drainage area?

The Brookville project is further suspect because of the considerable amount of local opposition which has arisen to it. A petition protesting this project has been filed with the Corps of Army Engineers. They themselves say it is one of the best prepared objections to a plan they have ever received. This petition is signed by 2,100 people from Union and Franklin Counties. Petitioners in Union County found that 80 to 90 percent of those contacted willingly signed their names against the dam.

But this is not all which speaks against this dam. The recreation facilities which would constitute 40 percent of the alleged benefits are both frivolous and unnecessary. There is already an abundance of recreation areas within easy reach of Brookville.

There is a 200-acre lake within a State park which is right next to the proposed reservoir site. It is in the same county.

There is a 500-acre lake only 15 miles away.

There is a 177-acre reservoir just above Richmond, Ind., on the headwaters of the same river fork which would be involved in the project.

There is a 90-mile Ohio River pool formed by the Markland Dam just 50 miles from the new proposed reservoir.

Despite the number of lakes already in the area, by going ahead with the Brookville project, the corps would provide seven more access areas for fishing, boating, and swimming. In view of this situation, one is justified in asking whether the corps' claim that these facilities would be used is based on real need for these facilities, or the vague hopes of the corps.

Undoubtedly there would be some users, but how significant would this be in the light of the facilities already in existence? Surely there is no crying need for recreational facilities here.

Without these recreational benefits figured in, 40 percent of the project's supposed benefits would fall away. The benefit-cost ratio has been maintained over the past 10 years through the boosting of recreation and wildlife benefits. The present official benefit-cost ratio, figured on a 100-year 3-percent basis is 1.5–1. However, the much more realistic benefit-cost ratio, figured on a 50-year, 4-percent basis is only 0.8–1. This ratio includes all the mythical flood and recreation benefits.

The only possible conclusion is that this project is wholly unjustified. I ask that the Members of the Senate eliminate these funds and thereby save the American taxpayer from a flagrant waste of money.

I yield the floor and reserve the remainder of my time.

Mr. ELLENDER. Mr. President, this project was authorized in 1938. I do not believe any State in the Union has suffered more from floods than has Indiana. For one reason or another, some years ago, that State had refused to accept Federal funds on any project. Therefore it was somewhat neglected. It is my belief that this project and many other projects in Indiana that I have looked into are good projects. The benefit-to-cost ratio on this project is 1.5 to 1.

There was some opposition to this project presented to the committee. The opponents urged the construction of a series of small dams in the headwaters of the river. The Corps of Army Engineers after considering that plan decided that this would not be suitable, that it would be costly and would not do the job.

I ask unanimous consent to place in the RECORD at this point a statement from the Corps of Engineers on the opposition expressed by several witnesses, which appears on page 2231 and ending at page 2232 of the hearing.

There being no objection, the excerpt from the testimony was ordered to be printed in the RECORD, as follows:

BROOKVILLE RESERVOIR, IND.

Senator ELLENDER. The budget estimate is $165,000 for planning, and local interests have requested a total of $700,000 which would include completion of planning and initiation of construction. What is your capability on this project?

General GRAHAM. $700,000, sir.

OPPOSITION

Senator ELLENDER. The committee has received a statement in opposition to this project. The opposition contends that watershed projects of the Department of Agriculture would represent a practical compromise solution to the water control problems in the Whitewater Valley. Would you comment on the practicality of the Soil Conservation Service program?

Colonel PINNELL. Mr. Chairman, we have studied the alternative proposal of this group of citizens who are opposed to the Brookville Reservoir project. In particular, they advocate construction of a group of small reservoirs farther upstream in the basin in lieu of the Brookville project. We have studied this problem and have found that such a small-reservoir plan would not be an effective or economical substitute for the Brookville project, but could complement that project by providing for upstream flood protection.

Senator ELLENDER. With respect to the recreational benefits of this project, the opposition contends that there are many existing recreational facilities in the area that are not being adequately utilized at the present time; and that for water-based recreation the Ohio River is within 35 miles of the proposed damsite. Would you comment on the recreational aspects of this project?

RECREATION FACILITIES

Colonel PINNELL. Yes, sir. Our plans contemplate development of recreation facilities at seven access sites in the reservoir. The benefits to be derived from these facilities are calculated over the project life. We intend to provide boat-launching ramps, parking areas, picnic areas, and campsites in addition to roads, sanitary facilities, shelter houses, drinking water facilities, et cetera. We have no doubt that over the project life all of these facilities will be fully utilized and will justify their inclusion in the project. We estimate that the annual attendance at this project in use of the recreational facilities will be about 600,000 persons.

Senator ELLENDER. Again, with respect to flood control, the opposition contends that during the recent flooding throughout southern Indiana there was no serious flooding attributed to the East Fork, and they contend that this is due to the regulating effects of the Richmond Waterworks lake and the Whitewater State Park lake. Would you comment on the flood-producing potential of the East Fork?

Colonel PINNELL. Mr. Chairman, the flood potential of the East Fork is evidenced by the occurrence of at least 10 major floods since 1929. Eight of these floods exceeded the flood stage at Brookville, Ind., from 6.8 feet to 9.8 feet. The maximum flood of record in 1913 reached 23 feet above flood stage. In view of the major effect which Brookville Reservoir would have on the reduction of flood stages at Brookville and at the downstream points, we are fully convinced of the need for the project. The lakes cited by the opposition could not be relied upon to be effective in reducing flood crests. These lakes have no provision for flood control storage and although at times such storage may be available through a lowering of the lake levels for other reasons, it would just be a coincidence if the storage were available at the time of a flood.

Mr. FULBRIGHT. Mr. President, will the Senator yield 2 minutes to me?

Mr. ELLENDER. I yield 2 minutes to the Senator from Arkansas.

Mr. FULBRIGHT. Mr. President, this year's public works appropriation bill has special significance for Arkansas for it contains funds to keep the Arkansas River development program on schedule. In the interest of economy this project was budgeted substantially below the Engineers' capacity in the administration's budget, and the prospects of this development program falling behind schedule has been a source of concern to the local interests cooperating in the development of the river and to the Arkansas congressional delegation. When completed the Arkansas River navigation project will provide a primary transportation artery from the Mississippi River through the center of Arkansas and into Oklahoma. The flood control and power generation provided by the river program will make the Arkansas River Valley a prime industrial area. Substantial delay in its completion would result in greater expense to the Federal Government because of increased cost of construction and land acquisition. Postponement of its completion would also mean the loss of its economic and recreational benefits for a substantial period of time.

Many communities along the river are working diligently to avail themselves of the river's potential through the development of port facilities. The people of Little Rock, Ark., recently voted a bond issue to finance a port in that community and Pine Bluff. Fort Smith and other cities have similar projects in the planning stage. These efforts must, however, be coordinated with an orderly program of development on the Arkansas. If the dams, locks, bank stabilization and other work on the river are not constructed on schedule these local development projects will be made more difficult and costly.

Thus, the deep cuts in the scheduled funding of this project contained in the budget caused grave concern throughout the Arkansas River Valley. The Arkansas and Oklahoma delegations repeatedly made the case for the project and urged that it be kept on schedule. However, in the interests of economy we ask only that the Arkansas receive its fair share.

The public works appropriation bill passed by the House contained $47 million for navigation locks and dams on the Arkansas, an increase of $5 million over the President's budget. I am pleased that the Senate bill provides $51,500,000 for this item, virtually the full amount which can be effectively used by the Corps of Engineers in fiscal 1965. These funds along with the other appropriation for the dams, locks, and bank stabilization will keep the program on schedule. It has required a diligent effort on the part of the Arkansas and Oklahoma congressional delegations, and particularly my colleague, Senator MCCLELLAN, to establish the need for this work and to make the case for maximum appropriation for it.

Last week we met with the President to seek his help. He thanked us for our willingness to help hold down the budget in the interests of economy, and knowing of our very vital interest in this work and the implications which it has for the economy of the Arkansas River Valley, he agreed that the improving Federal revenue picture permitted a supplemental budget request containing additional funds for the Arkansas. On the basis of this request, funds are included in the pending bill which will keep the development of the Arkansas on schedule and make possible its completion by the 1970 target date. I wish to express my thanks to the administration and to the Appropriations Committee for getting the whole Arkansas River program over a major hurdle. Also all those interested in this project owe thanks to the senior Senator from Louisiana [Mr. ELLENDER], who as chairman of the Public Works Appropriations Subcommittee has always been extremely helpful in the development of Arkansas water resources.

The money spent on the Arkansas and the development of the other waterways of my State is an investment in our future—an investment which will be returned many times over to the Federal Government through the creation of a strong, balanced economy in my State. The funds contained in this bill will keep these efforts moving ahead on an even, economically sound schedule.

Mr. HARTKE. Mr. President, will the Senator yield time to me?

Mr. ELLENDER. I yield 4 minutes to the senior Senator from Indiana.

Mr. HARTKE. Mr. President, someone has supplied the Senator from Wisconsin with incorrect information, and this is probably indicative of the reason for his position. I would hope, in view of the facts that I shall state, that he would retract some of the statements he has made.

The last great flood in that area was in 1959. Pictures of it are in the booklet before me. The pictures vividly show, if the Senator from Wisconsin would care to look at them, the east fork of the river, looking downstream.

Another picture is a scene of Brookville, with people standing in the streets. Brookville was declared a disaster area, and the Governor asked the county commissioners to help alleviate the flood.

The previous worst flood was in 1937; 1959 was the last big flood. There was also a flood in March of this year. At that time President Johnson himself flew over the flooded area and observed that section of Indiana.

In 1937, $287,000 worth of damage was done in Brookville alone. At that time President Roosevelt went to Indiana and viewed the disaster area.

In 1929, the amount of the flood loss was $1 million.

In 1913 there was flood loss of $4,500,000.

I am sure the Senator from Wisconsin must have overlooked these figures.

He spoke also of the Soil Conservation Service. The Soil Conservation Service representatives have examined this area in cooperation with the Corps of Engineers. They have stated categorically that they cannot find other suitable areas in which to impound the water so as to prevent floods. They say they agree with the Army Engineers that this is the only site available.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a letter from Col. R. J. B. Page, colonel of the Corps of Engineers and Acting Director of Civil Works, dated December 12, 1963.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DECEMBER 12, 1963.

Hon. VANCE HARTKE,
U.S. Senate.

DEAR SENATOR HARTKE: Further reference is made to your letter inclosing one from Mr. Orval Sintz, of Brookville, Ind., requesting information regarding the Brookville Reservoir, Ind., project.

In reply to Mr. Sintz's questions, the Corps of Engineers' studies in the Whitewater River Basin were started in 1960. Field reconnaissance and map studies of the entire basin were made during the following year to determine the best potential project sites. This investigation was coordinated with that of the Soil Conservation Service which was studying the East Fork of the Whitewater River under the authority of Public Law 566.

Due to the nature of the topography in the headwater areas, the Corps' investigations found upstream reservoir sites to be limited in number and of small capacity. Studies by the Soil Conservation Service resulted in similar findings. Our district engineer at Louisville was informally advised by that agency in April 1963 and again in December 1963 that their recommendation for the East Fork of the Whitewater River probably would not include reservoirs and that there appeared to be no possibility for upstream water storage equivalent to the capacity of the Brookville Reservoir project.

Inasmuch as our own studies and those of the Soil Conservation Service found only a limited potential for small watershed impoundments above Brookville which would provide effective flood protection, there was no basis for the Corps' preparation of specific cost estimates of such developments for comparison with the Brookville Reservoir.

Extension experience of the Corps of Engineers and other agencies engaged in the investigation, design, and construction of water resource developments clearly shows that the cost of a number of small reservoirs to provide storage equivalent to that of a single large reservoir is generally much greater than the cost of the single large reservoir. Also by reason of the smaller total drainage area controlled, the total benefits of the system of small reservoirs normally are less than for the large downstream reservoir. For these reasons, even if small watershed impoundments upstream from Brookville are found feasible and justified for protection of local agricultural areas, they would not constitute an effective or economical substitute for the downstream flood protection afforded by the Brookville Reservoir.

The Brookville project will reduce flood stages at agricultural lands below the dam and at the towns of Brookville, Cedar Grove, and West Harrison in Indiana and Harrison, Ohio. In addition, the Brookville Reservoir project will function as a unit of the general comprehensive plan for flood control and other purposes in the Ohio River Basin and will contribute to a reduction of flood damages along the Ohio River below the Miami River. The project also will provide substantial recreational and fish and wildlife benefits. The ratio of average annual benefits from the Brookville project compared to the average annual costs, including annual maintenance and amortization of the Federal investment, is 1.6 to 1.

I hope the above information will serve your present needs. Mr. Sintz's letter is returned.

Sincerely yours,

R. J. B. PAGE,
Colonel, Corps of Engineers,
Acting Director of Civil Works.

Mr. HARTKE. Mr. President, I have received letters from many persons who support this reservoir project. In addition, I have received a petition containing more than 5,000 signatures.

Telegrams are coming into my office, and now number more than 200. These people want something done to control floods in the Brookville area.

What will be the ultimate cost of the project? There is no question that when a project is started, the cost will go up.

The bill contains more than $38 million worth of commitments for the State of the distinguished Senator from Wisconsin. I feel that in good conscience he should be making a start to reduce those projects before he attacks ours.

We people from Indiana feel that we have been neglected for too long. A distasteful statute has been on the books. We have now remedied that situation. We received only $1 million in construction money until 1959, the year I came to the Senate. We have tried to remedy flood conditions in Indiana, and the people of Indiana are with us.

We will stay in Indiana. We will not interfere with the business of Wisconsin. If the Senator from Wisconsin will let us alone, we shall be happy.

Mr. BAYH. Mr. President, will the Senator from Louisiana yield time to me?

Mr. ELLENDER. Mr. President, I yield 5 minutes to the distinguished junior Senator from Indiana.

Mr. BAYH. Mr. President, I wish to second the plea that has been made by my senior colleague from Indiana and also by the chairman of the subcommittee, the distinguished Senator from Louisiana [Mr. ELLENDER]. Both my colleague and I cannot find words that will adequately express our deep appreciation for the effort the senior Senator from Louisiana has made on behalf of the people of Indiana in the important area of flood control.

Statements have been made about derogatory resolutions passed against Federal aid by the Indiana General Assembly. I know something about that firsthand, having been a member of the legislature. I helped to lead the forces that repelled this attack and helped to modernize Indiana's thinking, so far as the need to curb the flooding of our streams is concerned.

I have attended meetings at which the distinguished chairman of the subcommittee testified that those who once opposed such a Federal flood control program are now leading a grassroots movement throughout Indiana to make certain that something is done to remedy the situation.

In the March 1964 flood, the Ohio River Valley Basin suffered flood damage to the extent of $106 million.

The Corps of Engineers estimates that $290 million damage was prevented in the Ohio River Basin by existing projects. Twenty-six million dollars damage might have been done in Indiana alone had it not been for the projects which the Senator from Louisiana was instrumental in making certain were constructed.

Therefore, I must find objection to the philosophy of the Senator from Wisconsin so far as the importance of flood control is concerned.

My senior colleague from Indiana [Mr. HARTKE] has well pointed out that flood damages of $4,500,000 have occurred in 1 year alone in the Brookville area.

The Senator from Wisconsin has referred to Public Law 566 type projects. It is technically impossible to curb this stream by small watershed projects because of its steep banks. However, I agree that we should place more emphasis on Public Law 566 projects.

When I placed the importance of this additional $500,000 this year before the distinguished chairman of the subcommittee, he included it in the committee report.

The people of Indiana have changed their thinking concerning flood control and have adopted a systematic approach by starting one new reservoir each year rather than trying to start them all at once. Unless construction can be started this year on the Brookville Reservoir, there will be a whole year's delay in the total program, which we hope will eventually eliminate the flood control problem.

The amount of money the Federal Government spends on various and sundry projects is huge. With the exception, perhaps, of the field of education, I know of no other area in which we can get more return for the money expended than the area of flood control and water resources. All of us have had a chance to stand by our streams during floods and to see houses washed away and realize that people have lost their lives because we did not have the foresight to plan ahead.

I urge support of the Senator from Louisiana and his subcommittee by defeating the amendment. The amendment is an effort to be pennywise and pound foolish.

Mr. PROXMIRE. Mr. President, I yield myself 3 minutes. I understand I have 4 minutes remaining.

The fact is, and it has not been challenged, that so far as flood control is concerned, most of the damage that has been done comes from the west fork. What this proposal would do would be to provide protection for the east, not the west fork, so it would provide little flood control protection.

Furthermore, when I said that Colonel Pinnel, of the Corps of Army Engineers, said before the Senate Committee on Appropriations that the watershed project would provide west fork protection, I was not quoting correspondence or conversation. I was quoting his official statement in the hearings; what he said on the record; what he said when he made his statement before the committee. He said that watershed projects, of the Public Law 566 type, would provide flood control protection.

Even if we gave all the benefit of the doubt to the case made so eloquently by the Senators from Indiana, even if we assume all the benefits will be realized in full, and assume costs will not increase, though they always do, if we recognize the realities of life, that this should be a 50-year project, not a 100-year project; if we recognize that the cost to the Federal Treasury will in fact be at least 4 percent, not 2 and a fraction percent—if we recognized just those realistic and certain facts, we would see the benefits would be less than the cost by a 0.8 to 1 percent ratio.

I recognize that the distinguished Senators from Indiana feel strongly about this matter. I know they have had protestations from their State, but we should also take into deep consideration the fact that farmers would have their farms flooded and—although of course they would get compensation later—they still would lose their farms, on which they have lived for generations.

Mr. President, if the Senator from Louisiana will yield back the remainder of his time, I also will yield back the remainder of my time.

Mr. ELLENDER. Mr. President, I yield back the remainder of my time.

Mr. PROXMIRE. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. WALTERS in the chair). The question is on agreeing to the amendment of the Senator from Wisconsin.

The amendment was rejected.

Mr. PROXMIRE. Mr. President, I call up my amendment No. 1203 and ask that it be stated.

The PRESIDING OFFICER. The amendment of the Senator from Wisconsin will be stated by title for the information of the Senate.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the reading of the amendment be dispenesd with.

The PRESIDING OFFICER. Without objection it is so ordered; and the amendment will be printed in the RECORD at this point.

The amendment, No. 1203, submitted by Mr. PROXMIRE, is as follows:

On page 4, lines 9 and 10, delete "$942,791,200" and insert in lieu thereof "$942,561,200".

Mr. PROXMIRE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Wisconsin will state it.

Mr. PROXMIRE. Mr. President, do I understand correctly that there is 20 minutes to a side on this amendment?

The PRESIDING OFFICER. The Senator is correct.

ANOTHER WASTEFUL PUBLIC WORKS—MELVERN RESERVOIR, KANS.

Mr. PROXMIRE. Mr. President, my next amendment is to eliminate from the bill some $230,000 as an additional planning amount for the Melvern Reservoir project in Kansas with an estimated eventual cost of $24.4 million.

This proposed dam is planned for the Osage River in Kansas. Preliminary plans call for an earthfill dam with an uncontrolled chute-type spillway.

Mr. President, there are many reasons for opposing this project. The first of these is that even under the Corps of Engineers own figures, it seems highly doubtful that this project will pay for itself. The benefit-cost ratio estimated by the corps is only 1.3 to 1. This is on the assumption of a 100-year life. Yet the corps itself, in earlier statements, apparently views this type of dam as having about a 50-year life. This change alone would probably make the project unprofitable. If, in addition, a more realistic assumption of a 4-percent interest rate is used, the ratio becomes 1.1 to 1. Finally, we all know that early estimates of the cost of a project such as this are notoriously understated. We can reasonably expect that the cost factors will rise as this project progresses.

Evidence of these increased costs are already available. One economic study, conducted by a professor of agricultural economics at Kansas State College, concluded that the annual agricultural loss in the Melvern Reservoir area would be some 20 times greater than the annual benefits as estimated by the Corps of Engineers. Just think of that. If this estimate is even near correct, and even granting all of the benefits assumed by the corps, the benefit-cost ratio would be .05 to 1.

There is even more, Mr. President. Individual farmers with lands below the dam—who presumably are the beneficiaries of this project—are opposed to the project. The reason for this opposition is that with the dam and the continued flow of water from it, drainage of lands after floods would be slowed. This means a longer time before farmers can return to their fields and the greater possibility of loss of crops due to flooding.

Mr. President, there is no town of significant size, and no industrial center, below the proposed dam. Thus, the benefits attributed to the project, as far as protection from flooding, are probably substantially exaggerated. This conclusion is supported by the fact that over 4,000 signatures have been obtained in opposition to this project, and nothing comparable has been obtained in support of the proposal.

It is also interesting to note that earlier corps studies have suggested that no damsites are practical in the area. At the same time, various alternatives, which are much less expensive, such as flow ways and levees, could be used. Much work along these lines, including dikes, channels, watersheds, and detention dams have already been initiated in the area.

The landowners in the area believe that far more effective protection from flooding can be obtained by watershed methods, which are, of course, much less costly and do not destroy highly productive river bottom land. This land is essential to the farmers in the area for feed crops to feed livestock during the winter months. Such a watershed would not only provide more flood control than a dam, but would also furnish more farm water supply, more subsoil water, cleaner city water, and improved soil.

Mr. President, the amount in this bill is small, and it is just for planning. However, a substantial amount is ultimately involved, these present funds can involve a commitment for the further expenditures, and sufficient planning has already been done to indicate grave doubts that the project should proceed. For all these reasons, I would hope my amendment is adopted.

Mr. President, I reserve the remainder of my time.

Mr. ELLENDER. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 2 minutes.

Mr. ELLENDER. Mr. President, as I recall, quite a few projects in Kansas were authorized, in flood control acts of 1936 and 1938, but up to the time I became chairman of the subcommittee, few were constructed, for the reason that many people living in the reservoir areas objected to the projects because they did not wish to lose their farms.

I can well remember the Tuttle Creek Dam in Kansas. There was a great deal of opposition to its construction by many people who lived above the damsite.

However, today I am glad to say that Tuttle Creek has been completed and is a resounding success. The people who opposed the dam in the beginning are now for it. They see the benefits that came to the whole area as a result of its construction and use.

The same thing may be said about the Pomona Dam which was opposed by the same group opposing the Melvern Dam, and—by the way, I have received an invitation to attend its dedication in a few weeks—here again there was a great deal of opposition to it by the people living above the damsite. But it seems that the construction of the dam—as was the case in Tuttle Creek—has brought about a change of heart on the part of those who previously opposed it.

Melvern Dam was authorized in 1954. As the Senator from Wisconsin states, its benefit-cost ratio is 1.3 to 1. I believe that it is an important project, and needed for the control of floods in the area. We have already spent $470,000 for the preparation of the detailed plans for it, and the amount that is now sought will complete all preconstruction planning on the project.

I hope that the Senate will reject the amendment of the Senator from Wisconsin.

Mr. HRUSKA. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. HRUSKA. Is it not true, however, that that benefit-to-cost ratio of 1.3 to 1 is without benefit of computing the additional water storage, and also the fish and wildlife benefits?

Mr. ELLENDER. The Senator is correct; it does not include the fish and wildlife benefits.

Mr. HRUSKA. The Corps of Engineers testified, did it not, that when those two other additional elements are brought into the picture, the benefit-to-cost ratio will improve?

Mr. ELLENDER. Exactly. I was speaking solely of the flood control benefits.

Mr. CARLSON. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. Mr. President, I yield 5 minutes to the Senator from Kansas.

The PRESIDING OFFICER. The Senator from Kansas is recognized for 5 minutes.

Mr. CARLSON. Mr. President, this reservoir is one of a chain of reservoirs which are known as the reservoirs on the Marais des Cygnes River in Osage County, Kans.

It has been stated by the Corps of Engineers, in a study of the water resources development program for Kansas, of which we have an agency headed by the Governor of Kansas, that they have made a study and reported to the Governor who has made a recommendation and report to the Corps of Engineers.

As the distinguished chairman said, the project was authorized in 1954. This item has budget approval. It has passed the House of Representatives. It is before the Senate now for final action.

The Corps of Engineers, in a study of the water resources development program for Kansas, the U.S. Army Engineers, Dallas, Tex., January 1963, had this to say:

> This project will provide complete protection to an area of 6,100 acres on the upper Marais des Cygnes River, and will contribute to the protection of 86,000 acres downstream in Kansas and additional areas along the Osage River. The severity of the drought from June 1952 to April 1957, inclusive, clearly indicates the need for conservation storage. Preliminary estimates made by the U.S. Public Health Service indicate that a minimum flow of 30 second-feet should be maintained in the Marais des Cygnes River at Ottawa, to improve the quality of the water below the dam. Records of the flow of the river at Ottawa show that the discharge was less than 30 second-feet 84 percent of the time during the 5-year period mentioned above. This project, with adequate conservation storage, together with the authorized Pomona Reservoir, could have sustained the minimum desirable flow of 30 second-feet all of the time through this period.

These projects—and this project—are but part of another project for the control of water runoffs in our State for the beneficial use of water, which includes flood control, recreation, municipal water use, and other variable items which are of great benefit to our State.

I sincerely hope that the Senator's amendment will be defeated.

Mr. President, in view of the fact that my colleague, the Senator from Kansas [Mr. Pearson] is unavoidably absent, I ask unanimous consent that a statement he has prepared on this subject may be printed in the Record at this point.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Mr. Pearson. Mr. President, I oppose the amendment of the senior Senator from Wisconsin to delete from the public works appropriation bill $230,000 to continue planning for the Melvern Reservoir on the Marais de Cygnes River in Osage County, Kans.

I take this position for three sound reasons.

First. Melvern Reservoir is one of nine multipurpose reservoirs in this basin—five of which are in Kansas—which are designed to provide flood protection for the Kansas-Missouri area. The Pomona Reservoir on 110-Mile Creek was given top priority and will be completed this year. Melvern Reservoir is the second priority and planning on that project began in earnest last year with a $250,000 appropriation. The third priority reservoir is Fort Scott, and this bill includes funds for initial planning on that project.

In addition, local flood control projects keyed to this overall program are proceeding in a similarly orderly fashion. Work has been completed on a $4½ million local flood control project at Ottawa, Kans., and the city of Osawatomie is prepared to initiate its local protection project.

To delete this appropriation at this point would not only stop planning, which is already well along on this one project, but it would also destroy a critically integrated schedule for the whole basin.

Second. To delete this appropriation would represent a substantial waste of Federal funds as well as jeopardize substantial local investments. The Pomona Reservoir will be completed at a cost of approximately $14 million. The Ottawa local protection has been completed at a cost of $4½ million. Four hundred and seventy thousand dollars has already been put into planning on the Melvern project, $250,000 in fiscal year 1964. Full return on the investment at Pomona and Ottawa cannot be achieved unless the balance of the program is carried out.

Third. The State of Kansas has developed a national reputation for responsible water resource development through its very well qualified and highly respected water resources board which evaluates each of these projects with great care. It has not succumbed to the glamour of a reservoir for a reservoir's sake. It does not approach these projects to "get Federal money into Kansas." Each project is carefully analyzed and is supported only as it relates to the maximum utilization of our valuable water resources and protection of local areas from flood damage. As evidence of this, within the last 2 years the water resources board has twice recommended against Federal authorization of reservoirs proposed by the Corps of Engineers.

With respect to Melvern Reservoir, this project has been approved by the water resources board, and the Governor specifically stated his approval of this appropriation, as have both Senators and the Member of Congress from that district, to the respective committees of Congress this year.

There is no logical justification for support of the amendment offered by the senior Senator from Wisconsin.

Mr. PROXMIRE. Mr. President, it is clear that those who are beneficiaries of the project, those for whom the project is built, even these do not like them. I have had petitions which have strongly opposed this project from the beneficiaries. People who benefit from them do not like them. Why in the world then should we spend hard-earned taxpayer money for people who do not want it spent?

As I said, an outstanding professor from Kansas State College has stated on the basis of very careful study that the agricultural loss would be 20 times greater than the flood-control benefits.

This is the last of my three amendments. I understand the prospect of success when one is bucking the old pork barrel. And make no mistake about it. This bill is the pork barrel. The distinguished Senator from Indiana stated that I should stop poking my nose into Indiana's business. Now, how about that, Mr. President? Is this only Indiana's business? This is money that comes from all the taxpayers of the country, Wisconsin as well as Indiana, and New York as well as Kansas. This is the tax money of all 50 States, not just Indiana's tax money. And, Mr. President, here is the tragic weakness of this pork barrel. Senators press for projects in their home State as is their right. And they win these projects as their right, even when the justification is as pitiful as in the three incredible examples which my amendments cite.

It seems to me that I have a duty, inasmuch as I think the projects are not justified, to protest them. I shall continue to protest them. It may take a long time to win on this issue. It will take time to win public understanding of this give-away. I may not have that much time in the Senate. But I intend to stand up and say so when I think the money is being extravagantly wasted. Not only that, I shall give the Senate an opportunity, as these amendments do, to reverse its position.

Mr. HARTKE. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. HARTKE. Was the Senator from Wisconsin in the vicinity of Brooksville at the time it was flooded?

Mr. PROXMIRE. Of course, the Senator from Wisconsin was not in the vicinity of Brooksville at the time it was flooded.

Mr. HARTKE. I was.

Mr. PROXMIRE. Does the Senator from Indiana adopt the remarkable attitude that in order to oppose an unjustified and wasteful flood control project, a Senator must be at the flood site? The Senator from Wisconsin would tell the distinguished Senator from Indiana [Mr. HARTKE] that there are far less costly methods of meeting this flood control problem. According to the testimony taken before the public committee in formal public hearings, Colonel Pinnell of the Corps of Engineers testified that watershed methods are better, and they are certainly cheaper.

If the Senator from Louisiana [Mr. ELLENDER] would like to yield back the remainder of his time, I yield back the remainder of my time.

Mr. ELLENDER. Mr. President, the Senator from Wisconsin objects to all these projects. I have no objection to that. But I am certain that if he would study the matter more carefully and not depend entirely on the views of some of the opponents in the locality of the dams, he might take a different view of some of these projects.

I hope that hereafter, when the occasion arises, he will make it a point to study not only the views of the opposition to these dams, but also the views of those who propose them, particularly on the State level.

Mr. President, I yield back the remainder of my time.

Mr. PROXMIRE. Mr. President, the Senator from Louisiana has a very good point. It is appropriate and proper for an opponent of these projects to study carefully the benefits and the disadvantages of these projects. I have tried to do that. My staff and I have gone over the hearings very carefully. We have tried to weigh them. I am still convinced that at least the three projects my amendments would delete are not justified.

Mr. President, I yield back the remainder of my time.

The **PRESIDING OFFICER** (Mr. McGOVERN in the chair). The question is on agreeing to the amendment of the Senator from Wisconsin [Mr. PROXMIRE].

The amendment was rejected.

Mr. BYRD of West Virginia. Mr. President, I call up my amendment and ask that it be read by the clerk.

The **PRESIDING OFFICER.** The amendment will be stated.

The LEGISLATIVE CLERK. The Senator from West Virginia [Mr. BYRD] proposes an amendment on page 4, line 9, to strike the numeral and insert $942,891,200."

Mr. BYRD of West Virginia. Mr. President, this amendment will add $100,000 to begin planning for the proposed Burnsville Reservoir, in the Little Kanawha River Basin, W. Va.

I offer this amendment on behalf of myself and my colleague [Mr. RANDOLPH], ranking member of the Public Works Committee, and ex-officio member of the Public Works Subcommittee of the Committee on Appropriations, of which I am a member.

This project was first authorized by Congress in 1938 in the wake of several disastrous floods throughout the country.

Since that time, the Army Corps of Engineers has periodically reviewed the project. In January of this year, Maj. Gen. Jackson Graham, Director of Civil Works for the Army Engineers, reported on the project as follows:

> Our recent restudy of this project shows it to be economically justified based on the flood control, recreation area redevelopment, and other benefits that its construction would provide. As a result of this restudy, the Burnsville Reservoir project has now been reclassified from the deferred to the active category of civil works projects and it is now eligible to be considered for future appropriations for preconstruction planning.
>
> The President's budget for fiscal year 1965 does not include funds for preconstruction planning of the Burnsville project, but you may be sure that consideration will be given to the possibility of including funds for the purpose in connection with the preparation of future budget requests of the corps.

Mr. President, as General Graham indicated, this project was still in the deferred category at the time the fiscal year 1965 budget was prepared. That explains the reason why no request was made at the Bureau of the Budget level.

The Burnsville Reservoir would be located on the main stem of the Little Kanawha River and is considered a major installation in the overall flood control plan for the Ohio River basin. The total cost of the project, when completed, is estimated to be $19 million, and it would take approximately 2 years to complete preconstruction planning and approximately 4 years thereafter to complete the construction. No local participation would be required, and the benefit-to-cost ratio would be 1.3 to 1.

In making its resurvey, the Army Engineers found as follows:

> Due to rugged topography prevalent in the headwaters of the Little Kanawha River, frequent minor floods and periodical major floods inundate considerable areas in the Kanawha basin and contribute materially to Ohio River floods.

Mr. President, the Burnsville Reservoir project will reduce flood damage in the Little Kanawha basin and also in the Ohio River basin.

As a member of the Senate Appropriations Subcommittee on Public Works, I have seen many flood control plans. I can say that this reservoir will offer a high degree of protection to the towns of Burnsville and Glenville. The Army Engineers have estimated that the annual savings from flood damages would be $254,000.

This is not to say that floods occur each year, but the engineers expect them periodically and have averaged the anticipated damage at $254,000 a year.

Moreover, Mr. President, the terrain of the area is such that adequate warning periods do not precede the flash floods which not infrequently occur, visiting destruction upon the properties of people and, indeed, destroying human life itself. During the period of record, several floods have caused severe damages in the more developed areas, and engineering studies indicate that much greater floods of disastrous magnitude are possible.

The Burnsville Reservoir project is one of an authorized three-reservoir system for reduction of flood damages in the Little Kanawha River basin, and it is imperative that preliminary planning on this initial reservoir get underway as quickly as possible. Parenthetically, I wish to state that the flood protection to be offered by the Burnsville Reservoir would enhance the possible use of the flood plain for the location and expansion of industry inasmuch as the valley has a considerable potential for industrial development.

There are secondary considerations of recreation, area redevelopment, and water quality control from which great benefits will accrue.

However, its main purpose is still the protection of lives and property from damaging floods. When completed, the reservoir would have a storage capacity of 66,000 acre-feet which represents a runoff of 7.5 inches of storm drainage.

The people in the area of the Burnsville Reservoir are very desirous of getting the project started, and I have received many letters from interested individuals and civic groups urging that planning be initiated as soon as possible. In previous years I have actively supported the appropriation of moneys for a restudy of the three reservoirs by the Army Engineers, and I earnestly hope that we can move forward expeditiously with early planning. The $100,000 which would be added by my amendment would initiate the planning work, and I trust that the very capable and distinguished chairman of the subcommittee will accept this amendment.

Mr. RANDOLPH. Mr. President, will the Senator yield?

Mr. BYRD of West Virginia. I yield to my distinguished colleague.

Mr. RANDOLPH. Mr. President, I ask the chairman of the Public Works Subcommittee of the Appropriations Committee [Mr ELLENDER] to give to this project in the future—and I know that he shall—the very painstaking and earnest consideration which he has provided in the past.

This is a project which is surrounded by urgency. It is needed. West Virginia has been designated as "a mother of rivers." And this is truly so. In the section of West Virginia under discussion, floodwaters develop and rush very quickly from small creeks. It is difficult to assess the volume of water which can come almost within minutes and sweep down from our mountainsides into the valleys, causing not only loss of property but also causing loss of life.

Naturally, Mr. President, I am disappointed that neither the House Appropriations Committee nor that of this body recommended inclusion of planning funds for Burnsville Reservoir on the Little Kanawha River in Braxton County, W. Va.

The record of hearings before the Appropriations Subcommittee includes the transcripts of discussions with both the

Ohio River division engineer and the Director of Civil Works of the Office of the Chief of Engineers concerning the proposed Burnsville project.

I reiterate the sound justification and associate my views with those of my distinguished colleague from West Virginia [Mr. BYRD] concerning the importance of a Burnsville impoundment. In this connection, I cite the justification introduced into the record by Maj. Gen. Jackson Graham, Director of Civil Works for the Army Corps of Engineers:

> Frequent minor floods and periodical major floods inundate considerable areas in the Little Kanawha River basin and contribute materially to the Ohio River floods. The flashy nature of the floods preclude adequate warning periods. Several floods during the period of record have caused severe damages in developed areas in the valley, and studies indicate the possibility of much greater floods of disastrous magnitude. The Burnsville Reservoir project is a unit of the authorized three-reservoir system for reduction of flood damages in the Little Kanawha basin, and is also a unit of the comprehensive plan for flood control in the Ohio River basin.
>
> The flood control protection to be afforded by the Burnsville Reservoir project should greatly enhance the use of the flood plain for industrial and small business development. Adequate labor markets, transportation facilities, and proximity to heavily populated areas and fuel supplies all tend to add to the Little Kanawha Valley's potential for such development. The benefit-to-cost ratio is 1.3 to 1.

Mr. President, now that the Corps of Engineers, in cooperation with the Soil Conservation Service and other cooperative agencies, has evolved a workable and economically feasible program for the Burnsville section of the flood-prone Little Kanawha River basin, it is a matter of regret that immediate planning funds cannot be provided to begin working toward the solution indicated.

Refer to the language of the Corps of Engineers justification of this project. It is replete with reasons why the Congress should finance the capabilities of the engineers to move into this necessary work. I repeat and reemphasize: Frequent minor floods and periodical major floods inundate the Burnsville area and downstream in neighboring Gilmer and other counties.

And, Mr. President, this flooding, the engineers emphasize, contributes materially to Ohio River floods.

In spite of these reasons we are delaying and taking undue chances in the face of this engineer warning: Studies indicate the possibility of much greater floods of disastrous magnitude.

It is well-known fact that I am an advocate of more upstream impoundments in the vast and important Ohio River basin. We must visualize the necessity of holding back in the uplands vast stores of the runoff which make up the disastrous mainstem floods of the Ohio and numerous of its major and minor tributaries. It is equally important that these large impoundments be constructed for water storage and low flow augmentation purposes.

We are not proceeding fast enough with these upstream efforts and because of this we are permitting the recurrence of millions upon millions of dollars worth of flood damage, and the endangerment of health and life of many of our citizens.

I am not going to devote the time required to develop the subject fully this afternoon, but I express the opinion that we would do much better in Congress to place more urgency and more emphasis on headwaters flood control works for the next few years and slow down on our investments in river navigation facilities.

If we are to set limits on expenditures annually for water resource projects, I urge that more investment be allowed for flood protection works in the upland headwaters and less for mainstream navigation.

But I am not one to disparage or discourage river navigation and improvement of its facilities. I believe we are strong enough and wealthy enough as a nation to provide adequately for navigation and flood control. These are areas in which we must not shortchange America, its communities, and its citizens.

Mr. President, I wish the RECORD to include at this point an expression of the genuine appreciation I extend to the senior Senator from Louisiana [Mr. ELLENDER]. The hearings held on the Burnsville Reservoir project are constructive and informative. Its validity is made clear.

It is my hope—and I am sure my able colleague from West Virginia joins me in the hope—that although we have not been able to program funding of the project this year, our offer of the amendment indicates the seriousness of the situation as we view it. If there is a disposition on the part of the committee and its very distinguished subcommittee chairman, the Senator from Louisiana [Mr. ELLENDER], to delay the project, not because delay is desirable but only because there is no budgeted amount for the item at this time, it would be my expressed hope that next year we could move forward with the Burnsville project. I appreciate very much the courtesy of my colleague in yielding to me.

Mr. BYRD of West Virginia. I thank my colleague.

Mr. ELLENDER. Mr. President, I do not know of any two Senators whom I would rather accommodate than the two Senators from West Virginia. I realize the condition that has prevailed in their State for some time. I had the privilege of visiting there on a number of occasions in the past 2 or 3 months.

It will be recalled that several years ago the Subcommittee on Public Works had quite a task in including in the bill funds for the Summersville Reservoir, which will cost $44,500,000.

The Senate put the project into the bill on two or three occasions before we were able to get the House to join us. Senators will remember that.

Last year the Justice Reservoir was included. The cost of that project is $64 million. We had quite a task in retaining the money for that reservoir as against the House provision, but we have it in, and I am glad to say that construction of Summersville Reservoir is well underway, and planning on the Justice Reservoir should be completed in fiscal year 1966.

This year the committee followed my advise by including a new planning start for the Birch Reservoir. The cost is estimated to be only $6.5 million, but that is one unbudgeted project we added. Then we added funds for two additional reservoirs. It is my judgment that West Virginia has received its fair share, I believe, of the money to be spent this year. I shall ask my friend from West Virginia not to insist on the amendment. If he does, I should like to point out that many other Senators have projects that they would like to have included. I admire both Senators from West Virginia for taking care of their constituency. Next year we shall try to make a case for the project, and probably we shall be able to include it.

I ask that the Senator from West Virginia not insist on his amendment, because if he does, I must ask the Senate to vote it down.

Mr. BYRD of West Virginia. Mr. President, I wish to express my appreciation to the distinguished chairman of the subcommittee for the fairness which has been displayed by him at all times, not only toward myself, but also my colleagues who have appeared before the subcommittee and expressed interest in various projects in the respective States. The Senator has been most fair in his consideration of my State. The amendment which I have offered is not offered in any sense as a complaint. It has been offered because my colleague [Mr. RANDOLPH] and I have felt that the project is justified. We recognize the fact that the item was not budgeted. We also recognize the problems that are concomitant to any item which is not so budgeted.

I recognize the very laborious and time-consuming task which confronts the chairman of the subcommittee. I realize that he cannot please every Senator in his effort to secure projects for his State.

Again I thank the chairman for his consideration of the problems of West Virginia as my colleague and I have attempted to bring those problems to the subcommittee's attention.

If it is agreeable to my colleague, at this time I should like to withdraw the amendment, particularly in view of the kind assurance of our subcommittee chairman that the item will receive careful consideration next year and that it may then be included.

Mr. RANDOLPH. Mr. President, I would associate myself with my colleague [Mr. BYRD] in his request to withdraw the amendment, remembering the assurance given to us by the capable and always dependable chairman of the subcommittee.

Mr. BYRD of West Virginia. Mr. President, I withdraw the amendment.

The **PRESIDING OFFICER.** The amendment of the Senator from West Virginia is withdrawn.

PUBLIC WORKS APPROPRIATION BILL—FLOOD CONTROL STUDIES IN MONTANA

Mr. MANSFIELD. Mr. President, I would like to discuss briefly with the distinguished chairman of the Public Works Subcommittee, the senior Senator from Louisiana [Mr. ELLENDER], a situation of considerable concern to Montana. As the Senator knows, several months ago, the State of Montana suffered the most disastrous flood in the history of the State. Total property damage in both the private and public sector amounted to at least $62 million, and possibly will reach $100 million.

Now that the major recovery program is underway there is a general consensus of opinion that if there had been a more adequate system of flood control projects both east and west of the Continental Divide in Montana, a great deal of the damage would have been averted or minimized.

Flood damage west of the divide was controlled to a degree by Hungry Horse Dam and the operation of Flathead Lake, but there are several other projects which, if constructed, would have contributed much in the way of flood control. There are a number of proposals on the Flathead and Clark Fork Rivers. Studies have been completed on several, others have not progressed this far for one reason or another. To my knowledge there is no up-to-date recommendation by the Corps of Army Engineers as to which plan or combination of projects would contribute the most in providing the necessary flood control and associated benefits.

On the eastern side of the Continental Divide few will argue against the thesis that much of the damage would have been eliminated had the Sun Butte project on the Sun River and the flood control project at Great Falls been constructed. Tiber and Canyon Ferry Dams contributed much in flood control on the Marias and Missouri Rivers. I realize that in this area as well as in the West there are problems of local interest and participation as well as differing opinions as to the best plan. However, the extent and seriousness of this recent flood is a grim reminder of Mother Nature's devastation and unpredictability. It is vital that the Federal Government cooperate with the people of Montana in devising a plan to prevent future devastation.

I had hoped that the Senate Committee on Appropriations would have agreed to Senator METCALF's and my request for funds to permit the Corps of Army Engineers to update its reports and plans for the Flathead and Clark Fork Rivers and to ask the Corps of Army Engineers and the Bureau of Reclamation to come up with a cooperative plan for flood control in the Sun and Marias River basins. I would like to take this opportunity to seek the subcommittee chairman's advice and counsel on this matter. I recognize that our formal request was submitted rather late and did not allow for sufficient subcommittee consideration. I would like to know if this matter might be considered in conjunction with the supplemental appropriation bill or whether the committee might ask the appropriate agencies to prepare and support the necessary budget requests for next year so that they might be considered early in the new year.

Mr. ELLENDER. Mr. President, I am very sorry that these studies were not submitted to the committee prior to the conclusion of the hearings, as the Senator admits. The subcommittee has followed the rule of not considering any surveys or projects unless it has a justification for them.

In answer to the question, these studies could be considered if a supplemental bill is considered in this session; but I would advise my good friend to have the necessary preparations made so that the studies can be considered in the regular bill. I believe it might be best to do that. But, if there is insistence and if a good case can be made, I am sure it can be considered by the committee in a supplemental bill.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. MANSFIELD I wish to express my thanks to the distinguished Senator from Louisiana, who is always most courteous, most considerate, and most understanding.

On the basis of his advice and counsel, my distinguished colleague the junior Senator from Montana [Mr. METCALF] and I will look into this matter and see what, if anything, can be further developed, either along the lines of a possible request in a supplemental appropriation or perhaps having a more detailed survey which can be presented in connection with next year's appropriation bill.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. NELSON. Mr. President, I offer an amendment, which I send to the desk.

The PRESIDING OFFICER. The amendment offered by the Senator from Wisconsin will be stated.

Mr. NELSON. Mr. President, the amendment is very simple. I ask merely to explain it.

The PRESIDING OFFICER. Without objection, the reading of the amendment will be dispensed with.

The amendment offered by Mr. NELSON is as follows:

> On page 11, line 16, strike out "$185,689,000 of which $83,030,000" and insert in lieu thereof "$184,189,000 of which $81,530,000".

Mr. NELSON. Mr. President, the Senior Senator from California [Mr. KUCHEL] is interested in this matter and I believe would wish to be notified. I suggest the absence of a quorum for the purpose of giving him notice.

The PRESIDING OFFICER. The Senator will have to have unanimous consent to have a quorum call without the time being charged, because the time is under control.

Mr. NELSON. The Senator from California has just entered the Chamber.

Mr. President, the amendment I have sent to the desk strikes out $1.5 million which this bill includes to implement the Westlands construction contract, which is now before Congress under a 90-day review procedure. That project is described on page 32 of the committee report, under the title "Central Valley Project—San Luis Unit," as follows:

> The committee recommends an increase of $1,500,000 for initiation of work on a distribution system for the Westlands Water District.

The cost of that distribution system, when completed, is estimated to be in the amount of $157 million.

A proposed contract between the Federal Government, Department of the Interior, and the Westlands district has been under procedures established by law pending before the Congress for almost 90 days. The expiration date on that contract for the Congress to take negative action is next Monday.

This proposed contract came to my attention about 5 or 6 weeks ago. I was sufficiently concerned about it to request a hearing on the proposed Westlands contract for the distribution system. There was a hearing.

I do not have the committee appearances before me, so I trust that if I make a misstatement as to the opposition to the contract the Senator from California will remind me, so that the RECORD may be correct. My recollection tells me that this proposal is opposed by the AFL-CIO, National, by the AFL-CIO of California, by the Farmers Union, National, by the Farmers Union of California, by the National Grange, and by the California Grange, and that it is opposed by Father Vizzard, representing the National Catholic Rural Life Council, and a number of individuals, and perhaps some other organizations.

It is opposed by those groups in the main, and I raise the question because I fear that the proposed contract may result in a major breach in the 160-acre limitation provided for under the reclamation law. I say "may" result in a major breach. If it does, there will be an unconscionable subsidy to large landholders in the Westlands district.

This issue has been argued on the floor before by a number of distinguished Senators, including the Senator from Illinois [Mr. DOUGLAS], whom I see present in the Chamber, and other Senators.

The reclamation law and reclamation problems are new to the Senator from Wisconsin. I have served on that committee for only a year and a half. There are a number of distinguished authorities on reclamation projects on that committee, including the distinguished senior Senator from California [Mr. KUCHEL], who is in the Chamber.

When one listens to the arguments of the advocates of this contract, including the spokesman for the Department of the Interior, they present a persuasive case that there is no need to worry about the violation of the 160-acre limitation under the reclamation law. Then one can listen to distinguished, informed, and intelligent opponents of the contract, who will make a persuasive case that it will violate the 160-acre limitation.

In the Westlands district there are 352,000 acres of land. Of those 352,000 acres of land, 100,000 acres are held by landowners who are within the 160-acre limitation, or, if a married couple is involved, within the 320-acre limitation. This leaves 250,000 acres in the Westlands district which is held by excess landowners, some of whom, including the Southern Pacific Railroad, hold as much as 55,000 acres within the Westlands District.

The purpose of the project is twofold: First, to provide surface water for irrigation; second, to recharge the underground water supply.

This is important. The land today is being irrigated by pumping, and the water table has dropped to 400 feet. It is as low as 425 feet in some areas of the Westlands district.

One of the specific stated purposes of the contract on the project is to restore the water level in the Westlands Water District to 300 feet. Again I call this to the special attention of the Senator from California [Mr. KUCHEL], to be sure that I am stating this fact correctly. The board of directors managing the Westlands Water District is composed of all the landholders within the district, represented on an acreage valuation basis.

This means that the excess landholders control the policy of the Westlands district, even as to how much will be charged for surface water, per acre-foot, and how much ad valorem tax will be charged, if any, for the acreage which does not agree to come under the contract.

Let us suppose that 325,000 acres come under the contract and that 27,000 acres do not. The Department of the Interior informs me, if that occurs, the water table will be restored to about 300 feet in 10 years, which means that the pumping cost of that 27,000 acres, to take my hypothetical case, will be reduced to $13 an acre-foot from a present cost of $15.

According to a letter I have received from the Department of the Interior, the cost of the irrigation water will be $14 an acre-foot.

Therefore, under the hypothetical case that I present, the 27,000 acres held in single ownership can wait during this 10-year period and gain a benefit of $1 per acre-foot as a consequence of the investment made by the taxpayers in this reclamation project. In fairness to the Department of the Interior, they assert that this will not happen. I ask unanimous consent to include at this point in the RECORD the letter that I received from the Acting Commissioner of the Bureau of Reclamation.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF THE INTERIOR,
BUREAU OF RECLAMATION,
Washington, D.C., July 30, 1964.

HON. GAYLORD NELSON,
U.S. Senate,
Washington, D.C.

DEAR SENATOR NELSON: Assistant Secretary Holum asked that we respond to your two additional questions regarding probable water costs under certain assumed conditions in the Westlands Water District, Central Valley project. Your questions are restated with our answers.

Question 1. If 327,000 acres are in compliance and if all water cost is assigned to these 327,000 acres, what is the cost per acre-foot?

Answer. As the 783,000 acre-feet of project water available to the district is insufficient to meet the water demands of 327,000 acres, we assume ground water will also be used to assure a full water supply. On this basis we estimate the total annual cost for water would be about $14.5 million or about $14 an acre-foot. This includes costs for project water service, distribution system construction, distribution system operation and maintenance, and for the pumping of about 235,000 acre-feet of ground water annually. An assumption that the eligible land will bear the total cost of the project water supply for the district is probably not realistic. Irrespective of the amount of eligible and ineligible land, we fully anticipate that costs will be spread to some extent to all the lands of the district by ad valorem assessment. As was stated in Mr. Holum's July 29, 1964, letter to you, a revenue program based on a combination of water tolls and ad valorem assessments is used by a number of the districts in the San Joaquin Valley of California and is expected to be used by the Westlands Water District in achieving its objective of a balanced use of surface and ground water supplies.

Question 2. What is the per acre-foot cost of pumping at present depths and what is the pumping cost from the 300-foot level?

Answer. The present average depth to ground water in the Westlands Water District is approximately 400 to 425 feet. At this depth the cost of pumping is about $15 an acre-foot. With a 300-foot pumping lift the estimated cost of ground water would be about $13 an acre-foot. The difference in costs between the two pumping levels is due essentially to a difference in power requirements as other pumping facility costs will be approximately the same in either case.

We hope the above data provides the information you seek.

Sincerely yours,

N. B. BENNETT,
Acting Commissioner.

Mr. NELSON. I wish to read from the letter. They say this will not happen, stating that:

> An assumption that the eligible land will bear the total cost of the project water supply for the district is probably not realistic.

I repeat that at this late stage in the game, with my hypothetical case, the Bureau of Reclamation is only able to say that the assumption that the eligible land will bear the total cost of the project water supply is probably unrealistic.

Let us assume for a moment that the probability occurs. In that case we have a taxpayer-money-built project in which surface water seepage causes a reduction in the pumping cost, and the use of surface water reduces the necessity for pumping, thereby raising the water level to 300 feet. In that case we have given a literally fantastic subsidy to a large landholder.

Again, the Department will argue that this will not happen because at that stage of the game the board of directors, which has the power to determine the cost of the water, will reduce the price of the irrigation per acre cost low enough to require the leveling of the ad valorem tax on all landholders sufficient to force in the 27,000 acres.

What I have cited is one of a half dozen hypothetical cases that one might present.

I raised the question with the Bureau. They insist that economically it is absolutely necessary for the excess landholders to break up their holdings and come in, because it is not economically feasible to stay out. My question was, if that is the case, it would seem that we should give assurance that the $157 million that we are to spend on the distribution system will not be a waste of taxpayer money, or end up subsidizing large landholders. We should insist, before the contract is signed, that the excess landholders be required to sign recordable contracts.

The answer I received to that was that we have never done it before. Well, how many projects have we had like this one, in which, if my memory serves me right, the subsidy on the distribution system in interest rates not required to be paid has been $60 million out of a $157 million project? I believe that was the figure of the subsidy, $60 million. This is a tremendous amount. I believe the taxpayers should have the assurance that we will not be furnishing a subsidy to the excess landholders.

Suppose we put $157 million into this distribution system, and the board of directors, being controlled by the excess landholders, representing 252,000 acres decide that they are not going to sign recordable contracts and retain control of the Westlands District, it would seem to me—unless I am mistaken, and in that case I will stand corrected, because, as Senators know, I do not pass as an authority in this field, or on the history or background of reclamation projects, because my exposure to it has been only in the last year and a half in the committee—but if that should happen, then what we would be confronted with in Congress is that the excess landholders who cannot be compelled to come in would say, "We do not want the taxpayers to pay for it. Sell us our water and we will pay enough to pay the project's cost."

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. NELSON. How much time have I used?

The PRESIDING OFFICER. The Senator has used his 15 minutes.

Mr. MANSFIELD. I yield 5 additional minutes to the Senator.

Mr. NELSON. If that should happen, then the excess landholders certainly could come in, if I understand the situation—and I stand corrected if I do not—and say to Congress, "The taxpayer does not have to lose any money. We will pay the price of the acre-foot cost to meet the contract, but we will not break up our landholdings, and there is nothing that you can do to force us."

If this happens, this will end up as the most unconscionable subsidy ever given to any group of people in my knowledge in this area, and perhaps in any other area, in modern history, if not in all history.

Therefore I think we ought to have a good hard look at this matter and not make the appropriation. We should wait until next January or February, to make the decision as to whether or not that appropriation should be made. I believe the contract ought to be turned down, or the Secretary should be instructed that the contract need not be signed until enough of the excess landholders have signed recordable contracts and guaranteed the success of the project.

Mr. MORSE. Mr. President, will the Senator from Montana yield time to me?

Mr. MANSFIELD. I yield 15 minutes to the Senator from Oregon.

Mr. MORSE. Mr. President, several years ago the Senator from Wisconsin [Mr. Proxmire] and the Senator from Illinois [Mr. Douglas], and other Senators, opposed the real birth of this problem, which was involved in the San Luis project. I support the Senator from Wisconsin [Mr. Nelson] today.

An attempt is being made to have the Senate pass what amounts to the approval of a bad contract.

I refer to a document entitled the "Contract Between the United States and Westlands Water District Providing for the Construction of a Water Distribution and Drainage Collector System." The illegality of that instrument is the subject of the "Statement of Senator Gaylord Nelson on the Westlands Water District Construction Contract and Water Service Contract of 1963." That statement was entered in the Congressional Record only day before yesterday with the result that the vast majority of this body has only a most cursory knowledge of the "Westlands contract" as it is known.

Our immediate concern is an effort to have the Senate vote in favor of a $157 million appropriation to build a reclamation project within the service area of the Westlands district. First and foremost, therefore, we must determine the present status of the matter; who will benefit from the project and why efforts are being made at this time to obtain approval of funds to carry it out.

1. WHAT IS THE STATUS OF THE PROJECT?

Seventy percent of the lands within the Westlands district are ineligible to receive project water. That ineligibility stems from the fact that the Southern Pacific Railroad Co., and other large landholders owning large tracts of land, will be the primary beneficiaries of the project. In a word, they are ineligible to receive water because their ownerships violate the congressional policy of furthering family-sized farms. It is obviously the pressure from these rich and powerful organizations which has brought about the effort to approve of the contract and to obtain these funds, although only a fraction of the land is entitled to use project water. This attempt to obtain funds for this purpose must be resisted for there are involved far-reaching and dangerous precedents which will emerge from the contract if it is approved and funds made available to effectuate it.

2. WITH 70 PERCENT OF THE PROJECT LANDS INELIGIBLE, WHO WILL BENEFIT FROM THE PROJECT?

As revealed by Senator Nelson's statement and the other data in the Congressional Record, the Bureau of Reclamation readily admits that 70 percent of the project is not eligible to receive water. As a consequence there is immediately raised this question: Who will be the beneficiaries of the project?

Answer to that inquiry is very simple, for the primary beneficiaries will be the vast land and water monopolies which control the Westlands district, the board of directors of which is composed of landowners who are ineligible to receive project water. The next question which flows from that circumstance is this: How can the Bureau of Reclamation justify an expenditure of $157 million when 70 percent of the project lands are ineligible to receive water? Response to this inquiry is not difficult—it cannot be done. However, the Bureau of Reclamation proceeds on two fallacies in its justification:

First, "The unavoidable clause." Primary reason for the project is to recharge the gravely depleted ground water basin which underlies both the ineligible and eligible lands. With full knowledge that the waters applied to the eligible lands will recharge the ground water basin for the ineligible lands, the Bureau of Reclamation wrote into the contract what is known as the unavoidable clause. That device, calculated to circumvent the law, simply states that if project water unavoidably becomes available for use on the ineligible lands through the use of pumps, then the reclamation laws against those lands receiving water are not violated.

I reject as plain sophistry that reasoning and ask the Senate to reject it. For the calculated circumvention of the law by the Bureau of Reclamation makes a travesty of the long-standing policy of the Congress to fight the land monopolists and to sponsor the family-sized farm.

Second, economic pressures will force the monopolists to reduce their holdings to 160 acres in conformity with the reclamation law. Though the Bureau of Reclamation readily admits the violation of the excess land laws, it seeks to gloss over that violation by this explanation: Sure the law will be violated—we know that. But do not worry, some day—no one knows when—or how—economic pressures stemming from taxes will force compliance with the reclamation laws. That astounding approach falls for two reasons:

First, the reclamation laws provide that project water may be received only by those who comply with the law. There is not a word—an implication—in the law which would permit violation until economic pressures may bring about compliance; and

Second, the Westlands district is completely and entirely controlled by the land monopolists. Thus it is absurd to think that they will adopt procedures and practices which will cause them to sell their immensely valuable lands and comply with the reclamation laws.

Those two conclusions are buttressed—if they need buttressing—by this fact: Once the project water is available to the ineligible lands with the immense benefits stemming from it, commonsense dictates that the monopolists will more firmly hold onto, rather than dispose of, them.

I do not claim to have full or expert knowledge respecting this complex contract and all that relates to it. Nevertheless, I do know that I am opposed to this raid on the Treasury of the United States by the land and water monopolists who seek under the guise of the reclamation laws to receive vast benefits. Unjust enrichment of this nature should not be countenanced by the Congress. Accordingly, I request the Senate to reject the Westlands contract and to refuse to appropriate funds to accomplish its purposes.

This item should be eliminated this year, so that it may be reviewed by the Committee on Interior and Insular Affairs and the Committee on Appropriations next year.

Mr. President, I ask unanimous consent to have printed at this point in the Record a statement by Mr. Jacob Clayman, of the Industrial Union Department, AFL–CIO, in vigorous opposition to the proposal, and a statement by the National Council on Agricultural Life and Labor, one of whose great leaders, is Father Vizzard. He deserves, in my judgment, the thanks of the American people for his dedicated service over the years in protecting the principle of the 160-acre limitation and in protecting the family farm.

The Senator from Wisconsin [Mr. Nelson] has already named the great farm organizations which are opposed to the project.

I also ask unanimous consent to have printed at this point in the Record telegrams from Berge Bulbulian, president of the Western Water & Power Users Council, and Bard McAllister, of Visalia, Calif.

There being no objection, the statements and telegrams were ordered to be printed in the Record, as follows:

STATEMENT BY JACOB CLAYMAN, ADMINISTRATIVE DIRECTOR, INDUSTRIAL UNION DEPARTMENT, AFL–CIO, BEFORE THE SUBCOMMITTEE ON IRRIGATION AND RECLAMATION OF THE SENATE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS, DEALING WITH THE PROPOSAL OF THE SECRETARY OF INTERIOR FOR A WATER SERVICE CONTRACT WITH THE WESTLANDS IRRIGATION DISTRICT, SAN LUIS PROJECT, CALIFORNIA, JULY 8, 1964

Mr. Chairman, my name is Jacob Clayman. I am administrative director of the Industrial Union Department of the American Federation of Labor and Congress of Industrial Organizations. I appear on behalf of the Industrial Union Department, an organization of 59 affiliated international unions with a total membership of some 6 million workers.

I am here to express our firm opposition to the proposed contract between the Department of Interior and the Westlands Irrigation District in the Federal service area of the San Luis project in the Central Valley of California.

We are in complete accord with our parent organization, the AFL–CIO, in the statement presented on its behalf here today by George Taylor.

It is not our intention to lengthen the record here by attempting a detailed history of the reclamation law. All of you are familiar with that history, with the intent of Congress, with the pressures brought to bear on the Congress and the executive branches before and since the enactment of the Reclamation Act of 1902. Much of that history has been or will be touched upon in revealing detail by other witnesses, particularly by that esteemed citizen and guardian of the 160-acre limitation, Prof. Paul Taylor.

The history of the Reclamation Act has been one of struggle between those who would use the powers and finances of the Federal Government for development in the public interest, with careful protection against the unnecessary enrichment of large landholders, and those who would by one means or another use that same power and money for the enrichment of a few.

Organized labor has always supported resource development, including reclamation and irrigation projects, but we have as consistently insisted that our support was premised on development in the public interest. In the case of reclamation, this means, above all else, the avoidance of giveaways to great landed interests and, instead, development to strengthen the family farm and inhibit increasing concentration in the ownership of land.

In his fifth annual message to Congress, December 5, 1905, President Theodore Roosevelt stated our position today quite clearly:

"The creation of small irrigated farms under the Reclamation Act is a powerful offset to the tendency of certain other laws to foster or permit monopoly of the land.

"The Reclamation Act derives much of its value from the fact that it tends to secure the greatest possible number of homes on the land and to create communities of freeholders. * * * The law requires that no right to the use of water for land in private ownership shall be sold for a tract exceeding 160 acres to any one landowner. This provision has excited active and powerful hostility, but the success of the law itself depends on the wise and firm enforcement of it. We cannot afford to substitute tenants for freeholders on the public domain."

The reclamation law as described by Theodore Roosevelt in 1905 has not been changed by Congress. The acreage limitation provision has been held to be constitutional by the Supreme Court. The acreage restriction provision has continued to excite active and powerful hostility, but the Congress has not yielded to that hostility by changing the law. But may we stress another sentence in that 1905 statement, that "the success of the law itself depends on the wise and firm enforcement of it."

In our view, the proposed water contract is neither wise nor firm enforcement of the reclamation law. It would confer upon a few large landholders immense subsidies and, in our opinion, would never be improved by subsequent contracts.

We are aware that Interior has too frequently pursued the construction and even operation of irrigation projects before securing contracts requiring the disposition of excess lands. We are also aware that even where such contracts have been secured, early or late, it is common practice to put no final date for consummation in those contracts so that violation of the acreage restriction continues year after year on the basis of one pretext or another. But we are opposed to these practices as violations of the spirit and letter of the Reclamation Act, and we are here to express our unyielding opposition to adding one more bad contract on all the others.

We are experts in neither irrigation nor geology, but we place our faith and trust in those long-time champions of the public interest and the documentation they give their case, that extending water service to the Westlands District would result in furnishing water to excess landholders.

We urge this subcommittee, in the exercise of its legitimate oversight function, to disapprove the Westlands contract, return this proposed contract to the Secretary of Interior at once, and halt any further appropriations for construction until the Secretary has secured contracts from all owners of land in excess of 160 acres in the Federal service area agreeing that they will dispose of such excess lands as a condition for receiving water and stipulating a deadline for the disposal of such lands.

Moreover, we would like to urge you to conduct a general investigation of the Federal land laws, particularly in relation to reclamation. The reports we receive would indicate that this proposed contract is only the latest in a long series of acts which deserve to be revealed publicly and corrected by law or administrative action.

In view of the position we are taking here today, we would like to call to your attention a portion of a speech made at the Theodore Roosevelt Conservation Conference, October 1, 1958, by Ken Holum, then chairman of the Western States Water and Power Consumers Conference and presently Assistant Secretary of Interior.

In reviewing the attacks on resources development and conservation, Mr. Holum said:

"Theodore Roosevelt championed the small farmer and the place of the family farm in our society. Do we still regard him highly today? Is the 160-acre limitation on reclamation projects that Roosevelt championed safe and secure? * * * Have we learned to admire bigness above economic freedom?"

We express this same concern today, and urge this subcommittee to exercise its powers and influence to take firm action on this immediate problem and then focus the glare of public attention on any other evidences of carelessness, malfeasance, or lack of wisdom in administering this great program.

STATEMENT FROM THE NATIONAL COUNCIL ON AGRICULTURAL LIFE AND LABOR

War has been declared on poverty. Effectively to wage that war entails an attack upon the elements that give rise to poverty. One great source of rural poverty stems from the concentration of land ownership in the hands of the few who employ low-income families and individuals in the conduct of their agricultural operations.

An agency of the United States which has a mandate from Congress to foster and maintain family-sized farms is the Bureau of Reclamation, Department of the Interior. In the vast irrigation projects constructed by it with Federal funds in the Western States, the "excess land laws" limit the delivery of water to that amount required to irrigate no more than 160 acres in a single ownership (320 acres for husband and wife). The explicit intent of this provision of reclamation law is to prevent land and water monopoly and to assure that public funds fulfill public policy—that is, the promotion of family farms.

Far from enforcing either the spirit or express language of the excess land laws, the Bureau of Reclamation has favored and continues to favor large landowners, whether it is in the Imperial Valley of California or the Salt River project in Arizona. Symptomatic of the Bureau's policies is the recent giveaway of millions of dollars to large landowners in the Glenn-Colusa area who have for 20 years diverted and used reclamation project waters in the Sacramento River without paying for the waters. Nevertheless, and seemingly with no legal basis, only weeks ago the Bureau canceled all of this vast indebtedness owing to the United States and entered into a contract exceedingly favorable to the excess-land owners.

In keeping with the Bureau's willingness to circumvent the excess land laws to the advantage of the great corporate farmers is its water service contract with the Westlands Water District in the San Luis project area in California. That document was submitted to the Congress on May 1, 1964, in accordance with the law. Within 90 days from that date it will become operative unless Congress objects to it. Contained in the Westlands contract are provisions the result of which constitutes a clear circumvention of the excess land laws.

Seventy percent of the lands within the district are owned in tracts subject to the excess land law. The United States agrees to deliver water to the district for the purpose of (a) surface irrigation; (b) recharging the depleted ground-water basin, a portion of which underlies the district. Immense benefits under the contract ensue both to lands eligible to receive water under the reclamation laws and those which are ineligible under the excess land laws. To accomplish that end the contract provides that: "The district will not be deemed to have furnished such water to said (excess) lands within the meaning of this contract if such water reached the underground strata * * * as an unavoidable result of furnishing project water by the district to nonexcess lands."

Nature of this calculated violation of the excess land laws is demonstrated by these facts: (a) The project waters which go into the underground basin are pumped for use on both the eligible lands and those which violate the laws in question; (b) it is a physical impossibility to prevent the project water from benefiting the excess-land holdings; (c) the holders of those lands, knowing they will receive the benefits of the project, pay assessments to the district for the amortization of the debt owing to the United States, the same as the owners of eligible lands; (d) the Bureau of Reclamation officials are well aware of these facts but in effect join in the subterfuge; (e) the above quoted "unvoidable" clause is thus merely a device utilized to circumvent the basic laws against serving lands in tracts exceeding 160 (320) acres, thus fostering and perpetuating the land and water monopolies in violation of the specific direction of the Congress.

Success in the war against rural poverty turns upon the ability to reverse the ever-increasing trend toward large corporate farms which exploit human and natural resources. As a consequence, the policies and practices of the Bureau of Reclamation reviewed above, in clear violation of the excess land laws, contribute to that trend and are squarely at variance with the policy expressed by the Johnson administration.

A concerted drive against congressional approval of the Westland water service contract has already been initiated. Opposition to that contract has been voiced by interested organizations and agencies. Nonetheless the contract has already been approved in great haste by the House Interior Committee. It is essential therefore that as many groups and individuals as possible write to Senator HENRY M. JACKSON, chairman of the Senate Interior and Insular Affairs Committee, and to other members of the committee. They should be advised of the disregard of the law by the Bureau of Reclamation and requested that the committee hold public hearings as soon as possible so that interested parties may present vigorous opposition to this clear violation of the excess land laws.

FRESNO CALIF.,
August 6, 1964.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.:

Urge rejection of Westlands contract and appropriation. Interior Committee hearings indicated contract illegal.

BERGE BULBULIAN,
President, Western Water and Power Users Council.

VISALIA, CALIF.,
August 6, 1964.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.:

Kill premature Westlands Water District appropriations. Financially irresponsible because contract has not yet been approved.

BARD MCALLISTER.

Mr. MORSE. Mr. President, the issue is simple: Shall we let the land monopolists of California subvert, by way of subterfuge, this precious protection of the family farm, that has been our land policy for many years?

I yield back the remainder of my time.

Mr. NELSON. Mr. President, on the amendment, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. KUCHEL. Mr. President, the comments I make on this occasion, I make on behalf of my colleague from California [Mr. SALINGER], of the government of the State of California, of the Department of the Interior, of the Budget Bureau, of the administration of the late President Kennedy, and of the incumbent Johnson administration.

I believe in the acreage limitation law. Let the record be clear on that point. The fact is that the situation in question does not involve a violation of acreage limitation law. That ought to be made abundantly clear.

Several years ago, Congress authorized the construction of the San Luis project, to be paid for 55 percent by the people of the State of California and the balance by the Government of the United States. That balance is repayable to the Federal Treasury by the people who will use the benefits of the San Luis project.

Acting in accordance with the law, the administration of the late President Kennedy entered into a water service contract with the Westlands Water District, and that was agreed to. It follows the same pattern that the Government of the United States has used as a basis for entering into such contracts ever since 1926. Let the RECORD be very clear about that.

Now the administration recommends a distribution system be constructed, under a repayment contract, to deliver the water.

The Budget Bureau has recommended that this money be appropriated so that the construction of the distribution system be commenced.

Here is a district in California that will comply with the reclamation law. The best way to indicate that to my brothers in the Senate is to read a portion of the testimony of Assistant Secretary of the Interior Kenneth Holum, before our Interior Committee recently when he urged that this contract be approved.

Mr. President, I ask unanimous consent to have the entire statement printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT ON SERVICE OF THE WESTLANDS WATER DISTRICT FROM THE SAN LUIS UNIT OF THE CENTRAL VALLEY PROJECT, CALIFORNIA

It is a pleasure to appear before this committee to review the Westlands Water District distribution system repayment contract. This contract, with the repayment obligation of $157,048,000 is the largest repayment contract ever to be negotiated in the entire history of the reclamation program. It provides that the United States construct the distribution system and necessary drainage collector facilities to serve nearly 400,000 acres in the Federal San Luis unit service area of the Central Valley project, California. Under the contract the District will repay these costs in 40 years. To better understand this contract and its relation to the Federal-State project now under construction, a brief review of certain congressional authorization and contractual agreements appears desirable.

By the act of June 3, 1960, the Congress authorized the Secretary of the Interior to enter into an agreement with the State of California for the construction and operation of the San Luis Unit of the Central Valley project. Pursuant to this authority the Secretary entered into an agreement on December 30, 1961, for Federal-State financing of the San Luis unit. This agreement was furnished to the President of the Senate and the Speaker of the House on January 9, 1962. This Federal-State agreement is unique in that it is the first ever negotiated under which the United States would undertake the financing and construction of a reclamation project as a joint venture with a State government. The construction cost of the joint-use facilities is expected to exceed $400 million, 55 percent of which is scheduled to be advanced by the State. The State is now advancing on a monthly basis its share of the cost of the joint venture.

Initial water storage in the San Luis Dam is scheduled during the winter of 1967 and initial limited water deliveries are expected to follow in the summer of 1968. Larger water supplies are expected to be available in 1969.

The service area of the Federal San Luis unit of the Central Valley project includes a gross area of approximately 500,000 acres on the west side of the San Joaquin Valley, and between Mendota on the north and Kittleman City on the south. The Federal share of water from the joint San Luis storage and conveyance facilities is estimated at 1,235,000 acre-feet annually for use in this highly productive but water deficient area. Abuot 45,000 acre-feet is considered for municipal and industrial use; the balance of 1,190,000 acre-feet is considered for agricultural use.

The Westlands Water District is the principal contractor for Federal service from the San Luis unit. Except for certain small areas above the canal, the district lies between the trough of the valley on the east and the alinement of the San Luis Canal along the foothills of the coastal area on the west. The district is the largest in the area and includes 391,000 acres, about 352,000 acres of which are irrigable.

The district needs water to supplement the limited pumped ground water supplies available from ever-increasing depths. To meet this need the district requested supplemental water service from the Federal San Luis unit. A proposed water service contract was approved by President Kennedy on January 28, 1963, and the contract was executed June 5, 1963.

Under this contract 1,008,000 acre-feet of project water will be available annually during the first 10 years. It is hoped that during this 10-year period the use of large quantities of project water will temporarily abate much of the underground pumping and will allow natural recharge to stabilize ground water at about 100 feet above present levels. After 10 years the district is obligated to pay for 783,000 acre-feet annually, which, with the ground water calculated to be available, will be adequate to meet all irrigation requirements. If the ground water supply does not respond as anticipated, the district may purchase up to 117,000 acre-feet more, making a maximum, after 10 years, of 900,000 acre-feet annually.

No project water will be delivered through the distribution system to any lands or persons not eligible under the terms of articles 23, 24, and 25 to receive water made available pursuant to the contract. These articles, the so-called excess land provisions required by reclamation law, are similar in form and content to those in other water service contracts for Central Valley project.

The Westlands District will pay the United States $7.50 an acre-foot for water service plus 50 cents an acre-foot for drainage service. Under full development conditions, annual project revenues from the sale of 783,000 acre-feet to the district would yield about $6¼ million.

Under the service contract, water is delivered at canalside; therefore, before the district can effectively utilize project water, and before the United States will be in a position to receive revenues for project water service on a continuing basis, distribution and drainage collector facilities will have to be constructed. Such facilities may be financed and constructed by the district or by the United States. The Westlands Water District has asked for Federal construction.

The form of contract providing for the construction by the United States of the Westlands Water District distribution and drainage collector facilities, and for the repayment of these costs by the district in 40 years, has been approved by the directors of the Westlands Water District, by the Secretary of the Interior, and by the California Districts Securities Commission—the financial guardian of public water districts in that State.

The Secretary of the Interior approved the form of the proposed contract April 24, 1964. The same day he transmitted copies of the proposed contract to the President of the Senate and the Speaker of the House of Representatives. These transmittals were made in accordance with the requirements of section 8 of the San Luis unit authorizing act of June 3, 1950 (Public Law 86–488).

Section 8 of that act provides that funds will not be appropriated for construction of a distribution system and drains until 90 legislative days after a contract has been submitted to the Congress calling for complete repayment of the distribution system and drains within a period of 40 years from the date such works are placed in service. Copies of the distribution and drainage contract, hereafter referred to as a distribution system repayment contract, also were recently furnished to members of this Subcommittee.

Facilities to be constructed under the distribution system contract include a system of pipelines, the connection of ground water wells with those lines, and a drainage system.

The water distribution pipelines will have a total length of about 713 miles. Spacing of laterals will be at 1-mile intervals along section lines with turnouts to each 160 acres. The estimated cost of the distribution lines is $106,363,000.

Approximately 400 existing wells in the area will be integrated into the distribution system. Well water will be mixed with surface project water in the main laterals. The estimated cost for integrating well water amounts to $10,160,000.

The drainage collector system will be constructed of clay pipe terminating in buried reservoirs or sumps from which the water will be pumped into the States proposed master drain for the San Joaquin Valley or into a Federal interceptor drain for the San Luis unit. The area to be covered by this system lies predominately along the east side of the district near the trough of the valley. Estimated cost of the drainage collector facilities is $40,525,000.

Facilities to be constructed under the contract will be separated into construction groups. Construction group 1 will include substantially all of the water distribution facilities, drainage collector facilities, and works for the integration of ground water with surface water, all as initially required and generally as exhibited in the contract. Construction groups 2 and 3 will include added portions of the distribution system on which construction is started no later than June 30, 1974, and June 30, 1979, respectively. Any construction started after June 30, 1979, will be considered as part of construction group 3 for purposes of repayment.

The United States will acquire for the distribution system any pipeline facilities and sublaterals which are constructed by the district and are usable as an integral part of the system. The amount which the United States will pay for such facilities, including rights-of-way, is not to exceed the lesser of (a) the cost which the United States would have incurred if it had constructed such facilities or (b) the appropriate costs incurred by the district in constructing said facilities less the amount received from the United States in payment of water transported to the area for subsidence control during construction. It is planned that rights-of-way required for construction of the distribution system will be acquired by the district. Title may be taken directly in the name of the United States or taken by the district and then transferred to the United States. The United States will reimburse the district for the cost of the rights-of-way.

The construction cost of construction group 1 is to be repaid by the district in 80 successive semiannual installments payable on January 1 and July 1 of each year after the completion of construction of said group is announced in writing by the contracting officer. The first 10 payments will be for one-one hundred sixtieth of the construction cost of said group and the remaining 70 payments will be for equal amounts of the remainder of the cost. Construction costs of subsequent groups will be repaid in 80 successive equal semiannual installments payable on January 1 and July 1 of each year. The first installment with respect to each group will be due and payable on January 1 of the year following the year of completion of the respective group as announced by the contracting officer.

Under the contract the district as a whole is obligated to pay charges becoming due. To meet payments, the district is to use its resources and authority, including the levying and collecting of necessary taxes and assessments. The lands which may be charged with such taxes and assessments are described as all the lands in the district.

Upon completion of each construction group, it is to be transferred to the district for operation and maintenance. The district, without expense to the United States, is to operate and maintain such transferred works in full compliance with the terms of the contract and in such manner that said transferred works will remain in good and efficient condition.

No liability will accrue against the United States and its officers and employees because of damage arising out of or in any manner connected with the care, operation, and maintenance by the district of the distribution system.

The actual cost of the distribution system or any construction group thereof will embrace all expenditures by the United States of whatever kind in connection with, growing out of, or resulting from work performed in connection with the distribution system, and will include all sums expended by the Bureau of Reclamation in surveys and investigations in connection with the distribution system both prior to and after the execution of this contract and the expense of all soil investigations and other preliminary work.

The contract provides for a $250,000 reserve fund to be accumulated by the district at the rate of $50,000 annually. Expenditures from this fund will be for the purpose of meeting extraordinary cost of care, operation, maintenance repairs, and replacements. Whenever the reserve fund is reduced below $250,000 it will be restored by annual deposits of $50,000 annually.

In the event the United States tranfers the San Luis Unit or portions thereof to the State of California for care, operation, and maintenance, such transfer will not affect the rights or obligations of either party to the contract.

Although the language in the contract is brief, I propose to discuss in some detail the excess land provisions. Over a year ago, on June 5, 1963, to be exact, the Westlands Water District and the United States entered into a water service contract whereunder the district is to receive a supply of Central Valley reclamation project water through the facilities of the San Luis unit of that project. Articles 23, 24, and 25 of that water service contract are similar to the acreage limitation provisions that have customarily been employed throughout the Central Valley project since the initial contracts were entered into more than 15 years ago. The acreage limitation provisions of reclamation law have been fully applicable since June 5, 1963, to all lands which make up the Westlands Water District. Looking then to article 20 of the distribution system one finds that, and I quote, "No water shall be delivered through the distribution system to any lands or person ineligible under the terms of articles 23, 24, and 25 of the water service contract to receive water made available pursuant to that contract." Even more significantly, under the distribution system contract, those provisions are expanded to include not only Central Valley project water, but additionally any other water regardless of source, to the extent that such water is conveyed through that distribution system.

Under the controlling contractual provisions, excess lands are categorically identified as "that part of the irrigable land within the district in excess of 160 acres held in the beneficial ownership of any single person; or in excess of 320 acres held in the beneficial ownership of husband and wife jointly, as tenants in common, or by the entirely, or as community property;". Landholdings falling within the 160 or 320 irrigable acre limit thus established are correspondingly defined as nonexcess land. Having thus contractually defined excess and nonexcess lands those same articles specifically prohibit the delivery of project water to any such excess lands unless and until the owner thereof shall have covered the excess lands in question by a valid recordable contract in form prescribed by the United States.

Additionally, it is contractually required under the water service contract that any large landowner, whether or not he enters into a recordable contract, designate that portion of his total irrigable landholding which is to be identified as his nonexcess lands. The remainder is thereafter identified as excess and as such is ineligible to receive project water unless and until it has been covered by a valid recordable contract.

Finally the articles establish the basic terms and conditions to which the large landowner agrees in executing the requisite recordable contract. The recordable contract first identifies the irrigable lands covered thereunder which are excess in the ownership of the person or persons executing the contracts. It additionally provides for the determination by the Secretary, as guided by an appraisal, of the actual bona fide value of such lands and the improvements thereon at date of appraisal. It stipulates, however, that in any such appraisal no value will be given such lands on account of the existing or prospective possibility of securing water from the project.

Finally the large landowner who executes a recordable contract agrees to dispose of those excess lands within 10 years from the execution date of said contract, at prices not in excess of its value without project benefits, and to a person or persons who can take title to such as nonexcess lands. Should the large landowner fail to dispose of the land within that 10-year period, power of attorney then vests in the Secretary of the Interior to make the agreed upon disposition.

It is also important that proper attention be given the provision appearing in article 23(a) of the Westlands Water District water service contract. That provision reads in part, "No sale of any excess lands shall carry the right to receive water made available pursuant to this contract unless and until the purchase price involved in such sale is approved by the contracting officer." Thus, even though excess land is not covered by a recordable contract, and is sold in eligibly sized parcels, the sale must be at approved values in compliance with the antispeculation provisions of reclamation law, if such lands are to become eligible either to receive project water or service through the distribution system.

Some concern has also been expressed with respect to the pumping of ground water. The Westlands Water District water service contract includes as article 23(b) the standard Central Valley project contractual clause which reads:

"If project water furnished to the district pursuant to this contract reaches the underground strata of excess land owned by a large landowner, as defined in subdivision (a) of article 25 hereof, who has not executed a recordable contract and the large landowner pumps such project water from the underground, the district will not be deemed to have furnished such water to said lands within the meaning of this contract if such water reached the underground strata of the aforesaid excess land as an unavoidable result of the furnishing of project water by the district to nonexcess lands or to excess lands with respect to which a recordable contract has been executed."

It is recognized that unavoidable percolation increments, combined with the effects of decreased districtwide pumping occasioned by the availablity of the project surface supply will contribute in some measure to the enhancement of the general ground water situation. It must be noted, however, that the water to which the quoted contractual subarticle refers is not water deliberately introduced in quantity into the underground through percolation beds or similar means for intensified storage and recharge purposes. No direct ground water percolation operations are planned in the Westlands area nor are facilities for such to be constructed. Thus, the water which might effectively be recovered by any landowner under the foregoing contractual clause would be only that which unavoidably percolates to the underground as the result of normal surface application of irrigation water for purposes of crop production, maintenance of salt balance, or similar bona fide irrigation practices conducted on eligible lands.

It must additionally be noted that present plans for the construction of the Westlands distribution system contemplate that approximately 400 wells existing in the area will be integrated into the distribution system. The yield from such wells will thus be mixed with project water within that distribution system. Referring again to article 20 of the distribution system contract it immediately becomes apparent that no water, whether it be project water delivered to the district distribution system from the San Luis Canal or ground water pumped into the distribution system from any of those 400 wells, may be delivered through the distribution system other than to land for which eligibility has been established pursuant to the provisions of reclamation law.

In consideration of the interrelated provisions contained in the distribution system contract and the equally pertinent and overriding water service contract, it is apparent that the lands of the Westlands Water District are in fact subject to the acreage limi-

> tation provisions of reclamation law. To the best of our ability, all of those requirements have been properly iterated in those contracts. Correspondingly, the water district has through its execution of the water service contract and its acceptance of the distribution system contract recognized the applicability of such a provision and agreed to comply therewith.
>
> With reference to excess lands, you know that the Department has at the specific request of your full committee just concluded a comprehensive review of the entire subject in both its administrative and legal connotations. Our final report as transmitted to the committee on June 30 recognized both the need for certain legislative actions to bring the acreage limitation provisions of law into a more practicably applicable form and made appropriate recommendations in that regard. Additionally, our report pointed to a number of issues that have emerged under the excess land laws that we believe warrant congressional review. I want to reiterate here our desire and willingness to cooperate with the Congress in its consideration of these matters.

Mr. KUCHEL. This is at the bottom of page 8 of the prepared statement:

> Although the language in the contract is brief, I propose to discuss in some detail the excess land provisions. Over a year ago, on June 5, 1963, to be exact, the Westlands Water District and the United States entered into a water service contract whereunder the district is to receive a supply of Central Valley reclamation project water through the facilities of the San Luis unit of that project. Articles 23, 24, and 25 of that water service contract are similar to the acreage limitation provisions that have customarily been employed throughout the Central Valley project since the initial contracts were entered into more than 15 years ago.

I will say to Senators from other reclamation States that similar contracts have been used in their States with respect to supplemental water.

I continue with the statement:

> The acreage limitation provisions of reclamation law have been fully applicable since June 5, 1963, to all lands which make up the Westlands water district. Looking then to article 20 of the distribution system contract one finds that, and I quote, "No water shall be delivered through the distribution system to any lands or person ineligible under the terms of articles 23, 24, and 25 of the water service contract to receive water made available pursuant to that contract."

In other words, they do not get water through this distribution system for excess land unless they comply with reclamation law and sign a recordable contract under which they agree to divest themselves of the land that they hold in excess of 160 acres in individual ownership within 10 years after water begins to be placed on the land.

Congress has passed the reclamation law. It provides that if an area is to be served by the Federal Government with supplemental water to be brought on the land to make things grow, we cannot have an unjust enrichment. If one wants water for more than 160 acres, he must agree to sell the excess within a period of time.

Mr. NELSON. Mr. President, will the Senator from California yield?

Mr. KUCHEL. Not yet.

Congress has never required, however, that the landholders in every block of property within that district sign such a contract. If we did, we would not have built most of the reclamation projects which have been of such great benefit. If we wish to ask Congress to make every single landowner, as a condition precedent, sign a contract, let a bill be introduced and brought to the Interior and Insular Affairs Committee, and let the pros and cons on that particular argument be decided by committees, and then by Congress. But, do not single out one irrigation project in my State, and do not say that we are not going to approve the item for this project in California, although the contract complies with reclamation law, and the procedure is precisely the same which the Government has required every time it has entered into this kind of negotiation since 1926.

I have listened to the arguments, pro and con, of those who came before my Interior Committee with respect to this problem. I suggest that if they wish to change the basic law, they should come forward with a bill, and let us explore it. I do not believe I need to apologize to anyone for my record in the Senate with respect to reclamation.

The House Interior Committee has approved this contract, and there has been no adverse action in the Senate Interior Committee. I repeat that the administration recommends this contract. My State government has recommended it. We shall be carrying on what I believe will be an item which is completely in the public interest, and there will be no unjust enrichment; for no water will be delivered to any landowner unless he executes the contract which reclamation law requires.

Mr. NELSON. Mr. President, will the Senator from California yield?

Mr. KUCHEL. I am very glad to yield at this point to the Senator from Wisconsin.

Mr. NELSON. Seventy percent of the land is in the hands of excess landholders. Am I correct in my rememberance, that the board of directors, which determines the policy of the Westlands district, is made up of all landholders in the Westlands district?

Mr. KUCHEL. It is made up of several who are elected.

Mr. NELSON. And that 100,000 acres is held by those within a limitation of 160- to 320-acre limit, leaving 252,000 acres, or about 70 percent, which is held by excess landholders; is that about correct?

Mr. KUCHEL. I do not recall the exact percentages, but for the purposes of this argument, let us assume that the Senator is correct.

Mr. NELSON. My question is this: Since the board of directors will be controlled by excess landholders representing all but 100,000 of 352,000 acres, what is to require them to ever sign a recordable contract? Suppose the landholders on 252,000 acres controlling the board say, "We decide not to sign"? What happens?

Mr. KUCHEL. I shall try to answer the question, although I believe the Senator will recall, if he was present when the representatives for the district testified, that they spoke of the large landowners who desired and who said publicly that they wished to sign recordable contracts. I believe the Senator will remember that.

Mr. NELSON. I believe that some of them did.

Mr. KUCHEL. That is correct.

Mr. NELSON. But not all of them.

Mr. KUCHEL. That is correct, too. The law does not require all of them to do so.

Mr. NELSON. I am asking the Senator this precise question: What happens if landholders on a majority of the acreage decline to join, and remain in control of the district? Is there any authority for the Federal Government to require them to comply?

Mr. KUCHEL. There is a contract. The Senator should remember that under California law the district places a tax or an assessment on the properties involved in order to pay its obligations. It has an obligation which runs directly to the Federal Treasury.

The PRESIDING OFFICER. The time of the Senator from California has expired.

Mr. ELLENDER. Mr. President, I yield 5 minutes more to the Senator from California.

The PRESIDING OFFICER. The Senator from California is recognized for 5 additional minutes.

Mr. KUCHEL. The Government of the United States, in the event of default on the repayment required by either contract, would own an area that would be worth considerably more than the price of the contract.

Mr. NELSON. I say to the Senator that that is not correct. The board of directors can determine the irrigation cost per acre-foot, and then determine the ad valorem cost to meet the contract price, so they can meet the district contract obligation without any trouble and still never sign a recordable contract; is that not correct?

Mr. KUCHEL. The Senator is incorrect.

Mr. NELSON. That is incorrect? Do they not have the power to levy the cost per acre-foot and to levy the ad valorem tax? and since they are the excess landholders, holding a majority, they would levy both costs—per acre-foot cost and ad valorem—at a price most favorable to them; would they not?

Mr. KUCHEL. The price at which the water is to be sold will apply to anyone who signs a recordable contract and who buys it. If an excess landowner does not desire to sign a recordable contract, he gets no water. He does not get the benefit of this project.

Mr. NELSON. I think that is incorrect. One objective of the project is to increase the water level from 425 feet to 300 feet which would save them $2 an acre-foot in pumping cost. It would cost him $13 an acre-foot in his pumping costs. It now costs him $15. Project water for irrigation will cost $14 an acre-foot. Thus his pumping cost will be $1 an acre-foot less than project water because the water level has been raised to 300 feet.

Mr. KUCHEL. In one instance in a reclamation project I do recall that a provision was made for recharge—percolation—of water to bring up the ground level. This is not the case in this project which is now before us. I again refer to the words of Secretary Holum, who was representing the Department of the Interior at the recent hearings before our Interior Committee. I read from the statement which I had printed in the Record:

> No direct ground water percolation operations are planned in the Westlands area nor are facilities for such to be constructed.

Mr. NELSON. Did not Secretary Holum or his counsel specifically testify that one of the purposes of the project is to raise the water level from 400 to 300 feet, and that the way this would occur was to reduce the pumping? This would afford an opportunity for anyone who stayed out to reduce his costs by $2 an acre-foot. It would cost $13 an acre-foot when pumped from 300 feet which would result in a cost of $1 an acre-foot less than buying it. Is that not correct?

Mr. KUCHEL. That is not correct.

Mr. NELSON. In what way is it in error?

Mr. KUCHEL. If the Senator wants to try to document that in the Record, let him go ahead and do it. All I know is that this project will furnish supplemental water to those landowners who sign recordable contracts to dispose of their excess land 10 years after they receive the water. If an excess land owner does not sign a recordable contract, he will not receive supplemental water. That is the way the reclamation projects have come into existence from the beginning. And the disputed provision of the contract in this case is word for word and comma for comma the same as has been repeatedly used by the Federal Government. There is no difference. The Senator knows that to be a fact.

I regret that on this occasion the Senator takes a position in opposition. I remember when the San Luis legislation was before the Senate. I remember some Senators who opposed it. But the San Luis project was approved by Congress and was enacted into law.

It is an excellent public project, and the first of its kind in which the people of one State are underwriting more than half the cost. The senior Senator from Oregon will have to concede that.

Mr. MORSE. Mr. President, I say most respectfully that what the Senator has been talking about is surface water and not underground water. What we have here is a program that is aimed at building up the water level. But when that water level is built up, the landowners can pump. They do not have to sell. They have their water level. They cannot get surface water. They can get underground water. We should include a requirement that they must enter into the contract, and that if not included in the contract, they will be denied the privilege of pumping the underground water level. Two bodies of water are involved.

The Senator from California [Mr. Kuchel] has been talking about surface water. The real subterfuge is the so-called unavoidable use doctrine of the Department of the Interior, which is a new "gimmick" brought in to rationalize a project that should not have been approved in the first place. The "unavoidable use" doctrine gives an unjust enrichment to the large landowners, and they can continue to enjoy it in perpetuity.

Mr. KUCHEL. Mr. President, I repeat what Secretary Holum said:

> No direct ground water percolation operations are planned in the Westlands area nor are facilities for such to be constructed.

What the Senator from Oregon is talking about is in derogation of the reclamation law which has been on the books since 1902. This is a surface distribution project. This would provide for the surface distribution of water only to landowners who comply with the reclamation law.

I hope the amendment will be voted down.

Mr. PROXMIRE. Mr. President, will the Senator yield me 5 minutes.

Mr. HOLLAND. I yield the Senator from Wisconsin 5 minutes.

Mr. PROXMIRE. The 160-acre limitation is a vital foundation stone of the congressional policy of helping the family farmer. Projects of this kind should benefit the family farmer. Congress has declared this as policy. All of us, Republicans and Democrats, liberals and conservatives, agree on the policy of doing that.

Now we come to one of the very few opportunities, since I have been in the Senate, in 7 years, in which this principle of the family farm is at stake. Now we have an opportunity to stand up and be counted; to show whether or not we really believe it when we say that Federal farm policies should be for the family farmer—not the big corporate or monopoly farmer. Here is a project, the only project that has been before us in which a big proportion and, in this case, 70 percent of the benefits will flow to people who are not family farmers. The law is clear. Beneficiaries must not exceed the 160- or the 320-acre limitation. Those who receive the benefit obviously do it in violation of the limitation law. There is no basis in law for providing them with this benefit. And yet under the project funded by this appropriation bill 70 percent of the benefits would go to big farmers in flat, direct obvious violation of the law.

The distinguished Senator from California [Mr. Kuchel] said the benefits would be paid back in 40 years. But with what interest? Mr. President, under present law principal will be paid back without interest, with no interest. We would all like to get a multimillion dollar loan and pay it back in 40 years without interest. The present value of the enormous amounts eventually involved in this bill, far exceeds the future value of the principal when it is paid back over 40 years make no mistake about it. This is a subsidy. It is a clear subsidy. It is a subsidy of tens of millions of dollars to the big farmers in violation of the law.

It is said that the beneficiaries will have to divest themselves of their excess land. That is said by the distinguished Senator from California [Mr. Kuchel]. But there is no provision for enforcement. There is no requirement that they must do this. There is no sanction. It is clear that they can take their benefits. They will take their benefits. And that is it.

Mr. KUCHEL. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. KUCHEL. Is it not true that no water may be furnished to excess land unless the owner signs a contract in accordance with the reclamation law under which he must divest himself of his excess acreage at the end of a 10-year period?

Mr. PROXMIRE. We come to the same point.

Mr. KUCHEL. Is that right or wrong?

Mr. PROXMIRE. The Senator is talking about surface water. The testimony is very clear. A prime purpose of this project is to raise the water level 140 feet.

Mr. KUCHEL. What kind of water are we talking about?

Mr. PROXMIRE. The Senator is talking about subsurface water. The benefit is from the subsurface water. The Southern Pacific can sit on its thousands of acres, do nothing and enjoy an immense, multimillion-dollar increase in its land value at the expense of the taxpayers.

Mr. NELSON. This project has two purposes. One is to provide surface water, some of which will percolate, and the other is the objective of raising the underground table to 300 feet.

Mr. PROXMIRE. That is the main and principal purpose.

Mr. NELSON. I think not. They are both objectives of the project. I did not think the Senator wanted to leave that out.

Mr. HRUSKA. Is it not a problem for general law and general legislation? In the absence of a statutory provision, there is no regulation whatsoever. We are working at it piecemeal.

Mr. PROXMIRE. In the amendment, the Senator is asking, as the senior Senator from Oregon has said so well, that the house be put in order first. We are asking that the contract be signed first.

Unless we take the action proposed, there will be a breach, a serious breach in the 160-acre limitation. Those of us who feel very strongly about helping the family farmer will find that this prime protection for the family farmer may have disappeared, and with it the major specific protection now in the law.

This is the issue, Mr. President. Do Senators really believe in the family farm or not?

Mr. MORSE. Mr. President, will the Senator yield 30 seconds to me?

Mr. MANSFIELD. I yield 30 seconds to the Senator from Oregon.

Mr. MORSE. We ought to have clarification of the contract. We should clear up this new "unavoidable use" doctrine, which is a new legislative "gimmick" of the Reclamation Bureau so far as I can see. As a result of the proposed project, the ground water level would be raised 300 feet, and there would be nothing to stop the large landowners from continuing to pump in perpetuity.

The contract we are talking about goes to surface water use and not the undue enrichment that the large landowners would receive from a raising of the underground water level to 300 feet. Then we could forget all about surface water thereafter. They would take the water out with underwater pumps. That is the gimmick.

The PRESIDING OFFICER. The time of the Senator has expired

Mr. PROXMIRE. Mr. President, I ask unanimous consent that I may have 20 seconds.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that a letter from George Meany, president of the AFL–CIO, to the President vigorously protesting the Westland proposal be printed in the Record at this point.

There being no objection, the letter was ordered to be printed in the Record, as follows:

July 31, 1964.

Dear Mr. President: We believe a very serious perversion of law and public policy in administration of the Federal reclamation program will take place, unless you act promptly to stop action on the proposed $157 million water distribution contract between the U.S. Bureau of Reclamation and Westlands Irrigation District in the San Luis unit, Federal service area, of the Central Valley project in California.

Unless the Senate Interior Committee rejects the proposed contract or the Secretary of the Interior withdraws the contract it will become effective after August 10, 1964.

The AFL–CIO and the California State Labor Federation are joined in strong opposition to the proposed Westlands contract. We believe it violates longstanding national policy in support of family-sized farms and in opposition to land monopolies.

The proposed Westlands contract will destroy the opportunity for family farm development in the Central Valley and it will give an unjustified windfall gain to the 23 large corporation farm operators who own 185,000 acres in the Westlands district, including the Southern Pacific Railroad, which owns 65,000 acres.

I am sure you are aware that the deep concern of the AFL–CIO about the Westlands contract is shared by the National Farmers Union, the National Grange, the National Catholic Rural Life Conference and other church and citizen organizations which believe in family farm development. We have examined the contract and its consequences in great detail, and we believe the contract should be withdrawn, at least pending further opportunity for interested parties to present their views in more detail.

Therefore, Mr. President, I urge you most strongly to direct the Secretary of the Interior to withdraw the Westlands contract and to review and to revise it in such ways as will protect the interests of the United States and promote further development of the American family farm system.

Sincerely yours,

George Meany,
President.

Mr. PROXMIRE. I ask unanimous consent to have printed at this point in the Record a letter from James G. Patton of the Farmers Union to the President.

There being no objection, the letter was ordered to be printed in the Record, as follows:

July 29, 1964.

The Honorable Lyndon B. Johnson,
The President,
The White House, Washington, D.C.

Dear Mr. President: I am calling your attention to the Westlands water distribution system contract now before Congress which, in my opinion, represents a gigantic water steal.

The contract, as indicated in the attached memo, is a transparent scheme to subsidize large landowners in southern California. Huge corporate producers of beef surplus would be subsidized by the taxpayers to the detriment of family farmers.

The Westlands contract is opposed by the AFL–CIO, the National Farmers Union, the National Grange, the National Rural Electric Cooperative Association and several other national and State organizations.

This contract is political dynamite and can be extremely embarrassing to a number of western Senators who are up for reelection this year.

We therefore urge that you order the contract withdrawn for review and technical changes. Action must be taken in the next few days to prevent the contract from going into effect.

Kindest personal regards.

Respectfully,

James G. Patton.

THE WESTLANDS WATER DISTRIBUTION SYSTEM CONTRACT: A WATER STEAL

This contract, now before Congress for 90 days ending August 9, should be immediately withdrawn to correct technical details (such as giving the local district veto power to force alterations of any and all features of the $157 million project after Congress appropriates funds).

It is a transparent scheme to let large landowners, including Southern Pacific with 120,000 acres, avoid the 160-acre limitation in the Reclamation Act. (Water admittedly flows underground to noncompliers.)

A WATER STEAL COMPARABLE TO TEAPOT DOME AND DIXON–YATES

It is headed for denunciation as a water steal with odious comparisons to Dixon-Yates and Teapot Dome.

HUGE CORPORATE PRODUCERS OF BEEF SURPLUS

It will flush out Interior's cancellation of millions of water debts of large landowners for other Sacramento River water, and the negotiation of a contract with them (including Kern County Land & Cattle Co., which recently bought control of J. I. Case (farm implement) Co. in a multimillion-dollar deal). The Kern Co. is a huge corporate contributor to beef surpluses.

Interior's defense is that the debts were not canceled—it was a "waiver of debts." (Former Solicitor Bennett of Interior was counsel for the irrigators although just out of office.)

OPPOSED ARE AFL–CIO, FARMERS UNION, NATIONAL GRANGE, NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION, AND OTHERS

The Westlands contract is opposed by numerous mass organizations, both California State and National, otherwise natural allies of the administration. They include California State and National AFL–CIO, National Grange, National Farmers Union, Veterans of Foreign Wars, Catholic Rural Life Association, Committee on Agricultural Life and Labor, National Rural Electric Cooperative Association, and many others.

A Senate floor demonstration is in the making led by Wayne Morse, Paul Douglas, and others, aimed at Tuesday, Wednesday, or late this week.

SENATORS ON HOT SPOT

On the hot spot in addition to California State and National administrations are, among others, Frank Moss, chairman of the Irrigation and Reclamation Subcommittee, and "Scoop" Jackson, chairman of the full Senate Interior Committee, as well as Quentin Burdick, a member, and the whole House Interior Committee, all of whom must run this year. Pressure is on them to disapprove the contract.

RECOMMENDED ACTION

Withdraw the contract from Congress for technical change, or submit some minor change which would start the 90-day approval period running again, throwing final action on the contract into next year.

Respectfully submitted to President Lyndon B. Johnson by James G. Patton, president, National Farmers Union, July 29, 1964.

Mr. PROXMIRE. Mr. President, let me review this situation in a little more detail. In June 1963 the Westlands District executed a previous contract with the Federal Government providing for annual deliveries of water to the district from a Federal dam and reservoir complex known as the San Luis unit. Construction of the San Luis unit itself was provided for in the same contract. The water deliveries are allegedly needed to raise the level of the water table in the entire Westlands District, which has apparently fallen over 100 feet. Two areas were to be served—a Federal service area and a State service area.

The present contract calls for the construction of water distribution facilities to be used for conveying and applying the water obligated to the district under last year's contract. A total of $157 million is estimated as the construction cost. Included in this figure is $106 million for the distribution system, $10 million for a drainage system, and $41 million for facilities to integrate surface water deliveries with ground water.

The Westlands contract was submitted to Congress for review on April 24, 1964. Congressional perusal was required by the San Luis Authorization Act of 1960, which prohibited the appropriation of funds for the construction of the project until the contract has been before Congress for 90 days. On July 8 of this year the Senate Interior Committee held hearings to consider the proposal. The committee has not taken any action on the project yet. But the 90-day period is about to expire. While there is no item in the public works appropriations bill before the Senate which pertains to the San Luis project, funds to start the project will undoubtedly be requested soon. An unsuccessful attempt was made in the House to grant funds for this plan, even before the 90-day period was up.

Mr. President, I have followed this controversial proposal closely since it was first introduced in 1959. At that time, the legislation authorizing the San Luis project was debated vigorously in both the House and Senate. I took part in the debate over the question of whether the State service area involved in the project should be covered by standard reclamation law regulations. The original bill exempted the State service area from the 160-acre limitation traditionally included in reclamation contracts, and applied it solely to the Federal service area. Several Senators fought successfully to amend that bill so that the State service area as well as the Federal service area would be covered. Our amendment was justified because under the plan the State service area was to receive water conveyed through Federal facilities, and therefore had to be covered by the acreage limitations of Federal reclamation law.

Since 1902, when the Reclamation Act was passed, all lands which were to gain from federally financed water or water systems have been subject to acreage limitations. No water delivery or service could be made to lands which exceeded 160 acres in any one ownership or 320 acres owned by a husband and wife. All acreage which exceeds these limits is termed "excess land." These limitations have been consistently reaffirmed in subsequent acts and court decisions. While the enforcements of the limitations has often been irregular, their purpose has always been to encourage individual purchasers to build up small plots, and to provide equitable distribution of Federal aid from water projects. The acreage limitations have been protective measures for the family farm, insuring against land and water monopolies by railroads and other large landholders.

The acreage limitations are applied to particular lands through what is called a "recordable contract." By this agreement between individual landowners and the Interior Department, the landholder who wishes to receive Federal water is committed to sell all his excess lands within 10 years after the execution date of the contract. To avoid speculation, he is required to sell at a price not exceeding the value of his lands before project benefits, and to a person eligible to receive title to the lands. If a landowner fails to comply with this requirement within 10 years, the Secretary of the Interior is empowered to make the disposition. A recordable contract is the only means by which an excess landowner can qualify his land for Federal water or service. It is therefore the only way excess land laws can be specifically implemented in connection with the Westlands District.

My position in regard to the authorization legislation for the San Luis project in 1959 was that the traditional principles of reclamation policy were being skirted in regard to the State service area. I did not oppose the intents and purposes of the water works itself, but was concerned that it be executed in line with the fundamentals of reclamation policy.

In reviewing the San Luis project as it appears again in the Westlands water distribution contract before us, I am again disturbed about certain features of the plan, especially because of its insufficient regard for reclamation law. The challenges raised against this proposal in the recent hearings of the Senate Interior Committee convince me that this contract sets up an illegal subsidization of a few landowners with large holdings, at the expense of many small landowners.

This subsidization is brought about because a large ground reservoir underlies the entire Westlands District. The principal purpose of the San Luis project is to boost the water level of this widespread underground basin. The water carried by the proposed distribution system will be used for surface irrigation, in order that pumping from the underground basin can be reduced and the basin can be replenished. The falling of the water table can thus be halted. The resultant stabilization of the underground water level will benefit everyone with lands in the area, regardless of whether they are a party to the contract. Anyone who chooses to pump from the replenished basin can benefit from this project, even if they do not elect to enroll in the contract. Landowners will be asking themselves; "Why join the contract, be forced to sell my excess lands, and pay for the project, when I can reap the benefits without joining?"

Who are the landowners who will be subsidized in this curious way? Looking at the pattern of ownership in the valley to see who qualifies for project benefits and who does not, I am surprised to find that only 30 percent of the holdings in the area are eligible under the law—70 percent of the lands in the area are ineligible for San Luis water. In other words, 70 percent are what the Reclamation Bureau and reclamation law calls excess lands, not eligible for water deliveries unless covered by recordable contracts. To become eligible for Federal help provided in this contract, 70 percent of the lands would have to be committed by a recordable contract for selling within 10 years at a price approved by the Interior Secretary.

Large landowners especially do not stand to gain by signing the Westlands contract. They can gain all the benefits of the San Luis water deliveries without signing a thing. It is more profitable simply to sit back and enjoy the benefits without Federal regulation and with no charge.

The distribution of benefits from this project has been so poorly planned that landowners ineligible under reclamation law will receive most of the benefits. These are the largest, and most powerful landholders in the area. They can exploit the project—in violation of reclamation principles—and obtain competitive advantages over their smaller neighbors who need the water and are supposed to be the beneficiaries.

The Interior Department has proposed no procedures guaranteeing observance of the law. Underground water reserves will be supplemented by this project and large landowners will draw upon these reserves with no restrictions and no charge.

Large farmholders already have deep wells and stand in less need of the additional water, though they will benefit from it. Small farmers cannot afford the deep wells and must rely on the water provided at or near the surface, for which taxes are imposed.

The 1960 San Luis Authorization Act included language applying the 160 acre limitation, standard in reclamation law, to all lands benefiting from Federal water facilities. But merely stating this applicability does not guarantee its enforcement in this case. Guarantee of enforcement is possible only through the signing of recordable contracts with individual landowners. Furthermore, language in last year's water service contracts suggests that these laws are going to be avoided. An unusual clause in the contract states that water "unavoidably" will be added to lands which may not be party to the contract, due to the underground conditions. The clause asserts that this unavoidable delivery of water to ineligible lands is not to be considered illegal under reclamation law. Thus, we have a violation of reclamation law built into the contract itself. Interior Department memoranda given to the Senate Interior Committee, moreover, express support for these procedures, procedures which are out of keeping with both the spirit and the letter of reclamation law.

Mr. President, it seems to me that the contemplated delivery of water to the Westlands district benefiting eligible and ineligible lands alike constitutes a clear violation of reclamation law. Only landowners who have placed their excess lands under recordable contracts are eligible for Federal benefits. But this contract sanctions a delivery of water to lands not so committed, for it provides for the supplementation of underground water reserves helping all landowners who choose to pump up the increase, regardless of whether they sign the contract or not. This violation of reclamation law and the subsidy it sanctions is my major objection to the Westlands contract.

The violation of longstanding principles in this contract has potentially wide and far-reaching implications.

First. It establishes a dangerous precedent, for it makes future enforcement of acreage limitations of reclamation law difficult, and it thus leaves the Federal Government open to huge financial losses in water projects. If a water project designed to encourage and aid the family farm is turned over to the aggrandizement of big landowners, the project has failed in its purposes and is a waste of Federal money and America's resources. If traditional reclamation principles are compromised in this instance, there is little reason to believe that attempts will be made in the future to direct benefits to America's family farms and to keep Federal projects from slipping into the hands of rich landowners.

Policy in the Central Valley water projects has been to construct water facilities first and then to round up signers to the contract. Reclamation Bureau officials have claimed that this procedure will also be used in connection with the Westlands contract. They claim that there is no need to wait on construction for agreements with the landowners of the area, because more lands will be enrolled after it is started. They have stated that no water will be delivered until the lands receiving it are all covered by the necessary recordable contracts. But Congress has received from them only promises and expectations that there will be general support for the project among local landowners. Reclamation officials can offer no guarantees. And yet, they do not hesitate to come to us for money to start building the waterworks, even though they have no recordable contracts in hand as yet.

In what kind of bargaining position is the Federal Government going to be trying to uphold reclamation law as it goes about rounding up signers to this contract among large, powerful landowners with a vast, expensive water system on its hands?

The capacity of the Reclamation Bureau to enforce acreage limitations, as is its proper task in meting out Federal water benefits, is seriously compromised. Again I emphasize that 70 percent of the land in the area is not eligible at present, and would have to be sold eventually to be eligible. Landowners in the area have long opposed the acreage limitations, and have stated in the past that they will not submit to them. If enforcement of the limitations here is lax or lacking altogether, though, the way is open to land and water monopoly.

Basic reclamation law stands in direct opposition to such tendencies. We must uphold reclamation law in the Westlands District and avoid a sellout to big land interests.

Second. Think of the wider ramifications of this, the largest contract of its kind, on other domestic and foreign matters. A circumvention of reclamation law as is contemplated in this project is inconsistent with current domestic farm and labor policy and in direct contradiction to land reform themes in our foreign aid policy.

Mr. President, the need for congressional action on this huge water project is based on more than criticisms which I have brought before the Congress, though I think these sufficient to call for a closer investigation of the project. Requests from the Interior Department and the Justice Department have actually been made to Congress for legislative decisions affecting the terms and administration of the Westlands District. Congress has been asked to lay down some rules for the handling of this project before construction begins. The opportunity to lay down these rules is afforded by the 90-day period of legislative review. Let me quote the words of the Solicitor, Frank J. Barry, of the Bureau of Reclamation, in the hearing before the Senate Interior Committee. In discussing the question of the legality and wisdom of the "unavoidable" clause, Solicitor Barry says:

> This, of course, is a matter for consideration by the Congress * * * that is, the question of recharging the underground and the benefit that might be obtained by an excess landowner who does not sign a recordable contract but who takes advantage of the fact that the underground is recharged * * * do not want to give a legal opinion here. I would prefer to study the matter with considerable care * * *. I cannot say at this point whether it is illegal for the United States to supply water under these conditions; or whether we can legally require a person who gets these "unavoidable" benefits to comply with the excess land laws; that is, require him to sign a recordable contract.

Congressional decisions on the projects were also requested by the Justice Department. Their request was for a clear-cut judgment on whether the State service area is to be covered by the acreage limitations. In a letter to the Secretary of the Interior in 1960, the Attorney General expressed doubts about the legality of exempting the State service area, and asked for congressional review of that question. He said:

> I would urge you to seek congressional reexamination of this question. I think that Congress itself should make a clear determination whether or not the acreage limitations should apply in the State service area. Fortunately, under the provisions of the San Luis Act, they will have the opportunity to do so, and I sincerely hope that they will take positive action in this respect.

Mr. President, Congress' responsibility in this matter is clear. This must be brought out into the open and discussed. I would not want to see this project begun, with the questionable procedures it is about to employ, without some analysis on our parts.

Indeed, after careful individual study on my part, I have concluded that the Westlands contract in its present form deserves neither approval nor appropriations from Congress. Congress cannot permit this project to go into effect until more guarantee is given us that the project is going to be a legal venture in compliance with reclamation law, and also, that it is going to be a sound investment in the best interests of U.S. domestic and foreign policy. As it stands now, I find so many faults with the terms and conditions of the contract, that I question it from both a legal and economic standpoint.

Mr. WILLIAMS of New Jersey. Mr. President, will the Senator yield 30 seconds to me?

Mr. ELLENDER. Mr. President, I yield 30 seconds to the Senator from New Jersey.

The PRESIDING OFFICER. The Senator from New Jersey is recognized for 30 seconds.

Mr. WILLIAMS of New Jersey. I wish to ask the Senator from California one or two questions. First, is it known what crops will probably be grown in that area?

Mr. KUCHEL. There would be the usual prohibition against price-supported crops that has been written into reclamation statutes; it would be written into this one.

Mr. WILLIAMS of New Jersey. Is the area about which we are speaking a fruit and vegetable area?

Mr. KUCHEL. It includes fruit and vegetable farms.

Mr. WILLIAMS of New Jersey. If the farmers out there knew that the proposal involved a subsidy, they would not be supporting it. I happen to work in areas closely associated with fruit and vegetable farmers. If there is one thing to which they are opposed, it is a subsidy. I wonder if there have been hearings so that those farmers could come in and learn what this is all about.

Mr. KUCHEL. There have been long hearings on the project for years and just recently on this contract itself.

Mr. WILLIAMS of New Jersey. Where are the hearings published?

Mr. NELSON. There are about five copies of the hearings. They have not been printed.

Mr. WILLIAMS of New Jersey. Faced as we are with diametrically opposite views as to what the facts are, this is no time to make a decision.

Mr. NELSON. I stand corrected. I thought the Senator referred to the hearings conducted by the Committee on Interior and Insular Affairs 3 weeks ago or thereabouts. Those have not been printed. I do not know of any other hearings.

Mr. WILLIAMS of New Jersey. I thought there were hearings, but I could not find copies. That is the reason I made the statement. When we are faced with absolutely opposite opinions on facts, I do not believe that is the way to legislate. I support the amendment of the Senator from Wisconsin.

Mr. ELLENDER. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has expired. The question is on agreeing to the amendment of the Senator from Wisconsin [Mr. NELSON]. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KEATING (when his name was called). On this vote I have a pair with the distinguished Senator from Pennsylvania [Mr. SCOTT]. If he were present and voting he would vote "nay." If I were at liberty to vote, I would vote "yea." I withhold my vote.

Mr. MANSFIELD (when his name was called). On this vote I have a pair with the distinguished Senator from Alabama [Mr. SPARKMAN]. If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." I withhold my vote.

The rollcall was concluded.

Mr. MANSFIELD. I announce that the Senator from Minnesota [Mr. HUMPHREY], the Senator from South Carolina [Mr. JOHNSTON], the Senator from Ohio [Mr. LAUSCHE], the Senator from Alabama [Mr. SPARKMAN], the Senator from Georgia [Mr. TALMADGE], the Senator from Tennessee [Mr. WALTERS], and the Senator from Ohio [Mr. YOUNG] are absent on official business.

I also announce that the Senator from New Mexico [Mr. ANDERSON] and the Senator from Massachusetts [Mr. KENNEDY], are absent because of illness.

I further announce that the Senator from Nevada [Mr. CANNON], the Senator from Pennsylvania [Mr. CLARK], the Senator from Oklahoma [Mr. EDMONDSON], the Senator from Missouri [Mr. SYMINGTON], and the Senator from Texas [Mr. YARBOROUGH] are necessarily absent.

I further announce that the Senator from Virginia [Mr. BYRD] is absent because of illness in the family.

I further announce that, if present and voting, the Senator from New Mexico [Mr. ANDERSON], the Senator from Nevada [Mr. CANNON], and the Senator from Ohio [Mr. YOUNG] would each vote "nay."

On this vote, the Senator from Virginia [Mr. Byrd] is paired with the Senator from Oklahoma [Mr. Edmondson]. If present and voting, the Senator from Virginia would vote "yea" and the Senator from Oklahoma would vote "nay."

Mr. KUCHEL. I announce that the Senator from Pennsylvania [Mr. Scott] is necessarily absent and his pair has been previously announced.

Also, the Senator from Arizona [Mr. Goldwater] and the the Senator from Kansas [Mr. Pearson] are necessarily absent.

The Senator from Kansas [Mr. Pearson], if present and voting, would vote "nay."

The result was announced—yeas 23, nays 57, as follows:

[No. 521 Leg.]

YEAS—23

Bartlett
Burdick
Dodd
Douglas
Gore
Gruening
Hart
McCarthy
McGovern
McNamara
Metcalf
Monroney
Morse
Moss
Muskie
Nelson
Neuberger
Proxmire
Ribicoff
Robertson
Thurmond
Williams, N.J.
Williams, Del.

NAYS—57

Aiken
Allott
Bayh
Beall
Bennett
Bible
Boggs
Brewster
Byrd, W. Va.
Carlson
Case
Church
Cooper
Cotton
Curtis
Dirksen
Dominick
Eastland
Ellender
Ervin
Fong
Fulbright
Hartke
Hayden
Hickenlooper
Hill
Holland
Hruska
Inouye
Jackson
Javits
Jordan, N.C.
Jordan, Idaho
Kuchel
Long, Mo.
Long, La.
Magnuson
McClellan
McGee
McIntyre
Mechem
Miller
Morton
Mundt
Pastore
Pell
Prouty
Randolph
Russell
Salinger
Saltonstall
Simpson
Smathers
Smith
Stennis
Tower
Young, N. Dak.

NOT VOTING—20

Anderson
Byrd, Va.
Cannon
Clark
Edmondson
Goldwater
Humphrey
Johnston
Keating
Kennedy
Lausche
Mansfield
Pearson
Scott
Sparkman
Symington
Talmadge
Walters
Yarborough
Young, Ohio

So Mr. Nelson's amendment was rejected.

Mr. KUCHEL. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. MAGNUSON. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER (Mr. Inouye in the chair). The question is on agreeing to the motion to lay on the table.

The motion to lay on the table was agreed to.

LEGISLATIVE PROGRAM

Mr. DIRKSEN. Mr. President, I should like to ask the distinguished majority leader about the program for the remainder of the day, and perhaps Saturday, if there is to be a Saturday session.

ORDER FOR ADJOURNMENT TO 10 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, there will be a Saturday session.

I ask unanimous consent that when the Senate adjourns tonight, it adjourn to meet at 10 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, to the best of my knowledge, there are no further amendments to be offered. I hope that is a statement of fact. It is intended, with the passage of the public works appropriation bill, which has been so ably handled by the distinguished Senator from Louisiana [Mr. Ellender] and his counterpart, the distinguished Senator from Nebraska [Mr. Hruska], that the Senate will return to the foreign aid bill.

It is my understanding that the distinguished Senator from Kansas [Mr. Carlson], on behalf of himself and the Senator from South Carolina [Mr. Johnston], will offer an amendment. The Senator from Oregon has amendments. The Senator from South Carolina has amendments. The Senator from Louisiana has amendments. Other Senators have amendments.

Mr. CARLSON. I wish to state now that I shall ask for the yeas and nays on my amendment.

Mr. MANSFIELD. I am glad the Senator has put the Senate on notice. It also is anticipated that the Senate will take up the military construction bill, along with the foreign aid bill. It is not anticipated that the military construction bill will take long. There may be further votes on the foreign aid bill tomorrow.

It is also possible that we may find the time to take up the agricultural appropriation bill, although that may have to wait until Monday.

Mr. DIRKSEN. I should like to pursue this matter a little further. I should like to ask the distinguished majority leader whether the matter of a Saturday session is open to negotiation.

Mr. MANSFIELD. Not if we wish to get away by the 22d, which is beginning to look more and more doubtful every day.

Mr. DIRKSEN. I wished to couple the suggestion with the hope that perhaps a limitation on amendments might be obtained in the interest of expedition, so that we might gain in the sense of time rather than lose by getting a respite on Saturday.

Mr. MANSFIELD. I am interested in that. I have made some soundings as to a limitation of time, and I have met with several rebuffs.

Mr. DIRKSEN. I would offer my mediatory and conciliatory services to the majority leader, if that objective—namely, a respite on Saturday—might be consummated.

Mr. MANSFIELD. If the Senator can obtain a limitation on time, I will give most serious consideration to his proposal.

Mr. DIRKSEN. I should like to ascertain from the distinguished majority leader, if I can, how long he contemplates spending on the foreign aid bill.

Mr. MANSFIELD. As long as the amendments keep coming.

Mr. DIRKSEN. Amendments on the foreign aid bill?

Mr. MANSFIELD. Yes.

Mr. GORE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. GORE. Will the Chair tell us what is transpiring between the leaders? We cannot hear.

The PRESIDING OFFICER. From what the Chair has heard, they are engaging in a little colloquy.

Mr. MANSFIELD. In response to the question of the distinguished minority leader, the Senate will be in session as long as amendments to the foreign aid bill keep rolling. With the Senator from Oregon, the Senator from Louisiana, the Senator from Kansas, and other Senators having amendments to offer, I would anticipate that the amendments would continue to roll for some time.

Mr. DIRKSEN. If the Senator from Tennessee did not hear me, I was asking the distinguished majority leader to suggest to me where I might pour the balm of Gilead in order to secure limitation on debate on amendments to the foreign aid bill, in the interest of expedition.

Mr. MANSFIELD. I hope the Senator will be able to obtain a limitation.

PUBLIC WORKS APPROPRIATIONS, 1965

The Senate resumed the consideration of the bill (H.R. 11579) making appropriations for certain functions administered by the Department of Defense, the Panama Canal, certain agencies of the Department of the Interior, the Atomic Energy Commission, the St. Lawrence Seaway Development Corporation, the Tennessee Valley Authority, and the Delaware River Basin Commission, for the fiscal year ending June 30, 1965, and for other purposes.

Mr. ELLENDER. Mr. President, I had intended to present two amendments to the bill, but the vote in the full committee was so overwhelming that I decided not to propose the amendments. However, after the bill has been read the third time, I shall make a brief statement on these two projects.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

Mr. MAGNUSON. Mr. President, I do not believe any public works appropriation bill could pass the Senate without a tremendous amount of work being put into it by the distinguished Senator from Louisiana and the distinguished Senator from Nebraska.

I often say that I have the most complicated appropriation bill in the Senate. However, I know of no bill that requires longer work than the pending bill, which involves the interrogation of literally hundreds of witnesses on the projects, and the hearing of both sides. It is necessary to go into the benefit-cost ratio and engineering studies. The staff works the year round on these matters.

I wish to pay tribute to the subcommittee for the fine work it has done on the bill.

This bill is often referred to as a pork-barrel bill. We hear it said on the floor, and we also read of it in the media of communication. I say to those who term these projects pork-barrel projects that they have not studied them. I have said on many occasions to people who have thrown that expression at me, "You show me a program or a project in the United States that Congress has already authorized and funded that can be called a pork-barrel project, and I will vote with you." Every one of these projects is worthwhile moneywise, and will help the country through taxes and through the creation of more wealth. One of the reasons we are the great country we are is that we enact the kind of legislation we are enacting today. To those who look at a project and say, "I do not know about this," I say, "Ten years from now you will be glad that we included it, in the interest of an expanding population and economy."

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. CURTIS. I should like the Record to show that I, too, pay tribute to the distinguished Senator from Louisiana [Mr. Ellender] and the distinguished Senator from Nebraska [Mr. Hruska]. They deal with a very important matter. They are always fair and courteous to all Members of the Senate, and they handle these projects in a most excellent way.

Mr. MONRONEY. Mr. President, I wish to associate myself with the remarks of the distinguished Senator from Washington. Hour after hour, day after day, the Senator from Louisiana and his fellow members on the committee have listened to hundreds of witnesses testify to the need for the projects. I particularly wish to thank the distinguished Senator and his associates on the Committe on Public Works for the investigation they made of the great Arkansas River project. This, as Senators know, was the favorite project of the late Senator Robert Kerr, of Oklahoma.

Thanks to the leadership of the Senator from Louisiana and his associates, this project was kept on schedule. We are also grateful to the President for sending forward supplemental appropriation requests for $14 million. This made it possible to keep the project on schedule. It will supply a job rate of 14,000 to 15,000 a year.

It would have increased the land cost by $800,000 and would have meant a loss of $42,500,000 in annual benefits.

It is interesting to note the work that will be provided. Some 14,000 or 15,000 jobs will be created in an area where, in 23 out of 27 counties through which the project will pass, the per-family income is less than $3,000.

This will be an investment in the future. The record will show that the benefit-to-cost ratio is $1.40 for each dollar invested.

All the projects that have been approved by the committee have always been successful. We have always saved in the earlier construction more than 5 percent of what the cost would have been had the projects been postponed.

Like many other projects, this one will help to create a prosperous, healthy, and strong America.

Mr. MAGNUSON. I yield to the Senator from California.

Mr. KUCHEL. Mr. President, I associate myself with the remarks that have been made by the Senator from Washington and other Senators concerning the superb national service performed by the Senator from Louisiana [Mr. Ellender] and the Senator from Nebraska [Mr. Hruska]. The benefits of this piece of legislation, as the Senator from Washington has so ably said, will flow across the whole Nation.

I am sure I speak the unanimous sentiment of the Senate when I say that this is one more example of how devotion to public duty and indefatigable labor have brought us a bill which we can be proud to send on its way to the White House.

Mr. MAGNUSON. Mr. President, probably the most ably handled portion of any piece of legislation of this kind is in the field of reclamation, in which the knowledge of the distinguished Senator from Arizona is invaluable. He has probably forgotten more about reclamation and its benefits than many persons know.

I wish also to compliment the able staff—Paul Eaton and the other staff members—for their devotion to this work. The country would not be what it is if it were not for men of the caliber of those of whom we are speaking today. I salute the Senator from Arizona and his able staff.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield to the Senator from Colorado.

Mr. ALLOTT. I wish it were possible for me, in a few words, to make those who read these words understand how much labor and study are involved in bringing this bill to the floor of the Senate and passing it today. I pay my compliments to the distinguished chairman of the subcommittee [Mr. Ellender] and the distinguished ranking minority member [Mr. Hruska]. They have to say "No" a great many times, but they always find a pleasant way to say it. They can say it pleasantly because, by reason of the many hours they spend on the bill, they know literally hundreds of different items by heart, together with the feasibility studies and statistics that back them up.

If these words will help someone to understand the great amount of effort, work, diligence, and devotion that have gone into the bill, I shall feel amply repaid. I desired to pay my tribute to those two Senators today.

Mr. BENNETT. Mr. President, will the Senator from Washington yield time to me?

Mr. MAGNUSON. I yield to the Senator from Utah.

Mr. BENNETT. Mr. President, I express my appreciation for the service that the chairman of the subcommittee and the chairman of the full committee have rendered to the people of Utah. They accepted amendment No. 1198, offered by my colleague and me, for a project which, while small in importance—a matter of $200,000—was crucial to an important area of my State.

Mr. President, I ask unanimous consent that a statement I have prepared describing this particular project may be printed at this point in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

STATEMENT BY SENATOR BENNETT—MORGAN COUNTY ROAD TO SERVE EAST CANYON RESERVOIR

The road in question, Utah Highway 66, runs from Morgan south, through Porterville, as a paved road. About 2 miles south of Porterville the pavement ends, and it becomes a rough, barely graveled, county road which traverses the remaining 4.4 miles to the East Canyon Dam. The road is narrow, with many sections unable to accommodate the passing of two normal-sized vehicles. It follows the winding contours of the canyon, with many dangerous curves, steep dugways, and extreme grades. It must be realined and paved to meet minimum secondary road requirements to accommodate the greatly increased traffic which will be generated by the enlargement of East Canyon Reservoir and the planned recreational and fish and wildlife developments.

The Bureau of Reclamation estimates the costs of realinement and improvement of the 4.4-mile section of road to meet minimum secondary road requirements would be $200,000, which is the amount approved by the Appropriations Committee.

EAST CANYON DAM AND RESERVOIR—PRESENT ENLARGEMENT

Construction has recently commenced on the East Canyon Dam, which will cost about $2.5 million. An arch-type concrete dam, 245 feet high and 440 feet long at the crest, it is being built just 20 feet downstream from the existing 49-year-old, privately built East Canyon Dam. The new structure will stand 55 feet higher than the old dam, and the East Canyon Reservoir capacity will be increased from 28,000 acre-feet to 52,000 acre-feet. The dam is located near Morgan, Utah, on East Canyon Creek, a tributary of the Weber River.

RECREATIONAL DEVELOPMENT

The Bureau of Reclamation plans to spend $296,000 for recreational developments at the reservoir, with construction of these facilities to begin in fiscal year 1965. Public use facilities will include access roads and parking areas, boat launching ramp and moorage, picnic and camping units, sanitary facilities and water supply. Concession facilities will include marina developments, rental boats, and a concession building. The Bureau of Reclamation estimates the annual public use at this reservoir will be approximately 30,000 visitor-days.

JUSTIFICATION FOR ROAD AS NONREIMBURSABLE COST CHARGEABLE TO RECREATION

Since the major use of the road will be by travelers to the recreation facilities at the East Canyon Reservoir, the improvements should not be charged to the water users but should be considered a recreational expense, chargeable to the general public. The committee concurred in approving the $200,000 for road improvement as a nonreimbursable cost chargeable to recreation.

In this regard, Commissioner Floyd E. Dominy, of the Bureau of Reclamation, in a letter addressed to Senator Bennett, dated February 6, 1964, said:

"You are, of course, familiar with cases where funds have been provided by the Congress for the improvement of local roads leading to reclamation construction sites. In such cases, funds for road improvements have been authorized in the House or Senate Appropriations Committees by specific method in the reports on appropriation bills. Because of the recreation developments at the reservoir in this instance, an alternative might be to have language included in the appropriation act authorizing additional nonreimbursable funds chargeable to recreation for improvement of the road in question. The latter method would resolve any question as to the authority for declaring the road nonreimbursable."

OTHER ROADS TO EAST CANYON RESERVOIR—ADVANTAGES OF MORGAN ROUTE

The Morgan County road is one of three access routes to the damsite. A second road runs southwesterly from the town of Henefer, and a third road extends from the south end of East Canyon Reservoir to Salt Lake City. None of the roads, however, is improved all the way. The Bureau of Reclamation has elected to use the Henefer route for its use during construction of the East Canyon Dam, for the reason that the contractor's hauling problem would be largely confined to that side of the damsite, since cement would come from the Devil's Slide plant by way of Henefer.

However, the fishermen, boaters and picnickers who will use the recreation facilities at East Canyon Reservoir will come, for the most part, from Weber and Davies Counties and neighboring counties to the north, who would be better served by the Morgan route. It is 15 miles shorter from the north to go by Morgan rather than by Henefer. Moreover, the Morgan route could be kept open 2 months longer each year than the Henefer route because of its sunny exposure. The completion of the highway from Morgan to the East Canyon area would be one of the State's most beautiful and scenic drives, a fact that adds to its anticipated popularity.

Mr. MAGNUSON. None of us who are members of the Committee on Appropriations wants to forget the excellent work that Ken Bousquet does on the bill. He knows all the projects by heart. His knowledge of the subject is most helpful to all of us.

Mr. MOSS. Mr. President, will the Senator from Washington yield time to me?

Mr. MAGNUSON. I yield to the distinguished Senator from Utah.

Mr. MOSS. The Committee on Interior and Insular Affairs and the Committee on Public Works, on which I serve, are the authorizing committees for most of the items in this appropriation bill. Therefore, I have direct knowledge of the appropriations process. I wish to pay my tribute to the Senators who have worked so diligently on the bill.

I came to the Chamber this afternoon to offer an amendment to the bill. Fortunately, it was not necessary to argue in behalf of the amendment; it was adopted by a voice vote.

Mr. President, I ask unanimous consent to have printed at this point in the Record a statement I have prepared in justification of the amendment, and which illustrates the careful but far-reaching, broad work of the Committee on Appropriations.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement by Senator Moss

I support the amendment offered by the chairman of the Appropriations Commiteee, Mr. Hayden, which will add to the public works appropriation bill (H.R. 11579) the sum of $200,000 for the improvement, on a nonreimbursable basis, of a road to the site of the East Canyon Dam, in Morgan County, Utah. The Senate Appropritions Committee has already approved this provision by majority vote.

As background for discussion of the merits of the provision, I would like first to tell you something about Morgan County, Utah. It is one of our smaller counties, only 610 square miles in size. It is entirely mountainous. The only settlements are along the floor of a canyon which parallels the Weber River. The county seat is also called Morgan, but there are several other communities. The entire county, however, has a population of only 3,000, or 4.7 persons per square mile. It has a very, very limited assessed valuation—in fact, most of the county is owned by the Federal Government. There is very little money for building or improving county roads, or meeting other county needs.

East Canyon Dam just happens to be located in Morgan County. Most of its benefits go to Weber County, where Ogden is located, and to Davis County and South Box Elder County, which are semimetropolitan areas.

The dam is now being enlarged as a project of the Weber Basin Conservancy District, under the supervision of the Bureau of Reclamation. Its enlaregment will increase water for Ogden and other areas, with only about 5 percent of the benefits going to Morgan County.

The enlargement will also enhance the recreational values of the dam and its environs, which already attract large numbers of fishermen, boaters and other outdoor enthusiasts from both Ogden and Salt Lake. So, after enlargement of the reservoir, roads to the dam will be even more heavily traveled.

The question at issue is simply an approach road to the dam and which road should be improved for the use of the engineering personnel and construction crews. It is logical, it seems to me, to improve the shortest road for use of construction crews and which can also be used later on by recreationists. But the Bureau of Reclamation has proposed to put whatever improvements are necessary on a longer road which will have no special recreation value or other value after the dam is constructed.

I have here a map of the area, and I would like to show you the two roads under question. I shall call them the Porterville Road and the Henefer Road. The construction camp has already been located at Porterville about halfway between Morgan and the damsite. The Henefer Road runs east and south from Morgan and then up Dixie Hollow to the east side of the dam. It is about 11 miles to the damsite from Morgan through Porterville, and 7 miles from Porterville itself to the dam. It is almost 30 miles from Porterville to the damsite through Morgan and Henefer.

Between Porterville and the dam, there is a 4.4-mile stretch of road which parallels the East Canyon stream. This is a scenic road, passing through a rugged section of the canyon. In many stretches, two normal-sized vehicles cannot pass. There are dangerous curves, inadequate bridges, and steep grades. It is a country road. To be useful it should be widened and bridges must be enlarged.

What Morgan County has asked, therefore, is improvement of the 4.4-mile stretch so that the shortest road to the damsite, and the road which will be used later on by recreationists, can carry the burden of dam construction workers and equipment, rather than the longer road which will not have nearly as great permanent or general value to the county.

The Bureau of Reclamation has decided to use the Henefer Road, insisting that improvements on the road will not be required. However, the Morgan County commissioners tell me that the Bureau of Reclamation has misjudged the situation. They say that the road from Henefer to the East Canyon Dam cannot be used without considerable improvement. It is mainly the old Mormon pioneer trail. It is used now primarily by ranchers in the area. Five and four-tenths miles of this road have not been improved. Morgan County commissioners say that heavy construction trucks will have a hard time getting over this Henefer Road, and that if they do try to use it in its present condition, it will soon be cut up badly. The road will then have to be improved, and any improvement will cost money. So road improvement money must go into the project, one way or another.

The slender tax resources of Morgan County are inadequate for improvement of either road. Since some road has to be improved, it is just good commonsense to widen, grade, and improve the canyon road which is the shortest route to the damsite, and which recreationists from Salt Lake and the entire area are going to use as soon as the dam is enlarged.

An unsafe road breeds accidents and trouble for construction personnel and, later, for county officials. My request is that the Federal Government assume the responsibility for constructing a safe road. This is not unreasonable.

And, as Members of this body know, there is considerable precedent for granting such a request. There have been a number of instances in the past where funds have been provided for by the Congress of local roads leading to reclamation construction sites. I point out that in the fiscal year 1962 report on the public works appropriation bill (H.R. 9076) the program for the Yellowtail unit of the Missouri River Basin was increased by $192,000 so that the Bureau of Reclamation could use the money to construct FAS Route 313 between Yellowtail Dam and St. Xavier, Mont. (S. Rept. 1097, 87th Cong., 1st sess.) In the 1963 report of the public works appropriation bill, it is noted that the committee directs that not more than $95,000 of the amount for the Seedskadee participating project, Wyoming, be utilized for placing an asphalt surface on the Lincoln County, Wyo., road between U.S. Highway 189 and the Bureau of Reclamation community of Fontenelle. (Rept. 2178, 87th Cong., 2d sess.)

These are fully parallel situations with the East Canyon Dam road in Utah. In both instances the roads were to recreation sites, and in both instances were nonreimbursable.

I submit, therefore, that the amendment of the Senator from Arizona to add to the bill before us the item of $200,000 for the improvement of a road to the East Canyon Dam site in Morgan, Utah, should be accepted.

The action taken by the Senate Appropriations Committee in writing the $200,000 into the bill was based on a clear understanding of the issues involved, and was equitable and fair. It was also based on sound precedent.

Mr. MORSE. Mr. President, will some Senator yield time to me?

Mr. ELLENDER. Mr. President, I yield 3 minutes to the Senator from Oregon.

Mr. MORSE. Mr. President, on behalf of the citizens of my State, I congratulate the chairman of the Committee on Appropriations, the distinguished senior Senator from Arizona [Mr. Hayden], the able senior Senator from Louisiana [Mr. Ellender] and the distinguished senior Senator from Nebraska [Mr. Hruska], who have brought to us today H.R. 11579.

Although I believe the inclusion in the bill of the Westlands water project was a great mistake, the bill in its totality is very much in the public interest. I am appreciative of the work of the Committee on Appropriations, even though I disagree with the mistakes the committee makes now and then, as all of us do, such as its recent mistake with respect to the Tongue Point issue.

Be that as it may, the bill and the committee report which accompanied it are of major importance to the Pacific Northwest. I am particularly pleased that the committee, in its report in discussing the Pacific Northwest-Pacific Southwest intertie, saw fit to include the directive to the Secretary of the Interior, found on page 37 of the report which states:

> With respect to the intertie lines, the committee approves the existing policy of the Department to the effect that it will not enter into contracts which call for wheeling charges greater than Federal costs for such service, or which do not provide to the Department wheeling capacity in the lines to meet its full requirements. It is the desire of the committee that all such contracts be made public and be transmitted to the Senate not less than 60 days before their effective dates.

It may be recalled that the other evening, in a major speech I made on the intertie issue, I said that in the absence of protection such as this, I would in January introduce a bill to guarantee public review. So long as the Department of the Interior complies with these instructions of the Committee on Appropriations, such legislation may not be necessary, although it may be safer to have it passed. This recognition by the committee of the exceedingly important principle that matters affecting the public shall be open for public inspection and congressional review, reflects the excellent judgment of the committee and is a hallmark of sound legislation.

As an Oregonian, I am deeply appreciative of the consideration which has been accorded to Oregon projects by the committee. I particularly wish to express my appreciation to the committee for having increased the 40-foot channel on the Columbia and lower Willamette Rivers amount by $500,000 over the budget estimates, and for having included under the flood control and power projects the $130,000 for planning for the Elk Creek Reservoir. This, together with the $150,000 allocated for planning on the Applegate Reservoir, will enable work to be started on these vitally needed improvements.

Senate approval of $47,175,000 for start of construction on Pacific Northwest-Southwest transmission interties by the Bureau of Reclamation and the Bonneville Power Administration is of far-reaching significance for Oregon's future economic development.

I am particularly pleased that the committee has included provisions for all-Federal ownership of two transmission lines, protection of public preference customers, and congressional review of wheeling agreements with private power companies in conformance with the recommendations to the Appropriations Committee of the Oregon Senators.

Interties will permit marketing of about $20 million of surplus power from the Bonneville system now wasting to the sea, thus helping to stabilze our region's postage-stamp power rate. The transmission system will give the West world leadership in development of direct current transmission technology, and assure the joining together of Federal generating facilities with federally owned lines.

The report in this respect will be of great service to the entire West, including not only my State, but an area as far east as Montana.

I want the Committee on Appropriations to know that I sincerely appreciate the assistance they have been to the West in connection with the sound projects that have been approved in this report.

Mr. HRUSKA. Mr. President, I yield 2 minutes to the distinguished Senator from Kansas.

Mr. CARLSON. Mr. President, earlier this afternoon, I expressed appreciation to the chairman of the subcommittee that handled this appropriation, to the ranking minority member of the subcommittee, the distinguished Senator from Nebraska [Mr. HRUSKA], and to the chairman of the subcommittee dealing with the Bureau of Reclamation.

I also extend my sincere thanks to the staffs of both committees who have been so helpful in Kansas projects.

Title 2 of the bill contains an item for the Glen Elder Reservoir of $8,400,000, one of the key reservoirs in the Missouri Basin on the Kansas River.

The construction of this dam will result in the need for the building of substantial dikes around the city of Downs, Kans.

This is a problem which has caused me great concern. On several occasions, I have consulted Commissioner Floyd E. Dominy, of the Bureau of Reclamation, and the Kansas City district of the office of the Corps of Engineers. Those agencies have been most cooperative in making further studies in regard to a relocation of the dam.

I called this matter to the attention of the committee, and have on several occasions visited with members of the committee, urging that every consideration be given to the problem that faces this particular community, which is so vitally affected.

I am advised by all concerned in the agencies, and by Members of Congress, that this project is so far along that no delaying action should be taken at this time.

Mr. COOPER. Mr. President, will the Senator from Nebraska yield?

The PRESIDING OFFICER. How much time does the Senator desire?

Mr. HRUSKA. Mr. President, I yield 2 minutes to the Senator from Kentucky.

The PRESIDING OFFICER. The Senator from Kentucky is recognized for 2 minutes.

Mr. COOPER. Earlier this year, after the disastrous floods in the Ohio River valley, my colleague and I introduced a resolution asking the Corps of Engineers to reexamine certain proposed flood protection facilities for communities along the Ohio River and tributaries of the Ohio—facilities proposed for areas around towns such as Bellevue, Dayton, Ludlow, and Bromley, among others. On the Licking River, which flows into the Ohio, they found an authorized reservoir project of Falmouth, Ky., which had been placed on a deferred status several years ago. The Corps of Engineers provided funds and has been making a study, because it is very important to try to provide flood protection for Falmouth. I know this, because I asked about it on several occasions, most recently at the final meeting of the Appropriations Committee the day before yesterday, on Wednesday of this week. The Corps of Engineers had not reported to the committee. The Bureau of the Budget had recommended no funds. Let me ask, has that situation changed?

Mr. ELLENDER. There has been no change in the classification of the Falmouth project, but the study is being pursued in connection with the study being made of the Licking River, as I recall. I hope this report will be submitted soon, so that we can consider the Falmouth project next year.

Mr. COOPER. If the Corps of Engineers does report favorably, which I anticipate it will, can this matter be considered in its proper order?

Mr. ELLENDER. Certainly.

I wish to emphasize that the study of the economic feasibility of this project is being made in connection with a study of the Licking River area.

Mr. COOPER. Do I correctly understand that it is the practice of the committee, under the leadership of its chairman, not to appropriate funds until the Corps of Engineers has made a recommendation to the committee?

Mr. ELLENDER. The Senator is correct.

Mr. COOPER. I thank the Senator. I also want to thank the distinguished Senator from Louisiana for his very fair and courteous and just treatment of all the projects in Kentucky. His attention and his efforts through the years have been of great help to our Nation, not only in my own State but throughout the United States, and I again thank him for his work.

Mr. ELLENDER. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 5 minutes.

Mr. ELLENDER. Mr. President, as I stated in my original statement, I opposed two projects under titles II and IV dealing with the Pacific Northwest-Pacific Southwest intertie and another in title IV dealing with the TVA.

The President sent recommendations to the Congress increasing the budget by $45.5 million for the intertie which we have heard about from the Senator from Oregon [Mr. MORSE]. This intertie has been studied for some time.

The argument advanced for the intertie is that a large amount of power is going to waste and that the intertie would be beneficial in that this surplus or dump power could be sold in the Southwest, thereby furnishing funds to enable the Bonneville Power Authority to be able to discharge its financial obligations.

For the past 2 or 3 years, the Bonneville Power Administration has not taken in sufficient funds to meet all of its obligations.

Notwithstanding that fact, money is provided in the bill to start construction of one of the last two dams on the Snake River, a tributary of the great Columbia River.

It seems to me that this proposed intertie should be receiving more study, particularly in view of the fact that under the treaty we entered into with Canada in January of 1961 and ratified by Canada a few months ago, we have obligated ourselves to purchase from Canada—and when I say "we," I do not mean the Government, I mean some of the people as well as corporations in the United States—for 30 years in advance, the electricity to which Canada will be entitled after the completion of the construction of three projects in Canada.

The bonds, I understand, for payment to Canada, have not yet been sold, but they will be offered on the market some time soon, since the funds must be available by October 1, 1964, or the Canadian ratification is void.

In accordance with agreement reached between United States and Canadian representatives on January 22, 1964, the United States agreed to use its best efforts to arrange for the sale in the United States, for a 30-year period, of the share of the downstream power benefits to which Canada would be entitled under the Columbia River treaty. Initially this share would amount to about 1,400,000 kilowatts of dependable capacity and about 4 billion kilowatt-hours of energy. At the end of 30 years these benefits will have declined to about 330,000 kilowatts dependable capacity and about 2 billion kilowatt-hours.

That is a great amount of electricity. It seems to me that study should have been made as to what will be done with the extra electricity.

The terms specified for the sale of Canadian entitlement provide that Canada will receive a net $254,400,000 in U.S. funds on October 1, 1964.

That is one part of the Canadian reservation which I did not like.

This lump sum was computed on the basis of $5.50 per kilowatt year for peaking capacity plus 2.7 mills per kilowatt-hour for energy, applied to the estimated Canadian share over the 30-year period after initial operation of each project. This is equivalent to 3.75 mills per kilowatt-hour at 60-percent load factor.

As Senators know, it has been decided that the U.S. Government will pay to Canada $64.4 million in flood control benefits which will inure to us if, as, and when Canada builds these three projects.

Canada will build the Arrow Lakes, Duncan Lake, and Mica storage dams in Canada at Canadian expense. These projects will provide 15½ million acre-feet of usable storage. Canada will also give permission for the United States to build the Libby project and will provide the reservoir area located in Canada at its own expense. But it is a strange thing that the total cost of these three dams happens almost to agree with the $254.4 million that Canada demands of us. That will have to be paid to Canada on or before October 1 of this year.

If that sum is added to the flood benefits that we are to receive, if, as, and when these three dams are constructed—and that amounts to $64.4 million—those two figures added together will be far in excess of $300 million. It is about $15 million less than the entire cost of constructing the three dams. It is my belief that this is another classic example of how soft good old Uncle Sam is.

U.S. RESPONSIBILITY UNDER THE TREATY

The dams which Canada will build will provide power and flood control benefits in the United States. Under the treaty, Canada is entitled to one-half of the power gain resulting from the treaty at plants in the United States. It is this entitlement for which arrangements are being made for sale in the United States at a price of $254.4 million. For the use of the storage for flood control, the United States is to pay Canada $64.4 million (a portion to be paid upon completion of each storage project) as the estimated worth of one-half of the flood control benefits that the Canadian storage provides American property.

There may be occasions when additional flood control storage is desired, in which case there may be an additional payment amounting to $7.5 million.

It goes without saying that the quarter of a billion dollars will have to be paid by the people of this country, in that it will have to be absorbed somehow by the power users through the corporations or the persons who will float this huge bond issue.

The **PRESIDING OFFICER.** The time of the Senator has expired.

Mr. **ELLENDER.** Mr. President, may I be allowed to continue for 2 additional minutes?

The **PRESIDING OFFICER.** All the time of the Senator has expired.

Mr. **STENNIS.** Mr. President, I ask unanimous consent that the Senator may be permitted to continue for 5 additional minutes.

Mr. **CARLSON.** Mr. President, how much time does the minority have remaining?

The **PRESIDING OFFICER.** Seventeen minutes.

Mr. **CARLSON.** I yield 5 additional minutes to the Senator from Louisiana.

Mr. **ELLENDER.** Mr. President, I ask unanimous consent to have printed in the RECORD certain data in connection with this proposal between the United States and Canada.

There being no objection, the data were ordered to be printed in the RECORD, as follows:

CANADIAN OBLIGATIONS UNDER COLUMBIA RIVER TREATY

President Eisenhower's letter of January 17, 1961, transmitting the treaty to the Senate pointed out that the treaty envisages the construction in the Columbia River Basin in Canada, within a period of 9 years, of reservoirs providing 15.5 million acre-feet of storage. That communication points out that the initial power benefits realizable in the United States from Canadian storage under the treaty are comparable to another Grand Coulee Dam—the total initial result is a gain to the United States of over 1,686,000 kilowatts of low-cost prime power (including the 544,000-kilowatt installation which we could make at Libby).

A current evaluation of the total power gain resulting from the Treaty shows that, in rounded figures, the United States and Canada will each gain initially about 1,400,000 kilowatts of dependable capacity and about 4 billion kilowatt-hours of annual energy. These gains will decrease in time, amounting to about 330,000 kilowatts of dependable capacity and 2 billion kilowatt-hours of annual energy for each country at the end of 30 years. The Canadian gain, however, will be sold to a purchaser in the United States for a 30-year period for a price of $254.4 million as of October 1, 1964.

The Senate committee report on the treaty points out that the Canadians are to construct projects at Mica Creek, at Arrow Lakes, and on one or more tributaries of the Kootenai River near Duncan Lake, British Columbia, at an estimated cost of $345 million. The additional storage will more than double that presently available for regulation of the flows of the main stem of the Columbia River.

For flood control, the plan provides for 7,100,000 acre-feet in Arrow Lakes; 1,270,000 acre-feet in the Duncan Lake area; and 80,000 acre-feet near Mica Creek. The total storage capacity of 8,450,000 acre-feet for flood control has been evaluated as having an annual benefit of $5,700,000. The treaty provides for payment on account of this storage of lump sums aggregating $64,400,000 based on capitalization of one-half of the annual flood control benefits at an interest rate of 3⅞ percent.

The treaty, therefore, presently contemplates that the United States will make payments to the Canadians totaling $318.8 million, of which $254.4 million is for the Canadian power entitlement within the United States for a period of 30 years, and $64.4 million is for flood control benefits in the United States resulting from Canadian storage.

A more recent estimate of the cost to Canada, based on information received in September of 1962, indicates that the cost to Canada of work required under the treaty will amount to $402,500,000, Canadian dollars, or $374,400,000, U.S. dollars. This included reservoir costs for the Libby project but did not include generating machinery at Mica. (The cost of construction to Canada was not the basis upon which the United States agreed to undertake to arrange for the sale of Canada's downstream power entitlement at a price of $254.4 million U.S. dollars.)

Under date of July 13, 1964, the New York Times carried a news item indicating that British Columbia's Premier Bennett was proposing a study of the Columbia, Peace, Frazier, and Yukon Rivers. That article indicated that this proposal of the Premier of British Columbia could cloud the issue of ratification and the implementation of the Columbia River Treaty. The International Joint Commission has informed me that they expect there will be no delay in the exchange of ratifications if the United States provides the lump-sum payment for the Canadian entitlements.

Source of funds for purchase of Canadian entitlement:

In accordance with plans now underway, the purchase price will be paid in its entirety by the Columbia River Power Exchange, a non-profit organization incorporated in the State of Washington. The Federal Government will not contribute any of the $254.4 million.

STATUS OF BONDS

The bonds have not yet been offered for sale. It is understood, however, that discussion with financial advisers, etc., are now in process looking toward the sale of the bonds prior to October 1, 1964.

Present power rates: The Bonneville Power Administration is currently marketing power at 2 mills per kilowatt at 100-percent load factor. Some large blocks of energy are sold at 90-percent load factor, which works out to be 2.2 mills per kilowatt.

Principal purchasers by classes: During fiscal year 1963, the principal purchasers of Bonneville Power were:

	Percent
Publicly owned utilities	43.7
Aluminum plants	30.3
Privately owned utilities	11.3
Federal agencies	9.3
Other industries	5.4
Total	100

Their average load factor is 67.5 percent, which constitutes a rate of 2.83 mills per kilowatt.

PACIFIC NORTHWEST-PACIFIC SOUTHWEST INTERTIE

Last year, in the conference report on the Public Works appropriations bill for fiscal year 1964, the conferees on the part of the House agreed to the Senate report language with respect to this intertie. In effect, $7 million was appropriated for acquisition of lands and for the acquisition and installation of equipment, and $1,500,000 for preliminary engineering to initiate construction of two extra-high-voltage transmission lines for the interconnection of the Bonneville Power Administration system with the Central Valley project power system. The conferees directed that construction of these lines not begin until there had been enacted into law S. 1007, or similar legislation, guaranteeing electric consumers in the Pacific Northwest first call on the electric energy generated at Federal hydroelectric plants in that region. Senate bill S. 1007 is still deadlocked and presently is in the House Rules Committee awaiting a rule on the appointment on new conferees.

The conference report also required that construction shall not begin unless the Secretary of the Interior finds, after good faith negotiations with utilities and other entities interested in constructing any portion of the lines involved, that their proposals will not result in benefits to the national interest at least equal to those to be derived from Federal construction.

The House committee report on S. 1007 states that the Pacific Northwest presently has, and will continue to have for some time, surplus hydro-electric capacity and energy during some months of the year which could help to meet peakloads in the Pacific Southwest and conserve fuel which would otherwise be used for steam electric generation. Also, in the years to come, offpeak steam generation in the Pacific Southwest could be utilized to firm up the hydro-electric capacity of the Pacific Northwest and convert what would otherwise be secondary power to firm power. In addition, the diversity of loads would permit a large savings in steamplant investment in each region. These benefits, and others, make an interconnection between the power systems of the Pacific Northwest and the Pacific Southwest highly desirable from the standpoint of both regions.

The most impelling reason that the Pacific Northwest desires early construction of an intertie with the Southwest is their current operating deficit. In this connection, Mr. Luce testified that the Bonneville Power Administration operated at an annual loss of $5.5 million in fiscal year 1963 compared to a loss of $17.7 million in fiscal year 1962.

The apparent improvement in their financial position is the result of several actions that the Bonneville Power Administration has taken. That agency, during the past year revised their payout schedule. Previously, they were on a system under which they paid out each dam on a separate 50-year schedule. They have now substituted a system-wide payout schedule whereby they pay out all of the dams within 50 years after the last major addition to the system. (This would mean an amortization period of at least 80 to 100 years for some of the dams.) They also used revised cost allocations which reduced the amount chargeable to power for the Grand Coulee, the Dalles, and McNary Dams. In addition, they increased the amortization period for their transmission lines from 35 to 40 years.

Mr. Luce further testified that the Bonneville Power Administration reviewed their rate schedule and in November of 1963 circulated among their customers a proposed new rate which would have increased the firm power rate about 8½ percent and added some $6.5 million to their revenue. The Administrator then testified in the House that the customers' reaction to this proposed rate increase was generally one of opposition, and that the Governors and Members of Congress from the Pacific Northwest asked that the rate increase be postponed for another year since so much of their financial future depends upon what happens to the proposed California intertie program. In response to questions from members of the House committee, Mr. Luce testified that even with the increased rates which were proposed, they would still be the lowest cost power producing agency in the Nation.

Another factor affecting the desirability of such an intertie is the imminent exchange of ratifications between the United States and Canada with respect to the Canadian Water Treaty. During the House hearings, Mr. Luce testified that the Canadian Parliament ratified the treaty upon the condition that the United States find a purchaser for Canada's share of the power in the United States for a period of 30 years, and that the purchaser be willing to pay for this power in advance for the full 30-year period. The amount of money involved is $254,400,000 and, under the terms of the Canadian ratification, that money must be available by October 1, 1964, or the Canadian ratification does not hold. Since there is no intertie, the Bonneville Power Administration must look to the Pacific Northwest for those purchasers. The Pacific Northwest will need this Canadian power beginning about 1973 to 1975; whereas, the Canadian power becomes available in 1968 and it will be surplus to the needs of the Pacific Northwest between 1968 and approximately 1975.

Pursuant to the instructions continued in the conference report last year, negotiations were carried out between representatives of the Department of the Interior and the private power companies. The Department of the Interior provided the private power companies with criteria for their use in the preparation of written proposals to be submitted to the Department of the Interior by April 17, 1964. No funds for the construction of the intertie were requested in the 1965 budget. It was contemplated that after the proposals of the private power companies were submitted, analyzed, and such further negotiations as seemed necessary concluded, the Secretary would submit a report to the Congress for its review of his recommended intertie system.

During the House hearings on the 1965 bill, Mr. Luce testified that in the event that the recommendations were to include the construction of lines in the Bonneville marketing area by the Bonneville Power Administration, they would require about $31,700,000 in fiscal year 1965 (present estimate is $42 million). Of this amount, he stated that $13,100,000 would be for a 500,000-volt alternating-current line and $18,600,000 for a direct-current line extending from the Dalles Dam to the Nevada-California line. It could be assumed, therefore, that promptly upon submission of a report recommending the construction of any Federal lines, there would be a supplemental estimate to cover the cost of this work submitted by the President.

On June 24, Secretary Udall submitted his report to the chairmen of the House and Senate Appropriations Committees. That report proposes that four extra-high-voltage transmission lines be constructed by a combination of Federal, public, and private entities at a total cost of about $700 million, of which about 40 percent would be Federal. Immediately following the submission of that report, public hearings were scheduled for July 1 and 2 at the urgent request of Governor Brown and at the suggestion of President Johnson.

At those hearings, the administration witnesses in support of the proposal testified that the effect of the interchange plan on the power system of the Pacific Northwest will be to provide the equivalent of a net increase of 700,000 kilowatts of firm power. However, even with all of the advantages of this interconnection of the hydroelectric projects in the Northwest into the big steamplants in the Southwest, Mr. Luce told the Senate committee there will come a time in the mid-1970's when even with all the dams developed, the utilities in the Northwest, public and private, are going to have to add steamplants.

In discussing the urgency for the initiation of these interconnections, BPA testified that if there is a delay in construction of these lines, there will be a substantial increase in the Bonneville rate next year. The public power customers of the Bureau of Reclamation and the Central Valley project will have to have nearly one-half of their powerload withdrawn at an early date when the Bureau of Reclamation will require substantial blocks of power for pumping in connection with the San Luis project.

The proposed plan will permit all of Canada's share of treaty power to be marketed in California during the early years when it is surplus to the Northwest's needs. It thus will help the United States meet its obligations under the treaty to purchase on a prepaid basis Canada's share of treaty power. Of the total transmission capacity of 4,400,000 kilowatts, about 60 percent thereof would be assured for preference customers in the Pacific Southwest under Federal law. These customers would have direct access to Northwest and Canadian power and complete use of this transmission capacity to make advantageous exchanges with Northwest public and private utilities.

Mr. ELLENDER. Mr. President, the second objection I have to the bill relates to the TVA. All of us are in favor of TVA. It is a good institution. I was happy to assist all I could in developing that great Authority. All of us know that the TVA has done a wonderful job in Tennessee, Kentucky, and in fact in the whole area where it is located. I personally voted for the construction of the necessary steamplants in order to firm the electricity that was produced from falling water. But, after that point was reached, I voted against any further authorization of moneys in order to build steamplants in that area.

Today, I am unhappy to say that more than 73 percent of all the electricity that is produced by the Tennessee Valley Authority comes from steam, and not falling water. There is a reason for that. The Atomic Energy Commission took a good deal of that power. At the time this burden was placed on the TVA, I thought it would be wise that the atomic energy plant should construct this facility. But no attention was paid to that suggestion. We proceeded to spend a great deal of tax money in order to construct a number of steamplants that are now being operated by the Tennessee Valley Authority. Of course, all of that is water under the bridge. There is nothing that we can do about it.

The TVA is now trying to enter into a new sphere. Under the law, as I understand it, the TVA has the authority to provide for studies in reforestation, studies as to the best use of fertilizer, and things of that kind. It has authority to make plans useful to the Congress and the States for the development of the TVA area, and to conduct demonstrations necessary and suitable to the making of such plans. The law provides for submission to Congress of such legislation as may be necessary to carry out such plans.

We have provided in the bill approximately $50 million for the purposes of this agency. But the TVA proposes to use part of these funds in embarking on a new program that involves the purchase of land for the purpose of developing a national recreation area. In my opinion the TVA today owns more land than is necessary for it to carry on the projects that it is authorized under the law to carry on. In spite of this, the TVA plans to use $5 million of the funds provided by this bill to add to the $4 million that was used by it last year to purchase land for the proposed recreation area. They propose to purchase more than 100,000 acres for this purpose, and, in addition, to acquire additional land from other Government agencies.

The PRESIDING OFFICER. The time of the Senator has once again expired.

Mr. ELLENDER. Mr. President, I ask unanimous consent that I may be granted an additional 2 minutes.

Mr. HRUSKA. Mr. President, how much time do we have remaining?

The PRESIDING OFFICER. Twelve minutes.

Mr. HRUSKA. I yield 5 minutes to the Senator from Louisiana.

Mr. ELLENDER. As I pointed out in the subcommittee, as well as the full committee, as I read the law, and as the attorney for the Committee on Agriculture and Forestry indicated to me in an opinion which I will ask to have placed in the RECORD at the end of my remarks, it would appear that the TVA is going beyond its authority in purchasing land for recreation.

The TVA has under its control around 80,000 acres of land in this area that it can devote for experimental purposes, if it so desires. But what I have objected to, and what I am objecting to now is for the TVA to proceed to buy 100,000 acres and develop that into a park.

It seems to me that if a park is necessary, the project should be turned over to the Park Service. The land purchases and the development should be made by the Park Service instead of the TVA. I have seen no suggestion anywhere that the TVA knows more about park management than does the Park Service, and can "demonstrate" to the Park Service how to run a park. The park is not a demonstration necessary and suitable to any plans TVA is making, but is the end product of plans completed by TVA in 1961.

The TVA authorities have appeared before us. They take the position that this 100,000 acres, can be purchased for $12 million, that is $120 an acre in round figures. I have evidence to show that in the area where it is desired to buy, some of that land has sold for as much as $1,600 an acre. I do not believe that this land can be purchased by the TVA for anything like $120 an acre.

As I said, we have already appropriated $4 million. There is $5 million in the bill, which will make a total of $9 million. Under the program we shall need to appropriate only $3 million more to buy all of the 100,000 acres. But if we continue the program, I venture to say that it will not cost $12 million, but will cost $20 million or perhaps $25 million.

It is my hope that when this subject comes before the Senate next year, we shall look into it further; and if a park is necessary in that area, that the proper authority in the Government will be directed to handle it, rather than permitting the TVA to embark on a program that it was not authorized to undertake under the Tennessee Valley Authority Act.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD certain data that I have gathered with respect to this subject. Included in this material are statements concerning the methods used by TVA to acquire private property for this questionable project. I do not know that the people making these statements would have any objection to having their names appear in them. However, I have taken the liberty of deleting their names and identifying information.

There being no objection, the data were ordered to be printed in the RECORD, as follows:

MEMORANDUM FOR SENATOR ELLENDER

This responds to your request for our views on the authority of the Tennessee Valley Authority to develop the Land Between the Lakes Recreation Area.

I. CONCLUSIONS

There would appear to be a substantial question as to whether such development is authorized. The question is a factual one. If the development is, in fact, simply a study, experiment, or demonstration "necessary and suitable" to the making of plans useful to Congress and the several States under section 22 of the Tennessee Valley Authority Act of 1933, it would appear to be authorized by that section. If however, the recreation area is, in fact, an end objective in itself, not related to the making of plans useful to Congress or the States, or not "necessary and suitable" to the making of such plans, it would not appear to be authorized.

II. THE LAW

Section 22 of the Tennessee Valley Authority Act of 1933, 16 U.S.C. 831u, authorizes the President to make surveys and plans useful to Congress and the several States in guiding and controlling development of the TVA area for the purpose of fostering its physical, economic, and social development. Section 23 directs the President, as such surveys and plans progress, to recommend to Congress such legislation as he deems proper to carry out the general purposes of section 22. Section 22 therefore provides for the development of plans, while section 23 requires the submission of legislation to carry them out.

Section 22 further authorizes the President in making plans, to cooperate with States and other agencies, and to make necessary studies, experiments, or demonstrations, as follows: "and the President is further authorized in making said surveys and plans to cooperate with the States affected thereby, [or subdivisions or agencies of such States, or with cooperative or other organizations, and to make such studies, experiments, or demonstrations as may be necessary and suitable to that end.]"

The language in black brackets was added by an amendment offered by Senator Norris, who was managing the bill. It had not been considered by the committee, but was one of a number of amendments suggested by Dr. Morgan, the president of Antioch College. Senator Norris explained the amendment as follows:

"This amendment, which he suggested, appeals to me, and I think it would to anyone who would read the text, as being necessary." (77 CONGRESSIONAL RECORD, 2634.)

The amendment was therefore regarded by its sponsor as being simply a necessary technical amendment. It authorized cooperation with additional agencies in the making of plans, and it authorized such studies, experiments and demonstrations as were necessary in the making of such plans. It certainly was not regarded as a major change which would authorize the carrying out of plans made under section 22 without the necessity of submitting legislation as required by section 23.

While the 1965 budget (Appendix p. 878) and the Senate hearings on H.R. 11579, this Congress, describes the Land Between the Lakes development as "demonstration," and the TVA in a letter of July 18, 1963 to Senator MORTON cited section 22 as the basic authorization for this "demonstration in resource development", we question whether it is not a "demonstration in resource development" in the same manner that the entire TVA system might be described as an experiment or "demonstration in resource development." We do not believe that the Norris amendment was intended to authorize extensive developments of this nature.

The budget describes the area to be covered as approximately 170,000 acres, offering the innumerable recreational advantages associated with 300 miles of cove-studded shoreline, and being within sunrise-to-sunset driving of 50 million people. The budget describes it further as a wise use of land which will serve as a stimulus to the economy of the surrounding area by encouraging further private development and as a guide to possible public development of other areas for recreation in the Tennessee Valley region and the Nation. Planned recreation facilities include campgrounds, picnic areas, boat launching ramps, associated roads and parking sites, and areas for hiking, fishing, and game management. The preliminary estimate for total capital outlays is $33 million. The hearings (p. 11) indicate that the project contemplates purchase of 103,000 acres. Neither the budget nor the hearings mention the surveys or plans being made by the President to which the proposed "demonstration" is "necessary and suitable". Rather, the proposed "demonstration" is related to the rather general purposes of fostering "a better understanding on the part of our people and of coming generations of their dependence on the land", the project being one "of national importance and national scope." (Hearings p. 7.)

Section 22, in its entirety, reads as follows:

"To aid further the proper use, conservation, and development of the natural resources of the Tennessee River drainage basin and of such adjoining territory as may be related to or materially affected by the development consequent to this chapter, and to provide for the general welfare of the citizens of said areas, the President is authorized, by such means or methods as he may deem proper within the limits of appropriations made therefor by Congress, to make such surveys of and general plans for said Tennessee basin and adjoining territory as may be useful to the Congress and to the several States in guiding and controlling the extent, sequence, and nature of development that may be equitably and economically advanced through the expenditure of public funds, or through the guidance or control of public authority, all for the general purpose of fostering an orderly and proper physical, economic, and social development of said areas; and the President is further authorized in making said surveys and plans to cooperate with the States affected thereby, or subdivisions or agencies of such States, or with cooperative or other organizations, and to make such studies, experiments, or demonstrations as may be necessary and suitable to that end."

Respectively,

HARKER T. STANTON,
Counsel, Senate Committee on Agriculture and Forestry.

LAND BETWEEN THE LAKES PROJECT (TVA)

1. About 1959 TVA Board authorized a study under section 22 of the Tennessee Valley Administration Act as to the recreation possibilities of the Land Between the Lakes area. Other agencies were consulted and some of them, such as the Park Service, made independent surveys. However, TVA advises that TVA originated the proposal.

2. On June 23, 1961, TVA submitted a report to the President proposing that the "Between the Lakes National Recreation Area" be established as a national recreation area in support of the country's present and future needs for outdoor recreation properties. (Letter of transmittal.) The report stated that "We have undertaken sufficient study of the possibilities for a national recreation area at this location to be convinced of its feasibility. We think the establishment of a national recreation area between the lower Cumberland and Tennessee Rivers is a most worthwhile proposal" (p. 4). Endorsements of the proposal by the Governors of Kentucky and Tennessee were included as part of the report. No suggestion was made that any "studies, experiments, or demonstrations" were necessary or should be made. The only thing that appeared to be lacking was the authority to carry out the proposal, the report stating at page 3, "The project, if authorized at an early date as we propose, would provide economic stimulus to the area." TVA regarded its survey as complete, and concluded on page 4, "We will be glad to cooperate in any way we may in furtherance of the project."

3. On July 5, 1961, the President advised the TVA that he had received its proposal "for a national recreation area," and that he was referring it to the Secretary of the Interior for examination "in the light of the recreational needs of the Nation and particularly the Kentucky Lake and Barkley Reservoir area." No suggestion was made that any "demonstration" was involved or would be undertaken.

4. On March 25, 1963, the Secretary of the Interior wrote to the President suggesting that TVA carry out the recreation project as a demonstration under section 22, saying, "The major question that required resolution in our consideration of the proposal was to determine how best to meld the objective of the wildlife refuge into the broader objective of an enlarged area with emphasis on outdoor recreation. As a result of a recent discussion with Mr. A. J. Wagner, Chairman of the TVA Board, we believe we now have a solution which will permit an early start on the proposal.

"TVA would develop the area as a demonstration. It has authority to set up and conduct demonstration projects in resource development and to acquire lands needed for such projects.

"I therefore propose that if you will direct TVA to proceed with the project, we will enter into an agreement with TVA, whereby the land and facilities presently under the jurisdiction of this Department will be placed under the complete direction of TVA.

"As envisioned by TVA, the project will demonstrate how an area with limited timber, agricultural, and industrial resources can be converted into a recreation asset that will stimulate economic growth of the region. It will help establish and define guidelines for the acquisition, development and operation of other outdoor recreation areas. TVA will administer the area for the period required to complete the demonstration. This is estimated to be about ten years. At the end of the demonstration period, permanent administration of the area for outdoor recreation will be determined."

5. On June 14, 1963, the President announced that TVA would have the mission of developing the Land Between the Lakes national recreation area as a demonstration in resource development."

6. On June 19, 1963, the President sent down a supplemental budget request including an increase for TVA described as follows: "This amendment is to provide funds for the initiation of work, including land acquisition, for the Land Between the Lakes, a national recreation area in western Kentucky and Tennessee."

7. On November 19, 1963, A. J. Wagner, Chairman of the TVA Board, testified at the public works appropriation hearings: "TVA intends to develop this area primarily for inexpensive camping by families and groups such as Boy Scouts and Girl Scouts, boys clubs, and other groups who find occasion to seek outdoor recreation.

"In summary, we would develop Land Between the Lakes as a trial and a demonstration to find the most useful kind of a recreational development to fill the needs of our people during an industrial age.

"We would, in short, hope to develop multiple uses of the area." (The development of multiple use has, of course, been an objective of the national forest since they were created, so there has been a good deal of "demonstration" in this area in the past.)

8. The Senate committee report (88th Cong., S. Rept. 746) on the public works appropriation bill provided TVA with its full budget request, without comment on the Land Between the Lakes project. The conferees agreed on an intermediate amount without comment on this project. (H. Rept. No. 1027.)

9. A TVA 1964 concept statement, and the 1964 testimony before the Senate Appropriations Subcommittee on Public Works emphasizes that the project is a demonstration in resource development. However, it appears to be a simple and complete carrying out of the 1961 TVA report, which did not mention the word "demonstration." The matters to be "demonstrated" would appear to be basically the same as those "demontrated" by the national forests, national parks, and other recreation areas. They do not appear to involve any demonstration necessary to the making of any plans under section 22, but to be a carrying out of a completed plan under section 22. The TVA statement in the U.S. Government Manual states that sections 22 and 23 of the act confer upon the Corporation "the authority to conduct investigations upon which additional legislation may be predicated in order to aid further the proper conservation, development, and use of the resources of the region." In this case the Corporation would appear to be attempting to avoid the necessity of further legislation by describing the project as a "demonstration."

10. The concept statement (page (i)) describes the Land Between the Lakes Area as "unique" because of its size, variety of recreational opportunities, and its proposed single ownership by TVA. Its most precious asset is described at page 3 as its 300 miles of shoreline on an area about 40 miles long and 6 to 12 miles wide. This would seem to be sufficiently unusual to make development of the area as a "demonstration" of questionable value to other areas not having this advantage.

I, ——— ———, of ——— ———, Trigg County, Ky., on or about the date of March 10, 1964 was approached by a representative of the Tennessee Valley Authority; namely, Mr. ——— ———, field representative for the Land Between the Lakes project and was told by him that I might be jeopardizing my position as postmaster of ——— ———, if I refused to cooperate with TVA in the matter of their land acquisition program plans for the Land Between the Lakes project.

——— ———,
Postmaster, ———, *Ky.*

AUGUST 3, 1964.

Witnessed by: ——— ———.

AUGUST 3, 1964.

AUGUST 3, 1964.

My name is ——— ———. I live * * * approximately 2 miles east of Golden Pond Ky. During late February and March 1964, a surveyor for the Tennessee Valley Authority came on my property five times to measure it. The first time he drove up in front of my house and talked to me in my frontyard. He asked me where the corners of my property were, and I told him. He made notations on a map he was carrying, but did not actually go to each corner and look at it. When he had finished the notations, he left. A few days later, the same man knocked at my back door and I invited him into my house. He asked me about the location of a corner on a piece of property about 500 feet from my house. I told him where I thought the corner was—even though the property in question did not belong to me—and at the same time I told him that as far as my property was concerned, I had nothing I wanted to sell. Both of these meetings with this man were friendly and cordial.

Then, a few days later, the same surveyor returned with a helper and began to measure the frontline of my property. I told him to tell his foreman to come and talk to me before he sent anyone to survey my property, and he said he would do that, and he got in his car and left. The next day I had to leave my house for awhile. When I returned, the same surveyor had his transit set up in the same place it had been the day before, and his helper was taking a tape measure across the frontline of my property. When they saw my car coming, they got into their car and drove off. Several days later, the same man and his helper returned for the third time to measure the frontline of my property. It was raining at the time, and when I saw them I went out into my yard. The rain began to fall heavier at that time, and the two men got into their car and drove away. A few minutes later I got in my car and drove down the road a short distance to where the two men were parked. I told the surveyor he had tried three times to measure my land, even though I had told him repeatedly not to do it. He told me he would never set foot on my land again, and as far as I know, he has not. During the five times I talked to this surveyor, he did not tell me his name and would tell me only that he was from the TVA.

I swear that the above statement is true and accurate as it is written.

——— ———.

Witnesses:

——— ———.

AUGUST 3, 1964.

My name is ——— ———. I live with my husband, ——— ———, on a ——— acre homesite on U.S. Highway 68. On or about February 25, 1964, three men knocked at the door of our home. They did not tell me their names, but said that they represented the Tennessee Valley Authority and had come to "run the lines, measure the buildings and get the property ready for appraisal." I told them that I did not tend to the business of my family, and said that I could call my husband and have him there in 10 minutes. One of the men replied, "We do not need or want your husband. We have been sent here to proceed, and we will proceed." I repeated several times that I could not help them without my husband, and each time the same man repeated that he did not need or want my husband, and would proceed without him, whether I wanted them to or not. The man then said, "We will now start measuring your house." When I told him I would not allow that, he told me he would return with a U.S. marshal to enforce his orders to measure our property. At about that time, my husband drove up and came into the house. The TVA spokesman asked my husband if he would allow them to measure the property, and my husband replied that he had nothing to sell and would not permit them to proceed. The three TVA men turned to leave, and before they drove off the property their spokesman asked my husband two more times if he would allow them to measure the property. My husband refused both times. The TVA man then told my husband, as he had told me, that he would return with a U.S. marshal to force us to let them survey the property. My husband told them to bring the marshal anytime they were ready, and we would still be here. They then drove off the property, and have not contacted us in any manner whatsoever since that time. On the following day, February 26, we wrote to Senator JOHN SHERMAN COOPER—on the advice of ——— of Cadiz, Ky.—and related to him the incident described above. Senator COOPER acknowledged our letter on March 2, 1964.

I swear that the above incident is true as it is related in this statement.

——— ———.

I swear that the above incident is true as it is related in this statement.

——— ———.

Witnesses:

——— ———.

——— ———.

Affidavit of ——— ———

STATE OF KENTUCKY,
COUNTY OF MARSHALL, SCT.

The affiant, ——— ———, being duly sworn, states that he and his partner, ——— ———, are the owners of a subdivision ——— on Barkley Lake just south of the canal, 20 of which are beautiful deepwater front lots and 40 have a nice view of the lake, a reasonable value of the total over a 10-year period being a quarter of a million dollars, and yet the TVA is offering only $42,000 for property that cost $35,000, to say nothing of the work and time we have devoted to it. And not considered in the price is more than 600 feet of good commercial highway property. They have, with the offer of $42,000 set an average price of $389 per lot, when the very minimum of the waterfront lots at present prices is $3,000 and a low value of the other lots is $1,000 each. We feel that, if they are to buy our property, that we should have at least today's market price of land in that area, and we realize that they will resell these beautiful tracts for a great profit later on.

In our opinion many people in the area have been shamefully mistreated, and where they have paid higher prices it has been to those whom they felt it was to their advantage to do so. Under all the circumstances, we had certainly rather see any other organization have the management and development of the recreational area than the TVA.

This August 3, 1964.

——— ———.

Subscribed and sworn to before me by ——— ——— this August 3, 1964. My commission as a notary public expires May 18, 1968.

——— ———,
Notary Public, Livingston County, Ky.

Re Land Between the Lakes Area.
Hon. EDWARD T. BREATHITT,
Governor of Kentucky,
Frankfort, Ky.

DEAR GOVERNOR BREATHITT: In response to your promise to look into the matter of fairness of price paid owners for land in above area, we feel that we are not being treated fairly, either in price or consideration of our claim.

In 1959 we purchased 11½ acres facing Barkley Dam and Canal, when it would be built, with four beautiful deepwater bays, and at that time we were assured by the U.S. Engineers, who had already put up their markings, that this land would not be taken for any purpose. This is the most desirable and most beautiful tract on the lake and in which we have an investment of more than $10,000, and for which we could have gotten $40,000 in July 1963, the day before the announcement that the development of the park had been turned over by President Kennedy to the TVA, which fact had not been heard of until that announcement.

Of course no one would have bought it then, had we wished to sell it. We were aware of the policies of the TVA and were as courteous and cooperative with them as possible, but until the lake was flooded and Mr. ——— could come back here and develop this land and build a home for himself and his family (this was his home base and he had lived here several years and has other property here and wished to return here and make it his permanent home) he was continuing his work with his company at various places, and at the time the TVA looked over the property they were told that he was temporarily in Pennsylvania, but that he would return at any time they wished to talk with him. Incidentally, they are taking other property, which he had owned for sometime in that area.

It is, therefore, our honest and sincere belief that they immediately put us on their blacklist as speculators and cut the price they placed on our land accordingly, although we cannot understand by any stretch of imagination why we did not have as much right back in 1959 to buy this land, looking to the development of the lake and area, especially when we purchased it from a willing seller, as the TVA does now to take it from unwilling sellers and at their own price. If it had been needed for the dam or the lake, or if they did not already have adequate land for all their needs, we would feel entirely differently about the matter.

They have held out all along how fair they are to everyone (the news stories have been full of it) but they would not discuss price with us at all until they brought us a pink copy of the contract prepared by them offering us $18,000 for our land, which is $22,000 less than we could have sold it for the day before it was known that they had taken over the area, and yet they are paying another landowner adjoining us more than twice as much as they have offered us for land that is not as valuable as ours, and I say this because I formerly owned half interest in that land, and sold it to purchase the present property we own, knowing that it was more valuable, although they are both, along with another tract we are familiar with, and for which they too are being offered less money, being also considered as speculators because they reside at Madisonville, Ky., the cream of the whole area. I have been active as a real estate broker specializing in Kentucky lake properties for more than 15 years; I know every place around Kentucky and Barkley Lakes for a radius of 250 miles and have sold many thousands of dollars worth of property to people who have done much to develop this whole area; and, furthermore, I have attended every auction sale held by TVA and know the high prices they have gotten for land they purchased for very small prices.

Of course, the TVA will deny that they have discriminated against us, and that they are not offering us a fair price for our subdivision, and they are denying that they will at some future date sell these beautiful tracts of land near Barkley Dam and Canal, but if they do not, they should, since even though they are being taken away from us, and we, as private citizens and taxpayers, are not permitted to keep and develop them, they should be sold for development and the income that it would bring to the adjoining counties, and we know that they will eventually be sold at a fabulous profit to TVA.

Certainly, we are not opposed to the development of the great park as originally planned, nor are we opposed to the purchase by TVA of all the lands they can willingly purchase from present owners, but we do sincerely believe that they have sufficient acreage; and, we do resent the fact that just because the TVA personnel came to the area and viewed these extra beautiful acres, both from land and air, and knowing what profit they could make on them, went in secret to President Kennedy who, for what consideration we will never know, gave it to them. But as long as we are being forced to give it up, we feel that we should at least have a fair portion of its value and of the price they will eventually realize out of it.

Furthermore, the TVA made their own appraisal of our land and that of our neighbors, and in their own good time, without consultation with us, brought their copies of contracts and said, "This is it—take it or leave it, but if you leave it, we will condemn your land and force you to take it." It seems that our land is no longer a free country where one may ask for a jury trial where the TVA is concerned; they have all the rights and we have absolutely none, except the crumbs they offer us; and, so they sent us written notices that we could not ask for a jury trial, but that if we do not accept their offer they will condemn our land and the only recourse we will have will be before a panel of three men, none of whom we will know, nor be allowed to have any part in selecting.

We asked for a breakdown of their appraisal—the land and the timber—and were told "No, we cannot tell you that—we would be in trouble all around, if we did that." And when I replied that never in my life had I heard of a case where both purchaser and seller could not have a breakdown of appraisal, I was told that they only had to disclose that at the hearing, and not before. I then asked if I could talk with those who had made the appraisal and was told in a very nice manner that I could talk with everybody from Golden Pond to Knoxville and that they would all listen to me, but that there would absolutely be no change in their offer—that they never had, and never would change an offer of purchase, and that we might as well accept it now as later.

The Courier Journal recently criticized Mr. COOPER, Mr. MORTON, and Mr. STUBBLEFIELD for not doing more in favor of TVA and against the property owners. I always thought that those men, like our Governors, were elected by the people and for the people of Kentucky, and that they were our representatives. This was the first time I had heard they were supposed to take sides with the TVA against their own people, who elected them.

Governor Scranton said the TVA belongs to the people and not to any one person, but I wonder if he would not be surprised to know that he is mistaken, and that it is just the other way around—the people belong to, and are controlled, body and soul, by the TVA, and if you don't believe it, I can show you things right here around Kentucky Lake to prove it beyond the shadow of a doubt. We are not fighting the TVA and we deeply appreciate all that has been done by them by and through the taxpayers' money, but we also feel that along with all the power and authority that has been bestowed upon them by our Government, plain, ordinary citizens and taxpayers should have a few rights left to them. And, it is certainly alarming that they can, without even a discussion, set the price on one's property, and then have the power to deny a trial or hearing by a jury. And, it is for that very reason that most of the poor, helpless people in that area have accepted their offers whether they wished to or not—they simply tell you, "Well, there is nothing else we can do about it." And there isn't.

Most sincerely,

———— ————.

BETWEEN THE LAKES RECREATIONAL AREA

Federal holdings: The inventory report on real property owned by the United States as of June 30, 1963, showed that the Federal Government owned 1,077,928 acres in Kentucky out of a total area of 24,434,392 acres, or 4.225 percent. Of the area of the State of Tennessee, the Federal Government owns 1,554,000 acres out of a total of 25,173,680 acres, or 5.814 percent. Putting it another way, the land owned by the Federal Government in Kentucky and Tennessee totals 2,631,928 acres, which is an area that is only slightly less than four times the size of the entire State of Rhode Island. Tennessee ranks third in the Nation in the cost of federally owned real property, and Kentucky ranks twelfth.

Tennessee Valley Authority holdings: The TVA alone owns land in excess of 697,632.5 acres, of which 441,296.4 acres are located in Tennessee and Kentucky.

Private ownership north of the wildlife refuge: In the area north of the wildlife refuge, that is the area between Golden Pond Road and the canal, there is an area of 13,000 acres in private ownership that is now in the process of being acquired by TVA. Practically all of the opposition to the further development of this area is being generated by the owners of about 4,000 acres in this area. This property has been subdivided into lots and has a relatively high value, whereas the land to be acquired between U.S. Highways 68 and 79, comprising some 85,000 acres, is relatively worthless. The present plans to acquire approximately 103,000 acres to add to their present holdings at a cost of $12 million results in the local interests arriving at the conclusion that TVA will pay $120 per acre. It is apparent, therefore, that the figure of $120 per acre referred to by the opposition is an average cost which the local people have worked out by dividing TVA's estimated cost of land acquisition by the total number of acres to be acquired and does not represent TVA's estimate of the value of this particular land.

Area between the highways: In the area between U.S. Highways 68 and 79 there is approximately 96,000 acres, of which 11,450 acres are now in Federal ownership, broken down as follows: TVA has acquired 3,880 acres along the edge of the Kentucky Reservoir, the Fish and Wildlife Service owns 3,250 acres which is a part of the existing wildlife refuge in Trigg County, and the Corps of Engineers has acquired 4,320 acres in connection with the construction of the Barkley Dam.

Possible private development in adjacent area: Private business concerns are interested in the commercial and industrial development of the area south of the proposed expanded recreational area. They are currently seeking assistance from the Area Redevelopment Administration to help finance their proposal. ARA in turn has requested a preliminary economic evaluation of their proposal by a private engineering firm.

Original concept of the recreational area: It is my understanding that the original concept of the development of this area was formulated in the Department of the Interior and that the execution of the plan was subsequently turned over to the TVA because they would not require any additional legislative authorization.

Other possible developments: The letters from the proponents of this development point out that the proposed recreational area is within a day's driving distance of something near 100 million people. This is similar to the claims being made for the establishment of the Tocks Island National Recreation Area in Pennsylvania. That legislation and other bills to establish large recreation areas throughout the country are now pending consideration by the House Committee on Interior and Insular Affairs.

* * * * *

There is attached a summary of the Federal holdings in the States of Kentucky and Tennessee.

Summary of Federal lands held by civil agencies as of June 30, 1963

Corps of Engineers	[1] 355, 199. 1
Fish and Wildlife Service	62, 104. 9
National Park Service	311, 882. 6
Veterans' Administration	800. 1
Public Health Service	1, 041. 6
Atomic Energy Commission	3, 667. 6
Agriculture	1, 058, 936. 2
Tennessee Valley Authority	441, 296. 4
Post Office Department	6. 0
Total rural land	[2] 2, 234, 928. 5
Total urban land	42, 585. 0
Total rural and urban land	2, 277, 513. 5
Total military land	354, 414. 5
Total Federal holdings	2, 631, 928. 0

[1] A current report from the Corps of Engineers shows that they own 471,392 acres of which 201,735 acres are below the permanent pool and 269,657 acres are above the permanent pool.

[2] The total Federal holdings north of the first road comprise 74,912 acres of which 11,850 are owned by the Corps of Engineers, 58,950 by the Fish and Wildlife Service, and 4,112 by the Tennessee Valley Authority.

Mr. STENNIS. Mr. President, will the Senator yield to me for a question?

Mr. HRUSKA. I yield 2 minutes to the Senator from Mississippi.

Mr. STENNIS. Mr. President, I am among those who deeply appreciate the excellent services of the chairman of the committee. I appreciate also the services of the valuable ranking Republican member, as well as other members of the committee.

I invite the attention of the chairman to a very small item in the bill about which I am deeply concerned. That is the comprehensive survey for the Pascagoula River Basin in Alabama and Mississippi. I have a document from the U.S. Engineers which the Senator has not had an opportunity to see because it was received so recently. The item involves the completion date of surveys for that short river basin, and a small added sum that the House included for the purpose of his slight increase. I know that the Senator will give consideration to the additional facts stated in the document when the bill goes to conference, because the point will be saved for the conference between the House and the Senate.

The **PRESIDING OFFICER.** The time of the Senator has expired.

Mr. ELLENDER. Mr. President, I ask unanimous consent that I may have 5 additional minutes.

The **PRESIDING OFFICER.** Is there objection? The Chair hears none, and it is so ordered.

Mr. ELLENDER. Mr. President, last year I discovered that some of the comprehensive surveys had gone up in cost as much as 600 percent. I wrote to the Budget Bureau, as well as to the Corps of Engineers in the hope that they could coordinate the efforts of all of the agencies engaged in these comprehensive surveys in an effort to reduce the cost. The Budget Bureau has given consideration to that request and the cost of these studies have been reduced from $400 million to $88 million. As I remember, the budget estimate for the survey in which the Senator from Mississippi is interested is $125,000.

Mr. STENNIS. That is correct; only that amount.

Mr. ELLENDER. That sum would be appropriated to continue the study on this comprehensive report.

When I made the request of the Department, I was objecting to some very large increases in the cost of the studies that in my opinion went far beyond what was necessary. It is my hope that in conference it can be shown that studies to be made are in keeping with what I am told should be done—that is, the studies should be of projects on which we can get results now, without having to wait 30 years before their construction is justified. Some of the studies envision action to be taken 30 years hence.

I could not see the necessity for spending a great deal of money on surveys when the recommendations would not be acted upon until some 30 years hence. Through my efforts and those of other members of the committee we were able to have more comprehensive studies made, so that they would only study in detail projects that would be built in the next 5 or 10 years. I shall be glad to take that into consideration when the subject is brought before the conference.

Mr. STENNIS. I thank the Senator for his assurances. I am confident that the facts will remove the small survey about which I have been speaking from that class of cases in which there has been a huge increase, and that the facts will justify the survey on the basis which the Senator has stated.

Mr. ELLENDER. I recommended to the committee that we go back to the budget estimate on the Wabash River survey, which, as I remember, was $425,000. It had been raised by the House to

$778,000. I recommended that amount to be cut back to the budget estimate because I felt that it was in keeping with the recommendations that were made by the Corps of Engineers, the Budget Bureau, and the Department of the Interior.

Mr. **STENNIS**. I assure the Senator that the small survey about which I am speaking would involve only a slight increase, and the ultimate cost would not be in excess of what I believe the Senator thinks is correct.

Mr. **HOLLAND**. Mr. President, I ask unanimous consent that I may have 1 minute.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **HOLLAND**. I do not need to express my very strong appreciation to the distinguished Senator from Louisiana. I have done so previously. I wish the Record to show that in my judgment he renders a magnificent and dedicated service in conducting the necessary long hearings, and in his fair recommendations. I agree with him 100 percent in his opposition to the building of the proposed 200,000-acre so-called park to be a part of the TVA. I see no possible justification for it. It would tie up several hundred miles of the most beautiful lake front available in that area. So far as I am concerned, I join him wholeheartedly in opposing it. I am sorry that the majority of the committee did not agree with us.

Mr. **HILL**. Mr. President, will the Senator yield some time to me?

Mr. **HRUSKA**. Mr. President, I yield 2 minutes to the Senator from Alabama.

The **PRESIDING OFFICER**. The Senator from Alabama is recognized for 2 minutes.

Mr. **HILL**. I wholeheartedly agree with all that has been said about the indefatigable work and the many fine contributions of my friend the distinguished Senator from Louisiana in presenting the bill, and the work which has characterized his leadership in all the years that he has served as chairman of the Subcommittee on Public Works Appropriations. I also agree with the well-deserved tributes that have been paid to the distinguished Senator from Nebraska [Mr. Hruska] for his hard work and many fine contributions that he has made in bringing the bill to the Senate.

As the distinguished Senator from Louisiana has said, a majority of the subcommittee and a majority of the full committee did not agree with him with reference to the appropriations for TVA. I am gratified to say that the distinguished Senator from Nebraska did agree with the majority of the subcommittee and with the majority of the full committee as to the appropriation for TVA.

The distinguished Senator from Florida has overestimated the amount of the acreage involved by some 30,000 acres. It is not 200,000 acres; it is 170,000 acres, of which the Federal Government now owns 74,902 acres. It lies in an isthmus created by the construction of the Kentucky Dam on the Tennessee River and the Barkley Dam on the Cumberland River. It is at that point in Kentucky where those two rivers come together and flow into the Ohio. Then, as we know, the Ohio goes down into the Mississippi. The construction of those two dams made those two great lakes, the Kentucky Lake and the Barkley Lake, and the land about which we speak is known as the "Land Between the Lakes." That is the area for which the appropriation has been provided.

The preceding Congress made an appropriation of $4 million to proceed with the acquisition of land.

I ask unanimous consent to place in the Record at this point a statement with reference to the TVA and the Land Between the Lakes.

There being no objection, the statement was ordered to be printed in the Record, as follows:

TVA AND THE LAND BETWEEN THE LAKES

Development of the Land Between the Lakes is precisely the type of demonstration contemplated by section 22 of the Tennessee Valley Authority Act. Section 22 must be interpreted in the light of the overall purpose of that act—the development in the public interest of all the natural resources in the Tennessee Valley and adjoining and related areas. In his message to the Congress of April 10, 1933, President Roosevelt recommended the creation of a corporation "charged with the broadest duty of planning for the proper use, conservation, and development of the natural resources of the Tennessee River drainage basin and its adjoining territory for the general social and economic welfare of the Nation" and "clothed with the necessary power to carry these plans into effect." Congress accepted this recommendation when it passed the Tennessee Valley Authority Act.

The Tennessee Valley Authority Act does more than delegate to the TVA Board responsibility for carrying out a variety of specific and unrelated programs. The Board's responsibilities under the act are broad and general. They relate to the development of the entire area. In *Welch* v. *U.S.* (327 U.S. 546, 553) the Supreme Court of the United States, in 1946, speaking for a unanimous Court, described these responsibilities as follows:

"That act does far more than authorize the TVA to build isolated dams. The broad responsibilities placed on the Authority relate to navigability, flood control, reforestation, marginal lands, and agricultural and industrial development of the whole Tennessee Valley.

"All of the Authority's action in these respects were to be directed toward 'development of the natural resources of the Tennessee River drainage basin and of such adjoining territory as may be related to or materially affected by the development consequent to this act * * * all for the general purpose of fostering an orderly and proper physical, economic, and social development of said areas.' "

The language of the Court is from section 22 of the act.

In 1933 some of the steps needed to develop the Tennessee Valley were clear. It was recognized that the river needed to be developed for navigation, that its floods should be controlled, and that steps needed to be taken to control the erosion of the region's soils. Congress specifically directed TVA to generate and transmit electricity, and set forth the policies under which the power was to be marketed. It specifically directed TVA to produce new types of fertilizer and to test and demonstrate their use in actual farming operations. These and other programs were clearly required to meet regional needs and the projects and programs were specifically enumerated in the act. But the Tennessee Valley Authority Act recognized that other problems would be uncovered, that opportunities not then foreseen would be disclosed, that full development of the region's resources would require a wide range of programs. So Congress authorized the President, within the limits of appropriations and without other limitations, to make such surveys and general plans as would be useful to Congress and the several States "in guiding and controlling the extent, sequence, and nature of development that may be equitably and economically advanced through the expenditure of public funds, or through the guidance or control of public authority, all for the general purpose of fostering an orderly and proper physical, economic, and social development of said areas," and adjoining territory make the studies, experiments, and demonstrations necessary and suitable to that end. In June of 1933, by Executive Order 6161, this authority was delegated by the President to the TVA Board.

Land Between the Lakes, a national recreation area, of which the Federal Government now owns 74,902 acres, is now proposed as such a demonstration. Recreation has come to be recognized as one of the important benefits derived from dam and reservoir systems. Under the Tennessee Valley Authority Act its Board had an obligation to recognize the emergence of this new regional asset, to survey the recreation potential of its reservoir system, and to make plans looking toward its maximum contribution to the welfare of the Nation. This it has done, displaying the "initiative" and the "vision" described in President Roosevelt's message to the Congress in 1933. Recreation demonstrations were conducted on the very first reservoirs constructed by TVA. Those early demonstrations have long since been turned over to the States for operation. They formed the basis for the excellent State park systems which Alabama and Tennessee now enjoy, and for the flourishing complex of private, and public but non-Federal, facilities for recreation along the shores of all TVA reservoirs.

Land Between the Lakes is simply a continuation of this policy. As part of its general survey under section 22 of the recreational opportunities provided by the TVA reservoir system, the TVA Board studied the area now called Land Between the Lakes, and on June 23, 1961, it recommended to the President that this unique area, lying between two great manmade lakes, Kentucky and Barkley, be developed with Federal funds for nationwide benefit. At this point the next step was up to the President. He could have rejected the recommendation or he could have instructed a different agency to seek funds for its achievement. Instead, on June 14, 1963, after first referring the report to the Department of the Interior and after receiving that Department's recommendation that the project be undertaken by TVA, he directed TVA to develop the area as a demonstration in resource development. The Congress expressed its approval by providing the initial appropriation of $4 million for fiscal year 1964, and TVA began the development. When it is completed we shall see how marginal lands of little value for other purposes, described as a deficit area, a pauperized area can become an economic asset to the region, and how an area not richly endowed with beautiful scenery or impressive monuments of history can be made to serve the need for outdoor recreation of millions of people. We will learn here from a kind of laboratory in multipurpose park development how a game refuge can be operated not separately and apart, but as an impressive feature of a whole recreation resource. In one area and under a single management a variety of opportunities for recreation will be combined. There will be hunting and fishing and water sports. There will be primitive camping areas and areas for families and for groups. The whole development will provide an outdoor classroom in conservation. For TVA contemplates that, in the program of erosion control and reforestation which has already begun, the energies of organized camping groups can be utilized, as educators use portions of the area for classes in natural science. There is no development like this anywhere in the United States. This multipurpose park will provide the information which Congress and the States will need. It will demonstrate the kind of recreation areas needed in the future to serve our urbanized and industrialized society.

It is not proposed that TVA should operate the area indefinitely. As soon as the development is completed, the experiments concluded and a reasonable period of demonstration undertaken it is expected that this project, like earlier demonstrations, will be turned over to another agency for permanent operation. Once more section 22 will have proved its worth. By its initiative and vision TVA again will have served the public welfare.

Mr. JORDAN of North Carolina. Mr. President, will the Senator yield me 1 minute?

Mr. HRUSKA. I yield 1 minute to the Senator from North Carolina.

Mr. JORDAN of North Carolina. I join with my colleagues in expressing great appreciation and thanks to the entire staff and all Senators concerned with the bill. I am on the Public Works Committee, and I know something about the vast amount of work that goes into the bill before it reaches the Senate. The chairman of the subcommittee has rendered distinguished service, as have all other members of the committee and the staff.

North Carolina has a number of important projects which are included in the bill, for which we are very grateful.

I thoroughly agree with the statement made by the Senator from Washington that these are not pork-barrel projects, but projects to save our country from a great deal of destruction, particularly as regards the coastlines. Such projects are provided for in the bill. The coastlines are being eroded. Without the help of our Federal Government, our coastlines would be continually destroyed, and would continue to move inland.

I am deeply appreciative, and I know I speak for all the people of North Carolina when I say I am grateful for the fine work done for North Carolina.

FLOODING OF SENECA RESERVATION, N.Y.

Mr. KEATING. Mr. President, will the Senator yield to me 2 minutes?

Mr. HRUSKA. I yield 2 minutes to the Senator from New York.

Mr. KEATING. Mr. President, this bill contains $27 million for the Allegany River project—the Kinzua Dam construction. For years, in my service both in the House and in the Senate, I have opposed the construction of this dam on a site which would result in the flooding of the Seneca Indian Reservation in Salamanca, N.Y.

Those of us who opposed the construction of the dam on this site lost our battle, the dam was built and is, in fact, due to be completed on October 1. What is really shocking, however, is that the hundreds of Seneca Indians who will be forced to leave their homes on that date have not yet received a single cent of compensation for the land taken by the Federal Government. They have not been able to make any plans for moving, they have been unable to borrow money with which to build new homes—and this injustice is in addition to the fact that their treaty with the U.S. Government, which dates back to 1794, was violated when the dam was built.

Mr. President, the Senecas are the innocent victims of congressional inaction. Although both Houses have passed the compensation bill, the figures differed widely. The conferees have not met in almost 6 weeks, and an agreement on the bill does not appear imminent. I could not, in good conscience, vote for additional appropriations for this project—appropriations far in excess of the Seneca compensation money, I might add—without adding a plea to the conferees on H.R. 1794 to get together and agree upon a compensation bill without delay.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. HRUSKA. I yield 1 minute to the senior Senator from New York.

Mr. JAVITS. Mr. President, my colleague and I have joined in sponsoring a bill (S. 1836) seeking justice for the Indians at the Kinzua Dam site. October approaches very rapidly, and, as my colleague has said so eloquently, the Indians have no place to go, and no financial provision has been made for them.

I bespeak the deep humanitarian interest of my colleague [Mr. KEATING], and others of my colleagues, I am sure. I believe that the difference between the Senate and the House is relatively modest. Both Houses can get together on it without either sacrificing principle. The need is great and most urgent. President Heron, of the Seneca Nation of Indians, has been down to see both Senators.

I urge my Senate colleagues to walk the extra half mile with our House colleagues so that the matter may be adjusted.

Mr. DOMINICK. Mr. President, will the Senator yield?

Mr. HRUSKA. I yield 1 minute to the Senator from Colorado.

Mr. DOMINICK. Mr. President, since I am one of the conferees in that matter, I thought I ought to report briefly and tell the Senate that there is money on file in the court cases to provide for relocation. So the problems which the conferees have as between themselves with regard to the relocation funds does not affect the Senecas' right to be relocated with the money that is on hand.

I hope that agreement will be reached very soon. I think we will get together. I know that the Senator from Idaho is working hard on the problem.

Mr. JAVITS. We have real faith that they will reach an agreement, but the problem is that the Indians are finding it difficult to find any place in the contiguous towns. What is inherent in the bill is the economic basis for the formulation of plans for relocation of the Seneca Nation.

The PRESIDING OFFICER. The Senator's time has expired. All time has expired.

Mr. COOPER. Mr. President, may I have 1 minute?

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senator from Kentucky have 1 minute.

The PRESIDING OFFICER. Without objection, the Senator from Kentucky is recognized for 1 minute.

Mr. COOPER. Mr. President, the distinguished chairman has made a statement about the proposed Between the Lakes area. Since part of it lies in the State of Kentucky, I feel that I should make a brief statement about it.

I shall ask that there be placed in the RECORD a copy of the letter dated March 25, 1963, directed to the then President of the United States, Mr. John F. Kennedy, from the Secretary of the Interior, Stewart L. Udall.

On two occasions, I mentioned before the Committee on Appropriations the facts given in this letter, but I did not have a copy of this letter when I spoke to the Committee on Appropriations. The letter details the negotiations that went on between the Department of the Interior and the TVA over a period of 2 years.

Finally, after 2 years' negotiations, as this letter shows, the Secretary of the Interior, Mr. Udall, asked the President of the United States to direct TVA to proceed with the development of this area, of course subject to the appropriations of the Congress.

So that the letter may be a part of the record, I ask unanimous consent that it be placed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., March 25, 1963.

THE PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: This refers to your letter of July 5, 1961, to the Chairman of the Board of the Tennessee Valley Authority, acknowledging receipt of a proposal for a national recreation area between the lakes formed by the Kentucky and Barkley Dams, and indicating that you would request this Department to review the proposal and report more fully thereon. We have examined the area and discussed the proposal fully with officials of the TVA.

The area unquestionably has outstanding outdoor recreation potentiality and is within 200 miles of nearly 10 million people. It lies between two great rivers—the Tennessee and the Cumberland. On the Tennessee, TVA's Kentucky Dam creates one of the largest manmade reservoirs in the United States. Just across the divide on the Cumberland River the Army Corps of Engineers is building the Barkley Dam which will create a second major lake in the fall of 1964. For a distance of some 40 miles above each dam the shorelines of the two lakes will be only 6 to 12 miles apart. They will enclose a narrow strip of wooded ridges rising 500 feet or so above the broad stretches of reservoir on either side. The area proposed to be set aside for public recreation contains roughly 170,000 acres, two-thirds of it in Kentucky and one-third in Tennessee. I am positive that the area, once developed, will prove to be one of the outstanding outdoor recreation areas of the Nation.

Nearly half of the area under consideration is in Federal ownership, of which approximately 60,000 acres are within the Kentucky

Woodlands National Wildlife Refuge. The refuge serves as wintering grounds for waterfowl, and habitat for wild turkey, deer, and other upland game species. Much of the waterfowl habitat will be inundated by Barkley Reservoir and a substitute area is being acquired upstream, outside the limits of the proposal.

The major question that required resolution in our consideration of the proposal was to determine how best to meld the objectives of the wildlife refuge into the broader objectives of an enlarged area with emphasis on outdoor recreation. As a result of a recent discussion with Mr. A. J. Wagner, Chairman of the TVA Board, we believe we now have a solution which will permit an early start on the proposal.

TVA would develop the area as a demonstration. It has authority to set up and conduct demonstration projects in resource development and to acquire lands needed for such projects.

I therefore propose that, if you will direct TVA to proceed with the project, we will enter into an agreement with TVA, whereby the land and facilities presently under the jurisdiction of this Department will be placed under the complete direction of TVA. I understand that TVA has discussed with the Corps of Engineers the transfer of other lands acquired by the corps within the project area for the Barkley Reservoir. No formal transfer of lands will be made until funds for initiating the project are assured.

TVA has indicated that the demonstration area will include provisions for development of additional wintering grounds for waterfowl and for management of upland game, including improvement of public hunting. TVA will cooperate with the Bureau of Sport Fisheries and Wildlife on these phases of the demonstration.

The Department and TVA believe that public recreation is the best possible use of the area's resources. As envisioned by TVA, the project will demonstrate how an area with limited timber, agricultural, and industrial resources can be converted into a recreation asset that will stimulate economic growth of the region. It will help establish and define guidelines for the acquisition, development, and operation of other outdoor recreation areas. TVA will administer the area for the period required to complete the demonstration. This is estimated to be about 10 years. At the end of the demonstration period, permanent administration of the area for outdoor recreation will be determined.

We have reviewed the general concepts of this proposal with the Governors of Tennessee and Kentucky and with the four Senators and two Congressmen directly concerned.

For your consideration I enclose a proposed press announcement and a proposed letter to Chairman Wagner.

Respectfully yours,

Stewart L. Udall,
Secretary of the Interior.

Mr. ELLENDER. Mr. President, I ask unanimous consent to have 30 seconds.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ELLENDER. I appreciate all that has been said about me and my good friend from Nebraska, but we must not overlook the staff, particularly Ken Bousquet, who sits to my left. Without him and others on the staff, the committee would not be able to do the work it must do. I wish to pay tribute to this youngster. He has been a great help. I am sure my friend from Nebraska will certify to that.

Mr. HRUSKA. Mr. President, if I may have one-half a minute, I want to acknowledge what the chairman of the subcommittee has said and multiply the tribute, particularly to Mr. Bousquet on the majority side and Ed King on the minority side.

Mr. GRUENING. Mr. President, the fiscal year 1965 public works appropriation bill now before us provides nearly $2 million for Alaska public works and reclamation projects. I support the bill, because the funds it appropriates will be of great value to Alaska, and will repay many times the initial investment by the Federal Government.

House bill 11579 contains the items requested in the President's budget for Alaska. The House of Representatives added $15,000 to start a general investigation of the Kodiak Harbor. The Senate has retained that item.

The Senate Appropriations Committee has restored to the bill the sum of $75,000 to be used for the Nenana River flood-control investigation. The total cost of this project will be $370,000. The House had removed the requested amount to start the project, because of an agreement between the Secretary of the Army and the Secretary of the Interior; but the Senate Committee in its report expresses the opinion that nothing in the agreement between the Secretary of the Army and the Secretary of the Interior precludes the Corps of Engineers from undertaking specific studies that it was directed to make by a competent committee of the Congress. The committee report further states its belief that the agreement merely assigns to the Department of the Interior the responsibility of assuming leadership for comprehensive studies.

I believe this observation on the part of the Committee is appropriate. The Nenana River flood-control investigation must not be delayed needlessly.

The public works appropriations bill we are debating includes funds for general navigation investigations at Dry Strait, Gastineau Channel, Hydaburg Harbor, King Cove Harbor, Knik and Turnagain Arm causeways, Kodiak Harbor, and Sergius Narrows.

The bill provides an appropriation of $750,000 for continuation of preconstruction planning of the Crater-Long Lakes division of the Snettisham project, authorized by Public Law 874 of the 87th Congress. The Snettisham hydroelectric project, situated 38 miles south of Juneau, will, when completed, provide needed power to help develop Alaska's growing southeast. The Corps of Engineers reports that average annual benefits will exceed annual costs in the ratio of 2.94 to 1, for a 100-year period of analysis; and in the ratio of 2.18, for a 50-year analysis. The total estimated cost of this project is $44,300,000.

I shall not comment specifically on every Alaskan item in the budget. The bill does not provide funds for Bureau of Reclamation general investigations of the proposed Wood Canyon Dam, on the Copper River, in Alaska. This undesirable project is opposed by the people of the area; and all who are familiar with the beauties of the Copper River are well aware of the fact that the dam is unnecessary.

The bill also appropriates approximately $452,000 to be used by the Bureau of Reclamation to investigate Alaskan projects. I hope the Senate will act favorably on these items, as well as on those in the bill which would be used for a flood-control project on Ketchikan Creek, and for operation and maintenance purposes at Dillingham Harbor, Name Harbor, and Stikine River.

Next year, when the Senate considers this appropriation bill, I am hopeful that it will include a budgeted item for the preconstruction planning phase of the Rampart Dam project, in central Alaska. No request was made for such funds this year, because the review of the project is now being completed by the Corps of Engineers.

Mr. SALINGER. Mr. President, I have been a consistent supporter of the 160-acre limitation; and I would not want my vote against the amendment by Senator Nelson to be construed as a reversal of my opposition to unjust enrichment of large landowners, through Federal water projects.

I am supporting the position of the senior Senator from California [Mr. Kuchel], because I am not persuaded that the contract with the Westlands Water District is in violation of the 160-acre limitation. But even if it were, full recourse to the courts is still available to the contesting parties.

Furthermore, I do not approve of this method of amending the appropriations bill, to achieve a result remote from the purposes of the bill itself. The San Luis project has the prior authorization of Congress. It has the support of my the legislature and administration of my State; and it is, without question, a project of vast and urgent importance, not only to the Central Valley of California, but also to the huge agricultural and urban areas to the south.

Mr. MANSFIELD. Mr. President, the public works appropriations bill now before the Senate contains a recommendation, as approved by the Senate Committee on Appropriations, in the amount of $26,000 to reimburse the city of Malta, Mont.

Recently it was brought to the attention of my colleague, Senator Metcalf and myself that the city of Malta had undertaken a street improvement project which benefited a number of landholders, including the Bureau of Land Management and the Bureau of Reclamation. The city was, according to our information, encouraged by both agencies to include their property in the improvement area. The city now seeks to recover the costs of these improvements. Both Senator Metcalf and I feel that this request is entirely justified and that the Federal Government should contribute its share of these improvement costs.

After investigating this situation we find that there is no authorization or suitable provision for such reimbursement. We realize that this situation has developed on a number of other occasions in many other States. This is a situation which should now be considered and I hope that the Senate will agree that the reimbursement to the city of Malta might be favorably considered as a test case and set down a precedent for future action and general legislation.

I recognize that the Federal Government is not liable for property taxes in the individual States. Many of our Federal agencies contribute a great deal to local communities through employment and general economic development. This, I am certain, each of the individual communities appreciate.

I do believe, however, that when these Federal agencies benefit from local improvement projects they should contribute their share as an active participant in the local community.

Mr. President, I do hope and I urge that the Senate will agree to the appropriation of this $26,000 as a fair contribution to the improvement of one of Montana's growing communities.

The **PRESIDING OFFICER**. The bill having been read the third time, the question is, Shall it pass?

The bill was passed.

Mr. **ELLENDER**. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. **HRUSKA**. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. **ELLENDER**. Mr. President, I move that the Senate insist on its amendments and request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. ELLENDER, Mr. HAYDEN, Mr. RUSSELL, Mr. MCCLELLAN, Mr. HILL, Mr. MAGNUSON, Mr. HOLLAND, Mr. BIBLE, Mr. MCNAMARA, Mr. PASTORE, Mr. HRUSKA, Mr. YOUNG of North Dakota, Mr. MUNDT, and Mrs. SMITH conferees on the part of the Senate.

CRIMINAL JUSTICE ACT OF 1964—CONFERENCE REPORT

Mr. **HRUSKA**. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1057) to promote the cause of criminal justice by providing for the representation of defendants who are financially unable to obtain an adequate defense in criminal cases in the courts of the United States. I ask unanimous consent for the present consideration of the report.

The **PRESIDING OFFICER**. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of today.)

The **PRESIDING OFFICER**. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. **HRUSKA**. Mr. President, exactly a year and a day ago the Senate passed S. 1057, the Criminal Justice Act. It was the fourth consecutive Congress in which the Senate had considered and approved a measure which afforded more adequate representation of indigent defendants in our Federal courts than circumstances now allow.

The legislation has had an even longer history. Similar proposals have been introduced and studied for more than a quarter of a century. Each Attorney General since Homer Cummings has urged such action. The Judicial Conference of the United States has similarly labored for the enactment of a bill out of a fundamental concern that the mandate of the sixth amendment be faithfully observed. The bar, the law schools, the professional societies, and other organizations have likewise advocated the adoption of the legislation.

Looking back over this extensive history of the bill and observing the unanimity of support for its adoption, it is with deep gratification that the moment has arrived when the proposal shall become public law. It is even more deeply gratifying that due to the dedicated effort of so many responsible individuals and organizations, working in close cooperation these past several months, the measure before us provides such an excellent realization of a common, indeed universal, objective.

The sixth amendment assures the right to assistance of counsel in criminal cases. Whatever its antecedents, the language now protects anyone standing before the bar of criminal justice from proceeding without the appointment of counsel, when requested and not able to be retained because of insufficient means. It will not surprise this body that an enormous number of individuals accused of crime find themselves in this position. Nearly 10,000 persons, more than 30 percent of the total number of defendants in Federal criminal cases, annually require court-appointed attorneys because they are financially unable to retain their own.

The bar has responded to this obligation conscientiously even while it has been increasingly felt that this procedure does not accomplish the full intent of the constitutional provision. The court-appointed lawyer must serve without compensation. There are simply no means to reimburse him for his expenses necessarily incurred in the preparation of a defense. Customarily, he is not appointed until long after the arrest. Inevitably, those appointed are often without trial experience or sometimes without some familiarity with criminal procedures. This combination of circumstances has led from an uneasy opinion to a growing conviction that legislation is necessary to insure an adequate defense of indigents accused of Federal crimes and, thereby, to discharge the basic obligation that justice shall not be rationed.

By the adoption of the conference report on S. 1057, a major step will be taken in that direction. This bill provides for the appointment of counsel, either from the bar directly or as furnished by bar associations or legal aid agencies, as each district court shall decide, at the earliest stage of the proceeding who shall continue to serve through each successive stage of appeal. The requirement that the U.S. Commissioner advises the accused of his right to counsel and, furthermore, furnish one for him should he appearing without an attorney because of insufficient funds will overcome some of the serious difficulties now encountered by the appointment much later in the proceeding.

The provision for compensation of counsel, while modest, will nevertheless avoid the necessity of further imposing on the bar to assume the obligation of society. The limits specified per hour and per case are set with the normal demands of representation in mind. The bill wisely recognizes that there will be situations where these amounts fall far short of reasonable compensation. Language was therefore included to allow payment in excess of the limits stated if such payment is appropriate to provide fair compensation for such extended representation.

Possibly the most remarkable and forward-looking provision which S. 1057 contains is that entitled "Services Other Than Counsel." An adequate representation commonly entails more than the mere presence of a lawyer in court. To prepare his defense, he may need investigative, expert, or other services. These are accorded by the terms of the bill, whether the accused has appointed or retained counsel. The terms of the bill provide limits for the compensation paid to a person for each such service, or to be paid an organization for each such service rendered by an employee, which again are considered reasonable under the circumstances.

These features, and others which I will not review here, were the product of careful deliberation by the conferees before adoption. I can say confidently that they represent the wisest resolution of the alternatives presented by the House and Senate versions of the bill.

There is one basic provision which the Senate bill contained but which is not found in the conference report. I refer to the option of a public defender office. In the judgment of the majority of conferees it was deemed advisable not to attempt this program at this time. Instead, the Department of Justice was requested to continue its study of such a program and, in cooperation with the Judicial Conference of the United States, to determine whether in the light of the provisions now being made for representation of the accused, a need for such a system exists. When their study is available, based upon the experience gained by the operation of the present law, the Congress will have an opportunity to reevaluate its action and consider the advisability of an amendment.

The case for this legislation is easy to state: we are a nation dedicated to the precept of equal justice for all. Experience has abundantly demonstrated that, if this rule of law will hold out more than an illusion of justice for the indigent, we must have the means to insure adequate representation that the bill before us provides. I am grateful to those who have labored so long and so well to draft a statute which recognizes the complexities and demands of modern criminal trials. By their devotion to the highest traditions of the law and their determination to relate them to the urgent needs in the administration of criminal justice, the principle of a fair trial, so fundamental to our society, is more nearly secured.

Mr. KEATING. Mr. President, will will the Senator yield?

Mr. HRUSKA. I yield.

Mr. KEATING. I wish to express my regret that the provision with reference to the program for public defenders was not retained. It was an important part of the bill on the Senate side.

Because of an absolutely adamant attitude on the part of the House conferees, it was necessary, if we wanted to have a bill at all, to yield on the point. I still adhere to the view that the Senate bill, on which the Senator from Nebraska [Mr. HRUSKA] was so influential, is a preferable bill. I would like to have seen it accepted in conference. However, I recognize that sometimes if we wish to have any bill, we must make some undesirable concessions.

It could be argued that it would be better to have no bill. However, my feeling is that in the future it may be shown to be necessary to amend the law in order to make provision for full-time public defenders in some districts. At least it is a great step forward to have a law on the books, even though it is inadequate and not entirely what we would like to have. The matter has been pressed by several Attorneys General in the past. This will at least be a step in the right direction. Many forward-looking people believe that defense counsel should be provided for an accused who is not able to pay for his own defense.

I congratuate the distinguished Senator from Nebraska and the distinguished Senator from North Carolina [Mr. ERVIN] on their great achievement in bringing the bill to this point.

Mr. ERVIN. Mr. President, will the Senator yield?

Mr. HRUSKA. I yield.

Mr. ERVIN. Mr. President, I am delighted that this legislation is about to be enacted into law. In company with the able and distinguished Senator from Nebraska and the able and distinguished junior Senator from New York, I have been very much interested in the legislation. The stage at which we find the legislation at the present time is due in large measure to the distinguished junior Senator from New York [Mr. KEATING] and the distinguished Senator from Nebraska. The able and distinguished Senator from Nebraska is more responsible than any other man for the completion of the work on the bill. The legislation represents not only a fine forward step in the administration of criminal justice, but it represents also a willingness on the part of Congress to implement the ruling of the U.S. Supreme Court with reference to the furnishing of counsel to those who cannot engage counsel of their choosing.

The Senator from Nebraska has the thanks of all who believe in the administration of criminal justice in a fair way for what he has done in this connection.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. HRUSKA. I yield.

Mr. JAVITS. Mr. President, for a long time I, too, have been interested in providing adequate legal counsel to indigent defendants charged with Federal crimes. I have worked with bar associations and have introduced bills to bring about what was contemplated by the Senate-passed bill.

I appreciate very much the desire of my colleagues to make the bill as good as it could humanly be made. The Senator from Nebraska is quite right in his concern about the omission from the bill of the so-called public defender provision, which would have authorized a full-time public defender where needed.

I feel that the Senator from Nebraska, my colleague, the Senator from New York, and the Senator from North Carolina are entitled to the thanks of the whole country, especially the thanks of the families of accused persons, who, wandering around in a labyrinth of law, feel that the law is blind or unjust. This law is a milestone and a landmark in the solicitude and care of lawyers for the accused under our system of justice, and a blessing to the families of the accused who must confront the whole majesty of the law and in doing so are absolutely lost and confused and bewildered. Our colleagues have rendered a signal service, and I congratulate them from the bottom of my heart. I know that thousands of families will bless them.

This bill is a beginning. We hope that all the bar associations and legal aid societies who provide these services will measure up to what is expected of them, because what will happen in connection with this law, and how well the law will be administered will in a large measure be up to the organized bar, at whose door it is laid. We hope they will take this mandate from Congress and treat it as a sacred trust and see to it that every dollar that is spent will produce the devotion that is contemplated. Thousands of families will be grateful to them.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

AMENDMENT OF FOREIGN ASSISTANCE ACT OF 1961

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of Calendar No. 1123, H.R. 11380.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate resumed the consideration of the bill (H.R. 11380) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

Mr. CARLSON. Mr. President, I call up my amendment No. 1124 and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 13, beginning with line 24, strike out all through line 2 on page 15.

On page 15, line 3, strike out "(4)" and "(k)" and insert in lieu thereof "(2)" and "(j)", respectively.

On page 15, line 4, strike out "(k)" and insert in lieu thereof "(j)".

Mr. MANSFIELD. Mr. President, will the Senator from Kansas yield, without losing his right to the floor?

Mr. CARLSON. I yield.

Mr. MANSFIELD. Mr. President, I had hoped it would be possible to reach a vote on this amendment shortly. The Senator from Kansas has said he would ask for the yeas and nays on the amendment. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CARLSON. Mr. President, on my amendment I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. CARLSON. Mr. President, the amendment I am offering, which is cosponsored by the chairman of the Committee on Post Office and Civil Service, the distinguished Senator from South Carolina [Mr. JOHNSTON], and the distinguished Senator from Maryland [Mr. BEALL], would strike from the bill subsection 302(a) (2) and (3).

I ask unanimous consent that the language we proposed to strike be printed at this point in the RECORD. It appears on page 13, lines 24 and 25, all of page 14, and through line 2, page 15.

There being no objection, the language was ordered to be printed in the RECORD, as follows:

(2) Subsection (e) is amended to read as follows:

"(e) The President is authorized to prescribe by regulation standards or other criteria for maintaining adequate performance levels for personnel employed or assigned to perform duties pursuant to this Act and may, notwithstanding any other provision of this or any other law, but subject to an appropriate administrative appeal, separate personnel who fail to meet such standards or other criteria, other than personnel employed under section 624(d), 625(b), 625(k), 626(a) or 631 of this Act, and also may grant personnel separated hereunder severance benefits of one month's salary for each year's service, but not to exceed one year's salary at the then current salary rate of such personnel."

(3) Add the following new subsection (j):

"(j) The President is authorized, at any time during the two-year period commencing on the effective date of the Foreign Assistance Act of 1964, to separate, notwithstanding any other provision of this or any other law, any person employed or assigned to perform duties pursuant to this Act. The authority contained in this subsection shall not apply to persons with General Schedule appointments of grade 12 or below, Foreign Service Reserve appointments of class 5 or below, or Foreign Service Staff appointments of class 3 or below, or to persons employed under section 624(d) of this Act. The aggregate number of persons separated under this subsection shall not exceed one hundred in any twelve-month period."

Mr. CARLSON. Mr. President, these sections would extend to the head of the Agency for International Development—AID—authority, not limited by the present law, to fire certain employees and also to eliminate others, apparently in any grade level, through a process popularly referred to as "selection out."

Mr. President, here is another attempt by a Federal agency to bypass the Veterans Preference Act and the civil service merit system, which were successfully merged in 1883. This to me is purely a political move and must be resisted by every friend of the civil service system.

I realize there are administrative and personnel problems in the AID program. It occurs to me that management may be partly responsible for this. The record is not good.

Since 1956 AID and its predecessor agencies have had, according to my information, five administrators, six directors of personnel—five of these since 1961—and eight directors of management. Would it not be reasonable to suggest that the problem is fluctuating policies rather than incompetence of employees.

It is indeed paradoxical that AID now seeks to dismiss 200 employees during the next 2 years, as well as to dispose of an unknown number of others through a selection-out process over an indefinite period of time.

This request for summary firing authority and selection-out authority must be viewed in the total context of the Agency's personnel situation. It has been stressed that these new authorities are necessary to enable the Administrator to improve the quality of his staff, and at the same time reduce its total size by a net 1,200 employees by the end of fiscal year 1965.

These two authorities will not improve the quality of the AID staff, but will in fact do just the opposite, and if approved will eventually downgrade the entire Federal personnel system. The AID Administrator has testified to the Congress that these two authorities are not expected to reduce the total size of the AID staff by more than an estimated 300 employees by June of 1965. How then will the necessary reduction of 1,200 be accomplished and how can the quality of the AID staff be improved?

Once the authority is granted to AID to select-out its civil service employees, how long do you think it will be before State, USTA, and then other agency managements demand the same easy out from their supervisory responsibilities?

I invite attention to the fact that these are civil service employees. For years, there has been in the Foreign Service a process of selection-out of Foreign Service personnel; but they are not civil service personnel. It seems to me that the question then is, Is the career civil servant thus to be denied his rights to written charges, to appeal to the CSC, to job retention based on seniority and veterans' preference, and a "satisfactory" performance standard by the Congress which developed these career features over the years by passage of the Lloyd-La Follette, Veterans' Preference, and Civil Service Acts? Is this injustice to be done so an inept bureaucracy, victim of its own internal politics as well as outside pressures for continuing change, can remain faceless when stigmatizing a man and separating him from his livelihood?

These two authorizations deny to the employees of AID the due process of the laws passed in behalf of all Federal workers; namely, Lloyd-La Follette, Veterans' Preference, Civil Service, and Foreign Service Acts—involving the right to written charges, appeals to the CSC, seniority and veterans' retention rights, and career job protection.

These unwarranted innovations to the civil service and Foreign Service merit systems constitute a precedent dangerous to the integrity of the career governmental service and opens the door to discrimination by voiding the laws protecting the competitive service employee from arbitrary and capricious dismissal.

Our American tradition of checks and balances is superior in the long run to a system where all power is vested in one man. Our personnel system is basically one of laws. Willfully abusing these laws is an inexcusable breach of faith with the career employees employed by AID with the understanding that their status was protected.

The executive branch has expediently confused this issue by burying these two personnel authorities in a $3½ billion foreign aid authorization bill and Congress has avoided an informal review by the committees who usually have jurisdiction over such basic innovations to our Federal personnel system.

This proposal should have been considered and studied, and hearings should have been held by the Civil Service Committee of which the distinguished chairman is the Senator from South Carolina [Mr. JOHNSTON].

Mr. President, I hold in my hand a statement by the Senator from South Carolina [Mr. JOHNSTON] who is absent today on official business and a cosponsor of this amendment.

I ask unanimous consent to have the statement printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. CARLSON. Mr. President, whatever reduction in staff is necessary can be effectively handled by attrition, voluntary retirements and existing reduction-in-force procedures. Whatever upgrading of staff is required can be achieved by selective recruitment, and probationary dismissals.

In my opinion, these amendments should be deleted.

I hold in my hand a letter from the American Legion stating their great concern about the proposal in the bill. They state that they cannot stand by and let this amendment be approved without expressing their complete opposition to it in total disregard of the civil service and veterans' preference procedures.

I ask unanimous consent to have this letter printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE AMERICAN LEGION,
WASHINGTON OFFICE OF THE
NATIONAL COMMANDER,
Washington, D.C., July 16, 1964.

Hon. FRANK CARLSON,
U.S. Senate, Senate Office Building,
Washington, D.C.

DEAR SENATOR CARLSON: Consonant with long-established policy of the American Legion concerning veterans' preference, I must express complete disapproval of the action taken by the Senate Foreign Relations Committee in restoring certain personnel administrative provisions to H.R. 11380, the Foreign Assistance Act of 1964. Specifically, I refer to subsections 302(a) (2) and (3) which had previously been rejected by the House Foreign Affairs Committee by a 16-to-6 vote. These provisions would authorize the Administrator to separate Agency for International Development (AID) employees without regard to civil service and veterans' preference laws and regulations.

Representatives of the American Legion appeared before both the House and Senate committees concerned and vigorously protested inclusion of the above provisions.

As you know, AID and its predecessor agencies have previously had and exercised similar special authority to that now requested. It is interesting to note that in the past year all but 1 of 1,400 classified AID employees were awarded in-grade pay increases for satisfactory service which is no longer automatic and must be earned. This demonstrates rather clearly that civil service and veterans' preference in no sense impede the work of this agency.

The American Legion cannot stand by and permit the proposed disregard of civil service and veterans' preference procedures. Present law provides for the separation of incompetent or otherwise undesirable employees.

I sincerely urge that you support proposals to strike subsections 302(a) (2) and (3) from H.R. 11380 that will be offered when the legislation is considered by the Senate.

With personal regards and good wishes, I am

Sincerely yours,
DANIEL F. FOLEY,
National Commander.

Mr. CARLSON. I also have a letter from the Veterans of Foreign Wars, who are also greatly concerned about the action being taken, and they ask that this section be stricken and deleted.

I ask unanimous consent to have this letter printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL HEADQUARTERS,
VETERANS OF FOREIGN WARS
OF THE UNITED STATES,
Kansas City, Mo., July 20, 1964.

Hon. FRANK CARLSON,
Member, Foreign Relations Committee,
U.S. Senate, Washington, D.C.

DEAR SENATOR CARLSON: It has been a considerable shock to the Veterans of Foreign Wars to learn that the Foreign Relations Committee, in reporting the Foreign Assistance Act of 1964, has reinserted a provision in the bill which in effect would eliminate veterans' preference for many veterans employed in AID.

This provision was thoroughly considered in open hearings by the House Committee on Foreign Affairs and after hearing all sides of the question the committee voted to strike this provision from the bill. One of the objections raised by members of the Foreign Affairs Committee was that such a sweeping provision should be referred to the Committee on Post Office and Civil Service, which committee deals with civil service legislation on a day-to-day basis.

May I suggest, therefore, that before the drastic and final action of repealing a veterans' right, a thorough hearing with an opportunity for veterans' organizations and other interested parties to present our side of the question would have been a minimum consideration. It seems unfortunate that this issue which is almost totally unrelated to the controversial program of foreign assistance should be made a part of this legislation.

This is to request, therefore, that section (j) of section 302, chapter 2, of this bill, H.R. 11380, as found on page 14 starting at line 14 be struck or deleted. It is further requested that the allegations made in the report of this bill on page 26 that "AID labors under unique difficulties and needs this type of authority," be thoroughly reviewed before the Civil Service and Post Office Committee with an opportunity for the Veterans of Foreign Wars and other interested organizations to present the views of veterans who will be adversely affected thereby.

Hoping that favorable consideration will be given to these views and recommendations and with best wishes, I am,

Sincerely,

Francis W. Stover,
Director, National Legislative Service.

Mr. CARLSON. Mr. President, I also have a telegram I received from George Meany, president of the AFL–CIO, and I wish to read it into the Record:

Since the Senate will soon consider H.R. 11380, the Foreign Assistance Act of 1964, I should like to call your attention to sections 302(a)(2) and 302(a)(3). These sections provide "selection-out" procedures for separation of personnel of AID who fail to maintain "adequate performance levels" and further authorize the President to separate up to 100 employees above grade 12 without regard to the civil service laws. These provisions would seriously undermine employee rights and tenure acquired over many years and existing standards and procedures under the civil service laws insofar as AID employees are concerned. They would also set a dangerous precedent which could spread rapidly to other departments and agencies. In my view existing civil service procedures are fully adequate to deal with any serious deficiencies in employee performance which may exist. I strongly urge that sections 302 (a)(2) and 302(a)(3) be stricken from H.R. 11380 before this bill is passed by the Senate.

George Meany,
President, AFL–CIO.

Mr. President, I sincerely hope that this provision will be deleted.

Exhibit 1

Statement by Senator Johnston

As chairman of the Post Office and Civil Service Committee, I urge the approval of this amendment of which I am a sponsor to delete from the Foreign Assistance Act the two provisions exempting the Agency for International Development from certain provisions of law in its firing procedures.

In my opinion, these two provisions strike at the very heart of the merit system and seriously threaten some of the basic concepts of the career Federal service.

The first provision would extend to the AID Administration authority to "select out" employees of the Agency who have not, in the opinion of the Agency, maintained a high level of performance. The Agency proposes to institute a performance-evaluation system by which employees to be selected out would be earmarked for removal. Surely such a procedure would be ruinous to employee morale and obviously unfair, since the counterparts of these employees in other departments and agencies would be subjected to no such extraordinary scrutiny. All Federal employees under current law are given performance ratings, followed by an orderly process by which improvement is sought in the case of the low percentage of marginal employees. Furthermore, all Federal employees must perform at an acceptable level of competence if they are to be awarded their periodic within-grade salary step increases. This means that current law already provides for close monitoring of the efficiency of Federal employees on every level. AID employees who do not meet the requirements of the performance-rating system can be fired, as can any other Federal employee, for unsatisfactory work. As for the acceptable-level-of-competence requirement, I am advised that only one AID employee within the last year out of its 1,400 classified Federal employees in Washington was denied a within-grade increase.

It is my strong view that any process of selecting out career civil service employees breaks faith with the employees involved and does violence to agreed-upon civil service procedures. In the Foreign Service and the military services, officers begin their careers with the clear understanding that they must move up the ladder of promotion or be selected out of the service. They are trained to deal with increasing degrees of responsibility so that they can meet the standards expected of them. No such system, however, exists in the career service. Promotion to positions of increasing responsibility naturally occurs in the case of many employees, but no agreement is made with the employee that unless he progresses up the ladder of promotion, he will be fired. It is manifestly unjust to change the rules of the game by imposing the military and Foreign Service selection-out procedures upon employees who entered the Federal service with the understanding that their positions would be reasonably secure.

Furthermore, the selection-out authority sought overrides the Lloyd-La Follette Act, the Civil Service Act, and the Veterans Preference Act, all bulwarks of the merit system. Thus, under the requested authority, the employee would have no recourse of appeal outside of the agency. Established would be a situation which many of us concerned with Federal civil service legislation have long vigorously opposed—the situation in which the employing agency is both judge and jury, obviously an inequitable arrangement.

The second proposal would permit the Administrator of AID to fire summarily, not withstanding any other provision of law, a maximum of 200 employees, 100 a year, for a period of 2 years.

It would apply to employees in grade 13 and above, FSR–4 and above, and FSS–2 and above. The Agency states that this authority would permit the reduction of staff in a manner which will enable retention of the best qualified. They are requesting a blank check from the Congress so that they can set up an arrangement which they say is "more suitable to its purposes than the standard reduction-in-force procedure because the reduction-in-force procedure does not permit retention of the best qualified persons."

It is my view that the Agency in this assertion ignores the fact that reduction-in-force procedures have been worked out over a long period of time to take into account the employee's years of service and his veterans' preference rights. I do not maintain that the reduction-in-force process is perfect, but I do know that it represents a time-tested procedure designed to serve the needs of the Federal service and to protect the rights of the career employee at the same time.

The Agency for International Development and its predecessor agencies have twice in the recent past requested and received extraordinary firing authority, with the result that that Agency's reputation as a fair and equitable employer is certainly not among the best. Employee morale is low; out of fear, employees tend to seek the safe pathway of timid conformity; and promising young recruits seek employment elsewhere. Perhaps the ineffectiveness of AID's massive giveaway program can be traced to its personnel policies and practices.

If this Agency is to take its place among the other departments and agencies of the Federal Government, let it follow the personnel procedures to which its sister agencies adhere. I see no reason whatever for making exceptions every few years in the case of this Agency, which seems to have developed the habit of dumping its personnel problems in the lap of the Congress when the going gets rough.

I strongly urge the deletion of these two provisions and I recommend to AID that it try harder to live by the rules.

Mr. FULBRIGHT. Mr. President (Mr. Salinger in the chair), I sympathize with some of the things the Senator from Kansas has said but I do not believe they are applicable to this particular Agency. It is no secret that this Agency has been subjected to more criticism than almost any other agency in government that I have ever been acquainted with.

I believe everyone feels that the Administrator is trying to do a good job. He asks for some authority to improve the quality of his administration. Much criticism has been leveled at the quality of the administration. It is directed to that, so that this is not some devious political scheme to operate capriciously.

I was particularly impressed with the letter from the Civil Service Commission itself. The Civil Service Commission certainly is not intended to destroy the civil service.

In reply to my routine inquiry as to the attitude of the Civil Service Commission, I received a letter dated July 27, 1964, written by Chairman Macy of the Civil Service Commission. I shall not read it all, but I ask unanimous consent that a copy of this letter be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

U.S. Civil Service Commission,
Washington, D.C., July 27, 1964.

Hon. J. W. Fulbright,
Chairman, Committee on Foreign Relations,
U.S. Senate,
Washington, D.C.

Dear Mr. Chairman: This is in reply to your request of July 25, 1964, for the views of the Civil Service Commission on H.R. 11380, a bill to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

The Commission endorses section 302(a) (2) of the bill. It does not object to section 302(a)(3) of the bill. It also endorses section 302(b)(1). The Commission has no views to offer with respect to the other provisions of this bill.

Section 302(a)(2) establishes permanent authority to separate personnel whose performance does not meet adequate standards. The authority sought is that commonly referred to as "selection-out" authority. Its exercise will require some performance evaluation method and a systematic plan to identify marginal employees. The proposed authority would have two purposes:

1. Weeding out on a continuing basis those who "just get by."

2. Eliminating the least competent as the agency carries out a necessary shrinkage in its staff.

The Civil Service Commission feels that the Agency for International Development is completely unique among Government agencies. The long history of changes in name and organization of the agencies to which it is the successor is well known. Through the whole period there has been an atmosphere of emergency, temporary programs, hasty staffing plans for the purposes of the moment and sudden and drastic separation programs. There has been a reluctance on the part of all concerned to regard foreign assistance undertakings as a permanent part of our Federal responsibility. Consequently, it has been difficult at times to recruit and retain an adequate number of ideally qualified people. The problem, we believe, has been particularly acute with respect to the higher grade positions.

The oversea aid programs are peculiarly complex, each one tends to be highly specialized so that readily interchangeable staff members would not be expected as a regular thing. The programs are also changeable and uncertain. It is difficult to find people equipped to handle them at any stage and even more difficult to find people who can adapt to continually changing program requirements. The Commission is persuaded that the difficulties of these oversea program operations carry over to central office administration. Thus, it seems appropriate to put the Agency's oversea and domestic employees on a comparable tenure basis. This is not a matter of geography, organization, domestic or foreign assignment. It is peculiar to the program and mission of the Agency.

Thus, it is possible to distinguish between selection-out as applied to the departmental office of such an Agency and the balance of the competitive service. Selection-out here would not necessarily be a precedent, therefore, for wholesale application to domestic employees.

It is our understanding that it is the present plan of the Agency for International Development to limit selection-out of departmental employees to those in the higher grades. It is in these positions that the policies are formulated and the major programs administered. It is among these people that the problems of skills and specialization becoming outmoded because of changing programs are especially concentrated. The inescapable hardship would be alleviated to some degree by up to a full year's severance pay. We think this is a helpful and important provision.

Finally, with respect to selection out, we are persuaded that continuing authority of this type would eliminate the need for future special separation programs such as would be authorized by section 302(a)(3).

Section 302(a)(3) authorizes a special program to separate a maximum of 100 people in each of the next 2 years. It permits avoidance of civil service reduction-in-force procedures. The authority would be exercised without regard to the Veterans' Preference Act or the Lloyd-La Follette Act. No appeal would be provided by the law but it is our understanding that the Agency for International Development plans to set up a system of administrative checks and an administrative appeal. We are sure the committee will be given details about this by Agency representatives.

There are several other reasons why the Commission does not object to one more exercise by a foreign assistance organization of the broad removal authority contained in this provision. The authority is strictly limited to the higher level policymaking and policy-controlling positions mentioned in connection with the need for selection out.

It is not a scheme for wholesale arbitrary removals. Procedures are being established at the same time which should avoid a recurrence of need for this authority. The spacing provided for the exercise of this authority and the 2-year limitation on it strike a good balance between the need for some prompt action and for deliberate prudent use of the power. Some of the difficulties attendant upon the use of somewhat comparable authority when the Agency for International Development was founded might be attributed to the fact that all actions had to be completed within 60 days of the grant of the authority.

All of the circumstances of the bill give us confidence that the Agency for International Development will exercise the authorities it seeks in careful accordance with its intention to treat its people fairly.

Finally, the Commission endorses section 302(b)(1) which would authorize a maximum payment of $100 a day for experts and consultants rather than the present $75. This is consistent with the authority now held by a large number of other agencies.

The Bureau of the Budget advises that from the standpoint of the administration's program there is no objection to the submission of this report.

By direction of the Commission:

Sincerely yours,

JOHN W. MACY, Jr.,
Chairman.

Mr. FULBRIGHT. Mr. President, I should like to quote some significant passages.

He writes:

> The Civil Service Commission feels that the Agency for International Development is completely unique among Government agencies. The long history of changes in name and organization of the agencies to which it is the successor is well known. * * *
>
> There has been a reluctance on the part of all concerned to regard foreign assistance undertakings as a permanent part of our Federal responsibility. Consequently, it has been difficult at times to recruit and retain an adequate number of ideally qualified people. The problem, we believe, has been particularly acute with respect to the higher grade positions.

The record cited by the Senator from Kansas about the great turnover, not only in the administrators but also in the directors of personnel, reinforces the point that they have been confronted with an impossible task, not only because of the mission given to the Agency, but also because of its inability to improve the quality of its administration.

This is really a very modest request so far as separation of only a hundred a year for 2 years is concerned. This is an effort to improve the quality of the managerial staff.

Mr. AIKEN. Mr. President, will the Senator from Arkansas yield for a question?

Mr. FULBRIGHT. I yield.

Mr. AIKEN. Am I correct in interpreting this section to mean that this provision applies to employees above grade 12 and below grade 15? As I recall, the appointments in grades 15 to 18 are political appointments—subject to removal.

Mr. FULBRIGHT. Grades 16 to 18.

Mr. AIKEN. Grades 16 to 18.

Mr. FULBRIGHT. I believe that is correct.

Mr. AIKEN. The provision which was written into the bill by the committee does not apply to persons in grade 12 or below?

Mr. FULBRIGHT. The Senator is correct.

On page 14——

Mr. AIKEN. It would apply only to grades 13, 14, and 15—three grades—is that correct?

Mr. FULBRIGHT. That is the way I read it. I believe that is correct.

Mr. AIKEN. What type of employees would we be likely to find in grades 13, 14, and 15?

Mr. FULBRIGHT. I am not sufficiently acquainted with the facts to know the type of persons in those particular grades. I confess that I am not an expert on personnel practices of the agency. That is why I place a great deal of credence in the recommendations of the Civil Service Commission itself.

Mr. AIKEN. Perhaps the Senator from Kansas could tell us what type of employees would be likely to be found in grades 13, 14, and 15?

Mr. CARLSON. It is a difficult problem. The aid program has for some years been given to "selection-out," if we wish to use those words—that is, as applied to Foreign Service employees. There has never been any question about Foreign Service employees.

Mr. FULBRIGHT. The Senator means those serving abroad?

Mr. CARLSON. They work in the Foreign Service. They are political appointees. They are selected. They are not career employees. They can be educators or people we send overseas in the various types of aid programs. The question is, Are we going to go so far as to make the same provisions with respect to typists, communication clerks, motor pool service supervisors, and many other types? Another question might be: How far do we wish to go in dealing with the civil service? A Foreign Service officer is one thing, but this would be the first time we have given the agency authority to "selection-out" without question, without veterans' preference, without all these protections to which civil service employees are entitled.

Mr. FULBRIGHT. The Senator will admit that they perform the same type of work as Foreign Service people. What the Agency is asking for is precisely what it now has with regard to "selection-out" applicable to Foreign Service officers.

Mr. AIKEN. I do not understand that employees in grades 13, 14, and 15 are political appointees. In grades 16, 17, and 18 they certainly are.

Mr. CARLSON. They would be Foreign Service officers. To get back to grade 12——

Mr. AIKEN. Grades 13, 14, and 15 would not be political appointees.

Mr. CARLSON. They are civil service employees that the AID people have moved from one agency to another agency, and they have been requested to come from one agency of Government into the AID program.

Now they want to have authority to throw those people out. I think it would be a mistake to do it. I am opposed to it for that very reason. When we are dealing with civil service, we must be very careful and cautious about protecting our civil service employees and protecting their rights. If we do it for this program, why do we not do it for other agencies?

Mr. FULBRIGHT. For the reason that Mr. Macy gives. The program administered by AID is unlike any other program. That is the main reason. This Agency is of such a type that I believe it justifies a procedure which is different from the usual agency.

Mr. AIKEN. Mr. President, I can understand the fears of those who feel that if this provision is approved it might be used in an election year to eliminate Republicans from holding jobs in AID. But when the Senator from Kansas read George Meany's letter protesting this provision in the bill, I could not reconcile his protest with the fears of those who would protect the good Republicans. I could not conceive of George Meany going to that length to keep jobs for Republicans.

If the Senator from Kansas [Mr. CARLSON] had not read that letter, I would have understood the situation a little better. I am supposed to understand it, as a member of the committee. There is a severe contradiction somewhere.

Mr. FULBRIGHT. As a general proposition, it seems to me that this Agency has conditions quite different from those of the ordinary Government agency, operating domestically.

Mr. AIKEN. Why should there be a difference of three grades?

Mr. FULBRIGHT. The staff calls my attention to the fact that this is the separation authority which is mentioned on page 14:

> The authority contained in this subsection shall not apply to persons with general schedule appointments of grade 12 or below, Foreign Service reserve appointments of class 5 or below, or Foreign Service staff appointments of class 3 or below.

This is the separation authority. It is for merely 2 years, at the rate of 100 persons a year. It is a very limited time and amount.

The testimony, as I recall, is that they are interested primarily in improving, or upgrading, the caliber of employees in what we call the managerial grades. They are interested in trying to improve the administration of the Service. The separation authority is for only 2 years.

Mr. AIKEN. They have been subjected to rather severe criticism for having incompetent employees.

Mr. FULBRIGHT. They have been subjected to severe criticism every time the bill has come up. I know of no agency that has received such severe criticism for maladministration. Then, when they say, "Give us the tools to improve management," we say, "No, you must operate just as the other agencies."

The morale in the Agency has been very bad because of the criticism by Congress. The criticism usually takes the form of saying that they are no good as administrators, and that the Agency has been poorly administered.

Therefore, I believe that the employees do not want to stay there. We have had great difficulty in employing the Administrator. The present one, for whom I have great respect, was drafted out of the Budget Bureau. President Kennedy drafted him to go over there.

The record will show that when asked: "Did you apply for this job?" he stated, "By no means. I did not apply for it. I was told to go over there. And, as a good soldier, I went."

We have had every indication that there is something wrong with the Agency's personnel system. They suggest that they be given some limited authority on separation. There is a great outcry about it. The Civil Service Commission itself said this is not necessarily a precedent for any other domestic agency. It is consistent only with the practices in the Foreign Service.

I must confess, with all due respect for the concern expressed, that we ought to allow the Agency to improve itself and, in some way, defend itself against the unrestricted severe criticism to which it is subjected every year. There has been more investigation and more complaint about this Agency than any other six agencies in the whole Government. I believe the Senator from Kansas [Mr. CARLSON] will agree to that.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. CARLSON. I am not insensitive to the problems of AID employees. Dealing with the program and its personnel, I wonder who these people are. I well remember when the Kennedy administration first came into power.

Mr. FULBRIGHT. According to my understanding, they were inherited from the old ECA and other predecessor agencies. They have gone on and on. I do not know who hired them. I do not know the individuals concerned.

Mr. CARLSON. The Senator does know this. In our committee, the Senator will remember how we discussed the presence in this Agency of a man who was recognized as one of the outstanding personnel experts in the country, Roger Jones. The RECORD will show the speeches made on the floor of the Senate about Roger Jones. He was a good personnel man. He did not last long. What did he do? He went over to the Justice Department.

Mr. FULBRIGHT. He was in the State Department. He was not in AID.

Mr. CARLSON. He came to the State Department. But he went into AID. I know of the program. I discussed it with him. They went to the Justice Department and got a personnel man there, and sent him over to AID. He was not a good personnel man. Then one wonders where they get some of these people, when they discharge some of them who are under civil service, who have been requested from other agencies. He went over there to help them. I cannot agree to going along with this proposal.

Mr. FULBRIGHT. The Senator is in error about the personnel director. He was in the State Department. AID has its own personnel director. It is not under the State Department personnel director. This is a big agency.

Mr. CARLSON. I will let the RECORD stand on that matter. I will let anyone go back to the CONGRESSIONAL RECORD of 1960 and read the statements by the Senator from Kansas and others about what a great improvement there would be in the AID program. I know Roger Jones. I have visited with him.

Mr. FULBRIGHT. Is it not true that he was in the State Department?

Mr. CARLSON. But he had charge of personnel—or he thought he did—in AID. He went over there with that thought.

Mr. FULBRIGHT. Does not AID have its own personnel department?

Mr. CARLSON. They do now.

Mr. FULBRIGHT. That is what I meant.

With regard to the 1,200 that the Senator mentioned in the reduction in force, is it not true that half of those are not Americans? They are chauffeurs and other personnel of that sort. They are foreigners, and they account for half of the proposed decrease in personnel.

What the Agency is trying to do is to adopt itself first to the reduction in its size which has been brought about by Congress and the administration. They must shrink. Naturally, in this process, they would like to have authority to keep their best people. Under the provisions of civil service, they would have to get rid of their better ones, in many cases, and keep those who are senior, who are barely able to qualify, but are not quality people. This is limited to the separation of 100 people a year for 2 years. That does not seem like a very drastic measure.

Mr. CARLSON. The Senator has stated that it is desired to eliminate 100 people.

Mr. FULBRIGHT. One hundred employees a year for 2 years.

Mr. CARLSON. So does every other agency. There is no agency in the Government that would not like to move out a few employees. But the civil service protects the employees. It cannot be done in this way.

Mr. FULBRIGHT. I do not know of any other agency that has been subjected to the criticism that this Agency has received, particularly on administration.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. MANSFIELD. Mr. President, for a good many years, and perhaps even still, some of the employees of AID have seldom if sever seen the United States. They make a profession of working for AID, the ECA, the Marshall plan, or whatever agency is involved. I recall that on trips to Europe, year after year, I would see some of the same people. I asked some of them when they had been back to the United States. Some of them had not been back for 10 years.

I recall when Fowler Hamilton came into the organization. He was supposed to be given some authority to clean out the deadwood at the top. The first I knew people were coming around to practically every Senator asking us to intercede for them. I admit that one or two persons from Montana came to see me. I do not know what happened in respect to the intercession. But I believe that there is an opportunity to clean out a great deal of deadwood which has been with this agency for too many years.

Mr. FULBRIGHT. That is all the agency is trying to do. I think it is quite inconsistent of us to criticize the AID administration as severely as we do every year. The request that has been made is the first such request that I recall seeing in recent years. Then we say, "No, you cannot do it. You must abide by the rigid civil service laws."

Above all, the Civil Service Commission itself has said very positively that the proposal is a good thing and that it approves. If anyone should be concerned about the integrity of the civil service, it is the Commission.

The Commissioner approves of it. He recognizes the problem. AID is a unique agency. It would not be a precedent for other similar agencies. AID ought to be given this limited authority.

Mr. President, I hope that the Senate will allow the provision to go to conference at least. It is not in the House bill. We can put it in the bill and let it go to conference. It may be that some further limitation by way of administrative procedure, such as a panel for evaluation, which has been discussed, can be worked out. It would be much better that the provision go to conference, and that we try to work it out in conference. I have an open mind about a panel which would include a public member for the evaluation of the people involved, if that is of interest. But the principle of allowing the agency to have the right seems to me to be very much deserved by Mr. Bell. I believe everyone agrees that he is trying to do a good job in the struggle which he has. It is a difficult and thankless job.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. SPARKMAN. The Senator will recall that when the subject was first brought up in the hearings, I raised some question about it.

Mr. FULBRIGHT. I remember.

Mr. SPARKMAN. The Senator from Kansas did also. The Senator will recall that when Mr. Bell and his associates testified before the committee—unfortunately the Senator from Kansas [Mr. CARLSON] could not be present at that time—I went quite thoroughly into the question as to protections to be thrown around employees, in order to make certain that they would not be railroaded. The Senator will recall that we were assured that employees would be given notice, the right to appeal, and pretty much the same procedures as are followed under the civil service. Veterans' rights were to be respected as they are in other agencies. I am not sure that I told the Senator from Kansas about that after he came back, but I felt quite reassured by the testimony that we had from Mr. Bell regarding the protection of the employees, to make certain that there would not be a severe and ruthless cutting off of personnel.

I believe there is a great deal of merit in what the chairman has suggested. Perhaps we have not arrived at perfection in language, but in the conference committee that could be worked out, as the chairman points out. There is no such provision in the House bill, so it would be a wide-open provision.

Mr. FULBRIGHT. Yes; it would be a wide-open conference on that point. I would be openminded, if the House wished written into the bill some language along the line proposed by the Senator. Mr. Bell stated to us what they proposed to do.

Mr. SPARKMAN. Yes.

Mr. FULBRIGHT. I think it is proper to bring the provision before the Senate and for the Senate to decide whether or not on principle it is willing to adopt the provision. Undoubtedly we shall have to make some compromise with the House anyway.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. CARLSON. With regard to the question of how much authority we would be giving the President, I point out that what we are discussing is what may happen in the future. The bill provides:

> (j) The President is authorized, at any time during the two-year period commencing on the effective date of the Foreign Assistance Act of 1964, to separate, notwithstanding any other provision of this or any other law, any person employed or assigned to perform duties pursuant to this Act.

Mr. FULBRIGHT. That is not all of it. There are qualifications.

Mr. CARLSON. I shall read the remainder of the provision:

> The authority contained in this subsection shall not apply to persons with General Schedule appointments of grade 12 or below, Foreign Service Reserve appointments of class 5 or below, or Foreign Service Staff appointments of class 3 or below, or to persons employed under section 624(d) of this Act. The aggregate number of persons separated under this subsection shall not exceed one hundred in any twelve-month period.

Mr. FULBRIGHT. That is the language I wished the Senator to read. The President would not be called upon to fire everyone. The provision is limited, and it is intended to allow him to upgrade the quality of his top people. It is as simple as that. I do not know what more I can say. The principle involved is clear. I am ready to vote.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. MORSE. Mr. President, I have a few questions that I should like to ask the Senator from Kansas. I do not think the provision should go to conference, if I correctly understand it. There are some pretty basic principles that ought to be taken under very careful study on a much broader plane between now and next year, and we should continue the procedure that presently prevails. But so that I may be absolutely sure in my understanding of the amendment of the Senator from Kansas, I should like to ask him the following questions: Am I correct in my understanding that the Director of AID seeks authority to separate over a 2-year period a total number of 200 Federal employees now working for AID?

Mr. CARLSON. That is correct.

Mr. MORSE. Am I correct in my understanding that if the bill in its present form in the Senate passes, he would have that authority to separate such employees, even though some or all of them might be civil service employees?

Mr. CARLSON. He would have authority to separate any of the 200 employees without regard to any existing laws. The language that my amendment seeks to strike is plain.

Mr. MORSE. It includes the civil service laws.

Mr. CARLSON. And veterans preference laws.

Mr. MORSE. That means that the Director would have the authority to separate employees appointed in the first place in part on the basis of their veterans preference qualifications?

Mr. CARLSON. That is absolutely correct.

Mr. MORSE. Fourth, he is seeking to have authority to separate employees who, if they were civil service employees, would have certain rights without being required to follow the procedures that the civil service employees are entitled to have followed before separation, and irrespective of their civil service rights.

Mr. CARLSON. These two authorizations, if approved, would deny to the employees of the AID program the due process of laws, provisions, or rights possessed by all Federal workers; namely, the Lloyd-La Follette Act, the Veterans Preference Act, and the Civil Service and Foreign Service Acts, which would involve also the right to written charges, appeals to the CSC, seniority or veterans retention rights and for career job protection. That is how far this proposal goes.

Mr. MORSE. The language which the Senator from Kansas has read means that the Director of AID, in respect to up to 200 employees, wants authority to ignore the legal procedural protections that civil service employees are now entitled to?

Mr. CARLSON. That is one of the reasons I am concerned about it. That is the reason I am opposing it. That is the reason I offered my amendment.

Mr. MORSE. Does the Senator from Kansas agree with the Senator from Oregon, in reply to the argument that we have heard expressed on the floor of the Senate that only a maximum of 200 employees would be involved, that if A happens to be one of the 200, that is pretty vital to A?

Mr. CARLSON. Of course. I think it goes further than merely the authority to discharge employees in the AID program. It would set a pattern for the first time which would permit the head of an agency, the employer, to make application again for the same privileges in the agency.

It is a dangerous thing for the civil service system of the Nation.

Mr. MORSE. I shall come to that point in a moment.

It involves only 200. Will the Senator agree with me that that is a very unacceptable argument to give consideration to if we are looking to do justice to each individual we have taken into the civil service? Each one was told, when he was taken into the civil service, that we would give him certain procedural protections with regard to separation from the service; and that the separation would be based on cause as shown through applicable procedures of separation.

Mr. CARLSON. Every one of our Federal workers feels that he has such protection. They do have it. I hope it will always be preserved.

Mr. MORSE. Was not a commitment of the Federal Government made to those employees when the Government hired them?

Mr. CARLSON. There is no question about it.

Mr. MORSE. And we seek to take that guarantee and commitment away from them now by the proposed legislation?

Mr. CARLSON. If we approve this section, we do.

Mr. MORSE. Am I correct in my understanding that Mr. Bell seeks to soften the blow by saying, in effect, that the procedures of separation that will be followed if this provision of the bill which the Senator from Kansas is seeking to amend is allowed to remain in the bill, are procedures that prevail with regard to the separation of Foreign Service officers?

Mr. CARLSON. We gave such authority in years gone by. But these are civil service employees. The others are Foreign Service officers. There is a distinction between the two. Now the same authority is asked with respect to civil service employees.

Mr. MORSE. Let me see if I understand. In effect, Mr. Bell is seeking to apply the same procedures for separation to the present civil service employees that now prevail in regard to the separation of Foreign Service officers.

Mr. CARLSON. That is correct.

Mr. MORSE. My next question is, Is it true that the Foreign Service officer separation procedures are not considered by Federal employees on civil service to be as protective of their interests and rights as the procedures with respect to civil service employees?

Mr. CARLSON. We have been working for years to write civil service procedures, with regard to civil service employees, that will give them the right of hearing and appeal, and other procedures that would protect them.

Mr. MORSE. Next, in order to emphasize in the RECORD the position of the Senator from Kansas, as I understand it—and I wholeheartedly agree with him—if Congress approves of the language in the bill and permits this precedent to be established, it will, in effect, be undermining the whole civil service structure as it now exists.

Mr. CARLSON. I think it would have grave effect on the morale of Federal employees if we should approve this bill as written.

Mr. MORSE. If we do it in this case, in the next bill which comes before us we can do it for another segment of civil service employees, and another and another. That will be the hue and cry, will it not?

Mr. CARLSON. That is my contention, as I pointed out in my presentation. This is the first step in giving the departments the right to remove civil service employees without regard to all the provisions we have written to protect them.

Mr. MORSE. Is it the opinion of the Senator from Kansas, as it is mine, that the major reason for the strenuous objections on the part of Mr. Meany, representing labor, and on the part of civil service organizations, and other defenders of the civil service system, is that they fear the very point the Senator from Kansas makes—that it is the beginning of the undermining of the civil service system?

Mr. CARLSON. Not only have the organizations the Senator has mentioned so expressed themselves, but so have the American Legion and the Veterans of Foreign Wars. I placed their letters in the RECORD.

Mr. MORSE. Lastly, does the Senator from Kansas agree with the Senator from Oregon that the raising of this issue has been beneficial at least to the extent that it shows the desirability, in the next session of Congress, not only of having Congress deal with this problem, in connection with foreign aid, but perhaps emphasizes the need to look at the civil service law and the problems involved from the standpoint of its totality, and not merely from the standpoint of giving the director of this agency discretionary power that is not available to any other agency that has civil service employees on its payroll?

Mr. CARLSON. That is correct.

Mr. MORSE. The question ought to be postponed until next year and be considered, not in connection with foreign aid, but in connection with general legislation.

Mr. CARLSON. Mr. President, this is a matter that should have been before the Committee on Post Office and Civil Service. It is a problem that belongs in that committee, instead of in the Foreign Relations Committee.

I have every reason to believe that had it been presented to the distinguished chairman of the Committee on Post Office and Civil Service, the Senator from South Carolina [Mr. JOHNSTON], some changes and recommendations would have been proposed. I have before me his statement supporting the elimination of this amendment. I received permission to put the statement of the Senator in the RECORD.

Mr. SPARKMAN. Mr. President, I shall take a very few moments. I made reference to my questioning of Mr. Bell with reference to this proposal, a proposal I frowned upon or had my doubts about. I call attention to the questioning of Mr. Bell, beginning on page 360 of the hearings. It was on page 363 that I asked him particularly about these procedures.

We were given assurance that every aspect of the Veterans Preference Act would be protected and observed and that the same thing was true with reference to procedures and notice and rights of persons to know of the reports that were given to them in their efficiency reports—whatever one might call them—and also to appear and be heard.

That testimony is all set out in these few pages.

Then Mr. Bell, at our request, submitted the proposed regulations. They are the regulations that affect the Foreign Service Reserve officers. As the Senator from Kansas pointed out, the bulk of the employees come from that category. There are regulations covering procedures for the Foreign Service Reserve officers. Those regulations are found commencing at page 364. They are the same regulations that will cover these employees.

With reference to this question being referred to the Committee on Post Office and Civil Service, the Senator from Kansas knows that in the past we have dealt with problems of this kind in connection with foreign aid. We have dealt with it in the Foreign Relations Committee. I recall that several years ago we had a rather knotty problem, and we referred it specifically to the Committee on Post Office and Civil Service. We asked the committee's advice on that particular procedure. In this instance the committee was quite well pleased with the testimony given by Mr. Bell that every protection would be thrown around the employees. Therefore the provision was left in the bill. We would be perfectly safe in taking it to conference. Perhaps the Senator from Kansas, along with some of his colleagues on the Committee on Post Office and Civil Service, would be able to deal with the question after he has studied the hearings.

Mr. McNAMARA. Mr. President, it seems to me that we have been going up and down the hill. We receive assurances from the distinguished Senator from Alabama that all possible protections will be thrown around these people. If that is the case, why do we need it? It seems to me, there is no indication as to who is to be discharged. I understand that under the civil service law the Government can get rid of employees who are not performing satisfactorily in their jobs, who are violating their orders, or neglecting their work, or who are repeatedly doing what they are not supposed to do. The Civil Service Commission does not keep such persons. I do not know why the Civil Service Commission needs any more authority.

Perhaps these people are trying to get rid of some employees who are not in the category of employees who are discharged for the reasons that they are discharged.

We have assurances from the Committee on Foreign Relations that all civil service protections will be thrown around these people.

We are back where we started. The Government can get rid of incompetent people, and people who are not able to do the job to which they have been assigned. If they are not qualified to do the work, they can be discharged.

It seems to me we are going up and down the hill. I might say that I am just as much confused as I was before the debate started, if not more so.

Mr. CHURCH. Mr. President, it is not often that I find myself in disagreement with the distinguished Senator from Michigan. However, I wish to state briefly why I oppose the amendment.

Two years ago I was in Seoul, South Korea, where the administration of the foreign aid program had become something of a scandal. So large was the number of personnel involved, so inefficient had the operation become, that it was pointed out as a horrible example of administrative incompetence, to the degree that the AID people sent their principal troubleshooter to Korea to try to correct the situation.

I met that man. He was being lauded to the skies when I was there, because he had had the courage to cut the personnel 50 percent. Everyone was applauding his action. The comment was general that efficiency had increased significantly with this drastic cut-back in personnel.

I came back to this country and sang the praises of this troubleshooter, who had the gumption to cut the staff in Korea in half.

I remember telling that story in Washington to some of the administrators of the AID program. When I was finished, they replied, "Yes, it is true he cut the staff 50 percent. It is true that the program in Korea is better handled than it had ever been before. However, all the personnel that we cut from the rolls over there are in Washington today, and we are trying to find a pigeonhole for them, trying to find make-work for them in the AID in Washington."

That is an example of why the present system is not working. We have cut back the AID program from $4.5 billion to $3.4 billion. It is obvious that there must be a curtailment in personnel if we are to realize full economy. We must use the funds remaining for the most expeditious purpose. I believe that the AID administration is greatly in need of the selecting-out procedure. Such a procedure obtains in the Foreign Service. Such a procedure has worked well there. I believe that we only contribute to the padding of personnel in AID if we fail to adopt the provision the committee has found warranted for this bill.

The AID itself has given fine justification for including this particular provision.

I ask unanimous consent that a memorandum in justification for the selecting-out provision in the bill be included in the RECORD at this point in my remarks.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

Facts on Selection Out

The Agency for International Development is essentially a foreign operations agency with a wide variety of programs underway in some 75 countries around the world. By its very nature, its operations are diverse and its requirements for skilled personnel both in Washington and the field vary greatly over relatively short time periods. If AID is to meet its needs for skilled and specialized staff to carry out its foreign operations, it is essential that the management of AID be given the same flexible authority for selecting out less qualified personnel on its Washington headquarters staff as it now has for its Foreign Service personnel.

Selection out has been in the Foreign Assistance Act since its inception. A similar system has been in effect for many years with respect to career Foreign Service officers of the State Department.

Authority to select out employees whose performance is marginal would thus permit AID to apply the same high standards of performance to its career-classified employees as it now does with respect to its Foreign Service employees.

NORMAL PROCEDURES INADEQUATE TO MEET PROBLEM

Present procedures are not adequate to accomplish the selection out process needed by the Agency, because they do not apply to marginal employees. A marginal employee is one whose performance does not measure up to the high standards which the complexities and sensitivities of the foreign aid program demand. His performance is considered inadequate but is not at such a level that he could be rated as unsatisfactory under normal procedures prescribed by civil service regulations.

Similarly, reduction in force regulations also are inadequate to accomplish the desired objective, because they frequently do not permit retention of the best qualified personnel. Normal RIF procedures operate for the most part on a seniority basis, i.e., employees with the least service, despite their level of performance, are the first to be separated. Because of the changing needs of the AID program, there are situations in which some employees with little or no seniority are actually better suited than others with greater seniority. Because of the bumping rights of the latter group, many desirable employees of the former group would have to be separated, unless AID is permitted selection out authority.

SELECTION OUT IS NO NEW AUTHORITY

The selection out process is no innovation. AID has had this authority with respect to its Foreign Service personnel since November 3, 1961. It has been used by the military services and the State Department's Foreign Service for many years. Within AID it has been administered cautiously and to the satisfaction of the Agency and employees alike. It has provided a means for separating employees whose performance is marginal but is not so deficient as to warrant their separation for cause.

What is now being requested is simply an extension of the present selection out authority to all departmental employees of the Agency. Such authority will thus place both departmental service and Foreign Service employees of AID on a comparable basis with respect to maintenance of high standards of performance. Departmental service employees who are selected out will be entitled to the same severance benefits to which Foreign Service employees are entitled, and essentially the same procedures to safeguard the interest of AID and the employees affected will apply, including provisions for administrative appeals.

WHAT SAFEGUARDS WILL EMPLOYEES HAVE UNDER SELECTION OUT?

The selection out program will be administered with great care and equity, utilizing essentially the same procedures as presently apply to selection out of Foreign Service personnel. All separations under it will be fully documented. Regulations which will be issued for administering the authority will include provisions for:

1. Recommendations by key administrative officials as to which employees under their direction should be separated, together with specific reasons in support of their recommendations.
2. Central agency review of each proposal to separate, to assure that it is adequately documented and is appropriate under the special separation authority.
3. Notification to the employee of the proposal to separate him and the reasons why the action is proposed.
4. An opportunity for the employee to respond to the proposed separation and to obtain a review of his response.
5. A central-independent agency review of the employee's response and a final agency decision regarding the proposed separation based on this review.

WILL SELECTION OUT ESTABLISH A PRECEDENT FOR OTHER AGENCIES?

The authority requested will not constitute a precedent for application to other civil service agencies. This is so because AID is a unique agency whose employees are concerned with a program that for any one country or program is basically temporary and in a constant state of transition.

Mr. John W. Macy, Jr., Chairman, U.S. Civil Service Commission, in a letter of April 14, 1964, to Chairman THOMAS E. MORGAN, House Committee on Foreign Affairs, indicating Commission approval of selection out for AID, stated:

"The Civil Service Commission feels that the Agency for International Development is completely unique among Government agencies * * *. The oversea aid programs are peculiarly complex, each one tends to be highly specialized so that readily interchangeable staff members would not be expected as a regular thing. The programs are also changeable and uncertain. It is difficult to find people equipped to handle them at any stage and even more difficult to find people who can adapt to continually changing program requirements. The Commission is persuaded that the difficulties of these oversea program operations carry over to central office administration. Thus, it seems appropriate to put the Agency's oversea and domestic employees on a comparable tenure basis. This is not a matter of geography, organization, domestic or foreign assignment. It is peculiar to the program and mission of the Agency.

"Thus, it is possible to distinguish between selection-out as applied to the departmental office of such an agency and the balance of the competitive service. Selection-out here would not necessarily be a precedent, therefore, for wholesale application to domestic employees.

"There are several other reasons why the Commission does not object * * * to the broad removal authority contained in this provision. The authority is strictly limited to the higher level policymaking and policy-controlling positions mentioned in connection with the need for selection-out. It is not a scheme for wholesale arbitrary removals."

Assurance that selection-out authority will not be used arbitrarily has also repeatedly been given by AID Administrator David Bell. In discussing his request for this authority before the Senate Committee on Foreign Relations on June 19, 1964, Mr. Bell stated:

"Careful consideration will be given at the highest levels of the Agency to the circumstances in which these authorities are used. All actions will be fully documented and justified and employees affected will have appropriate Agency appeal rights. We expect it could affect but 2 percent of our American employees.

"This is a small number and reflects my strong feeling that the vast majority of AID employees are capable, devoted, and hard working."

Mr. MORSE. Mr. President, I believe the Senator from Idaho has given a convincing argument as to why the whole matter ought to be gone into by the committee headed by the Senator from South Carolina [Mr. Johnston], instead of having the Committee on Foreign Relations seeking to trespass upon the jurisdiction of the Committee on Post Office and Civil Service. If what the Senator from Idaho says is true, we had better examine into the whole matter through the Committee on Post Office and Civil Service, and not through the Committee on Foreign Relations.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kansas [Mr. Carlson]. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BREWSTER (when his name was called). On this vote I have a live pair with the Senator from Georgia [Mr. Russell]. If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." I therefore withhold my vote.

Mr. METCALF (after having voted in the negative). On this vote I have a pair with the Senator from South Carolina [Mr. Johnston]. If he were present, he would vote "yea." If I were at liberty to vote, I would vote "nay." I withhold my vote.

The rollcall was concluded.

Mr. HUMPHREY. I announce that the Senator from Arizona [Mr. Hayden], the Senator from Alabama [Mr. Hill], the Senator from Washington [Mr. Jackson], the Senator from South Carolina [Mr. Johnston], the Senator from Ohio [Mr. Lausche], the Senator from Louisiana [Mr. Long], the Senator from Utah [Mr. Moss], the Senator from Maine [Mr. Muskie], the Senator from Georgia [Mr. Russell], the Senator from Florida [Mr. Smathers], the Senator from Georgia [Mr. Talmadge], the Senator from Tennessee [Mr. Walters], and the Senator from Ohio [Mr. Young] are absent on official business.

I further announce that the Senator from Massachusetts [Mr. Kennedy] and the Senator from New Mexico [Mr. Anderson] are absent because of illness.

I further announce that the Senator from Virginia [Mr. Byrd] is absent because of illness in the family.

I further announce that the Senator from Pennsylvania [Mr. Clark], the Senator from Oklahoma [Mr. Edmondson], the Senator from West Virginia [Mr. Randolph], the Senator from Missouri [Mr. Symington], the Senator from Texas [Mr. Yarborough], and the Senator from Nevada [Mr. Cannon] are necessarily absent.

On this vote, the Senator from Pennsylvania [Mr. Scott] is paired with the Senator from Virginia [Mr. Byrd]. If present and voting, the Senator from Pennsylvania would vote "yea" and the Senator from Virginia would vote "nay."

I further announce that, if present and voting, the Senator from Washington [Mr. Jackson], the Senator from Louisiana [Mr. Long], the Senator from West Virginia [Mr. Randolph] and the Senator from Ohio [Mr. Young] would each vote "nay."

Mr. KUCHEL. I announce that the Senator from Arizona [Mr. Goldwater], the Senator from Kansas [Mr. Pearson], the Senator from Pennsylvania [Mr. Scott], and the Senator from Texas [Mr. Tower] are necessarily absent.

The Senator from Colorado [Mr. Dominick] is detained on official business.

If present and voting, the Senator from Kansas [Mr. Pearson] and the Senator from Texas [Mr. Tower] would each vote "yea."

On this vote, the Senator from Pennsylvania [Mr. Scott] is paired with the Senator from Virginia [Mr. Byrd]. If present and voting, the Senator from Pennsylvania would vote "yea" and the Senator from Virginia would vote "nay."

The result was announced—yeas 27, nays 44, as follows:

[No. 522 Leg.]

YEAS—27

Allott
Beall
Bennett
Boggs
Carlson
Cotton
Curtis
Dirksen
Fong
Hart
Hruska
Javits
Keating
Kuchel
McCarthy
McGee
McNamara
Miller
Monroney
Morse
Mundt
Pell
Prouty
Proxmire
Saltonstall
Smith
Williams, Del.

NAYS—44

Aiken
Bartlett
Bayh
Bible
Burdick
Byrd, W. Va.
Case
Church
Cooper
Dodd
Douglas
Eastland
Ellender
Ervin
Fulbright
Gore
Gruening
Hartke
Hickenlooper
Holland
Humphrey
Inouye
Jordan, N.C.
Jordan, Idaho
Long, Mo.
Magnuson
Mansfield
McClellan
McGovern
McIntyre
Mechem
Morton
Nelson
Neuberger
Pastore
Ribicoff
Robertson
Salinger
Simpson
Sparkman
Stennis
Thurmond
Williams, N.J.
Young, N. Dak.

NOT VOTING—29

Anderson
Brewster
Byrd, Va.
Cannon
Clark
Dominick
Edmondson
Goldwater
Hayden
Hill
Jackson
Johnston
Kennedy
Lausche
Long, La.
Metcalf
Moss
Muskie
Pearson
Randolph
Russell
Scott
Smathers
Symington
Talmadge
Tower
Walters
Yarborough
Young, Ohio

So Mr. Carlson's amendment was rejected.

Mr. FULBRIGHT. Mr. President, I move that the Senate reconsider the vote by which the amendment was rejected.

Mr. SPARKMAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

USE OF ALLIANCE FOR PROGRESS

Mr. PELL. Mr. President, for the past 2 years, I have taken the occasion of the debate over foreign aid authorization to call attention to the manner in which our foreign aid funds are spent, particularly under the Alliance for Progress.

Specifically, I have sought each year to report on the degree to which foreign aid moneys have been used for the long range developmental purposes which lie at the heart of the Alliance for Progress program—as opposed to what I regard as the misuse of such funds for every day, stopgap purposes such as direct budget support and balance-of-payments assistance.

Last year, I was able to report encouraging progress. Balance-of-payments assistance, which had risen to a level of 33 percent of all Alliance aid in fiscal 1962, dropped to 12 percent in fiscal 1963. And direct budget support dropped from 4 percent to 2 during the same period.

I am happy to report today that the trend continues. Balance-of-payments assistance under the Alliance program dropped from $70.8 million in fiscal 1963 to $50.3 million in fiscal 1964. In percentage terms, this represents a drop of 4 points from 12 percent of the total Alliance program in fiscal 1963 to 8 percent in fiscal 1964. Direct budget support dropped from $17.4 million, or 3 percent of the total program in fiscal 1963, to $10.1 million, or 2 percent of the total program in fiscal 1964.

I ask unanimous consent that a chart prepared by AID, which reflects this encouraging progress, be inserted in the Congressional Record.

There being no objection, the chart was ordered to be printed in the Record, as follows:

AID assistance to Latin America by function, fiscal year 1959 to fiscal year 1964

[Dollars in millions]

	Fiscal year 1959		Fiscal year 1960		Fiscal year 1961		Fiscal year 1962		Fiscal year 1963		Fiscal year 1964	
	Amount	Percent of total	Amount	Percent of total	Amount	Percent of total	Amount	Percent of total	Amount	Percent of total	Amount	Percent of total
Development project assistance	$103.5	84	$87.2	83	$210.6	83	[1] $300.0	63	[1] $383.0	68	$465.8	72
Development program assistance—Loans under long-range plans	---	---	---	---	---	---	---	---	[2] 95.0	17	[3] 115.0	18
Balance-of-payments assistance	7.3	6	8.4	8	11.6	5	154.7	33	[4] 70.8	12	50.3	8
Direct budget support	12.2	10	9.5	9	31.5	12	19.5	4	17.4	3	10.1	2
Total	123.0	100	105.1	100	253.7	100	474.2	100	566.2	100	661.2	100

[1] Includes Alliance for Progress funds for nonregional projects directly benefiting Latin American countries.

[2] $60 million to Colombia and $35 million to Chile.

[3] $60 million to Colombia and $55 million to Chile.

[4] Including $23.75 million grant to Dominican Republic.

Mr. PELL. Mr. President, my comment on these figures would not be complete without acknowledgment of the fact that the continued progress during the last fiscal year was made in spite of very special circumstances which demanded a temporary departure from the preferred emphasis on long-term developmental projects.

The special circumstances, as we all know, occurred in Brazil, after the new government of President Castelo Branco came to power in April. The accession of power by this new government, favorably disposed toward the goals of the Alliance, called for fast action. The Goulart government had left the nation in a state of fiscal distress and the new government needed immediate assistance if it was to survive and succeed.

Because of these special circumstances, the United States on June 23 extended a $50 million contingency fund loan for balance-of-payments financing to the new Brazilian Government. The AID assures me that this loan satisfied criteria for supporting assistance in view of the stabilization and reform efforts of the Castelo Branco government during its first weeks in power. The loan will enable the government to formulate a comprehensive development program, and its local currency counterpart can be used to finance such purposes as low-cost housing, working capital for industries and expanded agricultural credit.

Mr. President, I believe our AID program should be flexible enough so that we can step in on short notice with the kind of assistance which was offered in Brazil. For a short-term, one-shot loan, it was perfectly justifiable and acceptable. I would only emphasize that we can be free to have this flexibility only as long as our basic program is in order and not unduly weighted toward nondevelopmental support.

I congratulate the Alliance for Progress for holding the line during the past fiscal year and keeping budget support and balance-of-payments financing to a minimum so that, even with the special short-notice loan which had to be extended to Brazil, the overall record of expenditures for the year shows continued progress toward predominately long-range development spending. I trust this good trend continues.

Mr. SPARKMAN. Mr. President, I call up my amendment No. 1151 and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 2, line 24, immediately after "enterprises" insert the following: ", or acquired through normal channels of trade,".

Mr. DIRKSEN. Mr. President, will the Senator from Alabama yield?

Mr. SPARKMAN. I yield.

Mr. DIRKSEN. Mr. President, I should like to ask the majority leader, "What gives" for the rest of the day?

Mr. MANSFIELD. There will be no further yea-and-nay votes tonight on amendments. I understand that the amendment offered by the Senator from Alabama may be acceptable to the chairman of the committee and to the committee.

If any other amendments are offered, I assure Senators that there will be no yea-and-nay votes on them tonight. If record votes are demanded, I am sure Senators would agree that they ought to go over until tomorrow.

Mr. DIRKSEN. Mr. President, I wish to report to the distinguished majority leader that my prayerful exploration in the field of limitation of debate on amendments to the foreign aid bill has been anything but fruitful.

Mr. MANSFIELD. May I say I am not in the least surprised.

Mr. THURMOND. Mr. President, will the Senator from Alabama yield?

Mr. SPARKMAN. I yield.

Mr. THURMOND. Earlier in the day, I understood the majority leader to say that my amendment would follow the amendment of the distinguished Senator from Kansas; so I planned to call it up. It would require only 12 minutes.

Mr. MANSFIELD. The Senator from South Carolina indicated that he was willing to offer his amendment, but I do not believe the majority leader gave assurance that there would be action on the amendment tonight.

He can call it up and can talk about it, but I am quite sure that his amendment will not be disposed of in 12 minutes. If, however, a rollcall is demanded, the request will not be granted tonight.

Mr. THURMOND. I do not expect to ask for a rollcall, and I shall not need 12 minutes.

Am I to understand that there will be no more rollcalls tonight definitely?

Mr. MANSFIELD. The Senator is correct.

Mr. THURMOND. In view of that, I shall wait until tomorrow to call up my amendment.

Mr. MANSFIELD. Perhaps some other Senator will offer an amendment. I hope so because I should like to see an amendment at the desk.

Mr. THURMOND. I should like to expedite the matter. I understood that was what the Senator from Montana wished to do.

Mr. MORSE. Mr. President, I will offer an amendment but if the Senator from South Carolina [Mr. THURMOND] will offer his amendment and have it made the pending question that will be all right with me. I shall do my best to persuade the Senate, if I offer an amendment, that I should have a rollcall.

Mr. MANSFIELD. The Senators can settle this issue between themselves.

Mr. SPARKMAN. Mr. President, I assure Senators that I shall take only a minute or so.

My amendment has to do with section 101(e) of the bill as reported by the Senate Foreign Relations Committee. This section authorizes the President to have made a study to determine the feasibility of establishing programs for furnishing to underdeveloped countries used tools, machinery and equipment.

This section was added to the bill in committee. It was proposed to the committee by the distinguished senior Senator from Connecticut [Mr. DODD].

As presently written, the section limits the scope of the study which it proposes to programs utilizing only such used tools, machinery and equipment as may be donated by private enterprise. The purpose of my amendment is to broaden the scope of this study so that it will include consideration of programs utilizing used tools, machinery and equipment which may be acquired through normal channels of trade.

I believe that my amendment is desirable for several reasons. First of all, the allegation has been made to the Senate Small Business Committee that a program of the kind contemplated by this section of the bill will greatly diminish the supply of these articles in the United States. The effect of this shortage would be to force up the prices of used tools, machinery and equipment. Small businesses, which traditionally purchase used equipment, may not be able to afford these higher prices. It is further contended that such a shortage would adversely affect those small machinery dealers engaged in the business of purchasing, rebuilding and reselling used machinery.

If my amendment is adopted, the scope of the proposed study will be broad enough so that, should it be determined that a program utilizing donated equipment is not feasible—whether because of its adverse effect upon existing businesses or for other reasons—then programs utilizing used equipment purchased through normal trade channels can be considered and studied.

Mr. President, I want to commend the senior Senator from Connecticut [Mr. DODD] for his sponsorship of this section of the bill. The possible utilization of used machinery and equipment in our aid programs should be explored by the type of study which his amendment authorizes. If the scope of the study is broadened, as I have suggested, I know that it will be useful to those charged with the responsibility of administering our aid programs in the years to come.

Mr. FULBRIGHT. Mr. President, I see no objection to the amendment. It authorizes a study of the feasibility and utilization of this machinery, and I am perfectly willing to accept it.

Mr. MILLER. Mr. President, will the Senator from Alabama yield for a question?

Mr. SPARKMAN. I yield.

Mr. MILLER. I believe that the main thrust of the provision in the bill, as it was pointed out, would be to develop areas of utilization of our used machinery, the idea being that many people in the developing nations cannot afford new items. The fact that these are used items would, nonetheless, give them a stakehold with the tools to work with, and the disposal of usable machinery to these people would provide a better market price for our new machinery in this country.

I wonder whether the fact that the amendment provides for a study of the feasibility of distributing or giving away new items of machinery might not clash with the objectives of this amendment.

Mr. SPARKMAN. These are not new items to which I referred in my brief statement. I made reference to numerous companies in this country that purchase old machinery and used equipment, rebuild it and then resell it. It is that kind of material we are talking about.

Mr. MILLER. In other words, the amendment relates to the distribution of these items of used machinery.

Mr. SPARKMAN. The Senator is correct.

Mr. MILLER. Not only through private eleemosynary institutions but also through normal channels of trade.

Mr. FULBRIGHT. This is only a study.

Mr. MILLER. I understand that. Second, it relates only to used items.

Mr. SPARKMAN. The Senator is correct.

The **PRESIDING OFFICER.** The question is on agreeing to the amendment of the Senator from Alabama.

The amendment was agreed to.

AUTHORIZATION FOR THE PRESIDENT PRO TEMPORE OR ACTING PRESIDENT PRO TEMPORE TO SIGN BILLS DURING ADJOURNMENT OF THE SENATE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President pro tempore or the Acting President pro tempore be authorized to sign bills during the adjournment of the Senate.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

AMENDMENT OF FOREIGN ASSISTANCE ACT OF 1961

The Senate resumed the consideration of the bill (H.R. 11380) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

Mr. THURMOND. Mr. President, I call up my amendment No. 1164 and ask that it be made the pending question.

The **PRESIDING OFFICER.** The amendment of the Senator from South Carolina will be stated for the information of the Senate.

Mr. THURMOND. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The **PRESIDING OFFICER.** Without objection, it is so ordered; and the amendment will be printed in the RECORD at this point.

The amendment (No. 1164) submitted by Mr. THURMOND, is as follows:

TITLE V—NONDISCRIMINATION IN UNITED STATES ASSISTED COUNTRIES AND PROGRAMS

SEC. 501. No person in any recipient country shall, on the ground of race, color, religion, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving any form of United State financial assistance.

SEC. 502. The Agency for International Development and any other department or agency which is empowered, or may in the future be empowered, to extend United States financial assistance to any program or activity in any country, by way of grant, loan, contract, or other, is directed to effectuate the provisions of section 501 with respect to such program or activity by issuing rules, regulations, or orders of general applicability which shall be consistent with achievement of the objectives of the statute authorizing the financial assistance in connection with which the action is taken. No such rule, regulation, or order shall become effective unless and until approved by the President. Compliance with any requirement adopted pursuant to this section may be effected (1) by the termination of or refusal to grant or to continue assistance under such program or activity to any recipient as to whom there has been an express finding on the record of a failure to comply with such requirement, but such termination or refusal shall be limited to the particular political entity, or part thereof, or other recipient as to whom such a finding has been made and shall be limited in its effect to the particular program, or part thereof, in which such noncompliance has been so found, or (2) by any other means authorized by law: *Provided, however,* That no such action shall be taken until the department or agency concerned has advised the appropriate person or persons of the failure to comply with the requirement and has determined that compliance cannot be secured by voluntary means. In the case of any action terminating, or refusing to grant or continue, assistance because of failure to comply with a requirement imposed pursuant to this section, the head of the department or agency shall file with the Foreign Affairs Committee of the House of Representatives and the Foreign Relations Committee of the Senate, a full written report of the circumstances and the grounds for such action. No such action shall become effective until thirty days have elapsed after the filing of such report.

Mr. THURMOND. Mr. President, as I understand, this amendment is now the pending business.

The **PRESIDING OFFICER.** The Senator is correct. The pending business is the amendment of the Senator from South Carolina, amendment No. 1164.

Mr. THURMOND. Mr. President, I thank the Chair.

THE PROBLEM OF THE NONVOTER

Mr. KEATING. Mr. President, in the coming months, more than 100 million Americans will be asked to cast their ballots for the future leaders of this Nation. These elections will determine the future policies and development of our country. I find it particularly distressing that a nation which has sacrificed thousands of its men to preserve the democratic system can bring only 64 percent of its voters to the polls.

The right to vote is denied to three-quarters of the world's adults. It is not only a privilege but also an obligation upon which rests the future direction of this country at home and abroad. I am hopeful that 1964 will mark a decided increase in the percentage of Americans who will fulfill this responsibility of citizenship.

I heartily commend the efforts of the American Legion in their present "Get-Out-the-Vote" drive. I ask unanimous consent that the forthright statement of their national commander, Daniel Foley, which is published in the current issue of the American Legion magazine, be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

FOR YOUR INFORMATION: THE PROBLEM OF THE NONVOTER

(By National Commander Daniel L. Foley)

Beneath the noise and color and excitement of current political campaigning, consider this:

In the next 3 months more than 100 million Americans will be asked to decide with their ballots the future course and leadership of the Nation.

If the 1960 pattern is repeated, more than one-third of the electorate will take no part in the decision.

Recent national elections have produced voter turnouts of 90 percent in Italy, 85 percent in West Germany, and about 80 percent in Great Britain, France, Israel, and the Scandinavian countries. The U.S. score in 1960 was 64 percent, the highest in our history.

A comparable showing in 1964 won't be nearly good enough. To insure a sound base for responsible government at home and strong leadership abroad, we need an overwhelming turnout at the polls on November 3. I urge every American Legionnaire to join now in a sustained drive, through education and persuasion and personal example, to impress upon all our citizens the responsibility to vote.

As a first step, each of us should make certain that our own path to the polls is clear. Responsible exercise of the right to vote requires that we (1) qualify as voters by registering under the laws of our State, (2) size up the issues and candidates in the light of the best information we can get, and (3) vote on election day.

The right to vote, like the other fundamental rights, is not self-perpetuating. To keep it, we must use it—intelligently and faithfully. Either we vote and thereby support our free, representative system; or we fail to vote and thereby weaken the system.

Any American Legionnaire who might be inclined to forego voting on November 3 ought to consider these facts:

Three-fourths of the world's adults today are denied the privilege of expressing their preference at the polls. They live under systems where freedom of choice is outlawed or where educational and economic levels are too low to sustain popular government.

Thousands of young Americans who fought at our sides to preserve the right of suffrage never got a chance to exercise it. They gave their lives before reaching voting age.

Does one vote count? Every vote counts, yours just as much as any other. To believe otherwise is to disbelieve the doctrines which undergird our free society. Your vote counts whether you cast it or not; for when you don't vote, you double the influence of a voter who disagrees with your view of what is good and necessary for the country.

In the 1960 presidential election, a switch of less than 1 percent of the ballots in eight States would have changed the election's result. The 1962 gubernatorial election in Minnesota was decided by a margin of 91 votes out of a million and a quarter cast.

But it isn't a question of voting your choice. Public indifference at the polls breeds government indifference. He who shirks his vote is poorly equipped to protest if those elected shirk theirs thereafter.

A 64-percent sampling of American voters in 1964 doesn't meet America's needs in the 1960's. Nations around the globe, many of them new and groping for a political philosophy, look to the United States for lessons in the functioning of a free society. Rightly or wrongly, they will question an elective process in which four people out of ten do not vote, and only 1 in 10 involves himself in political combat.

Simply increasing the number of voters will not necessarily improve the quality of our voting. We also need more voters who are informed, alert, and perceptive. We need more men and women who make it their business to discriminate between candidates and issues at the local and State levels as well as the national. For instance, nominees for the board of education rarely pack the promotional or emotional appeal of presidential candidates. But how and whom we choose to serve on that board may do more to determine future progress in a community than our choice of President.

According to students of American voting habits, people stay away from the polls chiefly for three reasons: they aren't interested, they can't make up their minds, or they don't want to get mixed up with politics. For the dedicated American Legionnaire, the first two are unacceptable and the third just doesn't make sense.

Politics and good government are not only compatible—they are inseparable. Political organizations and loyalties furnish the fuel that makes the government go. If you want a better grade of political performance than you're getting, there's only one effective way to go at it—from the inside, as a working, contributing member of your party.

Plato stated the alternative a good many centuries ago, "The punishment of wise men who refuse to take part in the affairs of government is to live under the government of unwise men."

A major American Legion "get-out-the-vote" drive already has been mounted by our national organization and many departments and posts. Every working Legionnaire has a stake and place in it. If your post hasn't taken action, stir up some. Stress the obligation of every citizen to "get involved" in government. Add your name and prestige to community "get-out-the-vote" movements. Remind your neighbors and friends that voting is one concrete answer to the question, "What can I do for my country?" Look for new ways, beyond baby-sitting and transportation services, to make it easy for people to stop at the polling place.

In free America, that's where effective citizenship and good government start.

PEACE CORPS WORKER RELATES HER EXPERIENCES IN BOLIVIA

Mr. MILLER. Mr. President, thousands of Americans, in recent years, have ventured out into unknown fields to lend a hand in uplifting the lot of the poor in other lands.

These Americans have returned with mixed emotions as to the value of their experience; most feel that they have gained more than they have lost by giving a few years of their lives to improve the lives of others.

Such a person is Priscilla Buaguess, 26-year-old nurse from Muscatine, Iowa.

Relating her experience as a Peace Corps worker in Bolivia in the August 2 issue of the Des Moines, Iowa, Sunday Register "Picture" magazine, Miss Buaguess viewed her purpose in these words:

> All we can really do is try to help them and let them know somebody really cares about them.

Although she admits to disappointments and frustration, she hasn't regretted going into Bolivia. As she puts it:

> This has been a tremendous experience. I've changed—not so much as a nurse but as a person. My values have changed, because I realize now how much I have and how little others have. We haven't sacrificed anything by coming here. We are the ones who have gained. It's just that we have gained in a different way.

This is a fitting testimonial to others who have done the same.

I ask unanimous consent to have the article, entitled "Iowa Peace Corps Nurse Tells of Work in Bolivia," printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Iowa Peace Corps Nurse Tells of Work in Bolivia

(One of the Iowans serving humanity in the Peace Corps is Priscilla Buaguess, a 26-year-old nurse from Muscatine who is in Bolivia. This story of her experiences was written from Coroico, Bolivia, by another Peace Corps worker, Paul Conklin.)

"I feel as if I have accomplished more in the few months I have been here than in all the time I was a nurse at home."

The morning's last patient was gone and the small clinic with its earthen floor was empty. Priscilla Buaguess locked up her meager supply of drugs and looked around to make sure everything else was in place. Before lunch she had one house call to make. She stepped outside into the dazzling morning sunlight and disappeared up the street. Priscilla is a 26-year-old Muscatine nurse who has been working in the Bolivian Andes for the past 15 months as a Peace Corps volunteer.

SOMETIMES SHE TRAVELS BY CANOE AND BY MULE

Bolivia is an enormous landlocked country of mountains, jungle, and high arid plateau, nearly eight times the size of Iowa. Seven out of ten Bolivians are campesinos who earn their livelihood from the soil. Priscilla is 1 of 138 Peace Corps volunteers engaged in nursing, teaching, and agricultural extension work in Bolivia.

Before arriving in the mountain town of Coroico, Priscilla helped stem a yellow fever epidemic in eastern Bolivia. In 2 weeks the redheaded nurse inoculated from 3,000 to 4,000 people as she rode a mule from village to village along slippery, muddy roads. At one point her transportation was a balsa canoe on a jungle river.

"I'd never ridden a mule before, and the first time I got on I went right over its head and fell into a puddle," she recalls.

NOBODY TO LOOK AFTER THEM

In Coroico, an Indian market center of 1,500 people, Priscilla runs a public health program with Blanche Lonski, a 26-year-old nurse from Kensal, N. Dak. There is nobody in Coroico, or in the surrounding countryside, other than the two young Americans, who is qualified to give medical care to the campesinos and their families.

"These people have nobody to look after them," Priscilla said.

Six days a week the volunteers take their jeep to surrounding villages where they hold clinics. One night a week they hold a rural clinic. People stream in from miles around, and it is late before the nurses get back to Coroico. Usually they return with a chicken, eggs, and fruit that grateful patients have given them. The clinic in Coroico occupies the back of a church. It is rudely furnished and the nurses have virtually no equipment with which to work.

Intestinal parasites and tuberculosis are the diseases the nurses encounter most frequently in their rounds. They do their best to persuade mothers that their children should drink boiled water and wear shoes, and sleep in separate beds if they are tubercular.

"The results of our work, if there are any, will come years from now," Priscilla explains. "You can't really cure the sick here because you can't control their environment. Who can blame them for not taking everything we say seriously? If I were a campesino, I would think you were crazy if you told me there were dangerous bugs in a clear looking glass of water. All we can really do is try to help them and let them know somebody really cares about them."

Despite the disappointment, frustration, and loneliness that inevitably are part of a volunteer's life, Priscilla has no regrets about the decision that brought here to Bolivia. "This has been a tremendous experience," she says. "I've changed—not so much as a nurse but as a person. My values have changed, because I realize now how much I have and how little others have. We haven't sacrificed anything by coming here. We are the ones who have gained. It's just that we have gained in a different way."

A 1956 graduate of Muscatine High School, Priscilla attended Augustana College, Rock Island, 2 years, and earned her R.N. from Moline Public Hospital School of Nursing, where she was a staff nurse before entering the Peace Corps.

BLIND VISITORS ENJOY IOWA FARM

Mr. MILLER. Mr. President, a very heart-warming article by the Associated Press was published in the Fort Dodge, Iowa, Messenger, on July 30.

I think it merits reading by all Senators, because it tells how blindness is not considered a handicap by those who are blind. In doing so, the article emphasizes the pioneering work of the Iowa Commission for the Blind, an agency which is known around the world.

Kenneth Jernigan, commission director, believes strongly that—

> The real problem of blindness is not blindness itself. It's the attitude toward it on the part of the blind and the sighted.

He feels that those who are blind can be as useful members of society as those who are not so handicapped.

An educator from Pakistan said in the article:

> Sight is not in the eyes. It is in the brain—the real sight.

We could take a few lessons from this attitude.

I ask unanimous consent to have the article, entitled "Though Blind, Visitors Enjoy First Look at Iowa Farm," printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Though Blind, Visitors Enjoy First Look at Iowa Farm

Blairsburg.—An educator from Ceylon and a doctor from Pakistan have had their first look at an Iowa farm. But they didn't use their eyes.

The visitors, Dr. Fatima Shah of Karachi, Pakistan, and Rienzi Alagiyawanna, of Mahawewa, Ceylon, are blind.

Both are leaders in movements for the blind in their countries. They visited the

Iowa Commission for the Blind before traveling to New York for a meeting of the World Federation for the Blind.

Their farm host, Elwyn Hemken, was uniquely qualified to show his visitors around his 80 acres two and a half miles south of Blairsburg. He too is blind.

Rienzi (he goes by his first name while in Iowa because Americans find his last name virtually unpronouncable) was fascinated with technical aspects of farm life in America. "Do the pigs fight?" he asked. "How much is a 100-pound pig worth? How do you get them to market? How much is this corn worth? How do you get it planted?"

Feeling his way with the long cane which is second nature to the blind in America, but virtually unknown in foreign countries, Rienzi poked and prodded at a tractor and a corn crib and clambered into the back of a pickup truck for a ride to Hemken's cornfields.

There he and Dr. Shah learned the feel, smell, and heat of an Iowa cornfield, where stalks are some 7 feet high this time of year.

Dr. Shah brought back an ear of corn to show to one of some 20 blind students who accompanied the foreign visitors to Blairsburg.

"Look what I have," she said.

"Fatima," came the reply, "you've been raiding the cornfield."

"I didn't take it. I didn't," Dr. Shah maintained. "But I shall take it back and fry it. You Americans must expand your experience. It is delicious that way."

The "frying" process described by Dr. Shah is similar to the American method of roasting corn, except that Pakistanis, she explained, season their corn with lime juice rather than butter.

Dr. Shah pitched in to crank for a while when the group decided to make homemade ice cream.

Rienzi told of the difficulties of farming in Ceylon, where elephants are used in farming. "They need one big heap of limbs and branches to eat every day," he said.

Their farm visit was not the only "first" for Dr. Shah and Rienzi in Iowa. They and other foreign visitors to the Iowa Commission for the Blind also went water skiing.

They have been introduced to the long, steel-tipped cane which the blind in this country rely upon, and have encountered a Braille calculating machine and a chess board specially designed for the blind.

Most important, in their opinion, they have been introduced to the philosophy which pervades the Iowa Commission for the Blind.

"Most people think the real problem of blindness is not being able to see," said Kenneth Jernigan, commission director. "The real problem of blindness is not blindness itself. It's the attitude toward it on the part of the blind and the sighted."

"Yes," chimed in Rienzi, "We have to protect the blind from the blindness of other people."

Jernigan's method of instilling confidence in the blind is to expose them to the successful blind who can water ski, charcoal a steak on an outdoor grill, travel unaided and generally get about with little more apparent difficulty than the sighted.

"What we do here," said Jernigan of a newly blind person, "is to let him come to the realization he can be as useful as others."

Jernigan's attitude, and that of other personnel at the Iowa Commission for the Blind, have made the commission known around the world. Both Dr. Shah and Rienzi said they learned about Iowa's program for the blind in their own countries. They hope to incorporate some of what they have learned here into programs for the blind in Pakistan and Ceylon.

A medical doctor who became blind just 7 years ago, Dr. Shah is president and founder of the Pakistan Association of the Blind. She says she hopes to open a school similar to Iowa's center for blind students in her own country.

"Blind children need equal opportunity for higher study and jobs," she said. "In my country, it is an upward task."

Rienzi was a school principal when he found he was going blind about a dozen years ago. "I was caught in the philosophy of the country," he said. "I thought I could do nothing after I became blind."

Instead, he has opened five schools for the blind in Ceylon, and is principal of Siviraja School for the Deaf and Blind in Mahawewa. He plans to introduce in Ceylon the cane he has learned to use here, and says he will call it the Iowa cane. He pronounces it Eye-oh'-ah.

Jernigan, Rienzi, and Dr. Shah kidded about the various aspects of blindness, considering the possibility that a blind man might be ideally suited for the Presidency because he is forced to develop his memory more fully.

"Actually, you know," mused Dr. Shah, "sight is not in the eyes. It is in the brain—the real sight is."

TOO MUCH GOVERNMENT?

Mr. MILLER. Mr. President, Successful Farming Editor Dick Hanson, in a signed editorial in the issue of August, has placed his finger squarely on the reasons for the plight of the farmer today—too much government.

Interrelated actions by the policymakers in the administration, he says in effect, have intensified, not diminished, the problems facing the agricultural sector of this Nation.

He pinpoints the causes and effects of these policies, all of which have culminated in the Government assuming supply management over much of American agriculture.

I believe Mr. Hanson has performed an invaluable service in setting down the results of too much interference by the Federal Government in the lives of the American farmer. I feel the editorial can serve as a useful reminder to others as to what will happen if they permit the Government to assume direction of their economic welfare.

I ask unanimous consent that the editorial, entitled "Too Much Government?" be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

TOO MUCH GOVERNMENT?

(By Dick Hanson)

With the Republican National Convention just over and the Democrats getting set for their big rally in late August, politics seems an appropriate subject for discussion this month.

Right now we seem to be suffering from too much government in our business. Here are problems:

The feed grain program is in real danger. It helped bring down surpluses during the first couple of years of operation—mainly because corn prices were held low in the market so we used lots of corn to feed livestock. But the program is getting very costly now, perhaps without accomplishing its mission. Production is still climbing. Corn production in 1963 was a record. And we're spending about twice as much on the program in 1964. Program will face a hard time in Congress when extension is proposed.

Wheat program may cause a scandal. Even after wheat farmers decisively turned down the multiple price plan in May 1963, the administration pushed through the same plan in 1964—but on a "voluntary" basis. But some authorities see this problem:

Most farmers in their collective wisdom had held down plantings anyway. So the huge expenditure of public funds to get acreage diverted from wheat won't actually cut acreage very much. (Remember the minor scandal of the soil bank's first year.)

Parity ratio recently hit its lowest point in two decades.

The beef situation won't get better fast. One of the best known sayings in farm policy circles is "Cheap feed makes cheap livestock." Well, the administration embarked on a cheap feed policy in 1961 and 1962 by selling vast quantities of corn. One logical and expected result was a buildup in cattle numbers and feeding rate in the United States.

Then the import jump came at an especially bad time for cattlemen. The administration response was an agreement based on the highest years of imports. Both problems—high U.S. cattle population and high imports—will continue for some time.

Soybeans are getting into trouble. Success of this crop in gaining new markets at good prices with low-level price supports has been a talking point among those who advocate greater reliance on market prices to guide production.

But, in spite of pleadings of soybean growers to leave supports low, Secretary Freeman raised supports for the 1963 crop to $2.25. Result: Both production and prices went up, meal and oil prices were too high for consumption increase to continue. So prices fell and we have a big carryover of 1963 beans into the 1964 crop year. Further, prices will stay low and surplus will build up this year.

Secretary Freeman and his advisors now have supply management, either directly or indirectly, over much of American agriculture. This puts more control of your income at the tender mercies of the Secretary of Agriculture, urban Congressmen, and the Bureau of the Budget. For most of us, that's not a pleasant thought.

THE BOBBY BAKER AFFAIR—DESPITE ITS LESSONS, CONGRESS SCUTTLES MEANINGFUL REFORMS

Mr. MILLER. Mr. President, the able and very astute reporter for the Wall Street Journal, Jerry Landauer, has wrapped up in a very meaningful article the full import of the Bobby Baker case.

I think the article speaks for itself and I am hopeful that many will take note of the questions raised by Mr. Landauer in the Journal on August 5.

I ask unanimous consent that the article, entitled "The Bobby Baker Affair—Despite Its Lessons, Congress Scuttles Meaningful Reforms," be inserted at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE BOBBY BAKER AFFAIR—DESPITE ITS LESSONS, CONGRESS SCUTTLES MEANINGFUL REFORMS

(By Jerry Landauer)

WASHINGTON.—Now that the tempestuous Bobby Baker affair is drawing to an inconclusive close, it may be appropriate to suggest some "laws" governing congressional investigations generally. One possibility is this: The more heat and wind an investigation generates, the less likely it is to lead to any substantial results.

And to this first law of congressional investigations one could add a corollary: Investigations intended to uproot wrongdoing on Capitol Hill stand still less chance of producing meaningful reform.

Both the law and the corollary are amply demonstrated by the outcome of the Senate investigation into **Mr. Baker's** extracurricular financial affairs. Mr. Baker, of course, is the one-time protege of Lyndon Johnson and the former secretary to the Senate Democrats who built substantial wealth by operating businesses part time from his Capitol office. Some of busy Bobby's assets derived from favors extended him by friends who in turn were dependent on favorable Government decisions.

After a 6-month inquiry notably lacking in breadth (for example, the Democratic-dominated investigating committee refused to interrogate White House aid Walter Jenkins, who figures prominently in one aspect of the case), the probers drafted a report assailing Mr. Baker for gross improprieties and recommending that Senators list the source, but not the extent of, certain outside incomes.

The committee's disclosure resolution was designed, in part, to polish a tarnished Senate image. For the investigators and the newspapers had developed evidence suggesting that a call girl ring flourished near the Capitol; that the late Senator Kerr, of Oklahoma, "gave" Mr. Baker $40,000; that a second Senator had been offered campaign contributions tied to a specific vote; that a third had been a Baker business associate; and that a fourth benefited from a fundraising dinner to which 80 guests were flown free across the continent by a Government-regulated airline.

CLAMOR FOR REFORM

All this coupled with evidence that Bobby and certain friends in Congress were rewarded financially by the passage of legislation (which they were in a position to promote) authorizing construction of the Washington sports stadium prompted a rising clamor for reform.

But the Senate committee's mild disclosure resolution died in a crossfire between lawmakers who thought it was an invalid invasion of privacy and those who thought it was too mild. Nevertheless, something clearly had to be done. So, the Senate did what a body of politicians often does in moments of uncertainty: It established, on Republican initiative, a brandnew select committee to sift future complaints of improprieties by Senators and staffers.

The members of this new panel may not be named until next year, partly because few Senators relish sitting in judgment over colleagues' conduct. For this reason, too, the committee probably won't do much until confronted by scandal. It won't, for example, try to update or make more specific the vague code of ethics Congress wrote for itself in 1958.

The immediate result of establishing the new committee is even easier to assess. Merely by creating it, Senators deflated prospects for a bolder proposal to set up a blue ribbon 17-member Commission on Ethics that would study in depth conflict-of-interest problems confronting not only Senators but their House colleagues, executive branch administrators and, on occasion, Federal judges.

In sum, then, the Senate did practically nothing to resolve the ethical issues raised by Bobby Baker's financial manipulations. It left to the conscience of individual Senators the problem of balancing private against public interest. By defeating disclosure, it reinforced the prevailing congressional view that Members are answerable only to constituents. But it denied to constituents the information necessary for judgment.

The widespread impression that Senate Democrats who controlled the investigation of their former secretary were less than avid in the search for facts prompted a band of House Republicans to keep the case alive with their own unofficial inquiry. More meaningfully, however, an increasing number of lawmakers have decided to disclose their assets voluntarily. Voluntary disclosure and divestment of stocks or other property that could immerse lawmakers in sticky conflict-of-interest problems has been proceeding quietly for some time. Unfortunately for Congress' image, hardly anybody takes notice.

To cite a few cases, Senator LAUSCHE, Democrat, of Ohio, is among the Senators who won't accept campaign contributions from persons who conduct business with the Government. Senator MORTON, Republican, of Kentucky, intends to resign from the board of a bank his grandfather helped organize. Senator HART, Democrat, of Michigan, disposed of stock in a professional football club when he gained membership on the Senate Antitrust Subcommittee; that panel has been considering the impact of the antitrust laws on professional sports.

OTHER SENATORS ACT

Senator ANDERSON, Democrat, of New Mexico, sold a substantial farm because he couldn't "conscientiously" collect more per acre for letting the land lie fallow under the farm subsidy program than it had been worth a few years ago. Senator YOUNG, Democrat, of Ohio, sold his holdings in Pan American World Airways when he became a member of the Senate Space Committee. Senator TOWER, Republican, of Texas, unloaded securities of companies subject to legislation handled by the Senate Banking Committee on which he sits. Senator PROXMIRE, Democrat, of Wisconsin, sold his half interest in a printing company on becoming a member of the committee that deals with postal rates.

But most issues that confront lawmakers with possible conflicts of interest are more subtle and far less easy to resolve. One of the most troublesome is the acceptance of "honorariums," or fees for speechmaking to special interest groups

Is it proper for a Congressman who sits on the Interior Committee to accept $1,000 for a speech, say, to the American Mining Congress? Or should a member of the Labor Committee accept sizable sums from unions? Or should a member accept large campaign contributions from persons or groups with deep stakes in pending legislation?

Some of these prickly problems perhaps might be answered, or at least dragged into public view for debate, by the proposed commission to examine ethics throughout the Government. But the Senate likely won't take the first step to create the commission, and if does the jealous House will surely ignore it.

THE MORTON AMENDMENT

During debate last week on the defeated disclosure recommendation, Senator MORTON offered an amendment requiring lawmakers to deposit in the public treasury all compensation from lectures, speeches, and article writing. The Kentuckian withdrew the amendment when Senator DOUGLAS, Democrat, of Illinois, suggested applying it to legal fees as well. For if members cannot profit from the lecture circuit, the case for denying them other outside income (from directorships of Government-regulated utilities, for example) is strengthened.

For those concerned with Congress' stature, the Baker affair broke at an unpropitious time. Almost simultaneously, a Federal court in Baltimore convicted two House Members of peddling influence in connection with savings and loan promotions. Before that the lawmakers were rocked by the nepotism scandal. And with disquieting regularity, somebody digs up dirt about payroll padding or junkets at taxpayers' expense to the cabarets of Paris, Rome, or the Caribbean.

In contrast to the meek windup of the windy Baker case, quieter investigations are beginning to yield results. For example, Senator FULBRIGHT's look at the shenanigans of American lobbyists for foreign governments generated a reform bill that moved through the Senate unopposed last month. And Missouri Senator LONG's inquiry into the bureaucracy's misuse of secrecy labels produced Senate-approved legislation sharply limiting the Government's right to withhold information.

The Baker probe trumped these and all others in publicity. It yielded results in almost inverse ratio to the number of newsmen watching the investigators at work.

SENATOR McGOVERN COMMENDED BY LIVESTOCK MARKETS GROUP

Mr. McGEE. Mr. President, the establishment of the National Commission on Food Marketing to study the effect of vertical integration, direct buying practices of chain stores, and many other matters involved in the spread of prices between farmers and consumers, grew out of a number of proposals.

One of them was sponsored by the junior Senator from South Dakota [Mr. McGOVERN] who introduced S. 1270, to make it unlawful for retail food chains to go into livestock production and the packing business. It also forbids packers to go into retailing and production.

The River Markets Group, an organization representing livestock marketing agencies in the upper Missouri River Basin, at Kansas City, St. Joseph, Omaha, Sioux City, Sioux Falls, and other cities, supported this bill, just as it also supported establishment of the Commission. It has provided me with a copy of a letter it recently sent to the Senator from South Dakota [Mr. McGOVERN], advising him that it had unanimously adopted a resolution commending him for his excellent work in support of S. 1270, the bill establishing the National Commission on Food Marketing, and for his support of agriculture generally.

I ask unanimous consent to have printed in the RECORD this much deserved letter of commendation of our associate.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

RIVER MARKETS GROUP,
Omaha, Nebr., July 14, 1964.

Hon. GEORGE McGOVERN,
Senate Office Building,
Washington, D.C.

DEAR SENATOR McGOVERN: At the recently concluded semiannual meeting of the River Markets Group, a resolution was unanimously adopted by the assembled delegates commending you for your excellent work and untiring efforts in support of this group and American agriculture generally.

We sincerely appreciate your introduction of legislation calling for restrictions on the Nation's chain stores and meatpackers in the feeding and processing of livestock and meat products. There can be no doubt but what your pursuit of this legislation had a very direct effect on the President's eventual establishment of a National Commission on Food Marketing.

We are deeply disappointed that you were not named as a member of this Commission, but I am sure you are well aware of the fact that we supported your nomination at every quarter, including the White House.

The River Markets Group takes this opportunity to congratulate you on the excellence of your work during your tenure of office and assures you of our continued untiring efforts in your behalf.

Sincerely yours,

River Markets Group,
Hugh Mactier, *Chairman*.

DOMESTIC SYNTHETIC ORGANIC DYE

Mr. THURMOND. Mr. President, my experience as a member of the Senate Committee on Armed Services has caused me to be especially concerned about governmental policies which impair our defense preparedness. There are many ingredients to our Nation's ability to withstand attack from any aggressor and to maintain the strength required for safeguarding world peace.

One of these ingredients is our industrial mobilization base. Through our Nation's history, various words have been used to describe the existence within the Nation of the resources of industrial plants, skilled workers, and raw materials, which, when combined, give us the capacity to produce, in sufficient quantities and at the times needed, the materiel of war.

Regardless of whether we refer to this capacity by the name "industrial mobilization base," or by some other description, the fundamental fact is that, as a nation, we have always recognized, as a matter of policy, that we must have the capability to defend ourselves from aggressors.

The Armed Services Committee is interested in this subject, because all of the planning, policymaking, and funding which the Congress provides for an adequate military force in being, to protect the Nation, are meaningless if at the same time we do not take suitable measures to provide the necessary industrial and manpower resources for the logistical support of our military forces.

These thoughts bring me to the subject of the situation of our domestic industry and workers engaged in the production of synthetic organic dyes and intermediates. Chemical technology is involved in so much of our defense-related production that the essentiality of our chemical plants and skilled manpower to the national security is beyond question. In the fields of explosives; propellants; medicinals; materials of every sort, including plastics, textile fibers, and additives; and chemical warfare agents chemical technology and production capabilities are indispensable to our national security and preparedness efforts.

The Nation's synthetic organic chemical plants are the source of a great portion of this technology and production capability. Because of its importance, Congress has consistently devised policies appropriate for the encouragement of synthetic organic chemicals manufacture. Prior to World War I, the United States was dependent on German organic chemicals. When German imports were cut off in that war, our Nation lacked explosives, medicinals, and dyes. They could be provided only by organic chemical manufacturing capacity, technology, and skilled manpower.

After World War I, at the request of the President, who in the prosecution of that war, had been handicapped by the lack of organic chemical manufacturing capabilities, Congress provided, in the Tariff Act of 1922, particular assistance for the development, growth, and self-sufficiency of an American organic chemical industry.

Because of the sophisticated use by the European chemical industry of cartel arrangements to weaken or destroy competition elsewhere in the world, Congress devised the system of American valuation, or American selling price, as it is now called. This is a method of valuing imported synthetic organic chemicals on the basis of competitive American prices, rather than on the basis of rigged prices arbitrarily set by the international dyestuff and chemical cartel to destroy the American industry.

Fortunately for the United States, these special measures for the protection of the American organic chemical industry were reenacted by Congress in the Tariff Act of 1930. As a result, organic chemicals manufacture flourished in the United States. In World War II, this vital industry successfully met the enormous demands of the military and essential civilian needs for chemicals. As declared by the War Production Board, the chemicals required in the war effort were so far-reaching and so fundamental that any loss of production would have had a significant effect on a wide range of vital programs.

Because chemicals provided the basis for the proper functioning of virtually every phase of the civilian and war economy, the manpower and materials priorities assigned during World War II enabled the synthetic organic dye and dye intermediates plants to turn their diverse capabilities to production in such diverse fields as synthetic drugs and medicinals; chemical warfare gases and smoke screens; synthetic rubbers, fibers, plastics, and resins; new and more powerful explosives; higher-powered aviation fuels; and insecticides and insect repellents.

The winning of the war brooked no interference with the growth and operation of the synthetic organic dye and intermediates industry.

During the Korean emergency, this dramatic story of the essentiality of the synthetic organic dye and intermediates industry was repeated. The production of bulletproof vests, rockets, napalm bombs, jet fuels, and wonder drugs and synthetic vitamins was dependent upon organic chemical technology which stemmed from the research and production activities of the nation's synthetic organic chemical plants.

Today, during the continued emergency which emphasizes the vital importance of our defense capabilities, the synthetic organic chemical industry continues to play a vital and indispensable role. The essentiality of the nation's dye and intermediates plants can be illustrated by referring to a few of the basic military applications for these products:

First. All military textile materials require synthetic organic dyes.

Second. Dyes are required as sea markers for life-raft equipment to aid rescue operations.

Third. Synthetic organic dyes are used to color-code types and grades of fuel and oil required by the military; synthetic organic fuel additives enrich that fuel and oil, and make them suitable for use in military applications.

Fourth. Dyes are used to make military aircraft signaling panels which are responsive to ultraviolet light, so that they can be used without disclosing the position of ground forces which are communicating with supporting aircraft.

Fifth. Dyes are used in military photographic color film for aerial photos adapted to penetrate enemy camouflage.

Sixth. Dyes and advanced dye intermediates are used in the manufacture of synthetic drugs and pharmaceuticals.

Seventh. Dye intermediates are required for the production of antioxidants and antiozonates to prevent deterioration of plastics, rubber, and gasoline in vital military applications.

Eighth. Dyes are used in artillery shells to mark vividly the point of impact, and thus to enable artillery batteries to adjust their range.

Ninth. Synthetic organic dye intermediates are used in the synthesis of high temperature resins required for use on the leading edges of the wings of supersonic jet aircraft; to insulate electrical wiring exposed to extremely high temperatures; as a replacement for metals in aircraft which exceed the speed of sound; and as shields on missiles, to aid in the reentry of space vehicles into the atmosphere.

Mr. President, some materials which are required by our present-day military and space programs are capable of being produced only through the complex synthesis which can be carried out in the batch-processing facilities of synthetic organic dye and dye intermediates plants. Perhaps the most important feature of these plants is their remarkable adaptive power. They are capable of use in producing virtually any type of complex chemical compound and in rearranging the molecular structure to tailor make new materials needed to meet previously unknown or unanticipated needs, which are constantly being developed in the revolution of military weapons systems.

I am alarmed by the efforts which West Germany and other European nations are making anew to weaken, if not destroy, our American synthetic dye and intermediates industry. Before World War I, the German industry used its monopoly power to weaken our American industry and to prevent it from becoming self-sufficient. The same German industry, allied with the other European members of the former international dyestuff cartel, is now raising a hue and cry to secure elimination of the congressional policy which undergirds the continued existence of the American dye and intermediates industry.

I refer, Mr. President, to press accounts of June 17 and 18, 1964, reporting that the Common Market ministers instructed their executive commission to give top priority, in negotiations with the United States in the Kennedy round, to securing the elimination of the American selling-price value basis. I also refer to remarks made by Under Secretary of Commerce, Franklin D. Roosevelt, Jr., on June 12, 1964, identifying the American selling price as among the nontariff barriers of greatest concern to other GATT nations, which the United States "must be willing to be flexible about" in the forthcoming negotiations.

Finally, Mr. President, I am informed that the Office of Governor Herter, the President's Special Representative for Trade Negotiations, is intensively engaged in a study to determine whether the President has authority under the Trade Expansion Act of 1962 to eliminate the American selling price by trade-agreement proclamation.

The fact that the President's office would even seriously consider the removal of the basic customs policy which insures the continued existence of a healthy, prosperous, and progressive synthetic dye and intermediates industry is alarming to me. It indicates that those within Government who are in a position to understand the absolute essentiality of the domestic dye and intermediates industry have either been negligent in voicing their opinion in the councils of those who advise the President on trade-agreement matters, or else their voices have been ignored.

Under Secretary of Commerce Roosevelt indicates that there is an intention to use such power. If that is not intended, what is the purpose of an intensive inquiry into the President's power? If there is an intention to use such power, there must be an intention to sacrifice America's capability for national security, as it is based upon synthetic organic chemical manufacturing capacity and manpower.

It should not be necessary for me to remind this body or the administration that since 1954, Congress has insisted upon inserting in the trade agreements legislation, as it insisted in 1962, a provision which forbids the President to consider or to take trade-agreement actions which would threaten to impair the national security. There can be no question about the effect of the elimination of the American selling price by direct or indirect action or by the reduction of dye and intermediate duties. Such action would impair the national security.

It is strange that this administration would examine the question of possible authority on the part of the President to attempt the elimination, directly or indirectly, of the American selling price, by trade agreement action. In the past, the executive branch has frankly acknowledged that the President lacked such authority. No change was made in the power-delegating words of the Trade Expansion Act, in comparison with prior legislation, which now could give the authority plainly acknowledged not to have been transferred in the past. The Tariff Commission has also publicly expressed the opinion that the valuation rules, including the American selling price, used by the United States could not be changed without positive law enacted by Congress. I refer to the United States Tariff Commission document entitled "Operation of the Trade Agreements Program, part 2," at page 47.

In 1951, the late Senator Walter F. George, chairman of the Senate Finance Committee, in public hearings required the State Department to state categorically whether, under the trade-agreements legislation, the President had received from Congress the power to make changes in substantive laws of the United States, including the American selling price value basis. To the credit of the State Department, the Department then formally acknowledged that in order to eliminate the use of the American selling price it would be necessary to make a change in the method of calculating the tariff, and that amendments by Congress to the relevant U.S. statutes would be required.

Apropos of this Executive recognition that legislation would be required, in order to change the American selling price, I point out that the Truman administration made two attempts to secure the enactment of legislation to accomplish this end. A legislative proposal for elimination of the American selling price was included in the bill, introduced at the request of that administration, for a so-called Customs Simplification Act of 1950. That bill, H.R. 8304 of the 81st Congress, and a similar measure in 1951, H.R. 1535 of the 82d Congress, failed to receive congressional approval. When the Customs Simplification Act of 1951 was reported, the provision for elimination of the American selling price significantly was omitted.

Furthermore, Mr. President, the Customs Simplification Act of 1956 specifically retained the American selling price value basis. Not only did Congress reject the suggestion that the American selling price be eliminated; it also took the trouble specifically to spell out, in the enumeration of the valuation principles to be used in the Customs Simplification Act of 1956, the American selling price as the basis for valuation of synthetic organic dyes, dye intermediates, and other finished chemicals.

As recently as 1962, Congress on two occasions took the trouble to carry forward into fundamental tariff legislation the American selling price valuation principle for dyes and intermediates. The Tariff Classification Act of 1962 provided for the taking effect as law of the Tariff Schedules of the United States, prepared by the Tariff Commission, which are specifically based upon the continued use of the American selling price value principle for dyes, dye intermediates, and other synthetic organic chemicals. Section 256 of the Trade Expansion Act gave the President limited authority to determine the ad valorem equivalent of certain compound rates of duty. In that provision, Congress directed the President to utilize the standards of valuation contained in present law, including the American selling price value principle.

The purpose of reciting this legislative history, Mr. President, is to demonstrate that throughout the long sweep of time from the initial enactment of the American selling price into law, in 1922, through the enactment of the Trade Expansion Act in 1962, Congress without exception has insisted upon the use and retention for use of the American selling price as the basis for the appraisement of imports of dyes and intermediates. It has done so because of the realization that in the future the international dyestuff cartel, which, in the past, has operated formally, is capable of operating either formally or informally, at the whim of European producers, and that the cartel is intent upon an invasion of the U.S. market to an extent which would threaten the economic stability of one of America's most essential defense industries.

Mr. President, I call upon the Members of this body to recognize the seriousness of the threat to our national security resources that is posed by the determined campaign of the European chemical industry to pressure Governor Herter and his colleagues to agree to elimination of the American selling price value basis. I hope all the Members of this body will urge the President, as I have urged him, to resist this pressure and to safeguard our national security by refraining from making any commitment in regard to the American selling price, and by withholding the existing duties on synthetic organic dyes and dye intermediates from the forthcoming trade negotiations at Geneva.

ADJOURNMENT

Mr. MORSE. Mr. President, I move, under the order previously entered, that the Senate now stand in adjournment until 10 a.m., tomorrow.

The motion was agreed to; and (at 7 o'clock and 12 minutes p.m.) the Senate adjourned, under the previous order, until tomorrow, Saturday, August 8, 1964, at 10 o'clock a.m.

NOMINATIONS

Executive nominations received by the Senate August 7, 1964:

IN THE NAVY

The following-named officers of the Navy for permanent promotion to the grade of rear admiral:

MEDICAL CORPS

Herbert H. Eighmy.

SUPPLY CORPS

Elton W. Sutherling.
William A. Evans.
Bernhard H. Bieri, Jr.

CONFIRMATION

Executive nomination confirmed by the Senate August 7, 1964:

U.S. MARSHAL

Santos Buxo, Jr., of Puerto Rico., to be U.S. marshal for the district of Puerto Rico for the term of 4 years.

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HOUSE OF REPRESENTATIVES

FRIDAY, AUGUST 7, 1964

The House met at 11 o'clock a.m.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

From the Sermon on the Mount, Matthew 5: 16: *Let your light so shine before men, that they may see your good works, and glorify your Father which is in heaven.*

O Thou gracious Benefactor, kindle within our souls Thy divine light and may the luster and radiancy never grow dim or be eclipsed but become brighter and brighter until the dawning of that perfect day.

Grant that the legislation enacted by the Congress may always be reasonable and practical and helpful in lifting the burden which weighs so heavily upon the backs and hearts of a vast number of the members of the human family.

May we never be discouraged by the multitude and magnitude of our appointed tasks or allow our sense of their difficulty to exceed our sense of Thy divine power and willingness to supply mankind's every need.

God forbid that we should ever forget Thy great goodness and expect Thee to deal with us in some preferential manner.

May we never be indifferent in our attitude toward our fellow men who also love life and are struggling for the more abundant blessings.

Hear us in His name who went about doing good. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 8925. An act to amend title 38 of the United States Code in order to provide that a disability which has been rated at or above a certain percentage for 20 or more years may not thereafter be reduced below such percentage;

H.R. 8999. An act to provide for the settlement of claims of certain inhabitants of the United States living in the area inundated by the sudden floods of the Rio Grande as a result of the construction of the Falcon Dam, and for other purposes; and

H.R. 11255. An act to validate certain payments of per diem allowances made to members of the Coast Guard.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 6034. An act for the relief of Robert L. Johnston; and

H.R. 11466. An act to enact subtitle II, "Other Commercial Transactions", of title 28, "Commercial Instruments and Transactions", of the District of Columbia Code, and for other purposes.

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 1642. An act to amend the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended, to extend disclosure requirements to the issuers of additional publicly traded securities, to provide for improved qualification and disciplinary procedures for registered brokers and dealers, and for other purposes; and

S. 1991. An act to charter by act of Congress the National Tropical Botanical Garden.

The message also announced that the Senate had passed bills and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 564. An act to extend to volunteer fire companies the rates of postage on second-class and third-class bulk mailings applicable to certain nonprofit organizations;

S. 1365. An act to establish the Fire Island National Seashore, and for other purposes;

S. 3075. An act to amend the Atomic Energy Act of 1954, as amended, and for other purposes; and

S. Con. Res. 92. Concurrent resolution favoring the suspension of deportation of certain aliens.

The message also announced that the Presiding Officer of the Senate, pursuant to Public Law 115, 78th Congress, entitled "An act to provide for the disposal of certain records of the U.S. Government", had appointed Mr. JOHNSTON and Mr. CARLSON members of the joint select committee on the part of the Senate for the disposition of executive papers referred to in the report of the Archivist of the United States numbered 65–3.

EUROPEAN COMMON MARKET LEVY ON U.S. LONG GRAIN RICE

Mr. THOMPSON of Texas. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. THOMPSON of Texas. Mr. Speaker, I am informed by friends in the rice industry that the European Common Market is proposing to place a high levy on imports of U.S. long grain rice, starting September 1.

It is said that the proposed duties would amount to 25 to 35 percent of landed value on brown rice, which is the principal kind of rice imported by the Common Market countries. There has been no duty on this rice up to now.

As my district of the State of Texas is a major producer of long grain rice, I am greatly disturbed by this information.

For several years the Common Market has been one of the best dollar markets for our long grain rice. One-fourth of the cash dollar export sales of U.S. rice of the long grain type has been going to Common Market countries. This business represents $17 million of income annually to our growers of long grain rice.

The proposal to impose high duties on U.S. long grain rice is particularly unreasonable in view of the fact that the Common Market does not even produce any rice of the long grain type. Production in the EEC is entirely short and medium soft cooking types that have a special consumer demand quite different from the dry cooking long grain varieties grown in the United States.

I hope our Government will study carefully whatever is done against our rice, and will forcefully seek remedy for any damages inflicted on our rice industry. The Europeans should be reminded that the United States is an excellent market for numerous European products including Volkswagens, Renaults, and fine wines. U.S. policy on import restrictions on those products should correspond with European policy on our products.

CALL OF THE HOUSE

Mr. ARENDS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ROOSEVELT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 209]

Ashbrook
Auchincloss
Avery
Baring
Bass
Beckworth
Bennett, Mich.
Brotzman
Buckley
Burton, Calif.
Clausen,
  Don H.
Cleveland
Daddario
Davis, Tenn.
Edmondson
Everett
Evins
Fulton, Tenn.
Gray
Hagan, Ga.
Hansen
Harding
Healey
Jennings
Jones, Ala.
Jones, Mo.
Kee
Lankford
Lennon
Lesinski
Long, Md.
Martin, Calif.
Nedzi
Norblad
Passman
Pilcher
Pool
Powell
Pucinski
Roberts, Ala.
Senner
Sheppard
Siler
Smith, Iowa
Staebler
Steed
Toll
Udall

The SPEAKER. On this rollcall 384 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

TO PROMOTE THE MAINTENANCE OF INTERNATIONAL PEACE AND SECURITY IN SOUTHEAST ASIA

Mr. MORGAN. Mr. Speaker, I move to suspend the rules and pass the House joint resolution (H.J. Res. 1145) to promote the maintenance of international peace and security in southeast Asia, with an amendment.

The Clerk read as follows:

Whereas naval units of the Communist regime in Vietnam, in violation of the principles of the Charter of the United Nations and of international law, have deliberately and repeatedly attacked United States naval vessels lawfully present in international waters, and have thereby created a serious threat to international peace; and

Whereas these attacks are part of a deliberate and systematic campaign of aggression that the Communist regime in North Vietnam has been waging against its neighbors and the nations joined with them in the collective defense of their freedom; and

Whereas the United States is assisting the peoples of southeast Asia to protect their freedom and has no territorial, military or political ambitions in that area, but desires only that these peoples should be left in peace to work out their own destinies in their own way: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress approves and supports the determination of the President, as Commander in Chief, to take all necessary measures to repel any armed attack against the forces of the United States and to prevent further aggression.

SEC. 2. The United States regards as vital to its national interest and to world peace the maintenance of international peace and security in southeast Asia. Consonant with the Constitution of the United States and the Charter of the United Nations and in accordance with its obligations under the Southeast Asia Collective Defense Treaty, the United States is, therefore, prepared, as the President determines, to take all necessary steps, including the use of armed force, to assist any member or protocol state of the Southeast Asia Collective Defense Treaty requesting assistance in defense of its freedom.

SEC. 3. This resolution shall expire when the President shall determine that the peace and security of the area is reasonably assured by international conditions created by action of the United Nations or otherwise, except that it may be terminated earlier by concurrent resolution of the Congress.

The SPEAKER. Is a second demanded?

Mrs. FRANCES P. BOLTON. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER. The gentleman from Pennsylvania [Mr. MORGAN] is recognized.

Mr. MORGAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include certain editorials.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. MORGAN. Mr. Speaker, I urge immediate passage of this resolution. It is a timely and effective expression of approval and support for the President in the actions he has taken to meet the attacks on our naval forces in southeast Asia by Communists in North Vietnam. The resolution declares full support for the President's resolute policy to prevent further aggression, or make suitable retaliation if additional attacks should occur.

The preamble concisely sets forth the background of this Communist aggression in which North Vietnamese naval units in violation of both international law and the principles of the United Nations Charter, made unprovoked attacks on U.S. naval vessels on patrol in international waters. These attacks are part of the systematic aggression which has been waged by the North Vietnamese Communists against its neighbors and those joined with them in defense of their freedom. The preamble also makes clear the fact that although the United States is assisting the people of southeast Asia to protect their freedom, we have absolutely no territorial, military, or political ambitions in that area. We desire only to have these people left in peace to work out their own destinies.

The "resolve" part of the resolution is in three sections. The first approves and supports what the President is doing to repel and prevent these attacks on our forces.

The second section highlights U.S. policy in southeast Asia. It emphasizes that the United States regards as vital to its national interest and to world peace, the maintenance of international peace and security in that area. Subject to the Constitution of the United States, and consonant with the U.N. Charter, as well as our obligations under the Southeast Asia Collective Defense Treaty, approval is expressed for the President to take all "necessary steps, including the use of armed force, to assist any member or protocol state of the Southeast Asia Collective Defense Treaty requesting assistance in defense of its freedom." The "protocol states" are Laos, Cambodia, and South Vietnam. It would apply, at present, only to South Veitnam, as Cambodia has eliminated itself voluntarily, and Laos would be inhibited by provisions of the 1962 accords.

Section 3 follows closely the termination provisions of the earlier resolutions on Formosa and the Middle East. The resolution is to expire when the President determines that the peace and security of the area is reasonably assured by international conditions created by action of the United Nations or otherwise. Provision is also made that the resolution may be terminated earlier by concurrent resolution of the Congress.

Mr. Speaker, I have touched on only the highpoints, as the detailed facts and background are fully covered in the President's message and in the statements presented to the Foreign Affairs Committee by Secretary of State Rusk and Secretary of Defense McNamara. These statements, which contain as much information as could be declassified, have been printed as an appendix to the committee's report on this resolution.

The President is to be commended, not only for his prompt and vigorous action to protect our national interests and security, but also for following the precedents and coming to the Congress for approval and support. This is definitely not an advance declaration of war. The committee has been assured by the Secretary of State that the constitutional prerogative of the Congress in this respect will continue to be scrupulously observed.

This resolution provides us the opportunity to demonstrate to the Communist aggressors that the people of the United States are united in their firm resolve to protect ourselves, to resist attack, and to take prompt and appropriate means to prevent aggression.

I ask its immediate passage in our national interest.

[From the Philadelphia (Pa.) Inquirer,
Aug. 6, 1964]

A NATION UNITED

In this grim, dark hour—when the issue of peace or war hangs precariously in the balance—President Johnson has called upon the American people to meet the test of courage and determination that has been thrust suddenly and irrevocably upon us all by a treacherous foe.

The Nation must stand firm and united in unwavering support of the President at this crucial juncture in the history of mankind.

We are confident that Americans irrespective of political party, shall do so—in keeping with the highest traditions of this country in times of crisis.

In his solemn address to the world on Wednesday, at Syracuse, Mr. Johnson reiterated and expanded upon points he made late Tuesday night in his report on the swift succession of ominous events in southeast Asia.

The President is right, beyond any question, in making it clear to the leaders of Communist North Vietnam, and to any other government bent on unprovoked aggression, that America's earnest desire for peace is not to be misconstrued as weakness.

Delivering one of the finest addresses of his long career in public service, Mr. Johnson summed up the situation succinctly at Syracuse in these terse phrases: "The attacks were deliberate. The attacks were unprovoked. The attacks have been answered."

After the North Vietnamese torpedo boats had opened fire against U.S. naval craft in international waters, for the second time in 3 days, it was unmistakably clear that the American reply, in action as well as words, needed to be prompt and appropriately forceful—commensurate with the seriousness of the North Vietnamese challenge and the flagrant disregard they showed for the rights of our vessels to sail the seas without interference.

These rights have been hard-won, over many years, by valiant Americans. Freedom of movement on the oceans must be defended.

Retaliatory U.S. air strikes against North Vietnamese torpedo-boat bases and other installations, as reported by Defense Secretary McNamara, unfortunately have resulted in the loss of American planes and, possibly, American lives. This sorrowful and tragic development underlines not only the perils that must be faced in the battle zone but the sacrifices that all of us must be prepared to accept.

"Aggression unchallenged is aggression unleashed," the President said at Syracuse. This is undeniable truth. To retreat from, or even to tolerate, armed attack against vessels of the U.S. Navy would be to invite steadily bolder assaults that would lead us surely and inevitably down the path of war.

Mr. Johnson's notation of broken promises made by the North Vietnamese Government, in pacts signed by them in 1954 and 1962, is a timely reminder of the demonstrated untrustworthiness of the Red regime in Hanoi. It is fitting also that the President, while reaffirming this country's commitments to Allies, has reminded those Allies that the fight for freedom ought not to be the sole burden of any one nation, but should be a collective responsibility. Our Allies—in NATO, in the Far East and elsewhere—can help the cause of peace by giving unqualified indorsement to U.S. action against North Vietnam.

Freedom and peace remain our goals—but let those forces of enslavement and armed aggression abroad who have unleashed their fire against us give pause. They will do well to show a healthy respect for America's resolve to defend, by whatever means necessary, our rights on the high seas and to carry

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out, by whatever action required, our obligations abroad in the struggle against Communist aggression.

[From the Boston (Mass.) Herald, Aug. 6, 1964]

FLEXIBLE RESPONSE

The sudden flareup of hot war in Vietnam provides a vital test of the flexible defense strategy favored by the Kennedy-Johnson administration.

We have responded vigorously to the renewed attacks by North Vietnamese PT boats. But the response was, in Mr. Johnson's words, "limited and fitting." We struck back at the PT boats and their bases, not at North Vietnam as a whole or its armed forces.

Our real strength, even that part of it which is immediately available in southeast Asia, is still in reserve.

This, of course, was all carefully planned in advance. As early as the spring of 1961 President Kennedy ordered a buildup of our conventional forces so that in the event of attack we would not be forced "to choose between doing nothing and deliberately initiating nuclear war."

It meant, according to a review by Secretary McNamara, that we must be prepared to handle with non-nuclear arms military threats ranging "from guerrilla and subversive activities, involving small scattered bands of men, to organized aggression, involving sizable regular military forces."

The threat has now come in the Gulf of Tonkin. And it is obvious that we have more than enough deployed strength to deal with it at its present level.

We still do not know whether the strategy will work, because we do not know whether a minor naval battle will escalate into something more serious. President Johnson accepts the risk of escalation and the country accepts it with him. "We Americans know," the President said Tuesday, "although others appear to forget, the risks of spreading conflict."

The next move is up to the Reds. If they seek a wider war, they can have it. The President has left no doubt we shall see the struggle through. His bold words, "No peace by aggression and no immunity from reply," have already become part of the American legend.

But because of our flexible strength, because we were able to answer first in a "limited and fitting way," the chances of avoiding a major showdown are good.

The flexible defense strategy has given us options which may make a life-or-death difference for our generation.

[From the Christian Science Monitor, Aug. 5, 1964]

THE GULF OF TONKIN

Premier Nguyen Khanh of South Vietnam makes sense.

He points out that President Johnson warned the Asian Communists against the "very dangerous game" they have been playing in southeast Asia. And that the Communist answer has now come. It is intensified war—both in South Vietnam and in torpedo boat attacks on an American destroyer off the North Vietnam coast.

The United States, General Khanh said, now has to prove it was not a paper tiger.

The immediate response from President Johnson was being announced in Washington even as the South Vietnamese Premier spoke in Saigon. It was the obvious response. The Navy was instructed to destroy any such attacker in the future. The orders were deliberately ambiguous. When the second attack came they permitted hot pursuit and counterattack on the torpedo boat bases—which are presumably bases for sea supplies to the Vietcong. This in turn touched off a general American mobilization in the area.

This is a good deal. It will tend to narrow the differences between President Johnson and Senator GOLDWATER as the Senator himself agreed. The Johnson move is not without precedent. Former President Eisenhower and Secretary of State Dulles used the 7th Fleet at several tense moments to threaten naval action in the Formosa Strait. Mr. Johnson would have had to act even without Senator GOLDWATER's prodding.

But the Senator wants to go further and it is quite possible that events will now push the President to meet him part way. The Senator questioned whether larger American ground forces will have to be landed. This may well have to be done. The United States is in this war somewhat indirectly; and as General Khanh suggested, it is not doing well. It may have to go into action directly. Already it is taking semiclandestine methods of cutting the Communist supply lines by land and sea—that is why the destroyer was patrolling. Where it divides from Senator GOLDWATER is in striking close to mainland China or inside China, which could lead to the brink of general war.

The domestic politics of the situation only reflect the state of the war and the political problems that surround it. The United States is unavoidably going in further. The only questions are when and how far.

[From the Washington (D.C.) Evening Star, Aug. 5, 1964]

THE 7TH FLEET HITS BACK

President Johnson's order to the 7th Fleet to bomb North Vietnamese PT boats and the "facilities" from which they operate is fully justified. This is accurately described as a "limited" response. But it may lead nonetheless to an expansion of the war in southeast Asia, and we as a nation must be ready for any eventuality.

The motives of the North Vietnamese are hard to fathom. For they are provoking conflict with a vastly superior force in an area and under conditions which are favorable to us and highly unfavorable to them. Whatever the motives, however, there can be no doubt that the attacks were made and that they were deliberate.

When the PT boats first fired their torpedoes at the U.S.S. *Maddox* there was some thought that this was an isolated incident, not part of a purposeful plan. But the second attack, occurring some 65 miles off the coast in the Gulf of Tonkin removes all doubt. This was deliberate, and Hanoi's claim that the whole thing is "a sheer fabrication" is so absurd that few if any will believe it.

The North Vietnamese are thought to have, or to have had, about 16 Russian-built PT boats. We trust that the Navy's fighter-bombers will be able to locate and destroy them. For that evidently is the only way to make certain that there will be no further attacks on American warships engaged in lawful missions on the high seas.

What counteraction if any will come from the other side remains to be seen. If they react forcibly, however, it would be logical to expect some enlargement of the war against South Vietnam. That this has been anticipated is evidenced by the report that the United States is sending "substantial" additional military elements to southeast Asia.

We hope that "substantial" means that the additional elements will be adequate for any purpose. Our response to the PT boat attacks should disabuse the Communist mind of the "paper tiger" fiction. But if the war in the south is stepped up we should not be content merely to hold our ground. Our purpose, as contrasted to Korea, should be to destroy the enemy and the sources from which his attacks are being mounted.

[From the St. Louis (Mo.) Post-Dispatch, Aug. 5, 1964]

OUR RESPONSE: "LIMITED AND FITTING"

President Johnson's response to the latest Communist challenge in the Gulf of Tonkin was quick, decisive, and restrained. The United States could not permit the second attack in 2 days on its naval vessels on the high seas to go unanswered. A sharp and unmistakable reply was indicated. This was ordered by the President.

And yet, Mr. Johnson made it clear that the United States does not intend to provoke an escalation of the war in Vietnam. He said in his brief radio-television address to the Nation Tuesday night:

"Our response, for the present, will be limited and fitting. We Americans know, although others appear to forget, the risks of spreading conflict—we still seek no wider war."

Sunday's attack on the destroyer *Maddox*, on patrol in international waters, by three patrol-torpedo boats might have been deliberate or it might have been an accident, so the United States reply was defensive in nature. But there can be little question about the deliberateness of yesterday's assault by a larger force.

The reason for the attacks is a complete mystery. Superficially, it would seem to be madness on the part of the Communists to challenge U.S. seapower, by far the most formidable in the world. The Communists' best weapon, as they must know, is the type of guerrilla warfare they have been conducting in Vietnam. Why did they choose to strike directly at the United States where it is supreme—on the high seas?

It seems to us that President Johnson's handling of this whole episode thus far should instill confidence in the people. He took no steps without consulting his advisers and congressional leaders, and he broadcast a calm summary when the decisions had been made.

It is particularly encouraging that Mr. Johnson instructed Ambassador Stevenson to make our position clear at once to the United Nations and to raise the matter before the Security Council. If the Vietnamese war can be brought before the United Nations the gains might be incalculable.

And Mr. Johnson also was wise, we think, to seek a congressional resolution "making it clear that our Government is united in its determination to take all necessary measures in support of freedom, and in defense of peace, in southeast Asia." Mr. Johnson, the Commander in Chief, does not need authority to act. But in this election year it would be prudent to put the world on notice, lest there be any misunderstandings, that the United States is indeed united.

This is the reason why Mr. Johnson communicated as soon as he could with Senator GOLDWATER, the Republican presidential nominee who has been critical of administration foreign policy, to obtain his approval of Mr. Johnson's broadcast statement. And it was commendable of Senator GOLDWATER to give his support.

Congressional debate on Mr. Johnson's proposed resolution might well prove of great value. It will be remembered that when the so-called Formosa resolution was debated in the Senate in 1955 Senator MORSE, at the risk of being charged with filibustering, pried into all the nooks and crannies of U.S. policy with respect to the Chiang Kai-shek regime. The result was an extremely important contribution to public understanding of the issues involved.

Too little is known at present about the naval and air action to form a considered judgment on it. But discussion in Congress and the United Nations, together with disclosure of more details, particularly as to Communist motivations, should give Americans a much firmer basis on which to determine future policy.

The prudence and wisdom of the positive retaliation we have undertaken will be judged by its consequences. If American firmness contributes to a negotiated political solution of the conflict in Vietnam—indeed in all Indochina—it will be recorded as a turning point. If it leads to intensification of hostilities and deeper military involvement in Asia its value to America's self-interest will be severely challenged.

[From the Baltimore (Md.) Sun, Aug. 7, 1964]

Resolution in Crisis

The gathering together of the Nation's resources at times of grave crisis is admirably reflected in the dispatch with which Congress has moved to associate itself with President Johnson's directives in southeast Asia. The joint resolution authorizing the Chief Executive to take "all necessary measures" to repel attack and to extend assistance in the defense of allies throughout southeast Asia is a broad expression of confidence, but its chief usefulness is not as a grant of power. Its primary purpose is to demonstrate to enemies who may yet be considering provocative excursions that the United States, in full unity, is wholly determined to yield neither principle nor territory to ruthless aggressors.

The resolution is not the only earnest of American intent. While the House and Senate deliberated yesterday, reinforcing ships and planes were moving into position to meet new thrusts—whether they come again from North Vietnam or openly from Red China. If the fighting spreads in the wake of the retaliatory strike against Hanoi, however, it will not be by American choice. That blow was a one-time operation, not to be repeated unless there are new forays from the other side. Subsequent military deployment has been solely a defensive precaution.

While opposing forces stand tensely in border zones, watching carefully for ominous motion, the United Nations Security Council is going ahead with plans to hear from the two Vietnams. If open conflict can be avoided before the talking starts, some of the heat may be taken out of the crisis. If North Vietnam can make any defense of the attacks on American ships, the world would like to hear it. The United States will not wait idly for an explanation which may never come. Until the threat of aggression has receded the ramparts will be manned, and the soldier or airman at the most distant outpost has the support of his Government and his people. That is what the congressional resolution tells the world.

[From the Washington (D.C.) Post, Aug. 7, 1964]

Democracy's Response

Congress is responding with commendable promptness and with an almost unanimous voice to President Johnson's request for support in the southeast Asia crisis. The President consulted the leaders of both Houses and then asked for a supporting resolution not only because he felt the necessity for congressional approval of what is being done, but also because he wished to demonstrate before the world the unity of the American people in resisting Communist aggression. That unity has been demonstrated despite the reckless and querulous dissent of Senator Morse.

There is no substance in Senator Morse's charge that the resolution amounts to a "predated declaration of war." On the contrary, it reaffirms the longstanding policy of the United States of aiding the states covered by the Southeast Asia Collective Defense Treaty in the protection of their freedom as a contribution to international peace. It pledges military action only to resist aggression against American forces in that area. Of course, the President has authority to respond to attacks upon American forces without any approval in advance by Congress. So the resolution means only a recommitment of the Nation to the policy it has been following—an almost unanimous recommitment in the face of the inexplicable North Vietnamese challenge.

This means of reasserting the national will, far short of a declaration of war, follows sound precedents set in other crises. President Johnson noted in his message to Congress that similar resolutions had been passed at the request of President Eisenhower in connection with the threat to Formosa in 1955 and the threat to the Middle East in 1957. The same course was followed in 1962 at the request of President Kennedy to meet the missile threat in Cuba. None of these emergencies led to war. Rather, the firm action that this country took interrupted Communist maneuvers that might otherwise have led to war.

Congress ought to be very pleased with the now firm establishment of this mechanism for meeting an emergency with a united front. Reliance solely upon the power of Congress to declare war as a last resort would not be appropriate in these days of repeated crises short of war. A resolution of support for the Executive arm in meeting an emergency has all the virtue of rallying national strength behind a firm policy—without taking the calamitous step of war in this nuclear age. We surmise that the almost unanimous sentiment behind this resolution on Capitol Hill reflects appreciation for the President's sharing of responsibility as well as support for the tough punishment for aggression that he initiated.

Communism's Choice

Time will doubtless improve on speculation's answer to the question of why Communist forces fired at the American Navy and how they will respond to the American hits on their soil. In the interim we can be sure only that the next step is up to Hanoi and Peiping, that the decision is even more critical for them than for us, and that not only the conflict in Indochina but the power outlook in the Far East is at stake.

The sequence since Sunday is of a kind which forces those touched by it to define and declare themselves by their reactions. Hanoi has shown outrage but it is unable alone to match its feeling with action. Peiping, going further, has added an ambiguous pledge of solidarity which does not particularize the conditions that would require it to take a designated act. Moscow, caught off guard, has huffed disingenuously as though snorts would remove its embarrassing pinch between comradeship and self-interest. The lack of similarity between these Communist reactions is as striking as the lack of specificity.

The operational issue lies at the intersection of three streams of reality: the Sino-Soviet dispute, East-West relations, and war or peace. The issue is the danger of confrontation with free world power. The Soviets feel that the danger is so great as to require avoidance; the Chinese, not so great as to preclude struggle for desired goals. The Soviets fear that a small conflict involving a great power could become a big one, with universally disastrous results. The Chinese scoff at the dangers of such escalation. From the American viewpoint, the difference is that between manageable trouble and open-ended war.

From the spectrum of choices available to them, the Communists must now select those that satisfy the conflicting demands of prudence and pride. They have not been militarily rash in the past, with the crucial and upsetting exception of the torpedo forays in the Tonkin Gulf. Having answered those attacks in full measure, the United States must now hope to draw the conflict into diplomatic outlets, even while it prepares to meet further military challenges in Indochina.

A debate in the United Nations would be a bruising one, particularly if a representative of North Vietnam took part. It would expose the United States to a propagandistic onslaught on all its Indochina policies and would produce a bewildering array of information, half-truths, and falsifications about events there. However, a country in the position of answering aggression need have no scruples about upholding its case in an international forum.

[From the Los Angeles (Calif.) Times, Aug. 4, 1964]

Attack on the U.S.S. "Maddox"

For the moment only the leaders in Hanoi, and quite probably Peiping as well, know for sure what motivated the attack by three North Vietnamese torpedo boats on the U.S. destroyer *Maddox* in the Gulf of Tonkin.

Motivation, however, no longer seems particularly important in view of the U.S. reaction. If the Communists hoped to show that an American presence in the gulf area makes for a dangerous situation they succeeded, but not in the way they intended.

President Johnson has ordered an increase in U.S. naval strength in the Gulf of Tonkin, and the orders for our forces there have been changed. Where formerly these orders were to defend but not to pursue, they now read defend and destroy. If the North Vietnamese or Chinese have any notion of claiming the gulf as their own private pond they will first have to deal with the U.S. 7th Fleet.

The fact that pursuit of attackers was previously ruled out probably explains why the three torpedo boats weren't all blown out of the water. All of them, according to reports, were hit, and one probably sank.

Had the Navy been permitted to take more than defensive measures it seems likely that the *Maddox* and the four rocket-firing carrier planes that joined in her defense would easily have destroyed all the attackers.

Certainly the Communists could not have been ignorant of the proximity of U.S. air power when they made their Sunday attack. For that matter they no doubt knew that the *Maddox* alone had the torpedo boats outgunned.

It may well be that the attack was a suicide mission plain and simple, the thinking being that the propaganda value to be gained from sinking an American ship outweighed the material risks involved.

The United States has chosen to regard the attack as an isolated harassing action, and this seems sound. Legally, the 7th Fleet has every right to be in international waters as the Communists, legalists that they are, well know. Militarily, it simply makes no sense for the Reds to carry their war to the sea, where they are hopelessly outclassed.

The quick and firm response to the attack, first by the Navy and then by the President, should be warning enough to the Communists not to try such foolishness again.

[From the New York Post, Aug. 6, 1964]

The U.N. and Vietnam

Clearly the United States does not seek a wider war. Let us hope Asia's Communists do not either. The initial Soviet response, as given by Tass, was quite restrained. While deploring U.S. "aggressive actions," the statement avoided committing Moscow to doing anything about them.

At the U.N. the Soviet delegate was equally restrained. His request that a representative of North Vietnam be invited to participate was doubly significant.

It served to suggest that Moscow did not know what its Communist brethren in Asia were up to. It also set up interesting possibilities of dividing Hanoi from Peiping.

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Whatever Russia's motives, there is every reason to invite North Vietnam.

"It is a solemn responsibility," said President Johnson Tuesday night when he disclosed an airstrike was in progress, "to have to order even limited military action by forces whose overall strength is as vast and as awesome as those of the United States of America."

That awesome strength makes it all the more baffling that the North Vietnamese should be seeking to provoke us. Direct contact with the representatives of Hanoi may shed some light on this.

North Vietnam may not like our vessels' presence in the Tonkin Gulf. The Communists have always been sensitive about their frontiers—almost of the point of paranoi. But neither does the United States exactly welcome electronically equipped Soviet vessels carrying on continuous surveillance off Cape Kennedy.

But we put up with it. The right of ships to voyage on the high seas is incontestable. The response of the United States was wholly predictable. The question remains: Why did Hanoi do it?

The more basic question, however, is, Where are we heading in Vietnam? Are we being sucked into a dark tunnel from which there may be no egress?

Ambassador Stevenson eloquently stated our case. But it was a limited brief, largely restricted to justifying our airstrikes under the right of self-defense set forth in article 51 of the U.N. Charter.

We owed this explanation to the U.N. But the U.N. should be more than a sounding board.

The smaller nations, those not directly involved in the dispute, and therefore capable of some detachment, should be encouraged to come forward with proposals for mediation, perhaps conciliation.

Several weeks ago U Thant called for a new Geneva Conference. If the parties involved in the war could reach an agreement, Thant said, the U.N. could play a role in seeing that the agreement was carried out. "Even at this late hour," he suggested, "means might be found to end the war."

Nothing happened. The United States is again perilously close to a major military venture on the Asian mainland. Surely before we venture further, a major effort should be made to open up channels of communication with our adversaries.

"Blessed are the peacemakers," said President Johnson in June, quoting the Bible in a foreign policy speech that coupled firmness with an olive branch.

Provocative as the Communists have been, that still remains true.

Mrs. FRANCES P. BOLTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this resolution comes before us as the result of the recent and dramatic episode in southeast Asia. The evidence is overwhelming that our ships, on regular patrol duty moving in international waters, were subject to deliberate and unprovoked attacks. These were not accidents; nor can they be dismissed as incidents.

Let us be clear what we are doing if we pass this resolution. We are not establishing a precedent. On four previous occasions, dating back to 1955, the Congress has recognized that an expression of its approval and support for the President in moments of international tension has served a salutary purpose in his conduct of international affairs.

Our adversaries have already put their propaganda machines to work and we need to make our stand very clear. Every honorable approach that will assist the peoples of southeast Asia to live and work in peace will be fully and candidly examined. At the same time we serve notice that we are prepared to use our military strength to repel with whatever degree of force is necessary any attacks upon our forces.

As you know, the immediate purpose of this resolution arose out of attacks upon our ships engaged in routine patrol in the Gulf of Tonkin.

Mr. Speaker, this is one of those occasions when all of us, of whatever political persuasion, unite behind our Commander in Chief. I hope this resolution will receive the unanimous approval of the House.

Mr. MORGAN. Mr. Speaker, I yield 5 minutes to the distinguished majority leader, the gentleman from Oklahoma [Mr. ALBERT].

Mr. ALBERT. Mr. Speaker, this resolution supports the determination of the President of the United States to take all necessary measures, including the use of armed force, to repel any armed attack on forces of the United States, to prevent further aggression, and to defend the peace and security of southeast Asia.

At this time the United States is facing the most serious military confrontation since the Cuban missile crisis of 1962. All of us are aware of the recent developments in the Gulf of Tonkin and the threat that this poses for the peace of southeast Asia.

Ships of the U.S. Navy have been attacked twice by PT-type boats from Communist North Vietnam. These attacks have taken place against American vessels which were lawfully present in international waters off the coast of Vietnam, and were deliberate and unprovoked acts of aggression. For 10 years and through the terms of three American Presidents, the Communist regime in North Vietnam has been violating international agreements and provoking the United States with its belligerent behavior. These two recent and unjustifiable attacks against American ships and American men have brought the only response possible: we have struck back not only at their attacking ships, but at the bases of the attacking power, that is, against the original point of aggression.

In this time of trouble, the President has asked the Members of Congress to act at once on a congressional resolution expressing U.S. determination to take such measures as may be necessary to support freedom, and to defend peace in southeast Asia. It is a resolution that States, in words clear and concise, the principles and the policy that this country has adopted and upon which we stand united.

Similar resolutions have been passed at other crucial times in our history. Such resolutions since the 1950's have received overwhelming bipartisan support from this Chamber. In January of 1955, President Eisenhower asked Congress for emergency authorization to use American armed might to protect Formosa and the Pescadores Islands. He wanted to use the 7th Fleet, the same fleet that is patrolling the sea off the coast of Vietnam today. Two years later, in January 1957, President Eisenhower asked Congress for a mandate to use American Armed Forces at his discretion in the Middle East. And, in September of 1962, both Houses of Congress in a joint resolution stated that President Kennedy should use whatever means may be necessary, including the use of arms, to fight communism in Cuba and in this hemisphere.

In every case, Mr. Speaker, this bipartisan congressional support has had the same effect—to let both friend and foe know that in time of crisis the American people will not permit party differences to divide them in meeting their responsibilities in the world.

The United States is presently facing in southeast Asia a challenge similar to the ones we have faced in the past in Turkey, Berlin, Lebanon, the Straits of Taiwan, and Cuba. The President has asked us as representatives of the American people for our support. It is now time for all of us to join together as a nation firmly united behind our Commander in Chief and to express our complete confidence in him and in his leadership.

At the end of his speech in Syracuse this week, the President said, and these are words that deserve the close attention of people everywhere: "Let not friend needlessly fear nor foe vainly hope that this is a nation divided in this election year. Our free election, our full and free debate are America's strength, not America's weakness."

Mr. Speaker, I join the distinguished gentleman from Pennsylvania and the distinguished gentlewoman from Ohio in urging prompt enactment of this resolution.

Mrs. FRANCES P. BOLTON. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Indiana, our minority leader [Mr. HALLECK].

Mr. HALLECK. Mr. Speaker, I rise in support of this resolution.

May I say first of all it is public knowledge that the congressional leaders from both sides of the aisle were called to a meeting at the White House last Tuesday evening. At that time we were given information concerning decisions with respect to certain military activities in the Gulf of Tonkin area. I think it should be made clear, and properly so, at this time, that orders for retaliatory action against the forces of North Vietnam had been issued prior to the meeting and that the apparent purpose of the meeting was to inform us that such decision had been made.

I do not say this in any critical fashion at all because, as I pointed out originally, I support the President in his decision as stated at the White House the other evening. As a matter of fact, I have said on a number of occasions here on the floor of the House and at the White House when circumstances seemed to indicate such comment might be in order that on matters concerning the security of our country, and particularly when those matters involve armed aggression against the property and people of the United States and our flag, I stand with the President of the United States.

I think we all should realize that the enactment of this resolution does not solve all of our problems in southeast Asia. There will continue to be serious problems. Developments and policies of our Government will, as they have in the past, continue in the future to arouse the intense interest of the American people, and will likewise continue to involve the deep concern of all of us.

Having said as much, I say again I support this resolution as a clear indication on the part of the Congress of our determination to be a united people in the face of any threats to our liberty.

Mrs. FRANCES P. BOLTON. Mr. Speaker, I yield 3 minutes to the gentleman from Indiana [Mr. Adair].

Mr. ADAIR. Mr. Speaker, I, too, rise in support of the resolution which is before us today. This is similar to but not identical with previous resolutions to which reference has been made—the Formosa resolution, the Middle East resolution, and others.

There was some concern in the Committee on Foreign Affairs about certain of the wording in this resolution. It is my understanding that that objection is being met, at least in part, by action taken in the other body and by action proposed by the chairman here today.

Mr. MORGAN. That is correct.

Mr. ADAIR. I thank the chairman. I think this is a step in the proper direction.

There are two points about which Members have expressed concern, especially, in this resolution: In the first place, if we vote for it are we abdicating our congressional rights and our congressional responsibilities with respect to the declaration of war and with respect to foreign affairs generally?

This matter was raised in committee and we were given assurance that it was the attitude of the Executive that such was not the case, that we are not impairing our congressional prerogatives.

Secondly, the question has been raised as to whether by voting for this resolution we say in effect that we are approving all of the U.S. policies in southeast Asia in the past and are giving approval, in advance, for such actions as the President may see fit to take in the future. Here again the answer is in the negative. By voting for this resolution it is my understanding that we are meeting a specific situation. The American flag has been fired on. We are saying we will not and cannot tolerate such things. We will stand in defense of our flag and our freedoms solidly behind the President. This we are saying by this resolution.

Mr. FRELINGHUYSEN. Mr. Speaker, will the gentleman yield?

Mr. ADAIR. I yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. Do I correctly understand that section 2 of this resolution does constitute an implementation of article IV of the Southeast Asia Collective Defense Treaty itself? This treaty says that in the event of danger there will be measures taken in each country in accordance with its constitutional basis? In other words, does this resolution give positive powers to the President to act with respect to our responsibilities as a member of SEATO?

Mr. ADAIR. It does so. Within the framework the gentleman has described, and, of course, subject to the Constitution of the United States.

Mr. FRELINGHUYSEN. I thank the gentleman.

Mrs. FRANCES P. BOLTON. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Michigan [Mr. Broomfield].

Mr. BROOMFIELD. Mr. Speaker, as cosponsor of the joint resolution to promote the maintenance of peace and security in southeast Asia, I urge its adoption by my colleagues.

We are well aware of events in the past few days in which U.S. naval vessels were repeatedly attacked on two different occasions in international waters by naval craft of North Vietnam.

Our destroyers eluded injury to their ships and men on each of these occasions, and managed to sink or seriously cripple three of the attacking North Vietnam patrol boats.

In quick response to this unprovoked aggression on the high seas, naval aircraft from our carriers destroyed or damaged 25 North Vietnamese patrol boats. In addition, extensive damage was done to the bases and fuel stores for these boats.

This is not the first occasion in our Nation's history when our ships were subjected to attack on the high seas. Let us hope it is the last.

Any study of American history by the North Vietnamese or their Red Chinese masters would have quickly revealed the folly of such action. Since the attackers did not study history, it is our hope that they have the ability to learn by experience.

One of the reasons we are considering adoption of this joint resolution today is that we do know what happens if such aggression and provocation on the part of the North Vietnamese Communist regime goes unpunished.

We are well aware of the many occasions of invasion, of infiltration, or subversion and terror which have been spread by this regime to its peaceful neighbors.

We are well aware of the fact that these latest attacks involving our naval vessels is only one instance in a chain of outrages since the Communists gained control of North Vietnam.

Also, we are well aware that the North Vietnamese are not capable of continuing their aggressive policies against their southeast Asian neighbors without considerable amounts of outside assistance.

We know, for instance, that the patrol boats which attempted the unprovoked assaults upon our naval craft were manufactured in the Soviet Union. We know further that Red China has contributed considerable amounts of arms, equipment, and even manpower to further whet the aggressive appetite for conquest of North Vietnam's leaders.

This resolution states specifically that the Congress:

> Approves and supports the determination of the President, as Commander in Chief, to take all necessary measures to repel any armed attack against the forces of the United States and to prevent further aggression.

It further states that the United States:

> Regards as vital to its national interest and to world peace the maintenance of international peace and security in southeast Asia.

And that the United States is prepared, as the President determines, to:

> Take all necessary steps, including the use of armed force, to assist any member or protocol state of the Southeast Asia Collective Defense Treaty requesting assistance in defense of its freedom.

This defense of freedom in southeast Asia is not a new obligation for the United States. In 1954 when Indochina was divided and the new, independent nations of South Vietnam, Laos, and Cambodia were created, our Nation realized that North Vietnamese aggression and preoccupation with the territory of its neighbors were going to be a persistent problem.

South Vietnam almost immediately asked us for help, which we promptly furnished. In 1954 the Manila Pact was negotiated, a collective defense treaty between Thailand, the Philippines, Australia, New Zealand, Pakistan, the United States, Britain, and France, extending protection to South Vietnam, Laos, and Cambodia.

By 1959 the Communist leaders of North Vietnam started a campaign of terror, subversion, and murder in South Vietnam. Government officials were shot by assassins sent from north of the border. Public installations were blown apart by saboteurs. Every possible device was used by the Reds to spread terror, confusion, and chaos throughout South Vietnam.

As the terror tactics increased and as the North Vietnamese became increasingly more open in their attacks and their infiltration, the United States was forced to increase its supporting assistance to South Vietnam.

We have seen the same terror tactics used by the Reds in North Vietnam against another neighbor, Laos. The most recent Communist move was the military offensive against neutralist forces which began this past May. The neutralists were driven from the Plain of Jars by the Reds. To meet this threat, our Government provided Laos with additional aircraft and carried out reconnaissance missions. When these aircraft were fired upon, we supplied fighter cover to give them protection.

It can be seen that the Government of the United States has protected those nations in southeast Asia unable to protect themselves for a number of years. We most certainly intend to continue this protection, to help them drive the invaders from their shores and attain the goals of peace, freedom, and security from aggression for their peoples.

Why is it so necessary that the United States be committed so deeply in South Vietnam? Why is it necessary that so many Americans be subjected to the threat of death in that faraway part of the world? Why is it necessary that our destroyers patrol the Gulf of Tonkin,

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some 65 miles off the North Vietnamese coast?

The first reality is that we are not only dealing with North Vietnam in this conflict. We are also dealing with Red China, and in some degree, with the Soviet Union.

The next reality is that while South Vietnam and Laos are immediate goals for the Communists, they are far from being their ultimate objectives in this important part of the world.

If South Vietnam and Laos should fall, the tiny nations of Cambodia and Thailand would find themselves under almost impossible pressure. They could quickly fall to Red infiltration tactics. The next victim undoubtedly would be Malaysia, a country with a small population, a tiny army and great wealth. In Malaysia is Singapore—a port of extreme importance strategically and economically. Singapore is comparable to Gibraltar or the Panama Canal. Whoever controls this passageway controls the sea highways to Europe, to the Near East, and Africa.

The newly independent nation of Malaysia is already under extreme pressure from its bullying neighbor to the south, Indonesia, whose leader, Sukarno, has made no bones about the fact that he intends to destroy Malaysia and grab its wealth for himself as soon as he is able to do so without suffering too much in the process.

Sukarno has followed Hitler's policy of guns before butter. He lets his people go hungry so that he can build up his army and navy. His submarine fleet is the second largest in the Pacific, second only to that of the Soviet Union in that respect. His army is the largest military force in southeast Asia.

His armed forces have modern equipment, including ground-to-air missiles, landing craft, jet fighters and bombers, all supplied by the Soviet Union. Indonesia is the fifth most populous nation in the world, with 100 million citizens, and it is ruled by a man who has declared himself president for life.

Sukarno already has been successful in grabbing Dutch New Guinea by threatening invasion, and he seems convinced that the same bullying tactics will eventually yield him Malaysia.

Unless the South Vietnamese, with our help, are able to hold the line and prevent the Communist vise from closing on southeast Asia, that part of the world could quickly swing from the side of freedom to the half-life of a Red puppet state.

The rich resources of the Malay Peninsula—both human and natural—would fall into the hands of the Red Chinese, resources which the Chinese Communists need to carry out future aggressions against such neighbors as India. In this rich area they could grow the rice and other food and fiber crops so badly needed. They could mine the tin, refine the oil, and grow the rubber necessary to modernize a military machine and keep it in proper working order.

Militarily, loss of the Malay Peninsula to the Communists and the near-Communists, such as Sukarno, would place Australia and New Zealand in grave danger of invasion. The Philippines would find itself alone and outflanked, surrounded in a hostile world of Red infiltration and terror tactics.

Because of its exposed position, our main line of defense in the Pacific would be forced to fall back thousands of miles to Hawaii.

It is for these reasons that our Nation cannot vacillate now. We must make it abundantly clear to the world that we realize the importance of this area to our future and to that of the free world.

It is for these reasons that we applaud the actions of our President in meeting this threat quickly and decisively. It is for this reason that the Congress of the United States, in this joint resolution, must stand behind the President and demonstrate our determination to stand up for freedom and stop aggression wherever we find it.

We have been called a paper tiger by the leaders of Red China, a tiger without real substance. By our actions in answer to provocation earlier this week, we have shown unmistakably in the only language the Communists seem to comprehend, that we decidedly have teeth and we know how to use them.

On June 10 while the House of Representatives was considering the Foreign Assistance Act of 1964, I offered an amendment to the bill to express the sense of Congress that the President should use every means to secure the borders of South Vietnam from infiltration and stating our commitment to freedom for the people of South Vietnam and southeast Asia.

That resolution was not adopted at the time of the deliberations on the foreign aid bill some 8 weeks ago. However, the chairman of the House Committee on Foreign Affairs, the gentleman from Pennsylvania, promised that this resolution would be considered by the committee as separate legislation.

At the time of our deliberations on the foreign aid bill in June, none of us could have foreseen the events which have caused our consideration of this joint resolution today.

Those of us who were anxious for inclusion of a statement of the sense of Congress on the Far East situation in the foreign aid bill are extremely pleased to support this joint resolution we are considering today.

I, for one, feel that such an expression of determination, coupled with the swift and fitting response the United States has taken to this act of unwarranted aggression, will warn our enemies that we do not intend to drop our guard just because this happens to be an election year.

No matter what our political differences, no matter how we see issues and answers, America is united in its determination to keep its word, to support freedom, and to shoulder its responsibilities.

Mr. MORGAN. Mr. Speaker, I yield 4 minutes to the gentleman from Wisconsin [Mr. ZABLOCKI].

Mr. ZABLOCKI. Mr. Speaker, I rise to urge prompt and unanimous adoption of the resolution now before the House. I applaud the bipartisan expression of support of President Johnson. This is how it should be. We must not let politics divide us when our country's national interest and security are at stake.

For the past 10 years, the peace in southeast Asia has been jeopardized and repeatedly violated by the persistent efforts of the Communist powers to infiltrate, subvert, and overthrow the legitimate governments of the free nations of that area of the world.

The aggressive and expansionist policies of the Asian Communist powers have visited untold suffering, misery, and death upon thousands of people whose only desire has been to live in peace, to improve their material wellbeing, and to build a better world for their children.

Neither the aged, the women, nor children have been spared by the Communist campaign of terror and drive to dominate southeast Asia.

Further, beginning this month, the Communist campaign has moved into a new dimension:

No longer satisfied with systematic subversion and guerrilla warfare which they have been waging in South Vietnam—

No longer satisfied with partial invasion of Laos in clear violation of the 1962 Geneva accords—

No longer satisfied with the progressive encirclement and penetration of Thailand and Cambodia—

It appears the Communist powers of Asia have decided to write a new chapter in their long campaign of military aggression and flouting of international law.

Without provocation—without justification of any kind—they have launched successive attacks on the naval vessels of the United States moving through international waters of the Gulf of Tonkin.

The sequence of events of the past few days is clear.

On August 2, the U.S. destroyer *Maddox* was attacked by North Vietnamese torpedo boats and, firing in self-defense, the *Maddox* drove off the attackers.

The U.S. Government, responding immediately to this unprovoked attack, warned the Hanoi regime that any further military attacks on American forces would entail "grave consequences" for the Communists.

In spite of this warning, only 2 days later—on August 4—U.S. destroyers, the *Maddox* and the *C. Turner Joy*, were again attacked by North Vietnamese torpedo boats in international waters. The attack lasted 2 hours. It constituted, without a shadow of a doubt, an act of overt military aggression.

The response of the United States to this second attack was again immediate and necessary: President Johnson ordered air strikes against the North Vietnamese torpedo boats and their supporting facilities on the coast of North Vietnam. These attacks were carried out promptly.

The action on the part of the United States is clear and is notable on several accounts—and we must keep them clearly in mind:

It was justified.

It was necessary.

It was immediate.

And finally—and very importantly—it showed tremendous restraint on the part of a great power in responding to a provocation of a small power.

The United States acted—and acted without hesitation—but also in a manner proportionate to the provocation.

The action of the United States was consistent with our obligations to our friends and allies in southeast Asia—with article 51 of the United Nations Charter—and with our own vital interests in that region of the world. As chairman of the subcommittee which has dealt with legislation affecting this area for many years, I have no hesitation—no doubts—in making this statement.

Mr. Speaker, the resolution before the House—a resolution which was approved without a dissenting vote by the Committee on Foreign Affairs—endorses the action of President Johnson in responding promptly, effectively and with moderation to the unprovoked attack by the North Vietnamese torpedo boats upon our naval vessels. The resolution further expresses the support of the Congress for the determination of the President to take such action as may be necessary, now and in the future, to restrain or repel Communist aggression in southeast Asia.

I believe that prompt and unanimous adoption of this resolution by the House of Representatives is warranted and necessary.

For the past 10 years, we have been actively and increasingly engaged in the pursuit of peace in southeast Asia, as we have been for much longer in other parts of the world.

We have attempted through moral suasion, through economic and military assistance, and now through the direct use of power in the defense of our own forces to promote the establishment and maintenance of viable and independent states, free to pursue their own national destinies, secure from interference from any quarter.

We have endeavored to support and strengthen the Geneva agreements of 1954 and 1962 which have these very objectives.

And we are determined to continue in the pursuit of these goals.

Our determination in this respect must be made clear to all.

We seek no territorial gain—nor any spheres of influence in southeast Asia—but we are determined to resist with power appropriate to the occasion, any attempt on the part of the Communist regimes of Asia to enslave these free countries.

The measure before the House expresses our resolve. Its meaning should be clear to all. Its adoption by the House should put to rest any doubts about our national will and determination on this issue.

It is for this reason, Mr. Speaker, that I again urge the House to give prompt and unanimous approval to the resolution before us.

Mr. Speaker, our domestic press as well as much of the responsible press of the world supports President Johnson's decision. At this point I ask unanimous consent to include several editorials commenting on the President's order of retaliation.

The **SPEAKER**. Without objection, it is so ordered.

There was no objection.

The editorials referred to are as follows:

[From the Milwaukee (Wis.) Journal, Aug. 5, 1964]

HOUR OF RISK

The Nation will support its President in his decision to make a "positive reply" to North Vietnamese naval strikes by attacking Vietnamese gunboats and supporting shore facilities. As Commander in Chief, the President is responsible for the national security, and his must be the decision when that security is at stake.

It was reassuring to have President Johnson emphasize in his broadcast statement to the Nation that "we seek no wider war," that our response "will be limited and fitting."

The purpose of the North Vietnamese attacks on our destroyers is unclear. Certainly no navy consisting of 16 gunboats, even speedy gunboats of relatively modern design, could hope to have much effect against the mighty 7th Fleet. It could do little more than sting a few vessels, and the Navy says that it failed to even do that. Why, then, stir up a hornet's nest? Major North Vietnamese cities, even Hanoi, the capital, are within easy striking distance of our carriers in the Gulf of Tonkin. One of the handicaps which the United States has voluntarily assumed in aiding South Vietnam to resist aggression has been to leash its naval forces in the area. Yet the Navy has played an important role in patrolling the major Chinese-North Vietnam supply route in the Tonkin Gulf.

It may be that the North Vietnamese, with the backing of Communist China, were testing the American will. If so, they have their answer.

This period following our swift reaction is one of risk and danger, of course. Communist China is undoubtedly in a state of soul searching. Will it openly join the war in Vietnam now that attack has been made on North Vietnam? What of the Soviet Union, pledged to help any Communist nation which is attacked—a pledge now under a shadow because of the Sino-Soviet ideological split which has been tearing the Communist world apart.

This is no Korea, where the Chinese could literally choke a narrow peninsula with hordes of men. This is southeast Asia, a wide and difficult terrain not suited for mass action. Chinese military equipment is outmoded and lacking in parts. Chinese people are hungry. They lack oil and other material vital to modern military action. Still, China is a proud nation, harassed on many sides. It could choose to act. The risk is there.

There is some danger that this country may tend to overreact to North Vietnamese stings because of our political situation. President Johnson has been under attack for what opponents call a no-win policy in southeast Asia. He has been unwisely urged to escalate the war. Under such circumstances a President can be handicapped in making vital decisions.

President Johnson will need courage and patience and restraint to keep the Nation from the wider war that he—and all men who realize what modern war is—wish to avoid. Firmness in the right, as the President says, "is indispensable today for peace." Measured firmness—and "its mission is peace."

[From the Baltimore (Md.) Sun, Aug. 7, 1964]

RESOLUTION IN CRISIS

The gathering together of the Nation's resources at times of grave crisis is admirably reflected in the dispatch with which Congress has moved to associate itself with President Johnson's directives in southeast Asia. The joint resolution authorizing the Chief Executive to take "all necessary measures" to repel attack and to extend assistance in the defense of allies throughout southeast Asia is a broad expression of confidence, but its chief usefulness is not as a grant of power. Its primary purpose is to demonstrate to enemies who may yet be considering provocative excursions that the United States, in full unity, is wholly determined to yield neither principle nor territory to ruthless aggressors.

The resolution is not the only earnest of American intent. While the House and Senate deliberated yesterday, reinforcing ships and planes were moving into position to meet new thrusts—whether they come again from North Vietnam or openly from Red China. If the fighting spreads in the wake of the retaliatory strike against Hanoi, however, it will not be by American choice. That blow was a one-time operation, not to be repeated unless there are new forays from the other side. Subsequent military deployment has been solely a defensive precaution.

While opposing forces stand tensely in border zones, watching carefully for ominous motion, the United Nations Security Council is going ahead with plans to hear from the two Vietnams. If open conflict can be avoided before the talking starts, some of the heat may be taken out of the crisis. If North Vietnam can make any defense of the attacks on American ships, the world would like to hear it. The United States will not wait idly for an explanation which may never come. Until the threat of aggression has receded the ramparts will be manned, and the soldier or airman at the most distant outpost has the support of his Government and his people. That is what the congressional resolution tells the world.

[From the Watertown (N.Y.) Daily Times, Aug. 5, 1964]

PRESIDENT ORDERS RETALIATION

The positive and direct action ordered by President Johnson against the North Vietnamese ports sheltering Communist PT boats was the only honorable course open. There was no other way if the Communists were to know for a certainty that this Nation would retaliate forcibly and with telling effect any unprovoked hostile action.

President Johnson went to the Nation over the television and radio networks shortly before midnight Tuesday and dramatically announced that air action was being executed against the gunboats of North Vietnam which had attacked U.S. destroyers in the Gulf of Tonkin.

The President warned that repeated acts of violence against the Armed Forces of the United States must be met not only with alert defense but with positive reply. The Nation takes pride in the strong stand taken by the President, one that will serve as a warning to the Communist nations.

The President, and his advisers, fully realize that this retaliatory move might spark armed reaction from China. But he emphasized that the air strike, undertaken by U.S. Navy planes in a series of attacks against the Red craft and their shore facilities, will be, for the present, limited and fitting.

Whether the action taken by the United States will result in any extended armed conflict rests entirely on Red China and the North Vietnamese. They hold the key to the situation, a situation that could easily have far-reaching effects if they decide to increase their hostilities.

For all intents and purposes President Johnson does not plan to order any additional strikes unless there is provocation by the Communists. And then such retaliatory measures will come effectively and in force.

The next few days will be of critical importance as Red China, apparently surprised at the President's sudden retaliatory decision, comes to a decision. Peiping must know that the United States means business in making its pledge to defend the security of southeast Asia as well as American ships in international waters.

China is not in a position, economically or militarily, to let the situation get out of hand and become involved in a war. Peiping has a huge military machine, as far as manpower is concerned, but any sustained campaign is out of the question. It must be kept in mind that the country lacks food and gasoline supplies and cannot rely on any assistance from Moscow due to their ideological dispute which has brought about a widening breach between the two Communist countries.

President Johnson's decision drew commendation throughout the Nation and has received bipartisan endorsement in high political circles. Senator Barry Goldwater, the Republican Presidential nominee, is standing solidly behind the President's action. The Senator has long advocated a sterner U.S. policy toward Communist forces in North Vietnam and throughout the world.

Before making his statement to the Nation the President took the Senator into his confidence and immediately received wholehearted approval. Both were in agreement that this Nation cannot allow the American flag to be shot at anywhere on earth if we are to retain our respect and prestige. Decisive action could not be delayed regardless of whether this is election year.

The United States is powerful in the Far East. It is in a position to meet all emergencies which might arise. The military strength of 225,000 men, thousands of planes and 125 ships of the 7th Fleet, with others nearby, should prove a deterrent to Red China.

President Johnson, in meeting the challenge posed by the Reds, acted on the principle that strong and effective action would prevent the crisis from developing into a full-scale war.

In closing his address to the American people he remarked: "Firmness in the right is indispensable today for peace. That firmness will always be measured. Its mission is peace." It was only through such firmness displayed by the late President John F. Kennedy that a nuclear war with Russia over Cuba was avoided 2 years ago.

Mrs. FRANCES P. BOLTON. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Iowa [Mr. Gross].

Mr. GROSS. Mr. Speaker, this resolution neither gives nor takes from the President any authority already delegated to him to act in an emergency or crisis.

Neither is it a declaration of war.

It is in the nature of an after-the-fact sense resolution endorsing an action already taken by the President. For whatever value it may have as an expression of unity in this emergency, I will support the resolution.

However, I am sick and tired of approving resolutions which try to imply that the United Nations has provided more than token opposition to the halting of the Communist world conspiracy.

It is Americans and Vietnamese who are fighting and dying in Vietnam. Apparently that polyglot organization, known as the United Nations, could not care less about what happens in southeast Asia.

Yesterday, in the Committee on Foreign Affairs, I urged that the word "Constitution," as used in the resolution, be properly identified as the "Constitution of the United States." That suggestion was rejected.

I am pleased that the chairman of the committee will offer an amendment today to insert the necessary words.

Mr. ASHBROOK. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Ohio.

Mr. ASHBROOK. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. ASHBROOK. Mr. Speaker, I certainly commend the gentleman from Iowa [Mr. Gross] for his very cogent analysis of the situation. I share his concern. Many of us are glad to see the President take the action in Vietnam which he did. There are some pertinent questions to ask, however.

Does this really represent a policy switch from the no-win, vacillating course of events which our State Department has followed? While I hope it has, I must say I am indeed apprehensive. We have seen boldness and resolve fritter away into indecision and appeasement in Berlin, Cuba, and in Laos. In each case, a strong pronouncement was made by the Chief Executive and in each case, the performance was woefully lacking in resolve. We will have to wait and see. I certainly hope that President Johnson learns from the failures of the past 3 years that we cannot appease the Communists.

Unfortunately, there are many circumstances which indicate that there were political implications to the Vietnam action. Secretary MacNamara has admitted that the President went on television and announced the attack on the North Vietnamese PT boats was in progress 1 hour and 40 minutes before the attack actually started. American boys should not be sacrificed thusly and no error should thus jeopardize them whether prime TV time is at stake or not.

Further, I feel that it is unfortunate that any reference at all is made in this resolution to the United Nations. It has demonstrated that it is ineffective in any positive policy which challenges the Communists at any place in the world. It has proved a good debating forum but cannot be counted on in any crisis or confrontation with the Moscow-oriented bloc.

One cannot help but think that election year politics has played a part in this decision. Castro attacks on American shipping last year brought no such response. American boys have been killed by hit-and-run guerrilla action which originated in North Vietnam without any positive response. It certainly cannot be rationalized that an attack on a destroyer is important but the death of scores of our boys and hundreds of casualties are unimportant. Unless there has been a total change of policy or election year politics had something to do with the decision, the President's action makes little sense, considering the lack of strong response by our military to similar land attacks made in the past. The State Department has hamstrung our military as a part of their unannounced disarmament policy just as they agreed to remove missiles from Turkey as a concession during the Cuban confrontation of October 1962. Whatever the reason, Americans greet this strong action with a fervent hope that the State Department appeasers will see that the American people support firm and forthright action. The backdown of the Kennedy administration following a similar resolution on the Cuban crisis should not be repeated.

Parenthetically, one cannot help but consider some of the charges from the left to date and the accusations hurled at the Republican presidential nominee. Had he advocated such an action and had the President not instituted his forthright retaliatory attack, can you not imagine what the Lippmanns, Drummonds, and the bleeding hearts of the left would have been saying? Warmonger, shoot from the hip, impulsive, and so forth. I can hear it now.

In the hopes, Mr. Speaker, that we are witnessing some backbone in the State Department, I apprehensively support this resolution and firmly back the President in this crisis.

Mr. MORGAN. Mr. Speaker, I yield 1 minute to the gentleman from Alabama [Mr. Selden].

Mr. SELDEN. Mr. Speaker, the pending resolution supporting the President's action in the current southeast Asian crisis reflects the unity of the American people in the face of Communist aggression in that area of the world.

Just as President Eisenhower and President Kennedy received bipartisan support during the foreign crises which occurred during their administrations, the Congress must now stand solidly behind President Johnson's decision to meet Communist fire with a firm and unmistakable response. There must be no doubt, Mr. Speaker, that our people are determined to support whatever steps are necessary to safeguard our interests and those of the free world against Communist aggression.

I urge the immediate adoption of the pending resolution.

Mrs. FRANCES P. BOLTON. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Illinois [Mr. Derwinski].

Mr. DERWINSKI. Mr. Speaker, in any hour of international crisis, the determination of the U.S. Government and its people to maintain the freedom of our own land and strive for the freedom of all people must be dramatically reaffirmed, and, therefore, I join in support of this resolution.

However, I feel it practical to construct a public record here this afternoon reemphasizing two important points often overlooked. The first is the importance of the Congress, the legislative branch, in the proper direction and implementation of foreign affairs. We have too often been told that foreign affairs is the exclusive realm of the Executive, and in the last 3½ years we have been expected to rubberstamp many dubious foreign policy decisions of the administration.

Nevertheless, at the present moment of crisis in southeast Asia, where our naval vessels, moving in international waters, were subjected to unprovoked attack, the importance of this congressional resolution cannot be overestimated.

Therefore, I think it would be consistent that the effectiveness of the legislative branch be utilized in the continual conduct of foreign affairs, not just in resolution form in periodic crises.

Second, may I point out that it was the sense of Congress in specifically providing increased funds for Vietnam that we were providing for a "win" policy rather than a "no win" or accommodation policies, which are clearly this administration's practices.

The determination of President Johnson to demonstrate our strength and to effectively retaliate against any unprovoked attack such as occurred earlier this week is supported by the public, and the Congress in adopting this resolution is truly expressing overwhelming public opinion.

May I also point out, however, that the rapid and unopposed approval of the resolution by the House Foreign Affairs Committee was based substantially on testimony we received from Secretaries Rusk and McNamara. I certainly trust that time will demonstrate that this testimony was factual and thorough, and further trust that the policies of the administration will be readjusted and the Congress continually provided with up-to-date accurate reports on world events, rather than kept in the dark by any deliberate or well-intended policies of news suppression.

Mr. MORGAN. Mr. Speaker, I yield to the gentleman from Michigan [Mr. CHAMBERLAIN].

Mr. CHAMBERLAIN. Mr. Speaker, I am as deeply concerned about the recent events that have transpired in Vietnam—and all of their far-reaching implications—as any Member of this House. Today we are called upon to approve a resolution supporting the position the President has taken. I have no quarrel with what the President has done—really there was no alternative to some form of quick, decisive action such as was ordered, and I intend to support the resolution.

But, Mr. Speaker, I am very disturbed that as a member of the House Armed Services Committee I must run to the newsstand to find out what is going on in southeast Asia.

Yesterday both the Foreign Relations and the Armed Services Committees of the other body met jointly to consider this resolution. The House Armed Services Committee has had no briefings that I know of on the recent aggression in Vietnam and I have been told that none are planned at the present time.

Just last week I wrote to my distinguished chairman of the House Armed Services Committee urging that our Vietnam hearings which began in early May, and have never been concluded, be resumed and that the committee be provided with regular briefings thereafter to keep abreast of the fast-moving events in that troubled area of the world. Two days ago the chairman wrote to advise me that he plans no briefings for members of the Armed Services Committee in connection with the current crisis in Vietnam. This is beyond my comprehension, for, as a Member of this House of Representatives and its Committee on Armed Services, I find that if I am to be informed on what is going on in the world today, I must do so on my own and am not even accorded the briefings that have been made available to the members of the press.

While I join in supporting the President's action, I wish I had more information about what is happening in Vietnam today and had a reliable source of intelligence beyond the newsstand.

Mrs. FRANCES P. BOLTON. Mr. Speaker, I yield to the gentleman from Texas [Mr. FOREMAN].

Mr. FOREMAN. Mr. Speaker, I rise in support of this resolution expressing the will and the determination of this country to protect freedom against Communist aggressors. Certainly, most Americans everywhere favored the President's military action taken in retaliation to the provocative action by the Communists off the coast of Vietnam.

However, I am concerned, and I do not necessarily endorse the action that was outlined on the front page of the Washington Post this morning surrounding this action and schedule of events in this grave matter.

The news article this morning stated that Secretary of Defense McNamara released a detailed summary yesterday afternoon of the U.S. air raids which showed that the initial attack on the North Vietnam bases did not take place until 1:15 a.m., eastern daylight time, Wednesday, a full hour and a half later after the President had announced that air action was in operation. Less than 1 hour ago, I confirmed this report through Secretary McNamara's Pentagon office. We have heard an awful lot in these past few weeks about trigger-happy irresponsibility. I say to the House, What is this? What is this when we give an hour and a half notice of our attack upon the Communists? What kind of action is this? What kind of responsibility is it when the President of the United States appears on the television networks so that he can talk nationwide to the people to tell them one hour and a half ahead that our planes are coming in. Why, this is better notice to the enemy than they could get with an alert radar defense system.

Can this kind of nationwide television appearance and statement during prime viewing time be termed publicity-happy, political irresponsibility? Could such action as that be called "shooting from the lip"? The parents, the wives, and the families of the American boys that were killed in these airstrikes are going to be asking a very grave and penetrating question, "Would we have our son or husband or daddy if the Communists had not been warned an hour and a half ahead of time?" Yes, Mr. Speaker, Americans everywhere will ponder this question, and others, in the days and weeks ahead. Certainly, Mr. Speaker, I support this resolution expressing our willingness and determination to stand firm and strong against Communist aggressors. I have been calling and pleading and working for such an expression and policy since the beginning of this administration. I am thankful that the administration has finally recognized that extreme measures in the defense of American lives and naval ships is no vice.

Mr. MORGAN. Mr. Speaker, I yield such time as he may require to the gentleman from North Carolina [Mr. FOUNTAIN].

Mr. FOUNTAIN. Mr. Speaker, I want to associate myself with the views which have already been expressed in support of the very fine and positive action which was taken by the President in response to repeated Communist provocation in the Tonkin Gulf, and in support of the pending Vietnam resolution.

Unquestionably, the President acted wisely in the interest and hope of preventing an expansion of the conflict. It is essential that we, too, act wisely today by giving this resolution overwhelming support. I hope it will be unanimous.

This resolution makes it unmistakably clear to all the world, especially to both the Hanoi and Peiping regimes, that this country is no "paper tiger" and that our normal tolerance and patience should never be misunderstood.

Mr. Speaker, the President had no honorable alternative for our country except to retaliate, but he did it with restraint. In an extremely critical and dangerous situation, he acted with a cool head and a steady hand.

The resolution we are now discussing says in no uncertain language that the American people are solidly behind our President in his determination to restrain or repel Communist aggression in southeast Asia.

It expresses the approval and support of this Congress of such action as the President, both now, and hereafter, may find necessary in defense of peace and freedom in southeast Asia.

The facts are clear. The action taken was firm and positive and limited and measured. It was an act of self-defense. Let us hope that our own restraint will be an example to all who would war against us, but let us be prepared in the event our example is not followed.

Let us hope the attacks have ended, but let us prepare to respond with even more forceful retaliation, if such becomes necessary. In fact, let us leave no stone unturned in expediting our immediate readiness to do whatever may become necessary to restrain or repel the dogs of war.

Let us also properly evaluate this crisis in its global context in which seemingly hopeful tendencies toward peace will not lull us into any illusions about the aggressive designs of North Vietnam and its Chinese Communist sponsor.

Above everything, let us make as clear as humanly possible our hopes and aspirations for peace and also our determination to fight, if need be, with whatever force may prove necessary, to protect and defend our rights and our freedom and the rights and freedom of our friends.

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Mr. MORGAN. Mr. Speaker, I yield 1½ minutes to the gentleman from Connecticut [Mr. MONAGAN].

Mr. MONAGAN. Mr. Speaker, this resolution is an appropriate and necessary one, even though from a legal viewpoint it may not add too greatly, if at all, to the powers that the President has. Nevertheless, under the circumstances, where this attack was a surprise attack, and opportunity for the President to gain the support of the Congress and of the country was not possible, this reference to the Congress is a desirable thing. It gives added sanction and support to the President at a critical time in the vital decision which he has made as well as the choices which may well lie ahead for him.

Mr. STRATTON. Mr. Speaker, will the gentleman yield?

Mr. MONAGAN. I yield to the gentleman from New York.

Mr. STRATTON. Mr. Speaker, the gentleman mentioned that this was a surprise attack. Is not the record also clear that our aircraft caught the North Vietnamese completely by surprise; and any indication to this House that our flyers went in there against forewarned opposition is therefore totally and completely incorrect and a grave disservice to the country and to our great Navy?

Mr. MONAGAN. Of course, that is true. It is also true that there was no opportunity, as has been suggested, for the President to confer with the Congress or with anybody else and this is the first chance we have had to show that we support his action, as we do. I am sure this joint resolution will be voted unanimously.

Mr. Speaker, I support this resolution and ask that the House also support it unanimously.

Mrs. FRANCES P. BOLTON. Mr. Speaker, I yield 1 minute to the distinguished gentleman from New York [Mr. BARRY].

Mr. BARRY. Mr. Speaker, in supporting the resolution I think we must first of all be aware of the consequences of the action we are about to take today. We must be constantly aware of the realization that the Chinese think of all nations to the south as imperialistic nations mainly because they are looking for an excuse to oppose them—the real reason being that they have been eyeing the rich rice paddies to the south for years and their constant harassment of their southern neighbors is an ever-continuing policy of landgrabbing. The nations to the south, on the other hand, fear the Chinese in the north, not because they are Communists, but because they are Chinese. This has gone on for hundreds and hundreds of years.

The consequences of U.S. action might be entirely different from something that we may expect, because the Chinese may not fully understand what we intend. Chinese retaliation depends on how our thoughts and actions are adjudged in Peiping. This could very well develop into a mass movement of troops into Laos, a move into Burma, or even a move into India. Any of these might be the response of the action taken by the U.S. Government. I point this out so that we may understand the consequence of the action that we are taking.

Nevertheless I uphold the action that we are taking. We have been struck and we should strike back.

It is obvious that these attacks by the North Vietnamese on the U.S. naval vessels are related directly to the persistent policy of aggression of the North Vietnamese Communist regime. They were not isolated events, but part of a continuing drive to control and eventually dominate southeast Asia.

I am satisfied, by the statements presented to the House Committee on Foreign Affairs by Secretary McNamara and Secretary Rusk, that the attacks occurred in international waters, that they were unprovoked by the United States, and that they were deliberate attempts of aggression to destroy our naval vessels. These facts compel the United States to respond with firm military action. Not to contain this threat is to encourage further military attacks and continued acts of subversion and encroachment in southeast Asia.

The purpose of this resolution is to declare U.S. determination to assist the free nations of southeast Asia to defend themselves against Communist aggression. In so doing, this statement acts as a deterrent so our intentions become fully understood by all concerned.

The United States has no territorial ambitions—we seek only peace and security for the peoples of Vietnam. Our immediate intent is one to assist in defense of their freedom and independence. We ask only that Peiping and Hanoi honor the Geneva accords of 1954 and the Geneva agreements of 1962 by ceasing their attacks of aggression and subversion on the Asian Continent.

The determination of the United States must be declared so there is no doubt about our response. This was declared in the Formosa resolution of 1955 authorizing the President "to employ the Armed Forces of the United States," the Middle East resolution of 1957 stating the United States was "prepared to use Armed Forces," and the Cuban resolution of 1962 declaring that the United States is "determined to prevent by whatever means may be necessary, including the use of arms" Cuban aggression in any part of the hemisphere.

With these precedents in mind, it is vitally important to the security of the entire free world, as well as southeast Asia, that the U.S. intent be pronounced, unanimously, once more.

Mrs. FRANCES P. BOLTON. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Wisconsin [Mr. LAIRD].

Mr. LAIRD. Mr. Speaker, I rise in support of this resolution. I am confident it will be passed with overwhelming, if not unanimous, support. I am confident, too, that if we are attacked again, we will respond with similar dispatch and effectiveness.

Only a policy based on strength and firmness will prevent war and insure peace. We in America want peace in our time and for all time. We recognize that policies of weakness and indecision are the historical catalysts that most surely lead to major all-out war. I sincerely hope that our recent action and the passage of this resolution promise a new policy and a new direction in our dealings with the Communists in southeast Asia.

I am not confident that it does. I am fearful that it does not signal a fundamental change in American policy although I wish it were otherwise, for we seek peace in this world.

The plain fact is that this naval action at sea and our response to it has not removed or lessened or really changed the critical situation we continue to face on land in South Vietnam and other parts of southeast Asia.

The war in Vietnam goes on. We still face a grim choice. We have struck at the north. But if our President meant what he said about not seeking to widen the war, then our single reaction does not represent a lasting change in policy but rather a "measured response" to a special circumstance.

In this sea action, Mr. Speaker, we have followed the Eisenhower-Dulles policy of selective retaliation by responding on a level greater and more costly to the enemy than his provocative but unprovoked action was to us. For this, I commend the President.

But, I repeat, the land war remains. And we still have a policy to develop. We still must decide whether to follow the Gaullist proposal of withdrawal by neutralization or whether to stiffen our commitment by resolving to take whatever steps are necessary to win the war in that beleaguered area within a reasonable period of time.

In the wake of this firmness—which, in the interest of peace, I hope will not be short-lived—let us make that decision. We must develop and announce to our friends as well as to the Communists what our policy in southeast Asia is as we face the future.

Mr. Speaker, I urge the adoption of this resolution.

Mr. MORGAN. Mr. Speaker, I yield 1½ minutes to the gentleman from Florida [Mr. FASCELL].

Mr. FASCELL. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include certain editorials.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. FASCELL. Mr. Speaker, although some of my distinguished colleagues who have preceded me in this discussion have expressed doubts and fears about the strength and determination of this country, I want to make it clear that I have no lack of confidence in President Johnson; I have no lack of confidence in our military forces; I have no lack of confidence in our policy; and I have no lack of confidence in the American people's determination to fight for the protection of freedom wherever and whenever it is necessary to do so. The resolution before us expresses that determination and our confidence in President Johnson's leadership in time of grave crisis.

Mr. Speaker, this prompt and firm action by the President of the United

States, supported in this resolution, demonstrates to foe and friend the unity of our people behind President Johnson's strong and measured leadership in the protection of our country against Communist aggression.

President Johnson's prompt military action should put to rest any erroneous ideas that the Communists or others may have that the United States has a "no win policy"; or that the United States is a "paper tiger." President Johnson's action also corrects any Communist idea that this administration or this country is "soft on communism."

President Johnson's action supported by this resolution makes it crystal clear that in today's struggle the Communists will not find a haven behind some arbitrary geographic line where they can maintain a base of operation for their aggressive acts. This warning by the United States should not go unnoticed or unheeded.

Mr. Speaker, I would like to briefly review what this resolution does not do.

This resolution does not set a precedent. This House and the Congress of the United States took action similar to that requested today in the Formosa and Middle East crises when requested by President Eisenhower and also took similar action when requested by President Kennedy in the Cuba crisis.

This resolution is not a declaration of war. The language of the resolution makes that clear as does the legislative history. Therefore this resolution in no way impinges on the prerogative of the Congress to declare war. Furthermore, no one here today has advocated a declaration of war. Any Member who feels that the action supported and authorized in this resolution is not strong enough or does not go far enough can at any time introduce under his own name a resolution declaring war. No Member on either side of the aisle has done so to my knowledge, and I respectfully submit that in view of President Johnson's action such a resolution of war is not necessary.

Mr. Speaker the pending resolution does, however, ratify and support the military action recently ordered and taken by President Johnson to respond to the unprovoked Communist armed attacks against the U.S. Navy while in international waters. The resolution also authorizes President Johnson to take such military action in the future if necessary to protect U.S. military forces against further Communist attack.

The United States is a great maritime and naval power. Our right, recognized under international law, to be on the high seas and international waters free from any kind of attack is basic to the maintenance of our freedom. We will make it clear in passing this resolution that Americans are united behind the need for the use of our military force to protect and defend this basic freedom.

This resolution also supports the policy of the United States which we have taken to preserve freedom in southeast Asia. It authorizes President Johnson to take any future action, including the use of our military force, to assist, on request, any country in southeast Asia which is within the purview of the Southeast Asia Collective Defense Treaty.

We make no change in our policy that the United States can best obtain and maintain peace and expand freedom by providing economic, military, and political support to those countries and people who need that help to maintain their independence and expand their freedoms. This resolution gives support to this longstanding U.S. commitment.

Mr. Speaker, this resolution expresses the unity and desire of the American people to support President Johnson in his actions to protect the United States and fight for freedom.

Indicative of the broad public support which President Johnson has for his policies, I call attention to the following newspaper editorials which are representative of the thinking of American citizens on this matter:

[From the Miami Herald, Aug. 6, 1964]

IN CRISIS, A FIRM NATION

As swift as a speeding torpedo from a PT boat, the situation in Vietnam has blossomed into full-scale crisis.

American blood has been shed in the first U.S. military action since the Korean war that was not purely defensive.

There can be no partisanship in full support of President Johnson's response to the repeated provocation—a response that he called fitting in his solemn report to the Nation.

Why we are so deeply involved in Vietnam may have been a political issue before—and may be again—but not while the Nation's defenders stand alert in danger.

Senator BARRY GOLDWATER's approval of the President's course and the rapid move by Congress to declare the national purpose are assurances of unity. Our quick consultation with the United Nations and our allies in wide-ranging pacts are steps to include all peaceful peoples.

The world watched this showdown approach slowly, inevitably, since the United States responded to South Vietnam's pleas for help in 1957. Under the Geneva Agreement which guaranteed the security of partitioned Vietnam, we drew the line there against the Communist takeover.

Repeatedly we announced our resistance to Communist aggression against helpless peoples and hoped that these expressions of determination would be deterrent enough.

Even when the North Vietnamese attacked the destroyer *Maddox* in international waters Sunday our reaction was confined to repulse, not pursuit. This was coupled with a clear warning that the overt act must not be repeated.

The Vietnamese took up the challenge. Our response is now in the record. It included an air strike on supply bases in North Vietnam, with heavy damage.

We have now taken the step that has been debated for months. The fighting in South Vietnam has been extended.

The consequences no one can now foresee but we cannot back away.

The North Vietnamese and their Red Chinese mentors still have the choice. They may accept the President's statement that "there can be no peace by aggression and no immunity from reply." If they do not, and if the Red Chinese practice their violent preachings, the danger is acute.

Our rapid buildup of naval and air strength and the dispatch of reinforcements to the sizable forces already in southeast Asia are the signs of determination the country has long awaited.

We stand with the President that firmness in the right is indispensable today for peace. Let any who doubt this accept the responsibility for their acts.

[From the Baltimore Sun, Aug. 5, 1964]

THE PRESIDENT RESPONDS

The President speaks for the country and for the free world in his comment on and reaction to North Vietnamese aggression in the Bay of Tonkin. Party differences at home disappear and ranks close. The procedure to date has been graduated correctly in line with challenge and provocation: defensive reply to the first attack, then, under explicit Presidential orders, action not merely to defend but to destroy in the second attack, and now affirmative, if limited thrusts at the facilities from which the attacks were launched. In comparable alignment with the constitutional proprieties, the congressional leaders are in consultation and the National Legislature takes up its role in the national response.

That response will of course mount or vary as the situation unfolds. The details of the adversary's intentions are not yet clear but his general strategy has been encountered before and so is not unfamiliar. He probes and pushes, but he recognizes limits when they are made manifest. This was demonstrated in Korea in 1950 and in Cuba in 1962. Since North Vietnam hardly acts alone, much will depend on the Chinese and Russian judgment of American intentions. Here the West may learn something of the true state of relations between the two quarreling Communist giants. But the lesson of Korea and of Cuba was that rigorous response moderates provocation. The President has ordered rigorous response and the country will hope and pray that further rigor is not needed.

[From the New York Times, Aug. 6, 1964]

WIDER WAR

On July 24, President Johnson said that "the United States seeks no wider war" in Vietnam, but he warned that "provocation could force a response." That provocation—twice repeated—now has brought a response that has been, in the President's words, "limited and fitting." Whether this ends the incident now is up to North Vietnam and to Communist China. The United States plans no further military strikes if there are no further Communist attacks. President Johnson has made it clear that "we still want no wider war."

Whether or not the confrontation stops there, the crisis in southeast Asia has been altered in fundamental ways—all involving great uncertainties and even greater dangers.

The United States has become a direct combatant on a significant scale, even if only briefly. The sword, once drawn in anger, will tend to be unsheathed more easily in the future.

Congressional authority for future military action will, in effect, be delegated to the President by the joint resolution scheduled to be voted today. The President has rightly asked that the resolution express a determination that all necessary measures be taken.

The concept of a Communist "privileged sanctuary," heeded hitherto both in Korea and Indochina, has been breached. The circumstances under which North Vietnam may be struck again remain undefined. But the rules of the war have undergone a basic change—a change that applies to Communist China as well as to Hanoi. President Johnson was clearly addressing Peiping when he warned "any who may be tempted to support—or to widen—the present aggression" that "there can be no peace by aggression and no immunity from reply."

Hanoi's sea patrol fleet largely has been wiped out and, lacking an air force, North Vietnam has been shown to be virtually open to hostile air attack. Hanoi's willing allies in Peiping are now under pressure to provide new means for sea and air protection—and even, perhaps, to intervene directly. Hanoi's reluctant allies in Moscow are under pressure, as yesterday's Soviet statement showed, to demonstrate their backing for North Vietnam before world Communist opinion.

Ranks have been closed in the United States with Senator GOLDWATER's open support for administration action. If Hanoi's attacks were an attempt to exploit political and racial division in the United States, the American reaction has proved this futile. Vietnam, in fact, has been taken out of the presidential campaign for the moment. The attempt to keep it out, by retaining Republican support, means that President Johnson henceforth will find firmness politically easier to emphasize than restraint.

American reluctance to go to an Indochina peace conference, as urged by President de Gaulle, is strongly reinforced. If Hanoi's purpose was to force such a conference, it could not have been more poorly advised.

These are some of the political and military realities after the Tonkin Gulf exchange. The lines have hardened. A highly dangerous period has opened. It is a time that calls for coolness, as well as determination, for restraint as well as firmness.

We still have no real idea of what prompted the North Vietnamese to launch their potentially suicidal adventure. The Nation's united confidence in its Chief Executive is vital. No one else can play the hand. That confidence will be best maintained by a continued adherence to the principles the President himself has enunciated of firmness but a firmness that will always be measured—a firmness whose mission is peace.

[From the Washington Post, Aug. 7, 1964]

DEMOCRACY'S RESPONSE

Congress is responding with commendable promptness and with an almost unanimous voice to President Johnson's request for support in the southeast Asian crisis. The President consulted the leaders of both Houses and then asked for a supporting resolution not only because he felt the necessity for congressional approval of what is being done, but also because he wished to demonstrate before the world the unity of the American people in resisting Communist aggression. That unity has been demonstrated despite the reckless and querulous dissent of Senator MORSE.

There is no substance in Senator MORSE's charge that the resolution amounts to a "predated declaration of war." On the contrary, it reaffirms the long-standing policy of the United States of aiding the states covered by the Southeast Asia Collective Defense Treaty in the protection of their freedom as a contribution to international peace. It pledges military action only to resist aggression against American forces in that area. Of course, the President has authority to respond to attacks upon American forces without any approval in advance by Congress. So the resolution means only a recommitment of the Nation to the policy it has been following—an almost unanimous recommitment in the face of the inexplicable North Vietnamese challenge.

This means of reasserting the national will, far short of a declaration of war, follows sound precedents set in other crises. President Johnson noted in his message to Congress that similar resolutions had been passed at the request of President Eisenhower in connection with the threat to Formosa in 1955 and the threat to the Middle East in 1957. The same course was followed in 1962 at the request of President Kennedy to meet the missile threat in Cuba. None of these emergencies led to war. Rather, the firm action that this country took interrupted Communist maneuvers that might otherwise have led to war.

Congress ought to be very pleased with the now firm establishment of this mechanism for meeting an emergency with a united front. Reliance solely upon the power of Congress to declare war as a last resort would not be appropriate in these days of repeated crises short of war. A resolution of support for the Executive arm in meeting an emergency has all the virtue of rallying national strength behind a firm policy—without taking the calamitous step of war in this nuclear age. We surmise that the almost unanimous sentiment behind this resolution on Capitol Hill reflects appreciation for the President's sharing of responsibility as well as support for the tough punishment for aggression that he initiated.

[From the Washington Post, Aug. 7, 1964]

COMMUNISM'S CHOICE

Time will doubtless improve on speculation's answer to the question of why Communist forces fired at the American Navy and how they will respond to the American hits on their soil. In the interim, we can be sure only that the next step is up to Hanoi and Peiping, that the decision is even more critical for them than for us, and that not only the conflict in Indochina but the power outlook in the Far East is at stake.

The sequence since Sunday is of a kind which forces those touched by it to define and declare themselves by their reactions. Hanoi has shown outrage but it is unable alone to match its feeling with action. Peiping, going further, has added an ambiguous pledge of solidarity which does not particularize the conditions that would require it to take a designated act. Moscow, caught off guard, has huffed disingenuously as though snorts would remove its embarrassing pinch between comradeship and self-interest. The lack of similarity between these Communist reactions is as striking as the lack of specificity.

The operational issue lies at the intersection of three streams of reality: the Sino-Soviet dispute, East-West relations, and war or peace. The issue is the danger of confrontation with free-world power. The Soviets feel that the danger is so great as to require avoidance; the Chinese, not so great as to preclude struggle for desired goals. The Soviets fear that a small conflict involving a great power could become a big one, with universally disastrous results. The Chinese scoff at the dangers of such escalation. From the American viewpoint, the difference is that between manageable trouble and open-ended war.

From the spectrum of choices available to them, the Communists must now select those that satisfy the conflicting demands of prudence and pride. They have not been militarily rash in the past, with the crucial and upsetting exception of the torpedo forays in the Tonkin Gulf. Having answered those attacks in full measure, the United States must now hope to draw the conflict into diplomatic outlets, even while it prepares to meet further military challenges in Indochina.

A debate in the United Nations would be a bruising one, particularly if a representative of North Vietnam took part. It would expose the United States to a propagandistic onslaught on all its Indochina policies and would produce a bewildering array of information, half-truths, and falsifications about events there. However, a country in the position of answering aggression need have no scruples about upholding its case in an international forum.

[From the New York Times, Aug. 6, 1964]

MOSCOW'S REACTION

The Soviet Union employed some well-worn language yesterday to denounce the United States for its retaliatory strike at North Vietnam. But, fortunately for the peace of the world, Russian actions were far less militant than the tired Russian words.

The most important point, of course, is that Moscow took no direct military step to involve itself in the immediate area of tension. And in the United Nations, after its initial efforts to get the Security Council meeting postponed, the denunciation of alleged American aggression was followed by nothing stronger than a Soviet resolution to have the Council ask North Vietnam to supply information and to send a representative to participate in the debate. Peiping's own attempt to explain the air strike as an American election maneuver suggests the Chinese themselves are having some cautious second thoughts.

Moscow evidently finds itself between contradictory pressures in this new crisis. The men in Moscow are keenly aware of Peiping's charges that they have made a deal with the United States to betray Marxism-Leninism. Accordingly, they must have felt they had to charge Washington with aggression since any other course would give the Chinese too much useful ammunition.

But the Russians know well—and have complained many times about—Peiping's predilection for taking risks that could lead to war. Only last Monday Pravda printed a denunciation of a Chinese spokesman's statement to a Vienna newspaper that "war in southeast Asia would not be so bad." Pravda, the official organ of the Soviet Communist party, contrasted the Chinese eagerness for war with what it called the Soviet Union's "efforts not to permit the worsening of the conflict in this area of the planet."

On the basis of the statements Moscow has issued this past year, the Russians must fear that Peiping was fully capable of encouraging the North Vietnamese attacks on the American destroyers in the hope of provoking a wider conflict. But that wider conflict could hardly serve Soviet interests, and there is no reason to believe Russians are anxious to die and to see their historic capital destroyed for the sake of Hanoi, or even Peiping.

It is tragic that the Russians, who have done so much to make the world aware of Communist China's aggressive intentions, lack the courage to draw the inevitable conclusion and to say so publicly when, as in this case, the world is faced with a concrete example of aggression performed in Peiping's zone of maximum influence.

The SPEAKER. The time of the gentleman from Florida has expired.

Mr. MURPHY of New York. Mr. Speaker, I want to join the distinguished chairman of the Foreign Affairs Committee, the gentleman from Pennsylvania [Mr. MORGAN], in his commendation of the President's action in the Vietnamese crisis and to wholeheartedly concur in House Joint Resolution 1145 to promote the maintenance of international peace and security in southeast Asia.

The President's actions served notice in southeast Asia as well as everywhere in the world that America will keep and honor her commitments, and that a threat to any nation in that region is a threat to the United States.

Although there was bloodshed and military action, our basic purpose to maintain peace is reaffirmed as well as the fact that we have no military, political or territorial ambitions in this area, and, of course, the fact that this action was another phase in the overall power struggle for freedom everywhere. Once again we retaliated in the only language understood by an aggressor, and that is power, the power to destroy him if he persists in threatening our security.

I want to take this opportunity to salute our Navy, Air Force, and Army units for their successful actions which served further notice to the world that our technology is matched in excellence by our skill and determination to win.

Mr. ROUSH. Mr. Speaker, we have witnessed the past few days an attack and a counterattack in the worldwide struggle between the forces of those who champion the cause of the independence of nations.

The retaliatory action ordered by the President of the United States following two unprovoked attacks upon U.S. naval units off the coast of southeast Asia has gained the overwhelming approval of the great majority of the American people. Following the first attack we followed established international procedure in directing a strong protest to the aggressor. Even as we were doing this the second attack was launched.

It then became our duty to show the world that while our main goal is to be an honorable friend we can also become a brave enemy if provocation demands. In the second incident provocation so demanded and we answered in kind.

Geographically this frontline of our defense of freedom is a vast distance from the American heartland. Yet in the measurement of time it is no farther away than our defensive frontiers in those long-ago days when our Nation was born. These attacks represent as real and as distinct a threat to our freedom as attacks made on our frontier outposts when our Nation was young.

Our ambitions for our friends on the other side of the world are not territorial, military, or political. Our ambitions are to adequately answer their call for assistance in maintaining the enemy of those ambitions we cannot yield without yielding our honor and the respect in which we are held by our friends. This we have never done. This we will never do.

The resolution now pending is an expression of American unity in this time of crisis. As Representatives of every American, this Congress is saying to the world that we are determined to defend liberty and to hold the torch of freedom high that every dark corner of this world might share in its light.

Mrs. KELLY. Mr. Speaker, I wish to associate myself with my distinguished colleagues in urging the adoption of the resolution (H.J. Res. 1145) before the House.

The reasons which argue this course are clear and persuasive.

We have tried with the resources at our command, with patience and perseverance, to advance the cause of peace and freedom in southeast Asia.

We have tried to discourage Communist aggression in that area at the conference table, and by assisting those free nations which have sought our help in resisting Communist designs on their territory.

We are determined to continue in these efforts.

At the same time, however, it should be clear to all—especially to the Communist powers of Asia—that the United States will not hesitate to take such additional measures as may be necessary to frustrate Communist expansionist ambitions. The Gulf of Tonkin surrounded as it is by Communist nations is international water. These Communist countries are ambitious to exclude it from this category and for that reason, it was necessary to prevent any precedent which might lead to this reasoning.

Our resolve on this point was evidenced in our prompt and vigorous response to the unprovoked North Vietnamese attacks upon our naval ships.

It is further evidenced in the resolution before the House today—a resolution which both endorses the action already taken by President Johnson and expresses the approval of the Congress for the President's determination to take such further steps as may be necessary to restrain and repel Communist aggression in that part of the world.

In the interest of the cause of peace, we should—we must approve this resolution promptly and overwhelmingly.

Anything less than that on our part can leave the Communist aggressors with the mistaken notion that our Nation is divided, and that our commitment to the cause of peace and freedom in southeast Asia is too fragile to withstand the test of repeatedly applied pressure.

Such a mistaken notion can lead to further miscalculations on their part—miscalculations which could engulf that region of the world in a conflict of escalating proportions.

A development of this kind would be completely contrary to our desires. It would be a tragedy for the people of southeast Asia, for us, and for the cause of peace. We must, therefore, do all we can to prevent it by making our intentions crystal clear. The Congress has made its feelings known by adopting resolutions similar to the one before us today when the Communist Chinese threatened Formosa—when aggression appeared imminent in the Middle East—when the freedom of Berlin was threatened—and when the Soviets attempted to install offensive missiles in Cuba.

In each of those instances, prompt and positive action on the part of the Congress in support of our Chief Executive served to promote and strengthen world peace.

Our action today in adopting the resolution will have—I am certain—the same effect.

Mr. Speaker, I would like to add a word about the relation of our military retaliation against North Vietnam to our commitments under the Charter of the United Nations.

I believe it is abundantly clear that the military actions ordered by President Johnson were fully consistent with the charter of that Organization.

Article 51 of the U.N. Charter reaffirms the right of every member nation, acting alone or in concert with its allies, to defend itself against an armed attack.

Article 51 further provides that measures taken in the exercise of this right of self-defense shall be immediately reported to the Security Council.

The actions of the United States during the past week were fully consistent with both of these requirements.

We responded to an armed attack. Our response was appropriate to the occasion. And we reported our action to the U.N. Security Council.

Mr. Speaker, during my service as the U.S. delegate to the United Nations 18th General Assembly last year, I made a lengthy speech before the 6th Committee on the subject of pacific settlement of international disputes—and what important role the United Nations has played, and can play in the future, in advancing peace through such procedures.

I firmly believe in the statements which I made at that time. We must endeavor at all times to prevent armed conflicts through pacific settlement of international disputes. We must endeavor to strengthen the ability of the United Nations Organization to serve that purpose.

At the same time, I fully realize that occasions may arise when instant action will be required, when the U.N. will be unable to intervene effectively, or when military power will have to be employed immediately to prevent aggression. The resolution before the House addresses itself to such occasions. I believe, therefore, that it is consistent with our support of the United Nations and should be adopted.

Mr. FORD. Mr. Speaker, I intend to support this resolution. However, I feel that some additional comments are needed at this time.

By voting for the resolution, I do not mean to indicate my unqualified approval of the administration's Vietnam policies during the past 3½ years. In the past I have been critical of certain administration southeast Asian policies and if the new policies do not measure up to the serious problems that will confront us I resolve the right to point such deficiencies.

The action taken by the administration in the last 4 days has been forthright and apparently effective. I approve.

The military results raise the legitimate question—similar U.S. military action affecting our own ground forces on prior occasions in Vietnam might have turned the tide our way much sooner. The United States in Vietnam is not winning now and has not been for the past months. I hope and trust what appears to be a new administration policy will bring victory for the people of Vietnam and the United States.

Mr. REUSS. Mr. Speaker, I shall vote for the resolution supporting the President's authority "to take all necessary measures to repel any armed attack against the forces of the United States and to end further aggression."

In fact, U.S. destroyers have been attacked by enemy gunfire in the Gulf of Tonkin, and have fired back.

So in supporting the resolution, I am somewhat in the position of the proprietor of the saloon whose bartender calls him on the intercom to ask:

"Is Casey good for a drink?"

"Has he had it?"

"He has."

"He is."

The alternatives open to this country in southeast Asia are all painful ones. The war against the Vietcong was not going well under the late Premier Diem, and it has not been going well under the Minh junta, or at present under General Khanh. To enlarge the war runs great risks of bringing in Red China, bogging down American ground forces on the Indochinese peninsula, and starting a major war which could end up as a nuclear one. At the opposite pole, to withdraw from South Vietnam, either openly or under the guise of a "neutralization" which failed to set up any adequate method of protecting the area, might well be to resign all of southeast Asia to Communist control.

So apparently we are destined to continue our present middle-ground approach as the least of three evils.

This middle-ground approach, Mr. Speaker, gives us an opportunity which we have not so far taken to attempt the one constructive solution to our woes in southeast Asia that I can see: invoke the presence of the United Nations. The United Nations Charter gives it responsibility for maintaining peace and security in the world. Drawing on peace force patterns established in the Middle East, the Congo, Cyprus, and elsewhere, we should go before the U.N. and request the establishment of such a force for South Vietnam, to patrol its borders, to restore tranquility, and to depart when peace comes and free elections can be held.

I would like to see the United States bring such a proposal before the U.N. The United States could indicate its willingness to put its present forces in Vietnam under a U.N. command, hopefully supplemented by forces from other U.N. members, to stay as long as needed. Under chapter 7, article 42 of the United Nations Charter, if measures for peaceful settlement of a dispute prove inadequate, the Security Council may take whatever action is necessary to restore international peace and security. If the Security Council failed to act on the U.S. suggestion, the "uniting for peace" procedure worked out in 1950 at the time of the Korean crisis could be invoked, passing the matter to the General Assembly.

We cannot tell until we try whether we would have the necessary votes in the General Assembly to set up a U.N. presence in South Vietnam. But in any case, our moral position in South Vietnam would be vastly aided if we show a continuing disposition to internationalize the position in South Vietnam through the United Nations.

I am aware that U.N. Secretary General U Thant has blown more cold than hot on the idea of invoking the U.N. in the South Vietnam situation. Last March, Mr. Thant said that he saw no useful U.N. role for Vietnam. Last July 8 he called for a reconvening of the 14-nation Geneva Conference of 1954, with a U.N. peacekeeping mission to supervise any plan worked out by such a conference. Our Department of State did not respond to Mr. Thant's July 8 proposal. The Department tells me that since Mr. Thant's proposal was made at a press conference, and not formally, the United States has not felt it necessary to reply to it.

Yesterday Mr. Thant is quoted as saying:

> For the moment, as I see it, the Security Council cannot be usefully involved in any settlement of the crisis in southeast Asia. * * * One of the parties concerned (North Vietnam) is not a member of the United Nations.

With all due respect to Mr. Thant, the fact that North Vietnam is not a member of the U.N. seems to me to have no bearing whatever on our invoking the U.N. which is equally equipped to take action against a member or nonmember.

I shall vote in favor of the resolution to support the President in resisting aggression. But I urge once again that we delay no longer in invoking the moral authority of the United Nations for the protection of the independence of southeast Asia.

Mr. EDMONDSON. Mr. Speaker, I support wholeheartedly both the language and the spirit of House Joint Resolution 1145, asserting firmly the approval of the Congress of all necessary measures by the President to prevent further aggression in southeast Asia.

The maintenance of peace and security in that remote area of the world has been threatened by armed attack upon units of our fleet, operating lawfully in international waters.

President Johnson has moved with determination to make effective use of our mighty Armed Forces to answer that threat, and he has used the only language which aggressors understand.

This resolution is not only an expression of congressional support for our President in this moment of crisis; it is also an affirmation to the world that our partisan political differences stop at the water's edge, and we stand as a united people whenever our flag and its defenders are attacked by an aggressor.

Mr. ROOSEVELT. Mr. Speaker, I rise to add my vigorous and most earnest support for the resolution before us, and to join in the remarks of my distinguished colleagues. President Johnson has again demonstrated that the United States can use its enormous power with both prudence and restraint. There is no question that the unprovoked North Vietnamese attacks upon our naval units were blatant acts of aggression. There is no question that only a firm and quick response could have made clear our determination to defend our own and our allies' honor. But there is also no question that a rash and unreasoned reaction might, in dragging us into a catacylsm, have destroyed all we are struggling to defend.

I am somewhat disheartened, indeed, dismayed, by the failure of my colleagues to emphasize that the first principle of our foreign policy is still the preservation of peace, and our President has reiterated his and our commitment to this principle. Let us never accept that dark creed which finds in the certitude of war the only answer to our international problems. The people of the United States have more faith in the strength of our great ideals ever to adopt such a policy of desperation.

Yesterday's news was most encouraging, for our President has demonstrated to the world that he intends to utilize every available channel to stave off a threatened conflict. His talks with Secretary General U Thant, of the United Nations Organization, give rise to the hope that the peacekeeping potential of the U.N. may be invoked, to the fullest extent possible under that organization's charter.

Therefore, while we commend our President for his courage and decisive action in this crisis, let us also reaffirm our dedication to maintenance of peace the world over. Let us never shrink from the defense of freedom, but let us never trade lightly on that peace, which is its surest guarantee.

Mr. HOSMER. Mr. Speaker, it appears to me that even amongst the Members of this body there is some misapprehension regarding the President's response to the recent attacks by North Vietnamese PT boats on our naval forces in the Far East. The action taken was a point response and its exceedingly limited nature has been emphasized by the President himself. The attack against us was by PT boats and the response was strictly limited to PT boats at their docks, the docks and supporting installations for the PT boats and the fuel supply for the PT boats. By thus strictly limiting our response to the exact weapons by which the hostile attack was made and by pointedly describing it strictly in terms of a reprisal, the entire question of privileged sanctuaries has been avoided. Privileged sanctuaries are areas from which Communists have assembled attacking forces without interference, which forces subsequently are dispatched against non-Communist areas. This concept developed during the Korean war when the participants found it desirable to limit the area of the war, as well as some of its other aspects, by tacit agreement.

The correct interpretation of the President's action is thus that the tacit agreement has in no way been altered or abrogated by the U.S. reprisal. Those who quarrel with this interpretation can, at best, claim a slight unilateral revision in the agreement. The revision, under their view, would make point reprisal against the weapons used in a hostile raid permissible if the reprisal can be accomplished by approach from the sea.

As the able gentleman from Wisconsin [Mr. LAIRD] has indicated, neither interpretation of these recent events, nor the resolution before us, represent any change in U.S. policy with respect to the steady deterioration of affairs in southeast Asia. Still before us are difficult decisions which have too long been delayed. It is incumbent upon the President to make less clear to the Communists of Peiping just what our intentions are unless these decisions are to be made much more difficult. As things now stand Peiping has every basis to assume that the concept of privileged sanctuary is in full force and effect even if slightly modified. They are invited to use it to the fullest for their own ends.

To accomplish what is needed it is neither necessary for President Johnson to flatly announce abrogation of the privileged sanctuary doctrine or to confirm its continuance. On the contrary what is necessary is for him to restore to the mind of Peiping a real doubt whether it is or is not in force. It is much easier for an aggressor to make his plans according to that which is certain than according to that which is uncertain. Surely this should be apparent to those who are advising the President, including his Secretary of State and his Secretary of Defense. Of course, at some point there arises a desirability for certainty. But obviously that point seldom arises from a crisis triggered by the enemy. It arrives when our own calculations indicate that clarity rather than ambiguity best serves our own purposes.

I believe it unfortunate that the limitation on debate over the resolution before us does not permit a more elucidating discussion of the resolution's meaning. Such a debate also might lay to rest the prevailing accusations that Senator GOLDWATER shoots from the hip, while President Johnson shoots from the ship, while Congress shoots from the lip.

Mr. ANDERSON. Mr. Speaker, I rise in support of House Joint Resolution 1145, which is a "sense resolution" expressing the support of the Congress for the recent retaliatory action ordered by the President of the United States against attacking North Vietnamese gunboats and support facilities. In times of grave national crisis the Congress and the American people have always closed ranks in support of this kind of determined response to unprovoked aggression on the Armed Forces of the United States. We are saddened at the news of the loss and apparent death of two brave men whose planes were shot down in the action that took place this week, and at the apparent capture and the imprisonment of another naval aviator by the North Vietnamese Communists. Yet we know in our hearts that as a great nation it is not always possible to avoid this kind of sacrifice when we are engaged in the defense of our national honor and in the defense of freedom. Therefore, I reiterate that the joint resolution now before this body upholding the hand of the President in this action has my full and unreserved support.

However, I do not think that a manifestation of national unity of purpose with respect to American security interests in southeast Asia requires us to refrain from some additional comment on the situation that exists there.

It was pointed out in the New York Times for Friday, August 7, 1964, by the distinguished columnist, Mr. James Reston, that the "principle of joint action in mutual danger" was appended to the Mutual Defense Treaty between the United States and the Republic of China, which was signed in December 1954.

Letters were exchanged by Secretary of State Dulles and Ambassador George K. C. Yeh, of the Republic of China in which the following important understanding was established:

> In view of the obligations of the two parties under the said treaty, and of the fact that the use of force from either of these areas (Formosa or the offshore islands) by either of the parties affects the other, it is agreed that such use of force will be a matter of joint agreement, subject to action of an emergency character which is clearly an exercise of the inherent right of self-defense.

Mr. Speaker, just this morning, radio and press reports informed us that General Khanh of South Vietnam has declared a state of emergency in that country. There are further reports to the effect that General Khanh has stated that this is the week of critical decision in South Vietnam. There are some who have already interpreted his remarks to mean that he may possibly order an invasion of North Vietnam by the forces of South Vietnam that are under his command. In view of earlier reports of differences between General Khanh and other members of his staff and Gen. Maxwell Taylor, the head of our military mission to South Vietnam, on the question of a strike into North Vietnam, it seems urgent that we promptly clarify the relationships between our two Governments, and eliminate the possibility of unilateral action in this area. As Mr. Reston points out, such a suggestion would not in the least inhibit either the United States of America or South Vietnam with respect to its inherent and sovereign right to defend itself against aggression. However, I feel that the United States certainly has a right to expect written assurances from our South Vietnamese allies that any action against North Vietnam must be joint action which has been approved and assented to by both Governments.

It has been stated here on the floor of the House today that this joint resolution does not provide the President with carte blanche authority to launch an all-out war or even limited war in any part of the southeast Asian theater of operations. We are merely expressing our determination to stand firm and resolute as a nation in the face of enemy attack, and to repeal any aggressions. I think it is essential that our State Department and the President of the United States assure the American people that any attack either on North Vietnam or elsewhere in southeast Asia will be in conformity with the "principle of joint action in mutual danger" which Mr. Reston has referred to in his discussion of the Vietnamese situation in his column on Friday, August 7, 1964. We have the precedent of our relations with the Republic of China to guide us in this respect. I do not wish to be misunderstood as expressing any reservations about the peaceful intentions of our Government. I believe completely in the sincerity of the President when he says that we have no imperialistic, political or economic aims in southeast Asia, but rather only a desire to see peace restored to that area of the world—a peace which will permit the people of southeast Asia to live in freedom and not under the threat of the Communist sword. However, because of the elements in the present situation, and particularly because of recent expressions by General Khanh and others in the South Vietnam Government, I think we should make it abundantly clear to them and to the world that even as we expect to consult with our allies too in the Southeast Asia Treaty Organization that this principle of consulting is and must be a two-way street.

Mr. ALGER. Mr. Speaker, I will support the resolution for reasons of unity. However, I have grave reservations involving congressional abdication of responsibility in declaring war. I am concerned that our leaders permit other nations, seeking our help, to take us into war. This resolution does not assure us that the President will come back to Congress, as the gentleman from Indiana [Mr. ADAIR] assured us, before involving this Nation further. I agree to the resolution, therefore, only assuming that Congress will not be bypassed later.

Secondly, what is our position in Vietnam? What about the hundreds of Americans killed, wounded and imprisoned? Are we at war or not? What has been our official policy in Vietnam? How many have been killed, wounded and imprisoned, and what have we been doing to free our men even before the attacks on our ships which occasion this resolution?

Americans are entitled to know the truth. And what about the next of kin? What have they been told about the deaths of their loved ones in this war that has not been a war? How does this resolution square with our earlier Vietnamese losses? Where is consistency in the position of the administration in asking for this resolution when hundreds of U.S. men have been killed, wounded, and imprisoned in Vietnam without a position statement from the President and congressional leaders? Are we at war there or not? Under what congressional authority has the President permitted and justified these deaths? Only Congress can declare war and yet we have been sending American boys into battle for months. We have never been told all the facts of Vietnam.

Finally, the problem remains—what is the U.S. official policy in Asia, and worldwide, vis-a-vis Communist worldwide aggression? This resolution tells us little, if anything. Therefore, I shall vote for it, but in behalf of the people of my district and the people of the United States I shall continue to demand of the administration a clear-cut policy in meeting the challenge of the Communist conspiracy, in Asia and throughout the world.

Mr. MARSH. Mr. Speaker, I concur in the expressions offered here today which reflect the unity of the Government and citizens of the United States behind the President as Commander in Chief of the Armed Forces in the determination to respond promptly to unprovoked attacks and resist Communist aggression wherever it asserts itself.

The loss and endangerment of American lives in faraway lands and waters

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is to be deplored, but certain risks must be accepted in the recognition that we are engaged in a worldwide conflict in which our own national and individual freedoms are inevitably at stake.

Mr. McDOWELL. Mr. Speaker, I rise in support of House Joint Resolution 1145, a resolution to promote the maintenance of international peace and security in southeast Asia. I shall vote today with the overwhelming majority of my colleagues in approving and supporting the determination of President Lyndon B. Johnson, as Commander in Chief, to take all necessary measures to repel any armed attack against the forces of the United States and to prevent further aggression.

I met with my colleagues in an executive session of the House Foreign Affairs Committee yesterday to hear Secretary of State Dean Rusk, Secretary of Defense Robert McNamara, and Gen. Earle G. Wheeler, Chairman of the Joint Chiefs of Staff, who testified in support of the joint congressional resolution calling for the maintenance of international peace and security in southeast Asia. A lengthy briefing was provided by Secretaries Rusk and McNamara concerning the recent attacks on U.S. naval vessels in Tonkin Bay and the U.S. responses to these acts of aggression. Following the committee briefing and hearing, the joint resolution was adopted, and the way was cleared for the vote on House Joint Resolution 1145 in this House today.

As Delaware's only Representative in Congress, my vote on this southeast Asia joint resolution is the fourth occasion under the administrations of three Presidents whereby I have cast my vote in support of national policies to resist acts of Communist aggression against the peace and national security of the United States. Under President Eisenhower's administration I voted for the Middle East resolution and the Formosa resolution, and under President Kennedy's administration, I voted for the Cuba resolution.

We cannot tell what steps may in the future be required to meet Communist aggression in southeast Asia. The unity and determination of the American people, through their Congress, should be declared in terms so firm that they cannot possibly be mistaken by other nations.

I agree with President Johnson that the United States, and indeed the whole world, has met the tests, learned the lessons, and experienced the fearful costs of man's efforts to achieve peace on earth.

I support President Johnson in the face of this peril. The preservation of the spirit and faith of our Nation does, and will, furnish the highest justification for every sacrifice that we may make in the protection and perpetuation of the integrity of the United States and of democracy through the free world.

Mr. RANDALL. Mr. Speaker, I rise to support the joint resolution on southeast Asia and to applaud the action ordered by President Lyndon B. Johnson against the unprovoked acts of Communist aggression in the Gulf of Tonkin. Our President has acted with the dignity and firmness appropriate to the leader of the combined forces of the free world alliance and he deserves our unflinching support for any further steps which he might deem necessary in the days and months ahead. The forthrightness of his action has demonstrated the prudence of his judgment. We need not worry about placing additional power and authority in his hands.

The President has demonstrated coolness under pressure and an understanding of the complexity of international relations. His forceful and deliberate action evidenced a keen awareness of Communist respect for controlled force. Yet the careful way in which he limited targets to those directly supporting the aggressor vessels demonstrates an awareness of the dangers of uncontrolled or emotional escalation of force in an age of nuclear weaponry. Our stature as a world leader has been strengthened among both friends and foes, yet we have not been forced into committing ourselves to a hot war in the jungles of North Vietnam.

Mr. BROWN of California. Mr. Speaker, I intend to vote for House Joint Resolution 1145, a joint resolution "to promote the maintenance of international peace and security in southeast Asia." I do so, though, without any real hope that it will achieve the noble aims set forth in its title. However, it is difficult to vote against a resolution which supports the President in taking "all necessary measures to repel any armed attack against the forces of the United States" and which sets its own expiration "when the President shall determine that the peace and security of the area is reasonably assured by international conditions created by action of the United Nations."

I am of the very firm conviction that the peace and freedom which this country is dedicated to achieve in South Vietnam will not be attained by the gradual escalation of this unfortunate war. As long as the Communist forces, seeking to gain control of South Vietnam, can continually replenish and strengthen their guerrilla units from the mass of unhappy peasants in this land and can arm these units with American weapons seized from the frequently cooperative government forces—there is no victory possible.

This the Vietcong can do and for one reason only. To the masses of peasants the Vietcong are the voices of freedom in that country, not the American advisers with their helicopters and napalm bombs. We are but a continuation, in their eyes, of 100 years of foreign oppression, an oppression which they successfully overcame after 10 hard-fought years—in the case of the French—and which they will similarly overcome in our case. The successions of military dictatorships which serve as a pretense for a popular government do not really convince the South Vietnamese people that they will provide peace, freedom, and prosperity for that country.

I know and you know that the Vietcong will not bring freedom to South Vietnam; it will bring only the oppression of a Communist dictatorship. But the people do not know this, and they will not learn this by having their children and parents, brothers and sisters killed in a continuously more devastating armed conflict.

The brutal fact is that, in this situation and most other similar situations elsewhere in the world, communism is seeking to expand by armed force under the guise of a "war of national liberation," and the United States—despite its good intentions—is cast in the role of a foreign enemy of this "national liberation."

Is there an answer to this potentially world-destroying dilemma? I think that there may be, but it does not lie in the direction of broadening the war—by however small or justified the steps. In my opinion, the answer lies in the direction of full-scale intervention by the United Nations—upon the request of both North and South Vietnam—and with maximum support from the major powers. This intervention should consist of sufficient armed forces properly equipped to patrol the borders of the country and to enforce the laying down of all arms by guerrilla units in the area. The regular army should, at the same time, be drastically reduced. The resources which the United States has been pouring into the country to support the war should be used, instead, to rebuild the land and to help support the United Nations police forces, jointly with the other major powers. Every possible effort should be made to develop programs of local education and self-government as rapidly as possible so that the people can enjoy freedom and democracy in a real and meaningful way.

This kind of program, executed under the banner of a world organization using a multinational force, predominately of Asiatics, and bringing material assistance directly to the people on a scale comparable to the material destruction which we have been supporting and encouraging, could have hope of winning the war for democracy in South Vietnam. Any other approach is mere sham and pretense, bearing within it, I fear, the seeds of death for millions of the world's population.

Mr. PEPPER. Mr. Speaker, the timely and forceful action of President Johnson in meeting communistic aggression in North Vietnam and the firm resolution of the Congress supporting the President, I believe, have not only earned respect for our country from all the people of the world, but have made an invaluable contribution to the cause of peace. The only thing the Communists respect is force and when we show them that their aggressive force will be met and mastered, that we will not be intimidated and will not be deterred from the defense of our freedom and of the freedom of other freedom loving people, we will stop this communistic aggression and have peace.

The SPEAKER. All time has expired.

The question is on the motion of the gentleman from Pennsylvania [Mr. MORGAN] that the House suspend the rules and pass House Joint Resolution 1145 with an amendment.

Mr. MORGAN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 416, nays 0, answered "present" 1, not voting 14, as follows:

[Roll No. 210]

YEAS—416

Abbitt
Abele
Abernethy
Adair
Addabbo
Albert
Alger
Anderson
Andrews, Ala.
Andrews, N. Dak.
Arends
Ashbrook
Ashley
Ashmore
Aspinall
Auchincloss
Avery
Ayres
Baker
Baldwin
Barrett
Barry
Bass
Bates
Battin
Becker
Beermann
Belcher
Bell
Bennett, Fla.
Berry
Betts
Blatnik
Boggs
Boland
Bolling
Bolton, Frances P.
Bolton, Oliver P.
Bonner
Bow
Brademas
Bray
Brock
Bromwell
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Bruce
Buckley
Burke
Burkhalter
Burleson
Burton, Calif.
Burton, Utah
Byrne, Pa.
Byrnes, Wis.
Cahill
Cameron
Carey
Casey
Cederberg
Celler
Chamberlain
Chelf
Chenoweth
Clancy
Clark
Clausen, Don H.
Clawson, Del
Cleveland
Cohelan
Collier
Colmer
Conte
Cooley
Corbett
Corman
Cramer
Cunningham
Curtin
Curtis
Daddario
Dague
Daniels
Davis, Ga.
Davis, Tenn.
Dawson
Delaney
Dent
Denton
Derounian
Derwinski
Devine
Diggs
Dingell
Dole
Donohue
Dorn
Dowdy
Downing
Dulski
Duncan
Dwyer
Edmondson
Edwards
Elliott
Ellsworth
Everett
Evins
Fallon
Farbstein
Fascell
Feighan
Findley
Finnegan
Fino
Fisher
Flood
Flynt
Fogarty
Ford
Foreman
Forrester
Fountain
Fraser
Frelinghuysen
Friedel
Fulton, Pa.
Fulton, Tenn.
Fuqua
Gallagher
Garmatz
Gary
Gathings
Giaimo
Gibbons
Gilbert
Gill
Glenn
Gonzalez
Goodell
Goodling
Grabowski
Grant
Gray
Green, Oreg.
Green, Pa.
Griffin
Griffiths
Gross
Grover
Gubser
Gurney
Hagen, Calif.
Haley
Hall
Halleck
Halpern
Hanna
Hansen
Harding
Hardy
Harris
Harrison
Harsha
Harvey, Ind.
Harvey, Mich.
Hawkins
Hays
Healey
Hébert
Hechler
Henderson
Herlong
Hoeven
Hoffman
Holifield
Holland
Horan
Horton
Hosmer
Huddleston
Hull
Hutchinson
Ichord
Jarman
Jennings
Jensen
Joelson
Johansen
Johnson, Calif.
Johnson, Pa.
Johnson, Wis.
Jonas
Jones, Ala.
Karsten
Karth
Kastenmeier
Keith
Kelly
Keogh
Kilburn
Kilgore
King, Calif.
King, N.Y.
Kirwan
Kluczynski
Knox
Kornegay
Kunkel
Kyl
Laird
Landrum
Langen
Latta
Leggett
Lesinski
Libonati
Lindsay
Lipscomb
Lloyd
Long, La.
McClory
McCulloch
McDade
McDowell
McFall
McIntire
McLoskey
McMillan
Macdonald
MacGregor
Madden
Mahon
Mailliard
Marsh
Martin, Calif.
Martin, Mass.
Martin, Nebr.
Mathias
Matsunaga
Matthews
May
Meader
Michel
Miller, Calif.
Miller, N.Y.
Milliken
Mills
Minish
Minshall
Monagan
Montoya
Moore
Moorhead
Morgan
Morris
Morrison
Morse
Morton
Mosher
Moss
Multer
Murphy, Ill.
Murphy, N.Y.
Murray
Natcher
Nedzi
Nelsen
Nix
O'Brien, N.Y.
O'Hara, Ill.
O'Hara, Mich.
O'Konski
Olsen, Mont.
Olson, Minn.
O'Neill
Osmers
Ostertag
Patman
Patten
Pelly
Pepper
Perkins
Philbin
Pickle
Pike
Pilcher
Pillion
Pirnie
Poage
Poff
Price
Pucinski
Purcell
Quie
Quillen
Rains
Randall
Reid, Ill.
Reid, N.Y.
Reifel
Reuss
Rhodes, Ariz.
Rhodes, Pa.
Rich
Riehlman
Rivers, Alaska
Rivers, S.C.
Roberts, Ala.
Roberts, Tex.
Robison
Rodino
Rogers, Colo.
Rogers, Fla.
Rogers, Tex.
Rooney, N.Y.
Rooney, Pa.
Roosevelt
Rosenthal
Rostenkowski
Roudebush
Roush
Roybal
Rumsfeld
Ryan, Mich.
Ryan, N.Y.
St. George
St Germain
St. Onge
Saylor
Schadeberg
Schenck
Schneebeli
Schweiker
Schwengel
Scott
Secrest
Selden
Senner
Sheppard
Shipley
Short
Shriver
Sibal
Sickles
Sikes
Sisk
Skubitz
Slack
Smith, Calif.
Smith, Iowa
Smith, Va.
Snyder
Springer
Staebler
Stafford
Staggers
Steed
Stephens
Stinson
Stratton
Stubblefield
Sullivan
Taft
Talcott
Taylor
Teague, Calif.
Teague, Tex.
Thomas
Thompson, La.
Thompson, N.J.
Thompson, Tex.
Thomson, Wis.
Toll
Tollefson
Trimble
Tuck
Tupper
Tuten
Udall
Ullman
Utt
Van Deerlin
Van Pelt
Vinson
Waggonner
Wallhauser
Watson
Watts
Weaver
Weltner
Westland
Whalley
Wharton
White
Whitener
Whitten
Wickersham
Widnall
Williams
Willis
Wilson, Bob
Wilson, Charles H.
Wilson, Ind.
Winstead
Wright
Wydler
Wyman
Young
Younger
Zablocki

NAYS—0

ANSWERED "PRESENT"—1

Powell

NOT VOTING—14

Baring
Beckworth
Bennett, Mich.
Hagan, Ga.
Jones, Mo.
Kee
Lankford
Lennon
Long, Md.
Norblad
Passman
Pool
Siler
Vanik

So (two-thirds having voted in favor thereof) the rules were suspended and the joint resolution was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Beckworth and Mr. Baring for, with Mr. Siler against.

Until futher notice:

Mr. Passman with Mrs. Kee.

Mr. Lennon with Mr. Lankford.

Mr. Hagan of Georgia with Mr. Long of Maryland.

Mr. Pool with Mr. Vanik.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. MORGAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to extend their remarks on the joint resolution just passed.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

PERSONAL EXPLANATION

Mr. HAGAN of Georgia. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. HAGAN of Georgia. Mr. Speaker, in rollcall No. 210, I was unavoidably detained on important business relating to my district and could not answer to my name. Had I been present I would have voted "yea" as I have already personally pledged my support and the support of my district to the President of the United States in this hour of emergency.

SUPPORT VIETNAM RESOLUTION

Mr. JOHANSEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. JOHANSEN. Mr. Speaker, I support this resolution because I completely concur with the premise stated by President Johnson that "firmness in the right is indispensable today for peace."

I have been voicing that conviction throughout my entire service in this House.

The first legislative vote I cast as a Member of this House—in January 1955—was in support of the Formosan resolution which has already been referred to in this debate. I said on that occasion that:

> We can only hope and pray that "firmness in the right, as God gives us to see the right" will prevent both war and the further spread and strengthening of tyranny.

I believe Congress should and will overwhelmingly approve this resolution.

The one question—the one unknown—is whether the administration will actually persist in the policy of firmness it has proclaimed. There have been occasions where the followthrough of firmness was something less than the initial commitment to firmness.

The acid test is the degree and the persistence of that commitment this time.

That test remains to be met. May we not be found wanting or wavering.

PERSONAL EXPLANATION

Mr. VANIK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. VANIK. Mr. Speaker, during the rollcall on House Joint Resolution 1145, I was called to the long-distance telephone on several urgent long-distance calls and did not hear the second bells.

If I had not been so occupied, I would have voted in support of the resolution. I am in support of President Johnson's actions and decisions in southeast Asia.

SMALL BUSINESS COMMITTEE

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that Subcommittee

MICHIGAN LIBRARIES

No. 1 of the House Small Business Committee may be allowed to sit Monday afternoon while the House is in general debate.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

COMMITTEE ON RULES

Mr. YOUNG. Mr. Speaker, I ask unanimous consent that the House Committee on Rules may have until midnight tonight to file certain privileged reports.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

CRIMINAL JUSTICE ACT OF 1964

Mr. CELLER. Mr. Speaker, I call up the conference report on the bill (S. 1057) to promote the cause of criminal justice by providing for the representation of defendants who are financially unable to obtain an adequate defense in criminal cases in the courts of the United States, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 1209)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1057) to promote the cause of criminal justice by providing for the representation of defendants who are financially unable to obtain an adequate defense in criminal cases in the courts of the United States, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following: That this act may be cited as the "Criminal Justice Act of 1964."

SEC. 2. Title 18 of the United States Code is amended by adding immediately after section 3006 the following new section:

"§ 3006A. Adequate representation of defendants

"(a) CHOICE OF PLAN.—Each United States district court, with the approval of the judicial council of the circuit, shall place in operation throughout the district a plan for furnishing representation for defendants charged with felonies or misdemeanors, other than petty offenses as defined in section 1 of this title, who are financially unable to obtain an adequate defense. Representation under each plan shall include counsel and investigative, expert, and other services necessary to an adequate defense. The provision for counsel under each plan shall conform to one of the following:

"(1) Representation by private attorneys;

"(2) Representation by attorneys furnished by a bar association or a legal aid agency; or

"(3) Representation according to a plan containing a combination of the foregoing. Prior to approving the plan for a district, the judicial council of the circuit shall supplement the plan with provisions for the representation on appeal of defendants financially unable to obtain representation. Consistent with the provisions of this section, the district court may modify a plan at any time with the approval of the judicial council of the circuit; it shall modify the plan when directed by the judicial council of the circuit. The district court shall notify the Administrative Office of the United States Courts of modifications in its plan.

"(b) APPOINTMENT OF COUNSEL.—In every criminal case in which the defendant is charged with a felony or a misdemeanor, other than a petty offense, and appears without counsel, the United States commissioner or the court shall advise the defendant that he has the right to be represented by counsel and that counsel will be appointed to represent him if he is financially unable to obtain counsel. Unless the defendant waives the appointment of counsel, the United States commissioner or the court, if satisfied after appropriate inquiry that the defendant is financially unable to obtain counsel, shall appoint counsel to represent him. The United States commissioner or the court shall appoint separate counsel for defendants who have such conflicting interests that they cannot properly be represented by the same counsel, or when other good cause is shown. Counsel appointed by the United States commissioner or a judge of the district court shall be selected from a panel of attorneys designated or approved by the district court.

"(c) DURATION AND SUBSTITUTION OF APPOINTMENTS.—A defendant for whom counsel is appointed shall be represented at every stage of the proceedings from his initial appearance before the United States commissioner or court through appeal. If at any time after the appointment of counsel the court having jurisdiction of the case finds that the defendant is financially able to obtain counsel or to make partial payment for the representation, he may terminate the appointment of counsel or authorize payment as provided in subsection (b), as the interests of justice may dictate. If at any stage of the proceedings, including an appeal, the court having jurisdiction of the case finds that the defendant is financially unable to pay counsel whom he had retained, the court may appoint counsel as provided in subsection (b) and authorize payment as provided in subsection (d), as the interests of justice may dictate. The United States commissioner or the court may, in the interests of justice, substitute one appointed counsel for another at any stage of the proceedings.

"(d) PAYMENT FOR REPRESENTATION.—An attorney appointed pursuant to this section, or a bar association or legal aid agency which made an attorney available for appointment, shall, at the conclusion of the representation or any segment thereof, be compensated at a rate not exceeding $15 per hour for time expended in court or before a United States commissioner, and $10 per hour for time reasonably expended out of court, and shall be reimbursed for expenses reasonably incurred. A separate claim for compensation and reimbursement shall be made to the district court for representation before the United States commissioner or that court, and to each appellate court before which the attorney represented the defendant. Each claim shall be supported by a written statement specifying the time expended, services rendered, and expenses incurred while the case was pending before the United States commissioner or court, and the compensation and reimbursement applied for or received in the same case from any other source. The court shall, in each instance, fix the compensation and reimbursement to be paid to the attorney, bar association or legal aid agency. For representation of a defendant before the United States commissioner and the district court, the compensation to be paid to an attorney, or to a bar association or legal aid agency for the services of an attorney, shall not exceed $500 in a case in which one or more felonies are charged, and $300 in a case in which only misdemeanors are charged. In extraordinary circumstances, payment in excess of the limits stated herein may be made if the district court certifies that such payment is necessary to provide fair compensation for protracted representation, and the amount of the excess payment is approved by the chief judge of the circuit. For representation of a defendant in an appellate court, the compensation to be paid to an attorney, or to a bar association or legal aid agency for the services of an attorney, shall in no event exceed $500 in a felony case and $300 in a case involving only misdemeanors.

"(e) SERVICES OTHER THAN COUNSEL.—Counsel for a defendant who is financially unable to obtain investigative, expert, or other services necessary to an adequate defense in his case may request them in an ex parte application. Upon finding, after appropriate inquiry in an ex parte proceeding, that the services are necessary and that the defendant is financially unable to obtain them, the court shall authorize counsel to obtain the services on behalf of the defendant. The court may, in the interests of justice, and upon a finding that timely procurement of necessary services could not await prior authorization, ratify such services after they have been obtained. The court shall determine reasonable compensation for the services and direct payment to the organization or person who rendered them upon the filing of a claim for compensation supported by an affidavit specifying the time expended, services rendered, and expenses incurred on behalf of the defendant, and the compensation received in the same case or for the same services from any other source. The compensation to be paid to a person for each service rendered by him to a defendant under this subsection, or to be paid to an organization for such services rendered by an employee thereof, shall not exceed $300, exclusive of reimbursement for expenses reasonably incurred.

"(f) RECEIPT OF OTHER PAYMENTS.—Whenever the court finds that funds are available for payment from or on behalf of a defendant, the court may authorize or direct that such funds be paid to the appointed attorney, to the bar association or legal aid agency which made the attorney available for appointment, to any person or organization authorized pursuant to subsection (e) to render investigative, expert, or other services, or to the court for deposit in the Treasury as a reimbursement to the appropriation, current at the time of payment, to carry out the provisions of this section. Except as so authorized or directed, no such person or organization may request or accept any payment or promise of payment for assisting in the representation of a defendant.

"(g) RULES AND REPORTS.—Each district court and judicial council of a circuit shall submit a report on the appointment of counsel within its jurisdiction to the Administrative Office of the United States Courts in such form and at such times as the Judicial Conference of the United States may specify. The Judicial Conference of the United States may, from time to time, issue rules and regulations governing the operation of plants formulated under this section.

"(h) APPROPRIATIONS.—There are authorized to be appropriated to the United States courts, out of any money in the Treasury not otherwise appropriated, sums necessary to carry out the provisions of this section. When so specified in appropriation acts, such appropriations shall remain available until expended. Payments from such appropriations shall be made under the supervision of the Director of the Administrative Office of the United States Courts.

"(i) DISTRICTS INCLUDED.—The term 'district court' as used in this section includes the District Court of the Virgin Islands, the District Court of Guam, and the district courts of the United States created by chapter 5 of title 28, United States Code."

SEC. 3. Each district court shall within six months from the date of this enactment submit to the judicial council of the circuit a plan formulated in accordance with section 2 and any rules and regulations issued thereunder by the Judicial Conference of the United States. Each judicial council shall within nine months from the date of this enactment approve and transmit to the Administrative Office of the United States Courts a plan for each district in its circuit. Each district court and court of appeals shall place its approved plan in operation within one year from the date of this enactment.

SEC. 4. The table of sections at the head of chapter 201 of title 18 of the United States Code is amended by adding immediately after item 3006 the following.

"3006A. Adequate representation of defendants."

And the House agree to the same.

EMANUEL CELLER,
PETER W. RODINO, JR.,
BYRON G. ROGERS,
WILLIAM M. MCCULLOCH,
ARCH A. MOORE, JR.,
Managers on the Part of the House.
JAMES O. EASTLAND,
SAM J. ERVIN, JR.,
PHILIP A. HART,
ROMAN L. HRUSKA,
KENNETH B. KEATING,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill, S. 1057, to promote the cause of criminal justice by providing for the representation of defendants who are financially unable to obtain an adequate defense in criminal cases in the courts of the United States, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report.

The House passed the Senate bill after amending it by striking out all after the enacting clause and inserting its own provisions. The Senate insisted upon its version and requested a conference; the House then agreed to the conference.

The conference report recommends that the Senate recede from its disagreement to the House amendment and agree to the same with an amendment, the amendment being to insert in lieu of the matter proposed to be inserted by the House amendment the matter agreed to by the conference, and the House agree thereto.

In substance, the conference report contains much of the House amendment, with some exceptions.

The bill as passed by the Senate would permit each U.S. district court, with the approval of the judicial council of the circuit in which it is located, to provide for the adequate representation of financially disabled defendants through the adoption of a plan providing for (1) representation by private attorneys; (2) representation by private attorneys and full-time or part-time Federal public defenders; (3) representation by attorneys furnished by bar associations, legal aid societies, or other local defender organizations; or (4) a combination of any of (1), (2), and (3). With respect to public defenders, the Senate version provides that the office of Federal public defender may be included in the plan for a district upon the approval of both the judicial council of the circuit in which it is located and the Judicial Conference of the United States. Such approval must be based on a finding that the volume of cases in which defendants required the appointment of counsel exceeded 150 in the last fiscal year for which statistics are available and that the efficient and economical furnishing of adequate representation could not be achieved without the appointment of a full-time or a part-time Federal public defender. The House version does not authorize the use of Federal public defenders.

The conferees recommend the House version on the use of Federal public defenders. The effect, therefore, is to eliminate from this legislation all use of a full- or part-time Federal public defender system.

It is, however, the firm conviction of the conferees that the Department of Justice should revive its recent study on the need for a Federal public defender system throughout the entire Federal judicial system and recommends that the Department of Justice conduct a study and analysis in order to reexamine and reevaluate the need for such a system. In addition, such a study should include the operation of the proposals made in this legislation for the adequate representation in the Federal courts for the proper defense of defendants who are financially unable to obtain adequate representation. In connection with this study, the conferees suggest that the Department of Justice utilize the cooperation of the Judicial Conference of the United States and the judicial councils of the circuits in order to obtain the benefit of the Federal judges' experience in the operation of the proposals made by this legislation. Thus, the conferees request the cooperation and collaboration of the Federal judges with the Department of Justice in this recommended study and analysis for the adequate representation of indigent defendants.

It is hoped that a report of the conclusions and recommendations of the Department of Justice will be made to the Congress as expeditiously as proper after adequate facts and experience afford a sound basis for proper conclusions and recommendations.

The Senate references to local defender organizations have been deleted as unnecessary, and authority is provided for the use of only bar associations and legal aid agencies. The more generic term "agency" has been substituted for "society" to make it clear that all such agencies, including, for example, the Legal Aid Agency for the District of Columbia, may be included in plans for furnishing attorneys for court appointment.

As for counsel fees, the Senate version of the bill provides that attorneys appointed under the bill may be compensated at a rate not exceeding $15 per hour for time reasonably expended and be reimbursed for expenses reasonably incurred; no top limit on counsel fees is provided. The House modified this provision with respect to counsel fees to authorize compensation at a rate not to exceed $15 per hour for time expended in court and $10 per hour for time reasonably expended out of court or before a U.S. commissioner; further, the House provided that total compensation to be paid to an attorney shall not exceed $500 in a felony case and $300 in a misdemeanor case. The conferees have accepted the House $15/$10 scale, except that time spent before a commissioner will be treated as time spent in court. They have also accepted the limitations on total compensation, but have provided that such limitations shall apply separately for representation in the trial court and in each appellate court. Also, taking cognizance of the many cases of extremely long duration brought to light in the 1959 hearings of the House Judiciary Committee and subsequently, provision is made for the discretionary award of additional compensation in protracted cases, but only when approved by the chief judge of the circuit.

As the bill passed the Senate, services other than counsel—such as fingerprint, psychiatric, ballistic, investigator, etc.—would be available to all defendants who could not afford them, regardless of whether they were represented by appointed or by retained counsel. The language of the House version would seem to make such services available only to defendants represented by appointed counsel, despite the fact that in the House debate it was made clear this restriction was not intended. The conferees have therefore made the House and Senate intention explicit.

The Senate version of the bill placed no limit on fees payable for services other than counsel; as amended in the House, the bill would limit the fees payable for such services to $500 per person in felony cases and $300 per person in misdemeanor cases. The House approach has been accepted. However, because the conferees find no reason to differentiate between the fees payable in a felony case and a misdemeanor case, they recommend a uniform maximum fee, and recommend that the lower of the figures suggested by the House be made applicable. It is therefore provided that, exclusive of reimbursement, the fee payable to each person who renders services other than counsel in a case, or to an organization for each service of an employee shall not exceed $300.

The House amendment includes a provision that no Member of Congress shall be appointed to serve as counsel in any case covered by the act. The conferees have recommended the deletion of this language as being unnecessary.

The bill as passed by the Senate is restricted in scope to felonies and misdemeanors other than petty offenses. The House version of the bill would cover all criminal cases, including petty offenses. Because of the unavailability of adequate statistics to determine the volume of petty offense cases in the Federal courts, and because these cases are of a relatively minor nature, the committee recommends that petty offenses not be covered. The constitutional mandate of the sixth amendment is without doubt applicable to petty offenses, but it is the view of the conferees that adequate representation may be afforded defendants in such cases without the need for providing for compensation for counsel. In this way, money appropriated under the act will not be dissipated from the areas of greatest need, cases involving representation for crimes punishable by more than 6 months' imprisonment.

The House amendment requires that all appointments of counsel by commissioners and the judges of the district courts be made from panels of attorneys established by the district court in each district. The Senate version requires such panels only for appointments by commissioners. The conferees recommend the House version.

Implied in the Senate version, and expressed in the House version, is the right of a defendant to have counsel appointed at any stage of the proceeding; i.e., before the commissioner, the district court, the court of appeals, or the Supreme Court. The conferees recommend inclusion of an express provision, as adopted in the House.

The bill as it passed the Senate requires that all claims for compensation and expenses be supported by written statements; the House version requires that the claims be supported by affidavits. Because attorneys are officers of the court and subject to the discipline of the courts in which they practice, the conferees recommend that claims submitted by them need be supported only by written statements. Others rendering services are not under the same restraints and disciplines; the conferees therefore recommend adoption of the House requirement that such persons submit their claims by affidavit.

The House-passed version of the bill would place the compensation provisions in effect within 6 months, whereas the Senate version requires that the plans contemplated by the bill shall be placed in operation within 1 year. The Senate effective date has been adopted to permit the districts, circuit judicial councils, and Judicial Conference to work out the plans, rules, and regulations necessary to assure the most effective and just operation of the statute.

EMANUEL CELLER,
PETER W. RODINO, JR.,
BYRON G. ROGERS,
WILLIAM M. MCCULLOCH,
ARCH A. MOORE, JR.,
Managers on the Part of the House.

Mr. CELLER (interrupting the reading of the statement). Mr. Speaker, I ask unanimous consent that the further reading of the statement be dispensed with and the statement be printed in the RECORD in full at this point.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Iowa.

Mr. GROSS. Are all the amendments by the other body germane to this bill and this bill only?

Mr. CELLER. They are indeed.

Mr. GROSS. I thank you.

Mr. MOORE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. MOORE. Mr. Speaker, despite what the conference report indicates, the act to which the conference agreed, H.R. 7457, was passed by the House. This legislation authorizes appointment of counsel to represent defendants in felony and misdemeanor cases where defendants are unable financially to obtain their own counsel. Counsel, so appointed, shall be paid reasonable fees up to a stipulated maximum. The act also provides that payment may be made, with limitations, for the rendering of investigative and expert services in connection with the defense of an indigent defendant.

In the House, I took the initiative in fashioning and reporting out an effective and workable bill. For a number of years, efforts have been made to legislatively provide compensation for the legal representation of indigent defendants in the Federal jurisdiction. It was only when the House Judiciary Committee, in the 88th Congress, supported H.R. 7457 was legislation fashioned with sufficient support so that it might become law. I am proud that I had a significant hand in guiding this legislation and that it was my bill, H.R. 7457, that the Judiciary Committee reported to the House; that the House subsequently passed; and is contained in its original form in this conference report.

In its own right, the Senate passed an indigent defendant bill (S. 1057) considerably different in nature and scope than the bill reported to the House. In fact, a House bill identical in language to the Senate bill was considered and found unacceptable by a majority of the members of the House Judiciary Committee. My legislation (H.R. 7457) was forthwith reported by the Committee for consideration by the House.

I am amazed, then, to read the conference report and discover that primary accentuation was placed upon the Senate bill and the appearance created that the conferees, in essence, were only amending the Senate bill. The Senate bill was never considered by the full House, never amended by the House and never debated by the House, after the House passed H.R. 5457, then its language was substituted for S. 1057. As a conferee, I must share this responsibility for having signed the conference report which bears this misleading impression.

In failing to oversee the detail drafting of the report, however, I have compounded this misleading impression. If I did not now set the record straight, I could be further compounding this circumstance. This I cannot allow to happen.

The Senate bill, in addition to authorizing the appointment of private counsel, would have empowered the Federal Government to establish Federal public defender offices in any or all of the judicial districts throughout the country. This would have had the effect of placing the administration of justice totally in the hands of the Federal Government. An individual, accused of a crime, would have been tried before a Federal judge, prosecuted by a Federal district attorney, and defended by a Federal public defender. Thus, the total right to a fair trial and to the preservation of one's right to liberty would be solely dependent upon men appointed by the Federal Government and compensated out of the Federal Treasury.

This condition could easily have led to the establishment of totalitarian justice with the well-known unfairness and inequities found in totalitarian states. In addition, this condition could have severely undermined the duties and responsibilities of members of the bar who I believe are under an obligation to defend individuals, even those without funds and even charged in an unpopular cause. The burdens of preserving a healthy society have been gradually eroded in recent years through too great a dependence upon the Federal Government. It did not seem desirable to a majority of the Members of the House to further this erosion. The House bill, then, adopted a philosophy totally different from that reported in the Senate.

The Senate bill provided no maximum limit upon the amount of compensation such counsel were to receive. In this regard it was completely different from the House bill.

The Members of the House, who supported H.R. 7457, believed that appointed counsel should receive reasonable compensation for their services. That they should be appointed from a panel of attorneys selected by the district judge. In addition, they also believed that the legislation should not be primarily directed to enriching the legal profession. For this reason, the House enacted and the conferees acceded to the House provision which authorizes $15 per hour for time expended by an appointed counsel in court and $10 per hour for time spent outside of court. In addition, the conferees agreed to the House version which places a maximum compensation of $500 in a felony case and $300 in a misdemeanor case.

The Senate bill would have permitted the selection of private counsel on an arbitrary and haphazard basis. I felt that political or personal favoritism could have come into play as it has in other fields of Federal executive and judicial administration. This would have been unconscionable and would have totally defeated the intention of Congress to provide experienced counsel to needy defendants. For this reason, H.R. 7457 provided and the conferees agreed that appointed counsel should be selected from panels of attorneys established by the district courts.

Additional House provisions were accepted by the conferees, but I have only sought to present the major ones in order to demonstrate that the H.R. 7457 primarily prevailed in conference.

I do not mean to imply that the Senate bill did not contain many good features. It did and they were accepted by myself. The important fact is, however, that the Senate and House bills were based upon different and conflicting philosophies. Fortunately, for the sake of a free society and for the sake of an independent and fair system of justice, the philosophy propounded by my bill H.R. 7457 was accepted. The importance of this cannot be overlooked. For these reasons, I have taken this opportunity to detail the work done by the conferees.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CELLER. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

ECONOMIC OPPORTUNITY ACT OF 1964

Mr. LANDRUM. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 11377) to mobilize the human and financial resources of the Nation to combat poverty in the United States.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 11377, with Mr. RAINS in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday the Clerk had read through section 1 ending on line 4, page 1, of the bill.

The Chair recognizes the gentleman from Georgia.

AMENDMENT OFFERED BY MR. LANDRUM

Mr. LANDRUM. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LANDRUM: Strike out all after the enacting clause and insert the following:

"That this Act may be cited as the 'Economic Opportunity Act of 1964.'

"Findings and Declaration of Purpose

"SEC. 2. Although the economic well-being and prosperity of the United States have progressed to a level surpassing any achieved in world history, and although these benefits are widely shared throughout the Nation, poverty continues to be the lot of a substantial number of our people. The United States can achieve its full economic and social potential as a nation only if every individual has the opportunity to contribute to the full extent of his capabilities and to participate in the workings of our society. It is, therefore, the policy of the United States to eliminate the paradox of poverty in the midst of plenty in this Nation by opening to everyone the opportunity for education and training, the opportunity to work, and the opportunity to live in decency and dignity. It is the purpose of this Act to strengthen, supplement, and coordinate efforts in furtherance of that policy.

"TITLE I—YOUTH PROGRAMS

"Part A—Job Corps

"Statement of Purpose

"SEC. 101. The purpose of this part is to prepare for the responsibilities of citizenship and to increase the employability of young men and young women aged sixteen through twenty-one by providing them in rural and urban residential centers with education, vocational training, useful work experience, including work directed toward the conservation of natural resources, and other appropriate activities.

"Establishment of Job Corps

"SEC. 102. In order to carry out the purposes of this part, there is hereby established within the Office of Economic Opportunity (hereinafter referred to as the 'Office'), established by title VI, a Job Corps (hereinafter referred to as the 'Corps').

Job Corps Program

SEC. 103. The Director of the Office (hereinafter referred to as the "Director") is authorized to—

(a) enter into agreements with any Federal, State, or local agency or private organization for the establishment and operation, in rural and urban areas, of conservation camps and training centers and for the provision of such facilities and services as in his judgment are needed to carry out the purposes of this part, including but not limited to agreements with agencies charged with the responsibility of conserving, developing, and managing the public natural resources of the Nation and of developing, managing, and protecting public recreational areas, whereby the enrollees of the Corps may be utilized by such agencies in carrying out, under the immediate supervision of such agencies, programs planned and designed by such agencies to fulfill such responsibility, and including agreements for a botanical survey program involving surveys and maps of existing vegetation and investigations of the plants, soils, and environments of natural and disturbed plant communities;

(b) arrange for the provision of education and vocational training of enrollees in the Corps: *Provided*, That, where practicable, such programs may be provided through local public educational agencies or by private vocational educational institutions or technical institutes where such institutions or institutes can provide substantially equivalent training with reduced Federal expenditures;

(c) provide or arrange for the provision of programs of useful work experience and other appropriate activities for enrollees;

(d) establish standards of safety and health for enrollees, and furnish or arrange for the furnishing of health services; and

(e) prescribe such rules and regulations and make such arrangements as he deems necessary to provide for the selection of enrollees and to govern their conduct after enrollment, including appropriate regulations as to the circumstances under which enrollment may be terminated.

Composition of the Corps

SEC. 104. (a) The Corps shall be composed of young men and young women who are permanent residents of the United States, who have attained age sixteen but have not attained age twenty-two at the time of enrollment, and who meet the standards for enrollment prescribed by the Director. Participation in the Corps shall not relieve any enrollee of obligations under the Universal Military Training and Service Act (50 U.S.C. App. 451 et seq.). Only in exceptional cases shall enrollees in the Corps be graduates of an accredited high school, and no person shall be accepted for enrollment in the Corps unless the local school authorities have concluded that further school attendance by such person in any regular academic, vocational, or training program, is not practicable.

(b) In order to enroll as a member of the Corps, an individual must agree to comply with rules and regulations promulgated by the Director for the government of the Corps.

(c) The total enrollment of any individual in the Corps shall not exceed two years except as the Director may determine in special cases.

Allowance and Maintenance

SEC. 105. (a) Enrollees may be provided with such living, travel, and leave allowances, and such quarters, subsistence, transportation, equipment, clothing, recreational services, medical, dental, hospital, and other health services, and other expenses as the Director may deem necessary or appropriate for their needs. Transportation and travel allowances may also be provided, in such circumstances as the Director may determine, for applicants for enrollment to or from places of enrollment, and for former enrollees from places of termination to their homes.

(b) Upon termination of his or her enrollment in the Corps, each enrollee shall be entitled to receive a readjustment allowance at a rate not to exceed $50 for each month of satisfactory participation therein as determined by the Director: *Provided, however*, That under such circumstances as the Director may determine a portion of the readjustment allowance of an enrollee not exceeding $25 for each month of satisfactory service may be paid during the period of service of the enrollee directly to a member of his or her family (as defined in section 609(c)) and any sum so paid shall be supplemented by the payment of an equal amount by the Director. In the event of the enrollee's death during the period of his or her service, the amount of any unpaid readjustment allowance shall be paid in accordance with the provisions of section 1 of the Act of August 3, 1950 (5 U.S.C. 61f).

Application of Provisions of Federal Law

SEC. 106. (a) Except as otherwise specifically provided in this part, an enrollee shall be deemed not to be a Federal employee and shall not be subject to the provisions of laws relating to Federal employment, including those relating to hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits.

(b) Enrollees shall be deemed to be employees of the United States for the purposes of the Internal Revenue Code of 1954 (26 U.S.C. 1 et seq.) and of title II of the Social Security Act (42 U.S.C. 401 et seq.), and any service performed by an individual as an enrollee shall be deemed for such purposes to be performed in the employ of the United States.

(c) (1) Enrollees under this part shall, for the purposes of the administration of the Federal Employees' Compensation Act (5 U.S.C. 751 et seq.), be deemed to be civil employees of the United States within the meaning of the term "employee" as defined in section 40 of such Act (5 U.S.C. 790) and the provisions thereof shall apply except as hereinafter provided.

(2) For purposes of this subsection:

(A) The term "performance of duty" in the Federal Employees' Compensation Act shall not include any act of an enrollee—

(i) while on authorized leave or pass; or

(ii) while absent from his or her assigned post of duty, except while participating in an activity authorized by or under the direction or supervision of the Corps.

(B) In computing compensation benefits for disability or death under the Federal Employees' Compensation Act, the monthly pay of an enrollee shall be deemed to be $150, except that with respect to compensation for disability accruing after the individual concerned reaches the age of twenty-one, such monthly pay shall be deemed to be that received under the entrance salary for GS-2 under the Classification Act of 1949 (5 U.S.C. 1071 et seq.), and section 6(d)(1) of the former Act (5 U.S.C. 756(d)(1)) shall apply to enrollees.

(C) Compensation for disability shall not begin to accrue until the day following the date on which the enrollment of the injured enrollee is terminated.

(d) An enrollee shall be deemed to be an employee of the Government for the purposes of the Federal tort claims provisions of title 28, United States Code.

(e) Personnel of the uniformed services who are detailed or assigned to duty in the performance of agreements made by the Director for the support of the Corps shall not be counted in computing strength under any law limiting the strength of such services or in computing the percentage authorized by law for any grade therein.

Political Discrimination and Political Activity

SEC. 107. (a) No officer or employee of the executive branch of the Federal Government shall make any inquiry concerning the political affiliation or beliefs of any enrollee or applicant for enrollment in the Corps. All disclosures concerning such matters shall be ignored, except as to such membership in political parties or organizations as constitutes by law a disqualification for Government employment. No discrimination shall be exercised, threatened or promised by any person in the executive branch of the Federal Government against or in favor of any enrollee in the Corps, or any applicant for enrollment in the Corps because of his political affiliation or beliefs, except as may be specifically authorized or required by law.

(b) No officer, employee or enrollee of the Corps shall take any active part in political management or in political campaigns, except as may be provided by or pursuant to statute, and no such officer, employee or enrollee shall use his official position or influence for the purpose of interfering with an election or affecting the result thereof. All such persons shall retain the right to vote as they may choose and to express, in their private capacities, their opinions on all political subjects and candidates.

(c) Whenever the United States Civil Service Commission finds that any person has violated the foregoing provisions, it shall, after giving due notice and opportunity for explanation to the officer or employee or enrollee concerned, certify the facts to the Director with specific instructions as to discipline or dismissal or other corrective actions.

State-operated Youth Camps

SEC. 108. The Director is authorized to enter into agreements with States to assist in the operation or administration of State-operated programs which carry out the purpose of this part. The Director may, pursuant to such regulations as he may adopt, pay part or all of the operative or administrative costs of such programs.

Requirement for State Approval of Conservation Camps and Training Centers

SEC. 109. In carrying out the provisions of part A of this title no conservation camp, training center, or other similar facility designed to carry out the purposes of this Act, shall be established within a State unless a plan setting forth such proposed establishment has been submitted to the Governor of the State and such plan has not been disapproved by him within thirty days of such submission.

Part B—Work-training programs

Statement of Purpose

SEC. 111. The purpose of this part is to provide useful work experience opportunities for unemployed young men and young women, through participation in State and community work-training programs, so that their employability may be increased or their education resumed or continued and so that public agencies and private nonprofit organizations (other than political parties) will be enabled to carry out programs which will permit or contribute to an undertaking or service in the public interest that would not otherwise be provided, or will contribute to the conservation and development of natural resources and recreational areas.

Development of Programs

SEC. 112. In order to carry out the purposes of this part, the Director shall assist and cooperate with State and local agencies and private nonprofit organizations (other than political parties) in developing programs for the employment of young people in State and community activities hereinafter authorized, which, whenever appropriate, shall be coordinated with programs of training and education provided by local public educational agencies.

Financial Assistance

SEC. 113. (a) The Director is authorized to enter into agreements providing for the payment by him of part or all of the cost of a State or local program submitted hereunder if he determines, in accordance with such regulations as he may prescribe, that—

(1) enrollees in the program will be employed either (A) on publicly owned and operated facilities or projects, or (B) on local projects sponsored by private nonprofit organizations (other than political parties), other than projects involving the construction, operation, or maintenance of so much of any facility used or to be used for sectarian instruction or as a place for religious worship;

(2) the program will increase the employability of the enrollees by providing work experience and training in occupational skills or pursuits in classifications in which the Director finds there is a reasonable expectation of employment, or will enable student enrollees to resume or to maintain school attendance;

(3) the program will permit or contribute to an undertaking or service in the public interest that would not otherwise be provided, or will contribute to the conservation, development, or management of the natural resources of the State or community or to the development, management, or protection of State or community recreational areas;

(4) the program will not result in the displacement of employed workers or impair existing contracts for services;

(5) the rates of pay and other conditions of employment will be appropriate and reasonable in the light of such factors as the type of work performed, geographical region, and proficiency of the employee;

(6) to the maximum extent feasible, the program will be coordinated with vocational training and educational services adapted to the special needs of enrollees in such program and sponsored by State or local public educational agencies: *Provided, however,* That where such services are inadequate or unavailable, the program may make provision for the enlargement, improvement, development, and coordination of such services with the cooperation of, or where appropriate pursuant to agreement with, the Secretary of Health, Education, and Welfare; and

(7) the program includes standards and procedures for the selection of applicants, including provisions assuring full coordination and cooperation with local and other authorities to encourage students to resume or maintain school attendance.

(b) In approving projects under this part, the Director shall give priority to projects with high training potential.

Enrollees in Program

SEC. 114. (a) Participation in programs under this part shall be limited to young men and women who are permanent residents of the United States, who have attained age sixteen but have not attained age twenty-two, and whose participation in such programs will be consistent with the purposes of this part.

(b) Enrollees shall be deemed not to be Federal employees and shall not be subject to the provisions of laws relating to Federal employment, including those relating to hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits.

(c) Where appropriate to carry out the purposes of this Act, the Director may provide for testing, counseling, job development, and referral services to youths through public agencies or private nonprofit organizations.

Limitations on Federal Assistance

SEC. 115. Federal assistance to any program pursuant to this part paid for the period ending two years after the date of enactment of this Act, or June 30, 1966, whichever is later, shall not exceed 90 per centum of the costs of such program, including costs of administration, and such assistance paid for periods thereafter shall not exceed 50 per centum of such costs, unless the Director determines, pursuant to regulations adopted and promulgated by him establishing objective criteria for such determinations, that assistance in excess of such percentages is required in furtherance of the purposes of this part. Non-Federal contributions may be in cash or in kind, fairly evaluated, including but not limited to plant, equipment, and services.

Equitable Distribution of Assistance

SEC. 116. The Director shall establish criteria designed to achieve an equitable distribution of assistance under this part among the States. In developing such criteria, he shall consider among other relevant factors the ratios of population, unemployment, and family income levels. Not more than 12½ per centum of the sums appropriated or allocated for any fiscal year to carry out the purposes of this part shall be used within any one State.

Part C—Work-study programs

Statement of Purpose

SEC. 121. The purpose of this part is to stimulate and promote the part-time employment of students in institutions of higher education who are from low-income families and are in need of the earnings from such employment to pursue courses of study at such institutions.

Allotments to States

SEC. 122. (a) From the sums appropriated to carry out this title for a fiscal year, the Director shall reserve the amount needed for making grants under section 123. Not to exceed 2 per centum of the amount so reserved shall be allotted by the Director among Puerto Rico, Guam, American Samoa, the Trust Territory of Pacific Islands, and the Virgin Islands according to their respective needs for assistance under this part. The remainder of the sums so reserved shall be allotted among the States as provided in subsection (b).

(b) Of the sums being allotted under this subsection—

(1) one-third shall be allotted by the Director among the States so that the allotment to each State under this clause will be an amount which bears the same ratio to such one-third as the number of persons enrolled on a full-time basis in institutions of higher education in such State bears to the total number of persons enrolled on a full-time basis in institutions of higher education in all the States,

(2) one-third shall be allotted by the Director among the States so that the allotment to each State under this clause will be an amount which bears the same ratio to such one-third as the number of high school graduates (as defined in section 103(d)(3) of the Higher Education Facilities Act of 1963) of such State bears to the total number of such high school graduates of all the States, and

(3) one-third shall be allotted by him among the States so that the allotment to each State under this clause will be an amount which bears the same ratio to such one-third as the number of related children under eighteen years of age living in families with annual incomes of less than $3,000 in such State bears to the number of related children under eighteen years of age living in families with annual incomes of less than $3,000 in all the States.

(c) The amount of any State's allotment which has not been granted to an institution of higher education under section 123 at the end of the fiscal year for which appropriated shall be reallotted by the Director, in such manner as he determines will best assist in achieving the purposes of this Act. Amounts reallotted under this subsection shall be available for making grants under section 123 until the close of the fiscal year next succeeding the fiscal year for which appropriated.

(d) For purposes of this section, the term "State" does not include Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands.

Grants for Work-Study Programs

SEC. 123. The Director is authorized to enter into agreements with institutions of higher education (as defined by section 401 (f) of the Higher Education Facilities Act of 1963 (P.L. 88–204)) under which the Director will make grants to such institutions to assist in the operation of work-study programs as hereinafter provided.

Conditions of Agreements

SEC. 124. An agreement entered into pursuant to section 123 shall—

(a) provide for the operation by the institution of a program for the part-time employment of its students in work—

(1) for the institution itself, or

(2) for a public or private nonprofit organization when the position is obtained through an arrangement between the institution and such organization and—

(A) the work is related to the student's educational objective, or

(B) such work (i) will be in the public interest and is work which would not otherwise be provided, (ii) will not result in the displacement of employed workers or impair existing contracts for services, and (iii) will be governed by such conditions of employment as will be appropriate and reasonable in light of such factors as the type of work performed, geographical region, and proficiency of the employee:

Provided, however, That no such work shall involve the construction, operation, or maintenance of so much of any facility used or to be used for sectarian instruction or as a place for religious worship;

(b) provide that funds granted an institution of higher education, pursuant to section 123 may be used only to make payments to students participating in work-study programs, except that an institution may use a portion of the sums granted to it to meet administrative expenses, but the amount so used may not exceed 5 per centum of the payments made by the Director to such institution for that part of the work-study program in which students are working for public or nonprofit organizations other than the institution itself;

(c) provide that employment under such work-study program shall be furnished only to a student who (1) is from a low-income family, (2) is in need of the earnings from such employment in order to pursue a course of study at such institution, (3) is capable, in the opinion of the institution, of maintaining good standing in such course of study while employed under the program covered by the agreement, and (4) has been accepted for enrollment as a full-time student at the institution or, in the case of a student already enrolled in and attending the institution, is in good standing and in full-time attendance there either as an undergraduate, graduate, or professional student;

(d) provide that no student shall be employed under such work-study program for more than fifteen hours in any week in which classes in which he is enrolled are in session;

(e) provide that in each fiscal year during which the agreement remains in effect, the institution shall expend (from sources other than payments under this part) for the employment of its students (whether or not in employment eligible for assistance under this part) an amount that is not less than its average annual expenditure for such employment during the three fiscal years preceding the fiscal year in which the agreement is entered into;

(f) provide that the Federal share of the compensation of students employed in the work-study program in accordance with the agreement will not exceed 90 per centum of such compensation for work performed during the period ending two years after the date of enactment of this Act, or June 30, 1966, whichever is later, and 75 percentum thereafter;

(g) include provisions designed to make employment under such work-study program, or equivalent employment offered or arranged for by the institution, reasonably available (to the extent of available funds) to all eligible students in the institution in need thereof; and

(h) include such other provisions as the Director shall deem necessary or appropriate to carry out the purposes of this part.

Sources of Matching Funds

SEC. 125. Nothing in this part shall be construed as restricting the source (other than this part) from which the institution may pay its share of the compensation of a student employed under a work-study program covered by an agreement under this part.

Equitable Distribution of Assistance

SEC. 126. The Director shall establish criteria designed to achieve such distribution of assistance under this part among institutions of higher education within a State as will most effectively carry out the purposes of this Act.

Part D—Authorization of appropriations

SEC. 131. The Director shall carry out the programs provided for in this title during the fiscal year ending June 30, 1965, and the two succeeding fiscal years. For the purpose of carrying out this title, there is hereby authorized to be appropriated the sum of $412,500,000 for the fiscal year ending June 30, 1965; and for the fiscal year ending June 30, 1966, and the fiscal year ending June 30, 1967, such sums may be appropriated as the Congress may hereafter authorize by law.

TITLE II—URBAN AND RURAL COMMUNITY ACTION PROGRAMS

Part A—General community action programs

Statement of Purpose

SEC. 201. The purpose of this part is to provide stimulation and incentive for urban and rural communities to mobilize their resources to combat poverty through community action programs.

Community Action Programs

SEC. 202. (a) The term "community action program" means a program—

(1) which mobilizes and utilizes resources, public or private, of any urban or rural, or combined urban and rural, geographical area (referred to in this part as a "community"), including but not limited to a State, metropolitan area, county, city, town, multicity unit, or multicounty unit in an attack on poverty;

(2) which provides services, assistance, and other activities of sufficient scope and size to give promise of progress toward elimination of poverty or a cause or causes of poverty through developing employment opportunities, improving human performance, motivation, and productivity, or bettering the conditions under which people live, learn, and work;

(3) which is developed, conducted, and administered with the maximum feasible participation of residents of the areas and members of the groups served; and

(4) which is conducted, administered, or coordinated by a public or private nonprofit agency (other than a political party), or a combination thereof, with maximum feasible participation of public agencies and private nonprofit organizations primarily concerned with the community's problems of poverty.

(b) The Director is authorized to prescribe such additional criteria for programs carried on under this part as he shall deem appropriate.

Allotment to States

SEC. 203. (a) From the sums appropriated to carry out this title for a fiscal year, the Director shall reserve the amount needed for carrying out sections 204 and 205. Not to exceed 2 per centum of the amount so reserved shall be alloted by the Director among Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands according to their respective needs for assistance under this part. Twenty per centum of the amount so reserved shall be allotted among the States as the Director shall determine. The remainder of sums so reserved shall be allotted among the States as provided in subsection (b).

(b) Of the sums being allotted under this subsection—

(1) one-third shall be allotted by the Director among the States so that the allotment to each State under this clause will be an amount which bears the same ratio to such one-third as the number of public assistance recipients in such State bears to the total number of public assistance recipients in all the States;

(2) one-third shall be allotted by him among the States so that the allotment to each State under this clause will be an amount which bears the same ratio to such one-third as the annual average number of persons unemployed in such State bears to the annual average number of persons unemployed in all the States; and

(3) the remaining one-third shall be allotted by him among the States so that the allotment to each State under this clause will be an amount which bears the same ratio to such one-third as the number of related children under 18 years of age living in families with incomes of less than $1,000 in such State bears to the number of related children under 18 years of age living in families with incomes of less than $1,000 in all the States.

(c) The portion of any State's allotment under subsection (a) for a fiscal year which the Director determines will not be required for such fiscal year for carrying out this part shall be available for reallotment from time to time, on such dates during such year as the Director may fix, to other States in proportion to their original allotments for such year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum which the Director estimates such State needs and will be able to use for such year for carrying out this part; and the total of such reductions shall be similarly reallotted among the States whose proportionate amounts are not so reduced. Any amount reallotted to a State under this subsection during a year shall be deemed part of its allotment under subsection (a) for such year.

(d) For the purposes of this section, the term "State" does not include Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands.

Financial Assistance for Development of Community Action Programs

SEC. 204. The Director is authorized to make grants to, or to contract with, appropriate public or private nonprofit agencies, or combinations thereof, to pay part or all of the costs of development of community action programs.

Financial Assistance for Conduct and Administration of Community Action Programs

SEC. 205. (a) The Director is authorized to make grants to, or to contract with, public or private nonprofit agencies, or combinations thereof, to pay part or all of the costs of community action programs which have been approved by him pursuant to this part, including the cost of carrying out programs which are components of a community action program and which are designed to achieve the purposes of this part. Such component programs shall be focused upon the needs of low-income individuals and families and shall provide expanded and improved services, assistance, and other activities, and facilities necessary in connection therewith. Such programs shall be conducted in those fields which fall within the purposes of this part including employment, job training and counseling, health, vocational rehabilitation, housing, home management, welfare, and special remedial and other noncurricular educational assistance for the benefit of low-income individuals and families.

(b) No grant or contract authorized under this part may provide for general aid to elementary or secondary education in any school or school system.

(c) In determining whether to extend assistance under this section the Director shall consider among other relevant factors the incidence of poverty within the community and within the areas or groups to be affected by the specific program or programs, and the extent to which the applicant is in a position to utilize efficiently and expeditiously the assistance for which application is made. In determining the incidence of poverty the Director shall consider information available with respect to such factors as: the concentration of low-income families, particularly those with children; the extent of persistent unemployment and underemployment; the number and proportion of persons receiving cash or other assistance on a needs basis from public agencies or private organizations; the number of migrant or transient low-income families; school dropout rates, military service rejection rates, and other evidences of low educational attainment; the incidence of disease, disability, and infant mortality; housing conditions; adequacy of community facilities and services; and the incidence of crime and juvenile delinquency.

(d) In extending assistance under this section the Director shall give special consideration to programs which give promise of effecting a permanent increase in the capacity of individuals, groups, and communities to deal with their problems without further assistance.

Technical Assistance

Sec. 206. The Director is authorized to provide, either directly or through grants or other arrangements, (1) technical assistance to communities in developing, conducting, and administering community action programs, and (2) training for specialized personnel needed to develop, conduct, or administer such programs or to provide services or other assistance thereunder.

Research, Training, and Demonstrations

Sec. 207. The Director is authorized to conduct, or to make grants to or enter into contracts with institutions of higher education or other appropriate public agencies or private organizations for the conduct of, research, training, and demonstrations pertaining to the purposes of this part. Expenditures under this section in any fiscal year shall not exceed 15 per centum of the sums appropriated or allocated for such year to carry out the purposes of this part.

Limitations on Federal Assistance

Sec. 208. (a) Assistance pursuant to sections 204 and 205 paid for the period ending two years after the date of enactment of this Act, or June 30, 1966, whichever is later, shall not exceed 90 per centum of the costs referred to in those sections, respectively, and thereafter shall not exceed 50 per centum of such costs, unless the Director determines, pursuant to regulations adopted and promulgated by him establishing objective criteria for such determinations, that assistance in excess of such percentages is required in furtherance of the purposes of this part. Non-Federal contributions may be in cash or in kind, fairly evaluated, including but not limited to plant, equipment, and services.

(b) The expenditures or contributions made from non-Federal sources for a community action program or component thereof shall be in addition to the aggregate expenditures or contributions from non-Federal sources which were being made for similar purposes prior to the extension of Federal assistance.

Participation of State Agencies

Sec. 209. (a) The Director shall establish procedures which will facilitate effective participation of the States in community action programs.

(b) The Director is authorized to make grants to, or to contract with, appropriate State agencies for the payment of the expenses of such agencies in providing technical assistance to communities in developing, conducting, and administering community action programs.

(c) In carrying out the provisions of title I and title II of this Act, no contract, agreement, grant, loan, or other assistance shall be made with, or provided to, any State or local public agency or any private institution or organization for the purpose of carrying out any program, project, or other activity within a State unless a plan setting forth such proposed contract, agreement, grant, loan, or other assistance has been submitted to the Governor of the State, and such plan has not been disapproved by him within thirty days of such submission: *Provided, however,* That this section shall not apply to contracts, agreements, grants, loans, or other assistance to any institution of higher education in existence on the date of the approval of this Act.

Equitable Distribution of Assistance

Sec. 210. The Director shall establish criteria designed to achieve an equitable distribution of assistance under this part within the States between urban and rural areas. In developing such criteria, he shall consider the relative numbers in the States or areas therein of: (1) low-income families, particularly those with children; (2) unemployed persons; (3) persons receiving cash or other assistance on a needs basis from public agencies or private organizations; (4) school dropouts; (5) adults with less than an eighth-grade education; and (6) persons rejected for military service.

Preference for Components of Approved Programs

Sec. 211. In determining whether to extend assistance under this Act, the Director shall, to the extent feasible, give preference to programs and projects which are components of a community action program approved pursuant to this part.

Part B—Adult basic education programs

Declaration of Purpose

Sec. 212. It is the purpose of this part to initiate programs of instruction for individuals who have attained age eighteen and whose inability to read and write the English language constitutes a substantial impairment of their ability to get or retain employment commensurate with their real ability, so as to help eliminate such inability and raise the level of education of such individuals with a view to making them less likely to become dependent on others, improving their ability to benefit from occupational training and otherwise increasing their opportunities for more productive and profitable employment, and making them better able to meet their adult responsibilities.

Grants to States

Sec. 213. (a) From the sums appropriated to carry out this title, the Director shall make grants to States which have State plans approved by him under this section.

(b) Grants under subsection (a) may be used, in accordance with regulations of the Director, to—

(1) assist in establishment of pilot projects by local educational agencies, relating to instruction in public schools, or other facilities used for the purpose by such agencies, of individuals described in section 212, to (A) demonstrate, test, or develop modifications, or adaptations in the light of local needs, of special materials or methods for instruction of such individuals, (B) stimulate the development of local educational agency programs for instruction of such individuals in such schools or other facilities, and (C) acquire additional information concerning the materials or methods needed for an effective program for raising adult basic educational skills:

(2) assist in meeting the cost of local educational agency programs for instruction of such individuals in such schools or other facilities; and

(3) assist in development or improvement of technical or supervisory services by the State educational agency relating to adult basic education programs.

State Plans

Sec. 214. (a) The Director shall approve for purposes of this part the plan of a State which—

(1) provides for administration thereof by the State educational agency;

(2) provides that such agency will make such reports to the Director, in such form and containing such information, as may reasonably be necessary to enable the Director to perform his duties under this part and will keep such records and afford such access thereto as the Director finds necessary to assure the correctness and verification of such reports;

(3) provides such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the State under this part (including such funds paid by the State to local educational agencies);

(4) provides for cooperative arrangements between the State educational agency and the State health authority looking toward provision of such health information and services for individuals described in section 212 as may be available from such agencies and as may reasonably be necessary to enable them to benefit from the instruction provided under programs conducted pursuant to grants under this part; and

(5) sets forth a program for use, in accordance with section 213(b), of grants under this part which affords assurance of substantial progress, within a reasonable period and with respect to all segments of the population and all areas of the State, toward elimination of the inability of adults to read and write Engish and toward substantially raising the level of education of individuals described in section 212.

(b) The Director shall not finally disapprove any State plan submitted under this part, or any modification thereof, without first afforing the State educational agency reasonable notice and opportunity for a hearing.

Allotments

Sec. 215. (a) From the sums allocated for grants to States under section 213 for any fiscal year, the Director shall reserve such amount, but not in excess of 2 per centum thereof, as he may determine, and shall allot such amount among Puerto Rico, Guam, American Samoa, and the Virgin Islands according to their respective needs for assistance under this part. The remainder of the sums so allocated for a fiscal year shall be allotted by the Director on the basis of the relative number of individuals in each State who have attained age eighteen and who have completed not more than five grades of school or have not achieved an equivalent level of education, as determined by the Director on the basis of the best and most recent information available to him, including any relevant data furnished to him by the Department of Commerce. The amount allotted to any State under the preceding sentence for any fiscal year which is less than $50,000 shall be increased to that amount, the total thereby required being derived by proportionately reducing the amount allotted to each of the remaining States under the preceding sentence, but with such adjustments as may be necessary to prevent the allotment of any of such remaining States from being thereby reduced to less than $50,000. For the purposes of this subsection, the term "State" shall not include Puerto Rico, Guam, American Samoa, and the Virgin Islands.

(b) The portion of any State's allotment under subsection (a) for a fiscal year which the Director determines will not be required, for the period such allotment is available, for carrying out the State plan (if any) approved under this part shall be available for reallotment from time to time, on such dates during such period as the Director may fix, to other States in proportion to the original allotments to such States under subsection (a) for such year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum which the Director estimates such State needs and will be able to use for such period for carrying out its State plan approved under this part; and the total of such reductions shall be similarly reallocated among the States whose proportionate amounts are not so reduced. Any amount reallotted to a State under this subsection during a year shall be deemed part of its allotment under subsection (a) for such year.

(c) The allotment of any State under subsection (a) for the fiscal year ending June 30, 1965, shall, except to the extent reallotted under subsection (b), remain available until June 30, 1966, for obligation by such State for carrying out its State plan approved under this part.

Payments

SEC. 216. (a) From a State's allotment available for the purpose, the Federal share of expenditures, under its State plan, for the purposes set forth in section 213(b) shall be paid to such State. Such payments shall be made in advance on the basis of estimates by the Director; and may be made in such installments as the Director may determine, after making appropriate adjustments to take account of previously made overpayments or underpayments; except that no such payments shall be made for any fiscal year unless the Director finds that the amount available for expenditures for adult basic educational programs and services from State sources for such year will be not less than the amount expended for such purposes from such sources during the preceding fiscal year.

(b) For the fiscal year ending June 30, 1965, and the fiscal year ending June 30, 1966, the Federal share for each State shall be 90 per centum. For the succeeding fiscal year the Federal share for any State shall be 50 per centum.

Operation of State Plans; Hearings and Judicial Review

SEC. 217. (a) Whenever the Director, after reasonable notice and opportunity for hearing to the State educational agency administering a State plan approved under this part, finds that—

(1) the State plan has been so changed that it no longer complies with the provisions of section 214, or

(2) in the administration of the plan there is a failure to comply substantially with any such provision,

the Director shall notify such State agency that no further payments will be made to the State under this part (or in his discretion, that further payments to the State will be limited to programs under or portions of the State plan not affected by such failure), until he is satisfied that there will no longer be any failure to comply. Until he is so satisfied, no further payments may be made to such State under this part (or payments shall be limited to programs under or portions of the State plan not affected by such failure).

(b) A State educational agency dissatisfied with a final action of the Director under section 214 or subsection (a) of this section may appeal to the United States court of appeals for the circuit in which the State is located, by filing a petition with such court within sixty days after such final action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Director, or any officer designated by him for that purpose. The Director thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code. Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Director or to set it aside, in whole or in part, temporarily or permanently, but until the filing of the record, the Director may modify or set aside his order. The findings of the Director as to the facts, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may remand the case to the Director to take further evidence, and the Director may thereupon make new or modified findings of fact and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence. The judgment of the court affirming or setting aside, in whole or in part, any action of the Director shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code. The commencement of proceedings under this subsection shall not, unless so specifically ordered by the court, operate as a stay of the Director's action.

Miscellaneous

SEC. 218. For purposes of this part—

(1) the term "State educational agency" means the State board of education or other agency or officer primarily responsible for the State supervision of public elementary and secondary schools, or, if different, the agency or officer primarily responsible for supervision of adult basic education in public schools, whichever may be designated by the Governor or by State law, or, if there is no such agency or officer, an agency or officer designated by the Governor or by State law;

(2) the term "local educational agency" means a board of education or other legally constituted local school authority having administrative control and direction of public elementary or secondary schools in a city, county, township, school district, or political subdivision in a State, except that if there is a separate board or other legally constituted local authority having administrative control and direction of adult basic education in public schools therein, it means such other board or authority.

Part C—Voluntary assistance program for needy children

Statement of Purpose

SEC. 219. The purpose of this part is to allow individual Americans to participate in a personal way in the war on poverty, by voluntarily assisting in the support of one or more needy children, in a program coordinated with city or county social welfare agencies.

Authority to Establish Information Center

SEC. 220. (a) In order to carry out the purposes of this part, the Director is authorized to establish a section within the Office of Economic Opportunity to act as an information and coordination center to encourage voluntary assistance for deserving and needy children. Such section shall collect the names of persons who voluntarily desire to assist financially such children and shall secure from city or county social welfare agencies such information concerning deserving and needy children as the Director shall deem appropriate.

(b) It is the intent of the Congress that the section established pursuant to this part shall act solely as an information and coordination center and that nothing in this part shall be construed as interfering with the jurisdiction of State and local welfare agencies with respect to programs for needy children.

Part D—Authorization of appropriations

SEC. 221. The Director shall carry out the programs provided for in this title during the fiscal year ending June 30, 1965, and the two succeeding fiscal years. For the purpose of carrying out this title, there is hereby authorized to be appropriated the sum of $340,000,000 for the fiscal year ending June 30, 1965; and for the fiscal year ending June 30, 1966, and the fiscal year ending June 30, 1967, such sums may be appropriated as the Congress may hereafter authorize by law.

TITLE III—SPECIAL PROGRAMS TO COMBAT POVERTY IN RURAL AREAS

Statement of Purpose

SEC. 301. It is the purpose of this title to meet some of the special problems of rural poverty and thereby to raise and maintain the income and living standards of low-income rural families and migrant agricultural employees and their families.

Part A—Authority to make grants and loans

SEC. 302. (a) The Director is authorized to make—

(1) loans of not to exceed $1,500 to low-income rural families where, in the judgment of the Director, such loans have a reasonable possibility of effecting a permanent increase in the income of such families by assisting or permitting them to—

(A) acquire or improve real estate or reduce encumbrances or erect improvements thereon,

(B) operate or improve the operation of farms not larger than family sized, including but not limited to the purchase of feed, seed, fertilizer, livestock, poultry, and equipment, or

(C) participate in cooperative associations; and

(2) loans to such families, having a maximum maturity of fifteen years and in amounts not exceeding $2,500 in the aggregate to any family at any one time, to finance nonagricultural enterprises which will enable such families to supplement their income.

(b) Loans under this section shall be made only if the family is not qualified to obtain such funds by loan under other Federal programs.

Cooperative Associations

SEC. 303. The Director is authorized to make loans to local cooperative associations furnishing essential processing, purchasing, or marketing services, supplies, or facilities predominantly to low-income rural families.

Limitations on Assistance

SEC. 304. No financial or other assistance shall be provided under this part unless the Director determines that—

(a) the providing of such assistance will materially further the purposes of this part, and

(b) in the case of assistance provided pursuant to section 303, the applicant is fulfilling or will fulfill a need for services, facilities, or activities which is not otherwise being met.

Loan Terms and Conditions

SEC. 305. Loans pursuant to sections 302 and 303 shall have such terms and conditions as the Director shall determine, subject to the following limitations:

(a) there is reasonable assurance of repayment of the loan;

(b) the credit is not otherwise available on reasonable terms from private sources or other Federal, State, or local programs;

(c) the amount of the loan, together with other funds available, is adequate to assure completion of the project or achievement of the purposes for which the loan is made;

(d) the loan bears interest at a rate not less than (1) a rate determined by the Secretary of the Treasury, taking into consideration the average market yield on outstanding Treasury obligations of comparable maturity, plus (2) such additional charge, if any, toward covering other costs of the program as the Director may determine to be consistent with its purposes.

(e) with respect to loans made pursuant to section 303, the loan is repayable within not more than thirty years; and

(f) no financial or other assistance shall be provided under this part to or in connection with any corporation or cooperative organization for the production of agricultural commodities or for manufacturing purposes.

Part B—Assistance for migrant agricultural employees and their families

SEC. 311. The Director shall develop and implement as soon as practicable a program to assist the States, political subdivisions of States, public and nonprofit agencies, institutions, organizations, farm associations, or individuals in establishing and operating programs of assistance for migrant agricultural employees and their families which programs shall be limited to housing, sanitation, education, and day care of children. Institutions, organizations, farm associations, or individuals shall be limited to direct loans.

Part C—Authorization of appropriations

SEC. 321. The Director shall carry out the program provided for in this title during the fiscal year ending June 30, 1965, and the two succeeding fiscal years. For the purpose of carrying out this title, there is hereby authorized to be appropriated the sum of $35,000,000 for the fiscal year ending June 30, 1965; and for the fiscal year ending June 30, 1966, and for the fiscal year ending June 30, 1967, such sums may be appropriated as the Congress may hereafter authorize by law. Not to exceed $15,000,000 of the funds appropriated under other titles of this Act for the fiscal year ending June 30, 1965, may also be utilized for the purposes of part B of this title.

Part D—Indemnity payments to dairy farmers

SEC. 331. (a) The Secretary of Agriculture is authorized to make indemnity payments, at a fair market value, to dairy farmers who have been directed since January 1, 1964, to remove their milk from commercial markets because it contained residues of chemicals registered and approved for use by the Federal Government at the time of such use. Such indemnity payments shall continue to each dairy farmer until he has been reinstated and is again allowed to dispose of his milk on commercial markets.

(b) There is hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

(c) The authority granted under this section shall expire on January 31, 1965.

TITLE IV—EMPLOYMENT AND INVESTMENT INCENTIVES

Statement of Purpose

SEC. 401. It is the purpose of this title to assist in the establishment, preservation, and strengthening of small business concerns and improve the managerial skills employed in such enterprises; and to mobilize for these objectives private as well as public managerial skills and resources.

Loans, Participations, and Guaranties

SEC. 402. The Director is authorized to make, participate (on an immediate basis) in, or guarantee loans, repayable in not more than fifteen years, to any small business concern (as defined in section 3 of the Small Business Act (15 U.S.C. 632) and regulations issued thereunder), or to any qualified person seeking to establish such a concern, when he determines that such loans will assist in carrying out the purposes of this title, with particular emphasis on employment of the long-term unemployed: *Provided, however,* That no such loans shall be made, participated in, or guaranteed if the total of such Federal assistance to a single borrower outstanding at any one time would exceed $25,000. The Director may defer payments on the principal of such loans for a grace period and use such other methods as he deems necessary and appropriate to assure the successful establishment and operation of such concern. The Director may, in his discretion, as a condition of such financial assistance, require that the borrower take steps to improve his management skills by participating in a management training program approved by the Director. The Director shall encourage, as far as possible, the participation of the private business community in the program of assistance to such concerns.

Coordination With Community Action Programs

SEC. 403. No financial assistance shall be provided under section 402 in any community for which the Director has approved a community action program pursuant to title II of this Act unless such financial assistance is determined by him to be consistent with such program.

Financing Under Small Business Act

SEC. 404. Such lending and guaranty functions under this title as may be delegated to the Small Business Administration may be financed with funds appropriated to the revolving fund established by section 4(c) of the Small Business Act (15 U.S.C. 633(c)) for the purposes of section 7(a), 7(b), and 8(a) of that Act (15 U.S.C. 636(a), 636(b), 637(a)).

Loan Terms and Conditions

SEC. 405. Loans made pursuant to section 402 (including immediate participation in and guaranties of such loans) shall have such terms and conditions as the Director shall determine, subject to the following limitations—

(a) there is reasonable assurance of repayment of the loan;

(b) the financial assistance is not otherwise available on reasonable terms from private sources or other Federal, State, or local programs;

(c) the amount of the loan, together with other funds available, is adequate to assure completion of the project or achievement of the purposes for which the loan is made;

(d) the loan bears interest at a rate not less than (1) a rate determined by the Secretary of the Treasury, taking into consideration the average market yield on outstanding Treasury obligations of comparable maturity, plus (2) such additional charge, if any, toward covering other costs of the program as the Director may determine to be consistent with its purposes: *Provided, however,* That the rate of interest charged on loans made in redevelopment areas designated under the Area Redevelopment Act (42 U.S.C. 2501 et seq.) shall not exceed the rate currently applicable to new loans made under section 6 of that Act (42 U.S.C. 2505); and

(e) fees not in excess of amounts necessary to cover administrative expenses and probable losses may be required on loan guaranties.

Limitation on Financial Assistance

SEC. 406. No financial assistance shall be extended pursuant to this title where the Director determines that the assistance will be used in relocating establishments from one area to another or in financing subcontractors to enable them to undertake work theretofore performed in another area by other subcontractors or contractors.

Duration of Program

SEC. 407. The Director shall carry out the programs provided for in this title during the fiscal year ending June 30, 1965, and the two succeeding fiscal years.

TITLE V—WORK EXPERIENCE PROGRAMS

Statement of Purpose

SEC. 501. It is the purpose of this title to expand the opportunities for constructive work experience and other needed training available to persons who are unable to support or care for themselves or their families. In carrying out this purpose, the Director shall make maximum use of the programs available under the Manpower Development and Training Act of 1962, as amended, and Vocational Education Act of 1963.

Payments for Experimental, Pilot, and Demonstration Projects

SEC. 502. In order to stimulate the adoption of programs designed to help unemployed fathers and other needy persons to secure and retain employment or to attain or retain capability for self-support or personal independence, the Director is authorized to transfer funds appropriated or allocated to carry out the purposes of this title to the Secretary of Health, Education, and Welfare to enable him to make payments for experimental, pilot, or demonstration projects under section 1115 of the Social Security Act (42 U.S.C. 1315), subject to the limitations contained in section 409(a) (1) to (6), inclusive, of such Act (42 U.S.C. 609(a) (1)-(6)), in addition to the sums otherwise available pursuant thereto. The cost of such projects to the United States for the fiscal year ending June 30, 1965, shall, notwithstanding the provisions of such Act, be met entirely from funds appropriated or allocated to carry out the purposes of this title.

Authorization of Appropriations

SEC. 503. The Director shall carry out the programs provided for in this title during the fiscal year ending June 30, 1965, and the two succeeding fiscal years. For the purpose of carrying out this title, there is hereby authorized to be appropriated the sum of $150,000,000 for the fiscal year ending June 30, 1965; and for the fiscal year ending June 30, 1966, and the fiscal year ending June 30, 1967, such sums may be appropriated as the Congress may hereafter authorize by law.

TITLE VI—ADMINISTRATION AND COORDINATION

Part A—Administration

Office of Economic Opportunity

SEC. 601 (a) There is hereby established in the Executive Office of the President the Office of Economic Opportunity. The Office shall be headed by a Director who shall be appointed by the President, by and with the advice and consent of the Senate. There shall also be in the Office one Deputy Director and three Assistant Directors who shall be appointed by the President, by and with the advice and consent of the Senate. The Deputy Director and the Assistant Directors shall perform such functions as the Director may from time to time prescribe.

(b) Notwithstanding the provisions of section 5(b) of the Reorganization Act of 1949 (5 U.S.C. 133z–3(b)), at any time after one year from the date of enactment hereof the President may, by complying with the procedures established by that Act, provide for the transfer of the Office from the Executive Office of the President and for its establishment elsewhere in the executive branch as he deems appropriate.

(c) The compensation of the Director of the Office of Economic Opportunity shall be fixed by the President at a rate not in excess of the annual rate of compensation payable to the Director of the Bureau of the Budget.

(d) The compensation of the Deputy Director of the Office of Economic Opportunity shall be fixed by the President at a rate not in excess of the annual rate of compensation payable to the Deputy Director of the Bureau of the Budget.

(e) The compensation of the Assistant Directors of the Office of Economic Opportunity shall be fixed by the President at a rate not in excess of the annual rate of compensation payable to the Assistant Secretaries of the Executive Departments.

Authority of Director

SEC. 602. In addition to the authority conferred upon him by other sections of this Act, the Director is authorized, in carrying out his functions under this Act, to—

(a) appoint in accordance with the civil service laws such personnel as may be necessary to enable the Office to carry out its functions, and, except as otherwise provided herein, fix their compensation in accordance with the Classification Act of 1949 (5 U.S.C. 1071 et seq.);

(b) employ experts and consultants or organizations thereof as authorized by section 15 of the Administrative Expenses Act of 1946 (5 U.S.C. 55a), compensate individuals so employed at rates not in excess of $100 per diem, including travel time, and allow them, while away from their homes or regular places of business, travel expenses (including per diem in lieu of subsistence) as authorized by section 5 of such Act (5 U.S.C. 73b-2) for persons in the Government service employed intermittently, while so employed: *Provided, however*, That contracts for such employment may be renewed annually;

(c) appoint, without regard to the civil service laws, one or more advisory committees composed of such private citizens and officials of the Federal, State, and local governments as he deems desirable to advise him with respect to his functions under this Act; and members of such committees (including the National Advisory Council established in section 605), other than those regularly employed by the Federal Government, while attending meetings of such committees or otherwise serving at the request of the Director, shall be entitled to receive compensation and travel expenses as provided in subsection (b) with respect to experts and consultants;

(d) with the approval of the President, arrange with and reimburse the heads of other Federal agencies for the performance of any of his functions under this Act and, as necessary or appropriate, delegate any of his powers under this Act and authorize the redelegation thereof;

(e) utilize, with their consent, the services and facilities of Federal agencies without reimbursement, and, with the consent of any State or a political subdivision of a State, accept and utilize the services and facilities of the agencies of such State or subdivision without reimbursement;

(f) accept in the name of the Office, and employ or dispose of in furtherance of the purposes of this Act, or of any title thereof, any money or property, real, personal, or mixed, tangible or intangible, received by gift, devise, bequest, or otherwise;

(g) accept voluntary and uncompensated services, notwithstanding the provisions of section 3679(b) of the Revised Statutes (31 U.S.C. 665(b));

(h) allocate and expend, or transfer to other Federal agencies for expenditure, funds made available under this Act as he deems necessary to carry out the provisions hereof, including (without regard to the provisions of section 4774(d) of title 10, United States Code) expenditure for construction, repairs, and capital improvements;

(i) disseminate, without regard to the provisions of section 4154 of title 39, United States Code, data and information, in such form as he shall deem appropriate, to public agencies, private organizations, and the general public;

(j) adopt an official seal, which shall be judicially noticed;

(k) notwithstanding any other provision of law relating to the acquisition, handling, or disposal of real or personal property by the United States, deal with, complete, rent, renovate, modernize, or sell for cash or credit at his descretion any properties acquired by him in connection with loans, participations, and guaranties made by him pursuant to titles III and IV of this Act;

(l) collect or compromise all obligations to or held by him and all legal or equitable rights accruing to him in connection with the payment of obligations until such time as such obligations may be referred to the Attorney General for suit or collection;

(m) expend, without regard to the provisions of other law or regulation, funds made available for purposes of this Act (1) for printing and binding, and (2) for rent of buildings and space in buildings and for repair, alteration, and improvement of buildings and space in buildings rented by him; but the Director shall not utilize the authority contained in this clause (A) except when necessary in order to obtain an item, service, or facility, which is required in the proper administration of this Act, and which otherwise could not be obtained, or could not be obtained in the quantity or quality needed, or at the time, in the form, or under the conditions in which, it is needed, and (B) prior to having given written notification to the Administrator of General Services (if the exercise of such authority would affect an activity which otherwise would be under the jurisdiction of the General Services Administration) or the Chairman of the Joint Committee on Printing (if the exercise of such authority would affect an activity which otherwise would be under the jurisdiction of such Committee) of his intention to exercise such authority, the item, service, or facility with respect to which such authority is proposed to be exercised, and the reasons and justifications for the exercise of such authority; and

(n) establish such policies, standards, criteria, and procedures, prescribe such rules and regulations, enter into such contracts and agreements with public agencies and private organizations and persons, make such payments (in lump sum or installments, and in advance or by way of reimbursement, and in the case of grants, with necessary adjustments on account of overpayments or underpayments), and generally perform such functions and take such steps as he may deem to be necessary or appropriate to carry out the provisions of this Act.

Volunteers in Service to America

SEC. 603. (a) The Director is authorized to recruit, select, train, and—

(1) upon request of State or local agencies or private nonprofit organizations, refer volunteers to perform duties in furtherance of programs combating poverty at a State or local level; and

(2) in cooperation with other Federal, State, or local agencies involved, assign volunteers to work (A) in meeting the health, education, welfare, or related needs of Indians living on reservations, of migratory workers and their families, or of residents of the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, or the Trust Territory of the Pacific Islands; (B) in the care and rehabilitation of the mentally ill or mentally retarded under treatment at nonprofit mental health or mental retardation facilities assisted in their construction or operation by Federal funds; and (C) in furtherance of programs or activities authorized or supported under title I or II of this Act.

(b) The referral or assignment of volunteers shall be on such terms and conditions as the Director may determine, but volunteers shall not be referred or assigned to duties or work in any State without the consent of the Governor.

(c) The Director is authorized to provide to all volunteers during training and to volunteers assigned pursuant to subsection (a)(2) such stipend, not to exceed $50 per month, such living, travel, and leave allowances, and such housing, transportation (including travel to and from the place of training), supplies, equipment, subsistence, clothing, and health and dental care as the Director may deem necessary or appropriate for their needs.

(d) Volunteers shall be deemed not to be Federal employees and shall not be subject to the provisions of laws relating to Federal employment, including those relating to hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits, except that all volunteers during training and such volunteers as are assigned pursuant to subsection (a)(2) shall be deemed Federal employees to the same extent as enrollees of the Corps under section 106 (b), (c), and (d) of this Act.

Economic Opportunity Council

SEC. 604. (a) There is hereby established an Economic Opportunity Council, which shall consult with and advise the Director in carrying out his functions, including the coordination of antipoverty efforts by all segments of the Federal Government.

(b) The Council shall include the Director, who shall be Chairman, the Secretary of Defense, the Attorney General, the Secretaries of the Interior, Agriculture, Commerce, Labor, and Health, Education, and Welfare, the Housing and Home Finance Administrator, the Administrator of the Small Business Administration, the Chairman of the Council of Economic Advisers, the Director of Selective Service, and such other agency heads as the President may designate, or delegates thereof.

National Advisory Council

SEC. 605. There is hereby established in the Office a National Advisory Council. The Council shall be composed of the Director, who shall be Chairman, and not more than fourteen additional members appointed by the President, without regard to the civil service laws, who shall be representative of the public in general and appropriate fields of endeavor related to the purposes of this Act. Upon the request of the Director, the Council shall review the operations and activities of the Office, and shall make such recommendations with respect thereto as are appropriate. The Council shall meet at least once each year and at such other times as the Director may request.

Revolving Fund

SEC. 606. (a) To carry out the lending and guaranty functions authorized under titles III and IV of this Act, there is authorized to be established a revolving fund. The capital of the fund shall consist of such amounts as may be advanced to it by the Director from funds appropriated pursuant to section 321 and shall remain available until expended.

(b) The Director shall pay into miscellaneous receipts of the Treasury, at the close of each fiscal year, interest on the capital of the fund at a rate determined by the Secretary of the Treasury, taking into consideration the average market yield on outstanding Treasury obligations of comparable maturity during the last month of the preceding fiscal year. Interest payments may be deferred with the approval of the Secretary of the Treasury, but any interest payments so deferred shall themselves bear interest.

(c) Whenever any capital in the fund is determined by the Director to be in excess of current needs, such capital shall be credited to the appropriation from which advanced, where it shall be held for future advances.

(d) Receipts from any lending and guaranty operations under this Act (except operations under title IV carried on by the Small Business Administration) shall be credited to the fund. The fund shall be available for the payment of all expenditures of the Director for loans, participations, and guaranties authorized under titles III and IV of this Act.

Labor Standards

SEC. 607. All laborers and mechanics employed by contractors or subcontractors in the construction, alteration or repair, including painting and decorating of projects, buildings and works which are federally assisted under this Act shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a–276a-5). The Secretary of Labor shall have, with respect to such labor standards, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267; 5 U.S.C. 133–133z-15), and section 2 of the Act of June 13, 1934, as amended (48 Stat. 948, as amended; 40 U.S.C. 276(c)).

Reports

SEC. 608. Not later than one hundred and twenty days after the close of each fiscal year, the Director shall prepare and submit to the President for transmittal to the Congress a full and complete report on the activities of the Office during such year.

Definitions

SEC. 609. As used in this Act:

(a) The term "State" means a State, the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, or the Virgin Islands, and for the purposes of title I and part A of title II such term includes the Trust Territory of the Pacific Islands; and the term "United States", when used in a geographical sense, includes the foregoing and all other places, continental or insular, including the Trust Territory of the Pacific Islands, subject to the jurisdiction of the United States.

(b) The term "agency", unless the context requires otherwise, means department, agency, or other component of a Federal, State, or local governmental entity.

(c) The term "family," in the case of a Job Corps enrollee, means—

(1) the spouse or child of an enrollee, and

(2) any other relative who draws substantial support from the enrollee.

Part B—Coordination of antipoverty programs

Coordination

SEC. 611. (a) In order to insure that all Federal programs related to the purposes of this Act are carried out in a coordinated manner—

(1) the Director is authorized to call upon other Federal agencies to supply such statistical data, program reports, and other materials as he deems necessary to discharge his responsibilities under this Act, and to assist the President in coordinating the antipoverty efforts of all Federal agencies.

(2) Federal agencies which are engaged in administering programs related to the purposes of this Act, or which otherwise perform functions relating thereto, shall—

(A) cooperate with the Director in carrying out his duties and responsibilities under this Act; and

(B) carry out their programs and exercise their functions in such manner as will, to the maximum extent permitted by other applicable law, assist in carrying out the purposes of this Act; and

(3) the President may direct that particular programs and functions, including the expenditure of funds, of the Federal agencies referred to in paragraph (2) shall be carried out, to the extent not inconsistent with other applicable law, in conjunction with or in support of programs authorized under this Act.

(b) In order to insure that all existing Federal agencies are utilized to the maximum extent possible in carrying out the purposes of this Act, no funds appropriated to carry out this Act shall be used to establish any new department or office when the intended function is being performed by an existing department or office.

Preference to Community Action Programs

SEC. 612. To the extent feasible and consistent with the provisions of law governing any Federal program and with the purposes of this Act, the head of each Federal agency administering any Federal program is directed to give preference to any application for assistance or benefits which is made pursuant to or in connection with a community action program approved pursuant to title II of this Act.

Information Center

SEC. 613. In order to insure that all Federal programs related to the purposes of this Act are utilized to the maximum extent possible, and to insure that information concerning such programs and other relevant information is readily available in one place to public officials and other interested persons, the Director is authorized as he deems appropriate to collect, prepare, analyze, correlate, and distribute such information, either free of charge or by sale at cost (any funds so received to be deposited to the Director's account as an offset to such cost), and make arrangements and pay for any printing and binding without regard to the provisions of any other law or regulation.

Prohibition of Federal Control

SEC. 614. Nothing contained in this Act shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over the curriculum, program of instruction, administration, or personnel of any educational institution or school system.

Authorization of Appropriations

SEC. 615. The Director shall carry out the programs provided for in this title during the fiscal year ending June 30, 1965, and the two succeeding fiscal years. For the purpose of carrying out this title (other than for purposes of making credits to the revolving fund established by section 606(a)), there is hereby authorized to be appropriated the sum of $10,000,000 for the fiscal year ending June 30, 1965; and for the fiscal year ending June 30, 1966, and the fiscal year ending June 30, 1967, such sums may be appropriated as the Congress may hereafter authorize by law.

TITLE VII—TREATMENT OF INCOME FOR CERTAIN PUBLIC ASSISTANCE PURPOSES

Public Assistance

SEC. 701. (a) Notwithstanding the provisions of titles I, IV, X, XIV, and XVI of the Social Security Act, a State plan approved under any such title shall provide that—

(1) the first $85 plus one-half of the excess over $85 of payments made to or on behalf of any person for or with respect to any month under title I or II of this Act or any program assisted under such title shall not be regarded (A) as income or resources of such person in determining his need under such approved State plan, or (B) as income or resources of any other individual in determining the need of such other individual under such approved State plan;

(2) no payments made to or on behalf of any person for or with respect to any month under such title or any such program shall be regarded as income or resources of any other individual in determining the need of such other individual under such approved State plan except to the extent made available to or for the benefit of such other individual; and

(3) no grant made to any family under title III of this Act shall be regarded as income or resources of such family in determining the need of any member thereof under such approved State plan.

(b) No funds to which a State is otherwise entitled under title I, IV, X, XIV, or XVI, of the Social Security Act for any period before July 1, 1965, shall be withheld by reason of any action taken pursuant to a State statute which prevents such State from complying with the requirements of subsection (a).

Mr. LANDRUM (interrupting the reading of the amendment). Mr. Chairman, I ask unanimous consent that the amendment may be considered as read.

The **CHAIRMAN.** Is there objection to the request of the gentleman from Georgia?

Mr. FRELINGHUYSEN. Mr. Chairman, reserving the right to object, I rise because we seem about to consider a very detailed proposal and so far as I know, only a very few copies are available of this proposed substitute to any of the Members for our consideration.

At my own request I did receive a copy of his substitute from the gentleman from Georgia a few minutes ago. As I understand it, and I have not yet even been able to read the changes that have been made, the proposed substitute is not the one that was incorporated in the CONGRESSIONAL RECORD the day before yesterday.

The proposed substitute, as I understand it, represents a series of changes in the committee bill which we are presumably still considering, H.R. 11377. Also represented are a very substantial number of changes made by the other body, including some of considerable substance.

In addition, the gentleman indicated the day before yesterday that he had changes to make in those Senate changes. Now we find that there are still more changes, in addition to the changes that the gentleman from Georgia said he was making in the changes made by the Senate. Under these circumstances I think it is either incumbent on us to have the proposed substitute read verbatim so that those who care to—and unfortunately there may not be many who care what is in this bill before we vote on it—may know what the proposed changes are.

The **CHAIRMAN.** Is there objection to the request of the gentleman from Georgia?

Mr. FRELINGHUYSEN. Mr. Chairman, I will be constrained to object if I am not allowed to finish.

The CHAIRMAN. Does the gentleman object?

Mr. FRELINGHUYSEN. I object, Mr. Chairman.

The CHAIRMAN. The Clerk will read.

The Clerk resumed the reading of the amendment.

Mr. HALL (interrupting the reading). Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HALL. Are there copies of this available so that we can follow the Clerk's reading?

The CHAIRMAN. The gentleman from Georgia can answer that much better than can the Chair.

Mr. LANDRUM. Mr. Chairman, if I may have the attention of the gentleman, this first is the bill passed by the Senate with——

Mr. FRELINGHUYSEN. A point of order, Mr. Chairman. Do we not have to proceed in order?

The CHAIRMAN. The gentleman will state his point of order.

Mr. FRELINGHUYSEN. Mr. Chairman, I should assume that Members have to proceed in order. As I understand it, the gentleman from Missouri [Mr. Hall] had made a parliamentary inquiry. I wonder how any other Member can get the floor with respect to a parliamentary inquiry unless he is commenting on the parliamentary inquiry which has been made.

The CHAIRMAN. The Clerk will read.

The Clerk resumed the reading of the amendment.

Mr. CEDERBERG (interrupting reading of the amendment). Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and two Members are present, a quorum.

The CHAIRMAN. The Clerk will read.

The Clerk resumed the reading of the amendment.

Mr. JOHANSEN (interrupting reading of the amendment). Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Ninety-two Members are present, not a quorum.

The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 211]

Baring
Bass
Beckworth
Belcher
Bennett, Mich.
Bolling
Bolton,
  Frances P.
Cooley
Cramer
Gathings
Halleck
Jones, Mo.
Kee
Lankford
Leggett
Lennon
McMillan
Mailliard
Norblad
Ostertag
Passman
Pilcher
Pool
Senner
Sheppard
Short
Sibal
Siler
Smith, Calif.
Teague, Calif.
Tollefson
Winstead

Accordingly, the Committee rose; and the Speaker pro tempore [Mr. Albert] having assumed the chair, Mr. Rains, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill H.R. 11377 and finding itself without a quorum, he had directed the roll to be called when 401 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

Mr. LANDRUM. Mr. Chairman, I renew my unanimous-consent request that the amendment be considered as read.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

Mr. FRELINGHUYSEN. Mr. Chairman, reserving the right to object, I feel we have been at this point before. I, for one, regret very much that we have wasted the past 45 minutes. I might say that I had no intention of objecting when I previously reserved the right to object to the unanimous-consent request of the gentleman from Georgia. It is essential that the House understand the nature of the situation in which we find ourselves. It is also incumbent upon me, as the ranking member on the minority side, to say that I disapprove wholeheartedly of the way in which we are being asked to proceed.

The gentleman from George has been kind enough to give me—but I understand even the Clerk of the House needs a copy himself—a copy of his proposed substitute. This substitute is comprised of 67 pages. In effect it represents the bill that passed the other body with a number of changes. Some of those changes the gentleman from Georgia indicated, without spelling out the significance of them, in a discussion on the floor 2 days ago. At that time, at my insistence—I think that is the proper word, at my request at least—he did include and this is available in the Record, a copy of the substitute which he then proposed.

When I asked this morning whether I could get a copy of his substitute so we would have it for consideration—because some of us would like to have an understanding of what it is we may be asked to amend—I was told that there were going to be further changes in the substitute which he planned to offer as recently as 2 days ago.

As recently as an hour ago changes were being made in the substitute which is now being read. When I said just now that this was a very unwise and unnecessary procedure, I was in effect gaveled down by the Chair. At that time I did object to dispensing with further reading of this proposal.

I am constrained to say that this is no way to run any kind of legislative business. What we are being asked to do is to legislate by remote control. We are asked in effect to abandon completely the bill reported by our committee, and accept a bill which has been modified both on a technical basis and on a basis of substance by the other body. It is true that we have copies of the bill passed by the other body. But when we offer amendments we cannot offer amendments to that particular proposal because it is not before us. We are going to be obliged to offer amendments to a substitute which in effect is not available.

Mr. Chairman, I am glad to yield to the gentleman from Georgia. I am sure he is not only willing but perhaps by this time anxious to explain the changes in the Senate-passed bill which he is now proposing to make I will be glad to yield to the gentleman from Georgia for that purpose or for any other purpose he may have in mind.

Mr. LANDRUM. Does the gentleman now yield?

Mr. FRELINGHUYSEN. I would be glad to yield to the gentleman from Georgia.

Mr. LANDRUM. I thank the gentleman.

I have proposed a substitute which is, with certain amendments, the bill passed by the other body.

That proposed substitute has been printed in the Record of August 5, 1964, beginning at page 18221.

I shall be glad now to go into the changes included in that printing in the Record from the Senate-passed bill.

In addition to the changes printed in the Record from the Senate-passed bill there are three minor changes which have been made since the printing. Those changes resulted from oversight in the haste to get the substitute printed for the Record on the evening of August 5.

Now, Mr. Chairman, with that preface, I should like to say to the gentleman that the changes from the Senate bill, first, puts in the Trust Territories of the Pacific Islands in titles I and II and they are included with the other territories at the point where they appear.

Mr. FRELINGHUYSEN. May I ask the gentleman if he would explain whether he is discussing the changes made in the Senate-passed bill or the changes made in the last 2 days in the proposed substitute bill?

The gentleman from Georgia indicates he made very minor changes in the past 2 days and now he is talking about the changes that his substitute would make in the Senate-passed bill.

May we have the differentiation of those, or are we going to discuss them all without differentiation?

Mr. LANDRUM. Will the gentleman yield?

Mr. FRELINGHUYSEN. Yes, I shall be glad to yield further to the gentleman from Georgia.

Mr. LANDRUM. I shall, to the very limit of my limited ability, try to make the explanation, if I may have just a little time.

Mr. FRELINGHUYSEN. An explanation of what, may I ask the gentleman? Of the changes in the Senate bill, or the changes in the gentleman's substitute?

Mr. LANDRUM. I intend to make an explanation of the entire set of changes, if that is what the gentleman desires. Just what do you desire, sir?

Mr. FRELINGHUYSEN. Well, Mr. Chairman, I do not think it should be a question of what I desire and what I would favor. The reason I am reserving the right to object is because I think the changes made in the bill passed by the Senate are of such importance that they deserve adequate attention. This may be the best and only way we are going to do it.

Mr. LANDRUM. If the gentleman will yield further, that is exactly what I am going to do.

Mr. FRELINGHUYSEN. I believe the changes made by the Senate should also be discussed, but I would think either area of discussion would be appropriate. I would suggest, however, that this is far from an ideal way to get a discussion of the significance of those changes.

I would have thought, if the gentleman wanted his substitute seriously considered, that he might have apprised every Member by a written memorandum of the nature of the changes made by the Senate and the nature of the changes proposed by him.

If the gentleman feels he is capable of operating on this basis, I would suggest that he go ahead.

Mr. GRIFFIN. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield to the gentleman from Michigan.

Mr. GRIFFIN. I wonder if it might not be possible to suggest a procedure that would be agreeable to those of us who are trying to follow the language of this bill. There is now available to us in the RECORD the substitute of the gentleman from Georgia as it was proposed 2 days ago?

Now, as I understand, the substitute he now offers contains some changes or amendments to the substitute which appeared in the RECORD. Some of us are interested in having the precise language of the changes now proposed.

I would suggest that the gentleman from Georgia concentrate first upon giving us the language of any changes which have been made subsequent to appearance of his substitute in the RECORD 2 days ago. Then we will have all of the language before us.

After that, I would suggest that the gentleman from Georgia then provide an explanation concerning the changes which his substitute would make in the Senate-passed bill.

At least we will have then all of the language. I wonder if that is not the best way to proceed?

Mr. FRELINGHUYSEN. I thank the gentleman. The comments of the gentleman from Georgia as to the changes now being read by the Clerk are needed. I would like to know if the changes made in the last few days in his own substitute will be up for discussion.

Mr. GRIFFIN. I think we want to be aware of the precise language.

Mr. FRELINGHUYSEN. We need information on the language of the new amendments, then we may have a discussion of the language and the changes made by the Senate.

Mr. JOHANSEN. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield to the gentleman from Michigan.

Mr. JOHANSEN. In order to understand what this is all about, do I understand that the substitute offered by the gentleman from Georgia is not the text that appears in the RECORD on the bill, but there are further amendments?

Do I understand further that the Clerk is not reading from this amended version of the text that appears in the RECORD on the bill?

Mr. FRELINGHUYSEN. I am not sure what the Clerk is actually reading. I understand only one copy for official use has been furnished the Clerk of the House. I have been asked to give him my copy at the conclusion of the debate, though I think I should keep this in my possession.

Mr. JOHANSEN. If the substitute offered by the gentleman from Georgia is in the hands of the gentleman from Georgia or the gentleman from New Jersey, and not in the hands of the Clerk, I think the Clerk should read the genuine substitute that has been offered.

Mr. FRELINGHUYSEN. He should, though I am not sure how genuine the substitute is, which is being read.

Mr. JOHANSEN. I am sorry I asked the gentleman any questions.

Mr. FRELINGHUYSEN. The gentleman from Georgia may feel the same way.

Mr. LANDRUM. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield to the gentleman from Georgia.

Mr. LANDRUM. I shall discuss and name first the changes which have been entered in the substitute that do not appear in the printed RECORD.

In part B of title I. We have provided that political parties will be prohibited from participating in this.

That appears in sections 111, 112, and 113. It will read, referring to section III:

> The purpose of this part is to provide useful work experience opportunities for employed young men and young women, through participation in State and community work training programs, so that their employability may be increased or their education resumed or continued, so that public agencies and private nonprofit organizations (excluding political parties) will be enabled to carry out programs which will permit—

And so forth.

Mr. FRELINGHUYSEN. That is not the language that the gentleman provided me in the substitute which I understood he was offering. As I understand it, the change is: "Other than political parties."

Mr. LANDRUM. "Other than political parties." I am sorry. My glasses were on the wrong side of my nose.

"Other than political parties" is correct.

That same section is in the next two sections mentioned.

The next item which is not in the printed RECORD is with regard to the forgiveness features or provisions of title III.

Mr. FRELINGHUYSEN. The gentleman seems to be overlooking language in section 202(a)(4) which also refers to prohibition of other than political parties.

Mr. LANDRUM. That language is in the printed section in the RECORD, as I understand it. This is language that is not printed in the RECORD. That is what I am talking about.

In the forgiveness section in the RECORD, at page 18225, under title III, section 302, paragraph (b) reads this way in the printed RECORD:

> Loans under this section shall be made only if the family is not qualified to obtain such funds by loan under other Federal programs.

We intended to delete from that point, and we did not, but in the amendment which has been offered as a substitute we do delete beginning with the words "The Director" and down through the words following that, so that we delete:

> The Director may reduce or release obligations resulting from a loan made under this section if he finds that the debtor has attempted in good faith to comply with his loan obligations and that either the objective for which the loan was made will likely not be achieved or the indebtedness exceeds the debtor's reasonable payment ability.

Mr. FRELINGHUYSEN. Is this proposal which the gentleman now is proposing to delete, language added by the other body?

Mr. LANDRUM. Yes. It was not in our committee bill. It was language which the other body added, but language which we intended to delete when we ordered the printing of the bill for the RECORD but did not delete.

Mr. QUIE. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield to the gentleman from Minnesota.

Mr. QUIE. Was section 602, subsection (1), changed in any way, because this also gives the Director authority to compromise all obligations held by him?

Mr. LANDRUM. That was not changed.

Mr. QUIE. So that the effect of the language which you have added has no effect on the Director, because he does have authority under section 602, subsection (1) to compromise any obligation.

Mr. LANDRUM. If the gentleman will permit, I understand I am not yielded to for the purpose of debate or arguing that point, I am yielded to only to show the changes in the language being read from the Clerk's desk.

Mr. FRELINGHUYSEN. I am yielding, and I yield for anything the gentleman may say that will clear up the situation.

Mr. LANDRUM. That is what I am trying to do.

The next item which is deleted from this substitute amendment now at the Clerk's desk, which was not deleted when it was submitted to the RECORD for printing appears at page 18228, under the heading "Treatment of Unemployment Compensation Benefits and Income for Certain Public Assistance Purposes."

Section 701. We intended to delete that when we submitted it for the RECORD, and we did not. We did in this amendment which has been submitted to the Clerk delete section 701, which reads:

> No individual who otherwise is entitled, under title XV of the Social Security Act or the unemployment compensation law of any State, to any unemployment benefit shall be denied such benefit, or have such benefit reduced, solely because he or any other person participated in any work, training, or other activity, provided by any program established by, pursuant to, or assisted under, title I or II of this Act.

> (b) No individual shall be denied participation in any work, training, or other activity provided by any program established by, pursuant to, or assisted under, title I or II of this Act solely because he, or any other person, receives, or is entitled to receive, any benefit under any unemployment compensation law.

We deleted that from the substitute which is at the Clerk's desk. We intended to delete it when we submitted it for the RECORD and we did not.

Will the gentleman be good enough to yield further?

Mr. FRELINGHUYSEN. With pleasure.

Mr. LANDRUM. Those are, sir, the changes not included in the printed RECORD. There are other changes from the Senate bill which, I understand, I am not to discuss at this time.

Mr. FRELINGHUYSEN. I am not sure why the gentleman has any such understanding. I would be delighted to get the gentleman's views on the significance of the Senate amendments at this time. Also we might just as well dispose of the changes that the gentleman feels advisable in the Senate bill.

Mr. LANDRUM. I will do that when I am recognized on my amendment.

Mr. FRELINGHUYSEN. Under the proposal to strike language in title VII, I understand there is also a change in the title, to make it accord by dropping all reference to unemployment compensation.

Mr. LANDRUM. The statement had to do with certain public assistance programs when we strike out unemployment compensation.

Mr. FRELINGHUYSEN. I understand that section 701, as it stands, in the gentleman's previous substitute was language added by the other body and was not contained in the committee bill.

Mr. LANDRUM. It was not contained in the committee bill. It was added by the other body.

Mr. FRELINGHUYSEN. Mr. Chairman, I yield to the gentlewoman from New York [Mrs. ST. GEORGE].

Mrs. ST. GEORGE. Would the gentleman from Georgia enlighten me on one question? Was the bill he is now discussing and amending on the floor of the House ever brought before the Rules Committee of the House of Representatives?

Mr. LANDRUM. I think I got the gentlewomen's question. It is: Was the bill now, the substitute now at the Clerk's desk, ever brought before the Rules Committee of the House of Representatives?

Mrs. ST. GEORGE. That is my question.

Mr. LANDRUM. Not as it is there.

Mrs. ST. GEORGE. I was just going to bring that to the gentleman's attention because it seems to me then that the rule which was granted is completely invalid and possibly we should go back to the Rules Committee and discuss this bill. The gentleman from Georgia will remember that we spent a good many hours explaining the original bill to the Committee on Rules. Now we are faced with something entirely new and something that is apparently being amended ad lib on the floor of the House.

Mr. LANDRUM. I would say to the gentlewoman that I have proposed this substitute under the proper parliamentary procedures under the rules of the House and I would assume that if the amendment is debated, we will go further into it.

Mr. FRELINGHUYSEN. Mr. Chairman, I yield to the gentleman from Michigan [Mr. GRIFFIN].

Mr. GRIFFIN. At this point, in all fairness, I would suggest that all of the language of the proposed substitute of the gentleman from Georgia is now available to all of us. Under the circumstances, I would suggest that the reservation of objection should now be withdrawn and we should proceed to a discussion of the merits of the proposed substitute.

Mr. FRELINGHUYSEN. Before I withdraw my reservation, I yield to the gentleman from New York [Mr. GOODELL].

Mr. GOODELL. I thank the gentleman from Georgia for clarifying this question. I think he makes necessary one question with reference to a comment he made just before he concluded. Did I understand there was a reference to other amednments to the substitute that is now entered, that you will present additional amendments independently or somebody else will to your knowledge and with your endorsement present these amendments?

Mr. LANDRUM. If the gentleman will come back on that question, I do not believe I got quite all of it.

Mr. GOODELL. Assuming that what you and the gentleman from New Jersey [Mr. FRELINGHUYSEN] have is the substitute that you are going to present—some of those amendments are an addition to the Senate bill?

Mr. LANDRUM. Yes.

Mr. GOODELL. Are there to be more amendments?

Mr. LANDRUM. Not from the gentleman from Georgia.

Mr. GOODELL. That is the question I am asking.

Mr. LANDRUM. I cannot speak for other Members, but the gentleman from Georgia has submitted in the substitute the amendments which he read.

Mr. GOODELL. I thought that somebody referred to the possibility that you would be presenting more of them. I thank the gentleman.

Mr. FRELINGHUYSEN. Mr. Chairman, I cannot say that this time has been wasted. But I might say time could have been saved had the proponents of this legislation prepared a brief statement of what changes were proposed in the Senate bill and an analysis of the reasons why those changes are sought. It also would have been helpful, and would still be helpful, to have a brief statement of the significance of the changes made by the Senate. Without such assistance we are really grappling with a major problem almost completely in the dark.

Mr. SMITH of Virginia. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield to the gentleman from Virginia.

Mr. SMITH of Virginia. I asked the gentleman to yield, in order to ask the distinguished gentleman from Georgia if he would be willing to complete our information on the subject by going over the changes made in the Senate bill which are included. We have very poor facilities for finding out what is the difference between the substitute being read and the changes made in the substitute as offered compared to the Senate bill.

Does the gentleman understand my question?

Mr. FRELINGHUYSEN. Mr. Chairman, before I yield to the gentleman from Georgia for an answer, I wish to say I regret that I should seem to be imposing a delay on the House. At some point during our consideration of the changes made by the Senate and our consideration of the changes proposed by the gentleman from Georgia in his substitute offered 2 days ago, as well as the changes he has just now discussed, we all should be given adequate time to evaluate those changes. I am hesitant to use this device to accomplish that end.

Mr. ROOSEVELT. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield to the gentleman from California.

Mr. ROOSEVELT. May I suggest a way out? We can now go forward with what is being read as a substitute, and then have it open to amendment section by section. I believe that would enable us to get at the very things the gentleman from Virginia and the gentleman from New Jersey have discussed.

Mr. GOODELL. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield to the gentleman from New York.

Mr. GOODELL. I see no reason why the gentleman from George could not discuss this. I feel certain the gentleman from Georgia would be glad to do so. The gentleman could discuss it without getting into a debate on the merits of the changes made by the Senate. He could take some additional time now to point out the changes, as they occur, made by the Senate. Then we would have clearly before us the changes which were made in the House bill. This it would not be necessary to debate. We would not have to debate the merits. That could properly come later. I believe it would clarify the whole situation, if we had that information before us now.

Mr. PERKINS. Mr. Chairman, will the gentleman yield to me?

Mr. FRELINGHUYSEN. I yield to the gentleman from Kentucky.

Mr. PERKINS. I believe the gentleman well knows that we have the committee print before us, the comparative print. That has the changes by the Senate from the bill supported in the Rules Committee. The language is in italics. There were only some three or four amendments.

In title I, for instance, there was a provision prohibiting political discrimination and political activity, as well as another amendment.

Mr. GOODELL. Is the gentleman willing to do this? I believe we could debate it for 5 or 10 minutes, as to whether it is valid procedure, but the gentleman could do as requested in about 4 minutes.

We have one copy. We have it marked, to show where the Senate made changes and where the gentleman from Georgia [Mr. LANDRUM] made additional changes.

Mr. PERKINS. Mr. Chairman, will the gentleman yield further?

Mr. FRELINGHUYSEN. Mr. Chairman, I do not yield further at this time to the gentleman from Kentucky.

Mr. PERKINS. This is a waste of time. We all have comparative prints before us.

The CHAIRMAN. The gentleman from New Jersey declines to yield.

Mr. FRELINGHUYSEN. Mr. Chairman, I have no desire to prolong the discussion. If the gentleman from Georgia is willing to refer briefly to the substitute which he incorporated into the RECORD 2 days ago—the document to which he has been referring—and indicate what changes were made by the Senate, and indicate, also, the changes made by him to those changes, that would be helpful to us. Then we could proceed to a section-by-section discussion, on the merits, of the changes made by the Senate and on two separate occasions by the gentleman from Georgia.

Mr. LANDRUM. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield to the gentleman from Georgia.

Mr. LANDRUM. I had expected to try to carry that responsibility at such time as I may be recognized in support of my amendment. I shall try to do that at the first opportunity I am given.

Mr. FRELINGHUYSEN. Mr. Chairman, I assume even the gentleman from Georgia will be operating under the 5-minute rule when he discusses his amendment of 67 pages. I would suggest, unless he can get unanimous consent to proceed for a considerably longer time than that, we will not have the freedom then to discuss the changes. I am not suggesting we discuss the merit of those changes we have now. However, I would like to urge the gentleman to indicate what changes have been made by the Senate, and where the changes are he is proposing to those changes.

Mr. LANDRUM. To the very limit of my limited ability I will try to do so at the first opportunity I am recognized.

Mr. FRELINGHUYSEN. I regret very much that the gentleman from Georgia is now refusing to state what should be obvious to him, the nature of the changes. I am not asking whether they are good or bad or indifferent but the nature.

Mr. LANDRUM. I shall be glad to do it at any time that I am yielded to or recognized for that purpose.

Mr. FRELINGHUYSEN. I yield now to the gentleman for that purpose, because I have a feeling in 5 minutes he will not be able to give an adequate discussion of the changes and their significance. I hope the debate under the amendment process will allow us to get into that.

Mr. LANDRUM. May I proceed?

Mr. FRELINGHUYSEN. With pleasure, I might say.

The CHAIRMAN. The Chair would like to state this seems to be going on for an unduly long time. After a while we will be on the 5-minute rule, and I would like to suggest we come to some conclusion on it in Committee.

Mr. FRELINGHUYSEN. I agree with the Chair, that we come to some conclusion. At the conclusion of the remarks of the gentleman from Georgia, I intend to withdraw my reservation.

Mr. LANDRUM. Mr. Chairman, the bill passed by the other body and offered here as a substitute to our committee bill is different in some respects, but those respects are limited and very few. At the outset I shall say that there is no difference in the two bills in title I until we get to a section designated "Political Discrimination and Political Activity" included by the other body, which provides, and very briefly provides, that no officer or employee shall be questioned or have his political faiths or beliefs inquired into and no officer or employee or enrollee of the Corps shall take any active part, and which provides that the Civil Service Commission may make such investigations and reports as are necessary.

Now, in part B——

Mr. FRELINGHUYSEN. Mr. Chairman, I might say to the gentleman I am sure he does not intend to overlook the fact that section 108 and section 109 are also amendments added by the other body. Should we not recognize that there is language in section 103(a) which was also added by the other body? They are surely oversights on his part.

Mr. LANDRUM. Section 108 provides for State-operated youth camps and authorizes the Director to enter into agreements with States to assist in the operation or administration of them. It authorizes the Director further, pursuant to such regulations as he may adopt, to pay part or all of the expenses of such program.

Now, then, section 109 added a requirement for State approval of conservation camps and training centers. It provides that in carrying out the provisions of part A of this title, no conservation camp, training center, or other similar facility designed to carry out the purposes of this act shall be established within a State unless a plan setting forth such proposed establishment has been submitted to the Governor of the State and such plan has not been disapproved by him within 30 days of such submission.

Mr. FRELINGHUYSEN. My point, I might say, Mr. Chairman, is that both section 108 and section 109 were sections added by the other body.

Mr. LANDRUM. That is correct.

Mr. FRELINGHUYSEN. That is the only point I was making. I was not suggesting that the gentleman read them.

Mr. LANDRUM. That was added by the other body.

Now, in part B, insofar as what was added by the other body, there is no difference between that bill and the House committee bill.

I did point this out a moment ago in what I have submitted as a substitute, in that we had excluded political parties from participation.

Mr. FRELINGHUYSEN. The gentleman must be overlooking changes made by the other body in section 113(a)(1), where there is language "of so much of any facility" referred to in subsection (a)(1)(A).

Mr. LANDRUM. I beg the gentleman's pardon; I overlooked it.

Mr. FRELINGHUYSEN. I do not know what is the significance of that language but it is new language. I do not mean to get into a discussion of its significance.

Mr. LANDRUM. I will take up section 113.

Mr. FRELINGHUYSEN. Mr. Chairman, I am not asking that we take it up now. I am simply asking that we have attention called to the fact that some changes were made by the Senate in section 113(a)(1).

Mr. LANDRUM. The change is this——

Mr. FRELINGHUYSEN. If the gentleman wants to take it up, it is all right with me.

Mr. LANDRUM. The change from the House committee bill and the Senate-passed bill with regard to that section is this. Whereas the House bill provided for the limitation of funds used in the construction, operation, or maintenance of any facility used or to be used solely for sectarian instruction or a place for sectarian instruction or as a place of religious worship, the Senate-passed bill changes the language so that "of so much of any facility used or to be used for sectarian instruction or as a place of religious worship," instead of any place used for sectarian purposes.

Mr. GOODELL. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield to the gentleman from New York.

Mr. GOODELL. Mr. Chairman, I take it the same change was made in section 124?

Mr. LANDRUM. I had not gotten down to that section. Those sections, 113 and 124 are at pages 12 and 18 of the House bill.

Mr. GOODELL. And this prohibition here applies only to the work training and college work study.

Mr. LANDRUM. Section 123, page 17, now uses the definition of "higher education" from the Higher Education Facilities Act of 1963, instead of from the National Defense Education Act as did the House bill.

This change makes it possible to include 2-year institutions.

Section 124(f), page 20, authorizes the Director to pay up to 90 percent and 75 percent after the first year of the compensation for both on-campus and off-campus work instead of 50 percent as the House bill allowed.

The Senate bill authorizes 90 percent for the first year and 75 percent after the first year. The House bill reduced that to 70 percent. The Senate bill increased it to 75 percent.

Now we come to title II, the next difference between the two bills. The first change has reference to section 202(a)(4), page 22. That now requires as part of the community actions programs maximum feasible participation of public agencies and private nonprofit organizations primarily concerned with the community's problems of poverty.

The next change is at section 209(c). That adds a completely new paragraph.

The Senate provision provides that:

> No contract, agreement, grant, loan, or other assistance shall be made with, or provided to, any State or local public agency or any private institution or organization for the purpose of carrying out any program, project, or other activity within a State unless a plan setting forth such proposed contract, agreement, grant, loan, or other assistance has been submitted to the Governor of the State, and such plan has not been disapproved by him within thirty days of such submission:

Mr. FRELINGHUYSEN. Mr. Chairman, in order to save time, I wonder if the gentleman from Georgia would not simply refer to the sections and the portions thereof instead of reading verbatim the language. If we have the language in front of us, we can follow the gentleman and can get on with the business of considering this matter.

Mr. LANDRUM. I would be glad to.

This change in the Senate bill from the House bill adds paragraph (c) which does just what we said.

Now, it is in this section that this substitute which I have offered at the desk does make a substantial and significant change.

Does the gentleman want to discuss that now or later?

Mr. FRELINGHUYSEN. I am not sure I heard the gentleman correctly. Which section is he referring to?

Mr. LANDRUM. 209(c), the one we just talked about.

Mr. FRELINGHUYSEN. I do not want the gentleman to discuss it now. We will probably have much to talk about later.

Mr. LANDRUM. That was added by the other body, and I have a change in that.

Now, the next change is in title II at pages 30 and 39. It has been changed so that people 18 years and older are eligible for adult training instead of the language that was in the House amendment.

The next one is a new part C which is the voluntary assistance program for needy children under title II. This occurs at pages 39 and 40 of the bill.

Mr. FRELINGHUYSEN. May I ask the gentleman if he is referring to sections 219, 220, and 221?

Mr. LANDRUM. I am referring to sections 219 and 220. Section 221 is not included.

Mr. FRELINGHUYSEN. Sections 219 and 220 were provided by the other body?

Mr. LANDRUM. Yes. Now, in title III, part A, section 302(a)(1) at page 41—I beg your pardon—changed the grants to loans.

Mr. FRELINGHUYSEN. As I understand it, and the gentleman can correct me if I am wrong—the gentleman is referring to section 302(a)(1)?

Mr. LANDRUM. That is correct.

Mr. FRELINGHUYSEN. The first three lines which carry the two references to loans previously, here refer to grants?

Mr. LANDRUM. Yes.

Then the next change included in that section 302(b).

Mr. FRELINGHUYSEN. I believe there was a minor change just prior to that, "loans to such families to finance nonagricultural enterprises."

I believe that language is slightly different, immediately before section 302(b); the three lines immediately before section 302(b), I think, were added by the other body.

Mr. LANDRUM. Those lines were added by the other body.

Now, the next one is section 303 which was stricken in its entirety by the other body.

Then the language in part C, title III of section 321 has been changed, authorizing $35 million instead of the original $50 million.

Now, the next one is a new part D added by the other body which is the indemnity payments to dairy farmers. That was in the House bill.

Mr. FRELINGHUYSEN. Does the gentleman feel that section 331(a) is germane to a poverty bill?

Mr. LANDRUM. I am sorry, but I did not hear the gentleman.

Mr. FRELINGHUYSEN. Does the gentleman feel that section 331(a) is germane to this economic opportunities bill?

Mr. LANDRUM. The gentleman does not desire to discuss that at this time, if the gentleman would permit me to pass over that, and go along.

The next change is in title IV, section 402, the maximum amount of the loans authorized has been raised from $15,000 to $25,000.

Then a new section 406 has been added as a new section 406.

The next change is in title VII which has been changed to authorize one Deputy Director and three Assistant Directors of the Office of Opportunity instead of four Deputy Directors. That is 601(a).

The next change is in 601 (c), (d), and (e), which establishes the rate of compensation.

Then a new subsection 602(m) has been added to make certain funds available for printing, and so forth.

Then the other body added a new section 701, which has to do with what we were talking about a little while ago. Those are the differences between the House committee bill and the bill passed by the other body.

Mr. FRELINGHUYSEN. I thank the gentleman for his cooperation in explaining the significance of the substitute which he has offered.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield to the gentleman from Indiana.

Mr. HALLECK. I would like to ask the gentleman from Georgia a question or two. The gentleman has just detailed a great number of changes that have been made in the substitute he has offered.

Mr. LANDRUM. No, sir; I beg your pardon. I have not detailed the changes I have made, sir; I have detailed the changes made between the House committee bill and the bill which I have offered as a substitute.

Mr. HALLECK. Have you not also made some changes in the text of the measure that was presented by you some 2 days ago?

Mr. LANDRUM. Yes; we have and I have explained those.

Mr. HALLECK. Does anybody have a copy of that except the one copy that is here?

Mr. LANDRUM. Not that I know of.

Mr. HALLECK. As I understand the rules of the House, the substitute that you have offered, if it should prevail, would then come on for a vote in the House—first in committee, then in the House.

Can you tell me how we go about trying to amend this bill that you have offered as a substitute with the changes that have been made? To what reference would we make as to page and line in any amendment we offered?

Mr. LANDRUM. The gentleman has been a Member of this House, a very distinguished Member of this House, for a much longer period than I have, but in the short period I have been here I have seen the gentleman do that many, many times.

Mr. HALLECK. When we offered what came to be the Landrum-Griffin bill as a substitute, was that not printed and circulated, and the text of it adhered to as it came to a vote?

Mr. LANDRUM. In that instance the bill was introduced as a separate bill entirely from the bill reported out of the committee.

Mr. HALLECK. But there were no changes made after it was presented?

Mr. LANDRUM. I do not recall.

Mr. HALLECK. Well, I recall, and I am quite sure there were none because everybody knew what the text of it was, and anybody could offer an amendment to a title or section number.

Mr. LANDRUM. I will say to the gentleman there are no substitutes or significant changes except as have been noted. The only real change involved is that we have extended the veto power of the Governor of a State, not only to private agencies, as was the case in the bill from the other body, but public agencies as well. Beyond that there is no real, significant change. The forgiveness feature has been stricken.

Mr. HALLECK. That makes the point I was about to make. It does make changes. I have sat here and listened to the gentleman tell about changes in the different sections.

When an amendment is offered you have to refer to a particular place in the bill. In my opinion I would say in this substitute certain of the proponents of this measure are begging the question because here we are with a bill that the committee has never considered. Now we are confronted with considering a substitute which for all intents and purposes is to be considered as an original bill and open for amendment. If anybody can find out for sure where amendments may be offered, he is smarter than I am.

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Mr. FRELINGHUYSEN. I have been worried about this problem for 2 days. I have raised the question of how to offer amendments. I was also hoping against hope we would have mimeographed copies of the substitute when it was offered so we might have something concrete to start from.

I was hoping we would get some explanation of the meaning of the changes in the committee bill. If we had not wasted, or at least spent, 2 hours in discussing the pros and cons of just what is now being offered, we would be obliged to do this under the 5-minute rule. This would seem to make for an impossible situation. Surely this would indicate very clearly that our own Committee on Education and Labor has a very pressing responsibility to come up with legislation which would command attention. A bill would be before us in printed form and would be a bill which a House committee reported. Of course, the printed report now available does not apply to this substitute. We are groping in almost complete darkness as a consequence of the unnecessary and unadvisable action or inaction by the proponents of this poverty item.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield to the gentleman from Indiana.

Mr. HALLECK. I know a great many people here in this body think that there are some political potentials in this bill, but I would just like to point out that, No. 1, it is obvious that the vote-getting possibilities are——

Mr. THOMPSON of New Jersey. Mr. Chairman, I demand the regular order.

Mr. HALLECK. I thought it was about time.

Mr. THOMPSON of New Jersey. I might point out——

Mr. HALLECK. Just a minute. The gentleman demanded the regular order. The regular order is, Is there objection?

Mr. FRELINGHUYSEN. Mr. Chairman, I continue my reservation.

Mr. HALLECK. He demanded the regular order.

Mr. HALL. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HALL. In the opinion of the Chair, on the reading of the substitute with the changes and/or withdrawal of changes, will the substitute be in order for amendment at any point or by section and open under the 5-minute rule?

The CHAIRMAN. The Chair would state that once the reading has been dispensed with the amendment will be open for amendment at any point.

Mr. HALL. By title or by section?

The CHAIRMAN. By title or by section.

Mr. FRELINGHUYSEN. If I may renew my reservation——

Mr. HALLECK. If the regular order is demanded, then of course the regular order is, Is there objection? If the regular order is not demanded, then I will ask the gentleman to yield.

Mr. FRELINGHUYSEN. I yield to the gentleman from Indiana.

Mr. HALLECK. All I can say is that here we have a measure that has some political overtones, to say the least.

Here we are, attempting to legislate in an information vacuum. Proposals are being offered which the membership has had little or no opportunity to read, let alone study.

All of these proposals involve the expenditure of millions and millions of dollars of the taxpayers' money.

This is a major raid on the Treasury of the United States, with no adequate opportunity for those of us who oppose such action to voice our protests.

This is vote-bait legislation of the worst order—unwise, unnecessary, and unworkable. It is designed primarily to shovel out public funds for partisan benefit.

It is my considered judgment that had the House of Representatives been allowed to work its will on this piece of legislation without the unprecedented pressures that have been applied by administration sources the matter now before us would be decisively defeated.

I do not think what is happening here today will be lost on the vast majority of American taxpayers. I think they are fed up with this sort of operation and that they will make their voices heard on that score in no uncertain terms.

The CHAIRMAN. The gentleman demanded the regular order. Is there objection?

Mr. FRELINGHUYSEN. I withdraw my reservation of objection to the request of the gentleman from Georgia.

Mr. WILLIAMS. I object, Mr. Chairman.

Mr. HARDY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HARDY. Would it be in order to ask unanimous consent, or whatever it might take, for the benefit of those who do not serve on the committee, that amendments to the amendment be presented by section or by title? I have been listening to this argument for a long time, and I cannot follow it.

The CHAIRMAN. The Chair has no control over how amendments are offered.

Mr. HARDY. I ask the Chair if it would be in order to ask unanimous consent? If the Chair says it would not be in order, I cannot ask it.

The CHAIRMAN. That is not a parliamentary inquiry. The gentleman from Georgia would have to respond.

Mr. HARDY. Mr. Chairman, I do not quite understand. The Chair ought to be able to rule whether it would be in order for me to make a unanimous-consent request.

The CHAIRMAN. The Chairman will put the request, but the Chair cannot enforce the request.

Mr. HARDY. I did not expect the Chairman to do that, but if the Chair will permit I will ask unanimous consent that as the amendment is read it be open to amendment section by section.

The CHAIRMAN. It is already open for amendment by section or by title.

Mr. HARDY. The amendment is open to amendment by section?

The CHAIRMAN. Absolutely. The Chair just stated that.

Mr. HARDY. I did not understand the Chair's ruling a moment ago.

The CHAIRMAN. The Clerk will read.

The Clerk resumed the reading of the amendment.

Mr. LANDRUM. Mr. Chairman, I ask unanimous consent that further reading of the amendment be dispensed with.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

Mr. HARDY. Mr. Chairman, reserving the right to object, I wonder if we could have an understanding—I assume amendments will be offered to this thing—if there are to be amendments, and I would not object if we could understand that we will take up the amendments section by section. But if we are going to have this new bill opened up so that the last section can be amended first, and then innumerable amendments can be offered anywhere, it is not going to be possible for us ordinary run-of-the-mill Members to follow this. If we could have this thing amended, section by section, I shall not object; otherwise, I shall.

The CHAIRMAN. The Chair will inform the gentleman that, once the reading of the substitute amendment is dispensed with, the amendment will be open for amendment at any point or at any section in the bill.

Mr. HARDY. If the Chairman will permit me to make this observation, that is just exactly the thing I am objecting to, if we are going to be permitted to amend the last section first.

The CHAIRMAN. The Clerk will read.

The Clerk continued the reading of the amendment.

Mr. GRIFFIN (interrupting the reading of the amendment). Mr. Chairman, I ask unanimous consent that further reading of the bill be dispensed with.

Mr. HARDY. Mr. Chairman, reserving the right to object, I will not object if I can get unanimous consent that the amendment be amended by sections as though it were an original bill, and I ask unanimous consent that that be done.

Mr. FRELINGHUYSEN. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Just a moment. The gentleman from Virginia [Mr. HARDY] has asked unanimous consent that the bill be considered section by section for amendment. Is there objection?

Mr. FRELINGHUYSEN. Mr. Chairman, reserving the right to object, I reserve the right to object, Mr. Chairman, because I am wondering, from a parliamentary situation, is it possible to allow a substitute to be considered section by section whether or not the membership agrees?

The CHAIRMAN. The Chair will state only by unanimous consent.

Mr. FRELINGHUYSEN. Mr. Chairman, I withdraw my reservation.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

Mr. LANDRUM. I object.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan [Mr. Griffin]?

Mr. HARDY. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard. The Clerk will read.

The Clerk resumed the reading of the amendment.

Mr. GROSS (interrupting the reading of the amendment). Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. GROSS. At what point is the Clerk reading? Is he reading section 123?

The CHAIRMAN. The Clerk states he is reading on page 17.

Mr. GROSS. I have no bill.

Mr. JOHANSEN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. JOHANSEN. At what section is the Clerk reading?

The CHAIRMAN. Section 124 of the amendment of the gentleman from Georgia.

Mr. GROSS. Well, Mr. Chairman, I make the point of order that section 123 has not been read.

The CHAIRMAN. The gentleman makes the point of order that section 123 has not been read. The Clerk states it has been read. The Clerk will read.

The Clerk resumed the reading of the amendment.

Mr. FRELINGHUYSEN (interrupting the reading of the amendment). Mr. Chairman, I ask unanimous consent that further reading of the gentleman's amendment be dispensed with.

Mr. ARENDS. Mr. Chairman, reserving the right to object, what was the gentleman's request?

Mr. FRELINGHUYSEN. Mr. Chairman, I ask unanimous consent that further reading of the gentleman's amendment be dispensed with.

Mr. ARENDS. At the present time I object.

The CHAIRMAN. The Clerk will read.

The Clerk resumed the reading of the amendment.

Mr. ROBISON (interrupting reading of the amendment). Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN (Mr. Mills). The gentleman will state his parliamentary inquiry.

Mr. ROBISON. Mr. Chairman, I would like to know what page and what section the Clerk is reading.

The CHAIRMAN. Section 206 of the amendment.

The Clerk resumed the reading of the amendment.

Mr. GIBBONS (interrupting the reading of the substitute amendment). Mr. Chairman, I ask unanimous consent that the substitute amendment be considered as read.

The CHAIRMAN. Is there objection?

Mr. HALLECK. Mr. Chairman, reserving the right to object, most of us do not know what is in this substitute. I object.

The CHAIRMAN. Objection is heard. The Clerk will read.

The Clerk resumed the reading of the substitute amendment.

Mr. GROSS (interrupting the reading of the amendment). Mr. Chairman, I insist that the Clerk read the bill.

The CHAIRMAN (Mr. Mills). The portion of the last section to which the gentleman from Iowa refers was stricken by the author of the amendment. The Clerk has read the bill. The Clerk will read.

Mr. GROSS. Mr. Chairman, a parliamentary inquiry. How in the world do we follow this bill when we have nothing to go by?

The CHAIRMAN. I would suggest to the gentleman all of us listen to the reading of the amendment and we will then have a better understanding of the amendment. The Clerk will read.

The Clerk resumed the reading of the amendment.

Mr. SMITH of Virginia (interrupting the reading of the amendment). Mr. Chairman, I ask unanimous consent that further reading of the amendment be dispensed with.

The CHAIRMAN (Mr. Mills). Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. SMITH of Virginia. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. SMITH of Virginia. For some time now we have been discussing the parliamentary situation with respect to amendments that might be offered to the substitute which has just been read.

Now, Mr. Chairman, I have here the Senate bill and I have an extra issue of the Congressional Record which is supposed to contain the amendment that was supposed to have been read.

Those of us who have discussed this thing on the floor are so confused we do not know where we are or what we can do about amending this piece of legislation. I assume we will proceed by the printed matter that appeared a couple of days ago in the Congressional Record. If we do, and one wishes to offer an amendment, how is he going to identify his amendment and tie it to the proper place and the proper section of a bill that has no lines in it?

The CHAIRMAN (Mr. Mills). Permit the Chair to suggest to the gentleman from Virginia that the clerks can assist anyone desiring to offer an amendment to the pending amendment with respect to the particular place in the pending amendment where such an amendment would lie.

Mr. SMITH of Virginia. How would he draft his amendment in order to tie it into the bill? I do not want to leave it to the guess of the reading clerk.

The CHAIRMAN. That is not what the Chair referred to. The amendment which has been read has a page and line in it, and if the gentleman from Virginia has an amendment he desires to offer, the amendment would be offered to that page and to that line of the pending amendment.

Mr. SMITH of Virginia. Then do I understand what has been read has been the Senate bill?

The CHAIRMAN. With certain modifications as developed by the gentleman from Georgia.

Mr. SMITH of Virginia. Is this the document that was read, so we will know?

The CHAIRMAN. The Chair cannot answer that, and does not know what document the gentleman has in mind.

Mr. SMITH of Virginia. I have the Senate bill, 2642. Was that read, or was this other extract from the Congressional Record read?

The CHAIRMAN. The Chair would suggest that is an inquiry that should be directed to the author of the amendment rather than to the Chair.

Mr. SMITH of Virginia. I am trying to find out what we do with amendments. That is a parliamentary inquiry properly addressed to the Chair.

The CHAIRMAN. The Chair has advised the gentleman from Virginia that the amendment has pages and lines, and amendments offered to the amendment will be offered to those pages and to those lines where the amendment would properly be appropriate.

Mr. SMITH of Virginia. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

> Mr. Smith of Virginia moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken.

Mr. SMITH of Virginia. Mr. Chairman, we have been discussing under general debate for 2 days a bill. Members of this House did not understand that bill very well. This morning we are presented with an entirely different substitute that amends the House bill, and to that is added certain amendments made by the Committee that further amend the House bill, and that are printed in the Record.

Then on top of that the Committee proposes to offer further amendments which have not been printed, and which we do not know what they contain.

This is an important bill. Everyone should have the opportunity to know what we are doing before we do it. I venture the assertion that not over five members of the Committee on Education and Labor understand what we are doing. I heard one member, a very prominent member of that committee, say that they did not know.

Are we going to pass this bill in this shape, when practically every Member of the House is not informed as to what he is doing, where even with the lucid explanation given me by the Chair in response to my parliamentary inquiry a moment ago I still do not know how to offer an amendment and you do not know how to offer an amendment? How are you going to tie your amendments in if the Committee offers some more amendments? This being a substitute, you cannot offer an amendment to that.

We have got ourselves tangled up here in a parliamentary situation that we just ought not to pursue. I think if we go back and give the leadership of this

House a little opportunity to let the common Members of this House know what is going on, maybe then we may have an adequate understanding of what we are going to do.

Mr. LANDRUM. Mr. Chairman, I rise in opposition to the preferential motion.

Mr. Chairman, this bill, this substitute, and this amendment have been debated for 2 days. There is no Member of this body who has not had ample opportunity to read every line and study every provision in this substitute bill. The substitute which has been offered was passed by the other body. The only changes between the Senate-passed bill and the amendment which is here for us to consider are these:

No political party can have any political funds for the work-training program. Neither can community-action programs have any funds for any political party.

Whereas the other body provided in its version of the bill that the veto power would extend to a Governor for contract agreements, or loans or assistance to private organizations, this substitute is amended to extend that veto power to public agencies also.

In addition to that, we provide in the substitute bill that there is no forgiveness feature for the $1,500 loan to farmers in title III. We also strike the provision included by the other body relating to unemployment compensation, and that has been discussed thoroughly here.

There is no Member that has not had ample opportunity to read this substitute bill, including my dear, beloved, and distinguished friend from Virginia. The bill has been printed in the RECORD, and committee prints have been available. Comparative prints have been available to every Member of this body, both majority and minority. Every Member has had opportunity to read and understand all the provisions in the bill we have under consideration.

The only differences between the House Committee on Education and Labor bill and the substitute we have under consideration are those differences or changes enumerated, in which political parties are prohibited from participating and in which the Governors' veto power over community-action programs and over programs in title I are extended to public agencies as well as private agencies, and the provision striking the Director's authority to forgive loans.

Those are the only differences between the Senate passed bill and the House committee bill.

We have a situation here that involves a tremendously important measure, and it is important to this Nation that we do something about this problem. I ask that this motion be voted down.

The CHAIRMAN. The question is on the motion offered by the gentleman from Virginia [Mr. SMITH].

Mr. HALLECK. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. LANDRUM and Mr. SMITH of Virginia.

The Committee divided, and the tellers reported that there were—ayes 170, noes 135.

So the motion was agreed to.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. RAINS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 11377) to mobilize the human and financial resources of the Nation to combat poverty in the United States, had directed him to report the bill back to the House with the recommendation that the enacting clause be stricken out.

The SPEAKER. The question is on the recommendation of the Committee of the Whole House on the State of the Union that the enacting clause be stricken out.

Mr. LANDRUM. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 197, nays 225, not voting 9, as follows:

[Roll No. 212]

YEAS—197

Abbitt
Abele
Abernethy
Adair
Alger
Anderson
Andrews, Ala.
Andrews, N. Dak.
Arends
Ashbrook
Ashmore
Auchincloss
Avery
Ayres
Baker
Barry
Bates
Battin
Becker
Beermann
Belcher
Bell
Bennett, Fla.
Berry
Betts
Bolton, Frances P.
Bolton, Oliver P.
Bow
Bray
Brock
Bromwell
Broomfield
Brotzman
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Bruce
Burleson
Burton, Utah
Byrnes, Wis.
Casey
Cederberg
Chamberlain
Chenoweth
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Collier
Colmer
Conte
Cramer
Cunningham
Curtin
Curtis
Dague
Derounian
Derwinski
Devine
Dole
Dorn
Dowdy
Downing
Ellsworth
Findley
Fisher
Flynt
Ford
Foreman
Forrester
Frelinghuysen
Gathings
Glenn
Goodell
Goodling
Grant
Griffin
Gross
Grover
Gubser
Gurney
Hagan, Ga.
Haley
Hall
Halleck
Hardy
Harris
Harrison
Harsha
Harvey, Ind.
Harvey, Mich.
Herlong
Hoeven
Hoffman
Horan
Hosmer
Huddleston
Hutchinson
Jarman
Jensen
Johansen
Johnson, Pa.
Jonas
Keith
Kilburn
King, N.Y.
Knox
Kunkel
Kyl
Laird
Langen
Latta
Lipscomb
Lloyd
McClory
McCulloch
McIntire
McLoskey
McMillan
MacGregor
Mailliard
Marsh
Martin, Calif.
Martin, Mass.
Martin, Nebr.
May
Meader
Michel
Miller, N.Y.
Minshall
Morse
Morton
Mosher
Murray
Nelsen
Osmers
Ostertag
Pelly
Pike
Pillion
Pirnie
Poff
Pool
Quie
Quillen
Reid, Ill.
Reifel
Rhodes, Ariz.
Rich
Riehlman
Roberts, Ala.
Robison
Rogers, Fla.
Rogers, Tex.
Roudebush
Rumsfeld
St. George
Schadeberg
Schenck
Schneebeli
Schweiker
Schwengel
Scott
Selden
Short
Shriver
Sikes
Skubitz
Smith, Calif.
Smith, Va.
Snyder
Springer
Stinson
Taft
Talcott
Teague, Calif.
Thomson, Wis.
Tollefson
Tuck
Utt
Van Pelt
Waggonner
Wallhauser
Watson
Weaver
Westland
Whalley
Wharton
Whitten
Widnall
Wilson, Bob
Williams
Wilson, Ind.
Winstead
Wydler
Wyman
Younger

NAYS—225

Addabbo
Albert
Ashley
Aspinall
Baldwin
Barrett
Bass
Blatnik
Boggs
Boland
Bolling
Bonner
Brademas
Brooks
Brown, Calif.
Buckley
Burke
Burkhalter
Burton, Calif.
Byrne, Pa.
Cahill
Cameron
Carey
Celler
Chelf
Clark
Cohelan
Cooley
Corbett
Corman
Daddario
Daniels
Davis, Ga.
Davis, Tenn.
Dawson
Delaney
Dent
Denton
Diggs
Dingell
Donohue
Dulski
Duncan
Dwyer
Edmondson
Edwards
Elliott
Everett
Evins
Fallon
Farbstein
Fascell
Feighan
Finnegan
Fino
Flood
Fogarty
Fountain
Fraser
Friedel
Fulton, Pa.
Fulton, Tenn.
Fuqua
Gallagher
Garmatz
Gary
Giaimo
Gibbons
Gilbert
Gill
Gonzalez
Grabowski
Gray
Green, Oreg.
Green, Pa.
Griffiths
Hagen, Calif.
Halpern
Hanna
Hansen
Harding
Hawkins
Hays
Healey
Hébert
Hechler
Henderson
Holifield
Holland
Horton
Ichord
Hull
Jennings
Joelson
Johnson, Calif.
Johnson, Wis.
Jones, Ala.
Karsten
Karth
Kastenmeier
Kee
Kelly
Keogh
Kilgore
King, Calif.
Kirwan
Kluczynski
Kornegay
Landrum
Leggett
Lesinski
Libonati
Lindsay
Long, La.
Long, Md.
McDade
McDowell
McFall
Macdonald
Madden
Mahon
Mathias
Matsunaga
Matthews
Miller, Calif.
Milliken
Mills
Minish
Monagan
Montoya
Moore
Moorhead
Morgan
Morris
Morrison
Moss
Multer
Murphy, Ill.
Murphy, N.Y.
Natcher
Nedzi
Nix
O'Brien, N.Y.
O'Hara, Ill.
O'Hara, Mich.
O'Konski
Olsen, Mont.
Olson, Minn.
O'Neill
Patman
Patten
Pepper
Perkins
Philbin
Pickle
Pilcher
Poage
Powell
Price
Pucinski
Purcell
Rains
Randall
Reid, N.Y.
Reuss
Rhodes, Pa.
Rivers, Alaska
Rivers, S.C.
Roberts, Tex.
Rodino
Rogers, Colo.
Rooney, N.Y.
Rooney, Pa.
Roosevelt
Rosenthal
Rostenkowski
Roush
Roybal
Ryan, Mich.
Ryan, N.Y.
St Germain
St. Onge
Saylor
Secrest
Senner
Sheppard
Shipley
Sibal
Sickles
Sisk
Slack
Smith, Iowa
Staebler
Stafford
Staggers
Steed
Stephens
Stratton
Stubblefield
Sullivan
Taylor
Teague, Tex.
Thomas
Thompson, La.
Thompson, N.J.
Thompson, Tex.
Toll
Trimble
Tupper
Tuten
Udall
Ullman
Van Deerlin
Vanik
Vinson
Watts
Weltner
White
Whitener
Wickersham
Willis
Wilson, Charles H.
Wright
Young
Zablocki

NOT VOTING—9

Baring
Beckworth
Bennett, Mich.
Jones, Mo.
Lankford
Lennon
Norblad
Passman
Siler

So the recommendation of the Committee of the Whole that the enacting clause be stricken out was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Lennon for, with Mr. Beckworth against.

Mr. Passman for, with Mr. Lankford against.

Until further notice:

Mr. Baring with Mr. Siler.

The result of the vote was announced as above recorded.

The SPEAKER. Under the rules of the House, the House will resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 11377) to mobilize the human and financial resources of the Nation to combat poverty in the United States.

PARLIAMENTARY INQUIRY

Mr. HALLECK. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state the parliamentary inquiry.

Mr. HALLECK. Mr. Speaker, in view of the fact that the motion to strike the enacting clause was carried in Committee of the Whole, under the rules of the House does further consideration of the bill continue in the House or do we return to the Committee of the Whole?

The SPEAKER. The rule is specific on that point.

Whenever a bill is reported from a Committee of the Whole with an adverse recommendation and such recommendation is disagreed to by the House, the bill shall stand recommitted to the said Committee without further action by the House.

The Committee will resume its sitting.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 11377, with Mr. RAINS in the chair.

The CHAIRMAN. The Chair recognizes the gentleman from Georgia in support of his amendment.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. LANDRUM. I yield to the gentleman from Texas.

Mr. POAGE. I should like for the RECORD to show at this time that our colleague, the gentleman from Texas [Mr. BECKWORTH] is absent at this time on account of the death of his stepmother, and that, had he been present, he would have voted to sustain the bill. He would have also voted for the resolution passed this morning supporting the action of the President.

Mr. LANDRUM. Mr. Chairman, this substitute amendment, may I say again as earnestly and emphatically as I know how, provides that no Job Corps conservation camp or youth conservation camp, can be established within a State without the plan for such having first been submitted to the Governor of that State and not having been, within 30 days from the submission thereof, disapproved by him.

This amendment, moreover, provides that no political parties can get any benefits from any funds appropriated under the authorization of this bill.

The amendment provides further that no grant or loan under this bill to any community organization plan can be paid to that organization—nor can any assistance be given to that organization—until the plan proposed by the organization and approved by the Director has first been submitted to the Governor of the State wherein that plan is to be carried out by that community organization, whatever it is, and the Governor of that State has not within 30 days disapproved that plan.

That does not apply only to a private organization, but, moreover, no community action plan can be entered into and no agreement can be made—no loan, no grant, no participation whatever—even with a public agency of a State until the plan has first been submitted to the Governor of that State and the Governor has not, within 30 days, disapproved of such plan.

How much more local control can you get into a bill?

No action can occur in the Job Corps or the community action section—if this bill passes, unless first the plan has been submitted to the Governor of the State and he has not, within 30 days from the submission thereof, vetoed it.

The criticism offered by the opposition is that this is a centralization of authority to take over activities in the States and subdivisions of the States by organizations established at random.

That simply is not the case, because the proviso in section 209 paragraph (c) provides specifically what I have said. Moreover, in title III where there is authority for a grant of $1,500 to a farm family which cannot meet the requirements of other farm programs under FHA, the provision put in by the other body giving authority to the Director to forgive a loan under this title has been stricken by this amendment.

Again I say to the satisfaction of those who are concerned about the unemployment compensation provision, section 701 of title VII has been stricken by this amendment. There simply is not any other way to control the programs under this bill at the local level than we have provided here. Nothing can take place in Louisville, Ky., or Atlanta, Ga., or New York City without first that plan having been submitted to the respective Governors of those States and those Governors within 30 days have not disapproved.

Mr. FRELINGHUYSEN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, obviously it is impossible in 5 minutes—and I shall not request unanimous consent to continue for any longer—to discuss a substitute of 67 pages which is not available in a form which Members can see and which they can evaluate and about which they can come to their own conclusions.

With respect to this so-called Governors veto, the language which the gentleman from Georgia suggests makes even worse what the other body approved. In no way does this language modify the objections which many of us have to the so-called community action programs. My alternative program would establish responsibility in the States for developing State plans and for the States to determine priority needs in this field of poverty.

This so-called veto by Governors would allow a Governor to forbid a federally financed project to come into his State, without giving any reasons for his veto. It does absolutely nothing, despite what the gentleman from Georgia has just said, to give the local community any control at all. The gentleman from Georgia says, how much more local control could you ask for than this? This proposal gives the communities no local control. The mayor of the city of New York said that if we are going to have community action programs, there should be some governmental responsibility for the handling of the poverty funds in that community. The fact that a Governor has the veto establishes no sense of responsibility, or of participation of any kind. It is impossible—but perhaps nobody cares—adequately and seriously to evaluate the significance of such a veto. It is my feeling that you could not improve the community action program by such a limitation on the power of the Director. It would only be a negative power, probably acted upon or quite possibly acted upon, because a Governor would not like to see a federally financed program which does not practice discrimination in his State, or which for other reasons does not meet the standards which he may set up. This would not be the kind of participation in any sense that we talk about. This is why we oppose a new Federal agency with unlimited power to pick and choose the nature of the projects, whether private or public. The limitation offered by the Senate would be surely more wise than the one now proposed. Theirs would say that the Governor would have a veto with respect to assistance to private agencies only.

It would prevent a private agency, which might well not be representative of the community, from getting funds unless somebody at a level other than the Federal gave the green light. However, it would seem very unwise that there could not be a direct Federal grant to a public community agency unless approval had been given at the Federal level. Why do I say that? I say that for a very practical reason. Mayor Daley, of Chicago, and also the Governor of North Carolina testified that if we are to make sense in the expenditure of public money we must have some sense of responsibility both on the State and local level. Obviously responsibility cannot be exercised by a simple veto by a Governor.

A veto does not in any way pull in either the State or the local government. There is a deliberate exclusion of both levels. It would also be a serve limitation, as the New York Times in its editorial brought out this morning, on what might be a basic justification for this kind of Federal power to provide some financial assistance to assist in these poverty projects. Such a veto would provide a purely arbitrary limitation, without any suggestion as to where the money should go, by the chief executive of the State.

I wish there were more time to discuss the many, many other provisions in this bill, but I can see that there is going to be no opportunity either to ask questions about the changes made by the Senate or the changes since proposed by the gentleman from Georgia. I can just say, with all the strength at my command, that we should take a better look at this legislation. It is getting late in the day, and this is Friday, and we are obviously not going to have time for an adequate discussion.

Mr. ROOSEVELT. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, we are now going over exactly the same ground we went over yesterday. It seems to me very clear what the gentleman from Georgia has done is simply to try to make abundantly clear that this community action program is a Federal, a State, and a community program. The gentleman from New Jersey suggests that he has an alternative program. There indeed might be a lot of alternative programs, but the basic facts are that this is the considered judgment of both the other body and this body together.

It seems to me beyond any question that what the gentleman from Georgia has proposed to us very definitely improves the bill. I trust that we may go forward now with such amendments as individual Members may wish to offer and that we will not go over the same ground which we have been over, over, and over again.

At this point, Mr. Chairman, I yield to the gentlelady from Oregon [Mrs. GREEN].

Mrs. GREEN of Oregon. Mr. Chairman, I thank the gentleman from California. I take this time to direct a question both to the gentleman from California and also to the distinguished gentleman from Georgia, the author of the bill.

In the committee it was agreed—and in the committee report it was emphasized—that at least one-third of the Job Corps positions would be made available to girls. I am very much disturbed over a memorandum from downtown dated July 7, 1964, which said that there would be "2,000 or 4,000 enrollees in small women's training units of 100 or so enrollees each." This is not my understanding of the bill, that the Job Corps enrollees would be limited to 2,000 to 4,000 girls the first year or any year; rather one-third of the total Job Corps places shall be for girls. And we hope that in the first year that that will be about 40,000 Job Corps enrollees which would mean about 12,000 or 13,000 places for young women. About 50 percent of the school dropouts are girls.

What is the understanding of the gentleman from California and also that of the distinguished gentleman from Georgia?

Mr. ROOSEVELT. May I yield to the gentleman from Georgia first to answer the gentlelady's question.

Mr. LANDRUM. It is my understanding that in the report the committee did suggest that one-third of the Job Corps would be composed of young women.

Mr. ROOSEVELT. I say to the gentleman from Georgia that I completely agree with him, and I think it makes the legislative record very clear. I imagine attention will be paid to this by the Director.

Mr. QUIE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, when the gentleman from Georgia explained the amendments which he included in his substitute to the bill of the other body, which was a substitute to the bill reported out of our committee, one of the amendments was to title III to remove the authority which was put in the bill in the other body which would permit the Director to reduce or release obligations resulting from the loans which would be granted under this title. By striking that language it appeared that he took the authority away from the Director to forgive the loans in title III. But, that is not the case.

Mr. Chairman, if the members of the Committee will turn to section 602, subsection (l), you will find that the Director has the authority, has had it since the bill was first drafted, "To compromise all obligations to him." This means that he can grant the loans and then turn around and forgive them.

Mr. Chairman, there was no necessity for that language which was stricken. It was already in the bill in section 602(l).

Mr. Chairman, to those members of the Committee who feel that the objectional features to title III have all been removed, it is my opinion that they ought to read subsection (k) as well as (l), because this permits the Director, notwithstanding any other provision of law relating to acquisition handling and disposal of real or personal property in the United States to deal with, manage, rent, renovate, modernize, or sell for cash or credit at his discretion any properties acquired by him at any other location, and if he makes a loan to someone who cannot repay it and he must foreclose on it, he is not controlled by any of the laws which anyone else in the Federal Government must abide by. But, he has the carte blanche authority to dispose of and utilize this property in any way he wants, further indicating that this entire legislation gives complete and unprecedented authority to the Director.

We have never given anyone that kind of authority in any other program.

Mr. Chairman, this is just one section in title III that I want to point out because the members of the Committee may get the impression that the objectionable features have been removed from this bill.

The subsections 602 (k) and (l) give the Director so much power and authority, so much leeway, that he is not governed by the laws that we now have affecting the executive branch of our Government in order that they may handle judiciously anything they acquire, real or personal property, or in the granting of plans. He can forgive any loan under title III and title IV and any property he acquires can be utilized and disposed of at his whim.

Mr. BARRY. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield to the gentleman from New York.

Mr. BARRY. I thank the gentleman for yielding.

Mr. Chairman, I rise in opposition to the so-called antipoverty bill, H.R. 11377.

As long as poverty exists in America, our goal should be to create new opportunity for the less fortunate. The decision, therefore, is not whether to pursue a war on poverty but how to achieve this objective. Each segment of the country has a stake in this goal and should not be bypassed. The problem is so diverse and complex that every resource of the Federal Government, the States, communities, voluntary organizations, businesses, and the individual are needed for a well-coordinated effort. However, these factors have been overlooked in the administration's bill, H.R. 11377, which this body is considering today.

Specifically, the result of H.R. 11377 is an ill-conceived approach to the problems of poverty in America. The bill duplicates existing programs at extraordinary costs to the taxpayer. It ignores the commitment of the enormous resources needed to meet the problems of the poor.

A sweeping antipoverty plan was to be formulated on a nonpartisan basis on the assumption that poverty knows no political affiliation. But, because of political ambitions in a presidential election year, the war on poverty was bogged down by totalitarian methods and fragmentation of effort. As it now stands, the present bill proposes no new, overall solutions. The machinery the bill authorizes is already available through existing Federal laws. At this time there are 12 Federal departments and agencies administering 53 different programs to combat poverty with a budget for 1965 set at $31.8 billion. If the Nation is to meet the poverty problem head on we must supplement existing laws, not supplant them.

Undemocratic committee procedure produced this bill, political in nature and duplicating existing laws. The minority members found themselves locked out of the committee because they supported a program administered by existing Federal, State, and local agencies, while the majority members reported their own partisan bill, H.R. 11377. Therefore, the Congress and the public are offered no alternatives. The bill's one innovation is a new Federal bureaucracy, manifested in the Office of Economic Opportunity whose Director is accorded unbridled power to use Federal funds as he personally designates. The Director would not be required to coordinate his private poverty war with existing Federal, State, or community relief programs. The danger of this most sweeping and undefined grant of power in one man and one Federal agency is the destruction of established State and community plans and the violation of every concept of the Federal-State relationship.

Almost $1 billion is authorized for the first year, much of which would be directed toward administrative expenses of a new Federal agency. But even this sum alone cannot answer the Nation's poverty problems, for if divided among the number of people whom the administration lables as "poverty stricken" it would amount to less than $28 per person for the whole year's operation.

A brief examination of the major sections of the bill further exposes the superficiality of its promises of new relief for the poverty stricken as well as its duplication of existing laws.

The Job Corps establishes conservation camps and training centers for 16- to 21-year-olds, with emphasis on vocational training. In addition to camp construction expenses the program will cost $4,700 a year for each enrollee, even though a successful vocational training program is already in existence through the Manpower Development and Re-

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training Act. The Job Corps would compete with this program and could cripple State and local action projects.

Through the work training programs the Federal Government would pay the costs of work undertaken by the unemployed, in order to permit them to remain in school or improve skills. The plan leaves undefined the type of work, pay, or number of hours—to be determined at the discretion of the Director—and duplicates the provisions of the Vocational Education Act passed by Congress last year.

The work-study program is a complete duplication of the present student loan assistance received under the National Defense Education Act and, alone, will cost $125 million the first year.

The community action program grants the Director sole authority to give grants and contracts to public and nonprofit agencies for undefined urban or rural projects in the categories of health, welfare, education, housing, employment and family life. This provision, one of the more glaring deficiencies of the bill, does not require the consent of State or local officials beyond affording the Governor the opportunity to comment. The Director would establish criteria for all projects and could bypass agencies now dealing with community action poverty programs. Hardly reliant upon local initiative, it shifts the responsibility from the community to the Federal Government.

The rural area proposal authorizes the Director to give direct grants of $1,500 or loans of up to $2,500 to low-income farmers. At present, a highly successful loan program for these farmers is conducted by the Farmers Home Administration to help them improve farm operations. The proposed provision not only dangerously subverts the FHA's well-established loan program, but would perpetuate subsistence farming and rural slums.

Special loans for small businesses merely overlaps the authority of the Small Business Administration and, by requiring the applicant to attend a management training course, intrudes upon the borrower and suggests he is an incompetent businessman.

These unreasonable duplications of existing laws can only create havoc by competing with present programs and rendering them ineffective by fragmentizing authority. Furthermore, the vague language of the bill and lack of definition of objective and methods indicate no clear conception of the problems of the Nation's poor. To ignore public and private efforts minimizes the potential of a balanced economic development and can lead only to a superficial remedy of the poverty problem.

May I quote from an editorial of the Americans for Democratic Action, usually well alined with the administration:

> ADA welcomes the President's message on poverty as a long-awaited first salvo in the war against poverty. However, we regret that this first battle is not to be fought in greater strength.
>
> It sidesteps the issue of commitment of the enormous resources that must be used if the poor are to be lifted out of their poverty. * * * The war on poverty cannot be carried on by administrative and budgetary guerrilla warfare.
>
> Now that America's conscience has been awakened and the problem of poverty has surfaced into American politics, it must be met by measures commensurate with the need. This involves resources on a larger scale than this country has been willing to admit.

For this very reason this Congress cannot afford to take action on a bill which does not recognize the scope of the problem. Congress should have the information and data necessary to make an informed and valid decision and this information is certainly not available at this time. I therefore oppose H.R. 11377 and advocate that in its stead the Congress consider H.R. 12040, a bill to create a National Commission on Human Resources Development. The bill would establish a national commission to evaluate present poverty programs, to inquire into the causes of poverty, and to recommend such specific actions at the local, State, and Federal levels as may be necessary to control and overcome both the causes and effects of poverty. Such a bill will permit Congress to act responsibly in the public interest, rather than approving measures of unknown consequences based on unreliable evidence as we are being asked to do today.

Mr. QUIE. Mr. Chairman, I shall not take any more time but, rather, I would like to hear the amendment of the gentleman from Ohio, who has a substitute, which I think would be the preferable avenue to take at this time.

The CHAIRMAN. The time of the gentleman from Minnesota has expired. existing Federal, State, or community

Mr. FARBSTEIN. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FARBSTEIN. Mr. Chairman, I urge the passage of the Economic Opportunity Act of 1964 now. Assuming but not conceding there may be some imperfections in the drafting of this legislation, I still say it should be enacted now and correcting legislation, if necessary, passed next year. We can learn by doing rather than by delay.

Today, approximately one-fifth of the Nation lives in conditions of poverty. To a large extent, this is the result of unemployment or underemployment. While vast improvements have been made in this area since the beginning of Franklin D. Roosevelt's administration, there is no reason why this problem cannot be further alleviated. In the United States, in the second half of the 20th century, there is no reason why these 38 million Americans should want.

Today the United States possesses the constantly expanding power to produce. Technological developments in the fields of communications and transportation, automation and cybernetics have produced an unprecedented rate of economic growth. We are producing capital and consumer goods at a rate unimaginable as little as 10 years ago.

This technological progress is, however, Janus faced. More is produced but more jobs are eliminated. In the increasingly specialized United States of the 1960's, the unskilled worker is fast becoming obsolete.

Thus, in the midst of all this plenty, we find a large proportion of our people living in abject poverty. Poverty and unemployment are daily realities for this fifth of the Nation.

The forced idleness and poverty of unemployment or underemployment brings with it apathy and a feeling of rootlessness. To the unemployed worker, life loses much of its meaning. There is little or nothing to break the monotony of the idle hours. There is none of the satisfaction of producing and earning, which is common to the majority of the population. Each day brings with it new frustrations, bears testimony to more unsatisfied desires. It is idleness such as this, and the feeling that he is not living up to his capabilities as a human being that corrodes his moral fiber and destroys his faith in our American way of life. It is forced idleness such as this which leads men to dissipate their lives in crime or drink, or which turns them to radical solutions. It is forced idleness such as this which leads youth to antisocial behavior, such as juvenile delinquency or drug addiction.

Today we are faced with the prospect of a growing class of permanently unemployed. These people, in all areas of the Nation, have been left behind by the great technological advances of the last few years. The poor have children who are in turn forced, by economic necessity, to drop out of school before attaining a diploma, and in turn, remain poor and unskilled. The cycle repeats itself; the sins of the father, if any there be, visit themselves upon the son. Jobless now, or in jobs that will soon be rendered unnecessary by technological advances, without vocational skill or what is considered by most to be the elementary requisites of a social education, these people are, in our increasingly skilled society, becoming a caste apart from the rest. Especially in the United States, where this state of affairs is unnecessary, it is intolerable.

We seek to overcome these age-old problems of mass poverty and mass unemployment which have been used as a basis of revolution, both of the left and of the right. Today, this Congress is asked to pass an antipoverty bill in an attempt, even if only in a small way, to overcome these debilitating factors in the United States.

The antipoverty bill is aimed at alleviating the plight of this depressed segment of the population by helping them to help themselves, and, at the same time, to help the community as a whole. As such, it is a long-term plan aimed at the causes, rather than merely the results, of poverty.

The bill provides immediate aid to the unemployed by making available employment on needed public projects, administered by the State or Federal Government. It builds a strong foundation for the future by allowing those employed on such projects to acquire the

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skills they will need to rejoin the American economy. It enables youths, under various programs, to work and attend schools, acquiring the skills without which they are consigned to a dismal future.

The antipoverty bill will not take jobs away from those who now hold them. Instead, it will create new jobs by stimulating work on needed public projects, projects which will make the United States a more pleasant place in which to live and, at the same time, will accrue to the benefit of the society and the economy as a whole. Such urgently needed projects as urban renewal, improvement of communication and transportation facilities, and efforts for the conservation of our natural resources will be among the products of the bill.

The bill contains special provisions aimed at the youth of the Nation.

Title I is geared toward helping our young people to acquire the skills they will need to successfully enter into our economy.

A Job Corps is created by part A. This will provide educational and vocational training for young people, both men and women, between the ages of 16 and 21, in urban and rural training centers. This program, largely limited to high school dropouts, would place them in an environment which would inculcate in them attitudes basically consonant with our American way of life.

Part B creates a work-training program which will allow unemployed youths to develop skills while working on public service projects under public agencies or approved private nonprofit organizations.

Part C creates a work-study program which will allow many capable youths to attend school while holding down part-time jobs at or near their schools, geared to their school hours. Attempts will be made to find them jobs related to their fields of education.

In my own 19th District of New York, the mobilization for youth project, initiated pursuant to the Juvenile Delinquency and Youth Offenses Control Act of 1961, has demonstrated the feasibility of such an approach to the problem. Under this locally administered program, low-income youths, mainly high school dropouts, are trained as short-order cooks, gas station attendants, tutors, et cetera. The results of this program have already proven very satisfactory.

Title II, section 1 of the present bill authorizes the granting of aid to community action programs. Aid will be given to local and private nonprofit organizations which propose plans for worthy projects which will utilize to the maximum degree the poverty-stricken manpower of the area. This section relies largely upon local initiative.

Adults are also provided for.

Section 2 authorizes the creation of adult basic education programs, enabling illiterate adults, or those with English language difficulties, to obtain a basic education through the use of public school facilities. This should enable them to fully utilize their abilities.

Title III creates a rural antipoverty program. Under part A, grants of up to $1,500 and loans of up to $2,500 will be given to low-income farm families to be used as investments for the future by the buying of land, improvement of said land, and so forth. Assistance will also be given to nonprofit family farm development corporations and cooperatives.

Part B provides for Federal aid, channeled through public agencies and private nonprofit organizations, for the building of houses and the furnishing of sanitary facilities for migrant farmworkers and their families.

Title IV authorizes 15-year loans or Federal guarantees of loans up to $15,000 to small businesses where the objectives of the act will be forwarded thereby. This money would come out of existing Small Business Administration funds.

Title V authorizes expenditures of additional Federal funds for the expansion of existing projects under the Department of Health, Education, and Welfare which provides work-training programs for unemployed parents who have families receiving assistance for dependent children.

Title VI provides for the establishment of a coordinating office, the Office of Economic Opportunity, for the coordination of programs authorized by the bill with existing governmental programs, and for the enrollment of a corps of "Volunteers in Service to America."

Although there are other agencies engaged in similar endeavors in some of these areas, provision has been made, especially in title VI, part B, for coordination of the plans so that there should be no overlapping.

Title VII provides that the first $85 and one-half of all payments beyond that sum are not to be considered as income by the State for the purpose of assessing need under the plan with regard to that person or other members of his family.

It will be noted that the bill before us is a flexible one. Its outstanding feature is the voluntary nature of the association that will be formed. Neither the individual nor the State will be forced to work or to initiate such projects. Due to the fact that provision is made for channeling the funds to the States for use on State-originated plans, the projects are expected to achieve maximum efficiency in the areas where they are needed most.

This bill is definitely needed to provide all of our people with the ability to survive in today's complex society. It is the most effective measure yet prepared for the aid of this forgotten fifth of our people. I strongly urge its passage.

AMENDMENT OFFERED BY MR. THOMPSON OF NEW JERSEY

Mr. THOMPSON of New Jersey. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. Thompson of New Jersey to the amendment offered by Mr. Landrum of Georgia: On page 5, line 1, after the period strike out the remainder of the subsection.

Mr. GRIFFIN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. Does the gentleman yield for that purpose?

Mr. THOMPSON of New Jersey. I yield.

Mr. GRIFFIN. The gentleman's amendment refers to page 5 of Mr. Landrum's amendment, and that has no significance to anybody else.

Mr. THOMPSON of New Jersey. It is page 5 of the substitute which has been read. In the comparative print you will find it on page 5, line 4, beginning with the word "only." I would strike beginning with the word "only" the remainder of that subsection.

Mr. Chairman, this is a very simple amendment, the purpose of which is to eliminate the following language:

> Only in exceptional cases shall enrollees in the corps be graduates of an accredited high school, and no person shall be accepted for enrollment in the corps unless the local school authorities have concluded that further school attendance by such person in any regular academic, vocational, or training program, is not practicable.

The purpose of this amendment is to allow the many, many disadvantaged youngsters who are by perseverance and sacrifice on their part and their families, graduates from high school, yet are unable to find employment, to get into the corps.

Mr. LANDRUM. Mr. Chairman, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from Georgia.

Mr. LANDRUM. Mr. Chairman, I have looked at the gentleman's amendment and believe it is a good one, and certainly would be appropriate to the needs of these young people in whose interest the gentleman is speaking and, so far as I am concerned, it is acceptable.

Mr. THOMPSON of New Jersey. Mr. Chairman, I yield back the balance of my time.

Mr. GOODELL. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from New Jersey [Mr. Thompson].

Mr. Chairman, this illustrates very well why many of us have found it impossible to amend this bill in order to make it meet the objections that were originally advanced by us in the hearings.

This is a provision with reference to the Job Corps. When we were talking about it we said:

> Well, now, you know under the manpower retraining bill they started out and took quite a number of high school students.

They did not go to those who needed it the most. The defense that was given was, yes, that is true, but the manpower program was designed to do this. It was designed to help those who had some formal education, who were able to take care of themselves and who had the ability to study, and adapt themselves to the changes that have taken place in our technological word.

With reference to this bill they have said:

> We have to have here a Job Corps that will motivate the youngsters who have not been motivated to go into the manpower retraining program, who have not the push to get into an educational and vocational program. So let us set up a Job Corps.

In the process of the discussions the defenders of this legislation said:

> Obviously you are not going to take high school graduates, people who can be employed or go into the manpower retraining program, or vocational educational program. This Job Corps is for another group.

The Thompson amendment will now delete the requirement that enrollees not be high school graduates except in very unusual circumstances. The bill will then completely overlap the manpower retraining bill and the vocational educational assistance.

Mr. Chairman, this poverty bill has been described as a program of education and training. You all know that I and a great many other members of our committee have been very much concerned about structural unemployment in this country. We worked hard to develop a manpower retraining bill. Last year we adopted a vocational education bill that was a landmark and virtually revolutionary in its impact on the vocational education of this country. It changed the whole outlook of vocational and educational activities.

I read to you the declaration of purpose of this vocational educational bill that we passed last year.

> To develop new programs of vocational education, and to provide part-time employment for youths who need the earnings from such employment to continue their vocational training on a full-time basis, so that persons of all ages in all communities of the State—those in high school, those who have completed or discontinued their formal education and are preparing to enter the labor market, those who have already entered the labor market but need to upgrade their skills or learn new ones, and those with special educational handicaps—will have ready access to vocational training or retraining which is of high quality, which is realistic in the light of actual or anticipated opportunities for gainful employment, and which is suited to their needs, interests, and ability to benefit from such training.

To implement that declaration we put in area vocational schools, we put in residential vocational schools, we put in a work-study program, we have now on the law books through vocational education, the manpower bill and the amendments of last December, programs that will help these people, not only those who are motivated and who can go and get the training but those who are unmotivated. In the manpower amendments of last December we put in a special youth section, so that you can take young people who have problems in motivation and you can even get the psychologists working on them. The difference is, it is done working through our local people, and it is done with guarantees that it will be done in existing programs. We also added basic education to the manpower bill to help those who cannot read and write.

I cannot think of a better example than this amendment to point out that we have a large part of the education and training aspects of this poverty program basically available under present law, the difference being that the present law requires that your work be done through your local and State people.

Mr. PIKE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am among those who have been listed as undecided on this legislation. I expect that these listings have become rather public property, and I expect further that no one would be particularly surprised to learn that quite a few people have volunteered some assistance in the decisionmaking process.

I support this amendment because I am deeply concerned about what this bill, as now worded, will do to the motivation of those whom it is designed to help. It seems to me that there is absolutely nothing more important in any social welfare legislation than the question of what that legislation does to encourage or discourage human beings. We take pride in referring to this Congress as the education Congress, and I submit to you that the language which I am seeking to strike out will do more to undermine that reputation than almost anything we could do.

We are seeking to help the hopeless, the frustrated, the uneducated, the unemployed. We are concerned in particular about the problem of those who have dropped out of high school. So what have we done here? We have encouraged them to drop out of high school. We have written into this section of the bill a provision which says to the boy or girl who has fought and tried and studied and scratched and made it to a high school diploma, "You do not qualify."

We are saying to the young man or woman who has taken the easy way, or who is considering dropping out of school, "If you drop out, you may qualify." We are creating a respectable alternative to the hard work involved for some of these people in finishing high school.

Now, I know that there will be those who say that the dropouts need it most, and they are right. But I say that those who have fought and scraped and tried deserve it most, and I think we should address ourselves to the question of whether we should try to motivate young men and young women to be deserving, or to motivate them to be needy.

Picture two boys standing on a street corner in any city or town in the United States of America. Both have looked for jobs; both have failed to find them. One is a high school graduate, and the other one is not. One can look to the Federal Government for assistance under this section, and the other one cannot. Who is going to be the most frustrated? Who is going to be the most unhappy? Who is going to be the most bitter?

I suggest to you that the boy who has tried, who has fought, who has made the sacrifices necessary to finish school, and who then finds that this Congress has said to him, "You do not qualify," is going to be the greatest source of ferment and disorder. I do not say limit this Job Corps to high school graduates; I do not say favor high school graduates in this Job Corps, but I do say, for Heaven's sake, give them an equal opportunity. Do not establish as a matter of policy the fact that the education Congress wrote into law a provision which can have no other result than to encourage young people to drop out of school, with the knowledge that Uncle will take care of them.

Mr. Chairman, I urge that this amendment be agreed to.

Mr. HARDY. Mr. Chairman, will the gentleman yield?

Mr. PIKE. I am happy to yield to the gentleman from Virginia.

Mr. HARDY. I want to commend the gentleman for his comments. I know this is an extremely important amendment. I know the gentleman from New York has had a great deal to do with having this brought before the House at this time. I think the amendment that has been offered should be adopted.

Mr. JOELSON. Mr. Chairman, will the gentleman yield?

Mr. PIKE. I am happy to yield to the gentleman from New Jersey.

MR. JOELSON. Mr. Chairman, this seems to be a day in which we are dealing with crises and emergencies. Not long ago, we addressed ourselves to the situation in Vietnam which we recognized as an emergency. It is my belief that our poverty situation at home also represents a burning crisis, although many of us in the Congress are apparently deaf and blind to it.

Poverty breeds despair, and despair breeds the violence and riots which are making headlines today. I am appalled, disturbed, and dismayed by these deplorable street riots. I am equally appalled, disturbed, and dismayed by the fact that we in America have failed to act against the terrible conditions which are exploited by irresponsible elements to spark violence.

For us to refuse to support a comprehensive program against poverty is to ignore a tiger at our gates. Do any of us really believe that discontent and despair will evaporate through inaction? Can we be so unrealistic as to think that the problem will wither after the summer like the daisies of the field?

The plain fact is that we are faced with the crying need for action right here and now. Failure to act will be an indication to millions of Americans, Negro and white, that their Government is callous to their misery.

I do not say that every provision of the antipoverty bill will result in unqualified success. I do say, however, that it is up to us to try with hope and compassion rather than to oppose with coldness and cynicism.

America now must face up to the attack of poverty with the counterattack of decency and caring.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. PIKE. I yield to the gentleman.

Mr. PERKINS. Mr. Chairman, I can see no objection to the amendment offered by the gentleman from New Jersey. It expresses very clearly our purpose in the program and conforms to my feelings as to how the language in the bill would allow administrators of the program to operate. There are clearly instances where children who, even though they may hold in their hands a high school diploma, should be permitted to enroll in the Job Corps because of the benefits they can derive from the work, education, and training under such a program. It has not been my intention nor the intention of any member of the committee supporting this youth program to exclude any needy youngster who can benefit. I think both the House and Senate reports make this clear. I should also like to emphasize that when young people apply for enrollment in one of the programs authorized by this bill they will be extensively counseled by educators, job market analysts, and student guidance counselors, and will be placed in the program where they can best benefit—whether that is in the Manpower Development and Training Act, under a vocational education program, in the Job Corps, or other regular educational programs. The counseling process is a very important aspect of this legislation and through it young people may actually find the way into the appropriate training program for them which might not otherwise be possible. I can assure all who have expressed concern on this point that there will be no duplication of the programs.

Mr. Chairman, this is a good amendment and I am pleased to join with the gentleman from New Jersey in urging its adoption.

Mr. GOODELL. Mr. Chairman, will the gentleman yield?

Mr. PIKE. I yield to the gentleman.

Mr. GOODELL. The gentleman has made a good point with respect to trying to help those who want to help themselves. We want to do this. The problem is, and we put specific language in here with an exception that "only in exceptional cases shall enrollees of that Corps be graduates of an accredited high school," recognizing there may be some cases this would be so. This establishment of the proponents is going to cost about $4,700 for every enrollee. You are taking them into a special camp and you are not saying that the utilization of the present program is not enough.

Mr. BELL. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I think the point the gentleman from New York has made is not valid because of the fact that the very purpose of this program is to help those who are underprivileged and are dropouts and who are not educated adequately to make a living in this life.

The purpose of having the high school graduates not involved in the training program is because the high school graduates can go to the vocational education programs. They can get educated under the Manpower Development and Training Act. They are qualified to go and get training in jobs right now. The arguments that have been used on this floor in favor of the Job Corps have been that the youths who are not educated need to have a place to go to get educated and trained well enough so they can enter vocational education schools. I was the one who first suggested this particular amendment which we are now attempting to eliminate. It was overwhelmingly approved by the committee membership. Another of the purposes of the original committee amendment was to form perhaps some Corps leadership by having a few high school graduates in the Corps—but only a small number—a few in the Corps which could then provide a certain amount of guidance and leadership. But the idea of not accepting a large number of high school graduates was primarily because they could go to the vocational education programs and other programs.

Mr. GOODELL. Mr. Chairman, will the gentleman yield?

Mr. BELL. I yield to the gentleman.

Mr. GOODELL. Let it be emphasized first of all that under the manpower retraining bill and under the vocational programs, the youngsters are eligible to get training and education. Those who have not enough basic education are eligible. Even your high school graduates are eligible.

We do have special provisions to see to it that we do not induce high school graduates to drop out to get into the program.

This program proposed for the Job Corps supposedly would help those who need to be motivated, who cannot get under the manpower bill or under the vocational bill. The amendment would strike the requirement that these youngsters going into the Corps not be high school graduates.

In other words, if the amendment should be adopted, high school graduates would be eligible to go into the Corps and the camps, at a cost of $4,700 a year each.

Under the language as it stands in the bill, we would permit some high school graduates to go in, but only in exceptional cases, recognizing that there might be exceptional cases in which high school graduates should go to the camps.

The other thing which the amendment would strike down is the required assessment made by competent local education people that the proposed enrollee cannot be helped by regular academic vocational training programs.

It seems to me that the first elementary decision which should be made, before sending a youngster off at $4,700 a year into a camp, is a determination that he cannot be helped with any of the existing programs—vocational, manpower, or otherwise.

The language which sets up that criterion would be stricken by this amendment.

This illustrates once again the tremendous overlap in this piece of legislation with existing legislation.

Mr. LANDRUM. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

Mr. FRELINGHUYSEN. I object, Mr. Chairman.

The CHAIRMAN. Objection is heard.

Mr. LANDRUM. Mr. Chairman, I move that all debate on this amendment close in 5 minutes.

The CHAIRMAN. Does the gentleman from Georgia refer only to the amendment of the gentleman from New Jersey [Mr. THOMPSON]?

Mr. LANDRUM. Yes; to the amendment of the gentleman from New Jersey [Mr. THOMPSON].

The CHAIRMAN. The question is on the motion of the gentleman from Georgia that all debate on the amendment of the gentleman from New Jersey [Mr. THOMPSON] close in 5 minutes.

Mr. JOHANSEN. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. ROOSEVELT and Mr. JOHANSEN.

The committee divided and the tellers reported that there were—ayes 161, noes 95.

So the motion was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from New Jersey [Mr. FRELINGHUYSEN].

Mr. FRELINGHUYSEN. Mr. Chairman, the situation in which we now find ourselves is the climax of a very dismal performance, both in our committee and now on the floor of the House. We have been blackjacked, gagged, threatened, and bulldozed to accept something that we know is not good. This inexcusable performance today strikes me as a reflection on the legislative process itself.

The amendment which is being offered is of some consequence. The present language at least attempts to define the need of young people who should be benefited by this Job Corps. In my mind it is one of the few aspects of this Job Corps proposal which makes any sense. If we mean to have high school graduates in the Job Corps we surely should not have been describing it as a place for the illiterates to go, and for draft rejectees and the ones who do not know how to read and write, and for those who have no motivation. Surely we should reject this amendment and proceed with our discussion of the bill.

The CHAIRMAN. The Chair recognizes the gentleman from Hawaii [Mr. GILL].

Mr. GILL. Mr. Chairman, I ask unanimous consent to yield my time to the gentleman from Georgia [Mr. LANDRUM].

The CHAIRMAN. Is there objection to the request of the gentleman from Hawaii?

Mr. CURTIS. Mr. Chairman, I object.

Mr. GILL. Mr. Chairman, I rise in support of the Thompson amendment. I think it gives a little more room for discretion in an area where we need it. Because a man may have graduated from high school does not necessarily mean that he has the training or the motivation he needs to make a living. Standards of high schools vary; some graduates may not have the same education as a ninth grade student elsewhere. This amendment will allow him to be considered without ruling him out on the basis of an artificial standard.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. QUIE].

Mr. QUIE. Mr. Chairman, I think everybody should understand that if we adopt the Thompson amendment to strike the last sentence of section 104(a), it will be a part of legislative history. It will mean the Congress wants high school graduates in the Job Corps and also wants the Job Corps to be in competition with the regular academic, vocational, and training programs that are going on in the local community. I did not think anybody proposed previously that this be done, but this is what our action will mean. What I worry about in connection with the Job Corps is that it will not get to the people who have the real problem. We could not get this pinned down with Department witnesses in the committee hearings and if this language is stricken out it will take that directive language out of the bill. This amendment was introduced by the gentleman from California [Mr. Bell] and accepted by the majority of the Education and Labor Committee of this body and the entire other body. There is not sufficient money to take care of all dropouts who could utilize the Job Corps, but if this language is stricken, high school graduates and students who are presently attending school will be in competition with the most needy.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. Griffin].

Mr. GRIFFIN. Mr. Chairman, I yield to the gentleman from California [Mr. Bell].

Mr. BELL. Mr. Chairman, the purpose of title I of this bill is to work for and to set up a program for the Job Corps which is made up primarily of dropouts and people who have not been able to become economically self-sufficient primarily due to lack of education.

Now at this particular time we are going to add high school graduates to the Job Corps program. For the sum of $4,700 we could probably send those high school graduates to Harvard.

Mr. GOODELL. Mr. Chairman, will the gentleman yield?

Mr. BELL. I yield to the gentleman from New York.

Mr. GOODELL. I think the precise figure is $2,801 for a year at Harvard.

The CHAIRMAN. The time of the gentleman from California has expired.

The Chair recognizes the gentleman from California [Mr. Roosevelt].

Mr. ROOSEVELT. Mr. Chairman, I want to make very clear that I do not agree with the legislative history made by, I believe, the gentleman from Minnesota [Mr. Quie]. As far as I am concerned this is a good amendment. It does not mean that we have to take high school graduates or duplicate anyone else. It simply means that they will not be discriminated against and their motivation, therefore, of staying in school to complete high school certainly will remain as the ultimate goal.

The CHAIRMAN. The time of the gentleman from California has expired.

The Chair recognizes the gentleman from Kentucky [Mr. Perkins].

Mr. PERKINS. Mr. Chairman, as the time draws near for concluding this debate and obtaining a final vote on one of the most significant pieces of legislation for the welfare of our country in recent years, I would only stress what I have said throughout the debate. The major significance and importance of this bill is that it is designed to strike at the most difficult part of the total problem of economic hardship. It is designed to help those families obtain employment, training, and education who are not only unemployed but who stand to gain little benefit from the previous programs of training fashioned to solve the unemployment problem.

I urge adoption of the legislation.

The CHAIRMAN. The time of the gentleman from Kenutcky has expired.

The Chair recognizes the gentleman from Missouri [Mr. Curtis].

Mr. CURTIS. Mr. Chairman, I note that it is very difficult for someone who is not on the committee to say anything on this bill.

Mr. Chairman, I testified before the committee in an effort to try to get the members to coordinate what they were attempting to do with reference to the jurisdiction of the other various committees of the House, particularly the Committee on Ways and Means which handles unemployment insurance and which handles all social security measures, the base of all welfare bills.

Mr. Chairman, this procedure we are following is a travesty.

Mr. Chairman, I had a great deal to do with the writing of the Manpower Retraining Act. In that case proper procedures were followed in working together, Democrats and Republicans, and with reference to the application of the jurisdiction of various committees and the crossing over of the boundaries of jurisdiction of those committees.

There is nothing to be said here at this time under the ridiculous procedure we are following of three-quarters of a minute allotted to each Member. This is exactly what the majority leader had in mind when he said:

> When the majority has the votes just vote them, the will of the majority must prevail.

But, Mr. Chairman, these kinds of procedures are not those of a deliberative body.

The CHAIRMAN. The time of the gentleman from Missouri has expired. All time has expired.

The question is on the amendment offered by the gentleman from New Jersey [Mr. Thompson] to the amendment offered by the gentleman from Georgia [Mr. Landrum].

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mr. FRELINGHUYSEN. Mr. Chairman, I demand tellers.

Tellers were ordered and the Chairman appointed as tellers Mr. Roosevelt and Mr. Frelinghuysen.

The Committee divided, and the tellers reported that there were—ayes 161, noes 92.

So the amendment was agreed to.

SUBSTITUTE AMENDMENT OFFERED BY MR. AYRES

Mr. AYRES. Mr. Chairman, I offer an amendment in the form of a substitute.

The Clerk read as follows:

Amendment offered by Mr. Ayres as a substitute for the amendment offered by Mr. Landrum:

"That this Act may be cited as the 'Human Resources Development Act of 1964'.

"FINDINGS AND DECLARATIONS OF PURPOSE

"Section 1. Through the economic system of free enterprise, nurtured under a free society in which the powers of government are limited and decentralized so as to encourage maximum participation and responsibility on the part of individual citizens, the economic and social well-being of the United States have progressed to a level unequaled in world history. The opportunities for personal advancement and the benefits of widespread prosperity, although far exceeding that available to the citizens of any other nation, are unavailable to some citizens of the United States because of their lack of education, lack of training in marketable skills, location in areas afflicted by long-term economic dislocation, or condition of dependency due to social conditions over which they have little control.

"It has always been the policy of the United States, implemented by numerous Acts of the Congress and of State and local governments, to foster a society in which every person who is willing to work has the opportunity to live in decency and dignity. In order to more fully effectuate that policy, the Congress finds it necessary:

"(1) To review the scope, cost, and effectiveness of all existing programs presently maintained or assisted by the Federal Government to combat the causes and effects of poverty in the United States;

"(2) To examine into and analyze the underlying causes of poverty in the United States, including but not limited to the factors of mental and physical capability, industrial dislocation, geographical immobility, lack of proper education and training, and unemployment;

"(3) To define those areas of unmet community and individual needs to which new programs need be directed or established programs redirected to more effectively deal with the causes and effects of poverty in the United States:

"(4) To assess the most effective means of meeting the problems of poverty in a manner designed to accomplish the maximum degree of self-sufficiency and the minimum degree of dependency among our citizens; and

"(5) To recommend specific administrative and legislative action which should be taken by the Federal, State, and/or local governments in meeting their responsibilities to effectively overcome the causes and effects of poverty in the United States.

"Sec. 2. In order to carry out the objectives of this Act there is hereby established the National Human Resources Development Commission, hereinafter referred to as the "Commission".

"Sec. 3. The Commission shall be composed of eighteen members, twelve of whom shall be public members, appointed by the President, by and with the advice and consent of the Senate. The remaining six members shall be appointed as follows: Three, who shall be Members of the Senate, not more than two of whom shall be members of the same political party, shall be appointed by the President pro tempore of the Senate; three, who shall be Members of the House of Representatives, not more than two of whom shall be members of the same political party, shall be appointed by the Speaker of the House. The public members of the Commission shall be drawn from representative segments of the Nation such as industry, labor, education, manpower development and utilization, and related fields. One of such public members shall be designated by the President as Chairman of the Commission. Ten members of the Commission shall constitute a quorum. Any vacancy in the Commission shall not affect its power, but shall be filled in the same manner in which the original appointment was made.

"Sec. 4. The Commission shall make a comprehensive and impartial study and make recommendations from time to time as needed for constructive action in the areas designated in section 1 of this Act.

"Sec. 5. Public members of the Commission appointed from outside Government shall each receive $100 per diem when engaged in the actual performance of duties of the Commission.

"SEC. 6. There is hereby established a Federal Interagency Committee consisting of the heads of the Departments of Agriculture, Labor, Commerce, Defense, Health, Education, and Welfare, Chairman of the Council of Economic Advisers, Administrator, Small Business Administration, Administrator, Housing and Home Finance Agency, and Director of Bureau of the Census, or their designees, to advise the Commission and to maintain effective liaison with the resources of such departments and agencies. The Secretary of Labor and the Secretary of Health, Education, and Welfare shall serve as Cochairmen of the Committee.

"SEC. 7. (a) The Commission shall have power to appoint and fix the compensation of such personnel as it deems advisable, without regard to the provision of the civil service laws and the Classification Act of 1949, as amended. In addition, the Commission may procure temporary and intermittent services to the same extent as is authorized for the departments by section 15 of the Act of August 2, 1946 (60 Stat. 810), but at rates not to exceed $75 per diem for individuals.

"(b) The Commission is authorized to appoint an executive secretary to oversee the work of the staff under the general direction of the Commission.

"SEC. 8. All members and other personnel of the Commission shall be reimbursed for travel, subsistence, and necessary expenses in accordance with law.

"SEC. 9. The Department of Health, Education, and Welfare shall provide the Commission necessary administrative services (including those related to budgeting, accounting, financial reporting, personnel, and procurement) for which payment shall be made in advance, or by reimbursement, from funds of the Commission in such amounts as may be agreed upon by the Commission and the Secretary of Labor.

"SEC. 10. The Commission, or on the authorization of the Commission, any subcommittee or panel thereof, may, for the purposes of carrying out its functions and duties, hold such hearings and sit and act at such times and places as the Commission or such subcommittee may deem advisable.

"SEC. 11. The Commission is authorized to negotiate and enter into contracts with private organizations to carry out such studies and to prepare such reports as the Commission determines to be necessary in order to carry out its duties.

"SEC. 12. The Commission is authorized to secure directly from any executive department, agency, or independent instrumentality of the Government any information it deems necessary to carry out its functions under this Act; and each such department, agency, and instrumentality is authorized and directed to cooperate with the Commission and, to the extent permitted by law, to furnish such information to the Commission, upon request made by the Chairman.

"SEC. 13. The Commission shall submit a final report of its findings and recommendations to the President and the Congress by June 30, 1965. The Commission shall cease to exist thirty days after submitting its final report.

"SEC. 14. There are hereby authorized to be appropriated to the Commission, out of any money in the Treasury not otherwise appropriated, such sums not in excess of $1,500,000, as may be necessary to carry out the provisions of this Act."

Mr. AYRES (interrupting the reading of the substitute amendment). Mr. Chairman, my substitute is different from the one we have been discussing this afternoon. It is printed verbatim as the Clerk is reading it on page 18229 of the RECORD. In view of the fact it has been available for 3 days, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

Mr. O'HARA of Michigan. Reserving the right to object, Mr. Chairman, is this the amendment that is identical in sections 2, 4, 5, 7, 8, and 9 with the automation bill passed by this Congress a few days ago?

Mr. AYRES. No. This is H.R. 12040 as introduced on July 23 of this year.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection

Mr. AYRES. Mr. Chairman, those of use who have attended the hearings for the last several months and have since reviewed the hearings and read the various bills which have been introduced in this field, and then have been here on the floor all afternoon listening to the confusion, I feel should show some interest if they have not shown it in the past in the idea that is incorporated in my amendment, establishing a National Human Resources Development Commission.

I hope before we reach a vote the Members of the Committee will refer to page 18229 of the RECORD and read this short amendment in its entirety.

It has become very apparent that we in this Committee are not at all aware of just what this legislation would do. This afternoon we heard a lot of conversation about the power of veto that was going to be given to Governors. This is contrary to what Mr. Adam Yarmolinsky has stated, and he is the man who is really running this show under Sargent Shriver. On page 18335 of the RECORD you will find a letter from Mr. Yarmolinsky directed to Mr. Joseph A. Califano, Jr., on June 13. It was inserted in the RECORD yesterday by the gentleman from California [Mr. ROOSEVELT]. He says:

> I understand from Bob McNamara—

They are on a first-name basis—

> that he has designated you as our personal contact in Defense to coordinate planning for the proposed Job Corps.

The memorandum reads further:

> During the first year, we hope to open about 10 of the large training centers with 1,000 to 2,000 enrollees each. Here again—

Get this—

> we would like to make a visible impact by opening perhaps half of these in the first 3 or 4 months after the bill passes.

Mr. GRIFFIN. Mr. Chairman, will the gentleman yield briefly?

Mr. AYRES. I yield.

Mr. GRIFFIN. Will the gentleman repeat something for me? Whom is this letter from that he is reading at the present time?

Mr. AYRES. This letter is from Mr. Adam Yarmolinsky who has been assigned from the Department of Defense to work at the White House under the direction of Sargent Shriver to get this bill passed.

Mr. GRIFFIN. I see. I thank the gentleman.

Mr. AYRES. He states further in the memorandum:

> To keep you up to date on our present thinking, we anticipate the necessity of starting the Job Corps in a clearly visible way throughout the country during the early fall, assuming the passage of—

Not "the bill" but—

> assuming the passage of our bill in the next month or so.

This memorandum is dated June 13, 1964.

Then they go on to say that selected States will be the ones they choose to reactivate these camps.

They go on to say that at first, at least, it will be military personnel handling them but eventually there will be one supervisor for each five enrollees in the camp.

Mr. LANDRUM. Mr. Chairman, will the gentleman yield?

Mr. AYRES. I yield to the gentleman.

Mr. LANDRUM. With regard to the gentleman whose memorandum the gentleman from Ohio is reading from, what is his name?

Mr. AYRES. It is Adam Yarmolinsky, and many of the Members are familiar with his activities here recently.

Mr. LANDRUM. Regardless of who the gentleman is about whom the gentleman from Ohio is speaking, I should like as a member of the Committee on Education and Labor and as one who has devoted a great deal of time and effort to this bill to state, first, that so far as I am concerned this gentleman, Mr. Yarmolinsky, will have absolutely nothing to do with the program.

And second, I wish to state that I have been told on the highest authority that not only will he not be appointed, but that he will not be considered if he is recommended for a place in this agency.

Mr. AYRES. Mr. Yarmolinsky at the present time, as late as yesterday, was still maintaining his lobbying office at the White House and was still contacting Members of the House.

The CHAIRMAN. The time of the gentleman has expired.

Mr. LANDRUM. Mr. Chairman, I ask unanimous consent that debate on the substitute amendment and all amendments to the substitute close at 6 o'clock.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

Mr. FRELINGHUYSEN. Mr. Chairman, reserving the right to object, does the gentleman's request involve a limitation of time with respect to any other amendments which may be offered to the amendment offered by the gentleman from Georgia or to the substitute amendment that has been offered by the gentleman from Ohio [Mr. AYRES]?

Mr. LANDRUM. Mr. Chairman, my unanimous-consent request is that debate on the amendment in the nature of a substitute offered by the gentleman from Georgia, and the substitute amendment offered by the gentleman from Ohio [Mr. AYRES] and all amendments thereto, close at 6 o'clock.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

Mr. JOHANSEN. I object.

Mr. LANDRUM. Mr. Chairman, I move that all debate on the amendment in the nature of a substitute offered by the gentleman from Georgia and all amendments thereto close at 6:30 p.m.

The CHAIRMAN. The question is on the motion of the gentleman from Georgia [Mr. LANDRUM].

Mr. JOHANSEN. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. ROOSEVELT and Mr. JOHANSEN.

The committee divided, and the tellers reported that there were—ayes 163, noes 113.

So the motion was agreed to.

The CHAIRMAN. The question is on the substitute offered by the gentleman from Ohio.

Mr. FORD. Mr. Chairman, I believe that I have time and I would like to take the time on this amendment if possible.

The CHAIRMAN. On the substitute?

Mr. FORD. That is correct. On the Ayres substitute.

The CHAIRMAN. The gentleman from Michigan is recognized for approximately 2 minutes.

Mr. FORD. Mr. Chairman, I would like to refer to the Yarmolinsky memorandum to Mr. Joseph A. Califano, an Assistant Secretary of Defense. This memorandum is dated June 13, 1964, and was from the White House or on White House stationery where Mr. Yarmolinsky has been working to promote the poverty program. I would like to ask several questions of my friend and the chairman of the House Committee on Appropriations, the gentleman from Texas [Mr. MAHON]. In the Yarmolinsky memorandum to the Defense Department Mr. Yarmolinsky says, and I quote:

> There may be, however, a need to call on Defense for provision of some initial issues of individual clothing and equipment, major real property items and some transportation assistance, unless we are able to get this quickly through GSA.

Later on in this memorandum from Mr. Yarmolinsky to the Department of Defense the memorandum says, and I quote:

> I realize that to give us the major logistical support we have contemplated may require initially the commitment of Defense resources and active military personnel to some extent.

I would like to ask the distinguished gentleman from Texas [Mr. MAHON] whether under existing appropriations for the Defense Department this kind of support can be given to this program.

Apparently, no definite answer has been received, as yet, from the Defense Department officials. Later in the debate on this ill-conceived and poorly drafted bill I will ask the same questions of the gentleman from Texas.

However, as I understand it myself, no Defense Department personnel or equipment is legally, and I emphasize legally, available for the purposes of this so-called poverty program. Furthermore, with all the bellyaching that we get from the Defense Department about the inadequacy of their maintenance and operation funds they should not have the right to make equipment, supplies, and personnel available.

Mr. FRELINGHUYSEN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. FRELINGHUYSEN. I am not sure under what procedure we are operating. The gentleman from Michigan [Mr. FORD] has just now received 5 minutes to talk on the Ayres substitute, as I understand it.

The CHAIRMAN. The gentleman from Michigan received the time allotted under this limitation of time, which is approximately 2 minutes.

Mr. FRELINGHUYSEN. How many Members will be recognized and how much time?

The CHAIRMAN. There are approximately 33 names on the list and the time allotted to each will be approximately 2 minutes.

Mr. O'HARA of Michigan. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, the situation is that the gentleman from Georgia [Mr. LANDRUM] has offered an amendment in the nature of a substitute, and my friend from Ohio [Mr. AYRES] has offered an amendment in the nature of an Automation Commission bill. I have carefully examined the amendment of the gentleman from Ohio [Mr. AYRES], which is his bill, H.R. 12040, and I find that in six of its nine sections it is an identical copy of the Automation Commission bill which passed this House a few weeks ago. The only differences between the bills are that his has a different preamble and a little different membership on the committees established under the bill. As a matter of fact, the boilerplate artist on the staff that put this one together forgot to make a necessary change. While the Ayres bill provides administrative services by the Department of Health, Education, and Welfare instead of the Department of Labor, somebody forgot to change the direction on who gets the funds for administration. Under the proposal of the gentleman from Ohio [Mr. AYRES], we have HEW administering the program and the Labor Department getting the money for doing so.

Mr. Chairman, it is a fine bill as an Automation Commission bill but it is not much of a bill as an attack on poverty.

Mr. JOHANSEN. Mr. Chairman, I move to strike out the requisite number of words.

The CHAIRMAN. The gentleman from Michigan is recognized for approximately 2 minutes.

Mr. JOHANSEN. Mr. Chairman, on yesterday I raised some questions as to why Public Law 801 had not been adhered to by the executive branch providing information as to the number of additional personnel, number of manhours, and the payroll cost required under this legislation.

Mr. Chairman, the genetleman from California [Mr. ROOSEVELT] suggested on the record later that he would respond to my inquiry today.

However, under the limitations that we face here I cannot yield to the gentleman from California for that purpose. He has 2 minutes of his own time in which to respond, if he cares to do so.

Mr. Chairman, I wish simply to point out for the record this statement which is from the committee report when Public Law 801 was enacted in 1956:

> The purpose of this legislation is to assure that each congressional committee is adequately informed as to the cost and manpower implications of major substantive legislation at the time such legislation is being considered—

And the further statement that:

> Committees and the House are entitled to such information.

Mr. Chairman, I must observe, in view of the sorry performance here this afternoon, that the majority of this House apparently is not interested in information on any aspect of this measure. So, I should not be too surprised at the contempt in which the law is held by Czar Sargent Shriver and the promoters of the arm twisting in this operation.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

The Chair recognizes the gentlewoman from Oregon [Mrs. GREEN].

AMENDMENT OFFERED BY MRS. GREEN OF OREGON

Mrs. GREEN of Oregon. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mrs. GREEN of Oregon to the amendment offered by Mr. LANDRUM: Section 202(a)(4), page 22, line 22, after the word "thereof" strike out the comma and insert a period and strike out the remainder of the paragraph.

Mrs. GREEN of Oregon. Mr. Chairman, the language which would be deleted from this bill, if my amendment is adopted, is language which the House Committee on Education and Labor deleted from the original bill when we were considering this legislation.

Mr. Chairman, the committee had no intention of having any comprehensive communitywide program as a prerequisite to granting Federal assistance to an independent private agency or a public agency, if such agency had a program designed to alleviate poverty or to strike at the roots of poverty.

Mr. LANDRUM. Mr. Chairman, will the gentlewoman yield?

Mrs. GREEN of Oregon. I would be happy to yield to the gentleman from Georgia.

Mr. LANDRUM. I have examined the amendment and I agree with the gentlewoman that it was debated and discussed in the Committee on Education and Labor. I think it is a good amendment and so far as I am concerned it is an acceptable amendment. Also, so far as I have been able to ascertain from members of the committee on this side it is acceptable to them.

Mrs. GREEN of Oregon. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Oregon [Mrs. GREEN] to the amendment offered by the gentleman from Georgia [Mr. LANDRUM].

The amendment to the amendment was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina [Mr. WHITENER].

AMENDMENT OFFERED BY MR. WHITENER

Mr. WHITENER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WHITENER to the amendment offered by Mr. LANDRUM: At the end of section 209 insert the following: "(d) No private institution or organization shall be eligible for participation under this part unless it (1) is itself an institution or organization which has, prior to its consideration for such participation, had a concern with problems of poverty, or (2) is sponsored by one or more such institutions or organizations or by a public agency, or (3) is an institution of higher education (as defined by section 401(f) of the Higher Education Facilities Act of 1963)."

Mr. WHITENER. Mr. Chairman, this is a very simple amendment which would prevent any drumhead organization, so to speak, springing up for the sole purpose of enriching itself under the community action program section of this legislation.

Mr. Chairman, the language is very clear.

Mr. LANDRUM. Mr. Chairman, will the gentleman yield?

Mr. WHITENER. I yield to the gentleman from Georgia.

Mr. LANDRUM. The amendment which the gentleman from North Carolina offers is acceptable to the members of the Committee on Education and Labor on this side of the aisle. It is acceptable to me.

Mr. FRELINGHUYSEN. Mr. Chairman, will the gentleman yield?

Mr. WHITENER. I yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. I regret I have not seen the amendment, so there is no possibility of my making a statement as to the position of the minority members.

Mr. WHITENER. The gentleman from Michigan [Mr. GRIFFIN] has about 10 copies which were furnished him.

Mr. GRIFFIN. Mr. Chairman, will the gentleman yield?

Mr. WHITENER. I yield to the gentleman from Michigan.

Mr. GRIFFIN. I have just received a copy of the amendment, and it refers to "an organization which has, prior to its consideration for participation, had a concern with problems of poverty." I wonder if the gentleman would tell us whether the NAACP, or the Americans for Democratic Action, which have a concern for poverty, would be included? This amendment would not eliminate those groups, would it?

Mr. WHITENER. The gentleman may have a closer liaison with those organizations than I have had. I do not know about their previous activity or inactivity in the poverty field. It is certainly not my intention to make them eligible to participate in the community action program.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina.

The amendment was agreed to.

Mr. TAFT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TAFT to the amendment offered by Mr. LANDRUM: On page 29, line 10, strike out subsection (c) of section 209.

Mr. TAFT. Mr. Chairman, the effect of this amendment would be to eliminate the Governors' veto power. I believe it should be eliminated. Those who thought they got something out of the amendment when it was put in the bill as a concession to them can take note of the fact that they have bought a wooden nickel.

As I made the point on the floor yesterday, the reservation in section 209(c) of the Landrum substitute of the veto power in the Governor of any State under any program under title I or title II might be meaningless and void if in illegal conflict of the constitution and laws of the States in question.

Since that time I have had an opportunity to consider further on this point. After doing so, I can say that, while the question is one on which there is little authority, general principles of constitutional law involved sustain the principle that even if a Governor wished to veto a proposed plan for his State, he would not have the power to do so without action by his State legislature and perhaps not even then. The State constitutions in almost every case give only executive power to the Governor, legislative power to the legislature, and reserve the balance of power to the people. An action in quo warranto could successfully be brought against any veto action of a Governor made without legislative approval, or a constitutional amendment.

Moreover, regardless of the power of the Governor under State law, the veto power attempted to be granted under section 209(c) is void under the Federal Constitution. The poverty aid bill grants to a Governor of a State the sole and exclusive power to determine whether the people of the State might benefit from the appropriation of Federal funds to relieve poverty and to overcome social deprivation. The Governor is granted sole discretion over the matter without any standards or guidelines. If he wishes to do so, a Governor may act in an arbitrary and capricious manner even in violation of the 5th and 14th amendments of the Constitution by taking veto action that discriminates on account of race or otherwise. The Governor is granted the sole discretionary authority to deny to private agencies, as well as to State and local public agencies, the right to participate in the benefits of the proposed law. This authority amounts to an unconstitutional delegation of legislative authority. In effect, the Congress is abdicating, or transferring, to another the essential functions with which it is vested by the Constitution.

Congress may leave to others the power to make subordinate rules and regulations within prescribed limits and the determination of fact consistent with Congress declared policies. But the Congress may not lodge unfettered discretion in another.

The declaration of policy laid down in the bill is clear. It is to "eliminate the paradox of poverty in the midst of plenty in this Nation but open to everyone the opportunity for education" and so forth. Yet, the unlimited and open-end power granted by Congress to a Governor under this section would permit the Governor totally to ignore and frustrate this determination of policy without any reasons, rationale, or justification.

Thus, the bill would permit an individual with delegated authority not only to defy the will of Congress, but to possess sole power to himself to determine the class, or classes, of persons to be included within the legislation. This is a delegation of legislative authority and not merely rulemaking power. I cite the following cases: *Panama Refining Co.* v. *Ryan*, 293 U.S. 388; *Schechter Corp.* v. *U.S.*, 295 U.S. 495; *Franklin Township* v. *Tugwell*, 85 Federal 2d 208; *U.S. Sugar Equalization Board* v. *P. deRonde Co.*, 7 Federal 2d 981.

legislative power to the legislature, and

Mr. RYAN of New York. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RYAN of New York. Mr. Chairman, yesterday when I spoke in support of H.R. 11377, I expressed my dissatisfaction with the contemplated amendments to give State Governors a veto.

Under the Landrum substitute State Governors will have a veto power over the establishment of conservation camps or training centers under title I, and under title II a veto over community action programs—both private and public.

This is inconsistent with the purpose of the bill to deal with a national problem on a national basis. To interpose a State Governor would make the success of the war on poverty dependent upon the cooperation of rural legislatures to whom they are ultimately responsible.

The urban renewal program has been carried on for years without requiring the approval of State Governors. To have relied on rural legislatures would have been ludicrous.

But this is worse. Not only are certain State authorities hostile to the concept of the bill, but they are adamantly opposed to providing equality of opportunity to all of their citizens. In some States their purpose is to hold the Negro people in economic bondage.

It is clear that in Mississippi, for instance, the poverty program will not be allowed to operate if this veto power is included.

In 1963 in Le Flore County, Miss., the distribution of Federal surplus food was cut off by local veto. There the average income for Negroes is $300 a year. The previous year 26,000 people, 90 percent of them Negroes, had received vitally needed surplus food. If local authorities are callous enough to let people starve, is it logical to assume they will encourage education and training programs to raise living standards?

There are no manpower development and training projects in Mississippi because there would be a ban on discrimination.

Louisiana has refused to sign an agreement with the Federal Government for projects under the Manpower Development and Training Act.

Unfortunately, in many of the very areas where the need of Federal assistance is greatest, State and local authorities are hostile to this program. This bill is intended to reach those whom local and State governments have either been unable or unwilling to help.

If a Governor is opposed to integrated programs or fears their success, then the most poverty stricken, the most needy will be denied an opportunity for hope.

This bill contemplates a coordinated assault on poverty through the Office of Economic Opportunity in an effort to solve a national problem which local governments have not solved.

For those who are sincerely concerned with the question of States rights, and are not using it as an excuse to defeat the program, H.R. 11377 in title II looks to State participation.

> The Director shall establish procedures which will facilitate effective participation by the States in community action programs.

The bill neither bypasses nor ignores the States as a source of valuable resources. In fact, one of the important features of the bill is the involvement of local communities. The community action part is a self-help program.

But under the proposed amendments the Governor can veto a local community's effort to mobilize its own human and material resources. This is not reliance on responsible local action—it is obstruction.

Let us not let a false cry of States rights strangle the opportunities which this bill offers for this and future generations.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. Taft] to the amendment offered by the gentleman from Georgia [Mr. Landrum].

Mr. BELL. Mr. Chairman, on that I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. Taft and Mr. Roosevelt.

The Committee divided, and the tellers reported that there were—ayes 73, noes 125.

So the amendment to the amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. Saylor].

AMENDMENT OFFERED BY MR. SAYLOR

Mr. SAYLOR. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. Saylor to the amendment offered by Mr. Landrum: On page 10, of the substitute bill, after line 16, insert a new section to read, as follows:
>
> "Sec. 110. Within the Job Corps there is authorized a Youth Conservation Corps in which at any one time no less than 40 per centum of the enrollees under this part shall be assigned to camps where their work activity is directed primarily toward conserving, developing, and managing the public natural resources of the Nation, and developing, managing, and protecting public recreational areas. Such work activity shall be performed under the direction of members of agencies charged with the responsibility of conserving, developing, and managing the public natural resources and of developing, managing, and protecting public recreational areas."

Mr. LANDRUM. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I am happy to yield to the gentleman from Georgia.

Mr. LANDRUM. Mr. Chairman, the amendment is acceptable on this side of the aisle.

The CHAIRMAN. The Chair recognizes the gentleman from Missouri [Mr. Curtis].

Mr. CURTIS. Mr. Chairman, I am not going to say a great deal except to call the attention of the House to the procedure that is being followed where amendments that Members on this side of the aisle have never seen are being accepted by the chairman of the committee on a substitute which contains amendments that no one has seen. This is a demonstration of about as poor a procedure in writing good legislation that affects the welfare of the people of this country as I have ever seen. I would say this. That those who are really concerned about the poor people had best get back to a deliberate process to try to find out how is the best way to proceed to help them.

Mr. FRELINGHUYSEN. Mr. Chairman, will the gentleman yield?

Mr. CURTIS. I yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. I regret that there is no time available to me so that I can even take a position on this amendment except through the kindness of the gentleman from Missouri yielding to me. I did see the language proposed, but there is no way to evaluate it or compare it with the language relating to the Job Corps already in the hill regarding conservation. I am unable to take a position on this proposal. It is very unwise for us to legislate in this fashion.

Mr. CURTIS. I would plead with the House when the appropriate time comes that this entire bill be recommitted.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. Harsha].

Mr. HARSHA. Mr. Chairman, the war on poverty is nothing more than a war on the ballot box. It is politically motivated to buy votes and provides no real solution to eradicate the problem of poverty. It is an emotional appeal to those less fortunate, designed to arouse great expectations that the Federal Government will take them under its wing and nurture them back to prosperity.

Yet the bill contains no substance through which such hopes may be realized. It carries an authorization of almost $1 billion which, if divided among all those persons whom the administration defines as poverty stricken, would amount to less than $28 per person per year. Hardly enough to raise them from the doldrums of poverty. To hold such a bill out as being truly designed to provide a utopia for the poor and underprivileged is nothing less than political chicanery. It is designed to delude and mislead those less fortunate in an effort to win votes.

As proof of the fact that this administration is more interested in empire building than the welfare of these unfortunate people, I have been warned that if I do not support the administration's poverty bill, a job training center now being considered for southeastern Ohio will not be constructed. This is not only a cold, calculated effort to pressure me, but a cruel blackjack against citizens of Ohio.

If this section of the poverty bill will do all the administration claims, and there is a need for it in southeastern Ohio, then the welfare of the people there should be the determining factor, not the vote of a particular Member of this House.

It should not be held out as political bait to gain support in Congress. If this center hinges on my vote, then this is proof positive that this administration is not sincerely interested in the welfare of the citizens but, rather, in empire building and controlling the votes of Congress.

It demonstrates without question that little attention is being paid to careful, constructive methods of eradicating poverty, and that extreme measures are being used in a calloused effort to influence Members of Congress and delude the less fortunate in a raid on the ballot box.

Mr. Chairman, the citizens of the Sixth District of Ohio expect me to exercise my judgment on legislation free and clear of any outside pressures. They expect me to vote for or against legislation based upon its merits and need or lack thereof, not on the basis of some political plum and I fully intend to do just that.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. Saylor] to the amendment offered by the gentleman from Georgia [Mr. Landrum].

The amendment to the amendment was agreed to.

Mr. AYRES. Mr. Chairman, I move to strike the requisite number of words.

The CHAIRMAN. The gentleman from Ohio is recognized.

Mr. AYRES. Mr. Chairman, I yield to the gentleman from Michigan [Mr. Ford].

Mr. FORD. I should like to ask the chairman of the Committee on Appropriations the questions I asked earlier.

In the Yarmolinsky letter from the White House to the Defense Department it is stated:

> I realize that to give us the major logistical support we have contemplated may require initially the commitment of Defense resources and active military personnel to some extent.

Is such action authorized under the existing Defense Department Appropriation Act?

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Texas.

Mr. MAHON. I had stepped from the floor to confer over the telephone with

Defense Department officials at the time earlier in the afternoon when this question was raised. I have not had an opportunity to talk with the appropriate officials who have detailed knowledge of the situation.

I believe that the Department of Defense could, on a reimbursable basis, perform certain functions. I am not completely clear at this time as to exactly what functions need to be performed.

Mr. FORD. There is nothing in the Appropriation Act which authorizes this, however?

Mr. MAHON. The gentleman is correct.

With respect to bases and the use of bases, studies could be made as to their needed utilization for defense purposes or whether they should be transferred for other uses.

I shall go into this matter thoroughly. I have taken initial steps to get the facts. I wish to cooperate in seeing to it that no funds provided in the Defense Department Appropriation Act are used for purposes other than the purposes for which appropriated. That is only in compliance with law.

Mr. FORD. In other words, the gentleman from Texas is opposed to military personnel and military supplies being given to this program from the Defense Department stocks or personnel?

Mr. MAHON. Unless appropriate authorization is in existing law or is enacted into law.

The CHAIRMAN. The Chair recognizes the gentleman from Virginia [Mr. Hardy].

Mr. HARDY. Mr. Chairman, I would like to move to strike out the last word, and I may not have to offer my amendment.

The CHAIRMAN. The gentleman is recognized for 2 minutes.

Mr. HARDY. On page 19 of this so-called committee print—I believe it is the first paragraph—referring to agreements which may be entered into for work study activities, there is a proviso which reads:

> *Provided, however,* That no such work shall involve the construction, operation, or maintenance of so much of any facility used or to be used for sectarian instruction or as a place for religious worship.

I am not quite sure just what the words "of so much" mean, and if the gentleman from Georgia will enlighten me on that, I will be grateful to him.

Mr. LANDRUM. Mr. Chairman, will the gentleman yield?

Mr. HARDY. I yield to the gentleman.

Mr. LANDRUM. To me it has this meaning. I would say at the outset, however, that the word "solely" was put in by the House committee, but the words "so much of" or "of so much of" means this to me, that no money, no funds, appropriated under authority of this act can be used for the construction, operation, or maintenance of any building that is to be used for sectarian instruction or religious worship.

If the gentleman will permit me to go further, I would like to address that question to the gentleman from New York, [Mr. Carey].

Mr. HARDY. I would, but I hope I have time to offer the amendment if the answer is not satisfactory.

Mr. CAREY. Mr. Chairman, will the gentleman yield?

Mr. HARDY. I yield to the gentleman from New York.

Mr. CAREY. I have 2 minutes, and I will allocate that time to the gentleman, if I may, if he does not get a satisfactory answer.

I might point out that this is similar or identical language to that which was contained in the Health, Education, Professions Act and the Higher Education Act which passed the 88th Congress. It has a specific purpose.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

The gentleman from New York is recognized for 2 minutes.

Mr. CAREY. This amendment is similar to that language which the gentleman from Georgia, my colleague, just explained. It is a limitation that prohibits funds going for the religious purpose of the institution. However, it is specific in that in a case where you have a hospital, let us say, as we have in New York City, in many cases with a chapel to be used for all faiths, it will not prevent the funds going to the hospital.

Mr. HARDY. It would not prevent that, but would it prevent it from going to the chapel?

Mr. CAREY. That is correct.

Mr. HARDY. Would it prevent the funds from being used in the building, operation, or maintenance of any facility if it is used for sectarian purposes?

Mr. CAREY. By "sectarian purposes" meaning religious sectarian?

Mr. HARDY. That is correct.

Mr. CAREY. That is correct.

Mr. HARDY. It would prevent any of these funds from being used to construct, operate, or maintain any part of a religious-connected facility if that part of it is used for sectarian purposes?

Mr. CAREY. If that portion of it is used for sectarian religious purposes.

Mr. HARDY. Thank you very much.

Mr. GOODELL. Mr. Chairman, will the gentleman yield?

Mr. CAREY. I yield to the gentleman.

Mr. GOODELL. It should be clarified, however, this language, which is good language, applies only to titles I–B and I–C. There is no prohibition on any of the other activities covered under this act, whether title II or any other section of the bill.

Mr. CAREY. I want to comment the language offered in titles I and II was suggested by the junior Senator from Arizona to those two titles. He did not feel it was necessary to add the other titles, evidently.

Mr. HARDY. Will the gentleman yield further?

Mr. CAREY. I yield.

Mr. HARDY. Mr. Chairman, I am glad to have this clarification. Actually, I think it would be better if we eliminated entirely the use of these funds in connection with any facility used for sectarian instruction or for religious worship. I do hope that none of the funds will find their way into sectarian religious usage.

Mr. Chairman, I have had many qualms about this legislation. The policy which it seeks to put into effect is a good one, and certainly, if we can find a way to utilize productively manpower which is now idle, so much of which is devoted to the erosion of our society rather than to its upbuilding, we should do so. Idle hands truly find an outlet for their energies in workshops of the devil. And I agree that this country certainly has the ability to use constructively the energies of our unemployed.

The problem that I have with the bill before us has to do with the practical means which it seeks to employ to accomplish desirable and much needed objectives. The original bill disturbed me greatly. I could not have supported it in the form reported by the committee.

The Commiteee amendment does provide many improvements, although I think others are needed.

I hope the Committee will keep a close and watchful eye on the operation of this bill. If weaknesses are observed or if the administration of it shows defects, I hope action will be promptly initiated to bring about legislative corrections.

I am particularly glad that the veto power of the Governor is broad with respect to both titles 1 and 2. This will provide opportunity for the governing bodies of communities to make their judgments felt through the chief executives of their respective States.

There has been improvement with respect to participation by private nonprofit organizations and in other areas, such as the use of funds by sectarian religious organizations, which we have just been discussing.

The parliamentary situation under which we are operating is most unfortunate. The amendment is actually a new bill. It embodies amendments to practically every section of the bill reported by the committee and actually deletes some. That is to the good. But I do wish the procedural situation would permit discussion and amendment to the pending Committee amendment on a section-by-section basis. I am sure we could do a much better legislative job than we are now doing.

This amendment is much better than the orignal bill, and I do hope that in its final form it will accomplish the noble objectives so eloquently stated at the beginning of the debate by the gentleman from Georgia [Mr. Landrum].

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. Nelsen].

AMENDMENT OFFERED BY MR. NELSEN

Mr. NELSEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. Nelsen to the amendment offered by Mr. Landrum: On page 9, line 17, in section 107, subsection (b), after the period insert the following: "Any officer, employee, enrollee, or Federal employee who solicits funds for political purposes from members of the Corps, shall be in violation of the Corrupt Practices Act."

Mr. NELSEN. Mr. Chairman, under the terms of this bill an enrollee shall be deemed not to be a Federal employee and shall not be subject to the provisions of law relating to Federal employment. It further states:

> No officer, employee, or enrollee of the Corps shall take any active part in political management or in political campaigns.

The language is however not inclusive enough to prohibit solicitation of funds for political purposes as I interpret it.

During this session of Congress and previous sessions of Congress I have had a parade of people from the Rural Electrification Administration complaining about arm twisting and solicitation of political funds. The Hatch Act has been violated and the Corrupt Practices Act has been violated. At the present time an investigation is being conducted by the Civil Service Commission. I feel there should be a protection in this bill for the Corps.

Mr. LANDRUM. Mr. Chairman, will the gentleman yield?

Mr. NELSEN. Yes. I yield to the gentleman.

Mr. LANDRUM. I want to be sure I understand the amendment. Is it to provide that there shall be no solicitation among the officers or employees of this particular agency?

Mr. NELSEN. Right.

Mr. LANDRUM. Or among the enrollees?

Mr. NELSEN. Right.

Mr. LANDRUM. I see no harm in that.

Mr. FRELINGHUYSEN. Mr. Chairman, will the gentleman yield?

Mr. NELSEN. I yield to the gentleman.

Mr. FRELINGHUYSEN. Mr. Chairman, I do not see how it is possible for us to have a full understanding of any amendment under the conditions under which we are operating. I imagine the amendment offered makes sense, I am certainly not objecting, but I do think we are operating under completely impossible conditions.

Mr. NELSEN. I thoroughly agree with the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. NELSEN].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. HAGEN OF CALIFORNIA

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. HAGEN] to offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. HAGEN of California to the amendment offered by Mr. LANDRUM:
>
> Page 44, line 10: In the title of part B of title III of the substitute after the word "migrant", insert ", and other seasonally employed,".
>
> Further amend section 311 of the substitute as follows: After the word "migrant", insert ", and other seasonally employed,".

Mr. HAGEN of California. Mr. Chairman, I yield to the gentleman from Illinois [Mr. GRAY] for a unanimous-consent request.

Mr. GRAY. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. GRAY. Mr. Chairman, I deeply appreciate the gentleman yielding to me for a few brief remarks concerning this important measure. I had hoped to have more time to tell of practical experiences in dealing with Government programs in southern Illinois, particularly, the old Civilian Conservation Corps. However, under the parliamentary situation we are limited severely in debate.

Mr. Chairman, I want to plead with all of my colleagues to approve this program because, to do otherwise is blindly turning our heads away from the needs of our people and, particularly, the true heartbeat of America, the youth of tomorrow.

The job training corps, the retraining program, the work-study programs, the assistance to State and local communities, matching funds, urban and rural community action programs and other new endeavors provided in this bill will without question be a giant step forward in our efforts to stamp out poverty.

When I came to Congress almost 10 years ago we had over 30,000 unemployed in my congressional district. Today we have less than 20,000, largely because of Government-assisted programs. We are developing our God-given national resources with tools provided by a sympathetic Congress and administration. Anyone who doubts this statement is invited to accompany me to southern Illinois and see this economic resurgence. The bill under consideration will have far-reaching effects in accelerating our best efforts. We have been particularly lacking in programs to aid the youth. For this reason the 1960 census shows that the elderly population of persons 65 years of age and over, is more than double the national average in southern Illinois. This is true because the young people have been forced to leave while the older folks remain on social security pensions and other means of subsistence.

Let us now fill the gap and develop our resources for the young as well as the middle-aged and older persons.

In closing I would like to ask the opponents of this bill to reconsider their opposition because they are not only damaging the hopes of our present-day youth but for generations yet unborn.

Mr. Chairman, the question is not, "Can we afford this antipoverty program?" But instead the question is, "Can we afford not to have the program?"

Thank you very much.

Mr. HAGEN of California. Mr. Chairman, this amendment clarifies part B of title III which provides for a program of assistance to farm laborers so that it will be broad enough to include all farm laborers whether or not they move their families around with them as they seek jobs in the harvest. That is the purpose of this amendment.

I have discussed this with the gentleman from California [Mr. ROOSEVELT], the gentleman from Georgia [Mr. LANDRUM], and the gentleman from New York [Mr. GOODELL]. I am satisfied that it is acceptable on the Democratic side and that the purpose of it is acceptable to the gentleman from New York [Mr. GOODELL], although he may quibble with the language.

In the San Juan area many farm laborers, who are disadvantaged, have through their initiative or through living in publicly owned camps, established permanent residence. The residents are not migratory, although they migrate as workers to their jobs. My amendment would clearly make them eligible for all of the programs in title III. In my area there are many such people who could immediately use Government assistance in either improving their homes or building their own homes.

Mr. ROOSEVELT. Mr. Chairman, will the gentleman yield?

Mr. HAGEN of California. I yield.

Mr. ROOSEVELT. As the author of this section I simply want to say that this is a good clarifying amendment. It is, of course, understood, however, that the gentleman is referring to heads of families, so that we would have to consider it in that context.

Mr. HAGEN of California. That is correct. The gentleman from New York [Mr. GOODELL], expressed the fear that this amendment might make eligible some housewife who worked part time in the harvest. That is not my intention. I want to make that clear. I want to make this program available to family heads who may not necessarily take their families with them when they seek jobs, but who do in effect migrate to the job themselves.

Mr. GOODELL. Mr. Chairman, will the gentleman yield?

Mr. HAGEN of California. I yield to the gentleman from New York.

Mr. GOODELL. Mr. Chairman, my concern is that the people whom the gentleman wants to cover probably should be covered under this bill. We would like to achieve that objective. But the language means in effect that any agricultural worker who is on a seasonal basis can be covered under this amendment; a migrant laborer may be a permanent resident of an area and he works in an agricultural seasonal activity. He would be covered as a migrant worker, in effect. So that this is wide open. I think we could devise language, perhaps, that would cover the gentleman's purpose without opening the whole thing up.

Mr. HAGEN of California. The intention is to cover heads of families who are full-time agricultural employees.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. HAGEN].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. WILLIAMS

Mr. WILLIAMS. Mr. Chairman, I have two amendments at the desk and I ask unanimous consent that I may offer them and that they be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. Williams to the amendment offered by Mr. Landrum: On page 5, following line 14, add the following:

"(d) Each enrollee must execute and file with the Director an affidavit that he does not believe in, and is not a member of and does not support any organization that believes in or teaches, the overthrow of the United States Government by force or violence or by any illegal or unconstitutional methods, and

"(2) Each enrollee must take and subscribe to an oath or affirmation in the following form:

"I do solemnly swear (or affirm) that I will bear true faith and allegiance to the United States of America and will support and defend the Constitution and laws of the United States against all its enemies, foreign and domestic."

The provisions of section 1001, title XVIII, United States Code, shall be applicable with respect to such affidavits.

And on page 65 after line 25, add a new section 616:

"No part of any funds appropriated or otherwise made available for expenditure under authority of this Act shall be used to make payments to any individual unless such individual has executed and filed with the Director an affidavit that he does not believe in, and is not a member of and does not support any organization that believes in or teaches, the overthrow of the United States Government by force or violence or by any illegal or unconstitutional methods."

Mr. WILLIAMS. Mr. Chairman, I believe these amendments speak for themselves.

Mr. Chairman, there are precedents for these amendments. They were drafted in line with the language that is presently contained in the National Science Foundation Act.

The purpose of these amendments is obvious. They are designed to obviate insofar as possible Communist and other subversive infiltration of these camps that we will set up if this legislation is approved.

Mr. ROOSEVELT. Mr. Chairman, will the gentleman yield?

Mr. WILLIAMS. I will yield.

Mr. ROOSEVELT. I want to very briefly say that I think the first part of the amendment we might be able to accept.

The second part of the amendment, I believe the gentleman realizes we are asking a young person with no education, with all kinds of problems, to make up his mind and swear that he knows about the constitutionality and all of the phrases which the gentleman uses. I think it is impractical.

Mr. WILLIAMS. I can see nothing to be lost by letting this safeguard go into the bill.

Mr. Chairman, I believe this language should go into the bill, and I hope these amendments will be accepted.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

The question is on the amendment offered by the gentleman from Mississippi [Mr. Williams] to the amendment offered by the gentleman from Georgia [Mr. Landrum].

The question was taken; and the Chairman being in doubt, the Committee divided, and there were—ayes 80 noes 81.

Mr. WILLIAMS. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. Williams and Mr. Landrum.

The Committee again divided, and the tellers reported there were—ayes 144, noes 112.

So the amendment was agreed to.

AMENDMENT OFFERED BY MR. RANDALL

Mr. RANDALL. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. Randall to the amendment offered by Mr. Landrum: On page 30, line 13, at the conclusion of section 210 after subsection (5) strike out "and", and after the word "service" at the end of subsection (6) insert "and (7) persons living in urban places compared to the number living in rural places as determined by the Bureau of the Census for the 1960 Census (reference, 1960 Census, U.S. Summary, vol. I, pt. 1, p. XVIII)."

Mr. RANDALL. Mr. Chairman, this is a very simple amendment. I hope it will have equal usefulness.

There are six criteria listed in section 210 as guideposts for the Director of the Office of Economic Opportunity in distributing assistance in a State between urban and rural areas. In most urban areas private agencies are already organized and ready to start upon these programs. That is not true in the rural areas. My amendment is simply an effort to set up a definition of what is urban and what is rural. According to the census of 1960, those areas with a population under 2,500 were classified as rural and those over 2,500 as urban.

The six criteria, as listed in section 210, could or might lead to one of several interpretations as to the distinction between urban and rural areas. My amendment would define the distinction between urban and rural so clearly that the Director of the Office of Economic Opportunity would be given an additional guideline as to the allocation of funds for community action programs. If my amendment is adopted, the Director will still be able to fix precise numerical levels in each of the six categories of section 210, but the seventh criteria provided by my amendment should improve the balance between the distribution of assistance between urban and rural areas.

The intent of my amendment is to separate or divide urban from rural areas in the manner provided by the 1960 census in volume I, part I, at page XVIII. Simply summarized, the urban area of a State includes all persons living in urbanized areas or in places of 2,500 inhabitants or more, whether incorporated or unincorporated. Those areas not classified as urban shall constitute rural areas.

In New York it is said that 14.6 percent of the population live in rural areas but in Missouri about 33 percent of our population is rural. Each State has a different ratio of urban to rural. If this amendment is not adopted it is possible the precentage of people classified as rural could be established in such a way as to give unfair advantage to urban areas if only the other six criteria are followed. This aid should be more fairly distributed if the proposed amendment is adopted.

My amendment does not tie the Director's hands. He is not bound to follow the 1960 census percentage in its exact percentage point. The Director still has the other six criteria. But this amendment provides additional insurance that rural people will have an opportunty to participate under title II. Our rural areas need community action programs just as much as the cities.

One of the strongest arguments for this amendment is that when the programs created by this bill are started, the rural areas will be at a definite disadvantage. Upon a little reflection, the reason should seem clear. In our cities there is an abundance of public and private organizations already set up and staffed and ready to apply for funds made available under title II. The urban areas have had public and private organizations adaptable to these programs for many years. The same is not true in our rural areas. Organizations would have to be set up before funds could be applied for or allocated. It will take time even for public agencies such as the counties to get ready for these programs. Private organizations will have to develop a staff of personnel that can use these funds wisely and well. This will take time. If there is not some provision in the bill which will in some way guarantee a proportionate share of these funds to the rural areas, the loss of time suffered by the rural areas may be great enough to allow the cities to absorb all available funds to the exclusion of the rural areas.

I urge the adoption of this amendment for the reason that it will give the rural sections of our country a chance to organize public and private organizations for equitable participation in this program.

Mr. Chairman, I would hope that the members of the committee on both sides of the aisle would accept this amendment. It is a sincere attempt to make this a better bill. It will improve the bill and I am certain that it will result in fairer legislation and more equal distribution of funds under title II, if adopted.

Mr. ROOSEVELT. Mr. Chairman, will the gentleman yield?

Mr. RANDALL. I yield to the gentleman from California.

Mr. ROOSEVELT. The gentleman from Georgia [Mr. Landrum] and I believe that this is a good additional requirement and we accept the amendment.

Mr. RANDALL. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri [Mr. Randall] to the amendment offered by the gentleman from Georgia [Mr. Landrum].

The amendment to the amendment was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. Gubser].

AMENDMENT OFFERED BY MR. GUBSER

Mr. GUBSER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Gubser to the amendment offered by Mr. Landrum:

Page 4, line 17, after section 103, insert a new paragraph (f) as follows:

"And he is directed to provide a nonsectarian and noncompulsory program of religious instruction and worship for all enrollees."

Mr. GUBSER. Mr. Chairman, on the dozens of occasions each year when each of us salutes the flag of the United States of America, I am confident none of us is silent when we reach the words which describe our country as "one nation under God." And as each of you look at the words inscribed above the Speaker's chair in this Chamber, there is no doubt that this is a Nation that trusts in God. If you visit the U.S. Military Academy and the U.S. Naval Academy, and the U.S. Air Force Academy, you will find that religious instruction is offered and that all of our future officers in the Army and Navy and Air Force are requested and urged to participate in that religious instruction.

The instruction provided for in my amendment is not at all compulsory. It will be nonsectarian. It is completely in keeping with the traditions of our three military academies.

If it is the purpose of this program to prepare people for the responsibilities of citizenship, you cannot deny that religion is a part of teaching citizenship that has been traditional since the country first began.

Mr. JOHANSEN. Mr. Chairman, will the gentleman yield?

Mr. GUBSER. I yield to the gentleman.

Mr. JOHANSEN. Of course, I fully understand the motives and purpose of the gentleman, but I have great reluctance in contemplating Sargent Shriver as my Sunday school teacher.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. Gubser] to the amendment offered by the gentleman from Georgia [Mr. Landrum].

Mr. GUBSER. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed Mr. Gubser and Mr. Roosevelt as tellers.

The Committee divided, and the tellers reported that there were—ayes 96, noes 130.

So the amendment to the amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from New Jersey [Mr. Frelinghuysen].

Mr. FRELINGHUYSEN. Mr. Chairman, I think this is an unconscionable power play we have been witnessing. I have time only to say that I am going to offer a motion to recommit. The motion will contain my bill H.R. 11050, which I submitted over 3 months ago. There is a description of this bill starting on page 93 of the committee report. It would not establish a new and unnecessary Federal agency but would make $500 million over each of the next 3 years to be distributed among 50 States. I consider this bill a major alternative. It will provide needed money in areas and in ways in which it should be made available. The States will develop plans and set priorities for programs needed in their States.

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentleman from California [Mr. Roosevelt].

Mr. ROOSEVELT. Mr. Chairman, I would like to ask the gentleman from Michigan [Mr. Johansen] a question, and I will put the answer in at this point.

Mr. Chairman, section 406 added in the other body is an excellent amendment and so that there may be further clarification I want to add some legislative history. There can be no question that no provision in the act shall be deemed to authorize the use of Federal funds for grants, loans, or financial assistance of any kind first, for projects or facilities in highly mobile, intensely competitive industries in which substantial unemployment and unused plant capacity exist; second, for projects or facilities which utilize industrial homework in their operation; and third, for training programs for industries in which labor turnover is high and in which the prior possession of a specific skill or training is not typically a prerequisite for obtaining employment. The apparel industry may be cited as a case in point. The majority of the committee have always intended this to be as obviously does the other body. I feel confident the overwhelming desires of the Congress will be strictly adhered to.

With respect to the query of the gentleman from Michigan, made earlier, I am informed that the position of the executive branch is that Public Law 801, 84th Congress, is not applicable because their bill calls for a new agency limited to a 1-year existence unless renewed by July 1, 1965.

Secondly it is held that this bill calls for no additional expansion or expense to any existing department, agency, or independent establishment of the executive branch and, therefore, the provisions of section 11(a) are not applicable. I would say to the gentleman if this is not the proper interpretation he should review the existing language of the law.

Mr. DONOHUE. Mr. Chairman, the vicious social and economic cycle that has been projected and threatens to be perpetuated by the combined problem of poverty and unemployment is very probably the most stirring challenge our generation faces and upon which this body has the awesome duty to legislate.

The chance for us to do something about this problem is before us now in the form of this measure, H.R. 11377, designed to mobilize the human and financial resources of the Nation to combat poverty in the United States.

The various provisions of this measure have already been carefully, technically, and exhaustively explained to this House by the managers of the bill.

In summary and in substance this bill projects programs that will enlarge opportunities for our youth to obtain the basic education, skills and experience they must have to take a proper place in our society and become responsible parents in the future; that will inspire our communities to create appropriate measures to eliminate the evil roots of poverty at the local level; that will provide a better base for the revitalization of poorer areas in our great metropolitan cities by expanding small business activities; that will assist destitute rural families in achieving improved living standards through the extension of capital grants and loans; that will project selective projects to benefit undereducated adults and migratory agricultural workers; that will motivate more States to utilize public assistance as a means to help families help themselves to throw off the discouragements of poverty and that will recruit and train volunteers to carry out the war on poverty that I hope we will declare this afternoon.

Mr. Chairman, let us solemnly reflect upon the unquestioned fact that in this land of plenty we have some 35 million American citizens living in poverty.

To those who would question the costs of this program we must ask them to consider the most of not adopting this program, in terms of direct public assistance payments alone, which amount to $4 billion per year. In addition to these direct payments, the indirect costs of poverty to this country which show up in juvenile delinquency, crime, health hazards, and higher police and fire protection costs, totals billions more.

To those who would fear the possibility of Federal intervention in local affairs let us unite in action against such a danger which no sensible person desires and accord the various Governors the power of negating any local community program unless it were sponsored by local public authorities. This uncertainty of Federal intervention is of serious and sincere concern to many Members here and I think that a power of veto to a Governor will reassure them on this score.

In our deliberation on this bill let us remember that cities throughout this country are increasingly burdened with growing numbers of families on relief and the relief payments are so insufficient for modern living normal standards that these families' cumulative misery suffocates them in further dependence. This bill to combat poverty provides the first real hope in a generation of purposeful public action to raise these families up into self-independence, to take young people off the street corners and train them for steady employment and encourage the uncertain to remain in classrooms until they earn their diplomas.

Let us vividly realize that a teenage jobless rate of 16 percent has explosive possibilities that are of potential fearful and frightful consequences even in this nuclear age.

Mr. Chairman, obviously the problem of poverty in this country is real; its costs in human misery and economic impact are beyond calculation. The costs of this bill are reasonable for the objective intended and the programs projected should be marked for reduction and elimination as the programs advance in their accomplishments.

It is not suggested here that a program of perpetual care is to be established. It is intended only that poverty-stricken people who need and will respond to help will be given such help so that they may help themselves and gradually the desperate need of such help will be reduced and the programs themselves will be accordingly restricted and eliminated.

Mr. Chairman, in the course of his historical and inspirational inaugural address, our late and beloved President John F. Kennedy spoke these memorable words:

> To those peoples in the huts and villages across the globe struggling to break the bonds of mass misery, we pledge our best efforts to help them help themselves, for whatever period is required—not because the Communists may be doing it, not because we seek their votes, but because it is right. If a free society cannot help the many who are poor, it cannot save the few who are rich.

With this sentiment and in his spirit let us enact this legislation because it is right and because it is good for all Americans.

May I say it offers us also, Mr. Chairman, an opportunity to demonstrate to our American taxpayers and fellow citizens that although we should have earnest interest in the rehabilitation of peoples in foreign lands our primary concern and obligation is and ought to be for our own people who are still making great sacrifices for the promotion of peace, progress, and prosperity throughout an uncertain world.

Mrs. REID of Illinois. Mr. Speaker, for the past 3 days we have been considering H.R. 11377, the antipoverty bill which calls for the expenditure of approximately $1 billion in the first year of operation and which would, among other things, establish a Job Corps.

Certainly, as Christians and as Americans, each of us must assist our less fortunate fellow citizens. This is a solemn duty. It must be met honestly and sincerely. However, I cannot tolerate callous attempts to make a political football out of misfortune. Furthermore, I feel that this legislation violates the pledges I have given my constituents.

I have promised the voters of my district that I shall continue to fight for economy in Government. This administration bill creates a huge new bureaucracy to administer new programs which overlap the 42 existing programs which deal directly with poverty. Public assistance, aid to education, and manpower retraining are only a few of the activities which cost almost $32 billion Federal dollars last year in the continuing fight against poverty. This duplication of existing programs will certainly result in greater waste of our taxpayers' dollars.

The Department of Labor, the Office of Education, and the Social Security Administration provided training last year for more people than will be helped by this now "poverty czar." The Job Corps will cost the American taxpayers $4,700 a year for each participant. As any parent knows, this is more than the average cost of a college education; and it is about nine times the per pupil cost a year in public schools in Illinois. The community action programs authorized in this bill are patterned on the Juvenile Delinquency Act which, in the words of its Democratic sponsor, "has apparently been a pretty dismal failure."

I have pledged myself to fight for decentralization of Federal power. H.R. 11377 bypasses local and State governments. Traditionally, Federal aid programs have required elected local officials to develop State plans for use of Federal funds. This is the first major program which allows an appointed bureaucrat to enter our local communities and give Federal funds to any group he chooses without regard to the wishes of elected local officials. Under this bill the "poverty czar" will establish a Federal school system independently of our local school boards. Placing control of what is taught our children in the hands of the Federal Government is a grave threat to our freedom.

I have pledged myself to support the constitutional separation of powers among the three branches of the Federal Government. This legislation has not had proper legislative consideration. The Johnson administration has disrupted the legislative process to block discussion of the merits of this proposal. Every effort of the Republican members on the House Committee on Education and Labor to provide information on which to judge whether this is good or bad legislation was blocked by the Democratic majority on the committee. Constructive amendments offered by Republicans in committee were voted down on a straight party line vote. The hearings of the committee show that this is a purely partisan political maneuver to get votes in November. I refuse to be a rubberstamp for any President. I will oppose any President who tries to usurp the power of Congress; and I will never cast any vote on the basis of "political expediency."

Mr. BARRETT. Mr. Chairman, I am very pleased that the House is today studying and debating the merits of H.R. 11377, the Economic Opportunity Act of 1964, because such legislation is urgently needed in our city of Philadelphia and the Commonwealth of Pennsylvania to combat poverty, which is our Nation's worst enemy.

As we all know, poverty breeds among the peoples of our country because of poor health, lack of education, the absence of marketable skills, and an unstable family life. It is not a sin or crime to be poor, but we should and can help these unfortunate citizens so they can move from the back alleys and slums of our cities into a brighter world.

Mr. Chairman, this act will benefit approximately 35 million Americans who are now living in substandard conditions. It will provide them with the opportunity to improve their lives. The rewards will be great and our Nation will continue to prosper.

Title I of the bill is of particular interest to me because it concentrates on the problems of our youth—our future citizens. Part of title I will authorize the establishment of a Job Corps, which is designed to help our young men and women between the ages of 16 and 21. It will prepare them for employment and a richer life. Those who volunteer for the corps will be granted an opportunity to complete their education. They will be offered vocational training, recreational and physical programs. They will not only build and improve their minds and bodies, but will gain a brighter outlook on life.

Mr. Chairman, this phase of the bill, in my opinion, is the most important and vital feature. It will eliminate the street gangs in Philadelphia. It will destroy hoodlumism and brutality. It will decrease delinquency among our youngsters.

Title II of the poverty bill will help the poor communities throughout the United States. Through the efforts of the local governments and local civic organizations, programs will be developed to attack the causes of poverty. These citizens, who understand their needs, will tackle projects to eliminate dilapidated housing; to provide for better family services, and more efficient health and educational programs.

Under title III of H.R. 11377, our rural families in America will be given help and guidance. These people are the most destitute and in real need of assistance because their employment opportunities are limited. At this point, Mr. Chairman, I would like to quote one of President Lincoln's favorite expressions, which parallels the purpose of this bill.

> The legitimate object of government is to do for the people what needs to be done, but which they cannot, by individual effort, do at all, or do so well, for themselves.

I am also vitally interested in title IV of this bill because it will be of great value to the small businessman, who over the past 10 years has found it difficult to compete with big business. In my own city of Philadelphia, hundreds of small employers have been forced into bankruptcy because they had no one to turn to for help. Under this act, the little shopkeeper, through the Small Business Administration, will be able to obtain a loan on liberal terms and without going through yards of redtape. This bill will stimulate small business. Additional employees will be hired. Economic community growth will occur.

Another feature in the bill, title V, will help the public assistance recipient and other needy persons develop new skills which will make them employable. This will be a blessing to those people who want to work, but cannot find a suitable job.

Mr. Chairman, America will continue to grow and the will of her people will defeat poverty. This bill is only the beginning. History will write the finale.

Mr. MURPHY of New York. Mr. Chairman, I wish to express my support for the legislation before us today.

One of the broadest measures of progressive legislation since the 1930's is the Economic Opportunity Act of 1964, better known as the antipoverty bill. Though a good deal has been written about this measure in the daily press, few know really what it provides. Obviously, the bill is not a cureall for poverty, nor does President Johnson claim it to be. But it is a step toward correcting glaring inequities in our economy. The bill consists of six sections, of which three are of particular interest to our area: First, Job Corps; second, community action programs; third, employment and investment incentives.

Briefly, the Job Corps would provide useful employment for young men and women, from 16 through 21, in projects similar to the program of the Civilian Conservation Corps before World War II. They would be enrolled for a maximum of 2 years and paid $50 a month, of which $25 would be sent to the enrollees' families if circumstances warranted it. In addition, the bill would underwrite public and private agencies in setting up work training programs for young people of the 16-to-21 age bracket.

In community action programs, the bill would provide Federal financial aid and technical assistance to any community wishing to mobilize its resources to wipe out the pockets of poverty that are a blight in every city, large and small. A vital part of this section is an adult education program. This is aimed at helping the semiliterates—those whose reading and writing skills are so poor as to make them unemployable.

The third section of particular concern to us in New York is that which offers employment and investment incentives. Its purpose is to help existing small businesses survive and encourage others to grow. To implement this program, the bill would offer or guarantee 15-year, $15,000 loans.

As I see it, this bill would be a major factor in attacking three critical problem areas in our economy. The first, and most important, in my view, is the growing dilemma of jobless youths—the dropouts who in many cases turn to crime simply because they have not the basic education to hold even a simple job. To my mind this is the only practical means of curing the cancer of juvenile delinquency.

The community action program would tremendously improve the lot of another disadvantaged segment of our city—the adults of little or no skills who are hopelessly handicapped in an economy that demands technical training every year. A vigorous project along these lines could ease our heavy welfare burden. Remember, most of those on welfare are not there by choice; they simply cannot get a job.

Lastly, the provision extending help to the small businessman would be of immeasureable help in New York City, which is a community of small businesses. The small businessman is caught in an economic vise—rising labor and stock costs on one hand and increased competition from the industrial giants on the other. He plays a vital role in our economy, also; in our city, those employed in small businesses form the bulk of the labor force.

Mr. PICKLE. Mr. Chairman, the antipoverty program calls for an investment rather than a dole. It proposes to salvage human beings and in doing so it will contribute to the economic health of our Nation.

The Washington Star, in a recent editorial, stated in just four sentences the compelling case in favor of this program. I quote:

> One of the curious and tragic aspects about the poor is that they have always been poor. They are too often trapped in a cycle of ill health, lack of energy, unfinished schooling, and consequent lack of opportunity. In 20th-century technology, the untrained man finds more and more doors closed. So he joins the unemployed, and his children are trapped, even unto the third and fourth generation.

That is truly, as the Star editorialist wrote, the tragic aspect of this situation. There seems no escape for these people.

The program proposed by this bill would provide a means for breaking the poverty cycle, thus giving hope to people who must now exist without that vital human quality.

The Job Corps proposed in this bill has been compared to the National Youth Administration of the thirties. That, as it happens, is something I know about from firsthand experience. When I graduated from the University of Texas in 1938, I accepted a job with that organization as area director at the staggering sum of $100 per month. It was my job to direct work projects with local political subdivisions—and working together, the NYA and the cities, counties, and schools, constructed school buildings, sidewalks, recreational centers, machine shops, woodworking shops, girls' and boys' residence centers, farm centers, radio and electronic shops, and many other projects that offered training and some education for these youngsters.

We taught these young people how to work—and how to work together. The boys learned how to operate a bandsaw, feel the sureness of a drill press, and appreciate the glow and strength of a welding torch. They knew what it was to cut dimensional pieces of tough oak, build it into a sturdy desk or chair, and then apply protective coats of paint which gave them pride in workmanship. They laid out batten boards for a construction job, and learned how to read slide rules, plumb a line, and make bond for the mortar that erected a strong school wall or public park building. And the girls learned how to sew and cook and keep books, and to perform secretarial and recreational services.

This was practical education. It was not fancy. These young people were paid mighty little for the services performed. The emphasis was on work—for we were still in the tailend of the great depression. But they did learn that it was important to know how to do something. Perhaps they recognized how little they knew—and realized that the world would pass them by if they did not learn some basic skills and receive some fundamental education; but this work kept them busy. It gave them hope and some dignity. And it gave them a faith—faith that anyone still had a chance because they had a government which was interested in their work and well-being.

My 3½ years' association with that organization also taught me a lot. It taught me that young people can be salvaged; they can be made taxpayers instead of taxeaters; they can help themselves if we help them. And they were helped.

Many of these young people with whom I worked became successful citizens. This was true all over the Nation. Indeed, many Members of the present Congress were products of that same era and same program. The proposed Job Corps, work training and work study programs are needed, and can accomplish significant goals in most communities which want it and can qualify for it. It is better to establish work programs than to make free grants as charities or doles.

Permit me this further personal observation. For the past 3 years, I served as employer representative on the Texas Employment Commission. There I saw daily the thousands of men and women streaming through our lines looking for work or signing up for unemployment insurance. Many of these people were young men and women; nearly all of them were uneducated and unskilled. Our State ran a statewide survey to study these facts, and found that there was a definite corollary between the rate of unemployment and the lack of education.

Invariably, the lower the education, the higher the unemployment rate. It went hand in glove—always the same. I came to the conclusion then, and I restate it now, that we must keep our young people in school until they at least finish high school. And our schools need to take a different approach, perhaps by offering two kinds of high school diplomas—one in practical arts and the other in general academic achievement. We are making some headway in that direction now. We must keep our children in school long enough—no matter what—until they have learned how to do something with their hands and heads—and we hope both.

Meanwhile, we have a vast army of underprivileged dropouts; unskilled dreamers and blank human cartridges who must be reschooled, retrained, and retrieved.

Texas high schools last spring graduated less than half of the students who began the first grade 12 years ago. More than 40 percent of the teenagers in the eighth grade today will not be around for graduation exercises in 1968. And when a young person becomes a dropout he becomes an unskilled worker and commits himself to a lifetime of low wages and unemployment.

Unless we do something to reverse the trend of the growing number of unskilled workers—no matter how prosperous or affluent our society—we will see a large, uncontrollable rank of unemployed know-nothings develop who have lost hope and faith—and like any malignancy, the danger is that it will consume us in the long run if we do not eliminate the blight. Thus, for humanitarian reasons, we cannot tolerate this condition; for economic reasons, we cannot afford it.

It is my guess that virtually every congressional district represented in this House has a direct stake in the program proposed by H.R. 10440. I know that in my own district I would like to see the rebuilding of Bastrop State Park—the park of the Lost Pines Forest—which was built by another youth agency, the Civilian Conservation Corps, in the early thirties, with further work later being done by the National Youth Administration.

The rebuilding of this State park in my district would provide recreational facilities for our people, and at the same time it would give training and work opportunities for youngsters at a crucial decision point in their lives.

It is typical, I am sure, of projects that could be carried out throughout the length and breadth of our land.

Importantly, a section of the bill we are considering deemphasizes the role of Washington by providing financial aid to stimulate local community action programs in the war against poverty. With the veto power given to any Governor, we are assured of local control.

It will, of course, cost some money to start the war against poverty. But in the long run it will cost a great deal more money if we do not start that program. We have an opportunity to start it now, and now is the time when we should start it by approving the Economic Opportunity Act of 1964.

Mr. CORMAN. Mr. Chairman, today I received a telegram from one of the large aerospace firms in my district urging passage of the Economic Opportunity Act of 1964. The firm, Litton Industries, clearly recognizes the need for cooperation between industry and Government in maintaining the health of our national economy and realizes the contribution the pending antipoverty legislation can make toward a healthy economy. This telegram is indicative of the widespread support the bill has among responsible industrial leaders. It is also representative of the attitude of progressive management in California's 22d Congressional District.

The text of the telegram follows:

> We at Litton Industries urge you to vote in favor of the Economic Opportunity Act of 1964 labeled S. 2642. We believe strongly that this bill should receive nonpartisan support in Congress as a measure essential to the continuing welfare and progress of the Nation and to our country's reputation throughout the world.
>
> As members of American industry we have proudly offered our support and assistance to this bill and to the very tangible and effective gains which it can provide for many needful and deserving people in this Nation.
>
> As presently constituted, the bill provides a unique and important opportunity for industry to give management leadership to what is conceptually, philosophically, and operationally proposed to be a broad-scale program directed toward our national well-being.
>
> Rather than having Government encroach upon industry's fields of capability, this might well be an opportunity for industry to play a greater role in Government. We enlist your support.
>
> GEORGE T. SCHARFFENBERGER,
> *Senior Vice President, Litton Industries, Inc., Canoga Park.*

Mr. PUCINSKI. Mr. Chairman, the Chicago Sun-Times today carried an editorial in support of President Johnson's antipoverty bill which is so concise and convincing in its logic that I want to take this time to read the editorial in its entirety.

Marshall Field, publisher of the Chicago Sun-Times, which is a conservative Midwest publication, and his editorial staff have performed a most imposing public service by putting this legislation in its proper perspective and urging its enactment.

This is a complicated bill. I am particularly pleased to see that the Sun-Times editorial editor, Robert E. Kennedy, has taken time to analyze its complexity to write the editorial which I should like to read at this time.

It is most encouraging to see this kind of responsible and constructive journalism.

Mr. Chairman, the Sun-Times editorial reads as follows:

> [From the Chicago (Ill.) Sun-Times, Aug. 7, 1964]
>
> HELP THEM BE SELF-SUPPORTING
>
> A quipster recently commented that the United States is so wealthy that it can afford to spend a billion dollars to try to end its poverty. It is in truth ironic that the most affluent Nation in modern history has pockets of poverty as bad as some that existed in the 14th century.
>
> Whether the United States will undertake to spend nearly the billion dollars (mentioned above) is expected to be decided in the U.S. House today. That body is scheduled to vote on President Johnson's "economic opportunity bill" which was passed last month by the Senate.
>
> Virtually all Americans agree that for economic if not humane reasons efforts must be made to raise the living standards of those persons who by reason of lack of opportunity or lack of skill do not earn a proper income for decent living conditions.
>
> The main purpose of the Johnson bill as summed up by Representative PHIL M. LANDRUM, Democrat, of Georgia, Wednesday, is to take people off the welfare rolls and make them "taxpayers instead of taxeaters." President Johnson has said that the economic effects of the Government-sponsored war on poverty will generate more tax revenue than it will cost; the House committee report on his bill says, "The visible cost of not adopting this program, in terms of direct public assistance payments alone, is $4 billion a year."
>
> Most Republicans are against the program as just another effort of Democrats to attack a social problem with a spending program. They view it as an election year gimmick. More effort, they say, should be put into existing programs, especially vocational education and job retraining. However, the bill was supported by 10 Republican Senators.
>
> Southern Democrats, with the exception of men such as LANDRUM, are afraid the program would be used to further integration, particularly in the proposed Job Corps training camps.
>
> The administration has agreed to give Governors the right to veto antipoverty projects in their States. Thus any State that objects to help from the Federal Government will have the right to turn it down. Federal money won't be forced on them. Only those States that want and need the help may get it.
>
> As Walter F. Carey, president of the Chamber of Commerce of the United States recently pointed out, many communities have initiated their own programs to attack poverty without waiting for Federal help. In Chicago, for example, the Combined Insurance Co. of America, is underwriting the $25,000 first-year cost of a pilot program to help migrants from southern mountain areas through job training and other counseling.
>
> Much of the Federal program involves similar activities. In addition to work-training centers, mostly for unemployable school dropouts, the Johnson program is intended to promote community action programs such as those mentioned by Carey.
>
> The Johnson bill happens to come under consideration in an election year but what it proposes to do has long been under consideration. The conditions against which it is directed are growing more acute. Our industrial society demands that every person be able to play a useful part in it. The unskilled must be taught, the ignorant must be educated. The very affluence that America enjoys depends on the optimum use of all hands.
>
> The House should pass the Johnson bill. The time has come for all to acknowledge that efforts to raise living standards must be made at all levels of government.

Mr. SCHWENGEL. Mr. Chairman, it seems that everyone who has risen in this House during this debate has felt that it was necessary to disclaim support of poverty. It is as if an enigma is immediately cast over one who opposes this bill and it must be hastily cast off by the patent statement, "I am against poverty, too"; but:

While this is an almost natural reaction, I do not believe that such a disclaimer should be necessary. Not one of us here is for poverty or against sound programs to resolve the problem of poverty. Many like myself know what it is like and know something about what can be done about it.

It is almost incredible to note the situation as it has developed here on the House floor as this legislation is being considered. We are considering H.R. 11377 and yet we are not. We are considering the Senate poverty bill and yet we are not. There is a substitute bill that a committee has not considered or given a scrutinizing eye. One can never speak on the provisions of any one of three bills and be certain that he is addressing himself to the proper bill.

Evidently weeks of work went into the preparation of H.R. 11377 and the reports that accompany it and then when it comes to the House floor it is discarded because its proponents finally realize that it is not worthy of the support of a majority of this House.

So what is one to do? I had prepared some remarks on H.R. 11377, but somehow they would seem inappropriate since we are told we really are not considering it. Then I thought maybe I could speak on the Senate bill, but to my dismay found out that the substitute would be different from it, too. Finally we got to see the substitute that is going to be proposed, but after giving it some thought I felt it would be inappropriate to speak about a piece of legislation that really was not before the committee as yet. This leaves one in quite a dilemma; but not for long, for one, as he reads H.R. 11377, the Senate bill and the substitute that is to be offered, finds that all suffer from the same thing—inadequacy. In section after section you find planning and preparation done without needed State and local cooperation. In section after section you find a rehash of old programs that most of us thought had been discarded long ago.

Let us examine what some have called the pacifying or saving features of the bill—those apparently intended to buy votes. It is proposed that the Governor be given the power to veto any project private or public in his State. This is an extraordinary power. It certainly will enhance the power of our Governors. It is designed, as I understand it, to provide State participation in the poverty program. I might say to my friends who have often accused us on this side of the aisle of being negative-minded that I have never seen such a negative-minded proposal in my 10 years in Congress. Why not give the States a constructive role in this program? When you finally realized that the States must be given a part in the execution of this program was it not possible to find a more positive role for them to play? I have always suspected that there existed some lack of ingenuity on the other side of the aisle when it came to the area of Federal-State cooperation. This certainly confirms it.

The specific provisions of the various poverty bills have been debated and discussed at some length. By now most of us are acquainted with the defects of any one of the bills or all three of them, although I must say it certainly does get confusing at times trying to figure out which we are discussing.

But I want to take this opportunity to remind the House that this is only the first poverty bill. There is another poverty bill which is as offensive as this one before the Rules Committee right now. It suffers from many of the same defects that this bill does, plus a few more.

There is all kinds of evidence that this poverty bill and the Appalachia poverty bill were hastily drawn and without proper consultation with the people affected by the legislation. Early next week I will tell this House about a trip that I made just last Tuesday into Appalachia. After pleading all through the hearings on that bill that the Committee go to Appalachia and getting nowhere, I finally decided to go myself. The results are interesting, to say the least.

Poverty is a problem all of us would like to eliminate, but there is a wrong way and a right way to do the right thing. The answers offered in this bill certainly point us in the wrong direction. More grassroots research is needed. It seems to me that we have consistently failed to get to the roots of the problems. We need to dig deeper and examine more carefully. Then and only then can we have any real hope of dealing effectively with poverty.

Mr. COLLIER. Mr. Chairman, during the several hours of debate on this bill we have been dealing in generalities, emotional appeals, and in platitudes. In the final analysis, however, it certainly should be evident that this legislation overlaps many existing programs and conflicts with others.

It represents in fact a legislative invasion of the jurisdiction of several standing committees of the House of Representatives.

These facts notwithstanding, I submit that either intentionally or unintentionally both the legislation and the presentation of the proponents leaves a vacuum instead of an analysis of the problem of poverty in this country.

What are the principal causes of poverty? They can be placed in four categories. One, a lack of available employment which leaves a family without adequate income or where employment is available, the individual, No. 1, either does not have the trade or skill necessary to secure a job; or, No. 2, because of age or ill health cannot secure a job; or No. 3, because the individual just cannot or will not secure or hold a job.

Everyone in this House knows that we have scores of federally financed programs, some providing matching funds through State and governments, which have been designed and directed to assist the economic, social, and educational plight of our less fortunate citizens. Admittedly, some have not worked out too well and failed to accomplish the purpose. Others have been exceedingly helpful and still others enjoyed both a degree of success and failure. The point is that there are existing programs which need only be reviewed and evaluated and perhaps implemented to do a better job than has been done in the past.

Any inadequacies in existing programs do not warrant the ill-conceived piece of legislation with which we have been dealing for the past few days, however. In fact, if it is enacted into law, it may well create the new problems of irresponsibility, buckpassing, and confusion which will hinder rather than help the war on poverty which has been going on in this country for many years.

I wonder if any analysis has been made in the deliberations on this program with regard to what percentage of the families in the country classified as being impoverished fall into the four categories which result in inadequate income and substandard living conditions. Let me cite a prime example which I do not believe has even been touched during consideration of this bill and perhaps not even during the committee deliberations.

One of the prime causes of poverty in the country today is chronic alcoholism. Latest figures issued by the Department of Health, Education, and Welfare this week to a member of my staff show that there are 5 million alcoholics in the country today growing at a rate of 200,000 per year. Some years ago, I served as director of general assistance in a township of approximately 60,000 inhabitants. Repeatedly, needy families who came for public assistance were those who were the dependents of an alcoholic who was unable to hold a regular job or, in many cases, just did not want to work. Local welfare agencies frequently assisted in trying to rehabilitate these peoples, and comparatively few were ever reconverted into self-sustaining, responsible citizens. It is interesting to note that more than 80 percent of the chronic alcoholics in the country today are males past the age of 21 years—that very group which are primarily the wage earners or heads of households in the country. Of course, there are a lot of the "Reggie van Gleason" type of alcoholic who can afford the luxury of debauchery—financially, that is. But these are very much the exception rather than the rule in this critical area of poverty. I point this out because it seems to me that before we can embark upon the type of program that we are asked to support today that a proper evaluation be made of the problem and implementation of existing programs at a Federal, county, and local level be made to provide a more realistic course of action. To approach the problem in any other way is merely to find ourselves back here in 2, 4, 6, or 8 years from now without any improvement in the situation not to mention the confusion and overlapping which will result from this ill-conceived approach upon which we will be required to vote today.

Mrs. DWYER. Mr. Chairman, the essential question before this House is whether we are prepared to begin now to direct a concentrated attack against the causes and conditions of poverty in the United States.

I know of no responsible person who denies the existence of poverty in our otherwise very rich and fortunate Nation. While there are differences of opinion about the extent of poverty, about the validity of certain measurements and criteria for defining poverty, and about the hopefulness of proposed methods of combating poverty, there is no doubt that the problem is sizable and that new and decisive efforts are required to deal with it effectively.

The pending bill, Mr. Chairman, meets this need. It provides a practical way to break the cycle that keeps the poor poor and condemns their children and grandchildren to be poor. It is not welfare; it gets to the causes of poverty. It summons local effort and initiative and calls on the volunteer spirit of concerned citizens. It promises to be a well-coordinated and carefully thought out program. And it can be economical in the best sense—saving our human resources and reducing the scandalous costs of crime, delinquency, unemployment, and welfare.

It is time now to act decisively in helping people to help themselves, in providing realistic opportunities for the basic education, job training, and work experience which will assist the poor to become productive and self-respecting members of their communities.

The news today, Mr. Chairman, that the number of people with jobs has reached the historic high of 72.4 million and that the rate of unemployment has declined to a 4-year low of 4.9 percent, points up the paradoxical nature of the poverty problem—the coexistence in America of unprecedented prosperity for the great majority of our people side by side with the hopelessness and deprivation of almost hidden millions.

At such a time as this—with our economy moving forward, with purchasing power increasing, with new opportunity opening up, at least for most of us—we must not halt or relax. Despite our differences, we are all in agreement that poverty exists and that it cannot be tolerated. So let us get at the job today.

The defeat of this bill would mean the waste of at least another year or more in getting badly needed help directly to the people. We need the bill now—in my own congressional district, in Elizabeth and Plainfield and other Union County, N.J., communities, as well as elsewhere throughout the country, where public and private agencies are looking for the chance to make an increased contribution.

In voting for this bill, however, I do so with two important qualifications. First, our concern about poverty does not justify voting for every proposal which is advanced in the name of antipoverty. And second, passage of this bill will not relieve us of the responsibility to supervise its administration and make an honest determination of its effectiveness.

In spite of certain potential weaknesses in the legislation, the bill appeals to me because it promises to get help to those who need it most and to do it directly, and because it provides for a coordinated approach within the Government to a problem which, because of its diversity and complexity, could overwhelm us if we approached it on a piecemeal basis. The same cannot be said of other programs which the administration has attempted to portray as antipoverty programs, including the Area Redevelopment Act and the accelerated public works program both of which I have opposed as wasteful and inefficient.

In keeping with our responsibility to watch the antipoverty program carefully, assuming we approve it today, I would urge our colleagues, Mr. Chairman, to give thoughtful attention to House Resolution 666 which I introduced last March. This proposal would create a Select Committee on Poverty in the United States composed of ranking members of the principal House committees having legislative jurisdiction over various aspects of the poverty problem, members who could bring to the task of fighting the war on poverty the experience and judgment it needs.

The war on poverty cannot be a one-shot effort. It is a complicated and multifaceted thing, and Congress has an obligation to organize itself so as to provide the close supervision and expert thinking which can prevent waste and duplication and make the program truly successful.

As a part of my remarks, Mr. Chairman, I include the text of House Resolution 666, together with a brilliant and tersely written portrait of poverty in Elizabeth, N.J.—certainly a representative middle-sized city and thus typical of the conditions this bill is meant to attack—and a letter to the editor from Elizabeth's Msgr. W. C. Heimbuch which reflects that distinguished clergyman's long experience and deep compassion. Both the letter and the article were published in the Daily Journal of Elizabeth.

Whereas there has been variously estimated to be from 20 per centum to 30 per centum of the American people who are not sharing in the abundance and promise of our national life and are living their lives in economic, social, and cultural deprivation; and

Whereas such deprivation to the extent it exists is enormously costly to the Nation as a whole both in terms of lost human resources and of the increasing expenditures necessary to control the adverse effects of poverty; and

Whereas poverty in the United States exists under many forms and in diverse circumstances, affects people of varied backgrounds and in different parts of the country, arises from a variety of causes; and is perpetuated by many different factors; and

Whereas the President has requested Congress to provide authority and funds to combat poverty; and

Whereas an effective campaign against poverty will require, among other things, the identification of the causes instead of the symptoms of poverty, a comprehensive inventory of existing and proposed programs and policies affecting poverty, a judicious search for means appropriate to an attack on poverty at its sources, the establishment of meaningful priorities for the use of Federal resources, and a high degree of coordination between responsible agencies of the Government; and

Whereas the President has recommended the creation of a new Office of Economic Opportunity within the Executive Office of the President to provide coordination and direction in the executive branch in the campaign against poverty; and

Whereas Congress as a coordinate branch of the Federal Government has an equal responsibility for providing coordination and direction in any campaign against poverty which Congress may authorize; and

Whereas the President's proposed "Economic Opportunity Act of 1964" has been introduced in the House of Representatives as an omnibus bill and referred to a single committee, notwithstanding the fact that it contains provisions which ordinarily, by virtue of their subject matter, would come within the jurisdiction of other standing committees; and

Whereas the expert knowledge and experience of members of these several standing committees should be brought to bear on the subject of poverty and on the most practicable and effective ways of combating it: Now, therefore, be it

Resolved, That there is hereby created a select committee to be composed of thirty-five Members of the House of Representatives to be appointed by the Speaker, one of whom he shall designate as chairman. Members shall be appointed in a ratio of three majority members and two minority members from each of the following standing committees: Committee on Agriculture, Banking and Currency, Education and Labor, Interstate and Foreign Commerce, Public Works, Interior and Insular Affairs, and Ways and Means. Any vacancy occurring in the membership of the committee shall be filled in the manner in which the original appointment was made.

The committee is directed to make a complete, full, and thorough study and investigation of the extent to which poverty exists and the forms in which it is manifested among the people of the United States, the numerous programs and policies being followed by sundry departments and agencies of the Federal Government which may be related, directly or indirectly, to the subject of poverty, and the various proposals advanced from both public and private sources for combating poverty in the United States. Without limiting the generality of the foregoing, the committee shall give special attention to the following: (1) the identification of the sources, extent, causes, and conditions of poverty wherever it may exist in the United States; (2) an analysis of the programs and policies presently in effect in the several departments and agencies of the Government operating directly or indirectly upon the problems of low-income persons and families living at substandard levels, and the amounts being expended for such purposes by the departments and agencies; (3) a review of recommended policies and programs, together with their estimated cost, which are designed to combat poverty, including such recommendations from both governmental and nongovernmental sources; (4) an evaluation, for purposes of establishing priorities, of existing and proposed policies and programs in terms of their present or prospective relative effectiveness as a means of combating basic sources of poverty; and (5) a determination of the usefulness and adequacy of the means employed, or proposed, to effect necessary coordination between Government departments and agencies with regard to those activities relating to the control and elimination of poverty.

In order that this study and investigation of Government activities in the field of poverty may be better coordinated, without limiting the scope of the committee's work, it is directed, among other procedures, to make use of information currently available in the various committees of Congress which have legislative jurisdiction over such Government activities to the end that the committee may be able to recommend the necessary legislation and administrative action to coordinate and prevent unjustifiable duplication in the numerous projects and activities of the Government relating to the effort to combat poverty.

The committee shall report its findings to the House with such recommendations for legislation and administrative action as the committee may deem appropriate to correct any deficiencies in and to improve the effectiveness of Government efforts to combat poverty. The committee shall make a final report on or before December 31, 1964, and may submit such other interim reports as it deems advisable. Any reports submitted when the House is not in session may be filed with the Clerk of the House.

For the purposes of this resolution the committee, or any subcommittee thereof, is authorized to sit and act during the present Congress at such times and places within the United States, including any Commonwealth or possession thereof, whether or not the House has recessed or adjourned, to hold such hearings, to require the attendance of such witnesses and the production of such books, papers, and documents, and to take such testimony as the committee deems necessary. Subpenas may be issued under the signature of the chairman of the committee or any properly designated chairman of a subcommittee, or any member designated by him and may be served by any person designated by such chairman or member. The chairman of the committee or any member thereof may administer oaths to witnesses.

The majority of the members of the committee shall constitute a quorum for the transaction of business, except that two or more shall constitute a quorum for the purpose of taking of evidence including sworn testimony.

[From the Elizabeth (N.J.) Journal, Aug. 4, 1964]

MORE CHARITY—LESS SELFISHNESS

EDITOR, JOURNAL: I have read with deep interest the feature articles in the Journal on poverty in Elizabeth. The story of poverty is probably as old as the human race. There have always been the "haves" and the "have nots." In the ancient days of slavery the contrast was even more profound and more depressing.

The title of one of these articles tells pretty well the sad, disheartening story: "Hopelessness, Helplessness and Joblessness." When we talk poverty in Elizabeth, it is not much different from the shocking story of suffering that is prevalent in Chicago, St. Louis, New York and other large cities.

As a member of the local assistance board for more than 5 years, I have had a good opportunity to obtain firsthand information on the tragic situation right here at our very doorstep. To alleviate or even give partial relief to those who suffer is not an easy task. To stamp it out completely is an impossibility.

Any local assistance board faces the trying problem to distinguish between the deserving poor and the undeserving poor. And with the laws as they are written today, even the undeserving poor receive a great deal of attention and protection.

Trying to give help to everyone in need to give them ample food, proper housing, and satisfactory clothing is something that we all hope for, but we never reach that goal. The funds that are provided are taken from the taxpayers' money and reckless spending could plunge a city or town into bankruptcy.

For this reason we strive to do what we can to help the deserving poor. These are the people who have been struggling against the ravishes of poverty all their lives. They have never enjoyed the comforts or the luxuries that many of their fellow men have. When they go to some social agency seeking help they accept it with gratitude and they show a willing spirit of cooperation.

The undeserving poor are of a different stripe. They have the mistaken idea that the world, particularly the community in which they live, owes them a living. Their voice of complaint is continually heard. But when they obtain a job they hold it for a few days and then give it up, usually complaining that they are suffering from some physical ailment.

People like this will sometimes say: "Why should I work when I can go on relief?" To make matters worse they are thoroughly dishonest when they make their appeal. The help they receive for rent might be used for luxuries to which they are not entitled.

The war on poverty is almost a helpless task. About 10 percent of the population controls 90 percent of the wealth and the remaining 90 percent of the people must be content with the remaining 10 percent of the wealth. And who wants to share his wealth with his less fortunate fellow men?

If figures could be produced to show accurately how much well-to-do people donate to help others, it would be shockingly low.

We need more charity—less selfishness. Cain once said: "Am I my brother's keeper?"

If we bury our heads in the sand like an ostrich, or retire to our ivory castle in stony silence, we make matters much worse.

We don't have a complete solution to this most distressing situation, but more sympathy, more charity, and more understanding would be a big help.

Rt. Rev. Msgr. W. C. HEIMBUCH.

ELIZABETH.

[From the Elizabeth (N.J.) Journal, July 20, 1964]

POVERTY IN ELIZABETH: HOPELESSNESS, HELPLESSNESS, JOBLESSNESS

(NOTE.—One of the battles in the war on poverty which has been declared by President Johnson might well be fought in Elizabeth. The poor are here too, living under conditions about which too many persons know too little. This article presenting an overall picture of poverty in this city is the first of a series by a Journal reporter who talked to officials, private and public welfare workers, and the poor themselves, observing firsthand the plight of these people.)

(By Robert De Lazaro)

Elizabeth is divided into two cities.

One is prosperous, with an economy producing higher wages, greater business profits and more new apartments than ever before.

The other is impoverished, its inhabitants poorly fed, uneducated and unskilled, stranded in tenements or crowded in slum houses.

Except for the regular welfare checks, the two communities seldom communicate with each other. The affluence of the one and the poverty of the other have bred distrust.

Outside of newspaper headlines about crime or slum housing crackdowns, the city of the poor is virtually unknown to the prosperous mainstream of Elizabeth.

Abe Lemberg, former chairman of the Elizabeth Local Assistance Board and a veteran of 45 years in voluntary public service, put it this way:

"We belong to a country club, swim club, or golf club and don't realize that in the midst of all our benefits there are still poor people down on Third and Second Streets who can't do anything to help themselves.

"We never go down there anymore. Nine out of 10 people in Elmora or Westminster don't remember where New Point Road or Court and First Streets are. Maybe they don't want to."

Here, in capsule form, are some of the facets of the story of the city's poverty.

HOW MUCH POVERTY DOES ELIZABETH HAVE?

More than 4,000 persons in Elizabeth were receiving some form of county or city assistance as of March 1. The county welfare department is aiding three-fourths of the cases.

From 50 to 75 families in Elizabeth are regarded as hard-core poor who cannot be made self-sustaining through normal welfare means. Several are in the third generation of welfare and illegitimacy. Some families have been destitute since the depression years.

An unknown number of aged and large families with insufficient incomes are not on county or city welfare rolls. One welfare official estimates that if the true number actually were counted, as many as 1 in every 10 persons in the city could be classified among the poor because of deficiencies in housing, diet, education, job opportunities and mental and physical health.

WHAT IS THE APPEARANCE OF ELIZABETH'S POVERTY?

Eleven persons sharing an attic at $100 a month.

A mother forced to feed her children from a pot on the stove because they haven't any kitchen furniture.

Thirty-five Negroes fleeing their burning one-family home.

A hard working but unskilled father earning $65 a week to support 7 children.

A 64-year-old man walking all day delivering circulars for $3.

Aged men and women living alone in one-room apartments and paying out two-thirds of their social security checks for rent.

Negro children forced to study outside of their homes because of no lighting, alcoholism, family disputes and crowding.

NEGROES WITHOUT HOPE

"When you talk about poverty in Elizabeth," said Wililam J. Haskins, executive director of the Urban League, "you mean Negroes. The Negro has the worst housing, education, job opportunities and incentives to end his poverty."

Negro children entering school, he said, are behind from the kindergarten on because of poor family environment. Too many can never catch up and thus drop out as unskilled, uneducated teenagers into an industrial society that demands more technically trained people.

The result, said Mr. Haskins, is another generation of Negro youngsters mired in the poverty of mind, spirit and culture.

"We need a Marshall plan against domestic poverty. In 10 years we could cut welfare illegitmacy, and economic and human losses," he said.

"It's time that welfare agencies tried what the State Department did to combat communism. They threw away the book and made the laws fit the needs. * * * Welfare programs today are nothing but a big joke to Negroes."

THE BITTER WHITES

Living on the brink of poverty, whites complain that Elizabeth's Negroes reap the benefits of welfare and refuse to work. The shortage of adequate housing for large families and the tightening job market for unskilled workers increase the conflict.

It becomes a case of poor whites and Negroes reaching for the same crumbs. Slightly more prosperous whites on the fringe of Negro neighborhoods fear that the proposed New Point Road redevelopment program will shift Negro slums to their streets.

JOBS AND UNEMPLOYMENT

Two age groups—those under 20 and those over 65—are in need of many new jobs. Older workers continue to meet strong resistance from employers not interested in hiring them. Early retirements are increasing their dependence on social security and part-time work. Their age and the reluctance of employers kill their incentive for retraining programs.

Three times as many skilled jobs are opening up in this decade than in the previous 10 years. The opportunities are for engineers, scientists, technicians, accountants, teachers, nurses, service and sales people and managerial personnel.

The unskilled and the uneducated, meanwhile, are finding less employment. Automation will accelerate this.

THE BACKLASH OF POVERTY

Crime, delinquency, illegitimacy and blight are its obvious marks.

Families raised in the cynicism of 10 or more years of poverty damage and defile low-rent public housing provided by the city.

Children of the poor, aften saddled with their own burdens, abandon their elderly parents to welfare.

Third generations of illegitimacy, drunkenness, family arguments, crowding and emotional frustrations lead to spiritual and moral callousness.

Racial suspicion and tension spread easiest in blighted neighborhoods.

Distrust of government, politicians, and even "do-gooders" who visit the slums is apparent.

Welfare costs grow and economic and human losses pile up.

CAUGHT IN THE BATTLE

Public welfare agencies are criticized as coldly indifferent, budget conscious and limited by professional social workers outside of government. Few welfare programs attack the roots of poverty, it is charged. Only in the last 2 years has the county pioneered a small rehabilitation program.

Generally welfare programs largely have reflected public suspicion of cheaters, spongers, and the lazy, and the taxpayers' resistance to increasing welfare expenses.

ISN'T EVERYONE AGAINST POVERTY?

Not really. Strong feelings exist that Elizabeth's poverty is a natural state of mankind and cannot be licked.

Antipoverty programs are challenged as pipedreams, socialism, and political cornpone in an election year.

Sons and grandsons of the city's early immigrants declare that the Negro poor would work as hard to improve themselves as white minorities did only a few generations ago.

WHAT TO DO ABOUT IT

Experienced professionals in community service in Elizabeth say:

The city must start working with the poor as part of the community and not as lepers.

Public and private community services should be used cooperatively with Federal help under the proposed Johnson antipoverty program.

Barriers against Negro housing and employment must be destroyed.

Private industry must be stimultaed through tax writeoffs and contracts to train unskilled workers and expand job opportunities.

Public works programs should be used to find immediate jobs for the untrainable.

Preschool nurseries should be established to remove children from the cycle of illegitimacy and free their unwed mothers to work.

School programs must be expanded to handle the special problems of deprived children.

Public attitudes that view welfare recipients as little more than spongers, cheats, lazy, and incompetents must give way to an understanding of their serious problems that have held them in the grip of poverty.

Incentives must be given for private industry to construct adequate housing for low-income families.

Family courts are necessary to handle the multitude of different problems now scattered among separate courts.

Mr. VANIK. Mr. Chairman, the poverty which results from persistent unemployment and misfortune is a national problem which continues to afflict our Nation. It is the underlying cause of all discontent and a factor in the violence which flares up in our central cities.

While this legislation cannot be expected to solve all of these problems, it does manifest the concern of all Americans for the life without hope which overwhelms so many.

There are many who contend that poverty and misfortune are totally the result of the ineptitude or indifference of the individual. They are inclined to relate their own success and progress to what they say is their own hard work and dedication. They overlook the fact that many are destined to be born into poverty and misfortune, that most of the persons afflicted with poverty have had no other choice. They overlook the limitations that are suffered by the undertrained and the underdeveloped.

This bill will provide, among other things, an inventory of the underdeveloped and neglected human resources of the land and also stimulate the mobilization of community efforts, local, State, and Federal toward workable solutions.

In my Cleveland community, there are almost 20,000 unemployed persons. The figure may vary slightly from time to time, but the total remains substantially unchanged.

This bill could reach almost a third of those chronically unemployed. The Job Corps could provide hope and opportunity for 3,000 to 4,000 distressed young men who search for a first chance at a job. We have many nearby facilities which could be converted into camps so that the modest income of the corpsmen could be saved for their development and education and not wasted on travel to and from remote campsites. We have local projects which have a high public valve and the corpsmen would be welcome.

Under title II of the bill, Ohio will be allocated approximately $13 million for community action programs. In view of greater established needs and developed local community interest, Cleveland should be able to qualify for a $5 million or $6 million community action program in the first year. The State allocation should be based on the need and the readiness of local sponsorship. Cleveland has both qualifications.

The work-training program which is directed toward high school dropouts could reach as many as 2,000 high school dropouts, while the work-study program could provide part-time work and income opportunities for some 1,500 college students of urgent need.

The program envisioned by this bill could solve more urban problems than any other proposal considered in Washington during the past decade.

This bill provides every American with an opportunity to contribute to the solution of a national dilemma. While it is perhaps vain to believe that we can wholly overcome poverty, there should develop some universal pride in this attempt.

Mrs. GREEN of Oregon. Mr. Chairman, there have been many generalized statements here on the floor of the House as to the scope and depth of poverty in the United States. The aggregate statistics are persuasive, but it seems to me that even more persuasive are portrayal of specific situations in specific localities.

The most comprehensive that has come to my attention is a four-part series that appeared in the Catholic Sentinel, the weekly official newspaper of the Roman Catholic archdiocese of Portland, Oreg. The series was both ably written and ably documented by Tom Albright. Both the Sentinel and Mr. Albright are to be commended for this spendid effort:

Series on Poverty—Part I

They "inhabit a world scarcely recognizable, and rarely recognized, by the majority of their fellow Americans.

"It is a world apart, whose inhabitants are isolated from the mainstream of American life and alienated from its values * * * a world where a minor illness is a major tragedy, where pride and privacy must be sacrificed to get help, where honesty can become a luxury and ambition a myth."

These were the words used by President Johnson's Council of Economic Advisors in a recent report to Congress, to describe the plight of one out of every five people in this country who live at the brink, or in the depths, of poverty.

It is an apt description, and about as appropriate to Oregon as it is nationally. The 1960 U.S. census figures show 17 percent of Oregon families—a little more than one out of six—living on incomes of less than $3,000 a year, the index used by the Council of Economic Advisors to define poverty. Ten percent—some 45,500 of the State's 459,800 families—lived on less than $2,000 a year. Fifty thousand unrelated individuals received less than $1,000—less, that is, than $85 a month, $25 a week.

The most recent "Area Labor Market Trends" bulletin of the U.S. Department of Labor lists 18 Oregon communities or counties[1] as areas of "relatively substantial" or "substantial and persistent" unemployment, with 6 percent or more of the total labor force currently without jobs, and eligible for various forms of special Federal aid. Portland, with 6.1 percent, is listed as an area of "moderate unemployment."

Oregon's 1959 statewide median family income of $5,892 stands somewhat above the national figure of $5,660—a statistic that includes such poverty-ridden States as Mississippi, with a $2,880 figure, as well as a high of $7,310 in Alaska. It is somewhat further below a $6,730 median in California, a $6,230 median in Washington, and compares more favorably with a $5,900 figure for Utah, $5,880 for Wyoming.

Median family income for Portland—$6,340—is little higher than a $6,222 annual budget drawn up by the U.S. Labor Department in 1959 and estimated as necessary to maintain a statistically average Portland workingman's family of four at a "modest, but adequate," standard of living. In other words, almost one-half of all Portland area families fell short of this standard, described by the Department as "not a minimum maintenance budget," but "on the other hand * * * below the average level of American families." (Average U.S. family income in 1960: $6,800.)

Who are Oregon's poor? Where are they located?

You don't find them often in glowing economic reports printed in the daily papers—where a 0.2-percent drop in unemployment is given precedence over the thousands of workers who still remain without jobs. The library of one Portland newspaper maintains a file on "Oregon—Progress and Prospects"—but none on "Oregon—Poverty."

The poor emerge slightly more frequently, but indecisively, in census figures and other statistics prepared by State and Federal agencies. Not all the poor are unemployed, and many of the poor are ruled out, by age or other factors, from official membership in the labor force, upon which unemployment percentages are based. Income figures, on the other hand, do not include money from savings. Not all families earning less than $6,222 annually include two children—but others may include considerably more.

There are certain obvious locations—the names of the near destitute are carried in the files of such organizations as Catholic Family Services and the Salvation Army, on the requisition forms of the St. Vincent de Paul Society, on Oregon Public Welfare roles. A large segment of some of the most tragically poor—single people in their sixties and beyond—inhabit a distinctly recognizable world of cell-like rooms in declining central city apartment buildings and hotels, skeletons kept out of sight in society's collective closet.

There are pockets of persistent poverty in some rural sections of the State—southern and some parts of eastern Oregon, Astoria, Yamhill County. There is Portland's Albina Negro ghetto. There is, of course, Skid Road.

This outline points up the fact that there are several different kinds, as well as varying degrees, of poverty, whose victims often inhabit subworlds of their own. The picture is confounded further by confusion in what is always meant by poverty. There are the so-called "land poor." There are the "credit poor"—and people who make $10,000 a year, while spending $12,000. Poverty is, to some extent, relative. And the statistics, besides sometimes being inconclusive or misleading, are also subject to changes brought by time—Oregon employment and income pictures have brightened, for example, since the 1960 census year. But the cost of living also has gone up.

With all this said, the fact remains that poverty is more than a statistical myth produced by politicians in an election year. For distressingly large numbers of people in Oregon, poverty has become an overwhelming reality. This reality is little alleviated by the material help that is sometimes begrudgingly given in the form of social insurance and welfare programs—which, in Oregon, often fall some distance short of reaching recommended national standards.

For many, it is a poverty that meets the most puritanical qualifications—the poverty of people who want to "stand on their own two feet" and can't—if not always the most prudish strictures—for some reason, the poor are expected to give up both drinking and smoking, although even the Labor Department's "modest, but adequate" budget includes reasonable amounts for beer, liquor, cigarettes. There are some who may not always fit an idealized portrait of the poor—most of the poor are uneducated, many are strangers to conventional middle class values, some have been foolish. All of them are human.

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[1] As of the January bulletin—received by Department of Commerce headquarters here last week—these included Baker, Bend, Enterprise, Gold Beach, Heppner, Lakeview, North Bend-Coos Bay, and Roseburg as "substantial"; Astoria, Grants Pass, Hood River, McMinnville, St. Helens, The Dalles, and Toledo as "substantial and persistent"; Salem, Klamath Falls, and Ontario were removed from the list last month, according to Gov. Mark Hatfield, because of "a strengthened economy and a good outlook for the future."

They suffer a poverty made more painful for existing in the midst of affluence, a poverty that is hardly consoled by comparisons that are sometimes made between the poor in the United States and the homeless or starving in some other countries. It is, in fact, incalculably worsened by a general level of prosperity in which the prices for most things—food, shelter, transportation—are geared to a generally high average, forcing the poor to pay a much greater proportion of their meager incomes for the bare necessities of life. It is a poverty that is mostly obscured by the statistics, as well as the material trappings, by which contemporary affluence is measured. It is the other side of the averages, the suit of clothes bought second hand, the ordinary looking house, with no furniture inside.

"If you want to find poverty, go down to Blanchet House," an official at Portland's State employment office blandly advised.

This is the poverty that is visible to the average white-collar suburbanite, who may happen to drive by Blanchet House, the Salvation Army, the other missions with their lines of homeless men, on the way from downtown Portland office jobs to comfortable homes in Beaverton or the West Hills. It is an insignificant fraction of the total extent to which poverty exists in Portland, not to mention the rest of Oregon.

You must go elsewhere to meet the people Michael Harrington, whose book "The Other Americans" first directed national attention to the problem of poverty in the United States, has called the "involuntary poor," the "invisible Americans."

Poverty, for some, is an inheritance. For others, it lies at the end of a slowly traveled one-way street. In most cases, it is usually marked by a line.

You meet "George Hammond" (this and other names are fictitious) in the line behind a window in the Portland State Employment office where he picks up his weekly unemployment compensation check. He is one of many people you talk with here who have not yet crossed the fine crisis line demarking the difference between whether or not financial ends are going to meet. But he has already acquired the outlook of poverty—sight of a white shirt puts him on his guard, and he is at first defensive in talking of his present situation.

You finally learn that Hammond has been out of work for 5 months, let go with 350 others when a plywood plant he worked for was closed down. He is 42 years old and has worked most of his life as a planer and sander—but when he applied to other plants in the area for work, he was turned away.

"I guess I'm too old," Hammond says.

Hammond lives with his wife and four children in a house the family bought when times were better. For a few weeks, while hope remained, the family squeezed by on Hammond's $44 weekly unemployment check, exhausting the few hundred dollars he had managed to accumulate in a savings account. Three months ago, Hammond's wife began working part time, and Hammond now spends much of his time at home, watching the smaller children and working around the house. For the moment, the Hammonds still manage to get by. Most of their possessions had been paid for, so there are no worries about repossessions—although some things may eventually have to pawned, or sold. Hammond is discouraged about his prospects of finding another job, and he is gradually acquiring another characteristic of the poor—he doesn't find the time or incentive to look for work as often as he did earlier, just after being let go.

What will happen in another month, when his unemployment claim is exhausted?

"I don't know," said Hammond. "I just don't know."

"George Hammond" is a statistic—one of 21,700 people in the Portland area who were listed as unemployed in January. "John Harding" is not—yet, in many ways, he is worse off. You meet Harding outside of his union hiring hall.

He will tell you that he makes good money—when he gets work. Recently, though, this has averaged only about two days a week, giving him a take-home pay of a little over $45. Times for Harding were once also better—so much so, that he overextended himself on installment purchases of some needed furniture for the rented home where he lives with his wife and three young children. During the past month, most of the family's living room furniture has been removed. Two of the children share a second-hand mattress purchased to replace beds that were repossessed. Harding is now 2 months behind on his $50 a month rent. He spends much of his earnings buying medicine for his wife. The children need shoes, a car is immobilized in Harding's garage because it needs repairs * * *.

"I don't know," said Harding, when asked what he was going to do.

"I don't know." The phrase runs with monotonous repetition through the replies of men who don't know how much closer the next day may bring them toward utter poverty, who often don't know fully why they have suddenly found themselves out of work, unable to get another job.

Lack of knowledge carries over into what little information one can find about the extent of this "gray area" of hardship that is the beginning of the end of economic security for many people.

There are figures compiled by the Oregon State employment office which show that in mid-November of last year, 7.6 percent of 16,439 persons receiving unemployment compensation in the Portland area had been out of work for 15 weeks or more, indicating "a hard core" unemployed group. It is especially large among men 45 years old and over, and in semiskilled and unskilled jobs in lumber and wood products manufacturing, wholesale, and retail trade, and service work.

A survey conducted by the State unemployment compensation commission in April 1959, devoted itself partly to refuting certain common misconceptions about the kinds of people who make up the unemployment line.

Quoting an editorial in a Portland newspaper which had held that unemployment figures tend to exaggerate economic distress in families due to unemployment because "actually less than 1 percent of our families are without a wage earner," the survey cited figures showing fully 37 percent of beneficiaries to be heads of families, whose only known source of income was unemployment payments. Another 17 percent lived alone and were considered totally dependent on unemployment compensation and "at the least, 56 percent of Portland's beneficiaries are in family units without a wage earner during a period of unemployment."

These conclusions and others were largely confirmed by a national survey conducted in April of 1962 by the U.S. Labor Department, based on 9,600,000 people who were out of work 5 weeks or more in 1961. It found them to be able family breadwinners, mostly males over 18, and holders of definite previous employment records. The Department's analyst, Robert L. Stein, summed them up:

"In general, they cannot be regarded as personally responsible for their own difficulties, unwilling to accept suitable jobs, more or less voluntarily unemployed, and only casually interested in an occasional job."

At any rate, there seems to be little incentive for "chiselers" in Oregon's State unemployment compensation program. The 1959 survey found that an average weekly benefit for that year of $35 came to less than half of an $87 median received by workers as their latest gross weekly wage. The survey concluded that Oregon's unemployment program fell "short of the national administration's avowed goal of compensating workers for 50 percent of weekly earnings during a period of unemployment." Oregon's maximum weekly benefit has since been raised from $40 to $44. But figures for last month show the average weekly benefit still stands at $35.10.

The unemployment program shares the further weaknesses of other means of social insurance: None are actually based on need. The worker who earned the lowest income when he was working receives the smallest weekly benefits—as little in some cases as $20 a week. Some workers do not receive enough earnings during a base period to qualify; others are not covered under the law.

The number of persons receiving coupons in the Multnomah County food stamp program provides an index of the degree to which hardship—due to unemployment and other factors—is being felt in the Portland area. Last month, food coupons were purchased by 4,216 "cases," involving a total of 13,516 people. These were "cases" who either receive public welfare grants or whose monthly income fell short, after subtracting certain standardized deductions, of maximum amounts ranging from $118 for a single individual, to $383 for a family of 10 or more.

These are, at best, incomplete and minimal measuring rods of poverty in Portland and Multnomah County. Officials of the food stamp program acknowledge that the maximum qualifying incomes are low, and they are concerned about a general lack of knowledge which has prevented many people who could qualify from applying for the program.

State employment officials stress the frequent unreliability of unemployment figures, pointing out, for example, that when times are good, more people—students, housewives, retired persons—look for jobs, boosting the jobless percentage.

Figures, at any rate, fail to tell some of the more significant facts about unemployed and low-income people, or to reveal some startling trends in the causes of unemployment.

One of these was noted by the recently appointed administrator of the Multnomah County Welfare Office, Gordon Gilbertson.

"We are seeing more and more young married couples," he said. "Often, it is a situation where the husband has dropped out of high school, married and had children, then lost his job. Often he ends up with nothing. It is a sorry situation."

The portent of automation in Oregon was raised by Alfred Corbett, member of a State legislative interim committee which has been studying automation and unemployment in 15 different communities throughout the State.

"When we began our study, people said to us, 'What are you concerned about automation for?' " said Corbett. "But then they would start to consider their own particular industry.

"Automation has led to decreasing employment in Oregon's two chief industries—agriculture and timber," he stated. "At the same time, there is a tremendous increase in the number of young people entering the labor market—this year's high school graduating class is nearly 40 percent higher than 2 years ago."

R. C. A. Moore, the committee's executive secretary, provided further figures. Agricultural employment in the Portland area alone lost 1,600 workers in 1963, due to increased mechanization and a decline in the number of farms.

"Ten thousand jobs in logging, lumber, and sawmill work have been lost in the last 10 to 15 years," Moore said.

"We have found in Oregon what everyone else has found elsewhere," he added. "Automation has meant a loss of jobs in the State. For the most part, these jobs are at the bottom—unskilled and semiskilled—while technical jobs have been increasing. The people who find it toughest to acquire skills have an equally tough time finding a job."

He referred to difficulty often encountered in trying to pinpoint technological unemployment.

"What you usually find is not a worker who has been displaced directly by a machine," said Moore. "Most often it will be someone who may have worked at a gas station, for example. The gas station closed because something happened elsewhere. As a rule of thumb, you can figure that every manufacturing job generates two to two and a half service jobs. A loss of 100 manufacturing jobs might mean up to 250 service persons losing work. Usually, it is the marginal workers—the last hired, the worker who was just getting by."

"I don't know." The man was about 25 years old, approaching the lineup at the State employment office. The month before, he had been laid off from a job in a garage. He couldn't say why—he had only been told he would have to be let go.

"I don't know." Like most of the other people you meet in the nebulous and ill-defined area between hardship and poverty, he was not angry, not resentful, but simply bewildered. He had not had much schooling, and his skills were limited. He could not understand why his services were no longer worth money to a society that spends millions each year on gadgets, cosmetics, and movie magazines. And he had no idea of what might happen next.

The road from hardship to poverty and destitution is a horizontal fall. For many, it begins in the unemployment line. For some, it is punctuated with personal catastrophes—illness, family breakup, property loss. It often ends, sooner or later, in the Oregon State Public Welfare offices.

Poverty becomes visible as you approach the decrepit frame house in southeast Portland where a woman lives with her husband and two teenage sons. The front stairs are unsteady, and stuffing hangs from old furniture piled along the front porch.

Inside, there is a pervasive smell of cold damp, although the woman has done what she could to maintain a homelike appearance—a tattered bedsheet forms a hapless curtain over a door opening to the living room, and old overstuffed furniture has been covered with patchwork quilting. On top of a vintage upright piano, there are the pictures—an older son serving overseas in the Army, a married daughter, a portrait of Christ.

She is a wan, thin woman in middle years, with lively eyes and a ready smile. She is not on welfare now, although she did receive general assistance for a couple of months last year—a paycheck failed to arrive from her employer, a woman who is herself on welfare and whose monthly payments were initially among those cut following retrenchment in phases of the welfare program caused by defeat of the State tax measure in last year's referendum.

Welfare workers found this family living without heat, staying in bed to keep warm.

The woman does housework that her employer is unable to do, for which she averages a little over $100 a month; sometimes her older son is able to send home as much as $25 more from his Army pay. Her husband has a lung disease which has prevented him from working for close to 2 years. He is too proud to permit the family to receive welfare on a regular basis.

In the room behind her, her 16-year-old son stands silently next to the pot-bellied wood stove, inexplicably removing a sweatshirt and putting it back on again. She says the boy quit high school after his sophomore year and is looking for work. Welfare workers tell you he has been in and out of the State hospital with a series of nervous breakdowns.

The woman is not reluctant to recall a time when things were better—if not too much so. Before his illness, her husband worked as a $50 a week laborer on a farm in Clackamas County, where the family lived in their own home. This, along with most of their possessions, were destroyed in a fire. With aid from the Red Cross, the family moved into a Portland public housing project, and then to their present home, where they lived with the husband's sister and her son until they moved a few months ago.

This woman has only to pay taxes on the property—"if I had to pay $50 a month rent, I don't know how I'd make it," she says.

Of the rest of her money, at least half—$50—goes for food stamp coupons, the rest for utility bills, stove wood, and, when absolutely necessary, clothes. Most of these she buys second-hand at the Union Gospel mission. Sometimes friends from her Advent Christian Church give the woman some castoff clothing items.

Her $100 a month is enough to keep the family from starvation—although, she says, "things get pretty rough around the end of the month." It is enough to provide for what is less a standard of living than of existence.

It has been 6 years since the family had a car—when the woman or her husband want to go anywhere, they usually walk, unless distance forces them to sacrifice the 30 cents bus fare. A $5 expenditure recently managed to get a small radio back in repair, but television—a godsend to many poor families—is denied them, since a second-hand set "went on the blink" several months ago.

What would she do if she was able to get a little more money?

The woman pointed to the walls, where gaping cracks appeared in the peeling plaster.

"I'd like to get some paint and clean the place up. It would only cost about $5, but I just can't come out that far ahead," she said.

"The youngest boy begs me to get the TV fixed."

He is in the eighth grade of elementary school this year. Both of her older children finished high school, and, she says, "I'm hoping this boy will, too."

She added: "I've completed high school, myself, with a college preparatory course. But it doesn't seem I've ever got a good job, even so."

When you leave, you thank the woman for the interview. She says, "It's all right, it might help somebody else."

For herself, you can see that she holds little hope. Yet, she is a happy woman, like many of the poor, having somehow learned to live with it. A striking characteristic of the anatomy of poverty is the development of what psychologists call "defense mechanisms." A better term than "defense," for those who suffer poverty, might be "survival." For some, this may mean resignation, for others, lethargy and apathy.

Sometimes, it is ironic humor. You find this shortly after you begin to talk with an unemployed husband and father. This man chuckles sardonically, for example, when he tells about going to the State employment office to apply for a job opening in his specialty as a sandblaster: When he showed up, he was told the company didn't want anyone who had not been working during the 6 months just passed. But the man thinks there may be another reason—he and his family of 11, are Negroes.

The family lives in a large 3-bedroom home on the fringe of the Albina neighborhood in north Portland. From the outside, the house appears modestly comfortable. Inside, the living room is practically devoid of furniture—except for a davenport and a console TV set.

For their family of 10 children—ranging in age up to 14 years—this man and his wife receive $328 a month in aid to dependent children grants from public welfare. Rent costs $70, firewood at least $30 to $40 for enough to get through the month—although frequently this doesn't happen. Sometimes the man will take his car—a 1952 Chevrolet—out in the country to gather wood; at others, the family closes off all the other rooms and huddles for days around the trash burner in the kitchen.

The father buys $65 worth of food stamps every month, for which he can receive $84 worth of groceries. He adds to this enough to make the food bill total about $100—"but if I bought what I should, it woud cost at least $200 a month," he said.

"The kids eat cereal—beans, rice, potatoes—I buy 200 pounds of potatoes every month," he said. "They don't know what it is like to have new clothes."

The man could, and in past days, has, bought food, and also firewood, on credit.

"But I stopped that," he said. "On credit the wood costs $4 a load more. It's about the same with the food."

The man and his family have lived this way for about 3 years now. Before that, he worked as a ship scaler for various local plants. When he worked regularly, he could make $400 a month—although more often, work might be available from 2 days a week to 2 days a month.

He now spends 11 days a month on a Multnomah County work project—which gives him a dollar a day to add to his assistance check. The other days, he will ordinarily begin by going to the State employment office to look for job openings, then to his union hiring hall. He says he could get a job out of the local—if he could pay a $53 initiation fee. As it is, he takes a chance on getting a day's job as an extra—if all the regular men are called out, and if he's on hand, he could be sent out after paying a $10 fee. This happens infrequently, he says, adding, "I've never been lucky enough to be there."

Like most other people who have arrived at this stage of poverty, this family's situation continues to get worse. The man had to quit making payments 2 months ago on the car that he bought while he was still working, and a finance company is about to repossess it.

"I've got nothing I can sell except my fishing pole," he says.

This fall, the family's oldest child will begin her first year of high school.

Poverty of this kind is obviously a different matter from the prepoverty condition of the relatively short-term unemployed. The extent to which it exists in Multnomah County alone is indicated by the number of persons registered among the various programs provided by public welfare.

Latest figures show a total of 3,375 cases in the county on the aid to dependent children program—in all but a few instances, children of mothers who have been deserted, divorced, or widowed by their husbands. Aid to the disabled accounts for 1,880 cases, aid to the blind for 152. General assistance is the program including a block of cases not eligible for aid under other programs, which are financed by Federal matching funds, and its 2,535 recipients constitute what Administrator Gilbertson calls "the hard core of real poverty."

Again, misconceptions have been common about the kinds of people making up public welfare roles.

"The turnover is startling," said Gilbertson. "The great majority of cases stay with us only a short time and although we do have a nucleus where there is a lot of criticism generated, it is very small in contrast.

All our ADC program studies, for example, show that the average length of stay is less than 2 years. Some show almost 100-percent turnover in a year's time. A lot come for temporary help, and then make their own arrangements and get off."

At the same time, the number of welfare cases does not begin to exhaust the reservoir of hard-core poverty.

"Our standards are pretty low," Gilbertson concedes. "We get only the people who have reached rockbottom need."

The assistance they receive from welfare, he adds, enables them to remain on a bare subsistence level.

"The budget provided us through legislative action does not enable us to meet even our own standards," Gilbertson stated.

A frequently overlooked group among the borderline poor constitutes one of the least recognizable worlds of poverty. It includes self-supporting workingwomen, most of them living in the State's larger cities, more than half of them in Portland.

The economic circumstances of an estimated 36,000 self-supporting workingwomen are revealed in a report prepared by the State bureau of labor from a survey of Portland and seven smaller cities made in 1959, showed them receiving a statewide average monthly wage at that time of $272.80—as against an average monthly expenditure almost $7 greater.

The survey found 20 percent of workingwomen earning less than $200 a month, some 40 percent less than $250. For some, it concluded, the "present average (living standard) is close to the emergency level."

The largest group of workingwomen—40 percent—are over 45 years old. Ninety percent of all of them were self-supporting and some 25 percent have dependents. In some of the lowest paid classifications—clerical workers, for example, averaging $276.80 a month, 85 percent were entirely self-supporting.

Among the worst paid were clerical workers—particularly in finance, insurance, and real estate—service workers and saleswomen. Low income, according to the survey, is partly a matter of prejudice, partly of "an equally biased concept of (a woman) being merely a supplementary wage earner." In addition, "their urgent need to earn directs them toward the occupational areas of the least resistance where the women who need the earnings most, get the least."

Low pay, especially in the retail trade field, is largely due to absence of union organization. Lowell C. Ashbaugh, secretary of the Retail Clerks International Portland local, concedes that his union has been unsuccessful in trying to organize workers in Portland's larger department and national chain variety stores. Whereas union scale for general variety store work is $1.72 an hour, many nonunion store clerks are receiving as little as the State minimum wage of $1 base pay, with no paid health, welfare, or other fringe benefits.

"These women are basically either young or old," Ashbaugh said. "They are kids out of high school, or older women who first went into the retail trade field when they could get a little more money in relation to the price structure. Both groups are afraid to sign a bargaining contract because of the difficulty they'd have if they had to find jobs elsewhere."

"You run into a lot of social problems," he added. "It is impossible for a woman to live on $1.05 an hour unless two or three girls share an apartment together—which is often an unhealthy situation. I have seen some young girls here go into stores, then get hard up and end up in prostitution."

The Labor Bureau's 1959 report is not quite as specific, but reaches similar conclusions, in referring as a group to waitresses, also among the lowest paid of women workers.

"The survey has shown that in numerous instances young divorced mothers with small children to support are employed as 'carhops,' or as waitresses and barmaids in eating and drinking places.

"The late working hours, the young age of the supporting mother, her low wage—all these tend to create a situation which can hardly be described as conducive to the wholesome upbringing of her children."

In the geography of poverty nationally, one of the basic units is the farm. The farm is sometimes the initial source of urban poverty, as more and more farmers and farmworkers, under impact of increasing automation and declining smaller farms, seek what seems to be a better life in the cities.

The farm itself is often the center of endemic poverty—nationally, estimates figure that poverty is the lot of some 8 million people who live in rural areas.

M. D. Thomas, of the extension agricultural service at Oregon State University, states that "Oregon follows national trends in agriculture—migration from the farms to cities, the transition from smaller to larger farms.

"Our problems are not nearly as acute as in the Appalachians, but we certainly have them."

Thomas' department has compiled these statistical evidences reflecting farm and rural poverty in Oregon:

In 1959, 16.4 percent of all farm families, and 11.4 percent of rural nonfarm families, received incomes of less than $2,000.

Farmers and farm managers received a median income of $3,092 for the census year, with 48.6 percent receiving less than $3,000; 75 percent of farm laborers received less than $3,000, with a group median of $1,489.

Twelve percent of Oregon farms were less than 10 acres; and 30 percent of all commercial farms in the State took in less than $5,000 from sale of produce; "in addition, many of Oregon's 19,700 part-time farmers had relatively low income."

Farm poverty in Oregon is increasingly related to automation.

"There are no more farm jobs for the oldstyle farmhands—men who were willing and able workers, but often easy going and none too bright," observed R.C.A. Moore. "Today, the farmhand has to know how to run machines, how to handle a tractor."

Corbett pointed out that some harvest crops in the State have now become almost 100 percent mechanized. He said his committee has found that many rural areas—and particularly eastern Oregon in general—have been "exporting their young people."

"They graduate from high school and go on to college or to look for work in the cities," he said. "Often, they don't come back."

Rural poverty is often a more squalid matter than poverty in the cities. Again, an index is provided by census statistics.

Twenty percent of rural nonfarm families, and 17 percent on farms, lived in deteriorating houses, many lacking some or most plumbing facilities.

Twelve percent of farms were without automobiles, 15 percent without telephones, 35 percent without home freezers—all virtual necessities of country living.

One further measure of declining opportunities in Oregon agriculture: More than half of all farm operators in 1959 worked off the farm as well, either by choice or necessity, 43 percent for 100 days or more.

"John Gladstone," at the age of 65, has perhaps 10 more years to look forward to. Sometimes, he finds it difficult to look forward with much eagnerness. He can expect to spend the rest of his days living in the most dire form of poverty.

It was nearing the end of the month as Gladstone gestured around the cupboard-sized hotel room in which he lives. It was cluttered with the relics of days past—crumpled snapshots of old friends, some pictures of animals torn from magazines. In a corner was an electric hot-plate, with an empty coffee pot.

Next to it was a wrapper of sweet rolls and a box of crackers—all he would be able to afford until his social security check came in next week's mail.

Gladstone is a man who is still in fairly good health, still in control of his faculties. He lived what would be called a rather ordinary life—a series of semiskilled and unskilled jobs until he suddenly found himself too old to work 10 or so years past, a wife who died shortly afterward, no children. He had put a little money in the bank during his working days, but it has long since drained away. He lives now on a social security payment of $75 a month.

No one knows, for certain, how many of the elderly population in Portland, and the rest of Oregon, live like Gladstone, or only slightly better. It is certain that this area of poverty is one that cries out most loudly for some form of solution.

Portland, with some 93,000 people 65 years or older living in the area, has one of the highest percentages of elderly persons in the country. Less than one-third of Portland men over 65 remain members of the labor force.

Figures compiled by Portland's social security office show some 79,000 beneficiaries in the area the office services. For every 1,000 persons over 62 in Oregon, 709 draw some form of social security—sixth highest figure in the Nation.

Their average monthly payment—statewide—amounts to $80, somewhat over a $76.53 national figure. But like unemployment compensation, "the program is not based on need at all," in the words of Howard Larson, of the Portland office's division of program analysis.

The figures are not very revealing. They do not show, for example, how many social security recipients have savings to supplement payments—or how many don't. Theoretically, a recipient can earn up to $1,200 a year and continue to receive payments—but Hanson says few people of social security age continue to work.

Beneficiaries with highest total earnings from past jobs receive the highest benefits, which range from $32 to $127 a month. Some of the most hard-pressed older people are able to qualify for assistance from State public welfare—3,956 cases are currently registered on old-age assistance roles, receiving either their only source of income, or enough to make the difference between social security payments and their minimum personal needs.

Although qualifying standards are low, older people on welfare are sometimes ironically better off than those who are not.

"Those on welfare are at least assured they'll be taken care of in case of an emergency—welfare will help pay hospital bills," Larson observed. "Maybe 20 percent of social security recipients are really up against it—a number larger than those receiving old-age assistance. In many ways, they are actually worse off."

The tragic circumstances of many older people are best described by social workers.

One described a caseload of 12 older men living in a hotel on Portland's skidrow, averaging $75 a month on social security benefits. Their monthly checks are sent directly to the hotel manager—who immediately deducts $30 a month rent, often doles out the remainder $1 or $2 at a time to some of the men who drink. There were some complaints about the practice. The manager defended it by telling of one man who had been "rolled" for the rest of his social security check 5 minutes after he cashed it.

A sister of social service who works in an area heavily concentrated by older people—both men and women—described their situation.

"They live in little holes that they call home," she said. "It is certainly a long way from the social principles embodied in the encyclicals of Pope John."

SERIES ON POVERTY—PART II

For many, poverty is an absolute. For most of the poor, at least in Oregon, poverty is relative.

It is relative, however, not to the Joneses, with their two family cars, but to basic community standards. They are standards which current education, no less than the teachings of religion, increasingly uphold as fundamental rights in a society dedicated to material, as well as spiritual, advancement, to democratic principles of equal opportunity and social justice.

In drawing up a modest, but adequate budget for a workingman's family of four, the U.S. Department of Labor in 1960 defined some of these standards. Beyond an expenditure of more than half for needed food, rent, and utilities, the Department earmarked other funds "required to maintain * * * prevailing standards of what is needed for health, efficiency, the nurture of children and for participation in social and community activities."

Still other standards—or rights—are implied: The right of the workingman to hold his job, the right of his family to live in a modest, but adequate neighborhood, to wear modest, but adequate clothes, of the children to receive an adequate education.

The great number of Oregon families who fall short of these standards—and of single individuals who fail to come anywhere near standards of their own—are being shortchanged of even the most basic of these rights. Lack of money, and the limited education that usually accompanies it, stand as a stonewall which blocks equal access to avenues of community service and self-improvement for the very people who stand in greatest need of such help. These and other social handicaps constitute a built-in inequality of opportunity for the poor who do find their way into the framework of such services.

Many of the tax-supported services in Oregon struggle along on inadequate financial footings, the burden falling often on counties or smaller units which are least able to afford the bill. Other services often are geared only to those who live on—and are willing to admit to—a level of rockbottom destitution.

In countless ways, Oregon's poor are paying in their everyday lives the high cost of poverty, a cost made up of the manifold effects, byproducts and, sometimes the causes, of being poor. This cost is also borne indirectly—if often begrudgingly, and frequently inadequate—by even the wealthiest of Oregon citizens.

From notes collected through interviews with authorities in half a dozen fields, you get a broad outline of some of the items which go into forming this "cost of poverty" in Oregon:

Education: "Worst of all, the poverty of the fathers is visited upon the children," the President's Council of Economic Advisors concluded in its January report.

Lack of education and poverty go hand in hand, reinforcing one another and creating a self-perpetuating condition from which neither a higher income nor more intensive education can alone provide an assured means of escape.

A committee studying racial aspects of the Portland school system has found that low motivation, lack of interest, are not restricted to Negro students in the low socioeconomic areas where ghetto living patterns force most of them to live. A citywide study, completed early last year, found grade schools reporting the highest proportion of students having problems of all kinds—learning, attendance, health, etc.—to be identical with the city's lowest income strata areas.[1]

Dr. Richard Boyd, who is heading a study of high school dropouts for the Portland district, says preliminary conclusions show low family income to rank high among various factors creating the dropout problem. Most officials contend Oregon's dropout rate ranks rather low in national standings, although Boyd points out that national studies indicate 85 percent of high school dropouts arise from families in which neither parent completed high school. Median number of school years completed by all Oregon adults is 11.8, meaning that more than half of the State's population over 25 years old has never completed high school. This is also true for heads of Oregon families.

State Superintendent of Schools Leon P. Minear emphasized problems arising from the numbers of small schools in often hard-pressed rural Oregon areas.

"The per pupil cost of education is approximately twice as much in smaller schools," he said. "In the 25 high schools in the State with less than 50 students, the dropout rate is as high as 66 percent—against a rate of 20 percent in larger schools.

"Students in high schools 250 or more in size have roughly twice the chance of winning scholarships as students in the 110 schools in the State which number less than that. There is also a relationship to the grades that students get in universities."

Family life: Katherine Clark, director of Portland's Family Counseling Services, says that factors related to low income weigh heavily among problems that bring families to the verge of breakup who come to the agency for help. She cites problems connected with fathers and husbands whom low income compels to take a second job, others involving adolescent children in low income families, and the "appallingly low income" of many older people the agency helps on a preventative basis. Other authorities point out that family breakup—with ensuing alimony and support payments, and on the other side, frequent failure to receive these payments—can also be a major source of poverty.

Crime: An officer in the chief's office of the Portland Police Department will tell you that "no one in this city is forced to steal out of want or need," and he cited the work of the department's Sunshine division in giving year-round help to destitute and needy families. The department does not maintain statistics on income, he added, "because no correlation has been shown that would make such statistics worthwhile."

Other authorities, however, base judgment on a somewhat broader standard. Circuit Court Judge Virgil Langtry says that the great majority of criminal cases which have come before him have been low-income people.

"Almost every burglary case you ever get will have a court appointed lawyer," he said. "This is also mostly true of armed robbery."

Delinquency: A study of more than 1,600 delinquent boys conducted under the Multnomah County Metropolitan Youth Commission in 1960 showed the highest rates of delinquency stemming almost without exception from the city's lowest socioeconomic areas. James Dudley, of the county juvenile court, emphasizes the number of factors involved in creating delinquency, but says that you get the general impression of a number of people you see sweating it out on very small incomes.

The administration of justice: "There is no justice for the poor, period," a Portland attorney says flatly. He was emphasizing the fact that in civil cases, the poor usually are guilty—of not having the money needed to stave off garnishment or repossession.

Judge Langtry said there is some justification for the charge, also, in the realm of criminal law.

"The court is not able to appoint the 20 best lawyers in town every month to defend the 200 or so people who are charged with crime," he said. "And I assure anyone that a good attorney is a great help in any court procedure."

Public health: Dr. Samuel B. Osgood, director of local services for the Oregon Board of Health, says "there is no doubt that people in lower income groups are inclined to go without preventive health services, and even postpone treatment."

He pointed out that only 17 of Oregon's 36 counties have full-time public health departments, and observes that "Oregon is one of only seven other States which don't provide some direct State financial aid to various county health programs."

Hospitalization: "There are comparatively few charity hospitals in the State," said Dr. Osgood. "Public welfare agencies will pay a part of hospital costs and the aged who are not directly on welfare can get medical assistance under the Kerr-Mills Act."

He adds: "I would say a significant segment of the population falls into a category of need, while still not wanting to go on welfare."

Dr. F. Sydney Hansen, Multnomah County physician and head of the county health division, points out that any residents of the county who are "medically indigent" can receive service at the county hospital.

"There are agreements with private hospitals in some other communities," he said. "In most counties, you either have to be on welfare or you don't get service. You can stand in the hospital lobby and ask for service. They should give it, or they lose their eleemosynary (relating or devoted to charity) status."

Such a brief itemization of the "cost of poverty" provides only a superficial account of problems which exist in the various fields, and really no idea at all of the cost in human terms. For this story, it is necessary to look further into each of these subjects.

Howard Hanson is coordinator of a special program initiated 3 years ago at Jefferson High School, with an enrollment of 2,200 students, one of Portland's largest, and, with a 25-percent Negro population, described as "in an area that is undergoing sociological transition due to an accelerated influx of disadvantaged persons."

Hanson says: "You usually can't tell children from poor families by the clothes they wear. The families may be on welfare, but the kids will go out in the summer and pick beans so they get the standard clothes. They may be deprived of food at home. Many are from broken homes."

"What are the toughest problems? It's hard to say unless you're a child in such a situation. It may be inability to afford adequate clothes, medical or dental care. There is usually self-consciousness. They may be laughed at or ridiculed. They grow weary of this and wonder 'what's the use?'

"Their self-image is very poor," said Hanson. "They are not retarded, but unmotivated. The home situation does not provide an adequate image for them to see any future for themselves, as far as society is concerned. Some get in trouble and are expelled, while others drop out."

The problem is compounded, said Hanson, "when a lot of teachers will see a situation where they think a student can learn less, so he is taught less."

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[1] These ranged from Whitman and Woodmore Schools where 18.7 percent of students were reported as having problems, to a high of 41.7 percent at Couch School. Schools inbetween included Vestal, Brooklyn, Glencoe, Abernathy, Astor, Boise, Highland, Richmond, Eliot, and Peninsula.

The Jefferson project, described by Portland school officials as coming closest to any program of going into problem students' homes, employs a staff of five full- and part-time social workers and counselors. Along with home visits—largely to families of potential dropouts—the project includes individual and group counseling.

Hanson notes some success with the project, but observes that "the problem begins in grade school. The children start identifying there. They have no preschool background—The parents don't speak well, the home has no books or good magazines. Because the children have limited vocabulary, they score relatively low on intelligence tests. The problem merely accelerates from year to year."

Dr. Victor Doherty, of the Portland school district's research division, concedes lower achievement levels in grade schools of low socioeconomic areas.

"They are differences to be expected," he said. "Deficiencies in social and cultural deprivation can't be made up solely by instruction."

The Portland school district, he notes, provides a host of special child services, from services for the mentally retarded to the physically handicapped. In addition, social workers are employed on a rotating basis, serving at half the district schools for 2 or 3 years, servicing the rest by telephone.

"Some grade school principals have begun to think along the lines of setting up programs that will go more intensively into the homes," he said.

A further need: "We need teachers who have demonstrated they can work with these children successfully, to train other teachers for the work. Special training programs for this purpose are being established in the East. A similar program could be run by the Portland district, perhaps as an in-service training program."

The self-image a student has arose again in speaking with Dr. Richard Boyd, who said national studies had shown it to be "possibly the biggest in a list of highly related factors creating high school dropouts."

In his exploratory study, Boyd and others interviewed a total of 285 former students who had dropped out of two Portland high schools "where the rate is fairly high"—students whom the survey traced from their entering year, and who had dropped out anywhere short of graduation.

What are they doing now? "Some have worked awhile, some have married and have children, some have attended night school or are thinking of reentering college. Fifty percent of 121 girl dropouts were for reasons of pregnancy—mostly unmarried—and some returned to school after birth of the child. Others have no intention of working and are collecting their own welfare checks."

"In general, you know that most of them are up against it," said Boyd. "A number said they had tried and couldn't find a job without a diploma. You get an idea about the others from the list of the jobs they have had—busboy, dishwasher, car washer, janitor, babysitter, trimming lawns—which they sometimes call landscaping. None of these has any future at all—unless you get to be a carwash manager. And even here, a person is handicapped without a high school diploma."

All of these educational problems carry over into smaller cities and, more severely, to rural areas, where a country high school English teacher summed up the motivational problem: "How are you going to interest them in Homer, when the only Homer they know is Homer and Jethro?"

The problem is compounded when low motivation and a culturally deprived home background often coincide with school districts which are in a financial squeeze.

Again, the resources available in different communities vary widely. There are 17 mental health clinics in Oregon, for example, all working through county health officers.

Again, Dr. Minear stressed the problems of smaller Oregon schools.

"The State has an equalization fund to help balance the cost between rich and poor school districts, but that does not offset the problem," he said. "For example, a school in a metropolitan area may spend as little as $400 a year for an elementary student, while some rural areas pay as high as $1,200 a year.

"The difference is only partly met by State equalization sources. Usually, it puts a heavier burden on the local property owner. Areas that can't afford to make up this difference have to pay a teacher less, or hire a less qualified one. There is a great turnover among rural teachers, and a great difference in general quality between larger and smaller schools."

Minear emphasized the relevance of rural school problems to Oregon cities.

"We are no different in regard to rural decline than other States," he said. "One out of every two persons born on the farm is going to have to migrate to metropolitan Oregon to make a living. Urban areas must be concerned with education in rural sections of the State.

"We need more funds to help necessarily existing rural schools.

"We need to combine other schools into larger and effective administrative and educational units. During the First World War, there were 25,000 school districts in Oregon. Today there are 445. We should have about 200."

Joseph G. Calistro, executive director of Catholic Family Services, tells of what happened to one family with four children after the husband and father had been for 2 years without work.

"The kids were having troubles in school," he said. "The husband and wife were hardly speaking to each other except to quarrel. They asked for help—but what they really needed was a job."

The link between low income and marital or family problems is not always so clear cut. As in the case of poverty and education, it can be difficult to sift cause from effect.

Katharine Clark points out that Family Counseling Service frequently receives pleas for help from families in moderate income brackets, while a husband and wife on low income "can weather this sort of thing if both are fairly strong—you wonder where some find the strength."

"We do see cases where the husband is employed at a very low wage, others where he has lost his job," she said. "In a sense, it's money that starts the thing. Sometimes the wife can get a job. But she then takes over the role of breadwinner, which doesn't help the husband's morale any. The kids are left home, with the husband supposedly looking after them.

"Meanwhile, the squabbles mount, the frustration and the bitterness. The accusations begin: 'You're no man, or you could support your family.'

"Even in a family where the husband and wife share good relationship, lack of money has its definite effect on children—particularly in adolescence, when it's normal to have to be like everybody else."

Miss Clark pointed to one striking aspect of the sociology of poverty—the inability for the most poor to be "reached," except in the most desperate circumstances, or by the more compulsory agents of society, such as the school system.

"We do not see a great many low-income families, and I think it is so that very often they are the least likely to avail themselves of available services," she said. "For those who are also uneducated, I think our kind of service may be a little too sophisticated and out of reach—we do work by appointment, and the people come to call here.

"We don't know yet how to get down and get closer to them."

The law is the most compulsory agent of society, and it sometimes has less trouble reaching the poor than in avoiding them.

They are reached most frequently by Oregon laws governing credit—among the strongest in the country, on the side of the creditor, and, according to some, a prime cause, as well as a concomitant, of poverty.

A Portland Catholic attorney, who says almost half of his practice is on a free or reduced payment basis to low-income people, becomes indignant on this subject.

"Poor people can get very good legal advice in any claim where money is involved," he said. "The answer is not more legal aid. Their real problem is not having money and jobs—if they did, they wouldn't be in the office. The only thing you can do for most of them is to file bankruptcy.

"A lot of the people you find who are out of work have lost their jobs as a result of continuous garnishments," he adds. "Often, these garnishments come from doctors and hospitals—including Catholic hospitals.

"Oregon has one of the strongest credit laws in the world to protect the creditor," he stated. "Unlike most States, it provides for attachment at the same time as applying for suit. Many States have larger exemptions from garnishment. Creditors in Oregon can garnish all the way up to $300 a month—so what has a person got left to live on?"

David Turtledove, head of the Creditors' Protective Association, is equally outspoken on abuses of the credit system.

"Some States don't allow garnishments, or they exempt a larger amount," he said. He pointed to a corresponding laxity in provisions for the extension of credit and regulation of interest rates.

"Most advertising seems to stress terms, rather than the quality of merchandise," Turtledove said. "It is sometimes amusing to apply a little arithmetic to the classified ads in the Sunday paper.

"In Oregon, and in many other States, a 3-percent monthly interest rate is legal for small loan companies—which in Oregon today are thicker than poppa-momma grocery stores used to be," he said. "All department stores and oil companies apply a service charge—which is ostensibly not interest, but at 1½ percent a month, is higher than the legal interest rate.

"I personally think that interest rates should be stated straightly and unequivocally. The public has no lobby. And many people are ignorant of elementary arithmetic."

Criminal law touches the lives of the poor somewhat less frequently—but still to a greater extent than people of adequate means. It reaches also into the lives of their children.

In its study on juvenile delinquency in the Portland area, the Multnomah County youth commission found no perfect correlation between delinquency rates and income areas. However, only 1 of 24 census tracts reporting a high rate of juvenile offenses listed a family median income of more than $6,000.

The study listed four major "types of delinquency areas."

Northwest Portland—characterized by "very low amount of family life" and "lower income figures * * * explained by the fact that this area serves as a residential locus for unattached, working females."

Northeast Portland—where there is a "high proportion of Negro residents. This is a low economic area, as indicated both by low educational attainment (9) and low income ($4,190 median)."

Southeast sections—"almost totally white," and tending "to be a low economic area. There tends to be a good deal of family life here * * * higher than average home ownership * * *."

The delinquency is "strictly white delinquency, and two-thirds of these offenders are referred for 'serious' offenses—e.g., auto theft, burglary, and other theft."

The fourth classification was for "middle-class delinquency areas"—where rates tended to be "relatively low" but "hardly to be considered insignificant."

The link between delinquency and low income, with its attendant low education and other factors, also seems to be borne out in early findings of the Lane County youth project. Studying 743 families in Junction City, Oakridge, and southern Eugene from which at least 1 child had been reported to the juvenile court between 1960–62, it found that 406 of the families had received service from at least 1 social agency in the area. Project analysts point out that this figure probably does not exhaust the area of "economic deprivation."

At least in the Portland area, the Multnomah County Legal Aid Commission heads the list of legal avenues that are open to the poor in their frequent contacts with society's laws.

The commission charges a $1 filing fee—which may be waived—and determines who is eligible for free legal advice, donated by a panel of volunteer attorneys.

Like most of the services presently provided for the poor, legal aid fills competently a necessary function—but primarily, only on the level of basic destitution.

In the words of one attorney, "Legal aid does a good job for the absolutely destitute. But the average guy isn't this bad off. And nobody likes to say he has no money."

He elaborated on the challenge which the poor present to the normally responsible professional person in areas of basic public service.

"Most attorneys make an effort to carry at least a 10 percent load of work for free or at reduced fees as part of our service to the bar," he said. "But there is a limit to what any of us can do—we have to pay the rent, too.

"Many of the poor just don't bother to seek legal advice," he added. "They should know, for example, that the time they need a lawyer most is when they first get picked up for an offense, rather than waiting for the court to appoint counsel. But the poor usually think they can get further by cooperating.

"And anyone—but especially the poor—should have a periodic legal checkup, just as you have an annual physical examination. A person running a family has the same problems that someone running a big department store does, and he needs the same legal advice."

One fundamental problem: "Court appointed counsel is usually competent," this attorney said. "But most people up on criminal offenses have a history. And what can a lawyer do for a guy who robbed a bank?"

This opinion of the level of competence of court appointed attorneys is not universally shared.

"Younger, less experienced attorneys and those with less active practices make up the majority of the list of those chosen to defend indigents," Judge Langtry said. "Some aren't very good. On the other hand, all have passed the State bar examination.

"I'm quite willing to concede that generally the indigent or a person afflicted with poverty does not have the same opportunity to beat a valid charge against him as a well off person does," he added. "On the other hand, I can't see that society has the obligation to provide a person charged with crime the opportunity to buy the same kind of advice that others can.

"Society is obligated to give him a level of defense that is decent and conforming to standards."

It was late last Friday afternoon, and officials of the Multnomah County Health Division discussed the possible implications of a story they had just seen in the afternoon newspaper as they sipped coffee in the agency's education office. It told of a tentative proposal, already preliminarily approved by a Governor's committee studying the subject, to reduce State welfare payments for medical services to a level limiting hospital costs to 6 days a year and surgery to lifesaving and reduction of severe pain."

Mrs. Julia Sheldon, director of nurses, raised a question whether this might mean elimination of payments for tuberculosis patients needing dentures.

"It's been hard for them to get dentures before, and possibly they won't be able to at all now," she said, pointing out the importance of proper diet in control of the disease.

John Graham, health educator, pointed to the additional burden welfare medical cost cuts will likely place on Oregon private doctors, hospitals, and druggists.

"I wonder," he said, "if they would reduce food allotments to $5 a month and expect grocers to provide the rest that was needed out of their pockets?"

Such questions connected with the State welfare program cover only one aspect of the problems which arise when human suffering is expected to confine itself to limits arbitrarily established by a budget. Even on its current prorate basis, in which doctors, hospitals and druggists have been receiving from state welfare funds only about two-thirds of the fee payments due to them for services to welfare recipients, Oregon's total welfare program is exceeded by programs in both Washington and California. Complaints from druggists early this year resulted in appointment of the special committee now studying welfare medical costs. The committee and the Oregon State Medical Association are currently reported in basic agreement that the prorate system should be abolished and replaced by a paid-in-full policy for all vendors, based on "what the State can actually afford."

Local public health officials describe a somewhat larger group of persons defined as "medically indigent"—including most persons on welfare, but also others who support themselves at a level of basic need.

The "medically indigent" form a major proportion of persons who receive help through public health programs, although these services are available to anyone.

These programs are basically preventive, concerned with diagnosis and control of communicable diseases, as well as sanitation control and health education. They perform a significant service to low-income people through casefinding, immunization, bedside programs for teaching patients self-care; in the mental health division, through child guidance and family counseling programs, referrals, follow-up services to patients dismissed from State hospitals.

Such services, however, "vary widely in quantity and variety," according to Dr. Osgood, who serves as coordinator for local health services throughout the State.

"They are financed basically by the county, with a tiny amount of Federal funds to assist, and no direct State aid," he said. "Some of the poorer counties can't afford good programs. All our local health departments are understaffed. Legislation has been proposed to provide State aid several times, but it has always been defeated."

Mental health services, where they exist, are on a sounder footing, although public health officials are concerned about a change in wording in legislation that established the program.

Said Dr. Hansen: "Originally, the law stated the State would pay 50 percent of whatever the counties expended. But now, this has been changed to read 'up to 50 percent.' "

The scope of the problem that faces the poor who are in need of other basic kinds of medical care is best defined by the services which tax-supported public health programs do not provide.

"Basically, the only treatment we do is in the control of communicable diseases," said Graham of the Multnomah County health division. "We do some work with people suffering with chronic diseases—health supervision, rehabilitative training.

"We do not dispense medicines or write prescriptions. And essentially, we do not treat."

The poor person approaching a clinic or hospital for treatment or medicine faces what is sometimes called an "eligibility" rating, and, more precisely, a "needs test." Patients are then accepted as "charity" cases, or at scaled-down rates.

Said one observer: "It is not surprising that low income people are inclined to ignore checkups, neglect preventive care and even delay treatment." Another factor: "They are afraid a checkup might find something wrong with them," Mrs. Sheldon said. "They would have to face the prospect of perhaps having to lose time from work and pay for treatment."

Several authorities point out that, outside Multnomah County, the poor with severe mental illness are in one sense better off than those needing hospital care for physical reasons—unless it is tuberculosis.

"The State maintains three hospitals for the mentally ill, which provide treatment without pay to those in need," said Dr. Osgood. "There are tax-supported programs for some physical disabilities and the State maintains the TB hospital—although it has only about 100 patients."

Multnomah is the only county in the State having a hospital that provides tax-supported general medical and surgical services for acute care—a caseload amounting to some 8,000 a year. The medically indigent from other parts of the State can be referred to the outpatient clinic of Portland's University of Oregon Medical School.

"County hospitals" in other areas of the State, in the words of one official, "amount to little more than nursing homes."

Several authorities point out the burden which the necessity of relying on a private hospital's own conception of its "eleemosynary" responsibility carries not only for the patient in need of help, but for the hospital itself.

Says Dr. Osgood: "One of the problems in the State is that hospitals generally make their charges rather uniform to all individuals who come in. They suffer financially from those who don't pay a bill—even welfare doesn't pay the full price."

Private doctors and druggists, like lawyers, must also pay this price to justify their professional responsibilities.

Authorities in the field of public health respond with irony to the question of what services a greater supply of funds might enable them to provide.

John Graham pointed out that one great aid to those with lower income and in Multnomah County, in the area of preventive dental care would be passage of a bill—up for vote on the May ballot—for fluoridation of water.

You find other answers to the more serious problem of equalizing and assuring provisions for treatment and medicine to people who can't afford them and don't want to "stand in the hospital lobby and ask for service."

Said Dr. Osgood: "There is a need for some kind of subsidy for hospital care, to take the burden off the hospitals. Health insurance seems to be one of the best approaches, although some individuals would need financial assistance, too, in getting this insurance."

He added this more general opinion: "Oregon's problems are not as severe as some

States, and our economic level is on the whole reasonably good.

"But in recent years we haven't really been keeping pace in economic standing with other States. From running close to average with the 50 States, I would say we are now running slightly behind. This position is reflected in the problems that public health programs—and many other services—now face."

SERIES ON POVERTY—PART III

What causes poverty, and how can the war on poverty be fought?

Answers range from the complex and scholarly to the over-simplified and the bizarre.

Late last year, for example, Mrs. Fred J. Tooze, president of the Women's Christian Temperance Union, noted at that group's national convention that the estimated 6 million alcoholics in the country exceeded by 1½ million the 4½ million people "estimated out of work by the Department of Labor because of automation or recession." She went on to distill the obvious conclusion.

Another widely publicized theory was, of course, advanced in January by Arizona Senator BARRY GOLDWATER. Speaking at New York's Economic Club, he concluded that people were poor for the same reasons they are uneducated—"low intelligence or low ambition"—thus, more or less handily disposing of the problem, with the inference that its source lies primarily in natural conditions that are neither worthy of much sympathy nor subject to great change.

In its statement on poverty issued last week, the Social Action Department of the National Catholic Welfare Conference came closest to answers that are accepted by most authorities.

It distinguished between two classes of the poor, placing in the first group people whose poverty stems from personal conditions that cannot readily be changed—the aged, many of the handicapped, mothers who are the sole support of young children.

The second group comprises those who are poor largely because of external conditions that prevent them from earning a living. They include the uneducated and unskilled, victims of racial discrimination, farmers without adequate resources and training, many unemployed persons over 40 years of age, residents of areas with declining industries.

Oregon shares in common with other States a representative number of the poor belonging to the former group—a greater number, in fact, compared with many other areas, of such members of this group as the elderly. They constitute the basically helpless portion of the poor, presenting a moral problem which requires immediate remedial action along basic health and welfare lines—in the words of the social action department, "help given in a way that fully respects their human dignity."

Victims of some other forms of poverty require action that is more social than economic—an end to all forms of discrimination for Negroes and other minority group members; rehabilitation programs for alcoholics, the mentally ill and physically handicapped, second- and third-generation welfare cases.

In the long run, even such special cases of poverty will most benefit only through a "war" that is leveled against poverty as a whole, and directed toward increasing the general level of prosperity and broadening its base. Its strategies are, in many cases, the same strategies that will also become increasingly necessary to combat such potential sources of new poverty as automation and mechanization, and their form is essentially economic and political.

"Oregon," in the words of one observer, "feels recession less in a period of general recession, and less of the prosperity in a period of general prosperity.

Oregonians who felt, and in some cases continue to feel, the impact of the 1958–60 recession, might tend to dispute the former proposition, but the latter contention is confirmed by figures and many informed authorities. Oregon is often described as the "average" State, and this is supported by most national indexes.

At the same time, however, Oregon has failed to participate fully in the boom which, in the last decade, has swept over the rest of the west coast. It has failed to reach the levels of neighboring West Coast States, even after this boom period showed some signs of faltering and leveling off.

A representative index is provided by comparative figures for gross average weekly earnings of production workers in the three States over a 10-year period. In 1952, Oregon topped the list with a $79.56 weekly average, compared to $76.16 for Washington, $75.85 for California. By 1962, these positions were reversed, California leading with $112, Washington workers averaging $110.71, and Oregon lagging with $103.22.

R. C. A. Moore, executive secretary of a legislative interim committee studying technological unemployment, points to other reasons why remaining average may eventually mean running behind.

"Wage earners are migrating to other States," he said. "Oregon shows a much higher percentage of people under 18 or over 64. Many areas having the lowest employment rates now have the highest rates of tax-supported people."

"Oregon has been doing its share in relation to the rest of the country," he added. "But industry throughout the entire country has not been growing fast enough, and if we keep doing our share, we'll just come out in the middle."

The committee, he said, has estimated Oregon must attract about 400 new jobs every week "only in order to keep up."

"I doubt," said Moore, "if we're doing a third of that."

Spokesmen on both sides of political and economic fences seem in basic agreement that the problems facing the economy of Oregon—and of the Nation generally—arise from three basic factors:

A steady expansion in the industrial labor force, due to increasing numbers of youths annually entering the labor market and the continuing exodus of persons to the cities from the farms;

A simultaneous shrinkage of some job markets, arising from increasing automation and mechanization in both industry and agriculture;

The fact that many of the persons now entering the labor market possess educational and skill levels commensurate only to those jobs which are declining, and are inadequately equipped to fill the new technical and other positions which automation and mechanization are opening up.

Oregon political spokesmen seem also to agree basically on general long-range solutions—creation of new jobs through development of industrial growth, and education of a work force qualified to fill these jobs—although they differ in emphasis and in particulars.

Attorney General Robert Thornton, Democratic candidate for Governor in the 1962 election, cited a need for "continued and increasing training and retraining programs," but he stresses the need for Oregon to attract new industry.

"To be competitive, we've got to be as aggressive as other States," he said. "We should attract new industry, while at the same time doing as much for the local taxpaying industries. We should not give away more than is necessary to get new industries, and we must compete according to the constitution, or by a vote of the people. But we should submit squarely to the people the question of whether Oregon is going to spend money and be aggressive in attracting new industry here."

Thornton emphasized low-cost industrial power as a major selling point in bargaining for new industry.

"Despite all the publicity, we are losing industry to Washington because of its lower cost of industrial power," he stated, citing plants which had located in Vancouver, Calama, and Tacoma after having first considered Oregon sites.

"When International Paper opened its plant in Reedsport, it was considered so important that the Governor dedicated it twice" he added. "What wasn't written in the papers was that the plant had looked about the State for a couple of sites. It finally went to Reedsport so it could get power from the South Lincoln PUD at Bonneville rates.

"Power costs, dealing with large industries, can spell the difference," he said. "You can see where private power companies compete with PUD's they are quite competitive, but where they have it to themselves, the rates go up. This is, of course, consistent with our system. But at the same time, we are being severely handicapped in competition with Washington."

Other Thornton recommendations:

"I've proposed establishment of a general export promotion division in the department of planning and development," he said. "This would be one measure for helping existing industries."

"We should submit the issue to the people of setting up an industrial development authority. It could be similar to Alaska's, for example, where the public is empowered to issue bonds, to make actual loans, furnish financial assistance to corporations and sometimes furnish low-cost sites."

Gov. Mark O. Hatfield referred to notes from a speech he delivered last week to the Moms' and Dads' Club at the Sandy Union High School, in which he stated that the "crucial strength—or weakness—of our war on poverty" will be provided by the schools.

"One of the major elements of the program of my administration has been the effort we have been making to expand and diversify Oregon's economy," he stated. "Intertwined with my concern for economic development has been my concern for our educational development."

Citing progress made by the United States in "providing a standard of living that is unequaled," the Governor stated, "it is a matter of real regret that not all Americans and not all Oregonians share in it.

"No amount of attention to the pluses on our social ledger can disguise the fact that we need to be involved in the war on poverty. If poverty can be prevented, this must be our primary objective. We must, of course, provide assistance to those in need but, as I have repeatedly said of our welfare program, we must seek always those methods which will replace dependence with independence whenever possible * * * and assure that the weapons system for this war will be chosen from the arsenal of economy rather than from what someone has called the arsenal of bureaucracy."

Governor Hatfield cited various factors creating poverty, but quoted the economic research department of the Chase Manhattan Bank in stating that "overwhelmingly * * * we can see a sharp relationship between lack of education and low income.

"It is obvious that the major element of our attack on poverty must be to provide the kinds of education that will help to erase the educational gap through which low income so regularly makes its appearance," he said. He called for:

"Retraining opportunities for those displaced by automation that are: realistic, in terms of actual need; easily available; and with industry having a role and responsibility.

"A modernized curriculum in our public schools, keeping pace with rapid technological change (and) adequate to the needs of the A student, but focused on the long-term needs of the average (and below average) student, whose needs are now frequently missed (as is witnessed by the dropout problem)."

Elements from both of these forces in the war on poverty are presently being studied by the interim committee on technological unemployment. This is headed by State Senator Don Willner, who admits the group has drawn criticism for "trying to scoop out an ocean with a spoon."

He said the committee has marked off three major areas for possible new legislation:

A means for coordinating economic information and predicting needs and changes in the State's work force and labor market.

"We presently have no knowledge of just who is in the work force, no adequate skill surveys," said Willner. There is no State agency primarily responsible for predicting labor resources and future needs, when a plant is going to close down. This won't solve anything, but it is an important first step. We have to be able to better predict what the work force is going to be, by industry, geographical area and occupation group, 5 years from now.

Manpower development and training. "Vocational training in Oregon and in the Nation is many years behind the times," he said. "It consists largely of agriculture, home economics, and some fairly esoteric skills such as cabinetmaking, for which there is no longer a demand.

"We must make vocational training respectable," he added. "It probably has to be integrated more into the regular curriculum—not many areas in the State can support a separate vocational school.

"There is the question of how we can train workers for apprenticeships. There are now only 1,700 in apprenticeship training in the entire State—a number that is very small."

Financing? "We are exploring to see if part of the program could be financed by unemployment compensation funds," said Willner. "Now, a person drawing unemployment can't receive many kinds of training, as he is interpreted as being unavailable for work. This is silly, to spend 26 weeks looking for a job that doesn't exist."

Creation of new technological employment. "We are not creating in Oregon enough new industrial jobs," Willner stated. "We need to find what help the State can give to local communities. Some have done a good job in promoting industrial development, while others have not."

Willner adds: "We are not going to solve these problems as a separate State. We are certainly not isolated from what is happening in the rest of the Nation, and the real decisions will obviously be made elsewhere."

These words were virtually echoed by Thomas Scanlon, research and education director of the Oregon AFL–CIO, who added "most of our employment in Oregon is by national or international concerns. I just don't see a solution on the State level."

Scanlon listed these elements in organized labor's war on poverty at a statewide level in Oregon:

Minimum wage. "We've tried for a number of years to get a $1 general minimum wage law, with a 40-hour week," said Scanlon. The only minimum wage standard now in existence, he explained, applies solely to women and minors, and is set at various levels in different industries by the State department of labor.

"Although the legislature has been ostensibly controlled by liberals, we haven't been able to get the bill out of committee," he said. "Last year we didn't push it too hard," he added. "One of our problems is that we've had so many other problems with the legislature that we have to give certain of them top priority."

Unemployment compensation: "Our big problem here is that too many people look upon the system as a welfare system," said Scanlon. "But it is strictly an insurance system, supported by a tax on payrolls. In a State like Oregon, which is so dependent on the lumber industry and much seasonal work, unemployment compensation is the only thing supporting those areas.

"We're behind in this State, largely because employers, years ago through experience ratings were able to keep the payroll tax rates low. During the recession, the fund dropped further and a 2.7 percent tax which was then placed across the board on all payrolls has still not yet built the fund back up."

Union organization: "The poor are basically the unrepresented," Scanlon said. "Our biggest problem is lower paid people in industries where employer groups want nothing done about minimum wage standards or other standards in their industries. In every session of the legislature, groups attempt to secure more restrictive legislation. Legislation has been passed already specifically restricting organization of farmworkers. The labor elections law is another example of restrictive legislation."

These considerations get close to the core of basic philosophical differences which exist in the choice of means for waging the war on poverty—differences most sharply joined on the national level in positions stated respectively by spokesmen for management and organized labor.

In November of last year, for example, Dr. Emerson P. Schmidt, chief economist for the U.S. Chamber of Commerce, conceded that "unemployment is our most serious and stubborn domestic problem." He said continuance of the situation might create further threats of additional government interference to business.

Minimum wage laws price many workers out of the job market, he said, and he called for such remedial measures as lower corporate tax rates, more liberal tax depreciation policies and more controls on organized labor.

This is, of course, a restatement of what was once termed the "trickle-down" school of economic thought, in which whatever benefited business was thought automatically to benefit the worker.

It is basically opposed by labor and many other spokesmen who fear that the law of gravity might not apply as universally; and with the same speed, to profits as it does to water. At a national level, the AFL–CIO endorses credit policies and certain other measures to help stimulate business investment, but it also seeks a more equitable distribution of existing jobs and resources. It has called for extending minimum wage standards, a 35-hour workweek, a boost in overtime pay and other Government sanctioned measures to spread more evenly existing employment.

Both positions only partially reflect, and draw suggestions from, two broader schools of economic thought, one holding that unemployment is primarily the result of "structural changes" in the economy—automation, farm displacement, the population boom—the other that its primary source is inadequate consumer demand.

The former school was reflected most strongly in testimony given by experts in October to a Senate Labor and Public Welfare Committee studying the problem. A Michigan State professor, Charles C. Killingsworth, for example, stated that the tax cut bill (passed last week) would cut unemployment by 1 percent at most. Other experts stressed the need for Federal programs to aid education at all levels.

Authorities were reported almost unanimously agreed that individual States, industries and unions were not big enough to do the required job without some Federal help.

Retreating from such areas of major controversy, it is probably most instructive to examine the war on poverty as it is already being waged in Oregon, through programs based on the two broad concepts upon which most spokesmen are basically agreed: Planned industrial development, and education geared toward realistic job potentials.

SERIES ON POVERTY—PART IV

Governor Hatfield has described McMinnville, in words repeated in a chamber of commerce brochure, as "Oregon's pacesetter city in industrial development."

This claim is symbolized in a cluster of new industrial plants which overlook the valley pastureland from an industrial park site on the edge of the city. It is reflected further in other new plants distributed throughout the town, in scattered construction sites, in a general atmosphere of civic confidence and well-being.

There is an unexpected degree of activity in the McMinnville Chamber of Commerce office, where its manager, A. T. "Pete" Beall describes the record of the McMinnville Industrial Promotions Corp., of which he is secretary-treasurer.

The corporation was first formed in 1953, when the economic outlook for the city was vastly different than it is now.

"The lumber business was moving out of the area," said Beall. "Some mills had exhausted timber resources, while others were absorbed by larger mills. Between 1950 and 1953, the number of mills had dropped from 132 to 32. In 1950, total county employment was approximately 5,000, with 2,100 of that number in lumber. The number in the lumber industry dropped to approximately 700 in the same 3-year period."

The McMinnville corporation was first formed in June of 1953, by 28 business leaders, each of whom put up $1,000. By September, the corporation had brought its first new plant to the area—Archway Cookies, which constructed a 5,000-square-foot building for a $70,000 local investment, now employs 46 workers with an annual payroll of $340,000.

The corporation, originally begun as a nonprofit group, launched a public stock drive in 1955, raising some $245,000 from 50 local stockholders at a par value of $25 a share. It subsequently purchased a 47-acre industrial park site and constructed the first plant there, for a mobile home firm now employing 190 people.

The 10-year scorecard for the McMinnville corporation shows creation of 620 new jobs, with an $8,000 daily payroll resulting from 7 new industries and a $1,770,000 local investment between 1953–63. County employment remains at about 5,000, Beall said, but with only 700 now in lumber. He pointed out that the 10-year span had also covered the peak period of agricultural mechanization in the area.

Basic elements in this "success story";

"We are actually a real estate holding company," said Beall. "We purchase a site, and then we can offer a set per-acre price to a plant wanting to come in. We will construct the building, and lease it on a monthly rental with an option to buy at any time."

Power is a factor, he added. "The city owns its own municipal power, and the rates are about as cheap as any in the Northwest."

"Basically speaking," he concluded, "the biggest factor is attitude. Prospective industries can see that the general attitude of the town is friendly toward new industry. Through the enthusiasm that has been generated, individuals have also banded together to finance other businesses, independently of the corporation."

The Federal Small Business Administration has participated up to 80 percent of financing for new building, but in all other respects the McMinnville plan has held to principles that even the most hard core conservative would approve.

"Our 540 shareholders constitute 540 salesmen," said Beall. "Ninety percent of our prospects come from contacts with local business people. We work with the State on a coordinating basis. But I feel these projects should be carried out by local people."

Recruitment of workers, aside from key personnel brought in with the industries has been primarily from the local community, Beall said. "There have been no real training problems," he said. "A company making X-ray tubes, for example, has hired a number of local housewives and trained them to be expert glassblowers."

Corporation members visit an average of one community a month that is interested in the program, advising them, in effect, how they can organize to compete with McMinnville.

"We don't feel the competition is bad," said Beall. "If we can create a strong industrial atmosphere in the Northwest, it will be an asset for us. I would like to see the same setup in every town."

The McMinnville approach is, of course, the chamber of commerce approach. Its success depends not only on a booster spirit, but on various factors less subject to control—location, climate, a degree of preexisting money, and other resources. Not all Oregon communities are so fortunate to permit the same setup, and only the least fortunate are eligible for Federal assistance under the Area Redevelopment Administration, based on the first bill of the Kennedy administration aimed at combating poverty and economic decline.

Yamhill County as a whole is one of eight areas in Oregon currently designated as an area of "substantial and persistent unemployment" eligible to receive aid under the act and, says Thomas Curran, of the ARA's Portland office, "the problem in the McMinnville area is getting the benefits out of the rest of the county."

Under ARA legislation, the Federal Government is empowered to provide low-cost, long-term loans to private industry to establish or expand in development areas, loans, and grants for new or expanded public facilities needed to encourage industries, technical assistance to communities for exploring means to expand economic growth, and worker retraining, with subsistence payments to jobless workers during the retraining period.

In addition to economic need, the ARA program is also based on community action, Curran pointed out. "An area is required to organize a representative committee to examine its own economy, resources, needs, and draw up an overall economic development program. On a loan, the community—or, in some places, the State—puts up 10 percent of the total cost. We can then loan up to 65 percent, with the balance coming from private sources."

The goal of all ARA programs: "Permanent and more or less immediate new employment," said Curran. "New employment," he noted, "carries with it a strict prohibition for Federal funds to be used in any ARA program to assist industry in relocating from one area to another, with consequent loss of employment elsewhere."

So far in Oregon, loans, grants, or technical assistance is either pending or authorized under the ARA program for projects in six counties and the Warm Springs Indian Reservation, with a project in one other county described as "in limbo."

Loan projects range from a $250,000 application, that would expand a whaling and bottom fish processing plant in Clatsop County (creating an estimated 57 new jobs) to a $1,306,000 loan already authorized to modernize and put back in business the formerly defunct Josephine Plywood Co. (creating 300 to 400 jobs in Josephine County and northern California).

Technical assistance projects so far authorized, and expected to benefit various redevelopment areas, include a forest resources utilization study, expected to indicate expansion opportunities for all of northwest Oregon; a market survey for hardwood, which will also include parts of Washington; a small boat harbor development study, to include Lincoln, Clatsop, Columbia, and Hood River, Wasco, and Sherman Counties; a feasibility study for automated feed lots in Wasco and Sherman Counties; and a recently authorized Pacific Northwest ski study, regionwide, but expected to be of value toward developing potential ski areas in Hood River County.

Described by Curran as the "biggest success story" of ARA in Oregon so far is a $959,599 grant made to Oregon State University for establishing its marine fishery and oceanography research laboratory at Newport, a project expected to create some 200 jobs just at the beginning.

One of the "in limbo" projects, on the other hand, illustrates some of the snags which the ARA program has run up against: A loan sought by a redevelopment committee in Yamhill County has been approved for building a municipal sewage and water system for Yamhill City, on the basis of keeping a frozen food plant from leaving the area.

"But now they are going to move anyway," said Curran.

Total scorecard to date for some 3 years of ARA activity in Oregon: Loans and grants amounting to $3,010,390 toward an aggregate cost of $4,138,650 (this ratio weighted by the OSU grant), and 960 jobs in the offing, "as a conservative estimate," in places where they are needed most. Technical assistance has totaled another $86,550, and $8,427 has gone into an ARA training program.

An intangible addition: "Local committees formed under the ARA program in each area have also been at work on several projects, which may or may not need ARA," said Curran. "And the impetus provided by such initial stimuli as the OSU lab in Newport has generated further activity in the entire area."

Between the local approach, as illustrated by McMinnville, and the various ARA programs, the State department of planning and development steers a middle course in pushing economic development. Unlike ARA and local groups, it is empowered to function statewide. It is also, however, essentially a service agency with, in the words of John Denny, the Department's public relations representative, "no money to hand out."

Activities of the department cover a wide range of services, including promotion, field services which work with existing industries and local development groups, a research department which collects economic data and also conducts special resource and market studies for prospective new industries.

Such studies are on a comparative basis when two or more sites are being seriously considered, and when a site includes Washington, studies include the controversial differences in power costs and tax structure between the two States, said Denny.

"These factors will vary by industry, and by location," he said.

"An industry in Oregon using Bonneville power, of course, buys at the same price no matter where it locates. If they select high value land, close to Portland, it is going to cost more than a pasture in some rural areas.

"Tax comparisons vary according to many factors, one being the margin of profit," he added. "Oregon taxes net income, while Washington taxes gross income. So if an industry is based on low margin and high volume, they're better off here."

Success of these State activities since they were first organized into a department in 1958?

"It's hard to measure," said Denny. "In the 5-year period, Oregon's growth rate, as measured by gains in employment, has been better than the national average. Unemployment rates have been consistently below the national average. As a rough figure, there has been $75 million invested in plants and expansions annually."

Development and redevelopment in agriculture pose somewhat different problems and involve less an expansion than an easing of the continuing transition from farm to town and an attempt to reorganize as efficient agricultural units farmland that remains.

"Oregon is having the same problems in agriculture as other States," said Robert Pierce, director of the Farmers Home Administration Portland office. "The credit requirements and capital it takes to stay in agriculture have increased approximately sevenfold since 1948, and are continuing to rise. At the same time, involvement of most capital in farm activities brings with it a sudden death risk that didn't exist in the days of limited capital. A crop or price failure can put an operator out of business overnight."

The Farmers Home Administration makes long-term, low-cost loans available as "supplementary credit" for the operation and purchase of family-sized farms, to individuals and groups for water development and soil conservation, to local organizations for watershed protection, to farm and nonfarm owners in rural areas for housing. Insured loans are available to finance housing for farm laborers and rural "senior citizens."

These loans amounted to some $9 million in rural Oregon last year, spread among approximately 2,000 individual borrowers and domestic water associations that serve about 4,500 additional people, Pierce said.

"Probably 10 percent of our loans reached what you might call a hard core poverty group," he said. "Supervisory assistance—counseling in money, farm and family management—reached substantially more."

Legislation passed in 1961 enabling the agency to provide loans to part-time farmers "increased our capacity to serve low-income groups," Pierce said. He pointed out that Oregon's declining farm population has created not so much a "Grapes of Wrath" mass migration, but a group of "commuting" part-time farmers, with small farm acreages tending to go over to "rural living."

"We are able to serve those in low-income groups by supplementing their regular sources of family income and providing better living standards by way of improving homes," Pierce said.

For those who remain on the farm, the agency is providing loans to "recombine and put adequate resources of land and capital together with adequate families to provide the most successful farm operation," he added.

Basic problems for those remaining, or attempting to enter, agriculture:

"All of rural America needs basically more profit at the farm gate," Pierce stated. "This is going to depend upon having adequate prices and orderly production to maintain them. For this, there must be some control—either producer or government-oriented."

"There is no relationship today between agricultural value and land prices," he said. "You can't pay for land with what you can grow on it, in a reasonable time, and a newcomer just can't afford to buy in. The average age of today's farm operators indicates that in the next 10 years there will be a substantial turnover on the farm. It will challenge every credit instrument we have now."

Pierce, who describes himself as a "New Frontiersman from Malheur County," advanced some solutions which he said "could have substantial impact, especially in eastern Oregon."

"The 1961 Congress approved as an eligible loan the purchase of private land by private associations," he said. "We are just beginning to work on this in Oregon, but it has great possibilities. Multiple purchase and management by groups of ranchers may become the only way an individual or family can buy into large private acreage."

He foresees a similar possibility for the use of public lands.

"We need to improve the use of public range lands through greater participation by private individuals," Pierce said. "We may be enabled to make loans for public lands through a usage arrangement acceptable to cattlemen, sportsmen, and the custodians of public lands."

Planned development, whether in agriculture or industry, has its critics, who charge it both with going too far or not far enough. Some think that ARA has proceeded too slowly, although, Curran notes, "basically we are completely dependent on action at the community level. We can only do what people make it possible to do, and can't create a great, immediate dramatic impact."

Others point out that counterparts of the planning and development department in some other States are enabled to put up the 10 percent community-or-State share required for ARA loans. In some States, communities are enabled under State law to issue bonds to finance new industries. But, Denny points out, "the administration and the legislature have never advocated this business of 'buying industries.'"

Further snags exist. Officials in both ARA and local development programs, for example, point to a sort of reverse Parkinson's law arising from publicity that accompanies the "boom psychology" of a community launching an expansion drive: It brings more people to the area, often before any ground has been broken.

But planned development, in various forms, seems certain to remain, and become increasingly aggressive. As Denny points out, "We are in competition with 49 other States." An ARA brochure lists an estimated 14,000 private and public organizations now in the business of trying to lure new industry.

Efforts in Oregon aimed at the second side of the antipoverty coin—specialized worker education—have so far lacked the impact and momentum of development activity. This is partly because of weaknesses in other areas of the educational system, partly because educators have not yet decided what directions vocational and other specialized education should take, nor has the State decided how far to go in supporting it.

Primarily, it seems due to the fact that education is the cart behind the industrial development horse—in the words of Thomas Scanlon, "the big problem is lack of employment opportunity."

Most of these problems are illustrated by activity in Oregon, so far, under the Federal Manpower Development and Training Act, passed by Congress in 1962. The act authorizes State employment services to select unemployed and underemployed workers, members of low income families, and youths in need of occupational training and further schooling for school or on-the-job training in fields "in which there are employment opportunities."

Training courses are then set up in schools by the State department of education or, in the case of on-the-job programs, by public agencies or private labor, industrial or other community groups. Trainees receive training allowances of varying sizes, for the unemployed, generally the average of payments of State unemployment compensation.

A visitor to Portland's community college finds it impossible to minimize the value of the fact that 60 formerly unemployed women of all ages who are now taking Manpower Development and Training Act courses there will within a few months be making their own livings as insurance specialists and stenographers needed by local business firms.

A "characteristics tabulation" made of 280 male and 73 female trainees enrolled statewide under the Manpower Development and Training Act program as of June 1963 points up further the program's merits: Of the 280 men, 198 were listed as heads of households with a total of 549 dependents; 19 of the women were responsible for 39 dependents. Thirty-one men and six women had been welfare recipients. The majority in both groups had spent from 3 to 9 years in the labor force, before going without work from 5 to 14 weeks prior to entering training programs.

Current figures show a total of 792 trainees, who have taken training in 9 Oregon cities that ranged from a 1-week course for chambermaids in Portland, to 52-week forester aid training courses in Eugene, Astoria, Bend, and North Bend.

Most critics of the program's results thus far are among the strongest supporters of its basic goals—they are concerned about what may happen to it by July of next year, when the State will be required to pay for one-third of the program, now financed wholly through Federal money for unemployed persons, 50 percent for others.

But they point out that its utility is hampered not only by lack of employment opportunities but by lack of research. Peter Chaney, who administers the Manpower Development and Training Act in the Portland State Employment Office, confirms that the office becomes aware of need for various forms of occupational training "mainly by inability to fill orders for employers in certain occupational groups. We found need for insurance specialists and clerk stenographers when we received offers for which we had no applicants to send out."

Need for occupational training, under the Manpower Development and Training Act, is defined to include "prospective," as well as present need for trained workers, as discovered through checking with employers. During coming months, a skill survey is scheduled to be carried on among Oregon employers, but until this is completed, Manpower Development and Training Act efforts will likely remain confined to such limits of "present need."

More serious, built-in weaknesses in the Manpower Development and Training Act program are pointed to by Nathan Nickerson, of the Portland Urban League.

"All our projections, even locally, indicate a future shortage of technicians, top-grade mechanics, machinists," he said. "You don't train them through manpower development acts. It takes apprenticeship and a sustained period of time."

"The program also gives heavy consideration to its youth section, which includes many dropouts and others without sufficient education," he added. "It cannot basically make up for deficiencies in grade and high school education."

Oregon's present efforts in providing vocational education, at both the secondary and community college levels, escape some of these weaknesses, but at the same time they incur others.

All vocational schools at the community college level, for example, conduct both 1- and 2-year programs, time enough for Portland community college to list such courses in the vocational-technical section of its catalog as civil and structural, highway and electronic engineering technology, electronic communications, drafting.

On the other hand, Al Ringo, of the State vocational education division in Salem, points out that some 60 percent of high school graduates are not now going on to college and that current vocational training in the State "takes care of about 10 percent of this group."

Ringo pointed out that community colleges have been among those to suffer most from budget cuts required when last year's tax referendum failed to pass.

"Some communities have voted their own bond issues for community college programs, and no State money was available for reimbursal," he said.

Perhaps a more basic factor: Tuition costs, at the Portland Community College's technology division set at $60 a term for full-time students, from $60 to $90 at the State's seven other existing community colleges and technical-vocational schools.

Several complex issues surround the matter of streamlining current education to coincide with future needs. One upon which authorities are almost unanimously agreed is need for a graduate center in the Portland area.

In the words of John Denny, a graduate center "would do two things—upgrade the caliber of the people who are here now, an upgrading that is necessary with the state of technical arts moving so fast. It would also enhance our ability to attract research-oriented industries, which seek a climate that is dedicated to research."

Many of these most basic issues, however, must be attacked elsewhere, in the view of most authorities—in primary and secondary education, and in the culturally deprived home.

Ringo places at least one issue in its philosophical perspective.

"Philosophically, we in the United States have traditionally believed in free education from grade 1 through 12," he said. "But with vocational schools the general feeling has been that the student should pay his own way. This was understandable when he could be expected to be making good money shortly after he got out, and often held a part-time job while attending classes. It may seem less valid now.

"Other States—California for example—now provide free education at a community college level. But there is resistance to this idea in Oregon."

There is resistance to many ideas in Oregon, and it raises the question of the degree to which economic and educational development are going to keep pace with expanding need. As in answers to the questions about what causes poverty, one finds a variety of opinion regarding future prospects of Oregon's economic position.

At year's end, for example, a Portland newspaper carried a report of its annual interview with the State's leading businessmen and industrialists, who predicted that 1964 would be a year of growth and prosperity. Their major reason for this view: A feeling of confidence, based on such varied factors as foreign trade promotion projects in the timber industry, diversification in wood products, accelerated tourist development programs.

Many men-on-the-street, while declining forecasts, will affirm, in the words of one, "Oregon has never had any booms, but we've never had any busts either. We don't have any big defense contracts to lose, or any big factories to get automated or closed down."

Critics of this view might be more inclined to agree with Robert Thornton, who says:

"That's sort of a sour grapes attitude. We want jobs and payrolls. If we spend a little money and keep in touch with our congressional representation, a certain amount of defense industry will come our way. The fact that certain jobs may eventually be phased out should not be too great a concern—it has happened ever since the days that buggy whips were phased out."

Said one observer, more concisely: "It is like saying Oregon is lucky because there is nothing here for anything to happen to."

John Denny lists several promising Oregon prospects; the potential of Boeing's full development of the Boardman rocket test site; likelihood of extensive offshore oil drilling with which geologists are pretty optimistic; possibility for iron reduction work at the mouth of the Columbia River; continued growth in pulp, paper, and particle-board industries, byproducts from forest industries and food processing.

He also outlines Oregon's most likely future course.

"We have been making steady growth, above the national average," he said. "There has been no California boom—probably a lot of Oregonians wouldn't want a California boom. We can look forward, I think, to a continuation of this, probably somewhat accelerated."

Nathan Nickerson, on the other hand, offers some idea of what this course might mean if such acceleration falls short of accelerating needs.

"We do not have enough employment opportunities in the area to take care of all those needing jobs," he said. "And aside from government—which people hate to see—I don't know how we're going to take care of this great number of people."

Mr. DON H. CLAUSEN. Mr. Chairman, this is the third day of debate in the House of Representatives on the so-called antipoverty bill. After hearing this debate, I can only say that this measure is a cruel hoax against our truly impoverished people and a thinly disguised effort of this administration to buy back the South and clinch the big city vote.

If every Member of this House were to step back and take a long look at this bill they would see that, basically, this measure is a confession. It is an admission that the $25 billion a year now being spent to fight poverty is not doing the job.

This $25 billion a year is being spent on a number of programs, some of which are good and some of which obviously are bad. The policy comittees of the House should study these programs, decide which ones are not working and stop squandering money on them. This should be the first step to prepare for a new attack against poverty.

The second step should be to analyze the problems of poverty and their causes and propose a program aimed at curing it, not simply to soothe or postpone it as this bill does. This proposed package program costing nearly $1 billion a year cannot solve the problem for a number of reasons:

First. It provides for a Job Corps of volunteers, similar to the old CCC camps, which would take young men out of the labor market and put them in conservation camps for up to 2 years. Then they would return with no new skills. This simply postpones their efforts to make their own place in the world.

Second. It would permit work training programs for unemployed youth of both sexes under which the Federal Government would pay almost all of the cost to hire them to work in local hospitals, parks, playgrounds, and so forth. The work training under such a program would be minimal and questionable, and again it would be only postponing their entry into the normal labor market, still unequipped to be fully productive. I have discussed this matter with some union officials who sincerely believe the program will jeopardize their apprenticeship programs.

Third. One-third of the total cost would go into community action programs in such fields as health, education, and job training. This Congress already has approved the Vocational Education Act of 1963 which provides $450 million to expand and improve job training courses in our high schools. It also has approved a major increase in the Manpower Retraining Act to prepare unemployed workers for new jobs. I supported both of these programs, and neither has been put into full effect. The same union officials suggest there is a real lack of ambition and initiative on the part of many workers they are attempting to train.

It should be pointed out further that Mr. Shriver, who is designated to head this program, if it should be created by Congress, has opposed restrictions on the allocations of the funds to the various States. It is clear that unless the funds are allocated to the States according to their population, rate of unemployment, and other pertinent factors, the funds may be apportioned according to the wishes of the bureaucrats handling them. Large shares could be given to certain States for political campaign reasons, for instance, rather than based on the extent of poverty therein. This is a very dangerous precedent in furthering the establishment of a spoils system.

Everyone knows that poverty exists. I question whether the total approaches 40 million persons, as the administration suggests, because many people in the low-income group own their homes and have savings accounts. These could not be called impoverished. It is indeed unfortunate that this legislation has become so politically partisan. Many of the recommendations of the Republican minority would have strengthened the bill immeasurably.

Also, I question the administration's statement that the gates of opportunity have been closed to one-fifth of our people. I still believe that the gates of opportunity are wide open to every American who exerts his energies and talents.

Poverty exists in the dregs of the great depression—in those families and areas left behind when our Nation generally moved ahead into an era of great prosperity. For these people, vocational education and retraining still is the answer as it was for the rest of the Nation. I have said before and I say again that this type of education is the sound base for our high economic level.

Men who have been replaced by machines and unprepared youths who have dropped out of school must be trained in needed skills by vocational training and manpower retraining. I will continue to support these concepts.

Our youth must be enticed and encouraged to finish high school and attain a higher education. I will support proper proposals to permit all of our students to get a college education if they have the ambition—whether it be long-term loans, tax credits, scholarships or other means.

Poverty exists among some of our elderly citizens whose income is inadequate, whose savings dollar has shrunk because of Government deficit spending policies or whose pension checks are too low—all victims of the inflationary spiral caused by irresponsible Federal spending policies.

I supported the recent 5-percent increase in social security payments voted by the House and I will support further studies and any further needed increases they indicate.

In giving consideration to the problems of our senior citizens, I believe in a change in the social security law that would permit the recipients to earn more than the $1,200 per annum for those who receive less than the maximum payment. Through no fault of their own, many people either entered the social security program late or were unable to earn enough to permit their receiving the full maximum payment. It would be my recommendation to allow recipients to earn an amount over and above the $1,200 equal to the difference between the monthly payment they now receive and the maximum allowable under current social security law. As an example, if a man and his wife were receiving a social security payment of $149.70 per month they would be allowed to earn an additional $65.40 thereby providing this couple with a total of $215.10 per month, which is the maximum payment for a recipient who qualifies as "fully insured" under the law. This would be a great boost to the people trapped in this circumstance.

I believe this is the type of assistance that would be of greatest benefit to our senior citizens and deserves our early attention. Many of the counties of my district have adopted resolutions and forwarded them to me in support of this recommendation.

It is questionable whether time is available, this close to adjournment, to advance legislation of this type; but it will be a priority item in my legislative recommendations for next year. I will urge my colleagues to give this matter very careful consideration because it would provide a tremendous financial boost to a well-deserving group of citizens.

Mr. RANDALL. Mr. Chairman, I rise in support of the Economic Opportunity Act of 1964. It can best be described as a humane bill. We do not claim that it is a perfect bill. No bill is perfect, and in a bill that is so comprehensive there are bound to be changes that must be made in future years as the programs are tested. I repeat, it is not perfect, but it is a start in the right direction.

The antipoverty bill is humane because it makes provision for helping those people in our urban and rural areas who have not had the chance to share in the $600 billion per year prosperity which the majority of our people enjoy. Members on both sides of the aisle are agreed that there are too many people in our country whose incomes are too low to provide the basic necessities in our age of prosperity. There are too many unemployed, too many undereducated, too many underfed and underclothed people in our beloved country to allow the size of our gross national product to blind us to these existing conditions.

Take the case of my own district in Missouri. Despite high agricultural and industrial production, and despite a comparatively low-unemployment rate, there are many people who stand to benefit and ought to benefit by the programs under H.R. 11377. Six of the eight countries in my district have over 30 percent of their families subsisting on less than $3,000 per year. In three of those six counties, over 40 percent of the families are living on less than $3,000.

Mr. Chairman, I have lived in my district all my life. I know the good people who live there. They are not lazy. They are not people who refuse to work. But many of them do not receive their fair share of our national wealth.

There is one more fact about those six counties I should mention. They are heavily rural. They depend upon agriculture as the hub of their economy. And yet, Mr. Chairman, the number of farmers has been dropping rapidly. With fewer farms, and little expectation of a reasonable income the young people of our counties are leaving the farms almost as fast as they become mature. And many leave without any skill with which to enter the job market in the cities.

The need is clearly great in both our urban and rural areas, and the provisions of this bill provide a humane means, within the structures of our free-enterprise economy, to give the underprivileged in our Nation a chance to participate in what our President has described as the great society.

Mr. Chairman, it is also not only humane but it makes sense to pass antipoverty legislation. Many of the problems which have grown with the years are largely caused or greatly increased by poverty. The increase in crime, juvenile delinquency, school dropouts, unemployment, high relief payments, and the high divorce rate are all increased because there are too many people who have not had the chance to improve their situation. These poor people are in a position similar to that of the man who owes $12,000 on his house, has lost his job because a machine can do it faster, and now must work for subsistence wages. No matter how hard that man works he will not be able to pay off that debt and get a fresh start. The provisions of this bill will help the people, who, like this man, have not had the chance to improve their own situation.

Some people have called this bill a billion-dollar handout. This is not a handout bill. It is designed to reduce welfare payments, aid to dependent children, and unemployment compensation, not by brutally cutting them off, but by making them unnecessary. This fulfills a principle of good government that, when a government considers a humane program, it must also consider the practical results. An eminently practical man who knows what it means to work has said:

> If we can raise the average earnings of 10 million people among the poor by only $1,000, we will have added $14 billion a year to our national output. In addition we can make important reductions in public assistance payments which now cost us $4 billion a year, and the large costs of fighting crime and delinquency, disease, and hunger.

That quotation comes from the President's message to Congress and the American people on the antipoverty bill. If the bill is implemented properly, the $947 million it calls for will be an investment, not a handout.

I have supported all strengthening amendments that were offered. I introduced one such amendment that was adopted. But, Mr. Chairman, the bill is far from perfect.

One problem which concerns me is the lack of safeguards to protect the funds under title II from being distributed disproportionately to urban areas, thereby leaving the rural areas without sufficient funding. To protect the rural areas I offered an amendment which added a seventh criteria to section 210 to correct that weakness.

Another question which we raised is the need for a new agency in our already large Federal bureaucracy. President Johnson has made great gains in cutting down on such growth. The Federal Government now employs less people than at any time since the Korean war, according to a recent news article. But, do we need a separate Office of Economic Opportunity? On balance, the argument for the need for coordination to cut down waste and duplication seems to justify its creation this year. We hope and we intend to see that it succeeds in accomplishing its goals. We will insist it does a good job, or for our part, we will not support future appropriations.

Will the administration of these programs be wise and efficient? We shall be very interested in the work of the OEO the next time they ask us for further moneys or authorizations.

Mr. Chairman, when all these pros and cons are added up I must support this bill. The situation which this bill attempts to begin to solve cannot be ignored any longer. It has been swept under the rug too long, and the wages of neglect are too high. I still have my questions, Mr. Chairman, but as Franklin Delano Roosevelt said nearly 30 years ago:

> Governments can err, Presidents do make mistakes, but the immortal Dante tells us that divine justice weighs the sins of the coldblooded and the sins of the warmhearted in a different scale. Better the occasional faults of a government living in the spirit of charity than the consistent omissions of a government frozen in the ice of its own indifference.

The **CHAIRMAN.** All time has expired for debate on the amendments.

Mr. **GOODELL.** Mr. Chairman, a parliamentary inquiry. I was standing on my feet when the original time limitation was made. There are others here who were standing on their feet. Everybody had 2 minutes. Do I understand now, since time has elapsed, that we are prevented from even taking the 2 minutes?

The **CHAIRMAN.** The Chair will state that the Committee voted to close all debate at 6:30 and that most of the time was taken up by the ordering of teller votes. There were many Members who did not get to be recognized who were standing on their feet.

AMENDMENT OFFERED BY MR. BELL

Mr. **BELL.** Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. BELL: Strike out the first two sentences of section 107 (a) and insert in lieu thereof the following: "No officer or employee of the Executive Branch of the Federal Government shall make any inquiry or take any action with respect to any disclosure concerning the political affiliation or beliefs of any enrollee or applicant for enrollment in the Corps, except as to such membership in political parties or organizations as constitute by law a disqualification for Government employment."

The **CHAIRMAN.** The question is on the amendment offered by the gentleman from California [Mr. BELL] to the amendment offered by the gentleman from Georgia [Mr. LANDRUM].

The question was taken, and the Chair announced that the noes appeared to have it.

Mr. **JOHANSEN.** Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. BELL and Mr. LANDRUM.

The Committee divided, and the tellers reported that there were—ayes 119, noes 152.

So the amendment to the amendment was rejected.

Mr. **HALLECK.** Mr. Chairman, a parliamentary inquiry.

The **CHAIRMAN.** The gentleman will state it.

Mr. **HALLECK.** My inquiry, Mr. Chairman, is this: After the substitute is voted on and if it is adopted would it be in order for someone or anyone, any Member, to offer a motion to strike out the enacting clause?

The **CHAIRMAN** (Mr. RAINS). The Chair replies that it would not be because the stage of amending the bill would have passed.

Mr. **HALLECK.** Mr. Chairman, a further parliamentary inquiry.

The **CHAIRMAN.** The gentleman will state it.

Mr. **HALLECK.** As I remember the unanimous-consent request it was that debate on the pending amendment, which is the Landrum substitute, and all amendments and substitutes thereto, close at 6:30. I did not take it that that would foreclose the consideration of a motion to strike out the enacting clause after the amendment in the nature of a substitute had been disposed of.

The **CHAIRMAN.** The Chair will state that if the Landrum amendment is adopted it will foreclose the opportunity to offer a motion to strike out the enacting clause because the stage for amendment would then be passed.

Mr. **HALLECK.** Then, Mr. Chairman, under the rules of the House there would be no way by which I could arrange for any time to speak on this matter?

The CHAIRMAN. Except by unanimous consent.

The Chair recognizes the gentlewoman from Oregon [Mrs. GREEN].

AMENDMENT OFFERED BY MRS. GREEN OF OREGON

Mrs. GREEN of Oregon. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mrs. GREEN of Oregon to the amendment offered by Mr. LANDRUM: In title III, section 302(a), on page 41, line 15, strike out the words "loans of not to exceed $1,500 to low-income rural families" and insert the following: "Loans having a maximum maturity of 15 years and in amounts not exceeding $2,500 in the aggregate to any low-income rural family."
>
> And, on page 42, line 3, add the word "or".
>
> And on page 42, delete lines 4 through 6.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Oregon [Mrs. GREEN].

The question was taken; and on a division (demanded by Mr. LANDRUM) there were—ayes 110, noes 102.

Mr. GROSS. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mrs. GREEN of Oregon and Mr. BELL.

The Committee again divided, and the tellers reported that there were—ayes 150, noes 132.

So the amendment was agreed to.

AMENDMENT OFFERED BY MR. PIKE

Mr. PIKE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. PIKE to the amendment offered by Mr. LANDRUM: On page 42, line 2, after the word "equipment" insert the following: "*Provided*, That no such loan shall be made to any such family which in the preceding growing year had as its principal crop a crop which is included in any Federal price support program and who received price support payments for such crop."

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. PIKE] to the amendment offered by the gentleman from Georgia [Mr. LANDRUM].

The amendment to the amendment was rejected.

Mr. PIKE. Mr. Chairman, I do not ask for tellers.

AMENDMENT OFFERED BY MR. GRIFFIN

Mr. GRIFFIN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. GRIFFIN to the amendment offered by Mr. LANDRUM: Strike out the words "private, nonprofit organizations other than a political party" wherever they appear and insert in lieu thereof the following: "Private, nonprofit organizations other than a political party or any other organization which receives or utilizes any funds for the purpose of influencing the outcome of any election to a public office or to influence the enactment or defeat of any legislation in the Congress of the United States."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. GRIFFIN] to the amendment offered by the gentleman from Georgia [Mr. LANDRUM].

The question was taken; and on a division (demanded by Mr. GRIFFIN), there were—ayes 87, noes 131.

So the amendment to the amendment was rejected.

AMENDMENT OFFERED BY MR. WAGGONNER

Mr. WAGGONNER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. WAGGONNER to the amendment offered by Mr. LANDRUM: On page 3, line 5, section 103, after the word "agency" strike out "or private organization".
>
> On page 3, line 25, strike out the word "may" and insert the word "shall".
>
> On page 4, line 2, after the word "technical" add the word "industrial".
>
> On line 4, strike the words "substantially equivalent" and insert the word "satisfactory".
>
> On page 4, line 20, after the word "are" insert the words "citizens and".
>
> On page 4, line 24, after the period insert the words "All enrollees and participants shall be required to take a loyalty oath to the United States".
>
> On page 10, line 24, after the word "agencies" strike out the words "and private nonprofit organizations".
>
> On page 11, line 9, after the word "agencies" strike out the words "and private nonprofit organizations".
>
> On page 11, line 22, strike out the first two words "either (A)" and on page 11, line 23, change the comma after the word "projects" to a period and strike the remainder of the paragraph.
>
> On page 13, line 19, section 114, after the word "are" insert the words "citizens and".
>
> After the period on page 13, line 23, insert the words "All enrollees and participants shall be required to take a loyalty oath to the United States".
>
> On page 14, line 7, after the word "agencies" insert a period and strike the remaining words of line 7.
>
> On page 18, line 1, section 124, after the word "public" on line 1 strike out the words "or private nonprofit organization" and insert the word "agency".
>
> On line 3, after the word "an" strike out the word "organization" and insert the word "agency".
>
> On page 19, lines 3 and 4, after the word "public" strike the words "or nonprofit organizations" and insert the word "agencies".

The CHAIRMAN. The question is on the amendment of the gentleman from Louisiana [Mr. WAGGONNER] to the amendment of the gentleman from Georgia [Mr. LANDRUM].

Mr. GROSS. Mr. Chairman, a parliamentary inquiry. To what numbered bill does the gentleman's amendment relate?

The CHAIRMAN. The Chair will state that all debate and all inquiries have ceased. All that can be done is to read the amendments and vote.

The question is on the amendment of the gentleman from Louisiana to the amendment of the gentleman from Georgia.

The question was taken; and the Chairman announced that the "noes" appeared to have it.

Mr. JOHANSEN. Mr. Chairman, I demand tellers.

Tellers were ordered, and the chairman appointed as tellers Mr. WAGGONNER and Mr. LANDRUM.

The Committee divided and the tellers reported that there were—ayes 101, noes 144.

So the amendment was rejected.

The CHAIRMAN. The question is on the substitute amendment offered by the gentleman from Ohio [Mr. AYRES].

Mr. AYRES. Mr. Chairman, on that I ask for tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. AYRES and Mr. ROOSEVELT.

The Committee divided, and the tellers reported that there were—ayes 124, noes 151.

So the substitute amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia.

Mr. GROSS. Mr. Chairman, I ask unanimous consent that the Landrum amendment, as amended, be read.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

Mr. ROOSEVELT. Mr. Chairman, I object.

Mr. STINSON. Mr. Chairman, I demand tellers.

Tellers were refused.

So the amendment was agreed to.

Mr. LIBONATI. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. LIBONATI. **Mr. Chairman, the history of the human race is replete with the struggle of man against want, the elements, and natural enemies bent toward his destruction.**

The Neanderthal man, a primeval species of man in the paleolithic period, widespread throughout Europe, were preoccupied with these same problems relative to the struggle for existence. He survived because of an inner awareness of the external world between acts of self-interest that were within his power to accomplish and those not within his power—he so disciplined his will.

The greatest deterrent to the continued existence of any form of human society has been the disrupting effect and decadence through progressive growth at the poverty level. The curse of poverty has caused the capitulation of the most powerful nations of antiquity and has contributed to the death of millions of human beings throughout the ages. It is like a serpent that crushes the body and poisons the mind of reason.

The most contributing factor to the continuing prevalence of poverty is due to ignorance—based on illiteracy and lack of training for vocational pursuits. Further, the individual remains static through the resulting loss of opportunity in the field of employment. Gradually the fading of hope gives way to despair. Human pride is lost, and a state of lethargy destroys any trace of ambition in the individual. Humans suffering from poverty no longer exert any stimulating interest in the community or their personal lives. The resulting environmental conditions, both spiritual

and physical, steep the individual into a mental abyss of failure and despair.

The United States, in spite of its great wealth and $530 billion, the highest economy ever in 1963—productive of its industry, farming, and commerce, and so forth—numbers 30 million Americans within this category of need, suffering in human misery, living in hunger and despair.

Certainly, our Nation, with its great wealth, tremendous income, specialization in all fields of knowledge and terrific productive capacity is well equipped to combat and eliminate poverty among our people.

The initiative must be taken by the concentrated effort at all levels of government, communities, civic and private organizations, and so forth, to lend their efforts to insure the success of the program.

The legislation, first, expands the opportunities for youth to gain the education, skills, and experience to develop talents for competitive entry into our society.

Second. Stimulate local action in communities to foster programs conducive to the elimination of poverty.

Third. A program of small grants and loans to destitute rural families to increase their income.

Fourth. Expanding of small business activities in depressed areas of our great cities, thus creating a basic rehabilitation program for the deserving businessmen.

Fifth. Special programs for undereducated adults and migratory agricultural workers.

Sixth. Stimulate more States to use public assistance to aid families to overcome their impoverished condition.

Seventh. Recruit and train volunteers to serve in capacities to help eliminate poverty.

The costs of direct public assistance amounts to $4 billion a year. The indirect costs of impoverished conditions, resulting in juvenile delinquency, crime, health hazards, and increased fire and police protection account for more billions.

The tremendous loss of man-hours in unemployment and underemployment affect our production and the loss in spending of millions of job-earned dollars that would greatly strengthen our economy and reduce unemployment compensation costs.

A survey of the city of Chicago conducted by the welfare council was illuminating. The council report determined that 1 of 6 Chicagoans live in poverty circumstances—the Cook County figure was 1 of every 7 citizens—in suburbia Cook County, excluding the city, 1 out of 16. Nationally the average is one out of five. The basic income was determined at $3,000 for family, and $2,000 per individual. The Bureau of Labor Statistics studies determined that in the Chicago area, a family of four needs $6,500 income for modest living. The costs of living are the highest in comparison with other cities.

The council reported that 700,000 in Cook County live in poverty, of which only half are receiving assistance from government agencies. For example, in April, 280,000 persons received welfare aid—amounting to 40 percent of the total poor.

The poverty group study showed that 145,000 families in Cook County in this category consist of 511,000 persons—many of them children.

The study disclosed that certain groups, for instance, nonwhites, women as heads of family, and the elderly are more susceptible to impoverishment. Further, the figures show that 37 percent of the low-income households are nonwhite, while only 15 percent of the county's households are nonwhite. Half of the low-income households are headed by women—but only 21 percent of the county households are headed by women. Also 34 percent of the low-income households are headed by an elderly person, but only 15 percent of the county's households are headed by persons 65 years or older.

One hundred thousand persons are seeking work. The education levels of these were part of the answer. Fifty-nine percent of the males in Cook County over 25 years of age do not have a high school education; 38 percent have received eighth-grade education or less; and 31,000 have not completed a year of schooling. Thus, the council perfected a most revealing analysis of the problem. It conducted the survey on the same basis as the national studies on poverty have been conducted. Certainly, Ruth Moore, feature writer for the Chicago Sun-Times is to be complimented for her article on this interesting phase of our problem in studying this legislation. These figures are appalling if studied in the light that Chicago is the third largest city in the United States—known as the greatest manufacturing center in the United States, to say nothing of its other business and commercial operations. One person out of every six are in the toils of poverty.

The city of Chicago represented by the distinguished mayor of Chicago, Richard A. Daley, in his testimony in favor of the bill before the Committee revealed that a cooperative program is being conducted there almost entirely by three independent agencies—the YMCA, the Boys Club, and the Chicago Youth Center—cooperating with such public and private agencies as the Illinois Employment Service, the Cook County Department of Public Aid, Chicago Commission of Youth Welfare, the Welfare Council of Metropolitan Chicago. This pilot youth program project numbering 1,000 youths—with no more than a sixth-grade education—are schooled in such skills that will qualify each for remunerative employment. Thus public and private agencies cooperate in an effort to prevent the increase of the poverty cycle. Under 1B of the bill a similar program is established.

Most of these youths between the ages of 17 and 21 were dropouts—high school, second year—showed poor averages in arithmetic and reading exercises. At the fifth grade level most had never been accepted in employment, others spasmodically employed. Although attendance was voluntary in the first 24 weeks, 80 percent participated in the program. The two principal activities—first about 50 percent were given instruction in writing, reading, arithmetic, and employment discipline.

The others received instruction in vocational workshops, training as automobile service station attendants, as duplicating machine operators, mail handling and clerk-typists. Mayor Daley further stated that their placement in jobs has been arranged. Also in this bill under title II the youth under educational disadvantages would be so trained. The urban youth program sets the ages between 16 and 21 years.

This affects the most sensitive area of unemployment among youths. The unemployment rate of youths between 16 and 24 is twice the averages for workers of all ages. Last year among the 16- to 19-year-olds, 17 percent were jobless, unable to procure employment—three times the average rate of all unemployed. In their age group—16 to 24—by comparison, one out of every three are unemployed. The nonwhite—3 employed out of 10—ages 10 to 19—about twice as many as the white group. Nonwhite girls average unemployment one out of three, and nonwhite boys one out of four. It is certainly a terrible situation to continue to disregard these conditions of employment. With automation releasing an estimated 1 million per year and 1½ million new jobs needed for new workers entering the labor market—something must be done, remedial in nature, at the Federal legislative level to reduce this growing army of unemployment not only among adults but also the youths of our land who it is said are now on family relief and represent 40 percent of those on relief whose fathers' parents were also on relief. Thus a dangerous pattern is observed that poverty continues to dominate generation after generation.

There are some hundred programs in the city of Chicago attended by a little less than 10,000 individuals who are being taught to enter various employments as trained employees—cooks, chauffeurs, nurses, machine operators, tool and die workers, and so forth as well as jobs requiring special skills, white collar, in technical and professional capacities. There are five groups on the job training programs to turn out, electronic assemblies, punch press operators, busdrivers, press operators, instrument calibrators, auto repairers, screw machine operators. Thus a practical opportunity for young and old to start over again and seize upon a new chance to join the work force of our economy—and abandon the relief rolls for remunerative employment.

The Economic Opportunity Act is the only answer to carry forward the battle against poverty. The sapping of our financial strength through relief and dependency programs calls for a modern method of creating incentive and opportunities toward expanding the labor pool of qualified workers to enter the various levels of employment—and by their hard-earned dollars stimulate the economy instead of draining the coffers of city, State, and Federal governments for a pittance that plunges men and youths willing to work deeper into the toils of poverty.

According to the Social Security Bulletin, November 1963, the sum of $66.5 billion was spent by all levels of Government for social welfare purposes in 1962. Also during that year an additional $33.5 billion was spent by private organizations for the same purpose—a total of $100 billion. The Government was sponsoring 42 individual programs designed to combat the effects of poverty. Bureau of the Budget in the fiscal year 1964—almost $32 billion were appropriated—earmarked for carrying out these programs in the hands of organized Government agencies. To reduce these figures we must train men to a needed job.

This act appropriates $962.5 million for the purposes intended. Programs to be carried out during the year 1965 and the 2 succeeding fiscal years. Also authorizes an appropriation of $10 million for fiscal year ending June 30, 1965. For the next 2 fiscal years Congress may appropriate sums required to carry out the purposes of the act. The $412,500,000 appropriated for 1965 are reserved for the first three parts of the title including Title I—Youth Programs; Title II—Urban and Rural Community Action Programs; and Title III—Special Programs To Combat Poverty in Rural Areas.

The millions of dollars appropriated by the several State legislatures throughout the Nation for public aid and aid to dependent children are increasing from year to year—and when added to the expanding other services of State, county, township, and city demanded by its citizenry—without taking steps to divert these thousands of relief recipients to gainful employment. Then our bodies politic will be on the brink of bankruptcy and the homeowner taxpayers will become tenants. Now is the time to act—by passing substitute S. 2642, as amended, in the House at this sitting of the Congress. President Lyndon Johnson is to be congratulated in his presentment of this program for the welfare of the thousands who need the help and confidence of their fellow Americans to adjust themselves by proper training programs to gain remunerative employment and contribute to the economy of our Nation and regain the respect of their dependents and the plaudits of their fellow men in community life. Position in the community is regained and family pride restored.

The **CHAIRMAN**. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. RAINS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 11377) to mobilize the human and financial resources of the Nation to combat poverty in the United States, pursuant to House Resolution 806, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The **SPEAKER**. The question is on the amendment.

Mr. **LANDRUM**. Mr. Speaker, on that I demand the yeas and nays.

Mr. **HALLECK**. Mr. Speaker, a parliamentary inquiry.

The **SPEAKER**. The gentleman will state it.

Mr. **HALLECK**. Mr. Speaker, as I understand it the vote that is now to be taken is on the substitute for the committee bill?

The **SPEAKER**. It is on the Landrum amendment.

Mr. **HALLECK**. If that amendment carries, then would we likewise be permitted to have a vote, if a sufficient number stood, on the passage of the bill, on final adoption?

The **SPEAKER**. The gentleman is correct.

The yeas and nays were ordered.

The question was taken; and there were—yeas 228, nays 190, not voting 13, as follows:

[Roll No. 213]

YEAS—228

Addabbo
Albert
Ashley
Aspinall
Baldwin
Barrett
Bass
Blatnik
Boggs
Boland
Bolling
Bonner
Brademas
Brooks
Brown, Calif.
Buckley
Burke
Burkhalter
Burton, Calif.
Byrne, Pa.
Cahill
Cameron
Carey
Celler
Clark
Cohelan
Cooley
Corbett
Corman
Daddario
Daniels
Davis, Ga.
Davis, Tenn.
Dawson
Delaney
Dent
Denton
Diggs
Dingell
Donohue
Downing
Dulski
Duncan
Dwyer
Edmondson
Edwards
Elliott
Everett
Evins
Fallon
Farbstein
Fascell
Feighan
Finnegan
Fino
Flood
Fogarty
Fountain
Fraser
Friedel
Fulton, Pa.
Fulton, Tenn.
Fuqua
Gallagher
Garmatz
Gary
Giaimo
Gibbons
Gilbert
Gill
Glenn
Gonzalez
Grabowski
Gray
Green, Oreg.
Green, Pa.
Griffiths
Hagen, Calif.
Halpern
Hanna
Hansen
Harding
Hardy
Hawkins
Hays
Healey
Hébert
Hechler
Henderson
Holifield
Holland
Horton
Hull
Ichord
Jennings
Joelson
Johnson, Calif.
Johnson, Wis.
Jones, Ala.
Karsten
Karth
Kastenmeier
Kee
Kelly
Keogh
Kilgore
King, Calif.
Kirwan
Kluczynski
Kornegay
Landrum
Leggett
Lesinski
Libonati
Lindsay
Long, La.
Long, Md.
McDade
McDowell
McFall
McMillan
Macdonald
Madden
Mahon
Mathias
Matsunaga
Matthews
Miller, Calif.
Milliken
Mills
Minish
Monagan
Montoya
Moore
Moorhead
Morgan
Morris
Morrison
Moss
Multer
Murphy, Ill.
Murphy, N.Y.
Natcher
Nedzi
Nix
O'Brien, N.Y.
O'Hara, Ill.
O'Hara, Mich.
O'Konski
Olsen, Mont.
Olson, Minn.
O'Neill
Patman
Patten
Pepper
Perkins
Philbin
Pickle
Pike
Pilcher
Poage
Powell
Price
Pucinski
Purcell
Randall
Reid, N.Y.
Reuss
Rhodes, Pa.
Rivers, Alaska
Rivers, S.C.
Roberts, Tex.
Rodino
Rogers, Colo.
Rogers, Tex.
Rooney, N Y.
Rooney, Pa.
Roosevelt
Rosenthal
Rostenkowski
Roush
Roybal
Ryan, Mich.
Ryan, N.Y.
St Germain
St. Onge
Saylor
Secrest
Senner
Sheppard
Shipley
Sibal
Sickles
Sisk
Slack
Smith, Iowa
Staebler
Stafford
Staggers
Steed
Stephens
Stratton
Stubblefield
Sullivan
Taylor
Teague, Tex.
Thomas
Thompson, La.
Thompson, N.J.
Thompson, Tex.
Toll
Trimble
Tupper
Udall
Ullman
Van Deerlin
Vanik
Vinson
Watts
Weltner
White
Whitener
Wickersham
Willis
Wilson, Charles H.
Wright
Young
Zablocki

NAYS—190

Abbitt
Abele
Abernethy
Adair
Alger
Anderson
Andrews, Ala.
Andrews, N. Dak.
Arends
Ashbrook
Ashmore
Auchincloss
Avery
Ayres
Baker
Barry
Bates
Battin
Becker
Beermann
Belcher
Bell
Bennett, Fla.
Berry
Betts
Bolton, Frances P.
Bolton, Oliver P.
Bow
Bray
Brock
Bromwell
Broomfield
Brotzman
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Bruce
Burleson
Burton, Utah
Byrnes, Wis.
Casey
Cederberg
Chamberlain
Chenoweth
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Collier
Colmer
Conte
Cramer
Cunningham
Curtin
Curtis
Dague
Derounian
Derwinski
Devine
Dole
Dorn
Dowdy
Ellsworth
Findley
Fisher
Flynt
Ford
Foreman
Forrester
Frelinghuysen
Gathings
Goodell
Goodling
Grant
Griffin
Gross
Grover
Gubser
Gurney
Hagan, Ga.
Haley
Hall
Halleck
Harris
Harrison
Harsha
Harvey, Ind.
Harvey, Mich.
Herlong
Hoeven
Hoffman
Horan
Hosmer
Huddleston
Hutchinson
Jarman
Jensen
Johansen
Johnson, Pa.
Jonas
Keith
Kilburn
King, N.Y.
Knox
Kunkel
Kyl
Laird
Langen
Latta
Lipscomb
Lloyd
McClory
McCulloch
McIntire
McLoskey
MacGregor
Mailliard
Marsh
Martin, Calif.
Martin, Nebr.
May
Meader
Michel
Miller, N.Y.
Minshall
Morse
Morton
Mosher
Murray
Nelsen
Osmers
Ostertag
Pelly
Pillion
Pirnie
Poff
Pool
Quie
Quillen
Reid, Ill.
Reifel
Rhodes, Ariz.
Rich
Riehlman
Roberts, Ala.
Robison
Rogers, Fla.
Roudebush
Rumsfeld
St. George
Schadeberg
Schenck
Schneebeli
Schweiker
Schwengel
Scott
Selden
Short
Shriver
Sikes
Skubitz
Smith, Calif.
Smith, Va.
Snyder
Springer
Stinson
Taft
Talcott
Teague, Calif.
Thomson, Wis.
Tollefson
Tuck
Tuten
Utt
Van Pelt
Waggonner
Wallhauser
Watson
Weaver
Westland
Whalley
Wharton
Whitten
Widnall
Williams
Wilson, Ind.
Winstead
Wydler
Wyman
Younger

NOT VOTING—13

Baring
Beckworth
Bennett, Mich.
Chelf
Jones, Mo.
Lankford
Lennon
Martin, Mass.
Norblad
Passman
Rains
Siler
Wilson, Bob

So the amendment was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Beckworth for, with Mr. Lennon against.

Mr. Lankford for, with Mr. Passman against.

Mr. Siler for, with Mr. Bob Wilson against.

Until further notice:

Mr. Rains with Mr. Martin of Massachusetts.

Mr. Chelf with Mr. Baring.

The result of the vote was announced as above recorded.

The **SPEAKER**. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time.

Mr. GOODELL. Mr. Speaker, I demand the reading of the engrossed copy of the bill.

The SPEAKER. The gentleman from New York [Mr. GOODELL] demands the reading of the engrossed copy of the bill.

Further proceedings will be postponed until tomorrow.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H.J. Res. 1145. Joint resolution to promote the maintenance of international peace and security in southeast Asia.

ELECTION TO COMMITTEE

Mr. MILLS. Mr. Speaker, I offer a privileged resolution, and ask for its immediate consideration.

The Clerk read as follows:

H. RES. 829

Resolved, That WILLIAM J. GREEN, of Pennsylvania, be and he is hereby elected a member of the standing committee of the House of Representatives on Post Office and Civil Service.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PARLIAMENTARY INQUIRY

Mr. POWELL. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. POWELL. Mr. Speaker, what time will the House meet tomorrow?

The SPEAKER. In the absence of a unanimous-consent agreement for an earlier hour, under the rules of the House it will meet at 12 o'clock.

Mr. ALBERT. Mr. Speaker, may I inquire whether it would be in order at this time and if there would be an objection at this time if I made a unanimous-consent request that the House convene at 11 o'clock?

Mr. HALLECK. I have been informed there would be objection.

THE ESTABLISHMENT OF A NATIONAL WILDERNESS PRESERVATION SYSTEM

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 4) to establish a National Wilderness Preservation System for the permanent good of the whole people, and for other purposes, with House amendment thereto, insist on the House amendment and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Colorado? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. ASPINALL, JOHNSON of California, WHITE, SAYLOR, and MORTON.

AUTHORIZING SECRETARY OF THE INTERIOR TO CONVEY CERTAIN FEDERALLY OWNED LAND IN TRUST STATUS TO THE CHEROKEE INDIAN TRIBE OF OKLAHOMA

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 6496) to authorize the Secretary of the Interior to convey certain federally owned land in trust status to the Cherokee Indian Tribe of Oklahoma, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert: "That all the right, title, and interest of the United States in the following described land comprising 40 acres, more or less, heretofore set aside for school purposes, are hereby conveyed to the Cherokee Indian Tribe of Oklahoma, and such land shall not be subject to any exemption from taxation, or restriction on use, management, or disposition, because of Indian ownership:

"North half southeast quarter northeast quarter, and that part of the northeast quarter northeast quarter lying south of United States highway Numbered 62, section 20, township 16 north, range 22 east, Indian meridian, Oklahoma.

"SEC. 2. The Indian Claims Commission is directed to determine in accordance with the provisions of section 2 of the Act of August 13, 1946 (60 Stat. 1050), the extent to which the value of the lands conveyed under the authority of this Act should or should not be set off against any claim against the United States determined by the Commission subsequent to the conveyance.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

The Senate amendment was concurred in.

The title was amended to read: "An Act to convey certain federally owned land to the Cherokee Tribe of Indians of Oklahoma."

A motion to reconsider was laid on the table.

Mr. EDMONDSON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. EDMONDSON. Mr. Speaker, I appreciate the action of the House in approving this measure, making available to the Cherokee Indians a parcel of land surplus to the needs of the Sequoyah Indian School in Oklahoma.

I regret the other body would not agree to the House version of this bill conveying the land in trust but it is apparent this is the best deal available to the Cherokees at this stage in the session, and the land is urgently needed.

The Hon. W. W. Keeler, chief of the Cherokee, has advised me by telephone that the Senate version of the bill is acceptable to him under the circumstances.

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent that a telegram addressed to my colleague, the gentleman from Oklahoma [Mr. EDMONDSON], signed by the general counsel of the Cherokee Indian tribe, stating their consent to and satisfaction with this legislation, be made a part of the RECORD at this point.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The telegram referred to is as follows:

MUSKOGEE, OKLA., *August 4, 1964.*

Hon. ED EDMONDSON,
House of Representatives,
Washington, D.C.:

Just back from Sheridan this morning. Have conferred by phone with Chief Keeler, we both agree that the Cherokees will be happy to receive fee title in the name of the Cherokee nation to 40 acres at Sequoyah with no tax exemption and no restriction on use management as amended by Senate committee, we thank you for your effort and hope the bill passes this session and thank you for your telegram.

EARL BOYD PIERCE,
Cherokee General Counsel.

INDEPENDENCE NATIONAL HISTORICAL PARK

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 988) to authorize the Secretary of the Interior to acquire the Graff House site for inclusion in Independence National Historical Park, and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 20, strike out "Act." and insert: "Act: *Provided,* That the Secretary of the Interior shall not obligate or expend any moneys herein authorized to be appropriated for acquisition of the land unless and until commitments are obtained for donations in an amount which in the judgment of the Secretary is sufficient to provide a replica of the Graff House in accordance with section 2.".

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

AMENDING THE ALASKA OMNIBUS ACT

Mr. ASPINALL. Mr. Speaker, I call up the conference report on the bill (S. 2881) to amend the Alaska Omnibus Act to provide assistance to the State of Alaska for the reconstruction of areas damaged by the earthquake of March 1964 and subsequent seismic waves, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

Conference Report (H. Rept. No. 1710)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2881) to amend the Alaska Omnibus Act to provide assistance to the State of Alaska for the reconstruction of areas damaged by the earthquake of March 1964 and subsequent seismic waves, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter inserted by the House amendment insert the following: "That this Act may be cited as the '1964 Amendments to the Alaska Omnibus Act'.

"Sec. 2. The Congress hereby recognizes that the State of Alaska has experienced extensive property loss and damage as a result of the earthquake of March 27, 1964, and subsequent seismic waves, and declares the need for special measures designed to aid and accelerate the State's efforts in providing for the reconstruction of the areas in the State devastated by this natural disaster.

"Sec. 3. Section 21 of the Alaska Omnibus Act (73 Stat. 145) is amended by adding a new subsection (f) to read as follows:

" '(f) Notwithstanding the limitation contained in subsection (f) of section 120 of title 23, United States Code, the Secretary of Commerce is authorized to make expenditures from the emergency fund under section 125 of such title for the repair or reconstruction of highways on the Federal-aid highway systems of Alaska which have been damaged or destroyed by the 1964 earthquake and subsequent seismic waves, in accordance with the Federal share payable under subsection (a) of section 120 of such title. The increase in expenditures resulting from the difference between the Federal share authorized by this subsection and that authorized by subsection (f) of section 120 of such title shall be reimbursed to the emergency fund by an appropriation from the general fund of the Treasury: *Provided*, That such increase in expenditures shall not exceed $15,000,000 in the aggregate.'

"Sec. 4. The Alaska Omnibus Act (73 Stat. 141) is amended by adding the following new sections at the end of section 50 thereof:

" 'NEW FEDERAL LOAN ADJUSTMENTS

" 'Sec. 51. (a) The Secretary of Agriculture is authorized to compromise or release such portion of a borrower's indebtedness under programs administered by the Farmers Home Administration in Alaska as he finds necessary because of loss resulting from the 1964 earthquake and subsequent seismic waves, and he may refinance outstanding indebtedness of applicants in Alaska for loans under section 502 of the Housing Act of 1949 for the repair, reconstruction, or replacement of dwellings or farm buildings lost, destroyed, or damaged by such causes and securing such outstanding indebtedness. Such loans may also provide for the purchase of building sites, when the original sites cannot be utilized.

" '(b) The Secretary of Agriculture is authorized to compromise or release such portion of a borrower's indebtedness under programs administered by the Rural Electrification Administration in Alaska as he finds necessary because of loss, destruction, or damage of property resulting from the 1964 earthquake and subsequent seismic waves.

" 'Sec. 52. The Housing and Home Finance Administrator is authorized to compromise or release such portion of any note or other obligation held by him with respect to property in Alaska pursuant to title II of the Housing Amendments of 1955 or included within the revolving fund for liquidating programs established by the Independent Offices Appropriation Act of 1955, as he finds necessary because of loss, destruction, or damage to facilities securing such obligations by the 1964 earthquake and subsequent seismic waves.

" 'URBAN RENEWAL

" 'Sec. 53. The Housing and Home Finance Administrator is authorized to enter into contracts for grants not exceeding $25,000,000 for urban renewal projects in Alaska, including open land projects, under section 111 of the Housing Act of 1949, which he determines will aid the communities in which they are located in reconstruction and redevelopment made necessary by the 1964 earthquake and subsequent seismic waves. Such authorization shall be in addition to and separate from any grant authorization contained in section 103(b) of said Act.

" 'The Administrator may increase the capital grant for a project assisted under this section to not more than 90 per centum of net project cost where he determines that a major portion of the project area has either been rendered unusable as a result of the 1964 earthquake and subsequent seismic waves or is needed in order adequately to provide, in accordance with the urban renewal plan for the project, new locations for persons, businesses, and facilities displaced by the earthquake.

" 'EXTENSION OF TERM OF HOME DISASTER LOANS

" 'Sec. 54. Loans made pursuant to paragraph (1) of section 7(b) of the Small Business Act (72 Stat. 387), as amended (15 U.S.C. 636(b)), for the purpose of replacing, reconstructing, or repairing dwellings in Alaska damaged or destroyed by the 1964 earthquake and subsequent seismic waves, may have a maturity of up to thirty years: *Provided*, That the provisions of section 7(c) of said Act shall not be applicable to such loans.

" 'MODIFICATION OF CIVIL WORKS PROJECTS

" 'Sec. 55. The Chief of Engineers, under the direction of the Secretary of the Army, is hereby authorized to make such modifications to previously authorized civil works projects in Alaska adversely affected by the 1964 earthquake and subsequent seismic waves as he finds necessary to meet changed conditions and to provide for current and reasonably prospective requirements of the communities they serve, at an estimated cost of $10,000,000.

" 'PURCHASE OF ALASKA STATE BONDS

" 'Sec. 56. The Housing and Home Finance Administrator is authorized to purchase, in accordance with the provisions of sections 202(b), 203, and 204 of title II of the Housing Amendments of 1955, the securities and obligations of, or make loans to, the State of Alaska to finance any part of the programs needed to carry out the reconstruction activities in Alaska related to the 1964 earthquake and subsequent seismic waves or to complete capital improvements begun prior to the earthquake: *Provided*, That the aggregate amount of such purchase or loan shall not exceed $25,000,000.

" 'RETIREMENT OR ADJUSTMENT OF OUTSTANDING MORTGAGE OBLIGATION

" 'Sec. 57. For the purpose of enabling the State of Alaska to retire or adjust outstanding home mortgage obligations or other real property liens secured by one to four family homes which were severely damaged or destroyed in the March 1964 earthquake and subsequent seismic waves, the President is authorized to make additional grants to the State of Alaska in an amount not to exceed a total of $5.5 million to match, on a fifty-fifty basis, any funds provided by the State to pay the costs of retiring or adjusting such mortgage obligations. In order to be approved, a State application for a grant for carrying out the purpose of this section must: (1) be in accordance with a plan submitted by the State, to be approved by the President, for the implementation of the purpose of this section; (2) designate the State agency for retiring or adjusting said mortgage obligations; (3) provide that the mortgagor shall be required to absorb the damage loss to the entire extent of his equity interest in the property and also agree to pay at least $1,000 of the outstanding mortgage balance; (4) provide that no payments for retiring or adjusting mortgage obligations on a single property shall exceed $30,000; (5) provide regulations to assure equitable treatment among home owners and to prevent unjustified payments or gains to the State, mortgagees or mortgagors; and (6) provide that the State agency will make such reports, in such form and containing such information as the President may from time to time require, and give the President, upon demand, access to the records on which such reports are based.'

"APPROPRIATION AUTHORIZATION

"Sec. 5. There is authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act, which shall be available for obligation until June 30, 1967. There is also authorized to be appropriated such sums as may be necessary for the expenses of such advisory commissions or committees as the President may establish in connection with the reconstruction and development planning of the State of Alaska. The total amount authorized to be appropriated pursuant to this section shall not exceed $55,650,000.

"TERMINATION DATE

"Sec. 6. The authority contained in this Act shall expire on June 30, 1967, except that such expiration shall not affect the payment of expenditures for any obligation or commitment entered into under this Act prior to June 30, 1967.

"REPORTING

"Sec. 7. The President shall report semiannually during the term of this Act to the President of the Senate and the Speaker of the House on the actions taken under this Act by the various Federal agencies. The first such report shall be submitted not later than February 1, 1965, and shall cover the period ending December 31, 1964."

And the House agree to the same.

Leo W. O'Brien,
Ralph J. Rivers,
Edward R. Roybal,
By L. O. B.
John Kyl,
Homer E. Abele,
Managers on the Part of the House.

Henry M. Jackson,
Alan Bible,
Ernest Gruening,
Thos. H. Kuchel,
Gordon Allott.
Managers on the Part of the Senate.

Statement

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2881) to amend the Alaska Omnibus Act to provide assistance to the State of Alaska for the reconstruction of areas damaged by the earthquake of March 1964 and subsequent seismic waves, submit the following statement in explanation of the effect of the language agreed upon and recommended in the accompanying conference report. The language agreed upon is the language of the House amendment except as herein noted.

The Senate bill would have authorized the purchase by the Federal Government of up to $25,000,000 in State securities to assist the State in carrying out earthquake reconstruction activities. The House enlarged this purpose to include the completion of capital improvements begun prior to the earthquake and to provide for the repayment by the State over a fifty-year period with interest at not more than three percent on the unpaid balance. Members of the conference committee from the Senate agreed to recede from disagreement on the first part of this amendment and members of the conference committee from the House to yield on the second part. The result is that the State will pay the same interest rate that the United States pays on its long-term obligations. This, with a small service charge, is understood to be 3¾ percent curently.

The House amendment also authorized, as the Senate bill did not, the repurchase by the Federal National Mortgage Association of home mortgages insured by the Federal Housing Administration and secured by property in Alaska that was destroyed or severely damaged by the earthquake. The aggregate amount of such repurchases were limited to $10 million. The committee of conference recommends substitute language which will authorize a grant of $5½ million to the State to be used on a matching-fund basis to retire or adjust outstanding mortgage obligations on homes accommodating from one to four families. This includes not only FHA-insured mortgages but others as well. The terms on which the grant may be made are spelled out in the text of the conference amendment.

In recommending this compromise language the conferees intend the retirement or adjustment of mortgages to include only those covering properties on which the physical damage suffered amounted to 60 percent or more of the pre-earthquake value of the properties. The conferees recognize that, in some cases, the land on which the earthquake-damaged properties were located has been destroyed or altered so drastically as to render the site unacceptable as a location for future structures. In such cases, the State, at its option, may obtain title to the land in order to facilitate urban land stabilization or other community action. The conferees further intend that the word "programs" in section 56 ("Purchase of Alaska State Bonds") shall include any approved State program to implement section 57, just described.

The conferees' recommendation necessarily includes a $5½ million increase in appropriation authorization to cover the additional Federal grants to the State of Alaska to be used to match funds provided by the State to pay the cost of retiring or adjusting said outstanding mortgage obligations as aforesaid.

In all other respects the conference committee agreed to the language of the House amendment to the Senate-passed bill.

Leo W. O'Brien,
Ralph J. Rivers,
Edward R. Roybal
(By L.O.B.),
John Kyl,
Homer E. Abele.
Managers on the Part of the House.

The conference report was agreed to.

A motion to reconsider was laid on the table.

PERSONAL ANNOUNCEMENT

Mr. POOL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. POOL. Mr. Speaker, I was absent on roll call No. 210 on House Joint Resolution 1145, voted on today, due to illness. If I had been present I would have voted in favor of the resolution.

GENERAL LEAVE TO EXTEND REMARKS

Mr. ROOSEVELT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill H.R. 11377, considered today.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

POVERTY BILL—SENATOR NORRIS COTTON'S COMMENTS (NO. 2)

Mr. BROMWELL. Mr. Speaker, I ask unanimous consent that the gentleman from New Hampshire [Mr. Cleveland] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore (Mr. Libonati). Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. CLEVELAND. Mr. Speaker, yesterday I called to my colleagues' attention the cogent and articulate comments of New Hampshire's senior Senator in regard to the poverty bill. Today, I wish to call to my colleagues' attention an excellent editorial written by Clinton L. White, editor and publisher of the Coos County Democrat, a weekly newspaper published in Lancaster, N.H. The editorial entitled "Explode the Myths" should be carefully read and thoughtfully considered. Senator Cotton's comments and Clinton White's editorial are helpful in placing the poverty issue in focus. The issue is not whether the American people will fight the ancient scourage of poverty. We have always done this. The war has already been declared, and as I brought out in the Congressional Record yesterday—page 18332—more than $100 billion is being spent for the battle. The issue is whether a thoughtful people will permit this problem to become the pawn of politicians. The issue is whether platitudes and promises will be allowed to raise false expectations based on misstatements and mistruths.

I commend Mr. White's editorial to my colleagues:

Explode the Myths

Whether Senator Goldwater would have been your first choice as a Republican candidate or not, the most important question is whether we want Lyndon Johnson to continue as President and to continue a Democratic administration and Congress. The most important question is whether we want sound government or government that promises all and runs us into greater and greater debt all the time.

The myth of the Johnson economy must be exploded during the campaign. There must be more lights turned on to show up just what is going on in an administration born out of a horrible tragedy. There must be more light on the actual operations and results of programs having a popular appeal but full of flaws.

Such a program is the President's antipoverty bill, and we direct your attention to Senator Norris Cotton's "Your Senator Reports", to be found elsewhere on this page.

We call your attention to the duplications pointed out by Senator Cotton, to the unnecessary expenses of such duplication and to its weaknesses because of problems it doesn't do anything about.

We well know the appeal of any war on poverty, but any war takes more than men and uniforms. It must be planned to win the objectives and at a cost that will not bankrupt the Nation. During the great depression, we served as an interviewer for the leading public opinion poll, and in every case where people were getting aid through this difficult time, they seemed to feel that there would have to be a Democratic administration to get help. That is by no means so. It wasn't then; it isn't now.

Traditionally, Republicans have supported sound programs for the welfare of our citizens but opposed those which were unsound. Duplication of work of an existing program, with further mushrooming of personnel in government employ isn't sound.

Do you remember the old WPA? The CCC's? As Senator Cotton points out, with 13 million unemployed there was need then of the CCC's, but today, for those who are trained, there is employment. At a cost of more than a year at Harvard, a boy would be kept in the new reinstated CCC camps, but come out still unskilled, still unemployed.

We need more men in government with the commonsense shown by Senator Cotton. We need more men as fluent as he is in expressing his views; more men whose voting record is as sound as his. Men interested in the welfare of their fellowmen but dedicated to the fight to find sound measures to meet today's problems.

Perhaps Senator Goldwater can overcome the dissension within his party and forge ahead to a victory with the support of Americans who are fed up with an administration and party which will promise anything to get votes and spend our tax dollars freely and wildly to stay in power.

JENKIN LLOYD JONES

Mr. BROMWELL. Mr. Speaker, I ask unanimous consent that the gentlewoman from Illinois [Mrs. Reid] may extend her remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mrs. REID of Illinois. Mr. Speaker, De Kalb, Ill., is a small city located in my district. It is typical of the heartland of America. The lives of its people go on quietly contributing to the unnoticed small advances which, when added up, are the greatness of America. It is rare that the Nation sees a story datelined De Kalb. It is rarer still for a distinguished syndicated columnist to devote an entire column to this lovely small city. It is even rarer for its life to be dramatized to illustrate the full significance of the American heartland as a driving force in the realization of the American dream. Those of us who know and love De Kalb are indebted to the distinguished columnist Jenkin Lloyd Jones for his understanding of the meaning of De Kalb and the other small cities which are the backbone of this country.

Ninety years ago this month at the De Kalb County Fair the invention of barbed wire was inspired. Mr. Jones ably develops the meaning of this event of seemingly little political importance. The essence of his discussion is:

> Karl Marx missed the lesson of barbed wire. But Glidden's wire enabled the humble man with the sickle to say: "This is mine. Regardless of your power you must go around. You shall not seize or trample down the fruits of my labor. This is mine and I will do with it the best I can."
>
> And Americans eat wonderfully.

This thought is well worth a pause to consider and be refreshed by its simple truth and keen perception.

Mr. Speaker, I ask unanimous consent that Mr. Jones' thoughtful article be incorporated in the RECORD.

BARBED WIRE, EVERYONE'S FRIEND

(By Jenkin Lloyd Jones)

Around De Kalb, Ill., this month the famous hybrid corn is growing straight and tall behind the barbed wire fences, and preparations are going forward for the annual county fair. Maybe no one will remember that this is the 90th anniversary of an idea set in motion by the De Kalb County fair that changed the face of America and, indeed, shook much of the world as well.

It seems there was this farmer, Henry Rose, who got the idea of pounding some sharp spikes into his rail fence. The obstreperous prairie cattle, which had been wont to knock down rail fences for the exercise, made a couple of experimental lunges at the spiked rails and retired punctured and disconsolate. The more Henry Rose thought about his invention the prouder he got.

So when the De Kalb County fair came along in August 1874, Rose brought in some samples and set them up for other farmers to admire.

Now, there was this other farmer, Joseph Glidden, who came to the fair, looked at Rose's fence rails, followed his wife over to the crazy-quilt exhibit, came back and looked at the fence rails, went over to see the new McCormick reapers, and came back and stared at the fence rails some more. Glidden couldn't get it out of his head that here was a good idea, badly executed.

So after he went home he got some fence wire and cut it up in three-inch lengths on the bias so the ends were sharp. Then he borrowed his wife's coffee mill and twisted the bits of wire around a long strand. Then he rigged another long wire to his grindstone and wove the two strands together. And, brother, barbed wire hasn't changed by more than an eyelash in 90 years.

Now it would be romantic to tell how Joe Glidden vainly sought recognition, like poor old John Fitch who died in drunken desperation because everyone laughed at his steamboat, or Sam Colt who went broke making revolvers because only a handful of Texas Rangers appreciated them.

But it wasn't like that at all. On November 24, 1874, Glidden obtained Patent No. 157,124, set up a factory, and found a 25-year-old salesman, John W. Gates, later called "Bet-a-Million" Gates.

Gates headed for Texas, put up a barbed wire corral in the square at San Antonio, and challenged any buckaroo to drive a herd of wild longhorns through it. The whole town turned out and by nightfall there were some mighty sore longhorns, some mighty respectful cowboys, and Gates' satchel was packed with orders.

The first year Glidden sold 10,000 pounds of wire. The next year he sold 100,000 pounds, the 4th year 13 million and the 7th year 120 million.

Now you might say that Joseph Glidden cut short the romance of the West. For about the time he invented barbed wire the great cattle treks from Texas to the Kansas railheads were reaching their peak. The huge stupid herds bawled their way up the Chisholm Trail across the dangerous Kiowa and Comanche country, and $15-a-month cowboys suffered the dust and risked the stampedes in happy anticipation of the fleshpots of Wichita, Abilene, and Dodge City. But Glidden changed all that.

Before barbed wire the homesteader had no way of turning the cattle drives. There weren't any stones for walls on the bare prairie nor enough trees even along the bottoms for fence rails. The herds thundered across his new wheat and the cowpokes jeered and shot their guns in derision.

But barbed wire could stop a herd. Here, at a price even a poor man could pay, a homesteader could claim his own with a barrier horse high and hog tight. The range wars flickered like summer lightning. The cattle barons sent the boys ahead with wirecutters until the State legislatures made wirecutting a crime equivalent to brand-raising or horse theft. Fifteen years after Glidden's invention the cattle drives were memories and the farmer ruled the West.

But then the cowman made a discovery. The wire he had assumed was an enemy could make his fortune. It could separate his herds. Now it became feasible to import the Angus and the Hereford stock, animals built like a box, full of meat, and that ate no more than the gristle-and-bone longhorns. For the fences kept out the wild blood that would have spoiled the pedigrees.

So the farms prospered and the ranches prospered and barbed wire moved across the world, even to the estancias of Argentina and the sheep ranches of New Zealand.

Karl Marx missed the lesson of barbed wire. Karl Marx thought that if you abolished private property, greed would vanish and all would work harder for the common profit. And today Russia, once one of the world's great wheat exporters is buying wheat.

But Glidden's wire enabled the humble man with the sickle to say: "This is mine. Regardless of your power you must go around. You shall not seize or trample down the fruits of my labor. This is mine and I will do with it the best I can."

And Americans eat wonderfully.

STATE LEGISLATURE REAPPORTIONMENT

Mr. BROMWELL. Mr. Speaker, I ask unanimous consent that the gentleman from Washington [Mr. WESTLAND] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. WESTLAND. Mr. Speaker, earlier this week, I called the attention of Congress to the "chaotic" situation that threatens when the next regular session of the Washington State Legislature convenes next January under a "weighted vote" system. In the State house, the strength for each individual vote will range from roughly one-third to two; in the State senate, the spread will be even greater, ranging from just under one-third to something over three.

Washington State is one of a number of States that have been forced to take some action as the result of recent U.S. Supreme Court rulings in the area of State legislative apportionment. In the case of Reynolds against Simms, the Court announced the doctrine that each house of each State legislature must be apportioned on the basis of population, with each legislative district to be as nearly "substantially equal" as possible. And the Court cited this opinion in its per curiam decision in the Washington State case of Meyers against Thigpen, holding, in effect, that the State's legislative districts were malapportioned and, therefore, unconstitutional.

Washington State has not as yet redistricted under the court ruling, and it is not likely to do so before the legislature convenes next January. The alternative has been to accept the plan of the U.S. district court for western Washington, calling for a "weighted" voting system. Whether the "weighted" vote should apply to substantive matters only, and whether the "weighted" vote should apply both in committee and on the floor, are just two of the puzzling questions that will contribute to the almost certain chaos next January.

A number of people have written to tell me of their concern over this problem. They do not like the current situation under which the courts have assumed the role and function of the legislative branch of Government. Obviously, a number of U.S. Congressmen and Senators have received similar letters, for constitutional amendments have been introduced which would clearly retain with the people of the States the power to determine the composition of their respective State legislatures. Hearings are now being held on some of these proposals.

Unfortunately, there is not sufficient time remaining in this session to give adequate consideration to, or to complete action on, any of these proposed amendments. Such decisions cannot be reached in haste.

What needs to be done, then, is to provide for a stay of proceedings in all cases involving the composition of State legislatures, where such a stay is requested either by the State or by the people of a given State. For this reason, I am today introducing legislation which would empower courts of the United States and justices and judges of the United States to grant requested stays. I ask that this legislation be referred to the proper committee.

FAILURE TO HOLD HEARINGS INDICATES WHITEWASH IN LOUISIANA

Mr. BROMWELL. Mr. Speaker, I ask unanimous consent that the gentleman from Florida [Mr. CRAMER] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. CRAMER. Mr. Speaker, on June 9, almost 2 months ago, the minority members of the House Subcommittee on the Special Subcommittee To Investigate the Federal-Aid Highway Program, on which I have the privilege of serving as the ranking GOP member, sent a letter to the chairman of that subcommittee calling for long-delayed hearings on the Federal-aid highway program in the State of Louisiana.

On July 24, a second letter was sent to the chairman renewing our request. To date, the chairman, Hon. John A. Blatnik, has not had the decency or the courtesy to even acknowledge either of these letters. No date for hearings has been set.

At a meeting of the special subcommittee on April 29, 1964, it was definitely understood that hearings on highway construction practices in Louisiana would be held. This decision followed investigations which were commenced more than 3 years ago.

These investigations have revealed deplorable practices in the construction of Federal-aid highways in Louisiana. In our letter of June 9, we said:

> The various investigations revealed deplorable practices in the construction of Federal-aid highways in Louisiana—particularly those on the Federal-aid secondary system. Failure to set specifications, falsification of records and reports, distribution of gifts and gratuities to State employees and other atrocious practices which have been found in other States have been detected in Louisiana to a pronounced degree.

This statement is as true today as it was 2 months ago and the failure of the chairman to call hearings makes it clear that a massive whitewash has been in the making.

Mr. Speaker, I am here charging that this special subcommittee has not exercised its responsibilities in a manner consistent with the expressed intent of the Congress. The special subcommittee submitted a budget of some $750,000 for the 2 years of the 88th Congress. Only one public hearing was held during this Congress.

By appropriating money for the workings of this investigative subcommittee, the Congress properly expected that investigations would be held. The refusal of the chairman to schedule hearings in Louisiana, particularly in view of the overwhelming evidence expressing a clear need for hearings in this State, casts a cloud of doubt over the entire operation of this subcommittee.

The subcommittee has not carried out the intent of the Congress as expressed through the authorizing resolution and the money appropriated for the subcommittee.

By failing to schedule hearings, it has added to the public's growing and otherwise largely unfounded mistrust of the Congress.

I feel the Congress should be fully appraised of this deplorable situation in its own house and I invite a reply, even though 2 months late, from the chairman of the special subcommittee.

FIFTIETH ANNIVERSARY OF THE COMMENCEMENT OF THE POLISH WAR OF LIBERATION OF 1914

Mr. BROMWELL. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. Derwinski] may extend his remarks at this point in the Record and include extraneous matter.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. DERWINSKI. Mr. Speaker, yesterday was the 50th anniversary of the commencement of the Polish War of Liberation of 1914.

One of the tragedies of our time is the fact that the Poles and the other freedom-loving people of Eastern Europe are subjugated under Communist control by the diplomatic machinations of Presidents Roosevelt and Truman, and are still suffering under bondage.

I insert into the Record as part of my remarks a message of the President of the Polish Government-in-exile, His Excellency August Zaleski, to the Polish nation on this great occasion in Polish history:

Fiftieth Anniversary of the Commencement of the Polish War of Liberation of 1914—Message of the President of Poland in Exile to the Polish Nation

London.—On August 6, the Poles all over the world except in Poland will celebrate the 50th anniversary of the formation of the first nucleus of the Polish Army which 6 years later fought and won the Battle of Warsaw called by a member of the Anglo-French mission to Poland in 1920, Lord D'Abernon "The 18th Decisive Battle of the World."

On this occasion Mr. August Zaleski, president of Poland in exile, issued the following message:

"Citizens of Poland and Polish exiles throughout the world, 50 years ago—3 days after the outbreak of the First World War—Josef Pilsudski appealed to the Polish Nation to renew the struggle for independence. Having ordered general mobilization of the Riflemen's Association and the riflemen teams,[1] he formed them into an infantry company and addressed them in these words:

" 'Soldiers, you have been honored to be selected as the first Polish company to cross the boundary of the Russian occupied Congress Kingdom of Poland. You will henceforth form the vanguard of the Polish Army, fighting for the liberation of your country. I regard you as the nucleus of the future Polish Army and I salute you as its first cadre.' "

At dawn, on August 6, 1914, this company left Oleandry[2] in Cracow and destroyed the frontier barriers, which had stood for the past 100 years as the visible sign of the last partition of Poland enacted by the Congress of Vienna. At the moment of that armed demonstration—the first one since the tragic but heroic insurrection of 1863—Josef Pilsudski fully realized the difficulties which stood in the way of his ambitious undertaking. He knew well that the outcome of the struggle he was undertaking would be "either death or great glory" both for himself and his soldiers, as the international situation of divided Poland was very complicated.

Although the three partitioning powers had finally come to blows, the Polish question was made more difficult by the fact that one of them was allied with the Western Powers, which were looked on by the Poles as the defenders of the rights of the enslaved nations. There was a further difficulty which Josef Pilsudski fully realized. The Polish people were not able at once to awake and start a fight, which had appearances of being carried on the side of Germany. The aims of the German policy at the time did not differ from those of Russia.

In these circumstances Josef Pilsudski had to overcome three problems: First, how to retain freedom of action and independence from the Central Powers; second, how to open and maintain friendly relations with the Western Allies; and third, how to organize a powerful Polish military force.

The first one of these three objectives was the most difficult one. The Central Powers attempted unscrupulously and with all means in their power to keep the Polish legions in dependence and submission. The long struggle over the independence of the Polish legions finally resulted in Pilsudski's imprisonment by Germans at Magdeburg Fortress and the internment of the legionnaires for refusing to take an oath of allegiance to Germany; Pilsudski preferred that rather than breaking an oath even taken under pressure.

In accordance with his second objective, Pilsudski opened negotiations with the allies as early as the autumn of 1914. He assured them that the Polish military operations were directed solely against Russia and the Polish legions will never fight against the West. He continued his relations with the Western Powers all through the war.

Finally, in connection with his third objective, he organized in Russian Poland a secret Polish Military Organization (POW), which was to include within its ranks "people of diverse convictions," whose aim was "to win independence for Poland by force of arms."

As a result of the fusion between the Polish legions, the Polish Military Organization of Russian Poland, the many soldiers who were compulsively enrolled into the armies of the partitioning powers, and the Polish Army which had been formed in France (Armée Polonaise en France), the Polish Army was reestablished. Its strength was further increased by numerous volunteers. It was this army which in 1920, under the command of Josef Pilsudski, achieved the magnificent victory over the Russians, which is known in history as one of the decisive battles of the world.

On the 50th anniversary of the glorious act which resulted in the creation of the Polish Army, let us honor the memory of its creator, Josef Pilsudski and his soldiers, who have faithfully fulfilled their duty toward the fatherland.

August Zaleski.

London.

Mr. Speaker, may I point out that the Poles, the Baltic States people, Czechoslovaks, Bulgarians, Rumanians, Albanians, Armenians, Ukrainians, Croatians, Byelorussians, and many others are all vigorously maintaining their identies and desire for independence in the face of present tyranny. Certainly, their traditions, strength, virtues, and beliefs will prevail, and on this occasion I salute the Polish people, realizing that they, in turn, drew great strength from the inspiring message of their truly legitimate spokesman.

RESTRAINED GAO REPORT ON ACTIVITIES OF ARA

Mr. BROMWELL. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. Talcott] may extend his remarks at this point in the Record and include extraneous matter.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. TALCOTT. Mr. Speaker, I have time to quote only briefly from the June 25, 1964, GAO Report to Congress on only some of the activities of the political, profligate ARA.

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[1] Voluntary paramilitary organizations formed by Josef Pilsudski from 1908.

[2] The headquarters of Josef Pilsudski organization.

> In our examination of the administration of the accelerated public works program by the Area Redevelopment Administration, Department of Commerce, and other Federal agencies, we found that grants of over $21 million had been made for 85 projects in areas which were no longer burdened by conditions of substantial unemployment at the time the grants were consummated.
>
> Under the policies currently followed by the agencies reviewed by us, grants are consummated for areas which are no longer sufficiently burdened by unemployment to qualify for such assistance, provided that the area was qualified at the time administrative approval of its application occurred. In addition, processing appears to have been expedited on applications from such areas before the areas are officially declared ineligible.
>
> In our opinion, funds appropriated to assist areas burdened by substantial unemployment should not be used to assist areas which have sufficiently recovered from their unemployment burdens to lose their eligibility. In view of the large backlog of applications for assistance under this act which could not be met because of insufficient funds, it would appear that the agencies should have concentrated their resources on processing applications from eligible areas rather than expediting the processing of applications from areas whose termination was imminent.

The GAO reports that the ARA and allied bureaucracies—Community Facilities Administration, Public Health Service, and others—have actually approved $21 million worth of APW projects to areas that no longer suffer from the legally specified conditions of unemployment at the time the grants were consummated. This, incredibly, despite the fact that ARA claims it has a backlog of about $800 million worth of applications for APW funds which it cannot approve because of a lack of money.

In other words, ARA is approving grants and pouring money into areas whose employment conditions have improved while still desperate areas are left to suffer.

More incredibly still, the GAO report shows that in a number of cases, the ARA, upon hearing from the Labor Department that employment conditions in some areas had improved to the point where they were no longer eligible, actually speeded up the processing of applications from those areas.

And what was the bureaucracy's excuse for this astounding behavior? To keep political commitments? Well, maybe.

The ARA, CFA, and PHS told the Comptroller General that their way of carrying out Congress intent was "fairest to the applicants" because they had already gone to the expense and trouble of making applications while they were still eligible. How ridiculous can a bureaucrat get?

Not a word about fairness to the Federal taxpayers. Even worse, not a word about fairness to the unemployed in the real distressed areas, where people are without jobs and really need the help. Should not the needy unemployed come before politics?

This incredible behavior makes the whole ARA program hypocritical—completely devoid of any genuine concern for the depressed areas, the poor unemployed, the impoverished, and chronically underdeveloped regions. Unless the administration takes immediate steps—and unless the House leadership in considering new appropriations for ARA–APW comes up with appropriate amendments—to correct this sordid mess, then not another dollar should be appropriated for ARA.

For more interesting facts about the operation of ARA I suggest you read the GAO report in full. As usual it is careful, cautious not to criticize wrongly.

COMMITTEE ON UN-AMERICAN ACTIVITIES

Mr. EDMONDSON. Mr. Speaker, I ask unanimous consent that the gentleman from Louisiana [Mr. WILLIS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. WILLIS. Mr. Speaker, this House is interested in learning as much as it can about its committees because they perform vital functions for it and, to a large degree, its reputation and accomplishments depend on theirs. The Committee on Un-American Activities, which I have the honor to chair, is, I believe, the one permanent committee of the House which is frequently described as controversial. The fact that this is so, is—and should be—a matter of concern to the House and its Members. In one sense, the classification of the Committee on Un-American Activities as controversial is correct; in another sense, it is not.

Polls taken by Members of the House concerning the position of their constituents on matters of national policy and so-called controversial issues indicate that about 85 percent of the American people firmly support the Committee on Un-American Activities. In this sense, the committee is not controversial—because on any issue correctly described as controversial, you never find such overwhelming support for one side. The split of opinion is always much closer—being on a 45 to 55, 40 to 60, or some similar ratio.

In another sense, though not a true one, the committee is controversial—because many people believe that opposition to the committee is much stronger and much more widespread than it really is. They have no idea that the committee has so conclusively won the unquestioned approval of so great a majority of the American people. For this reason they believe that the constitutionality of the committee, the correctness of its methods, and the wisdom of its continuance is very much an open question when it is quite conclusively a closed one. Even those who are strong advocates of the committee actually believe that the division of public opinion concerning the committee is much closer than it really is and, at times, some of them become deeply concerned about the continuation of the committee. This is true despite the fact that this body, for many years, has consistently and overwhelmingly expressed its firm conviction that the life of the committee must and will be continued.

Neither the committee nor any informed or intelligent person has ever claimed that all those of the decided minority which opposes the committee are Communists. Obviously, some of the opposition to the committee comes from non-Communists and even anti-Communists.

We all know why Communists oppose the committee—and always will. I believe it is important, however, for the House, in its own interests, to try to learn more about why a minority of our citizens who are not Communists oppose the committee or, at best, take a dim view of it.

The primary reason, I believe, is that they have no firsthand knowledge about the committee. They have never attended a committee hearing or read the published transcript of one. They have never read a committee report. Everything they "know"—and I use that word in quotes—is second- or third-hand information, or mere hearsay. Their position against the committee is based not on facts, but on what others have said or written about it.

I will not attempt to spell out here who these "others" are. The Communist Party and its fronts, of course, have published a tremendous amount of literature about the committee—literature containing a mixture of half-truths and gross, defamatory falsehoods about the committee; literature whose readership and influence has undoubtedly reached far beyond the circles of the party, its fronts, and fellow travelers. I wish I could say that the Communist Party was the only one guilty on this score. Unfortunately, however, this is not true. There are a considerable number of non-Communist publications and individuals who—often without checking the facts—have disseminated to millions of Americans so-called information concerning the committee that is far from the truth. They must thus be held responsible, in part, for the anticommittee position of many non-Communists and anti-Communists who have a completely distorted concept of the committee and what it does, though they have never read a single piece of Communist or Communist-front literature in their lives.

Why do I say this?

Here is a case in point:

On June 24–26 of this year, the Committee on Un-American Activities held hearings in Minneapolis on the structure and organization, strategy, tactics, and makeup of the Minnesota-Dakotas District of the Communist Party. The leadoff witness in the hearings was a young lady with 3 years of college education who had served for 3 years—from 1958 to 1961—as an undercover operative of the FBI in the Communist Party. Her testimony was most enlightening. It clearly demonstrated her intelligence and thorough grasp of the aims and techniques of the party.

Certainly, this witness was a loyal American, completely devoted to her country. Moreover, no one could possibly question her anticommunism. Few people in this Nation have done more than she has to demonstrate their position on this score.

Yet, even as this young lady, Miss Ruthann Withrow, took the witness stand, I was aware that, just a short while before, she could hardly have been described as a supporter or an admirer of the committee.

Shortly after the hearings were concluded and I had returned to Washington, I received a letter, of which I am very proud, from Miss Withrow. This letter, I believe, sheds considerable light on the problem I mentioned in the opening of these remarks, and which I believe is one that concerns all Members of the House—the so-called controversiality of the committee.

Under date of June 27, Miss Withrow also wrote a letter to the Minneapolis Morning Tribune, a copy of which she forwarded to me. In this letter, she spelled out some of the things the committee did in the hearing which impressed her with the fairness of its operations.

Without further comment, I insert the text of these letters in my remarks and, following them, a copy of the statement I made at the hearings concerning Miss Withrow and another FBI informant witness, Mr. Norman Boehnke, at the conclusion of their testimony.

JUNE 27, 1964.

Congressman EDWIN WILLIS,
Chairman, House Committee on Un-American Activities, U.S. House of Representatives, Washington, D.C.

DEAR MR. WILLIS: I am writing this letter immediately upon the conclusion of the House Committee Un-American Activities hearings in Minneapolis so as to leave no doubt as to my feelings. As you may know, I was certainly not very enthusiastic when I first was contacted, but please understand, this was mainly due to a lack of knowledge, perhaps the same ignorance that causes some people to picket this hearing.

During the past weeks, however, I have learned a great deal about your committee and its operations. I have seen for myself how hard you try and how far you are willing to go to protect the rights and reputations of everyone involved. I watched, and for personal reasons, was sincerely sorry that certain witnesses did not avail themselves of it when you offered them in particular, every possible protection.

From these observations, from meeting and talking with the individual committee and staff members and from many other things, too numerous to mention, my opinion has been changed to a strong, almost unreserved support as well as a sincere respect for the committee and its work.

I also want to express my deep appreciation for the remarks made during the hearings concerning me. I am glad if I have been of service to the committee at this time and if I can do anything in the future to help, please let me know.

Finally, before I conclude this letter, I wish to commend the work done here by your two staff members—Neil Wetterman and Phil Manuel. They did a hard job here and I'm sure they had a difficult time with me at first but thanks to their understanding and tact as well as their persistence, in the discussions I had with them, I was able to make a new evaluation of the basis for some of my opinions and come to a greater knowledge and support for the work of the committee.

Sincerely,

RUTHANN WITHROW.

JUNE 27, 1964.

The MINNEAPOLIS MORNING TRIBUNE,
Minneapolis, Minn.

To the EDITOR: Lately, there have been several letters in your columns opposing the House Committee on Un-American Activities hearings. I would like to make a few points, since up until recently I also was to a certain extent opposed to some of the things publicized about the work of this committee, although I had never come in contact with it or attended any hearings.

Recently I was subpenaed to appear as a witness before this committee and so was able to gain some firsthand knowledge of it. I was able to see for myself how hard the committee works to guarantee the rights of everyone involved. Some examples of this deserve emphasis:

1. Those people subpenaed as witnesses had the opportunity to make a statement or repudiate anything said about them in executive session—they refused.

2. They were given the opportunity, in fact urged, to face their accusers—they would not.

3. They had the opportunity to deny anything said about them at the hearings—they could not.

4. In one instance, the committee made it very clear that one of the witnesses was not a member of the Communist Party and asked his help—he refused.

5. In two instances, where the committee had knowledge that the witness had broken with the Communist Party, they were offered every possible protection and they still refused to help the committee and their country.

There were other instances of methods the committee uses to help and protect the people involved when asking their cooperation but they are too numerous to mention. In short, I believe a good part of the opposition would be removed if people took the trouble to learn the truth before they voiced and demonstrated their criticism.

Sincerely,

MISS RUTHANN WITHROW.

STATEMENT OF CHAIRMAN WILLIS DURING MINNEAPOLIS HEARINGS OF COMMITTEE ON UN-AMERICAN ACTIVITIES, JUNE 1964

Mr. Boehnke, now that your testimony has been completed, I would like to address a few words to you and to the preceding witness, Ruthann Withrow.

The great majority of the citizens of this Nation, of those in this city, and in this hearing room, are fully devoted to this country and the principles on which it is founded. Most of us, in our way, give something of ourselves to our country. A few give far more than others do. You, and Miss Withrow, are two of those few.

Both of you could have gone about your way, as so many of us do, concerning yourselves largely with earning a comfortable living, carrying out your basic citizenship duties, and spending your spare time in relaxation and pleasure of one kind or another.

In the interest of our Nation's security, you were asked to give up this normal pursuit of happiness, which is the right of every American. You were asked to give it up for an unpleasant, time-consuming job; a job involving self-sacrifice and danger; and possible public disdain and contempt—a job made necessary by the fact that there are those who would destroy our Government, and rob the American people of their rights, freedom, and liberties.

You could have said "no" to the request, as many others have done. It is to your everlasting credit that you said "yes." By doing so, you proved your willingness to give to and for your country and your neighbors—including even those who would not understand the true significance of your act, and would vilify you for it.

I know that, like others who have made the same sacrifice, both of you have already been called names. The epithet "informer" has been hurled at you—and will be hurled at you in the future—by the unthinking, the ignorant, and the evil.

Both of you, I feel certain, have the intelligence and strength of character not to be swayed by this. These name callers, by their actions, prove only their inferiority to you—no matter what their station in life.

Speaking not only for myself, but for the committee and the great majority of Americans, I am sure, I congratulate you for the job you have done so well, for the sacrifices you have made for your country, and your fellow man. For these things, you will always have the gratitude of the American people.

ONE-PARTY PRESS

Mr. EDMONDSON. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. ROONEY] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. ROONEY of Pennsylvania. Mr. Speaker, for those of us who have been following the antics of some of our opponents on the Republican side of the fence outside this august Chamber these past few weeks, the most illuminating spectacle has been the sudden discovery by the Young Republicans of the "one-party press."

I know that most of my Democratic colleagues were as astonished and appalled as I to learn that there is, indeed, a massive conspiracy on the part of the press to slant the news against such erstwhile champions of liberty and justice and moderation as the esteemed Senator from Arizona [Mr. GOLDWATER].

It is enough to stagger the mind.

After all these years of harboring the illusion that the vast majority of American newspapers were owned, published and edited, if not written, by men and women of Republican persuasion, we are suddenly left with the heart rending news that the Chicago Tribune, the New York Herald-Tribune and the Knowland papers are really, after all, nothing but leftwing propaganda sheets bent on getting Democrats elected.

It is a heartening, encouraging, inspiring development:

But what, now, may we tell our children? Are our grandchildren to be asked to believe that the newspapers of America were really behind Harry Truman 100 percent when he ran against Tom Dewey? Is history to be rewritten so that we must be asked to accept as "fact" the universal press support of Adlai Stevenson in 1952 and 1956?

There may be danger of this revision of past history, but there will be no danger of such a thing happening in the future—not if Donald E. Lukens, the new president of the Young Grand Old Party has his way.

Mr. Lukens, who has obviously read the beginner's handbook of guerrilla warfare and the techniques of infiltration of the enemy camp, is going to subvert the helpless and hapless newsrooms of America. Mr. Lukens has a 10-year plan to "take over" the press rooms and the city desks of this Nation.

One cannot help thinking that the "battle of the newsrooms" is destined to failure before it begins. We can see it, now, 10 years from now, bogged down in pastepots, one-column headlines that do not fit, long articles about Clarence Manion and William F. Buckley with nothing but short holes to put them in and the recurring cry to "stop the presses" when the John Birch Society suddenly announces that America was really discovered by Robert Welch instead of Christopher Columbus.

Lest Mr. Lukens and his tattered army think that their "takeover" of the press is destined for easy sledding, I would point to a preliminary indication that Mr. Lukens' "enemy" is adequately armed against guerrilla tactics and infiltration. This editorial from the Easton (Pa.), Express gives a clue to the coming struggle and I request permission to include it in the RECORD of these proceedings:

THE BIG PRESS TAKEOVER

It's a cockeyed world and kookie ideas are a dime a dozen, but the kookiest one we've heard since an unidentified flying object buff over in Hunterdom County claimed to have married a babe from Venus is the national Young Republicans president's "10-year plan for a takeover of the press."

The idea is to recruit "promising" young writers, according to Donald E. Lukens, facto factotum of the Young GOP Federation, then infiltrate the news media. In a decade, this ambitious young man assures his fellow doctrinarians the conservative point of view will have developed, by dominating the reportorial media, a "sounding board."

The plan is just a "dinky" thing now, although it is underway in 11 States, says Lukens. We haven't heard of any editors or publishers in any of the States bracing for newsroom invasions by hordes of GOP fledglings ready—albeit poorly equipped—to tell them how to run their newspapers. But since a lot of editors are erstwhile Boy Scouts, if not Young Republicans, perhaps they'll be prepared. Most news departments have learned to take major emergencies in stride, cooly and efficiently.

We have news for the Young Republicans. Hardly a day goes by that some shoe clerk, social welfare worker, businessman, Young Republican, Young Democrat or just plain citizen who thinks newspapermen are a bunch of halfwits—or malign and subversive characters—is not telling the editor or publisher how the paper ought to be run.

Mortals that they are, most editors rarely possess that remarkable capacity for self-certitude, the Messianic fixation, the holy righteousness that characterizes their critics. But they are, oddly enough, imbued with the idea that newspapers ought not to be controlled propaganda outlets for narrow, partisan interests. And most partisans are not disposed to regard fondly ideas that do not worship their conceptual sacred cow.

Couple this inclination with the vapors that seem to affect the human brain during the dog days, particularly in the hyperpassionate climate of presidential election years, and the result is enough to make newspapermen, with their delicate sensibilities, wish they had become investment brokers or sanitation truck drivers. This would qualify them more eminently as consultants on the operation of news media.

TRAGIC EXPLOSION ON HIGHWAY 209, MONROE COUNTY, PA.

Mr. EDMONDSON. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. ROONEY] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. ROONEY of Pennsylvania. Mr. Speaker, as my distinguished colleagues in the House will recall, the district I represent was the site of one of the most tragic explosions ever to occur on American highways on June 26 of this year.

Immediately after receiving notice of the blast which killed six people, injured many others, and caused untold property damage in the Marshalls Creek area of Monroe County, I urged the Interstate Commerce Commission to do everything in its power to expedite hearings into the exact cause of the accident.

For those who are not entirely familiar with the events surrounding the blast, let me summarize briefly:

The accident occurred on Route 209 in a sparsely populated area of one of the most popular vacation resort areas in the East. It occurred when a trailer loaded with nitrocarbonitrate—identified as an "oxidizing" material—dynamite and electric blasting caps caught fire and blew up.

The driver of the tractor trailer told police that two of the tires on the trailer had blown out, that he had tried to stop passing vehicles to obtain help and, failing this, had detached his tractor from the trailer and driven back into a community 6 miles away to inquire about getting new tires and notify representatives of his company. Since the driver was assigned to deliver this load without assisting personnel, the trailer was, therefore, left completely unattended in its parking place just off a busy highway. The time was about 4 a.m.

A passing truckdriver noticed the trailer and stopped to notify the local fire company at Marshalls Creek. This driver, later identified as Joseph Horvath, of Scranton, Pa., was killed when the trailer blew up a few minutes later.

Also killed in the blast were three veteran members of the Marshalls Creek Fire Company, the son of a nearby hotel owner and a woman who, with her husband, had been passing through the area on the way to a vacation.

Mr. Richard MacDonough, assistant chief of the Marshalls Creek Fire Company, was one of the first to arrive at the scene after the alarm had been turned in. Mr. MacDonough was seriously injured in the explosion.

When the ICC held its hearings in Stroudsburg, Pa., on July 23 and 24, Mr. MacDonough testified that no "explosives" markings were visible on the abandoned trailer on his arrival. I should note, also, that it was only seconds after firemen arrived on the scene that the trailer exploded.

It is imperative that steps be taken—both at the Federal and State levels—to make certain that this tragedy, similar in so many deadly ways to what happened 5 years ago in downtown Roseburg, Oreg., shall not happen again.

Our highways are being used, each day that passes, for the transportation of thousands upon thousands of tons of volatile and dangerous explosives. We must do everything in our power to make absolutely certain that maximum safety precautions are followed at all times.

I have great confidence in the Interstate Commerce Commission and in its examiners. The conduct of the hearing in Stroudsburg, by Commissioner Rupert Murphy and Examiner Henry Vinskey—who also presided at the hearing following the Roseburg disaster—was painstakingly fair during the one day I was present to hear the full testimony.

The ultimate decisions on matters regarding public safety, however, are dependent upon the opinions and the expert advice on many—including the Members of the Congress who must enact new laws if those now in existence do not permit the strength of interpretation and administrative action we need.

Although I know the great sadness with which they have undertaken this duty, I want to praise the members of local, volunteer fire companies in the Monroe County area of my district for the dispassionate and highly intelligent study they have made of this problem.

Even since the disaster occurred, officials of local volunteer fire companies have been conferring about it. They had representatives present at the ICC hearing and their recommendations for action to prevent a recurrence of this type of tragedy reflect a deep and expert understanding of the difficulties involved.

I believe my colleagues in this body will find the letter they sent me this week extremely illuminating and I request permission that it be reprinted in the RECORD in its entirety.

AUGUST 3, 1964.

Hon. FRED B. ROONEY,
Room 221, Old House Office Building,
Washington, D.C.

DEAR MR. ROONEY: The recent explosion near Marshalls Creek, Pa., on June 26, 1964, was a tragedy this area will never forget.

Incidents of this kind present a serious problem for both the general public and firefighters of both rural and urban areas.

It is a matter of conjecture what would have happened if the blast occurred in a heavily populated area. An explosion similar to the one at Marshalls Creek occurred in the city of Roseburg, Oreg., on August 7, 1959. At that time a truck loaded with tons of dynamite and 4½ tons of blasting agent exploded killing 13 persons and injuring more than a hundred others. Most buildings in a 12-block area were completely destroyed. Hundreds of buildings in a 50-block area were damaged and fire involved more than 50 buildings. Property damage was estimated at $9 million.

For purposes of comparison, the truck which exploded at Marshalls Creek contained almost two and a half times the quantity of explosives that devastated the central section of Roseburg.

In the interest of public safety, as fire officials of this area, we strongly urge that the following safeguards be taken in addition to present or proposed laws.

1. Markings on explosives trucks or rail cars be not less than 8 inches high and made of a flourescent material visible at the front, sides, and rear for a distance of at least 300 feet.

2. That loaded explosives vehicles not be left unattended at any time, regardless of whether or not they are on a public highway or private property.

3. That any load over 2 tons of explosives must have two men on the vehicle while in transit.

4. That Nitro-Carbo-Nitrate be classified as an explosive.

5. That the quantity of explosives being transported on one vehicle be reduced considerably.

We feel that these changes will benefit not only the public and firemen, but shippers and truckers as well.

Respectfully submitted.

C. David Blitz, President, Monroe County Fireman Association; Ralph L. Miller, Chief of Marshalls Creek, Pa.; Nelson Lightner, Jr., Chief, Stroudsburg Fire Department, Stroudsburg, Pa; Herman Meinhart, Chief, East Stroudsburg Fire Department, Stroudsburg, Pa.; Lester Rice, Chief, Stroud Township, Pa.; George Huguenin, Chief, Barratt Township, Pa.; Ernest B. Bisbing, Chief, Mount Pocono, Pa.; James T. Anthony, III, Chief, Delaware Water Gap, Pa.; George B. Kitchen, Chief, Saylorsburg, Pa.; Carl Price, Chief, R.D. 3, Stroudsburg, Pa.; Charles Knecht, Chief, Jackson Volunteer Fire Co., Coolbaugh Township Fire Co.; Al Wilson, Chief, Shawnee Fire Co.; Lewis Pysher, Chief, Kunkletown Fire Co., Kunkletown, Pa.; Elwood L. Christman, Chief, Pocono Lake Fire Co.; Lawrence H. Dickerson, Chief, Bushkill Fire Co.; William Raish, Chief, Pocono Township Fire Co.; Glenn A. Snyder, Chief, West End Fire Co.; James H. Oakey, Chief, Tobyhanna Army Depot.

POPULATION ALONE IS AN INADEQUATE BASIS FOR APPORTIONMENT

Mr. EDMONDSON. Mr. Speaker, I ask unanimous consent that the gentleman from Florida [Mr. MATTHEWS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. MATTHEWS. Mr. Speaker, in any government of free men, no single component exceeds in importance the method by which it selects the membership of its lawmaking body.

The political history of the United States speaks eloquently in support of this statement. At the time our Constitution was being drafted by the Founding Fathers in 1787, the nature of representation in Congress was one of the most controversial and perplexing issues that had to be resolved.

And resolve it they did—with the give-and-take, the thoroughness, and the wisdom that has made our Constitution the greatest and most enduring document in the democratic world. Under the terms of the Great Compromise, sometimes called the Connecticut Compromise, it was determined that one House of Congress, the Senate, would represent political areas, the States; and seats in the other House, the House of Representatives, would be apportioned according to population.

Surely this arrangement needs no defense from me or anyone else. Its success has always been and is now its own best testimony. Except for a tiny handful of the most fervent and impassioned advocates of the "one man one vote" idea, nobody wants to change it.

Although we must make allowance for many variations, changes, and exceptions, this pattern has been in general fairly closely followed among the States. In any event, the States have always been allowed to decide for themselves what form of representation in their own legislatures would best serve their purposes.

That is, they have always been allowed up until now to make this decision.

The power to make this decision, which is certainly solely and exclusively the business of the individual States, has now been taken over by the Supreme Court of the United States.

This takeover began with the Baker against Carr decision in March 1962 and was completed on June 15 of this year with the decision in Reynolds against Simms and seven related cases from six States.

In the Baker case the Supreme Court held that the Federal courts had the power to review State apportionment cases to see if they violated the equal protection clause of the 14th amendment of the Federal Constitution. In the 1964 cases the Court ruled that:

> As a basic constitutional standard, the equal protection clause requires that the seats in both houses of a bicameral State legislature must be apportioned on a population basis.

These decisions cannot be allowed to stand. They violate the historic rights of the States; they add to Federal power at the expense of the States; they flout long accepted and successful political practices and traditions; they ignore the rights and wishes of the people to handle their own State affairs; and, finally, there is no reason whatsoever, in practical terms, to assume that any improvement would follow in the structure of representation in the States. Things could, indeed, be made a lot worse.

The only way these decisions can be overturned is through an amendment to the Federal Constitution. Such a step is a very serious matter, and it should not be undertaken except as a result of extreme provocation.

But the Supreme Court has confronted the country with a very grave crisis, and an amendment is our only recourse.

It is up to Congress to initiate this amendment.

For this reason I have introduced House Joint Resolution 1097 for the purpose of returning to the States and to the people the option they have always enjoyed concerning the apportionment of their State legislatures.

Specifically, the proposed amendment simply removes the Federal Government from the State apportioning process to this extent: That States with bicameral legislatures should be free to apportion the membership of one house of the legislature on factors other than population if the people of that State, on the basis of a vote on this issue, so desire.

This is not a complicated proposal. It is a simple, straightforward statement that anybody can understand.

Let me point out some important things it will not do. It does not concern itself at all, or even mention, the second house of a bicameral legislature. This house, of course, will therefore presumably be apportioned exclusively on the basis of population.

It does not prohibit a State from apportioning both legislative houses solely on a population basis if the people so desire. It simply leaves this choice up to the State and prevents the intrusion of the Federal Government into this matter.

It does not leave the issue exclusively in the hands of State officials or political leaders. Rather, it requires the active voice and approval of the people themselves.

What the amendment would do is place the option where it belongs—with the people of the respective States.

It would be difficult to find more forceful or persuasive arguments against the majority opinion of the Court than in the words of the dissenting Justices.

For example, Mr. Justice Stewart, joined by Mr. Justice Clark, quotes the majority opinion to the effect that it is "established that the fundamental principle of representative government in this country is one of equal representation for equal numbers of people," Justice Stewart then comments:

> With all respect, I think that this is not correct, simply as a matter of fact. It has been unanswerably demonstrated before now that this "was not the colonial system, it was not the system chosen for the National Government by the Constitution, it was not the system exclusively or even predominantly practiced by the States at the time of the adoption of the 14th amendment, it is not predominantly practiced by the States today."

After discussing variations in population densities, terrain, and other characteristics among such States as Hawaii, South Dakota, Rhode Island, Michigan, and Montana, Mr. Justice Stewart then added:

> Each State is unique, in terms of topography, geography, demography, history, heterogeneity and concentration of population, varied of social and economic interests, and in the operation and interrelation of its political institutions. But so long as a State's apportionment plan reasonably achieves, in the light of the State's own characteristics, effective and balanced representation of all substantial interests, without sacrificing the principle of effective majority rule, that plan cannot be considered irrational.

Speaking of specific States, let us look at the representation plan in three of the most recently drafted State constitutions—Alaska, Hawaii, and the new Michigan document. In all three of these States, area and other factors as well as population are considered in the apportionment of at least one house of the legislature.

Are we to conclude from this that the people who drafted these documents are trying to swindle some of the voters in their States? Of course not. Exactly the opposite is true. These apportionment plans were drafted with great care to provide the most effective representation possible under the specific set of circumstances and political conditions in which each State functions.

Yet, we may well speculate whether any of these apportionment formulas would be held valid under the latest Supreme Court rulings.

There is understandably enormous appeal in such phrases as "one man—one vote" and "equality of representation for everyone." These words seem to epitomize the spirit of democracy and of the American political tradition.

But the trouble with such phrases is that they often oversimplify complex issues and are subject to varying interpretations.

Does equality of representation mean that every person in a State should belong to a constituency containing the same number of people as every other constituency? Would such an arrangement assure to every person in that State uniform, equal, and just representation?

It might, but then again it might not.

Let us, for instance, suppose that there are three established legislative districts side by side. In accordance with the Supreme Court ruling, this State is required to reapportion, and on the basis of the State's total population it is determined that each district must contain 100,000 people.

The middle district is overwhelmingly residential. Its population is 150,000. To its left is a heavily rural district with 75,000 people, and to its right is an equally predominantly industrial district containing 75,000.

Reapportionment by population is simple enough. We take one group of 25,000 from the residential district and put them in the rural district, which now has 100,000. We also take 25,000 residentials and stick them in the industrial district, increasing it to 100,000. The residential district has now been reduced by 500,000, so that all three districts now contain 100,000 people. Everybody presumably is equally represented and happy.

Or are they? Not by any means. The 25,000 uprooted from the residential district and moved to the rural area now constitute only one-quarter of a population whose overall interests may be quite different from their own. The same is true of that group moved into the industrial area.

Admittedly this is a hypothetical case. Interests are never quite so cut and dried. Nevertheless, this example is illustrative of a great many situations that are very real indeed. It demonstrates clearly, I think, that "one man—one vote," far from always guaranteeing fair and just representation, can sometimes work against it. It further demonstrates that when we speak of equality of representation we had better define what we mean with great care.

Some proponents of the equal populations approach to apportionment have advanced this plan on the grounds that it would eliminate or cut down on gerrymandering. I cannot accept this viewpoint. It fails to recognize political realities and fails to acknowledge the fact that there are virtually an infinite number of geographic lines that can be used in gerrymandering to incorporate or exclude certain groups or numbers of people. In fact, the use of established political boundaries, such as county lines, to determine districts makes gerrymandering more difficult.

On this subject let me quote from an article appearing in the June 1963 issue of Commentary by Alexander M. Bickel, professor of law at Yale University. Professor Bickel is paraphrasing a statement on this subject by Prof. Phil C. Neal of the University of Chicago Law School:

> A requirement of equal districting would very likely prove self-defeating, for it is possible to achieve all the malapportionment in the world by careful gerrymandering of perfectly equal districts. Those who have been complaining might then have a magnificently equal vote that would never elect anyone.

Let me make clear that I am not contending that every house in every State legislature in the United States is now properly apportioned. Without question there are some cases of apportionment that are very bad indeed by any set of standards.

But it is the business of the States to rectify their own waywardness in this matter wherever it occurs. It is not the business of the Supreme Court.

Permit me to quote briefly from what Mr. Justice Harlan had to say on this subject in his dissent from the majority view in the cases decided last June 15. After pointing out that the vitality of our political system and of federalism is weakened by these decisions, he then wrote:

> These decisions give support to a current mistaken view of the Constiution and the constitutional function of this Court. This view, in a nutshell, is that every major social ill in this country can find its cure in some constitutional "principle," and that this Court should "take the lead" in promoting reform when other branches of the Government fail to act. The Constitution is not a panacea for every blot upon the public welfare, nor should this Court, ordained as a judicial body, be thought of as a general haven for reform movements. * * * [W]hen, in the name of constitutional interpretation, the Court adds something to the Constitution that was deliberately excluded from it, the Court in reality substitutes its view of what should be so for the amending process.

I have introduced House Joint Resolution 1097 because there is no way other than by constitutional amendment to restore to the States the rightful power they have always had—and of which they have now been deprived—to apportion their own legislatures in accordance with their own needs.

Adoption of this amendment is essential to the preservation and strengthening of our Federal system. It is in keeping with long accepted and honored political practices. It would give back to the people of each State a vital power they have always exercised—one which they must be allowed to exercise if they are to govern themselves wisely and well.

Time is rapidly running out for this Congress. Immediate action is required.

I commend House Joint Resolution 1097 to this body and urge that it be given prompt and favorable action.

REPRESENTATIVE FLOOD ADDRESSES HOUSE ON CARIBBEAN CRISIS

Mr. EDMONDSON. Mr. Speaker, I ask unanimous consent that the gentleman from South Carolina [Mr. DORN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. DORN. Mr. Speaker, among the most gravely serious problems now facing our country are those of the strategic Caribbean basin, in which area the Panama Canal is the prime target in the long-range program for Red conquest. Events on the isthmus over the past few years, culminating in the bloody Panamanian attacks on the Canal Zone on January 9 to 12, 1964, have aroused the Nation to a greater extent than anything since the dramatic dash of the *Oregon* in 1898 around Cape Horn to join our fleet off Santiago.

For years preceding the January assaults on the Canal Zone, my able, scholarly, and most distinguished colleague from Pennsylvania [Mr. FLOOD] has made many forceful statements giving clear warnings of what subsequently occurred and outlining programs for meeting the Red challenge, making him one of the truly outstanding statesmen in our history. His eloquent and well-documented address on Caribbean and Panama Canal problems supplied the Nation and our Government with a cushion of factual knowledge and enabled our officials in the executive branch to face with calm the hysterical and calumnious charges of Panamanian leaders following the January outbreak.

Next Wednesday, August 12, our distinguished colleague, the gentleman from Pennsylvania, Representative FLOOD, will again make a major address in the House dealing with the Caribbean crisis, including the vital question of U.S. sovereignty over the Canal Zone and Panama Canal and the efforts that have been, and are still being, made to undermine such sovereignty.

Mr. Speaker, because of the crucial importance of what he will say to the entire Nation, I trust that as many Members of the House as possible, especially members of the Committee on Appropriations, Foreign Affairs, Government Operations, Merchant Marine and Fisheries, and Un-American Activities, will hear the gentleman from Pennsylvania, Representative FLOOD's next major address on Wednesday, August 12, on the timely subject, "Caribbean Crisis: Continuing Storm Signs Demand Action Against Further Perils," and that they will participate in the discussions that his remarks will undoubtedly evoke.

JUSTICE FOR CYPRUS

Mr. EDMONDSON. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. PUCINSKI] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. PUCINSKI. Mr. Speaker, recently it was my great privilege to participate in an inspiring dinner sponsored by the Justice for Cyprus Committee, of which I have the distinction of being honorary chairman.

The dinner brought together a large segment of Americans of Greek descent who are most deeply concerned with the attacks now being made on the independence of Cyprus.

The free world cannot and must not treat with only passing interest what is happening in Cyprus today.

Cyprus has a right to its independence, but more important, it has a right to choose its own form of government.

The crisis which now confronts Cyprus must remain of serious concern to all Americans who are interested in the doctrine of fair play and justice. It is regrettable that there are some who cannot understand the justice of the Greek-Cypriot cause.

In order to put this entire matter in its proper perspective, I should like today to include an address by His Excellency Zenon Rossides, Ambassador of Cyprus to the United Nations, who was the main speaker at the Justice for Cyprus banquet in Chicago.

Mr. Rossides has prepared an excellent analysis of the genesis of this crisis and it is my hope that the U.S. Government will support the cause of the Greek Cypriots. For the United States to do otherwise would refute, in my judgment, the strong allegiance which we Americans hold to the principle of majority rule and unfettered self-determination.

Ambassador Rossides' speech follows:

Address by Zenon Rossides, Ambassador of Cyprus to the United Nations

Cyprus is passing through a great crisis. But it was not unexpected. The Zurich and London agreements and relevant treaties imposed upon Cyprus in 1959–60, by violating basic principles of the Charter of the United Nations and by dividing the people, could not but lead sooner or later to a breakdown.

In the present situation the problem of Cyprus seems complicated and involved. It is because so much artificiality has been brought into it, so much departure from universally accepted notions of justice and democracy, that the new Republic was born as an unnatural child hamstrung by divisive treaties and prevented from normal life and development. The present trouble is a direct result of that abnormal situation. The problem in its essentials is simple. But briefly, it is the denial of self-determination and of majority rule to the people of the island. When I speak of self-determination I mean the will of the people of Cyprus as expressed by their overwhelming majority in regard to their future and their form of government.

By the agreements of 1959–60, Cyprus was given a uniquely unworkable Constitution. It cannot be compared with any constitution in any other part of the world. It is a Constitution whereby the majority is subjected to the will of the minority. All is, therefore, upside down.

I shall not go into the circumstances of how such negative and oppressive conditions were imposed upon Cyprus. Their acceptance was in any case without the free exercise of consent. The supposed purpose of those agreements was to avoid bloodshed and war involving Greece and Turkey. The result, however, would be no other than a mere postponement of trouble, which could inevitably recur, and in a graver form—as it actually did. It was, therefore, but a heavy mortgage on the future. The reason why such unjust and unworkable agreements were allowed to be imposed on Cyprus may be found in the effect of power pressures exercised to satisfy Turkey's demands, however unreasonable, and as a ransom for the termination of the island's colonial status. But why should Turkey have a say in the affairs of Cyprus? Let us look cursorily at the history of the island extending back over 3,500 years.

In the classical times Cyprus had its city states on the pattern of the city states of the mainland of Greece. It suffered many incursions and dominations from Assyria, from Egypt, and from Persia. It voluntarily joined the kingdom of Alexander the Great, then it passed to the Romans. After the division of the Roman Empire, Cyprus was a province of the Byzantine Empire. Eventually, during the time of the Crusaders, it became a kingdom of itself, the Kingdom of Cyprus under the Lusignans, a French dynasty, following which it passed under Venice. Subsequently, in 1571, for the first time the Turks appeared as invaders. They conquered the island, as much as they conquered the whole of the Near East and the Balkan Peninsula, having reached as far as outside Vienna. Gradually after a number of liberation wars those territories became independent.

In 1878 Cyprus, always Greek in character, passed under British administration and was a British colony until 1960, when, after a 4-year armed resistance, it became an independent republic. When Turkey left from Cyprus, a small remnant of Turks remained, which is now about 18 percent. Turkey, however, since 1878 showed no interest in Cyprus, particularly after the Treaty of Lausanne of 1923 under which it gave up all right and interest in the island. It was only since 1955, when encouraged by the administering power, Britain, it started meddling in the affairs of Cyprus, with such troublesome effects to peace.

The excuse was the presence of that 18-percent Turkish minority in Cyprus. This fact, however, does not give Turkey a right to intervene in the affairs of Cyprus and dictate as to its future or the form of its government. There are minorities, and larger minorities, in many countries but nowhere are they given the right to have an equal voice with that of the majority, or, worse still, to impose their will on the majority.

In Malaya, 40 percent are Chinese, but neither Nationalist nor Communist China was ever invited to participate in the affairs of Malaya because of the presence of such Chinese minority. The same thing is true in Ceylon, where there are Tamil Indians in the north, a minority of about 20 percent, but it was never thought that India should dictate what should be the future of Ceylon nor have a voice in that future. There are many other examples.

In Cyprus, however, since 1955 Turkey not only claimed a right to interfere but, worse still, started an anti-Greek campaign of hatred among the Turkish minority of the island fanaticizing some and intimidating others in order to break up the good relations that for generations were undisturbed between the two communities. It thus fostered division and conflict with the ulterior purpose of leading to partition and with an eye to annexation. Partition, however, is completely ruled out.

Cyprus, through the ages, has undergone many vicissitudes in striving to retain or regain its freedom, but its territorial integrity had never been threatened or questioned. It has always been one single and undivided unit. That legacy of unity will never be betrayed or abandoned by the historic people of Cyprus. They well know that foreign dominations may come and go, leaving no trace behind them. But once their island is broken up, it is forever dismembered, without any hope for remedy or peace.

The disastrous idea of partition is not only unacceptable but also inconceivable. There is no pattern of geographic separation that could provide even the flimsiest ground for a claim of partition, particularly in so small an island like Cyprus. However, persistence by Turkey in this unrealistic and sinister objective has brought strife and bloodshed to Cyprus. And this is the underlying cause of the whole trouble in the island: an unrestricted chauvinism and expansionism from Turkey that can have no place in our world of today.

It was under such influences that the Zurich and London agreements were drafted in 1959, imposing a regime and a constitution that contained provisions so divisive of the people and the instruments of administration as to prevent all spirit of cooperation, a constitution in fact so unworkable as eventually to stall—unless remedied by amendment—the proper functioning of the State.

Division of the municipalities that had through the ages been undivided—division of the courts of law, introducing communal antagonism into the courts, and resulting in the maladministration of justice—division everywhere was the keynote of the constitution.

Another constitutional unworkability was the final veto power vested in the Turkish Vice President, who could cancel any legislation or decision of the Council of Ministers on such important matters as foreign affairs, defense, security, and so on. He could thus stop the administration machinery. This is as impractical as it is unfair, because it gives the minority control of the executive, contrary to all democratic principles. Particularly destructive was the constitutional requirement for a separate Turkish majority vote on all fiscal measures.

In other countries, everywhere, as we all know, legislation is adopted by a majority vote. But in Cyprus, fiscal legislation, which is the lifeblood of a country, cannot be passed without a separate majority vote of the Turkish minority. That is, there are 50 Members in the House of Representatives of which 35 are of Greek and 15 of Turkish origin. If 8 Turkish votes were not cast in favor of any fiscal measure, the other 42 votes were as nothing, and, therefore, the legislation was thrown out, and there was no way out. The country was left without taxation. One would think that the Turkish minority would not readily defeat reasonable fiscal measures; but they did.

In 1961, they abused that power and voted down an important income tax law, not because they had any objection to the law itself, but because they wanted to use that extraordinary and unnatural power in order to obtain other things. And what were these? They wanted to have the Government consent to the division of the towns.

Such division is in itself a cause of trouble by the climate of antagonism it engenders, apart from being impractical, difficult, and uneconomical. Furthermore, here was a case of blackmail; it meant "we will not vote for the income tax law unless you do this or that." They seemed unconcerned if the country were to face economic chaos, as though that were the concern only of the majority. And indeed, although populationwise the Turkish minority is 18 percent, economywise it falls much lower. Its share in the annual production is only 9 percent, while its contribution to the income tax is insignificant—it is less than 2 percent. This may account for such lack of responsibility.

The accepted principle that the majority should rule is also because the interest of the country is more genuinely represented by the majority. Therefore, not only from the aspect of democratic justice, but also from every practical economical aspect, the rule of the majority is a necessary rule.

With the country left without an income tax law, the result was difficulty for the Government and hardship for the people, both Greeks and Turks. The exercise of that extraordinary and unnatural right of a separate majority was intended to disrupt the state for the purpose of creating upheaval. It was a premeditated attack upon the State, as it was when it broke out last December, in the form of rebellion by armed Turkish forces against the State. It developed into intercommunal clashes, but essentially it was and now more clearly remains, an armed rebellion against constituted authority. The situation is aggravated by the attitude of Turkey, who emboldens the rebellion by its threat of invasion and by its smuggling of arms and men into Cyprus.

THE PROTECTION OF THE UNITED NATIONS

The problem of aggression concerns not only Cyprus but all small nations. They need the effective protection of the United Nations, as provided under article 2, paragraph 4, of the charter, in case of any threat or use of force from outside, and that is why the problem of Cyprus is of wide implication and importance.

The Security Council resolution, in its preamble, specially reminds of article 2, paragraph 4, which reads: "All members shall refrain in their international relations from the threat or use of force against the territorial integrity or political independence of any state." However, the territorial integrity and independence of Cyprus is being constantly menaced from Turkey by its threat of invasion and its declarations for partition, contrary to its obligations under the charter. The resolution calls upon all members to refrain from any action, or threat of action likely to worsen the situation in the sovereign Republic of Cyprus. Therefore, the United Nations, by asserting the sovereignty of Cyprus, in effect brushes aside the provisions of the 1960 treaties, which are calculated to negate that sovereignty. The resolution also says that the Government of Cyprus has the responsibility for the maintenance and restoration of law and order and to take all additional measures necessary to stop the violence and bloodshed in the island. The function of the United Nations peacekeeping operations are then defined: "In the interest of preserving international peace and security, to use its best efforts to prevent a recurrence of the fighting and as necessary to contribute to the maintenance and restoration of law and order and the return of normal conditions."

The Government of Cyprus, therefore, as the constituted authority in the island, recognized as such under the Security Council resolution, has unquestionable responsibility to maintain such security forces as in its opinion are necessary to overcome any attack by the Turkish rebels unlawfully holding fortified positions. In this task of maintaining law and order, the Government of Cyprus looks for the contribution of the United Nations peace force in Cyprus under the terms of the resolution.

Cyprus, as a member state, has also a right to the protection of the United Nations from any threat of force from outside. The United Nations has proved to be very effective. Twice there was a threat of invasion. As you probably know, on the 27th of December and on the 13th of March, we had a midnight meeting of the Security Council on each occasion in order to avert invasion when ships from Turkey were heading against Cyprus. These are instances of how important the United Nations is, of how it can save the world from war, because if there had been invasion of Cyprus, there would have been war there immediately. The Greek people of Cyprus would have been fighting to the last man to defend their independence. War between Greece and Turkey would have followed with the growing danger of general conflagration.

We are fully satisfied with what the United Nations is doing in the island. The Secretary General is devoting his energies with a sense of dedication to the principles of the charter and in accordance with the Security Council resolution. We are grateful for his efforts.

THE FINAL SOLUTION

As to the final outcome, in order that Cyprus may solve its problem, it must be left free from outside intervention.

If the artificial creations stemming from an unnatural interference by Turkey are taken away, the problem in its basic premise is a very simple one. It is to insure to the people of Cyprus their right of majority rule and self-determination which was denied to them. The people of Cyprus have a right to determine, like every other people, their future, their form of government, and their constitution, and they do not want anything more than the normal rights that every other people has exercised—the rights, which wherever denied, according to Woodrow Wilson, peace is denied. We have that example now. Their refusal involving violations of basic principles of the charter has broken the peace in Cyprus and threatens world peace. Because of the 1959–60 treaties, an anomalous and unbalanced state of affairs was set up in Cyprus. For while the island was proclaimed, under article 1 of its constitution, an independent and sovereign republic, at the same time those treaties purported to rob it of its sovereignty.

A sovereign country can surely decide upon its internal administration and the form of its constitution. It was done in India, it was done in Ceylon and in every other country or colony that attained independence. It was denied in Cyprus, hence the trouble. The basis of the Constitution was prepared from outside the island and imposed upon it.

People should have the right by their majority to decide on their constitution and amend it in such respects as they find it should be amended. In the United States, you have amended your Constitution repeatedly, and it is quite natural. A constitution has to be amended according to circumstances in a developing world. But the Constitution in Cyprus, no matter how unworkable, could not under those treaties be amended without the consent of three foreign powers: Britain, Greece, and Turkey. Such provisions would negate the very independence and sovereignty of Cyprus. As conflicting, however, with the provisions of the charter, they are invalid and of no effect. This is clearly provided in article 103 of the charter.

The principles of self-determination and majority rule, to which Cyprus as a member of the United Nations is entitled, will restore peace and normality in Cyprus. Legitimate minority rights have never been disputed to the Turkish community. It is the unnatural and unbalanced powers, forming, as it were, a cancerous growth on the body of the state, that have caused friction and trouble. Normal minority rights would be fully respected and could be internationally protected. There is sufficient evidence that the bulk of the Turkish population, freed from outside prodding and intimidation, would, as in the past, live peacefully and harmoniously with the Greek majority to their mutual benefit and in the best interest of the island as a whole.

We look forward to such just and peaceful solution so that Cyprus may be able to live up to its historic destiny in the world community of today, by turning to more positive fields of achievement in the service of mankind and of peace.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. DERWINSKI, for Saturday, August 8, and Monday, August 10, on account of official business.

Mr. COHELAN, for August 10 to 14, 1964, on account of official business.

Mr. O'HARA of Michigan, for Monday, August 10, 1964, on account of official business.

Mr. MAILLIARD, for next week, on account of business away from Washington.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. PUCINSKI to include extraneous matter in his remarks on H.R. 11377.

(The following Members (at the request of Mr. BROMWELL) and to include extraneous matter:)

Mr. BERRY.

Mr. FOREMAN.

(The following Members (at the request of Mr. EDMONDSON) and to include extraneous matter:)

Mr. LIBONATI in two instances.

Mr. TOLL.

Mr. TEAGUE of Texas.

Mr. PUCINSKI.

Mr. POWELL.

SENATE BILL AND CONCURRENT RESOLUTION REFERRED

A bill and a concurrent resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 564. An act to extend to volunteer fire companies the rates of postage on second-class and third-class bulk mailings applicable to certain nonprofit organizations; to the Committee on Post Office and Civil Service.

S. Con. Res. 92. Concurrent resolution favoring the suspension of deportation of certain aliens; to the Committee on the Judiciary.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 7381. An act to simplify, modernize, and consolidate the laws relating to the employment of civilians in more than one position and the laws concerning the civilian employment of retired members of the uniformed services, and for other purposes;

H.R. 8009. An act to amend title 38, United States Code, to provide veterans with urgently needed nursing home care and nursing care facilities while reducing the cost to the United States of caring for such veterans, and for other purposes;

H.R. 8611. An act to facilitate the performance of medical research and development within the Veterans' Administration, by providing for the indemnification of contractors;

H.R. 8925. An act to amend title 38 of the United States Code in order to provide that a disability which has been rated at or above a certain percentage for twenty or more years may not thereafter be reduced below such percentage;

H.R. 8999. An act to provide for the settlement of claims of certain inhabitants of the

United States living in the areas inundated by the sudden floods of the Rio Grande as a result of the construction of the Falcon Dam, and for other purposes;

H.R. 11064. An act to provide for the conveyance of certain real property of the United States situated in the State of Virginia;

H.R. 11255. An act to validate certain payments of per diem allowances made to members of the Coast Guard;

H.R. 11611. An act to establish a National Commission on Technology, Automation, and Economic Progress; and

H.J. Res. 1145. Joint resolution to promote the maintenance of international peace and security in southeast Asia.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H.R. 1997. An act to amend subsection (c) of section 1332 of title 28, United States Code, relating to diversity of citizenship;

H.R. 4088. An act for the relief of the Industrial Tractor Parts Co., Inc.;

H.R. 4871. An act for the relief of Glenn C. Deits and others;

H.R. 7751. An act to extend certain construction authority to the Administrator of Veterans' Affairs in order to provide adequate veterans' hospital facilities in Los Angeles, Calif.;

H.R. 8251. An act to amend section 612, title 38, United States Code, to authorize dental services and treatment in cases where discharges were corrected by competent authority from dishonorable to conditions other than dishonorable;

H.R. 9372. An act to remove a cloud on the title of certain property owned by Wilmer Allers and Jane B. Allers, both of Malin, Oreg.;

H.R. 9521. An act to increase the authorization for appropriation for continuing work in the Missouri River Basin by the Secretary of the Interior;

H.R. 10041. An act to improve the public health through revising, consolidating, and improving the hospital and other medical facilities provisions of the Public Health Service Act;

H.R. 10610. An act to provide for the conveyance of certain real property under the control of the Administrator of Veterans' Affairs;

H.R. 10611. An act to provide for the conveyance of certain real property under the control of the Administrator of Veterans' Affairs;

H.R. 10939. An act making appropriations for the Department of Defense for the fiscal year ending June 30, 1965, and for other purposes;

H.R. 11049. An act to adjust the rates of basic compensation of certain officers and employees in the Federal Government, and for other purposes; and

H.J. Res. 925. Joint resolution creating a joint committee to commemorate the 100th anniversary of the 2d inaugural of Abraham Lincoln.

ADJOURNMENT

Mr. EDMONDSON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 3 minutes p.m.) the House adjourned until tomorrow, Saturday, August 8, 1964, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2386. A letter from the Deputy Assistant Secretary of Defense (Properties and Installations), relative to transmitting additional information with respect to certain additional projects to be undertaken for the Air National Guard, relating to a letter dated June 4, 1963, and an additional letter dated May 12, 1964, pursuant to Public Law 87–554, and Public Law 88–174; to the Committee on Armed Services.

2387. A letter from the Administrator, General Services Administration, transmitting a draft of a proposed bill to authorize the disposal of chromium metal, Acid grade fluorspar, and silicon carbide from the supplemental stockpile; to the Committee on Armed Services.

2388. A letter from the Secretary of Agriculture transmitting a draft of a proposed bill to amend the Federal Crop Insurance Act, as amended; to the Committee on Agriculture.

2389. A letter from the Chairman, Federal Home Loan Bank Board, transmitting a draft of a proposed bill to provide for notice of certain changes in outstanding voting stock of institutions insured under title IV of the National Housing Act, and for other purposes; to the Committee on Banking and Currency.

2390. A letter from the Commissioner, Immigration and Naturalization Service, U.S. Department of Justice, relative to a letter dated July 1, 1963, dealing with a list of cases involving suspension of deportation, and requesting that the name of David Yang, A–11896284, be withdrawn from the stated list, pursuant to the Immigration and Nationality Act; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the clerk for printing and reference to the proper calendar, as follows:

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. S. 1046. An act to provide hospital, domiciliary, and medical care for non-service-connected disabilities to recipients of the Medal of Honor; without amendment (Rept. No. 1712). Referred to the Committee of the Whole House on the State of the Union.

Mr. EDMONDSON: Committee on Interior and Insular Affairs. H.R. 6268. A bill to provide adjustments in order to make uniform the estate acquired for the Vega Dam and Reservoir, Collbran project, Colorado, by authorizing the Secretary of the Interior to reconvey mineral interests in certain lands; with amendment (Rept. No. 1713). Referred to the Committee of the Whole House on the State of the Union.

Mr. EDMONDSON: Committee on Interior and Insular Affairs. H.R. 8960. A bill to amend section 27 of the Mineral Leasing Act of February 25, 1920, as amended, in order to promote the development of coal on the public domain; with amendment (Rept. No. 1714). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROGERS of Texas: Committee on Interior and Insular Affairs. H.R. 2337. A bill to provide for the construction of the Lower Teton division of the Teton Basin Federal reclamation project, Idaho, and for other purposes; with amendment (Rept. No. 1715). Referred to the Committee of the Whole House on the State of the Union.

Mr. BONNER: Committee on Merchant Marine and Fisheries. S. 2995. An act to amend section 511(h) of the Merchant Marine Act, 1936, as amended, in order to extend the time for commitment of construction reserve funds; without amendment (Rept. No. 1716). Referred to the Committee of the Whole House on the State of the Union.

Mr. SISK: Committee on Rules. House Resolution 822. Resolution providing for the consideration of S. 1163, an act to amend certain provisions of the Area Redevelopment Act; without amendment (Rept. No. 1717). Referred to the House Calendar.

Mr. ELLIOTT: Committee on Rules. House Resolution 823. Resolution providing for the consideration of S. 1627, an act to enable the United States to contribute its share of the expenses of the International Commission for Supervision and Control in Laos as provided in article 18 of the protocol to the declaration on the neutrality of Laos; without amendment (Rept. No. 1718). Referred to the House Calendar.

Mr. ELLIOTT: Committee on Rules. House Resolution 824. Resolution providing for the consideration of S. 1664, an act to provide for continuous improvement of the administrative procedure of Federal agencies by creating an Administrative Conference of the United States, and for other purposes; without amendment (Rept. No. 1719). Referred to the House Calendar.

Mr. COOLEY: Committee on Agriculture. H.R. 12118. A bill to facilitate pricing of feed made available for use in emergency areas, to establish penalties for misuse of feed made available for relieving distress or for preservation and maintenance of foundation herds, and for other purposes; without amendment (Rept. No. 1720). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. H.R. 8407. A bill to amend the District of Columbia Income and Franchise Tax Act of 1947, as amended, and the District of Columbia Business Corporation Act, as amended, with respect to certain foreign corporations; without amendment (Rept. No. 1721). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. H.R. 12042. A bill to amend the District of Columbia Teachers' Salary Act of 1955, and for other purposes; with amendment (Rept. No. 1722). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. H.R. 12196. A bill to amend the District of Columbia Police and Firemen's Salary Act of 1958, as amended, to increase salaries, to adjust pay alinement, and for other purposes; with amendment (Rept. No. 1723). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. S. 1024. An act to authorize the Commissioners of the District of Columbia to pay relocation costs made necessary by actions of the District of Columbia government, and for other purposes; with amendment (Rept. No. 1724). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BARRETT:

H.R. 12286. A bill to amend the Trade Expansion Act of 1962; to the Committee on Ways and Means.

By Mr. BEERMANN:

H.R. 12287. A bill to authorize the Burt County Bridge Commission, a public body politic and corporate in the county of Burt and State of Nebraska, to refund the outstanding revenue bonds of said Burt County Bridge Commission heretofore issued to finance the cost of construction of a bridge, together with the necessary approaches and appurtenances therefor, from a point located in the city of Decatur, Burt County, Nebr., across the Missouri River to a point located in Monona County, Iowa; to the Committee on Public Works.

By Mr. GLENN:

H.R. 12288. A bill to establish a National Human Resources Development Commission; to the Committee on Education and Labor.

By Mr. JENSEN:

H.R. 12289. A bill to establish the Lewis and Clark Trail Commission, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. KYL:

H.R. 12290. A bill to establish the Lewis and Clark Trail Commission, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. MOORHEAD:

H.R. 12291. A bill to amend section 312 of the Immigration and Nationality Act to exempt certain additional persons from the requirements as to understanding the English language before their naturalization as citizens of the United States; to the Committee on the Judiciary.

By Mr. PATMAN (by request):

H.R. 12292. A bill to eliminate cumulative voting of shares of stock in the election of directors of national banking associations unless provided for in the articles of association; to the Committee on Banking and Currency.

By Mr. TUCK:

H.R. 12293. A bill to amend title 28, United States Code, to provide for a temporary stay of proceedings in any action for the reapportionment of any State legislative body; to the Committee on the Judiciary.

By Mr. WELTNER:

H.R. 12294. A bill to amend the National Housing Act to facilitate sales of one- to four-family residences in locations adversely affected by airports constructed or expanded with Federal financial assistance furnished under the Federal Airport Act; to the Committee on Banking and Currency.

By Mr. WESTLAND:

H.R. 12295. A bill to amend title 28, United States Code, to provide for a temporary stay of proceedings in any action for the reapportionment of any State legislative body; to the Committee on the Judiciary.

By Mr. WHALLEY:

H.R. 12296. A bill to amend title 28, United States Code, to provide for a temporary stay of proceedings in any action for the reapportionment of any State legislative body; to the Committee on the Judiciary.

By Mr. COHELAN:

H.R. 12297. A bill to provide for the erection of a monument on Alcatraz Island to commemorate the founding of the United Nations in San Francisco, Calif., in 1945, and to serve as a symbol of peace; to the Committee on Interior and Insular Affairs.

By Mr. POAGE:

H.R. 12298. A bill to extend the Agricultural Trade Development and Assistance Act of 1954, and for other purposes; to the Committee on Agriculture.

By Mr. TOLLEFSON:

H.R. 12299. A bill to amend title 28, United State Code, to provide for a temporary stay of proceedings in any action for the reapportionment of any State legislative body; to the Committee on the Judiciary.

By Mr. AVERY:

H.R. 12300. A bill to require the Secretary of the Army to enter into agreements for the compensation of certain school districts before he acquires real estate for the expansion of Fort Riley, Kans.; to the Committee on Armed Services.

By Mr. SCHWENGEL:

H.J. Res. 1154. Joint resolution to designate Monday, October 5, 1964, as Free Enterprise Day; to the Committee on the Judiciary.

By Mrs. KELLY:

H. Con. Res. 343. Concurrent resolution expressing the sense of the Congress with respect to the enforcement of the provisions of article 19 of the United Nations Charter; to the Committee on Foreign Affairs.

By Mr. MAILLIARD:

H. Con. Res. 344. Concurrent resolution expressing the sense of the Congress with respect to the enforcement of the provisions of article 19 of the United Nations Charter; to the Committee on Foreign Affairs.

By Mr. BROWN of California:

H. Con. Res. 345. Concurrent resolution expressing the sense of the Congress that the President should instruct the U.S. mission to the United Nations to bring the Baltic States question before that body with a view to the liberation of Lithuania, Latvia, and Estonia from illegal Soviet occupation, and the conduct of free elections in these nations; to the Committee on Foreign Affairs.

By Mr. PATMAN:

H. Con. Res. 346. Concurrent resolution authorizing the printing of additional copies of hearings on the Federal Reserve System; to the Committee on House Administration.

By Mr. WILLIS:

H. Con. Res. 347. Concurrent resolution authorizing the printing of additional copies of House Report 176, 88th Congress, 1st session, entitled "Annual Report for the Year 1962, Committee on Un-American Activities"; to the Committee on House Administration.

H. Con. Res. 348. Concurrent resolution to print as House documents the publications "World Communist Movement—Selective Chronology, 1818–1957, vol. 2 and vol. 3," and to provide for the printing of additional copies; to the Committee on House Administration.

By Mr. PUCINSKI:

H. Res. 825. Resolution to amend House Resolution 444, 88th Congress; to the Committee on House Administration.

By Mr. WILLIS:

H. Res. 826. Resolution authorizing the printing of additional copies of "Communist Economic Warfare—Consultation With Dr. Robert Loring Allen, April 6, 1960"; to the Committee on House Administration.

H. Res. 827. Resolution authorizing the printing of additional copies of a publication entitled "The Irrationality of Communism—Consultation With Dr. Gerhart Niemeyer, August 8, 1958"; to the Committee on House Administration.

H. Res. 828. Resolution authorizing the printing of additional copies of a publication entitled "A Communist in a Workers' Paradise—John Santo's Own Story," 88th Congress, 1st session; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FARBSTEIN:

H.R. 12301. A bill for the relief of Dr. Pura Vargas and Dr. Andres Vargas; to the Committee on the Judiciary.

By Mrs. KELLY:

H.R. 12302. A bill for the relief of Serafino Tomassetti and his wife Luisa Maria Tomassetti; to the Committee on the Judiciary.

By Mr. COLLIER:

H.R. 12303. A bill for the relief of Clara S. Chann; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Frank Darling

EXTENSION OF REMARKS

OF

HON. ROLAND V. LIBONATI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 7, 1964

Mr. LIBONATI. Mr. Speaker, the death of Frank Darling, president of local 1031, International Brotherhood of Electrical Workers, removes from the ranks of labor one of its most conscientious and versatile leaders. He was a vibrant exponent of true Americanism and for years fought against the attempted inroads of Communists into union membership. He successfully prevented the infiltration of subversive elements in his industry—radio parts manufacturing.

He was a resourceful individual in the trades movement—somewhat of a grand promoter of the spectacular in connection with enormous gatherings of union members—his organizing ability of booking theatrical starts in his presentments at these affairs was for him the sobriquet, the Ziegfeld of the labor movement.

It is unfortunate that the Harvester of Souls called him to an early reward. But God's will be done. He leaves a great heritage to his family. We the members of the Illinois delegation, join his many friends and fellow unionists in extending our heartfelt condolences to his lovely wife, Mildred, and five daughters, Mrs. Patricia Kaelin, Mrs. Shirley Collins, Mrs. Teresa MacKay, Mrs. Diana Kroning, and Mrs. Karen Troescher. The city of Chicago, the State, and the Nation have lost a distinguished citizen and patriot; the union labor movement a dedicated and sincere leader. May God grant him the blessings of everlasting grace and peace.

Poverty and Politics

EXTENSION OF REMARKS

OF

HON. ED FOREMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 7, 1964

Mr. FOREMAN. Mr. Speaker, we have heard so much about poverty in this country recently from the politicians who would propose to solve all our problems with new welfare doles, that it is apparent that a dangerous disservice is being done to our people, here and abroad. It is wrong to picture this country as a land of hunger and privation. To do so damages us throughout the world. There are some who are in need, of course, but the problems affecting them can be solved without discoloring the true picture which prevails in our land. Exaggerated statements about poverty—in election year conversations—only help to prove the lies that Russia and her satellites have been trying to spread about our great free country for the past 30 years.

No responsible American is for poverty. No responsible American disregards or ignores poverty wherever it may exist in this country. But the most responsible Americans understand that this, like any great historic evil, will never be solved by mere slogans, and still less, by all-but-open appeals to class and economic prejudice. It is sad enough that poverty exists at all. But it is tragic when the poor are turned into a political football.

The cruelest thing you can do to a man is to teach him to depend on charity and handouts as a way of life, for by so doing, you deprive him of his self-respect. Self-respect demands a producing job, a chance to make one's own way, a task to perform what the Nation's advancing economy requires. That is precisely the kind of job no government can ever provide, the kind of job created solely by personal enterprise.

Our new President declared in his Economic Report to Congress January 20, 1964, that 35 million Americans were in poverty today. His predecessor declared during the 1960 presidential campaign, just 3 years earlier, that 17 million Americans went to bed hungry every night on a substandard diet. Under this kind of administration, and at this rate, it should not be long before all Americans will be poverty stricken.

The administration is proposing the new "poverty package," H.R. 10440, at a total first year cost of $962.5 million and a projected cost in subsequent years that could easily run as high as $15 billion annually. Excluding social security benefits and other trust funds, 42 Federal programs now existing and aimed directly at eliminating the causes of poverty and its effects, will cost nearly $9 billion in fiscal 1965.

America's needy have not exactly been abandoned to the wolves for lo, these many years, although you could possibly lose sight of the facts amid the cries of "New and Better Deals." America, for most of its years, has waged a war on poverty. Whenever we have waged that war, in our factories, farms, shops, mines, oilfields, over the counters and under the free enterprise system, we have won that war. This war on poverty can only be won that way. When we work our way to wealth, we win that war. When government tries to spend its way to wealth, we lose that war.

It was American freedom, and that alone, which first made it possible for our country and the world to dream of a day when povety might be abolished. It is American freedom, and that alone, which is the only really new idea, the only genuine "bold new program" in all history for the production of wealth for all. Socialism is the latest form of an age-old fraud, that something can be created out of nothing, that we can get wealth by merely wishing for it or claiming it as a right, that government can plan a man's life for him better than he can. Socialism is a fraud because it creates poverty while constantly promising to abolish it, and so by a vicious circle maintains itself in power.

The answer to the problem of poverty lies not in emotional publicity but in reason, not in prejudice but in production, not in new Federal agencies but in less burdensome government which will permit a higher rate of growth.

The best deal for eliminating poverty is the creation of new jobs and employment opportunities through an expansion, encouragement, and unleashing of our free enterprise economy, not by catchy political slogans, shopworn programs or more welfare handouts.

Harold C. Woodward

EXTENSION OF REMARKS

OF

HON. ROLAND V. LIBONATI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 7, 1964

Mr. LIBONATI. Mr. Speaker, the passing of Harold C. Woodward, member of the Federal Power Commission and former Cook County superior court judge, shocked many of his friends and associates. He reflected the legal brilliance of his distinguished sire, the Honorable Charles E. Woodward, former Federal district judge, seventh district of Illinois. He was affable and kindly in his dealings with others. He was considerate of the unfortunates that sought his advise and help.

He knew the rules of the game and adhered to the principles of fair play learned at the University of Illinois as the half back on the varisity squad. He was graduated in law at Northwestern University.

He served as Riverside Township justice of the peace for 20 years and as master of chancery for 6 years. He also served as Illinois Commerce Commission hearing examiner. His political bid for Congress and clerk of the appellate court were denied him.

But in March of 1959 he was appointed by ex-Governor Stratton to fill the unexpired term of Judge Frank M. Padden of the superior court.

In January 1962 he was appointed to the Federal Power Commission by the late President John Kennedy and was reappointed for a 5-year term in June 1962. The wealth of experience and knowlege acquired by Mr. Woodward in his public service will be sorely missed by many officials in Government. His many friends mourn his passing.

We, the members of the Illinois delegation, extend our sincere and heartfelt condolences to his dear wife, Mabel and darling daughter, Mrs. Ann Kelly, of Washington. May God rest his soul with the blessings of peace and heavenly bliss.

South Dakotans Pay More Tax

EXTENSION OF REMARKS

OF

HON. E. Y. BERRY

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 7, 1964

Mr. BERRY. Mr. Speaker, each year the Internal Revenue Service publishes tax figures which show the amount of Federal taxes collected in each State per year. These collection figures, however, are not true measuring rods for determining the actual tax burden carried by the several States.

Recently, the statement was made that IRS collections in South Dakota in the last fiscal year totaled $147 million. At the same time, it was reported that Federal expenditures or Federal outlays in South Dakota were $507 million. The conclusion reached was that South Dakotans are actually receiving more than $3.40 in Federal grants for each $1 the Federal Government collects in the State.

This statement is an incomplete and bureaucratic statement obviously made for political reasons. The reported $147 million Federal revenue collection made last year is not representative of the true tax burden which is carried by the South Dakota taxpayers. The actual figure is nearer to $263 million, or nearly 80 percent more than the collection figures show.

It is easy to see how the IRS figures are an invalid criterion for measuring a State's tax burden. For example, a commodity such as cigarettes carries an 8-cent Federal excise tax which is collected in the State in which it is manufactured. Even though South Dakota residents pay this 8-cent-per-pack tax when they buy the cigarettes, it is not credited to South Dakota's revenue figures. The same thing is true on sales of gasoline, liquor, tires, cameras, many household appliances, automobiles, and many other articles.

Various independent tax foundations have studied the tax structure and have distributed the burden according to the actual consumption and purchase of these items. In other words, they have determined how many articles have been purchased in a State and have calculated the amount of tax paid in that State. In this manner, the burden can be distributed accurately.

A good example of this procedure of allocating the true tax to each State is the way that it is done on the automobile excise tax. The manufacturer in Michigan pays the excise tax directly to the Federal Government. In order to get his money back, he adds the amount of the tax to the price of the automobile which is then paid by the purchaser in another State. The tax paid, however, was credited to the State of Michigan in the collection figures. To get an accurate picture of the tax burden, it is necessary to determine how many automobiles were sold in the various other States and how much tax was paid on each one. Thus, the actual tax collected can be credited to the State in which the automobile was purchased.

In the case of South Dakota, such studies show that the actual revenue collections would be much higher than the reported $147 million. Indirect taxes and hidden taxes bolster this figure considerably. South Dakotans are not getting such a good deal from the Federal Government as the surface figures would have us believe.

Before the bureaucrats brag about the "favorable balance" from the pork barrel, they should realize the true proportions of our huge tax burden which takes a third of our salaries and adds substantially to the price of each article we purchase.

Salute to the Ivory Coast

EXTENSION OF REMARKS

OF

HON. ADAM C. POWELL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, August 7, 1964

Mr. POWELL. Mr. Speaker, today marks the fourth anniversary of the independence of the Republic of the Ivory Coast. We take this opportunity to extend our warm greetings to His Excellency President Felix Houphouet-Boigny, and His Excellency the Ambassador of the Ivory Coast to the United States, Konan Bédié.

The Ivory Coast today is enjoying the benefits of its booming economy based on private enterprise. Its industrialization is proceeding at a regular and rapid pace with its economy growing more than 20 percent over the past 5 years. The working policies of President Houphouet-Boigny in the fields of housing, welfare, transportation, and agriculture provides dynamic proof to other African nations that the road to prosperity need not be difficult and violent.

The history of the Ivory Coast shows its close ties to France and Europe rather than to U.S.S.R. Although administered by France up until 1958, at which time it became an autonomous state in the French community, the Ivory Coast has strengthened rather than severed its ties with the former mother country. The favorable balance of trade is further enhanced by its associate membership in the European Common Market as well as having friendly relations with the United States.

The economic future of the Ivory Coast is bright. The capital, Abidjan, is today the fastest growing city in all Africa. With more diversified agricultural products, its position in the world market is more firmly secured. As leader of the Council of the Entente, the customs union which groups the Ivory Coast with Dahomey, Upper Volta, Niger, and a powerful voice in a larger Monrovia grouping of African states, Houphouet-Boigny has successfully moderated the continent's turbulent politics.

Measures are underway to increase the welfare of the people; their per capita income has significantly increased in the past 2 years alone with the peasants benefiting from a higher standard of living. Educational opportunities, both at the elementary and university levels, have increased manifold owing to the construction of the first Ivorian university at Abidjan, the capital. Public health is being made available to many. Under the guidance and leadership of Houphouet-Boigny, the Ivory Coast is offering an alternative—free enterprise—to the socialistically oriented African economies as a successful way to develop the continent's rich resources. On this day, we salute the second anniversary of the independence of the Ivory Coast.

H.R. 11377: Economic Opportunity Act of 1964

EXTENSION OF REMARKS

OF

HON. HERMAN TOLL

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 7, 1964

Mr. TOLL. Mr. Speaker, the Economic Opportunity Act of 1964 offers us the welcome opportunity to remedy a persistent domestic problem. As a nation, we have succeeded to an unprecedented degree in establishing a broad-based prosperity. Our people are, on a whole, well housed, well clad, well fed. Yet, existing alongside this general well-being is a deep-rooted poverty—a condition that has not diminished or faded as the economy has grown. This poverty engulfs an estimated one-fifth of our population. As an indication of the contrast between our Nation's poor and their more fortunate neighbors, let me cite some figures: The per capita income of some 35 million men, women, and children in 1962 was only $590 for the year as opposed to a National per capita income of $1,900. This disparity must be examined; means must be found to remedy the conditions which produce this extreme need in an opulent society.

This paradox of poverty amidst plenty poses some serious questions and leads to some disturbing observations. It has been observed that certain characteristics predominate among the American poor. There are many nonwhites, many aged, many fatherless children, many poorly educated, many rural dwellers.

In other words, poverty appears to be the affliction of other conditions than personal inadequacies. We can attack poverty, then, by concentrating on these groups—their problems, their needs, their prospects.

The legislation now before the Congress was constructed with this purpose in view. For the youth—the children of the poor and the fatherless and the inadequately educated—there are programs of job training and work study. That these young people do not continue the pattern of poverty and because they are young and flexible enough not to have lost hope, we should be investing wisely if we invest in their future. By giving them the means through training and education to build productive futures for themselves we are also contributing to the future productivity of our Nation.

For the rural poor there are programs which extend loan and grant provisions of existing legislation to those on the lower end of the income scale who have been too poor to qualify for such assistance until now. It is visualized that such assistance can raise their enterprises above subsistence level.

For the rehabilitation of poor areas, where poverty is the rule rather than the exception, there is a program to stimulate our communities to initiate local action programs in the fields of employment, health, housing, welfare and other important areas. There is also a program of assistance to very small businesses within these local areas in order to broaden the base for the rehabilitation of these areas.

It is also the purpose of the Economic Opportunity Act to turn the public assistance programs, which are growing much too rapidly, into instruments for helping families lift themselves out of poverty instead of a means of alleviating only the worst pangs of poverty. Instead of using this welfare money only to sustain deprivation, it would help those able-bodied people on public assistance to develop new skills which will make them employable and remove them from the welfare rolls.

We have wealth and technical knowledge and productive capacity with room for expansion and room for new workers. We have also an untapped resource in approximately one-fifth of our population who are not at present contributing to our further progress. How much wiser it would be for us to invest in their futures so that they may give their talents and skills and also reap some of the benefits of a free society. We have been told that we have the economic capacity to wipe out poverty in the United States. We must ask ourselves if we also have the will. We have the obligation to eliminate deprivation from the national scene. We must also have the desire.

L.B.J. Says "Ranger 7" Defends Apollo

EXTENSION OF REMARKS

OF

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 7, 1964

Mr. TEAGUE of Texas. Mr. Speaker, our Appollo manned lunar landing program is rapidly progressing toward its goal of placing men on the moon within this decade. The successful flight of *Ranger 7* in photographing one of the potential landing areas has brought us a giant stride closer to the Apollo objective.

The colloquy between Dr. William Pickering, Director of the Jet Propulsion Laboratory, and Dr. Homer Newell, NASA Associate Administrator for Space Sciences and Applications, with President Johnson exemplifies the importance of the Apollo program and the contribution made by the *Ranger 7* spacecraft.

Space Business Daily of Tuesday, August 4, 1964, reports this discussion:

L.B.J. SAYS "RANGER 7" DEFENDS APOLLO

In a colloquy with Dr. William Pickering, Director of the Jet Propulsion Laboratory, and Dr. Homer Newell, NASA Associate Administrator for Space Sciences and Applications, the President left no doubt of his support of the Apollo-oriented space program.

Excerpts of the briefing follow:

The President: "These (Ranger) pictures are very exciting. But are we correct in believing that the biggest scientific questions will have to await the manned landing (Apollo)?"

Newell: "Yes, I think they are." (Newell says a manned landing is necessary in order to acquire surface material for analysis.)

L.B.J.: "That is what you want?"

Newell: "We sure do."

L.B.J.: "But the payoff is the landing and bringing back what you find there?"

Newell: "That is correct."

L.B.J.: "Are we reasonably hopeful that we can stay on schedule (with Apollo)?"

Newell: "I am hopeful." (He said the photos support LEM design study.)

L.B.J.: "In your opinion, it is desirable to get there (to the moon) as soon as you can?"

Newell: "In my opinion, yes."

L.B.J.: "If you are going, you ought to go as quickly as possible?"

Newell: "You ought to go as quickly as possible, do it as effectively as possible."

L.B.J.: "But the payoff is the landing and really the desirability of going?"

Newell: "Not in my mind, not at all."

L.B.J.: (Mr. Johnson asked what would be the result of the U.S. Government backing down from the space race.)

Newell: "I would feel that we were backing down from the real challenge, the kind of challenge that we have never backed down from before in our history."

L.B.J.: "So what?"

Newell: "To me, that is not the sort of thing that the United States should do."

L.B.J.: "What do you lose by backing down?"

Newell: "You lose leadership, you lose the thing that has made America great."

L.B.J.: "Leadership in what?"

Newell: "Leadership in world science and technology, leadership in achievement and accomplishment."

L.B.J.: "Leadership in the world?"

Newell: "Leadership in the world."

NECESSITY FOR SPACE LEADERSHIP

L.B.J.: "Do you think that we can be first in the world and second in space?"

Newell: "I don't think so."

Pickering: "No, sir, I don't think so, either."

L.B.J.: "So if we sit with our hands in our pockets, and yield this leadership to other powers, we are in effect becoming their followers in the world in which we live."

Pickering: "Yes, sir."

L.B.J.: "I assume that you can't complement the type of mind that thinks in terms that this is only a stunt. This is really a battle for leadership and real existence in the world, isn't it?"

Pickering: "I believe so."

L.B.J.: "In effect, the British dominated the seas for centuries and led the world, didn't they?"

Pickering: "Yes, sir."

L.B.J.: "We have dominated the air with leadership, and I think unquestionably we have been the leaders of the free world since we established that dominance, haven't we?"

Pickering: "Yes, sir."

L.B.J.: "And the person that leads in space is going to have an equivalent position, isn't that true?"

Pickering: "It certainly appears to me that space is the next domain where this leadership must be exercised."

APOLLO U.S. LEADERSHIP ROLE

L.B.J.: "The result that will follow this adventure and the subsequent landing will in our opinion retain for us leadership that is essential for our civilization?"

Pickering: "Yes, sir, I believe so."

L.B.J.: "If we were to conclude—if I were to conclude, if the Budget were to conclude, or if the American people should conclude that we want to effect a savings here of a few billion dollars, would it be your opinion, Doctor, that we would be penny wise and pound foolish?"

Pickering: "It would, indeed, sir, because I believe that this is truly an investment not only which is needed to demonstrate our leadership in the relatively near future, but it is a long-term investment for the future."

L.B.J.: (The President recalled the hearings he conducted in the Senate after the first sputnik shot). Then said: "Twenty billion dollars in this project which is 40 percent of what we spend in 1 year on military preparations, and a good many people say to me that that is a lot of money. We know it is. We have been paying high taxes that we would like to avoid. Is it conceivable now to you that we could do that and still expect to occupy the position in the world that we cherish for America?"

Newell: (Newell answered that he could not.)

L.B.J.: "But if we are to preserve what we have and survive and provide the kind of leadership that our people demand, we are going to have to move on to the supersonic plane, into space, and into a manned landing on the moon and things of that kind so that we can really explore and develop our potentialities."

Newell: "I thoroughly believe that."

L.B.J.: (The President closed the session with a lengthy discourse on the value of space explorations.) A summary follows: The Nation is proud of the success of *Ranger 7* and proud of scientists and engineers who worked on the program. He said we started behind in space and had to make apologies but "we kept our faith in the ways of freedom, and we did not follow the easy or the inexpensive course." He said space conquest is not an American triumph alone.

Johnson told of the interest in space exhibited by the leaders of small nations that had visited him in the White House and said space was really a "peace weapon" rather than a "military might." He cited the international cooperation on space.

Mayor Richard J. Daley and People of Chicago Awarded Citation for Captive Nations Week Observance

EXTENSION OF REMARKS

OF

HON. ROMAN C. PUCINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 7, 1964

Mr. PUCINSKI. Mr. Speaker, earlier this week it was my great privilege to represent Mayor Richard J. Daley and the people of Chicago at a dinner sponsored by the Assembly of Captive European Nations which was held here in the Nation's Capital to honor those who have performed outstanding service in observing Captive Nations Week.

Chicago was selected as a recipient of this highly coveted award because, under the direction of Mayor Richard J. Daley, Chicago has held an annual Captive Nations Week observance in Grant Park which draws several thousand people of more than 32 various ethnic groups.

This year's observance by the city of Chicago drew an unusually large gathering indicating the strong feeling that large masses of Americans continue to have for the captive nations.

I was indeed pleased to receive this year's award in behalf of Mayor Daley and the people of Chicago. The mayor requested me to represent him because of the press of duties in Chicago.

Following is the citation which was read by Mr. Stefan Korbonski, vice president of the Assembly of Captive European Nations and one of the most daring Polish underground leaders during World War II.

Following Mr. Korbonski's introduction, are my own remarks which I delivered at this banquet:

The recipient of our award are the people and city of Chicago, represented here, at the request of Mayor Richard J. Daley by the Honorable ROMAN C. PUCINSKI, Member of the House of Representatives. In bestowing the award to the people of Chicago, to their government, congressional delegation, their press and civic organizations, we mean to give recognition to the fact that for many years they have been second to no other Amerian community in the scope and intensity of their backing for the cause we are trying to serve.

Our special recognition goes to the congressional delegation from Chicago. Democrats like BARRATT O'HARA, JOHN C. KLUCZYNSKI, ROLAND LIBONATI, WILLIAM T. MURPHY, ROMAN C. PUCINSKI, and DAN ROSTENKOWSKI; Republicans like EDWARD J. DERWINSKI, HAROLD L. COLLIER, and DONALD RUMSFELD—not to speak of the distinguished Senators of Illinois, Hon. PAUL H. DOUGLAS and EVERETT MCKINLEY DIRKSEN—have consistently raised their voice in support of the captive nations and their freedom aspirations. It goes equally to the press of the Windy City—the Chicago Sun-Times, the Chicago Tribune, Chicago's American, the Chicago Daily News, as well as to such outstanding national language papers as the Polish Dziennik Zwiazkowy; Dziennik Chicagoski; the Czechoslovak Hlasatel and the Lithuanian Draugas. We also want to honor the invaluable contribution of the Polish American Congress, the Czechoslovak National Council of America, and the American Lithuanian Council—all headquartered in Chicago—have brought to our common struggle.

In presenting the award to the people and city of Chicago we ask Congressman PUCINSKI to convey to Mayor Daley our respects and to the people of this great community our heartfelt appreciation.

The citation reads:

"To the city and people of Chicago always in forefront of Captive Nations Week observances in recognition of the great contribution they, their congressional delegation and press, have made to keeping the captive nations' cause a burning issue.

"WASHINGTON, D.C., *July 1964*.

"ASSEMBLY OF CAPTIVE EUROPEAN NATIONS."

Remarks of Congressman Roman C. Pucinski Before Captive Nations Awards Dinner, July 29, 1964

Mr. Chairman, ladies, and gentlemen: Mayor Richard J. Daley has asked me to extend to you his most sincere apology for not being able to be with you this evening to personally receive this very great honor which you are bestowing upon the people of Chicago.

We in Chicago are deeply grateful to the Assembly of Captive European Nations for this distinction. And, while we are truly thankful for this recognition, I should like to stress that Chicago has been in the forefront in observing Captive Nations Week as a continuation of the dynamic ethnic spirit which has built our great city.

Mayor Daley himself grew up in a neighborhood to which, at the turn of the century, came immigrants from many of those nations which today, tragically, are held captive by the Communists.

Chicago is a polyglot metropolis where you will find people of more than 32 separate and distinct ethnic backgrounds all living in harmony and good will toward one another. The people of Chicago for decades have served as a thriving example that people of different national origins and religious beliefs can find a common ground of respect and understanding for one another's cultural values.

I deeply regret Mayor Daley is not able to be with you this evening for, in his presence, you would find the embodiment of understanding for the hopes and aspirations of the various ethnic groups which comprise the city of Chicago.

It should come as no surprise that Chicago should be so prominent in arranging annually the largest Captive Nations Week observances in this country since the Congress established this commemorative practice in 1958.

Mayor Daley has been the moving spirit in implementing the request of Congress by providing the leadership for these impressive observances. And while the ceremonies we hold in Grant Park every third week in July are imposing in themselves, I feel compelled to remind you, ladies, and gentlemen, that in Chicago we rekindle the spirit of hope for the unfortunate victims behind the Iron Curtain by our conduct every day of the year.

And this is as it should be.

The people of Chicago join all freedom-loving Americans in daily rededicating ourselves to the proposition that the conscience of the world cannot rest until the millions of people now held captive behind the Iron Curtain, the Bamboo Curtain, and, yes, the Castro Curtain in Cuba, can once again rejoin the world family of free nations.

Mayor Daley has asked me to thank you for the honor you have bestowed on the people of Chicago this evening. Recognition by such a distinguished organization as the Assembly of Captive European Nations gives us renewed strength and determination to carry on in Chicago a concerted effort to keep alive the spirit of hope for the oppressed victims of communism.

The task ahead of us is monumental.

There can be no doubt the world today is in a state of continuing revolution. Social orders are changing. Even the Communists are beginning to feel the backlash to their own tyrannical colonialism.

History will judge America by the degree to which it is able to understand this running world revolution and the leadership and dedication with which it pursues the goal of universal human freedom.

President Johnson has been explicit in laying down guidelines the United States intends to follow in providing the dynamic leadership to insure this universal personal freedom. Let there be no mistake—President Johnson is firm and resolute in his determination to do all possible to keep the spirit of liberty throughout the world. His determination proudly follows the guidelines enumerated by our beloved late President, John F. Kennedy.

America today is actively and courageously engaged in trying to pull the individual captive nations from their Moscow orbit—and this will be done.

There will be no ticker-tape parade down Wall Street to mark a sudden victory of freedom over communism. Instead, it will be a slow but decisive process of evolution rather than revolution.

The struggle is gargantuan only because never before in the history of civilization has freedom been challenged by so formidable and extensive an adversary. Those who would raise false hopes of easy victory are guilty of the most brutal demagoguery.

Ultimate liberation of the captive nations will come when they are individually and then collectively pulled away from the complete domination of the Kremlin. This will be a long and painstaking process.

Today, though, we are encouraged to see not only the possibility, but the probability, that this will be done. Once these nations are free from Moscow rule and Soviet occupation, we know that their internal forces for freedom will work their will.

Our hopes may be based, in some instances, only on minute sparks indicating a more deep-seated resentment of the oppressive Communist philosophy. In other instances, these hopes are based on meaningful and significant developments behind the Iron Curtain.

We see in Poland today a persistent, steady, and determined effort being made by the Polish people to dilute their subservience to Moscow's Communist rule.

While it is true that the present regime in Poland continues virtual complete obedience to the Kremlin, the signs are clear that unrelenting pressures from the Polish people themselves foretell significant changes in the Moscow-Warsaw Axis.

We cannot ignore the fact that, despite all sorts of obstructions, more than 1 million people participate in religious observances in Czestochowa arranged by His Eminence Cardinal Wyszynski. Nor can we sweep under the rug the bold and heroic demands by 39 of Poland's outstanding literary figures for greater freedom in their writings and their travel.

It should be of profound significance to the free world that the Polish Communist Government had to capitulate to these demands.

This may be one of those sparks I referred to earlier, but a most significant one in that it demonstrates the rulers of Warsaw are today no longer complete masters of their own destiny.

It would be cruel to suggest that Poland by some magic will be liberated in the immediate future. The fact remains, however, that the unconquerable spirit of her people gives the Communists little comfort to look to the future with any security.

Nor can we ignore what has been happening in Czechoslovakia where, against tremendous odds, 3,000 bold students recently challenged their oppressors.

Nor can we look with impunity upon what is happening in Rumania. On the contrary, the U.S. Government has followed a very bold course in suggesting closer economic and cultural ties with the people of Rumania. The chaos which our discussions with the Rumanian Government have created in the Kremlin is a matter of public record.

There are strong indications that throughout the entire Communist cordon sanitaire behind the Iron Curtain, each of the captive nations is beginning to reflect in increasing degrees the unrest of the people against Communist subjugation.

Our greatest problem today is to be wary of those who would play Russian roulette with the future of millions of people behind the Iron Curtain.

Men of little faith in the ultimate triumph of freedom, and less understanding of the complex nature of the problem, would counsel us to overt, impetuous, military—yes, even nuclear—action to free the victims of communism behind the Iron Curtain.

History demonstrates the danger of this formula.

We need only look at the ill-fated Hungarian uprising to see the tragedy inherent in ill-timed and insufficiently armed rebellions.

To urge millions of unfortunate victims of communism behind the Iron Curtain toward overt acts at this time would be an act of cruelty unparalleled in history.

This is not the time for brinkmanship.

Indeed, we can see the day when these tragic victims of communism will again be free without laying waste their cities and leaving huge corridors of human devastation. We can see the day of their peaceful liberation by properly exploiting the present Sino-Soviet crises.

There are those who question the gravity of the philosophical and economic split between the Kremlin and Peiping. I respect their judgment, but all available evidence would indicate there is ample basis to treat the split as serious and meaningful.

The free world today must stand courageously on the side of freedom for those unhappy victims of Communist treachery. It would be my hope that the entire free world will join the United States in doing everything possible to pull the captive nations away from Moscow.

We have reason to believe that, with its hands full with Peping, Moscow has little alternative but to concede to such demands by the West.

Our own State Department should place renewed pressures on the Soviet Union during this period of Sino-Soviet crises for the removal of Soviet troops from the captive nations.

No time was ever more opportune for Western allies to forcefully press both Moscow and the Communist regimes within the captive nations for free and unfettered elections, guaranteed each of these nations in the wartime agreements negotiated between East and West.

It is my hope that the Western allies will also base their economic dealings with the captive nations, and the Soviet Union itself, on the basis of firm commitments for human dignity and freedom for their people.

The Western allies must also recognize the possibility of crushing the Communist cancer in Cuba from within by joining the United States in its economic embargo against this Caribbean republic. No one can deny that no captive nation has been more susceptible to liberating itself from the yoke of communism than Cuba is today, if only the free world will help tighten the final notch in this staggering example of Communist failures.

Finally, the United States should lead the way in encouraging among the people of the captive nations of Europe the creation of a third force which would ultimately serve as the balance wheel for lasting peace between East and West when freedom again returns to the entire world.

History dictates that indeed the people of those nations, which we today describe as the captive nations of Europe, have a common bond of friendship and cultural ties. During the past 20 years, they have suffered a common dignity at the hands of the Communists. It is my fervent belief that the people of these captive nations, once they regain their full freedom and are again free to choose their own governments, can be welded into one political-economic bloc which with its common interest, can serve as the third force of Europe separating East from West. It would be my hope that in this Captive Nations Assembly will be found men of wisdom and ability to work out the necessary details for such a concept.

The people of Western Europe need a catalyst; they need to know what the future holds for them once they have freed themselves from Communist oppression. It would appear to me that these captives of communism must be assured by the free world today against any further territorial changes; and they must be assured of full support from the Western allies in their economic development once they are free of their Communist yoke.

Your dinner here tonight serves again to emphasize the vital role that the captive nations of Europe play in the development of freedom throughout the world. The United States and the Western allies—particularly the nations of NATO—must understand that the resistance against communism by the people in these captive nations today indeed constitutes the free world's first line of defense.

There can be no doubt that Khrushchev's entire foreign policy would take on a more bold and arrogant nature if he and his Kremlin advisors believed for one second that they could count on these captive nations in the event of a confrontation with the West.

The spirit of these people remains high but the clock is running out.

A whole new generation has been brought up behind the Iron Curtain under severe Communist domination. We can find pride in the fact that the Communists have failed to corrupt the masses of youth behind the Iron Curtain with their despotic ideologies.

But this is no time for smugness.

In the captive nations of Europe today we see the seeds of new hope for the ultimate collapse of the Communist empire. God grant that the people of America, our Government, and the free people of the world, have the wisdom and the understanding to help these tragic victims of communism by helping establish an atmosphere of understanding and cooperation in their struggle for dignity and freedom.

HOUSE OF REPRESENTATIVES

SATURDAY, AUGUST 8, 1964

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

Galatians 6: 2: *Bear ye one another's burdens and so fulfill the law of Christ.*

Almighty God, who art the inspiration of every noble thought and every heroic achievement, Thou art our Companion to walk with us when we are lonely, and our Counselor to guide us when we are confused.

Grant that having received so much from Thee, we may be eager to give ourselves unto others, bearing the burdens of the weak, sharing our blessings with the needy, and manifesting unto all mankind the Christlike spirit of consideration and compassion, of kindness and good will.

May we be humble and mindful that the greatest and strongest have their shortcomings and failures and that the weakest have their virtues and graces and a capacity for nobility of character and service.

Make us receptive and responsive to the overtures of Thy love and guard us against those anxieties and fears which deplete our strength and disturb our peace.

To Thy name we shall ascribe all the praise. Amen.

THE JOURNAL

The SPEAKER. The Clerk will report the Journal of the preceding session.

The Clerk proceeded to read the Journal of the proceedings of yesterday.

Mr. ASHBROOK (interrupting the reading of the Journal). Mr. Speaker, I demand that the Journal be read in full.

The SPEAKER. The Clerk will read the Journal.

The Clerk resumed the reading of the Journal.

CALL OF THE HOUSE

Mr. GROSS (interrupting the reading of the Journal). Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 214]

Baring
Beckworth
Bennett, Mich.
Brock
Fino
Foreman
Harvey, Mich.
Jones, Mo.
Lankford
Long, Md.
Martin, Mass.
Meader
Michel
Mosher
Murray
Norblad
Osmers
Passman
Powell
Sheppard
Sikes
Siler

The SPEAKER. On this rollcall 409 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

THE JOURNAL

The SPEAKER. The Clerk will proceed with the reading of the Journal.

The Clerk resumed the reading of the Journal of the proceedings of yesterday.

Mr. ASHBROOK (interrupting the reading of the Journal). Mr. Speaker, I withdraw my request.

The SPEAKER. Without objection, the Journal of the proceedings of yesterday will be considered as read, and approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 11579. An act making appropriations for certain civil functions administered by the Department of Defense, the Panama Canal, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Saint Lawrence Seaway Development Corporation, the Tennessee Valley Authority, and the Delaware River Basin Commission, for the fiscal year ending June 30, 1965, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Ellender, Mr. Hayden, Mr. Russell, Mr. McClellan, Mr. Hill, Mr. Magnuson, Mr. Holland, Mr. Bible, Mr. McNamara, Mr. Pastore, Mr. Hruska, Mr. Young of North Dakota, Mr. Mundt, and Mrs. Smith to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the amendments of the House to a bill of the Senate of the following title:

S. 1833. An act to authorize Government agencies to provide quarters, household furniture and equipment, utilities, subsistence, and laundry service to civilian officers and employees of the United States, and for other purposes.

The message also announced that the Senate insists upon its amendment to the bill (H.R. 2215) entitled "An act for the relief of E. A. Rolfe, Jr.", disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Johnston, Mr. McClellan, and Mr. Hruska to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendment to the bill (H.R. 9653) entitled "An act to extend the authority of the Postmaster General to enter into leases of real property for periods not exceeding 30 years, and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1057) entitled "An act to promote the cause of criminal justice by providing for the representation of defendants who are financially unable to obtain an adequate defense in criminal cases in the courts of the United States."

ECONOMIC OPPORTUNITY ACT OF 1964

The SPEAKER. The unfinished business is the reading of the engrossed copy of the bill H.R. 11377, the Economic Opportunity Act of 1964. The Clerk will read the engrossed copy.

The Clerk proceeded to read the engrossed copy of the bill (H.R. 11377) to mobilize the human and financial resources of the Nation to combat poverty in the United States.

Mr. FRELINGHUYSEN (interrupting the reading of the engrossed copy of the bill). Mr. Speaker, I ask unanimous consent that further reading of the engrossed copy of the bill be dispensed with.

The **SPEAKER**. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

MOTION TO RECOMMIT

Mr. **FRELINGHUYSEN**. Mr. Speaker, I offer a motion to recommit.

The **SPEAKER**. Is the gentleman opposed to the bill?

Mr. **FRELINGHUYSEN**. I am, Mr. Speaker.

The **SPEAKER**. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. FRELINGHUYSEN moves to recommit the bill H.R. 11377 to the Committee on Education and Labor with instructions to report the same to the House forthwith with the following amendment:

"That this Act may be cited as the 'Human Resources Development Act of 1964'.

"Findings and Declaration of Purposes

"SEC. 2. Through the economic system of free enterprise, nurtured under a free society in which the powers of government are limited and decentralized so as to encourage maximum participation and responsibility on the part of individual citizens, the economic and social well-being of the United States have progressed to a level unequaled in world history. The opportunities for personal advancement and the benefits of widespread prosperity, although far exceeding that available to the citizens of any other nation, are unavailable to some citizens of the United States because of their lack of education, lack of training in marketable skills, location in areas afflicted by long-term economic dislocation, or condition of dependency due to social conditions over which they have little control.

"It has always been the policy of the United States, implemented by numerous Acts of the Congress and of State and local governments, to foster a society in which every person who is willing to work has the opportunity to live in decency and dignity. It is the purpose of this Act to strengthen, supplement, and coordinate efforts in furtherance of this policy without further centralizing power and responsibility in the Federal Government.

"TITLE I—STATE AND COMMUNITY ACTION PROGRAMS

"*Statement of purpose*

"SEC. 101. The purpose of this title is to authorize Federal grants to the States to assist in carrying out State, area, and community action programs which are a part of a coordinated State-designed plan to eliminate, through the improvement of educational and economic opportunities and the amelioration of conditions which breed dependency, the barriers to economic and social advancement of individuals residing in such State.

"Authorization of Appropriations

"SEC. 102. There are hereby authorized to be appropriated for each of the three fiscal years ending June 30, 1965, June 30, 1966, and June 30, 1967, $500,000,000 for the purpose of making grants to the States as provided in this title.

"Allotments to States

"SEC. 103. (a) The sums appropriated pursuant to section 102 shall be allotted among the States on the basis of the population of each State and the per capita income and number of unemployed in the respective States, as follows: The Secretary of Health, Education, and Welfare shall allot to each State for each fiscal year—

"(1) an amount which bears the same ratio to 50 per centum of the sums so appropriated for such year as the population of the State in the preceding fiscal year bears to the population of the United States; plus

"(2) an amount which bears the same ratio to 25 per centum of the sums so appropriated for such year as the product of the population of the State in the preceding fiscal year and the State's allotment ratio bears to the sum of the corresponding products for all the States; plus

"(3) an amount which bears the same ratio to 25 per centum of the sums so appropriated for such year as the number of unemployed persons in the work force in the State in the most recent year (on which data are available) bears to the number of unemployed persons in the work force in the United States in such year.

"(b) The amount of any State's allotment under subsection (a) for any fiscal year which is less than $100,000 shall be increased to that amount, the total of the increases thereby required being derived by proportionately reducing the allotments to each of the remaining States under such subsection, but with such adjustments as may be necessary to prevent the allotment of any State from being reduced to less than that amount.

"(c) The amount of any State's allotment under subsection (a) for any fiscal year which will not be required for such fiscal year for carrying out the State's plan approved under such subsection shall be available for reallotment from time to time, on such dates during such year as the Secretary may fix, to other States in proportion to their original allotments for such year (provided that each such other State certifies that it can use some or all of the amount available for reallotment to it to carry out its State plan), and any amount so reallotted to a State shall be deemed a part of its original allotment under subsection (a) for such year.

"(d) (1) The allotment ratio for any State shall be 1.00 less the product of (A) .50 and (B) the quotient obtained by dividing the per capita income for the State by the per capita income for all the States (exclusive of Puerto Rico, Guam, American Samoa, and the Virgin Islands), except that (i) the allotment ratio shall in no case be less than .25 or more than .75, and (ii) the allotment ratio for Puerto Rico, Guam, American Samoa, and the Virgin Islands shall be .75.

"(2) The allotment ratios shall be promulgated by the Secretary for each fiscal year, between July 1 and September 30 of the preceding fiscal year, except that for the fiscal year ending June 30, 1965, such allotment ratios shall be promulgated as soon as possible after the enactment of this part. Allotment ratios shall be computed on the basis of the average of the per capita incomes for a State and for all the States (exclusive of Puerto Rico, Guam, American Samoa, and the Virgin Islands) for the three most recent consecutive fiscal years for which satisfactory data are available from the Department of Commerce.

"(3) The term 'per capita income' for a State or for all the States (exclusive of Puerto Rico, Guam, American Samoa, and the Virgin Islands) for any fiscal year, means the total personal income for such State, and for all such States, respectively, in the calendar year ending in such fiscal year, divided by the population of such State, and of all such States, respectively, in such fiscal year.

"(4) The population of a State or of all the States shall be determined by the Secretary on the basis of the latest available estimates furnished by the Department of Commerce.

"Uses of Federal Funds

"SEC. 104. (a) Except as otherwise provided in subsection (b), a State's allotment under section 103 may be used, in accordance with its approved State plan, for any or all of the following purposes:

"(1) Special remedial education, residential schools, vocational-work camps, work-study arrangements, and similar educational programs for unemployed, out-of-school youth (or for youth who require assistance to remain in school) between the ages of sixteen and twenty-two (inclusive);

"(2) Employment of special teachers and other professional personnel, purchase of equipment, improvement of facilities or curriculums, and provision of special services for schools serving socially or economically depressed communities or neighborhoods;

"(3) Assistance for depressed urban areas and low-income urban families, including area economic development, improvement of education, housing, health, and social services, and job training and counseling;

"(4) Assistance for depressed rural areas and low-income rural families including area economic development, improvement of education, housing, health, and social services, and job training and counseling;

"(5) Special programs to serve the aging or other groups of persons who require assistance to become or remain self-sufficient;

"(6) Program evaluation, State administration and leadership, and research, studies, and demonstration projects related to problems of overcoming poverty and preventing dependency.

"(b) At least 50 per centum of any State's allotment for any fiscal year ending prior to July 1, 1966, and at least 33⅓ per centum of any State's allotment for each subsequent year shall be used for the purposes set forth in paragraph (1) or (2), or both.

"State Plans

"SEC. 105. (a) A State which desires to receive its allotments of Federal funds under this title shall submit to the Secretary a State plan, in such detail as the Secretary deems necessary, which—

"(1) provides for the designation or creation of a State resources development agency which shall be broadly representative of business, labor, industry, agriculture, education, social service organizations, and of the public within such State, which shall be the sole agency for the administration of the State plan;

"(2) sets forth the policies and procedures to be followed by the State agency in allocating each such allotment among the various uses set forth in paragraphs (1), (2), (3), (4) and (5) of section 104(a), and in allocating funds to local communities and areas within the State, which policies and procedures shall assure that due consideration will be given to periodic evaluations of results of local programs, that there is maximum coordination of private and public programs for these purposes within the State, and that Federal funds will be used to supplement or increase the amount of State and local funds that would, in the absence of such Federal funds, be made available for the uses set forth in section 104(a);

"(3) provides for the maximum possible local effort, utilizing both public and private agencies, in planning and carrying out community action programs designed to accomplish the purposes of this Act;

"(4) provides that educational programs assisted under this Act be approved and supervised by the appropriate State education agency or board responsible for public education within the State;

"(5) makes provision (to the extent permissible under applicable State law) for conducting in private, nonprofit schools any special programs of social services, health services, or nonsectarian remedial educational services such as are provided for children attending public schools in the same community, area, or neighborhood as a part of a community action program.

"(6) provides reasonable assurance that priority shall be given to programs in the most economically distressed areas of such State;

"(7) sets forth such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid to the State under this title, and provides for making such reports in such form and containing such information as the Secretary may reasonably require to carry out his functions under this Act; and

"(8) provides assurances that the requirements of section 108 will be complied with on all construction projects in the State assisted under this title.

"(b) The Secretary shall approve a State plan which fulfills the conditions specified in subsection (a), and shall not finally disapprove a State plan except after reasonable notice and opportunity for a hearing to the State agency designated pursuant to paragraph (1) of such subsection.

"(c) Whenever the Secretary, after reasonable notice and opportunity for hearing to the State agency administering a State plan approved under subsection (b), finds that—

"(1) the State plan has been so changed that it no longer complies with the provisions of subsection (a), or

"(2) in the administration of the plan there is a failure to comply substantially with any such provision, the Secretary shall notify such State agency that no further payments will be made to the State under this part (or, in his discretion, further payments to the State will be limited to programs under or portions of the State plan not affected by such failure), until he is satisfied that there will no longer be any failure to comply. Until he is so satisfied, the Secretary shall make no further payments to such State under this part (or shall limit payments to programs under or portions of the State plan not affected by such failure).

"(d) A State agency which is dissatisfied with a final action of the Secretary under subsection (b) or (c) may appeal to the United States court of appeals for the circuit in which the State is located, by filing a petition with such court within sixty days after such final action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary, or any officer designated by him for that purpose. The Secretary thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code. Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Secretary or to set it aside, in whole or in part, temporarily or permanently, but until the filing of the record the Secretary may modify or set aside his action. The findings of the Secretary as to the facts, if supported by a preponderance of the evidence, shall be conclusive, but the court, for good cause shown, may remand the case to the Secretary to take further evidence, and the Secretary may thereupon make new or modified findings of fact and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by a preponderance of the evidence. The judgment of the court affirming or setting aside, in whole or in part, any action of the Secretary shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code. The commencement of proceedings under this subsection shall operate as a stay of the Secretary's action.

"Payments to States—Matching Funds

"Sec. 106. (a) A State's allotment under section 103 for the fiscal year ending June 30, 1965, shall remain available for obligation by the State until June 30, 1966.

"(b) Any amount paid to a State from its allotments under section 103 for the fiscal year ending June 30, 1966, shall be available for paying 66⅔ per centum of the cost of carrying out the State plan under section 105; for the fiscal year ending June 30, 1967, such amount shall be available for paying 50 per centum of such cost.

"(c) In computing the non-Federal share of the cost of carrying out a State plan approved under section 103 for any fiscal year, State and local funds, private funds, gifts, and the reasonable value of contributed equipment, facilities, goods and services, may be included: *Provided, however*, That for any fiscal year beginning after June 30, 1966, at least 15 per centum of the non-Federal share of the cost must be derived from State funds appropriated by the legislature of such State.

"Programs in Nonprofit Schools

"Sec 107. In the instance of any State which is prohibited by the laws thereof from carrying out social, health, or special nonsectarian remedial education programs in nonprofit elementary and secondary schools, the requirement of section 105(a)(5) is waived. The State agency of such State shall certify to the Secretary those nonprofit schools in which such programs would be carried out, but for such legal prohibition, and the Secretary is authorized to arrange for the conduct of such programs in such schools and to pay from the State allotment in any fiscal year the Federal share of the cost of such programs.

"Labor Standards

"Sec. 108. All laborers and mechanics employed by contractors or subcontractors on all construction projects assisted under this part shall be paid wages at rates not less than those prevailing as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a—276a-5). The Secretary of Labor shall have, with respect to the labor standards specified in this section, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 5 U.S.C. 133z-15) and section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 276c).

"TITLE II—SPECIAL STUDIES

"Selective Service Examinations

"Sec. 201. (a) The Director of Selective Service shall conduct a thorough inquiry into the feasibility of reducing to sixteen years the age for preinduction examinations under the Selective Service System, in order that young men who are in need of, and can benefit from, special education, training, or rehabilitation programs may be identified and remedial services be made available to them at an early age.

"(b) Not later than six months after the effective date of this Act, the Director shall report to the President and the Congress concerning his findings from this inquiry, and such report shall contain any recommendations he may have for necessary administrative and legislative action to achieve the purposes herein set forth.

"Department of Defense

"Sec. 202. Not later than six months after the effective date of this Act, the Secretary of Defense shall transmit to the President and the Congress a full report, together with recommendations, concerning the military feasibility of reducing the age at which men actually are called up for military service under the Selective Service Act.

"Employment

"Sec. 203. (a) The Secretary of Labor shall conduct a thorough study of unemployment, its causes, incidence, areas of concentration and the reasons therefor; together with an analysis of existing employment information programs, with a view to determining additional categories of information which must be developed, and appraising new techniques which could be utilized in order to establish a comprehensive information program which would provide for the rapid correlation, exchange, and dissemination of current information on employment, unemployment, job opportunities, needed skills, and other data necessary to the effective utilization of civilian manpower in both private employment and meaningful training programs.

"(b) The Secretary shall make a preliminary report of his findings to the President and the Congress not later than six months after the effective date of this Act, and shall present a final report not later than one year after the effective date of this Act.

"Education

"Sec. 204. (a) The United States Commissioner of Education shall conduct a thorough study of the causes, incidence, and areas of concentration of school dropouts, together with a study of the incidence, causes, and areas of concentration of individuals who, despite their attendance in school to or beyond the eighth grade are unable to read, write, or do arithmetic at an eighth grade level; such study shall specifically include consideration of teacher education and teacher certification requirements, and shall include scholarly and other expert opinion from outside the field of professional education.

"(b) The Commissioner shall, to the fullest extent practicable, utilize the Cooperative Research Act in making this study, and shall present a report of his findings and recommendations to the President and Congress not later than one year after the effective date of this Act.

"Sec. 205. There are hereby authorized to be appropriated such sums as may be necessary for carrying out the purposes of this title.

"TITLE III—COORDINATION OF FEDERAL ANTI-POVERTY PROGRAMS

"Sec. 301. In order to insure that all Federal programs related to the purposes of this Act are carried out in a coordinated manner—

"(a) the Secretary is authorized to call upon other Federal agencies to supply such statistical data, program reports, and other materials as he deems necessary to discharge his responsibilities under this Act, and to assist the President in coordinating the antipoverty efforts of all Federal agencies;

"(b) Federal agencies which are engaged in administering programs related to the purposes of this Act, or which otherwise perform functions relating thereto, shall—

"(1) cooperate with the Secretary in carrying out his duties and responsibilities under this Act; and

"(2) carry out their programs and exercise their functions in such manner as will, to the maximum extent permitted by other applicable law, assist in carrying out the purposes of this Act; and

"(c) the President may direct that particular programs and functions, including the expenditure of funds, of the Federal agencies referred to in subsection (b) shall be carried out, to the extent not inconsistent with other applicable law, in conjunction with or in support of programs authorized under this Act.

"Preference to Community Action Programs

"Sec. 302. To the extent feasible and consistent with the provisions of law governing any Federal program and with the purposes of this Act, the head of each Federal agency administering any Federal program is directed to give preference to any application for assistance or benefits which is made pursuant to or in connection with a community action program approved pursuant to title I of this Act.

"Information Center

"Sec. 303. In order to insure that all Federal programs related to the purposes of this Act are utilized to the maximum extent possible, and to insure that information concerning such programs and other relevant information is readily available in one place to public officials and other interested persons, the Secretary is authorized as he deems appropriate to collect, prepare, analyze, correlate, and distribute such information, either free of charge or by sale at cost (any funds so received to be deposited to the Secretary's account as an offset to such cost), and make arrangements and pay for any printing and binding without regard to the provisions of any other law or regulation.

"TITLE IV—ADMINISTRATION

"Definitions

"SEC. 401. As used in this Act:

"(a) The term 'Secretary' means the Secretary of Health, Education, and Welfare.

"(b) The term 'State' means a State, the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, or the Virgin Islands.

"(c) The term 'agency', unless the context requires otherwise, means a department, agency, or other component of a Federal, State, or local governmental entity.

"(d) The term 'special nonsectarian remedial education' means instruction in reading, composition, mathematics, physical sciences, and English for those whose primary language is not English, in which there is no religious or sectarian content, conducted for individuals whose skills in such subjects fall below the grade level attained by them in school, or for adults requiring basic education.

"(e) The term 'community action program' means a program conducted in a community or area of a State in accordance with a State plan approved under title I of this Act, and approved by the State agency designated or established under section 105(a)(1).

"Reports

"SEC. 402. Not later than one hundred and twenty days after the close of each fiscal year, the Secretary shall prepare and submit to the President for transmittal to the Congress a full and complete report on the activities of the Office during such year.

"Federal Commission on Poverty

"SEC. 403. (a) There is hereby established a Federal Commission on Poverty, which shall conduct a thorough study of existing antipoverty programs of all segments of the Federal Government in order to determine how such programs may be coordinated and changed or combined to become more effective in operation.

"(b) The Commission shall include the Secretary of Health, Education, and Welfare, the Secretary of Defense, the Attorney General, the Secretaries of Interior, Agriculture, Commerce, and Labor, the Administrator of the Small Business Administration, the Chairman of the Council of Economic Advisers, the Director of Selective Service, or their designees, three Members of the Senate appointed by the President of the Senate, three Members of the House of Representatives appointed by the Speaker of the House, and three public members, to be appointed by the President, one of whom the President shall name Chairman of the Commission.

"(c) The Commission shall render a report to the President and the Congress, containing such recommendations for administrative and legislative action as it shall deem necessary, not later than June 30, 1965.

"National Advisory Council

"SEC. 404. There is hereby established in the Office of the Secretary a National Advisory Council. The Council shall be composed of the Secretary, who shall be Chairman, and not more than fourteen additional members appointed by the President, without regard to the civil service laws, who shall be representative of the public in general and appropriate fields of endeavor related to the purposes of this Act. Upon the request of the Secretary, the Council shall review the operations and activities under this Act, and shall make such recommendations with respect thereto as are appropriate. The Council shall meet at least once each year and at such other times as the Secretary may request.

"Federal Control

"SEC. 405. Nothing contained in this Act shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over the curriculum, program of instruction, administration, or personnel of any educational institution or school system.

"Changes in Existing Law

"SEC. 406. Sections 13, 14, and 15 of Public Law 88–210 (77 Stat. 415), relating to work-study programs for vocational education students and residential vocational schools, are hereby repealed."

Mr. FRELINGHUYSEN (interrupting the reading of the motion to recommit). Mr. Speaker, I ask unanimous consent that further reading of my amendment incorporated in my motion to recommit be dispensed with and that it be printed in the RECORD in full at this point.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The SPEAKER. The question is on the motion to recommit.

Mr. FRELINGHUYSEN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 117, nays 295, not voting 19, as follows:

[Roll No. 215]

YEAS—117

Abele
Adair
Alger
Anderson
Andrews, N. Dak.
Arends
Ashbrook
Auchincloss
Avery
Ayres
Baldwin
Barry
Bates
Battin
Becker
Beermann
Belcher
Bell
Barry
Betts
Bolton, Frances P.
Bolton, Oliver P.
Bray
Brock
Bromwell
Broomfield
Brotzman
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Burton, Utah
Cahill
Cederberg
Chamberlain
Chenoweth
Clawson, Del
Cleveland
Collier
Cramer
Cunningham
Curtin
Curtis
Dague
Ellsworth
Findley
Ford
Frelinghuysen
Goodell
Goodling
Griffin
Halleck
Harrison
Harsha
Harvey, Ind.
Hosmer
Jensen
Johnson, Pa.
Jonas
Keith
Kilburn
Kunkel
Kyl
Laird
Langen
Latta
Lindsay
Lipscomb
Lloyd
McCulloch
McDade
McIntire
MacGregor
Mailliard
Mathias
May
Miller, N.Y.
Morton
Nelsen
Ostertag
Pelly
Pirnie
Poff
Quie
Quillen
Reid, N.Y.
Reifel
Rhodes, Ariz.
Rich
Riehlman
Robison
Rumsfeld
St. George
Schenck
Schneebeli
Schweiker
Schwengel
Short
Shriver
Sibal
Skubitz
Springer
Stafford
Stinson
Taft
Talcott
Thomson, Wis.
Tollefson
Wallhauser
Weaver
Westland
Whalley
Wharton
Widnall
Wilson, Bob
Wilson, Ind.
Wydler
Wyman

NAYS—295

Abbitt
Abernethy
Addabbo
Albert
Andrews, Ala.
Ashley
Ashmore
Aspinall
Baker
Barrett
Bass
Bennett, Fla.
Blatnik
Boggs
Boland
Bolling
Bonner
Bow
Brademas
Brooks
Brown, Calif.
Bruce
Buckley
Burke
Burkhalter
Burleson
Burton, Calif.
Byrne, Pa.
Byrnes, Wis.
Cameron
Carey
Casey
Celler
Chelf
Clancy
Clark
Clausen, Don H.
Cohelan
Colmer
Conte
Cooley
Corbett
Corman
Daddario
Daniels
Davis, Ga.
Davis, Tenn.
Dawson
Delaney
Dent
Denton
Derounian
Devine
Diggs
Dingell
Dole
Donohue
Dorn
Dowdy
Downing
Dulski
Duncan
Dwyer
Edmondson
Edwards
Elliott
Everett
Evins
Fallon
Farbstein
Fascell
Feighan
Finnegan
Fisher
Flood
Flynt
Fogarty
Forrester
Fountain
Fraser
Friedel
Fulton, Pa.
Fulton, Tenn.
Fuqua
Gallagher
Garmatz
Gary
Gathings
Giaimo
Gibbons
Gilbert
Gill
Glenn
Gonzalez
Grabowski
Grant
Gray
Green, Oreg.
Green, Pa.
Griffiths
Gross
Grover
Gubser
Gurney
Hagan, Ga.
Hagen, Calif.
Haley
Hall
Halpern
Hanna
Hansen
Harding
Hardy
Baring
Hawkins
Hays
Healey
Hébert
Hechler
Henderson
Herlong
Hoeven
Hoffman
Holifield
Holland
Horan
Horton
Huddleston
Hull
Hutchinson
Ichord
Jarman
Jennings
Joelson
Johansen
Johnson, Calif.
Johnson, Wis.
Jones, Ala.
Karsten
Karth
Kastenmeier
Kee
Kelly
Keogh
Kilgore
King, Calif.
King, N.Y.
Kirwan
Kluczynski
Knox
Kornegay
Landrum
Leggett
Lennon
Lesinski
Libonati
Long, La.
Long, Md.
McClory
McDowell
McFall
McLoskey
McMillan
Macdonald
Madden
Mahon
Marsh
Martin, Calif.
Martin, Nebr.
Matsunaga
Matthews
Miller, Calif.
Milliken
Mills
Minish
Minshall
Monagan
Montoya
Moore
Moorhead
Morgan
Morris
Morrison
Morse
Moss
Multer
Murphy, Ill.
Murphy, N.Y.
Murray
Natcher
Nedzi
Nix
O'Brien
O'Hara, Ill.
O'Hara, Mich.
O'Konski
Olsen, Mont.
Olson, Minn.
O'Neill
Patman
Patten
Pepper
Perkins
Philbin
Pickle
Pike
Pilcher
Pillion
Poage
Pool
Powell
Price
Pucinski
Purcell
Rains
Randall
Reid, Ill.
Reuss
Rhodes, Pa.
Rivers, Alaska
Rivers, S.C.
Roberts, Ala.
Roberts, Tex.
Rodino
Rogers, Colo.
Rogers, Fla.
Rogers, Tex.
Rooney, N.Y.
Rooney, Pa.
Roosevelt
Rosenthal
Rostenkowski
Roudebush
Roush
Roybal
Ryan, Mich.
Ryan, N.Y.
St Germain
St. Onge
Saylor
Schadeberg
Scott
Secrest
Selden
Senner
Shipley
Sickles
Sisk
Slack
Smith, Calif.
Smith, Iowa
Smith, Va.
Snyder
Staebler
Staggers
Steed
Stephens
Stratton
Stubblefield
Sullivan
Taylor
Teague, Calif.
Teague, Tex.
Thomas
Thompson, La.
Thompson, N.J.
Thompson, Tex.
Toll
Trimble
Tuck
Tupper
Tuten
Udall
Ullman
Utt
Van Deerlin
Vanik
Van Pelt
Vinson
Waggonner
Watson
Watts
Weltner
White
Whitener
Whitten
Wickersham
Williams
Willis
Wilson, Charles H.
Winstead
Wright
Young
Younger
Zablocki

NOT VOTING—19

Baring
Beckworth
Bennett, Mich.
Derwinski
Fino
Foreman
Harvey, Mich.
Jones, Mo.
Lankford
Martin, Mass.
Meader
Michel
Mosher
Norblad
Osmers
Passman
Sheppard
Sikes
Siler

So the motion to recommit was rejected.

The Clerk announced the following pairs:

Mr. Martin of Massachusetts for, with Mr. Beckworth against.

Mr. Foreman for, with Mr. Lankford against.

Mr. Mosher for, with Mr. Passman against.

Mr. Osmers for, with Mr. Sikes against.

Mr. Fino for, with Mr. Sheppard against.

Mr. WHALLEY changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the passage of the bill.

Mr. HALLECK. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 226, nays 185, not voting 20, as follows:

[Roll No. 216]

YEAS—226

Addabbo
Albert
Ashley
Aspinall
Baldwin
Barrett
Bass
Blatnik
Boggs
Boland
Bolling
Bonner
Brademas
Brooks
Brown, Calif.
Buckley
Burke
Burkhalter
Burton, Calif.
Byrne, Pa.
Cahill
Cameron
Carey
Celler
Chelf
Clark
Cohelan
Conte
Cooley
Corbett
Corman
Daddario
Daniels
Davis, Ga.
Davis, Tenn.
Dawson
Delaney
Dent
Denton
Diggs
Dingell
Donohue
Dulski
Duncan
Dwyer
Edmondson
Edwards
Elliott
Everett
Evins
Fallon
Farbstein
Fascell
Feighan
Finnegan
Flood
Fogarty
Fountain
Fraser
Friedel
Fulton, Pa.
Fulton, Tenn.
Fuqua
Gallagher
Garmatz
Gary
Giaimo
Gibbons
Gilbert
Gill
Glenn
Gonzalez
Grabowski
Gray
Green, Oreg.
Green, Pa.
Griffiths
Hagen, Calif.
Halpern
Hanna
Hansen
Harding
Hardy
Hawkins
Hays
Healey
Hébert
Hechler
Henderson
Holifield
Holland
Horton
Hull
Ichord
Jennings
Joelson
Johnson, Calif.
Johnson, Wis.
Jones, Ala.
Karsten
Karth
Kastenmeier
Kee
Kelly
Keogh
King, Calif.
Kirwan
Kluczynski
Kornegay
Landrum
Leggett
Lesinski
Libonati
Lindsay
Long, La.
McDade
McDowell
McFall
Macdonald
Madden
Mahon
Mathias
Matsunaga
Matthews
Miller, Calif.
Milliken
Mills
Minish
Monagan
Montoya
Moore
Moorhead
Morgan
Morris
Morrison
Morse
Moss
Multer
Murphy, Ill.
Murphy, N.Y.
Murray
Natcher
Nedzi
Nix
O'Brien, N.Y.
O'Hara, Ill.
O'Hara, Mich.
O'Konski
Olsen, Mont.
Olson, Minn.
O'Neill
Patman
Patten
Pepper
Perkins
Philbin
Pickle
Pike
Pilcher
Poage
Powell
Price
Pucinski
Purcell
Rains
Randall
Reid, N.Y.
Reuss
Rhodes, Pa.
Rivers, Alaska
Rivers, S.C.
Roberts, Tex.
Rodino
Rogers, Colo.
Rooney, N.Y.
Rooney, Pa.
Roosevelt
Rosenthal
Rostenkowski
Roush
Roybal
Ryan, Mich.
Ryan, N.Y.
St Germain
St. Onge
Saylor
Secrest
Senner
Shipley
Sibal
Sickles
Sisk
Slack
Smith, Iowa
Staebler
Stafford
Staggers
Steed
Stephens
Stratton
Stubblefield
Sullivan
Taylor
Thomas
Thompson, La.
Thompson, N.J.
Thompson, Tex.
Toll
Trimble
Tupper
Udall
Ullman
Van Deerlin
Vanik
Vinson
Watts
Weltner
Whalley
White
Whitener
Wickersham
Willis
Wilson, Charles H.
Wright
Young
Zablocki

NAYS—185

Abbitt
Abele
Abernethy
Adair
Alger
Anderson
Andrews, Ala.
Andrews, N. Dak.
Arends
Ashbrook
Ashmore
Auchincloss
Avery
Ayres
Baker
Barry
Bates
Battin
Becker
Beermann
Belcher
Bell
Bennett, Fla.
Berry
Betts
Bolton, Frances P.
Bolton, Oliver P.
Bow
Bray
Brock
Bromwell
Broomfield
Brotzman
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Bruce
Burleson
Burton, Utah
Byrnes, Wis.
Casey
Cederberg
Chamberlain
Chenoweth
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Collier
Colmer
Cramer
Cunningham
Curtin
Curtis
Dague
Derounian
Devine
Dole
Dorn
Dowdy
Downing
Ellsworth
Findley
Fisher
Flynt
Ford
Forrester
Frelinghuysen
Gathings
Goodell
Goodling
Grant
Griffin
Gross
Grover
Gubser
Gurney
Hagan, Ga.
Haley
Hall
Halleck
Harris
Harrison
Harsha
Harvey, Ind.
Herlong
Hoeven
Hoffman
Horan
Hosmer
Huddleston
Hutchinson
Jarman
Jensen
Johansen
Johnson, Pa.
Jonas
Keith
Kilburn
Kilgore
King, N.Y.
Knox
Kunkel
Kyl
Laird
Langen
Latta
Lennon
Lipscomb
Lloyd
McClory
McCulloch
McIntire
McLoskey
McMillan
MacGregor
Mailliard
Marsh
Martin, Calif.
Martin, Nebr.
May
Michel
Miller, N.Y.
Minshall
Morton
Nelsen
Ostertag
Pelly
Pillion
Pirnie
Poff
Pool
Quie
Quillen
Reid, Ill.
Reifel
Rhodes, Ariz.
Rich
Riehlman
Roberts, Ala.
Robison
Rogers, Fla.
Roudebush
Rumsfeld
St. George
Schadeberg
Schenck
Schneebeli
Schweiker
Schwengel
Scott
Selden
Short
Shriver
Skubitz
Smith, Calif.
Smith, Va.
Snyder
Springer
Stinson
Taft
Talcott
Teague, Calif.
Teague, Tex.
Thomson, Wis.
Tollefson
Tuck
Tuten
Utt
Van Pelt
Waggonner
Wallhauser
Watson
Weaver
Westland
Wharton
Whitten
Widnall
Williams
Wilson, Bob
Wilson, Ind.
Winstead
Wydler
Wyman
Younger

NOT VOTING—20

Baring
Beckworth
Bennett, Mich.
Derwinski
Fino
Foreman
Harvey, Mich.
Jones, Mo.
Lankford
Long, Md.
Martin, Mass.
Meader
Mosher
Norblad
Osmers
Passman
Rogers, Tex.
Sheppard
Sikes
Siler

So the bill was passed.

The Clerk announced the following pairs:

Mr. Beckworth for, with Mr. Rogers of Texas against.

Mr. Lankford for, with Mr. Passman against.

Mr. Sheppard for, with Mr. Sikes against.

Mr. Siler for, with Mr. Mosher against.

Mr. Fino for, with Mr. Foreman against.

Mr. Martin of Massachusetts for, with Mr. Osmers against.

The result of the vote was announced as above recorded.

Mr. LANDRUM. Mr. Speaker, pursuant to House Resolution 806, I call up from the Speaker's table for immediate consideration the bill (S. 2642) to mobilize the human and financial resources of the Nation to combat poverty in the United States.

The Clerk read the title of the bill.

The Clerk read the Senate bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Economic Opportunity Act of 1964".

Findings and Declaration of Purpose

SEC. 2. Although the economic well-being and prosperity of the United States have progressed to a level surpassing any achieved in world history, and although these benefits are widely shared throughout the Nation, poverty continues to be the lot of a substantial number of our people. The United States can achieve its full economic and social potential as a nation only if every individual has the opportunity to contribute to the full extent of his capabilities and to participate in the workings of our society. It is, therefore, the policy of the United States to eliminate the paradox of poverty in the midst of plenty in this Nation by opening to everyone the opportunity for education and training, the opportunity to work, and the opportunity to live in decency and dignity. It is the purpose of this Act to strengthen, supplement, and coordinate efforts in furtherance of that policy.

TITLE I—YOUTH PROGRAMS

Part A—Job Corps

Statement of Purposes

SEC. 101. The purpose of this part is to prepare for the responsibilities of citizenship and to increase the employability of young men and young women aged sixteen through twenty-one by providing them in rural and urban residential centers with education, vocational training, useful work experience, including work directed toward the conservation of natural resources, and other appropriate activities.

Establishment of Job Corps

SEC. 102. In order to carry out the purposes of this part, there is hereby established within the Office of Economic Opportunity (hereinafter referred to as the "Office"), established by title VI, a Job Corps (hereinafter referred to as the "Corps").

Job Corps Program

SEC. 103. The Director of the Office (hereinafter referred to as the "Director") is authorized to—

(a) enter into agreements with any Federal, State, or local agency or private organization for the establishment and operation, in rural and urban areas, of conservation camps and training centers and for the provision of such facilities and services as in his judgment are needed to carry out the purposes of this part, including but not limited to agreements with agencies charged with the responsibility of conserving, developing, and managing the public natural resources of the Nation and of developing, managing, and protecting public recreational areas, whereby the enrollees of the Corps may be utilized by such agencies in carrying out, under the immediate supervision of such agencies, programs planned and designed by such agencies to fufill such responsibility, and including agreements for a botanical survey program involving surveys and maps of existing vegetation and investigations of the plants, soils, and environments of natural and disturbed plant communities;

(b) arrange for the provision of education and vocational training of enrollees in the Corps: *Provided,* That, where practicable, such programs may be provided through local public educational agencies or by private vocational educational institutions or technical institutes where such institutions or institutes can provide substantially equivalent training with reduced Federal expenditures;

(c) provide or arrange for the provision of programs of useful work experience and other appropriate activities for enrollees;

(d) establish standards of safety and health for enrollees and furnish or arrange for the furnishing of health services; and

(e) prescribe such rules and regulations and make such arrangements as he deems necessary to provide for the selection of enrollees and to govern their conduct after enrollment, including appropriate regulations as to the circumstances under which enrollment may be terminated.

Composition of the Corps

SEC. 104. (a) The Corps shall be composed of young men and young women who are permanent residents of the United States, who have attained age sixteen but have not attained age twenty-two at the time of enrollment, and who meet the standards for enrollment prescribed by the Director. Participation in the Corps shall not relieve any enrollee of obligations under the Universal Military Training and Service Act (50 U.S.C. App. 451 et seq.). Only in exceptional cases shall enrollees in the Corps be graduates of an accredited high school, and no person shall be accepted for enrollment in the Corps unless the local school authorities have concluded that further school attendance by such person in any regular academic, vocational, or training program, is not practicable.

(b) In order to enroll as a member of the Corps, an individual must agree to comply with rules and regulations promulgated by the Director for the government of the Corps.

(c) The total enrollment of any individual in the Corps shall not exceed two years except as the Director may determine in special cases.

Allowance and Maintenance

SEC. 105. (a) Enrollees may be provided with such living, travel, and leave allowances, and such quarters, subsistence, transportation, equipment, clothing, recreational services, medical, dental, hospital and other health services and other expenses as the Director may deem necessary or appropriate for their needs. Transportation and travel allowances may also be provided, in such circumstances as the Director may determine, for applicants for enrollment to or from places of enrollment, and for former enrollees from places of termination to their homes.

(b) Upon termination of his or her enrollment in the Corps, each enrollee shall be entitled to receive a readjustment allowance at a rate not to exceed $50 for each month of satisfactory participation therein as determined by the Director: *Provided, however,* That under such circumstances as the Director may determine a portion of the readjustment allowance of an enrollee not exceeding $25 for each month of satisfactory service may be paid during the period of service of the enrollee directly to a member of his or her family (as defined in section 609(c)) and any sum so paid shall be supplemented by the payment of an equal amount by the Director. In the event of the enrollee's death during the period of his or her service, the amount of any unpaid readjustment allowance shall be paid in accordance with the provisions of section 1 of the Act of August 3, 1950 (5 U.S.C. 61f).

Application of Provisions of Federal Law

SEC. 106. (a) Except as otherwise specifically provided in this part, an enrollee shall be deemed not to be a Federal employee and shall not be subject to the provisions of laws relating to Federal employment, including those relating to hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits.

(b) Enrollees shall be deemed to be employees of the United States for the purposes of the Internal Revenue Code of 1954 (26 U.S.C. 1 et seq.) and of title II of the Social Security Act (42 U.S.C. 401 et seq.), and any service performed by an individual as an enrollee shall be deemed for such purposes to be performed in the employ of the United States.

(c)(1) Enrollees under this part shall, for the purposes of the administration of the Federal Employees' Compensation Act (5 U.S.C. 751 et seq.), be deemed to be civil employees of the United States within the meaning of the term "employee" as defined in section 40 of such Act (5 U.S.C. 790) and the provisions thereof shall apply except as hereinafter provided.

(2) For purposes of this subsection:

(A) The term "performance of duty" in the Federal Employees' Compensation Act shall not include any act of an enrollee—

(i) while on authorized leave or pass; or

(ii) while absent from his or her assigned post of duty, except while participating in an activity authorized by or under the direction or supervision of the Corps.

(B) In computing compensation benefits for disability or death under the Federal Employees' Compensation Act, the monthly pay of an enrollee shall be deemed to be $150, except that with respect to compensation for disability accruing after the individual concerned reaches the age of twenty-one, such monthly pay shall be deemed to be that received under the entrance salary for GS-2 under the Classification Act of 1949 (5 U.S.C. 1071 et seq.), and section 6(d)(1) of the former Act (5 U.S.C. 756(d)(1)) shall apply to enrollees.

(C) Compensation for disability shall not begin to accrue until the day following the date on which the enrollment of the injured enrollee is terminated.

(d) An enrollee shall be deemed to be an employee of the Government for the purposes of the Federal tort claims provisions of title 28, United States Code.

(e) Personnel of the uniformed services who are detailed or assigned to duty in the performance of agreements made by the Director for the support of the Corps shall not be counted in computing strength under any law limiting the strength of such services or in computing the percentage authorized by law for any grade therein.

Political Discrimination and Political Activity

SEC. 107. (a) No officer or employee of the executive branch of the Federal Government shall make any inquiry concerning the political affiliation or beliefs of any enrollee or applicant for enrollment in the Corps. All disclosures concerning such matters shall be ignored, except as to such membership in political parties or organizations as constitutes by law a disqualification for Government employment. No discrimination shall be exercised, threatened or promised by any person in the executive branch of the Federal Government against or in favor of any enrollee in the Corps, or any applicant for enrollment in the Corps because of his political affiliation or beliefs, except as may be specifically authorized or required by law.

(b) No officer, employee or enrollee of the Corps shall take any active part in political management or in political campaigns, except as may be provided by or pursuant to statute, and no such officer, employee or enrollee shall use his official position or influence for the purpose of interfering with an election or affecting the result thereof. All such persons shall retain the right to vote as they may choose and to express, in their private capacities, their opinions on all political subjects and candidates.

(c) Whenever the United States Civil Service Commission finds that any person has violated the foregoing provisions, it shall, after giving due notice and opportunity for explanation to the officer or employee or enrollee concerned, certify the facts to the Director with specific instructions as to discipline or dismissal or other corrective actions.

State-Operated Youth Camps

SEC. 108. The Director is authorized to enter into agreements with States to assist in the operation or administration of State-operated programs which carry out the purpose of this part. The Director may, pursuant to such regulations as he may adopt, pay part or all of the operative or administrative costs of such programs.

Requirement for State Approval of Conservation Camps and Training Centers

SEC. 109. In carrying out the provisions of part A of this title no conservation camp, training center or other similar facility designed to carry out the purposes of this Act, shall be established within a State unless a plan setting forth such proposed establishment has been submitted to the Governor of the State and such plan has not been disapproved by him within thirty days of such submission.

Part B—Work-training programs

Statement of Purpose

SEC. 111. The purpose of this part is to provide useful work experience opportunities for unemployed young men and young women, through participation in State and community work-training programs, so that their employability may be increased or their education resumed or continued and so that public agencies and private nonprofit organizations will be enabled to carry out programs which will permit or contribute to an undertaking or service in the public interest that would not otherwise be provided, or will contribute to the conservation and development of natural resources and recreational areas.

Development of Programs

SEC. 112. In order to carry out the purposes of this part, the Director shall assist and cooperate with State and local agencies and private nonprofit organizations in developing programs for the employment of young people in State and community activities hereinafter authorized, which, whenever appropriate, shall be coordinated with programs of training and education provided by local public educational agencies.

Financial Assistance

SEC. 113. (a) The Director is authorized to enter into agreements providing for the payment by him of part or all of the cost of a State or local program submitted hereunder if he determines, in accordance with such regulations as he may prescribe, that—

(1) enrollees in the program will be employed either (A) on publicly owned and operated facilities or projects, or (B) on local projects sponsored by private nonprofit organizations, other than projects involving the construction, operations, or maintenance of so much of any facility used or to be used for sectarian instruction or as a place for religious worship;

(2) the program will increase the employability of the enrollees by providing work experience and training in occupational skills or pursuits in classifications in which the Director finds there is a reasonable expectation of employment, or will enable student enrollees to resume or to maintain school attendance;

(3) the program will permit or contribute to an undertaking or service in the public interest that would not otherwise be provided, or will contribute to the conservation, development, or management of the natural resources of the State or community or to the development, management, or protection of State or community recreational areas;

(4) the program will not result in the displacement of employed workers or impair existing contracts for services;

(5) the rates of pay and other conditions of employment will be appropriate and reasonable in the light of such factors as the type of work performed, geographical region, and proficiency of the employee;

(6) to the maximum extent feasible, the program will be coordinated with vocational training and educational services adapted to the special needs of enrollees in such program and sponsored by State or local public educational agencies: *Provided, however,* That where such services are inadequate or unavailable, the program may make provision for the enlargement, improvement, development, and coordination of such services with the cooperation of, or where appropriate pursuant to agreement with, the Secretary of Health, Education, and Welfare; and

(7) the program includes standards and procedures for the selection of applicants, including provisions assuring full coordination and cooperation with local and other authorities to encourage students to resume or maintain school attendance.

(b) In approving projects under this part, the Director shall give priority to projects with high training potential.

Enrollees in Program

SEC. 114. (a) Participation in programs under this part shall be limited to young men and women who are permanent residents of the United States, who have attained age sixteen but have not attained age twenty-two, and whose participation in such programs will be consistent with the purposes of this part.

(b) Enrollees shall be deemed not to be Federal employees and shall not be subject to the provisions of laws relating to Federal employment, including those relating to hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits.

(c) Where appropriate to carry out the purposes of this Act, the Director may provide for testing, counseling, job development, and referral services to youths through public agencies or private nonprofit organizations.

Limitations on Federal Assistance

SEC. 115. Federal assistance to any program pursuant to this part paid for the period ending two years after the date of enactment of this Act, or June 30, 1966, whichever is later, shall not exceed 90 per centum of the costs of such program, including costs of administration, and such assistance paid for periods thereafter shall not exceed 50 per centum of such costs, unless the Director determines, pursuant to regulations adopted and promulgated by him establishing objective criteria for such determinations, that assistance in excess of such percentages is required in furtherance of the purposes of this part. Non-Federal contributions may be in cash or in kind, fairly evaluated, including but not limited to plant, equipment, and services.

Equitable Distribution of Assistance

SEC. 116. The Director shall establish criteria designed to achieve an equitable distribution of assistance under this part among the States. In developing such criteria, he shall consider among other relevant factors the ratios of population, unemployment, and family income levels. Not more than 12½ per centum of the sums appropriated or allocated for any fiscal year to carry out the purposes of this part shall be used within any one State.

Part C—Work-study programs

Statement of Purpose

SEC. 121. The purpose of this part is to stimulate and promote the part-time employment of students in institutions of higher education who are from low-income families and are in need of the earnings from such employment to pursue courses of study at such institutions.

Allotments to States

SEC. 122. (a) From the sums appropriated to carry out this title for a fiscal year, the Director shall reserve the amount needed for making grants under section 123. Not to exceed 2 per centum of the amount so reserved shall be allotted by the Director among Puerto Rico, Guam, American Samoa, and the Virgin Islands according to their respective needs for assistance under this part. The remainder of the sums so reserved shall be allotted among the States as provided in subsection (b).

(b) Of the sums being allotted under this subsection—

(1) one-third shall be allotted by the Director among the States so that the allotment to each State under this clause will be an amount which bears the same ratio to such one-third as the number of persons enrolled on a full-time basis in institutions of higher education in such State bears to the total number of persons enrolled on a full-time basis in institutions of higher education in all the States,

(2) one-third shall be allotted by the Director among the States so that the allotment to each State under this clause will be an amount which bears the same ratio to such one-third as the number of high school graduates (as defined in section 103 (d)(3) of the Higher Education Facilities Act of 1963) of such State bears to the total number of such high school graduates of all the States, and

(3) one-third shall be allotted by him among the States so that the allotment to each State under this clause will be an amount which bears the same ratio to such one-third as the number of related children under eighteen years of age living in families with annual incomes of less than $3,000 in such State bears to the number of related children under eighteen years of age living in families with annual incomes of less than $3,000 in all the States.

(c) The amount of any State's allotment which has not been granted to an institution of higher education under section 123 at the end of the fiscal year for which appropriated shall be reallotted by the Director, in such manner as he determines will best assist in achieving the purposes of this Act. Amounts reallotted under this subsection shall be available for making grants under section 123 until the close of the fiscal year next succeeding the fiscal year for which appropriated.

(d) For purposes of this section, the term "State" does not include Puerto Rico, Guam, American Samoa, and the Virgin Islands.

Grants for Work-Study Programs

SEC. 123. The Director is authorized to enter into agreements with institutions of higher education (as defined by section 401 (f) of the Higher Education Facilities Act of 1963 (P.L. 88-204)) under which the Director will make grants to such institutions to assist in the operation of work-study programs as hereinafter provided.

Conditions of Agreements

SEC. 124. An agreement entered into pursuant to section 123 shall—

(a) provide for the operation by the institution of a program for the part-time employment of its students in work—

(1) for the institution itself, or

(2) for a public or private nonprofit organization when the position is obtained through an arrangement between the institution and such an organization and—

(A) the work is related to the student's educational objective, or

(B) such work (i) will be in the public interest and is work which would not otherwise be provided, (ii) will not result in the displacement of employed workers or impair existing contracts for services, and (iii) will be governed by such conditions of employment as will be appropriate and reasonable in light of such factors as the type of work performed, geographical region, and proficiency of the employee:

Provided, however, That no such work shall involve the construction, operation, or maintenance of so much of any facility used or to be used for sectarian instruction or as a place for religious worship;

(b) provide that funds granted an institution of higher education, pursuant to section 123 may be used only to make payments to students participating in work-study programs, except that an institution may use a portion of the sums granted to it to meet administrative expenses, but the amount so used may not exceed 5 per centum of the payments made by the Director to such institution for that part of the work-study program in which students are working for public or nonprofit organizations other than the institution itself;

(c) provide that employment under such work-study program shall be furnished only to a student who (1) is from a low-income family, (2) is in need of the earnings from such employment in order to pursue a course of study at such institution, (3) is capable, in the opinion of the institution, of maintaining good standing in such course of study while employed under the program covered by the agreement, and (4) has been accepted for enrollment as a full-time student at the institution or, in the case of a student already enrolled in and attending the institution, is in good standing and in full-time attendance there either as an undergraduate, graduate, or professional student;

(d) provide that no student shall be employed under such work-study program for more than fifteen hours in any week in which classes in which he is enrolled are in session;

(e) provide that in each fiscal year during which the agreement remains in effect, the institution shall expend (from sources other than payments under this part) for the employment of its students (whether or not in employment eligible for assistance under this part) an amount that is not less than its average annual expenditure for such employment during the three fiscal years preceding the fiscal year in which the agreement is entered into;

(f) provide that the Federal share of the compensation of students employed in the work-study program in accordance with the agreement will not exceed 90 per centum of such compensation for work performed during the period ending two years after the date of enactment of this Act, or June 30, 1966, whichever is later, and 75 per centum thereafter;

(g) include provisions designed to make employment under such work-study program, or equivalent employment offered or arranged for by the institution, reasonably available (to the extent of available funds) to all eligible students in the institution in need thereof; and

(h) include such other provisions as the Director shall deem necessary or appropriate to carry out the purposes of this part.

Sources of Matching Funds

SEC. 125. Nothing in this part shall be construed as restricting the source (other than this part) from which the institution may pay its share of the compensation of a student employed under a work-study program covered by an agreement under this part.

Equitable Distribution of Assistance

SEC. 126. The Director shall establish criteria designed to achieve such distribution of assistance under this part among institutions of higher education within a State as will most effectively carry out the purposes of this Act.

Part D—Authorization of appropriations

SEC. 131. The Director shall carry out the programs provided for in this title during the fiscal year ending June 30, 1965, and the two succeeding fiscal years. For the purpose of carrying out this title, there is hereby authorized to be appropriated the sum of $412,500,000 for the fiscal year ending June 30, 1965; and for the fiscal year ending June 30, 1966, and the fiscal year ending June 30, 1967, such sums may be appropriated as the Congress may hereafter authorize by law.

TITLE II—URBAN AND RURAL COMMUNITY ACTION PROGRAMS

Part A—General community action programs

Statement of Purpose

SEC. 201. The purpose of this part is to provide stimulation and incentive for urban and rural communities to mobilize their resources to combat poverty through community action programs.

Community Action Programs

SEC. 202. (a) The term "community action program" means a program—

(1) which mobilizes and utilizes resources, public or private, of any urban or rural, or combined urban and rural, geographical area (referred to in this part as a "community"), including but not limited to a State, metropolitan area, county, city, town, multicity unit, or multicounty unit in an attack on poverty;

(2) which provides services, assistance, and other activities of sufficient scope and size to give promise of progress toward elimination of poverty or a cause or causes of poverty through developing employment opportunities, improving human performance, motivation, and productivity, or bettering the conditions under which people live, learn, and work;

(3) which is developed, conducted, and administered with the maximum feasible participation of residents of the areas and members of the groups served; and

(4) which is conducted, administered, or coordinated by a public or private nonprofit agency, or a combination thereof, with maximum feasible participation of public agencies and private nonprofit organizations primarily concerned with the community's problems of poverty.

(b) The Director is authorized to prescribe such additional criteria for programs carried on under this part as he shall deem appropriate.

Allotment to States

SEC. 203. (a) From the sums appropriated to carry out this title for a fiscal year, the Director shall reserve the amount needed for carrying out sections 204 and 205. Not to exceed 2 per centum of the amount so reserved shall be allotted by the Director among Puerto Rico, Guam, American Samoa, and the Virgin Islands according to their respective needs for assistance under this part. Twenty per centum of the amount so reserved shall be allotted among the States as the Director shall determine. The remainder of the sums so reserved shall be allotted among the States as provided in subsection (b).

(b) Of the sums being allotted under this subsection—

(1) one-third shall be allotted by the Director among the States so that the allotment to each State under this clause will be an amount which bears the same ratio to such one-third as the number of public assistance recipients in such State bears to the total number of public assistance recipients in all the States;

(2) one-third shall be allotted by him among the States so that the allotment to each State under this clause will be an amount which bears the same ratio to such one-third as the annual average number of persons unemployed in such State bears to the annual average number of persons unemployed in all the States; and

(3) the remaining one-third shall be allotted by him among the States so that the allotment to each State under this clause will be an amount which bears the same ratio to such one-third as the number of related children under 18 years of age living in families with incomes of less than $1,000 in such State bears to the number of related children under 18 years of age living in families with incomes of less than $1,000 in all the States.

(c) The portion of any State's allotment under subsection (a) for a fiscal year which the Director determines will not be required for such fiscal year for carrying out this part shall be available for reallotment from time to time, on such dates during such year as the Director may fix, to other States in proportion to their original allotments for such year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum which the Director estimates such State needs and will be able to use for such year for carrying out this part; and the total of such reductions shall be similarly reallotted among the States whose proportionate amounts are not so reduced. Any amount reallotted to a State under this subsection during a year shall be deemed part of its allotment under subsection (a) for such year.

(d) For the purposes of this section, the term "State" does not include Puerto Rico, Guam, American Samoa, and the Virgin Islands.

Financial Assistance for Development of Community Action Programs

SEC. 204. The Director is authorized to make grants to, or to contract with, appropriate public or private nonprofit agencies, or combinations thereof, to pay part or all of the costs of development of community action programs.

Financial Assistance for Conduct and Administration of Community Action Programs

SEC. 205. (a) The Director is authorized to make grants to, or to contract with, public or private nonprofit agencies, or combinations thereof, to pay part or all of the costs of community action programs which have been approved by him pursuant to this part, including the cost of carrying out programs which are components of a community action program and which are designed to achieve the purposes of this part. Such component programs shall be focused upon the needs of low-income individuals and families and shall provide expanded and improved services, assistance, and other activities, and facilities necessary in connection therewith. Such programs shall be conducted in those fields which fall within the purposes of this part including employment, job training and counseling, health, vocational rehabilitation, housing, home management, welfare, and special remedial and other noncurricular educational assistance for the benefit of low-income individuals and families.

(b) No grant or contract authorized under this part may provide for general aid to elementary or secondary education in any school or school system.

(c) In determining whether to extend assistance under this section the Director shall consider among other relevant factors the incidence of poverty within the community and within the areas or groups to be affected by the specific program or programs, and the extent to which the applicant is in a position to utilize efficiently and expeditiously the assistance for which application is made. In determining the incidence of poverty the Director shall consider information available with respect to such factors as: the concentration of low-income families, particularly those with children; the extent of persistent unemployment and underemployment; the number and proportion of persons receiving cash or other assistance on a needs basis from public agencies or private organizations; the number of migrant or transient low-income families; school dropout rates, military service rejection rates, and other evidences of low educational attainment; the incidence of disease, disability, and infant mortality; housing conditions; adequacy of community facilities and services; and the incidence of crime and juvenile delinquency.

(d) In extending assistance under this section the Director shall give special consideration to programs which give promise of effecting a permanent increase in the capacity of individuals, groups, and communities to deal with their problems without further assistance.

Technical Assistance

SEC. 206. The Director is authorized to provide, either directly or through grants or other arrangements, (1) technical assistance to communities in developing, conducting, and administering community action programs, and (2) training for specialized personnel needed to develop, conduct, or administer such programs or to provide services or other assistance thereunder.

Research, Training, and Demonstrations

SEC. 207. The Director is authorized to conduct, or to make grants to or enter into contracts with institutions of higher education or other appropriate public agencies or private organizations for the conduct of, research, training, and demonstrations pertaining to the purposes of this part. Expenditures under this section in any fiscal year shall not exceed 15 per centum of the sums appropriated or allocated for such year to carry out the purposes of this part.

Limitations on Federal Assistance

SEC. 208. (a) Assistance pursuant to sections 204 and 205 paid for the period ending two years after the date of enactment of this Act, or June 30, 1966, whichever is later, shall not exceed 90 per centum of the costs referred to in those sections, respectively, and thereafter shall not exceed 50 per centum of such costs, unless the Director determines, pursuant to regulations adopted and promulgated by him establishing objective criteria for such determinations, that assistance in excess of such percentages is required in furtherance of the purposes of this part. Non-Federal contributions may be in cash or in kind, fairly evaluated, including but not limited to plant, equipment, and services.

(b) The expenditures or contributions made from non-Federal sources for a community action program or component thereof shall be in addition to the aggregate expenditures or contributions from non-Federal sources which were being made for similar purposes prior to the extension of Federal assistance.

Participation of State Agencies

SEC. 209. (a) The Director shall establish procedures which will facilitate effective participation of the States in community action programs.

(b) The Director is authorized to make grants to, or to contract with, appropriate State agencies for the payment of the expenses of such agencies in providing technical assistance to communities in developing, conducting, and administering community action programs.

(c) In carrying out the provisions of title I and title II of this Act, no contract, agreement, grant, loan, or other assistance shall be made with or provided to, any private nonprofit or other private institution or organization for the purpose of carrying out any program, project, or other activity within a State, except where such institution or organization is operating in conjunction with, or under the authority of, a public agency, unless a plan setting forth such proposed contract, agreement, grant, loan, or other assistance has been submitted to the Governor of the State, and such plan has not been disapproved by him within thirty days of such submission: *Provided, however,* That this section shall not apply to contracts, grants, loans, or other assistance to any institutions of higher education in existence on the date of the approval of this Act.

Equitable Distribution of Assistance

SEC. 210. The Director shall establish criteria designed to achieve an equitable distribution of assistance under this part within the States between urban and rural areas. In developing such criteria, he shall consider the relative numbers in the States or areas therein of: (1) low-income families, particularly those with children; (2) unemployed persons; (3) persons receiving cash or other assistance on a needs basis from public agencies or private organizations; (4) school dropouts; (5) adults with less than an eighth-grade education; and (6) persons rejected for military service.

Preference for Components of Approved Programs

SEC. 211. In determining whether to extend assistance under this Act, the Director shall, to the extent feasible, give preference to programs and projects which are components of a community action program approved pursuant to this part.

Part B—Adult basic education programs

Declaration of Purpose

SEC. 212. It is the purpose of this part to initiate programs of instruction for individuals who have attained age eighteen and whose inability to read and write the English language constitutes a substantial impairment of their ability to get or retain employment commensurate with their real ability, so as to help eliminate such inability and raise the level of education of such individuals with a view to making them less likely to become dependent on others, improving their ability to benefit from occupational training and otherwise increasing their opportunities for more productive and profitable employment, and making them better able to meet their adult responsibilities.

Grants to States

SEC. 213. (a) From the sums appropriated to carry out this title, the Director shall make grants to States which have State plans approved by him under this section.

(b) Grants under subsection (a) may be used, in accordance with regulations of the Director, to—

(1) assist in establishment of pilot projects by local educational agencies, relating to instruction in public schools, or other facilities used for the purpose by such agencies, of individuals described in section 212, to (A) demonstrate, test, or develop modifications, or adaptations in the light of local needs, of special materials or methods for instruction of such individuals, (B) stimulate the development of local educational agency programs for instruction of such individuals in such schools or other facilities, and (C) acquire additional information concerning the materials or methods needed for an effective program for raising adult basic educational skills;

(2) assist in meeting the cost of local educational agency programs for instruction of such individuals in such schools or other facilities; and

(3) assist in development or improvement of technical or supervisory services by the State educational agency relating to adult basic education programs.

State Plans

SEC. 214. (a) The Director shall approve for purposes of this part the plan of a State which—

(1) provides for administration thereof by the State educational agency;

(2) provides that such agency will make such reports to the Director, in such form and containing such information, as may reasonably be necessary to enable the Director to perform his duties under this part and will keep such records and afford such access thereto as the Director finds necessary to assure the correctness and verification of such reports;

(3) provides such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the State under this part (including such funds paid by the State to local educational agencies);

(4) provides for cooperative arrangements between the State educational agency and the State health authority looking toward provision of such health information and services for individuals described in section 212 as may be available from such agencies and as may reasonably be necessary to enable them to benefit from the instruction provided under programs conducted pursuant to grants under this part; and

(5) sets forth a program for use, in accordance with section 213(b), of grants under this part which affords assurance of substantial progress, within a reasonable period and with respect to all segments of the population and all areas of the State, toward elimination of the inability of adults to read and write English and toward substantially raising the level of education of individuals described in section 212.

(b) The Director shall not finally disapprove any State plan submitted under this part, or any modification thereof, without first affording the State educational agency reasonable notice and opportunity for a hearing.

Allotments

SEC. 215. (a) From the sums allocated for grants to States under section 213 for any fiscal year, the Director shall reserve such amount, but not in excess of 2 percentum thereof, as he may determine, and shall allot such amount among Puerto Rico, Guam, American Samoa, and the Virgin Islands according to their respective needs for assistance under this part. The remainder of the sums so allocated for a fiscal year shall be allotted by the Director on the basis of the relative number of individuals in each State who have attained age eighteen and who have completed not more than five grades of school or have not achieved an equivalent level of education, as determined by the Director on the basis of the best and most recent information available to him, including any relevant data furnished to him by the Department of Commerce. The amount allotted to any State under the preceding sentence for any fiscal year which is less than $50,000 shall be increased to that amount, the total thereby required being derived by proportionately reducing the amount allotted to each of the remaining States under the preceding sentence, but with such adjustments as may be necessary to prevent the allotment of any of such remaining States from being thereby reduced to less than $50,000. For the purposes of this subsection, the term "State" shall not include Puerto Rico, Guam, American Samoa, and the Virgin Islands.

(b) The portion of any State's allotment under subsection (a) for a fiscal year which the Director determines will not be required, for the period such allotment is available, for carrying out the State plan (if any) approved under this part shall be available for reallotment from time to time, on such dates during such period as the Director may fix, to other States in proportion to the original allotments to such States under subsection (a) for such year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum which the Director estimates such State needs and will be able to use for such period for carrying out its State plan approved under this part; and the total of such reductions shall be similarly reallocated among the States whose proportionate amounts are not so reduced. Any amount reallotted to a State under this subsection during a year shall be deemed part of its allotment under subsection (a) for such year.

(c) The allotment of any State under subsection (a) for the fiscal year ending June 30, 1965, shall, except to the extent reallotted under subsection (b), remain available until June 30, 1966, for obligation by such State for carrying out its State plan approved under this part.

Payments

SEC. 216. (a) From a State's allotment available for the purpose, the Federal share of expenditures, under its State plan, for the purposes set forth in section 213(b) shall be paid to such State. Such payments shall be made in advance on the basis of estimates by the Director; and may be made in such installments as the Director may determine, after making appropriate adjustments to take account of previously made overpayments or underpayments; except that no such payments shall be made for any fiscal year unless the Director finds that the amount available for expenditures for adult basic educational programs and services from State sources for such year will be not less than the amount expended for such purposes from such sources during the preceding fiscal year.

(b) For the fiscal year ending June 30, 1965, and the fiscal year ending June 30, 1966, the Federal share for each State shall be 90 per centum. For the succeeding fiscal year the Federal share for any State shall be 50 per centum.

Operation of State Plans; Hearings and Judicial Review

SEC. 217. (a) Whenever the Director, after reasonable notice and opportunity for hearing to the State educational agency administering a State plan approved under this part, finds that—

(1) the State plan has been so changed that it no longer complies with the provisions of section 214, or

(2) in the administration of the plan there is a failure to comply substantially with any such provision,

the Director shall notify such State agency that no further payments will be made to the State under this part (or in his discretion, that further payments to the State will be limited to programs under or portions of the State plan not affected by such failure), until he is satisfied that there will no longer be any failure to comply. Until he is so satisfied, no further payments may be made to such State under this part (or payments shall be limited to programs under or portions of the State plan not affected by such failure).

(b) A State educational agency dissatisfied with a final action of the Director under section 214 or subsection (a) of this section may appeal to the United States court of appeals for the circuit in which the State is located, by filing a petition with such court within sixty days after such final action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Director, or any officer designated by him for that purpose. The Director thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code. Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Director or to set it aside, in whole or in part, temporarily or permanently, but until the filing of the record, the Director may modify or set aside his order. The findings of the Director as to the facts, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may remand the case to the Director to take further evidence, and the Director may thereupon make new or modified findings of fact and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence. The judgment of the court affirming or setting aside, in whole or in part, any action of the Director shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code. The commencement of proceedings under this subsection shall not, unless so specifically ordered by the court, operate as a stay of the Director's action.

Miscellaneous

SEC. 218. For purposes of this part—

(1) the term "State educational agency" means the State board of education or other agency or officer primarily responsible for the State supervision of public elementary and secondary schools, or, if different, the agency or officer primarily responsible for supervision of adult basic education in public schools, whichever may be designated by the Governor or by State law, or, if there is no such agency or officer, an agency or officer designated by the Governor or by State law;

(2) the term "local educational agency" means a board of education or other legally constituted local school authority having administrative control and direction of public elementary or secondary schools in a city, county, township, school district, or political subdivision in a State, except that if there is a separate board or other legally constituted local authority having administrative control and direction of adult basic education in public schools therein, it means such other board or authority.

Part C—Voluntary assistance program for needy children

Statement of Purpose

SEC. 219. The purpose of this part is to allow individual Americans to participate in a personal way in the war on poverty, by voluntarily assisting in the support of one or more needy children, in a program coordinated with city or county social welfare agencies.

Authority to Establish Information Center

SEC. 220. (a) In order to carry out the purposes of this part, the Director is authorized to establish a section within the Office of Economic Opportunity to act as an information and coordination center to encourage voluntary assistance for deserving and needy children. Such section shall collect the names of persons who voluntarily desire to assist financially such children and shall secure from city or county social welfare agencies such information concerning deserving and needy children as the Director shall deem appropriate.

(b) It is the intent of the Congress that the section established pursuant to this part shall act solely as an information and coordination center and that nothing in this part shall be construed as interfering with the jurisdiction of State and local welfare agencies with respect to programs for needy children.

Part D—Authorization of appropriations

SEC. 221. The Director shall carry out the programs provided for in this title during the fiscal year ending June 30, 1965, and the two succeeding fiscal years. For the purpose of carrying out this title, there is hereby authorized to be appropriated the sum of $340,000,000 for the fiscal year ending June 30, 1965; and for the fiscal year ending June 30, 1966, and the fiscal year ending June 30, 1967, such sums may be appropriated as the Congress may hereafter authorize by law.

TITLE III—SPECIAL PROGRAMS TO COMBAT POVERTY IN RURAL AREAS

Statement of Purpose

SEC. 301. It is the purpose of this title to meet some of the special problems of rural poverty and thereby to raise and maintain the income and living standards of low-income rural families and migrant agricultural employees and their families.

Part A—Authority to make grants and loans

SEC. 302. (a) The Director is authorized to make—

(1) loans of not to exceed $1,500 to low-income rural families where, in the judgment of the Director, such loans have a reasonable possibility of effecting a permanent increase in the income of such families by assisting or permitting them to—

(A) acquire or improve real estate or reduce encumbrances or erect improvements thereon,

(B) operate or improve the operation of farms not larger than family sized, including but not limited to the purchase of feed, seed, fertilizer, livestock, poultry, and equipment, or

(C) participate in cooperative associations; and

(2) loans to such families, having a maximum maturity of fifteen years and in amounts not exceeding $2,500 in the aggregate to any family at any one time, to finance nonagricultural enterprises which will enable such families to supplement their income.

(b) Loans under this section shall be made only if the family is not qualified to obtain such funds by loan under other Federal programs. The Director may reduce or release obligations resulting from a loan made under this section if he finds that the debtor has attempted in good faith to comply with his loan obligations and that either the objective for which the loan was made will likely not be achieved or the indebtedness exceeds the debtor's reasonable payment ability.

Cooperative Associations

SEC. 303. The Director is authorized to make loans to local cooperative associations furnishing essential processing, purchasing, or marketing services, supplies, or facilities predominantly to low-income rural families.

Limitations on Assistance

SEC. 304. No financial or other assistance shall be provided under this part unless the Director determines that—

(a) the providing of such assistance will materially further the purposes of this part, and

(b) in the case of assistance provided pursuant to section 303, the applicant is fulfilling or will fulfill a need for services, facilities, or activities which is not otherwise being met.

Loan Terms and Conditions

SEC. 305. Loans pursuant to sections 302 and 303 shall have such terms and conditions as the Director shall determine, subject to the following limitations:

(a) there is reasonable assurance of repayment of the loan;

(b) the credit is not otherwise available on reasonable terms from private sources or other Federal, State, or local programs;

(c) the amount of the loan, together with other funds available, is adequate to assure completion of the project or achievement of the purposes for which the loan is made;

(d) the loan bears interest at a rate not less than (1) a rate determined by the Secretary of the Treasury, taking into consideration the average market yield on outstanding Treasury obligations of comparable maturity, plus (2) such additional charge, if any, toward covering other costs of the program as the Director may determine to be consistent with its purposes;

(e) with respect to loans made pursuant to section 303, the loan is repayable within not more than thirty years; and

(f) no financial or other assistance shall be provided under this part to or in connection with any corporation or cooperative organization for the production of agricultural commodities or for manufacturing purposes.

Part B—Assistance for migrant agricultural employees and their families

SEC. 311. The Director shall develop and implement as soon as practicable a program to assist the States, political subdivisions of States, public and nonprofit agencies, institutions, organizations, farm associations, or individuals in establishing and operating programs of assistance for migrant agricultural employees and their families which programs shall be limited to housing, sanitation, education, and day care of children. Institutions, organizations, farm associations, or individuals shall be limited to direct loans.

Part C—Authorization of appropriations

SEC. 321. The Director shall carry out the program provided for in this title during the fiscal year ending June 30, 1965, and the two succeeding fiscal years. For the purpose of carrying out this title, there is hereby authorized to be appropriated the sum of $35,000,000 for the fiscal year ending June 30, 1965; and for the fiscal year ending June 30, 1966, and for the fiscal year ending June 30, 1967, such sums may be appropriated as the Congress may hereafter authorize by law. Not to exceed $15,000,000 of the funds appropriated under other titles of this Act for the fiscal year ending June 30, 1965, may also be utilized for the purposes of part B of this title.

Part D—Indemnity payments to dairy farmers

SEC. 331 (a) The Secretary of Agriculture is authorized to make indemnity payments, at a fair market value, to dairy farmers who have been directed since January 1, 1964, to remove their milk from commercial markets because it contained residues of chemicals registered and approved for use by the Federal Government at the time of such use. Such indemnity payments shall continue to each dairy farmer until he has been reinstated and is again allowed to dispose of his milk on commercial markets.

(b) There is hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

(c) The authority granted under this section shall expire on January 31, 1965.

TITLE IV—EMPLOYMENT AND INVESTMENT INCENTIVES

Statement of Purpose

SEC. 401. It is the purpose of this title to assist in the establishment, preservation, and strengthening of small business concerns and improve the managerial skills employed in such enterprises; and to mobilize for these objectives private as well as public managerial skills and resources.

Loans, Participations, and Guaranties

SEC. 402. The Director is authorized to make, participate (on an immediate basis) in, or guarantee loans, repayable in not more than fifteen years, to any small business concern (as defined in section 3 of the Small Business Act (15 U.S.C. 632) and regulations issued thereunder), or to any qualified person seeking to establish such a concern, when he determines that such loans will assist in carrying out the purposes of this title, with particular emphasis on employment of the long-term unemployed: *Provided, however,* That no such loans shall be made, participated in, or guaranteed if the total of such Federal assistance to a single borrower outstanding at any one time would exceed $25,000. The Director may defer payments on the principal of such loans for a grace period and use such other methods as he deems necessary and appropriate to assure the successful establishment and operation of such concern. The Director may, in his discretion, as a condition of such financial assistance, require that the borrower take steps to improve his management skills by participating in a management training program approved by the Director. The Director shall encourage, as far as possible, the participation of the private business community in the program of assistance to such concerns.

Coordination With Community Action Programs

SEC. 403. No financial assistance shall be provided under section 402 in any community for which the Director has approved a community action program pursuant to title II of this Act unless such financial assistance is determined by him to be consistent with such program.

Financing Under Small Business Act

SEC. 404. Such lending and guaranty functions under this title as may be delegated to the Small Business Administration may be financed with funds appropriated to the revolving fund established by section 4(c) of the Small Business Act (15 U.S.C. 633(c)) for the purposes of sections 7(a), 7(b), and 8(a) of that Act (15 U.S.C. 636(a), 636(b), 637 (a)).

Loan Terms and Conditions

SEC. 405. Loans made pursuant to section 402 (including immediate participations in and guaranties of such loans) shall have such terms and conditions as the Director shall determine, subject to the following limitations—

(a) there is reasonable assurance of repayment of the loan;

(b) the financial assistance is not otherwise available on reasonable terms from private sources or other Federal, State, or local programs;

(c) the amount of the loan, together with other funds available, is adequate to assure completion of the project or achievement of the purposes for which the loan is made;

(d) the loan bears interest at a rate not less than (1) a rate determined by the Secretary of the Treasury, taking into consideration the average market yield on outstanding Treasury obligations of comparable maturity, plus (2) such additional charge, if any, toward covering other costs of the program as the Director may determine to be consistent with its purposes: *Provided, however*, That the rate of interest charged on loans made in redevelopment areas designated under the Area Redevelopment Act (42 U.S.C. 2501 et seq.) shall not exceed the rate currently applicable to new loans made under section 6 of that Act (42 U.S.C. 2505); and

(e) fees not in excess of amounts necessary to cover administrative expenses and probable losses may be required on loan guaranties.

Limitation on Financial Assistance

SEC. 406. No financial assistance shall be extended pursuant to this title where the Director determines that the assistance will be used in relocating establishments from one area to another or in financing subcontractors to enable them to undertake work theretofore performed in another area by other subcontractors or contractors.

Duration of Program

SEC. 407. The Director shall carry out the programs provided for in this title during the fiscal year ending June 30, 1965, and the two succeeding fiscal years.

TITLE V—WORK EXPERIENCE PROGRAMS

Statement of Purpose

SEC. 501. It is the purpose of this title to expand the opportunities for constructive work experience and other needed training available to persons who are unable to support or care for themselves or their families. In carrying out this purpose, the Director shall make maximum use of the programs available under the Manpower Development and Training Act of 1962, as amended, and Vocational Education Act of 1963.

Payments for Experimental, Pilot, and Demonstration Projects

SEC. 502. In order to stimulate the adoption of programs designed to help unemployed fathers and other needy persons to secure and retain employment or to attain or retain capability for self-support or personal independence, the Director is authorized to transfer funds appropriated or allocated to carry out the purposes of this title to the Secretary of Health, Education, and Welfare to enable him to make payments for experimental, pilot, or demonstration projects under section 1115 of the Social Security Act (42 U.S.C. 1315), subject to the limitations contained in section 409(a) (1) to (6), inclusive, of such Act (42 U.S.C. 609(a)(1)–(6)), in addition to the sums otherwise available pursuant thereto. The costs of such projects to the United States for the fiscal year ending June 30, 1965, shall, notwithstanding the provisions of such Act, be met entirely from funds appropriated or allocated to carry out the purposes of this title.

Authorization of Appropriations

SEC. 503. The Director shall carry out the programs provided for in this title during the fiscal year ending June 30, 1965, and the two succeeding fiscal years. For the purpose of carrying out this title, there is hereby authorized to be appropriated the sum of $150,000,000 for the fiscal year ending June 30, 1965; and for the fiscal year ending June 30, 1966, and the fiscal year ending June 30, 1967, such sums may be appropriated as the Congress may hereafter authorize by law.

TITLE VI—ADMINISTRATION AND COORDINATION

Part A—Administration

Office of Economic Opportunity

SEC. 601. (a) There is hereby established in the Executive Office of the President the Office of Economic Opportunity. The Office shall be headed by a Director who shall be appointed by the President, by and with the advice and consent of the Senate. There shall also be in the Office one Deputy Director and three Assistant Directors who shall be appointed by the President, by and with the advice and consent of the Senate. The Deputy Director and the Assistant Directors shall perform such functions as the Director may from time to time prescribe.

(b) Notwithstanding the provisions of section 5(b) of the Reorganization Act of 1949 (5 U.S.C. 133z–3(b)), at any time after one year from the date of enactment hereof the President may, by complying with the procedures established by that Act, provide for the transfer of the Office from the Executive Office of the President and for its establishment elsewhere in the executive branch as he deems appropriate.

(c) The compensation of the Director of the Office of Economic Opportunity shall be fixed by the President at a rate not in excess of the annual rate of compensation payable to the Director of the Bureau of the Budget.

(d) The compensation of the Deputy Director of the Office of Economic Opportunity shall be fixed by the President at a rate not in excess of the annual rate of compensation payable to the Deputy Director of the Bureau of the Budget.

(e) The compensation of the Assistant Directors of the Office of Economic Opportunity shall be fixed by the President at a rate not in excess of the annual rate of compensation payable to the Assistant Secretaries of the Executive Departments.

Authority of Director

SEC. 602. In addition to the authority conferred upon him by other sections of this Act, the Director is authorized, in carrying out his functions under this Act, to—

(a) appoint in accordance with the civil service laws such personnel as may be necessary to enable the Office to carry out its functions, and, except as otherwise provided herein, fix their compensation in accordance with the Classification Act of 1949 (5 U.S.C. 1071 et seq.);

(b) employ experts and consultants or organizations thereof as authorized by section 15 of the Administrative Expenses Act of 1946 (5 U.S.C. 55a), compensate individuals so employed at rates not in excess of $100 per diem, including travel time, and allow them, while away from their homes or regular places of business, travel expenses (including per diem in lieu of subsistence) as authorized by section 5 of such Act (5 U.S.C. 73b–2) for persons in the Government service employed intermittently, while so employed: *Provided, however*, That contracts for such employment may be renewed annually;

(c) appoint, without regard to the civil service laws, one or more advisory committees composed of such private citizens and officials of the Federal, State, and local governments as he deems desirable to advise him with respect to his functions under this Act; and members of such committees (including the National Advisory Council established in section 605), other than those regularly employed by the Federal Government, while attending meetings of such committees or otherwise serving at the request of the Director, shall be entitled to receive compensation and travel expenses as provided in subsection (b) with respect to experts and consultants;

(d) with the approval of the President, arrange with and reimburse the heads of other Federal agencies for the performance of any of his functions under this Act and, as necessary or appropriate, delegate any of his powers under this Act and authorize the redelegation thereof;

(e) utilize, with their consent, the services and facilities of Federal agencies without reimbursement, and, with the consent of any State or a political subdivision of a State, accept and utilize the services and facilities of the agencies of such State or subdivision without reimbursement;

(f) accept in the name of the Office, and employ or dispose of in furtherance of the purposes of this Act, or of any title thereof, any money or property, real, personal, or mixed, tangible or intangible, received by gift, devise, bequest, or otherwise;

(g) accept voluntary and uncompensated services, notwithstanding the provisions of section 3679(b) of the Revised Statutes (31 U.S.C. 665(b));

(h) allocate and expend, or transfer to other Federal agencies for expenditure, funds made available under this Act as he deems necessary to carry out the provisions hereof, including (without regard to the provisions of section 4774(d) of title 10, United States Code) expenditure for construction, repairs, and capital improvements;

(i) disseminate, without regard to the provisions of section 4154 of title 39, United States Code, data and information, in such form as he shall deem appropriate, to public agencies, private organizations, and the general public;

(j) adopt an official seal, which shall be judicially noticed;

(k) notwithstanding any other provision of law relating to the acquisition, handling, or disposal of real or personal property by the United States, deal with, complete, rent, renovate, modernize, or sell for cash or credit at his discretion any properties acquired by him in connection with loans, participations, and guaranties made by him pursuant to titles III and IV of this Act;

(l) collect or compromise all obligations to or held by him and all legal or equitable rights accruing to him in connection with the payment of obligations until such time as such obligations may be referred to the Attorney General for suit or collection;

(m) expend, without regard to the provisions of any other law or regulation, funds made available for purposes of this Act (1) for printing and binding, and (2) for rent of buildings and space in buildings and for repair, alteration, and improvement of buildings and space in buildings rented by him; but the Director shall not utilize the authority contained in this clause (A) except when necessary in order to obtain an item, service, or facility, which is required in the proper administration of this Act, and which otherwise could not be obtained, or could not be obtained in the quantity or quality needed, or at the time, in the form, or under the conditions in which, it is needed, and (B) prior to having given written notification to the Administrator of General Services (if the exercise of such authority would affect an activity which otherwise would be under the jurisdiction of the General Services Administration) or the Chairman of the Joint Committee on Printing (if the exercise of such authority would affect an activity which otherwise would be under the jurisdiction of such Committee) of his intention to exercise such authority, the item, service, or facility with respect to which such authority is proposed to be exercised, and the reasons and justifications for the exercise of such authority; and

(n) establish such policies, standards, criteria, and procedures, prescribe such rules and regulations, enter into such contracts and agreements with public agencies and private organizations and persons, make such payments (in lump sum or installments, and in advance or by way of reimbursement, and in the case of grants, with necessary adjustments on account of overpayments or underpayments), and generally perform such functions and take such steps as he may deem to be necessary or appropriate to carry out the provisions of this Act.

Volunteers in Service to America

SEC. 603. (a) The Director is authorized to recruit, select, train, and—

(1) upon request of State or local agencies or private nonprofit organizations, refer volunteers to perform duties in furtherance of programs combating poverty at a State or local level; and

(2) in cooperation with other Federal, State, or local agencies involved, assign volunteers to work (A) in meeting the health, education, welfare, or related needs of Indians living on reservations, of migratory workers and their families, or of residents of the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, or the Trust Territory of the Pacific Islands; (B) in the care and rehabilitation of the mentally ill or mentally retarded under treatment at nonprofit mental health or mental retardation facilities assisted in their construction or operation by Federal funds; and (C) in furtherance of programs or activities authorized or supported under title I or II of this Act.

(b) The referral or assignment of volunteers shall be on such terms and conditions as the Director may determine, but volunteers shall not be referred or assigned to duties or work in any State without the consent of the Governor.

(c) The Director is authorized to provide to all volunteers during training and to volunteers assigned pursuant to subsection (a) (2) such stipend, not to exceed $50 per month, such living, travel, and leave allowances, and such housing, transportation (including travel to and from the place of training), supplies, equipment, subsistence, clothing, and health and dental care as the Director may deem necessary or appropriate for their needs.

(d) Volunteers shall be deemed not to be Federal employees and shall not be subject to the provisions of laws relating to Federal employment, including those relating to hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits, except that all volunteers during training and such volunteers as are assigned pursuant to subsection (a)(2) shall be deemed Federal employees to the same extent as enrollees of the Corps under section 106 (b), (c), and (d) of this Act.

Economic Opportunity Council

SEC. 604. (a) There is hereby established an Economic Opportunity Council, which shall consult with and advise the Director in carrying out his functions, including the coordination of antipoverty efforts by all segments of the Federal Government.

(b) The Council shall include the Director, who shall be Chairman, the Secretary of Defense, the Attorney General, the Secretaries of the Interior, Agriculture, Commerce, Labor, and Health, Education, and Welfare, the Housing and Home Finance Administrator, the Administrator of the Small Business Administration, the Chairman of the Council of Economic Advisers, the Director of Selective Service, and such other agency heads as the President may designate, or delegates thereof.

National Advisory Council

SEC. 605. There is hereby established in the Office a National Advisory Council. The Council shall be composed of the Director, who shall be Chairman, and not more than fourteen additional members appointed by the President, without regard to the civil service laws, who shall be representative of the public in general and appropriate fields of endeavor related to the purposes of this Act. Upon the request of the Director, the Council shall review the operations and activities of the Office, and shall make such recommendations with respect thereto as are appropriate. The Council shall meet at least once each year and at such other times as the Director may request.

Revolving Fund

SEC. 606. (a) To carry out the lending and guaranty functions authorized under titles III and IV of this Act, there is authorized to be established a revolving fund. The capital of the fund shall consist of such amounts as may be advanced to it by the Director from funds appropriated pursuant to section 321 and shall remain available until expended.

(b) The Director shall pay into miscellaneous receipts of the Treasury, at the close of each fiscal year, interest on the capital of the fund at a rate determined by the Secretary of the Treasury, taking into consideration the average market yield on outstanding Treasury obligations of comparable maturity during the last month of the preceding fiscal year. Interest payments may be deferred with the approval of the Secretary of the Treasury, but any interest payments so deferred shall themselves bear interest.

(c) Whenever any capital in the fund is determined by the Director to be in excess of current needs, such capital shall be credited to the appropriation from which advanced, where it shall be held for future advances.

(d) Receipts from any lending and guaranty operations under this Act (except operations under title IV carried on by the Small Business Administration) shall be credited to the fund. The fund shall be available for the payment of all expenditures of the Director for loans, participations, and guaranties authorized under titles III and IV of this Act.

Labor Standards

SEC. 607. All laborers and mechanics employed by contractors or subcontractors in the construction, alteration or repair, including painting and decorating of projects, buildings and works which are federally assisted under this Act shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a—276a-5). The Secretary of Labor shall have, with respect to such labor standards, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267; 5 U.S.C. 133—133z-15), and section 2 of the Act of June 13, 1934, as amended (48 Stat. 948, as amended; 40 U.S.C. 276(c)).

Reports

SEC. 608. Not later than one hundred and twenty days after the close of each fiscal year, the Director shall prepare and submit to the President for transmittal to the Congress a full and complete report on the activities of the Office during such year.

Definitions

SEC. 609. As used in this Act:

(a) The term "State" means a State, the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, or the Virgin Islands, and the term "United States", when used in a geographical sense, includes the foregoing and all other places, continental or insular, including the Trust Territory of the Pacific Islands, subject to the jurisdiction of the United States.

(b) The term "agency", unless the context requires otherwise, means department, agency, or other component of a Federal, State, or local governmental entity.

(c) The term "family," in the case of a Job Corps enrollee, means—

(1) the spouse or child of an enrollee, and

(2) any other relative who draws substantial support from the enrollee.

Part B—Coordination of antipoverty programs

Coordination

SEC. 611. (a) In order to insure that all Federal programs related to the purposes of this Act are carried out in a coordinated manner—

(1) the Director is authorized to call upon other Federal agencies to supply such statistical data, program reports, and other materials as he deems necessary to discharge his responsibilities under this Act, and to assist the President in coordinating the antipoverty efforts of all Federal agencies;

(2) Federal agencies which are engaged in administering programs related to the purposes of this Act, or which otherwise perform functions relating thereto, shall—

(A) cooperate with the Director in carrying out his duties and responsibilities under this Act; and

(B) carry out their programs and exercise their functions in such manner as will, to the maximum extent permitted by other applicable law, assist in carrying out the purposes of this Act; and

(3) the President may direct that particular programs and functions, including the expenditure of funds, of the Federal agencies referred to in paragraph (2) shall be carried

out, to the extent not inconsistent with other applicable law, in conjunction with or in support of programs authorized under this Act.

(b) In order to insure that all existing Federal agencies are utilized to the maximum extent possible in carrying out the purposes of this Act, no funds appropriated to carry out this Act shall be used to establish any new department or office when the intended function is being performed by an existing department or office.

Preference to Community Action Programs

SEC. 612. To the extent feasible and consistent with the provisions of law governing any Federal program and with the purposes of this Act, the head of each Federal agency administering any Federal program is directed to give preference to any application for assistance or benefits which is made pursuant to or in connection with a community action program approved pursuant to title II of this Act.

Information Center

SEC. 613. In order to insure that all Federal programs related to the purposes of this Act are utilized to the maximum extent possible, and to insure that information concerning such programs and other relevant information is readily available in one place to public officials and other interested persons, the Director is authorized as he deems appropriate to collect, prepare, analyze, correlate, and distribute such information, either free of charge or by sale at cost (any funds so received to be deposited to the Director's account as an offset to such cost), and make arrangements and pay for any printing and binding without regard to the provisions of any other law or regulation.

Prohibition of Federal Control

SEC. 614. Nothing contained in this Act shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over the curriculum, program of instruction, administration, or personnel of any educational institution or school system.

Authorization of Appropriations

SEC. 615. The Director shall carry out the programs provided for in this title during the fiscal year ending June 30, 1965, and the two succeeding fiscal years. For the purpose of carrying out this title (other than for purposes of making credits to the revolving fund established by section 606(a)), there is hereby authorized to be appropriated the sum of $10,000,000 for the fiscal year ending June 30, 1965; and for the fiscal year ending June 30, 1966, and the fiscal year ending June 30, 1967, such sums may be appropriated as the Congress may hereafter authorize by law.

TITLE VII—TREATMENT OF UNEMPLOYMENT COMPENSATION BENEFITS AND INCOME FOR CERTAIN PUBLIC ASSISTANCE PURPOSES

Unemployment Compensation

SEC. 701. (a) No individual who otherwise is entitled, under title XV of the Social Security Act or the unemployment compensation law of any State, to any unemployment benefit shall be denied such benefit, or have such benefit reduced, solely because he or any other person participated in any work, training, or other activity, provided by any program established by, pursuant to, or assisted under, title I or II of this Act.

(b) No individual shall be denied participation in any work, training, or other activity provided by any program established by, pursuant to, or assisted under, title I or II of this Act solely because he, or any other person, receives, or is entitled to receive, any benefit under any unemployment compensation law.

Public Assistance

SEC. 702. (a) Notwithstanding the provisions of titles I, IV, X, XIV, and XVI of the Social Security Act, a State plan approved under any such title shall provide that—

(1) the first $85 plus one-half of the excess over $85 of payments made to or on behalf of any person for or with respect to any month under title I or II of this Act or any program assisted under such title shall not be regarded (A) as income or resources of such person in determining his need under such approved State plan, or (B) as income or resources of any other individual in determining the need of such other individual under such approved State plan;

(2) no payments made to or on behalf of any person for or with respect to any month under such title or any such program shall be regarded as income or resources of any other individual in determining the need of such other individual under such approved State plan except to the extent made available to or for the benefit of such other individual; and

(3) no grant made to any family under title III of this Act shall be regarded as income or resources of such family in determining the need of any member thereof under such approved State plan.

(b) No funds to which a State is otherwise entitled under title I, IV, X, XIV, or XVI of the Social Security Act for any period before July 1, 1965, shall be withheld by reason of any action taken pursuant to a State statute which prevents such State from complying with the requirements of subsection (a).

Mr. LANDRUM. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LANDRUM: Strike out all after the enacting clause of the bill S. 2642 and insert in lieu thereof the provisions contained in H.R. 11377 as passed by the House, as follows:

"H.R. 11377

"An act to mobilize the human and financial resources of the Nation to combat poverty in the United States

"*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the 'Economic Opportunity Act of 1964'.

"FINDINGS AND DECLARATION OF PURPOSE

"SEC. 2. Although the economic well-being and prosperity of the United States have progressed to a level surpassing any achieved in world history, and although these benefits are widely shared throughout the Nation, poverty continues to be the lot of a substantial number of our people. The United States can achieve its full economic and social potential as a nation only if every individual has the opportunity to contribute to the full extent of his capabilities and to participate in the workings of our society. It is, therefore, the policy of the United States to eliminate the paradox of poverty in the midst of plenty in this Nation by opening to everyone the opportunity for education and training, the opportunity to work, and the opportunity to live in decency and dignity. It is the purpose of this Act to strengthen, supplement, and coordinate efforts in furtherance of that policy.

"TITLE I—YOUTH PROGRAMS

"*Part A—Job Corps*

"Statement of Purpose

"SEC. 101. The purpose of this part is to prepare for the responsibilities of citizenship and to increase the employability of young men and young women aged sixteen through twenty-one by providing them in rural and urban residential centers with education, vocational training, useful work experience, including work directed toward the conservation of natural resources, and other appropriate activities.

"Establishment of Job Corps

"SEC. 102. In order to carry out the purposes of this part, there is hereby established within the Office of Economic Opportunity (hereinafter referred to as the 'Office'), established by title VI, a Job Corps (hereinafter referred to as the 'Corps').

"Job Corps Program

"SEC. 103. The Director of the Office (hereinafter referred to as the 'Director') is authorized to—

"(a) enter into agreements with any Federal, State, or local agency or private organization for the establishment and operation, in rural and urban areas, of conservation camps and training centers and for the provision of such facilities and services as in his judgment are needed to carry out the purposes of this part, including but not limited to agreements with agencies charged with the responsibility of conserving, developing, and managing the public natural resources of the Nation and of developing, managing, and protecting public recreational areas, whereby the enrollees of the Corps may be utilized by such agencies in carrying out, under the immediate supervision of such agencies, programs planned and designed by such agencies to fulfill such responsibility, and including agreements for a botanical survey program involving surveys and maps of existing vegetation and investigations of the plants, soils, and environments of natural and disturbed plant communities;

"(b) arrange for the provision of education and vocational training of enrollees in the Corps: *Provided,* That, where practicable, such programs may be provided through local public educational agencies or by private vocational educational institutions or technical institutes where such institutions or institutes can provide substantially equivalent training with reduced Federal expenditures;

"(c) provide or arrange for the provision of programs of useful work experience and other appropriate activities for enrollees;

"(d) establish standards of safety and health for enrollees, and furnish or arrange for the furnishing of health services; and

"(e) prescribe such rules and regulations and make such arrangements as he deems necessary to provide for the selection of enrollees and to govern their conduct after enrollment, including appropriate regulations as to the circumstances under which enrollment may be terminated.

"Composition of the Corps

"SEC. 104. (a) The Corps shall be composed of young men and young women who are permanent residents of the United States, who have attained age sixteen but have not attained age twenty-two at the time of enrollment, and who meet the standards for enrollment prescribed by the Director. Participation in the Corps shall not relieve any enrollee of obligations under the Universal Military Training and Service Act (50 U.S.C. App. 451 et seq.).

"(b) In order to enroll as a member of the Corps, an individual must agree to comply with rules and regulations promulgated by the Director for the government of the Corps.

"(c) The total enrollment of any individual in the Corps shall not exceed two years except as the Director may determine in special cases.

"(d) Each enrollee must execute and file with the Director an affidavit that he does not believe in, and is not a member of and does not support any organization that believes in or teaches, the overthrow of the United States Government by force or violence or by any illegal or unconstitutional methods, and (2) each enrollee must take and subscribe to an oath or affirmation in the following form: 'I do solemnly swear (or affirm) that I will bear true faith and allegiance to the United States of America and will support and defend the Constitution and laws of the United States against all its enemies foreign and domestic.'. The provisions of section 1001 of title 18, United States Code, shall be applicable with respect to such affidavits.

"Allowance and Maintenance

"SEC. 105. (a) Enrollees may be provided with such living, travel, and leave allowances, and such quarters, subsistence, transportation, equipment, clothing, recreational services, medical, dental, hospital, and other health services, and other expenses as the Director may deem necessary or appropriate for their needs. Transportation and travel allowances may also be provided, in such circumstances as the Director may determine, for applicants for enrollment to or from places of enrollment, and for former enrollees from places of termination to their homes.

"(b) Upon termination of his or her enrollment in the Corps, each enrollee shall be entitled to receive a readjustment allowance at a rate not to exceed $50 for each month of satisfactory participation therein as determined by the Director: *Provided, however,* That under such circumstances as the Director may determine a portion of the readjustment allowance of an enrollee not exceeding $25 for each month of satisfactory service may be paid during the period of service of the enrollee directly to a member of his or her family (as defined in section 609(c)) and any sum so paid shall be supplemented by the payment of an equal amount by the Director. In the event of the enrollee's death during the period of his or her service, the amount of any unpaid readjustment allowance shall be paid in accordance with the provisions of section 1 of the Act of August 3, 1950 (5 U.S.C. 61f).

"Application of Provisions of Federal Law

"SEC. 106. (a) Except as otherwise specifically provided in this part, an enrollee shall be deemed not to be a Federal employee and shall not be subject to the provisions of laws relating to Federal employment, including those relating to hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits.

"(b) Enrollees shall be deemed to be employees of the United States for the purposes of the Internal Revenue Code of 1954 (26 U.S.C. 1 et seq.) and of title II of the Social Security Act (42 U.S.C. 401 et seq.), and any service performed by an individual as an enrollee shall be deemed for such purposes to be performed in the employ of the United States.

"(c) (1) Enrollees under this part shall, for the purposes of the administration of the Federal Employees' Compensation Act (5 U.S.C. 751 et seq.), be deemed to be civil employees of the United States within the meaning of the term 'employee' as defined in section 40 of such Act (5 U.S.C. 790) and the provisions thereof shall apply except as hereinafter provided.

"(2) For purposes of this subsection:

"(A) The term 'performance of duty' in the Federal Employees' Compensation Act shall not be any act of an enrollee—

"(i) while on authorized leave or pass; or

"(ii) while absent from his or her assigned post of duty, except while participating in an activity authorized by or under the direction or supervision of the Corps.

"(B) In computing compensation benefits for disability or death under the Federal Employees' Compensation Act, the monthly pay of an enrollee shall be deemed to be $150, except that with respect to compensation for disability accruing after the individual concerned reaches the age of twenty-one such monthly pay shall be deemed to be that received under the entrance salary for GS–2 under the Classification Act of 1949 (5 U.S.C. 1071 et seq.), and section 6(d) (1) of the former Act (5 U.S.C. 756(d)(1)) shall apply to enrollees.

"(C) Compensation for disability shall not begin to accrue until the day following the date on which the enrollment of the injured enrollee is terminated.

"(d) An enrollee shall be deemed to be an employee of the Government for the purposes of the Federal tort claims provisions of title 28, United States Code.

"(e) Personnel of the uniformed services who are detailed or assigned to duty in the performance of agreements made by the Director for the support of the Corps shall not be counted in computing strength under any law limiting the strength of such services or in computing the percentage authorized by law for any grade therein.

"Political Discrimination and Political Activity

"SEC. 107. (a) No officer or employee of the executive branch of the Federal Government shall make any inquiry concerning the political affiliation or beliefs of any enrollee or applicant for enrollment in the Corps. All disclosures concerning such matters shall be ignored, except as to such membership in political parties or organizations as constitutes by law a disqualification for Government employment. No discrimination shall be exercised, threatened or promised by any person in the executive branch of the Federal Government against or in favor of any enrollee in the Corps, or any applicant for enrollment in the Corps because of his political affiliation or beliefs, except as may be specifically authorized or required by law.

"(b) No officer, employee, or enrollee of the Corps shall take any active part in political management or in political campaigns, except as may be provided by or pursuant to statute, and no such officer, employee or enrollee shall use his official position or influence for the purpose of interfering with an election or affecting the result thereof. All such persons shall retain the right to vote as they may choose and to express, in their private capacities, their opinions on all political subjects and candidates. Any officer, employee, enrollee or Federal employee who solicits funds for political purposes from members of the Corps, shall be in violation of the Corrupt Practices Act.

"(c) Whenever the United States Civil Service Commission finds that any person has violated the foregoing provisions, it shall, after giving due notice and opportunity for explanation to the officer or employee or enrollee concerned, certify the facts to the Director with specific instructions as to discipline or dismissal or other corrective actions.

"State-Operated Youth Camps

"SEC. 108. The Director is authorized to enter into agreements with States to assist in the operation or administration of State-operated programs which carry out the purpose of this part. The Director may, pursuant to such regulations as he may adopt, pay part or all of the operative or administrative costs of such programs.

"Requirement for State Approval of Conservation Camps and Training Centers

"SEC. 109. In carrying out the provisions of part A of this title no conservation camp, training center or other similar facility designed to carry out the purposes of this Act, shall be established within a State unless a plan setting forth such proposed establishment has been submitted to the Governor of the State and such plan has not been disapproved by him within thirty days of such submission.

"SEC. 110. Within the Job Corps there is authorized a Youth Conservation Corps in which at any one time no less than 40 per centum of the enrollees under this part shall be assigned to camps where their work activity is directed primarily toward conserving, developing, and managing the public natural resources of the Nation, and developing, managing, and protecting public recreational areas. Such work activity shall be performed under the direction of members of agencies charged with the responsibility of conserving, developing, and managing the public natural resources and of developing, managing, and protecting public recreational areas.

"Part B—Work-training programs

"Statement of Purpose

"SEC. 111. The purpose of this part is to provide useful work experience opportunities for unemployed young men and young women, through participation in State and community work-training programs, so that their employability may be increased or their education resumed or continued and so that public agencies and private nonprofit organizations (other than political parties) will be enabled to carry out programs which will permit or contribute to an undertaking or service in the public interest that would not otherwise be provided, or will contribute to the conservation and development of natural resources and recreational areas.

"Development of Programs

"SEC. 112. In order to carry out the purposes of this part, the Director shall assist and cooperate with State and local agencies and private nonprofit organizations (other than political parties) in developing programs for the employment of young people in State and community activities hereinafter authorized, which whenever appropriate, shall be coordinated with programs of training and education provided by local public educational agencies.

"Financial Assistance

"SEC. 113. (a) The Director is authorized to enter into agreements providing for the payment by him of part or all of the cost of a State or local program submitted hereunder if he determines, in accordance with such regulations as he may prescribe, that—

"(1) enrollees in the program will be employed either (A) on publicly owned and operated facilities or projects, or (B) on local projects sponsored by private nonprofit organizations (other than political parties), other than projects involving the construction, operation, or maintenance of so much of any facility used or to be used for sectarian instruction or as a place for religious worship;

"(2) the program will increase the employability of the enrollees by providing work experience and training in occupational skills or pursuits in classifications in which the Director finds there is a reasonable expectation of employment, or will enable student enrollees to resume or to maintain school attendance;

"(3) the program will permit or contribute to an undertaking or service in the public interest that would not otherwise be provided, or will contribute to the conservation, development, or management of the natural resources of the State or community or to the development, management, or protection of State or community recreational areas;

"(4) the program will not result in the displacement of employed workers or impair existing contracts for services;

"(5) the rates of pay and other conditions of employment will be appropriate and reasonable in the light of such factors as the type of work performed, geographical region, and proficiency of the employee;

"(6) to the maximum extent feasible, the program will be coordinated with vocational training and educational services adapted to the special needs of enrollees in such program and sponsored by State or local public educational agencies: *Provided, however,* That where such services are inadequate or unavailable, the program may make provision for the enlargement, improvement, development, and coordination of such services with the cooperation of, or where appropriate pursuant to agreement with, the Secretary of Health, Education, and Welfare; and

"(7) the program includes standards and procedures for the selection of applicants, including provisions assuring full coordination and cooperation with local and other authorities to encourage students to resume or maintain school attendance.

"(b) In approving projects under this part, the Director shall give priority to projects with high training potential.

"Enrollees in Program

"Sec. 114. (a) Participation in programs under this part shall be limited to young men and women who are permanent residents of the United States, who have attained age sixteen but have not attained age twenty-two, and whose participation in such programs will be consistent with the purposes of this part.

"(b) Enrollees shall be deemed not to be Federal employees and shall not be subject to the provisions of laws relating to Federal employment, including those relating to hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits.

"(c) Where appropriate to carry out the purposes of this Act, the Director may provide for testing, counseling, job development, and referral services to youths through public agencies or private nonprofit organizations.

"Limitations on Federal Assistance

"Sec. 115. Federal assistance to any program pursuant to this part paid for the period ending two years after the date of enactment of this Act, or June 30, 1966, whichever is later, shall not exceed 90 per centum of the costs of such program, including costs of administration, and such assistance paid for periods thereafter shall not exceed 50 per centum of such costs, unless the Director determines, pursuant to regulations adopted and promulgated by him establishing objective criteria for such determinations, that assistance in excess of such percentages is required in furtherance of the purposes of this part. Non-Federal contributions may be in cash or in kind, fairly evaluated, including but not limited to plant, equipment, and services.

"Equitable Distribution of Assistance

"Sec. 116. The Director shall establish criteria designed to achieve an equitable distribution of assistance under this part among the States. In developing such criteria, he shall consider among other relevant factors the ratios of population, unemployment, and family income levels. Not more than 12½ per centum of the sums appropriated or allocated for any fiscal year to carry out the purposes of this part shall be used within any one State.

"Part C—Work-study programs

"Statement of Purpose

"Sec. 121. The purpose of this part is to stimulate and promote the part-time employment of students in institutions of higher education who are from low-income families and are in need of the earnings from such employment to pursue courses of study at such institutions.

"Allotments to States

"Sec. 122. (a) From the sums appropriated to carry out this title for a fiscal year, the Director shall reserve the amount needed for making grants under section 123. Not to exceed 2 per centum of the amount so reserved shall be allotted by the Director among Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands according to their respective needs for assistance under this part. The remainder of the sums so reserved shall be allotted among the States as provided in subsection (b).

"(b) Of the sums being allotted under this subsection—

"(1) one-third shall be allotted by the Director among the States so that the allotment to each State under this clause will be an amount which bears the same ratio to such one-third as the number of persons enrolled on a full-time basis in institutions of higher education in such State bears to the total number of persons enrolled on a full-time basis in institutions of higher education in all the States,

"(2) one-third shall be allotted by the Director among the States so that the allotment to each State under this clause will be an amount which bears the same ratio to such one-third as the number of high school graduates (as defined in section 103(d)(3) of the Higher Education Facilities Act of 1963) of such State bears to the total number of such high school graduates of all the States, and

"(3) one-third shall be allotted by him among the States so that the allotment to each State under this clause will be an amount which bears the same ratio to such one-third as the number of related children under eighteen years of age living in families with annual incomes of less than $3,000 in such State bears to the number of related children under eighteen years of age living in families with annual incomes of less than $3,000 in all the States.

"(c) The amount of any State's allotment which has not been granted to an institution of higher education under section 123 at the end of the fiscal year for which appropriated shall be reallotted by the Director, in such manner as he determines will best assist in achieving the purposes of this Act. Amounts reallotted under this subsection shall be available for making grants under section 123 until the close of the fiscal year next succeeding the fiscal year for which appropriated.

"(d) For purposes of this section, the term 'State' does not include Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands.

"Grants for Work-Study Programs

"Sec. 123. The Director is authorized to enter into agreements with institutions of higher education (as defined by section 401 (f) of the Higher Education Facilities Act of 1963 (P.L. 88-204)) under which the Director will make grants to such institutions to assist in the operation of work-study programs as hereinafter provided.

"Conditions of Agreements

"Sec. 124. An agreement entered into pursuant to section 123 shall—

"(a) provide for the operation by the institution of a program for the part-time employment of its students in work—

"(1) for the institution itself, or

"(2) for a public or private nonprofit organization when the position is obtained through an arrangement between the institution and such an organization and—

"(A) the work is related to the student's educational objective, or

"(B) such work (i) will be in the public interest and is work which would not otherwise be provided, (ii) will not result in the displacement of employed workers or impair existing contracts for services, and (iii) will be governed by such conditions of employment as will be appropriate and reasonable in light of such factors as the type of work performed, geographical region, and proficiency of the employee:

Provided, however, That no such work shall involve the construction, operation, or maintenance of so much of any facility used or to be used for sectarian instruction or as a place for religious worship;

"(b) provide that funds granted an institution of higher education, pursuant to section 123 may be used only to make payments to students participating in work-study programs, except that an institution may use a portion of the sums granted to it to meet administrative expenses, but the amount so used may not exceed 5 per centum of the payments made by the Director to such institution for that part of the work-study program in which students are working for public or nonprofit organizations other than the institution itself;

"(c) provide that employment under such work-study program shall be furnished only to a student who (1) is from a low-income family, (2) is in need of the earnings from such employment in order to pursue a course of study at such institution, (3) is capable, in the opinion of the institution, of maintaining good standing in such course of study while employed under the program covered by the agreement, and (4) has been accepted for enrollment as a full-time student at the institution or, in the case of a student already enrolled in and attending the institution, is in good standing and in full-time attendance there either as an undergraduate, graduate, or professional student;

"(d) provide that no student shall be employed under such work-study program for more than fifteen hours in any week in which classes in which he is enrolled are in session;

"(e) provide that in each fiscal year during which the agreement remains in effect, the institution shall expend (from sources other than payments under this part) for the employment of its students (whether or not in employment eligible for assistance under this part) an amount that is not less than its average annual expenditure for such employment during the three fiscal years preceding the fiscal year in which the agreement is entered into;

"(f) provide that the Federal share of the compensation of students employed in the work-study program in accordance with the agreement will not exceed 90 per centum of such compensation for work performed during the period ending two years after the date of enactment of this Act, or June 30, 1966, whichever is later, and 75 per centum thereafter;

"(g) include provisions designed to make employment under such work-study program, or equivalent employment offered or arranged for by the institution, reasonably available (to the extent of available funds) to all eligible students in the institution in need thereof; and

"(h) include such other provisions as the Director shall deem necessary or appropriate to carry out the purposes of this part.

"Sources of Matching Funds

"Sec. 125. Nothing in this part shall be construed as restricting the source (other than this part) from which the institution may pay its share of the compensation of a student employed under a work-study program covered by an agreement under this part.

"Equitable Distribution of Assistance

"Sec. 126. The Director shall establish criteria designed to achieve such distribution of assistance under this part among institutions of higher education within a State as will most effectively carry out the purposes of this Act.

"Part D—Authorization of appropriations

"Sec. 131. The Director shall carry out the programs provided for in this title during the fiscal year ending June 30, 1965, and the two succeeding fiscal years. For the purpose of carrying out this title, there is hereby authorized to be appropriated the sum of $412,500,000 for the fiscal year ending June 30, 1965; and for the fiscal year ending June 30, 1966, and the fiscal year ending June 30, 1967, such sums may be appropriated as the Congress may hereafter authorize by law.

"TITLE II—URBAN AND RURAL COMMUNITY ACTION PROGRAMS

"*Part A—General community action programs*

"Statement of Purpose

"SEC. 201. The purpose of this part is to provide stimulation and incentive for urban and rural communities to mobilize their resources to combat poverty through community action programs.

"Community Action Programs

"SEC. 202. (a) The term 'community action program' means a program—

"(1) which mobilizes and utilizes resources, public or private, of any urban or rural, or combined urban and rural, geographical area (referred to in this part as a 'community'), including but not limited to a State, metropolitan area, county, city, town, multicity unit, or multicounty unit in an attack on poverty;

"(2) which provides services, assistance, and other activities of sufficient scope and size to give promise of progress toward elimination of poverty or a cause or causes of poverty through developing employment opportunities, improving human performance, motivation, and productivity, or bettering the conditions under which people live, learn and work;

"(3) which is developed, conducted, and administered with the maximum feasible participation of residents of the areas and members of the groups served; and

"(4) which is conducted, administered, or coordinated by a public or private nonprofit agency (other than a political party), or a combination thereof.

"(b) The Director is authorized to prescribe such additional criteria for programs carried on under this part as he shall deem appropriate.

"Allotments to States

"SEC. 203. (a) From the sums appropriated to carry out this title for a fiscal year, the Director shall reserve the amount needed for carrying out sections 204 and 205. Not to exceed 2 per centum of the amount so reserved shall be allotted by the Director among Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands according to their respective needs for assistance under this part. Twenty per centum of the amount so reserved shall be allotted among the States as the Director shall determine. The remainder of the sums so reserved shall be allotted among the States as provided in subsection (b).

"(b) Of the sums being allotted under this subsection—

"(1) one-third shall be allotted by the Director among the States so that the allotment to each State under this clause will be an amount which bears the same ratio to such one-third as the number of public assistance recipients in such State bears to the total number of public assistance recipients in all the States;

"(2) one-third shall be allotted by him among the States so that the allotment to each State under this clause will be an amount which bears the same ratio to such one-third as the annual average number of persons unemployed in such State bears to the annual average number of persons unemployed in all the States; and

"(3) the remaining one-third shall be allotted by him among the States so that the allotment to each State under this clause will be an amount which bears the same ratio to such one-third as the number of related children under 18 years of age living in families with incomes of less than $1,000 in such State bears to the number of related children under 18 years of age living in families with incomes of less than $1,000 in all the States.

"(c) The portion of any State's allotment under subsection (a) for a fiscal year which the Director determines will not be required for such fiscal year for carrying out this part shall be available for reallotment from time to time, on such dates during such year as the Director may fix, to other States in proportion to their original allotments for such year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum which the Director estimates such State needs and will be able to use for such year for carrying out this part; and the total of such reductions shall be similarly reallotted among the States whose proportionate amounts are not so reduced. Any amount reallotted to a State under this subsection during a year shall be deemed part of its allotment under subsection (a) for such year.

"(d) For the purposes of this section, the term 'State' does not include Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands.

"Financial Assistance for Development of Community Action Programs

"SEC. 204. The Director is authorized to make grants to, or to contract with, appropriate public or private nonprofit agencies, or combinations thereof, to pay part or all of the costs of development of community action programs.

"Financial Assistance for Conduct and Administration of Community Action Programs

"SEC. 205. (a) The Director is authorized to make grants to, or to contract with, public or private nonprofit agencies, or combinations thereof, to pay part or all of the costs of community action programs which have been approved by him pursuant to this part, including the cost of carrying out programs which are components of a community action program and which are designed to achieve the purposes of this part. Such component programs shall be focused upon the needs of low-income individuals and families and shall provide expanded and improved services, assistance, and other activities, and facilities necessary in connection therewith. Such programs shall be conducted in those fields which fall within the purposes of this part including employment, job training and counseling, health, vocational rehabilitation, housing, home management, welfare, and special remedial and other noncurricular educational assistance for the benefit of low-income individuals and families.

"(b) No grant or contract authorized under this part may provide for general aid to elementary or secondary education in any school or school system.

"(c) In determining whether to extend assistance under this section the Director shall consider among other relevant factors the incidence of poverty within the community and within the areas or groups to be affected by the specific program or programs, and the extent to which the applicant is in a position to utilize efficiently and expeditiously the assistance for which application is made. In determining the incidence of poverty the Director shall consider information available with respect to such factors as: the concentration of low-income families, particularly those with children; the extent of persistent unemployment and underemployment; the number and proportion of persons receiving cash or other assistance on a needs basis from public agencies or private organizations; the number of migrant or transient low-income families; school dropout rates, military service rejection rates, and other evidences of low educational attainment; the incidence of disease, disability, and infant mortality; housing conditions; adequacy of community facilities and services; and the incidence of crime and juvenile delinquency.

"(d) In extending assistance under this section the Director shall give special consideration to programs which give promise of effecting a permanent increase in the capacity of individuals, groups, and communities to deal with their problems without further assistance.

"Technical Assistance

"SEC. 206. The Director is authorized to provide, either directly or through grants or other arrangements, (1) technical assistance to communities in developing, conducting, and administering community action programs, and (2) training for specialized personnel needed to develop, conduct, or administer such programs or to provide services or other assistance thereunder.

"Research, Training, and Demonstrations

"SEC. 207. The Director is authorized to conduct, or to make grants to or enter into contracts with institutions of higher education or other appropriate public agencies or private organizations for the conduct of, research, training, and demonstrations pertaining to the purposes of this part. Expenditures under this section in any fiscal year shall not exceed 15 per centum of the sums appropriated or allocated for such year to carry out the purposes of this part.

"Limitations on Federal Assistance

"SEC. 208. (a) Assistance pursuant to sections 204 and 205 paid for the period ending two years after the date of enactment of this Act, or June 30, 1966, whichever is later, shall not exceed 90 per centum of the costs referred to in those sections, respectively, and thereafter shall not exceed 50 per centum of such costs, unless the Director determines, pursuant to regulations adopted and promulgated by him establishing objective criteria for such determinations, that assistance in excess of such percentages is required in furtherance of the purposes of this part. Non-Federal contributions may be in cash or in kind, fairly evaluated, including but not limited to plant, equipment, and services.

"(b) The expenditures or contributions made from non-Federal sources for a community action program or component thereof shall be in addition to the aggregate expenditures or contributions from non-Federal sources which were being made for similar purposes prior to the extension of Federal assistance.

"Participation of State Agencies

"SEC. 209. (a) The Director shall establish procedures which will facilitate effective participation of the States in community action programs.

"(b) The Director is authorized to make grants to, or to contract with, appropriate State agencies for the payment of the expenses of such agencies in providing technical assistance to communities in developing, conducting, and administering community action programs.

"(c) In carrying out the provisions of title I and title II of this Act, no contract, agreement, grant, loan, or other assistance shall be made with, or provided to, any State or local public agency or any private institution or organization for the purpose of carrying out any program, project, or other activity within a State unless a plan setting forth such proposed contract, agreement, grant, loan, or other assistance has been submitted to the Governor of the State, and such plan has not been disapproved by him within thirty days of such submission: *Provided, however,* That this section shall not apply to contracts, agreements, grants, loans, or other assistance to any institution of higher education in existence on the date of the approval of this Act.

"(d) No private institution or organization shall be eligible for participation under this part unless it (1) is itself an institution or organization which has, prior to its consideration for such participation, had a concern with problems of poverty, or (2) is sponsored by one or more such institutions or organizations or by a public agency, or (3) is an institution of higher education (as defined by section 401(f) of the Higher Education Facilities Act of 1963).

"Equitable Distribution of Assistance

"SEC. 210. The Director shall establish criteria designed to achieve an equitable distribution of assistance under this part within the States between urban and rural areas. In developing such criteria, he shall consider the relative numbers in the States or areas therein of: (1) low-income families, particularly those with children; (2) unemployed persons; (3) persons receiving cash or other assistance on a needs basis from public agencies or private organizations; (4) school dropouts; (5) adults with less than an eighth-grade education; (6) persons rejected for military service; and (7) persons living in urban places compared to the number living in rural places as determined by the Bureau of the Census for the 1960 census.

"Preference for Components of Approved Programs

"SEC. 211. In determining whether to extend assistance under this Act, the Director shall, to the extent feasible, give preference to programs and projects which are components of a community action program approved pursuant to this part.

"Part B—Adult basic education programs

"Declaration of Purpose

"SEC. 212. It is the purpose of this part to initiate programs of instruction for individuals who have attained age eighteen and whose inability to read and write the English language constitutes a substantial impairment of their ability to get or retain employment commensurate with their real ability, so as to help eliminate such inability and raise the level of education of such individuals with a view to making them less likely to become dependent on others, improving their ability to benefit from occupational training and otherwise increasing their opportunities for more productive and profitable employment, and making them better able to meet their adult responsibilities.

"Grants to States

"SEC. 213. (a) From the sums appropriated to carry out this title, the Director shall make grants to States which have State plans approved by him under this section.

"(b) Grants under subsection (a) may be used, in accordance with regulations of the Director, to—

"(1) assist in establishment of pilot projects by local educational agencies, relating to instruction in public schools, or other facilities used for the purpose by such agencies, of individuals described in section 212, to (A) demonstrate, test, or develop modifications, or adaptations in the light of local needs, of special materials or methods for instruction of such individuals, (B) stimulate the development of local educational agency programs for instruction of such individuals in such schools or other facilities, and (C) acquire additional information concerning the materials or methods needed for an effective program for raising adult basic educational skills;

"(2) assist in meeting the cost of local educational agency programs for instruction of such individuals in such schools or other facilities; and

"(3) assist in development or improvement of technical or supervisory services by the State educational agency relating to adult basic education programs.

"State Plans

"SEC. 214. (a) The Director shall approve for purposes of this part the plan of a State which—

"(1) provides for administration thereof by the State educational agency;

"(2) provides that such agency will make such reports to the Director, in such form and containing such information, as may reasonably be necessary to enable the Director to perform his duties under this part and will keep such records and afford such access thereto as the Director finds necessary to assure the correctness and verification of such reports;

"(3) provides such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the State under this part (including such funds paid by the State to local educational agencies);

"(4) provides for cooperative arrangements between the State educational agency and the State health authority looking toward provision of such health information and services for individuals described in section 212 as may be available from such agencies and as may reasonably be necessary to enable them to benefit from the instruction provided under programs conducted pursuant to grants under this part; and

"(5) sets forth a program for use, in accordance with section 213(b), of grants under this part which affords assurance of substantial progress, within a reasonable period and with respect to all segments of the population and all areas of the State, toward elimination of the inability of adults to read and write English and toward substantially raising the level of education of individuals described in section 212.

"(b) The Director shall not finally disapprove any State plan submitted under this part, or any modification thereof, without first affording the State educational agency reasonable notice and opportunity for a hearing.

"Allotments

"SEC. 215. (a) From the sums allocated for grants to States under section 213 for any fiscal year, the Director shall reserve such amount, but not in excess of 2 per centum thereof, as he may determine, and shall allot such amount among Puerto Rico, Guam, American Samoa, and the Virgin Islands according to their respective needs for assistance under this part. The remainder of the sums so allocated for a fiscal year shall be allotted by the Director on the basis of the relative number of individuals in each State who have attained age eighteen and who have completed not more than five grades of school or have not achieved an equivalent level of education, as determined by the Director on the basis of the best and most recent information available to him, including any relevant data furnished to him by the Department of Commerce. The amount allotted to any State under the preceding sentence for any fiscal year which is less than $50,000 shall be increased to that amount, the total thereby required being derived by proportionately reducing the amount allotted to each of the remaining States under the preceding sentence, but with such adjustments as may be necessary to prevent the allotment of any of such remaining States from being thereby reduced to less than $50,000. For the purposes of this subsection, the term 'State' shall not include Puerto Rico, Guam, American Samoa, and the Virgin Islands.

"(b) The portion of any State's allotment under subsection (a) for a fiscal year which the Director determines will not be required, for the period such allotment is available, for carrying out the State plan (if any) approved under this part shall be available for reallotment from time to time, on such dates during such period as the Director may fix, to other States in proportion to the original allotments to such States under subsection (a) for such year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum which the Director estimates such State needs and will be able to use for such period for carrying out its State plan approved under this part; and the total of such reductions shall be similarly reallocated among the States whose proportionate amounts are not so reduced. Any amount reallotted to a State under this subsection during a year shall be deemed part of its allotment under subsection (a) for such year.

"(c) The allotment of any State under subsection (a) for the fiscal year ending June 30, 1965, shall, except to the extent reallotted under subsection (b), remain available until June 30, 1966, for obligation by such State for carrying out its State plan approved under this part.

"Payments

"SEC. 216. (a) From a State's allotment available for the purpose, the Federal share of expenditures, under its State plan, for the purposes set forth in section 213(b) shall be paid to such State. Such payments shall be made in advance on the basis of estimates by the Director; and may be made in such installments as the Director may determine, after making appropriate adjustments to take account of previously made overpayments or underpayments; except that no such payments shall be made for any fiscal year unless the Director finds that the amount available for expenditures for adult basic educational programs and services from State sources for such year will be not less than the amount expended for such purposes from such sources during the preceding fiscal year.

"(b) For the fiscal year ending June 30, 1965, and the fiscal year ending June 30, 1966, the Federal share for each State shall be 90 per centum. For the succeeding fiscal year the Federal share for any State shall be 50 per centum.

"Operation of State Plans; Hearings and Judicial Review

"SEC. 217. (a) Whenever the Director, after reasonable notice and opportunity for hearing to the State educational agency administering a State plan approved under this part, finds that—

"(1) the State plan has been so changed that it no longer complies with the provisions of section 214, or

"(2) in the administration of the plan there is a failure to comply substantially with any such provision,

the Director shall notify such State agency that no further payments will be made to the State under this part (or in his discretion, that further payments to the State will be limited to programs under or portions of the State plan not affected by such failure), until he is satisfied that there will no longer be any failure to comply. Until he is so satisfied, no further payments may be made to such State under this part (or payments shall be limited to programs under or portions of the State plan not affected by such failure).

"(b) A State educational agency dissatisfied with a final action of the Director under section 214 or subsection (a) of this section may appeal to the United States court of appeals for the circuit in which the State is located, by filing a petition with such court within sixty days after such final action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Director, or any officer designated by him for that purpose. The Director thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code. Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Director or to set it aside, in whole or in part, temporarily or permanently, but until the filing of the record, the Director may modify or set aside his order. The findings of the Director as to the facts, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may remand the case to the Director to take further evidence, and the Director may thereupon make new or modified findings of fact and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence. The judgment of the court affirming or setting aside, in whole or in part, any action of the Director shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code. The commencement of proceedings under this subsection shall not unless so specifically ordered by the court, operate as a stay of the Director's action:

"Miscellaneous

"SEC. 218. For purposes of this part—

"(1) the term 'State educational agency' means the State board of education or other agency or officer primarily responsible for the State supervision of public elementary and secondary schools, or, if different, the agency or officer primarily responsible for supervision of adult basic education in public schools, whichever may be designated by the Governor or by State law, or, if there is no such agency or officer, an agency or officer designated by the Governor or by State law;

"(2) the term 'local educational agency' means a board of education or other legally constituted local school authority having administrative control and direction of public elementary or secondary schools in a city, county, township, school district, or political subdivision in a State, except that if there is a separate board or other legally constituted local authority having administrative control and direction of adult basic education in public schools therein, it means such other board or authority.

"Part C—Voluntary assistance program for needy children

"Statement of Purpose

"SEC. 219. The purpose of this part is to allow individual Americans to participate in a personal way in the war on poverty, by voluntary assisting in the support of one or more needy children, in a program coordinated with city or county social welfare agencies.

"Authority to Establish Information Center

"SEC. 220. (a) In order to carry out the purposes of this part, the Director is authorized to establish a section within the Office of Economic Opportunity to act as an information and cordination center to encourage voluntary assistance for deserving and needy children. Such section shall collect the names of persons who voluntarily desire to assist financially such children and shall secure from city or county social welfare agencies such information concerning deserving and needy children as the Director shall deem appropriate.

"(b) It is the intent of the Congress that the section established pursuant to this part shall act solely as an information and coordination center and that nothing in this part shall be construed as interfering with the jurisdiction of State and local welfare agencies with respect to programs for needy children.

"Part D—Authorization of appropriations

"SEC. 221. The Director shall carry out the programs provided for in this title during the fiscal year ending June 30, 1965, and the two succeeding fiscal years. For the purpose of carrying out this title, there is hereby authorized to be appropriated the sum of $340,000,000 for the fiscal year ending June 30, 1965; and for the fiscal year ending June 30, 1966, and the fiscal year ending June 30, 1967, such sums may be appropriated as the Congress may hereafter authorize by law.

"TITLE III—SPECIAL PROGRAMS TO COMBAT POVERTY IN RURAL AREAS

"Statement of Purpose

"SEC. 301. It is the purpose of this title to meet some of the special problems of rural poverty and thereby to raise and maintain the income and living standards of low-income rural families and migrant agricultural employees and their families.

"Part A—Authority to make grants and loans

"SEC. 302. (a) The Director is authorized to make—

"(1) loans having a maximum maturity of 15 years and in amounts not exceeding $2,500 in the aggregate to any low income rural family where, in the judgment of the Director, such loans have a reasonable possibility of effecting a permanent increase in the income of such families by assisting or permitting them to—

"(A) acquire or improve real estate or reduce encumbrances or erect improvements thereon,

"(B) operate or improve the operation of farms not larger than family sized, including but not limited to the purchase of feed, seed, fertilizer, livestock, poultry, and equipment, or

"(C) participate in cooperative associations; and/or to finance nonagricultural enterprises which will enable such families to supplement their income.

"(b) Loans under this section shall be made only if the family is not qualified to obtain such funds by loan under other Federal programs.

"Cooperative Associations

"SEC. 303. The Director is authorized to make loans to local cooperative associations furnishing essential processing, purchasing, or marketing services, supplies, or facilities predominantly to low-income rural families.

"Limitations on Assistance

"SEC. 304. No financial or other assistance shall be provided under this part unless the Director determines that—

"(a) the providing of such assistance will materially further the purposes of this part, and

"(b) in the case of assistance provided pursuant to section 303, the applicant is fulfilling or will fulfill a need for services, facilities, or activities which is not otherwise being met.

"Loan Terms and Conditions

"SEC. 305. Loans pursuant to sections 302 and 303 shall have such terms and conditions as the Director shall determine, subject to the following limitations:

"(a) there is reasonable assurance of repayment of the loan;

"(b) the credit is not otherwise available on reasonable terms from private sources or other Federal, State, or local programs;

"(c) the amount of the loan, together with other funds available, is adequate to assure completion of the project or achievement of the purposes for which the loan is made;

"(d) the loan bears interest at a rate not less than (1) a rate determined by the Secretary of the Treasury, taking into consideration the average market yield on outstanding Treasury obligations of comparable maturity, plus (2) such additional charge, if any, toward covering other costs of the program as the Director may determine to be consistent with its purposes;

"(e) with respect to loans made pursuant to section 303, the loan is repayable within not more than thirty years; and

"(f) no financial or other assistance shall be provided under this part to or in connection with any corporation or cooperative organization for the production of agricultural commodities or for manufacturing purposes.

"Part B—Assistance for migrant, and other seasonally employed, agricultural employees and their families

"SEC. 311. The Director shall develop and implement as soon as practicable a program to assist the States, political subdivisions of States, public and nonprofit agencies, institutions, organizations, farm associations, or individuals in establishing and operating programs of assistance for migrant, and other seasonally employed, agricultural employees and their families which programs shall be limited to housing, sanitation, education, and day care of children. Institutions, organizations, farm associations, or individuals shall be limited to direct loans.

"Part C—Authorization of appropriations

"SEC. 321. The Director shall carry out the program provided for in this title during the fiscal year ending June 30, 1965, and the two succeeding fiscal years. For the purpose of carrying out this title, there is hereby authorized to be appropriated the sum of $35,000,000 for the fiscal year ending June 30, 1965; and for the fiscal year ending June 30, 1966, and for the fiscal year ending June 30, 1967, such sums may be appropriated as the Congress may hereafter authorize by law. Not to exceed $15,000,000 of the funds appropriated under other titles of this Act for the fiscal year ending June 30, 1965, may also be utilized for the purposes of part B of this title.

"Part D—Indemnity payments to dairy farmers

"SEC. 331. (a) The Secretary of Agriculture is authorized to make indemnity payments, at a fair market value, to dairy farmers who have been directed since January 1, 1964, to remove their milk from commercial markets because it contained residues of chemicals registered and approved for use by the Federal Government at the time of such use. Such indemnity payments shall continue to each dairy farmer until he has been reinstated and is again allowed to dispose of his milk on commercial markets.

"(b) There is hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

"(c) The authority granted under this section shall expire on January 31, 1965.

"TITLE IV—EMPLOYMENT AND INVESTMENT INCENTIVES

"Statement of Purpose

"SEC. 401. It is the purpose of this title to assist in the establishment, preservation, and strengthening of small business concerns and improve the managerial skills employed in such enterprises; and to mobilize for these objectives private as well as public managerial skills and resources.

"Loans, participations, and guaranties

"SEC. 402. The Director is authorized to make, participate (on an immediate basis) in, or guarantee loans, repayable in not more than fifteen years, to any small business concern (as defined in section 3 of the Small Business Act (15 U.S.C. 632) and regulations issued thereunder), or to any qualified person seeking to establish such a concern, when he determines that such loans will assist in carrying out the purposes of this title, with particular emphasis on employment of the long-term unemployed: *Provided, however,* That no such loans shall be made, participated in, or guaranteed if the total of such Federal assistance to a single borrower outstanding at any one time would exceed $25,000. The Director may defer payments on the principal of such loans for a grace period and use such other methods as he deems necessary and appropriate to assure the successful establishment and operation of such concern. The Director may, in his discretion, as a condition of such financial assistance, require that the borrower take steps to improve his management skills by participating in a management training program approved by the Director. The Director shall encourage, as far as possible, the participation of the private business community in the program of assistance to such concerns.

"Coordination With Community Action Programs

"Sec. 403. No financial assistance shall be provided under section 402 in any community for which the Director has approved a community action program pursuant to title II of this Act unless such financial assistance is determined by him to be consistent with such program.

"Financing Under Small Business Act

"Sec. 404. Such lending and guaranty functions under this title as may be delegated to the Small Business Administration may be financed with funds appropriated to the revolving fund established by section 4(c) of the Small Business Act (15 U.S.C. 633(c)) for the purposes of sections 7(a), 7(b), and 8(a) of that Act (15 U.S.C. 636(a), 636(b), 637(a)).

"Loan Terms and Conditions

"Sec. 405. Loans made pursuant to section 402 (including immediate participations in and guaranties of such loans) shall have such terms and conditions as the Director shall determine, subject to the following limitations —

"(a) there is reasonable assurance of repayment of the loan;

"(b) the financial assistance is not otherwise available on reasonable terms from private sources or other Federal, State, or local programs;

"(c) the amount of the loan, together with other funds available, is adequate to assure completion of the project or achievement of the purposes for which the loan is made;

"(d) the loan bears interest at a rate not less than (1) a rate determined by the Secretary of the Treasury, taking into consideration the average market yield on outstanding Treasury obligations of comparable maturity, plus (2) such additional charge, if any, toward covering other costs of the program as the Director may determine to be consistent with its purposes: *Provided, however,* That the rate of interest charged on loans made in redevelopment areas designated under the Area Redevelopment Act (42 U.S.C. 2501 et seq.) shall not exceed the rate currently applicable to new loans made under section 6 of that Act (42 U.S.C. 2505); and

"(e) fees not in excess of amounts necessary to cover administrative expenses and probable losses may be required on loan guaranties.

"Limitation on Financial Assistance

"Sec. 406. No financial assistance shall be extended pursuant to this title where the Director determines that the assistance will be used in relocating establishments from one area to another or in financing subcontractors to enable them to undertake work theretofore performed in another area by other subcontractors or contractors.

"Duration of Program

"Sec. 407. The Director shall carry out the programs provided for in this title during the fiscal year ending June 30, 1965, and the two succeeding fiscal years.

"TITLE V—WORK EXPERIENCE PROGRAMS

"Statement of Purpose

"Sec. 501. It is the purpose of this title to expand the opportunities for constructive work experience and other needed training available to persons who are unable to support or care for themselves or their families. In carrying out this purpose, the Director shall make maximum use of the programs available under the Manpower Development and Training Act of 1962, as amended, and Vocational Education Act of 1963.

"Payments for Experimental, Pilot, and Demonstration Projects

"Sec. 502. In order to stimulate the adoption of programs designed to help unemployed fathers and other needy persons to secure and retain employment or to attain or retain capability for self-support or personal independence, the Director is authorized to transfer funds appropriated or allocated to carry out the purposes of this title to the Secretary of Health, Education, and Welfare to enable him to make payments for experimental, pilot, or demonstration projects under section 1115 of the Social Security Act (42 U.S.C. 1315), subject to the limitations contanied in section 409(a) (1) to (6), inclusive, of such Act (42 U.S.C. 609(a) (1)–(6)), in addition to the sums otherwise available pursuant thereto. The costs of such projects to the United States for the fiscal year ending June 30, 1965, shall, notwithstanding the provisions of such Act, be met entirely from funds appropriated or allocated to carry out the purposes of this title.

"Authorization of Appropriations

"Sec. 503. The Director shall carry out the programs provided for in this title during the fiscal year ending June 30, 1965, and the two suceeding fiscal years. For the purpose of carrying out this title, there is hereby authorized to be appropriated the sum of $150,000,000 for the fiscal year ending June 30, 1965; and for the fiscal year ending June 30, 1966, and the fiscal year ending June 30, 1967, such sums may be appropriated as the Congress may hereafter authorize by law.

"TITLE VI—ADMINISTRATION AND COORDINATION

"Part A—Administration

"Office of Economic Opportunity

"Sec. 601. (a) There is hereby established in the Executive Office of the President the Office of Economic Opportunity. The Office shall be headed by a Director who shall be appointed by the President, by and with the advice and consent of the Senate. There shall also be in the Office one Deputy Director and three Assistant Directors who shall be appointed by the President, by and with the advice and consent of the Senate. The Deputy Director and the Assistant Directors shall perform such functions as the Director may from time to time prescribe.

"(b) Notwithstanding the provisions of section 5(b) of the Reorganization Act of 1949 (5 U.S.C. 133z–3(b)), at any time after one year from the date of enactment hereof the President may, by complying with the procedures established by that Act, provide for the transfer of the Office from the Executive Office of the President and for its establishment elsewhere in the executive branch as he deems appropriate.

"(c) The compensation of the Director of the Office of Economic Opportunity shall be fixed by the President at a rate not in excess of the annual rate of compensation payable to the Director of the Bureau of the Budget.

"(d) The compensation of the Deputy Director of the Office of Economic Opportunity shall be fixed by the President at a rate not in excess of the annual rate of compensation payable to the Deputy Director of the Bureau of the Budget.

"(e) The compensation of the Assistant Directors of the Office of Economic Opportunity shall be fixed by the President at a rate not in excess of the annual rate of compensation payable to the Assistant Secretaries of the Executive Departments.

"AUTHORITY OF DIRECTOR

"Sec. 602. In addition to the authority conferred upon him by other sections of this Act, the Director is authorized, in carrying out his functions under this Act, to—

"(a) appoint in accordance with the civil service laws such personnel as may be necessary to enable the Office to carry out its functions, and, except as otherwise provided herein, fix their compensation in accordance with the Classification Act of 1949 (5 U.S.C. 1071 et seq.);

"(b) employ experts and consultants or organizations thereof as authorized by section 15 of the Administrative Expenses Act of 1946 (5 U.S.C. 55a), compensate individuals so employed at rates not in excess of $100 per diem, including travel time, and allow them, while away from their homes or regular places of business, travel expenses (including per diem in lieu of subsistence) as authorized by section 5 of such Act (5 U.S.C. 73b–2) for persons in the Government service employed intermittently, while so employed: *Provided, however,* That contracts for such employment may be renewed annually;

"(c) appoint, without regard to the civil service laws, one or more advisory committees composed of such private citizens and officials of the Federal, State, and local governments as he deems desirable to advise him with respect to his functions under this Act; and members of such committees (including the National Advisory Council established in section 605), other than those regularly employed by the Federal Government, while attending meetings of such committees or otherwise serving at the request of the Director, shall be entitled to receive compensation and travel expenses as provided in subsection (b) with respect to experts and consultants;

"(d) with the approval of the President, arrange with and reimburse the heads of other Federal agencies for the performance of any of his functions under this Act and, as necessary or appropriate, delegate any of his powers under this Act and authorize the redelegation thereof;

"(e) utilize, with their consent, the services and facilities of Federal agencies without reimbursement, and, with the consent of any State or a political subdivision of a State, accept and utilize the services and facilities of the agencies of such State or subdivision without reimbursement;

"(f) accept in the name of the Office, and employ or dispose of in furtherance of the purposes of this Act, or of any title thereof, any money or property, real, personal, or mixed, tangible or intangible, received by gift, devise, bequest, or otherwise;

"(g) accept voluntary and uncompensated services, notwithstanding the provisions of section 3679(b) of the Revised Statutes (31 U.S.C. 665(b));

"(h) allocate and expend, or transfer to other Federal agencies for expenditure, funds made available under this Act as he deems necessary to carry out the provisions hereof, including (without regard to the provisions of section 4774(d) of title 10, United States Code) expenditure for construction, repairs, and capital improvements;

"(i) disseminate, without regard to the provisions of section 4154 of title 39, United States Code, data and information, in such form as he shall deem appropriate, to public agencies, private organizations, and the general public;

"(j) adopt an official seal, which shall be judicially noticed;

"(k) notwithstanding any other provision of law relating to the acquisition, handling, or disposal of real or personal property by the United States, deal with, complete, rent, renovate, modernize, or sell for cash or credit at his discretion any properties acquired by him in connection with loans, participations, and guaranties made by him pursuant to titles III and IV of this Act;

"(l) collect or compromise all obligations to or held by him and all legal or equitable rights accruing to him in connection with the payment of obligations until such time as such obligations may be referred to the Attorney General for suit or collection;

"(m) expend, without regard to the provisions of any other law or regulation, funds made available for purposes of this Act (1) for printing and binding, and (2) for rent of buildings and space in buildings and for repair, alteration, and improvement of buildings and space in buildings rented by him; but the Director shall not utilize the authority contained in this clause (A) except when necessary in order to obtain an item, service, or facility, which is required in the proper administration of this Act, and which otherwise could not be obtained, or could not be obtained in the quantity or quality needed, or at the time, in the form, or under the conditions in which, it is needed, and (B) prior to having given written notification to the Administrator of General Services (if the exercise of such authority would affect an activity which otherwise would be under the jurisdiction of the General Services Administration) or the Chairman of the Joint Committee on Printing (if the exercise of such authority would affect an activity which otherwise would be under the jurisdiction of such Committee) of his intention to exercise such authority, the item, service, or facility with respect to which such authority is proposed to be exercised, and the reasons and justifications for the exercise of such authority; and

"(n) establish such policies, standards, criteria, and procedures, prescribe such rules and regulations, enter into such contracts and agreements with public agencies and private organizations and persons, make such payments (in lump sum or installments, and in advance or by way of reimbursement, and in the case of grants, with necessary adjustments on account of overpayments or underpayments), and generally perform such functions and take such steps as he may deem to be necessary or appropriate to carry out the provisions of this Act.

"Volunteers in Service to America

"SEC. 603. (a) The Director is authorized to recruit, select, train, and—

"(1) upon request of State or local agencies or private nonprofit organizations, refer volunteers to perform duties in furtherance of programs combating poverty at a State or local level; and

"(2) in cooperation with other Federal, State, or local agencies involved, assign volunteers to work (A) in meeting the health, education, welfare, or related needs of Indians living on reservations, of migratory workers and their families, or of residents of the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, or the Trust Territory of the Pacific Islands; (B) in the care and rehabilitation of the mentally ill or mentally retarded under treatment at nonprofit mental health or mental retardation facilities assisted in their construction or operation by Federal funds; and (C) in furtherance of programs or activities authorized or supported under title I or II of this Act.

"(b) The referral or assignment of volunteers shall be on such terms and conditions as the Director may determine, but volunteers shall not be referred or assigned to duties or work in any State without the consent of the Governor.

"(c) The Director is authorized to provide to all volunteers during training and to volunteers assigned pursuant to subsection (a)(2) such stipend, not to exceed $50 per month, such living, travel, and leave allowances, and such housing, transportation (including travel to and from the place of training), supplies, equipment, subsistence, clothing, and health and dental care as the Director may deem necessary or appropriate for their needs.

"(d) Volunteers shall be deemed not to be Federal employees and shall not be subject to the provisions of laws relating to Federal employment, including those relating to hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits, except that all volunteers during training and such volunteers as are assigned pursuant to subsection (a)(2) shall be deemed Federal employees to the same extent as enrollees of the Corps under section 106 (b), (c), and (d) of this Act.

"Economic Opportunity Council

SEC. 604. (a) There is hereby established an Economic Opportunity Council, which shall consult with and advise the Director in carrying out his functions, including the coordination of antipoverty efforts by all segments of the Federal Government.

"(b) The Council shall include the Director, who shall be Chairman, the Secretary of Defense, the Attorney General, the Secretaries of the Interior, Agriculture, Commerce, Labor, and Health, Education, and Welfare, the Housing and Home Finance Administrator, the Administrator of the Small Business Administration, the Chairman of the Council of Economic Advisers, the Director of Selective Service, and such other agency heads as the President may designate, or delegates thereof.

"National Advisory Council

"SEC. 605. There is hereby established in the Office a National Advisory Council. The Council shall be composed of the Director, who shall be Chairman, and not more than fourteen additional members appointed by the President, without regard to the civil service laws, who shall be representative of the public in general and appropriate fields of endeavor related to the purposes of this Act. Upon the request of the Director, the Council shall review the operations and activities of the Office, and shall make such recommendations with respect thereto as are appropriate. The Council shall meet at least once each year and at such other times as the Director may request.

"Revolving Fund

"SEC. 606. (a) To carry out the lending and guaranty functions authorized under titles III and IV of this Act, there is authorized to be established a revolving fund. The capital of the fund shall consist of such amounts as may be advanced to it by the Director from funds appropriated pursuant to section 321 and shall remain available until expended.

"(b) The Director shall pay into miscellaneous receipts of the Treasury, at the close of each fiscal year, interest on the capital of the fund at a rate determined by the Secretary of the Treasury, taking into consideration the average market yield on outstanding Treasury obligations of comparable maturity during the last month of the preceding fiscal year. Interest payments may be deferred with the approval of the Secretary of the Treasury, but any interest payments so deferred shall themselves bear interest.

"(c) Whenever any capital in the fund is determined by the Director to be in excess of current needs, such capital shall be credited to the appropriation from which advanced, where it shall be held for future advances.

"(d) Receipts from any lending and guaranty operations under this Act (except operations under title IV carried on by the Small Business Administration) shall be credited to the fund. The fund shall be available for the payment of all expenditures of the Director for loans, participations, and guaranties authorized under titles III and IV of this Act.

"Labor Standards

"SEC. 607. All laborers and mechanics employed by contractors or subcontractors in the construction, alteration or repair, including painting and decorating of projects, buildings and works which are federally assisted under this Act shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a—276a-5). The Secretary of Labor shall have, with respect to such labor standards, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267; 5 U.S.C. 133—133z-15), and section 2 of the Act of June 13, 1934, as amended (48 Stat. 948, as amended; 40 U.S.C. 276(c)).

"Reports

"SEC. 608. Not later than one hundred and twenty days after the close of each fiscal year, the Director shall prepare and submit to the President for transmittal to the Congress a full and complete report on the activities of the Office during such year.

"Definitions

"SEC. 609. As used in this Act:

"(a) The term 'State' means a State, the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, or the Virgin Islands, and for purposes of title I and part A of title II such term includes the Trust Territory of the Pacific Islands; and the term 'United States', when used in a geographical sense, includes the foregoing and all other places, continental or insular, including the Trust Territory of the Pacific Islands, subject to the jurisdiction of the United States.

"(b) The term 'agency', unless the context requires otherwise, means department, agency, or other component of a Federal, State, or local governmental entity.

"(c) The term 'family,' in the case of a Job Corps enrollee, means—

"(1) the spouse or child of an enrollee, and

"(2) any other relative who draws substantial support from the enrollee.

"Part B—Coordination of antipoverty programs

"Coordination

"SEC. 611. (a) In order to insure that all Federal programs related to the purposes of this Act are carried out in a coordinated manner—

"(1) the Director is authorized to call upon other Federal agencies to supply such statistical data, program reports, and other materials as he deems necessary to discharge his responsibilities under this Act, and to assist the President in coordinating the antipoverty efforts of all Federal agencies;

"(2) Federal agencies which are engaged in administering programs related to the purposes of this Act, or which otherwise perform functions relating thereto, shall—

"(A) cooperate with the Director in carrying out his duties and responsibilities under this Act; and

"(B) carry out their programs and exercise their functions in such manner as will, to the maximum extent permitted by other applicable law, assist in carrying out the purposes of this Act; and

"(3) the President may direct that particular programs and functions, including the expenditure of funds, of the Federal agencies referred to in paragraph (2) shall be carried out, to the extent not inconsistent with other applicable law, in conjunction with or in support of programs authorized under this Act.

"(b) In order to insure that all existing Federal agencies are utilized to the maximum extent possible in carrying out the purposes of this Act, no funds appropriated to carry out this Act shall be used to establish any new department or office when the intended function is being performed by an existing department or office.

"Preference to Community Action Programs

"SEC. 612. To the extent feasible and consistent with the provisions of law governing any Federal program and with the purposes of this Act, the head of each Federal agency administering any Federal program is directed to give preference to any application for assistance or benefits which is made pursuant to or in connection with a community action program approved pursuant to title II of this Act.

"Information Center

"SEC. 613. In order to insure that all Federal programs related to the purposes of this Act are utilized to the maximum extent possible, and to insure that information concerning such programs and other relevant information is readily available in one place to public officials and other interested persons, the Director is authorized as he deems appropriate to collect, prepare, analyze, correlate, and distribute such information, either free of charge or by sale at cost (any funds so received to be deposited to the Director's account as an offset to such cost), and make arrangements and pay for any printing and binding without regard to the provisions of any other law or regulation.

"Prohibition of Federal Control

"SEC. 614. Nothing contained in this Act shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over the curriculum, program of instruction, administration, or personnel of any educational institution or school system.

"Authorization of Appropriations

"SEC. 615. The Director shall carry out the programs provided for in this title during the fiscal year ending June 30, 1965, and the two succeeding fiscal years. For the purpose of carrying out this title (other than for purposes of making credits to the revolving fund established by section 606(a)), there is hereby authorized to be appropriated the sum of $10,000,000 for the fiscal year ending June 30, 1965; and for the fiscal year ending June 30, 1966, and the fiscal year ending June 30, 1967, such sums may be appropriated as the Congress may hereafter authorize by law.

"SEC. 616. No part of any funds appropriated or otherwise made available for expenditure under authority of this Act shall be used to make payments to any individual unless such individual has executed and filed with the Director an affidavit that he does not believe in, and is not a member of and does not support any organization that believes in or teaches, the overthrow of the United States Government by force or violence or by any illegal or unconstitutional methods.

"TITLE VII—TREATMENT OF INCOME FOR CERTAIN PUBLIC ASSISTANCE PURPOSES

"Public Assistance

"SEC. 701. (a) Notwithstanding the provisions of titles I, IV, X, XIV, and XVI of the Social Security Act, a State plan approved under any such title shall provide that—

"(1) the first $85 plus one-half of the excess over $85 of payments made to or on behalf of any person for or with respect to any month under title I or II of this Act or any program assisted under such title shall not be regarded (A) as income or resources of such person in determining his need under such approved State plan, or (B) as income or resources of any other individual in determining the need of such other individual under such approved State plan;

"(2) no payments made to or on behalf of any person for or with respect to any month under such title or any such program shall be regarded as income or resources of any other individual in determining the need of such other individual under such approved State plan except to the extent made available to or for the benefit of such other individual; and

"(3) no grant made to any family under title III of this Act shall be regarded as income or resources of such family in determining the need for any member thereof under such approved State plan.

"(b) No funds to which a State is otherwise entitled under title I, IV, X, XIV, or XVI of the Social Security Act for any period before July 1, 1965, shall be withheld by reason of any action taken pursuant to a State statute which prevents such State from complying with the requirements of subsection (a)."

The amendment was agreed to.

The Senate bill was read a third time, and passed.

A motion to reconsider was laid on the table.

A similar House bill (H.R. 11377) was laid on the table.

PERSONAL ANNOUNCEMENT

Mr. LONG of Maryland. Mr. Speaker, on rollcall No. 216 I am recorded as not voting. I was present and I wish to be recorded in favor of the bill. Though I did not vote, I was present. Had I voted I would have voted "yea."

I ask unanimous consent that this statement may appear in the RECORD immediately following the passage of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

ECONOMIC OPPORTUNITY ACT OF 1964

Mr. WHARTON. Mr. Speaker, in order to grasp the complete significance of the poverty bill, H.R. 11377, one must revert to the ancient Chinese custom of first reading its fine print from the back. It carries a price tag of $962 million, which means over $5 per capita or about $20 in additional taxes from each U.S. family. Once instituted, additional funds will, of course, be required. Realistically, on the President's own figures of 35 million needy persons, each would receive $28—less the cost of administering the program, which has by no means been overlooked.

Near the end of this voluminous document, a new bureau is to be set up in Washington known as "The Office of Economic Opportunity," with a Director and four Deputy Directors, all I presume in the $30,000 per annual salary range. There is no limit set on the number of subordinates and garden variety workers, who will undoubtedly number in the thousands. "Consultants" may be employed at the rate of $100 per day and this alone should lend encouragement to uncommitted Democratic politicians.

Considerable space is attributed to the work training and study programs, although these items are already authorized under existing laws. Community action, under still another heading, is a sweeping designation that sounds suspiciously like the so-called achievements of the faltering Area Redevelopment Administration, which Congress has already found wanting and impractical of operation.

There is also mention of rural assistance in the form of grants or loans of $1,500 up to $2,500 to indigent farmers, but these cases could only be anticipated for publicity purposes as this is also a loose duplication of the existing Farmers Home Administration loan program. The inflated cost of farm equipment and operation today suggests that such payments at best would afford little more than a downpayment for further indebtedness.

A Job Corps provision anticipates 40,000 enrollees at a first year's figure of $4,700 each for work camp or training center experience for youths in the 16-to-21 age bracket. This is simply a return to the CCC camps of the depressed thirties.

Conceived in last-minute political haste, this bill completely ignores the aged and the very young, who together constitute the largest group of needy citizens, and it is regrettable that a more meaningful and constructive measure could not have been devised to eliminate the blight of poverty. While the hidden provisions of this bill have not been widely publicized, the foregoing features certainly suggest the feasibility of tagging this new bureaucracy the administration's "Reelection Agency."

I cannot go along with the argument that this is a good bill but in opposing it I will continue to support and vote for realistic and workable measures to alleviate poverty, encourage education and job training, provide better housing and living conditions for all.

Mr. HAWKINS. Mr. Speaker, it seems an anomaly that efforts to improve the condition of the most needy people in this country should invoke such loud dissent. It is difficult to believe that those who are able to enjoy all the comforts which our economy has provided would expend so much effort to disappoint the hopes of those who, because of their impoverished condition, are committed to a fundamentally different type of life than the majority of Americans and who have, as their main preoccupation, a concern with those things which most of us can take for granted. It is incomprehensible that in an enlightened age such loud voices would sound out against legislation which represents a simple humanitarian act, and whose consequence would be to unburden our economy by diminishing the number of unskilled and illiterate in the labor force.

I, therefore, urge the House not to take the counsel of gentlemen who may not know the misery and frustration and hopelessness of the very poor and therefore may not understand the real reasons for some urgency in aiding the impoverished. I call upon the Members here to resist the arguments which would deny the good will of the majority of the needy.

This country has great potentialities for growth. It can abolish poverty. It has, for a long time, had the resources to do so. This means a man has died today never having had the opportunity which this country could provide. Though the poor may desire to enter into the economic activity of the Nation, though they may desire to contribute much to the well-being of others by the use of their talents, they cannot do so because they lack the education and the skills which would make their innate abilities effective.

The opponents of this bill say that they are against poverty and favor giving aid to the poor, but that they differ with the advocates of H.R. 11377 on the methods of attacking poverty. Yet opposing methods would be harmless if it did not prevent the fulfillment of our objective. We have no great stake in one set of methods if another set of methods would cure the same ills.

We want to do the greatest good at the least cost. We are willing to adopt the best means of doing this job, and the shortest road to this goal. There may be other methods, but convincing arguments have not been advanced on their behalf.

It is contended by some that helping the impoverished is a State responsibility, and one in which the Federal Government ought not to be involved. Instead of sharing in the responsibility of dealing with what is essentially a national problem, we are left in the passive role of hoping that some day poverty will end.

The testimony before the Committee on Education and Labor indicated that, though many State governments did not lack the will to deal with poverty, they lack the resources and spending power. The States have used their resources to the utmost. Spending more on poverty now would be at the sacrifice of some other State program, such as education, or pushing more local taxpayers into poverty themselves.

But the national character of the problem is made all the clearer by the fact that even if a given State makes progress in abolishing poverty, it then attracts more of the poor. The poverty stricken will migrate to those areas where the problem has been solved. If the Federal Government were prevented from dealing with poverty wherever it exists, the potentiality of the canceling out what it has done would be an ever-present danger in the form of the mobile unskilled who are unemployed.

Therefore, the task of increasing the skills of the very poor is undertaken to dispose of a national responsibility which, if ignored, would allow evils to continue which cannot be coped with by any source.

The economic justification for this bill reinforces our taking this action. Spending money to increase the skills of the population increases the Nation's overall capacity to produce, and brings us close to the use of our full national potential for the production of the goods and services which the American people want. To allow these persons to remain unoccupied and unemployed gives rise to two difficulties which become a burden to those who are employed. First, it diverts part of our resources to care for them, in the form of charity-oriented programs. Secondly, the Nation is denied the greater income which it would have had had these new skills been used. The product which an idle man could have produced while he is unemployed is lost forever, because the time in which he could have produced it can never be recaptured. The wealth which could have been accumulated in that time period is lost forever. Man-hours, unlike coal, is an unstorable resource.

And as the newly skilled contributes to the increase of the national income, he gains the right to share in the increased wealth. The philosophy behind this bill is not that the old wealth should be redistributed, but that the very poor be given a chance to stand equal with the rest of the population to contribute of their abilities and to share in the product of their newly created skills.

Poverty, in a sense, is the result of the economic change which brings about progress. Unemployment often develops due to the change in consumer demands and industrial needs. Ghost towns come about because what was once demanded is no longer wanted, or because new techniques have taken over from the old. And then, those who acquired skills which are nontransferable from one industry to another, those who formerly provided for our satisfactions—are forgotten. This bill allows their energies to be redirected to satisfy our greater needs.

Some would look for the solution to this problem by relying on "individual initiative." Under this argument, poverty stricken would raise themselves from their condition by their own means. This is an idealistic view of the economic world. Those who advance this argument do not realize how helpless these people are. A man without resources—without capital or skills—no matter how much personal initiative or personal effort he exerts, cannot raise his status. He may be loaned the capital, but only if he is credit-worthy. Without money, he cannot gain a skill.

The purpose of this bill is to help those persons who possess individual initiative but who are without resources to make it meaningful. It will help those persons who want to improve themselves but who cannot now do so.

Individual initiative and the desire to improve oneself and one's well-being does not create jobs. Only capital—only increased investment—can give rise to increased employment.

It is contended by some who oppose the bill that the provisions of the bill establish another layer of authority which will have suzerainty over the other departments of the administration and inhibit their functions as departments of Government. This is largely a contrived fear, unrelated to any considerations of the present Cabinet members, as they have so testified. It is a consideration which does not have reality in the present administration. This contention postulates that the departments of the administration are warring factions, and that the Office of Economic Opportunity would be an enemy of the administration and independent of it. As Sargent Shriver points out, it further postulates that this office would be dealing with the departments at arms length.

The Director of the Office of Economic Opportunity is not established as a "czar" under this legislation. On the contrary, he is an instrument of coordination—a means of channeling existing facilities to new ends and a means of avoiding the duplication and costs which would arise from creation of new agencies. The most rational impulse is not to eliminate such coordination, but to leave it in the bill. The costs are decreased by utilizing existing agencies. This method cuts down on wastage by taking advantage of skills and experience already acquired, and using departments and personnel who are already familiar with particular areas. Furthermore, the existing programs attacking poverty may be made more effective if unified and coordinated. The elimination of poverty, under this bill, is given the special attention of a new office, instead of remaining the collateral objective of several departments.

There has been opposition to the broad discretion of the Director. It has been contended that the Director will have uncontrolled authority and power to affect individuals in a way that is unprecedented under legislation passed by Congress. The Director does have broad discretion, but it is likely that poverty will be met in many different forms, and will require many different techniques for combating it. Poverty is a varied thing. One does not find it in uniform entities, like trucks and automobiles. The Director will be confronted with a difficult and complex set of factual circumstances.

That the opposition to this bill is not, in fact, a disagreement over methods is apparent by the recurring reference to the $3,000 standard which has been used to identify the poor. The contention is, in effect, that our claims of poverty are exaggerated, and that more study and research are necessary to ascertain more accurately the numbers of poor in the country.

First of all, no such standard has been written into the bill.

Secondly, it is not necessary to identify all of the poor in order to aid any of them. Using any standard with which the opposition would agree, more could be identified than could be aided by this legislation. The amount contemplated to be spent on poverty under this legislation could aid only a fraction of those whom the opponents of this bill would concede were the number of poor in this country.

Must we make minute studies to ascertain exact measures and degrees of poverty while any human being, traveling the length and breadth of this country in every city and country area, could confirm an extent and depth of poverty far greater than could be lifted from their subordinate posture of this slight expenditure. Do the gentlemen know that, in Hastings, Fla., 9- and 10-year-olds are forced by their parents' condition to load 100-pound sacks on trucks from 3 p.m., until midnight; that in Alabama, people wear clothes made from feedbags; that in Chicago young girls begin with prostitution at 12, and end in old age at 14; that children in the migrant camps of New Jersey have cradles made of orange crates, so that the first rays of light in their lives gleam through the silhouette of refuse.

Perhaps this is not the best means of dealing with the problem. Perhaps we may, in our experience, find other measures which are far more effective. But these are the best methods which the genius of many have been able to devise. And perhaps the opposition to our methods is a method of delay, political expediency, or just plain opposition to spending money.

I earnestly hope for favorable action on this bill. I do not hesitate to advocate a good cause. At least we shall be able to say we have made an effort. We will determine by our action whether a great Nation can react to the torment of the deprived minority within its boundaries; whether we will help where we can or whether we will be on the side of the historic villain; whether we will quibble with numbers and figures, irrelevant and unrelated to the expenditure of a billion dollars; whether we will twist imaginations and contrive fears and invoke fantasies of a czar arising within our democratic Government. I do not envy those opposed to this measure, who must champion a cause against a crusade against poverty. Generations call down upon us to use our sovereignty to abolish poverty from the land.

For so many of us who have so many comforts, poverty is unseen and unreal. But for the slum dweller, it is real. It is real for the man, physically strong, who has acquired a skill in his lifetime which has been made useless by progress. It permanently denies many intelligent young men the promise of a useful life. It is perpetuated in families through parents who can will their heirs nothing but hopelessness. Like the angel of death, it makes its visits on the households which have not spread upon the lintel of their doorposts the emblem of enlightenment.

We make an effort in this bill to aid the impoverished because an urgent cry always distresses, and because an anguished call ought to be answered. We are making a fight against poverty this year because visions of ghost towns filled with jobless men are all the more real to us than a czar in this country.

This is a historic session of our Congress. It is the session in which a giant step was made in assuring constitutional rights; and it will be the year that this great Nation, with the resources of many, came to the aid of its poor. In the years to come, we shall have to be judged.

I am assured by this legislation that I will be able to say "I am grateful to have been there."

Mr. MATSUNAGA. Mr. Speaker, a prized tradition of this great Nation of ours is that a person born in poverty may rise to be a millionaire. The legend of Horatio Alger has been enacted into real life drama time and time again. Paradoxically, it is also true that in this land of plenty, wherein the oversupply of agricultural food products constitutes a major national problem, there are 35 to 40 million people hovering on poverty. Eleven million children go to bed hungry every night, many of whom are to be found right here in our Nation's Capital.

Last summer, my family went on a picnic right here in the District of Columbia. After we had finished our picnic lunch, we wrapped up the leftovers in old newspapers and my 12-year-old son threw them in a trash can nearby. No sooner had he done this, than six boys, ranging in age from about 6 to 10 years, made a mad dash for the trash can and fought over the garbage.

It is indeed an ugly blot on our national image that this almost incredible scene is being repeated daily in many parts of our country. This cancerous social malady is affecting our whole national character, not only domestically but internationally as well. Unless we as a nation make every effort to cure ourselves of this grave social illness, we certainly are not going to be very successful in convincing the newly rising nations of Asia and Africa that our system of society is worth emulating.

From the standpoint of our own national security, we must realize that our Nation today is in constant competition economically with other nations of the world. In the long run the competition will be determined by the productivity or nonproductivity of the people of the respective nations. We simply cannot afford any large numbers of unemployables in our population. But the number of out-of-school and unemployed young people in our country is growing at an alarming rate. It rose from 450,000 in 1960 to 700,000 in 1962, and to almost 1 million in 1964. We must stem this tide.

The bill under consideration appears to offer a comprehensive program of education and training through concerted community action. This type of action in my view is the only real solution to the weighty problems of poverty and unemployment facing our Nation. I urge passage of H.R. 11377.

Mr. LINDSAY. Mr. Speaker, I believe there should be poverty legislation. I have supported, therefore, the Frelinghuysen bill—an excellent bill that provides more effective assistance for New York than any other. The Frelinghuysen bill having failed by a vote of 117 to 295, I have supported S. 2642, the Senate-passed poverty bill. This bill passed the House by a vote of 228 to 184.

Prior to these votes there were two votes of key importance. The first was a motion to strike the enacting clause, offered by the gentleman from Virginia, Judge SMITH. This was an effort to kill any and all poverty legislation, whether the Frelinghuysen bill, or S. 2642, or the original House bill, H.R. 11377. I voted against the motion, along with 17 other Republicans, most of whom like myself favored the Frelinghuysen bill, and 208 Democrats. The Smith motion to end all consideration of all bills was beaten, 225 to 197.

Then there was a motion to substitute the Senate bill for the original House bill, which carried 228 to 190. The Senate bill on the whole is a better-drafted bill and far tighter than the House bill. I supported that motion.

First, let me describe the bill offered by the Republican gentleman from New Jersey [Mr. FRELINGHUYSEN]. That bill, as I have noted, is more generous to New York than the administration bill. That allots a greater percentage of the total authorized funds to New York than does the administration bill.

All told, the Frelinghuysen bill authorizes a 3-year program with $1.5 billion to be made available during this period to the 50 States. No more than $500 million would be available in any one year.

Funds are allotted to the States on the basis of population, per capita income, and number of unemployed persons in each State.

States desiring to take part first, designate a broadly representative State agency to administer the program; and, second, submit to the Secretary of HEW a State plan designed to attack poverty.

The State plan provides for a coordinated State attack on poverty, involving both State and community action programs in the following fields:

First. Special educational, work-study, vocational workcamp, and similar activities for out-of-school, unemployed youth, or for youth who need help to remain in school;

Second. Special remedial and other educational programs, and social and health programs for schools in economically or socially depressed areas—including nonsectarian programs of a similar nature in private schools;

Third. Broad programs of social and economic redevelopment, in urban areas and rural areas, including health, housing, employment, and education; and

Fourth. Special programs to aid the aged and other groups of citizens to prevent dependency.

Federal funds must be matched one-third and one-half, respectively, in the second and third year. No matching required in the first year; reasonable value of contributed goods and services counted for matching.

Federal agencies must conduct thorough studies of problems of use of selective service tests; rapid reporting of job availability; causes of unemployment; causes of educational failure, and so forth, and report back to the Congress within 1 year.

The bill provides for coordination of existing Federal antipoverty programs through the Secretary of HEW, and for relating such programs to the State plans developed under this act; establishes a National Advisory Council to assist the Secretary; establishes a Federal Commission on Poverty composed of agency heads, Members of Congress, and public members to study existing Federal antipoverty programs and recommend coordination, combination, or revision of Federal laws.

The distribution of 500 million, with 50 percent on the basis of population; 25 percent on the basis of State products—population and per capita income—with limits of 25 to 75 percent; and 25 percent on the basis of number of unemployed persons, is estimated, as follows:

	Estimated State amounts
United States and outlying parts	$500,000,000
50 States and District of Columbia	491,342,579
Alabama	9,330,273
Alaska	653,768
Arizona	3,917,958
Arkansas	5,221,486
California	43,819,236
Colorado	4,771,790
Connecticut	6,439,419
Delaware	1,104,436
Florida	15,080,652
Georgia	10,983,732
Hawaii	1,704,423
Idaho	1,942,707
Illinois	25,080,408
Indiana	12,015,352
Iowa	6,639,612
Kansas	5,370,013
Kentucky	8,574,822
Louisiana	9,543,120
Maine	2,675,962
Maryland	8,100,750
Massachusetts	13,537,190
Michigan	21,695,274
Minnesota	9,338,188
Mississippi	6,370,191
Missouri	11,451,681
Montana	1,827,252
Nebraska	3,517,464
Nevada	875,602
New Hampshire	1,541,425
New Jersey	16,841,570
New Mexico	2,612,249
New York	44,816,443
North Carolina	12,611,117
North Dakota	1,690,074
Ohio	26,327,499
Oklahoma	6,491,896
Oregon	4,764,487
Pennsylvania	33,652,292
Rhode Island	2,502,803
South Carolina	6,669,959
South Dakota	1,767,887
Tennessee	10,292,317
Texas	26,542,529
Utah	2,498,730
Vermont	1,078,998
Virginia	10,516,105
Washington	7,749,656
West Virginia	5,779,635
Wisconsin	10,029,335
Wyoming	920,024
District of Columbia	2,062,788
American Samoa	100,000
Canal Zone	------------
Guam	176,632
Puerto Rico	8,271,739
Virgin Islands	109,050

The Frelinghuysen bill was defeated, as I have noted, by a vote of 295 to 117.

So we come, then, to S. 2642, the bill that was finally passed 226 to 184 and for which I voted. I support the bill because, in spite of its shortcomings and weaknesses, it is far better than nothing.

There is no doubt that we need a bill that will mobilize the human and financial resources of the Nation to combat hopeless and abject poverty, especially in tension-ridden ghettos in our big cities. This does not mean that I do not have reservations about this bill. I do. But my support is compelled by certain painful and unavoidable realities. There is no escaping the fact that for too long the problem of the city ghetto has been allowed to lie still. That being so, the problem has grown. It has widened, deepened and festered. And, having done this, it has become a national problem of great gravity. One need only examine the tensions in Harlem and the Bedford-Stuyvesant section of Brooklyn to understand this.

At present, the Bureau of Statistics estimates that a family of four needs an annual minimum salary of $6,000 to live adequately in the average city. The President's Council of Economic Advisers says poverty begins when a family earns half of that—$3,000 or less per year. This definition may not be perfect, but many scholars agree with it, or agree with formulas that arrive at the same general conclusion: that some 35 million Americans, or one-fifth of the population, live in constant strain. But worse than this is the cycle of hopelessness found by young people in these crowded city ghettos.

Who are the poor? The report of a 3-year study, issued by the National Policy Committee on Pockets of Poverty, points out that "poverty is no longer a condition which strikes all kinds of individuals but rather tends to characterize the great majority of individuals in certain large poverty-linked groups." The report notes that in 1960 only one in eight of America's families as a whole had a cash income below the destitute level of $2,000. However, the proportion rose to one in three in the following poverty-linked groups: nonwhite families, families headed by a female, couples 65 years of age or over, some farming families, families whose heads had less than 8 years' education, and families whose heads had at most only part-time work experience.

Will this bill help solve the problem of poverty in America? I think it is a start. In addition, I think it is realistic in that it attempts—with the exception of the elderly—to reach these poverty-linked groups. It is particularly constructive in its attempt to reach young people, whose ranks are contributing increasing numbers to the unemployed. It is a sad fact that 21.7 percent of all those who register for Selective Service fail a simple mental test and are rejected. Although there is some truth to the charge that this bill bypasses existing Federal agencies, that charge is not a full answer either to the problem or to this proposed solution or partial solution. This measure attempts to reach those persons who are not reached by existing programs. The proposed legislation attempts to reach the illiterate and unskilled in a way they have not been reached before. It will attempt to impart the education and skills needed for persons to fit into our increasingly automated and complex society.

Some would stop the entire bill because, in their view, education, job retraining, and community action programs will not, by themselves, decrease unemployment if the economy is growing too slowly. It is argued that the only answer to poverty is vast increases in the number of jobs. This position is in part correct, but growing wealth will not, by itself, solve the problem of poverty. As one economist put it, "Growth is only for those who can take advantage of it." We must not forget that the prolonged upturn in production starting in 1961 has not substantially decreased the rate of unemployment. This bill is a small step forward in helping an increased number of workers "fit" our highly technological economy.

Moreover, the bill, in my view, renews our capacity to innovate, to experiment in tentative solutions to complex social problems. Further, the bill will stir our national conscience and direct attention to the existence of "invisible" pockets of poverty in our largely affluent society. It provides a moral and political basis to act on a pressing and long-overlooked social problem. Indeed, the time is long overdue for the Nation's conscience and resources to be mobilized for a concerted war on the problems of Harlem, Bedford-Stuyvesant, and all the other "pockets" of despair, frustration, and poverty that persist in existing in our country.

Even title I, particularly the community work-training and work-study features, may in the long run yield valuable returns. The importance of this title is made clear by the estimates of some authorities that by 1970 about 9 or 10 million persons will be unemployed, of which roughly half will be under 25. This recalls the gloomy prediction years ago of H. G. Wells, who wrote that a particular consequence of the onrush of technological invention in our time was the release of a great flood of human energy in the form of unhappy unemployed young people. He called these young people shock troops in the destruction of the social order. If title I can make some small contribution to the defusing of this potential time bomb, then it deserves our support.

Perhaps the most promising of the bill's titles is title II under which community action programs would be established to strike at poverty at its source. This title would authorize a new system of Federal grants and other types of payments to public or private nonprofit agencies carrying out approved community programs for the benefit of low-income individuals, families, and groups of persons. After title II, the provision in title VI which authorizes a volunteer corps is a reasonable, and inexpensive proposal. It seeks to tap the idealism and energies of American young people who would, for very little pay, go into rural and urban communities and devote their full time and energies to the task of education and assisting low-income persons in ghetto areas and in poverty-stricken rural areas.

Title IV offers two programs: First, 25-year loans to private employers who agree to expand employment and recruit additional employees from the long-term unemployed and members of low-income families; and second, special-type small business loans of up to $15,000 for 15-year terms. Finally, title V would entail an expansion of demonstration projects offering assistance payments and work-training for recipients of public welfare aid, principally unemployed fathers, under auspices of the Department of Health, Education, and Welfare.

A moment ago I said that the bill could and should have been far better. The administration has shown clumsiness and weakness in some respects. My most immediate apprehension is that the administration and the majority on the committee have now gone too far in building into it States rights provisions. I say this as one who, after an initial reading of the original administration bill, believed Governors' powers should have been broadened. However, I have grave doubts about the advisability of giving Governors the extensive veto powers the new proposal gives them. A middle ground should have been struck.

The bill has also been criticized as "grossly inadequate," "unsound," and "a jerrybuilt political showpiece." While these charges are overdrawn, there is an element of justice in some of them. I must admit I have a hard time believing that this is the best bill that could be devised by the administration to fight poverty, or that it is the best measure that can be devised by the Congress. In some respects it is quite shallow and reflects, really, lack of deep knowledge on the part of the administration about the problems of the city ghetto.

An immediate example is the Job Corps under title I. Under the proposed Job Corps more than 700,000 young men and women from low-income families would be housed in conservation camps where they would perform tasks in conservation, and, hopefully, acquire basic educational skills and develop better work habits. The Job Corps is indeed admirable in theory, but it also raises questions. For example, how would the Job Corps engender a sense of social responsibility in youths removed to a strange environment, who to a large degree are persons on whom the long-established educational and other institutions of society have failed? A specialist in child development recently told a Washington reporter, with respect to the proposed Job Corps camp, that "If we have learned anything in the scientific studies of human behavior during the last 50 years, it is that you cannot teach citizenship and social responsibility while removing a person from the society in which he is to become responsible."

Undoubtedly the most questionable of the bill's seven titles is title III, which would extend loans and make available other benefits to low-income rural families. The most obvious question here is the advisability of assisting the most unpromising farmers, which might well have the effect of perpetuating poverty on the farm. Should not government policy encourage by careful and constructive means the phasing out of small unproductive farms? Additional manpower retraining programs can be the answer here.

In addition, objections can be made about what this bill omits. For example, as my colleague, the gentleman from New Jersey [Mr. FRELINGHUYSEN], pointed out some weeks ago, the administration bill "completely ignores elder citizens, the largest single group among the poor." And most serious of all, while the administration boasts widely about what the bill will do, it says nothing about housing and little about basic education.

I nevertheless support it. I do so because I think its merits outweigh its drawbacks. The bill is not a panacea, it is barely a start. But programs are needed to rehabilitate impoverished human beings and prepare them for more productive lives. Contrary to some charges leveled against the measure, the bill does not attempt to accomplish this by dole or expanding relief benefits. Indeed, a noteworthy feature of this measure is that it attempts to improve the condition of the poor by preparing them to play a useful and constructive role in our increasingly complex society.

For these reasons, I have supported the bill.

Mr. PEPPER. Mr. Speaker, the antipoverty bill which the House has just passed is one of the most humanitarian and at the same time most productive and constructive pieces of legislation ever enacted by the Congress.

It will give an education to many boys and girls who otherwise could get no education. It will rescue many boys and girls from the ranks of juvenile delinquency and make them become useful productive citizens. It will give skills to many now with no skills salable in the labor market. It will help the impoverished farmer to get on his feet. It will take many from the relief roles and make them employable and employed.

This is the most conservative bill that we could pass because it conserves the greatest asset we have, the human resources of our country and mobilizes them into citizens who instead of being a load on other people's backs, will become valuable workmen in the building of a richer and better America.

Mr. DULSKI. Mr. Speaker, the Economic Opportunity Act of 1964, which has passed, promises hope—hope for a decent standard of living for millions of Americans who are now unable to earn a sufficient income to provide adequate housing, proper clothing, and enough food for their families. Whatever the causes, no American citizen should be deprived of the chance to earn a decent living in this bountiful land of ours.

No one will deny that poverty exists. There is a critical need to do something about it. I think this bill is a beginning in a full-scale assault on the problems that plague the poverty stricken—lack of education, lack of needed skills, poor health, and adverse family circumstances. These are the problems of millions who live in an era when our gross national product is at an alltime high, but who are unable to enjoy the fruits of this unparalleled prosperity. These people are without hope, without income, without work, and without prospects for a job. The vast majority of them have strived for the adequate necessities of life. They want to be not only useful citizens in our free society, but also self-respecting individuals.

The poor barefoot child who walks the streets of the city slums dreams of this. The poor child in a rural area, whose parents try to eke out a bare existence from a small farm, dreams of this. It has been said that today's child of poverty will become the parent of tomorrow. Why? Because he, too, will not have an opportunity to get the training he needs to earn a decent living.

This antipoverty bill is not designed as a program for "handouts" as some of its opponents have charged. It is a combination of programs to provide opportunities whereby these people can be equipped to command a decent living wage to maintain their families properly. There will always be those who will not take advantage of the opportunity. But the millions, who have not heretofore had the opportunity, will benefit.

In waging this all-out war on poverty, our country will be undertaking one of its greatest challenges. Admittedly, this bill before us cannot blot out all the causes of poverty so that every family will be able to enjoy an income in excess of $3,000 per year. But it is a stab at the heart of the problem. And the prospects of what it can do for the youth of America are most encouraging.

We do not hesitate to spend millions and millions of dollars to help the poorer nations of the world in raising their standard of living. Should we then hesitate to help our own indigent where certainly our country will reap greater benefits by helping the poor right here at home?

I urge the passage of H.R. 11377.

Mr. BURTON of California. Mr. Speaker, I speak in support of President Johnson's war on poverty. This important legislation is a major step forward in the struggle to end poverty in America and to provide all our people with the means to achieve and enjoy a fuller life.

Of considerable interest to me is the formula by which funds under the various titles of the act will be allocated. In discussing this matter with the floor managers of the bill, including my distinguished colleague from California, Congressman JAMES ROOSEVELT, I have been assured that the data used for computing the number of public assistance recipients in the various States will be the latest available monthly figures.

The committee report made reference, as an illustration, to the number of public assistance recipients for January 1964. I was assured that later monthly figures than January 1964 would be used for the purpose of computing the number of monthly public assistance recipients and that January 1964 was merely the latest available month at the time that the committee report was compiled.

I have relied on this assurance that the latest monthly date will be used, because to do otherwise would most unfairly discriminate against California, whose program to extend aid to families with dependent children was not established until February 1964 and whose caseload in this connection has not yet stabilized.

GENERAL LEAVE TO EXTEND REMARKS

Mr. LANDRUM. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks in the Record on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

THE LATE HONORABLE ALBERT E. CARTER

Mr. MILLER of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. MILLER of California. Mr. Speaker, I regret to inform the House that last night the Honorable Albert E. Carter, a Member of this body for 20 years, my immediate predecessor, passed away. Mr. Carter was known to all of you, and I am sure that he will be missed. At a later date we of the California delegation will seek to pay homage to him.

Mr. McCORMACK. Mr. Speaker, I felt very sorry—and I feel very sorry now—when I heard a few minutes ago our distinguished friend from California [Mr. Miller] announce the death of our late distinguished colleague Albert E. Carter.

Al Carter was one of the finest gentlemen I have ever met or anyone else has ever met. For many years he labored under great physical difficulty. I always was glad to see him when he visited us in the House. His inspiring countenance and wonderful warm personality will be greatly missed.

He was an outstanding Member of this House; a man with a noble outlook on life which was refreshing. He was kind, understanding, and considerate. To me he was always an inspiration.

Between Al Carter and I there developed throughout the years a very close feeling of respect and friendship. I profoundly respected him, and I entertained for him the strongest feeling of friendship humanly possible.

I am going to miss Al Carter, as will all who knew him. But he has left a heritage to all of us—a heritage of a good man with a wonderful mind, possessed of all those fine, deep, and nice characteristics which make up nobility of character. He was one of God's noble men.

I extend to Mrs. Carter my profound sympathy in her bereavement.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the distinguished minority leader.

Mr. HALLECK. I wish to say that certainly those of us on this side of the aisle who knew, respected, and admired Al Carter appreciate very much what the distinguished Speaker of the House of Representatives has just said of his life and character. There is no question that he was one of the finest and most able men who ever served in this body.

After he left this body he returned to visit us frequently, always cheerful and always pleasant. We were always happy to see him.

His wife, as many of the wives of Members on this side of the aisle well know, was one of the leaders among them who worked diligently to keep them in contact with one another.

It is with deep regret that I, too, express my great sorrow at the passing of such a fine and wonderful man.

Mrs. FRANCES P. BOLTON. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentlewoman from Ohio.

Mrs. FRANCES P. BOLTON. I should like to associate myself with what the able Speaker has said and also with what the able minority leader has said.

Al Carter was one of my friends, as is his wife. I feel this about his passing: Yes, we will miss him, but surely he has gone where, as some have said, it is all glory. He certainly earned the right to go. I cannot mourn, as I might with a younger man, but I rejoice deeply in his release, much as I naturally sympathize with his widow.

Thank you very much.

Mr. McCORMACK. Mr. Speaker, I yield to the gentleman from Iowa [Mr. Jensen].

Mr. JENSEN. Mr. Speaker, I was shocked and grieved to learn about an hour ago from Al Carter's nephew, Frank Mayfield, of California, that Al had passed to his reward. I came here in 1939 and soon became acquainted with Al Carter. Then 4 years thereafter I became a member of the Committee on Appropriations and was assigned as a member of the Interior Subcommittee on Appropriations of which Mr. Carter was a member. I learned to admire Mr. Carter in all his doings. I learned to know his heartbeats, I learned to know him as a man of outstanding qualifications, a man of honesty and integrity.

Mrs. Jensen and Mrs. Carter were very close friends. Mrs. Carter was very active among congressional women. She was quite nonpartisan in all her activities. She only worked for the good of the ladies whose husbands were Members of Congress and the ladies of Congress who knew her well knew of her good works.

Al Carter was a man of outstanding ability. He was a true friend. He liked people. I never heard Al Carter speak harshly of anyone. He had a heart of gold. I shall miss my friend Al. I know most of the Members of this House and most everyone that knew Al Carter will miss him. My heart and the heart of my wife go out to Mrs. Carter and their family. Al Carter and Mrs. Carter did much to educate several of their nieces. I have heard those nieces praise Al and Mrs. Carter as the folks that really were responsible for their education to a great degree.

May God rest the soul of this great and good man, Albert E. Carter.

Mr. McCORMACK. Mr. Speaker, I yield to the gentleman from California [Mr. Baldwin].

Mr. BALDWIN. Mr. Speaker, the district which I now represent was entirely within the district which was represented by Al Carter during his years of distinguished service here in Congress. Many of my constituents are long time friends and warm admirers of Al Carter. Because of the fact that he had represented the area which I now represent, I came to know him almost immediately when I came to Congress, because he was one of those men who became so devoted to Congress that even though he was no longer serving in Congress, he frequently came back to visit. For this reason I got to know him almost immediately. He was a very fine, a very distinguished man, a man of very high principles.

His wife was the lady who called together the ladies of the 84th club when we first came to Congress and they formed an 84th wives club. She had done that for many years before, and she has done it ever since. She had a great devotion to Congress and to bringing together the wives of each group of incoming Congressmen so that their lives might be made more pleasant, more enjoyable.

Al Carter has left behind him many admirers and many friends who will be thinking of Mrs. Carter in this hour of her bereavement.

Mr. McCORMACK. Mr. Speaker, I yield to the gentleman from California [Mr. Miller].

Mr. MILLER of California. Mr. Speaker, having made the announcement, I ask unanimous consent that all Members have 5 legislative days in which to extend their remarks on the life and accomplishments of Albert Carter, our late colleague.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. GUBSER. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from California.

Mr. GUBSER. Mr. Speaker, I well remember almost 12 years ago when my family and I moved to Washington to take up our new and interesting life as a Member of Congress that two of the most helpful hands which were extended to us, to assist us in making this difficult transition, were the hands of Mr. and Mrs. Al Carter. Throughout the 12 years in which I have served in this body I have noted that with each new crop of freshmen coming to the Congress Al and Mrs. Carter were there to help them as they had helped my family and myself. This came to be symbolic of the Carters, who were always extending themselves to help others.

Unfortunately, half of that team is no longer with us. We shall all deeply miss Al Carter. Certainly one of the great tributes to him as a man is that the good will he spread as a Member of Congress continued long after his service in the Congress had ended and was extended to so many others.

I am confident that though he has gone the memory, the good feeling, and the good will of Al Carter will live on.

Mr. CHENOWETH. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Colorado.

Mr. CHENOWETH. Mr. Speaker, I was greatly saddened when I learned of the passing of our good friend Albert Carter. I wish to join our distinguished Speaker and my other colleagues in paying tribute to our former colleague, who was held in such great affection. When I first came to Congress Albert Carter was one of the most respected and outstanding Members of the House. I soon learned to love him as everyone did. We formed a friendship which has lasted through the years.

Soon after I came in the 77th Congress, a group of House Members who were Rotarians decided to get together for a luncheon once a week. I remember that Al Carter was very active in this group and we always enjoyed his fellowship.

Al Carter was a great American. It was a privilege to serve with him in Congress. I enjoyed our visits after he left Congress, and I recall he visited the House frequently. Al Carter was a genial person and always had a friendly smile. I shall always have happy recollections of our friendship and association over the years. Mrs. Chenoweth has also greatly valued the friendship of Mrs. Carter.

Mrs. Chenoweth joins me in extending our deep personal sympathy to Mrs. Carter and the other members of the family.

Mr. GROSS. Mr. Speaker, I am indeed sorry to learn of the death of our former colleague, the Honorable Albert Carter.

I shall always remember his visits to the House floor following his retirement from Congress. It was a pleasure to visit with him and draw from the vast store of wisdom which was his. I will miss this kindly man as will many others in the House of Representatives.

Mrs. Gross joins me in these sentiments and in extending sympathy to Mrs. Carter in this time of bereavement.

Mr. FISHER. Mr. Speaker, the passing of our former colleague in the House, Al Carter, came as a blow to many of us who knew him well and who held him in such high esteem. He served with great distinction in this body for 20 years. It was my privilege and pleasure to serve with him for 2 years before his retirement on January 3, 1945. A ranking member of the Appropriations Committee, he was a leader in the great struggle for fiscal responsibility and sound finance policies for our Government. In that respect his contribution was extraordinary.

Above everything, Al Carter was a great American, a dedicated citizen who maintained a vigilant and respected concern for the affairs of state.

On a personal basis, he was my friend. For years and up to only a few weeks before his death I visited with him frequently. Although stricken several years ago with ill health, which undoubtedly caused much suffering, he was never heard to complain. His interest always appeared to be in other people, their welfare and progress. He was my idea of the perfect gentleman. He respected the views of others, whether he agreed with them or not. His home in Oakland, which I have visited, was a household of warmth and sincere hospitality. A visit with Al and Mrs. Carter always left one proud of being counted among their host of friends and associates.

Many of us feel this loss very deeply. And the Nation has lost a truly great patriot and a valuable citizen. To Mrs. Carter I extend my deepest sympathy in her bereavement.

Mr. KIRWAN. Mr. Speaker, it was with profound regret and personal sorrow that I learned of the passing of Albert E. Carter, our former colleague from California. Al Carter was in the Congress when I arrived here, and there was not a friendlier hand extended to new Members than his. A man of great depth and character, Al Carter was a true gentleman. I served with him on both the Appropriations and the Rivers and Harbors Committees of the House, and he served them both with great vision and understanding.

For 20 years he served the people of the Oakland, Calif., area in such a distinguished manner that his endorsements for office were mainly by both political parties. His accomplishments for his district, and friendship for the small homeowner, small businessman, and the men and women who labor for a living and providing for the needs of his district stamped him as one of the outstanding Representatives in Congress.

Again, I want to say that Al Carter was indeed a scholar and a gentleman, and the world is much richer for his great and noble efforts.

Mr. COHELAN. Mr. Speaker, I join with our many colleagues in mourning the passing of a former distinguished Member of the House, who I am proud to say was a resident of my congressional district, Albert Carter.

I am sure that none of us will ever forget the helping hands that Al Carter and his wonderful wife extended to so many new Members of Congress when they first arrived in Washington. This can be a most trying and difficult time but Mr. and Mrs. Carter did much to help many of us over the first rough moments of adjustment.

Albert Carter was a dedicated, conscientious Member who compiled a notable record of achievement during his 20 years in the House. I am personally appreciative of his friendship when I was first elected to this great body.

Mrs. Cohelan joins me in extending thanks to the Carters for their thoughtfulness and kindness and in expressing sincere condolences to Mrs. Carter.

LEGISLATIVE PROGRAM FOR WEEK OF AUGUST 10

Mr. HALLECK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. HALLECK. Mr. Speaker, I take this time for the purpose of inquiring of the majority leader the program for next week.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from Oklahoma.

Mr. ALBERT. In reply to the inquiry of the minority leader, the program for next week is as follows:

Monday:

H.R. 1927, non-service-connected pensions. This will be considered under suspension of the rules.

House Resolution 814, providing for taking H.R. 1839—meat imports: wild birds and wild animals—from the Speaker's table, disagreeing to the Senate amendments, and requesting a conference with the Senate.

Monday is also District Day, and there are nine bills to be considered, as follows:

H.R. 12198, increase in judges retirement.

H.R. 12196, District of Columbia police and firemen pay increase.

H.R. 12042, District of Columbia teachers pay increase.

H.R. 8407, exempt nonresident mortgage companies from District of Columbia franchise tax.

S. 646, location in District of Columbia of foreign chanceries.

S. 1024, relocation costs authorized by commissioners to pay.

H.R. 9774, terminate Columbia Plaza urban renewal project.

H.R. 5990, amend District of Columbia Charitable Solicitation Act.

S. 628, amend District of Columbia Redevelopment Act of 1945.

These bills may not be called in the order in which they are listed.

May I also advise that the legislative appropriation conference report will be called up, and there may be other conference reports of that kind to consider Monday.

Tuesday and balance of week:

House Resolution 818, providing for taking S. 1007—Pacific Northwest electric consumer guarantee—from the Speaker's table and sending the bill to conference.

H.R. 4731, amend Food and Drug Act reflavoring extracts. Open rule, 1 hour debate.

H.R. 5673, steel container labeling. Open rule, 1 hour debate.

H.R. 1803, Ozark National Scenic Riverways, Mo. Open rule, 1 hour debate.

H.R. 12175, Housing Act of 1964.

S. 1627. International Commission for Supervision and Control in Laos. Open rule, 1 hour debate.

S. 1664, establishing an Administrative Conference of the United States. Open rule, 1 hour debate.

S. 1006, fishing vessel construction. Open rule, 2 hours debate.

S. 254, Supreme Court parking lot. Open rule, 1 hour debate.

S. 1451, claims of shareholders of General Dyestuff Corp.

H.R. 9752, hydroelectric projects on the Colorado River.

Of course this announcement is made subject to the usual reservation that conference reports may be brought up at any time and that any further program will be announced later.

In that regard, Mr. Speaker, we, of course, are going to have conference reports coming out frequently at this time of the session and there may be additions and changes in the program. We will try to keep Members advised as to any additions or changes as far in advance as possible.

Mr. HALLECK. I would like to inquire of the gentleman whether or not the second bill on the list for Monday has to do with the matter of beef or meat imports?

Mr. ALBERT. The gentleman is correct.

DISPENSING WITH BUSINESS IN ORDER UNDER CALENDAR WEDNESDAY RULE ON WEDNESDAY NEXT

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule may be dispensed with on Wednesday next.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

Mr. GROSS. Mr. Speaker, reserving the right to object, can the gentleman give us any indication of the prospects for the sine die adjournment?

Mr. ALBERT. I am not able to do that at this time. That is a matter that is not solely within the control of the House. We are doing everything we can to expedite the legislative business. We are trying to complete the program and I think we have done quite well in moving toward adjournment.

Mr. GROSS. You did just a little too well in the last 24 hours, in my opinion.

Mr. ALBERT. I thank the gentleman for the compliment he has paid us just now. It is very rare that the gentleman is so generous with his commendations.

Mr. GROSS. I would be very much interested and I am sure all Members are very much interested as to whether we are going to reach the sine die adjournment before the Democrats gather for their festivities at Atlantic City. I hope the gentleman can give us some information or the distinguished Speaker of the House can give us some information.

Mr. ALBERT. The gentleman knows that we gave our Republican friends a week off before the Republican Convention and we are not taking a week off before the Democratic Convention. We are trying to finish the legislative business for this session of the Congress.

Mr. HALL. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman.

Mr. HALL. Mr. Speaker, I would like to renew my request of last week to the distinguished majority leader from the hills of Oklahoma. I know he knows of the scenic railways that travel through the Ozarks. Is or is not the bill that he read, labeled "Scenic Ozark Railways" or "Ozark Waterways." We have both, as the gentleman knows.

Mr. ALBERT. The bill has to do with the Ozark national scenic riverways.

Mr. HALL. It is riverways? I thought the gentleman said railways. Since we do have the Missouri Pacific Railroad down there which travels along a most scenic route, I would like to know if the bill had to do with railways or riverways.

Mr. ALBERT. Is the gentleman in favor of this Ozark National Scenic Riverways bill?

Mr. HALL. I am not prepared to comment on that. But I would like to know whether I am willing to vote on the scenic railways which are in being or this thing that has been picked out from the sky or the riverways, Mr. Majority Leader.

Mr. ALBERT. It is the riverways bill and I am sorry if the gentleman misunderstood me.

Mr. HALL. I thank the distinguished majority leader.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma [Mr. ALBERT]?

There was no objection.

MR. ADAM YARMOLINSKY

Mr. VANIK. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. VANIK. Mr. Speaker, in yesterday's debate on the antipoverty bill, it was represented that Mr. Adam Yarmolinsky would not be assigned to an administrative responsibility in this vital program.

I cannot understand the motives which prompted this kind of a determination and hope that it may be reconsidered.

Mr. Yarmolinsky is known to me only by his deeds. I have found him to be a vigorous public official of extraordinary dedication. His contribution to the development of and preparations for the antipoverty program have been of immeasurable value. This vital program would suffer a distressing loss if Mr. Yarmolinsky were denied a part in its implementation.

TRAGEDY IN VIETNAM

Mr. CONTE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. CONTE. Mr. Speaker, it is with a great deal of sadness that I announce to the House of Representatives that one of the casualties in the Vietnam crisis is a young man from the First Congressional District of Massachusetts, Lt. Leonard L. Kaster of Holyoke, Mass.

This young man was a navigator on a B-57 bomber which crashed in a Red-controlled jungle sector of South Vietnam last Wednesday while en route from the Philippines to the Siagon Airport in South Vietnam.

It is feared that he and the other crewmen aboard perished in the crash.

This navigator is a veteran of almost 4 years of military service, entering the Air Force in 1960. Previous to that, he graduated from Holyoke High School. In 1960 he received a degree from Georgetown University.

It is certainly a tragedy to have a casualty such as this in an undeclared conflict.

I hope beyond hope that there remains a chance for his survival.

In notifying the House at this time, I respectfully ask my distinguished colleagues to join with me in silent prayer for Leonard L. Kaster.

CIVIL RIGHTS RECORD OF PRESIDENTIAL CANDIDATES

Mr. SCHADEBERG. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. ASHBROOK] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. ASHBROOK. Mr. Speaker, Congressional Quarterly has compiled a comprehensive survey of the voting records of President Lyndon Johnson and Senator BARRY GOLDWATER on the civil rights issues which have been before the Congress during the time these two men were in Government. I include it at this point:

JOHNSON'S HOUSE AND SENATE VOTES ON CIVIL RIGHTS, 1937–52

1937

Year 1937, antilynching bill: Passed, 277 to 120 (Democrat, 189 to 117; Republican, 75 to 3), April 15. Johnson, against.

1940

Year 1940, antilynching bill: Motion to discharge the Rules Committee from further consideration of the bill. Agreed to 256 to 114 (Democrat, 106 to 111; Republican, 146 to 3), January 8. Johnson, against.

Year 1940, antilynching bill: Passed 252 to 131 (Democrat, 109 to 123; Republican, 140 to 80), January 10. Johnson, against.

1942

Year 1942, antipoll tax bill: Motion to discharge the Rules Committee from further consideration of the bill. Agreed to 251 to 85 (Democrat, 123 to 81; Republican, 123 to 3), October 12. Johnson, against.

Year 1942, antipoll tax bill: A motion to agree to a resolution for consideration of the antipoll tax bill. Agreed to 250 to 84 (Democrat 124 to 81; Republican 123 to 3), October 12. Johnson, against.

Year 1942, antipoll tax bill: Passed 254 to 84 (Democrat, 125 to 80; Republican, 126 to 4), October 13. Johnson, against.

1943

Year 1943, antipoll tax bill: A motion to agree to a resolution calling for the consideration of the bill agreed to 265 to 105 (Democrat, 85 to 95; Republican, 176 to 10), May 24. Johnson, against.

Year 1943, antipoll tax bill: A motion to discharge the Rules Committee from further consideration of a resolution calling for the consideration of the bill. Agreed to 268 to 110 (Democrat, 88 to 100; Republican, 176 to 10), May 24. Johnson, against.

Year 1943, antipoll tax bill: Passed 265 to 110 (Democrat, 92 to 93; Republican, 169 to 17), May 25. Johnson, against.

1945

Year 1945, antipoll tax bill: Motion to discharge Rules and Judiciary Committees from further consideration of the bill and bring it to the floor. Agreed to 224 to 95 (Democrat, 103 to 79; Republican, 119 to 16), June 11. Johnson, not recorded.

Year 1945, antipoll tax bill: Motion to consider bill under limited debate. Agreed to 220–94 (Democrat, 103–79; Republican, 115 to 15), June 11. Johnson, not recorded.

Year 1945, antipoll tax bill: Passage of bill making a poll tax unlawful as qualification for voting in Federal elections. Passed 251 to 105 (Democrat, 118 to 86; Republican 131 to 19), June 12. Johnson, against.

1946

Year, 1946, school lunch bill: Amendment denying funds under the act to "any State or school if, in carrying out its functions under this title, it makes any discrimination because of race," accepted 258 to 110 (Democrat, 105 to 99; Republican, 152 to 10), February 21. Johnson, against.

Year, 1946, motion to adjourn to prevent floor action on the FEPC bill: Rejected 97 to 199 (Democrat, 66 to 76; Republican, 31 to 122), July 10. Johnson, for.

1947

Year, 1947, antipoll tax bill: Motion to adjourn to prevent vote on bill. Rejected 85 to 299 (Democrat, 85 to 77; Republican, 0 to 221), July 21. Johnson, for.

Year 1947, antipoll tax bill: Passage of bill prohibiting payment of poll tax as a qualification in Federal elections, passed 290 to 112 (Democrat, 73 to 98; Republican, 216 to 14), July 21. Johnson, against.

1948

Year, 1948, Southern States educational compact: Congressional approval of 15 Southern States compact to establish regional universities for colored and later for white students, opposed by NAACP as a device to perpetuate segregation. Approved 236 to 45 (Democrat, 87 to 31; Republican, 149 to 12), May 4. Johnson, for.

1949

Year, 1949, cloture rule: Vote on resolution to discharge the Senate Rules Committee from further consideration of a resolution to amend the cloture rule to permit cloture on motions which propose cloture on a bill: Rejected 31 to 56 (Democrat, 0 to 49; Republican, 31 to 7), February 7. Johnson, against.

Year, 1949, cloture rule: Amendment to the cloture rule which would enable two-thirds of the Members voting to impose cloture on any matter except changes in the Senate rules: Rejected 29 to 57 (Democrat, 17 to 27; Republican, 12 to 30), March 17. Johnson, against.

Year, 1949, cloture rule: Amendment which would permit cloture on all matters, including Senate rules, by a constitutional majority (49 Senators): Rejected 17 to 69 (Democrat, 13 to 31; Republican, 4 to 38), March 17. Johnson, against.

Year, 1949, cloture rule: Amendment, offered as a substitute for the cloture resolution, which would make cloture applicable to all business, except proposals to change the rules, by a vote of two-thirds of the total Senate membership. (A so-called compromise, the amendment was backed by a Republican-southern Democrat coalition and actually made cloture more difficult to impose than had previously been the case.) Passed 63 to 23 (Democrat, 29 to 15; Republican, 34 to 8), March 17. Johnson, for.

Year, 1949, National Housing Act of 1949: Amendment prohibiting discrimination or segregation under the act because of race, creed, or color: Rejected 31 to 49 (Democrat, 3 to 41; Republican, 28 to 8), April 21. Johnson, against.

Year, 1949, Federal aid to education: Amendment to prohibit segregation in administration of the act: Rejected 16 to 65 (Democrat, 0 to 48; Republican, 16 to 17), May 3. Johnson, against.

Year 1949, Home Rule for District of Columbia: Amendment to require a referendum of qualified voters on any changes in segregation policy in the District of Columbia. Rejected 27 to 49 (Democrats 24 to 21; Republicans, 3 to 28), May 31. Johnson, for.

1950

Year 1950, FEPC amendment: Motion to table FEPC amendment to the bill repealing the tax on oleomargarine. Agreed to 59 to 17 (Democrats, 44 to 1; Republicans 15 to 16), January 18. Johnson, for.

Year 1950, antilynch amendment: Motion to table antilynch amendment to the oleomargarine tax repeal bill. Agreed to 60 to 20 (Democrats 45 to 1; Republicans 15 to 19), January 18. Johnson, for.

Year 1950, poll-tax amendment: Motion to table antipoll tax amendment to the bill repealing the tax on oleomargarine. Agreed to 59 to 17 (Democrats 44 to 0; Republicans 15 to 17), January 18. Johnson, for.

Year 1950, cloture: Motion to invoke cloture on motion to begin consideration of a bill to establish a permanent Fair Employment Practices Commission. Rejected 52 to 32 (Democrats 19 to 26; Republicans 33 to 6), May 19. (64 votes required for cloture) Johnson, against.

Year 1950, Manpower Registration Act of 1950: Extend Selective Service Act of 1948. Amendment to strike out voluntary segregation amendment reported by committee. Agreed to 42–29 (Democrats 16 to 25; Republicans 26 to 4), June 21. Johnson, against.

Year 1950, Armed Forces Segregation: Amendment to the draft extension bill, which would provide for segregation if a majority of draftees and enlistees in 36 States expressed such a preference after 6 months operation of the law. Rejected 27 to 45 (Democrats 24 to 16; Republicans 3 to 29), June 22. Johnson, for.

Year 1950, cloture: Invoke cloture on motion to take up FEPC bill (64 "yeas" required). Rejected 55 to 33 (Democrats 22 to 27; Republicans 33 to 6), July 12. Johnson, against.

Year 1950, Railway Labor Act: Motion to table amendments to the Railway Labor Act which would have denied the provisions of the act to labor organizations that segregated or excluded minorities. Agreed to 64 to 17 (Democrats 41 to 0; Republicans 23 to 17), December 11. Johnson, for.

JOHNSON, GOLDWATER CIVIL RIGHTS VOTES, 1953–60

1953

Year, 1953, cloture rule: Motion to table motion to consider adoption of Senate rules for the 83d Congress; the motion was preliminary to an attempt to modify rule XXII to facilitate the imposition of cloture and limitation of debate. Agreed to 70 to 21 (Democrat, 41 to 5; Republican, 29 to 15), January 7. Johnson, for. Goldwater, for.

1956

Year, 1956, civil rights bill: Motion to adjourn for 5 minutes in order that there be a morning hour, a parliamentary move to bring the civil rights bill to the floor. Rejected 6 to 76 (Democrat, 3 to 39; Republican, 3 to 37), July 24. Johnson, against. Goldwater, against.

1957

Year, 1957, cloture rule: Motion to table motion to consider adoption of Senate rules for the 85th Congress. The motion was preliminary to an attempt to modify rule XXII to facilitate the imposition of cloture and limitation of debate. Agreed to 55 to 38 (Democrat, 27 to 21; Republican, 28 to 17), January 4. Johnson, for. Goldwater, for.

Year, 1957, Civil Rights Act of 1957. Russell, Democrat, of Georgia, point of order against Knowland, Republican, of California, objection to referral of bill to Judiciary Committee. Rejected 39 to 45 (Democrat, 34 to 11; Republican, 5 to 34), June 20, 1957. The rejection of Russell's point of order permitted the bill to be placed directly on the Senate calendar without having to go to the Judiciary Committee. Johnson, for. Goldwater, for.

Year, 1957, Civil Rights Act of 1957: Knowland, Republican, of California, motion to consider the bill. Agreed to 71 to 18 (Democrat, 29 to 18; Republican, 42 to 0), July 16, 1957. Agreement on the motion took H.R. 6127 from the Senate calendar and made it the pending business. Johnson, for. Goldwater, for.

Year, 1957, Civil Rights Act of 1957: Knowland, Republican, of California—Humphrey, Democrat, of Minnesota, amendment to add to part III of the civil rights bill—providing for enforcement of the 14th amendment—language repealing an 1866 statute that gave the President power to use troops to enforce existing civil rights law. Accepted, 90 to 0 (Democrat, 47 to 0; Republican, 43 to 0), July 22, 1957. Johnson, for. Goldwater, for.

Year, 1957. Civil Rights Act of 1957: Bricker, Republican, of Ohio, amendment to modify part III of the bill to permit the Attorney General to institute civil action for the protection of civil right guaranteed under the 14th amendment only when directed to do so by the President. Rejected 29 to 61 (Democrat, 7 to 40; Republican, 22 to 21), July 23, 1957. Johnson, against. Goldwater, against.

Year, 1957, Civil Rights Act of 1957: Cooper, Republican, of Kentucky, amendment to modify part III to authorize the Attorney General to institute civil action for preventive relief only when a conspiracy prevents or hinders compliance with a Federal court order issued to secure to any person the equal protection of the laws provided by the 14th amendment. Rejected 8 to 81 (Democrat, 2 to 45; Republican, 6 to 36), July 23, 1957, Johnson, against. Goldwater, against.

Year, 1957, Civil Rights Act of 1957: Anderson (Democrat, of New Mexico), Aiken (Republican, of Vermont), amendment to eliminate section 121 of part III of the Civil Rights bill which would have permitted the Attorney General to institute civil action for preventive relief in civil rights cases under the 14th amendment. Accepted 52 to 38 (Democrat, 34 to 13; Republican, 18 to 25), July 24, 1957. Johnson, for. Goldwater, for.

Year 1957, Civil Rights Act of 1957: O'Mahoney (Democrat, of Wyoming), Kefauver (Democrat, of Tennessee), Church (Democrat, of Idaho) amendment to guarantee jury trials in all cases of criminal contempt and provide uniform methods of selecting Federal court juries. Accepted, 51 to 42 (Democrat, 39 to 9, Republican, 12 to 33), August 2, 1957. Johnson, for. Goldwater, for.

Year 1957, Civil Rights Act of 1957: Case (Republican, of South Dakota) amendment to make a district court's jurisdiction over right-to-vote cases permissive rather than mandatory when administrative remedies had not been exhausted. Rejected 34 to 47 (Democrat, 30 to 13; Republican, 4 to 34), August 2, 1957. Johnson, for. Goldwater, against.

Year, 1957, Civil Rights Act of 1957: Passage of the bill. Passed 72 to 18 (Democrat, 29 to 18; Republican, 43 to 0), August 7, 1957, Johnson, for. Goldwater, for.

1959

Year, 1959, cloture rule: Motion to adjourn to the next day to prevent motion from being made to consider the adoption of new Senate rules. Agreed to 73 to 23 (Democrat, 50 to 13; Republican, 23 to 10), January 7. Johnson, for. Goldwater, not recorded.

Year, 1959, cloture rule: Motion to table motion to consider adoption of Senate rules for the 86th Congress. This motion provided for adoption of all 85th Congress rules except rule XXII, and called for immediate consideration of a revised rule XXII. Agreed to 60 to 36 (Democrat, 40 to 22; Republican, 20 to 14), January 9. Johnson, for. GOLDWATER, for.

Year, 1959, cloture rule: Amendment to a resolution revising rule XXII. The amendment would enable a majority of the Senate membership to limit debate 15 days after 16 Senators filed a cloture motion. Rejected 28 to 67 (Democrat, 20 to 43; Republican, 8 to 24), January 12. Johnson, against. GOLDWATER, against.

Year 1959, cloture rule: Amendment to a proposal to revise rule XXII. The amendment would enable three-fifths of the Senators voting to shut off debate, instead of two-thirds as proposed by the original proposal. Rejected 36 to 58. (Democrats 24 to 38; Republicans, 12 to 20), January 12. Johnson, against. GOLDWATER, against.

Year 1959, cloture rule: Vote on resolution which would enable two-thirds of the Senators voting to impose cloture on any matter. Passed 72 to 22 (Democrats, 44 to 19; Republicans, 28 to 3), January 12. Johnson, for. GOLDWATER, for.

Year 1959, Hayden, Democrat, of Arizona, amendment to extend the life of the Civil Rights Commission 2 years, to November 8, 1961, and appropriate $500,000 to it. Agreed to 71 to 18 (Democrats, 43 to 17; Republicans, 28 to 1), September 14 1959. Johnson, for. GOLDWATER, announced for.

1960

Year 1960, amend the Constitution to authorize Governors to fill temporary vacancies in the House of Representatives under emergency conditions. Holland, Democrat, of Florida, amendment to prohibit the use of the poll tax or property requirements as qualifications for voting in Federal elections. Agreed to 72 to 16 (Democrats, 43 to 13; Republicans, 29 to 3), February 2, 1960. Johnson, for. GOLDWATER, paired against.

Year 1960, Holland, Democrat, of Florida, motion to table (kill) a Javits, Republican, of New York, amendment, in the nature of a substitute for Senate Joint Resolution 39, to prohibit use of the poll tax or property requirements as qualifications for voting in Federal elections through statute rather than constitutional amendment. Tabling motion agreed to 50 to 37 (Democrats, 32 to 22; Republicans 18 to 15), February 2, 1960, Johnson, for. GOLDWATER, for.

Year 1960, passage of Senate Joint Resolution 39, a constitutional amendment which would bar poll tax or property requirements as qualification for voting in Federal elections. Adopted 70 to 18 (Democrats, 43 to 12; Republicans, 27 to 6), February 2. Johnson, for. GOLDWATER, against.

Year 1960, civil rights proposals. Russell, Democrat, of Georgia, motion to postpone further consideration of civil rights proposals until February 23, 1960. Rejected 28 to 61. (Democrats, 24 to 34; Republicans, 4 to 27), February 16, 1960. Johnson, against. GOLDWATER, for.

Year, 1960, civil rights proposals: Johnson, Democrat, of Texas, motion to table Long, Democrat, of Louisiana, amendment specifying that the Dirksen, Republican, of Illinois, amendment on obstruction of courts' school desegregation orders could not be interpreted as preventing freedom of speech to advocate separation of the races. Tabling motion agreed to 64 to 8) Democrat, 34 to 8; Republican, 30 to 0), March 2, 1960. Johnson paired, for. GOLDWATER, for.

Year, 1960, civil rights proposals: Douglas, Democrat, of Illinois, Javits, Republican, of New York, motion to limit debate by invoking cloture on the civil rights filibuster (two-thirds majority required). Rejected 42 to 53 (Democrat, 30 to 33; Republican, 12 to 20), March 10, 1960 (64 "yeas" were required for adoption). Johnson, against. GOLDWATER, against.

Year, 1960, civil rights proposals: Johnson, Democrat, of Texas, motion to table Case, Republican, of South Dakota, amendment to the pending administration bill to add part III, empowering the Attorney General to seek injunctions to protect any civil right. Tabling motion agreed to 55 to 38. (Democrat, 34 to 28; Republican 21 to 10), March 10, 1960. Johnson, for. GOLDWATER, for.

Year, 1960, civil rights proposals: Ervin, Democrat, of North Carolina, amendment to the first section of the administration bill, reducing penalties for obstructing court orders on school desegregation to a $1,000 fine and/or 1 year in prison. Agreed to 89 to 0 (Democrat, 61 to 0; Republican, 28 to 0), March 10, 1960. Johnson, for. GOLDWATER, for.

Year, 1960, civil rights proposals: Lausche, Democrat, of Ohio, amendment to first section of the administration bill, making obstruction of all court orders, not just those ordering school desegregation, a Federal crime. Agreed to 65 to 19 (Democrat, 46 to 8; Republican, 19 to 11), March 11, 1960. Johnson, for. GOLDWATER paired, for.

Year, 1960, civil rights proposals: Morse, Democrat, of Oregon, motion to table (kill) the first section of the administration bill as amended by LAUSCHE. Tabling motion agreed to 49 to 35 (Democrat, 48 to 6; Republican, 1 to 29), March 11, 1960. Johnson, for. GOLDWATER, announced against.

Year, 1960, civil rights proposals. Goldwater, Republican, of Arizona, amendment to second section of the administration bill (making flight across States lines to avoid prosecution for bombing schools and churches a Federal crime) to make the provision applicable to bombing of any building or vehicle. Agreed to 85 to 1 (Democrat, 55 to 0; Republican, 30 to 1), March 14, 1960. Johnson, for. GOLDWATER, for.

Year, 1960, civil rights proposals: Keating, Republican, of New York, amendment to second section of the administration bill, outlawing transportation or possession of explosives with intent to use them to blow up any building or vehicle and making false bomb scares a crime. Agreed to 87 to 0 (Democrat, 56 to 0; Republican, 31 to 0), March 17, 1960. Johnson, for. GOLDWATER, for.

Year, 1960, civil rights proposals: Adoption of second section of the administration bill as amended by the Goldwater and Keating amendments. Agreed to 86 to 1 (Democratic, 55 to 0; Republican, 31 to 1), March 17, 1960. Johnson, for. GOLDWATER, for.

Year, 1960, civil rights proposals: Dirksen, Republican, of Illinois, motion to table Douglas, Democrat, of Illinois, Javits, Republican, of New York, amendment to the third section of the administration bill, to provide for Presidential appointment of Federal registrars to enroll Negroes after the President received 50 complaints of discrimination and investigated them. Tabling motion agreed to 53 to 24 (Democrat, 29 to 19; Republican, 24 to 5), March 18, 1960. Johnson, for. GOLDWATER, paired for.

Year, 1960, civil rights proposals: Morse, Democrat, of Oregon, motion to table a Javits, Republican, of New York, Clark, Democrat, of Pennsylvania, amendment to the third section of the Administration bill, to provide for court-appointed referees or Presidentially appointed enrollment officers to register Negroes after a court has found a pattern or practice of discrimination. Tabling motion agreed to 51 to 43 (Democrat, 27 to 35; Republican, 24 to 8), March 24, 1960. Johnson, for. GOLDWATER, paired for.

Year, 1960, civil rights proposals: Eastland, Democrat, of Mississippi, motion that the House-passed civil rights bill (H.R. 8601) be referred to the Judiciary Committee without any time limit for sending it back to the Senate. Rejected 19 to 72 (Democrat, 18 to 42; Republican, 1 to 30), March 24, 1960. Johnson, against. GOLDWATER, announced against.

Year, 1960, civil rights proposals: Johnson, Democrat, of Texas, motion that H.R. 8601 be referred to the Judiciary Committee with instructions that it be reported back to the Senate no later than March 29. Agreed to 86 to 5 (Democrat, 55 to 5; Republican 31 to 0), March 24, 1960. Johnson, for. GOLDWATER, announced for.

Year, 1960, civil rights proposals: Johnson, Democrat, of Texas, motion to begin consideration of the committee-reported version of H.R. 8601. Agreed to 71 to 17 (Democrat, 41 to 17; Republican 30 to 0), March 30, 1960. Johnson, for. GOLDWATER, for.

Year, 1960, Civil Rights Act of 1960: Senate committee amendment to extend title I, outlawing obstruction of court orders for school desegregation to apply to all court orders. Agreed to 68 to 20 (Democrat, 43 to 15; Republican, 25 to 5), March 31, 1960. Johnson, for. GOLDWATER, for.

Year, 1960, Civil Rights Act of 1960: Carroll, Democrat, of Colorado, amendment to the Kefauver, Democrat, of Tennessee, amendment to the referees plan, restoring language that the referees' hearings be ex parte and allowing the court to set the time and place of the hearings. Agreed to 69 to 22 (Democrat, 38 to 19; Republican 31 to 3), April 1, 1960. Johnson, for. GOLDWATER, for.

Year, 1960, Civil Rights Act of 1960: Dirksen, Republican, of Illinois, motion to table Javits, Republican, of New York, amendment to establish a permanent Commission on Equal Job Opportunity. Tabling motion agreed to 48 to 38 (Democrat, 27 to 27; Republican, 21 to 11), April 1, 1960. Johnson, for. GOLDWATER, for.

Year, 1960, Civil Rights Act of 1960: Mansfield, Democrat, of Montana, motion to table Keating, Republican, of New York, amendment providing technical assistance to areas which desegregated their schools and endorsing the Supreme Court's 1954 desegregation decision and Cooper, Republican, of Kentucky, amendment deleting the endorsement. Tabling motion agreed to 61 to 30 (Democrat, 37 to 20; Republican, 24 to 10), April 4, 1960. Johnson, for. GOLDWATER, for.

Year, 1960, Civil Rights Act of 1960: Dirksen, Republican, of Illinois, motion to table Javits, Republican, of New York, amendment to allow the Attorney General to enter private suits for school desegregation and McNamara, Democrat, of Michigan, amendment to add part III, empowering the Attorney General to seek injunctions to protect any civil right. Tabling motion agreed to 56 to 34 (Democrat, 33 to 23; Republican, 23 to 11), April 4, 1960. Johnson for. GOLDWATER, for.

Year, 1960, Civil Rights Act of 1960: Dirksen, Republican, of Illinois, motion to table Hart, Democrat, of Michigan, amendment to the referees plan, requiring that a Negro must prove to the referee only that he is qualified to vote. Tabling motion agreed to 52 to 38 (Democrat, 29 to 27; Republican, 23 to 11). April 4, 1960. Johnson, for. GOLDWATER, for.

Year, 1960, Civil Rights Act of 1960: Dirksen, Republican, of Illinois, motion to table Hennings, Democrat, of Missouri, amendment to referees section, adding a plan for Presidentially appointed enrollment officers to register Negroes. Tabling motion agreed to 58 to 26 (Democrat, 34 to 21; Republican, 24 to 5), April 4, 1960. Johnson, for. GOLDWATER, not recorded.

Year, 1960, Civil Rights Act of 1960: Ervin, Democrat, of North Carolina, and McClellan, Democrat, of Arkansas, amendment to the referee plan, requiring that if judges heard Negroes' applications for voting certificates they must follow the Federal Rules of Civil

Procedure by calling in opponents to the applications and holding adversary proceedings before deciding each case. Rejected 29 to 64 (Democrat, 26 to 32; Republican, 3 to 32), April 5, 1960. Johnson, against. Goldwater, against.

Year, 1960, Civil Rights Act of 1960: Kuchel, Republican, of California, motion to table Ervin, Democrat, of North Carolina, amendment to limit the implementation of the referees plan to congressional elections. Tabling motion agreed to 72 to 16 (Democrat, 40 to 16; Republican 32 to 0, April 6, 1960. Johnson, for. Goldwater, not recorded.

Year, 1960, Civil Rights Act of 1960: Dirksen, Republican, of Illinois, motion to table Johnston, Democrat, of South Carolina, amendment to exempt the records for primary and special elections from the requirement that voting records must be preserved for 22 months. Tabling motion agreed to 68 to 18 (Democrat, 38 to 18; Republican, 30 to 0), April 6, 1960. Johnson, for. Goldwater, for.

Year, 1960, Civil Rights Act of 1960: Dirksen, Republican, of Illinois, motion to table Carroll, Democrat, of Colorado, amendment to the referees provision to permit the courts to waive the requirements that a Negro seeking a court certificate to vote must prove he tried to register with State authorities and was rejected after a pattern of discrimination was found by the courts. Tabling motion agreed to 62 to 32 (Democrat, 34 to 26; Republican, 28 to 6), April 6, 1960. Johnson, for. Goldwater, for.

Year, 1960, Civil Rights Act of 1960: Dirksen, Republican, of Illinois, motion to table Ellender, Democrat, of Louisiana, amendment to strike the voting referees provision from the bill. Tabling motion agreed to 73 to 18 (Democrat, 41 to 18; Republican, 32 to 0), April 7, 1960. Johnson, for. Goldwater, not recorded.

Year, 1960, Civil Rights Act of 1960: Dirksen, Republican, of Illinois, motion to table the referees plan to specify that a court should not allow a Negro whose application had been challenged by State officials to vote provisionally unless the court was satisfied that the Negro met State qualifications for voting. Agreed to 79 to 12 (Democrat, 52 to 8; Republican, 27 to 4), April 7, 1960. Johnson, for, Goldwater, not recorded.

Year, 1960, Civil Rights Act of 1960: Dirksen, Republican, of Illinois, motion to table Eastland, Democrat, of Mississippi, motion to recommit the civil rights bill to the Senate Judiciary Committee. Tabling motion agreed to 70 to 19 (Democrat, 41 to 19; Republican, 29 to 0), April 8, 1960. Johnson for. Goldwater, announced for.

Year, 1960, Civil Rights Act of 1960: Passage of the amended bill making obstruction of all Federal court orders a crime, outlawing all bombing and bomb threats, requiring preservation of voting records, providing for court registration of Negroes, and other matters. Passed 71 to 18 (Democrat, 42 to 18; Republican, 29 to 0), April 8, 1960. Johnson, for. Goldwater announced for.

Year, 1960, motion to table amendment to independent agencies appropriation, which amendment would prohibit the use of funds for the construction of airport facilities which would contain segregated facilities. Agreed to 58 to 29 (Democrat, 35 to 19; Republican, 23 to 10), June 22. Johnson, for. Goldwater, for.

Year, 1960, a bill providing for the establishment of a President's Commission on Equal Job Opportunity and authorizing Federal assistance to areas desegregating schools. Clark, Democrat, of Pennsylvania, motion to table the bill. Agreed to 54 to 28 (Democrat, 52 to 4; Republican, 2 to 24), August 9, 1960. Johnson, for. Goldwater, not recorded.

PRESIDENT JOHNSON'S POSITION, GOLDWATER'S VOTES—1964

Year, 1964, Civil Rights Act of 1964: Mansfield, Democrat, of Montana, motion that the Senate take up the bill. Agreed to 67 to 17 (Democrat, 41 to 17; Republican, 26 to 0) March 26. President Johnson, in favor. Goldwater, announced for.

Year, 1964, Morton, Republican, of Kentucky, amendment to entitle a defendant to demand a trial by jury on a criminal contempt charge arising under any section of the act except title I, covering voting rights, and limit maximum sentences for contempt to 6 months in prison and a $1,000 fine. Accepted 51 to 48 (Democrat, 31 to 35; Republican, 20 to 13) June 9. President Johnson, opposed. Goldwater, for.

Year, 1964, Ervin, Democrat, of North Carolina, amendment to delete title VII, the fair employment section. Rejected 33 to 64 (Democrat, 21 to 44; Republican, 12 to 20) June 9. President Johnson, opposed. Goldwater, for.

Year, 1964, Mansfield, Democrat, of Montana, Dirksen, Republican, of Illinois, motion that the Senate invoke cloture on the southern filibuster. Cloture motion adopted 71 to 29 (Democrat, 44 to 23; Republican, 27 to 6) June 10. President Johnson, in favor. Goldwater, against.

Year, 1964, Gore, Democrat, of Tennessee, amendment to delete title VI, covering withdrawal of Federal funds from areas where the programs are administered in a discriminatory fashion. Rejected 25 to 69: (Democrat, 21 to 42; Republican, 4 to 27) June 10. President Johnson, opposed. Goldwater, not recorded.

Year, 1964, Ervin amendment to delete the provision providing for appeal from a decision of a district court remanding a case to State courts. Rejected 31 to 51 (Democrat, 22 to 39; Republican, 9 to 12) June 11. President Johnson, opposed. Goldwater, for.

Year, 1964, Long, Democrat, of Louisiana, amendment to forbid the Federal Government from interfering in the sale, lease, or rent of private housing (overturning the Presidential housing order). Rejected 24 to 66 (Democrat, 19 to 41; Republican, 5 to 25) June 11. President Johnson, opposed. Goldwater, for.

Year, 1964, Ervin amendment to delete the authority for the Attorney General to intervene in pending civil rights suits. Rejected 34 to 47 (Democrat, 24 to 36; Republican, 10 to 11) June 11. President Johnson, opposed. Goldwater, for.

Year, 1964, Stennis, Democrat, of Mississippi, amendment to make it a Federal offense to cross State lines or send someone across State lines in order to violate a State law. Rejected 21 to 72 (Democrat, 19 to 43; Republican, 2 to 29), June 12. President Johnson, opposed. Goldwater, against.

Year, 1964, Ervin, Democrat, of North Carolina, amendment to delete title I, covering voting rights. Rejected 16 to 69 (Democrat, 16 to 40; Republican, 0 to 29), June 13. President Johnson opposed. Goldwater, not recorded.

Year, 1964, Byrd, Democrat, of West Virginia, amendment to delete all of title II, covering public accommodations. Rejected 23 to 63 (Democrat, 18 to 38; Republican, 5 to 25), June 15. President Johnson, opposed. Goldwater, for.

Year, 1964, Thurmond, Democrat, of South Carolina, amendment to delete from title IV the Attorney General's authority to file suits to desegregate schools. Rejected 15 to 74 (Democrat, 15 to 45; Republican, 0 to 29), June 16. President Johnson, opposed. Goldwater, not recorded.

Year, 1964, Ervin, Democrat, of North Carolina, amendment to delete title X, establishing a Community Relations Service. Rejected 16 to 69 (Democrat, 15 to 41; Republican, 1 to 28), June 16. President Johnson, opposed. Goldwater, not recorded.

Year, 1964, Thurmond, Democrat, of South Carolina, amendment to delete title VIII, providing for collection of registration and voting statistics by race in the national census. Rejected 19 to 74 (Democrat, 17 to 44; Republican, 2 to 30), June 17. President Johnson, opposed. Goldwater, not recorded.

Year, 1964, Adoption of amended Mansfield, Democrat, of Montana, Dirksen, Republican of Illinois, substitute for the House-passed bill. Agreed to 76 to 18 (Democrat, 46 to 18; Republican, 30 to 0), June 17. President Johnson, in favor. Goldwater, paired for.

Year, 1964, passage of the 1964 Civil Rights Act. Passed 73 to 27 (Democrat 46 to 21; Republican, 27 to 6), June 19. President Johnson, in favor. Goldwater, against.

Year, 1964, confirmation of the President's nomination of former Florida Gov. LeRoy Collins, Democrat, to head the Community Relations Service established under the Civil Rights Act of 1964. Agreed to 53 to 8 (Democrat, 33 to 8; Republican, 20 to 0), July 20. President Johnson, in favor. Goldwater, announced for.

THE JOB CORPS PROGRAM

Mr. SCHADEBERG. Mr. Speaker, I ask unanimous consent that the gentleman from Maine [Mr. Tupper] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. TUPPER. Mr. Speaker, I would like to call the attention of my colleagues to section 103 of title I—the Job Corps program—and more specifically to the section authorizing a botanical survey program involving mapping and investigation of our vegetation and both natural and disturbed plantlife.

As a former conservation official in my State of Maine, I have been particularly interested in the sound utilization of our natural resources.

Last January I introduced a bill (H.R. 9728) to create a U.S. Botanical Survey. It was and is my belief that there should be a coordinated program for research of our natural vegetation. While several agencies of the Federal Government are conducting botanical investigations, there is in no sense an adeqaute effort being made in this field.

Upon introduction of the "antipoverty bill" it occurred to me that a very significant start could be made upon such a botanical survey by utilizing the efforts of the young men who would be assigned to conservation projects under the proposed Job Corps. I urged an amendment and it was accepted by the House committee considering the bill.

With proper instruction there is no good reason why teams could not be used for inventory and mapping work. My own son, when 17 years of age, and without prior training, spent a summer working for the Maine Forest Service on a project aimed at searching for and eliminating wild current plants that serve as an intermediary host for white pine blister disease.

If a young man can be trained to recognize various plants, trees, and other vegetation, he can be taught to do the basic work necessary for taking an inventory of the type envisioned. Once aware of what to look for, he will recognize signs of disturbances to the natural vegetation, and note the location where suspicious conditions point to the need for further investigation by a skilled botanist.

Provisions in the Economic Opportunity Act—section 602—provide for employment of experts to instruct and conduct basic research, or authority to call on experts from all Federal agencies.

What are some of the many important benefits that would derive from an inventory and evaluation of our natural vegetation?

It would provide data for formulating policy for forest and Federal recreation land programs; for wildlife and water conservation; for watershed management, flood control, and soil conservation; solving conflicting land-use problems of grazing and forestry, recreation, and wildlife; and provide vegetation maps.

It would indicate soil types of potential value for crops and grazing, as well as geological formations, especially in the vitally important field of water resources.

Basic botanical research can contribute to the field of environmental health, assessing the damaging effects of air pollution on crops and the effect of vegetation on controlling air pollution, the effect on vegetation of water pollution by pesticides, fertilizers, radioactive wastes, inorganic industrial wastes, and new chemical wastes.

It would appear to me that there are three essentials if we are to initiate a comprehensive and successful botanical survey: first, we must have a manpower force to do basic inventory work and preliminary evaluation. This group would need instruction and supervision. Here is where the proposed Job Corps personnel assigned to conservation projects could be most effectively used. Secondly, a followup by investigation of suspicious damage or disturbances to soils, plants, or trees by skilled botanists; and thirdly, providing a central point for channeling all information gathered by all agencies of Government as well as State universities and colleges.

European countries have long appreciated the need for botanical research and have well-developed programs in Government-sponsored institutions. Surprisingly, the Soviet Union is the acknowledged leader in the field of vegetation surveying and mapping.

If we agree that environmental pollution is one of the foremost problems of this century and that we must formulate policy for more efficient use of our land and water, it follows that we must see that a botanical survey is undertaken for the entire United States. There is no question that such a botanical survey would help provide answers on the effects of certain pesticides on natural vegetation. The Job Corps could be the vehicle needed to gather much of the basic information necessary for the various Federal agencies in their present programs. At the same time these young men would be making an extremely important contribution to the welfare of their country.

I have received a great many communications from private citizens, botanists, educators, State conservation departments, and private conservation organizations, signifying their general support of a U.S. Botanical Survey. Among those who see the need for such a survey are the director of the Department of Game, Fish, and Parks, State of Colorado; the commissioner of North Dakota Game and Fish Department; the director, School of Forestry, University of Maine; the director of the State Conservation Commission of Iowa; Game and Fresh Water Fish Commissioner of Florida; the president of the American Association of Botanical Gardens and Arboretums; the State of Alabama Department of Conservation; the Nature Conservancy; Federation of Homemakers, Arlington, Va.; California's department of fish and game; and the director of the Arnold Arboretum at Harvard.

It seems to me that the Job Corps would furnish the needed manpower to start a botanical survey. Hopefully this would be implemented in the future, and grow into a continuing well-coordinated study of environmental conditions throughout our Nation.

REPLY OF DEPUTY ATTORNEY GENERAL ON QUESTIONS RAISED BY LAW PROFESSORS ABOUT PROTECTION OF CIVIL RIGHTS WORKERS IN MISSISSIPPI

Mr. SCHADEBERG. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. Lindsay] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. LINDSAY. Mr. Speaker, the discovery of three bodies in Mississippi—identified as those of the missing civil rights workers—again focuses national attention on the tragic situation in that State. This renews the question about law enforcement in that region. A few weeks ago a group of distinguished professors of law of the faculties of Columbia, Harvard, New York University, Pennsylvania, and Yale Law Schools released a joint statement to the effect that, in their opinion, under present U.S. law, the Federal Government has the power to take preventive police action in Mississippi to secure the safety of persons who are aiding the civil rights movement in that State.

The law professors were replying to a statement attributed to Attorney General Kennedy that the Government lacked such power. They cited sections 332 and 333 of title 10 of the United States Code as the legal basis of their position. At that time I said on the floor of the House that their argument appeared to have sufficient weight to merit submission to the Attorney General for comment. A few days ago I received a reply on this matter from Deputy Attorney General Nicholas Katzenbach.

In his reply, Mr. Katzenbach states that the Federal Government has the authority to enforce Federal law anywhere in the Nation. He adds, however, that the division of police functions between Federal and State Governments "reflects both constitutional considerations and a strong policy against the development of a Federal police force. The practical result is that, in terms both of the legal tools and the personnel that are available, the Federal Government is ill-equipped to assume responsibility for the performance of ordinary police functions."

Mr. Katzenbach's remarks are interesting and deserve to be read. Having placed in the Congressional Record the memorandum of the law professors, I should like now to place in the Record the reply of the Deputy Attorney General. It is an interesting letter, containing arguments, legal and practical, that also have great weight. The letter follows:

U.S. Department of Justice,
Washington, D.C., July 30, 1964.

Hon. John V. Lindsay,
U.S. House of Representatives,
Washington, D.C.

Dear Congressman Lindsay: The Attorney General has asked me to reply to your letter of July 1, 1964, asking for comment on the statement recently issued by a group of law professors as to the law enforcement powers of the Federal Government in Mississippi.

The statement of the law professors appears to have been prompted by a press report which indirectly quoted the Attorney General as having said that the Federal Government "lacks power to take 'preventive police action' in Mississippi." The press report followed a meeting during which the Attorney General discussed at length the complex problems of law, policy, and practicality raised by various proposals for Federal action relating to the situation in Mississippi. The press report may well be an accurate quotation of a remark made after the meeting by one of those who had attended it. It was not, however, and I am sure it was not intended to be, an accurate and complete statement of the Attorney General's views on these matters.

It is obvious that the Federal Government has authority to enforce Federal law anywhere in the Nation. However, it is also true that basic police functions are normally carried out by State and local governments; that Federal law enforcement has traditionally been designed to supplement and support law enforcement efforts on the various State and local levels rather than to replace those efforts. This division of functions, as you know, reflects both constitutional considerations and a strong policy against the development of a Federal police force. The practical result is that, in terms both of the legal tools and the personnel that are available, the Federal Government is ill-equipped to assume responsibility for the performance of ordinary police functions.

The Attorney General is, of course, thoroughly familiar with sections 332–334 of title 10, United States Code, which have been relied upon twice during his incumbency as Attorney General to support action taken to execute Federal laws. The statement of the law professors confines itself largely to making the obvious point that, where the conditions specified in those statutes are met, the statutes authorize use of the armed forces to execute Federal laws. However, as a matter of law as well as policy and tradition, those sections contemplate a situation where there has been such a complete breakdown of law and order that civilian law enforcement measures are overwhelmed and use of the armed forces is required. Normally such a situation arises only when the State itself supports or encourages those engaging or threatening to engage in violence. Whether such a situation exists at any given time or place is a matter for the judgment of the President, and invariably involves difficult issues of fact, law, policy and practicality. There is nothing in the professors' statement that seems to me particularly enlightening or helpful on these issues.

Both the President and the Attorney General have made abundantly clear their determination to enforce Federal law. At the present time, for a combination of legal and practical reasons, it is their judgment that the most effective and productive action that can be taken to achieve that result is to seek the cooperation of State officials in a combined effort to curb violence and maintain order, and to increase substantially the number of Federal investigative and other personnel available in Mississippi so that State and local law enforcement at every level will receive maximum support, and violations of Federal law will be detected and prosecuted as swiftly and vigorously as possible. Pursuant to that determination, Mr. Allen Dulles went to Mississippi at the personal direction of the President to confer with State and local officials. The staff of the Federal Bureau of Investigation in Mississippi has been substantially augmented. Navy personnel were dispatched to aid in the search for the three missing men. FBI Director J. Edgar Hoover was in Mississippi himself just a few days ago. The Department of Justice has recently increased the number of attorneys assigned to civil rights matters in Mississippi, and the FBI has opened a major office in Jackson and assigned a full complement of special agents to that office.

For the future, I can assure you that, within the range of alternatives that are available, whatever is most effective and necessary will be done.

Sincerely,

NICHOLAS DEB. KATZENBACH,
Deputy Attorney General.

POLISH WAR OF LIBERATION, 50TH ANNIVERSARY

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from Indiana [Mr. MADDEN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. MADDEN. Mr. Speaker, this week is the 50th anniversary of the beginning of Poland's fight for freedom. In this year, 1964, the world should not forget that millions now enslaved behind the Iron Curtain, not only in Poland but also other captive nations, are still ready to repeat the drive for liberty and self-government which Poland started a half century ago.

The following is a press release from President August Zaleski, of the Polish Government in exile, released from London on August 4, 1964:

THE 50TH ANNIVERSARY OF THE COMMENCEMENT OF THE POLISH WAR OF LIBERATION OF 1914, AUGUST 6, 1964

MESSAGE OF THE PRESIDENT OF POLAND IN EXILE TO THE POLISH NATION

LONDON.—On August 6 the Poles all over the world except in Poland will celebrate the 50th anniversary of the formation of the first nucleus of the Polish Army which, 6 years later, fought and won the Battle of Warsaw called by a member of the Anglo-French Mission to Poland in 1920, Lord D'Abernon "The 18th Decisive Battle of the World."

On this occasion Mr. August Zaleski, President of Poland in exile, issued the following message:

"Citizens of Poland and Polish exiles throughout the world:

Fifty years ago—3 days after the outbreak of the First World War—Josef Pilsudski appealed to the Polish nation to renew the struggle for independence. Having ordered general mobilization of the riflemen's association and the riflemen teams,[1] he formed them into an infantry company and addressed them in these words:

"Soldiers, you have been honored to be selected as the first Polish company to cross the boundary of the Russian-occupied 'Congress Kingdom of Poland.' You will henceforth form the vanguard of the Polish Army, fighting for the liberation of your country. I regard you as the nucleus of the future Polish Army and I salute you as its first cadre."

At dawn, on August 6, 1914, this company left Oleandry[2] in Cracow and destroyed the frontier barriers, which had stood for the past hundred years as the visible sign of the last partition of Poland enacted by the Congress of Vienna. At the moment of that armed demonstration—the first one since the tragic but heroic insurrection of 1863—Josef Pilsudski fully realized the difficulties which stood in the way of his ambitious undertaking. He knew well that the outcome of the struggle he was undertaking would be "either death or great glory" both for himself and his soldiers, as the international situation of divided Poland was very complicated.

Although the three partitioning powers had finally come to blows, the Polish question was made more difficult by the fact that one of them was allied with the Western Powers, which were looked on by the Poles as the defenders of the rights of the enslaved nations. There was a further difficulty which Josef Pilsudski fully realized. The Polish people were not able at once to awake and start a fight, which had appearances of being carried on the side of Germany. The aims of the German policy at the time did not differ from those of Russia.

In these circumstances Josef Pilsudski had to overcome three problems—first, how to retain freedom of action and independence from the Central Powers; second, how to open and maintain friendly relations with the Western Allies; and third, how to organize a powerful Polish military force.

The first one of these three objectives was the most difficult one. The Central Powers attempted unscrupulously and with all means in their power to keep the Polish legions in dependence and submission. The long struggle over the independence of the Polish legions finally resulted in Pilsudski's imprisonment by Germans at Magdeburg fortress and the internment of the legionaires for refusing to take an oath of allegiance to Germany. Pilsudski preferred that rather than breaking an oath even taken under pressure.

In accordance with his second objective, Pilsudski opened negotiations with the allies as early as the autumn of 1914. He assured them that the Polish military operations were directed solely against Russia and the Polish legions will never fight against the West. He continued his relations with the Western Powers all through the war.

Finally, in connection with his third objective, he organized in Russian Poland a secret Polish Military Organization (POW), which was to include within its ranks "people or diverse conviction" whose aim was "to win independence for Poland by force of arms."

As a result of the fusion between the Polish legions, the Polish Military Organizations of Russian Poland, the many soldiers who were compulsively enrolled into the armies of the partitioning powers, and the Polish Army which had been formed in France (Armée Polonaise en Franco), the Polish Army was reestablished. Its strength was further increased by numerous volunteers. It was this army which in 1920, under the command of Josef Pilsudski, achieved the magnificent victory over the Russians, which is known in history, as one of the decisive battles of the world.

On the 50th anniversary of the glorious act which resulted in the creation of the Polish Army, let us honor the memory of its creator, Josef Pilsudski and his soldiers, who have faithfully fulfilled their duty towards the fatherland.

TURKEY'S UNPROVOKED AGGRESSION AGAINST CYPRUS MUST BE STOPPED

The SPEAKER pro tempore (Mr. O'BRIEN of New York). Under previous order of the House the gentleman from Illinois [Mr. PUCINSKI] is recognized for 10 minutes.

Mr. PUCINSKI. Mr. Speaker, it was with considerable alarm that we read this morning an Associated Press dispatch from Nicosia that four Turkish Air Force jet fighters have strafed the northwestern coastal town of Polis on the island of Cyprus and hit an Italian cargo vessel anchored in the harbor.

Mr. Speaker, this unprovoked attack on Cyprus by the Turkish Air Force should be of great concern not only to the United States but to all other nations which are anxious to retain peace in the Mediterranean.

Mr. Speaker, we all know that the problem of Cyprus can best be resolved if indeed the people on the island of Cyprus are permitted to work their own will, in their own way, and through their own resources without any outside interference.

I am very much disturbed about the report coming through Nicosia that although as yet there has been no positive proof of this, the four jet Turkish Air Force fighters were part of the air fleet which the Turkish Government received from the United States as our contribution to the mutual security program.

It is true that the United States has given both the Greek and Turkish Governments, as well as many other governments, aircraft and other sinews for their defense.

But, certainly, Mr. Speaker, granting this equipment to these governments by the United States was intended only to provide a defense for them. There is nothing in any of the legislation passed by this Congress or previous Congresses, or by this administration or any previous administrations, Democratic or Republican, which would permit the Turks to use American arms given them for their own defense purposes, for the purpose of waging unprovoked aggression against our allies. On the contrary, the legislation under which Turkey received these jets specifically prohibits their use for aggression against any of our allies.

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[1] Voluntary paramilitary organizations formed by Josef Pilsudski from 1908.

[2] The headquarters of the Josef Pilsudski organization.

It is my hope, Mr. Speaker, that the President will instruct the appropriate authorities within our own Government to immediately investigate this matter thoroughly. If, indeed, it is true that the four jets used by the Turks in this unprovoked attack on Cyprus are the ones received from the United States, this Government should take the most severe steps necessary to assure this will not be repeated.

It is my hope that the U.S. Government will serve notice on the Turks immediately that we will be compelled to take the most drastic measures against the Turkish Government if, indeed, the Turks have used American equipment to carry on this unprovoked aggression against the island of Cyprus.

Mr. Speaker, if necessary, I believe we should withdraw any further assistance to the Turks, both economic and military, until such time as we have been assured there will be no further interference from Turkey in the orderly resolution of the problems confronting Cyprus. It is inconceivable to me that the United States can sit idly by and permit the Turks to engage in the aggression against our ally through the use of jets we gave Turkey for her own defense.

It is my hope our State Department will protest the senseless strafing of Cyprus in the strongest terms immediately. If the United States fails to take affirmative action immediately, the Turks may very well escalate the Cyprus matter into an all-out war. The Turks must be told we will not tolerate this type of aggression in the same forceful manner that we told North Vietnam we will not stand for unprovoked military attacks.

And while we are at it, Mr. Speaker, I believe we should demand that Britain stay out of the Cyprus dispute and let the Greek and Turkish Cypriots work out their own problem in their own way.

I should like to include in my remarks today an excellent analysis of Britain's efforts to fan the Cyprus dispute which appeared in the June 15, 1964, edition of the Chicago PnYx, an independent semimonthly newspaper published in Chicago to interpret the Nation's Hellenic thought. This analysis, prepared by Mr. Peter N. Mantzoros, editor of the PnYx, properly points out that those who would suggest the Greeks are in some foolish way paving the way for a Communist takeover of Cyprus completely ignore the fact that it was the heroic Greeks who gave the Communists their first postwar defeat when the Communists tried to take over Greece in 1948. It would be the height of folly to suggest, as Mr. Mantzoros properly points out, that Archbishop Makarios would ever permit the Communists any influence in Cyprus.

On the contrary, Mr. Speaker, it is those who refuse Archbishop Makarios the opportunity for a peaceful settlement of the Greek Cypriot-Turkish Cypriot problem through democratic means who are playing into Communist hands by sapping the Cypriot's strength to resist communism.

Mr. Speaker, the PnYx article follows:

AN ANALYSIS

(By Peter N. Mantzoros)

Ever since last December when Archbishop Makarios proposed certain changes in the Cypriot Constitution, which would give the majority the right to govern this free, independent and sovereign island-nation in accordance with established democratic political rule, the Turkophiles and the British "divide and rule" crowd have been beating the drums about the possible Communist "takeover" of the island.

The latest analysis on the Cyprus question is the "Washington Report of the American Security Council" released on May 25, which will be found in the daily CONGRESSIONAL RECORD of May 27, page A2840. It was written by Mr. Anthony Harrigan, associate editor of the News and Courier of Charleston, S.C., who signs the article as "Strategy Staff (1st)."

The most incredible part of this "report" deals with the humanitarianism of the Turks. "Moreover," says Mr. Harrigan, "the Greeks in Istanbul and other Turkish cities have not been harmed."

Apparently, Mr. Harrigan views as "harmless" the recent decision (one of many such humanitarian acts for which the Turks are famous for) of the Turkish Government, when on April 15, it "evacuated forcibly the orphanage of Prinkipo which is maintained by the Ecumenical Patriarchate in Istanbul as a charitable institution providing room, board, and schooling to 175 destitute orphan boys and girls." Perhaps, Mr. Harrigan should be informed that this was done "without provision for the transfer of the orphans to another building. The order of evacuation was issued under the pretext that the orphanage building was old and unsuitable for use. Turkish authorities have also closed the adjoining school building of the orphanage, although it is newly constructed and a perfectly safe building. Thus, even the welfare of the Greek orphans of Istanbul has been turned into a means of unlawful pressure over the Cyprus issue."

One of Mr. Harrigan's opening statements states that "Even if the Soviets are not successful in capturing control of affairs on Cyprus they already have wrought havoc in the Western Alliance by stirring ancient animosities between the Turks and the Greeks who, since the early 1950's have worked together to resist the Communist colossus to the north."

However, the fact is that England is solely responsible for initiating and "stirring ancient animosities" on the "Island of Love" through its long established policy of divide and rule and by perpetuating its perennial policy of "perfidy and deceit" throughout the Mediterranean region. It was only natural then, that the Soviets found a made-to-order political situation for their exploitation. Another of England's "other basic policies has been to support Turkey as a buffer against Russia and against Arab nationalism" which she has been trying to sell to our own State Department.

Mr. Harrigan says that "Premier Papandreou is making no move to restrain his people or to crack down on Communist elements fanning the Cyprus question." Apparently there are a lot of people in and out of official circles who have forgotten the gallantry of the Greek people whenever their country was threatened by any form of totalitarianism, either from within or without. And as past supreme president of the Order of Ahepa, Peter L. Bell, of Worcester, Mass., has said, these people "have forgotten that Greece was the first country whose people took a frightful, if heroic, beating to prove to the West that the Axis Powers could be beaten." "Some of these people," said Bell, "have as fast forgotten that rivers of Greek blood were shed to prove to the West that communism could be stopped in its tracks. They have forgotten that the one and only time the Communists were beaten in open battle was in Greece by the Greek people."

Is it possible that such unbalanced statements are designed to convince the American people that the heroic, and American educated Archbishop Makarios "is about to sell his people to the Communists"? Anything is possible in a world which is continuously flooded with British propaganda "based on England's capacity to carry out successfully a policy of divide and rule."

In the Washington Report, Mr. Harrigan painstakingly points out that "In the 19th century, when the czars were extending their authority from central Asia to the Balkans, Britain moved to protect her lifeline in the Mediterranean." As in the present situation the czars were then presented with another made-to-order political excuse for their exploitation, because for centuries the Cypriot and the Balkan Peninsula peoples "lay helpless and hopeless under the heel of a vindictive and merciless despot (see "The Turk and His Lost Provinces" by William Eleroy Curtis, published in 1903 by Fleming H. Revell Co.) until what was termed the Bulgarian atrocities excited universal horror in 1875–77. Then Russia intervened on the pretext of racial and religious relationship, and attempted to take them from Turkey."

Another factor which caused the Russian and British rivalries of the time is the often forgotten fact that in 1875 sections of the Ottoman empire revolted against its own Turkish rule which finally brought about the agreement of 1878 with the Sultan who readily acceded to British pressure because, according to Lord Salisbury, then British Foreign Minister, "the Sultan's authority must be strengthened in Syria and Mesopotamia where, after late events, it will probably be much shaken."

"Thus, the internal rebellions which confronted the Sultan, because of his 'vindictive and merciless' measures against both the Cypriots and the peoples of the Balkan Peninsula, actually gave Russia the excuse to intervene. However, British diplomacy of the time, as usual, outmaneuvered the Russians and in 1878 the British signed an agreement with the Turkish Sultan which gave England authority over Cyprus; although legally, Cyprus continued to remain part of the Ottoman empire to which the British paid an annual tribute to the Sultan."

"It is important to note," says Mr. Harrigan "that in 1915 Great Britain offered to cede Cyprus to Greece on condition she join the Allies. The offer was declined."

However, Mr. Harrigan, for some unknown reason refrains to state the main reason why the British were so anxious to cede Cyprus to Greece in 1915. It was because at the outbreak of World War I, Turkey joined the Eastern European powers against the Allies. This was a good enough reason for England to abrogate her Anglo-Turkish Convention agreement of 1878. Thus, all British obligations to the Turks disappeared, or was it just another shrewd diplomatic move in "divide and rule"?

"The Allies," says author William Miller in his book "Greece" (published in 1928 by Charles Scribner's Sons), "soon realized that Greek assistance would be available. Their offers began with Northern Epirus to concessions on the coast of Asia Minor and the Dodekanese except Rhodes * * *" "if Greece would send immediate help to her ally Serbia * * *." This offer was made despite Italian and Russian objections. "Zaimes, then Greek Premier, refused," says Miller, "for he was resolved not to apply the Greco-Serbian treaty, and the offer was withdrawn * * *." Zaimes was subsequently proven right because shortly thereafter the campaign of the Allies at the Dardanelles failed of its mission.

However, the important thing to note here is that England's offer was conditioned on her perennial diplomacy of divide and rule.

Mr. Harrigan further asserts that "The leaders of this (ENOSIS) movement have been high dignitaries of the Orthodox Church in Cyprus, which enjoyed toleration under the Ottoman empire. In the absence of regular political leadership, the churchmen became the natural leaders in temporal affairs. This explains the political role of the present Archbishop Makarios."

The "toleration" Mr. Harrigan speaks of was "enjoyed" only through the exchange of a tax levied on the people. It is unfortunate that Mr. Harrigan did not delve further into the historical background of this "tolerance." Senator Herbert H. Lehman in his "The Cyprus Dilemma" (see CONGRESSIONAL RECORD, 84th Cong., 2d sess., Mar. 13, 1956), says that "in 1660 the Turkish Government appointed the Orthodox bishops as guardians of the peasants in an effort to limit the extortions of Turkish officials and tax collectors. Under this system in the ensuing years the influence of the bishops steadily increased until they became representatives of the Hellenic population of the island in temporal as well as religious matters."

Another major grievance against Britain during this time says the Lehman report "concerned the tribute tax which the British continued to impose on the Cypriots even after the abrogation of the Anglo-Turkish agreements; the tax was not abolished until 1927."

Mr. Harrigan's vague statements continue: "Then came World War II and the intensive activity of the Communists. The Progressive Party of the Working People (AKEL) which is Communist, was founded in 1943 and immediately caused disturbances." Once again Mr. Harrigan fails to mention any other party and particularly to state that AKEL's membership consisted of a small minority while the majority of the population composed mostly of the middle class and with the support of the church belonged to the rightwing National Party.

His most incredible statement touched on the legendary figure of Digenis, Gen. George Grivas and his EOKA, which he describes as "the underground terrorist group" which "corrupted many of the young people of Cyprus, drawing them into terrorist activities." To back this charge he quotes from an article by a British Army officer in which the latter said: "This movement, EOKA, had little popular support from Greek Cypriots initially, until they became browbeaten by a combination of acts of terrorism, violent racial propaganda, and an intense political campaign by the church."

Isn't it true Mr. Harrigan that EOKA gave the same patriotic service which exemplifies the spirit of our own minutemen who in 1775 fought for the very same principles and against the same enemy? Our own history books are replete with such acts of "terrorism" because we sought and fought for the same principles of self-determination as the heroic and freedom-loving people of Cyprus are seeking for themselves today. I am sure that you heard of Samuel Adams, the great Massachusetts patriot who threatened Governor Hutchinson "with violence that night, if he did not yield," which is only one of many thousands of instances in terrorism which we employed before we finally attained our independence from the wily, most perfidious and deceitful enemy we had during the American Revolution.

ETHNIC AND POLITICAL PERSECUTION IN RUMANIA

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Ohio [Mr. ASHBROOK] is recognized for 15 minutes.

Mr. ASHBROOK. Mr. Speaker, like a set pattern, we begin to see propaganda about the "improving" situations in Iron Curtain countries. I suggest this represents a continuing campaign to hoodwink the American people along the lines of the Rostow view; that is, that the Communists are "maturing" and we should stop criticizing them and instead increase our trade and cultural-social exchange with them. The facts point out an entirely different set of circumstances. The propaganda campaign is subtle. Newsweek magazine this very week carries a lead story with the cover indicating there is a new Rumania. For oppressed people behind the Iron Curtain, this is an insult. The terror is old, the persecution is old, the suppression is old. Unfortunately, the oversight of the liberals for this sad situation is old, too.

Recently the Johnson administration commenced negotiations with the Communist Rumanian Government. The rank of diplomatic representation between the two countries are to be raised from a legation to an embassy level and Rumania will be extended credits for the purchase of industrial equipment. Moreover, trade restrictions against Rumanian goods under the Battle Act will be lowered by presidential decree.

The negotiations are conducted with a Communist government that is probably the most Stalinist within the European Communist bloc. A change of guard took place in the fifties or early sixties in all satellite countries except the Chinese ally Albania and the Rumanian Communist Party. The administration cannot, therefore, pretend that it is rewarding political liberalization with improved economic relations. Gheorghe Gheorghiu-Dej, Ion Maurer and other functionaries acquired their power by the graces of Stalin and the Red Army and could not even be compared to Tito or Gomulka, though the economic deals with the latter also failed to produce the desired result for the United States.

In Rumania, tyranny of the regime against freedom-loving forces of the population is aggravated by the persecution of the Hungarian minority both on ethnic and political grounds. Transylvania, together with the Banat and the Crisana—Koros—regions belonged for a thousand years to the Kingdom of Hungary forming a province rich in cultural achievements and political talent. Much of the Crisana and the northern and eastern parts of Transylvania were also reallotted to Hungary under the Second Vienna Award of 1940. Hungarian settlements in the area go back a milennium, while much of the Rumanian population immigrated during the Turkish times and their aftermath in Rumania proper to Transylvania. The Hungarian minority in Transylvania still numbers 1.6 million, despite decades of romanization policies first of the Royal Rumanian Government, 1919–40, and then the People's Republic of Rumania after 1946. It is true, however, that romanization policies had some success, as the same minority counted 1.8 million people in 1910 and natural increase in 54 years would have been at least 400,000.

In the 1947 Paris Peace Treaty the Hungarian minority was awarded certain specific rights. This was a compromise between the American delegation's insistence that Hungary should be permitted to retain the Crisana—Koros—region and Soviet Russian presure for the 1919 frontiers. The Communist Rumanian Government undertook to respect the cultural, educational and political rights of the Hungarian minority and later it did establish an "autonomous" Magyar province, comprising about 38 percent of the Hungarian minority. After 1946, however, Communist terror was vigorously exercised by the Government against all non-Communist segments of the population. While during the war the Rumanian regimes murdered almost 650,000 Jews and eliminated their influence, the Communists concentrated upon the non-Communist elite. Together with their Rumanian equivalents, tens of thousands of anti-Communist or non-Communist Hungarians were imprisoned, tortured, many of them executed or dying in prisons or being transferred to the inhospitable areas of Dobrudja. While Hungarian cultural life was at first protected in the autonomous province, in all other areas Hungarian schools and cultural activities were frowned upon and reduced. However, the persecution in this period was basically politically, and not ethnically, motivated.

The religious leadership of the Hungarian minority was first victimized. The Greek Uniate Church with a mixed Hungarian-Rumanian membership of over 1 million was officially abolished by state decree. Its adherents were forced to adopt Orthodoxy or face prison, its bishops and many of its priests ended in prison. A good example is provided by Aron Marton, bishop of Alba Iulia, who had been incarcerated several times since 1948 and is still living confined to a village, unable to exercise his episcopal functions. Catholic and Protestant Churches also increased the roll of their martyrs during the late forties and early fifties.

The anti-Communist revolution in Hungary proper heralded a new phase for the Transylvanian Hungarians. The strong sympathy of the minority for the freedom fighters was in many instances openly displayed in the week before the Russian intervention in Hungary on November 4. Purely Rumanian regiments were dispatched by the Rumanian Communist regime into the autonomous province and Hungarian-inhabited cities in order to prevent open revolt. And no Rumanian troops could be employed by the Red army in crushing Hungary because of the doubtful loyalty of the former as they included sizable Hungarian minority contingents. The "disloyal attitude" of the Hungarian minority against the Communist regime has never been forgotten by Gheorghiu-Dej.

Open terror soon followed the reestablishment of Communist control in Hungary proper. First, the Communist leaders of the minority were forced to make self-criticism and reject any kind of national separatism as contrary to Marxism-Leninism. Preventive arrests reported by the New York Times as approaching the number of 40,000 were conducted and in 1958, 56 representatives of the Hungarian minority were tried. Ten were executed, others received long-term prison sentences. In July 1959, the Hungarian "Bolyai" University at Cluj—Kolozsvar—was abolished, and the autonomy of the Hungarian medical college at Tirgu Mures—Marosvasarhely—suspended. The number of Hungarian high schools was reduced and only the first-born children of the Hungarian families are even allowed to attend Hungarian elementary schools. Industrialization, a hope for the minority also turned out to be an additional nightmare. While new plants were established in Hungarian regions, the jobs were not given to the Hungarians in the area, but Rumanian workers and engineers were imported, establishing Rumanian pockets in Hungarian areas. Furthermore, Hungarian college and university graduates were systematically dispersed in non-Hungarian provinces. By 1964 the Hungarians not living in their own areas is estimated between 35 to 50 percent.

In March 1961, the Communist Rumanian Parliament voted an amendment to the constitution, attaching one-third of the autonomous Magyar province to the overwhelmingly Rumanian province of Brasov—Brasso. At the same time, heavily Rumanian-populated areas were annexed to the autonomous province. As a result, the percentage of Hungarians in the autonomous province fell from 78 to 65 percent. Administration and industrial management officials in the autonomous province are today at least 50 percent Rumanian, and the use of the Hungarian language is forbidden in the courts and official correspondence, and outside of the autonomous province even on public conveyances and stores.

The Hungarian minority cannot expect help from the Communist Hungarian Government. When some Hungarians, originally from Transylvania, met in Hungary proper last year to discuss the situation, Kadar's police arrested them and the Communist courts sentenced them to prison for "incitement to illegal organization," as a result of stiff Rumanian protests.

The plight of the minority is known to Western journalists and diplomats. Edward Crankshaw, from the London Observer, published the details of the persecution of the anti-Communist Hungarian minority over a year ago in the New York Herald Tribune, April 15, 1963. The Department of State, in answering the protest of several Hungarian organizations in America to ROMAN PUCINSKI, Democrat, of Illinois, recognized that the Rumanian Government continues:

> To pursue a—systematic policy of romanizing Hungarians—by gradually reducing the number of Hungarian-language cultural institutions in and by assigning Hungarian intellectuals to posts outside of Transylvania.

The Department paper also adds that as a means of expanding Rumanian influences in the Mures-Magyar Autonomous Province a permanent Rumanian theater has been established and Rumanians are constantly settled in the province. The paper provides telling statistics upon the constantly reduced percentage of Hungarian students at the University at Cluj—Kolozsvar—and the medical college at Tirgu Mures—Marosvasarhely.

Thus, the Johnson administration cannot be excused on the basis of ignorance of the facts of this ethnic and political persecution in Rumania. It fails, however, rather hypocritically, to draw the inevitable conclusions from its own studies. After describing the romanization policies and persecution of Hungarians in Transylvania, the State Department ends by stating that:

> In the present situation, however, formal diplomatic action in the matter does not appear to be warranted and is not contemplated.

Were there no negotiations on a trade agreement for $500 million, the sale of a nuclear reactor and credits, the indifference of the administration might be excusable. But the Communist Rumanian Government expects the United States to help to overcome existing industrial production and equipment bottlenecks by trade and credits. Its disagreement with the Soviet Union on economic integration, now extending to some political problems as well helps to force Rumania to rely upon Western assistance.

It is, of course, very questionable, whether credits and trade concessions should at all be extended to the Stalinist regime in Rumania in defiance of the intentions of the Battle Act and adding to the burdens of the American taxpayer. However, if the administration decides to follow such a policy for reasons unclear to us, it has the duty to all patriotic Americans and to the memory of the Hungarian freedom fighters of 1956 to use the existing economic leverage to improve the lot of the Hungarian minority in Transylvania now persecuted both on ethnic and political grounds. Of course, the pressure should not stop there but should embrace a political liberalization of the regime for Rumanians and Hungarians alike, too. Quiet diplomacy rather than formal protest should be used, but secret diplomacy should not be employed as an excuse for inaction.

Rumania in 1964 still has major problems of feeding her population, in addition to the bottlenecks in her rapidly expanding industry. Early in June, it was documented in a speech in the House of Representatives that 12 million tons of American grain sent to Russia was reexported again to Rumania, a country until recently known as the granary of Central Europe. Visitors report that food and necessities of life remain a major problem for the population and that the fruits of industrialization never reached other than a few cities and settlement areas. The time to act for us is now.

Realizing that the leverage is limited, six demands could still be raised by the Johnson administration. These would include a return of displaced Hungarians to the former places of domicile and former professions. Such measures were even introduced in Communist Hungary. Hungarian—and Rumanian—political prisoners should be released from the concentration and labor camps, especially in the Danube delta area. Employment and housing to Hungarian intellectuals and workers should be provided in their own areas, rather than forcing them to disperse in Rumanian areas. The use of the Hungarian language should be allowed outside of the autonomous province. The closed Hungarian university at Cluj—Kolozsvar—and the numerous closed Hungarian high schools should be reopened. We should also work for a political liberalization, for more popular voice in the policies; for until free elections finally replace the present regime, there will be no final solution for the problems involved.

Mr. Speaker, the United States still provides the last bulwark of freedom and the beacon of hope for the nations within the Communist bloc regardless of the degree of Moscow control or local Communist ambitions which have to stop whenever they would come into open conflict with the Kremlin. Unless we exert all pressures available to us short of war, we will face the judgment of history either as victims of the nuclear cloud or of international communism.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. RYAN of Michigan, for the week of August 10, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. ASHBROOK (at the request of Mr. SCHADEBERG), for 15 minutes, today.

Mr. GUBSER (at the request of Mr. SCHADEBERG), for 30 minutes, August 10.

Mr. PUCINSKI, for 10 minutes, today; to revise and extend his remarks and to include extraneous matter.

Mr. HECHLER, for 15 minutes, on Monday, August 10.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

(The following Member (at the request of Mr. SCHADEBERG) and to include extraneous matter:)

Mr. BERRY.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 1057. An act to promote the cause of criminal justice by providing for the representation of defendants who are financially unable to obtain an adequate defense in criminal cases in the court of the United States;

S. 1642. An act to amend the Securities Act of 1933, as amended, and the Securities

Exchange Act of 1934, as amended, to extend disclosure requirements to the issuers of additional publicly traded securities, to provide for improved qualifications and disciplinary procedures for registered brokers and dealers, and for other purposes; and

S. 1991. An act to charter by act of Congress the Pacific Tropical Botanical Garden.

ADJOURNMENT

Mr. PUCINSKI. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 2 minutes p.m.) the House adjourned until Monday, August 10, 1964, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ROGERS of Texas: Committee on Interior and Insular Affairs. H.R. 3279. A bill to authorize the Secretary of the Interior to construct, operate, and maintain the Dixie project, Utah, and for other purposes; with amendment (Rept. No. 1725). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. H.R. 12198. A bill to amend section 11-1701 of the District of Columbia Code to increase the retirement salaries of certain retired judges; without amendment (Rept. No. 1726). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. S. 646. An act to prohibit the location of chanceries and other business offices of foreign governments in any residential area in the District of Columbia; with amendment (Rept. No. 1727). Referred to the House Calendar.

Mr. MILLS: Committee on Ways and Means. H.R. 12253. A bill to correct certain errors in the tariff schedules of the United States; without amendment (Rept. No. 1728). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII,

Mr. ARENDS introduced a bill (H.R. 12304). A bill to amend title 28, United States Code, to provide for a temporary stay of proceedings in any action for the reapportionment of any State legislative body, which was referred to the Committee on the Judiciary.

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SENATE

SATURDAY, AUGUST 8, 1964

The Senate met at 10 o'clock a.m., and was called to order by the Acting President pro tempore (Mr. METCALF).

Rev. James P. Archibald, minister, St. Paul Methodist Church, Chevy Chase, Md., offered the following prayer:

Our Father, with the affairs of the world pressing upon this body, we pause in quiet respect to recognize Thee as almighty and everpresent. Thou hast created us and loved us even more than we have loved our own children. Make us aware that Thou art depending upon our wise decisions as surely as we are depending upon Thee. Make us aware that while in our haste we often forget Thy presence, we are never beyond Thy shepherd-like care; that though we assemble routinely, it is never in Thine absence.

We ask that in these turbulent times Thou wilt guide this body of men and women, dedicated to highest principles of government. Defend them, we pray Thee, against glib answers to complicated problems. Protect them against the sinful traffic of uninformed and hurtful advices, and against shallow cures for deep diseases.

Endow them with a large and tolerant charity, as well as a respected and stalwart conviction. In a day when all men think more highly of themselves than they ought to, grant these servants a humble spirit and a saving sense of humor. Bring into the home of each Senator the peace and harmony that enables him to be a blessed peacemaker, a noble legislator of our land, and a humble servant of Thine. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Friday, August 7, 1964, was dispensed with.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House insisted upon its amendment to the bill (S. 4) to establish a National Wilderness Preservation System for the permanent good of the whole people, and for other purposes, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. ASPINALL, Mr. JOHNSON of California, Mr. WHITE, Mr. SAYLOR, and Mr. MORTON were appointed managers on the part of the House at the conference.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2881) to amend the Alaska Omnibus Act to provide assistance to the State of Alaska for the reconstruction of areas damaged by the earthquake of March 1964 and subsequent seismic waves, and for other purposes.

The message further announced that the House had agreed to the amendment of the Senate to the bill (H.R. 988) to authorize the Secretary of the Interior to acquire the Graff House site for inclusion in Independence National Historical Park, and for other purposes.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H.R. 6496) to authorize the Secretary of the Interior to convey certain federally owned land in trust status to the Cherokee Indian Tribe of Oklahoma.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Acting President pro tempore:

H.R. 7381. An act to simplify, modernize, and consolidate the laws relating to the employment of civilians in more than one position and the laws concerning the civilian employment of retired members of the uniformed services, and for other purposes;

H.R. 8009. An act to amend title 38, United States Code, to provide veterans with urgently needed nursing home care and nursing care facilities while reducing the cost to the United States of caring for such veterans, and for other purposes;

H.R. 8611. An act to facilitate the performance of medical research and development within the Veterans' Administration, by providing for the indemnification of contractors;

H.R. 8925. An act to amend title 38 of the United States Code in order to provide that a disability which has been rated at or above a certain percentage for 20 or more years may not thereafter be reduced below such percentage;

H.R. 11064. An act to provide for the conveyance of certain real property of the United States situated in the State of Virginia;

H.R. 8999. An act to provide for the settlement of claims of certain inhabitants of the United States living in the area inundated by the sudden floods of the Rio Grande as a result of the construction of the Falcon Dam, and for other purposes;

H.R. 11255. An act to validate certain payments of per diem allowances made to members of the Coast Guard;

H.R. 11611. An act to establish a National Commission on Technology, Automation, and Economic Progress; and

H.J. Res. 1145. Joint resolution to promote the maintenance of international peace and security in southeast Asia.

LIMITATION OF DEBATE DURING MORNING HOUR

On request by Mr. MANSFIELD, and by unanimous consent, statements during the morning hour were ordered limited to 3 minutes.

COMMITTEE MEETING DURING SENATE SESSIONS NEXT WEEK

On request by Mr. MANSFIELD, and by unanimous consent, the Internal Security Subcommittee of the Judiciary Committee was authorized to meet during sessions of the Senate next week.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of executive business, to consider the nominations on the Executive Calendar.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

The ACTING PRESIDENT pro tempore. If there be no reports of committees, the nominations on the Executive Calendar will be stated.

NATIONAL CAPITAL TRANSPORTATION AGENCY

The Chief Clerk proceeded to read sundry nominations in the National Capital Transportation Agency.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that these nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations will be considered en bloc; and, without objection, they are confirmed.

U.S. ATTORNEY

The Chief Clerk read the nomination of William N. Goodwin, of Washington, to be a U.S. attorney for the western district of Washington for the term of 4 years.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

U.S. MARSHAL

The Chief Clerk read the nomination of George J. Ward, of New York, to be a U.S. marshal for the eastern district of New York for the term of 4 years.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The ACTING PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

On motion by Mr. MANSFIELD, the Senate resumed the consideration of legislative business.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. CHURCH, from the Committee on Interior and Insular Affairs, without amendment:

S. 2961. A bill to provide for the disposition of the judgment funds on deposit to the credit of the Northern Cheyenne Tribe of the Tongue River Indian Reservation, Mont. (Rept. No. 1349);

H.R. 1713. An act to approve an order of the Secretary of the Interior canceling irrigation charges against non-Indian-owned lands under the Klamath Indian irrigation project, Oregon, and for other purposes (Rept. No. 1350);

H.R. 10672. An act to provide for the disposition of judgment funds now on deposit to the credit of the Pawnee Tribe of Oklahoma (Rept. No. 1351);

H.R. 11329. An act to provide for the relocation and reestablishment of the village of Sil Murk and of the members of the Papago Indian Tribe inhabiting the village of Sil Murk, and for other purposes (Rept. No. 1352); and

H.R. 11425. An act to provide for the conveyance of 10 acres of federally owned land on the White Earth Reservation to the Minnesota Annual Conference of the Methodist Church, and for other purposes (Rept. No. 1353).

By Mr. CHURCH, from the Committee of Interior and Insular Affairs, with an amendment:

H.R. 8834. An act to provide for the disposition of the funds arising from a judgment in favor of the Shawnee Tribe or Nation of Indians (Rept. No. 1355); and

H.R. 11052. An act to declare that 80 acres of land acquired for the Flandreau Boarding School is held by the United States in trust for the Flandreau Santee Sioux Tribe (Rept. No. 1356).

By Mr. CHURCH, from the Committee on Interior and Insular Affairs, with amendments:

H.R. 8080. An act to authorize the Secretary of Interior to prepare a roll of persons eligible to receive funds from an Indian Claims Commission judgment in favor of the Snake or Paiute Indians of the former Malheur Reservation in Oregon, to prorate and distribute such funds, and for other purposes (Rept. No. 1354).

By Mr. KUCHEL, from the Committee on Interior and Insular Affairs, without amendment:

H.R. 11562. An act to authorize the Secretary of the Interior to sell Enterprise Rancheria No. 2 to the State of California, and to distribute the proceeds of the sale to Henry B. Martin, Stanley Martin, Ralph G. Martin, and Vera Martin Kiras (Rept. No. 1357).

By Mr. BIBLE, from the Committee on the District of Columbia, without amendment:

H.R. 9995. An act to amend the Policemen and Firemen's Retirement and Disability Act to allow credit to certain members of the U.S. Secret Service Division for periods of prior police service (Rept. No. 1359).

By Mr. BIBLE, from the Committee on the District of Columbia, with amendments:

S.J. Res. 110. Joint resolution designating the bridge constructed over the Washington Channel of the Potomac River, in the District of Columbia, as the "Francis Case Memorial Bridge" (Rept. No. 1358).

By Mr. HARTKE, from the Committee on the District of Columbia, without amendment:

H.R. 11222. An act to amend the Horizontal Property Act of the District of Columbia to permit a condominium unit to be located on more than one floor of a building, and for other purposes (Rept. No. 1360).

BILLS INTRODUCED

Bills were introduced, read the first time, and by unanimous consent, the second time, and referred as follows:

By Mr. INOUYE:

S. 3096. A bill for the relief of Armando S. Arguilles; to the Committee on the Judiciary.

By Mr. HRUSKA:

S. 3097. A bill to authorize the Burt County Bridge Commission, a public body politic and corporate in the County of Burt and State of Nebraska, to refund the outstanding revenue bonds of said Burt County Bridge Commission heretofore issued to finance the cost of the construction of a bridge, together with the necessary approaches and appurtenances therefor, from a point located in the city of Decatur, Burt County, Nebr., across the Missouri River to a point located in Monona County, Iowa; to the Committee on Public Works.

ESTABLISHMENT OF A LAND AND WATER CONSERVATION FUND—AMENDMENTS (AMENDMENT NO. 1205)

Mr. ALLOTT (for himself, Mr. DOMINICK, and Mr. JORDAN of Idaho) submitted amendments, intended to be proposed by them, jointly, to the bill (H.R. 3846) to establish a land and water conservation fund to assist the States and Federal agencies in meeting the present and future outdoor recreation demands and needs of the American people, and for other purposes, which were ordered to lie on the table and to be printed.

CENTRAL ARIZONA PROJECT, ARIZONA-NEW MEXICO—AMENDMENT (AMENDMENT NO. 1206)

Mr. ALLOTT (for himself, Mr. DOMINICK, and Mr. SIMPSON) submitted an amendment, intended to be proposed by them, jointly, to the bill (S. 1658) to authorize, construct, operate, and maintain the central Arizona project, Arizona-New Mexico, and for other purposes, which was ordered to lie on the table and to be printed.

AMENDMENT OF FOREIGN ASSISTANCE ACT OF 1961—AMENDMENTS (AMENDMENT NO. 1207)

Mr. PROXMIRE submitted amendments, intended to be proposed by him, to the bill (H.R. 11380) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes, which were ordered to lie on the table and to be printed.

ESTABLISHMENT OF ASSATEAGUE ISLAND NATIONAL SEASHORE IN STATES OF MARYLAND AND VIRGINIA—AMENDMENT (AMENDMENT NO. 1208)

Mr. BREWSTER submitted an amendment, intended to be proposed by him, to the bill (S. 2128) to provide for the establishment of the Assateague Island National Seashore in the States of Maryland and Virginia, and for other purposes, which was referred to the Committee on Interior and Insular Affairs and ordered to be printed.

THE 26TH POLARIS NUCLEAR SUBMARINE—U.S.S. "JOHN C. CALHOUN"

Mr. AIKEN. Mr. President, a few days ago the U.S.S. *John C. Calhoun*, our 26th Polaris nuclear submarine, successfully completed its first sea trials.

I believe that it will interest Senators to know something about John Caldwell Calhoun and the reasons for naming this submarine after him.

I ask unanimous consent to have printed in the RECORD the letter which I received from Vice Adm. H. G. Rickover, dated July 29, 1964, setting forth the story of the U.S.S. *John C. Calhoun,* and the naming of this nuclear submarine.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S.S. "JOHN C. CALHOUN"
(SSBN630),
Care of Fleet Post Office,
New York, N.Y., July 29, 1964.
(At Sea North Atlantic.)

Hon. GEORGE D. AIKEN,
Joint Committee on Atomic Energy.

DEAR SENATOR AIKEN: We have just successfully completed the first sea trials of the U.S.S. *John C. Calhoun,* our 26th Polaris nuclear submarine. We also have in operation 20 attack type nuclear submarines, making a total of 46. The *Calhoun* was built by the Newport News Shipbuilding & Dry Dock Co., of Newport News, Va.

This ship is named for John Caldwell Calhoun (1782–1850). The pattern of Calhoun's life was not unlike that of the Founding Fathers. Of him and his two great political antagonists—Webster and Clay—James Bryce wrote in 1888 that they were "the ornaments" of their generation, "not indeed rising to the stature of Washington or Hamilton, but more remarkable than any save one among the statesmen who have followed them."

Calhoun belonged to the second generation of American political thinkers and public men; men who had never known life in a colony. He was born in the year when the Nation had attained de facto independence—though it took another 18 months for the treaty of peace to be signed at Paris. Like the Founding Fathers, Calhoun was well-educated, graduating from Yale with distinction. Subsequently he studied law, was admitted to the bar and practiced his profession for a brief while. But nearly all his adult life—some 40 years—he spent in elected or appointed office: as State legislator, Member of the Congress, Senator, Secretary of War, Secretary of State, twice Vice President, and almost President. His family—of Scotch-Irish ancestry from Pennsylvania—had settled in the Carolina uplands. Calhoun thus grew up in the pioneer West; for half his life he was indeed its spokesman. But marriage into the Piedmont planter aristocracy changed his views and he became the voice of the deep South—its political theorist, master logician, impassioned orator. It has been said of him that he "welded the South and divided the Union."

Calhoun's adult life spanned almost the whole of that turbulent period in American history when, after an early era of good feeling, the young Nation had to come to grips with ever deepening regional conflicts between industrial North, pioneer West, and plantation South—conflicts which time and time again brought on crises that threatened to tear the Union asunder, as indeed they did in the end. But prior to the fratricidal war that finally established this Nation as an indivisible Union, the Senate reverberated with constitutional debates that "transfixed the Nation." Calhoun, Webster, and Clay were the principal antagonists. Of their debates, Charles A. Beard wrote that they were memorable forensic contests, "worthy of a place in the annals of oratory beside the noblest intellectual tourneys of ancient and modern times." The men who participated, the "eloquence and cogency of their arguments" and not least "the results that flowed from their deliberations," make these debates a part of our history with which every American should be acquainted. Not only do we profit by studying them, for they vividly illuminate the travail that went into the building of the Union we so lightly take for granted today, but also they teach us that men of intelligence, education and integrity, alike in their deep devotion to our political covenant, may yet differ bitterly because to each it has a different meaning.

Two important political innovations occurred in Calhoun's life: the evolution of the American party as we know it today, and the unique American system of choosing nominees for the Presidency in national party conventions. Though not mentioned in the Constitution or envisaged by the Founding Fathers, these two cornerstones of our political life are today as firmly established as any part of the written covenant. Still worth reading is Calhoun's "A Disquisition on Government" which contains a lucid exposition of the American political party: how it is formed, how it operates. Written near the end of his life, the book reflects half a century of American experience in much of which Calhoun participated.

Of Calhoun's many quotable statements, one seems singularly appropriate today: "We are greatly and rapidly—I was about to say fearfully—growing. This is our pride and our danger, our weakness and our strength."

Respectfully,

H. G. RICKOVER.

STRIP MINING AND THE PROPOSED APPALACHIA BILL

Mr. LAUSCHE. Mr. President, I observe in this morning's newspaper that the Appalachia bill has been favorably acted upon by the committee.

In substance, a bill has been written into it which I introduced, calling for the study of the adverse impact that surface strip mining has on wildlife, fish life, vegetation, the general water supply, and the general economy of the communities which are plagued with this problem.

I have no objection to the bill being written into the Appalachia bill. However, in the Appalachia bill, before the study has been completed, there is language which I have interpreted as authorizing the expenditure of moneys for the reclamation and rehabilitation of strip-mined lands owned by private individuals.

I wrote a letter to the chairman of the committee objecting to the spending of any money for reclamation and rehabilitation of strip-mined lands until the study had been completed.

I had a talk with the Senator from West Virginia [Mr. RANDOLPH], and he said that he would obtain a letter from the Department of the Interior committing the Department against expenditure of any moneys for reclamation and rehabilitation of strip-mined lands until the study had been completed.

I have not seen the letter that has supposedly been written by the Department of the Interior. Hence, I let it be known that I shall object to the calling up of the Appalachia bill out of its regular order.

If unanimous consent is requested for placing it on the calendar, I shall object.

Mr. MANSFIELD. Mr. President, I believe the Senator should recognize the fact that once a bill is reported from the committee, it automatically goes on the calendar.

Mr. LAUSCHE. The Senator is correct. That was a misstatement on my part. I know that it goes on the calendar. I meant to say that I did not wish it called up out of order.

MAINTENANCE OF INTERNATIONAL PEACE AND SECURITY IN SOUTHEAST ASIA

Mr. McGOVERN. Mr President, I ask unanimous consent that, in spite of the 3-minute limitation, I may proceed for 5 additional minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. McGOVERN. Mr. President, yesterday, I voted in favor of the resolution requested by President Johnson to deal with the Vietnam crisis. I did so because our leaders assured us that the military evidence was such that it constituted a military challenge which had to be met with a military response.

The resolution is designed to make perfectly clear that the President has the support of the Congress and the American people in meeting the recent aggression. It is designed to inform a potential aggressor that the Congress will support the President in meeting any additional attacks of that kind.

The President acted decisively, and yet with some reason and restraint in handling the attack on our naval vessels. This resolution is designed to serve notice on any potential Communist aggressor that when our ships and men are fired upon, we shall not hesitate to return the fire.

But, Mr. President, I do not wish my vote for the resolution to be interpreted as an endorsement of our longstanding and apparently growing military involvement in Vietnam. I have had serious misgivings about our entanglement in Vietnam since we were first committed to that course 10 years ago. For 8 years prior to that commitment, the French had tried unsuccessfully to reassert their rule in southeast Asia.

That effort ended in disaster in 1954 after the cream of the French Army had been destroyed by guerrilla jungle fighting. It ended only after the expenditure of vast sums of American aid to France.

Today, 10 years after our inheritance of the French responsibility in southeast Asia, we seem to be faring no better than the French. It is my own judgment that we cannot win a conflict against sustained guerrilla activity in Vietnam without enthusiastic and vigorous action on the part of the people and the Government of South Vietnam. I do not think that kind of widespread effort has been demonstrated.

On the contrary, there seems to be considerable reluctance and a general lack of enthusiasm to carry the fighting in South Vietnam. Instead, the present leader of South Vietnam, General Khanh, is urging us on to a major American military onslaught against North Vietnam.

Any such action on our part would be fraught with the gravest of dangers and could very well entangle us in a war to the death on a vast scale claiming the lives of countless thousands of American boys. It could set the stage for world war III, involving this time the forces of Red China.

I propose, therefore, a conference of the involved nations to seek a political settlement in southeast Asia. I think the 14-nation conference suggested by General de Gaulle ought to be seriously considered. The fact that General de Gaulle frequently irritates American sensibilities is no reason to reject an otherwise fruitful suggestion. France has been the friend of America in peace and war throughout our history. Her people and her Government have had a long experience in southeast Asia.

As the Secretary-General of the U.N., Mr. U Thant, has said, it is difficult for the United Nations to undertake a settlement of the southeast Asia problem for the simple reason that neither North Vietnam nor the Chinese mainland is a member of the United Nations. I would hope, however, that any agreement which could be worked out at a conference of the kind which I have suggested would be enforced by the United Nations.

There will be objections to discussing a southeast Asia settlement with Red China since we do not recognize the existence of the present government of the Chinese mainland. But that government does in fact exist. It is in control of the most populous nation in the world, and it is a major factor to be reckoned with in any satisfactory settlement of the problems now convulsing southeast Asia.

Any settlement in southeast Asia that ignores China is largely useless. I am not speaking here of the larger problem of diplomatic recognition of China or her admission to the United Nations. What I am saying is that we are involved in a terribly dangerous military conflict which can only be resolved by a political settlement. If that settlement involves, as I believe it does, discussions with the Chinese as well as the North Vietnamese, let us not jeopardize the peace of the world by diplomatic rigidity. We have every right to be skeptical about Chinese commitments considering their disappointing record following the Laotian agreement. But this is no justification for a refusal to seek again a safeguarded agreement with the Chinese on southeast Asia.

In my judgment, an indefinite continuance of the military conflict in South Vietnam is a hopeless course that will lead in the end either to defeat or entanglement in the kind of major war which we are ill-prepared to fight in Asia.

Let us seek a political settlement as soon as possible for a problem that is basically political.

Mr. President, during the debate on the resolution passed by the Senate, I raised certain questions about whether we were, in effect, surrendering control over our Asia policy to the ruler of South Vietnam. I asked if we should not make it clear that we would not bind ourselves to military action in the event that the generals of South Vietnam should undertake military attacks on North Vietnam without our prior approval.

These and other questions are well put by Mr. James Reston in an article in the New York Times of Friday, August 7, which I ask unanimous consent to have printed at this point in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Some Basic Questions About Vietnam

(By James Reston)

Washington, August 6.—The Nation has united quickly behind the President's strong military action in Vietnam, but unity and speed, important as they are in the present crisis, should not muffle some fundamental questions about the future political and military relationships in that area.

First, should there not be a formal public undertaking by the South Vietnamese Government that the military weapons supplied by the United States will not be used in offensive measures against Communist North Vietnam without the advance consent of the United States?

Second, should not the United States give a similar formal undertaking to the Government of South Vietnam?

Third, is the mission of the United States in South Vietnam to provide arms and advice to the Government of South Vietnam, as stated officially in the past, or is President Johnson now asking for a congressional resolution that would authorize him to take any military measures he pleases in all of southeast Asia at the request of any southeast Asian ally?

THE FORMOSA PRECEDENT

The official view here is that it is not helpful to raise such questions when the United States must act together in a hurry, but the President, as Commander in Chief, has the power to repel any new sudden attack, as he did last weekend, and it may be wise to take a day or two to analyze where we are and where we are going.

Obviously, no formal agreement between the United States and South Vietnam could be permitted to interfere with each government's right of self-defense. No American destroyer captain under Communist attack is going to be asked to wireless Saigon for permission to defend himself, and no South Vietnamese military unit defending South Vietnam is going to be asked to get permission from the United States before firing on its attackers.

However, any attack on North Vietnam by either the United States or the South Vietnamese clearly involves the possibility of retaliation by the Communists on both, and thus should be launched only by joint agreement.

This principle of joint action in mutual danger was appended to the Mutual Defense Treaty between the United States and the Republic of China signed here in December of 1954.

At that time, Secretary of State Dulles and Ambassador George K. C. Yeh of the Chinese Republic exchanged letters, the key paragraph of which read as follows:

"In view of the obligations of the two parties under the said treaty, and of the fact that the use of force from either of these areas (Formosa or the offshore islands) by either of the parties affects the other, it is agreed that such use of force will be a matter of joint agreement, subject to action of an emergency character which is clearly an exercise of the inherent right of self-defense."

It is stated here officially that there is already an understanding with the South Vietnamese Premier, Maj. Gen. Nguyen Khanh, that he will not attack North Vietnam without our consent, and, of course, the U.S. controls the arms and gasoline necessary for any prolonged attack, but since General Khanh has recently been waging an open propaganda campaign for an attack on the North, it is not clear why the existing understanding should not be stated formally and publicly.

After all, even fairness to the South Vietnamese requires advance consultation, at least, before any assault on the enemy's territory.

JOHNSON'S POWERS

The proposed congressional resolution, as it now stands, is a more delicate matter. It could easily be amended to include the principle of joint agreement on any attack on the North, but amending it to restrict the President's action further is more difficult, and maybe it should not be done.

But it should at least be recognized what the resolution now authorizes. It says that the United States regards the maintenance of peace and security in southeast Asia as vital to its national interest and to world peace. And it adds:

"The United States is, therefore, prepared, as the President determines, to take all necessary steps, including the use of armed force, to assist, any member or protocol state of the Southeast Asia Collective Defense Treaty requesting assistance in defense of its freedom."

This is a little different from merely sending arms and advisers to South Vietnam. It would approve any military action as the President determines in any part of southeast Asia, including military action in support of any nation in the Southeast Asia Treaty (whose military support of South Vietnam has been virtually nil), provided our military action were sought and the President approved.

Maybe this is what the country wants and there is a good case to be made for it, but even in the hurry to get the resolution passed there shouldn't be much objection to looking at what it says and what it doesn't say.

Mr. MORSE. Mr. President, I find the speech of the Senator from South Dakota [Mr. McGovern] very interesting, but very belated. For approximately 6 months the Senator from Alaska [Mr. Gruening] and the Senator from Oregon have been urging support for the very suggestions which the Senator from South Dakota made this morning. His views, of course, are welcome even under the saying "Better late than never." Although conversion is always welcome, in my judgment, if Senators who have held the views of the Senator from South Dakota—and many of them have held them privately for these many months—had joined the Senator from Alaska and the Senator from Oregon 5 or 6 months ago in urging an economic, political, and diplomatic settlement of the Asiatic strife under the rules of international law, we might have been able to change the warmaking course of our Government in Asia. But one of the saddest things is that during all those months the talk of many Senators in the cloakroom has been noticeably different from their silence on the floor of the Senate. I hope that the Senator from South Dakota and others who share his views will now proceed with some vigor in trying to make their representations and their suggestions known to this administration to see if we can stop the warmaking course the United States is taking in Asia.

The ACTING PRESIDENT pro tempore. The time of the Senator has expired.

Mr. MANSFIELD. Mr. President, I remind Senators that the Senate is in the morning hour, but that Senators, of course, may have additional time.

Mr. McGOVERN. Mr. President, I shall ask for an additional minute so that I may yield to the Senator from Ohio [Mr. LAUSCHE] for a question.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. LAUSCHE. Mr. President, the point raised by the Senator, in my judgment, about the involvement if South Vietnam proceeds to move northward into North Vietnam is very significant.

In the CONGRESSIONAL RECORD of Thursday, there is a treatment of the subject by me. In my judgment, the SEATO treaty applies only when there has been aggression by an outside nation against a member of SEATO. That aggression must be by a Communist country. And it must be such as we consider would endanger our security.

In my judgment, it is clear that under the SEATO agreement we have no right or no obligation to become participants in any invasion aside from an invasion by an aggressor against one of our allies. It was on that basis that I approved that measure.

Mr. McGOVERN. Mr. President, I hope the Senator's interpretation is correct.

Mr. LAUSCHE. I suggest that the Senator read it.

Mr. McGOVERN. I feel greatly reassured.

FACTS ON THE HOUSING AND SCHOOL SITUATION AMONG MISSISSIPPI NEGROES

Mr. STENNIS. Mr. President, in the midst of great emotional social issues, it is almost impossible to get an objective report. Normal day-to-day facts are virtually ignored.

But occasionally such a factual and objective report does filter into the press of the Nation. I have been most pleased to read in the Christian Science Monitor—one of the Nation's truly great newspapers, published in Boston—a story that does attempt to give some of the true facts about Mississippi.

Because this article by Mr. Saville R. Davis presents the facts of the housing and school situation among Mississippi Negroes, I want to make this factual reporting available to Members of the Senate.

I, therefore, request unanimous consent that this article entitled "Negro Housing, Plus Side Down in Dixie," from the Christian Science Monitor, of August 6, 1964, be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NEGRO HOUSING—PLUS SIDE DOWN IN DIXIE

(By Saville R. Davis)

JACKSON, MISS.—It seems next to impossible in the midst of civil turmoil in Mississippi this summer to write what would be considered a fair-minded and objective account by both sides.

Emotions understandably run high.

Facts are oppositely interpreted and there are comparatively few areas where there is agreement on what facts are.

Both sides recognize this and go their own ideological ways and it would tax Solomon himself to carry water on both shoulders.

Reporters sent to Mississippi by the national news media try to cover events from both sides. They wear jackets and neckties in the steaming heat, remain professionally aloof, and go back and forth between the authorities and civil rights workers.

CHASTENING EXPERIENCE

Their assignment is to cover the news, and the ordinary definition of news does not include the arguments for segregation which are largely unchanging. But the Negroes are speaking out for the first time militantly and are under vigilante attack, so they tend to get more attention.

This correspondent made a systematic tour of the Negro districts of Jackson with an advocate of the traditional and evolving southern society. The plan was to show me everything, good and bad. We covered all sections, I went along the tracks and down alleys and confirmed the findings later with a Jackson Negro on the side of civil rights.

It was a chastening experience for an inhabitant of a big northern city. The eye could readily see why white Mississippians are convinced the North "does not understand what we have done for the Negro."

There was nothing to be found that could be called a shanty town of any significant dimension in the city of Jackson itself. (Outside, of course, roll the rural Mississippi areas where the picture would be entirely different.) At the other end of the scale there were substantial numbers of well-to-do Negro houses of modern design, inviting and tastefully landscaped.

NEATLY DRESSED CHILDREN

But it was the great bulk of modest or small-sized houses that caught and held the eye. Except for occasional rows of really tiny houses, roof by roof, they were set in enough land to permit a modest bit of landscaping. The grass was trimly cut. There were gardens, normally, with blooms that many a northern suburbanite would envy.

Houses were almost uniformly well painted. Roofs looked tight. Porches seemed to be in a good state of repair. One had to search for the untidy sight, the unpainted wall, and conspicuously few had much bare earth in place of green. There were usually plenty of trees, often covered with blossoms. The streets were clean. Children playing about were as neatly dressed as children in a low-income area could be.

The Negro schools were mostly in attractive, modern, efficient-looking buildings of the type that now is mushrooming everywhere. One was a gaily roofed complex of imaginative contemporary design that would have made a New England town selectman frown sternly and mutter about the tax rate. They were, of course, segregated schools.

It was all in startling contrast to a Negro ghetto in a northern big city with its plague of slums, its rundown rattle-trap schools and the attendant air of hopelessness with respect to paint, repairs, and blades of grass.

There are lines here in Jackson dividing the various Negro sections from those that are white and they are clear for the most part; there are only a few mixed sections. But so are the lines fairly clear in the areas of what is called de facto segregation in the North.

A northerner could argue that his cities are old and economically tired and that waves of immigrants had swept through the old parts of the city and turned them into badlands and the well-to-do had moved out. But it was not always green and kempt in Jackson either. The kind of landlordism that charges exorbitant rates for decaying hovels across the South used to reign here, too.

But Jackson decided to send in the health authorities and clean up. The landlords were told quite simply, and progressively, "do this" and "do that" or take down. It was repair or raze. They were given time but not, in the tradition of the Northern city, political exemption. So the present neatness, verdure, and obvious housing self-respect came about.

MODERN SCHOOL

This is not the place to recite the arguments which support the southern system. In the interests of balance they would have to be matched by the counterarguments on the other side and this was a tour, not a polemic. Suffice it to say that some Negroes go North from Jackson and stay; others go North and return.

It is obvious that those who stay away are willing to pay a heavy cost in terms of slum living (unless they are the fortunate few who can break out somehow) in order to exchange the system of formal segregation here for one that is factually and imperfectly segregated, but legally equal.

Those who return to the South obviously prefer the kind of life that offers a higher physical standard and condition of living while formally segregated.

In Laflore County, several hours away, I was taken on a tour of the all-Negro Amanda Elzy School by County Superintendent of Education Otis W. Allen. It was a showpiece and an impressive sight. Few of the new public schools in wealthy northern suburbs have so generous a tract of land for playing fields, buildings, and open vistas.

Visits to typical classrooms in both the elementary and high school sections showed a high pride in room decoration by the children and a high seriousness among the older students. Physics in one classroom was being taught by the new methods that give students fascinating problems to mull over at home and draw them into thinking and working their own way into physics in class.

EARNEST STUDENTS

There were hot meals for those who could afford an inexpensive cateferia; others brought their lunches. Athletes were doing tough exercises on a field (their teams have done well) and students twirling and tootling for the school band in the gym. Classes like home economics had furnished rooms, fitted up by students in the school shop, in which to practice, and large display cases in the corridors to tend.

Most significant of all was to slip unobserved into the library and see it filled with students obviously working hard.

Whatever the arguments for and against segregating schools, of which this correspondent heard many on both sides, here was the process of education in full blast and here was a generation of Negro students learning hard from Negro teachers and principals under physical conditions that would startle the victim of a typical northern Negro slum school. Only the few Negroes in unsegregated public or private schools in the suburbs have comparable surroundings.

REPORT ON THE RESTORATION OF THE OLD SENATE AND SUPREME COURT CHAMBERS IN THE U.S. CAPITOL

Mr. STENNIS. Mr. President, because of the many expressions of renewed interest I have received concerning the restoration of the old Senate and Supreme Court Chambers in the Capitol Building, I want to make a very brief report on the status of this work.

Although no funds for this project are included in the Legislative Branch Appropriations Act for 1965, now under consideration, I am pleased to report that the necessary planning activities are moving along in good order at the present time. The sum of $37,500, all of which has now been obligated, was included in the Legislative Branch Appropriations Act for 1964 to provide funds for the preparation of working drawings, specifications and cost estimates for the restoration. On March 6, 1964, the Architect of the Capitol entered into a contract with Associate Architects for the preparation of these documents. In addition, on March 9, 1964, the Architect secured the services of a historian from the National Park Service on a reimbursable basis to conduct the necessary research concerning these Chambers, including a search of the records at the National Archives, for the period 1807–60.

It is anticipated that the research at the National Archives will be completed by the end of this month. Pending completion of this research, the Associate Architects have obtained detailed information regarding the existing conditions in both Chambers, and working drawings of these spaces are being roughed out. However, final preparation of the drawings and specifications must be delayed until the required research is completed.

I am advised by the Architect of the Capitol that all of this work will be completed some time this fall. Based on the working drawings and specifications, the Architect will then prepare the cost estimates for actual restoration. It is expected that funds will be requested for this work in fiscal year 1966.

I am highly pleased to report this progress to the Senate, Mr. President, and I anxiously look forward to the time when these two historic Chambers are substantially restored to the condition in which they existed and were furnished when last occupied by the Senate and Supreme Court in 1859 and 1860, respectively. In my opinion, these Chambers will be among the most outstanding and important historical shrines in our Nation. They will be appreciated and enjoyed by all who visit the Capitol, as well as those who labor here, for it was in those very rooms that many great decisions were made which have shaped the destiny of our Nation. The restoration and opening of these Chambers for public viewing will be a tribute to the outstanding roles that the Senate and the Supreme Court have played in our history.

E. A. ROLFE, JR.

The **PRESIDING OFFICER** (Mr. NELSON in the chair) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H.R. 2215) for the relief of E. A. Rolfe, Jr., and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. McCLELLAN. I move that the Senate insist upon its amendment and agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. JOHNSTON, Mr. McCLELLAN, and Mr. HRUSKA conferees on the part of the Senate.

PROVISION OF QUARTERS, HOUSEHOLD FURNITURE, ETC., TO CERTAIN CIVILIAN OFFICERS AND EMPLOYEES

The **PRESIDING OFFICER** laid before the Senate the amendments of the House of Representatives to the bill (S. 1833) to authorize Government agencies to provide quarters, household furniture, and equipment, utilities, subsistence, and laundry service to civilian officers and employees of the United States, and for other purposes, which were, to strike out all after the enacting clause and insert:

That, for the purposes of this Act—

(1) "Government" means the Government of the United States of America.

(2) "agency" means—

(A) each executive department of the Government;

(B) each agency or independent establishment in the executive branch of the Government;

(C) each corporation owned or controlled by the Government, except the Tennessee Valley Authority; and

(D) the General Accounting Office.

(3) "employee" means a civilian officer or employee of an agency.

(4) "United States" means the several States of the United States of America, the District of Columbia, the territories and possessions of the United States, and the Commonwealth of Puerto Rico.

(5) "quarters" means quarters owned or leased by the Government.

(6) "facilities" means household furniture and equipment, garage space, utilities, subsistence, and laundry service.

(7) "member" and "uniformed services" have the meanings given them by section 101 of title 37, United States Code.

SEC. 2. Whenever conditions of employment or of availability of quarters warrant such action, the head of each agency may provide, directly or by contract, any employee stationed in the United States, with quarters and facilities.

SEC. 3. Rental rates for quarters provided for an employee under section 2 of this Act or occupied on a rental basis by an employee or a member of the uniformed services under any other provision of law, and charges for facilities made available in connection with the occupancy of such quarters, shall be based on the reasonable value of the quarters and facilities to the employee or the member of the uniformed services concerned, in the circumstances under which the quarters and facilities are provided, occupied, or made available. The amounts of such rates and charges shall be paid by, or deducted from the salary of, such employee or member of the uniformed services, or otherwise charged against him in accordance with law. The amounts of payroll deductions for such rates and charges shall remain in the applicable appropriation or fund, but, whenever payment of such rates and charges is made by any other method, the amounts of payment shall be credited to the Government as provided by law.

SEC. 4. Whenever, as an incidental service in support of a program of the Government, any quarters and facilities are provided, by appropriate authority of the Government, to any person other than an employee or a member of the uniformed services, the rates and charges therefor shall be determined in accordance with this Act. The amounts of the payments of such rates and charges shall be credited to the Government as provided by law.

SEC. 5. An employee or a member of the uniformed services shall not be required to occupy quarters on a rental basis unless the head of the agency concerned shall determine that necessary service cannot be rendered, or that property of the Government cannot adequately be protected, otherwise.

SEC. 6. The President may issue regulations governing the provision, occupancy, and availability of quarters and facilities, the determination of rates and charges therefor, and other related matters, as are necessary and appropriate to carry out the provisions of this Act. The head of each agency may prescribe and issue such regulations, not inconsistent with the regulations of the President, as may be necessary and appropriate to carry out the functions of such agency head under this Act.

SEC. 7. Section 3 of this Act shall not be held or considered to repeal or modify any provision of law authorizing the provision of quarters or facilities, either without charge or at rates or charges specifically fixed by law.

SEC. 8. Section 3 of the Act of March 5, 1928 (45 Stat. 193; 5 U.S.C. 75a), is hereby repealed.

SEC. 9. The foregoing provisions of this Act shall become effective on the sixtieth day following the date of enactment of this Act.

And to amend the title so as to read: "An act to authorize Government agencies to provide quarters and facilities to civilian officers, and employees of the Government, and for other purposes."

Mr. McCLELLAN. Mr. President, I move that the Senate concur in the House amendments. I have checked the question with the senior member of the committee from which the bill was reported, the ranking member of the committee on the minority side of the aisle, and also with the minority leadership. So far as I know, there are no objections to the amendments of the House of Representatives.

The **PRESIDING OFFICER.** The question is on agreeing to the motion of the Senator from Arkansas.

The motion was agreed to.

BEEF EXPORTS—BEEF PURCHASE PROGRAM

Mr. McGEE. Mr. President, this body recently took action, in approving higher quotas for imported red meat, to improve the lot of the hard-pressed American cattleman. At the time when that action was taken, I pointed out that this problem and the plight of the cattleman are of such dimensions that no single action alone will provide the necessary improvement in fat cattle prices.

I was pleased to note in the August issue of the Wyoming Stockman Farmer, an excellent journal published monthly in Cheyenne, Wyo., an editorial on the need to promote the sale of American beef abroad and an article detailing the beef purchase program of the Department of Agriculture.

The editorial and the article demonstrate the awareness that we must be working on all fronts to ease the cost-price squeeze which has caught our cattlemen. I ask unanimous consent that both the editorial and the article be printed in the RECORD.

There being no objection, the editorial and the article were ordered to be printed in the RECORD, as follows:

[From the Wyoming Stockman-Farmer, August 1964]

MORE PROMOTION

Although, as most of our readers will agree, we ordinarily are opposed to Government directives, and certainly still feel that wide-open beef imports have had a depressing effect on cattle prices, nevertheless, we also are in favor of promoting a product. And, thus we will have to applaud the efforts of Government, and livestock leaders, to seek new markets for Wyoming's agricultural products.

Jay Taylor, cattleman of Amarillo, Tex., and chairman of the special expert Advisory Committee, announced the text of the telegram from President Lyndon Johnson:

"Please extend my best wishes to those members of the Advisory Committee I appointed to develop plans for increasing our exports of beef. The efforts of the livestock and meat industry engaged in this joint effort are to be commended. This will require a sustained effort. But the accomplishments, as you know, will be of major importance, particularly since they will be within the framework of normal commercial practice, free of any subsidy, either for the commodities or for transportation. I pledge the continued cooperation of Government in your market development work in Europe.

"LYNDON B. JOHNSON."

Taylor, who was also chairman of a special beef mission sent to Europe by President Johnson in May, commenting on the AMI-USDA market development program, said, "The effort made to sell American beef in Europe may prove to be one of the most significant moves made by any industry to help itself through Government-industry cooperation. This is in the tradition of the beef and livestock industry which has historically rejected Government controls and subsidies.

"Already the sales of chilled and frozen beef and live cattle to Europe have definitely demonstrated to the Europeans the availability and desirability of U.S. beef. As Europeans face increased demand with a shortening supply from their traditional suppliers, we are convinced that significant commercial trade in beef and possibly live cattle will develop.

"Several European beef delegations have already been in the United States and have become familiar with our industry and its products. Other foreign teams are expected and every effort will be continued to facilitate their interest in American beef.

"The industry is fortunate to have the AMI-USDA European market development project for beef functioning so well. We in turn pledge to the President our sustained and continued effort to find new markets in Europe for American beef within the framework of commercial practice. We welcome President Johnson's support and his pledge that trade must be consummated without subsidy either for the commodities or for transportation."

Other members of the Committee are: Kenneth Anderson, of Emporia, Kans., president of the Anderson Cattle Co.; Aled P. Davies, AMI vice president; John Guthrie, of Porterville, Calif., first vice president of the American National Cattlemen's Association; Don Magdanz, of Omaha, Nebr., secretary of the National Livestock Feeders Association; and C. W. McMillan, of Denver, executive vice president of ANCA; all were members of the Presidential Beef Mission to Europe in May 1964.

Also serving on the AMI-USDA Advisory Committee are: John A. Killick and Floyd Segel, National Independent Meat Packers Association; Charles B. Shuman, American Farm Bureau Federation; James G. Patton, National Farmers Union; Herschel D. Newsom, the National Grange; Brooks J. Keogh, American National Cattlemen's Association; Erwin E. Dubbert, National Livestock Feeders Association; L. Blaine Liljenquist, Western States Meat Packers Association.

Also, Don Walker (representing John Armstrong), National Live Stock and Meat Board; P. O. Wilson, National Live Stock Producers' Association; Norris Carnes, Central Livestock Association, Inc.; Charles Jennings, American Stock Yards Association; Robert Sadler, National Livestock Exchange; C. T. Sanders, Certified Livestock Markets Association; and Sydney M. Washer, Meat Importers Councils, Inc.

[From the Wyoming Stockman-Farmer, August 1964]

U.S. DEPARTMENT OF AGRICULTURE BUYS 8,381,460 POUNDS OF BEEF

The U.S. Department of Agriculture the first week of July bought 8,381,460 pounds of USDA Choice grade frozen and canned beef for distribution to schools, institutions, and needy families. USDA purchases were increased by more than a million pounds over the previous week.

USDA's Agricultural Marketing Service paid 56.14 to 59 cents per pound for 260 cars of frozen beef. Offers were accepted from 23 of 25 bidders who offered a total of 7,287,000 pounds. Top price bid was 63.47 cents per pound. Today's awards are due for delivery during the period July 27 through August 22.

Prices paid for 46 cars of canned beef ranged from 67.49 to 68.77 cents per pound. Offers were accepted from 7 of 11 bidders who offered a total of 4,572,720 pounds. Top price bid was 70.96 cents per pound. Today's awards are due for delivery during the period August 3 through August 29.

Funds for the purchases are provided under section 32, Public Law 320. All products acquired under this program are prepared from animals slaughtered and processed within the United States.

The week's purchases included 5,460,000 pounds of USDA Choice grade frozen ground beef and boneless roasts for distribution to schools and institutions, and 2,921,460 pounds of Choice grade canned beef for distribution to needy families. Total beef purchases since buying began March 2 amount to 135,400,000 pounds at a cost of $77 million.

Inquiries regarding the program should be addressed to the Livestock Division, Agricultural Marketing Service, U.S. Department of Agriculture, Washington, D.C.

MAINTENANCE OF INTERNATIONAL PEACE AND SECURITY IN SOUTHEAST ASIA

Mr. NELSON. Mr. President, yesterday I voted in favor of the joint resolution respecting southeast Asia. I did so upon the specific assurance of Senator FULBRIGHT, one of the authors of the resolution, and the chairman of the Senate Foreign Relations Committee, that in voting for this resolution, the Congress approved no change in our basic mission in Vietnam.

That mission is one of providing material support and advice. It is not to substitute our Armed Forces for those of the South Vietnamese Government, nor to join with them in a land war, nor to fight their war for them.

Yesterday Senator FULBRIGHT assured the Senate that although some have interpreted the resolution as a broader endorsement of any action against aggression, this is not its meaning. Rather, in response to my question, he stated that most of the Foreign Relations Committee, in reporting this resolution, interpreted it along the lines of an amendment I suggested which reads as follows:

> The Congress also approves and supports the efforts of the President to bring the problem of peace in southeast Asia to the Security Council of the United Nations, and the President's declaration that the United States, seeking no extension of the present military conflict, will respond to provocation in a manner that is "limited and fitting." Our continuing policy is to limit our role to the provision of aid, training assistance, and military advice, and it is the sense of Congress that, except when provoked to a greater response, we should continue to attempt to avoid a direct military involvement in the southeast Asian conflict.

I believe the resolution overwhelmingly approved by the Congress demonstrates the unity of our country and our strong support for the President. There can be no doubt about our determination to respond to aggression, nor our power to do so in a manner that is fitting to any occasion.

Having made our firmness unmistakably clear, I believe it would be equally fitting at this time to make it clear that, as the late President Kennedy felt, though we shall never negotiate out of fear, we do not fear to negotiate. We seek peace, and end to aggression, and the independence of the nations of southeast Asia. I believe the North Vietnamese and the Chinese have learned in the last few days that they can gain little by aggression. They should now know that they have every interest in avoiding further conflict. While this awareness is fresh, I believe we should attempt to make it clear that if negotiation and diplomacy can achieve the objectives of peace and freedom, this Nation is more than willing to "walk the last mile" in search of a peaceful settlement.

For these reasons, I support the proposal of the Senator from South Dakota [Mr. MCGOVERN] that a conference of the nations with interest in the area be convened in order to seek a political settlement in southeast Asia.

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

AMENDMENT OF FOREIGN ASSISTANCE ACT OF 1961

The Senate resumed the consideration of the bill (H.R. 11380) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

MILITARY CONSTRUCTION APPROPRIATIONS, 1965

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside, and that the Senate proceed to the consideration of Calendar No. 1276, the bill H.R. 11369.

The PRESIDING OFFICER. The bill will be stated by title.

The **Legislative Clerk**. A bill (H.R. 11369) making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1965, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations with amendments.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded. I understand that the distinguished Senator from Ohio [Mr. Young] has a brief talk that he would like to make.

The PRESIDING OFFICER. Without objection, it is so ordered.

A TIME TO BE PROUD

Mr. YOUNG of Ohio. Mr. President, this is a time for all Americans, and in fact for free people all over the world, to be proud. Today, in the Plain Dealer of Cleveland, Ohio, one of the Nation's great newspapers, an article was published by Philip W. Porter, an associate editor and a noted writer in my State of Ohio. He wrote about the feeling of pride that Americans have by reason of the firm, resolute, and unyielding action taken by our President following the unprovoked attack on August 2 on the destroyer *Maddox,* which was repelled.

Our destroyer then continued its patrol in international waters where this amazing event took place.

Then, on the night of August 4 two American destroyers, the *Maddox* and the *C. Turner Joy,* were assailed by North Vietnamese PT boats in a premeditated naval attack that lasted a matter of hours. At that time not only was the attack repelled, but also the attackers were either destroyed or dispersed.

The President made plain, both in his address to the Nation on Tuesday night and in his talk at Syracuse University last Wednesday, that the United States seeks no enlargement nor escalation of the conflict.

However, this Nation is united in its belief that, in President Johnson's words, "There can be no peace by aggression and no immunity from reply."

Whenever our Nation has faced international crises, the American people, regardless of political party, have united behind firm action by our Presidents. It is a firmly established tradition that politics stops at the water's edge when our national security is threatened. I am proud to have voted for the resolution supporting our President.

Mr. President, Philip Porter's article is entitled "A Time To Be Proud." This thoughtful and concise praise of President Johnson's action is the finest I have read anywhere since the crises began earlier this week. I commend this article to my colleagues and ask unanimous consent that it be printed in the Record as a part of my remarks.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Plain Dealer, Aug. 8, 1964]

A Time To Be Proud

(By Philip W. Porter)

Something magnificant comes over Presidents of the United States when they face international crises that might lead to war, and they lay it on the line for the Nation to face. It happened to Lyndon Johnson this week over North Vietnam.

It happened previously to John F. Kennedy over Cuba, to Dwight D. Eisenhower over Quemoy and Matsu, to Harry S. Truman over Korea. It's been so long now that many may have forgotten Franklin D. Roosevelt after Pearl Harbor, but those who did hear him will never forget.

Roosevelt spoke his historic phrases to the Nation over the radio, for TV didn't exist then, and it was in its infancy when Truman had to cope with Korea. But the last three Presidents have spoken with grim and measured words over TV, and none who watched could doubt that in each case the man was speaking as the leader of a united nation, with deep conviction and far above politics.

One who watches and listens at such a time is bound to feel an emotional tug of pride in his country. It comes from the knowledge that no matter which man occupies that office of crushing responsibility and inescapable loneliness, when the chips are down he rises above petty politics, sectionalism, parochialism and personal faults, and becomes the President.

Our quality of closing ranks when the national safety or honor are threatened, even when civil strife and political partisanship have been filling the air, is something the governments and the people (they are not always the same) of Europe, Asia and South America seem unable to understand. We are the only big power that takes the golden rule seriously and gives away billions playing the Good Samaritan. For years we appear to tolerate, even enjoy being played for a sucker while cynicism and self-interest are the guidelines of all other nations.

But when the day suddenly comes that we know we have been pushed too far by a conscious aggressor, then look out. Overnight, the President turns from politician to statesman, the Nation closes ranks, and the opposition party speaks the same language as the President.

Senator Goldwater's prompt and strong statement in support of President Johnson was in the same vein of patriotism that brought Henry L. Stimson and Frank Knox, Republicans, into FDR's Cabinet; that induced Gen. George Marshall to serve President Truman, that transformed Arthur Vanderberg from just another Republican Senator to a world statesman.

As I listened to Mr. Johnson in grimly, measured tones, tell the audience at Syracuse that we had responded to attacks on our naval vessels, I realized all over again that no matter which party elects a President, our foreign policy is continuous. We debate it during elections, but we do what we must when aggressors try to push us around.

Up to now the Communists have played a slow, cagey game of infiltration, guerrilla warfare and the doublecross in Laos and Vietnam. They have cost us some lives and billions of dollars, and it seems likely to go on that way indefinitely. But when they openly attacked American naval vessels in international waters, miles off the coast, they were asking for retaliation, and they got it.

We can hope they'll learn, and believe what President Johnson said. For one, I felt mighty proud of him for saying it.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MILITARY CONSTRUCTION APPROPRIATIONS, 1965

The Senate resumed the consideration of the bill (H.R. 11369) making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1965, and for other purposes.

Mr. STENNIS. Mr. President, I ask for the yeas and nays on the passage of the bill.

The yeas and nays were ordered.

Mr. STENNIS. Mr. President, this is the appropriation bill for military construction for the fiscal year 1965. As the Senate knows, there must first be a bill that authorizes these projects before there can be appropriations. The authorization bill went through the Armed Services Committee and was handled by a subcommittee that happens to have several members who are also members of the Appropriations Subcommittee which handled the appropriation bill.

The Senator from Massachusetts [Mr. Saltonstall] is the ranking minority member of each of the subcommittees, and I am the chairman of each of the subcommittees. The two of us have followed these matters all the way through the year, and through two hearings. There were something like 1,200 items in the original authorization bill, and we took proof on each of those items, considered each one of them, and made a recommendation.

The requested authorization originally was $1,850,912,000. The authorization bill as it passed the Congress authorized for military construction $1,521 million which is a net reduction of $329 million.

I emphasize the fact that in the authorization bill and the appropriations bill we did not take out any item that we considered a bone and muscle part of the military program. We did not take out any item that we considered in any way necessary or essential. However, we took out items that we thought should be postponed or that we did not think were practical or a necessary part of our military program.

In the authorization bill as passed by the Senate we were about $68 million below the amount allowed by the House but we left an authorization for appropriations of $1,534 million.

I shall review only a few of the larger items that were left out of the authorization bill, which are of some interest, and not dwell on them, unless Senators wish to ask some questions about them. Many of these larger figures are classified.

The Nike-Hercules items were left out. Certain items for the Navy were left out because we thought they could wait another year. We allowed some of them, and left out others. I have skipped over those that are classified. Most of the large figures are classified.

We took out the defense intelligence building in the District, an item of $17,900,000. It is a matter in which there was some interest. I move on now to a brief statement. I hope the Senator from Massachusetts will interrupt me or will make a statement of his own at any point that he may wish to do so.

Mr. President, with that explanation of the authorization bill for military construction I will now move to an explanation of the fiscal year 1965 military construction appropriations bill as approved by the Senate Appropriations Committee.

The bill passed the House with a figure of $1,599 million. We have made a net reduction below the House of $16,045,000.

The report of the committee, on page 1, carries a summary of the effect of the committee changes in the bill.

There is a table at page 40 of the report. It also carries the breakdown of line items by States, beginning at page 26. The appropriation request for family housing is shown in the report beginning at page 20. Similar material is found in the large tables.

There is one small item in which there is an increase over the budget estimate. That was an increase of $4,800,000 for the Army National Guard nationwide construction program.

For military construction the bill contains $965,318,000.

For family housing the bill contains $617,651,000. That is a decrease of $32,707,000 under the House, and $93,349,000 under the original authorization.

In regard to family housing, I believe I should indicate clearly what the committee did. The budget request was $711 million, for 12,500 family housing units for the Army, Navy, and Air Force. This amount was reduced to 9,886 family housing units in the authorization bill. The House, in the appropriations bill, provided for 9,590 housing units.

Our subcommittee has studied this program for a number of years. In view of rapid changes in the defense program and due to obsolescence, we thought there should be a yearly review.

We have adhered to this principle for several years. This year we have provided the necessary funds for 7,500 units. The Department of Defense has the responsibility of selecting the housing units that are to be built with this money, in accordance with a priority list within the services. In other words, the committee did not undertake to select the housing for each service, but approved the list and provided the money with which to build 7,500 units, with the Department of Defense making the selections as to how many units each service will actually build.

I point out that the cost of the worldwide military housing that we already have is $3,260 million. The number of housing units we have worldwide is 374,398.

A large percentage of this housing is in the United States. However, we are satisfied that the building rate, as requested by the Department of Defense, is too rapid, in view of changing weapons and changing situations, and the possibility of reducing the manpower. We have approved a good, hard, steady program of 7,500 units for several years now, and that is rapidly taking care of most of the places where the need is urgent. The program has been completed in many places.

The housing program has been cleaned up since a few years ago, when we had the Capehart program. This has no reference to former Senator Capehart, as an individual. It was named for him because he introduced the bill, under which we did not appropriate the money, although eventually we would have to pay for it. Through some bad contract awards, the Capehart program got into trouble, and the Congress terminated the program.

Now we have the program all cleaned up. We have a businesslike management of the funds, and we are now building houses through use of direct appropriated funds. The $660,605,000 requested here seems like a very large figure; however, part of this is the cost to the Government of approximately $850 a year to maintain each of these family housing units.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. STENNIS. I am glad to yield to the Senator from Massachusetts, who made a very fine contribution over the months. He attended the hearings and helped weigh the items in the bill, and gave his careful attention to the consideration of the bill, which in some ways is rather complicated.

Mr. SALTONSTALL. I thank the Senator. What I did, of course, I did under the guidance of the Senator's chairmanship. The Senator from Mississippi was very conscientious during the long hearings.

Did the Senator bring out the fact that the housing at this time consists of 374,398 units, and that the cost of taking care of the operation and maintenance and the debt payment on these units—the O. & M. account—is $617 million this year? These are substantial figures.

Mr. STENNIS. They are very large sums, indeed; but we announced that program, even though it seemed high per unit, is being well handled now, and we are on the road to constructing the best family military housing we have ever had.

There is one other item I wish to discuss. It is the only item in the bill that is not in the budget. The subcommittee added $4,800,000 to the budget estimate of $6 million, making a total of $10,800,000 for armory projects, projects as to which there is a local contribution, either by the State or by the county, and including 25 nonarmory projects. We provide small sums nationwide each year, and these additions are nationwide additions for armories and nonarmories.

The committee does not select the items that will qualify for this amount of money, but we have a formula that is applied by the National Guard Bureau. It is fair and impartial. The money will provide for a few more armories throughout the Nation and also, I believe, for four National Guard summer training projects, for the benefit of men who have been called into the service for training. It is a small amount. It will provide summer training for some fine National Guard units. This sum will be used to build small messhalls, shops, supply headquarters, latrines, and items of that kind.

I observe the distinguished Senator from Illinois [Mr. DOUGLAS] in the Chamber. He has an interest in one item. I shall yield shortly to him for a question about it.

The bill has received thorough scrutiny. Each of the services has examined it, as have the Secretary of Defense and the Bureau of the Budget. As a result of action by the Committee on Armed Services, the authorization legislation reflects substantial reductions. Reductions were also made in the subcommittee of the House Committee on Appropriations.

The House subcommittees have done an extraordinarily fine piece of work in handling these matters over the years. The Senate subcommittee has reviewed the bill carefully, and its work is reflected in this reduction.

I believe the bill is as austere as is desirable, if we are to provide adequately for the actual needs of our Armed Forces.

Much interest was expressed in the fieldhouse for the Air Force Academy. That item was authorized and is approved in the bill; but the full amount of money is not appropriated this year. However, we have allowed $350,000 to be certain that there will be enough money for the architectural and engineering planning for the entire project, with the idea that we expect to approve the full amount for the project next year. This item was omitted entirely by the House, so the $350,000 will be in conference.

Mr. ALLOTT. Mr. President, will the Senator from Mississippi yield?

Mr. STENNIS. I yield to the Senator from Colorado.

Mr. ALLOTT. I express deep appreciation to the distinguished chairman of the Subcommittee on Military Construction Appropriations. Like other appropriation bills, this one requires much attention, and the distinguished Senator from Mississippi has given careful attention to it.

I realize that the House omitted the item for the fieldhouse for the Air Force Academy. The record should be made clear that the Air Force Academy has no adequate place where its cadets can obtain the kind of physical training that is needed on a year-round basis.

I sincerely appreciate the consideration given this item by the distinguished Senator from Mississippi and also the distinguished Senator from Massachusetts, the ranking minority member of the subcommittee. I believe and hope that with the money that the committee has allowed for the planning of the fieldhouse, we shall be in a better position to submit a better, more forward-looking plan than would otherwise have been possible. I am very happy about the action that has been taken.

Mr. STENNIS. I thank the Senator from Colorado. I believe he is correct in his evaluation of the situation.

Did the Senator from Illinois wish me to yield to him for a question?

Mr. DOUGLAS. I will wait until the Senator has concluded.

Mr. STENNIS. I have practically concluded my remarks. I had not planned to discuss every item unless questions were asked about them.

Mr. SALTONSTALL. Mr. President, will the Senator from Mississippi yield?

Mr. STENNIS. Perhaps the Senator from Massachusetts had better make his comment first.

Mr. SALTONSTALL. My remark relates to the Air Force Academy fieldhouse. The fieldhouse has been authorized, and we feel we are moving ahead as fast as we can in a proper, careful manner, so as to obtain the best fieldhouse possible, and to have it constructed as economically and efficiently as possible. Therefore, we have included sufficient money this year to accomplish that purpose.

Mr. STENNIS. The money has been earmarked for that purpose, so that it will not have to compete with other planning money.

Mr. SALTONSTALL. Also, there is other planning money that could be used should this amount not be enough.

Mr. STENNIS. That is a good point. Should the specific amount provided not be enough, there is other planning money that can be drawn on.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. STENNIS. I am happy to yield to the Senator from Illinois.

Mr. DOUGLAS. I notice on page 29 of the report that the committee recommends the appropriation of $4,521,000 for construction at Fort Sheridan. I should like to ask if all of this has been caused by the projected transfer of 5th Army Headquarters from Chicago to Fort Sheridan.

Mr. STENNIS. The Senator is correct. This transfer has required some new building. By the way, the Senate rejected one of these items for $1 million in the authorization bill. We had to yield it in conference, but it is left out of the bill. However, I think we have it adjusted.

Mr. DOUGLAS. In other words, this "economy" move will cost $4,500,000 extra?

Mr. STENNIS. There will be a debit on the debit side of the ledger, to start with, against the alleged economy move. The Senator is correct.

Mr. DOUGLAS. I am very glad the Senator from Mississippi says "the alleged economy move." It is a proposal foisted into this bill by political interests which will cost $4,500,000 in the name of economy. Blessed is the name of economy.

Mr. STENNIS. I appreciate the Senator's sentiments. We were not saying there would be no economy. But we do not accept all the formulas that are thrown at us all the time.

Mr. KEATING. Mr. President, will the Senator yield?

Mr. STENNIS. I yield.

Mr. KEATING. I am sure the Senator remembers the amendment which my colleague from New York [Mr. JAVITS] and I offered to the military construction authorization bill.

Mr. STENNIS. Yes.

Mr. KEATING. That amendment was adopted by the Senate but was dropped in conference. I should like to make a plea for the incorporation of that amendment in this appropriation bill. The amendment which we have prepared reads as follows:

> None of the funds appropriated in this act may be expended for the purpose of constructing new facilities in any other State to replace the facilities of any installation ordered reduced or closed "for economy reasons" in any State pursuant to the announcement of the Secretary of Defense dated December 12, 1963, or April 24, 1964.

This language is similar to the language of the amendment offered to the authorization bill, accepted by the Senate, but dropped in conference.

There was a rather full discussion of the subject on the floor of the Senate in connection with the authorization bill. It is not my purpose to go over the same ground. However, it seems there is much sense in saying that if an electronics warehouse, for example, is in fine condition in the State of New York, it would be false economy to close that facility and build the same type of warehouse in any other State. The only purpose of the amendment is to preclude such a move. Perhaps it should have attached to it some qualifying language, to provide an opportunity for such action to be taken in extraordinary circumstances and under unusual conditions.

But it is difficult for me to conceive of circumstances under which it would be proper for funds to be expended in that manner.

Mr. PASTORE. Mr. President, will the Senator from Mississippi yield?

Mr. STENNIS. I am glad to yield.

Mr. PASTORE. I quite agree with the Senator from New York. This problem has concerned and disturbed me over a long period of time, because there are some facilities in Rhode Island which have been abandoned and have not yet been used for other activities. I realize that many complex problems are involved. The primary responsibility is always to do what is best for our country and its security, even when it means that a facility must be removed from one place and started again in another.

If there is a strategic reason for it, I do not believe that any Senator is so provincial that he would object to that. But the problem has not been exactly that.

Sometimes a facility is closed for reasons of economy and shortly thereafter that same facility springs up in another area. When it becomes necessary to reopen it, they do not wish to go back to the old location, they wish to go to a new one.

But I realize that this is a difficult problem to handle by an amendment because we could never provide for all the contingencies involved.

Possibly we should write into the conference report what the intention or the concern of Congress is with relation to this problem, and advise the Defense Department that if the facilities are required again to take into account the existing facilities, the skills which have been developed, and the money and the investment that would be lost if they were moved to another area.

I believe that the report should so state. I do not believe we could do it by amendment, because we could not cover all the complexities involved.

Mr. SALTONSTALL. Mr. President, will the Senator from Mississippi yield?

Mr. STENNIS. I am glad to yield to the Senator from Massachusetts.

Mr. SALTONSTALL. I agree with what the Senator from Rhode Island has said. I believe I could add a comment to the Senator from New York, that if this admonition is put in the form of a report and added to it, if the Secretary of Defense or the Secretary of any of the services finds that it is necessary to build a new plant where one has been closed, they should make a report to the appropriate committees of Congress and give the reasons why it is necessary, after having closed a plant, say, in New York, Rhode Island, or Massachusetts.

Mr. KEATING. Mr. President, will the Senator from Mississippi yield further?

Mr. STENNIS. I yield.

Mr. KEATING. I recognize the force of what the distinguished Senators from Rhode Island and Massachusetts have said. I wonder whether it would not be appropriate to take the amendment to conference, with the idea that it should be discussed either in the form of an amendment or included in the report.

The language, which may be too tight, would be accepted with a proviso permitting some latitude on the part of the Secretary of Defense in the case of unusual circumstances, or it would be the basis for inclusion in the conference report of language indicating that it is the sense of Congress that such a thing should be done only under most unusual circumstances. A case should be made for it before it is done.

Mr. STENNIS. Yes. I appreciate the Senator's position. Let me point out to him that I am not at all unsympathetic toward his problem, but this is a question of what is sound legislation. It is even down to the point of what is legislation on an appropriation bill.

I believe, as a whole, that there is a very rigid surveillance of these matters, first by the representation in Congress from the State, and next by the Department of Defense, which approaches this problem in an earnest way. Then the committee passes upon these matters when it recommends the appropriation. Nearly always some money changes are required, except with respect to the facility which was totally abandoned in Mississippi, involving a sizable Air Force training installation at Greenville. It was taken out. I mention that to show that I have been as much a victim as anyone else in the canceling out of installations.

I do not believe that we can put the Department of Defense in a straitjacket in any way. But we did consider the Senator's amendment at the last conference, as I stated. We took it and said that we would see what language could be worked out. Frankly, there was nothing in the language that could be worked out which the House felt it could support. But it was considered.

The Senator is eternally vigilant. We are at the point of legislation on an appropriation bill, especially since the Senator has had his day in court before, which is why I have to make this point. I would be in favor of language in the report, as suggested by the Senator from Massachusetts, which would point out the problem, emphasize it, and underscore it, and ask for a report on these matters to the Congress.

Frankly, I will not permit myself to favor a report before there is any action at all, because that stirs up everything, and a new start is made. But the Senator from New York is entitled to the utmost consideration in these matters—as any Senator is.

Mr. KEATING. Mr. President, will the Senator from Mississippi yield further?

Mr. STENNIS. I yield.

Mr. KEATING. I appreciate the comments of the Senator from Mississippi. I emphasize this point that this question involves only a case in which an identical installation is built somewhere else to do the work or perform the function of the abandoned facility. I suppose many Senators have had some installations taken out of their States. That is one thing; but this problem involves a very limited area, in which an installation is taken out, and a similar facility is built somewhere else. It seems to me difficult to justify that sort of action on grounds of economy.

I recognize the practical problem involved in endeavoring to get through an amendment in the face of united opposition from the distinguished committee, but we feel that many Senators have this problem and would be deeply appreciative, if it could be discussed in conference and if some language could be incorporated in the conference report which would make it clear that it would require unusual circumstances to justify doing the sort of thing which my amendment would prevent the Department of Defense from doing.

I would be the last one to wish to tie the hands of the Secretary of Defense or our armed services in any way in the proper performance of their functions, but some eyebrows have been raised over certain things which have gone on in the recent past. I believe that it is important that there be a continuing surveillance of this problem by the Appropriations Committee, as well as by the Armed Services Committee which the Senator serves so ably.

Therefore, I appreciate the comments of the Senator from Mississippi and shall not press the amendment at this time.

Mr. STENNIS. I appreciate the Senator's remarks. I assure him that we are in sympathy with his problem; but we could hardly carry through the remedy proposed.

Mr. JAVITS subsequently said: Mr. President, I would like to join my able colleague from New York in requesting that the Conference Committee give very serious consideration to the wording of our proposal, which was initially incorporated in amendment No. 1076 which Senator Keating and I introduced to H.R. 10300, the military construction authorization bill. That amendment's wording was as follows:

> Sec. 610. No funds shall be authorized to be expended by this bill for the purpose of constructing new facilities in other States to replace facilities at installations ordered reduced or closed pursuant to the announcements of the Secretary of Defense dated December 12, 1963, or April 24, 1964, for "economy reasons."

That amendment was intended to prevent the Defense Department from spending funds to construct new facilities to replace facilities that were ordered closed pursuant to the announcements of the Secretary of Defense on December 12, 1963 or April 24, 1964. The amendment was considered by the Conference Committee on the military construction authorization bill, now enacted as Public Law 88-390, but was not adopted. Its purpose of insuring true economy with respect to the transfer of functions of installations ordered closed to installations in other States to be built, is, I believe, a most worthy one. I hope very much the conferees on the pending bill will give serious consideration to the intent of the proposal which Senator Keating and I have advanced and will include language in their report to implement it.

Mr. STENNIS. The Senator from Massachusetts [Mr. Saltonstall] has a point he wishes to make at this time.

Mr. SALTONSTALL. I thank the Senator. We in Massachusetts are acutely aware of the problem the Senator has outlined in the closing of the Watertown Arsenal, which has been an arsenal in the Army for more than 100 years.

Certainly, we are very sympathetic. We want to get something in the conference report to cover this item. The Senator realizes, I believe, that the conference report is for the House alone. The Senate can only get in the conference report what the House Members agree to put in.

I assure the Senator that I agree with the chairman of the subcommittee, the Senator from Mississippi [Mr. Stennis]. We shall try to have the item included in the conference report.

Mr. KEATING. I appreciate that statement.

Mr. STENNIS. Mr. President, I appreciate the remarks of the Senator from New York.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. STENNIS. I yield.

Mr. HOLLAND. There is only one item concerning Florida. This came up late. It was discussed at some length when the authorization bill was being approved. It had to do with the Sanford Naval Air Station. I believe the question arose from the fact that the Navy decided to locate its bases of operations for long-range reconnaissance after their original budget request had been made up.

Mr. STENNIS. The Senator is correct.

Mr. HOLLAND. I ask the distinguished Senator from Mississippi if the item requested by the Navy to complete or to continue its increased facilities at that station is represented by the $2,004,000 item, which I notice is included in the bill.

Mr. STENNIS. The Senator is correct. All four items for the Sanford naval installation are included in the bill. They are not included in the House version. But I believe that is due, as the Senator said, to the lateness of their presentation.

We hope to have these items included in the conference report.

Mr. HOLLAND. Is it the understanding of the Senator that the Navy states very frankly that it made a change in its plans after the original budget request on this item, and that it is highly important in order to have it fulfill its mission in the South Atlantic and Caribbean area, that its request be granted as quickly as possible, so as to accommodate the long-range reconnaissance aircraft?

Mr. STENNIS. The Senator has correctly described the situation. We consider it to be an important item. We feel it will appeal to the House Members in conference.

Mr. HOLLAND. Mr. President, I appreciate the assistance which the Senator from Mississippi has rendered. The Senator knows that I never take up any military matters with him or with other members of the committee, except upon such a showing as this. My understanding has been that the Navy air authorities feel this is an urgent matter which should be taken care of this year.

Mr. STENNIS. That is correct.

Mr. HOLLAND. Mr. President, I thank the Senator for his courtesy in this matter.

Mr. STENNIS. I appreciate the interest of the Senator. I believe this item will survive the conference.

I thank the staff members who have been so faithful in their service. I thank Mr. V. M. Rexroad, the clerk to the subcommittee, and Mrs. Gloria Butland, who have rendered faithful and outstanding service.

I again thank the Senator from Massachusetts [Mr. Saltonstall] as well as other members of the subcommittee.

I yield the floor. We are ready for a vote.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. STENNIS. I yield.

Mr. SALTONSTALL. I compliment the chairman on the conscientiousness of his work.

At the outset of my remarks let me pay tribute to the chairman of our subcommittee, the Senator from Mississippi [Mr. Stennis] who once again has done a careful and painstaking job of reviewing the money requests for items in the military construction program. He has followed this bill with care through the authorization process where he and I sit on the Senate Committee on Armed Services when such matters are considered for authorization and again when they come before the Senate Committee on Appropriations. The result has been a carefully developed bill which I heartily support because it adequately cares for the needs of our military in the field of construction and at the same time it has effected savings which will benefit our overall economy.

The major sums involved in this bill are for defense and training establishments. In these two areas economies are difficult, for we cannot stint in the training of our men or in the retaliatory protection our missile bases give our Nation. As war plans change, our emphasis seems to go in these two directions: Greater emphasis on the qualities of the individual soldier who must be trained in self-reliance under the most adverse conditions, and greater emphasis on the heavy retaliatory forces of the Air Force. Speaking from the Massachusetts point of view, our contribution is in the scientific and industrial backup which these activities need. But the Nation needs these facilities which form the base of our armed services.

I should like to speak first on the problem of general decisions which were made affecting this bill and then I should like to direct the attention of the Senate to some of the more important specific items considered in this bill.

One of the largest annual requests which is made is for family housing for the military in this country and around the world. My concern has not been so much over the amount of the annual construction cost but rather with the number of units which are already in our inventory and on which we pay in this bill over $617 million for operation, maintenance and debt payments. We have in our housing inventory at this time 374,398 units. The budget request this year was for 12,500 units and the House appropriations bill funded 9,877 units at a cost of $177.5 million. In our consideration of the family housing we decided to treat the matter as we have in the past 2 fiscal years and funded 7,500 houses at a cost of $134.8 million, thereby reducing the cost by $32.7 million. We treated this as though all of the units were authorized and available to be funded, and we have suggested that the Department determine the priority in building 7,500 homes for which we have recommended funds.

Turning now to the problem of bachelor officers quarters—we have decided to fund approximately one-half of the $22.2 million and again request the Departments to place a priority on where these bachelor officer quarters should be constructed. We have thus effected a savings of over $9.5 million and there remains in this bill as it is presented to the Senate the sum of $12.6 million for the construction of bachelor officers quarters.

Turning now to some of the more important individual items which the committee considered in developing this bill, I should first mention the fieldhouse for the Air Force Academy which was denied by the House and on which considerable testimony was heard when the matter was before our committee. The House action was based primarily on the cost of the structure, as well as the planning which had gone into it. The House denied the item on the basis of the cost which was estimated at $6.9 million. When the matter was presented to the Senate it was on the basis of a cost estimate of $6.2 million. I, for one, feel very strongly that the Air Force Academy should be given a fieldhouse—not only because the other service academies have such an athletic structure, but also because it is badly needed for athletic activity which cannot be conducted on the outside in inclement weather.

I would be less than frank if I did not state that I have been deeply concerned over the many problems in construction which have been experienced at the Air Force Academy in the past. I need not recount that there have been serious defects discovered which could have been eliminated by better design and engineering. For this reason I was very glad to see this building delayed for 1 year. We have voted for the inclusion of $350,000 for planning money so that when the matter is next presented to our committee we will have a better assurance of the cost and the design adequacy for constructing such an expensive building.

I will not dwell at length on the money which has been included in this bill to permit the move of the 5th Army Headquarters from Chicago to Fort Sheridan, Ill. I discussed this matter when the authorization bill was before the Senate. I feel this is a necessary move and that savings will be achieved by making available the present headquarters for the use of other Government agencies presently renting space in Chicago. We have removed from this bill an elaborate underground communications center and the cost figure has thus been reduced in excess of $1 million by this reduction.

Turning now to the matter of gymnasiums, athletic and recreational facilities and commissaries. The committee has attempted to determine the need for these, based on the remoteness of the area in which the base is located, and the fact that such facilities are not available in the surrounding communities. We feel that such matters are required by our servicemen who are called upon to perform duty in remote areas.

In conclusion, Mr. President, I want to say again that this bill has been carefully considered and I feel it is deserving of the support of every Member of the Senate. It allows a measured increase of military facilities and housing which is determined by the pace of our defense needs. I am pleased to support our able chairman in presenting this bill and in recommending its passage.

Mr. BENNETT. Mr. President, construction funds for fiscal year 1965 were requested for only one military installation in Utah, Hill Air Force Base. The military construction authorization bill passed by Congress, approved renovation and modification of facilities at Hill Air Force Base in the amount of $2,108,000.

Unfortunately, when H.R. 11369 was considered by the House, a misunderstanding arose in regard to maintenance facilities to be used for repair and overhaul of the F–4–C aircraft. Two members of the House committee interrogated Air Force witnesses as to the possibility of F–4–C maintenance being accomplished by the Navy or at some other Air Force installation without the necessity of expenditure of additional funds. Although the Air Force made a strong presentation, the House Appropriations Committee eliminated all funds for the F–4–C mission at Hill Air Force Base, leaving only $321,000 in the bill for construction of a new gymnasium at the Utah installation.

The decision to place the F–4–C maintenance mission at Hill Air Force Base was made only after careful and detailed studies by the Office of the Secretary of Defense and by the Secretary of the Air Force. These studies included review of capability of all other Air Force installations and research into the possibility of having the Navy perform cross-service maintenance on the F–4–C, since this is a jointly used aircraft.

These resource utilization studies concluded that Hill Air Force Base was superior to any other air materiel area for the F/RF–4C mission.

All of the funds requested for the F–4–C mission are for modification and updating of existing facilities to permit Hill Air Force Base to perform work on new super-high thrust engines. Because modern jet aircraft are constantly being improved, it is necessary from time to time to modify Air Force facilities which perform overhaul and maintenance missions. Hill Air Force Base will utilize approximately $21 million in existing facilities in support of the F–4–C mission. The nearly $2 million requested in the military construction bill will permit modification and minor facility additions required for the F/RF–4C maintenance program.

The line items required are:

Turbojet engine test cell, $244,000; communications and electronics shop, $590,000; logistical facility depot, $738,000; sound suppressor engine runup hangar, $215,000.

Mr. President, I sincerely hope that the Senate will concur with the Appropriations Committee and fully restore the $1,787,000 deleted by the House for modification of facilities at Hill Air Force Base, so that there will not be any delay in performing this assigned mission.

Mr. HOLLAND. Mr. President, speaking as one who is not on this subcommittee, I appreciate the fine work that the Senator from Mississippi [Mr. STENNIS], the Senator from Massachusetts [Mr. SALTONSTALL], and their associates have done on this committee.

All Senators possess the same view that I have, that on these matters under no circumstances should a Senator make a request unless it is based on something that he has been told by the components of the service is of great importance to include. That has been my own method of procedure.

We find Senators to be most competent in meeting what they understand to be the real needs for the protection and defense of our country.

Mr. STENNIS. Mr. President, I thank the Senator. His attitude is always helpful. I appreciate it.

Mr. President, I ask unanimous consent that a comparative statement of appropriations for fiscal year 1964, and the estimates and amounts recommended for the bill for the fiscal year 1965 be printed at this point in the RECORD.

There being no objection, the comparative statement was ordered to be printed in the RECORD, as follows:

Comparative statement of appropriations for 1964, and estimates and amounts recommended in the bill for 1965

Item	Appropriations, 1964	Budget estimates, 1965	Recommended in House bill	Amount recommended by Senate committee	Increase (+) or decrease (−), Senate bill compared with— Appropriations, 1964	Increase (+) or decrease (−), Senate bill compared with— Budget estimates, 1965	Increase (+) or decrease (−), Senate bill compared with— House bill
Military construction, Army	$200,646,000	$408,000,000	$301,000,000	$311,977,000	+$111,331,000	−$96,023,000	+$10,977,000
Military construction, Navy	198,853,000	278,000,000	247,000,000	250,899,000	+52,046,000	−27,101,000	+3,899,000
Military construction, Air Force	468,275,000	406,000,000	346,000,000	342,986,000	−125,289,000	−63,014,000	−3,014,000
Military construction, Defense Agencies	24,000,000	34,000,000	12,656,000	12,656,000	−11,344,000	−21,344,000	----------
Military construction, Army Reserve	4,500,000	5,000,000	5,000,000	5,000,000	+500,000	----------	----------
Military construction, Naval Reserve	6,000,000	7,000,000	7,000,000	7,000,000	+1,000,000	----------	----------
Military construction, Air Force Reserve	4,000,000	5,000,000	5,000,000	5,000,000	+1,000,000	----------	----------
Military construction Army National Guard	5,700,000	6,000,000	6,000,000	10,800,000	+5,100,000	+4,800,000	+4,800,000
Military construction, Air National Guard	16,000,000	14,000,000	14,000,000	14,000,000	−2,000,000	----------	----------
Loran station	20,500,000	5,000,000	5,000,000	5,000,000	−15,500,000	----------	----------
Total, military construction	948,474,000	1,168,000,000	948,656,000	965,318,000	+16,844,000	−202,682,000	+16,662,000
FAMILY HOUSING							
Family housing, Army:							
Construction	34,681,000	52,728,000	40,446,000	32,216,000	−2,465,000	−20,512,000	−8,230,000
Operation, maintenance, and debt payment	183,396,000	173,328,000	173,328,000	173,328,000	−10,068,000	----------	----------
Family housing, Navy and Marine Corps:							
Construction	68,248,000	96,219,000	72,481,000	59,144,000	−9,104,000	−37,075,000	−13,337,000
Operation, maintenance, and debt payment	93,944,000	97,739,000	97,739,000	97,739,000	+3,795,000	----------	----------
Family housing, Air Force:							
Construction	61,027,000	88,635,000	64,013,500	52,873,000	−8,154,000	−35,762,000	−11,140,500
Operation, maintenance, and debt payment	193,514,000	198,859,000	198,859,000	198,859,000	+5,345,000	----------	----------
Family housing, Defense agencies:							
Construction	50,000	981,000	981,000	981,000	+931,000	----------	----------
Operation, maintenance, and debt payment	2,546,000	2,511,000	2,511,000	2,511,000	−35,000	----------	----------
Total, family housing	637,406,000	711,000,000	650,358,500	617,651,000	−19,755,000	−93,349,000	−32,707,500
Total	1,585,880,000	1,879,000,000	1,599,014,500	1,582,969,000	−2,911,000	−296,031,000	−16,045,000

Mr. STENNIS. Mr. President, the total appropriation recommended by the Senate Appropriations Committee amounts to $1,582,969,000. This is an amount of $16,045,500 under allowances provided by the House and $296,431,000 under the budget estimate of $1,879 million.

For military construction for the Active Forces of the Department of the Army, the committee has approved an amount totaling $311,977,000. This is an increase of $10,977,000 over the amount of $301 million approved by the House, and a decrease of $96,023,000 from the budget estimate of $408 million.

For military construction for the Active Forces of the Department of the Navy, the committee has approved an amount totaling $250,899,000. This is an increase of $3,899,000 over the $247 million allowed by the House and a decrease of $27,101,000 from the budget estimate of $278 million.

For military construction for the Active Forces of the Department of the Air Force, the committee has approved an amount totaling $342,986,000. This is a reduction of $3,014,000 from the $346 million allowed by the House and a decrease of $63,014,000 from the budget estimate of $406 million.

For the Army Reserve, the committee recommends an appropriation of $5 million, which was the budget estimate figure and the amount allowed by the House.

For the Naval Reserve, the committee recommends an appropriation of $7 million, the budget estimate, and the same amount as was allowed by the House.

For the Air Force Reserve, the committee recommends an appropriation of $5 million, the budget estimate and the same amount as was allowed by the House.

For the Army National Guard, the committee recommends an appropriation of $10,800,000, which is $4,800,000 more than the House allowance and budget estimate of $6 million.

For the Air National Guard, the committee recommends an appropriation of $14 million, the budget estimate, and the same amount as was allowed by the House.

For the Department of Defense agencies, the committee recommends an appropriation of $12,656,000. This is $21,344,000 below the budget estimate and is in agreement with the amount allowed by the House. The appropriation breakdown is as follows:

Defense Atomic Support Agency, $6,546,000; National Security Agency, $1,711,000; Defense Supply Agency, $1,954,000; and other projects, $743,000. This appropriation recognizes a saving of $298,000 from prior years funds for which an adjustment has been made. The committee also recommends for the Department of Defense general support program, including planning, design and minor construction, $2 million. The committee has approved an appropriation of $5 million for loran stations. This is the same as the budget request.

For the Department of Defense family housing account, the committee recommends an appropriation of $617,651,000. This appropriation consists of the following: For Army $205,544,000; for Navy $156,883,000; for Air Force $251,732,000; for Defense agencies, $3,492,000.

FAMILY HOUSING

Mr. President, at this point I would like to go into more detailed discussion of the Department of Defense family housing. The Department of Defense has a worldwide housing inventory of 374,398 housing units with an acquisition value of $3,260 million. There are 286,607 units located in the United States and 87,791 units overseas. In maintenance and operation and debt payment alone, these housing units cost the American taxpayer $469,926,000. From 1952 to about 1960, the armed services, under the Wherry Act, the Capehart Act, and Appropriations Act, built approximately 16,000 units of housing per year. I point out these figures to show that in the past, the Congress has been rather generous in providing homes for our service people. In the past 2 years, the Congress has provided 7,500 units a year. For fiscal year 1965, the Department of Defense asked for 12,500 units. The authorizing act provided 9,886 units and the House Appropriations Committee reduced the housing units further to 9,590. The Senate Appropriations Committee, after due consideration recommended 7,500 new housing units. At this point, I would like to break down the cost figures.

The Department of Defense requested approval of a family housing program for the Army, Navy, Air Force, and Defense agencies amounting to $711 million. This amount was reduced by the Congress in the Military Construction Authorization Act for fiscal year 1965—Public Law 88-390—to $660,605,000. The House of Representatives, in the appropriation bill H.R. 11369 which this bill accompanies, has further reduced the amount to $650,358,500. The committee has approved the amount of $617,651,000. This figure includes, for Army construction, $32,216,000, and for maintenance, operations, and debt payment, $173,328,000. For the Navy, the committee recommends for construction, $59,144,000, and for operation, maintenance, and debt payment, $97,739,000. For the Air Force, the committee recommends for construction, $52,873,000, and for operation, maintenance, and debt payment, $198,859,000. For Defense agencies, the committee recommends for construction, $981,000, and for operation and maintenance, $2,511,000.

The 7,500 new housing units will cost $134,804,000 broken down as follows: Army 1,621 housing units at a cost of $29,116,000; Navy 3,149 housing units at a cost of $56,594,000, which includes 100 units for the naval shipyard, Bremerton, Wash.; and for the Air Force 2,730 housing units at a cost of $49,094,000.

Mr. President, I want it clearly understood that the committee did not delete any specific housing project from the bill. A total of 9,877 houses are on the eligible list, but funds are made available only to provide for the construction of 7,500 units. The committee charges the Department of Defense with the responsibility of selecting the housing units and the sites on which they will be built on the basis of priority within each of the services.

Mr. President, the Appropriations Committee believes that the housing program proposed is a realistic program and one which will adequately meet the Department of Defense requirements.

UNOBLIGATED BALANCES

One of the large restorations made to the bill from the House reduction is that of the unobligated balances. The restoration for the three services amounted to $15,779,000. This is the largest restoration made in the entire bill.

The amounts restored were approved by the committee on the basis of the testimony presented by each of the services that these cuts would have the effect of preventing construction of approved projects. According to testimony, all of the unobligated balances are required to construct or complete authorized projects previously cleared by this committee.

The committee was advised by letter dated July 24, 1964, from the Deputy Secretary of Defense:

> Another serious reduction made by the House is the cut in the estimate not associated with any adjustments to the line items, but a lump-sum reduction against the total program estimate. We have no basis to forecast, at this time, bids for the items supporting the program which may generate a savings in the magnitude of the House cut. As in the past, we hope that minor savings will be generated, but any such savings will be utilized to finance projects not previously approved by the Congress, only after our normal practice of requesting approval from the Appropriations Committees. Thus, the Congress through these committee approvals exercises control over the use of savings or surplus funds which may be generated throughout the course of a fiscal year.
>
> We most strongly recommend these restorations to the House approved estimates.

The committee recognizes that certain projects will be constructed at a cost less than was anticipated, but these savings will be needed for other projects for which bids are not favorable and to finance true emergency items which arise during the year. Many of these projects, such as work in Vietnam which this committee recently approved, cannot await normal programing cycles without adversely affecting the defense effort.

Furthermore, facilities destroyed by fire, typhoon, and earthquake must also be funded from savings or project deletions within these military construction appropriations.

DEPARTMENT OF THE ARMY

Mr. President, to review briefly, the committee approved an appropriation of $327,777,000 for military construction within the Department of the Army. This represents an appropriation of $311,977,000 for the active forces, $5 million for the Army Reserve and $10,800,000 for the Army National Guard. This is a reduction of $91,223,000 from the budget of $419 million. Later in my discussion, I will cover the National Guard items.

The program before the Congress represents the Army's most urgent construction needs and has been coordinated with Army programs related to materiel and research and development. Many of the projects in this bill meet the requirements generated by the expansion of existing Army missions and the replacement of existing temporary inadequate facilities. By the way of explanation, nearly one-fourth of the Army's physical plant is comprised of temporary World War II structures. These facilities were constructed more than 20 years ago for rapid mobilization for World War II. The committee is pleased to note that the Army is instituting a replacement program particularly in the field of troop housing. Fort Hood, Tex., and Fort Dix, N.J., have extensive troop housing programs in this bill.

Mr. President, rather than go through the bill, item by item or by the Army's organizational structure, I will proceed to outline by function and mission groupings that are used within the Department of Defense for all programing. The first category is Continental Air and Missile Defense Forces for which an appropriation of $600,000 was approved. I might say that at this point in the authorizing bill, this program was reduced by $45 million. This was mainly authorization requested to move the Nike Hercules batteries to inland positions. The second grouping, General Purpose Forces, the committee approved approximately $60 million. Major items included in this appropriation are aviation support facilities, additional training and maneuver areas for the STRAC divisions at Fort Riley and Fort Carson. In addition, troop housing complexes were approved at Fort Hood, Fort Dix, and Fort Carson. Improvements in our logistical facilities have been made in Korea. The third category, Airlift and Sea Forces, contains a small request of $1,200,000 to enable the Army to relocate activities from Fort Mason to Oakland Army Terminal in keeping with the Department of Defense program to increase efficiency and reduce costs through consolidation wherever feasible.

The next grouping is research and development for which the committee recommends an appropriation of approximately $40 million. The major portion of this appropriation contains $30.6 million to provide facilities supporting the test and evaluation of the Nike X system, upon which a decision concerning future deployment of the antimissile system will be based.

Also included in the aforenamed sum are projects for a clinical research building at Edgewood Arsenal and Range Instrumentation Facilities at Whitesands Missile Range.

The last grouping for the Army concerns general support which includes training, supply, maintenance, military services, communications networks, and Army Security Agency requirements. I should add, also, that included in this category are the funds for planning, design, minor construction and access roads. An item of special interest is the construction at the U.S. Military Academy, West Point, for which the committee approved $20,228,000. The bulk of this item is for the construction of the new Washington Hall barracks complex. I might say in passing that this is the beginning of a $10 million program to renovate the physical plant of the Army Military Academy. Construction at West Point is a very expensive proposition, due to the fact that the construction costs approximately 100 percent more than comparable construction in the Washington area. This increase in construction cost is due primarily to the fact that West Point is located practically on solid rock, labor costs and transportation costs.

ARMY NATIONAL GUARD

The committee approved $10,800,000 for the Army National Guard. This is an increase of $4,800,000 over the budget estimate. This increase will allow the National Guard to proceed with a firm program of 40 armory and 25 nonarmory projects.

DEPARTMENT OF THE NAVY

The committee recommends an appropriation of $257,899,000 for military construction for the Department of the Navy. This amount is composed of two parts—$250,899,000 for the Active Naval and Marine Corps forces, and $7 million for the Reserve forces. It is $27,101,000 less than the budget estimate of $278 million and $3,899,000 greater than the appropriation approved by the House of Representatives.

This year's program of the Navy is a continuation of a long-range program for the orderly development and modernization of its shore installations. The primary aim is to improve fleet readiness. This objective will be achieved by providing proper facilities to support modern ships, aircraft and weapons, updated training programs and adequate personnel accommodations.

This Navy program consists of six program groupings. Program I, strategic retaliatory forces: This includes a total of approximately $8 million for Polaris support facilities. It will provide necessary facilities for the continued buildup of the Navy's Polaris weapon system and will increase the ability of this deterrent force to prepare for and, if necessary, to wage warfare in ocean areas generally far removed from our shores.

Program II, continental air and missile defense forces: This includes the total of $3,484,000 for projects in support of our oceanographic facilities, missile defenses, and antisubmarine defense effort.

Program III, general purpose forces: This includes a total of $109 million for ships, aircraft, and weapon system support. These line items support operations of the fleet in protecting our sea lines of communication. This program also contains those projects required for the training and effective utilization of the Marine Corps in support of national objectives.

Program IV, Reserve and Guard Forces: This program includes a total of $7 million for facilities required in support of essential Naval Reserve and Marine Corps Reserve training to provide a cadre for immediate mobilization in the event of any national emergency.

Program V, research and development: This program includes a total of $25 million for new and expanded facilities required to insure technological development of our fleet units.

Program VI, general support: This program includes a total of $100 million for repair, expansion, or replacement of many facilities which now provide overall logistic support to the operating forces, but which are nearing the end of their useful life.

DEPARTMENT OF THE AIR FORCE

The committee has approved a total of $361,986,000 for military construction: $342,986,000 for the Active Forces, and $19 million for the Reserve Forces. These amounts are exclusive of family housing. The committee allowance represents a reduction of $63,014,000 in the budget estimate of $425 million and is $126,289,000 below the funds appropriated for the fiscal year 1964.

The $342,986,000 program for construction of facilities for the Active Forces includes projects at 144 of our major installations worldwide. Of these, 107 are in the 50 States and 37 are outside. In addition, the program provides facilities at a number of other locations and minor sites, including those of the A.C. & W. networks, communications sites, missile range stations, and sites of classified activities.

A major portion of the strategic program, or 28 percent of the total, provides facilities in direct support of the forces of the Strategic Air Command. This amount consists of facilities for the intercontinental ballistic missiles, and for manned bombers and their supporting tanker aircraft.

As the Senator knows, we have completed the construction of facilities for the Atlas and Titan systems and these missiles are now in an operational status. The construction of facilities for the first four wings of Minuteman is complete. Construction for the fifth wing is approximately 98 percent complete and well ahead of schedule. A contract for construction of the sixth Minuteman wing, sited at Grand Forks Air Force Base, N. Dak., was awarded in February of this year. The Grand Forks wing will be the first of the improved Minuteman, or Minuteman II, as it has now been designated.

Included in the missile package is $90.2 million for additional facilities to support these intercontinental ballistic missile systems, primarily the Minuteman. Of this amount, $57.6 million will provide facilities for a single Minuteman II squadron to be colocated with one of the first five wings. A further $27 million included here will be used to complete the facilities for the sixth wing previously mentioned. The program also includes $1.1 million for technical-type support facilities at existing support bases.

Aerospace defense continues to be a vital requirement for national security. Further improvements are needed and this construction approval includes approximately $10 million to continue providing our aerospace defense forces a more survivable, dispersed, and flexible fighter-interceptor capability and ground control environment.

Projects directly associated with improved capabilities for fighter-interceptor aircraft were approved in the amount of $3.2 million. These projects consist of improvements to aircraft ready shelters and alert facilities and the construction of additional maintenance and support facilities at the locations of the interceptor units.

A total of $7.8 million was approved for facility improvements at bases of our control and warning systems.

A substantial portion of the Air Force construction program, over $41 million is devoted to facilities for operation and direct support of the general purpose forces. These forces consist primarily of the tactical fighter and tactical reconnaissance units, and include our oversea forces. The projects we approved are needed to give an operational capability to new units of these forces and to new types of equipment.

The committee is pleased that the Air Force has been able to accommodate major portions of the expanding airlift capabilities of transport aircraft with existing base facilities. Some additional facilities have been added, however, primarily to provide adequate servicing and maintenance facilities for new types of transports. This construction request contains $9 million for support of the airlift forces. Of this total, $6.4 million will provide necessary facilities for MATS and TAC transport aircraft at eight bases inside the United States.

We all recognize the need to stay ahead in development of military capabilities and the tremendous military and economic advantages to be derived by our research and development efforts. The level of research required or to be undertaken is, of course, no automatic indicator of the extent of associated facility or construction requirements. The unique and technical requirements of many approved R. & D. programs are such, however, that provision of additional or special facilities is inherent to accomplishment of the research effort.

To provide such facility support for Air Force research and development programs, we approved appropriations in the amount of $27 million.

Projects totaling approximately $155 million are contained in the general support grouping. This portion covers general force support services and various activities and missions not included in the primary systems and programs previously discussed.

The $25 million for design will provide those funds needed in fiscal year 1965 primarily to complete design of the fiscal year 1965 military construction program and to initiate design of the fiscal year 1966 construction program.

The committee approved a total of $13.2 million for minor construction in fiscal year 1965. These funds are applied only to urgently required projects not otherwise authorized by law. Each project so funded is estimated to cost over $25,000 with a maximum limit of $200,000. Projects in excess of $25,000 must be approved by the Secretary of the Air Force and if over $50,000, by the Secretary of Defense. Therefore, all Air Force minor construction projects funded from this appropriation are approved at the Washington level. The present atmosphere of rapid change and technological advances, and the need to respond to worldwide military contingencies, makes the availability of this authority essential.

The amount of $6 million is approved to finance the Air Force portion of requirements for construction of off-base access roads and improvement or relocation of existing public highways where the need is generated by Air Force operations. Right-of-way acquisition and construction work related to these roads is performed for the Air Force by the Bureau of Public Roads after certification by the Secretary of Defense. One-half of the funds requested will be used for provision of access to the ballistic missile sites. The balance will be applied to improvement of access to existing bases.

Mr. President, this completes the presentation of the military construction appropriation bill for fiscal year 1965. The committee believes this to be an austere bill; however, we are certain that only those essential items were approved which will materially contribute to the combat effectiveness of the U.S. military forces both home and abroad.

Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc, that the bill as thus amended be considered as original text for the purpose of amendment, and that no points of order be considered waived.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The amendments agreed to en bloc are as follows:

On page 2, at the beginning of line 4, to strike out "$301,000,000" and insert "$311,977,000".

On page 2, line 14, after the word "appropriation", to strike out "$247,000,000" and insert "$250,899,000".

On page 2, at the beginning of line 24, to strike out "$346,000,000" and insert "$342,986,000".

On page 4, at the beginning of line 21, to strike out "$6,000,000" and insert "$10,800,000".

On page 5, line 17, after the word "law", to strike out "$650,358,500" and insert "$617,651,000".

On page 5, line 22, after the word "construction", to strike out "$40,446,000" and insert "$32,216,000".

On page 6, line 2, after the word "construction", to strike out "$72,481,000" and insert "$59,144,000".

On page 6, line 6, after the word "construction", to strike out "$64,013,500" and insert "$52,873,000".

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the questions is, Shall it pass? The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from Indiana [Mr. Bayh], the Senator from Pennsylvania [Mr. Clark], the Senator from Michigan [Mr. Hart], the Senator from Washington [Mr. Jackson], the Senator from South Carolina [Mr. Johnston], the Senator from Ohio [Mr. Lausche], the Senator from Missouri [Mr. Long], the Senator from Maine [Mr. Muskie], the Senator from Rhode Island [Mr. Pell], and the Senator from Florida [Mr. Smathers], are absent on official business.

I also announce that the Senator from New Mexico [Mr. Anderson] and the Senator from Massachusetts [Mr. Kennedy] are absent because of illness.

I further announce that the Senator from West Virginia [Mr. Byrd], the Senator from Connecticut [Mr. Dodd], the Senator from Oklahoma [Mr. Edmondson], the Senator from Tennessee [Mr. Gore], the Senator from Louisiana [Mr. Long], the Senator from Michigan [Mr. McNamara], the Senator from Utah [Mr. Moss], the Senator from West Virginia [Mr. Randolph], the Senator from Missouri [Mr. Symington], the Senator from Georgia [Mr. Talmadge], the Senator from Texas [Mr. Yarborough], and the Senator from Nevada [Mr. Cannon] are necessarily absent.

I further announce that the Senator from Virginia [Mr. Byrd] is absent because of illness in the family.

I further announce that, if present and voting, the Senator from Texas [Mr. Yarborough], the Senator from Georgia [Mr. Talmadge], the Senator from Missouri [Mr. Symington], the Senator from Florida [Mr. Smathers], the Senator from West Virginia [Mr. Randolph], the Senator from Rhode Island [Mr. Pell], the Senator from Maine [Mr. Muskie], the Senator from Utah [Mr. Moss], the Senator from Michigan Mr. [McNamara], the Senator from Louisiana [Mr. Long], the Senator from New Mexico [Mr. Anderson], the Senator from Indiana [Mr. Bayh], the Senator from Virginia [Mr. Byrd], the Senator from West Virginia [Mr. Byrd], the Senator from Nevada [Mr. Cannon], the Senator from Pennsylvania [Mr. Clark], the Senator from Connecticut [Mr. Dodd], the Senator from Oklahoma [Mr. Edmondson], the Senator from Tennessee [Mr. Gore], the Senator from Michigan [Mr. Hart], the Senator from Washington [Mr. Jackson], the Senator from South Carolina [Mr. Johnston], the Senator from Massachusetts [Mr. Kennedy], the Senator from Ohio [Mr. Lausche], and the Senator from Missouri [Mr. Long] would each vote "yea."

Mr. KUCHEL. I announce that the Senator from Nebraska [Mr. Curtis], the Senator from Illinois [Mr. Dirksen], the Senator from Arizona [Mr. Goldwater], the Senator from Idaho [Mr. Jordan], the Senator from Kansas [Mr. Pearson], the Senator from Pennsylvania [Mr. Scott], the Senator from Wyoming [Mr. Simpson], and the Senator from Texas [Mr. Tower] are necessarily absent.

The Senator from New York [Mr. Javits], the Senator from Kentucky [Mr. Morton], and the Senator from North Dakota [Mr. Young] are detained on official business.

If present and voting, the Senator from Nebraska [Mr. Curtis], the Senator from Illinois [Mr. Dirksen], the Senator from Arizona [Mr. Goldwater], the Senator from New York [Mr. Javits], the Senator from Idaho [Mr. Jordan], the Senator from Kentucky [Mr. Morton], the Senator from Kansas [Mr. Pearson], the Senator from Pennsylvania [Mr. Scott], the Senator from Wyoming [Mr. Simpson], the Senator from Texas [Mr. Tower], and the Senator from North Dakota [Mr. Young] would each vote "yea."

The result was announced—yeas 64, nays 0, as follows:

[No. 523 Leg.]

YEAS—64

Aiken
Allott
Bartlett
Beall
Bennett
Bible
Boggs
Brewster
Burdick
Carlson
Case
Church
Cooper
Cotton
Dominick
Douglas
Eastland
Ellender
Ervin
Fong
Fulbright
Gruening
Hartke
Hayden
Hickenlooper
Hill
Holland
Hruska
Humphrey
Inouye
Jordan, N.C.
Keating
Kuchel
Magnuson
Mansfield
McCarthy
McClellan
McGee
McGovern
McIntyre
Mechem
Metcalf
Miller
Monroney
Morse
Mundt
Nelson
Neuberger
Pastore
Prouty
Proxmire
Ribicoff
Robertson
Russell
Salinger
Saltonstall
Smith
Sparkman
Stennis
Thurmond
Walters
Williams, N.J.
Williams, Del.
Young, Ohio

NAYS—0

NOT VOTING—36

Anderson
Bayh
Byrd, Va.
Byrd, W. Va.
Cannon
Clark
Curtis
Dirksen
Dodd
Edmondson
Goldwater
Gore
Hart
Jackson
Javits
Johnston
Jordan, Idaho
Kennedy
Lausche
Long, Mo.
Long, La.
McNamara
Morton
Moss
Muskie
Pearson
Pell
Randolph
Scott
Simpson
Smathers
Symington
Talmadge
Tower
Yarborough
Young, N. Dak.

So the bill (H.R. 11369) was passed.

Mr. STENNIS. Mr. President, I move that the vote whereby the bill was passed be reconsidered.

Mr. MANSFIELD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STENNIS. Mr. President, I move that the Senate insist on its amendments, request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. Stennis, Mr. Russell, Mr. Bible, Mr. Ellender, Mr. Byrd of Virginia, Mr. Kuchel, Mr. Saltonstall, and Mr. Hruska conferees on the part of the Senate.

DEPARTMENT OF AGRICULTURE APPROPRIATIONS, 1965

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the unfinished business be laid aside temporarily, and that the Senate proceed to the consideration of Calendar No. 1275, H.R. 11202, the Agriculture Department appropriation bill.

The PRESIDING OFFICER. The bill will be stated by title.

The Legislative Clerk. A bill (H.R. 11202) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1965, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations with amendments.

Mr. HOLLAND. Mr. President, we now have under consideration H.R. 11202, the annual supply bill providing appropriations for the Department of Agriculture and related agencies. Appropriations in the bill as recommended by the committee are $5,338,672,525, an increase of $56,176,525 over the House bill—as adjusted. It is $344,784,075 below the amended budget estimates and $907,624,690 under the 1964 Appropriation Act.

May I digress to say that printed records of the hearings are available. Printed reports of the committee are available. I believe all Senators will be able to inform themselves completely about the details of this rather long bill from the papers which are available to each of them.

Subsequent to the passage of the bill by the House, amended budget estimates were sent directly to the Senate in Senate Documents 82, 83, and 85, involving increases totaling $46,250,000 and decreases totaling $51,547,000 for a net decrease of $5,297,000. All of the decreases had already been made by the House.

Title I of the bill covers the general activities of the Department; title II covers the credit agencies; title III covers corporations; and title IV, the Farm Credit Administration. For titles I and II covering the general activities and credit agencies, the committee recommends $1,630,579,524—a decrease of $20,329,690 below 1964 appropriations, $81,176,525 over the House bill—as adjusted—and $1,644,075 below the amended budget estimates.

For the information of Senators, I want to make it clear that in using the words "as adjusted" or "net," we are taking note of the fact that in the bill as reported by the committee we have asked for a transfer back to general revenue sources quite a number of items which, either by budget action or House action, or both, have been transferred to section 32, which in the judgment of the committee should be retained as appropriations out of general revenues. That is the reason we have to speak of the adjusted amount, because amounts appearing in the House bill as coming from section 32 were not added to the apparent total of the bill.

Mr. President, this is one of the most important bills to come before the Senate each year. The activities provided for are of primary importance to all of the people of this Nation, including consumers and the general public as well as farmers. These activities encompass the production and protection of the Nation's food supply as well as to provide a substantial portion of the Nation's assistance to foreign countries through donations of food and other commodities and sales for local currencies.

I want to emphasize that point, because too many people are inclined to regard this full amount of over $5 billion as going directly to agriculture, whereas a very large portion of it moves, instead, to carry out the foreign policy of our Nation, as reflected in Public Law 480, and for various social and welfare uses such as the school lunch program, the food stamp program, the special school milk program, and others with which Senators are familiar.

The outstanding efficiency of the American farmer is one of the major reasons for the strength of the United States. This amazing efficiency derives in large part from the splendid research work of the scientists and technicians of the Department of Agriculture and of the cooperating State agencies. This part of the work of the Department is provided primarily in titles I and II of the bill which represent only slightly less than one-third of the total. The remaining two-thirds—under title III of the bill—totaling $3.7 billion provides for reimbursement to the Commodity Credit Corporation for realized losses in the amount of $1,574 million for price support and related farm program costs; for title I, Public Law 480, sales for foreign currencies, $1,737 million; for title II of Public Law 480, emergency famine relief, $220,453,000; for title IV of Public Law 480, long-term supply contracts, $35 million; for expenses of the International Wheat Agreement, $31,838,000; and for expenses for bartered materials for the supplemental stockpile, $102,860,000.

I again emphasize how large a portion of the bill is for objectives that are important to the Nation but are not in direct support of agricultural production or distribution.

CONTRIBUTION OF CHEMICALS TO PRODUCTION AND CONTROL PESTS

One of the major reasons for the spectacular technological progress of modern American agriculture has been the use of chemicals to control insect pests and plant diseases. They have helped American farmers to become the most efficient in the world and have provided the consumer with a wide range and wholesome supply of high quality foods at moderate prices. They have helped protect our forests and recreational areas and have aided public health officials in the continuing fight against pest-borne diseases.

However, the use of these chemical pesticides has, as the Nation's population has increased, created hazards, particularly with respect to residues. Problems have arisen as to the extent to which pesticides may, in addition to destroying harmful insects and pests, be detrimental to beneficial plants and animals, including man. Hazards have been kept to a minimum and research has pointed the way to a solution of many of these problems. This subject was considered thoroughly by the President's Science Advisory Committee and a report on the use of pesticides was prepared by the Committee on May 15, 1963. The recommendations of this Committee include, among other things, additional research in order to develop safer, more specific control of pests. The report recommended more support for research on selectivity of toxic chemicals, more persistent chemicals, selective methods of application, and nonchemical control methods such as the use of attractants and the prevention of reproduction.

PREVIOUS ACTION BY THE COMMITTEE

Last year this committee recognized this problem and provided additional funds for equipping and initial staffing of the metabolism and irradiation laboratory at Fargo, N. Dak., which was authorized as a result of a recommendation of this committee in connection with the Agriculture Appropriation Act of 1961.

I should like to pay particular tribute to the ranking minority member of our subcommittee, the distinguished Senator from North Dakota [Mr. YOUNG], who has made such a great contribution to this particular effort and this particular institution, as well as to all other phases of this activity.

Additional funds were also recommended by this committee last year for strengthening registration and enforcement activities by the Department relating to "economic poisons" regulated under the Federal Insecticide, Fungicide, and Rodenticide Act, as amended.

INTERDEPARTMENTAL COOPERATION

In recent years there have been examples, beginning with the cranberry episode and more recently in regard to residues in milk in the nearby Maryland milkshed and the alleged fish kill in the lower Mississippi area which have been attributed to the misuse of chemicals in connection with agricultural production.

I do not condone, and I am certain no Member of the Senate condones any misuse of authorized chemicals on the part of farmers or anyone else. However, there have been three or four episodes in recent years, the handling of which I question and which I hope in the arrangement entered into in the interdepartmental agreements, which were printed in our hearings on pages 431 and 433 inclusive, that there will be no repetition of the cranberry episode which was followed more recently by the situation I have mentioned. In this case, as I understand it, the Food and Drug Administration has developed a more exacting device for measuring heptachlor. Instead of being able to measure one-tenth of a part per million the new device was able to measure one-hundredth of a part per million. I do not know whether dairy farmers were guilty of a misuse of heptachlor, but from all the information that has come to my attention, it leads me to conclude that they were not, but rather that the milk had to be dumped in large part because due to improved measuring devices a smaller presence of heptachlor could be detected.

Certainly, if it can be demonstrated that one-hundredth of a part per million will cause injury to the health of anyone, that is one thing, but I am very dubious that any person would drink enough milk or use it in other products to be injured by the presence of such a small particle of heptachlor.

Earlier this spring there was the alleged fish kill caused by endrin in the lower Mississippi. I do not know to this date whether it has ever been demonstrated that this was due to the residue from the endrin, which was the chemical residue allegedly found in that area. I have heard very conflicting statements from qualified people that there is a real doubt as to whether any of the endrin found was derived from agricultural usages. I bring these two or three illustrations to the attention of the Senate because I believe that there must be complete day-to-day cooperation between these departments and agencies of Government, particularly between the Department of Agriculture and the Food and Drug Administration. In the past I think there has been too much of a spirit of competition, which I think is very unhealthy. If this is true, it must be discontinued. I say this because the budget estimate submitted last January by the Department for research on pesticides included an increase of only $1,700,000—budget amendment in Senate Document 85. On July 9, the President amended his budget to request an additional $29 million—Senate Document 85—for an intensified program of research, education, and regulation to further reduce and to eventually eliminate the need for using hazardous chemicals in agricultural production and processing and in the control of forest pests. This estimate reflects a coordinated Department program involving six of its agencies, including the Agricultural Research Service, Cooperative State Research Service, Cooperative Extension Service, Economic Research Service, Forest Service, and National Agricultural Library. The committee recommends approval of the entire budget estimate of $29 million in order to enable these agencies to make a concentrated attack on the pesticide residue problem.

This $29 million, as we learned in exhaustive hearings, is the only part approved by the Bureau of the Budget of a much larger requested amount of $65 million, originating in the Department of Agriculture. The committee felt this reduced request had been thoroughly justified, and therefore we are placing it in this bill. We hope it will be enacted in the final legislation, in order to make possible a real start in solving this very serious problem.

This intensified program involves five major categories:

First. Control of plant pests and diseases and animal parasites by biological nonchemical and sterility methods or by use of attractants, repellants, and so forth, and plant genetic and breeding research to develop resistant varieties in order to make unnecessary the use of chemicals or other controls.

Second. Basic research on biology, ecology, physiology, pathology, metabolism, and nutrition of insects, plants, and animals to develop safe means of pest and disease control.

Third. Research on less persistent pesticides, improved methods of application, and development of detection methods for determining residues in agricultural commodities.

Fourth. Research on toxicological and pathological effects of pesticides in livestock and the effects of chemical residues in soils and water supplies and on effects of trace levels of pesticides in food and feed supplies.

Fifth. Economic research in comparative farm costs and returns and collection of basic data on current practices, costs and methods of controlling insects involving the use of toxic chemicals and effects of restrictions on the use of such chemicals in agricultural production.

The program also includes an intensified extension educational program on the use of pesticides and on residue problems, and also specialized library reference services to scientists relating to this subject. Increased funds are also proposed for expansion of evaluation of pest control programs, initiation of a program for monitoring pesticides in agriculture, and for strengthening registration and enforcement activities.

I have a table which summarizes this program by agency, reflecting the amount available last year, the amount proposed in the original budget, and the amount included in the committee bill. This summary indicates that $40 million was proposed in the original budget which, together with the $29 million in the budget amendment, provides a total of $69 million, which the committee recommends be approved as a whole.

Mr. President, I ask unanimous consent that this summary of the accelerated program of the Department of Agriculture for pest control research and education which appears on page 5 of the committee report be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Summary of program and construction items, by agency, for the pest control research and education (budget amendment for fiscal 1965)

[In thousands of dollars]

Agency	1964 base	1965 budget estimate	1965 budget amendment				Grand total
			Program	Facilities		Total	
				Construction	Planning [1]		
Research and education:							
Agricultural Research Service [2]	21,881	24,194	12,200	800	758	13,758	37,952
Forest Service	3,835	4,186	1,850	900	--------	2,750	6,936
Economic Research Service	--------	--------	500	--------	--------	500	500
Cooperative State Research Service	6,995	7,261	5,550	3,242	--------	8,792	16,053
Extension Service	2,000	2,000	2,300	--------	--------	2,300	4,300
National Agricultural Library	--------	--------	200	--------	--------	200	200
Total, research and education	34,711	37,641	22,600	4,942	758	28,300	65,941
Disease and pest control: Agricultural Research Service	1,604	2,438	600	--------	100	700	3,138
Grand total	36,315	40,079	23,200	4,942	858	29,000	69,079

[1] This includes funds for planning research facilities valued at $10,725,000.

[2] Includes research in marketing.

Mr. HOLLAND. Mr. President, I again call attention to the fact that the committee has seen fit to allow the full amount requested in this amendment. This is a very large increase. I intend to support it fully in the conference, but I hope that the interdepartmental committee to which I referred earlier involving the three departments of Government will work closely together, and if there are any needs for corrective legislation to improve the administration dealing with the registration and use of pesticides that they will be forthcoming and be presented commonly by the three departments involved. I do not want to see additional funds provided in this bill or any other appropriation bill to increase competition between the Departments. I hope that we can have more cooperation and set in motion the idea that these Government departments must work together and in unison on this vitally important problem.

Perhaps it is unnecessary to state that the three departments involved are the Department of Agriculture, the Department of Health, Education, and Welfare, particularly its Food and Drug Administration, having to do with the enforcement of health regulations with respect to food; and the Department of the Interior, which has to do with the protection of wildlife and with related conservation problems.

ACCELERATED COST-OF-PRODUCTION RESEARCH ON COTTON

During the hearings it was also brought out that the Department had under consideration a $10 million program to accelerate research to reduce the cost of production of cotton. The plight of cotton is well known and in connection with the farm legislation enacted earlier this year a $10 million accelerated cotton research program was authorized under Public Law 88–297. The Secretary of Agriculture was directed to formulate a program, and the research officials have developed a special cotton program and presented it to the committee. In the committee hearings in connection with Senate Document 85 it was made clear that none of the funds in that document would go to production or pesticides research on cotton, but a supplemental budget request for the $10 million cotton program had been submitted to the Bureau of the Budget.

On two previous occasions the committee has taken the lead in recommending funds to provide for accelerating cotton research. First, when it recommended funds for the cotton insects laboratory at Starkville, Miss., in 1961 to greatly intensify research on the boll weavil and other cotton insects which greatly affect the cost of production of cotton. Then again last year when funds were provided by the committee conference to establish a weed control laboratory for an intensified program of research on weed control on cotton at a facility to be located at Stoneville, Miss.

The hearing record clearly demonstrates the need for additional specialized research facilities as a part of the accelerated cotton research program. The committee has recommended the inclusion of $1,400,000 under this item in the bill for accelerated cotton research. It has recommended $160,000 to accelerate research on polyhedral viruses to control the bollworm, tobacco budworm, and cabbage looper on cotton, and it has recommended $240,000 to develop plans and specifications for the construction of additional research laboratories and to renovate existing facilities as shown in the committee hearings on page 1111.

I wish to make it clear that these five additional facilities did not originate with the committee. Instead, the Bureau of the Budget sent to us a proposed estimate providing $240,000 of advance planning funds for the five additional facilities.

We were disappointed that the budget estimate never reached us; but we know from the testimony, taken from the Department and from our communications with the Bureau of the Budget, that these five facilities have been pointed out by the Department and approved by the Budget Bureau, so that we may move forward to them in this program.

AGRICULTURAL RESEARCH SERVICE

The committee recommends an appropriation of $120,564,000 for research by the Agricultural Research Service which is $22,908,000 above the House bill. This includes $13,758,000 for pesticides research as a part of the overall total I discussed earlier and $1,400,000 for cost of production research on cotton, which I referred to a moment ago.

Last year the Agricultural Appropriation Act contained a provision authorizing the use of not more than $25 million of section 32 funds for activities to increase consumption of farm commodities. Under this authority the 1964 Appropriation Act provided for the use of $16 million for research, including $11 million for new laboratory facilities and $5 million for research to reduce production costs. The House bill for 1965 proposed to use the entire $25 million for research, including a number of the items which had been requested in the budget under the direct appropriation for research. The committee does not believe this authority should be used to finance long-term research programs and has shifted the items which had been requested in the regular appropriation from section 32, as proposed by the House, back to the appropriation as requested in the budget—that is, out of general funds. This shift, together with the restoration of part of the House reduction, results in an increase in the direct appropriation of $6,150,000 for staffing and operating new research laboratories; foot-and-mouth disease at Plum Island, N.Y.; food science research; construction of research facilities at Fort Collins, Colo., and Beltsville, Md.

However, the committee does propose to use $11 million of section 32 funds for research, which I discuss a little later in my statement.

In other words, we did not at all recede from our willingness, as stated in the conference last year, and so approved by the Senate, to use only the needed $25 million of section 32 funds for this general purpose. However, we do not believe that general and continuing research should be so financed but, instead, should continue to be financed by general funds, as has always been the case in the past.

In 1962, upon the recommendation of this committee, Congress appropriated $160,000, for plans and specifications for a national peanut research laboratory. In 1963 and 1964, the budget requested $1.6 million for the construction of this facility at Dawson, Ga. In processing the 1964 appropriation bill, the conferees agreed to pass over this item until 1965 but without prejudice. Accordingly, the committee recommends the appropriation of $1.6 million for the construction of this laboratory under the regular appropriation for research.

Mr. President, I believe it would be appropriate to say at this time that we have not included in the bill any of the research laboratories and experiment stations so urgently requested by eight or nine Senators—including myself. In looking at the whole picture, it seemed to the committee that we should go back to the budget process in this field and insist that the Department of Agriculture make a careful survey of all the proposed facilities—I am sure each of them has merit—determine the priority needs of the Department for extension of its research service, and explain it to us after a careful survey. Therefore, Senators will not find in this bill any of the nine new research experimental stations so urgently requested for various parts of the country, and urged annually and with great merit, I am sure, by various Members of the Senate.

Mr. CARLSON. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. I yield.

Mr. CARLSON. The Senator just made a statement that was of interest to me, in view of my great interest in the wheat research laboratory at Manhattan, Kans., which I am sure the Senator will agree has been presented to his committee for a number of years.

In view of the statement he has made, I would be less than frank if I did not state that I regret the decision of the committee, but at the same time I appreciate the position that was taken by the committee.

Mr. HOLLAND. Speaking for myself, and for the committee, we greatly appreciate the sound and generous attitude of the Senator from Kansas. So that the RECORD may cover this point more fully, I wish it to appear that no member of the committee questioned the high merit involved in the request of the Senator from Kansas, as well as other Senators and many groups within the wheat industry, which is one of our largest.

The same statement could be made equally with reference to other projects. For instance, the Senator from South Dakota, a member of this committee, very ardently desired a project which would be located in his State.

The Senator from Wyoming [Mr. McGEE] ardently desires one having to do with wool research, which would be located in his State, and appears to be supported by most of the wool industry.

Mr. MANSFIELD. Do not forget Fort Keogh, near Miles City.

Mr. HOLLAND. I believe that the Senator has made a point more clearly than I could possibly make it, because he and his colleague are among Senators who have been anxious to have an unbudgeted expansion and extension of activity within his State.

We are not prejudging a single one of these proposals. We merely believe that they should be approached in a different way. I am glad that Senators are apparently willing to go along with the committee on that basis, because in the well attended meeting of the full committee, with more than 20 Senators present, of whom some 6 or 7 were directly affected by this matter, including myself, there was unanimous approval of this approach. The programs are certainly meritorious.

The committee recommends an appropriation of $69,036,400 to carry out the various inspection quarantine regulatory and control programs of the Agricultural Research Service. This is $568,600 under the budget estimates and $3,781,400 over the House bill. The major changes from the House bill consist of an increase of $1 million to provide 50 percent of the cost of controlling the boll weevil outbreak on the Texas high plains. This infestation is moving westward through the weevil-free high plains area. This estimate was not considered by the House since it was received on June 24 in the Senate and printed as Senate Document No. 82. The committee also recommends an increase of $993,200 over the budget estimate and the House bill for the cooperative cost-sharing fire ant eradication program. It also includes an increase of $783,200 over the budget estimate for the cooperative cost-sharing sheep scabies program. These two increases are for the most part to restore funds provided in the bill last year but were reduced by the Department to meet a general reduction in the appropriation. To prevent this situation from happening again, the Department is requested to obtain the advance concurrence of the appropriation committee of any proposed reprograming of funds under this appropriation.

Let me comment briefly, that those interested in the high plains program for the boll weevil would wish it distinctly understood that the farmers who themselves are involved in the boll weevil eradication program are required to continue, as always, their normal handling of the problem on their own farms and to put up all of the costs thereof. There is no departure in this bill from that procedure. But the high plains area, because of its climate, has for a long time resisted the advent of the boll weevil. It is coming in slowly there. The Department has developed recommendations for a treatment after the normal production period for cotton, which they hope will eradicate the boll weevil in that area, thus saving a very great part of that area not yet infested and avoiding the possibility of the pest spreading westward into New Mexico, Arizona, and California, where it has not yet appeared and where we hope it will not do so.

There is no departure from the long-established practice under which cotton farmers themselves are required to put up all the costs of the control measures practiced in their own fields. It is a 50-50 matching program in which the organization of cotton farmers in the high plains area are matching, on a 50-50 basis, the $1 million which the Government would put up under our recommendation.

Mr. President (Mr. MCINTYRE in the chair), with reference to the fire ant eradication program and the sheep scabies program, the committee was disappointed to note that the Secretary shrank those two particular programs, which are being so steadfastly supported by the States which are adversely affected, by putting up no more than 50 percent of the cost; but in general, in connection with the carrying out of the program in conection with fire ants, the chemicals and new methods now used have resulted in doing away with the former criticism of the wildlife and conservation authorities.

In connection with the sheep scabies program, it is particularly necessary that the work go forward without interruption, because some States have cleared themselves entirely, but are being jeopardized by the fact that their neighbor States have not done so, but wish to do so by proceeding as promptly as possible on the 50-50 matching program.

It is nothing but right and just to all concerned that such programs go forward without any diminution; and we expect that course to be followed with reference to the funds included in the bill.

An amendment to the budget in the amount of $2,250,000 was submitted to the committee on June 24 which was printed as Senate Document No. 83, providing for placing the screw-worm eradication program in the Southwest on a federally financed basis.

The original budget included the 50–50 approach which has been followed uniformly in recent years by Congress in these various programs. The House had acted upon that original budget request and had approved the Federal funds only for a 50–50 approach to the program in their version of the bill.

The committee feels that this program should be continued on the 50–50 cost-sharing basis as in the past and thus has not approved this estimate, under which it is proposed to place this program on a 100 percent federally supported basis.

The 50–50 cost-sharing principle on control programs has been consistently followed on the various control programs administered from funds carried under the regulatory and control appropriation item.

The committee is not prejudging the question as to what it should do when there is a clearer showing of eradication behind the protective belt, as against the coming in this country of the screw-worm fly, as the weather becomes warm each year in Mexico. We feel, however, that the showing of eradication made to date has not been sufficiently definite to justify consideration of the matter upon that basis.

For instance, in 1963, there were 1,331 infestations in the State of Texas, north and east of the sterile fly drop zone and there were 22 different infestations, mostly in the late summer and early fall, which occurred in Oklahoma. We feel that the showing of eradication is not sufficiently complete at this time to justify our considering this program upon the basis of full Federal support. We must leave to the future the question of determining whether, based upon later showings, we should move the program into the status of complete Federal support.

MEAT INSPECTION

The committee recommends the full budget estimate of $30,837,000 for meat inspection, an increase of $383,000 over the House bill. However, the committee has been advised that even the full amount of the budget estimate will not be sufficient to meet the expanding requirements for meat inspection. Therefore it is anticipated that a supplemental estimate may be necessary this year.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. MUNDT. Mr. President, I emphasize the fact that, speaking for the members of the committee, they believe—and on this Senators know—that an adequate corps of meat inspectors is an investment which will pay for itself many times over in expanding the income of the meat producers and the meat industry.

There are a number of packinghouses of a smaller nature which are unable to operate at full capacity and engage in the competitive purchase of meat products. That is only way in which the price of meat and an increase of the producers' revenue is expanded. They cannot compete in their operation on a full competitive scale. They lack the necessary inspectors at the time it is necessary for them to have them. I am happy that the committee restored the full amount of the budget request.

I am sure the chairman will confirm this statement. We gave serious consideration to going beyond the budget. Then we thought there might be a supplemental appropriation, and that the committee could receive guidance on this subject.

There was an indication on behalf of this particular subcommittee that it would look with favor on the budget request to provide the necessary meat inspectors to meet the need. We should tailor our personnel to the size of the need, rather than some particular monetary figure.

I believe that such an investment will return itself many times over, not only to the Federal Treasury, but also in an increase in income taxes that will be collected from the packing industry and the meat producers. They, too, are taxpayers.

Mr. HOLLAND. Mr. President, I completely verify and confirm what the distinguished Senator from South Dakota [Mr. MUNDT] has said. Incidentally, he has been most active in this cause, and in many other causes. I believe I should have mentioned his name in particular in connection with the scabies eradication program which I mentioned earlier in my remarks on that subject. The Senator has been very active in that field.

The committee recognizes the fact that this is an investment that must be made when there is a need for it. We expect that course to be followed.

The best we could do was to state in our report substantially what I have stated in my remarks. It is anticipated that a supplemental request may be required this year. That is a clear expression of our feeling that we shall be called on later for a supplemental appropriation.

Mr. MUNDT. Mr. President, I thank the Senator for his kind remarks. The Senator is quite correct. We went about the task as intelligently as we could, without taking the bit in our teeth and rushing ahead of the recommendation of the Bureau of the Budget. We gave them an invitation to come back to us.

Mr. HOLLAND. We do not give out many such invitations.

Mr. MUNDT. Indeed we do not. I was sorry that I was answering a long distance call when the Senator mentioned sheep scabies. We appreciate what the Senator from Florida said on this subject. He has shown, as chairman of the subcommittee, and as a member of the subcommittee before that, his great interest in the eradication of sheep scabies. It has been my particular interest, coming from the sheep raising part of the country, as I do, to try to appropriate adequate funds to eliminate this very serious disease. It is the kind of disease which, unless it is eliminated, tends to reinfest areas and destroy the investment that has already been made.

We now have 1,000 counties that are entirely free from sheep scabies, and several States which are free from sheep scabies. We made a substantial increase in this amount, above what was recommended by the Department.

I was joined in offering this proposal by the Senator from Wyoming. The committee approved it unanimously. I believe the committee has done everything it could throughout this entire period in the way of elimination of pests, worms, and disease.

If we are to fight that kind of war, we ought to fight it to win. There is not much use in suppressing it or causing a retreat, and then ceasing our attack while it comes back to reinfest many areas and many herds. The committee has been of one mind, that when we tackle the problem in this area, we should tackle it to win.

I agree with all that the Senator has said about the borer problem and the screw worm. So long as there are infested areas, we have not solved the problem. We want to eliminate it and keep it eliminated. We have done the same thing on the larger problem of sheep scabies. We have not enough money to eliminate it this year. But we are accelerating the war in that regard.

I appreciate the sympathetic understanding and cooperation of the chairman of the committee, as do all my colleagues on the subcommittee, in the great American war against sheep scabies.

Mr. HOLLAND. Mr. President, I thank the distinguished Senator for his comment. I am glad to recognize the distinguished Senator from Iowa [Mr. MILLER].

Mr. MILLER. Mr. President, I echo the statements expressed by the Senator from South Dakota and the Senator from Florida with regard to the problem of obtaining a sufficient number of meat inspectors. During the past 2 years, there have been many additional requests for meat inspectors from my constituents.

I know that the Department has done its utmost to cooperate in meeting these needs. However, it always seems to come down to a money problem on the question of whether additional meat inspectors will be furnished in the required number.

The committee report states that the committee has been advised that even the full amount of the budget estimate would not be sufficient to meet the expanded requirements of the meat expansion program.

I do not recall that I heard the Senator indicate who gave this advice to the committee.

Mr. HOLLAND. The industries I have mentioned did so. When we asked the appropriate agricultural officials, they confirmed it. We made it very clear that we expected them to meet all just needs and then come back to us for such additional sums as may prove to be necessary.

At present no one seems to know just how much is required to pay these costs of inspection at this time.

Mr. MILLER. Mr. President, I can appreciate why it would be very difficult to forecast precisely the needs that might arise in the next 12 months. I am hopeful that the committee received assurances from the officials in the Department of Agriculture that they would do precisely this.

May I ask whether this assurance was given to the committee?

Mr. HOLLAND. Yes. That assurance was given. Our committee will look with favor upon a request for a supplemental amount to provide all of the essential needs, along with the present appropriation, for manpower this year with which to cover this very important activity.

Mr. MILLER. I do not believe the Senator quite understood my question. My question was whether or not the committee received assurance from the officials of the Department of Agriculture that they would come to the committee with the request for supplemental appropriations.

Mr. HOLLAND. We know they intend to make such a request. They cannot come direct to us. They go to the Bureau of the Budget first. However, on a matter with respect to which we have already expressed our concern and expectation that we shall have a supplemental request, I think there will be no question. If any question should arise, the committee will assert itself with the Bureau of the Budget and, if necessary, act in that regard.

Mr. MILLER. Mr. President, I should like to ask a further question of the Senator from Florida. What I am about to point out is all hearsay, but I should like to raise the question and clarify it if possible. I understand that one of the problems that arose during the past year or two in connection with furnishing additional meat inspectors was that while a money problem seemed to be the underlying cause, there were certain discretionary allocations of funds that the Secretary of Agriculture could make which would have made possible the hiring of additional meat inspectors, and with respect to which discretion was not followed; or, in lieu thereof, the allocation of funds was made for other kinds of personnel rather than the critically-needed meat inspectors. Can the Senator be able to substantiate that?

Mr. HOLLAND. All I can say is that the Secretary of Agriculture has full authority to go as far as he needs in meeting that need; and we have given him such authority for this particular year in the way that I have already described. I have not noticed any indisposition on the part of the Secretary to meet this need. It has not been many weeks since he recently gave notice that he was taking such an inspector out of a meatpacking plant in my own hometown.

The Secretary is exercising some discretion in the matter that sometimes is not in accord with the views of the industry affected. We had to act quickly in that case, and we are willing to do so in any other case. But we thought, above all things, that we should make it clear that we are not only giving him the full budgeted amount which he requested, but also we are telling him in so many words that we expect him to meet the full inspection needs and to come back to us with a request for additional funds when he finds out how much will be needed.

Mr. MILLER. I recognize that the Secretary has discretion with respect to the assignment of meat inspectors. That has happened in my own State, too. But what I am concerned about is that I understand—and, as I have said, this is hearsay, and I would be happy to get the point cleared up—that he does have discretion with respect to the allocation of funds, so that he could hire more meat inspectors to meet an emergency requirement with such discretionary funds, or with funds with respect to which his discretion is available; and that instead, the discretion was not used, and, if anything, perhaps the discretion was used in hiring other types of personnel. I was wondering whether this problem was presented to the committee in the consideration of the inspector problem.

Mr. HOLLAND. I do not recall that that point was raised. The distinguished Senator from North Dakota [Mr. YOUNG], the ranking minority member of the committee, is present. He may remember something different from what I recall. I wish to make clear that we do not understand that we are giving a large contingency fund to the Department of Agriculture to move around here and there or elsewhere as it may wish. We intend to take care generously of the various and essential needs. In this particular instance, this year, we are inviting the Department to come back with a supplemental request to carry out whatever is necessary in the way of a full inspection program.

Mr. MILLER. Perhaps the Senator can answer this question. The appropriation made by the bill calls for $30,837,000, the full budget estimate.

Mr. HOLLAND. The Senator is correct.

Mr. MILLER. Suppose that that money is committed so that no additional inspectors can be hired unless a supplemental request is made, approved by the Budget Bureau, and approved by the committee, all of which could take time. Is there any other source to which the Secretary of Agriculture could go to find some funds so that the Secretary might hire an additional 25 or 50 meat inspectors to meet some critical need?

Mr. HOLLAND. The budgeted amount does not have to be spent on a monthly basis. We have told the Secretary to do this job. He can spend this money in doing the job. If he finds he must employ more inspectors than he expected to have to employ, he may employ them and come back to us with a supplemental request that will enable him to fill out the full year. I do not understand that he would have any problem in that connection. I am reminded that that is one of the several mandatory functions in which he is permitted to incur a deficiency before reporting his supplemental estimate.

Mr. MILLER. I thank the Senator from Florida. I appreciate the opportunity of having him clarify the procedure. We all recognize that there has been a considerable need for meat inspectors, and that if meat inspectors cannot be furnished, there will be a deleterious impact upon the livestock industry, upon the packing industry, and upon the unemployment situation.

I had a couple of additional questions I wished to ask. I wonder if the Senator would care to have me ask them now or would he prefer that I wait until he finishes his presentation?

Mr. HOLLAND. If they do not relate to the point which we have been discussing, I suggest that the Senator wait until we reach whatever subject he is expecting to direct his questions to, and raise the questions at that time.

Mr. MILLER. I shall be happy to do so.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. MUNDT. On the point which has been discussed, it may be helpful to the Senator from Iowa if I should point out that the Appropriations Committee, in its relationship to the Department of Agriculture, does not encourage the setting aside of funds for the Department of Agriculture which can be used at the discretion of the Department. We try to keep a pretty tight rein on the appropriations which we handle. We earmark them and specify the purpose for which they are appropriated. While there are certain aspects of flexibility which can be used to meet an emergency, we do not believe that it would be prudent to set aside contingency funds upon which the Secretary could draw to meet an emergency.

If the Senator will look at page 17 of the committee report, he will find that our philosophy is just the opposite of that. Last year a $750,000 reduction was made in conference between the two versions of the bill as they passed the Senate and the House. It was decided that the Department of Agriculture would be permitted to apply such reductions over a series of items. It was our thought that they would be spread over a great many items. Instead of that, the reduction was made primarily in three items, and a very substantial and important addition which the Senate had made in the war against sheep scab was lost in its entirety by the $750,000 cut.

So that we could be sure that that type of thing would not happen again, the committee inserted the following language in the report, which appears on page 17 of the printed report:

> In order to preclude the reprograming of funds agreed to by the conference committee in regard to this appropriation item the committee hereby directs the Secretary of Agriculture to advise and to obtain advance concurrence from the Appropriations Committee—

I wish to emphasize those words.

Advice is one thing, but this is advice and the Department must receive our consent. That is the concept that we have in committee of what is meant by "advise and consent" of the Senate. In essence, without these instructions the Department reaction seemed to be: "We are going to ignore what you say, but you ought to know that we are doing it."

I wish to read this new report statement again:

> In order to preclude the reprograming of funds agreed to by the conference committee in regard to this appropriation item the committee hereby directs the Secretary of Agriculture to advise and to obtain advance concurrence from the Appropriations Committee in regard to any proposed changes in programing amounts for projects or activities financed under this appropriation item. It directs that there be no repetition of the action taken in connection with funds made available in the Appropriations Act for 1964 for certain specific activities which were then sharply decreased by action of departmental officials.

In that unfortunate episode of last year the Department of Agriculture flagrantly violated not only the intent, but the specific request of the Committee on Agriculture. To button that down and to make sure that we work henceforth as a team and that we will consult with one another and understand the rules of the game, it is spelled out this time in the report at the top of page 17 in language so clear that a child in the fifth grade of school could read and understand it.

That, of course, is not pertinent to meat inspectors, but it clearly points out the philosophy of the committee and the fact that we are not merely handing down to the Department of Agriculture buckets full of gold ducats and saying, "Spend them in any way you wish to spend them."

Mr. YOUNG of North Dakota. Mr. President, will the Senator yield?

Mr. HOLLAND. I am happy to yield to the distinguished Senator from North Dakota, who has performed great and outstanding service in the committee.

Mr. YOUNG of North Dakota. I thank the Senator. Regrettably, I was necessarily delayed in arriving, but I understand that the Senator from Florida said some nice things about me, which I deeply appreciate.

Mr. HOLLAND. I made some truthful statements. I did not say all the truthful things that I could have said. I remarked that the Senator had made great contributions in all phases of the activities of the committee, but particularly with reference to the new laboratory at Fargo, and the objectives to be carried out there. That is what we were dealing with at the time.

I do not know any Senator who is more diligent in protecting agriculture and fighting hard for agriculture's needs than the Senator from North Dakota. I wish there were many more like him.

Mr. YOUNG of North Dakota. I thank the Senator. The inspiration for the program came from U.S. Department of Agriculture research people, the meat institute, the American National Cattlemen's Association and others. We were a little ahead of the Bureau of the Budget on this. It was good that we did get this headstart, because it will be useful now.

As to meat inspection, the committee allowed $2,941,000 more than last year. If additional funds are needed, they can ask Congress for a supplemental appropriation. I am sure they will do that. Consequently, they will not be hurt.

I refer to another matter, pesticide research, which is referred to at the top of page 19 of the report, in the following words:

> As indicated above, the committee has included the increase of $8,792,000 in Senate Document No. 85 for pesticides research; and the funds allocated to the States under the formula for the pesticides program could be used by the States for testing milk residues.

Is it not the understanding of the Senator from Florida and of the committee that these funds could also be used for the testing of hay and other feeds used by milk producers? I think that is really the most acute problem. I thought it was the understanding of the committee that if a State wanted to use the Federal allocation to match State funds in the use of this kind of research and testing, it could do so.

Mr. HOLLAND. The Senator, of course, is right. The Senator knows very well that the members of the committee believe very strongly in States rights in this area, and believe that the State experiment stations should be allowed to meet the problems of the people they serve. This is but one illustration of that fact. I am sure our committee thoroughly approves of the use of funds mentioned by the Senator in the way he has suggested.

Mr. YOUNG of North Dakota. Pesticides seem to have caused acute problems in Maryland and other States surrounding Washington, D.C., with respect to dairy products.

Mr. HOLLAND. That is true. Our committee was somewhat upset by the fact that the Food and Drug Administration, which entered an order requiring that milk be poured out for an indefinite period of time, went ahead to say there was not enough of the particular chemical or residual poison in the milk to be hurtful to anybody. Nevertheless, the milk had to be poured out. So the committee felt that pointed the way to the apparent need for amendments in the basic legislation and suggested that such need be reported to the legislative Committee on Agriculture and Forestry, of which the distinguished Senator from North Dakota [Mr. Young] is a member, and of which the distinguished Senator from Louisiana [Mr. Ellender] is chairman. He also is a member of our subcommittee. I hope that will be done, because it does not make sense to the public or to a Senator or to a Member of the House or to anybody else to say that farmers must pour out thousands of dollars worth of rich milk because there is a trace of pesticide in it when at the same time the people who are drinking the milk are reassured that there is not anything in it to hurt them or their children. That makes the matter more ridiculous than it should be.

Mr. YOUNG of North Dakota. The trace was so minute that no device known to man could have detected it before. It was found only because of a new device. It was a pesticide that had been approved for use by the Department of Agriculture.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield to the Senator from South Dakota.

Mr. MUNDT. I believe we shall receive assistance in the whole field of utilization research, perhaps in conjunction with the new Consumers Committee, because obviously people are frightened by new labels or sounds. For a while people were worried about consuming butter, milk, or other dairy products, because they thought the increased cholesterol would cause them to drop dead from a heart attack. Medical science has taken a second look at that theory, and now it is not certain that dairy products and cholesterol are detrimental to human beings, but may in fact be extremely beneficial.

Every time there is a scare headline about food stuffs the poor farmer is likely to find himself in difficulty.

The Senator from North Dakota has been most helpful in pressing for this particular item.

With reference to the matter of utilization and industrial uses research, I call attention to the Members of Congress generally, and especially to Members of the Senate, that I believe that under the leadership of our chairman, with the assistance of his staff, the committee has performed a real public service by spelling out, on pages 14 and 15 of the report, what is hoped to be accomplished in the field of utilization and industrial uses research.

The Senate has a great record in this field. For many years it has passed measures and has increased appropriations and led the fight in this area. Senator Capehart, when he was a Member of the Senate, the Senator from Nebraska [Mr. Curtis], the Senator from North Dakota [Mr. Young], the Senator from Georgia [Mr. Russell], the senior Senator from South Dakota, now speaking, and other Senators introduced bills in that field. They have passed the Senate. They have gone to the House. They have never been approved. The Senate additionally has passed money measures for expanded industrial-use research. They have never been fully approved. We have spelled out in this year's report exactly what we intend to accomplish with the money to be expended.

I call especial attention to the item for utilization new uses research. There is one phrase in that phrase that I want to call attention to, namely, "utilization and industrial uses research." I quote from the top of page 15 of the report, where it is spelled out in boxcar letters high in the sky:

> Development of new and improved industrial products from cereals, $650,000.

This does not mean the development of a new breakfast food, a new box, a new label, or a new package. It means that we shall try to find a new and improved industrial use for the cereal crops of America, opening up imaginative new markets, commercial markets, industrial markets, for the products of the farm.

Once we crack this sonic barrier, the only farm problem in America will be how to produce more and more farm commodities, and produce two blades of grass where one blade grew before.

The same applies to another paragraph on that page:

> Development of new dehydrated and frozen milk, meat, poultry, and egg products—

That is all right so far, but adding—

> new and improved industrial uses—

A new phrase is emphasized—industrial uses—

> for animal fats and hides, wool, and mohair, $500,000.

Again from that page of the report:

> Development of new and improved industrial products—

Industrial products—I emphasize it to make sure the Department of Agriculture will not overlook it. I repeat for my colleagues in the Senate that the emphasis is on industrial products—

> from soybeans, flaxseed, peanuts, castor, and safflour, $300,000.

This is added to the normal inclusion of the traditional utilization and research for other products.

Here is the new world of opportunity for the American farmer. Here is the great unlimited opportunity for the ranchers and farmers of America. Here is the place where the scientist with a balding brow, and spectacles reposing on his nose, in the great laboratories of America is going to find the magic formula for making automobile tires now derived from butadiene, derived from the farm products of America; here is the place for making newsprint from the fibrous products of the country, better newsprint than that made from timber, which is imported from abroad. We are developing a host of industrial products, which can fill all the exhibits of a new world's fair, all made from the products of the farm. The committee is carrying the torch by pointing the way and by providing funds and by saying, "Let us get going in this business of unlocking the door for new developments in a new era of opportunity for the farmer by finding new industrial uses for our farm products through the miracles of science and of synthetics."

I thank my friend from Florida, the chairman of the subcommittee, for permitting me to say a few mild words in support of utilizing the industrial potentialities for expanding our farm markets.

Mr. HOLLAND. I thank the Senator. The enthusiasm of the Senator for industrial utilization has been well known. If there was any question about it, it was reestablished on a very high plane by his remarks, with which I thoroughly agree.

Mr. McGEE. Mr. President, will the Senator yield?

Mr. HOLLAND. I am very happy to yield to the Senator from Wyoming, a member of our subcommittee and of the full Committee on Appropriations, and a diligent Senator in taking care of the interests of agriculture.

Mr. McGEE. I thank the Senator, the chairman of the subcommittee, for his comments. I heard something said about research in his colloquy with our good friend from South Dakota. I note that on page 10 of the report the committee states that several meritorious research proposals were made to the committee, but that they could not be allowed at this time. One of them, the Wool Quality Research Laboratory, has a great bearing on my State of Wyoming. The Senator remembers, I am sure, that a year ago we were able to direct the preparation of feasibility studies on the Wool Quality Research Laboratory needed by the woolgrowing Western States. We were interested in having it located on the campus of the University of Wyoming at Laramie where many wool research projects are already being conducted.

I wonder if the chairman would care to observe what the status of this laboratory is.

Mr. HOLLAND. I am very happy to do so. I believe I have already mentioned its status. We had before us, as I recall, nine requests by distinguished Senators from the inclusion of laboratories, without budget approval in advance, and funds for construction. One of them was the wool quality research laboratory, which was so ardently advanced by the distinguished Senator from Wyoming.

Unfortunately, however, it could not be approved. The Senator from Kansas [Mr. CARLSON] earlier referred to the wheat laboratory. The Senator from South Dakota [Mr. MUNDT] had requested one. The Senator from Nebraska [Mr. HRUSKA] had requested one for livestock research. I could continue to mention others. However, I have mentioned them only in the Senator's particular area. We came to the conclusion, because of the large program for utilization research on which we embarked last year, and which involves several new laboratories, and among them the one for weed control research on cotton. Also we are embarking this year, on several additional laboratories requested in the accelerated pesticides program referred to earlier. We decided, therefore, that on these unbudgeted items, we ought to refer them back to the Department and ask to make a survey of the situation, stating that we thought every one of the proposed programs had merit, including the one the Senator from Wyoming has mentioned.

Undoubtedly the one the Senator has mentioned has merit. We asked the Department to give us a report on all of them. We also asked it to give us a full report on the extensive facilities which we have already provided for experimentation throughout the Nation, so that we could have a unified picture of the entire research program before we moved further.

In spite of the fact that several Senators, members of the subcommittee, and also of the full committee, including the Senator from Wyoming, had projects which came within this group of eight or nine, they all agreed that, reluctant as they were to admit it, that that was the sounder way of approaching the problem. We hope to have these projects reported upon fully.

I join the Senator from Wyoming in the hope that his project will be in the budget next year.

What we have done is without prejudice, and with the statement that each of these projects has merit, as evidenced by the fact that it affects Senators who have pressed these programs and the important industries which they represent.

Mr. McGEE. I thank the chairman of the subcommittee. He has always been a great friend of the West. His interests have been tied closely to our needs out there. We are grateful to him. Our needs in the wool growing industry are rather acute. That is the reason why we have been pressing for this facility as vigorously as we have. I have been exceptionally eager to get along with the establishment of this research laboratory, to strengthen the position of the wool growing industry.

There is much justification for the sense of urgency we feel in regard to the wool quality research laboratory. That is the reason for my interrogating the Senator at this time.

Mr. HOLLAND. I appreciate the comment of the able Senator. No one could have been more industrious in bringing the proposal to the attention not only of our committee, but of the Senate as a whole. Our action is without prejudice, and with the statement that the programs have high merit, but with the conditions attached that we have had to attach to all nine similar requests.

Mr. McGEE. I wish to ask the Senator one further question. It has to do with the request that the sum of $95,000 be included in a different research program. I refer to the program at Fort Collins, Colo., dealing with automated irrigation. I raise the question because this program, too, has become more urgent than we had anticipated. Our needs for the project now appear to be outrunning the pace research effort. The Seedskadee project in Wyoming is a designated testing site for the automated irrigation being developed. I wonder if the chairman can tell me whether the allowance for $95,000 to set up research on automated irrigation is in the bill.

Mr. HOLLAND. I am glad to state to the Senator that it has been included by the committee. This is shown by item 20 at page 14 of the report. I read it into the RECORD:

> 20. For accelerating research investigations dealing with the automation of gravity water applications for irrigation, the committee has included $95,000 for this program of research headquartered at Fort Collins, Colo.

I remember that the Senator was extremely eager and diligent in pressing the inclusion of this item.

Mr. McGEE. I thank the Senator. I ask unanimous consent that there may be included in the RECORD at the appropriate place a copy of a letter which I received from the Department of Agriculture on this particular question.

Mr. HOLLAND. I am glad to have it included at this point. I ask unanimous consent that it may be included in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF AGRICULTURE,
AGRICULTURAL RESEARCH SERVICE,
Washington, D.C., July 31, 1964.
Hon. GALE W. MCGEE,
U.S. Senate.

DEAR SENATOR MCGEE: This letter is in response to your request for information concerning research on the automatic application of irrigation water.

A system for automating gravity water application on the farm has been conceived and is in its initial phase of testing and development by our research staff at Fort Collins, Colo. The system needs refinement and field testing under actual field irrigation conditions.

Developments of this kind are necessary for survival of irrigated agriculture. Competition from domestic, industrial, and recreational users of water is increasing at an alarming rate. Irrigated agriculture is notorious in its inefficient use of water. Automation of irrigation systems would materially aid to the efficiency of water use and, in addition, save farm labor.

The automatic system under development is based on a pneumatic valve that will turn water deliveries on or off to an irrigated field, using manual valves for rate control. Components for automation include time clocks, three-way solenoid valves, compressed air source and either radio or wire systems for activiation. The time clock is programed according to optimum water-use requirements.

Pneumatic valves have been developed into positive control devices, experimental models manufactured, and a timing system suitable for automatic operation of turn uses has been designed. The system needs to be fabricated and tested in the field under actual field conditions. Refinements will need to be made, fail-safe devices developed and evaluated, the radio or wire refined for this specific application, lower cost solenoids developed, and the system expanded to include complete farm coverage.

The current level of research on this problem is one professional man-year per year and one technician man-year per year. With materials, travel, and other operating costs, total expenditure is approximately $26,000 per year.

For optimum development, the additional men, materials, etc., are required:

1 professional man	$10,000
5 technicians	30,000
Materials required in the laboratory	4,000
Contract research	5,000
Improvement of a hydraulic test laboratory facility	6,000
Field installations at Newell, S. Dak., and Seedskadee, Wyo	25,000
Travel	2,000
Overhead	13,000
Total	95,000

H. A. RODENHISER,
Deputy Administrator.

Mr. HOLLAND. The Senator used the letter very effectively in his labors in the committee. The RECORD should show that letter, bearing on this particular problem.

Mr. McGEE. I thank the Senator.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. JAVITS. New York is not often thought of in terms of a bill of this kind; but, as the Senator knows, New York is a major agricultural State. As a Senator who represents the whole State, I try to keep very much in touch with agricultural matters.

I feel that my State, which is a major dairy State, would be gratified by the degree to which the special milk program has received attention in the bill. I am especially gratified by the fact that the program of special milk availability to nonprofit summer camps and child care institutions is provided for in a generous way in the bill. I had the honor of helping to expand the concept of the department as to the legal definitions which would encompass that kind of aid. It is most gratifying to see this work so successfully being carried through.

Mr. HOLLAND. On that point, the Senator from Wisconsin [Mr. PROXMIRE], who also represents a very heavy milk-producing area, serves on our committee. He invited the attention of the committee to the very program which the Senator from New York has just mentioned. I think it is fully cared for in the bill. I am glad the Senator from New York has the same opinion. I want him to know that the Senator from Wisconsin and other members of the committee who represent heavy milk-producing States took care of that provision very well.

Mr. JAVITS. I am also pleased to see the availability of funds for the purpose mentioned by the distinguished Senator from North Dakota [Mr. YOUNG] with respect to experiment, research, and various forms of testing, and other activities, to improve the quality and output of milk.

As a member of the Government Operations Subcommittee which is investigating pesticides, a subcommittee headed by the distinguished Senator from Connecticut [Mr. RIBICOFF], I am gratified to see the Appropriations Committee emphasize pesticide research; that is, not the alarming aspects of pesticide use, or what might even be considered as the sensational conclusions concerning the presence of harmful pesticides in foods and other products, but the redeeming aspects of the whole pesticides movement, which is making possible for the American people the great improvement in the standard of living, especially in terms of food, which they enjoy. Therefore, the determination of the committee to provide for, what I always believed in, a thorough scientific research program to permit pesticides to be more useful to the American people, is most heartening. It takes up exactly where the President's Committee on this subject said we should begin.

The subcommittee and its chairman are entitled to strong commendation for the constructive and intelligent nature of that approach.

Mr. HOLLAND. I appreciate the expression of the Senator from New York. There was no difference of opinion in our rather large committee on this subject. As I recall, there are 27 Members of the Senate on the Committee on Appropriations, a membership which is larger than that of any other Senate committee. We all felt that to make the $29 million available was the logical next step in carrying out one of the most important programs that we could get underway, one of the most needed programs in our Nation. I am glad that the Senator from New York feels as he does. We deeply appreciate his cordial remarks. I thank the Senator from New York.

Speaking for the full committee, we also greatly appreciate the kindness of the junior Senator from New York.

Mr. KEATING. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. I am happy to yield.

Mr. KEATING. Mr. President, I want to congratulate the chairman and the members of the committee who have worked long and hard hours on the agricultural appropriation bill.

As a Senator from the second largest dairy State in the Nation, I am particularly grateful for the committee's work on the special milk program. I have discussed this program on several occasions with the distinguished Senator from Wisconsin [Mr. PROXMIRE], who also represents a great dairy State. Sometimes the views of the Senator from Wisconsin and the Senator from New York are in conflict, but on this subject we share a united position. Earlier this year it was my privilege to join with the Senator from Wisconsin in sponsoring S. 2751, to provide a supplemental appropriation of $2 million for the program.

It was in 1954 under President Eisenhower that the special milk program was initiated and it has enjoyed wide bipartisan support through the years. And well it might. For it has enabled many thousands of youngsters to receive the nutritional values of milk and at the same time has brought a measure of stability for the dairy farmer of America.

We continually concern ourselves about the physical fitness of our youth. In my judgment, there are few programs which are so singularly directed toward this goal. How many are the children who would have to forgo the food value of milk, were it not for this farsighted program.

There is no question but that this is an economically justified undertaking. If we did not have this milk distribution program, the Commodity Credit Corporation would have to go on the market to purchase dairy products in order to insure the current price support level. Such an undertaking would be more expensive than this beneficial health program.

It is readily apparent that the dairy farmer has benefited from this program. For the oversupply of milk has been reduced through consumption by our young people. And we must continue to push forward for an ever-increased level of consumption and expansion of our dairy markets.

On another but related subject, it has recently come to my attention that the export subsidy on nonfat dry milk has been placed on a bid basis, and that one of the reasons for doing so was the depletion of our CCC stocks for use under the donation program.

At a time when we must constantly seek new markets for our excess agricultural production, I am particularly concerned that this new policy will result in contraction of our export markets. Placing the export subsidy on a bid basis will eliminate any long-term contracts for the export of nonfat dry milk. It also may place the United States in a position where it will be priced out of the European market where we have been selling in the vicinity of 125,000 metric tons annually. If this is the ultimate effect of the policy, then it is time to rethink our donation program which has heretofore been a sound method of assisting our friends abroad and reducing our large stocks of surplus commodities. I want to make it very clear that I do not want to see us destroy this commercial market. For the result can only be harmful to our dairy farmers' income and necessitate increased purchases by the Commodity Credit Corporation.

I am hopeful that the subsidy on nonfat dry milk will be reconsidered with a view toward the further expansion of our exports of dairy products.

The increased appropriation for the special milk program will be beneficial to thousands of New York children and the important dairy industry of my State, and I am most appreciative of the action taken by the committee.

Mr. HOLLAND. I thank the Senator from New York.

SPECIAL FOREIGN CURRENCY RESEARCH

The committee recommends an appropriation of $4 million for the special foreign currency research program. This is the amount of the revised budget estimate and consists of $2 million for market development research and $2 million for projects dealing with scientific research. The Department is expected to be selective in the projects undertaken with these foreign currencies so that the results of the research will be beneficial to American agriculture.

PAYMENTS TO STATES COOPERATIVE RESEARCH AND EXTENSION PROGRAMS

The committee recommends increases above the budget of $1,250,000 for State experiment stations and $2,705,000 for the State extension services to provide for pay adjustments for the employees of these State organizations comparable to those granted Federal workers in the pay legislation under Public Law 87–793. Last year the appropriation act included about half the funds required for this purpose and the committee's recommendations will provide the remaining one-half. The committee believes that these employees should be granted salary increases comparable to those granted to Federal employees.

The recommendation for the Cooperative State Research Service also includes an increase of $8,792,000 as a part of the overall program for pesticides research. These increases include $3 million for payments to the States. The additional amounts provided for payments to States under the Hatch Act are for the pesticide program. The States could make provision for testing pesticide residues in milk. This total increase also includes, for the first time, funds for grants for facilities under the act of July 2, 1963, Public Law 88–74. The committee recommends the budget estimate of $3,242,000 for this purpose, to be distributed to the States on a matching basis for the construction of research facilities required for the pesticides research program. The committee has included funds for the use of authority under the act of Septembr 6, 1958. Under this authority basic grants can be made for research. The committee has included $2 million for this purpose, to be used for pesticides research grants.

For the Extension Service, the committee recommends, in addition to the $2,705,000 referred to a moment ago for pay adjustments, an increase of $2,100,000 to be allocated to State extension services to accelerate specialized assistance by county agents to users of pesticides. The committee believes it is essential that producers be aware of the directions to be followed in making use of the various registered and approved chemicals.

Mr. MUNDT. Mr. President, in connection with the discussion by the Senator from Florida on the Cooperative Extension Service funds, I ask unanimous consent that a statement I have prepared on that subject may be inserted in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

EDUCATION KEY TO THE PROGRESS OF THE AMERICAN PEOPLE

Included in the agricultural appropriation bill being discussed this morning is an item of $85,274,000 to support the Cooperative Extension Service. These dollars, for the most part, will be allocated to the States where they will be matched with State and county funds and will be used to support extension educational work in nearly every county in the United States. The importance of this work in this day and time cannot be overemphasized.

We all recognize the importance of a healthy, efficient, and competitive agriculture in the economic development of this country and the importance of farmers who are modern and up to date in the application of technology and management. Certainly our educational effort addressed to them must recognize and prepare them for the changes that constantly occur within this vast industry. Since specialization is increasing everywhere, technology, its understanding and its application are more important than ever. The successful farm manager of today and even more so the successful manager of 1980 must be knowledgable in the scientific aspect of farming and ranching. Therefore, if American agriculture is to be strong, there must be a continuing flow of research results to those who produce food and fiber for the Nation. The variables in need from State to State and county to county demand effective interpretation and adaptation of technology to different situations. Thus the communication and teaching of such information require highly competent and well-trained people who carry on a continuing program of education to keep pace with the rapid advance of scientific knowledge and changing economic environment.

This is the mission of the Cooperative Extension Service.

The union of research and extension education was a most fortunate one and has had the net effect of shortening the farmer's workday and lightening his labor, and providing the most effective means we have found to date of preserving and strengthening the family farm, increasing the purchasing power of the farm family, elevating the dignity of farming by raising it to the level of a profession, and giving young people on farms better education and better job opportunities. Beyond the farm it has helped to raise the standard of living of all of the people of the United States. In fact, this research-extension team has played a major role in helping our farmers to attain a position in our society which cannot be matched in any other part of the world. It has demonstrated—beyond any question of doubt—that scholarship, through a program of education for action, can be effectively supplied to family living and creative intelligence—with equal effectiveness—to farm operations. As a result—and as nowhere else in the world—that portion of the Lord's Prayer which states, "Give us this day our daily bread * * *" has been answered here.

Although we may think of extension as the quiet, deliberative voice of education, it can and does have the ability to act quickly. In South Dakota last year, it was extension that moved promptly to meet a serious outbreak of corn rootworm and thereby saved corngrowers in our State an estimated $1 million.

In like manner in the wide field of public awareness and interest it was extension that explained our new State water conservation enabling legislation to our citizens and is now assisting them in cooperation with other Federal and State agencies to make effective use of this legislation. To most farmers, and particularly to us in the high plains, a supply of supplemental water is essential to a stabilized agriculture.

The only way the commercial family farm can survive today is to have free access to research information and its interpretation.

Monopoly of knowledge is just as deadly to the family farm as monopoly of capital and productive resources is to other types of industry.

The free access to information through the Extension Service is the link that prevents such a monopoly. Without the free flow of knowledge, the large corporate farm will swallow up the family farm.

Of direct benefit to all our people is our agricultural productivity, matched by an efficient, expanding marketing industry.

My own State of South Dakota is primarily an agricultural producing State. In 1963, about 80 percent of the State's $636 million worth of agricultural products was marketed outside the State. That doesn't mean that marketing isn't important. It does mean that South Dakota, as well as all other major agricultural States, must produce and market high-quality products in order to compete in distant markets. It also means that the marketing systems must be efficient.

Consequently, we in South Dakota are concerned with two questions in marketing: How can we make the existing marketing system more efficient, and how can we provide profitable opportunities for new or expanded markets?

In a grain and grass State like South Dakota, livestock represents the best major use of our resources. The Extension Service is therefore concerned with such subjects as management efficiency in country grain elevators or the feasibility of a livestock slaughter plant.

South Dakota farmers and ranchers (and their neighbors in the banks, feed plants, farm supply houses, and machinery dealerships) are interested in producing high-quality products to meet market demands. They are equally interested in efficient and expanded markets as is this same group in most other agricultural States. A strong, effective extension education program is essential to achieving this goal.

But agriculture and marketing of its products are not the only effort in the scope of extension work.

Extension educational work with American youth through 4–H clubs involves 2¼ million boys and girls age 10 to 19. Approximately 500,000 private citizens provide day-to-day leadership to the 4-H clubs as local leaders. The main purpose of 4-H club work is to train young men and women in such essentials as citizenship, respect for work, acceptance of responsibility, cooperation, pride and responsibility of ownership, respect for our democratic institution, and to learn about possible careers affecting their future. These purposes in 4-H club work train youth today to be responsible citizens tomorrow. These goals are achieved through many 4-H club projects and club activities. The program is broad enough to meet the needs of most boys and girls, regardless of their background. Career exploration, both as a project and as a part of formal school activities, is emphasized because it is estimated that within the next 10 years, 90 perecnt of the farm boys and girls who reach 25 years of age will need to find their way into the off-farm labor market.

Youth today will be our leaders tomorrow. The key to continued economic progress is contingent upon the training our youth receives today. Their willingness to accept responsibility, their ability to think and act responsibly and their capacity to be imaginative and to innovate must be a part of today's training. Four-H Club work provides this training.

The forces of change—which projected farming out of a simple way of life into the maelstrom of big business and which have catapulted the small community into next-door relationships with the city and country—have not bypassed the family. The family has seen its pattern of living molded and shaped by forces in the community and the changing economy. Some of these forces have their origin in technology—others arise out of the increasing family mobility and are reflected in changes in human needs and human satisfactions.

The objectives of home economics education are directed toward assisting families to prepare and adjust to a changing society. Families today, both rural and urban, consume a much higher portion of their income than did the self-sufficient families of yesteryear. This places a premium on knowledge in home management. Financial management, wise use of credit, housing, nutrition, health, and homemaking efficiency, are major program concerns of extension home economics work.

This threefold purpose of the Cooperative Extension Service, agriculture, home, and youth is in a larger sense a program for the development of people themselves. It is true that its teachings are directed toward the improvement of many practices but its fundamental objective is always the same—better, richer, fuller, and more rewarding lives for the people it serves.

Extension work is permissive and dedicated to—

1. Assisting farm people in their growth toward leadership and economic independence.

2. Assisting farm people in achieving the most efficient agriculture the world has ever known through improvements in their managerial skills and in putting the results of research to work on their farms and in their homes.

3. Providing the farmer with a more effective and efficient means of handling his products as they move on from the farm gate to the consumer, and of reducing costs for farm supplies and services.

4. Helping young people to grow and develop so that they will become better prepared for tomorrow's responsibilities.

5. Helping farm families to make a better living and a richer, fuller, more rewarding life a reality, rather than an empty dream.

6. Assisting people in achieving a stabilized income through better and more orderly management of their resources by means of realistic use of land and water resources.

7. Helping families to broaden their horizons, expand their economic opportunities and develop a greater appreciation for the importance of participating actively and effectively in programs that involve and affect their own communities, their counties, their State, and Nation.

I'm sure we are all aware that our agriculture which only recently was highly independent is today highly interdependent. The farmer doesn't operate in a vacuum. He and his welfare are greatly influenced by a multitude of political, economic, and social forces. Daily the individual farmer and his family are confronted with momentous and difficult decisions. Each new decision calls for a wider range of knowledge and a higher degree of skill. To help him and America, a strong extension educational program is necessary if new agricultural technology is to be fully used and solidly integrated into our economy, if farm people are to achieve their potentialities as citizens, as people, and as parents of those who in time will direct our country's destiny, and if the family farm is to be preserved as a dynamic, efficient institution.

SOIL CONSERVATION PROGRAMS

Mr. HOLLAND. The committee concurs with the House in providing $100,511,000 for conservation operations by the Soil Conservation Service. This is an increase of $1,761,000 above the budget and the amount recommended by the House.

The committee recommends an appropriation of $65,848,000 for watershed protection, the same as approved by the House. However, the committee recommends the appropriation for watershed planning be continued as a part of the overall appropriation rather than being made a separate appropriation item as proposed by the House. The committee recommends $5 million for watershed planning, which is $524,000 below the amount proposed by the House for this purpose and $501,000 over the budget request. The committee believes this will be adequate to carry on this important activity, particularly since additional amounts will be provided from local sources to augment the development of plans for the small watershed program.

A reduction of $2,767,000 is recommended for flood prevention in the 11 major watershed projects financed under this item. This will provide a total of $22,656,000 which, together with the carryover from June 30, 1964, of more than $8 million, will provide adequate funds for carrying on the work of these projects this year.

For the Great Plains conservation program the committee recommends $14,744,000, the amount of the budget and $568,000 over the House bill. For the new pilot program of resource conservation and development program, the committee recommends $2,044,000 as proposed in the budget, an increase of $548,000 over the House bill.

The increase of $1,100,000 for the Economic Research Service consists of $500,000 for economic research relating to pesticides and $600,000 for the economic studies authorized under Public Law 88-297 for the studies to determine and to report upon the year-to-year changes in the cost of producing cotton.

CROP ESTIMATES AND MARKETING ACTIVITIES

The committee recommends an increase of $461,000 for the Statistical Reporting Service, consisting of $361,000 to initiate the timber price reporting service and $100,000 to extend the pilot flower estimates program to the 17 principal producing States. The committee believes these two services to producers of timber and flowers should be undertaken without further delay. The committee concurs in the action of the House in denying the budget proposal to eliminate $94,000 to consumer surveys. This work should not be curtailed.

The committee has received many complaints about the new market news service initiated August 1, 1963, by the Agricultural Marketing Service. It has thoroughly reviewed this matter and is directing the Secretary of Agriculture to see to it that the leased wire system be limited strictly to market reporting and marketing information and the routine type administrative instructions which were carried on the leased wire system prior to August 1, 1963.

The Secretary is also directed to make certain that all news media receive equal opportunity and access to the market news information.

SCHOOL LUNCH AND SPECIAL MILK PROGRAMS

The budget proposed, and the House agreed, to finance the special milk program last year from section 32 funds. The law provides that this program shall be financed from a direct appropriation. Therefore, the committee is recommending an appropriation of $106 million as a direct appropriation for this program in 1965, which is an increase of $6,166,000 above the 1964 level. This increase is required to meet the increased demand and to permit participation by a greater number of children.

The committee concurs in the House bill of $146,400,000 for the school lunch program, which is an increase of $9,784,000 above 1964. In addition to this appropriation, there is a transfer of $45 million from section 32 for this program. Also surplus commodities acquired under section 32 regular programs are available for donation to the school lunch program.

Mr. PROXMIRE. Mr. President, will the Senator from Florida yield?

The PRESIDING OFFICER (Mr. WALTERS in the chair). Does the Senator from Florida yield to the Senator from Wisconsin?

Mr. HOLLAND. I am glad to yield to the Senator from Wisconsin.

Mr. PROXMIRE. I commend the Senator from Florida for the superlative job he has done on this appropriation bill—it is $344 million below the request of the President, which was already said to be tight. This is a big saving for American taxpayers, and yet it leaves the essential services of the Department of Agriculture intact. What is even more impressive, this bill represents a $1 billion reduction—$970 million under the appropriation for last year. For years Federal farm programs have been the prime target of the critics of Government spending, so this achievement is most remarkable. The Senator from Florida deserves great commendation for bringing it about.

I believe that the Senator from Florida has done an outstanding job. I should like to say to the Senator from North Dakota [Mr. Young], the ranking minority member on the subcommittee, that he deserves great credit, too. The Senator from Florida has earned my undying gratitude also for the prudent way he has handled the special school milk program.

Mr. HOLLAND. Mr. President, first let me express my great appreciation to the Senator from Wisconsin for his remarks; also, for the distinguished Senator from North Dakota [Mr. Young] for the kind words in his behalf.

Mr. YOUNG of North Dakota. I thank the Senator from Wisconsin for his comments.

Mr. HOLLAND. We are glad to find that the distinguished advocate of economy in Government, the Senator from Wisconsin [Mr. Proxmire], has found our approach to this problem this year to be such that it can meet with his approval. We appreciate it very greatly.

Mr. PROXMIRE. I thank the Senator. I believe that this bill represents a great achievement. What the Senator from Florida has so accurately described in referring to the treatment of the school milk program in the bill will be of no real cost in my judgment to the taxpayers. That is because, we have a law which provides price supports for dairy products requiring the Government to buy surplus milk for the Commodity Credit Corporation at the present rock bottom support price. Since milk will be in surplus, it is clear that school milk purchases simply mean lesser CCC purchases. The fact is that in December, 1963, because of the limitation of the 1964 special school milk appropriation, the Secretary of Agriculture had to inform the top educational officials of many States that there must be a cutback in Federal support for the special school milk program. In light of this, the Senator from Florida as chairman of the subcommittee generously agreed to accept my proposal to increase this amount over what the House had agreed upon which was approximately $100 million to $106 million. This will not only help children improve their health with nutritious milk, and create the healthy milk drinking habit. It will not increase cost to the taxpayer.

It makes all the sense in the world. Instead of having this milk go into storage where it would be of no use to anyone it will go instead into the stomachs of hungry children. Only 1 percent of the schools in this country provide a program of milk for children whose parents cannot afford to pay for it. Ninety-nine percent of the schools do not provide it so that if this had not been restored by the Senator from Florida, it would mean that the poorer children whose parents felt they could not afford this milk, would be deprived of milk which would not cost the taxpayers anything additional. So I believe that what the Senator from Florida has done is compassionate, humane, logical, and sensible. I congratulate him, and I thank him very much, not only on behalf of my own State, but also on behalf of the children of this country.

Mr. HOLLAND. I appreciate those generous words. I am glad that the Senator has made his case so effectively and so eloquently in the Record. The whole country will now be able to read what the committee has been hearing from the Senator from Wisconsin as we conducted our hearings. I believe that he is entitled to major credit for the merited increase in this item.

Mr. NELSON. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. I am glad to yield to the Senator from Wisconsin.

Mr. NELSON. I should like to join in endorsing the remarks of my colleague from Wisconsin [Mr. Proxmire] and to commend him also for his efforts in behalf of the children of our country as well as the dairy farmers.

I commend the Senator from Florida, as chairman of the committee, for his constructive consideration of this matter.

Mr. HOLLAND. I thank the Senator from Wisconsin [Mr. Nelson] warmly. There was no difference of opinion in our subcommittee or in the full committee. Every Senator on both committees is equally entitled to credit. I believe particular credit should go to the Senator from Wisconsin [Mr. Proxmire] who effectively, frequently, and always ardently, was arguing for both the interests of the schoolchildren and the dairy industry. I believe it is clearly a saving of money which otherwise would be put into surplus dairy products, if this larger amount is not made available for consumption by children as whole milk.

USE OF SECTION 32

Mr. President, the committee is greatly concerned about the increasing tendency in recent years to use section 32 funds as a convenient mechanism for paying expenses of various programs of the Government without following the normal appropriation process. The section 32 authorization is designed to provide funds for surplus removal and to stabilize market prices for the perishable commodities. The Department and the Bureau of the Budget are reminded of this basic purpose, and this permanent appropriation should not be misused by continuance of these abuses. The shift of the financing of the special milk program from section 32 funds to a direct appropriation is in keeping with this admonition.

The committee also recommends a reduction in the amount of these funds which may be used for the pilot food stamp program from $45 million proposed by the House, to $35 million. The budget estimate had recommended the use of $51,125,000. The committee recommends this reduction because Congress is now approving legislation to place the food stamp program on a permanent basis, including an authorization for appropriations. Two years ago the committee expressed its view in opposition to use of section 32 as authority for and as the financing mechanism for the pilot stamp program. It is expected that upon enactment, the food stamp program will be placed on a full financing by direct appropriation and that the section 32 funds will be reimbursed by amounts used in fiscal 1965 prior to enactment of the pending legislation.

As I mentioned earlier, the committee does not recommend the full use of the $25 million limitation under section 32 for long-term, continuing research programs. However, the committee does recommend the use of $11 million of these funds for research in 1965.

This consists of $1 million for research on health-related problems of tobacco. The House proposed $1,500,000 for this purpose—although it was not budgeted—and indicated that this should be carried out in facilities at the University of Kentucky.

Since the principal problem area in this connection stems from Flue-cured tobacco, the committee directs that at least one-half of the $1 million be directed to and utilized in the Flue-cured producing area. That would be at the Government Experiment Station at Oxford, N.C. The committee also has directed the Department to make certain that it does not invade the province of medical research in connection with its intensified tobacco research investigations. That research would be handled by the Department of Health, Education, and Welfare, which is being well provided for, as I understand, in the regular appropriation bill for that Department.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. COOPER. I appreciate the work that the Senator from Florida [Mr. Holland], has done, as chairman of the Subcommittee on Agriculture of the Committee on Appropriations, in connection with the appropriation bill for the Department of Agriculture.

I have the pleasure of serving on the legislative Committee on Agriculture and Forestry with the Senator from Florida. I know his great interest in this field.

Kentucky may not be the largest State in agricultural production, but it is an agriculture State. Approximately half of the income of the people of Kentucky comes from agriculture.

We are the largest producers of burley tobacco. But agriculture in Kentucky is quite diversified. Kentucky is the third largest producer of cheese in the United States, following Wisconsin and New York. Kentucky has become quite a cattle State, although perhaps not as large a cattle State as the Senator's State of Florida.

The Senator from Florida has just spoken of the appropriation for research on tobacco, particularly as it may be connected with health.

Money has been appropriated from year to year for tobacco research. But since the statement of the Surgeon General of the United States with regard to smoking and health, there has been great interest throughout the country in the subject of research to determine more accurately what connection, if any, there is between smoking and various ailments such as cancer, heart disease, and others.

The subject is of great interest to the tobacco industry. I believe 21 States produce tobacco. Tobacco ranks fifth, in point of income, among the agricultural products of the United States. Tobacco furnishes more than $3 billion in taxes to our Government each year. It affects hundreds of thousands of farm families. It represents the largest source of agricultural income in my home State of Kentucky.

I am interested, and we are all interested, in doing all that is possible to determine more accurately the relationship of smoking to health. As the Senator from Florida [Mr. HOLLAND] noted, research will go forward on the medical phase. To the extent that the Government participates, it will be done by means of appropriations to the Department of Health, Education, and Welfare.

But it is also necessary in this field for research to be done with tobacco itself. The Surgeon General, testifying earlier this year at hearings conducted by the House Subcommittee on Tobacco, supported this kind of research.

Mr. President, I ask unanimous consent to have Dr. Terry's statement printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF DR. LUTHER L. TERRY, SURGEON GENERAL OF THE UNITED STATES, BEFORE THE SUBCOMMITTEE ON TOBACCO OF THE HOUSE COMMITTEE ON AGRICULTURE, JANUARY 29, 1964

Now with regard to research, which is much more appropriate to this hearing, this is our second major program category. Three kinds of research are called for:

1. First we need to know much more about the relationship of smoking to certain diseases as well as to overall mortality. Coronary artery disease, now the leading cause of death in this country, is a good example. The committee was unable to reach a firm conclusion as to the role smoking plays in causing or precipitating death from this disease. We need to find out for sure whether smoking is a factor in this disease or whether it should be exonerated.

2. Social and behavioral research is another important field. We need much more knowledge about why people start smoking, why they maintain this habit, how they can stop once started. We need to know more about the alleged beneficial effects of smoking. If such exist, we need to know how to measure them so that the benefit can be balanced against the hazard. This is one of our dilemmas in the smoking problem. In other areas—automobiles and traffic accidents, pesticides and insecticides—we can at least approximate a balance of benefit against risk. We cannot do this with smoking because we cannot at this time measure the benefit.

3. The third research category is how to make smoking safer. There are a number of approaches which are feasible and definitely need increased support.

We need to know much more about the substances in tobacco smoke which produce the health hazards. Until we know more in this area, we will be handicapped in our efforts to remove the hazard. It is difficult to design a method of removing something if you do not know what it is. For example, the known substances in tobacco smoke can account for only a small portion of its cancer-producing power. We have no real clues as to what it is in tobacco smoke that influences coronary artery disease—if indeed it does.

There would seem to be a fertile field for research such as that proposed in the resolution now before this committee. In this specific context, I am sure the committee will realize that I must speak with some caution and reservations since I am not an agricultural or horticultural expert.

I still feel nonetheless that I can wholeheartedly support additional research of the types which the resolution would authorize and direct. It is well known that strains of tobacco differ quite widely in various constituents. It is well known that the levels of some of these constituents influence the amount of hazardous or potentially hazardous substances in tobacco smoke. I would give a great deal to know whether the types of tobacco used for pipes and cigars have anything to do with the lesser hazards associated with these modes of tobacco use. If tobacco behaves as other vegetables, I am sure that the amount of some of its constituents will vary with the conditions of culture, soil, climate, fertilizer, and other agricultural practices.

This suggests, however, another area of research. Any vegetable material, when burned under the conditions prevailing when tobacco is smoked, will produce hazardous substances. Coal, oil, paper, even spinach, all produce benzo(a)pyrene, a potent cancer-producing substance, when burned. The efficiency of the combustion process makes a marked difference in the amount of this chemical in the smoke. As a matter of fact, most of the cancer-producing compounds identified in cigarette smoke are not present in the native tobacco leaf but are formed during the burning process.

These facts suggest that it will not be enough simply to develop better strains of tobacco and better methods of cultivation. We must also develop better methods of preventing the formation of these substances during the burning of tobacco, as well as of removing by filtration or other means the hazardous substances that are formed. Both of these areas are promising avenues for further development—and have the potential of making smoking safer.

It is well known that cigarettes can now be produced which yield quite low amounts of tars and nicotine, either by selection of the types of tobacco, by filters, or other means. It is relatively easy to measure this quantitatively. What isn't so well known, or so easy to measure, is the biological significance to man of the substances which do come through. Tobacco smoke is an exceedingly complex mixture of many different substances. It is not the amount of tars and nicotine removed that counts, it is the type and amount of hazardous substances that get into man that is important.

In summary, gentlemen, the actions which I have outlined have the common purpose of avoiding or minimizing the intake of hazardous substances by the American people. Action on many fronts is urgently needed. The Public Health Service intends to do what it can. This important and complex problem also calls for appropriate action by other Federal agencies, by State and local agencies, by nongovernmental organizations, and by the tobacco industry.

Mr. COOPER. Mr. President, the House proposed $1.5 million for tobacco research. The House directed in its report that this fund be used by the facility at the University of Kentucky, Lexington, Ky.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD that section of the House report which makes this recommendation. The chairman of the House subcommittee, Representative WHITTEN, who managed the bill in the House, made a similar statement in presenting this bill to the House of Representatives.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATEMENT OF HON. JAMIE L. WHITTEN, CHAIRMAN, HOUSE SUBCOMMITTEE ON APPROPRIATIONS FOR THE DEPARTMENT OF AGRICULTURE, IN THE HOUSE OF REPRESENTATIVES, MAY 19, 1964

THE TOBACCO PROBLEM

Tobacco has been a major agricultural commodity through the years. It is produced in 21 States and is the fifth largest income-producing crop to farmers. It is an $8 billion industry with growers receiving about $1.2 billion per year. It pays some $3.3 billion each year in taxes to our Federal, State, and local governments.

Due to the implications of the Surgeon General's report, it is essential that we find the answers through research. In this effort we must have the cooperation of the Department of Agriculture, the Department of Health, Education, and Welfare, and private industry, to determine the properties of tobacco which may affect the health of smokers and to develop means to eliminate any harmful substances found.

It is extremely important that this research begin immediately. The answers to this problem must be found just as rapidly as possible to prevent economic ruin for growers, substantial losses of revenue to the Federal and local governments, and possible injury to the public health.

The committee hearings disclose that the University of Kentucky has a Tobacco Research Laboratory built with $4.5 million of State funds which is now available and has been offered to the Department of Agriculture by university and State officials for such research. It is located adjacent to the new Medical Research Center at this university and is ideally situated for a coordinated agricultural-medical research problem of this nature. Accordingly, the committee has included $1,500,000 of section 32 funds in the bill for 1965 to enable the Department to immediately initiate tobacco research at this location in collaboration with the State university, State agencies, the Department of Health, Education, and Welfare and other public and private organizations which can contribute to a concerted approach to this urgent research need.

Mr. COOPER. Mr. President, I would also like to insert in the RECORD at this point the statement of the Governor of Kentucky, Governor Breathitt, and my own statement on this subject at the hearings held in January by the House Subcommittee on Tobacco. In addition, during the hearings of the House Appropriations Subcommittee, Congressman NATCHER of Kentucky, elicited a great deal of useful testimony as a member of that committee, and I would like to include in the RECORD his final statement at the close of those hearings.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

STATEMENT OF HON. EDWARD T. BREATHITT, GOVERNOR OF KENTUCKY, BEFORE HOUSE COMMITTEE ON AGRICULTURE, JANUARY 29, 1964

Governor BREATHITT. Thank you, Mr Chairman, Congressman COOLEY, and members of the Kentucky delegation and other distinguished Congressmen who are present at this hearing. I deeply appreciate this opportunity to be invited to speak in behalf of the resolutions of Congressman COOLEY and others in support of additional money for tobacco research.

It is a privilege to appear before you to discuss the importance of research in accomplishing maximum assurances of health in the use of tobacco.

Within the past few days I have discussed the contribution which the University of Kentucky at Lexington is ready and eager to make in an intensive investigation of the problem of tobacco and health. I talked with Dr. John W. Oswald, president of the university; Dr. William R. Willard, vice president for the medical center; and Dr. William A. Seay, dean of the College of Agriculture and Home Economics and director of the Kennedy Agricultural Experiment Station. I also talked with Beardsley Graham, president, Spindletop Research, which research center also is at Lexington and which cooperates closely with the University of Kentucky. All are vitally interested in tobacco research pertaining to health.

The university as a whole, and especially the medical center and the Agricultural Experiment Station with the National Tobacco Research Laboratory, stands ready to undertake expanded research on tobacco and health.

Our new $4.5 million Agricultural Research Center, which houses the National Tobacco Research Laboratory—a facility which received a doubling of its support to approximately $400,000 from Congress this year for which we are deeply grateful in the tobacco industry—is physically adjacent to the new $27.8 million university medical center, and Spindletop Research has recently occupied a new $4 million facility nearby—all of which have been built primarily by Kentucky money rather than by Federal funds. These institutions are ideally located for a completely integrated program of research on tobacco from the agronomic through the medical phases.

They are staffed by able scientists capable of taking hold of a research problem of this kind and pursuing it with ability and imagination. They are now working together in several areas of research, for example, in enzyme chemistry, in germ-free animal laboratory techniques, and in identification of tobacco smoke constituents. All these are pertinent to the effects of tobacco on health.

I should mention that it is the philosophy of President Oswald, who himself is a well-known scientist, from the University of California, that the total applicable resources of the university shall be brought to bear on each major problem regardless of college and departmental lines. University scientists in general chemistry, biochemistry, biology, or any other discipline would thus be brought into the study if it were felt that they could make a contribution to it. There is an intensification of graduate work in these lines at the present time.

What seems to be needed is identification of the compounds or constituents of smoke which are detrimental and should be controlled, including such matters as the possible buildup of radioactive materials in stored leaf. Research required for this identification needs to be done with the plant and its smoke by agricultural and chemical researchers, and with the effects of the smoke on animals by medical researchers. These two groups of researchers need to be in close cooperation.

Thus a completely integrated program of research from the agronomic and the medical standpoint is essential. The University of Kentucky, located as it is in an important tobacco-producing area, with the National Tobacco Research Laboratory adjacent to a medical center, and all these within a few miles of Spindletop Research, is in a unique position to carry out such a program.

Only yesterday, January 28, it was announced that the University of Kentucky Medical Center has been granted the sum of $784,805 from the Public Health Service to establish a center for the clinical study of human illness. For that we are also grateful, gentlemen.

Obviously the study of disease induced by smoking would be closely related to this soon-to-be-established center for the study of human illness.

May I here add my comment on what I conceive to be a responsibility of the utmost importance on the part of the Federal Government to support a greatly expanded program of research into the question of tobacco and health. Tobacco has great social and economic importance to our people and to the Government. It provides jobs, tax money, solace, and satisfaction. These must be protected.

We have noted a tendency in some quarters to begin seeking substitutes for tobacco in cigarette making. The report that has caused so much of present concern, "Smoking and Health," states that the products of burning when cigarettes are made of vegetable fibers other than tobacco have the same inherent properties of possible carcinogenic materials that are in the tobaccos presently being used. This avenue, therefore, is no way out of our dilemma. Since smoking of some form of materials will undoubtedly continue for a long while to come, it seems clear that Agriculture, and Health, Education, and Welfare, and all other agencies and departments concerned should join forces to do a thorough and objective job of finding out the facts and devising means of meeting them.

On the basis, therefore, of an outstanding background of successful experience into tobacco research, and of a desirable complex of agricultural, chemical, and medical research already in existence at Kentucky, and of a strong research program already underway in our National Tobacco Research Laboratory and at Spindletop Research, I would propose that a sizable appropriation be made annually to the University of Kentucky, to be used in intensive investigations into the relationship between tobacco smoking and health and the means of controlling or eliminating the injurious effects.

And not only to the University of Kentucky, but we feel that every possible support can be given to all other research facilities in this Nation, and in Congressman COOLEY'S State, and in the other States, and in the other institutes that can give research in this vital field. We feel that a crash program is important to resolve the problem that confronts the people today.

This is a program that should be started at once and scheduled on a crash basis. I assure you that we are ready for it and believe that the use of the facilities I have described will hasten the day when people may smoke with maximum assurance of health.

I pledge the cooperation of all departments of the University of Kentucky and of all agencies of the Commonwealth of Kentucky in making this research successful.

Mr. Chairman and members of the subcommittee, I appreciate this opportunity to make this statement and the recommendations I have included.

I pledge our support in the overall research program to the members of this committee, the Members of Congress, and to industry toward the overall solving of this problem, in addition to those facilities which we have available and which we desire and hope to be the recipient of additional funds, so that we can accelerate our crash program.

I thank you.

Do you prefer to hear from our commissioner of agriculture while he is here with us now? He has a very short statement.

Mr. ABBITT. I want to thank you for your splendid statement, Governor. I appreciate your being here.

Chairman COOLEY. Let me ask the Governor one question. I want to congratulate and commend you upon your fine statement. Specifically, do you not regard these problems that we are talking about as national problems and not ones which only concerns Kentucky and the tobacco States?

Governor BREATHITT. Yes, sir.

Chairman COOLEY. Problems which concern all areas of the country?

Governor BREATHITT. I agree with that.

Chairman COOLEY. The reason that I brought that out is that someone has suggested that it is something which Mr. COOLEY has started because of our interest in our own district.

Governor BREATHITT. I think that it is of concern in every State in the Union.

Chairman COOLEY. It is now a national problem?

Governor BREATHITT. I agree with you, Congressman COOLEY.

Chairman COOLEY. Thank you.

Mr. STUBBLEFIELD. Governor Breathitt, is it not true that during the last session of the legislature, the State appropriated a million dollars for building a tobacco research center?

Governor BREATHITT. It is true, Congressman STUBBLEFIELD.

Mr. Chairman, with your permission, we have brought exhibits showing the facilities which we have built with State funds, and also with the appropriations which you have been so gracious to grant us, for a national tobacco research center. And I would ask that these be presented to the committee. You will notice that on these pictures there is the new medical building, the $27.5 million medical center, immediately adjacent to the National Tobacco Research Institute. And directly behind them you will see the greenhouses.

We have the dean of the college of agriculture available for any questions which any of you might ask concerning these facilities.

STATEMENT OF HON. JOHN SHERMAN COOPER, SENATOR FROM KENTUCKY, BEFORE HOUSE COMMITTEE ON AGRICULTURE, JANUARY 31, 1964

I appreciate the opportunity to support the proposals to increase efforts in tobacco research.

I have carefully studied the recent report of the Surgeon General's Advisory Committee, and it must be given serious consideration because it concerns the health of our citizens. Coming from a State which is the largest producer of burley tobacco, and in which tobacco production accounts for 40 percent of the State's agricultural income, I am, of course, also concerned about the effect which the report might have on the tobacco industry.

Immediately after the report was released, I read articles and heard news reports stating that the report concluded that filters were not effective in lessening the dangers to cigarette smokers. I wrote to Surgeon General General Terry to inquire about this because it was my conclusion from reading the report that the Committee did not make a judgment on this matter.

I would like to insert into the record today the exchange of correspondence between Mr. Terry and myself in which he states in part, "The Committee felt that the development of better filters or more selective filters is a promising avenue for further development." I notice that in Mr. Terry's statement before your committee earlier this week he again stressed this point by stating, "We must also develop better methods of preventing the formation of these substances during the burning of tobacco, as well as of removing by filtration or other means the hazardous substances that are formed. Both of these areas are promising avenues for further development—and have the potential of making smoking safer."

It is the opinion of the Surgeon General, the American Medical Association, and numerous other groups which have studied this question, that there is a great need for further research on the question of smoking and health. The report left many unanswered questions.

You heard the excellent statement of Governor Breathitt of Kentucky on Wednesday of this week, and today that of Congressman NATCHER whose constructive work for expanded research you know. I would like to call to your attention again briefly the facilities which are located in Kentucky which are already able to undertake new research. The University of Kentucky recently completed its new agricultural research center, which includes the National Tobacco Research Laboratory. Next to this is located the new University Medical Center, and nearby is the Spindletop Research Center—all of which have the capability and the desire to be a part of an expanding tobacco research program. It is the aim of Dr. Oswald, the new president of the university, to coordinate the university's resources in areas which would benefit from such combined contributions, and it seems to me that this is one area of study which could benefit greatly from the combined research efforts of the National Tobacco Research Laboratory, the University of Kentucky Medical Center, and the Spindletop Research Laboratory.

I would like to speak upon one other matter briefly, although it is not specifically before you today, and this is with regard to the tobacco price support program. I believe most of us recognize that the program has been sound economically. It has brought fair prices to growers, the quality of tobacco has been emphasized, and the program has operated without any substantial loss to the taxpayer. Although it has not been mentioned widely, I know there have been proposals made to end the price support program because of the recent report. To do so would result in unrestricted production of cheap tobacco, disastrous prices for farmers, loss of marketing controls, and the end of Government supervision of tobacco quality through official grading of tobacco, and be of no help either to the economy of the tobacco States or in relation to the health report.

I mention this in relation to the proposals to increase research on the issue of smoking and health, because increased research is important for the continued well-being of one of our most successful farm programs, as well as in the interest of the health of our people and in the economy of many of our States.

STATEMENT OF HON. WILLIAM H. NATCHER, REPRESENTATIVE FROM KENTUCKY AND MEMBER OF THE HOUSE COMMITTEE ON APPROPRIATIONS, BEFORE THE COMMITTEE, MARCH 19, 1964

Mr. NATCHER. Mr. Chairman, we now have available in Kentucky adequate facilities for an expanded program for tobacco research.

In 1960, the Legislature of the Commonwealth of Kentucky first appropriated $1 million for an agricultural research building, and later this amount was increased until the total cost of the building amounted to $4½ million. This is a large four-story building with thousands of feet of floorspace now available for such a program. With this research facility which was dedicated in December of 1963, we have the necessary headhouse and hothouses used in conjunction with such research facilities. In the immediate vicinity, only a city block away and on the same campus, is located a large $11 million medical research facility. These facilities are under the control and operation of the University of Kentucky and are now available to accommodate such a program of research for tobacco. This agricultural research facility has received from the Federal Government annual appropriations for use in carrying on a tobacco research program with part of the funds used in constructing the headhouse and hothouses now available.

The State of Kentucky is the second largest producer of tobacco in the 21 producing States. Tobacco is of great concern to the Commonwealth of Kentucky and our people at the University of Kentucky are offering the facilities now in existence for an expanded program in tobacco research which will include studies of the factors which may be detrimental to health. Only recently I have received the following telegram from Dr. John W. Oswald, president of the University of Kentucky:

"WILLIAM H. NATCHER,
"House of Representatives,
"Washington, D.C.:

"The University of Kentucky is prepared and anxious to expand significantly its research program on tobacco in an effort to help solve problems connected with smoking and health. It is also preparing for prompt activation of the first coordinated program in this country in agricultural and health sciences in solving these problems. The agricultural sciences research center together with the facilities in the new chemistry and physics building could make space available immediately to undertake an expanded agricultural and chemical research program of $1½ million per annual of operating money. At the same time the medical center which is adjacent to the agricultural science center could make space available immediately to undertake a research program on medical phases of the problem. On a half million dollars operating money per annum staff in the college of medicine will be engaged in the kind of medical research which is closely connected and coordinated with the agricultural and chemical research. The university has developed an advisory committee reporting directly to the president of the university composed of faculty from all appropriate areas to insure coordination of all research programs at the university which will be connected in any way with the objectives of this program.

"JOHN W. OSWALD,
"President, University of Kentucky."

Mr. Chairman, the testimony presented to our committee during the hearings this year clearly indicates the necessity of an expanded program of research for tobacco. The situation today demands that, in an expanded research program for tobacco, we include studies of the factors which may be detrimental to health and ascertain as soon as possible those quality factors and other characteristics which will preserve the desirable characteristics of tobacco and eliminate any factors which may be detrimental to health. If tobacco is harmful to the health of our people then, Mr. Chairman, we should do something about it now. The consumer, and as you know there are millions of them, must be protected. As you have stated and others who have appeared before our committee, tobacco is an $8 billion industry which pays into our Federal, State, and local governments $3,300 million a year in taxes. The amount received by the producer for tobacco is the fifth largest amount received from any agricultural commodity.

To meet the present-day requirements we must immediately use existing Federal and State facilities and, if necessary, enter into contracts for additional tobacco research at any other facilities available. Time is of the essence and, Mr. Chairman, we should move now.

Research in the chemistry and physiology of tobacco has increased tremendously in recent years, but we must have more research underway at the present time. The study of the chemical constituents of tobacco of all types must be continued and expanded. There is a need for fundamental knowledge in biochemistry, enzyme reactions and the pathways of synthesis of tobacco constituents. Once the pathways of the synthesis of alkaloids have been elucidated the plant breeder may use this knowledge in his program to develop a more desirable plant. New varieties of tobacco resistant to the major diseases must be developed. One of the most urgent needs in all types of tobacco is improvement of quality. Fundamental studies of the uptake and utilization of nutrient elements need to be expanded. The quality of tobacco of all types is dependent to a great extent on the chemical changes that occur during senescence of the plant. Because of the implications to the health of the consumer from the use of tobacco with insecticidal residues, there is a continuing and urgent need for safer and yet more effective methods of control of insect pects of tobacco. We must also know more about the effect of the methods of application of insecticides on time of application before harvest. We need to know more about the substances in tobacco smoke which might produce health hazards. We must further know more about the burning process of tobacco. Mr. Chairman, all of these important additions to tobacco research have been urged by a number of witnesses during the hearings.

Our people at the University of Kentucky have the facilities and are ready, under the direction of the Department of Agriculture, to join forces with the Department of Health, Education, and Welfare, private industry, or any other organization or group anywhere in the United States, to bring about an adequate research program for tobacco which will protect the consumer of this country and preserve the large tobacco industry of this Nation.

Mr. Chairman, I recommend that the Congress appropriate $2 million to be used in an expanded program for tobacco at existing facilities, including those now available at the University of Kentucky in Lexington, Ky. As we go along in this program, additional funds can be appropriated, if necessary, to be used at other places equipped to join with us in this program which is so vital to our people today.

Mr. COOPER. Mr. President, I am happy to note that the two Senators from North Carolina are present in the Chamber. What I shall propose has nothing to do with any conflict between the State of Kentucky and the State of North Carolina so far as the item for tobacco research is concerned.

I do point out that in addition to the problem of the necessity of appropriating funds for tobacco research, there is the question of the availability of facilities.

I have read the record with respect to the questions which the distinguished chariman asked regarding the availability of facilities. The record shows that there are good facilities in North Carolina—I believe at Oxford—although they may need restoration.

In 1957 Representative NATCHER, of Kentucky, began to point out the necessity of expanded tobacco research. At that time, of course, it was not anticipated that there would be the problems connected with health that have since arisen. As a result very largely of his efforts and interests, the State of Kentucky, unlike many States which come to Congress and ask the Federal Government to provide research facilities, built the facilities and spent $4.5 million in providing the facility at the University of Kentucky at Lexington, Ky. In addition, the State has appropriated the necessary funds to equip the facilities and provide a very able staff.

Since that facility is available, and because it is located at the University of Kentucky, where there is a medical school—one of the most modern in the United States and with new research facilities—the committee and the House recommended that the $1.5 million be made available to the University of Kentucky.

I noticed, too, that the chairman, in questioning the representatives of the Department of Agriculture, asked their advice upon the manner in which the funds to be appropriated for tobacco research should be allocated. Dr. Nyle C. Brady, the Director of Science and Education for the Department of Agriculture, and, I believe Dr. H. A. Rodenhiser, Administrator for Farm Research, responding to the chairman's questioning, said that they would consider that, roughly, the amount should be distributed on a 50–50 basis.

Referring to page 1393 of the hearings, I point out that the chairman asked if the Department would submit a statement on the question of the division in placement of the work between the two stations. That was done.

At this point I ask to have printed in the RECORD the response of the representatives of the Department of Agriculture, which will be found on pages 1394 and 1395 of the hearings under the heading "Research on health-related problems of tobacco."

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

RESEARCH ON HEALTH-RELATED PROBLEMS OF TOBACCO

Health-related tobacco research may be classified in three general categories: (1) Production research, (2) marketing and utilization research, and (3) medical research. The Department of Agriculture has the responsibility for research in the first two categories, while that in the third category is supported by the Department of Health, Education, and Welfare.

Personnel in production research would be largely biological scientists concerned with those elements of tobacco production which help assure a quality product. Included would be geneticists and plant breeders, agronomists, plant physiologists, plant pathologists, entomologists, biochemists, and agricultural engineers.

Marketing and utilization research would require physical as well as biological scientists and would include chemists, biochemists, physicists, and chemical and processing engineers. They would evaluate the effects of marketing and processing practices on the quality of the tobacco and would characterize constituents in the product and the smoke derived therefrom.

Medical research would be done by scientists in the various fields of medicine. They would evaluate the effects of tobacco products on human health and would identify the constituents responsible for these effects.

Production research must of necessity be done in the regions where the crop is being grown. Thus, production research on burley tobacco must be carried out where this type is grown, and work on Flue-cured tobacco must be done in Flue-cured belt. It is suggested that at least half of the production research effort should be devoted to Flue-cured tobacco.

Utilization and medical research is done mostly under laboratory or clinical conditions. Thus, the location of facilities to do these types of research need not be associated necessarily with the production areas of given types of tobacco. There are some marked advantages, however, of having maximum coordination between utilization and medical research efforts. This can be accomplished most easily if the research in these two fields is done in close proximity.

In response to the House report on the agricultural appropriation bill for fiscal 1965, scientists from the Department of Agriculture and Health, Education, and Welfare have visited the University of Kentucky. They were impressed with the facilities and staff at that institution available for both agricultural and medical research. The advantages of a jointly sponsored tobacco research program were noted and are being explored further by scientists in our two Departments.

At the present time, no determination has been made of the extent of participation of Health, Education, and Welfare in support of medical research at the University of Kentucky. Until this determination is made it is not possible to suggest an allocation of funds for agricultural research on tobacco at locations other than the University of Kentucky.

Mr. COOPER. Mr. President, that statement speaks for itself. The response points out what the chairman indicated a few moments ago. The question of research and utilization of tobacco, as distinguished from the production of tobacco, is necessary in connection with medical research efforts.

The Department stated:

> This can be accomplished most easily if the research in these two fields is done in close proximity.

I read on:

> In response to the House report on the agricultural appropriation bill for fiscal 1965, scientists from the Departments of Agriculture and Health, Education, and Welfare have visited the University of Kentucky. They were impressed with the facilities and staff at that institution available for both agricultural and medical research. The advantages of a jointly sponsored tobacco research program were noted and are being explored further by scientists in our two Departments.
>
> At the present time, no determination has been made of the extent of participation of Health, Education, and Welfare in support of medical research at the University of Kentucky.

I now emphasize the last sentence:

> Until this determination is made it is not possible to suggest an allocation of funds for agricultural research on tobacco at locations other than the University of Kentucky.

That concludes the statement of the Department of Agriculture.

The statement of the Department of Agriculture—particularly that last statement in response to the questions of the chairman—would indicate that the money should be allocated to the University of Kentucky.

Reading the record, I can understand how the committee may have come to its decision to allocate this sum equally. However, I believe that when the Department of Health, Education, and Welfare makes its determination as to what public funds it will recommend for medical research connected with the utilization of tobacco, its report as to the proper facilities to be used will have great weight.

I repeat again that for 7 or 8 years the University of Kentucky has been establishing the facility to which I have referred. The State of Kentucky has built a tobacco research facility and has provided equipment. It has a staff. It needs further equipment, which the appropriation would provide. In view of the fact that the House voted $1.5 million; in view of the fact that it is important, as we all agree, that the research should go forward as quickly as possible, in view of the fact that at the University of Kentucky we have a facility which can proceed immediately.

I ask the members of the Committee on Agriculture—and I am not a member of the Committee on Appropriations for this particular purpose—if they would not consider an amendment in which my colleague from Kentucky [Mr. MORTON]—and, I hope, the Senators from North Carolina [Mr. ERVIN and Mr. JORDAN] would join—to appropriate the full sum of $1.5 million.

This is a very important subject, for it involves research into the effects of smoking upon health. It is of interest to the entire country. The Senator from Oregon [Mrs. NEUBERGER] is very much interested in it. She has been talking about it for years. She is one of those who went before the committee of the House and asked that a tobacco research laboratory be established and that a special and expanded program of research be undertaken. I hope that the chairman will favorably consider our request.

Mr. HOLLAND. I appreciate the kind remarks of the Senator from Kentucky. I can well understand his concern about the tobacco problem. It is a very great product of his State. His State is noted for the production of beautiful women, speedy race horses, and one other product which is a byproduct of agriculture, as well as tobacco. Mostly burley tobacco, however——

Mr. COOPER. Someone has said that we produce all the necessities of life.

Mr. HOLLAND. I will not object to anything that the Senator says in that regard, because he represents a great State and he represents it well.

The committee has been very much disturbed about the problems of tobacco. If anything, we have felt that those problems have a closer impact on the Flue-cured tobacco industry than on any other part of that varied industry, because that is the principal product that goes into cigarettes. That seems to be the subject of most of the adverse comments. We felt that anything we began on the program should be divided between the burley country, of which Kentucky and Tennessee are the principal producers and the Flue-cured areas, of which Virginia, North Carolina, South Carolina, Georgia, and Florida are the principal producers.

However, there were many problems in connection with this subject. The item was not budgeted.

Mr. COOPER. I understand.

Mr. HOLLAND. The House committee, on which the Senator's State is so ably represented by the distinguished Representative whom he has mentioned, Mr. NATCHER, started the item with $1.5 million, drawn more or less out of thin air, but based upon the knowledge that all of us have of the critical situation in which tobacco is now placed, and suggested that the entire program be carried on in the very fine facilities of the University of Kentucky.

We felt that we would be only inviting a fight, and a very justifiable fight, if we tried to put in a nonbudgeted item of the size left in the bill—$1.5 million—to start the program if we did not show some understanding of the fact that those engaged in the production of Flue-cured tobacco are vitally interested, and perhaps more anxious about the situation than any others.

I am perfectly willing to be openminded on the question in conference. I should not like to accept an amendment because there are not enough members of the committee present to justify me in so doing. I am perfectly willing to be openminded on every aspect of the problem.

For the RECORD I wish to say that this is an illustration of what happens when unbudgeted items are taken up. If there had been budget recommendations, there would have been a dovetailing of the Department of Health, Education, and Welfare program with the agricultural part of the program, which would have made sense, and we could have acted in a constructive way.

There were no budget recommendations in either of these fields. We are doing the best we can, treating the subject rather generously. We have approached the problem in a way that will bring about no great criticism, and certainly no controversy or fight from either side. I think there will be none.

Mr. COOPER. The Senator is correct when he says that this item is unbudgeted. That item arose because of the report that came from the Surgeon General.

Mr. HOLLAND. The item will be in conference with the full amount of $1.5 million. Perhaps we can get some specific advice from the Budget Bureau or from the Department itself. We had too little in order to deal with this matter in a way completely satisfactory. We have suggested what seems to be the wisest approach.

Mr. ERVIN. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield to my friend the distinguished senior Senator from North Carolina.

Mr. ERVIN. I say to my friends from Kentucky that North Carolina has a very substantial stake. The most substantial stake, as the Senator from Florida pointed out, is in Flue-cured tobacco. North Carolina, however, has a very substantial stake in burley tobacco, because burley tobacco is grown in most of the mountain counties in North Carolina, and it is the only money crop of the people in those areas who grow it. So, like Kentucky, we are interested in burley tobacco, and we also have a tremendous stake in Flue-cured tobacco, because North Carolina farmers depend for half of their total income on Flue-cured tobacco.

I wish to express to the Senator from Florida and the other members of the Appropriations Committee my gratitude and the gratitude of North Carolina for retaining at least two-thirds of the appropriation in the bill, notwithstanding that it was not budgeted, and also recommending that it be made available, half to the University of Kentucky and half to North Carolina, for research, not only on burley but also Flue-cured tobacco.

In common with the Senators from Kentucky, my colleague [Mr. JORDAN] and I have been much concerned by what we consider to be, in many respects, an absolutely unjustified attack on the tobacco industry. This industry not only brings a livelihood to hundreds of thousands of people, both on the farm and in the factory, as well as those who sell tobacco products, but it brings according to my recollection, $3.5 billion in excise taxes alone to the Federal, State, and local treasuries.

My colleague, the Senator from North Carolina [Mr. JORDAN], and I, on two occasions, visited the President in recent days and asked the President to urge inclusion in the budget for the next fiscal year of substantial amounts for tobacco research.

Senators from Kentucky, North Carolina, and other States that have such a great economic interest in this matter should make common cause, as we have done on other occasions, to see if we cannot get a substantial appropriation for tobacco research in all areas in the next fiscal year.

An industry which pays $2 billion or more in excise taxes into the Federal treasury is justified in having substantial research in order to overcome the objections of the Surgeon General's committee and other objections to the use of tobacco manufactured for cigarettes.

I thank the committee for its action in recommending the allocation of funds for research into the two types of tobacco. There are fine research facilities in Lexington, at the University of Kentucky, and also at Oxford. I think our cause is a common one. We really have no divergent interests in this matter.

I thank the Senator again for what he did in committee and what he is doing on the floor in this connection.

Mr. HOLLAND. For myself and for all other members of the committee, because there was no difference of opinion in the decision that these problems should be attacked, even though the matter was not budgeted, and we should make a beginning and a substantial one, I thank the Senator for his kind comments.

Mr. JORDAN of North Carolina. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield to the distinguished Senator from North Carolina.

Mr. JORDAN of North Carolina. I join my distinguished colleague from North Carolina in the remarks he has made about tobacco, not only Flue-cured but burley tobacco, because it is a common cause, as he has pointed out. In the mountain counties of the western part of North Carolina, as the Senator from Kentucky and the Senator from Florida know, burley tobacco is grown on many small farms. It is planted on slopes where no other crops can be planted. So this matter relates to problems that face both burley and Flue-cured tobacco growers.

I am sure we have no objection to getting a million and a half dollars for research, so long as it is divided 50-50. We do not want it divided as the jackrabbit and the horse are divided 50-50—one horse and one jackrabbit.

This amount is justified because, as has been pointed out, and so far as I know, practically all the health hazards that have been blamed on smoking have been directed to cigarettes. North Carolina produces more Flue-cured tobacco than the rest of the States put together. Not only does it involve an economic problem for North Carolina, but it has a great many other effects on our State's economy as well as its social life.

To go back to the research station at Oxford, the record of the hearings shows that the research station at Oxford is the oldest research station in the world. That goes back a long time. It takes in the whole world. It has not had the money to do the job it should be able to do. Of course, the question of health hazards has been brought to the forefront in the last 2 or 3 years, particularly this year, more so than ever before; but the research laboratory at Oxford has devoted time and attention to breeding tobacco. Up to now the faults that have been laid to tobacco have not been proved to be true. It is asserted that nicotine is bad. Our State colleges have done extensive research on tobacco. They have learned through research and development that tobacco with less nicotine in it can be grown.

The same thing is true with regard to tars. Much stress is laid on tars as being dangerous to health. We do not know that they are but it is asserted that they are. Our State has spent a tremendous amount of money in research in that field.

I feel very strongly that, since the finger of suspicion has been pointed largely at tobacco used in cigarettes, and since more than half of the Flue-cured tobacco grown is grown in North Carolina, it should have more money for research. If the Senator can persuade the conferees to grant $1.5 million, and we are given half of it, we will not quarrel with it. I believe we can use it very wisely.

Mr. HOLLAND. The conferees from both Houses will be striving to find out how much can be appropriately used this year, and where and what way it can be used to best advantage. I am sorry that we did not have a full budget examination and recommendations on both the Agriculture Department's interest in this particular matter and its part in any research to be undertaken by the Department of Health, Education, and Welfare. It illustrates how helpful it is and how much in the cause of real economy it is to have real studies made and then have the results incorporated in and represented in the agency budget requests.

Mr. MORTON. Mr. President, will the Senator yield?

Mr. HOLLAND. I am glad to yield to the distinguished junior Senator from Kentucky.

Mr. MORTON. I appreciate what has been done by him and his committee. This is not a question, as I see it, of burley versus Flue-cured or Kentucky versus North Carolina tobacco. We are faced with an emergency. Research is required. I should like to read a few pertinent paragraphs from the House report, which was submitted by Mr. WHITTEN, of the Committee on Appropriations, at page 6:

> THE TOBACCO PROBLEM
>
> Tobacco has been a major agricultural commodity through the years. It is produced in 21 States and is the fifth largest income-producing crop to farmers. It is an $8 billion industry with growers receiving about $1.2 billion per year. It pays some $3.3 billion each year in taxes to our Federal, State, and local governments.
>
> Due to the implications of the Surgeon General's report, it is essential that we find the answers through research. In this effort we must have the cooperation of the Department of Agriculture, the Department of Health, Education, and Welfare, and private industry, to determine the properties of tobacco which may affect the health of smokers and to develop means to eliminate any harmful substances found.
>
> It is extremely important that this research begin immediately. The answers to this problem must be found just as rapidly as possible to prevent economic ruin for growers, substantial losses of revenue to the Federal and local governments, and possible injury to the public health.
>
> The committee hearings disclose that the University of Kentucky has a Tobacco Research Laboratory built with $4.5 million of State funds which is now available and has been offered to the Department of Agriculture by university and State officials for such research. It is located adjacent to the new medical research center at this university and is ideally situated for a coordinated agricultural-medical research problem of this nature. Accordingly, the committee has included $1,500,000 of section 32 funds in the bill for 1965 to enable the Department to immediately initiate tobacco research at this location in collaboration with the State university, State agencies, the Department of Health, Education, and Welfare and other public and private organizations which can contribute to a concerted approach to this urgent research need.

I appreciate what the Senator from Florida has done and what his committee has done. We must move on this matter. I point out that we have this modern research facility, built with State funds, which started a few years ago. The facility has now been dedicated. It started with a $1 million appropriation by the State Legislature of Kentucky. It went up to $4½ million. It is there. I trust that we shall solve the problem for burley and Flue-cured tobacco. We are as anxious as North Carolina to solve the problem.

I appreciate the courtesy of the Senator from Florida.

Mr. HOLLAND. I thank the Senator. It is quite a problem. A complete program must be worked out. There are two Government departments involved. There are two stations, one a State station, and the other a Federal station. The Federal station is an old station which has been doing this work in a satisfactory way, with a limited staff. The State station consists of probably the best group of buildings that has been accumulated for this work. There are two industries; the great center of one is in Kentucky, and the great center of the other is on the Atlantic seaboard, North Carolina being one of five or six of the principal States involved in tobacco production.

The committee, while not trying to be a Solomon, has tried to start this program on a basis on which it will not be seriously questioned, so that we can come forth with a program that will be moving. I believe it will be equally beneficial to all concerned if we can get it moving. It is highly necessitous that we get the program moving. I am sure all will agree that the committee has approached the problem in an attempt to reach the desired objectives and to do the best possible job in connection with it.

Mr. JORDAN of North Carolina. Mr. President, will the Senator yield further?

Mr. HOLLAND. I yield.

Mr. JORDAN of North Carolina. I note that in addition to the tobacco problem, with which the Senator's committee has dealt with so well, the report also speaks of accelerated research on the sucker control problem.

Mr. HOLLAND. I am sure that the sucker problem has given many headaches to Senators from tobacco-producing States.

Mr. JORDAN of North Carolina. I am delighted that the Senator has included that item. The whole committee has done a marvelous job in working out these appropriations. I especially wish to say to the two distinguished Senators from Kentucky that I appreciate their cooperation. This is a cooperative undertaking. Both tobaccos are in trouble. From the standpoint of the average person, tobacco is tobacco. He does not know the difference between burley and Flue-cured tobacco. He does know when it comes to a little Turkish tobacco.

Mr. HOLLAND. I believe there was a a letter received from the distinguished Senators from Maryland, where a slightly different kind of tobacco is raised.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. COOPER. I had intended to propose an amendment for myself, and for my colleague from Kentucky [Mr. MORTON], in which our two colleagues from North Carolina [Mr. ERVIN and Mr. JORDAN] have also expressed a desire to join, asking that the appropriation be increased from $1 to $1.5 million for tobacco research. The amendment reads:

> On page 20, line 3, strike out "$11 million" and insert in lieu thereof "$11.5 million."

I understand the Senator to say now that his mind is open on this subject, and then when he goes to conference he will consider the possibility and necessity of increasing the amount contained in the Senate bill for tobacco research. I believe the Senator said that a few moments ago.

Mr. HOLLAND. I am sure that I speak for both myself and the distinguished Senator from North Dakota [Mr. YOUNG] who will be on the conference committee. I shall be on that committee. We have no prejudice whatever in this matter. We wish to approach this problem in a way that will be most effective. We are trying to find a program which will deal effectively with this bad problem. I believe the Senator will find that we are not adamant in any way.

I yield to the distinguished Senator from North Dakota, whom I see on his feet.

Mr. YOUNG of North Dakota. I believe this would be the best way of handling it. If nothing is added, we shall have adequate leeway in conference. The conferees on the Senate side will look with considerable favor on a proposal of this kind.

Mr. COOPER. I thank the Senator from Florida and the Senator from North Dakota.

Mr. JORDAN of North Carolina. Will the Senator yield once more?

Mr. HOLLAND. I am glad to yield to my distinguished friend from North Carolina.

Mr. JORDAN of North Carolina. Would the Senator from Florida agree to have a copy of the letter which appears in the report of the hearings included in the RECORD at this point?

Mr. HOLLAND. Yes. I would also agree to a similar showing from the Senators from Kentucky, if they wish, as well as from the Senators from Maryland. Such a letter is also included in the printed hearings.

Mr. JORDAN of North Carolina. Mr. President, I ask that the letter and statement which begin at page 1385 and run through to the top of page 1388 of the hearings be printed in the RECORD at this point.

There being no objection, the letter and statement were ordered to be printed in the RECORD, as follows:

> U.S. SENATE,
> *Washington, D.C., July 16, 1964.*
>
> Hon. SPESSARD L. HOLLAND,
> *Chairman, Subcommittee on Agriculture Appropriations, Senate Committee on Appropriations.*
>
> DEAR MR. CHAIRMAN: We are sure you share the concern of the tobacco growers and the entire tobacco industry concerning research on pesticides and medical health. We have carefully reviewed the action taken by the House of Representatives and the version of the agriculture appropriations bill passed by the House to provide funds for research on burley tobacco.
>
> While burley tobacco is important, most of the concern as to the health factors affecting tobacco is related to Flue-cured tobacco used in cigarettes. Such Flue-cured tobacco constitutes approximately 65 percent of the tobacco grown in the United States.
>
> In view of this fact, we request that the Senate committee include a provision in the agriculture appropriations bill whereby a proportionate share of the funds for tobacco research would be allocated to research on Flue-cured tobacco.
>
> In connection with the long-range research program on tobacco, both with regard to pesticides and the health factors, we have a tobacco research station at Oxford, N.C. During fiscal year 1964, the Department of Agriculture made funds available to this station in the amount of $299,300. This station, like many other research stations, needs

modernization and renovation in order to carry out an effective tobacco research program.

There is attached a statement showing the modest program of research at Oxford, N.C., together with estimates of needs for renovation of this facility which would enable it to expand its present research program.

We urge that an appropriation be included in the agriculture appropriations bill to provide for adequate funds to enable a continuation of the research program the tobacco research station at Oxford, N.C., is conducting on pesticides and health factors as they relate to Flue-cured tobacco.

With all kinds wishes, I am,

Sincerely yours,

SAM J. ERVIN, JR.
B. EVERETT JORDAN.

STATEMENT OF PRESENT AND PROPOSED TOBACCO RESEARCH AT OXFORD, N.C.

The tobacco research station at Oxford, N.C., is one of the oldest research stations in the world devoted primarily to tobacco research. The present investigations on breeding, fertilizers, curing, and cultural practices are the programs on which a worldwide reputation was established. Significant accomplishments have been the discovery of new knowledge on plant nutrition requirements, the development of varieties resistant to the prevalent disease, and new information on curing procedures to maximize the quality potential present in leaf at harvest.

Funds available under regular appropriations in fiscal year 1964 for direct research on tobacco at Oxford amount to approximately $299,300 and are distributed as follows:

	1964 funds available	Professional man-years
Oxford:		
Crops research	$181,000	7.0
Entomology research	55,000	3.0
Agricultural engineering research	42,300	1.8
Subtotal	278,300	11.8
Funds allocated to agricultural engineering research at Blacksburg, Va., but used at Oxford through detail of engineering personnel	21,000	
Total funds available at Oxford, N.C	299,300	11.8

In addition to the regular funds available, nonrecurring funds of $235,500 are available in 1964 by transfers from CCC funds for research on tobacco. Of this amount $93,500 is allocated for research contracts.

The $181,000 available for crops research includes an increase of $123,200 at location level, provided in fiscal year 1964 to accelerate research effort at Oxford, emphasizing the production of high-quality leaf. During the interim of hiring, part of this increase is being used to provide equipment and headhouse-greenhouse space to provide for more effective research. Research will be conducted on the identification of quality factors in the growing plant as related to cured leaf quality, placing primary importance on constituents which may be hazardous to health. Techniques will be developed to study the physiology and biochemistry of the tobacco plant from seedling to cured leaf, and means developed to enhance those characteristics which are desirable and remove or reduce those which are undesirable. New varieties and cultural practices will be developed to facilitate the production of tobacco safe to smoke.

Because the recent report by the Surgeon General implicates cigarette smoking as a health hazard, new and different needs for research at the Oxford Tobacco Research Station are brought into focus. The new research would include studies on (1) the biogenesis, biosynthesis, and nature of inheritance of compounds which may be hazardous to health; (2) effective means to reduce or eliminate hazardous compounds through breeding or changed cultural practices; (3) the physiology and biochemistry of the tobacco plant as influenced by modifications in cultural practices; (4) the chemical composition and physical properties of cured leaf as influenced by different production and curing practices. Such new and expanded crops research programs are feasible and their scope would depend upon the magnitude of additional support.

The $55,000 available at Oxford in fiscal year 1964 for research on control of tobacco insects continues this program at the same level as in 1963. In addition, $150,500, a portion of the funds available in fiscal year 1964 by nonrecurring transfers from CCC funds will be used to obtain equipment ($57,000) and for research contracts ($93,500) to support research on methods of rearing or collecting large numbers of tobacco hornworms and budworms.

A program increase of $30,000 under the 1965 budget increase of $1,500,000 for research on pesticide residue hazards is planned for research to be conducted at Oxford on sterility methods and attractants for tobacco insects.

The principal program at Oxford on insect control is a joint entomology and agricultural engineering effort concerned with black light traps. At present, major entomological research emphasis is aimed at developing effective methods of controlling tobacco insects that will avoid insecticide residues on the harvested leaf. Black light traps are being investigated for tobacco hornworn control. Stalk cutting, a cultural practice which reduced late season breeding of hornworns and budworns, is also being evaluated. Mass rearing and sterilization techniques for the hornworn and tobacco budworm are being developed in preparation for field tests of the sterile male release method.

Research on tobacco insects at Oxford will continue to be concerned with the evaluation of black light traps and cultural practices for hornworm and budworm control.

Engineering research on development and use of light traps to control tobacco insects was initiated at Oxford in fiscal year 1962 at a cost of about $46,000 by special assignment of engineering personnel from Blacksburg, Va., $25,000 of this was an allocation from the contingency research fund. These funds were used to purchase and install 365 light traps on an area of 113 square miles in the vicinity of Oxford and to assign agricultural engineers from Blacksburg to this program. During fiscal year 1963, the work was continued with support of $21,000 from Blacksburg covering assignment of engineering personnel. The 1964 Agricultural Appropriation Act provided an increase of $42,300 at location level for engineering research on Flue-cured tobacco in North Carolina, making a total at Oxford of about $63,300 of regular funds available for engineering research in 1964. In addition, $85,000 is available on a nonrecurring basis by transfers from CCC funds. The combined financial support in 1964 of approximately $148,300 will make possible the installation of an additional 585 light traps servicing a total area of 314 square miles. The 1965 budget estimates propose an additional $75,000 to expand the light trap program, also a portion of the budget increase of $1,500,000 for research on pesticide residue hazards proposed for 1965.

With reference to your request for information on additional funds which could be used effectively at Oxford beyond amounts in the 1965 budget estimates we are furnishing the following:

Additional amounts without new facilities:	
Crops research—health related tobacco research, principally on development of new varieties low in tars, etc	$175,000
Entomology research—control of flea beetles, budworms, hornworms, and aphids, including expansion of research on use of light traps for controls of tobacco budworm	300,000
Agricultural engineering research—planting and weed and pest control research, including cooperation in evaluation use of light traps and sound attractants for tobacco budworm control	140,000
Total	615,000
New facilities: Remodeling present facilities ($150,000) and construction of additional headhouse-greenhouses ($350,000)	500,000
These extended facilities would provide for more effective research and require an additional $100,000 for operating costs	100,000

Mr. HOLLAND. Mr. President, if there are any other requests on this subject, I shall be glad to have them presented, because the committee does not wish to preclude the fullest discussion of this subject.

The remaining $10 million proposed for research with section 32 funds consists of $5 million for cost of production research, of which $4,130,000 is specified on pages 12 through 14 of the committee report, leaving $870,000 to be used by the Agricultural Research Service and the Cooperative State Research Service for urgent work in the various States. The committee also recommends the use of $5 million for utilization and industrial uses research in accordance with the breakdown shown on pages 14 and 15 of the committee report. The use of section 32 funds for research should be very limited. Every agricultural program financed under this appropriation bill is on a regular appropriation basis. All long-term research activities should be similarly financed.

In other words, we wish to make it clear that while we may start items that we believe are appropriate under section 32, if they become regular research items we expect them to appear in the regular budget and to be provided for out of regular funds from the time they become permanent research items.

The committee recommends an appropriation of $87,500,000 for the Sugar Act program, the budget estimate, an increase of $1,100,000 above the House bill and $9,500,000 above 1964. The payments under this program are mandatory to those producers who comply with the requirements of the act. The 1963 production of sugar is estimated to be about 830 tons higher than in 1964 and present indications are that the 1964 crop will continue at least at that level. I want to emphasize that this program does not impose any burden on the taxpayer because the actual collections arising from use of Sugar Act legislation from 1938 to 1963 exceed the costs under the program by more than $527 million.

This program is financed by a processing tax against refineries. It has more than taken care of subsidies to growers and has allowed large sums to be added to the general revenue each year.

AGRICULTURAL CONSERVATION

The committee concurs in the House action in continuing the agricultural conservation program for 1965 at $220 million, exclusive of administration, the same amount authorized for the 1964 program. The Congress has for several years found it necessary to continue this program at this level, even though the Budget Bureau each year requests its reduction. I hope the Budget Bureau will recognize the value of this program in protecting land and water resources.

The appropriation of $194 million for the conservation reserve program is $100 million less than last year and this decrease proposed in the revised budget estimates is due to the reduction in the number of contracts enforced.

This is a longtime program, which is gradually playing out year after year. The amount provided this year is, as stated, much less than it has been in earlier years.

The committee recommends $20 million for the cropland conversion program, including the estimate of $10 million requested in Senate Document No. 83 for the 1964 program. This is the amount of the budget estimate. We also recommend an appropriation of $4 million for emergency conservation measures. This estimate was not considered by the House, since it was submitted to the Senate on June 24 and printed in Senate Document No. 82. This estimate was submitted in response to the recommendations of this committee in considering an estimate for this same purpose in the Supplemental Appropriation Act of 1964. We believe this program should be provided for in the regular annual appropriation bill rather than relying on supplementals.

CREDIT PROGRAMS

The committee recommends $365 million for electrification loans and $70 million for telephone loans by the Rural Electrification Administration. This is in addition to funds estimated to be carried over in 1964 of about $25 million for electrification loans and $23 million for telephone loans. The Rural Electrification Administration Administrator has established some procedures to carry out the directions carried in the Senate last year and we hope that he will continue to do so in the future. Both of these programs have benefited the rural as well as the urban segments of our Nation and is helping to improve standards of living in rural areas. The committee does not approve of the plan of the REA Administrator to conduct power supply surveys prior to receipt of a loan application for generation and transmission purposes. It is believed that if the REA will limit its power surveys to the purpose and general directives contained in the committee report last year, this increase will not be necessary. The committee has denied the use of funds for this purpose and reduced the recommended appropriation to the amount in the budget, which is a reduction of $213,000 under the House bill.

The committee recommends a total of $360 million for the loans by the Farmers Home Administration from its direct loan account. This is the same as proposed by the House and is $35 million above the budget estimate. Of this amount $50 million is continued as a contingency fund for farm-operating loans to be used as and when needed. An increase of $1,500,000 above 1964 and in the House bill is proposed for loans for rental housing for elderly persons of low or moderate income in rural areas. This will provide a total of $5 million, the same amount as the budget estimate.

In connection with this same item, I wish to pay credit to the distinguished Senator from North Dakota [Mr. Young] who has been deeply interested in the program for elderly people living in rural areas.

REIMBURSEMENT APPROPRIATIONS

The budget requested an appropriation of $1,724 million to reimburse the Commodity Credit Corporation for a part of its losses incurred in 1963 for price support and related programs. Its total losses in 1963 were $2,654,853,000 but the budget estimate was limited to that amount estimated to be needed to permit the Corporation to carry out its authorized programs in 1965. The committee proposes a reduction in this estimate of $150 million since the exact amount cannot be determined at this time. The committee is recommending a provision in the bill to prevent the mandatory use of the micronaire reading as a part of cotton classing during the fiscal year 1965. This is a significant change in the requirement for price support loans and it had not been brought to the attention of the committee by the Department. The committee believes that if the micronaire reading is essential to cotton classing, it should be made a part of the regular classing standards.

Under the limitation placed in the bill, any producer who wished to have a micronaire reading could still get it, but it would be voluntary action and would be at his own expense.

The committee recommends restoration of $125 million of the House reduction of $281 million in the budget estimate for carrying out title I of Public Law 480 sales of commodities for foreign currencies. Expenditures under the program are governed by provisions of the basic legislation and agreements entered into thereunder. This increase is necessary to finance the necessary costs under the program and will provide $1,737 million, a reduction of $156 million under the budget estimates.

The committee recommends the revised budget estimate of $220,453,000 for emergency famine relief under title II of Public Law 480 and $35 million for long-term supply contracts under title IV which is a reduction of $20 million below the budget estimates and the House bill. The committee believes these amounts will be adequate to carry out the program in 1965.

The estimate of $31,838,000 for International Wheat Agreement is recommended. Any additional cost in 1965 will be considered in connection with future estimates. An appropriation of $102,860,000 is recommended for the cost to the Commodity Credit Corporation of agricultural commodities bartered for strategic and other materials which are transferred to the supplemental stockpile. This is $20 million over the House bill and $17,160,000 below the budget estimates. The committee believes this additional amount is needed to cover the estimated cost of this program to the Corporation in 1965.

Mr. President, I have completed my prepared remarks. I note the presence in the Chamber of the distinguished senior Senator from Nebraska [Mr. Hruska], who has been detained elsewhere by necessary business until a few minutes ago. I wish to have the Record show that he has rendered yeoman service to the subcommittee and the full committee, and that agriculture has no more firm or steadfast friend than the senior Senator from Nebraska.

He is one of those who were so vitally interested in the station in his State, a station that has great merit. I have already covered that item, but I wish to make it clear that he is one of the Senators who were gracious enough to follow the program. Let us see what will be recommended next year. Our action is completely without prejudice to any recognition of the merits of each of the eight or nine programs that were recommended.

Mr. YOUNG of North Dakota. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. I am glad to yield to the Senator from North Dakota.

Mr. YOUNG of North Dakota. I commend the Senator from Florida for an excellent job of handling one of the most difficult appropriation bills of all. There are no items in any appropriation bill more complex than in this one. It covers a great variety of problems scattered all over the country, dealing with probably the most important things human beings are concerned with, the production of food and fiber. I know of nothing that could be more important. The Senator has very carefully and most judiciously scrutinized every item and has gone into great detail and study of every item.

As ranking minority member of the subcommittee chaired by Senator Holland, I have been in a position to note the great amount of work the Senator has performed for many months, as a result of which this appropriation is in an excellent state.

I also commend the members of our staff—Ray Schafer and Ed King—for the work that they have done.

This is one of the most misunderstood budgets of all. The appropriation this year is for $5,338 million. Most of the people in the country believe that this money will be used for subsidies to farmers.

I invite the attention of Senators to a few items in this appropriation bill in which the farmers of the country have no part at all.

For example, there is $1,992,453,000 available to reimburse the Commodity Credit Corporation for foreign aid activity, including emergency famine relief, and other items under Public Law 480 of the program.

Mr. HOLLAND. That is a part of our foreign policy.

Mr. YOUNG of North Dakota. The Senator is correct. That is part of the foreign aid program. Yet this item is in the agriculture budget as a subsidy to agriculture. I should like to mention a few other items. For example, under Rural Electrification Administration, there is $365 million for authorized loans by the REA, and $70 million for a rural telephone loan program. The repayment record on this is almost 100 percent, yet it shows up as an expenditure in this appropriation bill. There is also the $360 million loan program of the Farmers Home Administration which helps many people. This loan program also has a near perfect repayment record.

Then there are the $191 million school lunch program and the $106 million for the special milk program. These are available to many millions of school pupils, youngsters in child-care centers and those in nonprofit summer camps of America.

Mr. HOLLAND. This is a part of our social program.

Mr. YOUNG of North Dakota. The Senator is correct.

These are only a few of the many items in the bill which should not be charged to agriculture at all.

Mr. HOLLAND. The Senator should also mention the food stamp program, which is another important part of the bill.

Mr. YOUNG of North Dakota. Yes. There are also the meat and poultry inspection services, and many other items.

Mr. HOLLAND. I thank the Senator from North Dakota for his well-chosen remarks relative to these items. More money is included in the bill for purposes not directly related to agriculture than is included for direct service to agriculture. There is no question about that. I thank the Senator for his services and also for his more than kind remarks with reference to me.

Mr. MILLER. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. I am more than happy to yield to the Senator from Iowa.

Mr. MILLER. I thank the Senator from Florida for yielding to me. I have a few questions I have been waiting to ask him, since these have not been touched upon in his report. They relate to section 32 of the limitation, $35 million, in connection with the food stamp program. I should appreciate knowing how much the limitation was for the previous year.

Mr. HOLLAND. Forty-five million dollars and in the legislation which is now pending, with every indication of early passage, will be set up as a permanent food stamp program to be financed out of regular funds. We stated in our report that the reason why we cut it down and insisted upon reimbursement later, too, was that we wished to merge it into the program which was about to be created by passage of the proposed legislation. I believe the Senate has already passed the measure.

Let me inquire of the Senator from Louisiana whether the food stamp bill has passed the Senate.

Mr. ELLENDER. I believe that our bill was accepted.

Mr. MILLER. My second question relates to the new Market News Service, referred to on page 26 of the committee report.

Was any consideration given to whether this was essential, and whether it should be continued?

Mr. HOLLAND. There was a great deal of consideration and a great deal of anxiety on that subject. If the Senator reads the hearings, he will find a good many pages devoted to the subject. Many able witnesses were heard, not only from the Department and from various agricultural groups which availed themselves of that service, but also from some of the reporting groups which were adverse to it, and also from representatives of the American press associations who were adverse to it. We went into the subject thoroughly. It is covered in the report, in the remarks on page 26, which are not all complimentary to the service. We decided not to ask for its immediate discontinuance, but to deal with the matter as recommended in the report.

Mr. President, I ask unanimous consent, in order that the RECORD may be clear, to have printed in the RECORD four paragraphs on pages 26 and 27 of the committee report dealing with the subject of the new Market News Service.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

> NEW MARKET NEWS SERVICE
>
> The committee has throughly examined the new Market News Service initiated August 1, 1963, by the Agricultural Marketing Service and announced in AMS Bulletin No. 510. . The Department maintains that its sole intent in initiating this service was to extend the availability of market news information to interested parties, individuals, or organizations who are willing to pay the cost of installing a teletype printer and the leased wire rental charge between the place of business and the nearst leased wire market news circuit. Prior to the initiation of this service, similar market news leased wire information had been made available to a few organizations.
>
> During the hearings, the committee examined into this matter thoroughly and the only example cited to it of a "news" item carried over the leased wire system dealt with a release on apples. To make its position clear on the potential misuse of the leased wire system for the dissemination of market news information in collaboration with the various States, the committee directs that the Secretary of Agriculture see to it that the leased wire system which carries market news information be limited strictly to market reporting and marketing information and the routine administrative instructions which were carried on the leased wire system prior to August 1, 1963.
>
> Further, the Secretary of Agriculture is directed to see to it that all media of news dissemination receive equal opportunity and access to market news information.
>
> The committee notes that the newly established National Commission on Food Marketing has as one of its areas of inquiry "the effectiveness of the services, including the dissemination of market news, and regulatory activities of the Federal Government in terms of present and probable developments in the industry." It is hoped the Commission will give particular attention to the new Market News Service and its operation.

Mr. MILLER. I noted with approbation the paragraphs which the Senator has just placed in the RECORD. However, my recollection was that this news service was established without any particular prior request or notification of Congress. It seemed to me that so much anxiety had been expressed from very reliable sources that the program, unless it had extremely strong justification, might well have been discontinued.

Is the attitude of the committee such that this service, say, in the presentation next year, will have to justify very strongly its continued life to receive further appropriations for its activities?

Mr. HOLLAND. First, we expect the Secretary to carry out the desires of our committee. Second, we expect to examine the program next year rather critically. We did not include directions for any particular sort of report for next year. We felt that the agricultural industries would be reporting to us how they reacted. Apparently, the greatest use being made of the news service is on the part of livestock processing firms in the Senator's own area of the country—let us say in the middle area of the country. There are about 20 important livestock organizations using that service.

We felt that a trial period without any specific directions would be better. We have not closed our minds to the problem at all.

Mr. MILLER. One of the reasons why I am concerned about this problem is that I am a cosponsor—along with a great many other Senators—of a bill which is calculated to get the Federal Government out of some of these areas in order that private enterprise, private business, and taxpaying business can operate. It seemed to me that it was a step in the wrong direction when this news service was established in 1963, especially without any particular prior coordination with Congress.

I have one further——

Mr. HOLLAND. Let me answer that, before the Senator goes to his next question. This program began on August 1, 1963, just a year ago. When we conducted the hearings it was not a year old. Please note in the last paragraph that we made a special request that the newly established National Commission on Food Marketing should make this one of their areas of inquiry, and give us a report.

I read from the paragraph:

> The effectiveness of the services, including the dissemination of market news, and regulatory activities of the Federal Government in terms of present and probable developments in the industry.

We felt that the new Commission would be watching the matter throughout these months and that they might be in a position to give us some worthwhile recommendations.

Mr. MILLER. Mr. President, I believe that is entirely appropriate. I hope the Senator does not mind my expressing the wish at this time that a policy might be adopted within the Committee on Appropriations which would in effect put our agencies on notice that if, without prior coordination with Congress, some new program is set up which will be directed toward taking over functions that private business can handle. When that agency comes before the Committee on Appropriations with a request for funds to continue the project, it will have to weather an intensive period of questioning over the justification for such action.

Mr. HOLLAND. I thank the Senator. I believe if the Senator rereads our treatment of the micronaire situation, he will see that we made it clear to the Department that we would not stand for its putting in a new test at the expense of the producers, to cost them between $600,000 and $900,000 a year. They acted on it without anything having been said to us about it; or without it having been submitted to Congress; and without an amendment of the Cotton Classification Act, or standards having been requested. The Senator from Louisiana [Mr. ELLENDER], as the able chairman of the Committee on Agriculture and Forestry, would have brought such a proposal to an early hearing. Nothing was done except to put new regulations in effect. We, in effect, by our handling of the matter, have called it off for this year except for any producer who voluntarily wants it done.

Mr. MILLER. I thank the committee for taking that action. As I recall, there was a proposal made that meat inspection and poultry inspection services no longer be financed by appropriations.

Mr. HOLLAND. That is a matter for the legislative committee, and not to be determined by the Committee on Appropriations.

Mr. MILLER. I would like to know whether the appropriations contained in the bill continue the prior longstanding arrangement with respect to that function.

Mr. HOLLAND. Until the law is changed establishing a changed authorization, we shall adhere to it, and the appropriations in the bill do adhere to it.

Mr. MILLER. My final question relates to the Commodity Credit Corporation. It is covered on page 40. I note that the committee states that the amount recommended is $1,125,400,000, below the 1964 appropriations, although the net realized losses for the fiscal year 1963 were $2,654,853,000. The budget estimate did not request the full reimbursement of that loss.

I wonder if the Senator from Florida could tell us why this budget estimate did not come up to the full amount of that loss, or why the 1965 bill does not provide for full coverage of the loss.

Mr. HOLLAND. That is not a closed door. This loss, or gain—sometimes it is a gain in some commodities—is a continuing amount carried by the Commodity Credit Corporation. It rarely comes out, at the end of any predicted period, very close to what had been predicted. We feel that handling it in a supplemental bill next spring, after we have more history on it, would be a far more accurate way of handling the problem.

Mr. MILLER. I note that this amount is more than a billion dollars less than the amount of the loss for 1963. Is it normal procedure for the Committee on Appropriations to provide in its principal appropriations bill for as much as a billion dollars leeway to be handled by supplemental appropriations?

Mr. HOLLAND. We do not know that there will be that much. The 1964 appropriation was roughly $2,700 million, but the budget estimate for this year was $1,724 million. We have recommended $1,574 million. The difference in the figures indicates how uncertain this estimate has to be at this stage. It will continue to be uncertain, but it will be a liquidated estimate later in the year. It is not possible to foresee that at this time.

The Senator understands, that with relation to stored products, sometimes the price goes down. They are sold at a great loss. Occasionally they are sold without a loss. Sometimes they have been sold at a profit. That happened at one time with respect to cotton. A very large amount of money was involved. My recollection is that the profit was something over $800 million. The Senator from Louisiana [Mr. ELLENDER], I am sure, would like to know that figure.

Mr. ELLENDER. Mr. President, up to a few years ago the cotton program showed a profit of a quarter of a billion dollars.

Mr. HOLLAND. This is a matter of trying to keep up with the stock of goods on the shelf and the way in which it is handled. It is not always possible to foresee a year in advance how the Bureau of the Budget will treat it.

Mr. MILLER. Mr. President, I appreciate that it is always a difficult and complex problem. But what caught my eye was the fact that the committee, on page 40 of its report, made this statement:

> The net realized losses for fiscal 1963 were $2,654,853,000, but the budget estimate did not request a full reimbursement of realized loss.

I would appreciate it if the Senator might elaborate on that statement. It is a little peculiar to the Senator from Iowa.

Mr. HOLLAND. We have given them enough to get by on this year. We shall have a more stable figure next year. I know the distinguished Senator from North Dakota [Mr. YOUNG] would be familiar with that. I am glad to recognize him. I am certain he will be able to supply the answer.

Mr. YOUNG of North Dakota. Mr. President, it is very difficult to estimate in advance the cost of some of these programs. The estimates of this year's wheat program are around $400 million less than for the previous year. This is one area where we could bring about a savings.

Mr. WILLIAMS of Delaware. Mr. President, does the Senator yield?

Mr. HOLLAND. I yield.

Mr. WILLIAMS of Delaware. Mr. President, this is an established loss of $2,654, 853,000. It has already been established for fiscal year 1963. The only advantage of providing approximately $1.5 this year is to create the impression that we are cutting the budget by $1 billion, when, in reality, every Senator knows that it will be put in the supplemental budget that will come later.

The loss has already been established. The goods have been sold. There can be no possible recovery, because the goods have already been sold. This is merely a bookkeeping item by means of which we are trying to give the public the impression that we are cutting the budget when, in reality, it is something that has already gone down the drain.

Mr. HOLLAND. The Senator is a little salty in his remarks. But we may find when it comes to figuring it out that the amount has been greatly diminished. This is the 1963 figure. We do not know how the commodities that were acquired this year will be disposed of. We do not know what will happen. We shall see next year.

I stated very frankly to the Senator from Iowa [Mr. MILLER] that this may be followed by a supplemental request next year. We have found that it is best to deal with it in that way. Anyone who wants to add or subtract at the end of the year can find out very easily by how much the budget has been reduced.

Mr. MILLER. Mr. President, I asked the Senator from Florida [Mr. HOLLAND] for a response. I thank the Senator from Delaware [Mr. WILLIAMS] for his observations.

What concerned me was that it appeared that we were, by over a billion dollars, falling short of meeting the loss established back in fiscal 1963.

I trust—and frankly, I am quite confident of it—the Senator's assurance that supplemental appropriations can take care of the item. But apropos of that, I believe the point of the Senator from Delaware ought to be remembered. A budget estimate is made for purposes of perhaps persuading people that a certain degree of fiscal integrity is being practiced and that a certain amount of savings is being effected. It would behoove some of us to point out whether or not that budget estimate lays the foundation for, say, a $1 billion supplemental appropriation as a follow-on, which I am sure is the case in the present situation.

Mr. WILLIAMS of Delaware. There can be no question about it.

Mr. HOLLAND. That is a practice which, whether good or bad, has grown up. I have before me page 431 of our worksheets, on which it is shown that for the fiscal year 1961 we did the same thing to the extent of $1,057 million. This amount has never been replaced since that time. The Commodity Credit Corporation seems to be able to get along perfectly well. I have no bricks to throw at the preceding administration; I have none to throw at the present administration. We must do our duty when the estimates come before us, to see what we think will carry the CCC on. We have so provided in this bill, as we have frequently done heretofore. I have served on this same committee under administrations headed by Presidents of both parties. I have not noted any change of policy in this direction. I am not going to try to explain it as anything else but what it is. It is replacing, every time that we are asked to do so, enough to be sure that the Commodity Credit Corporation can continue to operate and serve all the useful purposes for which it was set up, and then winding up the matter as best we can at the end of the year.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. WILLIAMS of Delaware. The Senator is perfectly correct. This is not the first time it has been done, nor is this the first administration which has practiced the procedure, although it is being practiced to a greater extent now. If the Senator will examine the financial statement of the Commodity Credit Corporation, he will find that the Corporation has a borrowing capacity of around $13.5 billion. I believe the most recent figures show that $12.5 billion is owed to the Treasury. The Corporation has an inventory of only about $5.5 billion. Even assuming that it could move that inventory without any loss at all, which is quite an assumption in itself, it would still have an accumulation of $7 to $8 billion of losses which have been sustained over the years and have not been written off.

At some time some Congress will have to appropriate the $7 or $8 billion which has gone down the drain. That is money which has been spent and lost, and upon which there can be no possible recovery. The goods have gone, and as yet the amount has not appeared in any of the budgets of any of the Congresses.

In other words, we own the Commodity Credit Corporation. It has about $12.5 billion worth of liabilities, and only about $5.5 billion of inventories—even counting the inventory at full value. So, in order to give an impression that we are cutting our budgets and that we are holding expenditures down, we have postponed the $7 or $8 billion of extra expenditures for the past 4 to 5 years.

Mr. HOLLAND. Mr. President, I wish the subject were as simple—even though it is not pleasant—as stated by the Senator from Delaware. It does not happen to be that simple. For example, the Department of Agriculture asked us, as it has asked us before, to put a provision in the bill that would not require it to carry as a part of its losses the accumulated interest on its borrowings from the Treasury Department, which run into hundreds of millions of dollars.

Under the legislation on the books, that amount must be carried and must be repaid eventually from the CCC to the Treasury Department. I think we would all say that that is rather queer bookkeeping; and yet that provision is in existing law. Rather than try to have made an important part of this bill involving new legislation of great meaning in terms of dollars and cents, our committee omitted the provision, and every other request for proposed legislation. I do not remember how many there were. Perhaps the Senator from North Dakota [Mr. YOUNG], the Senator from Nebraska [Mr. HRUSKA], or the Senator from Louisiana [Mr. ELLENDER] can refresh my memory. There were perhaps 3 or 4 requests for proposed legislation. We left them all out. We wanted the bill to be free from the troublesome features which have made the bill more difficult in years past.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield further?

Mr. HOLLAND. I yield.

Mr. WILLIAMS of Delaware. From a bookkeeping standpoint the procedure may be disadvantageous. But from the standpoint of the taxpayers, it would not make a particle of difference whether the Commodity Credit Corporation paid the interest to the Treasury, or whether the Treasury paid the interest direct. The fact is that the $7 billion, which we have not faced, represents money that has been borrowed. It is costing around $280 million a year to carry the interest on that amount. If we were to appropriate that money to the Commodity Credit Corporation and the Commodity Credit Corporation should pay off the debt, it would merely mean that the Federal Government would then float the bonds directly in the open market and pay the interest, as it should do, and the taxpayers would know what it was costing. As it is, the cost is being covered up. The impression is being given that it is not costing the taxpayers anything because the Commodity Credit Corporation is paying the interest. It is not paying the interest. It is accumulating it as an extra debt that will be paid in years to come. The present Congress and Congresses that have preceded for 4 to 5 years have been postponing this $7 to $8 billion writeoff. Some day some Congress will have to write it off. It will be one grand slam when it does.

Mr. HOLLAND. I thank the Senator for his comment. In closing, I wish to call attention to the fact that at this point the accumulation of a quarter of a billion dollars of interest payable by one agency of the Government to another accounts for a good deal when the debt is spread over a period of a great many years.

Mr. President, I ask unanimous consent that the committee amendments be considered and agreed to en bloc, that the bill as thus amended be regarded for the purpose of amendment as original text, and that no points of order shall be considered as having been waived.

The PRESIDING OFFICER (Mr. BREWSTER in the chair). Is there objection? The Chair hears none, and it is so ordered.

The amendments agreed to en bloc are as follows:

On page 2, line 23, after the word "for", to strike out "five" and insert "six".

On page 3, line 13, after "$100", to strike out "$97,656,000" and insert "$115,316,000".

On page 3, line 14, after the amendment just above stated, to insert a comma and "plus the following amounts, to remain available until expended, for the planning, construction, alteration, and equipping of research facilities: $1,000,000 for crops research facilities at Fort Collins, Colorado; $850,000 for facilities at the Agricultural Research Center, Beltsville, Maryland; $800,000 for a stored-product insects laboratory, Savannah, Georgia; $260,000 for plans for a livestock insects and toxicology laboratory, College Station, Texas: $338,000 for plans for a plant disease, nematode, and insect laboratory, Beltsville, Maryland; $160,000 for plans for an insect attractants and stored-product insects laboratory, Gainesville, Florida; $1,600,000 for a peanut research laboratory, at Dawson, Georgia, on a site acquired by donation, and: *Provided*, That research investigations undertaken at the national peanut quality evaluation laboratory must be truly national in scope and must give equivalent treatment to the different types of peanuts produced and marketed in the major peanut producing areas; and $240,000 for plans for a Western cotton insects and physiology laboratory, Tempe, Arizona; a cotton disease laboratory, College Station, Texas; a cotton physiology laboratory, Stoneville, Mississippi; pilot cotton ginning facilities at Stoneville Mississippi, and Mesilla Park, New Mexico; and facilities in the High Plains region in Texas for cotton ginning and storage research; in all, $120,564,000:".

On page 4, line 24, after "(21 U.S.C. 114b-c)", to strike out "$65,255,000" and insert "$69,036,400".

On page 6, line 4, after the word "butter", to strike out "$30,454,000" and insert "$30,837,000".

On page 6, after line 14, to insert:

"SALARIES AND EXPENSES (SPECIAL FOREIGN CURRENCY PROGRAM)

"For payments in foreign currencies which accrue under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704), for market development research authorized by section 104(a) and for agricultural and forestry research and other functions related thereto authorized by section 104(k) of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704(a)(k)), to remain available until expended, $4,000,000: *Provided*, That this appropriation shall be available in addition to other appropriations for these purposes, for payments in the foregoing currencies: *Provided further*, That funds appropriated herein shall be used for payments in such foreign currencies as the Department determines are needed and can be used most effectively to carry out the purposes of this paragraph, and such foreign currencies shall, pursuant to the provisions of section 104(a), be set aside for sale to the Department before foreign currencies which accrue under said title I are made available for other United States uses: *Provided further*, That not to exceed $25,000 for this appropriation shall be available for payments in foreign currencies for expenses of employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a)."

On page 7, after line 15, to insert:

"FOREST SERVICE

"FOREST PROTECTION AND UTILIZATION

"For an additional amount for 'Forest protection and utilization', for Forest research, $2,750,000, of which $900,000 for Forest research construction shall remain available until expended."

On page 7, line 25, after the word "research", to insert "for basic scientific research, and for facilities,"; on page 8, at the beginning of line 2, to strike out "$40,863,000" and insert "$45,113,000"; in line 6, after the word "Agriculture", to strike out "$1,000,000" and insert "$1,550,000"; in line 8, after "(16 U.S.C. 582a–582a–7)", to insert a semicolon and "$2,000,000 in addition to funds otherwise available, for grants for support of basic scientific research under the Act approved September 6, 1958 (42 U.S.C. 1891–1893); $3,242,000 for grants for facilities under the Act approved July 22, 1963 (77 Stat. 90)", and in line 21, after the word "all", to strike out "$42,440,000" and insert "$52,482,000".

On page 9, line 8, after "(7 U.S.C. 341–349)", to strike out "$65,725,000" and insert "$70,530,000"; and in line 11, after the word "all", to strike out "$67,295,000" and insert "$72,100,000".

On page 9, line 21, after the word "employees", to strike out "$7,410,000" and insert "$7,510,000".

On page 10, line 10, after the word "possessions", to strike out "$2,451,000" and insert "$2,551,000".

On page 10, line 17, after "(7 U.S.C. 1621–1627)", to strike out "$1,082,000" and insert "$1,102,000".

On page 12, after line 10, to strike out:

"WATERSHED PLANNING

"For necessary expenses for small watershed investigations and planning, $5,524,000, to remain available until expended."

On page 12, after line 10, to strike out:

"WATERSHED PROTECTION

"For necessary expenses to conduct river basin surveys and investigations, and research and to carry out preventive measures, including, but not limited to, engineering operations, methods of cultivation, the growing of vegetation, and changes in use of land, in accordance with the Watershed Protection and Flood Prevention Act, approved August 4, 1954, as amended (16 U.S.C. 1001, 1008), and the provisions of the Act of April 27, 1935 (16 U.S.C. 590a–f), to remain available until expended, $60,324,000, with which shall be merged the unexpended balances of funds heretofore appropriated or transferred to the Department for watershed protection purposes: *Provided*, That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), and not to exceed $100,000 shall be available for employment under section 15 of the Act of August 2, 1946 (5 U.S.C. 55a): *Provided further*, That not to exceed $4,000,000, together with the unobligated balance of funds previously appropriated for loans and related expense, shall be available for such purposes."

On page 13, after line 7, to insert:

"WATERSHED PROTECTION

"For necessary expenses to conduct surveys, investigations, and research and to carry out preventive measures, including, but not limited to, engineering operations, methods of cultivation, the growing of vegetation, and changes in use of land, in accordance with the Watershed Protection and Flood Prevention Act, approved August 4, 1954, as amended (16 U.S.C. 1001–1008) and the provisions of the Act of April 27, 1935 (16 U.S.C. 590a–f), to remain available until expended, $65,848,000, with which shall be merged the unexpended balances of funds heretofore appropriated or transferred to the Department for watershed protection purposes: *Provided*, That this appropriation shall be available for field employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U.S.C. 574), and not to exceed $100,000 shall be available for employment under section 15 of the Act of August 2, 1946 (5 U.S.C. 55a): *Provided further*, That not to exceed $5,000,000 together with the unobligated balance of funds previously appropriated for loans and related expense, shall be available for such purposes."

On page 14, at the beginning of line 15, to strike out "$25,423,000" and insert "$22,656,000".

On page 15, line 6, after "(16 U.S.C. 590p)", to strike out "$14,176,000" and insert "$14,744,000".

On page 15, at the beginning of line 15, to strike out "$1,496,000" and insert "$2,044,000".

On page 16, line 18, after the word "products", to strike out "$9,476,000" and insert "$10,576,000".

On page 17, line 15, after the word "laws", to strike out "$11,431,000" and insert "$11,892,000".

On page 18, line 12, after the numerals "1946", to strike out "$39,389,000" and insert "$39,590,125".

On page 18, line 21, after "(7 U.S.C. 1446, note)", to strike out "$99,831,000" and insert "$106,000,000", and in the same line, after the amendment just above stated, to strike out the comma and "to be derived by transfer from funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612)".

On page 20, line 1, after the word "than", to strike out "$45,000,000" and insert "$35,000,000"; in line 3, after the word "of", to strike out "$25,000,000" and insert "$11,000,000," and in line 7, after the numerals "1964", to strike out the comma and "of which amount $2,000,000 shall remain available until expended for construction, alteration and modification of research facilities".

On page 20, line 20, after "(7 U.S.C. 1766)", to strike out "18,790,000" and insert "$20,488,000".

On page 21, line 10, after "(7 U.S.C. 1–17a)", to strike out "$1,100,000" and insert "$1,119,000".

On page 22, line 9, after the word "appropriation", to insert a colon and "*Provided further*, That no part of the funds appropriated or made available under this Act shall be used, (1) to influence the vote in any referendum; (2) to influence agricultural legislation, except as permitted in 18 U.S.C. 1913; or (3) for salaries or other expenses of members of county and community committees established pursuant to section 8(b) of the Soil Conservation and Domestic Allotment Act, as amended, for engaging in any activities other than advisory and supervisory duties and delegated program function prescribed in administrative regulations."

On page 22, at the beginning of line 23, to strike out "$86,400,000" and insert "$92,300,000".

On page 26, line 17, after the word "amended", to strike out "$7,200,000" and insert "$20,000,000".

On page 26, after line 18, to insert:

"EMERGENCY CONSERVATION MEASURES

"For emergency conservation measures, to be used for the same purposes and subject to the same conditions as funds appropriated under this head in the Third Supplemental Appropriation Act, 1957, to remain available until expended, $4,000,000, with which shall be merged the unexpended balances of funds heretofore appropriated for emergency conservation measures."

On page 28, line 5, after the word "service", to strike out "$3,784,000" and insert "$3,853,000".

On page 29, line 9, after the word "Library", to strike out "$1,347,000" and insert "$1,547,000".

On page 30, line 4, after the word "Agriculture", to strike out "$3,530,000" and insert "$3,314,000".

On page 31, line 15, after "(5 U.S.C. 55a)", to strike out "$11,641,000" and insert "$11,428,000".

On page 32, line 14, after the word "loans", to strike out "$3,500,000" and insert "$5,000,000".

On page 33, line 2, after "(40 U.S.C. 440–444)", to strike out "$39,544,000" and insert "$39,794,000"; in line 3, after the word "than", to strike out "$2,000,000" and insert "$2,250,000", and in line 7, after the word "amended", to strike out the colon and "*Provided*, That, in addition, not to exceed $500,000 of the funds available for the various programs administered by this Agency may be transferred to this appropriation for temporary field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (5 U.S.C. 574) to meet unusual or heavy workload increases".

On page 34, line 14, after "(15 U.S.C. 713a–11, 713a–12)", to strike out "$1,724,000,000" and insert "$1,574,000,000".

On page 35, line 12, after the word "hereof", to insert a colon and "*Provided further*, That no part of the administrative funds authorized under this head or of the capital funds of the Commodity Credit Corporation shall be available to formulate or administer a cotton loan program during fiscal year 1965 which requires that micronaire readings shall be mandatory as a part of the cotton classing in connection with cotton loans."

On page 36, line 2, after the word "Act", to strike out "$1,612,000,000" and insert "$1,737,000,000", and in line 6, to strike out "$55,000,000" and insert "$35,000,000".

On page 36, line 19, after "(7 U.S.C. 1856)", to strike out "$82,860,000" and insert "$102,860,000".

On page 37, line 6, after the word "and", to strike out "seventy-two" and insert "seventy-four".

On page 38, after line 10, to insert a new section, as follows:

"SEC. 507. No part of any increase provided in this Act above the 1964 appropriation for any project or activity shall be used to build up such project or activity to an annual rate greater than the level provided in this Act."

Mr. HOLLAND. Mr. President, if there are no amendments to be offered, I ask that the bill be read the third time.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The bill (H.R. 11202) was passed.

Mr. MANSFIELD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. HOLLAND. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HOLLAND. Mr. President, I move that the Senate insist upon its amendments and request a conference with the House of Representatives thereon and that the Chair appoint the conferees on the part of the Senate.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Florida.

The motion was agreed to; and the Chair appointed Mr. HOLLAND, Mr. RUSSELL, Mr. ELLENDER, Mr. YOUNG of North Dakota, and Mr. MUNDT conferees on the part of the Senate.

Mr. STENNIS. Mr. President, will the Senator from Florida yield to me?

Mr. HOLLAND. I yield.

Mr. STENNIS. I am familiar enough with the bill and the work which the Senator from Florida has done so that I can testify to the work as outstanding. The Senator is to be highly commended as well as thanked by the Senate for his very fine services.

Mr. HOLLAND. Mr. President, I appreciate those gracious words. I accept them on behalf of the entire subcommittee and the full committee, of which the Senator from Mississippi is one of the most useful members.

Mr. JORDAN of North Carolina. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. JORDAN of North Carolina. I should like to add a word to what the Senator from Mississippi has so ably said. Not only the chairman of the subcommittee and the members of the subcommittee, but also the entire staff have rendered distinguished service. This is a tremendous job, requiring days and nights of work. The chairman has worked diligently at it, and has come forth with a bill which the Senate has passed.

I have spent a great deal of time talking about tobacco. But I also commend the committee chairman on his treatment of all agriculture products. Cotton received a great deal of attention by the committee, as did peanuts and other commodities. It was an excellent job. I wish the Senator to know that we appreciate it very much.

Mr. HOLLAND. I thank the Senator.

Mr. BARTLETT. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. BARTLETT. I desire to join in the expressions which have just been made. Additionally, I wish to say that when the full committee met to mark up the bill, I marveled at the ability of the Senator from Florida to handle the intricate technical questions concerning it—and it is a large and detailed bill—without reference to a single note. He did an excellent piece of work.

Mr. HOLLAND. Mr. President, I thank the Senator. I pass on much of that compliment to my excellent staff on both sides of the aisle.

Mr. President, I yield the floor.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

S. 1057. An act to promote the cause of criminal justice by providing for the representation of defendants who are financially unable to obtain an adequate defense in criminal cases in the court of the United States;

S. 1642. An act to amend the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended, to extend disclosure requirements to the issuers of additional publicly traded securities, to provide for improved qualifications and disciplinary procedures for registered brokers and dealers, and for other purposes; and

S. 1991. An act to charter by act of Congress the Pacific Tropical Botanical Garden.

TRUST STATUS OF CERTAIN LANDS ON ROSEBUD SIOUX RESERVATION, S. DAK.

Mr. CHURCH. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 136, a bill to place in trust certain lands on the Rosebud Sioux Reservation in South Dakota.

The PRESIDING OFFICER (Mr. BREWSTER in the chair) laid before the Senate the amendment of the House of Representatives to the bill (S. 136) to place in trust status certain lands on the Rosebud Sioux Reservation in South Dakota, which was, on page 4, after line 2, strike out "1,075.01" and insert "1,375.01".

Mr. CHURCH. Mr. President, the Senate passed this measure on October 22, 1963. At the time the bill was reprinted, the figure in section 2 showing the total acreage covered by that section was misprinted. The House has amended S. 136 to make the necessary correction. It is simply a technical amendment that does not change the bill at all. The total acreage was printed as 1075.01, whereas it should be 1375.01.

Therefore, Mr. President, I move that the Senate concur in the amendment of the House to S. 136.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Idaho.

The motion was agreed to.

AMENDMENT OF ALASKA OMNIBUS ACT—CONFERENCE REPORT

Mr. BIBLE. Mr. President, on behalf of the distinguished junior Senator from Washington [Mr. JACKSON], who is absent on official business, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2881) to amend the Alaska Omnibus Act to provide assistance to the State of Alaska for the reconstruction of areas damaged by the earthquake of March 1964 and subsequent seismic waves, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of August 6, 1964, pp. 18613–18614).

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. BIBLE. Mr. President, the conference report was unanimously agreed to by the conferees on behalf of the Senate and the conferees on behalf of the House of Representatives.

Mr. President, I ask unanimous consent to include in the body of today's RECORD an August 2, 1964, telegram from Gov. William A. Egan to Senator JACKSON expressing his support for the conference version of this, the major Alaska earthquake relief bill.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

JUNEAU, ALASKA,
August 2, 1964.

HON. HENRY M. JACKSON,
Senate Office Building,
Washington, D.C.

DEAR HENRY: I fully support your Alaska omnibus bill amendment as adopted by House and Senate conferees providing for joint Federal and Alaska State governments financial support designed to alleviate effect of mortgages that existed on homes destroyed or severly damaged in Alaska as result of earthquake and seismic sea waves of March 27, 1964. Alaska Department of Law has cleared State constitutionality for State participation. Please accept my appreciation.

Kindest regards.

WILLIAM A. EGAN,
Governor of Alaska.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

AMENDMENT OF FOREIGN ASSISTANCE ACT OF 1961

Mr. MANSFIELD. Mr. President, what is the pending business?

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H.R. 11380) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

Mr. MANSFIELD. Mr. President, what is the pending question?

The PRESIDING OFFICER. The question is on the amendment of the Senator from South Carolina [Mr. THURMOND].

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the role.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for a quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, what is the pending question?

The PRESIDING OFFICER. The question is on agreeing to amendment No. 1164, offered by the Senator from South Carolina [Mr. THURMOND].

Mr. MANSFIELD. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for a quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. THURMOND. Mr. President, I ask unanimous consent that I may speak from the desk of the senior Senator from Arkansas [Mr. McCLELLAN].

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. THURMOND. I am pleased to yield to the distinguished Senator from Iowa.

Mr. HICKENLOOPER. I wish to congratulate the Senator from South Carolina for strictly adhering to the rules of the Senate, which are too often noted by their avoidance than observance. I congratulate the Senator on his meticulous adherence to the rules.

Mr. THURMOND. I thank the able Senator from Iowa.

The purpose of this amendment can be very simply stated. The first section of this amendment insures that there will be no discrimination on the basis of race, color, religion, or national origin in any U.S. aid program. The second section of this amendment directs the Agency for International Development, and any other department or agency providing foreign aid funds, to issue rules, regulations, and orders of general applicability assuring the achievement of the objectives stated in the first section of the amendment.

This amendment was drawn to conform, as nearly as practicable, to the provisions of title VI of the recently enacted civil rights bill.

Mr. President, on July 10, 1963, Secretary of State Dean Rusk testified before the Senate Commerce Committee in support of S. 1732, the separately introduced so-called public accommodations provision. In his statement to the committee, Secretary Rusk laid particular stress upon the foreign policy implications of discrimination on the basis of race, color, religion, or national origin. He emphasized with particularity the position which such discrimination in this country placed the United States in the eyes of the entire world. However, he, at the same time, made note of the fact that discrimination on the basis of race, color, religion, or national origin was not limited to the United States when he said "discrimination on account of race, color, religion, national or tribal origin may be found in other countries."

In this same prepared statement, Secretary Rusk stated:

> We must try to eliminate discrimination due to race, color, religion, not to make others think better of us, but because it is incompatible with the great ideals to which our democratic society is dedicated.

In saying this, I assume that Secretary Rusk meant that the United States should exert its considerable influence, through every means possible, with other countries of the world toward the end of abolishing such discrimination wherever it may exist.

A majority of the Congress of the United States has now determined that such a system of withholding Federal funds from certain segments of their own people is in our best interest. Will there be anyone who will say that even if it is good for the United States, it is not good for a foreign country which receives money taken from a U.S. citizen?

At the conclusion of Mr. Rusk's testimony, I questioned him concerning this matter. Secretary Rusk expressed his support for the entire package of so-called civil rights proposals which were then pending before the Congress, including the fund withholding provision, title VI, of the bill. I then asked him the following question:

> I suppose, then, since you support this provision as to areas of your own country, you would support a similar provision in the foreign aid legislation to withhold funds from countries which practice discrimination?

Secretary Rusk's answer is at some length, and I ask unanimous consent that it be printed in the RECORD at this point in my remarks.

There being no objection, the answer was ordered to be printed in the RECORD, as follows:

> Mr. RUSK. Not necessarily, Senator, because here we are talking about a constitutional system in which we have control over our own affairs. When we are dealing with the rest of the world we are dealing with a world which we can influence, but cannot control. It is not our constitutional responsibility to do so.
>
> In the rest of the world we are waging a struggle for freedom, from which we cannot withdraw by the type of abandonment which is suggested to me in your question. We must stay with that struggle, use our influence to the best of our ability to sustain and strengthen the cause of freedom; and that would mean we would work at it, use our influence, even though we can't necessarily control the result.
>
> Our influence in these situations can be very strong. I think there are differences between situations where governmental laws and constitutional practices are responsible for the discrimination, and where you run into discriminatory situations simply because of the existence of religious or racial groups next to each other, with the social problems that have historically been associated with those situations.
>
> Our influenec has been in the direction of removing these discriminations abroad as well as at home.
>
> I think our advice in this respect would be more powerful if we could move forward at home more rapidly.
>
> But I do not think we should abandon the great struggle for freedom throughout the world by such a restrictive interpretation of our role abroad.

Mr. THURMOND. Mr. President, briefly stated, he responded that he would not necessarily support such a provision, but he did not say that he would oppose such a provision either. I am sure that now that such a provision has been enacted into law as to our own people and Secretary Rusk has had an opportunity to think over this problem at greater length, he would now support my amendment. In further answer to my question, Secretary Rusk said:

> I think there is a big difference in what we can do within our limits of constitutional ability here at home and what we cannot do, through lack of authority and responsibility, abroad.

Mr. President, I would agree that the United States has no authority or responsibility to meddle into the internal affairs of another country. However, I do believe that the United States has both the authority and responsibility to dictate the terms under which our money can be spent in any foreign country. Since Congress has the responsibility both to authorize and to appropriate money, the primary obligation in this field falls upon the Members of Congress. Simply stated, it is my belief that, while the United States cannot control other nations, we have both the authority and obligation to control the money which we are entrusted to spend.

Mr. President, I believe there is little doubt of the fact that forms of discrimination on the basis of race, color, religion, and national origin exist in all of the countries of the world.

In this connection, one statement made by Secretary Rusk to the Senate Commerce Committee is significant. He said:

> I think there have been tensions where different groups that are different in any important respect live side by side. I think that has been a general experience of mankind.

One of the most comprehensive articles which I have seen on this subject appeared in the July 1, 1963, edition of U.S. News & World Report. I ask unanimous consent that this article in its entirety be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. THURMOND. Mr. President, in this article, it is pointed out that in Britain, Negroes are discriminated against; in Africa, whites are discriminated against; in Asia, the different nationalities discriminate against one another, depending upon which is in the majority; in Peru and other Latin American countries, Indians are discriminated against; in British Guiana, the Indians and Negroes discriminate against each other. Perhaps the most blatantly unjustified discrimination in the world exists in India, where the infamous caste system still thrives, dooming millions of people to second and lower class citizenship.

Mr. President, several newspapers have published articles discussing worldwide patterns of discrimination. Two which have come to my attention are from the Wall Street Journal of August 15, 1963, and the Washington Sunday Star of June 23, 1963. I ask unanimous consent that these two articles be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. THURMOND. Mr. President, the Tulsa Tribune, of Tulsa, Okla., for July 11, 1963, contains a most perceptive editorial entitled "The Blacker Pots." This editorial discusses some of the more obvious examples of worldwide discrimination. I ask unanimous consent that it also be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 3.)

Mr. THURMOND. Mr. President, there is little need to continue citing proof of this worldwide discrimination, for I know that every Member of the Senate is well aware of and willing to admit its existence. The question now remains: What are we in the Senate—what is Congress—going to do to correct it on a worldwide basis now that a start has been made in our own country?

The Congress and the executive branch of the Government, in their infinite wisdom, have declared that one way to prevent this form of discrimination which is said to be so detrimental to the United States, is to provide a system whereby Federal funds will be withheld from any program in which such discrimination is found. This way, we are told, the United States of America will not be placed in the untenable position of subsidizing discriminatory practices. This is said to be good and beneficial for our own people, who, after all, provide a part of the funds which may subsequently be withheld from them or from programs from which they are entitled to benefit. These are the same people whose tax money provides the funds which we are now authorizing to be spent in foreign countries. Unless the Congress performs equal justice by adopting an amendment such as I have offered to this bill, it will seem to many that we have set a double standard: One for our own people, and another for people of foreign countries.

If it is untenable for the United States to subsidize discrimination in our own country, it is equally untenable for the United States to subsidize discrimination in any foreign country. Perhaps there will be those who are sincerely worried lest we appear to be seeking to control the internal affairs of a foreign country. I believe that they need have no fear in this regard concerning my amendment. By adopting this amendment, we are not seeking to control the foreign affairs of any country; we are merely seeking to control the expenditure of U.S. money. I want to emphasize that Congress not only has the authority to do this, but it has the clear responsibility to do so.

EXHIBIT 1

[From U.S. News & World Report, July 1, 1963]

RACE TROUBLE—IS IT THE SAME THE WORLD OVER?

(Race conflicts in the United States are drawing a wave of criticism from abroad. White treatment of Negroes is widely denounced as a horrible example to mankind.)

(But is this primarily an American problem? A check around the world shows that oppression, segregation, color bars are common in most countries. In many, racial antagonism is far worse than anything in America—and it's still growing.)

Look the world over and you quickly discover that race is a problem in almost every place where color differences exist.

Africa's blacks have the whites on the run in the Congo and Kenya—at a time of outcry against white rule in South Africa and Portuguese Angola.

Chinese are seeking to rally colored races of the world to their side in their battle with Russia for leadership of the world Communist movement.

Russia, on her part, is holding down the yellow races in her population. Negro students from Africa have been attacked by whites in the Soviet bloc.

Great Britain, after race riots, has cut down drastically on immigration of black and brown people.

Mulattoes, the propertied people of Haiti, are being oppressed by a Negro-supported dictatorship. In British Guiana, British troops are trying to prevent civil war between Negroes and persons whose ancestors came from India.

India, itself, is deeply divided by caste in which differing color often plays a role.

Many countries practice discrimination on other grounds besides race.

Ceylon has denied citizenship to hundreds of thousands of persons whose ancestors came from India within the last century. Christians, in Egypt, find themselves at a disadvantage in getting jobs. Arabs, in Israel, feel left out.

Yet the world, moralizing, tends whenever possible to point the finger of blame at the United States and its race problem.

To find whether other nations, too, have trouble in integrating, U.S. News & World Report asked its correspondents abroad for on-the-ground reports.

BRITAIN: RACE FEELING RUNS HIGH

London

The British are using Commonwealth segregation to avert explosive race problems.

Race riots in British cities caused Parliament to end free entry of people from other Commonwealth countries.

What had become a flood of black people from the Caribbean is reduced to a trickle. Negroes who had been coming in at the rate of 5,000 a month are permitted to enter now at a rate below 500.

Only 50 Pakistanis are coming monthly, compared with more than 4,000 before the gates were closed. Immigration from India is down from 3,000 a month to about 600.

In Britain, the ratio of colored to white is about 1 in 100—compared with 1 in 9 in the United States. In all of Britain there are about 500,000 Negroes. Yet race feelings run high.

Negroes are discriminated against in housing, jobs, restaurants, and in pubs. Upper class Negroes making hotel reservations often find no rooms available when they show up. Newspaper advertisements offering apartments frequently stipulate "Europeans only" or "no coloreds."

Mixed marriages are increasing, though. White girls with black men are a fairly common sight in London. Racial mixing, socially, is widespread in universities and does not seem to be frowned upon. There is no segregation in state-run schools, where the Negro proportion usually is not large.

Segregation, however, is extensive in industry.

Government-operated employment exchanges frequently are instructed by employers to send "no coloreds, Irish or Jews." In factories that do not ban colored workers, there is usually an unofficial "quota" for nonwhites. A majority of colored persons take the jobs that whites don't want.

Legislation to outlaw racial discrimination—similar to that President Kennedy is submitting to Congress—has been introduced in Parliament in each of the past 5 years but has been defeated repeatedly.

AFRICA: INTENSE HATRED OF WHITES

Leopoldville

Race feeling is strong here in the Congo and elsewhere in black Africa where hatred of whites is intense.

As a result, the white man's future on this continent appears to be anything but promising.

Travel through many of the newly independent countries of Africa and you find that, where the African once was treated as inferior to the white "colonialist," the situation today is reversed. It is the black man who is becoming entitled to jobs and property, to the exclusion of the white man. Furthermore, one tribe discriminates against another—in fact, slavery is not unknown.

Kenya offers an example of the new twist to the race problem in Africa.

Kenya is to achieve full independence at the end of this year. Among the 7 million Africans is a white minority of 60,000—largely landowners—and an Indian minority of 165,000.

Kenya's black leaders say there will be no discrimination on the basis of race. Yet discrimination actually has begun. A white civil servant, who may have been born in Kenya and spent his entire life there, is likely as not to find his job taken over by an African of black skin. Idea is to "Africanize" the Government.

Thousands of white settlers, fearing what lies ahead, already have left. Value of rich farms, built up by whites, has been in a drastic decline.

Indians in Kenya live completely apart from both whites and blacks. There is little, if any, social mixing.

There is, moreover, little mixing among Kenya's 50 or more black tribes. Many fear domination by the Kikuyu tribe with its 1.5 million members. One tribe, the Masai, is of Nilo-Hamitic origin rather than Negro. It completely disdains association with other tribes and believes races should be kept completely separate. The Somalis of northern Kenya want to secede and join their brethren in Somalia.

The Sudan, biggest country in Africa, practices both religious and racial segregation. The African tribes of the southern Sudan, many of them Christian or pagan, are regarded as inferior by Arabs, who are Moslem. Few blacks, especially if they are Christians, can get jobs in the civil service. Intermarriage is infrequent.

In the Congo, the Lulua and Baluba Tribes wage continual war. Around Léopoldville, the Bakongo Tribe dreams of setting up a Bakongo nation. Many whites, since the end of Belgian rule, have been subjected to abuse, injury, and even death by armed blacks.

The haughty desert tribe of Nigeria called the Fulani will not mix with the Hausas, who are of different stock. Fulanis consider themselves a superior race who ought naturally to be served by others.

Even in Liberia, discrimination is prevalent. "Americo-Liberians," descendants of U.S. slaves, run the country and do not mix easily with backward tribesmen.

"Integration" is not something that gets any real attention in black Africa.

ASIA: "GHETTOS" AND "UNTOUCHABLES"

Tokyo

Nowhere in the great arc of east Asia, from Japan to India, is there a country free of racial antagonism or of discrimination against minorities.

Segregation is not sanctioned by law in any area. Yet "separateness" of minorities is enforced by popular attitudes far more severe than segregation in the United States.

In Japan, for instance, Koreans who have spent all their lives in Japan live in "ghettos" because of economic and social pressures. They are scorned by the Japanese and are "second-class citizens" by any definition.

Another skeleton in Japan's closet consists of the Eta, the "untouchables" of Japan, who number an estimated 3 million. They are descendants of executioners, butchers, leatherworkers, potters, undertakers, and umbrella makers.

In fuedal times they could go outside their own villages only between sundown and sunrise. The class and segregated villages were abolished in 1871. Yet today there are at least 6,000 Japanese communities that are almost exclusively Eta, among the poorest in Japan.

Many firms unofficially discriminate against workers of Eta birth. Even now it is almost impossible for an Eta to marry outside the class. Each year, young couples commit suicide because one is Eta and parents refuse permission to marry. Vast increases in spending by the Government to upgrade the Eta have not changed popular attitudes.

Discrimination confronts Chinese living in practically every country of southeast Asia.

In Indonesia, a presidential decree in 1959 prohibited alien traders—almost exclusively Chinese—from trading outside the main towns. An estimated 300,000 village shops closed their doors. Forty thousand Chinese, "encouraged" by the Government and unwilling to become Indonesian citizens, left the country for Red China.

Indonesia's remaining Chinese are subjected to periodic rioting by Indonesian students. Chinese homes and shops in many towns have been burned and looted recently.

Thailand, in the 1940's, declared 10 provinces and four urban areas "out of bounds" to Chinese. Twenty-seven occupations previously dominated by Chinese were reserved for Thai nationals. Chinese were forbidden to own land. The nationality law was amended in 1953 to provide that children born of Chinese mothers should not become Thai citizens.

South Vietnam, in 1956, ordered 500,000 locally born Chinese males to adopt Vietnamese names, pay taxes and register for military service. All other Chinese males were automatically classified as foreigners, barred from 11 trades and lines of business in which most were engaged at the time.

The Philippines, in 1954, forbade Chinese to start new retail enterprises or to pass along retail businesses to their heirs. Since then, the number of Chinese trade outlets in the Philippines has declined from 18,000 to 12,000. Last year, Chinese were banned from rice and corn processing industries. They cannot own agricultural land.

Even in Malaya, where Chinese make up 43 percent of the population, they are heavily discriminated against. State constitutions make certain types and areas of land available only to Malayans. Quotas maintain a 4-to-1 ratio of Malayans in government service and the armed forces. University scholarships generally go to Malayans.

Red China, in its foreign propaganda, calls upon Africans and Asians to throw off "the white man's yoke." Recently, in its quarrel with the Soviet leadership over Red doctrine, it has claimed to speak for tne colored races—and has identified Moscow, more and more, with the white race.

At home, however, China's Reds are intent on wiping out the identity of minorities in the thinly populated plains of Mongolia and the mountains of Tibet and southwest China.

Inner Mongolia was given "autonomy," but the area was expanded to include large chunks of territory inhabited by Chinese. In Tibet and Sinkiang, Chinese settlers were brought in from the outside. Chinese got most of the government posts and Chinese was made a compulsory second language in the schools. Land reform and a succession of purges stripped minorities of jobs, animals, and land.

Racial, tribal, and religious hostilities abound in Asia. Indonesia's Javanese majority has troubles with the Sumatrans, and South Vietnam's Catholic-dominated Government takes time off from its war of survival against the Reds to crack down on Buddhist priests representing the religious views of a large majority of the people. In Laos, as well as South Vietnam, discrimination is practiced against mountain tribesmen.

Yet everywhere in Asia, one hears biting criticism of racial discrimination in the United States. Nowhere is that criticism stronger than in India—itself plagued by the world's most spectacular example of segregation.

This segregation is based on caste, an integral part of orthodox Hinduism. It divides Hindus into four main castes ranging downward from Brahmans, who provide the core of Indian cultural and political leadership.

Each caste, in turn, has hundreds of subcastes based on clan, religion, or occupation. Outside the caste system are perhaps 60 million untouchables.

From ancient times on, untouchables have been condemned to menial tasks such as cleaning latrines. They were forbidden use of certain temples, and could use only a special entrance of their own into the house of a caste Hindu where they were employed. In some extreme instances they could not let their shadow fall across a Brahman.

Race plays a role in the caste system. History indicates that caste was imposed by light-skinned Aryan invaders against dark-skinned inhabitants of India thousands of years ago. Color lines, since, have blurred. Even today, however, a light-skinned Brahman from the north is considered socially above a dark-skinned Brahman of southern India.

Modern India has abolished untouchability by law. Prime Minister Jawaharlal Nehru and others decry segregation by caste. But thousands of untouchable villages still exist in India near villages reserved for caste Hindus. In the Gujarat area near Bombay, a survey not long ago showed 1,732 villages where untouchables still could not draw water from public wells.

Despite some breakdown of caste barriers among educated Hindus, marriage advertisements still specify caste in most cases—and often mention a fair complexion.

Even Christians and Moslems of "untouchable" ancestry still find themselves cleaning latrines of caste Hindus. Some Christian churches in south India seat persons according to caste origins. It will be generations, informed Indians admit, before the world's harshest segregation is abolished in fact as well as law.

LATIN AMERICA: INDIANS ARE "CATTLE"

Mexico City

Latin America, in the past, often has been pictured as having little racial trouble. But Latin Americans, more and more, are becoming aware of race.

Bitter racial conflict is developing in British Guiana, on the northeast corner of South America. Guiana shows that it doesn't take a white man to make a race problem.

There, whites account for only 13,000 out of 560,000, as the country approaches independence. Negroes, and descendants of laborers brought from India, are almost equal in numbers—and racial trouble centers on them.

East Indians dominate the ruling party, and an East Indian, Cheddi Jagan, is Prime Minister. Since he came to power in 1961, however, there have been two serious riots involving Government and Negro-dominated labor unions.

A general strike, which began in late April, has heightened ill feeling between the two races and the situation now is considered explosive.

Elsewhere, it is the American Indian who often is discriminated against. In Peru, for example, millions of Indians are almost serfs and referred to by whites as "cattle."

Mexico and Brazil are held up as examples of countries where racial tolerance is the rule. Yet even in those countries, persons of lighter skins tend to dominate the ruling classes. In El Salvador, the social secretary of the country's leading hotel was fired when she allowed her skin to become too suntanned. Costa Rica, where 85 to 90 percent of the population is white, looks dubiously on integration with other Central American countries which are predominantly Indian and of mixed blood.

In Haiti, the story is somewhat different. There, mulatto aristocrats who once were the country's coffee dealers and merchants have been imprisoned and killed, and their property has been stolen. President François Duvalier bases his power on the country's 90-percent Negro majority, and employs street gangs and militia with a black-racist ideology.

RUSSIA: NEGROES BEATEN UP

Vienna

In the Soviet Empire, segregation is not officially practiced. Communist doctrine preaches brotherhood of races and condemns racism as a capitalist product.

The actual picture, however, is rather different.

Largest nonwhite group in Russia is that of yellow-skinned Moslems, constituting 10 percent of the total population. They are found in Soviet central Asia and along the Volga River. Large numbers of Russians have been brought into those areas to reduce the predominance of Moslems. Most important positions in government, business, and the armed forces are held by Russians.

Since 1957, there has not been a Jew on the Communist Party's ruling Presidium. Only one Jew is found in a leading Government post.

Friction between white and black now is developing.

Negro students from Africa have complained that they were beaten up by Russian youths after dancing with Russian girls. Africans also complain of harassment on trolley cars, on streets and elsewhere.

Similar trouble is developing in satellite nations.

Last February, most of the 350 African students in Bulgaria decided to leave the country when authorities banned the Pan-African Sudents Union. Bulgarian students, the Africans said, "were not even willing to sit next to us, and they called us 'black apes'."

In Czechoslovakia, reports told of a springtime brawl in Prague during which a crowd of 300 young Czechs beat an African student for 15 minutes. That evening, two African students were beaten up, and an African diplomat found all four of the tires slashed on his automobile.

These and similar stories are disillusioning to Africans who once saw the promise of racial equality under communism.

CANADA: "INTOLERANCE IS WIDESPREAD"

Ottawa

In Canada, the "wrong" color, race or religion can be a severe handicap. By law there is no discrimination based upon either race or color. But a leading newspaper in Toronto recently noted that "intolerance is already widespread in Canada—directed not only at the Jews but at many other racial and religious groups."

French Canadians complain bitterly that they are "second-class citizens" dominated by Canadians of English background.

In Quebec Province, French Canadians have unleashed a campaign of terror to back up demands for secession from the other nine provinces.

Rigid quotas limit immigration of colored races from the West Indies and Asia. Canada's 32,000 Negroes often encounter discrimination in seeking jobs, meals in restaurants, or living accommodations.

A Negro couple in Halifax answered 60 advertisements of apartments without success. Negro tourists from the United States are sometimes turned away from resorts despite advance reservations and deposits.

Officially, Canada's 210,000 Indians are equal in every respect to other Canadians.

Unofficially, they are often treated as pariahs, avoided whenever possible, and stereotyped as "dirty, drunken, shiftless Indians."

For example, an attempt to establish an Indian hostel in Winnipeg sparked emotional protests—even though the site was in a slum area.

In another Manitoba city, a survey revealed almost two-thirds of the residents were prejudiced against Indians and halfbreeds.

Three out of four Canadian Indians still live on reservations—unable or unwilling to overcome prejudice and compete for jobs, housing and social acceptance on the "outside." One angry chief complained his band was suffering from lack of education, drastic unemployment, no medical care, unfair labor practices and indifferent federal officials. Here, as in the United States, the problem of Indians—who once owned the country—tends to be overshadowed by that of Negroes and other minority groups.

Eskimos, numbering only a few thousand and seldom seen in urban centers, stir more curiosity than hostility. Even so, a Canadian white recently lost his job because he married an airline stewardess who is an Eskimo.

What turns up in Canada is just another version of the same story to be found in any part of the world which has differing races.

Mass murder on the scale practiced by Adolf Hitler in Germany against the Jews in the 1930's and 1940's is not countenanced by any government in the world today. But segregation or discrimination on a wide variety of grounds is being practiced wherever large minorities exist.

Even in countries where racial minorities are relatively small, you learn, there is racial antagonism. Often that antagonism is most violent in those countries which now profess horror at America's handling of its racial problem.

Exhibit 2

[From the Wall Street Journal, Aug. 15, 1693]

Prejudice Abroad: Discrimination Grows in a Europe Critical of U.S. Race Relations—"No Colored" Ads Abound in Britain; French Boys Call Negro Playmate "Chocolat"—Bias in Another Birmingham

(By Robert E. Dallos)

Birmingham, England.—Dr. C. J. K. Pilisio of this city took care to book a room before he set out on a recent jaunt to the seaside resort of Bournemouth. Nevertheless he spent the first night of his vacation sleeping in his car. The inn at which he planned to stay refused to honor his reservation because he is a Negro.

Now Dr. Pilisio fumes: "I'd rather live in the Deep South of the United States than here in Britain. At least an American Negro knows exactly where he can go and where he won't be admitted. In this country there is constant color discrimination, but the Negro never knows where or when he'll meet humiliation and rejection."

The doctor's experience points up a strong international irony. Americans have often been stung by loud European criticism of race discrimination in the United States, and this summer's American race crisis is giving the critics much new ammunition. But at the same time, a growing number of nonwhites living in Europe complain they're being discriminated against, too.

In some ways this discrimination is milder than in the United States. Unlike many American Negroes, colored Europeans usually attend school with whites. Proportionately more of them have white neighbors, too.

BRITAIN'S BIRMINGHAM

But in other ways discrimination in Britain gets quite blatant at times. Readers of the London Weekly Advertiser see dozens of ads like this: "Manor Road, two unfurnished flats, ground floor, three rooms and kitchen. No colored." In Birmingham, England, as in Birmingham, Ala., several large manufacturing firms maintain separate toilet facilities for white and colored employees. Indeed a recent survey of companies which employ about 30 percent of the labor force in Britain's Birmingham—England's second largest city and center of the auto industry—turned up only 318 companies that will hire colored help at all, against 365 that won't.

On the continent, discrimination rarely takes such an overt form—perhaps because the nonwhite percentage of the population is much smaller than in England. But in various subtle ways bias exists there, too.

In France a reputation for tolerance has drawn some American Negro intellectuals, such as the late novelist Richard Wright, to seek bias-free homes in Paris. But Ezekiel Mphalele, an African now living in the French metropolis, says his 10-year-old son recently lost a white playmate when the white boy's father ordered him "not to play with black boys." Other white children, says Mr. Mphalele, call his own "chocolat." Even in West Germany, where nonwhites make up an extremely small proportion of the population, the national government admits African students have trouble renting rooms.

LESSON FOR UNITED STATES?

To some sociologists, all this suggests a melancholy lesson for the United States: Overcoming race prejudice may be much harder than some integration leaders now anticipate. In no European country, these students point out, does the nonwhite proportion of the population come anywhere near America's 10 percent; even in Britain it's only about 1 percent. So, these sociologists say, the existence of discrimination in places where there are so few nonwhites to discriminate against indicates the tendency to bias among whites is extremely deep seated.

But bias does seem to rise with the number of nonwhites around. In Britain, nonwhites and discrimination alike were rare 10 years ago. But then immigrants—mostly nonwhites—dissatisfied with economic conditions in other British Commonwealth countries began to pour in; the annual immigration rose from 42,700 in 1955 to 136,400 in 1961, and the cumulative total from 1955 through the first half of 1962 reached 450,000. These immigrants, who included West Indian Negroes and dark-skinned Indians and Pakistanis, make up the bulk of Britain's current nonwhite population of about 500,000.

The bias the immigrants encountered is not a legal problem. Britain has no laws compelling segregation. But its laws don't forbid discrimination either, so whites can subject colored Britons to a variety of private pressures.

FACTORY BIAS

One such pressure is described by L. G. Wilson, a Jamaican who supervises 30 white and 10 colored linotype operators in a London print shop. "Recently my company has been receiving complaints from white workers who say they don't want to work for a Negro," he claims. "Their complaints have turned to resignations, and now my bosses are trying to push me out by making me work all sorts of unfair and odd hours. I'm going back to Jamaica soon." In other factories, white unionists have struck to prevent the hiring of nonwhites who would work alongside them.

Social barriers are common, too. In the Birmingham suburb of Smethwick, a white barber cries "no colored hair cut here" as an Indian worker approaches his shop. And a white touring Smethwick pubs with three well-dressed colored friends finds his party admitted only to the shirt-sleeved workingmen's section and banned from the more formal lounge of the Soho Tavern. "I hate to do this," said the bartender "but I'm only the vacation employee and the owner left strict orders not to admit colored folk in the lounge."

These restrictions now are inspiring the beginnings of a U.S.-style protest movement among colored Britons. Last month a group of Indians began staging sit-downs on the sidewalk before the Bermuda Tavern in Wolhampton, an industrial town near Birmingham. Leaders of the demonstration vow to sit on the pavement every Saturday night until the pub owner agrees to serve them, and colored spokesmen promise similar demonstrations elsewhere soon.

Bias is also causing political controversy in Britain as in the United States. Last year the Conservative Party government pushed through legislation restricting immigration from the Commonwealth. In the 10 months through April 30, the new law cut the flow of immigrants to about 20,000, from 94,900 in the last 6 months before it went into effect.

Though the law does not mention race as such, Conservatives say it was necessary because "uncontrolled immigration" was contributing to racial tension. But Shirley Fossick, campaign secretary of the Coordinating Committee Against Racial Discrimination in Birmingham, says the law has "increased discrimination in Britain." She says it "influenced the person who had no feelings one way or the other (to think) that colored people are not suitable citizens of this country."

LABORITES' VIEWS

Some Labor Party leaders now are promising to repeal the immigration law if their party wins the next general election. And Laborite Fenner Brockway has eight times introduced legislation in Parliament to ban some acts of bias; it has been defeated each time by legislators who cherish the tradition that British laws do not recognize that race exists. The Brockway bill is somewhat similar to the civil rights bill now before the U.S. Congress; it would outlaw discrimination in ads, such as those for apartments, and in public places such as dancehalls, movie houses, and pubs.

Finally, Patrick Gordon Walker, Labor's chief spokesman on foreign affairs, charged in a recent speech that some local Conservative parties in recent local elections "attempted, with deliberate calculation, to stir up racial strife in an effort to obtain votes." In some districts, he says, children were organized to parade round the streets, singing: "If you want a nigger neighbor, vote Labor."

In France, where 100,000 Negroes make up two-tenths of 1 percent of the population, open bias is rare. Indeed many voters want a Negro to succeed General de Gaulle as President. In a recent poll to see whom Frenchmen would favor if the general does not run for reelection Gaston Monnerville, Negro head of the French Senate, led all others, being the choice of 28 percent of those polled.

Still French Negroes complain that taxi drivers often ignore them, and clerks in small shops wait on them only after whites are served. Jean-Pierre N'Diaye, a Senegalese sociologist, says some French professors are reluctant to give good grades to African university students. And 13 percent of the Frenchmen queried in a recent poll were opposed to having daily professional relationships with Negroes.

BLUNTER BIAS

Blunter bias pops up sometimes, too. Last month police were called when a Negro from Martinque objected to his expulsion from the New York City Bar in Lyon; they beat the Negro so severely that he required hospitalization. The Paris newspaper Le Monde then surveyed the bars in Lyon and found that 11 refused to serve Negroes.

Unhappily and perhaps unjustly, some French bias is blamed on the influence of visiting Americans. Albert Levy, secretary of an antidiscrimination group, says his organization has investigated several complaints that Negroes were refused rooms in Paris hotels. "The hotel owners told us they were forced to bar Negroes because they had a large American clientele which objected to them," Mr. Levy reports.

Negroes charge a somewhat similar situation exists in Germany. The Negro magazine Flamingo, published in London, recently described the city of Mainz as "Germany's Little Rock"; it said American Negro and white GI's frequent different off-base bars there and African students might have trouble being served in the white's favorite bars. This "prejudice did not come from the burghers of Mainz," the magazine claims. "Most of the blame can be put at the feet of American servicemen in the town."

[From the Washington (D.C.) Sunday Star, June 23, 1963]

Discrimination in Some Form Is Worldwide

With the exception of Antarctica, where there are no people, few large areas of the world have been immune to the virus of prejudice.

Thus, discrimination, racial or religious, ethnic or economic, leaves little room for self-righteousness in most of the globe's heavily populated regions. It varies in kind and degree around the earth. But one striking fact that emerges from an Associated Press survey is that neither the age nor the type nor the background nor the intention of a given government makes it necessarily immune.

As far as can be determined, only one country practices internal segregation as a matter of national policy or law. That is the Union of South Africa. Few countries enforce or justify it by law on any level and one of the few, of course, is the United States, where segregation is still a matter of State statute in parts of the South.

WRAPPED IN IRONY

But it occurs in many other places around the world even where it is forbidden by law and wrapped in irony.

Thus, India found that the mere process of independence from the white man did not cleanse it of discrimination by Indians. Thus, England, whose intellectuals used to criticize American race relations while the British had no minority problem of their own at home, now finds its own people not immune to the ugly sores of racial stress.

The emerging black man in Equatorial Africa and the emerging Arab in north Africa begin to rule themselves under constitutions proclaiming racial freedom for all. Meanwhile, they practice some discrimination against whites and Asians in an effort to redress old imbalances in government and trade. And only time will prove once the imbalance is balanced, whether such discrimination can be ended.

None of this is to say that discrimination, as Americans understand it, occurs everywhere or in major proportions in most places. It is relatively rare, for example, in Scandinavia, New Zealand, Australia and, from most points of view, France.

AS A STATE OF MIND

But discrimination is also a state of mind, sometimes lost in semantics, frequently difficult to label as such. In France, for example, the President of the Senate is a Negro. Negroes and persons of North African origin who can afford it circulate freely in hotels, restaurants and night clubs. But most of the 500,000 Algerians in France are uneducated and unskilled and hold the lowest paying jobs.

Is this discrimination or a simple fact of economic life? The free and easy Australians, who show an enlightened attitude toward their one small minority, the aborigines, enforce an immigration policy which keeps colored races out. This is done in the hope of building a homogeneous, frictionless society. Is this effort to avert racial strife discriminatory? In many places in South America, Indians make up the most depressed classes, poor and uneducated. Is this discrimination or another raw fact of economics?

In India and other parts of Asia, where America has often been concerned about its own image, neither semantics nor rationalization can hide the fact of discrimination.

In a total population of 461 million, nearly 100 million in India are listed by the census as untouchables. The untouchables rank below the Hindu caste system, which has four main castes and more than 3,000 local subcastes. Many Indians who are now Moslems and Christians are descendants of untouchables who were converted to escape the Hindu caste system. But even among the Moslems and Christians distinctions frequently remain between high and low castes.

CONDITIONS IN CEYLON

In Ceylon it is the Hindu who complains of discrimination although here, too, there are constitutional provisions against it. The ruling majority group are the Buddhists whose tongue, singhalese, is now the official state language. The 1 million Tamil speaking Hindus complain the language barrier and their difficulty in getting government jobs has forced them into second-class citizenship.

The Catholics, too, say they are targets of discrimination in public service appointments. Thus, a situation is reversed. Under British rule, which ended in 1956, the singhalese complained the Christians and Tamils were favored.

In 1958 an estimated 1,000 Tamils were killed in widespread rioting led by the singhalese.

While they complain of discrimination at the hands of the majority, the Tamils themselves discriminate against each other. The Vellala or high class Tamils do not allow low caste people to drink at public wells except in segregated areas. Low caste women are not permitted to cover their upper body or sit on chairs in the presence of the higher caste.

MOSLEM PAKISTAN

In Moslem Pakistan, where the Hindus are a 12-percent minority, no non-Moslem could ever become president, according to the constitution. Otherwise, there are no legal bars but in fact no Hindu occupies any high government job, none get into the military services, few get governmental jobs of any kind. and many have difficulty getting private jobs.

In southeast Asia, where many Chinese have migrated over the years and won commanding positions in trade and finance, antagonism toward them is common. It is particularly strong in Indonesia, where President Sukarno's government has tried to limit Chinese activity in business.

Still, the 3 million people of Chinese descent in a total population of 100 million control a great deal of Indonesia's economic life. Indonesia recognizes the Peiping government but that did not stop recent rioting and destruction of Chinese property in the wake of a visit by the President of Communist China.

RUSSIAN DISCRIMINATION

On the other side of the world, in Moscow, where Russian propaganda factories rarely miss a chance to exploit America's racial troubles, the picture is difficult to delineate. The Russian constitution espouses protection for all classes and forbids discrimination. The Government denies there is any discrimination against Russian Jews or visiting African students.

But the Jews claim they suffer unequal difficulty in getting important jobs or getting into universities. A disproportionate number of Jews have been executed for economic crimes, which the Soviets say indicates no discrimination.

But Western observers point out that the presence of so many Jews in illegal business may be explained by their difficulty in getting jobs in normal areas. And the Jews themselves point out that of all national or racial groups in the Soviet Union they alone are required to have the word "Jew" printed on their passports.

There is, of course, active discrimination against Christians, whose belief in God makes them ideologically unacceptable for posts of importance in the Soviet Union.

Elsewhere behind the Iron Curtain, there are legal prohibitions against discrimination but visiting correspondents hear murmurs. In Hungary, for example, they hear traditional anti-Semitic and anti-Gypsy sentiments.

PREJUDICE AGAINST STUDENTS

In Czechoslovakia and Bulgaria there is clearly a growing popular feeling against visiting colored students. In Czechoslovakia, many people blamed the depressed economy on large-scale exports to Africa and Asia during the Communist political offensive there.

In Poland, where Hitler left fewer than 50,000 Jews out of a prewar population off 3½ million, discrimination is illegal. Jews appear to have no problem in housing, education, or employment except that there is an undercurrent of resentment over the number of posts they occupy in government, party, publishing, news media, literature, and finance.

In turbulent Africa, where the complexion of power is changing rapidly, it is still too early to tell whether the black man or the dusky-skinned man will prove less discriminatory than the white man who ruled before him.

The new rulers endorse laws which seek to outlaw prejudicial treatment of any one group. But they also, understandably, seek to increase the affluence and influence denied many of their people under former white masters.

In Kenya, where the African has begun to rule himself, the government openly gives wide preference to African applicants for civil service jobs. European and Asian civil servants are being prematurely retired. Most Europeans forced out this way receive generous financial allowances. The Asians do less well and are complaining.

NEGRO MILLIONS IN KENYA

Africans or Negroes total 8 million in Kenya as compared to 180,000 Asians, 66,000 Europeans, and 39,000 Arabs. Small though their group is, most of the country's commerce is still controlled by Asians. This may prove temporary.

While they have not suffered as badly as their compatriots in Uganda from trade boycotts imposed by African nationalists many Asian shopkeepers in Kenya fear the future. They say they will return to India if, after complete independence, their shops are boycotted or the government imposes high discriminatory taxes on them and Europeans.

The three independent Moslem states in formerly French north Africa—Tunisia, Algeria, and Morocco—officially do not sanction discrimination. Yet it occurs in some forms. mainly against the remaining European settlers and Jews.

ARABS IN ISRAEL

Ten percent of Israel's 2½ million people are Arabs. Are they targets of discrimination? The tangible evidence indicates they are not, but still many Arabs feel an unease, a psychological disadvantage. Probably this feeling will never be erased while Israel is surrounded by hostile Arab nations.

But within the country, the Israeli Arabs are protected by laws against unequal treatment of any group. They get equal pay for equal work in industry, most of their farmers own their own land, they enjoy the same benefits of government road building and irrigation projects, they can and do enter any public place, and they vote. The parliament has seven Arab deputies.

The one legal difference between Arabs and Jews is that the Arabs are not subject to compulsory military training.

Elsewhere in the Middle East, in Lebanon, Syria, and Iraq, for example, the Moslems predominate but the remaining Jews appear to have few complaints. Hatred of Jews is confined to Israelis or Zionists. Jews there who engage in no pro-Israel activity are free to worship and work peacefully. The Jewish community in Lebanon retains considerable financial influence.

The Sudan, however, has its racial and religious troubles. Negro pagan and Christian tribes in the south are kept under strict controls by the Arab Moslems of the north. Rioting was reported in 1962 to protest the enforced "Arabization" of the Negro south.

South Africa, of course, remains the world's clearest example of racial separation and discrimination, the only country where it is national policy imposed by law and enforced rigorously in everyday life.

ENVISIONS SEPARATE CAREER

The government, in pursuing its policy of apartheid, speaks of the day when whites and blacks will live in separate areas, each governing themselves, in some kind of national federation.

Meanwhile, though, the 3 million whites rule themselves and the 11 million blacks, and there is no doubt in anyone's mind which complexion runs the country. The black man has no vote, no political rights, little freedom of movement, and is segregated in virtually every phase of his life—living quarters, transportation, churches, post offices, movies, libraries, restaurants, and separate counters in all government offices.

Much of Western Europe appears free of discrimination. Overt anti-Semitism is now rare in West Germany and Austria, where Hitler's massacres probably left those countries acutely self-conscious about the subject for years to come.

HIDDEN ANTI-SEMITISM

Some observers, however, feel that hidden anti-Semitism is still very strong in Germany, particularly among middle-aged and older people. But authorities treat the surviving German Jews (20,000 out of 500,000) with such consideration that some see the danger of a new anti-Semitism resulting from the current self-conscious pro-Semitism.

Italy has no legal discrimination. However, the German-speaking residents of the south Tyrol and the Slav groups in Trieste complain of unequal treatment in jobs and housing. The feeling has erupted into bombings and other violence which Italian authorities attribute to nationalist groups.

England has about 500,000 nonwhites, roughly 1 percent of the population. Most of these are West Indians who came looking for work. The rest are Indians, Pakistanis, and Africans.

So far in 1963, the country has escaped major race conflict for the first time in 10 years. The penalties for street rioting, such as the violence which lasted a week in London's Notting Hill district in 1958, are now more severe. Immigration of nonwhites has been sharply curtailed. Still, police and social workers believe more eruptions are inevitable.

The conclusions one can draw from this word survey of discrimination are few. For a broad variety of reasons, economic, social, political, religious or physical, historic or new, real or imagined, men feel and exhibit mutual hate, which may be the other side of mutual fear. Discrimination occurs in many places, the mere fact of which justifies it no place.

EXHIBIT 3

[From the Tulsa (Okla.) Tribune, July 11, 1963]

THE BLACKER POTS

Secretary of State Dean Rusk told Congress Wednesday that unless it promptly enacts legislation that would permit a Washington bureau to supervise the renting of Mrs. Murphy's spare bedroom and the hiring of a fry cook in a hamburger stand the world will "question the real convictions of the American people."

The argument that we must vastly extend the power of the Federal Government in order to prove to foreigners that we are fairminded is a favorite of the "liberals." Maybe it's time we looked at some of the foreigners.

Last fall the Government of Saudi Arabia finally got around to freeing the slaves. That is, it agreed to pay a compensation of $700 for every male slave set free and $1,000 for every female. But the deadline for claiming the compensations ended last week with few takers. Slaves, it seems, are worth twice as much as the government offered for their freedom.

So let's not worry too much about what Saudi Arabians think of the situation in Mississippi.

President Gamal Abdel Nasser of Egypt has said a lot of scornful things about America's race problems. The average Egyptian rural laborer makes about $10 a month. He works and sleeps in the same nightshirt. He is no longer legally bound to the land, but if he leaves his landlord there is no work for him. Must we keep cocking an ear for Mr. Nasser's latest lecture on the "submerged masses of America?"

In northern Japan there live the Ainus, a hairy race more akin to Eskimos than Japanese. An Ainu on the streets of Tokyo is followed by small boys, jeering and shouting "Dog." Ainus are not considered the equal of even the lowest true Japanese. What was the latest in "Asahi" or "Mainichi" about American race prejudice?

The Russian Government has made much of the slow pace of the school integration drive in America. In Asiatic Russia separate schools continue to be maintained for children of White Russian and Ukranian officials, while the native Kazakhs, Kirghiz, and Tadzhiks go to their own schools, such as they are.

In India, long the loudest critic of America on race matters, dark-skinned Dravidians from the south have a terrible time getting jobs in India's northern Caucasian cities.

No Australian hires a Bushman for anything except sheepherding. The hill Igorotes of the Philippines are not socially acceptable in Manila. London, which contains fewer Negroes than any large American city, has recently had serious race disturbances. And down in Kenya whites are fleeing their neat farmsteads by the thousands as young Kikuyus grin and talk openly of a "night of the long knives" after Kenya gains its independence this fall when they hope to solve Kenya's race problem once and forever.

Now it is proposed that we rush into Federal legislation that would set up autocratic or unenforcible fair employment practices and that would put every American business, however small and local, under Federal regulation in order to stop the world's criticism of America.

Why don't we ask ourselves what is fair, practical and attainable, and let the rest of the world explain itself to us?

Mr. GRUENING. Mr. President, will the Senator yield for a question?

Mr. THURMOND. I am glad to yield to the able Senator from Alaska.

Mr. GRUENING. Does the distinguished Senator from South Carolina know of any example in which there has been discrimination under the foreign assistance program on the ground of race, religion, color, or national origin?

Mr. THURMOND. I was speaking about discrimination in the countries to which we furnish foreign aid. I have just cited various countries, including India and Great Britain.

Mr. GRUENING. Do I correctly understand that the Senator does not propose to alter the policies of those countries, but merely to make certain that our foreign aid and its administration do not succumb to discrimination against individuals on the ground of race, color, religion, or national origin?

Mr. THURMOND. The amendment on that point is fairly clear. Section 501 provides:

> No person in any recipient country shall, on the ground of race, color, religion, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving any form of the United States financial assistance.

Section 502 reads, in part:

> SEC. 502. The Agency for International Development and any other department or agency or which is empowered, or may in the future be empowered, to extend United States financial assistance to any program or activity in any country, by way of grant, loan, contract, or other, is directed to effectuate the provisions of section 501 with respect to such program or activity by issuing rules, regulations, or orders of general applicability which shall be consistent with achievement of the objectives of the statute authorizing the financial assistance in connection with which the action is taken. No such rule, regulation, or order shall become effective unless and until approved by the President.

As I have pointed out, and in reply to the distinguished Senator, we are not trying to control the policy of any country; but if we have a national policy of no discrimination and have given this Government the power to withhold funds in our own country in cases where alleged discrimination exists, it would seem to be in order not to subsidize discrimination in foreign countries.

Mr. GRUENING. I believe that the objective of this amendment is laudable, but I wonder whether it is necessary, and whether such discrimination has, in the past, taken place—and if so, where?

Mr. THURMOND. If it is not necessary, there could be no harm in adopting the amendment.

Mr. GRUENING. The Senator would not interpret the amendment as going so far as to deny aid to a country which as a matter of policy discriminated against American citizens on the ground of race or religion? I believe the Senator knows of certain Arab countries where American citizens of the Jewish race are not permitted to enter. Would he apply his amendment to those countries?

Mr. THURMOND. Again, of course, we would come down to the construction of the amendment. In the civil rights bill, that is left up to the heads of the administering agencies concerned as to its construction. The same would be the case with this amendment. As the able Senator well remembers, the civil rights bill did not define "discrimination," but left it to the head of the agency or department concerned.

Mr. GRUENING. As I read the amendment, I believe that it is highly desirable, but I wonder whether we could not hear from the distinguished chairman of the Foreign Relations Committee, as to whether he believes that the amendment is essential to prevent the kind of abuses the distinguished Senator from South Carolina is seeking to prevent?

The PRESIDING OFFICER. Does the Senator from South Carolina yield the floor?

Mr. THURMOND. Mr. President, I yield the floor.

I believe that the Senator from Alaska wishes to put a question to the chairman of the Foreign Relations Committee, the Senator from Arkansas [Mr. FULBRIGHT].

Mr. GRUENING. As I read the amendment, its objective seems to me to be desirable and praiseworthy; but I wonder whether the chairman of the Foreign Relations Committee would answer my question as to whether there is any need for the amendment, whether the abuses which the amendment aims to prevent have taken place, and whether they are really taking place.

Mr. FULBRIGHT. A simple answer to the Senator's question is that I am opposed to the amendment of the Senator from South Carolina. Merely because we have a similar objective in the United States, I am not going to turn around and vote for the same kind of measure to be imposed on other people. We have enough of a burden trying to put the foreign aid program into effect without including this amendment.

As to an answer on the subject of discrimination in other countries, generally speaking, as stated by the Senator from South Carolina, there is discrimination. As it directly affects this program, I am not aware of any complaints or instances in which it has been practiced.

I point to the Export-Import Bank as being one of the most effective and efficient organizations in this field we have ever developed, but I believe it would be a great burden upon that institution if we tried to inject this kind of requirement into its administration. I believe that applying the objective of this amendment would be extremely difficult. Does that answer the Senator's question?

Mr. GRUENING. Yes. I thank the Senator.

Mr. FULBRIGHT. There are already statements of principle in the act regarding discrimination, but not in this form, as a condition.

Mr. GRUENING. I assume that the administration, which has just supported legislation, which I supported, and which the distinguished Senator from Arkansas feels is not the right way to do it, would try to carry out those policies to the extent practicable in foreign affairs. My question is whether this was really a necessary amendment, and whether it adds anything except a declaration of principle.

Mr. FULBRIGHT. I do not believe it is necessary. I am opposed to it.

Mr. GRUENING. I assume that the objective of the amendment is in sympathy with the views expressed by the chairman, who objected to proposing these methods in this country. I take it that the junior Senator from South Carolina is likewise opposed to them.

Mr. THURMOND. The Senator is correct.

Mr. GRUENING. He proposes, therefore, to impose on the foreign aid program a similar procedure to the objective at home?

Mr. THURMOND. I objected to imposing that procedure on our own people, but if the United States is going to impose it on its own people, I see no reason why we cannot provide for the control of these funds to foreign countries to which we give aid in one form or another.

Mr. GRUENING. I thank the Senator from South Carolina.

Mr. THURMOND. In other words, the foreign aid program now, under the national policy of this country, would violate the national policy of this country and would subsidize discrimination. I do not see how any Senator who voted for the civil rights bill can now take another position on the pending amendment and be consistent.

Mr. GRUENING. I thank the Senator from South Carolina.

Mr. MORSE. Mr. President, I shall support the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from South Carolina.

On this question the yeas and nays have been ordered; and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Indiana [Mr. BAYH], the Senator from Michigan [Mr. HART], the Senator from Arizona [Mr. HAYDEN], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Washington [Mr. JACKSON], the Senator from South Carolina [Mr. JOHNSTON], the Senator from Ohio [Mr. LAUSCHE], the Senator from Missouri [Mr. LONG], and the Senator from Washington [Mr. MAGNUSON] are absent on official business.

I also announce that the Senator from Maine [Mr. MUSKIE], the Senator from Rhode Island [Mr. PASTORE], the Senator from Rhode Island [Mr. PELL], the Senator from Georgia [Mr. RUSSELL], and the Senator from Florida [Mr. SMATHERS] are absent on official business.

I further announce that the Senator from New Mexico [Mr. ANDERSON], and the Senator from Massachusetts [Mr. KENNEDY] are absent because of illness.

I further announce that the Senator from West Virginia [Mr. BYRD], the Senator from Nevada [Mr. CANNON], the Senator from Pennsylvania [Mr. CLARK], the Senator from Oklahoma [Mr. EDMONDSON], the Senator from Tennessee [Mr. GORE], the Senator from Louisiana [Mr. LONG], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Utah [Mr. MOSS], and the Senator from Missouri [Mr. SYMINGTON], are absent on official business.

I also announce that the Senator from Georgia [Mr. TALMADGE], the Senator from New Jersey [Mr. WILLIAMS], the Senator from Texas [Mr. YARBOROUGH], and the Senator from West Virginia [Mr. RANDOLPH], are necessarily absent.

I further announce that the Senator from Virginia [Mr. BYRD] is absent because of illness in the family.

I further announce that, if present and voting, the Senator from Virginia [Mr. BYRD], the Senator from Oklahoma [Mr. EDMONDSON], the Senator from Rhode Island [Mr. PASTORE], the Senator from Rhode Island [Mr. PELL], and the Senator from New Jersey [Mr. WILLIAMS], would each vote "nay."

On this vote, the Senator from Ohio [Mr. LAUSCHE] is paired with the Senator from Washington [Mr. JACKSON]. If present and voting, the Senator from Washington would vote "nay" and the Senator from Ohio would vote "yea."

On this vote, the Senator from West Virginia [Mr. RANDOLPH] is paired with the Senator from Louisiana [Mr. LONG]. If present and voting, the Senator from Louisiana would vote "yea" and the Senator from West Virginia would vote "nay."

Mr. KUCHEL. I announce that the Senator from Nebraska [Mr. CURTIS], the Senator from Illinois [Mr. DIRKSEN], the Senator from Arizona [Mr. GOLDWATER], the Senator from Idaho [Mr. JORDAN], the Senator from Kansas [Mr. PEARSON], the Senator from Pennsylvania [Mr. SCOTT], the Senator from Wyoming [Mr. SIMPSON], and the Senator from Texas [Mr. TOWER], are necessarily absent.

The Senator from Maryland [Mr. BEALL], the Senator from Massachusetts [Mr. SALTONSTALL], and the Senator from North Dakota [Mr. YOUNG], are detained on official business.

On this vote, the Senator from Nebraska [Mr. CURTIS] is paired with the Senator from Kansas [Mr. PEARSON]. If present and voting, the Senator from Nebraska would vote "yea" and the Senator from Kansas would vote "nay."

On this vote, the Senator from Wyoming [Mr. SIMPSON] is paired with the Senator from Massachusetts [Mr. SALTONSTALL]. If present and voting, the Senator from Wyoming would vote "yea" and the Senator from Massachusetts would vote "nay."

On this vote, the Senator from Texas [Mr. TOWER] is paired with the Senator from Pennsylvania [Mr. SCOTT]. If present and voting, the Senator from Texas would vote "yea" and the Senator from Pennsylvania would vote "nay."

The result was announced—yeas 25, nays 34, as follows:

[No. 524 Leg.]

YEAS—25

Bartlett
Bennett
Boggs
Burdick
Douglas
Ellender
Fong
Gruening
Hartke
Hickenlooper
Hruska
McClellan
Mechem
Metcalf
Miller
Morse
Mundt
Nelson
Neuberger
Proxmire
Ribicoff
Salinger
Thurmond
Walters
Williams, Del.

NAYS—34

Aiken
Allott
Bible
Brewster
Carlson
Case
Church
Cooper
Cotton
Dodd
Dominick
Eastland
Ervin
Fulbright
Hill
Holland
Inouye
Javits
Jordan, N.C.
Keating
Kuchel
Mansfield
McGee
McGovern
McIntyre
McNamara
Monroney
Morton
Prouty
Robertson
Smith
Sparkman
Stennis
Young, Ohio

NOT VOTING—41

Anderson
Bayh
Beall
Byrd, Va.
Byrd, W. Va.
Cannon
Clark
Curtis
Dirksen
Edmondson
Goldwater
Gore
Hart
Hayden
Humphrey
Jackson
Johnston
Jordan, Idaho
Kennedy
Lausche
Long, Mo.
Long, La.
Magnuson
McCarthy
Moss
Muskie
Pastore
Pearson
Pell
Randolph
Russell
Saltonstall
Scott
Simpson
Smathers
Symington
Talmadge
Tower
Williams, N.J.
Yarborough
Young, N. Dak.

So Mr. THURMOND's amendment was rejected.

Mr. FULBRIGHT. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. KUCHEL. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. THURMOND. Mr. President, during the fight on the civil rights bill the point was made time and again that the image of the United States was being hurt because of discrimination in this country. As I pointed out in my talk a few moments ago on the amendment, Britain discriminates against Negroes; Africa discriminates against whites; in Asia one nationality discriminates against another, depending upon which is in the majority.

In Peru, and other Latin American countries, there is discrimination against Indians. In British New Guinea there is discrimination; Indians and Negroes discriminate against each other, whichever is in the majority. In India—and a great deal of our aid goes to India—the infamous caste system still thrives, and discrimination is practiced.

I merely wished to show the futility of the argument that America's image is being hurt, because it was left to each State to determine whether there would be integration or segregation, which some call discrimination. In practically every country there is what some people call discrimination, and yet we must change our whole pattern of life. We must conform to a certain ideal in order not to be castigated by the other nations of the world, all of which discriminate under one standard or another.

Mr. President, I really did not expect the amendment to be adopted.

I have in my hand a statement taken from the Associated Press ticker. It states—

> Administration leaders said they would fight THURMOND's proposal, contending it might jeopardize the AID program, which the South Carolinian opposes.

I knew that since the administration was opposed to the amendment it would not be adopted. But I wished to show the hypocrisy that exists. I wished to show that although other countries of the world practice discrimination, yet we are required to change our pattern in this country, in order to eliminate so-called discrimination, by passing the greatest grab for power—which we did when we passed the so-called civil rights bill—that this country has ever seen. There is no question that the so-called civil rights bill did more to centralize power in the Central Government in Washington than any other piece of proposed legislation that has ever been passed. Yet we are being forced to change our form of government, so to speak, the delicate system of checks and balances between the States and the National Government, on the pretense that we are being held up to the world as discriminating, when we are not discriminating any more than are other countries throughout the world. So I hope that the American people will wake up and take note of the propaganda that has been used in respect to the so-called civil rights legislation, and which will be used in forwarding other pieces of proposed legislation which will be offered in the future on one pretense or another to bring about a greater centralization of power in the Government of the United States.

Of course, those who subject to the so-called discrimination in foreign nations cannot vote in our elections, and therefore a legislative bar to discrimination against them has less appeal.

It is conceivable, also, that were my amendment to have been adopted, it would have prevented the expenditure of millions, and possibly billions of dollars of tax funds for foreign aid.

Mr. President, the history of mankind has been a history of the suffering of people. People have suffered where there has been too much power at any one level of the government. Those who wrote the Constitution tried to bring about a diffusion of power. They tried not to put too much power at any one level of the government or at any one place in government. But now we are allowing some people in America to change our structure of government on the pretense that we must do so in order not to be criticized by other countries of the world.

I predict that next year and in years to come we shall be confronted with other proposed legislation by those whose main purpose it is to socialize this country and to centralize more power in Washington. They will use the same form of propaganda and the same pretense, that we must enact a certain piece of proposed legislation from humanitarian standpoints so that we shall not be criticized by other countries of the world.

I hope that the American people will study the amendment which the Senate has just rejected. I hope that they will look back and recall the vote on the so-called civil rights bill, and see how the American people and the Congress, because of public opinion, are forced to pass such proposed legislation that centralizes great power in our Government, and in the end will result in taking away the rights and privileges of individual citizens.

Mr. JAVITS. Mr. President, I should like to have the attention of the Senator from Arkansas, if I may. I should like to propound a question to him.

I would like to ask the chairman of the committee a question regarding section 301(a) of the bill, H.R. 11380. I note that the bill proposes to extend through June 30, 1965, the life of the Advisory Committee on Private Enterprise. Establishment of the Advisory Committee was required by an amendment to last year's foreign aid bill which I was pleased to introduce. While it took some months to form the Advisory Committee, this has now been done under the chairmanship of Mr. Thomas J. Watson, Jr. It is a very distinguished committee and should make a major contribution toward more effective use of our great private enterprise community in the foreign aid program. For this reason I wholeheartedly endorse the proposal of the Foreign Relations Committee to extend the life of the Advisory Committee on Private Enterprise. At the same time, however, I notice that the Committee on Foreign Relations proposes to strike out the provision in the House bill which would increase from $50,000 to $100,000 the amount of funds which may be used to meet the expenses of the committee. As a lawyer I would not read the action of the Foreign Relations Committee as in any way curtailing the ability of the Advisory Committee to effectively carry out its mandate, but I would request confirmation of my view from the chairman of the Foreign Relations Committee. The language which the Foreign Relations Committee struck from the House bill is, and I quote:

> $100,000 for all costs necessary to the committee's operations.

At present the statute refers only to the "expenses of the committee."

This difference in the language indicates to me that under the present law not every item of expense incurred by the Agency for International Development in backstopping the operations of the Advisory Committee must be charged to the ceiling. Rather, it is only the direct costs of the Committee that must be so charged. In my judgment, this analysis of the language could not be questioned if it was also clear that the Foreign Relations Committee had no intention of inhibiting the Advisory Committee in carrying out its mandate. So I ask the chairman of the Foreign Relations Committee whether it was the intention of the committee in striking out the language in the House bill to curtail the operations of the Advisory Committee in any respect.

Mr. FULBRIGHT. It was not the intent of the committee to curtail the operations of the Advisory Committee on Private Enterprise. Rather, it was the view of the Foreign Relations Committee that only certain items of cost were to be charged to the ceiling and that on this basis the $50,000 was wholly adequate. That is why it was stricken out.

Mr. JAVITS. I thank the Senator very much. That reply will be very helpful, so that that important committee may do its work.

I should like to address one additional question to the Senator which perhaps he or one of his associates will answer.

I call attention to the amendment adopted by the committee at page 3, lines 12 to 15, of the bill, which provides:

> Strike out "fraud or misconduct" in the second proviso and insert in lieu thereof "fraud, misconduct, or action not meeting the standard of reasonable business prudence."

That language relates to the guarantees of private investment in underdeveloped countries and would insert a new basis, "the standard of reasonable business prudence," for not honoring claims based upon such guarantees.

I am advised by representative members of the banking community in New York that the inclusion of this vague new standard will very materially cut down the amount of investments under the so-called all-risk guarantees, which are primarily in housing. Some of the largest banks and leading brokerage firms in New York, which have already made housing loans in Latin America, particularly in Colombia and Peru, and are making further investment plans there, including Venezuela and Argentina, advise me that the guarantee in this form would be unacceptable, and that they would not take the risk under such a guarantee because it could be avoided by the Government if it wanted to.

Since the words "not meeting a standard of reasonable business prudence" are as wide open as anybody could make them, I ask the chairman of the committee to tell us why that language was inserted and whether he would consider accepting an amendment to strike it out.

Mr. FULBRIGHT. This amendment was a result of an amendment by the Senator from Ohio to insert the word "negligence." The members of the committee, including myself, were opposed to it. After extended debate about the word "negligence," this particular language was offered as a compromise in the belief it would not prejudice the guarantees in the same way the word "negligence" would.

It may well be the Senator is correct. I was not in favor of the insertion of either. This particular language was the result of a compromise in the committee over the word "negligence," which it was sought to impose, and which I opposed. I did not feel strongly about it. I did not think, speaking for myself, this language would make it easier to satisfy private participants than the word "negligence" would.

Mr. JAVITS. The word "negligence" was placed in this section by amendment once before, and it was stricken out in conference for this very reason. After all, what is the use of having a guarantee provision in the legislation if the very people we wish to induce to invest will not do so under such language? These are multimillion-dollar projects.

Mr. FULBRIGHT. If the Senator feels strongly about it, I suggest he offer an amendment relative to the point.

Mr. JAVITS. In this instance, I would not wish to prejudice the case by offering an amendment which would be turned down.

Mr. FULBRIGHT. Personally, I did not think that language was necessary. However, as I have stated, after extended debate on the matter, this was the best we could do. I did not think it was necessary to have either the language "negligence" or this language, but the committee felt otherwise. I went along with the compromise in order to bring the bill out of committee, which we often have to do. Since that time, I have had letters, as the Senator has, that raise a question as to whether it is a workable phrase.

Mr. JAVITS. What troubles me is that the objections come not from people who merely do not like the idea; they come from the very people who are putting up millions and millions of dollars for the very projects we wish to encourage.

Mr. FULBRIGHT. I may remind the Senator that this matter will be in conference, because it was not contained in the bill as it came from the House.

Mr. JAVITS. I place on the record a strong condemnation of its acceptability. I would not want to prejudice what might happen in conference. I would rather leave the record at this point by stating categorically that those we expect to encourage to invest money in this way, and who have already invested very substantially, object to the language. I have reference particularly to the Chase Manhattan Bank, which has already signed a first investment guarantee contract for Peru and has several other projects pending in an advanced stage of negotiation.

When those we are trying to encourage tell us themselves that this language is discouraging and inadvisable, and that it has a real tendency to cause them not to enter into such transactions, I think we had better take heed. Such language would surely cause a lawyer to advise his client not to underwrite a project under such terms, if he was worthy of any fee at all. We had better take heed of the result, and I hope the committee will take heed.

MAINTENANCE OF INTERNATIONAL PEACE AND SECURITY IN SOUTHEAST ASIA

Mr. MORSE. Mr. President, I ask unanimous consent that there be printed in the RECORD an article appearing in last night's Washington Star by Richard Fryklund entitled "Minor Incident Led to Reds' PT Attack."

I also ask unanimous consent to insert in the RECORD an article on the same subject printed in this morning's Washington Post written by Murrey Marder.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington (D.C.) Evening Star]

TINY SPARK, BIG FIRE: MINOR INCIDENT LED TO REDS' PT ATTACK

(By Richard Fryklund)

The whole Tonkin Gulf incident which precipitated the crisis in southeast Asia, might never have occurred except for confusion—on both the American and Communist sides—over a little-noted incident last Saturday.

The story centers on a South Vietnamese raid on a North Vietnamese island.

Here's what happened, according to Pentagon sources:

Units of the South Vietnamese Navy took a raiding party to the island of Hon Me, about 10 miles off the coast of North Vietnam on Saturday. Guerrilla forces were put ashore for dynamiting raids.

FLEET PATROLS

The American 7th Fleet was not told about the operation, even though American advisers in Saigon were kept informed.

South Vietnam has a fair little navy of its own—some destroyer escorts and patrol craft—and does not need American Navy help. It coordinates its raids (on what it considers to be the Communist-occupied part of its homeland) with American advisers in Saigon.

The 7th Fleet conducts regular patrols by sea and air close to the entire sea rim of the Communist world.

Specifically, American destroyers, with aircraft nearby, cruised up into the Gulf of Tonkin looking for signs of Red Chinese and North Vietnamese activity—surface shipping, military ships, aircraft, etc.

The destroyed *Maddox* was on such a mission.

She had left Formosa July 28 specifically to see if the new talk in North and South Vietnam about expanding the war had resulted in increased Communist operations.

She sailed north past the Red Chinese island of Hainan, looped up no closer than 12 miles from the Red Chinese mainland and then started southward, well out from the North Vietnamese coast, on Sunday.

As she sailed past Hon Me Island—which is about 30 miles south of the PT boat base of Loc Chao, which was destroyed by U.S. planes on Tuesday—she detected on her radar a concentration of junks, which the North Vietnamese Navy uses for coastal patrol craft, and four PT boats.

SHIP TURNS TO AVOID THEM

Maddox officers did not know it, but these ships were picking up the pieces after the South Vietnamese raid.

The *Maddox* turned slightly aside to avoid them, and sailed on unconcerned.

The North Vietnamese American officials now believe, probably thought the *Maddox* had been shelling the island or at least had escorted the raiders.

So four furious PT boats tore out at 50 knots to slay the dragon.

Their tactics were poor and all they did was lose one boat, take damage on three others and arouse Uncle Sam.

U.S. officials, including the President, played the incident down in public on the assumption that it could have been an honest mistake on the part of the North Vietnamese.

They took the precaution, however, of warning North Vietnam that further assaults on innocent American destroyers would be punished. They also took the precaution to improve coordination between 7th Fleet ships and Saigon.

The *Maddox*, then accompanied by the destroyer *C. Turner Joy*, continued the placid patrol.

Then to the astonishment of the Americans, North Vietnam ignored the warnings and sent a half dozen PT boats after the destroyers Monday night.

The rest is history.

[From the Washington (D.C.) Post]

"MADDOX" INCIDENT REEXAMINED; MISCALCULATION THEORY WEIGHED IN VIET CRISIS

(By Murrey Marder)

U.S. officials last night expressed doubt that the torpedo attacks in the Gulf of Tonkin signaled a major Communist offensive, but cautioned against ruling that out entirely.

As hours and days pass without sign of any military buildup to retaliate for the U.S. air pounding of Communist torpedo boat bases in North Vietnam on Wednesday, American estimates of the crisis are being reexamined. So are U.S. assumptions about the causes of the crisis.

Officials are now giving greater weight to the possibility that the Sunday and Tuesday attacks on U.S. destroyers off North Vietnam may not have been an elaborate plot by that nation and Communist China to change the nature of the southeast Asian crisis.

More attention is now being centered on the possibility that the torpedo boat attacks could have been the result of confusion and miscalculation by North Vietnam, instead of a deliberate plot joined in by Red China.

New information yesterday from American sources tends to support the theory of Communist muddling, rather than plotting. But American officials at the same time emphasize their lack of knowledge, and inability to determine, which of these premises is correct.

From a security standpoint, officials stress, the United States must prepare for the worst, even though there are no present signs of a great Communist offensive in the offing.

At least an increase in Communist Vietcong activity in South Vietnam is anticipated. But that would be considerably different from any major expansion of the Vietnamese conflict that the United States has been obliged to brace itself to resist, since its retaliatory strike at the North Vietnam PT boat bases.

American officials are now much readier to concede than they were in the tense days earlier this week, however, that what the United States branded and still regards as a "deliberate" attempt to challenge this Nation on the high seas, may not have been regarded in that light by those who ordered the attacks.

A missing element in public knowledge of the Gulf of Tonkin action explains why the North Vietnamese attacks perhaps were not part of any long-range plan.

It is this: North Vietnam could not have known long in advance that the destroyer U.S.S. *Maddox,* the target of the first attack on Sunday was going to be in the Gulf of Tonkin. The *Maddox* reached the scene only on Friday, July 31. Moreover, it had been weeks since the *Maddox* or any similar vessel patrolled the same zone, officials said.

Previous information from American sources about the nature of U.S. patrol duty had created the public impression that the patrolling vessels were on station in the gulf almost continually, for nearly 2 years.

Instead, American sources said last night, the patrols were conducted at irregular intervals.

The timing significance of the presence of the *Maddox* on July 31, is that on July 30, South Vietnamese naval forces did raid the Hon Me (and Hon Ngu the North Vietnamese also claim), islands in the area near where the *Maddox* later appeared.

Without officially acknowledging that South Vietnamese raid, American sources say that neither the *Maddox* nor any other American vessel was involved in such raids, and the attack on the *Maddox* therefore was unprovoked.

U.S. officials, concede, however, that the North Vietnamese may have been confused about the *Maddox,* which fired warning shots at the PT boats when they approached her in what the United States called "attack" formation. For that reason, the United States regarded the Sunday attack on the *Maddox* as a possible isolated incident.

But Tuesday's attack, 65 miles at sea, on the *Maddox* and the U.S.S. *C. Turner Joy,* sent to reinforce her, could not possibly have been accidental, American officials were and are firmly convinced.

However, officials here do now concede that the second attack on the destroyers *Maddox* and *Joy* may have resulted from a determination to salvage North Vietnam prestige, bruised when the first attack ended with one Communist PT boat sunk, two damaged, and the *Maddox* unharmed.

That second attack, under cover of darkness, it is now said, could have been ordered by the North Vietnamese Defense Ministry or other officials without full understanding of the international consequences.

The United States regarded that attack as a grievous challenge to its historic, legal rights on the high seas, demanding prompt retaliation.

But North Vietnam may have seen the situation in a different light. Defense Secretary Robert S. McNamara said on Thursday that the South Vietnamese Navy includes 500 armed junks built at U.S. expense and often used to halt and inspect North Vietnamese junks in coastal waters. McNamara acknowledged that "in some cases" South Vietnamese junks, "I think have moved beyond" the 17th Parallel that divides North and South Vietnam.

In summary, U.S. officials are diminishing none of their charges and justification for the action that this Nation took against North Vietnam. But they acknowledge that North Vietnam, in effect, may have been shooting from the hip, without any inspiration from Red China to provoke the United States into widening the war.

That might account for Vietnam's admission of the first attack on the *Maddox,* while denying that the second attack ever took place.

The Vietnamese would have a better chance of arguing their first attack before the world than the second.

American officials regard the daily rising North Vietnamese claims of damage inflicted on the American planes that struck the torpedo boat bases as a new attempt by North Vietnam to save face.

What is causing indignation to American officials, however, are suggestions being made by diplomats of several non-Communist countries at the United Nations and elsewhere, that Communist denials of any second attack are true.

The idea that the United States concocted the story of the second torpedo attack by several Communist boats in order to justify its air assault on the North Vietnam boat base, U.S. officials said, is utterly fantastic.

It is absolutely inconceivable, they said indignantly, for anyone to suspect that the United States could or would pledge all the men of the 7th Fleet who participated in that second attack, and the Johnson administration, to join in such a plot is falsehoods.

While the United States cannot provide photographic evidence of the night attack, there is considerable courtroom evidence, they said.

Officials disclosed that a searchlight on one of the U.S. destroyers was knocked out by small arms fire in Tuesday's night attack on the *Maddox* and *Joy,* that one of the destroyers attempted unsuccessfully to ram an attacking torpedo boat, and that a torpedo passed within 300 feet of one destroyer.

Mr. MORSE. Mr. President, both of these articles bear out the very points that I have made in several of my speeches in the Senate in opposition to the U.S. warmaking policy in southeast Asia. These articles point out that it is quite possible that the bombardment of the two North Vietnamese islands by South Vietnamese patrol boats and the subsequent observing by the North Vietnamese of U.S. destroyers patrolling in Tonkin Bay caused the North Vietnamese to draw the false conclusion that the U.S. destroyers were connected with the bombardment of the North Vietnamese islands.

The fact that the U.S. destroyer *Maddox* was probably 30 miles off the North Vietnamese coast when the bombing of the islands took place undoubtedly had a provocative effect. At least North Vietnamese PT boats took out after her as she changed her course and took out to sea. We have been told in our briefings that the *Maddox* was some 60 to 65 miles off North Vietnam when the North Vietnamese torpedo attack was attempted.

As I have said before, I do not think there is any question about the fact that the very presence of American destroyers in Tonkin Bay, even as close as 60 to 65 miles off the mainland of North Vietnam at the time of the bombardment of the two North Vietnamese islands, to say nothing about 30 miles, was bound to be a provocation.

I made the point in a speech the other day that if Castro used his Communist patrol boats to bombard Key West and we observed Russian warships or submarines even as far as 60 miles from Key West, we not only would look upon the incident as a Russian provocation, but we would fire upon them if they did not immediately surrender.

I just do not know who the Pentagon Building thinks it is kidding if it thinks the world is going to accept its alibi that the United States was not guilty of any provocation in Tonkin Bay by having its naval ships patrolling as close to the mainland of North Vietnam as they were patrolling when the South Vietnamese armed vessels bombarded two North Vietnamese islands.

I am satisfied that the commander of the *Maddox* had not been informed of the bombardment. However, it is not a material fact because our naval ships move under constant radio contact, and if at any time any naval support was needed nearer to the mainland of North Vietnam, it, of course, could have been ordered there instantaneously by radio.

I am also satisfied that in Saigon, U.S. officials both at the Embassy level and military level knew in advance of the bombardment of the two North Vietnamese islands and that Khanh planned to escalate the war into North Vietnam by this bombardment. We have been given no evidence to date that the United States did anything to make any attempt to stop that escalation.

It is my judgment that with knowledge of the escalation and with our taking no steps to prevent it, we cannot claim to have washed our hands of it. I am satisfied we were clearly implicated in it, because I think it is obvious that if we had warned Khanh that any attempt on his part to escalate the war into North Vietnam would meet with our disapproval, he would not have carried out the mission. We should have disapproved of it, at least until we notified the American people that we were no longer going to carry out the policy which our Government had reported to the American people was its policy in South Vietnam; namely, a policy of no escalation of the war to the North, at least at that time.

I am satisfied that the advisers to our Government for the past several months, principally Secretary McNamara, General Taylor, and Ambassador Lodge, have favored, in fact, escalating the war and have been at work step by step to help create a favorable climate for a final acceptance of an escalating of the war. I think that the State Department preferred for some time to confine the war strictly to South Vietnam, but finally McNamara and his escalated war associates prevailed over Rusk, and Rusk has now gone along. We are now confronted with this historic American tragedy.

On February 15, 1898, the U.S. battleship *Maine* was destroyed in Havana Harbor by an explosion. Two hundred and sixty-six lives were lost. An American board of inquiry reported to the Navy Department on March 21, 1898, that it believed the explosion was caused by an external mine, based on the conclusion principally on a finding that the principal reason for the sinking of the ship was an upheaval of the ship's bottom.

"Remember the *Maine*" became the war cry against Spain which swept the United States. The President of the United States declared a blockade of Cuban ports on April 22, and on April 24, the Spanish Government declared war against the United States. On April 25, the U.S. Congress in a declaration of war declared that war had existed since April 21.

Interestingly enough, as the Encyclopedia Americana points out:

> On April 11, 1898, McKinley addressed to Congress a message requesting authority to end the civil war in Cuba. Eight days later, Congress passed three resolutions which recognized Cuban independence, demanded Spain's withdrawal from the island, and, interestingly enough, authorized the President to employ the Armed Forces of the United States to achieve those ends. A fourth resolution, proposed in the Senate by Senator Henry M. Teller, of Colorado, and called the Teller resolution, was adopted as an amendment to the three; it disclaimed any intention on the part of the United States "to exercise sovereignty, jurisdiction, or control" over a Cuba liberated from Spanish rule. In consequence, Spain immediately severed diplomatic relations, and on April 25, Congress declared the existence of a state of war as from April 21.

Spain claimed that the *Maine* was sunk by an internal explosion. Controversy has waged ever since in the writings of historians. Some have alleged and others have denied that the battleship *Maine* was not, in fact, sunk by Spain or Spanish sympathizers but went to the bottom of the harbor as a result of an internal explosion.

In fact, in many of these writings the speculation is advanced, with some interesting circumstantial evidence, that the *Maine* might have been sunk by Cuban rebels who were seeking to revolt against Spain and to join with the United States in that revolution.

One thing is certain, and that is many historians in their research and writings raise serious questions as to whether or not the United States was justified in moving so fast into a war against Spain. It would appear that the weight of the evidence presented in these writings would lead to the conclusion that a series of U.S. provocations forced the war upon Spain.

The effect of these historic writings has caused many people in the last 25 years or longer to be very skeptical about the alleged justifications given at the time of the sinking of the *Maine* which led shortly thereafter to a declaration of war. As a result, in recent years, the slogan "Remember the *Maine*" has come to be used as a slogan of warning with respect to evaluating statements made by officials in the executive branch of Government, particularly the military, when threats to the peace arise.

I am satisfied that as the slogan "Remember the *Maine*" has come to raise doubts as to the justification of American precipitous action prior to the declaration of war against Spain in 1898, so the slogan "Remember McNamara" will come to be the warning in history of America's unjustified provocative action which led to a major war in Asia with all its dire consequences. The slogan "Remember McNamara" will come to be the warning for cautious evaluation in respect to the events in southeast Asia which led to escalating the war into North Vietnam and now threatens escalating the war into other parts of Asia.

The news stories today that the use of U.S. military might in North Vietnam seems to have cowed the North Vietnamese and the Red Chinese may very well come to be recognized as whistling by a graveyard.

I am satisfied that the major premises on which we have marked our course of action in southeast Asia up until today are so unsound that no sound, final conclusion can result from their application.

Every thing that Senator GRUENING and I have warned the Senate about in the last 5 months concerning our mistaken course of action in Asia has come home to haunt us. We never should have attempted to substitute unilateral military action in South Vietnam in direct violation of the Geneva accords and the United Nations Charter for the international conference table. Unless we propose and urge a political and economic approach to the settlement of the threat to the peace in Asia, now stalking as a skeleton symbol of death, we may set back for a quarter of a century or longer the substitution of the rule of law for the rule of military might.

It is such a chapter of American history that I shall continue to do whatever I can to dissuade my Government from writing.

Mr. President, turning briefly to another matter, I ask unanimous consent that I may have printed in the CONGRESSIONAL RECORD, at the appropriate place, certain communications I have received in connection with the Asian resolution.

There being no objection, the communications were ordered to be printed in the RECORD, as follows:

PORTLAND, OREG.,
August 8, 1964.

WAYNE MORSE,
Senate Office Building,
Washington, D.C.:

Bravo on your forthright stand on the Vietnam situation. Keep up the fight.

Mr. and Mrs. W. E. LEPPERT.

PORTLAND, OREG.,
August 8, 1964.

Senator WAYNE MORSE,
Washington, D.C.:

My admiration for you is increased by your vote in the Senate today.

ROY MARVIN.

LOS ANGELES, CALIF.,
August 8, 1964.

Senator WAYNE MORSE,
Washington, D.C.:

As parents we extend our heartfelt gratitude for your outstanding courage and devotion.

Mr. and Mrs. R. MARCUS.

LOS ANGELES, CALIF.,
August 8, 1964.

Senator WAYNE MORSE,
Washington, D.C.:

We support your stand on Vietnam wholeheartedly. Your outspoken manner on this and other vital issues is refreshing in this era of repression of facts from the public.

MICHAEL B. RUBIN,
TERRY STEINHART.

PHILADELPHIA, PA.,
August 7, 1964.

Senator WAYNE MORSE,
U.S. Senate,
Washington, D.C.:

Continue protesting our Indochina policy. Your voice of reason is our hope for peace.

Dr. and Mrs. HAROLD LEWIS.

MANHATTAN, KANS.,
August 7, 1964.

Senator WAYNE MORSE,
Senate Chambers,
Washington, D.C.:

God bless you, Senator. The United States needs 50 more such as you. Heartiest commendations.

R. CORRY.

WATERBURY, CONN., *August 7, 1964.*

Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MORSE: Yours seems to be a lone sane voice in this rather insane Vietnam situation. We would like you to know that we admire your courage and condone your stand. Keep up the good work.

FRANCIS and SHERMAN QUINTO.

CAMBRIDGE, MASS., *August 7, 1964.*

Hon. WAYNE MORSE,
Senate Office Building,
Washington, D.C.:

Your stand re Vietnam and Geneva accord is to be commended and shows great integrity.

B. R. LAYTON.

GERMANTOWN, N.Y., *August 7, 1964.*

Senator WAYNE MORSE, of Oregon,
Senate Office Building,
Washington, D.C.:

We gratefully support you on Vietnam situation.

Mr. and Mrs. IRVING ROSENBERG.

BOSTON, MASS., *August 7, 1964.*

Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.:

You are the last rational man in Congress today.

ROBERT NOVICK.

SKOWHEGAN, MAINE, *August 7, 1964.*

Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.:

We are thankful for your courageous stand on Vietnam.

BARBARA DEMMING and MARY MEIGS.

SAN FRANCISCO, CALIF., *August 7, 1964.*

Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.:

Thank you from my heart for your stand on Vietnam.

THE LENORE PETERS JOB.

DENVER, COLO.,
August 7, 1964.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.:

Sincerely commend your action in Senate to prevent spread of conflict in Vietnam.

Mr. and Mrs. HAROLD SANDERSON.

EVANSTON, ILL.,
August 7, 1964.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.:

Commonsense and statesmanship are both from God. Thank God for yours.

L. T. WYLY.

SAN JOSE, CALIF.,
August 7, 1964.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.:

Thank you for speaking the truth and exposing fraudulent U.S. position in Vietnam.

AILEEN HUTCHINSON.

NEW YORK, N.Y.,
August 7, 1964.

WAYNE MORSE,
Senate Office Building,
Washington, D.C.:

If a high noon film is ever made about politics WAYNE MORSE should be the hero. Over the years I have watched with admiration your lonely stands against war mongering and venality. The oligarchy that nominates President will never choose you, but what a back bracing feeling of integrity to live so that you within yourself know and millions of unheard Americans hear WAYNE MORSE in Congress and out as their friend and the fearless champion for their America. My hat's off to you for your typically WAYNE MORSE stand on the Tonkin incident.

MILTON HEIMLICH.

TACOMA, WASH.,
August 7, 1964.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.:

I support you in your vote against undeclared war in an area where we do not belong.

MINA MCINNIS.

MUSKEGON, MICH.,
August 7 1964.

Senator WAYNE MORSE,
Washington, D.C.:

Thank you for your vote against the Vietnam resolution and your courageous talks against it. These preelection crises have a suspicious odor about them.

HERMAN AND OLGA DORSCH.

DALLAS, TEX.,
August 7, 1964.

Senator WAYNE MORSE,
Senate Office Building, Washington, D.C.:

Congratulations for your stand taken in the last few days.

FRANK AND GEORGE MADIS.

BERKELEY CALIF.,
August 8, 1964.

Senator WAYNE MORSE of Oregon,
Senate Office Building, Washington, D.C.:

Applaud courage and good sense in position against Vietnam resolution.

Mr. and Mrs. WILLIAM PITT.

MINNEAPOLIS, MINN.,
August 8, 1964.

Senator WAYNE MORSE,
Senate Office Building, Washington, D.C.:

Thank you for your courage in opposing U.S. position on Vietnam.

MARGARET M. THOMSON.

TACOMA, WASH.,
August 7, 1964.

Senator WAYNE MORSE,
Washington, D.C.:

In view of your masterful stand against war in Vietnam, I urge you to answer the article in Reader's Digest for August by Richard Nixon, entitled "Needed in Vietnam the Will To Win." You can tear it to pieces paragraph by paragraph and heaven knows it needs just that. You have the prestige and the ability needed.

REX S. ROUDEBRUSH.

CHICAGO, ILL.,
August 8, 1964.

Senator WAYNE MORSE,
Senate Office Building, Washington, D.C.:

Congratulations on your stand regarding Vietnam and general cessation of hostilities in the Far East. Keep up good work.

Mr. and Mrs. J. S. FUERST.

BEAVERTON, OREG.,
August 5, 1964.

Senator WAYNE MORSE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MORSE: I wholeheartedly agree with your sane stand on the Vietnam situation. My husband and I believe all our troops, ships, planes, and money should be pulled out of this hotspot immediately. We do not approve of President Johnson's move in stepping up this action.

We have plenty of enormous problems to be solved here at home without "borrowing trouble" in other parts of the world. The lives of our fine young men and taxpayers' hard-earned money should not be wasted in this manner.

This situation could erupt into something too terrible to imagine.

Thank you, Senator MORSE, for your valiant work and efforts on behalf of the "little man."

Best wishes.

Sincerely,

Mrs. ANNA B. MOORE.

P.S.—I am also writing to President Johnson and Oregon's other Senator and Representatives.

A.B.M.

SHERIDAN, OREG.,
August 3, 1964.

Hon. WAYNE MORSE,
U.S. Senator,
Senate Office Building,
Washington, D.C.

DEAR SENATOR: I want to tell you again of my continued appreciation of the fight you are making against our involvement in the South Vietnam situation. The way the administration is handling it, it looks like our American forces are going to get out of control and get us in a war with China.

I will certainly support President Johnson to the very limit if he can withdraw our troops from that humid, sultry mess and get us out of southeast Asia where we had no business to go in the first place, where they continue to kill a lot of American boys who have not the slightest idea what is in store for them. If President Johnson can promise the voters that he will clean up that unsolvable mess within a reasonable time, and will do so, I am sure it will be worth several million Republican votes next November.

In other words, we are paying out a good many hundred million dollars of the voters' and taxpayers' money with no tangible or substantial result in the future or near future. We keep miring deeper instead of getting out.

Very truly yours,

OTTO HEIDER.

P.S.—If the administration would cut down on just a few of the billions we are wasting on space exploration, and we just paid about a third of a billion for a picture of the moon, he would get so many Republican votes I am afraid we would hardly know Senator GOLDWATER was in the race.

SAN FRANCISCO, CALIF.,
August 6, 1964.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.

MY DEAR SENATOR MORSE: I am wholly in accord with your sentiments on the war in Vietnam.

I have so written Senator KUCHEL, with copy to my Congressman, PHILLIP BURTON, and copy also to Senator HUMPHREY, on the theory this man might very well be the next Vice President, and that he can wield a lot of power, and is not truly frightened out of his wits by the specter of "godless communism." Also copy to WILLIAM FULBRIGHT.

Actually, the establishment has dug its own hole, and we are truly a warlike nation, and very, very materialist minded, because we have been taught to be so, by most every administration.

Really, it's more than amazing that we can spend millions in southeast Asia, but that there are 40 million people in the United States at or below the poverty line. Further, that we are trying to make other countries "democratic," but we don't do much to insure democratic processes for the Negro. In fact, seems we do as little as we can. I note how the Justice Department has refused to prosecute all over the South; how the FBI is harassing every group bent on seeing that the Negroes register and in other ways attempting to become part of the country; that even the Kennedy administration appointed Federal judges who were already in contempt of U.S. laws, and very likely the Johnson administration is doing the same. And this complaint comes from a longtime Democrat. We don't have enough money to see that Negroes are allowed to register in the South, but we have millions for moon shots and similar lunacies. We don't handle the state of insurrection in Mississippi. Is it because we don't have enough soldiers to do so? And we don't have enough because we have so many in southeast Asia trying to force that area to become "free." Is GOLDWATER just carrying to a logical conclusion what two Democratic administrations have been yipping for for years? And we want to fight Cuba? Because 11½ billions of American dollars went down the drain? Wasn't that the amount?

I have sent money to the National Committee for an Effective Congress in the past, but this year, direct to the Senators and Congressmen who need it. In the past, some was specified for your campaign. As a longvoting and long-suffering citizen, let me applaud your efforts.

Yours very truly,

Miss EILEEN F. WOODS.

LAMBIE & MOLATORE,
Klamath Falls, Oreg., August 5, 1964.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR: Last night I read your article in the last issue of the Progressive about United States policy in Vietnam. I read it with deep concern and complete approval of your viewpoint.

I had scarcely finished reading the article when I heard a radio news broadcast telling of the deadly turn events have taken in that area and President Johnson's proposals.

I immediately sent President Johnson a telegram which read as follows:

"Your proposed southeast Asia policy pursues dismal course set by Dulles, approved by GOLDWATER. There are no moral or legal grounds for what we have done or propose to do. Withdraw our military, turn problem over to United Nations and divert millions now going to Vietnam to United Nations."

Yours sincerely,

KENNETH E. LAMBIE.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.:

Bravo for your stand on Vietnam. Thanks for speaking for me.

R. W.

CONCORD, MASS.,
August 6, 1964.

DEAR SENATOR MORSE: I send this brief word to commend you heartily for your stand on southeast Asia.

Our mouthings concerning democracy and peace are empty as we support our puppet Khanh (whose own people deny him) and refuse to negotiate. Time is long overdue when we should practice what we preach.

Good, good wishes.

Sincerely,

IRENE HOGLUND.

August 5, 1964.

DEAR SIR: Our actions now going on in southeast Asia by the United States are contemptible. How can Johnson accuse GOLDWATER of hip shooting when he is doing the same thing? I hope you will continue to speak out against our operations there.

SIDNEY DORFMAN.

August 5, 1964.

DEAR SENATOR MORSE: We are 100 percent with you in your analysis of the trouble in Vietnam. Thank God for your sane voice in the Senate.

Sincerely yours,

Mr. and Mrs. JOHN LONERGAN.

DEAR SENATOR MORSE: We appreciate your remarks, especially the question you raised that the U.S. ship that was attacked was covering South Vietnamese shore raids, and the moral issue this raises. Keep it up.

We are wiring Senator CLARK and Senator SCOTT to pay attention to your question. Please do not bother to reply.

ELIZABETH MARSH.

AUGUST 7, 1964.

Senator WAYNE MORSE, of Oregon,
Senate Building,
Washington, D.C.

DEAR SENATOR MORSE: Many are down on you, however you have supporters also. Why hasn't someone recalled the "Panay" incident when the U.S. gunboat was shelled and sunk on December 12, 1937, on the Yangtze River above Nanking. We didn't bomb Japan, but the latter apologized for the "mistake," accidental bombing. It would have been much better had we called Japan's hand them.

AUGUST 7, 1964.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR: I want to thank you for what you said of U.S. to beat our swords into ploughshares and war no more. With the grace of God. We need men like you to stand and be counted out for peace at home and abroad. I see our President is offering the old age pensioners a raise of 5 percent; it won't buy shoe laces. God be with you.

CAMBRIDGE, MASS.,
August 7, 1964.

Hon. WAYNE MORSE,
Senate Office Building,
Washington, D.C.

MY DEAR SENATOR MORSE: Your voice is, as usual, that of reason and wisdom in a morass of fear. "'Tis good to have a giant's strength. But to use it as a giant is tyranny." Asia is not quite awake; to humiliate them once more is neither prudent nor humane.

Sincerely,

PHILIP MORRISON.

LONG ISLAND, N.Y.,
August 5, 1964.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.:

We support your courageous stand against extension of war in Vietnam. Many Americans with you.

BERNARD L. WINTER, D.D.S.

BALTIMORE, MD.,
August 5, 1964.

The Honorable Senator MORSE,
Washington, D.C.

DEAR SENATOR MORSE: You were seen and heard on CBS news broadcast this early evening and I want you to know that the public is with you on the stand you took against any stand that will involve us in another war. You are right. A round table discussion on Vietnam (North and South) with those countries involved, at the United Nations Council room should clear matters.

Mrs. ARTHUR RUDOLPH.

COVINA, CALIF.,
August 5, 1964.

Hon. WAYNE MORSE,
Senator from Oregon,
Washington, D.C.

DEAR SENATOR MORSE: Thank you so much for taking the position you have and saying so well what you have said today. If it would not be an indirect vote for Mr. GOLDWATER I would write your name in as my choice for President in the coming election.

More than once in the past few years I have listened to you with great admiration as well as a certain deep sadness because your honest clear words were not also coming out straight forwardly in the beautiful diction we listened to so eagerly in 1952 and 1956.

You are a brave and honest American and a great Senator to whom I point with pride when my serious idealistic high school age children ask searching questions about political integrity.

With deep appreciation,

FLORENCE W. ROSE.

LOS ANGELES, CALIF.,
August 5, 1964.

DEAR SENATOR MORSE: Our profound gratitude for your outspoken stand against Mr. Johnson's inexcusable action.

To those of us who know what has been going on in Vietnam, you are the only voice of sanity in what appears to be a sea of paranoids.

We beg you to continue your fight. You have our support and our thanks.

Sincerely,

MARGERY BOEHM and EDITH BOEHM.

AUGUST 5, 1964.

Senator WAYNE MORSE,
Washington, D.C.

DEAR SENATOR MORSE: I am certainly glad there is one person in this country with a little sense and willing to speak up the way you have.

Can't we find some way of getting out of Vietnam? I am 50 years old and all I've ever known is wars. I'm sick of it.

Respectfully,

FAYE R. HALPERN.

VAN NUYS, CALIF.,
August 4, 1964.

Senator WAYNE MORSE,
U.S. Senate,
Washington, D.C.

DEAR PRECIOUS SENATOR MORSE: Jeremiah cried out in the wilderness; Tom Paine used a quill to talk his commonsense to the American people—but you (thank God) have television. Please, seek out every possibility and opportunity to use it in its educational capacity to bring facts and reason to the Nation at large. Indeed, get those "cloakroom" votes into the Senate to vote "no" on the LBJ resolution re: Vietnam, etc.

Gratefully,

SYLVIA MAJOR.

MERIDEN, CONN.,
August 6, 1964.

Hon. WAYNE MORSE,
U.S. Senate,
Washington, D.C.:

We commend you, sir, for your heroic stand on the North Vietnam issue.

If there were more courageous lawmakers like you—there would not be the imminent danger of war hanging over our heads.

Thank you for your excellent statesmanship.

Sincerely,

HENRY LAVIN.

CLEARWATER, FLA.,
August 7, 1964.

DEAR SENATOR: Thank you for giving a gleam of hope that there is still a vestige of sanity left in the sorry spectacle that our Senate and House have become. Truly you have a tremendous courage to stand up and declare the real truth to those who know it to be fact just as you do, but would prostitute their honor and veracity to the personal gains to be harvested by joining the mobs who must continually scream against Communists today and someone else tomorrow in order to keep the wheels of profit and corruption turning.

As powerful as our Nation is, she can only taste ashes of defeat by subjugating the weak and weary of the world.

Please, please don't change and stop challenging those who make a mockery of truth and honesty. You are truly a dedicated statesman and so outstanding especially when pictured with Saltonstall, Dirksen, Smathers, Stevenson, and etc.

Very sincerely yours,

KATHLEEN FEDORSYN.

P.S.—You might tell Mr. DIRKSEN he has long since become over exposed and now just appears senile.

AUGUST 6, 1964.

Senator WAYNE MORSE,

HONORABLE SIR: I would be proud to be your constituent, but I am no less proud that you can raise your courageous voice in the Senate.

May your efforts for sanity and peace prevail in these moments of crisis.

Respectfully and with admiration,

ABRAHAM GINSBERG.

MIAMI BEACH, FLA.,
August 6.

Hon. WAYNE MORSE,
Senator of Oregon,
Washington, D.C.

DEAR SENATOR: I want to congratulate you on your courage to stand up against all the odds against you and speak out like a modern Isaiah against the wrongs committed by our Government in South Vietnam and in all of southeast Asia.

Our warmongers in the Government as well as in Congress are proud of the fact that our Government—the Goliath—has inflicted untold damages to—North Vietnam—the David.

Unfortunately, our Government is acting like a bully with a big stick and stands ready to use its gigantic force to suppress internal upheavals in any country in the world no matter how far or near they are to our shores. Our country came to be what it is today through a revolution and a civil war, and yet we stand ready to suppress any movement in foreign lands which does not agree with our own sociopolitical standards.

You are reflecting the opinions of many millions who know very well, that the struggle in South Vietnam is one between two sections of the population in that country. We are pursuing a policy originally conceived by Mr. Dulles of brinkmanship and containment.

I am afraid that our policy will eventually lead to a global nuclear war the results of which our statesmen are blind to envision as well as the Hitler gang could not foresee the results of their adventures instead of cleaning up our own backyard which is plenty dirty with poverty, racism, bigotry, Nazis, Birchites, and Goldwaterites, we are spending billions of dollars and kill our men and defoliate strange lands.

Is this the land of Jefferson and Abraham Lincoln?

Respectfully yours,

Harry Eichman.

Detroit, Mich.,
August 6, 1964.

Senator Wayne Morse,
The Senate,
Washington, D.C.

Dear Senator Morse: You are to be congratulated by all American people on your stand regarding the Vietnam situation. The more so because you are outstandingly courageous for the right regardless of party lines.

As a former newspaperman, and independently interviewing friends and some strangers, I find that few of them feel that the United States has a military right in Vietnam or the Far East. Among other things they feel that it is a progression toward another Korea. And it is very difficult to sell people on the right to expend lives fighting offensive wars in the yellow or black population sectors of the world.

Most people feel that the Korean war dead represent a political whim of Washington.

I feel that Oregon may be proud of its choice as Senator and only wish we here in Michigan had such representation instead of a couple of party patsies, Hart and McNamara, big unearned money on one side and the UAW on the other.

Very truly yours,

Frederick G. Newton.

Acknowledgment not expected.

August 5, 1964.

Hon. Wayne Morse,
U.S. Senate, Senate Office Building,
Washington, D.C.

Dear Senator Morse: My wife and I both want to thank you for speaking out so clearly and frankly on the situation in South Vietnam, and the U.S. role out there.

You expressed clearly what we have been thinking all along. We don't know how else to say thank you except to write.

And we thank God there is at least one courageous voice to speak out in a time of crisis.

Very truly yours,

Tom and Phyllis Wrigley.

San Diego, Calif.

San Francisco, Calif.,
August 6, 1964.

Senator Wayne Morse,
U.S. Senate,
Washington, D.C.

Dear Senator Morse: I am writing to tell you that I have nothing but complete admiration and respect for your courageous stand on our recent actions in Vietnam. And, as this is the first time I have written to you, I must tell you that I have long respected you in your capacity as a Senator, and the many brave stands you have taken.

I wish there were more men with not only as strong a moral conscience as you, but also with the courage to express their views in the face of any anticipated public antagonism.

I only hope that I someday will have the privilege of being able to vote for you for a national office.

Very truly yours,

Linda Delton.

San Mateo, Calif.,
August 5, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.

Dear Senator Morse: I want to express my profound gratitude and respect for your one sane voice on the Vietnamese situation, and for your tremendous courage in continuing to raise your voice in a Congress in which apparently no one else will do so, on this issue.

Sincerely,

Catherine Rollins.

Los Angeles, Calif.,
August 5, 1964.

Dear Senator Morse: Congratulations on your courageous stand on the matter of Vietnam. Your action and speech prove your magnificent fortitude and genuine patriotism. We support your stand as do large numbers of Americans who may not express these sentiments in such a letter as this.

Yours respectfully,

Mr. and Mrs. Irving Block.

August 6, 1964.

Dear Senator Morse: We heard your statement regarding our current actions in southeast Asia on the radio, and felt we had to write to express our appreciation and support for your voice of sanity in the current madness.

We are a young couple, with a young baby, and we would like to look forward to a decent, safe future for ourselves and our child. We feel that our current actions in southeast Asia threaten our futures and those of millions of other people.

May your clarity and those of others like ourselves prevail.

Very sincerely yours,

Thom and Elaine Smitham.

Tujunga, Calif.,
August 5, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.

Dear Senator Morse: We strongly support your views on the Vietnam situation and fully agree that it should be subjected to the conference table before more people are killed on both sides and before we are forced into a "full-scale war."

Sincerely yours,

Adele and Sidney Sirelson.

New York, N.Y.,
August 6, 1964.

Sir: I wish to thank you, to fully support and encourage you, in your plea for sanity in Vietnam. Yours is the only congressional voice which speaks honestly after scientifically facing the facts of the situation. It is amazing and frightening to me, how dishonest others are; how they respond to a situation like Pavlov's dogs. They seem to relish the waving of the flag and the brandishing of arms with no respect for human beings or even for facing facts.

Please keep talking. Yours is a much needed and invaluable voice.

With all good wishes.

Yours,

Judith Ruben.

Davis, Calif.,
August 5, 1964.

Senator Wayne Morse,
The Capitol,
Washington, D.C.

Dear Senator Morse: After watching your interview on the "Today" show and your expressed ideas again on CBS news tonight, I want to write some encouragement to you. Your ideas seem to make a great deal of sense and are very sound. My husband and I hope you can persuade other Senators and the President to your way of thinking. You have great courage.

Good luck.

Sincerely,

Mr. and Mrs. Fred Hendrix.

River Vale, N.J.
August 5, 1964.

The Honorable Wayne Morse.

Sir: My family and I wish to take the liberty to briefly express our feeling concerning your work for our country.

We think you are a very courageous and a great man. Your honest stand concerning the problem of Vietnam has been a source of hope for myself and my family.

My wife, my two young daughters, and myself stand with you.

We wish you continued strength and the very best of health.

Respectfully yours,

Philip Stein.

Santa Cruz, Calif.,
August 5, 1964.

Dear Sir: We wish to thank you for your honest and forthright stand on the dangerous and ill-advised action which Mr. Johnson has taken regarding Vietnam. We honor you for your voice of protest and have sent an airmail letter to the President to protest his action. The conference table is the place to settle these matters and when the United States claims to be the moral leader of the free world it should by word and deed prove it to the world and not act the part of bully boy. We heartily support you and will do so by every means at our command.

I am,

Yours truly,

Laura King.

Menlo Park, Calif.,
August 6, 1964.

Hon. Wayne Morse,
Washington, D.C.

Dear Senator Morse: This is to commend you for your continued opposition to the conflict in Vietnam.

It is certainly now more urgent than ever that an international conference be held to bring about peace in Vietnam through compromise and negotiation.

Yours respectfully,

Madeline G. Salmon.

Chula Vista, Calif.,
August 5, 1964.

Hon. Wayne Morse,
U.S. Senate,
Washington, D.C.

Dear Sir: This is to congratulate you on your commendable and courageous stand in the matter of the pending motion concerning our involvement in the highly dubious operations in southeast Asia theater.

It would better serve the Nation if a motion requiring every Member of Congress to read and understanding the booklet "A Nation of Sheep" was passed instead.

Sincerely,

G. K. Anderson.

Santa Monica, Calif.,
August 6, 1964.

Senator Wayne Morse,
Senate Chambers,
Washington, D.C.

My Dear Senator Morse: I want to express my deep gratitude to you for your forthright and courageous statement concerning our Government's military actions in North Vietnam.

Where are the other Senators who agreed with you in the privacy of the cloakroom, but who did not have the courage to support you on the Senate floor? How many of them will feel morally obliged to vote against the predated declaration of war in Asia?

Many good Americans who really want peace instead of world war III, will give you their fullest support in your continuing struggle.

Gratefully yours,

TOMA L. TOMASH.

WILDWOOD, N.J.,
August 6, 1964.

DEAR SENATOR MORSE: Thank you for stating your convictions in regard to Gulf of Tonkin action as reported in the August 6 press. The whole human race is fortunate in having your voice as its representative in Washington at this time.

Oregon must be uniquely endowed with unusually perceptive people to have selected you as their voice in Congress; in most other States of the Union, you would be fortunate in having a corner soapbox.

I could hope that my State Senators, CASE and WILLIAMS, would have your courage and dedication in this critical time of strife, but if they do it was not reported in our local paper (Atlantic City Press).

Please continue in your allegiance to all of mankind within this country's Senate as the U.S. alienates itself from the rest of the world.

ANDREW C. NIELSEN.

NEW YORK, N.Y.,
August 5, 1964.

Senator WAYNE MORSE,
U.S. Senate Building,
Washington, D.C.

Thank you for your shining ray of truth on Vietnam.

Are we really so naive or have we been so "brainwashed" that we've forgotten that provocative acts result in punitive measures?

The United States had no business being in Vietnam, in the first place, and cannot justify her belligerency now.

We urge you to continue presenting the facts to the American people.

Gratefully,

MORT and JILL GLANKOFF.

LOS ANGELES, CALIF.,
August 6, 1964.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MORSE: I want to indicate my wholehearted support of your opposition to present American activities in southeast Asia. Your courageous stand has not only heartened me—and a great number of my friends—but you have managed to call to the attention of the public some facts that seem in great danger of being lost. You will be happy to know that your statements of the last few days were quoted even here in Los Angeles, home of the lunatic fringe.

My guess is that the Chinese will not intervene until we produce a new provocation that they cannot ignore further. In spite of their florid statements, the Chinese seem to behave in an extraordinarily pragmatic fashion. I suspect that they would be quite willing to stand by if southeast Asia were placed under an order guaranteed by the United Nations. While that would probably eventuate in a peaceful transition to some form of popular Communist government in the area, that is exactly what makes the plan attractive to the Chinese and I doubt seriously that we can expect anything better. Certainly the past 10 years that we've spent trying to club them to death has availed very little.

We know that Pentagon planners have been seeking a way to escalate the war in southeast Asia without involving China for months now. This is the maddest of delusions. China has only tolerated us in that area for so long now because they knew we didn't have a prayer of winning. If we go all out for a win in Asia they'll boot us out in 2 weeks. Then what? Will our injured prestige require us to use nuclear weapons on China?

If my guess is correct and China does not respond to this provocation and we do not attempt further provocation (seeking the criminally foolish escalation), the worldwide pressure for a U.N. solution in the area will increase. We should all work to make that prospect a reality. I therefore applaud your actions toward this end. As you have so many times in the past, you have once again earned my respect, admiration, and gratitude.

Sincerely,

FRED HAINES.

TORRANCE, CALIF.

Senator WAYNE MORSE,
U.S. Senate Office Building,
Washington, D.C.

DEAR SIR: May I add my support to the others concerning your recent attack on our southeast Asia policy. Your stand has brought me renewed confidence in the quality of your leadership.

I had the good fortune to get to read your article in the Progressive a few days ago. I readily agree with you.

Due to our most recent action in North Vietnam I hope to be hearing even more from you, against our artificial policy in southeast Asia.

I have the honor to remain,
Very respectfully,

MRS. RITA NONOD.

WILDWOOD, N.J.,
August 7, 1964.

Senator MORSE.

DEAR SIR: I heard you speak on TV and I agree with you. I hope others do. The people are like this—first they cheer at war, then they grumble, and blame those who made it. The mothers state their boys have to be killed so the big shots can sit back and have it soft. I am no mother. I am single, because in the depression all the boys I knew could not get employment. Most of them married old rich women in order to live. When the boys from the First World War went to Hoover and asked for jobs, he had tear gas squirted on them. This was told to me by a soldier who went there. He died from the war and although a smart college fellow, couldn't get employment. He didn't even have carfare. I knew people who lived on $1.80 per week. I kept a boardinghouse and everyone was on welfare, but Hoover became wealthy. He helped the foreign people, but charity begins at home. Since all the countries we helped think this move is wonderful, but would any of them help us in trouble? I saw a picture once where Churchill told his soldiers the Americans only came over when the war was over. Yet the Americans love him. The English tell their people we are their colony. They have told me this. Would they help us in war like we helped them? I say don't go to war unless our country is fired on, then we must fight back, but not before.

I knew that Civil Rights Act was wrong because I know Negroes. The more you give them, the more they want, and the South knew how to handle them. Give them the moon and they will take all including the politicians. They want to take over and rule. They aren't qualified, and mixing with the whites will never work. The people here in Wildwood dislike them and my barber says he will throw them out of his place. He don't care about any law. He is Italian and I notice they don't like them. The Negroes are troublemakers. They want to rule. If they go to white barbers, that will put colored barbers out of work. Because of two wars and a terrible depression I have suffered terribly nearly all my life. My parents lost everything in the depression leaving me to face all the debts with nothing to face them with. The Home Loan Corporation was kind enough to give me a loan to save my home. We lost 17 houses and $25,000 in banks, building loans and houses were gone. We didn't have a cent in the house. Mother lost her mind. Father at the age of 80 cleaned houses to make a living, fell and died. The country was in a mess, but Hoover got rich. That is why the Republican Party had to suffer. The people lost their faith in it. I want peace in my old days.

Miss E. MANSLEY.

LOS ANGELES, CALIF.,
August 5, 1964.

Senator WAYNE MORSE,
Washington, D.C.

DEAR SIR: I wish to send you my heartfelt appreciation for your courageous stand in the crisis which faces our country.

I hope that your courage will be contagious, and that others will rally to your position.

We need the sanity which you have so forthrightly expressed.

Sincerely,

DAVID FRANCHI.

WOODSTOCK, N.Y.,
August 6, 1964.

Hon. WAYNE MORSE,
Washington, D.C.

DEAR SENATOR MORSE: It was good to read your words of criticism on the southeast Asian crisis, words that had the effect of a blast of clean air through a murk of duplicity, palpable mendacity and revolting hypocrisy.

I am thankful there is one man in the U.S. Senate both clear sighted enough to recognize a fraud and brave enough to oppose it.

Respectfully,

EDWARD SCHINDELER.

EMMANUEL PRAYER SANCTUARY,
Toledo, Ohio, August 6, 1964.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MORSE: My wife and I support the stand you took concerning our Nation's retaliatory attack on North Vietnam We are glad that at least one or two in Congress are not afraid to speak out in defense of a saner, broader, and more Christian policy. Personally I would rather be one man with God, than to just go the way of the impulsive crowd. I know it takes courage to speak as you did, and I am glad you had that courage.

Certainly none of us who are Christians can have any love for the godless principles of communism * * * but the question we must consider is whether our Nation is putting its trust in material weapons, or in the divine principles which provide our only real security?

Also why was our Government so quick to act, before the peoples had an opportunity to hear both sides of the story? And since the attacks upon our boats inflicted no damage, why did we take such a warlike measure in retaliation? We have heard much about a presidential nominee being too "trigger happy." Just who is showing the restraint now, that we have been proclaiming is necessary to avert another world war?

The Communists make no claim to being Christian, but our Nation does. Why then are we so quick to use the methods of the Communists? I am glad you quoted the Scriptures. They seem to have too little meaning to our Government officials in times of international testing. I am reminded of the Scripture which says: "Blessed are the meek, for they shall inherit the earth."

I believe if we were endeavoring to be the kind of Christian nation we profess to be, we wouldn't have to be so concerned about policing the rest of the world. I wonder how much prayerful guidance of the Divine was sought before we launched our retaliatory attack?

I pray for America. For our President, and other leaders. For our peoples. Certainly we need a great spiritual awakening in this Nation. I believe there are wiser ways of dealing with communism than we have been employing. I am glad that there are at least a few leaders such as yourself, who call to our attention that we might practice more of the Christianity which we profess. I believe that God will deal with the evils of communism. But I believe He will also deal with the sin and pride of our own Nation. Certainly we all need to do a lot of praying, and seeking divine guidance.

Sincerely,

STANLEY G. JACOBS.

LOS ANGELES, CALIF.,
August 6, 1964.

Senator WAYNE MORSE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MORSE: I thought it would be of special interest to you to forward to you contents of an article by a foreign correspondent for the Los Angeles Times, one Donald Neff, out of Saigon that you may not have seen. I am sorry I had already pasted the item up or I'd send it to you. I could obtain an extra copy and mail it to you if you request it. The situation in southeast Asia is too frightening for the mind to grasp. Only paranoia could bring us to this state wherein we provoke and blame the victim for the provocation, thanks to GOLDWATER. The article appears in the August 4 edition.

The title of this article is, "Khanh Declares United States Should Show Strength"; subtitle, "Urges 'Firm Action' in Retaliation for Ship Attack; Others Skeptical of Story."

Halfway down the article it says:

"Some Vietnamese officials privately expressed skepticism about the U.S. version of the incident.

"One official said with a laugh: 'That is a very unusual guerrilla action for three small ships to attack an American destroyer in broad daylight, isn't it?'

"All believed there had indeed been combat between the destroyer and the North Vietnamese ships, but they openly questioned why the PT-type boats would make such a suicidal attack without provocation.

"They also wondered what motivation the Communists could have in ordering an isolated incident as described by Washington since such action very likely could result in a declaration of war.

"No followup action by the Communists has been reported, thereby making even more questionable the likelihood that all the facts have yet been told, the officials said."

GOLDWATER's questions raised in the same issue make it obvious that his extremist foreign policy views led to this incident since Johnson had to strengthen his image this presidential election year.

Sincerely,

MARK KEATS.

WOMEN FOR LEGISLATIVE ACTION,
Los Angeles, Calif., August 6, 1964.

SENATOR WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MORSE: We, the members of Women for Legislative Action, Day chapter, commend your courageous stand on Vietnam, and hope more voices will be encouraged to speak out forthrightly.

We would like you to know that we have sent the following wire to President Johnson:

"Urge immediate conference at United Nations representing all parties concerned on Vietnam crises. Present military actions cannot resolve basic political and economic issues at stake. Continued fighting could escalate to world catastrophe. We call on you to mediate at United Nations to maintain the peace."

Thank you for the great leadership you are showing on this question.

Sincerely yours,

ANNETTE CIMRING,
President.

ROCKPORT, MASS.,
August 5, 1964.

SENATOR WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MORSE: During these days of crisis over Vietnam, I wish to voice my wholehearted approval of your seemingly lone position on Vietnam.

It has become a matter of great integrity to stand firmly against the overwhelming tide of the majority opinion.

It is unfortunate indeed, that the press and communications media seem to find little available time for you to express your much needed views. If you do have any available printed material stating your opinions on this issue, I would greatly appreciate receiving it.

It is my fervant hope that more men and women with principle will begin to realize the urgent necessity for an intense and realistic review of our Nation's past and present history and actions in regard to the situation in Vietnam.

Sincerely yours,

MRS. ELLEN GABIN.

LOS ANGELES, CALIF.,
August 5, 1964.

Senator MORSE: I want to express my admiration and appreciation for your lone voice of reason in the midst of the Vietnam crisis.

That the U.S. Government has misrepresented the situation to its people for the past few months is disgusting, if understandable in terms of political issues which have been allowed to overshadow more reputable issues. However, this latest disregard of the international commitment of all nations, and especially those with nuclear power, to peace cannot be excused.

Your assessment of the President's request for power to do what he deems necessary is correct and your courage in speaking out is a hopeful note in an otherwise disgusting situation.

Thank you. You speak not only for the people of Oregon but for all those who insist on looking behind the falsifications the Government has made.

In admiration,

JOAN ANDERSON.

ROCKPORT, MASS.,
August 6, 1964.

DEAR SENATOR MORSE: Thank you for breaking through the wall of silence erected by the Government and the press, and letting the people know the alarming facts about our dangerous brinkmanship in Vietnam.

The present provocative course can lead to the destruction of us all.

Respectfully,

PHILIP REISMAN.
LOUISE K. REISMAN.

BROOKLYN HEIGHTS, N.Y.,
August 5, 1964.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MORSE: Bravo. One man in the right does indeed make a majority.

There must be many Americans in many States who are grateful to you for speaking out on the shameful role of our Government in the Vietnam mess.

Thank you for representing us. You are far more than the Senator from Oregon. You are the Senator of the real America.

With great love and respect.

LEANORA POLLITT.

BROOKLYN, N.Y.,
August 6, 1964.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MORSE: On behalf of the American people I should like to thank you for the courageous and clear-thinking statement you issued in reference to the U.S. belligerent stance in the Gulf of Tonkin. One sentence in the columns of words devoted by the New York Times to the situation in southeast Asia casually mentions that the aircraft carrier in the gulf has been used as a base for attacking planes sent to Laos. This alone might well justify the North Vietnamese in their attacks. I doubt that a "base" in "international waters" is immune from retaliation.

Thank you again for providing a voice of reason in the wilderness of nationalistic chauvinism. I have admired your statements on U.S. policy in southeast Asia in the past, but have never had the opportunity to let you know of my gratitude.

Please forgive this unorthodox, scribbled note. If I were to wait for the opportunity to type it, it would never get sent.

Sincerely,

MRS. J. S. BELLIN.

NEW YORK, N.Y.,
August 6, 1964.

Senator WAYNE L. MORSE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MORSE: I am appalled by the very dangerous actions taken by the President and Defense Department in North Vietnam, and I am equally appalled that yours should be the lone dissenting voice in Congress. Though you may stand alone there, I am sure that the overwhelming majority of the American people support your position without reservation, for it corresponds to our fervent desire for peace.

I applaud your courageous fight—it is not easy to be one against so many—but you have the backing of the plain people even though they are not all articulate. I beg you to keep up the struggle to avoid a third world war.

Respectfully,

ANNE ZUDBERG.

LOS ANGELES, CALIF.,
August 6, 1964.

Hon. Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MORSE: I greatly appreciate your stand on "the predated declaration of war in Asia." Right you are. All that I can say, God bless you. Let us not make Vietnam another Hiroshima. War cannot bring victory, will not destroy communism, can only destroy people, property, and the American image.

Respectfully yours,

MRS. VERA BACHMAN.

LOS ANGELES, CALIF.,
August 5, 1964.

DEAR MR. PRESIDENT: I agree with Senator WAYNE MORSE regarding the Vietnam situation as he expressed it on CBS-TV tonight.

Bombs may be the way to peace for Senator GOLDWATER, but not for me.

"Premature" to go to the conference table? Let's not wait for the mushroom clouds. Let's have a U.N. conference now.

Yours truly,

Harold N. Evans, O.D.

(Copies to Senator Morse, Senator Gruening, Senator Aiken, Senator Kuchel, and Senator Salinger.)

San Fernando, Calif.,
August 6, 1964.

It was a copy clipping from the Los Angeles Times, a wealthy Republican paper.

The article contained nearly two full columns on page 1 and more on another page.

Who? and what? are they fighting for over there?

Somewhere I read another article about the scorched earth policy over there, some 20 miles long.

How barbaric can a supposed civilized nation get?

Perhaps this Nation has used enough of the gunboat and machinegun diplomacy around the world. And especially in Latin America.

In Latin America, in interest of the big banana boys and fat cats of Wall Street, where is the good neighbor policy of F.D.R.? I'll not sign this for fear it might fall into wrong hands—so P.O. "supersnooper," as it were.

CATHOLIC FOOD PLAN IS CORRUPT

The Los Angeles Times this month frontpaged a story in which it accused Henry Cabot Lodge of suppressing a report that showed as much as half of $68 million U.S. surplus food has been channeled to corrupt Vietnam officials. The food was handled by the Catholic Relief Services.

The astonishing record of mismanagement and corruption was documented in the Times story. A priest, Paul Duchesne, admitted that as much as 23 tons of food were sent to one corrupt Vietnamese official. He said he hadn't taken action to stop this because "I didn't want to rock the boat."

The newspaper story charged that tons of food clearly marked "not for sale" could be found for sale on market stands throughout South Vietnam.

It also charged that parish priests distributed the food free to Catholics but demanded payment for it from non-Catholics who actually make up 80 percent of the population.

A report on the subject, covering 8 months of work by investigators, was suppressed by order of Ambassador Henry Cabot Lodge, according to the Times.

South Orange, N.J.,
August 5, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.

Dear Senator Morse: I have just heard on the radio about your courageous stand on Vietnam. It seems that you seem to be alone among our leaders in viewing the situation realistically. President Johnson's speech last night was an insult to the intelligence of the American people. It is hard to swallow the line about defending freedom when we support the corrupt Khanh dictatorship. As far as I am concerned, dictatorships of the right are just as bad as those of the left. I hope you will continue to oppose our dangerous and undemocratic policy in Vietnam.

Sincerely,

Stephen Wallerstein.

Takoma Park, Md.,
August 6, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.

Dear Sir: Both my wife and I are completely in accord with your position on Vietnam. Yours is the only voice of reason and sanity in this deliberately developed state of hysteria. Please, please let no pressures of expediency sway your stand. We have spoken to many people in the past 2 days who are agreed that you are right. Our heartfelt good wishes are with you.

Sincerely yours,

Henry C. Pearlman.

Santa Barbara, Calif.,
August 6, 1964.

Mr. Wayne Morse,
Senator from Oregon,
Washington, D.C.

Dear Mr. Morse: Congratulations on your courageous stand about Vietnam; also for your speeches and articles on the same subject. You make such a convincing case for your opinion that I am at a loss to know why you cannot convince your colleagues to go along with you.

I am ashamed of the United States, my country, for its actions in southeast Asia, and I am in favor of using the United Nations. Intelligent, reasoning people should rely on law, not on bestial force.

Mexico showed it practiced what it preached by referring its dispute with Guatemala to the United Nations. Is Mexico to become the moral leader of this hemisphere?

I cry "Shame, shame" on the powerful interests which push our country into such situations. What can we little folk do?

Keep up the good work and try to get many more on the Hill imbued with your courage.

Thank you.

Sincerely yours,

Pauline Hurlimann.

New Paltz, N.Y.

Hon. Wayne Morse,
Senate Office Building,
Washington, D.C.

Honorable Sir: I am not, strictly speaking, a constituent of yours but I feel that in a broader sense, Congress as a whole represents the people as a whole.

I write to commend you on your point of view regarding the current critical situation in southeast Asia. Some stands for freedom are self-evident, immediate, simple but I have never accepted as valid our involvement in the "fight for freedom" in South Vietnam. Our presence and our activities must perforce become provocative in so complex a situation.

I do hope the United States will agree with the suggestion offered by France to make possible a roundtable discussion to work out equitably a settlement of the southeast Asia situation.

Thank you for your sane remarks.

Sincerely,

Constance Fine.

La Crescenta, Calif.,
August 6, 1964.

Dear Senator: Thank you, Senator Morse, for one voice of sanity in this Vietnam crisis.

Incidentally, you may be glad to know that the Los Angeles Times did give you complete coverage. I am going to send them a letter of praise for that.

Sincerely,

Robert Shillaker.

Hastings on Hudson, N.Y.,
August 6, 1964.

Dear Senator Morse: I applaud your courageous position on our involvement in Vietnam and I am in complete accord with your views. It is a sad commentary on the caliber of our representatives when they react like spindrift to the winds of chance.

Times are too perilous and men like you are too few. How and when will the leaders of our country rise above narrow partisan advantage and the questionable patriotism of extreme action in this age of perpetual clear and present danger to the world and humanity as a whole?

The people of our country are enmeshed in a web of outright lies and half-truths and like Gulliver are the prisoners of small minds and petty artisans of disaster.

It is a blessing indeed to have at least one man like you speak for so many troubled people.

Sincerely yours,

Abel Meeropol.

Hastings on Hudson, N.Y.,
August 6, 1964.

Dear Senator Morse: It is heartening that you have had the courage and conviction to stand up in Congress and fight against our embroilment in Vietnam. However, it is depressing and alarming that you are the sole voice of dissent.

I have written to the President for myself and my family opposing this recent action. I would appreciate receiving your speeches on the crisis in Vietnam so I can be better prepared to bring the facts to people and friends I speak with.

We hope you can affect the minds of some of your colleagues in Congress, so that the American people can be brought the truth through more men in Government, and in turn help stop this mad misadventure.

Sincerely yours,

Mrs. Anne Allan.

Detroit, Mich.,
August 6, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.

Dear Senator Morse: Thank God there is at least one man to stand up against our madness in Vietnam. I wish there were some way I could help you.

We have been arming feverishly since Truman's administration, while the rest of the countries were repairing the ravages of World War II.

Now we are the military power top dog, ready to terrorize the whole world.

President Johnson speaks of peace and makes war. He speaks of freedom and dictates to the whole world. Mr. Johnson is out-Goldwatering Goldwater. I'm sad to say that his actions will hurt the Democratic Party, the United States and the rest of the world.

We can destroy the world but we cannot conquer it with madness—Hitler proved that.

God bless you.

Sincerely,

John Z. Gelsavage.

New York City, N.Y.,
August 6, 1964.

Senator Wayne Morse,
U.S. Senate,
Washington, D.C.

Dear Senator Morse: I admire you as a man of courage and principle for the stand you have taken against our actions in South Vietnam.

We are playing a risky game which could very well lead to a nuclear war.

Further, I do not feel that the United States has the right to police the world. We cannot use the excuse that we want to keep South Vietnam free because it is no more free than its northern neighbor since neither hold elections.

Let's hope that others in the Senate will search their consciences and find the courage to speak out.

Sincerely yours,

Mrs. Lila Lubka.

Whittier, Calif., *August 6, 1964.*

Hon. Senator Morse,
U.S. Senate,
Washington, D.C.

Dear Senator Morse: For a long time I have been encouraged by the forthright stands you have made in the interest of peace and international justice. It is regrettable that so few of your colleagues in the Senate have the courage and understanding to support you.

Am especially disturbed by U.S. bombing of North Vietnam ports and I want to support your stand on this very strongly. Personally I would go further and place most of the blame for this regrettable action on the United States first for wrongly supporting reactionary forces in South Vietnam for years against common people yearning for reforms and progress toward uniting North and South. And secondly—Why do we have to add further incitement by having our battleships within even 400 miles of North Vietnam, why only 30 or 60 miles? Are we so afraid of the "Paper Tiger" reputation that we cannot be satisfied with sinking those puny PT boats? The bombing of those poor little ports was so unnecessary—so cruel—and worst of all—so few voices in U.S. raised in protest. Indeed we are a "nation of sheep." Keep up the good work.

Sincerely,
Fred C. and Agnes J. Sarchet.

Tucson, Ariz.,
August 6, 1964.

Hon. Wayne Morse,
U.S. Congress,
Washington, D.C.

Dear Senator Morse: Too often one is prone to vociferously express anger and complaint. However, I feel it is time for me to state my deep gratitude for the way in which you always demonstrate to the people of this country your honesty in all matters of government.

Your recent statement regarding Vietnam was indeed brave since most of your colleagues would have deemed such a forthright account as being "political suicide." It is most disconcerting to observe and hear the analysis of values and standards bandied about as if it was a makeshift item suitable and malleable according to the whims of the user.

The consistency and truthfulness for which you stand in all of your analyses makes me feel proud there is at least one American who can stand before the crowd and make his voice heard.

There are too many men in Congress today whose every word, behavior pattern, etc., are obviously tainted with "political expediency."

I regret that I am not a resident of your State so I could feel my democratic franchise could be cast in an appropriate and constructive manner.

Please continue your excellent work. We need more men like you in our country to preserve our democracy.

Sincerely yours,
Gilda M. Greenberg, Ed. D.

Pomfret Center, Conn.,
August 6, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.

Dear Senator Morse: May I, as one of the "little people," whose voices and opinions are seldom, if ever, heard by the high and the mighty, express my admiration for the stand you have taken regarding the Vietnam issue. Time and again in the years past, have I had occasion to say "Thank God for Senator Morse," as you have stood like a lone prophet crying in the wilderness and dared to express opinions of your own on controversial matters. Your name will always belong to my collection of "Profiles in Courage."

Respectfully yours,
May God bless you.
Mrs. Karl Liva.

Bemidji, Minn.,
August 6, 1964.

Senator Wayne Morse,
Senate Building,
Washington, D.C.

Dear Senator Morse: I want to commend you for your statement which I heard on TV in regard to the Vietnam crisis.

It has seemed the most sane and sensible words I have heard from Washington on the crisis.

I doubt that you will receive much support for your views. No one seems to understand the "moral values" which you emphasized, but it did my heart and mind good to know we have one public servant willing to speak out for them.

I'm sure there are many Americans like me who hope you will continue to make yourself heard.

Sincerely,
Mrs. Constance Berg.

New York, N.Y.,
August 5, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.

Dear Sir: Your courageous stand in the Senate in recent months against the aggressive actions of our Government have aroused my admiration and deep respect.

Tonight I heard (over WBAI) that you spoke out again against the latest action of the United States against North Vietnam. When yesterday I heard the news of the North Vietnamese attack by torpedo boats on our naval vessel I had the thought how aptly this happened as a pretext to extend the Vietnamese war into North Vietnam.

The situation is very dangerous. Does Mr. Johnson feel prepared to launch a nuclear war for fear of being thought soft on communism?

With great respect,
Sincerely,
Frances Shostac, M.D.

Anaheim, Calif.,
August 5, 1964.

Senator Wayne Morse,
Washington, D.C.

Dear Senator Morse: This is to express my deep gratitude and appreciation for your most courageous stand on the Vietnam issue. I have admired your views for many years, and more recently your position concerning Vietnam since your lonely stance is so outstanding.

I am a wife, mother, and am completing my studies for a Ph. D. in sociology at the University of Southern California. Due to my busy schedule, I am rarely able to write political letters; however, on this urgent occasion, I must extend my wholehearted support to you in your fight for peace and negotiations through the United Nations.

Sincerely,
Shirley Cereseto.

Wallkill, N.Y.,
August 5, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.

Dear Sir: For a number of months my wife, as well as myself and a number of friends, have been very closely following your activities in the Senate and your television interviews expressing your views on international policies particularly as related to Vietnam.

All of us have been heartened by your factual understanding and your courage in expressing your viewpoint, a viewpoint which is most convincing. Both logic and history is on your side and since these are the facts you need no vindication.

All we can say to you by way of conclusion is, stand firm, the time cannot be too far away when your position will be unequivocally justified.

Yours in appreciation,
Fred Briehl.

P.S.—For your further interest I enclose herewith a letter of mine which was printed in the local paper. You will note that I used a quotation of yours. The reaction to this letter by local readers was most favorable.

F. B.

[From the Walden (N.Y.) Citizen Herald, Mar. 5, 1964]

On Vietnam

Editor, the Citizen Herald:

The Vietnam situation is very much in the news these days in press, TV, and radio, and correctly so by reason of its possible disastrous consequences. On this I wish to express myself.

I think I can do this best by quoting a speech recently delivered in the Senate by Senator Wayne Morse, of Oregon: "On the basis of facts about the Diem regime—tyrannical, dictatorial, antidemocratic, completely Fascist in type—South Vietnam is not worth the life of a single American boy; and so far as I am concerned I shall not vote a single dollar for further support of South Vietnam."

The facts are known notwithstanding the reports of Ambassador Lodge and Defense Secretary McNamara. The South Vietnamese in spite of all our war material and 16,000 American troops there, have no stomach for this conflict. If it were not for our involvement there, it would be settled in a matter of days. Not only is this costing American lives but costing the American taxpayer $500 million a year.

In view of President Johnson's commitment of "a war on poverty," so prevalent in areas of our own land, this expenditure of $500 million per year could well be diverted to alleviate the distress within our own borders.

It is blunder enough that we are involved there, and any intensification of this involvement, as some sources advocate, can be nothing more than an infinitely greater blunder with the possibility of developing into a major war of unthinkable proportions and horror. The French, with their several hundred thousand well-equipped troops in that area a few years ago, had the final good sense to withdraw; a similar action on our part would be one of wisdom. The argument of "saving face" that some use, is a feeble one indeed.

I raise the question why our local Congressman, J. Ernest Wharton, and Congresswoman Katharine St. George, are so silent and cannot take a stand similar to that of Senator Morse.

Fred Briehl.
Wallkill, N.Y.

State of California, Department of Industrial Relations,
Division of Fair Employment Practices,
Los Angeles, Calif., August 6, 1964.

Dear Senator Morse: How desperately we need courageous, independent voices to tell us "the other side" of this snarled Vietnam story. What appears to be an impartial and adequate extract from your statement is enclosed from the Los Angeles Times.

Can we not push insistently for a U.N. appraisal of this situation?

Do we have the whole picture as to the commercial interests that are jeopardized by the spread of Communist influence in southeast Asia?

In defense of our own legitimate interests how much weight must we give to a potential enemy's traditional deceit and faithlessness?

By our own example can we afford to place this controversy over southeast Asia on a moral level higher than so often obtains when material gain is at stake?

How can President Johnson and the complex establishment in Washington be inspired to disregard the passing inflammatory political passions of the present situation and (perhaps jeopardizing political success) lead the Nation and the Western World in a disregard of commercial interests for the sake of honorable peace?

Sincerely,

JOHN ANSON FORD,
Los Angeles County Supervisor, 1934 to 1958; Democratic National Committeeman, 1952 to 1953; California FEPC, 1959 to date.

[From the Los Angeles Times, Aug. 6, 1964]

MORSE INSISTS U.S. PROVOKED VIET SITUATION

WASHINGTON.—Senator WAYNE MORSE, Democrat, of Oregon, Wednesday assailed the United States as a "provocateur" in South Vietnam and said he will not support a "predated declaration of war" in Asia.

MORSE, a consistent critic of U.S. maintenance of troops in South Vietnam, voiced his opposition as the Senate's leadership mapped plans to push through a resolution today backing President Johnson in whatever steps are necessary to preserve peace and freedom in southeast Asia.

He charged, in a Senate speech, that the incidents which inspired the resolution—on which the Senate Foreign Relations and Armed Services Committees will meet at 9 a.m. today—"is as much the doing of the United States as it is the doing of North Vietnam."

OVERWHELMING BACKING

The resolution, expected to have overwhelming bipartisan backing, grew out of two attacks by PT boats on U.S. destroyers in the Gulf of Tonkin. It is expected to be introduced in the Senate today.

MORSE charged that a forerunner to the attacks on the U.S. destroyers was a known bombardment by South Vietnamese naval vessels of "two North Vietnamese islands within 3 to 5 or 6 miles of the main coast of North Vietnam."

He said the clear implication of that incident is that the U.S. Navy stood guard while vessels of South Vietnam shelled North Vietnam.

SEES MUCH TO LOSE

MORSE declared that the United States has much to lose and little to gain by continuing its unilateral military action in southeast Asia, unsanctioned by the United Nations, and unaccompanied by allies and should strike a blow for peace at the conference table.

"I shall not support any substitute which takes the form of a predated declaration of war," he declared.

"For 10 years, the role of the United States in South Vietnam has been that of a provocator every bit as much as North Vietnam has been a provocator," MORSE said.

He said "We have been making covert war in southeast Asia for some time, instead of seeking to keep the peace by taking the issues to the United Nations or some other international body."

"It was inevitable and inexorable that sooner or later we would have to engage in overt acts of war in pursuance of that policy, and we are now doing so," he added.

He said that whether the choice of expanding the war is that of North Vietnam or South Vietnam is still in doubt. But he said he is satisfied the (Premier Nguyen) Khanh government in South Vietnam could not long continue its civil war unless the war were expanded, and that the United States is a full partner of that government.

"When the high emotionalism of the present crisis has passed," MORSE said, historians will disclose that for some time past "there have been violations of the North Vietnamese border and the Cambodian border by South Vietnam.

"I am also satisfied that they will disclose that the United States was not an innocent bystander," he said. He said U.S. troops were sent into South Vietnam in violation of the 1954 Geneva accords.

MORSE referred to news reports of rumors in Saigon Tuesday of a coup against the Khanh regime, "rumors which are said to have been quelled by the expansion of the fighting."

He said that U.S. charges of aggression against North Vietnam will be greeted "by considerable snickering abroad."

"So, too, will the pious phrases of the resolution about defending freedom in South Vietnam," he said, and added:

"There is no freedom in South Vietnam. I think even the American people know that to say we are defending freedom in South Vietnam is a travesty upon the word. We are defending General Khanh from being overthrown, that is all."

LA CAÑADA, CALIF.,
August 5, 1964.

Senator WAYNE MORSE,
Washington, D.C.

DEAR SENATOR: Thank you—thank you—thank you for your stand on Vietnam. You are so right.

May you be given the strength to continue your fight against the political and cruel jesters.

Sincerely,

NOLA LUXFORD DOLBERG.

NAMPA, IDAHO,
August 6, 1964.

Senator WAYNE MORSE.

DEAR SENATOR: I commend you on your stand on, condemning the President for his warlike maneuvers off the cost of North Vietnam.

And I see that every commentator, and my paper, the Statesman, this morning is mum on the subject, as per the Government's orders, as I have had experience with this Government's censuring anything that is detrimental to their way of deceiving the people in maneuvering them into these periodic wars—of which they are at it again, and will get away with it if we, the peace-minded people, will not awaken before it is too late.

I am enclosing a treatise on the peoples-to-peoples permanent and just world peace, hoping to interest you in its merits. I am aware of how difficult it is to promote a new political party, but we will have to have a genuine peace party to take to the people if ever we accomplish anything.

Think this through and let me hear from you.

Sincerely, for a peoples world peace,

NATHAN E. HESTON.

BROOKLYN, N.Y.,
August 6, 1964.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.

MY DEAR SENATOR MORSE: I wish to express my deepest appreciation for the courageous stand you have taken against the developing war hysteria emanating from Washington.

Your remarks in the Senate on August 5 as reported in the New York Times, represent patriotism at its best. Would that many more of our legislators had the intelligence and courage to speak out before our country and the world is wrecked in an orgy of military brutality.

Maybe if they did so, President Johnson could be prevailed upon to let the Republican candidate be the exclusive exponent of international arrogance and reckless militarism.

Respectfully yours,

JAMES LERNER.

NEW YORK, N.Y.,
August 6, 1964.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR: I congratulate you on making the only sane statements in the Senate on the recent horrifying events in Asia. What can be done to keep a "world destroying" war from breaking out? Please let me know what I can do.

Sincerely,

SAMUEL GARNETT.

NEW YORK CITY, N.Y.,
August 6, 1964.

Hon. WAYNE MORSE,
The Senate,
Washington, D.C.

DEAR SENATOR MORSE: My wife and I thank you for your courageous and infinitely sane stand on current U.S. actions in Vietnam.

Sincerely yours,

JAY M. NEUGEBOREN.

LAKE PEEKSKILL, N.Y.,
August 6, 1964.

Hon. WAYNE MORSE
Senate Office Building,
Washington, D.C.

DEAR SENATOR MORSE: I have never written a political letter before, but I was so moved by your statement yesterday on Vietnam, I felt moved to write.

You are a brave and honest man; and you are not alone. There are many people throughout this Nation who recognize the truth in your statement.

I only hope some day you may run for an office for which I might be able to cast my vote for you.

Sincerely,

ANN J. LANE.

BROOKLINE, MASS.,
August 5, 1964.

DEAR SENATOR MORSE: Since your days as dean of the University of Oregon your pioneering work in the field of parole, I have followed with interest and applause your courageous stand on the issues of the day.

In none have you shown more courage and leadership than in the instant matter of the dreadful undeclared war of the American people against the inhabitants of Vietnam, who have suffered under the Japanese, the French—and now ourselves.

Your statements as briefly reported on the radio today deploring our newest aggression against the people of Vietnam wins my most hearty accord. We have taken advantage of an apparent aggressive act on the part of North Vietnam to bomb and strafe a section of North Vietnam at the same time that we are doing all we can in the southern part of that beleagured country to help impose the will of a distasteful political minority on the mass of the South Vietnamese people.

Please continue to speak out loudly and sanely on this crucial issue. Let us not repeat the stupid blunder of Korea and Algeria—let us neutralize this situation now by calling a conference of all the nations concerned and spend the billions we have been raining down in bombs and napalm on the kind of things these people need—schools and hopsitals and food—which will be their most positive assurance of a continued stable government.

The entire war is an outrage—against the Vietnamese, the American people, and the peace of the world. Please keep up your courageous campaign to educate the electorate as to the true nature and potential danger of this whole frightful business.

Most sincerely,

BENEDICT S. ALPER.

CORONA, N.Y.,
August 5, 1964.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MORSE: Your courageous statements today on the incidents in the Gulf of Tonkin and the subsequent United States on the Democratic Republic on Vietnam warrant the support of all Americans who cherish peace and our democratic heritage. You have consistently spoken out against the current bipartisan policies of brinkmanship and violation of the 1954 Geneva Agreements and have advocated policies which, if adopted, could bring peace to southeast Asia. You are a great example of the patriot, who, when he sees clearly that his country in following a wrong path, will not cease to protest until his country finds the right path. You have taken a position for peace regardless of the personal consequences which that stand may entail. For this, you deserve the gratitude and respect of the Nation.

May we please be placed on record to receive the texts of the major statements you have made, and those statements which we are sure that you will continue to make, with regard to peace in southeast Asia.

Respectfully yours,

ROBERT and MAY BAYLEY.

NEW YORK, N.Y.,
August 6, 1964.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR: I thank you once again for your fine stand on the North Vietnam situation. Most of the people I meet who feel as you do are heartened by your efforts to preserve the peace.

I read about your remarks on the patrol boat incidents in today's New York Times which I have been reading for over 40 years. I wish you could get time on the air to inform the people of the dangers of our Asia policy before it is too late.

Keep up the wonderful work. I do wish my own Senators showed as much courage or wisdom.

With admiration,

Respectfully yours,

HARRY HURST.

OGUNQUIT, MAINE,
August 6, 1964.

DEAR SENATOR MORSE: We wish to congratulate you on your statement to CBS regarding the recent U.S. action against North Vietnam, and to express our support of your plans to vote against the forthcoming resolution in the Senate. If only your positions on the Vietnam situation in general (and also on foreign aid) were more widely publicized.

We would like to obtain copies of your speeches in the Senate on the foreign aid program and on Vietnam, and also the pamphlet "Foreign Assistance Act of 1964—Individual Views of Senator Morse on H.R. 11380," and would appreciate your letting us know how we can do so.

Sincerely,

Mr. and Mrs. L. J. SENECHALLE.

CHICAGO, ILL.,
August 5, 1964.

Hon. Senator WAYNE MORSE,
The Senate,
Washington, D.C.:

Thank you for defending the American people.

The destruction of war has not visited our country in more than a century. Is that the reason our leaders are trying to visit war's ravages on others?

Instead of helping peoples we bring destruction and heartbreak. What madmen are these who speak in our name?

Mr. and Mrs. E. BORNSTEIN.

NEW YORK, N.Y.,
August 6, 1964.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MORSE: In every period of moral crisis there comes forth a voice of truth and reason. Surely that is your role in the Vietnam crisis. And many times one person, stating the unspeakable, the naked truth, can halt the unstoppable juggernaut.

Speak and speak again until no falsehood remains unexposed. I wish there were something that common citizens could do to establish a foreign policy based on self-determination by the people of each nationstate.

May God give you continued strength and us all the wisdom to respect our brothers wherever they may live.

Sincerely,

JOHN GRATE.

RICHMOND, VA.,
August 6, 1964.

DEAR SENATOR MORSE: Mighty pleased with your moral courage. May God bless you.

L. A. W. CHRISTIAN.

P.S.—Happy Transfiguration Day, though it will be a day late when you see this. I thank God for you, sir, and your courtesy.

BROOKLYN, N.Y.,
August 6, 1964.

Mr. ADLAI STEVENSON,
Permanent Delegate of the United States to the United Nations, United Nations, N.Y.

DEAR MR. STEVENSON: I am one of those who believe that the original attack on the *Maddox* by the torpedo boats of Vietnam was a stupid action.

However, I believe it was provoked by the United States and South Vietnam. You cannot be so disingenuous as to believe that the proposals to extend the war to North Vietnam which have been debated here for months did not alarm the North Vietnamese. Your sentences about "routine operations" and "patrol" in the Gulf of Tonkin are especially unimpressive, Mr. Stevenson. The presence of our forces there was provocative.

Senator MORSE is a courageous man who makes sense. He is a responsible man and if there were debate on his views the result would be an international position of which Americans might be proud and the further result would be peace.

I wonder if you realize how empty your words sound to the people for whom your name once had considerable significance?

The two parties come together and with the help of those like you (people who should be the enlighteners) one begins to see the issues of war and peace, aggression, and its opposite, Goldwaters and Johnsons, progress and reaction, only as a single, large, undifferentiated blur. And finding no difference and no leaders, our people remain quiet and vaguely disturbed, waiting for a catastrophe they believe they can do nothing about.

Sincerely,

NAT EINHORN.

VAN NUYS, CALIF.,
August 5, 1964.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MORSE: Having just heard your statement on TV about overt U.S. military action in North Vietnam, I wish to thank you for voicing the opinions of responsible citizens. Our behavior in this part of the world has been reprehensible. Now it appears to be criminal.

Sincerely yours,

LESLIE EDGLEY.

LOS ANGELES, CALIF.,
June 25, 1964.

Hon. WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MORSE: I would greatly appreciate it if you would mail me six copies of your speech on southeast Asia which you presented in the Senate on June 23.

This fight is not falling on deaf ears in southern California. I am trying to pass these speeches around to as many persons as possible.

With the apparent crisis coming shortly, is there any suggestion you might have for a possible nationwide TV exposure on prime time through the help of organizations as SANE, etc?

I would certainly try to do as much as I could if given some direction in this matter. I really believe that newspaper coverage is far from being adequate in the presentation of your exposure.

Thank you again and hope to hear from you in regard to the latter matter.

Sincerely yours,

HARRY J. SILVER, M.D.

LONGVIEW, WASH.,
July 6, 1964.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MORSE: Congratulations on your efforts to keep us from getting further involved in the war in southeast Asia.

Supposedly, only Congress has the power to declare war, but the executive department doesn't take that provision of the Constitution very seriously.

Yours truly,

HENRY R. KORMAN.

BENICIA, CALIF.,
June 29, 1964.

Hon. WAYNE MORSE,
Senate Post Office,
Washington, D.C.

DEAR SENATOR MORSE: I was most gratified to hear your support of the United Nations Organization on the program "Issues and Answers." I had not heard the Vietnam situation discussed from that standpoint before, nor was I fully aware of our position under the United Nations Charter. I cannot understand why we insist upon a unilateral intrusion in Vietnam in the face of all our protestations that we are a peace-loving nation. My only supposition is that the military need some face-saving action to justify the tremendous waste of time, talent, and money that they are responsible for. All the gold-braided generals in the world have never been able to keep the peace, and I wish the 19th-century reactionaries like General GOLDWATER would wake up to that reality.

There is a backwater of opposition to the United Nations here in the United States that shames us and our ideals. In some ways, we have not grown out of the heady victories of the Second World War. But instead of beating the drum and draining the country of money to equip another war machine, why don't all the brass hats ask the dead what those victories mean? Why don't they ask the children who were splattered over the streets with their brains blown out what those victories mean? Why don't they ask those who survived with wooden legs and punctured organs and scarred minds what those victories meant?

As many as the problems are which come before the Congress, Senator, I am sure that the principles are there in every case, and it is a question of whether we wish to abide by them. The principles are simple, they do not need an expert to recognize and apply them, but they are rationalized and embroidered by those who do not wish to recognize them or to abide by them. We have signed the treaty whereby the United Nations was formed and we are obliged to submit to its charter and work within its framework—it is no longer our decision as to whether we shall, we have already made that decision, just as we made the decision long ago that the States were not sovereign, that the duty of Government is to protect life, liberty, and property, and that the Constitution was to be the supreme law of the land.

I am often amazed in both public and private life to see such a hue and cry raised about the right thing to do. I cannot but believe that the answer is abundantly clear but that the sacrifices involved will not be accepted and the real question is, "How can I appear to do the right thing, and yet do what I want?"

It is my earnest hope that you will continue to support such items as conservation, civil liberties, public ownership, birth control, and an enlightened foreign policy.

Please allow me to express my appreciation of the times when you have been outspoken on such subjects. May I wish you a rewarding and active career in Congress.

Sincerely,

BRUCE MEACHAM.

SAN FRANCISCO, CALIF.,
July 6, 1964.

Hon. Mr. WAYNE MORSE,
Washington, D.C.

DEAR SIR: Your forthright statements regarding South Vietnam is consistent with the courage and commonsense your record in the Senate would indicate.

Please accept the sincere thanks of a grateful citizen.

Sincerely yours,

HYMAN LATCH.

FORT LAUDERDALE, FLA.,
August 5, 1964.

To The Honorable Senator from Oregon.

DEAR SENATOR WAYNE MORSE: Let me say that I have been an admirer of yours for many years. I have always held the hope that some day you would be President of our country. In my estimation, you are a great statesman. You are not afraid to voice your opinions, even though they may be contrary to Government policy. You scold Uncle Sam when you think he needs it. You are a watchdog for human rights, no matter what part of the world. Anyone can be a yes man, and many of our Senators are just that. When this apathy sets in, decay is the next step.

I congratulate you, and hope that one day you will be on the presidential ballot so I will be able to work and vote for you.

Most sincerely,

ED. ZIER.

P.S.—Would you by chance know a Señor Mario Diaz Triay? He is from Mexico, D.F. I lived in that country for a couple of years and became friends with him. He said he was your guide through several Latin countries. His stories were interesting.

EVANSTON, ILL.,
August 5, 1964.

DEAR SENATOR MORSE: I wish to express my appreciation for your stand against the action of President Johnson in North Vietnam. Your lone voice of courage found many echoes, I'm sure, among those who heard and are in agreement with you.

Sincerely,

ESTHER BANKOFF.

MILWAUKEE, WIS.,
August 5, 1964.

DEAR SENATOR MORSE: Having lived to 3 score and 10 and never having witnessed a single public official in any country who has your courage, I feel that I must tell you so. My daughter was indeed heartened by your fine speech also. Words cannot convey our gratitude, only efforts in behalf of peace in your name can do so.

Sincerely,

JOAN and ANNETTE ROBERTS.

P.S.—We loved your "cloakroom" reference—what is the answer to the fact these other fellows won't vote according to their consciences? Stevenson will surely deplore his actions in the future.

MINNEAPOLIS, MINN.

DEAR SIR: It takes a very courageous man to dissent from the almost unanimous opinion of both Houses of Congress on the subject of Vietnam. It seems that you are about the only sane man in Congress at the moment.

How odd it is that the usually outspoken liberals in Congress are those who back up the President the strongest on this subject. Then again, how odd it is that only one man in Congress has the courage to dissent from this very popular (in numerical portions, that is) opinion.

You are to be commended for your bravery, sir.

Sincerely yours,

ZACHARY M. BAKER.

BAY SHORE, LONG ISLAND, N.Y.,
August 5, 1964.

Senator WAYNE MORSE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MORSE: I heard you on television tonight voicing your opinion on the Vietnam crisis.

I heartily endorse your view on the need for an immediate conference. Let us not flourish "the big stick" but let us, in the name of God, show our true greatness by forebearance and by our willingness to use every means that United Nations and the conference table can offer.

I think you are absolutely right in opposing the "predated declaration of war" that the President seems to seek.

Sincerely yours,

EILEEN H. KLEIN.

I would say further that we seem to be following the path that great empires of the past have trod—becoming embroiled in far-flung wars that eventually drained the strength of those big powers. The Roman, British, Spanish, and French empires, to name a few, all fought numerous wars and won them for varying periods of time, but now their empires are defunct and their prestige gone.

That can happen to us, too. But now we have United Nations and we must utilize its every agency to prevent this operation from spreading.

EILEEN H. KLEIN.

P.S. I am writing to President Johnson, advising him that I endorse your views.

GUSTAVUS ADOLPHUS COLLEGE,
St. Peter, Minn., August 5, 1964.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.

MY DEAR SENATOR: I have written you before, commending your approaches to a number of pressing problems. After listening to your all-too-few remarks on "CBS Reports" this evening, I hasten to write you once more, indicating my general agreement with your remarks on the Vietnam problem.

Certainly, I am no expert on the problem; I know very little about the now long Vietnamese struggles for peace, security, and self-realization. On the other hand, since reading Harold Isaacs book, "No Peace for Asia," some 18 years ago, I have tried to follow the sad and torturous journey the people of this little land have had to take. I was disturbed, no end, when, in 1953–54, the United States, under Dulles' urging and, I suspect, manipulations, became more and more involved in the Indochina affair. Our relations with the South Vietnamese people and leaders since that time have made pretty sad reading.

Your call for a moral appraisal of our involvement was excellent and was not met by other participants in the "CBS Reports" program. Ten years ago, the editor of the Churchman wrote concernng our entrance into the Indochina war, "The American people have stumbled into a grave international crisis. We have frightened and alienated our friends all over the world and we have lost our prestige as a dependable moral leader."

But I suppose what also frightens me is the fact that our recent retaliatory action may lead into a war which, in the end, no one can possibly win and which, in the end, will serve nothing higher than hellish sufferings and death in that sorry section of the world. And finally, Mr. MORSE, why, in heaven's name, did we not bring this matter before the U.N. before unloading bombs on North Vietnam?

Is it not possible to do something in Vietnam short of war to bring peace to those poor people?

Hopefully,

Prof. EMMER ENGBERG.

LOS ANGELES, CALIF.

DEAR SENATOR: We support your stand which you took in reference to the South Vietnam situation. We think you are correct in your statement which we heard on television last night. We hope you will always work toward peace.

Mr. and Mrs. WILLIAM HYMAN.

LANCASTER, PA.,
August 6, 1964.

DEAR SENATOR MORSE: I am writing at this time because I felt I must let you know how much I admire your courage in taking the stand you have in this present Vietnam crisis.

I have for a long time followed your career in the Senate. I am only one of the "little people" but have seen the utter uselessness of war at this time in our history when it is not capable of bringing peace to our world.

I thought as I watched you on television yesterday morning of Thoreau's words.

"If a man keep not step with his companions, perhaps he hears a different clamor." I am sure this applies to you. It is so easy to follow the popular trend. God bless you.

Sincerely,

LOUISE DORSEY.

AMHERST, N.Y., *August 7, 1964.*

DEAR SENATOR MORSE: Your honest appraisal and the courage of your statement is indeed refreshing. I have sent this letter to President Johnson in approval of your statement:

"LYNDON B. JOHNSON,
"President of the United States.
"The White House,
"Washington, D.C.

"DEAR MR. PRESIDENT: Possibly your action in crisis was imperative under circumstances and programs inherited from proceeding administrations and pressures from extremist groups in a political campaign. However, after hearing, and carefully reading your speech and also the comments of Senator MORSE, and having followed closely our country's actions in southeast Asia, through careful reading of our own U.S. news reports—I must agree with MORSE.

"Otherwise very sincerely."

WALTER F. FAXLANGER.

RATHDRUM, IDAHO, *July 26, 1964.*

WAYNE MORSE,
Washington, D.C.

DEAR MR. MORSE: No doubt, many people are thinking as you are, that we are playing with atomic suicide in southeast Asia, Cuba, and so forth. I want to tell you I am all for you. You seem to be the only one in Washington who has the nerve to get up and tell what crazy insane ventures we get involved in one after the other. I am now writing the Secretary of State, Mr. Rusk. It will probably do little good because the people seem to be hypnotized into silence. I hope you receive the Canadian paper, the Commonwealth, "Regina, Saskatchewan." They quote you quite often. Canada is 50 years ahead of us politically speaking. They—the people—went backward in Saskatchewan, but then, we have BARRY. Best wishes to you—no answer is necessary.

Sincerely,

J. E. MCGORAN.

CAMBRIDGE, MASS.,
August 8, 1964.

The MASSACHUSETTS CONGRESSIONAL DELEGATION,
Washington, D.C.

GENTLEMEN: I think American policy and action in southeast Asia is the madness of a sick society.

I will not dodge the implications of this statement: I believe that it is at least arguable and, at most, probable that the people of Vietnam would be better off under a Communist government than under any of the regimes which the United States has sponsored. This is not naivete, and presupposes my awareness that no regime in this area will, for a long time, be able to provide its people with a lot other than one of sweat and tears. It is the blood, and the fact that, under Diem and Khanh, the sweat and tears promise so little, which are deeply disturbing.

The support of these regimes in general, and present American action in particular, arise from the American split personality which, on the one hand, talks freedom, but on the other, facilitates repression in any country which can qualify for the "free world" label by being sufficiently anti-Communist. It is the split personality which boasts of freedom and equality, but which has tolerated a century of human peonage in the South as well as second-class citizenship in the North.

It is the split personality which, on the one hand, points with pride to an open society's free speech and free press while, on the other, it manipulates human beings commercially through a barrage of advertising hokum and politically through managed news and "cover stories" for the supersecret deceptions of such agencies as the CIA.

This is the schizophrenia of a nation which really does have a higher standard of living than many parts of the world, but so misunderstands the reasons for this, and is so hypnotized by the glitter, that its compassion for poverty here and elsewhere has become little more than a collection of phrases thrown up to cover the profitable rights of property.

Such rents as these (one could name a baker's dozen at least) in the fabric of a nation are notoriously concealed by appeals to an unquestioning patriotism, and there is no better way to kill truth, already wounded by the cold war, than by conjuring up a cause out of the witch's brew in the Gulf of Tonkin.

It can only extend the madness to resolve that America is united behind these actions.

Sincerely yours,

JOHN K. DICKINSON.

(Copies to Senators MORSE and GRUENING, the New York Times, and the Boston Globe.)

NEWTONVILLE, MASS.,
August 7, 1964.

Hon. WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR: Thank you for raising your voice clearly on the intelligent side of the Vietnamese matter.

I am quoting for you what I have written to President Johnson:

"In her baccalaureate address for the Radcliffe class of 1964, Mrs. Lyndon B. Johnson said that these graduates could use their talents to help in an 'unfinished America deep in the process of change' and that they must contribute to peace not disorder."

I am horrified at the retaliation which the United States of America has used against North Vietnam. Perhaps our destroyers should not have been in the Bay of Tonkin. We should not like to have warships from Vietnam patrolling in the Caribbean. Planes could have carried out all necessary surveillance. Now we have destroyed all their chief industries. Ho Chi Minh, well educated and astute, is revered by his people. Mark Mancall, specialist on the Far East at Harvard, calls the movement of the people there populist not Communist. This word has become a meaningless term, but is a red flag in Congress. The Vietnamese consider the United States of America another colonial power like France. I have written you before that my cousin, Solange Lorriaux, was a nurse in the hospital in Saigon, during the Indochinese war. The United States of America has always supported an autocratic government there, not the People's National Party. We are only incurring more hatred with General Kanh.

Let us not be ruled by the Pentagon. It is only by peaceful negotiation, economic aid, and restitution of what we have destroyed that we can 'contribute peace not disorder.'

Wisdom is more precious than rubies, but who listens, dear Senator MORSE. I have cousins in Portland, by name of Brewer, descended from David Lorriaux.

Keep up your courage.

ALICE LORRIAUX MURDOCK.

ROCKFORD, ILL.,
August 5, 1964.

DEAR SIR: You said it and am I ever glad. When is the U.S. public going to see the Vietnam situation for what it really is? This is not a question of blacks and whites, but a highly complex, longstanding problem which we (Europeans and Americans) have only irritated. We "foreign devils" as the native terminology has it, have only served to infect the wound. Well, you said it and I am delighted that there is at least one Senator left with the courage of his convictions.

The best of luck in the fight ahead.

Sincerely,

HARRIET VARNUM.

CHICAGO, ILL.,
August 5, 1964.

Senator WAYNE MORSE,
Washington, D.C.

DEAR SIR: Your courage in speaking out against the spread of the Viatnamese war is the only bright spot in a dreadfully gloomy development.

As a mother—a wife as of now; a widow of a World War II soldier, I plead with you to help contain this spread of war.

I can't help but feel that the Republican convention and its warlike standardbearer, Mr. GOLDWATER, are creating a terrible warlike atmosphere in this country. I hope President Johnson will understand that we fear war and that only talking and peaceful settlement are the answers.

Thank you for the hope you give me and my family.

Cordially,

MRS. M. WEST.

COMPANY C,
NAVAL SUPPLY SCHOOL,
Athens, Ga., August 5, 1964.

Hon. WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SIR: This evening I heard your interview on the American reaction to the alleged North Vietnamese attack on our destroyers. I can hardly express my gratitude for a responsible person like yourself to speak out for what you believe is the true situation in this armed confrontation.

I have read reports in both the New York Times and the Christian Science Monitor backing up your statement about South Vietnamese gunboat sorties on islands of North Vietnam. I am sure you are well aware of the supposed Laotian air attacks, in U.S.-made planes, on North Vietnamese border villages on August 2. I believe the American people have a right to know both sides of this complex situation. You have done a great deal in the realization of this. For the sake of truth and peace I deeply admire your stand.

Sincerely,

CARL M. HANSON,
Ensign,
U.S. Naval Reserve.

DULUTH, MINN.,
August 5, 1964.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR MR. MORSE: We would like to express our admiration for your stand on the United States' involvement in southeast Asia.

Please continue to speak up for true peace and freedom in the world by asking for submission of all disputes to the United Nations without any prior action by U.S. armed forces.

Sincerely,

DON KLABER,
MARGOT KLABER.

NASHVILLE, TENN.,
August 5, 1964.

Senator WAYNE MORSE,
The Capitol,
Washington, D.C.

DEAR SENATOR MORSE: Though I am not one of your constituents, I want to commend you beyond all words for your courageous and honest condemnation of President Johnson's wrong and unprincipled actions in southeast Asia. It is heartening to have one Senator who will stand up and be counted as opposing a blank check to that dreadful and unelected President who now infests the White House. He will lead our helpless Nation into nuclear destruction if Congress does not stop him. Here is the copy of the telegram my husband and I sent to the White House today:

"President LYNDON JOHNSON,
"*The White House,*
"*Washington, D.C.:*

"We are unalterably opposed to your actions in southeast Asia. These actions are both evil and stupid. As President you are leading America into an unnecessary and suicidal war that will eventually destroy both the United States and the world.

"Mr. and Mrs. WALTER CURRY."

May I thank you on behalf of all the helpless American people who have the intelligence to oppose this war policy so alien to all that President John Kennedy lived and died for. Please, sir, keep opposing that awful President Lyndon Johnson.

Thank you for your honesty and intelligence and courage.

Sincerely,

KATHRYN CURRY
Mrs. Walter Curry.

UNIVERSITY CITY, MO.,
August 5, 1964.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SIR: I wish to give you heartfelt thanks for your magnificent fight on South Vietnam. I hope you will urge defeat of the resolution and further investigation of the incident itself. I cannot help wondering if the CIA was involved—somehow it sounds too much like the Cuban invasion. It is terrible to be so suspicious of one's own government but after the U-2, Cuba and many facts about southeast Asia which have been concealed from the public, I feel we we must depend on courageous people like you to get to the bottom of things.

Yours sincerely,
WILLIAM M. BOOTHBY.

SUSANVILLE, CALIF.,
August 5, 1964.

President LYNDON B. JOHNSON,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: I feel that the manifest destiny of the United States is not in southeast Asia.

Southeast Asia is manifestly under the hegemony (or Monroe Doctrine) of Red China and Russia.

Geopolitical hegemonic equity—a geopolitical evaluation of the southeast Asian situation—portrays the United States as the present aggressor upon the continent of Asia.

Therefore, the United States should evacuate all political refugees and withdraw from southeast Asia. Providence has decreed that this is in our best interest. Providentially, the trend of current history on every continent on earth is from nationalism to continentalism, i.e., the economic and political unification of every continent. This inexorable trend of current history should be universally recognized and cooperated with.

With all good wishes.

Sincerely,
The Reverend JOHN J. HANCOCK.

DETROIT, MICH.,
August 5, 1964.

Senator WAYNE MORSE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MORSE: Like a million other Americans, I am terrified. I have children and grandchildren. I lived through the First World War and the Second World War. They couldn't happen. But they did. After the war to make the world safe for democracy, no country would ever permit a monster like Hitler to come to power. But the most civilized country in the modern world did.

Why was the 7th Fleet flexing its muscles off the southeast coast of Asia? This arrogant gesture of intimidation of a small nation is not explained by the repetitious use of the phrase "international waters." Of course we own the high seas but it would seem to a calm person that the only purpose of American destroyers just outside the line of demarcation would be to create an incident which would give us an excuse to involve North Vietnam. We've tried everything else.

The little soldier of fortune, General Khanh, who can disturb the mighty Pentagon, by calling it a paper tiger, and Mr. GOLDWATER's bully boys seem to be calling the turns on our foreign policy. God help us.

You and Senator FULBRIGHT, and a few—very few—others speak with the voice of sanity. You recognize that we are living in a new world where the old maneuvers will no longer meet the problems. You point out, with an unerring consistency, the danger of retaining the "big stick" foreign policy. For those who believed that might makes right this policy was successful as long as the United States wielded its big stick in this hemisphere and had no nation to challenge it. We are not living in that kind of world now and two great powers are ready to challenge our right to push little nations around.

Sincerely,
JOSEPHINE GOMON.

KENSINGTON, MD.,
August 6, 1964.

DEAR SENATOR MORSE: I admire and respect the courage which you showed in your remarks on TV last night on the Vietnam situation. It is easy to show courage by reacting instinctively in the eye-for-an-eye tradition, especially when you have predominant force. However, it is much harder to state both sides of the case, to admit that we share responsibility for the deterioration of the situation, and to be self-critical.

During emotional times such as these, what you said is not likely to be popular, in the sense of getting others to vote with you. However, it is popular in the best sense of the word; for the millions who will not admit agreeing with you nevertheless know that you are right. Of course, most of us do not know all the facts concerning what led up to the attacks on the U.S. destroyers. However, we all know that you are right in insisting that we consider the whole matter in as unbiased and objective a manner as possible.

More power to you.

Sincerely yours,
WILLIAM A. ROOT.

BRONX, N.Y.,
August 5, 1964.

Hon. WAYNE MORSE,
U.S. Senate,
Washington, D.C.

DEAR SIR: Thank goodness there are honest peace loving people like yourself in the Senate. Too bad you weren't President. You have consistently fought for justice. We are with you.

Sincerely,
HAL and IRENE LEVIN.

NEW YORK, N.Y.,
August 5, 1964.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MORSE: I would like to let you know that your statements on the Vietnamese crises have my full support, and further, express my gratitude for your courage in voicing these views.

Respectfully yours,
MIRIAM EHRENBERG.

NEW YORK, N.Y.,
August 5, 1964.

DEAR SENATOR MORSE: I was waiting for at least one lone voice to speak out against the tragedy that is now being carried out in North Vietnam, and today it came through. I cannot express the admiration and respect I felt for you when I heard your protest on television just a short while ago. I'm sorry you're alone, but it's good to know someone speaks for us who feel so helpless.

Sincerely,
FRANCES MATSOUKAS.

THE MARTIN CO.,
Oakland, Calif.

DEAR SENATOR MORSE: Because I esteem you so highly as the leading voice of American conscience, I am sending you a copy of this letter to the President.

"OAKLAND, CALIF.,
"August 5, 1964.

"President LYNDON JOHNSON,
"White House,
"Washington, D.C.

"DEAR MR. PRESIDENT: I would be derelict in my moral duty if I failed to air my alarm, indignation, and great concern over your appalling and hasty action in Vietnam. One could well understand a Hitler or GOLDWATER taking such desperate steps, but is dumbfounded at a Lyndon Johnson being so involved, especially after placing so much faith and confidence in him and hearing his oft-repeated pronouncements about 'peace, freedom, and security,' about disarmament being everybody's business, and believing him to be sincere in his appeal to the people to 'help me end hatred, bigotry, intolerance, and violence in the world' and also to 'end the cold war.'

"Might a common citizen remind you, Mr. President, that your imprudent action in North Vietnam is in direct contradiction to these lofty pronouncements and harmful to your image? and that they are in violation of international law, as well as the moral law—subjecting you to the wrath of God and of mankind?

"Further, might one remind you that your great predecessor F.D.R.—whom you highly esteemed and with whom you worked so hard—had outlined a way for settling such international incidents, and had given to humanity—with your help—the four freedoms, still to be realized, and the great world tribunal, the United Nations, which was dedicated to preserve peace, law, and order in the world, and that your unilateral action in North Vietnam is a sacrilege and a desecration upon that great monument to mankind, and to the memory of its founder.

"It is all the more appalling, Mr. President, that you should order such devastation upon a people without first giving the world assurance beyond a reasonable doubt, that these PT boats were really from North Vietnam—other than by the statements of warminded Admirals, and trigger-happy militarists itching to put their weapons into operation—causing mature minds to question 'could these not have been from South Vietnam or Formosa, whose leaders are well known for wanting to embroil us in a war against Communist Asia?' Is this a case of the fleas wagging the tail, to wag the dog?

"And could it have been fate or the ghosts of the three freedom fighters from Mississippi which arose from their graves—across the perimeter—as an omen to warn and haunt you at the very moment you were proclaiming to the world your order to the Armed Forces to 'preserve freedom' on the other side of the world, when such forces are so vitally needed to establish law, order, and freedom in Mississippi and other Southern States where it has been so long denied?

"Last night I dreamed that bombs were bursting over San Francisco and awoke trembling. Later I dreamed of being along a waterfront and again bombs were spreading havoc and devastation everywhere—with people running for their lives.

"God grant that such forebodings are groundless and that we still have time to rectify our mistakes and make the necessary adjustments to avert the horror of modern war. I pray that you will search your conscience and seek divine guidance to help you direct the course of our great Nation, in leading the world to peace, security, and justice and that you move to resurrect the United Nations to its intended place in history—to unite the world into a compact of nations, seeking to reach agreement, understanding, cooperation, and friendship, through world law and order, and finally to achieve worldwide disarmament and freeing man—once and for all—from the barbarism of war.

"A place in eternity is reserved for the man who succeeds in this great achievement. From where you are, in the most important position in history, the opportunity is at hand for you to do this everlasting service to humanity. The choice is yours. Choose well and take advantage of your great opportunity, and measure up to the challenge before you, and you will live in immortality.

Pass it up and you will be just another forgotten man.

"The true road to freedom, Mr. President, is to return to F.D.R.'s Four Freedoms, long bypassed and forgotten. If we are to talk about freedom for the world it is well that we achieve freedom—political, social, and economic—for our own people first. Every public servant is conscious of his duties to secure these freedoms for our people, since it is written in our charters of liberty that 'the purpose of government is to promote the general welfare.'

"Most sincerely yours,

"A MARTIN."

ANN ARBOR, MICH.,
August 6, 1964.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MORSE: Thank you, for being courageous enough to call a spade a spade about the armed action in North Vietnam. We so patently provoked this attack to justify taking action our militarists wanted to take all along. Now the Chinese say they can't stand by while their friends are attacked.

Please keep up your efforts to inform the country and to make the administration and Congress act in an honest, rather than a politically expedient, manner.

Sincerely yours,

L. RICHARD HOFFMAN.

LEAVENWORTH, KANS.,
August 7, 1964.

DEAR SENATOR MORSE: Let's stop this madness about "limited wars" that kill our boys, just the same. We read that our bombers go and "shellac" North Vietnam and our ships roam the coasts of North Vietnam, "presumably" looking for trouble, what else? Our marines kill Cuban soldiers at Guantanamo (we heard it on the radio) and that's provoking war in anybody's language? What if Soviet ships "hit" the coast of the United States? Our people will be mad too. "Let's not do to others what we don't want to be done unto us." This will save our boys and the escalation of a war. Maybe the Soviets do not like Mao's intentions, but they can't let them go down the drain and that's coming surely in this world of trouble. The new policy of brinkmanship will bring only more and more wars with our boys being bled all over the world. We don't see any freedom being looked upon in that way. If those foreign backward places want communism—let them find the hard way. Why shall we go and bail them out? I think some gun manufacturers want money out of the deal? Not with my boys. Let's send those manufacturers to fight in the first line of fire and they will quit. Let's send the gold H_2O to fight as firstline infantrymen to see the vestitures of war for themselves. Let's send them to Vietnam instead of staying home making jackets, etc., etc. This war business is not good. A lot of people do not want to work in peacetime industries any more—"no money in it", they say. So, it is no good. It is very funny that there is not $1 billion of dough for the war on poverty. There never seems to be enough dough for that and urgent needs in this U.S.A. Care of the oldsters, social security geared to the cost of living. No minimum wages for all, etc., etc. Not enough research on cancer, etc., etc., etc. Not enough loans for small houses (in large scale) for the poverty stricken (less than $2,000 a year). No legislation to curtail the monopolies of drugs. The high cost of going to the doctor, etc., etc. The darn discrimination. The Government doesn't have money for financing 1 million jobs at least. When private enterprise fails to provide jobs, it is up to the U.S. Government to dig in and make them without wars and let the rest of us pay the costs. (It's only just.) They can raise the Government employees' pay but they never seem to have enough to raise the minimum wage to $1.50.

They never seem to have any dough or vote, for that. Yet it is very easy to vote 47 billion bucks for armaments. Didn't they say that we have enough bucks to take care of the globe? Well—well. Let's speak there loud and loud. The thinking Americans, etc., are behind you. Let's stop this uselessness before it's too late and mourning will fill the homes of lots of Americans, and let's not crop the hate of the world. We are learning in Vietnam what the French did. Obviously we are getting blamed for it all. The people of South Vietnam do not like their Government, otherwise they would be fighting like hell for us. Why get into a losing mess to earn the hate of all those people, for decades and all in the name of freedom? We like your guts there. We wish there were more like you. Let's say to Mr. Johnson to declare an offensive into the poverty front with a billion bucks now. Otherwise it's just another gimmick to deceive the voters like GOLDWATER said.

Mr. MORSE, become loud to avoid atomic war. We are traveling that way now.

Worried.

——— ———.

EVANSTON, ILL.,
August 5, 1964.

DEAR SENATOR MORSE: This evening I heard what you said on the "CBS Report."

I'm sure there are many, many people who agree with your sentiments but won't take the trouble to give you any support.

We should be grateful for sane thinkers, when too many of our national actions are inspired by militaristic thinking.

Sincerely yours,

ROLLAND H. LUCE.

HARBOR, WASH.,
August 5, 1964.

Senator WAYNE B. MORSE,
U.S. Senate Building,
Washington, D.C.

DEAR SENATOR: In view of the alarming developments in North and South Vietnam it is all the more imperative to redouble all efforts toward bringing about a negotiation of the whole of the southeast Asia problem.

Are these latest events in North Vietnam another instance of behind-the-scenes engineering of the CIA? And is it not a fact that it is the United States of America which is the real aggressor in southeast Asia?

If it is the policy of this administration to become involved in a war with the Republic of China there is no possible way to know what this may lead to. It seems to me that the policies of the United States of America all around the world do not lean toward peace but toward war and remind me of the maxim that "whom the gods would destroy they first make mad."

I most sincerely hope that you will use all of your efforts to avert a disaster for the United States of America and for the whole world.

Sincerely,

F. R. SCOTT.

MADISON, WIS., *August 5, 1964.*

DEAR SENATOR MORSE: You deserve the Nation's thanks and congratulations for your courageous stand against the arbitrary and political actions of the President against Vietnam. We need more Senators who are statesmen enough to speak out exactly what they believe. You are about the only one left who can do it. Most private citizens, including many professors such as I, are afraid to speak out publicly, or sign their names to such a letter. Many young citizens are losing faith in their Government and won't make use of their first opportunity to vote.

——— ———.

NEW YORK, N.Y., *August 6, 1964.*

Senator WAYNE MORSE,
Washington, D.C.

DEAR SENATOR: I heard your comment on TV and read it in the New York Times. It is encouraging to see such courage on the part of an elected official speaking the truth against almost overpowerful odds.

It has not been revealed too clearly in the press that there was a naval battle going on with U.S. ships watching South Vietnamese battle the north. It is wonderful that it was aired on national TV and in the Senate. They must close their ears to such talk.

I don't care what the Pope or bishops say, you spoke like Christ, speaking out against the multitude of hatred and self-righteousness.

I work as a piping designer in New York and I might get fired if my real views were known. That is how bad the atmosphere is here in the United States. If you go against the atmosphere of class and political hatred you are accused of being crazy by your family and are limited in the field of possible employment. What is all this talk about freedom.

The spirit of truth grant you great courage.

A. L. ROTONDI.

KENDALL PARK, N.J.,
August 6, 1964.

Hon. WAYNE MORSE,
U.S. Senate,
Washington, D.C.

MY DEAR SENATOR: Hearty congratulations on your magnificent stand for moral integrity concerning the Vietnam situation. This entire business, revolting from the start, has now climaxed to new heights of hypocrisy and aggression.

I write as a retired university professor and clergyman (Baptist) and an old China hand, formerly on the faculty of West China Union University. Ever since a term paper as a Harvard undergraduate many years ago I have had keen interest in Indochina and have followed the course of developments closely.

In case it has not already occurred to you for use in your challenge of present policy, you may find the analogy between the role played by the United States of America today re Vietnam and that of England in our Civil War. Hence this special delivery letter.

Repudiating the treaty of 1954 that provided for supervised pan-Vietnam elections, the southern states of Vietnam have seceded. As did England a century ago in aiding our South, we, the United States of America, finding the secession to our advantage, attempted to make it permanent. We honor Abraham Lincoln for preserving the Union even though it was at the cost of a terrible war.

How then can we without repudiating our own history charge aggression to Ho Chi-min for making use of any means he sees fit to restore the unity provided for by the founding treaty?

It is we who are the aggressors.

Moreover, we proclaim that democracy is void of moral content as far as we are concerned: when free elections are to our advantage to preserve the image we desire we permit them; when they do not suit us we back up the tyrannies that know they would be overthrown if they allowed them.

You in daring to stand forth for morality in our foreign relations give hope that somehow this Nation may survive. At the moment the verdict of history is against us.

Respectfully yours,

J. SPENCER KENNARD, Jr.

DEAR SENATOR: The letter below, written to the Tacoma News Tribune, expresses the sentiments of many about the way we are antagonizing the sleeping forces of Asia.

HAROLD J. BASS.

"TACOMA, WASH.,
"August 4, 1964.

"The LETTER-BOX EDITOR,
"Tacoma News-Tribune,
"Tacoma, Wash.

"DEAR EDITOR: There are certain similarities between the northern part of the Gulf of Mexico, to our south, and the Gulf of Tonkin, at the southeast of China. The Gulf of Mexico is bounded by Florida on the east, Texas on the northwest, and a stretch of our Southland on the north. The Gulf of Tonkin is bounded by the Chinese island of Hainan on the east, China on the north, and China's ally, North Vietnam on the west. There is this difference, however, whereas the Gulf of Tonkin is only 150 miles across, the Gulf of Meixco, from St. Petersburg, Fla., to Corpus Christi, Tex., is six times that distance.

"Think, now, of how our hatred would be aroused if a Chinese 7th Fleet were to sail back and forth, year in year out, in a policing operation, anywhere from 15 to 25 miles off our southern border—in a gulf we had come to regard as our waters. Would we not look upon the action as a continual vaunting of their might and a continual tuanting of our pride? Do we wonder if the Chinese and the North Vietnamese feel that way about our fleet patrolling their coast, 9,000 miles from ours?

"We have been asking for trouble there ever since we began to patrol the coast of China nearly 15 years ago. We are making an extra bid for it when we set about to patrol waters enclosed by Chinese territory. Is it not senseless to keep on goading a waking giant?

"Remember how much we loved the British when their ships patrolled off our coast a century and a half ago?

"We have no business continually putting the squeeze on Asia. In the end, we will have an unwanted explosion on our hands. Let us be warned by the flickering of sparks.

"Yours very sincerely,
"Rev. HAROLD J. BASS,
"The Hillside Community Church."

LOS ANGELES, CALIF.,
August 5, 1964.

DEAR SENATOR MORSE: I would like to praise your most courageous stand on the Vietnam conflict. It is clear that your positions on the major issues of our time are based on objective, levelheaded thought rather than braggartism and blind patriotism. You will probably be subject to great criticism, but for that matter so were the men in our late President's Pulitzer Prize winning book when they dared to follow the dictates of their conscience, even if it meant taking an unpopular stand. In these times of "witchhunts" that create an atmosphere unfavorable to dissension, and of chauvanistic superpatriotism that blind man's powers to see truths, yours is truly a "profile in courage."

Yours very truly,
VICTOR DINNERSTEIN.

OAK PARK, ILL.,
August 5, 1964.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C

DEAR SIR: I wish to congratulate you on your stand on the question of southeast Asia. I hope that all intelligent American citizens will join you in an effort to prevent our Government from undertaking any steps which will lead us into another war. At present the outlook seems almost hopeless.

Best wishes for success,
FRANK C. CLEVELAND.

SAN FRANCISCO, CALIF.,
August 5, 1964.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MORSE: My family and I, in our hope for world peace, wholeheartedly support your statements indicating the folly of the military attack on North Vietnam.

Peaceful negotiation is the only answer—otherwise the world may go up in nuclear flames.

More power to you. Your courageous honesty is in the great tradition of Jefferson and Lincoln.

Yours truly,
MELVIN KRANTZLER.

CHICAGO, ILL.,
August 5, 1964.

Senator WAYNE MORSE,
Washington, D.C.

DEAR SIR: I heartily agree with you, that the United States should call a conference of the U.N. I am a Democrat but don't think we should be in Vietnam or Korea. I think the Communists are trying to distract our attention from Cuba where they already have too much of a foothold.

Yours truly,
KATHERINE KALE.

SAUGUS, CALIF.,
August 4, 1964.

Senator WAYNE MORSE,
New Senate Office Building,
Washington, D.C.

DEAR WAYNE: Don't let anyone back you down on Vietnam. Don't let us down.

* * * * *

Keep up the good fight.
JOHN HOFFMAN.

LOS ANGELES, CALIF.,
August 5, 1964.

DEAR SENATOR MORSE: To counter the smears that will be directed at you by the kept mouthpieces of the military-industrial-financial combine for your remarks today, please accept my sincere thanks on behalf of the voiceless, misled little people for the priceless contribution you made toward our country's survival. There seems to be but a handful in the Senate with your courage and real patriotism.

When Alexander Hamilton gave birth to my little outfit, 174 years ago, he said, "It must be a military organization because of the nice sense of honor a military man must possess." After covering the Pentagon from 1947 to 1956 for Douglas Aircraft Co. and watching the spending habits of our military procurement personnel, as well as the effect on our military brass, of unlimited expense accounts, both in uniform and when on industry payroll, I wondered where the nice sense of honor had gone.

Now we are on the brink of a bottomless chasm resulting from the covert operations of our intelligence community. You know as I know that violent military action may please top brass snug in their deep caverns but the flower of our youth will die a needless death and perhaps with them there will disappear from this earth the Western civilization our people have created during the past few thousand years.

A book written by James Warbins in 1954, "United States in a Changing World," has a most interesting conclusion (p. 483, Lib. of Cong. card 54–10506):

"The teachings of Jesus Christ have now become imperatives of survival."

The United States cannot alone save civilization, but by default of affirmative leadership it can come perilously close to insuring civilization's end.

There is even a lesson to learn in John Scali's story as it broke this week, telling how anxious the U.S.S.R. representatives were in 1962 to prevent war.

It was the Republican 80th Congress that laid the foundation for the cold war with the Air Power Board (Finletter) and the Contract Act (now called Armed Services Contract Act) permitting risk-free negotiated Government contracts and of course the NME putting the CIA and separate Air Force on the statute books. Isn't it a remarkable coincidence that two men (Dulles and McCone) who have made most of their fortunes from defense industry business have headed CIA for many years? You can also read in GOLDWATER's speeches and GOP platform perpetual spending for defense.

Sincerely,
GEORGE B. GEELY,
Captain, U.S. Coast Guard (Retired).

WESTERN SPRINGS, ILL.,
August 5, 1964.

Senator WAYNE MORSE,
Washington, D.C.

DEAR SENATOR: Thank you for your courageous efforts to inform the American population about our Government's ruthless policies in Vietnam.

It is revolting to hear officials prate about freedom in South Vietnam. There has never been an election since the United States has taken control in that unfortunate country and none is planned. Its people have only the freedom to die so that the United States can save face.

The peace of the United States has become the peace of death. The action of our leaders is completely inexcusable, barbaric, outrageous.

Mr. and Mrs. F. L. CRAWFORD.

RINELANDER, WIS.,
August 4, 1964.

Senator WAYNE MORSE,
Washington, D.C.

DEAR SIR: I want to convey my endorsement of your view on Vietnam. It coincides with impressions I have long had that the United States today is constantly looking for trouble and in the most belligerent and bellicose country of all as well as entirely hypocritical in that we do many things that we criticize when others do it.

I am a Legion member.

Yours very truly,
C. T. G. CARLSON.

LONG ISLAND CITY, N.Y.,
August 5, 1964.

President JOHNSON,
The White House,
Washington, D.C.

DEAR SIR: I have just heard reports of our retaliation on the PT boat attacks.

What are we doing in the Gulf of Tonkin? This gulf is surrounded by Communist territory. It is their backyard. Our presence there with warships is provocative. As far as I can see we are starting trouble. The kind of trouble that will cost more American lives and drain more of our resources.

I have not heard one argument which justifies such a sacrifice.

Why is this area not neutralized under U.N. supervision?

Why?

RENE A. REEVES,
Former Air Force Pilot.

(Copies to Senators KEATING, JAVITS, FULBRIGHT, HUMPHREY, and the New York Times.)

DEAR SIR: I hope you will oppose Johnson's Vietnam policy. Indochina should be neutralized. How can the U.S. people get the facts on this filthy, futile war? Can you help?

A. MOREAU.

PETALUMA, CALIF.

I support your general outlook on the Vietnam situation. As you note, what would be the reaction in the United States and Mexico were foreign warships to patrol indefinitely the Caribbean? Whatever is wrong in the North Vietnam and Chinese behavior the United States is not 100 percent right, in its behavior in that area. It does not appear that regardless of years of military activity in South Vietnam, and the spending of large sums, the U.S. policy has made any progress in altering an obsolete and oppressive social, economic and political situation in South Vietnam. If such progress would be made consistently, perhaps more opposition to the Vietcong would appear than has so far appeared.

J. A. HAMILTON.

WILMETTE, ILL.

MILWAUKEE, WIS.,
August 5, 1964.

DEAR SENATOR MORSE: We support you on your stand concerning Vietnam. We were glad to hear you speak out against U.S. action in southeast Asia yesterday. Your recent article in the Progressive did an excellent job pointing out historically what we have been doing as opposed to what we should have been doing. Let's get this issue into the U.N.

Sincerely,

LEO and IVY NEVALA.

LOS ANGELES, CALIF.,
August 5, 1964.

DEAR SENATOR MORSE: Your recent statements in the Los Angeles Times regarding our foreign policy makes much sense to me. How much more do we have to exhaust our domestic economy to promote special interests abroad?

You are not crying in the dark Senator—many people we know feel just as you do. What can we do to oppose foolish foreign spending? Or must we learn by an economic collapse?

Yours truly,

Mr. and Mrs. NORMAN JENSEN.

GLENDALE, CALIF.,
August 2, 1964.

Senator WAYNE MORSE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MORSE: It is a real pleasure to know that at least one Member of the Senate is taking an enlightened look at the problem in Vietnam. I hope that you will continue to urge negotiation, rather than war.

It is my feeling that the United States, as well as the Communists, has been unrealistic in southeast Asia. I hope that rightwingers and superpatriots will not turn Vietnam into another Korea (or worse). Please keep talking, many of the men my age (early 20's), probably most, support your stand.

Sincerely yours,

DAVID H. JACKSON.

NEW YORK, N.Y.,
August 5, 1964.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MORSE: A sense of relief came to me as I heard your viewpoints being expressed tonight on CBS regarding the Vietnam crisis. Thank you so very much for trying to maintain openminded, critical appraisals of this crisis.

What a shame that our radio, TV, newspaper, informational service presents such shallow, meager coverage of the essential and relevant preliminary actions of both sides. Naturally these factors are most important to know.

Thanks also for expressing that empathy should be used in evaluating the severity of the problems.

Sincerely,

ERLING ROHDE.

AUGUST 6, 1964.

Senator WAYNE MORSE,
Washington, D.C.

DEAR SIR: Thank God for a man of sense in this crazy world—made up of insane people to make it so.

I waited all day to hear a dissenting voice, finally this evening on CBS I heard you make the first sense of the day.

I saw a map in a newspaper, and like you, I was horrified to see the position of our two destroyers off the shore of North Vietnam.

I chanced to meet three strangers who feel like you and I do about our involvement and dangerous position we have put ourselves and the whole world in.

Please continue to raise your voice and vote against such insane actions and we will also let ourselves be heard from.

With deep respect,

AMIE GREEN.

AUGUST 5, 1964.

DEAR SENATOR MORSE: I agree with you on your courageous stand that the southeast Asia problem should be discussed at the conference table.

In the nuclear age we must carefully choose our actions.

Yours respectfully,

Mrs. LILY STROBL.

PITTSFIELD, MASS.,
August 5, 1964.

DEAR SENATOR MORSE: I am writing to tell you how thoroughly I agree with your position on the present United States-Vietnam situation. The United States is acting so unwisely as well as immorally that I am sick at heart. The bombings of North Vietnam that took place today just brings us closer to a war of giant proportions, perhaps with China itself.

I hope you will be able to state your position again, in spite of administration actions. A negotiated truce, with all parties who are involved taking part (including China), seems to be the only possible way out of this wretched situation.

Thank you for speaking out.

Mrs. ALBERT ROWE.

THE NITTANY LION INN OF THE PENNSYLVANIA STATE UNIVERSITY,
University Park, Borough of State College, Pa., August 5, 1964.

DEAR SENATOR MORSE: I saw the televised version of your statement opposing the joint resolution to be made in support of President Johnson's policy and actions in southeast Asia.

Congratulations on your courage in the wave of emotionalism that sweeps even the usually enlightened off their feet in this kind of situation. I'm with you.

Sincerely,

JOHN WITHALL.

TENAFLY, N.J.,
August 6, 1964.

Senator WAYNE MORSE,
Capitol Hill,
Washington, D.C.

DEAR SENATOR MORSE: My family and I are terribly upset over the actions of the United States in Vietnam. We heard your statement on television last night and wish to express our wholehearted support and agreement. This aggressive and imperialistic behavior will never be tolerated by the rest of the world. We beg you to continue your cry against this wrong we have committed. Only brave men such as you will prevent us from being plunged into a horrible war which we do not want and will not survive.

I am a student of Indonesian and Far Eastern studies at Cornell University, and know the futility of our trying to change the inevitable course of events in Asia. Our aggressive intervention will only hurt our already damaged foreign image. I have also studied in Germany, and know that such actions are welcome food for East German and other Communist propaganda.

Congress may be supporting President Johnson, but the people of the United States are supporting you, Senator MORSE. We want peace, not war. Please keep on fighting for our right to live.

Yours truly,

Mrs. DIETMAR ROTHER.

NEW YORK, N.Y.

DEAR SENATOR MORSE: Bravo. I congratulate you on your courageous stand vis a vis the question of our Navy in the Orient.

Sincerely,

RUTH BOCOUR.

STRATFORD, CONN.,
August 5, 1964.

Senator WAYNE MORSE,
U.S. Senate,
Washington, D.C.:

Your courageous opposition to the U.S. unilateral acts of aggression against North Vietnam have earned for you my deepest respect and admiration. At a time when the majority of Government leaders are indulging in expedient jingoism and warmongering your efforts in behalf of peace and sanity in Asia offer hope to the many Americans who oppose America's brutal and shameful war policy in Vietnam.

My wife and I support you 100 percent in your stand on American policy in Vietnam. Moreover, I am absolutely convinced that it has been the United States that has violated the 1954 Geneva agreements (which Dulles refused to sign) and that peace can be restored only through negotiations among all nations concerned.

Respectfully yours,

DAVID KELLY.

THE JEWISH CENTER,
Princeton, N.J., August 6, 1964.

Senators WAYNE MORSE and ERNEST GRUENING,
Senate Office Building,
Washington, D.C.

DEAR SENATORS MORSE AND GRUENING: Though politically impossible to adopt one's Senators at the polls, may I assure you that in relation to our tragic and appallingly unjustified increased involvement in southeast Asia, you are my Senators.

I do hope that you will continue your courageous attempts to inject some measure of self-criticism, humility, and respect for the facts in this increasingly menacing situation.

With deep appreciation for your efforts, I am,

Most respectfully yours,

Rabbi EVERETT GENDLER.

STATEN ISLAND, N.Y., *August 5, 1964.*

DEAR SENATOR MORSE: I want to thank you for your forceful articulate opposition to the President's resolution and to our whole position in Vietnam.

I have written to my own Senators expressing my support for your position, but I am not encouraged to think that our policy will be changed.

In the midst of such madness, though, it is somewhat heartening to know that at least one U.S. Senator raises his voice in protest.

Sincerely,

JOAN MANGUM.

TUFTS UNIVERSITY,
Medford, Mass., August 5, 1964.

DEAR SENATOR MORSE: Thank you for saying what you did about the role of our country in southeast Asia.

I share your point of view but I assure you it is considered "way out" by most of my acquaintances.

Sincerely,

W. I. HARBER.

AUGUST 6, 1964.

Senator WAYNE MORSE: Your views on our present crisis are those of all I know, and you are to be congratulated for having the courage of your convictions. Continue to fight for those of us who seems to have no say in the matter of our own destruction.

MRS. GEORGE V. HARVEY, JR.

TENAFLY, N.J.

RICHWOOD, N.J.,
August 6, 1964.

Hon. WAYNE MORSE,
U.S. Senate Office Building,
Washington, D.C.

DEAR SIR: I admire your courageous stand on the Vietnam issue. It is a pity that your views on this and other issues are not made better known to the public.

I believe that our foreign policymakers in this area of the world should ask the following questions:

1. Why are our interests best served by "rightists" or military governments?

2. How can we help the peasants meet their needs for a better life without supporting Communists?

3. Why can't the United States, the world's most powerful nation, afford to be Christianlike and turn the other cheek sometimes with the hope that this will exhibit a more profound concern for the peoples of the world?

4. What cost will future generations of Americans pay for our current policies which seem to be against social forces?

Let me encourage you in a role which I believe is contributing to the cause of democracy in this country.

Very sincerely,
BENJAMIN G. HITCHNER.

WAUKEGAN, ILL.,
August 6, 1964.

Hon. WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR MR. MORSE: Thank heavens we have at least one man in the Senate who isn't afraid to stand up and be counted against the dirty war in southeast Asia to protect the rubber and tin barons.

Your courage is appreciated by the undersigned and many more who are afraid to speak out.

Thanks again.

Yours truly,
LESTER F. COLLINS.

WOODBURY, CONN.,
August 6, 1964.

Hon. WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MORSE: Last evening I tuned in the TV in the midst of your statement on the Vietnam situation on NBC's Special Report. I am so grateful there is someone willing to speak out as you did. I admire your courage when everyone else seems to just fall in line and say the same thing the next person said.

And what you say and the stand you take in this Vietnam situation makes sense to me and I am sure is nearer truth and the will of God.

This is just to let you know there is one more citizen who is deeply, deeply grateful for your voice being raised against the military involvement in affairs in Vietnam.

It was like a breath of fresh air to hear you speak from your heart and not be just saying what everyone else was saying.

With all good wishes.

Respectfully yours,
EBEN T. CHAPMAN.

ST. PAUL'S COLLEGE,
Lawrenceville, Va., August 6, 1964.

Hon. WAYNE MORSE,
U.S. Senate,
Washington, D.C.

DEAR SIR: You are to be heartily commended for your forthright statements about the situation in southeast Asia. Yours is a lone voice of reason crying out in the wilderness of bipartisan blind militarism. Peace-loving people all over the world should be heartened by your courageous statements.

Sincerely yours,
WM. S. SAMUEL III.

JERSEY CITY, N.J.,
August 6, 1964.

DEAR SENATOR MORSE: Just a brief note to let you know that your stand on the Vietnam crisis was deeply respected and appreciated. I was so happy to learn that there is at least one American in Congress who is not afraid to stand up for his beliefs.

It is essential that this war in Vietnam does not become a full-scale war; we need more men like you to see that this does not happen.

Thank you.

Yours truly,
MRS. MOLLIE SHORR.

AUGUST 6, 1964.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR: Bravo for your stand on the South Vietnam crisis. I fully support your position. I have so indicated this to my Congressmen, Senators Keating and Javits, and President Johnson.

Keep up the fight.

Respectfully,
MARTIN BLANE.

NEW YORK, N.Y.,
August 6, 1964.

DEAR SENATOR MORSE: Your courageous, principled and effective fight against our belligerent posture in southeast Asia, prevents our war hawks from going all out in a war that could end in a nuclear holocaust.

As the grandfather of three I will support your position and also inform my grandchildren (the two who understand) that they have great men in Congress who will fight to prevent a nuclear war which would destroy the world.

All power to you. Carry on.

Best wishes.

Sincerely,
ABE WEISBURD.

AUGUST 6, 1964.

Hon. WAYNE MORSE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MORSE: You are to be congratulated on your lone, courageous stand against the provocative policy our Government has been pursuing in southeast Asia.

Our growing intervention in a highly questionable situation made armed conflict inevitable. Our Government has never satisfactorily explained to the American people its involvement with a series of South Vietnamese governments which seem to lack even the support of their own people.

It is significant that responsible leaders in Western Europe, of all shades of political opinion, have little sympathy for our meddling in southeast Asia.

With both GOLDWATER and Johnson committed to warlike policies, you may wish to consider running for the Presidency on an independent ticket. You would be giving those of us who oppose involvement in another Korea an opportunity to at least cast a vote of protest.

Sincerely,
RODNEY R. ADLER.

MIDDLE VILLAGE, N.Y.

BROOKLYN, N.Y.,
August 6, 1964.

Hon. WAYNE MORSE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MORSE: I want to express, as a layman, admiration for your courage and deep understanding manifested in your recent statement in connection with the proposed resolution on Vietnam.

All sober-minded people will be grateful for your firm stand in the face of overwhelming opposition to your courageous stand.

In these troubled times, your voice is heartening to all people of good will who pray fervently for peace.

The State of Oregon should feel pride that they have elected you to your high office.

Sincerely yours,
SARA H. SHERMAN.

HUBBARD WOODS, ILL.,
August 6, 1964.

Senator WAYNE MORSE,
Washington, D.C.

MY DEAR SENATOR: Thank you, Thank you. Thank you.

ATLANTIS MARSHALL.

PEOPLES TEMPLE CHRISTIAN CHURCH.

DEAR SENATOR MORSE: On behalf of our parish of 300 constituents, I want to thank and compliment you for taking the forthright moral stand you did in reference to the present Vietnam crisis.

The vast majority of our parishioners and staff are absolutely awed by and eternally grateful for your courageous statesmanship.

Very respectfully,
Pastor JAMES W. JONES.

LAS VEGAS, NEV.,
August 5, 1964.

DEAR SENATOR: I want to thank you and I feel that this entire Nation owes you a debt of gratitude. Yours is the one voice of reason among the hotheads and warmongers there in Washington, D.C. What are the leaders of this country trying to do, turn the entire world to ashes? It seems silly that PT boats of North Vietnam would attack our ships, I don't believe it happened. Sounds like a put-up job to me. I think we have been trying to widen the war there for some time.

You know Senator I think this whole war in southeast Asia is to keep us from watching what goes on in places like Harlem, Jersey City, Mississippi, etc. I am a white man but it is a disgrace the way colored people are treated. It seems to me it is time to send the Army into places where they are bombing little girls in church instead of thousands of miles from our shores. Keep up the good work.

Yours with respect,
NORMAN W. TEMPLETON.

SILVER SPRING, MD.,
August 6, 1964.

DEAR SENATOR MORSE, FROM OREGON: I have visitors now in District of Columbia area. They came from Oregon. It is because I hold you in very high esteem that I write to you and pray to God Almighty there should not be any wars anymore. I lost my husband the Second World War. He is also buried in Arlington like J.F.K., who was a good President. I'm a sick woman. I had a heart attack and I'm ill and don't know where to turn. Do advise me, write to me.

It seems there is no end to war talk and real warfare. The world has gone mad since Hitlerism. We are all sick people. What is to be done? We all want peace, so do the Russians. Why all this horrible talk. Please do write to give me courage to get well.

MRS. L. DEMBROW.

UNIONTOWN, OHIO,
August 5, 1964.

Senator WAYNE MORSE,
Congress of the United States,
Washington, D.C.

DEAR SENATOR MORSE: Congratulations again on your courageous stand on South Vietnam. I wish that there were more peace loving politicians like yourself in government. I wish that there was more that we could do to persuade others to see the wrongness of the war mongering policy that the administrations have been following for 10 years in southeast Asia. Please make it clear to the President and his Cabinet that he does not have the support of everyone in his belligerent warlike policy and meddling in an area which is none of our business.

Sincerely,

CONRAD GUTERMUTH, Jr.

HUNTINGTON PARK, CALIF.,
August 5, 1964.

DEAR SENATOR MORSE: Having followed your viewpoint on the southeast Asian problem, and having studied the situation, let me encourage you in your vote in the Senate.

I agree with you.

JOE BURTON.

BROOKLYN, N.Y.,
August 5, 1964.

Hon. WAYNE MORSE,
U.S. Senate,
Washington, D.C.

DEAR SIR: Please accept my heartfelt thanks for your honest words, which I heard expressed on TV tonight, in reference to our bombing of bases in North Vietnam. I keep wondering what our fleet and our soldiers are doing so far from home, and how the Asians can be guilty of aggression toward us.

My best wishes for your continued good health so you can continue your good work. It is good to hear a sane voice in this crazy world.

Respectfully,

IDA H. SPER.

NEW YORK, N.Y.,
August 6, 1964.

Hon. Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MORSE: Congratulations. What more can I say, except that there must be thousands who agree with you, but are afraid to voice their opinions. Dissent. I need not tell you what one is called. Enclosing leaflet.

Sincerely,

Miss VERONA ALTMAN.

NEW YORK, N.Y.
August 6, 1964.

Hon WAYNE MORSE,
U.S. Senate.

DEAR SENATOR MORSE: This is the first letter I am writing to a Member of Congress, to express my appreciation for him. In these days of moral depression and of mortal danger for the world, you are defending gallantly and cleverly the principles of reason, morality and truthfulness in public life. If posterity will remember who sat in Congress these days, your name will be among the very few meriting a place in history. It is bad for the United States and for the world that there is no other WAYNE MORSE in Congress.

Yours faithfully,

ROBERT MAJOR.
Writer, Journal, Economist from Hungary.

JULY 8, 1964.

DEAR SENATOR WAYNE MORSE: We wish to commend your courageous stand in voting against the appointment of Gen. Maxwell Taylor as ambassador to South Vietnam, and your stand in opposing U.S. policy in South Vietnam in general.

We are very much concerned that the present policy will lead to war.

Sincerely yours,

Mr. and Mrs. FRANK KINCES.

CORAL GABLES, FLA.,
July 9, 1964.

Hon. WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MORSE: Your courageous words regarding the war in Vietnam are very heartening. I surely hope that many other Senators and Representatives will follow your lead. I am sure that you are right in feeling that the foreign policy of our country needs to be drastically changed.

With sincere thanks for your courage.

PEARL EWALD.

CHATSWORTH, CALIF.,
July 9, 1964.

Senator WAYNE MORSE,

DEAR SIR: I have read only scanty coverage on your speeches critical of our military policy in southeast Asia, substituting for a political policy reflecting our democratic ideals.

I am extremely indignant that the monopoly press of Los Angeles is our only expression of the freedom of the press so nobly taught to our schoolchildren. The brief life of the Western edition of the New York Times clearly indicates that the press is free to those who are able to satisfy the demands and the policy of the advertisers.

Please send me copies of your speeches before the Senate dealing with our situation in southeast Asia.

Although not your constituent I very much appreciate your declarations for the liberal point of view. Pity there aren't more men of vision and courage. Best wishes for good health and political stamina.

Z. EDELSON.

SCHENECTADY, N.Y.,
July 11, 1964.

DEAR SENATOR: I appreciate hearing your discussion on this Vietnam question over the radio some days ago. There was more discussion on the same problem over station WOR about 3 a.m. and many things have come to light—mainly that this is more of an uprising of the people who are fed up with present-day rulers. I don't want my children involved fighting for any part of this nonsense as I now see it.

BEN COPPOLA.

DEAR SENATOR MORSE: We want you to know we are supporting you on the issue of not extending war in southeast Asia and thank you for working for the good of mankind.

Sincerely,

Mr. and Mrs. PHILIP GOLDBERG.

THE FIRST UNITARIAN CHURCH OF
LOS ANGELES,
Los Angeles, Calif., July 8, 1964.

DEAR SENATOR MORSE: Could you have your secretary send to Rev. Stephen H. Fritchman of this church a couple of copies of the CONGRESSIONAL RECORD, in which you insert letters you have received supporting your stand on the Vietnam situation. We understand that a letter by Mr. Fritchman and others in this area were included.

Thank you. If there is any charge, please let us know.

SUSAN I. HARDYMAN,
Secretary to the Minister.

LOS ANGELES, CALIF.,
July 4, 1964.

Senator WAYNE MORSE,
Washington, D.C.

DEAR MR. MORSE: I heartily applaud all efforts to get our country out of the futile, dirty, ill-considered war in Vietnam, as soon as possible.

Sincerely,

Mrs. GERTRUDE K. STOUGHTON.

PLAYA DEL REY, CALIF.,
July 11, 1964.

DEAR SENATOR MORSE: Just a short note to tell you that we have been reading excerpts from your speeches on the Vietnam situation in I. F. Stone's weekly, and strongly approve of your stand. We heartily hope you will continue to act as a conscience to an unconscionable aspect of our foreign policy.

Very sincerely yours,

NORMAN and ANNE COHEN.

JULY 9, 1964.

MY DEAR SENATOR: We all greatly admire your courage and your wisdom in constantly stating your views on South Vietnam.

We have no moral right in sending an expeditionary force to this country even if it were "safe" to do so. As it is, South Vietnam can easily lead to a world holocaust.

Keep talking sense to the American people and maybe enough of us will see the light.

Sincerely,

SHEEDAN F. BEDON.

LOS ANGELES, CALIF.,
July 10, 1964.

Hon. WAYNE MORSE,
Senate Office Building,
Washington, D.C.

MY DEAR SENATOR: We love you. You are a man of great courage, integrity, and intellect. Your record in the Senate, the stand you have taken, reflects all those sterling qualities.

We couldn't agree with you more, Senator, when you said, on June 23, or thereabouts, "that the United States is the greatest threat to world peace." Or, when you said: "That the appointment of Gen. M. Taylor to the ambassadorial post in South Vietnam reflects "undue influence the Pentagon has come to exercise on the White House in the Johnson administration." Or, and: "The American people apparently will have a choice between degrees in November." Oh, how right you are, Senator. This, may I humbly say, has been our contention for many years, and especially for this forthcoming election. "Tweedledum and tweedledee."

How very, very unfortunate for the United States, as well as the rest of the world, that you, and men of your caliber, are so sadly outnumbered, the general public ill-informed, misinformed, and deliberately misled by all the channels of communication, and the very evil forces that are predominant in our land.

If it is any consolation to you, dear Senator MORSE, you still have a good number of such a small voice as ours to carry the banners for you, crying out in the wilderness for human compassion, understanding, and peace. It is a great consolation to us that we have you, and a few men of your caliber to represent us. If only we had a choice in selecting our President, which we definitely don't; all claims to the contrary notwithstanding, you Senator would be our choice. But, it's like whistling in the wind, to the great sorrow of the whole wide world.

Our involvement in South Vietnam is monstrous. We are consistently on the side of the military dictatorships. Wherever, and whenever, there is a popular uprising of the people, in any part of the world, to secure freedom, bread, sanitary conditions, education, in one word a decent standard of living, our CIA becomes the hangman.

We have written to President Johnson a number of times expressing our strong opposition to this carnage in South Vietnam pointing out how bloody our hands are getting, the waste of human resources, as well as material ones. All these billions of dollars that we do not hesitate for one moment, or one vote, to spend for bloodletting, the support of dictatorships, counterrevolutions, and let our own people struggle on without adequate medical care, proper school facilities, housing, jobs. What kind of a mentality, or human being, is this that can underwrite billions for destruction building H-bombs, missiles, all the murderous implements to wage war on their brothers. Cain versus Abel again.

If the world is allowed to survive, you, Senator MORSE, will have earned the undying gratitude of multitudes, whether they know it or not. We do not believe in a "hereafter" in the organized religious sense, and I am sure no one can promise entry into heaven, not even St. Paul (I rather wonder as to whether his ashes look any different than mine eventually will). But, I do believe the memory of your efforts to stop the world from a complete holocaust will remain immortal, and a world will revere your memory and pay you proper homage, something that they should be doing right now.

All the blessings be with you from your devoted, loyal admirers.

The DUNLAPS.

DETROIT, MICH.,
July 14, 1964.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MORSE: About 15 people were united here this afternoon to discuss their grave concern on the war in South Vietnam and Laos.

I reported on your grand, courageous campaign and on your speeches you had sent me.

The majority of the group resolved to write you, to assure you of their wholehearted support and to let you know that they are firmly on your side.

So do I, because the press and the other mass media with few exceptions, are trying to kill your fight by silence. I would get help in my personal endeavor if you would send me copies of your speeches made later than June 4.

Gratefully yours,

ALICE HERZ.

MIAMI BEACH, FLA.

DEAR SENATOR MORSE: My favorite Senator, I want to commend you on your remarks of June 23, to the Senate Foreign Relations Committee. If only our President had your kind of thinking.

May you continue with your good works and I wish you health and joy, have great admiration for a Senator like you.

Sincerely and respectfully yours,

MARGARET E. BRILL.

LOS ANGELES, CALIF.,
July 15, 1964.

SENATOR MORSE: I would like to congratulate you for, and add my support to your speech in the Senate on the subject of South Vietnam. I feel both the administration policy and Republican opposition ideas on southeast Asia are incorrect. I would hope that you and any Congressmen that share your viewpoint would continue to be very vocal on this issue. Would you please send me a copy of your speech if it is available.

Thank you.

Sincerely,

MILES H. ANDERSON, Jr.

REDDING, CALIF.,
July 11, 1964.

HON. SENATOR MORSE: I wish to commend you on your strong stand concerning the situation we are at present embroiled in in southeast Asia. Especially admirable is your outspoken way of assessing the U.S. military approach to the problem(s).

I have resolved to help you by writing to others who are in position to put their shoulders to the wheel at your level of control (legislators and executive).

Yours truly,

RICHARD E. SMITH.

MINNEAPOLIS, MINN.,
July 14, 1964.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SIR: Please accept my highest commendations. In these days of political absurdities and military forces it is highly rewarding to hear even one man speak forth with reason, integrity and compassion. I'm sure that you have been called every name in the book, including a Communist, but, as far as I can see, you suffer only from one fault. You are a human being. But if this is a fault, it's quite commonly held. Most Americans seem to think that this trait of humanity is peculiar only to them, or at least only to the white races. I rest more easily knowing that there is one man on the Senate Foreign Relations Committee who realizes that America is not infallible. Keep up the good work, sir. You have many supporters all over.

Very truly yours,

PATRICIA KRUGER.

SAN ANSELMO, CALIF.,
July 13, 1964.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR: Thank you again for your outspoken statements on U.S. southeast Asian policy. The National Guardian and the Liberal Democrat both gave reports on your well spoken criticism of the dangerous steps being pursued. I especially applaud your comments on; first, Senator FULBRIGHT, attempt to rationalize U.S. outlawing in southeast Asia; second, the "kept press", and third, U.S. attacks on Laos as "acts of war."

You are in the front leading what is becoming a strong reaction against the present policy.

Gratefully yours,

CLARE MCKEAGE.

GREAT FALLS, MONT.,
July 14, 1964.

Senator WAYNE MORSE,
Washington, D.C.

DEAR SENATOR: The best news we have had recently was your statement regarding foreign aid. Please continue to do what you can to stop this giving away of our taxes. We need our money. Let's stop this foolish program and let some of those people around the world giving our money away get some other kind of a job.

Another thing: Please get us out of Vietnam. The paper said this morning 80 percent of South Vietnam was in the hands of the Reds. That leaves us fighting for only about 3 million and they don't want us to govern them.

Sincerely,

A. F. STROBEHN.

SAN FRANCISCO, CALIF.,
July 13, 1964.

The Honorable Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR: Through this letter I am registering my sincere admiration for the courageous and enlightened stand taken by you in regards to the American role in South Vietnam. I fully support the immediate and complete withdrawal of all U.S. Armed Forces and equipment from that nation.

The present situation there demands an honest and realistic treatment of the matter based solely upon the moral principle of self-determination by those people to determine the form of government desired by them and agreeable to their indigenous clime.

I do fervently hope that you will now champion the cause for human decency vigorously in the high echelons of power to desist from the further pursuit of senseless slaughter and suffering visited upon this people under the misnomer of American "leadership and prestige." Rest assured, sir, that I for one shall stand beside you to bring order to our hypocritical international demeanor.

Very sincerely yours,

PHILLIP PADAYHAG.

GREENFIELD, MASS.,
July 15, 1964.

DEAR SENATOR MORSE: We appreciate your effort in opposing the war in southeast Asia. It is unfortunate that the stand you have taken has been ignored by the Senate and the press.

Thank you for the courage you have shown.

Sincerely,

Mr. and Mrs. WALLACE A. JONES.

CAMBRIDGE, MASS.,
July 11, 1964.

Senator MORSE,
Senate Office Building,
Washington, D.C.

MY DEAR SENATOR MORSE: I want to write this line of strong support and very real gratitude for your stand in regard to the war in South Vietnam.

I, too, am disturbed by the actions of the U.S. Government in the choice of the Ambassador to replace Lodge, the overflights and bombings in Laos by U.S. planes, and the statements of Secretary Dean Rusk.

More power to you.

Yours gratefully,

The Rt. Rev. W. APPLETON LAWRENCE,
Diocese of Western Massachusetts.

NEW HYDE PARK, N.Y.,
August 6, 1964.

DEAR SIR: As my Government reminds me of the actions of another Government shelling America, Spain with a pocket battleship almost 66 years ago in retaliation for aggression, I find comfort that at least one American of stature—you, sir—has the sheer "guts," honesty, and decency to speak the truth.

Thank you, Senator MORSE.

Very truly yours,

SANDY HERSHENSON.

NEW ULM, MINN.,
July 14, 1694.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MORSE: We do want to compliment you on your views in regard to Vietnam. We haven't yet found one person in accord with our present policy there.

Most all seem to feel that we must be losing friends in other nations when we take to the United Nations problems we think will win there and bypass the U.N. and go it alone when the opposite is true. It surely is not being consistent.

The cost in money as well as American lives is tremendous. It is too bad the American citizen has no opportunity to vote on this issue.

Yours very truly,

CHAS. A. KORTH.

MONTEBELLO, CALIF.,
July 13, 1964.

DEAR SENATOR MORSE: About 2 weeks ago, I read in the Los Angeles Times that you had just returned from a briefing in Washington, D.C. You reported it appears we are headed for a war in south Asia—probably with China, and that you feel only public opinion can stop it.

I am fully in accord with you and would appreciate some suggestions as to what a layman like myself can do.

Sincerely,

Clarence J. Cinkel.

P.S.—I am sorry I have misplaced the newspaper item, hence cannot quote it exactly.

New Haven Public Schools,
New Haven, Conn., July 13, 1964.

Dear Senator Morse: I want to express my admiration for your courage and good sense in speaking against the war in Vietnam and for taking the issue to the United Nations, where it clearly belongs. Apparently not many people in the Government have as much sense, and the courage to speak out on controversial issues, but I hope and think that it will become increasingly obvious that the war in Vietnam is morally wrong as well as unsuccessful and potentially terribly dangerous, and perhaps then there will be more support for your position.

This country became great, and has remained great in spite of the many temptations to take the easy or violent ways, because people like you have had the good sense to see what needs to be done and the courage to take on the responsibility of trying to get it done. I, and I am sure many others, am very grateful to you.

Sincerely,

Barbara S. Stocking.

Kent Park, Marshfield, Mass.,
July 11, 1964.

The Honorable Wayne Morse,
Senate Office Building,
Washington, D.C.

Dear Senator Morse: My husband and I heartily support you in your warnings against the crimes we are committing in southeast Asia and in your pleas for sanity, decency, and a measure of morality.

We are revolted by the President's talk of "a bitter struggle for the freedom of a friend." He knows better. And we had truly expected better of him. I hate hypocrisy.

Thank you for your speech before the Senate June 29, and for the excerpt I have read from your recent letter to Norman Thomas—and indeed for all your outspoken efforts, past and present.

Sincerely yours,

Mrs. Kurt Busiek.

Cincinnati, Ohio,
July 12, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.

My Dear Senator: We heard you on the television program—"Questions and Answers."

We admired your stand concerning Vietnam, and pray you may succeed in bringing about a change in handling this important situation.

Keep up the good work, it is much needed at this time.

Sincerely yours,

Mr. and Mrs. Harry F. Sturm.

July 11, 1964.

Senator Wayne Morse,
Washington, D.C.:

I would like to express my strong support for your statements in regard to the war in southeast Asia, and particularly those expressed in your recent letter to Norman Thomas.

Russell N. Hunter.

July 13, 1964.

Hon. Wayne Morse,
U.S. Senate,
Washington, D.C.

Dear Sir: I write to you, as I have written to your colleagues in the Senate, to say that I take hope in the matter of your stand on the Government's policy in southeast Asia.

Always when I see your name come up in matters that astound and discourage me I take hope that you make it known you are aware of implications. I get the distinct impression that you do not sit in the Senate with folded arms dozing away; that you are "on duty."

Even a simpleton, politically, would be able to see from the comings and goings, reports, conferences, and all the rest that the southeast Asia undertaking can only end in a fiasco. I don't know the intricacies of the whole undertaking but I don't like the smells arising from it.

But let me say again that your stand is a great encouragement to those who see the southeast Asia matter differently than does the present administration.

Sincerely yours,

Sada Gordon.

July 14, 1964.

Senator Wayne Morse,
Senater Office Building,
Washington, D.C.

Dear Senator Morse: I, too, believe it is immoral and illegal to engage in war against a downtrodden and illiterate Vietnamese people while ironically we don't even protect our own citizens who go into Mississippi to teach others how to read and write.

Your outspoken and courageous stand against the war in Vietnam gives me fresh hope and vigor and I am writing to all my Representatives urging them to support your position.

Sincerely,

Marjorie Ferenc.

July 13, 1964.

Senator Wayne Morse,
U.S. Senate,
Washington, D.C.

Honorable Sir: For a long time I have been asking myself the question: "Is there not one man in Washington who objects to the constant hymn of hate Cuba and the persistent warmongering against South Vietnam?"

I subscribe to a weekly paper in which I read an excerpt of your speech on the Senate floor on May 20, 1964, to which I fully agree and it answers my question.

How can the invaders of Cuba hope to establish an improved regime there when they are creating confusion in our own Government? Can they teach them economics to operate a debt-free regime when we are submerged in an insurmountable debt? Can they show them how to have full employment when we are burdened with yearly graduates which we cannot place? How about juvenile delinquency and racism and killing of Negroes with impunity? How many friends will we have in the world scene if the saber rattlers invade?

If we would have stayed clear entirely from South Vietnam that difficulty would have been settled among the natives of southeast Asia a long time ago and would have saved thousands of lives. The most evil man today in Washington is McNamara, who persistently calls for stepping up the war as if it were our responsibility to win, when we have no business for our presence there whatsoever and spending millions of dollars daily for no purpose. We are using the cruel and inhumane napalm which should be outlawed in all warfare.

Get out of South Vietnam.

Truly yours,

Gerhard Ulrich.

Pullman, Wash.,
July 10, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.

Dear Senator Morse: Attached is a copy of my letter to President Johnson. In view of your clear and most refreshing stand on U.S. policy in southeast Asia, I thought that you might be interested in the views of one citizen on this matter. An outline of my views are contained in the attached letter to the President. In speaking to you, I think that it is sufficient to say that I wholeheartedly support your position in this matter.

Unfortunately, but not too surprisingly, it is rather difficult to get regular, accurate reports of your statements on Asia, U.S. policy, etc. I have had to rely primarily upon the reports of the weekly National Guardian (New York). Do you normally have copies of your statements available for distribution? If so, would it be possible for my name to be placed on your distribution list? I would certainly appreciate it.

I have talked to many people about U.S. involvement in southeast Asia, and the overwhelming majority of these people have indicated that they fail to see any justification for U.S. involvement there. They are also quite strongly opposed to any extension (indeed, they feel that we shouldn't even be there now), and dread the prospects of a full-scale Korea-type engagement. These people are college students, barbers, military men, and even Goldwater supporters—in other words, just John Doe citizens. Yet it seems to be amazingly difficult for the voices of these people to be heard and acknowledged in and by our elected officials. It will be interesting to see what results, if any, my letter to President Johnson elicits.

I would like to commend you for your courage in daring to speak out on a matter of such crucial importance to all of us. Your courage is especially commendable in view of the fact that your position runs counter to current "correct" positions. Although you are elected by the people of Oregon, be assured that when you speak you are expressing the views of many millions of Americans throughout the Nation—Americans who, like me (Florida), are represented by men failing to measure up to your high standards of courage and integrity.

Sincerely,

Benajah E. Seale, Jr.

[copy]

Pullman, Wash.,
July 10, 1964.

President Lyndon B. Johnson,
The White House,
Washington, D.C.

Dear Mr. Johnson: Until now I have, as most Americans, sat back apathetically and bemoaned the mess in southeast Asia, wondering when "those people" in Washington were going to square away, look at facts, and cease meddling in the affairs of Asians among Asians. But the situation continues to deteriorate, the United States continues to become ever more deeply involved, and "those people" in Washington appear to be as myopic as ever.

I have lived in Asia for more than 4 years, am married to an Asian, have long been a serious student of Asian politics and economics, and have had many long and detailed discussion with Asians in this country attending school. My own studies and observations, and the consensus among most of the Asians I have talked to would tend to support Senator Wayne Morse's contention that: "I am now convinced that the greatest threat to the peace of the world is the United States. I am convinced that if the United States continues to follow the course of action implied (in your) briefing, we are headed for a major war in Asia, and we will be hated for the next 500 years by the overwhelming majority of mankind." The briefing referred to is that given to the Senate Foreign Relations Committee on June 23, 1964, by Secretary of Defense Robert McNamara, and then-Chairman of the Joint

Chiefs of Staff, and now Ambassador to South Vietnam, Gen. Maxwell Taylor.

I realize that it is entirely possible that there may be facts relevant to the southeast Asian, and especially Vietnam-Laos-Cambodia situation of which Senators MORSE, FULBRIGHT, CHURCH, PELL, PROXMIRE, HUMPHREY, GRUENING, and others, Asians, and myself are not aware. But as a taxpayer whose dollars are supporting this war, and as a member of the Armed Forces of the United States who may well be called upon to actively participate in this war, I feel that I have a right to know what these facts are. Specifically, I want to know:

1. Upon what do you base your assumption that extending the war to North Vietnam will have any appreciable effect upon the war in South Vietnam? Even the anemic, bland American press has repeatedly reported that the Vietcong are armed with captured American weapons and homemade weapons. I have yet to see any substantive evidence of the Vietcong being supplied with appreciable quantities of arms, ammunition, etc., from North Vietnam (certainly nothing approaching the scale of our supplies to the South Vietnamese). Nor am I aware of any evidence of significant troop reinforcements from the north (again, certainly nothing approaching the scale of our own troop involvements). Thus, any reasonable, rational explanation of extension of the war into North Vietnam would have to (1) cite substantive evidence of significant North Vietnamese participation in the war in South Vietnam, and if this be provable, (2) why it should be any more heinous than our own participation, and (3) how you expect us to be able to attack the industrial complexes that (presumably) are aiding the Vietcong and not expect our own bases in Asia to be immune to retaliatory attacks.

2. Upon what grounds do you justify U.S. intervention in southeast Asia in the first place? It is my understanding of the Geneva agreement of 1954 that the line between North and South Vietnam was to be a temporary one, and that there were to be free elections held in order to unite Vietnam by July 1956. It is also my understanding that the major powers were to be prohibited from granting military aid to the government in former French Indochina. There have been no elections, and the United States is pumping billions of dollars in military aid to the area.

3. November elections aside, do you possess the intestinal fortitude to state clearly, precisely, and now what your long-range plans are for the war in South Vietnam and the extent to which you intend to carry U.S. involvement in Laos? If your reasoning is sound, and your cause just, then surely the American people will understand and support your actions. Given the soundness and justness of your position, it is difficult to see how the November elections could have any bearing on your failure to date to state clearly your long-range plans in this critical area.

It is my considered opinion, Mr. President, that the people of Asia are more concerned at the moment with achieving freedom from hunger, privation, disease, etc., than with freedom to make pilgrimages to the election polls every 2 or 4 years. The United States, as one of the most wealthy nations on earth, is in an ideal position to play a major role in helping these people emerge from the oppressive slavery they have endured under feudalistic depots for so many centuries. Of all the major powers, this country should know best the nature of the flame in the souls of men that drives them to make any sacrifice for the opportunity to achieve equality and social and economic well-being. We should know. But apparently we do not. Our country, itself the child of popular revolution, now, not 200 years later, finds itself alined with those who bear all too strong a resemblence to our own oppressors, and in opposition to those whose resemblance to our forebears is equally as strong. Surely the social and economic goals of the peoples of Asia are not so very different from the goals of this country—and especially of your party, Mr. President. Then, sir, how is it that we find ourselves supporting incompetent, self-seeking despots and dictators, and opposing those who, like us not too long ago, seek release from colonial rule, despots, military dictators, and poverty?

To me, the greatest sin is that of hypocrisy. Yet this country appears to be moving steadily in that direction. We mouth so eloquently the ideals and principles that inspired the founders of our country, but find it impossible to contribute more than one-six hundreths of our gross national product to the economic aid of all the underdeveloped countries of the world, to two-thirds of the world's population. Our blind, paralyzing fear of communism has caused us to support, time and again, brutal dictators simply because they are opposed to communism. And, thanks to the imbecilic rantings of the McCarthys and McCarrans, and the purges of the HUAC, the American people cower in the warm security of their homes, not daring to speak out in wholesome opposition to the actions of their Government (unless, of course, they are well to the right in the political spectrum. It seems that one cannot go too far left, but has unlimited horizons to the right).

Shedding the mask of hypocrisy, it would seem that this country has two alternatives. On the one hand, we can loosen up our tight little fists and commit several billions of dollars a year to the economic and social development of underdeveloped countries, and commit ourselves for appreciable periods of time (at least 5 years, since most national economic plans are of this length), and actively support those leaders who sincerely have the interests of their people at heart. Or, we can quit pretending, utilize our gigantic military power and openly take over those countries who dare oppose our will and administer them—in much the same way that we now administer Okinawa.

Finally, in addition to the three questions above, I would like to know if your administration has done anything to increase our efforts in assisting underdeveloped areas along the difficult path to development.

I am well aware of the demands upon your time, but it is important to me that you at least read this letter. I would appreciate an answer. I am certain that you have any number of assistants who are quite capable of stating your position on these matters as well as you would do it yourself. But I would ask this one special favor of you personally: that you sign the reply to this letter yourself—on the assumption that you do read what you sign.

Sincerely,

BENAJAH E. SEALE, Jr.

Copy to Senator WAYNE MORSE.

OXNARD, CALIF.,
July 7, 1964.

WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MORSE: Today on station KPFK, Marvin Schachter of the American Civil Liberties Union quoted a recent speech of yours on the subject of the war in Vietnam. I am very much interested, and would appreciate having a copy of this speech, for I know of no one else who is challenging the tacit assumption that the United States must fight in Vietnam. I know of no other leader who is asking "Why?" Why are we spending men's lives and $1½ million a day in that miserable place? I do not know. Why do we not get out?

Again, thank you for your speech.

Sincerely,

MARIAN O'GORMAN.

LOS ANGELES, CALIF.,
July 9, 1964.

Hon. WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MORSE: May I again request six copies each of your speeches on southeast Asia which you delivered in the Senate on June 23 and June 29.

I would greatly appreciate them as I would like to pass them around to as many people as I can.

Sincerely yours,

HARRY J. SILVER, M.D.

SPRINGFIELD, MASS.,
July 14, 1964.

Hon. WAYNE MORSE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MORSE: I wish to congratulate you on your stand on South Vietnam. I think it is of immense importance that we find a nonviolent solution in place of a violent one.

In a nuclear world we must get practice at arriving at nonviolent solutions. I think a war in southeast Asia would be disastrous; Red China would almost certainly get involved and this might very well bring the Stalinists back into power in Moscow. Even if the Stalinists did not come into power, the Russians could not sit by and let the Red Chinese lose the war.

We must arrive at a nonviolent solution. If we don't get experience arriving at nonviolent solutions, we will not know how to deal with a major crisis.

I hope you will continue your efforts and please let me know if there is any way in which I can help you.

Very truly yours,

JOHN A. LARSON, M.D.

ISSAQUACH, WASH.,
July 9, 1964.

Hon. WAYNE MORSE,
U.S. Senate,
Senate Office Building,
Washington, D.C.

DEAR SIR: I am writing this letter to commend your opinions and talk on "Issues and Answers" that I saw on TV a couple of weeks ago.

I thank God that there is a Senator like you who has the courage to come out and speak the truth to the American people on the Vietnam issue as you did.

You may be assured that I am behind you or rather I am wholeheartedly in accord with your ideas on handling the Vietnam and Laos problems by the United Nations.

I have been wondering if you could send the transcript of the TV talk on "Issues and Answers" on Vietnam and Laos to me, as it is difficult to remember all that was said on that one-half hour program.

I have come into many debates with friends and neighbors over Vietnam but your talk on TV was most informative.

If you have other material on Vietnam I would be most appreciative to receive it.

I only regret that I am not able to vote for you as we live in the State of Washington, but I take this letter to let you know that I am with you to help this Nation from being drawn into a major war over Vietnam and Laos.

Hoping that your stand for peace succeeds, I am,

Yours truly,

OIVA JOHN CARLSON.

MARZANI & MUNSELL, INC.,
New York, N.Y., July 10, 1964.

DEAR SENATOR MORSE: May I congratulate you on your vigorous and courageous fight against extension of the war in Vietnam. I am sure this corresponds to the feelings of the majority of Americans.

I should deeply appreciate receiving copies of your speeches on the subject and would be grateful to be placed on your mailing list.

Sincerely yours,

Carl Marzani.

Eastern Illinois University,
Charleston, Ill., July 11, 1964.

Hon. Wayne Morse,
U.S. Senate,
Washington, D.C.

Dear Senator Morse: Two weeks ago on a Sunday evening I heard you over station WLS-ABC Chicago on a program called "Issues and Answers." Your statement on the moral and legal issues our Nation faces in Vietnam was magnificent. If you have a copy of this particular statement I would appreciate getting it, for it had great clarity and was short and hard hitting.

I am confident your courageous stand on this issue has already begun to bear fruit, as witness the statement of Secretary General U Thant, and the more recent statement of 5,000 university professors queried by SANE.

The part of your statement I thought was particularly effective was your stand that war in a nuclear age is no longer tenable as a means of settling disputes, that we must begin to use international law if we are to do away with war, and the United States cannot use a double standard if it expects to maintain moral leadership, flouting international law and using force when it wishes, while expecting others to abjure force and abide by law.

Ultimately I believe your views will prevail, and the American people will be deeply indebted to you forever for your great leadership on these life and death issues. May the Lord give you strength to carry on this important work.

Very sincerely yours,

Dr. Lloyd Pulliam.

Gibsonia, Pa.,
July 8, 1964.

President Lyndon B. Johnson,
The White House, Washington, D.C.:

Earnestly request we get our forces and the Maxwell Taylor-Goldwaterian philosophy out of Vietnam where we don't belong and get into Mississippi where our forces do have a mission.

Marion B. Lyke.
Harold F. Lyke.

Pelham Manor, N.Y.
July 1, 1964.

Senator Wayne Morse,
Washington, D.C.

Dear Sir: I am writing only to show my respect for your fight against our actions in Vietnam and others in southeast Asia and your attempt to show the people of the United States what is going on there and has been ever since we backed up France in their attempt to get back that part of their colonial empire.

President Johnson said some time ago that the people of the United States should know more about what is going on in Vietnam and the Government would see that they did. I believe if they did at least 80 percent would be against what we are doing but since that was said I have seen nothing reported of yours or anyone who is against our actions in that territory. I would like to know how to get information on what you are doing in this regard.

Yours,

Hayden Dualey.

Beloit, Wis.,
June 30, 1964.

Senator Wayne, Morse,
Washington, D.C.

Dear Senator Morse: Congratulations and thanks for your stand on the war in Vietnam. If we ever had any business being there in the first place, it has surely disappeared. If anyone outside of Vietnam should be aiding or advising, it is the United Nations, not the United States.

Are you really the only one in the Senate holding these views against the Vietnamese war? The press has been reluctant to give proper coverage, so I don't know.

Please send me any statements you or similarly inclined Senators have made, or sources where I might learn more.

Again, keep your stand, and thank you,

Sincerely,

Gunda Korsts.

Philadelphia, Pa.,
July 9, 1964.

The Honorable Wayne Morse,
Senate Office Building,
Washintgon, D.C.

Dear Senator Morse: I am delighted beyond words with your speech of June 3, in regard to McNamara's war in Vietnam. SANE has asked me to stimulate a number of people in this neighborhood to write letters to the papers, etc., on questions dealing with the peace movement. Nothing would be more calculated to rouse them to do something of that sort than your speech. If it is not asking too much, I should be most grateful if you would send a copy of the speech to each of the following addresses. I will call up these people and explain to them how it happens that they are receiving the speech.

I need not add how thankful I am that you are in the Senate.

Yours with enthusiasm,

Henry S. Huntington.

ADDITIONAL SIGNERS

Miss Carol Buhr, 4418 Walnut Street, Philadelphia, Pa.

Miss Judith Weinberg, 1910 Pine Street, Philadelphia, Pa.

Dr. Harris S. Gerber, 1036 Magee Road, Philadelphia, Pa.

Mr. Louis Meyer, Post Office Box 1071, Philadelphia, Pa.

Mrs. Warner Berthoff, 225 North Roberts Road, Bryn Mawr, Pa.

Mr. Bruce E. Knox, R.D. No. 1, Box 524B, State College, Pa.

Mr. and Mrs. David M. Hulst, 314 Prospect Avenue, West Grove, Pa.

Mrs. Charles M. DeMarco, 6517 North 9th Street, Philadelphia, Pa.

Bryce Canyon, Utah, *July 7, 1964.*

The Honorable Wayne Morse,
U.S. Senate,
Washington, D.C.

Sir: As a student of Swarthmore College, I first became aware of your position in brief articles in the New York Times. Now I can only follow your statements and actions in National Guardian because the rest of the press out here and the national "news" magazines are silent except for prowar propaganda.

I should make my sympathies clear. I fully commend you on what you are trying to do in regard to U.S. policy in southeast Asia. I believe, as you do, that the United States and its saber rattling is a real threat to peace and that our continued unilateral intervention in the affairs of the peoples of southeast Asia can only lead to war. The U.S. Government is apparently abrogating the sovereignty of nations in order to pursue its own interests with the concurrent belief that what it does is necessarily correct and proper for other peoples. This, to my thinking, is wrong—practically, legally, and morally—and since in this case it flies in the face of the recent emerging development of the dark-skinned races, it can only lead to defeat and disaster.

To us with only an imperfect and outside view of what is going on in Washington, it is awfully difficult to try to determine who or what is responsible for such stupid and silly policies as the Government is now committed to. In very general terms, can they be ascribed to the "unwarranted influence" of Eisenhower's "military-industrial complex"? Is the situation more complicated and closer to David Wesley's analysis (National Guardian, June 20) of a tug of war between the CIA, the Pentagon, and the State Department with control of U.S. policies often out of the hands of elected civilian officials? Is it the almost usual public apathy? Is this a result of the kept press (so many of which can aptly be described as "yellow rags") and the concealment of facts? It must be something of this nature for among the people in various parts of the country, I cannot find any substantial support for the continuance of the United States-made war. This is especially true as soon as some of the prowar propaganda they have been fed is shown to be what it really is.

As you stated previously in regard to South Vietnam: We should never have gone in, we should get out. This can only be more true in Laos where our aggression cannot be shielded as completely by the puppet government which in Laos makes lesser claims as to how much of the population it represents. The United States should get out and get out now. A military solution dictated by the armed might of the United States is no solution. While it is probably too late now to even make a pretense of allowing the people of Vietnam and Laos to determine their own governments, at the very least, let's get the United States to sit down and work out a solution.

Could you please send me more information on the situation and your position and how you think the people down here might be able to change the present horrid policies of the Government.

Sincerely yours,

Harold Mains.

The Cape Cod Council
of Churches, Inc.,
Hyannis, Mass., July 8, 1964.

Senator Morse,
Senate Office Building,
Washington, D.C.

My Dear Senator Morse: I and many others very much appreciate your efforts in the Senate to prevent escalation of the war in southeast Asia and to urge negotiations to end it.

Many of us are alarmed by the indications of impending extension of conflict there and will welcome warmly any move in the opposite direction.

It is our hope that the two Senators from Massachusetts will work with you on this matter.

Yours very truly,

Kenneth R. Warren,
Chairman, Social Relations Department.

Ecorse, Mich.,
July 9, 1964.

Hon. Wayne Morse,
U.S. Senate,
Washington, D.C.

Dear Mr. Morse: Living as we do in the century of nuclear arms, it becomes our responsibility to call a halt to all wars that may lead to the destruction of all humanity. It is for his reason that this letter is being written. Your campaign in the Senate of the United States to recall U.S. troops from Vietnam serves this purpose and is therefore in the best national interests of our Nation.

It is also desirable that a peaceful settlement be negotiated to settle all outstanding issues in southeast Asia and that this come about as a result of a gathering of all nations interested in peace, together with the United Nations.

I sincerely hope that you will do all in your power to effect such conference.

Respectfully yours,

Frank Fields.

East Orange, N.J.,
July 7, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.

Dear Senator Morse: Please know that we applaud your efforts on behalf of a sane, peaceful policy in South Vietnam and your unceasing courage in fighting for a withdrawal of U.S. troops from South Vietnam.

Ben Lieberman.

St. Paul, Minn.,
July 7, 1964.

Senator Wayne Morse,
U.S. Senate,
Washington, D.C.

Sir: I am heartened to hear someone in our National Government speak honestly about our foreign policy. I wish you could get more frequent and far-reaching exposure of the truth but I don't suppose this is probable; although it is certainly worth the effort and the support of anyone who realizes we cannot forever prate democracy while supporting dictatorship and international lawlessness without finally finding ourselves isolated from the people of all the rest of the world.

I guess you could say of the United States that no nation in the history of the world has ever paid greater lipservice to democracy.

I enclose a copy of my highly uncirculated voter's handbook. I don't know that you'll approve but I don't believe it's about you. I'm certainly with you all the way on foreign policy.

Sincerely,

Ned O'Neill.

Williamstown, Mass.,
July 9, 1964.

Dear Senator Morse: May I thank you for the stand you have taken on several occasions in speeches in the Senate on the issue of U.S. policy in southeast Asia. I hope that many U.S. citizens like myself will let you know that they support your views.

Sincerely,

Mrs. Vera Fisher.

Los Angeles, Calif.,
July 8, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.

Dear Senator: Your stand on U.S. policy in regard to Vietnam is to be commended. Over radio station KPFK in Los Angeles, Calif., I heard your views, and from what we read in between the lines, it is clear that our actions there are frightful and frustrating to say the least. Americans as well as Vietnamese are dying and the reasons for their sacrifice is very much a deep dark negative mystery. I say negative, because it is to stop something, rather than a course of action that will make Vietnamese more satisfied to face their enemy and defeat him. It all indicates that up to now, the Vietnamese neither want to fight or die, or to be dislocated from their homes helter-skelter. If our Government has not learned the bitter lesson from the holocaust the French Government suffered in 1954 in that particular area, then they have learned nothing.

Eventually we will find a way to leave the scene gracefully. Why not now? Please, Senator, do everything possible to knock some sense into the heads of those people who can remedy this untenable situation in Vietnam.

Sincerely yours,

Mrs. Helen Durbin.

North Hollywood, Calif.,
July 8, 1964.

Hon. Senator Morse,
U.S. Senate,
Washington, D.C.

Dear Senator: I was so very much impressed with the talk and answers that you gave over the television June 28, on the "Meet the Press" program, that I am moved to write to you.

In comparison to so much doubletalk one hears from many in high places, your firm stand for what you hold to be the truth was most refreshing and makes one hopeful that right shall yet prevail in our land.

It is men like you and Mr. Ribicoff and moral scientists like Dr. Pauling and a few others who will prove to be indeed "the salt of the earth" and reminds me of the words of Emerson when he said, "The world is upheld by the veracity of good men." Also "Nothing will bring us peace but the triumph of principle."

It seems that many, too many, of our citizens are absolutely allergic to any ideas for progress on any moral issue.

Hope you carry on the good work.

Wishing you every success, I am,

Yours sincerely,

Sidney S. Eisenberg.
Gertrude B. Eisenberg.

Kent, Ohio,
July 10, 1964.

Hon. Wayne Morse,
Senator from Oregon,
Washington, D.C.

Dear Sir: I. F. Stone's Weekly for July 6, 1964, has given in slightly abridged form the speech you delivered to the Senate on June 29. Again I wish to commend you for the logic of your arguments concerning the war in southeast Asia. Do keep on saying these things so that more and more people will hear them and have to think about them.

Sincerely yours,

Miss Esther L. Grant.

Bremerton, Wash.,
July 8, 1964.

Hon. Wayne Morse,
Senate Office Building,
Washington, D.C.

Dear Senator Morse: I simply wish to tell you that I share your views on our position in Vietnam. After discovering as much as I could about the situation, I have gone from the Henry Jackson viewpoint to wondering how on earth we ever adopted such a policy.

I am told that you are the only Member of the Senate who feels that we must get out. Courage—you should be used to that by now.

Respectfully,

Charlie Smith.

July 8, 1964.

Hon. Senator Morse,
U.S. Senate,
Washington, D.C.

Dear Sir: We are with you all the way in your efforts to bring reason into our foreign policy position in southeast Asia. Keep up the fight. We need you—and hope you can enlist the support of more of your colleagues in this most vital matter.

Sincerely,

Howard and Gloria Klein.

Aptos, Calif.,
July 10, 1964.

Dear Senator Morse: I admire you for your courage to criticize our country's policy in southeast Asia. We also agree with your position. Please continue your efforts, publicly and privately, to serve our country and the cause for peace by urging peaceful settlement of the problems in southeast Asia through the United Nations and adhering to the treaties that we have signed.

As a father of a very large family, I am deeply concerned by the freedom of our military commander to determine our foreign policy without the consent or approval of the Congress or the people.

I beg you to do all in your power to restrict the influence of the Pentagon to strictly military affairs and not to meddle in foreign affairs.

Please advise me as to what I can do as a layman and a citizen to help.

Again, thank you for keeping up our hopes because if we had not heard you speak out, we would have given up.

Sincerely,

Mario and Estelle Carota.

Venice, Calif.,
July 4, 1964.

Dear Senator Morse: On many occasions I have heard of your refreshing criticism of "accepted" viewpoints, and while not always agreeing, I feel that yours is one of the most intelligent and aware voices heard in Congress.

On this occasion I am referring to your interview on Vietnam heard over KABC.

I wish I could vote for you,

Yours with admiration,

Ronald F. S. Forbes, Ph. D.

Alto, Mich.,
July 9, 1964.

Dear Senator Morse: God bless you for daring to criticize the war in Vietnam and for working for peace. I hope other Congressmen will have the courage to follow your lead.

Yours truly,

Gladys Matthews.

Los Angeles, Calif.

Hon. Wayne Morse,
Washington, D.C.

Dear Sir: Thank God, you have the courage to stand up to the warmongers.

These critical days demand courage from our representatives, and protest of the people in the millions, to stop our wholesale slaughter of South Vietnamese who only demand the right to choose leaders of their own choosing. We carry the "Big Stick" to all corners of the globe, wherever people ask a better way of life, then hunger, and oppression.

Would it not gain us wholesale love and respect if we lifted the people of the world into the 20th century instead of putting the boot to their back?

We stand before the world, condemned for our slaughter of innocent people by napalm bombs. We must stop, before we are in the midst of a third world war with no return.

Today the Pentagon with President Johnson are pursuing a path, that will eventually lead millions to death. Do all in your power to put some backbone into our elected representatives to turn the tide back to the times we were the torch for the oppressed.

Keep up the good fight, stop the warmongers. You would be surprised how much support is backing you.

Cordially,

Charles Berkow.

Carmichael, Calif.,
July, 7, 1964.

Senator Wayne Morse,
Washington, D.C.

Dear Sir: I have just read where you object to the war the United States is waging in South Vietnam.

We are warmongers, and hypocrites. We pretend to be what we are not.

We used to talk about Hitler's policy of might made right. But now we are the Hitler of the world.

How come there is only one Senator Morse in the Senate and so many Birds?

No system in the world could be as bad as the capitalistic system. Someday it will be outlawed.

Sincerely,

L. E. Marshall.

Elmhurst, N.Y.

Dear Senator: Allow me to express my sincere thanks for an outstanding patriotic job in behalf of our youth, who are facing death in the jungles of South Vietnam.

The policy of the Pentagon is to an assist from the CIA calls for the support of a discredited puppet, whom the people will not support.

I have written to the President to bring our boys home and stop the slaughter of innocent men and women and prevent an escalation of the war.

Once again it behooves me to say, that your courageous action in trying to bring this madness to an end will redound to your credit for all to see.

Urging you to continue your fine effort in behalf of peace and decency and thanking you again I remain,

Sincerely yours,

Herman Katzen.

La Jolla, Calif.,
July 8, 1964.

Hon. Wayne Morse,
Senate Office Building,
Washington, D.C.

Dear Senator Morse: The La Jolla Friends' meeting has asked me to send you the enclosed copy of a letter to the President on the subject of Vietnam, about which you have shown such courageous concern.

Yours respectfully,

Helen Beardsley.

"July 6, 1964.

"The President,
"The White House,
"Washington, D.C.

"Dear Mr. President: The La Jolla meeting of the Religious Society of Friends has followed with growing concern the development of U.S. policy toward southeast Asia. We understand recent statements to mean that U.S. military power will be used against North Vietnam and against China if they continue to help the Communists of South Vietnam and Laos.

"We believe that such an extension of the war in South Vietnam would be a mistake of utmost gravity. It might lead to a war which would involve all mankind.

"From a practical standpoint there is no solution for the small countries of southeast Asia except through a negotiated settlement by all the nations concerned, protected by international guarantees. We urge our Government to use its influence to bring about the neutralization and demilitarization of the Indochinese peninsula. Surely the people of these war-torn lands would welcome an end to the killing and the opportunity to develop without outside pressures.

"It is unrealistic to expect that China, with its thousands of years of prestige in Asia and its vast potential, will accept dictation by the United States on its borders. Our threats may perhaps restrain temporarily, but they will strengthen the Chinese determination to drive us out of Asia and increase the enmity between China and the United States. We believe that it is the great responsibility of our generation to bring China into the community of nations and so to change the relationship between our country and China that there may be peace in our children's time, for their sake and for the sake of the future of the human race.

"Mr. President, we recognize the problems that you face, the pressures under which you labor, and your great effort to do what is right. We should like to stand behind you in an 'offensive in the pursuit of peace' which is not based on military power but on human and spiritual resources of man. Out of our deepest convictions we would remind you of words which we believe are applicable to the United States in Asia today, 'They that take the sword shall perish with the sword,' and of the positive promise, 'Not by might, nor by power, but by my Spirit, saith the Lord.'

"Yours respectfully,

"Stewart F. Mulford."

Oakland, Calif.

Senator Wayne Morse,

Dear Sir: Congratulations on your strong opposition to the dangerous and illegal foreign policy of the United States.

Keep it up.

J. D. Thilops.

Senator Wayne Morse.

Dear Sir: You are to be commended for your long and persistent effort for the recall of our troops from Vietnam.

I would suggest one thing more if you can do one thing more that you personally urge every like-minded Governor, Senator, and Congressman to assure the President of a change from hostile to friendly votes—10; 50; 100 if he recalls the troops at the same time that these men personally urge their constituents to do the same.

If you get a good response we may be able to scare Mr. Johnson into action.

I am 82 and have an ailing heart; but will make all the noise possible.

Respectfully,

Mrs. Annabelle Kennedy.

Tacoma, Wash.,
July 7, 1964.

Senator Wayne Morse.

Dear Senator Morse: We support your policy on Vietnam. We are proud that you have taken such a courageous stand.

Sincerely,

Philip A. and Marie Heft.

Detroit, Mich.,
July 8, 1964.

Hon. Wayne Morse,
U.S. Senator,
Washington, D.C.

Dear Sir: I do not understand how the President can threaten other nations with war when under the Constitution the authority to decide on the question of war is the prerogative and responsibility of the Congress—not of the President.

In view of Presidential statements, oft repeated, the people are entitled to a declaration by Congress—the authoritative source—as to whether or not this country is to be committed to a program of putting down "aggression" wherever it occurs in the world, as at present in Vietnam and Laos, thus taking over the role the United Nations is supposed to assume—a program that could keep the United States in a state of perpetual war.

The authors of the Constitution, as well as of the preceding Articles of Confederation, were well aware of the tyranny inherent in one-man control of the Armed Forces, and therefore placed in Congress the power to provide for the "government and regulation of the land and naval forces." The tyranny of one-man control of the military is accentuated when young men are drafted by law and then by one man's decision sent into battle anywhere in the world.

It is the duty of Congress to protect the people from such a situation by deciding matters in its specified jurisdiction and not allowing itself to be subordinated or superseded by the President.

Respectfully,

George M. Montross.

Claremont, Calif.,
July 2, 1964.

Hon. Senator Wayne Morse: Your stand on the undeclared war in South Vietnam is very gratifying. The danger there is great. It may bring about a war that will be hard to stop. What is wrong with negotiating with North Vietnam and other peoples in that area? I would like to get a copy of your speech, June 25, if possible.

Respectfully,

Bessie Udin.

Newton Centre, Mass.,
July 8, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.

Dear Senator Morse: The position which you have taken concerning the U.S. policy in southeast Asia deserves commendation and support and I respectfully submit it to you at this time. I hope that you will continue to speak out and that your voice will be heard by other Members of the Senate.

Respectfully,

Edgar Grossman.

Los Angeles, Calif.

Dear Senator Morse: I would like to commend you on your speech June 23. I do hope that you will prevail. It seems terribly important to me that our country keep out of the war in South Vietnam. Thank you for having the courage to speak out.

J. Shiner.

Boston, Mass.,
July 2, 1964.

Senator Wayne Morse of Oregon.

Dear Senator Morse: I'd like to let you know that I'm very much worried about the grave political situation in southeast Asia.

If we continue to flex our political muscles it does not show strength but irresponsibility, foolhardiness, and inhumanity.

I am asking for your active leadership in seeking peaceful negotiations in every possible way, promptly.

Thanks.

Sincerely,

Edith Frankel.

Saxtons River, Vt.,
July 7, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.

Dear Senator Morse: Thank you for your statements on June 23 before the Senate Foreign Relations Committee concerning U.S. policy in southeast Asia. It is gratifying to know that there is at least one sane voice making itself heard against the administration's and Pentagon's reckless stand. We do not want this war to continue. Thank you for your good work.

Sincerely yours,

Veronica Brelsford.

Chicago Heights, Ill.,
July 26, 1964.

Dear Senator Morse: I have heard your protest several times and I am so thankful to God for a man like you. I have been in doubt for a long time if there was one who looks at life's other side. You are sure to win. Please keep up your protesting, for I love the boys of our country and to save them from being shot down like beasts. I am a D., but I can see the right and wrong side of it too. I just had to write and tell you how I do feel about your TV talks.

If we had more men with the same good thought for the boys dying out of the country, leaving home and country as young kids without a chance in life. You are not on TV, so keep talking and save our boys. I have two in Germany. I am back of you. So is my husband.

May God bless you.

Mr. and Mrs. Otis Williams.

Southwest Harbor, Maine,
July 6, 1964.

The President of the United States,
The White House,
Washington, D.C.

Mr. President: You just signed into law the civil rights bill, thus completing successfully a momentous step in the inner-development of the United States, owing largely to your own energy and efficiency.

Unfortunately, at the same time in foreign policy, you took a number of steps in southeast Asia which constitute an acute threat to the precarious balance of peace on a global scale. You replaced Henry Cabot Lodge by General Taylor; you are rushing to completion the new enormous military base at Danang; you are conducting aggressive military actions in Laos, and you have expressed your readiness to go to war in your struggle against Communist dangers in that area.

I do not know whether all these acts are based on your personal conviction or whether they are connected with the impending presidential elections or the pressure of influential military and industrial groups. It is my deep conviction, however, that they are founded on unrealistic assessments of the political world situation; that they violate the sovereignty of other people; that they will not lead closer to your avowed goals, but must instead provoke both China and Russia as well as minor Asian nations. They are threatening to destroy the effects of all steps toward saner East-West relations that have been undertaken in the last 2 years.

I emphatically agree with the stand taken by the Senators **Wayne Morse**, **Gruening**, **Bartlett**, **Pell**, and **Aiken** who warned of the consequences of the present policy in southeast Asia.

I am going to send copies of this letter to those Senators and I deplore the lack of coverage that the press and television have given to the their protests.

Immediate negotiations not to spread, but to end the wars in southeast Asia, are the only way that can produce results other than destructive. It is your responsibility, Mr. President, to choose that way.

Respectfully,

Hedda Korsch.

Weston, Mass.,
July 6, 1964.

Hon. Wayne Morse,
Senate Office Building,
Washington, D.C.

Dear Senator Morse: We strongly endorse your statements warning of the consequences of U.S. policy in southeast Asia. We are deeply concerned by signs of an extension of the war pressured by the Pentagon.

You have our complete support in your efforts to combat this futile and immoral policy.

Respectfully yours,

John C. Gray.
Helen L. Gray.

Los Angeles, Calif.

Hon. Wayne Morse:

I applaud your outspoken opposition to the war in Vietnam.

More power to you.

A. Allyn.

Jamaica, N.Y.,
July 7, 1964.

Senator Wayne Morse,
Washington, D.C.:

We gratefully acknowledge and applaud your courageous stand on Vietnam. Women strike for peace.

Elenor Klein.
Joyce Mandel.
Celia Stern.
Shirley Margolin.
Miriam Ambler.
Bernice Holland.
Ruth Meyer.
Enid Handler.

West Medway, Mass.,
July 6, 1964.

Senator Wayne Morse,
Washington, D.C.

Dear Senator Morse: Thank you for raising your voice against expansion of the war in southeast Asia.

Sincerely yours,

Edward A. Chapin.
Clara Butler Chapin.

Denver, Colo.,
July 6, 1964.

Hon. Wayne Morse,
Senate Office Building,
Washington, D.C.

Dear Mr. Morse: It's good to know that at least there is one sane man in Congress who considers our policy in Vietnam extremely dangerous to world peace and isn't afraid to speak out boldly about it.

Since most people can't see us getting out entirely, I wonder if folks might respond better to Charles Wells suggestion that we try to beat the Reds at their own game for their entire basis of appeal is to bring a better life to the common folk. I know you would be behind such a humanitarian move.

Thank you again for your untiring efforts to alert the people to the real situation.

Sincerely,

Mildred E. Mowe.

July 2, 1964.

President Lyndon B. Johnson,
The White House,
Washington, D.C.

Dear President Johnson: I want you to know that my wife and I believe you have done a splendid job so far in carrying out the duties of your office. However, I am deeply concerned by your actions and statements with reference to the conflict in Vietnam. We are, frankly, worried by the fact that you have selected a general, schooled in the art of war, to replace a civilian for the post of American Ambassador.

Also, I understand that you have ordered a speedup for the completion of an American airbase in Danang, and that you have ordered overflights and then bombings in Laos by U.S. planes. Also, Secretary Rusk has been threatening military action against China.

When will this country adopt a moral foreign policy? When will we ask the question, "What is best for the people of Vietnam?" and not always the selfish question, "What is best for the selfish interests of the United States?"

I understand that Senators **Gruening**, **Bartlett**, **Pell**, **Aiken**, and **Morse** have warned against your recent policies in southeast Asia. I also understand that their speeches have been smothered by silence in the press and on television. If the truth is that the people of Vietnam and other southeast Asian countries have been abused, subjugated, and denied the opportunities for comfort and happiness, we have no right to enforce the continuation of a status quo government. I feel that the United States has no right to dominate southeast Asia and no right to dictate what form of government and what leadership these people shall have. It seems to me that our recent actions in Vietnam are indeed imperialistic. I note that our Western allies, in particular England and France, have not seen fit to embark on these aggressive military actions.

I will appreciate hearing from you as soon as convenient as to what your intentions are in this part of southeast Asia.

Very sincerely yours,

Herbert Murphy.

(Copy to **Leverett Saltonstall**, of Massachusetts; **Edward Kennedy**, of Massachusetts; Senator **Gruening**, of Alaska; Senator **Bartlett**, of Alaska; Senator **Pell**, of Rhode Island; Senator **Aiken**, of Vermont; Senator **Morse**, of Oregon.)

Cummington, Mass.,
July 6, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.

My Dear Senator: I want to express my admiration and intense gratitude to you for your splendid and persistent fight to put an end to the senseless, wicked, and potentially very dangerous war in South Vietnam. I hope you get thousands of letters supporting you.

Also I wish that you would run as an independent candidate for the Presidency. As it is, I shall not vote for either party's candidate.

Faithfully yours,

Margaret A. Fellows.

Superior, Wis.

Dear Sir: I want you to know how much I agree with you on your stand on our stupid war in Asia. Not only do I agree with you on this but on most of your positions. Wish that we in Wisconsin had a Senator such as you. More power to you.

Sincerely,

Ken Soninov.

Shrewsbury, Mass.,
July 7, 1964.

Senator Wayne Morse,
U.S. Senate,
Washington, D.C.

Dear Senator Morse: I wish to express my compliments and appreciation for your stand in warning of the consequences of U.S. policy in southeast Asia. This is a most hazardous situation and should certainly not be allowed to escalate further into a possible nuclear war.

Sincerely yours,

Hudson Hoagland.

Dubuque, Iowa,
July 6, 1964.

Senator Wayne Morse,
U.S. Senate,
Washington, D.C.

Dear Senator Morse: I wish to commend you on your opposition to American military involvement in South Vietnam. You are one of a very few public figures with the perception, honesty, and disinterested independence to call public attention to the situation in southeast Asia as it really is—a reactionary and dangerous gamble on the part of bellicose and imperialistic forces in American Government and society. Powerful elements in both the liberal and conservative wings of both parties seek to outdo each other in popularizing the canard that Americans in South Vietnam are killing and being killed in defense of national self-determination and democracy. Exactly the opposite is the truth, and if the American people can escape being brainwashed on this issue it will be due to the outspoken honesty of public servants like you, whose loyalties are to their public and not the Pentagon.

Sincerely,

Nicholas Dicken.

Bronx, N.Y.,
August 5, 1964.

President Lyndon B. Johnson,
White House,
Washington, D.C.

Dear Sir: Not too many years ago the American people became sick of the useless war in Korea and elected Dwight D. Eisenhower as President, largely because of his promise to stop that war. Nothing really had been accomplished, but a lot of American boys had lost their lives. It was just fortunate that it had not erupted into a world holocaust.

Now we are faced with a similar situation. I doubt if most people can possibly imagine what we are fighting for in Vietnam. It is said that we must contain communism—at any cost. Well, if we blow up the world I suppose it can be said that communism was contained, but personally I would rather let those countries have whatever they choose to have, and that will not stop us from having what we choose to have. But it will give us a chance to live in a world not only at peace, but a world, period.

Actually, the people in Vietnam have every moral right to their own choice. I am quite aware that we have been involved in a very unsavory war in South Vietnam for some time.

We have enough problems right here at home without sending our boys off to fight in some jungle for what so easily can come out of the jungle and become a world conflagration. If this sounds like isolationism, I do not mean it so. In fact I feel it is our responsibility to help feed the world's people. What I am so opposed to is war, senseless, useless, stupid, war—to be cynical, probably for someone's pocket, as I certainly cannot see any real reason to risk so much.

I would hope that we have a choice in November. I know that I hope to vote for you, and to be able to do so with full conviction. You have the opportunity to go down in history as one of our great Presidents—if you will but have the courage to choose what you must know deep down is the right thing to do.

Sincerely,

JEANNE BRANCATO.

LARCHMONT, N.Y.,
August 5, 1964.

Hon. WAYNE MORSE,
U.S. Senate,
Washington, D.C.

DEAR MR. MORSE: I have just this minute heard a news report that you have dissented from the resolution of your colleagues, due for passage tomorrow; and that you believe the United States to share blame with the North Vietnamese and that it should all be handed through the U.N.

I almost never write letters to public officials but I want you to know that your statement is like a breath of fresh air in the stagnant (if not foul) atmosphere of this country.

Sincerely,

MADGE ROSENBAUM.

FT. WAYNE, IND.,
August 5, 1964.

DEAR SENATOR WAYNE MORSE: Congratulations for your outspoken and fearless attitude and reasonable and unbiased explanation in regard to southeast Asia.

Thanks.

JOHN CONLEY, M.D.

NEW YORK, N.Y.,
August 6, 1964.

Hon. WAYNE MORSE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MORSE: It is good to see you quoted in the enclosed article by General Hester in the August Churchman which came today. And your statement of yesterday, quoted in part, in today's New York Times, should have been quoted in full and should have been its lead page 1 article.

Sincerely,

CLYDE R. MILLER.

LOS ANGELES, CALIF.,
August 5, 1964.

Senator WAYNE MORSE,
U.S. Senate,
Washington, D.C.

DEAR SIR: We heard on a newscast that you have called our country the provocateur in the Vietnamese PT boat incident. What you said is tragically true. There has been a great deal of talk of "defense of freedom" in Vietnam. No one has defended freedom of thought for freedom in the old Indo-Chinese states since World War II. We stand today in just about the same position the French Army did before 1954. If only some face-saving solution (for us) could be found. Again congratulations on your courageous stand.

M. SIDINA.

JEVNE & JEVNE, LAWYERS
Minneapolis, August 6, 1964.

Hon. WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MORSE: You were magnificent on television last night. I salute your courage, your independence, and your patriotism. You demonstrated that you love country above partisanship. You were well armed with truth.

This country is so fortunate to have a fearless Senator like you. You are sure to prevail in the long run because you have the facts on your side. You have the stuff of greatness.

Your truly,

FRANZ JEVNE.

SAN FRANCISCO, CALIF.,
July 4, 1964.

Senator WAYNE MORSE.

DEAR SENATOR: I hear that you are the lone voice in the Government opposing the aggressive war in Vietnam, but I want you to know that the people are not for it in spite of the deceptive information about it. I base my belief mainly upon public opinion programs on the radio; they denounce it almost 100 percent.

Very sincerely,

MR. W. S. HAGER.

WHAT KIND OF FREEDOM?

(By Hugh B. Hester)

The American people have been shown two pictures in their daily newspapers recently which depict the situation in the world better than many thousands of words. One shows the bloody, cruel, and utterly insane war the United States Government is waging against defenseless, innocent, and poor men, women, and children—in this instance, half way around the world. It is of a Cambodian father holding in his arms his badly burned napalm-bombed child. The other picture shows the abysmal poverty of the "have-nots" in Latin America.

To state, as did the late John Foster Dulles and many others, that the presence of Communists among the people of Vietnam, Laos, and Cambodia pose a threat to the interests of the mighty United States is fantastic; to claim that the U.S. Government is not responsible for the war in this area is false; and to call this a defense of freedom is literally obscene. This is cold-blooded, senseless murder, worthy only to the heirs of Hitler's Nazi Germany, her concentration camps and crematories.

DEAR SIR: I want to send this little note to let you know that there are people in this country who appreciate your courage, integrity, rationality, and individualism.

Sincerely yours,

MIKE WALTERS.

BROOKLYN, N.Y.

Hon. WAYNE MORSE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR: I have never before felt it necessary to inform a member of Congress of my views. However, admiring your courage and anticipating the criticism that you will receive, I now find it necessary to do so. I am in absolute agreement with your statement concerning the President's actions and the Government's policies toward the Vietnam problem.

I am particularly concerned over the method by which President Johnson chose to carry out the U.S. military action. The destruction by jet fighters of naval bases and vessels, oil fields, and the subsequent deaths involved, all taking place within the borders of another country, certainly constitutes war, no matter how limited or what the situation surrounding the action is. Therefore, it is alarming to me that the President chose to inform the Nation, at midnight, of an aggressive action that had already commenced. The congressional debate, which I have always assumed is called for under the Constitution, and subsequent public response was not a concern of President Johnson.

The dangers of such a precedent are extreme. We must maintain the Congress as a forum of debate, where the public may seek out truths on which to base decisions. Increasingly, especially in the field of foreign affairs, the Senate and House have become rubber stamps for governmental decisions. This "predated declaration of war," as I believe you call it, is an excellent example of this.

We must realize that a democracy has built into it certain limitations. These limitations may, in the haste of an instant, seem cumbersome and obstructive. They are, however, the heart of a democracy. They are the "time-stops" by which we may objectively study our actions. What little debate remains in Congress is not taken very seriously any more.

Please continue your efforts to preserve the essence of American governmental law. The rate of our departure from these laws has become increasingly fast.

Yours truly,

CHARLES REISS.

AUGUST 6, 1964.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MORSE: I agree with you completely on the war in South Vietnam and also in the naval action in Tonkin Gulf.

You seem to be the only one operating on principle in these matters.

Keep up the good work and God bless you.

Sincerely,

A. J. HOFFMAN.

GREENVILLE, S.C.,
August 6, 1964.

Senator WAYNE MORSE,
Office Building,
Washington, D.C.

DEAR SENATOR MORSE: Thank you for the courageous stand you have been taking in the Senate on Vietnam. Your points seem well taken indeed. Have also appreciated your article in the Progressive on the same matter. I have written the liberal Senators urging support for your stand. I suspect that you won't get help from South Carolina men, though I have written them also. One never knows. Thanks for your work on passing the civil rights law too. It is doing good.

The matter on which I wish your consideration is the manner of paying the 5-percent rise in social security benefits. It does not seem fair to raise the most needy the least, by the straight 5-percent method. (It was done that way last time anyway.) Why could the method not be that of taking the 5 percent in a lump sum divided equally between the beneficiaries? This can be done very simply, as is obvious. If it is too late this time, how about next?

I get $56 per month, from blindness, about $700, a Senator's salary per week, I believe, before the latest raise. I guess that is just, but I do think it is not just to condemn the Soviet Union for its class structure when it may be no more extreme than ours.

Yours sincerely,

Ross W. Anderson.

August 5, 1964.

Hon. Wayne Morse,
Senate Office Building,
Washington, D.C.

Dear Senator Morse: May I offer you my appreciation and gratitude for your courage and honesty in making a speech opposing aggression on the part of our country in Vietnam. I am sure that an overwhelming majority of the people of the world love and honor you for your statesmanship.

Sincerely,

Mrs. Esther Surovell.

Chicago, Ill.,
August 5, 1964.

Dear Senator Morse: I wish to express my deep appreciation upon your courageous stand on the issue of Vietnam. My neighbors and I are in full accord regarding your opinion.

It is regrettable that so few Senators are with you and the rest seem to be frightened to speak up.

Please, keep up the good work.

God bless you, Senator Fulbright, and Senator Gruening.

Respectfully,

Mrs. Mildred Falk.

Washington.

Dear Senator Morse: I am one of many American citizens who owe you a deep debt of gratitude, for your vision to see, and your courage to state objections to current action in Vietnam.

Many thanks. If only you were triplets.

Very truly,

Janet N. Neuman.

Thank you.

Thank God for you.

Georgia H. Schneider.
Leon H. Schneider.

Stanley Paterson,
Altadena, Calif., August 6, 1964.

Dear Senator Morse: Your is a voice crying in the wilderness. But thank God for your voice. And thank God too for the good people of Oregon who have the amazing intelligence to keep you in office.

The world desperately needs you. Keep healthy.

Sincerely,

Mr. and Mrs. Stanley Paterson.

Cleveland, Ohio,
August 6, 1964.

Hon. Wayne Morse,
U.S. Senate, Washington, D.C.

Dear Sir: I was pleased to read of your hearty repudiation of recent developments in the Gulf of Tonkin, and of general U.S. policy in South Vietnam. It came at a time when everyone, it seemed, was endorsing a policy of stepped-up U.S. military activity in Indochina. Your Senate speech of August 5 (Cleveland Plain Dealer, Aug. 6, p. 10), has caused me to reevaluate my support of our military aid to the South Vietnam Government.

However, I am still bothered by several important aspects of the fighting there. I would appreciate specific replies to the following questions:

1. By what specific agreement is the United States committed to render military aid of the South Vietnam forces?

2. What evidence is there that the majority of the South Vietnamese approve of U.S. military presence?

You suggest the entire matter be settled at the conference table. Doesn't the current situations in Laos and Vietnam indicate the futility of such a recourse?

4. Isn't continued or increased U.S. military activity in Indochina the only certain way of averting a complete Communist takeover?

5. With the possibility of a global war ever present, doesn't the strategic importance of American bases in southeast Asia represent a vital national interest?

Thank you for your consideration in this matter. Anticipating a prompt reply, I remain,

Respectfully yours,

Melvin E. Hill.

Cleveland, Ohio,
August 5, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.

Dear Senator Morse: We vigorously agree with and support your position on the crisis in Vietnam.

We hope you will use all the influence of your high office to urge the President to take this matter to the United Nations where a start toward a fair settlement of the confused Far Eastern situation can begin.

Sincerely yours,

Dr. and Mrs. Eugene Vayda.

State College, Pa.,
August 5, 1964.

Hon. Wayne Morse,
Senate Office Building,
Washington, D.C.

Dear Senator Morse: We would like to indicate our whole-hearted support for your statement on the Vietnam crisis. Surely, as you suggest, the solution does not begin in tit-for-tat retaliations by both sides that may escalate the level of violence until we are over the brink. Recourse to violence is always the easiest, most popular, and most primitive response. Unfortunately, it is rarely the wisest. As you also suggest, military measures can rarely solve political problems. If I may use an inappropriate metaphor, stick to your guns.

Sincerely yours,

Mr. and Mrs. Marvin E. Rozen.

Wilmington, Del.,
August 6, 1964.

Dear Senator Wayne Morse: Listening to you on TV last night and reading Congressional Record every day plus Edgar Snow's books plus Felix Greene, Pearl Buck, and "China Reconstructs", China's magazines, I am with Senator Wayne Morse all the way in preference to the American oil interests.

I wouldn't want part of the Vietnamese Navy stationed in the Delaware River threatening or shooting.

As the organizer of the first teacher's union, American Federation of Teachers AFL–CIO, I know and have had to struggle with "cloakroom votes."

But I fear for you because you are traveling ahead of the crowd. As a Democrat I read Human Events and National Guardian. Our local News Journal is not only Republican oriented, but Du Pont owned. You know the rest well.

We pray for you daily.

The tax-exempt foundation story is a national scandal. Congressman Wright Patman sent me the three installments of his committee's work, Howard L. Hunt's "Life Lines"; Mrs. Horace Dodge, 58 million in tax-exempt bonds paying not 1 cent of taxes, Federal or State.

Will there be any corrective legislation? Not as long as Texas oil rules the country.

Have written L.B.J. of our tremendous respect for you.

Wish you were our candidate for President. Our Democrat teachers are saying "L.B.J. is the lesser of the two evils." Fine way to judge an American President. Not any of my friends enchanted with Human Events. Liberty Poll presents "L.B.J.—A Political Biography" and "L.B.J. Behind the Smiles and Handshakes." I refuse to read "A Texan Looks at Lyndon" by Events.

Of course, I could not vote for Goldwater, but neither am I enchanted with L.B.J.

Try to get to the people via TV frequently.

Marie Hitchen.

Bound Brook, N.J.,
August 5, 1964.

Senator Wayne Morse,
Capitol Building,
Washington, D.C.

Dear Senator Morse: Three cheers for your clear and forthright statement just seen on TV, concerning our most recent blunder in southeast Asia. I fully agree with all you said, and have seen more of your expanded remarks earlier in IF Stones Weekly. You are quite right that the United States is the greatest threat to world peace, a provocateur and aggressor.

Would that there were more clear and forthright voices like yours in the Senate. Alas my two Senators, Case and Williams, to whom I've written earlier, have been brainwashed by the McNamara-Rusk clique and can't see the forest for the trees.

May I then adopt you as "my Senator from New Jersey" and urge you to speak as before on this and all interrelated subjects, until the whole nasty business is brought to light and the truth known to the American people.

With warmest regards,

Mr. Orliss Heukelekin.

P.S.—I've just written to President Johnson protesting his action in the Tonkin Gulf.

New York, N.Y.,
August 12, 1964.

Senator Wayne Morse,
The Senate,
Washington, D.C.

Dear Senator Morse: I wish to compliment your courageous stand in relation to our aggressive action against the North Vietnamese and our general policy in southeast Asia. Our attempt to hold on to a colony that was abandoned by the French many years ago can do nothing except create a tremendous amount of anti-American feeling and continue the suppression of the majority of people in the area by a few feudal landlords. This cannot lead to anything but at best, a Communist takeover of the area or, at worst, total war. It is therefore extremely foolhardy, in this nuclear age, to provoke a nation supported by the majority of the people in the area and allied with such powerful, and sometimes equally or even more foolhardy nations, even in an attempt to win an election. A southeast Asian crisis might win a Democratic victory in November, but that presupposes that mankind reaches November. I therefore wish to support your almost uniquely modern and rational stand. I wish more of the Senate had your courage and convictions.

Yours sincerely,

Robert Jacobson.

Berkeley, Calif.,
August 5, 1964.

Hon. Wayne Morse,
U.S. Senate,
Washington, D.C.

Dear Sir: For your information, I am enclosing a copy of the telegram which I have just sent to President Johnson.

I invite your attention to a map of the Gulf of Tonkin. It is virtually a Chinese lake. What business have our destroyers in such a spot? How would we react to Chinese destroyers in Long Island Sound?

We applaud your courage and leadership in the fight to achieve a policy of peace and sanity and noninterference in other nation's affairs.

Sincerely,

Ephraim Kahn, M.D.

Telegram

President Lyndon B. Johnson,
White House,
Washington, D.C.:

Aghast at crisis to which our southeast Asia policy has led. We have no business in Vietnam. Your administration has no authority to fight undeclared wars. We implore you to find diplomatic solutions so we can get out of Vietnam and Laos before touching off nuclear war.

Ephraim Kahn, M.D.
Barbara Kahn.

Los Angeles, Calif.,
August 5, 1964.

Senator Wayne Morse,
U.S. Senate Office Building,
Washington, D.C.

Dear Senator Morse: When I heard the news about our new extensions of the war in Vietnam I thought "No one in Congress will say that we might have expected that mutual provocations will lead to mutual aggressive responses." Then I remembered you, and wondered if you would match past performances with present courage and integrity.

Your statement reported today strikes me as the one thoroughly decent, honest reaction of a public official to the madness going on in Vietnam. I congratulate you, and I thank you for it.

Please continue to speak and vote your conscience. Though they may not yet be articulate, there are millions who feel as you do and will be strengthened by your stand.

Sincerely,

Roderic Gorney, M.D.

Elizabeth, N.J.,
August 5, 1964.

Dear Senator Morse: I wish to say that I wholeheartedly support your views concerning the invasion of North Vietnam.

Sincerely yours,

James L. McKarns.

Queens Village, N.Y.,
August 6, 1964.

Dear Senator Wayne Morse: I wholeheartedly support your stand for peace and sanity. If the world is not to be pushed over the brink it will take leaders of courage and wisdom to point the way to the American people.

I am doing my best to spread your position to all people I come in contact with.

Let us pray that other governments have more forbearance and wisdom so that the world can retreat from the brink.

Very truly your,

Robert Galina.

Brooklyn, N.Y.,
August 5, 1964.

Senator Wayne Morse,
U.S. Senate,
Washington, D.C.

Dear Senator Morse: My husband tells me that on a newscast tonight he heard that you opposed the aggressive military actions of this Government in North Vietnam.

If this is so, God bless you. I have written President Johnson that I believe our aggression is appalling and morally wrong. We are as wrong as Hitler and as wrong as the French in Algeria. War and aggression never convinced anyone of anything.

I urge you to continue to raise your voice against this policy and to urge a resolution of all our differences through the United Nations.

Respectfully yours,

Mrs. Lois G. Sussman.

Philadelphia, Pa.,
August 5, 1964.

Dear Senator Morse: I must let your know how moved I am by your statement tonight on the Vietnam situation.

Your voice of sanity and reason, honesty and integrity, stand out like a candlelight in a sea of frightening darkness.

Thank you for that one voice. May it always be heard.

Thankfully,

Mrs. Sophie Davis.

Chicago, Ill.,
August 5, 1964.

Hon. Senator Wayne Morse,
Senate Office Building,
Washington, D.C.

Dear Senator Morse: It is with all humility and respect that I address this letter to you for your most courageous, humane, and intelligent stand against the hysteria and jingoism that has befogged so much of our national thought today.

If there are any suggestions you can make as to what I can do as an ordinary citizen to aid in the cause of peace and respect for my country please do not hesitate to advise me. Nor should you hesitate to ask anything of me either in this cause.

With admiration and respect, I remain,

Sincerely yours,

Norman C. Roth.

Los Angeles, Calif.,
August 6, 1964.

Dear Senator Morse: Please be assured of my total approval and support of your remarks on Wednesday, August 5, 1964, concerning the Bay of Tonkin incidents.

I am becoming more and more ashamed of the role that the United States is playing in world affairs. When one considers the firepower, communications, etc., at the command of the warlords in Washington, the British of 150 years ago begin to take on the complexion of enlightened pilgrims of peace.

Best wishes.

Al Woodbury.

Baltimore, Md.,
July 13, 1964.

Senator Wayne Morse,
U.S. Senate,
Washington D.C.

Dear Senator Morse: I thought you might be interested in knowing about a project in which I am now involved in enlisting the support of many prominent educators, professional, civic, and religious leaders of my city to urge our local news media to be more responsible in its presentation of the Vietnam issue. Along with our appeal we are sending all of the local news media (press, radio, and TV stations) a copy of the enclosed editorial from the Progressive.

Perhaps you may know other concerned citizens who might be willing to undertake a similar project in their own States. I would be happy to send you additional copies of this editorial if you can utilize them.

I have also enclosed a copy of a letter by myself published in the Sun on July 12 which reached 340,000 Maryland families. Thank God we have courageous Senators in our country, such as yourself who are unafraid to face reality and who have the courage to speak the truth.

Sincerely,

Leon Shapiro.

P.S.—If you send in a letter on the Vietnam situation to the Sun, Baltimore, Md., they will be happy to publish it, as I believe they are sympathetic to your views.

Hanover, Pa.,
July 13, 1964.

Dear Senator Wayne Morse: We think that you should do all you can to stop illegal war in Vietnam.

Seek diplomatic not military settlement, agree to reconvene 14 Nation 1962 Geneva Conference to secure withdrawal of foreign personnel and material.

This should be done at once as the war has gone on long enough with our involvement.

We realize that you are doing all you can for the good of the people in the United States also Senator Clark and a few other Senators but there are not enough "better thinking" Senators to put in to effect the good laws that should be made laws.

Congratulations on the good you have been doing and do keep up the good work.

Elizabeth M. Gitt.

Denver, Colo.,
July 12, 1964.

Senator Wayne Morse,
Washington, D.C.

Dear Sir: As a result of your recent stand in regard to our "adventure" (polite word) in South Vietnam, you no doubt have received numerous letters from the simpleminded, might-makes-right folks, condemning you to the hottest spot in hell.

This letter is intended to let you know that there are still some Americans who believe that we are under an obligation to examine our own acts for right or wrong, wisdom or the lack of it.

I consider you one of the few rational men in public life today, and only wish that this State offered an opportunity to vote for someone equally sensible as you have shown yourself to be.

It must be terribly discouraging at times, but I hope you will continue to fight for a return to rationality in our international relations.

Sincerely,

R. Riddle.

San Diego, Calif.,
July 10, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.

Dear Senator Morse: I am in complete agreement with you on your statement to the Government representatives before the Foreign Relations Committee—that the United States is, at the moment, the greatest threat to world peace. I see no other evaluation to make of the present policies. As I have stated in the accompanying letter to Senator Fulbright—regardless of history, we continue to make the same mistakes over and over.

Without doubt, you are the chief spokesman for the people and, I am thoroughly convinced that the great majority stands with you on all those issues you so ably present and fight for. Many of us have long been convinced that the thinking of the voter is far ahead of the majority in the Congress—tragic but true.

The situation in which we are involved in southeast Asia is so disgraceful that it is beyond belief and falls in the category of the unthinkables of which Senator Fulbright spoke. Be assured that we the people stand back of you who are fighting our battles, since the only way we can be heard is through you.

Keep up the fight, and we will give you all possible support.

Most sincerely,

Mrs. Alice B. Hoskins.

Mechanicsburg, Pa.,
August 6, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.

Dear Senator Morse: Thank you so much for yor stand on Vietnam. We wish we had more like you. You have our support, and am sure many others feel as we do.

Too bad our Senators and Representatives do not have guts to stand up to military and all rest of warmongers.

This should be all done by United Nations, we should never have been in there at all ever.

We are playing with fire, whole world can be wiped out, as you have pointed out. We are the aggressors.

I am glad we have one man, and you seem to be all alone, who can tell truth and stick to it. Our faith in human nature is renewed.

Yours truly,

HARRY A. and LOLA V. TRUMBORE.

UNIVERSITY CITY, MO.,
August 6, 1964.

Senator WAYNE MORSE,
The Senate,
Washington, D.C.

DEAR SENATOR MORSE: We congratulate you on your courageous disagreement with the President's action in Vietnam. We hope you can convince other Senators and Congressmen of the correctness of the position you have taken. In the interests of world peace, we would like to urge your support of a negotiated settlement in Vietnam, arranged within the framework of the United Nations, based on the neutralization of both North and South Vietnam.

Very truly yours,

Dr. and Mrs. MONROE STRICKBERGER.

MAYS LANDING, N.J.,
August 6, 1964.

DEAR SENATOR: My wife and I heartily congratulate you for your unwavering Americanism during these critical days. Your position with regard to the dangerous situation in Vietnam is in the highest tradition of our democracy.

I have communicated these views to both of my representatives in the Senate, urging them to follow your leadership by taking public positions against war in southeast Asia.

Gratefully yours,

WALTER LOWENFELS.

HOUSTON, TEX.,
July 12, 1964.

DEAR SENATOR: Thank you for having spoken out against our present policy in southeast Asia, particularly Vietnam. We hope you will continue your protest.

To us the war in Vietnam seems absurd and cruel. We feel that there is no chance of securing an even vaguely democratic government for either North or South Vietnam without neutralizing the area under the United Nations. Certainly a U.N. force has a better chance of securing peace than does a U.S. mission with its obvious cold war commitments.

The lives lost and the billions spent seem to be poured down a drain. The extravagance has no connection with our ideals or interests.

We pray that you and other men in Congress can help to change our policy.

Sincerely,

CYNTHIA and JOE ADCOCK.

LAKE JACKSON, TEX.,
August 5, 1964.

DEAR SENATOR: We respectfully urge you to continue your fight to get our men out of the war in Vietnam.

May God bless your efforts.

Mr. and Mrs. N. BARON.

BRONX, N.Y.,
August 6, 1964.

Hon. WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MORSE: I thank you profoundly for your forthright statement regarding the situation in Vietnam.

It is heartening to hear one clear, courageous, and honest voice ringing out in the midst of the terrifying threat of war.

One can only hope that others in the Government will take up your call for sanity and will work toward a real peace not the so-called peace to be achieved by the slaughter of vast numbers of people.

"Whom the gods would destroy they first make mad." Madness seems to be running amuck in high places in our Government.

May the madness be curbed before the world is engulfed in a war that can only mean incineration for all of humanity.

I thank you again for leading the way toward sanity and a true peace.

Respectfully yours,

Dr. HELEN HARRIS.

LOS ANGELES, CALIF.

DEAR SENATOR: Please use all your resources to urge a political solution of the situation in Vietnam.

I would like to see all our troops withdrawn from that area.

Let life continue on earth.

Sincerely,

MARGARET DAUBER.

LOS ANGELES, CALIF.,
July 13, 1964.

Senator WAYNE MORSE,
Washington, D.C.

DEAR SENATOR MORSE: Your continuing efforts to effect a peaceful settlement in South Vietnam, and to get our troops out of the illegal dirty war which we are engaged in deserve the thanks of all Americans who are ashamed of this blot on our country's history.

I hope you will be able to make a well publicized tour of the country presenting the facts of this situation.

Sincerely,

THOMAS AMMENS.

GREENVILLE, S.C.,
July 12, 1964.

Hon. WAYNE MORSE,
Capitol Building,
Washington, D.C.

DEAR SENATOR MORSE: We have read of your recent remarks on the administration's policy in southeast Asia and the appointment of General Taylor as the new Ambassador to South Vietnam.

We would like to commend you on your stand on this issue and urge you to continue your courageous efforts to make known the wishes of many of the American people regarding the illegal war now being waged in Asia by the American military forces.

The risks of further war incurred by our military intervention, and killing and injuring of innocent civilians, in some cases by napalm, are but a part of the terrible wrong that is now being carried out in this troubled part of the world.

Your remarks about the justification of our intervention by the American press were especially significant. Please keep up your good efforts and be assured of our gratitude and support.

Sincerely,

R. M. and ELIZABETH C. MCHUGH.

TAMWORTH, N.H.,
July 11, 1964.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR: May I express my great admiration and gratitude for the many words you have spoken against the administration policy in Vietnam, and your selfless devotion to a national ethical ideal. I do not have too much time to read during the summer, but I am grateful to Mr. I. F. Stone, who never fails to report and comment on your speeches.

I may be wrong, but it is my opinion that of all the public figures in the country today, you are the one of whom my father, Grover Cleveland, might most approve—granting him, of course, some change of point of view with the course of history.

Sincerely yours,

FRANCIS G. CLEVELAND.

WALNUT CREEK, CALIF.,
July 8, 1964.

Senator WAYNE MORSE,
Washington, D.C.

DEAR SENATOR: I can't tell you how proud I am of you. It seems years ago when we had you out here to a dinner which I helped organize—Contra Costa County—now I wish you were President.

I plan not to vote in the Presidential election if war is still going on. My friends are feeling the same way. In fact, we have a culture committee in our parents club at school this year, and we plan to take up works like "Culture Against Man" by Jules Henry, "Maria Montessori" by Standley, and so on. We are really very uncivilized, and I think it is a reflection of our lack of a real politics. If we do not get a new politics, we will disappear off the face of the earth when China gets her bomb (which she has every right to get), and then bombs us, which is what we will deserve by then.

Louis Lomax asked a good question. He said, "Christian missionaries with their Bibles were in China 100 years before Karl Marx was ever heard of, who goofed?"

We did.

Sincerely,

MARION POWELSON.

P.S.—I've joined the Toastmistress Club this year so I can be a more effective speaker for peace.

UDONTHANI, THAILAND.

Senator WAYNE MORSE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR: The other day I happened to flick on my shortwave radio, and picked up a program on the Armed Forces station. You were the star of the program, giving your views on Asia, our allies, and principals.

Your views, in my opinion, are absolutely correct. Though you may never read this letter because of your busy schedule, at least it will be counted up as one more letter backing you up.

Never have I heard a man in politics speak like you did on that program. It has always been my opinion, especially since I've been living over here, that America cannot be expected to be an international police force. If the free world really feels these Asian lands are important, let them show something more than token help. When I heard you logically explain these things, and other matters, I gave you a big clap from halfway around the world.

I could go into great length and itemize all the points you made on the program, but there is no need for that. Let it suffice to say you are 100-percent correct. My only wish is other Senators would give you an ear. Thanks for letting me know there is at least one man who is practical in Washington.

Sincerely yours,

Fr. RAYMOND BRENNAN.

WASHINGTON, D.C., *July 10, 1964.*

Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MORSE: We are sincerely grateful to you for your efforts to awaken the Senate as well as the general public to the dangers of our current policy in southeast Asia. We hope you will continue your efforts.

We are enclosing a copy of a letter which, with some variation at the end, we have sent to our Senators, Kuchel and Engle, and Congressman Cohelan, as well as to President Johnson and the Washington Post. We hope these may have some small effect.

Sincerely,

Dr. and Mrs. Robert Freeman.

Copy of Letter Written July 10

We are becoming increasingly involved in what is essentially a civil war in South Vietnam. Over a period of years we have repeated all the mistakes of the French by supporting three different rightwing dictatorships, none of which have had popular support. The present government is no exception. We have lost a number of American lives and are pouring money down the drain at the rate of over half a billion dollars a year.

If we continue in this manner, we can only cause more misery to the Vietnamese and add to their hatred and contempt of us. If we attempt to spread the war northward, we vastly increase the likelihood of nuclear war and the annihilation of mankind.

It is in the vital interest of all parties to find a peaceful solution to the problems of southeast Asia. We urge you to support Senators Morse and Gruening in their efforts to work toward such a solution.

I hope you will excuse the obvious effects of writers cramp in this last copy.

Sincerely,

Mrs. Virginia Freeman.

Los Angeles, Calif.,
July 11, 1964.

Hon. Senator Morse,
Senate Office Building,
Washington, D.C.

Dear Mr. Senator: I wish to commend you for your persistent stand against the awful war in Vietnam in which we are so wrongly engaged, because that war is strictly a civil war, the majority of the people fighting against that military clique in power who are out for their own interests and those of our own country.

We are living in a new era when war is not glorified as in the past, but is by most people with a conscience a very immoral thought and deed.

I shall follow your efforts toward a peaceful world with great interest.

Sincerely,

Mrs. Mary Ellen Long.

Berkeley, Calif.,
July 10, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.

Dear Senator Morse: I agree with your statement of March 4, 1964, "American unilateral participation in the war in South Vietnam cannot be justified, and will not be justified in history." Please do all that you can to stop this unjustified war.

Sincerely,

Bryson Collins.

Everett, Wash.,
July 9, 1964.

Dear Mr. Morse: You are so right; the greatest threat to the peace of the world is our own United States, and what a pity. Our rulers talk peace, but they really do not mean it.

I am ashamed of what we are doing in South Vietnam, using those napalm bombs and burning everything and everybody. What on earth do we mean?

I am sick and tired of paying taxes to support "Murder, Inc." Send McNamara back to Ford and curb that dirty CIA, which makes trouble for us all over the world.

More power to you, Mr. Morse.

Very truly yours,

Leta G. Jackson.

P.S.—Let's quit picking on (little) Cuba, too. We have plenty of troubles right here in our own country without causing upheavals in other places by the CIA. Worried.

Let's have favorable action on the medicare bill, please, Mr. Morse.

Philadelphia, Pa.,
July 10, 1964.

Senator Wayne Morse,
Washington, D.C.

Dear Sir: In the past years you have frequently been the lone voice of reason in the Senate.

Your recent position on Vietnam is another example of your honesty and courage. I am writing to you to voice my support and approval for your recent comments on the devastating situation in that country. May you continue to speak as the conscience of American democracy for many years to come. There is no one in the near future to replace you.

Thank you.

Mrs. Nina Herlick.

August 5, 1964.

Dear Mr. Morse: Many Americans are seeking a voice of sanity to lead them from the brink of disaster. The recent moves by our Armed Forces in southeast Asia give cause to ponder the possible consequences of our action. It is a time for sober-minded, cautious, calculated thinking. It is not the time for Goldwaterism, for brinkmanship, for defoliation.

We hope and believe Mr. Morse, that you will oppose this action with all the vigor at your command. You will be applauded by those who believe democracy cannot be brought to peoples in other parts of the world with TNT and napalm bombs—and perhaps later with atomic ones. Peace-loving peoples will support your efforts.

On the anniversary of Hiroshima and Nagasaki, no more fitting memorial to those who were unnecessarily sacrificed, would be a pledge and effort to preserve the peace of southeast Asia and the world. Mankind will take notice those who were accomplices to atomic annihilation (on second thought, mankind is unlikely to be around to take notice).

Sincerely yours,

Jerry Atinsky.

New York, N.Y.,
August 6, 1964.

Senator Wayne Morse,
U.S. Senate,
Washington, D.C.

Dear Senator: After listening to President Johnson on television on the night of August 4, I felt a feeling of helplessness and depression in what seem to me to be the U.S. position toward disaster for us and the world. Then I read your article entitled "Humpty Dumpty in Vietnam" in the August Progressive which you end with the admonition that "unless the American people make their voices heard very soon, they are not only going to spend more and more in this fruitless and unavailing task, but run the risk of engulfing the world in a nuclear holocaust."

What can a private citizen do? Even you, a respected Senator's voice is lost in the horrendous cry for extending the war.

The Civil Rights Act was passed now, not because of voices, however persistent—which are so easily ignored, but because we were poised at the edge of an explosion if something tangible were not forthcoming.

I am grateful for your voice of sanity.

Yours truly,

Miss Sylvia Sternberg.

Bronx, N.Y.,
August 5, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.

Dear Senator Morse: I just heard on TV your statement in connection with the current crisis over Vietnam. Just wanted to let you know that there are those of us who appreciate and applaud your courage and honesty in assessing and describing the real facts of the situation, and the 10 years of history that preceded it.

It is to be hoped that increasing numbers of leaders, and plain ordinary people, too, will refuse to fool themselves and others, and by looking reality in the face, will contribute to the creative solution of the underlying economic and social problems and the all-important preservation of peace.

Best wishes.

Sincerely,

Negula S. Buntem.

Bridgeport, Conn.,
August 6, 1964.

Senator Wayne Morse,
Washington, D.C.

Dear Senator Morse: Words cannot express our admiration for you. You are a real man with wonderful principles; not only expressed in regard to our present crisis but in many others.

Pitiful there are not more like you in our country today, especially.

We and several of our friends are with you all the way.

Sincerely yours,

The Pedersen family.

Chicago, Ill.
August 6, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.

Dear Senator Morse: My wife and I wish to express our gratitude to you and our admiration for your courage, in speaking out as a lone voice for truth, rationality and morality.

It is a tragic commentary upon our present state of affairs that it requires almost heroic fortitude to dare to speak the obvious truth—much like the Hans Christian Anderson folk tale where only a child dared say aloud, "The King is naked."

Our national unity, alas, would appear to have been achieved in relation to the current Asian crisis by our President's acceptance of Goldwater's platform. Our world could and did survive the historical mistake of German Hitlerism—though at immeasurable cost in human suffering, which I witnessed as a military government officer in the European theater of operations. It cannot survive a comparable error by the people of this country, in this era of thermonuclear destruction.

The truths of which you speak so eloquently in regard to the "dirty war" in southeast Asia are easily verified for any who will trouble to study the open facts of recent history. Yet such is the pervasiveness of our media of misinformation that to state them is to qualify, in the minds of many, as a subversive, if not a traitor. Can truth be treason and falsehood the measure of patriotism?

I am sure that your lone voice of reason—like a beacon in a fog—has reached the minds of millions, whose voice is not yet heard. The judgment of history—if we are permitted to have a history—will record your truly great contributions, as it has other dissenters of the past.

With a gratitude far beyond our means to express it.

Sincerely yours,

Richard L. Criley.

BELLEVUE, WASH.,
August 5, 1964.

SIR: I must write to commend you on your stand on Vietnam. Our untenable position in that area dates back to the Dulles days, and in these days of Presidential assassinations Goldwaterites, Wallaces, civil rights killings and violence, it is remarkable to see a man of your courage, intelligence, and loyalty to our country. It is unfortunate that men of your ilk cannot have more to do with the direction of our country—whose main goal should be positive direction toward international, economic, social, and moralistic well-being. As long as there are elected representatives of the Morse type, there is hope that we do not lose to totalitarianism by default.

Again, my wife, and our four children, thank you.

Yours truly,
WALTER J. EURCHUK.

PHILADELPHIA,
August 5, 1964.

DEAR SIR: It's interesting to speculate just what President Johnson would have called Cuba, had she been misadventurous enough to have struck the ports, from which came the U.S. Navy ships protecting the Cubans during the infamous attack in 1961. No doubt, Cuba would have been called an aggressor.

Yet, when Johnson calls for an attack on bases, from which, he says emanated Vietnamese boats, the United States assumes the position of defender, not aggressor.

Senator MORSE, your position as a spokesman for a sensible policy in Vietnam has won a great deal of respect for you throughout the land. But if you assume a position of rah-rah man for Johnson and crew at the convention in Atlantic City, you will negate much of what you have stood for.

From a politician's point of view, you will probably compromise here and compromise there. But from a historical point of view, you could best serve the interests of your country, by resigning your seat and running as an independent candidate for President.

There is an independent force in this country that is neither Johnson nor GOLDWATER. They are looking for leadership, left of center. You could provide that, if you were willing to make the sacrifice for the people. You would be amazed at the numbers who would rally around.

No one, least I, am naive enough to think you could win, but you could force more out of the Democratic Party, by presenting them with another adversary, aside from the Republicans.

I have often wondered what makes a great man, and I think there are at least two things:

1. A discerning mind to be able to see the trends of history.

2. The willingness to sacrifice, for which quality, the masses will give undying support.

Think me, an idealist, naive, what will you. You have an opportunity to make a real turning point in American history.

Our illegal action will be paid back tenfold by the nations against whom we have acted.

Sincerely yours,
LAWRENCE H. GELLER.

TAMPA, FLA.,
August 6, 1964.

Senator WAYNE MORSE,
Washington, D.C.

DEAR SENATOR MORSE: After hearing you on TV last night, I am impelled to let you know that I am slightly reassured to find that we have at least one sane person in Washington. I commend you on your convictions and the courage thereof.

Sincerely,
O. C. MEHL.

WASHINGTON, *D.C.*,
August 6, 1964.

DEAR SENATOR MORSE: I appreciate your words and your presence in the Senate, where no one else will use his intellect in this South Vietnam affair.

I believe the President has made a grave error. If the people were given all the facts, perhaps he would be able to act in a more intelligent manner.

Please continue to give us more information (I refer to your Senate speech on the Vietnam crisis).

BARBARA GOFF,
WSP Member.

SYOSSET, N.Y.,
August 6, 1964.

To the EDITORS,
NEW YORK TIMES,
New York, N.Y.

DEAR EDITOR: In the August 5 issue of the New York Times it stated, in a news article on the hostilities in North Vietnam that "One of the clandestine missions of the sea force is understood to be raids on points along the North Vietnamese coast. The raids are intended chiefly for information purposes, it is said. The raiders are said to have increased their activities in recent weeks."

These raiders were protected by American soldiers and ships. In spite of this and other evidence in recent weeks of our questionable involvement in southeast Asia you continue, in your editorial, to parrot U.S. Government official policy of moral indignation without regard to the facts. You have failed your readers by refusing to call a spade a spade. Your lack of courage and honesty in failing to point out the immorality and bankruptcy of our position in southeast Asia will some day prove to have been one of the blackest pages in the history of American journalism.

If, as stated in the August 6 issue of the Times: "Senator MORSE, Democrat, of Oregon, who over the last 5 months has directed almost daily attacks on what he calls McNamara's War"—why have we not heard about these attacks? Senator MORSE has been the only dissenting voice in the land for sanity and negotiations, and it is your journalistic responsibility to give us all the news, without editorial deletions. As aroused citizens facing crisis after crisis, how can we make intelligent decisions after having been fed lies and halftruths in the name of "unity"? Voices of dissent have systematically been ignored and stiffled even in the more responsible mass media.

As a devoted Times reader I urge your immediate reappraisal of your editorial stand in regard to our role in southeast Asia. The facts clearly indicate that our present policy of brinkmanship and adventurism, spurred on by election year fervor, is leading us to disaster, both for our Nation and the world. The guilt for such a disaster will have to be shared not only by those who were directly responsible, but also by those who stood quietly by and allowed it to happen.

Sincerely,
(MRS.) TANJA WINTER.

EAST ALSTEAD, N.H.,
August 6, 1964.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MORSE: You are absolutely marvelous and I count on you to keep the country from hypocrisy.

I am writing to thank you for your public announcements on South Vietnam.

Sincerely yours,
MRS. NANCEY D. SPAULDING.

NEW MILFORD, N.J.,
August 5, 1964.

Hon. WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SIR: I congratulate you on your firm stand with regard to Vietnam.

Apparently our administration has not heard the plea of the 5,000 educators who signed a petition urging an end to the war in Vietnam and a move toward neutralization.

Word has just come through that the Chinese Government (Red) will not stand by while "aggression" takes place in North Vietnam.

Your warnings regarding our complete and utter disregard of the 1954 Geneva Treaty have gone unheeded.

It is incomprehensible to me and probably to yourself how a country like the United States could allow itself to be caught in such a meat grinder.

I suggest that you immediately take to the mass media and tell the American people what is happening.

We are now reaching a point where we are trying to save face and where the endless bloodletting leads nowhere.

Again I congratulate you for such integrity in an area where your colleagues generally will go along without seemingly to know the consequences.

Cordially yours,
ROBERT GARRITY.

AUGUST 6, 1964.

DEAR SENATOR MORSE: Permit me to say thank you for your courageous vote against American policy in southeast Asia.

It is painful to admit to oneself that one's own country can be so wrong in a matter of foreign policy. Yet, it must be said.

I hope that more people will support your stand in the interests of peace and justice.

Respectfully,
CHARLES ECKSTAT.

WEXMAN, MANDEL & KIPNIS,
ATTORNEYS AT LAW,
Chicago, Ill., August 6, 1964.

Hon. WAYNE MORSE,
U.S. Senate, Senate Office Building,
Washington, D.C.

DEAR SENATOR MORSE: I read in this morning's New York Times your remarks concerning the new crisis in the "McNamara war." I want to congratulate you on your forthrightness and the fact that at least one Senator is willing to stand up to be counted and fight for a new foreign policy that is so needed.

If it were not for the newsworthiness of your statements, I doubt if any newspaper or any person could ever realize that there is another side to the question. The administration, Defense Department, military leaders, and the newspapers all present only one side of an issue, and it is refreshing to find your remarks.

Sincerely yours,
RICHARD L. MANDEL.

THOMAS LICCIARDI,
REAL ESTATE AND INSURANCE,
Berkeley Heights, N.J., August 6, 1964.

Hon. WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MORSE: I would like to commend strongly the action you took today in the Senate in regard to President Johnson's resolution, which you aptly termed, "a predated declaration of war." This action keeps pace with the great and honest service you have always rendered our country.

I feel as you do, that a new approach is needed in our growing involvement in southeast Asia. We seem to be prisoners of a bankrupt policy whose inevitable end is war.

In the words of Negro ministers walking the streets of Jersey City during the recent rioting, now is the time to "cool it."

If ever there is anything I can do for you in the nature of support in your future political career, please call on me.

Very truly yours,

JEROME SHAW.

AMENDMENT OF FOREIGN ASSISTANCE ACT OF 1961

The Senate resumed the consideration of the bill (H.R. 11380) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

The PRESIDING OFFICER. The bill is open to amendment.

Mr. MORSE. Mr. President, I call up my amendment No. 1180.

The PRESIDING OFFICER. The amendment offered by the Senator from Oregon will be stated.

The legislative clerk read the amendment, as follows:

On page 6, between lines 6 and 7, insert the following:

"CHAPTER 7—MILITARY EXPENDITURES OF RECIPIENT COUNTRIES

"SEC. 108. Part I of the Foreign Assistance Act of 1961, as amended, is amended by adding a new chapter as follows:

" 'CHAPTER 7—MILITARY EXPENDITURES OF RECIPIENT COUNTRIES

" 'SEC. 471. MILITARY EXPENDITURES OF RECIPIENT COUNTRIES.—In furnishing assistance under this part, the President shall give special consideration to a country's allocation of its own resources as between military and developmental purposes. Priority in furnishing assistance shall be given to those countries whose military budgets do not exceed their legitimate and reasonable needs for internal security and self-defense and for meeting their obligations under the Charter of the United Nations or under any regional defense organization.' "

Mr. MORSE. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. MORSE. Mr. President, the pending amendment, which adds a new concluding section to the economic assistance portion of the foreign aid act, may seem a modest one at first sight. It merely asks that more consideration should be given to the provision of economic assistance to those countries which do not burden their own people and our taxpayers with the support of an unnecessarily large military establishment. On the other hand, if the policy guidance provided by this amendment is taken seriously and followed conscientiously, this provision could have a highly salutary impact—not only in terms of our aid program but on the development of the independent nations of the free world.

After more than a dozen years of experience with a swollen and mismanaged aid program, I scarcely need cite chapter and verse to illustrate the fact that year after year we have poured money into countries which seduce us with the argument that they have to be placed in a posture to repel threatened Communist expansion. But every time that we look at the record we find that swollen military establishments in less developed countries are of little or no use against the kinds of threats which are posed by Russian or Chinese imperialism. The utility of such establishments, on the contrary, seems mainly in the field of permitting authoritarian regimes to control their countries more tightly at the expense of making sound progress toward economic development. Yet, at least in theory, the United States proclaims that such development is the best defense against communism available to any of the less developed countries. If we are to be consistent and truthful about the aims of our foreign aid program, we should forthrightly pursue a policy of giving priority to those countries which concentrate on the welfare rather than the regimentation of their people.

The plain fact is that, in case after case, we find ourselves directly or indirectly supporting unduly large military establishments in countries which could not retard a Communist attack for even 1 day without our military assistance. For example, surely no one can be under any illusion that the huge South Korean army could successfully withstand invasion from the north without immediate U.S. military help.

But I need not take the time of the Senate to cite each of the many cases in this category. Who, for instance, can take seriously the thought that Taiwan could either attack or defend itself against mainland China in a full-scale action without massive American military support?

In these circumstances, I do not see that anyone can marshal a successful argument against the amendment I am proposing here. The only rational argument against it is that it may not prove much more than a pious exhortation after its inclusion in the act, but this is true of any policy guidance which is given by the Congress to the executive branch.

The foreign aid bill needs many amendments by way of policy guidelines for its administration, if we really want to clean up the foreign aid program.

If the policy guidelines which we set forth are deliberately ignored by the Chief Executive, then we have a duty either to make such policies more clearly mandatory or to refuse to give the administration the funds it seeks from us. Obviously we cannot know whether the policy guidance provided by this amendment will be satisfactorily implemented until it is tried. If it is tried and proves inadequate, we can then undertake to provide more stringent guideance. But it is no argument to say that the amendment cannot be effective before we have even tried to put it into effect.

Mr. President, I urge Senators to accept this new section in the foreign aid legislation as a potentially vital contribution to the improvement of our foreign aid program.

My amendment sets forth the policy that we so frequently profess we want to develop in foreign aid. We are saying that we want to develop the economic strength of underdeveloped countries. We shall never develop the economic strength of underdeveloped countries if we continue to pour millions of dollars of aid money into them for the building of strong, colossal military machines, that so frequently get into the hands of military oligarchies, which in turn use the military power to suppress freedom, not to develop it.

Just before I entered the Chamber, one Senator said to me that he had read my amendment and would like to have me, in my explanation of it, cite a few countries that I thought the amendment ought to be applied to as a matter of policy. I have already mentioned Taiwan and South Korea. I suppose the country to which the amendment ought to be applied by way of a new policy, as much as any other country to which we are giving huge sums of military aid, if not more so, is Turkey. We are not building up the economic power of Turkey.

In my major speech against the bill the other day, and without repeating it, except to recapitulate this part in capsule form, I said that what we were doing in Turkey by way of military aid—and the interesting thing is that we have been alibiing for it throughout the years—was supplying great sums for military assistance in Turkey because, supposedly, it would be of help to them in defending themselves against communism and to help them to defend us against communism in case a war broke out over there.

Nonsense. If war broke out with Russia in that part of the world, all the military aid we have poured into Turkey would be absolutely useless, because that war would quickly—almost immediately—involve an exchange of nuclear bombs. We would help Turkey defend herself against communism much more effectively if we developed some economic strength and economic freedom in Turkey down to the level of the mass of the Turkish people. But that is not what we have done in Turkey. Turkey has a totalitarian government. The Turkish Government operates a large percentage of Turkey's industry as government industry. It uses that industry as a form of employment. The reports of the Comptroller General and the reports of independent investigators who have gone to Turkey are all consistent concerning the kind of existing socialism in industry, which ought to be private industry, that the American taxpayers are supporting in Turkey. Turkey's industry is not producing. It is characterized by inefficiency, waste, and corruption. That kind of aid is a good example of what I am pointing out when I say that our aid program has become honeycombed with corruption abroad. Turkey is a good example.

What I seek to do is to help the Turkish people. I want to help the Turkish people by providing a better and reformed economic aid program. We ought to change our policy. That is why I advocate in my amendment a guideline policy change if we are to give preferential treatment to countries that seek foreign aid in respect to meeting their economic needs.

If they are maintaining military establishments that they could not maintain alone, their economies cannot be maintained alone. I am not an "overnighter" in proposing this change. I do not propose that the change be made all at once. That would also produce economic disruptures and disjointures. But we ought to start now to cut back on military aid for Turkey as one example and do more for Turkey on the economic level. We should do more on the economic level to sow the seeds of economic freedom and not the seeds of economic socialism.

There are some areas of economic activity as to which I do not question that much can be said for some government programs, although as a general rule I am against government operation of industries that can operate on a private enterprise basis. Someone may ask, "What about power?" I have always supported a program under which a major part of the power development in this country would be by private power industries; but I have also maintained that when it comes to multiple-purpose dams built by the money of the taxpayers, those power resources ought to be owned by all the taxpayers of the country, and used only as a competitive public power yardstick to hold private utilities in line and to prevent them from gouging the American taxpayers by way of profiteering, which they would do if there were not a public power yardstick that could be used as a competitive standard.

But that is not what we are doing in Turkey. What is being done with American taxpayers' dollars in Turkey is to develop a Government-owned and controlled industry in segment after segment. In my judgment, that cannot be reconciled with our professed belief in economic freedom, for that is not bringing economic freedom to Turkey.

Mr. President, I am almost through. For the benefit of the Senator who asked me to cite a few more examples, I cite Pakistan. The Pakistanian economy could not possibly support its military establishment alone. I cite India. The Indian economy could not possibly support its military establishment. The United States is supporting those establishments. The American taxpayers are supporting those establishments. The paradox is that we are preparing Pakistan and India to be in a position so that they can make war against each other.

If they make war against each other, they will make war against each other fully equipped on each side with American military equipment.

What kind of morality is that?

If we start to talk about morality in connection with the foreign aid program, people believe that we are a little "queer." Apparently, we are supposed to keep separate the principles of morality from the administration of a foreign aid program. Let us be frank about it. Those who would have us do that are trying to sell the American people a shocking program of political expediency which is basically immoral.

Mr. President (Mr. SALINGER in the chair), we cannot compromise American ideals. We cannot sacrifice them at the altar of political expediency in international politics and keep faith with our professings about our moral standards. The buildup of the military might of Pakistan and India, in my judgment, is immoral and unconscionable.

In the first place, military might in Pakistan and India would not be worth one whit to us in the event of a war with Russia.

Pakistan and India, too, have to rely for their ultimate security upon American nuclear power. They live and move and have their being under the canopy of America's military might, not their own.

I wonder what more the Senate should have to hear than the foreign minister of Pakistan. At a noon luncheon before the National Press Club, a question was put to him as to whether Pakistan would come in and be of any aid to the United States in South Vietnam. The answer was no—that they had no intention of doing so, although they, too, are members of SEATO. In my judgment, every country in SEATO has an obligation in regard to South Vietnam—not just the United States. Pakistan does, too. We do not find the other countries in SEATO sending boys to South Vietnam to die. They are careful when they send any token manpower, such as the 60 men from Australia. The Secretary of State—I believe to his everlasting discredit—tried to make something of it, without giving the American people the facts, when he said not so long ago that Australia was doubling its manpower contribution in the SEATO crisis.

The doubling meant that they were adding 30 additional men to the 30 already there. A checkup disclosed that the 30 men they had there were not going to be put in the frontline.

No, Mr. President, we are not going to get any help from Pakistan. They have told us so already. I do not know how we believe that we are helping the cause of peace in the world by building up the military might of Pakistan and India so that they can make war on each other over Kashmir.

In 1957, as chairman of the American delegation to the Parliamentary Conference of Commonwealth Nations in New Delhi, with the Prime Minister of India, then Mr. Nehru, present, I asked in a speech if I could raise the delicate question, in New Delhi, about the application of the rule of law to the settlement of international disputes. At that time, the United States was under attack because of the Formosa resolution. The Formosa resolution was not liked by our Asiatic friends. It was not liked by many of the delegates at that Conference from the Asiatic countries.

We pointed out what our position was. I was in a position to do that, because I had opposed the Formosa resolution. I stated what we should do, namely, substitute the rule of law for the rule of military force in the settlement of these disputes.

There was great approval. They were all for that.

After I made the suggestion, I said, "Could I raise, here in New Delhi, the most delicate question, because there is such approval of the general principle of substituting the rule of law for the rule of military force in the settlement of disputes which threaten the peace of the world: What about Kashmir—why not apply it to Kashmir?"

There was enthusiastic response from all the delegates except India. Mr. Nehru had a sense of humor. Many people did not seem to realize that. A few days later, Ambassador Bunker, who was then our Ambassador at New Delhi, advised me that the Prime Minister of India wished to see the two of us. We had a conference with the Prime Minister, the parliamentary conference having adjourned. The Prime Minister goodnaturedly said to me, "Senator, you did a lawyer's job on me in the debate in the conference when you asked the question about Kashmir."

Ambassador Bunker, said "But, Mr. Prime Minister, you did not answer it."

The Prime Minister's reply was to the effect that of course there are some things better not discussed. He took the position that Kashmir was a domestic and not an international problem.

Kashmir is an international problem, because any problem that threatens the peace of the world is an international problem.

In this bill, we are providing great sums of money once again for a military buildup in Pakistan and in India that could not be of the slightest value to us in the way of a war with Russia, but could be of value to Pakistan and India if they went to war over Kashmir.

Mr. President, my amendment would lay down the policy guidelines that in our amounts of foreign aid we are going to give preference to countries which do not maintain a military establishment greater than their own economy can maintain.

If we did that, we would do two things, in my judgment—if the administration would follow it. We would lessen the chances of a regional war. We would lessen the chances of a war between Pakistan and India. We would lessen the chances of war between Turkey and Greece. We would lessen the chances of military coups in Latin America. I believe that too much of our military aid, too often, is used by military groups in various countries to entrench themselves in power, to the detriment of the establishment of freedom. They all know that so far as our own national sovereignty and territorial integrity are concerned, existing mutual security pacts give the assurance of protection against a war with Russia.

On the last point, some will probably argue—as they have argued with me in committee and elsewhere—that if they do not get protection from us, they will get it from Russia.

We should find out, should we not?

On that argument, I say that I am not going to vote to send a dollar of the American taxpayers' money under a blackmail proposal.

That is international blackmail. If they want to go to Russia to get their military aid and pay the tribute that they would have to pay, let them make that decision.

They would not go. They know what would happen to them if they went voluntarily into the Russian orbit. We have a great chance here for world leadership on what I consider to be a moral issue as well as an economic issue. We have a great opportunity to place before the world the policy guideline that I ask to have inserted in the bill:

> The United States has decided that the time has come to start tapering off in the building up of these powerful military regimes and machines around the world.

We ought to put it in the bill. It would be salutary in its educational effects around the world. And it would be sound in the objectives that it seeks to accomplish.

I yield the floor.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had passed the bill (S. 2642) to mobilize the human and financial resources of the Nation to combat poverty in the United States, with an amendment, in which it requested the concurrence of the Senate.

HEALTH CARE FOR THE AGED UNDER SOCIAL SECURITY SHOULD BE ENACTED THIS SESSION

Mr. DOUGLAS. Mr. President, if an effective program of health care for the aged is to be established this year, the Senate must take the lead. The House of Representatives did not include health care for the aged in the social security bill which it approved on July 29, and thus it is up to the Senate to initiate such action. Action on the proposed administration Hospital Insurance Act, also known as the King-Anderson bill, has been delayed for too long. I believe the Senate should adopt this bill or a close modification of it before adjournment.

WE NEED A SELF-PAID PLAN, NOT CHARITY

There is overwhelming evidence that we need to establish a system which will help provide for the essential health care protections which many of our elderly people cannot now afford. I believe that this should be done, not by putting the burden on the Federal Government or on the general taxpayer, but rather by permitting people to make small monthly payments into a fund during their working years, so that, in their later years, they can have basic health insurance as a matter of right and not as a charity. I believe that this can be done most economically and dependably through a separate account under the existing social security system.

Let me stress that this is a bill for health care. There are no provisions in the bill which would interfere with a person's choice of doctor or with the traditional doctor-patient relationship; moreover it does not pay physicians' and surgeons' fees. In the main it would provide insurance only for the basic health services of hospital care, nursing home care, outpatient diagnostic care, and home health benefits.

THE NEED

There are now approximately 18 million people over age 65 in the United States. The number of our aged and their proportion in our population have increased rapidly. For example, in the last 10 years the aged population grew by one-third. For our elderly, health care is a prime concern. Let us look at the facts.

First, people over 65 need more hospital care than others. They require nearly three times as much hospitalization as those under that age. Nine out of ten of them will need to be hospitalized at least once, and 1 in 6 will be hospitalized in any given year. In addition, the average stay in a hospital is longer for an older person inasmuch as chronic illnesses occur with greater frequency and severity at older ages. The national health survey indicates that 4 out of every 5 persons over 65 have one or more chronic conditions. The average hospital stay for a person over 65 is 15 days—twice as long as the average period for younger people.

In summary, the elderly are found at the top of every index of need for hospital care; they require more hospital admissions, greater lengths of stay, more days of care, and more aged persons are hospitalized per given population. Older people are simply much more likely to be hospitalized and for much longer periods. We all know this.

Second, hospital costs have increased greatly, and the drain on the resources of the aged is in many instances an insurmountable burden. No other major item of consumer expenses has undergone cost increases comparable to those for hospital costs. The hospital care that cost $26 a day in 1957 now costs $40 per day.

The average daily hospital charge has increased 54 percent in only 7 years. It takes only a short time in the hospital to accumulate bills exceeding $1,000, not including doctor bills. For the elderly, hospital stays are much more costly than for other age groups. The average stay for elderly persons results in a bill of over $500. Thus today, even those who were fortunate enough at one time to build up savings for their later years may find their savings totally wiped out by even one short stay in the hospital.

Third, the income and savings of most people over 65 is not enough to meet the costs of their health care. Half of the couples over 65 earn less than $2,600. Half of the single persons over 65 earn under $1,100 a year. Half of the aged have less than $1,000 in liquid savings which they can turn to, and even more disturbing is the fact that when an older person is forced to meet an emergency by cashing in on his savings, usually there is no opportunity for him to save again. Most younger people, at least, can again work and try to rebuild their savings.

Fourth, many older people really need nursing home care as much as or perhaps more than hospital care. Between 85 and 95 percent of all nursing home beds are occupied by persons over age 65. Nursing homes provide between 480 and 580 days of care annually per 100 older persons in the population. Nursing home care, like hospital care, is an extended and severe drain on the financial resources of the aged. After being discharged from a hospital, elderly persons in many cases need nursing home care to supplant the care received in the hospital. Our aged citizens cannot meet the financial burden of from $250 to $500 a month over an extended period in a skilled nursing home. Yet most of our elderly citizens are likely to need nursing home care at some point. Home care in the hands of practical nurses under adequate supervision is also needed by many of the senile and semisenile.

INADEQUACY OF PRIVATE INSURANCE

Private insurance plans alone have not and, in my opinion, cannot provide a satisfactory solution to the problem of financing health care for the aged. Adequate private insurance policies are too costly for the vast majority of our aged citizens who have limited incomes and savings. For those over 65, a minimally adequate policy costs at least $13 a month or $156 a year, or $312 per couple. The majority of aged couples, with an income of less than $2,600, certainly cannot afford this, nor can the majority of single aged persons, who have an annual income of less than $1,100. The Special Senate Committee on Aging recently reported that only one-half of all our aged people held any kind of commercial health insurance policy at the end of 1962. Moreover, only one in four older persons holds hospital insurance which would be classed as adequate under the standards established by the American Hospital Association. According to the association, a policy is adequate if it pays at least 75 percent of hospital costs. The committee found that more than half of all commercial policies held by the elderly pay only $10 a day or less toward hospital room and board charges. As all of us are painfully aware, these costs alone are usually twice or more that amount. Charges for other necessary services in many cases, bring the average day's cost of hospital care to four times that amount.

Our aged citizens are caught in an insurance squeeze. Few of the aged can afford the premiums charged by plans which provide good protection. Those plans which are cheaper provide severely limited benefits, and frequently these cheaper plans can be and are canceled without notice when a policyholder gets sick or his age brings him into a higher risk classification. Thus, aged persons find themselves caught between a severe need for health care on the one hand, and higher premiums and shrinking benefits on the other. And at the same time hospital and other health costs continue to climb.

INADEQUACY OF THE KERR-MILLS PROGRAM

After 4 years of experience it is apparent that the Kerr-Mills medical assistance to the aged program by itself is an ineffective and incomplete approach to the problems of health care for the aged. Under this law, the responsibility for implementing a Kerr-Mills program rests with the States, and the Federal Government provides funds to the States on a matching basis. Its proponents in Congress contended that the program would be broad and comprehensive, but it is clear that this goal will not be achieved. Kerr-Mills simply does not meet the basic need. After 4 years, only 30 States and 4 jurisdictions have Kerr-Mills programs in operation. And even in these States and jurisdictions, few persons have been helped and the help provided is sorely inadequate. The recent examination of these programs by the Senate Committee on Aging showed these deficiencies.

TOO FEW HELPED BY KERR-MILLS

For example, in Illinois only six-tenths of 1 percent out of all of the aged population, or 6 persons in each 1,000 aged receive payments. This is the lowest rate of assistance among all the States participating in Kerr-Mills. In fact, nationally Kerr-Mills benefits an appallingly small segment of the aged population. Out of 18 million persons over 65 in the Nation, only 181,056 people were being aided monthly as of May 1964. Many who receive payments in 1 month continue to receive aid over several months, and therefore, the total number of different aged persons receiving this aid on a yearly basis is approximately only 300,000.

In 14 States many people who qualify for other relief programs are not considered poor enough for Kerr-Mills aid. In these States elderly persons needing assistance must use up almost all of their income and savings in order to qualify for help. In Illinois, the agency must deny assistance unless a single person's income is less than $1,800, or less than $2,400 for a couple, and the value of assets of a single person does not exceed $1,800, or does not exceed $2,400 for a couple. Certain assets such as a home and a car are excluded.

KERR-MILLS BENEFITS INADEQUATE

The benefits provided under the Kerr-Mills plans are woefully inadequate in many of the jurisdictions which have programs. Only five States have comprehensive programs. The poorer States, having very meager programs, receive little of the money contributed by the Federal Government, but the few States which can afford and have established a comprehensive plan take nearly all of the Federal appropriations. In fact, in May 1964, five States, which together have only 32 percent of the total aged population, took 74 percent of the Federal funds appropriated for this assistance program. Illinois, in 1963, with 5.4 percent of the country's population, received only 1 percent of the total spent by the Federal Government under Kerr-Mills.

The Illinois plan is far from adequate. Its services are limited to hospital care, physicians' services in hospitals and physicians' services in the posthospital period of home care. It provides no nursing home care despite the fact that nursing home care is one of the most vital of the health care needs of the aged. Under Kerr-Mills, only 18 States have nursing home benefits under their plans.

KERR-MILLS MEANS TEST DEGRADING

Third, the most serious defect in Kerr-Mills is that applicants are forced to pass a means test to qualify for assistance. An aged person must completely reveal to a Government agency his assets, and his sources and amount of income. He must prove that he is without adequate resources of his own according to an arbitrary cutoff point under which even a dollar may mean the difference between qualifying and not qualifying for benefits. Every aspect of his and his family's personal lives is open to scrutiny. In 15 States there are family responsibility provisions which, in effect, impose a means test on relatives. In these States the agency decides whether the relatives can pay the bills. Also, 12 States permit the agency to ultimately take the homes of those assisted in order to pay back the State for the health and medical assistance.

These provisions are degrading to the individual. They severely limit the number of people to be helped. Many poor but proud people withdraw their requests for aid rather than have their privacy and that of their relatives invaded to such an unnecessary degree. This program is no substitute for one through which a worker prepays his health protection and receives the benefits later on in life as a matter of right. Supported by such a basic program, the States could more economically and effectively use Kerr-Mills to aid those elderly who are indigent and need more than the basic protection provided by a program financed under social security.

SUPERIOR BENEFITS AT LOW COST UNDER KING-ANDERSON

The King-Anderson bill provides for four types of benefits: Inpatient hospital services, skilled nursing home care, outpatient diagnostic services, and home health services.

INPATIENT HOSPITAL SERVICES

The bill permits the individual to choose one of three hospital options, as follows, according to his feelings about the type of protection best suited to him. Hospital services would include, under any of these three options, all those services, including drugs, customarily furnished by a hospital for its patients. Payment would not be made for the hospital services of physicians except those in the fields of pathology, radiology, physical medicine, and anesthesiology.

First, he can elect to have his insurance pay the basic hospital care benefits for 45 days during each period of illness. He would not have to pay any minimum share of those benefits—or what is called a "deductible"—under this option.

Second, the length of time for which the basic hospital costs would be met by his insurance can be set at 90 days if the person elects the plan under which he pays a deductible of $10 per day for each of the first 9 days of his stay in the hospital. Thus, if he stays 5 days he would pay $50, and if he stays 9 days or more up to 90 days he would pay a maximum deductible of $90, while the insurance benefits would pay the rest of the basic hospital charges.

Third, the length of time for which the basic hospital costs would be met by his insurance can be set at 180 days if the person elects to pay a deductible amount equal to 2½ times the average cost of a day of hospitalization—that amount would be about $93 when the bill goes into effect—or the total hospital bill if it is less than that amount.

SKILLED NURSING HOME CARE

Under the King-Anderson bill an elderly person would be entitled to up to 180 days of care in a nursing home after discharge from a hospital. The nursing home would have to be affiliated with a hospital. The provision requiring affiliation with a hospital will insure that the nursing home meets adequate standards for the protection of the health and safety of the patient. The requirement that the care follow hospitalization is designed to assure that admission is for the care of an actual illness.

HOSPITAL OUTPATIENT DIAGNOSTIC CARE

The plan would also pay for hospital outpatient diagnostic services, that is, those services which can only be performed in a hospital, such as laboratory tests, but which do not require the patient to stay overnight in the hospital. These services are subject to a $20 deductible. The patient would pay the first $20 incurred within a 30-day period.

HOME HEALTH CARE

The plan would also pay for home health care services for up to 240 visits during a calendar year. These services would include first, part-time or intermittent nursing care provided by or under the supervision of a registered nurse—believe practical nurses can be used here under skilled supervision; second, physical, occupational, or speech therapy; third, medical-social services; fourth, part-time or intermittent services of a home health aid; fifth, medical supplies other than drugs and biologicals, and the use of medical appliances; and sixth, in the case of a home health agency which is affiliated or under common control with a hospital, medical services provided by an intern or resident.

The benefits in this bill meet only the most urgent and basic needs of our aged citizens. Actually the bill provides a conservative minimum of protection, but these protections are essential and we should not fail to see that they are provided.

NEARLY ALL OF OUR AGED PEOPLE WILL BE COVERED UNDER THE PLAN

All persons 65 and over who are entitled to social security or railroad retirement benefits are covered by the bill. In addition, the bill brings into coverage the 2½ million who are not now covered by these two programs. Coverage of the 2½ million not now under the other programs will be financed at first by funds appropriated by the Congress, but within a few years many more people will be brought under social security so that eventually nearly all the aged will have paid themselves for their health care protection. The important point is that at the outset there will be complete coverage of our 18 million aged people.

FINANCING THE PLAN UNDER SOCIAL SECURITY

Establishing health care for the aged under social security has many overwhelming advantages. It gives nearly universal participation. The risk of a high financial burden due to catastrophic illness in older age is thus shared by almost the entire population. Therefore, the insurance protection will cost each participant a very small amount. The social security mechanism makes this relatively small cost even less burdensome by permitting each worker to pay in small regular contributions throughout his working life mostly collected on each pay day. Moreover, we will have the economies of operation made possible by establishing health care protection under an experienced and extremely efficient administrative system. People will contribute over the whole of their working lives to protect themselves against the heavy costs which will fall upon them when they are aged. They would never do this under a voluntary system.

ADMINISTRATIVE COST VERY LOW

The present social security system, which covers approximately 95 million people and provides retirement and disability payments now to approximately 19 million people each month, is administered at a cost of about 2 cents for each dollar paid in benefits. The administrative costs of health care for the aged under social security would be about 3 cents on the dollar. These costs are very low compared with the average cost for private group policies of 9 cents. Blue Cross has an administrative cost of 6 cents, and Blue Shield of about 11 cents. The Kerr-Mills plans in some States have fantastically high administrative costs. In Tennessee, it has run as high as 59 percent, and in four States it exceeded 25 percent of benefits. The costs of administering a means test under Kerr-Mills programs is usually about $40 in itself, even if the benefits sought are no more than that.

THE AVERAGE WORKER WILL PAY $1 A MONTH

There are two basic increases which will provide the necessary funds. The costs of the health care plan will be paid through small increases in the social security tax and an increase in the salary base on which the tax is applied. At present, social security is financed by a tax on the employee and the employer of $3\frac{5}{8}$ percent on the first $4,800 of earnings. Thus, those who now earn $4,800 or more pay an annual tax of $174, and their employer matches this amount. The social security law now includes automatic provisions which state that the tax will increase to $4\frac{1}{8}$ percent in 1966 and $4\frac{5}{8}$ percent in 1968.

The King-Anderson bill would establish a separate trust fund in addition to the two existing social security trust funds—old-age and survivors insurance and disability insurance—to be called the Federal hospital insurance trust fund.

The money for this fund will come from, first, an increase in the percentage tax on wages and salaries, and second, an increase in the covered earnings. Specifically, there would be an increase of one-fourth of 1 percent in the tax and an increase of the base on which the tax applies from $4,800 to $5,200. Thus, the total social security tax for all three funds would be increased from $3\frac{5}{8}$ to $3\frac{7}{8}$ percent. The maximum contribution, therefore, applying that rate to the new base rate of $5,200, would be $201.50. Thus, there would be an annual maximum increase of $27.50. This same amount would be paid by both the employer and employee for those employees earning $5,200 or more. For the self-employed, there will be an increase in the social security tax rate of four-tenths of 1 percent.

It must be kept in mind, however, that not all of the $27.50 will go into the hospital insurance trust fund. Actuarial experts have determined that 0.34 percent of earnings up to $5,200 will be required to finance the social security health fund. For those who earn $5,200 or more, the amount of their contribution to the health care trust fund will be $17.68. The remaining portion of the increase of $27.50, or $9.82, will go into the two other trust funds to pay for the increase in social security retirement benefits due to increasing the base rate above $4.800.

This maximum cost of $17.68 per year is very inexpensive for such insurance, but most workers will pay even less. It should be remembered that more than 70 percent of all people covered by social security now annually earn less than $5,200. In fact, the median income of all workers covered in 1962 was $2,980. The worker with this income would pay only $10.53 a year into the health care fund. Thus, the average worker would pay during his working years less than $1 per month for social security health care protection in his years after age 65. For male workers, the median amount earned was $4,030 in 1962. One earning this amount would pay only $13.70 per year or less than $1.15 a month for protection. This is a very inexpensive amount to pay for such insurance protection.

Some confusion has arisen about the cost of health care because of the retirement and disability increases already in the law. While there will be an increase in social security taxes during the next few years, the tax to pay for hospital insurance will remain at 0.34 percent of earnings up to $5,200. Thus, even when the total tax is increased to conform to the gradual increases which are already in the law or because of the new increases which the House has already approved this year, all of this increase, except the 0.34 percent of earnings up to $5,200 for the health care fund, will go into the two existing old age and survivors and disability accounts. Only a maximum of $17.68 will be paid into the health care fund under the King-Anderson bill.

PRIVATE INSURANCE WILL BENEFIT

In advocating this plan of health care for the aged, I intend no general criticism of private insurance companies. Rather, I think we must recognize the problems which they face in trying to provide insurance policies that will meet the needs of our aged citizens. In fact, it is my belief that adoption of the King-Anderson bill will greatly help the private insurance industry.

Private insurance companies simply cannot provide adequate health insurance for the aged at a low cost. The health care costs of our aged citizens are so high that the private companies must charge high premiums for comprehensive care or give very limited benefits with lower premiums. If the people as a whole can establish a floor of basic benefits for hospital and nursing home care—the most common and highly expensive needs of aged people—the private insurance companies will be able to provide policies at lower cost for other medical needs such as the bills of doctors and surgeons.

Fears have been expressed that this bill will interfere with the private insurance companies, but our experience with the social security system shows exactly the contrary. The evidence indicates, and insurance company executives admit, that the private industry has been stimulated by the social security system despite the charges made 29 years ago by opponents of social security that it would hamper the industry. Social security protection, by providing a foundation of retirement benefits, encourages the individual to build even greater protection through private insurance. If the private companies can be released from the high risk burden of hospital care for the elderly, they will be able to offer low-cost policies providing additional protections such as doctor's office care, operation fees, and dentistry.

NO GOVERNMENT INTERVENTION IN THE MEDICAL PROFESSION

This bill in no way results in any governmental intervention in the traditional doctor-patient relationship. Nor does the bill interefere with hospital management. The legislation would only provide the means of paying for hospital care and the other services which are covered, in much the same way as private insurance pays for one's health expenses. It pays no doctor's fees. Nothing in the bill permits the Government to interfer with an individual's present freedom to choose his doctor or a doctor's freedom to treat a patient according to his judgment. In fact, this basic health care insurance will give a doctor a better opportunity to aid his patients since he can send them to a hospital or nursing home best suited to their needs rather than to a charity ward or home for indigents. Patients will still choose their doctors; together they will choose the appropriate hospital or nursing home. There will be no Government interference.

NOT A GIVEAWAY OR WELFARISM

This bill is not a Federal Government giveaway. Opponents of the bill charge, on the one hand, that this bill is welfarism, or even socialism. On the other hand, they support the Kerr-Mills program of aid to the indigent as the proper way to meet this problem. Aside from the fact that it is ineffective and costly, the Kerr-Mills program is the one which is a pure giveaway. Under Kerr-Mills the benefits come from the general revenues of the State and Federal Governments. It is pure socialized medicine. But under the King-Anderson bill, workers will have paid during their working years for the insurance protection due them as a matter of right in their later years. Clearly, this is a self-paid program which all Americans can support.

OBSTACLES TO ACTION THIS SESSION

The United States is the only one of the western nations which has failed to provide a public health insurance program for its elderly citizens. The need for such a program is great, and the King-Anderson proposal is an appropriate, economical, and moderate plan. The proposal is sound and conservative.

It is my hope that the Congress will take favorable action very soon on the King-Anderson proposal or a close modification.

Our great difficulty is time. The 90-day filibuster on civil rights put our legislative work so far behind that we are being compelled to crowd what would normally be the work of a session into a few weeks. The House Ways and Means Committee, by a 13-to-12 poll turned down the King-Anderson bill and confined itself to a 5-percent increase in present social security benefits. This decision was ratified by the House, and the bill now cames over to us in that form. We have been able to get the Finance Committee to agree to hold hearings on the specific proposals for health care for the aged, and some of us will push for the best possible way of dealing with the problem. But with this, a presidential year, with the inevitable pressures to adjourn, with a crowded calendar, and with the difficulties of dealing with a recalcitrant House, we are faced with many obstacles. The need, however is great, and I hope for the understanding and active support of the American people of this proposal so that we can at last take an effective step to protect the health of our aged people.

ADJOURNMENT

Mr. FULBRIGHT. Mr. President, I move that the Senate stand in adjournment until 12 o'clock noon Monday.

The motion was agreed to; and (at 4 o'clock and 11 minutes p.m.) the Senate adjourned until Monday, August 10, 1964, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate August 8, 1964:

NATIONAL CAPITAL TRANSPORTATION AGENCY

Gerry Levenberg, of the District of Columbia, to be a member of the Advisory Board of the National Capital Transportation Agency.

Robert C. Wood, of Massachusetts, to be a member of the Advisory Board of the National Capital Transportation Agency.

U.S. ATTORNEY

William N. Goodwin, of Washington, to be a U.S. attorney for the western district of Washington for the term of 4 years.

U.S. MARSHAL

George J. Ward, of New York, to be U.S. marshal for the eastern district of New York for the term of 4 years.

EXTENSIONS OF REMARKS

The Beef Import Restriction Bill

EXTENSION OF REMARKS

OF

HON. E. Y. BERRY

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 8, 1964

Mr. BERRY. Mr. Speaker, I am very hopeful that the friends of agriculture will have sufficient votes to prevent the beef import restriction bill from being buried in a Senate-House conference committee during the remainder of the session.

I was among 8 or 10 Members of the House who appeared before the Rules Committee Wednesday morning asking for a rule which would permit the House to accept the Senate version of the meat import restriction amendment.

By a vote of 8 to 7 the Rules Committee voted down the resolution authorizing the House to accept the Senate version of the bill and by the same vote passed a resolution authorizing the House to vote on whether or not to send it to conference.

If the House sends this measure to conference the odds are very strong that it will never see the light of day, since the administration and the State Department are very much opposed to its passage and I am fearful these forces will be able to tie the measure up in the conference committee.

I think we have the votes to keep it from being sent to conference and then the votes to pass it over the objection of the administration.

This is a most important bill. It is a matter of life or death for the farmers and beef producers of the Nation.

SENATE

MONDAY, AUGUST 10, 1964

The Senate met at 12 o'clock meridian, and was called to order by the Acting President pro tempore (Mr. METCALF).

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

God of our fathers, whose providential care hath woven from innumerable strands the finer fabric of our Nation's life: Accept our grateful thanks for the priceless heritage of the freedom which is ours to preserve and to defend against sterner odds than those any other generation has faced since the Liberty Bell rang at the birth of the Nation.

Through our imperfect petitions, framed by our frailties, enter Thou the workshop of our daily duties, so that the house of our lives may be filled with music which vibrates in joy only when our hands touch the chords of another's need. Then may even our feverish dissatisfactions be changed to a peace which slips through the grasping fingers of all self-seeking.

As in a tumultuous world so full of alarms, we face all that this new week may bring of tests and tasks, keep our hearts singing—

This is my Father's world.
O let me ne'er forget
That though the wrong seems oft so
    strong,
God is the Ruler yet.

We ask it in the name of the One for whose law the continents and the isles of the sea do wait. Amen.

THE JOURNAL

On request by Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Saturday, August 8, 1964, was dispensed with.

LIMITATION OF DEBATE DURING MORNING HOUR

On request by Mr. MANSFIELD, and by unanimous consent, statements during the morning hour were ordered limited to 3 minutes.

ORDER DISPENSING WITH CALL OF CALENDAR UNDER RULE VIII

On request by Mr. MANSFIELD, and by unanimous consent, the call of the legislative calendar, under rule VIII, was dispensed with.

ORDER FOR RECESS UNTIL 10 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 10 o'clock a.m. tomorrow.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

On request by Mr. MANSFIELD, and by unanimous consent, the Committee on the District of Columbia was authorized to meet during the session of the Senate today.

On request by Mr. MANSFIELD, and by unanimous consent, the Committee on Appropriations was authorized to meet during the session of the Senate today.

AMENDMENT OF FEDERAL AVIATION ACT OF 1958, RELATING TO AVIATION ACCIDENT INSURANCE FOR PASSENGERS ON CERTAIN JOURNEYS

The ACTING PRESIDENT pro tempore laid before the Senate a letter from the Secretary of State, Chairman of the Civil Aeronautics Board, and Administrator of the Federal Aviation Agency, transmitting a draft of proposed legislation to amend the Federal Aviation Act of 1958, as amended, to require air carriers to procure aviation accident insurance for the benefit of passengers on certain journeys subject to the Warsaw Convention, and for other purposes (with accompanying papers); which was referred to the Committee on Commerce.

1964 GIRLS NATION—MEMORANDUM

The ACTING PRESIDENT pro tempore laid before the Senate a memorandum from the public information representative of the American Legion Auxiliary, Washington, D.C., expressing appreciation for the help given to the 1964 Girls Nation, which was ordered to lie on the table.

COMMITTEE SERVICE

Mr. MANSFIELD. Mr. President, I submit a resolution, and ask unanimous consent for its present consideration.

The ACTING PRESIDENT pro tempore. The resolution will be read for the information of the Senate.

The Chief Clerk read the resolution (S. Res. 348), as follows:

> *Resolved*, That Mr. BREWSTER be, and he is hereby, excused from further service on the Committee on Public Works and assigned to service on the Committee on Commerce;
>
> That Mr. MCINTYRE be excused from further service on the Committee on Government Operations and assigned to service on the Committee on Armed Services; and
>
> That Mr. SALINGER be, and he is hereby, assigned to service on the Committee on Public Works and the Committee on Government Operations.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the resolution (S. Res. 348) was considered and agreed to.

COMMITTEE SERVICE—APPOINTMENT BY THE PRESIDENT PRO TEMPORE

The ACTING PRESIDENT pro tempore. The Chair, on behalf of the President pro tempore, announces the appointment of the Senator from Ohio [Mr. YOUNG] as a member of the Special Committee on Aging, pursuant to Senate Resolution 260—extending Senate Resolution 33 of the 87th Congress—agreed to January 30, 1964, vice Mr. Engle, deceased.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BYRD of Virginia, from the Committee on Finance, with amendments:

H.R. 4844. An act relating to the release of liability under bonds filed under section 44(d) of the Internal Revenue Code of 1989 with respect to certain installment obligations transmitted at death (Rept. No. 1361).

INDIANA DUNES NATIONAL LAKESHORE—REPORT OF A COMMITTEE—INDIVIDUAL AND MINORITY VIEWS (S. REPT. NO. 1362)

Mr. BIBLE. Mr. President, from the Committee on Interior and Insular Affairs, I report favorably, with amendments, the bill (S. 2249) to provide for the establishment of the Indiana Dunes National Lakeshore, and for other purposes, and I submit a report thereon. I ask unanimous consent that the report be printed, together with the individual views of the Senator from Wyoming [Mr. SIMPSON], and the minority views of Senators ALLOTT, SIMPSON, and DOMINICK.

The PRESIDING OFFICER (Mr. NELSON in the chair). The report will be received and the bill will be placed on the calendar; and, without objection, the report will be printed, as requested by the Senator from Nevada.

JURISDICTION OF FEDERAL POWER COMMISSION OVER NONPROFIT COOPERATIVES—REPORT OF A COMMITTEE—INDIVIDUAL VIEWS (S. REPT. NO. 1363)

Mr. THURMOND. Mr. President, from the Committee on Commerce, I report favorably, with amendments, the bill (S. 2028) to amend the Federal Power Act, as amended, in respect of the jurisdiction of the Federal Power Commission over nonprofit cooperatives, and I submit a report thereon.

I ask unanimous consent that the report be printed, together with the individual views of the Senator from Ohio [Mr. LAUSCHE].

The PRESIDING OFFICER. The report will be received and the bill will be placed on the calendar; and, without objection, the report will be printed, as requested by the Senator from South Carolina.

Mr. THURMOND. Mr. President, S. 2028, as amended, would amend the Federal Power Act by adding "any nonprofit cooperative engaged in rural electrification" to the list of organizations expressly exempted from the regulatory jurisdiction of the Federal Power Commission, such amendment to remain in effect until the adjournment sine die of the 1st session of the 89th Congress. S. 2028 would also direct the FPC to suspend any proceedings instituted for the purpose of establishing jurisdiction over cooperatives.

For 28 years, Congress, the public, the rural electric cooperatives and successive Federal Power Commissions have assumed that cooperatives were beyond the regulatory reach of the FPC. Yet, on July 22, 1963, the Commission ordered several nonprofit cooperatives financed in whole or in part by Rural Electrification Administration loans, to demonstrate why they should not be subject to the regulatory jurisdiction of the Power Commission.

The Commission has persisted in that proceeding in defiance of the wishes of the Senate Appropriations Committee, expressed in both the 1964 and 1965 Independent Offices Appropriations Reports, that "no funds be spent by the FPC to establish regulatory authority over REA cooperatives until the Congress [has] had an opportunity to consider pending legislation clarifying the intent of Congress on this subject." The cooperatives subject to this proceeding testified that the cost of responding to the Commission order has been substantial and onerous.

S. 2028, was introduced, in response to the FPC action, to clarify the intent of Congress to exempt cooperatives from Commission jurisdiction.

The press of other committee and Senate business prevented hearings and consideration of such legislation by the Commerce Committee until the closing weeks of this session. Nevertheless, the committee, during 3 days of hearings, heard at least prima facie evidence that Congress never intended to subject cooperatives to FPC jurisdiction. Moreover, the committee sought, but heard no evidence of any abuse committed by cooperatives which might justify the imposition of regulatory sanctions.

On the contrary, it was shown that cooperatives are subject to a high degree of self-regulation by their member-consumers, buttressed by the controls exercised by the Rural Electrification Administration of the U.S. Department of Agriculture through its contracts and security instruments.

During the course of the committee hearings, other issues were raised, including the question of FPC jurisdiction over public utilities selling electric power at wholesale primarily for consumption in the States in which they operate.

The committee considers that this issue, in addition to the issue of Commission jurisdiction over cooperatives, merits extensive hearings and consideration during the next session of Congress.

During the interim, the evident intent of the FPC to pursue its proceeding to establish jurisdiction over the cooperatives, necessitates the enactment of stopgap legislation to stay the hand of the Commission while Congress completes its consideration of the issues involved. The committee, therefore, recommends passage of S. 2028, as amended, to relieve the considerable financial burden placed by the Commission upon cooperatives subject to its show-cause proceeding, and to enable Congress to determine for itself what its intent was and is with respect to the jurisdiction of the Federal Power Commission.

Mr. President, I am pleased to report that the wishes of the Senate have at long last penetrated the thick walls of the Federal Power Commission. Two strongly worded injunctions by the Senate Appropriations Committee and, finally, the action of the Commerce Committee which I report today, have apparently convinced the Commission that Congress is opposed to the continuation of the Commission's proceedings to establish jurisdiction over cooperatives.

The Federal Power Commission, last Thursday, acted to suspend its jurisdictional proceeding against the cooperatives "to permit further congressional consideration of the matter." The Commission directed the hearing examiner "to defer issuing his initial decision until January 1, 1966."

I ask unanimous consent that the Commission's order be printed in its entirety at the close of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

See exhibit 1.

Mr. THURMOND. Mr. President, this wise, but belated, action by the Commission removes any immediate threat that the Commission will assume jurisdiction over cooperatives and relieves the affected cooperatives of the substantial expense entailed by the proceedings.

Nevertheless, it remains imperative that S. 2028 be enacted into law, for although the immediate danger has been removed, it is important that the RECORD show unequivocally that Congress considers the issue of Commission jurisdiction over cooperatives a matter for Congress itself to determine.

EXHIBIT 1

United States of America Federal Power Commission, before Commissioners Joseph C. Swidler, Chairman; L. J. O'Connor, Jr., Charles R. Ross, and David S. Black.

Dairyland Power Cooperative, Minnkota Power Cooperative, Inc., South Central Rural Electric Cooperative, Inc., docket No. E-7113.

Order deferring further proceedings (issued August 6, 1964).

This proceeding was instituted by the Commission on July 22, 1963, to determine whether it had jurisdiction under the Federal Power Act over electric companies organized in the cooperative form and financed by loans from the Rural Electrification Administration, which owned or operated facilities for the interstate transmission or sale at wholesale of electric power. The hearings have been completed and all briefs are in, but the examiner has not yet issued his initial decision.

On July 31, 1964, the Senate Appropriations Committee issued its report on the "Independent Offices Appropriations, 1965." The committee refers (p. 8) to the fact that hearings have recently been held on a bill to clarify congressional intent with respect to the matters in issue in this proceeding, and indicates that while the bill is now pending before the Senate Commerce Committee for consideration, it may not be possible to complete action thereon this calendar year. Stating the Appropriations Committee's belief that "the assertion of additional Federal regulatory authority over REA cooperatives by the FPC should await the decision of the Congress on pending legislation," the committee expresses its intent that the Commission defer action in the present proceeding until the Congress can give additional attention to the jurisdictional question involved.

In the light of the foregoing, the Commission has concluded that its proceedings in the instant case should be deferred to permit further congressional consideration of the matter. Accordingly, the examiner is directed to defer issuing his initial decision herein until January 1, 1966.

By the Commission:

GORDON M. GRANT,
Acting Secretary.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HUMPHREY:

S. 3098. A bill for the relief of Laura Poblete Carbonell; and

S. 3099. A bill for the relief of Sara E. Ramales Escamilla; to the Committee on the Judiciary.

By Mr. KEATING:

S. 3100. A bill for the relief of Ivan Peros; to the Committee on the Judiciary.

By Mr. BEALL:

S. 3101. A bill to increase the annuities of certain schoolteachers in the District of Columbia who retired prior to October 1, 1956; to the Committee on the District of Columbia.

By Mr. JAVITS:

S. 3102. A bill to provide for the entry of alien skilled specialists and certain relatives of U.S. citizens and lawfully resident aliens and to provide that all quota immigrant visas available in any fiscal year, but not used during such fiscal year, shall thereafter be available for distribution in each succeeding fiscal year until used; to the Committee on the Judiciary.

(See the remarks of Mr. JAVITS when he introduced the above bill, which appear under a separate heading.)

By Mr. SYMINGTON:

S.J. Res. 191. Joint resolution to authorize the President to designate the week beginning October 11, 1964, through October 17, 1964, as "National Bookkeepers' Week"; to the Committee on the Judiciary.

RESOLUTIONS

CHANGES IN THE MEMBERSHIP OF CERTAIN STANDING COMMITTEES OF THE SENATE

Mr. MANSFIELD submitted a resolution (S. Res. 348) making changes in the membership of certain standing committees of the Senate, which was considered and agreed to.

(See the above resolution printed in full when submitted by Mr. MANSFIELD, which appears under a separate heading.)

DEATH OF REPRESENTATIVE JOHN B. BENNETT, OF MICHIGAN

Mr. HART (for himself and Mr. MCNAMARA) submitted a resolution (S. Res. 349) relative to the death of Representative JOHN B. BENNETT, of Michigan, which was considered and agreed to.

(See the above resolution printed in full when submitted by Mr. HART, which appears under a separate heading.)

ANOTHER STOPGAP IMMIGRATION BILL IS URGENTLY NECESSARY

Mr. JAVITS. Mr. President, I am today introducing a bill to update the four immigration quota preferences under the Immigration and Nationality Act and to utilize the existing unused quota numbers. Last January, when the Senate Immigration Subcommittee held hearings on bills to reform the immigration quota system, I stated that "the end of a long and frustrating road toward immigration reform" had begun to come into view. Unfortunately, although a significantly large number of Senators have cosponsored the various reform bills which have been introduced by me, by others of my colleagues, and by the administration, despite the hearings held last January by the Senate subcommittee and more recently by the House committee, despite the support of the administration as expressed in the testimony of Secretary of State Rusk, it is apparent that another session of Congress will soon end without any action in this field.

I have repeatedly decried the patchwork approach which is the only way in which Congress has acted in recent years to relieve the enormous moral pressure built up by the irrationalities and cruelties of the existing law. The worst individual situations have been dealt with by a mass of private legislation and by a series of stopgap measures bringing somewhat further up to date various of the quota preferences. In the 86th Congress, for example, the backup in the 4th preference was alleviated; in the 87th, both the 1st and 4th preferences were updated, the former in accord with a similar bill which I had introduced.

The most recent State Department figures, as of January 15, 1964, demonstrate once against the inadequacy of the law. The backlog in first preference applications, those of skilled technicians, which our own national self-interest should lead us to admit, is 1,207; in second preference, parents and unmarried children of U.S. citizens, it is 2,638; second preference, parents and unmarried children of lawful permanent resident aliens, 7,941; and in fourth preference, brothers, sisters, married children of U.S. citizens and their spouses and children, 164,601.

The bill I am introducing today will update all four of these preference categories by treating as nonquota immigrants, if they are otherwise eligible for admission under the act, those preference applicants who have filed their petitions with the Attorney General by August 1, 1964. How inadequate even this measure of relief would be can be judged when one considers that there would remain unaffected by this some 630,021 nonpreference applicants.

A second section of the bill I am introducing today provides for pooling of the quota numbers which remained unused in each fiscal year, and their allocation to the remaining applicants during the next fiscal year. This pooling device is a central feature of my general quota reform bill, S. 1823, which modernizes the entire quota system. The adapted provision authorizes the President to determine how the unused quota numbers should be allocated among the various categories of applicants and gives to the

Congress the power of veto by concurrent resolution. Some 51,000 quota numbers were left unused in the fiscal year just ended.

Once again, we must resort to another urgently necessary, last minute stopgap device, which should have been made unnecessary by enactment of the long overdue, overall quota system reform which has been promised for this session.

I ask unanimous consent that the bill be permitted to remain at the desk for 2 days to give Senators who might wish to cosponsor the bill an opportunity to do so.

The **PRESIDING OFFICER**. The bill will be received and appropriately referred; and, without objection, the bill will remain at the desk as requested by the Senator from New York.

The bill (S. 3102) to provide for the entry of alien skilled specialists and certain relatives of U.S. citizens and lawfully resident aliens and to provide that all quota immigrant visas available in any fiscal year, but not used during such fiscal year, shall thereafter be available for distribution in each succeeding fiscal year until used, introduced by Mr. JAVITS, was received, read twice by its title, and referred to the Committee on the Judiciary.

ADDITIONAL COSPONSOR TO S. 2628

Mr. **DODD**. Mr. President, I ask unanimous consent that the name of the Senator from California [Mr. SALINGER] be added as a cosponsor to S. 2628, amending the Federal Food, Drug, and Cosmetics Act.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

NOTICE CONCERNING NOMINATION BEFORE COMMITTEE ON THE JUDICIARY

Mr. **EASTLAND**. Mr. President, the following nomination has been referred to and is now pending before the Committee on the Judiciary:

Sidney I. Lezak, of Oregon, to be U.S. attorney, district of Oregon, for a term of 4 years, vice Clarence E. Luckey.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in this nomination to file with the committee, in writing, on or before Monday, August 17, 1964, any representations or objections they may wish to present concerning the above nomination, with a further statement whether it is their intention to appear at any hearing which may be scheduled.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, August 10, 1964, he presented to the President of the United States the following enrolled bills:

S. 1057. An act to promote the cause of criminal justice by providing for the representation of defendants who are financially unable to obtain an adequate defense in criminal causes in the courts of the United States;

S. 1642. An act to amend the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended, to extend disclosure requirements to the issuers of additional publicly traded securities, to provide for improved qualifications and disciplinary procedures for registered brokers and dealers, and for other purposes; and

S. 1991. An act to charter by act of Congress the Pacific Tropical Botanical Garden.

CROW INDIAN BOYS SUMMER CAMP

Mr. **MANSFIELD**. Mr. President, in repeated discussions about the Federal Government's policies governing our Indian reservations, a point is always made about helping the Indian help himself through proper instruction and guidance. One of the most graphic examples of what an Indian tribe can do for itself has come to my attention.

In the past several years, I have heard references to a boys camp operated during the summer months on the Crow Indian Reservation in southeastern Montana. It is an effort to provide Indian boys of high school age with supplemental education and guidance. The camp has been an apparent success and each year there are improvements being made.

Scenic Black Canyon on the reservation is a classroom for 35 Crow Indian boys. They receive instruction and guidance from qualified teachers, and their classrooms are situated amid trees and steep canyon walls.

A feature story carried by the Associated Press and written by Helen M. Peterson of Hardin, Mont., discusses the project in detail. I recommend the feature to my colleagues in the Senate and ask unanimous consent to have it printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Great Falls Tribune, Aug. 2, 1964]

BLACK CANYON IS 35 CROW INDIAN BOYS' SCHOOLROOM

(By Helen M. Peterson)

HARDIN.—The blackboard is nailed to a towering pine tree and the classroom walls are chiseled by a mountain stream.

That is a schoolroom for some 35 Crow Indian boys, deep in scenic Black Canyon.

The lads, who range in age from 14 to 18, technically are campers—at the Crow Indian youth camp, supported by tribal funds. However, they get paid at the rate of $5 per day by the tribe for a 5-day week—and in order to earn the money they put in a full day.

MORNING CLASSES

Junior high age boys go to classes in the morning, and do chores around the camp in the afternoon. Older boys, some of whom will enroll in college this fall, work mornings and study math, English, and art in the afternoons.

The boys go home every other weekend—and some always remain in camp. Those who stay get special weekend jaunts in the scenic Big Horns, a part of the tribally owned mountain wilderness on the Crow Reservation.

Visitors come to the camp occasionally. Clergymen have been there this summer to conduct services. The Crow Indian education committee has made two trips. Supplies are brought in by Bureau of Indian Affairs workers and by the college aids at the camp, Urban Bear, Daniel LaForge, and Samson Birdinground.

NOT EASY TRIP

The trip to the camp is not the easiest in the world. It takes a four-wheel-drive vehicle to get in—and especially to get out again.

There are three routes to the mountaintop—through Wyola, Fort Smith, and Lodge Grass, and all three are little more than jeep trails. The shortest route follows Rotten Grass Creek into the Big Horns from Lodge Grass, but it has been open only 2 weeks.

Once on top, the descent follows a single track bulldozed along the side of the cliff—a breathtaking ride. The road was built 3 years ago, to battle a forest fire in the upper reaches of the canyon—and if it hadn't been for the fire, there might be no camp today. The site would still be inaccessible.

The first indication of human habitation comes as visitors reach the canyon floor. The word "Ka-hay" is spelled out in rocks above the stream. This is Crow for "welcome."

BRANDNEW HALL

Around the bend is the brandnew dining and recreation hall. It is so new that the high school age crews are still putting on the siding. Last year, there was a cook tent with a wooden floor, and meals were served outdoors. This was fine unless there was a sudden thundershower at mealtime.

The boys still sleep under canvas, in tents which accommodate eight sleeping bags on wooden floors.

The camp director this year is Ben Pease, himself a Crow Indian. Pease is high school principal and art instructor at the high school in Dayton, Wash., in winter.

He is a graduate of Hardin High School and Rocky Mountain College, has a master's degree from Washington State University and has three summers of postgraduate work in art at Montana State University.

DISTINCT ADVANTAGE

Pease has one distinct advantage over a non-Indian director. Though he has been away from the reservation for many years, he still speaks the Crow tongue fluently—and has no problem making himself understood, in either English or Crow.

Burton Chandler, Lodge Grass plumber and carpenter, is assistant director. He is in charge of the construction work which is still underway.

Teaching classes are Pease, art; Mrs. Pease (a graduate of Linfield College, McMinnville, Oreg.), English; and Gale Siegel, Dayton, Wash., high school teacher, math.

Three of the largest trees in the area not only hold blackboards but furnish shade for the English and math classes. Art is sometimes taught in the dining hall.

A water system is in the process of being installed. The supply is the cold, clear, creek.

But there is still work to be done, so campers take showers with water that has been sun heated in huge black cans, scrub hands and faces in the creek, and wash the dishes in a big double steel sink in the dining room. Water for this necessary chore is heated from the outside by an open fire.

Sanitarian and first aid man is George Hogan, Jr., who sees that things are kept clean, and also patches up minor injuries.

He has had lots of experience with poison ivy this summer. He got his training when he served in the U.S. Army Medical Corps. An ambulance is available, but has never been needed.

Richard Cummins, who also had Army training and has been a restaurant cook, presides over the kitchen. A pair of campers assist him. Food is plentiful and well cooked.

FORTY-FIVE CAMPERS

When the camp opened July 1, there were 45 campers. Some did not return after weekends at home. Several of these came back later—but if they fail to show a second time, they are not readmitted to the camp.

At present, three boys are absent with permission. They went to the Boy Scout Jamboree at Valley Forge.

It isn't all work. The boys have a basketball court, baseball field and facilities for horseshoes, table tennis and volleyball. Some brought their own throwing arrows.

A favorite sport is fishing—and there are plenty of trout in the creek—which is closed to non-Indians. A few boys have commercial poles, but most have manufactured their own from the willows on the canyon floor, and the willow wands seem as effective as the commercial rods.

FEW NIGHT MOVIES

There have been a few movies at night. Recently a big shipment of films arrived—enough for every remaining night of the camp.

A junior tribal council has been organized, and Ken Old Coyote was elected chairman. Ken also edits the camp newspaper. The first edition, with cover designed by the art class, was issued July 24. It is entitled "The Black Canyon Echo."

Recent visitors got copies—and original drawings by the young Crow artists as well.

The camp is well kept. New this year are the trails and roadways, outlined with stones. There are plenty of these stones—all sizes and kinds. Another use has been found for many of them.

CAMP NAME OUTLINED

On the hillside high above the camp, just below a huge, sheer rock face, the camp name has been outlined. The letters are 28 feet high and 18 to 20 feet wide, and the name itself is spelled out for some 150 feet.

The name is "Absaroka"—which is the ancient name of the Crow tribe. It describes the sacred bird of the tribe—which may not have been a crow at all. One translation of the word is "children of the fork-tailed bird."

In spite of occasional truant campers, some objections to classes in the summertime, and plenty of hard work, Camp Absaroka appears to be on the Crow Reservation to stay.

The Crow Education Committee (composed of six women and one man) have just one complaint. Next year, they say, they hope there will be an opportunity for girls in the tribe to camp for a while too, even if the session for the boys must be shorter.

PROGRESS OF THE 88TH CONGRESS, 2D SESSION, TOWARD COMPLETING ITS WORK

Mr. MANSFIELD. Mr. President, I ask unanimous consent that despite the 3-minute limitation during the morning hour, I may be permitted to proceed for 3 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, another week has passed in our efforts to complete this session's work, and our record again is most noteworthy. Last week, we have accomplished the following:

Cleared for the President an act to amend the Securities and Exchange Act of 1933 through the efforts of the distinguished chairman of the Banking and Currency Committee, the Senator from Virginia [Mr. ROBERTSON]. This measure was sponsored and developed in subcommittee by the distinguished Senator from New Jersey [Mr. WILLIAMS].

Passed a bill to amend the Atomic Energy Act to allow private ownership of special nuclear materials. In this field, the chairman of the Joint Committee on Atomic Energy, the Senator from Rhode Island [Mr. PASTORE], and the ranking minority member, the Senator from Iowa [Mr. HICKENLOOPER], must always be singled out.

Passed the independent offices appropriations bill through the efforts of the distinguished Senator from Washington [Mr. MAGNUSON], the distinguished Senator from Massachusetts [Mr. SALTONSTALL], the distinguished Senator from Colorado [Mr. ALLOTT], the distinguished Senator from Mississippi [Mr. STENNIS], the distinguished Senator from Florida [Mr. HOLLAND], the distinguished Senators from New York [Mr. JAVITS and Mr. KEATING], and through the cooperation of the distinguished Senator from Wisconsin [Mr. PROXMIRE], whose opposition to phases of the program was developed fully by him but without any effort to delay the proceedings.

Cleared for the President the Federal pay bill of 1964 through the efforts of the distinguished chairman of the Post Office and Civil Service Committee, the Senator from South Carolina [Mr. JOHNSTON], who was ably assisted by the distinguished Senator from Oklahoma [Mr. MONRONEY], and the distinguished Senator from Kansas [Mr. CARLSON].

Cleared for the President the Defense appropriations bill, a measure of sizable magnitude but always handled with mastery by the distinguished Senator from Georgia [Mr. RUSSELL] and the Senator from Massachusetts, the ranking minority member [Mr. SALTONSTALL].

Passed the interest equalization tax through the efforts and leadership of the distinguished Senator from Louisiana [Mr. LONG], who received the able assistance of the distinguished Senator from Florida [Mr. SMATHERS] and the distinguished Senator from Tennessee [Mr. GORE]. The constructive opposition to this measure was so ably presented by the distinguished Senator from New York [Mr. JAVITS] and the distinguished Senator from Utah [Mr. BENNETT], whose efforts contributed so much to making the legislative history so meaningful.

Passed the home nursing care for eligible veterans, a measure developed under the direction of the distinguished Senator from Texas [Mr. YARBOROUGH].

Ratified unanimously the Extradition Treaty with Belgium; and overwhelmingly passed the joint resolution on Vietnam through the outstanding effort and leadership of the distinguished chairmen of the Foreign Relations and Armed Services Committees, the Senator from Arkansas [Mr. FULBRIGHT], and the Sentor from Georgia [Mr. RUSSELL], and the distinguished ranking Republican members of these committees, the Senator from Iowa [Mr. HICKENLOOPER], and the Senator from Massachusetts [Mr. SALTONSTALL]. Also to be commended for the expedition in passing this resolution is the distinguished Senator from Oregon [Mr. MORSE] whose opposition to the resolution was constructive, sincere, and reasoned.

Passed the public works appropriation bill through the able leadership of the distinguished Senator from Louisiana [Mr. ELLENDER] and with the assistance of the distinguished Senator from Nebraska [Mr. HRUSKA] and the cooperation of the distinguished Senators from Wisconsin [Mr. PROXMIRE and Mr. NELSON], and the distinguished Senator from California [Mr. KUCHEL].

Also passed the military construction appropriation bill with the able assistance of the distinguished Senator from Mississippi [Mr. STENNIS], and the distinguished Senator from Massachusetts [Mr. SALTONSTALL].

Also passed the agriculture appropriation bill under the leadership of the Senator from Florida [Mr. HOLLAND], ably assisted by the Sentaor from North Dakota [Mr. YOUNG], the Senator from South Dakota [Mr. MUNDT], and other Senators.

Intermittently, we have made progress on the foreign aid bill; the skill and leadership of the distinguished chairman of the Foreign Relations Committee, the Senator from Arkansas [Mr. FULBRIGHT], in this field is never unnoticed, but his patience and cooperation in agreeing to put the foreign aid bill aside temporarily to consider this other legislation is certainly most appreciated.

As always, accomplishments in this body would be few and far between if a spirit of cooperation, conciliation, and harmony were not maintained. The distinguished minority leader, the Senator from Illinois [Mr. DIRKSEN], in his daily duties not only leads but also contributes so much in soothing the late in the season irritations that occasionally beset us all. In no small measure are our accomplishments due to his efforts, counsel, and leadership as well as to the cooperative and uncomplaining attitude of the Senate as a whole.

U.S. DEPARTMENT OF COMMERCE EXHIBIT AT NEW YORK WORLD'S FAIR

Mr. MAGNUSON. Mr. President, last week, I had the opportunity and pleasure to visit the Department of Commerce exhibit at the World's Fair in New York City. I found this exhibit stimulating, not only for its esthetic beauty, but also because of the illustrative and tasteful methods used in projecting, to the visitor, the achievements and aims of our country.

Federal participation in the fair was authorized by our late President, John F. Kennedy, under the terms of the National Educational and Cultural Exchange Act of 1961. In July 1962, Congress appropriated $17 million to be utilized toward this end.

The largest fair exhibition ever undertaken by our Government, the U.S. Pavilion is 330 feet long and is elevated 20 feet above the ground—one of the largest at the fair. This exhibit can accommodate 40,000 visitors daily; and since its opening, more than 2,500,000 people have passed through its doors.

Visitors first enter a small theater and view a 10-minute film entitled "Voyage to America," which depicts the immigrant origins of the United States and shows many of the challenges that our immigrant ancestors faced. Then a 15-

minute ride through great "sights and sounds" in American history—designed to make one an actual participant in the Nation's historymaking events.

There are also two large halls with exhibits illustrating some of the major challenges before the United States today—democracy, growth, learning, the arts, special concerns such as automation and urban renewal, the sciences and equal rights, and others that embrace the domestic problems within our borders.

Other exhibits pertain to international relations—including the free world, developing nations, United Nations, space, population explosion, and arms control. Each of these challenges is dramatically illustrated.

Visitors may also visit the pavilion's 10,000-square-foot library where reference books and other printed materials are available. This library, sponsored by the American Library Association, is staffed with experienced librarians, aided by an electronic computer for retrieving facts and data on every subject covered in the entire "Challenge to Greatness" exhibition.

As the citizens advisory committee which selected the exhibit's theme, "Challenge to Greatness," reported:

> Not in our achievements but in the spirit which leads to them * * * [in] helping visitors to see and understand our challenges, our responsibilities, our dedication, and provide a more accurate and meaningful excursion into the character of a nation that serves as a model for freedom and bears the burden of proof that a democratic system succeeds.

This exhibit freely depicts the American way of life.

A distinguished New Yorker—who is well known to the Senators from New York and Massachusetts, and to other Members of the Senate—Mr. Winston, the State Commissioner, has rendered distinguished service. The people who visit the U.S. exhibit are well pleased with it. They come away with a better feeling about this country and what it means to them. I know that it means even more to the youngsters who see the exhibit. Surely here is portrayed what is America.

I congratulate not only Mr. Winston and the Citizens' Advisory Committee, but also the other New Yorkers, including the two Senators from New York [Mr. KEATING and Mr. JAVITS], who did so much to make the exhibit possible.

Mr. JAVITS subsequently said: Mr. President, I thank the Senator from Washington for his very kind comments. I am a personal friend of Mr. Winston.

We are very proud of the pavilion that the United States has established at the World's Fair. It is a wonderful pavilion. We are grateful in a sense to the whole world for the number of visitors to the fair. Yesterday was banner day for fair admissions.

I am very grateful for the remarks of the Senator from Washington [Mr. MAGNUSON], who was so generous about supporting our fair after we had supported the Seattle Fair, as was quite proper and appropriate. I had an opportunity to visit that fair.

Mr. KEATING subsequently said: Mr. President, I join my colleague in expressing gratitude to the distinguished Senator from Washington [Mr. MAGNUSON] for his kind remarks.

We remember when the proposal was before us to provide Federal funds for the construction of the U.S. pavilion. Many of our colleagues were very helpful in this project, including the Senator from Washington [Mr. MAGNUSON].

I am sure that many Senators are proud of the fact that they had a hand in the erection of this beautiful building, which points out to all of the world, and to visitors from other lands, particularly, the majesty of our country.

I believe it is done in excellent taste. Mr. Winston has done a fine job in preparing these exhibits. I agree with the Senator from Washington [Mr. MAGNUSON] that all those who have worked on the U.S. pavilion, are entitled to most hearty congratulations on a job well done.

Mr. LAUSCHE subsequently said: Mr. President, earlier today the Senator from Washington [Mr. MAGNUSON] and the Senators from New York [Mr. JAVITS and Mr. KEATING] spoke about the excellence of the U.S. exhibit at the New York Fair. I was glad to hear the glowing description that was given about what was done. However, I cannot forget the fact that when the measure was before the Senate, it was insisted that no less than $25 million would be needed to do the job. After the debate and the arguments were made, $17 million was finally allocated. The amount requested was reduced by $8 million. It is quite pleasing, as I have said, to note that with the $17 million expenditure, instead of the proposed $25 million, a very impressive result was achieved. This esthetic exhibit, with its informative aspects, has met with high approval.

THE GREAT GULF BETWEEN THE UNITED STATES AND RED CHINA

Mr. CHURCH. Mr. President, last week I had printed in the RECORD an article by Max Frankel of the New York Times, dealing with the curtain of ignorance which separates the United States and China, in which a plea was made for more and better scholarship and information about what is really going on inside the world's most populous nation.

Yesterday, in the Washington Post, Chalmers M. Roberts contributed an excellent piece on the same subject, noting that Russia is almost an open book to us compared with China.

I ask unanimous consent that Sunday's article, captioned, "The Great Gulf Between," may be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Aug. 9, 1964]

THE GREAT GULF BETWEEN—RUSSIA IS ALMOST AN OPEN BOOK TO US COMPARED WITH CHINA, ABOUT WHICH WE KNOW ONLY ITS ULTIMATE AIM

(By Chalmers M. Roberts)

"It is difficult to enter each other's minds across that vast ideological gulf."—Secretary of State Dean Rusk.

That remark during last week's new turn in the crisis in southeast Asia was, in many ways, the most important statement of the week. Of all the gulfs between major powers on this planet today, the biggest by far is the one between the United States and Communist China, between those who govern in Washington and those who rule in Peiping.

It is an ideological gulf; it is an information gap; it is a vast lack of understanding on each side of the purposes and especially the motivations of the other side.

It is not enough to say that there is no mystery about Peiping's intention to dominate Asia, the world Communist movement and the globe itself. It is more relevant to point out that just about every American official who spoke out in the wake of the North Vietnamese torpedo boat attack on the American destroyers expressed a public perplexity.

It was a perplexity about motivation, not long-term aim; a perplexity about the Communist tactic, not ideological goals. And it was a perplexity not just about the government in Hanoi, the North Vietnamese capital, but about the government in Peiping, its relations to Hanoi and what might be Peiping's reaction to the American air reprisal against North Vietnam.

Indeed, after a couple of days of pondering about the torpedo attack, American officials now are beginning to wonder whether it all was not a matter of confusion and miscalculation, of Communist muddling rather than plotting. If so, was the Johnson administration correct in its instant retaliatory blow and the speed with which it drove a resolution of approval through Congress?

On the American side, then, there was new evidence of not only a vast ignorance of Communist attitudes but of a lack of detailed information and perhaps a confused reading of what information was available.

As to the perplexity in Hanoi and Peiping, we can only guess.

Did Hanoi really believe the Chinese contention that the United States is a paper tiger which could be attacked with impunity? Or was there some other motivation, some fact not yet surfaced, to account for such a seemingly reckless act?

Would Peiping, having lectured Nikita Khrushchev so often and so vehemently for being afraid of American weapons, now respond merely with words? Or would it encourage its seeming satellite, North Vietnam, to respond? Indeed, is North Vietnam really a Chinese satellite?

Of course, no power is ever certain of another power's inner thoughts; Anthony Eden was badly mistaken in his estimate of what the United States would do if Britain and France attacked Egypt in the Suez crisis. And American officials, or almost all of them, just could not believe that Khrushchev would try to put nuclear missiles in Cuba under the American nose.

There was a day when the United States had very little information about the Soviet Union and the men who run it. But Russia has been an open society compared to Red China. And, more important, the United States has worked hard at trying to understand the Soviet Union and what makes it, and its rulers, tick.

Back in the 1930's around the time the United States ended its efforts at diplomatic isolation of the Soviet Union, the Government began to train a group of young men as experts. In time, such men as George F. Kennan, Charles E. Bohlen, and Llewellyn E. Thompson, all later to serve as Ambassadors to Moscow, came to have a powerful say in Washington.

Thompson today is at the right hand of both Rusk and the President and his advice was a vital ingredient in the way President Kennedy handled the Cuban missile crisis. There is now a constant flow of young diplomats to and from our Moscow Embassy so that the Government has a second, third, and fourth echelon of knowledgeable men behind Thompson.

They may not know all the answers, indeed they know they do not, but they have at their command a vast aray of facts, hundreds of researchers in and out of Government, fluency in the language, and a wide first-hand knowledge of Russia and many of its top leaders and up-and-coming men.

OLD CHINA HANDS GONE

But the picture is very different when it comes to China. The old China hands of pre-World War II were decimated in the McCarthy era. For years we trained few to succeed them. Today, there is a new group gradually building up, but almost all of them are still far down the seniority list.

There is no China expert of Thompson's stature as a Soviet expert. The closest to such a man would be Marshall Green, the former consul general in Hong Kong who is now Deputy Assistant Secretary of State for Far Eastern Affairs, or Allen S. Whiting, who heads the Department's Office of Research and Analysis for the Far East. But neither has the entry to the President that Thompson has.

Rusk himself once was the Assistant Secretary for the area, but he has never acted as though he considered himself a Far Eastern expert.

Most of the New China Hands have had little or no experience on the mainland, occupied by the Communists since 1949. Intelligence and research work about China, both in and out of government, still lag far behind that about the Soviet Union. American journalists cannot go to China, though such trips are no longer prohibited by their own Government.

UNBROADENED BY TRAVEL

If the United States suffers from ignorance about China, the same is true and perhaps more so the other way around. From direct contact with the United States, the Soviets have been able at least partially to pull aside their Marxist ideological blinders and see the real world. But China, whose leader Mao Tst-tung has never been outside the Communist world (and that is true, too, of most of his associates), has far more difficulty in doing so.

This is attested to in part by the Chinese quarrels with Moscow over how to handle the American "paper tiger" with "nuclear teeth," as Khrushchev has put it.

Whether more contact with the West, so long prevented by the American-led diplomatic embargo against China, would alter this is a matter of argument here. Some say that China must take the time to advance from its primitive stage of communism, as Russia did, before it understands the rest of the world. Others think contact would be highly beneficial; that it would force on Peiping at least a degree of understanding of the West as such contacts have done for Moscow.

It is not true, as some charge, that there is no Chinese-American contact whatsoever. Ambasadors of the two countries do meet periodically in Warsaw, Poland, for what has at times been a useful channel to exchange viewpoints. But that is far, far different from the many and varied contacts between the United States and the Soviet Union. The Warsaw meeting room is a transmission point, not a means to span the ignorance gap between Washington and Peiping.

It should be noted here, however, that it was Khrushchev who took the biggest risk of all, that of putting missiles in Cuba. Mao has been more bellicose, perhaps, in words, but more cautious in acts, as indicated by his pull-back after taking a limited military licking in the 1958 Taiwan Straits crisis.

Despite his easy talk of China absorbing a couple of hundred million casualties, Mao has avoided giving the United States a pretext for a nuclear assault.

THE INSCRUTABLE OCCIDENT

But the new crisis created by the incidents in the Tonkin Gulf, so close to China itself, and the known efforts of China to fashion its own nuclear weapons, once again calls to our attention the vast gulf of ignorance between Washington and Peiping. Both these facts raise again the question of whether Peiping's isolation is truly in the American interest.

In an extraordinary interview with an Austrian editor last month, a high Chinese official, believed to be Deputy Premier and Foreign Minister Chen Yi, had a comment about President Johnson and his election rival, Senator Barry Goldwater. (Some American officials believe Mao himself rather than Chen Yi gave the interview.)

Senator Goldwater, said the Chinese, would "not be like the others, like Kennedy for example, or like Johnson now. They deceive the world with thier inscrutable smiles." Senator Goldwater's less complicated stance, as the Chinese saw it, would be easier to comprehend in Peiping, he reasoned.

An "ideological gulf" to Secretary Rusk is perhaps another way of describing the "inscrutable smiles" of President Johnson as viewed from Peiping.

It all leaves one with a feeling of two blind giants in the ring, circling around each other while feeling for an opening. If it were only a sporting event, we could relax with the spectators. But after all, it is not; the giants in the ring are the world's foremost military power and the world's most populous nation, now come a step closer in Southeast Asia to the brink of war.

FUNERAL OF MISSISSIPPI CIVIL RIGHTS WORKER

Mr. JAVITS. Mr. President, yesterday in New York a funeral took place for one of the victims of dreadful barbarism in one of our States—Mississippi. Mr. Andrew Goodman was a young civil rights worker, one of the so-called COFO workers.

The funeral for young Mr. Goodman was conducted at the Ethical Culture Society in New York. Mr. and Mrs. Schwerner and Mrs. Chaney, parents of the other two murdered Mississippi civil rights workers, also attended these services.

It was a very tragic occasion, ennobled and inspired by the dedication of all who spoke at the ceremony, that the work of human freedom, the enfranchisement of liberty, and the realization of constitutional rights which these young men in their martyrdom exemplified, would be carried on in memoriam for these heroic young people, and the hundreds who are following in their footsteps.

America should redeem its promise to the Negroes and other young people who have been willing to sacrifice everything, as these young men did, including life itself, in the tradition of American heroism.

Mr. President, I ask that there be printed at this point in the Record, articles from the New York Herald Tribune and an eloquent statement made by Carolyn Goodman and Robert Goodman, the parents of the young man who met such a terrible end in Mississippi.

The last words of this eloquent statement read:

> It is for us the living to dedicate ourselves that these dead shall not have died in vain.

Mr. President, I say "amen" to these words.

There being no objection, the articles and statement were ordered to be printed in the Record, as follows:

Funeral for Slain Rights Worker: A Prayer, a Tribute, and a Message—Family Grief, Public Sorrow, Freedom Song

(By Bill Whitworth)

("The blow struck at the body of this young man is a blow struck at all of us * * * his wounds cry out, Where is the integrity, where is the courage of the American people?"—Dr. Algernon Black at Andrew Goodman's funeral.)

Andrew Goodman, one of the three martyred civil rights workers who was dug out of an earthen dam last week in Mississippi by the FBI, was buried by his family yesterday in Mount Judah Cemetery, Brooklyn.

Mr. Goodman, 21, and his two companions were murdered 7 weeks ago at or near Philadelphia, Miss., where they were participating in a voter registration drive for Negroes.

Mrs. Robert Goodman, his mother, who had lost her composure publicly only once since the announcement that her son was missing, broke into tears at the end of the short burial service.

At the sound of the final words of the Hebrew prayer for the dead, Mrs. Goodman moved her lips silently, swayed to one side, and began sobbing. She was led to a waiting car, supported by Andrew's two younger brothers, and by her husband.

The burial service was held at 2 p.m. and was attended by only about 50 persons, most of them friends and members of the family.

But 2½ hours earlier, more than 1,200 persons had crowded into the funeral service and another thousand or so had waited outside, standing in silent tribute to Mr. Goodman and the two young men who were murdered with him, Michael Schwerner, 24, of Pelham, N.Y., and James E. Chaney, 22, a Negro, of Meridian, Miss. The funeral was at the Ethical Culture Hall, at 2 West 64th Street, Manhattan.

When the sealed coffin bearing Mr. Goodman's body was carried out of the hall after the funeral, a slow, almost whispered song filled the block. Standing behind police barricades with their hands joined and their arms interlocked, the crowd sang the civil rights anthem, "We Shall Overcome."

WITH THE FAMILY

Seated near the Goodman family during the service were Mr. and Mrs. Nathan Schwerner, Michael Schwerner's parents; Mrs. Rita Schwerner, his wife; and Mrs. Fannie Chaney, the mother of James E. Chaney. Mrs. Eloise Gross, the Goodman family's housekeeper, sat between Andrew's teenaged brothers, Jonathan and David.

Mr. Goodman's coffin, on which a single yellow rose had been placed, sat on a pedestal directly in front of them. On the wall behind it was an inscription in gold: "The place where men meet to seek the highest is holy ground."

Mrs. Goodman sat with her eyes closed and her head tilted back slightly, occasionally breathing deeply and struggling to hold back her tears. Her husband leaned forward, with his head down.

Algernon Black, a lay leader in the American Ethical Movement, was the first of five speakers at the service.

"The blow struck at this young man is a blow struck at all of us," Mr. Black said. "His wounds cry out, 'Where is the integrity * * * where is the courage of the American people?'"

He said that Americans must recall with a sense of shame the "prejudice, brutality, and ruthlessness" that had been shown Mr. Goodman and other young Americans in their own country.

Yet, he said, "this is a proud death, based on unwearied love of man for man. We all desperately need the message of his life."

PRINCIPAL EULOGY

The principal eulogy was given by Rabbi Arthur Lelyveld, of Cleveland, a friend of the Goodman family. He was beaten by segregationists in Mississippi last month when he visited the State as a counselor to the young workers in the Mississippi summer project.

Rabbi Lelyveld stressed that the work for which Mr. Goodman and his friends died must go forward. Those who carry it on are a "living and dynamic" memorial to the three young men, he said.

"These are the young men who are patiently instructing the old and the young in their citizenship rights; who are offering fellowship to the dispossessed; and who, as they go from door to door for voter registration or teach in freedom schools, give to the Negro community of Mississippi the assurance they are not alone," he said.

He described Mr. Goodman as a "proud and self-accepting Jew," and said that the "tradition out of which he came always has known that martyrdom is an ever-possible crown to genuine conviction."

The other speakers were Martin Popper, a lawyer and a family friend, and Ralph Engleman and Barbara Jones, classmates of Mr. Goodman at Queens College.

Mr. Popper said that Mr. Goodman and his friends were national heroes. The title "civil rights worker" has become part of the language of hope, in the way that "abolitionist" and "underground railway" did 100 years ago, he said.

Mr. Black closed the service by reminding the mourners that they had a responsibility in the cause for which Mr. Goodman died. "It is very easy," he said, "to criticize others for the evil that made this day * * * the question today is not whether Andrew Goodman is dead—the question is whether we are dead."

At the end of the service, a man stepped forward and handed the rose on the coffin to Mrs. Goodman. She moved into the center aisle, then turned back and took the arm of Mrs. Chaney. They went out together behind the coffin, followed by Michael Schwerner's mother and his wife, and by Mr. Goodman and Mr. Schwerner's father, who had joined hands.

The service had been scheduled to begin at 11:30 a.m. but was delayed until about 11:45. At 11:46 a man called police headquarters and said that two bombs had been placed near the coffin and would go off during the service.

At 12:15, police officers entered the auditorium and removed three floral pieces from the platform behind the coffin, to check them for bombs. Other policemen searched the rest of the building, including the basement, where 175 persons were listening to the service on a public address system. The police found nothing.

While Mr. and Mrs. Schwerner were attending the service for Mr. Goodman, the body of their own son arrived at Newark Airport in the cargo compartment of a jetliner, from Meridian, Miss. Last night the Schwerners attended a memorial service for their son at 8 o'clock at the nonsectarian Community Church, 40 East 35th Street.

Some 1,200 persons crowded into the church and, as at the Goodman service, they sang "We Shall Overcome."

The Funerals of Andrew Goodman

(By Jimmy Breslin)

The first funeral for Andrew Goodman was at night and it was a lot of work. To begin with they had to kill him. They took Goodman and the two with him, Mickey Schwerner and James Chaney, out into the woods in Philadelphia, Miss., and put .38 bullets into their hearts. This part of it wasn't so hard. Chaney was a nigger and they are easy to kill. Goodman and Schwerner were Jew nigger-lovers from New York and you were, of course, supposed to kill people like this. Just take the police .38 out of your holster and belt them out. But the rest of the funeral was difficult. They had to bring up a bulldozer and keep ramming its blade against the red clay earth until the three bodies were buried in the middle of a dam which was 100 feet long and 25 feet high. It was a real good job when they were finished, this first funeral, with the bodies packed in red clay.

The second funeral for Andrew Goodman was not as hard. It was in New York yesterday, under a glaring sky and with a breeze like it was autumn running through the streets.

At a little after 11 in the morning, two black air-conditioned limousines pulled up in front of 161 West 86th Street, which is where Goodman's parents, Mr. and Mrs. Robert Goodman, live.

The drivers got out and leaned against the cars and waited for the people to come down.

"I was up late last night," Harold Williams, one of the drivers, was saying. "I go to this movie up in Yonkers and an extra picture, 'The Night of the Iguana,' came on. No signs outside or anything. It just came on. I'm telling you, you see the start of this picture, you can't leave."

"You always work on Sundays?"

"Oh, sure, we're always busy on Sunday. The funeral still will be over by one, one-thirty at the latest."

A couple of people came out of the apartment house and got into the second limousine. Williams came around and opened the door of his car. Then the glass door of the apartment house opened again, and Mrs. Robert Goodman came out. She had on a floppy black picture hat which was pinned to her hair in the back, a black summer coat and black dress. Long blonde hair framed her face. She walked erectly and got into the car quickly. Then her husband and two sons came out and got into the car with her and a funeral director closed the door and Williams got into the driver's seat and started the car.

The two limousines turned onto Amsterdam Avenue and headed downtown.

The funeral services were going to be held at the Ethical Culture Society, on 64th Street and Central Park West. The cars turned left on 64th Street, and came up a block to Columbus Avenue and crossed that and then started up to the Ethical Culture Building and now everything became different, and it was beautiful in its sad, sorrowful way.

For the length of the block, on the south side of the street, people were standing in line. Standing in silence and with straight faces and the women, many of them, had on hats and the men all were in suits and there were 1,000 of these people and they were there because they cared. They did not move or push or try for a better look when the cars stopped in front of the Ethical Culture Building. As Mrs. Goodman stepped out of the car and walked into the building there was, all over this block in New York City yesterday, the simple human dignity we have seen so little of for so long a time.

The silent line of people moved into the church until there was no more room and the doors were closed. Even then they did not leave. They simply stood and were silent. And now people were collecting on the other side of the block too and they were across Central Park West too and there was no noise.

The casket, light brown and with the ceiling lights playing on it, was in the front of the hall. Curved rows of church benches forming a semicircle fanned back from the casket. When they ended, a raised section of benches began. It went up to the second story. Above the casket on a green carpeted stage, was a lectern with three microphones.

Mrs. Goodman and her family and Mrs. Fannie Lee Chaney, the mother of James Chaney, and Mrs. Rita Schwerner, the widow of Mickey Schwerner, sat in the front pew, directly behind the casket. There were no flowers on the casket, except for a single rose. Three sprays of gladiolas were up on the carpeted stage. All other flowers had been turned back because somebody had called and said a bomb was going to be in one basket of flowers.

A door on the side of the platform opened and Algernon Black, head of the Ethical Culture Society, came out leading the four other people who would speak at these services which were nonreligious. The four were Rabbi Arthur Lelyveld, Martin Popper, an attorney who was a friend of the family, and two students, Ralph Engelman and Barbara Jones, who were in the summer voter registration program with Goodman.

THE PUBLIC'S MEMORY

Black spoke first. "This is part of a number of funerals which were never held for people who died for freedom and equality," he said. Topper said, "Mississippi will never be the same." The boy, Engelman, said, "Andy risked not only death but also dying in vain. How fast the public forgets this is a question." The girl spoke and then the Rabbi said the ancient "May his soul be bound up in the bond of all the living."

A large colored woman in a black straw hat was at the top of the raised section leaning against the wall alongside an open stained glass window and crying up at the blue sky.

"I raised him," she was saying. "I raised him. They go and kill him. He was so good. I nursed him. They go and kill him, I wonder why they kill him."

She was heavy, the Goodman maid, and she had a great black face and tears ran down it and the sunlight coming through the window gleamed on the wet black face.

Mrs. Goodman and Mrs. Chaney and Mrs. Schwerner walked out of the building holding each other's hands. From another door, eight pallbearers stepped out with the casket on their shoulders.

Now the people were all over. They sang "We Shall Overcome," and the chauffeurs of the limousines were somber and the police were standing straight, and in the crowd women put handkerchiefs to their faces and men bit their lips and it seemed that everybody on 64th Street was crying.

The burial was in Brooklyn, at a cemetery called Mount Judah in Cypress Hills.

The services at the grave were short. The rabbi stood and prayed and Mrs. Goodman had her face buried in her handkerchief.

The gravediggers were standing in the back of the plot. Their shovels, long handled with sharp points, against a tombstone.

Soon the rabbi was finished and the crowd of people were gone. Dirt began to cover the casket. The dirt poured out of the shovels and down onto the six white roses which were thrown on top of the casket, and the dirt covered the roses, and pretty soon there was nothing but dirt and the hole was filled up and they began working on a mound. It was much easier burying Andy Goodman in Queens yesterday afternoon that it was burying him at night in Philadelphia, Miss.

Then gravedigger William Weatrowski came up and stuck a red wooden stick into the dirt at the head of the mound. A small black plastic sign was on the stick. "Andrew Goodman," it said.

Weatrowski took a red bandana out of his hip pocket and began mopping his face with it.

"What's that?" he said.

"Nothing. I was just talking to myself. I was just wondering how long the name on the sign is going to last."

STATEMENT OF CAROLYN AND ROBERT GOODMAN

The passage of many weeks of uncertainty has ended in the knowledge of the murder of our son Andrew Goodman and his companions James Chaney and Michael Schwerner. Hope, slim though it was, has passed away and a painful certainty has come.

Our grief, though personal, belongs to our Nation. This tragedy is not private. It is part of the public conscience of our country.

It is necessary, especially in such a time of agony, to confront ourselves with our own history and the social sickness that still remains long after the binding together of our Nations wounds that was our Civil War.

The values our son expressed in his simple action of going to Mississippi are still the bonds that bind this Nation together—its Constitution, its law, its Bill of Rights.

Whenever and wherever part of a people mock our heritage, as has now again been done, we must respond with the full power and strength of our heritage.

The solution of this crime and the punishment of those who have committed it is necessary as part of the process that will enable this Nation to endure.

Throughout our history, countless Americans have died in the continuing struggle for equality. We shall continue to work for this goal and we fervently hope that Americans so engaged will be aided and protected in this noble mission.

For ourselves, we wish to express our pride in our son's commitment and that of his companions now dead, and that of his companions now alive, now in Mississippi acting each hour to express those truths that are self-evident.

In Washington 4 weeks ago, my wife and I in a sense made a pilgrimage to the Lincoln Memorial in the evening and stood in that great shrine looking down past the Washington Monument toward the soft glow of the light around the White House. Full of the awe of a great nation that surrounded us, we turned to read, emblazoned in black letters on the white marble: "It is for us the living to dedicate ourselves that these dead shall not have died in vain."

AUGUST 5, 1964.

Mr. KEATING subsequently said. Mr. President, I have talked with Mr. and Mrs. Goodman several times during this trying period. They are wonderful, dedicated people who can be justly proud of their fine son. His dedication to the American ideals of brotherhood and freedom was the motivating force which led him to Mississippi. He and Michael Schwerner and James Chaney have died for those ideals, but our renewed dedication to these values will give meaning to their lives and to their deaths.

I have received communications from the parents of these young men which indicate their own depth of character. I extend to the Goodman family, to Mr. and Mrs. Schwerner, to Mrs. Rita Schwerner, Michael Schwerner's widow, and to Mrs. Chaney, my heartfelt sympathy in this hour of their grief.

TRIBUTE TO HERBERT HOOVER

Mr. JAVITS. Mr. President, today every American must pause to pay tribute to the 30th President of the United States, Herbert Hoover, truly a citizen of the world. Born in Iowa, raised in the Indian territory and in Oregon, educated in California—we are now honored that he makes New York his home. But his life has never been motivated by sectional aims or by selfish goals. It has been a life dedicated to honest humanitarianism.

Scanning his career is like reading a roster of the major events of the 20th century—the opening of Africa and Australia, the Boxer Rebellion, World War I, the birth of aviation and radio communications, World War II, and reform in the American Government. Yet what is most striking about his accomplishments is that in each case the recognition and the glory was not based on military, political, or economic considerations, but on his humanitarian actions.

In the Boxer Rebellion of 1900 he directed relief for the victims; from 1914 to 1923 he personally distributed more than $5 billion of relief in Europe; after World War II he coordinated the European food program—this is the Hoover of history.

Only one other American President has lived to the age of 90, John Adams, a man much maligned in his own day, but a man who lived to receive the gratitude of the Nation for his fine deeds and courageous actions—and such has been the case with Herbert Hoover.

On the occasion of his 90th birthday, I am sure that all Americans join in warm tribute to Herbert Hoover. But we in New York State are particularly happy to congratulate this, our foremost citizen. Governor Rockefeller has proclaimed this Herbert Hoover Day in New York State and the World's Fair, itself dedicated to peace through understanding, has set aside this day in honor of the man who has done so much for world peace and world understanding.

I extend to President Hoover and his family my own and Mrs. Javits' every wish for health and happiness.

Mr. President, I ask unanimous consent that various editorials paying tribute to former President Hoover may be printed at this point in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

HERBERT HOOVER AT 90

To start down the last decade toward the century mark is a triumph for any man. It is rather more for one who has served in the taxing role of President of the United States—until Mr. Hoover, only John Adams had done so. But for Herbert Hoover this day is not a milestone of mere survival. His victory lies, rather, in the conquest of obloquy by character and achievement.

Few men have experienced the extremes of public praise and public scorn that Mr. Hoover has known. He fed the children of a war-ravaged world, and his name was a synonym for humaneness. He came to the White House on the crest of a wave of national prosperity, a unique President at the time, in that he had been neither a military hero nor a partisan leader. Indeed, he was considered so apolitical that some Democrats wanted to run him for office and many Republican party bosses viewed him with grave distrust. But the Nation as a whole acclaimed him.

Then the wave of good times receded, and President Hoover struggled with an economic disaster of unprecedented proportions. He approached his task with what, in the context of the times, was boldness and vigor. But the public demanded more; success, or at least the appearance of it. Herbert Hoover could not pretend; he clung to those principles of government which he had always held, and which he still holds. And he went down to defeat in a storm of dispraise that was heightened by both hysteria and calculation.

Mr. Hoover did more than outlive that storm. He was called into public service again and again, by Presidents both Democratic and Republican, and the pride in which his countrymen had held him was renewed, marked now by a growing affection. Herbert Hoover has not changed; he has never courted popularity by the facile appeal of personality or by adapting his views to the current taste. But to the man he is, and always has been, the American people (they have done it formally through their representatives in Congress assembled) extend their gratitude, and their very best wishes on his 90th birthday.

HOOVER AT 90

Few men of our century and few Presidents of the United States have had the ups and downs that Herbert Hoover went through. Only John Adams among our Presidents lived to be 90 years old—the age Mr. Hoover reaches today.

He himself has talked with wry humor about how he was popular for 14 years—1918 to 1933—then unpopular for another 14, after which "life was more complimentary." He was thinking of his humanitarian work at the end of World War I, of his Presidency, and then of the great depression and what followed. The return to popularity came with a whole new career that began in 1947 when Mr. Hoover was 72. He served for 9 years as head of the Hoover Commission whose recommendations have had a great impact on increasing the efficiency of the executive branch of the Government.

The vigor of mind and body that he displayed in the eighth decade of his life was remarkable in itself, but also because it raised him to popular heights that he had never been able to achieve before. Like Winston Churchill in a different way, Herbert Hoover made his greatest mark at an age most people consider to be "old."

A new generation came to know him after his long sojourn in something approaching a wilderness of neglect. A character emerged that Americans came to like as well as admire. One had to be a conservative to agree with Herbert Hoover's political ideas, but everybody could agree that this was a man whose qualities were of the first order.

He always took honors, like criticism, philosophically, but the praise that will come to him today is more than a response to the fact that it is his 90th birthday. He has earned the tributes of the Nation he is still serving as he enters one more decade of life.

TEXT OF HOOVER'S MESSAGE FOR BIRTHDAY

Our American form of civilization has been deluged with rising criticism, from both home and abroad. Altogether, the critics say, we seem to be in a very, very bad way, and engaged in our decline and fall.

Criticism is no doubt good for the soul but we must beware that it does not upset our confidence in ourselves. So perhaps the time has come for Americans to take stock and to think something good about themselves.

We could point to our constantly improving physical health and lengthening span of life.

In the governmental field, we could suggest that our supposedly decadent people still rely upon the miracle of the ballot and the legislative hall to settle differences of view, and not upon a secret police.

CULTURAL LEVEL HIGH

In the cultural field, we could point out that we have more young people in high schools and institutions of higher learning, more musical and literary organizations, greater distribution of the printed and spoken word than any other country.

On the moral and spiritual side, we could suggest that we alone, of all nations, fought for freemen in two World Wars and asked no indemnities, no acquisition of territory, no domination over other peoples. We could point to a spirit of Christian compassion such as the world has never seen and prove it by the tons of food and clothing and billions of dollars we have provided as gifts in saving hundreds of millions of people overseas from famine, and many governments from collapse.

ENFORCEMENT LAX

Deeply as I feel the lag in certain areas which denies equal chance to our Negro population, I cannot refrain from saying that our 19 million Negroes probably own more automobiles than all the 220 million Russians and the 200 million African Negroes put together.

We have an alarming amount of crime and youth delinquency. The fault, however, has been largely in the failure of our law enforcement after the police have made the arrest.

Hope lies in the continuing expansion of such organizations as the Boys' Clubs of America that take underprivileged boys off the streets during their formative years and help them to build sound minds and sound bodies, and most important of all sound characters.

We could point out that our American system has achieved the greatest productivity, the highest standards of living of any nation on earth. True, we have large natural resources—but other nations also have such resources. What, then, has brought us such abundance?

I have enjoyed a varied life and wide opportunities to discover the key. I have seen America in contrast with many nations and races. My profession took me into many foreign lands under many kinds of government. I have worked with their great spiritual leaders and their great statesmen. I have seen freedom die and slavery arise.

I have worked in governments of freemen, of tyrannies, of Socialists and of Communists.

I have searched in these travels—and sought to learn from books and from the leaders of other nations—what it is that has given America this superabundance. What is the key to it?

The key, I am convinced, is that among us there is greater freedom for the individual man and woman than in any other great nation. In the Constitution and in the Bill of Rights are enumerated the specific freedoms. Then there are a dozen other freedoms which are not a matter of specific law—such as freedom to choose our own callings, freedom to quit a job and seek another, freedom to buy or not to buy, freedom for each man to venture and to protect his success, always subject to the rights of his neighbors. In short, we have freedom of choice. And the product of our freedom is the stimulation of our energies, initiative, ingenuity, and creative facilities.

Freedom is the open window through which pours the sunlight of the human spirit of human dignity. With the preservation of these moral and spiritual qualities, and with God's grace, will come further greatness for our country.

Mr. KEATING subsequently said: Mr. President, today I am pleased to join in honoring the 90th birthday of the former President of the United States, Herbert Hoover. Mr. Hoover has enjoyed a long and honorable career of public service which began in the terrible days of the First World War. His first service to the people of America was assistance in the repatriation of nearly a quarter of a million Americans who found themselves stranded in Europe in the late summer of 1914 when World War I erupted and travelers checks were no longer accepted in Europe. Mr. Hoover responded later at the request of the French, German, and United States Governments that he head a committee for the relief of the millions left hungry and homeless because of the ravages of war.

Mr. President, after the Second World War, Mr. Hoover became Director-General of the European Relief and Rehabilitation Commission which was directly responsible for staving off starvation for millions and millions of people. Twenty-three countries, including the Soviet Union, owe a tremendous debt of gratitude to the Commission and Mr. Hoover's indefatigable efforts.

After the Second World War, Mr. Hoover was again called upon to put his talents and energy to work for the welfare of a hungry and destitute postwar world. His reports on the economic situation in Germany and Austria and on food needs and conditions throughout the world set guidelines for the United Nations rehabilitation efforts. Mr. Hoover's last official Government responsibility was the compiling of the tremendous studies on the executive branch of the Government known as the Hoover Commission reports. Millions of dollars have been saved as the result of recommendations made by the Commission and thousands of hours of administrative work and effort have been spared through the implementation of the recommendations made by the Hoover Commission.

Mr. President, the Nation today offers its hearty congratulations and warmest greetings to a great American who has served his country wholeheartedly and faithfully for more than half a century.

LEADERSHIP IN LATIN AMERICA AND AT HOME

Mr. GRUENING. Mr. President, now that we are discussing foreign aid, it is appropriate to call attention to a most worthwhile article by Romulo Betancourt, the distinguished former President of Venezuela and now a life Senator in that republic, which gives a vivid account of how Venezuela has gone through a 6-year period of democratic enlightened government, the first time in the history of Venezuela that a regime has survived its full term ushered in and followed by an honest democratic election. This, in itself, is a historic achievement and an indication of what can be done in Latin America under great leadership.

Romulo Betancourt, who deserves tremendous credit for this achievement, modestly decries his personal contribution, saying:

> An excessive amount of personal credit has been given to me for what is now called the Venezuelan miracle. I am certain that ascribing a government's success to the skill of one man does not serve the truth. Moreover, it downgrades the chances that what has been accomplished in my country could take place elsewhere under similar conditions.

But he adds:

> To adopt an attitude of extreme modesty would be hypocritical and would undervalue the role of leadership.

The fact of the matter is that democracy everywhere depends for its success on leadership. Recent history has brilliantly illustrated that axiom. What would have happened in World War II had not Great Britain been fortunate in the leadership of Winston Churchill and the United States in the leadership of Franklin Delano Roosevelt? Again and again it has been demonstrated on a national scale at and in smaller units of State and municipality that progress requires militant, honest, courageous, and enlightened leadership.

Speaking of both leadership and Latin America, the July issue of Foreign Affairs carries a magnificent article entitled "U.S. Policy in Latin America," written by our distinguished majority whip, HUBERT H. HUMPHREY. He has set forth here what our policy should be and what it seeks. It is a masterful summary of the very issues that are now coming before us.

One of the profound truths which he utters in the course of this article may be found in these words:

> If the social and economic objectives of the Alliance are to be achieved, we must lend our strong support to those governments and those political parties which are really committed to the Alliance program, which are committed to modifying the antiquated economic and social structure of society. Although there is and will continue to be a wide variety of parties and governments, we are most likely to see the aims of the Alliance realized and our own interests served if we strongly support reformist governments like those of Romulo Betancourt in Venezuela and Belaúnde Terry in Peru, reformist political parties like those that provided leadership in the Caribbean area during the past two decades, and the Christian Democratic parties that are rapidly emerging as a major political force in South America.

I might say that the excellent prospectus of our Latin American policy which HUBERT H. HUMPHREY has given us now offers a most hopeful prospect of effective realization under the leadership of Thomas C. Mann, to whom President Johnson has wisely entrusted the responsibility for carrying out this vast program. No one is better qualified by experience and outlook than Assistant Secretary Mann.

This article gives further evidence of the breadth of the knowledge of the able senior Senator from Minnesota and of his qualities of leadership.

It is pertinent that two of our leading magazines this month carry leading articles on HUBERT HUMPHREY: one in the New Republic entitled "Johnson-Humphrey," and the other in the Progressive, whose leading editorial is headlined "HUMPHREY for Vice President."

I ask unanimous consent that the article by Romulo Betancourt from the Reporter, entitled "The Venezuelan Miracle"; the article from Foreign Affairs, by HUBERT HUMPHREY, entitled "U.S. Policy in Latin America"; the leading editorial in the New Republic entitled "Johnson-Humphrey"; and the editorial in the Progressive entitled "HUMPHREY for Vice President" be printed in the RECORD at this point in my remarks.

There being no objection, the articles and editorials were ordered to be printed in the RECORD, as follows:

[From the Reporter, Aug. 13, 1964]

THE VENEZUELAN MIRACLE

(By Romulo Betancourt)

On July 26, the 11th anniversary of the founding of Fidel Castro's revolutionary movement, the Organization of American States voted overwhelmingly to condemn Cuba's acts of aggression against Venezuela. All the member American governments—with the single exception of Mexico—have now acknowledged the acts of Cuban subversion, and 15 of these governments have also voted mandatory sanctions against the aggressor. Moreover, the obligation to carry out the sanctions falls not only on those governments which voted in favor of them but also on those which abstained or voted against.

These measures—the suspension of diplomatic relations and an economic boycott—will have worldwide repercussions. The non-Communist governments of Europe and America still trading with Communist Cuba must now think carefully before continuing to defy the democratic consensus of the Americas. The countries most directly attacked by Cuba—Venezuela above all—can now be expected to undertake an articulate and vigorous boycott against the ships and products of any country that continues to traffic with Castro's government.

The results of the foreign ministers meeting proves that the machinery of the inter-American system can be effective when governments with faith in collective action are disposed to invoke it. Such, indeed, was the reaction of the Venezuelan Government when it indicted Cuba for threatening the peace of the Americas by subversion and terrorism designed to prevent a democratic election from taking place in Venezuela.

The world's attention was focused on Venezuela last December. For the first time in the country's 150 years of independence, a freely elected president had completed his constitutional 5-year term and the election of a successor was about to take place. The election was peaceful. Three million people—94 percent of the electorate, literate, and illiterate—voted for seven candidates, and Dr. Raul Leoni was elected. On March 11, 1964, I invested the man who was to succeed me with the sash of head of state. Even the defeated candidates agreed that the elections had been free of any semblance of fraud or the illegal support of any candidate by the Government. Thus Venezuela demonstrated that the exercise of responsible representative government is not limited exclusively to the Anglo-Saxon world. Moreover, we Venezuelans also proved that democracy can defend itself against Communist and reactionary subversion.

The Government over which I presided between 1959 and 1964 began under the best of auspices. I had obtained a comfortable plurality of 49 percent of all votes cast for three candidates. A coalition of parties, representing 90 percent of the voters made up the Cabinet and supported the Government in both Houses of Congress. These parties were the Acción Democrática, which I founded in 1947; the Unión Republicana Democratica; and the Social-Christiano Copei. The unhappy memories of 10 years of tyranny produced both hope and faith in this new democratic experiment. But there were serious problems to be dealt with. Some were of local origin; others were the result of outside influence.

Social demands that had long been repressed burst forth tumultuously. Encouraged by the Communists, 200,000 unemployed took to the streets, insisting that the Government find some magical way in a matter of weeks to solve problems accumulated over decades of corrupt and incompetent regimes. Even in the ranks of the Government parties there was doubt and frustration because the administration was not striding with seven-league boots.

FIRST TRUJILLO, THEN CASTRO

Before long a reactionary conspiracy against the Government was formed. Encouragement, arms, and operational bases in Santo Domingo were provided by the dictator, Rafael Leónidas Trujillo. With the direct assistance of the despotic Dominican regime, a military rebellion erupted in San Cristóbal, in the west near the Colombian border, in January 1960. Loyal forces subdued it, and all over the country crowds poured into the streets, expressing their determination to defend the constitution. After this episode, my country denounced Trujillo and his regime before the Organization of American States. Trujillo's reply shocked the Americas. Some of his men threw a bomb at my automobile on June 24, 1960. A colonel, the head of the military household of the presidency, died beside me. I myself and the others with me suffered serious wounds. For many months I directed the Government from a sickbed, with both hands badly burned, my left eardrum damaged, and my vision severely impaired.

Meanwhile, Fidel Castro's peculiar regime had been installed. It was not at all congenial to me and, during the course of a meeting in Caracas in late January 1959, I told Castro that it would be impossible for my Government to cooperate with him in what he called "a master plan against the gringos." He wanted a loan of $300 million from Venezuela to free his Government from dependence on the U.S. sugar market quotas, loans from U.S. banks, and international credit agencies.

Several incidents contributed to the deterioration of relations between Caracas and Havana. When "Che" Guevara and Raúl Castro tried to attend a public meeting commemorating the anniversary of the Russian revolution sponsored by the Communist Party in Caracas in 1960, they were forbidden to enter the country. And when the Cuban Government began shooting political opponents and filling jails with political prisoners, my Government, true to its principles, reacted as it had to the similar procedures employed by Trujillo. We publicly protested these repressive measures and reaffirmed our support of the efforts of the Peace Commission of the OAS to stop this display of contempt for human dignity and freedom.

After Trujillo's assassination and the Cuban Government's open espousal of Communist ideology and its transformation into just one more satellite in the Soviet constellation. Castro became the chief supplier of money, arms, and instructions to the enemies of Venezuelan democracy. Havana became the conspiratorial and supply center of the Venezuelan Communist Party, its allies, and its accomplices. Activists specializing in sabotage, bank holdups, and assassination were trained in Cuba. A wave of terrorism swept the country.

At first, nobody in Venezuela could believe—and let this be a warning to other countries—that time bombs, exploded in crowded places without regard for how many would be killed or wounded, would be used as a political instrument. It never occurred to Venezuelans that their own countrymen, backed by foreign governments, could machinegun policemen in the back from speeding cars. No one could believe that under the cynical euphemism of "revolutionary expropriation" political groups could rob banks, or that these avowed leftists could promote armed insurrections with the help of reactionary military officers on the retired lists. But the Communists did all of this, fomenting two insurrections at the navy bases of Carúpano and Puerto Cabello in 1962 that were subdued at the cost of many casualties.

Far from concealing their role, the Cubans publicly and boastfully proclaimed their support of the pyromaniacs and dynamiters who were doing their bidding. Venezuela was a coveted prize that Castro wanted to offer to his master, Nikita Khrushchev. For one thing, Venezuela produces 3 million barrels of oil a day. Furthermore, Venezuela holds out to the developing Latin American countries a pattern of economic growth, social change, and freedom that contrasts dramatically with the bankruptcy in production, backwardness in welfare, and firing squads of Cuba. At the top of their lungs the despots proclaimed that the Venezuelan experiment had to be destroyed.

Blas Roca, the spokesman for the Cuban Communist Party, declared in a speech in Havana on January 24, 1963: "When the people of Venezuela are victorious, when they get their total independence from imperialism, then all America will take fire, all America will push forward, all America will be liberated once and for all from the ominous yoke of Yankee imperialism. Their fight helps us today, and their victory will mean a tremendous boost for us. We will no longer be a solitary island of the Caribbean facing the Yankee imperialists, for we will have land support on the continent."

And on April 19, 1962, Fidel Castro exultantly predicted that my Government would be overthrown within a year.

FIGHTING BACK

This internal and external offensive did not intimidate my government. We returned blow for blow, and at the same time created specialized units to defend the public order against this new and insidious type of subversion. After a dangerous period in which stunned surprise produced a kind of public paralysis, the country was roused by a test of its nerve in the form of fires, dynamite blasts, and cowardly murders. I appealed to the people by television and radio, insisting that the fight against organized crime was not only the duty of the Government but of the whole Nation. I said many times that democracy is not a lax, weak, and foolish mechanism, incapable of defending itself against those who would destroy it. I recalled that Mussolini had been able to establish fascism in Italy because of the inability of the parliamentary regime to deal with the Blackshirts before it was too late. I recommended the reading of Shirer's "Rise and Fall of the Third Reich," which tells how the Weimar Republic fell before Hitler's Nazi gangs because of its lack of decisiveness in facing and shackling them when that was still possible. The bookstores sold every copy in stock.

Besieged by the internal offensive of several groups of militarist organizations that had been trained and armed by Havana, the Venezuelan Government broke diplomatic relations with Castro and barred all ships that had docked in Cuban ports. At the OAS meeting in Punta del Este, we were among the 14 nations that voted to exclude the Cuban regime from the inter-American community. In October 1962, when it was evident that Cuba had been transformed into a Soviet base for medium- and intermediate-range offensive missiles, my Government was the first in Latin America to mobilize its armed forces, and was one of the two governments that sent warships, planes, and a submarine—our only submarine—to take part in the blockade of the island.

And, of course, it was at our request that the meeting of the OAS foreign ministers was held in Washington last month to consider charges that Castro had clandestinely landed 4 tons of arms on our northwest coast for the purpose of producing a blood bath in Caracas and disrupting the elections that were held on December 1, 1963. After the arms were seized, a special OAS commission—formed by Argentina, Uruguay, Costa Rica, Colombia, and the United States—went to Venezuela on December 8, 1963, to examine them and determine their origin. This commission confirmed what had already been established by the Venezuelan Government; i.e., that on the basis of the evidence of manufacturers in Italy, Belgium, and the United States, the arms must have been smuggled in from Cuba. There were not only automatic pistols and submachine guns, but mortars, NATO-type rifles, bazookas, recoilless cannon, demolition charges, and thousands of rounds of ammunition.

The 31 submachine guns and the 81 automatic rifles, together with ammuntion, came from a lot sold to Cuba in 1959 by the Fabrique Nationale d'Armes de Guerre of Belgium. According to the general manager and the president of that company, only in the Cuban arsenals and nowhere else were arms with such special characteristics made to the buyer's specifications to be found. Evidence from the Italian Government and the Società Apparecchiature Produzioni Rappresentanze Impianti (SAPRI) indicated that the 20 bazookas were part of a lot sold to the Cuban Government in December 1959. And the U.S. Government offered proof that the cannon and mortars were part of a lot delivered to the Cuban Government during the Batista period.

Other convincing proof of the origin of the contraband was obtained. The craft that carried it ashore was found in the same spot as the war materiel: it was a 16-foot aluminum boat with a Johnson outboard motor manufactured by a Canadian firm, which stated that this motor had been flown from an exporting agency of Montreal to Havana on October 1, 1963. It was consigned to the Cuban National Institute of Agrarian Reform, Poultry Section, precisely 1 month before it was found in the Paraguaná Peninsula of Venezuela. Castro once dedicated one of his interminable televised speeches to a discourse on the fatness of the Marxist-Leninist chickens of the future and to an explanation of why those of the present were all bones and feathers; the pip had done them in. Another explanation may lie in the fact that the poultry section of the Cuban National Institute of Agrarian Reform is not concentrating all its efforts on promoting poultry production if it is busy smuggling arms into Latin America.

When discoverery of the arms cache was revealed in Havana, official comment was limited to a statement that the arsenal had been placed there by the U.S. Central Intelligence Agency with the complicity of my government. This attitude was supplemented by an insult to all the American governments. When the president of the OAS investigating commission, Ambassador Rodolfo A. Weidmann of Argentina, offered the Cuban Government an opportunity to answer the accusations, the Cuban foreign minister rejected "the note of the investigating commission because of its cynicism." He repeated the same old story about the meddling of the CIA and denied that the OAS had any jurisdiction over Venezuela-Cuban relations "because of its status as colonial ministry for the State Department."

Thus all members of the OAS are called appendages of this "colonial ministry"—and this from people who never get tired of yelling "Long live the Soviet chains."

A few weeks ago, an account of a conversation held in Moscow between the Soviet premier and William Benton, publisher of the Encyclopaedia Britannica, appeared in the U.S. press. There were some very vague allusions to the Cuban arms that had been discovered in Venezuela. Since I am a friend of former Senator Benton's, I asked him for a firsthand version. He has informed me that Khrushchev insisted the Soviet and the Communist Party take no part in the encouragement of revolutionary agitation. "I said, 'Let's take Venezuela,'" Mr. Benton wrote to me in his account of the conversation. "'President Betancourt was a legally elected president of a democratic regime which we in the United States respected and admired. An effort made to assassinate him was traced back to Castro and Cuba. The Cubans further sought to foment revolution and shipped arms into Venezuela.' The chairman did not let me continue. He waved his hand at me and said emphatically, 'Who placed the arms in Venezuela? Was it Castro? Was it the CIA?' I laughed. The chairman laughed. Yes, he laughed many times during the interview. He has a very good sense of humor. And he added with another laugh, 'Both things could have happened.'"

There would have been very little laughter in my country if these arms had reached the hands of the Venezuelan agents of Castro. Many dead, hundreds of wounded, dozens of buildings destroyed—these would have been the tragic consequences for Caracas. This arsenal, you must understand, was not intended for the small bands of self-styled guerrillas who flee from the farmers, the armed forces, and their own sense of failure by hiding out in the inaccessible caverns of the Sierra de Coro. These arms were dispatched for the use of activists trained in Cuba to execute a surprise massacre among the population of our nation's capital.

Several days after the discovery of the arms in Paraguaná, the Venezuelan police arrested Luis E. Sánchez Madero, one of the heads of FALN, the paramilitary Communist organization. He had traveled to Cuba many times under different names with forged passports and through the rather casual transit customs inspections of Mexico and Brazil. He had in his possession a detailed description of the strategic posts—the terraces of high buildings and other places—where weapons of great firepower were to be placed at D-hour. It was symptomatic of the criminal insanity of the planning group behind the Caracas operation that the mortars and machineguns were to be placed in the corridors of a maternity hospital where the lives of about 400 women and their babies would be threatened. Other weapons were to be placed at the intersections of the most crowded avenues, where terror and death could have reached unpredictable magnitude. All these documents, written in the hand of Sánchez Madero, were photocopied and included in the report of the OAS investigating commission.

I WILL NOT DEVIATE

During our fight against attack from both right and left, my government never abandoned democratic procedures. There were no firing squad executions, because the Venezuelan Constitution forbids the death penalty. We did suspend the activities of the Communist Party and its twin, the Revolutionary Movement of the Left (MIR). But we had no authority to do more, and my government requested a ruling from our supreme court on the illegality of both organizations. The court validated the government's measures.

The two Communist senators and seven representatives, elected on the slate of a candidate whom I had defeated in the elections, were the heads of the rebellion, acting with impunity behind the protection of their parliamentary immunity; it was necessary to order their arrest under the charge of rebellion, and they were duly prosecuted and sent to jail. Democracy cannot defend itself by adopting the methods of dictatorship; we could not create respect for the law in a country where the will of despots had ruled for so many years without following the law to the letter and avoiding the shortcut of official repression.

This method of neutralizing both reactionary and Communist subversion was commented on by President Kennedy during the active correspondence we maintained from the time he entered the White House until that tragic day last November. A paragraph of my letter of May 9, 1962, said:

"We are hitting both groups, reactionaries and Communists, in earnest and in depth in conformity with the Constitution and the law. Our means are no more expeditious than those in the United States and other countries where the representative form of government prevails. We have laws, courts, and legal procedures that work slowly and not always efficiently. But the measures will become more and more active and will be perfected without violating legal standards. The impatient ones would like us to go beyond the written law—and even beyond the unwritten but overriding law of respect for human dignity. I will not, however, deviate from the course laid down for me by the fundamental law of Venezuela and by my own conscience."

The final results proved that the policy was a sound one. The most dangerous Communist agents, as well as many of their allies from the extremist right, have received sentences of up to 20 years in prison. And there is now a general sentiment in Venezuela of enduring repudiation toward all native Communists and their mentors in Havana. It would be difficult to find another country as immune as Venezuela to the totalitarian virus that Cuba exports along with money and arms to Latin America. This is why the elections of December 1963 and the subsequent transfer of power took place in perfect order.

An excessive amount of personal credit has been given to me for what is now called the Venezuelan miracle. I am certain that ascribing a government's success to the skill of one man does not serve the truth. Moreover, it downgrades the chances that what has been accomplished in my country could take place elsewhere under similar conditions.

To adopt an attitude of extreme modesty would be hypocritical and would undervalue the role of leadership. I do not deny that a part of myself is deeply embedded in the recent history of my country. But it must be made clear that an arithmetical computation of the strengths and weaknesses of a particular political leader is not the key to understanding the events taking place in a country. The factors are more complex than that.

The basic fact that explains the survival of democracy in Venezuela against all attempts to destroy it is that it had the support of the decisive majority of all Venezuelans. The people—and I mean this in all sincerity even if the phrasing may seem grandiloquent—have been the great heroes of this campaign. Perhaps other democracies can benefit from learning the reasons why this majority faithfully and unhesitatingly supported my administration.

For one thing, the government did not limit itself to maintaining civil liberties but also encouraged profound changes in the antiquated and inequitable social institutions of the country. It did not simply administer the status quo for the profit and perpetuation of a few. Instead, it eliminated vicious profiteering by politicians, vigorously promoted economic development and orderly fiscal policies, and offered vast segments of society opportunities for jobs, land, and education. In this way, it demonstrated that even while it is defending itself, democracy can grow and expand to meet the needs and aspirations of the people.

[From Foreign Affairs, July 1964]

U.S. POLICY IN LATIN AMERICA

(BY HUBERT H. HUMPHREY)

In any analysis of U.S. policy in Latin America, the first question which should be considered is: What priority is attached to Latin America in the whole spectrum of our foreign-policy considerations? Once the relative importance or unimportance of hemispheric problems is established, one can then move on to consider the question of basic U.S. policy in Latin America. Having delineated the fundamental lines of policy, one can consider finally the effective means of implementing it. On these three questions I shall focus my discussion.

On numerous occasions President Kennedy indicated the priority he placed on Latin America in the total spectrum of foreign-policy considerations by describing it as "the most critical area in the world." But two decades of constant preoccupation with Europe and Asia have left an imbalance in our global commitments that has not yet been wholly rectified. Although the United States must continue to be concerned with developments in many parts of the world, it is no longer either necessary or possible for the United States to become deeply involved in every area of the world and to undertake the massive political, military, and economic commitments that such involvement entails. The breakup of the bipolar world of the postwar era and the emergence of independent centers of power in the non-Communist world should in the decade ahead allow the United States greater freedom to concentrate its resources in areas of primary concern to our national interest.

Europe remains of crucial importance in our foreign policy considerations and will retain this status for the foreseeable future. But while the internal political, social, and economic patterns of Europe are well determined by now, this is not the case with Latin America. The future structure of society and the external policy of Latin nations remain unanswered questions. Marxism as a guide to social development is a spent force in most European countries, but it remains a lively alternative in Latin America today. The example of Cuba suggests both the immediacy of the Marxist threat to U.S. interests and the nature of the problems which we face when Marxism is accepted as a guide to the development of a Latin American society.

The obvious geopolitical factors of proximity, size and population make the Latin American Continent of particular importance to us. Central and South America form a land mass over twice the size of the United States and larger than non-Communist Asia. The combined present population of 200 million is likely to approximate 450 to 500 million by the year 2000.

Unlike Asia, Latin America enjoys a balance between population and land and at the same time is rich in natural resources. Aside from Europe, Canada and Japan, it is both the largest market for American exports and the principal source of many raw materials imported by the United States. It is the recipient of the largest capital investment, presently totaling over $8 billion. Trade with Latin America totaled over $6.6 billion in 1963, amounting to over three-fourths of our total trade with the southern half of the world. With imports of $3.4 billion in 1963, the United States remains by far the most important market for Latin American exports.

These economic and physical data only begin to indicate the importance of Latin America to the United States. A common European inheritance has left in the Americas, North and South, a widespread belief in constitutional government, in political democracy, and a belief in the dignity of the individual resulting from a common Judaeo-Christian tradition. In short, the United States and Latin America, though different in many ways, share a political, religious and cultural tradition that is "Western" both in origin and content.

In the bipolar world of the past two decades both the United States and Latin America faced a common threat of Communist imperialism directed from the Soviet Union. With the breakup of the bipolar world and the emergence of at least four centers of power—the United States, the Soviet Union, Western Europe and mainland China—the position of the Western Hemisphere in world power relationships is changing, East-West relationships have been modified, while the future pattern of North-South relationships is not yet settled.

The emergence of a powerful Western Europe—likely to pursue a more independent foreign policy—makes hemispheric cooperation more urgent if the nations of this hemisphere are not only to solve their immediate internal problems but to play a proper role in world affairs in future decades. Although the decade of the 1960's is a crucial one for the United States and Latin America, the development of our hemispheric policy should look two or three decades ahead. We must keep in mind not only the political, economic and social problems that confront Latin America in the 1960's but also the position of the Western Hemisphere in the international relations of the 1980's and 1990's. If the hemisphere remains united, it can, with a population of 900 million people by the year 2000 and a level of economic development that its resources indicate is possible, play a major role in shaping the world of future decades, regardless of events in Asia, Europe, or the Soviet Union. But neither unity within Latin America itself nor unity within the hemisphere is guaranteed. Our policy should be designed to discourage intrahemispheric rivalry which would Balkanize the continent, as well as to prevent Communist subversion which would divide the hemisphere into an endless struggle between Communist and non-Communist states.

Our concept of hemispheric unity should not be defined in any exclusive sense that would actively discourage a greater Western European contribution to the social, economic, and cultural development of Latin America. Indeed, we should actively encourage Europe to expand its involvement in Latin America, both in terms of long-term development assistance and expansion of existing cultural and educational programs. But we cannot view with equanimity the separation of Latin America from the United States and Europe in favor of an exclusive association or identification with the "third world." Latin countries will and should continue to be different from both the United States and Europe, but they need not see their own future destiny in terms of the non-Western southern half of the world just because they share with the societies of Asia and Africa a less developed status.

Although President Kennedy altered the priority which we attach to Latin American problems, it remains for his successors fully to translate that priority within the machinery of the U.S. Government. In one of his first official decisions, President Johnson acted to end the division of authority that had hampered policy implementation and to upgrade the status of top officials responsible for our relations with Latin America. This upgrading must continue and should eventually result in the establishment of an under secretary post in the State Department and high-ranking positions in our defense, intelligence and information agencies as well. When we see the Secretary of State or Defense directly involved in the problems of U.S. relations with Brazil or Argentina and an Assistant Secretary of State being dispatched to deal with a problem in southeast Asia, we shall then be able to conclude that the day-to-day operations of the Government reflect the set of priorities enunciated by President Kennedy in describing Latin America as "the most critical area in the world."

II

Turning now to policy within the hemisphere, it remains my belief that the basis of our policy for Latin America should be the Alliance for Progress as originally conceived by President Kennedy and agreed to by the 20 American Republics in the Charter of Punta del Este. The aim of the Alliance is summarized in the Declaration of the Peoples of the Americas which precedes the Charter: "to unite in a common effort to bring our people accelerated economic progress and broader social justice within the framework of personal dignity and personal liberty." This objective is to be implemented through systematic social and economic programs designed to abolish the shocking economic and social inequality, between privileged and impoverished, between glittering capitals and festering slums, between booming industrial regions and primitive rural areas. The Alliance is designed to be a peaceful alternative to violent revolution in meeting the challenge of an unjust socioeconomic order.

In discussing the Alliance, I am making several assumptions which cannot be spelled out in a brief article: (1) that Latin America is not a homogeneous unit, but a continent of widely diversified peoples, sharply varied economies and both highly advanced and grossly undeveloped regions; (2) that we recognize the differences between individual countries and adjust our policies accordingly; and (3) that the actions of Latin American countries are far more important than those of the United States in accomplishing the goals of the Alliance for Progress.

In recent months, questions have arisen both in this country and in Latin America about the validity of the original conception of the Alliance and about the strength of the U.S. commitment to it. Today, we are told by some that the great mistake of Alliance officials was in arousing hopes and expectations that could not be fulfilled. We are told that what is needed are fewer statements about the philosophy of the Alliance, the ideology of the Alliance, fewer broadgaged political doctrines and more hardheaded pragmatic emphasis on economic lending programs. Such an appraisal reflects a misunderstanding of current conditions and trends in Latin America. It reflects a misunderstanding of what President Kennedy had in mind in launching the Alliance for Progress.

It was recognized from the beginning that the success of the grand strategy for cooperation with Latin America, the Alliance for Progress, depended on more than economic development. It was realized that for the policy to succeed, the Alliance must have a political content and an ideological substance, in addition to a strong program of economic development. It must come to symbolize the hopes and aspirations of both the elite groups and the masses of Latin American people. It must have a mystique all its own, capable of inspiring a following.

President Kennedy himself was the symbol of the Alliance, the symbol of the hope and imagination which is needed. He realized that though Latin America faces grave economic problems, these must be seen within a broader political context. It is not just a matter of satisfying physical needs and raising material standards of living. What is more important is the problem of inspiring hope, of commanding the intellectual and emotional allegiance of those who will shape the society—both the elite groups and the popular classes. He realized that the hopes and expectations aroused could not all be satisfied in the immediate future—nor need they be. What can be accomplished in a material sense in a very limited period of time will always fall short of expectations. This should not discourage us. What is important is that we be prepared to give some evidence that progress is being made, that material betterment is on the way, and that there is sound reason for believing that the unmet material problems of society will be solved in the future. This means, of course, that we must have both short-range socially oriented projects to give visible evidence of immediate progress, and long-range development projects which are essential to improving the condition of the society. I believe that President Johnson shares this view. His speech of May 11 to the Latin American ambassadors clearly indicates that he understands that mere pragmatic economic programs are not enough, that the Alliance is political and social as well as economic in nature.

Much of the premature pessimisim that has been expressed about the Alliance results therefore from a misunderstanding of its original concept, from an underestimation of the magnitude of the task and from mistaken analogies based on European experience under the Marshall plan.

Today we should be well aware that nostalgic recollection of the dramatic success of the Marshall plan in restoring economic and social vitality to the war-ravaged, but highly advanced, modern societies of Western Europe does little to illuminate the path to speedy economic and social development in underdeveloped areas of Latin America. The reform and modification of social and economic traditions that have persisted for two centuries are not going to be accomplished in 2 years—and probably not in a decade.

In view of the criticism leveled at the Alliance, the persistence of political instability in many countries and the ever-present Communist threat in others, some will be tempted to abandon the original emphasis of the Alliance on radical economic and social reform. Some will be tempted to return to less venturesome, more conventional goals, to place less emphasis on reform and more on working with the established groups to minimize political instability. Indeed, there are those who believe we should abandon our identification of the Alliance with "peaceful revolution," with rapid reform of the economic and social structure of Latin American societies. I believe this would be a grave mistake.

Although the observation that Latin America is in the midst of a political, economic, and social revolution has become a commonplace, it is true. Only a few decades ago it could be said that the fatalism of most Latin Americans was well expressed in the remark of the late 19th-century Chilean President Barros Lucco: "There are only two kinds of problems facing society: those which get solved by themselves—and those which defy solution." Today, however, in most Latin American nations there is not only a burning awareness of the enormous human cost of perpetuating a status quo which exploits the many for the benefit of the few, but also a well-developed consciousness that the status quo can be changed, that radical improvement in the condition and status of the mass of the people can be achieved through deliberate, systematic political action. For the deprived mass of the people, the status quo is no longer a burden to be patiently borne, but an incubus to be cast off. Is it appropriate to define Alliance policy as favoring social "revolution"—or should this word be avoided in favor of "evolution" or some other expression? "Evolution," if carefully examined, proves to be inadequate, for it implies an unconscious, nondeliberate change that is slow and gradual. What is required is conscious, rapid change in the socioeconomic structure, a process that can correctly and precisely be called a revolution. If used not as a slogan but in its precise sense, the policy of peaceful social and economic revolution is a correct characterization of Alliance policy. We should not hesitate to identify ourselves with it in Latin America, just as President Johnson associated himself with it in his "war on poverty" throughout the world when he recently remarked: "If a peaceful revolution in these areas is impossible, a violent revolution is inevitable."

In the revolutionary atmosphere which does exist in a number of important Latin American countries, ideological factors are often as important as straight economic programs. I am impressed, for example, with the fact that the governments which achieved the greatest political stability and economic progress in the last decade were the strongly ideological democratic parties led by Betancourt, José Figueres, and Muñoz Marín. I am impressed, too, by the fact that the two fastest growing political movements in the larger countries of South America today are the two most intensely ideological movements—the Marxist and the Christian Democratic.

Both of these are flourishing, particularly among the younger groups. We should not forget that half of the population of Latin America tday is under 18. In a discussion of the present situation in Latin America with a distinguished Latin American, Dr. Rafael Caldera of the COPEI Party in Venezuela, we agreed that one reason why his party and other Christian Democratic parties in South America are flourishing today among the impatient, idealistic younger groups is that they offer an ideological alternative to Marxism, an integrated approach to the political, economic, and social problems of society. I know that we pragmatic North Americans find it difficult to understand why a Latin American considers the philosophy and ideology of a party as important as the specific practical measures it recommends. We are only now coming to realize that the ideological basis of communism—not its economic critique—is its principal attraction for students and educated groups in Latin America. It is for that reason that communism captures the university before the slum.

If the social and economic objectives of the Alliance are to be achieved, we must lend our strong support to those governments and those political parties which are really committed to the Alliance program, which are committed to modifying the antiquated economic and social structure of society. Although there is and will continue to be a wide variety of parties and governments, we are most likely to see the aims of the Alliance realized and our own interests served if we strongly support reformist governments like those of Romulo Betancourt in Venezuela and Belaúnde Terry in Peru, reformist political parties like those that provided leadership in the Caribbean area during the past two decades, and the Christian Democratic parties that are rapidly emerging as a major political force in South America.

III

It would be a mistake to interpret the Alliance program exclusively in terms of a social and economic revolution and to ignore the equally important aim of building political democracy and constitutional government. As the first U.S. Coordinator of the Alliance for Progress, Ambassador Teodoro Moscoso, once remarked, "Free countries do not develop on bread alone." The quest for first-class citizenship, the growth of representative political institutions, and the accomplishment of economic and social reform within the framework of constitutional government are an essential part of the Alliance, as President Johnson emphasized once again in his speech of May 11. And the indispensable ingredient for successfully achieving both the socioeconomic and the political goals of the Alliance is political leadership. If there has been one preeminent disappointment about the Alliance in its first 3 years, it is the failure of many Latin American countries to come forth with able, responsible political leaders who are capable of mobilizing support for Alliance programs, of building political institutions and administrative structures which are able to sustain and implement the basic modifications of society that are needed. We have seen a number of cases where constitutional government has been interrupted, sometimes because an elected government proved to be incompetent; in other cases because fragile constitutional structures and political institutions were unable to withstand the assault of nonconstitutional groups—usually led by the military—intent on seizing power. It is this situation that has confronted our policymakers with one of the most sensitive policy dilemmas of the past 3 years.

How does the United States deal with governments that have come to power through nonconstitutional means? We of course cannot determine the type of governments that take office in Latin American countries. We have no choice but to work with many governments. But we should distinguish between constitutional governments pursuing progressive policies and those which shoot their way to power. We may not be able to prevent the emergence of juntas, but we can and should distinguish between dictators and democrats. In those instances when we must temporarily deal with nonconstitutional governments, we should use all our levers of influence to restore constitutional government at the earliest possible time.

The problem confronting us is made even more difficult when a constitutional government is overthrown in order to meet an acknowledged Communist threat or to uproot Communist infiltration that has progressed under the protection of democratic institutions. This should not be a pretext for circumvention of constitutional procedures or for maintaining military juntas in power in violation of the constitution. In those extraordinary situations, certainly we should be reluctant to embrace a new government before waiting to discover whether purges, military decrees, censorship, revocation of political rights and mass arrests represent a momentary aberration or a permanent characteristic of the regime. Similarily, pledges of economic assistance under the Alliance for Progress should naturally await evidence that the new government will meet the standards for economic assistance specified in the Alliance Charter.

In dealing with these situations we should always keep in mind the results of our policy of embracing "anti-Communist" military dictators during much of the 1950's—results dramatically illustrated when an American Vice President was nearly mobbed in Caracas in 1958.

The use of anticommunism as a deceptive slogan in the past should not blind us to the true nature of the Communist threat in this hemisphere today. This threat is real and must be met if hemispheric unity, political democracy, and socioeconomic progress are to be achieved.

The record of Venezuelan President Romulo Betancourt merits attention in this regard because it reveals rare insight into the nature of the Communist threat in the Western Hemisphere. In confronting the Communist problem, he has kept in mind the distinction between the three salient strands of the Communist threat in Latin America: First, the ideological strain which was discussed earlier; second, the appeal of the Communist economic model as a solution to the economic needs of impoverished people; third, the attempt of a Communist regime—Cuba, for example—and Communist groups within Latin American countries to subvert non-Communist governments through armed attack, internal terror, and sabotage, through propaganda or through quiet infiltration and popular-front movements.

One cannot meet the appeal of the second with solutions appropriate only for the third. The economic threat cannot be met by military solutions, but rather by programs which fall under the Alliance—effective mobilization of resources and accomplishment of reforms by local governments, combined with U.S. help in the form of loans, food for peace, the Peace Corps and technical assistance. The security problem cannot be met alone by these economic programs, but requires measures which are primarily paramilitary, political, and propagandistic.

One should not conclude that the face of the Communist threat in Latin America is always the same. It is not. The approach and tactics of Communist Parties vary from country to country. In Brazil, Communist infiltration from the top by a government tolerant of Communist-oriented groups posed a quite different problem from that in Venezuela. Different again is the situation in Chile, where a Communist-Socialist coalition seeks power through regular elections to be held later this year. Methods of combating Communist infiltration must be adapted to the situation.

Subversion from abroad remains a major aspect of the Communist threat to many Latin American countries, particularly those in the Caribbean—and the principal source of this subversion continues to be Castro's Cuba. The case of Venezuela is a good illustration. For Venezuela today, as for many other Latin American neighbors, the Castro government in Cuba is not a nuisance to be ignored but a menace to be eliminated. Communist subversion from Cuba is not a "myth" to be exposed but an ever-present reality to be faced.

The report issued in February of this year by the Organization of American States makes it indisputably clear that Cuba has smuggled arms to terrorists in Venezuela. There is now photographic evidence of the plan and plot to subvert the Betancourt government at the time of the election last December.

What should the U.S. position be in such cases? Our national policy should be one of clear, unequivocal support for taking the necessary steps to cut off arms shipments from Cuba to Venezuela or any other Latin American nation. Cuba must not be permitted to be an arsenal for terrorism, revolution, and chaos. Instead of merely worrying about governments of friendly countries being able to stay in power and resist violence, we should choke off the source of that violence.

I believe that we should wholeheartedly support the position of the Venezuelan Government in the OAS, where it has requested joint sanctions against Cuba. I hope that the required action can be accomplished within the framework of the OAS. But if it cannot, this should not mean that we will permit friendly governments like that in Venezuela to remain defenseless because of the inaction of its neighbors. The existing machinery of the OAS should not be permitted to impede the successful handling of problems of this sort.

There may be instances where it is actually preferable to take bilateral action to meet a Communist threat rather than require the participation or approval of all members of the OAS. An effective response to Communist subversion does not always require that all Latin American governments publicly and officially take a strong positive position. Undue pressure to do so may sometimes be counterproductive, by weakening the political position of a government which is fundamentally anti-Communist but whose freedom of action is restricted by a delicate balance of internal political force. The machinery of the OAS should be sufficiently flexible to permit bilateral action as well as multilateral action where it may be required.

I do not favor a military invasion of Cuba. Even less do I favor so great a preoccupation with Cuba that all other hemispheric issues are ignored. But so long as the stated purpose of the Castro regime is to export its Communist revolution, it will remain a threat to many Latin American governments. So long as it remains a threat to them, it remains much more than a nuisance to the United States. For our own interests are inextricably bound up with those of our neighbors in the hemisphere.

IV

In implementing the policy outlined above it should be understood that methods must vary from country to country, that U.S. action in implementing the Alliance for Progress is dependent upon the actions of Latin American countries. For the immediate future I would mention several lines of action which might be effective in realizing our objectives. If rapid progress is to be made in achieving the social and economic objectives of the Alliance for Progress, it will require in the next decade both greater mobilization of resources by Latin American governments and a larger infusion of external resources. These external resources will come chiefly from three sources: (1) Aid from foreign governments and international lending agencies; (2) trade; and (3) foreign private investment.

All three of these are essential to most Latin American countries and will continue to be for the foreseeable future. In the face of continued congressional criticism of foreign aid and disappointment abroad with the volume of aid and the conditions attached to it, there has been a tendency to disparage foreign aid; Latin Americans look to trade and North Americans to private investment as a substitute.

Trade brings into a country needed foreign exchange, but it carries with it no guarantee that the foreign exchange will be used for purposes having a high priority in the development of an economy or society. The exchange usually goes to a relatively few people in the commercial sector and, in the absence of effective progressive tax systems or exchange controls, can be spent on luxury items or sent abroad to foreign banks. Foreign aid not only brings in needed capital but capital that can be easily channeled into those projects and those sectors of society deemed of crucial importance.

Foreign private investment—as many previously skeptical Latin Americans have now learned after experimenting with swollen, inefficient state business corporations—is absolutely essential both to increase the productivity of a country and to develop an efficient industrial and agricultural sector. With the strong encouragement of the U.S. Government—for example, through investment guarantees and tax credits—American business can continue to provide leadership in building a strong private sector in Latin American countries. But it is a mistake to claim too much for private investment, to ignore the necessity of expending large sums on the economic and social infrastructure (highways, ports, dams, schools, and health systems) which can be financed only by public funds.

All three—aid, trade, and private investment—are essential to social and economic progress in Latin America. In my view, we in the United States do not allocate the amount of resources to Latin America required to do the job that needs to be done. Although Latin American countries may be less capable of absorbing large amounts of capital than were the European countries under the Marshall plan, it is nevertheless true that our contribution to the Alliance for Progress is pitifully small compared to the billions of dollars—mostly in grants, not loans—that we poured into Europe after the Second World War. In line with the priority which we should assign to Latin America in our global policy considerations, our aid to this area should be substantially increased for the rest of the decade.

There is no reason, however, why the increased aid to Latin America should come exclusively from the United States. It should be recognized that the European contribution to Latin America need not be limited to respecting embargoes on trade with Cuba. European countries—together with other countries like Japan and Canada that conduct substantial trade with the area—should be strongly encouraged to contribute to the infusion of capital that is required, and on terms that are favorable. This assistance should represent private investment as well as government aid.

Trade may not be a panacea for the problems of Latin America, but it now seems clear that we must give greater attention to developing trade within this hemisphere. The terms of trade for Latin American countries have remained unstable. Although commodity prices have shot upward during the past year, it is unclear whether this is a temporary improvement or a long-range trend. Trade among Latin American countries has not flourished, with the exception of the recently established Central American Common Market. Our exports to Latin America have leveled off, and it is clear that we shall face increasing competition there with Europe and Japan.

It is too early to say exactly what regional mechanisms should be used to bring about increased trade between the United States and Latin America, to promote competition and stable trade relations within the hemisphere. The brief experience of the Central American Common Market indicates what can be achieved in a limited area if individual countries are willing to look beyond their borders. The experience with LAFTA—Latin American Free Trade Area—thus far is less promising. Certainly, one of the problems which should be given early consideration by the newly created Inter-American Committee for the Alliance for Progress and by the Inter-American Development Bank is the possibility of giving greater impetus to the regional movement in the LAFTA countries. The Inter-American Development Bank has begun to finance the acceleration of regional trade within LAFTA, and its efforts should be supplemented.

As for the United States, I believe that we must soon undertake an intensive review of our hemispheric trade policy. Trade is essential to the economic prosperity of the hemisphere and we should give careful consideration to the possibility of developing a more cohesive trading area, which would not only bring economic advantages but would also promote the political unity of the hemisphere.

The next step in promoting a hemispheric trade zone might be to lend our strong support to the development of LAFTA in the same way that we gave our backing to the Common Market in Europe and to the Central American Common Market. We should promote the creation of new exports and the expansion of existing exports by supplementing the funds now available for this purpose from the IDB. We should participate in planning LAFTA's development and encourage American business to do likewise. Once LAFTA has made significant progress, we can then consider what new trade relationships should be developed between the LAFTA area and the United States and Canada.

In the future, decisions on questions of basic importance to the development of the Alliance for Progress, such as those on aid and trade, should naturally be made through the Inter-American Committee for the Alliance for Progress. Just as the U.S. Government has improved its machinery for handling hemispheric affairs, so the members of the Alliance have created a mechanism to facilitate truly multilateral decisionmaking on hemispheric problems. But this new organ can succeed only to the extent that it has the strong support of the nations of the hemisphere, especially the United States. The Senate Foreign Relations Committee has indicated the strong congressional sentiment in favor of multilateralism, thereby giving the executive branch the freedom it needs to assist in acceleration of the trend from unilateral to multilateral decisionmaking under the Alliance for Progress.

In pursuing the political objectives of the Alliance for Progress—both the positive aim of inspiring a commitment to constitutional government and democratic institutions and the negative objective of thwarting Communist expansion—we would do well to divert more attention and resources to programs in the educational, ideological, cultural and propaganda fields. We should expand programs aimed both at the elite and at the popular classes. According to the best information available to me, approximately 3,000 Brazilians were brought to the United States during the past 10 years under our various educational and cultural exchange programs. If we really appreciated the revolutionary atmosphere in Latin America today and understood the nature of the Communist appeal to younger people who will become the elite of their societies, we would raise this figure to 3,000 per year.

Similarly we should use all possible leverage to encourage Latin American governments to expend the resources needed to wipe out illiteracy among the mass of the people. Where the determination exists, illiteracy can be effectively eliminated in a brief period, a fact that has been proven by the Castro government in Cuba. Of the many reasons which could be advanced in support of crash programs to end illiteracy, I will cite only three. First, active popular participation in political life under a democratic government is impossible if half the population cannot read and write. Second, historically no society that has succeeded in abolishing illiteracy has remained poor for long. Third, the balanced population growth rate that will be necessary in the future is not likely to be accomplished while half the population remains illiterate.

In our efforts to cooperate with Latin Americans in realizing the objectives of the Alliance, we should be aware of the renaissance of one of the traditional institutions found in all Latin American societies—the Roman Catholic Church. One of the most encouraging trends of the past decade has been the new awakening on the part of church leaders to the shocking social and economic problems of the continent, and the new determination to meet those problems now through fundamental reforms.

Today in Chile, Panama, Venezuela, Brazil, Argentina, and Colombia members of the hierarchy are actively pushing the reforms stipulated under the Alliance Charter. Whereas formerly the active espousal of progressive social and economic policies was largely confined to religious orders like the Maryknoll priests or to isolated pastors, today they are supported by occupants of metropolitan sees. The farsighted social and economic philosophy of the late Pope John's social encyclicals "Mater et Magistra" and "Pacem in Terris" is being strongly pushed by the Vatican. Men who once would have been "promoted" to mountain parishes for their advanced views are now being appointed bishops and cardinals.

The church's role is important not only in promoting economic and social reform, but also in building free societies and encouraging hemispheric unity. The building of a just economic and social order requires the rapid modification—sometimes the destruction—of old institutions. In a revolutionary era, the temptation is great for the state to absorb total responsibility in the social and economic order, to eliminate all institutions which it cannot directly control itself, to create an atomized society. History teaches us—and the recent example of Cuba reminds us once again—that it is the atomized society that is easy prey for totalitarian government. In one of the best capsule definitions of totalitarian government, Hannah Arendt once defined it as the elimination of all subgroups between the individual and the state. During the next decade, when revolutionary change will be the order of the day in many countries, there may be times when a brake is needed on the action of the state if social pluralism and individual political liberty are to be preserved. In some Latin American countries, it may be the church that will be called upon to play that role.

Finally, the Catholic Church—together with Roman law and the Spanish language—is one of the principal unifying forces in this vast continent. In an age of rampant nationalism, the common bond which the church provides may have a powerful impact in overcoming the separatist tendencies of the age and in achieving hemispheric unity.

In conclusion, I would emphasize that quite apart from the specific programs which we may support in implementing our policy in Latin America—programs of aid, trade, private investment, education, or propaganda—what is equally important is our success in solving our own preeminent social problem—achieving equality for the Negro—and our attitude toward our fellow citizens in the hemisphere. In a continent where the large majority of people are nonwhite, a continent that includes societies like Brazil which have developed a harmonious multiracial society, it is hard to exaggerate the importance which people attach to our efforts to extend the benefits of modern civilization to the Negro minority in the United States, just as Latin American countries are striving to make them available to the majority of their own people.

President Kennedy is revered for opening up a new era in relations between the United States and Latin America, not primarily because he promised material assistance, but because he conveyed an understanding and respect for Latin American people, for their culture and many of their traditions. He did not regard Latin American people as inferior or expect them to see the solution to their own problems in blind imitation of the United States. It is this attitude of understanding and respect that must permeate not only our leadership, but our entire society. This will not be easy to accomplish—as most adults in this country were educated in schools where the overwhelming majority of textbooks and reference books either ignored Latin America or reflected a condescending attitude toward Latin Americans. Written chiefly by authors sympathetic to a northern European cultural inheritance, which historically has been fundamentally unsympathetic to Latin culture, these books have been all too important an influence in shaping the attitude of generations of Americans. Change in popular attitudes comes slowly. A full appreciation of the importance of Latin America will come only when our educational system begins to reflect the priority stated by President Kennedy when he described Latin America as the most critical area in the world.

[From the New Republic, Aug. 8, 1964]

JOHNSON-HUMPHREY

There is one person—Lyndon B. Johnson—whose vote in Atlantic City on the Democratic vice-presidential nomination counts. Before casting that vote, what calculations might enter the President's mind? Richard Nixon has offered him and us a standard of measurement: Any candidate for the second spot should, Mr. Nixon believes, be judged by whether he is qualified for the Presidency, whether he is compatible with the head of the ticket, and whether he is a good campaigner. The Republican choice, Congressman WILLIAM MILLER, might scrape through on the second and third test; on all three, Senator HUBERT HUMPHREY has earned a magna cum laude.

For Lyndon Johnson, the joys of Presidential leadership seem to be as therapeutic as golf and naps for other recovered victims of heart attacks. Nevertheless, four Presidents in this century have not survived their term of office—McKinley, Harding, Roosevelt, and Kennedy. Woodrow Wilson was physically incapacitated during his last months in the White House. Mr. Nixon's first qualification—Is the second man Presidential timber?—is therefore of first importance. By itself, HUBERT HUMPHREY's Senate performance these past 3½ years indicate the competence we could expect were he required to take over Presidential duties. This exdruggist, ex-professor, ex-mayor, and longtime legislator has not only mastered the details of most of America's major public problems, he has displayed unusual talent for congressional maneuver. His personal relations with Lyndon Johnson are and have for many years been constructive, warm, frank.

It would be in character for the President, between now and November, to appear somewhat Olympian—the healer, reluctant to deal in personalities, unwilling to engage in an unseemly excess of partisanship. It will then fall to his running mate to peel the skin off this misnamed "conservatism," getting to the core of what it is and why it is poisonous to our national health and our relations to others in the world. If HUBERT HUMPHREY is anything, he is a man of the hustings—good-humored, even witty, but tough and untiring and articulate. The Democratic and Independent vote will need to be fired by a passion comparable to that which BARRY GOLDWATER inspires in his followers. That is a task for which HUBERT HUMPHREY was made.

A fourth test has not been mentioned. Mr. Johnson would not be human if he did not ask himself which vice presidential nominee might help him the most where he thinks he most needs help, or hurt him least. In this connection, there is talk among Democrats of placing a Catholic on the ticket. The Jesuit magazine America has expressed our view perfectly: "If the old religious issue (you can't pick a Catholic) was shameful, its new version (you must have a Catholic) is ridiculous."

What may be less ridiculous is a growing worry among Democrats that their opponents may profit from, indeed may exploit, racial tension and prevalent fears of Negro encroachments on property values or white social status. If that is the gambit of the Republican Party this year, it will pay off or not irrespective of whom President Johnson picks. No Democratic vice presidential candidate can work that gutter. Bigotry cannot be approved, only exposed. It is worth asking, moreover, whether even voters who feel that the Negro has gone too far too fast will find more reassurance in Republican evangelists for intransigence and extremism than in spokesmen for moderation and orderly progress toward equal opportunity for every citizen. The Democratic Party has no choice but to champion full enforcement of the Civil Rights Act of 1964; it has no choice but to explain, week in and week out, that the only way to overcome racial bitterness and violence is through more, not less, Federal attentiveness to the social discriminations, the political disenfranchisements, the economic deprivations on which meanness and despair feed.

BARRY GOLDWATER's strategists have their eye on the South and the Midwest. As to the former, the burden is on the shoulders of our first more-or-less southern President since the Civil War. We are confident Mr. Johnson will carry it well. Two additional points may be noted here. HUBERT HUMPHREY is not a petty, not a divisive man, as his southern colleagues in the Senate can and will testify. Second, any massive southern defection to the Republicans in 1964 would have its own backlash. For if the solid South goes Republican, BARRY GOLDWATER long before will have been marked as the candidate of white supremacy. That mark will cost him heavily.

In the Midwest, HUBERT HUMPHREY is at home. Apart from foreign affairs, he has given more thought and legislative leadership to agriculture and conservation than to any other subject. In its survey this June of Democratic Members of Congress and of 610 newspaper, radio, and TV editors, Congressional Quarterly found that Mr. HUMPHREY was far and away the preferred choice of midwesterners. The Gallup poll in mid-June of 3,000 Democratic county chairmen disclosed roughly the same sentiment. The Wall Street Journal, reporting on a conference of Democratic Party leaders from 14 Western States last May, found that HUMPHREY "was the overwhelming Vice-Presidential favorite of the gathering in the capital city of Iowa."

With HUMPHREY as Vice President, the Senate will have a Presiding Officer who knows every nerve and muscle of that body; the President will have a traveling emissary welcome abroad because he is interested in the problems of others and unafraid of change; and the President will have, too, a collaborator who shares his hope that this good society can become "a great society."

[From the Progressive, August 1964]

HUMPHREY FOR VICE PRESIDENT

It is still too early to venture an educated guess whether the 1964 presidential campaign will spawn the long-talked-about political realinement in the United States, but all the ingredients for historic transformation are at hand at midpoint of this uneasy summer.

Realinement, if it comes, will not follow the traditional pattern of Europe where moderate conservatives on the right are arrayed against democratic socialists on the left. In this country, where the numerous elements in both parties have tended to play their politics close to the center, the clash will now come between the forces of the far right and those of the moderate center, leaving a vacuum, which may be filled in time, on the left.

The Republicans, as a consequence of their action at what for once may legitimately be called a historic convention, have willed it this way. They refused to present the Nation with a balanced ticket and the traditional all-things-to-all-men platform. Rather they chose to break with their moderate past and confront the Nation with candidates for President and Vice President who are dedicated rightwingers and to provide them with a platform on which they can comfortably expound their ultraconservative philosophy.

The forces led by Senator BARRY GOLDWATER crushed every effort by moderate Republicans to find a middle way that might accommodate a wider range of opinion. Bent on total transformation of the Republican Party in the image of the man they worship with the faith of true believers, the rightwing wrote a Republican creed into its platform that harshly repudiates the moderate planks of 1960 and the years before, in favor of a platform tilted so far over on its right side that it has won the acclaim of those who embrace rightwing lunacy.

The contrast between the 1960 and the 1964 platforms is ominous indeed. Gone are the previous professions of peace; they are replaced by rocket-rattling planks that promise an undefined "victory" in the struggle against communism. So intransigent is this new Republican rejection of peaceful coexistence that it condemns the "hot line" between the White House and Kremlin that is designed to prevent accidental nuclear war. Abandoned, too, is the 1960 platform plank, running 145 lines of detailed commitment to civil rights, in favor of eight terse lines coldly agreeing to execution of the Civil Rights Act passed this year.

The capture of the Republican Party by the far right represents a profoundly disturbing phenomenon in American life even though every survey of public opinion shows that the rightwing forces that seized control of the GOP represent a relatively small minority of that party. Professional pollsters concede that this verdict may not stand up during the campaign, largely because President Johnson, who has commanded the spotlight alone, must now begin to share it with his Republican opponent.

The challenge that confronts the progressive legions of the Nation is not only to defeat the Goldwater forces, but to destroy their potential for serious injury to the Nation by rolling up an overwhelming vote that will repudiate for a long time to come the sinister philosophy they preach. A defeat for the Goldwater Republicans by a narrow margin could only result in two equally disturbing effects: (1) It would drive the Johnson administration to the right, and (2) it would keep alive the lunatic legions of the Goldwater camp for another and potentially more successful effort 4 years from now.

The pressures on President Johnson to turn rightward during the campaign itself will be considerable as a consequence of the outcome of the Republican convention. But such a retreat to the right would be a tragic mistake, not only because it would involve a grave sacrifice of principle, but also because it would not even be politically rewarding. Every poll of public opinion reveals that Mr. Johnson's moderate-to-liberal position on the great domestic issues confronting the country has captured the support of healthy majorities throughout the Nation. The more he moves to the right, the more will he blur the differences that currently make him the overwhelming choice in surveys of public opinion in which he is pitted against GOLDWATER.

President Johnson's first significant opportunity to disclose the basic strategy of his campaign will come this month when he reveals his choice of a vice-presidential candidate. His selection of Senator HUBERT H. HUMPHREY, of Minnesota, would go far to dispel fears that he will turn more conservative in the hope of blunting GOLDWATER'S appeal to the right.

HUMPHREY'S record in the Senate has no parallel in the current struggle for liberal legislation. He has repeatedly shown extraordinary gifts of leadership on a wide variety of major fronts, including civil rights, the food-for-peace program, disarmament, social welfare measures, housing, and just about every other area of legislation designed, in the words of the preamble of the Constitution, "to promote the general welfare."

HUMPHREY qualifies for the nomination on the hard-boiled political level—as a vote-getter—as well. Three separate polls during the past month show him to be the No. 1 choice of both the electorate as a whole and the Democratic Party's local leaders who have the down-to-earth responsibility of carrying their precincts and counties. Thus:

A confidential survey of Louis H. Bean, the noted political analyst, showed HUMPHREY first choice among a representative sample of all voters.

A Gallup poll of the Nation's Democratic county chairmen revealed HUMPHREY running nearly twice as well as his nearest opponent, Attorney General Robert F. Kennedy.

A survey of Democratic State committee members in the strategic State of California disclosed HUMPHREY far ahead of Kennedy—47.2 percent for the Minnesotan and 15.3 for the Attorney General in second place.

At a recent press conference, President Johnson said: "I believe the convention will select the man that is available who has the best qualifications to occupy the office of Vice President and President if he should be called upon to do that." Senator HUMPHREY not only meets these measurements, but his nomination would sharpen the choice and forthrightly accept the challenge the Republicans have chosen to present to the country this fateful fall.

THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of certain measures on the calendar, beginning with Calendar No. 1282, and that the measures be called in sequence.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will state the first order of business on the calendar.

TAX EXEMPTION FOR CERTAIN PROPERTY OF NATIONAL TRUST FOR HISTORIC PRESERVATION IN THE UNITED STATES IN THE DISTRICT OF COLUMBIA

The bill (H.R. 9975) to exempt from taxation certain property of the National Trust for Historic Preservation in the United States in the District of Columbia was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1346), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of H.R. 9975 is to exempt from all real property taxation the real property described as lots 36 and 37 in square 2,517, located at 2340 S Street N.W., in the District of Columbia, and known as the Woodrow Wilson House. The property is presently owned and occupied by the National Trust for Historic Preservation in the United States and is used in carrying on the purposes and activities of the National Trust and is not used for commercial purposes.

The National Trust for Historic Preservation in the United States is a charitable, educational, nonprofit corporation created by an act of Congress on October 26, 1949 (Public Law 81–408, 63 Stat. 927). Generally, the purpose of such act was to further the congressional policy of providing for the preservation of historic American sites, buildings, objects, and antiquities of national historical significance, and to administer them for the public benefit and interest.

The National Trust for Historic Preservation of the United States, in carrying out its purpose and obligations under Public Law 81–408, maintains the Woodrow Wilson

House which was opened to the public on October 23, 1963.

The Woodrow Wilson House was purchased by President and Mrs. Wilson in 1920 and they made it their home upon leaving the White House in the following year. President Wilson lived there until he died in 1924. Mrs. Wilson continued to reside in the house until her death in 1961. In 1954, she expressed a desire to have the house preserved as a memorial to President Wilson, and to this end she entered into an agreement in that year whereby she gave title to the house to the National Trust for Historic Preservation, reserving the right to live in the house for the remainder of her lifetime. Also, she agreed to establish an endowment of some $250,000, the income from which is to help defray the expenses of maintaining this property as a historic shrine for the benefit of the public. At the same time, the lot adjoining the house, described as parcel 37, was given to the National Trust by Mr. Bernard Baruch, in order to protect the house from encroachment on the west.

On August 5, 1964, public hearings were conducted on H.R. 9975 by the Fiscal Affairs Subcommittee. A representative of the National Trust appeared at these hearings and supported the enactment of the bill. The financial saving to the Woodrow Wilson House in the event of the enactment of H.R. 9975 into law will amount to $3,143.56 per year.

The committee was advised that under the National Trust's projected finances for the coming year—while adequate to meet the $14,000 in operating expenses and $4,000 for capital improvement—will be insufficient to provide for payment of the District of Columbia real estate tax on the property. The committee was further informed that the money to meet the operating and capital improvement costs in the forthcoming year, will be obtained from income derived from the endowment of Mrs. Wilson and the proceeds from the admission charge of 50 cents for visitors and 25 cents in the case of students and members of the military.

During the brief period since the Woodrow Wilson House has been opened to the public, more than 5,000 people have visited the house, including schoolchildren and adults from all parts of the United States and from abroad. Among the objects on display are the Bible that President Wilson used for his first inauguration, the flag of the League of Nations, President Wilson's clothing and other personal effects, and a complete library of his writings, as well as books on President Wilson which are available to scholars and students. In short, this house contains the largest collection of Wilson memorabilia objects in this country. Your committee is advised that the trust has title to all of these objects as well as to the property itself.

The National Trust also owns and maintains other historical sites and buildings such as the Shadows-on-the-Teche in Louisiana, Woodlawn Plantation in Virginia, and Casa Amesti in California. In the District of Columbia, in addition to the Woodrow Wilson House, the National Trust maintains the Decatur House at 748 Jackson Place NW., near the White House. This latter property was exempted from District of Columbia taxes on July 3, 1957, by Public Law 85–80 (71 Stat. 275).

There is ample precedent already established in the District of Columbia for the assistance the National Trust for Historic Preservation in the United States seeks through the medium of exemption from District of Columbia real estate tax. The latest of such congressional acts was approved in the 87th Congress.

It is the view of this committee that the exemption of Woodrow Wilson House, an important and significant part of our national heritage, from District of Columbia real estate taxes, is justified and in the public interest.

SICK LEAVE BENEFITS FOR METROPOLITAN POLICE FORCE, OF THE DISTRICT OF COLUMBIA, DISTRICT OF COLUMBIA FIRE DEPARTMENT, U.S. PARK POLICE FORCE, AND WHITE HOUSE POLICE FORCE

The bill (H.R. 10215) relating to sick leave benefits for officers and members of the Metropolitan Police force of the District of Columbia, the Fire Department of the District of Columbia, the U.S. Park Police force, and the White House Police force was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1347), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of this bill is to extend to officers and members of the District of Columbia Police and Fire Departments, the White House Police force, and the U.S. Park Police force, the sick leave benefits accorded civilian employees of the Federal and District of Columbia Governments by placing these members under the provision of the Annual and Sick Leave Act of 1951, as amended. The police and firemen are already covered by the annual leave provisions of that act.

Under present law and regulations, the officers and members of these police and fire forces are permitted as many as 30 days of sick leave in any 1 year, which must include leave for illness or injury incurred in the performance of duty. In addition, they are entitled to further leave of absence with pay in cases of incapacitation occurring in the line of duty, if their 30-day allowance of sick leave has been exhausted. However, in no case may any unused portion of the 30-day sick leave allowance be accumulated or carried over from year to year, as is permitted civilian employees of the Federal and District of Columbia Governments. As a result, officers, and members of these forces are sometimes obliged to use annual leave, or to request leave without pay, for absences due to illness or injury not resulting from performance of duty, even though their allotment of 30 days of sick leave may have been utilized for illness or injury incurred in line of duty.

By reason of the fact that policemen and firemen have not been permitted to carry forward any accumulated balance of sick leave from year to year, and also because under this bill the annual allotment of sick leave would be reduced from 30 days per year to 13 days per year (or the equivalent, in the case of personnel of the Firefighting Division of the District of Columbia Fire Department), H.R. 10215 would provide an initial credit of sick leave balance to these officers and members, as of the effective date of this legislation, based upon his length of service and commensurate with the amount of sick leave which it is estimated he would have accumulated had he been covered by the sick leave provision of the Annual and Sick Leave Act of 1951 from the initial date of his employment. A maximum limit of 145 days is placed upon this initial accumulated sick leave, in all cases. This figure was derived from the fact that prior to January 6, 1952, the effective date of the Annual and Sick Leave Act of 1951, employees covered by its predecessor act were permitted to carry not more than 90 days of accumulated sick leave balance. This period of 90 days as of the above-named effective date, plus an average figure of 5 days per year since that date, makes a total of 145 days. This computation takes into consideration the 5-day workweek for the various police forces and for the Fire Department (except for the Firefighting Division of the latter).

Because officers and members of the Firefighting Division of the District of Columbia Fire Department are currently on a 4-day workweek, the maximum initial accumulated balance of sick leave which the bill would provide for these members is 116 days, which will give them the same number of weeks of sick leave as is provided for other officers and members, whose maximum would be 145 days.

The bill has the approval of the Board of Commissioners of the District of Columbia, the Metropolitan Police Department, the District of Columbia Fire Department, the Department of the Interior, and the Treasury Department.

Length-of-service data supplied by the Police and Fire Departments indicate that the initial sick leave balance which would be granted to officers and members by this bill would be distributed as follows: Approximately 2,102 officers and members, or 52 percent of the personnel involved, would receive an initial balance of 10 weeks or less; 1,260, or 31 percent, would be given an initial balance of 10 to 20 weeks; and 667, or 17 percent, would receive a balance of 20 to 29 weeks.

All provisions in this bill pertaining solely to members of the Firefighting Division of the District of Columbia Fire Department, as the provision with respect to the formula for determining the number of days of sick leave allowable for each full biweekly pay period, and also that providing for a specified number of days of sick leave which may be advanced under certain circumstances, are based upon this same consideration of these employees' 4-day workweek. Under this arrangement, all officers and members covered by the bill will, over a period of a year, be afforded equitable treatment in the number of workweeks of sick leave.

Your committee is informed that the provisions of this bill will put the sick leave policies of these police and fire forces in line with the general practice with respect to such leave for policemen and firemen in other local jurisdictions.

AMENDMENT OF LIFE INSURANCE ACT WITH REGARD TO COMPANY RECORDS

The bill (H.R. 6128) to amend section 15 of the Life Insurance Act to permit any stock life insurance company in the District of Columbia to maintain its record of stockholders at its principal place of business in the District of Columbia or at the office of its designated stock transfer agent in the District of Columbia, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1348), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

The purpose of this bill is to amend existing law so as to permit any stock life insurance company in the District of Columbia to maintain its record of stockholders at its principal place of business in the District of Columbia, or at the office of its designated stock transfer agent in the District of Columbia.

Under present law, stock life insurance companies in the District of Columbia, are required to maintain a current and complete record of all stockholders at their respective principal places of business in the District. Nevertheless, there are some stock insurance companies that maintain appointed stock transfer agents who themselves maintain full records of listed stockholders. The result of this dual bookkeeping is a needless and expensive duplication for the stock life insurance companies.

Enactment of H.R. 6128 would eliminate this duplication by permitting the current listing of stockholders to be maintained either by the company itself at its principal place of business, or by its stock transfer agent.

The present limitation placed on stock life insurance companies in connection with the listing of stockholders is similar to a former requirement in the District of Columbia law and patterned after the model corporation which at one time was applicable to all business corporations in the District. However, in 1954, the business corporations statutes in the District of Columbia were modernized code approved by the American Bar Association. As a result of these amendments, the new Business Corporation Act now permits a District of Columbia corporation to maintain a record of its stockholders either at its principal place of business or at the office of its stock transfer agent. This 1954 act, however, does not apply to life insurance companies in the District.

The enactment of H.R. 6128 will remedy this situation and permit the stock life insurance companies in the District to have the same procedures for maintaning stockholder records as that now afforded business corporations under existing business corporation law.

DISPOSITION OF FUNDS ON DEPOSIT TO CREDIT OF NORTHERN CHEYENNE TRIBE OF TONGUE RIVER INDIAN RESERVATION, MONT.

The bill (S. 2961) to provide for the disposition of the judgment funds on deposit to the credit of the Northern Cheyenne Tribe of the Tongue River Indian Reservation, Mont., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the unexpended balance of funds on deposit in the Treasury of the United States to the credit of the Northern Cheyenne Tribe of Indians of the Tongue River Reservation in the State of Montana that were appropriated by the Act of January 6, 1964 (77 Stat. 857), to pay a judgment by the Indian Claims Commission in docket 329–C, and the interest thereon, after payment of litigation costs, may be advanced or expended for any purpose that will improve the economic and social conditions of the members of the tribe and is authorized by the tribal governing body thereof and approved by the Secretary of the Interior: *Provided,* That no more than $100 per capita shall be distributed in unsupervised payments. Any part of such funds that is distributed per capita to the members of the tribe shall not be subject to the Federal or State income tax.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 1349), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE

The purpose of S. 2961, introduced by Senators Mansfield and Metcalf, is to provide for the disposition of the judgment funds awarded to the Northern Cheyenne Tribe of the Tongue River Indian Reservation, Mont.

NEED

The Northern Cheyenne Tribe was awarded $4,360,886.19 by the Indian Claims Commission in docket 329–C. After deducting attorney fees of $428,588.62, the tribe has on deposit $3,932,297.57 accumulating interest. There are approximately 2,700 members of this tribe.

The Northern Cheyenne Tribe of the Tongue River Reservation in Montana is a successor tribal entity in fact to the Northern Cheyenne Tribe of Indians as recognized in the Fort Laramie Treaty of September 17, 1851.

The proposed legislation permits the Northern Cheyenne, subject to the approval of the Secretary, to decide precisely how they will program their judgment funds.

In broad outline the tribe's program favors employment of the judgment funds for the purposes of developing individual and family type plans; an education program; and an economic development program. The latter includes the development of business opportunities on the reservation, industrial development, and the development of natural resources. The initial planning has been designed to improve the economic and social conditions of the tribal membership.

The tribe plans to make a $100 per capita payment to its members and will allocate approximately $2,700,000 for supervised family plans.

CANCELING IRRIGATION CHARGES UNDER KLAMATH INDIAN IRRIGATION PROJECT, OREGON

The bill (H.R. 1713) to approve an order of the Secretary of the Interior canceling irrigation charges against non-Indian-owned lands under the Klamath Indian irrigation project, Oregon, and for other purposes was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 1350), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE

The purpose of H.R. 1713 is to approve an order of the Secretary of the Interior canceling irrigation charges and accrued interest against non-Indian-owned lands in three units of the Klamath irrigation project, Oregon.

NEED

Adjustment or cancellation of charges of the sort involved in H.R. 1713, is provided for by the act of June 22, 1936 (49 Stat. 1803), which, however, provides for congressional approval before the adjustment or cancellation becomes effective. The Secretary of the Interior has found that part of the charges in question were incurred prior to 1928 and are uncollectible, that others pertain to lands which were deleted from the project in 1939, and that still others are completely beyond the ability of the water users to repay. Enactment of H.R. 1713 is needed to implement these findings of the Secretary and to carry out the intent of the act of June 22, 1936.

The charges canceled by this legislation total $329,301.86 in construction costs and $72,138.69 in operation and maintenance costs. The cancellations affecting two units of the project are conditioned upon the execution of contracts by the landowners for the repayment of construction charges of $71,037 and operation and maintenance charges of $8,647.71.

The effect of the bill is to place the non-Indian landowners in the same position as the Indian owners were placed by action taken pursuant to the Klamath Termination Act of August 13, 1954 (68 Stat. 719).

Enactment of H.R. 1713 in no way affects section 14(a) of Public Law 83–587 (the Klamath Indian Termination Act of 1954), which provided that:

> Nothing in this act shall abrogate any water rights of the tribe and its members, and the laws of the State of Oregon with respect to the abandonment of water rights by nonuse shall not apply to the tribe and its members until 15 years after the date of the proclamation issued pursuant to section 18 of this act.

DISPOSITION OF FUNDS ON DEPOSIT TO CREDIT OF PAWNEE TRIBE OF OKLAHOMA

The bill (H.R. 10672) to provide for the disposition of judgment funds now on deposit to the credit of the Pawnee Tribe of Oklahoma was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 1351), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE

The purpose of H.R. 10672, introduced as the result of an executive communication, is to provide for disposition of funds now in the Treasury which were appropriated in satisfaction of an award to the Pawnee Tribe of Oklahoma by the Indian Claims Commission. The committee also considered a companion bill, S. 2482, introduced by Senators Monroney and Edmondson.

NEED

The Indian Claims Commission found, in its docket 10, that the Pawnee Tribe of Oklahoma, was entitled to recover from the United States the sum of $7,316,097, in payment for land in Kansas and Nebraska ceded to the Federal Government between 1833 and 1893. The attorneys representing the tribe were allowed fees and expenses totaling $876,897. The remainder plus accrued interest (a total of approximately $6,439,088) is on deposit in the U.S. Treasury to the credit of the Pawnee Tribe.

The judgment was in favor of the Pawnee Tribe, the same tribe that made the cession. It has been neither divided nor merged with other groups since 1893. The Pawnee Tribe has 1,883 enrolled members residing in 28 States. There is no Pawnee Reservation and only 2,500 acres of land are held in trust by the original allottees. There are no other tribal assets and there are only a few

Pawnees on welfare rolls. Enactment of H.R. 10672 is needed to permit distribution of the funds now on deposit in the Treasury.

VILLAGE OF SIL MURK AND PAPAGO INDIAN TRIBE

The bill (H.R. 11329) provides for the relocation and reestablishment of the village of Sil Murk and of the members of the Papago Indian Tribe inhabiting the village of Sil Murk, and for other purposes was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 1352), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE

The purpose of H.R. 11329 is to authorize the transfer of $269,500 from funds available for the Painted Rock Dam and Reservoir project for the relocation and reestablishment of the Indian village of Sil Murk, adjoining the Gila Reservation. The committee also considered a companion bill, S. 90, introduced by Senator Goldwater.

NEED

The Department of the Army has completed construction of the Painted Rock Dam on the Gila River, Ariz., as a part of the comprehensive plan for the Colorado River Basin, a project authorized by the Flood Control Act of May 17, 1950 (64 Stat. 163). To implement the act, the Government is acquiring land interests in approximately 88,000 acres of land of which 7,744 acres are in the Gila Band Indian Reservation and approximately 40 acres are occupied by the village of Sil Murk, located just outside the reservation boundary. The village comprises 20 family hogans, a church, windmill, a corral, several miscellaneous buildings, and a cemetery. The entire Indian village, being located within the reservoir area, is subject to flooding and must be relocated.

The $269,500 authorization will be used for the construction of about 10 concrete block duplex-type dwellings to be equipped with running water and sewage facilities, a new church site, and other essential improvements.

CONVEYANCE OF 10 ACRES OF FEDERALLY OWNED LAND ON WHITE EARTH RESERVATION TO MINNESOTA ANNUAL CONFERENCE OF THE METHODIST CHURCH

The bill (H.R. 11425) to provide for the conveyance of 10 acres of federally owned land on the White Earth Reservation to the Minnesota Annual Conference of the Methodist Church, and for other purposes was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 1353), explaining the purposes of the bill.

There being no objection, the except was ordered to be printed in the Record, as follows:

PURPOSE

The purpose of H.R. 11425 as amended and passed by the House is to reconvey 10 acres of federally owned land on the White Earth Reservation to the Minnesota Annual Conference of the Methodist Church. The committee also considered S. 2752, a companion measure.

NEED

In 1913 the Methodist Church conference donated the subject 10-acre tract and a frame building thereon to the Federal Government for administrative and school purposes. The school has been closed and the Bureau of Indian Affairs has no further need for the land. In 1951 the building was sold to the Pine Bend Mission of the Methodist Church which owns adjoining property and a church building.

The acquired property, which has an estimated value of $50, will be used in connection with religious and community activities.

A Minnesota Chippewa Indian occupies a log dwelling located on the tract. The conference has given written assurance that he will have peaceful possession of the dwelling so long as he lives.

INDIAN CLAIMS COMMISSION JUDGMENT IN FAVOR OF THE SNAKE OR PAIUTE INDIANS

The Senate proceeded to consider the bill (H.R. 8080) to authorize the Secretary of Interior to prepare a roll of persons eligible to receive funds from an Indian Claims Commission judgment in favor of the Snake or Paiute Indians of the former Malheur Reservation in Oregon, to prorate and distribute such funds, and for other purposes which had been reported from the Committee on Interior and Insular Affairs with amendments, on page 3, after line 8, to strike out:

> Sec. 4. No part of any of the funds distributed in accordance with this Act shall be subject to any lien, debt, or claim of any nature whatsoever against the tribe, band, or individual Indians, except delinquent debts owed by the tribe or band to the United States or owed by individual Indians to the tribe, band, or to the United States.

At the beginning of line 15, to change the section number from "5" to "4", and at the beginning of line 20, to change the section number from "6" to "5".

The amendments were agreed to.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 1354), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE

The purpose of H.R. 8080 is to provide for the distribution of a fund, now held in the Treasury, appropriated in satisfaction of an award of the Indian Claims Commission in its docket 17 to certain persons of Snake or Paiute Indian ancestry and, in order to accomplish this purpose, to provide for the preparation by the Secretary of the Interior of a roll of the persons entitled to share in this fund.

NEED

In docket 17, the Indian Claims Commission awarded judgment in the amount of $567,000 for lands which were taken by the United States without compensation in 1882 and 1883. The judgment runs in favor of "the members and descendants of members of the bands or tribe of Snake or Paiute Indians who were parties to the unratified treaty of December 12, 1868, as said bands or tribe existed in 1879 * * *." The judgment fund has been reduced by payment of attorney's fees and expenses of approximately $98,600 and has been increased by interest earned since it was deposited in the Treasury. At present it amounts to about $550,000.

The Indians who are ultimately entitled to share in the award are unorganized and scattered through the Pacific Northwest. Their number is uncertain, though it has been estimated at about 500, and they have never been precisely identified by name. Before any distribution of this fund can be made, the identity of those who fall within the class described in the judgment needs to be established. The bill provides the means by which this can be done.

The bill further provides for a distribution of the judgment fund moneys among those whose right to share therein becomes established. Since the recipients have no allotted or tribal land on which improvements can be made from the funds, the bill provides for a per capita distribution among the enrollees. It recognizes, however, that, "in some instances a planned individual or group program for the use of the shares may more properly serve the long-term interest of the enrollees than would a direct, unsupervised per capita payment" and authorizes the Secretary of the Interior to act accordingly.

AMENDMENT

The committee has deleted from the bill that section providing that no part of the funds distributed would be subject to any lien, debt, or claim of any nature whatsoever against the tribe, or individuals, except delinquent debts owed to the United States or to the band. This language has not been included in other bills providing for the distribution of judgment funds, and the Department of the Interior was unable to furnish the committee with a justification for its retention in H.R. 8080.

DISPOSITION OF FUNDS IN FAVOR OF SHAWNEE TRIBE OR NATION OF INDIANS

The Senate proceeded to consider the bill (H.R. 8834) to provide for the disposition of the funds arising from a judgment in favor of the Shawnee Tribe or Nation of Indians which had been reported from the Committee on Interior and Insular Affairs with an amendment on page 3, line 25, after the word "income", to strike out "tax, or to any lien, debt, or claim of any nature whatsoever against the tribe or individual Indians except delinquent debts owed by the tribe to the United States or owed by individual Indians to the tribe or to the United States" and insert "tax".

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 1355) explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

The purpose of H.R. 8834, is to provide for distribution of funds appropriated in satisfaction of a judgement awarded the Shawnee

Tribe or Nation of Indians by the Indian Claims Commission. The amount of the award, $1,269,338.02, was appropriated by the act of September 30, 1961, and deposited in the Federal Treasury. After deducting attorneys' fees and expenses ($135,620.10) and adding accrued interest, the amount in the Treasury credited to the tribe was $1,203,-103.31 on June 30, 1963.

The Indian Claims Commission found that the Shawnee Tribe or Nation had been inadequately compensated for lands located in Kansas which were ceded to the United States under the treaty of May 10, 1854 (10 Stat. 1053). The Commission also found and recommended that the judgment should be apportioned among the three bands of Shawnee Indians who are successors in interest of the Shawnee Nation or Tribe as it existed in 1854 in the following manner: five hundred and fourteen one thousand three hundred and seventy-eighths to the Absentee Band of Shawnees Indians of Oklahoma, seven hundred and forty-seven one thousand three hundred and seventy-eighths to the Cherokee Band of Shawnee Indians of Oklahoma, and one hundred and seventeen one thousand three hundred and seventy-eighths to the Eastern Band of Shawnee Indians of Oklahoma. This division reflects the rolls of the respective bands during the period of 1888–1902.

Enactment of H.R. 8834 will permit the governing bodies of the Absentee and Eastern Bands, both of which are organized under the act of June 26, 1936, to determine how their shares of the judgment fund are to be used or distributed. Their determinations will be subject to the approval of the Secretary of the Interior.

The Cherokee Band of Shawnee Indians is no longer an entity. Its members are scattered throughout the United States and have become intermingled with other Indian groups. The Cherokees' share of the judgment will be distributed among linear descendants of persons whose names appear on the Cherokee-Shawnee payment roll pursuant to the act of March 2, 1889 (25 Stat. 994).

The Secretary of the Interior will prescribe rules and regulations necessary to implement the provisions of H.R. 8834. Costs incurred in carrying out these provisions will be charged to the judgment fund. Moneys distributed pursuant to the act will not be subject to Federal or State income taxes.

The committee has deleted language from the bill providing that no part of the funds distributed would be subject to any lien, debt, or claim of any nature whatsoever against the tribe, or individuals, except delinquent debts owed to the United States or to the band. This language has not been included in other bills providing for the distribution of judgment funds, and the Department of the Interior was unable to furnish the committee with a justification for its inclusion in H.R. 8834.

LAND HELD IN TRUST FOR FLANDREAU SANTEE SIOUX TRIBE

The Senate proceeded to consider the bill (H.R. 11052) to declare that 80 acres of land acquired for the Flandreau Boarding School is held by the United States in trust for the Flandreau Santee Sioux Tribe which had been reported from the Committee on Interior and Insular Affairs with an amendment on page 2, after line 2, to insert a new section, as follows:

Sec. 2. The Indian Claims Commission is directed to determine in accordance with the provisions of section 2 of the Act of August 13, 1946 (60 Stat. 1050), the extent to which the value of the title conveyed by this Act should or should not be set off against any claim against the United States determined by the Commission.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 1356), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

The purpose of H.R. 11052, as amended, is to declare 80 acres of land located near the city of Flandreau, S. Dak., together with the improvements thereon, to be held in trust for the Flandreau Santee Sioux Tribe. The committee also considered a companion bill, S. 2811, introduced by Senator Mundt.

The 80 acres involved in H.R. 11052 are part of a 160-acre tract purchased from a private owner for the sum of $4,000 in 1898 by the Federal Government for use as a school farm operated in connection with the Flandreau Boarding School. The school has been closed since 1956 and the Bureau of Indian Affairs has no further need for the land.

The 80 acres not covered by this bill have already been disposed of as surplus property for approximately $150 per acre. The improvements on the acreage to be transferred to the Flandreau Santee Sioux Tribe consists of a tribal community building and a community machine shed and shop constructed at a cost of $7,700 and $1,000, respectively. The present estimated value of the land, buildings, and fencing is $15,000.

The parcel is adjoined on the north, west, and east by tribal lands and is near the center of the Indian community. The Indians plan to use the land for community, ceremonial, recreational and, perhaps, agricultural purposes.

Enactment of H.R. 11052 will entail no cost to the Government.

SALE OF ENTERPRISE RANCHERIA NO. 2 TO STATE OF CALIFORNIA

The bill (H.R. 11562) to authorize the Secretary of the Interior to sell Enterprise Rancheria No. 2 to the State of California, and to distribute the proceeds of the sale to Henry B. Martin, Stanley Martin, Ralph G. Martin, and Vera Martin Kiras was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 1357), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

The purpose of H.R. 11562 is to authorize the Secretary of the Interior to sell the 40.64-acre Enterprise Rancheria No. 2 located in Butte County, Calif., to the State of California and to distribute the proceeds among Henry B. Martin, Stanley Martin, Ralph G. Martin, and Vera Martin Kiras.

Enterprise Rancheria No. 2 was acquired for the sum of $162.56 by the Federal Government pursuant to the act of August 1, 1914, as supplemented by a joint resolution of March 4, 1915, to provide a home for a group of landless California Indians. Tracts of land so purchased are known as rancherias; i.e., small settlements or collections of dwellings. Such rancherias were purchased in the name of the United States for the benefit of landless California Indians. They differed in this respect from reservations set aside from the public domain for the benefit of Indians, but there is no practical difference today between California rancherias and reservations in the way they are managed by the Bureau of Indian Affairs.

The descendents of the Indians for whom the Enterprise Rancheria was established have agreed to the proposed sale of the rancheria and to distribution of the proceeds therefrom among the four named beneficiaries.

The State of California has asked for this legislation so a fee title to the land may be obtained. The rancheria is within the reservoir area of the Oroville Dam, an important feature of the California State water plan. The State appraised the land at $275 per acre for a total of $11,176 and the personal property thereon at $1,020.

When the land has been sold and the proceeds distributed, the Bureau of Indian Affairs will have terminated its supervisory responsibilities over Enterprise Rancheria No. 2 and its inhabitants.

BILLS PASSED OVER

Senate joint resolution (S.J. Res. 110) designating the bridge constructed over the Washington Channel of the Potomac River in the District of Columbia as the "Francis Case Memorial Bridge" was announced as next in order.

Mr. MANSFIELD. Mr. President, over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H.R. 9995) to amend the Policemen's and Firemen's Retirement and Disability Act to allow credit to certain members of the U.S. Secret Service Division, for periods of prior police service, was announced as next in order.

Mr. LAUSCHE. Mr. President, I should like to examine that bill. I ask that it go over.

The PRESIDING OFFICER. The bill will be passed over.

Mr. MANSFIELD. Mr. President, that concludes the call of the calendar.

Is there further morning business?

HERBERT HOOVER: AN UNCOMMON MAN

Mr. SIMPSON. Mr. President, as each of us is well aware, today marks the 90th birthday of the 31st President of the United States, Herbert Hoover.

Little that can be done or said today will add to or detract from America's love and admiration for Herbert Hoover. The man who was "drenched with contumely" during the chaotic years of the great depression is in the unique and fortunate position of having lived in the context of the history in which his accomplishments will be judged.

Nearly 30 years have passed since this great American left the White House with his head bloody but unbowed from the partisan vituperation heaped upon him because of the economic crisis that circumstances had kept him from preventing.

Today he stands vindicated by history and society—and revered by all the free world.

In the words of an Associated Press news feature carried in the Sunday press:

> Those who now look at Herbert Hoover's life and accomplishments can view them without emotional distraction. They are able to see him not as the architect of the depression, to use the 1932 phrase, but as the engineer of programs which saved more than a billion persons from famine after two great wars, as the head of massive studies which have resulted in streamlining Government organization, as the dedicated public servant who never has accepted a cent for his services, and as the voluntary head of a dozen educational, charitable, and scientific organizations from the boys club to the World Rehabilitation Fund.

Mr. President, many years ago it was the privilege of this cowboy from Wyoming to be a member of a party that escorted Herbert Hoover on a fishing trip. Never have I enjoyed an experience more than that excursion with our former President in the high mountains of Jackson, Wyo.

I was fascinated by this gentleman's wit, sagacity, profundity, and enthusiasm for the things around him, for life's every experience and possibility, and by his proficiency with rod and reel.

In fact, I could echo the words of radio news analyst H. V. Kaltenborn who said in a recent interview that "Herbert Hoover has been one of my greatest inspirations. He has been a shining example." And indeed he has been a shining example.

Among the many examples and inspirations already left us by Herbert Hoover, certainly one of the finest is the thought contained in his famous magazine article, "The Uncommon Man." In this age when mediocrity is considered a virtue and individuality a "lack of identification with society," Herbert Hoover's words could not be more meaningful. He said:

> Most people hold fast to an essential fact in American life. We believe in equal opportunity for all, but we also know that this includes the opportunity to rise to leadership—in other words, to be uncommon.
>
> I have never met a father and mother who did not want their children to grow up to be uncommon men and women. May it always be so, for the future of America rests not in mediocrity but in the constant renewal of leadership in every phase of our national life.

This conviction has been the theme of Herbert Hoover's life. He has always believed in the ability of the American to rise above commonality, to be more than a common man, to be an exceptional, an exemplary man. This, as he said in a 1928 campaign speech, is the "American system of rugged individualism."

We are indebted to Mr. A. N. Spanel of International Latex Corp. for the eloquent tribute to Herbert Hoover carried in leading newspapers throughout the country and containing a number of very revealing quotes from Eugene Lyons' book, "Herbert Hoover: Biography," published today. Herbert Hoover's life, writes Author Lyons:

> Will be measured less by what he did—colossal though it has been—than by what he was. Already, in fact, his countrymen instinctively appraise him in moral rather than conventional political terms. They think of him, if at all, not primarily as a President, however rated, but as a great American and a great human being—as a truly good man, whose compassion reached out to embrace all humankind.

Mr. President, never has an American worked so hard to further the ideals of our constitutional form of government. Herbert Hoover has contributed nearly a century of dedicated effort to the American way of life. The name Herbert Hoover will live throughout the history of our great Republic as a synonym for patriotism, enthusiasm, compassion, and unalloyed dedication to American principles and to our beliefs in the dignity of the individual. I join with millions of Americans, the length and breadth of this great Nation, in wishing that this and many future 10th days of August will be for him a truly happy birthday.

I ask, Mr. President, that the Associated Press news feature from which I quoted in my remarks and the tribute to Mr. Hoover from Mr. Spanel be published with my remarks in the CONGRESSIONAL RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

THE TROUT ARE ONLY MEMORIES: FOR HERBERT HOOVER, A 90TH BIRTHDAY

(By Jules Loh)

NEW YORK.—In his 90th year, the old Federalist John Adams observed that his health was not what it once was but that he still could "walk 3 miles over a rugged rocky mountain."

On the eve of his 90th birthday, Herbert Hoover, the grand old man of the Grand Old Party, would enjoy nothing better. But there will be no mountain hikes for Herbert Hoover. For several years now, he has tramped his beloved fields and fishing streams only in his memory of younger days.

But when he celebrates his birthday Monday—and joins Adams as the only nonagenarians among former Presidents—he will experience again something denied him in the vigor of his life: a warm and sincere outpouring of affection by his countrymen. To Herbert Clark Hoover, a man his country and even his party once discarded with a bitter epithet, this surely must be a joy unmatched even by the exquisite sight of a mayfly dancing on a trout stream.

EYES ARE DIMMING

He will receive the formal felicitations of Congress and the President and, as mementos, the flags flown over the Capitol and the White House that day especially in his honor. Already thousands of letters have arrived bearing good wishes from admirers, most of whom he does not even know.

Time was when Mr. Hoover would stay up late at night and write personal answers to each birthday greeting and each of the multitude of letters received during the year. Perhaps he will this year, too.

But the light has grown dim in his steel-gray eyes. His collar fits loosely around the once thick neck and his health is considerably more feeble than that of the robust Adams. He has not been out of his Waldorf Towers suite since May 22 a year ago, when he got dressed and went downstairs against his doctor's orders to pay honor to the young astronaut Gordon Cooper. The exertion was more than he could take and he went right to bed. A few weeks later he fell seriously ill from anemia and internal bleeding.

Mr. Hoover now spends his days working a little, but the major work he set out to do when he left the White House, work that as recently as last year matched his own incredible energy with that of eight secretaries and a research staff, is virtually finished. Now he has only two secretaries and seldom sits at his desk.

At night he likes to watch baseball on TV (ever sympathetic with a loser, he's a Mets fan) and during the daylight hours he has the nostaglic companionship of scores of reminders of what he considers a rich and full life.

From one wall of his living room a portrait of his silver-haired wife, Lou Henry Hoover, who died in 1944, gazes down on his large mahogany desk and his pipes and the tables adorned with the blue and white porcelain she collected from all over the world. Other walls are crowded with testimonials, citations, honorary college degrees (he has accepted 85 and declined many more), plaques and other framed and unframed souvenirs.

In a place of distinction in one outer office is the 1887 graduation program of Friends Academy in Newberg, Oreg., which includes the mention: "Declamation * * * 'keeping his word' * * * Bertie Hoover.

FORGOTTEN EPITHETS

There is nothing in the imposing suite to remind him of the bitter years, and surely part of his present popularity and esteem is because the present generation has generally consigned that era to the vague past.

Most Americans today were unborn, or were babies, during the anguished days of the great depression, and knew only by hearsay that shanty towns once were called Hoovervilles and newspapers spread over park-bench tenants were Hoover blankets and signs carried by bonus marchers said, "In Hoover We Trusted, Now We're Busted."

Those who now look at Herbert Hoover's life and accomplishments can view them without emotional distraction. They are able to see him not as the architect of the depression, to use the 1932 phrase, but as the engineer of programs which saved more than a billion persons from famine after two great wars, as the head of massive studies which have resulted in streamlining Government organization, as the dedicated public servant who never has accepted a cent for his services, as the voluntary head of a dozen educational, charitable, and scientific organizations from the boys clubs to the World Rehabilitation Fund.

It is one of the ironies of Mr. Hoover's life that political partisanship should bring him such grief, because he himself never had a taste for it.

He had held public office in two administrations, Republican and Democratic, and before he ran for the Presidency—the only office he ever sought, and that reluctantly—nobody was quite sure what party he belonged to.

Some say he has mellowed with old age. But those who have known him closely say he has not changed at all, that he always was as people know him today—gentle sentimentalist, man of deep personal attachments, dignity, and wit—but that these qualities simply remained hidden for a time behind his starched collar and bulldog jowls and only recently began to be discovered by the majority of Americans.

Herbert Hoover never bothered to answer the personal abuse leveled against him. "No man can catch up with a lie," he reasoned. "If the American people wish to believe such things about me, it cannot be helped."

Instead, he has contented himself with retirement to what he calls his "comfortable monastery" in the Waldorf and has busied himself with writing his memoirs, his well-received "The Ordeal of Woodrow Wilson," his massive four-volume account of his relief work, and a historical work yet to be published which traces the events which have followed U.S. recognition of Communist Russia.

The Waldorf suite is indeed comfortable, but not lavish. In some ways it reflects his unpretentious nature. On an end table next to his favorite chair is a wooden bowl with a rock in it the size of a cantaloup. The rock is for striking the kitchen matches he uses to light his pipe, the bowl an easy target for the burnt matches. A housemaid who worked for Mr. Hoover once got so annoyed at his habit of striking matches on the furniture that she glued pieces of sandpaper under edges of tables and arms of chairs.

Mr. Hoover regards his pipe, one of the few bodily indulgences permitted him, as a barometer of his health. Two years ago, when surgeons removed a malignant tumor, he sat up in bed a few days after the operation and asked apprehensively for his pipe. The nurse asked the doctor and the doctor said all right. Mr. Hoover fired it up and announced with satisfaction through a billow of smoke, "We're back in business."

Of far more intimate comfort to the 31st President is his army of close friends. Companionship always has meant mucn to him. During his 4 years in the White House, according to his own typically meticulous bookkeeping, he had 9,969 personal guests. But of the inner Hoover circle there never were more than about 200, and time has thinned their ranks drastically.

These are former associates who call him the Chief, attend him with the devotion of acolytes and literally cherish every moment in his presence. They used to gather at the Chief's apartment once a year for dinner and would give a tin cup to the one who came the farthest distance.

Now only a few friends at a time join Mr. Hoover for lunch or dinner or Sunday afternoon canasta. Sometimes not a word is spoken throughout the meal. "The test of friendship," said one Hoover intimate, "is when two people can enjoy each other's company without the need of conversation."

But a conversation with Herbert Hoover is a rare delight. During one, he rarely laughs, but often twinkles. He is keenly aware of human foibles and relishes the chance to prick them with his own brand of wit, which is the sort that produces grins, not belly laughs.

His little book, "Fishing for Fun and To Wash Your Soul," contains delightful examples. To cite only one, he writes that there are two kinds of fish, plain species "which are the recreation of the common man," and rare species "sought by the aristocracy of fishermen."

Mr. Hoover has little patience with those who take themselves too seriously. His favoriate testimonial is one from a boys club which says simply: "Herbert Hoover is a good egg." Recently he got an immense chuckle when a sixth-grade class in Enid, Okla., named a pet ground squirrel Mr. Hoover, then discovered it was a girl. One of his favorite stories is about a youngster years ago who asked him for three autographs, explaining that it took two Hoovers to get one Babe Ruth.

The utter candor of children surely accounts in part for Mr. Hoover's deep attachment to them. When his health permits, he personally answers every letter from every child—and they come by the sackful. After one of his major illnesses a 7-year-old wrote:

"Don't worry about your operation. When I had my tonsels [sic] out people gave me a lot of presents and I felt fine.

"Love,

"Cathy."

("P.S.—I know you like fish and so do I, so I am sending you something to fish with when you get well.")

The reply:

"My Dear Cathy: Your letter is already two of the gifts which you forecast.

"First, it brought good cheer.

"Second, it brought great anticipations.

"Third, that fine fishing leader for my line raises visions of future joys."

Herbert Hoover writes everything, from ponderous books to letters to children, in longhand with a pencil. Typewriters, dictating machines, even ballpoint pens, he says, are "stimulants to verbosity." One year he made 30 speeches, and a secretary, whose job it was to type each draft, said she revised them a total of 154 times to make them short. He answers much of his mail merely by penciling in the margin a directive to a secretary. Once he opened a letter which contained the arresting note, "Watch for a message which will change the face of the world." Mr. Hoover scribbled: "Watch for this."

Since his last illness Mr. Hoover has not made any public speeches, but when he did he rarely spoke off the cuff, preferring prepared statements. "When a person starts talking ad lib," he says, "there are too few terminals."

Some of his off-the-cuff remarks, however, reveal his drollery best of all. Once someone asked him why so many public officials go fishing. "The public only yields privacy to officials in fishing and in prayer," Mr. Hoover quipped, "and they can't pray all the time."

But Herbert Hoover, the simon-pure angler who never quite got over his horror that Calvin Coolidge fished with worms, often complained about lack of privacy even when fishing. Once, while President, he was fishing on the banks of the Rapidan near Washington with a Cabinet member. They began discussing high-level matters of State, and the Cabinet member noticed a Secret Service man standing in the bushes. He said to the President, "Don't you think you should tell him to leave?"

"He won't go," Herbert Hoover said glumly.

Seven years ago when he went out to Independence, Mo., to help dedicate the library of one of his warmest friends, Harry Truman, a local matron fluttered up and asked what former Presidents do when they retire.

"Madam," said Mr. Hoover, "we spend our time taking pills and dedicating libraries."

The joke plainly did not apply to Herbert Hoover. He maintains stoutly that no one should retire from work or he "will shrivel up into a nuisance * * * talking to everybody about pains and pills and income tax." For his part, he has said, "when I'm not working, I get tired of myself."

Judging from the pace of his first 90 years, there is little likelihood Herbert Hoover ever will get tired of himself.

Happy Birthday to Herbert Hoover

(By A. N. Spanel, founder, chairman, International Latex Corp.)

On August 10, the 31st President of the United States, Herbert Hoover, reaches the venerable age of 90. He has lived longer than any American President except John Adams, who died at 91. That this great American has survived so long is a matter of profound satisfaction to millions of his countrymen, and admirers throughout the world—because it has enabled him to witness his vindication after a brutal ordeal by abuse.

In that period, ugly myths about Hoover were spawned in ignorance and in political malice. Partisan passions have been stilled by time and Mr. Hoover is universally esteemed today. Yet shreds of those myths still linger, some of them enshrined in history books. All Americans of good will should therefore be delighted that a magnificent book on his life, setting the record straight, is being published on the 90th birthday: "Herbert Hoover: Biography," by Eugene Lyons.

The simple title covers a brilliant job of research and writing. We trust that it will get the widest possible circulation, as it deserves. It is, in the words of the noted literary critic, John Chamberlain, "an act of historic justice." Every thoughtful American patriot, we submit, owes it to himself to read the biography.

History, there is every reason to believe, will deal more generously with Herbert Hoover than many of his contemporaries have done. Already, to quote Mr. Lyons' concluding words, "Time has washed off the mud with which he was bespattered—fortunately while he was still alive and active. The granite of integrity underneath became obvious even to the less perceptive of his countrymen."

SERVANT OF HUMANITY

It is most gratifying that three Democratic Presidents, Mr. Truman, Mr. Kennedy, and Mr. Johnson signally honored Mr. Hoover; with Mr. Truman utilizing Mr. Hoover's wise and profound report resulting from the Hoover Commission, and Mr. Johnson repeatedly paying warmest tribute to Mr. Hoover's lifelong contribution to humanity.

Mr. Hoover's 90 years have compassed many careers—as engineer, humanitarian, political leader, social philosopher—and in each of them he achieved the top rung. His unhappy 4 years in the White House are little more than an interlude in a long life of service to mankind.

Ironically, he was one of the very few who warned against the speculative frenzy of the prosperity years in the 1920's. Fate ruled that he should himself be President when his warnings came true. He was vilified for crimes he did not commit, ridiculed for words he did not utter—such as "prosperity around the corner."

The new biography cuts through the mythology manufactured during his ordeal and Mr. Hoover emerges as a towering moral figure. More than most men, living or dead, he has been the great instrument of America's conscience. Beginning with the Belgian Relief in 1914, he has organized and administered dramatic humanitarian campaigns that saved the lives of literally scores of millions throughout the world.

PROFILE IN GREATNESS

Ultimately, Mr. Lyons believes, Hoover will not be judged as a President but as a great human being. Here are a few quotations from the book:

"He is a self-made man who from the humblest beginnings rose to transcendent heights—to the summit of his vocation, which was the mining of metals; to the pinnacle of his avocation, which was benevolence; to the highest office in the Republic. Then, with startling suddenness, his destiny took tragic turns.

"Rightly credited with genius in the administration of economic resources, he was fated to preside over a catastrophe of economic disintegration beyond the control of any mortal man. A Quaker whose name had become synonymous with compassion and help to the destitute, he found himself the victim of cruel accusations of callous unconcern for the sufferings of his own countrymen. From the luminous mountain peaks he was driven into the valley of shadows, there to wander for more than 15 years in unmerited ignominy, a man mocked and defamed, pilloried and stoned, for wholly imaginary sins.

"Happily the legend was dissipated in his own lifetime. The landscape of his 90 years has the sweep of great human drama, the counterpoint of brilliant light and melancholy shadows.

"A clear head under the control of a compassionate heart has kept Hoover from succumbing to the catch phrases and shibboleths of the hour—proof that he was never cut out to be a conventional politician. While devoting his life to the weak and the destitute, he never tried to flatter the masses by glorifying weakness and destitution. He sought to stir them, rather, to new strength and self-reliance.

> "Hoover has consistently renounced popularity for principle, for duty as he conceived it. As President, and then as ex-President, he never revised or reversed himself under the terror of organized abuse; he never yielded to the temptation of doing the politically profitable thing against his own logic and conscience.
>
> "His life, I am convinced, will be measured less by what he did—colossal though it has been—than by what he was. Already, in fact, his countrymen instinctively appraise him in moral rather than conventional political terms. They think of him, if at all, not primarily as a President, however rated, but as a great American and a great human being—as a truly good man, whose compassion reached out to embrace all humankind."
>
> These citations, we repeat, are from "Herbert Hoover: a Biography," by Eugene Lyons, published by Doubleday & Co. They provide a foretaste of the literary, historical, and moral feast spread in its pages.

RIOTS IN NORTHERN CITIES

Mr. HOLLAND. Mr. President, I should like to make a few remarks about the riots taking place in northern cities such as New York City, Rochester, Jersey City, and Chicago, which have followed the enactment of the so-called civil rights law. The whole Nation is disturbed by these riots. They have become a national problem. We all recognize that fact.

I invite attention to the fact that many speakers during the debate on the so-called Civil Rights Act made specific mention of the fact that there was nothing in it that would apply to the Negro city dwellers of the North who are supposed to have a great stake in that act. I think it is becoming very clear that that argument was completely true—that there is nothing that can be expected by northern Negroes to come from the so-called civil rights act.

For example, the Washington Post of yesterday printed an editorial entitled "The Voice of Desperation," which I ask unanimous consent to have included in the RECORD at this point as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE VOICE OF DESPERATION

> As the tide of Negro protest moves from south to north, it has increasingly become an attempt at social revolution. In the South, the protest was directed to specific legal and political wrongs that could be righted by specific legal and political remedies. In the North, the protest now runs to the whole wretchedness of slum life and there is no remedy that promises any immediate improvement. The rioting does not merely spring from Negroes' discontent, but from slum dwellers' inability to find any hope of relief.
>
> The demonstrators' antagonist, in the South, is a specific registrar, or judge, or Governor, whose name and face is known to everyone. In the North the antagonist is anonymous, "the man," and the man is not only everyone who is white but some, including policemen, who are Negro. The southern sit-in has a definite and limited purpose, for example, the right to be served coffee at a certain lunch counter, which lies within the power of the proprietor to grant. The northern sit-in characteristically has a nebulous and limitless purpose, for example, to protest the unspeakable conditions in Manhattan's old-law tenements, which no one has the power to improve by tomorrow morning.
>
> The young southern Negro who breaks the color bar of a public university is applauded for winning a great victory for his race. The young northern Negro who breaks out of the ghetto into the white suburbs is suspected of having tried to escape his race. The southern demonstrations are orderly because they are effective and hopeful. The northern demonstrations are violent and destructive because they are hopeless and have no visible effect beyond frightening the surrounding community.
>
> The riots are taking place in cities that have been for many years under the Nation's most powerful civil rights laws. New York and New Jersey have had for many years most of the provisions that the latest Federal civil rights act now extends to the entire country. The act will force great change in Mississippi, but not in Harlem.
>
> It is the Negroes' historic misfortune to arrive in the great northern cities at a time when, contrary to the American tradition, the distance between the unskilled laboring class and the securely salaried middle class is becoming steadily wider and more difficult to cross. The Negroes immigrating to Rochester find it a city of highly trained technicians, with an extremely advanced industrial economy offering very little place to the newcomers. Very much the same can be said of Washington, where a civil service economy offers very little to the illiterate.
>
> "Civil rights" remains, in the South, a precise legal term referring to the citizen's equal standing before the law. In the North, it now covers every kind of reaction, legal or not, to the grievances of the urban outcasts. Some of those grievances are racial in origin, but by no means all of them; the tenements appeared in the cities long before the Negroes arrived.
>
> These fearful and bloody street fights have armed the enemies of equality. Worse still, they have shaken the Negroes' own confidence in the nobility of their cause. The rioters themselves seem to alternate between aggressive violence and helpless desperation: During a lull in the looting, a youth in Jersey City said: "It's all up to what the man decides now." He is wrong. The "man" is a figment; there is no man. There are only the millions of people, of all races and conditions, of the American cities. They are willing to proceed with social reform, but the spirit of reform will not survive amidst warfare in the streets.

Mr. HOLLAND. Mr. President, I read, for emphasis, from two paragraphs of that editorial:

> The southern demonstrations are orderly because they are effective and hopeful. The northern demonstrations are violent and destructive because they are hopeless and have no visible effect beyond frightening the surrounding community.
>
> The riots are taking place in cities that have been for many years under the Nation's most powerful civil rights laws. New York and New Jersey have had for many years most of the provisions that the latest Federal Civil Rights Act now extends to the entire country. The act will force great change in Mississippi, but not in Harlem.

There cannot be a clearer statement of the fact that the so-called Civil Rights Act was designed to affect one section of the country, and those who framed the act knew perfectly well there was nothing in it to help Negroes in the ghettoes of the northern cities.

I next quote from an editorial published in the New York Times of recent date, entitled "What the Negro Wants." I ask unanimous consent that it be included in the RECORD at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

WHAT THE NEGRO WANTS

> The racial turbulence that compelled Governor Rockefeller to send 1,000 National Guardsmen into Rochester is the latest evidence that there are no zones of quiet in the civil rights struggle. The first necessity wherever such eruptions occur is to reestablish the rule of law and order, the only dependable source of equity for Negro and white alike. But the more fundamental task—one that hoodlumism merely obstructs—is to find solutions for the infinitely complex problems that generate the tension, North and South.
>
> In the light of the universality of such tension, the survey of Negro attitudes made by four Times reporters with the help of experts in public opinion polling is instructive in indicating what priority New York's Negroes put on their problems. Economic complaints, arising out of dead-end jobs, high prices and low pay, came first; housing second, crime third, and education fourth. All of these complaints are reasonable, justified and susceptible of correction. But the solutions require community transformations of such magnitude that the time to make them may prove the scarcest of all commodities.
>
> The survey was made before the recent rioting in Harlem and Brooklyn. Even then too many Negroes felt that the police were guilty of at least some brutality toward them, although only 9 percent had witnessed brutality.
>
> In spite of the widespread animus against the police, many Negroes wanted more policemen in their neighborhoods because of constant fear of Negro muggers, drunks, hoodlums, and narcotics addicts. This is a complaint that the mayor, with budgetary and tax power, can meet if he will, by enlarging a police force newly proved inadequate to supply safety on the streets.
>
> What can Mayor Wagner do for greater racial justice, with the powers that rest in city government? He can, of course, bear down with all the influence at his command for better housing. But most of all—and this has a bearing on the primary problem of better jobs and better pay—he can improve education of the Negro.
>
> While it would not be possible, or honest, on the basis of this survey to discount the importance the Negro attaches to better integrated schools, it is obvious that the excellence of education—less overcrowding, fewer split sessions, more interested teachers—is paramount.
>
> What should disturb us all was the answer to the question, "How do you think most Negroes feel about whites?" Only 5 percent like whites, 63 percent neither like nor hate, and 6 percent had no answer. The rest, in some degree, hate whites. We shall live in an uneasy world while this attitude persists, and the white can do more than the Negro to change it.

Mr. HOLLAND. I quote from that editorial. After referring to the New York State riots, this lucid editorial very properly asks for a return to law and order in these words:

> The first necessity wherever such eruptions occur is to reestablish the rule of law and order, the only dependable source of equity for Negro and white alike.

Then, after commenting on the fact that the Negroes were claiming to be mistreated by the police, the editorial states that as a result of extensive interviews taken by four of their staff members of a sampling of Negroes in New York and the use of polling services, they came to this compelling conclusion:

> In spite of the widespread animus against the police, many Negroes wanted more policemen in their neighborhoods because of constant fear of Negro muggers, drunks, hoodlums, and narcotics addicts.

One more quotation:

> While it would not be possible, or honest, on the basis of this survey to discount the importance the Negro attaches to better integrated schools, it is obvious that the excellence of education—less overcrowding, fewer split sessions, more interested teachers—is paramount.

That is a good statement of the philosophy the Senator from Florida uttered several times during the course of the debate on the so-called civil rights bill. It is not the matter of integration of schools that will mean much to the Negroes—it is more excellence in the schools and more money spent on the schools, particularly in those slum areas of the North where the Negroes are so crowded.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. HOLLAND. Mr. President, I ask unanimous consent to have 3 additional minutes to complete my statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLAND. Mr. President, the third—and I want this to be called particularly to the attention of the Senate—is an excellent editorial from the Tampa Tribune in my State, which shows so clearly that we of the South regard this as a national problem. We regret what has happened. We knew it was going to happen, or thought it would. We suggest that what is needed is sounder leadership and a willingness to aid the people. I stated on the floor during the debate on the so-called civil rights bill that though I was strongly against the bill, if it passed I would advise obedience to the law no matter how distasteful it might be. In a Fourth of July speech in my hometown, Bartow, Fla., I accentuated that point. That speech already appears in the RECORD, and I shall not repeat it. I read from the editorial in the Tampa Tribune:

> We can be thankful that the South thus far has escaped such massive conflict—but none of us can squeeze comfort from the North's bitter fruit.
>
> This is an American problem.

Another quotation:

> The New York riots, in cities long integrated by law and tolerant in philosophy, ought to warn all of us—white and black—that we are confronted with a grave problem untouched by legislation——

Meaning, of course, that the recent Civil Rights Act, so-called, had no helpful application whatever to the serious problems that exist in the ghettoes of the North, where the Negroes are so crowded, and where they have had all the ordinary legal opportunities of citizens, living in States that had not only all the provisions in the so-called Civil Rights Act recently enacted, but other provisions as well.

I ask unanimous consent that the editorial from the Tampa Tribune be printed in the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

> THE NORTH'S BITTER FRUIT: IT CAN SICKEN A NATION
>
> It will be a matter of satisfaction to countless southerners that the most violent racial outbreaks since the passage of the Civil Rights Act have occurred not in Birmingham or Jackson, Miss., but in New York City and Rochester.
>
> We can be thankful that the South thus far has escaped such massive conflict—but none of us can squeeze comfort from the North's bitter fruit.
>
> This is an American problem.
>
> A racial explosion anywhere in our land casts into the currents of national life the cancerous particles of hate and distrust which can eat away America's unity and strength.
>
> The New York riots, in cities long integrated by law and tolerant in philosophy, ought to warn all of us—white and black—that we are confronted with a grave problem untouched by legislation.
>
> It is, in our judgment, a spreading disrespect for law which has its roots in the civil disobedience campaigns of the more militant Negro organizations.
>
> The Reverend Martin Luther King was the first to espouse the theory that a minority has the right to disobey any law it feels is unjust. He was exceeded in his own practice of this doctrine by James Farmer, of CORE, and John Lewis, of SNICK. The movement progressed from sit-ins to kneel-ins, wade-ins, jump-ins, lie-downs, and stall-ins (to tie up traffic to the World's Fair). The answer to all Negro complaints was one word: demonstrate.
>
> Physical coercion (theoretically nonviolent) became a substitute for legal action or moral suasion. The so-called civil rights movement degenerated into a contest in belligerence between aspiring leaders; it was a natural progression from the Gandhi pose of Doctor King to the call for guerrilla war by Jesse Gray, promoter of the recent Harlem rent strike.
>
> Every demonstration eventually became a police problem, as it must if law is to be upheld. So the police, by proximity, were made the immediate enemy; it became standard practice to charge every white policeman who dragged a limp demonstrator out of a place of business or off a sidewalk with brutality. This made publicity and presumably sympathy.
>
> It is noteworthy that in both Rochester and Harlem the brutality cry has been sounded over and over in recent months. The Harlem rioting was touched off by inflammatory protests against the shooting of a 15-year-old Negro by a white policeman, who said he acted in self-defense; the tumult in Rochester roared up from the simple arrest of a drunk in the Negro section.
>
> Is it reasonable to believe that police brutality toward Negroes would be tolerated in cities where both politicians and civic leaders have been so sensitive of minority rights? No, the truth appears to be that New York City and Rochester are suffering the consequences of the protracted campaign of disrespect for law and slander of authority.
>
> These communities will not be alone in their trials, we fear, unless Negroes turn to more responsible leaders.
>
> Those with a sense of loyalty to the Nation and a genuine concern for the welfare of their people must exert their influence to chop down this doctrine of defiance and replace it with respect for law.
>
> They now have, in the Civil Rights Act, every guarantee of equal treatment they could hope to obtain. They will pluck no more from the jungle of the streets. Instead they will harvest there a fruit so bitter that it will sour race relations beyond the power of any law to sweeten. And the whole Nation will be sickened.

All of us must realize, and I ask the Senate to realize, that it is not a matter of enacting new laws or of handing down court decrees; it is not the use of coercion or force, that is going to decide these troublesome problems, but understanding in the heart, based on mutual good will, which is going to bring any help to those who desperately need it—particularly to the millions who live in the ghettos of the great cities of the North.

REAPPORTIONMENT OF STATE LEGISLATURES

Mr. LAUSCHE. Mr. President, currently in the Congress and by people throughout our country, discussions are being had about the course that should be followed pursuant to the decision rendered by the Supreme Court that Senators of State legislatures must be selected on the basis of population rather than on the basis of geographical areas.

I would like to make a few comments about this issue. What I will have to say has no application to the correctness of what the Supreme Court did. That issue is beside the point.

In Ohio, for 161 years, the people had accepted the philosophy that senators to State legislatures shall represent geographical areas, while representatives should be the agents of the people. I doubt if 1 percent of the people of Ohio were of the belief that the manner in which they were selecting their State legislators was not constitutional.

Congress is made up of Senators, representing States, and Representatives, acting as spokesmen for the people. The greater the number of people in a State, the greater number of Representatives it has. On the other hand, each State, without respect to population, has two Senators. That was the design and the conclusion which the founders of our Constitution reached about the best method of insuring that neither the populous States nor nonpopulous States shall have domination over what shall be done in Congress.

Ohio followed that philosophy. It concluded that neither rural areas nor city areas shall, on the basis of their position, dominate the legislature. No better method was evolved.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. LAUSCHE. Mr. President, I ask for 3 additional minutes.

The PRESIDING OFFICER. Without objection, the Senator may proceed for 3 additional minutes.

Mr. LAUSCHE. It was decided that the States should have two Senators, and that States should have Representatives in the House commensurate with their population.

I have stated that in Ohio I doubt if 1 percent of the people believe that they were improperly choosing their senators in the State legislature. I venture to say that that same conviction abided with 99 percent of the people of our country with respect to each State.

Bicameral legislatures mean representation on the basis of region and on the basis of population. Why should there be two houses in Ohio if both are to be based on population? Why should there be two Houses in Congress, if the theory is carried forward, as it is argued, that both Houses shall be chosen on the basis of population?

I cannot identify the number of States which have two houses but it is exceedingly large. By the elimination of the selection of Senators on the basis of representing geographic areas, the Supreme Court, in effect, has struck down the bicameral method of legislating. The bicameral method of establishing legislative bodies was deemed healthy, because it gave representation to areas and representation to people.

I shall not abandon the position I have taken on this subject. I believe it is sound.

Ohio should be given an opportunity to decide within the next 2 years whether it will remedy the impact of the decision of the Supreme Court. It was caught by surprise. It had no anticipation that it would be told that it has been improperly selecting its State senators. Therefore I call upon Members of the Senate who believe that the decision of the Supreme Court was a complete surprise, and unexpected, to give the 50 States an opportunity to study the problem and to reinstate what they have believed through a century to be the law of the land.

I yield the floor.

THE 90TH BIRTHDAY ANNIVERSARY OF HERBERT HOOVER

Mr. SALTONSTALL. Mr. President, this is the 90th anniversary of the birth of Herbert Hoover. I have the utmost respect for him as a man and as a patriotic citizen, who as a public official in various capacities, including the highest office in the gift of our people, has done much to improve the welfare and happiness not only of the people of the United States, but also in many other areas of the world whose people needed help in order to survive in disastrous times.

We wish him health and a continuing opportunity to help us all with the benefit of his knowledge and experience.

I join many others in wishing him a very happy birthday and more years of help to our country.

AMALGAMATED CLOTHING WORKERS OF AMERICA

Mr. HUMPHREY. Mr. President, this year marks the 50th anniversary of one of our most imaginative and enduring trade union—the Amalgamated Clothing Workers of America, AFL–CIO.

Born out of the degradation of the sweatshop, nurtured in its struggling years by the zeal of its leaders and raised to proud maturity by the contributions of thousands of dedicated workers, the Amalgamated stands today as both a monument to those accomplishments of the past and as a beacon of hope and promise for future generations of working men and women.

Like that mythical bird, the phoenix, which rose to new and greater heights from its own burnt-out ashes, the Amalgamated rose to its present preeminence in the labor movement from the bitter and tragic ashes of the unfulfilled dreams of those early garment industry workers more than a helf a century ago.

The immigrants' dream of an America with streets paved with gold quickly died when confronted with the grim realities of the sweatshop. Another dream to correct these sordid abuses through the organization of a responsible trade union also died amidst anguished workers' cry of "sellout" and "betrayal."

But out of the ashes of these dreams arose a more fervent dedication which shaped a new dream. And this dream became reality in 1914 with the founding of the Amalgamated Clothing Workers of America. The achievements of that "fighting and forward looking union" were best described by President Lyndon B. Johnson in his remarks to the 50th Annual Convention of the Amalgamated Clothing Workers of America, AFL–CIO, in New York City:

> For 50 years you have worked to make your dreams come true first with Sidney Hillman at your helm and now with my good friend Jacob Potofsky. You pioneered in arbitration—low-cost cooperative housing—health and retirement insurance—higher work standards—medical centers for your members—and above all, in the concept of the minimum wage. You can be proud that the heresies of your past have become the accepted practices of the present.

And in acknowledging the debt which all Americans owe those early Amalgamated pioneers of humanitarian and enlightened labor practices, there is no finer eulogy than the words of the poet Vachel Lindsay, whose eloquence is in harmony with the legacy left by Amalgamated's long line of dedicated fighters for a better life for a free man in a free society:

> Sleep on, O brave hearted, O wise man, that
>   kindled the flame—
> To live in mankind, is far more than to live
>   in a name,
> To live in mankind, far, far more * * * than
>   to live in a name.

Mr. President, I compliment, in particular, the continuing leadership of the Amalgamated Clothing Workers of America, under the distinguished American, Sidney Hillman, my good friend, Jacob Potofsky, and other officers of this fine organization. They are a living tribute to good, sound, wholesome, democratic, constructive trade unionism.

RURAL DEVELOPMENT IN FOREIGN AID

Mr. HUMPHREY. Mr. President, rural development is a very important part of the foreign aid program. The country people of the less-developed nations, just like the country people in the United States, are a very important stabilizing element in national life. This is seen by the way in which the Communists first try to win the peasants. They know if they can win the peasants they stand a better chance of toppling the cities.

Led by its able administrator, David E. Bell, our foreign aid agency is attempting to strengthen our program of assistance to rural development in the less-developed countries. I am very pleased about this new effort to improve rural development, and to make our foreign aid program in the rural areas of the world as effective as possible.

In this connection, a conference on international rural development was recently held at the State Department, in which the Agency for International Development joined with the land-grant universities of the country and the Department of Agriculture in considering ways in which rural development could be advanced. Mr. Bell made an important speech at the Conference, which I think deserves to be widely read by those concerned with our foreign aid program. It reflects the sound, commonsense approach being taken by AID toward doing something about this problem.

I ask unanimous consent that this address be printed in the RECORD at this point.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY THE HONORABLE DAVID E. BELL, ADMINISTRATOR, AGENCY FOR INTERNATIONAL DEVELOPMENT, DEPARTMENT OF STATE, BEFORE THE INTERNATIONAL RURAL DEVELOPMENT CONFERENCE, WASHINGTON, D.C., JULY 27, 1964

It's a great pleasure for those of us in the Agency for International Development to join with the land-grant universities and the Department of Agriculture in this Conference on International Rural Development. We are convinced of the very great importance of improving the effectiveness of U.S. assistance to rural development in the less-developed countries. And we are convinced that the sponsors of this Conference jointly command the strong resources of competence and experience to achieve that end. Together we can do far more than has been done thus far to enlarge the horizons and enrich the lives of rural people in Asia, Africa, and Latin America.

Everyone here knows of the enormous impact upon life in the United States of the work of the land-grant universities and the Department of Agriculture over the last century. The results of this mutual effort by the universities and the Department are visible not only in our country's highly productive agriculture and our prosperous rural communities, but also in the productivity and strength of our entire national economy. Moreover, the results of this century of mutual effort are also found in the structure and workings of our Nation's free institutions—urban as well as rural—political and social as well as economic.

I say these things not just by way of polite introduction. I say them because, stated in broadest terms, we have come together here today to consider what we can do to help achieve similar results in the less developed countries of the world. All of us in the United States would like to see in the developing countries a growth in agricultural productivity and in rural living standards, coupled with a strengthening of local public and private institutions, just as we have seen these things happen in the United States over the last century. If we can help bring this about, it will benefit the United States as well as the people of the developing countries. Rural development in Asia and Africa and Latin America will benefit us by strengthening the prospects for peace and freedom around the world; it will contribute to a stronger and healthier world economy in which our own exports and our own foreign investments can flourish; and it is certainly essential to our own self-respect to use a share of the resources of the strongest nation in the world to help our fellow human beings.

These are elements of the broad framework within which our Conference is set. In these introductory remarks, I would like to say a word or two about each of three main questions: First, the nature of the problem of rural development in the less-developed countries; second, the role of U.S. resources—particularly the resources represented in this room—in helping to meet the rural development problem; and third, the direct and immediate work of this Conference today and tomorrow.

U.S. economic assistance is now being provided to about 75 countries with a combined population of about 1,250 million people. About three-fourths of those people live in rural areas and make their living in rural occupations. Moreover, the rural populations of these countries invariably are the poorest elements in the country—poorest in income, in health, in education, in opportunities. The problem of rural development therefore is the largest and in many respects the most serious part of the job of achieving economic and social progress in the less-developed countries.

There is no need to describe at length for this audience what rural life is like in the less-developed countries. Most of us in this room have seen it at firsthand and many of those present have worked for years in such areas. The facts regarding India can serve as illustration. India has more than 460 million people, 80 percent of them rural, living in half a million villages, many without road connections, most without electricity, clean water supply, or health facilities. Less than one-quarter of the population is literate.

To feed themselves and their animals, India has 385 million acres of arable land, compared to 457 million acres in the United States. India's land is divided into 60 million farms, 70 percent of which contain less than 5 acres—and these small farms are commonly fragmented into several separated fields.

Agricultural credit is inadequate and 80 percent of the money farmers borrow comes from money lenders at rates of 25 to 75 percent per year. Farm technology is primitive. Indian fertilizer consumption of 2.4 pounds of nutrient per acre compares to 235 pounds per acre for Japan. Prices for grains fluctuate widely and price relationships are unfavorable, the cost of fertilizer in terms of rice being three times that in Japan. Small wonder that yields per acre are among the lowest in the world—18 bushels per acre for rice, 11.5 bushels per acre for wheat—and that food production has not been keeping pace with population growth.

We have been taught correctly by the anthropologists that village life in different countries is tremendously varied in cultural and historic background, in languages and leadership, in the methods by which change is accomplished. The people of Indian villages are very different from people of Nigerian or Honduran villages. Nevertheless, there are common threads of poverty, of exposure to disease and brief lifespans, of narrow horizons of knowledge and opportunity, which run through village life in all the continents.

It is therefore permissible to generalize about the rural development problem, so long as we do not forget that every generalization has to be adapted to the particular circumstances of each cultural setting.

Recognizing this important qualification, I would suggest to this Conference that a good deal has been learned in the last two decades about how to deal with the problem of rural development.

First, I suggest that we have learned that rural development requires much more than an improvement in agricultural technology. Along with better agricultural techniques, rural development requires improvements in marketing and transportation arrangements, in education and health facilities, in better institutions of local government and of private cooperation. Without such broad changes on the local scene, improvements in agricultural technology will neither take root nor be effective.

Let me cite an illustration. Most of you will have heard of the striking improvement in the rural sector in Taiwan over the last 10 years, and some of you may have heard this attributed to the success of the land reform program there. It is true that the rural development effort in Taiwan included a very important redistribution of ownership rights in the land. But it was far more than that. In addition to changes in landownership, the rural development program has included better agricultural methods, better markets and roads, better schools and health services—and all these matters have been related to each other under the leadership of the Joint Commission on Rural Reconstruction. The very great gains in agricultural productivity and income in Taiwan, and in the enrichment of rural living there, provide an impressive example of the necessity for considering rural development as a problem of rural societies, not just a problem in agricultural technology.

A second suggestion which may be derived, I believe, from the experience of the last two decades is that rural development is not a single factor problem. The experience under the Marshall plan in Europe was misread by some to indicate that there was something very close to instant development—just add capital and stand back. We have long since recognized, however, that restoring effective economies in Europe, and creating effective economies in Africa, or Asia, or Latin America, are problems of very different kinds.

There was a time also when some were dazzled by the apparent magic of transferring know-how. Just take hybrid corn, and contour plowing, and artificial insemination and teach them to the farmers of the world and the millennium would follow. Hard experience has demonstrated the contrary. All of us know today that what works in Bozeman may not work at all in Bolivia—that useful know-how must be derived from research and experimentation on the spot where the know-how is to be applied—and that in any event know-how by itself is helpless without capital on the one hand and economic and social institutions on the other with which to put it to work.

Today, therefore, there is general agreement that rural development requires capital plus know-how plus institutional development. But there are some elements even beyond these; namely, the attitudes, incentives, and systems of values which provide drive and motivation for the people in a country. This is particularly important in the newer nations where it is frequently necessary to develop a sense of national identity that gives the people respect for themselves and confidence in their ability to meet the future successfully.

These matters are not easy to define and the way they grow is not easy to measure. But those who have thought most deeply about the situation of the less-developed countries would I think agree that the commitment of energy and leadership—the will to achieve economic and social progress—is more important than any other single factor in accomplishing development. To be able to walk in dignity before the world is undoubtedly the most powerful motivation affecting the less-developed nations today.

A third and final suggestion which may be derived from the experience of the last two decades is that rural development must be achieved from within, by the people of the less-developed countries themselves. It cannot be imposed from without. This is a lesson we have had to learn over and over again. All of us know of excellent reports, impressive schemes, beautiful blueprints which have been drawn up by outsiders, showing convincingly how the rural people of one country or another could overcome the obstacles that confront them. But in case after case nothing has happened. And the hard fact is that nothing will happen unless the local people are at the center of the process, unless they help plan and execute the projects, unless they understand how to maintain and carry on and use what has been built.

Illustrations of this point can be seen in many places. Stanley Andrews has told me of the village wells in Ethiopia which were dug with much fanfare 10 or 15 years ago, but which invariably ended up a few years later out of commission and filled with rocks. To dig wells seemed to be something which would obviously be good for the villagers, and which indeed they welcomed, but in the absence of understanding how to maintain and operate the simple equipment involved, the wells soon became worthless.

One of the most striking successes in the whole field of rural development at the present time is the rural public works program which began at Comilla in East Pakistan, and has been spearheaded by a remarkable local leader named Akhtar Hamid Khan, whom some of you may have the privilege of knowing. The key to this program is the development of leadership within the village, and the organization by village people themselves of local work forces to build roads, dykes, schools, clinics, canals, drainage facilities—improvements which they want, which they understand, and which they are capable of maintaining. External help is vital, both in the form of money and in the form of engineering advice, but the projects are truly local and they will live. Moreover, in the process, local institutions are being built, both cooperatives and local governments, which will be able to handle more and larger problems in the future.

The lessons that have been drawn by the people who have been working at Comilla are of great significance to all those interested in rural development. I cite four of them briefly because they crystallize so much wisdom so briefly:

Responsible local government is necessary to utilize the services of central government effectively.

The villagers have great potential for leadership and can perform local government functions if trained and assisted by people in whom they have confidence.

Village leaders selected by the villagers themselves are the most effective communicators of improved methods.

The creation of organized groups such as co-ops maximizes the results of demonstration and training.

All these points emphasize the necessity of thinking about rural development as basically a process of change that must be achieved by rural people themselves.

These then are some major conclusions I believe we are entitled to reach about the problem of rural development in less-developed countries. First, we must think of the improvement of a complex group of rural institutions and services, not just of agricultural technology. Second, we must think about a whole range of factors with which to bring about change, not just capital, or just know-how, or just institutional development. And third, we must think of means and methods which will permit rural development to be achieved by the people of an area, not just conceived of as an intellectual exercise by outside experts.

II

If these conclusions correctly describe important elements of the rural development problem in the less-developed countries, they establish some limits and indicate some means by which we in the United States can help.

First of all, we can clearly help through research to discover the precise methods, techniques, varieties, institutional modifications, and so on, which will fit the local needs of different places and circumstances.

A good deal of such research is underway, financed by the foundations and by U.S. research organizations with their own funds. Until recently, the foreign aid program of the U.S. Government did not support any significant research. That neglect ended with the Foreign Assistance Act of 1961. Over the past 3 years we have begun to build a respectable research program. It is still small—$6 million in the last fiscal year—little enough in view of the entire range of national development problems that needs to be covered. But it is growing; we have asked Congress for $15 million for fiscal 1965. And we believe it is soundly guided, with men like Dr. Moseman, of the Rockefeller Foundation; Dr. Mosher, of the Agricultural Development Council; and Professor Parsons, of the University of Wisconsin, serving on the Research Advisory Committee which reviews each of our projects before it is approved. We hope through this program to enlist more of the research talent of U.S. universities and institutions to address questions of moment to the less-developed countries.

In the long run it will be at least as important to help build effective research institutions in the developing countries themselves. This is the great significance of the agricultural research center at Chapingo, Mexico, and of the International Rice Research Institute at Los Banos in the Philippines, both organized under the careful, experienced guidance of the Rockefeller and Ford Foundations, both capable of extraordinary impact on whole regions of the world and on generations of young researchers.

Research is far from the only contribution we can make to international rural development. We can also, through education and training in the United States, build skills, competence, knowledge, and attitudes in foreign students who will be the leaders of their countries in the future. AID is financing perhaps 10,000 trainees now in this country, many of them enrolled in the universities represented here today, and there are thousands more in the United States under other sources of financing. I think we have much to learn about how to make their learning experiences more beneficial. Too much of what these young people learn in our country today is relevant to Kansas but not to Katmandu. But already the contribution of U.S. training is very large.

Certainly more influential in terms of numbers in the long run, we in the United States can help create educational institutions of high quality in the developing countries. Many of the universities represented here today have engaged in this kind of work—helping to establish new universities or to upgrade existing ones. All of us know how difficult, how sensitive, how slow these tasks can be. But all of us know also the very great "multiplier effect" that can follow from the success of a well-planned, well-executed project of this kind—a project like that of Michigan State at Nsukka in eastern Nigeria or that of Cornell in the Philippines.

The United States can make major contributions to international rural development through research and teaching, here and abroad—substantially greater contributions, in my opinion, than we have yet made. But this is not the limit of our assistance.

We can help, and we have helped, to apply knowledge to the actual problems of rural development, on the spot in less-developed countries. American advisers and advisory teams, publicly or privately financed, have applied their brains and experience in one country or another to just about every practical problem of rural life—from the planning of agricultural price support laws to the design of sanitary privies.

It is quite clear, however, to anyone who examines this experience that most projects have been rather narrow in concept, and in most cases the U.S. institutions involved—the Department of Agriculture, a land-grant university, or whoever—has been used rather narrowly. Typically a university, or the Department, has been asked to help train certain specified participants in certain specific fields, or to organize a team of advisers to execute a limited project which has been planned by somebody else.

This has begun to change, and it is a fundamental assumption underlying this Conference that it should change further and faster. As we have come to realize the breadth and depth of the rural development problem, so also have we come to realize the need to associate American expertise more broadly and more deeply with the process of change in rural life in less-developed countries.

Let me illustrate by referring to the work now underway in Peru by North Carolina State and by Iowa State Universities, in two separate but related projects, both of which are much broader than has been customary in the past. North Carolina State is working with the national agricultural university at La Molina and with the national Ministry of Agriculture. The purpose of this work is to assist Peru in developing a combined program of agricultural education, research, and extension. North Carolina State has staff members today working not only at the site of the university at La Molina, but in half a dozen other locations in Peru.

Iowa State is working with the National Planning Commission of the Peruvian Government to develop a national rural development plan, to establish through research the necessary basis of data and analysis for the plan, and to develop through training the local competence for effective rural development planning, with special emphasis on the land tenure and other institutional adjustments required for rural development in Peru.

The nature of these tasks has been recognized to be very broad, and the universities involved, the Government of Peru, and AID have all undertaken them in the expectation that they will require a wide range of skills, an extensive commitment of first-class talent, and a series of years of steady effort to yield the results we are all hoping for.

These illustrations indicate the very great challenge to be found in properly conceived technical cooperation work. They also illustrate, incidentally, the possibilities of using more than one land grant university in a country in a complementary relationship, without blurring the clear-cut allocation of responsibility necessary for accomplishing effective results.

III

Thus far I have suggested that the task of rural development is necessarily a broad and complex one which hinges upon the effective participation of rural people. I have also suggested that the United States can assist the rural development process through research, through teaching, and through active participation in solving developmental problems, and that to do so effectively will require improvements on our past record. It is essentially the business of this conference to consider these conclusions, and if they are generally accepted, to discuss their meaning for our mutual efforts.

Without presuming to speak for anyone else, let me mention briefly three or four conclusions we in AID have come to. It is our firm conviction that we must seek to engage the resources of the Department of Agriculture and the universities more broadly than they have been engaged thus far in international rural development work. We would like to involve the Department and the universities more than we have in the past in country planning processes—both in helping our oversea missions to decide which activities the United States can most usefully conduct in different countries, but more importantly, to assist less-developed countries with the development of their own plans and policies. We would like to involve the Department and the universities more than has often been the case in project planning and evaluation as well as in project execution. We would like to conduct more of our projects in the future through contract relationships and fewer through direct hire staff. We would like to assist in the substantial strengthening of the work of the Department and the universities in research and training, both here and abroad, in the broad spectrum of fields which are relevant to rural development.

We have reached these conclusions and seek these changes in recognition of the extraordinary significance of the problem of rural development in the world, and in the belief that we should be contributing to the mobilization and application of the highest quality talent the United States affords to the solution of this problem.

We recognize fully that if we are to achieve these objectives we must first of all change many of our own patterns of work, many of our own attitudes, many of our past practices. We have reviewed the draft committee reports which have been jointly prepared prior to this Conference by representatives of the Department of Agriculture, the universities, and AID. Speaking for AID we are prepared to accept these reports without significant qualification. If this Conference, after considering these reports and modifying them as it may wish to do, sees fit to adopt reports along the lines of these drafts, we will be prepared to accept them as working guidelines and to proceed to put them into effect so far as that lies within our competence. The preparatory work for this Conference seems to me to have been of extraordinary high quality, and I believe the draft committee reports embody the basis for a most significant series of understandings and agreements.

IV

Let me in closing express one or two cautionary words, to avoid any possible misunderstanding.

First of all, we should expect, I think, to continue to move forward in the rural development field abroad on a careful, step-by-step basis. All of our oversea work is conducted, so to speak, in the other fellow's backyard. It can be successful only when his interest and his conviction is joined with ours. The opportunities for effective work, therefore, depend only in part on our own energy and wisdom. They also depend on the varying environments of dozens of local situations in the less-developed countries. We must continue to seek effective opportunities for our useful work, but we must never mistake zeal on our part for receptivity on theirs.

Secondly, none of us can project with any degree of precision the likely volume of rural development work that will call for U.S. resources in the future, recognizing that there are important sources in other countries of similar research, training, and advisory skills. Nor can we even state with any precision the likely future volume of AID contracting. We have today between $150 and

$200 million worth of contracts in effect with over 100 American universities. We believe the number and dollar volume of contracts is likely to rise somewhat. In our view, however, it is more important to improve the quality than the volume of our joint work, and we ourselves expect to concentrate more on questions of quality than on the simple expansion of our total effort.

Lastly, I think it is most important for all of us to recognize that the work of assisting rural development in other countries is a task of the utmost complexity and sensitivity. It cannot be accomplished by anything less than our very best talent. The Department of Agriculture, the other governmental departments and agencies who will be involved, and those land-grant universities that wish to participate in this work, must expect to put some of their ablest people into it. We will have to have some of your best people—not too many, but some—for our own AID staffs in Washington and the field, and you will have to commit some of your best people to any training, research, and advisory activities that you may wish to undertake. No doubt some of the land-grant universities will not wish, or will not feel able, to undertake oversea activities. We hope enough will do so to meet the needs we see. And as the committee reports indicate, AID recognizes that we should help to develop the research facilities, and to train the people, who will be necessary to carry out this work.

I think it is important to recognize these cautionary notes. But I think we should approach the task of international rural development with zest and vigor. It is challenging, rewarding work, which combines high personal satisfaction with high contributions to great national objectives.

In that spirit I invite your attention to the work of this Conference.

SHOULD FOREIGNERS WRITE AMERICAN POLICIES?

Mr. MUNDT. Mr. President, we hear much, these days, as to what this or that American policy or candidate for office or program of domestic or foreign significance will mean to the so-called American image abroad. It is argued that unless the foreign press and the spokesmen for foreign governments express their approval of an American decision, there is a strong indication that such a decision is inadvisable. In my opinion, this is a spurious argument. I believe that Americans are capable of making their own decisions, not only as to what policies are in our national interests, but also as to which are most likely to benefit humanity throughout the world.

In this connection, Mr. President, I call attention to an article written by Constantine Brown, and published recently in the Washington Evening Star. I ask that Mr. Brown's column on foreign images be printed in the RECORD, in connection with my remarks.

As most Senators know, Constantine Brown is presently living in Rome, and is touring foreign countries, as part of his duties as foreign correspondent for the Washington Star. His observations are indeed pertinent, since they are based on firsthand impressions overseas. He visits many American diplomatic missions in other countries. Like many other Americans, he is also appalled by the new tendency of some of our foreign diplomats to engage in American partisan debate and practices while they are being paid to represent American interests as a whole. The final paragraph of Mr. Brown's column makes this point very clearly.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

OVERDOING THE IMAGE ARGUMENT

(By Constantine Brown)

ROME.—To an American reporter who has been watching the European scene firsthand for the last 3 years, the claims made frequently by administration officials in Washington that unless Congress does this or that, the American image will suffer appear grossly exaggerated.

Washington dispatches say, for instance, that Secretary of State Rusk, appearing before the Senate Judiciary Subcommittee, declares that unless our immigration laws are liberalized the "American image" will be impaired.

Similar arguments are given every time Congress is asked to approve bills concerning our dealings with foreign countries. Administration spokesmen have argued over the years, for instance, that unless every nickel demanded for foreign aid is appropriated the American image will become further distorted. Billions of dollars have been thus approved against the better judgment of the legislators because Congress was solemnly warned by the White House and State Department that the international roof would cave in unless foreign countries get a full share of America's wealth. More than often, emotional arguments prevailed over commonsense.

Actually, few European countries need our economic or military assistance.

In some instances where there is a dependence on our assistance, this is not being used by the administration to calm down strife which could easily result in sparking local wars.

Greece and Turkey, whose economies do not permit them to provide their own heavy military equipment, are an example. The efforts of President Johnson to get them to settle their differences by fair and amicable means were turned down by the Greek Government. It is likely that had we taken the tough attitude of telling Athens that unless the proffered American mediation was accepted, there would be no further shipments of military aid, the Cyprus question would be by way of being settled peacefully. Turkey has ordered partial mobilization.

This lack of a firm stand on our part does affect the American image over here. It shows us as unwilling to take a strong decision in a very serious crisis.

The liberalization of the immigration laws would be received with applause in some of the Mediterranean countries but would be ignored elsewhere. There is no question that immigration based on national origin is outdated. The quotas for those born in Britain, Germany, and other parts of northern and western Europe go begging. On the other hand, those born in Italy, Greece, and Turkey must wait sometimes as long as 30 years before they can obtain an immigration visa to America.

But to say that the American imagine would improve because of a change in the law is an exaggeration. None of the western Europeans care must about it. There is full employment in western Europe. Germany, Switzerland, France, and Holland are importing more than 2 million workers from southern Europe. More than a million Italians have thus found employment in nearby countries from whence they can return home for Christmas and summer holidays with hard currency. A liberalization of our immigration laws would not affect that much-talked-of American image one way or the other.

What does affect the image is our lack of decision in areas where our policies are shown to be weak; in our being considered responsible for the weakening of NATO; in political areas which resent our alleged interference in the affairs of our allies; in our heretofore incoherent policy in southeast Asia illustrated in Europe by our encouragement of the removal from office of Ngo Dinh Diem and his brother by an American-sponsored military junta.

What adds to the loss of face for America in Europe is the sub rosa activities by our missions abroad, which permit themselves to get involved in the present American electoral battle.

HERBERT CLARK HOOVER

Mr. DODD. Mr. President, today the Nation celebrates the 90th birthday of one of its greatest citizens, Herbert Clark Hoover. Mr. Hoover arrives at this notable milestone in life laden with honors and public esteem such as few men have achieved in the long history of the Republic.

As he looks back over his long span of years, Herbert Hoover can never remember a time when he was not strenuously engaged in some worthy endeavor.

As a young boy, an orphan, he toiled on farms to pay his way.

He was one of the first graduates of Stanford University. During the years between the day he graduated from college, with $40 in his pocket, and his 40th birthday, he earned an international reputation as a geologist and engineer, and he became a very wealthy man. It was characteristic of Herbert Hoover that at this stage in life he turned his back on his fantastically successful career and resolved to devote the remainder of his life to advancing the public welfare.

Fifty years of incomparable service to the American people and to the people of the world have followed. As the head of famine relief programs after two World Wars, as Secretary of Commerce, as President, as head of the Hoover Commission to streamline Government operations, as the moving force behind numerous civic and charitable endeavors, Herbert Hoover has truly been one of the great figures of American history.

But his achievements, despite their gigantic scope, are not the full measure of the man. Looming above all this shines the character of the man.

The name of Herbert Hoover is synonymous with integrity, humility, compassion, courage, self-reliance, individualism, practical idealism, and all those attributes which we like to think embody Americanism in its highest form.

Here truly is a man who has been resourceful in the hour of challenge, patient in the hour of trial, steadfast in the hour of ridicule, self-effacing in the hour of accolade, magnanimous in the hour of victory, and undaunted in the hour of defeat.

It is an honor and a privilege for me to join in this outpouring of respect, admiration, and affection for a very great man, and to offer congratulations on the occasion of his 90th birthday. May there be many more.

Mr. President, I ask unanimous consent to insert at this point in the RECORD an editorial from the New Haven Register of August 8, entitled "Connecticut To Honor an Outstanding American."

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Connecticut To Honor an Outstanding American

Connecticut will honor Herbert Hoover, the 31st President of the United States, on his 90th birthday Monday. In proclaiming the day Governor Dempsey set aside party lines, as Mr. Hoover did in his 4 years in the White House and in more than a score of other years in other public service.

Few men in history have been the victim of such a set of adverse circumstances as those which crashed down upon Mr. Hoover after he assumed the Presidency in 1928. The situations which were soon to coagulate to form the depression had been building up for years. He had the misfortune to be President when the stock market collapsed and the worst economic plight in modern history engulfed the Nation and the world. While it was his misfortune, history now shows that it was the country's good fortune to have a man of Mr. Hoover's ability and stability in office during such a crisis.

During the depression Mr. Hoover was scorned and ridiculed. He was blamed, condemned. He took every undeserved blow. In such a financial calamity as the depression, the part in it of any one man cannot be accurately gaged at the time. Time must be given to reflect, to appraise. Mr. Hoover lived long enough to have historians and economists remove the yoke of responsibility placed around his neck, see his policies commended and not condemned.

When he ran for reelection in 1932 the depression was still on. He had to fight the onus it so erroneously put upon him. He had to battle mounting resentment to the Prohibition Act. He also had such a formidable opponent as Franklin D. Roosevelt. The electorate rejected Mr. Hoover.

As a former President Mr. Hoover has won recognition and respect denied him while he was our Chief Executive. When he marks his 90th birthday on Monday the people of Connecticut and the other 49 States will join in extending congratulations. Herbert Hoover is one of our finest Americans and humanitarians.

Mr. DODD. Mr. President, it is also singularly appropriate that on Herbert Hoover's 90th birthday there should appear in the Nation's bookstores a fascinating, panoramic book detailing the colorful life and deeds of this unforgettable humanitarian, under the title "Herbert Hoover: A Biography," by Eugene Lyons. It is a very human, moving document that reads like an absorbing novel.

An editorialized review of it by Mr. A. N. Spanel, the chairman-founder of International Latex Corp., appeared in paid space in the Washington Post on August 10, 1964. It was presented in the public interest, and a very worthy public service it is indeed.

I, therefore, ask unanimous consent that excerpts from the editorial-review by Mr. Spanel, including excerpts from Mr. Lyon's book, be printed in the body of the Record at this point.

There being no objection, the material was ordered to be printed in the Record, as follows:

Happy Birthday to Herbert Hoover

(By A. N. Spanel, founder-chairman, International Latex Corp.)

On August 10, the 31st President of the United States, Herbert Hoover, reaches the venerable age of 90. He has lived longer than any American President except John Adams, who died at 91. That this great American has survived so long is a matter of profound satisfaction to millions of his countrymen, and admirers throughout the world—because it has enabled him to witness his vindication after a brutal ordeal by abuse.

History, there is every reason to believe, will deal more generously with Herbert Hoover than many of his contemporaries have done. Already, to quote Mr. Lyons' concluding words. "Time has washed off the mud with which he was bespattered—fortunately while he was still alive and active. The granite of integrity underneath became obvious even to the less perceptive of his countrymen."

SERVANT OF HUMANITY

It is most gratifying that three Democratic Presidents, Mr. Truman, Mr. Kennedy, and Mr. Johnson signally honored Mr. Hoover, with Mr. Truman utilizing Mr. Hoover's wise and profound report resulting from the Hoover Commission, and Mr. Johnson repeatedly paying the warmest tribute to Mr. Hoover's lifelong contribution to humanity.

Mr. Hoover's 90 years have compassed many careers—as engineer, humanitarian, political leader, social philosopher—and in each of them he achieved the top rung. His unhappy 4 years in the White House are little more than an interlude in a long life of service to mankind.

Ironically, he was one of the very few who warned against the speculative frenzy of the prosperity years in the 1920's. Fate ruled that he should himself be President when his warnings came true. He was vilified for crimes he did not commit, ridiculed for words he did not utter—such as "prosperity around the corner."

The new biography cuts through the mythology manufactured during his ordeal and Mr. Hoover emerges as a towering moral figure. More than most men, living or dead, he has been the great instrument of America's conscience. Beginning with the Belgian relief in 1914, he has organized and administered dramatic humanitarian compaigns that saved the lives of literally scores of millions throughout the world.

PROFILE IN GREATNESS

Ultimately, Mr. Lyons believes, Hoover will not be judged as a President but as a great human being. Here are few quotations from the book:

"He is a self-made man who from the humblest beginnings rose to transcendent heights—to the summit of his vocation, which was the mining of metals; to the pinnacle of his avocation, which was benevolence; to the highest office in the Republic. Then, with startling suddenness, his destiny took tragic turns.

"Rightly credited with genius in the administration of economic resources, he was fated to preside over a catastrophe of economic disintegration beyond the control of any mortal man. A Quaker whose name had become synonymous with compassion and help to the destitute, he found himself the victim of cruel accusations of callous unconcern for the sufferings of his own countrymen. From the luminous mountain peaks he was driven into the valley of shadows, there to wander for more than 15 years in unmerited ignominy, a man mocked and defamed, pilloried and stoned, for wholly imaginary sins.

"Happily the legend was dissipated in his own lifetime. The landscape of his 90 years has the sweep of great human drama, the counterpoint of brilliant light and melancholy shadows.

"A clear head under the control of a compassionate heart has kept Hoover from succumbing to the catch-phrases and shibboleths of the hour—proof that he was never cut out to be a conventional politician. While devoting his life to the weak and the destitute, he never tried to flatter the masses by glorifying weakness and destitution. He sought to stir them, rather, to new strength and self-reliance.

"Hoover has consistently renounced popularity for principle, for duty as he conceived it. As President, and then as ex-President, he never revised or reversed himself under the terror of organized abuse; he never yielded to the temptation of doing the politically profitable thing against his own logic and conscience.

"His life, I am convinced, will be measured less by what he did—colossal though it has been—than by what he was. Already, in fact, his countrymen instinctively appraise him in moral rather than conventional political terms. They think of him, if at all, not primarily as a President, however rated, but as a great American and a great human being—as a truly good man, whose compassion reached out to embrace all humankind."

These citations, we repeat, are from "Herbert Hoover: A Biography," by Eugene Lyons, published by Doubleday & Co. They provide a foretaste of the literary, historical and moral feast spread in its pages.

A CALL FOR SENATE CONDEMNATION OF SOVIET ANTI-SEMITISM: WORLD OPINION CAN HALT PERSECUTION OF JEWISH MINORITY

Mr. DODD. Mr. President, the Senate Foreign Relations Committee today began hearings on a resolution introduced by my distinguished colleague, the junior Senator from Connecticut, calling for the condemnation of Soviet persecution of the Jewish minority. I am proud to be associated with this resolution as a cosponsor.

It is proper that the Congress of the United States should concern itself with this problem because I am convinced that the force of world opinion can stay the hands of the Soviet tyrants and perhaps ease the plight of the persecuted Jewish minority in some measure.

There is nothing new about Soviet anti-Semitism. It is indeed almost as old as the Soviet regime itself. It has been the subject of many scholarly studies and of scattered newspaper articles spread over a period of two decades. It was the subject of intensive investigation by the Select Committee on Communist Aggression of the 83d Congress, of which I had the honor to be a member. The committee brought out two reports in 1952, one dealing with Soviet anti-Semitism and the other dealing with anti-Semitism in the Communist sphere generally. As the lone member of the select committee who serves in the Senate today, I would commend these reports for the study of my colleagues.

I again addressed myself to the subject of Soviet anti-Semitism in a Senate speech in March of 1960. In this speech I sought to summarize the known facts about Soviet anti-Semitism as they have been documented by experts and interested organizations, and by the Select Committee on Communist Aggression. But during the 1950's and during the early 1960's, for some strange reason, the world paid relatively little attention to statements on the subject of Soviet anti-Semitism. The terrifying story of the persecution of the Jews under communism seemed unable to penetrate the public consciousness of the free world.

Perhaps the scholarly studies were too esoteric, too limited in distribution.

Perhaps the newspaper and magazine articles were too scattered and infrequent to be effective.

Perhaps the Jewish communities in the Western countries did not speak up as loudly as they should have for fear of further endangering their coreligionists behind the Iron Curtain.

Perhaps our minds are conditioned far more than we ourselves are prepared to admit by the most powerful and most subtle propaganda apparatus the world has ever known.

Whatever the reason may be, I am convinced from many conversations that, in the public mind, until very recently, anti-Semitism was far more closely identified with Germany than it was with the Soviet Union.

The past 6 months have, however, witnessed a growing international awareness of the problem. The resolution now before the Senate Foreign Relations Committee is only one manifestation of this awareness. Recently, the Israel delegate to the U.N. Human Rights Committee in Geneva took the extraordinary step of presenting to the Committee a detailed, full-scale indictment of the Soviet persecution of the Jewish minority. And within the past several days the B'nai B'rith International Council has issued a similar study, in which the itemized indictment is brought right up to this very day.

In 1960, a group of professors of the Social Science Division of Fairleigh Dickinson University toured the Soviet Union. In the course of their tour, they took a particular interest in the status of the Jews and in Soviet Government policy toward the Jews. When they got back, they wrote a letter to me from which I should like to quote:

> Our observations have led us to the unhappy conclusions that anti-Semitism in the U.S.S.R. is not an atavistic remnant of czarist Russia, but is the official policy of the Government of the U.S.S.R.

Since that time, there have been further disturbing evidences of official anti-Semitism in the Soviet Union and of Goverment incitation against the Jewish minority.

Toward the end of 1962, for example, one of Moscow's largest publishing houses brought out a translation of a long-forgotten classic of anti-Semitism, entitled "The Gallery of Saints," by Paul-Henry Holbach, an 18th century atheist. This book has justly been described as one of the most evil anti-Semitic books ever published, ranking in viciousness and untruthfulness with the Protocols of the Elders of Zion.

To give you an idea of the contents of this book, the writer says in it that the Prophet Jeremiah was a crook and a real estate speculator, that Moses was a cruel tyrant, that the Jews hated other people and other people hated them, and that Moses developed their cruelty and their greed. As for contemporary religious Jews, Holbach says that "they behave toward non-Jews no better than their ancestors did; they think they are allowed to do anything to infidels and heretics." He states further that "Jewish theologists teach that, if a Jew sees a non-Jew dying or drowning, he should not save him or pull him out of the water, though he is not allowed to kill him."

This book was printed in 175,000 copies and sold through state book stores in the Soviet Union.

With literature like this being circulated, it is no surprise that Jews have been attacked and murdered in recent years in the Soviet Union, that they are the prime target of editorialists and of judicial persecution.

I am certain that the Foreign Relations Committee will report favorably, and it is my hope that the Senate will approve it unanimously.

It is my earnest hope that by focusing the spotlight of publicity on the terrible persecution of the Jewish people by the Soviet regime, we will be able to induce the Soviet authorities to at least abandon the official encouragement of anti-Semitism and to accord the Jewish minority the same rights as other minorities.

Mr. President, because I believe that a compilation of statements of Soviet anti-Semitism will be useful to all those interested in the subject, I ask unanimous consent to insert into the RECORD the following documents:

First. Excerpts from my Senate speech "Anti-Semitism, the Swastika Epidemic, and Communism," which appeared in the RECORD for March 15, 1960.

Second. The full statement of the Israeli representative to the U.N. Human Rights Committee of the Economic and Social Council of the United Nations, Ambassador Moshe Bartur.

Third. The text of the survey recently published by the B'nai B'rith International Council.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EXCERPT FROM STATEMENT BY SENATOR THOMAS J. DODD ON FLOOR OF SENATE, MARCH 15, 1960

For many years after the Bolshevik revolution, it was commonly believed, by conservatives as well as liberals, that, despite all its evil features, communism did not practice discrimination on racial or religious grounds. It was equalitarian in the sense that all men, regardless of race or religion, were equally persecuted. Personally, I question this conception of equalitarianism; but there were, and still are, many people who seem to see some peculiar virtue in equality of persecution.

The myth that all men are equal under communism remains to this day one of the Kremlin's chief propaganda weapons in its appeal to the Negro, Jewish, and other minorities in this country, to racial minorities in other countries, and to the colonial peoples.

The fact is that the Soviet Union is a gigantic prisonhouse of nations where minorities have been persecuted and exploited, and where genocide has been a common instrument of state police. It is an imperialist empire which, for its coldblooded ruthlessness, has no equal in history.

The fate of the Jews under communism is most illustrative.

The treatment of minorities, historically, may be considered a gage of social and moral progress; and in modern times, it has become a gage of social sanity. Wherever minorities have been oppressed in Europe, the Jews have generally been among the first to suffer and they have often suffered the most acutely. This is so because they are dispersed and more helpless, and because differences of custom and religion and the survival of ancient prejudices make them convenient scapegoats for despotic regimes.

On the specific question of anti-Semitism, the Communist leaders, in the early days, made some very strong statements: "Anti-Semitism," said Stalin, in an interview with the Jewish Telegraphic Agency of America in January 1931, "is an extreme form of racial chauvinism, is the most dangerous survival of cannibalism. Anti-Semitism as a phenomenon hostile to the Soviet system, is severely punished by law. Active anti-Semites are punished by capital punishment under the laws of the U.S.S.R."

Thus spoke Stalin in 1931. But, in reality, anti-Semitism is as inherent in Marxist totalitarianism as it was in Nazi totalitarianism. Karl Marx himself was, in many of his statements, as virulently anti-Semitic as Goebbels. Over the decades, the Communists have done their utmost to conceal this fact. Marx's translators into English and the European languages carefully eliminated his anti-Semitic diatribes from editions of his books and writings. But the proof exists.

I have in hand the first English translation of the unexpurgated papers of Karl Marx on the so-called Jewish question. It was printed only last year. In it, you will find that Marx referred to the distinguished German Social Democratic leader, Ferdinand Lasalle, whom he considered too moderate, as, I quote, "Judel Itzig—Jewish nigger." In another letter, Marx made the statement: "Ramsgate is full of Jews and fleas." In still another statement he said, and I quote again: "Emancipation from usury and money, that is, from practical real Judaism, would constitute the emancipation of our time."

This was not Hitler speaking. It was the recognized ideological father of Soviet communism. This was Karl Marx.

The persecution of the Jews in the Soviet Union can only be understood within the context of the Marxist ideology and of the Kremlin's broad general policy toward all minorities.

In the period immediately after the revolution, when they were still endeavoring to consolidate their regime, the Bolsheviks attempted to purchase the support of the national minorities by preaching the freedom and equality of peoples. The appointment of native Communists to party and Government posts was encouraged. The use of the various minority languages, which had been restricted under the czar, was also encouraged.

By the early thirties, Stalin had achieved absolute power. At this point, the toleration and encouragement of national cultures gave way to a massive campaign against the languages and cultures of all the national minorities.

The development of a totalitarian state requires total conformity, it requires the reduction of all peoples to a single norm. The Russian language was selected as the instrument for the new cultural straitjacket because it happened to be the language of the largest national group and was the most widely spoken.

In the Ukraine, for example, Russian was again made the main language of instruction in almost 80 percent of the universities. Ukrainian specialists and scientists were assigned to other areas of the Soviet Union while increasing numbers of Russian specialists and scientists were imported into the Ukraine.

The apparatus of government was ruthlessly purged of all those who were suspected of the sin of bourgeois nationalism. Ukrainian intellectuals, party leaders, and administrators were the chief targets of this terror. The terror reached its zenith during 1937–38 when, it is estimated, some 200,000 persons were executed in the course of 1 year. I have documentary evidence concerning the massacre in the city of Vinnitsa alone of 12,000 persons; and there is evidence that similar massacres occurred at many other points in the Ukraine.

The man in charge of the Ukraine during this period, I might point out, incidentally, was a certain N. S. Khrushchev, who last summer was invited to visit our country as an honored guest.

What happened to the Ukrainian people happened, with variations in pattern and degree, to all the other national minorities in the Soviet Union.

The imposition of Russian Communist control was even more marked in the case of the minor Moslem nationalities of central Asia. In all of these central Asian Republics, Russians held the key posts in the ministries of security and of the interior and, in general throughout the apparatus of party and government. In the so-called autonomous Kazakh Republic, for example, native Kazakhs, according to a report published in 1948, held only 2 percent of the administrative posts in the ministries of local industry and public health; 4 percent in light industries; 6.7 percent in textiles; and so on down the line.

The Negro in America unquestionably suffers from serious restrictions on rights and opportunities. He is now on his way up. But in the darkest days after emancipation, he enjoyed far greater rights than do some of the Asian minorities in the Soviet Union today.

In certain respects the persecution of the Jews and of Jewish culture in the Soviet Union has been even more severe than that endured by other minorities. Physically their persecution is on a par with that of the Ukrainians. In terms of denial of opportunity, their treatment is even worse than that of the Kazakhs. Culturally, their persecution is total. Instead of being permitted a restricted representation in the apparatus of party and government, the Jews today are virtually excluded from all administrative positions of any importance. While all religion is persecuted and regulated, the Jewish religion is persecuted with particular ruthlessness.

Why is this so? I can think of several reasons. First of all, there is the fact that the Jews have both their own religion and their our national culture; this makes them eligible for persecution on both scores.

Secondly, the rulers of the Kremlin have apparently suspected them of mass disloyalty to the Soviet state. This is not surprising, for no Jew could be expected to enthuse over things like the Hitler-Stalin pact or Moscow's incitation of the Arabs against the State of Israel.

Perhaps even more important, the great majority of the Russian Jews have relatives in America. This makes them suspect, in Khrushchev's eyes, of harboring pro-American sympathies.

Finally, Communist anti-Semitism, like czarist anti-Semitism, exploits the Jew as a scapegoat—a convenient outlet for popular resentment which might otherwise be directed against the regime.

A major shift in Soviet policy toward the Jews first became apparent in 1937–38. Zinoviev, Radek, and a few of the other old Bolsheviks who were liquidated in the great purges of the thirties had been born Jews. Of course, they could no more be considered Jews than Stalin and Khrushchev could be considered Christians. But there is reason to believe that in Stalin's paranoid mind, party opposition to his one-man rule somehow became identified with the accident of Jewish birth.

Perhaps, more important, there seemed to be a growing possibility of a deal with Hitler. If this deal were consummated, every Jew in the Soviet Union would have to be considered an enemy of the regime.

Surreptitiousy, the Soviet Government began to encourage anti-Semitic propaganda. Secret directives went out to the civil service to restrict recruitment of Jews and to demote or remove many of those who held office. Jewish schools and newspapers and community organizations were forcibly closed down. Thousands of the Jewish communal leaders were physically liquidated.

The Nazi invasion of the Soviet Union did not persuade the Kremlin to abandon its persecution of the Jews. Jews in the Red Army fought heroically against the Nazi invader and, in many cases, rose to fairly high rank. But Stalin by this time apparently shared Hitler's psychopathic hatred of the Jews. The result was a policy of passive cooperation with the Nazi enemy in permitting their extermination.

When Hitler invaded Russia there were more than 5 million Jews in the Soviet Union proper and in the territories it had annexed under the Hitler-Stalin Pact. More than 3 million of these vanished during World War II. Scores of thousands of those who vanished were victims of mass deportations to Siberia. The great majority, however, were captured by the Nazis and perished in their infamous extermination camps.

But the question arises: How is it that more Jews were not able to flee before the Nazi army? How is it that the Nazis were able to capture virtually intact the large Jewish communities in so many cities in Soviet territory?

Jewish organizations in this country are convinced that the Soviet Government did nothing to facilitate the evacuation of the Jews from areas that were threatened by the Nazi army, even though they knew the fate that awaited the Jews under Nazi occupation. According to eyewitnesses before the House Select Committee on Communist Aggression in 1954, those Jews in the occupied territories who succeeded in escaping did so by fleeing individually or in small groups through the swamps and forests. They testified that Jews attempting to flee from threatened areas en masse or in large groups were turned back by Soviet guard units.

The attitude of the Soviet press during the war also deserves some comment. The Kremlin editorialists could find no words strong enough to denounce Nazi inhumanity. But they spoke always of "crimes against Soviet citizens." The systematic extermination of the Jews by the Nazis was, apparently, a crime that did not call for special mention or display of moral indignation.

For several years after World War II, Soviet policy toward the Jews continued to manifest two faces. In its propaganda to the free world, the Kremlin continued to pose as an opponent of anti-Semitism and all forms of racial discrimination. At home, the persecution was intensified. In increasing numbers, the Jews were forced out of administrative positions. Public hostility toward them was encouaged by a hundred subtle devices.

During the period of Soviet occupation, at least 40,000 Jews were deported to Siberia from Hungary alone and many thousands more were deported from Rumania.

Other terrors awaited the Jews of the satellite countries. In the immediate postwar period the Communists did not yet have complete control of these countries. They were either in the process of consolidating control or preparing to seize power. What more convenient smokescreen could there be for them, what more effective diversion, than a campaign against the Jews, with a few old-fashioned pogroms thrown in?

In Poland during the course of 1946 there was a whole series of murderous attacks on Jews which cost several hundred Jewish lives. In the pogrom at Kielce alone, 41 Jews were killed by a mob, while the Communist militia stood idly by, or else arrested the Jews.

In Czechoslovakia there was also a series of bloody anti-Semitic incidents. The Communists tried to blame these incidents on the Fascists, but there is considerable evidence that they themselves instigated them. The Communist Minister of Propaganda during this period, Vaclov Kopecky, referred to the Jews in his statements as "those bearded Solomons" or "this Jewish scum." In this propaganda he was abetted by the present Prime Minister of Czechoslovakia, Antonin Zapotocky.

In Hungary, local Communist leaders organized bloody attacks on the Jewish people in the cities of Miskolcz and Kunmadaras. According to the testimony of Dr. Zoltan Klar, a Hungarian Jewish leader, and of Mr. Irving Engel of the American Jewish Committee, the Communist police did nothing to prevent the riots and in many cases they protected the instigators. Those responsible for the riots, moreover, were never punished.

But in 1948, Stalin apparently became impatient with the limited, gradual anti-Semitism of the previous decade. The cold war had sharpened. Tito had defected from Soviet control. The Jews of the Soviet Union and the satellite countries had shown unconcealed enthusiasm over the establishment of the State of Israel. In the warped mind of Stalin this situation called for an all-out offensive against everything that might be considered a "foreign" or "Western" influence. Anything which suggested adherence to a non-Russian group was automatically guilty of "bourgeois nationalism"; and friendship for anything outside the Soviet Union was stigmatized as "cosmopolitanism."

In the fall of 1948, with one sweeping administrative decree, Stalin and his cultural commissar, Andrei Zhdanov, completely eliminated what remained of Jewish cultural and communal life in the Soviet Union. Nominally, the campaign was directed against the Zionists. Of course, everyone who considered himself a Zionist had long previously perished in Stalin's concentration camps. In reality, the new Soviet anti-Semitism was directed not against Zionism, but against everyone of Jewish origin, even if they were Communists.

In this respect, I see nothing to distinguish the anti-Semitism of Stalin from the anti-Semitism of Hitler.

At one stroke, all Jewish schools were closed. Jewish newspapers were shut down. The Yiddish publishing house, Emes, was also closed. The Jewish Anti-Fascist Committee in Moscow was dissolved and its leaders arrested. More than 450 Jewish writers, artists, and intellectuals—the cream of the Jewish intelligentsia in the Soviet Union—were executed.

Despite restraints and persecution, Russia under the czar had been the world center of Yiddish culture. In the early period of cultural tolerance, the Soviet Union had the largest numbers of Yiddish schools in the world, the greatest number of Jewish pedagogical institutions, the only Jewish institution of higher learning in Yiddish, and Yiddish departments in many universities. There were 4 Yiddish state publishing houses and 14 state theaters. And there were 35 periodicals and newspapers, 4 of them dailies.

Some of these institutions and publications had ceased to exist during the anti-Semitic purges of 1936–38. Others had ceased to exist during the war. But with the Zhdanov decree, everything ceased. Where there had once been a flourishing Jewish culture, there was now a desert.

One year after the Zhdanov decree, in September 1949, there took place the first of a whole series of spectacular Communist show trials involving Jewish defendants. The scene of this first trial was Budapest.

The chief defendant was the former Minister of the Interior, Laszlo Rajk.

Rajk himself was not a Jew. In fact he was generally considered anti-Semitic. He had used his post to instigate the pogroms in Miskolcz and Kunmadaras, or else to protect those Communists who had instigated them. Three of Rajk's codefendants, in this trial, however, were Jewish, and they were forced to sign confessions that they had served as Zionist spies. These so-called Zionist spies had, according to the charges, conspired with America, England, and Tito's Yugoslavia to overthrow the Communist government.

To the accompaniment of an ominous propaganda about the "world Zionist conspiracy," Rajk and his chief codefendants were sentenced to death.

A few years later, it was the turn of Czechoslovakia. In November 1952, there took place the great Prague trial of Rudolf Slansky, former secretary-general of the party, and his alleged confederates. In this trial, 11 of the 14 defendants, including Slansky, were Jews. To make sure that this fact was not missed by the public, the official indictment bore the words, I quote, "of Jewish origin," after the name of each Jewish defendant.

As Communists, it goes without saying, all of these defendants had long previously renounced their Jewish religion and they were violently opposed to Zionism. This apparently was not considered any serious obstacle by the professional brainwashers who prepared Slansky and his colleagues for their appearances in court.

The trial, from the first, was an obscene anti-Semitic orgy. The defendants confessed that they had been participants in a worldwide Jewish conspiracy operating in the service of American and British imperialism. For variety, their conspiracy was sometimes referred to as a "capitalist-imperialist Trotskyist-Titoist plot." Involved in this plot, if one were to believe the confessions, were former U.S. Secretary of the Treasury Henry J. Morgenthau, Mr. Bernard Baruch, Israel Prime Minister David Ben-Gurion, and the Yugoslav Communist leader Moshe Pijade.

All of the evils of the Communist regime and all of the suffering of the Czechoslovak peoples were charged to the account of Slansky and his codefendants and their American and British masters. They confessed to planning the disorganization of the Czechoslovak economy, to contriving artificial scarcities of food and fuel, and the inflation of the national currency. The commentaries of the Czechoslovak press, referring to the Jewish defendants, employed such adjectives as "huckstering," "profiteering," "bloodsucking," "Judases," "scum with a dark past."

On November 28, 11 defendants, 8 of them Jews, were sentenced to death by hanging. The sentences were carried out a few days later.

There is a footnote to the stories of the Rajk trial in Hungary and the Slansky trial in Czechoslovakia. In the fall of 1956, after Khrushchev's denunciation of Stalin's crimes, it was announced that the Rajk trial had been a frameup from beginning to end and that the confessions had been extorted. The rehabilitation of some of Slansky's codefendants implied a similar admission.

What a commentary on the practice of justice under communism.

Needless to say, the Slansky trial was accompanied by a wholesale dismissal of Jews from all public office. The trial also served as a signal for a further intensification of the campaign of official anti-Semitism throughout the Soviet empire. This campaign reached perhaps its lowest point in the infamous "Moscow doctors' plot."

On January 13, 1953, the Soviet Ministry of Internal Security announced that nine prominent doctors, six of whom were Jews, had been arrested on the charge of murdering two Politburo members, Andrei Zhdanov and Alexander Scherbakov, by medical mistreatment. They were also accused of having attempted the murder of a number of top-ranking officers of the Soviet armed forces. The arrested doctors, said the Kremlin, had all confessed that they had carried out their crimes on orders of the world Zionist conspiracy and that these orders had been transmitted from Israel by the American Jewish Joint Distribution Committee.

According to the American Jewish Yearbook for 1954, the so-called doctors' plot resulted in a universal orgy of denunciations, demotions, and arrests of Jewish citizens throughout the Soviet empire. All this, it said, was accompanied by a barrage of propaganda designed to prove that all Jews were apt to be traitors, spies, imperialist agents, embezzlers, and outright murderers.

On March 5, 1953, Stalin died. The public campaign against the arrested Jewish doctors and against the Jews ceased. On April 4 the Ministry of the Interior made the startling announcement that the doctors' plot has been a frameup; the evidence had been falsified and the confessions extorted. This seemed to be a step in the right direction. It caused many people to hope that, with Stalin's death, anti-Semitism in the Soviet sphere had also perished.

Everything that has happened since 1953, however, proves conclusively that Moscow has never abandoned its anti-Jewish campaign.

In Moscow the 13 doctors were released, but this was the only concession granted. The thousands of Jews in prison remained in prison. Zionism remained illegal. Jewish culture and communal life and Jewish emigration remained under total ban, the Jewish religion under a near-total ban. And the basic charges made in the Slansky trial and in the Moscow doctors' plot were repeated and repeated until they acheived the status of articles of faith for all Communists.

Two weeks after the Moscow doctors were released, on April 16, 1953, the head of the Czechoslovak delegation to the U.N., Foreign Minister Vaclav David, upheld all the charges that had been made in the Slansky trial and reiterated the accusation that the Zionists and other Jewish organizations were hotbeds of American sabotage and espionage, Soviet Foreign Minister Andrei Vishinsky backed his Czechoslovak protege to the hilt on this occasion.

In Czechoslovakia, Hungary, and Rumania, the rash of anti-Jewish show trials continued for more than a year after the release of the Moscow doctors. In Czechoslovakia alone there were four such trials between May of 1953 and April of 1954. The last of these trials, which took place in Bratislava, had a new twist. None of the defendants were Jewish, but they were charged with the crime of having protected Jews or having failed to punish them.

These show trials, involving amalgams of Jewish and non-Jewish Communists, received considerable international publicity. The persecution of the Jewish community leaders and Zionist leaders unfortunately, received far less publicity. Literally thousands of these leaders had been imprisoned in the satellite countries, in particular in Czechoslovakia, Hungary, and Rumania, during 1948 and 1949. During the course of 1953–54, some hundreds of these were brought to trial, charged with Zionist activities and aid to Jewish emigrants.

These trials were secret, but some of the details inevitably leaked out. Writing in the magazine Commentary, Peter Meyer reported that in the spring of 1954 the secret trials in Rumania reached such numbers as to constitute a mass terror. Not less than 100 Jewish leaders were tried and sentenced in 1 month, he said. One of the trials involved 22 members of a Socialist Zionist youth group. Its leader defied the Communist court with these words: "You have tortured and killed many of our members in your dungeons. This crime will never be forgotten." He and his comrades were all sentenced to 20 years in prison.

The 5-year period that followed the Zhdanov decree of 1948 is remembered by the Jews of the Soviet Union as "the black years." The facts about this period were documented as early as 1951 by the Jewish scholar, Dr. Solomon Schwarz, in his book, "The Jews in the Soviet Union." But despite such documentations and despite the blatant anti-Semitism of all the show trials that took place during this period, the Kremlin was able to pretend to its followers in the free world, as late as 1956, that there was no anti-Semitism in the Soviet Union.

Even high-ranking Jewish Communists, who should have had access to the facts, assured their followers, and assured themselves, that the charges of anti-Semitism made by Jewish organizations were slanderous fabrications.

In February 1956 there took place the 20th Congress of the Communist Party of the Soviet Union, at which Khrushchev made his famous denunciation of the crimes of the Stalin era. A slackening of control inevitably followed this speech. In his speech to the party congress, Khrushchev said nothing about the persecution of the Jews. But shortly after the congress, on April 4, 1956, the Polish Jewish paper Folkshtimme confirmed the fact that the hundreds of Jewish writers who had disappeared in the wake of the Zhdanov decree, had been executed.

To the scattered Jewish following which the Communist Party still maintained in the free world, the article in Folkshtimme struck a shattering blow. Some of the most eloquent condemnations of Soviet and anti-Semitism have been written by former Jewish Communists and by official Communist Party delegations who went to the Soviet Union to check on the facts. Their eyes were opened by what they saw.

I want to quote a few paragraphs from one of the many revealing articles that appeared in the world Communist press during the period of disarray that followed these revelations. These paragraphs are extracted from the report of a delegation of the British Communist Party to the Soviet Union and they were printed in the London Communist weekly World News in October 1956:

"For some years prior to the death of Stalin, rumors began to spread that all was not well in the Jewish field, and that well-known Jewish writers and intellectuals had disappeared. Then came the revelations of the 20th Congress, and later, specific charges in the Folkshtimme.

"Naturally these charges created consternation and bewilderment in the ranks of Jewish Communists in all countries, so that it became a matter of urgency and of importance to expose their truth or falsehood.

"The first piece of concrete information came from a visit to the Lenin State Library. Here there exists a Yiddish and a Hebrew section. It turned out that there is nothing in Yiddish later than 1948, when publication of Yiddish papers and journals must therefore have ceased.

"The Soviet Encyclopedia, which in its 1932 edition devoted about 160 columns to the Jews, reduces this in the 1952 edition to 4 columns. The biographies of many eminent Jews had been removed. Marx was no longer referred to as a Jew.

"The first task, therefore, was to meet a few Jewish writers and to examine their reactions to this. Official requests to this end were made, but we were informed that this was not possible as they were all on holiday, while Halkin (a Jewish writer who survived), who was at home, was too ill to receive anyone.

"Then came the discovery from private conversations by Comrade Levy with Jews that the years 1948–52 were known among them as the black years, the period during which many Jews were dismissed from their posts, Jewish poets and writers were arrested and charged with treason and executed, Yiddish disappeared from the street and marketplace, the population closed up together, becoming tense and nervy, and young Jews who might otherwise have merged with the general population and have forgotten that they were Jews, awoke to a new sense of unity in distress.

"But let it be said that this fear did not emanate from any general feeling of antagonism from among the Russian population, but from official or quasi-official sources; from the security police, in fact."

This report, I want to emphasize, was written not by critics of the Soviet regime, but by members of the British Communist Party.

The furor which such articles caused in the world Communist movement resulted in a few minor concessions. In the course of 1957, for the first time since the revolution, the Jews were permitted to establish a small theological seminary in Moscow. Permission was also granted for the publication of a small number of prayer books in Hebrew, for the staging of some Yiddish music recitals, for the printing of a few works of Yiddish writers in Russian translation.

But this is as far as the concessions went. Despite repeated promises to Communist delegations which visited the Soviet Union after 1955, the reestablishment of a Yiddish theater and Yiddish press and Yiddish publishing house was never permitted. Instead, there was an accelerated discrimination against Jews in public life, in the national economy, and in the educational field.

The Jewish population of the Soviet Union represents approximately 1.4 percent of the country's total population. In 1958, only 3 of the 1,336 members of the Supreme Soviet—one-fourth of 1 percent of the total—could be identified as Jews. On a per capita basis, this would signify that the Jews had only one-sixth the political representation to which they were entitled.

So far as is known, no Jew is to be found in the foreign service, among the higher ranks of the armed forces, or in the various military academies. Jews are also excluded from leading posts in the Communist Party, from the central party newspapers and the foreign section of the Soviet press. Jews are progressively being excluded from admission to the universities.

The facts which I have just listed here were part of a statement issued by the American Jewish Committee in conjunction with their meeting with First Deputy Premier Anastas Mikoyan in January 1959. Since that time, there seems to have been a further deterioration in the position of the Soviet Jews.

What is the situation today in the Soviet Union? Let me list only a few items from the current catalogs on Soviet anti-Semitism that have been compiled by the New York Times, the New York Herald Tribune, the New Leader, and other publications.

A few months ago the synagogue in the town of Malachovka near Moscow was set on fire.

The synagogues of Chernovtsky, Bobruisk, Korosten, Baranovich, Kharkov, Novoselitsa, Orenburg, Chernigov, Staline, Babushkin, and other cities have been closed down by the security authorities.

In the city of Kharkov, where there are 70,000 Jews, there is not a single synagogue to serve their religious needs.

The synagogue at Voronezh has been taken over by the authorities for use as a grain warehouse. The Jewish community has been unable to raise the money required to redeem it.

In Yevpatoriya, in the Crimea, the authorities confiscated 25,000 rubles raised by the Jewish community to rent a building for a synagogue.

Deprived of synagogues, the Jews have attempted to pursue their worship in private prayer meetings. Such prayer meetings have been reported forcibly dispersed in the cities of Kharkov, Olevsk, Tula, Bobruisk, Vitebsk, and other places. In Vitebsk the Jews were threatened with 10 years in prison if they resumed their meetings.

In Bendery, Baranovich, Minsk, Kishinev, Voronezh, and Kiev, Jewish cemeteries have been desecrated and memorials defaced.

In Kiev, Kharkov, Kuibyshev, Rostov, Kishinev, Odessa, and Lvov, a ban was imposed on the baking of matzoh, the unleavened bread which plays a central role in the Passover observance. To my mind, there could be no more pitiless or more pointless deprivation than this.

For the Jewish population of almost 3 million, there are only 60 rabbis in the whole of the Soviet Union. Their average age is well over 70. In the case of the Orthodox religion in Russia, there is 1 priest for every 5,000 faithful. This is bad enough. But in the case of the Jewish religion there is only 1 rabbi for every 50,000 Jews. With virtually no replacements in sight, the situation is bound to become worse over the coming years.

The Orthodox Church and the Moslem religion have been permitted to maintain a number of seminaries. The only Jewish seminary permitted is limited to an attendance of 20 students. Patricia Blake, in her article in Life magazine last December, has described how these 20 students pursue their studies in the corners of the Moscow synagogue, because no space has been made available for their seminary.

The teaching of Hebrew remains under the ban imposed at the time of the revolution. In the 40 years of Soviet rule, no more than several thousand Hebrew prayer books have been printed; only several hundred distributed.

Openly anti-Semitic books and publications are appearing with increasing frequency. The villains in this literature all adhere to a single stereotype. They all have unmistakably Jewish names; they are all moneygrubbers, without human feeling, dishonest in their relations with the state and their fellow men.

Whether a Jew is religious or nonreligious, whether he is pro-Communist or anti-Communist, he has no way of escaping the fate which the Soviet regime has ordained for his people. The word "Jew" is stamped on his internal passport—the document which is the key to a man's existence in every Communist country. This inscription is not intended as a religious identification because the members of no other religious groups are thus identified. The Soviet internal passport does state the nationality of the bearer; but the Kremlin apparently does not recognize the Jews as a nationality because it refuses to grant them the most elementary communal rights enjoyed by the smallest and most primitive national groupings in the U.S.S.R. The marked passports of the Soviet Jews serve only one purpose: the same purpose served in its time by the yellow badge which the Nazis compelled the Jews to wear for the purpose of self-identification. To every factory manager, to every university president, to every party bureaucrat, to every minor official, it constitutes a directive to treat the bearer as a member of a hostile and inferior breed; it constitutes a command to hate and to persecute.

As I was winding up the work on this analysis, I received a communication from a group of professors of the Social Sciences Division of Fairleigh Dickenson University, who had toured the Soviet Union last summer. Appalled by the many evidences of Soviet anti-Semitism, they wrote letters last November and December to 10 leading Soviet educators and editors, including Aleksei Adzhubei, editor of Izvestia, and son-in-law of Nikita Khrushchev. Their letters pointed out that the Jews do not appear to enjoy the rights guaranteed by Soviet laws and professed by the Communist philosophy, and they asked for a detailed explanation of this anomalous situation. To date only one Soviet editor has deigned to reply. The reply said that their letter had been forwarded to somebody else.

In their letter to me, the group of American professors wrote: "Our observations have led us to the unhappy conclusions that anti-Semitism in the U.S.S.R. is not an atavistic remnant of czarist Russia, but is the official policy of the Government of the U.S.S.R."

In Rumania, in Hungary, and especially in Poland under Prime Minister Gomulka, there appears to have been limited improvement in the treatment of Jews. In these countries, while they still suffer from discrimination and economic disabilities, Jewish cultural, and religious life now enjoy somewhat increased freedom. This limited improvement in the satellite countries is, of course, subject to instant recall if it ever serves Communist purposes.

Why is there this difference between Soviet policy toward the Jews and the policy presently pursued in some of the satellites? I can think of two reasons.

The first reason is that the Soviet Government is more directly interested than are the satellites in influencing Arab opinion in the Middle East and in preventing any settlement between the Arab States and Israel. Soviet anti-Semitism and Soviet strategic objectives in the Middle East complement each other. Arab nationalism must be wooed and fanned by constantly identifying Israel and Zionism with British and American imperialism.

Let me give you one example of the Kremlin's propaganda to the Arab world. I quote from the publication "The State of Israel—Its Position and Policies," printed by the Soviet state publishing house in 1958:

"The Zionist movement represents a form of the nationalistic ideology of the rich Jewish bourgeoisie, intimately tied to imperialism and to colonial oppression of the people of Asia, Zionism has tied itself to American and other Western capitalism and, with Jewish terrorist tactics, attacked its Arab neighbors. The national liberation movement of the people of the Middle East, spearheaded by its native leaders (such as President Nasser, King Ibn Saud, of Saudi Arabia, and King Iman Ahmad, of Yemen) is constantly threatened by naked Jewish aggression. The clear duty of all Marxists and Communists in this situation is to help the Asian and African people crush the reactionary Jewish forces."

The second explanation I can think of for the intensified anti-Semitism in the Soviet Union today is the personally irrational attitude of Prime Minister Khrushchev. The Anti-Defamation League has stated that the primitive, vulgar anti-Semitic tone characteristic of Khrushchev's occasional interviews and outbursts on the subject of the Jews is unmistakable. This evaluation coincides with that of the most prominent Jewish member of the Canadian Communist Party, Mr. J. B. Salsberg, after a 2-hour interview with the Soviet Premier in August 1956.

According to Mr. Salsberg, Khrushchev first of all denied that there was anti-Semitism in the Soviet Union; and then went on to list a whole series of personal objections to Jews. He quoted the Soviet Prime Minister as saying that:

"Wherever a Jew settles, the first thing he does is build a synagogue.

"Of the thousands of Soviet citizens who have toured abroad, only three failed to return. All of them were Jews.

"* * * He [Khrushchev] agreed with Stalin that the Crimea, which had been depopulated at the war's end, should not be turned into a Jewish colonization center, because, in case of war, it would be turned into a base for attacking the U.S.S.R.

" 'I was much disturbed by the above remarks,' concluded Mr. Salsberg. 'They reflect a backward prejudice against the Jewish group as a people. * * * Khrushchev's statements smack of White Russian chauvinism * * * his approach to the problem of Jewish nationality is an unforgiveable violation of social democracy. If Khrushchev's distrust of the Jewish people is warranted, then this is a terrible indictment, not of Soviet Jewry, but of Stalinist crimes and of distortions in the nationalities policy, in particular as it is applied to the Jewish people.' "

This is the Khrushchev who today accuses Konrad Adenauer of being another Hitler.

ECONOMIC AND SOCIAL COUNCIL: 37TH SESSION

(Statement by Ambassador Moshe Bartur, Permanent Representative of Israel to the European Office of the United Nations—Geneva)

Mr. Chairman, my government and the people of Israel have followed closely and with the deepest interest the work of ECOSOC and its Committee on Human Rights with regard to the problems of religious intolerance and racial discrimination. There is no need for any explanation of this special concern by Jews in general and the State of Israel in particular. It flows naturally from ancient and most recent historical experience alike. As I had ocacsion to point out in a statement last year in the Human Rights Commission, it is difficult, if not impossible, to distinguish between various forms of anti-Jewish movements and manifestations of racial and religious discrimination. Religious and racial persecution derive from the same source. Anti-Semitism constitutes an age-old curse, of which mankind has not yet been able to rid itself. It is our fervent hope and desire that in our generation—experiencing spectacular technological progress, when medicine is conquering biological diseases affecting men—social thought, through international action, might finally overcome the scourge of discrimination and anti-Semitism. We, therefore, welcome enthusiastically the progress achieved with regard to the Convention on Racial Discrimination. We believe that the article on anti-Semitism as suggested by the United States is vitally important and extremely topical and we hope that it will be included in the final draft. We likewise welcome the detailed suggestions in the report of the subcommission with regard to the subject of religious intolerance.

However, we have to evaluate this progress in the light of the actual situation, and, alas, here the facts are extremely disquieting. There is certainly no room for complacence when reviewing the state of affairs in a realistic manner. Irrespective of social systems and environments anti-Semitism remains an endemic disease in many countries causing, from time to time, dangerous outbreaks in various parts of the world. There is only one consolation. At present almost nowhere is it taking the form of a declared government policy; on the contrary, international conscience—and here we gladly recognize the decisive role of United Nations work—is, so we hope and believe, creating a climate in which active racial and religious persecution finds it progressively more difficult to survive, and we trust will finally be overcome and eliminated. This makes it the more urgent to deal with it openly and courageously in those areas where it still exists in a most acute form. I am referring especially to the problem with regard to the largest Jewish community in Europe. Here we are confronted with a situation causing the deepest anxiety and one which is indeed of a most dramatic character for two main reasons: First, it is one of the largest Jewish communities surviving the Nazi massacre—approximately 3 million people. Secondly, this community is part of a highly organized State and society where central authority influences and directs all spheres of economic and cultural activity. And here we witness a systematic attempt to dispossess the Jewish community of its religious, cultural, and linguistic heritage. Opportunity and facilities for Jewish education are denied; ties and communication with other Jewish communities in Israel or elsewhere are prevented; a systematic campaign of indoctrination proclaims the duty of bringing about the severance of the historical continuity and the complete extinction of national identity.

It is true, there is no persecution in the physical sense of the word. But is not the campaign of artificial assimilation enforced by the strong apparatus of a powerful State almost as grave a phenomenon?

I know that the representatives of the Government concerned do not accept this factful analysis. They try to describe assimilation as a result of the spontaneous wish of the Jews themselves. But if so, what need would there then be to deny the Jewish community free access and communication with their coreligionists abroad? Why then are Jews in this country not free if they wish to join their families abroad—in Israel or elsewhere?

We are accustomed to hear another argument brought forward in apology, when attention is called to the situation of the Jews in the country referred to. This is sometimes characterized as flowing from sentiments of hostility toward a certain ideological or political system. Any such contention represents a dangerous misunderstanding, preventing realistic analysis and constructive approach toward a solution of the Jewish problem in this country.

May I state most emphatically, Mr. Chairman, that my Government, in raising these painful matters, is motivated by two considerations only: (1) Our obvious moral duty to call attention to a serious situation understandably very close to our heart. (2) We are convinced that this situation is an obstacle in the way of necessary moral and spiritual rapprochement of powers and groups of countries, which must go together with the generally desired relief in world tension.

Indeed, our deep worry in view of the situation described is shared by many who can certainly not be suspected of any unfavorable bias toward the country concerned and its system. May I prove this submission by some quotations:

In May and June this year Mr. Paul Novick, the editor of the only Communist daily newspaper published in the United States—the "Morning Freihait," which deals with the thesis of "Voluntary Assimilation"—in a series of three extremely interesting articles, said:

"The line of forced assimilation which began with the Stalin cult has in the main, remained intact."

Certainly the editor of this Communist newspaper which, as it happens, is printed in Yiddish, cannot be accused of being "cold warmonger". Moreover, he bases his contentions on a quotation from Lenin's writings as follows:

"Every citizen would be able to demand the rescinding of orders that would, for example, prohibit the hiring at state expense, of teachers of the Jewish language, Jewish history, and so forth, or the provision of state-owned premises for lectures for Jewish, Armenian or Rumanian children, or even for one Georgian child."

Then with regard to religious discrimination and indigenous anti-Semitism, may we call as witness the theoretical organ of the Communist Party in the United States.

"Political Affairs," which writes, under the heading "Soviet Anti-Semitism: The Kitchko Book":

"While the Greek Orthodox Church can manage to provide for its needs in the way of religious articles, the synagogues cannot, and are therefore deprived of access to such things as tallisim, tfillin and prayer books. The crude antireligionism which pervades much of the current antireligious propaganda and the failure to appreciate sufficiently the special situation of the Jewish religion in these respects are, we believe, central factors in explaining such seemingly pointless actions as the creation of difficulties in securing matzos for the Passover, actions which give encouragement, even though unintended, to remnants of anti-Semitism at home."

The attitude of the editors of this official publication is no less forthright on the question whether the government is or is not doing enough to combat this indigenous anti-Semitism.

After emphasizing:

"the great tenacity of national and racial prejudice and the need to wage relentless ideological war against it."

They write:

"It is, we believe, an unjustified feeling that the fight is over, and consequently an insensitivity to continued expressions of anti-Semitism and a failure to see the need of an open campaign to eradicate every vestige of it, that account for the appearance of such monstrosities as Judaism Without Embellishment."

(Similar quotations may be found in the Communist press of France, Italy, and other countries.)

The reference is to the notorious anti-Semitic book by Kitchko, which was published by the Academy of Science of a certain Republic and which was allegedly withdrawn from distribution following worldwide public indignation. But unfortunately books of no less poisonous character are still being distributed in hundreds of thousands of copies.

May I beg your indulgence, Mr. Chairman, for a few more minutes in order to acquaint the Council considering the report of the Human Rights Commission with the problem in all its frightening seriousness. As illustration, some quotations from sources inside the country concerned. I am referring to two books, one published in 1962; namely, a translated reprint of an 18th century anti-Semitic tract entitled "Image of the Saints" now reissued in a large popular edition leaving the reader with the impression that he is confronted with a modern, up-to-date exposition of the case. The second book published in 1963, likewise in a large popular edition entitled "Catechism in Its True Colour" written by a certain Mr. Osipov.

"The Hebrews, rendered rebellious and fanatical by the antisocial principles of their religion, were always far from submissive to those that ruled over them. Elated by the vain tricks that their proests and visionaries performed, they became very difficult subjects and neighbors. Devoid of all morality and blinded by superstition, they considered holy and praiseworthy all and any means to put a stop to or palliate the evils which they had brought upon themselves. Although the idol worshipers were usually extremely tolerant of other cults, they found themselves forced to persecute the Jews, whose religion rendered them seditious, cruel, and hostile to all foreign powers. Such would appear to be the real cause of the persecution and ill treatment that the Jews had continuously to suffer at the hands of their pagan rulers. They were always restive under the foreign yoke and their visionaries did everything to encourage this undesirable disposition which could not but render them more unhappy. The Jews have always, due to their religion, been the enemies of the rest of mankind, so it is natural that mankind should always have been hostile to them and sought to do them harm." (Tableau des Saints by Paul Henri Thiry, Baron of Holbach, pp. 41–42.)

"We cannot therefore be surprised that such a people should always have been cruel, perfidious, rebellious, intolerant, and false, not that the fatal impetus in that direction, first given them by Moses and other fanatics, should have made their nature what it still is today. This depravity, sanctioned by religion, was the just cause of the sufferings, mishaps, and illtreatment undergone by Jews in nearly all the ages." (Tableau des Saints, by Paul Henri Thiry, Baron of Holbach, p. 43.)

"As a result of these religious principles, established by Moses and upheld by his successors, the Jews have always ignored the most fundamental moral obligations and principles of human law. Outside of their own circle nothing was sacred to them. Behavior that was intolerant, cruel, inhuman, theft, treachery, and perfidy were commanded as being agreeable to God. In a word, the Israelites were a people of brigands." (Tableau des Saints, by Paul Henri Thiry, Baron of Holbach, p. 69.)

"Where Jews are concerned, the main and only bloodsucker turns out to be God himself. As the Mighty One, he appropriates the lion's share of the catch, and first and foremost its 'strong' part—blood. He nourished himself with it, became strong at the expense of his earthly subjects, just like the immortal Kaschei of the Russian popular tales. Yes, the Jewish God resembles Kaschei both in character and actions." (Moscow Gospolitizdat—State Publishing House for Political Literature—1963, p. 276.)

"The first thing we come across is the preaching of intolerance, the bloody extermination of peoples of other faiths, the land of which the Jews themselves prepared to seize—God recommends real racial discrimination of the Jews." (Moscow Gospolitizdat—State Publishing House for Political Literature—1963, p. 281.)

In referring to the Ten Commandments, Mr. Osipov concludes:

"A greedy silver-loving clergy, afraid to leave a single piece on somebody else's plate."

Mr. Chairman, these are excerpts as I said, one from a book published in 1962, issued in 175,000 copies; the second written by Mr. Osipov, printed in 1963 and issued in 105,000 copies, both by the State Publishing House for Political Literature. Unfortunately there are publications of poisonous racial content in many countries, slandering Negroes, Jews, and other minorities, but nowhere with the exception of the country concerned are these publications sponsored or issued under the auspices of governments, by state publishing houses or national academies.

Mr. Chairman, I trust you will appreciate that if public opinion is thus guided by state publishing houses and national academies of science, there is indeed every reason for urgent alarm. We believe that the council would fail in its duty if taking them lightly.

May I come back for a moment to a point I referred to earlier in my remarks. I am referring to the acute human problem of reunion of families. The Second World War, the changes in international frontiers in Europe, and the general destruction and uprooting of European Jewry, caused thousands of families to be broken up, blown away, as it were, in different directions thousands of kilometers apart. The principle of reunion has been universally recognized and in many cases also in the area referred to is it implemented—for example, in the case of families of Polish, Armenian, and other nationalities. In the case of Jewish families, administrative and other hurdles still block the path for those who ardently desire to join their families in Israel or elsewhere.

It is high time, we believe, for the national authorities concerned most directly, as well as for the international community, to take constructive and urgent action so as to remedy an insufferable situation for millions of people gravely affected in their basic human, religious, and cultural rights. Their situation is, we are convinced, flagrantly incompatible with the spirit of our time and the convictions and desires of the family of nations.

[From Survey, August 1964]

The Status of Jews in the Soviet Union

(Our constitution proclaims the equality of the citizens of the U.S.S.R. irrespective of their nationality and race, and declares that "any advocacy of racial or national exclusiveness, or hatred, or contempt is punishable by law"—Nikita Khrushchev.)

There are, officially, 108 nationalities in the Soviet Union. Under Soviet law Jews are formally recognized as a nationality group—the 11th largest in the U.S.S.R. A Jewish youth at 16 appears—as does every Soviet citizen—before the local registrar to obtain his internal "passport." This is a personal identity card which he will use the rest of his life; for education, work, residence, travel. It lists his nationality: Yevrei, for a Jew.[1]

The 16-year-old will provide the registrar with documents specifying the nationality of each of his parents. If both are Jewish, his nationality is the same. If his parents are of different nationalities, he has the option of choosing either one. Mixed marriages of this kind are atypical, so the option is not a significant factor in the Soviet population pattern.

Soviet Jewish population is just under 3 million

An official census[2] counted 2,268,000 Jews in the U.S.S.R.—1.09 percent of the Soviet population. Some observers contend that 3 million is a more accurate estimate; since census takers accepted a respondent's answers without checking his documents many Jews, particularly those married to non-Jews, could have suppressed their Jewish origin. But given the psychological factors that operate in Soviet society it is unlikely that a great number would hide the truth from an official census taker. The actual number of Jews is probably higher than the official statistics, but not as high as 3 million.

The Nazi barbarism of World War II decimated Soviet Jewry. A 1939 census recorded 3,020,000 Jews. During 1939–41, 1,900,000 were added through the U.S.S.R.'s annexations of Western lands. An estimated 2,500,000 were killed, dispersed, or otherwise lost during the war.

In urbanized areas, where 95 percent lives, the Jewish population rank is high, probably fifth.[3]

Most Jews reside in the three major Western republics: Russian Federation, 38 percent; Ukraine, 37 percent; Byelorussia, 7 percent. Another 15 percent lives in six other Soviet Republics; the remaining 95,000 are scattered in two Caucasus and four Central Asian republics.

There are, broadly speaking, three types of Jewish groups in the U.S.S.R.:

1. Those who have lived in the major Slavic republics since the October Revolution; they have been subject to the Russification process for almost two generations.

2. Those who live in territories annexed by the Soviet Union during 1939–41—Western Byelorussia, Galicia, Ruthenia, Latvia, Estonia, Lithuania, Bessarabia, and Bukovina. Less "communized," they have deeper awareness of their Jewish tradition.

3. The Eastern Jews of Bokhara, Daghestan, and Georgia. This is a group with an ancient lineage; here the Jewish religion is strong, although the Yiddish culture commonly associated with East European Jews does not exist.

In the 1959 census, 400,000 Jews—about 18 percent—listed Yiddish as their "native language." This is the lowest proportion among all Soviet nationalities that are identified with a national language. (Corresponding figures for other major Soviet nationalities range from 78 percent to the high nineties.) But the proportion who use Yiddish is understandably higher in the Western borderlands were Communist rule began in 1939–41. In Riga (Latvia) 48 percent of the Jews identified Yiddish as their language, in Vilna and Kovno (Lithuania) 69 percent. And according to a Soviet Jewish researcher, Yakov Kantor, the number using Yiddish in the Ukraine, Byelorussia, and Moldavia is higher than the 18-percent average for the U.S.S.R. Kantor's study also reports that many Jews who know and use Yiddish did not list it as their native language. "Many people who speak and read Yiddish, enjoy Yiddish books and appreciate Yiddish plays, nevertheless gave [to the census taker] Russian as their language since they spoke Russian at work, in the street and, to an extent, at home."[4]

In addition to according legal recognition to a Jewish nationality, the Soviet Union also formally recognizes the Jewish religion. The Council of Affairs of Religious Cults, a five-member government body, is charged with servicing the needs of non-Orthodox groups in the U.S.S.R. In 1960, a member of the council reported there were 500,000 observant Jews in the Soviet Union.

A dual community of religion and nationality

This dual character for the Jewish community is unique in Soviet society and makes for special difficulties. (Other minority religious groups—Catholics, Baptists, Moslems, Lutherans, Buddhists—are not linked directly to a nationality.) An attack upon Judaism by an atheistically oriented Communist Party can hardly avoid being interpreted by the Soviet people, particularly Soviet Jews, as an attack upon the Jewish nationality.

Two other characteristics distinguish the Jewish community from most Soviet minorities.

First, its dispersal throughout the U.S.S.R. Efforts in the 1930's to establish an autonomous Jewish republic in Birobidjan by encouraging Jewish migration there foundered on the indifference of Soviet Jews for whom the area held little attraction and no historical sentiment. Today, only 14,000 Jews, less than 9 percent of its population, live in Birobidjan.

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[1] In March 1964 Premier Khrushchev indicated that the internal passport may be superseded by "a labor identification document" which would not emphasize nationality.

[2] January 1959.

[3] Only Russians, Ukrainians and probably Byelorussians and Tatars have more city dwellers.

[4] Bleter far Gesichte XV (1962–63), published in Warsaw, 1964. Kantor uses the oft-quoted figure of 20.8 percent as the ratio of Jews who reported Yiddish as their "native language." The difference in figures is attributable to the fact that the "native" language" of Jews living in Georgia, Daghestan and Central Asia is a language other than Yiddish. In any case, the Yiddish-speaking element in the U.S.S.R., as Kantor shows, is much greater than the census figure suggest

Second, Soviet Jewry's ties of peoplehood, through religion and folklore, with a world Jewry that is concentrated in Western lands. This tends to make Soviet Jews vulnerable in the suspicious eyes of the Russians, a suspicion heightened by the East-West cold war.

Soviet Jews cannot escape being apprehensive about their vulnerability. They remember the post-war years when the Stalinist mania for what is now called the cult of personality expressed itself, among other ways, in anti-Jewish terror. It began in 1948 with an anticosmopolitan campaign in the press that implied many Jews were disloyal. Yiddish institutions were dismantled and the Jewish cultural movement was stifled. In 1952, 26 leading Jewish intellectuals were secretly tried and executed. During the "black years" of 1948-53 hundreds of Jewish leaders were sent to concentration camps, from which many never returned. Others were removed from their jobs. The despair among Soviet Jews was so intense that many had their belongings packed, expecting exile to the Far East. The climax came in January, 1953 when, after 4 years of heightened and stimulated suspicion against Jews, Pravda helped create a pogram atmosphere by charging that Jewish murder-physicians had planned to assassinate Soviet military and civilian leaders in a doctors' plot.

After Stalin's death, exposure of the plot as a hoax ended the physical threat to Jews. But the fears still linger, especially since the present regime has made only half-hearted efforts to condemn the anti-Semitic aspects of the black years and rehabilitate its victims.

I. THE DENIAL OF CULTURAL RIGHTS

The Soviet Union takes pride in its nationality policy. When he addressed the United Nations General Assembly in September 1960, Premier Khrushchev made a special point of describing its achievements, particularly the transformation into an advanced social and cultural status of backward nationality groups that had been kept in subjugation in the czar's prison of nations.

Yiddish culture flourished until late in the 1930's

In the early days of the U.S.S.R., the Council of People's Commissars laid down the principle of free development of the national minorities and ethnographic groups which live within Soviet Russia. There were regulations guaranteeing to national minorities the right to their own language, to have it taught in schools, published in newspapers and used in the courts, and to develop individual cultures that would be national in form and socialist in content. These rights, for the most part, have been implemented, even for the 12,000 Chukchi, smallest nationality group in the Soviet Union.

The Jews are the singular exception. They are denied the cultural institutions—schools, theaters, press, literature—enjoyed by virtually every other national minority.

This was not always so. In the 1920's and 1930's there was an extensive system of Yiddish schools. As late as 1940 (notwithstanding a continuing decline just before World War II it enrolled 90,000 youngsters. Since the 1940's there has not been a single Yiddish or Hebrew school in the entire U.S.S.R.[5]

In the 1930's there were almost a score of permanent Jewish theatrical companies. Directors and actors were trained in the Jewish Department of the Kiev Dramatic Institute and at the Jewish Theater College in Moscow and the Jewish State Theater in Minsk. The Yiddish Art Theater in Moscow, ranked among the best Soviet dramatic theaters, was closed down by Stalin in 1949, its leading actor, Solomon Mikhoels, having been murdered in 1948 by the secret police. There is no permanent Yiddish theater in the U.S.S.R. today.[6] By contrast, the 130,000 Gypsies in the Soviet Union have one in Moscow, and the Government of Communist Poland, where only 30,000 Jews remain, still maintains the famous Kaminska Yiddish Theater of Warsaw.

A Yiddish press and literature once flourished in the U.S.S.R. Prior to World War II there were three daily newspapers and five literary journals. In 1948 all of them disappeared. There is no longer any Yiddish daily.[7] But the Maris, a small nationality group (504,000 population), has 7 newspapers; the Yakuts (236,000) have 10.

In August 1961, Sovietish Heimland, a bimonthly literary review, began publication—the first Yiddish magazine to appear in the U.S.S.R. in 14 years. The idea had been discussed for 8 years. The magazine began with a limited press run of 25,000 copies. The likelihood is that it would never have appeared except for outside pressures challenging the discriminatory Soviet policy toward Yiddish culture. Soviet Minister of Culture Yekaterina Furtseva told Andre Blumel, vice chairman of the Franco-Soviet Friendship Society, that if the Soviet Union did anything at all for Yiddish culture "it would not be for domestic reasons but to please our friends abroad."[8]

Some critics at first dismissed Sovietish Heimland as a forum for Communist literature with little material about Jewish life in the Soviet Union or abroad. But an analysis of its first 3 years shows 320 articles by some 100 Jewish authors, and many of the stories and poems have meaningful Jewish content. In the absence of any other Jewish secular institution, the magazine has established itself as a focal point of Yiddish activity, organizing a number of discussions and conferences, one of which was attended by 700 persons. The Soviet's Union of Writers has expressed satisfaction with Sovietish Heimland, and recently its size has been increased to meet a growing interest.

During 1933-37 a single Yiddish publishing house turned out 852 books (6,250,000 copies). In 1939, 339 Yiddish books were published. Between 1948 and 1959—none. Since then 5 Yiddish works—30,000 copies of each—have been authorized.[9] None is by a living Soviet writer. No work has appeared during the last 2 years. By comparison, 49 books were published in 1962 in the Mari language; 109 in the Yakut language. Among larger nationalities (but not as large as the Jewish group) there were 6,080 books published in Uzbek between 1946 and 1956, 4,548 in Kazakh.

Yiddish concerts are the single cultural medium still widely prevalent, and they have a standing room only popularity. The Ministry of Culture reported that in 1957 alone there were 3,000 such concerts, averaging 1,000 paid admissions each—a total attendance (Jews and non-Jews) of 3 million. Between June 1960 and June 1961, says Sovietish Heimland Editor Aron Vergelis, more than 300,000 Jews attended concerts featuring the few active Yiddish artists such as the famed Nechama Lifshutz.[10] When Jan Peerce, the Metropolitan Opera tenor, performed in the Soviet Union in May 1963 he drew sell-out houses and thunderous ovations for his Hebrew and Yiddish songs.

Jewish folklore is denied the freedom to perpetuate

About 40 Jewish folksongs have been recorded and released by the Ministry of Culture. A book of 150 folksongs, printed in Yiddish and Russian, has been published (but in an edition of only a few hundred copies). A conference of Jewish composers and artists held late in 1961 in the offices of Sovietish Heimland dealt with the future of Jewish music in the U.S.S.R. According to a report from Moscow, the discussion centered on the need to introduce themes of the present into Jewish songs.

Notwithstanding their immense popularity, "one wonders how long the concerts can continue," writes journalist Maurice Hindus, a close observer of the Soviet scene. "The performers are nearly all former actors and actresses of Yiddish theaters. They are advanced in years and there is no school to train young talent. In a country that has earnestly dedicated itself to convert folklore into one of the great arts of our times, Jews are the only people deprived of the opportunity to perpetuate their folklore. There is no Jewish clubhouse anywhere in the Soviet Union, not a single theatrical school to train professional performers. When the performers of today pass from life, they will carry with them to their graves the one cultural heritage that the Soviets allow."[11]

How do Soviet authorities justify their dismantling of Jewish cultural life? One explanation they give is that Jewish dispersal in Soviet Russia means a burdensome cost to finance cultural institutions. Khrushchev told a vistior, Prof. Jerome Davis:[12]

"If we have 7-year schools for Jews in the Jewish language, where could the graduates go? We would have to establish 10-year schools and special universities for them. The Jews are dispersed and engulfed in the culture where they live. If they want to create a state within our borders, like Birobidjan, nobody is against this. But to set up separate schools all over Russia would be expensive."

Since most Soviet nationalities are concentrated in their own territories, it simplifies the development of their cultural institutions. Yet the Soviet Government has not been unwilling to encourage the cultural growth of small nationalities. The Tadzhik minority that lives in the Uzbek Republic and Poles living in Byelorussia and Lithuania are secure in their cultural rights. Since 1955, more than 1 million Volga Germans (who in 1941 were forcibly transported to Siberia and the Urals, then allowed to reestablish themselves after the war), have had German-language schools, a weekly journal published in Moscow, a newspaper published in the Altai region. In Russian schools where German children are enrolled, the German language is taught. Radio stations in Alma Ata and Tselinograd carry regular German language programs.

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[5] Ironically, a new 766-page Hebrew-Russian dictionary, compiled by the late Prof. F. L. Shapiro, was recently published in Moscow.

[6] In 1962 a traveling troupe headed by Benjamin Schwartser toured the Ukraine and Central Asia for 2 months, then, in February 1963, played four performances in Moscow of Sholem Aleichem's Tevye, the Milkman in Yiddish. An audience of 800 cheered the opening night.

[7] Birobidjaner Shtern, a small triweekly of 1,500 circulation, is published in Yiddish in Birobidjan. For a time, thousands of Soviet Jews subscribed to the Yiddish language Die Folksstimme, published in Warsaw. Soviet authorities halted the practice.

[8] They met in Moscow in 1960. Gen. David Dragunsky, a Soviet spokesman on Jewish issues, made the same admission when he was interviewed in Paris a year later. Discussing the few Yiddish books that had been published, the General said: "Frankly speaking, they are being published more for political reasons than in answer to a real need."

[9] One additional work—a compilation of pieces of former Birobidjan Jewish writers—has also been approved.

[10] There was also an amateur Jewish choral group of 100 in Riga that reportedly disbanded in late 1963. A small choral group performs in Vilna. Recently a Yiddish concert troupe was formed in Leningrad.

[11] "House Without a Roof," 1961.

[12] 1957.

Another justification given by the Soviets is that Jews are assimilating and do not want to retain a Yiddish culture. "Even if Jewish schools were established, very few would attend them voluntarily," Khrushchev told a delegation of French Socialists in 1956. "A university in the Yiddish language could never be established, there would not be a sufficient number of students. With regard to Yiddish or Hebrew, there is no demand for their use in the state administration and in Soviet institutions. If the Jews were compelled to attend Jewish schools there would certainly be a revolt. It would be considered some kind of ghetto. The Jewish theater pined away for lack of audiences."[13]

The assimilatory process has undoubtedly affected large numbers of Jews. But the stubborn fact is that 18 percent of Soviet Jewry (in Western areas the ratio is much higher) considers Yiddish its native tongue, and many more understand and appreciate it. A leading Soviet linguist, M. Friedberg, challenged as "wholly incorrect" an article in the Soviet Encyclopedia which claimed Yiddish is disappearing and the Soviet Jewish minority is on the road to complete linguistic assimilation. Friedberg pointed specifically to compact Jewish communities in the Ukraine and Byelorussia as centers of Yiddish speech. The hundreds of thousands of Jews who flock to the Yiddish concerts and the brisk sale of the few Yiddish books and publications available similarly testify to the vitality of the language.

More pertinent, perhaps, is the apparent determination of Soviet authorities to vitiate the high degree of Jewish consciousness that still exists. Since 1948 the Soviet Government has followed a policy—with only slight modification in the last few years—of suppressing any institutional framework that might invigorate and sustain a Yiddish culture. The new program of the Soviet Communist Party speaks of the ultimate Communist objective as the effacement of national distinctions * * * including language distinctions, but it also emphasizes that, for the time being, the party must guarantee the complete freedom of each citizen of the U.S.S.R. to speak and to rear and educate his children in any language, ruling out all privileges, restrictions, or compulsion in the use of this or that language. This freedom obviously does not extend to Jews.

Soviets shrug off the 6 million martyrs

There are other tactics with which Soviet leadership seeks to erase a consciousness of the Jewish past. Soviet textbooks pointedly failed to mention the cultural contributions of Jews, although the culture of other minorities is treated liberally. The first edition of the "Large Soviet Encyclopedia," carried 116 pages about Jews. The second and present edition reduced this to two pages.[14] The martyrdom of Soviet Jews during the Nazi era is given little attenion. Babi Yar, the site near Kiev of the mass annihilation of 100,000 Jews by the Nazis, was to have been commemorated with a memorial. This was abandoned; instead there were reports that a park and stadium were to be built on the site of the massacre. A distinguished Soviet writer, Viktor Nekrasov, asked in Literaturnaia Gazeta:[15]

"Is this possible? Who could have thought of such a thing? To fill a ravine and on the site of such a colossal tragedy to make merry and play football? No, this must not be allowed."

Poet Yevgeny Yevtushenko stung official indifference to Jewish martyrdom when he recited his new poem, "Babi Yar," before a mass meeting of 1,500 persons:[16]

> "There are no monuments over Babi Yar
> The steep slope is the only gravestone.
>
> * * * * *
>
> "The trees look sternly like judges.
> Everything here shrieks silently."

Officialdom struck back. One Soviet writer, Alexei Markov, questioned Yevtushenko's patriotism, insisting the poet had defiled Russian crewcut lads who had died in battle against the Nazis. Another critic, Dmitri Starikov, denounced Yevtushenko's poem as a provocation and a monstrous insult to the Soviet people. The poet was warned against taking further steps into a foul, swampy quagmire.

Khrushchev had the final word. On March 8, 1963, at a Kremlin meeting of artists and writers, he justified the criticism, saying Yevtushenko "did not display political maturity and showed ignorance of the historical facts." Khrushchev also complained that the poem was oriented to a national martyrdom whereas Communists must approach situations from a class viewpoint.[17]

It would be wrong to say that Soviet authorities have completely ignored the fact of Jewish martyrdom. Foreign Minister Andrei Gromyko made a moving speech on the theme 16 years ago at the U.N. General Assembly. A leading Soviet publicist and playwright, A. Korneichuk, spoke of it in an address before the Supreme Soviet in 1962.[18] A few Soviet novelists—Vladimir Belyayev, Vadim Kozhevnikov, Vladimir Bondarets—have also dealt with the theme, and 2 years ago the Soviet Latvian Republic produced a documentary film on the liquidation of the Minsk Jewish community. There have been several Soviet trials of Nazi collaborators who had a hand in the extermination of Jews, and Soviet authorities made evidence of anti-Jewish war crimes available to a West German court in Coblenz.

But these are sprinkled exceptions. The customary Soviet attitude is to shrug off or ignore the martyrdom of 6 million Jews. Or, as with Yevtushenko, condemn those who recall its grim tragedies. The Eichmann trial was deliberately played down in the Soviet press.[19] The "Diary of Anne Frank," a worldwide stage hit, "literally brought the house down"—the quote is from Tass, the Soviet news agency—when it was finally performed in Moscow last year by a visiting Italian repertory group. It has had no other performances in the Soviet Union. The repertory company, which gave five performances each of its other scheduled plays, was limited to two showings of the Anne Frank play, and then "only after considerable negotiations with Soviet authorities."[20] Last year's 20th anniversary of the Warsaw Ghetto uprising was similarly minimized (except in Sovietish Heimland which gave it a special section). An Izvestia article on the anniversary was little more than an attack on West Germany. Sponsors of a great commemoration in Warsaw (where some 900 foreign delegates assembled) were disappointed by the absence of any official Soviet delegation. A single Soviet citizen, a member of the editorial board of Sovietish Heimland, attended.

A UNESCO convention adopted in 1960 requires contracting states to respect "the right of national minorities to carry on their own educational activites, including the maintenance of schools, and * * * the use or the teaching of their own language." The Soviet Union, though a contracting state, has yet to live up to its promise so far as the Jewish nationality is concerned. In the same way it has failed to live up to its commitments, formalized in constitutional statutes and party programs, to assure the Jewish community, as it does other ethnic groups, the means of national and cultural expression.

II. THE SUPPRESSION OF JUDAISM

The Soviet Communist Party, firmly committed to scientific materialism, conducts a vigorous ideological and propaganda campaign against all religions. But this must be distinguished from the obligations of the Soviet Government toward religious groups, since the Soviet Constitution guarantees freedom of worship. A leading authority on religion in the Soviet Union, Prof. John Curtiss, in a careful analysis published in 1960, found that the Soviet Government turns a benevolent face toward most of the religious organizations of the U.S.S.R. There is one notable exception—Judaism.

Judaism is denied same status of other faiths

The Russian Orthodox Church has been particularly favored.[21] Since World War II it has been able to open seminaries, monasteries and parish churches, and its clerical activities have expanded in many directions. Leading Orthodox prelates are granted official privileges, including invitations to important state functions. Testifying to what Professor Curtiss calls Russian Orthodoxy's robust existence were 35,000 priests and 20,000 parish churches organized into 73 dioceses, each headed by a metropolitan, archbishop, or bishop. There were also 69 monasteries and convents, 2 theological academies and 8 seminaries with (as of 1956) 1,500 students.[22]

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[13] Anastas Mikoyan repeated this theme before the U.N. Correspondents' Association (January 5, 1959), arguing: "The Jewish population has merged with Russians in Russian culture so fully that Jews participate in general culture and literature, on the Russian stage and in Russian literature. There are many Jewish writers who consider themselves Russian and prefer to write in Russian."

And Madam Furtseva told Blumel (January 1961) that the move toward assimilation is so great, Jews "may feel hurt if we push them toward Yiddish."

[14] Surprisingly, the new Ukrainian Encyclopedia, with 8 of its projected 16 volumes already published, devotes considerable space to Jewish writers and literature, the Yiddish language and the Jewish people generally, including a lengthy account of the history of Jews in the Ukraine going back to the 10th century. Also, a new Short Literary Encyclopedia, the first volume of which appeared in 1962, carries lengthy and sympathetic articles on a great number of Jewish writers, including those who, like Chaim Bialik, wrote principally in Hebrew.

[15] Oct. 10, 1959.

[16] Sept. 16, 1961, in Moscow. "Babi Yar" was later printed in Literaturnaia Gazeta.

[17] To illustrate this Khrushchev related a series of episodes in which various Jews, some "good" and some "bad" from a Communist viewpoint, stood on opposite sides of the class struggle. He concluded with a story in questionable taste in which a Jew named Kogan was supposed to have served as a translator in the headquarters of Nazi Field Marshall Von Paulus and, by contrast, another Jew, Vinokur, was political commissar of a brigade that took part in Von Paulus' capture.

[18] Two years earlier (Jan. 14, 1960) Khrushchev, in a speech to the Supreme Soviet, quoted a letter from Lord Russell to the London Times that made reference to Nazi persecution of Jews.

[19] Although the trial was extensively reported in Poland, Hungary, and Czechoslovakia.

[20] The New York Times, Apr. 12, 1963.

[21] "The Russian Orthodox Church—Organization, Situation, Activity," a large handsome work published by the Moscow Patriarchate in 1959, graphically illustrates this.

[22] A significant decline in the number of Orthodox churches and institutions during the past 2 years has been reported by Protestant leaders.

The same privileged status favors the Georgian Orthodox and Armenian Orthodox churches.

The Baptist denomination has also been "flourishing" in the Soviet Union, Professor Curtiss reported. U.S.S.R., an official Soviet journal, tended to confirm this in an article that told of 5,500 Baptist parishes, each with its own minister, deacon or preacher, and a total membership of 540,000.[23]

The Lutherans, centered in Estonia and Latvia, have 350,000 congregants and (as of 1956) about 100 churches and 150 pastors.

Roman Catholicism has an extensive structure in Lithuania with 740 priests[24] and in Latvia with 126 priests.[25] There is a Catholic seminary in Riga, another in Kaunas. Two bishops were consecrated in 1955, a third in 1957.

Islam also enjoys considerable status in the U.S.S.R. On several occasions the Soviet Government has made air transport available to fly large Moslem delegations from central Asia, the Caucasus and other Soviet areas to Mecca and back.

The Soviets permit, even facilitate, exchange visits between native and foreign delegations of the Orthodox Church, and of Protestant and Islamic groups. They have even been favorably disposed toward the establishment of permanent or semipermanent institutional relationships. Thus, the Russian Orthodox Church, through a special department, has regular relations with Orthodox churches in other countries and in 1962, by its admittance to membership into the World Council of Churches, strengthened its ties with many Protestant denominations. In recent years, Orthodox clergymen have traveled on official tours to Western countries.

Similarly, there are close official contacts between Russian Baptists and their coreligionists abroad. A Soviet Baptist leader has publicly reported that his church maintains contacts with almost all the Protestant denominations in the world and that its representatives have attended many international congresses of the Baptists and other Protestant groups.[26] Soviet authorities permit Baptist seminarians, to engage in advanced study in England, Canada, and Sweden.

For years, Soviet Moslems have been associated with a World Congress of Moslems. In October 1962 a conference of Soviet Moslem leaders, meeting in Tashkent, was authorized to establish a permanent department for international relations, with headquarters in Moscow. The Soviet radio reported that delegations from Lebanon, the United Arab Republic, Guinea and Senegal had attended a Moslem conference in the Soviet Union and that a delegation of Soviet Moslems had participated in an international Islamic congress in Baghdad.[27] It also reported that a number of Soviet Moslem youths were studying at Al Azhar, a major Islamic center of learning in the United Arab Republic, and in Morocco.

Religious contacts and cooperative enterprises of this nature are denied to Jews. No delegation of observant Soviet Jews has ever been permitted to visit its counterparts abroad. Jewish religious bodies outside the Soviet Union are not allowed official contact with Soviet synagogues. A gift by the Synagogue Council of America of miniature Scrolls of Law to Rabbi Yehuda Leib Levin, chief rabbi of Moscow, had to be delivered through the intermediary of a Russian Orthodox delegation that was touring in the United States.[28] Moscow's Jews have been warned against having contacts with Israel diplomats or other visiting Jews who might come for prayer in the synagogue.[29] The warning followed the arrest and conviction of Jewish religious leaders in Leningrad and Moscow on charges that included contacts with Israel diplomats.

USSR has never allowed a printing of Hebrew Bible

It is Soviet policy to restrict even internal contact among its Jewish congregations. Other major religions in the Soviet Union are allowed to organize congresses and conferences of religious or lay leaders, and to maintain central organizations—the Holy Synod of the Russian Orthodox Church, the All-Union Council of Evangelical Christian-Baptists, the National Ecclesiastical Assembly of the Armenian Church, the Lutheran Churches of Latvia and Estonia, the Moslem Board for Central Asia and Kazakhstan—that service a variety of religious needs. Judaism, on the other hand, is deprived of any instrument that could help coordinate or unite the Jewish group. There is no central federation of synagogues or council of rabbis. Jewish religious life is atomized, each congregation operating on its own and having no official contact with any other Jewish congregation. The Russian Orthodox Church publishes a central organ, the Journal of the Moscow Patriarchate; the Baptists have their Brotherly Herald; for Soviet Jews, no religious periodical exists.

There are other official Soviet actions, clearly discriminatory, designed to stifle Judaism. Since 1917 the government has not permitted publication of a Hebrew Bible. Yet in 1957 the Russian Orthodox were able to print 50,000 copies of a 1926 edition of their Bible; a year later there were press runs of 10,000 Russian-language copies of a Baptist Bible and 9,000 copies of the Koran in Arabic (a language of religious study not spoken by Soviet Moslems).[30]

Prayer books are available in relatively sufficient quantities for the major religions—except Judaism.[31] For the religious Jew, a siddur (prayer book) is a rare and precious possession. Until 1958, when a pitiful 3,000 copies were run off, none had been printed in the Soviet Union. A New York Times correspondent who attended Yom Kippur services last year in Moscow's Central Synagogue reported only a "few lucky owners of prayer books" among the "overflow crowd of several thousand worshippers."[32]

Even so innocuous an item as a luach (Jewish calendar listing festival dates) is not readily available to Soviet Jews. They have had to depend on photographed copies of calendars laboriously made by hand.[33] Most religious groups are allowed to produce crucifixes, candles and other devotional articles. But the manufacture of Jewish religious articles such as the tallit (prayer shawl) and tfilin (phylacteries) is forbidden.

So, too, in recent years, is the baking of matzo for Passover. In a report filed July 11, 1956, with the United Nations, the Soviet Union offered solemn assurances that it makes matzo available for observant Jews. But a year later, restrictions on the public baking of matzo began to appear, the first of these in Kharkov, a city with 70,000 Jews. In succeeding years, the ban spread to other cities; by 1962 it blanketed almost all of the U.S.S.R.,[34] extending even to synagogues in Leningrad, Riga and Kiev, which have their own equipment for baking matzo. On March 16, 1963, the Chief Rabbi of Moscow formally announced that authorities had banned matzo baking on a community basis. He advised Jews to attempt to bake matzo in their own homes.[35]

Prior to the Passover this year, the Moscow Jewish community was permitted to rent a small bakery for the production of matzo. The amount produced over the course of the few days that the bakery was allowed to operate was 8,000 pounds—a completely inadequate quantity for observant Moscow Jews. Meanwhile, with the encouragement of the authorities, Jewish communities abroad sent in 90,000 pounds of matzo. But most parcels remained unclaimed in the customs warehouses: Soviet Jews had been frightened off by newspaper accounts in national and provincial newspapers which charged that the foreign parcels constituted "ideological subversion." Only a small percentage of Jews had matzo; the others were given a special dispensation by the Chief Rabbi to use beans and peas instead.

Observers report that the synagogue is "the sorriest house of worship in the Soviet Union"[36] and, in the last few years, there has been a drastic decline in the number of Soviet synagogues. According to official figures submitted to the United Nations in 1956, there were then 450 synagogues in the U.S.S.R. In 1959 the Soviet Government reported only 150 synagogues. In April 1963 the Chief Rabbi was quoted in an official Soviet publication that 96 synagogues remain.[37] Thus, since Khrushchev's denunciation of Stalinism at the 20th Party Congress, four-fifths of all Soviet synagogues has been shut down, 50 of them during the past 4 years.

Soviet policy toward the synagogue—padlock it

Synagogues in Sverdlovsk, Zhitomir, Kazan, Grozny, Zhmerinka, Belaya Tserkov, Kaunas, and Lvov—cities with sizable Jewish populations—have been padlocked in the last 2 years. The sanctuary of the synagogue in Minsk, an historic edifice, was demolished in July 1963. A New York Herald Tribune correspondent, visiting it, found that the sanctuary had been converted to a warehouse. A one-story extension, reached through a rickety wooden shed in an alley where chickens were kept, functioned as the sanctuary. The Jews at prayer there, the correspondent wrote, wore "shabby, homemade prayer shawls" and read from "ancient tattered prayer books."[38]

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[23] June 1963 issue.

[24] 1954 statistics.

[25] 1959 statistics.

[26] U.S.S.R., June 1963.

[27] April 1963.

[28] The delegation visited the United States in April 1963. Efforts by the Synagogue Council to invite the Chief Rabbi to visit the United States have been futile.

[29] February 1962. The warning was repeated in October and Jewish congregants in Moscow were told to avoid "shaking hands with visitors generally."

[30] In 1962 another edition of the Koran was published by the Moslem Board of Central Asia.

[31] In 1956, 25,000 copies of the Baptist hymnal were printed. The Lutherans are now preparing a new edition of their hymnal.

[32] The New York Times, Sept. 29, 1963.

[33] In one of their rare, sometimes unexplained shifts, the Soviets last September authorized the Moscow synagogue to print 5,000 Jewish calendars.

[34] The only known exceptions appear to have been in Georgia and in some parts of central Asia.

[35] Four elderly Jews who tried ran afoul of the authorities. On July 16, 1963, they were convicted of illegal profiteering in the sale of matzoh—the first trial of its kind in 45 years, according to the Chief Rabbi. Three of the accused had been held in prison for several months awaiting trial. An 82-year-old man, ludicrously described as the ringleader, was allowed to remain at home. The defense attorney, in his summation, reminded the court that "all churches sell candles and wafers at high prices, and nobody holds them for criminal responsibility.

"Those accused did it not for profit but for their religious beliefs; they used no hired labor, they distributed the production which they didn't use themselves." But all four were found guilty.

[36] Hindus, "House Without a Roof."

[37] U.S.S.R., April 1963.

[38] New York Herald Tribune, June 26, 1963.

The closing of a synagogue generally is preceded by an intense press campaign of suspicion and hostility. The synagogue in the old Jewish center of Chernovtsy (Bukovina) was locked after the local newspaper charged that it was used for shady profiteering agreements.[39] The great synagogue of Lvov, with a glorious tradition, was closed on November 5, 1962, after a year-long press campaign charging it with being a center for currency speculators and their criminal machinations.[40]

Some Jews have taken to private minyanim (quorums of at least 10 required to conduct a service) in their homes. But in the past 2 years there have been police drives to discourage these.[41]

The discouragement of Judaism is further intensified by the lack of training facilities to replace a fast-aging rabbinate. There are now only about 60 rabbis in the U.S.S.R. Until 1957, when a Yeshiva was established in Moscow for 20 students, there was no Jewish theological seminary in all of the Soviet Union. Since then only two students have been ordained and neither functions as a synagogue leader. Of the 13 students enrolled in the shabby, rundown Yeshiva in April 1962, 11 were over 40 years of age. At that time, nine of the students, who came from communities in Georgia and Daghestan, were prevented from resuming their studies because of, said the authorities, a housing shortage in Moscow. That left an enrollment of four seminarians in all of the U.S.S.R.[42] Judaism in the Soviet Union will soon be without trained leadership.

Other Jewish facilities are being forced out of existence. The only kosher butcher shop in Moscow was temporarily closed by the authorities in the summer of 1962 on the grounds that it did not conform to sanitary regulations.[43] The Jewish section of the old Moscow cemetery is filled, but repeated appeals by the chief rabbi and other Jewish leaders for an enclave to be set aside and consecrated for Jewish burials in a new municipal cemetry have been rejected. This pattern is likely to be repeated in other cities.

Although the Soviet Communist Party continues to propagandize against religion, generally seeking to achieve "the final and complete eradication of religious prejudices," [44] it is supposed to be guided by a policy resolution of its Central Committee, adopted November 1, 1954, and calling for a tactful and considerate attitude toward those who still remain under the influence of various religious beliefs. The resolution specifically warns against putting Soviet citizens under political suspicion because of their religious convictions. In the party's propaganda war against Judaism, these caveats appear to be observed in the breach.

Judaism is attacked and satirized in U.S.S.R. press

Feuilletons (satirical articles) often appear, particularly in the Soviet provincial press, savagely attacking Judaism.[45] The rite of circumcision is denounced as barbarous, the "Kol Nidre" prayer of Yom Kippur is condemned as encouraging disobedience to state authority. Synagogue leaders are depicted as money worshippers who use the religious service, kosher slaughtering, religious burial, matzoth baking and other ritual practices to exploit a duped congregation.[46]

Much of the propaganda depicts Judaism as being in the service of a foreign power, thereby attaching to the observant Jew the stigma of disloyalty. This excerpt from a Ukrainian language radio broadcast from Kirovograd, is not unusual:

"Judaic sermons are the sermons of bourgeois Zionists. Such sermons are tools in the hands of the nationalistic, Israeli cosmopolitan and American bourgeoisie. With their tentacles, the Jewish bourgeois nationalists, making use of Judaism, try to penetrate into our Soviet garden." [47]

Three other examples of the disloyalty theme:

"The chauvinistic Passover slogans stand in contradiction to the feeling of Soviet patriotism and boundless love to the socialist motherland." [48]

"Judaism kills love for the Soviet motherland." [49]

"The character of the Jewish religion thus serves the political aims of the Zionist—the awakening of a nationalistic frame of mind." [50]

A lengthy article in Trud castigated the synagogue as a place where Israel diplomats are alleged to have extracted espionage information from disloyal Soviet Jews.[51] Another article carried a massive attack on three religious Jews who were accused of having had contacts wth the Israel Embassy in Moscow. "Avarice, groveling servility before everything foreign, spiritual waste, lack of pride in our great motherland—these impel the Chernukhins, Roginskys, and the Sheyfers into the embraces of sometimes not entirely blameless foreigners," said Trud.[52] Synagogue leaders in Leningrad and Moscow have been convicted and given stiff sentences on charges of betraying state secrets to Israel.

The new program of the Communist Party, adopted at its 22d congress, calls for a stepped-up program of overcoming "religious prejudices" by systematically * * * conduct [ing] broad scientific-atheist propaganda. On March 2, 1964, the party central committee spelled out the details of the intensified campaign. It can be expected that in this antireligious campaign Judaism will continue to be singled out for condemnation and the loyalty of its leaders questioned.

III. DISCRIMINATION AND THE SOVIET JEW

The Soviet Constitution specifically prohibits "any direct or indirect restriction of the rights * * * of citizens on account of their race or nationality." But for the Jewish citizen the promise of Soviet law is not always the practice in Soviet reality.

Quota system is common practice at universities

There is no indication that the Jew is discriminated against in housing or public accommodations. He has open access to hotels, resorts, clubs, and other public facilities. But in higher education—the key to advancement in Soviet society—the situation is not so favorable. Soviet officials do not publicly acknowledge or discuss quota systems in university admission practices. But they exist. A study of Soviet education by Nicholas DeWitt, a specialist formerly at the Harvard Russian Research Center, finds that quotas operate on the principle of "equivalent balance." This means "the representation of any national or ethnic grouping in overall higher education enrollment should be as the relation of the size of that group to total U.S.S.R. population. Those nationalities whose higher educational development 'ought to be fostered' get preferential admission quotas, while those who are 'over-represented' are curtailed accordingly." [53]

On the basis of elaborate computations drawn from Soviet data, DeWitt shows that the quota system operates "to the particularly severe disadvantage of the Jewish population." Between 1935 and 1958, his computations reveal, "the index of representation rose for most nationalities, but fell for Georgians and all national minorities, with a very drastic decline for the Jews." DeWitt concludes:

"The setting of admission quotas undoubtedly penalized the Jewish population, with its significant urban concentration and higher level of educational attainment, more heavily than other minor nationality groups with more diversified occupational and rural-urban distribution."

Soviet Minister of Higher and Secondary Education V. P. Yelyutin denied that the Soviet Union discriminates or maintains quota systems against Jews in education.[54] Yelyutin insisted that Jews, constituting 2 percent of the Soviet population, were 10 percent of the enrollment in Soviet universities. This was disputed by Dr. Solomon Schwarz, a prominent scholar and author of "The Jews in the Soviet Union," who cited official Soviet data to prove "the number of Jews among the students of all Soviet institutions of higher education could reach only little more than 4 percent." [55] A 1961 Soviet statistical handbook on higher education not only corroborates this but suggests that even Dr. Schwarz' estimates were high. The handbook reports 2,395,000 students, 77,000 of them Jews. The ratio of Jews is therefore closer to 3 percent—a plummeting drop from 1935 when it was 13 percent.

Despite this drastic decline, Jewish university enrollment, on a population basis, still ranks highest among nationality groups. But it is clear that the quota system compels the Jewish student to perform at a much higher level of achievement than his non-Jewish colleagues if he is to get equal recognition. A Leningrad professor is quoted by Maurice Hindus that a Jew must be especially gifted, "something like a genius, to be admitted to aspirantura (postgraduate work)." [56]

The pattern of discrimination is an uneven one. Jews find it less difficult to be admitted to Leningrad University than to Moscow University. Siberian schools are even less discriminatory. Siberia, writes Hindus, is in the throes of gigantic development and the demand for specialists in all fields is so pressing that universities and technological institutes will overlook it if an applicant is Jewish. However, in most of the Soviet Republics (except for the RSFSR, the Ukraine, the Byelorussia), the representation of Jews among university students is well below the rate of the "general population's access to higher education."[57] Particularly distressing is the trend of development as seen from the ratio of academically educated people, especially students, to practicing scientists. According to the report of an international Socialist study group, the Jews have the lowest ratio in the U.S.S.R., "indicating the rapidly dwindling Jewish participation in this field."[58]

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[39] Quoted in "Jews in Eastern Europe," December 1962.

[40] "Lvovskaia Pravda," Feb. 16, 1962, and Oct. 26, 1962.

[41] During Rosh Hashana 1962, a minyan held in a house on January 21st Street in Kharkov was dispersed by the police; on Yom Kippur, another in Kolomea. On Feb. 23, 1963, a Sabbath minyan in Gomel was brutally disrupted.

[42] Since then, the number has dropped to two or three students.

[43] Later it was permitted to reopen.

[44] Pravda, Aug. 21, 1959.

[45] These are provincial areas with fairly large Jewish populations and long traditions of anti-Semitism.

[46] A typical example from Minskaia Pravda (Apr. 4, 1961): "Money. That is the God of the Minsk Jewish religious community and their aids." Another is from the book, "Judaism Without Embellishment," published in December 1963 by the Ukrainian Academy of Sciences: "What is the Jew's secular cult? Business. What is his secular God? Money. Money, that is the jealous God of Israel."

[47] Dec. 9, 1959, monitored by BBC.

[48] "The Origin and Class Essence of Jewish Rituals and Holidays," published 1961 by the Society for the Diffusion of Political and Scientific Knowledge in the Ukraine.

[49] "Sovietskaia Moldavia (Kishinev) July 23, 1959.

[50] "Volzhskaia Kommuna" (Kuibyshev), Sept. 30, 1961.

[51] Jan. 19, 1962.

[52] June 9, 1963.

[53] DeWitt, "Education and Professional Employment in the U.S.S.R.," 1961. A recent Soviet publication, Vestnik Vysshei Shkoly (December 1963), acknowledges the existence of "preferential admission quotas."

[54] The New York Times, Sept. 29, 1959.

[55] Letter to the New York Times, Oct 3. 1959.

[56] Hindus, "House Without a Roof."

Soviet leaders have candidly acknowledged that they set employment quotas for Jews. They also try to justify the practice. An interview published by the National Guardian quoted Minister of Culture Furtseva that the Soviet Government "found in some of its departments a heavy concentration of Jewish people, upward of 50 percent of the staff. Steps were taken to transfer them to other enterprises, giving them equally good positions, and without jeopardizing their rights."[59]

Job discrimination found to be increasing

When the Furtseva statement created unfavorable reaction abroad, the press chief of the Soviet Foreign Ministry was obliged to "clarify" the matter. "She meant," his statement said, "that if at some time there had taken place changes in office personnel, these changes were dictated by the economic needs of the country and under no circumstances were aimed at any discrimination of persons of any nationality. Never at any time during the Soviet regime were there any quotas for Jews or persons of some other nationality, and there are none now."[60]

However, J. B. Salsberg, a former Canadian Communist leader, reported that in an interview he had had in August 1956 with Soviet leaders (including Khrushchev and Suslov),[61] a top Soviet official "corroborated the essence of Furtseva's statement."

"He tried terribly hard to prove to me with examples that the transfer or dismissal of Jewish employees in once-backward republics that now have 'their own' intelligentsia and professional people capable of occupying posts previously held by Jews or Russians has nothing to do with anti-Semitism."

Academician Konstantin Skriabin, in a speech before the party's central committee on agriculture, declared: "From my point of view, a scientist should not be evaluated by his passport but by his head, from the point of view of his ability and social usefulness."[62] His reference to the "passport" and its nationality identification was self-evident.

Yet whatever the extent of job quotas, an examination of the scattered data that is available reveals a heavy concentration of Jewish employment in a number of important fields and professions. According to one source, of Moscow's 18,000 physicians, 6,700—more than one out of three—are Jewish.[63] Another source states that 40 percent of the capital's 1,700 lawyers and half of those in Leningrad and Kharkov are Jewish.[64] Andre Blumel was told by Mme. Furtseva that one-third of the personnel in the film industry is Jewish Jews are also prominent in music and literature, in the library field, in history, philology and pedagogy (according to Furtseva, 10 percent of the student body of the Pedagogical Institute in Moscow is Jewish) and in the consumer goods and retail trade industry. A letter signed by five prominent Soviet Jews and publicized by the Soviet news agency Novosti listed Jews as comprising 14.7 percent of the U.S.S.R.'s physicians; 10.4 percent of its lawyers and judges; 8.5 percent of its writers and journalists; 7 percent of its actors, sculptors, musicians and other artists.[65]

There is a high proportion of Jews in the physical sciences. A Soviet statistical handbook (1960) reported 30,663 Jews among 310,000 Soviet scientists, or 9.8 percent. Five years earlier the ratio was even higher, 24,600 out of 223,000, or 11 percent. The proportion of Jews in the physical sciences is decreasing, although the absolute number is rising. The most recent figure is 36,173 Jewish scientists (about 9 percent).[66] An estimated 10 percent of the Academy of Sciences, the U.S.S.R.'s leading scientific body, is Jewish. About one-eighth of the 1964 Lenin Prize winners in science and technology have Jewish names.

Among Soviet nationalities, Jews rank third in the total number of professionals with a university education who are active in the national economy. There are about 300,000 Soviet Jews in the professions, and 427,000 who have either a university or a specialized secondary education. This means one out of five Soviet Jews is a professional or semiprofessional worker, as against 5 percent for Russians and 4 percent for Ukrainians.

On the other hand, DeWitt finds that the proportion of non-Jewish nationalities in the professions is rising rapidly. It rose 15 percent during 1957–59. For the same period the Jewish proportion rose 4 percent. DeWitt attributes the difference to the quota system in university admissions. Its continuation, he says, will further reduce the percentage of Jews in professional employment.

There is some evidence that Soviet Jews are confronted with increasing difficulty in winning merit promotions to top industrial and administrative positions. This is particularly so in the non-Russian Republics where an educated and trained native element is rapidly emerging and Jews are being edged out of the promotion process. This was implied by Khrushchev in an interview with a French Socialist delegation in May 1956:

"At the outset of the revolution we had many Jews in the leadership of the party and the state. In due course, we created new cadres. Should the Jews want to occupy the foremost position in our Republics now, it would naturally be taken amiss by the indigenous inhabitants. The latter would not accept these pretensions at all well, especially since they do not regard themselves less intelligent or less capable than the Jews."[67]

In December 1962, Khrushchev repeated this theme at a meeting of Soviet artists, saying that if Jews occupied too many top positions it would tend to create anti-Semitism.

Since the forties there has been a drastic decline in the role of Jews in Soviet political life. One index of it is the changing composition in the two houses of the Supreme Soviet. In December 1937, there were 32 Jews among the 569 members of the Soviet of the Union; in January 1946, 5 out of 801; in March 1950, 2 of 678 members.

Jews have been eased out of Soviet political life

In 1937 there were 15 Jews among the 574 members of the Soviet of Nationalities; in March 1950, 3 of 638. In April 1958 only 3 of 1,364 members of both houses could be identified as Jews. Among the 1,443 members of the present Supreme Soviet 8 are Jews.

Jewish representation at the republic and local levels is even less than at the national level:[68]

	Total deputies	Jewish deputies	Percent of Jews
Russian Federal Republic	835	1	0.12
Ukraine	457	1	.22
Byelorussia	407	2	.45
Uzbekistan	444	2	.44
Kazakhstan	450	2	.44
Azerbaijan	325	1	.31
Lithuania	209	3	1.44
Moldavia	281	0	0
Latvia	200	0	0
Kirghizia	329	0	0
Tadzhikistan	300	1	.33
Armenia	300	0	0
Turkmenistan	282	1	.36
Estonia	125	0	0
Georgia	368	0	0

With the single exception of Lithuania, the percentage of Jews in the Supreme Soviet of each republic is substantially below its population ratio. This is especially true for the three Slavic republics where most Soviet Jews live. It is also significant that Moldavia and Latvia, each with a sizable Jewish minority, have no Jewish deputies.

The same trend is evident in local Soviets. In every republic except Byelorussia the proportion of Jews is less than 1 percent, and often only an infinitesimal fraction. In January 1961, Trud boasted that 7,500 Jews were deputies in various Soviets of the U.S.S.R.[69] It neglected to compare this with the total of 1,882,000 elected deputies, making the ratio of Jews in the Soviet political structure microscopic. Since the selection of candidates is a controlled affair dominated by the party's leadership, it would appear that Jews are regarded as being less reliable politically.

There has also been a great decline in the numbers of Jews holding leadership positions in the Soviet Communist Party. Among the 175 members of its newly elected Central Committee, only 1 has been specifically identified by Soviet authorities as a Jew. He is V. E. Dymshits, a Deputy Premier and Chairman of the U.S.S.R. Council of the National Economy. Dymshits is often held out as an example by Soviet propagandists that there is no anti-Jewish discrimination in Soviet politics.

Prof. John Armstrong of the University of Wisconsin, in a study of the nationality composition of the Ukraine Communist Party, found that the proportion of Jews among the delegates to the Party Congress had declined from 4.1 percent in 1940 to 2.6 percent in 1956.[70] "It would seem that Jews were deliberately restricted to a lower proportion of the higher and more conspicuous levels of party leadership," Professor Armstrong declared. He calculated that 8 percent of the Ukrainian Party membership is Jewish. This is a fairly high proportion since Jews are only 2 percent of the Ukrainian population. It is in the leadership cadre of the party, however, that the number and proportion of Jews have shrunk considerably.

There are no available statistics on the number of Jews in the All-Union Communist Party but there is no ban against Jews joining the party.

Maurice Hindus has reported that Jews "are definitely barred from careers in diplomacy, the party, the armed forces, in the trade union, the state administration and other politically and militarily sensitive *areas.*"[71] Data on this—or on the view that Jews might be regarded as security risks—are sketchy and fragmentary.

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[57] Nicholas DeWitt, "The Status of Jews in Soviet Education," published 1964 by the American Jewish Congress. DeWitt places particular emphasis on the high degree of urbanization among Jews (over 95 percent). Since most university students come from urban areas the discrimination against Jews is apparent.

[58] April 1964.

[59] June 1956.

[60] September 1956.

[61] In a series that ran in a Canadian Yiddish weekly Vochenblatt and in Morgen Freiheit, October-December 1956.

[62] March 1962.

[63] Sophia Frey in Morgen Freiheit, Apr. 7, 1960.

[64] Andre Blumel in a Paris interview, 1960.

[65] April 1962.

[66] Novosti Press Agency, 1963.

[67] Réalités (Paris), May 1957.

[68] Jews in Eastern Europe (London), December 1962.

[69] Novosti Press Agency in 1963 gave the figure as 7,623.

[70] J. Armstrong, "The Soviet Bureaucratic Elite: A Case Study of the Ukrainian Apparatus," 1959.

There are few Jews today in the Soviet diplomatic corps. This is in sharp contrast to the twenties and thirties. An examination of a list of 475 top Soviet officials serving in the Foreign Ministry and in each of its embassies abroad shows but 5 or 6 who appear to have Jewish names. One is a deputy chief of a functional division in Moscow, another an ambassador, a third a minister-counselor. The others hold positions of lesser status. Some observers have also noted that there is a relatively small number of Jews in foreign trade. Of 94 names of top officials in the Ministry of Foreign Trade, only 1 or 2 appear to be Jewish.

Information on the Jewish composition of the armed forces is contradictory. Gen. David Dragunsky, himself a Jew, spoke of "hundreds of Jewish generals and admirals in the Soviet Union." He mentioned three: the supreme commander in the Far East, the commander of the military academy, and the commander of the defense force on the southern border.[72] There are reports of a number of Jewish regular army officers on active service (mostly in ranks below that of general). But in almost every case it is believed their commissions either predated the war or were granted in the early years of the war. Few, if any, have been appointed in recent years. The same is true for the Soviet air force.

IV. POPULAR ANTI-SEMITISM IN THE U.S.S.R.

The discriminatory patterns in Soviet life do not operate in a vacuum. They reflect popular attitudes toward Jews. The patterns are responsive to and reinforced by the attitudes; the attitudes in turn are necessarily affected by the patterns.

Studies show deep roots of anti-Semitic feeling

Soviet leadership is reluctant to admit publicly that popular anti-Semitism is common anywhere in the U.S.S.R. At times it will say so in private conversations with foreigners.[73] But when it speaks to the Soviet public, either directly or indirectly, it vehemently denies there is any significant amount of anti-Semitic sentiment.

Objective observers of Soviet life, including many who are sympathetically disposed to much of the regime's aims, disagree. They find anti-Semitic stereotyping to be commonplace, although no one really knows how extensive and deep the hostile feelings are. Soviet sociologists have refused to conduct scientific investigations of it.[74] But interviews of Soviet refugees conducted in 1950–51 by Harvard University shed some light.[75] While the sample was far from adequate, it nonetheless suggested that Jews in the Soviet Union are often depicted on the one hand as intelligent or intellectual, on the other as moneyminded, clannish, aggressive, calculating, and disinclined to engage in physical labor.

A study among Ukrainian refugees revealed extensive prejudice against Jews. The interviewer found that 47 percent of the least educated, 51 percent of the moderately educated, and 36 percent of the well-educated Ukrainian respondents favored excluding Jews from social contacts. The middle-educated Ukrainian, the interviewer concluded, was "particularly anti-Semitic both in his perception of relations between his own national group and Jews, and in expressions of social exclusion he desired."[76]

The persistence of widespread anti-Jewish sterotyping was noted by a friendly observer, Sally Belfrage:

"I could almost never hear a Jew described except with the apologetic preface, He's a Jew, but * * * (He's very nice, he's very intelligent.)' And frequently anti-Semitic jokes, Rabinovich this, Rabinovich that (always Rabinovich). Some Russians spend a great deal of their verbal energy on attacking anything and everything Jewish."[77]

Maurice Hindus and Harrison Salisbury, of the New York Times, have detailed similar instances of anti-Semitism. And as an indication that stereotyping can be found on the highest levels of government, J. B. Salsberg quoted Khrushchev:

"After the liberation of Czernowitz the streets were dirty. When the Jews were asked why the streets were not being cleaned, they replied that the non-Jewish segment of the population which used to do this work, had fled the city. Of the thousands of Soviet citizens who have toured abroad only three failed to return. All of them were Jews. Wherever a Jew settles, the first thing he does is build a synagogue."

Salsberg also quoted Khrushchev as agreeing with Stalin that the Crimea, which had been depopulated at the end of World War II, "should not be turned into a Jewish colonization center because in case of war it would be turned into a base for attacking the U.S.S.R."

Khrushchev on another occasion had these comments about the failure of Jewish colonization in Birobidjan:

"In all ages, the Jews have preferred the artisan trades; they are tailors; they work in glass or precious stones; they are merchants, pharmacists, cabinetmakers. But if you take the building trades or metallurgy, you can't find a single Jew to my knowledge.

"They don't like collective work, group discipline, they have always preferred to be dispersed. They are individualist * * * a second characteristic: the Jews are essentially intellectuals. They never consider themselves sufficiently educated. As soon as they can manage it, they want to attend the university."[78]

The New York Yiddish Communist daily Freiheit accused Khrushchev of giving a false picture of Jewish attitudes toward collective labor, saying that prior to the war "hundreds of thousands of Jews were settled on the land. Three national Jewish agricultural regions were created in the Ukraine. Jews were drawn into heavy industry. The Jewish masses revealed this ability for organization and collective effort in constructing, at great sacrifice, the trade union movement in America. * * * The Jewish laborer and common man showed his ability for collective work in the construction effort in Israel, as Khrushchev concedes in the same interview."[79]

Khrushchev's reference to the absence of Jews in metallurgy did not jibe with the observation of a group of Communists who were visiting Moscow at that time. They found that among 12,000 workers in a Moscow ball-bearing plant, 18 percent were Jews.[80] Harrison Salisbury, discussing the Soviet leader's frequent statements on Jewish questions, found that Khrushchev "almost invariably has displayed traces, at least, of the anti-Semitic prejudices common to the borderlands of the Ukraine where he grew up."[81]

Little is done in Soviet education to counteract anti-Semitic stereotypes. Soviet history textbooks published in 1958 and 1960 for preuniversity grade levels tell nothing of Soviet Jewry, its contributions to Soviet culture or its role in Soviet life. This is so even in sections of the volumes which deal with the culture of minority nationalities in the U.S.S.R.

Jews cast as villains in recent economic trials

A widely distributed book, "The Achievements of Soviet Regime in 40 Years in Figures," published in 1957 on the 40th anniversary of the Bolshevik revolution, makes no reference to Jews or Jewish contributions in its 358 pages of statistics and tables on virtually every aspect of Soviet life. Newspaper references to the nationality of Jews who make distinguished contributions to the arts, sciences and technology are rare.

In 1954 the Soviet Government published "The National Traditions of the People of the Soviet Union," a statistical breakdown by nationality of World War II "Heroes of the Soviet Union"—the nation's highest award for bravery. The booklet makes no reference to Jewish winners, even though more than 100 were so honored.[82]

Satirical attacks on Judaism and on persons with Jewish-sounding names accused of anti-social behavior crop up frequently in the Soviet provincial press. Synagogue leaders, in particular, are depicted as persons engaged in unholy money dealings. This has a special propaganda impact since, in the Soviet cultural pattern, concern for one's personal affluence is regarded as the worst form of antisocial behavior. The satirical articles appear largely in areas where anti-Semitic sentiment is deep rooted. A 1960 study disclosed 77 such feuilletons in 15 major provincial papers.[83]

The new program of the Communist Party, in dealing with "Communist morality," calls for "an uncompromising attitude toward injustice, parasitism, dishonesty, careerism, and moneygrubbing." In the current Soviet campaign against economic crimes, especially black marketeering and currency speculation, the Jew is identified in press accounts as the principal villain. This has been evident in newspaper stories of the arrest and trial of Jews in Leningrad, Vilna, Tbilisi in Georgia and elsewhere.

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[71] Hindus, "House Without a Roof." In the areas mentioned by Hindus there is also evidence that exceptions occur. Pragmatic considerations in the selection of personnel often appear to be the dominant factor.

[72] Jewish Chronicle (London), Dec. 1, 1961.

[73] Deputy Premier Anastas Mikoyan told a 1956 delegation of French Socialists that the "remainders" of anti-Semitism persist because "in so short a time it has been difficult for us to eliminate prejudice." Khrushchev told the same group that the anti-Semitic sentiments are "remnants of a reactionary past."

[74] A visiting Western scholar, Professor Lewis Feuer of the University of California, learned this from Soviet sociologists and philosophers while on an exchange tour to the U.S.S.R.

[75] Harvard Project on the Soviet Social System. Its essential findings were published in "How the Soviet System Works" by Raymond Bauer, Alex Inkeles and Clyde Kluckhohn, Harvard University Press, 1956. The sample was structured to represent as broad a cross-section of the Soviet European population as was possible under the given circumstances of availability of refugees, three-fourths of whom had migrated during the war, the others during 1946–50.

[76] Unpublished study by Sylvia Gilliam of the Harvard Project.

[77] "A Room in Moscow" (London), 1958.

[78] Le Figaro (Paris), Apr. 9, 1958.

[79] Morgen Freiheit, Apr. 13, 1958.

[80] Nai Presse (Paris).

[81] The New York Times, Feb. 8, 1962. At times, however, Khrushchev has strongly condemned anti-Semitism as a product of czarism or capitalism. Twice during the past year, he associated himself with others in publicly lauding two prominent Soviet Jews, friends of his who had died.

[82] Trud in January 1961 finally acknowledged that there were more than 100 Jewish award winners. A recent work published in Israel reports that 67,000 Jews in the Red Army were cited for meritorious performance, bravery, or heroism during World War II. Jews ranked fourth among nationalities in award winners. The report also notes that of 500,000 Jews in the Red Army, 200,000 were killed in action.

[83] One of every three feuilletons published by a Latvian paper satirized Jews.

An analysis of news reports up to the early months of 1963 shows that in 63 trials in 39 cities, 83 of 141 persons sentenced to death—almost 60 percent—were Jews.[84] In a lengthy account of the Vilna trial, Trud published a description of currency speculators quarreling over the spoils, then seeking out the local rabbi to settle the dispute. "The rabbi not only knew of the dark affairs his parishioners were involved in, but was their arbiter as well," the Trud story took pains to say.[85] The Georgian newspaper Zaria Vostoka, reporting a Tbilisi trial, said that "speculation went on full blast in the Lord's Temple," and that the accused even used the inside cover "of the religious book, the Torah" as a hiding place for foreign currency.[86] Leningradskaia Pravda pointed up the Jewish background of an alleged offender this way:

"Having scraped together a fortune, he dreamed of escaping abroad. It made no difference where: to his brother in England, to another brother in England, to another brother in Germany or his sister in Israel." [87]

In a controlled press whose stated objective is to educate the public, these references, as Harrison Salisbury has reported, "blur the lines and smear the Jews by confusing them with criminal and antisocial elements in the population." [88]

To the extent that negative stereotypes of the Jew persist and are even tolerated in high quarters, a permissive atmosphere is created in which the Soviet bureaucrat who practices discrimination is strengthened in his motivations to do so. The permissiveness also tends to crystallize sentiment of the Jew as a security risk. This, in turn, leads to administrative measures that forcibly sever contacts between Soviet Jews and their coreligionists abroad, hastening the assimilatory process of Soviet Jewry.

Negative stereotyping has led to anti-Jewish rioting

The "signs of racial overtones" in the trials of economic offenders—as the Bulletin of the International Commission of Jurists described the preponderance of Jews among those executed—disturbed philosopher Bertrand Russell. He wrote to Khrushchev that he was "deeply perturbed at the death sentences passed on Jews in the Soviet Union and the official encouragement of anti-Semitism which apparently takes place." [89] Khrushchev replied that to ascribe anti-Semitism to the trials was a "profound delusion" since individuals of other nationalities also had been sentenced. "Which nation has more or fewer criminals of any kind at one time or another is a social question not a national question," Khrushchev declared, adding that the nature of the Soviet state "precludes" the possibility of anti-Semitism.[90]

Izvestia carried four letters out of "several hundred reactions" which endorsed the Soviet Premier's rebuff of the distinguished British philosopher.[91] But Lord Russell found neither the Premier's explanation nor the arguments of the letter writers very comforting. "I consider the fact that 60 percent of those executed were Jews to be greatly disturbing," he wrote to the editors of Izvestia. "I fervently hope that nothing will take place which obliges us to believe the Jews are receiving unjust treatment in contradiction to the law." [92] Izvestia neither printed the letter nor responded to it.

This major Soviet organ offered a different kind of response on October 20, 1963. One of its chief editors, Iu. Feofanov, on that day wrote a long article, "No Mercy for Thieves," which described at length the alleged crimes of two Jews named Shakerman and Roifman. Feofanov deliberately noted that he was mentioning the "Jewish family names" of the individuals involved "because we pay no attention to the malicious slander * * * in the Western press." He called for a "show trial." The possible repercussions of a show trial upon popular attitudes toward Jews aroused worldwide concern and protests. Ultimately the U.S.S.R. backed away from this proposal.[93]

Official toleration of negative stereotyping of the Jew may well have played a role in stimulating, or at least not discouraging, a number of outbreaks against Jews and Jewish institutions in the past few years. These are some of the incidents reported in the Western (but not Soviet) press:

October 4–5, 1959: During Rosh Hashana, hundreds of leaflets were distributed and posted on buildings in Malakhovka, a small Moscow suburb, by a "Beat the Jews Committee." The leaflets said in part:

"Throw the Jews out of commerce where they damage socialist property and the people's wealth. They are an obstacle to the development of commerce. They cause much damage to the State and to the working people, and amass profits for themselves."

Malakhovka's synagogue and the cottage of the caretaker of the nearby Jewish cemetery were set afire. The caretaker's wife was found dead from strangulation.[94]

August 1960: The party newspaper in Buinaksk, Daghestan, published a story that Jews mix Moslem blood with water to drink for ritual purposes. This was the old blood libel with a new twist—Moslem instead of Christian blood. Two days later the newspaper repudiated the article as a "political error."

September 1961: Another blood libel rumor erupted into anti-Jewish riots in the town of Margalen, Uzbekistan. The rumor: A Jewish woman had kidnapped and slain a 2-year-old Moslem boy for "ritual reasons." The militia ransacked her home and arrested her 90-year-old father. Mob fury broke out in the streets against Jews. Later, the local newspaper reported that a Uzbek woman had kidnapped the boy. (He had been returned unharmed.) Jews who had been assaulted vainly brought suit against the mob leader. The court found that the prosecutor had ignored the damaging role of the militia and had minimized the extent of destruction of Jewish homes, and that the searches and arrests of Jews were illegal. It directed the prosecutor to correct his file of evidence for submission at another trial.[95]

Spring 1962: A Jewish dentist in the town of Tskhaltubo, Georgia, was accused of drawing blood from the face and neck of a Georgian boy who came to play with his son, then selling the blood to the synagogue in Kutaisi to be used in the baking of matzo. The assistant public prosecutor, interrogating the dentist, tortured him and sent him to jail in Kutaisi. The dentist was freed and the proceedings halted only after the case reached higher judicial authorities in central Georgia. These authorities advised the dentist, for his own safety, to leave his native Georgia and take up temporary residence in Moscow.

May 19, 1962: A blood libel rumor in Tashkent, Uzbekistan, led to assaults on Jews. A 70-year-old Jewish woman, accused of taking blood from the ear of a Moslem girl for use in the Passover ritual, was arrested by the local prosecutor and detained for 3 weeks, during which time her home was ransacked by police. Again, there were mob assaults against Jews. The blood libel, it was later shown, had originated with a minor mishap in the woman's store: the girl had fallen and suffered a slight cut on her ear. The mob leaders, as well as the marauding local police, went unpunished.[96]

May 1962: Arsonists set fire to a synagogue in Tskhakaya, Georgia. Scrolls of the Law, prayer books and prayer shawls were badly burned.

June 1962: A bomb exploded in front of the synagogue in Kutaisi, Georgia. Two other bombs were found inside the building.

Rosh Hashana 1962: During the High Holy Day services, and 3 weeks later during Simhat Torah ("Rejoicing of the Law"), bricks were hurled into the windows of the Great Synagogue of Moscow. A jagged 5-pound brick crashing through the glass, showered splinters over many of the 6,000 Jews who sang and danced during the Simhat Torah service. It narrowly missed hitting the Israel Ambassador and a New York Herald-Tribune Reporter. "Unfortunately," said the Chief Rabbi, "we still have evidence of anti-Semitism." [97]

March 1963: Seven weeks before Passover a rumor spread through the city of Vilna, Lithuania, that a 6-year-old girl had been kidnapped and murdered by Jews to obtain "Christian blood." There were reports of Jewish children being persecuted by schoolmates and of hooligan attacks upon Jews. The child's body was later found. It was learned that she had been murdered by a Lithuanian student who had committed suicide.

The tragedy of these and other episodes, bad as they are, is perhaps less in their occurrence than in the failure of Soviet authorities to expose publicly their fraudulent origins.

Kremlin view: There is no anti-Semitism in U.S.S.R.

Instead the authorities constantly repeat the refrain that anti-Semitism does not and cannot exist in the U.S.S.R. When Khrushchev can deny that even Stalin's notorious Doctor's Plot was anti-Semitic—as he clearly implied in his letter to Lord Russell—then it is hardly surprising that officials will refuse to take public cognizance of lesser anti-Semitic outbursts. To still any clamor for dealing with internal anti-Semitism the regime has in recent months turned to condemnation of anti-Semitism in the West—

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[84] Statistical data indicated that, as of October 1963, of those sentenced to die for economic crimes in the Ukraine 90 percent were Jews; in Moldavia, 83 percent; in the RSFSR, 64 percent.

[85] Jan. 16, 1962.

[86] Nov. 30, 1961.

[87] Sept. 16, 1961.

[88] The New York Times, Feb. 8, 1962.

[89] Feb. 2, 1963.

[90] Khrushchev replied Feb. 21, 1963. The exchange of correspondence with Russell was published in the Soviet press on February 28.

[91] Mar. 24, 1963.

[92] Apr. 6, 1963.

[93] In the same way the Soviet Union retreated from a decision to execute an alleged criminal identified as a "rabbi" in "Sovetskaia Rossiia," Aug. 30, 1963. Novosti on Jan. 14, 1964, reported that the death sentence had been commuted to 15 years in imprisonment.

[94] No mention of the incident was made in the Soviet press. Blumel, after a visit to the Soviet Union in 1961, said he been privately informed that the culprits had been apprehended and convicted.

[95] Since then (November 1961) there has been no report of a second trial.

[96] When the story was reported in the West, the Soviet Foreign Ministery's press department first called it a "complete invention." A lengthier denial was later issued by Novosti. Both statements, the Manchester Guardian noted, "studiously avoid any mention of the relevant details and therefore add to the plausibility of the reports."

[97] The New York Times, Oct. 22, 1962.

in the United States, West Germany, Argentina.

In one recent anti-Semitic incident, however, Soviet authorities did take at least a partially positive step, although not until world clamor for action (including vociferous outcries from foreign Communist Parties) had become too insistent to be rebuffed.

The incident was the publication last October in Kiev of an anti-Semitic book, "Judaism Without Embellishment," written by T. Kichko. The Ukrainian Academy of Sciences was the publisher. The work carried vicious caricatures of Jews, reminiscent of Julius Streicher's "Der Stuermer."

The book and its contents become known in the West last March. The hue and cry which arose took on crescendo-like proportions, and the major Communist Parties in the West demanded an explanation. Finally, after some halfhearted Soviet statements failed to still the outburst, the Ideological Commission of the Soviet Communist Party Central Committee on April 4 released a statement condemning the book as contradicting "the party's Leninist policy on religious and nationality questions." The embarrassed commission acknowledged that the book "may be interpreted in the spirit of anti-Semitism." Khrushchev's son-in-law, Alexei Adjubei, also announced that all copies had been removed from the bookstalls.

Ironically, the Pravda story on the commission statement also praised a book, "Catechism Without Embellishment," which carries many of the same types of negative stereotypic images about Jews. Such approval, plus the continued publication of literature that stigmatizes Judaism in vulgar tones of bigotry, indicate that the party has yet to reverse its position.

There are vigorous voices among Soviet intellectuals eager to sensitize the public to the evils of anti-Semitism. The distinguished Soviet writer K. Paustovsky pilloried the Stalinist bureaucrats "who quite openly carry on anti-Semitic talk of a kind worthy of pogrom-makers."[98] Yevtushenko, in his autobiography,[99] relates how he came to loathe the anti-Semitism of leading literary bureaucrats. Referring to a prize-winning Stalinist poet, he wrote:

"Unfortunately it was people such as this who sometimes made 'literary policy,' infecting it with evil-smelling things of all sorts, including anti-Semitism. To me, both as a Russian and as a man to whom Lenin's teaching is dearer than anything in the world, anti-Semitism has always been doubly repulsive."

Soviet intellectuals are growing voice of reason

For Yevtushenko, communism and anti-Semitism are "mutually exclusive" and he has raised his voice to that end. The powerful "Babi Yar" was one example. The last lines of the poem express an attitude shared by many Soviet intellectuals:

"Let the 'Internationale' ring out
When the last anti-Semite on earth is buried.
There is no Jewish blood in mine,
But I am hated by every anti-Semite as a Jew
And for this reason,
I am a true Russian."

Yevtushenko's autobiography also tells of public reaction to his first reading of "Babi Yar." "When I finished," the poet wrote, "there was dead silence. I kept creasing the paper in my hand, afraid to look up. When I did, the entire audience was on its feet, suddenly the applause broke out and went on for about 10 minutes. People came up on the stage and hugged me. My eyes were full of tears."[100]

Yevtushenko received about 20,000 letters when the poem was published. Only 30 or 40 attacked him. This encouraging fact suggests that a government-sponsored program aimed at combating anti-Semitism and restoring the religious and cultural rights of Jews would have substantial support.

"STAG" BALLENTINE

Mr. ERVIN. Mr. President, on Monday, July 20, the people of North Carolina were deeply saddened to learn of the death of one of their most dedicated public servants: L. Y. Ballentine.

"Stag" Ballentine served the State of North Carolina as a county commissioner, as a State senator, as Lieutenant Governor, and from 1948 until his death as commissioner of agriculture. During his 16 years as commissioner, farm life in North Carolina experienced profound changes.

Throughout this period "Stag" Ballentine labored to make the State's transition to mechanized farms and a more industrialized economy smooth and responsible.

"Stag" Ballentine's unselfish devotion to his State's welfare set a standard worthy of emulation by all public servants.

Mr. President, I ask unanimous consent to have printed in the RECORD the following articles and editorials concerning my friend's passing.

There being no objection, the articles and editorials were ordered to be printed in the RECORD, as follows:

[From the Greensboro (N.C.) Daily News, July 22, 1964]

A PUBLIC SERVANT PASSES

North Carolina Commissioner of Agriculture L. Y. (Stag) Ballentine, who died of a heart attack at White Sulphur Springs, W. Va., Sunday night, was a faithful public official who served his State long and well.

Commissioner Ballentine was not only a capable but a personable individual. To know him was to like him, and that in large degree explains the multitude of friends whom he had, his success in dealing with people and his invulnerability when election time rolled around.

His long period of office included Wake County commissioner, member of the State senate for 6 years, a term as Lieutenant Governor and since 1948 occupancy of the high position which he held when death overtook him.

During Commissioner Ballentine's tenure, North Carolina agriculture has known great change. With cotton gone West and tobacco in jeopardy, there has been growing emphasis upon cattle, food crops and other farm products which lend diversification, find ready markets and strengthen a weakened economy. North Carolina, as a small family farm State, has felt the pressure of change. During all the change of Commissioner Ballentine gave a calm, quiet but effective leadership in facing up to inescapable problems and holding dislocation to a minimum in what continued to be a major factor of the State's economy.

A product of the farm himself, he knew his State and its people and was particularly well versed in the problems which came before him and his department. Farmers are notoriously independent, but "Stag" Ballentine managed to get a surprisingly large degree of cooperation out of them in tackling problems which were not merely their own but statewide.

State Treasurer Edwin Gill, longtime colleague of Commissioner Ballentine on the Raleigh scene, perhaps gave the best summation of his friend and associate when he cataloged him "a popular and distinguished public servant who gave everything that he had to the public service."

[From the Winston-Salem (N.C.) Journal, July 21, 1964]

"STAG" BALLENTINE

L. Y. (Stag) Ballentine, like his predecessor, W. Kerr Scott, worked persistently and hard to make the North Carolina Department of Agriculture effective in meeting the needs of the State farm economy.

There were those who suspected that the personable Mr. Ballentine had the ambition to follow in Kerr Scott's footsteps from the office of agriculture commissioner to the Governor's mansion and possibly on to the U.S. Senate. If he held that ambition, political developments in the State never gave him the opportunity to realize it. But during the 16 years of his tenure as head of the agriculture department he won wide recognition among farm leaders by his efforts to make his agency a real force in promoting better production, processing and marketing practices among the farmers of North Carolina.

Mr. Ballentine constantly emphasized the importance of better marketing outlets for farmers and the need for better packaging and more processing plants for farm products. Under him the department also vied with the extension service in advancing research and experimentation in the effort to develop better types of tobacco and other farm products. As a dairyman and farmer as well as business man, Stag Ballentine had firsthand knowledge of the problems facing the growers of his State and some very definite, progressive ideas on how these problems could be solved.

But the interest of farmers was not Stag Ballentine's sole object of concern. He performed distinguished service earlier in his career as a member of the Wake County Board of Commissioners, as a State senator, as chairman of the State board of education, and as a Lieutenant Governor.

One of the finest tributes paid to him by his associates in State government was that of Edwin Gill, State treasurer, who said of him that he "gave everything he had to the public service." The death of such a public servant leaves the State much poorer.

[From the Raleigh (N.C.) News and Observer]

"STAG" BALLENTINE

North Carolina lost a man who made a creative career in public service when Commissioner of Agriculture L. Y. Ballentine, thought to be on his way to recovery, died in West Virginia Sunday night. His career in public service was made more effective because he kept his contact as a farmer with the good earth of his State all his days.

Certainly there was none of the old bucolic and generally burlesqued picture of the farmer about Stag Ballentine. His dress and his manner were those of city men. He moved in the company of urbane politicians, agricultural scientists, economists as one of them. Still all his life, so much of which he spent in the capital, he remained a dairy farmer in the county. Sometimes he seemed the very image of that new figure, the man of agribusiness, perhaps of agriadministration. But he never lost his contact, his concern, his communication with men of the fields, the pastures, and the milking barns. In the city, at conventions, in conferences he was always a man of the land.

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[98] In a 1956 speech to the Moscow Writers Union.

[99] Published in the French newspaper L'Express.

[100] The poem and three others have been set to music by Shostakovich as part of his 13th symphony. In response to official pressures, Yevtushenko (and Shostakovich) agreed to add a line to the poem which reads that Russians and Ukrainians had also died at Babi Yar.

During Commissioner Ballentine's life the most profound change took place in American agriculture. The farmer did cease in those years to be an entirely independent individualist on his own separate acres. Governmental and organizational programs for farmers expanded and became more and more complex. Sometimes North Carolina's State Department of Agriculture seemed less important beside national agricultural programs, college agricultural activities, and farm organization programs. Actually that very change made it more important for agriculture in North Carolina to have a man always one of its own on guard over its fortunes.

Stag Ballentine will be missed as friendly figure, as an always loyal Democrat, as an almost lifelong public official. He will be most missed as a man who in all the complexities of modern agriculture never lost his devoted relationship to the farm life and the farm people of his good North Carolina heritage.

[From the Wilmington (N.C.) Morning Star, July 21, 1964]

A Man of Broad Service

In the death of L. Y. (Stag) Ballentine, North Carolina has lost an able and dedicated public servant whose years of planning and labor in agricultural and other fields meant much to the economic and social betterment of the State.

First of all Mr. Ballentine was a popular man, a gentleman who worked as well in the ranks as he did when he was leading a beneficial undertaking.

Second, he knew and practiced practical politics with foresight and integrity. His record in public life proved him to be a man who could serve well in many places in behalf of the public welfare and the interests of his State. His positions of trust over the years included membership on the Wake County Board of Commissioners, as State senator, chairman of the State board of education, president of the National Association of State Departments of Agriculture, chairman of the U.S. Department of Agriculture Marketing Advisory Committee, a charter member and director of the Agricultural Foundation of North Carolina, and Lieutenant Governor.

But it was as North Carolina Commissioner of Agriculture that Mr. Ballentine made the greatest contribution to his fellow man.

As the State's No. 1 agriculturist, he was mindful of the past, with its farm traditions and background; he was ever watchful of the present, with its problems and opportunities, and he always looked into the future, with its challenges and possibly greater economic returns.

The years of devotion Mr. Ballentine gave to the farmers of North Carolina meant much to them in more favorable rewards for their labor and a better rural life. May the standards he set in the conduct of his duties as commissioner continue for the inspiration and guidance of those who will take up this great responsibility in the years ahead.

THE COURT OF THE UNION OR JULIUS CAESAR REVISED

Mr. ERVIN. Mr. President, on February 29, 1964, Prof. Philip B. Kurland of the Law School of the University of Chicago made a most illuminating address before a conference upon the so-called Court of the Union Amendment at the Law School of the University of Notre Dame. He entitled his address "The Court of the Union or Julius Caesar Revised."

I have been privileged from time to time to read addresses and comments of Professor Kurland upon various constitutional and legal subjects. Such reading has convinced me that Professor Kurland possesses in the highest degree an understanding of the supreme values inherent in the primary purposes of our Constitution and the dangers posed to these primary purposes by impatient officials who would sacrifice their supreme values in their zeal to accomplish in haste temporary ends which they desire. For this reason, anything which Professor Kurland may say upon constitutional subjects merits wide dissemination and deep consideration by all persons interested in constitutional government.

As a consequence, I ask unanimous consent that Professor Kurland's speech be printed at this point in the body of the Record.

There being no objections, the speech was ordered to be printed in the Record, as follows:

The Court of the Union or Julius Caesar Revised

(By Philip B. Kurland, professor of law, the University of Chicago Law School)

(Note.—The paper which follows was delivered at a conference, held at the Law School of the University of Notre Dame on February 29. It will appear in a forthcoming issue of the Notre Dame Lawyer, and appears here with the permission of the editors of that journal and of the author.)

Dean O'Meara's subpena was greeted by honest protests from me that I had nothing to contribute to the great debate over the proposed constitutional amendments that are the subject of today's conference. The dean apparently of the belief that suffering might help this audience toward moral regeneration, suggested that I come anyway. I proceed then to prove my proposition and to test his hypothesis.

I have chosen as a title for this small effort: "Julius Caesar Revised." "Revised" because, unlike Mark Antony, I have been invited here not to bury Caesar but to praise him. Our Caesar, the Supreme Court, unlike Shakespeare's Julius, does not call for a funeral oration, because the warnings of lions in the streets—instead of under the throne—were timely heeded as well as sounded. Caesar was thus able to rally his friends to fend off the death strokes that the conspirators would have inflicted. The conspiratorial leaders were the members of the Council of State Governments. The daggers they proposed to use were the chief justices of the various high State courts, to whom they would entrust, under the resounding label of "the Court of the Union," the power to review judgments of the Supreme Court of the United States whenever that tribunal dared to inhibit the power of the States. It should be made clear that the chief justices of the States would be the instruments of the crime and not its perpetrators. You will recall that when these chief justices spoke through their collective voice, the Conference of Chief Justices, in condemnation of some of the transgressions of the Supreme Court, they asked only that the physician heal himself. They did not propose any organic changes, however little they like the Court's work. Their report stated: [1]

"When we turn to the specific field of the effect of judicial decisions on Federal-State relationships we come at once to the question as to where power should lie to give the ultimate interpretation to the Constitution and to the laws made in pursuance thereof under the authority of the United States. By necessity and by almost universal common consent, these ultimate powers are regarded as being vested in the Supreme Court of the United States. Any other allocation of such power would seem to lead to chaos."

Even in the absence of Caesar's murder, however, it is possible to pose the issue raised by Brutus: whether our Caesar has been unduly ambitious and grasping of power? And implicit in this question is a second: If Caesar's ambitions do constitute a threat to the republic, is assassination the appropriate method for dealing with that threat?

The second question is easier of answer than the first. Whether Caesar be guilty or not, it would seem patently clear that his murder, as proposed, must be resisted. Its consequences could only be costly and destructive civil conflict resulting in the creation of a new Caesar in the place of the old one, a new Caesar not nearly so well-equipped to perform the task nor even so benevolent as Julius himself.

It is probably because of the obvious absurdity of the method chosen for limiting the Supreme Court's powers that there is today even more unanimity in opposition to the proposal than existed when Caesar was last attacked—not by the current self-styled patricians, but by the plebeians under the leadership of Franklin Delano Roosevelt. For then it was only the conservatives that came to the defense of the Court; the liberals were prepared to destroy it. Today, as Prof. Charles Black has made clear, even if in rather patronizing tones, the conservatives are solidly lined up in defense of an institution many of whose decisions are repugnant to them.[2] The conservatives would seem to be concerned with the preservation of the institution; the liberals with the preservation of the benefits that the current Court has awarded them. For the latter the contents of Caesar's will appears to make the difference.

It would seem, therefore, that only those close to the lunatic fringe, the Birchers and the White Citizens Councils and others of their ilk, are prepared to support the purported court-of-the-union plan. Even in the Council of State Governments the proposed amendment was supported by a majority of only one vote. The few legislatures that have voted in support of this amendment are those normally concerned with their war on Robin Hood and similarly dangerous radicals. I do not mean to suggest that the Court is not in danger of being restrained. But I do think that the proposed method of destruction is not a very real threat unless this country is already closer to Gibbon's Rome than to Caesar's.

On the other hand, to say that the plan for a Court of the Union is an absurdity is not to answer the question whether Caesar suffers from an excess of ambitions. The great debate called for by the Chief Justice at the American Law Institute meeting last May has not really concerned itself with this problem. The great debate has taken the form of rhetorical forays. Each side argues that the proposed limitation on the powers of the Court would result in the removal of national power and the enhancement of the power of the States. The forces of Cassius and Brutus argue that this is a desirable result because the dispersal of government power is the only means of assuring that individual liberty will not be trodden under the tyrannous boots of socialist egalitarianism. Antony contends that the adoption of the proposal would be to return us to a fragmented confederation impotent to carry on the duties of government in the world of the 20th century. Roosevelt's words about a "horse and buggy era" are this time used in defense of the Court. With all due respect, I submit that the essential question remains unanswered. The Talmud tells us that ambition destroys its possessor. Does the Court's behavior invite its own destruction?

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[1] Report of the committee on Federal-State Relationships as Affected by Judicial Decisions, August 1958.

[2] Black, The Occasions of Justice 80 (1963).

In what ways is it charged that this Caesar seeks for power that does not belong to him? Some such assertions can be rejected as the charges of disappointed suitors. But there are others that cannot be so readily dismissed on the ground of the malice of claimant. Allow me to itemize a few of the latter together with some supporting testimony:

Item. The Court has unreasonably infringed on the authority committed by the Constitution to other branches of the Government.

Listen to one of the recent witnesses:

"The claim for judicial relief in this case strikes at one of the fundamental doctrines of our system of government, the separation of powers. In upholding the claim, the Court attempts to effect reforms in a field which the Constitution, as plainly as can be, has committed exclusively to the political process.

"This Court, no less than all other branches of the Government, is bound by the Constitution. The Constitution does not confer on the Court blanket authority to step into every situation where the political branch may have fallen short. The stability of this institution ultimately depends not only upon its being alert to keep the other branches of Government within constitutional bounds but equally upon recognition of the limitations on the Court's own functions in the constitutional system."

This is not the charge of a Georgia legislator. These are the words of Mr. Justice Harlan, spoken as recently as last February 17, in *Wesberry* v. *Sanders*.[3]

Item. The Supreme Court has severely and unnecessarily limited the power of the States to enforce their criminal laws.

Thus one recent critic had this to say:

"'The rights of the States to develop and enforce their own judicial procedures, consistent with the 14th amendment, have long been recognized as essential to the concept of a healthy federalism. Those rights are today attenuated if not obliterated in the name of a victory for the 'struggle for personal liberty.' But the Constitution comprehends another struggle of equal importance and places on (the Supreme Court) the burden of maintaining it—the struggle for law and order. I regret that the Court does not often recognize that each defeat in that struggle chips away inexorably at the base of that very personal liberty which it seeks to protect. One is reminded of the exclamation of Pyrrhus: 'One more such victory * * * and we are utterly undone.'"

This, I should tell you, is not the conference of Chief Justices complaining about the abuses of Federal habeas corpus practices; it is Mr. Justice Clark expressing his dissatisfaction in *Fay* v. *Noia*.[4]

Item. The Court has revived the evils of "substantive due process," the cardinal sin committed by the Hughes Court, and the one that almost brought about its destruction.

Here another expert witnesses has said:

"Finally, I deem this application of 'cruel and unusual punishment' so novel that I suspect the Court was hard put to find a way to ascribe to the framers of the Constitution the result reached today rather than to its own notions of ordered liberty. If this case involved economic regulation, the present Court's allergy to substantive due process would surely save the statute and prevent the Court from imposing its own philosophical predilections upon State legislatures or Congress. I fail to see why the Court deems it more appropriate to write into the Constitution its own abstract notions of how best to handle the narcotics problem, for it obviously cannot match either the States or Congress in expert undestanding."

This is the hand as well as the voice of Mr. Justice White in *Robinson* v. *California*.[5]

Item. The Court has usurped the powers of the National Legislature in rewriting statutes to express its own policy rather than executing the decisions made by the branch of Government charged with that responsibility.

Listen to two deponents whose right to speak to such an issue is not ordinarily challenged.

"What the Court appears to have done is to create not simply a duty of inspection, but an absolute duty to discovery of all defects; in short, it has made the B. & O. the insurer of the conditions of all premises and equipment, whether its own or others, upon which its employees may work. This is wholly salutary principle of compensation for industrial injury incorporated by workmen's compensation statutes, but it is not the one created by the FELA, which premises liability upon negligence of the employing railroad. It is my view that, as a matter of policy, employees such as the petitioner, who are injured in the course of their employment, should be entitled to prompt and adequate compensation regardless of the employer's negligence and free from traditional commonlaw rules limiting recovery. But Congress has elected a different test of liability which, until changed, courts are obliged to apply."

No, those are not the words of Mr. Justice Frankfurter, but those of this successor, Mr. Justice Goldberg, in *Shenker* v. *Baltimore & Ohio R. Co.*[6]

Listen to the same criticism in even more strident tones:

"The present case * * * will, I think, be marked as the baldest attempt by judges in modern times to spin their own philosophy into the fabric of the law, in derogation of the will of the legislature."

Here we have Mr. Justice Douglas in dissent from the opinion of Mr. Justice Black in *Arizona* v. *California*.[7]

Item. The Court writes or rewrites law for the purpose of conferring benefits on Negroes that it would not afford to others.

I offer here some testimony endorsed by Justices Harlan, Clarke, and Stewart, in *NAACP* v. *Button*: [8]

"No member of this Court would disagree that the validity of State action claimed to infringe rights assured by the 14th amendment is to be judged by the same basic constitutional standard whether or not racial problems are involved. No worse setback could befall the great principles established by *Brown* v. *Board of Education*, 347 U.S. 483, than to give fairminded persons reasons to think otherwise. With all respect, I believe that the striking down of this Virginia statute cannot be squared with accepted constitutional doctrine in the domain of State regulatory power over the legal profession.

Item. The Court disregards precedents at will without offering adequate reasons for change.

Mr. Justice Brennan puts his charge in short compass in *Pan American Airways* v. *United States*: [9]

"The root error, as I see it, in the Court's decision is that it works an extraordinary and unwarranted departure from the settled principles by which the antitrust and regulatory regimes of law are accommodated to each other."

Item. The Court uses its judgments not only to resolve the case before it but to prepare advisory opinions or worse, advisory opinions that do not advise.

The testimony here includes the following:

"The Court has done little more today than to supply new phrases—imprecise in scope and uncertain in meaning—for the habeas corpus vocabulary for district court judges. And because they purport to establish mandatory requirements rather than guidelines, the tests elaborated in the Court's opinion run the serious risk of becoming talismanic phrases, the mechanistic invocation of which will alone determine whether or not a hearing is to be had.

"More fundamentally, the enunciation of an elaborate set of standards governing habeas corpus hearings is in no sense required, or even invited, in order to decide the case * * * and the many pages of the Court's opinion which set these standards forth cannot, therefore, be justified even in terms of the normal function of dictum. The reasons for the rule against advisory opinions which purport to decide questions not actually in issue are too well established to need repeating at this late date."

This is not the plea by academic followers of Herbert Wechsler for principled decisions nor even an argument by Wechsler's opponents for ad hoc resolutions. It is the view of Mr. Justice Stewart in *Townsend* v. *Sain*.[10]

Item. Not unrelated to the charge just specified is the proposition that the Court seeks out constitutional problems when it could very well rest judgment on less lofty grounds.

Here is the Chief Justice himself speaking in *Communist Party* v. *Subversive Activities Control Board*: [11]

"I do not believe that strongly felt convictions on constitutional questions or a desire to shorten the course of this litigation justifies the Court in resolving any of the constitutional questions presented so long as the record makes manifest, as I think it does, the existence of nonconstitutional questions upon which this phase of the proceedings should be adjudicated. I do not think that the Court's action can be justified."

Item. The Court has unduly circumscribed the congressional power of investigation.

The testimony I offer here is not that of the chairman of the House Un-American Affairs Committee nor that of the Birch Society. It derives from Mr. Justice White's opinion in *Gibson* v. *Florida Investigation Committee*: [12]

"The net effect of the Court's decision is, of course, to insulate from effective legislation the time-proven skills of the Communist Party in subverting and eventually controlling legitimate organizations. Until such a group, chosen as an object of Communist Party action, has been effectively reduced to vassalage, legislative bodies may seek no information from the organization under attack by duty-bound Communists. When the job has been done and the legislative committee can prove it, it then has the hollow privilege of recording another victory for the Communist Party, which both Congress and this Court have found to be an organization under the direction of a foreign power, dedicated to the overthrow of the Government if necessary by force and violence."

Item. I will close the list with the repeated charge that the due process clause of the 14th amendment as applied by the Court consists only of the "evanescent standards" of each judge's notions of "natural law."

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[3] 376 U.S. xxx, at xxx (1964).

[4] 372 U.S. 391, 446–47 (1963).

[5] 370 U.S. 660, 689 (1962).

[6] 374 U.S. xxx, at xxx (1963).

[7] 374 U.S. xxx, at xxx (1963).

[8] 371 U.S. 415, 448 (1963).

[9] 371 U.S. 296, 319 (1963).

[10] 372 U.S. 293, 327 (1963).

[11] 367 U.S. 1, 116 (1961).

[12] 372 U.S. 539, 585 (1963).

The charge is most strongly supported by the opinions of Mr. Justice Black in *Adamson* v. *California*[13] and *Rochin* v. *California*,[14] to which I commend you.

I close the catalog not because it is exhausted. These constitute but a small part of Brutus' indictment and an even smaller proportion of the witnesses prepared to testify to the Court's grasp for power. These witnesses are impressive, however, for they are not enemies of the Court but part of it. Moreover, their depositions may be garnered simply by thumbing the pages of the recent volumes of the U.S. Reports, which is exactly the way that my partial catalog was created.

Let me make clear that this testimony does not prove Caesar's guilt, but only demonstrates that these charges cannot be dismissed out of hand. The fact that they are endorsed by such irresponsible groups as would support the proposed constitutional amendment does not add to their validity. But neither does such support invalidate them.

What then of Antony's defenses of Caesar? First is the proposition that our Caesar has done no more than perform the duties with which he is charged. We have it from no less eminent an authority than Paul Freund that the Court has not exceeded its functions and he defines them thus:[15]

"First of all, the Court has a responsibility to maintain the constitutional order, the distribution of public power and the limitation on that power.

"A second great mission of the Court is to maintain a common market of continental extent against State barriers or State trade preferences.

"In the third place, there falls to the Court a vital role in the preservation of an open society, whose government is to remain both responsive and responsible. Responsive government requires freedom of expression; responsible government demands fairness of representation."

And so, Professor Freund suggests, the Court has done no more than its duty and he predicts that we shall be grateful to it:[16]

"The future is not likely to bring a lessening of governmental intervention in our personal concerns. And as science advances into outer and inner space—the far reaches of the galaxy and the deep recesses of the mind—as physical controls become possible over our genetic and our psychic constitutions, we may have reason to be thankful that some limits are set by our legal constitution. We may have reason to be grateful that we are being equipped with legal controls, with decent procedures, with access to the centers of decisionmaking, and participation in our secular destiny, for our days and for the days we shall not see."

It is not clear to me that the second defense is really different from the first. Here we are met with the proposition that the Court, politically the least responsible branch of government, has proved itself to be morally the most responsible. In short, the Court has acted because the other branches of government, State and National have failed to act. And a parade of horribles would not be imaginary that marched before us the abuses that the community has rained on the Negro; the evils of McCarthyism and the continued restrictions on freedom of thought committed by the National Legislature; the refusal of the States and the Nation to make it possible for the voices of the disenfranchised to be heard, either by preventing groups from voting, or by mechanisms for continued control of the legislature by the politically entrenched, including gerrymandering, and subordination of majority rule by the filibuster and committee control of Congress; the police tactics that violate the most treasured rights of the human personality, police tactics that we have all condemned when exercised by the Nazis and the Communists. This list, too, may be extended almost to infinity. There can be little doubt that the other branches of Government have failed in meeting some of their essential obligations to provide constitutional government.

The third defense is that which I have labeled the defense of Caesar's will. It is put most frankly and tersely by Prof. John Roche in this way.[17]

"As a participant in American society in 1963—somewhat removed from the abstract world of democratic political theory—I am delighted when the Supreme Court takes action against bad policy on whatever constitutional basis it can establish or invent. In short, I accept Aristotle's dictum that the essence of political tragedy is for the good to be opposed in the name of the perfect. Thus, while I wish with Professors Wechsler and Kurland, inter alios, that Supreme Court Justices could proceed on the same principles as British judges, it does not unsettle or irritate me when they behave like Americans. Had I been a member of the Court in 1954, I would unhesitatingly have supported the constitutional death sentence on racial segregation, even though it seems to me that in a properly ordered democratic society this should be a task for the legislature. To paraphrase St. Augustine, in this world one must take his breaks where he finds them."

There then are the pleadings. I do not pretend to a capacity to decide the case. It certainly isn't ripe for summary judgment or judgment on the pleadings. I am fearful only that if the case goes to issue in this manner, the result will be chaos whichever side prevails. For, like Judge Learned Hand, I am apprehensive that if nothing protects our democracy and freedom except the bulwarks that the Court can erect, we are doomed to failure. Thus, I would answer the question that purports to be mooted today, whether the court-of-the-union amendment should be promulgated, in the words of that great judge:[18]

"And so, to sum up, I believe that for by far the greater part of their work it is a condition upon the success of our system that the judges should be independent; and I do not believe that their independence should be impaired because of their constitutional function. But the price of this immunity, I insist, is that they should not have the last word in those basic conflicts of 'right and wrong—between those whose endless jar justice resides.' You may ask then what will become of the fundamental principles of equity and fairplay which our constitutions enshrine; and whether I seriously believe that unsupported they will serve merely as counsels of moderation. I do not think that anyone can say what will be left of those principles; I do not know whether they will serve only as counsels; but this much I think I do know—that a society so riven that the spirit of moderation is gone, no court can save; that a society where that spirit flourishes, no court need save; that in a society which evades its responsibility by thursting upon the courts the nurture of that spirit, that spirit in the end will perish."

I find then that I have come neither to praise nor to bury Caesar. I should only remind those who would destroy Caesar of the self-destruction to which the noble Brutus was brought; nor can the Antonys among us—who would use Caesar for their own ends—rejoice at his ultimate fate. For Caesar himself, I should borrow the advice given Cromwell by Wolsey: "I charge thee, fling away ambition: By that sin fell the angels."

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

AMENDMENT OF FOREIGN ASSISTANCE ACT OF 1961

The PRESIDING OFFICER. Without objection, the Chair lays before the Senate the unfinished business, H.R. 11380.

The Senate resumed the consideration of the bill (H.R. 11380) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oregon [Mr. MORSE].

Mr. HUMPHREY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

VIETNAM—FRENCH VIEW ABOUT THE WEST'S PRESENT POLICY

Mr. MORSE. Mr. President, I ask unanimous consent to have printed at this point in the RECORD an article entitled "Too Late in Vietnam?" published in the magazine the Economist for June 27, 1964. The article was written by a French reporter. The article sets forth, as the views of an eyewitness, what the Senator from Oregon and the Senator from Alaska [Mr. GRUENING] have been saying for 5 or 6 months on the floor of the Senate concerning our activities in South Vietnam. I hope Senators will read the article.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Economist, June 27, 1964]

INDOCHINA: TOO LATE IN VIETNAM?

(The following article, from a French reporter on South Vietnam, gives a dissenting French view about the West's present policy there.)

The situation in South Vietnam is going from bad to worse. General Khanh's regime is in a parlous state. His government is not in a position to win the war. Nor can it wage peace, or administer the provinces or inject a little life into the economy which is in a disastrous condition.

The army's heart is not in the fight with the Vietcong. It is ashamed of waging a civil war, it is ridden with cliques and it lives in a perpetual climate of suspected coups d'état. "Don't come home," a Vietnamese army corps commander who is also a member of the revolutionary committee wrote recently to compatriots, living in France, "I am staying on because I have a large family to feed, but there's chaos everywhere."

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[13] 332 U.S. 46, 68 (1947).

[14] 342 U.S. 165, 174 (1952).

[15] Freund, The Supreme Court Under Attack, 25 U. Pitt. L. Rev. 1, 5–6 (1963).

[16] Id., at 7.

[17] Roche, The Expatriation Cases: "Breathes There the Man With Soul So Dead?" 1963 Supreme Court Review, 325, 326 n. 4.

[18] Hand, The Spirit of Liberty 164 (2d ed. 1953).

A westerner visiting the countryside not long ago was held up for half a day by a Vietcong detachment. While he was waiting, he was surprised to see several Government soldiers walking casually and unarmed through the village and asked his guards why they did not arrest them. "They come from [a local government outpost]. We have given them permission to do their shopping here," came the answer.

On another occasion, a French reporter was out in the field with an artillery battery that was advised by an American captain. The two stopped to have a drink, and when they came out of the hut were surprised to see the column about to make off in an unexpected direction. "We have just heard there is a strong Vietcong barrier on the road," the Vietnamese commander explained, "so we shall take another route." "But you can attack and break it up with your guns," said the astonished reporter. "If he"—designating the American officer with his head—"wants to go, he is free to do so. But this is not our war," replied the Vietnamese officer, climbing into his jeep and leading the convoy off in the opposite direction from the enemy.

There is no limit to such stories. This suggests that the leaders of the Vietnamese army and the ministers in Saigon would be well advised to look for opportunities to negotiate a peace. But they are too frightened of the Communists to dare. They fear that they would be tricked and then liquidated. The men now in power are haunted by the memory of the purges the Vietminh carried out in 1945 and 1946 among the "bourgeois" parties allied with it. The survivors of the two ultranationalist parties, the Dai-Viet (the greater Vietnam Party) and the Vietnam Quoc Dam Dang (the Vietnamese Kuomintang), who are at present, though barely, represented in the government, have neither forgotten nor forgiven the Communists. An intelligent and civilized Vietnamese diplomat told me recently: "We are irrevocably against the Communists as we were against Diem. We shall never treat with them. If we did, we would be signing our death warrants. If the only way out were to negotiate I would prefer to leave Vietnam forever and take out French naturalization papers."

The trouble, from the point of view of these men, is that today, after 20 years of civil war, the majority of the population, save for some of the middle class and the Catholics, are so weary of strife, of police rule and of economic stagnation that they would be ready to endorse any regime, any team, capable of bringing peace. Needless to say, this does not favor General Khanh and his junta.

The best gage of popular feeling is the attitude of the Buddhist clergy. They are lending an increasingly attentive ear to advocates of neutralism and critcizing more and more bitterly the government's inability to produce peace. At the other extreme the Catholics—the hard core of whom are the refugees from Tonkin—are charging General Khanh with doing too little to wage the war. The hostility between the two religious groups, with the memories of the Diem regime's persecution of the Buddhists still not healed, has again been reaching critical proportions. Thus, recently, the Vietnamese Catholic hierarchy has openly defended Maj. Dang Sy, the Catholic and "valiant anti-Communist warrior" who gave the order to fire on the Buddhist demonstrators at Hué on May 8, 1963.

In this situation the rebel movement, the Liberation Front of South Vietnam, has taken a very adroit line. It insists it is not a communist movement and would be content for a neutralist "bourgeois" government to be set up in Saigon. It says that it is not a North Vietnamese pawn; that it means to respect the "autonomy" of the south in relation to the "brothers" of the north. It is not even possible to say these claims are false—only time can show that. Meanwhile they serve to point the contrast with the all too open American support for General Khanh. Today, he enjoys the backing neither of the Buddhists nor of the famous "sects" that have stayed clear of any commitments.

Probably a truly free vote would show that the great majority of the Vietnamese want two things—peace and independence both from the Americans and North Vietnam. But even then it would not be possible to ignore the problem posed by the liberation front, with its roots stretching everywhere, its cadres who are the most honest and energetic in the country, and above all its formidable army. The only question is whether it can be crushed—as the Americans have so far vainly tried to do—or tamed by being brought into the open, in political and parliamentary terms, with all that that implies, in particular in terms of a socialist-run economy.

The more time passes, the harder it becomes to ignore this second possibility, little as it cheers anyone in the West. The Americans are trying to bolt the frontiers and cut off northern aid. This is what the French did on the frontiers of Algeria, but without success, because the conflict was in the first place an internal one. To threaten Peiping with reprisals is of no use when the sources of the civil war lie in South Vietnam itself.

From numerous conversations with leaders in North Vietnam and the liberation front and from what has been learned of their positions behind closed doors at international communist meetings, this correspondent is convinced that it would be an error for the West to look for a solution in Peiping. To deal with the Chinese as if they were already the masters of Vietnam would be to pull the rug from under the feet of the Vietnamese in Hanoi and the underground, who are strongly nationalist in their outlook. The assent of Mr. Mao Tse-tung would be necessary. But first one must negotiate with the Vietnamese themselves.

The fact is that there are American troops in South Vietnam today, but not Chinese ones, and if the South Vietnamese have no stomach for the fight with their brothers in the Vietcong, it will be very hard to screw them up to a more combative spirit. Vietnamese affairs are, after all, those of the Vietnamese more than of America or China. The day General Khanh wishes to deal with his communist compatriots he will not need a go-between. His own brother is a high official in Hanoi controlling North Vietnamese industry. Most of the families of this unhappy country are similarly divided, with members on both sides.

GERMANY AND EUROPE

The European world is composed of many states of various character, whose differences, whose exertions, whose mental competition make up our civilization. Many of these states are weak, but some are very strong. If we allow the strong and powerful to prey upon the small and feeble, our existing civilization will be impaired, enfeebled, if not destroyed—its stimulating varieties will be killed and extirpated—a monotonous and sluggish uniformity will soon pervade, deform, and degrade the whole. The rights of the smaller states are not to be maintained merely as barren rights; they are to be maintained for the same reason as liberty in general, because they tend to promote movement and variety, progress of thought, and play of mind throughout the civilized world. Equality is the bane of states within; uniformity is the bane of states without—the bane of the world at large. Some years ago it would have been thought absurd to speak of Germany as a large state whose force could injure a smaller one. It was known as what it is, an ill-knit, half-decomposed, headless mass; and because it was useful for ordinary and useful for combined action, it was believed it would be incapable of spasmodic and irritable misdeeds. But just because it is headless, it is active in what is evil as well as inactive in what is good. Two great powers have competed for the headship; and a people, good in themselves, but unskilled in politics, untempered by experience, uncalculating and unforeseeing, are naturally tempted by the foolish flattery of two courts which hope to win them by trying to please them. Germany has the besetting evil of a large territory—disunion; it has a great curse to a civilized people—absolute government; and yet it has the worst evils of the most contracted community—it is now ruled by a blast of popular impulse, like a petty town republic, whose people met in the marketplace and voted offhand as their own fancies dictated. Germany is not a power to be indulged because she is divided; she is rather to suspected and resisted on that very account; for in her present state her foreign affairs are guided by vying despots outbidding each other for the favor of the masses. She has the unscrupulousness of despotism, and the impulsiveness of democracy.

Mr. MORSE. Mr. President, in the last paragraph of the article by the French correspondent it is pointed out that the military dictator Khanh, whom we are supporting in South Vietnam with American blood as well as money to the tune of $3.5 billion, has a brother who is the director of all industry in North Vietnam.

For 5 or 6 months in my speeches I have said that in South Vietnam we are dealing with a civil war problem. The Pentagon almost goes into a political paralytic stroke when someone suggests that we are involved in a civil war in South Vietnam. But so we are and have been from the beginning. As I said Saturday, if we go into South Vietnam and into North Vietnam, so far as the people are concerned, we cannot tell the difference because they are all of one nationality and race. But unfortunately the people in North Vietnam have been sucked in by communism. The people in South Vietnam are being dominated by a military dictatorship. The people in North or South Vietnam do not know what freedom is. As the Republican Representative whom I quoted last week wrote to me, the people of Vietnam would not recognize democracy if they met it on the streets of Saigon, for they have never been allowed to enjoy it in either North or South Vietnam.

AMENDMENT OF FOREIGN ASSISTANCE ACT OF 1961

The Senate resumed the consideration of the bill (H.R. 11380) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

A NEW LOOK AT FOREIGN AID

Mr. HUMPHREY. Mr. President, we are nearing both the halfway point in the decade of development, and the end of the current term of the incumbent administration. This is an opportune time for taking a new look at foreign aid so that we may intelligently chart our course for the years ahead.

For the foreign aid program, these have been an eventful 4 years. Since 1960, support for foreign aid has substantially increased in the United States, and the tempo of foreign aid activity has been stepped up around the world. Today, few question the need for a strong, effective foreign aid program.

Both of our political parties have continued to support foreign aid, despite disagreements about its size and content. The 1964 Republican Party platform, while suggesting revisions, recognizes that foreign aid is a vital national program, as, indeed, will the Democratic Party platform.

Public support for foreign aid has continued. The polls show that an increasing number of Americans consider foreign aid essential. Support among business leaders continues to increase, reflecting the growing awareness of American businessmen of the importance of foreign aid in developing a community of free and prosperous nations.

INCREASED INTERNATIONAL COOPERATION IN FOREIGN AID

Following our example, other countries have begun to play a more significant role in foreign aid. We can be proud of our leadership in launching the great international development effort now underway. Today, foreign aid is not just an American program, or even a program of the developed nations. It is an international program, supported by nations large and small, rich or poor.

A dramatic example of the kind of international cooperation now taking place in foreign aid is the development of the Mekong River Basin in southeast Asia, in which the United States, Canada, the Philippines, Australia, the United Kingdom, New Zealand, Japan, India, France, Pakistan, Iran, the Republic of China, and Israel all are participating. Topographic maps are being prepared by the Americans and Canadians. The Canadians and Filipinos are preparing damsite and irrigation plans. Geological studies for the damsite are being conducted by the Australians.

U.S. engineers are studying rainfall and stream flow. Navigational work is being carried out by the United Kingdom and New Zealand. Japanese and American engineers are preparing engineering studies for dam construction. French scientists are investigating the effects of proposed dams on sedimentation and fisheries. Japanese, French, and United States engineers are preparing reconnaissance surveys on irrigation and power development. Pakistan is planning an irrigation distribution system for one dam. Israel is assisting with irrigation design at another. Israel, the Republic of China, and Iran have donated materials. Various international organizations also are participating, including the U.N. Special Fund, which is supporting a hydrographic survey; the world meteorological organization, which is assisting with rainfall and streamflow surveys; UNESCO, which is studying water volume and density; and the U.N. Food and Agriculture Organization, which is setting up experimental farms. Other technical assistance is being provided by the International Labor Organization and the International Atomic Energy Agency.

FOREIGN AID OBJECTIVES RECONSIDERED

Despite increased acceptance, foreign aid is still plagued by questions about its objectives and doubts about its effectiveness.

The major question about objectives is whether foreign aid should be primarily a political or an economic program. Those making the political argument contend that foreign aid should be used to support the foreign policy objectives and security needs of the United States, and that economic development should be a secondary consideration. Those who argue for the economic point of view say that lasting economic and political benefits can be achieved from foreign aid only if it is used for long-range economic development.

The fact that foreign aid has attempted to serve both of these objectives has led some to argue that the program lacks clearcut purpose and direction. Some have even sought to devise ways of separating the long-term economic from the short-term political, only to realize the difficulties of separating political from economic factors.

Earlier this year a presidential commission found that it would be difficult to improve upon the present form and organization of foreign aid. Implicit in this decision was the recognition that the program serves a dual political and economic purpose, which in turn is best served by the present structure and functions of the foreign aid agency. Perhaps as a result of this decision, it will now be possible to arrive at a concensus that foreign aid is both a political and an economic program, and that these two purposes are interrelated and inseparable.

Foreign aid is an economic program. It seeks to increase the economic strength and vitality of nations struggling to free themselves from the trap of poverty. But foreign aid is also a political program. It seeks to promote the freedom and democratic growth of less-developed countries and the creation of a community of free and prosperous nations.

Within each developing country, economic and political development are part of a circular process in which self-government depends upon economic survival, which in turn depends upon a framework of law and administration conducive to economic activity. In order for a country to develop, political as well as economic factors therefore must be taken jointly into account in providing assistance.

Some critics of the foreign aid program insist that it directs resources from domestic consumption. This argument is misleading in that it implies that the foreign aid program is unique in this respect. In reality all the principle instruments of our foreign policy divert resources—our military forces, our diplomatic community, our space program—as well as the aid program. But if one understands the true function of foreign aid, as one essential instrument of our foreign policy, then one will accept it as a normal tool which the United States must use in exercising its role as defender of the free world.

APPRAISAL OF THE EFFECTIVENESS OF FOREIGN AID

Questions about the effectiveness of foreign aid as an instrument of foreign policy are to be expected. How effective has it been? The results of the Marshall plan, both economic and military, are apparent. The results of assistance to the less-developed countries, on the other hand, are more difficult to assess, largely because they are inconclusive. In foreign aid as in politics it pays to wait until the results are in.

This takes time and patience. Only after 10 years were we able to evaluate the Marshall plan. Decades will be required before the effectiveness of assistance to the less-developed countries, which lack an industrial base and financial resources, can be adequately assessed—either the actual development of these countries, or the political benefits to be gained from providing assistance.

After investing about $105 billion in foreign aid since 1946, how can we reckon its results in the less developed world, which has received about $55 billion, while Europe and Japan received about $50 billion? Of the $55 billion, about $3 billion was for UNRRA and other postwar rehabilitation, while another $6 billion was food for peace; $15 billion was for military assistance as such, while another $21 billion was for related economic aid under what is now called "supporting assistance." The remaining $13 billion was long-term assistance, primarily economic in character. Of this, technical assistance, which originated in the Point 4 program, was about $2 billion. Export-Import Bank loans were another $5 billion.

EVALUATION OF SECURITY ASSISTANCE

Security assistance, which includes military assistance together with related economic aid, has consumed two-thirds of all aid funds, counting food for peace, invested in the less developed countries since 1950. How can the results of this assistance be measured? One measure is the success of particular countries in resisting the Communists. In Korea, the Communists were fought to a standstill and half the country remains free of Communist rule. Taiwan has been enabled to reach economic self-sufficiency partly by virtue of its military readiness. The tenuous independence of Laos has been supported by arming non-Communist forces. India was able to fight back after Red Chinese aggression and now is better prepared to meet future attack. In Latin America, we have assisted Venezuela in combating internal Communist subversion through various programs of military and paramilitary assistance.

Another measure of the effectiveness of military assistance is the increased military strength of the free world resulting from increased military capability in the less developed countries.

A third measure of the effectiveness of military assistance is the extent to which local forces have relieved the United States from having to station its own troops abroad. This has had an incalculably good effect on the development of our own country, and this in turn has helped strengthen America's position in world affairs.

EVALUATION OF DEVELOPMENT ASSISTANCE

Counting food for peace, one-third of all aid funds invested in the less-developed countries since 1950 has been devoted to nonmilitary development assistance. This includes development loans and grants, technical assistance and related activities. By contrast with security assistance, the purpose of which is to maintain order and territorial integrity, the purpose of development assistance is, as the word conveys, to help with long-term political and economic development, together with related areas of development such as education.

The first fact to recognize when evaluating the effectiveness of development assistance is that only in more recent years has this type of assistance become the major emphasis of our aid to less developed countries. During most of the decade following the Korean war the foreign aid program was primarily directed toward maintaining the security of less developed countries against Communist aggression. In 1953, for example, about 90 percent of all foreign aid to the less developed countries was for the purpose of security, and only 10 percent for development. In 1956, 75 percent of all aid was still being used for security. By 1960, 50 percent was still being used for security. At the present time, security assistance comprises less than one-third of the total.

When we consider the question "What has foreign aid accomplished?", it is important, therefore to begin by understanding what we mean, as far as the less developed countries are concerned, by "foreign aid." What we are really talking about is a total of $13 billion, or $19 billion if food for peace is included, in development assistance spent mostly over the last 5 to 7 years. The remainder was emergency aid for security purposes following the Korean war.

What has been accomplished by this amount of development assistance? Overall, some 14 less developed countries have become sufficiently self-supporting that aid can be terminated in the near future. Two other countries, India and Pakistan, which together have been receiving almost half of all development assistance, are making substantial progress toward self-sustaining growth. India, for example, has been making remarkable progress, despite conditions of extreme poverty and harassment from the Chinese. In recent years, India's production of basic industrial products has increased rapidly, largely as a result of foreign aid.

During the last year of reported figures, industrial production increased 8 percent. Production of aluminum increased from 20,000 tons to 43,000 tons, in just 1 year. The output of machine tools, so essential for industrial development, expanded by more than 50 percent during the year. The production of nitrogenous fertilizers, so essential for greater agricultural productivity increased by 40 percent.

Malaria, which affected 100 million people a year in 1947, has almost been wiped out in India. Besides helping to increase life expectancy from 27 to 42 years, this dramatic achievement has helped substantially in increasing agricultural and industrial production.

In education, India, which had a literacy rate of only 19 percent in 1947, now has 60 percent of its children under 12 in school.

The results of all of these advances will become fully apparent only in the years ahead. Children now in school will have to mature and assume the responsibilities of adults before education will pay off in development. In industry and agriculture, basic work now underway will be felt only as dams are completed, highways are built, improved crops are raised. But the foundations are being laid, and foreign aid has been effective in helping India take these beginning steps toward development.

ACCOMPLISHMENTS OF THE ALLIANCE FOR PROGRESS

In Latin America, where major development assistance began only after the Alliance for Progress was established in 1961, encouraging progress is being made. Despite the great difficulties encountered in transforming the societies of Latin America, 11 countries have initiated significant tax reforms, 10 countries have passed land reform legislation, and 3 others have legislation pending. Ten countries have exceeded the goal of a 2.5 percent annual growth rate called for by the Alliance. The total value of Latin American exports increased 7 percent in 1962, the last year for which figures were available, and trade within the region rose by 12 percent. Equally important, between 1957 and 1962, U.S. manufacturing affiliates in Latin America increased their sales by 70 percent.

By June 1965, more than 300,000 new homes, some 36,000 classrooms, more than 2,000 water systems and some 600 hospital and health units will have been built in Latin America with our help. Three hundred thousand farm credit loans will have been built in Latin America with our bulk. Three hundred thousand farm credit loans will have been issued. Eleven million textbooks will have been printed.

Most of the Alliance countries have improved their tax administration capacities. In a number of these—such as Chile, Colombia, Ecuador, Peru, Argentina, El Salvador, Mexico and Bolivia—these administrative changes promise to be, sweeping. U.S. Internal Revenue Service teams have been assisting tax reform efforts in 10 countries and will soon be helping in 4 others.

Progress in basic agrarian reform has been slow, but there has been some encouraging movement particularly in Venezuela and now in Peru. Cooperatives and credit unions are growing. For example, rural electric cooperative activity has begun in a dozen countries. Colonization and land settlement programs are active in half a dozen countries. Progress continues in the introduction of new legislation and in issuing regulations for the administration of existing laws. Twelve countries have already introduced agrarian reform legislation. The agrarian reform institutes, or land reform agencies in these 12 counties, have greatly strengthened their technical resources and show encouraging progress in conducting basic surveys and project development. AID is assisting in this rural development effort through the cooperation of the land-grant colleges.

Fifteen countries have self-help housing programs. Savings and loan legislation has been adopted by nine countries: Chile, Dominican Republic, Ecuador, Peru, Venezuela, Argentina, El Salvador, Guatemala, and Panama. The first five of these countries now have operating systems—a total of nearly 70 savings and loan associations with 100,000 depositors who have accumulated deposits equivalent to more than $35 million. These associations provide savings badly needed for productive investment.

The building of new institutions to channel savings into investment is clearly seen in the establishment of development banks, or other intermediate credit institutions, in most of the Latin American countries. Since the inception of the Alliance, private or public development banks have been set up or are in the process of creation in eight countries: Bolivia, Brazil, Colombia, Costa Rica, El Salvador, Guatemala, Honduras, and Panama. In addition, the Central American Bank for Economic Integration—CABEI—has been established and is promoting private sector development in member countries.

These are but a few of the developments which have occurred during the past 3 years in the area described by President Kennedy as "the most critical area in the world." I do not pretend that all the problems have been solved, that all the needs of the Latin American people have been met. What is important is that we recognize that progress has been made, that attempts have been initiated to accomplish the structural economic and social reforms needed, if the objectives of the Alliance for Progress are to be achieved.

MAJOR PROBLEMS

These are a few examples of the accomplishments of development assistance to the less developed countries. Although it is too early to give a full evaluation of the effectiveness of such assistance in producing self-sustaining economic growth, and in strengthening democratic institutions, there is general agreement that foreign aid has been a success and that it should continue.

Since 1960, a number of the more conspicuous weaknesses in foreign aid have been corrected, and others are being corrected under the able leadership of David Bell—I might add, respectfully, under the continuous prodding of the Senate Foreign Relations Committee and certain Senators who have spent a good deal of time seeking to improve the foreign aid structure.

MORE EMPHASIS ON EDUCATION

Of the major remaining problems, one of the more vexing is what is sometimes referred to as the lack of "human resources" or the "institutional framework" for development. Long a stumbling block in our aid program to the less developed countries, this continues to be a basic weakness in our whole aid effort. Three years ago, when the Foreign Assistance Act of 1961 was being considered by the Senate, I held some conferences with aid officials, in which I urged greater attention to educational assistance in the aid program. Although there have been some improvements in this respect, much more needs to be done. We should be considering, in cooperation with other donor nations and the World Bank, a much larger program of educational assistance, from grade school through the university.

THE NEED FOR POLITICAL DEVELOPMENT

Clearly, much more attention must also be given in fields related to political development. Progress has been made in these areas, especially in tax administration, but considerably more work needs to be done. Assistance of this nature is usually referred to under the broad category of "public administration," which includes such occupational groups as tax experts, budget and fiscal specialists, auditors and accountants, personnel and management specialists, procurement officers, and the like. Over 6,000 persons in these and other categories of public administration have been trained in the United States under the foreign aid program. We have also assisted with the establishment of public administration institutes in about 30 less developed countries. This is a significant record, but in view of the woeful lack of adequate administration in the less developed countries, I believe that a far larger effort needs to be made in this vital field.

There has been some talk, largely in academic circles and among the policy planners in the State Department, about the need for more emphasis on "political development" in the foreign aid program. Besides increasing our public administration activities, which certainly are directly related to political development, I believe that we need to launch some new programs for the purpose of assisting with the political development of less developed countries. The aim of these would be to bring present and potential leaders into direct contact with democracy in action, as well as to enable them to study the history and principles of democracy. Many of our training programs do this indirectly. I believe that we need to design new programs whose direct aim will be to provide such training and experience, strengthening our present programs in this respect.

One of the primary difficulties with our aid program to the less-developed countries has been the lack of attention to political development. We have tended to assume that economic development was good per se. Some even seem to believe that democratic political development will automatically result from economic development. To a certain extent this is probably true, but the one does not necessarily follow the other. Economic development can and often does have a disruptive effect politically. This can lead to political instability, which, in turn, can result in an authoritarian political system.

Political development and economic development must, therefore, be carried out jointly. In order for countries to develop along democratic lines politically, programs of democratc political training should become a vital part of our aid program.

A related field of great importance is that of labor training and organization, and the development of cooperatives. The trade union movement and the cooperative movement have historically been basic forces in building a strong democratic society. Some progress has been made in providing assistance of this type, especially in the development of cooperatives in Latin America, but considerably more needs to be done.

Related to this is the need for increased attention to the development of entrepreneurship, or private business enterprise, in the less-developed countries. Economic and political development requires an attitude of local enterprise, and the assumption of personal responsibility. People must want to get ahead in order for lasting progress to occur. Private initiative is the key to economic growth and to a healthy, competitive political system in less-developed countries just as it is in the United States. Transferring these attitudes, of course, to other nations is difficult but not impossible. Again, some progress has been made, but much remains to be done.

I am gratified by the work being done by American universities in this field under AID auspices. Such projects as Harvard's business administration program in Central America, and the work of the University of Minnesota in higher education in economics in Colombia are examples of one approach to the problem. These and other efforts for encouraging private enterprise and private initiative should be encouraged and expanded.

Along with educational assistance, political development programs, and labor and cooperative work, training in entrepreneurship should be a cardinal part of our aid effort.

THE IMPORTANCE OF CONTINUED AMERICAN LEADERSHIP

As the leader of the free world, the United States must continue to play the leading role in providing assistance to the less-developed countries. The need is greater than ever, but so are the opportunities for achieving significant progress toward development.

I believe that the time has come to recognize we are in this game to stay and to win. To call it quits, or to shirk our responsibilities would be to forfeit one of the most important chances a nation ever had to make a lasting contribution to mankind. All of our humanitarian instincts tell us that what we are doing is right, and must be continued. Our sense of history and our awareness of the interests of all freemen in the creation of a community of free nations tell us to press on.

America is the most powerful democratic nation in human history. What we do with our enormous power—how we use our vast resources—will determine the course of history and the future of the human race. Whether by destiny or not, the responsibility of world leadership has brought us to use our power for maintaining international peace and stability, and for helping less fortunate countries as they struggle to improve their lot.

Now, having successfully revived Europe, and prevented Communist aggression, we are at the dawn of development. There is a great day ahead for those who, with our help, can marshal their own resources and work toward improving their conditions of life.

Patience and determination will be required. Change is slow and often painful. Setbacks are to be expected. Mistakes have been made, and will be made. But progress is seldom made along a straight line, and we must be as patient with others and their development as we are with ourselves and our own development. If we should be concerned about the time it takes countries to reform their tax systems, for example, we would do well to remember that only 50 years ago, after a bitter struggle, was the progressive income tax finally established in the United States.

It is wrong to expect too much too soon. Funds are limited. Expectations must also be limited. We cannot be all things to all men. We can and must continue to help those who want to help themselves, and to achieve for themselves and their posterity the blessings of life, liberty, and the pursuit of happiness.

The foreign aid program then is an effective instrument of American policy. But it is more than that and I hope the day will never come when Americans are reluctant to admit it. In a sense it is a manifestation of one of the most generous and unique aspects of contemporary civilization—that well described by Arnold Toynbee when he said:

> My own guess is that our age will be remembered chiefly neither for its horrifying crimes nor for its astonishing inventions, but for its having been the first age since the dawn of civilization some 5,000 or 6,000 years back, in which people dared to think it practicable to make the benefits of civilization available for the whole human race.

That is a lofty goal. But it is one that ought to motivate us.

As I conclude these remarks, I once again encourage the AID administration to concentrate its resources and its attention upon the development of human resources, upon the development of agricultural programs in the less developed areas, and upon the improvement of the political structure in those areas so that the administration of the program may be more sound and more effective. It seems to me that unless we do this much, our military assistance and our economic assistance will be wasted and will be anything but helpful and effective.

It is in this spirit of encouraging the improvement of the administration that I support the extension of foreign aid assistance. It is my intention to support the bill before the Senate in the hope that it may contribute toward a more peaceful and progressive world.

Mr. MORSE. Mr. President, I was very glad to hear the speech of the Senator from Minnesota [Mr. HUMPHREY]. I thought that his speech in favor of the administration's point of view was entitled to a larger audience than the two Senators and the Presiding Officer who listened to the speech.

I do not expect to read in the newspapers from the kept press, whose representatives sit above the clock, any negative criticism of the Senator from Minnesota [Mr. HUMPHREY] that because he had such a small audience, he did not have any influence in the Senate. We all know that the Senator from Minnesota is a man of great influence. But this is not the first time that I have heard the Senator from Minnesota [Mr. HUMPHREY], the Senator from Arkansas [Mr. FULBRIGHT], the majority leader [Mr. MANSFIELD], and many other Senators speak at various times of the day with only two or three other Senators present in the Chamber. But the AP and the UP, one can be sure—as is typical of their journalistic tactics—will make sure that if any Senator speaks against the administration's point of view, it becomes known that only two or three Senators were present in the Chamber at the time. That is true of most of the newspaper representatives who sit above the clock.

Mr. President, the senior Senator from Oregon does not give one whit or care whether closed minds sit in the Senate Chamber and listen to him or not. I shall continue to speak to the American people, which is my trust at this desk. I shall speak to the American people about the unsoundness of the foreign aid bill, which was just defended by the Senator from Minnesota [Mr. HUMPHREY]. We heard not one word from the Senator from Minnesota about specific criticism of foreign aid. I join the Senator from Minnesota in supporting a continuance of foreign aid. We merely disagree as to how it should be continued.

Approximately $105 billion is a great deal of money. We have not received returns for the $105 billion expended for foreign aid since 1946. The time has come to put some checks on the extravagance of this program. The senior Senator from Oregon has been trying to put some checks on this extravagant and unsound program. We have available to us—and I have quoted from them in my individual views—a stack of reports from the Comptroller General of the United States, setting forth criticism after criticism, and his findings in spot surveys of the administration of foreign aid since 1946.

The senior Senator from Oregon will continue to plead for some reform in the foreign aid program.

I shall plead for the adoption of an amendment—which I shall offer before the week is over—seeking to bring to an end the foreign aid program at the close of fiscal 1966, and start it over again.

I want to continue foreign aid, but a new type of foreign aid. I want to continue foreign aid on the basis of establishing terms and conditions that applying countries will agree to accept before they receive their money. What is wrong with that? Of course, that means that we shall stop the kind of foreign aid, under the program that I suggest, by means of which we ram it down the economic gullets of countries that in many instances have not asked for the specific aid that we have given. We have done much persuading since 1946 to induce countries to take foreign aid. I believe that is wrong. We ought to have a foreign aid program that seeks to do exactly what the Senator from Minnesota [Mr. HUMPHREY] approved of—namely, to be of assistance to people. Unless foreign aid is of assistance to people, and to the mass of people in the underdeveloped countries of the world, it will not stop communism. It will be an aid to communism.

Foreign aid that has aided the continuation of dictatorship governments in various parts of the world since 1946 has been expended on the part of American taxpayers, through their Government, to strengthen communism and totalitarianism around the world.

There is a basic principle of policy involved in foreign aid. The senior Senator from Oregon is seeking only to try to reform the policies, not to destroy foreign aid. But a continuation of the present foreign aid policies in many respects would continue to defeat the very purpose of foreign aid.

The Senator from Minnesota, as has always been done by a spokesman for the administration, talked about the malaria program, the health program, the farmers' cooperative, and so on. I am all for it. But those are only minor features of American foreign aid. The Senator from Minnesota has not addressed himself at all to the bulk of the aid program.

Take into account the billions of dollars of American taxpayers' money that we have sent down the ratholes around the world under the illusion that we were supporting and building up military defense against communism. We then get some idea of what waste there has been. We are getting a little taste of it in the Mediterranean today.

We made the military power strong in Turkey. Before the week is over, I shall give Senators an opportunity—I know what the vote will be—to vote to bring to an end the terrific building up of military war machines of both Greece and Turkey.

It started on the assumption that it would be of help to the United States, and would be directed against Russia.

As I said on Saturday, in Greece, Turkey, Pakistan, India, South Korea, Formosa, and other areas people continue to live under the canopy of American nuclear power.

That is where their security is to be found and not in the terrific military aid program that we have been handing out to them all these years. I wish to help the people of Turkey. I wish to help the people of Greece. I wish to help the people of India. I wish to help the people of Pakistan. I wish to help the people in all underdeveloped areas. But pouring that kind of aid by the hundreds of millions of dollars into their governments has not helped the people. In many instances it has weakened the cause of freedom.

Mr. President, I yield to no other Senator in my desire to make the Alliance for Progress program work. The Senator from Minnesota need yield to no other Senator for the great contributions which has has made to the Alliance for Progress program. I do not find myself happy in a disagreement with the Senator from Minnesota over many aspects of the foreign aid program. I would rather be with him than against him. But so long as he is with the administration's foreign aid program with no more modifications of it than I have heard enunciated in his speech today or at any other time, I cannot be with him on certain features of the foreign aid program. I hope that eventually we shall be back together on foreign aid, but we must reform foreign aid to have a sound foreign aid program.

I wish to help develop loan programs. I wish to repeat a statement I have made. I am sure it has probably reached the point of boredom in the Senate, but it is not at the point of boredom in the country, because more and more people are only beginning to understand the facts about foreign aid and the need for reform of foreign aid. I say again that the major premise of foreign aid ought to be devoted to individual projects, economic in nature, if we are to help raise the standard of living of the mass of people in that given area who will live within the economic environment of those projects. That ought to be our objective.

My first amendment, which is now pending, and on which the Senate will vote shortly, is an amendment in which I have asked to write into the foreign aid bill that principle of policy, a principle which in effect states that we shall lay major emphasis on economic development. When we have a country which is maintaining a military machine greater than its own economy should support or could support, we should take away from that country foreign aid until it is willing to adjust its military establishment to a size which its economic ability can support; then I am for aiding the economic development of that country. In the amendment I am saying, as I shall say in other forums and in other amendments before the week is over, that we ought to cut down and cut back on military aid, because it has been puffed up into a balloon of gross overemphasis and misrepresentation as to its effectiveness.

Too much American military aid is more likely to be causative of war than peace around the world. As various little dictatorships or large dictatorships or military oligarchies in various countries come into power, they will not use it for peaceful purposes. We could not have a better example of that than Turkey. We have poured hundreds of millions of dollars of aid into Turkey since 1946. We have built up there a terrific military oligarchy. There is no freedom in Turkey. When the American people have listened to speeches for the administration, they would be led to think that we are supporting freedom by foreign aid. In many parts of the world our foreign aid program is supporting the continuation of dictatorships. There is no better example of it than South Vietnam, which is a complete military dictatorship by an American military puppet.

Mr. President, let us have a foreign aid program, but let us have a reformed foreign aid program. Let us have a foreign aid program that is primarily adjusted to meet the needs of people. That means that we should develop a foreign aid program that would deal with individual projects primarily. That does not mean the elimination of all grant money for great humanitarian purposes, such as malaria control, which the administration always trots out in support of a foreign aid program which includes billions of dollars for entirely different purposes.

Malaria control is but a small and insignificant part of the foreign aid program, but an important part, and one of the justifiable parts of the foreign aid program.

Let us continue with the humanitarian grant money programs in connection with our health programs and baby-care programs. Let us continue those grant programs about which there will be no dispute on clear and justifiable moral grounds. I am pleading for morality in the administration of our foreign aid program. But let us stop using our foreign aid program, or misusing it, as we are in many particulars, in building up military dynasties and dictatorships. Let us recognize that the American taxpayer at long last has the right to be protected so far as his interests are concerned in the foreign aid program.

Why does the administration continuously claim—and it was cited by the Senator from Minnesota today—that the foreign aid program has increasing support among American businessmen? At least it is so alleged. Let us grant it. I doubt it, but let us grant the correctness of the statement. It is not the small businessmen on the main streets of this country who support it. They are becoming increasingly skeptical about the foreign aid program.

Powerful American business interests are very much interested in the argument of bribery which has been involved in the foreign aid program for years, for the administration continues to point out that about 80 percent of foreign aid is really spent in the United States, and that therefore it is in our national economic interest to continue the foreign aid program.

Mr. President, is this a make-work program? Is this some kind of indirect dole system that we are advocating? If this administration wants some make-work programs, I will give them one, but I will give it a make-work program that will meet some of the crying needs of our domestic problems. It will be a program to do something to bring about the end of slums which have brought so many to discontent in this critical domestic hour in the history of our country. If the administration wants a make-work program, I will advocate one to do something about the impoverished condition of American education and the crying need for new classrooms. If it wants a make-work program, I call attention to the unattended needs of public works programs about which we can do something, rather than the kind of dole system involved in the foreign aid program.

I am speaking about the need for bringing about long-needed reforms in the foreign aid program. The first batch of amendments which I shall offer today and tomorrow will deal primarily with policy reforms in foreign aid. After they are disposed of, I shall move to the money amendments, in which I seek to reduce the amounts at various points in the program.

Before I take my seat, I want to comment once more, as I have over and over again, about the argument that some other countries are doing something by way of foreign aid on their own part. They have been long delayed. We have had to push them into it by diplomatic representation after diplomatic representation.

We have been representing to them, through American diplomats, that they will have more and more trouble in foreign aid with the Government of the United States and with the people of the United States unless a better showing of participation is made on the part of countries that we have aided, such as France, West Germany, Italy, Portugal, the low countries, and the Scandinavian countries.

They are participating somewhat in foreign aid. Very little grant money is provided, for the most part, with few exceptions. Their loan programs are a far cry from the U.S. loan programs. They are a far cry from the alleged loan programs we make, which consist of the bulk of our loan programs; namely, interest of three-quarters of 1 percent, with a period of 10 years to pay nothing, and a repayment period of 40 to 50 years, if they ever do pay back. In my judgment, most of them never will. A large percentage of the amount to be paid back is to be paid not in American dollars, but in soft currency.

Do not talk to me about a comparison of the foreign aid that Great Britain, France, Germany, and the other countries make. They have more sense than to treat their own taxpayers as we do, by and large. One of the most disturbing things about the foreign aid program is that sometimes we make a loan at an interest rate of three-quarters of 1 percent, with a 10-year grace period, in which nothing is to be paid, and 40 to 50 years to pay the loan back, to be paid in soft currency, only to find that after getting a loan the government has thereafter paid back a British or a Russian or a French loan, on which it had been paying interest of 5 or 6 percent.

My colleagues may not wish to hear me say it, but I do not think that is fair treatment of the American taxpayers.

There is talk about programs of aid by other countries. It is interesting to find to what extent this aid is going to former colonies. That is typical of the French and Great Britain foreign aid, as well as that of Belgium and the Netherlands. They still exercise economic dominance over the recipient countries. They still exercise economic control over countries which, to all intents and purposes, are closely tied economically to the former mother country. It is to their economic advantage to make the kind of economic loans that they are making to their former colonies. All of Portugal's aid goes to countries that she claims are really her "provinces."

It is quite different from the type of loan we make, because we have no colonies—thank God. We do not operate on that principle, and we must not come to operate on it, even indirectly.

The undeniable fact is that no country in the world has come anywhere near supporting a foreign aid program such as the United States has, and never will. The people of no country in the world would let their government leaders foist upon them a foreign aid program that is so wrong, in so many respects, in connection with matters of policy.

I seek a change. But, say the gentlemen of the press, and others, "Now, you really do not hope, do you, in this election year, to have very many of your amendments, if any, adopted?" I have said, "No; I do not"; but that does not justify my not making the effort to give Senators the opportunity to reform foreign aid.

It is just as important to reform foreign aid in an election year as it is in any nonelection year, because I see no connection between our responsibilities and an election. We have the duty of voting on the question on the basis of the merits, independent of politics and political considerations. There are many things we could do to reform foreign aid, rather than rubberstamping it, for it is not a "barebones" program. It is a program that calls for more in money than the administration received last year. The request of this administration is not for what it received last year, but for an amount in excess of it by $500 million.

It has been represented for years that the administration is going to taper off in foreign aid and let the recipient countries do more for themselves; that we are going to urge greater foreign investments. A substantial portion of foreign aid now paid for out of the American taxpayers' dollars ought to be paid for by way of investments by American investors in Latin America. But, of course, they could not get loans at three-fourths of 1 percent interest, with 10 years in which to pay nothing, and 40 to 50 years to pay back with soft currencies.

So long as we follow that policy, we shall continue to do great damage to the development of economic freedom in large areas of the world.

I believe that economic freedom, as represented by the private enterprise system, as represented by our private economy, determines whether political freedom will remain for us, and whether political freedom will be implanted in any of the underdeveloped areas of the world.

No one seems to wish to meet me on that truism. It is unanswerable. Unless we build up the economic system in Turkey, Greece, South Vietnam, Peru, or anywhere else in the world, and bottom it upon a foundation of economic freedom, as represented by a private enterprise system, there is no hope of those people becoming politically free.

The senior Senator from Oregon is not a radical on this issue. The advocates of perpetuating the present foreign aid system are the radicals. They are the ones who are keeping us from strengthening and developing economic freedom in the foreign aid recipient countries.

I wish to bring American business into the scene as partners and cooperators abroad, not as subsidized businesses here in the United States, reaping profits from foreign aid and expenditures in the United States.

As chairman of the Subcommittee on Latin American Affairs, in respect to the Alliance for Progress programs, I have pleaded, and will continue to plead, for the development of industries in the countries where they are needed in all of Latin America.

If we establish a pattern of economic freedom through private enterprise throughout Latin America, we shall not only make the Alliance for Progress work, but in the long term we shall sell in Latin America several times the amount of goods now exported to Latin America, because we shall, by this establishment of economic freedom, build up purchasing power on the part of the masses of Latin America. That is the hope for political freedom in Latin America.

We cannot do it by giving support to a foreign aid program which amounts, in fact, to general purpose loans and grants. That whole program should be directed to specific projects on which we are willing to come in and help, and in respect to which a good many American private enterprisers would be willing to help.

That is why, in the Foreign Relations Committee, Senators have found me a strong supporter of various proposals for reasonable and equitable loan guarantees or investment guarantees on the part of American companies in underdeveloped areas of the world.

One of the hottest spots is in Haiti. People are astounded to find that the senior Senator from Oregon is advocating and perfectly willing to support a program in which several American companies have interested themselves for development of some economic projects in Haiti. All they need is a little encouragement from the Government and a fair and equitable loan and development guarantee program.

Why not? I would be in favor of taking the risk. It would be much better than to try to accomplish anything on a government-to-government basis.

I close by saying that I am glad we have had the presentation of the administration's position by the Senator from Minnesota [Mr. Humphrey], even though only two Senators were present most of the time. He ought to have had a much larger attendance.

I reject the presentation as to most of the points, as I have been rejecting that presentation in the Foreign Relations Committee.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oregon [Mr. Morse].

Mr. FULBRIGHT. Mr. President, I overlooked making this request. I ask unanimous consent that the committee amendments be agreed to en bloc, and that the bill be considered as original text for purpose of amendment.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The question is on agreeing to the amendment offered by the Senator from Oregon [Mr. Morse]. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD (after having voted in the negative). On this vote, I have a live pair with the senior Senator from Indiana [Mr. Hartke]. If he were present, he would vote "nay"; if I were at liberty to vote, I would vote "yea." I withdraw my vote.

Mr. HUMPHREY. I announce that the Senator from North Dakota [Mr. Burdick], the Senator from Tennessee [Mr. Gore], the Senator from Michigan [Mr. Hart], the Senator from Washington [Mr. Jackson], the Senator from Louisiana [Mr. Long], the Senator from Washington [Mr. Magnuson], the Senator from New Hampshire [Mr. McIntyre], the Senator from Utah [Mr. Moss], and the Senator from Ohio [Mr. Young], are absent on official business.

I also announce that the Senator from New Mexico [Mr. Anderson], and the Senator from Massachusetts [Mr. Kennedy], are absent because of illness.

I further announce that the Senator from Nevada [Mr. Cannon], the Senator from Pennsylvania [Mr. Clark], the Senator from Oklahoma [Mr. Edmondson], the Senator from New Jersey [Mr. Williams], and the Senator from Indiana [Mr. Hartke], are necessarily absent.

On this vote, the Senator from Louisiana [Mr. Long] is paired with the Senator from New Jersey [Mr. Williams].

If present and voting, the Senator from New Jersey would vote "nay" and the Senator from Louisiana would vote "yea."

I further announce that, if present and voting, the Senator from New Mexico [Mr. Anderson], the Senator from Ohio [Mr. Young], the Senator from North Dakota [Mr. Burdick], the Senator from Washington [Mr. Jackson], and the Senator from New Hampshire [Mr. McIntyre] would each vote "nay."

Mr. KUCHEL. I announce that the Senator from Kansas [Mr. Pearson], the Senator from Texas [Mr. Tower], and the Senator from Pennsylvania [Mr. Scott] are necessarily absent.

The Senator from New York [Mr. Javits] is absent on official business.

The Senator from Kentucky [Mr. Cooper], the Senator from Arizona [Mr. Goldwater], and the Senator from New Hampshire [Mr. Cotton] are detained on official business.

If present and voting, the Senator from Kansas [Mr. Pearson], the Senator from New Hampshire [Mr. Cotton], the Senator from Arizona [Mr. Goldwater], the Senator from New York [Mr. Javits], and the Senator from Texas [Mr. Tower] would each vote "nay."

On this vote, the Senator from Kentucky [Mr. Cooper] is paired with the Senator from Pennsylvania [Mr. Scott]. If present and voting, the Senator from Kentucky would vote "yea" and the Senator from Pennsylvania would vote "nay."

The result was announced—yeas 17, nays 59, as follows:

[No. 525 Leg.]

YEAS—17

Bayh
Bible
Byrd, Va.
Church
Douglas
Ellender
Gruening
Johnston
McGovern
Metcalf
Morse
Nelson
Pell
Proxmire
Randolph
Robertson
Russell

NAYS—59

Aiken
Allott
Bartlett
Beall
Bennett
Boggs
Brewster
Byrd, W. Va.
Carlson
Case
Curtis
Dirksen
Dodd
Dominick
Eastland
Ervin
Fong
Fulbright
Hayden
Hickenlooper
Hill
Holland
Hruska
Humphrey
Inouye
Jordan, N.C.
Jordan, Idaho
Keating
Kuchel
Lausche
Long, Mo.
McCarthy
McClellan
McGee
McNamara
Mechem
Miller
Monroney
Morton
Mundt
Muskie
Neuberger
Pastore
Prouty
Ribicoff
Salinger
Saltonstall
Simpson
Smathers
Smith
Sparkman
Stennis
Symington
Talmadge
Thurmond
Walters
Williams, Del.
Yarborough
Young, N. Dak.

NOT VOTING—24

Anderson
Burdick
Cannon
Clark
Cooper
Cotton
Edmondson
Goldwater
Gore
Hart
Hartke
Jackson
Javits
Kennedy
Long, La.
Magnuson
Mansfield
McIntyre
Moss
Pearson
Scott
Tower
Williams, N.J.
Young, Ohio

So Mr. Morse's amendment (No. 1180) was rejected.

Mr. MORSE. Mr. President, I call up my amendment No. 1179 and ask that it be stated.

The PRESIDING OFFICER (Mr. Inouye in the chair). The amendment of the Senator from Oregon will be stated.

The Chief Clerk. The Senator from Oregon proposes that:

"TITLE I—DEVELOPMENT LOAN FUND

"Sec. 101. Title I of chapter 2 of part I of the Foreign Assistance Act of 1961, as amended, is hereby amended by striking out section 205 thereof, which relates to the use of the facilities of the International Development Association."

Renumber the succeeding sections of part I, accordingly.

Mr. MORSE. Mr. President, I ask for the yeas and nays.

Mr. FULBRIGHT. Mr. President, will the Senator from Oregon yield before he does that?

Mr. MORSE. I am glad to yield.

Mr. FULBRIGHT. The Appropriation Act carries a similar prohibition against the lending of any money from the Development Loan Fund to the IDA; therefore, the adoption of the Senator's amendment would not change what is now the restriction in the appropriation act.

It would remove the possibility in the future of authority to do this but, in the interest of saving time, I am quite prepared to accept the amendment. I am quite sure that there will be no problem.

EXPLANATION OF AMENDMENT REPEALING SECTION 205

Mr. MORSE. Mr. President, this amendment is a simple one which needs little explanation. It would repeal section 205 of the Foreign Assistance Act of 1961, as amended, which authorizes the President to lend up to 10 percent of the Development Loan Fund money available under title I to the International Development Association, commonly known as the IDA. We understand that no use has as yet been made of this authority, and there doubtless will be those who will say that this is an inoffensive provision which might well be left untouched. My position, on the other hand, is that this authority is a potentially dangerous one—no more to be ignored than the so-called "lonesome end" on a football field. I warn my colleagues that this section is a real "sleeper" which could come to life with startling rapidity.

Just on the face of it, this authority to transfer money to the IDA seems wholly unnecessary. At the very beginning of this Congress a new replenishment of IDA funds was approved by the narrowest of margins. My colleagues surely will remember that only about half a dozen votes spelled the difference between approval and defeat in the Senate. Even more significantly they should remember with some chagrin that the proposal to make an additional $312 million available to the IDA was first rejected by the House of Representatives and then passed by a very slim margin after one of the most vigorous exercises in arm twisting and blandishment ever performed by the executive branch of our Government. And so the IDA is amply furnished with American taxpayers' money for the next 3 years of its existence.

But this is not all. The World Bank, which has accumulated reserves amounting to almost a $900 million figure by making loans on a sound business basis, has recently decided to make some of its future surplus available to its affiliate, the IDA. It is understood that something on the order of $50 million a year may well be transferred to the so-called lending association to support activities which may best be described as barely disguised grants. In this connection, it might be noted that, while the IDA theoretically assists all the less developed countries, the great majority of the funds made available to the Association have gone to India and Pakistan.

By normal standards, it would thus seem that the available funds are spilling out of this overstuffed cornucopia. However, we must never underestimate the peculiar appeal of the "South Asia Aid Society," especially to those supposedly sophisticated geopoliticians who have woven an elaborate theoretical argument designed to prove that the battle against communism will be won or lost south of the Himalayas. It seems to make little or no difference to these theoreticians that the actual behavior of Pakistan and India over the last several years does nothing but refute the validity of this elaborate doctrine. I for one see no end to the process of pouring hard money into this extremely soft area.

Now we will have the argument that, since so much money is readily available to the IDA over the next several years, section 205 of the Foreign Assistance Act surely will not be used and can therefore do no damage if left in the legislation. I would accept half this argument—for it is quite true that more than adequate funds are available to the IDA. The second part of the argument I reject as nothing more than a Trojan horse. In my opinion, there is a very real danger that this supposedly moribund authority could spring to life in the context of our efforts to place our own development lending on a sounder basis. To the degree that we succeed in tightening the lending terms to govern operations under title I of the act, we are likely to find the AID people seeking to circumvent the harder terms by making some of the loan money available to the IDA, which operates on the softest basis of all international lending agencies.

Of course, it will be stated with great emphasis and sincerity on the part of the executive branch that they would not dream of seeking to try an end run around the will of Congress. But the only valid argument that can be made in support of this assurance is that section 205 is basically meaningless and will not be invoked. If this is so, then it can do no harm whatsoever to our aid program if the authority in question is repealed. Frankly, all our experience with the aid program supports my contention that there is great danger in exposing the executive branch to temptation and to expect it not to succumb.

Mr. President, I believe that we will be doing our constituents and the national interest a great favor by removing this temptation through deletion of section 205 from the Foreign Assistance Act.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Oregon.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. MORSE. Mr. President, I call up my next amendment, No. 1182, and ask that it be stated.

The PRESIDING OFFICER. The amendment of the Senator from Oregon will be stated.

The CHIEF CLERK. On page 9, between lines 8 and 9, it is proposed to insert the following new subsection:

> (g) Add the following new section at the end thereof:
>
> "SEC. 513. CERTIFICATION OF RECIPIENT'S CAPABILITY.—(a) Except as provided in subsection (b) of this section, no defense articles shall hereafter be furnished to any country or international organization under the authority of this Act (except under the authority of section 507) unless the chief of the appropriate military assistance advisory group representing the United States with respect to defense articles used by such country or international organization or the head of any other group representing the United States with respect to defense articles used by such country or international organization has certified in writing within six months prior to delivery that the country or international organization has the capability to utilize effectively such articles in carrying out the purposes of this part.
>
> "(b) Defense articles included in approved military assistance programs may be furnished to any country or international organization for which the certification required by subsection (a) of this section cannot be made when determined necessary and specifically approved in advance by the Secretary of State (or, upon appropriate delegation of authority by an Under Secretary or Assistant Secretary of State) and the Secretary of Defense (or, upon appropriate delegation of authority by the Deputy Secretary or an Assistant Secretary of Defense). The Secretary of State, or his delegate, shall make a complete report to the Speaker of the House of Representatives and to the Committee on Foreign Relations and the Committee on Appropriations of the Senate of each such determination and approval and the reasons therefor."

Mr. MORSE. Mr. President, I ask for the yeas and nays.

Mr. FULBRIGHT. Mr. President, will the Senator from Oregon yield before he does that?

Mr. MORSE. I am glad to yield.

Mr. FULBRIGHT. I believe that this is a good amendment. In the administration of the military assistance program, it requires certification of the capability of a country to utilize effectively the assistance to be furnished. I believe that it is a good amendment. Personally, I am in favor of it. The administration objected to it mainly because it was felt to be in derogation of the dignity and rights of the Secretary of Defense. But this is one area in which there has been substantial maladministration under the military program, and I am willing to accept the amendment, of which I approve.

Mr. MORSE. I appreciate that very much, but I should like to explain the amendment.

EXPLANATION OF AMENDMENT REQUIRING CERTIFICATION BY MAAG CHIEF

Mr. President, the source of this amendment is the General Accounting Office. I have already read excerpts from the GAO report on "Unnecessary or Premature Procurement of Sidewinder Missile Training Systems and Their Delivery to Foreign Countries Under the Military Assistance Program."

It concluded:

> We have recommended to the Secretary of Defense that these regulations be strengthened by requiring that future deliveries of major end items included in approved military assistance programs be made only upon a written certification by the chief of the Military Assistance Advisory Group based on a specific determination that the recipient country has the necessary capability to effectively absorb, maintain, and utilize the item to be delivered.
>
> We believe that such a certification requirement would encourage a current reappraisal of the need for the equipment and the country's capability to maintain and utilize it before it is delivered and would help to prevent future deliveries of military assistance program material in excess of the country's capability to effectively absorb, maintain, and utilize the items delivered. Military assistance program material has continued to be delivered for a number of years to countries which cannot effectively absorb, maintain, or utilize the equipment and has been the subject of numerous reports to the Congress and the Secretary of Defense,

even though during that time the Military Assistance Advisory Groups have been charged with the responsibility of preventing this from occurring. We therefore believe that affirmative action by the Military Assistance Advisory Group chief before delivery should be required. In view of the position of the Department of Defense with respect to this matter, the Congress may wish to consider the enactment of legislation requiring additional safeguards before delivery of military assistance program material. We shall be pleased to assist in drafting such legislation if desired.

The General Accounting Office not only volunteered its help in preparing this legislative requirement, but last fall it sent a further memorandum on the subject to the Senate Foreign Relations Committee. This memorandum is the only speech I shall need to support the case. It reads as follows:

INEFFECTIVE MAINTENANCE AND UTILIZATION OF EQUIPMPNT FURNISHED TO FOREIGN COUNTRIES UNDER THE MILITARY ASSISTANCE PROGRAM

Our reviews have disclosed numerous instances where material amounts of military equipment have been provided to foreign countries which is not being effectively maintained and utilized. We have identified the major contributing factors to this deficiency to be (1) programing and delivery of equipment by the United States primarily for political considerations, to recipient countries which did not have the capabilities to effectively maintain and utilize it, and (2) delivery of equipment without adequate consideration of the recipient countries' capabilities to effectively maintain and utilize it. Following are a few examples of these deficiencies which have been included in our reports.

PROGRAMING AND DELIVERY OF EQUIPMENT PRIMARILY FOR POLITICAL CONSIDERATIONS

1. A recent review in a European country disclosed that aircraft, aircraft missiles and related equipment valued at over $8 million had been programed and substantially delivered although the necessary capability to maintain and utilize the equipment did not exist. At the time of our review, two-thirds of the F-86F aircraft delivered were inoperable due to the absence of proper maintenance and trained pilots were available for only half of the aircraft delivered. In this case the Department of Defense told us that political considerations involving base rights became the overriding consideration leading to the programing and delivery actions.

2. In one Far East country, our reviews disclosed that the annual military assistance programs did not appear always to have motivated by military considerations and had been developed without adequate knowledge of the forces being supported, the needs of these forces, or the military supplies already delivered. Substantial amounts of equipment were delivered to this country which could not be utilized by the country forces. The Department of Defense informed us that, so long as the country remained basically non-Communist, military aid should be continued in spite of the numerous difficulties involved and that, while the underlying basis for all aid to this country was admittedly political, the maintenance of internal security, which was the primary mission of the army, is fundamentally a military task and the justification of the military assistance program in this instance was made on that basis.

3. Equipment valued in excess of $400 million has been delivered to a European country although there are no agreed roles or missions for the country forces. Our reviews of the military assistance program in this country have continually disclosed ineffective maintenance and utilization of substantial quantities of military items. Following are a few of the examples disclosed in our reports.

(a) Aircraft values at $9 million were delivered, although the country was unable to effectively utilize the aircraft previously delivered.

(b) Tactical air navigation (TACAN) equipment valued at about $2 million was delivered, although the country could not use the equipment, because, first, the necessary ground-based equipment for its operation was not available; second, the country lacked funds for installing the equipment; and third, airborne installation kits essential to the use of TACAN were not available from U.S. Air Force stock.

(c) Equipment for a low-frequency transmitter system, valued at about $180,000, was delivered, although the country air force had not decided how or where it would use the system.

(d) Equipment valued at about $1.2 million had been programed or recommended for programing for army schools although similar equipment had been programed for units of the military forces.

The programing and delivery of equipment to this country under the military assistance program was directly related to base rights commitments, and military items were delivered at the request of the country, although the capability of the country to effectively maintain and utilize the equipment did not exist.

DELIVERY OF EQUIPMENT IN EXCESS OF COUNTRIES' CAPABILITIES TO EFFECTIVELY MAINTAIN AND UTILIZE IT

1. Missile system equipment valued at approximately $25 million was delivered to European countries and was not in use or was in use but had a limited readiness. The equipment had been on hand as much as 13 months more than the period of time normally required for emplacement and checkout after delivery. Our review disclosed that the ineffective utilization of the equipment resulted because at the time the United States delivered this equipment (a) permanent launching sites were not available, (b) related equipment at NATO installations required to attain the full operational capabilities of the equipment delivered by the United States was lacking, and (c) a sufficient number of support personnel had not been provided by the recipient country.

2. Our reviews of the maintenance and supply support of Army equipment furnished to Far East countries disclosed that in one country almost one-fifth of the tanks delivered under MAP were unserviceable or deadlined, one-third of the 1,100 vehicles in two divisions were considered to be unserviceable and in no condition for a planned field maneuver, and that 38 percent of the radio communication equipment in one country had an effective range of only one-third to two-thirds of that for which it was designed.

3. In one Near East country, we found that at the time of our review more than 2,000 of about 6,900 combat and combat-support vehicles were inoperable, about 50 percent of the jet aircraft in one of the two Air Force fighter wings were out of commission for lack of parts and had been grounded over an 8-month period, and shortages of gasoline had precluded full utilization of equipment.

4. In one country our review disclosed that Air Force radio sets valued at about $3.3 million had been programed and that a large portion of this equipment which had been delivered was not being used because the necessary installation and ancillary equipment had not been delivered. In this same country, we found that $2.2 million worth of ammunition had been on hand for over 18 months although the related weapon had been deleted from the program and never delivered.

5. In four Western European countries we found that about $4.4 million worth of missile system mobility equipment had been delivered which could not be used because related equipment required to achieve a mobile capability for the missile systems had not been furnished. In these same countries we identified about $900,000 worth of airborne electronic equipment on hand which could not be installed because related modification kits and other equipment was not available.

6. Our review of delivery and utilization of tactical air navigation—TACAN—equipment disclosed that $12 million worth of this equipment had been delivered to foreign countries although the equipment could not be used by the recipient countries because the related installation kits were not provided.

7. Millions of dollars worth of equipment and spare parts had been unnecessarily delivered to foreign countries under the military assistance program. The major causes of this inefficient and uneconomical use of funds available for the military assistance program are the failure of the Department of Defense to (a) establish the validity of requirements, and (b) take timely action to cancel or suspend delivery of equipment or spare parts which become excess due to changes in requirements. Following are a few of the numerous examples contained in our reports which have been issued to the Congress.

Excess equipment and supplies, valued at over $5.5 million, delivered because outstanding orders which were either excess to revised requirements or likely to be excess due to anticipated changes in requirements were not canceled or suspended.

About $60 million worth of Air Force support equipment programed or delivered although a firm and reliable basis for determining the country needs for such equipment had not been established.

United States committed as much as $9 million in excess of amounts necessary to furnish spare parts and modification kits for advanced weapons for the mutually agreed-upon period of time.

Mr. President, I am ready for the vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Oregon.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. MORSE. Mr. President, I call up my amendment No. 1181 and ask that it be stated.

The PRESIDING OFFICER. The amendment of the Senator from Oregon will be stated.

The CHIEF CLERK. It is proposed by Mr. MORSE on page 1, between lines 6 and 7, to insert the following:

TITLE I—DEVELOPMENT LOAN FUND

SEC. 101. Section 201 of the Foreign Assistance Act of 1961, as amended, which relates to the Development Loan Fund, is amended by adding at the end thereof the following new subsection:

"(g) Not to exceed 25 per centum of the funds available for any fiscal year for making loans under this title may be used during any such fiscal year for loans for any purpose other than for specific developmental projects."

Renumber the succeeding sections under part I, accordingly.

On page 4, lines 5, 6, and 7, strike out "Section 252 of the Foreign Assistance Act of 1961, as amended, which relates to the Alliance for Progress, is amended" and insert in lieu thereof the following: "Title VI of chapter 2 of part I of the Foreign Assistance Act of 1961, as amended, which relates to the Alliance for Progress, is amended as follows:

"(a) Amend section 251, which relates to general authority, by adding at the end thereof the following new subsection:

"(h) Not to exceed 10 per centum of the funds available for any fiscal year for making loans under this title may be used during any such fiscal year for loans for any purpose other than for specific developmental projects.

"(b) Amend section 252, which relates to authorization,".

Mr. MORSE. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

EXPLANATION OF AMENDMENT RESTRICTING NON-PROJECT LOANS

Mr. MORSE. Mr. President, last year I offered an amendment that sought to curb the use of Alliance for Progress funds for balance-of-payment loans and budget support in Latin America. That amendment failed to pass, but it did receive 31 votes. Since this was the first time that a vote was taken in the Senate on the practice of making general-purpose loans as opposed to specific project loans, I would have thought that so large a number as 31 Senators voting for the restriction would have been a warning signal to the Agency for International Development.

But it seems to have made no impression whatsoever.

This year, the House Foreign Affairs Committee, in both the majority and minority reports on the foreign aid bill, again warned AID against the use of loan funds for unspecified purposes.

The majority report states:

> In general, the committee recognizes that whenever the administrators of the aid program are convinced that the financing of commodity imports is essential, it is better to finance such imports with loans rather than grants.
>
> Nevertheless, the committee believes that countries which progress to the point where they qualify for large development loans should be encouraged to assume increasing responsibility for financing their imports, except imports related to projects for which loans are made.
>
> There is a danger that dependence on the United States for such financing could result in levels of consumption higher than the recipient could normally sustain and could encourage unsound financial and monetary practices.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. AIKEN. Is this amendment what is popularly known as the antijuggling amendment?

Mr. MORSE. Some call it antijuggling. I call it anticorruption.

Mr. AIKEN. Antimonkey business, perhaps?

Mr. MORSE. That would be a good description. It is a little softer than mine.

Mr. AIKEN. It seems to be a reasonable amendment, unless someone can explain why it would not be so.

Mr. MORSE. Mr. President, That is the language of the majority of the House Foreign Affairs Committee. The minority had much more to say on the matter. It listed "program" loans as having been made to Tanganyika in the amount of $1 million, Tunisia $10 million, India $275 million, Pakistan $100 million, Turkey $70 million, Chile $40 million, and Colombia $15 million up to the date of the report. That is a total of $511 million. Since the report was published, at least one more large "program" loan has been made to Brazil in the amount of $50 million.

The minority views continue:

> These loans do not require the same degree of study for feasibility—technical, financial, or economic—that are required for a project loan to get the necessary approval under section 611 of the act. This section requires cost estimates, engineering surveys, and financial and other plans before loan funds can be obligated.
>
> Further, the United States does not receive credit or become identified with assistance under program loans because they are made to the government which, in turn, allocates the dollar exchange to importers for commodity import requirements.
>
> In summary, every effort should be made to curtail program loans because (a) they require less detailed justification than project loans and, therefore, can be used to absorb loan funds when carefully worked out projects are not forthcoming; (b) there is no visible way to identify the United States with assistance provided through program loans; (c) a country receiving a program loan can divert similar amounts of its foreign exchange to luxury-type import items or for lower priority needs; and (d) although imports with these loans are required to be from the United States, the level of American imports do not increase comparatively, which indicates that some of the countries merely divert imports with equal amounts of foreign exchange of other sources.

At the time of this report, $456 million had been lent out of the Development Loan Fund for program loans, and $55 million out of Alliance for Progress loan funds, plus $50 million out of the contingency fund, which went to Brazil.

Two-thirds of all money appropriated last year for development loans had been lent for unspecified, general commodity financing. About 15 percent of Alliance for Progress loan funds went for the same purpose. But in the case of Latin America, budget support and balance of payment help comes more from non-Alliance funds, primarily the contingency fund and supporting assistance.

As I stated, in the past several years, all supporting assistance is, after all is said and done, really indirect military aid.

As the House committee minority makes so clear, this assistance in no way is identified with the United States; this assistance cannot be related to any project or program by the people of the receiving country. How much good have we done the United States among the people of Brazil with our $50 million loan to its Government? None. The money will never show up in the way of life of the ordinary Brazilian.

What we did with that $50 million was to buy a little political favor from its current political leaders. That is what these program loans are for. It bails them out a while longer. It postpones the day when critical and sometimes painful decisions have to be taken on their home front. It delays the time when they must go before their own voters and lay down the facts of life. No politician likes to do that. So they come to the U.S. Treasury instead. That way we hope to create a little obligation on their part to favor the United States in international matters.

That is why in my individual views I said that program loans do no more than patch over and perpetuate the lack of economic development.

Brazil and Turkey have already defaulted, in effect, on loans by obtaining moratoriums even as we extend them new soft loans. There is every prospect that debt renegotiation with Argentina will begin soon, if it has not already begun.

Yet we go on and on making new easy credit available to them.

The prevalence of this kind of loan makes a mockery of the advertisements AID and the State Department make about foreign aid helping farmers to grow better crops and laborers to build better homes.

At the time the recent Brazilian loan was announced, it was also announced that the $50 million was in addition to; "understandings now being reached for the financing of various specfic projects designed to promote the economic development and social progress of the Brazilian people."

This $50 million loan is at 2 percent interest for 40 years. We have been encouraging Brazil for years and years. We have been urging upon Brazil to do something about its inflation. We have been urging Brazil to come forward with a plan, which she is obliged to do under the action at Punta del Este, as to what she will do with respect to internal reforms and internal programs. Alliance for Progress funds are supposed to contribute to the fulfillment of the country plan.

Mr. President, Brazil still has not submitted a satisfactory plan. She has made gestures, but she has submitted no all-encompassing plan. We ought to stop this type of loan. We ought to say, "Come forward now with an economic project that is sound, one that will be of help to your people, and we shall help you with that and release your own money for use in connection with your own fiscal problems at a governmental level."

So I say that this loan was made not as a result of the steps Brazil had taken to curb inflation and to live within her means, but to encourage Brazil to take those steps. A month later, on July 26, the New York Times reported that the Brazilian Central Government's statistics showed the cost of living rose more than 40 percent in the first 6 months of this year, and that the Branco regime had an operating deficit in its national budget of nearly $600 million. I ask unanimous consent to have these two articles from the New York Times dated June 25, 1964, and July 26, 1964, printed at this point in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times, June 25, 1964]

U.S. GRANTS $50 MILLION LOAN

WASHINGTON, June 24.—The United States granted Brazil a $50 million loan today to support the reform programs of the new government.

This was the first major loan given to the regime of President Castelo Branco. It demonstrates the faith of President Johnson's administration in Brazil's determination and capacity to combat inflation, rebuild her shattered finances, and institute rational economic policies.

In announcing the loan, concluded under the Alliance for Progress program, the administration noted that "the Brazilian Government is formulating a comprehensive program of development, stabilization, and reform which can serve as a basis for later discussions with international institutions and the Government of the United States and other friendly countries of Brazilian needs for external assistance."

The announcement emphasized that the loan, for a 40-year period at the unusually low interest of 2 percent, is in addition to "understandings now being reached for the financing of various specific projects designed to promote the economic development and social progress of the Brazilian people."

The loan marked the resumption of general U.S. lending to Brazil after a pause of almost a year. Around the middle of 1963 the United States became convinced that the regime of President Goulart could not properly utilize financial assistance because of its refusal to take adequate anti-inflationary and other stabilization measures.

Today's loan was announced as Carlos Lacerda, Governor of Guanabara State and one of the principal leaders of the April revolution, appealed for U.S. understanding of the revolutionary situation in his country.

Speaking at the National Press Club here, he said the new government had been trying to find competent, honest people to administer its affairs after the chaos of the Goulart regime.

[From the New York Times, July 26, 1964]

Regime in Brazil Scored on Prices—Lacerda Says Confidence Is Undermined by Inflation

(By Juan de Onis)

Rio de Janeiro, July 25.—President Humberto Castelo Branco embarked today on his newly extended term of office under heavy political fire because of rising prices.

The main criticism of the Government came from Gov. Carlos Lacerda of Guanabara State, one of the leaders of the April 1 revolution that overthrew President João Goulart and brought Gen. Castelo Branco, then the army chief of staff, to the Presidency.

Mr. Lacerda said a survey of prices in his state showed that they had shot upward since the revolt. "As a consequence, confidence in the revolution has been profoundly eroded in 3 months," he said.

Rising unemployment in Belo Horizonte, capital of Minas Gerais State, and in São Paulo was also reported. The iron and steel industry was showing signs of a recession, with cutbacks in production. Automobile output also was down and household appliance manufacturers reported large unsold stocks.

The Central Government's statistics show that the cost of living rose more than 40 percent in the first 6 months of this year on the momentum of an inflation that raised prices more than 80 percent last year.

Halting inflation is the principal preoccupation of the Castelo Branco regime and efforts are being made to reduce the Government's operating deficit, regarded as the main cause of the inflation. This year's deficit is estimated at nearly $600 million.

Partly to give the Government more time to cope with the problem, the congress this week added 14 months to Mr. Castelo Branco's original period in office. Originally it was to have completed Mr. Goulart's term ending January 31, 1966.

Mr. Castelo Branco will now remain in power until March 15, 1967, and the election originally scheduled for October 1965 will be postponed to December 1966. This decision was taken by the congress over Mr. Castelo Branco's opposition, but with the support of Brazil's military leaders.

Mr. Lacerda, noted for his opposition to Mr. Goulart's leftist government, was bitterly disappointed by Congress' decision. He had hoped to run for President in the election scheduled for next year, and he lashed out at the Congress.

It is widely accepted that Mr. Lacerda is trying to bring down the present cabinet and install a government alined with his views. Prices constitute the most vulnerable area for this cabinet, whose economic and financial policies are largely determined by the Planning Minister, Roberto Campos.

Steel executives advised the Labor Ministry this week that they would not fulfill a contract signed with 50,000 workers in Minas Gerais and São Paulo during the Goulart regime. This provided for quarterly adjustments that would now require the industries to pay a minimum wage of 70,000 cruzeiros ($55) a month. The regional minimum wage is 40,000 cruzeiros ($32).

The executives said the contract could be met only through increases in iron and steel prices.

Roman Catholic priests active in union organization in Pernambuco, the sugar region of Brazil's northeast, warned sugarmill operators that there would be a strike unless a minimum wage set by the former government was respected.

On another front, respresentatives of Brazilian university students elected new officers today for the National Union of Students, which the Education Minister had threatened to dissovle.

The delegates also resolved to reconstruct the union, which had been controlled by militant leftists. This indicated limited support of the uprising that ousted Mr. Goulart.

The students met in defiance of the Education Minister, Suplicy de Lacerda, who had proposed that the autonomous student organization be replaced by a student council under control of the ministry.

Virtually all the delegates, who came from 12 States, were opposed to the former leadership of the national union, which they contend was antidemocratic and alienated from the mass of students.

Mr. MORSE. Mr. President, at the present time we are using two-thirds of the development loan money for intergovernmental loans to finance commodity imports of a general nature. I wish to repeat that sentence, because I want to show Senators that in my judgment this is one of the most serious problems in the whole AID program calling for policy reform. I ask Senators to listen to the sentence again:

At the present time we are using two-thirds of the development loan money for intergovernmental loans to finance commodity imports of a general nature.

They do not provide people-to-people aid.

They do not coincide with what Senators have heard me plead for for several years—a project-to-project approach to foreign aid instead of a government-to-government approach.

I wish to see the American taxpayers' dollars invested in dams, refineries, plants, and other economic projects that will help to create jobs in parts of the world that are characterized by unemployment, or employment at wages that cannot maintain a family in health and decency. I wish to do something for people.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. DOUGLAS. The Senator from Oregon has made a startling statement. As I understand, he said that last year approximately $560 million was loaned by us to foreign governments for unspecified purposes.

Mr. MORSE. That is correct.

Mr. DOUGLAS. About $50 million of that was to meet the deficit of the Brazilian Government. Can the Senator from Oregon throw any light on the question of the purposes for which the other $510 million was loaned?

Mr. MORSE. No.

Mr. DOUGLAS. The Senator from Oregon is a member of the Committee on Foreign Relations, is he not?

Mr. MORSE. Yes.

Mr. DOUGLAS. Did the administrator of AID, or any of his assistants, itemize how the $510 million was distributed and for what purposes?

Mr. MORSE. There may be some itemization in the three thick books that were presented to us for study. But I gave the Senator an honest answer. I do not know what the itemization might be. If it is available, perhaps the chairman of the committee might respond.

Mr. DOUGLAS. I wonder if the chairman of the Committee on Foreign Relations could answer the question. For what purposes were the $510 million loaned to the governments of foreign countries? Is my impression correct that this is primarily related to Latin America?

Mr. MORSE. No; most of it was lent elsewhere. India received $275 million, Pakistan $100 million, and Turkey $70 million in fiscal year 1964. Tunisia and Tanganyika also received smaller program loans. In Latin America, Chile received $40 million, Colombia $15 million, and Brazil $50 million this last fiscal year. The presentation for fiscal year 1965 tells very little about the purposes of these loans that will be made in fiscal 1965.

Mr. FULBRIGHT. The major purpose of the Alliance for Progress program was to support overall plans for the economic development of the countries of Latin America. It was intended that those countries should bring about certain reforms within their economies. It was called a self-help program. We make the program loans available only when there is a commitment by the respective countries to engage in certain kinds of reforms within their countries.

As the Senator has heard, in some cases those reforms are in the nature of tax reforms, in some cases they are in the nature of land reforms, and so on. Program loans were the major tool that we had for encouraging the respective countries to bring about reforms. The agency does not make the program loans without any conditions as to how the money shall be used. When a loan is negotiated, the purpose for which it is to be used is well understood.

Mr. DOUGLAS. Has that purpose been stated to the Committee on Foreign Relations?

Mr. FULBRIGHT. Certainly.

Mr. DOUGLAS. What are the purposes?

Mr. FULBRIGHT. I do not have in mind the particular purpose of all loans, if that is what the Senator means. But that is obtainable in full. We have at hand the general statements about the nature of the loans. Some are often informally called balance-of-payments loans. In a sense that is what they are. They provide the basis for the development of private industry in most of the countries involved. They are intended to finance the purchase of spare parts, machinery, equipment, and so on, from this country through private enterprise.

The project loans which were mentioned by the Senator from Oregon are usually provided for a dam, a railroad, a dock, or something of that kind, and they usually are of a governmental nature. Year after year the committee and the Congress have urged private enterprise to come into the picture. That is accomplished primarily through program loans, which make available to private enterprises in each of the countries the resources to enable them to purchase needed commodities. There is agreement as to which areas of the economy the loans are to be used for, but they are not intended to be used for the building of a dam or any specific tangible project.

Mr. DOUGLAS. Mr. President, will the Senator from Oregon permit me to comment on that statement?

Mr. MORSE. Certainly.

Mr. DOUGLAS. I have always thought that the Alliance for Progress included primarily, amongst the reforms, the development of education, the building of schools, the building of houses, the carrying on of health work, and the purchase of large estates for distribution into small holdings. It seems to me that projects of that nature could be made very specific, and that it would not be necessary to make a general loan for such purposes. The loan could specify the purposes for which it was to be made. The Government could act as the intermediary, but we would know for what purpose the money was being spent. But the facts seem to be that of the loan funds devoted to Latin America in fiscal year 1964—a total of approximately $425 million, of which $50 million came from contingency funds—$105 million, or about one-quarter, was assigned to general Government loans with no specific conditions attached that the money must be spent for better schools and the other fundamental reforms.

Mr. MORSE. That is what I am asking for. I see one of my teachers on the Foreign Relations Committee, the Senator from Vermont [Mr. AIKEN], smiling as he listens to the present debate. The Senator from Vermont has exercised a great deal of influence on me, whether he knows it or not, with regard to the position he has taken from time to time in respect to the Alliance for Progress program. I am endeavoring merely to carry out a percentage restriction which I believe would reduce the amount of money available for general loans government-to-government. I would provide a better opportunity for obtaining money the expenditure of which would be specified for specific projects. As the Senator from Illinois knows, the problem that we have as Senators is that when we seek to obtain loans and grants for public works developments in our own States—and I am all for the procedure—we must show a benefit-cost ratio—and we should have to show it. We have to show that the project is desirable, because we are dealing, we say, with taxpayers' money. We certainly are. But AID is dealing with taxpayers' money. By this policy amendment—and I am offering my policy amendments today in order to have some votes on policy first before coming to specific money amendments—I am seeking to place some checks on AID as well as on Brazil, Argentina, and some of the other countries.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. MORSE. I yield to the Senator from Vermont.

Mr. AIKEN. If the Senator could get the details of the situation accurately, he would find that the borrowing nation will use the money borrowed from the United States for purposes for which it would ordinarily use its own money, and that, in turn, releases its own money to pay off creditors, some of which may be in the United States, some in Europe, some here, there, and everywhere. That is what I meant when I asked the Senator if this was the "antijuggling amendment."

Mr. MORSE. There is no question about it.

Mr. AIKEN. I am sure, if the Senator would get to the bottom of this, he would find that that is what happens.

Mr. MORSE. The Senator will recall that in the past few years we had a discussion about this type of loan that was made to Argentina. When we dug into the matter, I very well remember some of the comments of the Senator from Vermont. When we dug into it we found that the money of U.S. taxpayers that went into Argentina, under an unchecked procedure for a loan, was used to pay off American creditors.

Mr. DOUGLAS. Mr. President, if I may interject, what is that?

Mr. MORSE. Just what I said.

Mr. DOUGLAS. Does the Senator mean that we loaned money to Argentina which was not used for the benefit of the people of Argentina?

Mr. MORSE. It might be said that it was for their benefit. It enabled them to pay American creditors for goods imported in the past. I am talking now about a policy that does not provide for adequate checks. I do not believe there should be allowed the use of money out of the President's contingency fund or some other source to make this kind of loan to a government, with which the government in turn uses the money to pay off creditors. In that case, it was America creditors. Sometimes it is to pay European creditors.

Mr. AIKEN. Mr. President, if the Senator will yield further, I have great hopes for Brazil. It is a coming nation. It is a friendly nation. It is making progress. The value of its currency has improved in the past 6 months. But the Government of Brazil has done something else. It has abandoned the subsidy which it paid previously for the use of petroleum products. It subsidized the use of gasoline. It has eliminated that. A few years ago Bolivia subsidized the use of petroleum products. It, too, has stopped it. Nevertheless, Brazil still has to buy great amounts of petroleum and it has to be paid for.

Mr. MORSE. I have great hopes for Brazil, too. My amendment would afford her more hope. The amendment would provide that the government must ask for loans for specific projects. If they are sound, the committee, on which the Senator from Vermont also serves, will support it. I do not like unchecked power anywhere. I do not like the making of loans in a pig-in-a-poke manner, when we do not know what the purposes of the loans are, when we are expected to offer the money to them and let them spend it as they desire.

Mr. AIKEN. The Senator knows pretty well what it is used for. When we lend money for the purpose of improving the lot of the people, we are entitled to know that it is used for that purpose, and not used to pay off American or European creditors.

Mr. DOUGLAS. Mr. President, the Senators from Oregon and Vermont excite the curiosity of those of us who are not members of the Foreign Relations Committee. They speak of mysterious information that one or the other knows about the purposes for which the $500 million has been loaned to foreign governments for undetermined, unspecified purposes. The Senator from Vermont implies that a major portion of this amount has been used not to improve the condition of the people, but to improve the credit standing of the country with foreign or external creditors.

I have always supported the Alliance for Progress, but I thought the money went specifically to help the people of Latin America. I suppose, since the Senator from Oregon states—and the Senator from Vermont does not contradict—that a major portion of the money goes for general purposes, it is difficult to know where it goes, but it is generally believed that large parts of the money go to pay off debts previously incurred.

Mr. MORSE. We are talking about the evil system with respect to a part of that money. This is not the total part of the Alliance for Progress money. I plead for the Senator from Illinois to continue to have faith, as the Senator from Vermont and I have overall faith, in the Alliance for Progress. This amendment would eliminate a policy that is unwise.

I criticize the use of the President's contingency fund for this purpose. That is why I am advocating a cut of $50 million in the President's contingency fund. The contingency fund should be used only to meet an immediate, overnight emergency affecting the United States. It should not be used by the President to engage in international relations on his part. This money should not be used for balance of payments, credit payments, and what not, because the head of some other government says he is in an emergency, because the President of the Argentine or Brazil is in an emergency, for example. Let them come before us in the open and ask for a loan for a specific purpose, and let us pass judgment on the soundness of the loan for that purpose.

Mr. DOUGLAS. Mr. President, will the Senator forgive me for another question?

Mr. MORSE. I am glad to yield.

Mr. DOUGLAS. I understand that a loan of $50 million was made to Brazil primarily to meet a deficit in the government budget, or possibly to redress an unfavorable balance of payments.

Mr. MORSE. Yes. That came from the President's emergency fund.

Mr. DOUGLAS. Not from the specific Latin American fund, but from the President's emergency fund.

Mr. MORSE. The President's emergency fund.

Mr. DOUGLAS. What about the loan to the Argentine?

Mr. MORSE. That was to pay off American creditors who had put the "heat" on the President of Argentina.

Mr. DOUGLAS. What kind of creditors?

Mr. MORSE. Oil creditors, shipping creditors. There is a long list of them. I do not recall all of them at the present time. There was quite a "hassle" about it at the time. Those of us protesting it were left in the minority.

Mr. DOUGLAS. Could the Senator insert in the RECORD the group which obtained the subsidy?

Mr. MORSE. I shall try to obtain it for the RECORD before we are finished with the bill. The member of the staff from the Foreign Relations Committee assisting me will proceed to obtain it.

Mr. DOUGLAS. Chile has been operating both under inflation and big government deficits, I believe. Have such loans been made to Chile?

Mr. MORSE. Chile received a $40 million program loan a few months ago.

Mr. DOUGLAS. The Senator from Illinois has visited two Central American republics and two of the northern South American republics, and he thought the Alliance for Progress was working very well in all four of those countries. Like the Senator from Oregon, I am a supporter of the general program, but I was somewhat startled by the statement of the Senator from Oregon, which does not seem to be controverted in any way, that $105 million, one-quarter of the loan funds devoted to AID last year, has been loaned for purposes which none of us thought were originally included in the program of the Alliance for Progress.

Mr. MORSE. That happens to be a fact. I have been urging my proposals. I have made them in the committee, too.

Mr. DOUGLAS. What was the decision in the committee?

Mr. MORSE. There was not very much discussion of them. I made my statement, and they were voted down.

Mr. DOUGLAS. The Senator from Oregon has made a grave statement.

Mr. TALMADGE and Mr. LAUSCHE addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Oregon yield, and, if so, to whom?

Mr. MORSE. I yield first to the Senator from Georgia.

Mr. TALMADGE. Is it the purpose of the Senator's amendment to the Development Loan Fund that the project for which the money is to be used must be specified and, that the money may be used for that particular project, and no other?

Mr. MORSE. That is the purpose of the amendment. It requires that 75 percent of the money be used for specific projects.

I believe that is where the bad policy develops. It discourages them from reforming their own economy, so long as they can think they can go along and call on Uncle Sam for help. It is pretty hard for politicians to put the economic screws on, instead of letting inflation continue, and not applying drastic limitations, especially limitations that are necessary to stop inflation, so long as they have a good hunch that Uncle Sam will bail them out. We are discouraging them from adopting procedures to bring about their own reforms.

I wish to stop the general import loans. I wish to see our taxpayer money spent for projects that we know have at least some chance of helping the people themselves.

Mr. TALMADGE. Does the Senator's amendment provide that the country receiving the money must put up a portion of its own funds for each particular project?

Mr. MORSE. No; this amendment does not provide for that specifically. Such a provision is not necessary to what I am trying to accomplish in this amendment.

Mr. TALMADGE. I thank the Senator. I think his amendment is a good amendment.

Mr. MORSE. I thank the Senator from Georgia.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. LAUSCHE. Without trying to pass on the merits of the amendment of the Senator from Oregon, I am obliged to say that the testimony shows that when a program is approved, it is done only after there is provided a complete description of what the program involves. Also required is supervision of what is being done under the program. I do not wish to remain silent and by doing approve the statement that loans are made without any previous knowledge of the purpose for which they are to be used.

Mr. MORSE. Will the Senator from Ohio tell the Senate what supervision there was of the $50 million program loan from the President's contingency fund?

Mr. LAUSCHE. There may be greater strength to the Senator's argument with respect to the contingency fund. However, the fact is that with respect to program loans, a plan must be submitted. The plan is analyzed. Before any payments are made under it, it must be approved. After it is approved the AID supervises and watches the program to see that it proceeds as contemplated. Moreover, the Alliance for Progress watches what is being done in the economic development of each of the nations.

Mr. MORSE. The Senator from Ohio may have that point of view about the checks. I believe that the checks are not effective, and that they have not been protecting our interests. The loan should be made, in the first instance, for a specific project. That is what I am pleading for. We should prevent so much of the money going for general loans. All I am doing is cutting down a provision percentagewise.

Mr. LAUSCHE. If the Senator states that he wishes to correct the specifics, that is one thing. Stating that there is a complete absence of specifics as to what is being done, is something else.

Mr. MORSE. I am saying that the specifics that are called for are not sufficiently restrictive to protect the American taxpayer. I hope the Senator will note what I am advocating:

> (g) Not to exceed 25 per centum of the funds available for any fiscal year for making loans under this title may be used during any such fiscal year for loans for any purpose other than for specific developmental projects.

What is wrong with that? They can go up to 25 percent. What is wrong with limiting them to 25 percent?

On page 2 of my amendment I provide:

> (h) Not to exceed 10 per centum of the funds available for any fiscal year for making loans under this title may be used during any such fiscal year for loans for any purpose other than for specific developmental projects.

What is wrong with that? Will the Senator tell me what is wrong with that kind of check? We must put that kind of check in the bill, so that the countries will know that the sky is not the limit when coming to the United States and asking for additional loans. They must do something for themselves. If they do not bring about inflation control, if they do not bring about fiscal improvement, they will continue to go along thinking that all they need to do is to come to Uncle Sam.

If we place a ceiling in effect, we will help them. We must be much more stringent on the AID people and on the State Department than we have been in the past. I know there will be some negative connotations from what I am about to say. We must be more insistent upon policing them so far as the interests of the American taxpayers are concerned.

The precise description of expected aid to each country comes marked "Confidential" and hence it cannot be inserted directly into the RECORD.

But I can give Senators an idea of the kind of information we have about these program loans, as compared with project loans.

In one country, for example, which receives large amounts of U.S. aid we are told:

> It is likely that AID project loans will be made in fiscal year 1965 for power installations, mineral processing, and manufacturing industries. Program loans will finance

> imports of raw materials and semifinished commodities to help maintain production and the pace of investment.

In another country we find that—

> U.S. loans will again be made to help finance the raw materials, equipment and spare parts which are an integral part of the development plan. Moreover, the bulk of U.S. nonproject imports goes to the private sector and is an important element in maintaining the pace of private investment activity. With an acceleration of the development program, and completion of feasibility studies for roads, power, and water resources, an increasing number of project loan requests are expected for fiscal 1965.

Senators may say that AID officials know what part the U.S. loan will play in a country's general economy; but the point I am making is that these program loans are not and cannot be identified with any given project. They simply go to finance general imports.

Mr. President, at the present time we are using two-thirds of the development loan money for general intergovernmental loans They do not provide people-to-people aid. They are purely government-to-government, and they seek to influence and improve the well-being not of the people of the recipient country, but of its ruling class.

My amendment is both a refinement and an expansion of the amendment which last year gained the support of 31 Senators. This time it is not confined to the Alliance for Progress. For the Development Loan Fund it sets a ceiling of 25 percent on loan funds that can be used for nonproject aid. It sets a ceiling of 10 percent on Alliance for Progress loans for nonproject aid. Even that is very generous. It is more than I would like to see lent for general balancing of accounts. But it would make a start. It would tighten the legislative guidelines. It would restrict the amount of "lobbying" that foreign governments could do among American aid and diplomatic officials for untied loans.

Senators will recall that when we passed the Hickenlooper amendments cutting off aid to any country that expropriated American investments without compensation that we were accused of "tying the hands of the administration."

But we did tie them. And the next year the AID and State Department people found themselves quite pleased with the result.

It was interesting and pleasing to find the State Department officials, including the Secretary of State, and Mr. Bell, Director of AID, visiting with us in the Committee on Foreign Relations and expressing their pleasure with the way the program had worked. The year before, however, they had fought it. I believe that my amendment would perform a great service for Mr. Rusk and Mr. Bell. I believe that a year from now Mr. Rusk and Mr. Bell will be thanking us again.

Someone must make the fight. We should give the proposal a trial. If after a year it can be shown that what I say did not work, the present provision can be restored. Certainly things have been going well the way we have been operating. This proposal ought to be tried.

The congressional directive on expropriation left no room for quibbling with foreign governments. It removed from the realm of administration discretion the decision whether to reduce or to end aid to such countries. It simply said, "This is it." My amendment provides that 25 percent and 10 percent are to be the ceiling limitations, just as in the Hickenlooper amendment we had a rule of finality. Foreign countries could go to the ambassador or to the AID officials or come to Washington to see the Secretary of State, but they can always say, "There is nothing we can do about it. It is the law." I wish to put the Secretary of State in that position with respect to this problem.

The main foreign aid failures have resulted from the failure of Congress to make more legislative directives of the same nature. Here is an area where they are sorely needed, and my amendment would be a start toward correcting one of the worst abuses of foreign aid.

Mr. DOUGLAS. Mr. President, will the Senator from Oregon yield.

Mr. MORSE. I yield to the Senator from Illinois.

Mr. DOUGLAS. It is sometimes said that these are loans which will ultimately be repaid and that, therefore, there will be no wasting of any money, assuming the amounts will be repaid. Is it true that the current interest terms are three-quarters of 1 percent interest during the first 10 years and 2 percent thereafter? I notice the compilation in a table on pages 42 and 43 of the report.

Mr. MORSE. Will the Senator please restate his question?

Mr. DOUGLAS. Is it true that the rate of interest on the Alliance for Progress loans is three-quarters of 1 percent during the first 10 years and 2 percent thereafter?

Mr. MORSE. That is the rule.

Mr. DOUGLAS. And that the average rate of interest on development and Alliance for Progress loans is 1.7 percent?

Mr. MORSE. It is about 2 percent.

Mr. DOUGLAS. A little under 2 percent?

Mr. MORSE. Yes.

Mr. DOUGLAS. Is it true that the average rate of interest charged by other members of the free world alliance is 5.1 percent?

Mr. MORSE. Not completely, but in most instances. Some countries are now beginning to negotiate lower interest rates.

Mr. DOUGLAS. So, on the whole, their interest rates are——

Mr. MORSE. Much higher.

Mr. DOUGLAS. About three times what the average rate is for Alliance for Progress loans?

Mr. MORSE. Much higher. That is why I am supporting the amendment of the Senator from Ohio [Mr. LAUSCHE] and the Senator from South Dakota [Mr. MUNDT] to bring interest rates up. I thing they are too low.

Mr. DOUGLAS. Is it true that our loans run for 40 years?

Mr. MORSE. That is correct; in some instances, 50 years.

Mr. DOUGLAS. Is it true that the weighted average of Belgian loans is 7 years, and French loans 17 years?

Mr. MORSE. On the average, they are for a shorter period than ours.

Mr. DOUGLAS. So we are making very favorable terms?

Mr. MORSE. Oh, yes.

Mr. DOUGLAS. Frankly, I do not object to favorable terms. I am however concerned about the purposes for which the loans are spent. I am shaken, to tell the truth, by the material which the Senator from Oregon has cited, and which has not been contradicted.

Mr. MORSE. As the Senator knows, I also want fair terms to be imposed, but terms that are fair to the American taxpayers, too. In my opinion, the interest rate of three-quarters of 1 percent really does not cover the cost of administering the loans.

Mr. DOUGLAS. The Senator from Oregon would like to have the rate made 2 percent for the initial period of 10 years?

Mr. MORSE. At least that much.

Mr. DOUGLAS. Similar to the rate of interest on REA loans?

Mr. MORSE. At least that much.

Mr. DOUGLAS. Mr. President, I simply say that the Senator from Oregon has thrown down a startling and convincing challenge on this subject.

Mr. MORSE. Mr. President, I yield the floor.

Mr. FULBRIGHT. Mr. President, I hope the Senate will not accept the amendment. I may say, partly by way of background, that my comments have nothing to do with the merits of the amendment. To the best of my recollection, the amendment was not offered in the committee. However, the subject with which it deals was discussed at length in the committee with the administrator, Mr. Bell.

Mr. Bell stated, and I think most persuasively, that such program loans are highly essential to the development of a country, particularly loans under the Alliance for Progress, and for countries like India. A big part of the aid to India has been in the form of program loans. That does not mean that specific uses were not provided; but the loans are made to the country to be used by it largely in the private sector. One of the major parts of the lending program is the lending of money to a government which will agree to relend it and make it available to private industry to import raw materials, machinery, and supplies for the industries of the country. That is in accordance with the overall development plan. It has been successful, according to the administration. The administration believes that this pending amendment would result in a degree of inflexibility which would greatly hamper the effectiveness of the overall program. In my opinion, the administration makes a good case.

The distinction between a loan to be used to pay a debt and a loan to build a bridge or a school is a slippery concept. For example, if a school is built directly with loan money, it relieves the Government directly from using its own money. If it uses the loan to pay off a debt, what is the difference as compared with paying it directly, assuming it is a recognized, legitimate need of the country under the specific conditions of that time?

If a program of development is undertaken in one of the countries, it is then up to the judgment of our people, working with the country concerned, as to where to put the emphasis. If a factory or a refinery is needed—let us suppose a fertilizer factory is needed—the efficient way to proceed is to make the money available to the government, which in turn can relend the money, under conditions specified by our AID program for that purpose; for example, the importation of a fertilizer plant or any other kind of equipment. Incidentally, time after time, the committee and Congress have included policy declarations to encourage the development of the private industrial sectors of the underdeveloped countries.

The loan to Brazil, which has been under discussion, did not come under this part of the program. In no way would it have been affected by the amendment. That money came out of a different category. Even if the amendment of the Senator from Oregon had been in effect, that loan would not have been affected by the amendment. It was a loan made, we all admit, under special circumstances, for the benefit of a new regime, a loan which we hoped would help to enable the new government to survive a difficult period. It would be used for the essentials of government.

Mr. President, I ask unanimous consent to have printed at this point in the Record a statement entitled "Program and Project Loans Under the Development Loan Fund and the Alliance for Progress."

There being no objection, the statement was ordered to be printed in the Record, as follows:

PROGRAM AND PROJECT LOANS UNDER THE DEVELOPMENT LOAN FUND AND THE ALLIANCE FOR PROGRESS

The amendment provides that no more than 25 percent of the funds available in any fiscal year for DLF loans and no more than 10 percent of the funds available in any fiscal year for the Alliance for Progress loans may be used for any purpose other than for specific developmental projects, which is to say, they can not be used for general country program loans.

In addition to injecting a general requirement of extreme inflexibility into the aid program, the amendment would be detrimental to the encouragement of self-help programs and internal reform. A project loan involves the donor only in a specific enterprise without permitting him to exert leverage for related projects, however vital they may be to the success of the enterprise for which the loan has been made. It is far easier to exert leverage for tax or land reform, for example, if aid is being provided for a unified program consisting of a number of specific projects than if the aid is being provided only for one project.

The purpose of our aid program is far more to encourage economic development by recipient countries themselves than to achieve it for them. Project assistance tends far more toward the latter.

However useful the project may be, it is unlikely to serve the legitimate interests of both the recipient and the donor unless it stimulates related projects. Program assistance, on the other hand, seeks to encourage unified growth and to encourage those measures of internal reform and self-help which will have an economic multiplier effect.

Mr. FULBRIGHT. Mr. President, I hope the Senate will not accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Oregon. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from North Dakota [Mr. Burdick], the Senator from Virginia [Mr. Byrd], the Senator from Tennessee [Mr. Gore], the Senator from Washington [Mr. Jackson], the Senator from Louisiana [Mr. Long], the Senator from Utah [Mr. Moss], and the Senator from Ohio [Mr. Young] are absent on official business.

I also announce that the Senator from New Mexico [Mr. Anderson] and the Senator from Massachusetts [Mr. Kennedy] are absent because of illness.

I further announce that the Senator from Nevada [Mr. Cannon], the Senator from Pennsylvania [Mr. Clark], the Senator from Oklahoma [Mr. Edmondson], and the Senator from New Jersey [Mr. Williams] are necessarily absent.

I further announce that, if present and voting, the Senator from Ohio [Mr. Young] and the Senator from Pennsylvania [Mr. Clark] would each vote "nay."

On this vote, the Senator from New Jersey [Mr. Williams] is paired with the Senator from Virginia [Mr. Byrd]. If present and voting, the Senator from Virginia would vote "yea" and the Senator from New Jersey would vote "nay."

On this vote, the Senator from Washington [Mr. Jackson] is paired with the Senator from Louisiana [Mr. Long]. If present and voting, the Senator from Louisiana would vote "yea" and the Senator from Washington would vote "nay."

Mr. KUCHEL. I announce that the Senator from Kansas [Mr. Pearson] and the Senator from Pennsylvania [Mr. Scott] are necessarily absent.

The Senator from New York [Mr. Javits] is absent on official business.

The Senator from Kentucky [Mr. Cooper] and the Senator from Arizona [Mr. Goldwater] are detained on official business.

On this vote, the Senator from Arizona [Mr. Goldwater] is paired with the Senator from New York [Mr. Javits]. If present and voting, the Senator from Arizona would vote "yea," and the Senator from New York would vote "nay."

On this vote, the Senator from Kansas [Mr. Pearson] is paired with the Senator from Pennsylvania [Mr. Scott]. If present and voting, the Senator from Kansas would vote "yea," and the Senator from Pennsylvania would vote "nay."

If present and voting, the Senator from Kentucky would vote "nay."

The result was announced—yeas 40, nays 42, as follows:

[No. 526 Leg.]

YEAS—40

Aiken
Allott
Bayh
Beall
Bennett
Bible
Boggs
Carlson
Cotton
Curtis
Dominick
Douglas
Eastland
Ellender
Ervin
Gruening
Holland
Hruska
Johnston
Jordan, N.C.
Jordan, Idaho
Lausche
McClellan
Mechem
Morse
Mundt
Nelson
Prouty
Proxmire
Randolph
Robertson
Russell
Simpson
Talmadge
Thurmond
Tower
Walters
Williams, Del.
Yarborough
Young, N. Dak.

NAYS—42

Bartlett
Brewster
Byrd, W. Va.
Case
Church
Dirksen
Dodd
Fong
Fulbright
Hart
Hartke
Hayden
Hickenlooper
Hill
Humphrey
Inouye
Keating
Kuchel
Long, Mo.
Magnuson
Mansfield
McCarthy
McGee
McGovern
McIntyre
McNamara
Metcalf
Miller
Monroney
Morton
Muskie
Neuberger
Pastore
Pell
Ribicoff
Salinger
Saltonstall
Smathers
Smith
Sparkman
Stennis
Symington

NOT VOTING—18

Anderson
Burdick
Byrd, Va.
Cannon
Clark
Cooper
Edmondson
Goldwater
Gore
Jackson
Javits
Kennedy
Long, La.
Moss
Pearson
Scott
Williams, N.J.
Young, Ohio

So Mr. Morse's amendment was rejected.

Mr. FULBRIGHT. Mr. President, I move that the vote by which the amendment was rejected be reconsidered.

Mr. HUMPHREY. Mr. President, I move that the motion to reconsider be laid on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Minnesota to lay on the table the motion of the Senator from Arkansas to reconsider the vote by which the amendment was rejected.

Mr. MORSE. Mr. President, on this question, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from North Dakota [Mr. Burdick], the Senator from Tennessee [Mr. Gore], the Senator from Washington [Mr. Jackson], the Senator from Louisiana [Mr. Long], the Senator from Utah [Mr. Moss], and the Senator from Ohio [Mr. Young] are absent on official business.

I also announce that the Senator from New Mexico [Mr. Anderson] and the Senator from Massachusetts [Mr. Kennedy] are absent because of illness.

I further announce that the Senator from Nevada [Mr. Cannon], the Senator from Pennsylvania [Mr. Clark], the Senator from Oklahoma [Mr. Edmondson], and the Senator from New Jersey [Mr. Williams] are necessarily absent.

I further announce that, if present and voting, the Senator from Ohio [Mr. Young], the Senator from New Jersey [Mr. Williams], and the Senator from Pennsylvania [Mr. Clark] would each vote "yea."

On this vote, the Senator from Washington [Mr. Jackson] is paired with the Senator from Louisiana [Mr. Long]. If present and voting, the Senator from Washington would vote "yea," and the

Senator from Louisiana would vote "nay."

Mr. KUCHEL. I announce that the Senator from Kansas [Mr. Pearson] and the Senator from Pennsylvania [Mr. Scott] are necesarily absent.

The Senator from New York [Mr. Javits] is absent on official business.

The Senator from Kentucky [Mr. Cooper] and the Senator from Arizona [Mr. Goldwater] are detained on official business.

If present and voting, the Senator from Kentucky [Mr. Cooper] would vote "yea."

On this vote, the Senator from New York [Mr. Javits] is paired with the Senator from Arizona [Mr. Goldwater]. If present and voting, the Senator from New York would vote "yea," and the Senator from Arizona would vote "nay."

On this vote, the Senator from Pennsylvania [Mr. Scott] is paired with the Senator from Kansas [Mr. Pearson]. If present and voting, the Senator from Pennsylvania would vote "yea," and the Senator from Kansas would vote "nay."

The result was announced—yeas 42, nays 41, as follows:

[No. 527 Leg.]

YEAS—42

Bartlett
Bayh
Brewster
Byrd, W. Va.
Case
Church
Dirksen
Dodd
Fong
Fulbright
Hart
Hartke
Hayden
Hickenlooper
Hill
Humphrey
Inouye
Keating
Kuchel
Long, Mo.
Magnuson
Mansfield
McCarthy
McGee
McGovern
McIntyre
McNamara
Metcalf
Miller
Monroney
Morton
Muskie
Nelson
Pastore
Pell
Ribicoff
Salinger
Saltonstall
Smathers
Smith
Sparkman
Symington

NAYS—41

Aiken
Allott
Beall
Bennett
Bible
Boggs
Byrd, Va.
Carlson
Cotton
Curtis
Dominick
Douglas
Eastland
Ellender
Ervin
Gruening
Holland
Hruska
Johnston
Jordan, N.C.
Jordan, Idaho
Lausche
McClellan
Mechem
Morse
Mundt
Neuberger
Prouty
Proxmire
Randolph
Robertson
Russell
Simpson
Stennis
Talmadge
Thurmond
Tower
Walters
Williams, Del.
Yarborough
Young, N. Dak.

NOT VOTING—17

Anderson
Burdick
Cannon
Clark
Cooper
Edmondson
Goldwater
Gore
Jackson
Javits
Kennedy
Long, La.
Moss
Pearson
Scott
Williams, N.J.
Young, Ohio

So the motion to lay on the table was agreed to.

Mr. HART. Mr. President, I call up my amendment No. 1190.

The PRESIDING OFFICER. The amendment of the Senator from Michigan will be stated.

The Chief Clerk proceed to read the amendment.

Mr. HART. Mr. President, I ask unanimous consent that the reading of the amendment be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment will be printed in the Record.

The amendment is as follows:

On page 16, between lines 17 and 18, insert the following:

"CHAPTER 3—MISCELLANEOUS PROVISIONS

"Sec. 303. Chapter 3 of part III of the Foreign Assistance Act of 1961, as amended, which relates to miscellaneous provisions, is amended by adding at the end thereof the following new section:

" 'Sec. 648. Special Authorization for Use of Foreign Currencies.—Subject to the provisions of section 1415 of the Supplemental Appropriation Act, 1953, the President is authorized, as a demonstration of good will on the part of the people of the United States for the Polish and Italian people, to use foreign currencies accruing to the United States Government under this or any other Act, for assistance on such terms and conditions as he may specify, in the repair, rehabilitation, improvement, and maintenance of cemeteries in Italy serving as the burial place of members of the armed forces of Poland who died in combat in Italy during World War II.' "

Mr. HART. Mr. President, before proceeding, I ask unanimous consent that the names of the distinguished Senator from Nebraska [Mr. Hruska] and the distinguished Senator from Minnesota [Mr. McCarthy] be added as cosponsors of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HART. Mr. President, the amendment would authorize the President to use foreign currencies accruing to this Government to rehabilitate and to maintain the cemeteries in Italy which contain the graves of Poles who fell in the allied offensive at Monte Cassino in 1944.

The language which I suggest by the amendment we should add to the bill was contained in the bill as it came to us from the other body.

I am advised that the Director of AID would not object to the amendment. I do not state, and it would be improper to state, that he supports the amendment.

The facts, briefly, are as follows: Between 4,000 and 4,100 Poles fought and fell in the 2d Polish Army. These men very largely had escaped through the Mediterranean basin to the west after the Germans moved into Russia. History records many dramatic engagements in World War II, but I submit that history will always underscore the action in front of Monte Cassino at the Rapido River as one of the very key days in the allied offensive. Those men were fighting with us and for the cause which we held dear. The Polish Government in Warsaw today is completely indifferent to the graves of these men. The Polish Government in exile in London in those days no longer exists.

It would seem to those of us who offer the amendment that we could very dramatically portray to the people of Poland our continuing concern and respect for Polish men who fell in defense of freedom's cause.

I very much hope that the Senate will return to the bill the language that came to us from the House. That would be the effect of the amendment.

For those who are interested in a brief sketch of the history of the cemeteries, I suggest that they reread an article which was contained in the Congressional Record of August 5, 1964, at page 18077. It is a description by a GI who returned to the great battle scene, and it is a heartbreaking story of the disrepair of the cemetery in Italy which contains the places of honored rest of brave men, the maintenance of which places America very prudently could authorize the President to undertake.

Mr. HRUSKA. Mr. President, will the Senator from Michigan yield?

Mr. HART. I yield.

Mr. HRUSKA. I thank the distinguished Senator from Michigan for extending to me the privilege of being a cosponsor of his amendment. I subscribe to the thoughts which he has expressed and the reasons that he thinks the amendment should be adopted. The world thrilled to the very bitter and strategic battle which occurred in Monte Cassino, approximately 20 years ago. But it was tragic in many of its aspects.

There has been the task of rebuilding the village. There has been a job of rehabilitating and, in fact, reconstructing the abbey itself. But the cemetery which is the last resting place of 4,085 members of the Polish contingency that fought on the side of the allies on that occasion lies quite abandoned and neglected. A memorial has been constructed at the site, but it is in a sad state of disrepair. It does not reflect any great credit upon the feeling of appreciation for the sacrificial acts that were performed there.

Obviously the present Government of Poland will have no part of it and will do nothing in the circumstances. There is no longer a Polish Government in exile in London; and if anything is to be done, it will have to be done by a method something like that which has been proposed by the Senator from Michigan in the amendment, and which the Senator from Nebraska supports. As I understand, the amendment would merely authorize the appropriation of funds. It would employ the use of counterpart funds wherever they are available and any such unexpended balance that there may be for this purpose. I urge Senators to adopt the amendment.

Mr. HART. Mr. President, I appreciate the support of the Senator from Nebraska.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. HART. I yield.

Mr. COOPER. I did not hear the explanation of the Senator from Michigan. Will he repeat his explanation?

Mr. HART. Very briefly, the amendment would authorize the President, when counterpart funds are available—and it would require a specific further appropriation action—to rehabilitate and thereafter maintain the cemetery in Italy in which are buried about 4,000 Polish soldiers who fought with the 2d Polish Army at Monte Cassino. Today, tragically, the cemetery is in terrible disrepair. It affronts anyone sensitive to the values that persuaded those men to make that sacrifice.

We in America could here make a significant gesture to the people of Poland and elsewhere in Eastern Europe, demonstrating our continuing realization that the aspirations which were theirs then and which we shared then continue to be shared. We think this is a tangible method to demonstrate that concern.

Mr. COOPER. I thought the Senator might have also been referring to the cemetery at Arnhiem, where lie a number of Polish paratroopers who also gave their lives in their devotion to the allied cause.

Mr. HART. Mr. President, I yield to the Senator from Maine [Mr. MUSKIE], but first I ask unanimous consent that his name be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MUSKIE. Mr. President, I thought it might be appropriate at this point to give the Senate some description of the Polish graves in Italy as contained in Mr. Deutschman's article. I quote as follows:

> A few hundreds yards below the abbey is a small sign saying: "Polish Cemetery." The Free Poles were the ones who finally stormed and captured the remains of the abbey, and you walk for about a half mile past a jangly-belled donkey, two cows feeding in the bushes, and two gypsylike peasant women who hardly glance at you, to what is undoubtedly the most heartbreaking sight of your trip.
>
> A graveled path leads up to a simple stone pillar with a cross on top. A growth of mimosa trees forms an impressive cross of greenery beside an altar, flanked by two Polish eagles, with 10 coats of arms on its front. Below is a plot of perhaps 500 graves. But there is no caretaker here, and the altar has sightseers' names scratched on it (happily, no American ones). The graves are literally falling away into the earth. The crosses and flat stones are of inferior marble, and some in half; others have been eaten away by the weather so that you can barely make out the names engraved on them. Most of the men, you notice, died on May 12, 1944. Two of the crosses have faded bits of colored ribbon hanging from them, undoubtedly signifying medals. The gate has a pair of brave stone eagles on either flank, but they are corroded with holes. Underneath, there is a flame—like the Eternal Flame at Arlington or under the Arch of Triumph in Paris—but it is unlit, and there are three weatherworn wreaths alongside. You cannot help but contrast this Polish memorial with all others you have seen—and realize that there is inequality even in death.

I should like to point out, as the Senator from Michigan has so well pointed out, that these are graves of men who fought for freedom in World War II, the men we cheered from the sidelines in America, for long months and years. They did not achieve their goal, but they died for it, and it seems to me we owe an obligation to honor them at the place where they fought and where they lie dead on Italian soil.

Mr. HART. I echo the eloquent plea made by the Senator from Maine.

Mr. President, I also ask unanimous consent to add as an additional cosponsor the name of the Senator from Wisconsin [Mr. PROXMIRE].

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HART. Mr. President, I am also delighted to ask unanimous consent that the Senator presiding in the chair at the moment, the Senator from Hawaii [Mr. INOUYE], may be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PELL. Mr. President, will the Senator yield?

Mr. HART. I yield to the Senator from Rhode Island.

Mr. PELL. It is my recollection that the Poles who were fighting at Monte Casino were under British command. Have the British, under whose command the Poles were fighting, been contacted with respect to the responsibility of looking after the graves?

Mr. HART. It is true, as the Senator has said, that the British Army was in command and that the Poles took their general field direction from them.

As to the specific question addressed to me, I must confess I have no knowledge of it. I do not know whether the British Government would care to cooperate in the undertaking or not. I would feel that we clearly could rehabilitate these graves, and not condition our action upon the participation by any other people, although it would be surely welcome if the British Government expressed a similar desire.

Mr. PELL. Mr. President, will the Senator yield further?

Mr. HART. I yield.

Mr. PELL. Does the Senator have knowledge of any other graves honoring allies or co-belligerents of ours that we currently take care of now?

Mr. HART. I do not know whether there is a comparable cemetery or not.

Mr. PELL. Otherwise, would it not be establishing a precedent as to future wars and in connection with past wars?

Mr. HART. If this is indeed a precedent, I think the compelling reasons for doing this as a first step are sufficient unto themselves and would indeed persuade us to act similarly in the future—pray God we shall not have another war—for those who fought and died for us and who were dishonored in that place of rest. I would pray that in the future there will be no similar need. We all hope there will be no such necessity. Indeed, we are told, if there is a war on a massive scale there will not be enough people left to dig graves for the dead.

Mr. PELL. I think it will be found that in the Far East and Eastern Europe there are many graves of those who fought for our cause or our side of the war which are in bad condition indeed.

Mr. HART. If that is the case, I would suggest that our own Battle Monuments Commission inventory and report on them. I for one would feel very uncomfortable if this situation were found to exist, and would indeed urge that it be corrected.

Mr. BEALL. Mr. President, will the Senator yield?

Mr. HART. I yield.

Mr. BEALL. Is it the Senator's intention to ask for the yeas and nays on this amendment?

Mr. HART. No; we are content to accept the sound judgment of Senators present on the floor.

Mr. BEALL. Mr. President, I wonder if the Senator would allow me to become a cosponsor?

Mr. HART. I would be delighted.

Mr. BEALL. I ask to join the amendment as a cosponsor, and I also ask that same permission in behalf of the Senator from Pennsylvania [Mr. SCOTT].

Mr. HART. Mr. President, I ask unanimous consent that the names of the Senators from Maryland [Mr. BEALL] and Pennsylvania [Mr. SCOTT] be added as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LAUSCHE. Mr. President, I desire to offer my support of the amendment offered by the Senator from Michigan, and I ask unanimous consent to have my name added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LAUSCHE. Mr. President, I cannot help but recalling that when Poland fell, 200,000 Poles left Poland as the remnants of the government of that nation. Most of them went to England and there awaited assignment to the various battlefields of the world. As the war continued we found the Poles fighting not only in Africa, Italy, and France, but everywhere where the cause of freedom was being defended. The Poles were friends of the West. They were not Communists. They, in a measure, subsequently became the victims of the perfidy of Red Russia when, through the air waves, Red Russia called upon the Poles to revolt under Nazi domination in the belief that Red Russia would come to their aid.

Today, Poland is ruled by Communists. The friends of the West are not loved by the Communist government. The Polish people, however, are on our side. I venture to say that in behalf of the 4,000 Poles who lie asleep at the cemetery near Monte Cassino, the bells of Poland do not toll in memory. Prayer in public cannot be said in their behalf. Wreaths of flowers cannot be placed upon the graves of those patriots by the Polish people. Prayers and the ritual of mass cannot be said in their memory in Poland. If there is to be an honoring of these patriots of the West, it will not come through the words of the Communist government. It may come someday when freedom is restored in Poland.

While we await that day, knowing what these volunteers of Poland did, it is only proper that our government honor these graves. Those heroes did not run. They stood fast, ready to be assigned wherever the West would send them. The consequence is that the lives of the Poles were given in practically every important battle in which we were engaged. It is nothing more than a tender token of the sympathy of the American people to honor those graves and to let the Polish people know that while the Communist government of Poland will not do the job, we of the United States will.

I commend the Senator from Michigan.

Mr. HART. I appreciate what the Senator has said. I hope the Senate will adopt the amendment.

Mr. FULBRIGHT. Mr. President, the provision was contained in the House version. The Senate committee struck it out, because in our opinion, there was no testimony to justify such a provision. These Poles were not members of the United States Armed Forces. They were primarily members of the British forces. They were not American soldiers, in other words.

I also point out that no excess lire are available. It would be necessary to appropriate the money from the Treasury to implement this provision. As much sympathy as I have for the Poles, soldiers of many nationalities fought in our armies, in the British Army, and in other foreign armies of the West in various wars, for whom we could do the same thing that is suggested we do for the Poles.

This would be an unprecedented action. I can think of no case in which we have made an appropriation of Federal funds to care for cemeteries of nationals of other countries who have been engaged in battles in which we had an interest.

I presume we could find, if we looked over the world, many instances in which nationals of other countries have fallen in battles in which we were interested; but in no case, to my knowledge, would we find our Government undertaking either to build or care for or maintain cemeteries for nationals of other countries.

Finally, the question will be in conference with the House, and it could be more amply discussed and perhaps resolved at that time. For the moment, the committee voted to eliminate the provision. I hope the Senate will support the committee in this respect.

Mr. KEATING. Mr. President, I wish to express my commendation for our colleague from Michigan [Mr. HART] for raising this important issue, and to tell him that I support the amendment completely. With his permission, I should be delighted to be a cosponsor of the amendment.

Mr. HART. I ask unanimous consent that the Senator's name may be added to the amendment as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KEATING. While I realize that the matter will be in conference even if we do not take action here, my experience with this kind of proposal for conference committee consideration has not been a happy one. I remember several instances when amendments were accepted and taken to conference, and that was the last we ever heard of them.

Without in any way challenging the good faith of the distinguished chairman of the Foreign Relations Committee, or his statement that the question would be considered in conference, as I understand, all that is involved is the use of foreign currencies that accrue to our Government. While the currencies may not be available in Italy, they are available in a number of other countries and possibly could be transferred.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. KEATING. I yield.

Mr. FULBRIGHT. That is not relevant. It is not possible to use rupees in Italy for example.

Mr. KEATING. But it is possible to use rupees if the authorization to use rupees is there.

Mr. FULBRIGHT. In Italy?

Mr. KEATING. Members of Congress traveling abroad are given counterpart funds. Through an arrangement with the State Department, the Department makes available counterpart funds for use by Members of Congress in countries that do not have counterpart funds. I believe that the Polish soldiers who fought side by side with us are just as worthy of consideration in the use of these counterpart funds as is any Member of Congress.

Mr. FULBRIGHT. I do not argue against the Senator's feeling in the matter. He may be right. However, the so-called counterpart funds are not counterpart in the sense that they were originally intended to be. When the Senator goes to Italy and is given lire that is exactly the same as giving him dollars. It costs the same amount. The Government has to buy lire. It is not possible to use rupees.

Mr. KEATING. The amendment would only authorize the use of foreign currencies for assistance in Italy.

Mr. FULBRIGHT. But it must be lire.

Mr. KEATING. Of course, it must be lire that are spent. My point is that if it is a worthy purpose, it should be done. It may be that lire will develop in the future before we need to use this fund, through sales of surplus foods, for instance. I recognize they are not there today. In the case of traveling Members of Congress, an arrangement is made whereby the currency of a country which has no counterpart funds is made available to a traveling Member of Congress through an arrangement made with some country which has counterpart funds. This is as worthy a case as that of any Member of Congress traveling in Europe.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. KEATING. I yield.

Mr. FULBRIGHT. The administration does not do what the Senator says it does out of the goodness of its heart. Congress requires it to do so. If the Senator wishes to sponsor an amendment to the effect that no Member of Congress may have the use of these counterpart funds, I might support him. The administration does it because Congress says it must do it, because Congress requires the administration to do it.

Mr. KEATING. I recognize that it is authorized to be done, just as this action would be authorized to be done, if the amendment were adopted. My point is that this is as worthy a cause as that of a traveling Member of Congress.

Mr. FULBRIGHT. That might be.

Mr. KEATING. The amendment is in line with a legislative proposal which I have made, for veterans benefits to be paid to veterans of the Free Polish Army and other armies which fought side by side with us during World War II for the same objective. They, too, deserve veterans benefits to help them and their families pay for medical bills or other expenses which derive directly or indirectly from their years of fighting for the cause of freedom.

The amount involved is not large. It would serve as a tribute to the heroes of Polish ancestry who died, as our boys died, in Italy during World War II. The relatives of many of them now live in this country.

The very least we can do is to provide a suitable burial place for members of the Polish Army who died in the battles of Monte Cassino and the Allied landings in Italy. If our own soldiers were here to speak today, they would welcome this meritorious amendment.

Again, I commend the distinguished Senator from Michigan for bringing it to our attention. I believe it should have overwhelming support.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Michigan [Mr. HART].

Mr. MANSFIELD. Mr. President, on this amendment, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from North Dakota [Mr. BURDICK], the Senator from Tennessee [Mr. GORE], the Senator from Washington [Mr. JACKSON], the Senator from Louisiana [Mr. LONG], the Senator from Utah [Mr. MOSS], the Senator from Ohio [Mr. YOUNG], the Senator from Virginia [Mr. BYRD], and the Senator from Virginia [Mr. ROBERTSON] are absent on official business.

I also announce that the Senator from New Mexico [Mr. ANDERSON] and the Senator from Massachusetts [Mr. KENNEDY] are absent because of illness.

I further announce that the Senator from Nevada [Mr. CANNON], the Senator from Oklahoma [Mr. EDMONDSON], the Senator from Pennsylvania [Mr. CLARK], and the Senator from New Jersey [Mr. WILLIAMS] are necessarily absent.

I further announce that, if present and voting, the Senator from New Jersey [Mr. WILLIAMS], the Senator from Ohio [Mr. YOUNG], and the Senator from Pennsylvania [Mr. CLARK] would each vote "yea."

On this vote, the Senator from Washington [Mr. JACKSON] is paired with the the Senator from Louisiana [Mr. LONG].

If present and voting, the Senator from Louisiana would vote "nay" and the Senator from Washington would vote "yea."

Mr. CARLSON. I announce that the Senator from Kansas [Mr. PEARSON] and the Senator from Pennsylvania [Mr. SCOTT] are necessarily absent.

The Senator from New York [Mr. JAVITS] is absent on official business.

The Senator from Arizona [Mr. GOLDWATER] is detained on official business.

If present and voting, the Senator from Arizona [Mr. GOLDWATER], the Senator from New York [Mr. JAVITS], the Senator from Kansas [Mr. PEARSON], and the Senator from Pennsylvania [Mr. Scott] would each vote "yea."

The Senator from Illinois [Mr. Dirksen], the Senator from Iowa [Mr. Hickenlooper], the Senator from California [Mr. Kuchel], and the Senator from Massachusetts [Mr. Saltonstall] are detained on official business at the White House.

The result was announced—yeas 60, nays 18, as follows:

[No. 528 Leg.]

YEAS—60

Allott
Bartlett
Bayh
Beall
Bennett
Bible
Boggs
Brewster
Byrd, W. Va.
Carlson
Case
Church
Cooper
Cotton
Curtis
Dodd
Dominick
Douglas
Eastland
Fong
Gruening
Hart
Hartke
Holland
Hruska
Humphrey
Inouye
Jordan, Idaho
Keating
Lausche
Long, Mo.
McCarthy
McGee
McGovern
McIntyre
McNamara
Mechem
Metcalf
Miller
Monroney
Morton
Mundt
Muskie
Nelson
Neuberger
Pastore
Prouty
Proxmire
Randolph
Ribicoff
Salinger
Stennis
Symington
Talmadge
Thurmond
Tower
Walters
Williams, Del.
Yarborough
Young, N. Dak.

NAYS—18

Aiken
Ellender
Ervin
Fulbright
Hayden
Hill
Johnston
Jordan, N.C.
Magnuson
Mansfield
McClellan
Morse
Pell
Russell
Simpson
Smathers
Smith
Sparkman

NOT VOTING—22

Anderson
Burdick
Byrd, Va.
Cannon
Clark
Dirksen
Edmondson
Goldwater
Gore
Hickenlooper
Jackson
Javits
Kennedy
Kuchel
Long, La.
Moss
Pearson
Robertson
Saltonstall
Scott
Williams, N.J.
Young, Ohio

So Mr. Hart's amendment was agreed to.

Mr. HART. Mr. President, I move that the vote by which the amendment was agreed to be reconsidered.

Mr. KEATING. Mr. President, I move that the motion to reconsider be laid on the table.

The motion to lay on the table was agreed to.

Mr. MORSE. Mr. President, I wish to make a statement in explanation of my vote against the Hart amendment, which amendment was just adopted by the Senate. I was called from the Chamber when the chairman of the Foreign Relations Committee [Mr. Fulbright] made his statement in regard to this particular amendment.

I had planned to vote for the amendment. I believe that we should do what we can to provide appropriate care for the graves of Polish veterans of World War II in Italy.

Inasmuch as I was absent from the Chamber, and did not get back until the vote had started, I therefore could not ask any questions.

I was advised that the chairman of the Foreign Relations Committee had said that there are no excess funds in Italy.

I hold his statement in my hand, in which he states, in part:

> First, no testimony was presented during the hearing phase which would have clarified the arguments for this proposal and its further implications; second, the foreign currencies referred to obviously would be Italian lire, which are not in "excess" supply. In connection with the second point, a successful effort to implement this authority could take place only if dollars were appropriated with which to buy lire.

While the vote was being taken, I asked certain questions of my colleagues on the Committee on Foreign Relations. They said there are not any excess Italian funds, that we do not have a storage supply of Italian so-called counterpart funds, as we have with so many other countries of the world. Therefore I decided that I could not vote for what I considered to be an empty gesture.

It is my own personal opinion that my constituents are entitled to know my reasons for the vote. I could not vote for an amendment, although I am for the purpose of the amendment, when at the time of the vote I was voting funds which were nonexistent.

I believe that raises false hopes. If they state in the bill that they wish to make an appropriation to pay for perpetual care for Polish graves in a cemetery in Italy, I believe I would support that bill.

I voted against this because in my judgment I thought it was asking me to vote for something when, in fact, the funds that are supposed to be used to accomplish the purpose are nonexistent. The Senator from Oregon does not hold for that kind of legislation.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, communicated to the Senate the intelligence of the death of Hon. John B. Bennett, late a Representative from the State of Michigan, and transmitted the resolutions of the House thereon.

DEATH OF JOHN B. BENNETT, A REPRESENTATIVE FROM THE STATE OF MICHIGAN

Mr. HART. Mr. President, we have just been advised of the death of the senior member of the Michigan delegation, Representative John B. Bennett.

I am sure that there will be time for those of us who knew him well to express more fully and adequately our deep regret at his passing.

While I am in the Chamber, I assure the family of Representative Bennett of the great sense of loss that each Senator feels. Whatever political differences there may have been, in everything that Representative Bennett did, he always sought to do that which would advance the best interests of his country.

The PRESIDING OFFICER. The Chair lays before the Senate a resolution from the House of Representatives, which the clerk will read.

The Chief Clerk read as follows:

> *Resolved*, That the House has heard with profound sorrow of the death of the Honorable John B. Bennett, a Representative from the State of Michigan.
>
> *Resolved*, That a committee of fifty-four Members of the House, with such Members of the Senate as may be joined, be appointed to attend the funeral.
>
> *Resolved*, That the Sergeant at Arms of the House be authorized and directed to take such steps as may be necessary for carrying out the provisions of these resolutions and that the necessary expenses in connection therewith be paid out of the contingent fund of the House.
>
> *Resolved*, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.
>
> *Resolved*, That as a further mark of respect, the House do now adjourn.

Mr. HART. Mr. President, I send to the desk a resolution and ask that it be stated.

The PRESIDING OFFICER. The clerk will state the resolution submitted by the Senator from Michigan.

The Chief Clerk read the resolution (S. Res. 349) submitted for himself and Mr. McNamara, as follows:

> *Resolved*, That the Senate has heard with profound sorrow the announcement of the death of Hon. John B. Bennett, late a Representative from the State of Michigan.
>
> *Resolved*, That a committee of two Senators be appointed by the Presiding Officer to join the committee appointed on the part of the House of Representatives to attend the funeral of the deceased Representative.
>
> *Resolved*, That the Secretary communicate these resolutions to the House of Representatives and transmit an enrolled copy thereof to the family of the deceased.

The resolution was considered by unanimous consent, and unanimously agreed to.

The PRESIDING OFFICER. The Chair appoints the two Senators from Michigan [Mr. McNamara and Mr. Hart] to accompany the committee from the House to attend the funeral of the late Representative Bennett.

AMENDMENT OF FOREIGN ASSISTANCE ACT OF 1961

The Senate resumed the consideration of the bill (H.R. 11380) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

Mr. PROXMIRE. Mr. President, I call up my amendment No. 1207 and ask unanimous consent that the amendment be not read, but printed in the Record at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PROXMIRE. Mr. President, I have modified my amendment on page 2, line 2, following the word "affiliates," deleting the remaining language on line 2.

The PRESIDING OFFICER. The Senator has the right to modify his amendment.

The amendment, as modified, was ordered to be printed in the Record, as follows:

> On page 10, between lines 12 and 13, insert the following:
>
> "(b) Amend section 604(b), which relates to maximum prices for commodities procured under the Act, by inserting '(1)' after the word 'than' and by striking out the period at the end thereof and inserting in lieu thereof a comma and the following: 'or (2) in the case of petroleum or petroleum products, the price generally charged by the supplier in comparable export sales from the source country at the time of purchase. Clause (2) of the foregoing sentence shall

not apply to the purchase price in sales under formal competitive bid procedures. The term "comparable export sales" as used in such clause shall not include sales to affiliates.' "

"(b) Amend section 604, which relates to procurement, by adding the following new subsection (e):

" '(e) None of the funds made available under this Act shall be used to pay any barter agent's commission or other servicing charges or disposal fees in any case in which commodities or defense articles furnished to a recipient country are procured through the barter of other commodities or articles, and any such commission, charge, or fee shall be paid by the supplier of the commodities or defense articles so furnished or the recipient country.' "

Redesignate subsections (b) to (f) as (c) to (g), respectively.

Mr. PROXMIRE. Mr. President, AID is consistently paying prices for oil which are far in excess of existing market prices. My amendment would require AID or recipient countries using AID funds to purchase oil at competitive market prices rather than artificially higher prices.

NO QUESTION OF BUY AMERICA

These amendments do not involve the so-called buy America policy. The question of where products are purchased, or the ownership of the companies from which products are purchased, is not raised. The only purpose of my amendments are to see that, wherever or from whomever are bought, we receive the maximum value for the expenditure.

What's wrong with that? Who can object to insuring that we get value received for our money? Certainly not the countries receiving aid, since they will receive the same amount of final goods whether high prices or low prices are paid.

The purpose of foreign aid is not to provide dollars but to provide physical goods that can be actually used in the recipient country.

In effect, they provide AID with more real assistance at no cost to the taxpayer since the Agency will be able to purchase more products with the same amount of funds. The first part of my amendment, moreover, is based verbatim on a proposed regulation issued by the Agency. The reason I am proposing my amendment is simply that AID has not seen fit to issue the regulation in final form and I believe a matter of this importance should be in law rather than in regulation.

THE PRICES PAID BY AID

For the past decade, AID petroleum procurements have amounted to over $100 million a year. Virtually all of these purchases, incidentally, have been from oversea sources and over 50 percent from foreign-owned companies. Thus, there has been a major drain on our balance of payments from these purchases alone.

Now, at what prices was this oil purchased? About 2 percent of the purchases were for lubes and greases. These were purchased from U.S. firms, from independent producers, and at competitive prices. All the rest—98 percent or more than $100 million—was purchased from seven international companies and all was purchased at posted prices which are 20 to 35 percent over world prices. That means $20 to $35 million of American taxpayers' money spent wastefully.

How can such artificial prices be established? The seven international companies have affiliated operations throughout the world. The companies can set virtually any prices they wish on the in-the-house transactions among their own affiliates. Their normal policy is to establish artificially high prices in the producing countries so that profits can be retained in these countries where taxes are low.

To make that as clear as I can, where taxes are low in a producing country of one of the seven companies, the company sets artificially high prices—20, 30, or even 40 percent higher than competitive market prices. No one except AID and the affiliates of the company will pay those prices. The affiliate pays the price because the profit would go into the same overall holding company. And if taxes are lower in the producing country the overall taxes of the corporation would be less and profits higher. It makes sense for the corporation to handle its bookkeeping in this profitmaking way. But it makes no sense for AID to pay a price that is higher and in most cases much higher than the world price.

Aside from affiliates, virtually no one pays these posted prices except AID or countries receiving AID funds. In these cases, AID essentially insists upon purchases at posted prices. The result of this policy is either that countries which we judge require oil obtain 20 to 30 percent less than they need or the U.S. taxpayers pays 20 to 30 percent more than is necessary so that seven international oil companies can benefit.

What is the justification given by AID for such a policy? The only answer is that these are the "normal channels of trade." Yet they obviously are not. What private firm would pay a high price for a product when it can be obtained at a lower price? Competitive world prices exist and are used by private buyers. Our own Defense Department also consistently pays competitive world prices and refuses to pay posted prices at present and it works effectively. Clearly, AID should indicate to countries receiving aid that they should buy at the lowest prices available. This procedure is exactly what my first amendment would require.

BROKER COSTS PAID BY AID

There are other examples of how AID purchases at excessively high prices. One of the ways in which petroleum products are purchased by foreign countries with AID funds is through barter. Thus, funds are provided which are used to purchase agricultural surpluses which are in turn exchanged for other commodities, such as oil and gas. These transactions still involve posted prices and therefore a loss to the American taxpayer. In one case alone, in 6 months, barter arrangements with the Government of Tunisia cost an additional $4 million because posted prices rather than competitive prices were used.

But even more is involved. According to rules issued in connection with these barter arrangements, "No barter agent's commission may be paid by the suppliers of petroleum products." This is an incredible provision for the benefit of one industry. Suppliers of all products customarily pay the servicing charges and disposal fees associated with their sales. These are normal costs to a seller of selling his products. Why should the normal business procedures be completely overturned by a Government order leading to additional Federal expenditures for the benefit of one industry?

From July 1, 1949, through March 31, 1963, over $1½ billion of barter transactions were consummated all without the Commodity Credit Corporation subsidizing the barter contractor in the form of a "disposal fee" payment.

It was not until August of 1963 that procedures of this type were set up within the framework of the barter regulations, and the general recommendations from Agriculture at that time indicated that these subsidies should be paid only if absolutely necessary.

There have only been about $200 million worth of barter contracts from August 1963 until now that could have been incorporated under these new regulations.

When AID finances barter transactions involving oil, AID insists the oil suppliers should not pay brokerage or selling cost ranging from 2½ percent to 3 percent gross. This means the taxpayer pays the broker's fee.

PAYMENTS OF COSTS IN EXTREME CASES

For example, a foreign country such as Turkey obtains AID funds for the purchase of agricultural products. Turkey trades these agricultural goods with a foreign-owned oil company such as Royal Dutch Shell and AID will pay the brokerage fees. This has actually happened on several occasions.

This peculiar treatment has obviously set a precedent. Other producers will now be coming to AID and asking for the same type of "service" that the Agency is providing to oil companies. If we do not stop this practice now, the first thing we know AID may pay other operating costs of companies—domestic and foreign—which sell products to foreign governments. Do we really want such a policy? I think not. The other part of my amendment simply requires that AID not pay these business costs.

A July 1963 article in Petroleum Intelligence Weekly reports that:

> Whatever price "stability or rigidity" may have existed in international oil is a thing of the past.

As a result of rapidly changing conditions in the last 5 years, says Howard W. Page, Standard Oil of New Jersey director and vice president.

Page made this comment in challenging a university professor's description of the international oil industry as an oligopoly. Their remarks were made at a meeting of the Princeton University conference, the proceedings of which were made public by Princeton this weekend.

Page cited these examples of competition today: "Actual" sales prices for Persian Gulf crude have fallen 45 cents a barrel for the heaviest grades to "as much as 65 cents" for the lightest crudes since the 1957-58 peak. Page observed:

> In considering crude oil prices, it is important to distinguish clearly between posted prices and actual prices. Posted prices are used to determine government revenue in middle Europe. There is sometimes a tendency to equate posted prices with the actual market. Unfortunately, this is no longer the case, and rigidity in posted prices should not be taken to imply rigidity in actual prices for crude oil and in realization from the ultimate sale of products.

In a December 1963 article in Petroleum Intelligence, it is reported that:

> The indicated discount (i.e., from posted to actual) on the Texaco sale (to the Tunisian Government); an eye-opening discount of 37 to 42 cents a barrel. (At the approximate time, the posted price was $1.80.) And also that a discount to Morocco by Texaco of 47 cents a barrel, when the posted price was $2.17.

In these cases the buyers were other governments. They were not using AID funds. What did they pay? Not posted prices, but competitive prices.

SUMMARY

Mr. President, I wish in conclusion to indicate exactly the types of abuses that I am concerned about in our AID program and the types of changes that will be made by my amendments.

First. AID is paying rigged prices for oil that are far above, sometimes 20 to 35 percent above, the prices that any business would pay for the same products. This is because AID, and it alone, is willing to pay prices that are set by companies simply for their own in-the-house transactions that have no relationship to the marketplace.

Second. The first part of my amendment would simply require AID to buy oil at market prices established in competitive markets. Such competitive procedures would permit independent producers to bid on these sales and obtain the type of competitive markets for which the United States should be known. This first amendment follows the line of a proposed regulation by AID which the agency has never seen fit to make final.

Third. In some cases, AID is obligating our Government to pay broker's fees for oil which sellers normally pay and which are already included in the prices charged to AID.

Fourth. The second part of my amendment simply makes it clear that our Government should not pay these brokerage fees. In this way, we will eliminate a precedent by which all sellers to AID could insist upon payment of some of their costs. At present, we are even paying these costs in some cases where the United States is not even a participant in the transactions.

Fifth. Mr. President, the United States has been known for its freely competitive marketplace. For the one agency that deals most with foreign nations, it would seem sensible that, as my amendments provide, our Government operate as a prudent trader in the marketplace and pay only prices established by competitive practices.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. SPARKMAN. Mr. President, this amendment has been discussed with the Senator from Wisconsin [Mr. PROXMIRE], and with the chairman of the committee [Mr. FULBRIGHT]. It is my understanding that the Senator from Arkansas expressed a willingness to accept the amendment.

Mr. PROXMIRE. Mr. President, I thank the distinguished Senator. I press my amendment to a vote.

The PRESIDING OFFICER (Mr. WALTERS in the chair). The question is on agreeing to the amendment, as modified, offered by the Senator from Wisconsin [Mr. PROXMIRE].

The amendment, as modified, was, agreed to.

Mr. SPARKMAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SPARKMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MILLER. Mr. President, I call up my amendment No. 1183 and ask that it be stated.

The PRESIDING OFFICER. The amendment of the Senator from Iowa will be stated.

The CHIEF CLERK. On page 12, line 23, it is proposed to add the following new subsection:

> (g) In order to encourage preservation of the financial solvency of the United Nations which is being threatened by the failure of some member nations to pay currently their assessments and/or contributions to the United Nations, no assistance shall be furnished under the provisions of this Act, to the government of any nation which is more than one year in arrears in its payment of any assessment by the United Nations for its regular budget or for peace and security operations, unless a report is first furnished by the President to the Committee on Foreign Relations of the Senate and to the Speaker of the House of Representatives setting forth his determination that such assistance should nevertheless be furnished, accompanied by the reasons for such determination, including the assurance, if any, given by the government concerned of paying (independently of such assistance) all such arrearages and placing its payments of such assessments on a current basis, or an explanation of the unusual and exceptional circumstances which make it economically incapable of giving such assurance.

Mr. MILLER. Mr. President, the cold war demands on the world make it imperative that we reorient our foreign aid policies. It should be impressed upon various countries that they must do their share in making this world a better place in which to live.

The United Nations, a world organization designed to bring the peoples of the world closer together, has actually in some ways, drawn us farther apart.

One reason for this is that some nations treat the organization as merely a global forum to air their interests. They want that forum, in fact, need that forum, but they do not concern themselves with maintaining it. They have adopted as their motto—"let Uncle Sam do it." But they are the first to spring to the forefront in theatrical breast-beating if the United States does something which displeases them.

The United States must be put on record that it is displeased with the attitude of those nations which derive the benefits but ignore their share of the costs of operating the United Nations.

This is the purpose of my amendment. It would deny to those nations more than 1 year in arrears on their U.N. dues and assessments the opportuntity to receive our foreign aid. We would be saying to them, "Either do your fair share to support the United Nations or that share of our taxpayer's dollar which was scheduled for you will go elsewhere to those nations which are concerned with the welfare of the world, as expressed through their support of the United Nations."

My amendment would encourage the preservation of the financial solvency of the United Nations. Its very existence is being threatened by the failure of many nations to pay their just dues and assessments—all scaled, I might add, on the basis of relative ability.

Efforts have been and are being made to submerge the degree and extent of irresponsibility of these delinquent countries. Such is the result, if not the purpose, behind the recent change by the U.N. Secretariat in its method of reporting on arrearages. Instead of listing delinquencies on a year-by-year basis, they are now being lumped together. So, unless one is willing to make a detailed examination of previous reports—December 31, 1963, and before—it is difficult to ascertain how long and how much each country is in arrears for particular years. Not too many newsmen have the time to make a country-by-country analysis of the arrearages.

One State Department official said, when queried as to the reasons behind this change, "It is a face-saving device, making it difficult to find out who pays precisely what."

But the financial crisis of the United Nations cannot be hidden. One cannot ignore the fact that total United Nations arrearages, as of June 30, 1964, came to a staggering total of $123 million.

And 51 nations which received assistance, in one form or another, from the United States in fiscal year 1963 cannot avoid their responsibility for creating this situation. Some are delinquent for the year 1963 only, but 41 nations have dues and assessments outstanding not only for 1963 but for 1962, and in many cases, before.

These 41 are the countries which would be, and should be, affected by my amendment.

These are the countries which received more than $1,600 million in aid from the United States in fiscal year 1963.

These are the countries which are behind close to $48 million in United Nations dues and assessments for all years.

These are the countries which owe close to $38 million in unpaid dues for the years 1962 and before.

These are the nations whose receipts from our foreign aid in 1 year alone totaled many times the amount of their delinquencies in the United Nations.

My amendment provides that no assistance shall be furnished under the provisions of this act to the government of any nation which is more than 1 year in arrears in its payment of any assessment of the United Nations for its regular budget or for peacekeeping and security operations.

However, the President is given authority to make exceptions.

If he provides a report to the Committee on Foreign Relations of the Senate and to the Speaker of the House of Representatives, setting forth his determination that such foreign aid should nevertheless be furnished—accompanied by specific reasons—the delinquent nation can receive our aid.

The President's report must also indicate what assurances have been given by the recipient government of paying all its arrearages and placing its payments on a current basis, or set forth a statement of the unusual and exceptional circumstances which make it economically incapable of giving such assurance.

I believe my amendment, if included as a part of this bill, would result in many countries becoming more aware of the necessity for preserving the financial integrity of the United Nations.

If it is necessary to give these nations some shock treatment, it must be done. It is only fair to our taxpayers, who are paying for foreign aid, to do so. And if we do not do it, we may awaken one day and find that the peace of the world, as reflected in the United Nations, is no more, because the United Nations has gone out of existence due to financial bankruptcy.

On each Senator's desk are some statistics which I believe have a timely bearing on this amendment. The first table lists 52 countries to which we have furnished assistance from fiscal year 1946 through fiscal year 1963, which are delinquent in one or more other assessments by the United Nations.

Of these 52 countries, 51 actually received some type of assistance from the United States in fiscal year 1963. Moreover, of these 51, 41 would be affected by my amendment, inasmuch as the 41 countries are more than 1 year delinquent.

The sources set forth are from the United Nations Secretariat.

On the next chart is a breakdown of the types of delinquency that exist in the United Nations. For example, 26 nations are delinquent in their regular dues. Of those 26, 25 are currently receiving assistance from the United States.

I point out that, of the 26, only Cuba, which is delinquent in its dues account, is not receiving financial assistance from the United States.

Then there is the group that is delinquent in its assessments with respect to the emergency budget. There are 44 of those countries. Of those 44, 43—Cuba being the only exception—are still receiving assistance under our foreign aid programs.

Then there is the Congo ad hoc assessment account. All 52 of the delinquent nations have received assistance from the United States since 1946; 51 are still receiving such assistance, here again Cuba being the only one which is not.

Now for some examples of the delinquencies shown on the next chart. For example, during 1963, Argentina received foreign aid from the United States totaling $156,500,000. Nevertheless, Argentina could not bring itself to pay $2,482,878 in back dues and assessments to the United Nations.

I have set forth the delinquencies by the year, not only in the regular budget, but in the emergency force.

It may be noted that the delinquency of Argentina with reference to the emergency force goes back to 1957. I have not attempted to show how much foreign aid has been received from this country during all those years. I merely point out what Argentina received during fiscal 1963 to show the grotesque amount of foreign aid—$156,500,000—compared to the relatively small amount of the arrearages of $2,482,878.

One wonders why Argentina could not bring itself to pay these arrearages, particularly in light of the great amount of our foreign aid to her in 1 year alone.

Yugoslavia is another example. During 1963 Yugoslavia received $113,500,000 in foreign aid from the United States. Its total arrearages came to only $301,453. Still, Yugoslavia cannot bring itself to pay its back dues and assessments to the United Nations.

There are other examples.

For example, Poland, during fiscal year 1963, received $10,800,000 in foreign aid from the United States. Her total arrearages to the United Nations were $3,665,000.

France is another example. During 1963 France received over $30 million in foreign aid from the United States. Its total arrearages were $16,143,000.

In fiscal year 1963, Costa Rica received $15,500,000 in foreign aid from the United States. Its total arrearages, which it refuses to pay, amount to almost $29,000—a small fraction of the total amount of foreign aid.

The Dominican Republic is another. In fiscal year 1963 she received in foreign aid $51,700,000. Yet its total arrearages of $99,000 could not be paid—or, at least, I should say, would not be paid.

There are others—Bolivia, Chile, Jordan, Somalia.

All these are examples of countries which receive a great amount of foreign aid from the United States in 1 year alone, compared with the relatively small amount of U.N. dues and assessments. They have received assistance from the United States since 1946. Nevertheless, they refuse to pay dues and assessments.

There are some examples of nations which have been receiving our foreign aid, and which, at the same time, are practicing fiscal integrity so far as the United States is concerned.

For example, Colombia in fiscal year 1963 received $134,900,000 from the United States, and it is current in its payment of dues and assessments.

Israel received $78,900,000. It, also, is current in its payments of dues and assessments. One wonders what Israel's reaction is to the fact that Chile received $99 million in foreign aid, as against Israel's $78 million, but that Israel is current in its payments and Chile is considerably behind in its payments, when Chile's arrearages amount to only a fraction of the total of $6 billion aid that it has received from this country.

Liberia, Nigeria, Tunisia, and the Ivory Coast are other outstanding examples of nations which have been receiving our foreign aid and at the same time have been practicing fiscal responsibility by paying their dues and assessments on time to the United Nations.

Mr. President, I ask unanimous consent that the various charts and statistics to which I have been referring be placed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Fifty-two countries to which we have furnished assistance from fiscal year 1946 through fiscal year 1963 are delinquent in one or more of their assessments by the United Nations.

Of these 52 countries, 51 received some type of assistance in fiscal year 1963 from the United States; and of these 51, there are 41 which would be affected by the Miller amendment, inasmuch as these countries are more than 1 calendar year delinquent:

Countries which would be affected by Miller amendment

Country	Total U.S. aid, fiscal year 1963	U.N. total arrearages for all years	Arrearages for calendar year 1962 and prior [1]
Afghanistan	$19,200,000	$76,228.00	$65,161.00
Argentina	156,500,000	2,482,878.97	2,042,328.97
Belgium	28,100,000	3,271,651.00	2,876,284.00
Bolivia	69,900,000	118,990.40	80,019.40
Brazil	172,300,000	930,749.50	327,996.50
Chad	1,100,000	9,516.23	777.00
Chile	99,200,000	510,303.00	252,049.00
China	212,600,000	14,426,448.00	9,791,580.03
Costa Rica	15,500,000	28,950.59	20,105.59
Dominican Republic	51,700,000	99,624.25	52,354.00
El Salvador	23,100,000	15,927.00	7,082.00
France	30,600,000	16,143,083.00	14,186,016.00
Guatemala	15,400,000	119,909.00	69,332.00
Guinea	16,000,000	17,064.00	8,219.00
Haiti	6,200,000	125,227.50	85,581.50
Honduras	14,400,000	66,179.50	32,385.50
Iraq	1,000,000	172,246.00	152,342.00
Jordan	63,600,000	82,617.00	67,772.00
Lebanon	300,000	23,434.02	12,691.00
Mauritania	200,000	62,230.26	21,314.26
Mali	4,600,000	18,208.86	11,619.86
Mexico	$50,900,000	$1,293,009.00	$1,129,359.00

See footnotes at end of table.

Countries which would be affected by Miller amendment—Continued

Country	Total U.S. aid, fiscal year 1963	U.N. total arrearages for all years	Arrearages for calendar year 1962 and prior [1]
Morocco	75,000,000	148,784.00	117,823.00
Nicaragua	9,000,000	62,661.50	26,205.00
Niger	1,400,000	29,214.50	20,369.50
Panama	10,000,000	43,335.50	34,490.50
Paraguay	10,200,000	126,490.50	85,680.50
Peru	31,000,000	195,752.50	158,745.50
Pcland	10,800,000	3,665,051.00	3,121,919.00
Portugal	18,900,000	188,277.00	161,919.00
Saudi Arabia	[2]	122,885.00	107,404.00
Senegal	5,200,000	30,014.00	8,965.00
Somali	9,200,000	28,583,32	7,507.07
Spain	61,000,000	1,828,833.00	1,638,647.00
Syria	400,000	91,501.00	38,622.00
Togo	1,300,000	34,810.50	20,369.00
United Arab Republic	198,700,000	354,716.37	284,742.00
Upper Volta	1,000,000	47,541.00	12,952.00
Uruguay	24,600,000	263,259.00	155,970.00
Yemen	4,000,000	135,467.50	94,657.50
Yugoslavia	113,500,000	301,453.00	238,853.00

[1] Under Miller amendment, withholding of economic assistance would only occur in the case of those nations over 1 year delinquent.

[2] Military data classified.

Sources: United Nations Secretariat, "Statement on the Collection of Contribu tions as at Dec. 31, 1963, and June 30, 1964"; "U.S. Aid to Foreign Assistance Act Countries, By Region and Country, Obligations and Loan Authorizations, Fiscal Year 1963"—Preliminary, Statistics and Reports Division, Agency for International Development.

United Nations arrearages as of June 30, 1964

Total	$123,120,345.08
Regular budget	10,032,567.73
Emergency force	29,687,477.22
Congo ad hoc	82,948,912.13

Summary of payments due United Nations and number of countries in each category

REGULAR BUDGET

Calendar year 1963 (26 countries)	$8,705,582.76
Calendar year 1962 (8 countries)	1,107,867.00
Calendar year 1961 (5 countries)	219,117.97

All of the following countries delinquent in their regular budget dues have received assistance from the United States and 25 are still receiving assistance: Argentina, Bolivia, Brazil, Chile, China, Colombia, Cuba,[1] Dominican Republic, Ecuador, Guatemala, Haiti, Honduras, Jordan, Laos, Mauritania, Nicaragua, Paraguay, Peru, Senegal, Somalia, Syria, Togo, United Arab Republic, Upper Volta, Uruguay, and Yemen.

EMERGENCY BUDGET

Calendar year 1963 (44 countries)	$2,759,045.88
Calendar year 1962 (35 countries)	2,251,824.00
Calendar year 1961 (31 countries)	4,741,805.25
Calendar year 1960 (27 countries)	4.678,493.09
Calendar year 1959 (20 countries)	4,289,511.00
Calendar year 1958 (17 countries)	7,148,481.00
Calendar year 1957 (14 countries)	3,818,317.00

Forty-four of the following countries delinquent in their emergency fund accounts have received assistance from the United States since 1946 and 43 are still receiving assistance: Afghanistan, Argentina, Bolivia, Chad, Chile, China, Congo (Brazzaville), Costa Rica, Cuba,[1] Dominican Republic, Ecuador, El Salvador, Ethiopia, Guatemala, Guinea, Haiti, Honduras, Iraq, Italy, Jordan, Lebanon, Mexico, Morocco, Nepal, Nicaragua, Niger, Panama, Paraguay, Peru, Poland, Saudi Arabia, Senegal, Somalia, Spain, Sudan, Syria, Thailand, Togo, Tunisia, United Arab Republic, Upper Volta, Uruguay, Yemen, and Mauritania.

CONGO AD HOC

Calendar year 1963 (52 countries)	$12,138,474.30
Calendar year 1962 (38 countries)	24,065,432.00

Summary of payments due United Nations and number of countries in each category—Continued

CONGO AD HOC—continued

Calendar year 1961 (37 countries)	$29,563,877.93
Calendar year 1960 (29 countries)	16,181,127.90

Source: United Nations Secretariat. Statement on the Collection of Contributions as of Dec. 31, 1963, and June 30, 1964, AID.

All 52 of the countries delinquent in this account have received assistance from the United States since 1946 and 51 are still receiving assistance: Afghanistan, Argentina, Belgium, Bolivia, Brazil, Central African Republic, Chad, Chile, China, Colombia, Congo (Brazzaville), Costa Rica, Cuba,[1] Dominican Republic, Ecuador, El Salvador, Ethiopia, France, Guatemala, Guinea, Haiti, Honduras, Iraq, Italy, Jordan, Lebanon, Mali, Mauritania, Mexico, Morocco, Nepal, Nicaragua, Niger, Pakistan, Panama, Paraguay, Peru, Poland, Portugal, Saudi Arabia, Senegal, Somali, Spain, Syria, Thailand, Togo, Tunisia, Upper Volta, Uruguay, Yemen, Yugoslavia, and United Arab Republic.

Examples of delinquencies

ARGENTINA

Fiscal year 1963 aid	$156,500,000.00
Fiscal year 1946–63	773,000,000.00
Total arrearages	2,482,878.97
Regular budget:	
Calendar year 1963	782,949.00
Calendar year 1962	611,362.00
Calendar year 1961	175,217.97
Emergency force:	
Calendar year 1963	56,974.00
Calendar year 1962	18,442.00
Calendar year 1961	103,291.00
Calendar year 1960	109,594.00
Calendar year 1959	168,180.00
Calendar year 1958	285,000.00
Calendar year 1957	171,869.00
Congo ad hoc:	
Calendar year 1963	166,384.00
Calendar year 1962	160,664.00
Calendar year 1961	219,911.00
Calendar year 1960	18,797.00

YUGOSLAVIA

Fiscal year 1963 aid	113,500,000.00
Fiscal year 1946–63	2,510,000,000.00
Total arrearages	301,453.00
Congo ad hoc:	
Calendar year 1963	62,600.00
Calendar year 1962	60,505.00
Calendar year 1961	69,341.00
Calendar year 1960	109,007.00

Examples of delinquencies—Continued

CHINA

Fiscal year 1963 aid	$212,600,000.00
Fiscal year 1946–63	4,524,000,000.00
Total arrearages	14,426,448.00
Regular budget:	
Calendar year 1963	3,624,229.00
Emergency force:	
Calendar year 1963	257,793.00
Calendar year 1962	217,133.00
Calendar year 1961	466,207.50
Calendar year 1960	989,797.00
Calendar year 1959	739,151.00
Calendar year 1958	1,252,500.00
Calendar year 1957	405,048.00
Congo ad hoc:	
Calendar year 1963	752,846.00
Calendar year 1962	1,823,774.00
Calendar year 1961	2,481,426.00
Calendar year 1960	1,396,543.50

POLAND

Fiscal year 1963 aid	10,800,000.00
Fiscal year 1946–63	533,000,000.00
Total arrearages	3,665,000.00
Emergency force:	
Calendar year 1963	121,406.00
Calendar year 1962	60,854.00
Calendar year 1961	256,343.00
Calendar year 1960	135,134.00
Calendar year 1959	207,514.00
Calendar year 1958	380,000.00
Calendar year 1957	229,159.00
Congo ad hoc:	
Calendar year 1963	421,726.00
Calendar year 1962	510,845.00
Calendar year 1961	678,553.00
Calendar year 1960	663,517.00

FRANCE

Fiscal year 1963 aid	30,600,000.00
Fiscal year 1946–63	9,445,000,000.00
Total arrearages	16,143,083.00
Congo ad hoc:	
Calendar year 1963	1,957,068.00
Calendar year 1962	4,746,601.00
Calendar year 1961	6,339,772.00
Calendar year 1960	2,823,432.00

COSTA RICA

Fiscal year 1963 aid	15,500,000.00
Fiscal year 1946–63	105,000,000.00
Total arrearages	28,950.59
Emergency force:	
Calendar year 1963	2,256.00
Calendar year 1962	735.00
Calendar year 1961	3,722.00
Calendar year 1960	3,171.09

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[1] Not currently receiving assistance.

Examples of delinquencies—Continued

COSTA RICA—continued

Congo ad hoc:	
Calendar year 1963	$6,589.00
Calendar year 1962	6,366.00
Calendar year 1961	7,611.50

DOMINICAN REPUBLIC

Fiscal year 1963 aid	51,700,000.00
Fiscal year 1946–63	100,000,000.00
Total arrearages	99,624.25
Regular budget:	
Calendar year 1963	36,211.25
Emergency force:	
Calendar year 1963	2,821.00
Calendar year 1962	919.00
Calendar year 1961	9,356.00
Congo ad hoc:	
Calendar year 1963	8,238.00
Calendar year 1962	7,958.00
Calendar year 1961	9,905.00
Calendar year 1960	24,216.00

BOLIVIA

Fiscal year 1963 aid	69,900,000.00
Fiscal year 1946–63	334,000,000.00
Total arrearages	118,990.40
Regular budget:	
Calendar year 1963	30,126.00
Calendar year 1962	24,274.00
Calendar year 1961	136.00
Emergency force:	
Calendar year 1963	2,256.00
Calendar year 1962	735.00
Calendar year 1961	7,484.00
Calendar year 1960	3,939.00
Calendar year 1959	6,056.00
Calendar year 1958	12,500.00
Congo ad hoc:	
Calendar year 1963	6,584.00
Calendar year 1962	6,366.00
Calendar year 1961	7,925.00
Calendar year 1960	10,604.00

CHILE

Fiscal year 1963 aid	99,200,000.00
Fiscal year 1946–63	840,000,000.00
Total arrearages	510,303.00
Regular budget:	
Calendar year 1963	200,759.00
Emergency force:	
Calendar year 1963	14,667.00
Calendar year 1962	4,765.00
Calendar year 1961	25,125.00
Calendar year 1960	26,643.00
Calendar year 1959	35,269.00
Congo ad hoc:	
Calendar year 1963	42,831.00
Calendar year 1962	41,372.00
Calendar year 1961	53,492.00
Calendar year 1960	65,383.00

JORDAN

Fiscal year 1963 aid	63,600,000.00
Fiscal year 1946–63	414,000,000.00
Total arrearages	82,617.00
Regular budget:	
Emergency force:	
Calendar year 1963	6,000.00
Calendar year 1963	2,256.00
Calendar year 1962	735.00
Calendar year 1961	7,484.00
Calendar year 1960	3,951.00
Calendar year 1959	6,062.00
Calendar year 1958	10,000.00
Calendar year 1957	5,876.00
Congo ad hoc:	
Calendar year 1963	6,589.00
Calendar year 1962	6,366.00
Calendar year 1961	7,925.00
Calendar year 1960	19,373.00

Examples of delinquencies—Continued

SOMALI

Fiscal year 1963 aid	$9,200,000.00
Fiscal year 1946–63	38,000,000.00
Total arrearages	28,583.32
Regular budget:	
Calendar year 1963	2,231.00
Emergency force:	
Calendar year 1963	2,256.00
Congo ad hoc:	
Calendar year 1963	6,589.00
Calendar year 1962	6,396.00
Calendar year 1961	1,111.07

Examples of nations not in arrears

Country	Fiscal year 1963 aid	Fiscal year 1946–63 aid
Colombia	$134,900,000	$547,000,000
Israel	78,900,000	962,000,000
Liberia	50,800,000	179,000,000
Nigeria	36,600,000	81,000,000
Tunisia	71,900,000	364,000,000
Ivory Coast	7,900,000	13,000,000

U.S.S.R. ARREARAGES, AS OF JUNE 30, 1964

Regular budget	$2,145,051.30
Emergency force	15,638,166.00
Congo ad hoc	36,984,971.00
Total	54,768,188.30

Source: U.N. Secretariat, Statement on the Collection of Contributions, as at June 30, 1964.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. MILLER. I yield.

Mr. LAUSCHE. Under the column entitled "Total U.S. Aid, Fiscal Year 1963" I note the listing of Belgium. The Senator shows that Belgium received from the United States in foreign aid $28,100,000. What items does the listing embrace. Does it cover Public Law 480 sales, or does it cover only what we genuinely know as foreign aid?

Mr. MILLER. It would cover any type of foreign aid—Public Law 480, Development Loans, Development Grants, and Military Assistance. The idea behind these figures is to show the total amount of foreign aid, whether it comes from one source or another, which that country received, as compared with the relatively small amount which it cannot quite bring itself to pay to the United Nations to keep it current, as the result of which the United Nations is facing bankruptcy.

Mr. LAUSCHE. U.S. aid means direct U.S. aid to these nations, and not aid which is received from international associations, made up of many countries. Is that correct?

Mr. MILLER. The Senator is correct. I appreciate the Senator's bringing out that point. I should have done it before. The point is that, quite apart from the amounts shown here of our foreign aid to these countries, some of these countries are recipients of other types of aid through United Nations subsidiary organizations and through international organizations, such as the Inter-American Development Loan Fund. Of course such amounts could be added to the total of worldwide assistance which these countries receive.

Mr. LAUSCHE. I thank the Senator.

Mr. MILLER. I point out that to the argument that some of these nations cannot afford to pay their back dues and assessments, there are two answers. The first answer is that the dues and assessments are scaled by a committee in the United Nations, composed of representatives of various countries, both large and small, both relatively well off and relatively poor. These countries have scaled dues and assessments, with an eye to the relative ability to pay their dues. If adverse economic developments make it impossible for these nations to pay their back dues and assessments to the United Nations, the President of the United States may report that fact in his determination that they should nevertheless receive such foreign aid, and make that report to the Speaker of the House of Representatives and to the Senate Committee on Foreign Relations.

I believe that under these circumstances my amendment is very fair. I recognize that we have gone through this before. Since I became a Member of the Senate, starting in 1961, each year I have offered an amendment somewhat along these lines. What prompted me to do so was the first inkling, back in 1961, when I came to the Senate, that the United Nations was facing a financial crisis. We were warned in 1961 that the day of reckoning was not far away. That day of reckoning became so serious in the fall of 1961, or certainly early in 1962, that Congress was presented with a request by the President to help stave off the day of reckoning by approving a United Nations bond issue, which we were supposed to support to the extent of one-half. Necessary appropriations were made by Congress to this end.

However, I regret to say that the payment of back dues and assessments by various member nations has not done much to end the deficiencies of the U.N. and, as a result, notwithstanding the U.N. bond issue, we are told that the day of reckoning will be at the next General Session of the United Nations, this fall.

There is a provision in the United Nations Charter that any nation which is more than 2 years in arrears in its assessments and dues shall lose its right to vote in the General Assembly of the United Nations. This subject was presented to the World Court, and the World Court found that the dues and assessments, regardless of whether they were for the regular budget or for emergency peacekeeping activities, were part and parcel of the dues for purposes of interpretation of the United Nations Charter; therefore, the Soviet Union and several other nations which have been deliberately refusing to pay their dues can properly be challenged at the next meeting of the United Nations when it comes their turn to vote.

I am pleased to say that the decision of our representatives in the United Nations is firmly to the effect that the provision of the charter is supported by the interpretation of the World Court and should be put into full effect at the next meeting.

But there seems to be some question as to whether the presiding officer, the Secretary General, will ignore it, because he could state that such a ruling would be unprecedented and, since he feels he should not rule on it, the membership should rule on the question. That would be not unlike the manner in which we in the Senate decide some parliamentary procedures.

One wonders what the ruling might be if the membership had to decide whether those who are more than 2 years in arrears should be passed over on a rollcall, when more than half the members of the United Nations are delinquent.

Be that as it may, I find it impossible to understand why we should not gear our foreign aid program to the support of the United Nations. Our country's policy, under both Democratic and Republican administrations, has been to support wholeheartedly the principles of the United Nations. This does not mean that we agree with some of the abuses and mistakes of the United Nations, but we do support the United Nations in its objectives of world peace.

I venture to say that most of us do not wish to see the United Nations go out of existence as a result of bankruptcy. We are told that if the United Nations does not receive some of the assessments and dues that are in arrears, it will indeed be faced with bankruptcy.

The Soviet Union is the biggest debtor of any member of the United Nations. The Soviet Union does not receive any foreign aid from the United States, so we cannot very well use our foreign aid program in a manner that would have a salutary effect upon the Soviet Union's fiscal integrity before the United Nations.

But many nations receive our foreign aid, and it seems to me that when they refuse to pay their commitments to the United Nations, while having the ability to pay, the least we might do, if we really mean what we say, when we say that we support the United Nations, is to say to them, "You had better 'get right' with the United Nations; otherwise, do not ask the taxpayers of the United States to furnish you with foreign aid." That could be very harsh in certain circumstances, and that is precisely why I have worded my amendment so as to provide that the President can, nevertheless, upon certain conditions, determine that certain nations should receive our foreign aid. But when he makes such a determination, he ought to come before the Senate Committee on Foreign Relations and the House Committee on Foreign Affairs and state why the aid should be furnished. He should also state that assurances have been given by those countries that they will pay their back dues and assessments and put their payments on a current basis. If such assurances cannot be given, the President also should state what are the economic conditions which make it impossible for the countries in arrears to give such assurances.

I believe that in this respect the amendment is in a better form than the amendment which was presented last year. It provides for a reasonable escape hatch; nevertheless, an escape hatch that will provide a certain amount of information to Congress for control. I would envision that some of the countries which are not paying their back dues and assessments would, nevertheless, be furnished foreign aid when the President made a determination that they should receive such aid. He would make such a determination only after he had received assurance from the representatives of those governments that they would button down and clear their books. That would have a salutary influence on those countries.

If this is not done, just as surely as we are sitting in the Senate, the day will not be too far off when the United Nations will go out of existence because of financial bankruptcy. Before that happens, I would venture the guess that there might be a further request that the taxpayers of the United States support another bond issue of the United Nations. Whether such a request would be acted on favorably, no one can say. However, I see no reason why we should come to that position. We have it within our ability to gear our foreign aid program to a policy of support of the United Nations.

I have heard the arguments against this proposal before. People have said that we are not dues collectors for the United Nations. This is a rather superficial approach, because nobody is saying, either in my amendment or anywhere else, that we ought to pick up the dues from those countries. Still, it seems to me that the least we can say to such countries is that if they want our foreign aid, they must pay their dues and assessments to the United Nations.

Some may say that my amendment has no place in the foreign aid program; that the problem should be handled through our representatives at the United Nations. Perhaps it should be; but it has not been, and I see nothing to indicate that it will be. If our representatives at the United Nations had been able to handle this problem, my amendment would not be before the Senate today.

This situation has continued, and it will go on and on, if all we say is, "Let our representatives at the United Nations handle the problem."

By my amendment, we have an opportunity to say to the rest of the world that we want to help those who cannot help themselves. We want those who can do so to help themselves, and we are willing to help them.

We support the United Nations. The United Nations affords the world its foremost opportunity for peace. But we should say that we will not furnish our foreign aid to nations which refuse, year after year, to pay their dues and assessments to the United Nations, unless they can somehow show to our President that they do not have the economic ability to pay their dues and assessments, which, as I have said, are scaled by their brother member nations, large and small, wealthy and poor.

I observe in the Chamber the distinguished chairman of the Committee on Foreign Relations. I invite his attention to the fact that my amendment is cast somewhat differently from the amendment that was considered last year. I would hope that he might take my amendment to conference. I shall welcome any comments he has on it. I have tried to cover this proposal rather fully.

I yield the floor.

Mr. FULBRIGHT. Mr. President, I appreciate the Senator's invitation to comment. I cannot accept the amendment. The main reason is that it would not accomplish the purpose which the Senator from Iowa intends that it should accomplish.

This amendment was brought up and defeated in connection with last year's foreign aid legislation, and the executive branch continues its strong opposition to the proposal.

In effect, the amendment tries to make the United States become a collection agency for the United Nations. It would do so on the basis of regulations far more severe than the U.N. itself imposes on its membership. The amendment would cut off aid to a country whose debt to the U.N. is not sufficient to subject it to the United Nations own sanctions. Article 19 of the U.N. Charter denies voting rights in the General Assembly to any member whose total arrearages exceed U.N. assessments over the previous 2 years. This amendment, however, would apply to any country in arrears for more than 1 year. The United States would be in a peculiar position if it tried to impose its own sanctions on countries which were not even subject to the sanctions of the U.N. Charter.

In any case, the amendment would not accomplish its intended purpose—which is "to encourage preservation of the financial solvency of the United Nations." By far the largest fiscal problem facing the United Nations is the delinquencies of the Soviet bloc countries, which collectively amount to about $74 million in terms of the provisions of article 19 of the charter. This must be compared with arrearages of less than $19 million by this standard on the part of all countries which receive foreign aid from the United States. Furthermore, almost three-quarters of this amount is owed by Nationalist China. In short, even if this amendment were changed to conform to the U.N.'s own definition of delinquency, it would only be directed against a very minor aspect of the problem; insofar as it did so, it would be an amendment directed against the Nationalist Chinese.

It should also be stressed that the aid-recipient countries owing the remainder of the $19 million referred to above have all given assurances that they will pay the amounts necessary to avoid the sanctions of article 19 of the U.N. Charter before the next session of the General Assembly. Unless the United States sets up entirely new standards, by imposing unilateral conditions on U.N. members through acceptance of this amendment, most of our friends in default will have repaired their positions before November.

Perhaps the most important objection to this amendment on an immediate basis derives from the forthcoming struggle to make article 19 apply to the Soviet bloc countries at the next General Assembly. In order to make this sanction effective, the United States will have to conduct a continuous diplomatic offensive designed to marshal support for its position among all the free world members of the United Nations. If the provisions of this amendment were enacted the result inevitably would be to create strong resentment among friendly countries. This resentment almost certainly would destroy our diplomatic initiative against the Soviet bloc countries.

So I hope that the amendment of the Senator from Iowa will not be accepted.

Mr. MILLER. Mr. President, I ask unanimous consent to have printed in the Record two articles and one editorial, the first an article entitled "U.N. Sources Say K. Threatens Bolt Over Dues," published in the Washington Post of Sunday, August 2, 1964; an article written by Thomas J. Hamilton entitled "Plan in U.N. Would Allow Some in Arrears To Vote," and published in the New York Times July 6, 1964; and an editorial entitled "To Save the U.N." published in the New York Times on August 3, 1964.

There being no objection, the articles and the editorial were ordered to be printed in the Record, as follows:

[From the Washington Post, Aug. 2, 1964]

U.N. Sources Say K. Threatens Bolt Over Dues

United Nations, N.Y., August 1.—Top sources reported today that Premier Khrushchev told Secretary General U Thant that the Soviet Union will walk out of the General Assembly and perhaps quit the United Nations altogether if its vote is taken away for nonpayment of bills.

These sources said Thant will fly to Washington Thursday to discuss this threatened breakup of the world organization with President Johnson.

Thant has just returned from a trip to Moscow where he appealed to the Kremlin there to pay its arrears on U.N. peacekeeping bills. He told newsmen there, after a long talk with Khrushchev, that he saw no change in the Soviet stand.

The U.N. Charter says that any country 2 years behind in U.N. dues "shall have no vote" in the Assembly.

The Soviet Union has refused to pay its assessments for Congo and Middle East peacekeeping costs and, if these are counted along with its regular budget assessments, it is 2 years behind.

The United States has said these peacekeeping costs must be counted because they are binding on all members. The Russians say they are not because they were not assessed by the Security Council.

The Soviet Union walked out of the Security Council in 1950 to protest the continued representation of Nationalist China there. The absence of the Kremlin's veto-wielding delegate permitted the U.N. to set up its Korean operation which would otherwise have been stopped. The Soviet Union later returned to the Council.

The United States, the next year, pushed through a "uniting for peace" resolution which enabled the General Assembly to act in cases of breaches of the peace when the Security Council did not do so.

It was under this provision that the Congo and Middle East operations were set up and the Soviet Union has refused to acknowledge their legality. The World Court in the Hague has ruled that they are legitimate.

A U.S. delegation source said today that the U.S. view is unchanged—the Soviet Union must pay up or lose its vote.

The Soviet Union is only one of 16 countries that stand to lose their votes for failure to pay toward the U.N. Congo or Middle East forces or both.

[From the New York Times, July 6, 1964]

Plan in U.N. Would Allow Some in Arrears To Vote

(By Thomas J. Hamilton)

United Nations, N.Y., July 5.—A group of Latin-American delegates has suggested a new approach to solution of the United Nations financial crisis under which members genuinely unable to pay all their assessments would be allowed to retain their votes in the General Assembly.

Under the plan, the Assembly's Standing Committee on Contributions would divide countries more than 2 years behind on their assessments into 2 categories:

1. Those that plead inability to pay and are certified by the committee as unable to do so. Article 19 of the Charter provides that members owing the equivalent of 2 years' contributions "shall have no vote" in the Assembly. However, it authorizes the Assembly to waive enforcement "if it is satisfied that the failure to pay is due to conditions beyond the control of the member."

2. All other members subject to article 19 who have not executed what some delegates say would be a "pauper's oath."

The plan has been submitted to the United States and other Western delegations. A U.S. spokesman said he had no comment on it.

THE SOVIET POSITION

Reliable sources said one aim of the Latin Americans was to isolate the Soviet Union, which would be subject to article 19 when the Assembly opens its 1964 session in November, from underveloped countries, that also face loss of their votes in the Assembly.

The Soviet Union owes $36,984,971 on the United Nations Congo force and $15,638,166 on the force in the Middle East, which are financed from special accounts, not from the regular United Nations budget.

The Soviet Union has hardened its position and has also withheld $2,145,051 due under the regular 1963 United Nations budget for appropriations that it terms illegal. These include payments of interest and principal on bonds issued by the United Nations to help pay the costs of the Congo and Middle East forces.

FRENCH PAYMENT DUE IN 1965

Moscow would have to pay between $8 million and $9 million to avoid possible loss of its Assembly votes.

Under the Latin Americans' plan France, which will become subject to article 19 at the 1965 session unless she pays part of the $16,143,083 she owes on the Congo force, also would be separated from those unable to pay.

The Soviet Union and France base their refusal to pay on the ground that the Security Council, not the General Assembly, has the right to impose assessments for peacekeeping forces. Total arrears on assessments for the Congo and Middle East forces are $123,623,742.

Some delegates believe that, following last Thursday's withdrawal of the Congo force, both the Soviet Union and France will pay the United Nations enough this year to avoid application of article 10.

[From the New York Times, Aug. 3, 1964]

To Save the U.N.

Premier Khrushchev has again refused to pay Russia's debt to the United Nations and Secretary General Thant has returned from his dunning trip to Moscow emptyhanded. As a result, this world organization, now more than $122 million in the red, not only continues to flounder in a financial crisis that has brought it close to bankruptcy but also faces a showdown on whether Russia's refusal to pay shall deprive her of her vote in the General Assembly.

The Soviet Premier now says that Russia may walk out of the United Nations as well as the General Assembly if her right to vote is withdrawn. France, which is delinquent to a total of $16 million for her share of the U.N. Congo force, is showing no signs of yielding, either. Meanwhile, the United States continues to push hard for strict compliance with article 19 of the Charter, which penalizes members when their arrears reach a certain level.

It is beginning to look like a game of brinkmanship, with the brink coming in November when the Assembly meets. If one starts from the premise that the United Nations cannot be allowed to fall apart or be seriously weakened, nor can it abandon its efforts to maintain peacekeeping forces, the problem becomes one of finding "a formula."

The United Nations is an immensely valuable forum and power fulcrum for Moscow. President de Gaulle may have nothing but contempt for the world organization, but this is not a feeling widely shared by his French compatriots. The United States is deeply committed to the strengthening, as well as the maintenance of the U.N.

Therefore, some time between now and November a way must be sought to bridge the contradictory positions. The idea of getting Moscow and Paris to make token payments seems doomed since the principle, not the amounts due, is the real issue. The point to be saved—along with the structure of the United Nations, of course—is that the U.N. can and will continue to utilize and build up peacekeeping forces to prevent war and suppress aggression. It is not enough to keep the Security Council and General Assembly simply as debating forums.

Basic contradictory positions between nations are normally solved by compromises. The two important considerations are that the United Nations be held together and that there be no impairment—but rather a strengthening—of its effectiveness as a policeman of peace.

An exercise in ingenuity could save the day. Perhaps when U Thant sees President Johnson some new ideas will be forthcoming.

Mr. MILLER. Mr. President, I intend to ask for the yeas and nays on my amendment, but first I should like to suggest the absence of a quorum for the purpose of alerting Senators to that fact.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. MILLER. Mr. President, I ask unanimous consent that the order for the quorum call may be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MILLER. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. MILLER. Mr. President, I should like to respond briefly to the statements made by the distinguished chairman of the Foreign Relations Committee, the Senator from Arkansas [Mr. Fulbright].

My amendment provides that if a nation is more than 1 year in arrears, the payments on foreign aid shall halt.

I deliberately made it for 1 year instead of for 2 years, the period provided in the United Nations Charter for determining whether a nation shall lose its vote, for the reason that we do not want this process to go to the point where a nation will lose its vote in the United Nations before we decide to put a limitation on foreign aid. In other words, it seems to me that after 1 year—and this is 1 calendar year, those in arrears for

1962 and back—a nation might well be on notice that we do not want it to get into the category of a nonvoting member of the United Nations. We want it to pay its dues and assessments; and we wish to let it know that our taxpayers who are paying the bill on foreign aid do not wish it to go any further in its delinquencies. We want it to be current.

There are some who might think that this amendment might well provide that nations which are not current in their payment of assessments and dues in the United Nations should not receive our foreign aid, instead of being allowed to get a year behind.

I do not believe my amendment is particularly harsh in this respect. I believe that it would be most unfortunate to provide a 2-year period and then let a Nation become a nonvoting member of the United Nations, before we start to try to exercise a salutary effect on that Nation through withholding foreign aid.

The point was made about China being a large debtor. I am not unmindful of that. I am quite sure that the Senator from Arkansas [Mr. Fulbright] is just as fully aware as I am of why that is so. We know that the government of Nationalist China is still operating under an assessment scale with respect to the assumption that it controls all of China, both the mainland and Taiwan. This is most unrealistic. This would be a perfect example of what I provide for in amendment, which would give the President of the United States an opportunity to make a determination whether aid should be granted in situations in which there are economic conditions that make a country unable to pay its dues and assessments.

The point was made that the Communist bloc nations would be responsible for the United Nations going bankrupt, rather than the 41 nations which have been receiving our foreign aid. Perhaps yes; perhaps no. I suggest that if there were merely 8 or 10 nations in the United Nations General Assembly—and those all Communist bloc nations—which were delinquent, world opinion coming from all of the other nations which are current in their dues and assessments would be something to be considered by the Communist bloc nations. It would be something to be considered, particularly when the time arrives for a vote on whether nations which are more than 2 years delinquent, including the Soviet Union, shall lose their right to vote.

I would feel much more comfortable about that vote being put to the membership of the United Nations General Assembly if only the Communist bloc nations were delinquent, than I would be if the vote were put now, with the present unfortunate situation of arrearages in assessments and dues by more than half the membership.

I believe there is a point to be said in favor of persuading the free countries and the independent countries which are members of the United Nations to practice fiscal integrity before this organization. I would guess that it could result in bringing other pressure to bear on the Soviet Union and the other Communist bloc nations to pay up and remain voting members of the United Nations, and not confront us with the problem that might arise if those nations should withdraw from the UN. The membership, if I properly interpret the United Nations Charter and the World Court opinion, would deprive themselves of their right to vote.

Mr. President, I hope my amendment will prevail.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Iowa [Mr. Miller].

The yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from Maryland [Mr. Brewster], the Senator from North Dakota [Mr. Burdick], the Senator from Tennessee [Mr. Gore], the Senator from Washington [Mr. Jackson], the Senator from Louisiana [Mr. Long], the Senator from Utah [Mr. Moss], the Senator from Connecticut [Mr. Ribicoff], the Senator from Georgia [Mr. Russell], the Senator from Florida [Mr. Smathers], and the Senator from Mississippi [Mr. Stennis], are absent on official business.

I also announce that the Senator from New Mexico [Mr. Anderson] and the Senator from Massachusetts [Mr. Kennedy] are absent because of illness.

I further announce that the Senator from Nevada [Mr. Cannon], the Senator from Pennsylvania [Mr. Clark], the Senator from Oklahoma [Mr. Edmondson], the Senator from Indiana [Mr. Hartke], and the Senator from New Jersey [Mr. Williams] are necessarily absent.

I further announce that, if present and voting, the Senator from New Mexico [Mr. Anderson], the Senator from Pennsylvania [Mr. Clark], the Senator from Washington [Mr. Jackson], the Senator from Louisiana [Mr. Long], the Senator from Connecticut [Mr. Ribicoff], the Senator from Florida [Mr. Smathers], and the Senator from New Jersey [Mr. Williams], would each vote "nay."

On this vote, the Senator from Maryland [Mr. Brewster] is paired with the Senator from Georgia [Mr. Russell]. If present and voting, the Senator from Georgia would vote "yea" and the Senator from Maryland would vote "nay."

Mr. KUCHEL. I announce that the Senator from Nebraska [Mr. Hruska], the Senator from Kansas [Mr. Pearson], and the Senator from Pennsylvania [Mr. Scott] are necessarily absent.

The Senator from New York [Mr. Javits] is absent on official business.

The Senator from Arizona [Mr. Goldwater] and the Senator from Iowa [Mr. Hickenlooper] are detained on official business.

If present and voting, the Senator from New York [Mr. Javits], and the Senator from Kansas [Mr. Pearson] would each vote "nay."

On this vote, the Senator from Nebraska [Mr. Hruska] is paired with the Senator from Pennsylvania [Mr. Scott]. If present and voting, the Senator from Nebraska would vote "yea" and the Senator from Pennsylvania would vote "nay."

The result was announced—yeas 25, nays 52, as follows:

[No. 529 Leg.]

YEAS—25

Beall
Bennett
Boggs
Byrd, Va.
Cooper
Cotton
Curtis
Dirksen
Dominick
Gruening
Johnston
Jordan, Idaho
Mechem
Miller
Morse
Mundt
Robertson
Saltonstall
Simpson
Symington
Talmadge
Thurmond
Tower
Williams, Del.
Young, N. Dak.

NAYS—52

Aiken
Allott
Bartlett
Bayh
Bible
Byrd, W. Va.
Carlson
Case
Church
Dodd
Douglas
Eastland
Ellender
Ervin
Fong
Fulbright
Hart
Hayden
Hill
Holland
Humphrey
Inouye
Jordan, N.C.
Keating
Kuchel
Lausche
Long, Mo.
Magnuson
Mansfield
McCarthy
McClellan
McGee
McGovern
McIntyre
McNamara
Metcalf
Monroney
Morton
Muskie
Nelson
Neuberger
Pastore
Pell
Prouty
Proxmire
Randolph
Salinger
Smith
Sparkman
Walters
Yarborough
Young, Ohio

NOT VOTING—23

Anderson
Brewster
Burdick
Cannon
Clark
Edmondson
Goldwater
Gore
Hartke
Hickenlooper
Hruska
Jackson
Javits
Kennedy
Long, La.
Moss
Pearson
Ribicoff
Russell
Scott
Smathers
Stennis
Williams, N.J.

So Mr. Miller's amendment was rejected.

Mr. FULBRIGHT. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. KUCHEL. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MORSE. Mr. President, in keeping with the assurance I gave to the majority leader, that I would move as rapidly as possible consistent with expeditious handling of my amendments, I now call up my amendment No. 1184.

The PRESIDING OFFICER (Mr. Salinger in the chair). The amendment will be stated.

The Chief Clerk read the amendment, as follows:

On page 12, between lines 22 and 23, insert the following:

(g) Add the following new section at the end thereof:

"Sec. 620A. (a) Prohibition on Furnishing of Assistance Subsequent to June 30, 1966.—Notwithstanding any other provision of this Act, no assistance shall be furnished pursuant to this Act to any country or area (or enterprise therein) subsequent to June 30, 1966 unless—

"(1) Such country or area has requested such assistance and can show that it is pursuing the following economic, political, and military policies:

"(A) That it (i) is seriously and continuously engaged in measures of self-help, (ii) has taken appropriate steps to assure that its own private capital resources will be utilized within its own country or area, (iii) will encourage the development of the private enterprise sector of its own economy, (iv) has taken adequate steps, where appropriat and necessary, to bring about reforms in suc fields as land distribution and taxation enable its people fairly to share in

> products of its development, and to assure that the project or program for which economic aid is requested will contribute to the economic or social development of the country:
>
> "(B) That it is promoting the maximum amount of individual freedom and is encouraging its people freely to choose their own government; and
>
> "(C) That it seeks to establish and maintain only such military force as may be adequate to prevent the internal overthrow of an elected government or to deter threatened external Communist attack;
>
> "(2) The furnishing of such assistance is required by an irrevocable commitment made, or contractual obligation incurred, prior to the date of enactment of this section; or
>
> "(3) In case of any such assistance extended in the form of loans, the interest rate thereon is not less than the average rate payable on obligations of the United States of comparable maturities.
>
> "(b) The total number of countries or areas receiving assistance under this Act subsequent to June 30, 1966, shall not exceed fifty."

Mr. MORSE. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. MORSE. Mr. President, I consider this amendment a basic policy reform amendment. I shall discuss the amendment in regard to the specific conditions that it would impose.

There is much talk about the need for major changes in the foreign aid program. There has been much talk for several years to the effect that we must bring about reforms in foreign aid. There has been a great deal of congressional buckpassing to the State Department and the AID authorities in regard to foreign aid.

I offer an amendment that would not jeopardize sound foreign aid, but is designed to guarantee sound foreign aid.

It should be supported by those who really believe foreign aid needs an overhauling; and that there is need for reform in regard to policy, procedure, and substance.

I would have Senators, in the next few moments, go, with me, through the proposed amendment, condition by condition, as I propose it. Starting with line 3, it reads:

> Notwithstanding any other provision of this Act, no assistance shall be furnished pursuant to this Act to any country or area * * * subsequent to June 30, 1966, unless—

That fixes a terminal date. It gives every country in the world due notice that the United States will completely revise its foreign aid program.

Mr. President, that would be very salutary. It would answer the question, once and for all, as to whether or not all the talk in the United States in recent years about meaning to revise the foreign aid program is merely talk, or is meant.

I cannot think of anything that would be better for the development of a sound foreign aid program, or better for the internal welfare of the recipient countries, than to serve such notice.

If we say to such a country, "This is the last time we are going to pass a foreign aid program based upon past practice. We want you to know that we will continue foreign aid, but it will be a different foreign aid program. You are not going to receive any foreign aid on the basis of the past pattern, because we are fed up with it."

It is my judgment, that this is the kind of reform the American people want.

I am satisfied that the majority of the American people are willing to continue foreign aid, but I am also satisfied that the overwhelming majority of the American people do not want to continue foreign aid as it has been practiced up until this hour. They believe the time has come for a change in the whole foreign aid pattern.

Mr. President, this is the way to do it. We say, "We are going to end the program, as it is now, at the end of fiscal 1965. We will start all over. You can have more foreign aid, provided you meet certain qualifications."

Note that the new program I propose is based upon application. In other words, the recipient must come in and make his own case.

We do not find banks trying to force loans on us. If we want a loan, we must go to the lending agency and show good cause why we would be a good risk for the loan. We do not hear people argue, when they go to a bank and conditions are imposed necessary to protect the lender, that such conditions are an interference with their individual rights. It happens to be the banker's money. If one does not want the money as a borrower, that is up to him, but if a borrower wants the money he must meet the conditions laid down by the bank.

Mr. President, we are not dealing here with money that belongs to the Senate of the United States. We are not dealing with money that belongs to any Senator, except to the extent that he has a pro rata interest in it, as one citizen of 180 million. We are dealing with money that belongs to all the people of the United States. In my judgment, we are guilty of gross negligence in the handling of that money in respect to the present policies we are following in foreign aid.

As I said earlier when I made comments expressing disagreement with the Senator from Minnesota [Mr. HUMPHREY] when he, earlier today, made a speech following the administration's line on foreign aid—which we have had given to us now for some years. All one has to do is examine the critical analyses by the Comptroller General of foreign aid as it has been administered in the past. As Senators, we know that it is our duty to bring about reforms that will eliminate the mismanagement, the inefficiency, and miscalculations that have characterized foreign aid for a number of years past.

So we say to the applicant, "We will consider some foreign aid for you, provided you meet certain conditions:"

> 1. Such country or area has requested such assistance and can show that it is pursuing the following economic, political, and military policies.

One of the sad things in our record on foreign aid in years gone by is that we have rammed foreign aid down the gullets of a good many nations. We have had the idea that if we could only persuade them to take it we would somehow obtain a commitment from them, and that we could rely on them; and that if we could get them obligated to us morally and otherwise, we could count on them to do our bidding.

It has not worked that way. Take Pakistan, for example. We have urged Pakistan to take millions of dollars from us, only to find that Pakistan in many respects has left us. Pakistan is entering into arrangements with Red China. Pakistan, through its Foreign Minister, has announced that she will not help us in accordance with her obligations under SEATO.

Mr. President, we cannot buy friends. We cannot buy support, either. That is why I have said in my minority views that, to a degree, our foreign aid policy in the past has been built upon the idea that we could buy support. The trouble is that such countries do not "stay bought."

Mr. MILLER. Mr. President, will the Senator yield?

Mr. MORSE. If it is in their national interest to go to Red China, they will go to Red China. If they think it is in their national interest to use our military support to make war against a neighbor, they will do so. We need only to look to Turkey, Greece, Pakistan, and India to prove that point.

Mr. MILLER. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. MILLER. I should like to ask the Senator from Oregon about his paragraph "C."

Mr. MORSE. I wonder if the Senator will wait until I reach that point. I wish to go through these points ad seriatim. If he will wait, I shall be glad to answer the Senator's question. I have decided to make this speech by explaining the amendment point by point, in order that I may make my position clear on each point. I shall reach that section shortly. I hope the Senator will ask me that question when I get to it.

Mr. MILLER. Without asking the question, I should like to express the hope the Senator will point out how he would solve the problem relating to a recipient's contribution to a military force and how that might be affected by the Senator's amendment.

Mr. MORSE. I shall come to that point. Continuing with my present point, this provision would stop us—and we ought to be stopped as a country—from seeking to force foreign aid on a country, instead of making that country come in and voluntarily ask for it, and prove that it is entitled to it.

I say that a country must request aid. A country must show that it is following certain economic, political, and military policies:

> (A) That it (i) is seriously and continuously engaged in measures of self-help.

Mr. President, we cannot do the job for other countries in developing them. They must do something for themselves. They must stop following the line that all they have to do is to come, hat in hand, to Uncle Sam and ask for funds, or say to Uncle Sam, "If you do not give it to us, we will get it from Russia."

Every time a country has taken that course of action—and there have been many such instances in the past—we should have told that country to get to Moscow as fast as it could get there for help.

We should have called its bluff. In my judgment, we have yielded to that kind of international blackmail time and time again. We never should have loaned or granted so much as a dollar under the foreign aid program on the basis of the argument that if we did not give it to them, Russia would. They should have been told that if that was the unethical principle on which they approached us, they should be on their way to Moscow, and fast.

We have not served the interests of the American taxpayer by yielding to that kind of unethical argument.

So my first condition is that they must come in and show what they propose to do to meet some of the economic, social, and political problems which confront their country. That is what is needed in so many parts of the world on the part of those countries. That would be a proper use of our foreign aid in cooperating with them to help them bring about the objectives of such self-help programs.

I have pleaded for it. We have been making remarkable progress in connection with it in the Alliance for Progress program. We have done better in regard to this program in Latin America than anywhere else in the world in connection with our foreign aid program. I wish to extend it.

Then the country must show that it—

> (ii) has taken appropriate steps to assure that its own private capital resources will be utilized within its own country or area.

This point involves the problem, for example, of the flight of capital. In some places in the world we have been pouring a great many American dollars into a country while its own wealthy have been flying their money out of their country and investing it in New York and Swiss banks.

We still have a very serious problem in connection with this point in Latin America. That is one aspect of our Alliance for Progress which has not worked out too well. There has been some change of attitude on the part of wealthy oligarchs in Latin America, but not enough. Some of them have begun to recognize, as President Kennedy had warned them shortly after the Alliance for Progress program went into effect that they need to recognize their responsibility to see to it that they are willing to invest in their own future, if they are to have a future, and that if they followed the course of action of taking their money out of their country, to the great detriment of the mass of people, they might lose all.

That is what I have in mind in connection with this condition. We owe the duty to the American people to stop pouring millions of dollars into a country when the record shows that the wealthy of the country do not have enough confidence in the country's future to invest their wealth in developing the economic freedom of that country, but invest it in Swiss banks and elsewhere. I do not believe we should aid a country if it follows that course of action.

Furthermore, we need to have some assurance from the applicant that it is making a record of the use of private capital by way of an investment to develop their own economic freedom. I am so convinced of the essentiality of this as the foundation of political freedom that I believe the time has come to say to certain countries: "We will not give you millions of dollars while you continue with a sort of economic fascism in your country where the wealthy take the mass and the poor get the driblets."

We seek to defeat communism anywhere in the world where it is a threat; and it is a threat in every underdeveloped country. It is a threat where people have an exceedingly low standard of living. It is a threat where the average longevity is from 30 to 36 years—and that includes many millions of human beings on the face of the earth. It is a threat in countries where poverty and disease are rampant and where infant mortality from 25 percent to 85 percent is the record of a given country or of large segments of a given country. In such countries our foreign aid is being poured into the drain, unless the ruling class, the government of that country, and the wealthy of that country are willing to do their share by way of self-help in improving the living conditions of the masses, whose present living conditions create the danger and threat of a Communist takeover.

The only way to defeat communism in any of those countries is to do something about raising the standard of living of the people. It will not be done by a foreign aid program that does not establish as a condition before the fact, requirements by way of capital investment on the part of the wealthy of that country in its own economic future. It will not be done unless we make as a condition before the fact of receiving American foreign aid, proof submitted by the applicant country that it is really taking steps to encourage the investment of its own private capital to develop a system of free enterprise.

I shall repeat over and over in this debate that there cannot be political freedom for people anywhere unless the people of the country have a system of economic freedom represented by a free enterprise system. In the last analysis, that is what our own political freedom has depended on. I do not know why liberals everywhere in our country do not recognize that. I do not know why conservatives are not recognizing it more in respect to the foreign aid bill. I do not think the conservatives in the Senate can justify casting the votes that some of them are casting for the kind of foreign aid program they have been supporting.

What we have been supporting in many parts of the world is economic totalitarianism, state industry, and the development of a state monopoly. As I shall show before I finish offering my amendments, that is true of Turkey, which is one of the outstanding state economic totalitarian societies on the face of the earth, built up by hundreds of millions of dollars of American taxpayers' money. The amount has already reached several billions of dollars since the start of the foreign aid program.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. MORSE. I yield to the Senator from Nebraska.

Mr. CURTIS. The Senator from Nebraska is much interested in many of the points which the Senator from Oregon has discussed. For the purpose of information, I should like to have the Senator elaborate a little on the legislative intent of his amendment and the language to institute reforms in such fields as land use and taxation, particularly land distribution.

Mr. MORSE. I shall come to that subject next, if the Senator will allow me to finish this point. As I said to the Senator from Iowa, I am discussing my amendment point by point. However, I shall shortly discuss the point the Senator from Nebraska has asked about. I am finishing my discussion of item No. 2, which relates to the condition to which the applicant must submit. I close my discussion of that point by saying that I believe it is desirable to require the applicant to consult with the representatives of the United States who pass judgment on the application, and to give proof as to what their country is doing and what its program is concerning the conditions I propose under item 1(a) of the amendment.

I stress that that is quite consistent with the Act of Punta del Este and in accordance with the Alliance for Progress upon which the Act of Punta del Este is based. Together with the Senator from Iowa [Mr. HICKENLOOPER] I was one of the delegates to that conference, just as we were the Senate delegates to the Bogotá conference under the able leadership of the present Secretary of the Treasury Dillon. We presented what we were satisfied was a program of self-help.

We said to the countries at both Bogotá and Punta del Este that we would help them if they would help themselves; but that unless they came forward and showed that they were willing to conduct a reasonable program of self-help, the time was coming when the American taxpayers would rise up and say to their own Government, "Stop this wasteful giveaway program into which foreign aid is rapidly turning itself."

Now I come to the third point, the point which I think the Senator from Nebraska had in mind.

The next condition that an applicant country would have to meet would be to encourage the development of the private enterprise sector of its own economy. As I said 2 or 3 minutes ago, we want to know whether we are dealing with an economically free state or a socialist state, to use a broad descriptive term. We want to know whether we are dealing with a state that directs the economy of the state; whether we are dealing with a state in which the people live as servants, not as masters of the state, so far as the economy is concerned. If they are the servants, not the masters of the state, in respect to the economy of that country, they never can be the masters of the country politically. Whenever a government can control and direct the economy of a country, that country cannot possibly be free; it is bound to be a country of economic fascism or communism. It is bound to be an economic police state. No one can show me in all history a country that was an economic police state and at the same time a politically free state.

Mr. LAUSCHE. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield.

Mr. LAUSCHE. I express my concurrence in the statement made by the Senator from Oregon with respect to the need to grant aid to countries that believe in our system of private enterprise. In my opinion, we have erred gravely by practically encouraging governmental operations of all types of business in a manner that is in complete conflict with our concept of how freedom can be developed.

Place industry within the control of government, and eventually the liberties of the people will be shackled.

I express deep concurrence in all that the Senator from Oregon has said on this subject. We have erred unpardonably in what we have done in the development of sound enterprise in the countries which we have aided. Eventually, out of socialism they will pass into communism, where all will be owned and controlled by the State, including soul, the thinking, and the property of the individual. Nothing will remain as the individual domain of the citizen in such a state.

Mr. MORSE. I thank the Senator from Ohio. This is not the first time the Senator from Ohio has supported the Senator from Oregon on this issue.

The Senator from Ohio and I have stood together in the Foreign Relations Committee in connection with many issues which underlie the principle of economic freedom and the dependency of political freedom upon it.

Mr. LAUSCHE. The last instance of this was the plant in India, where the United States was to set up a steel plant to be operated by the Indian Government in competition with the private steel plants within India. We did not accept the arguments advanced by the administration that it would be sound, and we opposed it. I am glad that we stopped it.

Mr. MORSE. We had a hard time stopping it, but we finally stopped it. There are many more countries where we should stop it, and Turkey and Bolivia are two of them. But we will never stop it by leaving it up to AID officials any more than we stopped it that way in India.

The State Department and AID argument on this issue is completely fallacious.

It adds up to the fact that we have no right to interfere in the sovereignty of another country.

Who seeks to interfere with the sovereignty of another country?

If another country wishes to go Socialist, if another country wishes to adopt a system of economic fascism, that is its business. But it happens to be our business to determine whether we are going to give them any money to help build up that kind of program.

This is the taxpayers' money. We are the trustees of the taxpayers. In my judgment, we cannot justify using American taxpayers' dollars for the development of economic fascism, or economic statism, or an economic police-type of government anywhere in the world, whether it be Turkey, Pakistan, or any one of the junta governments in Latin America—about which I shall have something to say later today, or tomorrow, in connection with another amendment.

The point I wish to make now is that we should have a condition for the granting of a single dollar of aid to any country, that we are not going to grant the money unless that country can show that it will encourage the development of private enterprise in the private enterprise sector of the economy, but that this does not mean that we are not going to give consideration to any program which may be based upon some regulation, or even some ownership of certain natural resources which it is felt should be kept under government ownership.

Even in our own country we have a strong regulatory policy in connection with industries that are vested with the public interest. We also recognize that in certain sectors of the economy, such as, for example, power—some government ownership is desirable.

The point is perfectly clear that when an applicant is unable to show that it is encouraging the development of the private enterprise sector of the economy, we should say, "Go elsewhere for your money."

This is a condition which under this situation—as the banker—we have a right to impose. If they do not wish our money, under that condition, let them try to get it elsewhere.

The fourth condition under the item is if the country—

> has taken adequate steps, where appropriate and necessary, to bring about reforms in such fields as land distribution and taxation to enable its people fairly to share in the products of its development, and to assure that the project or program for which economic aid is requested will contribute to the economic or social development of the country—

This is the point raised by the Senator from Nebraska a few moments ago.

Let me cover it quickly in this way: In many places in the world, the avoidance of taxation is a national pastime. In many places in the world, we find that those who should pay taxes consider taxes negotiable, both on top and beneath the table. A strange psychology exists in some countries that if one really pays fair taxes, he is a fool. That has been one of the great problems we have encountered in Latin America.

Last year in debate, I told the true story about an experience I had in Mexico City when I was down there on one occasion at a luncheon that was given for me, and there was a considerable amount of talk about a wonderful huge retail outlet establishment that Sears, Roebuck had developed in Mexico City. I felt a little coolness to the subject on the part of some Mexican businessmen who were at the luncheon. I wondered whether it was due to the competition which Sears, Roebuck was giving them in the retail trade.

So, I politely and respectfully directed the luncheon conversation toward that phase of the subject. I soon discovered that they were not worried about Sears, Roebuck competition in regard to the goods involved. They were not bothered about that one bit. Finally, I got to what was bothering them. One of the businessmen finally said to me, "Senator, I wish to tell you what we are concerned about. Do you know what Sears, Roebuck has done? Sears, Roebuck has paid its taxes in full."

That was the unpardonable sin. That is what they did not like.

Mexico is not the only place in which there has existed a historic pattern of evasion of taxes in one way or another, or trying, in one way or another, to get out of paying a fair share of taxes.

We took the position in the Alliance for Progress in the beginning, at Bogotá, at Punta del Este, and in many conferences that have been held with the leaders of Latin American countries, that they should impose fair and equitable taxes on the wealthy. That idea has been hard to sell. But I believe that we can justify it morally and ethically.

I am one of those politicians who say frankly to their constituents, "You should be happy that you can pay taxes." The question is whether we are keeping those taxes fair and equitable, and whether it is fair to discriminate on the basis of ability to pay. But if the tax is based on ability to pay, and it is fair, reasonable, and equitable, I am very frank to say to my constituents, "You should be pleased to pay taxes, because, although the price of freedom comes high, it is worth the price. You would not change your position with that of any other taxpayer in the world if, by changing your position with any other taxpayer in the world, you had to live under the same circumstances."

It is not fair to the American taxpayer to apply the sound doctrine of American taxation to the American taxpayer and raise millions of dollars of money to be spent on a foreign aid program when citizens of the recipient countries are not taxed on the basis of ability to pay, where tax escaping is the order of the day, where the wealthy who have the ability to pay do not pay a fair tax.

This is a condition that I would impose in the amendment. The applicant must show that it is trying to do something about reforming its tax program. That is needed in many parts of the world. It is easy for Americans, and, it appears, for American legislators, to overlook this point. We are inclined to brush this one under the rug.

What does one think about the tax program in Turkey? Does one think that the wealthy Turks are taxed in accordance with their ability to pay? Nonsense. What does one think about the tax program in Pakistan? If it is thought that it is based upon a fair application of the formula that taxes ought to be levied in accordance with the ability to pay, that is nonsense.

One can go on down the line, naming country after country. We have the right, in keeping with the acts of Bogotá and Punta del Este, to prove that in those two acts the self-help provisions are not merely so much verbiage. We meant it.

If we are going to insist on tax reform as a condition precedent to the granting of a loan, at least we must prove that a truly good faith attempt is being made at the time in the parliaments of the recipient countries. I know that we cannot bring about tax reform overnight. We have had a good many examples of that, not too far in the past, in the U.S. Senate. There are still many tax disjointures that we ought to improve upon. We have not a perfect system. It is pretty hard to get tax reforms through in our own body.

But we ought to insist that good faith attempts at tax reform can be shown by the responsible leaders of the government asking for the aid. We ought to also insist upon a document which sets forth that they will do everything they can to carry out their side of the commitment.

I mention specifically the case of land distribution. Using it as an example, I wish to make it perfectly clear that this part of the amendment is not all inclusive. I am seeking to make clear that any foreign aid program that would be initiated under this particular amendment would put the burden upon the applicant to show that it is trying to develop a system of economic freedom for the individual in the respective countries. If that can be done, we do not have to worry about subsequent political freedom for the individual.

Let me make perfectly clear that the senior Senator from Oregon does not stand for land confiscation. The Senator from Oregon stands in connection with that problem as he would stand for fair compensation for any land in our own country that the Government decides must be distributed in order to strengthen the cause of development in a society based upon economic freedom, so that political freedom can take seed and grow in that seed bed.

I told a story of a former President of Colombia, President Lleras. I was down in Colombia a few years ago and met at luncheon, all afternoon, with the President and his cabinet. In the course of that conference, when I asked the President for the one thing—if I were limited to one recommendation to my country—that he would have me recommend, the President said:

> Senator, can you go back and change the position of your Government in respect to land reform? Your Government has never made available to Colombia a single dollar of credit for land reform. Apparently you have the idea in the United States that we are advocating land confiscation. We are not. We are advocating compensation for the land that, as a matter of public policy, we find needs to be redistributed so that we can check communism in those areas of Colombia in which the people are serfs to the soil.

And they are massive.

Mr. President, all the aid in the world will not check communism. All the aid in the world that we can make available under the foreign aid bill will not check communism in any underdeveloped area of the world unless the people cease to be serfs to the soil.

We cannot have economic and political freedom if we have a feudal system of land tenure. And some of our Latin American friends shudder a little when we put it that bluntly, but that is the truth. In much of Latin America, many people are really, in effect—if they are working in the field of agriculture—nothing but serfs to the soil.

There is no substitute for ownership of land, or a family-sized farm that makes it possible for the head of that family to support his family in health and decency.

The President of Colombia told me on that occasion:

> Your military aid could not possibly beat down communism in Colombia with the best military weapons you sent us if a Communist revolt takes place in the rural areas. And that is where Communist revolts usually take place. Then they spread to the metropolitan area. They do not start there in the usual pattern. They start out where the people are hopeless, suffering from despair. They see no future, for all they are are serfs to the soil.

He said:

> If a revolt should start and they flee into the mountains, you could not put down that revolt with your military aid. But you give me some help in establishing a land ownership system based upon family farm ownership and communism will not survive.

We did change the policy of the United States. But many of these countries have yet to come forward with a realistic land reform program.

My amendment says "Come in and show us, if you wish to apply for foreign aid, what you are doing by way of taking adequate steps, where appropriate and necessary, to bring about reforms in such fields—but not limited to such fields as land distribution and taxation to enable its people fairly to share in the products of its development, and to assure that the project or program for which economic aid is requested will contribute to the economic or social development of the country."

Reforms in a good many other fields are necessary. What are they doing about developing democratic processes? What are they doing in connection with employment? What are they doing to stop economic discrimination?

The fields in which we would have the right to ask for at least a good showing before we grant aid are numerous. But if we wish to use the aid program really to help the people become economically and politically free and to stem the threat of communism in all parts of the world where applications for loans are sought, we really ought to ask for those conditions as a minimum.

I come now to part (B). An applicant would be required under that paragraph of the amendment to show—

> That it is promoting the maximum amount of individual freedom and is encouraging its people freely to choose their own government; and

That statement causes a great deal of trouble in the State Department. They are great ones down there to talk about freedom. They are great ones to talk about how we are trying to defend freedom around the world. But if the slightest suggestion is made that the foreign aid program ought to have attached to it, to any degree whatsoever, a condition that the country seeking the funds must pay some attention to the rights of the individual—and that is what freedom is all about—they throw up their hands, because such a condition would mean that we would have to stop aiding certain totalitarian governments. We would have to stop aiding certain dictators. We would have to stop aiding some of the most tyrannical governments that exist in the world outside the Communist bloc.

Why should we not stop it? I do not know how we are going to get support for the image of the United States that we are trying to create when we continue to support regimes that stamp out freedom of the individual. That is why in all my years in the Senate I have been protesting the support that we have been giving to totalitarian regimes around the world. Does any Senator believe that such a policy is going to help to defeat communism? Such countries would leave us overnight if they decided that it would be in their national self-interest to do so. They would take our money. They would call for the country's businesses. Then they would do what Pakistan did. They would enter into deals with Red China or any other totalitarian country that they might think could serve their purpose in respect to some problem.

The American people are entitled to know that their tax dollars are not being used to stamp out individual freedom anywhere in the world where our foreign aid program is developing. So far as the State Department and the Pentagon are concerned, they should be repudiated on this score.

The Pentagon takes exactly the same position in regard to military aid.

Paragraph (C) provides—

> (C) That it seeks to establish and maintain only such military force as may be adequate to prevent the internal overthrow of an elected government or to deter threatened external Communist attack;

That suggestion causes the shudders to run up and down the spines of the officials at the Pentagon and causes the representatives of the State Department almost to take to bed. I have never been able to understand, and I have never heard an argument in all the briefing, as to why the United States should be supporting a great military establishment in another country far beyond what the domestic economy of that particular country itself could support because, as I have said so many times, each of those countries lives, exists, and has its being under the canopy of American military protection anyway. Much better that the great manpower that they pour into their military establishments should be used to develop their own economies rather than to develop the type of military oligarchies that our foreign aid money in respect of the military establishment is developing around the world, for those oligarchies are not supporting freedom. I do not believe that our foreign aid program should go into a country that has an overbalanced, inflated military program. I am for helping them with military aid to the extent necessary to maintain internal order, but we have gone far beyond that in many countries.

One of my criticisms of our military aid program to Latin America is that we are pouring too much into too many Latin American countries which in turn are using that military aid to maintain military oligarchies for the most part composed, so far as their leadership is concerned, of the sons of the rich. That means that we must stop supporting military juntas around the world, such as those in the Dominican Republic and Honduras. If we are to take the position that we stand for freedom, we cannot very well support with millions of dollars of foreign aid governments that overthrow an elected government selected by the people.

Many disagree with me about this, but I am not going to vote for foreign aid that supports military juntas, that supports dictators, that supports regimes that overthrow self-governments, or that prevents the establishment of a system of self-government.

So long as we do that, so long as we accept those juntas, we encourage more juntas. And then the Communists take advantage of the general unrest. Take a look at the pattern.

In my judgment, today there is no less danger of overthrow of governments by military cliques that have received a great amount of military aid than there was 10 years ago. That is a very sad account of the failure of American military aid, or foreign aid generally, for that matter.

Next, my amendment makes an exception of irrevocable commitments.

We have some irrevocable commitments. One should not expect the senior Senator from Oregon to advocate abrogating the obligation of contracts solemnly entered into. No doubt, some of those contracts should not have been entered into in the first place. But one of the unjustifiable arguments made by the State Department is to spread the rumor around the precincts of the Senate Chamber that "The Morse amendment would be an amendment calling upon us to act in bad faith." "We have made commitments," says the State Department. We certainly have. I am for keeping those commitments, bad as some of them are.

I have clearly written into the amendment—as clearly as I know how to use the English language—the assurance that the assistance is not going to be affected by irrevocable commitments that this country has already entered into.

Subparagraph (3) of my amendment reads:

> In case of any such assistance extended in the form of loans, the interest rate thereon is not less than the average rate payable on obligations of the United States of comparable maturities.

What is wrong with that? We cannot continue these interest rates of three-quarters of 1 percent. We cannot continue the 10-year grace period, in which no money is to be paid at all. We cannot continue a provision for 40 to 50 years for repayment, and then, in many instances, in soft currencies.

The American people are becoming more and more fed up with that kind of shakedown. That policy is a shakedown of the American taxpayer, and an unconscionable one. Because a few of us have dared to discuss it, openly, frankly, and bluntly, in the past 2 or 3 years, millions more of the American people are becoming wise to it.

I know the kind of criticism that the apologists for this shakedown make against those of us who have dared to speak out against it. They try to castigate us with the false charge that we are only a group of beginners; that we are "go-it-aloners"; that we are not teamworkers.

All those name-calling tactics make no dent on me, for I know that on the facts the State Department cannot justify the present interest charges of the AID program. The American people are entitled to better protection of their tax dollars than we are giving them under this program.

So the amendment provides that, if they want to apply, they may come in with applications for loans on projects, on which loans they are willing to pay interest at a rate not less than the average rate payable on obligations of the United States of comparable maturities.

That is really a great service to each individual country. It means that the people of the country will develop sound economic projects for which they will ask money, and not boondoggle programs; and that money they want for political purposes, money they want for a good many uses for which we have no right to give them a red cent if we are to be the trustees of the American taxpayers' dollars, will have to come out of their own resources.

I am not talking about grants. I am not talking about money available for humanitarian causes. This provision has nothing to do with such uses. It has to do with loan money.

Reading from the last paragraph of my amendment:

> The total number of countries or areas receiving assistance under this Act subsequent to June 30, 1966, shall not exceed fifty.

Mr. President, what in the world is wrong with that? Anyone would have a pretty hard time listing more than 50 countries that are entitled to foreign aid. We must cut back. We cannot continue to pour millions of dollars into 80 or more countries. If one reads the record of the Foreign Relations Committee hearings, he will have a hard time knowing just how many countries we are aiding. It all depends on what definition one accepts, by way of major premise, to start with.

I close my discussion of the amendment by calling attention to the comments which appear on page 5 of my minority views dealing with this subject matter. I say:

> This leads to another major objection to the character of the foreign aid program as it now stands. It is only the beginning figure for what we spend overseas on an annual basis. Many Members of the Congress, much less the American public, have only the haziest idea of how money is involved in our contributions to a large number of international financial and developmental organizations, and in our shipments of agricultural surpluses.
>
> Moreover, executive branch requests for the same general purpose in successive years have a tendency to disappear from one bill or category and turn up in another. For example, $135 million for Latin American development (through the Inter-American Bank's Social Progress Trust Fund) contained in the 1964 foreign aid appropriation bill does not recur this year. At first blush this might appear as a reduction in our total aid. But no, the administration has just submitted a separate new request for $750 million over a 3-year period for the same purpose with a slight change in terminology. There is no corresponding cut in this bill. Under these circumstances it is extraordinarily difficult to perceive the overall total of U.S. foreign aid, and to make intelligent judgments about the validity of its components, such as those contained in this bill.
>
> ### EXCESSIVE NUMBER OF COUNTRIES CONTINUE TO RECEIVE BILATERAL AID
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> This confusion carries over into the question of how many countries are feeding at the American trough. If only aid under the Foreign Assistance Act is counted, then some 83 countries are scheduled to receive assistance in fiscal year 1965. But the total rises to over 90 countries and territories when all forms of assistance are counted. And indeed they should be counted. The administration can scarcely claim it is extending little aid to Nasser's Egypt, for instance, when Public Law 480 supplies are flooding that country.
>
> Now it appears that the number of countries getting help under the Foreign Assistance Act has fallen by something like the figure of 10. It is noteworthy that there is no commensurate cut in the administration request for new funds. On the contrary, the AID officials point with pride to the growing concentration of effort in fewer "key" countries. By that standard, no matter how many nonessential applicants are cut off the aid payroll, the level of foreign assistance requests is likely to remain unchanged.

We must bring the foreign aid program to a complete end with respect to any country which is capable of going it alone. When we have poured out the largesse of our American taxpayers to the extent of more than $100 billion since 1946, we must start tapering off. We must start tapering off the amounts, and we must start tapering off the number of countries we are aiding.

If we were to lay down the terms and conditions that I suggest in the amendment, we would find that my requirement of 50 countries is ample. We ought to serve notice now that we will take applications from up to 50 countries which can show that they are entitled to loans, or, in some limited respects, grants from us. Then we could say quite frankly, "This is all we can take care of. Countries that did not qualify within the 50 could go to Great Britain, France, Belgium, Holland, West Germany, Norway, Portugal, or Italy, countries into whose economies we have poured a total of more than $100 billion, to obtain loans.

The State Department continually tells us that other countries have come to the conclusion that they must help more. I wish to induce them to help more. We should limit our aid to the 50 most needy countries in the world, which at the same time can meet the terms and conditions of the amendment.

Mr. FULBRIGHT. Mr. President, an amendment virtually identical to this amendment was offered last year, calling for stopping the program in 1965. It was defeated. Many of the provisions in the amendment, which the Senator from Oregon would like the administration to adopt, already are the policy of the administration, but they are not put in mandatory form, as a condition precedent. In many instances the administration seeks to follow most of the policy statements that the Senator sets forth. The main distinction is that they are not made absolute preconditions.

The amendment proposes to terminate the aid program on June 30, 1966, except for countries which meet specified criteria of self-help, use of their own private capital resources, encouragement of private enterprise, and reforms in such fields as land distribution and taxation, promotion of freedom, and confinement of military forces to the minimum level necessary to security. The amendment further provides that interest rates on loans will be no less than the average rate payable on obligations of the United States of comparable maturities. The amendment further provides that the total number of countries receiving aid shall not exceed 50.

Most, if not all, of the criteria spelled out in the amendment are already in the act and are already accepted by the administering agency as working principles. Spelling out of these criteria, therefore, is not a new contribution but merely a substantial repetition of the act as it stands. To this extent, the amendment is redundant and unnecessary.

While the act already sets forth most of the criteria listed in this amendment, it does not set them forth in such a way that they must always and fully be met before assistance can be provided. The amendment suggests that no aid will be provided until the recipient has solved basic problems of self-help, internal reform, and utilization of private capital. The amendment would thus bar the United States from extending predevelopment assistance to underdeveloped countries. Predevelopment programs, now being carried out in Africa and other parts of the world, are quite inexpensive but extremely useful. Their objective is to prepare countries for development, that is to say, to prepare them to fulfill precisely the criteria set forth in this amendment. The effect of this amendment would be to make it impossible to assist countries until they had gone through the most difficult stage of economic growth, which is to say, the preparation for economic development.

The amendment's requirement of an interest rate "no less than the average rate payable on obligations of the United States of comparable maturities." is inconsistent with the basic purposes of the aid program. Our aid is provided for the express purpose of making funds available where financing from other sources on reasonable terms is not available. Countries capable of paying the interest rate proposed by the amendment are normally capable of meeting their debt capital requirements from other sources.

Heavy emphasis has been placed on selectivity in the aid programs in recent years, but the designation of a maximum of 50 countries is arbitrary. Our economic and military assistance is in fact highly concentrated. Two-thirds of all development lending funds in fiscal year 1965 will go to seven countries which have demonstrated their ability to make effective use of development capital: Chile, Colombia, Nigeria, Turkey, Pakistan, India, and Tunisia. Two-thirds of all military assistance will go to 11 countries along the periphery of the Soviet Union and Communist China.

To designate an arbitrary maximum of 50 recipients is to reduce the flexibility of the program to the point of largely eliminating its usefulness as an instrument of American foreign policy. It may be in the years ahead that our national interest will require us to provide aid to more than 50 countries; it is equally possible that we will be able to confine our aid programs to many fewer than 50 countries. It makes no more sense to designate an arbitrary maximum of 50 aid recipients than it would to designate an arbitrary maximum of 50 embassies or 50 USIA missions abroad.

I hope the Senate will not accept the amendment. The foreign aid program is the best that the Government is able to do. In spite of all the criticisms that are heaped upon the Administrator, I believe that Mr. Bell is an outstanding man. He was drafted to perform this task. The Administrator is doing the best he can. The program is difficult. It is easy to criticize. It is easy to criticize practically all parts of our Government, but it still remains the best system that can be constructed.

Therefore I hope the Senate will not accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oregon [Mr. Morse]. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from Virginia [Mr. Byrd], the Senator from Tennessee [Mr. Gore], the Senator from Arizona [Mr. Hayden], the Senator from Georgia [Mr. Russell], the Senator from Washington [Mr. Jackson], the Senator from Utah [Mr. Moss], and the Senator from Louisiana [Mr. Long] are absent on official business.

I also announce that the Senator from New Mexico [Mr. Anderson] and the Senator from Massachusetts [Mr. Kennedy] are absent because of illness.

I further announce that the Senator from Nevada [Mr. Cannon], the Senator from Pennsylvania [Mr. Clark], the Senator from Oklahoma [Mr. Edmondson], and the Senator from New Jersey [Mr. Williams] are necessarily absent.

On this vote, the Senator from Virginia [Mr. Byrd] is paired with the Senator from Washington [Mr. Jackson].

If present and voting, the Senator from Virginia would vote "yea" and the Senator from Washington would vote "nay."

On this vote, the Senator from Louisiana [Mr. Long] is paired with the Senator from Pennsylvania [Mr. Clark].

If present and voting, the Senator from Louisiana would vote "yea" and the Senator from Pennsylvania would vote "nay."

On this vote, the Senator from Georgia [Mr. Russell] is paired with the Senator from New Jersey [Mr. Williams].

If present and voting, the Senator from Georgia would vote "yea" and the Senator from New Jersey would vote "nay."

Mr. KUCHEL. I announce that the Senator from Nebraska [Mr. Hruska], the Senator from Kansas [Mr. Pearson], and the Senator from Pennsylvania [Mr. Scott] are necessarily absent.

The Senator from New York [Mr. Javits] is absent on official business.

The Senator from Arizona [Mr. Goldwater] is detained on official business.

If present and voting the Senator from Kansas [Mr. Pearson] would vote "nay."

On this vote, the Senator from Nebraska [Mr. Hruska] is paired with the Senator from Pennsylvania [Mr. Scott]. If present and voting, the Senator from Nebraska would vote "yea" and the Senator from Pennsylvania would vote "nay."

The result was announced—yeas 29, nays 53, as follows:

[No. 530 Leg.]

YEAS—29

Beall
Bible
Burdick
Cooper
Cotton
Curtis
Dodd
Dominick
Ellender
Ervin
Gruening
Hart
Johnston
Jordan, N.C.
Jordan, Idaho
McClellan
Mechem
Miller
Morse
Morton
Mundt
Robertson
Simpson
Talmadge
Thurmond
Tower
Williams, Del.
Young, N. Dak.
Young, Ohio

NAYS—53

Aiken
Allott
Bartlett
Bayh
Bennett
Boggs
Brewster
Byrd, W. Va.
Carlson
Case
Church
Dirksen
Douglas
Eastland
Fong
Fulbright
Hartke
Hickenlooper
Hill
Holland
Humphrey
Inouye
Keating
Kuchel
Lausche
Long, Mo.
Magnuson
Mansfield
McCarthy
McGee
McGovern
McIntyre
McNamara
Metcalf
Monroney
Muskie
Nelson
Neuberger
Pastore
Pell
Prouty
Proxmire
Randolph
Ribicoff
Salinger
Saltonstall
Smathers
Smith
Sparkman
Stennis
Symington
Walters
Yarborough

NOT VOTING—18

Anderson
Byrd, Va.
Cannon
Clark
Edmondson
Goldwater
Gore
Hayden
Hruska
Jackson
Javits
Kennedy
Long, La.
Moss
Pearson
Russell
Scott
Williams, N.J.

So Mr. Morse's amendment was rejected.

Mr. FULBRIGHT. Mr. President, I move that the vote by which the amendment was rejected be reconsidered.

Mr. MANSFIELD. Mr. President, I move that the motion to reconsider be laid on the table.

The motion to lay on the table was agreed to.

LEGISLATIVE PROGRAM

Mr. DIRKSEN. Mr. President, I should like to ask the majority leader about the program for the remainder of the day and, insofar as he knows, what the program will be for tomorrow and when he proposes to convene the Senate.

Mr. MANSFIELD. It is my understanding that the distinguished senior Senator from Oregon, who has been most cooperative in offering amendments, will offer one more amendment this evening.

It is my further understanding that the yeas and nays may well be requested.

If there are other amendments following that—and I would hope that there would be—though I doubt it very much—the Senate would remain in session to consider them in the interest of expediting the measure now before it.

There is already an order for the Senate to meet at 10 o'clock tomorrow morning.

ECONOMIC OPPORTUNITY ACT OF 1964—UNANIMOUS-CONSENT AGREEMENT

Mr. MANSFIELD. Mr. President, at this time, after conferring with the distinguished minority leader and other interested individuals, I ask unanimous consent that on the question of agreeing to the House amendment, without amendment, to Senate 2642, the so-called antipoverty bill, debate beginning at 10:15 o'clock tomorrow morning be limited to 1 hour, to be equally divided between the proponents and the opponents, with the time to be controlled by the majority and minority leaders.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

The unanimous-consent agreement, subsequently reduced to writing, is as follows:

UNANIMOUS-CONSENT AGREEMENT

Ordered, That effective on Tuesday, August 11, 1964, beginning at 10:15 a.m., the Senate proceed to the consideration of the House amendment, without amendment, to S. 2642, the so-called antipoverty bill, with all debate thereon limited to one hour, to be equally divided between the proponents and opponents and controlled by the majority and minority leaders, respectively.

AUTHORIZATIONS FOR COMMITTEES OF THE SENATE TO MEET UNTIL 12 O'CLOCK MERIDIAN TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that committees of the Senate may be permitted to meet up until 12 o'clock meridian tomorrow.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

ORDER OF BUSINESS—MODIFICATION OF UNANIMOUS-CONSENT AGREEMENT

Mr. MANSFIELD. Mr. President, when the Senate meets tomorrow it will discuss the House amendment to the antipoverty bill (S. 2642) which is really the Economic Opportunity Act of 1964. It will then return to the foreign aid bill. I would hope that the Senate will show as much expedition tomorrow as it has shown today.

Mr. TOWER. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. I yield.

Mr. TOWER. It was my understanding that the Committee on Labor and Public Welfare was meeting tomorrow only to consider nominations, but I have since been informed that it will also consider proposed legislation as well.

Since the members of that committee will be in the Chamber debating the House amendment to the antipoverty bill, it seems inappropriate that the Committee on Labor and Public Welfare should meet later than 10:15 a.m., tomorrow.

Accordingly, inasmuch as unanimous consent has already been propounded and agreed upon, would the Senator from Montana agree to change his request in regard to that committee?

Mr. MANSFIELD. The nurses training bill is due to be reported tomorrow, which is a matter of prime importance. It is a bill to which I know of no opposition. In view of the generosity of the Senator from Texas, I agree to rescind my previous request in regard to the Committee on Labor and Public Welfare.

Mr. TOWER. The only point I should like to make to the majority leader is that, of course, the antipoverty bill is also of prime concern to the Committee on Labor and Public Welfare, and members of that committee would be in the Chamber; therefore, I believe it should not meet at the time specified by the Senator from Montana.

Mr. MANSFIELD. Would it be agreeable to ask permission for the Committee on Labor and Public Welfare—if it so desires—to meet from 11:15 a.m. tomorrow until 12:30 p.m.?

Mr. TOWER. I would not object to that request.

Mr. MANSFIELD. Mr. President, I therefore make the request that the Committee on Labor and Public Welfare be permitted to meet from 11:15 a.m. tomorrow until 12:30 p.m.

Mr. TOWER. Could that request not be made so as to take effect after the vote on the antipoverty bill?

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Committee on Labor and Public Welfare be permitted to meet from 11:30 a.m. to 12:30 p.m.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

COMMITTEE MEETING DURING REMAINDER OF 2D SESSION OF 88TH CONGRESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Committee on Appropriations be authorized to meet during the sessions of the Senate for the remainder of the 2d session of the 88th Congress.

Mr. TOWER. Mr. President, reserving the right to object, I should like to inquire of the Senator from Montana whether this authorization applies only to the Appropriations Committee?

Mr. MANSFIELD. This is only for the Appropriations Committee.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

AMENDMENT OF FOREIGN ASSISTANCE ACT OF 1961

The Senate resumed the consideration of the bill (H.R. 11380) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

Mr. MORSE. Mr. President, I call up my amendment No. 1188, and ask that it be stated.

The PRESIDING OFFICER. The amendment of the Senator from Oregon will be stated.

Mr. MORSE. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and the amendment will be printed in the RECORD at this point.

The amendment (No. 1188) submitted by Mr. MORSE is as follows:

On page 4, line 5, after "SEC. 104." insert "(a)".

On page 4, between lines 13 and 14 insert the following:

"(b) Title VI of chapter 2 of part I is amended by adding at the end thereof the following new section:

" 'SEC. 254. RESTRICTIONS ON ASSISTANCE.—(a) None of the funds made available under authority of this Act may be used to furnish assistance to any country covered by this title in which the government has come to power through the forcible overthrow of a prior government which has been chosen in free and democratic elections.

" '(b) The provisions of this section shall not require the withholding of assistance to any country if, following a determination by the President that the withholding of such assistance would be contrary to the national interest, the two Houses of Congress adopt a concurrent resolution approving the continuance of such assistance.' "

Mr. MORSE. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. DIRKSEN. Mr. President, I should like to inquire of the Senator from Oregon whether he proposes to offer any more amendments tonight after the yea and nay votes on the one the Senator now has pending?

Mr. MORSE. I do not plan to offer any more amendments tonight.

I shall offer more if Senators wish to stay and vote.

Mr. DIRKSEN. Mr. President, if it offers no offense to Senators, I wonder if we can obtain some indication of how many amendments still remain to be offered on both sides of the aisle.

Mr. MANSFIELD. Mr. President, if the Senator from Oregon will yield for me to make a point on that, I have a rough figure. As I check around, it appears that there will be approximately 20 amendments to be offered—including the one now pending—on the part of all Senators.

I should say that the Senator is making very good progress today, and I am highly pleased.

Mr. MORSE. Mr. President, while so many Senators are present, I ask unanimous consent—and I am sure it will be drafted for insertion before the Senate takes a recess tonight—to have printed in the Record a blanket amendment that would cut the authorization to not more than $3 billion. That calls for a good many technical changes in the bill. I have legislative counsel working this afternoon on this amendment.

I ask unanimous consent that I may send that amendment to the desk, that it be printed so as to be available to Senators tomorrow, and that it lie on the desk.

The PRESIDING OFFICER. Without objection, the amendment will be received and printed, and will lie on the desk as requested.

Mr. MORSE. Mr. President, I shall read from the pending amendment and comment on it as I proceed. The amendment provides:

> On page 4, line 5, after "Sec. 104." insert "(a)".
>
> On page 4, between lines 13 and 14 insert the following:
>
> "(b) Title VI of chapter 2 of part I is amended by adding at the end thereof the following new section:
>
> "'Sec. 254. Restrictions on Assistance.—(a) None of the funds made available under authority of this Act may be used to furnish assistance to any country covered by this title in which the government has come to power through the forcible overthrow of a prior government which has been chosen in free and democratic elections.
>
> "'(b) The provisions of this section shall not require the withholding of assistance to any country if, following a determination by the President that the withholding of such assistance would be contrary to the national interest, the two Houses of Congress adopt a concurrent resolution approving the continuance of such assistance.'"

I tried to place every possible safeguard in the amendment to protect our national security. This is a position that the senior Senator from Oregon, as chairman of the Subcommittee on Latin American Affairs, has taken for the past several years—not alone, either. Although we have a little difficulty getting the votes on the floor of the Senate for assistance, I will say that on the basis of my conferences in the past several years with my associates on the Committee on Foreign Relations, a considerable number of them say, "You are right." And I think I am right.

Take a hypothetical country. The amendment provides that if a country has a government that has been democratically elected—or, as we speak of it, a constitutional form of government—and that government is overthrown by force, be it a Communist force, a military force, or a military junta—we stop the aid.

The amendment does not read "until it restores the government it overthrew." It does not require this, although one would hope that the facts in a given situation would justify that. It does provide that we will not give them aid if they overthrow a democratic form of government. It means that they must return to constitutionalism. We ought to square our practices with our representations about trying to support freedom around the world. We ought to stop encouraging outlaws and military juntas around the world from destroying constitutional government, believing that if they do it, they have nothing to lose. They believe that after a little while the United States will come along, pour millions of dollars into their country, and help them entrench themselves in a position of domination over their people and thus keep down freedom.

I am perfectly willing to talk about specific cases. If my amendment had been the law of the land at the time of the junta in the Dominican Republic, under the Bosch regime, we would not only have stopped aid—and we stopped it for awhile—but we would have stopped it until constitutionalism was returned to the Dominican Republic.

My amendment would not require the reinstatement of Mr. Bosch. After the junta, he left the country. It is true that he was taken out of the country. He went to Puerto Rico. But, Mr. President, the country had a constitution. The constitution called for succession. The constitution called for the exercise of rights and prerogative on the part of the parliament. The constitution called for self-government on the part of the people. That was what was destroyed. The junta not only overthrew a president by force, but destroyed constitutionalism in the Dominican Republic. Do not be fooled by the facade they set up. They set up a so-called civilian council or commission under the complete domination and control of the military.

I hold no brief for Bosch. I am not qualified to pass judgment on whether he was a good President or a bad President. That is an internal governmental problem for the people of the Dominican Republic who live under an alleged system of self-government. I do hold a brief for our supporting the application of the constitutional system, and opposing the overthrow of a constitutional system.

Their constitutional system was like ours. It provides for various checks, various rights in the people to determine what their own form of government should be. That was destroyed. People became victimized by a junta.

The facade that was set up, the so-called civilian council not having U.S. recognition, continued to cause embarrassment. It produced an interesting set of facts prior to final recognition by the United States of the military junta.

We were told in the Cabinet Room by the then Acting Secretary of State, Mr. Ball—and there are men that are within the sound of my voice who heard it—that the State Department had decided that we ought to recognize the tyrannical military junta of the Dominican Republic, because that junta was about to stage a second coup and was going to stage the second coup out of resentment over the fact that the civilian council had not been able to deliver U.S. recognition, and that the second coup would be bloodier than the first.

I was shocked. In my judgment, we should have continued to refuse to recognize the military junta of the Dominican Republic until it established constitutionalism in the Dominican Republic. By recognizing it we have given encouragement to outlaw forces in Latin America that will not forget that precedent.

At the time I received some criticism when I made the statement to the effect that recognition of the Dominican Republic means that when the chips are down the United States cannot be counted upon to support freedom in Latin America. So we cannot. Our record shows time and time again that we cannot be counted upon.

Mr. President, in my judgment the record of the United States in Latin America on this point is deplorable, and to our shame. We ought to take the position, and stand by it, that if a military junta overthrows a freely elected constitutional government, we will not support that military junta.

Mr. LAUSCHE. Mr. President, will the Senator yield for a question?

Mr. MORSE. I am delighted.

Mr. LAUSCHE. If the amendment of the Senator from Oregon were adopted, would it deny us the right to give aid to Brazil, which threw out Goulart because of the suspicion and the supporting evidence, that he was tolerating the suggestion and was likely to convert the Brazilian Government into a Communist form of government?

Mr. MORSE. The answer is "No"; and I shall cover Brazil before I finish my remarks.

Mr. LAUSCHE. However, the amendment would cover the Dominican Republic, where Bosch was eliminated?

Mr. MORSE. If the Senator will permit me to finish my statement, I shall cover both the Dominican Republic and Honduras.

Mr. LAUSCHE. And Ecuador?

Mr. MORSE. The amendment would have covered Ecuador at the time, but the amendment would not be retroactive. I wish we could make it such, but I do not think it would be fair and proper to make it retroactive. The amendment would establish the policy from now on.

Mr. LAUSCHE. That policy would be such that although the incumbent government might have all of the attributes of wanting to aline itself with Red Russia and against the United States, if a military coup were achieved which would change the course of that government, we would not give aid to the substituted government.

Mr. MORSE. I still believe in the rights of the people. I believe in the rights of the people. That is for the people to determine under constitutional government. There is nothing in my amendment that requires us to give aid to a constitutional government just because it is constitutional. The best way to deal with the type of problem which the Senator from Ohio has in mind is to stop supporting military dictatorships. Communism makes more progress under those regimes than it does under constitutional regimes, as we should have learned from Cuba.

I believe that we made a great mistake in the Dominican Republic. But I wish to stress the fact that my amendment would not be retroactive.

We have recognized the Dominican Republic. I hope that democratic forces in the Dominican Republic will be able to persuade that junta that in the long pull, it is in the interest of the Dominican Republic to have elections and to return to a constitutional form of government.

Some may be surprised to hear me make this statement. There are a few leaders in the Dominican Republic who have been caught up in this mess, leaders who would that they were out of it, but feel that their best service to the Dominican Republic is to continue to do what they can to bring about a day when constitutionalism can be reestablished. These men are democrats at heart, men who believe in self-government, men who are willing to make great sacrifices and did make great sacrifices economically, and were willing to sacrifice their lives, if necessary, to overthrow Trujillo. I have great admiration for them. They are working within the junta government now. I have great hopes that in the not too distant future—2 or 3 years from now, and I hope sooner—through their influence and that of many others in the Dominican Republic there would be a return to constitutionalism in the Dominican Republic. But I could not say tonight that there is any reason to have assurance of it or any reason to finance the junta in the meantime.

The hands of those men would have been greatly strengthened if my amendment had been the law of the land at the time of the revolt, for I know what they say privately. Bosch never would have been returned. The Senate did not find the Senator from Oregon taking the position that he should be returned. The Senate found the Senator from Oregon taking the position that the next in line under that Constitution should be vested with the powers of the President to move on from them. I took the position that it was up to the people of the Dominican Republic to determine whether or not he should be returned.

An attempt was made at the time to get me to take the position that Bosch must be returned. I said constitutionalism should be returned. And so it should. I do not believe we should have been a party to giving support to the junta.

In the Dominican Republic the issue was that the military in that country should be brought under the control of the civilian government. What is so bad about that? We like to say that that is one of the safeguards of American freedom. We like to tell the world that in the United States the civilian government is in control of the military, and the military takes its orders from the civilian government. Bosch was proposing a policy of the Dominican Government whereby the military government would be brought under control of the executive and the congress. The military saw the handwriting on the wall. I am not saying on the floor of the Senate tonight that that was the only issue, but I would say that it was one of the most dominant issues that led to the overthrow of constitutionalism in the Dominican Republic.

The military would have none of it. Rather than have any of it, they tore down the citadel of constitutionalism and desecrated self-government in the Dominican Republic. And we supported it with subsequent recognition, and now with a resumption of aid. That is it. All we can do now is wait for the people of the Dominican Republic ultimately to make the final decision. I hope it can be done peacefully. I hope it can be done by recognition on the part of all, including the type of leaders I have referred to, who were caught up in this situation, who found themselves very much in opposition to some of the executive policies of Bosch, of the need to reestablish constitutionalism and self-government there.

Now a word about Honduras. The amendment would apply to countries in the future that made the same type of mistake in overthrowing constitutionalism as in Honduras. Of course, it would not be retroactive. The Honduras situation, I think, is to our national shame, so far as recognition is concerned. It was only a short time before a presidential election in Honduras. The campaign was on.

The briefing before my committee—and I know of no one who challenges this statement—was to the effect that there was a rather close race for the Presidency. The candidate for the Presidency, who, it was taken for granted, was going to win, also took the position that the military should be subject to the control of the civilian government, and favored a constitutional amendment to that effect. That was unacceptable to the military, and it overthrew the Government, and we recognized it. We recognized it the same day we recognized the Dominican Republic. It shocked many of our friends in Latin America. We ought to stop this.

The same would have applied years ago to Ecuador. It would have applied to Peru, although, in fact, we did not resume aid to Peru until the junta restored the country to constitutionalism. It would have applied to every area where constitutional government was overthrown by military force.

Now let us take the situation of Brazil, to which the Senator from Ohio [Mr. LAUSCHE] referred. The constitutional processes were followed in Brazil. Many people miss this point. There was agitation against Goulart. The Governor at São Paulo and the Governors in some other States were calling for great changes in their form of government. They became convinced, as I was convinced, that Goulart was really an ally of the Communists. A revolt took place, but constitutional processes were never abandoned in Brazil. Do not forget that when Goulart fled the country, he abdicated the Presidency, as provided by Brazilian law, for he had no consent to flee the country. In Brazil, like other Latin American countries—Mexico being another, I recall offhand—if a President leaves the country without the approval of the country's Parliament, he has abdicated his office, and he is no longer President.

What happened after Goulart abdicated? The Vice President was the next in line, under the Constitution, to take office. The Constitution provides, in a situation such as that, for the successor.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. LAUSCHE. How close to the tail of Goulart was the army when he fled?

Mr. MORSE. There is no question that a revolution was in process, but that revolution did not mean that the constitutional processes were going to come to an end. The Senator is jumping to the conclusion that the Brazilian situation would have been the same as the Dominican Republic situation. Not at all. The head of the army was not for overthrowing the Constitution. The head of the army was pointing out, supported by the Governors of the several states, and the Parliament, that it had a constitutional government, and that the processes under the Constitution were used to take care of the situation.

Mr. LAUSCHE. Mr. President, will the Senator yield further?

Mr. MORSE. Certainly.

Mr. LAUSCHE. The Senator from Oregon astonishes me with the depth of his knowledge in these different situations. He has discussed the Dominican Republic, Honduras, Brazil, Ecuador, and Peru. I compliment him for his knowledge.

Mr. MORSE. I thank the Senator, but I have no depth of knowledge at all.

Mr. LAUSCHE. But I do not agree with the principle he enunciates.

Mr. MORSE. I thank the Senator for the compliment, but I am saddened by his last statement, because of the brilliant mind the Senator from Ohio has. Being the thinker he is, he ought to know that we cannot justify, before the eyes of the world, supporting tyranny by overthrowing constitutional government. I do not believe that is really the true thought of the Senator from Ohio, and I believe that if he took the time to sit down and contemplate the premise on which he has based his conclusion, he would agree. He is one of the soundest constitutionalists in this body. I do not know why he is walking out on his own philosophy.

Mr. LAUSCHE. Nor do I subscribe to the proposition that we should reject governments that overthrow Communist governments that are oriented to Moscow and that are favorable to us.

Mr. MORSE. The Senator does not have any faith in the people of those countries. He assumes that all the people are for those governments. Give them an opportunity to work their will under their constitutions.

Mr. LAUSCHE. If we reject their acts in overthrowing governments that are oriented toward Moscow, we in effect tell those people that we are not in agreement with what they have done. That is the aspect that causes me to disagree most vigorously with the Senator from Oregon.

Mr. MORSE. The Senator may disagree, but he should stop rejecting the will of the people and should give the people of the country involved an opportunity to work their will under their constitution, and should not let the military supplant the will of the people or not give the people an opportunity to work their will. That is what the Senator is proposing.

The Brazil situation is interesting because in Brazil there was the application of the popular will within the framework of the constitution.

Mr. LAUSCHE. Except that Goulart fled because, as we know, the military were following him so closely that he did not dare stay in Brazil. Otherwise, what would have happened to him?

Mr. MORSE. He would clearly have been put under impeachment and been put away by the Congress of that country. Read the power of the Parliament of Brazil with regard to what we would call in this country impeachment. He would have been put out of office. He should have been put out of office. When he left the country and abdicated, the next man in line to succeed in the Presidency was put in office, until the next constitutional step could be worked out. What happened in Brazil is no precedent for the very unsound doctrine the Senator has expressed on the floor in support of militarism against the exercise of the will of the people because there was one bad actor who was a Communist.

Mr. LAUSCHE. That is not what I said.

Mr. MORSE. That is what it adds up to.

Mr. LAUSCHE. The fact is that when the Communists take control, the rights of the people the Senator from Oregon has described never are given execution or application. Goulart and his followers in Brazil would never have given those who argued with them the ability to state their views.

Mr. MORSE. That is an unsupportable conclusion on the part of the Senator from Ohio, because the Congress never had a chance to work. Goulart himself, after the revolution started, did it. He would have been subject to what under our constitutional procedure is called impeachment. I do not think there is any question about it.

Mr. LAUSCHE. Will the Senator point out to me one instance in the history of the past 20 years in which what the Senator optimistically describes would have happened has happened?

Mr. MORSE. Mexico.

Mr. LAUSCHE. That is one. What about the other nations? What about Cuba? What about the other nations in which revolutions have taken place?

Mr. MORSE. Let me say about Cuba that if we had not supported a Fascist dictatorship for years in Cuba I do not believe Castro would have come to power.

Mr. LAUSCHE. Our weakness was that when Castro came to power we recognized him, knowing that he was a Communist.

Mr. MORSE. I did not do so. I raised a lone voice against Castro, when many Senators were trying to tell the country what a great democrat he was. Let Senators read the RECORD. It was perfectly obvious to me from the beginning that we were dealing with another type of dictator, who should not have had any support from us. Castro received a great deal of support in the United States that he never should have had.

Mr. LAUSCHE. I knew that we were dealing with a dictator when he decided to hold a circus trial in a hippodrome and put to death 500 people. I recall that the Senator from Oregon voiced those thoughts at that time.

Mr. MORSE. I have been completely consistent in my position on this issue. I shall be consistent now.

We should not follow a course of action that gives support to the overthrow of the will of the people. We should make perfectly clear that our foreign aid will go to countries which support lawful governments, and that if a self-governing country has been overthrown, irrespective of the fact that a bad actor got into the Presidency, if the Constitution covers that situation, we should make clear that he must be gotten rid of by constitutional processes, and that we will not support a military dictatorship which is the result of the overthrow of self-government.

That is the burden of my argument.

I wish to finish what I started to say about Brazil. In Brazil, the constitutional processes were followed. If I were a Brazilian, I would hold no brief for the mistakes that were made internally in carrying out their policies since they elected their new President. However, that is their right. Tonight no Senator can cite Brazil as an example of a military dictatorship, because it is not. Self-government on the part of the Brazilian people continues to proceed. If anyone thinks not, let him look at what is happening in Brazil with respect to an exchange of points of view in Parliament, in the press, and in many sources and forces of public opinion.

My amendment is one of the great protectors that can be offered to our democratic friends in Latin America.

If Senators will talk with the leaders of that Government, they will find that they are enthusiastic for the position that I have taken. I am somewhat embarrassed to make this personal reference, but when the recent conference of Latin American foreign ministers was held in the Pan American Building, the foreign ministers of six countries talked with me about the proposal which I am making tonight. They told me this was the most important thing I could do to strengthen and support the objective of the Alliance for Progress.

Their interest and encouragement is the reason I am offering this amendment. They know that too much of the American interest in Latin American aid stems from fear of communism and not from support of freedom. That knowledge throughout Latin America is one of the great weaknesses of the program.

The amendment would teach a great lesson throughout the Western Hemisphere, and would give great strength to the cause of freedom and constitutional government in Latin America. It would certainly be a discouragement to potential military juntas, if it were made a part of the foreign aid law.

Mr. FULBRIGHT. Mr. President, I hope the Senate will not accept the pending amendment. It was voted on last year and rejected by the Senate.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oregon.

The yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from Nevada [Mr. BIBLE], the Senator from Virginia [Mr. BYRD], the Senator from Idaho [Mr. CHURCH], the Senator from Mississippi [Mr. EASTLAND], the Senator from Tennessee [Mr. GORE], the Senator from Arizona [Mr. HAYDEN], the Senator from Alabama [Mr. HILL], the Senator from Washington [Mr. JACKSON], the Senator from Louisiana [Mr. LONG], the Senator from Utah [Mr. MOSS], the Senator from Maine [Mr. MUSKIE], the Senator from Wisconsin [Mr. NELSON], the Senator from Oregon [Mrs. NEUBERGER], the Senator from Virginia [Mr. ROBERTSON], and the Senator from Mississippi [Mr. STENNIS] are absent on official business.

I also announce that the Senator from Nevada [Mr. CANNON], the Senator from Pennsylvania [Mr. CLARK], the Senator from Oklahoma [Mr. EDMONDSON], the Senator from South Dakota [Mr. McGOVERN], and the Senator from New Jersey [Mr. WILLIAMS] are necessarily absent.

I further announce that the Senator from New Mexico [Mr. ANDERSON] and the Senator from Massachusetts]Mr. KENNEDY] are absent because of illness.

On this vote, the Senator from Virginia [Mr. BYRD] is paired with the Senator from Louisiana [Mr. LONG].

If present and voting, the Senator from Virginia would vote "yea" and the Senator from Louisiana would vote "nay."

On this vote the Senator from Virginia [Mr. ROBERTSON] is paired with the Senator from Washington [Mr. JACKSON].

If present and voting, the Senator from Virginia would vote "yea" and the Senator from Washington would vote "nay."

I further announce that, if present and voting, the Senator from Pennsylvania [Mr. CLARK] and the Senator from New Jersey [Mr. WILLIAMS] would each vote "nay."

Mr. KUCHEL. I announce that the Senator from Nebraska [Mr. HRUSKA], the Senator from Kansas [Mr. PEARSON], and the Senator from Pennsylvania [Mr. SCOTT] are necessarily absent.

The Senator from New York [Mr. JAVITS] is absent on official business.

The Senator from Arizona [Mr. GOLDWATER], the Senator from Iowa [Mr. HICKENLOOPER], and the Senator from

Massachusetts [Mr. Saltonstall] are detained on official business.

If present and voting, the Senator from Nebraska [Mr. Hruska], the Senator from Massachusetts [Mr. Saltonstall], and the Senator from Pennsylvania [Mr. Scott] would each vote "nay."

The result was announced—yeas 12, nays 59, as follows:

[No. 531 Leg.]

YEAS—12

Allott
Bartlett
Carlson
Cotton
Ervin
Gruening
Johnston
Jordan, N.C.
Morse
Proxmire
Simpson
Young, Ohio

NAYS—59

Aiken
Bayh
Beall
Bennett
Boggs
Brewster
Burdick
Byrd, W. Va.
Case
Cooper
Curtis
Dirksen
Dodd
Dominick
Douglas
Ellender
Fong
Fulbright
Hart
Hartke
Holland
Humphrey
Inouye
Jordan, Idaho
Keating
Kuchel
Lausche
Long, Mo.
Magnuson
Mansfield
McCarthy
McClellan
McGee
McIntyre
McNamara
Mechem
Metcalf
Miller
Monroney
Morton
Mundt
Pastore
Pell
Prouty
Randolph
Ribicoff
Russell
Salinger
Smathers
Smith
Sparkman
Symington
Talmadge
Thurmond
Tower
Walters
Williams, Del.
Yarborough
Young, N. Dak.

NOT VOTING—29

Anderson
Bible
Byrd, Va.
Cannon
Church
Clark
Eastland
Edmondson
Goldwater
Gore
Hayden
Hickenlooper
Hill
Hruska
Jackson
Javits
Kennedy
Long, La.
McGovern
Moss
Muskie
Nelson
Neuberger
Pearson
Robertson
Saltonstall
Scott
Stennis
Williams, N.J.

So Mr. Morse's amendment was rejected.

Mr. GRUENING. Mr. President, after consultation with the majority leader, I call up my amendment No. 1175 and ask that it be made the pending business when debate is resumed on the foreign aid bill tomorrow morning, after the antipoverty legislation has been disposed of.

The PRESIDING OFFICER. The amendment of the Senator from Alaska will be stated for the information of the Senate.

Mr. GRUENING. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and the amendment will be printed in the Record at this point.

The amendment offered by Mr. Gruening is as follows:

Amendment No. 1175

On page 1, between lines 6 and 7, insert the following:

"TITLE I—DEVELOPMENT LOAN FUND

"Sec. 101. Section 201(d) of the Foreign Assistance Act of 1961, as amended, which relates to the Development Loan Fund, is amended to read as follows:

"'(d) Funds made available for this title shall not be loaned or reloaned at rates of interest excessive or unreasonable for the borrower and in no event shall such funds (except funds loaned under section 205 and funds which, prior to the date of enactment of the Foreign Assistance Act of 1964, were authorized or committed to be loaned upon terms which do not meet the minimum terms set forth herein) be loaned at a rate of interest of less than the rate arrived at by adding one-quarter of 1 per centum per annum to the rate which the Secretary of the Treasury determines to be equal to the average annual interest rate on all interest-bearing obligations of the United States then forming a part of the public debt as computed at the end of the fiscal year next preceding the date the application for the loan is approved and by adjusting the result so obtained to the nearest one-eighth of 1 per centum.'"

Redesignate the succeeding sections under part I, accordingly.

TRIBUTE TO MRS. CLAIR ENGLE

Mr. YOUNG of Ohio. Mr. President, last year, on August 14, in Doctors Hospital in Washington, Mrs. Clair Engle, my wife, and I were in attendance on our late, great colleague, Senator Clair Engle.

He was one of the bravest and finest men I ever knew.

He was a great athlete, an active, vigorous young man of 52.

That night of August 14 last year, he was wheeled into the operating room accompanied by his wife Lucretia on one side and myself on the other, where he underwent the first of two operations for brain surgery.

Throughout the period following that time, I met with his wife Lucretia on many occasions at Doctors Hospital, and again at the Naval Hospital in Bethesda.

The Engle home is located near Capitol Hill, and on her way home from the hospital in Bethesda late at night, Mrs. Engle would frequently stop at my home. My wife and I would insist on her remaining with us rather than continuing alone to Capitol Hill.

Mr. President, Mrs. Engle is a very great lady.

In today's Washington Evening Star there is published an article written by William S. White, entitled "A Tribute to Mrs. Clair Engle."

I have personal knowledge that the statements made by this respected and nationally known columnist are factually correct—as everyone knows.

I have personal knowledge of the fact that my colleague and friend Clair Engle, with whom I vacationed over the Christmas weekend in 1962 and New Year's weekend of 1963, was a great athlete, a man of the utmost vigor, who could run for 9 miles in the sand, when I would give out at the end of a third that distance.

Yet he was stricken fatally—we who loved him knew; but he felt that he was going to recover. He had confidence that he would recover and would be able to run for reelection as a Senator from the State of California.

While Clair Engle was in the hospital, many people misunderstood the situation. This tribute to Mrs. Clair Engle written by William S. White is factually correct, because I can attest to every word in every line of it from my personal knowledge and I hope it will clear up some misunderstanding.

Mr. President, I ask unanimous consent to have the article printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

A Tribute to Mrs. Clair Engle

(By William S. White)

The feeling that politicians are not really people and that they can in no circumstance deserve pity is so deeply embedded as perhaps never to be dislodged by a more humane view.

The general attitude is an oversimplification of Harry Truman's wry observation: "If you can't stand the heat, get out of the kitchen." Mr. Truman did not mean that politicians did not bleed like other men when wounded. He only meant that those who dish it out should be ready to take it. He did not intend to promote the idea—though he has done it—that in politics anything should go; anything at all.

Even so American folklore has commonly exempted the women and children from the more pitiless forms of political combat; just as we still don't believe that girls should serve in the infantry. Not so in the case of Mrs. Lucretia Engle, widow of Senator Clair Engle, of California. Since nobody is suddenly so friendless as a man out of power—or a widow bereft of a man who had lost power before he died—this column is meant to put the case for Lucretia Engle.

For many weeks her husband, Clair Engle, lay ill in a hospital of a brain tumor and for many months thereafter he could only hobble about his home, barely able to speak, before death came at last to end his agony. For all those weeks and months he was sustained most of all by Lucretia Engle. She remembered that line—"* * * in sickness and in health." She was the only "night nurse" he had in all that hopeless span of time. She was, in the very nature of things, the only "political associate" with whom he could be always in touch and upon whom he could rely day and night and in between.

Now all during this time until at length he withdrew himself from all politics, the position was specially sensitive. Since he was up for reelection in California and since carrying California was the legitimate concern of the Democratic Party and its leaders, special problems were created. And all these special problems fell on the already desperately tired shoulders of Lucretia Engle.

That some politicians in California pushed her without too much sensitivity to get Clair Engle out of the race quickly was understandable: for much was at stake. But that in doing so they made no secret of their cool belief that he was of course going to die at any moment anyhow was something less than understandable, even in the hard, tough trade of politics. And that they believed, and said, that it was only the "ambitions" in Lucretia Engle which kept him from conveniently withdrawing early was too much altogether.

For while the eventual inheritor of Clair Engle's nomination for the Senate, Pierre Salinger, dealt in unfailing gentleness and gallantry with Lucretia Engle, other men were quite unable to show her either. They misled much of the press into honestly supposing that Lucretia Engle was some sort of female Svengali to Clair Engle's Trilby; that she was moving him about for her own pride and ends.

The simple truth was piteously different. Lucretia Engle was at every step of the way doing what she thought Clair Engle wanted her to do—and only that. There is, moreover, this strongly suggestive evidence: If Lucretia Engle was pushing Clair Engle about without his knowledge, why did she welcome and encourage others to call and talk to him, rather than the reverse?

Her ambition was in fact the ambition to keep Clair Engle alive and to keep burning in him some small flame of hope for a recovery and a continued career. Hope, surely, is an allowable human motive, even in a man who is gravely ill.

Of course, Lucretia Engle had her doubts all along that Clair Engle could attempt another campaign. But, after all, she could hardly say to him—with that wonderful objectivity which is so much easier to maintain by those who do not love a sick man than by those who do: "Look here, Clair. You will never recover; so give up these, your empty dreams of returning to the Senate. Too much is involved for you to hang onto the possibility of making a race you cannot run."

To recall all this is too late to do much good for Lucretia Engle. Yet it is worth putting into the record for two reasons: To salute the decent humanity of PIERRE SALINGER, whatever his shortcomings otherwise may be. And to make us all think a bit upon the proposition that maybe even politicians—and politicians' wives—are people, too.

ESTES KEFAUVER

Mr. McINTYRE. Mr. President, as we come to the close of this day, I would just like to say that 1 year ago today, with the death of Estes Kefauver, the world suffered the loss of an accomplished statesman. The people of this Nation lost a crusading and compassionate champion. This body lost one of its most distinguished and able Members. And I lost a friend.

The things Estes Kefauver wanted most were the things he fought hardest for—peace, the dignity of man, a fair deal for the consumer, and an end to special privilege and lawlessness. The quality that distinguished Estes Kefauver from other men whose motives were perhaps just as noble was heart. He not only believed, but he felt. He not only felt, but he acted.

Such considerations as whether he was in the majority seldom, if ever, occurred to him. The strength of his own convictions was enough to sustain him, even when he stood alone.

The world is peopled with but a small number of leaders at any one time, and I believe our hope for survival lies in recognizing and paying heed to them. Estes Kefauver was one of these.

His attitude was sectional only so far as his great love for his State of Tennessee and his desire to make it a better place to live. Beyond that, he truly belonged to all the people.

Were it not for Estes Kefauver, I would not be a Member of this body today. He instilled in me the meaning and importance of serving. All the political advice he gave me over the years, boiled down to something like this: "Get to know the people, TOM. Find out what they want and need and think is right. That way you'll never go far wrong."

In these few thoughts about Estes, I am joined by his colleague, Senator ALBERT GORE, who was unable to be here today.

As a country lawyer from a small city in New Hampshire, many unexpected honors have come my way, not the least of which has been to serve my State and Nation in this distinguished body. And if good fortune continues to look my way, perhaps additional honors shall come to me in the future. But never shall I hope to match the privilege and pure joy of having known Estes Kefauver, and having called him friend.

TRIBUTE TO HERBERT HOOVER ON HIS 90TH BIRTHDAY ANNIVERSARY

Mr. CURTIS. Mr. President, today is the 90th anniversary of the birth of former President Herbert Clark Hoover.

Today he is 90 years old.

I believe that it is fitting that the RECORD should pay tribute and show the respect all Senators feel for this great man.

He is admired around the world.

He is a man who brought help and assistance and many blessings not merely to a few people, but to millions of people.

He has had an illustrious record in our Government.

When Herbert Hoover was appointed Secretary of Commerce, it was with the understanding that he would be able to participate in the formulation of all important economic policy, whether that policy concerned business, labor, agriculture, finance, or foreign relations. It was later said of him that he was "Secretary of Commerce and Under Secretary of all other departments."

Foreign trade was one of his major interests as Secretary of Commerce. His Department enthusiastically promoted sales of American goods abroad. He expanded research in trade problems, and he supported the first adequate studies of balance-of-payments problems.

In domestic affairs, he sought to encourage trade associations, to simplify and standardize machines and production specifications, and in general to moblize the business community against waste and unfair trade practices.

Mr. President, today America enjoys free radio and television. Our broadcasting system is one of private enterprise. It is neither a burden upon the Federal Government nor upon the viewers. It is free in the sense that it is not censored. The Government does not determine the content of the program. That was started back at the time that the Federal Government first entered the field of radio regulation.

Herbert Clark Hoover was the man who piloted those first governmental actions which gave the finest broadcasting system in the world to the United States. As President, Mr. Hoover was called upon to serve in a time of worldwide depression. His acts, his statements, and his recommendations stand out not only as clear thinking, but sound and successful.

At the end of his term of office, another President took his place. New programs and new proposals were put into effect. They did not cure the depression. They did not prove that the positions of Mr. Hoover were incorrect.

Mr. Hoover was very active in the field of conservation. In August 1929, he proposed that unreserved public land, as well as all new reclamation projects, and related irrigation matters, be withdrawn from national control—not national participation, but withdrawn from national control. The States, he believed, were "more competent to manage much of these affairs than the Federal Government." He held the same beliefs concerning the regulation of utilities.

In December of 1930, he said:

> For the Government to finance by bond issues, deprives industry and agriculture of that much capital for its own use and for employment. Prosperity cannot be restored by raids upon the public Treasury.

In November 1931, he stated:

> Nothing will contribute more to the return of prosperity than to maintain the sound fiscal position of the Federal Government.

Those statements have not proved to be wrong. We are all aware of the unjust criticism that was leveled at this great man, who believed that every moment during the terrible crisis of the depression that he was fighting for the survival of American institutions. He worked incredible hours. When one of his aids remarked to him about the dearth of small talk in the White House, he said sternly, "I have other things to do when a nation is on fire."

Time has made a kinder judgment of Herbert Hoover. All Americans now join in the praise of this great man. In recent years Herbert Hoover's name has become synonymous with studies leading to reorganization of the Federal Government. He headed two famous Hoover Commissions, whose work produced legislation of far-reaching effect upon the structure of the Federal Government.

His interest and concern in reorganization problems were shown many years before his superb leadership of the Hoover Commissions. As President of the United States he made recommendations in his annual message to Congress on December 8, 1931, concerning the reorganization and consolidation of Federal administrative functions in order to eliminate overlap and waste.

On February 17, 1932, he sent a special message to Congress which made the following major proposals:

First. Consolidation and grouping of the various executive and administrative activities of the Federal Government according to their major purposes under single-headed responsibility, Congress designating the title of the officer to be placed in immediate charge of such groups not previously so organized.

Second. Adoption of the general principle that executive and administrative functions should have single-headed responsibility, and that advisory, regulatory, and quasi-judicial functions should be performed by boards and commissions, thus permitting the transfer of certain regulatory functions from executive officials to existing boards or commissions, and the transfer of executive functions from boards and commissions, to executive officials.

Third. Granting of authority under proper safeguards to the President to effect by Executive order these transfers and consolidations, and of authority to redistribute executive groups in the executive departments and independent agencies of the Government, such Executive orders to lie before the Congress for 60 days and then become effective unless

Congress requests that action not be taken.

Today we congratulate Herbert Clark Hoover on his 90th birthday. Greatness is the entire record of his life. That life has been the realization of the American dream. A boy born in West Branch, Iowa, orphaned at the age of 8, achieved international eminence as an engineer, organized the relief of starving millions after the First World War, led the business community of his country as Secretary of Commerce, achieved the great office of President of the United States, and contributed magnificently thereafter to governmental reform and humanitarian endeavor.

He was and is a great American and a great man. Long after he has left us, he will be remembered not only for his own greatness, but as a symbol of the qualities that made great the country he loved and led.

Mr. President, we extend a wish for a happy birthday to the one President of the United States who left office with fewer Federal employees than there were when he came into office.

The PRESIDING OFFICER (Mr. McINTYRE in the chair). The Senator from Iowa is recognized.

Mr. MILLER. Mr. President, the people of the United States today are observing the 90th birthday of a truly great American, Herbert Clark Hoover, the 31st President of the United States.

Anything that I can say will be inadequate to fully set forth his accomplishments—for this Iowa-born world statesman is the symbol of the uncommon American.

To many people around the globe, Mr. Hoover is America. Because he was born and has lived with an enduring faith in America, his great and many contributions to the Nation and the world will be long remembered.

His unshakable confidence in the people of America nurtured his unselfish dedication to mankind. And yet despite his greatness or, perhaps, because of his greatness, he remains the humble person born to a Quaker family at West Branch, Iowa, on August 10, 1874.

Mr. Hoover's pride in America is best summed up in a brief quotation which appeared in the Washington Sunday Star's supplement, This Week, on August 9. I quote:

> Most people hold fast to an essential fact in American life: We believe in equal opportunity for all, but we also know that this includes the opportunity to rise to leadership. In other words, to be uncommon.
>
> I have never met a father and mother who did not want their children to grow up to be uncommon men and women. May it always be so. For the future of America rests not in mediocrity, but in the constant renewal of leadership in every phase of our national life.

Mr. Hoover, however, is concerned, as many of us are, about the deterioration of values in our society today. And in warning against ignoring the bad which pervades part of our society today, he also emphasizes that the good must be uppermost in our minds.

He set forth this in a statement issued Sunday, on the eve of his 90th birthday:

> Criticism is no doubt good for the soul, but we must beware that it does not upset our confidence in ourselves. So perhaps the time has come for Americans to take stock and to think something good about themselves.

And in his statement, Mr. Hoover redefined the meaning of freedom:

> Freedom is the open window through which pours the sunlight of the human spirit of human dignity. With the preservation of these moral and spiritual qualities, and with God's grace, will come further greatness for our country.

Many articles have been written about Mr. Hoover in recent days; all have forced us to reexamine this man who, like all men of greatness, had his share of harsh and misinformed criticism.

Some have captured the essence of Mr. Hoover—the man, the statesman, the humanitarian. I believe these should be drawn to the attention of others.

I ask unanimous consent that the following articles be printed at this point in the RECORD:

First. "Herbert Hoover in His Own Words," from the New York Times Sunday magazine of August 9.

Second. "The Trout Are Only Memories," from the Washington Post of August 9.

Third. "A Biography of Hoover on His 90th Birthday," from the Wall Street Journal of August 10.

Fourth. "Text of Hoover's Message for Birthday," from the New York Times of August 10.

Fifth. "Hoover: Engineer, Ardent Humanitarian," from the Wall Street Journal of July 10.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times magazine, Aug. 9, 1964]

HERBERT HOOVER IN HIS OWN WORDS

(Herbert Clark Hoover, 31st President of the United States, is 90 tomorrow, the first President since John Adams to attain that milestone. A man who has been engineer, relief administrator, Secretary of Commerce and architect of government reorganization, he is honored today as a dedicated public servant and a practical humanitarian whose works saved the lives of millions. In public office and out he has been an industrious and lucid writer of speeches, articles and books, and from some of these the following observations have been selected by a Pultizer Prize-winning correspondent, Louis P. Lochner, author of "Herbert Hoover and Germany.")

THE PRESIDENCY

In 1928: "The Presidency is more than an administrative office. It must be the symbol of American ideals. The high and the lowly must be seen with the same eyes, met in the same spirit. It must be the instrument by which national conscience is livened and it must under the guidance of the Almighty interpret and follow that conscience."

In 1929: "In the Middle Ages it was the fashion to wear hair shirts to remind one's self of trouble and sin. Many years ago I concluded that a few hair shirts were part of the mental wardrobe of every man. The President differs only from other men in that he has a more extensive wardrobe."

In 1932: "I shall say now the only harsh word that I have uttered in public office. When you are told that the President of the United States, who by the most sacred trust of our Nation is the President of all the people, a man of your own blood and upbringing, has sat in the White House for the last 3 years of your misfortune without troubling heartaches over your miseries and casualties, without summoning every avenue of skillful assistance irrespective of party or view, without using every ounce of his strength and straining his every nerve to protect and help, without using every possible agency of democracy that would bring aid, without putting aside personal ambition and humbling his pride of opinion, if that would serve—then I say to you that such statements are deliberate, intolerable falsehoods."

THE AMERICAN WAY

In 1962: "As the Quakers say, I can give some testimony as to American life. In a long life I have seen much of peoples, of governments, of their institutions, and of human woes.

"I have worked with great spiritual leaders and with great statesmen. I have lived under governments of free men, Fascists, dictators, and Communists. Their citizens everywhere treasured a confidence that we would maintain freedom and compassion not alone within America, but that we would cooperate to bring it to all mankind.

"And what may I say to you as the shadows close around me?

"I say to you that today America assures more nearly the dignity of man and the durability of freedom that any place on earth. I say to you that America will live because its life is in the hearts of her people, in their religious faith, in their love of freedom and of their country."

In 1954: "New forces from science and new ideas, both good and bad, constantly arise in the world. We welcome changes which advance the welfare of our people. Our system always needs repairs. The remedies in America are not revolution. They are, except for peace and war, mostly jobs of marginal repairs around a sound philosophy and a stout heart.

"Many citizens ask themselves: For what reasons must we continue to support the voluntary agencies? Why not let the Government do it all? The essence of our self-government lies in self-government outside of political government. The fabric of American life is woven around our tens of thousands of voluntary associations, the churches,, the private schools and colleges, the research institutions, the professional societies, women's organizations, business, labor, and farmers' associations. And by no means the least, our charitable institutions. That is the very nature of American life. If these voluntary activities were to be absorbed by government agencies, this civilization would be over. Something neither free nor noble would take its place."

POLITICS

In 1962: "There is a lot of fiction and fog around these words 'conservative' and 'liberal.'

"My idea of a conservative is one who desires to retain the wisdom and the experience of the past and who is prepared to apply the best of that wisdom and experience to meet the changes which are inevitable in every new generation. The term 'liberal' came to the United States in its political sense from England during the 19th century. As defined by them at that time, a liberal would be the conservative of today. The conservative is the true liberal."

In 1951: "The very basis of representative government is a two-party system. It is one of the essential checks and balances against inefficiency, dishonesty, and tyranny.

"An organized, effective opposition which insists upon disclosure of the facts and submits them to the anvil of debate is the one safety representative government has. Moreover, the people must have alternate programs of action upon which they may decide at the ballot box. Beyond this, any party in power accumulates barnacles and deadwood which can only be rid by a change in administration.

"The American people have a right to bitter complaint over these disclosures of dishonor in high places. The duty of public men in this Republic is to lead in standards of integrity—both in mind and money * * *. When there is a lack of honor in government, the morals of the whole people are poisoned * * *.

"Some folks seem to think these are necessary evils in a free government. Or that it is smart politics. Those are deadly sleeping pills. No public man can be just a little crooked.

OBSERVATIONS

"In 1916:

"There is the fascination of watching a figment of the imagination emerge through the aid of science to a plan on paper. Then it moves to realization in stone or metal or energy. Then it brings jobs and homes to men. Then it elevates the standards of living and adds to the comforts of life. That is the engineer's high privilege.

"The great liability of the engineer compared to men of other professions is that his works are out in the open where all can see them. His acts, step by step, are in hard substance. He cannot bury his mistakes in the grave like doctors. He cannot argue them into thin air or blame the judge like the lawyers. He cannot, like the architects, cover his failures with trees and vines. He cannot, like the politicians, screen his shortcomings by blaming his opponents and hope that the people will forget. The engineer simply cannot deny that he did it. If his works do not work, he is damned."

In 1963: "Life is not comprised entirely of making a living or of arguing about the future or defaming the past. It is the break of the waves in the sun, the contemplation of the eternal flow of the stream, the stretch of forest and mountain in their manifestation of the Maker—it is all these that soothe our troubles, shame our wickedness, and inspire us to esteem our fellow men * * *.

"Fishing is much more than fish; it is the vitalizing lure to outdoor life. It is the great occasion when we may return to the fine simplicity of our forefathers."

In 1951: "All men are equal before fish."

[From the Washington Post, Aug. 9, 1964]

The Trout Are Only Memories—For Herbert Hoover, a 90th Birthday

(By Jules Loh)

New York.—In his 90th year, the old Federalist John Adams observed that his health was not what it once was but that he still could "walk 3 miles over a rugged rocky mountain."

On the eve of his 90th birthday, Herbert Hoover, the grand old man of the Grand Old Party, would enjoy nothing better. But there will be no mountain hikes for Herbert Hoover. For several years now, he has tramped his beloved fields and fishing streams only in his memory of younger days.

But when he celebrates his birthday Monday—and joins Adams as the only nonagenarians among former Presidents—he will experience once again something denied him in the vigor of his life: a warm and sincere outpouring of affection by his countrymen. To Herbert Clark Hoover, a man his country and even his party once discarded with a bitter epithet, this surely must be a joy unmatched even by the exquisite sight of a mayfly dancing on a trout stream.

EYES ARE DIMMING

He will receive the formal felicitations of Congress and the President and, as mementos, the flags flown over the Capitol and the White House that day especially in his honor. Already thousands of letters have arrived bearing good wishes from admirers, most of whom he does not even know.

Time was when Mr. Hoover would stay up late at night and write personal answers to each birthday greeting and each of the multitude of letters received during the year. Perhaps he will this year, too.

But the light has grown dim in his steel-gray eyes. His collar fits loosely around the once thick neck and his health is considerably more feeble than that of the robust Adams. He has not been out of his Waldorf Towers suite since May 22, a year ago, when he got dressed and went downstairs against his doctor's orders to pay honor to the young astronaut, Gordon Cooper. The exertion was more than he could take and he went right to bed. A few weeks later he fell seriously ill from anemia and internal bleeding.

Mr. Hoover now spends his days working a little, but the major work he set out to do when he left the White House, work that as recently as last year matched his own incredible energy with that of eight secretaries and a research staff, is virtually finished. Now he has only two secretaries and seldom sits at his desk.

At night he likes to watch baseball on TV (ever sympathetic with a loser, he's a Mets fan) and during the daylight hours he has the nostalgic companionship of scores of reminders of what he considers a rich and full life.

From one wall of his living room a portrait of his silver-haired wife Lou Henry Hoover, who died in 1944, gazes down on his large mahogany desk and his pipes and the tables adorned with the blue and white porcelain she collected from all over the world. Other walls are crowded with testimonials, citations, honorary college degrees (he has accepted 85 and declined many more), plaques and other framed and unframed souvenirs.

In a place of distinction in one outer office is the 1887 graduation program of Friends Academy in Newberg, Oreg., which includes the mention: "Declamation, keeping his word, Bertie Hoover."

FORGOTTEN EPITHETS

There is nothing in the imposing suite to remind him of the bitter years, and surely part of his present popularity and esteem is because the present generation has generally consigned that era to the vague past.

Most Americans today were unborn, or were babies, during the anguished days of the Great Depression, and knew only by hearsay that shanty towns once were called Hoovervilles and newspapers spread over park-bench tenants were Hoover blankets and signs carried by bonus marchers said, "In Hoover We Trusted, Now We're Busted."

Those who now look at Herbert Hoover's life and accomplishments can view them without emotional distraction. They are able to see him not as the architect of the depression, to use the 1932 phrase, but as the engineer of programs which saved more than a billion persons from famine after two great wars, as the head of massive studies which have resulted in streamlining Government organization, as the dedicated public servant who never has accepted a cent for his services, as the voluntary head of a dozen educational, charitable and scientific organizations from the Boys Clubs to the World Rehabilitation Fund.

It is one of the ironies of Mr. Hoover's life that political partisanship should bring him such grief, because he himself never had a taste for it.

He had held public office in two administrations, Republican and Democratic, and before he ran for the Presidency—the only office he ever sought, and that reluctantly—nobody was quite sure what party he belonged to.

Some say he has mellowed with old age. But those who have known him closely say he has not changed at all, that he always was as people know him today—gentle sentimentalist, man of deep personal attachments, dignity, and wit—but that these qualities simply remained hidden for a time behind his starched collar and bulldog jowls and only recently began to be discovered by the majority of Americans.

Herbert Hoover never bothered to answer the personal abuse leveled against him. "No man can catch up with a lie," he reasoned. "If the American people wish to believe such things about me, it cannot be helped."

Instead, he has contended himself with retirement to what he calls his "comfortable monastery" in the Waldorf and has busied himself with writing his memoirs, his well-received "The Ordeal of Woodrow Wilson," his massive four-volume account of his relief work and a historical work yet to be published which traces the events which have followed U.S. recognition of Communist Russia.

The Waldorf suite is indeed comfortable, but not lavish. In some ways it reflects his unpretentious nature. On an end table next to his favorite chair is a wooden bowl with a rock in it the size of a cantaloup. The rock is for striking the kitchen matches he uses to light his pipe, the bowl an easy target for the burnt matches. A housemaid who worked for Mr. Hoover once got so annoyed at his habit of striking matches on the furniture that she glued pieces of sandpaper under edges of tables and arms of chairs.

Mr. Hoover regards his pipe, one of the few bodily indulgences permitted him, as a barometer of his health. Two years ago, when surgeons removed a malignant tumor, he sat up in bed a few days after the operation and asked apprehensively for his pipe. The nurse asked the doctor and the doctor said all right. Mr. Hoover fired it up and announced with satisfaction through a billow of smoke, "We're back in business."

Of far more intimate comfort to the 31st President is his army of close friends. Companionship always has meant much to him. During his 4 years in the White House, according to his own typically meticulous bookkeeping, he had 9,969 personal guests. But of the inner Hoover circle there never were more than about 200, and time has thinned their ranks drastically.

These are former associates who call him the Chief, attend him with the devotion of acolytes and literally cherish every moment in his presence. They used to gather at the Chief's apartment once a year for dinner and would give a tincup to the one who come the farthest distance.

Now only a few friends at a time join Mr. Hoover for lunch or dinner or Sunday afternoon canasta. Sometimes not a word is spoken throughout the meal. "The test of friendship," said one Hoover intimate, "is when two people can enjoy each other's company without the need of conversation."

But a conversation with Herbert Hoover is a rare delight. During one, he rarely laughs, but often twinkles. He is keenly aware of human foibles and relishes the chance to prick them with his own brand of wit, which is the sort that produces grins, not belly laughs.

His little book, "Fishing for Fun and To Wash Your Soul," contains delightful examples. To cite only one, he writes that there are two kinds of fish, plain species "which are the recreation of the common man," and rare species "sought by the aristocracy of fishermen."

Mr. Hoover has little patience with those who take themselves too seriously. His favorite testimonial is one from a boy's club which says simply: "Herbert Hoover is a good egg." Recently he got an immense chuckle when a sixth grade class in Enid, Okla., named a pet ground squirrel Mr. Hoover, then discovered it was a girl. One of his favorite stories is about a youngster years ago who asked him for three autographs, explaining that it took two Hoovers to get one Babe Ruth.

The utter candor of children surely accounts in part for Mr. Hoover's deep attachment to them. When his health permits, he personally answers every letter from every child—and they come by the sackful. After one of his major illnesses a 7-year-old wrote:

"Don't worry about your operation. When I had my tonsels [sic] out people gave me a lot of presents and I felt fine.

"Love,

"CATHY.

"P.S.—I know you like to fish and so do I, so I am sending you something to fish with when you get well."

The reply:

"MY DEAR CATHY: Your letter is already two of the gifts which you forecast.

"First, it brought good cheer.

"Second, it brought great anticipations.

"Third, that fine fishing leader for my line raises visions of future joys."

Herbert Hoover writes everything, from ponderous books to letters to children, in longhand with a pencil. Typewriters, dictating machines, even ballpoint pens, he says, are "stimulants to verbosity." One year he made 30 speeches, and a secretary, whose job it was to type each draft, said she revised them a total of 154 times to make them short. He answers much of his mail merely by penciling in the margin a directive to a secretary. Once he opened a letter which contained the arresting note, "Watch for a message which will change the face of the world." Mr. Hoover scribbled: "Watch for this."

Since his last illness Mr. Hoover has not made any public speeches, but when he did he rarely spoke off the cuff, preferring prepared statements. "When a person starts talking ad lib," he says, "there are too few terminals."

Some of his off-the-cuff remarks, however, reveal his drollery best of all. Once someone asked him why so many public officials go fishing. "The public only yields privacy to officials in fishing and in prayer," Mr. Hoover quipped, "and they can't pray all the time."

But Herbert Hoover, the simon-pure angler who never quite got over his horror that Calvin Coolidge fished with worms, often complained about lack of privacy even when fishing. Once, while President, he was fishing on the banks of the Rapidan near Washington with a Cabinet member. They began discussing high-level matters of state, and the Cabinet member noticed a Secret Serviceman standing in the bushes. He said to the President, "Don't you think you should tell him to leave?"

"He won't go," Herbert Hoover said glumly.

Seven years ago when he went out to Independence, Mo., to help dedicate the library of one of his warmest friends, Harry Truman, a local matron fluttered up and asked what former Presidents do when they retire.

"Madam," said Mr. Hoover, "we spend our time taking pills and dedicating libraries."

The joke plainly did not apply to Herbert Hoover. He maintains stoutly that no one should retire from work or he "will shrivel up into a nuisance * * * talking to everybody about pains and pills and income tax." For his part, he has said, "when I'm not working, I get tired of myself."

Judging from the pace of his first 90 years, there is little likelihood Herbert Hoover ever will get tired of himself.

[From the Wall Street Journal, Aug. 10, 1964]

A BIOGRAPHY OF HOOVER ON HIS 90TH BIRTHDAY

(By William Henry Chamberlin)

At a banquet shortly after the end of World War II Herbert Hoover received a card inscribed "To a great American." The signature was: "Harry S. Truman." This was symbolic of Hoover's emergence from the clouds of misrepresentation and unfair vilification which surrounded him for a time, partly because of an adroitly organized hostile propaganda campaign, partly because, through no fault of his, his term as President coincided with a disastrous depression.

Now, on the occasion of Hoover's 90th birthday, Eugene Lyons, author and publicist, sketches with enthusiasm and admiration in "Herbert Hoover: A Biography" the full-length record of Hoover's career, from his birth in a rural Quaker community in Iowa to his present status, full of years and of honors, with today's birthday an occasion for an outpouring of respect and affection all over the world.

What makes Lyons' book, much longer and better rounded than his earlier approach to Hoover, "Our Unknown Ex-President," obviously a labor of love is his sympathy with the personality and philosophy of its subject, with the taproots of Hoover's character in its blend of individualism with compassion, its sturdy faith in the American people and in America's destiny, its ideal of public service.

This found practical expression when Hoover at 40, comfortably well off and at the top of his profession as an international mining engineer, consciously turned his back on moneymaking. First came leadership in an improvised effort to help Americans stranded and sometimes penniless because of the outbreak of World War I, the closing of frontiers, the stoppage of bank facilities. Then the far bigger and more complex efforts to feed the populations of Belgium and occupied France, despite the suspicious attitude of all the belligerents. In this transaction Hoover showed himself not only an organizer of extraordinary ability, but a first-rate diplomat.

After the end of the war Hoover performed a work of political as well as humanitarian value when he arranged for the feeding of central Europe. Much that passed for communism in that area was an elementary reaction to hunger. Later the ARA (American Relief Administration) played the leading role in stemming a Russian famine in 1921–22 that took millions of lives and would have taken millions more.

Then came the period of public services, as Secretary of Commerce in the Coolidge administration and later as President. Hoover refused to take a penny of his Presidential salary and communicated his ideals of integrity and public service to his two sons. When one of them was offered a position and salary out of line with his experience at the time he sharply replied:

"My father's name is not for sale."

Hoover's unhappiest years were in the White House. A passionate believer in the American free economy, he saw that economy put on a formidable tailspin. A deeply compassionate man, he saw millions of his fellow countrymen engulfed in misfortunes which he could not avert. Following in the footsteps of other students of the period, Mr. Lyons scotches the canard that Hoover was a do-nothing President. Through the Reconstruction Finance Corporation and other agencies he intervened in the crisis much more than classical economists regarded as wise.

During this period he suffered from two handicaps. He did not possess a flair for popular oratory and he lacked the easy touch of the professional politician. And, perhaps to his credit, he considered it beneath his dignity and that of the Presidential Office to hit back against the flood of slanders, canards, and innuendoes to which he was subjected.

Not that he did not feel and resent what he considered unjust vituperation. The late Dr. Rufus M. Jones, a distinguished Quaker author and teacher, tells a story of keeping an appointment with Hoover in the White House, only to find him using some very un-Quaker-like language about some aspersion. Using the freedom with which one Quaker speaks to another, Dr. Jones interjected:

"Now, Herbert, center down. Center down."

This was formula for regaining calm. And Hoover promptly responded that he should and would "center down."

One of the merits of this biography is its picture of the whole man. Hoover is shown as a boy, working on farms, brought up by relatives, as one of the first graduates of the then young University of Leland Stanford, from which he was graduated with $40 in his pocket. Then there was a time of hunting for a job, until he established himself as a promising young geologist and was commissioned by an English firm to take over its gold mining enterprises in Australia.

With success came his marriage with a Stanford fellow student, Lou Henry, with whom he shared a wide range of common interests. Both despised "society" as such; both welcomed the company of interesting and stimulating minds. Hoover's technical mining knowledge and his wife's classical training made it possible for them to translate a medieval work on mining, which had baffled other students. Together they went through the ordeal of the siege of the foreign community in Tientsin by the Boxers; together they traveled to the far ends of the earth, to Australia, China, South Africa, Russia, Burma, where Hoover made most of his personal fortune.

Critics may find the controversal aspects of Mr. Lyons' work too strident, the adjectives too lurid, the constant note of laudatory vindication a little too strained and repetitious. Yet he has told the Herbert Hoover story, one very worth telling, in most entertaining style and only a few unreconstructed Hoover-haters will dissent from his judgment:

"His life, I am convinced, will be measured less by what he did—colossal though it has been—then by what he was. Already, in fact, his countrymen instinctively appraise him in moral rather than conventional political terms. They think of him, if at all, not primarily as a President, however rated, but as a great American and a great human being—as a truly good man, whose compassion reached out to embrace all humankind."

[From the New York Times, Aug. 10, 1964]

TEXT OF HOOVER'S MESSAGE FOR BIRTHDAY

Our American form of civilization has been deluged with rising criticism, from both home and abroad. Altogether, the critics say, we seem to be in a very, very bad way, and engaged in our decline and fall.

Criticism is no doubt good for the soul but we must beware that it does not upset our confidence in ourselves. So perhaps the time has come for Americans to take stock and to think something good about themselves.

We could point to our constantly improving physical health and lengthening span of life.

In the governmental field, we could suggest that our supposedly "decadent" people still rely upon the miracle of the ballot and the legislative hall to settle differences of view, and not upon a secret police.

In the cultural field, we could point out that we have more young people in high schools and institutions of higher learning, more musical and literary organizations, greater distribution of the printed and spoken word than any other country.

On the moral and spiritual side, we could suggest that we alone, of all nations, fought for freemen in two world wars and asked no indemnities, no acquisition of territory, no domination over other peoples. We could point to a spirit of Christian compassion such as the world has never seen, and prove it by the tons of food and clothing and billions of dollars we have provided as gifts in saving hundreds of millions of people overseas from famine, and many governments from collapse.

RESOURCES LARGE

Deeply as I feel the lag in certain areas which denies equal chance to our Negro population, I cannot refrain from saying that our 19 million Negroes probably own more automobiles than all the 220 million Russians and the 200 million African Negroes put together.

We have an alarming amount of crime and youth delinquency. The fault, however, has been largely in the failure of our law enforcement after the police have made the arrest.

Hope lies in the continuing expansion to such organizations as the Boys' Clubs of America that take underprivileged boys off the streets during their formative years and help them to build sound minds and sound bodies, and, most important of all, sound characters.

We could point out that our American system has achieved the greatest productivity, the highest standard of living of any nation on earth. True, we have large natural resources—but other nations also have such resources. What, then, has brought us such abundance?

I have enjoyed a varied life and wide opportunities to discover the key. I have seen America in contrast with many nations and races. My profession took me into many foreign lands under many kinds of government. I have worked with their great spiritual leaders and their great statesmen. I have seen freedom die and slavery arise.

I have worked in governments of freemen, of tyrannies, of Socialists and of Communists.

I have searched in these travels—and sought to learn from books and from the leaders of other nations—what it is that has given America this superabundance. What is the key to it?

The key, I am convinced, is that among us there is greater freedom for the individual man and woman than in any other great nation. In the Constitution and in the Bill of Rights are enumerated the specific freedoms. Then there are a dozen other freedoms which are not a matter of specific law—such as freedom to choose our own callings, freedom to quit a job and seek another, freedom to buy or not to buy, freedom for each man to venture and to protect his success, always subject to the rights of his neighbors, in short, we have freedom of choice. And the product of our freedom is the stimuation of our energies, initiative, ingenuity and creative faculties.

Freedom is the open window through which pours the sunlight of the human spirit of human dignity. With the preservation of these moral and spiritual qualities, and with God's grace, will come further greatness for our country.

HOOVER: ENGINEER, ARDENT HUMANITARIAN

(By William Henry Chamberlin)

Fifty years ago a very succesful mining engineer named Herbert Hoover stopped working for himself and devoted the rest of his life to humanitarian enterprises and to service for his country and for public causes.

His first enterprise was to provide means for feeding the children of Belgium under German occupation in World War I. The arrangements were not easy to make across belligerent lines. But Mr. Hoover's persistence, tact, ability to see the viewpoint of both sides and concentration on the nonpolitical objective of relieving suffering prevailed. The Belgian children were fed.

After World War I, when near famine conditions prevailed in Central and Eastern Europe, what had started in Belgium as a private enterprise developed into the American Relief Administration, which, with the backing of the American Government, distributed relief to enemy, allied, and neutral countries. The climax was the big operation to save millions threatened with starvation by the great famine which developed in Russia in 1921—a product of drought, unwise economic experiments, wartime requisitions, and collapse of transportation.

By what he accomplished in the wake of two destructive wars that spread desolation and hunger over wide areas, Mr. Hoover earned the distinction of having saved more human lives than any American, perhaps any human being, in history. His relief operations were a tribute at once to the universal compassion for suffering which he imbibed with his Quaker faith and to his outstanding ability as organizer and executive. Among his gifts not the least was his capacity to induce capable men to work in his organization for a pittance or for nothing—and to remain friends and admirers for life.

Now stricken in health as he approaches his 90th birthday, Herbert Hoover has completed the fourth volume of "An American Epic," covering World War II and subsequent years. His first effort to repeat what he had done in Belgium by organizing, with proper safeguards against confiscation or abuse, food supplies for the needy civilians in countries under German occupation was frustrated. The British Government was unwilling to relax the blockade and some Americans, more pro-British than the British, impugned Mr. Hoover's motives and worked themselves into a mood in which they professed to believe that the outcome of the war would be seriously affected by the supply of oatmeal and bananas to hungry French children.

It was the policy of President Roosevelt to deny Mr. Hoover any opportunity for public service. President Truman, to his credit, reversed this attitude and made it possible for Hoover to perform one of the greatest services of his long and useful life: The injection of commonsense humanity into American occupation policy in Europe and Asia.

Early in 1947 Herbert Hoover, named by President Truman to head a commission of investigation into world food conditions, presented a report on Germany which may, without exaggeration, be called historic. In Germany at this time it was not merely a matter of stepping up food allowances that, in many cases, were below the subsistence level.

Despite temporary palliatives, Germany was certain to remain a hungry country, with a broken economy, until and unless there was a decisive breach with the vindictive policy of eliminating the heavy industry on which millions of Germans depended for their livelihood and in many ways stunting and thwarting the natural forces of economic revival. The fantastic scheme of Roosevelt's Secretary of the Treasury, Henry Morganthau, probably worked out largely by Harry Dexter White, later identified as a Communist agent by the FBI, for reducing urbanized Germany to the status of a country "largely agricultural and pastoral" still exercised much influence on the American occupation policy.

Hoover threw all the weight of his considerable personal influence and prestige into combating this destructionist psychology. Pointing to grim conditions of malnutrition, including some deaths from outright starvation, he supported the case for permitting and encouraging the Germans to work back to their recovery with practical arguments: The financial cost of annual handouts to prevent hunger from deteriorating into starvation, the moral cost of producing an embittered, undernourished new generation of Germans.

"And," as he writes, "this report received an astonishing public response. It seemed to me the whole press editorialized favorably and I received thousands of letters of approval. It was evident that the American heart was free of vindictiveness and ready to respond to human appeals."

One of Mr. Hoover's last public services, to enlist compassion and commonsense for a policy of helping to build up a free Germany as an integral and indispensable part of Europe, was far from being his least.

LAWBOOKS, U.S.A.

Mr. KUCHEL. Mr. President, a group of younger members of the legal profession, motivated by a desire to extend a helping hand in the shaping of institutions and to enhance respect for principles of justice in newly independent nations around the globe, recently launched a project known as Lawbooks, U.S.A.

This public-spirited endeavor, a nonprofit venture with a lawyer-to-lawyer approach, has won the enthusiastic support of the American Bar Association, the Federal Bar Association, and other groups in the profession to which I am proud to belong. The program, which does not entail any expense to our Government, also has been commended by the U.S. Information Agency because it supplements national efforts to acquaint peoples of other countries about our legal customs, procedures, and concepts.

As a trustee of this enterprise, it is particularly heartening to observe the progress made in carrying out the program. In the words of USIA Director Carl T. Rowan, this activity "promises to be most fruitful." While still in its infancy, Lawbooks, U.S.A. has aroused widespread interest among the American Bar and gratifyingly in recent weeks attorneys and public officials in various foreign countries have demonstrated their readiness to take part.

An informative account of the way this project is going forward appeared in the July issue of Federal Bar News. Because I believe it would stimulate wider participation in this worthwhile undertaking, I ask unanimous consent to have the article printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LAWBOOKS, U.S.A., GAINS MOMENTUM

Lawbooks, U.S.A.—born out of the realization that world understanding may be implemented through the exchange of legal ideas and precepts—has made rapid progress both on a national and international scale. This is a program whereby American lawyers may place in the hands of their lawyer counterparts in emerging nation's books concerning the nature of the American judicial system.

With the appointment of a national committee headed by young lawyers and the guidance of a board of trustees composed of such leading lawyer-statesmen as Justice Tom Clark, Senator Tom Kuchel, Congressman Barratt O'Hara, Assistant Secretary of State G. Mennen Williams, Harvard Law Dean Erwin Griswold, Howard Law Dean Clyde Ferguson, Harold Stassen, Edward R. Murrow, Charles Rhyne, and Earl Kintner, the program has spread to a number of communities throughout the country. Already, campaigns to send lawbooks abroad are underway in Minneapolis, Portland (Oreg.), Chicago, Indianapolis, St. Louis, and Washington, and word has been received that other local bar associations are now formulating similar plans. To date, the USIA, a cosponsor with your Federal Bar Association, the World Peace Through Law Committee and Junior Bar Conference of the American Bar Association, has distributed packets in over 20 emerging nations. Recipients have evidenced a deep gratitude to their American legal counterparts through letters and local press coverage.

Simultaneously with the shipment of packets, an effort has been made to organize counterpart Lawbooks committees abroad to assist the USIA in distribution. Lawbooks National Chairman Scott Hodes, who recently returned from a tour of the Middle East, has announced that Lawbooks committees in Greece, Israel, and Italy composed of local lawyer statesmen are now being formed. The recognized international value of this undertaking is evidenced by a statement made by Moshe Ben-Zeev, the attorney general of Israel, who observed that "the splendid initiative of Lawbooks, U.S.A., will result in a 'common market' of legal ideas and concepts, thus contributing immensely toward international understanding and cooperation." With the organization of these foreign committees, Lawbooks has achieved an international stature—worthy of the support of all lawyers.

Federal Bar Association chapter chairmen are urged to organize local Lawbooks committees and may expect to receive promotional literature to aid in local campaigns. Where Federal Bar Association members are interested in forming local committees, it is requested that they urge their chapter to take appropriate action.

In the meantime, packets are urgently needed in the emerging nations and Federal Bar Association members are asked to make contributions (which are tax deductible) payable to "Federal Bar Foundation—Lawbooks, U.S.A.," 1815 H Street NW., Washington, D.C. Gifts in any amount are encouraged ($8 per packet), and the donor's name will be enclosed with the packet thereby facilitating correspondence on a lawyer-to-lawyer basis.

"PROJECT '65"

Mr. MUSKIE. Mr. President, one of the most significant but least publicized developments in the present struggle for equal rights in this country is occurring in the higher educational field. Education is a basic—indeed, the paramount—instrument for achieving the goals of a free society. To our educational institutions at the primary, the secondary, and especially the higher levels, falls the responsibility for enabling our young people to understand, to support, and to defend the ethical and legal concepts which our political system has now created. Yet Negro enrollments in many of our colleges and universities are small or nonexistent.

In this connection, I wish to call attention to a unique effort organized by the students, faculty, and administration of Bowdoin College, Brunswick, Maine. To bridge the vast communications gap that exists between most predominantly white colleges and the talented Negro students in depressed areas, "Project '65" was launched during the past academic year. By contacting principals, guidance counselors, and students in such areas, Bowdoin students, with the cooperation and assistance of the college administration, pioneered in closing the information gap which constitutes one of the major barriers to achieving greater equality of opportunity at the higher education level. Bowdoin has directly benefited from this experience, and other colleges have been assisted indirectly.

Mr. President, I ask unanimous consent to have inserted in the RECORD this account of the commendable undertaking by Maine's oldest institution of higher learning.

There being no objection, the account was ordered to be printed in the RECORD, as follows:

BOWDOIN COLLEGE STUDENTS CONDUCTED NEGRO TALENT SEARCH

BRUNSWICK, MAINE, August 9.—When the incoming class of 1968 arrives at Bowdoin College in September, it will have in its ranks three men who hadn't dared dream of advancing their education.

Like the rest of the student body at Bowdoin, they come from vastly different geographical areas, and, like the others, they have passed the rigid Bowdoin entrance requirements.

They differ from the rest because they come from some of the most deprived Negro sections of the country. And they are going to the Brunswick, Maine, liberal arts college for men in the fall because of a dream created by the students of Bowdoin and nurtured into a full-scale undertaking by students and college officials.

Known on campus as "Project '65," the enterprise was planned originally to close the gap of "inequality of information" by contacting principals, guidance counselors and students in deprived areas to make them aware of the educational opportunities at Bowdoin.

"If there were in fact equality of opportunity," said Foster S. Davis, one of the student-organizers of the project, "if communications between Negroes and predominantly white colleges were in fact as complete as between whites and those colleges, then I would say we should not lift a finger to encourage Negroes to apply to Bowdoin." Proof of the inequality of information, according to Davis, is shown by the low number of Negroes who apply to Bowdoin, a college that doesn't ask an applicant's race or require his photograph.

Project '65 was conceived last December by Davis and two other Bowdoin students, Elmer L. Beal and Michael R. Ince, as an organized program of visits to Negro high schools near students' hometowns during the Christmas vacation.

Assisted by Robert C. Mellow, associate director of admissions, and Prof. Daniel Levine of the history department, the three sponsored a discussion about the project at the student union to test the feelings of their fellow students. The students reacted with vigor. And so did college officials.

In the words of Bowdoin President James Stacy Coles, "An immediate and pressing national need is to provide status for the American Negro equivalent in stature and dignity to that of other Americans. This need can be met only as the Negro more generally achieves equivalent economic and cultural advantages, both of which are dependent upon educational opportunity. Because the State of Maine is somewhat remote from the deep emotional trauma accompanying the desegregation process where segregation is inbred, Bowdoin is in a position where it can contribute significantly in making equality of opportunity available."

President Coles said special efforts will be required and added, "This is not only an institutional responsibility but an institutional opportunity which Bowdoin and other colleges must accept. Otherwise the national welfare is in jeopardy."

The college's director of admission, Hubert S. Shaw, noted that Project '65 "continues a 140-year-old tradition of concern for Negro progress at Bowdoin." That concern began in 1826, when Bowdoin graduated John Brown Russwurm, one of the first two Negroes in America to receive a college degree. Gen. Oliver Otis Howard, who served as commissioner of the Freedman's Bureau after the Civil War, and who helped establish Howard University for the education of Negroes, graduated from Bowdoin in 1850. And it was while her husband was a member of the Bowdoin faculty that Harriet Beecher Stowe wrote "Uncle Tom's Cabin."

The Bowdoin men visited 25 schools in their home towns during the Christmas vacation. When they returned to the college and compared their notes, just one thing was clear—much more had to be done. It was obvious from the visits that Negro awareness of opportunities in education was scant. A significant amount of talent in segregated southern and deprived urban schools was not being encouraged toward college because of poor communication between colleges and these schools and between guidance counselors and students.

"You can see the vicious cycle," said Mr. Mellow. "The colleges do not visit the schools since the schools do not encourage the students to go to college because the colleges do not visit."

Project '65 was one step forward in trying to break the cycle.

Davis and his fellow students saw that no admissions office could afford the staff to cover these needy schools properly without cutting back drastically on its normal school visit program. What was needed, they decided, was a special task force to visit such schools and encourage qualified Negro candidates to consider Bowdoin College.

Together with the admissions office they began to expand the concept of Project '65. The students would raise the money to finance the project, and a full-fledged campaign of "student ambassadors" would be launched during spring vacation to visit Negro schools, not just near students' hometowns, but in as many areas as time and funds would allow.

After several planning sessions, Mr. Shaw observed, three purposes of the project became clear:

"To offer a source of information about the nature and benefits of higher education in the liberal arts to talented students who would not normally consider such a program;

"To offer a vehicle for direct and positive action by Bowdoin undergraduates in the face of the present crisis in higher education for Negroes and other traditionally deprived groups;

"To create a greater awareness of Bowdoin as a fine educational environment for Negro candidates."

With these goals firmly in mind, the Bowdoin men set about raising enough money to finance the ambitious campaign, and by their departure date collected $1,088.29 from campus and Brunswick area supporters.

Schools to be visited were selected through the Bowdoin admissions office with the guidance of the National Scholarship Service and Fund for Negro Students, and the superintendents of schools, NAACP and Urban Leagues in the areas being visited. Appointments were arranged by the admissions office for the Project '65 ambassadors, and three groups prepared to depart.

Davis, a senior from 62 Main Street, Concord, Mass., and Andrew Seager 1966, a native of South Africa, making up the first team, traveled through Virginia and North and South Carolina. Ince, a senior from Burnett Lane, Brookhaven, N.Y., and Edwin Bell 1966, 15 Wakullah Street, Roxbury, Mass., and Kermit Howe, Jr., a senior from Abington, Conn., made up the second team that talked to students in Chicago, St. Louis, and Louisville, Ky. Members of the third team that traveled to Pittsburgh, Columbus, and Cincinnati were Brian Rines, a 1963 Bowdoin graduate from Pownal, Maine, and Richard Bamberger 1967, of 24060 Shaker Boulevard, Cleveland, Ohio.

In a weeks time the three teams visited 61 schools in deprived Negro areas of the country. When two Bowdoin students studying in the South reported visits to four schools in Memphis and Nashville the total reached a coincidental 65. The Bowdoin men, Charles Toomajian in 1965, of 621 Hoosick Road, Troy, N.Y., and Steven Kay 1965, of 356 Archer Street, Fall River, Mass., spent their spring semester with four classmates studying at Morehouse College in Atlanta, Ga. At the same time, six students from the Negro college spent a semester in Brunswick.

The Project '65 teams talked to 214 Negro students. The original plan of operation for the three groups was to talk mostly with high school juniors and a few freshmen and sophomores. Seniors, it was assumed, would have already been accepted to colleges if they were going to continue their educations. As a matter of fact, the project got its name from the intention that it would help increase Negro applicants for the Bowdoin class entering in the fall of 1965.

What the student ambassadors found on their trips was quite a different story. At least 29 high school seniors in the schools they visited were prepared for college but for one reason or another, mostly financial, they would probably never get the chance.

In describing some of the situations the student ambassadors found, Mr. Mellow reported: "One boy is from a large, depressed area urban high school from which he graduated last January. He is now working as a clerk as he has no money with which to go to college." The boy graduated first out of 93 in his class, Mr. Mellow said, and "was president of the student council and president of his senior class."

"Another boy is first in his class of 270 of a good sized segregated southern high school," Mr. Mellon continued. "His mother died last year and he did not know whether to go on to college or not because of the financial circumstances of the family. The boy who ranked second in the class of 270 has secured admission and financial aid at Harvard, Princeton, and Duke, as well as others."

As a result of Project '65, officials decided several of the qualified high school seniors ought to be helped, and the strongest candidates among them were encouraged to apply to Bowdoin. Of the seven who did, Bowdoin found funds to support three, and helped two others gain admission and financial aid at Oberlin College.

Project '65 uncovered several problems standing in the way of "significant encouragement of students from deprived and segregated southern schools," according to Mr. Mellon, and one of the biggest is money. "We can expect to find a median family income of less than $4,000," he said. "This means that a candidate will need virtually absolute aid to attend Bowdoin or a comparable college—financial aid which presently does not exist."

What about next year?

"The Bowdoin admissions office can assume some of the obligations that have come out of Project '65," Mr. Mellon says. "In Chicago and St. Louis particularly, the schools can be handled as a part of the normal travel schedule," he points out. "It may also be possible to add Louisville, Columbus, and Cincinnati to the admissions office travel schedule."

Contact with Negro schools in other areas of the country still needs to be made, Mr. Mellow hastens to point out; schools in the Deep South, Mississippi, Alabama and Louisiana. He'd like to see contact made with Negro and Puerto Rican students in Harlem, and someone "should go to Harlan County, Ky., and to West Virginia among the stricken coal miners and Appalachian hill people to see what we can do to get able students from this depressed area to think of college."

In short, he'd like to see a "Project '66."

BELLEVILLE HAS AN ANNIVERSARY

Mr. BARTLETT. Mr. President, Belleville, Ill., is celebrating the 150th anniversary of its founding. In our age of speed and change 150 years seems a long time ago but it is not. We may move from place to place more quickly than we used to but we still war, intrigue, and hope for peace. We, as men, have not changed. In this month's Belleville Life, Representative MELVIN PRICE, of Illinois has written a perceptive account of the world as it appeared to the founders of Belleville.

Mr. President, I ask unanimous consent that the article be made a part of the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

YOUR CONGRESSMAN SPEAKS

(From Representative MELVIN PRICE, Democrat, East St. Louis, Ill.)

This year Belleville is celebrating the 150th anniversary of its founding.

It would be of some value, I think, to move back across the years and consider the world that existed when this community became the county seat of St. Clair County in 1814.

I am not talking about the physical differences with which we are all familiar—how men labored in 1814 to till their farms with animals, or perhaps their own labor alone, whereas now we have become more mechanized and vastly more urbanized—I direct your attention, instead, to the part played in the great world—the great international world—by this community in 1814, and by all the Midwestern communities of this Nation north of the Ohio River and east of the Mississippi River.

We have an empire here in these States that were created out of the Northwest Territory. We live in the heartland of America—the great basin in which coal and iron can be brought together in economic usefulness, in which the rich lodes of our soil pour forth bountiful harvests.

In 1814, if I may remind you, it was not yet certain that the land west of the Appalachian Mountains and north of the Ohio River would continue to be American.

It was American under the peace treaty that ended our Revolutionary War; the British so agreed. But in the actual fact most of the area was either empty, literally, or occupied by migrating and shifting Indian tribes, and it is by no means certain that every British Cabinet member or army officer who thought of himself as an expert in geopolitics had privately conceded that the treaty ending the Revolutionary War would have to be honored.

Look back to 1814. A world war had been raging for two decades—a world war in which Napoleon attempted to establish himself as the master of all Europe and in which an alliance finally had been built against him that would shatter his hopes and send him to St. Helena in exile. But the Battle of Waterloo had not yet been fought in 1814 and the war went on.

Look back to our own country. Do we say that the only "world wars" in which we have engaged are the two tragic conflicts of this century? Well, it is not so. Our own Revolutionary War in which the United States won title to this land west of the Appalachians was a "world war," and nothing less, settling the establishment and liquidation of great empires and involving all the powerful nations of Europe.

And the War of 1812—that oddly labeled war in which the last, and almost the only, major American land victory was fought and won after a peace treaty had been signed—this war was to a substantial degree a part of the titanic conflict in which Great Britain, Prussia, Russia, and Sweden finally settled Napoleon's dreams of world domination. This, too, was a "world war" and this land was caught up in it.

In the same year in which this community of Belleville was founded, young men from Illinois undoubtedly ranged down to join Andrew Jackson's forces at the Battle of New Orleans; in that same year, the British burned the White House in Washington but lost a naval battle on Lake Champlain that ended the threat that the United States might be split apart.

Only a few years earlier, Thomas Jefferson had bought the Louisiana Territory from Napoleon—a continental dictator who found himself unable to defend the vast land he had taken from Spain in his world wars and sold it to us. And then Jefferson sent Captain Lewis and Captain Clark to explore the vast purchase to find a land route to the mouth of the Columbia River in Oregon, where the ships of Britain and the United States had been seeking to establish claims on which to stake a title of new empire.

Lewis and Clark wintered on this side of the Mississippi before they started their trek up the Missouri, laying their plans, gathering their party, establishing their discipline and their policy for one of the most successful feats of exploration in the history of man.

This little community of 1814 may not have known it, but it was very much a part of the huge world of empires. It was a participant in world war and the inhabitants of the West of that time played a part in the game.

It was not yet clear, when the War of 1812 broke out, whether the United States could reach out to become what it has become—a continental nation, reaching from sea to sea. There were Americans of reasonably good reputations who did not believe the interests of the Southwest could coincide with the interests of the older Atlantic Seaboard States, or even that the interests of the Northwest could coincide. The mountain barrier seemed formidable when the only ways of travel were the rivers and the trails. What would happen if Spain, or France, or Great Britain should finally seize the port of New Orleans and close the Mississippi to the foreign trade of our western agriculture.

Statesmen of great vigor and surpassing vision fought to keep this Nation united in spite of the tearing and divisive forces brought to bear upon our infant sovereignty. And the peace treaty won at Ghent in Holland in 1814—a peace treaty signed for the United States by John Quincy Adams and Henry Clay—was the consummation of Jefferson's and Madison's vigor and perception. It ended the War of 1812, except for the Battle of New Orleans, fought because the news of peace had not yet reached the armies—and it sealed the Union together as it had not truly been sealed before.

This is part of the history we celebrate in Belleville this year—the history that makes it possible for us to live in total assurance of our birthright. We pay tribute to those who founded this city. We pay tribute also to those statesmen who saw clearly the giant role that the American West played in the clash of ancient empires—and who kept our sovereignty sacred.

HEARINGS SCHEDULED ON DEVELOPMENT OF FISH PROTEIN CONCENTRATE

Mr. BARTLETT. Mr. President, for some 2 years the Bureau of Commercial Fisheries has been conducting experiments aimed at the development of a high-grade fish protein concentrate which could be inexpensively produced. This Friday, the Subcommittee on Merchant Marine and Fisheries of the Committee on Commerce will hold hearings on the progress of these experiments.

For some time it has been recognized that the development of FPC is an enterprise which promises high returns. The concentrate would furnish a rich, but low-cost, diet supplement, both for domestic usage and for distribution in foreign countries. It has been estimated that the diets of over 2 billion people are deficient in protein. FPC shows promise as a component of our foreign aid program and also of our domestic assault on poverty.

Production of the concentrate could be a highly profitable commercial undertaking as well. This has been recognized by numerous foreign concerns, including Sweden's ASTRA, which has constructed a pilot plant and a million-dollar laboratory. American firms have also shown interest and will undoubtedly show more as the Bureau's experiments continue.

Certainly the development of FPC would be a boon to the fishing industry. We now utilize only 15 percent of our potential fish supply. Studies have shown that some 7 billion pounds of fish could be taken from our waters annually for use in FPC.

As the Bureau of Commercial Fisheries has concluded, the United States' unharvested fish alone, translated into FPC, would supply sufficient quantities of animal protein to supplement the deficient diets of about 1 billion people for 300 days at a cost of less than one-half cent per person per day.

At least 23 foreign countries are known to be actively interested in the development of fish protein concentrate. Some, like Sweden, are striving to develop an exportable product for sale on the world market. Others, like Germany, are anxious to create a market for processing equipment which they could manufacture and sell. Some, like Chile and Iceland, wish to find new uses for their fishery resources. Others, like Peru and Morocco, wish to develop food supplements for their own people's needs. Worldwide interest is high; research, development, and production are proceeding on many fronts. The United States can and should be at the forefront of this progress.

The research program conducted by our Bureau of Commercial Fisheries began with an appropriation of $50,000 in fiscal 1962 for pilot studies. It got underway on a larger scale with 1963's appropriation of $400,000 and 1964's of $453,700. In each of the latter 2 years the Bureau has supplemented the appropriation with $50,000 in funds from duties on fishery products, received under Public Laws 83-466 and 84-1024.

The Bureau's laboratory at College Park, Md., is engaged in testing various methods of breaking down raw fish, whole or filleted, into a concentrate of acceptable purity and high nutritive value. Numerous reagents are being tested which would leave behind a high-grade powder or paste and drain off oils and fats, which might themselves be useful byproducts. It is anticipated that before long these products will be developed to the point that private industry will wish to assume responsibility for their further refinement.

The laboratory is also engaged in nutrition studies, attempting to determine the ways in which FPC might be incorporated into various diets, the amounts of FPC which, when included, would furnish the greatest marginal nutritive value, and the nutritive value of FPC as compared to other protein sources.

Other studies and investigations have been let out on contract by the Bureau. These include searches for new solvents, the designing and construction of extraction equipment, the evaluation of toxicity problems, the study of fish pretreatment methods, and various investigations as to the economic, social, and health problems involved in the introduction and use of FPC.

I have for some time been convinced of the potential of fish as an inexpensive yet rich source of protein. I am very much interested in these College Park experiments. Therefore I am pleased that the Subcommittee on Merchant Marine and Fisheries of the Committee on Commerce will hold hearings on the development of FPC on Friday, August 14. We plan to hear testimony from representatives of the Bureau of Commercial Fisheries and the American Academy of Sciences. Although the time for the public hearings is necessarily limited to 1 day, we are aware that several Senators have taken an active interest in the development of FPC and the experiments the Bureau is conducting. Therefore, the record will be left open for 1 week following the hearings for those Senators or for any other interested parties who might wish to submit testimony. We hope through the hearings and the printed record to bring Congress and the public up to date on the development of FPC and particularly on the experiments the Bureau has been conducting. We will be concerned to determine the standards which a marketable concentrate would have to meet, the quality of the products the Bureau has developed, how expensive or difficult they would be to produce, and the ways in which FPC might be utilized. Finally, we intend to explore FPC's commercial possibilities and to ascertain what the development of the concentrate might mean to the fishing industry.

THE HUMAN SIDE OF FOREIGN AID

Mr. McGOVERN. Mr. President, the Baltimore Sun of June 14 published a most interesting account of the activities of a most interesting woman—Mrs. Frances Howard. Mrs. Howard, the sister of our distinguished deputy majority leader, the Senator from Minesota [Mr. HUMPHREY], plays an important role in our foreign assistance program as a liaison officer working with our voluntary foreign aid groups. The story of her efforts is one that will interest the readers of the CONGRESSIONAL RECORD. Therefore, I ask unanimous consent that the article be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE HUMAN SIDE OF FOREIGN AID

(By Helen Henry)

Frances Humphrey Howard, a former Baltimorean now serving with the State Department's Agency for International Development, has a job directly concerned with the human apparatus of U.S. foreign aid—the people who are helping people to help themselves.

In an assignment giving wide range and perspective to her experience as sociologist, lecturer, and student of international affairs (she was formerly executive director of the United Nations Association of Maryland), Mrs. Howard has been surveying at first hand people-to-people machinery in many parts of the world.

Representing AID—the agency that administers foreign relief the world over—she serves as liaison officer with its technical assistance and research staff and its Voluntary Foreign Aid Service. The assignment, as she describes it, "charges me with seeking ways to bridge the efforts of the two important forces which are assisting needy people overseas: the American voluntary agencies with their programs of material aid and technical assistance and the U.S. Government, through its foreign aid program, particularly in the area of human resources." The goal, she adds, "is to achieve more effective cooperation between Government and private groups overseas in the total U.S. effort for economic and social development.

In this emissary role she has traveled widely during the past year, meeting and conferring with officials and leading citizens in countries receiving U.S. assistance. She has observed the work of U.S. aidmission officers in cooperation with those of private agencies and indigenous volunteer groups. Speaking before many of the in-country volunteer groups, she has been rallying their own self-help efforts to alleviate social and economic distress.

For it is the volunteer spirit, spirit enforced by material assistance, that Mrs. Howard sees as the real impetus to self-help, which is the ultimate objective of the United States aid program.

This spirit was a tangible thing to her on her most recent oversea tour, a visit to five Latin American countries—Peru, Ecuador, Colombia, Venezuela, and Mexico.

"I was impressed," Mrs. Howard says, "by the budding volunteerism in Latin America. There is everywhere an increasing official support of private activities, which in the past have been quite separate from their governments. And more women are personally involved in public assistance—a significant departure in these countries where cultural traditions have insulated them for centuries.

"And volunteers are being trained," she continued, "to work with the government in health programs, in the feeding of school children, in centers of rehabilitation, in the teaching of child care and nutrition. Native teachers are working with the Peace Corps to combat illiteracy. In all the countries where I conferred with the leaders of civic, youth, and social voluntary organizations, the desire to develop their human resources is profound."

AMAZED AT TURNOUT

When Lima newspapers announced that she would meet with members of Peruvian volunteer groups, Mrs. Howard was amazed at the turnout. "I expected perhaps 25 or 30 persons," she said. "More than 150 appeared—all sorts of organizations concerned with the deaf, the blind, church and welfare missions—a broad gamut of concern.

"The object of all the meetings and conferences with Latin American women," she pointed out, "was to identify their welfare programs with the goals of the Alliance for Progress.

"These little groups are still weak," she reports, "they still lack confidence in their own ability—and they lack money and skills.

"They constantly expressed their admiration—and some amazement—for the multipurposed women in the United States. And everywhere I have met with their embryonic volunteer groups, the women in Latin America were eager to know about our organizational techniques—fundraising for charities; how to organize their time."

In Quito, Ecuadoran women's leaders consulted Mrs. Howard about their plans to develop a national directory of their organizations: Their purpose is to establish contact with similar organizations in the United States— where, she points out, there are more than 1,500 volunteer groups over the country who are involved in one form or another with foreign assistance. They range from luncheon clubs, service and professional organizations, to 4-H groups, homemakers and religious auxiliaries.

PROVIDES HOLDING ACTION

As the people overseas gather strength and experience in mobilizing their own resources, Mrs. Howard said, "AID is meanwhile providing a holding action important to their growth. And our voluntary agencies are the best part of this action while on the long-term side there is need for loans and grants. The volunteer groups are helping to sustain their communities through food for peace and food for work as they stimulate Latin Americans in self-help programs."

The foreign aid partnership of the U.S. Government and volunteer groups is based on the long experience of many private agencies in helping people in underdeveloped areas. Their names are known over the world: Church World Service, Catholic Relief Service (Caritas), Cooperative for American Relief Everywhere (CARE), American Friends Service Committee, American Jewish Joint Distribution Committee, Thomas A. Dooley Foundation (Medico), YMCA and YWCA—to mention only a few of the 56 agencies registered with the Agency for International Development (through the Advisory Committee on Voluntary Foreign Aid, headed by Charles P. Taft. Dean Gordon Cairns, of the University of Maryland College of Agriculture, is another member).

The technical assistance and knowledge of these agencies has been vital to the U.S. program for providing welfare, education, housing, rural development, health, and agricultural services. For among them, indeed—especially the church-related missions—are the pioneers of foreign aid.

"The impact of Caritas, the relief arm of the Catholic Church," Mrs. Howard reports, "is tremendous, particularly in Peru and Ecuador. It is doing a great and imaginative work in projects of housing and child welfare in poverty-stricken areas, in organizing rural cooperatives and credit unions. And it is doing an excellent job in monitoring the food for peace sent by the United States in support of these projects."

More than half of U.S. aid to Latin America is in food for peace, according to AID, and at last 10 million Latin American youngsters are now receiving food-for-peace supplemental feedings, mainly distributed through CARE, Caritas, and the Peace Corps.

PROVIDES BALANCED DIET

Surplus U.S. commodities in foreign-aid shipments include bulgur wheat, feed grains, powdered milk and fats (lard, butter, cottonseed, and soybean oils), which provide a reasonably balanced minimum diet for 5 to 7 cents a day for an individual.

Bulgur wheat, a midwestern grain processed to resist moisture and vermin—sometimes it is described as "Metrecal without fancy trimmings"—is a basic food in Latin America, said Mrs. Howard, especially for the mestizos, the Indians of the high Andes.

There are, she noted, 7,500,000 Indians in Latin America, "most of them rootless and neglected ever since their proud spirit was stamped out by the Conquistadores. They come down from the barren mountains by the thousands in 'invasions' to squat in the barriadas—the city slums—hungry and in abject misery."

While in Lima, Mrs. Howard was impressed by a community project and feeding program the Peruvian Girl Guides have developed for underprivileged children in one of the barriades—the Pamplona project. She was the featured speaker there at an international training seminar for Girl Guides, attended by 65 representatives from various Latin American countries. Their leaders were inspired, she was told, by the programs of U.S. Girl Scouts presented in Miami, where they attended an international convention.

"The problem of the barriada," said Mrs. Howard, "has attracted the best of Peace Corps and AID missions, for this is a great threat in areas of violence."

DESKS AND BOOKS LACKING

There are 600 Peace Corps volunteers in Peru, she said, who are encouraging the development of native skills for self-help. They are teaching carpentry, to build communal schools (she attended the dedication of one of them). The ministry of education in Lima is supplying teachers to the barriades—but, she observed, desks and books are lacking.

Among the many Latin American projects in which U.S. agencies are playing a part, Mrs. Howard was especially moved by the "minga"—an Indian collective, rooted in ancient Inca tradition. She visited one of these minga communals: 400 Indian families who are creating their own community on a mountain above Quito, capital of their ancient empire. Whole families, including the children, pitch in the work of hacking out a mountain road and laying the foundations for new homes.

The receive Food for Peace rations once a week, which, Mrs. Howard says, they regard, in their tradition, as a reward for carrying out their responsibility, rather than as pay for work done.

Peace Corps husband-and-wife teams are teaching Indians how to build communal ovens in which to bake bread, in communes where Caritas distributes Food fof Peace, and how to make clothing out of the wheat sacks.

"Latin America is not manana," Mrs. Howard declares, "it is today. They need survival for today. They are hungry. They lack normal basic needs. AID missions are making a pilot impact, setting the example for self-help—but they need, desperately, much more than money: they need human concern for the development of their human resources."

Mrs. Howard's visit to Latin America was given a wide press coverage, which played up the fact that she is the sister of Senator HUBERT H. HUMPHREY, Democrat, of Minnesota, who has warmly supported the Alliance for Progress.

"HUBERT'S visit last year to Latin American countries was mentioned everywhere I went," said Frances Humphrey Howard, "and I am sure it had a bearing on the cordial welcome given me. In a little Venezuelan village I was met by a delegation of children who came to tell me that a bat he had given them last year with some baseball equipment had been broken, and would I please tell him to send them another one."

THE ENCYCLICAL, "ECCLESIAM SUAM," OF POPE PAUL VI

Mr. PELL. Mr. President, Pope Paul VI, in the first encyclical of his 13-month-old pontificate, has today reaffirmed the traditional beliefs of the Roman Catholic Church, and has offered the world new hope for peace.

He has offered the possibility of his own learned and meaningful intervention as a mediator in international crises, "where an opportunity presents itself," in order that such crises may be honorably settled.

Just as did his beloved predecessor, Pope John XXIII, Pope Paul rejects the false premises of atheism and communism; and, with Pope John, he implores us to follow a course of peaceful change.

When Pope John died, I remarked, here in this Chamber, that he had given renewed meaning and respectability to our quest for an honorable peace throughout the world. It seems most fitting, therefore, that Pope Paul has now reemphasized this vitally important goal in terms of his own high purpose and scholarly knowledge.

I further have commented on Pope John's eminent contributions in advancing the cause of religious unity and cooperation among mankind. Pope Paul's encyclical is also addressed to this most significant subject—with specific and moving reference to the work of the Ecumenical Council, begun under the guidance of John XXIII.

In these days when we hear too much about the alleged efficacy of extremist views, the Vatican once again emphasizes the need for rational hope and for responsible action, as opposed to irresponsibility.

Mr. President, we continue to confront deeply disturbing and threatening times. We confront them both at home and abroad. The common ideals which Pope Paul has set forth with spiritual eloquence and practical imaginativeness—qualities which Pope John's encyclicals also possessed in such high degree—should help all men toward better understandings.

Let us all be grateful for the sense of inner compulsion which motivated the preparation of this latest encyclical, and for the initiative it represents.

THE 90TH BIRTHDAY OF FORMER PRESIDENT HERBERT HOOVER

Mr. PELL. Mr. President, today marks the 90th birthday of former President Herbert Hoover, a great humanitarian.

In commemoration of this significant milestone in the life of an outstanding American, President Johnson has designated today as Herbert Hoover Day.

Mr. Hoover's career in the service of our country has been illustrious, from the earlier days when he brought food and help to the hungry in Europe, following World War I, to the present time, when he continues to display his intelligence and his wisdom.

I particularly salute him for the remarkable job he did in organizing our Department of Commerce, of which he was one of the most effective and able Secretaries in our Nation's history.

Finally, I salute him as a fisherman and a follower of the immortal Izaak Walton.

COMMITTEE MEETINGS DURING SENATE SESSIONS THIS WEEK

Upon request by Mr. Mansfield, and by unanimous consent, the Committee on Agriculture and Forestry and the Committee on Finance were authorized to meet during the sessions of the Senate for the remainder of this week.

TRANSACTION OF ADDITIONAL ROUTINE BUSINESS

By unanimous consent, the following additional routine business was transacted:

ADDITIONAL REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BIBLE, from the Committee on the District of Columbia, without amendment:

H.R. 5337. An act to increase the partial pay of educational employees of the public schools of the District of Columbia who are on leave of absence for educational improvement, and for other purposes (Rept. No. 1365).

By Mr. MORSE, from the Committee on tre District of Columbia, without amendment:

H.R. 5044. An act to amend the act entitled "An act to provide for a mutual-aid plan for fire protection by and for the District of Columbia and certain adjacent communities in Maryland and Virginia, and for other purposes." (Rept. No. 1366);

H.R. 6350. An act to amend the act entitled "An act for the regulation of the practice of dentistry in the District of Columbia, and for the protection of the people from empiricism in relation thereto," approved June 6, 1892, as amended (Rept. No. 1367); and

H.R. 7441. An act to amend the act entitled "An act to authorize the Commissioners of the District of Columbia to remove dangerous or unsafe buildings and parts thereof, and for other purposes," approved March 1, 1899, as amended (Rept. No. 1368).

ESTABLISHMENT OF LAND AND WATER CONSERVATION FUND—REPORT OF A COMMITTEE—ADDITIONAL VIEWS (S. REPT. NO. 1364)

Mr. BIBLE. Mr. President, on behalf of the Senator from Washington [Mr. Jackson], the chairman of the Senate Committee on Interior and Insular Affairs, I submit a report on the bill, H.R. 3846, to establish a land and water conservation fund to assist the States and Federal agencies in meeting present and future outdoor recreation demands and needs of the American people, and for other purposes. I ask unanimous consent that permission be granted to file additional views on the part of Senators Simpson, Dominick, Allott, and Jordan of Idaho, and that these views be printed together with the committee report.

The PRESIDING OFFICER. The report will be received and the bill will be placed on the calendar; and, without objection, the report will be printed, as requested by the Senator from Nevada.

ADDITIONAL BILL INTRODUCED

Mr. DOUGLAS, by unanimous consent, introduced a bill (S. 3103) to amend title 18 of the United States Code to provide that the bombing of certain buildings will create a rebuttable presumption that a Federal criminal offense has been committed for purposes of investigation by the Federal Bureau of Investigation, and for other purposes, which was read twice by its title and referred to the Committee on the Judiciary.

(See the remarks of Mr. Douglas when he introduced the above bill, which appear under a separate heading.)

ESTABLISHMENT OF PUBLIC BOMBINGS AS FEDERAL OFFENSES

Mr. DOUGLAS. Mr. President, I introduce, for appropriate reference, a bill which would create a rebuttable presumption that a Federal criminal offense has been committed by the bombing of any public buildings, or of buildings which exist to accommodate the public. The creation of such a presumption would, among other things, authorize the Federal Bureau of Investigation to enter into such cases to investigate and bring to justice the persons responsible.

The technological advances of our scientists have been of great benefit to the public. Unfortunately, some of these advances have been abused by criminal elements in our society. The deliberate and wanton destruction of property, often accompanied by injury or death to innocent bystanders, through the use of explosives or flammable products, has risen to such proportions that the Nation as a whole has been affected. Such bombings and burnings are no longer only matters of local concern; they now pose dangers to people involved in the ever-increasing interstate commerce of the United States. Such acts are therefore interstate crimes, and in order to effectively prevent them and punish the perpetrators, they should be investigated and prosecuted on an interstate, or Federal level.

Few if any bombings and burnings of public buildings are solved. This we know from our daily readings of the newspapers. I believe that the principal reason they are not solved is because of the unfair battle which is now taking place between organized crime and local authorities. There are not many city or county police organizations which possess the resources capable of competing with organized crime in the United States. Members of the so-called underworld can call upon the misdirected talents of explosive experts in almost any State to come in and blow up a building. Couple this with the daily advances in pyrotechnics, and we can well appreciate the feeling of futility and frustration experienced by many local law enforcement officials.

The Federal Bureau of Investigation has been able to stay ahead of organized crime in the United States, and it seldom investigates a case without producing the positive evidence necessary to justify an arrest and subsequent trial. I hope this bill, which I am introducing today, will be enacted, and that we can then watch the struggle to solve these bombings enter a more competitive and fair phase in the history of our social order. Bombings of buildings used by the public are offenses Federal in nature and effect, and they should be treated as Federal when we come to investigating and punishing them. I ask unanimous consent that the text of the bill be printed at this point in the Record.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the Record.

The bill (S. 3103) to amend title 18 of the United States Code to provide that the bombing of certain buildings will create a rebuttable presumption that a Federal criminal offense has been committed for purposes of investigation by the Federal Bureau of Investigation, and for other purposes, introduced by Mr. Douglas, was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the Record, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (b) of section 837 of title 18, United States Code, is amended by adding at the end thereof the following new sentence: "The use of any explosive to damage or destroy any building or other real or personal property used for educational, religious, charitable, residential, business, or civic objectives shall create a rebuttable presumption that such explosive was transported in interstate or foreign commerce with the knowledge or intent that it was to be used for such purpose."

AMENDMENT OF FOREIGN ASSISTANCE ACT OF 1961—AMENDMENTS (AMENDMENT NO. 1209)

Mr. HARTKE submitted an amendment, intended to be proposed by him, to the bill (H.R. 11380) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes, which was ordered to lie on the table and to be printed.

Mr. **MORSE** submitted an amendment (No 1211), intended to be proposed by him, to House bill 11380, supra, which was ordered to lie on the table and to be printed.

LAND AND WATER CONSERVATION FUND—AMENDMENT (AMENDMENT NO. 1210)

Mr. **SIMPSON** submitted an amendment, intended to be proposed by him, to the bill (H.R. 3846) to establish a land and water conservation fund to assist the States and Federal agencies in meeting present and future outdoor recreation demands and needs of the American people, and for other purposes, which was ordered to lie on the table and to be printed.

ESTATE OF PAUL F. RIDGE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 898, the bill H.R. 4361.

The PRESIDING OFFICER. The bill will be stated by title.

The Chief Clerk. A bill (H.R. 4361) for the relief of the estate of Paul F. Ridge.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary with amendments on page 1, line 8, after "$5,581.28", to strike out the comma and "with interest thereon at the rate of 6 per centum per annum from May 31, 1962, to the date of payment under this Act"; on page 2, line 4, after the word "interest", to strike out the comma and "plus interest", and in line 5, after the word "Act", to strike out "in excess of 10 per centum thereof".

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the amendments be considered en bloc.

The amendments were considered and agreed to en bloc.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

CALENDAR CALL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the calendar be called for the consideration of measures to which there is no objection, beginning with order No. 1268.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will state the first order of business on the calendar.

MRS. GENEVIEVE OLSEN

The bill (S. 1045) for the relief of Mrs. Genevieve Olsen was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Genevieve Olsen of Ogden, Utah, the widow of Chester J. Olsen, Ogden, Utah, the sum of $3,375, in full settlement of all her claims against the United States for compensation for personal injuries resulting in permanent partial disability which were sustained by the said Chester J. Olsen on October 10, 1953, while he was performing duties as an employee of the Forest Service of the United States Department of Agriculture: *Provided,* That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by an agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record, an excerpt from the report (No. 1332), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE

The bill would authorize payment of the sum of $3,375 to Mrs. Genevieve Olsen, of Ogden, Utah, the widow of Chester J. Olsen, in full settlement of all her claims against the United States for compensation for personal injuries resulting in permanent partial disability sustained by Chester J. Olsen on October 10, 1953, while performing duties as an employee of the Forest Service of the U.S. Department of Agriculture.

The Department of Agriculture has no objection to the enactment of S. 1045.

In reporting on this legislation, the Department of Agriculture comments as follows:

"Mr. Olsen was employed as regional forester of the intermountain region of the Forest Service. On January 4, 1956, as a consequence of his injury of 1953, he was awarded compensation under the Federal Employees' Compensation Act of $121.15 per week for a period of 86$\frac{3}{7}$ weeks. The award was based on a permanent partial disability resulting from a 30-percent loss of the use of his leg.

"On March 31, 1957, Mr. Olsen voluntarily retired from the Forest Service under the terms of the Civil Service Retirement Act. He was 60 years of age and had 37 years of Government service.

"Following his retirement, Mr. Olsen was advised by the Bureau of Employees' Compensation that medical care at Government expense and compensatory payments authorized by the Federal Employees' Compensation Act could not be extended during any period for which civil service retirement annuity payments were received (act of July 27, 1946; 60 Stat. 706; 5 U.S.C. 714). Consequently, Federal Employees' Compensation Act payments totaling $3,392 were canceled. This figure compares closely with the sum stated in S. 1045 and may have served as the basis for its determination.

"By the act of September 13, 1960 (74 Stat. 906, 907, 910), Congress provided, among other things, that 'receipt of benefits under the Civil Service Retirement Act shall in no way impair the employee's right to receive compensation for scheduled disabilities * * *' and made such provision 'applicable to any injury which occurred within 3 years prior to the date of enactment of this act as well as to any injury occurring on or after the date of enactment of this act.' Thus, if Mr. Olsen's injury had occurred at any time after September 1, 1957, he would have been entitled to the full amount of his awarded compensation in addition to his civil service retirement annuity payments. Mr. Olsen's injury, however, occurred prior to the 3-year period for which this provision was made retroactive.

"We fully recognize the equity of allowing persons who have suffered injuries resulting in scheduling disabilities to receive the full compensation award for such injuries as well as retirement annuity payments.

"The 1960 act also provided for medical care required after October 1, 1960, notwithstanding the receipt of retirement annuity payments even though the injury had occurred at a prior date.

"Since making our report of September 11, 1962, on S. 2930 (87th Cong.) we have examined further into this matter and have received the following report from the regional office in which Mr. Olsen was employed:

" 'For various reasons, Mr. Olsen's intention to retire from the position of regional forester was not widely publicized until his request for retirement had been approved and the retirement date designated. Employees having a knowledge of Mr. Olsen's compensation for scheduled disability were not aware of his plans to retire until retirement was actually effective. These employees thus had no opportunity to properly advise Mr. Olsen of the effect his retirement would have on the remainder of the amount due for the scheduled disability.

" 'In his position of regional forester, he could not be expected to be informed of all the details of the relationships of retirement and compensation for disability payments. By not being familiar with these relationships he did not recognize that a problem existed and consequently did not request advice from the employees who were familiar with his compensation award. Had he been informed of these relationships he could have well delayed his request for voluntary retirement until he had received the total amount due him under the scheduled disability award.

" 'From the facts available, we can only conclude that Mr. Olsen was not properly informed by the Forest Service, the Bureau of Employees' Compensation, or the Civil Service Commission that he would lose his rights to receive further compensation for scheduled disability upon retirement prior to his actual retirement, and had he been so informed he could have delayed his voluntary retirement until the termination of these payments.'

"Inasmuch as the Federal Employees' Compensation Act, as amended, provides for the passing to his widow of disability compensation payments awarded to an employee who died from causes other than the injury for which the disability award was made, there is no objection to the provision in S. 1045 for payment to be made to Mr. Olsen's widow."

The committee, after a review of all of the foregoing, considers this claim to be meritorious, and in agreement with the conclusions and recommendations of the Department of Agriculture, recommends that the bill, S. 1045, be considered favorably.

LLOYD K. HIROTA

The bill (S. 2458) for the relief of Lloyd K. Hirota was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Lloyd K. Hirota of Aiea, Hawaii, is hereby relieved of all liability for repayment to the United States of the sum of $782.93, representing overpayments of salary which he received as a civilian employee of the United States Army, Office of the Quartermaster, at Honolulu, Hawaii, for the period from October 10, 1954, through June 16, 1962, such overpayments having been made as the result of administrative error in establishing his salary rate when he was erroneously promoted from grade GS–3y to grade GS–4x, effective as of October 10, 1954. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, full credit shall be given for the amount for which liability is relieved by this Act.

SEC. 2. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the said Lloyd K. Hirota, the sum of any amounts received or withheld from him on account of the overpayments referred to in the first section of this Act.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1333), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the bill is to relieve Lloyd K. Hirota, of Aiea, Hawaii, of liability to repay to the United States the sum of $782.93, the amount of overpayment of salary resulting from an administrative error, and to pay to him the sum of any amounts received or withheld from him on account of the overpayment.

The Department of the Army has no objection to the bill.

The Congress has pending before it the proposed general legislation, H.R. 3800, strongly recommended by the Bureau of the Budget, to provide relief from liability to reimburse the Government for erroneous overpayments received in good faith. In the absence of such general legislation the Congress has frequently approved private bills for relief from liability for return of overpayments which resulted from an error on the part of the Government, were received in good faith by the employee, and where the return would work a hardship on the claimant.

The committee believes that the case of this claimant falls in this category and is a proper matter for relief by private legislation.

In its report to the committee on the bill the Department of the Army has set forth the circumstances of the case as follows:

"Official records disclose that Mr. Lloyd K. Hirota, a civilian employee of the U.S. Army in Hawaii since 1942, was promoted from GS–3y to GS–4x on October 10, 1954. This promotion increased his salary from $3,590 per annum to $3,735 per annum. Department of the Army Civilian Personnel Regulations (CPR N1.6–4b(1)), in effect when Mr. Hirota was promoted on October 10, 1954, provided that:

" 'Whenever an employee is advanced by promotion * * * from one classification act position to another of higher grade, his salary rate shall be fixed at the lowest step of the new grade which exceeds the last earned rate by one full step rate of the grade from which advanced (32 Comp. Gen. 553). If there is no rate in the higher grade which is at least one step rate above the employee's last earned rate, his salary will be fixed at the maximum scheduled rate of the higher grade or at his last earned rate, whichever is higher.' "

"There was no scheduled rate in the GS–4 grade at least one step rate $80 per year above his last earned rate as a GS–3y except as a GS–4x, y, or z. Promotion to these steps, however, required several years' service in grade of GS–4. The maximum scheduled rate of a GS–4, excluding the special longevity steps, was as a GS–4g, which would have provided a $65 increase per year to him. Under the regulations, Mr. Hirota should have been promoted to this step rather than to a GS–4x. Because of the administrative error, he was overpaid $782.93 from October 10, 1954, through June 16, 1962, representing the amount of this bill. Following the discovery of the overpayments, deductions of $10 per pay period have been made from Mr. Hirota's salary and applied to the indebtedness.

"The Department of the Army generally does not oppose a bill of this nature where a civilian employee has received in good faith and for services performed an erroneous payment made through administrative error and repayment would impose a financial hardship. The overpayments in this case resulted from the failure of administrative personnel of the Department of the Army to recognize that Mr. Hirota's salary had been set at an improper rate. There is nothing to indicate that he did not act in good faith in receiving the erroneous payments. In fact during an interview in July 1962, he stated that he had questioned the validity of the salary rate at the time of his promotion in 1954 and that he had been assured by a representative of the Office of Civilian Personnel at Headquarters, U.S. Army, Hawaii, that his salary rate was correct. Repayment of the debt would result in financial hardship to Mr. Hirota. In a statement submitted to this Department he explained that he is supporting three dependents on a monthly net income of only $422.78. His monthly expenditures approximate his monthly income and he has the burden of making payments on a home mortgage loan of $12,111.33, and on another loan of $1,051.94. Effective January 1, 1964, Mr. Hirota's financial obligations have increased resulting from the necessity of relinquishing a part-time job because of the changing hours of work under his regular employment. In view of these equitable considerations the Department of the Army has no objection to the bill.

"The fiscal effect of this bill, if enacted, will be to relieve Mr. Hirota of liability for repayment to the United States of $782.93 and to authorize repayment of any sums received or withheld from him in satisfaction of the indebtedness."

The committee believes that the bill is meritorious and recommends it favorably.

FRED E. STARR

The bill (S. 2750) for the relief of Fred E. Starr was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding any other provision of law, the Secretary of the Air Force is authorized and directed to provide for the transportation of the household goods and personal effects of Fred E. Starr, a former employee of the Department of the Air Force assigned to Headquarters, Pacific Air Force, Hawaii, from his last oversea duty station, Honolulu, Hawaii, to his permanent residence in Menomonee Falls, Wisconsin, and to pay, out of any funds available for the payment of transporting household goods, any unpaid storage charges which may be due on such household goods and personal effects at the time of shipment.

SEC. 2. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the said Fred E. Starr, the sum of $1,095.28 in full satisfaction of all his claims against the United States for expenses incurred by the said Fred E. Starr in storing the household goods and personal effects referred to in section 1 of this Act prior to the shipment thereof authorized by this Act.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1334), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

The purpose of S. 2750 is to provide for the shipment at Government expense of the household goods and personal effects of Mr. Fred E. Starr, a former Air Force civilian employee at Headquarters, Pacific Air Forces (PACAF), Hawaii, from Honolulu, Hawaii, to his permanent residence in Menomonee Falls, Wis.; to pay any unpaid storage charges which may be due on such property at the time of shipment; and to reimburse Mr. Starr the sum of $1,095.28, representing storage charges paid by him.

The Department of the Air Force interposes no objection to the favorable consideration of S. 2750.

When the claimant completed his assignment as air operations specialist in Hawaii during July 1960, he was separated by resignation and was authorized to proceed to the United States. His travel was authorized and the transportation of his household effects was contained in a special order. Mr. Starr was unemployed at the time of his departure from Hawaii and was unable to name a permanent address in the United States. He thereupon instructed the transportation officer not to ship his goods until he could provide a permanent address.

After Mr. Starr had left Hawaii, numerous attempts were made to contact him, and several registered letters were returned "unclaimed." After more than 2 years of such attempts, a forwarding address was finally obtained from Mr. Starr, but the household goods were in the hands of a civilian storage firm which would not release them until such time as the storage charges were paid. In addition to this, more than 2 years had passed since the date of Mr. Starr's separation from the Air Force, and his entitlement for shipment of household goods had expired. The matter of a waiver was discussed with legal representatives of the General Accounting Office and representatives of the Retirement and Medical Divisions of the Civil Service Commission, but no basis for waiving the time limitation could be found.

The Air Force report states that Mr. Starr has a history of personal illness, hospitalizations, and medical treatment for a considerable portion of the time since his departure from Hawaii and return to the mainland, and that he has indicated that conditions beyond his control made it impossible for him to provide directions for the shipment of his household goods. Hospital records and physicians' statements support his claims of illness and disability, and in addition the Civil Service Commission approved his application for an annuity on account of disability, effective May 28, 1961.

The Department of the Air Force goes on to say that they have no legal authority to grant an extension or waiver of the 2-year limitation on shipment of Mr. Starr's household goods. They believe, however, that Mr. Starr's physical or mental condition during the period in question, as evidenced by the Civil Service Commission's approval of his disability retirement, constitute extenuating circumstances. They, therefore, interpose no objection to the favorable consideration of the bill.

Based on all of the foregoing, the committee concludes that the bill is meritorious and recommends that S. 2750 be considered favorably.

ROBERT L. WOLVERTON

The Senate proceeded to consider the bill (S. 2672) for the relief of Robert L. Wolverton which had been reported from the Committee on the Judiciary with an amendment, on page 1, line 5, after the word "of", to strike out "$1,262.08" and insert "$1,260.23"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Robert L. Wolverton of Fenton, Missouri, is hereby relieved of all liability for repayment to the United States of the sum of $1,260.23, representing overpayments of salary which he received as a civilian employee of the United States Army, Corps of Engineers, St. Louis District, Missouri, for the period from September 24, 1962, through December 28, 1963, such overpayments having been made as a result of administrative error in establishing his salary rate at the maximum scheduled rate of the grade to which he was appointed, in violation of section 801 of the Act of October 28, 1949 (5 U.S.C. 1131), which provides that all new appointments shall be made at the minimum rate of the appropriate grade. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, full credit shall be given for the amount for which liability is relieved by this Act.

SEC. 2. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the said Robert L. Wolverton, the sum of any amounts received or withheld from him on account of the overpayments referred to in the first section of this Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1335), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

AMENDMENT

Page 1, line 5, strike out the figures "$1,262.08" and insert in lieu thereof "$1,260.23".

PURPOSE

The purpose of the bill, as amended, is to relieve Robert L. Wolverton, of Fenton, Mo., of all liability for repayment to the United States of the sum of $1,260.23, representing overpayments of salary which he received as a civilian employee of the U.S. Army Corps of Engineers, St. Louis district, Missouri, for the period from September 24, 1962, through December 28, 1963, such overpayments having been made as a result of administrative error in establishing his salary rate at the maximum scheduled rate of the grade to which he was appointed, in violation of section 801, of the act of October 28, 1949 (5 U.S.C. 1131), which provides that all new appointments shall be made at the minimum rate of the appropriate grade. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, it is provided that full credit shall be given for the amount for which liability is relieved by this act.

The Department of the Army has no objection to the enactment of S. 2672, as amended.

The report of the Department of the Army discloses that Robert L. Wolverton was employed as an engineering draftsman with the U.S. Army Corps of Engineers in St. Louis, Mo., on September 24, 1962. An error was made by administrative personnel of the Department in determining that his employment position as a GS–818–5 was in the professional series for which the maximum scheduled step of GS–5 was authorized as an increased minimum rate under the act of October 28, 1949 (5 U.S.C. 1131). Increased minimum rates, however, were not authorized for the position and Mr. Wolverton had no prior service upon which a higher rate could be based. The error resulted in overpayments to him of $1,260.23 from September 24, 1962, to October 6, 1963. A claim by the Government requesting deductions from his salary of $10 per pay period in satisfaction of the indebtedness was submitted to his payroll certifying officer on February 12, 1964.

MAJ. RAYMOND G. CLARK, JR.

The Senate proceeded to consider the bill (S. 2133) for the relief of Maj. Raymond G. Clark, Jr., which had been reported from the Committee on the Judiciary with an amendment on page 1, line 5, after the word "of", where it appears the second time, to strike out "$1,580.52" and insert "$1,285.23"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Major Raymond G. Clark, Junior, United States Army, is hereby relieved of all liability for repayment to the United States of the sum of $1,285.23, representing the amount of overpayments of longevity pay which the said Major Raymond G. Clark, Junior, received for the period from May 19, 1950, through June 30, 1963, while serving as a member of the United States Army, such overpayments having been made to the said Major Raymond G. Clark, Junior, as a result of his being erroneously credited, for pay purposes, with service for certain periods during which he was enrolled as a temporary member of the United States Coast Guard Reserve. In the audit and settlement of the accounts of any certifying or disbursing officers of the United States, full credit shall be given for the amounts for which liability is relieved by this Act.

SEC. 2. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the said Major Raymond G. Clark, Junior, the sum of any amounts received or withheld from him on account of the overpayments referred to in the first section of this Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1736), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

AMENDMENT

Page 1, line 5, strike out the figures "$1,580.52" and insert in lieu thereof "$1,285.23".

PURPOSE

This bill, as amended, would relieve Maj. Raymond G. Clark, Jr., U.S. Army, of all liability for repayment to the United States of the sum of $1,285.23, representing the amount of overpayments of longevity pay which he received for the period from May 19, 1950, through June 30, 1963, while serving as a member of the U.S. Army, such overpayments having been made as a result of his being erroneously credited, for pay purposes, with service for certain period during which he was enrolled as a temporary member of the U.S. Coast Guard Reserve. Provision is made that in the audit and settlement of the accounts of any certifying or disbursing officer of the United States, full credit shall be given for the amount for which liability is relieved; and section 2 of the bill authorizes and directs the Secretary of the Treasury to pay, out of any money in the Treasury not otherwise appropriated, to the said Maj. Raymond G. Clark, Jr., the sum of any amounts received or withheld from him on account of the overpayments referred to in the first section of the bill.

STATEMENT

The Department of the Army interposes no objection to the passage of S. 2133.

The report of the Department of the Army discloses that:

"Official records disclose that Raymond G. Clark, Jr., was a member of the U.S. Naval Reserve from November 17, 1942, until November 23, 1943. He also served without pay as a temporary member of the U.S. Coast Guard Reserve from July 13, 1944, to September 5, 1945. Before he was commissioned as a second lieutenant in the U.S. Army Reserve on July 30, 1949, he submitted upon official request, a statement of his prior military service which listed his training and service as a temporary member of the U.S. Coast Guard Reserve. Effective May 19, 1950, he was erroneously credited with service for longevity pay purposes as a temporary member of the U.S. Coast Guard Reserve from July 13, 1944, through September 5, 1945. Only 59 days of this period was spent on active duty and properly creditable for longevity pay purposes.

"Through this administrative error, Major Clark received excess longevity pay from May 19, 1950, the date of his first longevity pay increase, through June 30, 1963, a total of $1,580.52, representing the amount of the present bill. As a result of another administrative error in his official records which listed his date of commissioning as a second lieutenant on September 30, 1949, rather than July 30, 1949, the Finance Center has subsequently determined that Major Clark's indebtedness to the Government is $1,285.23, $295.29 less than the amount of the bill.

"The Department of the Army does not oppose a bill of this nature when the serviceman has received in good faith an erroneous payment made through administrative error and repayment would impose a hardship on the individual. In this instance, the overpayments resulted from an administrative error in his official records concerning the period of time creditable for basic pay purposes for temporary members of the U.S. Coast Guard Reserve. Records of the Coast Guard reveal that the Adjutant General of the Army, upon official request, was informed by the Coast Guard as early as October 15, 1952, that Major Clark had active duty on only 60 different days as a Coast Guard reservist which could be credited for longevity pay purposes. However, Army records are devoid of a reply to this request. Moreover, no determination of liability for overpayments was made until June 7, 1962, and then not until another request was made to the Coast Guard by the Adjutant General for a statement of Major Clark's creditable service. It was thereupon determined that Major Clark could be credited properly with only 59 days active duty for service in the U.S. Coast Guard Reserve from July 13, 1944, through September 5, 1945.

In view of the long period of time intervening between July 13, 1944, and the notification of liability on June 7, 1962, and the relatively minor increase in monthly pay resulting from the error, there is nothing to indicate that Major Clark did not act in good faith in accepting the payments. That he was not on notice of the error in his pay records is particularly understandable when it is considered that an individual's pay in the service may vary from time to time because of adjustments for allotments, Government bonds, insurance premiums, promotion pay, and other factors. Moreover, collection of the present debt would result in financial hardship to Major Clark. In a statement made to this Department, he states that he is supporting five dependents, four of whom are young children in primary school. Two of these children are in need of orthodontic treatment which is expected to cost in excess of $1,000. In addition, Major Clark has undergone considerable expense in obtaining suitable quarters and civilian clothes required in connection with his present assignment as a member of the Military Assistance Advisory Group in Spain. His yearly income only approximates his estimated yearly expenditures and in addition to other expenses, there is a pending income tax bill of approximately $300 for the sale of a house 4 years ago. Although Major Clark lists certain investments held by him, these investments are to be utilized for the future education of his children. In view of these equitable considerations, the Department of the Army has no objection to this bill."

After a review of the report of the Department of the Army, the committee is in agreement with the conclusions and recommendations of that Department and recommends that the bill, S. 2133, as amended, be considered favorably.

FRANK MRAMOR

The bill (H.R. 1451) for the relief of Frank Mramor was considered, ordered to a third reading, read the third time, and passsed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 1337), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

The purpose of this bill is to waive sections 15 to 20, inclusive, of the Federal Employees' Compensation Act in favor of Mr. Mramor and to provide that his claim for compensation on account of injuries sustained by him on April 6, 1939, while employed as an emergency relief employee of the former Works Progress Administration, be acted upon under the remaining provisions of such act if he files such claim with the Bureau of Employees Compensation, Department of Labor, within the 6-month period beginning on the date of enactment of this bill. Compensation benefits, if any, would accrue only from the date of enactment of the bill.

STATEMENT

The facts are contained in House Report No. 977 on H.R. 1451, and are as follows:

"The records of the Bueau of Employees' Compensation indicate that Mr. Mramor was injured on April 6, 1939. The injury was diagnosed as a contusion and deep laceration of the scalp caused by a blow from a hammer which fell from an unknown height. No written report of the injury was made at the time of occurrence, although Mr. Mramor was referred promptly for medical treatment. On April 12, 1939, he was discharged from medical treatment as recovered. Approximately 7 or 8 years later, Mr. Mramor began to experience blackout spells which were diagnosed in 1947 as resulting from traumatic epilepsy.

"A physician's statement, which reports that there is often a considerable lapse of time in cases of traumatic epilepsy between injury and onset of seizures, explains that the physicians treating Mr. Mramor apparently did not realize that he was entitled to compensation under the law, and hence did not advise him to seek it. Mr. Mramor continued in various employments and under private care as needed.

"In 1958, Mr. Mramor filed a claim with the Bureau for medical care and disability compensation. A thorough investigation was made by the Bureau to determine whether the time requirements for the filing of claims had been met. With respect to Mr. Mramor's claim for medical care, it was determined that since his immediate superior had actual knowledge of the injury, a written claim for medical care was not required, and the Bureau proceeded to develop the merits of his claim. It was found that the injury of April 6, 1939, aggravated a preexisting pathology and contributed to the resulting disability. The claimant was granted and is eligible for medical benefits under the Compensation Act. His claim for disability compensation was rejected, however, since it was not filed within the maximum period of 5 years."

The House in its report goes on to say:

"The Department of Labor takes the technical position that the proposed legislation, in granting a waiver of the time limitations of the Federal Employees' Compensation Act, would be to accord preferential treatment to Mr. Mramor and opposes the enactment unless the Congress finds extenuating circumstances. Here such circumstances are present in that the harmful and lasting effects of the injury to Mr. Mramor did not become evident until a considerable time after expiration of the filing period for claims. Further, a waiver of the statute of limitation to grant this man the opportunity to present his claim and have it considered on its merits cannot prejudice the Government. As outlined above the facts concerning the injury are a matter of record in the Bureau of Employees' Compensation, and the nature and extent of his disability have been investigated in connection with the determination of Mr. Mramor's right to medical care. The committee thus feels it to be just and proper that Mr. Mramor's claim for disability compensation for injuries sustained be considered on its merits."

After a review of all of the foregoing the committee concurs in the action of the House of Representatives and recommends that the bill H.R. 1451 be considered favorably.

ESTATE OF EILEEN G. FOSTER

The bill (H.R. 6883) for the relief of the estate of Eileen G. Foster was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 1338), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

The purpose of the proposed legislation is to waive the statute of limitations to permit the filing of a claim for overpayment of income taxes for the years 1949 through 1953.

H.R. 6883 is identical to S. 511, 86th Congress, 1st session, which was reported by this committee and which passed the Senate, August 19, 1960.

The records of the Internal Revenue Service disclose that Eileen G. Foster filed her income tax returns for the years 1950 through 1956 on the short form 1040A. Although an income tax return for 1949 was also filed, it has been destroyed by the Service in accordance with the established records-retention schedule. Each of the return forms for 1950 through 1956 contained an instruction to check the appropriate box on the return if the taxpayer were 65 or over. Eileen G. Foster did not indicate on these returns that she was 65 or over.

Mrs. Eileen G. Foster died on December 28, 1957. After her death her daughter, Mrs. Marie Ellen Foster Pierson, claimed in a letter to the district director, dated January 16, 1958, that her mother became 65 years of age during the year 1949 and, therefore, had overpaid her income tax for the years 1949 through 1956. Subsequently claims for refund for the years 1954 through 1956 were allowed in full but claims for 1949 through 1953 were denied because barred by the 3-year statute of limitations.

The Internal Revenue Service, in reporting to the House Judiciary Committee on the merits of H.R. 6883, advises that any overpayment of tax made by the taxpayer was caused by her failure to follow the simple and clear instructions on the income tax return to state that she was 65 years of age or over. That Service concluded that granting relief under the circumstances of this case would discriminate against other taxpayers similarly situated and would constitute an undesirable precedent.

The facts before the committee establish beyond question that the claimant did overpay her income taxes for the years 1949 through 1953 as well as for the following 3 years, for which refund has been made.

The committee is informed that the overpayments here involved could not exceed $660 and were probably less than that amount. It seems inequitable to this committee to deny relief to the estate of this taxpayer where through oversight she made overpayments of her income tax. Accordingly, the committee recommends that this bill, H.R. 6883, be favorably considered.

SHU HSIEN CHANG

The bill (S. 2271) for the relief of Shu Hsien Chang was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Shu Hsien Chang shall be held and considered to have been lawfully admitted to the United States for permanent residence as of August 7, 1950.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 1341), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

The purpose of the bill is to grant the status of permanent residence in the United States to Shu Hsien Chang as of August 7, 1950, thus enabling him to file a petition for naturalization.

The beneficiary of the bill is a 55-year-old native and citizen of China, who presently resides in Washington, D.C. with his wife. He is employed by the Army Map Service as a translator and geographical names specialist. He first entered the United States as a student on September 6, 1926, returned to China in 1928 and reentered the United States in 1929. Prior to the Communist takeover, he was employed by the Nationalist Government in China. He last entered the United States on August 7, 1950, with his wife in transit to Panama. They remained in the United States because the position in the Chinese consulate in Panama was discontinued. He worked for the Chinese Nationalist Government in Washington in the summer of 1952. He was the beneficiary of a first preference filed by the Army Map Service which was approved December 13, 1961. He and his wife had their status adjusted to that of permanent residence on September 5, 1963, under the provisions of section 245 of the Immigration and Nationality Act.

CHARLES CHUNG CHI LEE AND JULIA LEE

The bill (S. 2790) for the relief of Charles Chung Chi Lee and Julia Lee was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, Julia Lee and Charles Chung Chi Lee shall be held and considered to be the minor alien children of Mr. and Mrs. James K. Lee, American citizens.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1342) explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

The purpose of the bill is to enable Charles Chung Chi Lee and Julia Lee to qualify for nonquota immigrant status as the minor children of citizens of the United States which is the status normally enjoyed by the alien minor children of citizens of the United States.

The beneficiaries of the bill are a 23-year-old brother and his 22-year-old sister, both natives and citizens of China. They are both unmarried and presently reside in Hong Kong where they are supported by their U.S. citizen parents. They are the beneficiaries of second preference petitions approved on October 9, 1962. The male beneficiary is also the beneficiary of a first preference petition which was filed on December 27, 1963, and approved on May 5, 1964. Their father entered the United States in 1947 and their mother in 1949. Their status was adjusted to lawful permanent residence on July 26, 1956, under the provisions of the Refugee Relief Act and they were naturalized on June 8, 1962.

DR. VICTOR M. UBIETA

The Senate proceeded to consider the bill (S. 2678) for the relief of Dr. Victor M. Ubieta which had been reported from the Committee on the Judiciary, with an amendment, to strike out all after the enacting clause and insert:

That, for the purposes of the Immigration and Nationality Act, Doctor Victor M. Ubieta shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee.

SEC. 2. That, for the purposes of section 316 of the Immigration and Nationality Act, no period of residence or physical presence within the United States or any State shall be required of Doctor Victor M. Ubieta in addition to his residence and physical presence within the United States since July 9, 1949.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1343), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

AMENDMENT

Strike all after the enacting clause and insert in lieu thereof the following:

"That the purposes of the Immigration and Nationality Act, Doctor Victor M. Ubieta shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee.

"SEC. 2. That, for the purposes of section 316 of the Immigration and Nationality Act, no period of residence or physical presence within the United States or any State shall be required of Doctor Victor M. Ubieta in addition to his residence and physical presence within the United States since July 9, 1949."

PURPOSE OF THE BILL

The purpose of the bill, as amended, is to grant the status of permanent residence in the United States to Dr. Victor M. Ubieta and to provide that his residence and physical presence in the United States since July 9, 1949, meets the requirements of section 316 of the Immigration and Nationality Act, thus enabling him to file a petition for naturalization. The bill also provides for the payment of the required visa fee.

KIM SOOK HEE AND KIM LOU

The Senate proceeded to consider the bill (S. 2759) for the relief of Kim Sook Hee and Kim Lou which had been reported from the Committee on the Judiciary with amendments, to strike out all after the enacting clause and insert:

That, in the administration of the Immigration and Nationality Act, section 205(c), relating to the number of petitions which may be approved in behalf of eligible orphans, shall be inapplicable in the case of a petition filed in behalf of Kim Sook Hee by Mr. and Mrs. Anthony Caucutt, citizens of the United States.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1344), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

AMENDMENTS

1. Strike all after the enacting clause and insert in lieu thereof, the following:

"That, in the administration of the Immigration and Nationality Act, section 205(c), relating to the number of petitions which may be approved in behalf of eligible orphans, shall be inapplicable in the case of a petition filed in behalf of Kim Sook Hee by Mr. and Mrs. Anthony Caucutt, citizens of the United States."

2. Amend the title of the bill so as to read: "A bill for the relief of Kim Sook Hee."

PURPOSE OF THE BILL

The purpose of the bill, as amended, is to enable the minor child to be adopted by U.S. citizens to qualify for nonquota status as an eligible orphan upon approval of a petition filed in her behalf. As introduced, the bill provided for the admission of two minor orphan children. However, one of these children appears to be medically ineligible to receive a visa and has been deleted.

STATEMENT OF FACTS

The beneficiary of the bill is a 3-year-old native and citizen of Korea, who resides in an orphanage in Seoul. The whereabouts of her parents is unknown. She is to be adopted by a U.S. citizen couple who have previously adopted two Korean orphans. A pre-adoption home study made by the Wisconsin State Department of Welfare is favorable. Information is to the effect that the adoptive parents are financially able to care for the beneficiary.

GREATER SOUTHEAST COMMUNITY HOSPITAL FOUNDATION, INC.

The bill (S. 2944) for the relief of the Greater Southeast Community Hospital Foundation, Inc., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That parcel 230/55, assessed to the Greater Southeast Community Hospital Foundation, Incorporated, which has been held by the Commissioners of the District of Columbia to be real property exempt from taxation in the District of Columbia, effective July 1, 1964, under the provisions of the Act entitled "An Act to define the real property exempt from taxation in the District of Columbia", approved December 24, 1942 (56 Stat. 1089; 47 D.C. Code 47–801a et seq.), shall be held and considered to have been real property exempt from taxation in the District of Columbia under the provisions of such Act for the period beginning on October 14, 1958, and ending on June 30, 1964. The Commissioners of the District of Columbia are authorized and directed to allow refund to the Greater Southeast Community Hospital Foundation, Incorporated, of any amounts paid as real estate taxation on such parcel for such period.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1345), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

Purpose of the bill is to exempt the Greater Southeast Community Hospital Foundation, Inc., from payment of District real estate taxes on certain land within the District of Columbia (parcel 230/55) for the period beginning October 14, 1958, and running through June 30, 1964. The total amount of the tax due for this period is $14,407.52.

The property in question was previously owned by the U.S. Government. It was conveyed to the Great Southeast Community Hospital Foundation, Inc., on October 14, 1958, by the General Services Administration. The deed which conveyed the property provided that "for a period of 20 years from the date of this deed, the above-described property herein conveyed shall be utilized continuously for public health services in accordance with the proposed program plan as set forth in the application and for no other purpose." The proposed plan referred to in the deed was for the construction and operation of the hospital.

The Southeast Community Hospital Foundation, Inc., is a nonprofit, charitable institution and as such has been held to be exempt from taxation in the District of Columbia since July 1, 1964. This exemption was granted under the provisions of the act entitled "An Act to define the real property exempt from taxation in the District of Columbia", approved December 24, 1942 (56 Stat. 1089; title 47, sec. 801, et seq. District of Columbia Code 1951 ed.). Under the language of this act, any real estate exemption which is granted begins when construction or other similar activity commences. Construction of the Greater Southeast Community Hospital did not begin actively until September of 1963. Therefore, even though by virtue of the deed from the General Services Administration, the property in question could not be used for any purpose except a charitable purpose, that is, the construction of a hospital, it was not tax exempt under District law until the beginning of the current fiscal year. During the period from the receipt of the deed from the General Services Administration in October of 1958. and the beginning of construction, the founders of the hospital were soliciting funds for the hospital and making other necessary preparations.

The Greater Southeast Community Hospital will be a 400-bed facility, costing approximately $11 million. It will serve the residents of the southeast area of the District of Columbia and adjacent areas in Maryland. It is being constructed with funds received under grants from the Hill-Burton program and the District of Columbia Hospital Center Act and from the government of Prince Georges County, Md., along with money raised from public solicitation.

The committee was of the opinion that the granting of a retroactive tax exemption is justified because the Greater Southeast Community Hospital Foundation, Inc., has always been a charitable corporation and because the property in question has always been restricted to use for a charitable purpose, that is, the construction of a hospital. Only the timelag created by the mechanics of conveyance and fundraising resulted in any tax being due and owing under applicable law. It, therefore, seems just to permit the $14,407.52 to be used for hospital purposes rather than a taxpayment.

FRANCIS CASE MEMORIAL BRIDGE IN THE DISTRICT OF COLUMBIA

The joint resolution (S.J. Res. 110) designating the bridge constructed over the Washington Channel of the Potomac River in the District of Columbia as the "Francis Case Memorial Bridge" was considered, and agreed to, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled That the bridge crossing the Washington Channel of the Potomac River on Interstate Route 95, approximately 100 yards downstream from the outlet gate of the Tidal Basin, near the intersection of the extension of Thirteenth and G Streets Southwest, shall be known and designated as the "Francis Case Memorial Bridge." Any law, regulation, map, document, record, or other paper of the United States in which such bridge is referred to shall be held to refer to such bridge as the "Francis Case Memorial Bridge."

SEC. 2. The Commissioners of the District of Columbia shall—

(1) place on the "Francis Case Memorial Bridge" plaques of suitable and appropriate design; and

(2) in connection with the opening of such bridge to the public, provide for suitable ceremonies honoring the late Francis Case, United States Senator from the State of South Dakota, for his many valuable services for and on behalf of the residents of the District of Columbia.

SEC. 3. The Secretary of the Senate shall transmit copies of this resolution to the wife of the late Senator Francis Case, Myrle Case; his daughter, Jane Case Commander; and his granddaughter, Catherine.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1358), explaining the purposes of the joint resolution.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

The Committee on the District of Columbia, to whom was referred the joint resolution (S.J. Res. 110) designating the bridge constructed over the Washington Channel of the Potomac River, in the District of Columbia, as the "Francis Case Memorial Bridge," after full consideration, report favorably thereon with amendments and recommend that the resolution do pass.

The amendments are as follows:

Page 3, line 9, after the word "States" insert the words "or of the District of Columbia".

Page 3, line 16, immediately after "(2)", strike out all through the comma on line 17.

The purpose of the joint resolution is to name the bridge across the Washington Channel on the Potomac River connecting the Rochambeau Memorial Bridge with the Southwest Freeway complex in the city of Washington as the "Francis Case Memorial Bridge" to honor the late distinguished U.S. Senator Francis Case of South Dakota.

The bill provides that a suitable name plaque of appropriate design be placed by the District of Columbia Commissioners on the bridge, opened to vehicular traffic during the current session of the Congress, and that suitable ceremonies be conducted in connection with the official designation of such bridge.

It was the committee's opinion that designation of this bridge by the Congress would do honor to Senator Case, who served as chairman of the Senate Committee on the District of Columbia in 1953 and 1954 and who was one of the foremost congressional architects of the 23d amendment to the Constitution of the United States, which gave to the residents of the District of Columbia for the first time the right to vote for President and Vice President.

AMENDMENT TO POLICEMEN AND FIREMEN'S RETIREMENT AND DISABILITY ACT OF THE DISTRICT OF COLUMBIA

The bill (H.R. 9995) to amend the Policemen and Firemen's Retirement and Disability Act to allow credit to certain members of the U.S. Secret Service Division, for periods of prior police service was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1359), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

The purpose of this bill is to allow members of the White House detail of the U.S. Secret Service Division credit for periods of prior service with the Metropolitan Police force, the U.S. Park Police force, or the White House Police force, toward the minimum of 10 years of service in protection of the President, which is required before such Secret Service members are eligible for coverage under the Policemen and Firemen's Retirement and Disability Act.

The provisions of such act permit any member of the U.S. Secret Service, who has performed duties directly related to the protection of the President for 10 years or more, to have his service retirement funds transferred to the general revenues of the District of Columbia and, after the transfer of the funds, be covered and retire under the act. The Secret Service from time to time recruits agents for Presidential protection from the ranks of the White House Police force, whose members are subject to the provisions of the District of Columbia police retirement system. Upon appointment as Secret Service agents, however, these members of the White House Police force lose their eligibility for retirement under the Policemen and Firemen's Disability Act and can only requalify for coverage after 10 years of duties directly related to the protection of the President.

The inequity of this requirement in existing law came to the attention of the U.S. Secret Service Division recently in the case of a member who sought to retire after 9 years and 18 days in the Secret Service, subsequent to 14 years of service in the Metropolitan Police force. Under present law, this veteran of nearly 24 years of continuous police service was not eligible for retirement under the Policemen and Firemen's Retirement and Disability Act because his tenure as a Secret Service agent had been less than 10 years. Consequently, he was obliged to retire under the less advantageous provisions of the U.S. civil service system.

This status of the retirement law is now causing a definite hardship on the recruitment program of the Secret Service Division, as the members of the White House Police force, and Metropolitan Police force, who are desirable and logical candidates for the work of protecting the President, are understandably reluctant to transfer to that Service under these circumstances as they relate to retirement and disability provisions.

H.R. 9995 is designed, therefore, to remove the inequity in the present retirement law, and in so doing, help to facilitate the recruitment of the best qualified personnel for the Secret Service from the ranks of the White House, Metropolitan, and U.S. Park Police forces by reducing, and in some cases eliminating, the 10-year period of Secret Service duty which must be served before policemen of these police forces may again be entitled to the benefits of the Policemen and Firemen's Retirement and Disability Act.

AMENDMENT TO THE HORIZONTAL PROPERTY ACT OF THE DISTRICT OF COLUMBIA

The bill (H.R. 11222) to amend the Horizontal Property Act of the District of Columbia, to permit a condominium unit to be located on more than one floor of a building, and for other purposes was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1360), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

The purpose of this bill is to amend the District of Columbia Horizontal Property Act, approved December 21, 1963 (Public Law 88-218, 77 Stat. 449), so as to make it perfectly clear in the condominium law that condominium units constructed in the District can be located on or consist of more than one floor of a building. Also, other provisions of H.R. 11222 are purely technical in nature and correct certain technical errors in cross reference which inadvertently occurred in the enactment of Public Law 88–218.

The District of Columbia Horizontal Property Act, enacted in 1963, established in the District of Columbia a new estate in property, known as condominium. Under this concept, a person may obtain fee simple ownership of a unit in a multiunit building, designed for residential, business, or any other use, and an undivided interest in the public portions of the building such as roof, walls, corridors, heating plants, and all other elements of common use.

When this law was enacted, it was not the intention of Congress to restrict these horizontal property or condominium units to only one floor of a building.

Clearly, the intention was to permit condominum units to occupy one or more floors as is clearly borne out by the Senate District Committee report which accompanied H.R. 4276 (Rept. 658, 88th Cong., 1st sess.). In such report, page 2, it was in pertinent part stated:

"The bill provides for the creation of condominium projects which consist of five or more apartments, rooms, office spaces, or other units in existing or proposed buildings, so that they may be offered for sale. Units thereof may consist of one or more floors, regardless of whether the building is designed for residency, office, industry or business, or any other type of use."

A similar expression of intent was also included in the House report on H.R. 4276.

Although the congressional intention in this matter was clearly defined, the pertinent section in the Condominium Act was drafted without meeting the full objectives of such intent. Subsection (a) of section 2 of the Horizontal Property Act reads in part as follows:

"'Unit' or 'condominium unit' means an enclosed space, consisting of one or more rooms, occupying all or part of a floor in buildings of one or more floors or stories regardless of whether it be designed for residence, for office, for the operation of any industry or business, or for any other type of independent use."

Thus, from the plain wording of the above subsection it would appear that the law imposed a restriction upon condominium units which was never intended to exist. The enactment of H.R. 11222 will remove this restrictive limitation and make it perfectly clear that condominium units can occupy one or more floors.

On August 5, 1964, public hearings were held on H.R. 11222 by the Judiciary Subcommittee. Representatives of the District of Columbia Bar Association and Washington Board of Realtors appeared at the hearings and recommended enactment of the bill. A representative of the Board of Commissioners also appeared and testified that the Commissioners have no objection to the enactment of the proposed legislation.

Also included in the bill is a provision requested by the District government which provides there be access from one floor to the other within any condominium units having more than one floor.

Enactment of this bill will involve no additional expense to the District of Columbia government.

Mr. MANSFIELD. That concludes the call of the calendar.

DESIGNATION OF SENATOR INOUYE AS A MEMBER OF THE MAJORITY'S LEGISLATIVE COMMITTEE

Mr. MANSFIELD. Mr. President, today, the distinguished Senator from Hawaii [Mr. Inouye] was designated and confirmed unanimously by the majority party conference as a member of the majority's legislative review committee. Under the arrangements on the Democratic side of the aisle, the legislative review committee is intimately associated with the majority policy committee in examining the hundreds of bills which reach the calendar each session and in clearing legislation for scheduling by the leadership for floor action. All legislation of any consequence is considered by these two groups meeting together before it is brought up on the floor.

As the Senate knows, this function is of immense importance to the operation of the Senate. As chairman of the combined group, I am delighted to have the able and brilliant Senator from Hawaii as an addition to its membership. I would anticipate from him in this new responsibility an exceptional contribution of the kind which he has already made as a presiding officer, a member of the Armed Services Committee and the Public Works Committee and, most of all, as a Senator solicitous for the welfare of the people of Hawaii and of the Nation.

RECESS UNTIL TOMORROW, TUESDAY, AUGUST 11, AT 10 A.M.

Mr. MANSFIELD. Mr. President, as a further mark of respect and honor to the memory of the deceased Representative John B. Bennett, of Michigan, I move that the Senate now stand in recess until 10 o'clock a.m. tomorrow.

The motion was unanimously agreed to; and (at 8 o'clock and 25 minutes p.m.) the Senate took a recess until tomorrow, Tuesday, August 11, 1964, at 10 o'clock a.m.

HOUSE OF REPRESENTATIVES

Monday, August 10, 1964

The House met at 12 o'clock noon.

Dr. George R. Davis, minister, National City Christian Church, Washington, D.C., offered the following prayer:

Lord of all the worlds, and Father of the nations, Thou hast been the dwelling place of men in all generations. In Thee rests ultimately the destiny of every solitary soul. We rejoice that even though time and space in all their vastness are no mystery to Thee, still Thou dost take note of the falling of one sparrow to the ground. We thank Thee for Thy servant, the colleague of these faithful Representatives, whom Thou hast called to live and labor with Thee in heavenly blessedness. We rejoice that even though constellations, continents, and oceans behave at Thy command, still Thou dost know and care about the innermost longing and need of each child of earth. And so we know the welfare of a great nation concerns Thee now. And so we know the institutions of this Nation concern Thee. And so we know this House of Representatives is within the circle of Thy righteous and loving care. The men and women chosen by their fellows to meet here from time to time are not unimportant to Thee. May they know the assurance of Thy gracious oversight and kind regard. And may they increasingly care that Thou dost care for them. Continually inspire their attention to their supremely important work. Prosper their sincere desires to serve this Nation with wisdom and devotion. Refresh them day by day for their exceedingly essential, yet often thankless mission to our people and the world. Give all of us as citizens increased appreciation and gratitude for our leaders and public servants. Save us from the tragic indulgence in carping criticism. Guide us, leaders and people alike, to be worthy of the inspiring though strange and upsetting time in which we are privileged to live. Be Thou for all "our Guard and Guide while life shall last, and our eternal home," for our Redeemer's sake. Amen.

THE JOURNAL

The Journal of the proceedings of Saturday, August 8, 1964, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 11202. An act making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1965, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Holland, Mr. Russell, Mr. Ellender, Mr. Young of North Dakota, and Mr. Mundt to be the conferees on the part of the Senate.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 11369. An act making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1965, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Stennis, Mr. Russell, Mr. Bible, Mr. Ellender, Mr. Byrd of Virginia, Mr. Kuchel, Mr. Saltonstall, and Mr. Hruska to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 136. An act to place in trust status certain lands on the Rosebud Sioux Reservation in South Dakota.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2881) entitled "An act to amend the Alaska Omnibus Act to provide assistance to the State of Alaska for the reconstruction of areas damaged by the earthquake of March 1964 and subsequent seismic waves, and for other purposes".

POSTPONEMENT OF BUSINESS IN ORDER TODAY UNTIL TOMORROW, AUGUST 11, DISTRICT OF COLUMBIA BUSINESS

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the motion to suspend the rules and pass the bill H.R. 1927, non-service-connected pensions, in order today, be in order on tomorrow, Tuesday, August 11, 1964, and that business in order under clause 8, rule XXIV, District of Columbia business, also be in order on tomorrow instead of today.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

GENERAL LEAVE TO EXTEND REMARKS

Mr. ALBERT. Mr. Speaker, without establishing a precedent, I ask unanimous consent that all Members who may desire to do so, in one or more instances, may extend their remarks in the CONGRESSIONAL RECORD, and include extraneous matter.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

SPECIAL ORDERS FOR TODAY TRANSFERRED TO TUESDAY

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the special orders scheduled for today be transferred until tomorrow and be first in order.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on August 8, 1964, present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H.R. 7381. To simplify, modernize, and consolidate the laws relating to the employment of civilians in more than one position and the laws concerning the civilian employment of retired members of the uniformed services, and for other purposes;

H.R. 8009. To amend title 38, United States Code, to provide veterans with urgently needed nursing home care and nursing care facilities while reducing the cost to the United States of caring for such veterans, and for other purposes;

H.R. 8611. To facilitate the performance of medical research and development within the Veterans' Administration, by providing for the indemnification of contractors;

H.R. 8925. To amend title 38 of the United States Code in order to provide that a disability which has been rated at or above a certain percentage for 20 or more years may not thereafter be reduced below such percentage;

H.R. 8999. To provide for the settlement of claims of certain inhabitants of the United States living in the area inundated by the sudden floods of the Rio Grande as a result of the construction of the Falcon Dam, and for other purposes;

H.R. 11064. To provide for the conveyance of certain real property of the United States situated in the State of Virginia;

H.R. 11255. To validate certain payments of per diem allowances made to members of the Coast Guard;

H.R. 11611. To establish a National Commission on Technology, Automation, and Economic Progress; and

H.J. Res. 1145. To promote the maintenance of international peace and security in southeast Asia.

THE LATE JOHN B. BENNETT, REPRESENTATIVE FROM THE STATE OF MICHIGAN

Mr. FORD. Mr. Speaker, it is with the deepest sorrow and most profound regret that I announce the passing of our late colleague, Hon. JOHN B. BENNETT of the 12th District of the State of Michigan.

Mr. Speaker, I offer a resolution which is at the Clerk's desk.

The Clerk read the resolution, as follows:

H. RES. 830

Resolved, That the House has heard with profound sorrow of the death of the Honorable JOHN B. BENNETT, a Representative from the State of Michigan.

Resolved, That a committee of fifty-four Members of the House, with such Members of the Senate as may be joined, be appointed to attend the funeral.

Resolved, That the Sergeant at Arms of the House be authorized and directed to take such steps as may be necessary for carrying out the provisions of these resolutions and that the necessary expenses in connection therewith be paid out of the contingent fund of the House.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

The resolution was agreed to.

The SPEAKER. The chair appoints as members of the funeral committee the following Members on the part of the House: Mr. Ford, Mr. Albert, Mr. Halleck, Mr. Boggs, Mr. Arends, Mr. Brown of Ohio, Mr. Harris, Mr. Byrnes of Wisconsin, Mr. Williams, Mr. Staggers, Mr. Jarman, Mr. Lesinski, Mr. Meader, Mr. Roberts of Alabama, Mr. Rogers of Texas, Mr. Springer, Mr. Schenck, Mr. O'Brien of New York, Mr. Cederberg, Mr. Friedel, Mr. Knox, Mr. Moss, Mr. Younger, Mr. Diggs, Mrs. Griffiths, Mr. Johansen, Mr. Macdonald, Mr. Rogers of Florida, Mr. Dingell, Mr. Healey, Mr. Broomfield, Mr. Chamberlain, Mr. Cunningham, Mr. Curtin, Mr. Griffin, Mr. Glenn, Mr. Devine, Mr. Keith, Mr. Nelsen, Mr. O'Hara of Michigan, Mr. Harvey, Mr. Kornegay, Mr. Sibal, Mr. Nedzi, Mr. Ryan of Michigan, Mr. Brotzman, Mr. Broyhill of North Carolina, Mr. Hutchinson, Mr. Long of Louisiana, Mr. Staebler, Mr. Van Deerlin, Mr. Watson, Mr. Rooney of Pennsylvania, and Mr. Pickle.

The SPEAKER. The Clerk will report the remainder of the resolution.

The Clerk read as follows:

Resolved, That as a further mark of respect, the House do now adjourn.

The resolution was agreed to.

ADJOURNMENT

Accordingly (at 12 o'clock and 8 minutes p.m.), the House adjourned until tomorrow, Tuesday, August 11, 1964, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2391. A letter from the Associate Administrator, Foreign Agricultural Service, U.S. Department of Agriculture, transmitting a report on title I, Public Law 480, agreements signed during July 1964, pursuant to Public Law 85–128; to the Committee on Agriculture.

2392. A letter from the Assistant Secretary of the Interior, transmitting a draft of a proposed bill to amend the act of July 29, 1954, as amended, to permit transfer of title to movable property to agencies which assume operation and maintenance responsibility for project works serving municipal and industrial functions; to the Committee on Interior and Insular Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ELLIOTT: Select Committee on Government Research. Report on administration of research and development grants (Rept. No. 1729). Referred to the Committee of the Whole House on the State of the Union.

Mr. O'BRIEN of New York: Committee on Interior and Insular Affairs. H.R. 11960. A bill to authorize the exchange of public domain lands heretofore withdrawn and reserved for the use of the Hanford project of the Atomic Energy Commission, and for other purposes; with amendment (Rept. No. 1730). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 8156. A bill to authorize the Secretary of the Interior to convey certain lands in Pima County, Ariz., to Edward O. Earl and the estate of Madelon Earl; with amendment (Rept. No. 1731). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII,

Mr. FEIGHAN introduced a bill (H.R. 12305) to create a selective immigration board and to provide for the allocation of authorized but unused quota numbers in accordance with the criteria established by the Congress, and for other purposes, which was referred to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. VAN DEERLIN introduced a bill (H.R. 12306) for the relief of Joseph M. Hepworth, which was referred to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1002. By the SPEAKER: Petition of Henry Stoner, Avon Park, Fla., relative to defeating any bill designed to delay implementation or effectuation of the June 15, 1964, reapportionment decision by the U.S. Supreme Court; to the Committee on the Judiciary.

1003. Also, petition of Henry Stoner, Avon Park, Fla., relative to urging the President of the United States, by resolution, to send as many members of the Peace Corps to southeast Asia as he sends members of the military to the above-mentioned area, and stating that such a resolution would prove that the U.S. House of Representatives is not a warmongering House; to the Committee on Foreign Affairs.

EXTENSIONS OF REMARKS

Herbert Clark Hoover

EXTENSION OF REMARKS

OF

HON. BEN F. JENSEN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 10, 1964

Mr. JENSEN. Mr. Speaker, today marks the 90th anniversary of the birth in Iowa of one of the world's leading citizens, Herbert Clark Hoover, 31st President of the United States.

There will be other remarks about this great American on this floor today, but I doubt if any of my colleagues can relate their origins to Mr. Hoover quite as closely as it gives me pleasure to do.

We were born just a short distance apart in eastern Iowa. His father was a blacksmith and my father, a Danish immigrant, dug tile ditch with a spade. President Hoover's father, whose shop was in West Branch, often shod my father's horses.

Today, as the transcontinental traveler approaches the little village of West Branch on the magnificent Interstate Highway 80, he is advised by road signs that here is the tiny dwelling in which Herbert Hoover was born. Close by is the imposing new Hoover Library, repository of his many personal papers and documents of state, honors, awards, and so forth, which have been accumulated by this exemplary citizen in a long and useful career covering many occupations and pursuits.

Not until one has perused the collection of items in this marvelous showcase does the average American realize what a major contribution Herbert Clark Hoover has made to his country and to the world. His wisdom and energy are apparent everywhere.

I was a party worker for Mr. Hoover in his successful campaign of 1928, and again in his sad loss against a hopeless situation in 1932.

It is part of the genius of America that its transcendent spirit of fairplay asserts itself, sooner or later, no matter how distorted our national emotions may become at any given moment.

In the case of Hoover, it took longer than most, and considerably longer than it should have. I will not dwell on the factors that produced this unnecessary situation.

Suffice it to say that Herbert Hoover has now outlived by years all of his most vitriolic critics. And most of them lived long enough to appreciate that Hoover himself was undeserving of the calumny heaped upon him in the early 1930's.

It is consoling to know that this great and good man has lived to see a grateful Nation restore him to eminence. I only regret that circumstances beyond control of any of us caused the denial of his competence to us for the long period when he had no role in our national life; but his humane service to his country and the world will live in the hearts of man forever.

Results of Public Opinion Poll

EXTENSION OF REMARKS

OF

HON. JAMES T. BROYHILL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 10, 1964

Mr. BROYHILL of North Carolina. Mr. Speaker, during the last 2 months, I have been conducting a public opinion poll of the 11 counties of the Ninth Congressional District of North Carolina in an effort to determine the sentiment of the residents of the district on a number of national issues. When this poll was issued in June, all of the issues listed in it were pending before the Congress. Since that time, final action has been taken on a number of them while others still remain unresolved. The survey is now complete, and I wish to call to the attention of the Congress the expressions of opinion I have received.

This poll represents the tabulation of 6,201 responses from residents of my district which were received before July 20. The questionnaire was given a large distribution by direct mail and every effort was made to complete its circulation without regard to the political affiliation or the special interests of those receiving it. The results represent a large sample of the total population of the district, and it is my belief that it is a good gage of public sentiment at this time.

A large proportion of those participating in the poll commented in detail explaining why they feel as they do. These remarks cannot, of course, be reflected in the statistical tabulation. However, they have often raised points of view that I had not previously considered and have provided me with new insights into many of these issues.

The most persistent expression in the poll has been a deep concern over the expansion of Federal power which many of these issues involve and the increase in Federal spending and deficit financing. While such comments sometimes focused on the issue of civil rights, they were in most cases general in nature and included comments about the broad trends toward new Federal authority over the States and private citizens.

I had expected a greater divergence of opinion than was borne out by the poll. On 16 of the 26 questions in the questionnaire, the responses indicated support or opposition to the issues by more than two-thirds. Those issues to which there was decisive opposition were Red China's admission to the U.N., expanded trade with Communist countries, new Federal programs to cause further unbalanced budgets, the Federal pay raise, increasing the national debt limit, the civil rights bill, the President's poverty program, legislation requiring double time pay for overtime work, a Federal law requiring adoption of daylight saving time, higher farm price supports and farm production controls, Federal aid to local public transit systems, and the reactivation of the CCC program for young people.

Among those issues where more than two-thirds of the responses expressed support included a stronger policy toward Cuba, support of a constitutional amendment to leave authority for voluntary school prayer and Bible reading to State and local communities, and an income tax credit for parents with children in college.

On the civil rights issue, 65 percent favored guarantees of the right to vote in Federal elections. Other key sections of the civil rights legislation were opposed.

The most evenly divided expression of opinion occurred on the question of pensions for World War I veterans with less than 1 percent dividing those for and against the issue and more than 9 percent undecided. Considerable disagreement also existed about the question of carrying the war in South Vietnam to North Vietnam as 49 percent favored such action, 34 percent opposed it, and 17 percent expressed no opinion.

Alternative plans for medical care for the aged had strong advocates and opponents with widely divergent opinions expressed. Approximately 14 percent favored the King-Anderson plan for assistance through the social security system. Twenty-seven percent favored the

Kerr-Mills program of Federal-State assistance to those in need. Another 14 percent preferred a program of private hospitalization insurance with Federal assistance in meeting the cost of the premium payments. Thirty-two percent, however, felt that private hospitalization insurance and no Federal participation was preferable and 13 percent expressed no opinion.

The complete tabulation of the poll's results is as follows:

Results of public opinion poll, 9th District of North Carolina

		Percentages		
		Yes	No	No opinion
1. Do you approve of the sale of United States wheat to the Soviet Union?		28.01	64.88	7.11
2. Do you favor admission of Communist China to the U.N?		8.48	84.46	7.06
3. Should the United States expand trade with Communist countries?		20.92	69.39	9.69
4. Do you believe the war in South Vietnam should be carried into Communist Vietnam?		48.99	33.62	17.39
5. Do you believe that the President's request of $3,500,000,000 for foreign aid for the next 12 months should be (check only one)—	*Percent*			
(a) Approved	13.58			
(b) Increased	.87			
(c) Reduced substantially	75.63			
(d) No opinion	9.92			
6. Do you believe that U.S. policy on Cuba should include greater effort toward convincing the free world to boycott trade with Castro?		77.18	14.26	8.56
7. Do you feel that new Federal programs should be started if their cost will result in unbalanced budgets and increased national debt?		6.34	84.50	9.16
8. Do you favor a pay raise for Federal officials, Members of Congress, and Federal employees?		19.34	69.16	11.50
9. Are you in favor of the Secretary of the Treasury's request for an increase in the legal national debt limit from the present $315,000,000,000 to $324,000,000,000?		9.34	81.89	8.77
10. Do you favor the civil rights bill now being debated in the Senate?		10.87	79.50	9.63
11. Do you favor the following provisions of the civil rights bill (please answer all)?				
(a) Federal regulations to guarantee right to vote in Federal elections		65.46	25.48	9.06
(b) Empower the U.S. Attorney General to bring court action to enforce school integration		11.85	80.00	8.15
(c) Federal regulations to prevent discrimination in employment		20.66	70.00	9.34
(d) Federal laws to guarantee equal access by all citizens to public accommodations		19.42	72.02	8.56
(e) Federal regulations to prevent discrimination in programs where Federal funds are involved		34.90	57.04	8.06
12. Which of the following plans for medical care for the aged do you approve (check only 1)?	*Percent*			
(a) King-Anderson bill: A compulsory program of hospitalization and nursing-home care for persons over 65, financed by increased social security taxes	13.82			
(b) Kerr-Mills Act: A Federal-State program of assistance based on need and financed from general revenues	27.50			
(c) Bow bill: A voluntary program of hospitalization insurance with costs shared by the Federal Government and individual beneficiaries	14.00			
(d) Private hospitalization insurance and no Federal participation	31.54			13.14
13. Do you approve of the President's program to combat poverty costing $1,000,000,000 in the 1st year?		21.05	69.50	9.45
14. Do you agree that the Johnson administration's proposal to require double-time pay for overtime work would decrease unemployment?		20.27	72.06	7.67
15. Should there be a Federal law to require national adoption of daylight saving time during summer months?		14.29	75.76	9.95
16. Do you support a proposed constitutional amendment to leave decisions relating to voluntary prayer and Bible reading in public schools to the State and local communities?		75.07	13.93	11.00
17. Do you believe that the farm problem can be solved through higher price supports guaranteed by the Government and greater Federal controls on farm production?		10.81	79.37	9.82
18. Are stronger Federal controls over the private ownership of firearms needed?		35.64	54.91	9.45
19. When a vacancy in the office of Vice President occurs, should the Constitution empower the President to select a new Vice President with the approval of the Congress?		60.73	27.63	11.64
20. Do you approve of the proposed program of special help for the Appalachia area to cost $227,000,000 in the 1st year?		22.46	64.94	12.60
21. Should the Federal Government undertake a program to assist mass transportation systems in and around large cities to cost $500,000,000 to start?		15.19	75.49	9.32
22. Would you favor reduction of the standard workweek from 40 to 35 hours?		26.58	65.26	8.19
23. Do you think a small charge should be made in national forests and parks for use of highly developed recreational facilities (camping grounds with sanitary facilities, fireplaces and picnic tables, boat launching sites, etc.) to maintain existing facilities and finance additional facilities of this kind?		62.27	28.46	9.27
24. Do you favor an income tax credit for parents with children in college to help them defray part of the cost of education?		70.68	21.51	7.81
25. Should unemployment among young people be combated with a Federal plan similar to the old CCC program wherein 50,000 young men and women would be enrolled at an annual cost of $4,700 per enrollee?		21.22	67.15	11.63
26. Do you believe all veterans of World War I should be provided a Federal pension of $100 per month if their annual income (excluding the 1st $1,200 of retirement income) does not exceed $2,400, if single, or $3,600 for veterans with dependents?		45.22	45.49	9.29

Hon. John B. Bennett

EXTENSION OF REMARKS

OF

HON. JOHN BELL WILLIAMS

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Monday, August 10, 1964

Mr. WILLIAMS. Mr. Speaker, it is with profound sadness that we note the passing of one of our most distinguished colleauges, Hon. JOHN BENNETT, of Michigan.

For 13 years I served with JOHN BENNETT on the Committee on Interstate and Foreign Commerce, and during these years of association I came to know him as a warm personal friend. Not only does his passing remove from our committee one of its ablest and most valuable members, but I feel a great personal loss, also.

Mr. Speaker, JOHN BENNETT served his country and his constituency well. He was a man of courage and integrity who always placed the best interests of his country above selfish or partisan considerations. We shall miss him greatly.

Mr. Speaker, to JOHN BENNETT's family we offer our sincere and heartfelt sympathy, and the prayer that God will comfort and sustain them in their bereavement.

Vietnam Policy?

EXTENSION OF REMARKS

OF

HON. ROBERT L. LEGGETT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 10, 1964

Mr. LEGGETT. Mr. Speaker, under leave to extend my remarks, I include the following newsletter dated August 10, 1964:

CONGRESSMAN ROBERT L. LEGGETT REPORTS FROM WASHINGTON

AN ELECTION ON ISSUES I

Shortly the Democratic Party will meet in Washington for purposes of drafting a national platform for foreign and domestic matters which will potentially round out and frame the issues for battle next November.

American foreign policy obviously will be rather substantially drawn into question both generally and with respect to particular foreign countries. The North Vietnamese, reasonably contained for 15 years, now have apparently undertaken aggressive naval action against the United States. As a result of bipartisan congressional support this force was met by the air arm of the U.S. Navy and was throttled.

BIPARTISANSHIP AT ITS BEST

I am sure most Americans are proud of their country when bipartisan international efforts evolve from bitter domestic political debate. It would be tragic were the bipartisan foreign policy effective since the onset of World War II terminated next November.

American efforts of containment of communism in Vietnam were commenced over 15 years ago in southeast Asia. Some have said the United States has no policy in this area. Far be this from truth. Walt Lippmann stated the position in a national publication last week: "Present American policy is to exist peaceably with the Communist states while we contain their expansion and work slowly and warily for accommodations which will ease the tension."

The present nominee of a national party as opposed to this policy does not favor coexistence and apparently if elected would take active steps to break up the Soviet Communist state alliance and the Soviet Union itself.

A POLICY FOR ALL AMERICANS?

He states in his "Conscience of a Conservative:"

"Our strategy must be primarily offensive in nature * * * we must always try to engage the enemy at times and places, and with weapons, of our own choosing * * * we should withdraw diplomatic recognition from all Communist governments including that of the Soviet Union. We must, ourselves, be prepared to undertake military operations against vulnerable Communist regimes."

Respecting Vietnam he recommends as follows:

"In Vietnam, there is no longer a guerrilla war but a battalion size conflict. The United States is faced with another South Korea. Defeat would mean the loss of the whole of southeast Asia." Speech, Clear Lake, Calif., March 18, 1964.

"Vietnam has been soaked with American blood while being sacrificed to this administration's indecision. And much of the blame can be placed squarely in the laps of those twin commanders of chaos: Lyndon B. Johnson and Robert S. McNamara." Speech, Omaha, Nebr., May 11, 1964.

"The United States can and should end the fighting in Vietnam by taking strong, affirmative action." National television address, May 13, 1964.

These comments raise the question of exactly how disastrous is our current course of conduct and morally should we stimulate another Korean conflict. I think it is interesting to campare American casualties in the blood soaked Vietnam encounter and other American wars.

American deaths, in battle and otherwise, as recorded by the Department of Defense are as follows:

War	Total deaths	Army	Navy	Marine	Air Force
Revolutionary War (1775–83)	4,435	4,044	342	49	----------
War of 1812 (1812–15)	2,260	1,950	265	45	----------
Mexican War (1846–48)	1,733	13,271	1	11	----------
Civil War (1861–65)	498,332	359,528	4,523	560	----------
Spanish-American War (1898)	2,446	2,430	10	6	----------
World War I (Apr. 6, 1917–Nov. 11, 1918)	116,516	106,378	7,287	2,851	----------
World War II (Dec. 7, 1941–Dec. 31, 1946)	405,399	318,274	62,614	24,511	----------
Korean war (June 25, 1950–July 27, 1953)	54,247	27,133	4,501	5,528	7,084

The effect simply stated of the Korean war was that the status quo was maintained with casualties 50 percent of World War I and 12 percent of World War II. To date American policy in Vietnam has cost us 175 lives in about as many months and again the status quo has been maintained. While certainly we can't be complacent in the face of Communist aggression, neither should we be panicked because of the current loss of blood. The point is that if another 54,000 American boys are to be sacrificed, our leaders should tell what the probable gains will be such that the trade might be weighed.

Perspective also should require that we keep in mind that in the same 15-year period in which we have been involved in the Vietnam encounter, we have lost domestically in the United States more than 1½ million Americans, due to accidental causes.

Hon. John B. Bennett

EXTENSION OF REMARKS

OF

HON. WILLIAM M. COLMER

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Monday, August 10, 1964

Mr. COLMER. Mr. Speaker, I should like to associate myself with the remarks of those who have preceeded me in extolling the virtues of our esteemed and good friend, Congressman JOHN B. BENNETT.

It has been my pleasure to have known JOHN since he came to this House. Although I did not have the opportunity to serve on his committee with him, I did get to know him quite well, something that is hard to do in this House with its large membership and the many duties that we all have to perform.

JOHN BENNETT was a friendly man. He was a thoughtful man. He was a conscientious legislator and a hard working man.

It is said that a man is known by the deeds he performs. I have known of instances where JOHN BENNETT, without hope of reward and in a most unselfish manner, performed deeds of kindness and thoughtfulness to his fellow man.

Mr. Speaker, we will miss our departed colleague and friend. He has made his imprint, in his own quiet and modest manner, on those of us who served with him here in the Congress.

Mrs. Colmer joins me in extending our most sincere sympathy to Mrs. Bennett and the other members of the bereaved family.

Administration of Research and Development Grants

EXTENSION OF REMARKS

OF

HON. CARL ELLIOTT

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 10, 1964

Mr. ELLIOTT. Mr. Speaker, I have submitted to you this morning the second report of the Select Committee on Government Research. This report is the first substantive study to be completed by the committee and is entitled "Administration of Research and Development Grants." As the title would imply, the study presents, for the use of the House and the interested public, a comprehensive review of the current procedures by which some 85 offices in 30 Government departments and agencies support scientific research by the instrumentality of a grant, as distinguished from the contract instrument.

As was indicated in our first progress report, this study of research grants is but 1 of 10 studies now underway which have been designed to cover the full range of the Government's $15 billion research and development programs. Of that amount, approximately 10 percent or $15 billion are currently expended in pursuit of scientific knowledge; that is, basic research. About one-half of this amount, or roughly $720 million, are expended in slightly more than 20,000 grants. The remainder of the federally financed basic research is done either outside the Government under contracts or within Government laboratories.

In other words, Mr. Speaker, while the grant programs are a modest portion of our overall research and development expenditures, they are nonetheless a vital portion in that they are central to our support and conduct of basic research.

Because of the relatively modest nature of this program, this is not the report in which one would be likely to expect findings or recommendations looking toward spectacular savings of money. Programs involving the larger expenditures will be treated in some of our committee's forthcoming reports. As I will point out in a few moments, however, we have identified one area, relating to the use of the science information exchange, in which efficient use of this exchange as a coordinating device by the NIH has brought savings of upward of $5 million by eliminating potentially duplicating projects. These savings are of particular importance when we consider that the annual budget for the science information exchange is only $1.5 million; hence, the savings in one Government agency grant program alone pay for the entire service several times over. We have made recommendations which, when implemented, will enlarge the effectiveness of this device, by making it apply to many agencies which do not now obtain or exploit the potential benefits. Such savings in time and money should improve the general efficiency of our grant programs and, I might add, would more than pay for the entire cost of operating our committee's 14-month investigation.

Before outlining briefly the findings and recommendations contained in our study, Mr. Speaker, let me say that this report is the product of devoted effort on the part of many people. We have received fine cooperation from many Government officials concerned with research and development programs; outstanding members of the scientific, university, and business communities have advised with us through several drafts of this report. In addition, I personally appreciate the fine, completely nonpartisan contributions and support which I have received from every member of the committee.

Mr. Speaker, the committee recognizes the unsurpassed quality of American research—and I can think of no more dramatic, current demonstration of this quality than our latest moon shot. We also recognize the enormous contribution which our great Government and private research institutions have made in undergirding such a spectacular developmental achievement, as well as achievements in medical, earth, physical, and social sciences generally.

The committee nonetheless has found need for improvement in the administration of our Federal grant programs, both general and specific. Evidence is still being received and analyzed, but on the basis of our findings so far, the committee has made, in this report, recommendations looking to such improvement.

For example, although the Congress has taken steps to insure its control of research grant policy, the methods by which it can do so need clearer definition. The committee has therefore recommended, in the present report, the following:

First. That requirements for departments and agencies to report research and development grants to the Congress should be consolidated in one statute, and made uniform for all departments and agencies.

Second. That to make such agency reports more readily useful, there should be in each House a central catalog, which should also be published, for wider circulation.

Third. That reports concerning grants should be sent not only to the congressional committees designated in the various existing statutes, but to all committees having legislative concern with those grants.

The committee has also found that within the executive branch, there is a lack of centralized information about grants—particularly grants which are currently in progress. A step toward correcting this lack has been taken by means of the science information exchange, operated within the Smithsonian Institution under the auspices of the National Science Foundation. But the committee has found that this exchange, which could be an invaluable tool both for researchers and research administrators, is, in effect, being undercut. Departments and agencies which should be supplying it information about their ongoing programs are, in fact, withholding it and, instead, setting up private, competing, miniature exchanges within themselves.

We have, therefore, made several recommendations in this report aimed at strengthening the science information exchange as a source of information about research in progress or under consideration, particularly by continued support and greater compliance by departments and agencies which administer grants.

Another issue to which our report addresses itself is that of communication between the grant-administering agencies and the scientific community. To prevent the impression that departments and agencies are more limited in their research interests than is actually the case, we have recommended open and widespread publicity of Government research interests. In addition, this recommendation would prevent leaving it to chance that a qualified researcher will somehow happen to learn where his ideas and talents might be profitably employed or supported.

The committee has also been disturbed by the suggestions voiced in some quarters that there is an actual or implied grant review establishment or advisory elite from which the Federal departments and agencies draw their external advisers to judge grant applications. Such an establishment, if it exists, might tend to concentrate research grants in a handful of outstanding universities. While this suggestion receives a small measure of support by a trend away from small grants, the evidence has not been conclusive, and the committee will continue to investigate. Meanwhile, we have recommended that small grants continue to be made so as to utilize the talents of scientists working in smaller institutions.

Before I leave the subject of publicity, I should note that we have recorded our dissatisfaction with the poor news showing of the Federal Government's part in scientific research. News about particular research and development efforts and achievements far outstrips news about the Government's financial responsibility for many of these efforts and achievements. Our report cites significant examples of this and we have therefore recommended that news releases issued by institutions which receive Federal grants be required to state continually that Government funds made the particular research possible. The taxpayers, the committee feels, are entitled to know what their tax dollars are accomplishing.

Many of the universities working on research under Federal grants have complained that the prevailing statutory limitations on indirect cost reimbursement which may be charged to research are causing them financial loss. As these limitations apply to grants, but not to contracts, many universities have stopped, or will soon stop, doing research for the Government under grants, and will work only under contract. The committee feels that there has grown up an unjustifiable double standard in this area, and we have, therefore, recommended that a single standard be adopted for determining allowable and nonallowable costs. The committee has also recommended that a university receiving a grant be permitted to choose one of two alternative ways of recovering indirect costs: First, a provisional rate for billing purposes, which would be adjusted after eventual audit; or second, a flat 15 percent of direct costs, in which case there would be no need for the university with few projects to itemize, or the Government to audit, the indirect charges.

Finally, Mr. Speaker, the committee has found that not only because of these cost limitations, but also because of the morass of administrative detail with which it has become surrounded, the research grant has been losing its value as the valuable research instrument the Congress intended it to be.

The committee has, therefore, strongly recommended that the grant be rescued from this morass and be restored to its intended function as laid down by the Congress when it enacted Public Law 85-934—"to stimulate and support fundamental research," and to honor "the concept of maximum freedom of action for the scientific investigator."

Mr. Speaker, these are the tentative recommendations of the select committee with respect to the administration of Federal grants for research and development. They have been made on the basis of the committee's findings to date. Final recommendations will await completion of the committee's investigations. As these progress, we will issue additional reports which will number, by present indications, nine, carrying the following titles: "Facilities for Research and Development"; "Fiscal and Contractual Policies and Procedures"; "Impact of Government Research"; "Student Assistance in Higher Education"; "Interagency Coordination of Research and Development Projects"; "Statistical Review of Government Research and Development"; "Documentation, Dissemination, and Use of Research and Development Results"; "Manpower for Research and Development"; and "National Goals and Policies."

There will then follow the committee's final report, which will contain the committee's final conclusions and recommendations.

I believe the material we have developed in this study, and will develop in our further reports, will be of invaluable assistance to the standing committees of the House concerned, as all of them are, with research and development.

Speech Made by Congressman Claude Pepper, June 15, 1964, Before the Southeastern Regional Council, National Association of Housing and Redevelopment Officials Annual Conference June 14–17, Jacksonville, Fla.

EXTENSION OF REMARKS

OF

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 10, 1964

Mr. PEPPER. Mr. Speaker, on June 15 it was my privilege to address the Southeastern Regional Conference of the National Association of Housing and Redevelopment Officials.

My remarks on that occasion follow:

SPEECH MADE BY CONGRESSMAN CLAUDE PEPPER, JUNE 15, 1964, BEFORE THE SOUTHEASTERN REGIONAL COUNCIL, NATIONAL ASSOCIATION OF HOUSING AND REDEVELOPMENT OFFICIALS ANNUAL CONFERENCE JUNE 14–17, 1964, JACKSONVILLE, FLA.

President Lyons, members of the council, my fellow southerners, and my fellow Americans; you have seen what an eloquent and gracious friend and member of your group George Lubke is by the graciousness and the kindness of his introduction. You can see how wisely the Florida council chose its president when you were informed that they'd made him their choice and I thank you very much, George, for the kindness and the generosity of your introduction.

It's a great pleasure for me to be here at this meeting because as we say here in the South, "you're my kind of folks." I'm always glad to be in the company of southerners who are looking forward and not backward—who are determined to build and not to tear down—who want to see the South grow and not retrogress and who also are determined that the South shall take its proper place in the leadership of the greatest country in the world. I feel, as I said, very much at home because my people in the early days of this Republic came here from England and Ireland and Scotland and, like so many southerners, particularly like so many in Florida, they've come along down the Atlantic seaboard. My mother and three grandparents were born in the great Southern State of Georgia and my father and I in Alabama. I lived for part of my youth in Texas. I taught law at the University of Arkansas after I graduated from law school and I've had associations which I cherish with almost every one of the great States that make up our glorious South.

I'm particularly pleased that you've chosen for the subject of this conference, "Better Public Understanding"—better public understanding of what you, for the Government, and the Government through you, and all of our people through the Government, and you are trying to do to make things better for our people. Of course, there's also a need for better private understanding sometimes. I've heard of an unhappy episode which occurred in Miami a little bit ago. An elderly couple was down there celebrating their 50th wedding anniversary and they were having lunch on the roof of one of our hotels which allowed a beautiful view and scene looking over the bay toward Miami Beach. Well, as the husband beheld the loveliness and the beauty of this scene, sentiments of romance came to his heart and he thought he should tell his wonderful, lovely wife who for just over half a century had been his companion, his helpmeet, his ever youthful bride how much he thought of her. So, looking very intently into her eyes he said, "I'm proud of you." She'd grown a little hard of hearing in later years and evidently misunderstood exactly what he said. She looked him right back in the eye and said "I'm tired of you, too."

And then I heard a man at the State Department in Washington the other day make a speech, telling about the various customs in the various countries which were not always understood by people unaccustomed to the customs of a particular country he mentioned, the habit of some people when they're addressing you, to stand right in front of you and talk right into your face, so much so that it's practically a pursuing and a backing operation between the one speaking and the one listening. Then he said in one country, the most hospitable form of conversation is to put your hand upon the knee of the other person to whom you are talking, regardless of the sex of that person. He said that often causes misunderstanding, too, where that custom was unfamiliar to the lady so addressed. But what we strive to do is to bring about better understanding and more hearty support for this great program in which you are so splendidly engaged.

Now, let me just say a word or two about our South.

In 1930, as you know, we had a very low income not only in the whole country but, particularly, in the South. The per capita income in the South has increased six times as President Johnson pointed out recently in Atlanta, since 1930. Even as late as 1960 the majority of the population of the Southern States was rural in character. By 1960 almost 60 percent of the population of our South had became urban. Of the 11 States in the country where rural population still predominates, 6 of those States only were in the South and 2 of those 6 were border States. So, today, when we talk about urban renewal we are speaking of a program which is very pertinent to our urbanized and rapidly increasingly urbanized Southland. As a matter of fact, a great many people still think of the urban renewal program as being designed only for the great cities. I have the figures that under the 1961 Housing Act, the great emphasis to housing given by President Kennedy, that over two-thirds of all the Federal grants which had been reserved were for cities of a population of less than 50,000. Now this Southland of ours, no longer rural in character, is moving rapidly ahead as an industrial part of our country, rapidly taking its place in the industrial and economic leadership of the Nation.

Now, I said that our per capita income had increased six times since 1930. That's far above the national increase which has occurred in that interval of time. What has contributed more than the Federal assistance which has then provided for the South, beginning with Franklin Roosevelt who, in the 1930's, characterized the South as the Nation's economic problem No. 1. Today, I think we of the South can proudly say that the South is the Nation's economic opportunity No. 1 and we are glad to see great enterprises moving into the South, finding a hospitable climate not only from the weather but from the taxing authorities, from government generally and from the people among whom they're settling and where they have cast their fortunes.

Unhappily, we still have certain obstacles which temporarily stand in the way. When we pass the civil rights bill as we shall, in the Congress, in the next few days, and when the people of the South accept it and understand it, and when they discover that while giving recognition to the constitutional rights of all of our people, it is far less violent than they anticipate going to unsettle and disturb our way of life, when we accept it in principle and in good faith and learn to live with it and all of us to work together, as children of God and citizens of America, then there'll be fewer areas where industry will be reluctant to settle, there'll be greater opportunities for all of our people, the purchasing power of our mass citizenship will immeasurably increase and the South will be a far better and stronger part of the Nation and the world than it is even in this great today.

And yet, how many of us remember what bitter obstruction and resistance there was to so many of the Federal programs which have meant so much to us. I remember when we proposed the minimum wage law in 1938. It was the principal issue in my campaign for reelection at that time. There were many with good motives who castigated me as a traitor to the South because I was one of the few who dared to espouse that bill which provided a minimum wage for those subject to the law of 25 cents an hour. In many parts of Florida, in some of the big sawmills, employees were making as little as 9 cents an hour. They said I didn't understand the nature of the South by wanting to increase its purchasing power and to enlarge its markets—they said "don't you know that the South is intended to be the hewer of wood and the drawer of water for the rest of the Nation—the area to produce raw materials—not to be industrialized part of America? Don't you understand that?" I said, "Yes, I have reason to understand something about the South; but that's not my way of envisioning the role of the South in the future of our land." And, when the minimum wage law came, it gave impetus to a greater purchasing power which provided larger markets, attracted more industries because we had, here, people who could buy more of the things that others had to provide. And, after that came a whole great galaxy of particular improvements including one which reduced the disparity in our freight rate structure, gave our industry in the South greater opportunity to ship into the other areas of the country, into the great markets of the North and East. Gradually, we have had many of these burdensome discriminations removed from our shoulders. We have greater opportunity and better times in the South today from a fairer attitude on the part of our National Government than we've ever had before.

How well do I remember the bitter opposition to the public housing bill in the Senate, back in the 1930's and in the 1940's. How well do I remember that even recently, in one of the great metropolitan areas of Florida, some agitators got a great many of the mayors to sign a petition opposing urban renewal in the area. To those, I feel like using the words of the Master in His travail when He said, "Father, forgive them, they know not what they do." There are still those who think of your program and what you're doing as something socialistic in character—they use the word socialistic to give an obnoxious connotation to the public housing and the urban renewal program.

I remember in Miami, not so long ago, hearing a U.S. Senator and former Governor of a Southern State speaking to a distinguished audience of our citizenship, saying to that audience that the greatest danger facing the people of America was not communistic subversion, not poverty, nor disease, not the lack of a good educational opportunity for all of our boys and girls—no, the greatest danger facing the people of America, he said, is the concentration of power upon the banks of the Potomac River. In other words, the Government of the United States—the Government of the people was the greatest enemy, this gentleman said, that the people had. Do you know or do you recall that every 2 years, one-third of the U.S. Senate is elected? Every 2 years, every Member of the House of Representatives is up for election and every 4 years the President of the United States is elected. You may be assured that if all of the Members of the House were turned out and successors of a contrary point of view were chosen that that would change the policy of the Government of the United States, if it's obnoxious to the people. And in 4 years' time, in free elections all over America, the people of this country can change the whole House of Representatives twice, can change two-thirds of the U.S. Senate and elect a new President. Is that the way you make a government which dominates the people? Is that the way tyranny is foistered upon the people?

What we're trying to do is to take slums of either commercial or residential character and make them into better cities and better residential areas by the best way possible. I warmly commend this great city of Jacksonville and its distinguished mayor and the many civic leaders who had a part in this splendid program for what they've done outside of government, outside of our immediate program of urban renewal, in renovating the commercial character and beautifying the horizon of this great city of Jacksonville. Fittingly enough the people of Florida chose Jacksonville's distinguished mayor to be the new Governor of our State and I'm sure he'll leave upon our State, as he has upon this city, the imprint of his leadership, his vision, and his great courage. Moreover, you heard my friend representing the mayor here talk about the wonderful system of expressways, not built without the cooperation of the Federal Government and built at a time when Jacksonville had a Governor that came from Jacksonville, too, as Fuller Warren will remind you; so that government had a little part in this great program. But, wherever private enterprise can do the job, we are not trying to usurp that prerogative or deny that opportunity; but in most of the cities of the country you do not have the fortuitous combination of circumstances which can bring about such a renewal program as has been so splendidly accomplished here in the city of Jacksonville.

We are concerned about homes for the aged, those people over 65 years of age who have so little and who cannot pay an economic rent and who do not get enough for either old age or survivors insurance or old age assistance to pay an economic rent. If they don't have the money to pay an economic rent how are they going to live in a decent home unless somebody helps them to do it? What is better, what has experience proven to be better, than cooperation between the municipal authorities through their splendid housing authorities and the Federal Government in making better housing facilities available to these most worthy citizens?

A little while ago, in Miami, I attended a function out at one of these elderly housing projects. If anybody could see the joy in the faces of those people, the sweetness in the latter years of their lives that those apartments have made possible for them, surely they would be converts to the program providing low-cost housing to them, if they had not supported it before. And what about the poor who cannot, also, afford to pay an economic rent for a home or an apartment? We wish all could pay a reasonable rent.

President Roosevelt spoke of a third of the Nation ill clad, ill fed and ill housed and a lot of it in the South in those days. We have progressed to the point where our present great President can say that that third has been reduced to a fifth. But still a fifth of the people of America, as individuals, make less than a thousand dollars a year and, as families, have a total income of less than $3,000 a year. Oh, I know there are critics who say "Well, that's still pretty good, if you take the standard of foreign countries, yes—but this is America we're talking about. And then they say, "well, it's still pretty good because in 1929 50 percent of the people, not 20 percent, were in those low-income categories." Yes, that was 1929. This is 1964. And America is a country dedicated to making things better for its people.

Now, President Johnson has launched a war on poverty. He wants to keep the children from becoming juvenile delinquents, from being denied the training that would make it possible for them to get a job, not to be a part of the flotsam and jetsam of a drifting youth. Of course, the degree to which we succeed in that high endeavor will determine to a great degree the number of low-income people in the next generation or in the years ahead. The President is also trying to provide better health facilities for those people so that they may live longer and contribute more.

We have a program even to aid senior citizens who are on old-age assistance and give them an earning capacity which they've not heretofore known, giving them a greater satisfaction, personally, and at the same time, lessening the burden upon the Government of caring for them because they have no other adequate means of subsistence.

All of these programs strike at the cause of poverty for we have to deal with people; people who can't live in a decent home or apartment; children who cannot be reared in a wholesome environmental community; children who cannot get a proper educational opportunity because they are reared in dilapidated commercial areas which are sores upon the body of a great, rich America. That's not the kind of America that our forefathers came here to establish. That's not the America of which we all dream. That's not the America that we are determined to be.

Just take college housing—I had a little bit to do with some of these programs in the years that I was in the Senate. Most of our colleges and universities don't have the money to provide the dormitories and the taxpayers supporting them or supporters are already burdened; but, by loans from the Federal Government these dormitories can be built and the loans can be paid off by tuition or by the payments made by the occupants of these dormitories or faculty homes. So, with Federal aid, we have educational institutions able to provide better facilities without, in the long run, laying a burden upon the taxpayers. We have found a way to make them self-liquidating. Thus all throughout its gamut the Federal program is designed to make things better for our people.

If we can raise the low-income group of our people into greater participation and more purchasing power we have helped everybody. President Johnson has said we can whip this enemy "poverty"; we can lick this foe. I did hear about a fellow the other day who was found wandering around and somebody said, "What are you looking for?" He said, "I'm looking for that war against poverty. I want to surrender." * * * Well, you may be sure that when President Johnson puts his determined experience and high purpose behind a program, it's going to succeed.

Well, my friends, I know and you know that there are still those who do not understand what we're trying to do. They feel not basically sympathetic toward it. But let us ask ourselves, "Has the program proven to be worthy? Has it proven to be good? Has it, economically as well as spiritually, benefited the people of all the areas of the country?" You and I know that the task is enlarging in many respects rather than diminishing. In 1970 we are expected to have a population in this country of about 208 million people, an increase in the decade from 1960 to 1970, of about 30 million people. It's estimated that we have about 10 million new families that will form in that decade. Provision must be made for them. Both FHA and many other parts of the Government program do not apply only to the needy but to those who require assistance in enjoying the housing opportunities that they should have.

I remember one day I was sitting in the Senate restaurant talking to the gentleman who was head of the HOLC, the Home Owners Loan program in the New Deal days. I said, "By the way, Mr. So-and-So, how did the Government come out on that HOLC program?" He said, "We made about $100 million profit." "Really," I said, "isn't that wonderful?" All those farms saved from mortgage foreclosure, all those firesides and hearthstones preserved, all those tender memories retained on the farm and in the city, and yet the Government made $100 million profit on the enterprise. I said, "How are they doing on the FHA program?" And he told me how many millions of dollars had been gained as profit from that program, too.

A little bit ago, I heard some reference to the RFC, of which one of our great fellow southerners, Jesse Jones, was so much the genius, and that, too, when liquidated, yielded a profit in the hundreds of millions to the Government of the United States. These have not been programs of waste, even if you consider the money, let alone the human contribution that they have made. Let us, therefore, strive with every passing day to make the public understand more and better what we are doing, the reason for it, how it is done, what it accomplishes, the wisdom, the skill with which we try to carry it out, the ever-increasing challenge which the country affords to train people to administer these programs better as is provided in the 1964 Housing and Community Development Act. Let us tell the people of the many communities that still need help, the impoverished that still do not have a home, those of low income who still require assistance. Let us ever try to make them see the pattern of the new America that is still uppermost in our hearts and our minds.

There may be some who refer to you people who are running these great programs as having to do with a sort of a socialistic program. Let me tell you, my friends, take pride in what you are doing. Ask your critics how many smiles have they put upon the faces that were wrinkled with care and privation compared to you? How many steps have they lightened? Into how many hearts have they put a song? What happiness have they contributed to those who can be given so much happiness by relatively so little? Are they whom you help not a part of our people, are they, too, not America? Are they, too, not God's children? Cannot they arrive at a greater potential than they now represent with help? You tell them "I'm not just building some homes here." You remind them of the old, old story of the one who approached the workmen at a great edifice being built and said to one of them, "What are you doing?" "I'm laying brick," he replied. "What are you doing?" the visitor said to another. "I'm mixing mortar," replied this one. The visitor came to another sturdy fellow and said, "What are you doing?" He said, "I'm building a cathedral."

You are building a better America, a happier America, a healthier America, a better educated America, a stronger America, an America more secure against any kind of subversion, an America that has a greater stake in what we inherited and what we are determined to do, an America worthy to be followed by the people of the world who look longingly for an example that they can trust, an America that practices at home what it preaches abroad, about democracy. You tell them that you are doing what Maxwell Anderson, in the play, "Valley Forge" said George Washington did. In one of the crucial struggles of the Revolutionary War, when the prospects seemed so dark and so disappointing, a singularly tempting siren sought to deviate George Washington from his high course and his firm purpose by laying before him the folly of continuing the war; the foolishness of fighting on; the inevitability of failure, and said, "Why don't you quit now?" The intrepid George Washington turned his face against the temptress, kept up the fight and led his country to freedom and to the leadership of the free world. This noble course led Maxwell Anderson to say that some men so lift up the age they inhabit that all men walk on higher ground. You tell your critics you are proud to have an opportunity so to try to lift up the age you inhabit that all men shall walk on higher ground. Thank you very much.

Management Principles of the National Park System

EXTENSION OF REMARKS

OF

HON. THOMAS G. MORRIS

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Monday, August 10, 1964

Mr. MORRIS. Mr. Speaker, on Monday, August 3, our distinguished Secretary of the Interior, Mr. Stewart L. Udall, released a memorandum which he has written to the Director of the National Park Service, concerning the management of our national park system.

Secretary Udall, in his memorandum, has clearly spelled out the management principles to be followed by the National Park Service in the management of the three categories of areas which have been placed in the national park system by the Congress during the almost 100 years since the beginning of the national park movement with the establishment of Yellowstone National Park in 1872. In addition, the Secretary has set forth six long-range objectives to guide the management of the national park system.

The National Park Service was established by the Congress on August 25, 1916. In a letter of May 13, 1918, the then Secretary of the Interior, Franklin K. Lane, outlined the management principles to guide the new Service in its management of the national parks and national monuments then included within the national park system. Every succeeding Secretary has reaffirmed three principles, and Secretary Udall, in his memorandum, has reaffirmed them in the management of the natural areas of the system. However, during the intervening years, the Congress has expanded the national park system to include areas of historical significance, as well as areas having national recreational significance. Secretary Udall's memorandum develops additional management principles for these new categories of areas.

Without doubt Secretary Udall's memorandum is the most significant pronouncement by any Secretary in recent times concerning the management of our national park system. I take great pleasure in commending him for the fine statement he has issued. It should go a long way in answering questions concerning the types of areas included within the national park system, as well as clarifying the management policies of the National Park Service with respect to these categories of areas.

I think this management memorandum demonstrates the confidence that the Secretary of the Interior has in the Director and his top assistants of the National Park Service. As chairman of the Subcommittee on National Parks, I am proud to state to this body that I, too, have great confidence in the top management of our national park system headed by George B. Hartzog, Jr.

The text of the memorandum of Secretary Udall follows:

STATEMENT OF STEWART L. UDALL, SECRETARY OF THE INTERIOR

As the golden anniversary of the National Park Service draws near, and we approach the final years of the Mission 66 program, it is appropriate to take stock of the events of the past and to plan for the future. The accomplishments of the past are not only a source of pride; they are also a source of guidance for the future.

The accelerating rate of change in our society today poses a major challenge to the National Park Service and its evolving responsibilities for the management of the national park system. The response to such changes calls for clarity of purpose, increasing knowledge, speedier action and adaptability to changing needs and demands upon our diverse resources.

In recognition of this need, a year ago I approved a comprehensive study of the long-range objectives, organization and management of the National Park Service. Moreover, I was pleased to have had the opportunity to participate in the conference of challenges at Yosemite National Park, at which this study was discussed by the personnel of the Service.

In looking back at the legislative enactments (summary attached) that have shaped the national park system, it is clear that the Congress has included within the growing system three different categories of areas—natural, historical, and recreational.

Natural areas are the oldest category, reaching back to the establishment of Yellowstone National Park almost a century ago. A little later historical areas began to be authorized, culminating in the broad charter for historical preservation set forth in the Historic Sites Act of 1935. In recent decades, with exploding population and diminishing open space, the urgent need for national recreation areas is receiving new emphasis and attention.

The long-range study has brought into sharp focus the fact that a single, broad-management concept encompassing these three categories of areas within the system is inadequate either for their proper preservation or for realization of their full potential for public use as embodied in the expressions of congressional policy. Each of these categories requires a separate management concept and a separate set of management principles coordinated to form one organic management plan for the entire system.

Following the act of August 25, 1916, establishing the National Park Service, the then Secretary of the Interior, Franklin K. Lane, in a letter of May 13, 1918, to the first Director of the National Park Service, Stephen T. Mather, outlined the management principles which were to guide the Service in its management of the areas then included within the system. That letter, sometimes called the Magna Carta of the national parks, is quoted, in part, as follows:

"For the information of the public an outline of the administrative policy to which the new Service will adhere may now be announced. This policy is based on three broad principles: First, that the national parks must be maintained in absolutely unimpaired form for the use of future generations as well as those of our own times; second, that they are set apart for the use, observation, health, and pleasure of the people; and third, that the national interest must dictate all decisions affecting public or private enterprise in the parks."

The principles enunciated in this letter have been fully supported over the years by my predecessors. They are still applicable for us today, and I reaffirm them.

Consistent with specific congressional enactments, the following principles are approved for your guidance in the management of the three categories of areas now included within the system. Utilizing the results of the new broad program of resource studies, you should proceed promptly to develop such detailed guidelines as may be needed for the operation of each of these categories of areas.

NATURAL AREAS

Resource management

The management and use of natural areas shall be guided by the 1918 directive of Secretary Lane. Additionally, management shall be directed toward maintaining, and where necessary reestablishing, indigenous plant and animal life, in keeping with the March 4, 1963, recommendations of the Advisory Board on Wildlife Management.

In those areas having significant historical resources, management shall be patterned after that of the historical areas category to the extent compatible with the primary purpose for which the area was established.

Resource use

Provide for all appropriate use and enjoyment by the people, that can be accommodated without impairment of the natural values. Park management shall recognize and respect wilderness as a whole environment of living things whose use and enjoyment depend on their continuing interrelationship free of man's spoliation.

Physical developments

They shall be limited to those that are necessary and appropriate, and provided only under carefully controlled safeguards against unregulated and indiscriminate use, so that the least damage to park values will be caused. Location, design, and material, to the highest practicable degree, shall be consistent with the preservation and conservation of the grandeur of the natural environment.

HISTORICAL AREAS

Resource management

Management shall be directed toward maintaining and, where necessary, restoring the historical integrity of structures, sites, and objects significant to the commemoration of illustration of the historical story.

Resource use

Visitor uses shall be those which seek fulfillment in authentic presentations of historic structures, objects, and sites, and the memorialization of historic individuals or events. Visitor use of significant natural resources should be encouraged when such use can be accommodated without detriment to historical values.

Physical developments

Physical developments shall be those necessary for achieving the management and use objectives.

RECREATIONAL AREAS

Resource management

Outdoor recreation shall be recognized as the dominant or primary resource management objective. Natural resources within the area may be utilized and managed for additional purposes where such additional uses are compatible with fulfilling the recreation mission fo the area. Scenic, historical, scientific, scarce, or disappearing resources within recreational areas shall be managed compatible with the primary recreation mission of the area.

Resource use

Primary emphasis shall be placed on active participation in outdoor recreation in a pleasing environment.

Physical developments

Physical developments shall promote the realization of the management and use objectives. The scope and type of developments, as well as their design, materials, and construction, should enhance and promote the use and enjoyment of the recreational resources of the area.

LONG-RANGE OBJECTIVES

While the establishment of management principles to guide the operation of the three categories of areas within the system is vital, I believe it is of equal consequence that we now identify the long-range objectives of the National Park Service. The objectives developed by the Service have been recommended to me by my Advisory Board on National Parks, Historic Sites, Buildings, and Monuments. I am approving these objectives, as follows:

1. To provide for the highest quality of use and enjoyment of the national park system by increased millions of visitors in years to come.

2. To conserve and manage for their highest purpose the natural, historical, and recreational resources of the national park system.

3. To develop the national park system through inclusion of additional areas of scenic, scientific, historical, and recreational value to the Nation.

4. To participate actively with organizations of this and other nations in conserving, improving, and renewing the total environment.

5. To communicate the cultural, inspirational, and recreational significance of the

American heritage as represented in the national park system.

6. To increase the effectiveness of the National Park Service as a "people serving" organization dedicated to park conservation, historical preservation, and outdoor recreation.

You should develop such goals and procedures as may be necessary to implement these objectives.

In the development of these goals and procedures, I think, it is important to emphasize that effective management of the national park system will not be achieved by programs that look only within the parks without respect to the pressures, the influences, and the needs beyond park boundaries. The report of my Advisory Board on Wildlife Management emphasizes this observation.

The concern of the National Park Service is the wilderness, the wildlife, the history, the recreational opportunities, etc., within the areas of the system and the appropriate uses of these resources. The responsibilities of the Service, however, cannot be achieved solely within the boundaries of the areas it administers.

The Service has an equal obligation to stand as a vital, vigorous, effective force in the cause of preserving the total environment of our Nation. The concept of the total environment includes not only the land, but also the water and the air, the past as well as the present, the useful as well as the beautiful, the wonders of man as well as the wonders of nature, the urban environment as well as the natural landscape. I am pleased that among its contributions, the Service is identifying national historic and natural history landmarks throughout the country and is cooperating in the Historic American Buildings Survey.

It is obvious that the staggering demand for outdoor recreation projected for this country will eventually inundate public park areas unless public and private agencies and individuals join in common effort. National park administrators must seek methods to achieve close cooperation with all land-managing agencies, considering broad regional needs, if lands for public outdoor recreation sufficient to the future needs of the Nation are to be provided.

The national parklands have a major role in providing superlative opportunities for outdoor recreation, but they have other "people serving" values. They can provide an experience in conservation education for the young people of the country, they can enrich our literary and artistic consciousness, they can help create social values, contribute to our civic consciousness, remind us of our debt to the land of our fathers.

Preserving the scenic and scientific grandeur of the Nation, presenting its history, providing healthful outdoor recreation for the enjoyment of our people, working with others to provide the best possible relationships of human beings to their toal environment; this is the theme which binds together the management principles and objectives of the National Park Service—this, for the National Park Service, is the road to the future.

Summary of Legislative Landmarks Affecting the National Park System

The act of March 1, 1872, establishing Yellowstone National Park, the first of its kind, in which the Congress laid down a new public land policy; namely, that portions of the public lands were to be "* * * reserved and withdrawn from settlement, occupancy or sale under the laws of the United States and dedicated and set apart as a public park or pleasuring ground for the benefit and enjoyment of the people. * * * That * * * the Secretary of the Interior * * * shall provide for the preservation, from injury or spoliation, of all timber, mineral deposits, natural curiosities or wonders within said park, and their retention in their natural condition."

The national park concept decreed in this and subsequent national park acts is concerned with the "retention in their natural condition" of natural features and scenic resources.

In the years after 1900, vandalism and indiscriminate looting of prehistoric Indian sites in the Southwest resulted in the passages of the Antiquities Act of 1906. This act extended the earlier public land policy relating to natural parks to provide authority for the President, by proclamation, to set aside as national monuments "* * * historic landmarks, historic and prehistoric structures, and other objects of historic or scientific interest that are situated upon lands owned or controlled by the Government of the United States."

By the act of August 25, 1916, the Congress established the National Park Service and assigned to it for administration all of the national parks and most of the national monuments theretofore established. In the 1916 act the Congress also established a broad framework of policy for the administration of these areas; namely:

"The Service * * * shall promote and regulate the use of * * * national parks [and] monuments * * * by such means and measures as conform to the fundamental purpose of the said parks [and] monuments * * * which purpose is to conserve the scenery and the natural and historic objects and the wildlife therein and to provide for the enjoyment of the same in such manner and by such means as will leave them unimpaired for the enjoyment of future generations."

The act of February 21, 1925, provided for "securing of lands in the Southern Appalachian Mountains and Mammoth Cave Regions of Kentucky for perpetual preservation as national parks." This act led to the authorization by the Congress in 1926 of Great Smoky Mountains, Mammoth Cave and Shenandoah National Parks, supplementing Acadia, the first national park in the East. All of these parks involved the acquisition of lands in private ownership. The acquisition of such lands, however, was to be accomplished through donations. These actions were significant in that prior thereto the national parks and monuments had been set aside from the public lands.

The act of March 3, 1933, providing for reorganization within the executive branch of the Government, resulted in an Executive order that transferred to the Department of the Interior for administration by the National Park Service the national memorials and parks of the Nation's Capital, national monuments, historical and military parks administered by other Federal agencies.

The Historic Sites Act of August 21, 1935, established: "* * * a national policy to preserve for public use historic sites, buildings and objects of significance for the inspiration and benefit of the people of the United States."

The act also directed the Secretary of the Interior to carry out wide-ranging programs in the field of history and placed with the Secretary responsibility for national leadership in the field of historic preservation. Another provision of the act, which has had strong influence upon the development of the national park system, was the establishment of the Advisory Board on National Parks, Historic Sites, Buildings and Monuments.

The Park, Parkway and Recreation Area Study Act of June 23, 1936, authorized among other things, studies looking toward the development of the national park system including areas having primary recreational significance.

The act of June 30, 1936, provided for the administration and maintenance of the Blue Ridge Parkway by the Secretary of the Interior through the National Park Service, thus introducing the rural parkway concept into the system.

The act of August 17, 1937, establishing Cape Hatteras National Seashore, marked the first national seashore to be established.

The act of August 7, 1946, provides authority to the National Park Service for administration of recreation on areas under jurisdiction of other agencies of the Government. The significance of this authority is reflected in cooperative agreements with the Bureau of Reclamation and others for the administration of such areas as Lake Mead, Glen Canyon, and similar national recreation areas.

The authorization of Cape Cod National Seashore by act of August 7, 1961, marked a new concept in the development of the national park system; namely, the use of appropriated funds at the outset to purchase a large natural area in its entirety for public enjoyment as a park. Prior to this enactment, areas, for the most part, were established either by setting aside portions of the public lands or from lands donated to the Federal Government initially by public or private interests.

On January 31, 1962, the Outdoor Recreation Resources Review Commission, established pursuant to an act of June 28, 1958, submitted its report to the President of the United States. The report contained far-reaching recommendations affecting the future of outdoor recreation.

Many of the recommendations of the Outdoor Recreation Resources Review Commission are now bearing fruit and their implementation has affected the national park system. For example, Policy Circular No. 1 of the President's Recreation Advisory Council not only defines national recreation areas but also establishes broad guidelines regarding their management. Other pronouncements of the Council may be expected to have a continuing impact upon the national recreation areas of the national park system.

On April 2, 1962, the Secretary of the Interior established the Bureau of Outdoor Recreation and assigned to it the nationwide recreation planning and related functions of the Secretary then being performed by the National Park Service, under the authority of the Park, Parkway, and Recreation Area Study Act of 1936.

The act of May 23, 1963, charged the Secretary with the responsibility "to promote the coordination and development of effective programs relating to outdoor recreation." The act states: "That the Congress finds and declares it to be desirable that all American people of present and future generations be assured adequate outdoor recreation resources, and that it is desirable for all levels of government and private interests to take prompt and coordinated action to the extent practicable without diminishing or affecting their respective powers and functions to conserve, develop, and utilize such resources for the benefit and enjoyment of the American people."

Address by the Honorable Claude Pepper

EXTENSION OF REMARKS

OF

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 10, 1964

Mr. PEPPER. Mr. Speaker, on June 29 it was my privilege to address in Miami Beach within my district, the national convention of the United Commercial Travelers of the United States.

My remarks on that occasion follow:

Address by the Honorable Claude Pepper

Mr. Chairman, the Honorable Supreme Counselor, officers, members of the auxiliary, members of the United Commercial Travelers, and my fellow Americans, you were most generous and kind, Mr. Chairman, in the gracious words of the introduction with which you have presented me.

I have heard, as you no doubt have, President Johnson often say, after being the recipient of such a gracious and a generous introduction like that, "I wish my father and mother could have heard it, my father would have been very proud and my mother would have believed it."

As the able chairman began to tell you about some of those episodes about me I suspect you thought that instead of World War I of which he was speaking that it was the Spanish-American or Civil War, perhaps, in which I took part.

I first, if I may do so, would like to have the pleasure to present Mrs. Pepper who is over here to the left. [Applause.] And a dear young lady who is accompanying us, Miss Kim Bartlett. [Applause].

If, Mr. Chairman, you find that you need a gavel to preside over this fine convention I would recommend to you your able Mr. Cobb Chase, of South Dakota, a distinguished Democrat who supplied the gavel at the last Democratic National Convention and performed a very noble service during that convention. I am glad to see him one of your distinguished leaders here, my good friend and fellow Democrat, Cobb Chase, from South Dakota. [Applause.]

It is a particular pleasure to me to be able to see out here in front an old boyhood friend, Burrus Watts, of Tennessee, and to have learned of the fine leadership which he has contributed toward the progress of this splendid organization.

I am particularly proud that I can join you this evening in your opening session of this convention, which occurs, if I may say so—as I often say here at home—within the territory of the best congressional district in the United States, the third, which I have the honor to represent.

We are glad to have one of our eminent mayors here to present the welcome address to you. Our hearts greet you most warmly. We hope your stay here will be a happy one and that you will go back refreshed and come again soon to enjoy the land of flowers with us.

I also am very proud to have this identification with an organization which has for its objective the promotion of the trade and commerce of this country, mutual aid to its noble membership, and the furtherance of the splendid cause of assistance to retarded children. But when I say I am proud to have that identification with you I don't want to be misunderstood as a well intentioned husband was who with his wife was visiting here in Miami not so long ago. This couple was celebrating its 50th wedding anniversary. They were having lunch on the roof of one of our mainland hotels looking out over Biscayne Bay and observing what we delight to observe as a beautiful sight. When the husband saw the loveliness of the scene, sentiments of romance arose in his heart and soon to his lips, and then especially so when he looked at his lovely wife who for little more than a half century had been his marvelous companion along the way of life, and he wanted to say something to her to express his gratitude and appreciation. So, looking very intently into his wife's face he said to her, "I am proud of you."

She had grown a little hard of hearing in the later years and evidently did not quite understand him for she looked right back at him and said with equal intensity, "I am tired of you, too."

As your distinguished chairman said I am a fraternalist. I believe in the principle, as we all do, of the fatherhood of God and the brotherhood of man. It has delighted and warmed my heart to see with the passing years a greater awareness of our personal and public obligation to our fellow man. One cannot read the chapters of history without being impressed as to how the family of man has grown, not only in numbers but in organization, in reciprocal or mutual help, in a sense of common obligation, and an awareness of a common destiny. So, today it is not difficult to get the answer when you ask the question: Am I my brother's keeper? For today under the threat of a nuclear holocaust the whole human race could be destroyed in a matter of moments, the earth made uninhabitable for every living thing and all of the fine institutions of the past become but charred debris in a scarred and burnt out world.

So today even war, which has been the scourage of the past, is coming, we feel, to be less likely if not impossible because anyone who would provoke a nuclear contest is aware of the fact that the victor, too, would be vanquished, and as one has said, "The living would almost envy the dead."

It is tragic that a lesson in horror has to give us all a realization of our interdependence, for that is a lesson which should come from the moral teachings and the spiritual instruction which we have all inherited.

So your organization is dedicated to two of those high purposes, reciprocal, mutual aid for its membership—common cooperation for the advancement of the cause and the concern of all—and then this splendid assistance which is the principle part of your aid program to help the mentally retarded.

But whether we serve one another voluntarily, as you do in your insurance and your aid program, or whether we help one another through public need, it is all in furtherance of the same principles of the brotherhood of man.

As time has passed we recognize that the need to give assistance to our fellow man through public associations and instrumentalities is a growing challenge to us all. In later years government has recognized that it was the servant of the people to aid all the people. That is the reason that lately under the recommendation of our late lamented President—who knew the tragedy of the mentally retarded from the experience of his sister—that the Goverment of the United States joined you for the first time in recognizing the pitiful problem of the mentally retarded, and determined to give help to those pathetic members of our citizenship. So, we adopted in the 1st session of this 88th Congress, as you recall, two measures. The first was the 5-year $350 million program, a part of which was to provide funds for maternal care and doing what could be done to prevent mental retardation among newly born children. That was the preventative aspect of the subject. Next came the curative, and that was a 3-year $238 million Federal program to assist the States and the local communities and other participating organizations in setting up community facilities to attend those who were the victims of mental retardation, and to provide research institutions, to provide means and ways by which the illness could be cured and prevented. That is simply another aspect of your reciprocal or mutual help program.

We are also trying to help educate children so they will not be juvenile delinquents, they will not be a part of the flotsam and jetsam of our economy, and if they are displaced from employment by automation they will have another chance by being retrained. We are trying to provide financial assistance so that the doors of educational opportunnity shall be open alike to all.

There are many of us here older than the youth of today who experienced the struggle in our personal lives to get an education. We know what it meant to us that we were fortunate enough to enjoy it. Today we know that across on the other part of the world there are boys and girls being driven on by the tyrants of communism to obtain the greatest possible educational benefits that they can derive in order that they may be the instruments of aggressive communism with its design to conquer the world. Our defense is not you and I who will have passed soon from the scene but the boys and girls of today who will be in the front lines of our defense tomorrow. If those boys and girls do not get an opportunity for the kind of education that will make them superior, exercising to the fullest their capacities which God gave them, our side is weakened and the enemy has an advantage.

So today, whether it be the field of health, or education, or social security, or housing, or whether it be in the larger sphere of international organizations, the purpose of which is to promote the backward peoples of the world to a better life and to a greater opportunity to make more secure the defense of freedom and to permit Democracy to survive in a climate which assures its perpetuity—all these things are simply a part of the expression of the principle of the brotherhood and of the interdependence of mankind.

We don't always see the reason for a lot of these things. that we presently undertake. The President, only in today's paper, was saying that we might have to risk conflict in faraway southeast Asia to preserve the freedom of those people. But what he was proposing to defend was not just the freedom of South Vietnam or of Laos but the freedom of free men and women, boys and girls everywhere, for tyranny anywhere threatens the freedom of people everywhere, and liberty cannot be secure except it be enjoyed by all.

So, our country, under Republican and Democratic administrations has poured out its treasury as it has its heart to the suffering people of the world in war after war. As William Jennings Bryan said, "Sons of American mothers have sailed across the seas and marched under European battle flags and died upon European battlefields," and now they fly over every ocean and continent of the earth and often fall like broken-winged eagles out of the sky in the contest between tyranny and freedom. Yes, Americans in every part of the world stand today as the stalwart defender of free men and of a free way of life.

But these things, of course, exact a terrible cost. Over a hundred billion dollars since World War II have come out of the treasury of America to help out people of the world. We have asked not even gratitude, we have asked only that they help themselves to live better lives in their own lands and to make more secure the cause of freedom everywhere.

There was a time when to be a citizen of Rome was the pride of the people everywhere. Today to be a citizen of the United States is the greatest privilege that anyone can have anywhere on the face of the earth. This great moral, physical, and financial struggle has been maintained by warmhearted, strong, stalwart, and a God-fearing people because we want to be assured that you can have great conventions like yours, enjoy the fellowship which is yours to carry on your great work.

I concluded by reminding you that in Maxwell Anderson's play "Valley Forge," an episode is described of how in the darkest days of the Revolutionary War the heart of George Washington was troubled, disappointment crowded upon disappointment and defeat ignominiously followed defeat. Just at that moment when the fortunes of the cause of freedom seemed to be at the lowest ebb a siren temptress attempted to persuade the intrepid Washington that the cause was in vain and the struggle was lost and he should abandon the fight. George Washington listened and then made, of course, the decision characteristic of his noble character, turned his head upon the temptation and went gallantly and bravely ahead to win the freedom of a nation which has done more for freedom than any other nation in the history of man. Commenting on that gallant struggle and great victory by Washington, Maxwell Anderson has his character observe: "There are some men who so lift up the age they inhabit that all men walk on higher ground."

Besides progressing the commerce of our country and the cause of your members I know this splendid organization of nearly a quarter of a million members in 47 States and in 5 provinces of our sister nation Canada, is, too, dedicated to the high purpose that all men shall walk on higher ground. [Applause.]

HOUSE OF REPRESENTATIVES

Tuesday, August 11, 1964

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

I Peter 3: 12: *The eyes of the Lord are over the righteous, and His ears are open unto their prayers.*

Almighty God, we penitently confess that our finite minds are frequently perplexed and confused by the frustrations and tensions of life, its mysteries and dilemmas, its tragedies and tribulations, its dangers and difficulties.

Grant that as we face tasks which test our courage and demand the consecration of our noblest manhood and womanhood, we may not presume that we can conquer them and carry on in our own strength.

Inspire us with the insight to understand that our happiness and peace of mind are the byproducts of righteous living and the joyous possession of those, who daily walk humbly with the Lord and respond to the responsibility of sharing their blessings with their fellow men.

We pray that in the realm of human relations, now so troublous, we may discover those unities which underlie our diversities and differences, and may we seek to build our storm-tossed world upon the foundation of peace and good will.

Hear us in the name of our blessed Lord. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed a resolution, as follows:

S. Res. 349

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Honorable John B. Bennett, late a Representative from the State of Michigan.

Resolved, That a committee of two Senators be appointed by the Presiding Officer to join the committee appointed on the part of the House of Representatives to attend the funeral of the deceased Representative.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit an enrolled copy thereof to the family of the deceased.

Resolved, That, as a further mark of respect to the memory of the deceased, the Senate do now recess until 10 a.m. tomorrow.

The message also announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 1451. An act for the relief of Frank Mramor;

H.R. 1713. An act to approve an order of the Secretary of the Interior canceling irrigation charges against non-Indian-owned lands under the Klamath Indian irrigation project, Oregon, and for other purposes;

H.R. 6128. An act to amend section 15 of the Life Insurance Act to permit any stock life insurance company in the District of Columbia to maintain its record of stockholders at its principal place of business in the District of Columbia or at the office of its designated stock transfer agent in the District of Columbia, and for other purposes;

H.R. 6883. An act for the relief of the estate of Eileen G. Foster;

H.R. 9975. An act to exempt from taxation certain property of the National Trust for Historic Preservation in the United States in the District of Columbia;

H.R. 9995. An act to amend the Policemen and Firemen's Retirement and Disability Act to allow credit to certain members of the United States Secret Service Division for periods of prior police service;

H.R. 10215. An act relating to sick leave benefits for officers and members of the Metropolitan Police force of the District of Columbia, the Fire Department of the District of Columbia, the U.S. Park Police force, and the White House Police force;

H.R. 10672. An act to provide for the disposition of judgment funds now on deposit to the credit of the Pawnee Tribe of Oklahoma;

H.R. 11222. An act to amend the Horizontal Property Act of the District of Columbia to permit a condominium unit to be located on more than one floor of a building, and for other purposes;

H.R. 11329. An act to provide for the relocation and reestablishment of the village of Sil Murk and of the members of the Papago Indian Tribe inhabiting the village of Sil Murk, and for other purposes;

H.R. 11425. An act to provide for the conveyance of 10 acres of federally owned land on the White Earth Reservation to the Minnesota Annual Conference of the Methodist Church, and for other purposes; and

H.R. 11562. An act to authorize the Secretary of the Interior to sell Enterprise Rancheria No. 2 to the State of California, and to distribute the proceeds of the sale to Henry B. Martin, Stanley Martin, Ralph G. Martin, and Vera Martin Kiras.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 4361. An act for the relief of the estate of Paul F. Ridge;

H.R. 8080. An act to authorize the Secretary of the Interior to prepare a roll of persons eligible to receive funds from an Indian Claims Commission judgment in favor of the Snake or Paiute Indians of the former Malheur Reservation in Oregon, to prorate and distribute such funds, and for other purposes;

H.R. 8834. An act to provide for the disposition of the funds arising from a judgment in favor of the Shawnee Tribe or Nation of Indians; and

H.R. 11052. An act to declare that 80 acres of land acquired for the Flandreau Boarding School is held by the United States in trust for the Flandreau Santee Sioux Tribe.

The message also announced that the Senate had passed bills and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 1045. An act for the relief of Mrs. Genevieve Olsen;

S. 2133. An act for the relief of Maj. Raymond G. Clark, Jr.;

S. 2271. An act for the relief of Shu Hsien Chang;

S. 2458. An act for the relief of Lloyd K. Hirota;

S. 2672. An act for the relief of Robert L. Wolverton;

S. 2678. An act for the relief of Dr. Victor M. Ubieta;

S. 2750. An act for the relief of Fred E. Starr;

S. 2759. An act for the relief of Kim Sook Hee and Kim Lou;

S. 2790. An act for the relief of Charles Chung Chi Lee and Julia Lee;

S. 2944. An act for the relief of the Greater Southeast Community Hospital Foundation, Inc.;

S. 2961. An act to provide for the disposition of the judgment funds on deposit to the credit of the Northern Cheyenne Tribe of the Tongue River Indian Reservation, Mont.; and

S.J. Res. 110. Joint resolution designating the bridge constructed over the Washington Channel of the Potomac River, in the District of Columbia, as the "Francis Case Memorial Bridge."

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 2642. An act to mobilize the human and financial resources of the Nation to combat poverty in the United States.

DISTRICT OF COLUMBIA APPROPRIATION BILL, 1965

Mr. NATCHER submitted a conference report and statement on the bill (H.R. 10199) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1965, and for other purposes.

THE LATE HONORABLE CLAIR ENGLE

Mr. SHEPPARD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. SHEPPARD. Mr. Speaker, the demise of Senator Clair Engle, Democrat, of California, is a great loss to his friends, to California, and to the Nation. But his achievements will stand as a monument to his patriotism, devotion to duty, and his integrity in the years to come.

To those who knew the courageous but losing battle he had been waging for many months, his death did not come as a shock. Only 52 at the time of his death, Senator Engle had been a dedicated public servant most of his adult life. In a span of 30 years, he rose from district attorney of Tehama County to the California State Senate, the House of Representatives, and finally the U.S. Senate. His long and distinguished career in public service will be an inspiration to all of us in the Congress and to his countless friends throughout the country.

To his wife, Lucretia, and to the other members of his family, I express my profound sympathy on their great loss.

Mr. SISK. Mr. Speaker, the death of our friend and colleague in the House for many years, Senator Clair Engle, is a grievous loss to the Senate and to me personally because of my close friendship with the Senator and Mrs. Engle. I well remember my first bewildering days as a Member of the House when Clair Engle put an encouraging arm around my shoulder and offered to guide me. Any subsequent success I have attained in Congress has been due in great measure to his expert advice and counsel.

Clair Engle was a real extrovert and one of the friendliest men I have ever known. To him there were no strangers—just people waiting for someone to talk to them and Clair always did. His energy, enthusiasm, and real interest in people was infectious and endeared him to his many friends.

I had the privilege and honor to serve under his very able chairmanship of the House Interior Committee. As chairman of this committee, he was the father of some of the greatest reclamation projects in the West, such as the Central Valley project, which he was largely instrumental in authorizing, also the Folsom Dam and Trinity projects. Conservation of our great natural resources was his great interest and he pursued it with all his energy, enthusiasm, and determination. California certainly has much to thank him for and can credit at least part of her phenomenal growth in the last 20 years to his influence on conservation and water legislation. He did more for our State than any other man who served in Congress.

Clair had a good sense of humor, a ready wit and was quick with the repartee. I particularly like the story he used to tell on himself when he was running for the Senate. He said he was seated in a TV studio in San Diego one day looking out at a huge billboard which pictured his opponent as a giant of a man and himself as a very small individual indeed. When asked how he liked the billboard and particularly the size of his picture in contrast to his opponent's, Clair replied:

> In California we measure a man's size and strength from the neck up, rather than from the neck down.

Measured this way, Clair was a giant of a man. The gap he will leave in the Senate and in the hearts of his colleagues will be difficult to fill. We will miss his ability, his integrity, his devotion to duty, his humor, and his friendliness.

To his wife, Lu, and to the other members of his family, my deepest sympathy. They can be comforted with the knowledge that they shared with those of us in Congress, in the State of California, and all citizens of our country, the life and work of one of the finest and most able men ever to come out of the West.

Mr. COHELAN. Mr. Speaker, it is with a heavy heart that I join in paying last respects to a courageous American, a great legislator, and a good friend, Clair Engle.

Clair Engle devoted nearly his entire life to serving the people of his State and country in public office. He did so without thought of personal gain or advantage—only of what could be done to better the land and secure its safety.

His record stands as its own proud monument to his dedication and his achievement. Almost every area of California attests to the success of his legislative labors. From water development to education, from harbor improvements to highways, men can clearly see the imprint of his leadership and perseverance.

Clair Engle was an active, forceful, colorful man. He was also a man of great personal courage, integrity, and devotion. Never were these qualities more manifestly evident than during the last difficult months of his life when he continued to give the full measure of his remaining energy.

Mr. Speaker, Clair Engle will be sorely missed by all of us who were fortunate to know him and serve with him. California and the United States have lost a great leader and a genuine man of the people, but we are all much richer for his presence, his friendship, and his service.

Mrs. Cohelan joins me in mourning the loss of this gallant man and in extending heartfelt condolences to his wife.

Mr. JOHNSON of California. Mr. Speaker, we are all shocked and saddened by the death of our good friend, Senator Clair Engle. Although we all had known of his long and critical illness, we found it difficult to think of this able and active individual as being stricken by any type of illness and hoped and prayed for the day of his recovery.

Many of you here today will best remember Clair Engle as the vibrant, lively Member of this House. During his 15 years of service, which included chairmanship of the Committee on Interior and Insular Affairs, Clair Engle left his mark both as a colorful and effective legislator. He was the type of legislator we all understood and respected.

I remember Clair Engle as a longtime personal friend. I worked with Clair throughout my political career, supporting him in his first successful bid for a seat in the House of Representatives in 1943 when he was only 32 years old. I was privileged to have worked with him at every subsequent election, although I might say that he has so endeared himself to the voters that after 1946 he never had to go beyond the primary election as long as he was a Member of the House of Representatives. Under the crossfiling laws then in effect in California, Clair Engle swept both the Democratic and Republican nominations in the primaries, year after year.

Senator Engle left the House 6 years ago upon his landslide election to the U.S. Senate. Since that time I have had the difficult task of filling his shoes as the Representative in Congress of the 19 mountain-valley counties which he loved so dearly.

It was no easy task. Although not large in physical stature, he was a big, big man. What made him big was his unrelenting pursuit of what he believed in. He was a fighter. This was his very nature. It should be no surprise to anyone that in college his successes in the amateur ring were such that many urged him to turn professional. He had greater ambitions, but his dogged determination did come to the surface during his amateur boxing career. He noted that most amateurs were right-handers who were vulnerable to a southpaw punch. He used his left hand for heavy work for months to build up his dexterity with that arm and scored success after success with a left uppercut.

This same determination, this same drive, this same intensity of doing his "homework" scored for Senator Engle many legislative successes here in the House and later in the Senate.

An excellent student with an avid appetite for history, Senator Engle entered Chico State College in California at the age of 16. Four years later he transferred to the University of California's Hastings Law School.

He received his law degree at the age of 21 and returned to his home in Red Bluff to practice. He immediately set his sights on the Tehama County district attorneyship and at the next election entered a rough and tumble three-way battle. He emerged victorious, at 23 the youngest district attorney the State had ever known. Throughout his political career Clair proved his effectiveness in the toughest of political campaigns.

Clair was elected to the 53,400 square mile Second Congressional District in August 1943. As a former colleague John Murdock of Arizona said about him, "He lit running, like a mountain quail." His record in the House was outstanding. Under his chairmanship, the House Committee on Interior and Insular Affairs proved to be the most efficient committee in Congress. He earned a reputation as a specialist in conservation and utilization of natural resources. His record in these fields is unequaled.

His most outstanding contributions centered around the expansion of the Central Valley project in California. He authored every important House bill pertaining to the project since his election, including provisions for the development of the Trinity River, American River, and the Sacramento Valley Canal system. He fought untiringly for the Federal construction of an intertie system between the Pacific Northwest and the Center Valley project, a system which the President just approved. He was always a champion of the electric power consumer.

The Saline Water Act of 1952, which he authored and steered through the Congress, marked the start of a large-scale

Federal research in conversion of sea water into fresh water.

Senator Engle's record in this field was almost limitless, such were his achievements including the Military Land Withdrawal Act which corrected abuses of conservation law in military areas; bills to improve Federal programs for forest roads, reforestation, forest fire prevention, and legislation to restore Pacific coast salmon and steelhead fisheries and create Point Reys National Seashore.

The generous sprinkling of adequate airports throughout the vast Second Congressional District are not there by accident. Long a holder of a pilot's license, Clair loved to fly and whenever possible toured the district in his own plane. In many communities the airports were far from satisfactory, often dangerous. With his usual enthusiasm and drive he worked closely with local authorities in obtaining Federal airport improvement assistance, and ultimately there was a network of suitable air facilities from one end of the district to the other.

During his single term in the U.S. Senate, Clair Engle served on the Senate Commerce Committee, the Armed Services Committee, the Legislative Review Committee, the Select Committee on Small Business, and the Special Committee on Aging.

Clair Engle was an independent thinker and a fearless fighter. He was a man with no master but the public interest. In his own vernacular, he was a man almost impossible to "hogtie."

A man always on the go, he was described as a "Wildcat in Washington" 10 years ago in a Saturday Evening Post article written by Paul F. Healy. Author Healy pointed up that Clair Engle grew up in the shadow of the only still active volcano in the United States, Mount Lassen, and Engle the public servant became something of an active volcano himself. He was colorful, his "Englisms" bouncing off friend and foe alike. For any who opposed him, he was a respected adversary who always could be counted upon to have all the facts and figures for the case at hand. He did his homework.

Although the burdens of his office were many, Clair's genuine interest in the problems of "the little guy" was never dimmed. He was always sympathetic to their troubles, and their request for help was the key to the door of instant response on his part.

For me he was a loyal and wonderful close personal friend. I shall miss him deeply. The people of California shall miss him. But we all can be proud to have had Clair Engle as our spokesman in Congress. His accomplishments in the field of natural resource conservation, including the many projects which he sponsored within and outside the framework of the Central Valley project will be a living memorial to this man for generations to come.

Mrs. Johnson and I both extend to his wife Lu, and family our deepest sympathies at the loss of such a wonderful active person right in the prime of life.

Mr. EDWARDS. Mr. Speaker, it is a sad occasion for all of us as we try to express our feelings for a departed colleague. For those of us from California who had the honor to serve in the Congress with Clair Engle, it is doubly sad. We know perhaps more intimately than the others how personally tragic his sickness and death were to many, many California citizens. Clair Engle's concern for the unfortunate, the dispossessed, and those who had lost hope was not intellectual. It was a vital and integral part of his personality, and his warmth and vigor and willingness to fight, gave them new hope. They know they have lost a champion.

On the day of Clair's death I was in a taxicab here in Washington and the cabdriver after noticing the flags at half-mast and asking me for whom they had been lowered, said, simply, "He was a good man." He said it quietly with a quiet stress on the word "good." He had singled out in that simple statement, that quality which dominated all other aspects of Clair Engle, his goodness.

He had earned the respect of everyone who fought and voted against the things he dedicated himself to as Senator and Representative. He was admired for his skill, his hard work, his all-out commitment to his cause, and his grace when he lost. He exemplified the highest tradition of our democratic system. He will be remembered with deep affection and abiding respect by his fellows in Congress and the people whom he served. Those of us who agreed with Clair Engle, and we are many, can commemorate his memory in the way he would most heartily approve, if we now put a new determination into the causes for which he fought.

Mr. LIPSCOMB. Mr. Speaker, California and the Nation have suffered a grievous loss in the passing of Senator Clair Engle.

It was my privilege to serve in the House of Representatives with Clair Engle for a number of years prior to his election to the Senate in 1958, and I felt honored to consider him not only a colleague but also a friend.

Clair Engle was a very capable public servant and compiled a fine record of service. During the years of his service as chairman of the House Committee on Interior and Insular Affairs, he earned a reputation for fairness and integrity.

Coming as it did in the prime of his life, the passing of Clair Engle was tragic. The indomitable courage he displayed during the many long months of his fight for recovery will long be remembered.

To Mrs. Engle and his daughter I want to express my deepest sympathy.

Mr. CORMAN. Mr. Speaker, the tragic death of Senator Clair Engle has robbed California and this Congress of an able and courageous legislator who devoted his entire adult life to public service. Clair Engle typified the rugged, fighting spirit of early California and gallantly refused to stop fighting until his untimely death. Red Bluff, Calif., sent a dedicated, colorful "fireball" to Congress in 1943, and Californians will ever be grateful to this northern community for the contribution it has made to the growth and prosperity of our State through the person of Clair Engle.

I feel particularly grateful to Clair Engle for his last two Senate appearances. Unable to walk or speak, the Senator was brought by ambulance to the Senate Chamber to cast his vote in favor of cutting off debate on the civil rights bill. Those of us in the House and Senate who worked so long and hard for passage of this legislation knew a cloture vote would not be accomplished easily, and each Senator's action would be decisive. Clair Engle labored under great physical strain to appear in the Senate to cast his vote in favor of cloture. Although death was near, the Senator returned to the Senate—again by ambulance—to vote for the civil rights bill. Clair Engle felt a personal commitment to the cause of freedom and equality, and Americans will long remember his noble attempts to honor this commitment.

We have lost an effective, efficient legislator, a great Californian and American, and a kind and courageous man. His absence will be sorely felt by us all. I wish to join my colleagues in extending my deepest sympathy to his widow.

Mr. ROOSEVELT. Mr. Speaker, the tragic death of my good friend and colleague Clair Engle was more than simply a loss to those privileged to have known him. It was more than the loss to this Congress of a skillful legislator and dedicated public servant. It was a loss to the very spirit of America, to that indomitable trait of national character which raised our great society out of the wilderness. For above all, Clair Engle was a fighter. He fought for his country, for his State, and always for his principles.

During his long tenure in both the House and Senate, his seemingly inexhaustible supply of energy became proverbial. He worked tirelessly in the interests of his constituents in both Chambers. Much of what has made California the leading State in our Nation is directly traceable to him. It was Clair Engle who championed the mighty California Central Valley reclamation project. It was Clair Engle who time and time again secured the Federal assistance vital in the harnessing of the vast resources of our State. The Sacramento Valley Canals, the Folsom Dam and the Trinity River project are all lasting monuments to his memory. It was Clair Engle who, as chairman of the House Committee on Interior and Insular Affairs, gave the crucial impetus to Federal aid to irrigation, flood control, and water conversion projects, which now promise to transform the arid areas of our southwest into verdant and bountiful gardens.

But Clair Engle was more than merely a "one State" or "regional" Senator. His sense of duty to his State was always tempered by a higher regard for the interests of his country. As a Senator, Clair Engle devoted himself to the expansion of American trade, the problems of the aging, and the problems of small businessmen. A national statesman in the finest sense of the word, Clair Engle stood in the forefront of those devoted to the help of our Nation's forgotten, poor and downtrodden.

Last year Clair began his last grim and lonely battle. Struck down at the height of his powers by a terrible disease, he refused to be counted out. Who does not remember his gallant determination to discharge the duties of his office in the face of overwhelming handicap and personal suffering? Who can forget that unconquerable will, which, roused by a devotion to principle and a deep historic sense, summoned CLAIR from his deathbed to participate in the resolution of the great contest over the Civil Rights Act.

Senator ENGLE's last struggle was his greatest and most difficult. It was the fight for human dignity in the face of the impossible. CLAIR ENGLE won his fight—he died with honor.

Mr. RHODES of Pennsylvania. Mr. Speaker, I rise to pay tribute to the memory of the late Senator CLAIR ENGLE whose tragic death at the height of his years has saddened his colleagues in the House and Senate and his many friends in California and across the Nation.

CLAIR ENGLE was a fighting liberal Democrat whose concern for our country's forgotten and deprived citizens guided his outstanding legislative career even to the final tragic days of his life. His courageous appearance in the Senate to vote for the civil rights bill was the mark of a man for whom duty and dedication to principle were shining stars.

Mrs. Rhodes joins with me in extending deepest sympathy to Mrs. Engle and to the other members of his family.

Mr. BURTON of California. Mr. Speaker, the death of Senator CLAIR ENGLE was a loss of an outstanding public servant, a fine human being, and a gentleman in the highest sense of that term.

Senator ENGLE was an esteemed colleague and a close personal friend. Mrs. Burton served as his women's chairman in San Francisco in 1958.

Senator ENGLE's struggle to overcome illness was an act of courage. His dedication to the high office he held and to the cause of human dignity prompted him to appear in the Senate, just weeks before his death, to vote for cloture to end the filibuster on the Civil Rights Act.

Senator ENGLE's record, as a Member of the House and chairman of its Interior and Insular Affairs Committee, in the area of reclamation and the preservation of our natural resources is unsurpassed.

He contributed in great measure to the growth of our Nation from 48 to 50 States, for he was a champion of statehood for Alaska and Hawaii.

I am sure that the sympathy of my fellow Californians and indeed that of people across the Nation is extended to Mrs. Engle at this time of great personal loss.

Senator ENGLE served his State and his Nation well and honorably both as a citizen and as a representative of his fellow citizens in this great deliberative body. It is a better place for his having been here.

Mr. CHARLES H. WILSON. Mr. Speaker, I join with my colleagues of the California delegation in mourning the passing of U.S. Senator CLAIR ENGLE.

The memory of his record; his vibrant personality; his courage; and his integrity will remain with us for a long time to come. Death can remove his physical presence, but the spirit of this man will linger long in the Halls of Congress.

From district attorney of Tehama County to U.S. Senator—CLAIR ENGLE's career spanned 30 years of service to California and the Nation. His 15 years of service in this House alone was a career of which any man could be proud, and one which few of us can hope to match.

As chairman of the House Interior Committee, CLAIR ENGLE was a leading spokesman for the conservation and preservation of our natural resources, and his outstanding leadership in this field is permanently engraved in the statutes of public law.

It is a tragedy indeed that this man while still in the prime of life was not allowed to make his full mark in the U.S. Senate. We can be sure that in a very few more years that mark would have been made, and our Nation will have to carry the loss.

I supported Senator ENGLE in his bid for reelection this year, until by his own wish he withdrew from the campaign. I know his successor will be an able legislator, but we will sorely miss the experience and ability of the man from Red Bluff.

These past few months of terrible illness dramatized the great personal courage of Senator ENGLE. Few legislators have been so gravely afflicted, and few have so bravely tried to carry on with their duties and responsibilities.

My wife and family share my deep sorrow at this time, and we all extend our heartfelt condolences to Mrs. Engle and other members of the Senator's family. I am sure, however, that they will receive some comfort in the months to come as they read again the many letters and messages sent in tribute to one of California's greatest and most dedicated public servants. I hope, too, that the Senator's family will not hesitate to turn to us—the members of the California delegation—if there is any service that we can render.

Mr. McFALL. Mr. Speaker, our country has suffered a tragic loss in the death of Senator CLAIR ENGLE. The fact that we had been expecting it for many months does not dim our sorrow, or make our loss any less or easier to bear.

He served his Nation with great ability for 30 years as a district attorney, a State senator in California, a Member of this House and in the U.S. Senate.

His service was marked by tremendous courage, skill, honesty and an abundant good humor. He had an almost unique ability to laugh, endearing him to all.

Senator ENGLE was responsible for many magnificent water projects in California and other accomplishments which have aided in the growth and development of our great State.

He was one of the most skilled politicians in the noblest sense—a true legislative craftsman—who has ever been in this Congress.

While serving in the House, Senator ENGLE was the author of almost every important bill expanding the Central Valley project of California since its authorization in 1937.

His interests were also national and international in scope, as evidenced by his cosponsorship of the Trade Expansion Act of 1962 while serving in the Senate.

We have all lost a friend. The people of California have lost an outstanding public servant whose life will remain forever an example of what a man can do for his country in the Halls of Congress. It will serve as a guide for those equally devoted to public service who will follow in his footsteps.

Nearly a year ago, just before Senator ENGLE went to the hospital, I chatted with him for the last time. I recall coming away again impressed by his remarkable grasp of the problems faced by our State and Nation, and their legislative solutions.

To his wife, Lu, his daughter and granddaughter of whom he was so proud, my wife joins me in extending our deepest sympathy.

Mr. CAMERON. Mr. Speaker, tragedy is the difference between what has come to pass and what could have been. We who have known it so recently in one public servant—grand in accomplishment and in promises of things to come—face tragedy once again in another, with the passing of CLAIR ENGLE.

Senator ENGLE had that unique combination of integrity, compassion, and ability so admirable in a man, and so prized in a public servant. With blunt forthrightness and determination, he persevered in promoting what he thought right; and his unbounded energies, so generously given for such causes, earned him the nickname of "Congressman Fireball." He was an independent thinker whose devotion to the general interest was matched, perhaps, only by his skill in, and enjoyment of, the political process involved in realizing this public good. He was a naturally cheerful and colorfully articulate man, his speech reflecting his background and familiarity with the miners, lumbermen, and ranchers of northern California.

Son of a pioneering family, CLAIR ENGLE graduated from Hastings College of Law in San Francisco, and then devoted his whole adult life to public service, becoming the elected district attorney of Tehama County, special deputy attorney general of California, and State senator. In a special election the people made him Congressman from the huge mountain counties of California's old second district—one of the largest in the Nation—the office to which he was returned for eight successive terms. In the House he was highly regarded as the authority on power, water, and public land issues, and was responsible, more than any other man, for the most important reclamation measures in the West in the past 20 years. Californians will remember him especially for his ceaseless efforts to solve the State's water problem, and will hold the improved and expanded California Central Valley reclamation project as a living monument to his leadership and labor. In 1958 he ran successfully for the Senate, and there he fervently hoped to be for a second term—until brain tumor operations which left him partially paralyzed and impaired in speech forced him to withdraw his candidacy.

If we cannot know, we can at least appreciate the agonies he must have suffered during his final year, when, broken in health but not in spirit, he sought to continue his senatorial duties. In a moving and final testament to his conviction and dedication to the public weal, he twice insisted on being delivered to the Senate floor, where, from a wheelchair, he signaled his vote for cloture and then passage of the Civil Rights Act of 1964.

I join CLAIR ENGLE's personal friends and colleagues who have expressed, in heartfelt words, their affection and respect for the late Senator, and their deep feeling of loss, to themselves and the Nation.

Mr. EDMONDSON. Mr. Speaker, I still find it difficult to realize that our beloved former colleague, the late Senator CLAIR ENGLE, of California, is no longer among us.

It was my great privilege to serve with CLAIR as a Member of the House Committee on Interior and Insular Affairs, over which he presided as chairman with great ability, courage, and good humor, before moving on to the U.S. Senate.

CLAIR ENGLE was a legislator's legislator and a man's man—a rare combination of diplomat, fighter, statesman, and humanitarian.

He brought to these Halls many fine qualities and left behind him a host of friends.

My wife and I join in expressing our deep sorrow and sympathy to his lovely wife and his family, whose grief is shared by so many.

Mr. BROWN of California. Mr. Speaker, the tragic and untimely death of Senator CLAIR ENGLE has saddened the hearts of his friends all over the country. Throughout his career as a public servant he worked diligently in the interests of those whom he served with an honesty and devotion to principle that was inspiring and refreshing. He was an articulate and courageous spokesman and unyielding worker for progress in the solution of the problems of the small businessman, for Federal aid to the aged and the impoverished, for Federal aid to education, and for liberal and progressive programs to meet many other areas of national need.

Although Senator ENGLE was formerly a Congressman from northern California and as a Senator was usually identified with that part of our State, he was also unfailingly committed to the future of southern California and consistently used his talents and energies to help solve its dilemmas. Last year, for example, the Senator helped to arrange a meeting between the then Vice President, Lyndon Johnson, and the Mexican-American leaders of Los Angeles to discuss the problems of that community. Senator ENGLE also has for many years advised me on my duties and responsibilities as a public official and often helped me personally in my campaigns for elective office.

Senator ENGLE's indomitable good health and spirits in recent years added to the shock of his sudden illness and subsequent death which has left us all in mourning.

The loss of CLAIR ENGLE will be felt not only in the Senate where he has left a void that will be hard to fill, but also in California where he has constantly championed the just causes of all its citizens.

We have all lost a true friend and a great leader. I feel a deep personal sorrow and a regret that our Nation, which CLAIR ENGLE served so well, has now lost him.

Mr. O'HARA of Illinois. Mr. Speaker, I have never understood the pattern of life. Why CLAIR ENGLE, at 52, brilliant, apparently in the physical condition of an athlete in his prime, a reasonably young man with a past of accomplishment as brilliant as could be painted and a future that might have led even to the White House, why at such an early age he, who was so gifted and so beloved, should be stricken passeth human understanding. It is ours only to accept and with the strengthening faith that in everything there is a purpose.

CLAIR ENGLE was one of my closest friends when he was a Member of the House, and our friendship continued after his election to the other body. Frequently he and his fine and devoted wife Lu would drop in at the Congressional at dinnertime and so we kept in touch and occasionally I would read to them excerpts from letters from former constituents of mine who having gone to California had become followers and supporters of Senator ENGLE. The letters were lyrical in praise of him and his dedicated service.

When he was first stricken and even after the second operation, I had full confidence that he would recover and be restored to his old vigor of mind and body. The way in which his wife was standing by, never by word or deed contributing to a relaxation of his courage and determination, constituted in my appraisement an epic of devotion and of heroism.

Mr. Speaker, the world has lost a man of nobility, California has lost a Senator of stature, and the United States has lost one of her sons who judged by what he had accomplished in his brief span of life might have risen to the highest position in the land. And, Mr. Speaker, mine is the loss of a beloved friend.

Mr. HOLIFIELD. Mr. Speaker, I rise to pay tribute to the late and beloved Senator CLAIR ENGLE, my longtime colleague in the House of Representatives. Senator ENGLE was elected to the U.S. Congress on August 31, 1943, at a special election. He joined the California delegation here in the first year of my tenure. Before being elected U.S. Representative, Senator ENGLE had served the State of California as special deputy attorney general under Attorney General Earl Warren, and for a brief period as State senator.

CLAIR had an illustrious legislative record of accomplishments in the House of Representatives in the field of conservation of natural resources, rising to the chairmanship of the full Committee on Interior and Insular Affairs at the beginning of the 84th Congress. He was elected Senator from California on November 4, 1958, and continued his constructive and brilliant career in the Senate of the United States.

CLAIR was one of the most energetic and vigorous men I have ever known. It is ironic that, although he kept himself in good physical condition by workouts in the gymnasium, he was suddenly struck down by one of those unpredictable maladies to which man is prey. A brain tumor incapacitated him in the very prime of his life, at the age of 52. After months of suffering, he finally passed away on Thursday morning, July 30, 1964. Because of his serious illness, his many friends had feared for his life for some months. Nevertheless, it came as a shock to all of us that this young, vigorous man, in the prime of his legislative career of service to the Nation, should be taken from us by death.

I would be remiss if I did not, in addition to expressing sympathy, express my admiration at this time for the long, rigorous, and devoted vigil maintained by CLAIR's wife, Lucretia. She was at his beside night and day and fought with great courage and devotion to encourage CLAIR in his fight against the dread malady. Our deepest sympathy goes out to his wife and loved ones in their loss and in their grief.

Each of us feels we have lost a sincere personal friend and we know California has lost a great, able, and devoted public servant. We know also the Nation has lost a man of great courage, statesmanship, and devotion to the ideals and the preservation of the security of our Nation.

Mr. Speaker, I appreciate your appointment of me as one of the members of the official committee to attend the funeral of Senator ENGLE at Red Bluff, Calif. During my stay in Red Bluff, a small town of about 7,000 population in northern California, the hometown of Senator ENGLE whose interests stretched throughout the world, I observed the grief which permeated the whole community. CLAIR's friends from all over the State mingled with the townspeople in their personal tribute by first passing silently through the courthouse where the body lay in state and afterwards attending the interment services in the oak-covered cemetery of the community.

We stood with bowed heads and listened to the memorial funeral address given by Bishop Donald Harvey Tippett, the resident bishop of the California-Nevada Conference of the Methodist Church. Such funeral services and addresses are always sad, somber events. However, I was deeply impressed with this particular service, held in an old cemetery, dotted with oak trees and memorial tombstones of those who had passed on. I thought the address given by Bishop Tippett was a particularly fitting tribute to the life and activities of Senator CLAIR ENGLE. At the conclusion of the ceremony, I requested a copy of his address.

Mr. Speaker, under unanimous consent to have it appended I include it in my remarks today so all of our colleagues may have an opportunity to read it:

ADDRESS BY BISHOP DONALD HARVEY TIPPETT, RESIDENT BISHOP, CALIFORNIA-NEVADA CONFERENCE OF THE METHODIST CHURCH, MEMORIAL SERVICE FOR SENATOR CLAIR ENGLE, AUGUST 3, 1964, OAK HILL CEMETERY, RED BLUFF, CALIF.

The bishop read portions of Ecclesiasticus 44 (in the Apocrypha) and took for his text the first verse of that chapter: "Let us now praise famous men." As relates to Senator CLAIR ENGLE this is both an easy and a difficult task. Easy, because there are so many praiseworthy things which can be said of him in perfect honesty and without exaggeration. Difficult, because, first, his accomplishments were so many and so significant that it would require far more time just to enumerate or catalog them than that allotted to us, and second, the newspress, and radio and television have already given such generous coverage that anything said here would be but a hurried repetition.

Confronted by this dilemma it has seemed fitting to me to do what I am in the habit of doing with each of my 500 ministers. I make a profile of each man which I revise annually, so that at a glance I can get a vignette which in capsule form tells me most of what I need to know about the man's performance: how well he relates to people, how intelligently the finances are handled, how well he administers the Sunday school, how well he gets along with the young people, etc.

To be of any significant use, a profile of this sort must start with certain basic vital statistics. Let us start our profile of the Senator with a brief résumé of his private and public accomplishments.

CLAIR ENGLE was born in Bakersfield on September 21, 1911, the son of Mr. and Mrs. Fred J. Engle, Sr., both of whom survive him. Also remaining to bear his loss are two brothers, Fred J., Jr., and Robert E., along with his wife, the former Lucretia Caldwell, of San Jose, and one daughter, Mrs. Yvonne Childs, and a granddaughter, Alicia Childs.

While CLAIR was very young, his family moved to Red Bluff where later he attended high school. He went on to Chico State College and subsequently was graduated from Hastings College of Law with an LL.B. degree.

For 10 years he practiced law in Tehama County and in 1934 was elected district attorney when he just barely was 23 years old. He was reelected in 1938.

In 1942 he was appointed special attorney general of California under Earl Warren, then attorney general. That year also saw the youthful ENGLE elected to the California State Senate. In 1943 in a special election to fill a vacancy he was elected to the U.S. House of Representatives to which he was subsequently reelected for seven successive terms. In 1946 and in every following election to the House, he won, under California's former cross-filing system the nominations of both major parties.

In 1957 he became the first Congressman to fly at the speed of sound, riding as a passenger in an Air Force jet.

"Since the beginning of the Republic," ENGLE commented upon landing, "there have been more than 10,000 Congressmen elected, and all of them have battered at the sound barrier; I figured it was time one busted it."

CLAIR ENGLE came well by a title given him by some of his colleagues—"Congressman Fireball." He was a man of prodigious energy, described by a fellow westerner as "like a mountain quail, when he lights, he starts running."

The Senator was the owner of the most unique and picturesque vocabulary on Capitol Hill. His language liberally borrowed from the areas he knew best—the area of the aviator, the cowboy, rancher, miner, farmer. He admitted also a great debt to Shakespeare. Long before the plays of the Bard were required reading he had devoured most of the great dramas. He never quite fully escaped the magnetic pull of the great Elizabethan dramatist. On his extensive travels he nearly always carried a collection of the plays with him. Hamlet was his favorite.

"The great value I find in Shakespeare," he confided, "is how it helps you in phrasing."

When things were going the Senator's way he had a habit of saying: "I'm as happy as a fox with two tails."

Usually he went to a hearing thoroughly prepared with his material well marshaled, but one day he left the hearing room abruptly to assemble more data, saying as he went out the door: "When I come back in 10 minutes I'm sure goin' to throw a skunk into your henhouse."

Senator ENGLE was greatly concerned about California's future. He was the author of nearly every important bill expanding California's Central Valley project. Senator THOMAS KUCHEL referring to this aspect of Senator ENGLE's endeavor paid this high tribute:

"Many of California's gigantic projects—water, power, recreation, harbor improvements and others—are directly traceable to his leadership and his labor. The Senate had a fondness and respect for him which reflected the esteem in which fellow Californians held him."

Senator ENGLE's legislative skills were unique and outstanding. As chairman of the Interior and Insular Affairs Committee during the 84th and 85th Congresses he gained stature and influence. The 365 public laws that emanated out of his committee during the time he served as chairman are in themselves an enduring monument to his aggressive and inspired leadership.

Among the projects he had a hand in guiding through, as Congressmman and later as Senator were Folsom Dam, the Trinity River development, and the San Luis Dam and the Sacramento Valley canals. Only a few hours before the Senator's death, President Johnson signed the intertie agreement which makes possible the transfer of surplus power over a network serving 11 Western States. Fifteen years ago Senator ENGLE proposed the network. His victory was long in coming, just barely arriving before death closed his eyes in sleep.

He was never more fully appreciated and applauded by friend and political foe alike than during the last 11 months of his 30 years in public service. His concern for humanity and all human values which knew no bounds, his dedication to public duty at great personal cost and effort were epitomized in those trying days of his last year on earth, when under extremely desperate circumstances, and not without pain, he made his final appearances on the Senate floor. Let us briefly scan the record of those heroic appearances.

He had made plans to introduce a resolution which would delay the construction of an atomic powerplant at Bodega Bay. Aids made the necessary arrangements and on April 13, the Senator, assisted by two aids, rose to speak, but he was unable to utter a complete word. Senator PAT MCNAMARA, Democrat, of Michigan, offered to introduce the resolution for him and ENGLE nodded his assent.

Again on June 10, the Senator showed his courage, determination, and dedication to duty by his attempt to cast his vote on the civil rights bill. He had confided to close friends that he believed that his last official act would be to vote for debate-limiting cloture.

This was not to be his last Senate vote, however. On June 19 he returned and voted for the adoption of the civil rights bill. He was unable to say his "aye" but by significant gestures he made his vote known.

And now I come to my final summation.

Senator ENGLE's involvement with the problems that assail humanity reflects something of the primary and basic concern he had for people. It was this concern for persons that motivated him. His championship of equal rights for women, his deep concern for the welfare of veterans and of senior citizens, his deep feeling about problems arising from poverty and bad housing, his endeavor to help small business enterprises, his vigorous leadership in behalf of the distressed, the disinherited, the hungry, and the hopeless—all these conspired to prove that his compassion for humanity knew no boundaries. His anxiety about the human factor was best revealed, perhaps, in his composition of the bipartisan civil rights bill.

In this connection it is interesting to note that from the very beginning the Judeo-Christian movement implied immortality by emphasizing, as CLAIR ENGLE did, the worth of the individual human being.

The rabbis used to say, by way of illustration, that only one man was created at the beginning of the world. This indicated the importance and value of every individual human being.

In the Ten Commandments, the early Biblical tendency against slavery, concern for the weak, the poor, for widows, and the fatherless, Judaism showed its high estimate of human personality. Then in Christianity we see human worth lifted to a still higher evaluation. Paul writing to the Romans calls attention to the fact that "none of us lives to himself and none of us dies to himself." Dealing directly with our obvious interdependence, he points out that we are inextricably bound together with our fellow men because we are related to God. He goes on to contend that every person's worth is established by virtue of the esteem in which Christ must have held him. If Christ thought him worth dying for, surely he is worth our deepest concern. In the eyes of God, we are worth all that the cross costs. "God so loved the world, that He gave his son"—the best he had, that we might live abundantly and eternally.

As Christians we are assured that death is not the end; it is but a strange interlude separating life temporal from life eternal. There is no doubt in our minds that the influence of CLAIR ENGLE will live on to bless the America he loved so dearly. And there is no doubt in my mind either that his spirit continues to live. Death cannot stop a spirit like his. But his passing from our midst does leave us lonely. Walt Whitman's description of the passing of "Lincoln, the Man of the People" is apropos and with it I close:

> "And when he fell in whirlwind, he went down
> As when a lordly cedar, green with boughs,
> Goes down with a great shout upon the hills,
> And leave a lonesome place against the sky."

Mr. HANNA. Mr. Speaker, CLAIR ENGLE, Senator from California and my friend, is gone. His passing has emphasized in my mind the firm conviction that the flavor a living person gives to life while he lives it continues in the mind and memory of those who knew him. The spice CLAIR gave to life had zest and rarity and was well worth long memory.

His wit was sharp, his manner gay, yet he had, too, the qualities of firmness and tenacity. It followed that his company elicited delight and his work commanded respect. His lively and vibrant participation in the action of politics obscured, for some, the often deep and penetrating considerations he gave for the necessity and purpose behind that action. He was pungent and pragmatic in doing the attainable; but he was also persistent and philosophical in pursuing the desirable. Senator ENGLE found pleasure in his duties and honor in his calling.

There was much of the good and a touch of the great in CLAIR ENGLE. Tragedy struck a second time for the Nation and the Democratic Party. Within a year we lost another great public servant who, by ordinary expectations still had long to live and much to give. Mr. Speaker, I shall miss CLAIR as a friend and mourn him as an effective legislator for the State he loved, California. I join with my colleagues in extending sympathy to his wife, son, and to others of his immediate family.

Mr. EVINS. Mr. Speaker, a cherished friend and a distinguished former colleague has departed from our midst with the passing of Senator CLAIR ENGLE, of California.

He personified the best qualities of his great State of California.

He was an able legislator, and won the admiration of his colleagues and friends during his years of service in the House.

He inspired continuing pride and respect among his former colleagues in the House as we observed his achievements and his progress as a distinguished Member of the Senate.

I knew CLAIR ENGLE as an esteemed colleague, a delightful companion, a faithful and considerate friend, and a truly gallant gentleman.

We became friends in the 80th Congress when I was a freshman Congressman and CLAIR ENGLE was a veteran of 4 years service in this body. One of the outstanding younger Members of the House, he was chosen assistant Democratic whip in that Congress. He continued to serve in this responsible post through the 84th Congress.

CLAIR ENGLE's exceptional gifts of character, mind, and ability brought him steadily increasing recognition. He was a progressive in the famous tradition of his expansive American West. As a key member and eventually chairman of the House Committee on Interior and Insular Affairs, he was the right man in the right place. With his election to the Senate in 1958, he continued his vigorous and resourceful fight for reclamation and conservation and for other progressive and humanitarian causes.

His record of dedicated service to his district, his State, and the Nation assures that he will long be remembered as a great American who gave his best in the service of his country.

We are all saddened at his death, and we shall miss him greatly. My wife and I join in expressing our sorrow and deepest sympathy to his lovely wife and other members of his family in their loss and bereavement.

Mr. McMILLAN. Mr. Speaker, I had the privilege and pleasure of serving in the House for a number of years with the late Senator CLAIR ENGLE and shall forever miss his friendship and leadership. I served on a number of conference and committees with the late Senator ENGLE while he was serving as a Member of the House of Representatives and he was a credit to the State of California and the United States. He could always readily see both sides of every problem confronting the Congress and the Nation. I do not know any Member of Congress that could not admire the late Senator ENGLE.

It is rather difficult to understand why he would be taken away from us at a time when he was ready to render wonderful service to his fellowman and to his Government. It is easier to understand why a person in their old age is taken away from us even though it seems impossible that his place in life could be filled by another person; however, when a young man such as the late Senator ENGLE is taken away from us in the prime of his life it makes us think.

Mrs. McMillan joins me in expressing our deepest sympathy to the late Senator ENGLE's wonderful wife. Mrs. Engle has had a heavy load to carry for a number of years and our hearts go out to her during her hours of bereavement.

GENERAL LEAVE TO EXTEND

Mr. SHEPPARD. Mr. Speaker, I ask unanimous consent that all Members may have 3 legislative days in which to extend their remarks in the RECORD on the late Honorable CLAIR ENGLE.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

COMDR. HERBERT LEAKIN OGIER

Mr. SIKES. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. SIKES. Mr. Speaker, now that we are able to evaluate more positively the events of Tonkin Gulf, it is increasingly obvious that the United States gained significantly in world standing. We must recognize the fact that much of this is due to the courageous manner in which Comdr. Herbert Leakin Ogier, commanding officer of the U.S.S. *Maddox*, reacted when attacked. I sincerely hope appropriate recognition will be given to him by our Government. Commander Ogier is the forthright officer who covered himself with glory and his Nation with honor by a prompt and vigorous response when the *Maddox* was attacked by North Vietnamese gunboats. This was not a case of turning the other cheek; or a halfhearted response. This was the vigorous and effective answer of a powerful nation that knows she is in the right. I congratulate him; I sincerely hope that my Government will properly honor him so that the world may know we appreciate fighting men who fight.

INDEPENDENT OFFICES APPROPRIATION BILL, 1965

Mr. THOMAS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 11296) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1965, and for other purposes, with amendments of the Senate thereto, disagree to the amendments of the Senate and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

The Chair hears none and appoints the following conferees: Messrs. THOMAS, EVINS, MAHON, OSTERTAG, and JONAS.

PUBLIC ACCOMMODATIONS PROVISIONS VIS-A-VIS BARBERSHOPS AND BEAUTY PARLORS

Mrs. GRIFFITHS. Mr. Speaker, I ask unanimous consent to insert in the RECORD at this point a letter addressed to the Speaker.

The SPEAKER. Is there objection to the request of the gentlewoman from Michigan?

There was no objection.

AUGUST 6, 1964.

The Honorable JOHN W. MCCORMACK,
The Speaker of the House of Representatives.

DEAR MR. SPEAKER: It has been brought to our attention by a number of Congressmen that letters and advertisements are being circulated among operators of barbershops and beauty parlors indicating that the recently enacted Civil Rights Act of 1964 will require such establishments to serve Negroes. This suggestion, of course, is completely without foundation. Neither barbershops nor beauty parlors are covered by the public accommodations provisions of the new law, except in those particular and limited instances where the barbershop or beauty parlor is located in a hotel or other covered establishment in order to serve patrons of the hotel or other establishment. This coverage, which would extend only to a small minority of barbershops and beauty parlors, is not based on any attempt to cover barbershops or beauty parlors, as such, but on the logical premise that all the services of a covered facility, such as a hotel, should be available to the patrons of the hotel without discrimination.

I hope this information will be helpful to you in dispelling the misconceptions which have been circulated concerning coverage of the new law.

Sincerely,
NICHOLAS DEB. KATZENBACH,
Deputy Attorney General.

REAPPORTIONMENT AND THE CENSUS

Mr. FRIEDEL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. FRIEDEL. Mr. Speaker, I want to call the attention of my colleagues to a bill I dropped in the hopper today to authorize that a census of population be taken next year, 1965.

As you all know, the Supreme Court has rendered a number of decisions in recent months directing that the House of Representatives must be reapportioned on the basis of population alone. The Court has also ruled that State legislatures must be reapportioned on the basis of population alone.

I think it is apparent to many of my colleagues that the population in many of our cities has risen sharply since the last census was taken in 1960. How can we possibly be expected to redraw district lines solely on the basis of population if we are forced to use figures 5 years old? If we are to redraw district lines, in compliance with the Supreme Court's decisions, with any degree of accuracy we must have more up-to-date information on the actual population in each area of the country, by State, county, and political subdivision. Unless such information is brought up to date, it will be a waste of time to redraw district lines before 1970 because I am sure we will find at that time that the districts are not equal in population because we used obsolete figures in redistricting.

Our State legislatures will be considering the problem of redistricting next year and the Court has ruled that new district lines, based on population alone, must be drawn before the 1966 elections.

Therefore, I urge the support of all my colleagues to have my bill enacted into law before this Congress adjourns. With the figures obtained in a 1965 census, we will be able to tackle the problem of redistricting in the knowledge that the new lines we draw will be reasonably accurate.

ADVANCE NOTICE OF ATTACK ON NORTH VIETNAM PT BOAT BASES

Mr. FOREMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The **SPEAKER.** Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. FOREMAN. Mr. Speaker, since my expression of concern last Friday before this Congress over the administration's irresponsible action in giving advance notice to the world, including the Communists, of our planned attack upon their North Vietnam PT boat bases, we have had confirmation from both the Pentagon and the White House that the facts and timing I pointed out surrounding this matter are correct.

Further, it is my understanding that, last night, Rear Adm. Robert B. Moore, commander of the task force that led the raids, informed United Press International that our planes had not been detected by the enemy radar at the time of the President's prime television performance. This information further points up the very serious international irresponsibility of such an ill-advised television production by this administration.

Our initial attack upon the enemy was made Wednesday at 1:15 a.m., e.d.t., 99 minutes after the President had told the world of the pending attack. Never before, in recent history, has there been demonstrated such high-level international military irresponsibility.

The Pentagon and the President's awkward attempts to cover up this grandstanding political play only goes to prove how irresponsible the announcement was.

A doughboy soldier notifying the enemy 90 minutes in advance of a raid would be tried for treason, and he could expect grave and serious consequences, but this action is supposed to be rewarded in November at the polls.

In response to questioning by reporters after this was brought to light, the Pentagon and White House advised that we gave early notice so that "Hanoi would know it was a limited response, only," and further so that Americans could be advised of the action by Washington rather than by Hanoi. By this deplorable and unexcusable action, the administration is saying to the mothers and wives of American fighting men, "We are sending your sons and husbands to fight for their country, but we want to give the enemy every advantage, so we'll advise them to have their guns ready to shoot your boys when they arrive."

COMMITTEE ON AGRICULTURE

Mr. POAGE. Mr. Speaker, I ask unanimous consent that the Committee on Agriculture may have until midnight tonight to file a report on H.R. 12298.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

THE PRESIDENT'S STATEMENT ON OUR NORTH VIETNAM ATTACK

Mr. ALBERT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The **SPEAKER.** Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. ALBERT. Mr. Speaker, the statement of the gentleman from Texas [Mr. FOREMAN] who has just addressed the House involves a very serious charge against the great Chief Executive of this country. No President of the United States for political gain would ever do anything or in all the history of this country has ever done anything that would jeopardize the lives of our troops. The statement that this was done for that purpose is simply untrue.

Mr. Speaker, the truth is—and I have checked this matter out—that the American planes had already been picked up on radar before the President made his report to the American people.

The President knew that the enemies' radar screens had already alerted them to the approach of American planes.

He knew that the enemy was unable to respond and the proof of this has been established beyond any question by the fact that the enemy did not respond and that their PT-type boats were sitting ducks for attack for our aircraft.

Mr. Speaker, the question before the President of the United States was whether the American people should be advised of American action in retaliation to enemy action by the President of the United States speaking from Washington or whether they should have been advised from Hanoi or Peiping.

Mr. Speaker, the President acted responsibly as the President should in performing his duties in the area of great decisions and in informing the American people of action taoken on their behalf.

THE VIETNAM SITUATION AND OUR RETALIATION

Mr. HALLECK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The **SPEAKER.** Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. HALLECK. Mr. Speaker, of course I do not claim to know when the enemy radar picked up the approach of our planes on this very important mission to which the gentleman from Texas has referred and to which the gentleman from Oklahoma [Mr. ALBERT] has referred.

I recall reading in the papers something to the effect that some of the people who were over there indicated they had been picked up on the radar. But I want to make this contribution, for whatever it is worth.

Last Tuesday afternoon, I received a call to come to the White House at 6:45 p.m. Of course, I indicated I would respond, having had some intimation as to what the meeting might be about.

During the day there had been information that serious attacks had been made on our vessel, the destroyer *Maddox* and on our flag.

Now, Mr. Speaker, and I am sure enough has been written and said that this is no disclosure of something that is confidential—my colleagues who go down there from time to time along with the rest of us, recognize that as far as I am concerned my lips are sealed as far as divulging the conversations at these meetings. And I am sure everyone who was there will corroborate my statement in this regard: That we were cautioned before the meeting even got underway that what we were about to hear was a sort of thing which should not be leaked in any fashion because it could serve as advance warning to the enemy. As I said, that admonition was given to us as we opened the meeting and as we closed the meeting.

As I remember it—and I have checked with some others who were there—we were told that nothing should be said about this proposed retaliatory move and no one, not even the President, would say anything about it until our planes were over the targets. Only then, it was said, would the President explain the matter to the people over television and radio.

Now, Mr. Speaker, it seemed to me highly in order that there be no question about my saying anything in advance of the attack, and I hid out for a couple of hours and did not even answer the telephone when I finally got home.

Mr. Speaker, as to the right and wrong of this whole thing, I do not know, but I am certain that we were all cautioned to an absolute silence and confidence that was implicit in that sort of a meeting, because we did not want anything to get out until the planes were over the targets.

Mr. Speaker, I think it is only fair to say now that the Russians could intercept—that anyone could intercept—statements made publicly some hour and a half before the planes were actually over the targets.

Mr. Speaker, I read the explanation of the Secretary of Defense. I have heard the other things that have been said—and as I say except as I know what the facts were in connection with my participation——

Mr. ALBERT. Mr. Speaker, will the gentleman yield to me?

Mr. HALLECK. Yes, I yield.

Mr. ALBERT. What the gentleman says regarding the meeting is true. I was present at the meeting and I did exactly what the gentleman from Indiana did. I did not talk to members of the news media or anyone else for that matter until the next morning.

But, Mr. Speaker, I think it should be said that the reason why we were admonished was that the matter of disclosure was a decision for the military and the Executive and not for us who were not in command of the situation.

I think that is a fair statement of the situation. I think it was understood that the President would make a statement when he who had the means of having available the facts determined that the disclosure should be made.

Mr. HALLECK. I accept that except I must insist upon my original statement that the words that were used were "this would be made public when the planes were over the targets."

DECLINE IN CIVILIAN LABOR FORCE

Mr. CURTIS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CURTIS. Mr. Speaker, I have just requested a special order for 30 minutes for today in order to discuss the very important economic statistic that was recently issued by the Department of Labor, but very much hidden in its press release and certainly not reported by the press and news media to any great extent.

The decline in the civilian labor force from June to July by 400,000 people is a very serious problem suggesting, if unexplained, economic stagnation.

I am going to discuss this under special order today because it requires considerable explanation. The 4.9 percent figure of unemployment proclaimed by the Department of Labor could only come about in the context of a decline in the civilian labor force. I think it is time that the political appointees in the Department of Labor quit juggling the figures and quit trying to draw erroneous conclusions from important economic statistics.

I hope all Members who are interested in the problems of unemployment will be present.

I have already issued a press release on the remarks I am going to make under special order.

THE VIETNAM SITUATION AND OUR RETALIATION

Mr. HOSMER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HOSMER. Mr. Speaker, the really bothersome point in this matter relative to the announcement of the President 99 minutes prior to the occurrence of the reprisal against the North Vietnamese and the followup statement that the American airplanes had been picked up on North Vietnamese radar at the time the announcement was made is that during this period of 1 hour and 39 minutes an American jet airplane with an airspeed of 500 miles an hour could travel about 825 miles. Were they 825 miles away when picked up, or alleged to be picked up by this North Vietnamese radar? If so the North Vietnamese are equipped with radar of very unique and extraordinary range capability.

One the other hand, if the American aircraft were in the air at closer ranges they must have been on varying courses that would not have disclosed their intention to engage in an attack some hour and 39 minutes later, in which event, the President's words actually supplied the initial information to the North Vietnamese of their intention. I think there is serious need for either the President or the Secretary of Defense or preferably both to come forth with a straightforward explanation for this glaring hole in the explanations they have made so far.

AUTHORIZING POSTMASTER GENERAL TO ENTER INTO LEASES OF REAL PROPERTY

Mr. MURRAY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 9653) to extend the authority of the Postmaster General to enter into leases of real property for periods not exceeding 30 years, and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

> Page 1, strike out lines 6 and 7, and insert:
>
> "Agreements may not be entered into under sections 2104 and 2105 of this title after July 22, 1964, and under section 2103 after December 31, 1966."

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

Mr. MURRAY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. MURRAY. Mr. Speaker, the Post Office Department Property Act of 1954, approved July 22, 1954, granted the Postmaster General authority, during a 10-year period, for entering into 30-year leases for postal buildings, where such leases are in the public interest, and for acquisition of land by condemnation proceedings. That authority expired on July 22, 1964.

H.R. 9653, as passed unanimously by the House, would continue the same authority on a permanent basis. Continuance of such authority is vital to the Post Office Department's space acquisition program. The Senate amended H.R. 9653 so as to continue the authority only until December 31, 1966, in order to provide the Post Office and Civil Service Committees time to thoroughly review the leasing program before a final decision is reached on making it permanent.

MILITARY CONSTRUCTION APPROPRIATION BILL, 1965

Mr. SHEPPARD. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 11369) making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1965, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. RIVERS of South Carolina. Reserving the right to object, Mr. Speaker, I hope the House conferees will bear in mind that last year the other body reduced the military housing to a critical degree. I am sure that our conferees this year will bear in mind that housing of the military is critically short at this time, and, when they meet they will remind our colleagues in the other body of this fact of life.

The SPEAKER. Is there objection to the request of the gentleman from California?

The Chair hears none, and appoints the following conferees: Messrs. SHEPPARD, SIKES, MAHON, JONAS, and CEDERBERG.

FRUIT-FLAVOR CONCENTRATES

Mr. MILLS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 4649) to amend the Internal Revenue Code of 1954 to authorize the use of certain volatile fruit-flavor concentrates in the cellar treatment of wine, with Senate amendments thereto, disagree to the Senate amendments, and request a conference with the Senate.

The **SPEAKER.** Is there objection to the request of the gentleman from Arkansas?

The Chair hears none, and appoints the following conferees: Messrs. MILLS, KING of California, BOGGS, BYRNES of Wisconsin, and CURTIS.

INTERNATIONAL COFFEE AGREEMENT

Mr. MILLS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 8864) to carry out the obligations of the United States under the International Coffee Agreement, 1962, signed at New York on September 28, 1962, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and request a conference with the Senate.

The **SPEAKER.** Is there objection to the request of the gentleman from Arkansas?

The Chair hears none, and appoints the following conferees: Messrs. MILLS, KING of California, BOGGS, BYRNES of Wisconsin, and CURTIS.

AMENDING INTERNAL REVENUE CODE OF 1954

Mr. MILLS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 8000) to amend the Internal Revenue Code of 1954 to impose a tax on acquisitions of certain foreign securities in order to equalize costs of longer term financing in the United States and in markets abroad, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments and agree to the conference requested by the Senate.

The Clerk read the title of the bill.

The **SPEAKER.** Is there objection to the request of the gentleman from Arkansas?

The Chair hears none, and appoints the following conferees: Messrs. MILLS, KING of California, BOGGS, BYRNES of Wisconsin, and CURTIS.

AMENDING SECTION 341 OF THE INTERNAL REVENUE CODE OF 1954

Mr. MILLS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 7301) to amend section 341 of the Internal Code of 1954, together with amendments of the Senate thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 3, line 9, after "tion)." insert "This paragraph shall apply only if the transferee—".

Page 3, strike out line 10.

Page 4, line 2, after "interest)" insert ", and unrealized receivables or fees (as defined in subsection (b)(4)),".

Page 6, line 15, after "by" insert "the first section of".

Page 6, after line 17, insert:

"SEC. 3. (a) Section 543(a)(2) of the Internal Revenue Code of 1954 (relating to rents) is amended by adding at the end thereof the following new sentence: 'For purposes of applying this paragraph, royalties received for the use of, or for the privilege of using, a patent, invention, model, or design (whether or not patented), secret formula or process, or any other similar property right shall be treated as rent, if such property right is also used by the corporation receiving such royalties in the manufacture or production of tangible personal property held for lease to customers, and if the amount (computed without regard to this sentence) constituting rent from such leases to customers meets the requirements of subparagraph (A).'

"(b) The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 1963."

Amend the title so as to read: "An Act to amend section 341 of the Internal Revenue Code of 1954, relating to collapsible corporations, and to amend section 543(a)(2) of such Code, relating to the inclusion of rents in personal holding company income."

The **SPEAKER.** Is there objection to the request of the gentleman from Arkansas?

Mr. GROSS. Mr. Speaker, reserving the right to object, what is this bill about?

Mr. MILLS. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman.

Mr. MILLS. My friend, the gentleman from Iowa, will recall that the bill, H.R. 7301, introduced by our colleague, the gentleman from California [Mr. UTT], passed the House by unanimous consent some weeks ago. Some of the amendments added by the Senate are technical and perfecting of the subject matter contained in the gentleman from California's [Mr. UTT] bill dealing with collapsible corporations.

There was one new matter added to the bill and that had to do with the 10-percent test of existing law used in defining rents treated as personal holding income and this amendment is desirable, in our opinion, in keeping with what we really intended in the revenue act of 1954.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The **SPEAKER.** Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

Mr. MILLS. Mr. Speaker, I ask unanimous consent that the gentleman from Wisconsin and I may be permitted to extend our remarks in further explanation of the Senate amendments in the bill, H.R. 7301.

The **SPEAKER.** Without objection, it is so ordered.

There was no objection.

Mr. MILLS. Mr. Speaker, in the form in which H.R. 7301 passed the House of Representatives, the bill would amend the "collapsible corporation" provisions of the tax laws so that they will not apply to the sale of stock in a corporation which consents to a special tax treatment on any later disposition by it of its assets. As you may recall, Mr. Speaker, the Committee on Ways and Means was unanimous in recommending enactment of this bill.

The other body has added an amendment to the House-passed bill and also made some relatively minor modifications to the House provision itself. The modifications are technical and clarifying in nature and are in keeping with the general purpose of the bill. The principal modification makes it clear that "unrealized receivables or fees" are included in the class of "subsection (f)" assets to which the new provision applies.

The new provision added by the other body relates to the 10-percent test of existing law used in defining the rents treated as personal holding company income. The amendment provides that royalties received for the privilege of using a patent, invention, or similar property are to be treated as rent if the patent, and so forth also is used by the corporation in the manufacture of personal property which it leases to customers.

Treating royalties as rents in these cases means they will not be treated as other personal holding company income and therefore will not be included in determining whether other personal holding company income is more than 10 percent of the total income. Where this other personal holding company income is more than 10 percent of the total, then the rents are also treated as personal holding company income. The amendment avoids this result.

As you may recall, Mr. Speaker, in enacting the Revenue Act of 1964, the Congress modified the provisions of prior law dealing with the definition of rents in defining personal holding company income. In general, the purpose of such modifications was to give assurance that rental income cannot be used to shelter any appreciable amount of other passive income.

In adopting that amendment, the other body concluded that in enacting the Revenue Act of 1964 Congress did not intend to treat corporations as personal holding companies if they are engaged in the normal operation of a manufacturing enterprise, utilizing patents and know-how to manufacture products for lease merely because they also obtain royalty income from this patent, invention, or similar property.

Mr. Speaker, the amendment of the other body is of limited application since it would only apply where most of the corporation's income is derived from the manufacture and lease of property and where the royalties are closely related to that manufacturing and leasing business. In such circumstances the corporation's rental income should not be classified as passive income.

Mr. Speaker, I concur in the amendment since it is in keeping with the general purpose of the provision of the Revenue Act of 1964 relating to personal holding company income, and I urge the adoption by the membership of the House of the Senate amendments to H.R. 7301.

AMENDING TARIFF ACT OF 1930 WITH RESPECT TO BROOMS MADE OF BROOM CORN

Mr. MILLS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 5986) to amend the Tariff Act of 1930 with respect to the rate of duty on brooms made of broom corn, which was unanimously reported favorably by the Committee on Ways and Means, which bill I did not call up because I was notified of the objections of two Members of the House which objections have been now withdrawn; and that the bill be considered in the House as in the Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That paragraph 1506 of the Tariff Act of 1930 (19 U.S.C., sec. 1001, par. 1506) is amended by striking out "25 per centum ad valorem;" after "Brooms, made of broom corn, straw, wooden fiber, or twigs," and inserting in lieu thereof "25 per centum ad valorem, except that if made wholly or partly of broom corn the duty shall not be less than 24 cents each in the case of brooms (other than whisk brooms) and 8 cents each in the case of whisk brooms;".

SEC. 2. The amendment made by the first section of this Act shall apply with respect to articles entered, or withdrawn from warehouse, for consumption on or after the 30th day after the date of the enactment of this Act.

With the following committee amendment:

Page 1, strike out line 3 and all that follows through line 10 and insert: "That subpart A of part 8 of schedule 7 of the Tariff Act of 1930 (Tariff Schedules of the United States; 28 F.R., part II, p. 383, Aug. 17, 1963) is amended by striking out items 750.30 and 750.31 and inserting in lieu thereof the following:

"	Brooms and brushes consisting of vegetable materials bound together but not mounted or set in a block or head, with or without handles:		
	Brooms wholly or in part of broom corn:		
	Whiskbrooms:		
750. 28	Valued not over 32¢ each	8¢ each	8¢ each
750. 29	Valued over 32¢ each	25% ad val.	25% ad val.
	Other brooms:		
750. 30	Valued not over 96¢ each	24¢ each	24¢ each
750. 31	Valued over 96¢ each	25% ad val.	25% ad val.
750. 32	Other	25% ad val.	25% ad val.
750. 33	If product of Cuba	20% ad val. (s)	"

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. MILLS. Mr. Speaker, I ask unanimous consent that the gentleman from Wisconsin and I may be permitted to extend our remarks in explanation of the bill and that I may in connection with my own remarks include the letter dated August 10 which I received from the gentleman from Wisconsin [Mr. REUSS] and the gentleman from Minnesota [Mr. FRASER].

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MILLS. Mr. Speaker, as reported by the Committee on Ways and Means, the purpose of H.R. 5986 is to adjust the rate of duty applicable to imports of certain brooms made wholly or partly of broom corn.

Brooms are produced in the United States in numerous small shops throughout the country, in institutions for the blind, and in penal institutions, as well as in several large manufacturing concerns. The domestic production of brooms of all types—including household and industrial brooms and brooms made of broom corn, plastic, or other materials—amounted to $33 million in 1958, $32 million in 1960, and $33 million in 1961.

Information supplied by the U.S. Tariff Commission relative to the quantity and value of brooms made only of broom corn, straw, wooden fiber, or twigs imported into the United States during the period 1953–62 reveals that the imports have increased over this 10-year period in quantity from 543,000 to nearly 3.5 million, and in value by over 650 percent. The principal supplying country for broom imports is Mexico, and for imports of whiskbrooms, Hungary.

On June 30, 1960, representatives of the domestic broom industry filed an application with the Tariff Commission for an investigation of brooms, whisk brooms, and toy brooms made of broom corn, under the provisions of section 336 of the Tariff Act of 1930, the application alleging that the present rate of duty on the specified brooms—25 percent ad valorem—does not equalize the costs of production of the comparable products made in the United States and foreign countries, and the domestic industry requested that the rate of duty on the imported products be fixed on the basis of American selling price.

As reflected in the report of its findings submitted by the Commission to the President on January 17, 1962, the Commission determined that the existing rate of duty of 25 percent ad valorem, which is assessed on the basis of the foreign export value, does not equalize the differences in the cost of production, including transportation and other delivery charges to the principal markets in the United States, between domestic brooms made of broom corn and the like or similar foreign articles produced in the principal competing country, and further that the differences in costs of production were so wide that they could not be equalized by increasing the present rate of duty—based on foreign export value—to the maximum allowable rate of 37½ percent, an alternative remedy available under section 336(a).

The Commission therefore concluded that in order to equalize such differences to the fullest extent permissible under the statute, it was necessary that the present rate of duty be applied to brooms made of broom corn on the basis of American selling price. The President, however, did not agree with the Tariff Commission's conclusion, and consequently the duty on the subject brooms was not changed.

The pending bill, which was introduced by our colleague on the Committee on Ways and Means, the gentleman from Illinois, the Honorable HAROLD R. COLLIER, would amend the tariff schedules of the United States to make brooms made wholly or in part of broom corn and valued at not over 96 cents each dutiable at 24 cents each in the case of brooms other than whiskbrooms. The duty on whiskbrooms made wholly or in part of broom corn and valued at not over 32 cents each would be 8 cents each. Other made wholly or in part of broom corn would continue to be dutiable at 25 percent ad valorem.

The Committee on Ways and Means is convinced that, while the duties provided under this bill would still fall short of equalizing the costs of production between imported and domestically manufactured brooms, these rates would be of substantial benefit to the domestic industry. The committee is of the opinion that this adjustment in duty is fully justified by the findings of the Tariff Commission in its formal investigation, and is unanimous in recommending enactment of the bill.

No trade agreement concession on brooms made of broom corn is presently in force. Accordingly, enactment of this legislation will not conflict with international obligations of the United States.

Mr. Speaker, the letter to which I referred is as follows:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., August 10, 1964.

Hon. WILBUR D. MILLS,
Chairman, Committee on Ways and Means,
Longworth House Office Building,
Washington, D.C.

DEAR MR. CHAIRMAN: When H.R. 5986, providing tariff increases for brooms made out of broom corn, appeared on the Unanimous Consent Calendar of August 4, 1964, we indicated our objection to the bill for the following reasons:

1. Despite the absence of evidence that the domestic broom industry is being injured by imports, the bill would quintuple tariffs from a 25-percent ad valorum rate to the equivalent of about 125 percent ad valorum.

2. Institutions for the blind are among the small domestic broom manufacturers supporting the bill and deserving, in our opinion, of special consideration. However, since imports constitute only 1 to 2 percent of domestic output it is doubtful that shutting off imports would prove very helpful.

3. The proposed duty increase would apply mainly to brooms made and exported by

a poor village in Mexico. While we have no trade agreement with Mexico, it seems desirable to avoid abrupt tariff action under the circumstances of this case.

4. In view of our stake in getting substantial worldwide tariff reductions in the present GATT round, we should avoid unilateral tariff increases, particularly those resulting in very high duty rates.

Had we not objected to H.R. 5986, we could not have brought to the attention of the House, our reservations regarding the merits of the bill. However, we would now not oppose further consideration of H.R. 5986.

Sincerely,

DONALD M. FRASER,
HENRY S. REUSS,
Members of Congress.

Mr. **BYRNES** of Wisconsin. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. COLLIER] may be permitted to extend his remarks at this point in the RECORD.

The **SPEAKER**. Without objection, it is so ordered.

There was no objection.

SUBCOMMITTEE ON LIBRARY AND MEMORIALS, COMMITTEE ON HOUSE ADMINISTRATION

Mr. **ALBERT**. Mr. Speaker, I ask unanimous consent that the Subcommittee on Library and Memorials of the Committee on House Administration may sit while the House is in session today during general debate.

The **SPEAKER**. Is there objection to the request of the gentleman from Oklahoma?

Mr. **GROSS**. Mr. Speaker, reserving the right to object, I wonder how this session of the Congress will ever be brought to an end, if committees continue to meet in the afternoon for the purpose of bringing forth new legislation? How is this session of the Congress ever expected to end?

Mr. **ALBERT**. In response to the gentleman, this request is made at the request of the gentleman from Missouri [Mr. JONES]. I would say if the committees can meet and finish their business, we might get to the end of this session more expeditiously.

Mr. **GROSS**. I do not want to object and I have no present intention of objecting, but I will say that the faucet will have to be turned off on new legislation if this Congress is going to adjourn in the next 2 weeks or even next month.

Mr. Speaker, I withdraw my reservation of objection.

The **SPEAKER**. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

SUBCOMMITTEE ON PRINTING OF THE COMMITTEE ON HOUSE ADMINISTRATION

Mr. **ALBERT**. Mr. Speaker, I ask unanimous consent that the Subcommittee on Printing of the Committee on House Administration may be permitted to sit during general debate today.

The **SPEAKER**. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

ADDITION TO PROGRAM

Mr. **ALBERT**. Mr. Speaker, I announce an addition to the program for this week.

The gentleman from North Carolina [Mr. BONNER] has advised that at some time after today, during this week, he will call up, under unanimous-consent requests, the bills (S. 2701), engineer study on a canal connecting the Atlantic and Pacific Oceans, and (S. 927) to remove limitations on war risk insurance.

NON-SERVICE-CONNECTED PENSIONS

Mr. **TEAGUE** of Texas. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1927) to amend title 38, United States Code, so as to revise the rates of disability and death pension authorized by the Veterans' Pension Act of 1959, and for other purposes, as amended.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 503, title 38, United States Code, is amended by (a) inserting "10 per centum of the amount of" immediately before "payments" in paragraph (6) and striking out "equal to his contributions thereto"; and (b) adding after paragraph (8) five paragraphs as follows:

"(9) amounts equal to amounts paid by a veteran for the last illness and burial of his deceased spouse or child;

"(10) profit realized from the disposition of real or personal property other than in the course of a business;

"(11) payments received for discharge of jury duty or obligatory civic duties;

"(12) payments of educational assistance allowance or special training allowance under chapter 35 of this title;

"(13) payments of bonus or similar cash gratuity by any State based on service in the Armed Forces."

SEC. 2. Section 506(a)(2), title 38, United States Code, is amended by inserting ", other than a child," immediately after "person".

SEC. 3. (a) Section 521(a), title 38, United States Code, is amended by inserting "(1) who is sixty-five years of age or older, or (2)" immediately after "service requirements of this section, and".

(b) The title of chapter 15 in the analysis at the head of title 38, United States Code, and at the head of chapter 15, is amended by inserting "or for Age" and "OR FOR AGE" immediately after "Service" and "SERVICE", respectively.

(c) The catchline at the head of section 521 in the analysis of chapter 15, title 38, United States Code, and at the head of section 521 proper, is amended to read "Pension for Non-Service-Connected Disability or for Age" and "PENSION FOR NON-SERVICE-CONNECTED DISABILITY OR FOR AGE", respectively.

SEC. 4. (a) The table in section 521(b), title 38, United States Code, is amended to read as follows:

"Column I		*Column II*
Annual income *More than—*	*but Equal to or less than—*	
	$800	*$90*
$800	*1,300*	*70*
1,300	*1,800*	*40"*

(b) The table in section 521(c), title 38, United States Code, is amended to read as follows:

"Column I		*Column II*	*Column III*	*Column IV*
Annual income *More than—*	*but less than— Equal to or*	*One dependent*	*Two dependents*	*Three or more dependents*
	$1,200	*$100*	*$105*	*$110*
$1,200	*2,200*	*75*	*75*	*75*
2,200	*3,000*	*45*	*45*	*45"*

(c) The table in section 541(b), title 38, United States Code, is amended to read as follows:

"Column I		*Column II*
Annual income *More than—*	*but Equal to or less than—*	
	$800	*$65*
$800	*1,300*	*45*
1,300	*1,800*	*25"*

(d) The table in section 541(c), title 38, United States Code, is amended to read as follows:

"Column I		*Column II*
Annual income *More than—*	*but Equal to or less than—*	
	$1,200	*$80*
$1,200	*2,200*	*60*
2,200	*3,000*	*40"*

SEC. 5. Section 521(d), title 38, United States Code, is amended by striking out "$70" and inserting in lieu thereof "$100".

SEC. 6. (a) Section 521 is further amended by redesignating subsections (e) and (f) as subsections (f) and (g), respectively, and by inserting immediately after subsection (d) thereof the following new subsection:

"(e) If the veteran has a disability rated as permanent and total, and (1) has additional disability or disabilities independently ratable at 60 per centum or more, or, (2) by reason of his disability or disabilities, is permanently housebound but does not qualify for the aid and attendance rate under subsection (d) of this section, the monthly rate payable to him under subsection (b) or (c) shall be increased by $35."

(b) Section 502, title 38, United States Code, is amended by adding after subsection (b) the following subsection:

"(c) For the purposes of this chapter, the requirement of 'permanently housebound' will be considered to have been met when the veteran is substantially confined to his house (ward or clinical areas, if institutionalized) or immediate premises due to a disability or disabilities which it is reasonably certain will remain throughout his lifetime."

SEC. 7. Section 521(e)(1), title 38, United States Code, as redesignated section 521(f)(1) under section 6 of this Act, is amended by striking out "except $1,200 of such income" and substituting in lieu thereof the following: "in excess of whichever is the greater, $1,200 or the total earned income of the spouse,".

SEC. 8. Section 3203(f), title 38, United States Code, is amended to read as follows:

"(f) Where any veteran in receipt of an aid and attendance allowance described in section 314(r) of this title is hospitalized at Government expense, such allowance shall be discontinued from the first day of the second calendar month which begins after the date of his admission for such hospitalization for so long as such hospitalization continues. Any discontinuance required by administrative regulation, during hospitalization of a veteran by the Veterans' Administration, of increased pension based on need of regular aid and attendance or additional compensation based on need of regular aid and attendance as described in subsection (l) or (m) of section 314 of this title, shall not be effective earlier than the first day of the second calendar month which begins after the date of the veteran's admission for hospitalization. In case a veteran affected by this subsection leaves a hospital against medical advice and is thereafter admitted to hospitalization, such allowance, increased pension, or additional compensation, as the case may be, shall be discontinued from the date of such readmission for so long as such hospitalization continues."

Sec. 9. Section 612 of title 38, United States Code, is amended by adding at the end thereof the following new subsection:

"(g) Any veteran who as a veteran of World War I, World War II, or the Korean conflict is receiving increased pension under section 521(d) of this title based on need of regular aid and attendance may be furnished drugs or medicines ordered on prescription of a duly licensed physician as specific therapy in the treatment of an illness or injury suffered by the veteran."

Sec. 10. Section 3104(a) of title 38, United States Code, is amended by inserting "or concurrently to any person based on the service of any other person" immediately before the period at the end thereof.

Sec. 11. Effective November 1, 1964, in computing the income of persons whose pension eligibility is subject to the first sentence of section 9(b) of the Veterans Pension Act of 1959, there shall be excluded 10 per centum of the amount of payments received under public or private retirement, annuity, endowment, or similar plans or programs.

Sec. 12. (a) Except as otherwise provided herein, this Act shall take effect on January 1, 1965.

(b) The amendment to paragraph (6) of section 503, title 38, United States Code, shall take effect on November 1, 1964, except that it shall not apply to any individual receiving pension on October 31, 1964, under chapter 15 of said title, or subsequently determined entitled to such pension for said day, until his contributions have been recouped under the provision of that paragraph in effect on October 31, 1964.

The SPEAKER. Is a second demanded?

Mr. AYRES. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER. The gentleman from Texas [Mr. TEAGUE] is recognized for 20 minutes.

Mr. TEAGUE of Texas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am very pleased that the Committee on Veterans' Affairs is able to bring H.R. 1927 to the floor of the House of Representatives today. Mr. Speaker, many people have been helpful in getting this bill up for consideration. Our Speaker, the gentleman from Massachusetts [Mr. McCORMACK], the majority leader, the gentleman from Oklahoma [Mr. ALBERT], and the minority leader, the gentleman from Indiana [Mr. HALLECK], went beyond the call of duty in helping bring this bill to a vote.

The whole committee of the Committee on Veterans Affairs, and especially the Subcommittee on Compensation and Pensions, chaired by the gentleman from South Carolina [Mr. DORN], and composed of the gentleman from North Carolina [Mr. KORNEGAY], the gentleman from Texas [Mr. ROBERTS], the gentleman from New York [Mr. FINO], and the gentleman from California [Mr. TEAGUE], have given a great deal of attention to this problem.

This year the Subcommittee on Compensation and Pensions held hearings over a 2-week period on all non-service-connected pension measures pending before the committee at that time. These hearings were held on May 19, 20, 21, 26, 27, and 28, 1964, and due to the unavoidable absence of the distinguished gentleman from South Carolina [Mr. DORN], the chairman, the gentleman from North Carolina [Mr. KORNEGAY], ably presided during the hearings. I want to pay tribute to him and to his colleagues, the gentleman from Texas [Mr. ROBERTS], the gentleman from New York [Mr. FINO], and the gentleman from California [Mr. TEAGUE], for a difficult job well done.

In both the 1st and 2d sessions of the 87th Congress hearings were conducted on this subject. On July 11, 12, and 13, 1961, the Subcommittee on Compensation and Pensions conducted hearings which consisted of 600 pages of printed testimony.

On August 7, 8, 9, 15, and 16 and September 18, 19, 25, and 26, 1962, the full Committee on Veterans' Affairs conducted extensive hearings.

The Subcommittee on Compensation and Pension, as I have indicated not only in this Congress but in previous Congresses, has held very full and complete hearings on this general question. All interested parties were given an opportunity to testify and every Member of this House who introduced a pension bill was invited to appear and present his views. This is sometimes a repetitious and tiring process, and I think that all the Members of the House are indebted, as are the members of the full Committee on Veterans' Affairs, to the dedication and patience which the members of the Subcommittee on Compensation and Pension have discharged their responsibilities.

In addition, I have met with the national commanders of each of the veterans' groups as well as with the Administrator of Veterans' Affairs and other representatives of the administration on innumerable occasions. The committee staff has devoted a great deal of time to the study of this matter and has met on countless occasions with various representatives of each of the veteran groups.

Following the hearings conducted in May of this year, the details of the bill which is today before you were worked out and the unanimous agreement which we have from the veterans' organizations is testimony to the equitable solution which is presented to the House here today.

I would be remiss, Mr. Speaker, if I did not call to the attention of my colleagues the fact that this bill bears the name of our distinguished and well-loved colleague, the gentleman from Illinois [Mr. LIBONATI], who is retiring from Congress at the end of this session and climaxing 40 years of service in behalf of the veterans of this Nation. A veteran of World War I with oversea service, the gentleman from Illinois has spent many long and arduous hours in behalf of the veterans of this country, not only in the Congress of the United States, but in and before official bodies of his native State of Illinois. The committee felt it was altogether fitting and quite appropriate that this far-reaching measure should bear his name.

A former colleague of ours, Mr. James E. Van Zandt, who is also a former national commander of the Veterans of Foreign Wars, has been most helpful, and the present national commanders of the veterans' organizations, National Comdr. Daniel F. Foley, of The American Legion; Comdr. Douglas H. McGarrity of the Disabled American Veterans; the commander in chief of Veterans of Foreign Wars, Joseph J. Lombardo; National Comdr. Edmund Gulewicz, of AMVETS; and National Comdr. William R. Kime, of Veterans of World War I all have most important part in bringing this bill to the House for consideration today.

I want also to stress the cooperation which I have always received from National Commander Kime. He came to see me shortly after assuming office and he has shown a most cooperative attitude in trying to arrive at a solution of this question.

Mr. Speaker, we have worked on this bill for over 3 years. Our committee has tried to be responsible. We have tried to work out a bill that can become law. We all know that unless a bill passes and becomes law, it will help no one. This bill which we are considering is supported by all veteran organizations and I have reason to believe that it can become law.

Mr. Speaker, under unanimous consent, I insert at this point in my remarks letters from the various veteran organizations attesting to their support of this measure:

The American Legion,
Washington, D.C., August 6, 1964.

Hon. Olin E. Teague,
Chairman, Veterans' Affairs Committee,
House of Representatives,
Washington, D.C.

Dear Chairman Teague: We have had opportunity to review H.R. 1927, a bill to revise existing pension law applicable to veterans and dependents, which was ordered reported by your committee.

Because of the merits of the bill, as reported, I am pleased to assure you of the support of the American Legion toward its enactment.

With sincere appreciation in behalf of myself and the organization I am privileged to command, I am,

Sincerely yours,
Daniel F. Foley,
National Commander.

VETERANS OF FOREIGN WARS,
OF THE UNITED STATES,
Kansas City, Mo., August 7, 1964.
Hon. OLIN E. TEAGUE,
Chairman, House Committee on Veterans' Affairs, House of Representatives, Washington, D.C.

DEAR CHAIRMAN TEAGUE: Our commander in chief, Joseph J. Lombardo, has made the liberalization of the pension program for aged and disabled veterans a key legislative objective for 1964.

H.R. 1927, as amended and reported by your committee, carries out this goal. In fact, practically all the provisions in the amended bill were endorsed by the delegates to our last National Convention held in Seattle, Wash., August 1963, as incorporated in VFW-sponsored bill, H.R. 9665.

Our organization is deeply appreciative of the great contribution made by your Subcommittee on Pensions and full committee for developing and reporting this legislation desperately needed by hundreds of thousands of disabled, elderly veterans with little or no income, except their pension payments.

The Veterans of Foreign Wars is extremely hopeful that H.R. 1927 will be enacted into law before this 88th Congress finally adjourns.

It is urgently requested and recommended that this bill be presented to the House for its consideration and approval at the earliest opportunity.

Sincerely,
FRANCIS W. STOVER,
Director, National Legislative Service.

DISABLED AMERICAN VETERANS,
August 7, 1964.
Hon. OLIN E. TEAGUE,
Chairman, House Committee on Veterans' Affairs, House of Representatives, Washington, D.C.

DEAR CONGRESSMAN TEAGUE: On May 20, 1964, the Disabled American Veterans appeared before the Subcommittee on Pensions of the House Committee on Veterans' Affairs and expressed our views with respect to pending non-service-connected pension legislation.

In our testimony it was pointed out that "the basic philosophy of the DAV has always been that our Nation's first obligation concerning veterans benefits is to those who have suffered disabilities as a result of wartime service." We also mentioned that the DAV's position is "not one of flat opposition to any and all pension increases; some may be necessary and desirable, providing that such increases are based on actual need."

In a letter dated May 26, 1964, addressed to the chairman of the Subcommittee on Pensions, Mr. KORNEGAY, we enlarged upon our previous statement by listing some of the areas where we felt the present pension law should be modified for the benefit of those veterans who are most in need of financial assistance.

Our experience indicated that provisions should be made for "increased monthly pension rates for those veterans found to be in need of regular aid and attendance; special pension rates for veterans who suffer paraplegia or blindness; for pension purposes, the earned income of a veteran's wife should be excluded; an additional rate of pension for veterans who, by reason of the serious nature of their disabilities, are permanently housebound; and, raise the income limitations and increase the monthly pension rates for those who fall within the lowest income bracket."

H.R. 1927, which was recently reported by the House Committee on Veterans' Affairs, contained these proposed amendments which are in harmony with the "need" concept and conform substantially to the modifications which we suggested. We believe that the approval of H.R. 1927 is "necessary and desirable" and will not jeopardize the service-connected disability compensation program.

Sincerely,
DOUGLAS H. MCGARRITY,
National Commander.

WASHINGTON, D.C.,
August 6, 1964.
Hon. OLIN E. TEAGUE,
House Office Building,
Washington, D.C.:

AMVETS wishes to congratulate you and the entire House Veterans' Affairs Committee on your version of a pension bill reported today which is a much needed contribution to changing needs of veterans and their dependents.

EDMUND GULEWICZ,
National Commander, AMVETS.

VETERANS OF WORLD WAR I
OF THE U.S.A., INC.,
Washington, D.C., August 5, 1964.
Hon. OLIN E. TEAGUE,
Chairman, Veterans' Affairs Committee,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN TEAGUE: At the briefing last Friday, July 31, on proposed changes in veterans' pension laws, those present in your office in addition to yourself and Mr. Meadows, were Francis Stover and Jimmie Van Zandt from the Veterans of Foreign Wars, John Erickson and I from Veterans of World War I.

My information is that the House Veterans' Affairs Committee have, this morning, reported H.R. 1927 (as amended).

As stated to you on July 2: "If the House Veterans' Affairs Committee will come out with a good bill, you will not hear anything from from national headquarters about discharge petition No. 4 during my administration."

With the information in the bill reported by the committee, I repeat the above statement, and in addition, in our official publication, the Torch, and through a bulletin to all national and department officers, will make every effort possible to gain support of the bill when it comes on the floor of the House and the Senate.

Sincerely yours,
W. R. KIME,
National Commander.

Mr. Speaker, Public Law 86–211, which was enacted in 1959, effective July 1, 1960, provides the present basis for non-service-connected pension—disability and death—for veterans, widows, and children of World War I, and World War II, and Korea, and is set forth in chapter 15 of title 38, United States Code.

Many of these beneficiaries of the three wars have elected to remain under the prior pension law, which has monthly payments of $66.15 if less than age 65 and not on the pension rolls for 10 or more years, or $78.75 if the veteran is 65 years of age or has been on the pension rolls for 10 or more years. The aid and attendance pension for these veterans is $135.45. The annual income limits are $1,400 for a veteran without dependents and $2,700 for a veteran who has dependents. This bill does not in any way change these provisions, except for section 11, although it may be reasonably expected that individuals who are presently receiving the rates mentioned above will elect to avail themselves of the new rates provided in this legislation.

Under appropriate veterans' regulations, the requirements for non-service-connected pension are:

A veteran of World War I, World War II, or the Korean conflict is eligible for a pension payment when he is permanently and totally disabled from non-service-connected causes which are not the result of willful misconduct or vicious habits—with resulting unemployability—has served 90 days or more during one or more war periods—or less if discharged for a service-connected disability—was discharged under conditions other than dishonorable, and meets certain annual income limitations.

For pension purposes under Veterans' Administration regulations, a veteran is considered to be permanently and totally disabled at age 65 if he has a 10-percent permanent disability and unemployability is attributable thereto. Generally, when a veteran attains 65 years of age he is considered unemployable for this purpose if he meets the disability requirement and is retired from his regular full-time employment.

Prior to attaining the age of 65, the permanent and total disability requirement is met if—

Before age 55, there is a single permanent disability of 60 percent, or 2 or more disabilities 1 of which is 40 percent in degree, combined with other disability or disabilities to a total of 70 percent, and unemployability is attributed thereto.

From 55 to 59, 60 percent for 1 or more disabilities, no percentage requirement for any 1 disability, plus a finding of unemployability.

From 60 to 64, 50 percent for 1 or more disabilities, no percentage requirement for any 1 disability, plus a finding of unemployability.

Section 1 of the bill provides five new exclusions in the determination of annual income, and in addition provides a new basis for the determination of eligibility where an individual is in receipt of a pension under any public or private retirement, annuity, endowment, or similar plan. Today an individual, who is receiving monthly social security benefits, for example, does not have the social security payments counted until such time as they equal the amount of his contribution. The bill provides for the repeal of this contributions factor and substitutes in lieu thereof a 10-percent formula. By way of example, an individual who is receiving $1,800 a year from social security would have excluded as income $180, but the remaining $1,620 would count as income and this would continue for so long as the individual receives social security. This provision also applies to widows and children. Obviously, this would permit thousands of individuals who are receiving social security payments and who are on the borderline of the income limitations of the pension law to enjoy the increase in social security benefits recently voted by the House of Representatives and at the same time continue to receive their non-service-connected pension. It should be crystal clear that this 10-percent exclusion would more than compensate for the recently House-approved measure—H.R. 11865—granting a 5-percent increase in social security payments, thus making certain that no veteran, widow, or child receiving a pension under the provisions of Public Law 86-211 would be adversely affected as a result of having an increase in income attributable to the social security increase.

The five new exclusions from income are—

First, amounts equal to the amounts paid by the veteran for the last illness and burial of his deceased spouse or child;

Second, profit realized from the disposition of real or personal property other than in the course of a business;

Third, payments received for discharge of jury duty or obligatory civic duty; and

Fourth, payments received under the War Orphans Act; and

Fifth, bonus or similar cash payments by any State.

Section 2 removes the requirement that a child file a report every year showing annual income received during the preceding year. Under existing law, veterans, widows, and children must file an annual income statement and indicate the corpus of the estate. This removes that requirement in the case of a child alone.

Section 3: It will be noted from the explanation referred to above that one of the requirements to receive a veteran's pension at age 65 is the existence of a 10-percent disability with unemployability attributable thereto. Section 3 removes this requirement at age 65.

Section 4 increases both the income limitation and the rate of pension for certain veterans and widows. The results will be noted by considering the columns which are designated "old rates" for the existing or "old" rates and income limitations and the tables which are designated "proposed changes," indicating the changes proposed by the enactment of this legislation.

In providing for this increase for veterans and widows the committee has adhered to the historic policy on non-service-connected pensions of granting the greatest benefit to the individual with the greatest need.

Veterans without dependents

OLD RATES

Col. I		Col. II
Annual income: More than—	but Equal to or less than—	
	$600	$85
$600	1,200	70
1,200	1,800	40

PROPOSED CHANGES

Col. I		Col. II
Annual income: More than—	but Equal to or less than—	
	$800	$90
$800	1,300	70
1,300	1,800	40

Veterans with dependents

OLD RATES

Col. I		Col. II	Col. III	Col. IV
Annual income: More than—	but Equal to or less than—	1 dependent	2 dependents	3 or more dependents
	$1,000	$90	$95	$100
$1,000	2,000	75	75	75
2,000	3,000	45	45	45

PROPOSED CHANGES

Col. I		Col. II	Col. III	Col. IV
Annual income: More than—	but Equal to or less than—	1 dependent	2 dependents	3 or more dependents
	$1,200	$100	$105	$110
$1,200	2,200	75	75	75
2,200	3,000	45	45	45

Widows without dependents

OLD RATES

Col. I		Col. II
Annual income: More than—	but Equal to or less than—	
	$600	$60
$600	1,200	45
1,200	1,800	25

PROPOSED CHANGES

Col. I		Col. II
Annual income: More than—	but Equal to or less than—	
	$800	$65
$800	1,300	45
1,300	1,800	25

Widow with 1 dependent

OLD RATES

Col. I		Col. II
Annual income: More than—	but Equal to or less than—	
	$1,000	$75
$1,000	2,000	60
2,000	3,000	40

PROPOSED CHANGES

Col. I		Col. II
Annual income: More than—	but Equal to or less than—	
	$1,200	$80
$1,200	2,200	60
2,200	3,000	40

Section 5 increases the additional monthly allowance available to a person who is so helpless or blind as to need the regular aid and attendance of another person from the present figure of $70 to $100. Thus, a veteran who is single today and who has an income of less than $600, would receive a pension of $85, plus $70 for the aid-and-attendance feature, to make a total of $155 per month. The bill, under the same circumstances, would result in a total of $190.

Section 6 establishes an additional monthly allowance for "housebound" veterans, which increases the basic pension by $35 for those veterans who, in addition to their disability, are housebound. This is in line with a similar provision enjoyed by veterans who have service-connected disabilities.

Section 7: In determining a veteran's eligibility for pension under the existing income criteria, the first $1,200 of the wife's income is excluded, but the balance is counted. The amendment proposed by this section would exclude $1,200 or all earned income, whichever is the greater.

Section 8 provides relief for aid-and-attendance pensioners who are subject today to the loss of their aid-and-attendance pension immediately upon admission to a veterans' hospital. Thus, the amendment is intended to encourage a man to enter a hospital for short stays, thus obviating the likelihood of longer periods of hospitalization. Here again, this provision is in line with the law for some service-connected cases and it provides that the aid-and-attendance allowance shall not be discontinued before the first day of the second calendar month which begins after the date of admission, rather than immediately. This section also covers certain service-connected allowances which existing law does not protect.

Section 9: The so-called CBOC program (completion of bed occupancy) permits the Department of Medicine and Surgery of the Veterans' Administration to assist individuals who have been hospitalized in Veterans' Administration institutions by providing them with drugs and medicines for use in treating the veteran's disease or injury. Section 9 would authorize this same sort of procedure for those individuals who are on the pension rolls and receiving an aid-and-attendance allowance because of their severe disabilities.

Section 10 is a technical correction to existing law to make certain that a claimant, such as a widow, may not receive more than one award of death pension on account of the service of a veteran in more than one war.

Section 11 provides the same 10-percent private or public pension exclusion factor, as described under section 1, for those individuals who have elected to receive pension under the law in effect on June 30, 1960.

The bill is generally effective January 1, 1965, as provided in section 12.

H.R. 11865 would provide 5 percent across-the-board increases in social security benefits. Absent some provision for excluding such increases from income computations they could require reduction or discontinuance of pension during this calendar year in cases wherein income is currently at or near one of the statutory income limitations.

Section 12(b) would provide an earlier effective date for the retirement exclusion provision, thus protecting persons who receive social security increases during the current year. This revision contemplates enactment of H.R. 11865 in August. Under section 2(d) of that bill, the increases would thus be payable for the month of October. According to informal advice from the Social Security Administration, those increases would be reflected in checks received on or about November 3, 1964. In the event of enactment later than August, the dates specified in section 11(b) of the reported pension bill should be appropriately adjusted. Section 11(b) also protects persons who are recouping their contributions to retirement programs on the day before the effective of 10-percent retirement exclusion provision.

The cost of the bill is as indicated in the following letter from the General Counsel of the Veterans' Administration.

Veterans' Administration,
Office of General Counsel,
Washington, D.C., August 3, 1964.

Hon. Olin E. Teague,
Chairman, Committee on Veterans' Affairs,
House of Representatives,
Washington, D.C.

Dear Mr. Chairman: At your request we have estimated the fiscal year cost of these proposals if enacted into law effective January 1, 1965. It has been determined that the cost would be as follows:

Fiscal year:	
1965 (Jan. 1 through June 30, ½ fiscal year)	$43, 880, 590
1966	72, 619, 530
1967	97, 341, 610
1968	106, 002, 745
1969	111, 437, 400

Cost estimates include not only the direct effects of the proposals (that is, increases to those already under Public Law 86–211) but also a realistic estimate of what, in our best judgment, would be incurred by way of additional cost stemming from the proposed changes as the result of old law cases electing to come under the current pension program as modified by the proposed changes.

Sincerely,

Robert C. Fable, Jr.,
General Counsel.

Speaker, I never asked any Member of the House not to sign the discharge petition. I fully realize that each Member has his own responsibilities and has to represent his own district in his own way. I would submit that if those individuals who refused to sign the discharge petition performed a signal service in behalf of veterans not only to veterans generally but to veterans of World War I, in particular. I am convinced and believe most Members of the House will agree, that had we approved the unrestricted bill which was introduced earlier in the Congress and which was urgently advocated by many, it would never have become law and our action in approving it would have made a mockery of efforts to help the veterans of World War I or the veterans of later wars. I am convinced that a reasonable bill such as the one we are considering today, which was worked out with the agreement and understanding of the different elements in this picture is the best way to approach a difficult problem.

Now, the details of the bill:

Mr. Speaker, under unanimous consent, I insert at this point the letter from the General Counsel of the Veterans' Administration concerning the effect of this bill on veterans' pensions in the light of the recently voted 5-percent social security increase, as well as the official Veterans' Administration definition of the term "earned income":

Veterans' Administration,
Office of General Counsel,
Washington, D.C., August 10, 1964.

Hon. Olin E. Teague,
Chairman, Committee on Veterans' Affairs,
House of Representatives,
Washington, D.C.

Dear Mr. Chairman: At your request we have considered H.R. 1927, 88th Congress, as reported with amendments, in the light of H.R. 11865 which passed the House on July 29, 1964.

H.R. 1927, if enacted into law, will make certain that no persons now on the pension rolls will lose their pension or have it reduced as a result of the 5-percent, across-the-board increase in insurance benefits provided by H.R. 11865.

Sincerely,

Robert C. Fable, Jr.,
General Counsel.

Earned Income

Instruction 1, Public Law 86-211, paragraph 3e(1)(b): "Earned income is that derived from wages or self-employment."

Mr. Speaker, I will be happy to endeavor to answer any questions that Members may have.

GENERAL LEAVE TO EXTEND

Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to extend their remarks in the Record concerning this bill.

The SPEAKER pro tempore (Mr. Thompson of Texas). Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. TEAGUE of Texas. Mr. Speaker, I would like to offer Members the opportunity of asking questions concerning the bill.

Mr. SAYLOR. Mr. Speaker, will the gentleman yield?

Mr. TEAGUE of Texas. I will be glad to yield to the gentleman from Pennsylvania.

Mr. SAYLOR. Due to the fact that all of the veterans organizations have supported this legislation as a good compromise and since you have received letters from the national commanders, could you place those letters in the Record with your remarks?

Mr. TEAGUE of Texas. Mr. Speaker, I ask unanimous consent to revise my remarks at this point in the Record to include an explanation of the bill and include letters of all the national commanders of all the veterans groups.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. DORN. Mr. Speaker, will my distinguished colleague from Texas yield?

Mr. TEAGUE of Texas. Yes. I will be glad to yield to the gentleman from South Carolina.

Mr. DORN. I would like to note at this point that our respected, distinguished, and able colleague from North Carolina [Mr. Kornegay] conducted the hearings and did a splendid job in conducting these hearings and reporting this bill out to the full committee.

I would like, also, to ask my distinguished chairman if the bill, as drawn and presented to the House today, is not substantially along the lines as recommended by Comdr. J. Bates Gerald, of Charleston, S.C., who is the World War I regional commander of district No. 4?

Mr. TEAGUE of Texas. I would say to my colleague that Commander Gerald did appear before the committee and was very helpful in trying to bring forth legislation.

Mr. DORN. Mr. Speaker, I would like to thank the chairman and further point out that we are all very grateful to the gentleman from North Carolina [Mr. Kornegay] for doing such an outstanding job.

Mr. TEAGUE of Texas. We are indebted to all of the members of the subcommittee.

Mr. MILLS. Mr. Speaker, will the gentleman yield?

Mr. TEAGUE of Texas. I yield to the gentleman from Arkansas.

Mr. MILLS. In particular, I want to congratulate the gentleman and the members of his committee for acting as expeditiously as they have with respect to a problem that will be created by the passage of benefit increases in the Social Security Amendments of 1964. I realize that the bill does other things for veterans than to protect them against the loss of pensions being presently received as a result of the increase in the social security program. I want to also congratulate the gentleman and members of his committee for the other matters which they have included in this legislation. It certainly deserves, and I expect will receive, our overwhelming support.

Mr. TEAGUE of Texas. I would like to say to the gentleman from Arkansas that the committee suspected that his Committee on Ways and Means would come forth with an increase in social security payments, and we thought what we did was a good step in bringing these matters in line. I have a letter from the Veterans' Administration which says this will take care of every veteran who otherwise would have lost money from social security increase legislation, H.R. 11865.

Mr. Speaker, I ask unanimous consent to place the letter from the VA General Counsel in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. HARRIS. Mr. Speaker, will the gentleman yield?

Mr. TEAGUE of Texas. I will be glad to yield to my colleague.

Mr. HARRIS. Recently I had a primary campaign in my district and many World War I veterans were deeply concerned and discussed with me from time to time their concern about the bill which they were sponsoring and urged on the Congress of the United States, H.R. 2332. How does this bill here treat the subject which is included in H.R. 2332?

Mr. TEAGUE of Texas. H.R. 2332 was a much more expensive bill than H.R. 1927 as reported. It was a bill I had reason to believe would not be signed by the President, a bill that would not be considered by the Senate. The gentleman from Arkansas has talked to me many times and expressed keen interest in this problem, but he well knows the easiest thing our committee could have done would have been just to report some bill and bring it to the floor. However, that would not have been, in my opinion, responsible action on the part of a committee of this Congress. Our committee was trying to bring out a bill that could become law. On July 31, at a meeting with the veterans' groups, including the Veterans of World War I, agreement was reached on this bill, H.R. 1927. The bill the gentleman speaks of, H.R. 2332, as I remember the figure, would have cost, according to the Veterans' Administration, $1,300 million the first year, and $1,100 million the fifth year.

H.R. 1927, as reported, will cost less than $100 million the first year and every penny of it goes to some veteran that is very much in need; those who are blind, sick, who cannot leave their homes, and those who are, you might say, at the bottom of the totem pole as far as income is concerned.

Mr. HARRIS. Mr. Speaker, I want to express my thanks to the gentleman for the courtesies he has extended to me and the information that he has conveyed to me from time to time. Also I want to express my thanks to the gentleman and his committee for the consideration they have given to this problem. As I understand, those who were sponsoring H.R. 2332 are in accord with the actions of the committee in bringing this legislation to the floor of the House today.

Mr. TEAGUE of Texas. Mr. Speaker, I appreciate the gentleman's kind remarks.

Mr. WAGGONNER. Mr. Speaker, will the gentleman yield?

Mr. TEAGUE of Texas. I yield to the gentleman.

Mr. WAGGONNER. Mr. Speaker, is it not true that H.R. 2332 as originally presented carried benefits only for World War I veterans whereas the legislation which the committee has brought to the floor today for consideration takes into consideration the needs of all veterans regardless of the war involved?

Mr. TEAGUE of Texas. That is very true. H.R. 2332 did concern only World War I veterans. Today there are 1,200,000 veterans drawing non-service-connected pensions; 1 million of those are World War I and 200,000 are World War II veterans. I think the members of our committee all agreed that there was no difference between two men 70 years of age who had comparable service, one in World War I and the other in World War II. This bill applies to all veterans, veterans of World War I, World War II, and Korea and also the Spanish War if they so elect.

Mr. WAGGONNER. Mr. Speaker, I want to commend the chairman of the full committee, the chairman of the subcommittee and the other members of the committee for having brought this legislation to the floor today. It takes into account the needs of all World War I veterans who are deserving of this consideration, but it takes into account as well the needs of our World War II and Korean conflict veterans. I think the committee has done a very good job in presenting this legislation.

Mr. EDMONDSON. Mr. Speaker, will the gentleman yield?

Mr. TEAGUE of Texas. I yield to the gentleman.

Mr. EDMONDSON. Mr. Speaker, I thank the gentleman for yielding. Mr. Speaker, I wholeheartedly support H.R. 1927 and congratulate the Committee on Veterans' Affairs and its able and distinguished chairman upon reporting this much-needed legislation. The bill undoubtedly is urgently needed in the light of the social security changes that have been brought about and should be approved unanimously by the Congress.

Mr. WYMAN. Mr. Speaker, will the gentleman yield?

Mr. TEAGUE of Texas. I yield to the gentleman from New Hampshire.

Mr. WYMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Hampshire?

There was no objection.

Mr. WYMAN. Mr. Speaker, I rise in support of H.R. 1927. I would like to compliment the chairman and members of the Veterans' Affairs Committee for their able report accompanying this legislation and for the bill which, I understand, has the support of the national officers of the Veterans of World War I, as well as other veterans' organizations nationwide.

This legislation, which liberalizes non-service-connected pension payments to veterans of World War I, World War II, the Korean conflict, and their widows and children, is long overdue. It is on a basis of need and it is justly deserved.

As a matter of fact, Mr. Speaker, if anything, I do not think it goes far enough. I would favor liberalizing further the income limitations for World War I veterans who have attained their 65th birthday to a greater extent than has been done in this bill.

However, the bill is a step in the right direction and I support it.

The original provisions of H.R. 1927, as well as H.R. 2332, would have required a cost factor of almost a billion dollars a year. To me, this was too high a charge on the operating expenses of the Government considering the national debt and deficit and I so indicated to appropriate officials of the organizations involved. I have urged that as a matter of policy a bill with a lower price tag be introduced and supported. As I have said here this afternoon, the present provisions of H.R. 1927 are something less than I felt were warranted under all the circumstances, but, nevertheless, there is accomplished in this bill a great deal of good for the Nation's veterans. We all recognize that this legislation is not a bar to consideration of additional measures in the 89th and subsequent Congresses.

Under H.R. 1927, as now before us, we find in section 1 five new exclusions in the determination of annual income and a new formula for eligibility for pension where a veteran is already in receipt of a pension under a public or private plan. Under prior law, a veteran receiving monthly social security benefits was required to have these count when they equalled the amount of his contributions. Under this bill, this is repealed and a 10-percent limitation substituted, which means that a veteran receiving $1,800 a year from social security would have excluded as income

$180 but the remaining $1,620 would count as income and would continue as long as the veteran received social security. This will permit thousands of veterans who are receiving social security payments to have the increase we just voted last week, without losing their non-service-connected pensions. This 10-percent exclusion will more than compensate for last week's 5-percent increase in social security payments.

The exclusions from income provided in this section are:

First, amounts equal to the amounts paid by the veteran for the last illness and burial of his deceased spouse or child;

Second, profit realized from the disposition of real or personal property other than in the course of a business;

Third, payments received for discharge of jury duty or obligatory civic duty;

Fourth, payments received under the War Orphans Act; and

Fifth, bonus or similar cash payments by any State.

Other provisions of the bill substantially increase monthly allowances to blind or helpless veterans, to housebound veterans, and broaden a veteran's eligibility for pension under existing standards by excluding $1,200 or all earned income, whichever is greater, on the part of a spouse of a veteran from the amounts otherwise disqualifying or reducing veterans' pensions.

In addition to the foregoing, the bill provides for increases in annual income limitations in accordance with tables set forth in the bill for veterans or their widows. The total cost factor of the bill is such that it will not involve an astronomical charge upon the economy but will stabilize for the next few years at approximately $100 million a year.

This legislation is cumulative to the other veterans legislation that we have enacted in this Congress and that I have supported. By way of illustration—

Public Law 88–21 increases payments to parents and children of veterans who died of service-connected disabilities;

Public Law 88–134 increases payments to widows of veterans whose death was due to service-connected disabilities;

Public Law 88–151 permits the Veterans' Administration to waive recovery on default on home loans in certain hardship cases;

Public Law 88–20 provides additional compensation for service-incurred loss of hearing in both ears;

Public Law 88–22 increases compensation for veterans suffering complete loss of speech;

Public Law 88–361 provides educational assistance to children of veterans with total and permanent service-connected disability; and

Public Law 88–355 extends disability income provisions of national service life insurance policies through age 65 under certain conditions.

Mr. Speaker, I support legislation that will protect the rights, interests, and reasonable concerns of all veterans. I have particular regard for the concerns of the veterans of World War I, who now in their seniority have particular need for that those of us who are veterans of World War II and younger should provide, that as genuine need requires our society, from its dynamic and producing members, shall protect those who are themselves unable or unequipped to provide a decent, respectable existence in their old age.

Where to draw the line between need and privilege, between the unjustified, and the rightful obligation of a concerned society to those who have sacrificed to protect and defend that society, is always a difficult problem. I am confident that as time goes by our representative system will achieve a sound balance here and that we will provide for and take care of the problems of all our veterans on a sound basis. I shall support this goal to the best of my ability in this session and, I hope, in succeeding sessions of Congress.

Will the gentleman yield further to me at this point for a question?

Mr. TEAGUE of Texas. I yield.

Mr. WYMAN. Mr. Speaker, I would like to ask about the allowances in this bill. There is an exclusion of all earned income or $1,200, whichever is higher, of the spouse of a veteran in computing allowances. Suppose there is a spouse who is wealthy, who has dividend income of $10,000 a year. Is that to be counted or excluded?

Mr. TEAGUE of Texas. In determining a veteran's eligibility for pension under existing income criteria, the first $1,200 of the wife's income is excluded, but the balance is counted. The amendment proposed by section 7 of the bill would exclude $1,200 or all earned income, whichever is the greater.

Mr. WYMAN. That would be included?

Mr. TEAGUE of Texas. All but $1,200 of the dividends would be counted.

Mr. WYMAN. So, hypothetically speaking, if we had a veteran who is married to a person who has unearned income such as dividend income of $10,000 a year, he would not be entitled to draw this under this legislation?

Mr. TEAGUE of Texas. That is correct.

Mr. WYMAN. As the gentleman just said a moment ago this legislation is directed to need on the part of veterans?

Mr. TEAGUE of Texas. I did so state and the "need" clause is an essential element in all non-service-connected pensions. So income from bonds or dividends of that sort would be considered as income, except as I have indicated.

Mr. WYMAN. I thank the gentleman.

Mr. BROYHILL of North Carolina. Mr. Speaker, will the gentleman yield?

Mr. TEAGUE of Texas. I would be glad to yield to the gentleman from North Carolina.

Mr. BROYHILL of North Carolina. Mr. Speaker, I, too, would like to join with my colleagues in congratulating the gentleman from Texas and the great Committee on Veterans' Affairs for bringing this legislation to the floor of the House.

As the gentleman from Texas knows, I discussed this legislation with him on a number of occasions and expressed my interest in it.

There has been disagreement among the various national veterans' organizations, the administration, and Members of Congress concerning what the terms of new pension legislation should be. The arguments have been going on for a number of years.

It has been my strong feeling that the most useful purpose would be served by working toward the resolution of these disagreements. Perpetuating them would only assure that no legislation at all would be passed and that the problems of many of our older veterans in need would be aggravated further.

The last pension bill was enacted into law on August 29, 1959, and became effective on July 1, 1960. Five years have elapsed since the question of veterans pensions has been brought before the Congress. In that 5-year period, the Department of Labor advises me that the cost of living has increased by 6.1 percent. Thus, the veterans of the Nation who are dependent upon pensions have seen the purchasing power of the funds available to them decline by this amount. Certainly, it is not the intention of the Congress to create additional hardship through failure to act.

For many years, we have pursued a policy of assisting older and disabled veterans in need as a measure of gratitude for their services to the country in times of national peril. We have not abandoned this principle although many of our older veterans may rightly raise the question as they see pensions reduced in value while the Congress fails to respond to the problem.

While need is an essential factor, the punitive provisions of income computation in the 1959 act should be removed and other improvements suggested in this legislation should, in my opinion, be enacted without further delay. Through them, it is my earnest hope that help will be provided for many of our older veterans and the widows of veterans.

Again, I want to congratulate the spokesmen for the various national veterans' organizations and the Veterans' Affairs Committee for their conscientious efforts in recent weeks to resolve old differences and to bring to the floor of the House a bill on which they can agree. The action they have set in motion is surely in the interest of many thousands of veterans. I urge that this legislation be approved by the House today so that there will be ample time for the Senate to act before this session completes its work.

Mr. BATTIN. Mr. Speaker, will the gentleman yield?

Mr. TEAGUE of Texas. I yield to the gentleman from Montana.

Mr. BATTIN. Mr. Speaker, I thank the gentleman for yielding.

I too would like to pay my special thanks to the chairman of the Committee on Veterans' Affairs as well as to the chairman of the subcommittee who conducted the hearings on this legislation in taking care of the peculiar situation which I think exists in only two States. Montana veterans of World War I would be penalized if an exception had not been made. I introduced legislation to correct this problem and I am pleased to say that my bill has been incorporated in the legislation before us today. The State of Montana passed a bonus bill and under Federal law the income received from the bonus would have to be included and could reduce the veteran's benefit. The inclusion of my bill corrects this problem.

I do appreciate it and I am sure the veterans of World War I of the State of Montana will thank the gentleman and his colleagues.

Mr. CURTIS. Mr. Speaker, will the gentleman yield?

Mr. TEAGUE of Texas. I yield to the gentleman from Missouri.

Mr. CURTIS. Mr. Speaker, I want to join in these accolades to the chairman of the Committee on Veterans' Affairs and the members of that committee.

I have had an opportunity to talk with the gentleman from Texas about this, as well as the gentleman from Ohio [Mr. AYRES]. I know the gentleman from Texas gives considerable credit to the gentleman from Ohio [Mr. AYRES] for getting this measure out to the floor of the House.

However, I was interested in a statement which was made by the gentleman from Texas with reference to the cost estimates of this legislation, $100 million in the first year, compared to the almost $1 billion as provided for in other legislation pending before that committee.

On page 12 of the report which accompanies this bill the estimates given there by the general counsel are much lower than the figure as stated by the gentleman from Texas. I want to be sure which is correct. In 1965 it is $43 million, and then it goes to the figure of $60 million in the first full year, $72 million, $97 million, $106 million, and $111 million.

Are these the accurate figures?

Mr. TEAGUE of Texas. The $43 million is because the bill is only generally effective from January 1, 1965.

Mr. CURTIS. The first full year, then, would be $72 million; is that right?

Mr. TEAGUE of Texas. No, it would be approximately $86 million. In other words, the $43,880,000 is due to the fact that the legislation will have been effective for only one-half year.

Mr. CURTIS. Could the gentleman then direct his attention to page 12 of the report?

Mr. TEAGUE of Texas. Yes.

Mr. CURTIS. At the very bottom there is given the figures for the full years of operation there. Are these figures accurate?

Mr. TEAGUE of Texas. The cost of the bill would drop some the second year and then go back up.

Mr. CURTIS. I understand that, but the real question to which I was coming is this. It would seem to me that this kind of program will increase—well, I am not sure—would this program tend to phase out after the first 5 years, until we begin having World War II veterans participating?

Mr. TEAGUE of Texas. Until the World War II veteran group comes in large numbers, that is correct.

Mr. CURTIS. Until they start coming under the program?

Mr. TEAGUE of Texas. That is right.

Mr. CURTIS. One final question: I notice that this does include the cost of administration? I do know this, regrettably, for some of our World War I people are on old-age assistance and I dare say that this kind of improvement might remove some of them from old-age assistance, and I certainly hope so.

Mr. TEAGUE of Texas. I think that is correct.

Mr. CURTIS. Would this not include the savings that we will gain from old-age assistance?

Mr. TEAGUE of Texas. There would be some factors involved in this on which we do not have the figures.

Mr. SECREST. Mr. Speaker, will the gentleman yield?

Mr. TEAGUE of Texas. I yield to the gentleman from Ohio.

Mr. SECREST. Mr. Speaker, on the 29th of July the House passed a bill to increase social security payments by 5 percent. This additional income would disqualify many veterans who are now receiving a pension. The bill we are considering today, H.R. 1927, raises the amount of the permitted annual income to guarantee that no veteran will lose his pension because of the increase in his social security payments. It even goes further than protecting him from the social security raise. It permits him to deduct 10 percent of payments under any public or private retirement plan. It also excludes for pension purposes amounts paid by a veteran for the last illness and burial of a spouse or child. It excludes profits realized from the sale of real or personal property. It excludes payments received as the result of jury duty. It excludes payments under the War Orphans Educational Assistance Act and any State bonuses. It also permits a veteran who attains the age of 65 to secure a pension without showing a 10-percent disability and that his unemployability is attributed to it, as is required under the present law.

Under the present law a veteran has to count the income of his spouse in excess of $1,200. Under the provision of this proposed bill, a wife could earn as much as she could, and the veteran would not be required to account for any of it.

Under the present law a veteran in receipt of aid and attendance allowance must give it up the first day he enters a veterans' hospital. The proposed law would permit him to receive his allowance until the first day of the second calendar month following his admission. The purpose of this provision is to encourage a veteran to go to the hospital early, before his condition becomes so serious that his stay in the hospital will be greatly prolonged.

This bill provides that drugs and medicines may be furnished veterans in receipt of aid-and-attendance allowance. It increases the pension of "permanently housebound" veterans by $35 monthly. It increases the monthly allowance for aid and attendance of blind or helpless veterans from $70 to $100 per month. Under the bill annual income limitations are raised as well as pension payments to veterans with lower incomes.

This is one of the best veterans bills ever considered by this House, and I hope it passes without a dissenting vote.

Mr. TEAGUE of Texas. Mr. Speaker, my time is running out. At this time I yield to the gentleman from Indiana [Mr. DENTON], a strong supporter of the position of the war veterans.

Mr. DENTON. Mr. Speaker, I rise in support of H.R. 1927, providing for increased income limitations for veterans with non-service-connected disabilities and other improvements in the law which covers non-service-connected pensions.

As you know, I have long been interested in a pension for the veterans of World War I and in a number of Congresses I have introduced legislation for that purpose. In the 87th Congress, I introduced H.R. 3745 and in this Congress I introduced H.R. 2332, both of which provide for pensions for the veterans of World War I. I felt this legislation was necessary and that it would provide treatment for the veterans of World War I comparable to the treatment the veterans of other wars have received.

In both instances the Committee on Veterans' Affairs did not see fit to report this proposed legislation. I felt so strongly in favor of this legislation that in both cases I filed discharge petitions. In neither case, however, were the 218 signatures necessary for discharge secured. This year there are 157 names on the discharge petition and since it is late in the session it is rather obvious that the necessary number will not be secured, and again this legislation which I feel is so necessary will be overlooked.

I feel that this measure now before the House is the best legislation that can be secured during this session to benefit the veterans and for that reason I am supporting the bill.

The provision increasing the income limitations by 10 percent of the sum received by a veteran through social security, railroad retirement, civil service retirement, and similar benefits is absolutely necessary and essential. We have recently passed a measure increasing social security benefits 5 percent. In many instances this extra 5 percent would increase the income of a veteran so that his pension would be discontinued entirely or severely reduced.

When that bill was before the House, the Ways and Means Committee took the position that it was the duty of the Committee on Veterans' Affairs to correct this inequity which might ensue in which a man might receive a 5-percent increase in social security payments and have to forfeit a $100 monthly pension.

The provision increasing the benefits for disabled veterans needing constant care and attention from $70 to $100 per month is also badly needed.

There are many good and needed provisions contained in this legislation which I am sure you are aware of.

While I would like to see a general pension offered the veterans of World War I, commensurate with the pensions provided the veterans of earlier wars, I feel that this bill is certainly a step in the right direction. I want to congratulate the Committee on Veterans' Affairs for bringing out this bill and I urge its adoption. I have discussed this measure with the officers of the Veterans of World War I of the U.S.A., Inc., and they favor the legislation. I understand that other veterans' organizations are also in support of the bill. It is certainly much needed legislation.

Mr. O'HARA of Illinois. Mr. Speaker, will the gentleman yield?

Mr. TEAGUE of Texas. I yield to the gentleman from Illinois.

Mr. O'HARA of Illinois. Mr. Chairman, I am very happy to join in the universal acclaim of the great chairman of the great Committee on Veterans' Affairs, the gentleman from Texas [Mr. TEAGUE], the great chairman of a great subcommittee, the gentleman from North Carolina [Mr. KORNEGAY], and a great son of Illinois, the tireless and ever-faithful friend of the veteran, the gentleman from Illinois [Mr. LIBONATI], the author of the bill now under consideration. It is a bill approved by all the veteran organizations, including that composed of veterans of World War I. It is in the finest traditions of this Republic in the appreciation of and treatment of our veterans.

As a veteran of the Spanish-American War, I have been drawing a pension of over $100 a month for a long time. Some years ago I was not taking the Spanish War veteran pension. Then Charles Walgreen, founder and head of the Walgreen drugstore chain, and a veteran of the war with Spain, put it to me this way: "Unless we all take the pension, we are placing our comrades who are in need of the pension for livelihood in an embarrassing position that should not be pushed upon any veteran."

Since that time I have been taking the pension that I earned many, many years ago and have been bitterly opposed to pauper requirements that divide unfairly veterans who served in the same war. The fact is that when age comes there are mighty few veterans of any war who do not need some financial lift. And they should receive it without humiliation.

Mr. Chairman, this is a great bill, it is a fine bill, but I hope and pray that the day is not far away when every veteran of World War I will receive a pension comparable to that received by the Spanish War veterans. Also I hope in time when age has reached into the ranks of the veterans of World War II and that time is rapidly approaching, that every veteran of that conflict will receive a pension comparable to that now paid the Spanish War veterans.

To me it is the soundest form of fiscal responsibility to meet our full obligation to the men and women who gave their youth to their country and in their age require help from the country they served to keep body and soul together.

Mr. AYRES. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I think the gentleman from Texas [Mr. TEAGUE], has explained very well the work that has gone into this bill. It has been my privilege to have been the ranking member of the committee under the leadership of our chairman, and I am happy and gratified that we can bring a bill before the House today that enjoys the support of all the major veterans organizations.

As the gentleman from Indiana [Mr. DENTON] has pointed out, a discharge petition has been on the desk. Many Members have been subjected to great pressure because they did not sign the petition. Now that we have brought this bill out I hope much of that misunderstanding will be eliminated.

Mr. Speaker, it is most refreshing to see a pension bill that enjoys the support of all the major veterans organizations. As you well know, the pension issue has been pending before the Committee on Veterans' Affairs for a considerable length of time. The failure of the committee to act prior to this time on any pension bill has not been the result of unwillingness on the part of the committee or Members of Congress to vote an increase in pensions. On the contrary, the Committee on Veterans' Affairs and Members of Congress generally have been more than willing to act upon a pension bill, but the veterans organizations themselves would not agree until 1 week ago on the details of a bill to liberalize pensions.

I am pleased that the Republican Party platform for 1964, entitled "For the People" included my recommendation pledging revision of the non-service-connected pension programs to provide increased benefits for low-income pensioners. This plank of our platform dramatically illustrates the willingness of my colleagues on this side of the aisle to act favorably upon a pension bill. I repeat, Mr. Speaker, that the unanimous support of the major veterans organizations of the provisions of H.R. 1927 have made it possible for us to bring this important measure to the House of Representatives for your action today.

Our Compensation and Pension Subcomittee considered and rejected more than 150 bills on his subject. Some were exorbitant in their cost estimates and many were unreasonable in that the bulk of the exorbitant cost would be devoted to adding more veterans with substantial incomes to the pension rolls while offering little or no benefit to the truly needy veteran. In this connection, I want to pay tribute to the exhaustive efforts put forth by our Subcommittee on Compensation and Pension under the direction of the distinguished gentleman from North Carolina. One bill was the subject of a discharge petition. Members of Congress were subjected to an intensive pressure campaign to sign the petition calling for the release of the proposal from the committee. Members were labeled "antiveteran" if they refused to sign the discharge petition and their defeat in forthcoming elections was promised. Despite this atmosphere of controversy, the committee proceeded to analyze and study the question of non-service-connected pensions and finally reported to this body a bill that enjoys the unanimous support of all of the major veterans organizations. I am pleased to support and vote for this bill, H.R. 1927, as I am confident are a majority of my colleagues for the simple reason that we believe in the veterans pension program—for the simple reason that we believe a sound enduring pension program must be based upon need. When we depart from the concept of financial need as related to veteran pensions, we jeopardize the entire structure of veteran's benefits as we know it today.

The bill before you today, Mr. Speaker, preserves the concept of need in pension and at the same time liberalizes the program so that it will benefit those who are most in need. I urge my colleagues to join me in support of this measure.

Mr. ADAIR. Mr. Speaker, will the gentleman yield?

Mr. AYRES. I yield to the gentleman from Indiana.

Mr. ADAIR. Mr. Speaker, I rise in strong support of this measure.

During the 88th Congress, more than 150 bills, each having as its purpose the liberalization of the existing non-service-connected pension program or the creation of a separate pension program, have been introduced and referred to the Committee on Veterans' Affairs. These have run the gamut from modest proposals to measures of the greatest magnitude. First year cost estimates on these bills have ranged from a million dollars to more than a billion dollars.

I am sure my colleagues are aware of the intense interest displayed by many veterans and all of the major veteran organizations in the enactment of a pension bill into law. Despite this apparent unity of purpose, each of the major veteran organizations was supporting a different bill. Administration spokesmen had voiced their opposition to all pension bills then pending.

In this atmosphere, it became the formidable task of the Committee on Veterans' Affairs to draft a bill that would be acceptable to the veteran organizations, enjoy some chance of passage by the Congress and approval by the President, and most important, would provide increased benefits to veterans with low incomes and those who are seriously disabled as well as widows of deceased veterans.

I believe my colleagues will agree, Mr. Speaker, that our Subcommittee on Compensation and Pension has performed an outstanding service in this respect. After receiving the views of all interested organizations and agencies, the Subcommittee presented this bill, H.R. 1927, that was reported unanimously by the full committee. I am informed that all of the major veterans organizations have endorsed H.R. 1927. I hope it will be acceptable to the other body and to the President.

This bill, Mr. Speaker, recognizes and provides a solution to the problem created for many veteran pensioners by the proposed 5-percent increase in social security payments. If the Social Security Amendments of 1964 become law and the proposal before us today is not approved, many veterans will receive less than $100 a year increase in social security payments while losing up to $950 annually in veterans pension. H.R. 1927 will prevent this possibility by permitting pensioners to exclude from the computation of income for pension purposes each year an amount equal to 10 percent of any retirement annuity or payment received.

Additionally, the bill provides increases in monthly pension rates and income limits for certain categories of veterans and widows. These increases range from $5 monthly to $35 monthly. The latter rate constitutes a new supplement to the basic rate of pension for those who are housebound because of disabilities. Pensioners who are receiving the aid and attendance allowance for severely handicapping disabilities will receive a $30 increase in monthly payments. This same group will receive drugs and medication prescribed by a physician.

A feature of the bill of particular interest to pensioners with working wives would permit the exclusion of a spouse's earned income in computing income for pension purposes. Existing law excludes only the first $1,200 of a spouse's income from all sources.

The bill also will eliminate from existing law the requirements of disability and unemployability in the case of veterans aged 65 and older.

Mr. Speaker, these are the highlights of H.R. 1927 as amended. It is a good bill. It is a bill that was conceived for the purpose of aiding the seriously disabled and the needy veterans of World War I and their survivors. Because it accomplishes this purpose, I am proud to support it and I urge my colleagues to join me.

Mr. AYRES. Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. SAYLOR] such time as he may desire.

Mr. SAYLOR. Mr. Speaker, I am happy to vote for H.R. 1927, the veterans pension bill before the House today. This bill offers a tangible benefit to the Nation's needy veteran. It offers this benefit to the needy without disturbing the philosophy of existing law and without adding to the pension rolls thousands of veterans with substantial incomes.

It is important that the philosophy of Public Law 86-211, today's pension law, be perpetuated in any new pension legislation enacted by the Congress, for this program truly relates the payment of pension to need.

To understand the significance of our action today, it may be well to review briefly the history of pensions. Prior to July 1, 1960, the pension law then in effect contained an "all or nothing" concept. There was only one income limit for single veterans of $1,400 per year and one limit of $2,700 per year for veterans with dependents. There were two rates of pension of $66.15 or $78.75 monthly. If a veteran was 65 years of age or had been on the pension rolls for 10 years, he was entitled to the higher rate. The rate of pension, however, bore no relation to either the amount of income or the number of dependents. Married or single, children or no, the rate of pension was the same. Whether a married veteran had no income or whether he had $2,699 income, he was entitled to the same rate of pension. If he had one penny more than $2,700 a year, however, he received no pension.

There were many such inequities in the old pension law. A spouse's income or a veteran's net worth were not factors for consideration in determining pension eligibility. Thus, a wealthy veteran could transfer all of his income producing assets to his spouse's name and then receive the same pension payment that a low-income pensioner receives.

These inequities were corrected in Public Law 86-211, which became effective July 1, 1960. The new law established three income levels for single veterans and three for veterans with dependents. Each income level produced a different rate of pension. The maximum income limits were increased to $1,800 and $3,000, respectively. A spouse's income and a veteran's net worth became factors in determining pension entitlement.

Because some of those on the rolls may have suffered a reduction under the new law, it contained a savings clause that permitted those on the rolls to elect to be paid under whichever law paid them the greatest benefit.

This was a good law, Mr. Speaker, because it realistically, for the first time, related pensions to need. It was drafted with the knowledge and concurrence of all the major veterans organizations.

Despite this apparent harmony, the ink was hardly dry on the President's signature of approval before concerted efforts were being made to change the law. Members of Congress were subjected to an intensive pressure campaign to enact legislation that would return to the old system with a single rate of pension for all and income limits so high as to be meaningless. The campaign reached its peak in this Congress with an unprecedented number of bills seeking practically a "no strings" pension. For example, one prominently discussed measure would have given absolutely no increase to the married veteran with two children and no outside income. On the other hand, it would offer the single veteran with as much as $4,800 income a pension of $100 monthly.

While efforts to obtain legislation of this nature were intensified, another related situation was developing. Thousands of veterans and widows who obviously should have elected to receive the greater benefits of the new law were failing to do so. Misinformation, lack of information, or just plain failure to get the word could be the reason. In a recent study, the Veterans' Administration determined that more than 288,000 veterans and widows had lost more than $46 million in the year 1963 by their failure to elect benefits under the new law.

Here, Mr. Speaker, we were confronted with the incredible situation of demands being made for increased pensions, while millions of dollars in benefits already available were not being accepted. I am hopeful that with the enactment of H.R. 1927, this incongruous situation will be corrected.

Mr. Speaker, H.R. 1927 will amend the existing law. It will provide increases to those who are most in need. It will permit the payment of pension in some meritorious cases that had previously been excluded. It will insure that the proposed social security increase does not adversely affect any veteran pensioner.

I have repeatedly told veterans in my district that I would support any reasonable liberalization of the existing law. H.R. 1927 fits that description and I intend to support it.

Mr. AYRES. Mr. Speaker, I yield to the gentleman from California [Mr. TEAGUE], a member of the subcommittee that heard all the testimony on this pension bill.

Mr. TEAGUE of California. Mr. Speaker, it has been my privilege to serve as a member of the Subcommittee on Compensation and Pension during this period when non-service-connected pension legislation was being considered. Our task was an unenviable one.

The subcommittee analyzed and received testimony on more than 150 bills, all having as their purpose the revision of the existing non-service-connected pension program. The results of our efforts are represented in the bill before you today, H.R. 1927 as amended in committee. I will support this bill because it offers a reasonable solution to the problems facing the low-income veteran.

Members will recall that one proposal, represented by several identical bills before the committee, called for a separate pension program for World War I veterans.

The proposal, according to proponents, would provide sorely needed relief for sick and needy World War I veterans. A careful analysis of the measure, however, revealed that it would authorize a $100 monthly pension for great numbers of veterans with substantial incomes who are unable to qualify for pension today because of excessive income. At the same time, it offered little if any relief to the low-income veteran or to the seriously disabled veteran.

Mr. Speaker, I could not in good conscience support a proposal that provided pension so disproportionate to need. The measure before the House today, H.R. 1927, on the other hand, offers a substantive benefit to the needy veteran, particularly those who are seriously disabled. For example, the married veteran with no outside income but so seriously disabled that he requires the aid and attendance of another person will receive $200 monthly under this bill. Today he receives $160.

The veteran with disabilities confining him to his home whose only family income is the $2,400 a year salary his wife brings home today is entitled to $75 monthly pension. Under H.R. 1927, he will be entitled to $135 monthly.

These are but two examples of the manner in which the bill will help the sick and needy veteran. It will amend existing law, so that its benefits are available to qualified World War I, World War II, and Korean conflict veterans. It preserves the philosophy inherent in the present law that pensions are based upon need and as the need varies, so do the monthly payments.

Mr. Speaker, I will vote for this bill, and I hope my colleagues will also support it.

Mr. AYRES. Mr. Speaker, I yield such time as he may desire to the gentleman from Florida [Mr. HALEY], a member of the committee.

Mr. HALEY. Mr. Speaker, I, too, want to commend the chairman of the subcommittee and the chairman of the full committee, who have worked together faithfully on this bill, along with the others on the Committee on Veterans' Affairs. They have brought here a bill on which 2 months ago we thought it would be impossible to bring together the views of the various veterans' organizations. But we have brought here today a bill that I think deserves the support of the entire membership of this House. I think it is a fair bill.

Mr. AYRES. Mr. Speaker, I yield such time as he may desire to the gentleman from Ohio [Mr. HARSHA].

Mr. HARSHA. Mr. Speaker, I rise in support of this legislation, H.R. 1927, but do so with considerable reservation.

At the outset, I would like my colleagues to clearly understand that, in my opinion, the purpose of the bill is laudable, since it is designed to alleviate, to a small degree, and I emphasize the phrase "small degree," the hardship and suffering of our wartime veterans who are permanently and totally disabled due to disabilities not as a result of service.

My reservations are that the bill does not go far enough. It does not provide adequate increases in benefits for nonservice connected disabled veterans nor is there any provision in it for service-connected veterans.

While it is a step in the right direction, it fails miserably to meet the requests made by many veterans' organizations and does not correct some of the inequities existing today in our pension laws.

No one can question the critical need for this type of legislation, particularly since the recent passage by Congress of increased social security benefits. As the House knows, social security benefits are considered as income for the purpose of determining benefits under laws administered by the Veterans' Administration, and should this bill not pass, many veterans and their dependents will lose their meager benefits because of the small increase in social security payments.

Another objection I have to the bill, although I fully intend to support it, is that it makes no provision for the many veterans who actually served this Nation under wartime conditions. For example, the affair with which we are now confronted in both Laos and Vietnam. Is it not a bit ironic to realize that a veteran with as much as 2 or 3 years of jungle warfare in Vietnam or Laos cannot even use our Veterans' Administration hospitals except for the treatment of a disability actually incurred in that service? That the widows and orphan children of such veterans have no benefits except in such cases where the cause of death was a direct result of the veteran's service?

While the bill has many shortcomings and does not provide the benefits and assistance that I had hoped it would provide, I do want to commend the committee on the exemption of 10 percent of the veteran's earned income in figuring rates of pension and the exclusion of the spouse's income, together with exclusion of payments under the War Orphans Assistance Act. These are all steps in the right direction, and I would hope that the Veterans' Affairs Committee and this Congress would see fit in the near future to enact further legislation of this type, increasing the benefits not only to nonservice-connected veterans, but to the many veterans and veterans' dependents who are receiving benefits because of service-connected disabilities.

Mr. Speaker, I urge the Members of this House to adopt this legislation.

I should like to ask a question about this bill: As I understand, under the present law the earned income of a spouse of a veteran is considered as the veteran's income in excess of $1,200, but under this revision of the law all earned income of the spouse is excluded regardless of the amount. It is excluded from the computation of the veteran's income for pension purposes.

Mr. AYRES. There is no income of the spouse included in the computation of the veteran's pension if it is earned income.

Mr. Speaker, I yield such time as he may desire to the gentleman from Indiana [Mr. BRAY].

Mr. BRAY. Mr. Speaker, I intend to support H.R. 1927 which we are now debating. But while this bill, reported out of the Veterans' Affairs Committee, is an improvement over the present legislation it is far short of the veterans legislation which should be passed. However, there is nothing that we can do to amend this bill on the floor. This legislation should have been brought before the House under a rule whereby it could have been amended. But since it is brought before this body under a suspension of the rules we cannot amend it.

I do want to point out that if we did not pass this legislation many non-service-connected disabled veterans would not be able to realize the increase in social security that we recently passed.

This legislation provides for the exclusion of the following types of income by individuals in determining their income for pension purposes: Ten percent of payments to an individual under any public or private retirement, annuity, or income plan, including social security. This provision removes the possibility that enactment of legislation to increase social security payments by 5 percent might work to remove individuals from the pension rolls or to reduce their pension payments.

This legislation also provides for the exclusion of profit realized from the disposition of real or personal property other than in the course of business. In addition this bill provides for the exclusion of $1,200 of the spouse's income or all earned income of the spouse, whichever is greater.

There are other parts of this legislation which are of some benefit to the veteran, but the ones which I have mentioned are the most important.

Many of us have been attempting to bring before the House the legislation generally favored by the World War I veterans. A few years ago we did get such a bill passed by the House, but the Senate never acted on it. For the last three Congresses we have attempted to bring this legislation to the floor by petition. I have signed that petition in each instance but we have not been able to get a sufficient number of signatures to bring the bill to the floor. At this time we have 157 signatures, but that is short of the necessary number. Two years ago we came within 6 signatures of having enough, but administration opposition prevented us from getting the sufficient 219.

In closing I want to point out that the legislation we have before us, while far short of what should be passed, is certainly a step, even though a small one, in the right direction.

Mr. AYRES. Mr. Speaker, I yield such time as he may desire to the gentleman from Florida [Mr. GURNEY].

Mr. GURNEY. Mr. Speaker, I want to commend the Committee on Veterans' Affairs for the very speedy and effective action they took so soon after the Social Security Act amendments were passed a few weeks ago to correct the hardship which would have been caused certain veterans, particularly of World War I. I have had a number of inquiries from constituents from Florida on this matter and I know they will be extremely pleased this action has been taken.

H.R. 1927, I am pleased to note, carries out the provisions of H.R. 12217, introduced by me to correct the injustice to veterans which would have been caused by the recent Social Security Amendments of 1964.

H.R. 1927 has been endorsed by William R. Kime, national commander of the Veterans of World War I, and it contains many major provisions which will help adjust inequities under the present law.

The 5-percent increase in social security benefits under the Social Security Amendments of 1964 would have been injurious to many veterans who faced possible reduction in their veterans pensions.

With passage of H.R. 1927, and its amendments which include the provisions of my bill, this possible loss of benefits for our veterans will no longer exist.

I am glad to support this bill H.R. 1927 for the reason also that it provides other badly needed increased benefits for our veterans.

Mr. AYRES. Mr. Speaker, I yield such time as he may desire to the gentleman from Indiana [Mr. ROUDEBUSH].

Mr. ROUDEBUSH. Mr. Speaker, I rise in support of H.R. 1927, veterans legislation that we have under discussion here in the House today. The purpose of this bill is laudable since it is designed to alleviate to some degree the hardship and suffering of our wartime veterans who are permanently and totally disabled due to disabilities not a result of service.

I respectfully submit that this bill is a step in the right direction, or perhaps I should say, about a half step in the right direction. It does not meet the requests made by the several veterans' organizations; it does not correct many inequities contained in present pension legislation.

But as I said earlier, it is a movement in the right direction and represents a compromise; and I would imagine about the best legislation possible under present circumstances. The need for this type legislation became more critical on the advent of the passage of legislation by this Congress last week to increase social security benefits. Since such benefits paid under social security are considered as income to determine benefits under laws administered by the Veterans' Administration and if this bill does not pass many veterans and dependents of veterans will lose benefits currently being received.

This is not a World War I pension bill. It is a bill that treats wartime veterans and dependents of such veterans equally. These features are needed since many veterans of the several wars are in the golden years of their lives. I do not quarrel with the approach that all wartime veterans—World War I, World War II, and of the Korean conflict—should be treated the same. However, I do wish that some consideration could have been given to the length of service as well as the area of the world in which such service was rendered. Also, that some consideration could have been given to the combat experiences of the veteran whether or not he suffered wounds or had service-connected disabilities in addition to those disabilities that did not result from service and which render him or her totally and permanently disabled.

Here I feel compelled to make the point that a veteran cannot under law draw benefits for service-connected disabilities in addition to the nonservice type but is paid the benefit that will provide him the greater amount. For example, it would be possible for a veteran to have a service-connected disability of as much as 30 to 40 percent disabling and still find it to his benefit to accept the non-service-connected pension. This man, disabled in the service of our country, would draw exactly the same amount as the veteran without service-connected disabilities.

In addition, the bill makes no provision for the many veterans who actually served this Nation under wartime conditions. For example, the affair with which we are confronted in both Laos and Vietnam. But this will never be corrected until this Congress does something to provide some nonservice benefits for veterans of the many campaigns and expeditions in which we are constantly involved and which we find Americans gallantly defending the Stars and Stripes. On March 11, 1963, I submitted H.R. 4710 which would accomplish this. But unfortunately this bill remains in committee.

Is it not a bit ironic to realize that a veteran with as much as 2 or 3 years of jungle warfare in Vietnam or Laos cannot even use our Veterans' Administration hospitals except for the treatment of a disability actually incurred in that service? That the widows and orphan children of such veteran have no benefits at all except in the case where the cause of death was a result of service?

But here I must stop to acknowledge the fact that all honorably discharged veterans are entitled to a burial flag in the event of his or her death at the expense of the taxpayer. Of course, this flag has been reduced in size to the place that it would not even cover the casket properly by an arbitrary decision of the Administrator of Veterans Affairs. And many VFW, Legion, DAV, and World War I veterans posts and chapters actually purchase flags so the comrade can be laid to rest with proper military honors. Here again I submitted H.R. 9427 on December 12, 1963, to reestablish the flag to a proper size of 5 feet by 9½ feet. But unfortunately this bill still reposes in committee despite my repeated attempts to move it out. There would be little if any additional cost since the Veterans' Administration has acknowledged that this was not an economy move but rather was done at the request of certain undertakers who disliked the size of the flag.

I do certainly commend the committee on the exemption of 10 percent of the veteran's income in figuring rates of pension on the modification of the corpus-of-estate feature, payments under the War Orphans Assistance Act—the spouse's income. I am sure that all of our disabled veterans and dependents will appreciate these features just as I do. But again I must call attention to other features of these exemptions enumerated in the bill. The exemption of State bonuses is almost redundant since such income is figured on a calendar year and this provision would not affect more than a very few if any veterans. Also I wonder how many veterans who are totally and permanently disabled perform jury service? Maybe some but I would think mighty few.

One of the best features of the bill is the providing of medicines and drugs to our comrades who are permanently and totally disabled and require a regular aid and attendant. Certainly I do agree that this is excellent. If the Members of this House could know, or visualize, the condition that a veteran must be in to qualify for additional benefits for aid and attendance, I am sure that no one would quarrel with this provision. To qualify a veteran must have permanent disabilities which prevent him from even performing the most simple tasks of caring for himself; such as, shaving, feeding himself, or the other necessities of personal maintenance.

Finally, and herewith I will conclude, the small increases granted under this act are most appreciated. But I must point out the bill does not provide any increases at all to many veterans and veterans dependents who draw the total and permanent benefits. I could make many examples here but I am sure if you will look at the report accompanying the bill this will be clear to you. The 10-percent exemption in income possibly will not move either a veteran or the veteran's dependents from the same income category, and many of these categories remain the same in regard to payment from the Veterans' Administration.

I will admit that in some cases the exemption will allow movement to a lower bracket, and thereby provide an increase or possibly permit some to qualify that are presently barred, due to income. But many, many veterans and dependents in the middle of the brackets will not be affected at all. For example, a veteran who presently has a reportable income of $1,200 per year will under the legislation have a net income of $1,200 less 10 percent or $1,080 per year. He will receive $70 a month just as he has in the past. The same is true if he had an income of $1,500; he would receive the same $40 a month as presently receiving. These are not isolated or trick examples but are true all through the new table of allowances under H.R. 1927.

It is also most ironic to note that every veteran or veteran's dependent, who can qualify under this legislation, meets the requirement outlined by the President in his so-called war on poverty. But I guess our old comrades who have so gallantly defended this Nation can line up at the public trough and get some measure of relief from that legislation that this Congress in its wisdom passed this past week.

I wish that better legislation could have been brought out for a vote today, bills similar to that legislation to modify Public Law 211, as submitted by the gentleman from Ohio [Mr. AYRES], or perhaps any of a number of bills pending. This legislation will not provide any permanent solution to many problems. However, it is a compromise and does provide some relief.

I do hope that it has unanimous support of the House.

Mr. Speaker, I should like to ask a couple of questions concerning this legislation if the gentleman from Ohio [Mr. AYRES] will answer.

First, I should like to know if this bill has taken into consideration the length and type of service rendered by the veteran in this case. In other words, is there any differential for oversea service?

Mr. AYRES. No, there is no differential on that. The only service requirement is the limitation of 90 days' service regardless of where they served. Service in the desert or in the mountains of the United States was in many instances more arduous than service in downtown London.

Mr. ROUDEBUSH. How about the length of service? If a man served 3 years in World War II he draws the same rate of benefits although his income is the same as the man with 91 days' service?

Mr. AYRES. Length of service has never been considered in connection with any of the non-service-connected programs that have been enacted into law, nor has such a proposition been espoused by any of the veterans' organizations.

Mr. ROUDEBUSH. I wonder if the committee has given any consideration to some of these campaigns and expeditions with which we are faced at the present time such as in Vietnam and Laos. Would this bill provide non-service-connected benefits, let us say, to the next of kin or to a veteran himself who is fighting in Laos or Vietnam?

Mr. AYRES. No, this is a bill to amend the existing pension laws. The existing law makes pensions available to veterans of various wars. I share the gentleman's concern for veterans of the conflicts in Vietnam and other trouble spots. I have talked with the gentleman from Texas, the chairman of the committee, at quite some length regarding this overall problem of our boys serving in these areas today and perhaps he would like to comment at this point.

Mr. TEAGUE of Texas. Mr. Speaker, this problem that the gentleman brings up with reference to our people in Vietnam and Berlin and the East German border is a very real problem. We have discussed it informally many times and have tried to come up with some kind of answer. To date we have not come up with a complete answer, but certainly it is not a forgotten situation.

Mr. ROUDEBUSH. I certainly thank the gentleman for his observation and I am gratified to learn that the committee is considering it with a view to further legislation to deal with this problem.

Mr. TEAGUE of Texas. I am sure the gentleman knows that those serving in Vietnam today, as an example, are covered for service-connected disability or death compensation, children of deceased veterans of Vietnam would be entitled to educational assistance, where the deaths are service connected.

Mr. ROUDEBUSH. That is for service-connected disability or death, but such veterans of both Vietnam or Laos have no benefits under this act.

If I may ask the gentleman one other question. Is it not true that many, many veterans' dependents will receive no increase at all under this legislation?

Mr. AYRES. As to those that are in the higher income bracket the gentleman is correct. This legislation has been aimed at providing additional help for those who are at the bottom of the economic totem pole.

Mr. ROUDEBUSH. Would the gentleman observe that the single veteran, for example, with $1,200 a year is in a higher income bracket?

Mr. AYRES. The getleman refers to the single veteran?

Mr. ROUDEBUSH. Yes, and earning an income of $1,200 a year, that he is in a higher bracket?

Mr. AYRES. He is in a higher bracket in comparison with those in a much lower bracket. I know the gentleman understands this very thoroughly having been a past commander of a veterans' organization. Perhaps the gentleman is unaware that $1,200 income plus $70 monthly pension places this veteran in a higher income bracket than that of 80 percent of the unrelated individuals aged 65 and over in the United States, according to Census Bureau figures.

Mr. ROUDEBUSH. I will conclude for sake of time. I am sure the gentleman is aware that a single veteran with $1,200 a year income will receive the same $70 a month that he has received in the past. If he has an income from other sources of $1,500 a year, for example, he will receive $40 a month just as in the past. These are not isolated cases under the proposed legislation. Many will receive no raises at all.

Mr. AYRES. Mr. Speaker, I yield to the gentleman from New York [Mr. PIRNIE].

Mr. PIRNIE. Mr. Speaker, I would like to join with those who have expressed approval of this measure.

Its passage will be a step forward in veterans legislation. We have been deeply concerned over the inequities and inadequacies of the pension provisions for the veterans of World War I. It has also been very clear that in any solution we were to find, there must be established a basic policy which can set the pattern for the benefits of veterans of subsequent wars.

Proposals that payments be made irrespective of need of the veteran would involve costs so clearly excessive that if adopted, would reduce the support given to the truly needy veteran. This fact has been recognized by veterans organizations and veteran leaders quite generally. It has prompted many objective studies and has occasioned delay in the advancement of any pension legislation. It is to the credit of Veterans of World War I, the American Legion, and Veterans of Foreign Wars that they have cooperated in pressing for the action and effecting the compromise which this bill represents. Although it does not embody all that they desired, they did succeed in rescuing the legislation from threatened inaction.

I commend the distinguished chairman from Texas [Mr. TEAGUE] and the members of his most capable committee for the cooperation and objectivity which enabled them to report this measure unanimously. The recent social security legislation adopted in this House made this measure an urgent necessity. Therefore, I trust it will be promptly enacted into law and that the problems which remain unsolved, will receive appropriate continuing study.

Mr. AYRES. Mr. Speaker, I yield to the gentleman from Colorado [Mr. ROGERS].

Mr. ROGERS of Colorado. Mr. Speaker, the report here points out that this has reference to Public Law 86–211 or earlier pension laws. As the report shows the earlier pension law had a limitation of $1,400 for veterans without dependents or $2,700 for veterans who have dependents. If you qualified under the law prior to Public Law 86–211 and your income was increased to more than $2,700 you did not get anything. What I want to know is if you qualify as a pensioner prior to Public Law 86–211 and your social security payments should increase your income in an amount more than the $2,700 would that disqualify you from obtaining a pension?

Mr. AYRES. I will yield to the gentleman who headed the subcommittee to answer the gentleman's question.

Mr. KORNEGAY. As I understand the question, these people you are referring to are protected in the same manner as they are under Public Law 86–211.

Mr. ROGERS of Colorado. Mr. Speaker, if the gentleman will yield further, when the various veterans' allowances were outlined on page 6 of the report they were outlined only as related to Public Law 86–211.

My question relates to those who qualified prior to passage of Public Law 86–211. If the man had dependents and had less than $2,700 income, he received a sum certain.

If a man who qualified prior to passage of Public Law 86–211 and who had an income of $2,690, with a dependent, with part of the income being from social security, should now receive an increase in social security of 5 percent, this increase would increase the income to more than $2,700. Would he continue to draw under the old law?

Mr. KORNEGAY. Yes, he would.

Mr. ROGERS of Colorado. Although his income would be in excess of $2,700?

Mr. KORNEGAY. That is true, if it were brought over the $2,700 as a result of the increase in social security. The 10-percent exclusion provision in this bill, one of the most important changes in the law, will take care of those drawing social security under the old law as well as under the new law.

Mr. ROGERS of Colorado. It would take care of them only if the increase put them above $2,700.

Mr. KORNEGAY. That is correct. They would have no problem if the income did not go above the amount allowed.

Mr. ROGERS of Colorado. I thank the gentleman for his explanation.

Mr. AYRES. Mr. Speaker, I yield to the gentleman from New York [Mr. HORTON].

Mr. HORTON. Mr. Speaker, I thank the gentleman for yielding.

I take this opportunity to commend the gentleman from Ohio [Mr. AYRES] and also the chairman of the subcommittee, the gentleman from North Carolina [Mr. KORNEGAY], and other members of the subcommittee and of the full committee for bringing this legislation to the House.

Mr. Speaker, I rise in support of the bill now before the House. Its passage will bring an important improvement in pension payments to veterans who served their country in time of war.

I want to commend the members of the Veterans' Affairs Committee for their diligent efforts in bringing this legislation to the House in its present form. As one who sponsored a measure with provisions paralleling those in the reported version of H.R. 1927, I am particularly pleased by the progress which has been made.

Clearly, there is a need to increase the benefits paid veterans in low-income categories. This proposal makes a sound revision in the pension and death benefit programs our Nation has established for needy veterans or their widows and children.

I favor increasing pension payments in the minimum income classifications, raising the two lower income limits, and allowing additional income exemptions. These are the basic elements of the legislation I sponsored and the bill we are now considering contains these points in almost identical language.

On May 19 of this year, it was my honor to be the first witness to testify before the Subcommitee on Compensation and Pension of the Committee on Veterans' Affairs. At that time, I spoke in favor of my pension bill and explained my reasons for introducing it.

I informed the subcommittee that my legislative proposal was not drafted hastily; but rather, was the end product of many months of research, meetings, and evaluations. Before submitting my bill (H.R. 10538), I met on numerous occasions with representatives of various veteran organizations, constituents of mine who now draw pensions, and colleagues who serve on the Veterans' Affairs Committee. Its purpose, I explained, was twofold: First, to make an accurate assessment of the current status of veteran pensions, and, second, to arrive at a proposal that would be equitable and economically sound.

My study convinced me that the low income and seriously disabled pensioner is most in need of our help. These people are literally trapped. They are caught in an increasing "squeeze" between the rising cost of living and a fixed pension income.

An innovation this new bill contains concerning a special benefit for certain totally disabled veterans also was among the recommendations I offered. Presently, pension-drawing veterans with this hardship must require regular aid and attendance in order to qualify for additional assistance; the veteran who is only housebound by his disability is ineligible.

My investigation of such situations convinced me that a measure of extra help is deserved, and I included a benefit provision for these veterans in my bill. Therefore, I am happy that the new bill proposes an increased pension of $35 monthly for the housebound veteran.

Another feature of the new pension bill that I advocate would allow the exclusion from pension-qualifying income of 10 percent of any retirement benefits a veteran receives. The need for this protection has arisen because of the soon-to-be-enacted social security benefit increases.

Without such a provision a large number of veterans and their survivors would find that a small increase in social security benefits would change their income classification. This would result in the reduction or loss of veteran pension payments which would not come close to being offset by the 5 percent social security gain.

Believing in the merits of veteran pension legislation that recognizes varying degrees of need, helps those who most need help, and does not add to the rolls those with substantial outside income, I enthusiastically endorse H.R. 1927. It is my conviction that America must make these improvements in the present veteran pension structure so that the truly needy and disabled will not be impoverished by the democracy they fought to save.

Mr. AYRES. Mr. Speaker, I yield to the gentleman from Mississippi [Mr. WINSTEAD].

Mr. WINSTEAD. Mr. Speaker, I rise in support of the bill.

Mr. Speaker, I wish to congratulate the gentleman from Texas [Mr. TEAGUE] and his committee for bringing before the House this bill which will do much to improve the situation of many veterans. While this bill lacks much of doing everything that all would like, I know it goes as far as the committee could get agreements, and without agreement, it is my understanding, there was insufficient votes to bring out either of the individual bills. The change in age, in relaxing evidence of service connection, and in counting the income of a wife, is all much to the interest of veterans and the small increase will help to offset the inflation facing us.

Again, I wish to thank the committee for its efforts and to say I fully support the measure.

Mr. AYRES. Mr. Speaker, I yield to the chairman of the subcommittee, the gentleman from North Carolina [Mr. KORNEGAY].

Mr. KORNEGAY. I thank the gentleman for yielding.

Mr. Speaker, I wish to say that I am personally most grateful for the compliments paid to me and to the subcommittee and the full committee on this occasion.

I also wish to say that the bill is the result of a lot of hard work on the part of every member of the subcommittee, of the full committee, and of the excellent and highly competent staff of the committee. Certainly the chairman of our committee, the gentleman from Texas [Mr. TEAGUE], has rendered tremendous leadership in bringing forth this document, which is the result of putting together what we believed to be the best features of the 153 bills we had under consideration in the subcommittee.

This is a proud day for the subcommittee, and, I am sure, for the full committee—and I hope for the entire House.

I wish to say one other thing, Mr. Speaker. The bill carries the name of our good friend, the gentleman from Illinois [Mr. LIBONATI], a man who has labored long and hard for 40 years for the veterans of this country. He has been a leading light in one of the largest veterans' organizations of this country. While he deserves a far larger memorial, it is an honor which our committee finds great pleasure in bestowing upon him in the closing days of his congressional career.

I urge that every Member support this bill.

Mr. AYRES. Mr. Speaker, I ask unanimous consent that the gentleman from Kansas [Mr. ELLSWORTH] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. ELLSWORTH. Mr. Speaker, I rise in support of H.R. 1927. I have consistently refused to sign the discharge petition on a related pension bill. My refusal has been based on several considerations. First, the bill upon which the petition was based was not good legislation. It failed to provide increases for certain categories of veterans including those seriously disabled and it failed to provide increases for widows with minor children and no other source of income. Secondly, the bill singled out veterans of only one war for an increase; and thirdly, Mr. Speaker, the bill did not enjoy the support of the major veterans organizations. Because of my failure to sign this discharge petition, Mr. Speaker, I have been accused of being against veterans in general.

I want to make it crystal clear today that I enthusiastically support benefits for the Nation's service-connected disabled and their survivors as well as benefits for the needy non-service-connected veteran. The bill before us today, H.R. 1927, offers additional pension relief to the needy non-service-connected veteran. This bill accomplishes two important objectives. It provides increases in monthly pension payments to thousands of aging World War I veterans and it insures that no one will be reduced or eliminated from the pension rolls as the result of the proposed increases in social security payments.

We of the Veterans' Affairs Committee have never contended, Mr. Speaker, that Public Law 86-211 was perfect. I might say, however, that it has now completed its shakedown cruise and is ready to have the imperfections eliminated. This is exactly what the bill before us today will do. It will eliminate some imperfections, provide some increases and liberalizations and at the same time preserve the integrity of the existing program as a needs program.

In short, Mr. Speaker, this bill is sound legislation and merits the enuthsiastic support of the Members of the House of Representatives.

Mr. AYRES. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. MEADER] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. MEADER. Mr. Speaker, I favor the adoption of H.R. 1927, non-service-connected pension bill, and have so advised George W. Darling, commander of the World War I Veterans of Ann Arbor, Mich., in the following letter, to which is attached the letter of W. R. Kime, national commander of Veterans of World War I, to the chairman of the Veterans' Affairs Committee, which is likewise included in my remarks:

AUGUST 10, 1964.

GEORGE W. DARLING,
Commander, World War I Veterans,
Ann Arbor, Mich.

DEAR COMMANDER DARLING: You will recall our conversation in Ann Arbor concerning legislation for a pension for World War I veterans, at which time you delivered to me a number of petitions signed in support of this legislation.

I am sure you will be interested in the action recently taken by the Veterans' Affairs Committee of the House in reporting a new non-service-connected pension bill, H.R. 1927, on August 5, 1964. A copy of an explanation of this bill is enclosed. You will also be interested in the copy of the letter dated August 5, 1964, by W. R. Kime, national commander of the Veterans of World War I, to the chairman of the Veterans'

Affairs Committee, indicating that in the light of the reporting of H.R. 1927, the Veterans of World War I organization is discontinuing efforts to have Discharge Petition No. 4 signed by sufficient members to bring H.R. 2332 to the floor for action.

I favor the adoption of H.R. 1927.

Sincerely,

George Meader.

Veterans of World War I
of the U.S.A., Inc.,
Washington, D.C., August 5, 1964.

The Honorable Olin E. Teague,
Chairman, Veterans' Affairs Committee,
House of Representatives,
Washington, D.C.

Dear Congressman Teague: At the briefing last Friday, July 31, on proposed changes in veterans' pension laws, those present in your office, in addition to yourself and Mr. Meadows, were Francis Stover and Jimmie Van Zandt from the Veterans of Foreign Wars, John Erickson and I from Veterans of World War I.

My information is that the House Veterans' Affairs Committee have, this morning, reported H.R. 1927 (as amended).

As stated to you on July 2: "If the House Veterans' Affairs Committee will come out with a good bill, you will not hear anything more from national headquarters about discharge petition No. 4 during my administration."

With the information in the bill reported by the committee, I repeat the above statement, and in addition, in our official publication, "The Torch," and through a bulletin to all national and department officers, will make every effort possible to gain support of the bill when it comes on the floor of the House and the Senate.

Sincerely yours,

W. R. Kime,
National Commander.

Mr. AYRES. Mr. Speaker, I yield to the gentleman from Delaware [Mr. McDowell], a member of the committee.

Mr. McDOWELL. Mr. Speaker, the distinguished gentleman from Texas [Mr. Teague] has been most gracious in giving credit to members of the Committee on Veterans' Affairs, such as the chairman of the subcommittee, and the officials of the great veterans' organizations throughout the country, but he has been very modest in taking the great credit that is due to the gentleman from Texas [Mr. Teague]. It has been his patience and his determination throughout these long years of considering this type of legislation, many times under vicious attack from individuals and organizations in his own district and throughout the country. I am sure the final vote on this bill will again be a great tribute to a man who has pioneered and led in so much of veterans' legislation throughout the Congress.

Mr. Speaker, I give my unqualified support to the passage of H.R. 1927. This worthy legislative proposal is needed to fill the long-existing need, in the otherwise quite adequate veterans' program, to take care of the veterans of World War I, World War II, and the Korean conflict, and their widows and children.

This bill represents a compromise of the provisions of a number of bills which were before the Committee on Veterans' Affairs, including my bill, H.R. 7320. As a member of this committee I have been most enthusiastic in joining with my colleagues and the distinguished chairman of our committee, the gentleman from Texas [Mr. Teague], in working out the provisions of the legislation now before us.

H.R. 1927, when signed into law by the President, will be a landmark in the determination of the Congress and the American people to meet now, as in the past, the needs of our war veterans.

As we have faced the crisis of the past week caused by the Communists of North Vietnam and the mainland of China who attacked the naval forces of the United States on the high seas, we are reminded of the great sacrifices of the veterans of World War I, World War II, and the Korean conflict. While we prayerfully hope that it will not be necessary again for our young men to have to go to war, we know that the lessons of the past have taught us that those who have died have not died in vain. Today, because of our victories, we enjoy the greatest amount of freedom and liberty and prosperity that has ever accrued to any nation in the history of the world.

I am pleased that the committee acted favorably on this longstanding legislation. Many Delaware veterans and their widows have urged me to sponsor and support legislation which would liberalize pension benefits to the extent that would enable them to buy even the barest daily living essentials.

I am confident the House will enact this legislation promptly so that it can be implemented by January 1965.

The bill as reported today provides several important exclusions in determining pension eligibility including, first, exclusion of 10 percent of the payments to an individual under any public or private retirement, annuity, or income plan; for example, social security benefits received by the veteran in the amount of $1,800 a year—$180 of this sum, or 10 percent would be excluded in determining pension income eligibility; second, amounts paid by the veteran for the last illness and burial of his deceased spouse or child; third, profit from the disposition of real or personal property other than in the course of business.

The bill removes existing requirements as to a 10-percent disability as well as unemployability attributed thereto.

The bill increases the present income limits from $600 to $800 annually and raises the amount of monthly pension from $85 per month to $90 per month for single veterans and for married veterans with one dependent, the annual income limitation is raised from $1,000 to $1,200 and the monthly pension is increased from $90 to $100. For veterans with two dependents, the pension will be increased to $105 per month and for those with three or more dependents, $110 per month.

Widows of eligible veterans will receive $65 per month providing their income is equal to or less than $800 annually—an increase of $5 in pension and a raise in the income limitation from $600 annually.

Additional allowances for aid and attendance cases will be increased from $70 to $100 and a new rate of $35 additional will be provided to any veteran who is housebound permanently. The committee also amended the bill to exclude State bonuses as income in determining veteran pension eligibility.

Mr. TEAGUE of Texas. I thank the gentleman.

Mr. AYRES. Mr. Speaker, I yield to the gentleman from Iowa [Mr. Jensen], who in his own right is a World War I veteran.

Mr. JENSEN. Mr. Speaker, I had hoped, of course, that the World War I pension bill would be brought to the floor of the House for adoption, but such is not the case. So I shall support this bill which is at least a step in the right direction.

Mr. AYRES. Mr. Speaker, I yield to the gentleman from Missouri [Mr. Randall].

Mr. RANDALL. Mr. Speaker, I thank the gentleman from Ohio for yielding me some time for remarks on this bill. First, I want to compliment the full committee and the chairman of the subcommittee. May I point out that my compliment is meaningful because during the 86th and 87th Congresses I served as a member of the Committee on Veterans' Affairs and I think I know something of the heavy problems of this committee. I know from experience it is most difficult to please all of the different veterans' organizations at the same time. The fact that this bill has been supported by all major veterans' organizations, is almost a miracle of accomplishment and one of the best recommendations that this bill, H.R. 1927, should pass.

As one reads this print in the Congressional Record, it will not reveal that just a few moments before I made these remarks, the Honorable Roland V. Libonati, the author of this bill, was sitting as Speaker pro tempore. This was a most fitting and proper personal tribute to him. H.R. 1927 was introduced by the gentleman from Illinois [Mr. Libonati] in January 1963 and as he retires from the Congress this year the provisions of this bill will serve as a lasting memorial to his friendship for the veterans.

This bill provides several things but one of the most important is that it would remove the possibility that recently enacted legislation to increase social security payments might work to remove persons from pension rolls or reduce their pension payments.

The present measure is a prevention of such loss. We support this timely adjustment to our improved social security program so that this new 5-percent increase cannot arbitrarily cause any "borderline cases" of veterans eligible for pensions to lose their pension rights because of a change in their social security income.

Also important is the provision which removed the limitation that a veteran over 65 years of age must necessarily suffer a 10-percent disability causing unemployability before he is eligible to receive a veteran pension. Through the provisions of this bill, if adopted, all veterans over 65 years of age coming within the proper income categories will be eligible to receive this token of our appreciation for their service to our country without having to meet the requirement that he in fact has such a 10-percent disability and the further requirement that he must establish his unemployability is attributable to such disability.

In addition there are increases in annual income limitations which generally are changed by a factor of from $100 to $200 varying between veterans without dependents and veterans with dependents and between widows without dependents and widows with dependents.

An interesting provision of H.R. 1927 is the fact that in computing a veteran's income, there shall be excluded 10 percent of the amount of payments received from public or private annuity or similar types of programs. One such program would be social security. Thus it should be very plain that the net effect of this new bill would be to allow a veteran to declare that his computable income from social security—even with the recent 5-percent across-the-board increase in social security payments—had actually decreased rather than increased.

Other sources of income now made deductible or listed as exclusions in determining income for pensions are profits realized from sale of real and personal property other than in the course of business; payments received because of such obligations and civic duties as sitting on a jury; payments under the War Orphans Act; and also bonus payments paid by any State for services during time of war. Another significant exclusion is $1,200 of spouse's income or in the alternative, all earned income of the spouse whichever is the greater factor. The provisions of the current act allows simply an exclusion of $1,200.

This bill calls for an increase of $30 monthly to help blind veterans requiring the attendance and aid of another person and an increase of $35 monthly in addition to all other payments who are permanently "housebound" as provided in this bill—which means the veteran is substantially confined to his house, ward, or institutional area—if institutionalized—due to disability which is relatively certain to remain throughout his lifetime.

One of the most encouraging provisions is that which would enable a veteran receiving aid and attendance allowance to receive drugs and medicines without cost from the Veterans' Administration. In addition, their allowance will not be discontinued until the second month they are hospitalized which is to encourage prompt inpatient treatment of disease. The present enactment provides that all such allowances will be discontinued on the first day of admittance. The new provision brings the non-service-connected patient in line with one receiving service-connected compensation.

Mr. Speaker, may I say I have no apology for entering my name as No. 2, just below the name of the author, on the discharge petition for H.R. 2332, authored by the gentleman from Indiana [Mr. DENTON]. In each of the past three Congresses I have introduced bills in behalf of World War I veterans. It is my understanding their organization has voiced accord with the objectives of H.R. 1927 and it represents a vehicle to get pension legislation to the floor. Although nearly 160 names appear on the discharge petition they realize we are nearing adjournment sine die and are realistic in their appraisal that this is the best we can accomplish in this Congress.

In recapitulation, Mr. Speaker, it is a real pleasure and it becomes something of a personal privilege to support a bill that will provide increased benefits for veterans of World War I, World War II, and the Korean conflict. The bill is not perfect, but it is the most significant veterans legislation presented since 86-211. It is a big stride forward in the field of veteran pension legislation.

Mr. WICKERSHAM. Mr. Speaker, I am pleased to support this much-needed legislation. As a former member of the Veterans Affairs Committee, I have recognized the need for increased benefits to our veterans, which this bill will help meet. Most important is the increase in income limitation and the rate of pension for certain veterans and widows. It provides the greatest benefit to the individual with the greatest need.

Mr. DUNCAN. Mr. Speaker, veterans' legislation has been fraught with controversy for the last several years largely because of efforts to force through the Congress legislation which would have provided special consideration for veterans of only one war. This bill would not have passed Congress and would not have survived a Presidential veto. It would have been politically expedient and very easy to have gained the support of all World War I veterans by supporting their bill with the knowledge that it would never pass. But such would have been a procedure to which I could not subscribe.

As a result I have been abused and vilified personally and in print by a few members of the Veterans of World War I. Nevertheless I have continued to work, as I promised during the last campaign, to remove inequities in our pension laws and to try to get a bill that could become law while there was time for the older veretans to still enjoy it. I introduced a bill of my own and this bill we are passing today includes many of the provisions which were in my bill. I am glad to state that many members of the Veterans of World War I have written to me thanking me for my efforts and deploring the vituperation of the few.

This bill treats all veterans of all wars alike. It does not single out the veterans of one war for special treatment. It will enable many veterans to leave the welfare rolls and this factor, in addition to its intrinsic merit, will reduce the net cost of the bill. It helps those veterans who most need the help—the old, the infirm, and those of low income.

There are those who object to special legislation for veterans and, as our military effort over the years has become increasingly a universal one affecting every citizen, there will be merit to this position in the future. But that time is not yet here. There is still reason to recognize those citizens who served in the armed services of the United States when the United States needed them so badly and to help them when they need help so badly.

The committee and its chairman deserve the thanks of the veterans and the thanks of the country for their work on this problem—work which bears fruit today.

Mr. DOLE. Mr. Speaker, I have been interested in the developments concerning non-service-connected pension legislation for veterans and have shared much of the criticism heaped upon Members for failure to endorse one or another of the many different proposals introduced. After studying carefully provisions of the measure before the House today, H.R. 1927, I am convinced this bill represents a sound and reasonable adjustment to the existing pension program. The Committee on Veterans' Affairs should be commended for reporting such a responsible piece of legislation.

The responses to a recent questionnaire completed by interested veterans in my district is evidence that provisions of this bill will serve the needs of the seriously disabled and the low-income veteran. H.R. 1927 properly provides substantial increases to certain categories of seriously disabled veterans who, because of their physical condition, are unable to pursue grainful occupations.

The bill also solves a problem created by the proposed increase in social security monthly benefits. Unless H.R. 1927 becomes law, thousands of veterans will be reduced or eliminated from the pension rolls on one hand while enjoying a modest increase in social security payments on the other. This possibility should be averted. I trust the bill can be speedily approved so that veteran pensioners will not be penalized by an increase in social security. The provisions of this bill, together with the recently approved nursing care bill offer tangible evidence the Nation is making responsible efforts to care for its aging veteran population and while it perhaps does not satisfy me completely or others interested in the welfare of veterans, I shall support the bill.

Mr. BENNETT of Florida. Mr. Speaker, long overdue is this piece of legislation to provide needed improvements in our pension laws, particularly for those who served in World War I. Although it is proper to treat all veterans similarly situated in the same manner, and although that is exactly what this law does, the need among World War I veterans has been growing more acute as the age level among them has risen;

now to the point that a rapidly increasing number of them in advanced years are having difficulty in providing for themselves and their wives. This legislation will meet a part of the need that they are experiencing and I am glad to urge all Members of Congress to cast an affirmative vote for it.

Mr. ALBERT. Mr. Speaker, I am happy the great Committee on Veterans' Affairs has brought out this legislation. It is meritorious. It is needed by all eligible veterans, but I am particularly happy that it will extend to many of our World War I veterans. They need it. They deserve it. I congratulate the gentleman from Illinois [Mr. LIBONATI] for introducing this legislation, and commend the gentleman from North Carolina [Mr. KORNEGAY] for reporting it and the gentleman from Texas [Mr. TEAGUE] for bringing it to the floor. I hope it will be unanimously adopted.

Mr. LIBONATI. Mr. Speaker, the operation of the pension program under Public Law 86-211, which became effective after July 1, 1960, established a pension system relating payments more closely to need. The prior law provided a flat pension of $66.15 or $78.75 per month to everyone who met the income limit.

Instead of the "all or nothing" prior law rule, where an additional one dollar of income could mean the loss of more than $900 in pension. Public Law 86-211 established a graduate scale paying more where the need was greater. Within this scale, income limits were increased to $1,800 or $3,000 instead of the former $1,400 and $2,700 for these groups with or without dependents. Pensions ranged through three increments from $40 to $100 per month, depending on outside income and dependency status. The law included a corpus of estate provision as a basis of determining need, denying pensions to those whose net worth was sufficient to permit a part of their assets to be liquidated—if necessary to be used for the living expenses of the family unit. Higher pensions were established where there were dependents, although in the final analysis the spouses income over $1,200 was added to the veterans income to determine his eligibility.

This bill, H.R. 1927, originally introduced in conformity with the mandate of the American Legion, and in its present amended form reflects the approval of officials representing the following service organizations—World War I, Veterans of Foreign Wars, AMVETS and the American Legion, effects the following changes at this level of the discussion.

In order to meet the higher cost of living, and to do equity to the veteran or widow, with or without dependents, increases in both annual income limitations and pension payments as outlined in the following tabulations:

Veterans without dependents

PRESENT LAW

Col. I		Col. II
Annual income		
More than— but	Equal to or less than—	
	$600	$85
$600	1,200	70
1,200	1,800	40

UNDER H.R. 1927

Col. I		Col. II
Annual income		
More than— but	Equal to or less than—	
	$800	$90
$800	1,300	70
1,300	1,800	40

Veterans with dependents

PRESENT LAW

Col. I		Col. II 1 dependent	Col. III 2 dependents	Col. IV 3 or more dependents
Annual income				
More than—	Equal to or but less than—			
	$1,000	$90	$95	$100
$1,000	2,000	75	75	75
2,000	3,000	45	45	45

UNDER H.R. 1927

Col. I		Col. II 1 dependent	Col. III 2 dependents	Col. IV 3 or more dependents
Annual income				
More than—	Equal to or but less than—			
	$1,000	$90	$95	$100
$1,000	2,000	75	75	75
2,000	3,000	45	45	45

Widows without dependents

PRESENT LAW

Col. I		Col. II
Annual income		
More than— but	Equal to or less than—	
	$600	$60
$600	1,200	45
1,200	1,800	25

UNDER H.R. 1927

Col. I		Col. II
Annual income		
More than— but	Equal to or less than—	
	$800	$65
$800	1,300	45
1,300	1,800	25

Widow with 1 dependent

PRESENT LAW

Col. I		Col. II
Annual income		
More than— but	Equal to or less than—	
	$1,200	$75
$1,000	2,000	60
2,000	3,000	40

UNDER H.R. 1927

Col. I		Col. II
Annual income		
More than— but	Equal to or less than—	
	$1,200	$80
$1,200	2,200	60
2,200	3,000	40

Under present law, a veteran is required to count income of his spouse in excess of $1,200 as his own in computing income for pension purposes. This bill provides for exclusion of $1,200 of the spouse's income or all earned income of the spouse, whichever is greater.

Further, H.R. 1927 amends the law under the following provisions as reported:

Provides for exclusion of the following types of income by individuals in determining their income for pension purposes.

First. Ten percent of payments to an individual under any public or private retirement, annuity, or income plan, including social security, in the case of those receiving pension either under provisions of Public Law 86–211 or earlier pension laws. This provision removes the possibility that enactment of legislation to increase social security payments by 5 percent might work to remove individuals from the pension rolls or to reduce their pension payment. This provision would be effective November 1, 1964, although the effective date of the bill as a whole would be January 1, 1965.

Second. Amounts paid by a veteran for the last illness and burial of his deceased spouse or child. Present law makes this provision in the case of widow, but not in the case of a veteran.

Third. Profit realized from disposition of real or personal property other than in the course of business.

Fourth. Payments received as a result of performance of jury duty or other obligatory civic obligations.

Fifth. Payments under the War Orphans Educational Assistance Act.

Sixth. Bonus paid by a State to individuals as a result of their having served in the Armed Forces.

Removes the requirement that a child alone report earnings on an annual basis to the Veterans' Administration.

Removes the requirement that a veteran who has attained the age of 65 must have a 10-percent disability and that his unemployability be attributable thereto. These veterans would, of course, continue to be required to meet the service, income, and discharge requirements.

In the case of a veteran who is in receipt of an aid and attendance allowance and is hospitalized, permits discontinuance of this allowance beginning the first day of the second calendar month following admission, rather than immediately upon admission as is now the case. This is in line with comparable provision applicable to veterans in receipt of compensation for service-connected disabilities.

Permits Veterans' Administration to furnish drugs and medicines which have been prescribed by a physician to veterans who are in receipt of the aid and attendance allowance.

Provides for payment of an additional amount, to be paid in addition to pension otherwise payable—$35 monthly—for veterans who are "permanently housebound" due to disabilities which it is reasonably certain will remain throughout his lifetime.

Provides for an increase in the monthly allowances payable to veterans so helpless or blind as to require the regular aid and attendance of another person from the present $70 per month to $100 per month. This allowance is payable in addition to the pension otherwise payable.

The changes were determined upon the basis of a unique study conducted by the Veterans' Administration through the good offices of Jack Gleason, distinguished and honored veteran, its Administrator. His report to the committee is educational and enlightening in understanding the conflict in thinking that resulted in the amendment incorporated in H.R. 1927 to meet most of the objections on the part of veterans and widows under Public Law 86–211.

Today I would like to discuss our experience at the Veterans' Administration with the operation of the pension program.

Unlike compensation which is paid for disability incurred in service or death from a service-incurred disability, pension is paid to veterans who, because of non-service-connected disability are unable to engage in substantially gainful employment or to the widows and orphans of veterans dying of disabilities not related to service and who are in need.

In my statement I will quote from and rely upon statistical tables representing certain studies conducted by this agency, analyses of our budget submission and other information from our records. With your permission, I will highlight some of the significant statistics and I ask your permission to make available, for the record, all of this supporting information at the conclusion of my statement.

Public Law 86–211 established a pension system relating payments more closely to need. The prior law provided a flat pension of $66.15 or $78.75 per month to everyone who met the income limit. Instead of the "all or nothing" prior law rule, where an additional $1 of income could mean the loss of more than $900 in pension, Public Law 86–211 established a graduated scale, paying more where the need was greater. Within this scale, income limits were increased to $1,800 and $3,000 instead of the former $1,400 and $2,700 for those groups with and without dependents. Pensions range through three increments from $40 to $100 per month depending on outside income and dependency status. The law provided truer tests of need, such as the corpus of estate test which denies pension to those whose net worth may be so great that some portion of their assets should be consumed for their maintenance and recognized that pension must be related to the needs of the family unit, by providing higher pensions where there were dependents and by counting all of the spouse's income over $1,200, if available without hardship to the veteran. This law equalized eligibility requirements for dependents surviving World War II and Korean veterans who died, with those already applying to survivors of World War I veterans. The law also contained a savings provision, giving everybody on the pension rolls June 30, 1960, the right to elect to receive under Public Law 86–211 or to stay under the old law, whichever was to their advantage.

The Veterans' Administration budget for this year provides $3,923,500,000 for direct benefits. Significant in this budget item are $1,993,298,000 for 2,356,930 veterans and their dependents who will receive service-connected disability and death benefits, as well as $1,783,681,000 for non-service-connected pension. The non-service-connected moneys provided will go to 1,245,136 veterans in the amount of $1,243,416,000 and $540,265,000 will be paid in 766,277 cases for dependents of deceased veterans.

Disability pension is restricted to those wartime veterans who are permanently and totally disabled and who meet certain service requirements and needs tests. The disability requirement is met when the individual is unable, because of age and disability, to secure or hold substantially gainful employment. At age 65 only a 10-percent disability, when coupled with unemployability, is required. Thus, the overwhelming majority of those veterans on the disability pension rolls are now 65 years of age or older. There are today some 22¼ million wartime veterans. Of these 2,455,000 are World War I veterans, while 15,126,000 had service in World War II, and 5,586,000 served in the Korean conflict.

On the disability pension rolls today there are 1,129,219 veterans of whom 1,000,584 are World War I and 128,635 from World War II and the Korean conflict combined.

Thus approximately 90 percent of all those receiving this benefit are veterans of World War I. We estimate the total number of veteran pensioners will grow to 1,401,000 by 1965. And in that year, the cost of pensions under the laws that exist today will be $1,999 million.

Public Law 86–211 became effective July 1, 1960. Prior to that date, this law was given the widest possible publicity through all available media, television, radio, newspapers and magazines and, in addition, the Veterans' Administration sent two pamphlets explaining the new law to everyone who was in receipt of pension on March 1, 1960.

In considering the effects of the new law, the VA estimated, based on 1954 income data, that almost 70 percent of all those on the rolls could get more money under the changed law. Obviously, no predictions could be made of the number who would elect the greater benefits.

To date 13.6 percent of the veterans and 31.1 percent of the dependents of deceased veterans or 19.3 percent of all those who had the right have chosen the new pension law. An additional 174,665 veterans and 177,393 dependents have come on the rolls since July 1, 1960. So that today we have about 803,901 veterans and 320,118 widows and children receiving pension under the protected features of the old law and at this time there are about 326,060 veterans and 342,856 dependents being paid pension under the provisions of Public Law 86–211.

In connection with the pension hearings held in July of 1960, we submitted the results of the sample study of all cases adjudicated for 1 week in December 1960, analyzing in detail comparative benefits this group of claimants might receive according to the criteria of both the old and new law provisions. At that time the chairman asked us to conduct a similar study to update and verify our findings. This we did for the week of August 14 to 18, 1961. The results from this later study were substantially similar to those of the December 1960 study. Summarizing briefly, this study involving 2,753 cases showed that 498 claimants could not qualify for benefits under either law. Of all those eligible for benefits under both laws, 77 percent could qualify for more under Public Law 86-211 initially. Adjusting to make this group most nearly equivalent to those who had the right to elect on June 30, 1960, 51.1 percent of the single veterans, 39.1 percent of the married veterans and 78.4 percent of the dependents, or 52.4 percent of all cases entitled to some pensions, could get more under Public Law 86-211. Relating the results of this study to those who had the right to elect on June 30, 1960, 52.4 percent could benefit by choosing Public Law 86-211 and the savings provision of that law would protect the old law pension rate of the remaining 47.6 percent.

This study showed that the average veteran claiming disability pension could get $13.69 more per month while for the survivor cases, the average increase was $12.28 when compared to the old law. If we project these figures to the 1,124,000 cases currently under the protected pension law, it would appear that there are in excess of 302,881 disability pensioners and 227,930 survivors or over 530,811 currently under the old law who together could get almost $7 million more each month, over $83 million per year more, if they choose to come under Public Law 86-211.

Knowing that pensioners were not availing themselves of substantial benefits provided by law, we were, of course, deeply concerned with knowing the reasons. So we conducted a study of those pensioners who delayed their elections until the period from July 24 to November 2, 1961. We did this by asking two questions of all those in the selected group who elected during this period. First, why they did not elect to receive pension under the new law when it became effective on July 1, 1960 and second, why they were now electing these benefits. The answers were coded together with data from the claims folder concerning income, dependency status, hospitalization, spouse's income and net worth and the results were quite revealing. It was possible to break the answers supplied down in a number of groupings. Yet, each of these groups fell within 3 principal reasons. There were some 23.6 percent whose answers indicated independent decision based upon either current or future income considerations and who had delayed their elections until such considerations were resolved. The second principal group involved 49.4 percent of the replies in which there was a clear indication that the pensioner did not understand the new pension law and for that reason did nothing about an election on July 1, 1960. The third major group or 13.4 percent of those in the study gave replies showing that their decisions to defer electing increased benefits were based on misinformation concerning the new law. The remaining 13.6 percent submitted inadequate replies or no reply at all and their reason for delay may reasonably be attributed to lack of information. This means some 63 percent of the pensioners in this study just didn't understand and obviously had not sufficiently informed themselves about the new law to prompt a timely election of greater benefits. And 13.4 percent were misinformed by others. While 23.6 percent had given consideration to the law, but because of their current income or their anticipation of future income changes, they had deferred making their choice until they were certain of a gain.

At this point, in view of the substantial percentage of those not electing the greater benefit because of misinformation or lack of information concerning the law, I will refer to some of the more widely discussed features of Public Law 86-211.

First the graduated scale of pension payments. A breakdown of all those receiving pension under Public Law 86-211 shows that of the 668,174 now receiving pension under that law some 421,712 or 63 percent are receiving the pension at the highest rate, rates in excess of the old law pension. Another 161,444 or 24 percent are receiving at the intermediate rate, which is but slightly lower than prior law benefits. And only 80,995 or 13 percent are receiving their pension at the lowest rate and our August 1961 study indicates that 4.5 percent or 30,068 of these would not be eligible for any pension under prior law.

One reason advanced for not choosing Public Law 86-211 is the corpus of estate test. During the period July 1, 1960, to September 30, 1961, a total of 211,027 new claims and 271,934 elections or a total of 482,961 claims were considered under Public Law 86-211 and were subject to the net worth test. Of this group our studies show only 4,419 cases were disallowed due to the size of the claimant's estate. This represented nine-tenths of 1 percent of all cases adjudicated under Public Law 86-211. The study of August 1961 showed eight-tenths of 1 percent disallowed because of excess net worth. Our studies of decisions showed that the size of the average estate where the claim was disallowed in live cases was $18,735 and for death cases the average estate was $21,400. In computing the size of an estate we do not count the claimant's home, the tools of his trade, his automobile, jewelry, household goods or other personal effects.

Another reason advanced for pensioners not electing Public Law 86-211 benefits is the feature of the new law providing that the income of a spouse in excess of $1,200, available to the veteran without hardship, be considered as his income. In determining these questions of hardship and availability, we exclude as income the cost of an attendant to care for children while the spouse is working, the cost of unusual family expenses the result of sickness, hospitalization, prolonged care in a nursing home or other unusual medical expenses as well as the cost of a college education for the veteran's children. In our study of August 1961, an analysis was made of the effects of spouse's income on entitlement to pension. This showed that one-half of 1 percent of the cases were disallowed and 1 percent decreased because of spouse's income.

A third feature of Public Law 86-211 cited as a reason some fear the new law is the hospital reduction provision. This affects the cases of veterans without dependents but not those who have dependents. It provides for the reduction of pension to $30 monthly beginning the first day of the month following 2 full calendar months of hospitalization. Let me illustrate how this works. If a single veteran receiving $78.75 a month under the old law elected pension of $85 monthly under Public Law 86-211, he would immediately gain $6.25 monthly. If he then entered a VA hospital and remained hospitalized beyond 2 full calendar months after the month he went into the hospital, his pension would be reduced to $30 monthly. His loss at that time in pension below the $78.75 he could have received under the old law would be $48.75 per month. This loss is offset by the $6.25 per month increase he had been receiving under Public Law 86-211 for periods when not hospitalized. Thus on the average, this veteran could remain hospitalized 4 months out of each year before this feature of the law affects him adversely by comparison with prior law.

The probability that a World War I veteran would remain in the hospital in excess of 4 months out of every year is remote. Review of statistics from our Department of Medicine and Surgery shows that for all hospitalized veterans 65 years and older, the median length of hospital stay was 25 days. For those receiving care for general medical and surgical disabilities the median stay was but 24 days. Considering all the cases in the age group 65 or older, only 9.3 percent of all patients and only 7 percent of the general medical and surgical patients remained hospitalized beyond 90 days. Those remaining after 4 months were only 6.3 percent of all patients and 4.4 percent of the general medical and surgical group. An analysis of pensioners on the rolls under Public Law 86-211 on May 20, 1962, shows that less than one-half of 1 percent of the World War I veterans were receiving pension at the reduced $30 hospital rate.

Let me briefly summarize what we now know about Public Law 86-211. To date only 19.3 percent of all who had the right to choose the new law have done so. Yet our studies show 52.4 percent could get more under Public Law 86-211. The average monthly increase for disability claims is $13.69 and for survivor claims

$12.28. So 530,811 claimants, those most in need, are passing up $83 million each year by failing to elect the new law. Why have they not elected? Our studies show that 76 percent have either not properly informed themselves or have been misinformed by others. Of all on the Public Law 86-211 rolls, those who elected and those who first qualified after July 1, 1960, 65 percent are getting more under Public Law 86-211 then they could under the prior law.

The combined effects of the corpus of estate test, counting spouse's income and hospital reduction, while significant in maintaining a sound relationship of pension to need, are insignificant in the percent of cases, just 2.7 percent adversely affected.

Study of recent electors—all cases—reason they did not elect on July 1, 1960

Code	Description	Number	Percent
00	Did not complete questionnaire or inadequate reply	281	13.6
01	Did not understand new law	681	33.0
02	High income; would cause reduction under new law	65	3.1
03	High income; working part time	153	7.5
04	Mislaid election card or didn't follow up or couldn't decide	128	6.2
05	Wanted to consider new law carefully	45	2.2
06	Didn't like irrevocability of election	34	1.6
07	Wanted to check on social security or other future income	68	3.3
08	Didn't believe they were eligible or would benefit	96	4.6
09	Doesn't like new law or was satisfied with old law	70	3.4

Study of recent electors—all cases—reason they did not elect on July 1, 1960—Con.

Code	Description	Number	Percent
11	Was advised not to elect	58	2.8
12	High income; wife working	12	.6
13	Waiting on separate World War I pension	9	.4
14	Doesn't like hospital reduction feature of new law	19	.9
15	No reason stated	153	7.5
16	Was not guardian at time new law became effective	32	1.5
17	Mistrusted new law	43	2.1
18	Was hospitalized or sick at time election notice was received	34	1.6
19	Thought they could work some	26	1.3
20	Can't remember receiving questionnaire	58	2.8
	Total	2,065	100.0

Major wars of the United States, number of Armed Forces participants, length of service, and casualties

[In thousands]

War	Period covered		Number of participants [1]	Average months of service	Number of casualties		
					In-service deaths		Nonmortal wounds [3]
	From—	To—			Battle [2]	Other	
All wars, total			31,453		530	442	1,281
Korean conflict	June 27, 1950	Jan. 31, 1955	[4] 6,807	23	34	21	103
World War II	Sept. 16, 1940	July 25, 1947	[4] 16,535	30	292	114	671
World War I [5]	Apr. 6, 1917	Nov. 11, 1918	4,744	12	53	63	204
Spanish-American War [6]	Apr. 21, 1898	July 4, 1902	392	8	2	9	6
Civil War (Union Forces) [7]	Apr. 15, 1861	Aug. 20, 1866	2,213	20	140	224	282
Indian wars	1817	1898	106	(8)	(9) 1	(8)	(8)
Mexican War	Apr. 25, 1846	May 30, 1848	79	(8)	2	11	4
War of 1812	June 18, 1812	Feb. 17, 1815	287	(8)	2	(8)	5
Revolutionary War	Apr. 19, 1775	Jan. 14, 1784	[10] 290	(8)	4	(8)	6

[1] Participants who served in more than 1 war are counted in each.

[2] Killed in action, died of wounds, and missing in action or presumed dead.

[3] Incidence of wounds, except Marine Corps data for World War II and prior wars are number of wounded.

[4] Includes 1,476,000 who served in both World War II and the Korean conflict.

[5] Terminal date for persons serving in Russia was Apr. 1, 1920.

[6] Includes war with Spain, Boxer Rebellion, and Philippine Insurrection. For persons serving in the Moro Province, hostilities ended July 15, 1903.

[7] Estimates of Confederate participants range from 600,000 to 1,500,000.

[8] Not available.

[9] Total deaths in service, including nonbattle deaths.

[10] Estimates from various sources range from 184,000 to 395,000.

Estimated number of veterans in civil life

[In thousands]

Date	All veterans[1]		World War II		Korean conflict				World War I		Other (including Spanish-American War)
					Total		No service in World War II				
	Number	Age	Number	Age	Number	Age	Number	Age	Number	Age	Number
June 30, 1955	21,878	38.3	15,405	36.2	4,015	26.7	3,188	24.9	3,150	61.3	135
Dec. 31, 1955	22,131	38.6	15,391	36.7	4,346	26.9	3,503	25.2	3,105	61.8	132
June 30, 1956	22,381	38.8	15,370	37.2	4,682	27.1	3,822	25.4	3,061	62.3	128
Dec. 31, 1956	22,599	39.0	15,355	37.7	4,984	27.5	4,099	25.9	3,017	62.8	128
June 30, 1957	22,633	39.4	15,332	38.2	5,105	27.9	4,202	26.3	2,971	63.3	128
Dec. 31, 1957	22,710	39.7	15,315	38.7	5,255	28.3	4,342	26.7	2,923	63.8	130
June 30, 1958	22,727	40.0	15,288	39.1	5,353	28.6	4,431	27.0	2,876	64.3	132
Dec. 31 1958	22,717	40.4	15,265	39.6	5,423	29.1	4,488	27.4	2,828	64.8	136
June 30, 1959	22,666	40.9	15,243	40.1	5,448	29.6	4,507	27.9	2,778	65.2	138
Dec. 31, 1959	22,599	41.3	15,220	40.6	5,466	30.1	4,515	28.4	2,724	65.7	140
June 30, 1960	22,534	41.7	15,202	41.1	5,482	30.6	4,520	28.9	2,673	66.2	139
Dec. 31, 1960	22,478	42.1	15,186	41.6	5,509	31.1	4,532	29.4	2,619	66.7	141
June 30, 1961	22,403	42.5	15,156	42.1	5,531	31.6	4,538	29.9	2,565	67.1	144
Dec. 31, 1961	22,338	42.9	15,138	42.6	5,554	32.2	4,542	30.4	2,511	67.6	147
June 30, 1962	22,275	43.9	15,126	43.0	5,586	32.7	4,546	30.8	2,455	68.1	148

[1] Veterans with service in World War II and Korean conflict are counted only once.

Total pension expenditures for all wars, showing payments to living veterans and to dependents of deceased veterans by war, cumulative through fiscal year 1962

[In thousands]

War	Total		Living veterans		Deceased veterans	
	Expenditures	Percent	Expenditures	Percent	Expenditures	Percent
Revolutionary	$70,000	0.3	(1)	--------	(1)	--------
War of 1812	46,219	.2	$14,020	30.3	$32,199	69.7
Mexican	61,798	.2	28,748	46.5	33,050	53.5
Indian	116,061	.5	60,299	52.0	55,762	48.0
Civil	8,207,260	33.1	(1)	--------	(1)	--------
Spanish-American	4,452,101	18.0	3,211,613	72.1	1,240,488	27.9
World War I	$10,495,336	42.4	$7,467,642	71.2	$3,027,694	28.8
World War II	1,234,876	5.0	753,057	61.0	481,819	39.0
Korean conflict	61,032	.2	37,107	60.8	23,925	39.2
Unclassified	16,513	.1	(1)	--------	(1)	--------
Total	24,761.196	100.0	(1)	--------	(1)	--------

[1] Not available.

NOTE.—Above expenditures compiled by VA based on most accurate data available.

Projections of war veteran population, showing average age, by period of service, 1962–2040

June 30	Total war veterans [1]		World War I		World War II [2]		Korean conflict				Spanish-American War	
							Total [2]		Only			
	Number (thousands)	Average age	Number (thousands)	Average age	Number (thousands)	Average age	Number (thousands)	Average age	Number (thousands)	Average age	Number (thousands)	Average age
1962	22,153	43.3	2,455	68.1	15,126	43.0	5,586	32.7	4,546	30.8	26	84.4
1963	22,039	44.2	2,343	69.0	15,098	44.0	5,670	33.8	4,576	31.8	22	85.2
1964	21,891	45.0	2,226	70.0	15,061	45.0	5,733	34.8	4,586	32.8	18	86.1
1965	21,728	45.8	2,108	71.0	15,013	45.9	5,788	35.9	4,592	33.8	15	86.9
1966	21,545	46.7	1,988	71.9	14,954	46.9	5,834	36.9	4,591	34.8	12	87.8
1967	21,350	47.4	1,866	72.8	14,876	47.8	5,879	37.9	4,598	35.8	10	88.6
1968	21,149	48.3	1,744	73.8	14,767	48.8	5,926	39.0	4,630	36.9	8	89.5
1969	20,934	49.0	1,623	74.7	14,641	49.7	5,968	39.9	4,664	37.8	6	90+
1970	20,701	49.8	1,502	75.7	14,497	50.7	6,003	41.0	4,697	38.9	5	90+
1975	19,522	53.7	973	80.1	13,644	55.4	6,195	45.8	4,904	43.9	1	90+
1980	17,841	57.7	527	84.5	12,464	60.0	6,049	50.7	4,850	48.9	(3)	----------
1985	15,886	61.8	220	88.8	10,995	64.6	5,751	55.5	4,671	53.8	----------	----------
1990	13,689	65.9	66	90+	9,255	69.1	5,302	60.3	4,368	58.8	----------	----------
1995	11,274	70.0	14	90+	7,300	73.4	4,724	65.0	3,960	63.7	----------	----------
2000	8,657	74.0	2	90+	5,220	77.6	4,008	69.6	3,435	68.5	----------	----------
2005	6,026	77.8	(3)	90+	3,244	81.7	3,161	74.2	2,782	73.3	----------	----------
2010	3,690	81.5	----------	----------	1,661	85.7	2,239	78.6	2,029	78.0	----------	----------
2015	1,900	85.1	----------	----------	651	89.8	1,340	83.0	1,249	82.6	----------	----------
2020	792	88.6	----------	----------	184	90+	635	87.3	608	87.0	----------	----------
2025	249	90+	----------	----------	38	90+	217	90+	211	90+	----------	----------
2030	59	90+	----------	----------	5	90+	55	90+	54	90+	----------	----------
2035	10	90+	----------	----------	(3)	----------	10	90+	10	90+	----------	----------
2040	1	90+	----------	----------	----------	----------	1	90+	1	90+	----------	----------

[1] Veterans who served in both World War II and the Korean conflict are counted once.

[2] Includes veterans who served in both World War II and the Korean conflict.

[3] Less than 500.

Age of war veterans, projected, 1962–2040

[Number in thousands]

June	War veterans		Under 45 years	45 to 54 years	55 to 59 years	60 to 64 years	65 to 69 years	70 years and over
	Number	Average age						
1962	22,153	43.3	14,469	4,211	671	549	1,476	777
1965	21,728	45.8	11,825	6,088	1,143	381	953	1,338
1970	20,701	49.8	6,791	8,987	1,930	1,033	326	1,634
1975	19,522	53.7	2,911	8,954	3,683	1,757	889	1,328
1980	17,841	57.7	313	6,491	4,650	3,364	1,523	1,500
1985	15,886	61.8	--------	2,832	3,687	4,263	2,936	2,168
1990	13,689	65.9	--------	301	2,386	3,390	3,748	3,864
1995	11,274	70.0	--------	--------	285	2,197	2,995	5,797
2000	8,657	74.0	--------	--------	--------	263	1,946	6,448
2005	6,026	77.8	--------	--------	--------	--------	233	5,793
2010	3,690	81.5	--------	--------	--------	--------	--------	3,690
2015	1,900	85.1	--------	--------	--------	--------	--------	1,900
2020	792	88.6	--------	--------	--------	--------	--------	792
2025	249	90+	--------	--------	--------	--------	--------	249
2030	59	90+	--------	--------	--------	--------	--------	59
2035	10	90+	--------	--------	--------	--------	--------	10
2040	1	90+	--------	--------	--------	--------	--------	1

Projected deaths of veterans in civil life, by war, during each fiscal year, 1956–2000

[In thousands]

Fiscal year	Total deaths	World War I	World War II	Korean conflict [1]	Spanish-American War
1956-60	834	476	281	42	35
1956	151	85	50	7	9
1957	159	90	53	8	8
1958	167	95	56	9	7
1959	174	100	59	9	6
1960	183	106	63	9	5
1961-65	1,049	550	431	46	22
1961	199	109	76	9	5
1962	206	110	82	9	5
1963	209	110	86	9	4
1964	214	110	91	9	4
1965	221	111	96	10	4
1966-70	1,256	573	607	64	12
1966	230	113	103	11	3
1967	239	114	110	12	3
1968	250	115	120	13	2
1969	262	115	131	14	2
1970	275	116	143	14	2
1971-75	1,539	548	888	98	5
1971	290	116	157	16	1
1972	308	114	175	18	1
1973	305	109	176	19	1
1974	313	106	185	21	1
1975	323	103	195	24	1
1976-80	1,766	459	1,158	148	1
1976	332	101	205	25	1
1977	346	98	221	27	----------
1978	355	94	232	29	----------
1979	363	87	244	32	----------
1980	370	79	256	35	----------
1981-85	1,979	318	1,441	220	----------
1981	378	77	264	37	----------
1982	388	73	275	40	----------
1983	397	66	287	44	----------
1984	405	57	300	48	----------
1985	411	45	315	51	----------
1986-90	2,177	162	1,705	310	----------
1986	420	43	323	54	----------
1987	427	38	331	58	----------
1988	435	33	340	62	----------
1989	444	28	350	66	----------
1990	451	20	361	70	----------
1991-95	2,384	54	1,914	416	----------
1991	465	18	372	75	----------
1992	468	14	375	79	----------
1993	475	10	382	83	----------
1994	484	7	389	88	----------
1995	492	5	396	91	----------
1996-2000	2,570	11	2,031	528	----------
1996	508	3	410	95	----------
1997	512	2	408	102	----------
1998	515	2	406	107	----------
1999	516	2	404	110	----------
2000	519	2	403	114	----------

[1] No service in World War II.

NOTE.—Projected deaths are estimated on the basis of medium mortality rates used by the Bureau of the Census in making projections of the population of the United States. These mortality rates represent averages of the "high" and "low" estimates prepared by the Social Security Administration (Actuarial Study No. 46, May 1957) and have been applied to the estimated living World War II and Korean conflict participants and Spanish-American War and World War I veterans in civil life.

Expenditures made by Veterans' Administration, former Veterans' Bureau, and Pension Bureau for compensation or pension benefits for all wars and regular establishment, showing percentage relation of total compensation and pension expenditures to total VA expenditures, and compensation and pension separately to total compensation and pension, by fiscal year

Fiscal year	Total VA expenditures	Total compensation and pension expenditures	Percent of VA expenditures	Compensation expenditures						Pension expenditures					
				Total	Percent of total of C.&P. expenditures	Living veterans		Deceased veterans		Total	Percent of total of C.&P. expenditures	Living veterans		Deceased veterans	
						Cases as of June 30	Expenditures	Cases as of June 30	Expenditures			Cases as of June 30	Expenditures	Cases as of June 30	Expenditures
Cumulative through 1962	(1)	58,858,309,126	(1)	34,097,112,965	57.9	(2)	(2)	(2)	(2)	24,761,196,161	42.1	(2)	(2)	(2)	(2)
1962	(1)	3,649,622,800	(1)	2,015,722,265	55.2	1,987,088	1,560,723,204	375,804	454,999,061	1,633,900,535	44.8	1,161,916	1,124,296,712	746,244	509,603,823
1961	6,801,593,816	3,565,237,507	52.4	2,032,156,229	57.0	1,999,602	1,566,757,453	383,076	465,398,776	1,533,081,278	43.0	1,106,089	1,072,217,065	683,860	460,864,213
1960	6,375,862,929	3,311,416,019	51.9	2,046,561,591	61.8	2,026,874	1,576,990,535	390,526	469,571,056	1,264,854,428	38.1	980,667	910,874,007	560,276	353,980,421
1959	6,281,549,214	3,221,983,359	51.3	2,067,634,349	64.2	2,053,004	1,595,968,737	386,806	471,665,612	1,154,349,010	35.8	879,758	814,704,241	529,016	339,644,769
1958	6,100,623,393	3,058,662,676	50.1	2,020,925,211	66.1	2,063,728	1,553,691,404	386,992	467,233,807	1,037,737,465	33.9	785,238	728,661,142	497,436	309,076,323
1957	5,707,960,692	2,824,836,250	49.5	1,872,838,433	66.3	2,074,479	1,438,952,729	384,581	433,885,704	951,997,817	33.7	720,398	657,086,262	478,374	294,911,555
1956	5,609,241,578	2,745,117,917	48.9	1,861,028,855	67.8	2,082,987	1,447,544,379	383,265	413,484,476	884,089,062	32.2	653,843	603,577,372	453,535	280,511,690
1955	5,330,468,067	2,630,458,726	49.3	1,828,092,912	69.5	2,075,956	1,428,145,194	382,486	399,947,718	802,365,814	30.5	591,036	537,856,131	425,817	264,509,683
1954	5,282,574,988	2,446,549,162	46.3	1,728,963,047	70.7	2,055,218	1,359,599,376	375,428	369,363,671	717,586,115	29.3	533,360	474,760,520	402,560	242,825,595
1953	5,098,458,094	2,373,022,755	46.5	1,711,460,718	72.1	2,019,700	1,334,143,287	368,582	377,317,431	661,562,037	27.9	484,557	430,798,431	379,168	230,763,606
1952	6,074,484,832	2,102,579,490	34.6	1,543,073,823	73.4	1,979,497	1,200,321,210	353,432	342,752,613	559,505,667	26.6	436,791	364,430,898	353,398	195,074,769
1951	5,998,433,368	2,031,979,351	33.9	1,512,309,320	74.4	1,977,774	1,201,034,455	343,310	311,274,865	519,670,031	25.6	393,877	329,949,610	339,291	189,720,421
1950	9,752,982,832	1,930,732,073	19.8	1,454,443,142	75.3	1,990,280	1,150,409,837	336,266	304,033,305	476,288,931	24.7	345,050	294,988,837	321,857	181,300,094
1949	7,076,749,316	1,812,734,770	25.6	1,389,078,240	76.6	1,990,970	1,102,668,755	333,511	286,409,485	423,656,530	23.4	289,944	252,763,314	302,077	170,893,016
1948	7,184,961.095	1,744,470,391	24.3	1,358,117,126	77.9	2,033,900	1,125,262,306	324,427	232,854,820	386,353,265	22.1	248,973	234,240,256	278,859	152,113,009
1947	7,805,355,201	1,667,560,943	21.4	1,335,388,577	80.1	2,091,821	1,106,807,647	313,577	228,580,930	332,172,366	19.9	233,498	194,180,320	252,891	137,992,046
1946	4,772,072,219	1,177,978,191	24.7	903,696,876	76.7	1,887,488	705,961,632	275,117	197,735,244	274,281,315	23.3	219,394	166,653,409	226,511	107,627,906
1945	2,271,318,333	718,276,607	31.6	483,302,993	67.3	912,094	367,062,983	192,545	116,240,010	234,973,614	32.7	220,468	165,812,658	176,953	69,160,956
1944	828,391,436	488,607,115	59.0	298,104,043	61.0	588,725	222,471,732	129,093	75,632,311	190,503,072	39.0	220,769	140,133,388	124,358	50,369,684
1943	656,256,162	437,766,205	66.7	246,697,181	56.4	391,739	185,617,266	111,722	61,079,915	191,069,024	43.6	227,071	139,363,352	126,786	51,705,672
1942	647,729,953	426,877,820	65.9	241,674,878	56.6	389,779	183,998,311	107,253	57,676,567	185,202,942	43.4	231,234	131,969,308	128,782	53,233,634
1941	614,357.411	428,998,981	69.8	242,270,920	56.5	387,244	183,525,576	107,693	58,745,344	186,728,061	43.5	229,065	132,246,636	129,822	54,481,425
1940	639,126,697	426,202,206	66.7	240,998,715	56.5	384,215	181,116,757	109,605	59,881,958	185,203,491	43.5	224,123	130,381,398	129,571	54,822,093
1939	600,221,534	413,712,542	68.9	230,224,672	55.6	376,257	175,878,331	109,237	54,346,341	183,487,870	44.4	224,687	128,642,473	130,437	54,845,397
1938	629,829,722	399,651,466	63.5	220,749,397	55.2	373,652	175,744,149	103,843	45,005,248	178,902,069	44.8	225,365	122,415,338	132,262	56,486,731
1937	893,994,175	392,891,096	43.9	212,133,148	54.0	369,564	175,364,546	107,141	36,768,602	180,757,948	46.0	227,105	121,156,335	136,286	59,601,613
1936	3,839,120,426	395,709,018	10.3	213,635,226	54.0	368,959	176,816,872	107,164	36,818,354	182,073,792	46.0	229,792	118,900,577	144.306	63,173,215
1935	618,522,342	371,698,041	60.1	214,183,567	57.6	369,000	179,218,824	106,634	34,964,743	157,514,474	42.4	215,278	96,078,946	146,348	61,435,528
1934	594,022,058	319,195.537	53.7	180,064,295	56.4	361,700	145,669,234	105.067	34,395,061	139,131,242	43.6	217,959	79,947,439	152,563	59,183,803
1933	868,688,479	540,590,363	62.2	226,820,754	42.0	356,305	190,075,351	103,446	36,745,403	313,769,609	58.0	635,606	228,411,821	169,303	85,357,788
1932	869,099,937	534,223,618	61.5	232,235,452	43.5	347,087	194,410,685	102,031	37,824,767	301,988,166	56.5	640,849	215,403,187	181,664	86,584,979
1931	783,359,332	477,451,349	60.9	218,626,257	45.8	316,249	186,190,739	97,474	32,435,518	258,825,092	54.2	468,169	167,524,226	191,731	91,300,866
1930 and prior years	13,914,075,744	9,791,514,782	70.4	1,713,900,753	17.5	(2)	(2)	(2)	(2)	8,077,614,029	82.5	(2)	(2)	(2)	(2)

(1) Not currently available.
(2) Not available.

NOTE.—Above expenditures and cases compiled by VA, based on most accurate data available.

Active compensation, dependency and indemnity, pension and retirement cases for all wars and regular establishment, June 20, 1962

War	Total living and deceased veterans	
Total	4,272,258	
Mexican War	2	
Indian wars	539	
Civil War	2,850	
Spanish-American War	96,406	
World War I	1,662,351	
World War II	2,076,791	
Regular establishment	159,566	
Korean conflict	273,753	
Total	3,150,210	1,122,048
Service-connected	(1,987,028)	(376,640)
Compensation	1,987,028	206,946
Dependency and indemnity compensation		149,981
Dependency and indemnity compensation and compensation		19,713
Non-service-connected	1,161,765	745,180
Special acts	211	228
Retired emergency officers [1]	1,201	
Retired Reserve officers [2]	5	
Mexican War	0	2
Non-service-connected		1
Special acts		1
Indian wars	30	509
Service-connected		1
Compensation		
Dependency and indemnity compensation		1
Non-service-connected	30	502
Special acts		6
Civil War	0	2,850
Service-connected		79
Compensation		6
Dependency and indemnity compensation		73
Non-service-connected		2,644
Special acts		127
Spanish-American War	24,426	71,980
Service connected	144	819
Compensation	144	39
Dependency and indemnity compensation		780
Non-service-connected	24,275	71,130
Special acts	7	31
World War I	1,154,412	507,939
Service-connected	146,676	42,975
Compensation	146,676	8,152
Dependency and indemnity compensation		34,576
Dependency and indemnity compensation and compensation		247
Non-service-connected	1,006,533	464,964
Special acts	2	
Retired emergency officers [1]	1,201	
World War II	1,628,460	448,331
Service-connected	1,506,465	256,545
Compensation	1,506,465	165,773
Dependency and indemnity compensation		75,351
Dependency and indemnity compensation and compensation		15,421
Non-service-connected	121,990	191,786
Retired Reserve officers [2]	5	
Regular Establishment	122,208	37,358
Service-connected	122,006	37,295
Compensation	122,006	9,071
Dependency and indemnity compensation		27,078
Dependency and indemnity compensation and compensation		1,146
Special acts	202	63
Korean conflict	220,674	53,079
Service-connected	211,737	38,926
Compensation	211,737	23,905
Dependency and indemnity compensation		12,122
Dependency and indemnity compensation and compensation		2,899
Non-service-connected	8,937	14,153

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[1] Retirement paid by the VA to retired emergency, provisional, probationary, or temporary officers of World War I.

[2] Retirement paid by the VA to retired Reserve officers of the Army under provisions of Public Law 262, 77th Cong.

Total pension expenditures for all wars related to total VA expenditures, by fiscal years

[Reflects World War I pension payments as related to total pension expenditures]

Fiscal year	Total VA expenditures [1] (dollars)	Total pension program [1]						World War I pension program [1]						
		Total expenditures		Living veterans		Deceased veterans		Total expenditures			Living veterans		Deceased veterans	
		Total (dollars)	Percent of total VA expenditures	Cases as of June 30	Expenditures (dollars)	Cases as of June 30	Expenditures (dollars)	Cases as of June 30	Expenditures (dollars)	Percent of total pension expenditures	Cases as of June 30	Expenditures (dollars)	Cases as of June 30	Expenditures (dollars)
Cumulative through 1962	(2)	24,761,196,161	--------	--------	(2)	------	(2)	--------	10,495,336,093	--------	--------	7,467,642,448	------	3,027,693,645
1962	(2)	1,633,900,535	--------	1,161,916	1,124,296,712	746,244	509,603,823	1,471,497	1,249,316,779	76.5	1,006,533	961,576,171	464,964	287,740,608
1961	6,801,593,816	1,533,081,278	22.5	1,106,089	1,072,217,065	683,860	460,864,213	1,410,739	1,204,169,560	78.5	964,084	924,710,800	446,655	279,458,760
1960	6,375,862,929	1,264,854,428	19.8	980,667	910,874,007	560,276	353,980,421	1,270,253	1,030,177,306	81.4	851,255	780,033,065	418,998	250,144,241
1959	6,281,549,214	1,154,349,010	18.4	879,758	814,704,241	529,016	339,644,769	1,148,799	924,291,612	80.1	753,947	686,054,999	394,852	238,236,613
1958	6,100,623,393	1,037,737,465	17.0	785,238	728,661,142	497,436	309,076,323	1,033,056	824,742,056	79.5	665,218	602,560,058	367,838	222,181,998
1957	5,707,960,692	951,997,817	16.7	720,398	657,086,262	478,374	294,911,555	948,160	741,659,144	77.9	601,095	530,720,633	347,065	210,938,511
1956	5,609,241,578	884,089,062	15.8	653,843	603,577,372	453,535	280,511,690	863,236	673,339,697	76.2	535,440	474,141,118	327,796	199,198,579
1955	5,330,468,067	802,365,814	15.1	591,036	537,856,131	425,817	264,509,683	782,051	594,378,018	74.1	474,760	408,302,953	307,291	186,075,065
1954	5,282,574,988	717,586,115	13.6	533,360	474,760,520	402,560	242,825,595	705,035	515,474,174	71.8	417,869	346,121,201	287,166	169,352,973
1953	5,098,458,094	661,562,037	13.0	484,557	430,798,431	379,168	230,763,606	637,215	459,607,179	69.5	369,750	300,794,925	267,465	158,812,254
1952	6,074,484,832	559,505,667	9.2	436,791	364,430,898	353,398	195,074,769	565,845	372,788,118	66.6	321,097	242,600,955	244,748	130,187,163
1951	5,998,433,368	519,670,031	8.7	393,877	329,949,610	339,291	189,720,421	511,350	331,424,773	63.8	278,285	206,227,130	233,065	125,197,643
1950	9,752,982,832	476,288,931	4.9	345,050	294,988,837	321,857	181,300,094	443,827	286,628,043	60.2	225,475	167,691,524	218,352	118,936,519
1949	7,076,749,316	423,656,530	6.0	289,944	252,763,514	302,077	170,893,016	373,093	235,925,429	55.7	172,956	126,021,142	200,137	109,904,287
1948	7,184,961,095	386,353,265	5.4	248,973	234,240,256	278,859	152,113,009	311,709	202,795,094	52.5	133,483	101,357,957	178,226	101,437,137
1947	7,805,355,201	332,172,366	4.3	233,498	194,180,320	252,891	137,992,046	269,146	172,710,698	52.0	114,429	82,845,392	154,717	89,865,306
1946	4,772,072,219	274,281,315	5.7	219,594	166,653,409	226,511	107,627,906	223,932	121,320,263	44.2	95,234	57,139,376	128,698	64,180,887
1945	2,271,318,333	234,973,614	10.3	220,468	165,812,658	176,953	69,160,956	168,061	77,790,969	33.1	90,477	53,061,554	77,584	24,729,415
1944	828,391,436	190,503,072	23.0	220,769	140,133,388	124,358	50,369,684	112,397	49,283,439	25.9	85,700	37,996,340	26,697	11,287,099
1943	656,256,162	191,069,024	29.1	227,071	139,363,352	126,786	51,705,672	111,319	49,068,642	25.7	84,878	37,879,291	26,441	11,189,351
1942	647,729,953	185,202,942	28.6	231,234	131,969,308	128,782	53,233,634	106,009	37,284,594	20.1	81,660	26,603,293	24,349	10,681,301
1941	614,357,411	186,728,061	30.4	229,065	132,246,636	129,822	54,481,425	94,488	33,223,036	17.8	72,478	23,418,547	22,010	9,804,489
1940	639,126,697	185,203,491	29.0	224,123	130,381,398	129,571	54,822,093	77,820	26,723,053	14.4	60,296	19,324,715	17,524	7,398,338
1939	600,221,534	183,487,870	30.6	224,687	128,642,473	130,437	54,845,397	65,156	21,489,559	11.7	52,936	17,100,318	12,220	4,389,241
1938	629,829,722	178,902,069	28.4	225,365	122,415,338	132,262	56,486,731	54,170	17,851,167	10.0	46,748	15,227,498	7,422	2,623,669
1937	893,994,175	180,757,948	20.2	227,105	121,156,335	136,286	59,601,613	46,644	15,610,806	8.6	41,594	13,758,823	5,050	1,851,983
1936	3,839,120,426	182,073,792	4.7	229,792	118,900,577	144,306	63,173,215	40,440	13,947,925	7.7	37,446	12,710,374	2,994	1,237,551
1935	618,522,342	157,514,474	25.5	215,278	96,078,946	146,348	61,435,528	35,574	12,196,034	7.7	33,604	11,543,370	1,970	652,664
1934	594,022,058	139,131,242	23.4	217,959	79,947,439	152,563	59,183,803	29,903	9,784,579	7.0	29,903	9,784,579	-------	------------
1933	868,688,479	313,769,609	36.1	635,606	228,411,821	169,303	85,357,788	412,482	85,186,547	27.1	412,482	85,186,547	-------	------------
1932	869,099,937	301,988,166	34.7	640,849	215,403,187	181,664	86,584,979	407,584	75,458,233	25.0	407,584	75,458,233	-------	------------
1931	783,359,332	258,825,092	33.0	468,169	167,524,226	191,731	91,300,866	229,568	29,689,567	11.5	229,568	29,689,567	-------	------------
1930 and prior years	13,914,075,744	8,077,614,029	--------	--------	------------	-------	----------	--------	------------	--------	--------	------------	-------	------------

[1] As published in annual report.

[2] Not available.

NOTE.—Above expenditures and cases compiled by VA, based on most accurate data available.

Annual income of veterans and dependents of deceased veterans on VA pension rolls under Public Law 86–211,[1] compared with similar data from study of new claims filed and adjudicated during week of Aug. 14–18, 1961

[In percent]

Source of income	August study from new claims	Sample study from questionnaire	Questionnaire study low (−) high (+)
No income	28.2	18.5	−9.7
Earned income and other sources only	15.5	13.0	−2.5
Social security only	27.5	32.6	+5.1
Retirement or annuity only	8.6	1.9	−6.7
COMBINATIONS			
Social security and retirement	6.7	9.1	+2.4
Social security and other (including earning)	9.4	23.0	+13.6
Social security, retirement, and other (including earning)	2.0	4.8	+2.8
Retirement and other (including earning)	1.7	1.0	−.7
Total:			
Social security	45.6	69.5	+23.6
Retirement (or annuity)	19.2	16.8	−2.4
Other (including earning)	31.5	41.8	+10.3

[1] Based on 0.2 percent sample study of 1961 income questionnaires returned by pensioners.

Distribution of disability pensioners on VA rolls, by age groups, Korean conflict, World War II, and World War I, as of June 20, 1961

	Percentage of veteran pensioners in specified age groups				
	Total		Korean conflict	World War II	World War I
	In group	Cumulative (from bottom up)			
5-year age groups:					
20 to 24	(1)	100.0	1.1	------------	------------
25 to 29	0.3	100.0	34.7	(1)	------------
30 to 34	.8	99.7	55.9	3.6	------------
35 to 39	1.6	98.9	6.2	16.0	------------
40 to 44	1.8	97.3	1.0	18.4	------------
45 to 49	1.5	95.5	.5	15.5	------------
50 to 54	1.6	94.0	.2	16.1	------------
55 to 59	1.4	92.4	.1	14.0	0.1
5-year age groups—Con.					
60 to 64	8.0	91.0	.1	14.1	7.4
65 to 69	51.7	83.0	.2	1.8	57.5
70 to 74	27.7	31.3	(1)	.4	31.0
75 to 79	3.1	3.6	------------	.1	3.5
80 to 84	.4	.5	------------	(1)	.4
85 to 89	.1	.1	------------	(1)	.1
90 to 94	(1)	------------	------------	------------	(1)
95 to 99	(1)	------------	------------	------------	(1)

[1] Less than 0.1 percent.

Historical development of pensions for veterans of Indian wars, Civil War, Spanish-American War, World Wars I and II, and Korean conflict, including rates, certain elements of entitlement, also number of veterans that were on rolls and expenditures for these benefits during each fiscal year, and cumulative to date

	Interval between end of period and law	Rates	Eligibility and limitations
Indian wars:			
Act of July 27, 1892 (27 Stat. 281)	(1832 to 1842) 50 years.	$8 per month	30 days' service, honorable discharge. Less than 30 days' service if named in resolution of Congress for specific service. Must be citizen of United States.
Act of June 27, 1902 (32 Stat. 399)	(1817 to 1858) 44 years.	do	Extended benefits of act of July 27, 1892, to certain service in specified Indian wars between 1817 and 1858.
Act of May 30, 1908 (35 Stat. 553)	(1855 to 1860) 48 years.	do	Extended benefits of act of July 27, 1892, to Texas Volunteers who rendered certain service between 1855 and 1860.
Act of Feb. 19, 1913 (37 Stat. 679)	(1817 to 1860) 53 years.	$20 per month	Increased rate to those pensioned or entitled to pension under prior acts.
Act of Mar. 4, 1917 (39 Stat. 1199)	(1859 to 1891) 26 years.	do $20 per month, age 62, based upon certain service.	Extended benefits of act of July 27, 1892, and act of Feb. 19, 1913, to survivors in wars between 1859 and 1891. Included Tyler's Rangers, 1864. 30 days' service or through a campaign of less than 30 days, or less than 30 days if named in resolution of Congress; to certain groups at age 62 with 30 days' service in certain campaigns.
Act of Mar. 3, 1927 (44 Stat. 1361, et seq.).	(1817 to 1898) 29 years.	$20 to $50 per month based upon disability $20 per month, age 62. $30 per month, age 68. $40 per month, age 72. $50 per month, age 75.	30 days' or more service, Jan. 1, 1817, to Dec. 31, 1898; suffering from disability of permanent character, not result of vicious habits, which so incapacitates him for performance of manual labor as to render him unable to earn a support; pension also payable based upon age. Service in any military organization whether regularly mustered into United States service or not where under authority of United States or any State or territory in any Indian war or campaign or in connection with or in zone of active Indian hostilities recognized.
Act of Aug. 25, 1937 (50 Stat. 786)	(1817 to 1898) 39 years.	$20 to $55 per month based upon disability $25 per month, age 62. $35 per month, age 68. $45 per month, age 72. $55 per month, age 75. $72 per month, helpless or blind requiring regular aid and attendance.	Increased pension rates. Pension limited to $50 per month while person in U.S. Soldiers' Home or any National or State soldiers' home. Established $72 monthly rate for aid and attendance, but not payable for any period such service furnished while maintained in an institution by U.S. Government or political subdivision.
Act of July 13, 1943 (57 Stat. 554)	(1817 to 1898) 45 years.		Sec. 13 repealed provisions of law relating to reduction of pension while person in U.S. Soldiers' Home or any National or State soldiers' home.
Act of Mar. 3, 1944 (58 Stat. 108)	(1817 to 1898) 46 years.	$20 to $60 per month based upon disability $30 per month, age 62. $60 per month, age 65 or over. $100 per month, helpless or blind requiring regular aid and attendance.	Increased pension rates, established rate at age 65, and liberalized the service requirements. 30 days' or more service or for duration or a campaign even though less than 30 days or in the zone of any active Indian hostilities from Jan. 1, 1817, to Dec. 31, 1898, suffering from a disability of permanent character which so incapacitates him for performance of manual labor as to render him unable to earn a support; pension not denied if disability resulted from vicious habits; pension also payable based upon age. Service in any military organization, whether or not such service was result of regular muster into service of United States, if such service was under authority or by approval of United States or any State or territory.
Act of Aug. 8, 1946 (60 Stat. 908)	(1817 to 1898) 48 years.		Sec. 1 provides, with certain exceptions, that the pension of single veterans without dependents, being furnished hospital treatment, institutional or domiciliary care by the Veterans Administration, shall continue without reduction until the 1st day of the 7th month. If treatment extends beyond that period, the pension, if less than $30, shall continue without reduction, but if greater than $30 per month, shall not exceed 50 percent of the amount payable or $30 per month, whichever is the greater. Amounts withheld are payable upon termination of treatment subject to certain conditions. It also provides that in any case where the estate of any such veteran, who is incompetent, reaches $1,500, further payments of pension will not be made until the estate is reduced to $500.
Act of Jan. 19, 1948 (62 Stat. 4)	(1817 to 1898) 50 years.	Under act of Mar. 3, 1927, as amended: $24 to $72 per month based upon disability. $36 per month, age 62. $72 per month, age 65 or over. $120 per month, helpless or blind requiring regular aid and attendance. Under act of Aug. 25, 1937: $24 to $66 per month based upon disability. $30 per month, age 62. $42 per month, age 68. $54 per month, age 72. $66 per month, age 75. $86.40 per month, helpless or blind requiring regular aid and attendance.	Increased by 20 percent, effective Mar. 1, 1948, monthly rates of pension.
Act of Aug. 1, 1949 (63 Stat. 484)	(1817 to 1898) 51 years.		Requires payment to veterans, 6 months following recovery of competency, of pension withheld under act of Aug. 8, 1946, notwithstanding limitation in that act precluding payment of such sums where incompetent veteran's estate reaches $1,500.
Act of May 23, 1952 (66 Stat. 91)	(1817 to 1898) 54 years.	$96.75 per month, based upon disability or age 62 or over. $129 per month, helpless or blind, requiring regular aid and attendance.	Established indicated minimum rates of pension payable to veterans of the Indian wars under the act of Mar. 3, 1927 (44 Stat. 1361, et seq.), as amended, or the act of Aug. 25, 1937 (50 Stat. 786), as amended, effective July 1, 1952.
Act of Aug. 28, 1954 (68 Stat. 916)	(1817 to 1898) 56 years.	$101.59 per month, based upon disability or age 62 or over. $135.45 per month, helpless or blind, requiring regular aid and attendance.	Increased by 5 percent, effective Oct. 1, 1954, monthly rates of pension.
Act of Apr. 25, 1957 (71 Stat. 25)	(1817 to 1898) 59 years.		Effective June 1, 1957, prohibits payment of pension to any person while imprisoned in penal institution as result of conviction of felony or misdemeanor, the suspension of payment to begin on 61st day of imprisonment. Sec. 2 authorizes payment to designated dependents where the veteran is denied pension under the act.

Summary of the present pension structure applicable to veterans for the following periods of service: World War I, World War II, and Korean conflict

Legal authority	Pension rate	Effective date
Public Law 2, 73d Cong., as amended by Veterans' Regulation 1(a) Executive Order 6156.	$30	June 3, 1933.
Public Law 601, 77th Cong	$40	June 10, 1942.
Public Law 313, 78th Cong	$50	May 27, 1944.
Public Law 662, 79th Cong	$50 and $72	Sept. 1, 1946.
Public Law 356, 82d Cong	$63 and $75	July 1, 1952.
Public Law 149, 82d Cong	Requiring aid and attendance ($120).	Date of application (not prior to Nov. 1, 1951).
Public Law 698, 83d Cong	$66.15 and $78.75	Oct. 1, 1954.
Public Law 357, 82d Cong	$135.45 income limitation increased from $1,000 and $2,500, respectively (set in 1933) to $1,410 and $2,700, respectively.	
Public Law 86-211	$40-$70-$85 $45-$75. $90-$95-$100. Income limitation increased from $1,400 and $2,700, respectively (set in 1954) to $1,800 and $3,000 respectively by certain income increments. (See table following.)	July 1, 1960.

Current pension rates under Public Law 86-211 for veterans, World War I, World War II, and Korean conflict

	Per month	Per year
With protected rates under Public Law 86-211:		
All veterans except those in categories below	$66.15	$793.80
Veteran aged 65 or over, or 10 years continuous receipt of pension	78.75	945.00
Veteran helpless, blind, in need of regular care and attendance	135.45	1,625.40
New rate structure:		
Veterans with no dependents [1]		

Annual income: More than	but	Annual income: Equal to or less than	Per month	Per year
----------		$600	85.00	1,020.00
$600		1,200	70.00	840.00
1,200		1,800	40.00	480.00

Veterans with dependents [1]

Annual income			Per month			Per year		
More than	but	Equal to or less than	1	2	3 or more	1	2	3 or more
----------		$1,000	$90	$95	$100	$1,080	$1,140	$1,200
$1,000		2,000	75	75	75	900	900	900
2,000		3,000	45	45	45	540	540	540

[1] If veteran is in need of regular aid and attendance, the monthly rate shall be increased by $70 or $840 annually.

Summary of prior pension rates and current pension rates applicable to survivors of deceased veterans, World War I, World War II, and Korean conflict

	Per month	Per year
Rates prior to the enactment of Public Law 356, 82d Cong., and Public Law 698, 83d Cong.:		
Widow alone	$48.00	$576.00
Widow with 1 child	60.00	720.00
Supplementary amount for each additional child	7.20	86.40
1 child alone	26.00	312.00
2 children alone	39.00	468.00
3 children alone	52.00	624.00
Supplementary amount for each additional child	7.20	86.40
Rates prior to the enactment of Public Law 86-211:		
Widow alone	50.40	604.80
Widow with 1 child	63.00	756.00
Supplementary amount for each additional child	7.56	90.72
1 child alone	27.30	327.60
2 children alone	40.95	491.40
3 children alone	54.60	655.20
Supplementary amount for each additionl child	7.56	90.72

	Per month	Per year
New rate structure—Public Law 86-211: Dependents:		
Widow:		
More than 0 but equal to or less than $600	$60.00	$720.00
More than $600, but equal to or less than $1,200	45.00	540.00
More than $1,200, but equal to or less than $1,800	25.00	300.00
Widow, 1 child:		
More than 0, but equal to or less than $1,000	75.00	900.00
More than $1,000, but equal to or less than $2,000	60.00	720.00
More than $2,000, but equal to or less than $3,000	40.00	480.00
Additional for each child	15.00	180.00
Child, no widow:		
Annual income equal to or less than $1,800	35.00	420.00
Each additional child	15.00	180.00

Annual income of veterans and dependents of deceased veterans on VA pension rolls [1] distributed by source of income, by percentage, as reported on annual income questionnaire, calendar year 1961

Source of income	All cases			Living veterans			Dependents of deceased veterans		
	Total	Under Public Law 86-211	Prior to Public Law 86-211	Total	Under Public Law 86-211	Prior to Public Law 86-211	Total	Under Public Law 86-211	Prior to Public Law 86-211
No income	12.5	18.5	9.6	11.7	20.9	9.1	13.8	16.9	10.9
Earned income and other sources only	14.9	13.0	15.7	10.4	11.8	10.0	22.0	13.9	29.9
Social security only	27.1	32.6	24.4	24.5	24.9	24.4	31.2	38.1	24.5
Retirement or annuity only	3.3	1.9	4.0	3.5	2.9	3.7	3.0	1.3	4.7
COMBINATIONS									
Social security and retirement	11.2	9.1	12.2	15.8	17.3	15.4	4.0	3.3	4.6
Social security and other (including earning)	25.1	23.0	26.1	26.0	21.5	27.2	23.6	24.1	23.2
Social security, retirement, and other (including earning)	4.9	4.8	5.1	7.7	9.6	7.1	.6	1.2	----------
Retirement and other (including earning)	2.2	1.0	2.8	2.5	.7	3.1	1.8	1.3	2.3
Total:									
Social security	68.3	69.5	67.8	74.0	73.3	74.1	59.4	66.7	52.3
Retirement (or annuity)	21.6	16.8	24.1	29.5	30.5	29.3	9.4	7.1	11.6
Other (including earning)	47.1	41.8	49.7	46.6	43.6	47.4	48.0	40.5	55.4
Average of all income sources (excludes VA pension)	$1,081.43	$981.71	$1,129.43	$1,214.23	$1,127.19	$1,238.71	$870.22	$878.61	$862.08

[1] Based on 0.2 percent sample study of 1961 income questionnaires returned by pensioners.

NOTE.—Percentage of cases does not necessarily add up to 100 percent since a pensioner may have income from 2 or more sources.

Dependents of deceased veterans for whom compensation, dependency and indemnity compensation or pension is being paid, Mar. 20, 1962

War and type of case	Deceased veterans	Dependents of deceased veterans			
		Total	Widows	Children	Parents
Total	1,107,525	1,567,159	755,015	512,412	299,732
Service-connected	(379,894)	(514,827)	(128,650)	(86,447)	(299,730)
Compensation	206,766	274,431	12,461	18,743	243,227
Dependency and indemnity compensation	152,050	189,721	105,786	53,577	30,358
Dependency and indemnity compensation and compensation	21,078	50,675	10,403	14,127	26,145
Non-service-connected	727,381	1,052,080	626,239	425,841	
Special acts	250	252	126	124	2
Mexican War	3	3	2	1	
Non-service-connected	2	2	2	0	
Special acts	1	1	0	1	
Indian wars	572	575	551	24	
Service-connected	1	1	1		
Compensation	0	0	0	0	
Dependency and indemnity compensation	1	1	1		
Non-service-connected	564	567	545	22	
Special acts	7	7	5	2	
Civil War	3,132	3,161	2,446	715	
Service-connected	88	89	51	38	
Compensation	6	6	2	4	
Dependency and indemnity compensation	82	83	49	34	
Non-service-connected	2,901	2,927	2,361	566	
Special acts	143	145	34	111	
Spanish-American War	74,074	75,223	73,083	2,138	2
Service-connected	863	873	847	24	2
Compensation	41	44	39	3	2
Dependency and indemnity compensation	822	829	808	21	0
Non-service-connected	73,175	74,314	72,209	2,105	
Special acts	36	36	27	9	0
World War I	501,921	547,478	477,451	62,380	7,647
Service-connected	43,243	44,691	35,576	1,468	7,647
Compensation	8,524	9,009	1,544	358	7,107
Dependency and indemnity compensation	34,462	35,152	33,789	1,084	279
Dependency, and indemnity compensation and compensation	257	530	243	26	261
Non-service-connected	458,678	502,787	441,875	60,912	
World War II	440,010	794,433	164,973	388,441	241,019
Service-connected	260,687	356,059	62,589	52,451	241,019
Compensation	165,073	215,874	6,251	8,966	200,657
Dependency and indemnity compensation	78,439	99,976	47,447	33,247	19,282
Dependency and indemnity compensation and compensation	17,175	40,209	8,891	10,238	21,080
Non-service-connected	179,323	438,374	102,384	335,990	
Regular Establishment	36,319	53,756	20,196	14,965	18,595
Service-connected	36,256	53,693	20,136	14,964	18,593
Compensation	9,119	15,246	1,810	3,974	9,462
Dependency and indemnity compensation	26,347	36,260	17,982	10,158	8,120
Dependency and indemnity compensation and compensation	790	2,187	344	832	1,011
Special acts	63	63	60	1	2
Korean conflict	51,494	92,530	16,313	43,748	32,469
Service-connected	38,756	59,421	9,450	17,502	32,469
Compensation	24,003	34,252	2,815	5,438	25,999
Dependency and indemnity compensation	11,897	17,420	5,710	9,033	2,677
Dependency and indemnity compensation and compensation	2,856	7,749	925	3,031	3,793
Non-service-connected	12,738	33,109	6,863	26,246	

Veterans on VA pension rolls, by entitlement under Veterans Pension Act of 1959 (or protected thereby) and service pension, as of May 20, 1962

Veterans entitlement	Total all wars	Percent of total	Wars subsequent to Spanish-American War							Spanish-American War and prior wars [1]	
			Income range [2]		Monthly rate	Total		World War I		Monthly rate	Number
			More than but	Equal to or less than		Number	Percent	Number	Percent		
Grand total	1,153,742	100.0				1,129,219	100.0	1,000,584	100.0		24,523
PRIOR TO VETERANS PENSION ACT OF 1959											
Total	827,682	71.7				[3] 803,901	71.2	739,123	73.9		23,781
Nonaid and attendance	800,230			([4])	$66.15 78.75	71,447 708,787		24,655 697,525		$67.73 101.59	134 19,862
Aid and attendance	27,452				135.45	23,667		16,943		88.04 135.45	20 3,765
VETERANS PENSION ACT OF 1959 (PUBLIC LAW 86-211)											
Total	326,060	28.3				325,318	28.8	261,461	26.1		742
Subtotal	311,580					311,580		253,734			
Nonaid and attendance:											
Veteran, no dependents	59,222		0	$600	85.00	59,222		38,673			
Do	23,498		$600	1,200	70.00	23,498		19,141			
Do	19,250		1,200	1,800	40.00	19,250		17,331			
Veteran, with 1 dependent	82,841		0	1,000	90.00	82,841		75,175			
Do	70,905		1,000	2,000	75.00	70,905		63,379			
Do	30,198		2,000	3,000	45.00	30,198		28,035			
Veteran, with 2 dependents	9,590		0	1,000	95.00	9,590		6,111			
Do	987		1,000	2,000	75.00	987		573			
Do	242		2,000	3,000	45.00	242		152			
Veteran, with 3 or more dependents	13,983		0	1,000	100.00	13,983		4,868			
Do	742		1,000	2,000	75.00	742		248			
Do	122		2,000	3,000	45.00	122		48			
Subtotal	10,457					9,715		6,472			742
Aid and attendance:											
Veteran, no dependents	2,674		0	600	155.00	2,363		1,744		155.00	311
Do	567		600	1,200	140.00	558		315		140.00	9
Do	370		1,200	1,800	110.00	370		241			
Veteran, with 1 dependent	3,635		0	1,000	160.00	3,260		2,883		160.00	375
Do	1,476		1,000	2,000	145.00	1,466		699		145.00	10
Do	449		2,000	3,000	115.00	449		242			
Veteran, with 2 dependents	411		0	1,000	165.00	396		191		165.00	15
Do	66		1,000	2,000	145.00	66		8			
Do	13		2,000	3,000	115.00	13		1			
Veteran, with 3 or more dependents	706		0	1,000	170.00	684		147		170.00	22
Do	83		1,000	2,000	145.00	83		1			
Do	7		2,000	3,000	115.00	7					
Veterans furnished hospitalization, institutional or domiciliary care	4,023				30.00	4,023		1,255			

[1] Not subject to income limitation, except those electing higher benefits provided by the Veterans Pension Act of 1959.

[2] Income range for Public Law 86-211 related to rate; income, no dependents ($0 to $1,800); with dependents ($0 to $3,000).

[3] Protected cases under Public Law 86-211.

[4] Income limitation of veteran, no dependents ($0 to $1,400): veteran, with dependents ($0 to $2,700). Distribution not available.

NOTE.—Reported caseload partially estimated.

Deceased veteran cases on pension rolls by entitlement under the Veterans Pension Act of 1959 (or protected thereby) and under laws for survivors of the Spanish American War and prior wars, as of May 20, 1962

Deceased veteran cases and entitlement	Total, all wars	Percent of total	Wars subsequent to Spanish-American War							Spanish-American War and prior wars[1]	
			Income range[2]		Monthly rate	Total		World War I only			
			More than—	But equal to or less than—		Number	Percent of total	Number	Percent of total	Monthly rate	Number
Grand total	738,913	100.0				664,154	100.0	463,351	100.0		74,759
Undistributed by entitlement[3]	1,180	.2				1,180	.2	230	0.1		
PRIOR TO VETERANS' PENSION ACT OF 1959											
Total	394,877	53.4				320,118	48.2	293,969	63.4		74,759
Subtotal, widow alone	356,453					283,983		276,658			72,470
Widow alone			0	$1,400	$50.40	283,983		276,658		$15.75	19
Do										40.64	86
Do										65.00	70,170
Do										75.00	2,195
Subtotal, widow and children	29,980					29,178		14,862			802
Widow and 1 child	18,697		0	2,700	63.00	18,019		11,903		73.13	678
Do	16									83.13	16
Widow and 2 children	6,808				70.56	6,745		2,071		81.26	63
Widow and 3 children	2,681				78.12	2,655		577		89.39	26
Widow and 4 children	1,059				85.68	1,046		182		97.52	13
Widow and 5 children	429				93.24	425		70		105.65	4
Widow and 6 children	179				100.80	177		43		113.78	2
Widow and 7 children	78				108.36	78		9			
Widow and 8 children	25				115.92	25		4			
Widow and 9 children	8				123.48	8		3			
Subtotal, children alone	8,444					6,957		2,449			1,487
1 child alone	5,301		0	1,400	27.30	3,915		1,890		73.13	1,386
2 children alone	1,985				40.95	1,911		407		81.26	74
3 children alone	790				54.60	775		105		89.39	15
4 children alone	271				62.16	264		35		97.52	7
5 children alone	66				69.72	64		7		105.63	2
6 children alone	17				77.28	15		3		113.78	2
7 children alone	11				84.84	10		2		121.91	1
8 children alone	3				92.40	3					
VETERANS' PENSION ACT OF 1959 (PUBLIC LAW 86-211)											
Total	342,856	46.4				342,856	51.6	169,152	36.5		
Subtotal, widow alone	167,993					167,993		144,261			
Widow alone	110,548		0	600	60.00	110,538		95,168			
Do	37,455		$600	1,200	45.00	37,455		31,933			
Do	19,990		1,200	1,800	25.00	19,990		17,160			
Subtotal, widow and children	78,138					78,138		10,857			
Widow and 1 child	12,910		0	1,000	75.00	12,910		5,502			
Do	9,358		1,000	2,000	60.00	9,358		1,225			
Do	4,083		2,000	3,000	40.00	4,083		435			
Widow and 2 children	9,033		0	1,000	90.00	9,033		1,614			
Do	9,481		1,000	2,000	75.00	9,481		360			
Do	3,563		2,000	3,000	55.00	3,563		90			
Widow and 3 children	8,741		0	1,000	105.00	8,741		724			
Do	3,996		1,000	2,000	90.00	3,996		110			
Do	1,653		2,000	3,000	70.00	1,653		29			
Widow and 4 children	5,524		0	1,000	120.00	5,524		349			
Do	1,702		1,000	2,000	105.00	1,702		41			
Do	641		2,000	3,000	85.00	641		21			
Widow and 5 children	3,065		0	1,000	135.00	3,065		156			
Do	666		1,000	2,000	120.00	666		21			
Do	252		2,000	3,000	100.00	252		6			
Widow and 6 children	1,505		0	1,000	150.00	1,505		96			
Do	276		1,000	2,000	135.00	276		5			
Do	101		2,000	3,000	115.00	101					
Widow and 7 children	792		0	1,000	165.00	792		36			
Do	118		1,000	2,000	150.00	118		1			
Do	42		2,000	3,000	130.00	42		3			
Widow and 8 children	365		0	1,000	180.00	365		26			
Do	62		1,000	2,000	165.00	62					
Do	9		2,000	3,000	145.00	9					
Widow and 9 children	165		0	1,000	195.00	165		7			
Do	25		1,000	2,000	180.00	25					
Do	10		2,000	3,000	160.00	10					
Subtotal, children alone	96,725					96,725		14,034			
1 child alone	43,072		0	1,800	35.00	43,072		10,518			
2 children alone	29,787				50.00	29,787		2,385			
3 children alone	14,281				65.00	14,281		689			
4 children alone	6,082				80.00	6,082		293			
5 children alone	2,174				95.00	2,174		91			
6 children alone	815				110.00	815		38			
7 children alone	315				125.00	315		13			
8 children alone	114				140.00	114		4			
9 children alone	85				155.00	85		3			

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[1] Not subject to income limitation.

[2] Income range for Public Law 86-211 related to rate; income, no dependents (0 to $1,800); with dependents (0 to $3,000).

[3] Questionable cases—determination of distribution by "old" or "new" law subject to further review.

NOTE.—Reported caseload partially estimated.

Living and deceased veterans pension cases,[1] *World War I, World War II, and Korean conflict, showing number and percent of cases by income increment, as of May 20, 1962*

VETERAN CASES

Entitlement	Dependency status	Annual income: More than	Annual income: Equal to or less than	Total cases	Percent of total
Public Law 86-211.	Total			321, 295	100
	Veteran	0	$600	61, 585	19
	do	$600	1, 200	24, 056	8
	do	1, 200	1, 800	19, 620	6
	Veteran, with dependents	0	1, 000	110, 754	34
	do	1, 000	2, 000	74, 249	23
	do	2, 000	3, 000	31, 031	10

DECEASED VETERAN CASES

Entitlement	Dependency status	Annual income: More than	Annual income: Equal to or less than	Total cases	Percent of total
Public Law 86-211.	Total			342, 856	100
	Widow	0	$600	110, 548	32
	do	$600	1, 200	37, 455	11
	do	1, 200	1, 800	19, 990	6
	Child alone	0	1, 800	96, 725	28
	Widow, with children	0	1, 000	42, 100	12
	do	1, 000	2, 000	25, 684	8
	do	2, 000	3, 000	10, 354	3

VETERAN AND DECEASED VETERAN CASES COMBINED

Entitlement	Dependency status	Annual income: More than	Annual income: Equal to or less than	Total cases	Percent of total
Summary Public Law 86-211.	Total			664, 151	100
	Veteran or widow	0	$600	172, 133	26
	do	$600	1, 200	61, 511	9
	do	1, 200	1, 800	39, 610	6
	Child alone	0	1, 800	96, 725	15
	Veteran or widow, with dependents.	0	1, 000	152, 854	23
	do	1, 000	2, 000	99, 933	15
	do	2, 000	3, 000	41, 385	6

[1] Excludes protected cases (old law) and Spanish-American War cases.

Living and deceased veterans pension cases,[1] *World War I, World War II, and Korean conflict (Public Law 86–211 only), as of May 20, 1962*

	Total: Total	Total: World War I	Total: World War II	Total: Korean conflict
Total number Public Law 86-211 cases	668, 174	430, 613	220, 567	16. 994
Percent of total at each rate:				
Low rate ($40 to $45)	12. 00	14. 70	7. 23	5. 33
Intermediate rate ($70 to $75)	23. 84	27. 17	17. 92	15. 89
High rate ($85 to $100)	62. 11	56. 34	72. 47	74. 26
Aid and attendance ($110 to $170)	1. 45	1. 50	1. 32	1. 97
$30, hospitalization	. 60	. 29	1. 06	2. 55

	Total: Total	Total: World War I	Total: World War II	Total: Korean conflict
	Living			
Total number Public Law 86-211 cases	325, 318	261, 461	59, 333	4, 524
Percent of total at each rate:				
Low rate ($40 to $45)	15. 31	17. 43	6. 81	4. 60
Intermediate rate ($70 to $75)	29. 55	31. 88	20. 40	15. 12
High rate ($85 to $100)	50. 91	47. 74	63. 95	63. 30
Aid and attendance ($110 to $170)	2. 99	2. 47	4. 90	7. 41
$30, hospitalization	1. 24	. 48	3. 94	9. 57
	Deceased			
Total number, Public Law 86-211 cases (number, widow, widow/child, or child alone)	342, 856	169, 152	161, 234	12, 470
Percent of total at each rate:				
Low rate ($40 to $45)	8. 85	10. 49	7. 38	5. 60
Intermediate rate ($70 to $75)	18. 42	19. 92	17. 01	16. 17
High rate ($85 to $100)	72. 73	69. 59	75. 61	78. 23

[1] Excludes Spanish-American War cases.

World War I veterans*, showing total in civil life, number on service-connected and non-service-connected rolls, average age, average monthly value, service-connected disabled cases rated 0 to 100 percent, terminations by death, original awards, foreign cases (in 1961), and other miscellaneous data, by fiscal year*

SERVICE-CONNECTED VETERANS

June 30—	Living World War I veterans in civil life	Veterans on VA rolls with service-connected disability: Total on roll: Number	Veterans on VA rolls with service-connected disability: Total on roll: Percent of veterans in civil life	Veterans on VA rolls with service-connected disability: Veterans rated 100 percent disabled: Number	Veterans on VA rolls with service-connected disability: Veterans rated 100 percent disabled: Percent of total on roll	Average age of veteran	Average monthly value	Veterans 50 percent or more disabled: With dependents	Veterans 50 percent or more disabled: Without dependents	Terminations by death	Original awards
1950	3, 518, 000	293, 274	8. 3	31, 495	10. 7	57. 7	$65. 86	53, 771	24, 906	4, 778	1, 344
1951	3, 452, 000	282, 080	8. 2	31, 195	11. 1	57. 7	66. 51	54, 409	22, 928	4, 749	729
1952	3, 382, 000	270, 961	8. 0	30, 468	11. 2	58. 6	66. 98	53, 259	22, 367	5, 222	529
1953	3, 308, 000	260, 988	7. 9	29, 703	11. 4	59. 5	74. 68	52, 434	21, 760	5, 477	448
1954	3, 230, 000	250, 635	7. 8	28, 962	11. 6	60. 4	75. 17	51, 205	21, 160	5, 311	373
1955	3, 150, 000	239, 416	7. 6	28, 211	11. 8	61. 3	78. 93	49, 749	20, 699	5, 221	366
1956	3, 061, 000	227, 991	7. 4	27, 329	12. 0	62. 3	79. 67	48, 162	20, 307	5, 484	331
1957	2, 971, 000	215, 155	7. 2	26, 423	12. 3	36. 2	80. 32	45, 977	20, 021	5, 498	254
1958	2, 876, 000	203, 654	7. 1	25, 423	12. 5	64. 1	91. 49	44, 561	19, 332	6, 253	322
1959	2, 778, 000	188, 797	6. 8	24, 536	13. 0	65. 0	93. 47	42, 661	18, 619	5, 662	382
1960	2, 673, 000	173, 084	6. 5	23, 059	13. 3	65. 9	96. 23	39, 756	19, 439	5, 777	337
1961	2, 565, 000	157, 517	6. 1	21, 941	13. 9	66. 9	98. 36	38, 743	16, 829	5, 143	304
1962 [1]	2, 455, 000	146, 676	6. 0	20, 700	14. 1	67. 9	99. 50	37, 000	15, 300	5, 000	289

See footnotes at end of table.

World War I veterans, showing total in civil life, number on service-connected and non-service-connected rolls, average age, average monthly value, service-connected disabled cases rated 0 to 100 percent, terminations by death, original awards, foreign cases (in 1961), and other miscellaneous data, by fiscal year—Continued

SERVICE-CONNECTED VETERANS RESIDING IN FOREIGN COUNTRIES, JUNE 1961

Country:	*Number*
Africa	7
Asia	148
Europe	572
Central America	7
North America	162
South America	13
Country—Continued	*Number*
Australasia	6
Oceania	1
West Indies	8
Total	924

NON-SERVICE-CONNECTED VETERANS

June 30—	Living World War I veterans in civil life	Veterans on VA rolls non-service-connected disability				Average age of veteran	Average monthly value	Family status of veterans		Terminations by death	Additions to pension roll		
		Total on roll		Veterans with aid and attendance									
		Number	Percent of veterans in civil life	Number	Percent of total on roll			With dependents	Without dependents		Average monthly net increase	Average monthly original awards	Average monthly gross number added to roll
1950	3,518,000	225,475	6.4	(2)	(2)	59.0	$62.34	124,000	101,475	14,018	4,377	3,763	6,241
1951	3,452,000	278,285	8.1	(2)	(2)	59.9	62.41	153,100	125,185	17,552	4,401	3,847	6,630
1952	3,382,000	321,097	9.5	9,615	3.0	60.8	64.80	176,600	144,497	20,492	3,568	3,852	6,375
1953	3,308,000	369,750	11.2	12,233	3.3	61.8	68.89	203,400	166,350	23,312	4,054	4,491	7,039
1954	3,230,000	417,869	12.9	13,281	3.2	62.4	69.70	229,800	188,069	25,167	4,010	5,029	7,481
1955	3,150,000	474,760	15.1	14,776	3.1	63.8	74.05	261,100	213,660	27,179	4,741	5,797	8,493
1956	3,061,000	535,440	17.5	15,802	3.0	64.7	74.81	294,500	240,940	30,616	5,057	6,448	9,826
1957	2,971,000	601,095	20.2	16,861	2.8	65.6	75.63	330,600	270,495	33,247	5,471	6,871	9,915
1958	2,876,000	665,218	23.1	17,467	2.6	66.5	76.54	365,900	299,318	38,303	5,344	7,488	10,439
1959	2,778,000	753,947	27.1	18,530	2.5	67.2	77.34	414,700	339,247	39,903	7,394	9,438	13,410
1960	2,673,000	851,255	31.8	19,749	2.3	67.9	78.12	468,200	383,055	43,615	8,109	10,557	14,848
1961	2,565,000	964,084	37.6	21,607	2.2	68.6	79.33	530,200	433,884	43,328	9,402	11,672	16,698
1962 [1]	2,455,000	1,006,533	41.0	23,600	2.3	69.6	79.25	553,600	452,933	44,000	3,537	8,660	10,900

NON-SERVICE-CONNECTED VETERANS RESIDING IN FOREIGN COUNTRIES, JUNE 1961

Country:	*Number*
Africa	18
Asia	2,927
Europe	8,705
Central America	19
North America	1,042
South America	46
Country—Continued	*Number*
Australasia	18
Oceania	4
West Indies	53
Total	12,832

[1] Partially estimated, subject to change.
[2] Not available.

NOTE.—Above cases compiled by VA, based on most accurate data available.

World War I deceased veterans, showing number of deceased veterans cases on service-connected and non-service-connected rolls, average monthly value, beneficiaries by type, average age of widows, awards terminated and foreign cases (in 1961), by fiscal year

SERVICE-CONNECTED DECEASED VETERANS CASES

June 30—	Deceased veterans cases		Type of beneficiary				Average age of widows	Awards terminated by death
	Number	Average monthly value	Total	Widows	Children	Parents		
1950	65,758	$71.94	77,210	32,034	8,258	36,918	56.2	4,099
1951	63,633	71.89	73,547	32,605	7,180	33,762	56.9	3,148
1952	61,416	71.92	70,173	32,888	6,452	30,833	57.7	3,035
1953	59,036	72.93	66,430	33,156	5,464	27,810	58.5	3,187
1954	56,954	72.98	63,419	33,455	4,949	25,015	59.4	3,141
1955	54,520	85.69	60,151	33,650	4,479	22,022	60.2	2,987
1956	52,653	85.71	57,591	33,807	4,021	19,763	61.1	2,323
1957	50,878	107.34	54,450	33,780	2,924	17,746	61.9	2,777
1958	47,631	113.47	50,456	34,409	2,326	13,721	62.6	[3] 4,472
1959	46,099	115.49	48,430	34,640	2,015	11,775	63.3	2,511
1960	45,841	117.85	48,215	35,307	2,019	10,889	64.1	1,412
1961	44,235	116.68	46,035	35,367	1,901	8,767	64.9	1,523
1962 [1]	42,975	118.75	44,450	35,600	1,450	7,400	65.9	1,700

DEPENDENTS OF SERVICE-CONNECTED DECEASED VETERANS RESIDING IN FOREIGN COUNTRIES—CASES ON ROLL JUNE 20, 1961

Foreign country:	*Number*
Africa	1
Asia	261
Europe	511
Central America	2
North America	66
Foreign country—Continued	*Number*
South America	8
West Indies	4
Total	853

See footnotes at end of table.

World War I deceased veterans, showing number of deceased veterans cases on service-connected and non-service-connected rolls, average monthly value, beneficiaries by type, average age of widows, awards terminated and foreign cases (in 1961), by fiscal year—Con.

NON-SERVICE-CONNECTED DECEASED VETERANS CASES

June 30—	Deceased veterans cases		Type of beneficiary				Average age of widows	Awards terminated by death
	Number	Average monthly value	Total	Widows	Children	Parents		
1950	218,352	$44.81	332,852	194,878	137,974	------------	53.7	2,680
1951	233,065	44.29	339,015	209,359	129,656	------------	54.6	2,219
1952	244,748	43.95	343,826	221,176	122,650	------------	55.6	2,642
1953	267,465	59.56	357,684	243,836	113,848	------------	57.6	3,613
1954	287,166	49.28	371,904	263,697	108,207	------------	57.5	3,643
1955	307,291	51.17	386,377	284,080	102,297	------------	58.4	3,866
1956	327,796	50.94	400,561	305,198	95,363	------------	59.3	3,838
1957	347,065	50.81	414,443	325,827	88,616	------------	60.0	4,645
1958	367,838	50.62	426,475	348,267	78,208	------------	61.0	[2] 7,641
1959	394,852	50.50	449,994	375,839	74,155	------------	61.8	[2] 6,346
1960	418,998	50.51	476,425	399,933	76,492	------------	62.7	4,875
1961	446,655	51.95	492,420	430,050	62,370	------------	63.6	5,656
1962 [1]	464,964	51.80	509,500	449,000	60,500	------------	64.6	6,500

DEPENDENTS OF NON-SERVICE-CONNECTED DECEASED VETERANS RESIDING IN FOREIGN COUNTRIES—CASES ON ROLL JUNE 20, 1961

Foreign Country:	*Number*
Africa	15
Asia	1,893
Europe	3,298
Central America	29
North America	565
South America	39
Foreign Country—Continued	
Australasia	10
Oceania	4
West Indies	31
Total	5,884

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[1] Partially estimated, subject to change.

[2] Audit of files, reflection of cumulative corrections.

NOTE.—Above cases compiled by VA, based on most accurate data available.

The effect of H.R. 1927 relative to estimated cost of the proposals herein, if enacted into law effective January 1, 1965, has been determined as follows, as reported by Robert C. Fable, Jr., General Counsel, Veterans' Administration, in a letter to Hon. OLIN E. TEAGUE, chairman, Committee on Veterans' Affairs:

Fiscal year: (Jan. 1 through June 30, ½ fiscal year):	
1965	$43,880,590
1966	72,619,530
1967	97,341,610
1968	106,002,745
1969	111,437,400

Cost estimates include not only the direct effects of the proposals—that is, increases to those already under Public Law 86–211—but also a realistic estimate of what, in our best judgment, would be incurred by way of additional cost stemming from the proposed changes as the result of old law cases electing to come under the current pension program as modified by the proposed changes.

The changes effective through this act, it is estimated, would permit consideration for between 175,000 and 240,000 new veteran beneficiaries. It is also estimated that the amendment effecting social security payments, with the present 5-percent increase as enacted by this Congress would remove some 200,000 individuals from the pension roles, or reduce their pension payment. Further, these changes would stimulate action on the part of pensioners to make the change from the old law to the present law, 86-211, as amended by this bill. Thus, the pensioners thereby would enjoy increases in their present pension under the old law.

Although important changes have been made under H.R. 1927—no doubt veterans whose incomes are just above the borderline ceilings will be critical of the committee's action.

Yet it can be truly said that our Chairman "TIGER" TEAGUE, as well as every member of the committee together with Jack Gleason, Administrator of the VA, did everything possible to effectuate an ameliorating influence to meet the demands of the veterans groups. But, it was the concensus of the opinion of the committee that in order to pass a bill this session, it became necessary to appease all divided factions on this question in order to insure its passage. Everyone agreed that the changes adopted were important, especially to the veterans and widows at the lowest income level. Chairman TEAGUE, and their Administrator Gleason, the representatives on the committee, and the commanders of the service organizations, should be complimented for their efforts in perfecting this legislation, such as it is. I recommend favorable action by the House. May I thank my distinguished chairman and friend, "TIGER" TEAGUE, and the members of the Veterans' Affairs Committee, for the signal honor paid to me in their choice of my bill, H.R. 1927, as the bill to be amended for passage. With great humility I pay my profound respects to these gentlemen for this exceptional act of kindness to reward my feeble efforts in behalf of this legislation.

Mr. SCHWEIKER. Mr. Speaker, I ask unanimous consent that the gentleman from Vermont [Mr. STAFFORD] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. STAFFORD. Mr. Speaker, I rise in support of H.R. 1927 which was unanimously reported to the House from the Committee on Veterans' Affairs on August 5, 1964.

The bill amends the pension program for veterans of World War I, World War II, the Korean conflict, and their widows and children.

It liberalizes the amount of income a veteran or his spouse may earn before having to count such earnings in determining income for pension purposes.

It removes the requirement that a veteran who has attained age 65 must have a 10-percent disability and that his unemployability be attributable thereto.

It provides for additional payments to veterans who are "housebound," or so helpless or blind as to require the regular presence of another person.

This is good legislation. It recognizes the Nation's debt and responsibility to those who fought for their country.

Under the circumstances the cost is modest.

It is gratifying to learn that the national commander of the Veterans of World War I supports this bill and has advised the committee in writing that it will hear nothing further from World War I national headquarters about discharge petition No. 4 during his administration if the bill is adopted.

I urge adoption of the bill.

Mr. SCHWEIKER. Mr. Speaker, I ask unanimous consent that the gentleman from Indiana [Mr. HARVEY] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. HARVEY of Indiana. Mr. Speaker, I wish to take this opportunity to compliment Chairman Teague and the members of the House Veterans' Affairs Committee for the dispatch it exercised in getting H.R. 1927 reported out of committee and to the House floor for consideration this week.

Soon after the House approved the social security increase legislation it became obvious to many of us that the increased social security benefits would disqualify many veterans from receiving their veterans' pensions because of the income limitations imposed on recipients of veterans' pensions.

As one who has always recognized the unselfish contributions of veterans I am pleased to cast my vote in support of H.R. 1927.

Mr. SCHWEIKER. Mr. Speaker, I ask unanimous consent that the gentleman from Maine [Mr. McIntire] may extend his remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. McINTIRE. Mr. Speaker, I rise in strong support of H.R. 1927. This legislation increases the rates of pensions authorized by the Veterans' Pension Act of 1959 for non-service-connected disabilities or death. I feel these increases are richly deserved.

The bill also provides for changes in the rules of eligibility, making them fit more properly the needs of many veterans and the widows and children of veterans. These adjustments will bring assistance to situations that have long needed the attention of Congress.

The House Committee on Veterans' Affairs is to be highly commended for the work it has done in bringing this constructive legislation to the floor of the House of Representatives for consideration. I feel confident that this bill will receive the strong support of the House membership.

Mr. Speaker, the adjustments contained in this legislation have merit, and it is my sincere hope that the progress of this bill is such that it is signed into law before the end of this 88th Congress.

Mr. SCHWEIKER. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. Weaver] may extend his remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WEAVER. Mr. Speaker, I rise in support of H.R. 1927 to revise non-service-connected pensions. Deserving veterans of this Nation will receive help according to their need through the passage of this bill—65-year-old veterans of all wars are treated equally.

Although there may be some disparity between this bill and the desires of some veterans it has been extensively heard and fairly presented with proper amendments to the House of Representatives. The best traditions of our American heritage and the U.S. Congress are to remember those who fought and died in our Nation's wars. H.R. 1927 does these things and I am happy to support its passage.

Mr. FRIEDEL. Mr. Speaker, for many months the members of the House Veterans' Affairs Committee have been working with representatives of the various veterans organizations in an effort to work out an equitable system for increasing non-service-connected pension payments to veterans of World War I, World War II, and the Korean conflict. Some of the measures originally advocated by one organization would have been unfair to veterans who are members of other organizations.

It was an extremely difficult job to work out a system of increases which would be fair to all veterans, but I believe the bill we have before us today, H.R. 1927, is a good bill and I urge all my colleagues to support it.

There is no doubt that some of our older veterans are experiencing great difficulty in trying to live on a fixed income when the cost of living increases from year to year. By increasing the amount of outside earnings a veteran may have and still receive a pension, we are encouraging him to help himself as much as possible and not be penalized by having his pension discontinued.

This bill also contains a provision to guarantee that veterans receiving the 5-percent increase in social security benefits, under a bill passed by the House on July 28 will not be removed from the pension rolls or have their pension reduced because of an increase in social security payments.

Under this bill a veteran who reaches the age of 65 years will not have to have a 10-percent disability and be unemployable as a result of this disability in order to receive a veterans pension.

There are a number of other provisions which improve the veterans pension program, in addition to increasing payments to veterans with non-service-connected disabilities.

I believe these changes in the present laws are justified and wholeheartedly support H.R. 1927.

Mr. RHODES of Pennsylvania. Mr. Speaker, I am quite pleased to vote for passage of H.R. 1927, the non-service-connected veterans' pension bill.

This needed legislation is welcome news to all receivers of veterans' pension who are also receiving social security benefits. Under the recent House-passed Social Security Amendments of 1964, many veterans were faced with the possibility that the small increase granted in their social security benefits would result in quite large reductions in their veterans' pensions. I am quite pleased that H.R. 1927 corrects this possible injustice by providing that 10 percent of payments to an individual under any public or private retirement, annuity, or income plan, including social security, in the case of those receiving pensions either under provisions of Public Law 86-211 or earlier veterans' pension laws will be excluded in determining income for pension purposes.

This needed liberalization in veterans' pension law and the pension increases provided for over 250,000 veterans is another legislative victory for the present Democratic Congress and administration.

I wish to commend the distinguished chairman of the House Veterans' Affairs Committee, the gentleman from Texas, the Honorable Olin E. Teague, for bringing this legislation to the floor and for the great service he has rendered to the veterans of the Nation. I am hopeful that favorable consideration can now be given to legislation providing pensions for World War I veterans, many of whom are in great need.

Mr. FASCELL. Mr. Speaker, I am pleased to express my support for the pending non-service-connected pension bill, H.R. 1927, which provides increases in the amounts of pensions, as well as other amendments designed for the economic betterment of veterans of World War I, World War II, and the Korean conflict eligible for a pension, and their widows and dependents.

This bill is the result of an extensive amount of study and hearings conducted during the present Congress by the House Committee on Veterans' Affairs. It has the support of the major veterans' organizations including the Veterans of World War I of the U.S.A., Inc., the American Legion, and the Veterans of Foreign Wars. I am most pleased that the Veterans of World War I has lent its support to the bill because their endorsement certainly has helped to obtain the support of those members who were interested in obtaining a pension improvement for World War I veterans.

The pending bill would improve the veterans' pension system in many respects. Most notably, it raises the pension amounts for veterans and widows with low incomes. The income limitations for pensioners under the Veterans' Pension Act of 1959 are also increased substantially. This change in the income limitations will make it possible for more veterans and their dependents to qualify for pensions and at the same time will increase the monthly pensions of many now on the rolls by placing them in a different income limitation category. For example, a single veteran with a yearly income of $1,250 now receives a pension of $40 a month. Under the bill he will be transferred from the third to the second income bracket and receive a pension of $70 a month.

Of particular interest to World War I veterans is the bill's provision eliminating the present requirement of a 10-percent disability with resulting unemployability for a veteran age 65 or over to qualify for a pension. The bill will make all veterans eligible for a pension at age 65 if they meet the service and discharge requirements of the law and its income limitations which are significantly liberalized by the bill. Thus, in effect, World War I veterans as well as other veterans who have attained age 65, will no longer need to prove disability or unemployability in order to qualify for a pension.

The bill also contains a very timely amendment designed to prevent existing pensioners from being disadvantaged by the passage of the social security amendments bill, H.R. 11865, which has passed the House and is now the subject of hearings before the Senate Finance Committee. The social security bill contains a

5-percent social security benefit increase for those now on the OASDI rolls, which would have the effect of reducing or eliminating the pensions of many veterans and their widows and dependents if enacted without an amendment to the veterans' pension laws. This bill, H.R. 1927, contains an amendment to prevent such a disaster from happening. It grants a new exclusion from income of 10 percent of the payments received by an individual under any public or private retirement, annuity, or income plan, including social security.

The bill contains many other amendments, including a new additional payment of $35 a month to veterans who are permanently housebound due to disability, which will improve the economic conditions of veterans with non-service-connected disabilities and their families. It provides a well-balanced liberalization of the entire veterans' pension program and it has my complete support.

Mr. ANDERSON. Mr. Speaker, I rise in support of H.R. 1927. I find myself very much in sympathy with this bill which will have its greatest beneficial effect among those veterans and their dependents who find themselves at the bottom of the economic scale and hence, are in the group having the greatest economic need.

My examination of the provisions of the measure indicates that the bill is pointed in the right direction. And I must commend the members of the House Committee on Veterans' Affairs for bringing before us a measure with this commendable objective and which our colleague, the gentleman from Indiana [Mr. DENTON], has stated is a good bill and which has his support. Mr. DENTON, in addition to enjoying the respect and confidence of the membership of the House, is held in high esteem by veterans and their organizations in whose behalf he has continued to work so unceasingly and untiringly.

While the committee chose not to include the amendment to Public Law 86-211 that I had suggested in my bill; namely, H.R. 8361, which attempted to deal with the inequities that resulted from the administration of that statute, I want to commend the members of the Committee on Veterans' Affairs for bringing this bill before the House, because I feel it attempts to resolve problems I personally called to the attention of the committee. I am convinced upon reading the bill and the committee report that it is a step in the right direction.

My primary concern at the time I introduced my measure was that examples of harsh inequities had come to light in the administration of Public Law 86-211 which served to inflict the greatest adverse impact on those veterans and dependents who could least afford to be subjected to some of the shortcomings of that statute.

For example, it was called to my attention, and I am sure that many of my colleagues here in the House have heard of similar unfortunate instances involving veterans and widows of veterans. One particular incident involved a widow subsisting on benefit payments with no outside earnings or other income of any kind except a small payment under the Social Security Act and payment in the lowest echelon on the basis of widow's pension from the Veterans' Administration. Certainly, she was recognized as being in the neediest group, even according to the interpretation of the 1959 act. But then, when Congress later recognized the need for increasing low level social security payments and voted such individuals an increase in benefit payments, the small increment thus provided to social security retirees put that needy individual afoul of the "based on need" principle embodied in Public Law 211, by virtue of an unrealistic income limitation.

Mind you, under both the Social Security Act and the Veterans' Pension Act, this individual was recognized as having the greatest need, but yet, the net effect of Public Law 86-211 was to place such an individual in greater need but barred her from receiving it.

I find upon an examination of the measure reported by the committee that it has brought before the House a bill that treats wartime veterans and dependents of such veterans equally. I find that it is a bill which will exempt 10 percent of a veterans' income in computing rates of pension, and will exclude $1,200 of a spouse's income or all earned income of the spouse, whichever is greater, thereby also taking into consideration the expenses of earning this additional income. I am delighted to support this bill which is critically needed in view of the impending increase in social security benefits that could conceivably, if this measure is not enacted, adversely affect those now classified under the Social Security Act and the Veterans' Pension Act as having the greatest need. I earnestly urge my colleagues to join with me in supporting H.R. 1927 as a highly desirable measure.

Mr. Speaker, over the past years, we have not been unmindful of the unfortunate position in which many of our veterans and their widows find themselves because of inflation and other economic causes for which they are surely not to blame. There have been times, frankly, when I have felt that some of my very best friends among the veterans' groups and organizations have become a little impatient with us for not adopting the precise legislative solution which they recommended. I know that upon some reflection they will realize that literally scores of different proposals have been offered in the House of Representatives by as many different Members of Congress. The Veterans' Committee, under the chairmanship of one of the most respected Members of the House, the gentleman from Texas [Mr. TEAGUE], has performed a truly heroic and valiant service in sifting these proposals and in seeking to find a legislative solution which, while it is consistent with fiscal integrity, also bears some relationship to the problems faced by our needy veterans. I cannot, of course, claim that this solution is perfect. We, in the Congress, must continue to strive not only to improve on this legislation but to seek other means of properly discharging our responsibility in this area of meeting the debt which we owe to those who have so loyally fought for their country's flag.

Mr. Speaker, in conclusion, I consider it a high privilege and honor to be able to serve in a Congress which has at last in part been able to recognize this obligation and is now seeking to do something about it.

Mr. ADDABBO. Mr. Speaker, I rise in support of this bill which, in my opinion, is must legislation.

H.R. 1927 provides for a more realistic method of computing income for pension purposes. Certainly, we must make sure that the proposed small increase in social security benefits robs no veteran of his pension. Also, this bill takes a more realistic approach to the income of a veteran's spouse when figuring income of the veteran for pension purposes. The increases in annual income limitations and pension payments provided in H.R. 1927 are modest and necessary.

With the cost of living what it is today, great numbers of our veterans who have given so much to our Nation are having great difficulties in securing the necessities of life. We must never fail these men and women, and I urge my colleagues to promptly approve H.R. 1927.

Mr. HALEY. Mr. Speaker, I am particularly pleased to see this bill before the House today and I am sure that the vote which will shortly be taken will reflect the unanimous sentiment of this House in favor of this proposition.

The gentleman from Illinois and I are the only two World War I veterans serving on the Committee on Veterans' Affairs, and I introduced a companion bill to the measure which we are considering today.

The chairman of the full committee has been very generous in his praise of all the members of the committee, and particularly the members of the Subcommittee on Compensation and Pension, and I want to pay tribute to the leadership and other stalwart qualities of the gentleman from Texas [Mr. TEAGUE], not only in handling this bill but other measures as well. He has bent over backward to be fair and this measure reflects this fact.

I am particularly happy, along with all of the other Members that this vexing social security question has been adequately taken care of so that no veteran will lose a veteran's pension because of the recently voted social security increase. The increases voted for the aid and attendance cases and the new rate for the housebound are extremely meritorious and will have long-lasting results of a positive nature for the veterans of this country.

Mr. BARRY. Mr. Speaker, I wish to state for the RECORD that I am in wholehearted support of the veterans' pension bill, H.R. 1927.

The social security amendments providing a 5-percent across-the-board increase in benefits had hardly passed the House when it was brought to my attention that many of our senior citizens who largely depend on social security and veterans' pension benefits would realize a loss rather than an increase in their monthly income because of the income restriction imposed under title 38. In effect Congress gave with one hand and took away with the other.

Among other things, H.R. 1927 would correct this grave inequity by removing the possibility that enactment of the social security benefit liberalization would work to remove individuals from the pension rolls or reduce their monthly income.

This legislation is vital to the interests and security of a very important segment of our senior citizenry, those who have laid their lives on the line in defense of our great Nation, and therefore it deserves the complete support of Congress and the administration.

Mr. DORN. Mr. Speaker, I am particularly happy to see this legislation before the House today, and my only regret is that due to circumstances beyond my control, I could not be present during the hearings which were held before my Subcommittee on Compensation and Pensions. I take this opportunity to again express to my colleague, the gentleman from North Carolina, the Honorable HORACE KORNEGAY, my appreciation to him for so ably and fairly presiding during the hearings of the 156 bills on the question of non-service-connected pension. It is a real satisfaction to know that every Member of the House who introduced a bill was given an opportunity to testify and appear before the subcommittee and express his or her views. Of course, the same right was given to the leaders of all of the veterans' organizations.

While the bill has 12 sections, its effect may be briefly summarized as increasing the rates for the most needy veterans and also increasing the income limitation for the same group. Specifically the veteran with $600 or less income a year will have his pension raised $5 while at the same time his income limitation is increased to $800. In other words, beginning January 1 he will be able to receive $800 of outside income and also he may enjoy the new pension rate of $90 a month.

For a veteran with one dependent, the income limitation is increased by $200 in the first step to $1,200 and a $10 a month increase is provided, making $100 a month.

In addition to the rates just cited, a man who is severely disabled to such an extent that he must remain at home will receive $35 additional, and for those individuals who are so severely disabled as to need the regular aid and attendance of another person such as the wife, this group will receive $100 additional, which is an increase of $30 over existing law.

In addition to liberalizations and exclusions from income, provision has been made to permit the veteran or his widow to waive 10 percent of any amounts received under public or private retirement in order to qualify under the income limitation. While primarily affecting social security income, in view of the recently voted 5-percent increase, it does apply to all types of public and private retirements, annuities, or other pension plans.

We should not lose sight of the fact, too, that this bill writes into law the provision that any veteran age 65 years or more who meets the minimum service requirement of 90 days' service will hereafter be eligible for a non-service-connected pension without regard for a specific degree of disability and without regard to any finding of unemployability. This bill will eliminate the requirement for a physical examination at age 65.

Another liberalization is the exclusion of all earned income of the wife of the veteran. Under existing laws, only the first $1,200 is excluded. The bill, H.R. 1927, contains the $1,200 limitation but adds to it all earned income or $1,200, whichever is the greater.

I hope, Mr. Speaker, that this bill will pass unanimously and that the other body will see fit to follow promptly our example so that this measure may be enacted into law in the immediate future. This bill will greatly benefit our gallant soldiers of World War I, who are aging rapidly and who are in great need.

MORE FLEXIBILITY STILL NEEDED IN NON-SERVICE-CONNECTED PENSIONS

Mrs. SULLIVAN. Mr. Speaker, I support H.R. 1927 introduced by the gentleman from Illinois [Mr. LIBONATI], who has worked hard and long and faithfully for the veterans and who deserves great credit for this legislation. I am grateful to the gentleman from Texas, Chairman TEAGUE, of the Committee on Veterans' Affairs, for acting so promptly, through this bill, to make sure that veterans receiving social security are not taken off the VA pension rolls by reason of the moderate 5-percent increase we have just voted in social security benefits.

The formula contained in this bill will provide a greater amount of leeway in protecting the veteran who is receiving a non-service-connected pension, from losing a great deal—his whole pension or a large part of it—merely because of a small increase in some other income, such as social security. I called to the attention of the Committee on Veterans' Affairs, when hearings were conducted on this legislation, several cases in my own district of veterans losing hundreds of dollars in VA pension because of a small "windfall" of unexpected income.

In one case in particular, a $12-a-month pension given him by his former employer some time after he retired from his job—a pension he never expected—led not only to the veteran being cut off the VA rolls, but also to long harassment for repayment of an entire year's non-service-connected pension. The man just did not have the money to repay—and it was a terribly unnerving and worrisome experience. It was finally straightened out, but it was a tough thing to go through.

I proposed to the Veterans' Committee that we adopt a system under which a veteran will be penalized no more than $1 in pension for each $1 in outside income over a certain figure. I still think that is a good solution to this recurring problem. However, since I believe in the bird-in-the-hand principle, I am certainly supporting this bill today, and I am glad to know that the veterans' groups, including those representing the veterans of the First World War, are urging its passage.

The 10-percent exclusion formula in this bill will cover the social security raise, but we still run into these hard-and-fast ceilings on outside income. If a veteran's income goes only $1 or so above these ceilings, after taking into account the proposed new 10-percent exclusion principle, he still loses his entire pension. I do not think that is equitable.

Mr. Speaker, under unanimous consent, I include herewith the short statement I made to the Committee on Veterans' Affairs on this legislation:

STATEMENT OF REPRESENTATIVE LEONOR K. SULLIVAN, OF MISSOURI

Chairman DORN and members of the subcommittee, my statement will be very brief, because I am sure my position on the matter of pensions for World War I veterans is well known to this committee. Over the years, I have consistently supported legislation to extend pensions to this dwindling group of older veterans and have gone to the unusual lengths of signing discharge petitions to bring such legislation before the House when no other route was successful. I am happy, therefore, that the committee is now reconsidering this issue and I hope you will recommend legislation to the House similar to that called for in the discharge petition filed by Representative DENTON.

I would like to make a further suggestion—one which I have discussed at some length with Chairman OLIN TEAGUE of the Committee on Veterans' Affairs. This has to do with the arbitrary cutoff of pensions or the sharp reduction in pensions when a veteran's other income exceeds by a tiny amount the fixed ceilings imposed under present law. I have had instances of great personal hardship called to my attention by veterans in my district who, for instance, found themselves owing the Government very substantial amounts they could not repay merely because of an unexpected little windfall which put them over the ceiling. In one case it was an amount of $61 a year over the maximum. It cost him hundreds of dollars in pension. In another, a veteran on civil service retirement received a 5-percent increase in his annuity, amounting to $150 a year, and it cost him $540 a year in reduced veterans' pension. Could the law not be made more flexible so that, along the lines of social security, for each dollar in income over a specified ceiling, the veteran loses only $1 of pension, rather than very substantial amounts? I strongly urge more flexibility in this regard.

Mr. BOW. Mr. Speaker, I am glad to support this timely legislation to improve the veterans' pension program and to avoid any possibility that the pension of an individual veteran might be cut by reason of the proposed increase in social security payments.

As I said during the debate on social security July 29, a veteran or his widow whose social security income was just below one of the income limits in the table of veteran pensions might find his total income reduced if a social security increase raised his income over that limit. At the time I said that I would think that certainly before this Congress adjourns the Committee on Veterans' Affairs should have some legislation in here to protect these people.

I wish to commend the Committee on Veterans' Affairs for bringing this legislation before us so promptly. The exclusion of 10 percent of social security income for purposes of computing veterans' pension eligibility will eliminate any possibility of a net reduction in an individual's income.

I wish to commend the committee also for the more liberal provision regarding disability and unemployability for veterans who reach 65. This should make it plain that any veteran 65 years of age whose income is inadequate for the necessities of life will be eligible for pension.

The provision excluding the earned income of one's spouse will also be helpful to veterans, many of whom have felt that they were unduly penalized because of the fact that their wives had some income, even though the total family income might be far less than the amount needed to provide the necessities and the few comforts of life.

I would have supported willingly more liberal pension payments as provided in the original 1927 and in my own bill, H.R. 11096, and I feel certain that this entire subject will be under frequent review.

Since my first days in the Congress, I have seen many improvements in the program for our veterans and I have been happy to lend my support to each of them. This is a program about which there can be little controversy, for the American people stand united in their determination to fulfill the Nation's responsibility to the men and women who served her in battle.

Mr. ZABLOCKI. Mr. Speaker, I rise to urge unanimous support for H.R. 1927, as amended, a bill which provides for non-service-connected pension payments to veterans of World War I, World War II, and the Korean conflict, and their widows and children.

This legislation is long overdue and will correct in some measure the inequities in the pension program for veterans.

Much credit for this fine piece of legislation must go to the distinguished chairman of the Veterans' Affairs Committee, the gentleman from Texas [Mr. TEAGUE]. He has demonstrated patience, judicious judgment and sincerity of purpose in guiding the legislation through his committee.

Likewise, the subcommittee chairman deserves accolades for the many and long hearings and meetings he and his colleagues held on the numerous bills on this subject. The ranking minority members of the full committee and subcommittee gave their complete cooperation. The committee as a whole deserves much credit for bringing this bill to the House for action.

Mr. Speaker, this legislation, however, is a singular tribute to the author of the bill, our beloved and esteemed colleague, the gentleman from Illinois [Mr. LIBONATI]. The non-service-connected pension payments legislation which, a few weeks ago appeared to be destined for a slow death, today, because of his efforts, will, I am certain, receive an overwhelming, if not unanimous, vote of approval. It is a monument to our retiring colleague from Illinois. It is the crowning achievement of his active and illustrious service in this great legislative body.

Although we will miss his jovial company, his wise counsel and incomparable wit, we, and he, too, can take comfort in the salute the passage of this legislation will be to him.

Mr. MORSE. Mr. Speaker, I am happy to support this legislation. As former Deputy Administrator of Veterans' Affairs, I have long been deeply concerned with this problem. I am pleased to note that this legislation has earned the firm support of important veterans' organizations. It is particularly appropriate that the veterans of World War I have lent their support to the measure.

I have consistently pointed out the need for a reexamination of our legislation for World War I veterans, and I am pleased today that we have the opportunity to bring our system into better balance. By equalizing the pension benefits for veterans of World War I, World War II, and the Korean conflict today, the House of Representatives will correct a longstanding inequity in our veterans compensation system.

Our action today will insure that veterans pensions will be consistent with the rising costs of living. It will provide for payment of additional amounts to veterans who are permanently disabled. In short, Mr. Speaker, this is a good bill and one well worthy of the wholehearted endorsement of the House of Representatives.

Mr. CORMAN. Mr. Speaker, I urge the passage of H.R. 1927, to increase veterans pensions and benefits. I have long been an advocate of this legislation. I believe this entire bill merits our support, especially those provisions relating to veterans of World War I. These men are now nearing 70 years of age and many are no longer gainfully employed. Many suffer from the chronic illnesses of old age.

These men served their country valiantly in time of crisis. Then they were released from the service with a mere $60 bonus. They had no GI bill to help them with their education, nor Federal assistance in purchasing a home, as did those of us who served in World War II. These men were the principal victims of the depression of the 1930's. They never had a chance to provide for their old age. Few qualified for social security payments. The pension on which these men now depend is woefully inadequate and has not been increased to meet the rising cost of living for 10 years.

The veterans of World War I have earned the right to dignity and respect in their old age by their contributions to the maintenance of freedom in our land. With this bill, we can give congressional recognition to this right. And we will fulfill our moral obligation to compensate those who made such great sacrifices for their country in time of war. For all these reasons, I will cast my vote for this bill.

Mrs. GREEN of Oregon. Mr. Speaker, I would like to express my great appreciation to the chairman of the Veterans' Committee, the very able and dedicated Congressman from Texas—and also to the author of the bill, the gentleman from Illinois. I am very pleased to have the opportunity to join them in supporting H.R. 1927 which was unanimously reported by the Veterans' Affairs Committee a week ago.

Speaking for myself, there is no single other category of legislation that generates more concern than that of veterans' legislation. The letters are particularly heart rending—especially those from veterans of World War I—who have given so generously of their courage and energies at sometimes frightful physical and mental cost. It is difficult to explain to a deserving veteran that it is impossible to garner majority support in the Congress for certain pension bills; I have had to do so in the past, particularly in the last 2 years. I did so with heavy heart. I am certain other colleagues did likewise. And we all groped for a means of assisting the veterans and their families and survivors in a financially responsible manner which would receive majority support in both the House and the Senate.

The need of thousands of World War I veterans, now in the twilight of their years, is a real one; their rightful demands must be answered.

The bill before us today is a responsible answer to their pleas. In some respects it resembles the bill I introduced earlier this year. The able and conscientious chairman of the committee, the gentleman from Texas [Mr. TEAGUE], and all his colleagues on the committee are to be commended. I hope the House gives the bill they produced an overwhelming vote of approval.

As I understand it, the major veterans organizations—the Veterans of World War I, the VFW, the Legion, and the AMVETS—approved the bill before it came to the House floor.

One major feature excludes certain types of income in determining the income of veterans or survivors for purposes of determining the dollar amount of their monthly pension. This is most welcome.

By coincidence, I received this week a deserved complaint from a widow in my home city of Portland, Oreg. She noted that while the House passed recently a 5-percent increase in social security benefits it would mean a loss of $20 a month in her pension derived from her husband's military service. Certainly, we are doing the struggling veterans and their widows and children no favor by giving with one hand and taking away with the other. A nation that has good reason to be grateful to its former servicemen should not tolerate such procedure. The committee recognized this.

There are other welcome repeals of existing requirements. Among these is one that a veteran who has attained the age of 65 must have a 10-percent disability and his unemployability be attributed to this disability. There are a host of other changes, including increases in annual income limitations and pension payments, that will make for a better life for veterans and their families.

The bill, which I hope will receive a rousing vote of support in the Senate, will cost $43.8 million the first year of operation, assuming, as scheduled, the bill goes into effect January 1, 1965. By

1969, the cost will be running at $111 million a year.

I think it time the House responded to a realistic updating of veterans' pension legislation. Having said this, however, I do not believe any veteran or his family should be under the impression that their needs have been ignored. There are slightly more than 2 million living veterans of World War I. More than half (either the veteran or his widow and children) are now receiving pension payments.

The bill before us today is still another recognition of our responsibility and, yes, our obligation, to our former servicemen and their families. I enthusiastically support this legislation.

Mr. ROBERTS of Texas. Mr. Speaker, I am glad to rise in support of H.R. 1927, which increases the rates of pension authorized by the Veterans' Pension Act of 1959 for non-service-connected disabilities or death of veterans of World War I, World War II, and the Korean conflict, and their widows and dependents.

As a member of the Compensation and Pension Subcommittee of the House Veterans' Affairs Committee, I am pleased to have joined my subcommittee members in drawing up this legislation on which hearings have been conducted since the 1st session of the 87th Congress. Hearings on an increase in non-service-connected veterans' pensions were in process when I was first sworn in as a Member of this great body and hearings were held again in August and September of 1962 and over a 2-week period in May of 1964. This legislation is brought before this body only after thorough consideration and deliberation.

A thorough discussion of the provisions of this legislation has been given by our distinguished chairman, the gentleman from Texas [Mr. TEAGUE], and other members of our committee. Therefore, I feel no need to expound further on the provisions of this very commendable legislation. However, I do wish to stress two points which have been made by our chairman and the gentleman from Arkansas, the very able chairman of the Ways and Means Committee. In working on this bill for 3 years, our committee has come up with a bill which has received the support of all the major veterans' organizations. The present national commanders of the veterans' organizations, National Commander Daniel F. Foley, of the American Legion; Commander Douglas H. McGarrity of the Disabled American Veterans; the Commander in Chief of Veterans of Foreign Wars, Joseph J. Lombardo; National Commander Edmund Gulewicz, of AMVETS; and National Commander William R. Kime, of Veterans of World War I, have all been most helpful in seeing this legislation being brought to fruition today.

Second, I wish to stress the importance of this legislation in protecting veterans against any loss of pensions presently being received as a result of the passage of benefit increases in the Social Security Amendments of 1964. Under prior law, a veteran receiving monthly social security benefits was required to have these benefits count as income in determining their eligibility for pension. Under this bill, a 10-percent limitation is substituted, which will permit thousands of deserving veterans who are receiving social security payments to have the increase approved by the House last week without losing their non-service-connected pensions.

This legislation protects and promotes the rights and interests of all veterans. Our veterans of World War I who are in particular need as well as veterans of World War II and of the Korean conflict will receive well-deserved assistance. I am convinced that this bill which we are considering is fair and reasonable and is the best approach to the needs of our veterans.

Mr. SHIPLEY. Mr. Speaker, I favor H.R. 1927, a bill to liberalize the pension restrictions of non-service-connected veterans. The bill is worthy of passage and I am personally gratified to see it before the House.

The six new exclusions from income used to determine pension eligibility which are provided for in section 1 of H.R. 1927 show that some of the problems faced by our veterans are receiving sympathetic consideration, but further study and consideration should continue. For example, in this bill the provisions for amounts paid by the veteran for the last illness and burial of his deceased spouse or child is a direct aid to many veterans who are burdened by the extravagant expenses of medical care and burial fees. Again, the provisions made for payments received by veterans, such as jury duty fees, educational assistance programs and the 10-percent income from social security and other pension and retirement plans should, indeed, be discounted when pensions are determined.

Section 3, which removes the 10-percent disability as well as the unemployability requirements for veterans aged 65 to receive pensions is a valid liberalization. A doctor's report may not be able to tell the whole story at all times.

Sections 5 and 6 which will increase allowances for aid and attendance cases as well as for housebound cases deserve approval on a humanitarian level. We must recognize that rising costs have put heavier and heavier burdens on our veterans who must live within an established and unchanging income, making them least able to bear the rise in prices.

Section 9 which provides for the furnishing under certain circumstances of medicines and drugs prescribed by a physician must also stand approved on humanitarian grounds. I am most happy to see that this particular provision had been included.

There are, of course, many additional provisions of H.R. 1927 which are worthy and which deserve our wholehearted support. I can say with some measure of pride that while I am greatly concerned with the problems of fiscal responsibility in Government spending, I have always been firmly behind any bill which provides for the care of our veterans' especially when it increases their fiscal independence and purchasing power. In this way, many times, they are saved from being wards of the State, receiving only enough dole to keep them from starving and are turned into responsible consumers with a sense of their own worth and dignity. I am proud to stand in favor of H.R. 1927.

The SPEAKER. All time has expired.

The question is on the motion of the gentleman from Texas that the House suspend the rules and pass the bill H.R. 1927, as amended.

Mr. TEAGUE of Texas. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 389, nays 0, not voting 41, as follows:

[Roll No. 217]

YEAS—389

Abbitt
Abele
Abernethy
Adair
Addabbo
Albert
Anderson
Andrews, Ala.
Andrews, N. Dak.
Arends
Ashbrook
Ashley
Ashmore
Aspinall
Auchincloss
Avery
Ayres
Baker
Baldwin
Barrett
Bass
Bates
Battin
Becker
Beckworth
Beermann
Belcher
Bell
Bennett, Fla.
Berry
Betts
Blatnik
Boggs
Boland
Bolling
Bonner
Bow
Brademas
Bray
Brock
Bromwell
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Bruce
Burke
Burkhalter
Burleson
Burton, Calif.
Burton, Utah
Byrne, Pa.
Byrnes, Wis.
Cahill
Cameron
Carey
Casey
Cederberg
Chamberlain
Chelf
Chenoweth
Clancy
Clark
Clausen, Don H.
Clawson, Del
Cleveland
Collier
Colmer
Conte
Cooley
Corbett
Corman
Cramer
Cunningham
Curtin
Curtis
Daddario
Dague
Daniels
Davis, Ga.
Davis, Tenn.
Dawson
Delaney
Dent
Denton
Derounian
Derwinski
Devine
Dole
Donohue
Dorn
Dowdy
Downing
Dulski
Duncan
Dwyer
Edmondson
Edwards
Elliott
Ellsworth
Everett
Evins
Fallon
Farbstein
Fascell
Feighan
Findley
Fino
Fisher
Fogarty
Ford
Foreman
Forrester
Fountain
Fraser
Friedel
Fulton, Pa.
Fulton, Tenn.
Fuqua
Gallagher
Garmatz
Gary
Gathings
Giaimo
Gibbons
Gilbert
Glenn
Gonzalez
Goodell
Goodling
Grabowski
Grant
Gray
Green, Oreg.
Green, Pa.
Griffin
Griffiths
Gross
Grover
Gubser
Gurney
Hagan, Ga.
Hagen, Calif.
Haley
Hall
Halleck
Halpern
Hanna
Hansen
Harding
Hardy
Harris
Harrison
Harsha
Harvey, Ind.
Hays
Hébert
Hechler
Henderson
Herlong
Hoeven
Holifield
Holland
Horan
Horton
Hosmer
Huddleston
Hutchinson
Ichord
Jarman
Jennings
Jensen
Joelson
Johansen
Johnson, Calif.
Johnson, Pa.
Johnson, Wis.
Jonas
Jones, Mo.
Karsten
Karth
Kastenmeier
Keith
Kelly
Keogh
Kilburn
Kilgore
King, Calif.
King, N.Y.
Kirwan
Kluczynski
Knox
Kornegay
Kunkel
Kyl
Laird
Langen
Latta
Leggett
Lennon
Libonati
Lindsay
Lipscomb
Long, La.
Long, Md.
McClory
McCulloch
McDade
McDowell
McFall
McIntire
McLoskey
McMillan
Macdonald
MacGregor
Madden
Mahon
Marsh
Martin, Calif.
Martin, Mass.
Martin, Nebr.
Mathias
Matsunaga
Matthews
May
Michel
Miller, Calif.
Milliken
Mills
Minish
Minshall
Monagan
Montoya
Moore
Moorhead
Morgan
Morris
Morse
Morton
Mosher
Moss

Multer
Murphy, Ill.
Murphy, N.Y.
Murray
Natcher
Nedzi
Nelsen
Nix
Norblad
O'Brien, N.Y.
O'Hara, Ill.
O'Hara, Mich.
O'Konski
Olson, Minn.
O'Neill
Osmers
Ostertag
Patman
Patten
Pelly
Pepper
Perkins
Philbin
Pickle
Pike
Pillion
Pirnie
Poage
Poff
Pool
Price
Pucinski
Purcell
Quie
Quillen
Randall
Reid, Ill.
Reid, N.Y.
Reifel
Reuss
Rhodes, Ariz.
Rhodes, Pa.
Rich
Riehlman
Rivers, Alaska
Rivers, S.C.
Roberts, Ala.
Roberts, Tex.
Robison
Rodino
Rogers, Colo.
Rogers, Fla.
Rogers, Tex.
Rooney, N.Y.
Rooney, Pa.
Roosevelt
Rosenthal
Roudebush
Roush
Roybal
Rumsfeld
Ryan, N.Y.
St. George
St Germain
St. Onge
Saylor
Schadeberg
Schenck
Schneebeli
Schweiker
Schwengel
Scott
Secrest
Selden
Senner
Sheppard
Shipley
Short
Shriver
Sibal
Sickles
Sikes
Siler
Sisk
Skubitz
Slack
Smith, Calif.
Smith, Iowa
Smith, Va.
Snyder
Springer
Staebler
Stafford
Staggers
Steed
Stephens
Stinson
Stratton
Stubblefield
Sullivan
Taft
Talcott
Taylor
Teague, Calif.
Teague, Tex.
Thomas
Thompson, N.J.
Thompson, Tex.
Thomson, Wis.
Tollefson
Trimble
Tuck
Tupper
Tuten
Udall
Ullman
Utt
Van Deerlin
Vanik
Van Pelt
Waggonner
Wallhauser
Watson
Watts
Weaver
Weltner
Westland
Whalley
Wharton
White
Whitener
Whitten
Wickersham
Widnall
Williams
Willis
Wilson, Charles H.
Wilson, Ind.
Winstead
Wright
Wydler
Wyman
Young
Younger
Zablocki

NAYS—0

NOT VOTING—41

Alger
Baring
Barry
Bolton, Frances P.
Bolton, Oliver P.
Buckley
Celler
Cohelan
Diggs
Dingell
Finnegan
Flood
Flynt
Frelinghuysen
Gill
Harvey, Mich.
Hawkins
Healey
Hoffman
Hull
Jones, Ala.
Kee
Landrum
Lankford
Lesinski
Lloyd
Mailliard
Meader
Miller, N.Y.
Morrison
Olsen, Mont.
Passman
Pilcher
Powell
Rains
Rostenkowski
Ryan, Mich.
Thompson, La.
Toll
Vinson
Wilson, Bob

So (two-thirds having voted in favor thereof) the rules were suspended and the bill as amended was passed.

The Clerk announced the following pairs:

Mr. Toll with Mrs. Frances P. Bolton.
Mr. Lesinski with Mr. Harvey of Michigan.
Mr. Cohelan with Mr. Miller of New York.
Mr. Dingell with Mr. Alger.
Mr. Morrison with Mr. Frelinghuysen.
Mr. Thompson of Louisiana with Mr. Bob Wilson.
Mr. Passman with Mr. Meader.
Mr. Rains with Mr. Oliver P. Bolton.
Mr. Jones of Alabama with Mr. Mailliard.
Mr. Flynt with Mr. Hoffman.
Mr. Hull with Mr. Barry.
Mr. Landrum with Mr. Buckley.
Mr. Olsen of Montana with Mr. Celler.
Mr. Flood with Mr. Healey.
Mr. Gill with Mr. Powell.
Mr. Rostenkowski with Mr. Diggs.
Mr. Baring with Mrs. Kee.
Mr. Hawkins with Mr. Finnegan.
Mr. Vinson with Mr. Lankford.

The result of the vote was announced as above recorded.

The title was amended so as to read: "A bill to amend title 38, United States Code, to revise the pension program for veterans of World War I, World War II, and the Korean conflict, and their widows and children, and for other purposes."

A motion to reconsider was laid on the table.

COMMITTEE ON RULES

Mr. SMITH of Virginia. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain privileged reports.

The SPEAKER pro tempore (Mr. ALBERT). Without objection, it is so ordered.

There was no objection.

FREE IMPORTATION OF WILD ANIMALS AND WILD BIRDS INTENDED FOR EXHIBITION

Mr. COLMER. Mr. Speaker, by direction of the Committee on Rules, I call up the resolution (H. Res. 814) providing for taking H.R. 1839 from the Speaker's table, disagreeing to Senate amendments, and requesting a conference with the Senate, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

> *Resolved*, That immediately upon the adoption of this resolution the bill (H.R. 1839) to amend the Tariff Act of 1930 to provide for the free importation of wild animals and wild birds which are intended for exhibition in the United States, with the Senate amendments thereto, be, and the same hereby are taken from the Speaker's table, to the end that the Senate amendments be, and the same are disagreed to and a conference is requested with the Senate upon the disagreeing votes of the two Houses.

Mr. COLMER. Mr. Speaker, I yield the usual 30 minutes to the minority side, to the gentleman from Ohio [Mr. BROWN].

Mr. Speaker, pending that, I yield myself such time as I may consume.

Mr. Speaker, this proceeding involves the question of quotas on foreign imports of cattle and beef.

A number of bills were introduced earlier in the session, including one by the distinguished gentleman from Florida [Mr. HERLONG] as well as one by me, to meet this situation. They were all referred to the Committee on Ways and Means of the House. But before any action was taken by that committee the Senate acted by attaching a similar bill, as a rider on a House bill. I shall discuss this parliamentary maneuver at some length further on in my comments.

Mr. Speaker, specifically this resolution provides that upon its passage the bill, H.R. 1839, as amended, be taken from the Speaker's table, the Senate amendments be disagreed to, and the bill be sent to conference.

Mr. Speaker, this is a matter which is of great interest to a substantial number of the Members of this House. It affects the cattle industry of this country vitally, and would attempt to help them in a time of great stress to that industry.

Without discussing the merits of the bill, Mr. Speaker, this is a rather unusual situation. I hope the House will give me its attention while I call attention to the rather unusual parliamentary situation.

We have a situation in the Congress whereby a bill can be passed by the House, dealing, let us say, with the propagation of bees, and when that bill goes over to the other body the other body can add an entirely foreign subject—say, for instance, the general question of foreign aid—to that House bill. Then the bill is sent back to the House, usually with the House provisions taken out entirely, and the amendment for foreign aid, or whatever foreign subject it might be, left in the bill.

Mr. Speaker, this is a bad way to legislate, and yet it is something which has been done repeatedly, particularly in the past few years.

As a result of this the Committee on Rules, at the instance of the chairman, set up a subcommittee to study that situation and to bring in an appropriate resolution which would revise the rules of the House so that that kind of parliamentary shenanigan could not go on. I happen to have been the chairman of the subcommittee which reported to the Rules Committee the appropriate amendment to the rules of the House. The amendment would merely provide that if an amendment placed on a House bill were not germane under the House rules it would not be germane when it came back from the Senate.

However, we have been unable to get that resolution out amending the rules. I do not know why, but sometimes it has proven advantageous, I suspect, to those who want to use it. I recall at one time there was a minor bill for the relief of some school district out in Missouri passed by the House and the other body put a whole civil rights bill onto that relief bill and sent it back here to the House. I say it is an abominable thing. That practice should not be pursued, but there is nothing we can do about it as long as the powers that be condone the practice.

Now, what does this do? This resolution would take this Senate amendment to the House bill and send it to conference.

Let me say very frankly again that an effort was made in the Committee on Rules by some of us who are very much interested in getting some relief for the cattle industry to adopt a rule that would accept the Senate amendment. You see, some of us wanted to use this procedure ourselves this time, I being among them. It all depends on whose ox is being gored, you understand, but the practice is still bad. So we wanted to use this gimmick or rule, rather, to take the bill from the Speaker's table and agree to the Senate amendments, which would purportedly give the relief to the cattle people that they crave; namely, some limitation upon imports.

As I said, I am discussing the parliamentary situation rather than the merits of the bill.

Now, that effort failed in the Committee on Rules. On the contrary, the resolution before us today, the resolution of the gentleman from Arkansas, the distinguished and able chairman of the Committee on Ways and Means [Mr. MILLS], is before us to send it to conference.

I want to say with equal candor again that if I thought that the best interests of the cattle people, of the cattle industry, would be served by following out that original plan, I would ask you here today to vote down the previous question and permit us to amend the resolution by taking the Senate amendments, agreeing to them, and therefore passing the bill. However, there are two reasons why we are not going to ask that. Primarily I am not going to ask that because there is a provision in the Senate amendments which says that that bill would not be operative, would not be effective, during a national emergency declared by the President. I do not know how that got into this bill, but it is in there, and the fact is that we are in a national emergency now which was declared by President Truman in the Korean war situation. We are still in it, and I am advised by those who are learned in the law and the parliamentary situation that this emergency provision would nullify the provisions of the Senate bill.

This being true, we, who are interested in trying to obtain some relief for the cattle industry from these foreign imports, have reluctantly come to the conclusion that our only course is to adopt the present resolution and send the bill to conference. Those representing the industry, I am informed, agree.

The distinguished chairman of the Committee on Ways and Means, the author of this resolution we are considering, the gentleman from Arkansas [Mr. MILLS] has advised many of us, the majority leader and others interested, including myself, that if this resolution is adopted, that he will take it to conference and do his level best to work out some bill that the cattle industry could live with, some kind of compromise, something that could be signed by the President.

But so far as this humble Member of the House is concerned and one who is very much interested in getting the desired relief, I do not see any other course to follow except to send it to conference.

Mr. MONAGAN. Mr. Speaker, will the gentleman yield?

Mr. COLMER. I yield to the gentleman.

Mr. MONAGAN. As I understand, although this bill, H.R. 1839, purports to apply to wild animals and wild birds, what we are considering at the present time has nothing whatsoever to do with that subject at all; is that correct?

Mr. COLMER. Except that the whole matter will be in conference when the bill goes to conference. I tried to explain a moment ago that entirely foreign substance was placed in this bill.

Mr. MONAGAN. Essentially what we are considering is the quota system to be imposed on the imports of meat?

Mr. COLMER. That is right.

Mr. MONAGAN. Mr. Speaker, I would like to say to the gentleman that apart from the increase in cost that might come and the effect on other countries in the world with whom we are trying to deal at the present time, the thing that concerns me is the fact that 2 years ago we voted here to set up a new policy on trade. We decided we were going to take away special treatment, we were not going to do anything except to apply this law across the board. It seems to me that in this instance we are making a very special exception wholly in opposition to that policy that applies to manufacturing industries and other enterprises and I personally see no reason for doing it.

Mr. MILLS. Mr. Speaker, will my friend from Mississippi yield to me?

Mr. COLMER. Of course I yield to the distinguished gentleman from Arkansas.

Mr. MILLS. I know my friend can answer the question. In order to keep the issue presently before the House, as my friend from Mississippi has pointed out, it is not at the moment the issue of the merits or demerits of any amendment; the issue is whether or not the House will permit this matter going to conference, to see if some resolution can be had of it that would be in accord with the wishes of the House. Is not that the issue?

Mr. COLMER. If the gentleman is asking me, permit me to say that that is what I was trying to lead up to, and it is the only issue involved. Let me add further, if I may, that I also understand that the distinguished gentleman from Arkansas, if he does not succeed in bringing something back that would be acceptable, the House will be given an opportunity under the Rules of the House to pass judgment on that, and as to whether or not the Senate amendment should be adopted.

Mr. MILLS. Mr. Speaker, will my friend, the gentleman from Mississippi, yield?

Mr. COLMER. I yield to the gentleman from Arkansas.

Mr. MILLS. The gentleman from Mississippi earlier stated my position with which I am in complete accord.

Mr. Speaker, I want to make it clear not only to the gentleman from Mississippi but to all of the Members of the House that I would not be recommending to the House that this or any other matter go to conference if I were not going to conference with the sincere intention of trying to accomplish legislation.

It may be, if I am appointed a conferee and if the others who normally represent the House on these matters are appointed conferees, that we will be unable to resolve this matter at all. That does not mean that this matter would be left in conference, because I have assured the majority leader of the House and I have assured the minority leader of the House and many others that there will be a conference report returned to the House on this subject matter on which the House will pass judgment. Whether the House wants it or not will be up to the majority of the Members of the House.

Mr. Speaker, there will be a conference report, let me put it that way.

Mr. COLMER. I thank the gentleman.

Mr. MILLS Mr. Speaker, if the gentleman will yield further, I do not want to be misunderstood; I am only saying this after very careful consultation with others who will be conferees. I do not mean to say that I can handle them, but together I believe we can assure the Members of the House that there will be a conference report.

Mr. COLMER. And if I understood the gentleman correctly—my attention was directed somewhere else for a moment—the House will be given an opportunity to vote?

Mr. MILLS. We will call up a conference report on this subject matter. If the House does not like what we have done, the House can always go back to the Senate amendment.

Mr. COLMER. I understand that is the parliamentary situation, and I thank the gentleman from Arkansas.

Mr. CAREY. Mr. Speaker, will the gentleman yield?

Mr. COLMER. I yield to the gentleman from New York.

Mr. CAREY. I thank my colleague for yielding.

May I say, Mr. Speaker, that I have the utmost confidence in the gentleman from Arkansas, the chairman of the Committee on Ways and Means, to bring forth a compromise. However, more important in my own mind is what is involved here, because if I did not have such confidence, I would most earnestly oppose the resolution, because there is not a doubt in my own mind as I read the Senate amendment that this would result in a tremendous increase in consumer costs throughout the entire country. It would amount to nothing more than a taking of the consumer to the slaughterhouse and putting his pocketbook in a slicing machine.

Mr. Speaker, I do hope that the conferees on the part of the House will resist the Senate amendment in this form. I hope further that the compromise will take into consideration the cost of meat products to the many families who live in large cities where they are already hard put to meet those prices now.

Mr. Speaker, I thank the gentleman for yielding.

Mrs. GRIFFITHS. Mr. Speaker, will the gentleman yield to me?

Mr. COLMER. I gladly yield to the gentlewoman from Michigan.

Mrs. GRIFFITHS. Mr. Speaker, I would like to commend the gentleman for his statement and his clear putting of the question involved here. But I would like to say also that while I am going to vote to send this bill to conference, because this bill is politically conceived and poorly drafted, I think the House has a right to vote on a bill that makes sense. However, I would like to say that under no circumstances do I intend to vote for the bill finally.

Mr. Speaker, this bill would not only increase the prices of beef in this country but this bill will hurt all other products. One of those things that it is going to hurt the most is tobacco. Three out of four of the nations that export beef to us are our largest importers of tobacco.

Mr. Speaker, it will also hurt cotton. It will hurt every other farm product. It will hurt our industries in the big cities. Jobs will be lost in this country as people in the other countries lose dollars with which to purchase our goods.

Mr. Speaker, this represents a reversal of our stand of 2 years ago when we passed the trade bill.

Personally, I hope that the bill goes to conference and that it returns to the House and is killed.

In order that all may determine the damage that would be done to the countries and products involved, I am pleased to show the 1963 trade we enjoyed with the countries which sold beef to us.

U.S. Trade with Australia

[In thousands of dollars]

Year 1963 U.S. exports to Australia:

Total	436, 714
Foodstuffs	5, 319
Tobacco and manufactures	19, 374
Cotton	9, 244
Raw waste cork	10, 091
Other crude materials	20, 877
Petroleum products	15, 712
Animal and vegetable oils and fats	2, 139
Chemicals	47, 891
Paper, paperboard	8, 499
Agricultural machinery	29, 754
Metalworking machinery	10, 018
Electrical machinery	19, 689
Other machinery	86, 553
Motor vehicles	54, 804
Aircraft	4, 300
Other transportation equipment	1, 310
Printed matter	13, 257
Other manufactures	76, 397
Other products	1, 484

Year 1963 U.S. imports from Australia:

Total	314, 390
Fresh meat	177, 124
Fish	12, 221
Sugar and honey	26, 853
Ores and metals	11, 413
Wool	45, 017
Other crude materials	10, 094
Lead	7, 330
Iron and steel pipes	4, 079
Machinery and transportation equipment	1, 099
Chemicals	3, 753
Other manufactured articles	4, 732
Other products	9, 147

U.S. Trade with Ireland

[In thousands of dollars]

Year 1963 U.S. exports to Ireland:

Total	44, 773
Maize unmilled	4, 783
Other foodstuffs	6, 857
Tobacco and manufactures	12, 917
Crude materials	2, 629
Coal, coke	4, 169
Chemicals	2, 180
Machinery and transportation equipment	5, 903
Other manufactured items	6, 106
Other products	280

Year 1963 U.S. imports from Ireland:

Total	43, 161
Fresh meat	24, 304
Other foodstuffs	3, 711
Beverages	1, 238
Crude materials	4, 730
Machinery and transportation equipment	1, 369
Other manufactured items	5, 998
Other products	1, 808

Year 1963 U.S. Exports to Mexico

[In millions of dollars]

Total	780. 6
Food and live animals	68. 8
Beverages and tobacco	5. 8
Crude materials	50. 1
Petroleum products	27. 5
Animal, vegetable oils and fats	. 7
Chemicals	113. 0
Manufactured goods	76. 4
Other manufactured goods	49. 4
Machinery and transport equipment	363. 6
Other commodities	25. 0

Year 1963 U.S. Imports from Mexico

[In millions of dollars]

Total	549. 4
Meat	25. 9
Livestock	38. 8
Fish	58. 8
Other foodstuffs	167. 3
Crude materials	77. 8
Mineral fuels	43. 3
Chemicals	17. 2
Manufactured goods	92. 6
Other products	27. 8

Year 1963 U.S. Exports to Uruguay

[In millions of dollars]

Total	30. 0
Food and live animals	. 6
Tobacco and beverages	4. 0
Crude materials, inedible except oils	1. 6
Petroleum products	1. 4
Chemicals	3. 7
Machinery and transport equipment	13. 0
Other manufactured goods	4. 8
Other products	. 3

Year 1963 U.S. Imports from Uruguay

[In millions of dollars]

Total	24. 3
Meat	5. 5
Food and live animals	. 1
Crude materials	15. 8
Chemicals	. 7
Manufactured goods	1. 7
Other manufactured goods	. 1
Other commodities	. 3

Year 1963 U.S. exports to Argentina

[In millions of dollars]

Total	188. 3
Food and live animals	1. 3
Crude materials	10. 2
Mineral fuels	7. 5
Chemicals	20. 1
Machinery and transportation equipment	112. 2
Other manufactures	36. 1
Other products	1. 0

Year 1963 U.S. imports from Argentina

[In millions of dollars]

Total	162. 7
Meat	33. 0
Other foodstuffs	42. 9
Crude materials	55. 7
Animal and vegetable oils and fats	4. 5
Chemicals	8. 6
Manufactured foods	13. 0
Petroleum products	4. 9

United States Trade with New Zealand

[In thousands of dollars]

Year 1963 U.S. exports to New Zealand:

Total	71, 670
Foodstuffs	1, 677
Tobacco and manufactures	2, 648
Sulfur	1, 967
Petroleum products	2, 525
Chemicals	10, 376
Machinery and transportation equipment	28, 344
Other manufactured articles	19, 625
Other products	4, 505

Year 1963 U.S. imports from New Zealand:

Total	171, 579
Fresh meat	1, 146
Other foodstuffs	9, 493
Wool	56, 974
Crude hides	14, 436
Other products	9, 421

Mrs. SULLIVAN. Mr. Speaker, will the gentleman yield?

Mr. COLMER. I yield to the gentlewoman from Missouri.

Mrs. SULLIVAN. I thank the gentleman from Mississippi.

Mr. Speaker, as I understand the parliamentary situation here today, we have two choices, and only two choices. We can vote to send the bill to conference, where the conferees from the Committee on Ways and Means can bring to bear their broad knowledge and experience in this field of import restrictions; or, we can refuse to send it to conference. Presumably that would kill the bill. Actually, however, a vote to prevent it from going to conference would result, I am afraid, in the eventual passage of this restrictive bill in the form in which it passed the Senate. Therefore, much as I oppose the bill the Senate has sent to us, I do not intend to help make its eventual passage easier by voting against sending it to conference.

I am aware of the substantial rise in recent years in beef imports. We are not importing the good quality beef that you and I like to eat. These imports are in low-quality carcasses, used primarily for cheap hamburger and for such items as hot dogs, and bolognas, salami, and the sliced packaged lunch meat items. These products are bought more frequently by the low-income families than steaks, chops, and roasts. Sometimes, I think they use poor judgment in buying these processed foods in preference to lower priced roasts and other fresh cuts, but this will take some educating on the part of the meat industry, and more emphasis on production of lean cuts with less waste fat than the choice cuts so prevalent in the stores.

The point is, however, that lower income families now buy a lot of the products made in part from imported meat, and they would pay much higher prices if this bill becomes law. That is because the domestic industry has been concentrating heavily on the feeding of cattle to Choice grade, and you don't make cheap hamburger and hotdogs and salami out of Choice beef. For one thing it would not be cheap. For another, it would have too much fat—waste. But you would have to do just that if we cut back imports at this time—cut them substantially. The domestic cattle industry could regain a lot of the market for this low-priced type of beef if it would cull out its canners and cutters instead of going in so heavily for increasing the herds. The cattle numbers in this country have soared from 59 million head at the start of 1958 to 79 million in 1964. Now do not tell us that this is because of imports. Most of this is high-grade beef. That is why the Department of Agriculture is spending millions upon millions of taxpayer dollars buying up Choice beef for donation to the school lunch program and to institutions and for donation overseas. Yet the production of manufacturing beef—the kind used in cheap hamburger and in hotdogs—has declined in this country from 4.1 billion pounds in 1957 to 2.8 billion in 1963. The imports have made up the difference. We are not using any more of this kind of beef than we did in 1957, even though the population has expanded.

Mr. Speaker, I know the domestic industry has troubles. That is one of the things we considered when Congress established the National Commission on Food Marketing. We voted to make a study of this problem, among many others affecting the farmer and the consumer. You have given that Commission an important assignment. As a members of that Commission, I promise I will approach this issue with an open mind. I am from Missouri and must be shown—but I am willing to be shown and to acknowledge facts when I see them. Let us send this bill to conference and let the conferees resolve the differences in a practical manner, and then let the National Commission on Food Marketing, which must report by next July, go into the problem thoroughly. If the Commission is to have any influence, and if its recommendations are to mean anything, you must give us your confidence on our integrity in doing the job you assigned to us. This bill short circuits the work of the National Commission on Food Marketing, and strikes hastily at the low-income consumer who is the main customer for the meat you would prohibit from coming to the United States—for meat items not readily available at reasonable prices when manufactured exclusively or primarily from domestic sources.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. COLMER. I yield to the gentleman from Iowa.

Mr. GROSS. There are some who would say that we ought not to export tobacco because we are exporting cancer. But the thing that interested me most was a statement of the gentleman from New York that the amendment would increase the price of beef.

Well, Mr. Speaker, that does not necessarily follow. And I wonder if those Members of Congress, who are now so concerned about an increase in the price of food, are not willing to pay a little more since they voted themselves a $7,500 annual increase in their paychecks?

There are also pay increases to other Federal employees, totaling a half-billion dollars. Are they not ready to pay a little bit more for their food? They will pay more for steel and the products of steel.

Mr. COLMER. I thank the gentleman for his contribution. But permit me to come back to the original proposition. We are not debating the merits of the beef import bill here. If we were I would have some very strong things to state myself on the other side of the question.

Mr. BURKE. Mr. Speaker, will the gentleman yield?

Mr. COLMER. I yield to the gentleman from Massachusetts.

Mr. BURKE. I wish to point out that I intend to vote against this beef amendment when the time comes to vote on it. It will mean a skyrocketing of the price of beef, lamb, and mutton throughout the entire Nation; it will be the biggest raid the beef trust has made on the pocketbook of the consumer and the poor people of this country. People are paying a lot of attention these days to the cattle industry, but all too little to an even larger interest group in this country—the 190 million American consumers. Every American belongs to this elite group of the most industrious, best fed, and best clothed people in the whole world.

All too frequently the consumer is overlooked in favor of smaller, more homogeneous, better organized groups. We are now in one of these unfortunately classic situations as pressures are being exerted by the cattle industry to get this Congress to legislate quotas on meat imports.

The victim of these import quotas, ostensibly the foreign supplier, is really the American consumer. Everyone cares about him until some specific interest group takes over.

This current drive to set import quotas on meat is especially unfortunate since it would not really help the cattle industry at all. The Tariff Commission's thorough study, just published this June, demonstrates conclusively that heavy domestic overproduction of fed beef, not imports, has caused the cattle industry's troubles.

We cannot afford to restrict our meat imports to artificially low levels. We are not importing in any significant quantity the kind of beef that is important in our domestic production. That is the kind that was under continuing price pressure throughout 1963. We are importing a kind of beef we do not produce enough of at home. We are importing a kind of beef that is equivalent to the beef from our old cows and bulls. This beef is used for hamburgers, for manufacturing hotdogs, sausages, luncheon meats. These are foods our children love. These are foods many American adults love. These are foods our poorer families can afford to eat more often than the big juicy beefsteak.

The statistics of our production and imports of all kinds of beef and of the kind used for hamburgers are set forth in the excellent report of the Tariff Commission which I hope more than a few of us will study firsthand. The only conclusion to be drawn is that imports have been much maligned, but the real loser from a rigid quota system would be the poor consumer.

But the consumer would not be the only loser. More specialized groups, such as farmers themselves, as well as manufacturers and industrial workers stand to lose if the United States imposes import quotas on meats.

The countries that ship us meat would be entitled to retaliate against us for impairing the benefits of tariff concessions we granted them under the GATT in return for similar concessions benefiting American exporters. I understand that this retaliation could hit about $100 million of American exports. Particularly vulnerable would be our exports of tobacco, automobiles, machinery, cotton, and wood and paper products.

Even more important than what we might lose by retaliation—and that is important enough—is the harm we would do to ourselves in the Kennedy round GATT negotiations now underway. Our aim in these vital negotiations is to expand access for our agricultural and industrial products to all major markets, most especially to the European Economic Community. If we legislate import quotas on meat, we will be undercutting our negotiating position vis-a-vis countries which we need as markets for our exports. And we would lose the support we need from our natural allies in those negotiations—meat-exporting countries like Australia, New Zealand, Argentina, and Uruguay.

In acting on matters such as the meat-import quota bill now before us, we would be shortsighted indeed if we did not stop to consider all the implications of our actions. I for one am convinced that this legislation would not be in the best interests of the United States.

If the cattlemen want to open Pandora's box through this legislation and have us limit meat imports because of the alleged harm they are doing to the cattle industry, then let us limit other imports too. Our shoe industry is feeling import competition. We all know that this is so for textiles, lumber, and many other products. If the Senate version of the meat bill comes to the floor of the House, we must consider the prospect of amendments to it for the benefit of the shoe and textile industries of my State, lumber for the Northwest and other products which other Members of the House will have in mind that they would like to see added to the list.

The wisest action, of course, is for this bill to be defeated or for it to be so changed in conference as to strip it of the major harm that it would do our consumers and our country.

Mr. NELSEN. Mr. Speaker, will the gentleman yield?

Mr. COLMER. I yield to the gentleman from Minnesota.

Mr. NELSEN. Mr. Speaker, I would like to suggest that the bill passed the Senate 72 to 15. I find it hard to believe that a bill would have passed the Senate with an improper provision in it, as has been outlined.

I have contacted the Library of Congress, and they tell me the paragraph in the bill that is now being objected to is regarded as prospective; in other words, looking to future emergencies, not past, and it would not apply. Has the gentleman any information on that?

Mr. COLMER. The only information I have on that is that I had exactly the same reaction that the gentleman is now quoting the Library of Congress on. Also from the same source, I was told, the Library of Congress took the other view.

I am inclined to agree with the gentleman, but I had to agree with the lawyers. It is, indeed, strange that the Library should give conflicting views.

Mr. COLLIER. Mr. Speaker, will the gentleman yield?

Mr. COLMER. I yield to the gentleman from Illinois.

Mr. COLLIER. I take this time to clarify one point that I think needs clarification. The distinguished chairman of the Committee on Ways and Means has indicated to us that we would have an opportunity to vote on the conference report if this goes to conference.

Let us assume that in conference the controversial section of the bill which you raise is stricken, no change is made in the quoted provision, and the bill comes back to the House. What assurance do we have that the then compromise bill out of conference will be acted upon by the Senate?

Mr. COLMER. Well, the gentleman raises a rather difficult question for me to answer. I think that would be a question for the Senate to answer.

Mr. COLLIER. There are some political problems here, and some problems created by what has transpired here.

Mr. COLMER. Quoting the gentleman from Minnesota who just addressed the House, I would say that the Senate having passed this bill 72 to 15, there would be considerable interest in it, and I would think they would follow it through.

Mr. COLLIER. I would think so too if it were not late in the session.

Mr. ULLMAN. Mr. Speaker, will the gentleman yield?

Mr. COLMER. I yield to the gentleman from Oregon.

Mr. ULLMAN. I want to commend the chairman of the Committee on Ways and Means, the gentleman from Arkansas [Mr. MILLS], for his diligence in trying to arrive at a solution to this problem. When the bill came over from the other body he called a meeting of the committee to work out a bill. We spent a whole day with the Secretary of Agriculture and the Assistant Secretary of State in trying to work out the basis for a bill that would meet the needs of the industry as well as meet the requirements of the Government. I want to say that the gentleman from Arkansas has been most helpful. He has given us assurances that the bill will be brought back for House action, and I hope the Members will send it to conference so that a satisfactory bill can be worked out. The beef producing industry is in trouble. Legislation is essential in this session to assure continued sources of credit for cattlemen and to bolster a badly sagging market. With the assurances we have received, the best chance we have to get a bill enacted into law is to send this bill to conference.

Mr. FISHER. Mr. Speaker, will the gentleman yield?

Mr. COLMER. I yield to the gentleman from Texas.

Mr. FISHER. I share the views expressed by the gentleman who has just addressed the House. I have every confidence that the conferees will be able to eliminate the ambiguity to which the gentleman has referred in the Senate version of this bill, and likewise report back an acceptable bill with respect to its merits in the House that can be supported, so that the concern that has been expressed by consumers may be cleared up.

I might point out that there has been an unprecedented increase of imports, mutton, lamb and beef, during the past 6 years into this country. During this unprecedented increase, literally a dumping operation, there has been no reduction in what the people pay in the butcher shop. So this bill, which appears to be a very reasonable and moderate one from the standpoint of inspection, still permits more than 1 billion pounds of beef and veal to be imported, more than was admitted in 1957, only 6 years ago. But there is still going to be a tremendous amount of imports. Certainly the consumer is not going to feel it one bit if he has not felt the increase in the last 6 years. So I think the conference will have to clear up an ambiguity here and I think that is very essential in order to make it workable and meaningful. I have every confidence our conferees will do the best they can to work out an agreement.

Mr. Speaker, some have opposed this legislation because they say they represent consumers. So do I. So does every Member of this body. Each of us represents approximately the same number of consumers, who consume about the same amount of meat. In that respect we all have a common interest.

It is in the public interest, and it is in the interest of consumers, that we maintain a fairly healthy, reasonably prosperous cattle industry in this country. We are talking about those who raise cattle, operate on slim profit margins, take all kinds of chances, and often come out on the short end of the horn. We are talking about those growers and feeders who have given the American people the finest quality to be found in meat anywhere in the world. Every consumer owes a debt of gratitude to the American cattle raisers and the feeders. To do otherwise would be to bite the hand that is feeding them.

Moreover, as I have pointed out, there is little relationship between the amount of meat imports and the price the consumer pays for meat in the butchershops. From 1957 to 1964 imports of lamb into this country increased by 860 percent. Yet the housewife saw little change in lamb cuts. During that same period, covering only 6 years, mutton imports increased by 7,200 percent. But there was little effect on what the consumer paid for mutton products. During that same period, 1957 to 1964, inclusive, annual imports of beef—carcass weight—skyrocketed from 200 million pounds in 1957 to 1.7 billion pounds last year. In 1957 beef imports amounted to 2½ percent of our domestic consumption; in 1964 those imports were 11 percent of our consumption. Yet despite that unprecedented upsurge in imports there was so little reduction in prices to consumers that it was hardly noticeable.

Under the terms of the Senate-approved bill the rollback on imports of all forms of meat would be very reasonable and very moderate. It would still permit the admission of about 1.2 billion pounds of beef annually and more mutton and lamb meats than are now coming in. The bill would serve to stop the massive dumping operation we have witnessed. Its passage would give the cattle industry a measure of confidence and stability in the future. No one should be heard to object to that. Certainly not with good reason.

Mr. Speaker, it is most unfortunate that we cannot approve the Senate version of this legislation and avoid a conference, with the attendant delay and uncertainty. I appeared before the Rules Committee in support of a resolution which would have permitted a direct vote in the House on the Senate measure. But the committee decided against that course. Since then legal experts discovered a hiatus in the Senate version which would make the Senate-approved legislation a nullity and wholly inoperative if enacted.

The Senate amendment includes the following:

> The operation shall be suspended with respect to any period which the President declares to be a period of national emergency.

Since a President in the past has declared the existence of a national emergency, and since that declaration has never been rescinded, it still obtains. Therefore, legal experts reason, if the Senate measure were approved it could not go into effect unless and until the President should rescind the prior declaration.

It follows that the quoted language must be corrected if we are to have meaningful and effective legislation. And under our parliamentary situation the only place to get that done is in conference. Therefore, I support the resolution to send this measure to a conference committeee. That seems to be the only course open for us to follow if we hope to get a bill enacted that is effective. We may get nothing, but at least this provides a procedure that could lead to a correction of the gimmick in the Senate version which destroys the usefulness of the legislation.

Mr. COLMER. Mr. Speaker, I ask unanimous consent that all Members may extend their remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. LINDSAY. Mr. Speaker, I support the resolution to send H.R. 1839 to conference where it can receive the further consideration it needs by the Congress.

This is far-reaching legislation which would vitally affect the consumers of our Nation and which could have a seriously harmful effect on our world trade. It needs more study.

This bill has never been before a committee of the House. No hearings have been held on it. There has been no debate on it. Yet it is of great importance to the future of our country.

Mr. Speaker, I not only urge that this bill be sent to conference but I do so in hopes that it will be carefully considered there.

I am concerned about legislation that would undoubtedly be harmful to millions of consumers of this Nation and detrimental to our delicate world trade negotiations. I, too, would like to assist the cattle industry of the United States; I am sympathetic with their problem, but this bill would in the long run defeat the ends of all of us, including the beef growers.

This bill to establish beef import quotas might well, and probably will, serve to deny to my low-income families a part of their normal consumption of beef.

The beef that is imported into this country is mainly lower grade and lower priced beef that is used in hamburger, meatballs, hot dogs, sausage, and other processed meat products. Not all of our people can afford to eat steak all the time, Mr. Speaker, but can afford lower priced meats.

The beef industry in the United States I am sure understands this and would not want to be in the position of prejudicing the consumers of the country. The consumers of our country have troubles enough without adding this to their burdens. It should be noted, too, that it is by no means clear that importation of lower grade beef has the effect of depressing the price of domestic, higher grade beef. In other words, the consumers could be hurt and the beef industry not helped.

It would be one thing, Mr. Speaker, if the bill had been well considered, but it has not been. This is an unpreferred way to legislate and the bill ought to go to conference. A bill of the possible consequences of this bill should have this additional consideration.

Mr. Speaker, this bill has another defect, just as important. The legislation runs directly counter to our efforts to open new channels of foreign trade on a reciprocal basis. It is a protectionist bill. If there is anything we have learned from the history of the last 50 years it is that protectionism feeds on itself, stifles trade and induces stagnation and unemployment.

Our Government is now engaged in delicate trade negotiations at Geneva, seeking to lower trade barriers abroad to many of our exports, agricultural and industrial alike. This is no time to jeopardize these negotiations which are so important to the future of our country. This bill would jeopardize those negotiations and hurt our consumers in a great many other areas.

Mr. Speaker, passage of this bill could also be disastrous for our present agricultural export program which is running at a record high of more than $6 billion a year, helping our farmers and our transportation industries at home and greatly benefiting our balance of payments in world trade.

Mr. Speaker, I hope the resolution to send this bill to conference will be adopted.

Mr. LANGEN. Mr. Speaker, as I predicted just a few days ago, the question of whether or not we should curtail the importation of beef in order to protect the prices for beef producers throughout the Nation is before this House for consideration today.

We find it before the House, as I said at that time, in spite of the fact that on that day we authorized an expenditure of over $43 million that eventually will have as a result the increased production of beef by irrigating lands to produce feed grains and hay.

There are additional ironies in this legislation being before us today. It is not too long ago that we had a similar parliamentary situation relating to the wheat-cotton bill, and more recently, a civil rights bill. In each of those cases, we were told that the only reliable avenue for us to follow then, in order to get the results desired, was that we adopt the amendments of the other body. It was then determined to be of too great a risk to attempt the course of a conference committee. Today, however, with a subject that bears import to a segment of this Nation's populace who have suffered severe economic setbacks in the last year because of the enormous amounts of beef imported, we are now told that this is the only course we can follow.

In view of the fact that we have reached this point with the legislation before us, it seems that we have no alternative but to support the resolution. I do so reluctantly, however, recognizing the great risks that are involved that could prevent, delay, or curtail this most essential and needed action during this session.

May I humbly suggest to those who may be selected as conferees on the part of the House the urgency that prevails that some constructive action ought to be taken during the few remaining days of the session. I sincerely hope that the encouraging promises that we have heard today may become a reality.

I do find, however, some consolation and encouragement in the fact that we do have the matter before us today. I can readily recall when, a little more than 5 years ago, I first made a point of the extent to which our entire agricultural economy was being adversely affected because of imports of agricultural commodities. While it has taken a long time to achieve even this very minor consideration of a most important subject, it does hold promise that this Congress is and will be more cognizant of the relationship of imports to the entire agricultural problem.

There were few listeners 5 years ago, and I sincerely hope that the interest and support that has been voiced and on display here today may in the future develop into even more constructive and rewarding considerations. The provisions of the amendments being sent to conference are truly the very minimum action that ought to be taken. There have already been sufficient compromises made, and so the report of the conference committee surely should offer nothing less than the provisions of the amendment as it is presently constituted and before the House.

It is hoped that with such action, the respective State and Agriculture Departments might also see fit to express their interest and support, as compared to the opposition they are presently registering, in order that the further decline in farm income might not be encouraged.

The economic plight of farm people throughout the Nation has reached levels comparable to the 1930's, and surely can go unrecognized no longer without serious repercussions to the total national economy.

The American farmer is deserving of his rightful share of our own national consumers' market. At least he ought to be held in equal regard with our concerns for the producers in foreign countries. This has surely not been the case in recent years.

Mr. SHRIVER. Mr. Speaker, I came to the House today to support House Resolution 814. Adoption of the Senate amendment establishing new quotas upon the importation of beef, beef products, lamb and mutton to H.R. 1839 represents a final opportunity for the Congress in this session to come to the assistance of the ailing domestic livestock industry.

Those of us in the House representing cattle-producing areas have tried for the past several months to obtain consideration both from the executive branch of Government and from appropriate committees of the Congress to limit foreign imports of beef. We have long felt that such limitations are necessary to stabilize farm income. In view of assurances of Chairman Mills and others I am willing for this bill to go to conference.

The livestock sector of our farm economy is extremely important. In my own State of Kansas, livestock products account for more than half of all farm income. For more than a year I have received mail from farmers, packers, milk producers, packinghouse workers, and consumers expressing great concern over the impact of foreign imports upon this vital domestic industry.

The importance of cattle is universal and substantial over the country. They consume about 70 percent of our total volume of harvested crops. Any impairment of the cattle industry affects the feed grain farmer, who is already beset with more than his share of troubles. It means loss, too, to the retail merchants, service businesses, fuel and farm supply dealers, banks, the transportation industry, the meatpacking payrolls and all the jobs they produce.

Mr. Speaker, the domestic cattle industry is economically sick. Actions to date by the administration have provided little assistance. No subsidies are asked or given by this legislation. All that is provided is a more realistic ceiling on foreign imports. It is time for the Congress to act.

Mr. BURLESON. Mr. Speaker, as it has been clearly pointed out in the discussions here today on this resolution, there is something to be desired in this procedure. I would like to vote immediately on the direct issue of limiting beef imports and place this matter before the President for his approval or disapproval.

Now, Mr. Speaker, there are indications that the other body of this Congress may not have expected the House of Representatives to accept in full the measure they recently passed by a considerable margin of vote. The Senate passed a good bill and one which would meet a need for the protection of the cattlemen of this country.

As I understand the situation at the moment, imports are down for the very significant reason that cattle prices in this country are not such as to make it a profitable business for imports. Imports are a major factor in causing these conditions, although I would not contend, nor do I know of anyone else who does who has informed himself on the subject, that this accounts for all the difficulties. Be this as it may, I repeat that, in my opinion, imports certainly contributed to the situation to a degree much greater than that attributed by the Secretary of Agriculture.

By sending this measure to conference, this House of Representatives does accept the challenge of the U.S. Senate to do something about this situation, as it is surely going to affect us in the future, if not considerably at the present; but as has been expressed here by several, it could result in an exercise in futility unless all of us, who feel strongly the justification for a remedy to the situation which is causing severe hardship on producers of beefstuff in the United States, are determined to press this matter with every possible effort to a satisfactory conclusion.

For the record, Mr. Speaker, I call attention to the fact that on March 11, I introduced a bill which would accomplish virtually the same thing as that provided in the measure recently passed by the Senate and on which a conference is authorized by the pending resolution. I am, of course, gratified and encouraged that we have gotten this far in meeting this problem but due to the time element and the urgency involved in this matter, immediate action is justified.

Incidentally, Mr. Speaker, with respect to the position of those who contend that retail meat prices will advance to the consumer, let it be pointed out that past history does not indicate this to be the case. As you know, there is now in existence an inquiry as to the spread between the price of live cattle sold by the producer and the price of meat over the counter to the consumer. The situation in this regard is not peculiar or limited to meats, but rather is common to all agricultural products of which I know anything about. This has been the reason for parity in basic agricultural commodities but, of course, has never been applied to the beef industry and, in fact, has been vigorously opposed by cattle raisers. There is nothing unique about meat prices as compared to other products, and it has been shown in some instances the raw product could almost be given away and it would not make an appreciable difference in the retail price. So, when we may finally get this report back from the conference, authorized by this resolution on which we are about to vote, in all likelihood this will enter into the debate.

But, I say it is a specious argument and one which will be weak in its import when all facts are considered objectively. The choice of those of us who would like to see something done immediately about meat imports is to vote for this resolution and send this measure to conference with the Senate. At the same time, I join with those who have already expressed themselves in insisting that the conferees of this body bring back the strongest possible language which will be effective in limiting beef imports and which will guarantee the survival of the cattle industry insofar as the factor of imports is having upon a depressed cattle market.

Mr. SMITH of Iowa. Mr. Speaker, after hearing comments made here today, it may come as a surprise to many that Prime and Choice steers broke through the $26 price level in Chicago yesterday. In fact, three loads of Prime steers sold for $26.50 per hundredweight. The average for Choice steers was $25.12 and exceeded the average price of a year ago.

Prices of fed cattle, at $25 to $26, are quite a contrast to that of $20.50 in early June. They clearly reflect the impact and significance of the vigorous programs developed by the President and Secretary of Agriculture Orville L. Freeman. All cattlemen should be thankful for the dynamic manner in which the President and the Secretary have moved and are continuing to move to help them out of the situation with which they were and are confronted.

In the face of a beef supply situation which has been 13 percent greater the first 6 months of the year than a year ago, the Secretary first announced a beef purchase program in early March, which up to this time has moved 164 million pounds of beef from the surplus market and distributed it to people who needed it in their diets; second, established a National Cattle Industry Advisory Committee to guide him in the development of short- and long-range programs for the cattle industry; third, stimulated one of the most vigorous, intensive, and farreaching merchandising programs for beef ever undertaken in this country; fourth, spearheaded the development of a voluntary import agreement with the major beef importing countries to the United States; fifth, has underway at the present time a program aimed at stepping up our beef exports worldwide but particularly to Europe and exports have already increased 1 percent of our total production; and sixth, has forcefully and intelligently attempted to tell to cattlemen and the public the true story as to why cattle prices have been under pressure; namely, that our problem has been excess domestic production of fed cattle and not imports of a different kind of beef.

Now, one of the things needed was to reduce the average weight of the choice and prime steers being marketed. Choice steers marketed yesterday at Chicago were 50 pounds per head lighter than they were a few months ago.

This bill would not even do any good even for cattlemen, anyway. It would limit the exports to 803 million pounds a year, which is exactly what they are estimated to be. It also contains a clause preventing it from going into effect and at the same time contains another clause prohibiting flexibility with short supplies. Why do you suppose the oil people and others filled the halls of Congress promoting this bill? Some of them want a round of trade restrictions in their industry and figure this bill will open the door. This is exactly contrary to the 1961 trade bill, and if we start this, the farmers will end up on the short end. We export $6 billion in farm products, including 20 percent of our feed grains. If we could not export these feed grains, they would be fed in this country, and the result would be a far greater surplus of meat. I urge all of you to take a good look at all of the facts before you vote on the bill when it comes back from conference. I doubt, but hope, that they can construct a bill that will do some good rather than doing harm to agriculture, as the Senate bill would do.

Mr. LLOYD. Mr. Speaker, I believe there has been a great deal of confusion in the minds of many people as to the exact nature of the meat quota legislation.

We are not proposing any cutback in imports.

We are not asking that exporting nations be barred from benefiting from increased consumption in the United States.

We are not suggesting that American producers be protected at the expense of the American consumer.

We are, instead, simply asking that the level of meat imports not increase beyond the average for the last 5 years, when they reached record highs. Further, we are proposing that subsequent increases in demand be accompanied by corresponding increases in the import quota.

In short, we are assuring the exporting nations that: First, their business will not be less than it was during a record high, and second, their business may become even better as the market increases.

Viewed in this light, the bill does not become as restrictive as some people would have us believe. It does, however, say to the American cattlemen that they are going to compete in price and quality but that they will not be confronted by importation of huge volumes of price-plunging low-grade meats.

Mr. CHENOWETH. Mr. Speaker, I rise in support of the resolution sending H.R. 1839 to conference. I would prefer a resolution agreeing to the Senate amendments to this bill, but since this is not possible I am anxious to see the bill go to conference.

I have been urging quotas on imports of beef, veal, mutton, lamb, and other meat products for some time. I have introduced several bills providing for the establishment of such quotas. I feel that the rapid increase in these imports is a serious threat to our domestic producers and has materially contributed to the heavy losses they have sustained in recent years.

Mr. Speaker, the cattle industry of the United States is in a distressed condition today. I do not claim that this is due entirely to foreign imports of beef. However, beef imports have more than trebled in the last 5 years, and it is obvious imports have had an adverse effect on cattle prices. I have been receiving letters from cattlemen in my district for several years complaining over these imports, and urging Congress to act.

The cattle industry is very important to our economy in Colorado, which ranks 12th in the Nation in the production of cattle. Colorado is recognized as one of the major cattle feeding areas in the country. Cattle feeders in Colorado took a heavy loss last year due to the rapid decline in cattle prices.

Mr. Speaker, I hope that this resolution will be passed by a unanimous vote of the House, so that the bill providing for quotas on foreign imports can go to conference without delay. I am encouraged over the remarks of the chairman of the Ways and Means Committee, the gentleman from Arkansas [Mr. MILLS], concerning the effort he will make to bring in a report at the earliest possible date. In my opinion this House will vote to establish these quotas if given the opportunity to vote on this issue. I hope that this vote can be taken without delay.

Mr. DOLE. Mr. Speaker, it would appear from listening to the debate an earnest effort will be made in conference to arrive at some satisfactory and acceptable solution to the present beef import problems. Despite the statements of Secretary of Agriculture Orville Freeman, Members of this body should clearly understand that expanding beef imports during the past 3 years have and continue to be serious, and furthermore increased imports have adversely affected the economic status of nearly every livestock producer in this country.

There have already been too many statements by too many persons about doing something to relieve the plight of the livestock producer, and if this Congress should adjourn without taking affirmative action, those in the livestock industry will, in my opinion, know the reason why. Frankly, I cannot understand why the Secretary of Agriculture and the President month after month continue to evade the issue and in effect delay, if not completely prohibit, effective legislative action.

The livestock industry is big business in Kansas, and as pointed out in the most recent issue of Kansas it is a vital component in the economic fuel that generates the pulse of industry in the State of Kansas. The excellent article further points out:

> A constant stream of red and white cattle flow over the grasslands of the Sunflower State and on into the packinghouses and grocery stores via 16,000 feedlots. The cattle assets of the State stand today as the largest producer of agricultural income having passed wheat last year by $102 million to total $537 million.
>
> Hard, cold cash is the barometer by which a business is judged, and the beef industry is setting a high growth rate for others to follow. The more than 1 billion pounds of red meat produced annually in Kansas adds $450 million to the economy of the State through the packing industry which employs 8,900 persons. Over $90 million each year is spent for feed by cattlemen who represent 5,431,000 head of animals.
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> The business of breeding and feeding cattle has its romantic side. State and county fairs are an integral part in the education process which every cattlemen continually faces if he is to remain abreast of his competitors in this dynamic industry.
>
> For example, the Kansas State Fair in Hutchinson this year will host, for the first time in history, a Register of Merit Hereford Show. This event brings to Kansas and Kansas Hereford cattlemen an honor extended to only nine other events in the United States. Hereford cattle from all sections in the Nation will pour into the State Fair grounds to parade in front of a judge and thousands of beef producers from Kansas and neighboring states.
>
> The curly, red and white coats of the cattle will glisten with a high gloss on show day because every owner will want his cattle to win an award at this important exposition, and also because in the audience will be many potential buyers for his cattle. Here, in action, will be one of the oldest examples of American free enterprise at work in a setting that epitomizes the wholesome atmosphere of Kansas as a leader in the beef industry.
>
> Why does the beef business go to such lengths to build an industry so specialized and complex? You can get the answer yourself if you will travel along "Mid-Way USA." In towns, large or small, you drive into the filling station and ask an attendant for directions to the best place in town to eat. If his relatives don't own a restaurant, he will most likely refer you to someplace that "has the best steaks." Herein lies the story * * * the best place for steaks * * * is the best place to eat. Kansans are steak-conscious, and rightly so, since they produce the finest beef in the world and are right proud of it.

Mrs. MAY. Mr. Speaker, I am voting to send H.R. 1839 to conference, but I do so with reluctance, the same reluctance so ably expressed by my colleague, the gentleman from Illinois [Mr. ANDERSON].

I was one of the 72 Members of the House to introduce bills to give some relief to the hard-pressed cattle industry.

The current beef crisis is a matter of concern to all Americans. Cattle prices in 1963 averaged $3.74 per hundredweight under those of 1962. Choice steers the week before last in Chicago sold for $1.21 per hundredweight under the 1963 average. The obvious result is great distress in the cattle industry.

Since beef is the most popular meat product in America, it is important that the reasons for this drastic price reduction be understood. The most recent comprehensive report on the situation is a publication of the Cooperative Extension Service of Iowa State University. The authors of this report point out that of the $3.74 per hundredweight reduction in cattle prices last year, $2.30 was caused by a 6.4-percent increase in beef and veal production, 20 cents of the reduction was caused by increased production of pork and poultry, 40 to 50 cents of this reduction was caused by reduced byproducts value, 47 cents of the reduction was caused by increased imports of beef, and "part or all" of the remainder "results from the larger supplies of the top grades of cattle."

Retailers say they are concerned about the problem because they are presented with an unstable market in which to buy beef. In order to meet the needs of the American consumer, it is essential that they have a consistent supply of high-quality beef. Obviously a bankrupt cattle industry does not have the capacity to supply the needs of the American consumer.

Retailers last year moved into consumption a record 95 pounds of beef for every man, woman, and child in the United States. Iowa State points out that "if the present production potential materializes, beef consumption could possibly go as high as 100 pounds per person in 1964."

It has been widely recognized that steps to cut down on the crushing supply of beef are necessary. Retailers, in reporting on the efforts they are making, state they have increased the number of beef specials, have substantially increased expenditures for advertising beef, and have resisted upward pressures on beef prices.

In Congress, a large number of us from cattlegrowing and feeding areas, are sponsoring legislation to impose import limitations on beef and other meat products to scale down the high meat import levels from Australia and New Zealand guaranteed by the recent voluntary agreement negotiated by the executive branch of our Government.

It now seems imperative that all Americans lend maximum effort to the solution of the beef crisis. Beef must continue to represent a good value for the American consumer, and a consistent supply of high-quality beef is essential to maintain such value.

Mr. CAREY. Mr. Speaker, I urge that the House conferees on H.R. 1839 which is to go to conference today under House Resolution 814, vigorously resist the Senate amendment to this measure which provides for restrictions against the importation of beef and beef products.

This amendment, if allowed to become law, will take the consumer to the slaughterhouse in broad daylight and put his pocketbook into the slicing machine for the benefit of the western cattle interests. It is almost unbelievable that at a time when we have organized a Consumer's Advisory Panel to make a study of costs to the consumer that anyone remotely concerned with the family pocketbook would suggest that the consumer, particularly in the large eastern cities, should pay a steeply higher price for the meat on his table by restricting the importation of products from our friends and neighbors in the free world.

This is nothing more than a bull and baloney tax.

I note that this daylight raid by the rustlers not only met with encouragement but was actually advocated as a platform plank at the Cow Palace in San Francisco during the Republican National Convention.

> [The Republican platform of 1964 promises] meaningful safeguards against irreparable injuries to any domestic industries by disruptive surges of imports, such as in the case of beef and other meat products, textiles, oil, glass, coal, lumber, and steel.

It is very clear to me that these Cow Palace activities are designed to separate the consumer from his dollars in the market, grant a "beef trust" monopoly to the West, and build more palaces for cows with consumer dollars.

Mr. Speaker, I have heard that the Republican Party has suggested that it might be a good thing if the east coast were severed from the rest of the Nation and shipped out to sea. Now, it would seem that the leadership of that party intends to go a step further. They intend to tax our beef, baloney, hotdogs and cold cuts to such an extent that we will not be able to afford a box lunch as we become driftaways.

I implore the conferees of the House to earnestly resist any attempt to impose this unwholesome, unwarranted and impossible attempt at the plundering of the consumer's pocketbook for the benefit of the "special interests on the hoof."

No one would oppose a study of the apportioning of the meat profit dollar to determine the proper share that is to go to the cattle grower, the feeder and the marketer. Such a study would serve a most useful purpose. However, without such a study, to enact this type of amendment is to assure a wonderful business for the sign painters who will be at Nathan's Famous and every butcher shop and roadside stand, painting price changes to advertise $1 hamburgers and 50-cent hotdogs.

Mr. MORSE. Mr. Speaker, it is my sincere hope that the action of the House today in requesting a conference with the Senate on H.R. 1839 will not result in approval of the Senate amendments.

In my judgment, this amendment would be one of the most severe blows that could be dealt to the consumer at a time when the rising cost of living already plagues the average housewife in planning meals for her family.

Although it is true that imports of beef have increased in recent years, the supply of this beef has actually declined on a per capita basis. The result is clear: If we had not had access to these imports, prices of inexpensive meat products, such as frankfurters, luncheon meats and hamburger would have skyrocketed.

If we approve the Senate amendment, the burden of higher prices will fall most heavily on the low-income consumer—the very people we voted to help with antipoverty legislation last week.

This amendment is wrong both in its assumptions and in its design. Overproduction of domestic grain-fed beef is the cause of pricing problems, not imports. The effect of this legislation would be to invite retaliation by our trading partners on other items and undermine the U.S. negotiating position at Geneva. In addition, it would result in our violation of international agreements concluded with the four principal suppliers of fresh, chilled, and frozen meat: Ireland, Mexico, New Zealand, and Australia.

Mr. Speaker, economic commonsense and international honor demand that we reject this amendment.

Mr. RANDALL. Mr. Speaker, I rise on this matter with some question as to the proper course of action. We know what we want to achieve on behalf of the cattle industry, but we are in some doubt as to which of two legislative courses of action is most appropriate for us to support.

On the one hand, it is quite clear that our domestic cattle producers have recently been in serious economic difficulty because of falling prices per hundredweight of cattle. Even though cattle are central to our agricultural economy—consuming 80 percent of our corn crop and 70 percent of all the harvested crops in this country—livestock values have dropped nearly $2 billion in the last 22 months. There are nearly 500,000 head of cattle in my congressional district alone.

Much of this economic difficulty can be attributed to the rise in cattle imports, for as we all know, a small additional increase in the amount of beef on the market can mean sharp reductions in the wholesale price. Just a cursory glance at the record will show that imports in 1963 were 100 times greater than they were in 1954 and 10 times as high as they were in 1957. In 1960 we imported 384 million pounds of boneless, fresh, chilled, or frozen beef. In 1963, the figure had risen nearly threefold to a total of 940 million pounds, or 11 percent of all U.S. beef sales.

The Congress has a clear responsibility to protect this vital segment of our economy from additional foreign inroads on the market until the industry has recovered enough to allow gradual increases in imports.

We know full well that there are those who are opposed to our attempts to protect the welfare of our cattlemen. We recognize that there is some merit in their arguments, but we would stress the pressing nature of the emergency in the cattle industry in answer to them.

Those legislators who are concerned about possible increases in the retail price of beef should recall that most price increases have been the result of increasing the share to the middleman. They should wait for the results of investigations by the new Food Marketing Commission before pressing hastily for action.

Those Members who are concerned about our image in the free world of trade, and our bargaining position in the "Kennedy round" of GATT negotiations need not vote against the main measure. They have options to make suitable amendments without scuttling our cattlemen in the process. Surely at some level—either committee or conference—they can devise statutory wording permitting us to reduce trade barriers after this immediate crisis has passed.

Those Members who are representing importers of cheap, low grade hamburger beef have no choice but to oppose us on the measure.

For our own part, we have tried to be helpful and informative to all of our constituents who are interested in this problem and by our vote in the Congress we intend to do the very best we can do to alleviate the depressed conditions of our farmers and cattlemen who make their livelihood by production and feeding of beef.

On the other hand, Mr. Speaker—coming back to our original problem—we wonder whether it is better to support the resolution before us by sending the Senate beef bill to conference or to encourage hearings on a new House bill before the Ways and Means Committee.

We are now late in the session. Whether or not the Congress returns after the remaining Convention is problematical and if it is decided to adjourn sine die before the Convention, we have little more than a week remaining in which to perfect a bill.

H.R. 1839 provided for an amendment to the Tariff Act of 1930 to provide for free importation of wild animals and birds intended for exhibition in the United States. The Senate proceeded to amend this act and set up beef, mutton, and lamb quotas, striking all reference to wild birds and animals in the process. Their bill has serious flaws in it that demand careful scrutiny.

For instance, whether by lack of care or through a mistake in the drafting of the amendment, an exception was inserted after the number of pounds of cattle meat listed as a limitation, providing that the operation of these provisions "shall be suspended" during any period the President declares to be a period of "national emergency." Yet the Members all know that the Congress could not now be in session at this late date in our present calendar year if it were not for the legal fiction that we are now in a period of "national emergency."

Those of us with a serious desire to see enacted this year the very best legislation we can hope for in light of the late date of this session are confronted with a difficult dilemma in deciding whether to send the Senate version of H.R. 1839 to conference. The Senate bill now before us contains some provisions that are not only objectionable, but one provision that may make the Senate-passed version inoperative because of the use of the words "national emergency." There are dangers in letting such a bill go to conference without detailed hearings and debate. But on the other hand, if the House were to start over and write its own bill, the Senate might not act on such an improved measure. Thus the effect of an attempt to improve the bill in committee where it belongs might in actuality kill it for this session of Congress.

Hope for any worthwhile or effective legislation limiting the quantities of imports of beef must be based on our trust and faith in the integrity and steadfastness of purpose of the conferees appointed on the part of the House. We must rely at this late date on the ability of these Members in conference with managers on the part of the Senate to write good legislation in the conference committee that will be reported back to both bodies of Congress. We are hopeful and optimistic that these conferees will write provisions that can be acted upon with the strong support of both bodies and then be approved, rather than disapproved, by the President.

Here, then, is the choice. On the one hand, we can vote against sending the bill, H.R. 1893, to conference and face the stark reality that there could be no legislation this session to limit the importation of beef. On the other hand, we can vote to send the matter to conference with the hope and high expectation that the conferees can meet on a common ground and agree on provisions of limitations on beef imports that can be approved by the President.

We are standing by the last of these two alternatives. We have confidence our conferees will do all that is humanly possible to provide the sorely needed help our American cattlemen deserve.

Mr. BROWN of Ohio. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, I hope that I may, in this short time, be able to clarify in some degree the situation that confronts us.

I think I should point out that in 1963 the importation of beef and beef products from Australia and New Zealand, especially, jumped by a great percentage, or amount. So high was the increase in these imports in amount that the livestock producers of the United States found their market prices for cattle were being affected.

Arguments have been made by both proponents and opponents of different legislative measures as to whether or not other reasons might have been at least partially the cause of the drop in cattle prices. But during the year 1963 according to the record, meat prices at the retail counter did not drop to any appreciable extent, while the income of the livestock farmers of the United States did go down to a dangerous figure, where they were all being injured, and some of them were being driven out of business.

Over in the other body recognition of the situation developed, and an amendment to another bill was defeated by a margin of two votes. The amendment was for the purpose of giving relief to the livestock producers of the United States by limiting the imports of meat products from these foreign countries.

Then later on the House of Representatives passed a little bill, H.R. 1839, to amend the Tariff Act of 1930 to provide for the free importation of wild animals and wild birds intended for exhibition in the United States. To that bill the other body, the Senate, adopted an amendment, by a vote I believe of 74 to 15, although it might have been 72 to 15, to reduce imports of beef and beef products from Australia and New Zealand by approximately 30 percent.

These imports have reached a high figure of about 13 percent of the total beef consumption in the United States, according to the information I have. This 30-percent reduction voted by the other body would still permit the importation of beef and beef products from foreign sources a little greater in total amount than the average imports of the same products over the 5-year period from 1957 to 1962, inclusive.

The amended measure was messaged over to the House. Objection was made, first, to taking the bill from the Speaker's table and agreeing to the Senate amendments. Objections were also made later to taking the bill from the Speaker's table and sending it to conference.

Adoption of the resolutions to take the bill from the Speaker's table and agree to the Senate amendments would have sent the measure to the White House for action. It was introduced by the gentleman from Montana [Mr. OLSEN] and was referred to the Committee on Rules.

The other resolution, to send the bill to conference, was introduced by the gentleman from Arkansas, the chairman of the Committee on Ways and Means [Mr. MILLS].

One of three actions could have been taken. First of all, the Committee on Rules could have reported either one of these resolutions. By the close vote of 8 to 7, it reported the Mills resolution which is now before us, House Resolution 814, to send the bill to conference.

Frankly, those who supported the proposal that the Olsen resolution be adopted and that the bill be taken from the Speaker's table, and the Senate amendments agreed to, expressed the fear that if any other action was taken, the measure would never see the light of day; or that sending it to conference would mean the end of the bill.

However, the Committee on Rules felt it best, in its judgment, as I say by a vote of 8 to 7, to report the Mills resolution which adoption would send it to conference.

It is my understanding, and I want to find out if I may as long as I am on my feet, that the livestock industry has agreed to some sort of an arrangement whereby they will support this resolution to send the bill to conference with the understanding that if a suitable compromise cannot be worked out by the conference committee that the matter will be returned to the House, so that the House itself may take action—if no conference report is agreed to—to either instruct the conferees further or to take the bill from the Speaker's table, as reported from the Senate, and agree to the Senate amendments.

I would like to know, if I may, from someone who can speak for the livestock industry as to whether or not such an arrangement or agreement has been made? I will yield to whoever wants to speak up and tell us what they know about that situation.

Mr. JENNINGS. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman.

Mr. JENNINGS. Let me say first of all, I think the gentleman has described very fully and clearly and emphatically the parliamentary situation in which we find ourselves.

As a livestock producer myself and one who has met constantly with the livestock industry, and one who is in sympathy with them because of the plight that they are in today, I can say that it is my understanding, after having met and after having talked with them, that the situation which the gentleman has described at this time is exactly their position, with the emphatic understanding that the House will then have the opportunity of voting on the conference report and voting it either up or down; and then have the opportunity to accept the Senate amendment to our wildlife bill.

Mr. BROWN of Ohio. If any other spokesman for the livestock industry has any authoritative information, may I ask that he state it.

Mr. SHORT. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from North Dakota.

Mr. SHORT. I do not know that I qualify as an authoritative spokesman for the livestock industry, I say to my friend from Ohio, but the president of the National Cattlemen's Association is a close personal friend of mine and I have known some other livestock people for a long time.

It is my understanding that the gentleman is correct; that they agreed that the bill should go to conference with the understanding—I hope we can emphasize this, because it is really important—the understanding just outlined by the gentleman from Virginia, that if the conference report is not acceptable to the livestock people and to those of us who represent livestock areas in the U.S. Congress, we will have an opportunity to vote on accepting the House bill as amended by the Senate.

Mr. BROWN of Ohio. To save time, I should like to ask a question of the gentleman from Arkansas [Mr. MILLS], the chairman of the Committee on Ways and Means.

If the resolution is adopted and the measure goes to conference, as has been discussed, is my understanding correct that every attempt will be made by the conferees on the part of the House to work out a compromise agreement, or settlement of the issue involved, to the satisfaction of the livestock industry and the Members of the House interested in this matter; and, if such a solution can be brought in as a part of the conference report, that an opportunity will be given to vote that conference report, either up or down; and if the conference report is voted down or not accepted that it will be in order to immediately adopt the Senate amendments to the bill?

Mr. MILLS. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Arkansas.

Mr. MILLS. If I am a member of the House conference group, I would say we would endeavor to work out a compromise for the Senate amendment which would be acceptable to all people concerned. I have said that we would do our best in that direction. In any event I have said that we would bring back to the House a conference report. That is our intention. We are not going to leave the Members without an opportunity to vote one way or another on this subject matter.

The SPEAKER pro tempore. The time of the gentleman from Ohio has again expired.

Mr. BROWN of Ohio. Mr. Speaker, I yield myself 2 additional minutes.

With the understanding, as stated by the gentleman from Arkansas—that an opportunity will be given to vote upon the conference report—and with the understanding that under the parliamentary procedure which might follow, if the conference report is voted down, another opportunity will be given to adopt the Senate amendments to the bill, and with my understanding such will be satisfactory to the livestock industry and to the many supporters of the Olsen resolution, I agree this resolution should be adopted.

I am making this statement because of the confidence I personally have—and I believe most Members of the House have—in the honesty, the integrity, and I might add the ability of the gentleman from Arkansas [Mr. MILLS] the chairman of the great Committee on Ways and Means.

Mr. MILLS. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Arkansas.

Mr. MILLS. I thank my friend from Ohio for what he has said. I wish to make it eminently clear that this is a most difficult assignment the House conferees will have of trying to bring something back to the House upon which everybody can agree.

We may be able to perform such a miracle. The gentleman from Wisconsin [Mr. BYRNES], and I have discussed this matter on many occasions, but certainly we will bring to the House something whether the House likes it or not.

The SPEAKER. The time of the gentleman from Ohio has again expired.

Mr. BROWN of Ohio. Mr. Speaker, I yield myself one-half minute additional.

Mr. Speaker, I appreciate his statement, may I say to the gentleman from Arkansas. I am very hopeful—and I want to emphasize the word "hopeful"—that all which is done here today, and may be done in succeeding hours or days will not result in final failure to give needed relief to the livestock industry.

Mr. Speaker, I yield to the gentleman from Kansas [Mr. AVERY].

Mr. AVERY. Mr. Speaker, I think I can report for the Kansas livestock industry to say that they are in support of this resolution. Also I want to say to those of you who attempt to speak for the consumers group that this language is already a compromise. The restrictions the livestock industry wanted have been described as the Hruska amendment to the wheat-cotton bill. If that language had been adopted, we would not be in the dilemma we are in today. So I do not think those of you here on the floor who represent consumers groups need to feel apprehensive that those interests will not be well protected by what might happen to this bill. However, I also think it should be said for the record here today that the livestock industry is not very happy with what is going on here, and they are not being fooled by this procedure or these gestures we are going through today. Frankly, I am not very hopeful that any effective controls will result from this exercise here today.

Mr. BROWN of Ohio. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois [Mr. ANDERSON], a member of the committee.

Mr. ANDERSON. Mr. Speaker, I had come to this Chamber today fully intending to ask the Members of this body to vote down the previous question when it is moved on on this resolution. It was my hope that thereby an amended resolution could then be offered which would provide that we take from the Speaker's table the bill which previously passed the House of Representatives and agree to the Senate amendments. I have decided that I will not do this in view of the assurances that have been given by the distinguished chairman of the Committee on Ways and Means, the gentleman from Arkansas [Mr. MILLS], that a conference committee will meet and they will report back something on which we can vote. However, I would reiterate what the gentleman from Kansas [Mr. AVERY] just said. It is one thing to vote up or down a conference report and it is another thing to have the opportunity, as we might have had here today, to accept the Senate amendments and to get a bill and send it to the White House in order to get some relief for the livestock industry of this country. The gentleman from Arkansas himself has said it is going to take a miracle to get agreement among the conferees on this intensely difficult and complex subject. I do not think the Members of this body ought to be under any illusions at all as to what we are doing here today. We are discriminating against the cattlemen and against the cattle industry of this country. I do not think we ought to be under any illusions at all as to what we are doing here.

I am a little bit curious and I am a little bit dubious about the fact that this late in this session, about a week and a half before we are supposed to adjourn, we have taken this opportunity to tell the great cattle industry of this country, the great livestock-raising areas of this country, "No, we cannot do for you what we have done in the field of civil rights and what we have done for the wheat farmers and what we have done in many, many other areas." I think this ought to be spread on the record, that Members today ought to be watching very closely to see that there is not any maneuvering behind the scenes.

Mr. Speaker, it will be said here today that in the interest of orderly procedure we should adopt this resolution to send to conference the House bill to which the other body has added provisions dealing with beef imports. While I certainly have neither the desire nor the intention to challenge the sincerity of those who urge fidelity to what is characterized as usual or normal procedure, I would point out that for many in this Chamber this represents a deathbed type of repentance. It represents a new-found devotion to the conference procedure which has not been exhibited during earlier actions taken by this House with respect to the wheat-cotton bill and the civil rights bill.

Mr. Speaker, I submit that there ought to be equally valid, yes, certainly far more valid, reasons than existed in the case of the wheat-cotton bill, for this House to vote down the previous question on this resolution which would send the measure in which so many Members of this House are interested to the dubious and uncertain fate of a conference committee and adopt instead a resolution which would accept the Senate amendment to the House-passed bill. What then, Mr. Speaker, are the reasons that would justify voting against a resolution to send this matter to conference? I have already alluded to the fact that such procedure has been deemed perfectly permissible on previous occasions when the leadership of this body was interested in prompt and expeditious action. I might point out in this connection that there is now pending in the Committee on Rules a resolution authored by the gentleman from Mississippi [Mr. COLMER] which would change the rules of the House in this regard. Briefly, what his resolution would do if adopted would be to provide that a resolution to take from the Speaker's table a House bill for the purpose of concurring in the Senate amendments which amendments which would not have been germane if originally offered in the House, shall require the affirmative vote of two-thirds of those present and voting. I shall vote to so change the rules of this House if we can succeed in getting the gentleman from Mississippi's resolution reported out of the Committee on Rules where it has reposed for some little time.

This leads me to comment on the fact that the charge is often made that legislation is bottled up in the Committee on Rules and that it there meets an untimely end. Mr. Speaker, I wonder if a tabulation of the legislation that has died in a conference committee or legislation that has emerged in such unrecognizable form that it might just as well have perished, would not show that the Rules Committee is not the only legislative graveyard that is dotted with the tombstones of bills that have been strangled to death. I do not impugn for a moment the sincerity of anyone from this body who might serve on a conference committee with respect to the legislation we are here and now discussing. However, it takes "two to tango," and unless the press has become completely unreliable, which I very much doubt, there are some well-laid administration plans to see that this relief legislation—for that is exactly what it constitutes for a hard-pressed sector of our agricultural economy—never reaches the President's desk.

As support for my belief that there is some frantic backstage maneuvering by high administration officials to torpedo this legislation, you need only look at Mr. Freeman's statement of August 3 after meeting with representatives of the American Cattlemen's Association. After admitting what we all know—that the economy of many areas of our country depends on a prosperous cattle industry; that cattle prices have suffered a ruinous decline; that the United States must never become the dumping ground for world beef supplies—he ends by saying to the livestock industry: "On the question of import controls then, so far as the Department is concerned, it is not a question of 'never' but rather 'not now.'" Well, Mr. Speaker, the men of this country who raise livestock and have lost up to $50 a head on Choice cattle while they have seen prices go tobogganing downward, do not think much of that weak promise of "maybe some day we can do something to help but do not bother us now."

Mr. Speaker, 72 Members of the other body said rather emphatically with their votes the other day that the time is now and not some time after the election or in the dim and misty future.

I introduced a bill along the lines of the Senate amendment last March. So did more than 40 Members of this body—Republicans and Democrats. Six members of the Ways and Means Committee introduced similar legislation. Some hearings were held on this problem before that committee 2 months ago. Mr. Speaker, we have discussed this matter endlessly on this floor in speeches and special orders. I know that my experience in receiving scores, if not hundreds of letters and communications outlining this whole problem in great detail is not unique by any means. Many Members have done what I have done. We have testified before the U.S. Tariff Commission and sought relief through that channel. It has not come. We have personally conferred with Mr. Christian Herter, the President's special representative on trade matters, and with officials in the Department of Agriculture and the State Department. All we have been able to accomplish is represented in a voluntary agreement negotiated some weeks ago with Australia and New Zealand. It is these two countries that, of course, are in large part responsible for the fact that in about a decade the percentage of increase of red meat imports to total domestic consumption has been more than five-fold. At the same time we have seen prices paid domestic livestock producers decline to an 18-year low. In 1962 the imports from these two countries increased 90 percent over the already high rate of 1961. In 1963, they increased 110 percent over what they were in 1961. The cutback provided for in the voluntary agreements will not bring the level of these imports back to the 1959–63 average but will rather cut them back to the 1962–63 average when they were already at fantastically high levels. Is it any wonder then that cattlemen and livestock producers all over the country have assailed these agreements as nothing but a sellout dictated by a State Department that seemingly could not care less about the fate of our domestic producers? That an American Secretary of Agriculture can now profess, as Mr. Freeman does, to see in these agreements a great boon to the American farmer is nothing short of incredible. We had supposed that the U.S. Department of Agriculture was supposed to be interested in American agriculture. However, now he seems to have become just one more of the numerous cooks engaged in stirring up the foreign policy broth.

Mr. Speaker, if the Tariff Commission will not act, if the Secretary of State, or the President's special representative for trade will not act, and if the Secretary of Agriculture will not act, it is high time that the American Congress act now and not perhaps later as Mr. Freeman has suggested. The other body has spoken overwhelmingly. They surely did not propose to do a vain or a useless thing in taking the action that they did. Let us use this occasion here and now—today—to assure the livestock producers of America that we in the House of Representatives are likewise capable of quick and effective action to help save a vital industry and thereby help to restore some measure of economic health not only to that industry alone but all of American agriculture.

Mr. BROWN of Ohio. Mr. Speaker, I yield 3 minutes to the gentleman from Nebraska [Mr. MARTIN].

Mr. MARTIN of Nebraska. Mr. Speaker, in view of the fact that the gentleman from Nebraska objected to the unanimous-consent request of the chairman of the Committee on Ways and Means last week to send this bill to conference, I want to assure the House that in view of the chairman's statements on the floor this afternoon I am in accord with sending this bill to conference at the present time.

I would like further to point out, Mr. Speaker, that the secretary of the National Livestock Feeders' Association has assured me that his association is in agreement with this procedure and that he hopes that proper legislation for relief of the livestock industry may be worked out.

I would like to call the attention of this body to the fact that in June—because this is a continuing serious situation which is adversely and disastrously affecting one of the major segments of the economy of this country, this severe drop in cattle prices—I want to point out to this body that our imports of beef and mutton in June this year were 24 percent greater than they were in 1963. These are figures which I received about 4 days ago from the Department of Agriculture.

Our cattle industry is one of the last independent segments of our economy. They do not want Government help; they do not want Government handouts. I think they are entitled to protection through restrictions of imports of beef into this country because they are one of the finest groups and one of the finest industries we have left today.

Mr. JENNINGS. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Nebraska. I yield.

Mr. JENNINGS. Mr. Speaker, I think in all fairness we should point out to the Members of the House and especially those who are in sympathy with the plight of the cattlemen this section that deals with national emergencies. It says:

> The operation of this headnote shall be suspended with respect to any period which the President declares to be a period of national emergency.

We would not be here today if we were not in a period of national emergency, because we can meet after July 31 only if we are in a period of national emergency. I, for one, hope that this situation can be worked out in conference so that it will say "may" rather than "shall" if the need be there at all.

Mr. MARTIN of Nebraska. Mr. Speaker, I have confidence in the chairman of the Committee on Ways and Means and the other conferees that they will work this out in the best interests of our livestock and cattle industry in this country who so desperately need this help.

Mr. Speaker, I should like to say that I had a telephone call from one of my ranchers in Nebraska within the last 2 days. He advised me that because of the extremely low prices of cattle that he had lost $100,000 in the last 12 months. I think it is time that we looked after the interests of our American taxpayers rather than the interests of those in foreign countries.

Mr. BROWN of Ohio. Mr. Speaker, let us express the hope that the livestock producers of this country will find that their hopes are well founded.

Mr. Speaker, I yield 3 minutes to the ranking member of the Committee on Agriculture [Mr. HOEVEN].

Mr. HOEVEN. Mr. Speaker, I believe we all understand the parliamentary situation. Let me say that I appeared before the Committee on Rules and asked for a rule which would have permitted the House to adopt a rule to accept the Senate amendments. I think that would have been the most direct way to handle the situation and it would have given remedial relief to our cattle feeders. The Committee on Rules, however, by a vote of 8 to 6, decided otherwise. The question before us is whether or not we shall now send the bill to conference. I have faith in the integrity and the honesty of the chairman of the Committee on Ways and Means and in all of the conferees to be appointed. However, I would like to ask the chairman of the Committee on Ways and Means about the timing element and what we may expect in the next few days if the bill goes to conference.

Where do we go from here, Mr. Speaker? Are we going to have a meeting of the conferees promptly so that this matter can be decided within the next day or two? I would be pleased to hear from the chairman of the Committee on Ways and Means.

Mr. MILLS. I am pleased to advise my friend, if he will yield——

Mr. HOEVEN. I yield to the gentleman from Arkansas.

Mr. MILLS. That it is the intention to go to conference at 2:30 tomorrow afternoon if the matter is disposed of in the Senate; that is, the request and the appointment of conferees. They expect to do so today according to my understanding.

Mr. HOEVEN. And if and when the conference report is not approved will the House then have an opportunity to vote immediately to accept the Senate amendments?

Mr. MILLS. I cannot advise the gentleman on that point. I am just not in a position to advise him. All I can say to the gentleman is that it is the intention of those of us who will probably be conferees to expedite the conference and return the conference report to the House.

Mr. HOEVEN. I am glad to have that encouraging statement, but I am still a bit apprehensive.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. HOEVEN. I yield to the gentleman from Indiana.

Mr. HALLECK. Has an arrangement been made by which we will get the papers first?

Mr. MILLS. If the gentleman from Iowa will yield, that can be done, if it is desirable, but it may not be desirable for us to act first.

Mr. HOEVEN. Mr. Speaker, may I say that I share the apprehension of the gentleman from Illinois [Mr. ANDERSON], and others, as to what may happen in conference. I say that for the reason that during the past several months many of us have been told that the administration was strongly opposed to the legislation and that, if passed, it would be vetoed.

Furthermore, the chairman of the Committee on Ways and Means has suggested that there might be some difficulty in agreeing to a proper conference report.

This alone indicates that there may be some innocuous conference report which is not going to help the situation at all. Any conference report which has the approval of the State Department is likely to be a dandy as far as affording our cattle feeders any relief.

I still hope that something constructive will result from sending the bill to conference.

In my judgment, it would have been the better part of wisdom to have agreed to the Senate amendments.

Mr. BROWN of Ohio. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota [Mr. NELSEN].

Mr. NELSEN. Mr. Speaker, unfortunately at a time when the income in nonfarm operation is going up, farm income has been going down and at this point the parity ratio of farm income is the lowest that it has been for 25 years. It now stands at the deplorable level of 74 percent of parity.

One segment of our agricultural economy that has been hard hit is the livestock feeders. While prices were going down imports were increasing at an unprecedented level. This situation has previously been referred to in this debate.

A tremendous grassroots demand developed requesting legislative relief as far as imports are concerned.

Many of us recall when the Reciprocal Trade Act was passed we were assured that the farmers' interests would be protected. I personally feel that in view of the fact that reasonable and fair negotiations obviously did not develop, the farmers were left with only one alternative and that through the legislative process.

We all recall the Hruska proposal which would have amended the wheat-cotton bill to provide limitations on beef imports. This amendment was defeated and soon the grassroots began to speak and loudly.

Some of our farm publications and news commentators indicated that rumors prevailed that the Senate would pass an important limitation bill and then the bill would be conveniently lost in the House. This procedure would take the politically embarrassed Senators off the hook.

We are now faced with a decision as to procedure and as to provisions in the Senate bill that some now declare would make the bill inoperative because of the reference to national emergencies.

I submitted to the Library of Congress a request for a clarification on this point which I wish to insert at this point in the RECORD.

THE LIBRARY OF CONGRESS,
LEGISLATIVE REFERENCE SERVICE,
Washington, D.C., August 10, 1964.

To: Hon. ANCHER NELSEN (Attention of Mr. Donald W. Olsen).
From: American Law Division.
Subject: Viability of Korean national emergency.

This will refer to your request of August 10, 1964, for information on the present effect of the national emergency proclaimed by President Truman during the Korean war. As discussed today on the telephone, we will also furnish a brief statement on the following connected point: If a law is passed now providing that certain tariff restrictions on certain imported commodities shall be suspended during periods of national emergency as proclaimed by the President, would the Korean war emergency have any effect on such law?

To recapitulate our telephone discussion, the national emergency proclaimed by President Truman on December 16, 1950 (15 Federal Register 9029; procl. No. 2914), has never been terminated or modified by the President or by Congress. The emergency was proclaimed as a result of the Red Chinese intervention in the Korean war in late November 1950; in the proclamation the President speaks of the dangers of world conquest by Communist imperialism, obviously in response to the Chinese move. In the summer of 1953, after long negotiation, an armistice was concluded between the United Nations forces and Red China and North Korea; peace has never formally been concluded. One may regard the armistice as a substantial modification of the emergency proclamation, since it removed the immediate conditions which gave rise to that proclamation. In addition to the armistice, there has been a considerable lapse of time since the proclamation, a factor which also lessens its current effectiveness.

However, the decisive factor in relation to the proposed law and the Korean emergency is that the law will most likely be regarded as prospective; that is, speaking from the date of its enactment and looking to the future only. In the absence of language to the contrary, statutes will take effect from the day of their passage or enactment, *Matthews* v. *Zane,* 7 Wheat. 164; *Robertson* v. *Bradbury,* 132 U.S. 491. Retroactive legislation is looked on with great disfavor because of its tendency to be unjust and oppressive, *White* v. *U.S.,* 191 U.S. 545. With but few exceptions statutes should be construed so that they will have only prospective operation, *Cox* v. *Hart,* 260 U.S. 427, and, indeed, there is a presumption that the legislature intended its enactments to have this effect—to be effective only in futuro, *Brewster* v. *Gage,* 280 U.S. 327; *U.S.* v. *American Sugar Refining Co.,* 202 U.S. 563. Further, a statute expressed in general terms and in the present tense will, as a general rule, be given prospective effect, and considered applicable to conditions coming into existence subsequent to its enactment, even though they were not actually known at the time of the enactment, *Commonwealth* v. *Welosky* (Mass.), 177 N.E. 656.

Assuming that the law in question does not specifically refer to future times in future language (in which case there clearly would be no room for the operation of the Korean emergency), the rules of statutory construction agree that a law should be held to look to the future only. Thus, the national emergency referred to would mean any future emergency proclaimed by the President. The courts would most likely say that if Congress had intended the 1950 proclamation to be effective, it would have said so.

HUGH C. KEENAN,
Legislative Attorney.

The answer is self-explanatory and, according to this interpretation, the Senate language would be operative.

Reference to national emergencies was referred to in the debate in the Senate on July 28, page 17150, which read as follows:

> In the event of national emergency or national disaster in the livestock industry, adjustments can be made in the quota base.

It seems rather strange to me, Mr. Speaker, that a bill as important as this and one that passed the Senate by a vote of 72 to 15 should be inoperative as some now say.

Are we here in the House saying that the majority leader, the majority whip, the minority leader, and whip, as well as many other men of great repute, did not know what they were doing and can it be possible that our legislative procedure has become so careless that we here in the House have before us a bill that is not worth the paper it is written on?

I hope the procedure here recommended does not leave the cattlemen high, dry, and broke.

The statement of the chairman of the Ways and Means Committee may be prophetic and I have in mind his reference to the fact that it could well be a miracle that an acceptable bill could be worked out.

I hope the rumors I have heard prove false and that the House will have an opportunity to vote on a bill that will be effective and helpful to the farmers of America.

Mr. BROWN of Ohio. Mr. Speaker, I yield 2 minutes to the gentleman from Florida [Mr. GURNEY].

Mr. GURNEY. Mr. Speaker, it is obvious what the parliamentary situation is; it is also obvious we do not know what the effect of the passage of this resolution is going to be. I think the

House wants to vote on a livestock import bill this session. We have been prevented from voting on it.

The bill was passed and it went to the Senate. We know the President is against it, we know the State Department is against it, and we know the Secretary of Agriculture is opposed to it. What we want to do is to vote on the bill, and have the Senate consider it and have this thing decided once and for all. If we do not get a chance, both here and in the Senate, the people are going to hear about it. Most of the farmers who are affected in the State of Florida belong to the other side of the aisle, politically. But they know what is going on, and they are going to be watching carefully to see exactly what happens on this bill. I sincerely hope the leadership of this Congress, both in this body and in the other body, will give the Congress a chance to vote on this all-important matter, before we adjourn, a few days hence.

Certainly the American cattle industry deserves as favorable consideration as the foreign cattle industry has received from the executive branch of the Government.

Mr. BROWN of Ohio. Mr. Speaker, I yield 2 minutes to the gentleman from Iowa [Mr. JENSEN].

Mr. JENSEN. Mr. Speaker, I, too, appeared before the Rules Committee in support of the Olsen resolution. The Rules Committee saw fit to turn down that resolution.

Mr. Speaker, I have the honor of representing one of the largest cattle-feeding districts if not the largest in the United States. I can tell you my colleagues that many of my cattle feeders are broke today because of low cattle prices, especially young cattle feeders.

Now let us talk about the consumer for a moment. Well of course, we are all consumers but let me remind the Members of this House that the American farmers feed the American people for about 19 percent of their income. While the average in all the other nations of this world is over 60 percent. While the parity income of our farmers today is the lowest since 1939. Does that mean anything to you Members from city districts?

Mr. Speaker, do you not think it is far past the time when this Congress should pass appropriate legislation to deal fairly with this great segment of good Americans?

Of course, Mr. Speaker, my bill H.R. 10099, which I introduced last February 25, is the bill that should have been made law long ago in order that our meat producers would have been treated fairly by their Uncle Sam, but as everybody knows the President and Secretary Freeman and the State Department were then, as now, vigorously opposed to my bill and to every bill introduced in Congress to reduce meat imports.

The full text of my bill H.R. 10099 follows:

A bill to restrict imports of meat and meat products into the United States

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the total quantity of meat and meat products originating in any country which may be entered, or withdrawn from warehouse, for consumption, during any twelve-month import period, shall not (except as provided in section 3) exceed 50 per centum of the average annual quantity of meat and meat products imported from such country during the five-year period ending on December 31, 1963.

SEC. 2. As used in this Act—

(1) the term "meat and meat products" includes (A) beef, veal, lamb, mutton, pork, poultry, and any other meat to which part 2 of schedule 1 of the Tariff Schedules of the United States applies, whether or not prepared or preserved and whether canned, cured, dressed, or in any other form, (B) live animals imported to provide meat of any kind for human consumption, and (C) any food products which contains meat, of any kind or in any form, and which is intended for human consumption; and

(2) the term "twelve-month import period" means the twelve-month period beginning on the date of the enactment of this Act or any subsequent twelve-month period beginning on an anniversary of such date.

SEC. 3. If, during any twelve-month import period (after the first such period), the total United States market for meat and meat products (as estimated by the Secretary of Agriculture) exceeds the total average annual United States market for meat and meat products during the five-year period ending on December 31, 1963, the maximum quantity of meat and meat products which could otherwise be imported into the United States from any country during such period within the limitation imposed by the first section of this Act shall be increased to an amount bearing the same ratio to such quantity as such market during the twelve-month import period bears to such total average annual market during such five-year period.

SEC. 4. Each quantity referred to in the first section of this Act shall be expressed in terms of dollar value, or in terms of such other units (as prescribed by the Secretary of Agriculture) as will permit its magnitude to be measured, or equated or compared with other quantities in determining whether and to what extent the limitation imposed by such section is applicable, without regard to the kinds of meat and meat products or the proportion of the various kinds of meat and meat products which are included in such quantity. In the case of a product which contains but is not composed exclusively of meat, there shall be taken into account, in determining the magnitude of the quantity involved, only so much of such products, or only so much of the value of such products, as constitutes or is attributable to the meat contained therein.

SEC. 5. The Secretary of Agriculture, under regulations prescribed by him jointly with the Secretary of the Treasury, shall make such determinations and establish such procedures as may be necessary or appropriate to carry out this Act.

Mr. BERRY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. Speaker, I commend the committee for bringing this important legislation to the House floor today.

Mr. Speaker, as many other Members of the House, who are very much interested in the cattle market, I have mixed emotions as we approach the vote on the resolution this afternoon.

I am very certain that this Congress will be adjourning within the next 10 days and this is a very short period in which to work out the differences between the two Houses on this bill.

I realize that the exemption clause in this Senate amendment is a serious matter and the courts might even hold that it renders invalid the entire Senate amendment dealing with the limitation of meat imports.

On the other hand, it might be determined that while the exemption clause does not state that the operation of this law will be suspended during any period in the future, which the President declares to be a period of national emergency, it could be so interpreted, I believe, and if it were so interpreted that only a national emergency being declared after the passage of this act would suspend the operation of the law, then the stockmen of America would be protected. As serious as this is, I would be willing to accept the Senate amendment rather than take a chance of having the whole law go by the board.

The thing that worries me is the fact that several months ago the President threatened to veto any beef import restriction law that Congress passed. He made the statement that no "cow poke" would dictate the foreign policy of America. The State Department has been very vocal in their propaganda against any limitation on meat imports. The Secretary of Agriculture only last week, when speaking before the stockmen's representatives here in Washington, indicated that the Department of Agriculture was opposed to any import restrictions upon beef. A day or two following passage of the Senate amendment the Exporters Association, those who are importing beef from Australia and New Zealand primarily into the United States, ran full page ads in most of the daily papers of the country, arousing the consumers and telling them that if this import restriction became a law that the prices of meat would skyrocket.

All of these things, Mr. Speaker, fill me with fear of what may happen to this meat import restriction bill. The time is short. We have only the assurance of the chairman of the Ways and Means Committee and insofar as that chairman is concerned, he, I know, will do everything within his power to bring back either a report, upon which the conferees of the House and Senate have agreed, and put it up to the House, and if the terms are not acceptable, we as a body can then reject the conference report and by motion agree to adopt this original Senate version which will put us back into the same shape, Mr. Speaker, that we are in right now if we were to vote down the previous question and then vote on the matter of adopting the Senate version.

Under the circumstances I shall follow the best judgment of the stockgrowers and stockfeeders who have worked out these arrangements. I shall vote to send it to conference. I hope the Senate version can be improved. I hope it can be brought back, passed and sent to the President's desk for his signature. Failing in that, I hope we at least have the opportunity to send him the Senate version.

Mr. BROWN of Ohio. Mr. Speaker, I yield 2 minutes to the gentleman from North Dakota [Mr. SHORT].

Mr. SHORT. Mr. Speaker, it is difficult to say much about this most complicated situation in 2 minutes. We must recognize the broad support for this legislation in the U.S. Congress. It has already been said that this bill was passed in the Senate by a very substantial majority of 72 to 15. It is worth pointing out, however, that beef import legislation was introduced in the House by 72 Members. I introduced legislation in April of 1963 so there has been ample time for the Ways and Means Committee to have held hearings.

To some people who have expressed concern about the effect of this legislation on consumers, I would point out that the price of beef to the consumer has gone down very little even though beef imports are at an alltime high. The price to the producer has gone down a lot. I am a rancher myself. We sold our calves off our ranch 2 years ago for 32 cents a pound. We are probably going to sell them this year for 24 cents a pound. Western range calves are being contracted now at that price and lower. This is a price reduction of 25 percent to the cattle producer.

I just want to say a word or two about the agreement between livestock representatives and the members of the Committee on Ways and Means. As I understand it, in talking with the livestock organization representatives the people on the Committee on Ways and Means have properly pointed out some revisions that perhaps should be made in the bill passed by the Senate. If this is going to be a meaningful and effective beef import bill we want to be sure there are no loopholes or unworkable provisions.

With the assurances that have been given by the chairman of the Committee on Ways and Means that we will have a chance to vote on the Senate-passed bill if we cannot agree to the conference report when it comes back here, I think we can do no less now than accept these assurances and let this beef import legislation go to conference. If we do not agree with the conference report we will have a chance to vote on the question that I regret we are not going to be able to dispose of today. Time is running out for this session of Congress and I fear we are risking no action on beef legislation because of the limitation of time.

Mr. SCHWEIKER. Mr. Speaker, I ask unanimous consent that the gentleman from Minnesota [Mr. QUIE] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. QUIE. Mr. Speaker, it is unfortunate that the producers of red meats have been given so little consideration this year. First the majority of the other body refused to add an amendment on beef imports to the wheat and cotton bill. Later they got on record as favoring cattlemen by voting for an amendment to a zoo bill, expecting that it will die in the House. Now when it seemed possible to accept the Senate amendments and send the bill immediately to the President, we find that the amendments are difficient and a conference is necessary to improve the bill.

The time is short for action. I hope the assurances given today will enable us to send an adequate bill to the President. It is for this reason that I support the rule and wish to associate myself with the remarks of my colleague the gentleman from North Dakota [Mr. SHORT], who has had a wealth of experience in the cattle business and for whom I have the greatest respect.

Mr. COLMER. Mr. Speaker, I yield the remaining time to the distinguished chairman of the Committee on Rules, the gentleman from Virginia [Mr. SMITH].

Mr. SMITH of Virginia. Mr. Speaker, when this matter was brought before the Rules Committee on the Senate amendment I favored the rule to adopt the Senate amendment. I did so because I am very much interested in the distressing condition of the cattle market and I know something about it from personal experience. If I felt that bill would serve purpose, I would be voting this morning to vote down the previous question and adopt the Senate bill. I am convinced, however, since we held a meeting in the Rules Committee, that if we did do that the bill by reason of this national emergency clause could very probably make the bill totally ineffective from the very beginning. That is not what any of us wants to do, I am sure.

I have come to the conclusion that the best chance we have, and it is only a chance, I think everybody ought to understand that, is to send the matter to the Ways and Means Committee for a conference with the assurances given us already by the chairman of that committee. I say it is a chance because we are, I think, endeavoring to adjourn here next week, and that gives you less than 10 days to get this thing through all the machinery that it has to go through both in the House and in the Senate. I do not know whether when it gets to the Senate you are ever going to get anything back over here or whether they are ever going to do anything at all. They may or they may not accept it. But I believe the way we are pursuing is the best one, in view of the very short time we have left. As I understood the gentleman from Arkansas, the chairman of the committee, we are assured that this conference report will come back to the House this week, so that we can be on the way to negotiations with the Senate.

Mr. MILLS. No, I had not said it would be possible to bring it back this week. What I said was this:

If the Senate succeeds, as I understand it intends to try, to appoint conferees today, after conferring with the distinguished Senator from the gentleman's State of Virginia, it was agreed we would go to conference at 2:30 tomorrow afternoon. Whether or not we could have the matter back to the House for consideration on Friday, I could not say. I would think it might at the outside possibly be Monday of the following week. Of course, we will try.

Mr. SMITH of Virginia. Can the gentleman give us any definite assurance now as to the latest date that this House will have an opportunity to act on this matter?

Mr. MILLS. I could not give you any definite assurance. There are too many imponderables and matters over which I have no control. We have to file a conference report first. It would be our intention to expedite the conference. Certainly, I am not going to take a whole lot of time trying to settle this in conference.

Mr. SMITH of Virginia. I am sure that you are not.

Mr. MILLS. What I said, as the gentleman will recall, is that we will try to bring something back from conference that will be constructive and helpful. We will bring something back that we can act on and we will do it as expeditiously as we can. I just do not want to say that we will have it back here and have a vote on it on Friday.

Mr. SMITH of Virginia. Or on any other day?

Mr. MILLS. I cannot say it will be Friday. The gentleman asked me if it would be this week.

Mr. SMITH of Virginia. Yes, now I ask the gentleman—what is the latest date?

Mr. MILLS. I told the gentleman that I thought the latest date would probably be Monday. We would be ready on Monday of next week. I do not intend to take 4 or 5 days in conference on this, I will tell the gentleman.

Mr. SMITH of Virginia. I know and I think the House ought to thoroughly understand the whole thing is not in the hands of the chairman of the Committee on Ways and Means.

Mr. MILLS. Absolutely, and I appreciate the gentleman pointing that out.

Mr. SMITH of Virginia. This thing is pretty vital to the cattle people of this Nation. I think we ought to be pretty sure that we are going to get to vote on the matter.

The SPEAKER. The time of the gentleman from Virginia has expired.

All time has expired.

Mr. COLMER. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER. The Chair appoints the following conferees: Messrs. MILLS, KING of California, BOGGS, BYRNES of Wisconsin, and CURTIS.

FOOD STAMP ACT OF 1964

Mr. COOLEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 10222) to strengthen the agricultural economy; to help to achieve a fuller and more effective use of food abundances; to provide for improved levels of nutrition among economically needy households through a cooperative Federal-State program of food assistance to be operated through normal channels of trade; and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, line 5, strike out "economically needy" and insert "low-income".

Page 2, lines 13 and 14, strike out "in economic need" and insert "with low incomes".

Page 2, line 20, strike out all after "(b)" down to and including line 25 and insert "The term 'food' means any food or food product for human consumption except alcoholic beverages, tobacco, those foods which are identified on the package as being imported, and meat and meat products which are imported."

Page 4, after line 20, insert:

"(b) In areas where a food stamp program is in effect, there shall be no distribution of federally owned foods to households under the authority of any other law except during emergency situations caused by a national or other disaster as determined by the Secretary."

Page 4, line 21, strike out "(b)" and insert "(c)".

Page 5, strike out lines 4 to 16, inclusive, and insert:

"SEC. 5. (a) Participation in the food stamp program shall be limited to those households whose income is determined to be a substantial limiting factor in the attainment of a nutritionally adequate diet.

"(b) In complying with the limitation on participation set forth in subsection (a) above, each State agency shall establish standards to determine the eligibility of applicant households. Such standards shall include maximum income limitations consistent with the income standards used by the State agency in administration of its federally aided public assistance programs. Such standards also shall place a limitation on the resources to be allowed eligible households. The standards of eligibility to be used by each State for the food stamp program shall be subject to the approval of the Secretary."

Page 6, line 17, after "a" insert "low-cost".

Page 11, line 8, after "required." insert "In approving the participation of the subdivisions requested by each State in its plan of operation, the Secretary shall provided for an equitable and orderly expansion among the several States in accordance with their relative need and readiness to meet their requested effective dates of participation."

Page 11, after line 19, insert:

"(g) If the Secretary determines that there has been gross negligence or fraud on the part of the State agency in the certification of applicant households, the State shall upon request of the Secretary deposit into the separate account authorized by section 7 of this Act, a sum equal to the amount by which the value of any coupons issued as a result of such negligence or fraud exceeds the amount that was charged for such coupons under section 7(b) of this Act."

Page 17, lines 11 and 12, strike out "not in excess of $25,000,000 for the fiscal year ending June 30, 1964;".

Page 17, line 16, after "1967" insert "; and not in excess of such sum as may hereafter be authorized by Congress for any subsequent fiscal year".

Page 18, line 2, after "section." insert "If in any fiscal year the Secretary finds that the requirements of participating States will exceed the limitation set forth herein, the Secretary shall direct State agencies to reduce the amount of such coupons to be issued to participating households to the extent necessary to comply with the provisions of this subsection."

Amend the title so as to read: "An Act to strengthen the agricultural economy; to help to achieve a fuller and more effective use of food abundances; to provide for improved levels of nutrition among low-income households through a cooperative Federal-State program of food assistance to be operated through normal channels of trade; and for other purposes."

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. GROSS. Mr. Speaker, reserving the right to object, and I shall not object, I simply want to point out that immediately following the debate and discussion on the previous resolution, here comes a request that we concur in the Senate amendments on another bill which includes a watered down restriction on beef imports.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina [Mr. COOLEY]?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

Mr. COOLEY. Mr. Speaker, I ask unanimous consent that I may extend my remarks on the Senate amendments to the bill, H.R. 10222, and that the author of the bill, the gentlewoman from Missouri [Mrs. SULLIVAN] be granted the same permission.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. COOLEY. Mr. Speaker, H.R. 10222 is a long step forward in the Nation's war on poverty. It shares the blessings of our food abundance among our own people. It is my hope and expectation that the House will act finally on this legislation before nightfall and send it on to the President for his signature.

This bill improves, expands and makes permanent the food stamp program that now is operating successfully on a pilot and experimental basis in 43 areas in 22 States, covering some 380,000 persons.

There now are on file in the Department of Agriculture 234 requests for the program from other localities in many States.

The food stamp program, through the pilot operations, has proved to be the most effective method yet devised to insure that all Americans have the opportunity for an adequate diet.

For many years surplus commodities have been distributed by the Government directly to needy persons. The food stamp program operates through the regular food marketing system.

H.R. 10222 establishes a national policy that, in order to promote the general welfare, the Nation's abundance of food shall be utilized cooperatively by the States, the Federal Government, and local governmental units to the maximum extent practicable to safeguard the health and well-being of the Nation's population and raise levels of nutrition among economically needy households.

Moreover, through this legislation, the Congress finds that increased utilization of foods in establishing and maintaining adequate national levels of nutrition will tend to cause the distribution in a beneficial manner of our agricultural abundance and will strengthen our agricultural economy, as well as result in more orderly marketing and distribution of food.

Therefore, H.R. 10222 will permit those households in economic need to receive a greater share of the Nation's food abundance.

Mr. Speaker, I share the concern of the gentleman from Missouri [Mr. JONES] about a situation in which there would be a food stamp plan in operation in a community but where there might be in the same community, because of the exigencies of circumstances or some peculiarity of State law, a substantial number of families who, for part of the year, for example, might not be able to participate in the food stamp program or to obtain local relief. It would be unconscionable that the provisions of this law, which is designed to alleviate hunger, should operate to deprive persons in such circumstances from the benefits they would otherwise receive under the direct distribution program.

On the other hand, I believe it to be not only wasteful of public funds but highly undesirable from an administrative standpoint that there should be, under any ordinary circumstances, a food stamp program and direct distribution to households operating in the same community.

The fact that a household may have no income at all during portions of the year does not necessarily prevent that household from participating in the food stamp program. If there are circumstances in any community which would prevent many households from being eligible to participate in the stamp program for a temporary period, it seems to me that this could qualify such an area under the "emergency situation" provision of the Senate bill and that the Secretary of Agriculture would be permitted by the language of the Senate bill to institute a direct distribution program of such scope and for such period of time as he might determine necessary to take care of these families.

I have discussed this matter with the Secretary of Agriculture and he informs me that this is the manner in which he believes the language should be construed if the bill is enacted as amended.

Mrs. SULLIVAN. Mr. Speaker, the enactment of H.R. 10222 will go a long way toward outlawing hunger in the United States. More than that, it will assure adequate, nutritious, appetizing diets for millions of Americans, including those now living almost entirely on powdered milk, powdered eggs, dried beans, cornmeal, flour, and other surplus food items.

I introduced my first bill on this subject more than 10 years ago. During all of the Eisenhower administration, this legislation was bitterly opposed in the executive department. Even after Congress enacted my original bill on a 2-year trial basis in 1959 as part of Public Law 480, the previous administration refused even to try it. Now we have an administration which wants to use the food stamp program on a national basis, after having had the political courage to try the idea for 3 years on an experimental basis.

Mr. Speaker, as we finally conclude legislative action on this bill after so many crises in its progress, I want to thank some people by name for their efforts on behalf of this idea. First of all, I want to thank you, Mr. Speaker. Both as Speaker and as former majority leader, you worked long and hard and effectively over the years to help me to have this legislation considered and eventually enacted. The present majority leader [Mr. ALBERT]; the chairman of the Committee on Agriculture, the gentleman from North Carolina [Mr. COOLEY]; the gentleman from Texas [Mr. POAGE]; the gentleman from Pennsylvania [Mr. SAYLOR]—the only member of his party to vote for the food stamp bill the first time I called it up for a House vote back in 1957, and a strong supporter of the idea ever since—these men deserve special thanks for their leadership on this issue. Senators Humphrey, Douglas, Aiken, Ellender, Symington, and Long, and the late President Kennedy when he served in the Senate, and my former colleague from Missouri, the late Senator Thomas Hennings, all worked hard for enactment of a food stamp method of distributing additional food to the needy.

As a result of his work in the Senate on my food stamp bill in 1959, John F. Kennedy later had a clear understanding when he became President, of the value of this kind of approach to the contradiction of vast food surpluses and many hungry Americans. His very first Executive order, in January 1961, called for a substantial increase in the types and varieties of food to be distributed to the needy under the direct distribution program.

LETTER TO PRESIDENT JOHN F. KENNEDY

Mr. Speaker, under unanimous consent, I include as part of my remarks the letter I sent to President Kennedy on January 23, 1961, and the response from Larry O'Brien, as follows:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., January 23, 1961.

THE PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: Your first Executive order as President, directing an immediate increase in the types and quantities of surplus food to be distributed to needy persons in areas of chronic labor surplus, provided dramatic evidence to the people of this country—and particularly to the needy—of your resolve to carry out as promptly as possible the 1960 platform pledges of our party as reiterated by you in your campaign. The surplus food distribution program as previously carried out has been heartbreakingly unsatisfactory when compared to the need and to the vast stores of food suitable and available for distribution to the needy.

Increasing the foodstuffs to be given to the needy in areas where local authorities are participating in the distribution program will be of substantial help to thousands of families. Also, it is a step which your administration is able to take without extensive preliminary arrangements. May I respectfully call your attention now to the logical next step—as promised in our platform—placing into effect the food stamp plan authorized by Congress in 1959 but never implemented by the Eisenhower administration?

Distribution of food commodities in surplus through the regular grocery stores will make possible a vast expansion in the utilization of surplus food items. For instance, such items as surplus fresh eggs and milk rather than in powdered form, and such items as fresh or frozen chicken, beef, lamb and pork, fresh or frozen fruits and vegetables could all be distributed efficiently and effectively if the food stamp plan is put into effect.

Furthermore, the greatest single limiting factor in preventing the most effective distribution of surplus food items to the needy—the disproportionately high costs to local authorities in financing the storage, handling and direct distribution—would be eliminated, thus making it possible for these nutritious foods to be distributed to provably needy persons everywhere in the United States, not merely in those areas where chronic unemployment is of such vast proportions as to force local authorities to spend funds they often cannot afford for the direct distribution.

In my city of St. Louis, for instance, our officials recently decided they could no longer afford the high municipal cost of distribution, yet our needy—those on various forms of public assistance and those who cannot qualify technically for assistance despite the need because there are employable persons in the family—such family groups are very much in need of the better diets which could be made available for them by a good surplus distribution program under the food stamp law. A hungry person anywhere in America is just as hungry for not living in a depressed area, and just as much entitled to help.

I am enclosing a copy of the report of the House Committee on Agriculture in 1959 on my food stamp bill at the time it was reported out for House action. From this, you will note that the food stamp law envisions the distribution not only of the few storable commodities in actual Government ownership, but of any and all types of surplus foods removable from the market under section 32 or other support programs.

In refusing to put this law into effect—or to use the same authority contained in section 32 which the Roosevelt administration used to establish a different food stamp plan—the previous administration has maintained that the foods to be distributed under a food stamp plan would merely be the same ones now being distributed—those in actual Government ownership. This is not correct.

Under my bill as written into law, and as outlined in the report of the House committee which I am enclosing, the Government can work out many different arrangements with the food industry for exchange of stocks, etc., just as it does now for processing of surplus items for direct distribution. But in using the regular stores (those which wish to participate) we can distribute fresh and frozen rather than just dry or dehydrated items, and we can quickly build up nutritional standards of 7 million or more Americans not now able to afford a decent minimum diet, no matter where they live.

I, therefore, urge that you direct your Department of Agriculture to set in motion the necessary arrangements to bring the food stamp plan into operation. The present permissive law runs until 1962.

Respectfully yours,
LEONOR K. (MRS. JOHN B.) SULLIVAN,
Member of Congress.

THE WHITE HOUSE,
Washington, D.C., February 17, 1961.

Hon. LEONOR K. SULLIVAN,
House of Representatives,
Washington, D.C.

DEAR MRS. SULLIVAN: The President has asked me to reply to your letter of January 23 on surplus food donations and stamp plans and also to see that your comments and suggestions were brought to the attention of Secretary Freeman. This has been done.

In his economic message to the Congress on February 2, the President reported that he had instructed the Secretary of Agriculture to establish pilot food stamp programs in six localities with high levels of unemployment. In line with your own sponsorship of the 1959 food stamp legislation, the purpose of the pilot operations would be to test the effectiveness of various types of stamp programs as a means of making it possible for more needy families to obtain more nearly adequate diets.

The Department of Agriculture is proceeding to work out the detailed plan of operation for these pilot programs. I know that you realize the many alternatives that must be investigated in the development of such a program and the need to consult with welfare and food trade groups.

We want to thank you for your most interesting and constructive suggestions in this total effort to make fuller use of our agricultural abundances.

Sincerely yours,
LAWRENCE F. O'BRIEN,
Special Assistant to the President.

STRONG SUPPORT FROM PRESIDENT JOHNSON

Mr. Speaker, the pilot-plan approach, begun originally in six areas, was later extended to 40 counties and to the cities of Detroit, St. Louis, and Pittsburgh. On balance, it has been a tremendous success, even though, as a new program of Government, involving a great deal of Federal-State-local coordination and cooperation, it has run into many administrative problems which have had to be solved. But they are being solved, and those who participate in this program have strongly endorsed it as a vast improvement over the direct distribution system.

President Johnson put the full weight of his office, and of his tremendous powers of persuasion, behind this legislation, and its final passage in the Congress today is largely a tribute to his powerful leadership. Secretary Freeman has never wavered in his effective support of this idea—in contrast to his predecessor who said it could not work, this Secretary of Agriculture made it work. Ken Birkhead, special assistant to the Secretary of Agriculture, who recently received the Department's top award for distinguished service, earned that award at least in part for the outstanding work he did in making sure Members of Congress had the full and correct facts on this legislation.

Mr. Speaker, there are undoubtedly many others—Members of Congress, congressional staff people such as Charles B. Holstein, John Heimburger, of the Agriculture Committee, and others—who deserve thanks and appreciation for their long and hard work on this legislation. Congresswomen MARTHA GRIFFITHS, EDNA KELLY, ELIZABETH KEE, and EDITH GREEN should certainly be mentioned for the help and encouragement they gave me over the years—and there are many, many others who also helped.

I am truly grateful to all who supported me on this. To all of them, I say thank you. And the people of this country will thank you, too—particularly those who will have the opportunity under this legislation to enjoy for the first time a really decent, attractive, diet in the American tradition.

Mr. HOEVEN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point.

The **SPEAKER**. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. HOEVEN. Mr. Speaker, I want to make it clear at this point in the RECORD that I do not support H.R. 10222, the bill to establish a nationwide food stamp program.

In my opinion this is bad legislation. It will decrease domestic outlets for our agricultural surpluses, it will deny many needy people the opportunity to acquire surplus food, it will be a very expensive and inefficient welfare program for the taxpayer to assume, and it will further erode the rights and responsibilities of State and local governments.

The record to this point shows that this legislation has been approved over the unanimous objection of the Republican members of the Committee on Agriculture set forth in the minority report on H.R. 10222—House Report 1228—88th Congress. The record also shows that it was passed through the House on April 8, 1964, as a "package deal" with the cotton-wheat bill in spite of overwhelming opposition by House Republicans.

This is a new and massive program which clearly shows the basic differences in Government philosophy between the Johnson administration and the mainstream of Republican thought. I am indeed sorry that the administration has prevailed and that this bill will now become law.

If any recourse were available to prevent its enactment, I can assure you I would pursue it. However, a conference with the other body would serve no useful purpose as all but one of the amendments adopted by the other body changed little of substance in the bill.

The only amendment of importance adopted by the other body establishes the prohibition on the use of food stamps for imported meat and meat products. Since the administration opposes this amendment, it would surely be lost in a conference report.

Thus the choice today is not one between a good bill and a bad bill; rather it is a choice between the lesser of two evils, and under the circumstances I am not objecting to accepting the Senate amendments.

INCREASING THE RETIREMENT SALARIES OF CERTAIN RETIRED DISTRICT OF COLUMBIA JUDGES

Mr. McMILLAN. Mr. Speaker, I call up the bill (H.R. 12198) to amend section 11-1701 of the District of Columbia Code to increase the retirement salaries of certain retired judges, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The **SPEAKER**. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 11-1701 of the District of Columbia Code is amended by adding at the end thereof the following new subsection:

"(d) A judge of the District of Columbia Court of Appeals or the District of Columbia court of general sessions who has retired prior to the effective date of section 306 of the Federal Executive Salary Act of 1964 shall receive an increase in the retirement salary to which he is otherwise entitled under this section in the same percentage as the increase in salaries provided in section 306(1)(2) and section 306(1)(3) of the Federal Executive Salary Act of 1964 for judges who are serving on the effective date of such section 306 on the District of Columbia Court of Appeals and the District of Columbia court of general sessions."

SEC. 2. The increases in retirement compensation authorized by the amendment made by the first section of this Act shall take effect on the first day of the first month which begins after the date of enactment of this Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. McMILLAN. Mr. Speaker, the purpose of the bill is to give retired judges of the District of Columbia Court of Appeals and of the District of Columbia Court of General Sessions, a raise in salary.

It is the opinion of your committee that such legislation is necessary and appropriate in order that the same salary ratio between active and retired District of Columbia judges under present law may be retained.

The 16 judges of the District of Columbia Court of General Sessions, and the 3 judges of the District of Columbia Court of Appeals are all included in the recently approved Federal Employees Salary Act of 1964—H.R. 11049, recently passed by the Congress. However, through inadvertence, no provision was included therein to cover the two retired judges—one in the court of appeals and one in the court of general sessions. Inasmuch as each of these judges has continued to perform active service in the two courts named, it is felt that in fairness and justice they should be entitled to a proportionate raise in their compensation.

MEMORANDUM RE JUDGES SALARIES

Only two judges have retired from the local District of Columbia Court of Appeals and from the District of Columbia Court of General Sessions:

Judge George D. Neilson retired after 20 years service and as general sessions judge was receiving $17,500. He receives $11,841 retirement although serving full time on the bench—on which other active judges under the new pay bill will receive $24,000—under this bill he would draw about $16,000.

Former Chief Judge Nathan Cayton retired after 29 years service and was drawing $18,500. He receives $18,367 retirement. Under this bill he, too, would receive about $24,000. He is also on active duty practically full time.

By the reported bill, those judges who have heretofore retired will have their salary computed under the same formula and at the new rate of compensation as will be the case with judges who may in the future retire under the 1964 Salary Act. In other words, there will be, and in the opinion of your committee there should be, no difference in the status of presently retired judges and judges who may retire in the future, at least insofar as such retirement occurs under the existing law.

BACKGROUND

The Consolidation Act—Public Law 512, 77th Congress, 2d session—approved April 1, 1942, provides—in section 11—for the retirement of judges after serving 20 years or more, with compensation in equal monthly installments in the sum equal to such proportion of the salary received by such judge on the date of such retirement that the total of his aggregate years of service bears to the total of 30 years.

Paragraph (b) of the same section provides that any judge receiving retirement salary may be called upon by the chief judge of either court to perform such judicial duties as may be requested of him for a period up to 90 days in any year.

The fact of the matter is, as stated, that both the retired judges have continued to perform active service, and one of them has given full time on the bench for the last 9 months, due to court vacancies, sickness, and vacations, and of course neither has received the compensation of a full-time judge even though he has worked full time. The reported bill would obviate such injustice.

GENERAL LEAVE TO EXTEND

Mr. McMILLAN. Mr. Speaker, I ask unanimous consent that, after passage of each District of Columbia Committee bill today, the subcommittee chairman and I, as committee chairman, may be permitted to insert remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

AMENDING THE DISTRICT OF COLUMBIA INCOME AND FRANCHISE TAX ACT OF 1947 AND THE DISTRICT OF COLUMBIA BUSINESS CORPORATION ACT WITH RESPECT TO CERTAIN FOREIGN CORPORATIONS

Mr. McMILLAN. Mr. Speaker, I call up the bill (H.R. 8407) to amend the District of Columbia Income and Franchise Tax Act of 1947, as amended, and the District of Columbia Business Corporation Act, as amended, with respect to certain foreign corporations, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title VII of the District of Columbia Income and Franchise Tax Act of 1947, as amended (D.C. Code 47–1571 and the following), is amended by adding at the end thereof the following new section:

"SEC. 3. EXEMPT FOREIGN CORPORATIONS.—A foreign corporation authorized to invest in loans secured by real estate, which does not maintain any office or employees in the District of Columbia, shall not be subject to taxation under this article if the only activities of such foreign corporation in the District of Columbia are one or more of the following:

"(1) the acquisition of loans (including the negotiation thereof) secured by mortgages or deeds of trust on real property situated in the District of Columbia pursuant to commitment agreements or arrangements made prior to or following the origination or creation of such loans;

"(2) the physical inspection and appraisal of property in the District of Columbia as security for mortgages or deeds of trust;

"(3) the ownership, modification, renewal, extension, transfer, or foreclosure of such loans, or the acceptance of substitute additional obligors thereon;

"(4) the making, collecting, and servicing of such loans through a District of Columbia concern engaged in the business of servicing real estate loans for investors;

"(5) maintaining or defending any action or suit or any administrative or arbitration proceeding arising as a result of such loans;

"(6) the acquisition of title to property which is the security for such a loan in the event of default on such loan;

"(7) pending liquidation of its investment therein within a reasonable time, operating, maintaining, renting, or otherwise dealing with selling, or disposing of, real property acquired under foreclosure, sale, or by agreement in lieu thereof."

SEC. 2. Section 99 of the District of Columbia Business Corporation Act (D.C. Code 29–933) is amended by adding at the end thereof the following new subsections:

"(c) No foreign corporation which is exempt from taxation under the District of Columbia Income and Franchise Tax Act of 1947 by section 3 of title VII of such Tax Act of 1947 shall be subject to the provisions of this Act.

"(d) Nothing in subsection (c) of this section shall be construed as affecting the amenability of any foreign corporation to the service of any process, notice, or demand to which such corporation would be amenable without reference to the provisions of such subsection (c).

"(e)(1) Any foreign corporation exempt from taxation under the District of Columbia Income and Francise Tax Act of 1947 by section 3 of title VII of such Act shall be deemed to have waived any immunity to service of process and suit in the courts of the District of Columbia. Any such foreign corporation shall appoint and maintain in the District of Columbia an agent for service of process, and shall register with the Commissioners of the District of Columbia the address of its principal office and the name and address of its agent for service of process in the District of Columbia, including any changes in such addresses.

"(2) Whenever any such foreign corporation does not have an agent for service of process or such agent cannot be found with reasonable diligence at his registered address, then the Commissioners of the District of Columbia shall be the agent for service of process for such corporation. Service of process on the Commissioners shall be made by delivery to, and leaving with them, or with any person having charge of their office, duplicate copies of the process. In the event of such service the Commissioners shall immediately cause one of such copies to be forwarded by registered mail, addressed to such foreign corporation at its principal office as it appears on the records of the Commissioners. Any such service shall be returnable in not less than 30 days, unless the rules of the court issuing such process prescribe another period, in which case such prescribed period shall govern.

"(3) Nothing contained in this subsection shall limit or affect the right to serve any process, notice, or demand required or permitted by law to be served on a foreign corporation in any other manner now or hereafter permitted by law.

"(4) Any foreign corporation which fails to comply with the requirements of paragraph (1) of this subsection shall be guilty of a misdemeanor and shall be fined not more than $500.

"(5) The Commissioners of the District of Columbia are authorized to make such rules and regulations as may be necessary to carry out the purpose of this subsection."

SEC. 3. The amendment made by the first section of this Act shall take effect with respect to taxable years beginning on and after December 31, 1960.

Mr. GROSS. Mr. Speaker, I move to strike the last word.

Mr. Speaker, I believe we should at least have a brief explanation of the bill. Will the gentleman briefly explain the bill?

Mr. McMILLAN. Mr. Speaker, I shall be happy to explain the bill to the gentleman from Iowa.

This bill has been before the House on two previous occasions. It was passed by the Senate committee and, for some reason or other, at the end of the session last year the Senate did not have an opportunity to act on the bill.

The purpose of the bill is to give the people in Virginia, in Maryland, and in other States an opportunity to loan money in the city of Washington, as the people of the District of Columbia are permitted to loan money, to make loans, in those States.

Mr. GROSS. Is this to eliminate the tax on money loaned in the District of Columbia?

Mr. McMILLAN. That is correct.

Mr. GROSS. To eliminate the tax, or to make the transactions tax exempt?

Mr. McMILLAN. That is the case, if they pay taxes in their own States. If they do not, they would have to pay taxes here.

Mr. GROSS. I note that the report says that the District of Columbia needs all the funds it can entice for real estate development. That is one of the reasons given for this.

I noted in the newspapers the other day that as a result of the pay increase bill alone the District of Columbia is going to get a windfall of a good many millions of dollars. I cannot remember the amount, but it seems to me it was around $40 million. I wonder if we want to take the bars down and permit money to come into the District of Columbia on a nontaxable basis. If tax revenues are decreased I wonder if there will be demands for additional money from the Federal taxpayers in support of the District of Columbia.

Mr. McMILLAN. Practically every State has a similar provision. I understand from the builders in the District of Columbia that they would like to have some money from outside the District of Columbia, to help them operate.

Mr. GROSS. Mr. Speaker, I yield back the remainder of my time.

The SPEAKER. The question is on the passage of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. McMILLAN. Mr. Speaker, the purpose of the bill H.R. 8407 is twofold. First, it amends the District of Columbia Business Code to clearly state that the transactions specifically enumerated—and which are those typically involved in making a mortgage loan by an investing institution located out of the District—do not constitute "doing business" in the District; second, it amends the District of Columbia tax laws to specify clearly that income received by an out-of-State investing institution from a mortgage loan made on District of Columbia real estate is not subject to District of Columbia franchise taxes.

The District of Columbia needs all the funds it can entice into the District for real estate development. This is particularly true in the urban renewal field. District of Columbia sources simply cannot provide all the funds that are needed.

The enactment of H.R. 8407 is necessary and desirable because under the present District of Columbia Code, no out-of-State investor can be sure whether or not in making a mortgage loan in the District he is doing business in the District; and no out-of-State investor can be sure that the District of Columbia will not try to tax him on income he receives because of having made a mortgage loan on District of Columbia real estate, whether or not he is doing business in the District. Identical bills passed the House in two previous Congresses.

BACKGROUND

The District of Columbia has never attempted to maintain that when an out-of-State investor makes a mortgage loan on District of Columbia real estate it is doing business in the District, nor has it ever attempted to tax income received by an out-of-State investor from a mortgage loan it has made on District of Columbia real estate. Since the District has never threatened to take either of these positions, some out-of-State investors on advice of their lawyers have decided to run whatever risks are involved and are making loans in the District. They are not complying with the District of Columbia doing business laws, and they are not being taxed by the District on the income they receive from the loans. If the District ever attempted to maintain that they were doing business in the District, or ever attempted to tax them on their income from such loans, they would simply stop making mortgage loans in the District.

However, there are a number of savings institutions—particularly, the New York savings banks—who have been told by their lawyers that because of the uncertainty of the District of Columbia statutes that they would be running a very real risk if they made mortgage loans in the District, that the District would first, tax them on their income from such mortgages; and second, make them comply with the requirements for doing business. These institutions have simply decided that they will not take these risks and they do not and will not make mortgages on District of Columbia real estate. Thus, the ability of District sources to find funds to finance building projects is limited—to the detriment of the District of Columbia itself and to many projects within its boundaries.

There are a number of States which have enacted statutes containing language which specifically states that the kinds of activities listed in H.R. 8407 do not constitute doing business in that State. Among those are the following:

Maryland: Section 84, article 23, annotated code as amended by law of 1957, chapter 486.

North Carolina: section 55-131, General Statutes, 1943, as enacted by chapter 1371, laws of 1955.

North Dakota: section 103, H.B. 537, laws of 1957.

Oklahoma: section 1.199(f), chapter A., title 18, Oklahoma Statutes.

Oregon: section 57.655, Oregon Revised Statute.

Texas: article 8.91, chapter 64, laws of 1955 as amended by S.B. 129, laws of 1957.

Wisconsin: section 180.801, Wisconsin Statutes.

Alaska: section 99, chapter 126, laws of 1957.

Hawaii: section 7.5, chapter 174, Revised Laws of Hawaii, 1955.

Florida: section 613.01–661.44, Florida Statutes, 1955.

Idaho: Laws of 1957, H.B. 167, effective March 9, 1957.

Illinois: Smith Hurd, Illinois Statutes Annotated, chapter 32–212.

Louisiana: Laws 1960, act 386, S. 308.

Michigan: 1953 Michigan Laws, No. 180—FHA and VA loans.

Utah: Laws of 1957, S. 222.

Washington: Laws of 1957, chapter 139.

West Virginia: S.B. No. 142, laws, 1957.

Missouri: Laws of 1953, section 362.423.

Tennessee: section 45–1201, 1202, 1203, as amended by laws, 1959, chapter 28—S. 218.

There are a number of other States where the situation is uncertain but where "qualifications" requirements are simple and inexpensive and thus no further legislation has seemed necessary. Among these are: Alabama, Arizona, Maine, Nevada, New Hampshire, New Mexico, South Carolina, and South Dakota.

There is a further number of States where case law—not statute—is so clear that mortgages are made by out-of-State investors without much fear and thus the pressure to enact legislation has not been severe. It is difficult to secure an accurate list of these States but one authority lists among them: Arkansas, California, and Colorado. Sources: "What Constitutes Doing Business," Corporation Trust Co., 1958, "Mortgage and Real Estate Investment Guide," by Malcolm C. Sherman. The effect of H.R. 8407 would be to open up the District to many of the New York savings banks and other financial institutions who are now unwilling to lend money in the District.

Section 1 of H.R. 8407 amends title VII of the District of Columbia Code—Tax on Corporations—so as to make it clear that an out-of-State financial institution not having an office in the District and whose activities are limited to the type of activities specifically enumerated in the bill will not be subject to District of Columbia franchise tax on the income it receives from mortgages it makes on District of Columbia real estate. Under the District statutes—section 47-1571a—any out-of-State corporation which receives income from sources within the District is taxed at the rate of 5 percent on such income. This tax is called a francise tax, but it is a graduated tax levied against the income that the out-of-State corporation receives from District of Columbia sources.

The kinds of activities that the foreign financial institution could carry on without being subject to tax are limited to and enumerated in subparagraphs (1), (2), (3), (4), (5), (6), and (7) of section 1, H.R. 8074. These subsections specifically describe the various steps that are involved in making a mortgage loan and in protecting the investment in the event of default.

Section 2 of H.R. 8407 amends the District of Columbia Business Corporation Act so as to make it clear that the kinds of activities referred to in section 1 do not constitute doing business within the District. If a nonresident corporation were held to be doing business it would have to go through all the steps necessary to qualify. It would first have to secure a license, then it would have to file annual reports, and so forth. These requirements are burdensome, even though not very costly. However, section 2 specifies that the exemption provided does not relieve the foreign corporation from being able to be sued, and so forth, within the District.

It should be pointed out that whenever an out-of-State investor lends money on District of Columbia real estate and receives income from that loan, it, of course, includes that income in the income tax returns it makes to its home State—thus, the income is subject to tax.

It also should be pointed out that if H.R. 8407 is enacted, the out-of-State investor will be in exactly the position that a District of Columbia financial institution is in when it makes mortgage loans in the State of Maryland, for example: The institution reports such income as a part of its total income and pays income taxes to the District of Columbia on the total. It pays no taxes to the State of Maryland, because Maryland has enacted the same kind of a statute as is embodied in H.R. 8407.

The laws of the State of Virginia are uncertain as to the question presented and many out-of-State investors do not lend in that State as a result, although the State of Virginia has never attempted to levy taxes on this kind of a transaction so far as can be determined.

AMEND DISTRICT OF COLUMBIA TEACHERS' SALARY ACT OF 1955

Mr. McMILLAN. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H.R. 12042) to amend the District of Columbia Teachers' Salary Act of 1955, and for other purposes, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act entitled "An Act to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia, and for other purposes", approved August 5, 1955 (69 Stat.

521, ch. 569), as amended, is amended as follows:

(1) The first section is amended by striking all after the first sentence and inserting in lieu thereof the following salary schedules:

[“Salary class and position	Service step								
	1	2	3	4	5	6	7	8	9
Class 1:									
Superintendent	$26,000	----------	----------	----------	----------	----------	----------	----------	----------
Class 2:									
Deputy superintendent	22,000	----------	----------	----------	----------	----------	----------	----------	----------
Class 3:									
Assistant superintendent, president, teachers college	15,240	$15,540	$15,840	$16,140	$16,440	$16,740	$17,040	$17,340	$17,640
Class 4:									
Director, curriculum, dean, teachers college	13,475	13,775	14,075	14,375	14,675	14,975	15,275	15,575	15,875
Class 5:									
Group A, bachelor's degree	11,890	12,160	12,430	12,700	12,970	13,240	13,510	13,780	14,050
Group B, master's degree	12,390	12,660	12,930	13,200	13,470	13,740	14,010	14,280	14,550
Group C, master's degree plus 30 credit hours	12,590	12,860	13,130	13,400	13,670	13,940	14,210	14,480	14,750
Chief examiner.									
Director, food services.									
Director, industrial and adult education.									
Executive assistant to superintendent.									
Psychiatrist.									
Class 6:									
Group B, master's degree	11,950	12,220	12,490	12,760	13,030	13,300	13,570	13,840	14,110
Group C, master's degree plus 30 credit hours	12,150	12,420	12,690	12,960	13,230	13,500	13,770	14,040	14,310
Assistant to assistant superintendent (elementary schools).									
Assistant to assistant superintendent (junior and senior high schools).									
Principal, senior high school.									
Principal, junior high school.									
Principal, elementary school.									
Principal, vocational high school.									
Principal, Americanization school.									
Principal, boys' junior-senior high school.									
Principal, Capitol Page School.									
Principal, health school.									
Principal, laboratory school.									
Principal, veterans high school.									
Assistant to assistant superintendent (general research, budget, and legislation).									
Assistant to assistant superintendent (pupil appraisal, study, and attendance).									
Director, elementary education (supervision and instruction).									
Director, health, physical education, athletics, and safety.									
Executive assistant to deputy superintendent.									
Class 7:									
Group B, master's degree	11,070	11,340	11,610	11,880	12,150	12,420	12,690	12,960	13,230
Group C, master's degree plus 30 credit hours	11,270	11,540	11,810	12,080	12,350	12,620	12,890	13,160	13,430
Director, elementary education (administration).									
Director in elementary education.									
Director, special education.									
Class 8:									
Group B, master's degree	10,630	10,900	11,170	11,440	11,710	11,980	12,250	12,520	12,790
Group C, master's degree plus 30 credit hours	10,830	11,100	11,370	11,640	11,910	12,180	12,450	12,720	12,990
Dean of students, teachers college.									
Director, school attendance.									
Professor, teachers college.									
Registrar, teachers college.									
Supervising director, adult education and summer school.									
Supervising director, athletics.									
Supervising director, curriculum.									
Assistant principal, elementary school.									
Assistant principal, junior high school.									
Assistant principal, senior high school.									
Assistant principal, vocational high school.									
Assistant principal, Americanization school.									
Assistant principal, health school.									
Supervising director, elementary education (supervision and instruction).									
Supervising director, reading clinic.									
Supervising director, subject field.									
Class 9:									
Group A, bachelor's degree	9,690	9,960	10,230	10,500	10,770	11,040	11,310	11,580	11,850
Group B, master's degree	10,190	10,460	10,730	11,000	11,270	11,540	11,810	12,080	12,350
Group C, master's degree plus 30 credit hours	10,390	10,660	10,930	11,200	11,470	11,740	12,010	12,280	12,550
Assistant director, food services.									
Supervising director, audiovisual instruction.									
Class 10:									
Group B, master's degree	9,750	10,020	10,290	10,560	10,830	11,100	11,370	11,640	11,910
Group C, master's degree plus 30 credit hours	9,950	10,220	10,490	10,760	11,030	11,300	11,570	11,840	12,110
Assistant director, adult education and summer schools.									
Statistician.									
Class 11:									
Group B, master's degree	9,310	9,580	9,850	10,120	10,390	10,660	10,930	11,200	11,470
Group C, master's degree plus 30 credit hours	9,510	9,780	10,050	10,320	10,590	10,860	11,130	11,400	11,670
Assistant director, audiovisual.									
Assistant director, practical nursing.									
Assistant director, subject field.									
Associate professor, teachers college.									
Chief librarian, teachers college.									
Supervisor, elementary education.									
Class 12:									
Group B, master's degree	8,865	9,135	9,405	9,675	9,945	10,215	10,485	10,755	11,025
Group C, master's degree plus 30 credit hours	9,065	9,335	9,605	9,875	10,145	10,415	10,685	10,955	11,225
Chief attendance officer.									
Clinical psychologist.									
Class 13:									
Group B, master's degree	7,960	8,290	8,620	8,950	9,280	9,610	9,940	10,270	10,600
Group C, master's degree plus 30 credit hours	8,160	8,490	8,820	9,150	9,480	9,810	10,140	10,470	10,800
Assistant professor, teachers college.									
Assistant professor, laboratory school.									
Psychiatric social worker.									

[“Salary class and position	Service step							
	1	2	3	4	5	6	7	8
Class 14:								
Group A, bachelor’s degree	$6,475	$6,750	$7,025	$7,300	$7,575	$7,850	$8,125	$8,400
Group B, master’s degree	6,975	7,250	7,525	7,800	8,075	8,350	8,625	8,900
Group C, master’s degree plus 30 credit hours	7,175	7,450	7,725	8,000	8,275	8,550	8,825	9,100
Class 15:								
Group A, bachelor’s degree	5,400	5,685	5,970	6,205	6,440	6,675	6,910	7,145
Group B, master’s degree	5,900	6,185	6,470	6,705	6,940	7,175	7,410	7,645
Group C, master’s degree plus 30 credit hours	6,100	6,385	6,670	6,905	7,140	7,375	7,610	7,845
Attendance officer.								
Child labor inspector.								
Counselor, placement.								
Librarian, elementary and secondary schools.								
Librarian, teachers college.								
Research assistant.								
School social worker.								
Speech correctionist.								
Coordinator of practical nursing.								
Teacher, elementary and secondary schools.								
Census supervisor.								
Counselor, elementary and secondary schools.								
Instructor, teachers college.								
Instructor, laboratory school.								
School psychologist.								

[“Salary class and position	Service step					Longevity step X	Longevity step Y
	9	10	11	12	13		
Class 14:							
Group A, bachelor’s degree	$8,675	$8,950	$9,225	$9,500	$9,775	------------	----------
Group B, master’s degree	9,175	9,450	9,725	10,000	10,275	------------	----------
Group C, master’s degree plus 30 credit hours	9,375	9,650	9,925	10,200	10,475	------------	----------
Class 15:							
Group A, bachelor’s degree	7,380	7,615	7,850	8,085	8,320	$8,880	$9,440
Group B, master’s degree	7,880	8,115	8,350	8,585	8,820	9,380	9,940
Group C, master’s degree plus 30 credit hours	8,080	8,315	8,550	8,785	9,020	9,580	10,140”.]
Attendance officer.							
Child labor inspector.							
Counselor, placement.							
Librarian, elementary and secondary schools.							
Librarian, teachers college.							
Research assistant.							
School social worker.							
Speech correctionist.							
Coordinator of practical nursing.							
Teacher, elementary and secondary schools.							
Census supervisor.							
Counselor, elementary and secondary schools.							
Instructor, teachers college.							
Instructor, laboratory school.							
School psychologist.							

(2) Subsection (a) of section 6 is amended by striking “(a)” and inserting in lieu thereof “(a)(1)”, and by adding the following paragraph at the end thereof:

“(2) Any teacher who was promoted from the salary class originally designated Salary Class 18 under this Act (redesignated as Salary Class 15 by amendments effective on January 1, 1963), if such promotion occurred after June 30, 1958, and prior to January 1, 1963, and who on the effective date of this paragraph occupies the same position to which he was promoted during such period shall be assigned to the numerical service step in his class, or class and group to which he would have been assigned had he been promoted on or after January 1, 1963.”

(3) Section 13 is amended by striking “evening schools” whenever it appears in such section and inserting in lieu thereof “adult education schools”, and by amending the schedule of pay rates contained in subsection (a) of such section to read as follows:

[“Classification	Step		
	1	2	3
	Per diem		
SUMMER SCHOOL (REGULAR)			
Teacher, elementary and secondary schools, and instructor, District of Columbia Teachers College	$21.24	$23.36	$25.56
Assistant professor, District of Columbia Teachers College	25.49	28.03	30.67
Associate professor, District of Columbia Teachers College	27.61	30.37	33.23
Assistant principal, elementary and secondary schools	30.80	33.87	37.06
Supervising director, and professor, District of Columbia Teachers College	30.80	33.87	37.06
SUMMER SCHOOL (REGULAR)—Continued			
Principal, elementary and secondary schools	$33.98	$37.38	$40.90
VETERANS SUMMER HIGH SCHOOL CENTERS			
Teacher	31.86	35.04	38.34
	Per period		
ADULT EDUCATION SCHOOLS			
Teacher	$5.18	$5.71	$6.24
Assistant principal	7.51	8.28	9.05
Principal	8.29	9.14	9.98”.]

SEC. 2. The third sentence of section 9(b)(3) of the Act entitled “An Act for the

retirement of public school teachers in the District of Columbia", approved August 7, 1946, as amended, is amended by striking "on the day after the employee dies" and inserting in lieu thereof "on the first day of the month following the teacher's death".

SEC. 3. This Act shall take effect on July 1, 1964.

With the following committee amendment:

Strike out all after the enacting clause and insert: "That the Act entitled 'An Act to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia, and for other purposes', approved August 5, 1955 (69 Stat. 521, ch. 569), as amended, is amended as follows:

"(1) The first section is amended by striking all after the first sentence and inserting in lieu thereof the following salary schedules:

" 'Salary class and position	Service step 1	Service step 2	Service step 3	Service step 4	Service step 5	Service step 6	Service step 7	Service step 8	Service step 9
Class 1:									
▶ Superintendent	$26,000	----------	----------	----------	----------	----------	----------	----------	----------
Class 2:									
Deputy superintendent	22,000	----------	----------	----------	----------	----------	----------	----------	----------
Class 3:									
Assistant superintendent; president, teachers college	14,960	$15,235	$15,510	$15,785	$16,060	$16,335	$16,610	$16,885	$17,160
Class 4:									
Director, curriculum; dean, teachers college	13,245	13,520	13,795	14,070	14,345	14,620	14,895	15,170	15,445
Class 5:									
Group A, bachelor's degree	11,580	11,840	12,100	12,360	12,620	12,880	13,140	13,400	13,660
Group B, master's degree	12,080	12,340	12,600	12,860	13,120	13,380	13,640	13,900	14,160
Group C, master's degree plus 30 credit hours	12,290	12,540	12,800	13,060	13,320	13,580	13,840	14,100	14,360
Chief examiner.									
Director, food services.									
Director, industrial and adult education.									
Executive assistant to superintendent.									
Psychiatrist.									
Class 6:									
Group B, master's degree	11,640	11,900	12,160	12,420	12,680	12,940	13,200	13,460	13,720
Group C, master's degree plus 30 credit hours	11,840	12,100	12,360	12,620	12,880	13,140	13,400	13,660	13,920
Assistant to assistant superintendent (elementary schools).									
Assistant to assistant superintendent (junior and senior high schools).									
Principal, senior high school.									
Principal, junior high school.									
Principal, elementary school.									
Principal, vocational high school.									
Principal, Americanization School.									
Principal, boys' junior-senior high school.									
Principal, Capitol Page School.									
Principal, health school.									
Principal, laboratory school.									
Principal, veterans high school.									
Assistant to assistant superintendent (general research, budget, and legislation).									
Assistant to assistant superintendent (pupil appraisal, study, and attendance).									
Director, elementary education, supervision, and instruction.									
Director, health, physical education, athletics, and safety.									
Executive assistant to deputy superintendent.									
Class 7:									
Group B, master's degree	10,820	11,080	11,340	11,600	11,860	12,120	12,380	12,640	12,900
Group C, master's degree plus 30 credit hours	11,020	11,280	11,540	11,800	12,060	12,320	12,580	12,840	13,100
Director, elementary education (administration).									
Director in elementary education.									
Director, special education.									
Class 8:									
Group B, master's degree	10,360	10,620	10,880	11,140	11,400	11,660	11,920	12,180	12,440
Group C, master's degree plus 30 credit hours	10,560	10,820	11,080	11,340	11,600	11,860	12,120	12,380	12,640
Dean of students, teachers college.									
Director, school attendance.									
Professor, teachers college.									
Registrar, teachers college.									
Supervising director, adult education and summer school.									
Supervising director, athletics.									
Supervising director, curriculum.									
Assistant principal, elementary school.									
Assistant principal, junior high school.									
Assistant principal, senior high school.									
Assistant principal, vocational high school.									
Assistant principal, Americanization school.									
Assistant principal, health school.									
Supervising director, elementary education (supervision and instruction).									
Supervising director, reading clinic.									
Supervising director, subject field.									
Class 9:									
Group A, bachelor's degree	9,435	9,695	9,955	10,215	10,475	10,735	10,995	11,255	11,515
Group B, master's degree	9,935	10,195	10,455	10,715	10,975	11,235	11,495	11,755	12,015
Group C, master's degree plus 30 credit hours	10,135	10,395	10,655	10,915	11,175	11,435	11,695	11,955	12,215
Assistant director, food services.									
Supervising director, audiovisual instruction.									
Class 10:									
Group B, master's degree	9,505	9,765	10,025	10,285	10,545	10,805	11,065	11,325	11,585
Group C, master's degree plus 30 credit hours	9,705	9,965	10,225	10,485	10,745	11,005	11,265	11,525	11,785
Assistant director, adult education and summer schools.									
Statistician.									
Class 11:									
Group B, master's degree	9,075	9,335	9,595	9,855	10,115	10,375	10,635	10,895	11,155
Group C, master's degree plus 30 credit hours	9,275	9,535	9,795	10,055	10,315	10,575	10,835	11,095	11,355
Assistant director, audiovisual.									
Assistant director, practical nursing.									
Assistant director, subject field.									
Associate professor, teachers college.									
Chief librarian, teachers college.									
Supervisor, elementary education.									
Class 12:									
Group B, master's degree	8,645	8,905	9,165	9,425	9,685	9,945	10,205	10,465	10,725
Group C, master's degree plus 30 credit hours	8,845	9,105	9,365	9,625	9,885	10,145	10,405	10,665	10,925
Chief attendance officer.									
Clinical psychologist.									
Class 13:									
Group B, master's degree	7,880	8,195	8,510	8,825	9,140	9,455	9,770	10,085	10,400
Group C, master's degree plus 30 credit hours	8,080	8,395	8,710	9,025	9,340	9,655	9,970	10,285	10,600
Assistant professor, teachers college.									
Assistant professor, laboratory school.									
Psychiatric social worker.									

" 'Salary class and position	Service step 1	Service step 2	Service step 3	Service step 4	Service step 5	Service step 6	Service step 7	Service step 8	Service step 9	Service step 10	Service step 11	Service step 12	Service step 13	Longevity step X	Longevity step Y
Class 14:															
Group A, bachelor's degree	$6,315	$6,580	$6,845	$7,110	$7,375	$7,640	$7,905	$8,170	$8,435	$8,700	$8,965	$9,230	$9,495	----------	----------
Group B, master's degree	6,815	7,080	7,345	7,610	7,875	8,140	8,405	8,670	8,935	9,200	9,465	9,730	9,995	----------	----------
Group C, master's degree plus 30 credit hours	7,015	7,280	7,545	7,810	8,075	8,340	8,605	8,870	9,135	9,400	9,665	9,930	10,195	----------	----------
Class 15:															
Group A, bachelor's degree	5,250	5,540	5,830	6,055	6,280	6,505	6,730	6,955	7,180	7,405	7,630	7,855	8,080	$8,630	$9,180
Group B, master's degree	5,750	6,040	6,330	6,555	6,780	7,005	7,230	7,455	7,680	7,905	8,130	8,355	8,580	9,130	9,680
Group C, master's degree plus 30 credit hours	5,950	6,240	6,530	6,755	6,980	7,205	7,430	7,655	7,880	8,105	8,330	8,555	8,780	9,330	9,880'.
Attendance officer.															
Child labor inspector.															
Counselor, placement.															
Librarian, elementary and secondary schools.															
Librarian, teachers college.															
Research assistant.															
School social worker.															
Speech correctionist.															
Coordinator of practical nursing.															
Teacher, elementary and secondary schools.															
Census supervisor.															
Counselor, elementary and secondary schools.															
Instructor, teachers college.															
Instructor, laboratory school.															
School psychologist.															

"(2) Subsection (a) of section 6 is amended by striking '(a)' and inserting in lieu thereof '(a)(1)', and by adding the following paragraph at the end thereof:

"'(2) Any teacher who was promoted from the salary class originally designated Salary Class 18 under this Act (redesignated as Salary Class 15 by amendments effective on January 1, 1963), if such promotion occurred after June 30, 1958, and prior to January 1, 1963, and who on the effective date of this paragraph occupies the same position to which he was promoted during such period shall be assigned to the numerical service step in his class, or class and group to which he would have been assigned had he been promoted on or after January 1, 1963.'

"(3) Section 13 is amended by striking 'evening schools' wherever it appears in such section and inserting in lieu thereof 'adult education schools', and by amending the schedule of pay rates contained in subsection (a) of such section to read as follows:

" 'Classification	Step 1	Step 2	Step 3
SUMMER SCHOOL (REGULAR)	Per diem		
Teacher, elementary, and secondary schools, and instructor, District of Columbia Teachers College	$20.75	$22.77	$24.84
Assistant professor, District of Columbia Teachers College	24.90	27.32	29.81
Associate professor, District of Columbia Teachers College	26.98	29.60	32.29
Assistant principal, elementary and secondary schools	30.09	33.02	36.02
Supervising director, and professor, District of Columbia Teachers College	30.09	33.02	36.02
Principal, elementary and secondary schools	33.20	36.43	39.74
VETERANS SUMMER HIGH SCHOOL CENTERS	Per diem		
Teacher	$31.13	$34.16	$37.26
ADULT EDUCATION SCHOOLS	Per period		
Teacher	$5.07	$5.57	$6.07
Assistant principal	7.35	8.08	8.80
Principal	8.11	8.91	9.71'.

"SEC. 2. The third sentence of section 9 (b)(3) of the Act entitled 'An Act for the retirement of public school teachers in the District of Columbia', approved August 7, 1946, as amended, is amended by striking 'on the day after the employee dies' and inserting in lieu thereof 'on the first day of the month following the teacher's death'.

"SEC. 3. (a) Retroactive compensation or salary shall be paid by reason of this Act only in the case of an individual in the service of the Board of Education of the District of Columbia (including service in the Armed Forces of the United States) on the date of enactment of this Act, except that such retroactive compensation or salary shall be paid (1) to any employee covered in this Act who retired during the period beginning on the day following the first day of the first pay period which began on or after July 1, 1964, and ending on the date of enactment of this Act for services rendered during such period, and (2) in accordance with the provisions of the Act of August 3, 1950 (Public Law 636, 81st Congress), as amended, for services rendered during the period beginning on the first day of the first pay period which began on or after July 1, 1964, and ending on the date of enactment of this Act by any such employee who dies during such period.

"(b) For purposes of this section, service in the Armed Forces of the United States in the case of an individual relieved from training and service in the Armed Forces of the United States or discharged from hospitalization following such training and service, shall include the period provided by law for the mandatory restoration of such individual to a position in or under the municipal government of the District of Columbia.

"SEC. 4. For the purpose of determining the amount of insurance for which an individual is eligible under the Federal Employees' Group Life Insurance Act of 1954, as amended, all changes in rates of compensation or salary which result from the enactment of this Act shall be held and considered to be effective as of the date of enactment of this Act.

"SEC. 5. This Act shall take effect on the first day of the first pay period beginning on or after July 1, 1964."

The SPEAKER. The question is on the committee amendment.

The committee amendment was agreed to.

Mr. McMILLAN. Mr. Speaker, I move to strike out the last word.

PURPOSE OF THE BILL

The purpose of H.R. 12042 is to increase the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia.

The amended bill will provide an overall increase of approximately 5 percent in the salaries of all professional personnel in the District of Columbia public school system except for the Superintendent and the Deputy Superintendent. The salaries of those two school officers were substantially increased recently in the same act which provided increases in the salaries of classified and other personnel of the Federal and District of Columbia Governments.

The provisions of the bill would make the following salary ranges applicable to the teachers and other school officers who are included within salary class 15:

	Minimum salary	Maximum salary
Bachelor's degree	$5,250	$9,150
Master's degree	5,750	9,680
Master's degree plus 30 credit hours	5,950	9,880

Class 15 of the teachers' and officers' salary schedule is the primary cost control factor for the reason that it includes approximately 90 percent of all employees covered under the Teachers' Salary Act.

The minimum salaries cited above would be the highest in the Washington metropolitan area, and in fact the salaries provided for District of Columbia teachers in every step of this proposed scale will exceed virtually all comparable salaries in the nearby school jurisdictions. Thus, the District will be in an advantageous position in competing with the outlying counties both as to recruitment of young teachers and retention of older, experienced teachers and related personnel. Your committee hopes that this will make it possible to reduce the present 37 percent of the teachers of the District who are on temporary status, and also to increase the number of men teachers in the city's school system.

These maximums compare very favorably also with the salaries of classified employees of the District and U.S. Governments, when due consideration is given to the fact that teachers work 184 days a year, while classified employees work 239 days a year when they enter and 226 days after 15 years of service.

It should also be borne in mind that many teachers work in the adult education and summer schools, serving as teachers and sometimes as principals. Thus, their salaries are supplemented by those in section 13 of the Teachers' Salary Act which also will be increased substantially by this proposed legislation. The situation of a teacher who receives maximum pay in the regular day schools, and in adult education or summer school, thus compares very favorably when his per diem rates are projected to a work year of equal length with other government employees.

Your committee realizes, however, that the necessity of competing with other school systems in the recruitment and retention of qualified personnel dictates the desirability of the salary increases proposed in this bill. As the teacher shortage continues and even increases, the competition among school systems for the eligible candidates will become even stronger. Since salary is one of the major factors in attracting and retaining such qualified personnel, your committee recognizes that the District's salaries must be favorably competitive with those being offered by school systems in other large cities and the District of Columbia metropolitan area or the quality of the educational program in the Nation's Capital will be adversely affected. For this reason, your committee is pleased to recommend the salary increases represented in this bill, which will place the District of Columbia very near the top among all major cities of the United States in this respect.

The proposed maximum of $9,150 for a teacher with a bachelor's degree, for example, places the District second only to New York City among the 21 cities with populations in excess of 500,000 in this respect.

Also, the proposed maximum of $9,680 for teachers with master's degree and the proposed maximum of $9,880 for a teacher with a master's degree plus 30 credit hours, will place the District third in both these categories among these same cities, only slightly below New York City and San Francisco.

In addition to direct comparisons of pay, two other facts should be remembered in comparing annual salaries of various school systems. First, that the length of the work year varies by as much as 4 weeks among the school systems. New York, for example, has a 190–195-day work year versus 184 in the District. The second fact is that only two other large cities provide both health and life insurance benefits and these are not as extensive as those provided by the District of Columbia government.

In light of the foregoing, it is the feeling of your committee that the proposed maximum salaries for the three qualification levels are the highest that can be justified at this time.

Sections 3 and 4 of the bill as amended by your committee are technical in nature and were requested by the District of Columbia Board of Commissioners who advised your committee as follows:

> These proposed amendments are substantially similar to provisions of H.R. 11049, the Government Employees Salary Reform Act of 1964, passed by the Senate and House of Representatives on August 4, 1964. Similar provisions were included in the act entitled "An act to increase the salaries of officers and members of the Metropolitan Police force and the Fire Department of the District of Columbia, the U.S. Park Police, the White House Police, and for other purposes," approved September 8, 1960 (Public Law 86–734), the act entitled "An act to amend the District of Columbia Teachers' Salary Act of 1955, as amended," approved September 13, 1960 (Public Law 86–773), and the Police and Firemen's Salary Act of 1958 (Public Law 85–584).

This bill would become effective on the first day of the first pay period beginning on or after July 1, 1964, which coincides with the effective date of the recently enacted salary increases for classified and other Federal and District of Columbia Government personnel.

The annual cost to the District of Columbia which would result from the enactment of this bill is estimated at approximately $2,524,000.

Mr. Speaker, I am very much interested in the school system here in the District of Columbia and consider Mr. Hansen, the Superintendent, one of our leading educators.

I was successful in having Mr. Hansen's salary increased by adding his name to the Federal service executive salary increase bill. I have sponsored legislation calling for increase in the salary of schoolteachers in Washington on numerous occasions during the past 26 years. I have also sponsored legislation increasing the retirement and compensation and numerous of other inequities in teacher's salaries since I have been chairman of the House District Committee. In fact, when I was first assigned to the House District Committee the teachers and policemen were receiving a beginning salary between $1,700 and $2,000 and presently teachers in the city of Washington are among the highest paid teachers in the United States and will be the highest paid teachers in any city in the United States with a population between 500,000 and a million, if the present 5-percent salary increase passes.

I read an extremely unnecessary and false statement in the Washington Post dated Sunday, August 9, 1964, concerning schoolteacher's pay in which the reporter writing this article stated that southern Members of Congress were against salary increase for teachers. Nothing could be more untrue than this statement. Personally, I would be willing to give schoolteachers in Washington a much higher salary increase if I thought a salary increase would correct the problems confronting the schools at the present time. I have had at least five schoolteachers during the past few years who have resigned from the school system tell me that they did not resign because of salary and the only reason they could not teach is the fact that they could not properly perform their duties as a teacher since they had no authority to keep discipline during the time the classes were in session. They advised me that the majority of the students fully realize that the teachers have no authority to discipline them and naturally they could not properly carry out their duties and responsibilities as a teacher under these circumstances.

The House of Representatives passed a bill introduced by my colleague, the gentleman from North Carolina, Congressman WHITENER, giving authority to the District of Columbia schoolteachers to enforce discipline in the schools of the District of Columbia; however, this bill has had no consideration by the other body.

The present bill certainly would not have been called up before my committee if I had not called on the full committee to take action on the pending teacher's pay bill, regardless of what you may read in the Washington newspapers.

Mr. BROYHILL of Virginia. Mr. Speaker, I move to strike out the last two words.

Mr. Speaker, I wish to urge favorable action on H.R. 12042, which I introduced on July 23, as amended by the House Committee on the District of Columbia.

The principal purpose of the bill is to provide salary increases for teachers and other professional employees of the Board of Education of the District of Columbia. While I should prefer the provisions of the bill as introduced, which would have afforded an average increase of 8 percent, I am happy to concur with the action of my colleagues on the District of Columbia Committee, who reduced this to 5 percent.

The increase provided by H.R. 12042 as reported to this body will place the teachers of the District of Columbia in quite a favorable situation as compared with those in the other 20 American cities with populations in excess of 500,000. This is illustrated graphically by the following figures which will prevail if this bill is enacted:

	Bachelor's degree	Master's degree	Master's degree plus 30 credit hours
Minimum salary	$5,250 (7)	$5,750 (4)	$5,950 (5)
Maximum salary	9,150 (2)	9,680 (3)	9,880 (3)

NOTE.—The numbers in parentheses indicate the comparative rank of the District in each category as compared with the 21 major U.S. cities.

As for the District's competitive position in regard to teachers' salaries in the Washington Metropolitan area, this will be strengthened very decidedly also by the provisions of H.R. 12042, as reported. In minimum salaries, for example, the District of Columbia will be the highest in all three teacher categories, among the surrounding communities, and highest also in maximum salaries, except for a very small difference in Montgomery County, Md., in maximum salaries for teachers with the master's and the master's degree plus 30 credit hours. Thus, the District will be in an excellent position to compete for and to retain the services of well-qualified teachers and other professional school personnel, which is so vitally important to the continued welfare of our Nation's Capital.

I wish to call attention also to the provisions of paragraph 3 of section 1 of the bill, which provides substantial increases for teachers' salaries in the adult—evening—education courses and in summer sessions. This also is highly important as it affords the teachers and other school personnel an opportunity to augment their regular salaries.

It is difficult for me to express adequately my appreciation of and admiration for the dedicated and highly skilled teachers who serve the school system of the District of Columbia so well. I realize and appreciate the fact that their work is beset with many difficulties and problems inherent in all public service in the Nation's Capital as in all large cities; and I cannot urge too strongly the support of my colleagues in this body for this bill which will afford some measure of recognition for this wonderful group of people.

Mr. GROSS. Mr. Speaker, I move to strike out the last three words.

Mr. Speaker, I am glad to hear the gentleman from Virginia say that the $2½ million is available in the District of Columbia to pay for this increase in salaries. We will be getting a conference report on the District of Columbia appropriation bill I presume tomorrow. I hope we do not find out at that time that the Federal contribution to the District of Columbia has been increased substantially because that would not square very well with this proposed increase of $2½ million for teachers' salaries in the District.

In addition to the 5-percent increase, according to the report, the work period of teachers in the District of Columbia is only 184 days as compared with 190 to 195 days in New York City. And a reading of the report indicates that only two other cities in the United States irrespective of population provide teachers with health and life insurance benefits such as are provided by the District of Columbia.

It seems to me that teachers of the District of Columbia are being very well taken care of in this legislation. As a matter of fact, the report indicates they are being better taken care of in the District of Columbia than are the teachers in the adjoining jurisdictions in Maryland and Virginia. In other words, the pressure will be on the States of Virginia and Maryland to increase their teachers' salaries because of the increase here.

There must be an end sometime, some place, to this business of salary increases. I hope that the Treasury of the District of Columbia is able to afford the $2½ million annual increase involved in this bill.

Mr. SPRINGER. Mr. Speaker, I move to strike out the requisite number of words.

Mr. Speaker, in view of the statements of my good friend and colleague from Iowa I think there ought to be at least this explanation made. The teachers of the District of Columbia as compared with teachers in cities throughout the country with a population of 500,000 to one million are well paid. However, even with the salaries as they are now it seems that it is extremely difficult to recruit schoolteachers in the District for the District of Columbia schools. We do have some social conditions in Washington which are most unusual. Thirty-seven percent, I believe, of the teachers of the District of Columbia are not what I would call fully qualified to teach. They have a temporary status at the present time. Many of them are here because they do not have the qualifications that would enable them to teach in other systems that have higher qualifications. Recruitment of teacher personnel has been probably the most difficult problem with which the District Superintendent of Schools has been faced. Even with the good salary schedules teachers are not attracted to the District of Columbia schools. If any of my colleagues will visit the District of Columbia schools they will get an understanding of why teachers hesitate to come to Washington.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMEND DISTRICT OF COLUMBIA POLICE AND FIREMEN'S SALARY ACT OF 1958

Mr. McMILLAN. Mr. Speaker, at this time I yield to the gentleman from North Carolina [Mr. WHITENER], chairman of Subcommittee No. 6 of the Committee on the District of Columbia, to call up a bill from his subcommittee.

Mr. WHITENER. Mr. Speaker, I call up the bill (H.R. 12196) to amend the District of Columbia Police and Firemen's Salary Act of 1958, as amended, to increase salaries, to adjust pay alinement, and for other purposes, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 101 of the District of Columbia Police and Firemen's Salary Act of 1958 (72 Stat. 481), as amended, is amended to read as follows:

"SEC. 101. The annual rates of basic compensation of the officers and members of the Metropolitan Police force and the Fire Department of the District of Columbia shall be fixed in accordance with the following schedule of rates:

SALARY SCHEDULE

Salary class and title	Service step 1	Service step 2	Service step 3	Service step 4	Service step 5	Service step 6	Longevity step 7	Longevity step 8	Longevity step 9
Class 1:									
Subclass (a)	$6,010	$6,330	$6,650	$6,970	$7,290	$7,610	$7,930	$8,250	$8,570
Fire private.									
Police private.									
Subclass (b)	6,300	6,620	6,940	7,620	7,580	7,900	8,220	8,540	8,860
Private assigned as:									
Technician I.									
Plainclothesman.[1]									
Subclass (c)	6,590	6,910	7,230	7,550	7,870	8,190	8,510	8,830	9,150
Private assigned as:									
Technician II.									
Station clerk.									
Motorcycle officer.									

[1] Service as such for over 60 consecutive calendar days.

SALARY SCHEDULE—Continued

Salary class and title	Service step 1	Service step 2	Service step 3	Service step 4	Service step 5	Service step 6	Longevity step 7	Longevity step 8	Longevity step 9
Class 2:									
Subclass (a)	$7,290	$7,610	$7,930	$8,250	----------	----------	$8,570	$8,890	$9,210
Fire inspector.									
Subclass (b)	7,580	7,900	8,220	8,540	----------	----------	8,860	9,180	9,500
Fire inspector assigned as: Technician I.									
Subclass (c)	7,870	8,190	8,510	8,830	----------	----------	9,150	9,470	9,790
Fire inspector assigned as: Technician II.									
Class 3	7,900	8,220	8,540	8,860	----------	----------	9,180	9,500	9,820
Assistant marine engineer.									
Assistant pilot.									
Detective.									
Class 4:									
Subclass (a)	8,185	8,505	8,825	9,145	----------	----------	9,465	9,785	10,105
Fire sergeant.									
Police sergeant.									
Subclass (b)	8,655	8,975	9,295	9,615	----------	----------	9,935	10,255	10,575
Detective sergeant.									
Subclass (c)	8,765	9,085	9,405	9,725	----------	----------	10,045	10,365	10,685
Police sergeant assigned as: Motorcycle officer.									
Class 5	10,000	10,400	10,800	11,200	----------	----------	11,600	12,000	----------
Fire lieutenant.									
Police lieutenant.									
Detective lieutenant.									
Class 6	11,000	11,400	11,800	12,200	----------	----------	12,600	13,000	----------
Marine engineer.									
Pilot.									
Class 7	12,000	12,500	13,000	13,500	----------	----------	14,000	14,500	----------
Fire captain.									
Police captain.									
Detective captain.									
Class 8	14,000	14,500	15,000	15,500	----------	----------	16,000	16,500	----------
Assistant superintendent of machinery.									
Battalion fire chief.									
Deputy fire marshal.									
Police inspector.									
Class 9:									
Subclass (a)	16,500	17,000	17,500	18,000	----------	----------	18,500	19,000	----------
Deputy fire chief.									
Deputy chief of police.									
Fire marshal.									
Superintendent of machinery.									
Subclass (b)	17,500	18,000	18,500	19,000	----------	----------	19,500	20,000	----------
Deputy chief assigned as the—									
Assistant fire chief.									
Police executive officer.									
Commanding officer of the White House Police.									
Commanding officer of the U.S. Park Police.									
Class 10	21,000	21,500	22,000	22,500	----------	----------	23,000	23,500	----------
Fire chief.									
Chief of Police.									

SEC. 2. The rates of basic compensation of officers and members to whom the adjustment made by the first section of this Act apply shall be adjusted in accordance with this section, and on and after the effective date of this Act, section 2 of the Act approved October 24, 1962 (76 Stat. 1240), shall not apply to any such officer or member whose rate of basic compensation is so adjusted in accordance with this section. Such rates of basic compensation shall be adjusted as follows:

(1) Except as otherwise provided in paragraph (2), each officer and member receiving basic compensation immediately prior to the effective date of this Act at one of the scheduled service or longevity rates of a class or subclass in the salary schedule in the District of Columbia Police and Firemen's Salary Act of 1958, as amended, shall receive a rate of basic compensation at the corresponding scheduled service or longevity rate in effect on and after the effective date of this Act.

(2) Each private in service step 6, longevity step 7, or longevity step 8 in any subclass in class 1, upon completing a minimum of twenty-one years of continuous service as a private—including service in the Armed Forces of the United States but excluding any period of time determined not to have been satisfactory service, shall be advanced to longevity step 9 in class 1, and receive the appropriate scheduled rate of basic compensation for such step in the subclass in which he is serving.

SEC. 3. Section 202(b) of such Act is amended by striking "rescue squad or fire department ambulance", and inserting in lieu thereof "or rescue squad: *Provided*, That on and after the effective date of this proviso, privates in the Fire Department, while assigned as ambulance drivers may, in the discretion of the Commissioners, be placed in subclass (b) or subclass (c) of class 1 in accordance with section 302: *Provided further*, That any private assigned as an ambulance driver who on the effective date of this proviso is designated as technician 1 in subclass (b), class 1 shall continue in subclass (b), class 1, until action is taken to change his subclass placement in accordance with the preceding proviso or such assignment is terminated".

SEC. 4. Section 303(c) of such Act is amended by striking "(c), (d), or (e)" and inserting in lieu thereof "or (c)".

SEC. 5. Section 401 of the District of Columbia Police and Firemen's Salary Act of 1958 (D.C. Code sec. 4-832) is amended by adding at the end thereof the following new subsection:

"(c) Notwithstanding any other provision of this or any other law, each officer and each member of the Metropolitan Police force and of the Fire Department of the District of Columbia shall, upon completion of thirty years of continuous service on the police force or fire department, as the case may be, including service in the Armed Forces of the United States, but excluding any period of time determined not to have been satisfactory service, be placed in, and receive basic compensation at, the highest longevity step in the class or subclass to which his position is assigned in the schedule of rates established by section 101 of this Act. Nothing in this subsection shall be construed to authorize the payment of any retroactive compensation."

SEC. 6. This Act shall take effect as of the first day of the first pay period beginning on or after the date of enactment of this Act.

With the following committee amendments:

Page 4, line 20, strike out "officer and each member" and insert in lieu thereof "deputy chief".

Page 5, strike out lines 7 through 9 and insert in lieu thereof the following:

"SEC. 6(a) Retroactive compensation or salary shall be paid by reason of this Act only in the case of an individual in the service of the District of Columbia Government or of the United States (including service in the Armed Forces of the United States) on the date of enactment of this Act, except that such retroactive compensation or salary shall be paid (1) to an officer or member of the Metropolitan Police force, the Fire Department of the District of Columbia, the United States Park Police force, or the White House Police force, who retired during the period beginning on the first day of the first pay period which began on or after July 1, 1964, and ending on the date of enactment of this Act for services rendered during such period, and (2) in accordance with the provisions of the Act of August 3, 1950 (Public Law 636, 81st Congress), as amended, for services rendered during the period beginning on the first day of the first pay period which began on or after July 1, 1964, and ending on the date of enactment of this Act by an officer or member who dies during such period.

"(b) For the purposes of this section, service in the Armed Forces of the United States, in the case of an individual relieved from training and service in the Armed Forces of the United States or discharged from hospitalization following such training and service, shall include the period provided by law for the mandatory restoration of such individual to a position in or under the Federal Government or the municipal government of the District of Columbia.

"SEC. 7. For the purpose of determining the amount of insurance for which an officer or member is eligible under the Federal Employee's Group Life Insurance Act of 1954, all changes in rates of compensation or salary which result from the enactment of this Act shall be held and considered to be effective as of the date of enactment of this Act.

"SEC. 8. This Act shall take effect on the first day of the first pay period beginning on or after July 1, 1964."

The committee amendments were agreed to.

Mr. WHITENER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. WHITENER. Mr. Speaker, the principal purposes of this bill, H.R. 12196, are first, to provide an increase in the salaries of policemen and firemen; second, to accomplish several adjustments which will provide more adequately for recognition of the assigned responsibilities of certain officers and members of the several police forces and the fire department of the District of Columbia; third, to enable privates with long years of service more nearly to equalize such service with the time required for newly appointed privates to reach the top salary; and fourth, to permit better pay alinement among members.

PROVISIONS OF THE BILL

This bill provides for an average salary increase for policemen and firemen of the District of Columbia of 8.9 percent. This increase will facilitate considerably the recruitment and retention of fully qualified members of the city's police and fire department. For example, the increase from $5,650 to $6,010 provided by the bill for the minimum salaries of police privates would keep the District in first place in comparison with the nearby communities in this respect and would raise the relative standing of the District from eighth to sixth place among the 20 other U.S. cities with population in excess of 500,000. Also, the increase provided by this bill in the maximum salaries for police privates, from $7,150 to $7,610, would maintain the Districts' position of first place position among nearby jurisdictions and would retain also the relative standing of Washington, D.C., in fifth place in comparison with the same 20 major cities in this regard. Furthermore, the increases provided in H.R. 12196 compare favorably with increases given recently to other District employees.

At a public hearing conducted by Subcommittee No. 6 on August 5, 1964, the necessity for this proposed legislation was pointed up by testimony from an official of the Metropolitan Police Department. This official revealed that 17 members of the Metropolitan Police force have resigned since last January to accept employment with other police jurisdictions, and that during fiscal year 1964 a total of 140 men resigned from the force for various reasons. Today, there are 128 vacancies in the District of Columbia Police Department and your committee is informed that because of the failure of a concentrated recruitment drive in this area to fill these vacancies, the Police Department has found it necessary to send recruiting teams into surrounding States with areas of substantial unemployment in an effort to maintain the minimum strength of 3,000 members authorized by the Congress.

A further consideration is the fact that the other communities in the Washington metropolitan area are actively considering substantial salary increases for police and fire personnel. In nearby Virginia, for example, Fairfax County is considering an increase in their recruitment rate for police privates from $4,980 to $5,496, and Arlington County is proposing an increase in the recruitment rate from $4,900 to $5,400. Such increases, together with transportation savings in time and money possible through working in suburban communities, may well affect adversely the recruitments and retention of policemen and firemen in the District of Columbia.

In addition to changes in the present salary rates for privates in the police and fire forces, this bill proposes also to adjust the longevity rates for privates appointed to the force prior to the enactment of the District of Columbia Police and Firemen's Salary Act of 1958 (72 Stat. 481). Under the provisions of that act, a private appointed after January 1958 can reach the maximum salary for that rank in 19 years. However, a private who may have had a number of years of service prior to that date is required to serve more than 19 years to reach the top longevity step. Public Law 87-882, approved October 24, 1962 (76 Stat. 1239), attempted to correct this inequity. However, after this act became operative, it was found that a number of privates would still be required to serve more than 24 years to reach the top longevity step. A private appointed in October 1945, for example, would presently have to serve a total of 24½ years to reach top salary. H.R. 12196 will correct this inequitable situation by providing that all privates will be placed in the top salary step upon completion of 21 years of continuous service, including creditable military service but excluding, of course, any period of service deemed not to have been satisfactory.

Another adjustment provided by this bill will permit rating ambulance drivers in two categories, as "technician I" or "technician II," in recognition of differences in responsibilities, by administrative action under the technician rating procedure.

This bill also will provide for the first time a salary differential for the Deputy Chief in the Metropolitan Police force who is assigned as the police department executive officer, and for the Deputy Chief in the District of Columbia Fire Department who is assigned as the Assistant Fire Chief. Your committee is of the opinion that these differentials are justified in recognition of the fact that each of these officers serves in a top assistant capacity in directing the respective Department's operations in the absence of the respective chiefs and also assists in the daily overall administration of his Department to a far greater extent than is required of the other deputy chiefs. This differentiation is accomplished by changing class 9 in the salary scale to include subclasses (a) and (b). In addition to the two above-mentioned deputy chiefs of the Police and Fire Departments, subclass (b) will also include the commanding officers of the White House Police force and the U.S. Park Police force.

REASONS FOR AMENDMENTS

Section 5 of H.R. 12196, as introduced, would have provided that all officers and members of the Metropolitan Police force and the District of Columbia Fire Department, upon completion of 30 years of continuous and creditable service, would be placed in the top longevity salary step for their rank. After considering testimony adverse to this proposal, however, your committee decided to restrict this provision to the deputy chiefs of the two departments. This provision is in recognition of the fact that a member of these forces achieving rank as deputy chief after 30 years of service is not likely to be able to remain in service sufficiently long to advance through the longevity steps to the top salary, and that such long and distinguished service entitles these men to that reward. Your committee is informed that at present 15 deputy chiefs would be affected by this provision.

A second amendment adopted by your committee would make the act effective on the first day of the first pay period beginning after July 1, 1964. This is in line with the effective date of the recently approved salary increase for classified workers in the Federal and District of Columbia Governments.

The other amendments are purely technical in nature and were recommended by the District of Columbia Board of Commissioners. Your committee is informed that these amendments are substantially similar to provisions of H.R. 11049, the Government Employees Salary Reform Act of 1964, passed by the Senate and House of Representatives on August 4, 1964. Similar provisions were included in the act entitled "An act to increase the salaries of officers and members of the Metropolitan Police force and the Fire Department of the District of Columbia, the U.S. Park Police, the White House Police, and for other purposes," approved September 8, 1960—Public Law 86-734; the act entitled "An act to amend the District of Columbia Teachers Salary Act of 1955, as amended," approved September 13, 1960—Public Law 86-773; and the Police and Firemen's Salary Act of 1958—Public Law 85-584.

The cost to the District of Columbia government of this legislation, for the first full year of operation, is estimated at $3,790,000.

Mr. McMILLAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. McMILLAN. Mr. Speaker, I rise in support of the salary increase bill for police now under consideration. The police department in Washington works under terriffc circumstances and deal with all the top Government officials, all the diplomats from approximately 100 countries who have embassies or consulates located in Washington and they are continuously confronted with obstructions from certain private organizations who would like to dictate to the Chief of Police.

They are subject to abuse from the leftwing newspapers and their hands are practically tied by certain Supreme Court decisions. I realize that a high salary cannot and will not make them more efficient policemen; however, it will assist in relieving some of the high living conditions here in the Nation's Capital.

My committee accepted the bill as it was drafted by the Commissioners and I presume some of their advisers here in the District of Columbia without making any changes other than a slight change in the longevity of the Deputy Chiefs in the fire department and the police department who may be compelled to retire after their promotion to Deputy Chief without having served sufficient time as a Deputy Chief to be able to collect their longevity even though they have served more than 30 years as a member of the Metropolitan Police Department or the Washington Fire Department.

I was of the opinion that this should be applied to the lieutenants, captains, and inspectors; however, the Commissioners objected on the grounds that it would cost several hundred thousand dollars to take care of all the grades effected in the police department and the fire department.

The committee amended the pending bill so it will only effect the Deputy Chiefs who may be required to retire before they have served as Deputy Chief a sufficient length of time to collect their longevity. The unofficial ultraliberal press here in Washington would make the citizens of Washington think that the House District Committee wrote the bill since they stated that the House District Committee reported a bill that would increase the salaries from 6½ percent to 50 percent. The House District Committee did not write the pay scales included in the Police and Fire Department bill and if the privates do not get what they justly deserve it is because the Commissioners and the persons responsible for this piece of legislation did not recommend a higher pay scale.

Mr. BROYHILL of Virginia. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. BROYHILL of Virginia. Mr. Speaker, on July 23, I introduced a bill for the purpose of amending the District of Columbia Police and Firemen's Salary Act of 1958, as amended, so as to increase salaries and adjust pay alinement for members of these forces. More recently, H.R. 12196, containing the provisions of my bill with some additional features, has been reported to this body.

This bill provides for an average salary increase for members of the Metropolitan Police Department and the District of Columbia Fire Department of some 8.9 percent. The additional cost to the District of Columbia government for the first full year of operation is estimated at approximately $3,730,000. It is my conviction that this legislation is necessary in order to maintain the salaries of officers and members of these forces in a competitive position with respect to salaries of police and firemen in other major cities, in nearby communities, and of other District and Federal Government employees.

I am informed that a recent study, made as a supplement to a survey conducted in August of 1962, reveals that during this 2-year interim at least 18 of the 20 other American cities with populations in excess of 500,000 have increased the salaries of their police and fire department employees. Police privates in these cities, for example, have received increases averaging 6.4 percent during these 2 years.

In addition to the increases granted in these major cities, the other communities comprising the Washington metropolitan area are also actively planning increases for their police and fire personnel. In Virginia, for example, Fairfax County is considering increasing the recruiting rate for police privates from $4,980 to $5,496; Arlington County is proposing an increase in their recruitment rate from $4,900 to $5,400; and Alexandria is also studying the possibility of an increase, although the amount has not been disclosed at this time. Such increases, if approved, together with certain other advantages such as transportation savings in time and money resulting from working in these nearby communities, may well have an adverse effect upon recruitment and retention of police and fire personnel in the District of Columbia.

At present, the District of Columbia ranks eighth among the 20 major American cities with respect to minimum salaries paid to police privates, and first in the metropolitan area. The increase in this figure, from $5,650 to $6,010, proposed in this bill, would raise this standing to sixth among the major cities and would retain the position of leadership in the area. As for maximum salaries for police privates, my bill would raise this figure from $7,150 to $7,610, and thus would maintain the District's present rank of fifth place among the 20 major cities and first in the metropolitan area.

In addition to increasing salaries, this bill provides also for an adjustment in pay alinement for certain privates in the police and fire forces. This is necessary because of certain inequities presently existing in this area. Under the provisions of the District of Columbia Police and Firemen's Salary Act of 1958, a private appointed subsequent to January 1958, can attain his maximum salary in 19 years. However, privates who had a number of years of service prior to that date were required to serve more than 19 years to reach the top longevity step. Public Law 87–882, approved October 24, 1962, attempted to correct this inequitable situation by providing a one-step advancement for all privates having 13 or more years of service as of the first day of the first pay period which began after January 1, 1958. After this law became operative, however, it was found that a number of privates would still be required to serve more than 24 years to attain longevity step 9. For example, a private appointed in October 1945, now in longevity step 7 with 18½ years of service and still needing 2 more years of service for advancement to longevity step 8, and 4 more years for advancement to longevity step 9, would be required to serve 24½ years in all, to reach the top longevity step. Because of the date of his appointment, he would not receive the benefit of a step advancement under the 1962 act which would thus have reduced his time to reach the top step.

This bill will correct this situation by advancing all privates to longevity step 9 upon the completion of 21 years of continuous services as a private, including creditable military service but excluding any period of service determined not to have been satisfactory.

This bill has been considered carefully by the Metropolitan Police force, the Fire Department of the District of Columbia, the White House Police force, the U.S. Park Police force, and the Police and Firemen's Associations, all of whom are in general agreement with its provisions.

H.R. 12196 will provide also for a higher pay rate for the Deputy Chief of the Police Department and of the Fire Department who acts in the capacity of assistant chief. Also, it is provided that all deputy chiefs in both services will attain the top longevity pay step after 30 years' service. I heartily approve of these additions to my bill, and urge the support of my colleagues for this bill as reported by the Committee on the District of Columbia.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REGULATING LOCATION OF CHANCERIES IN THE DISTRICT OF COLUMBIA

Mr. McMILLAN. Mr. Speaker, I yield at this time to the gentleman from New York [Mr. MULTER] to call up a bill from this subcommittee.

Mr. MULTER. Mr. Speaker, I call up the bill (S. 646) to prohibit the location of chanceries and other business offices of foreign governments in any residential area in the District of Columbia.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of

America in Congress assembled, That the Act entitled "An Act providing for the zoning of the District of Columbia and the regulation of the location, height, bulk, and uses of buildings and other structures and the uses of land in the District of Columbia, and for other purposes", approved June 20, 1938, as amended, is amended by inserting "(a)" after the section number in section 6 and by adding at the end of such section the following new subsection:

"(b) After the date of enactment of this subsection, no foreign government shall be permitted to construct, alter, repair, convert, or occupy any buildings for use as a chancery, chancery annex, or other business office of such foreign government on any land, regardless of the date of acquisition thereof, within a residence district established pursuant to this Act, except on the same basis as in the case of the construction, alteration, repair, conversion, or occupancy of a similar building by a United States citizen or entity. Nothing in this subsection shall prohibit the continued use as a chancery, chancery annex, or other business office of any building lawfully being used for that purpose on the date of enactment of this subsection, or to prohibit the making of ordinary repairs to any such building. This subsection shall not be administered in such a way as to discriminate against any foreign government on the basis of the race, color, or creed of any of its citizens."

With the following committee amendments:

Strike out all after the enacting clause and insert in lieu thereof the following: "That section 6 of the Act entitled 'An Act providing for the zoning of the District of Columbia and the regulation of the location, height, bulk, and uses of buildings and other structures and the uses of land in the District of Columbia, and for other purposes,' approved June 20, 1938, as amended (D.C. Code, sec. 5–418), is amended by inserting '(a)' after 'Sec. 6.' and by adding at the end of such section the following new subsections:

"'(b) After the date of enactment of this subsection a foreign government shall be permitted to construct, alter, repair, convert, or occupy a building anywhere in the District of Columbia, other than a district or zone restricted in accordance with this Act to use for industrial purposes, for use by such government as an embassy.

"'(c) After the date of enactment of this subsection, except as otherwise provided in subsection (d) of this section, no foreign government shall be permitted to construct, alter, repair, convert, or occupy a building for use as a chancery where official business of such government is to be conducted by more than six persons on any land, regardless of the date such land was acquired, within any district or zone restricted in accordance with this Act to use for residential purposes.

"'(d) After the date of enactment of this subsection a foreign government shall be permitted to construct, alter, repair, convert, or occupy a building for use as a chancery within any district or zone restricted in accordance with this Act to use for medium-high density apartments or high-density apartments if the Board of Zoning Adjustment shall determine after a public hearing that the proposed use and the building in which the use is to be conducted are compatible with the present and proposed development of the neighborhood. In determining compatibility the Board of Zoning Adjustment must find that—

"'(1) in districts or zones restricted in accordance with this Act to use for medium-high density apartments, that off-street parking spaces will be provided at a ratio of not less than one such space for each one thousand two hundred square feet of gross floor area; and

"'(2) in districts or zones restricted in accordance with this Act to use for high density apartments, that off-street parking spaces will be provided at a ratio of not less than one such space for each one thousand eight hundred square feet of gross floor area; and

"'(3) the height of the building does not exceed the maximum permitted in the district or zone in which it is located; and

"'(4) the architectural design and the arrangement of all structures and off-street parking spaces are in keeping with the character of the neighborhood.

"'(e) After the date of enactment of this subsection a foreign government shall be permitted to construct, alter, repair, convert, or occupy a building for use as a chancery where official business of such government is to be conducted by not more than six persons within any district or zone restricted in accordance with this Act to use for residential purposes, other than for medium-high density and high density apartments as provided in subsection (a), if the Board of Zoning Adjustment shall determine after a public hearing that the proposed use and the building in which the use is to be conducted are compatible with the present and proposed development of the neighborhood. In determining compatibility, the Board of Zoning Adjustment must find that—

"'(1) in districts or zones restricted in accordance with this Act to use for single-family residences, for low-density apartments, or for medium-density apartments, or for any combination thereof, that off-street parking spaces will be provided at a ratio of not less than one such space for each six hundred square feet of gross floor area; and

"'(2) the height of the building does not exceed the maximum permitted in the district or zone in which it is located; and

"'(3) in districts or zones restricted in accordance with this Act to use for single-family residences, no new buildings or additions to existing buildings will be provided on a site area of less than two acres; and the total bulk of all such buildings (including additions) will not exceed a floor area ratio of 0.15; and

"'(4) in the case of an existing building in a district or zone restricted in accordance with this Act to single-family residences which does not have a site area of two acres or more, that the site upon which such existing building is located is not less than four hundred feet from the site of any existing chancery located in such district or zone; and

"'(5) the architectural design and the arrangement of all structures and off-street parking spaces are in keeping with the character of the neighborhood; and

"'(6) the operation of the chancery is properly screened from the neighborhood and the anticipated volume of traffic is not likely to change the general character of the neighborhood.

"'(f) In the case of any building used both as an official residence of a chief of a diplomatic mission of a foreign government and as a chancery where the official business of such government is conducted by not more than six persons, the Board of Zoning Adjustment is authorized to require that such number of off-street parking spaces be provided as it determines necessary.

"'(g) As used in this section, the term—

"'(1) "embassy" means a building used as the official residence of the chief of a diplomatic mission of a foreign government, and such term shall include a building used both as the official residence of the chief of a diplomatic mission of a foreign government and as a chancery where official business of such government is conducted by not more than six persons.

"'(2) "chancery" means a building containing business offices of the chief of a diplomatic mission of a foreign government where official business of such government is conducted, and such term shall include any chancery annex, and the business officers of attachés of a foreign government who are under the personal direction and superintendence of the chief of mission of such government. Such term shall not include business offices of nondiplomatic missions of foreign governments such as purchasing, financial, educational, or other missions of comparable nondiplomatic nature.

"'(3) "person" means any individual who is subject to direction by the chief of mission of a foreign government and is engaged in diplomatic activities recognized as such by the Secretary of State.'

"Sec. 2. Nothing in the amendments made by the first section of this Act shall prohibit—

"(1) the future or continued use of a building as a chancery or the making of ordinary repairs to any such building for which lawful use as a chancery existed on the date of enactment of this Act, or

"(2) the construction, reconstruction, expansion, or alteration in accordance with any permit issued by the Board of Commissioners of the District of Columbia on or before February 18, 1964, of any building used or to be used as a chancery.

"Sec. 3. The amendments made by the first section of this Act shall apply only to applications for special exemptions to the zoning regulations filed with the Board of Zoning Adjustment after May 1, 1964.

"Sec. 4. After the date of enactment of this Act, no building or chancery being used by a foreign government in the District of Columbia shall be transferred to or used by another foreign government unless such use is in accordance with section 6 of the Act of June 20, 1938, as amended (D.C. Code, sec. 5–418), or unless such use was in accordance with applicable law at the time of this enactment.

"Sec. 5. This Act and the amendments made thereby shall not be administered in such a way as to discriminate against any foreign government on the basis of the race, color, or creed of any of its citizens."

The committee amendments were agreed to.

Mr. MULTER. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, the purpose of the bill—S. 646—as amended, is to provide that after its enactment, no building shall be constructed, altered, repaired, converted, or occupied or used by a foreign government as a chancery, chancery annex, or other business office in any residentially zoned area within the District of Columbia, unless it conforms to the limitations provided by the bill.

Testimony and documents received by your committee, as a result of its public hearings and studies, revealed that a critical problem had developed in relation to the location of chanceries of foreign governments. The injection of such use of property into residential areas brought voluminous protests from citizens of the District of Columbia. Chancery use, being a business use, brought into residential areas a type of activity for which no citizen of the District of Columbia might expect to be approved for him under the zoning regulations. Further, the location of new chanceries for new nations and the enlargement of existing chanceries presented many difficulties and the situation became increasingly confused and unsatisfactory to all parties concerned.

Prior to 1957, the location of chanceries was not subject to regulation by any agency of the District of Columbia. In the course of revision of zoning regulations of the District of Columbia during that year, chanceries were determined to be business uses. This precluded the location of a chancery in any residential district as a matter of right. However, the zoning regulations permitted chanceries to be established in residential neighborhoods if a special exception under the zoning regulations was obtained after application to the District of Columbia Board of Zoning Adjustment.

The problem became increasingly complicated because of the formation of many new small nations needing chanceries and because of the relocation of chanceries of other nations by new construction or enlargement of existing facilities. Approximately seven new nations were without chancery locations and preferred to establish themselves in residential areas. More than 15 countries had indicated their intention to build or enlarge their chancery facilities. The latter presented a more serious problem than the former.

If the application of a foreign nation was denied for a special exception under zoning regulations, or if the citizens in the neighborhood concerned militantly objected to the commercial encroachment on their residential area, such action could be misinterpreted by foreign nations and become a source of embarrassment to the Government of the United States. The lack of a clear law setting up criteria for the location of chanceries made it extremely difficult to explain the basis for a particular decision which rejected in one case or approved in another case an application for a special exception. Specific legislation such as is proposed in S. 646, as amended, will enable the government of the District of Columbia and the Department of State to explain with precision what locations are appropriate for the establishment of a chancery.

Also, it is no less important that the citizens of the District of Columbia be protected from the disruptive effects of the location of commercial enterprises in residential areas. The location of new chanceries, expansion of existing chanceries, or the relocation of chanceries in newly constructed buildings or at new locations within residential areas, produces difficult parking problems, traffic congestion and residential area deterioration. Your committee believes there is need, therefore, for a definitive statement of legislative policy. As expressed in S. 646, as amended, such legislative policy is presented in a manner which does not discriminate against any foreign government nor against the residents in any particular residential area of the District.

PROVISIONS OF THE BILL

S. 646, as amended, amends existing law providing for zoning in the District of Columbia, approved June 20, 1938—District of Columbia Code, section 5–418. After the date of enactment, chanceries would be permitted in residential zones in the District of Columbia only in conformance with the provisions of the bill in low-density residential zones such as single-family rowhouse, the low-density apartment, and medium-high-density apartment zones, provided such chancery is occupied by six or less accredited employees. Further, such chancery use must be found compatible with the neighborhood and meet the criteria as to off-street parking spaces, building heights, architectural design, and other requirements which would assure that the use be in harmony with the residential neighborhood.

In the case of single-family residential areas, a chancery could not locate within 400 feet of another chancery, would be required to have a minimum of 2 acres for a site, and to conform to the neighborhood in other respects as provided in the bill. However, an application must be filed with the Board of Zoning Adjustment, a public hearing held, and findings made by the Board that the applicant conforms to the requirements of the bill.

Under provisions of the bill, chanceries employing more than six accredited persons could be located only in residential areas which are zoned for high density apartments. Likewise, in such cases, an application must be filed with the Board of Zoning Adjustment, and a public hearing held, and a finding made by the Board of Zoning Adjustment that the applicant meets the requirements specified in the bill. Special purpose and commercial zone districts would continue to be open to chancery uses as at present.

The bill also provides, by redefinition of the term "embassy," that small chanceries employing six or less accredited employees may be located in a residential district. This will facilitate the provision of chancery business offices for small nations which have limited staffs or are unable to afford separate chancery quarters.

Section 2 of the bill preserves all existing rights of use of buildings for chancery purposes. Lawful use of a structure for chancery purpose exists on the date of enactment of the bill. It is the specific intent that no existing lawful rights of use shall be affected by any provision of the bill. Where the lawful use of a building as a chancery has been established and exists on the date of enactment, whether the property be vacant, whether the use as a chancery be interrupted at some future date, or whether the use of the building be transferred from one foreign government to another, nothing in the act shall affect such right of use. Such chancery we could be specifically abandoned by the owner of such property or by demonstration that, as a matter of fact, the use had been otherwise abandoned.

Where lawful use as a chancery existed on the date of enactment, ordinary repairs and maintenance would be permitted. The transfer of use of a chancery from one foreign government to another would be subject to the provisions of present law as amended by this bill to prevent more intensive use of such property in residential areas.

The bill, as amended, provides that any building permit issued for the construction, or reconstruction, expansion or alteration of a chancery issued prior to February 18, 1964, shall not be affected. Also, amendments in the first section are not applicable to applications for special exceptions to zoning regulations which were filed with the Board of Zoning Adjustment prior to May 1, 1964.

Nothing in the bill is to be construed or administered in any way which would discriminate against any foreign government on the basis of race, color, or creed of any of its citizens.

Your committee is aware of the fact that while this legislation meets an urgent immediate need, it does not provide a long-range, desirable solution of the problem of the location of chanceries of foreign governments in the District of Columbia. Agencies of the District government and Federal Government are studying this problem and exploring the possibility of establishing some special area which will be particularly suitable for the location of chanceries in the District of Columbia. Your committee was unanimously of the view that this bill will be in the best public interest for meeting the immediate problems, since it is designed to provide the maximum fairness to all parties concerned.

Mr. SICKLES. Mr. Speaker, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from Maryland.

Mr. SICKLES. I thank the gentleman for yielding.

Mr. Speaker, I want to ask a question at this time in order to be certain that there is no confusion about the matter of preserving existing chanceries.

The language of the bill, as amended by the committee, seems to have cleared up this point. As I understand the bill as it is presently pending, when a building is now lawfully being used for chancery purposes and if the government presently occupying that building moves, the owner of that building has an undisputed right to lease or transfer the building as a chancery to another government; am I correct in my understanding?

Mr. MULTER. The committee believes that the language in the bill accomplishes that purpose. It was the opinion of the committee that to do otherwise would deprive, unconstitutionally, the owners of their property rights and we believe that the language in the bill now preserves all of their property rights to them.

The categorical answer to the gentleman's question is "Yes." The amendment does preserve that right.

Mr. MATHIAS. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, I want to reiterate the position taken by the distinguished chairman of the subcommittee with respect to the grandfather clause which is involved in this amendment.

I concur fully with his answer. It is necessary that we make it clear that we are not invading any existing rights now enjoyed by the owners of properties which are presently being used by chanceries. That is the understanding of the committee in bringing this bill, as amended, to the floor of the House. I assure the gentleman from Maryland [Mr. SICKLES] that is the intention of the committee in coming here and urging the passage of this bill as amended.

Mr. RYAN of New York. Mr. Speaker, I move to strike out the requisite number of words.

Mr. Speaker, I ask unanimous consent to speak out of order.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RYAN of New York. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

THREE COURAGEOUS CIVIL RIGHTS WORKERS

Mr. RYAN of New York. Mr. Speaker, I rise to express my deepest sympathy to the parents of Andrew Goodman, James Chaney, and Michael Schwerner and to the widow of Michael Schwerner. One week ago the haunting uncertainty about the fate of the three young civil rights workers, who disappeared on June 21 in Philadelphia, Miss., was ended. Prejudice, inhumanity, and ruthless brutality had taken their lives in the foulest triple murder. The hours, days, and weeks of waning hope were ended for the distraught parents and an anxious nation. The horrible knowledge of the deed is shocking to people of decency everywhere and makes it imperative that the perpetrators be brought to justice.

On Sunday in New York City thousands mourned James E. Chaney, Andrew Goodman, and Michael Schwerner. At the funeral service for Andrew Goodman Rabbi Arthur J. Lelyveld spoke:

> There are two levels to our grief today and paradoxically the two are one.
>
> First and foremost we grieve for a precious individual. A rare blend of tenderness and manliness marked his unfolding years.
>
> But the tragedy of Andy Goodman cannot be separated from the tragedy of mankind. Along with James Chaney and Michael Schwerner he has become the eternal evocation of all the host of beautiful young men and women who are carrying forward the struggle for which they gave their lives.

Three dedicated young men were brutally murdered for helping fellow Americans to secure a precious political right long denied—the right to vote—the cornerstone of our democracy. They lived and fought for democratic ideals in a society which has yet to realize its dream of equality for all. Because of their sacrifice the fulfillment of that dream is further advanced, and future generations will breathe inspiration from their courage. The place in history of James Chaney, Andrew Goodman, and Michael Schwerner is honored and secure.

Mr. Speaker, during the long period of uncertainty the two highest officials of our Government, our President and our Speaker, were deeply concerned and determined that the case be solved.

From the moment I reported the disappearance on the floor of the House, the gentleman from Massachusetts, Speaker JOHN MCCORMACK, revealed the depth of compassion and understanding for which he is beloved. I want to acknowledge his constant concern and sincerely thank him.

Despite the overwhelming burdens of his office, President Lyndon B. Johnson took a personal interest in the missing young men. It was a deeply moving experience for me to see the President of the United States put down the telephone, turn to Carolyn and Robert Goodman and Nathan Schwerner, and quietly inform them that the FBI had found the burning car.

The determination with which President Johnson then directed FBI Director J. Edgar Hoover and Secretary of Defense Robert McNamara to conduct a ceaseless search assured the parents that every effort would be made. And it was. The President himself called the families last Tuesday to convey the grim truth.

Mr. Speaker, I know the President's sympathetic understanding and personal involvement was a source of comfort to the families. I am grateful to him.

Mr. Speaker, I want to also commend Attorney General Robert F. Kennedy, Deputy Attorney General Nicholas Katzenbach, Assistant Attorney General Burke Marshall, and the First Assistant of the Civil Rights Division John Doar for their diligence and sincere efforts. The FBI, under J. Edgar Hoover, did a thorough and good job which will surely culminate in the apprehension of the murderers.

And at the White House Jack J. Valenti, Lee White, and Myer Feldman of the President's staff must be singled out for their understanding and assistance.

Throughout their anguished ordeal Mr. and Mrs. Robert Goodman have shown incredible courage. In a time of great personal anxiety and sorrow their deep concern for all the civil rights workers in Mississippi and for the cause of equality is a great testimony to them and to the memory of their son. When they knew for certain that Andrew Goodman was dead, the Goodmans wrote an eloquent message for the American people, dedicating themselves to continue to advance the ideals they instilled in their son. Seeing the tragedy as "part of the public conscience" of America, they called upon the Nation to confront the social sickness which led to such inhumanity. In the words of Abraham Lincoln, they reminded us:

> It is for us the living to dedicate ourselves that these dead shall not have died in vain.

Mr. Speaker, at this point in the RECORD I include the eloquent message of two magnificent Americans, Carolyn and Robert Goodman.

STATEMENT OF MR. AND MRS. ROBERT GOODMAN, AUGUST 5, 1964

The passage of many weeks of uncertainty has ended in the knowledge of the murder of our son Andrew Goodman and his companions James Chaney and Michael Schwerner. Hope, slim though it was, has passed away and a painful certainty has come.

Our grief, though personal, belongs to our Nation. This tragedy is not private. It is part of the public conscience of our country.

It is necessary, especially in such a time of agony, to confront ourselves with our own history and the social sickness that still remains long after "the binding together of our Nation's wounds" that was our Civil War.

The values our son expressed in his simple action of going to Mississippi are still the bonds that bind this Nation together—its Constitution, its law, its Bill of Rights.

Whenever and wherever part of a people mock our heritage, as has now again been done, we must respond with the full power and strength of our heritage.

The solution of this crime and the punishment of those who have committed it is necessary as part of the process that will enable this Nation to endure.

Throughout our history, countless Americans have died in the continuing struggle for equality. We shall continue to work for this goal and we fervently hope that Americans so engaged will be aided and protected in this noble mission.

For ourselves, we wish to express our pride in our son's commitment and that of his companions now dead, and that of his companions now alive, now in Mississippi acting each hour to express those truths that are self evident.

In Washington 4 weeks ago, my wife and I in a sense made a pilgrimage to the Lincoln Memorial in the evening and stood in that great shrine looking down past the Washington Monument toward the soft glow of the light around the White House. Full of the awe of a great Nation that surrounded us, we turned to read, emblazoned in black letters on the white marble: "It is for us the living to dedicate ourselves that these dead shall not have died in vain."

The bill was ordered to be read a third time, was read the third time, and passed.

The title was amended so as to read: "To regulate the location of chanceries and other business offices of foreign governments in the District of Columbia."

A motion to reconsider was laid on the table.

PAYMENT OF RELOCATION COSTS IN THE DISTRICT OF COLUMBIA

Mr. McMILLAN. Mr. Speaker, I yield to the gentleman from Texas [Mr. DOWDY], to call up a bill.

Mr. DOWDY. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (S. 1024) to authorize the Commissioners of the District of Columbia to pay relocation costs made necessary by actions of the District of Columbia government, and for other purposes, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Commissioners of the District of Columbia are hereby authorized to provide such relocation services as they shall determine to be reasonable and necessary to individuals, families, business concerns, and nonprofit organizations which may be or have been displaced from real property by actions of the government of the District of Columbia, such actions to include, but not be limited to, acquisition of property for public works projects, condemnation of unsafe and insanitary buildings and enforcement of the laws and regulations relating to housing. The Commissioners are authorized to make housing surveys in connection with furnishing of such relocation services.

SEC 2. The Commissioners are hereby authorized to make relocation payments to individuals, families, business concerns, and nonprofit organizations for their reasonable and necessary moving expenses caused by their displacement from real property acquired by the Commissioners after the effective date of this Act for public works projects of the District of Columbia: *Provided*, That no such payment shall be made in any case where a payment for a similar purpose is authorized by a law other than this Act. Such relocation payments shall be made in accordance with regulations prescribed by the Commissioners and shall not for any one relocation exceed $200 in the case of an individual or family or $3,000 (or, if greater, the total certified actual moving expense) in the case of a business concern or nonprofit organization.

SEC. 3. The costs of the relocation services, housing surveys and relocation payments authorized by sections 1 and 2 of this Act shall be charged to the District of Columbia general fund, the highway fund, the water and sanitary sewage works fund, or the motor vehicle parking account as the Commissioners shall determine appropriate, based on the activities of the particular District of Columbia governmental agency which resulted in any particular displacement.

SEC. 4. Prior to the acquisition of real property for any public works project of the District of Columbia the Commissioners shall satisfy themselves that there is a feasible method for the temporary relocation of families displaced from such property, and that there are or within a reasonable period will be provided in areas not generally less desirable in regard to public utilities and public and commercial facilities, and at rents or prices within the financial means of the families displaced from such property, decent, safe, and sanitary dwellings equal in number to the number of, and available to, such displaced families, and reasonably accessible to their places of employment. The determinations made by the Commissioners in accordance with the requirements of this section shall be indicated in the records relating to the acquisition of such real property, and upon being so recorded shall be conclusive.

SEC. 5. The Commissioners and the District of Columbia Redevelopment Land Agency established by section 4 of the District of Columbia Redevelopment Act of 1945 (60 Stat. 793), as amended (sec. 5–703, D.C. Code, 1961 edition), are hereby authorized to enter into one or more agreements providing for the furnishing of relocation services and the making of relocation payments to individuals, families, business concerns, and nonprofit organizations referred to the Commissioners by the Agency or to the Agency by the Commissioners. Any such agreement shall provide for payment, either in advance or on a prompt reimbursement basis, for all relocation services furnished or to be furnished and relocation payments made or to be made.

SEC. 6. Except as provided in section 5 of this Act, nothing in this Act shall be construed as modifying any provision of the District of Columbia Redevelopment Act of 1945, as amended.

SEC. 7. The Commissioners are hereby authorized to make regulations to carry out the purpose of this Act, including, without limitation, the establishing, from time to time, of a limitation on the actual amount of moving expenses over $3,000 which will be paid by the District of Columbia to a business concern or nonprofit organization in accordance with the provision of section 2 of this act: *Provided*, That no regulation affecting individuals, families, business concerns, and nonprofit organizations displaced by activities of the Redevelopment Land Agency of the District of Columbia, shall be promulgated which will conflict with regulations of the Housing and Home Finance Agency.

SEC. 8. Appropriations to carry out the purposes of this Act are hereby authorized, and there are hereby authorized to be expended from the appropriations payable from the funds and account specified in section 3 of this Act, for carrying out the purposes of this Act, such currently appropriated sums as may not otherwise be obligated.

SEC. 9. This act shall take effect sixty days after the date of its approval.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:

"That the Commissioners of the District of Columbia are hereby authorized to provide such relocation services as they shall determine to be reasonable and necessary to individuals, families, business concerns, and nonprofit organizations which may be or have been displaced from real property by actions of the United States or of the government of the District of Columbia, except the District of Columbia Redevelopment Land Agency, such actions to include, but not be limited to, acquisition of property for public works projects, condemnation of unsafe and insanitary buildings, and enforcement of the laws and regulations relating to housing. The Commissioners shall provide that such individuals and families so displaced shall be given the same preference with respect to vacancies occurring in housing owned or operated within the District of Columbia by Federal or District of Columbia governmental agencies as is provided in section 8(b) of the District of Columbia Redevelopment Act of 1945 (D.C. Code, sec. 5–707(b)). The Commissioners are authorized to make housing surveys in order to carry out this Act.

"SEC. 2. The Commissioners are hereby authorized to make relocation payments to individuals, families, business concerns, and nonprofit organizations for their reasonable and necessary moving expenses and any actual direct losses of property except goodwill or profit caused by their displacement from real property acquired by the Commissioners after the effective date of this Act for public works projects of the government of the District of Columbia, except the District of Columbia Redevelopment Land Agency. No such payment shall be made in any case where a payment for a similar purpose is authorized by any other Act. Such relocation payments shall be made in accordance with regulations prescribed by the Commissioners and shall not for any one relocation exceed $200 in the case of an individual or family or $3,000 (or, if greater, the total certified actual moving expense not to exceed $25,000) in the case of a business concern or nonprofit organization.

"SEC. 3. Prior to the acquisition of real property for any public works project of the government of the District of Columbia the Commissioners shall make the same determinations with respect to the availability of housing for displaced individuals and families as is required by section 8(a) of the District of Columbia Redevelopment Act of 1945 (D.C. Code, sec. 5–707(a)).

"SEC. 4. There is hereby established within the District of Columbia Redevelopment Land Agency an office to be known as the District of Columbia Relocation Assistance Office (hereinafter referred to as the 'Office'. The Office shall provide the relocation services authorized by the first section of this Act, administer the payments authorized by section 2 of this Act, and provide the relocation assistance which the District of Columbia Redevelopment Land Agency is authorized to provide by the District of Columbia Redevelopment Act of 1945 (D.C. Code sec. 5–701 et. seq.) and any other Act.

"SEC. 5. The Commissioners are hereby authorized to make regulations to carry out the purposes of this Act.

"SEC. 6. This Act shall take effect sixty days after the date of its approval."

Mr. DOWDY. Mr. Speaker, the purpose of the bill is to authorize the Commissioners of the District of Columbia to provide relocation service and to make relocation payments for moving expenses to persons, businesses, and nonprofit organizations which are displaced as a result of actions by Government bodies relating to real property. At the present time the Commissioners have no authority to provide relocation service or to make relocation payments in connection with displacements by Government action even though Federal agencies may provide funds on some matching basis which would be available to the District for such assistance.

Under the Redevelopment Act of 1945, which is administered by the Redevelopment Land Agency in the District of Columbia, relocation service and payments are made to persons and businesses displaced from urban renewal project areas. Under the terms of the bill, persons and businesses displaced by the actions of other agencies of Government in the District would be provided relocation assistance in a manner similar to that present available in urban renewal areas.

To administer the relocation service and to make relocation payments, one central Office, known as the Relocation Assistance Office, is to be established within the Redevelopment Land Agency. This Office will administer the relocation service and make relocation payments under regulations established by the Commissioners of the District of Columbia, for the provision of relocation service to displacees forced to relocate because of Government actions other than urban renewal. The Relocation Assistance Office would also continue to provide the relocation service for the Redevelopment Land Agency as such service is presently provided by the Redevelopment Land Agency.

Each year many individuals, families, businesses, and some nonprofit organizations are displaced by actions of the government of the District of Columbia. These actions include condemnation of unsafe and insanitary buildings, enforcement of housing regulations, highway construction, and acquisition of land for District of Columbia buildings and other facilities. The Department of Public Welfare maintains a limited relocation service within the operations of the landlord and tenant court for persons displaced by governmental and private actions. This service is limited to referral to available housing accommodations which are in compliance with the provisions of the Housing Code. Under the terms of the bill such persons or businesses as are displaced by District of Columbia government action would be furnished relocation services under regulations established by the Commissioners pursuant to the terms of the bill. In addition, relocation service (not including moving expenses) would be made available to persons and businesses displaced by actions of the Federal Government.

In addition to relocation service, as above mentioned, the bill provides for the payment of relocation expenses to displacees in the case of acquisition of real property for construction of highways, buildings, and other public works of the District of Columbia. The Federal-Aid Highway Act of 1962 provides that relocation costs for persons and businesses, displaced because of construction of any Federal-aid highway, may be included as a part of the cost of such projects. The Federal Government participates on a matching basis in the payment of amounts up to $200 for an individual or a family and up to $3,000 for a business or nonprofit organization. Under the bill, the Commissioners will be authorized to make such payments and receive from the Federal Government a reimbursement for the Federal share of such relocation costs.

The authority granted to the Commissioners by the bill, as amended, is similar to the relocation payment authority provided in the Housing Act of 1949 (42 U.S.C. 1546) as amended. Relocation payments under that act may not exceed $200 per family or $3,000 for a business, unless, in the case of a business, a greater amount of actual moving expense is certified. By regulation, the Housing and Home Finance Agency has established a maximum of $25,000 as payment for actual moving expense of a displaced business. The Housing Act also permits the payments for direct property losses not to exceed $3,000. Such payments are now being made in the District of Columbia in connection with urban renewal projects and the local Redevelopment Land Agency is reimbursed for the Federal share of such payments.

The bill, as amended, requires that the District of Columbia Commissioners, prior to acquisition of private property, must make the same determinations as to the availability of suitable housing for displaced persons as they are required to make before approval of urban renewal projects as provided in section 8(a) of the Redevelopment Act of 1945 (District of Columbia Code, sec. 5-707(a)). This provides a single criterion under which the Commissioners make their determinations in connection with all types of projects involving the acquisition of real property by the government of the District of Columbia or the Redevelopment Land Agency.

The Commissioners are also required to provide to persons displaced by District of Columbia real property actions the same priority for relocation in any Government-owned housing as is provided for displacees in urban renewal project areas under section 8(b) of the Redevelopment Act of 1945 (District of Columbia Code, sec. 5-707(b)).

Mr. GROSS. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, may I ask the gentleman: How does this bill, if it does, differ from the payment of relocation costs in other municipalities over the country?

Mr. DOWDY. This will permit the District Commissioners under our amendment to pay up to $25,000 to pay the cost of the moving. As I understand, when there is highway construction, for instance, in other parts of the country, they can pay up to $3,000. This permits up to $25,000 here in the District of Columbia. In other words, the Federal Government's contribution will go up to $3,000. Here the District of Columbia would have to pay anything above it.

Mr. MULTER. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from New York.

Mr. MULTER. It is my understanding that the provision in this bill is the same as for the cost of moving both for an occupant of a dwelling or a business. It does not go as far as the proposed amendment in the new housing bill which has not yet reached the floor, but it is consistent with other statutes applicable to other municipalities and States.

Mr. GROSS. This, then, conforms to the payments made in other municipalities throughout the country?

Mr. MULTER. Yes.

Mr. GROSS. I thank the gentleman.

Mr. DOWDY. Unless there is a Federal payment involved, each community would have to pay what its local law permitted it to pay. As I understand, this brings all relocation payments up equal to what they pay for urban renewal relocation here.

Mr. GROSS. This bill deals only with Federal funds; that is, the Federal contribution?

Mr. DOWDY. No, this bill permits the District of Columbia to pay greater amounts than the Federal Government will share in in such instances as they do make a share payment.

Mr. GROSS. This permits the District of Columbia government to pay more than the Federal allocation for relocations?

Mr. DOWDY. More than the Federal Government will share in; yes.

Mr. GROSS. More than the Federal Government will share in? Then what do other municipalities over the country do in this respect?

Mr. DOWDY. They have to have their own laws. Perhaps in your State or mine they condemn land for a schoolhouse, for instance. Probably they would only pay whatever the condemnation of the land amounts to, without any relocation. This permits in addition to the condemnation payments for the use under eminent domain.

Mr. GROSS. Does the gentleman think that it will go to $25,000?

Mr. DOWDY. No. This is only for actual moving costs and would apply to businesses. I understand for some businesses it costs a great deal more than that to move. The District Commissioners, or at least one of the District Commissioners, insisted that they needed it very badly on account of some highway construction that is going to be done.

The SPEAKER. The question is on the committee amendment.

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

AMENDING DISTRICT OF COLUMBIA CHARITABLE SOLICITATION ACT

Mr. DOWDY. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H.R. 5990) to amend the District of Columbia Charitable Solicitation Act to require certain findings before the issuance of a solicitation permit thereunder, and for other purposes.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 5 of the District of Columbia Charitable Solicitation Act (D.C. Code, sec. 2-2104) is amended by adding at the end thereof the following new subsection:

"(d) Notwithstanding any other provision of this Act, no such certificate of registration shall be issued after the date of the enactment of this subsection unless the Commissioners shall have affirmatively found and publicly declared that the solicitation which would be authorized by such certificate will benefit or assist in promoting the health, welfare, and the morals of the District of Columbia."

SEC. 2. Notwithstanding the District of Columbia Charitable Solicitation Act or any other provision of law, the certificate of registration heretofore issued to the Mattachine Society of Washington under such Act is revoked.

With the following committee amendment:

On page 1, line 6, strike out all down to and including page 2, line 6, and insert:

"(d) Notwithstanding any other provision of this Act the Commissioners shall not issue a certificate of registration after the date of enactment of this Act unless the applicant shall have furnished in connection with the application for such certificate such information as may be necessary to show to the satisfaction of the Commissioners, in accordance with regulations prescribed by the Commissioners, that such solicitation will benefit or assist in promoting the health, welfare, and morals of the District of Columbia."

AMENDMENT OFFERED BY MR. DOWDY

Mr. DOWDY. Mr. Speaker, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. DOWDY to the committee amendment: Page 2, beginning in line 14, strike out "health, welfare, and morals of the District of Columbia" and insert in lieu thereof the following: "public health or welfare and will not offend the public morals."

Mr. DOWDY. Mr. Speaker, the purpose of this proposed legislation as set forth in the House report (H. Rept. 1222), is to amend the District of Columbia Charitable Solicitation Act (71 Stat. 278, D.C. Code title 2-2101 et seq.) so as to require, as a condition precedent to the issuance of a certificate of registration or an exemption from such certification to any applicant for permission to solicit funds for charitable purposes in the District of Columbia, that the District of Columbia Board of Commissioners make certain findings that the proposed solicitation is in the public interest as benefiting or assisting in promoting the health, or welfare. This would require an affirmative showing by each such applicant.

The District of Columbia Charitable Solicitation Act presently requires all persons or organizations who wish to solicit funds for charitable purposes in the District of Columbia, unless the solicitation is solely for the benefit of a church or a religious corporation, to file application with the District of Columbia Department of Licenses and Inspections for a certificate of registration, or permit, for this purpose. A fee of $25 is charged for this certificate, which must be renewed annually.

In the case of applicants whose solicitations do not exceed $1,500 per year, the Commissioners are authorized to grant exemption from the requirement of a certificate, and hence from the $25 fee.

We are informed that in the case of neighborhood charitable activities, such as a collection for the burial of an indigent person, or other relief for a distressed family, for boys' club activities, etc., the Department of Licenses and Inspections may require only that the pastor of a church in that neighborhood state in writing that the church approves of the purpose for which this collection is to be made, and will in effect accept responsibility for it. Then permission is granted through that section of the act which exempts the soliciting of funds in connection with church activities.

On August 14, 1962, the Mattachine Society of Washington, an organization formed allegedly to protect homosexuals from discrimination, was granted a certificate of registration by the District of Columbia Department of Licenses and Inspections to solicit funds as a charitable organization in the District of Columbia. The application stated that the organization wanted to raise funds to help give the homosexual "equal status" with his fellow men.

At a public hearing conducted by Subcommittee No. 4 on August 8, 1963, the president of the Mattachine Society of Washington testified that the society's "primary effort, thus far, has been an attempt to alter present discriminatory policy against the homosexual minority and in altering the criminal law in regard to private, consenting homosexual acts by adults, and in assisting the members of the homosexual community, individually and collectively, in every way possible. Finally, we are interested in informing and educating the public in regard to homosexuality, in order that present prejudice may be dispelled."

In response to a request by the Superintendent of the License and Permit Division of the District of Columbia Department of Licenses and Inspections, for a ruling as to his authority to deny this application, the District of Columbia Corporation Counsel's Office advised him that he had no such authority, inasmuch as the applicant had answered all questions on the application form, and had claimed that the society's aim was to "educate the public." In this connection an Assistant Corporation Counsel testified before our subcommittee on January 10, 1964, that the District of Columbia Charitable Solicitation Act in its present form is strictly a disclosure act, rather than a regulatory one, and thus the District of Columbia Commissioners have no authority to deny any application for a certificate of registration, or an exemption from the requirement of such a certificate, on the grounds of the merits of the applicant's aims, purposes, or activities, as long as these latter may be construed to come within the definition of the word "charitable" as contained in the act (D.C. Code, 2–2101(e)), which states as follows:

> "Charitable" means and includes philanthropic, social service, patriotic, welfare, benevolent, or educational (except religious education), either actual or purported.

On September 11, 1963, the District of Columbia Commissioners submitted to this committee a draft of language which they recommended as a substitute for the original language of H.R. 5990. This proposal would have required only that true names and correct addresses be used in connection with all applications under the Charitable Solicitation Act. The reason for this request was that in the course of our hearings of last August 8 and 9, testimony was elicited which made it apparent that the officers of the Mattachine Society, with the exception of the president, had used fictitious names and addresses in connection with their application to District officials for certificate of registration. This revelation had caused the Commissioners to schedule a hearing for the purpose of requiring the Mattachine Society to show cause why its certificate of registration should not be revoked on the grounds of false information having been given in the application. The Mattachine Society thereupon chose to relinquish its certificate, and hence the Commissioners' hearing was canceled. The Commissioners, however, then proposed the above-mentioned proviso as an amendment to the present act.

However, if this proposal alone were incorporated as an amendment into the present law, as the District of Columbia Commissioners suggested, the Commissioners would still be in a position of being unable to deny a certificate of registration to the Mattachine Society of Washington or any other organization, however undesirable, if they chose to use their true names and correct addresses in the application. Moreover, it is the opinion of this committee that section 11 of the present act (D.C. Code, 2–2110) provides ample authority for the Commissioners to require by regulation that all such applications include the true names and correct addresses of the principal officers of each corporation and association filing such application, and that legislation on this subject would therefore be superfluous and undesirable. For these reasons, the language proposed by the Commissioners was not included in H.R. 5990 as amended by this committee and reported to this body.

This amending legislation seeks to make the present law regulatory, by clearly authorizing the District of Columbia Commissioners to reject any application for a certificate of registration under the Charitable Solicitation Act, or an exemption from such certificate, when the applicant fails to establish to the satisfaction of the Commissioners that the solicitation contemplated would be in the public interest as promoting the health, welfare, and morals of the community. At the same time, however, language in the bill to the effect that this showing on the part of the applicant shall be made "in accordance with regulations prescribed by the Commissioners" will obviate the necessity of a public hearing or other elaborate procedure in connection with applications by charitable organizations of recognized merit, many of whom do apply every year for permission to solicit funds in the District of Columbia.

Your committee feels that this proposed legislation will serve an important need in authorizing the District of Columbia Commissioners to refuse governmental sanction of any kind to organizations whose activities are not deserving of such recognition and encouragement.

Mr. MULTER. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, in the opinion of many members on the Committee on the District of Columbia who joined with me in signing the minority views to be found in Report No. 1222, part 2, this bill, H.R. 5990, even as amended is unconstitutional and should be recommitted to the Committee on the District of Columbia or in any event the bill should be defeated.

The bill attempts to regulate the solicitation of funds in the District of Columbia. It goes much further than was intended.

As I understand it, the bill was intended to proscribe a small group in the District of Columbia from soliciting funds in the District. In attempting to do that, however, the existing statute was overlooked and they did not touch the organization at which the bill was aimed. The bill does, however, restrict and attempt to prohibit every bona fide charitable and religious organization from attempting to solicit funds in the District of Columbia.

The mere statement of the facts, I believe will indicate that this bill is unconstitutional.

In my opinion, this bill would prevent organizations like the American Red Cross, the United Jewish Appeal, CARE, and any number of presently existing, reputable charitable organizations from soliciting funds in the District of Columbia unless they could first show that the funds to be collected in the District of Columbia were going to be used within the District of Columbia for the improvement of the health, welfare, and morals of the District of Columbia or the people thereof.

The bill is badly drawn. The amendments do not cure any of the defects.

I urge the defeat of the bill.

Mr. DOWDY. Mr. Speaker, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from Texas.

Mr. DOWDY. The gentleman obviously did not listen to the reading of the amendment which I sent to the desk, which changed the words relating to public health or welfare, and provides for not offending the public morals.

The District of Columbia is not mentioned at all.

Mr. MULTER. The new words, the gentleman adds to the bill, are "not to offend the public morals." There still remains the language "public health and welfare." They must prove, under the amendment, as adopted, exactly what I said. In order to get a permit they would have to establish that the funds would be used for the public health or welfare and that this would not offend the public morals.

Mr. DOWDY. But the gentleman limited it to the District of Columbia. It is not limited to the District of Columbia.

Mr. MULTER. If it is not limited to the District of Columbia, what right does the District of Columbia Committee have to bring in a bill of such great magnitude?

Mr. DOWDY. It is because they are asking for solicitation of funds in the District of Columbia. This is the purpose which is involved.

Incidentally, the bill does not apply to religious institutions and so on.

Mr. MULTER. I beg to differ with the gentleman. It covers almost every kind of institution which attempts to solicit funds.

If this is not limited to the District of Columbia, then it will have national application and will affect the whole country. You have made the bill worse instead of better, because you have made it of national application instead of applying just to the District of Columbia.

Mr. DOWDY. This is the code which we are seeking to amend.

It is the District of Columbia Code. Obviously the gentleman has not read it.

> The provisions of this chapter shall not apply to any person making solicitations, including solicitations for educational purposes, solely for a church or a religious corporation or a corporation or an unincorporated association under the supervision and control of any such church or religious corporation.

The bill we are here considering does not change that wording at all. I suggest to the gentleman that he read the committee report. He will find out that what I have just stated is accurate.

The gentleman certainly misunderstands the bill and its purpose.

Mr. MULTER. Is it not a fact that the bill does apply to other than religious organizations?

Mr. DOWDY. The gentleman said it did apply to religious organizations.

Mr. MULTER. And the gentleman from Texas says it does not. Suppose it does not.

Mr. DOWDY. We are amending the law. We are adding another section to a law which is already on the books. It does not change that exemption of religious institutions one iota.

Mr. ST GERMAIN. Mr. Speaker, I move to strike the requisite number of words.

Mr. ROOSEVELT. Mr. Speaker, will the gentleman yield?

Mr. ST GERMAIN. I yield to the gentleman from California.

Mr. ROOSEVELT. May I ask the gentleman from New York [Mr. MULTER] whether in his opinion, even though strictly religious organizations are exempt, an organization such as the United Jewish Appeal, which is not necessarily a religious organization, would be prohibited from soliciting in the District of Columbia under the amendment? I do not see how we can say it necessarily operates for public health purposes.

Mr. MULTER. It would apply in that instance. It would apply to CARE. It would apply to the Red Cross, which certainly is not a religious organization. It would apply to charitable activities of the Salvation Army, which may be deemed a religious organization but also does charitable work. It would certainly apply to the Salvation Army.

Mr. ROOSEVELT. I thank the gentleman, and I must agree with him.

Mr. DOWDY. Mr. Speaker, will the gentleman yield to me?

Mr. ST GERMAIN. I yield to the gentleman.

Mr. DOWDY. To correct the statement that this bill would apply to the Red Cross. If you will read the law, you will find that the American Red Cross is specifically exempted from the license requirement.

Mr. ST GERMAIN. I will ask the gentleman from Texas if that be the case, are the CARE project, UNICEF, and HOPE exempted?

Mr. DOWDY. They are not specifically exempted.

Mr. ST GERMAIN. They are not specifically exempted, and therefore this amendment would apply to these organizations, would it not?

Mr. DOWDY. Yes. And if they are offensive to the public morals or the public health or welfare, they should not be here.

Mr. ST GERMAIN. I think you are giving it a different twist, Mr. Chairman.

Mr. DOWDY. No, I am not. You are the one who is giving it a different twist.

Mr. ST GERMAIN. No. You are twisting it the other way around. First they have to promote, or these organizations, according to this particular amendment, must promote the public health, welfare, or morals. There is nothing about being "offensive to" unless it was changed in the last half hour.

Mr. DOWDY. It has been changed.

Mr. ST GERMAIN. Will you read it to me again?

Mr. DOWDY. "And will not offend the public morals." This all came about because the homosexuals were coming down here, and the District government gave them a permit to solicit charitable contributions in the District of Columbia. When I asked the District officials about it, they said under the law Congress passed they did not have any option except to give them a permit. The man who issued the permit apologized for having to do it and said the law ought to be changed, and I agreed with him.

Mr. ST GERMAIN. If that is the case, why not change it in the proper manner and specifically name this organization. We exempt other organizations in the beginning, so if we are going to exempt some from coverage under this particular section of the code, why not specifically point to this particular organization and say they will not be issued a permit?

Mr. DOWDY. If I did that, the gentlemen would be in here saying the committee ought not to be doing it that way.

Mr. MULTER. Mr. Speaker, will the gentleman yield?

Mr. ST GERMAIN. I yield to the gentleman from New York.

Mr. MULTER. Under the statute being amended the Commissioner is authorized to issue regulations and under those regulations, among other things, they have exempted, as they have a right to under the statute, organizations that do not collect more than $1,500 in money or property in any one year. The organization at which this is aimed has not collected anything like that sum. However, this will affect every other organization, such as CARE and other organizations doing the same kind of work as the American Red Cross. They would all be subject to this new amendment unless they can come in and prove to the satisfaction of the District of Columbia that they promote the health, welfare, and morals of the community.

Mr. ST GERMAIN. Does the gentleman from New York agree with the distinguished gentleman from Texas [Mr. DOWDY] that under this latest amendment where he says these organizations should be found inoffensive to the health, welfare, and so forth, of the public laws of the District of Columbia, this will do the job? Does this do away with the previous status wherein the Commissioners had to find this would promote the public health, welfare, and morals?

Mr. MULTER. It is my considered opinion that the amendment makes the bill worse than when it was reported from the committee. It does not improve it, but it makes it worse.

Mr. ST GERMAIN. Mr. Speaker, I yield back the balance of my time.

Mr. RYAN of New York. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, I oppose this bill with or without the amendment. The issue really before the House is whether or not the District of Columbia Commissioners are to be set up as judges of public morality in the District of Columbia. Are we going to make the District Commissioners dictators of what is offensive morally? They are not even elected, so it cannot be claimed that they represent a community consensus.

Furthermore, there are no definitions in this bill of public health and welfare or what offends public morals. There are absolutely no standards. It has been pointed out amply by those who have spoken before, the gentleman from New York [Mr. MULTER], the gentleman from California [Mr. ROOSEVELT], the gentleman from Rhode Island [Mr. ST GERMAIN], that this is a bad bill. The amendment does not cure it. This bill makes it possible to reject the applications of many fine, charitable organizations in the District of Columbia.

Mr. MULTER. Mr. Speaker, will the gentleman yield to me?

Mr. RYAN of New York. Yes, I will.

Mr. MULTER. One of the very bad things about this bill is just this: If an organization goes in and gets a certificate from the District Commissioners, in effect they are giving government approval as District Commissioners to this. Then many of the people from whom funds will be solicited will assume that this must be all right because the District Commissioners say so. We do not want to give them the right to say which is a good organization and which is a bad organization.

Mr. RYAN of New York. I certainly agree with the gentleman. I think there is a basic issue here of constitutionality. The wording is so vague, and the language is so broad, and the power conferred so discretionary that it is clearly unconstitutional. I urge that it be defeated.

Mr. DOWDY. Mr. Speaker, will the gentleman yield?

Mr. RYAN of New York. I yield.

Mr. DOWDY. That was one of the very things I had in mind at the time I introduced this bill in the first place, that the District of Columbia was placing its brand of approval upon this organization of homosexuals by issuing to them a permit to solicit charitable contributions, to go around to people's homes and say, "Look here, the District of Columbia is approving what we are doing, they gave us a permit to solicit." That is what I am trying to cut down.

Mr. RYAN of New York. What you are doing is placing an affirmative duty on the Commissioners to make a finding that any organization which gets a permit from it is promoting the public health and welfare and that it will not offend public morals. This is not a power that should be vested in the Commissioners.

Mr. DOWDY. Mr. Speaker, may I ask the gentleman, where would he put the burden?

Mr. RYAN of New York. This kind of discretionary censorship should not be exercised by a governmental agency. This is another example of the reason why we need home rule for the District of Columbia. Let the District of Columbia through its own representatives enact specific laws to deal with specific problems. Certainly this is not the place, in the Halls of Congress, to legislate on this matter.

Mr. MULTER. Mr. Speaker, will the gentleman yield to me?

Mr. RYAN of New York. I yield to the gentleman.

Mr. MULTER. Another point to be made against the bill as presently offered with the amendment is, the present statute is merely a registration statute. It gives the District Commissioners no right to approve or disapprove. But this bill will now give them the right to approve or disapprove instead of merely registering them.

Mr. RYAN of New York. That is exactly right; and I thank the gentleman. The bill would make the District Commissioners censors.

Mr. SNYDER. Mr. Speaker, will the gentleman yield?

Mr. RYAN of New York. I yield.

Mr. SNYDER. Mr. Speaker, I want to see if I understand the gentleman correctly; perhaps I am confused. I have just read pages 2 and 3 of the report. Do I understand that the gentleman condones what this Mattachine Society has been doing?

Mr. RYAN of New York. The purpose of that society is not before the House at all. If the committee wants to legislate against a particular group, let it bring such legislation before the house.

Mr. SNYDER. Does the gentleman refuse to say that he does not condone what they are doing ?

Mr. RYAN of New York. That is not the issue.

Mr. SNYDER. I thank the gentleman.

Mr. MULTER. Mr. Speaker, will the gentleman yield?

Mr. RYAN of New York. I yield to the gentleman.

Mr. MULTER. I will answer the gentleman's question categorically. On behalf of all of those who signed the minority report we do not condone the Mattachine Society. As the gentleman has said, it is not before us. But whether we do condone or not, this bill does not reach them, and I again say categorically that we do not condone anything that they are doing.

Mr. WHITENER. Mr. Speaker, I move to strike out the requisite number of words.

Mr. Speaker, this legislation has been of interest to all of us who serve on the subcommittee. I am a member of the subcommittee under the chairmanship of the gentleman from Texas [Mr. DOWDY]. I must say in candor equal to that of my friend, the gentleman from New York [Mr. MULTER] that the organization which brought this to the attention of the committee was an organization known as the Mattachine Society which seems to be operating in various parts of this country and abroad. The society, according to the testimony of the president of the organization, has as a part of its purpose the following:

> Our primary effort, thus far, has been an attempt, by lawful means, to alter present discriminatory policy against the homosexual minority—a minority perhaps almost as large as the Negro minority.

I hope to goodness he is wrong in his estimate on that. He went on to say this:

> We are also interested in altering the criminal law in regard to private, consenting homosexual acts by adults. We are not interested in promoting violations of that law as it stands, but in altering it, and in assisting the members of the homosexual community, individually and collectively, in every way possible.

Now, at the time we were taking testimony, even though there seemed to be some unwillingness on the part of the officials of the District of Columbia to have the Director of the licensing agency, Mr. Nottingham, testify, we did through the questions of the gentleman from California [Mr. SISK] obtain some testimony from Mr. Nottingham. He said:

> These, of course, would be my own feelings and not the Commissioners', but I was **against this type legislation when it was first enacted—**

And there he was referring to the existing Charitable Solicitations Act—

> I thought that it should follow the normal licensing procedures and that we should have the authority that is contained in Code section 47-2345; that is, the right to deny a license when it is in the interest of the public decency, the peace and quiet of the community, general welfare or for any reason, deemed sufficient.

Now, that is what the gentleman in charge of the Licensing Bureau said. I believe that is what the committee is presenting to us here today. This is a bill which merely would not have the licensing agency of the District of Columbia sitting down at the District Building issuing licenses as a ministerial act upon the application of any immoral group that might be in existence.

Mr. Speaker, whatever the opponents may say about this bill, the bill does exactly what Mr. Nottingham says should be done.

Mr. Speaker, I know that many Members of the House come from States which have charitable solicitation acts. In my own State of North Carolina no organization can solicit funds from the general public unless they have filed an application and been approved by the State Board of Public Welfare. There must be a finding by that board that it is in the public interest to permit the solicitations.

Therefore, whatever your view may be about this matter, it seems to me to be unconscionable, as was suggested by the gentleman from California [Mr. SISK] in the hearings, to have an arm of the Government having to place the hand of approval upon an organization such as the Mattachine Society of America, or any other organization that is in operation for an improper purpose.

Mr. Speaker, as I view the present Solicitations Act, the Communist Party or any other organization could go down to Mr. Nottingham's office and file an application and he would be powerless to deny them the right to solicit funds in the District of Columbia.

Mr. ROOSEVELT. Mr. Speaker, will the gentleman yield?

Mr. WHITENER. I yield to the gentelman from California.

Mr. ROOSEVELT. Am I correctly informed that the Mattachine Society under the existing act, which would not be changed by this law, would be exempt anyway because they do not raise $1,500 or more and that, therefore, what we are doing here in no way strikes at the Mattachine Society at all? So, what are we trying to do?

Mr. WHITENER. I will say to the gentleman from California that if they do not raise that much they will be disappointed because it will take a great deal more than that to ever get this Congress to pass a law legalizing marriage between two males, as they testified they are interested in doing.

Mr. ROOSEVELT. The record shows that they do not propose that; is that not correct?

The SPEAKER. The time of the gentleman from North Carolina has expired.

Mr. ROOSEVELT. Mr. Speaker, I move to strike out the requisite number of words.

Mr. MULTER. Mr. Speaker, will the gentleman yield?

Mr. ROOSEVELT. I yield to the gentleman from New York.

Mr. MULTER. In view of the facts and the questions asked as to whether or not the Members of the House approve of what the Mattachine Society stands for, I would like to make it perfectly clear that the Commissioners in the District of Columbia in recommending against the enactment of this bill also made it perfectly clear that they are opposed to the activities of this association and individuals such as are in the association.

They indicated very clearly in the testimony before the committee they would continue to enforce all of the laws of the District of Columbia, and the Federal Government, against homosexuality in the District of Columbia, but at the same time must recommend against the enactment of this bill.

Mr. ROOSEVELT. Does the gentleman know this Mattachine Society in the District and all over the country has never raised the $1,500 and therefore this Commission in the District of Columbia, even if we pass this bill, would have no right to require them to register?

Mr. MULTER. In the District of Columbia, your statement is absolutely correct.

Mr. DOWDY. These regulations are promulgated by the District Commissioners of the District of Columbia, which they have a right to do under the law. The law itself does not exempt them.

Mr. ROOSEVELT. They are going to lower the $1,500 limitation to reach them?

Mr. DOWDY. When we enact this bill the Corporation Counsel will no longer advise Mr. Nottingham, who issued these permits, that he cannot do anything except issue the solicitation permit when requested.

Mr. Nottingham testified he was instructed by the Corporation Counsel when the Mattachines asked for this permit that he had to give it to them under the law. Mr. Nottingham said if the Communists had applied he would have to give them a similar permit to solicit and put the stamp of approval of the District of Columbia on the activities of this society.

Mr. ROOSEVELT. Is it not true Mr. Nottingham does not have to go to the Commissioners at all and that the Commissioners, therefore, would have to change their standards in order to affect this particular case in any way whatsoever? There is nothing I have seen in the hearings which indicate Mr. Nottingham has any present intention of doing that at all.

Mr. DOWDY. Mr. Nottingham did not want to issue this permit to these homosexuals. I do not want to be a party to the law that requires the District of Columbia to put its stamp of approval upon the solicitation of funds by any such organization.

Mr. ROOSEVELT. Why do you not have the courage enough to say so?

Mr. DOWDY. I have the courage to say so, I am saying it right now, and have been saying it. Why do you think the Washington Post editorialist has been belaboring me for the last 2 years? It is purely because of this bill to curb the homosexuals.

Mr. ROOSEVELT. But it is not in this law.

Mr. DOWDY. I think it is.

Mr. ST GERMAIN. Mr. Speaker, will the gentleman yield?

Mr. ROOSEVELT. I yield to the gentleman from Rhode Island.

Mr. ST GERMAIN. I would like to enlighten the gentleman from Texas that if the society does not raise the $1,500 it does need any permit, it does not have to go to Mr. Nottingham and request a permit, it does not have to register in point of fact, and the society did not when they found that out. Is that true?

Mr. DOWDY. The Commissioners prescribed certain terms and conditions under which permits would be issued. The Congress provided the Commissioners with authority to issue regulations under which exemptions might be granted, with a limitation that the exemption shall not be granted for any calendar year if they collect more than $1,500 in money or property. That is not an exemption that was given to them by Congress. It was given to them by the District Commissioners. Maybe you have no trust in the Commissioners.

Mr. ST GERMAIN. I assure the gentleman that we are going to change the regulation if this particular piece of legislation is passed.

Mr. DOWDY. They have not given me any such assurance.

Mr. ST GERMAIN. Has the gentleman asked the Commissioners if they would?

Mr. DOWDY. We have no assurance one way or the other. If they keep on granting licenses to homosexuals after this law is enacted, if they keep on granting permits of this kind, we will certainly call them to task about it.

Mr. ROOSEVELT. May I say, when the gentleman does that we will have something to vote on. In the meantime we have a piece of legislation that can be misinterpreted and hurt a lot of other proper and good organizations. If the gentleman wants to do what he has in mind I hope he will have the courage to come back and do it.

Mr. DOWDY. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, when this thing came up Mr. Kneipp came over and testified that the Commissioners were against the purpose of the bill. Of course he was talking about the bill before it was amended. I would suggest that the Members who are opposing this bill, and being misled by these queer ideas should get a copy of the hearings and read it. They will find out some things are going on here in the District of Columbia they did not know about. This Kameny fellow claims 10 percent of the employees in all the departments of Government are qualified for membership in his society. I had statements made to me that nothing could or would be done about this problem because of the power of the homosexuals in Washington. I do not believe that. The people who came before us and opposed this bill were very few in number. The president of this Mattachine Society was there; he was very proud of an editorial the Washington Post had written supporting his group. He read it into the hearing record; and there was a man sent over by ACLU, named Freedman, who refused to divulge whether he was a member of the society or eligible for membership therein. Mr. Kneipp, from the District Government testified that the Commissioners were opposed to the purpose of the bill, namely, to prohibit licenses to such organizations. I asked each of the Commissioners separately whether they are opposed to keeping homosexuals from having this license, and from going into homes and soliciting contributions with the authority of the District Government. The Engineering Commissioner, General Duke, told me he certainly supported the purpose of the bill. He did not think the homosexuals should have such a license. I talked to Mr. Tobriner. I could not get a definite answer out of him, but you cannot get any definite answer out of him on anything. He will not say he is for it or against it. I think his statement should be construed to mean that he does not want to assume his responsibility in these matters.

Commissioner Duncan was talked to by one of the staff. He said he certainly is in favor of the purpose of this bill. He does not want this thing going on in the District of Columbia; there should not be such approval under the seal of the District of Columbia for such organizations to go into homes and solicit for purposes such as this.

Mr. ST GERMAIN. Mr. Speaker, will the gentleman yield?

Mr. DOWDY. I yield to the gentleman from Rhode Island.

Mr. ST GERMAIN. I do not think there is any quarrel in what the gentleman was saying. The purpose of the bill is laudable, that being that the society is not being allowed to solicit.

Mr. DOWDY. Or any similar organization. This came up about the same time of the Profumo affair in Great Britain. There was an editorial about it on Mutual Network on July 26 of last year. I think our Nation became great because we do have moral strength in our people, and we ought not let it be destroyed by allowing this sort of thing.

This editorial says, referring to the Profumo scandal—

> The current mess being aired in the London courtroom is more than just that. It is not just the development of a few immoral or amoral individuals.

Then it goes on to say this:

> What is happening is the inevitable result of a liberal attitude toward social abnormalities. More than once in recent years this attitude has menaced the diplomatic and military security of Britain. The mess in London has significance for us here in the United States. Like Britain, we have been caught with a scandal or two. It is something the people of any nation can continue to tolerate only at their own peril. The lowering of moral standards will eventually rule out the conscious and systematic teaching of moral concepts to our children.

For my part, I will continue to resist all these efforts to loose these homosexuals on decent people.

Mr. WHITENER. Mr. Speaker, will the gentleman yield?

Mr. DOWDY. I yield to the gentleman from North Carolina.

Mr. WHITENER. I think there has been some misunderstanding about the $1,500 proposition. I read the District of Columbia Code, section 2-2103, which provides that no person shall solicit in the District of Columbia unless he holds a valid certificate of registration authorizing such solicitation. That means any amount of money, and no person may solicit without a certificate of registration. In subsection (d) of section 2-2103 it says that the Commissioners may by regulation prescribe the terms and conditions under which solicitations in addition to those enumerated in subsection (b) may be exempted from the provisions of subsection (a) and section 2-2105 and 2-2106.

Then this subsection (d) goes on to say:

> That no exemption granted under the authority of this subsection (d) shall exceed in any calendar year $1,500 in money or property.

So under the law there must be a permit to solicit funds, but the Commissioners have authority to exempt churches and others up to $1,500.

Mr. MULTER. Mr. Speaker, I move to strike out the requisite number of words.

Mr. Speaker, what the gentleman has just said about the exemption is quite right. He read the law accurately. Under that law the District of Columbia Commissioners issued a regulation which has never been challenged exempting small solicitations totaling $1,500 or less during any one calendar year. That exempts the very society that they are trying to get at.

But, Mr. Speaker, there is a much more basic and fundamental reason why this bill should be rejected and defeated. That reason is stated very clearly in the minority report wherein we have cited any number of U.S. Supreme Court cases dealing with precisely this kind of language where an attempt was made to vest the city officials—in this case the District of Columbia Commissioners—with the discretion as to who will and who will not get a permit, after proving certain things as required by the statute. The courts have repeatedly held that language such as this is unconstitutional in that it vests with the city officials—in this case the District of Columbia officials—the right to consider the character of the applicant, the nature of the business and the nature of the organization and its effects—and this is important—it permits them to consider its effects upon the general welfare of the citizens.

That is the very vice of this bill. The bill changes a simple registration statute into a statute vesting the District Commissioners with the right to exercise discretion as to who shall and who shall not get a permit—taking into account who they are and what they are and whether it affects the general welfare of the citizens of the community.

I would further point out that there is not just one such decision by the Supreme Court. There is a long line of decisions by the U.S. Supreme Court and most of them unanimous, condemning this very type of language in a statute such as is now being considered by the House in this bill.

I very much hope that Members will take the time to read the minority views in full. In the minority views there is set forth the report on this bill by the District Commissioners.

I want to impress my colleagues with the extreme importance of this. In the statement of the Commissioners, they say:

> The Commissioners take the position with respect to section 2 that, regardless of the nature of the organization against which it is directed (and the position of the Commissioners is not to be construed as approving homosexual practices), this portion of the bill, by reason of its discriminatory effect, raises grave questions concerning its constitutionality (*United States* v. *Lovett*, 328 U.S. 303, 315–316).
>
> Notwithstanding the fact that the Commissioners do not desire to encourage homosexual practices, and will continue to enforce all applicable laws which they are charged with enforcing relating to criminal offenses of a homosexual nature, they are, nevertheless, constrained to recommend against the enactment of such section.

Mr. WHITENER. Mr. Speaker, will the gentleman yield?

Mr. MULTER. I yield to the gentleman.

Mr. WHITENER. I believe the gentleman will agree that the cases which he has cited are cases in which an ordinance undertook to forbid solicitation of membership in organizations which ran head on into the constitutional privilege of all of us to freely assemble and did not involve cases in which the public welfare or the solicitation of funds was involved.

Mr. MULTER. On the contrary, most of these cases involve the matter of discretion being vested in city officials, discretion to determine not whether the solicitation was good, bad or indifferent but the question of whether or not the general welfare of the community was affected.

Mr. WHITENER. Solicitation is a rather broad word and it is used in many contexts. But in these cases the solicitation was the solicitation of members of organizations.

Certainly, under our constitution, we could not proscribe that by statute. But under the basic principles of constitutional law the legislative authority is not only one which is with us but also we have a duty to legislate in the interest of the general welfare. Under the police powers which the court has said exist, we have a right to protect the welfare of the people; their safety, health, and morals. The District Commissioners have been somewhat derelict in protecting the morals of this community by a blanket legislative edict which would cause the licensing board to give a license to any sort of offbrand organization which comes in for it.

Mr. MULTER. The very point of these cases is that such officials cannot be vested with descretion to determine who can or who cannot do these things. There are penal laws which are being enforced by the criminal authorities, not by the District Commissioners who merely issue certificates of registration.

Mr. DOWDY. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. Without objection, the Clerk will again report the amendment of the gentleman from Texas [Mr. Dowdy] to the committee amendment.

The Clerk read as follows:

> Amendment offered by Mr. Dowdy to the committee amendment: On page 2, beginning in line 14, strike out "health, welfare, and morals of the District of Columbia" and insert in lieu thereof the following: "public health or welfare and will not offend the public morals."

The SPEAKER. The question is on the amendment to the committee amendment.

The amendment to the committee amendment was agreed to.

The SPEAKER. The question is on the committee amendment, as amended.

The committee amendment, as amended, was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on passage of the bill.

The question was taken; and on a division (demanded by Mr. Multer), there were—ayes 71, noes 29.

Mr. MULTER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently, a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members and the Clerk will call the roll.

The question was taken; and there were—yeas 301, nays 81, not voting 48, as follows:

[Roll No. 218]

YEAS—301

Abbitt
Abele
Abernethy
Adair
Addabbo
Albert
Anderson
Andrews, Ala.
Andrews, N. Dak.
Arends
Ashbrook
Ashmore
Aspinall
Auchincloss
Avery
Ayres
Baldwin
Barry
Bass
Bates
Battin
Becker
Beckworth
Beermann
Belcher
Bell
Bennett, Fla.
Berry
Betts
Boggs
Bolling
Bolton,
Oliver P.
Bonner
Bow
Brademas
Bray
Bromwell
Brooks
Broomfield
Brotzman
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Bruce
Burleson
Burton, Utah
Byrnes, Wis.
Carey
Casey
Cederberg
Chamberlain
Chelf
Chenoweth
Clancy
Clark
Clausen, Don H.
Clawson, Del
Cleveland
Collier
Colmer
Cooley
Corbett
Cramer
Cunningham
Curtin
Curtis
Dague
Daniels
Davis, Ga.
Denton
Delaney
Derounian
Derwinski
Devine
Dole
Donohue
Dorn
Dowdy
Downing
Dwyer
Edmondson
Elliott
Ellsworth
Everett
Evins
Fallon
Fascell
Feighan
Findley
Fino
Flood
Ford
Foreman
Forrester
Fountain
Fulton, Pa.

Fulton, Tenn.
Fuqua
Garmatz
Gary
Gathings
Gibbons
Glenn
Goodling
Grant
Griffin
Griffiths
Gross
Grover
Gubser
Gurney
Hagan, Ga.
Hagen, Calif.
Haley
Hall
Halleck
Halpern
Hansen
Harding
Hardy
Harris
Harrison
Harsha
Harvey, Ind.
Hays
Hébert
Hechler
Henderson
Herlong
Hoeven
Horan
Horton
Hosmer
Huddleston
Hull
Hutchinson
Ichord
Jarman
Jennings
Jensen
Johansen
Johnson, Calif.
Johnson, Pa.
Johnson, Wis.
Jonas
Jones, Mo.
Karsten
Karth
Kelly
Kilburn
Kilgore
King, N.Y.
Knox
Kornegay
Kunkel
Kyl
Laird
Langen
Latta
Lennon
Lipscomb
Long, La.
McClory
McDade
McDowell
McIntire
McLoskey
McMillan
Macdonald
MacGregor
Madden
Mahon
Marsh
Martin, Calif.
Martin, Mass.
Martin, Nebr.
Matthews
May
Michel
Milliken
Mills
Minshall
Monagan
Moore
Morgan
Morris
Morton
Murphy, Ill.
Murphy, N.Y.
Murray
Natcher
Nelsen
Norblad
O'Brien, N.Y.
O'Neill
Ostertag
Patman
Pelly
Pepper
Perkins
Philbin
Pickle
Pike
Pillion
Pirnie
Poage
Poff
Pool
Price
Pucinski
Purcell
Quie
Quillen
Randall
Reid, Ill.
Reid, N.Y.
Reifel
Rhodes, Ariz.
Rhodes, Pa.
Rich
Riehlman
Rivers, Alaska
Rivers, S.C.
Roberts, Ala.
Roberts, Tex.
Robison
Rogers, Colo.
Rogers, Fla.
Rogers, Tex.
Rooney, Pa.
Roudebush
Roush
Rumsfeld
St. George
Saylor
Schadeberg
Schenck
Schneebeli
Schweiker
Secrest
Selden
Senner
Shipley
Short
Shriver
Sikes
Siler
Skubitz
Slack
Smith, Calif.
Smith, Iowa
Smith, Va.
Snyder
Springer
Stafford
Staggers
Stephens
Stinson
Stratton
Stubblefield
Sullivan
Taft
Talcott
Taylor
Teague, Calif.
Teague, Tex.
Thomas
Thompson, Tex.
Thomson, Wis.
Tollefson
Trimble
Tuck
Tupper
Tuten
Utt
Vanik
Van Pelt
Waggonner
Wallhauser
Watson
Watts
Weaver
Weltner
Westland
Whalley
Wharton
White
Whitener
Whitten
Wickersham
Widnall
Williams
Willis
Wilson, Charles H.
Wilson, Ind.
Wright
Wydler
Wyman
Young
Younger
Zablocki

NAYS—81

Ashley
Boland
Brown, Calif.
Burke
Burkhalter
Burton, Calif.
Byrne, Pa.
Cahill
Cameron
Celler
Conte
Corman
Daddario
Dawson
Dulski
Duncan
Edwards
Farbstein
Fraser
Frelinghuysen
Friedel
Gallagher
Giaimo
Gilbert
Gonzalez
Goodell
Grabowski
Gray
Green, Oreg.
Green, Pa.
Hanna
Hawkins
Holifield
Joelson
Kastenmeier
Keith
Keogh
King, Calif.
Kirwan
Kluczynski
Leggett
Libonati
Lindsay
Long, Md.
McCulloch
McFall
Mathias
Matsunaga
Miller, Calif.
Minish
Montoya
Moorhead
Morse
Mosher
Moss
Multer
Nedzi
Nix
O'Hara, Ill.
O'Hara, Mich.
O'Konski
Olson, Minn.
Osmers
Patten
Reuss
Rodino
Rooney, N.Y.
Roosevelt
Rosenthal
Roybal
Ryan, N.Y.
St Germain
St. Onge
Schwengel
Sibal
Sickles
Sisk
Staebler
Thompson, N.J.
Udall
Van Deerlin

NOT VOTING—48

Alger
Baker
Baring
Barrett
Blatnik
Bolton, Frances P.
Brock
Buckley
Cohelan
Davis, Tenn.
Dent
Diggs
Dingell
Finnegan
Fisher
Flynt
Fogarty
Gill
Harvey, Mich.
Healey
Hoffman
Holland
Jones, Ala.
Kee
Landrum
Lankford
Lesinski
Lloyd
Mailliard
Meader
Miller, N.Y.
Morrison
Olsen, Mont.
Passman
Pilcher
Powell
Rains
Rostenkowski
Ryan, Mich.
Scott
Sheppard
Steed
Thompson, La.
Toll
Ullman
Vinson
Wilson, Bob
Winstead

So the bill passed.

The Clerk announced the following pairs:

Mr. Toll with Mrs. Frances P. Bolton.
Mr. Cohelan with Mr. Bob Wilson.
Mr. Dingell with Mr. Meader.
Mr. Morrison with Mrs. Baker.
Mr. Thompson of Louisiana with Mr. Alger.
Mr. Lesinski with Mr. Harvey of Michigan.
Mr. Passman with Mr. Brock.
Mr. Jones of Alabama with Mr. Hoffman.
Mr. Ryan of Michigan with Mr. Mailliard.
Mr. Baring with Mr. Miller of New York.
Mr. Olsen of Montana with Mr. Diggs.
Mr. Pilcher with Mr. Davis of Tennessee.
Mr. Fogarty with Mr. Lankford.
Mr. Barrett with Mrs. Kee.
Mr. Rains with Mr. Blatnik.
Mr. Rostenkowski with Mr. Scott.
Mr. Dent with Mr. Healey.
Mr. Holland with Mr. Sheppard.
Mr. Finnegan with Mr. Powell.
Mr. Landrum with Mr. Buckley.
Mr. Flynt with Mr. Gill.
Mr. Steed with Mr. Vinson.
Mr. Ullman with Mr. Winstead.

Mr. ABERNETHY changed his vote from "nay" to "yea."

Mr. OSMERS changed his vote from "yea" to "nay."

Mr. JOELSON changed his vote from "yea" to "nay."

Mr. HAGEN of California changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

PERSONAL ANNOUNCEMENT

Mr. CELLER. Mr. Speaker, when the vote was taken on H.R. 1927 I was unavoidably absent. Had I been present I would have voted in favor of the bill, H.R. 1927, the veterans' non-service-connected pension bill.

COMMITTEE ON FOREIGN AFFAIRS

Mr. FASCELL. Mr. Speaker, I ask unanimous consent that the Committee on Foreign Affairs may have until midnight tonight to file a report on H.R. 12259.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

PERSONAL ANNOUNCEMENT

Mr. BARRY. Mr. Speaker, on rollcall No. 217 I was unable to get to the floor in time. I appeared during debate on the issue. I wish to be recorded in favor of the bill.

TERMINATION OF COLUMBIA PLAZA URBAN RENEWAL PROJECT

Mr. DOWDY. Mr. Speaker, I call up the bill (H.R. 9774) to terminate the Columbia Plaza urban renewal project area and plan, to restore certain property in the District of Columbia to the former owners thereof, and for other purposes, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. SISK. Mr. Speaker, reserving the right to object, I should like to direct a question or two to the gentleman from Texas [Mr. DOWDY].

As I am certain the gentleman knows, I am vigorously opposed to this Columbia Plaza bill. I recognize that there is room for a difference of opinion, but this is a bill which has received a lot of publicity here in the Washington area. There have been a great many charges with reference to the bill, as to what it would or would not do. It is of vast importance, it appears to me, to the people of the District of Columbia, and has overall implications most far reaching.

I realize the lateness of the hour and the need to move along.

Under my reservation of objection I should like to ask the gentleman from Texas if he proposes tonight to call up the bill, S. 628, the urban renewal bill, and the order in which it might be called up. I merely ask for information, not only for myself but for other Members who are also interested.

Mr. DOWDY. It is the last bill on the list, and this is the next to the last one. That is all the information I have. So far as I know, there is nothing else.

Mr. SISK. Do I correctly understand that the gentleman actually intends at the present time to call up that bill after we have completed action on this bill?

Mr. DOWDY. I would have to confer with my chairman about that. I am taking these one at a time.

Mr. SISK. It seems to me that this is a reasonable question, in view of the lateness of the hour. I might say to my good friend from Texas, I am inclined to object to consideration of the Columbia Plaza bill in the House, because I think it is too important. I believe it needs some discussion. A lot of light needs to be shed on some of the things which are happening.

I am curious to know to what bill we will proceed afterward, in the event we should be able to consider this bill in the House.

I yield to the gentleman for a comment.

Mr. DOWDY. The next bill would be S. 628, if the hour is not too late.

Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 9774) to terminate the Columbia Plaza urban renewal project area and plan, to restore certain property in the District of Columbia to the former owners thereof, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate on the bill be limited to 1 hour, the time to be equally divided between both sides.

The **SPEAKER**. Is there objection to the request of the gentleman from Texas?

Mr. **HAYS**. Mr. Speaker, I object.

The **SPEAKER**. Objection is heard.

Mr. **DOWDY**. Mr. Speaker, I have a motion pending.

Mr. **MULTER**. Mr. Speaker, a parliamentary inquiry. May we have the motion restated, please? I did not understand it.

The **SPEAKER**. The motion of the gentleman from Texas [Mr. Dowdy] is that we go into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 9774.

Mr. **SISK**. Mr. Speaker, another parliamentary inquiry.

The **SPEAKER**. The gentleman will state it.

Mr. **SISK**. Did I understand that there was any time limitation included in that motion?

The **SPEAKER**. The gentleman from Texas [Mr. Dowdy] asked unanimous consent that the time limit be confined to 1 hour, to which the gentleman from Ohio [Mr. Hays] objected.

The question is on the motion of the gentleman from Texas [Mr. Dowdy] that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 9774.

The question was taken, and the Speaker announced that the ayes appeared to have it.

Mr. **HAYS**. Mr. Speaker, on that I demand a division.

The question was taken; and on a division (demanded by Mr. Hays) there were—ayes 69, noes 81.

So the motion was rejected.

OZARK NATIONAL SCENIC RIVERWAYS, MISSOURI

Mr. **BOLLING**. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 807 and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1803) to provide for the establishment of the Ozark National Rivers in the State of Missouri, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interior and Insular Affairs, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider the substitute amendment recommended by the Committee on Interior and Insular Affairs now in the bill and such substitute for the purpose of amendment shall be considered under the five-minute rule as an original bill. At the conclusion of such consideration the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any of the amendments adopted in the Committee of the Whole to the bill or committee substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions. After the passage of the bill H.R. 1803, it shall be in order in the House to take from the Speaker's table the bill S. 16 and to move to strike out all after the enacting clause of said Senate bill and to insert in lieu thereof the provisions contained in H.R. 1803 as passed by the House.

Mr. **BOLLING**. Mr. Speaker, I yield 30 minutes to the gentlelady from New York [Mrs. St. George]; pending that I yield myself such time as I may consume.

Mr. Speaker, as a reading of the resolution makes clear, the resolution provides for the consideration of H.R. 1803 which would establish the Ozark National Rivers in the State of Missouri. In fact, it would preserve for the future and for thousands of Americans in the future two of the loveliest small rivers in the United States, rivers which I have had the pleasure of floating and fishing in on many different occasions. They happen to be in the district of my distinguished colleague from Missouri, the gentleman from Missouri [Mr. Ichord]. They are the Current River and the Jacks Fork River.

There is some slight controversy, as I understand it, on the bill itself, but no controversy on the rule. Therefore, Mr. Speaker, I reserve the balance of my time.

Mrs. **ST. GEORGE**. Mr. Speaker, the gentleman from Missouri is, of course, extremely well informed on this bill. I think it is a meritorious piece of legislation. It preserves, apparently, a very beautiful, in fact a jewel of a river in his State for the benefit of the people of the State and of the Nation. I know of no objection whatsoever to the rule.

Mr. Speaker, I yield 3 minutes to the gentleman from Illinois [Mr. Springer].

Mr. **SPRINGER**. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to speak out of order.

The **SPEAKER**. Is there objection to the request of the gentleman from Illinois?

There was no objection.

DISTRICT OF COLUMBIA REDEVELOPMENT ACT OF 1945

Mr. **SPRINGER**. Mr. Speaker, I think the House is entitled to some explanation as to what took place with reference to S. 628, to amend the District of Columbia Redevelopment Act of 1945. We have had this bill up before the House on a previous occasion. The bill passed. This year the Senate passed the version which we passed 2 years ago. We have not passed any act on this side or any amendments to the act in order that the downtown progress people could get started.

Now, Mr. Speaker, there has been a division—may I say on honest division of opinion—as to which ought to prevail.

May I say to the distinguished gentleman from Texas [Mr. Dowdy] that he has one version, and I respect him for the stand that he has taken in behalf of his bill.

However, Mr. Speaker, there are many of us—and I believe a majority of the committee—who do support the Senate version as a substitute for the Dowdy version.

Mr. Speaker, what we have been trying to do is to get the bill before the House so something could be done about this matter.

Mr. Speaker, I support the Senate version, but I have said very frankly that if the Senate version does not prevail, and the House decides the Senate version is not the one it wants, I shall support the Dowdy bill, and we can go to conference and come back with a bill.

I would hope that as a result of the conference there will be some action under which the people in the District of Columbia can work.

Mr. Speaker, this is a matter on which the people in the District of Columbia have been working continuously for a number of years. These people have spent a lot of time in a great state of indecision as to what can be done for the future of the District of Columbia.

Mr. Speaker, this is the reason I believe S. 628 should have been brought up today as planned.

May I say this is not in any way critical of anyone, and this includes the distinguished chairman of the Committee on the District of Columbia, the gentleman from South Carolina [Mr. McMillan], who has tried to work out the differences in this bill. However, I believe it is a mistake to continue postponing this matter.

We ought to meet the issue straight on and decide whether we want the Senate version or the so-called Dowdy version and come back and decide on the matter.

Mr. **MULTER**. Mr. Speaker, will the gentleman yield?

Mr. **SPRINGER**. I yield to the gentleman from New York.

Mr. **MULTER**. Mr. Speaker, I believe the House is going to be required to meet this issue nevertheless. We will very shortly have pending before the House a housing bill. The housing bill as passed in the other body does contain provisions similar to those contained in S. 628. The House will be considering the housing bill and if such provision is not contained in the housing bill the Senate will certainly insist that those provisions be considered in the conference.

Mr. Speaker, we had just as well meet the issue on this matter now as when the housing bill comes before us, with appropriate amendments, so the entire matter can go to conference.

Mr. **SPRINGER**. Mr. Speaker, I believe it is important that we bring the bill to the floor of the House and decide which course we are going to pursue. That is the important thing, in order to help the District of Columbia.

Mr. **BOLLING**. Mr. Speaker, I yield such time as he may consume to the gentleman from Alabama [Mr. Roberts].

Mr. **ROBERTS** of Alabama. Mr. Speaker, I ask unanimous consent to speak out of order and to revise and extend his remarks.

The **SPEAKER**. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. **ROBERTS** of Alabama. Mr. Speaker, I do not want to burden the Members of the House at this late hour, except I would like to call to the attention of the Members of the House some of the acomplishments of the Committee on Interstate and Foreign Commerce, particularly in the field of public health.

Mr. Speaker, I am very grateful to my colleagues on the subcommittee for their assistance in passing what I consider to be many landmarks in the field of health legislation.

Mr. Speaker, I want to take this time to review briefly for Members of the House the accomplishments of the House Committee on Interstate and Foreign Commerce in the field of public health and safety during this Congress. I believe we have accomplished more in this field during this Congress than has been accomplished during any other comparable period in our Nation's history.

First, Mr. Speaker, we reported out, and the Congress has passed, H.R. 12, now Public Law 88–129, designed to provide assistance in the construction of schools of medicine, dentistry, osteopathy, public health, and other health professions, and to provide loans for students of medicine, dentistry, and osteopathy. This vitally needed legislation is intended to provide health personnel our country will need in these fields in future years.

We recently passed legislation, H.R. 10041, revising the Hill-Burton hospital construction program designed to meet the health needs of the Nation in another area through providing hospitals and other facilities, such as diagnostic and treatment centers, public health centers, rehabilitation facilities, and facilities for long-term care.

The Hill-Burton program which through its past operation has provided 289,489 beds for care of patients, is further strengthened and improved by H.R. 10041, which also provides funds specifically designed to meet part of the pressing needs of the Nation in the field of modernization of many of our hospitals.

The Subcommittee on Public Health and Safety, of which I have the honor to be chairman, has been extremely active this Congress, and has submitted, through our parent committee, to this House a number of vitally needed and important measures designed to meet the health and safety needs of the Nation.

This subcommittee consists of myself, the gentleman from New York [Mr. O'Brien], the gentleman from Florida [Mr. Rogers], the gentleman from Texas [Mr. Pickle], the gentleman from Ohio [Mr. Schenck], the gentleman from Minnesota [Mr. Nelson], and the gentleman from Colorado [Mr. Brotzman]. Each of these gentlemen has worked long and hard on the business of your subcommittee. We have our differences over legislation, but we always resolve them, and as a result, every bill we have reported out of our subcommittee this Congress has been ordered reported by a unanimous vote of the subcommittee.

We have reported a number of bills of major significance in the field of public health and safety. We reported to the full committee, and the Congress passed S. 1576, now Public Law 88–164, the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963. This bill will have a major impact upon our national attack on mental retardation and associated problems, and if matters develop under the portion of that bill dealing with mental health as we anticipate that they will, ultimately the treatment of mental illness in this Nation will be revolutionized for the better.

In the field of health personnel, we reported to the full committee, and the House has passed H.R. 11241, the Nurse Training Act of 1964, a new program designed to supply the trained nursing personnel this Nation will need by 1970. This bill is currently pending in the Senate and all indications are that that body will act on the measure in the near future.

In addition, we reported, and the House has passed, H.R. 11083, the Graduate Public Health Training Act, which continues and expands the existing programs designed to assist in meeting the needs of the States and localities across the Nation, as well as the Federal Government, for trained personnel in the field of public health. This bill is also pending in the Senate with indications of early action by that body.

We reported to the full committee, and the Congress has passed H.R. 6518, the Clean Air Act, now Public Law 88–206, designed to improve, strengthen, and accelerate programs for the prevention and abatement of air pollution.

We have reported to the full committee H.R. 8546, a bill to extend to qualified schools of optometry and students of optometry student loans under the provisions of the Health Professions Educational Assistance Act.

We have reported to the full committee, and the House has passed, legislation, S. 978, designed to restore to self-employed commercial fishermen the right to medical care which they enjoyed for over 150 years until an administrative ruling took this right from them. This measure is awaiting the signature of the President.

We reported to the full committee, and the Congress has passed, H.R. 134, now Public Law 88–201, requiring that seat belts sold or shipped in interstate commerce for use in motor vehicles shall meet certain safety standards. In addition, we have held hearings on H.R. 133, to establish a National Accident Prevention Center; we have held hearings to receive a progress report on the operation of existing law relating to safety latches on refrigerators; we have held hearings on aviation safety, with particular reference to the problem of aircraft structural design and aircraft operation under conditions of severe weather disturbance; and we have held hearings on the spaceometer, an automobile safety device.

We have reported legislation, H.R. 4731, amending the Federal Food, Drug, and Cosmetic Act to eliminate an inequity facing candy manufacturers under that act. This legislation is currently pending on the House Calendar. A hearing has been held on legislation to provide judicial review of orders of the Public Health Service with respect to biologicals; and have held hearings relating to the procedures followed by the Food and Drug Administration in consideration of applications for clearance of new animal drugs and of animal feeds containing new animal drugs.

We have held hearings on an administration proposal, H.R. 2410, designed to permit the Surgeon General to put into effect certain reorganizations in the Public Health Service. As an outgrowth of matter developed in that hearing, the subcommittee has submitted a questionnaire to 19 selected institutions doing research for the Federal Government. The purpose of this questionnaire is to determine the impact of Federal programs on these institutions, and to determine what changes are necessary or desirable in these programs. We intend to look further into this subject during the 89th Congress.

Mr. Speaker, I have briefly reviewed the actions taken by the House Committee on Interstate and Foreign Commerce in the field of public health and safety, and of the Subcommittee on Public Health and Safety, during this Congress. The record of our achievements is one of which every member of our committee can justifiably be proud. I want to take this opportunity to thank each of the members of my subcommittee for their conscientious work during this Congress. It has proved most fruitful.

Mr. BOLLING. Mr. Speaker, I yield 1 minute to the gentleman from Rhode Island [Mr. St Germain].

Mr. ST GERMAIN. Mr. Speaker, I ask unanimous consent to speak out of order.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

Mr. ST GERMAIN. Mr. Speaker, I merely would like to associate myself with the remarks of the gentleman from Illinois [Mr. Springer] and the gentleman from New York [Mr. Multer] with reference to S. 628.

Mr. Speaker, I do hope that we will be able to get the Senate bill up for consideration on the floor of the House in the very near future.

Mrs. ST. GEORGE. Mr. Speaker, I have no further request for time.

Mr. BOLLING. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

IN THE COMMITTEE OF THE WHOLE

Mr. MORRIS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1803) to provide for the establishment of the Ozark National Rivers in the State of Missouri, and for other purposes.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 1803, with Mr. Chelf in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. MORRIS. Mr. Chairman, I yield 7 minutes to the gentleman from Colorado [Mr. ASPINALL], chairman of the House Committee on Interior and Insular Affairs.

Mr. ASPINALL. Mr. Chairman, this bill, H.R. 1803, is the first bill to establish a new major unit of the national park system that the Committee on Interior and Insular Affairs has brought before the House during the 88th Congress. We have had a few small bills so far this year, but none that ranks as major.

What H.R. 1803 proposes is to authorize the Secretary of the Interior to set up the Ozark National Scenic Riverways in the State of Missouri. This will be administered as, in effect, a national recreation area under most of the laws that are generally applicable to the National Park Service.

Whenever a bill like this one comes along, the question that arises in my own mind and, I am sure, in the minds of other Members of the House is this: What criteria do we use and what standards ought we to use to determine whether to include the new area in the national park system?

Leaving aside those area which are primarily of historical significance, I answer this question for myself by applying two tests:

First. Is it an area of national outstanding scenic or scientific value?

Second. Is it an area which has great value for recreational purposes to a large segment of the American public?

If you will think of Yellowstone National Park or Cape Cod National Seashore or the Blue Ridge Parkway or Everglades National Park, the extent to which the two tests I have just mentioned are met is evident. I am convinced that the Ozark National Scenic Riverways will also meet them successfully.

First, as to the population that it will serve. As we pointed out in our committee's report on this bill, the Ozark National Scenic Riverways is so located as to be readily accessible to almost 25 million people. It is within 175 miles of St. Louis; 200 miles of Memphis and Little Rock; 250 miles of Kansas City and Nashville; 300 miles of Louisville; 350 miles of Des Moines, Indianapolis, and Wichita; and 400 miles of Chicago, Lincoln, and Oklahoma City.

I emphasize this to show that this new unit of the park system will be an area of national, not merely local, significance and that, therefore, the cost of establishing it can properly be borne by the United States and not left to the people of Missouri alone.

The other test, "Is it an area of outstanding scenic value?" is also met. Too many of us have got so used to dirty, polluted streams that we have forgotten that this is not the way nature made them. We look at a Potomac or a Mississippi and lament that things are as they are. Here we have a chance to preserve 140 miles of two streams that are still as pure as they were in the days of the Indians. The Current River and the Jacks Fork, with which H.R. 1803 is concerned, are still in a pristine state. They are spring-fed streams and the greatest of all the attractions which this new national recreation area will offer will be a chance to float down them in one of the long flat-bottom Johnboats that are used in the area.

Quiet enough to give us that sense of peace that our city life denies us, remote enough to give us solitude if we want it, beautiful enough to invite us to return time after time—this is the Current River country. It is not rugged in the sense in which the Grand Tetons are rugged, it is not spectacular in the sense in which the Grand Canyon is spectacular, it is not majestic in the sense in which Mount Rainier is majestic, it is not wilderness in the way in which the back country of the Everglades is wilderness, but its serenity and its simplicity are qualities which make its preservation worthwhile. I know of no better agency to undertake this work than the National Park Service.

I could leave the matter with this, but I know that sooner or later someone will ask the mundane question, What does the price tag say? And here is the answer.

Development costs are estimated at $2,100,000 and section 8 of the bill authorizes the appropriation of $7 million for land acquisition. This appears to be a reasonable estimate at this time but, if it should later turn out to be wrong, the Interior Department will have to come before the authorizing committees to get additional legislation. I am sure, in any event, that the expenditure of the funds required to get the Ozark National Scenic Riverways started will be more amply repaid in the pleasure and enjoyment that the area will afford the many Americans who visit the area now and the many, many more who will visit it in years to come.

Mr. Chairman, I recommend passage of H.R. 1803.

Mr. SAYLOR. Mr. Chairman, I yield 10 minutes to the gentleman from Iowa [Mr. KYL].

Mr. KYL. Mr. Chairman, I want to be completely honest in expressing this objection to the bill which is before us. I do not object to the idea that an area such as this should become part of the national park preservation system. It is an area which is familiar to me. It is an area which fits all of the criteria which the chairman has spoken about in his remarks a moment ago. I commend the motives of those who introduced this legislation and who have promoted it.

I have no delusions about the outcome of the vote on this bill, but at least I hope that by registering an objection the Park Service, the State of Missouri, and everyone who is concerned with the administration of this area will exercise extra precaution which will prevent the things from happening which I am afraid will happen.

Let me tell you exactly what we are doing in this bill. It is not a usual thing.

We propose in this legislation to set up a park 140 miles long—I said 140 miles long—and a half mile wide or less on the average. It will be broken in two places because the legislation calls for leaving out of this preservation, 2 miles on either side of two communities. This is in deference to the desires of these two small towns in Missouri.

There is no zoning law in the State of Missouri. We are preserving a streambed. There are no means whatsoever in this legislation or in the laws of the great State of Missouri to preserve anything along the boundaries of this area which we establish.

I am afraid what we are doing here is creating a stream as a 140-mile-long main street or a Coney Island development.

I am afraid what we are doing here is destroying the very things that we seek to preserve.

I can envision, Mr. Chairman, that the high banks on either side of this river, and the lowlands too, will be filled from one end of this preservation to the other with commercial establishments seeking to take advantage of some of the 25 million people who, it has been said, will visit the area; and that the banks of this stream will be filled with permanent and temporary residences, all of which will detract from the beauty and all of which will enhance the danger of polluting these streams which absolutely are wonderfully clear streams as they now exist.

Now let us look back a little at the history of this project.

The original idea for a preservation of some kind in this area came about because the residents were afraid that the Corps of Engineers would build a dam on these rivers. At first it was thought that the easiest way to prevent this action would be to include the area in a national forest or a national monument. These ideas were forgotten.

The next proposal was that we make it a national park. But the people in this area do a lot of hunting, particularly of small game which abounds in this area. Since we do not permit hunting in national park areas and, rightfully so, it was decided that we could not call it a national park and therefore we have this new category established which is the first of what will become a long list of preservations of this kind. Of course, if they are desirable, I do not oppose them. But this is the first of a riverway preservation. It will be different from a park largely in the fact that we will be able to hunt in this area.

Now you can imagine what kind of an administrative nightmare the Park Service will have in trying to administer this area 140 miles long and a half mile or less in width, broken in two places. Access, of course, will be at almost any point along the line because there are roads to this area and there are bridges. I do not know how we could possibly administer this thing. This will be the job of the Park Department and I hope they can do the job properly.

It is true, as the chairman of the committee said, that I would have preferred this area to be developed by the State through the Land and Water Commission bill which has been passed by the House and which is now being considered in the other body I believe this afternoon or evening. Then the State of Missouri could have proceeded with the zoning regulations or anything else that the State deemed proper to make an appropriate preservation of this area in all of its parts. Lacking that the only way this thing can be properly preserved is to have the Federal Government come back to this House and to the other body repeatedly asking for additional funds to buy up additional land along the banks of this stream because of encroachments of those things which would muddy the waters and which would detract from the pristine beauty of the area.

At this point, Mr. Chairman, I wish to take a moment, not in the usual fashion we do this job on the floor, but in a most serious effort to express my very great appreciation for and, incidentally, my very great admiration for the gentleman who is the chairman of the Committee on Interior and Insular Affairs.

We have heard a lot on the floor in recent months about the partisanship of committee chairmen and about the unfairness of committee chairmen. I wish to say before all Members on both sides of the aisle of this House that no chairman could have been more fair to me had he been a Member on my side of the aisle than has been the gentleman from Colorado [Mr. ASPINALL]. He is expert in his field. He is fair. He is always a gentleman. He is an individual to be highly regarded and admired by all who serve under him.

In summary, Mr. Chairman, I wish to say that the motives which bring this bill to the floor are pure enough. This is a beautiful area. In my own mind I am convinced that the thing we do in respect to preservation of this area today will in the near future—not too many years—detract from that beauty and bring to that area all the dangers and all the pollutions we expect if we do not take action at the Federal level.

The cost, as is true with respect to all others of these bills, is an estimation. I believe it is an underestimate. As the chairman said, to obtain more money they will have to come back to this House and the other body to get appropriations. After the original bill has been authorized, of course, this becomes a rather "pat" proposition.

I would much have preferred the Ozark Riverways as a State proposition, using funds from the land and water conservation fund bill.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. KYL. I yield to the gentleman from Iowa.

Mr. GROSS. I thank the gentleman.

As I understand it, there are estimated costs by the Departments of Interior and Agriculture. The Department of Interior estimates land acquisition costs at $7 million, and I believe the Secretary of Agriculture had an estimated cost of $8.3 million.

Mr. KYL. The difference between the figures, I say to the gentleman, partly is caused by the fact that the first report, which came from the Department of Agriculture, was based on a park which was considerably larger than that included under the terms of this bill. The original proposal called for a more extensive park preservation than is asked for in this legislation. That would explain the difference between the figure of the Department of Agriculture and the later figure.

Mr. GROSS. They seek to acquire some 78,000 or perhaps as much as 85,000 acres of land?

Mr. KYL. I say to the gentleman that the nearest the committee could come to estimating the cost of this project, after all of the factors were taken into consideration, after all the best estimates had been made, was a cost of about $7 million.

Mr. GROSS. The gentleman would agree that this is what might be called the foundation cost; that it will likely go up from there?

Mr. KYL. There is one factor which always enters into these cases. Whenever the Federal Government proposes to buy an area, the price tag usually jumps. No one can estimate how much it will jump. The committee was very diligent in trying to arrive at the figure, which is $7 million. At this time I believe that is the best estimate which can be made.

Mr. GROSS. Why did the towns of Eminence and Van Buren ask to be excepted from this park preservation?

Mr. KYL. I would say that was a natural request of those communities. They are located right in the area which would have been taken into the preservation system. They needed land for additional growth, for the expansion of the communities in normal procedures. If they had not made such a request the preservation would have gone right into the city limits, in all probability. Therefore it was a natural request.

The gentleman does bring up another point which is of concern to me. I believe every available spot which is left out of the riverway and available to these communities will be filled with commercial ventures, with tourist ventures, with residences of one kind or another, usually of less permanent nature, much as has been the case in the area of the Lake of the Ozarks, which, sad to relate, has become a less attractive area than it was originally.

Mr. GROSS. Once again we are confronted with this situation: We have heard much about the tremendous land holdings of the Federal Government throughout the United States.

Now we are confronted again with a bill which would add 78,000 or 85,000 acres to the public domain. Is this correct?

Mr. KYL. This is correct. The acreage stated is not exactly correct, but it would add land to the domain of the Federal Government.

Mr. GROSS. Does the gentleman not think this could go over until next year so that we could take another look at it and see what the Federal budget is going to look like then?

Mr. KYL. Insofar as the budget is concerned, I suppose you could go over as many [illegible] as you like. Personally, I would [illegible] have the matter disposed of. [illegible] to the Ozark that anything would be [illegible] holding it over a long time, and in the meantime, if there is any appreciation of the area, it would be emphasized in the days ahead because the longer you postpone these things after you first talk about them, the higher the price of the land becomes and the more undesirable property is developed along the stream.

Mr. Chairman, I yield back the balance of my time.

Mr. MORRIS. Mr. Chairman, I yield 7 minutes to the gentleman from Missouri [Mr. ICHORD], the sponsor of the bill.

Mr. ICHORD. Mr. Chairman, H.R. 1803 is the final result of many long and hard hours of work by the Committee on Interior and Insular Affairs over the last 4 years, spanning the 87th and the 88th Congresses. It is a well-written bill, and the members of the committee, under the leadership of the gentleman from Colorado, Chairman ASPINALL; the ranking minority member, the gentleman from Pennsylvania, Congressman SAYLOR; and the subcommittee chairman, the gentleman from New Mexico, Congressman MORRIS, are to be commended. The present generations of Americans owe and the future generations of Americans will owe these three men and all of the members of the committee a tremendous debt of gratitude for their dedicated and untiring efforts to preserve and protect the beauty of our great country for the use and enjoyment of all Americans, as illustrated by their action on this bill and many other measures already enacted into law.

Mr. Chairman, during recent years a great deal of attention has been devoted to the need for setting aside in public ownership the unspoiled portions of our rivers, lakes, and ocean shorelines. The need, I might say, becomes more apparent each year. This bill fulfills that need and follows the example of the Cape Cod and Point Reyes legislation. The Current River and the Jacks Fork River country in my district in southern Missouri represent a striking opportunity for the preservation of a beautiful area, not only the interest of the Midwest but of the entire Nation, for they are two of the most outstanding free flowing streams in the Nation—clear, cold, beautiful, spring-fed streams but not assured of remaining in that state unless something is done. The truth of the matter is that if this bill is not passed, the beauty of the rivers will be gone. I think it was with that consideration in mind that my colleague the gentleman from Missouri, Congressman CURTIS, back in the 86th Congress first introduced legislation pertaining to this subject even though the area was not located within his district.

If this bill is not passed the present beauty of these rivers will be lost to all of America.

I appreciate the concern of the gentleman from Iowa, but I have the exactly opposite view. This legislation will not result in the area becoming a Coney Island. As a matter of fact if this legislation is not passed the area will be a Coney Island for it is rapidly becoming so with no legislation touching the matter.

The bill as passed by the committee is not as far reaching as the bill I originally introduced. The original bill I introduced in the 87th Congress called for 113,000 acres. This bill calls for the acquisition of land not exceeding 65,000 acres. Thus the committee has acted in the interest of economy. It has saved money and still has perfected a measure which will do the job.

In that respect I would like to point out to the economy minded Members of the Congress that $7 million which is authorized for the purchase of the land will not be a charge against the general revenues of the United States but will come out of the land and water conservation fund. The money will be in that fund and available only for expenditure for that purpose. So it will not be a charge against the general revenues of the United States. This is an opportunity, Mr. Chairman, to preserve for posterity an incomparably beautiful and scenic area in a section of our Nation where we have no national parks.

Mr. Chairman, I respectfully ask the Committee to approve H.R. 1803.

Mr. SAYLOR. Mr. Chairman, I yield 5 minutes to the gentleman from Missouri [Mr. CURTIS].

Mr. CURTIS. Mr. Chairman, I am happy to take the floor in support of this bill and join my colleague, the gentleman from Missouri, Congressman ICHORD, who represents this district in his support of the bill. This is in his district. It is true that in the Congress that preceded the one in which he came down here I had introduced a bill because of the interest of some people in my district in the St. Louis area in this very beautiful scenic river area in the Ozarks. In fact, many of my constituents actually own property down there. This is one of the great recreational areas. This is indeed a beautiful spot.

I had originally introduced a bill to have the Forestry Service take over because they are down there and there is quite a bit of this land which is in the U.S. Forestry Service. But there was a disagreement with the Park Service over the use of what are called scenic easements.

I am so pleased that the gentleman from Missouri, Congressman ICHORD, went ahead when he came down here to the Congress, with this matter. I told him very early that I was happy to cooperate with him in any way to try to develop this area in the proper way. I believe this bill does that.

The use of scenic easements instead of the actual acquisition of property is very definitely in this bill. I want to read for the RECORD a letter that I just received from the Secretary of the Interior dated August 5, 1964:

DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., August 6, 1964.

Hon. THOMAS B. CURTIS,
House of Representatives,
Washington, D.C.

DEAR TOM: It was a pleasure indeed to talk with you on August 5 concerning the proposed Ozark National Scenic Riverways (H.R. 1803).

We are pleased that the bill, as reported by the committee, provides for the acquisition of scenic easements along the Current and Jacks Fork Rivers, as you have urged for a long time. We agree that scenic easements are an especially suitable means for preserving portions of these rivers.

As we discussed, with the growing need for preservation of our open space and the providing of outdoor recreation to meet the mounting demands of our people, we must employ a broad range of techniques and devices. In the case of the Ozarks, the bill provides us with a range of authority which will permit us to accomplish the job there, namely: the acquisition of scenic easements; the acquisition of fee simple title; and the acquisition of title subject to leaseholds, life estates, and other interests, as may be appropriate. Of equal importance, the bill authorizes flexibility in the use of these techniques.

We appreciate your continuing interest in, and support of, the efforts to preserve the unique scenic and other natural and historic values represented along the Current and Jacks Fork Rivers of southeast Missouri.

With kind personal regards and best wishes, I am,

Sincerely yours,

STEWART,
Secretary of the Interior.

Indeed, I believe this may well become a prototype as to how we may develop and really preserve other scenic areas around the country.

Mr. Chairman, it is not necessary for the Government to go in and take fee simple title to all of these areas. If we will just use the principle that we are now experiencing, those of us in the urban areas, of the setback law—of setting buildings back a certain distance from the street in mutually restrictive covenants, then we come to this concept of what can be done through scenic easements, particularly along streams.

Mr. Chairman, I am very pleased that those who are in charge of the development of these programs have caught this concept.

Now, Mr. Chairman, let me say that I want to commend the minority views of the gentleman from Iowa [Mr. KYL].

The gentleman has pointed out some very important aspects of this matter.

One thing that does disturb me as I talk for this bill which in my own conscience I would not feel right about if I did not mention it is the fact that I am distressed that the State of Missouri has not shown more concern about this. I have tried my best to alert my own State—this is solely in the State of Missouri—as to why the State cannot move forward in these areas.

But today we are confronted with the fact that this beautiful natural area will not be preserved unless something is done very shortly. Mr. Chairman, at least this bill is an approach that has been taken by the Federal Government. It can become, as I said earlier, the prototype for the Government not buying up all of this land in fee simple, but through developing this concept of scenic easements or what might ultimately become rural zoning.

So, Mr. Chairman, to the extent that my words have meaning, I am happy to support the bill at this time and I hope that it moves forward.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. SAYLOR. Mr. Chairman, I yield the gentleman 3 additional minutes.

Mr. KYL. Mr. Chairman, will the gentleman yield?

Mr. CURTIS. I yield to the gentleman from Iowa.

Mr. KYL. With regard to the comments of the gentleman concerning scenic easements it would be my hope that the gentleman's suggestion would not lead the members of the committee into thinking that this is the total answer or anything near it to the problem.

As a matter of fact it is my understanding that in many State park bills we have language which permits not only the acquisition of lands but interest in lands. However, scenic easements have actually been acquired only in a few instances such as Antietam and perhaps at Mount Vernon. In these cases there is a very great debate that the landholder asks so much money for the scenic easement that the Government might as well, as far as the economics of the matter are concerned, have asked for an outright fee title.

Mr. CURTIS. May I say to the gentleman that the kind of easement about which he is talking represents a development in the Park Service where they actually bought a single easement along a highway in order to preserve a vista; but here there was no mutual benefit. I am referring more I say again to the setback law kind of easement where there is a mutual benefit derived by all people who grant these scenic easements to each other, and such type operation would particularly fit a river. Further, I would not expect the Government would have to pay anything for these easements. In fact I know that in the Ozark areas and in the Current River area already landholders are offering to submit their lands that border those rivers to restrictive covenants against buildings or whatever is necessary in order to provide this kind of preservation of the beauty of the river banks.

So if this technique of scenic easement is developed, as I expect it will be in light of the letter of the Secretary of Interior, this should not cost the Federal Government anything. I do not expect the Federal Government to pay the people for the scenic easement, and I expect this mutual covenant concept to be carried out. It is here that the people granting the easement derive the benefit of their mutually beneficial actions.

Mr. KYL. I am glad the gentleman puts it in that context. However, in my own mind I am not convinced this is going to be a very rapid operation for the Government. I think the RECORD should show that we are not encouraging the Department of the Interior to go out and purchase scenic areas at a price lower than the acquisition price.

Mr. CURTIS. I hope they do not purchase any scenic easements. I hope what is going to happen is they will avail themselves of the scenic easements that have already been offered by many of the riparian owners of the Current River, as I say, which restricts their lands, and convey it without cost. There is a great benefit to the owners of the banks of the river derived from mutually restricting their lands in this manner.

Mr. MORRIS. Mr. Chairman, I yield myself 7 minutes.

Mr. Chairman, I want to add my word of commendation for H.R. 1803 and to recommend to all Members of the House a favorable vote on this bill.

I visited the Current and Jacks Fork Rivers just a year ago with some of my colleagues on the Committee on Interior and Insular Affairs, so I can speak of the value of the area as a unit of the national park system from my own experience. I went there in doubt; I came back convinced.

As H.R. 1803 is reported to the House, it calls for the acquisition of 65,000 acres of land. This, you will note, is considerably less than the 78,000 acres which the Department of the Interior recommended for inclusion. In addition, it is expected that the State of Missouri will donate somewhere between 15,000 and 22,000 acres, and 800 acres will be transferred by the Forest Service to the National Park Service. The total area within the Ozark National Scenic Riverways will thus be in the neighborhood of 80,000 to 85,000 acres.

I can attest to the merits of this area from firsthand inspection. I was, of course, impressed with the the beauty of the Ozark country itself. I thoroughly enjoyed floating down the Current River for the greater part of a day without seeing much more than a quarter of the stretch that is to be included in the Federal area. I liked the people and I enjoyed the fish that were taken directly from the river to the grill. But—and perhaps this is because I come from the arid area I do—nothing impressed me quite so much as the immense, never-failing springs that keep the Current and Jacks Fork Rivers fed day in and day out. Big Spring, for example, has gone as high, I am told, as 840 million gallons per day and averages over 250 million. That is over 91 billion gallons of water a year coming out of the ground from this one spring alone or, to reduce it to terms I can understand better, enough to irrigate 100,000 acres of land in most parts of the West. Add to this Welch Spring and its 100 million gallons a day, and Blue Spring with another 80 million, and Round Spring with another 40, and 8 more with an average of perhaps 10 million each, and at least 44 other smaller ones, and you can understand why a New Mexican like me feels more than a little envious of our good friend Dick Ichord and the district he represents.

Now I have heard some criticism of the committee for coming forth with a proposal for a park that is 140 miles long and only a mile wide most of its length. I want to comment on this criticism. In the first place, this picture is not altogether true to life. We have allowed a much greater width than this in the middle of the area. Here we have provided for the inclusion of a block of land that is about 9 miles by 6 where the National Park Service will put in most of its land-based facilities and where the visitor can have a direct taste of the wooded Ozark hills. In the second place we could have proposed a considerably bigger area all around if we had chosen to do so but, of course, at an increased price measured not only in dollars but also in unnecessary disruption of the normal farming operations of the people who live there. In the third place, the width we have provided for will accomplish the job we principally set out to accomplish—that is, protect the Current and the Jacks Fork Rivers and the view from them as far as the eye can see. This, for the visitor, is the most important thing. Fourth, no matter how wide we had made the national area, there would always be an uncontrolled zone on the margin of the national area. That is unavoidable. We all hope, of course, that the State and the local political subdivisions will exercise their zoning authority along the fringes but there is nothing the Congress can properly do except encourage this sort of action as fully as possible. Finally, I want to point out that, though the name—Ozark National Scenic Riverways—is new and different, the idea behind setting aside this 140-mile long stretch as a unit of the national park system is the same as the idea behind the Blue Ridge National Parkway and the Natchez Trace National Parkway. Both of these are long and narrow—far longer and far narrower than this. Yet they serve their purpose and in serving it, serve the people of this country.

Mr. Chairman, the gentleman from Colorado who is chairman of the full Committee on Interior and Insular Affairs has already told the House about the cost of this project, so I will not go into it. And our friends from Missouri will no doubt tell us in far more detail than I can about the wonders of their country and the willingness of the State to cooperate, so I will not go into that, either. I do want to mention, however, the relation between this bill, H.R. 1803, and the land and water conservation fund bill which the House passed 2 weeks ago. As you will remember, that bill provides that 40 percent of the appropriations which come from the land and water conservation fund will be available to such Federal agencies as the National Park Service for land acquisition. It was just such areas as this one that we had in mind when we passed that bill. I do not say that that bill is the answer to all our problems, but I do say that it will be a very worthwhile measure if it helps us to establish such new national recreational areas as the Ozark National Scenic Riverways.

Mr. Chairman, I urge all Members to support H.R. 1803.

Mr. SAYLOR. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, this bill, H.R. 1803, is the first bill to establish a new major unit of the national park system that the Committee on Interior and Insular Affairs has brought before the House during the 88th Congress.

I might say to some of you who come from the West you can understand the enthusiasm of the chairman of the subcommittee, the gentleman from New Mexico [Mr. Morris], when he goes down to the Ozarks and there finds one spring that would furnish 800 acre-feet of water a day and in a year would furnish enough water to irrigate 100,000 acres of land in his State.

I should like to call attention to several features of this bill which I think show that the members of the House Committee on Interior and Insular Affairs are very cognizant of the people of this area who are the present property owners. Section 3 of the bill provides that the Secretary of the Interior can enter into agreements with the present landowners which provide how long they may continue to use their property and to give them a life interest for either themselves, their spouses or their survivors.

Features like this indicate that we do not intend at the present time to dispossess every property owner and the people who are there will have the opportunity to have their holdings phased out properly.

Our colleague, the gentleman from Iowa [Mr. Kyl] was gravely concerned about what might appear on the fringes of this new riverway. He says he has visions of a honkeytonk 140 miles long. I might say to my colleagues that I do not care how wide we would make this riverway, the thing that our colleague from Iowa fears could happen, but to make sure that it does not happen, in section 5 of the bill we provide that the Secretary of the Interior shall cooperate not only with the State of Missouri but all of its political subdivisions and all Federal agencies in the organization of comprehensive plans. I can tell you from the testimony given before our committee this involves zoning in this area which will eliminate the very things that our colleague, the gentleman from Iowa [Mr. Kyl] fears.

What H.R. 1803 proposes is to authorize the Secretary of the Interior to set up the Ozark National Scenic Riverways in the State of Missouri. This will be administered as, in effect, a national recreation area under most of the laws generally applicable to the National Park Service.

The land to be included in the Ozark National Scenic Riverways is limited by the bill to 65,000 acres plus whatever additional acreage may be acquired by donation from the State of Missouri or by transfer to the Secretary of the Interior for administration by other Federal agencies. It is expected that the State will donate somewhere between 15,000 and 22,000 acres and that 800 acres of Forest Service lands will be included in the area.

There are many scenic attractions in this area that make it worthy of inclusion in the national park system. The Ozark Mountains themselves are one, the colorful caves in the area are another, the many very large springs—one flows over 250 million gallons a day on the average—are another, but most important of all are the Current and Jacks Fork Rivers which are the heart of the new park.

The Current and Jacks Fork Rivers are among the few in the country that are, as one author has put it, "as pure and undefiled as—on the first day the white men saw it." One of the great purposes of such a bill as this is to keep these streams that way and to assure their continued accessibility to the general public under controlled conditions. My colleagues on the Committee on Interior and Insular Affairs who have visited the area have given you firsthand reports on its merits that I cannot give but I know that both they and others who are competent to evaluate it as compared with other areas regard it very highly.

Development costs are estimated at $2,100,000 and section 8 of the bill authorizes the appropriation of $7 million for land acquisition. This appears to be a reasonable estimate at this time but, if it should later turn out to be wrong, the Interior Department will have to come before the authorizing committees to get additional legislation. I am sure, in any event, that the expenditure of the funds required to get the Ozark National Scenic Riverways started will be more than amply repaid in the pleasure and enjoyment that the area will afford the many Americans who visit the area now and the many, many more who will visit it in years to come.

Mr. Chairman, I yield back the balance of my time.

Mr. MORRIS. Mr. Chairman, we have no further requests for time on this side.

Mr. SAYLOR. Mr. Chairman, I yield 4 minutes to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, I should like to ask someone on the committee about the estimated cost of this Ozark National Scenic Riverways Commission. I do not find any estimate of the cost in the report. Perhaps, I overlooked it.

Mr. MORRIS. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman.

Mr. MORRIS. There would be no compensation paid to the members of this Commission. The only compensation they would receive would be the Government per diem allowance when the Commission is meeting.

Mr. GROSS. Do you mean the Commission will not have an executive secretary, or a plain secretary, or any kind of staff?

Mr. MORRIS. We do not intend to have a big bureaucracy built up in this Commission. They have an advisory staff.

Mr. GROSS. I am glad to hear that, but who is going to carry the traveling bags of the members of this Commission when they go out to inspect the project?

Mr. MORRIS. As bad as it may sound, they are just going to have to carry their own bags.

Mr. GROSS. That does not seem reasonable. Of course, I do not like to doubt my friend.

Mr. MORRIS. That would be a terrible thing to make somebody have to do, but in the performance of their public service, they are just going to have to do it.

Mr. GROSS. I will accept the gentleman's word—and I will watch the appropriations with respect to this.

What is the understanding of the gentleman from New Mexico as to the scenic easements? Are the scenic easements to be purchased? How are they to be acquired?

Mr. MORRIS. The language on page 9 of the bill says:

> The Secretary may, within the area designated or altered pursuant to section 4, acquire lands and interests therein, including scenic easements, by such means as he may deem to be in the public interest:

Mr. GROSS. I am asking the gentleman for his opinion as to how the scenic easements will be acquired. Does the gentleman believe they will be obtained without compensation, as the gentleman from Missouri [Mr. CURTIS], suggests, or will the Government have to buy the scenic easements?

Mr. MORRIS. We are hoping they will be acquired without cost to the Federal Government. We will give to the Secretary, by this language, authority so that if he deemed it in the public interest he could purchase a scenic easement, or exchange some land for the easement.

Mr. GROSS. I understand that. It is a hope, and only a hope, on the part of the gentleman, that the Federal Government will not have to buy the easements; is that correct?

Mr. MORRIS. It is a little more than a hope. We have had some indications from some of the people that they would be willing to give the Secretary scenic easements.

Mr. GROSS. The gentleman would agree, I assume, that easements will be quite important to this narrow, 140-mile-long tract of land. It is a good deal like the Powder River—a mile wide, an inch deep, and never runs dry?

Mr. MORRIS. It is a little more than an inch deep. You can float down it on a boat. It is more than an inch.

Mr. GROSS. Very well. Let me say to the gentleman that acquiring of easements seems to me to be particularly important in this sort of layout.

Mr. MORRIS. The easement is important. That is why we included the language in the legislation.

Neither the committee nor the Department wants to push people off this land. We are hoping that the majority of these people will—I believe a good number of them will—agree to give scenic easements. Then we will not have to acquire them. The people can continue to live there as long as they desire. In other words, they can have their cake and eat it, too.

Mr. GROSS. What is proposed to be established under the terms of this bill is, I assume, on the order of the attempt to do much the same thing with the old C. & O. Canal up into Maryland. That was attempted some time ago, but has never gone through, has it?

Mr. MORRIS. I am not familiar with that, I say to my friend.

Mr. GROSS. That has been stopped for some time. I do not know whether it is dead or alive in the committee.

Mr. MORRIS. It is not under active consideration.

Mr. HALL. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. HALL. Mr. Chairman, though I have several reservations about the wisdom of this bill creating the Ozark National Scenic Riverways in Missouri, I will not actively oppose the bill today out of deference to the hard work and spirit of compromise that has prevailed among my two Missouri colleagues most directly concerned.

I am personally familiar with the area to which this legislation pertains. I have floated these Sringfield rivers on many occasions and grew up in the area. It is a beautiful place, and I think it should be noted that the only reason we are even considering this legislation is because it has already been preserved for generations by the people most directly concerned, and without the need for further Federal acquisition of land. In one sense, I only hope that the Federal responsibility resulting from this bill will do as good a job as the private interests which have prevailed until now.

Two years ago I suggested that our own Missouri State Park Board take action to preserve the scenic beauty of the area because I still believe that the Federal Government should intrude only where local and State interests cannot act. But I regret to say that very little has been done along these lines, and thus the pressure that has developed for this bill. I told the Governor I felt we should preserve this rare source of pure, cold, constant-temperatured water for Missouri and industrial development, if not for recreation. I do think that recognition should be given to the fact that this is a much better bill than was originally proposed. It has been greatly modified and emphasis given to obtaining scenic easements rather than purchasing an enormous chunk of land in fee simple.

There has been recognition given to private property rights to a far greater degree than was originally proposed, though we are deluding ourselves if we believe that some property owners are not going to be hurt through eventual disposition of their land. One of the three original rivers has been removed by political amputation.

I have some further worries as to whether we in Missouri are going to have to pay to use our own in the event that admission fees are subsequently authorized by the land and water conservation fund bill which previously passed this House.

I also think that the area should be viewed from the standpoint of its entire potential use, instead of attempting to set up arbitrary management on a portion of it for single use with the exclusion of all others. This could have been done better by the forestry service, in my opinion.

So that all these factors will be understood, and in the hope that the future administrator of the area will be cognizant of the objections that have been raised, I submit for the RECORD, copies of letters I have received on this issue from Mrs. R. E. Vaughn of the Current Jack's

Fork River Association and Mrs. Wayne Blackwell of the Current Eleven Point Rivers Association.

CURRENT & JACK'S FORK RIVER ASSN.,
INDIVIDUAL RIVER PRESERVATION,
Eminence, Mo., March 6, 1964.
Hon. DURWARD G. HALL,
New House Office Building,
Washington 25, D.C.

DEAR SIR: It is probable that H.R. 1803 (Ozarks national rivers bill) will soon come up for House consideration.

This bill concerns my home area and so, of course, is of vital interest to me and my neighbors. The park proposal appears as a threat to our way of life and best interests. From the start, we have studied this proposal and now oppose it. Our grassroots organization numbers some 1,000 landowners and citizens, both resident and nonresident—deeply concerned people.

It is our firm conviction that this is an unwise and an unnecessary expenditure that will not attain the professed objective of river preservation. There is already adequate park space in our State parks and National forests, totaling more than 350,000 acres in this area.

I appeal to you to vote against this bill and to use your influence against it.

Sincerely yours,

Mrs. R. E. VAUGHN.

P.S. We have already submitted ample testimony to substantiate our arguments on this bill and companion S–16, and their predecessors: H.R. 5712 and S. 1381. We feel that a careful reading of this record will show the strength of our position.

FACT SHEET

REFERENCE: H.R. 1803 OZARKS NATIONAL RIVERS BILL

NOVEMBER 2, 1963.

1–A. Violation of U.S. Constitution.

1–B. Without precedent. See House hearing on "Ozark National Rivers, Mo.," April 9, 1963, page 7, letter from Norman J. Small, legislative attorney, to Hon. EDWARD V. LONG, paragraph 2: "Insofar as scenic easements are obtained solely through voluntary negotiation with property owners, no legal question is likely to arise. On the other hand, if Federal acquisitions of such property interests is to be perfected by compulsory process, the validity of such an approach might be challenged on the ground that condemnation of private property rights to promote esthetic purposes such as the preservation of scenic beauty is not a taking for a public purpose; that is, to foster public health, safety, or morals such as is requisite to support exercise of the power of eminent domain . . ."

1–C. Violation of Missouri Law (Revised Statutes of Missouri, 1959, chapter 12, section 12.010) and violations of individual right to ownership and accomplishment. This bill and its development plan call for power of eminent domain for esthetic and recreational purposes.

2. Over half of the rivers is already pledged to the locally administered Current River Preservation Association, Inc. Riparian landowners are offering voluntary deeds of restriction; and this movement is expected to accelerate.

3. Much high cost of Government—and taxes—results from people's request for more services. This $6 million expenditure is not wanted, not needed. The Ozark rivers plan (1956) dates prior to multiple use program authorized by Congress for U.S. Forest Service, which is interested in entire watershed, presently owns a great percentage of the Ozarks, and is developing recreational areas without the expense of an additional $6 million. Example: voluntary local cooperation on Eleven Point River.

4. The Park Service is a perpetual public debt; the Forest Service is a continuing source of income to the Government. Forest Service—not Park Service—is already in Ozarks.

5. Every thinking person is jolted by term "national rivers"—and even if it is changed to "monument" the bill will nationalize Missouri's rivers: a precedent for the same fate for the rivers of other States. The Current and Jack's Fork Rivers in normal stages are by case-tried law open for public use.

6. Multiple use of resources (one-third farming, one-third forestry, one-third recreation) permits us to have balanced economy. Exclusive tourism would be beneficial only about 100 days out of the year.

7. Eighty-five percent of the Ozark region is in timber. The forests themselves—hot, humid, and infested with ticks and chiggers in summer—have modest recreational potential. Present fine young forest, if left to become decadent under Park Service, will change to less desirable trees from esthetic and commercial viewpoints. Some sites here grow pine 85 feet tall at age 50. Area of Current River drainage has long had reputation of producing finest white oak cooperage in Midwest.

8. Carter and Shannon produce a lot of Missouri's cattle and hogs which are raised in the fertile valleys of these rivers. This industry is compatible with preservation, or conservation. Eight hundred thousand people touring this area during a summer would certainly be incompatible with preservation of natural beauty.

9. Current and Jack's Fork Rivers flow through proven mineral region. Before Congress ties up the area for restricted recreational use, study should be made of total resource potential.

10. The report of Senate passage of companion bill S. 16 in CONGRESSIONAL RECORD (Oct. 22, 1963) is biased because it indicates none of the opposition registered at hearings in Van Buren, Mo., or in Washington, D.C. Whole days of testimony were apparently ignored.

11. We saved this region from inundation in early 1950's when Corps of Army Engineers proposed dams at Doniphan and Blair Creek. We saved the beauty the Government again wants to take from us.

12. Though appropriate for outdoorsmen, the Ozark rivers are swift and treacherous, better suited to dispersed recreation than to family groups such as national parks attract. River travel is the only way to see the scenery that this bill would acquire.

13. The near 600 farmers and other property owners along these rivers, who would be displaced and disrupted, now live unobtrusively, screened by timber and bluffs. Life residency under H.R. 1803 with intolerable park regulations and without incentive for maintenance of property has no appeal—even though we would pay for privilege.

14. Of the polls made by Congressman JONES (10th Dist. Eleven Point River) and by Congressman ICHORD (8th Dist. Current-Jack's Fork), the first was direct and valid and resulted in deleting that area from park plan—at least temporarily. The second was sent to 24 counties and listed several questions on national and international affairs, listing this issue last. More revealing was result of primary election when Congressman ICHORD was defeated in both Carter and Shannon Counties.

CURRENT-ELEVEN POINT
RIVERS ASSOCIATION,
(Signed) WAYNE BLACKWELL.

The CHAIRMAN. The time of the gentleman has expired. All time has expired.

Pursuant to the rule, the Clerk will now read the substitute committee amendment printed in the reported bill as an original bill for the purpose of amendment.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That for the purpose of conserving and interpreting unique scenic and other natural values and objects of historic interest, including preservation of portions of the Current River and the Jacks Fork River in Missouri as free-flowing streams, preservation of springs and caves, management of wildlife, and provisions for use and enjoyment of the outdoor recreation resources thereof by the people of the United States, the Secretary of the Interior (hereinafter referred to as the "Secretary") shall designate for establishment as the Ozark National Scenic Riverways the area (hereinafter referred to as "such area") generally depicted on map numbered NR OZA 7002 entitled "Proposed Ozark National Rivers" dated December 1963 which map is on file for public inspection in the office of the National Park Service, Department of the Interior: *Provided,* That the area so designated shall not include more than sixty-five thousand acres of land now in private ownership and that no lands shall be designated within two miles of the present boundaries of the municipalities of Eminence and Van Buren, Missouri. The Secretary, with the concurrence of the State, shall designate for inclusion in the Ozark National Scenic Riverways, the lands composing Big Springs, Alley Springs, and Round Spring State Parks, and the Secretary is hereby directed to negotiate with the State for donation and the inclusion of such park lands in the Ozark National Scenic Riverways.

SEC. 2. The Secretary may, within the area designated or altered pursuant to section 4, acquire lands and interests therein, including scenic easements, by such means as he may deem to be in the public interest: *Provided,* That scenic easements may only be acquired with the consent of the owner of the lands or water thereof: *And provided further,* That any parcel of land containing not more than five hundred acres, which borders either the Current River or the Jacks Fork River, and which is being primarily used for agricultural purposes, shall be acquired by the Secretary in its entirety unless the owner of any such parcel consents to the acquisition of a part thereof. Property so acquired which lies outside the boundary generally depicted on the map referred to in section 1 of this Act may be exchanged by the Secretary for any land of approximately equal value within the boundaries. Lands and waters owned by the State of Missouri within such area may be acquired only with the consent of the State. Federally owned lands or waters lying within such area shall, upon establishment of the area pursuant to section 4 hereof, be transferred to the administrative jurisdiction of the Secretary, without transfer of funds, for administration as part of the Ozark National Scenic Riverways.

SEC. 3. Any owner or owners, including beneficial owners (hereinafter in this section referred to as "owner"), of improved property on the date of its acquisition by the Secretary may, as a condition to such acquisition, retain the right of use and occupancy of the improved property for noncommerical residential purposes for a term ending at the death of such owner, or the death of his spouse, or at the death of the survivor of either of them. The owner shall elect the term to be reserved. The Secretary shall pay to the owner the fair market value of the property on the date of such acquisition less the fair market value on such date of the right retained by the owner.

SEC. 4. When the Secretary determines that lands and waters, or interests therein, have been acquired by the United States in sufficient quantity to provide an administrable unit, he shall declare establishment of the Ozark National Scenic Riverways by publication of notice in the Federal Register. The Secretary may thereafter alter such boundaries from time to time, except that the total acreage in the Ozark National Scenic Riverways shall not exceed sixty-five thousand acres, exclusive of land donated by the State of Missouri or its political subdivisions and of federally owned land transferred pursuant to section 2 of this Act.

SEC. 5. (a) In furtherance of the purposes of this Act, the Secretary is authorized to cooperate with the State of Missouri, its political subdivisions, and other Federal agencies and organizations in formulating comprehensive plans for the Ozark National Scenic Riverways and for the related watershed of the Current and Jacks Fork Rivers in Missouri, and to enter into agreements for the implementation of such plans. Such plans may provide for land use and development programs, for preservation and enhancement programs, for preservation and enhancement of the natural beauty of the landscape, and for conservation of outdoor resources in the watersheds of the Current and Jacks Fork Rivers.

(b) The Secretary shall permit hunting and fishing on lands and waters under his jurisdiction within the Ozark National Scenic Riverways area in accordance with applicable Federal and State laws. The Secretary may designate zones where, and establish periods when, no hunting shall be permitted, for reasons of public safety, administration, or public use and enjoyment and shall issue regulations after consultation with the Conservation Commission of the State of Missouri.

SEC. 6. The Ozark National Scenic Riverways shall be administered in accordance with the provisions of the Act of August 25, 1916 (39 Stat. 535), as amended and supplemented, and in accordance with other laws of general application relating to the areas administered and supervised by the Secretary through the National Park Service; except that authority otherwise available to the Secretary for the conservation and management of natural resources may be utilized to the extent he finds such authority will further the purposes of this Act.

SEC. 7. (a) There is hereby established an Ozark National Scenic Riverways Commission. The Commission shall cease to exist ten years after the date of establishment of the area pursuant to section 4 of this Act.

(b) The Commission shall be composed of seven members each appointed for a term of two years by the Secretary as follows:

(1) Four members to be appointed from recommendations made by the members of the county court in each of the counties in which the Ozark National Scenic Riverways is situated (Carter, Dent, Shannon, and Texas), one member from the recommendations made by each such court;

(2) Two members to be appointed from recommendations of the Governor of the State of Missouri; and

(3) One member to be designated by the Secretary.

(c) The Secretary shall designate one member to be chairman. Any vacancy in the Commission shall be filled in the same manner in which the original appointment was made.

(d) A member of the Commission shall serve without compensation. The Secretary shall reimburse members of the Commission for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(e) The Secretary or his designee shall from time to time consult with the members of the Commission with respect to matters relating to the development of the Ozark National Scenic Riverways, and shall consult with the members with respect to carrying out the provisions of this Act.

(f) It shall be the duty of the Commission to render advice to the Secretary from time to time upon matters which the Secretary may refer to it for its consideration.

SEC. 8. There are hereby authorized to be appropriated such sums (but not more than $7,000,000 for the acquisition of lands or interests in lands) as are necessary to carry out the purposes of this Act.

Mr. MORRIS (interrupting the reading of the amendment). Mr. Chairman, I ask unanimous consent that the amendment be considered as read, be printed in the RECORD, and be open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

The CHAIRMAN. The question is on the Committee amendment.

The Committee amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. CHELF, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 1803) to provide for the establishment of the Ozark National Rivers in the State of Missouri, and for other purposes, had directed him to report the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered. The question is on the adoption of the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

The title was amended so as to read: "A bill to provide for the establishment of the Ozark National Scenic Riverways in the State of Missouri, and for other purposes."

A motion to reconsider was laid on the table.

Mr. MORRIS. Mr. Speaker, pursuant to House Resolution 807 I ask unanimous consent for the immediate consideration of a similar Senate bill, S. 16.

The SPEAKER. Is there objection to the request of the gentleman from New Mexico?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purpose of conserving and interpreting unique scenic and other natural values and objects of historic interest, including preservation of portions of the Current River and the Jacks Fork River in Missouri as free-flowing streams, preservation of springs and caves, protection of wildlife, and provision for use and enjoyment thereof by the people of the United States, the Secretary of the Interior (hereinafter referred to as the "Secretary") shall designate for establishment as the Ozark National Rivers an area (hereinafter referred to as "such area") not exceeding 94,000 acres and being generally depicted on map numbered NR-OZA-7000 entitled "Proposed Ozark National Rivers" dated January 1963, which map is on file for public inspection in the Office of the National Park Service, Department of the Interior: *Provided,* That no lands shall be designated within two miles of the municipalities of Eminence and Van Buren, Missouri. Notwithstanding any limitation herein, the Secretary, with the concurrence of the State, shall designate for inclusion in the Ozark National Rivers, the lands composing Big Springs, Alley Springs, and Round Spring State Parks, and the Secretary of the Interior is hereby directed to negotiate with the State for the donation and the inclusion of such park lands in the Ozark National Rivers.

SEC. 2. The Secretary of the Interior may, within the area designated or altered pursuant to section 4, acquire lands and waters, or interests therein, including scenic easements, by such means as he may deem to be in the public interest; *Provided,* That scenic easements may only be acquired with the consent of the owner of the lands or waters thereof: *And provided further,* That any parcel of land containing not more than five hundred acres, which borders either the Current River or the Jacks Fork River, and which is being primarily used for agricultural purposes, shall be acquired by the Secretary in its entirety unless the owner of any such parcel consents to the acquisition of a part thereof. Lands and waters owned by the State of Missouri within such area may be acquired only with the consent of the State. Federally owned lands or waters lying within such areas shall, upon establishment of the area pursuant to section 4 hereof, be transferred to the administrative jurisdiction of the Secretary, without transfer of funds, for administration as part of the Ozark National Rivers.

SEC. 3. Any owner or owners, including beneficial owners (hereinafter in this section referred to as "owner"), of improved property on the date of its acquisition by the Secretary may, as a condition to such acquisition, retain the right of use and occupancy of the improved property for noncommercial residential purposes for a term ending at the death of such owner, or the death of his spouse, or at the death of the survivor of either of them. The owner shall elect the term to be reserved. The Secretary shall pay to the owner the fair market value of the property on the date of such acquisition less the fair market value on such date of the right retained by the owner.

SEC. 4. When the Secretary determines that lands and waters, or interests therein, have been acquired by the United States in sufficient quantity to provide an administrable unit, he shall declare establishment of the Ozark National Rivers by publication of notice in the Federal Register. The Secretary may thereafter alter such boundaries from time to time, except that the total acreage in the Ozark National Rivers shall not exceed ninety-four thousand acres, exclusive of State park land to be donated by the State of Missouri.

SEC. 5. (a) In furtherance of the purposes of this Act, the Secretary is authorized to cooperate with the State of Missouri, its political subdivisions, and other Federal agencies and organizations in formulating comprehensive plans for the Ozark National Rivers and for the related watersheds of the Current and Jacks Fork Rivers in Missouri, and to enter into agreements for the implementation of such plans. Such plans may provide for land use and development programs, for preservation and enhancement of the natural beauty of the landscape, and for conservation of outdoor resources in the watersheds of the Current and Jacks Fork Rivers.

(b) The Secretary shall permit hunting and fishing on lands and waters under his jurisdiction within the Ozark National Rivers area in accordance with the laws of Missouri. The Secretary may designate zones where, and establish periods when, no hunting shall be permitted, for reasons of public safety, administration, or public use and enjoyment and shall issue regulations after consultation with the Conservation Commission of the State of Missouri.

SEC. 6. The Ozark National Rivers shall be administered in accordance with the provisions of the Act of August 25, 1916 (39 Stat. 535), as amended and supplemented, and in accordance with other laws of general application relating to the areas administered and supervised by the Secretary through the National Park Service; except that authority otherwise available to the Secretary for the conservation and management and natural resources may be utilized to the extent he finds such authority will further the purposes of this Act.

SEC. 7. (a) There is hereby established an Ozark National Rivers Commission. The Commission shall cease to exist ten years after the date of establishment of the area pursuant to section 4 of this Act.

(b) The Commission shall be composed of seven members each appointed for a term of two years by the Secretary as follows:

(1) Four members to be appointed from recommendations made by the members of the county court in each of the counties in which the Ozark National Rivers is situated (Carter, Dent, Shannon, and Texas), one member from the recommendations made by each such court;

(2) Two members to be appointed from recommendations of the Governor of the State of Missouri; and

(3) One member to be designated by the Secretary.

(c) The Secretary shall designate one member to be chairman. Any vacancy in the Commission shall be filled in the same manner in which the original appointment was made.

(d) A member of the Commission shall serve without compensation as such. The Secretary shall reimburse members of the Commission for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(e) The Secretary or his designee shall from time to time consult with the members of the Commission with respect to matters relating to the development of the Ozark National Rivers, and shall consult with the members with respect to carrying out the provisions of this Act.

(f) It shall be the duty of the Commission to render advice to the Secretary from time to time upon matters which the Secretary may refer to it for its consideration.

SEC. 8. There are hereby authorized to be appropriated such sums as are necessary to carry out the purposes of this Act.

SEC. 9. If any provision of this Act or the application of such provision to any person or circumstance is held invalid, the remainder of this Act or the application of such provision to any person or circumstance other than that to which it is held invalid, shall not be affected thereby.

AMENDMENT OFFERED BY MR. MORRIS

Mr. MORRIS. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MORRIS: Strike out all after the enacting clause of S. 16 and insert in lieu thereof the provisions contained in H.R. 1803 as passed by the House.

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 1803) was laid on the table.

Mr. MORRIS. Mr. Speaker, I ask unanimous consent that the title of the Senate bill, S. 16, be amended to conform with the House bill.

The SPEAKER. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

INDEPENDENT OFFICES APPROPRIATION BILL

Mr. FOGARTY. Mr. Speaker, at the request of the gentleman from Texas [Mr. THOMAS], I ask unanimous consent that the conferees on the disagreeing votes on the bill, H.R. 11296, the independent offices appropriation bill for 1964, may have until midnight tonight to file a conference report.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

VOLUNTARY PRAYER AND BIBLE READING IN OUR SCHOOLS

Mr. JOHNSON of Pennsylvania. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. JOHNSON of Pennsylvania. Mr. Speaker, I was sworn in as a Congressman on November 27th and since that time I have been amazed by the large amount of mail, petitions and other devices asking that this session of Congress pass a constitutional amendment which will permit voluntary prayer and Bible reading in our schools.

I sent out a questionnaire to some 60,000 people in my district and they voted 93 percent in favor of such a constitutional amendment. I am sure that the same situation prevails in practically every congressional district in the Nation.

As a veteran legislator from Pennsylvania, it seems incredible to me that in view of the demand of the people of this country for some action on this matter, that Members of this Congress will be denied a vote on this important issue during this session.

Instead of appearing before the House Judiciary Committee to testify in favor of the Becker amendment which would permit voluntary prayer and Bible reading in our schools, I elected to file a statement with the committee to be incorporated with the record.

The statement dwells principally on the question of whether it is proper and right at this time to amend our Constitution in the manner provided for in the Becker amendment.

The statement filed June 10, 1964, was particularly timely because of the statement at that time filed with the committee by 223 lawyers which stated in effect that further amendments to the U.S. Constitution must be blocked, leaving the Supreme Court of the United States free to rewrite the Constitution at will. Many persons were shocked by the statement filed by these attorneys.

My statement to the committee is as follows:

On June 25, 1962, the U.S. Supreme Court ruled invalid as violating the 1st and 14th amendments of the Federal Constitution the use in the public schools of New York of a "denominationally neutral" prayer provided by the State board of regents. Subsequently, the Supreme Court ruled against Bible reading in the schools of Pennsylvania and Baltimore, Md.

EFFECT OF PRAYER AND BIBLE READING DECISIONS

The decisions of the Supreme Court banning schoolroom prayer and Bible reading have caused widespread consternation in this Nation. They have engendered one of the greatest letter-writting and petition-sending activities to Congressmen in the memory of most Members. They have prompted men like His Eminence Francis Cardinal Spellman to say the Supreme Court's ruling is a "decision which will be harmful to America." Said Time magazine on June 28, 1963: "Many religious Americans, while accepting the Court's decision as law, regard it as a loss to religion, to morality, and to the children."

HOW THE PRAYER AND BIBLE READING DECISIONS CAME ABOUT

The decisions by the Court ruling school prayers and Bible reading unlawful had become inevitable as a result of a line of decisions of the Court in other cases. The 1st amendment, like the rest of the Bill of Rights, originally was interpreted to apply only as a restraint on Congress—"Congress shall make no law respecting the establishment of religion"—but over the years the Supreme Court has gradually ruled that though the 14th amendment says "no State shall deprive, etc."—it actually denies the power of a State to abridge the rights in our 1st 10 Federal amendments known as the Bill of Rights.

THE PROBLEM CREATED AND ITS SOLUTION

The question presented to the Nation today is how best to correct the harm caused by the decision of the Court and restore to our schools on a voluntary basis the privileges with respect to Bible reading and prayer previously enjoyed. The most logical and reasonable solution presented to date has been the introduction of the Becker amendment into the legislative hopper.

THERE IS PRECEDENT FOR THE BECKER AMENDMENT

Amending our Federal Constitution so as to correct or nullify the effects of a decision of the Supreme Court of the United States is not new in our long and successful history.

The decision of the Supreme Court in the famous Dred Scott case (*Dred Scott* v. *Sanford*, 19 How. 393) originated the amendment of our Federal Constitution to nullify a decision of the Supreme Court. This decision brought about two amendments.

THE 13TH AMENDMENT FREED THE SLAVES

The 1st such amendment was the 13th amendment. The Dred Scott decision upheld a plea in abatement and declared in effect that a slave was a chattel, and not a person. The 13th amendment abolished slavery and involuntary servitude previously upheld by the Supreme Court.

THE 14TH AMENDMENT MADE SLAVES CITIZENS

The 2d amendment made necessary by the Dred Scott decision was the 14th amendment. In this decision Chief Justice Taney also ruled that only two classes of individuals were citizens of the United States; namely: (a) white persons born in the United States;

(b) white persons naturalized by the United States.

The 14th amendment corrected this ruling by stating: "All persons born or naturalized in the United States * * * are citizens of the United States and of the State wherein they reside."

THE 16TH AMENDMENT PERMITTED THE PREVIOUSLY INVALID INCOME TAX

The next amendment to our Federal Constitution made necessary by reason of a decision of the Supreme Court was the 16th amendment; the amendment providing for the Federal graduated income tax. In the case of *Pollock* v. *Farmers Loan & Trust Co.*, 157 U.S. 429 (1895), the Court declared a tax on income derived from property, was a direct tax which Congress could only impose by the rule of apportionment according to population.

The 16th amendment said Congress can levy taxes "on income without apportionment * * * and without regard to any census or enumeration."

THE 21ST AMENDMENT CORRECTED AN UNPOPULAR DECISION OF CONGRESS AND THE PEOPLE AS WELL

While the 13th, 14th, and 16th amendments were adopted to nullify a decision of the Supreme Court, the 21st amendment was adopted to nullify an unpopular decision on the part of Congress and the people in passing the 18th amendment which established prohibition to sell, manufacture, etc., intoxicating liquor. The 21st amendment repealed the 18th amendment.

WHAT ABOUT THE BECKER AMENDMENT

The purpose of the Becker amendment is to nullify decisions of the Supreme Court which in the opinion of the majority of the people of the United States are decisions not in the national interest. The Becker amendment will permit voluntary Bible reading and prayer in our schools, and permits reference to a Supreme Being in a public document.

AMENDMENT GRANTING FREEDOM NOT UNUSUAL IN OUR CONSTITUTION

The first 10 amendments to our Federal Constitution are known as the Bill of Rights. They are well named. They set forth certain freedoms which we enjoy.

There are other so-called freedom amendments added in later years to our Federal Constitution:

The 13th amendment made men free.

The 14th amendment gave persons freedom from illegal State action.

The 19th amendment gave freedom of franchise to women.

The Becker amendment is wholly consistent with this concept of adding to the freedom of the individual as set out above. It grants to persons the freedom of participating in voluntary Bible reading or prayer in our schools as well as allows reference to a Supreme Being in a public document.

THE BECKER AMENDMENT SHOULD BE ADOPTED

Since the early days of our existence as a nation, there has been complete accord with the view that our Government cannot establish a religion that must be recognized by all citizens. But acknowledgment of a Supreme Being has also been a part of our history. In 1953 the same Supreme Court said in the case of *Zorach* v. *Clauson*, 343 U.S. 306, 313: "We are a religious people whose institutions presuppose a Supreme Being." Thus there must be an area in which it is proper for Government to acknowledge the existence of divine power, so long as there is no governmental action tending to establish religion or to prohibit its free exercise.

Voluntary devotional exercises in public schools will help to bring religion into children's lives, and help youngsters to grow up into more moral adults than they otherwise would have become.

THE JOHNSON COMPROMISE

Mr. Speaker, since filing my statement on June 10, 1964, it has become very apparent that the House Judiciary Committee does not intend to take any steps leading to the release of the Becker amendment to the floor for a vote which if adopted would permit voluntary Bible reading and prayer in our schools. Those against the Becker amendment base their dissent against tampering with the first amendment, even though the Supreme Court has broadened the effect of the amendment as never intended by the Framers of the Constitution.

But the people back home want the right to have voluntary prayer or Bible reading in our schools.

As a compromise, on July 22, 1964, I introduced a new proposed constitutional amendment. It provides as follows:

> Nothing in this Constitution or in any article of amendment shall be deemed to relate to the power of the several States to make laws permitting the free exercise of religion.

It is intended by this resolution to permit the States to provide for the recitation of prayers, or the reading of the Bible in our public schools on a voluntary basis.

EFFECT OF THE ADOPTION OF THE JOHNSON COMPROMISE

The adoption of this resolution would not mean that immediately any State legislature could pass any law it wished concerning an establishment of religion. Quite the contrary. Inherent in our dual system of government is the proposition that each State shall have its own constitution which restrains activities thought undesirable by its people. Accordingly, each of the 50 States now has in its constitution a provision respecting freedom of religion, and the separation of church and state.

This proposed joint resolution would leave the determination as to whether there would be religious activities in public schools and similar places up to the States. If such activities are prohibited in the public schools of a State by its constitution, nothing in this proposed amendment would change that situation in that State.

Each State should be free to establish its own policy respecting religion, as it did before the Supreme Court decision of Engel against Vitale, dated June 25, 1962. Adoption of this amendment will still leave the first amendment as a restraint on Congress, and will not solve the Federal questions concerning chaplains in the Army, in Federal prisons, or other Federal religious activities. Whether these violate the first amendment would be properly left to the Federal courts to decide.

CONCLUSION

Time still remains this session for the Congress to adopt this proposed resolution, or the Becker amendment. It seems incredible that this Congress, in view of the huge percentage of citizens who demand action on the Becker amendment or its equivalent, will soon adjourn sine die without the Members being permitted to vote on the question.

MEXICAN FARM LABOR IMPORTATION PROGRAM

Mr. ROSENTHAL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROSENTHAL. Mr. Speaker, I rise to question the statist attitudes of some of my conservative colleagues. I would warn them against seeking to increase the power of the Central Government. I wonder why they want to scuttle the law of supply and demand, which is the basis of the free enterprise system.

The reason for my expression of great concern, Mr. Speaker, is the reported introduction today of a bill to extend the Mexican farm labor importation program.

Most Members had thought that when the House of Representatives reversed itself last year and gave the corporate growers 1 more year of the bracero program as a transitional period, there would be no more demands for renewal. Although some of us warned to the contrary, most Members believed that the growers would be satisfied with this extra year of grace.

Now we see, Mr. Speaker, that some of the stanchest conservatives of the land, some of the greatest decriers of statism, some of the biggest enemies of big government are demanding that this Federal Government program be continued.

Here is a program of the Central Government which runs counter to the free enterprise system, which completely blocks the laws of supply and demand in the farm labor market.

Here is a program through which growers simply call on the Federal Government to recruit and import foreign workers if U.S. workers will not work for the wages offered.

Here is a program which obviates the need by an employer to raise wages and improve working conditions in order to obtain an adequate supply of labor, as he must under the free market or free enterprise system.

Yet we are asked to continue that program, and we are asked to do it by some of those who usually see such immense dangers in big government.

Mr. Speaker, I wish to save these conservatives from themselves. But perhaps they will not listen to what they may consider a politically "lost soul." If that is the case, perhaps I can improve my preachings by urging them to read a magazine article which appeared in the July 18 issue of the Packer, a trade magazine of the vegetable growing and shipping industry.

Under unanimous consent I include the article, headlined "Says Public Law 78 Not Consistent With Free Enterprise," in the CONGRESSIONAL RECORD:

SAYS PUBLIC LAW 78 NOT CONSISTENT WITH FREE ENTERPRISE

KANSAS CITY, July 17.—The following letter taking issue with Palmer Mendelson and with the Packer's editorial stand on the farm labor situation has been received by the editor of the Packer from Richard Horner of Horner Farms, Union Grove, Wis., vegetable grower and shipper:

"I am sure that Palmer Mendelson and most readers of the Packer are agreed that Federal controls, subsidies, master plans, and all the other claptrap of a reigmented economy are something we can do without.

"This being so then, is it 'commonsense' to cry the blues over the passing of a Government program? Not so, apparently; if the program is Public Law 78. As a midwestern vegetable farmer, and a staunch advocate of free enterprise, I would like to ask Mr. Mendelson a few questions.

"Is it the responsibility of the Government to bail out any, or every, grower who builds production capacity without any idea where he is going to find the labor to run the establishment?

"Is it necessary for any governmental agency to 'prove' that there is a labor pool available at the beck and call of the growers?

"Do you, Mr. Mendelson, while proclaiming the merits of free enterprise, lack enough faith in it to trust that enough lettuce will be harvested to provide for milady's salad, and the Mendelson household as well?

"You write of the 'sensational success' of the fresh fruit and vegetable industry, a success 'built on a once highly regarded law of supply and demand.' I agree with you.

"In fact, I am such a believer in the law of supply and demand, that I believe growers should work out their own problems instead of howling to Washington that the whole country is going down the drain if we can't have a Federal program to import foreign labor. (I might add if I wanted to be nasty that Public Law 78 added to the regimentation of the farmer.)

"I think all this howling is apt to spoil that image of the rugged individualist. In fact someone is liable to question your sincerity about the law of supply and demand."

FOREIGN AID: PRIVATE ENTERPRISE STYLE

Mr. **CURTIS**. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include extraneous matter.

The **SPEAKER**. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. **CURTIS**. Mr. Speaker, I wish the Federal administration would spend just one-hundreth the amount of time and money publicizing the fine accomplishments which continually go on in the private sector of our society that it spends in propagandizing what the Federal Government is doing in the same areas.

For some years I have followed the annual reports of the various U.S. companies doing business abroad. One report I have followed with particular interest has been that of the Arabian-American Oil Co., Aramco.

The particular parts of the annual reports which have interested me the most have been those which discuss the employees. "Men of Aramco" and "Aramco and the Community" are the titles given the sections of the 1963 report. Of greatest interest to me has been the bar charts [not printed in the RECORD] which, over a period of years, have shown the continued increase in employment of Arabian nationals, both in absolute numbers and in percentages. Accompanying these charts are other charts which show the increase in the advancement of the Arabian nationals to a position of higher pay and higher responsibility, again in absolute numbers and in percentages.

The record is one which would make any American proud, as I am certain it makes the Arabian nationals involved proud.

The other area of progress is in the development of what our governmental bureaucracy chooses to call infrastructure, which means to most of us, schools, roads, sewers, hospitals, et cetera, those physical structures which are essential to a continued uplift of the standard of living of any society.

A few months back I was told by an ardent believer in increased Government activity as opposed to increasing the activity in the private sector that of course you could not expect private enterprise, operating for a profit, to build schools, roads, sewers, hospitals, and so forth. "Government, of course, must do that," he said. My reply was, "Well, maybe you could not expect people in private enterprise to do all that but the answer is that they do it."

Of course private enterprise will always do that which is necessary to develop a resource which has economic value. In modern technologies this requires great emphasis to be placed on educating and training people, seeing that the incidence of absenteeism from sickness and accident is reduced to a minimum, providing short hours, recreation and vacation time to improve human efficiency, seeing that the children get education and that there is retirement for old age and disability, because all that is an important consideration in building up and holding together a good labor force.

Certainly, private enterprise can exploit rather than build soundly if it is shortsighted. However, a look at what American private enterprise has done and is doing all around the world shows that most of what has been done is not shortsighted at all. It is a source of great pride and satisfaction and should be to all Americans who will look at it objectively, with fair criticism because it can be improved.

Here follows the two sections I referred to, "Men of Aramco" and "Aramco and the Community":

MEN OF ARAMCO

Aramco's regular employees in Saudi Arabia at the close of the year numbered 12,988, of whom 10,391, or 80 percent, were Saudi Arabs. Americans numbered 1,521, or 11.7 percent, and others 1,076, or 8.3 percent.

Nearly three-fourths of the Saudi Arab employees had at least 10 years of service with the company. Average annual income of all Saudi Arab employees was $2,187, more than double the average income in 1955. For each hour worked, the average employee received more than $1.10. This average hourly wage compares with payments to manufacturing workers in the Netherlands, the United Kingdom, Italy, and West Germany ranging from an average of $0.55 to $1 an hour, according to data published by the United Nations in 1963.

Saudi Arab employees continued to advance to positions of greater responsibility. At yearend, Saudi Arabs held more than 90 percent of all craft, maintenance, oil producing, and processing jobs. They held more than 95 percent of the transportation, supply and service jobs, and more than 70 percent of the clerical jobs. Saudi Arab advancement in these types of work has been achieved through work experience and training programs.

Saudi Arabs filled 75 percent of the first-line supervisory positions. They also held an increasing number of positions requiring technical, professional, and administrative and management skills. At yearend 42 percent of the technical positions and 8 percent of the professional positions were filled by Saudi Arabs. They held 20 percent of the unit, section and division head positions, which require administrative and management skills. As more employees move into these positions, the company is continuing to emphasize training designed to qualify them for greater responsibilities.

At the close of 1963, two-thirds of the company's Saudi Arab employees were being supervised directly by other Saudis.

MANAGEMENT COURSES CONDUCTED

During 1963, more than a third of the company's Saudi Arab employees enrolled in one or more of Aramco's training courses, either as part of their workday or voluntary during leisure hours. Instruction was provided at three industrial training centers and three industrial training shops. Special management courses included seminars, lectures, and field trips to company installations.

One hundred and ten Saudi Arab employees received educational and training assignments in the Middle East, the United Kingdom, and the United States. Each assignment was part of an individual program designed to prepare the employee for a specific job or type of work.

Of these trainees, 82 took courses in secondary schools or universities in such fields as accounting, agriculture, business administration, education, engineering, and personnel management. Some did postgraduate work in education, geology, and medicine.

Twenty-three employees attended technical schools and received instruction in production technology, industrial safety, drilling, television production, and photography, and various crafts. Others had practical work assignments, studied oil operations techniques used in the United States or worked with companies specializing in equipment used by Aramco.

BENEFITS PAYMENTS TOTAL $2.9 MILLION

Saudi Arab employees received $2,937,000 during the year as a result of various company benefits plans. Payments were for retirements, disabilities, thrift plan rewards, severance, resignation, death, and special benefits.

Ninety-eight percent of the Saudi Arab employees participated in the thrift plan and their savings reached $6,083,000. As a reward for thrift, the company matches the savings of employees with 15 years of service. Employees with less service receive rewards on a graduated scale.

Length of service of Saudi Arab employees

25 years or more	105
20 to 24 years	293
15 to 19 years	3, 024
10 to 14 years	4, 161
5 to 9 years	2, 127
Up to 4 years	681
Total	10, 391

INDUSTRIAL INJURIES REDUCED

Safety and health programs produced encouraging results. The rate of all industrial injuries was reduced for the seventh successive year, declining from 51 to 50 per million man-hours worked. The industrial disabling injury rate declined from 2.5 to 2.4 per million man-hours worked, which compares with a worldwide American petroleum industry rate of 7.27 for 1962.

Family health was stressed. Seventy-five percent of the employees' wives received prenatal, maternal or child care instruction; about half of the employees' children were brought to company health centers for preventive examination. Mothers and children attending health instruction clinics regularly had a low incidence of serious disease.

More than 260,000 immunizations against 12 diseases were given employees and dependents, including 6,500 vaccinations against tuberculosis. Since 1958, diagnosed cases of tuberculosis, whooping cough, typhoid, poliomyelitis, and smallpox have dropped sharply as a result of the company's inoculation programs.

Spread of tuberculosis among employees' families continued to decline as a result of intensified search for the disease among dependents. Fifty-six new cases were found, compared with 109 during 1962.

The company spent $6,097,000 on medical treatment for employees and their eligible dependents and $689,000 on the treatment of other persons.

EMPLOYEES ACQUIRE HOMES

Seven hundred and twenty-three Saudi Arab employees built or purchased homes through the homeownership program during the year, bringing to 4,686 the total number of homes so acquired by employees. Most are located in the communities of the Eastern Province, from Jubail in the north to Hofuf in the south.

The average interest-free home loan made to employees by the company during the year was $7,282. Employees repay through monthly installments 80 percent of the total amounts loaned; the company absorbs 20 percent. During 1963, Aramco made individual loans totaling $5,542,000, bringing the total amount loaned under the program to $34,866,000. At yearend, 1963, employees had repaid a total of $7,920,000.

TELEVISION PROGRAMING EXPANDED

Aramco athletic programs, libraries and the company's television station and motion picture theaters attracted employees during their leisure hours. Weekend afternoon TV programs were begun; a relay station south of Dhahran improved reception in Hofuf, where many employees reside.

Twenty soccer teams engaged in league soccer play; basketball, swimming, volleyball, tennis, table tennis and billiards also were popular. Under the sports teams exchange program, Aramco teams visited Jiddah, Kuwait and Qatar and entertained teams from those areas.

ARAMCO AND THE COMMUNITY

TWO GIRLS' SCHOOLS BUILT

Two schools for girls, the first such to be built in the Eastern Province, were nearly completed at yearend. The new schools are located in al-Khobar and Rahimah; each accommodates 300 girls in grades 1 through 6. Aramco also provided portable buildings accommodating 600 girl students in Dammam and Madinat Abqaiq.

An intermediate school for boys accommodating 150 students was nearly completed at Madinat Abqaiq, bringing to 18 the total number of schools built by the company under an agreement with the Saudi Arabian Government. These schools become part of the government school system.

Aramco established 60 scholarships for Saudi Arab men and women students for the school year 1963–64 in such fields as agriculture, the sciences, engineering, education, medicine, nursing, and business administration. Final selection of students is made by the participating schools: Alexandria University, the American University of Beirut, American University in Cairo, Beirut College for Women, American School for Girls (Beirut) and Harvard School of Public Health.

Under the same program, the company established 52 scholarships for the 1963 summer term. Forty-three were for Saudi Arab women in teacher training at Beirut College for Women, nine for Saudi Arab men in librarian training at American University of Beirut.

TRACHOMA VACCINE PROMISING

A vaccine developed under the Harvard School of Public Health-Aramco Trachoma Research program proved successful in diminishing the attack rate of trachoma.

With the approval of the Ministry of Health, a test vaccination program was carried out in selected Eastern Province communities. Among a group of children who did not receive the vaccine, 52 percent developed clinical trachoma over a 6-month period. By contrast, only 20 perecnt of those children who received two injections of the vaccine developed the eye disease. The vaccine used was composed of chemically inactivated virus from the two different types of trachoma common in Saudi Arabia and the Middle East.

Late in the year, a Harvard-Aramco research team began a new series of vaccinations that will test improved vaccines developed under the program.

Aramco began the research program in cooperation with Harvard in 1955. Strains of the virus were isolated in 1958 and a vaccine first was developed in 1959. By yearend 1963, the company had spent $1,108,000 on the program.

Progress was made toward implementing an Eastern Provine health project jointly undertaken late in 1962 by the Ministry of Health, the World Health Organization (WHO), and Aramco. The Government completed and opened the 250-bed King Sa'ud Base Hospital in Dammam in December; construction began on a model community health center in Safwa and the Government and WHO appointed several administrative and medical experts to the advisory group that will integrate preventive and curative medical services in the Eastern Province. As its part in the program, Aramco supplied medical personnel in advisory capacities and is paying the costs for 2 years of 14 experts to be selected by WHO. The project is designed to provide the communities with medical services, improve community hygiene, and also serve as a training center for similar projects in other areas of Saudi Arabia.

DESERT FARM PROJECT BEGUN

The Government embarked upon a $13 million project as the first half of a 10-year plan to bring into cultivation 12,000 acres of virgin, uninhabited desert in the Wadi as-Sahba. The area lies along the southern tip of the Ghawar oilfield. The project was suggested by Aramco as the result of information obtained on water resources in the course of developing the oilfield.

Designed to provide homesteads for some 1,200 families, the project first calls for the establishment of a 100-acre research, demonstration, and training center. The company will drill two test waterwells and, if earlier hydrological findings are confirmed, building of the center will begin. As a measure of assistance, Aramco then will install the pilot irrigation system and provide services, technicians, and special equipment during the first 5 years of the development at a cost of about $400,000.

In the Qatif area, technical assistance was given the Saudi Arabian Government and the Food and Agricultural Organization (FAO) of the United Nations in implementing an experimental farm and training center proposed by the company. An extensive survey of irrigation and drainage needs of the Qatif area was essentially completed and detailed irrigation plans were being prepared for the Ministry of Agriculture.

Fifty farms and poultry producers assisted by Aramco produced 2.4 million pounds of produce, a third more than in 1962, and 204,000 dozen eggs, more than half again the previous year's output.

Export of shrimp to the United States and other markets was begun by a fishing company assisted through a guaranteed loan. Similar loans helped establish a modern offset printing shop and a clothing factory in Dammam. In the Hofuf area, a million trees were planted by the Government under a long-range sand control program developed and recommended by the company.

POWER COMPANIES ASSISTED

Aramco again participated in programs designed to reduce the cost of electric power throughout Saudi Arabia.

Under a Government plan, the company agreed to refund to the Government approximately 31 percent of the proceeds from sales of diesel fuels and crude oil to specified power companies. Such funds went into the Government subsidy to power companies.

In the Eastern Province, Aramco supplied power companies with reserve power from its own system and assisted in the planning, obtaining and installation of new equipment, which resulted in a reduction of electricity rates to the public.

BECKER CHALLENGES CELLER

Mr. BECKER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include an article.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BECKER. Mr. Speaker, I would like to dispel some very unjustifiable claims made by the chairman of the House Judiciary Committee; namely, the gentleman from New York, Congressman EMANUEL CELLER.

In an Associated Press statement Wednesday, August 5, the gentleman said:

> Mail received by the committee, and Congressmen in general, had reversed and then was running heavily against any change in the first amendment.

Mr. CELLER also said:

> There is not the slightest doubt now that Congress will never approve this amendment.

I would challenge the statements made by the Congressman:

First. My amendment does not in any way change or alter the first amendment. The Supreme Court did that.

Second. I challange the gentleman from New York [Mr. CELLER], to bring an amendment to the floor of the House. If it is contention that Congress will never approve it, then he should have no concern about bringing it to the floor for debate and vote.

I know he is afraid to do this, and it is a tragedy that one man in the Congress can so block the will of the American people.

I further challenge the gentleman's statement that mail is running heavily against an amendment to permit prayer and Bible reading in public schools. I have made a personal check with many Members of the House, and the results of many questionnaires sent out by Members indicate clearly that the American people are overwhelmingly in favor of such an amendment. The answers on

Members' questionnaires run between 75 to 95 percent in the affirmative.

I am inserting this newspaper article following my remarks, and I say to the chairman of the House Committee on the Judiciary that I am perfectly willing to have this matter come before the House and go to the people through their various State legislatures to determine the will of the American people.

I challenge the gentleman from New York [Mr. CELLER] to do the same.

The article follows:

GOP PLATFORM MAY REVIVE DRIVE FOR PRAYER AMENDMENT

(By W. B. Ragsdale, Jr.)

WASHINGTON.—The Republican platform may pump new life into a bitter controversy that was dying down in Congress—whether to amend the Constitution to permit prayer and Bible reading in public schools.

A total of 146 proposed constitutional amendments have been offered to offset Supreme Court decisions which said that required prayers and Bible reading in public schools conflicted with the first amendment, and—some contend—implied that any form of prayer or Bible reading also would be objectionable.

After lengthy hearings this spring, however, Representative EMANUEL CELLER, Democrat, of New York, chairman of the House Judiciary Committee, reported that fervent support of such bills appeared to be slipping.

CELLER said mail received by the committee, and Congressmen in general, had reversed and then was running heavily against any changes in the first amendment.

"There is not the slightest doubt, now, that Congress will never approve this amendment," he said. "The people have had a chance to learn what really is involved here and in the light of mature reflection and sober judgment they have made it clear they do not want the first amendment tampered with."

CELLER's comment was challenged by Representative FRANK J. BECKER, Lynbrook Republican, who is a sponsor of the proposed amendment which has received the most serious consideration.

Other developments seemed to bear out CELLER's opinion until the Republican platform was announced July 14 in San Francisco. It concluded support of:

"A constitutional amendment permitting those individuals and groups who choose to do so to exercise their religion freely in public places, provided religious exercises are not prepared or prescribed by the State or political subdivision thereof and no person's participation therein is coerced, thus preserving the traditional separation of church and State."

This falls short of an all-out backing for the Becker amendment, but it may draw support from the same fundamentalist religions and conservative political groups that support the Becker amendment.

BECKER's amendment is a compromise drafted from a number of other proposals. It would add to the first amendment these words:

"Nothing in this Constitution shall be deemed to prohibit the offering, reading from, or listening to prayers or Biblical Scriptures, if participation therein is on a voluntary basis, in any governmental or public school, institution, or place."

It all began in June, 1962, when the Supreme Court ruled that a State-prescribed prayer for use in New York State public schools was unconstitutional.

Two months after the decision, Justice Tom C. Clark, breaking custom by commenting on a specific decision, said this decision had been wrongly interpreted as broader than it actually was, and that this resulted in the heaviest volume of critical mail in years. He stressed that it was limited to the simple question of whether a State could write a prayer and circulate it to State-employed teachers with instructions that their pupils recite in unison each morning.

But a year after the first prayer decision, the High Court in ruling on Pennsylvania, Maryland, and Florida cases, declared that Bible reading and recitation of the Lord's Prayer, as required exercises in public schools, conflicted with the first amendment.

The decision was worded so that there appeared to be no room for a schoolteacher to hold such exercises on his own, since public school teachers are government employees.

At first, reaction among church leaders and laymen alike was overwhelmingly critical. Gradually, however, the major church groups endorsed the prayer decisions as a necessary step to retain separation of church and state.

The National Council of Churches and most major Protestant groups have gone on record against the Becker amendment. Roman Catholic officials have divided on the issue, but the churches' bishops in the United States were advised by their legal counsel to go slow regarding any changes in the first amendment.

Historically, the Supreme Court has had little to say on the subject of religious observances in schools.

In March 1948 the High Court ruled unconstitutional religious instruction in public schools on a voluntary basis.

But in April 1952 the Supreme Court approved New York's released-time program which frees public schoolchildren from school 1 hour a week for out-of-school religious instruction.

THE SITUATION IN CYPRUS

Mr. SNYDER. Mr. Speaker, I asked unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. SNYDER. Mr. Speaker, the situation in Cyprus remains critical as two of our NATO allies, Greece and Turkey, attempt to prevent open conflict between themselves. As I pointed out in an article appearing in the February 17, 1964, issue of the Washington World, the Soviet Union was the only nation, then, to put itself openly and formally on record with a formal note supporting the Greek Cypriots and giving them assurances of being safeguarded in their efforts to violate the 1960 treaty which made possible the independence of Cyprus. This article also points out that most of the news media now consider that the Communists, through such organizations as the Greek Union of Farmers, the Small Traders' Union, the Democratic Union of Greek Women and the Pan-Cyprian Peace Committee, now control 40 percent of the Greek Cypriot population.

You may remember that in a speech here on this House floor on February 5, 1964, I suggested that President Makarios was refusing to negotiate within the framework of NATO—even though all of the other interested parties had agreed to do so—in order to have support from the Soviet Union in the United Nations. The activities in the United Nations on Sunday would indicate that my supposition in this regard was true. The Cyprus fighting, it seems clear to me, underlines the bankruptcy of this country's foreign policy and the ineffectiveness of the United Nations today.

I would now emphasize, Mr. Speaker, that had the administration not removed the U.S.-NATO rockets from Turkey, the Russians would never have dared try to get a base in the Mediterranean at Cyprus. It is noteworthy that, in the U.N. on last Sunday, the Soviet Union and its stooge, Czechoslovakia, abstained from the formal vote on the cease-fire resolution and news reports make clear that the Cypriot delegation was vigorously supported by these two Communist countries. It it very interesting that Greece did not support the Greek Cypriots in their effort to prevent the passage of the cease-fire resolution. Nevertheless, the Cypriot delegation, along with vigorous support of these two Communist council members, was successful in stalling the vote for over 3 hours. This we know comes on the heels of the communique from Khrushchev to Turkey demanding a halt of military operations against Cyprus.

The United Nations forces, so effective against defenseless African elements, has been unable to maintain peace on Cyprus where the Greek Communists have tried to massacre the Turks. Turkey has thus been forced to try to defend the anti-Communist Turks living on the island only 40 miles off the Turkish coast.

Today the administration has us in this position. We are doing nothing about Cuba on our very doorstep where Soviet troops and weapons are poised, but we are fighting a hot war right up against China and much nearer to Russia—12,000 miles away from our shores in Vietnam. At the same time, Communists are whipping up racial disorders and riots within our own country, despite the admonitions of more responsible Negro leaders.

My question then is, quite frankly, this: Is President Johnson and the administration going to allow the Russians too, at long last, get into the Mediterranean through the instrumentality of the United Nations? I notice he is talking about Cyprus with Prime Minister Lester "Wheat Sale" Pearson, whose actions usually end up helping the Soviets.

WATER, WATER, EVERYWHERE

Mr. ROOSEVELT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, today I have introduced a bill to authorize investigations and reports on the water resources and requirements of the Colorado River Basin, and to protect existing economies in the course of development of such resources. This bill necessarily encompasses every known aspect of this field, and I should like to discuss for a few minutes one area that is of particular interest to me, the desalination of sea water.

It is indeed a paradox that while two-thirds of our planet's surface is covered by water, the growing shortage of this vital liquid is one of the most pressing problems we face today. It is virtually impossible to exaggerate our dependence on water. Not simply a satisfier of thirst, water serves as a generator of power, a nourisher of crops, a carrier of waste, and an essential ingredient in countless industrial and chemical processes.

It is not surprising, therefore, that a rising consumption of water has been one of the prime hallmarks of a healthy and expanding industrial economy. In 1900 our country could get along on a daily consumption of only 40 billion gallons. By 1930 this total had reached 110 billion gallons per day. Today, with no letup of the trend in sight, our water needs have assumed the mammoth proportions of 350 billion gallons per day.

Since our Nation's birth, the available water resources of our boundless continent have proved sufficient to our needs. The future, however, holds prospects less than reassuring. The U.S. Geological Survey has estimated that our Nation's total potential supply of natural fresh water is about 515 billion gallons per day. Back in 1960 we were using about 60 percent of this potential supply. By 1980 it is estimated that our total requirement will have equaled the entire amount. Obviously, if our Nation is not to slacken in its steady pace of economic growth, an alternative source of fresh water will have to be found.

Large-scale desalination has long seemed the most promising solution to this problem. For this reason an intensive program of research directed toward the development of a low cost, large scale method of conversion was advocated. Congress first recognized the need to lend its support when it approved a bill introduced by our late friend and colleague, Senator Clair Engle. This measure provided $2 million for a 5-year program of research, and authorized the Secretary of the Interior to establish the Office of Saline Water, which was to direct the studies.

Because of its initial success, this program was steadily expanded through succeeding acts. In 1958 the House and Senate, in a joint resolution, authorized the Department of Interior to construct and operate not less than five saline water conversion plants. These plants, each constructed in a different geographic area of our country, were to demonstrate reliability, operating and economic potentials of the most promising conversion processes. Finally, the important Anderson-Aspinall Act of 1962 further increased the program's allotment with an authorization of $75 million to be used over a 6-year period.

The information obtained from the operation of these plants has proved of great value. Prior to this program the most efficient desalting operations produced fresh water at a cost ranging upward from $1.75 per thousand gallons. In the first of these demonstration plants to demineralize sea water, the cost of this process was reduced to less than $1.25 per thousand gallons. The cost of converting brackish water was reduced even further, to less than $1 per thousand gallons.

Costs, however, were not reduced to the point where desalination could become commercially competitive with existing natural processes of supply. The need for continued research was apparent.

In June of 1963 an interagency task force was appointed by Dr. Jerome Weisner, the Director of the Office of Science and Technology, to investigate the use of large nuclear reactors for producing electric power and heat for sea water distillations. The task force included high level representatives of the Atomic Energy Commission, the Department of the Interior, the Federal Power Commission, the Office of Saline Water, the Bureau of Reclamation, and the Office of Science and Technology.

In March of this year the task force submitted its report to Dr. Weisner. The basic conclusion of the report was that through the use of dual purpose nuclear powerplants, producing energy for both the generation of electricity and for water conversion, fresh water could be made available in large quantities at reasonable prices. Dual purpose plants were found to have a sizable advantage over those which might be used for water conversion alone. The cost of producing electricity and fresh water together was substantially less, in the opinion of the report, than that of producing them separately. The report calculated that water prices as low as 23 cents per thousand gallons would be attainable using a powerplant made up of 8,300-thermal-megawatt reactors. It was not expected that water conveyance costs would add more than 6 to 12 cents per thousand gallons to this amount. A plant of this size the report estimated, would produce between 500 and 800 million gallons of fresh water and 1,300 to 1,900 electrical megawatts per day. Specifically, the report envisioned that such combined facilities could be serving the Los Angeles area by 1975.

Considering the present state of reactor and desalination technology, the report emphasized that this level of performance could only be achieved if an intensive program of research and development were carried out. This research would be aimed at increasing both the size and efficiency of reactors, and of desalination plants. According to the report, at the present time, single unit nuclear plants with a capacity no larger than 240 electrical megawatts could be offered under the firm price and performance guarantees offered by reputable manufacturers. Such a reactor could simultaneously provide heat energy for a waterplant producing 170 to 220 million gallons per day. Contemporary desalination technique was reported to be at even a less developed level. Using the most advanced process, distillation, the maximum capacity now attainable was reported to be only 1.5 million gallons per day.

As efficient coupling between nuclear powerplants and water desalination plants requires that plants of matched capacity be available at the same time, the task force's report recommended the successive construction of larger prototype and desalination units. The report suggested that two intermediate-sized reactors might be built before the 8,300 thermal megawatt plant was constructed. In regard to prototype desalination plants, a sequence of plants with capacities of 10, 50, and 150 to 200 million gallons per day was recommended. Beyond that capacity, the task force felt it might become more economically desirable to link units in parallel rather than to increase individual unit size. In all, the report contemplated the graduated expansion process being completed over a 10- to 15-year period.

In estimating cost, the report assumed that both reactors and powerplants would be financed, in part at least, by local and State bodies. This assumption arose from the fact that it is traditionally a municipal function to supply water and electrical power. The development of reactors of larger size, the reporters felt, would require significant funds, a reasonable estimate being $100 million to develop a plant with a capacity of 8,300 thermal megawatts by 1975. This figure would become $130 million if accumulated interest, compounded at 4 percent per year were included. It was also thought that an additional $55 million, including accumulated interest, would be needed to pay the Government portion of the cost—totaling $267 million—of the two intermediate scale-up prototypes. This task force report added that these estimated costs were not included in planned or existing Federal research and development programs.

The task force's report estimated that the cost of developing distillation units of optimum size would be about $70 million. This would become $88 million if accumulated interest, compounded at 4 percent until 1975, was included. Perhaps another $20 to $40 million might be added to the Government portion of the cost—totaling $357 million—of the intermediate size demonstration plants. The report pointed out, however, that about half of these estimated waterplant research and development costs were included in planned or existing programs.

In view of these findings, the task force recommended that the following steps be taken as a logical program of action:

First. The development and construction of a water desalination plant of the distillation type, in the next largest feasible scale in size. This, in the report's opinion, would probably be on the order of 10 million gallons per day. The report noted that such a plant is now under study by the Department of the Interior, while the Atomic Energy Commission is currently studying the possible use of a nuclear energy source for a dual-purpose plant.

Second. A coordinated planning and feasibility study by the Department of the Interior and the Atomic Energy Commission aimed at the development of a reactor desalination and atomic powerplant of the range of 200 megawatts of marketable electric power and

50 million gallons of water per day. Such a plant would be a logical goal to obtain the definition of performance parameters that will be needed for designing larger installations, and would be the order of size—600 to 1,000 thermal megawatts—currently included in the Atomic Energy Commission's prototype power reactor program.

Third. A vigorous program of research directed by the Department of the Interior toward the development of efficient alternative desalination processes to distillation.

Fourth. Detailed feasibility studies by the Department of the Interior and the Atomic Energy Commission on specific plants for specific sites. The results of these studies would be compared with those for alternative means of supply, as a basis for defining the criticality of the need for large combination plants. These studies, the report recommended, should consider various time horizons, probably encompassing 1975, 1980, 1985 and 1990, and should include the comparative evaluation of the economics of fossil fuel sources of thermal energy.

Fifth. That the Atomic Energy Commission specify the types of reactors most suitable for development in sizes around 8,000 thermal megawatts under various alternative means of capital financing. These studies, the report noted, should indicate the approximate costs of developing alternative reactor types.

On July 26 of this year, it was announced that the President, having noted the conclusions of the task force, had asked the Department of the Interior, in cooperation with other agencies, to formulate "an aggressive and imaginative program," and to report to the Bureau of the Budget by September 11. The President specifically asked for the formulation of the best strategy and time schedule for relating the large-scale technology of desalting with the large-scale technology of nuclear power.

In a subsequently released letter to Kermit Gordon, Secretary of the Interior Udall announced the initial steps he had taken to meet the President's request. The main study effort would be interagency in scope, involving the Office of Saline Water, the Atomic Energy Commission, and the Division of Project Development of the Bureau of Reclamation. One of the main tasks of the study, according to the Secretary, was to recommend the advisability of constructing a dual-purpose plant on a moderate scale, in order to gain experience before going into full-scale development.

The promising work now underway must not be allowed to slacken. Our time is indeed running short. We must not let an inadequate supply of fresh water cripple our Nation's future progress. I am sure that in light of its past constructive achievements in this area, Congress will not fail to give its full support to these important efforts.

DAVIS-BACON AMENDMENTS

Mr. ROOSEVELT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, in keeping with a commitment made by the chairman of the Committee on Education and Labor, the gentleman from New York [Mr. Powell], in which I also joined, to hold hearings on the administration of the Davis-Bacon Act, the General Subcommittee on Labor has concluded 4 days of hearings during which testimony was received from the Department of Labor, the Comptroller General's Office, the chamber of commerce, the Associated General Contractors, and the National Association of Home Builders.

Following the suggestion of the Labor Department, the chamber of commerce, Associated General Contractors, and the Home Builders Association, the subcommittee will defer further consideration of H.R. 7075 and related bills which pertain to the administration of the act until the next session of Congress, by which time regulations recently put into effect by the Department of Labor which deal with certain problems in the administration of the act can be tested.

The almost unanimous views of both those who administer the act and those who are most importantly affected by it to give these regulations an opportunity to be put into effect and accrue experience in their administration is encouraging. I am confident that a salutary solution to these certain problems will be evident when, during the next session of Congress, this matter is further considered in light of that experience.

ADDITION TO PROGRAM

Mr. ALBERT. Mr. Speaker, I desire to advise the House of an addition to the program. The gentleman from Florida [Mr. Fascell], has advised that he will call up sometime during the remainder of the week, under a unanimous-consent request, H.R. 12259, to amend the International Claims Settlement Act of 1949, to provide for the determination of the amount of claims of nationals of the United States against the Government of Cuba.

Mr. CURTIS. Mr. Speaker, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman.

Mr. CURTIS. What committee does that come from?

Mr. ALBERT. From the Committee on Foreign Affairs, but it will be called up under a unanimous-consent request.

COMMITTEE ON AGRICULTURE

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the Committee on Agriculture may have until midnight tonight to file a report on H.R. 12298.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

PANAMA CANAL REPRISAL AGAINST U.S. CITIZENS RAISES CONSTITUTIONAL ISSUE: FREEDOM OF SPEECH

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. Flood] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. FLOOD. Mr. Speaker, the Isthmus of Panama has long been known as a place where not only lives but also reputations are lost. Such consequences have resulted not so much through violence as from the debilitating effects of the tropics on health and the deadly fumes of character assassination as well as official reprisals against courageous citizens who are daring enough to challenge administrative stupidities and, to say the least, harmful policies on the part of agencies of our Government over the Canal Zone territory.

To the people of the United States and Members of the Congress, who have not closely followed recent Panama Canal developments, the publication in the Washington (D.C.) Daily News of July 28, 1964, of a comprehensive news story by John Cramer on the cases of Arthur C. Payne, former budget officer of the Panama Canal Community Service Division, and Richard D. Meehan, president of the Canal Zone Police Association, must have come as a shock as well as a surprise. These cases, however, have a history that was first evidenced by a public announcement by Gov. Robert J. Fleming, Jr., of the Canal Zone, of a plan to hire Panamanian nationals as members of the Canal Zone police force.

As the facts in this situation became known, I made a series of statements to the House as follows:

February 7, 1964: "Panama Canal—Employment of Aliens for Canal Zone Police Tantamount to Treason."

February 20, 1964: Canal Zone Police: Peril of Communistic Revolutionary Infiltration."

February 27, 1964: "Canal Zone Government: Confusion, Crisis and Chaos."

March 9, 1964: "Panama Canal Employment of Aliens for Canal Zone Police Tantamount to Treason—Sequel."

June 17, 1964: "Canal Zone Police: Red Infiltration, Sabotage, and Terror."

The two key men in exposing this projected breach of security as planned by the Governor were Arthur C. Payne and Robert D. Meehan. Realizing the dangers that lay ahead of them, on February 27, 1964, I warned the Congress about the extreme administrative reprisals to be meted out against these two loyal U.S. citizens—discharges. I do not wish to be understood as condoning reckless and radical criticism of superior authority but I do believe that in these cases the punishment has been too severe for men who have always discharged their duties faithfully and well.

Since then the dismissals of these two employees have received wide attention in the United States and, as far as I have been able to ascertain, are universally condemned as symbolizing an attempted betrayal of the best interests of the United States in the Canal Zone. Not only that, the crude retaliation against these Canal Zone employees by the official who ought to be ready to lay down his professional career in support of our indispensable treaty rights in the zone has raised among the people of the Nation the major constitutional issue of freedom of speech and the question of military control over civil government.

Among the queries for which answers are being demanded are: Why should the civilian personnel of this important civil agency of our Government be "commanded" by active officers of the Armed Forces? What has been the role of the Department of State in the Meehan-Payne cases?

As to the first, whatever the justification may have been for the original use of active officers of the Armed Forces in the Panama Canal enterprise, they no longer apply. As to the second, the Department of State subsequently to the January 1964 riots, has had in the Canal Zone administration building a representative, whose purpose I have been told by the Secretary of the Army was to "advise and counsel the Governor on some of the difficult problems" following the January mob assaults on the Canal Zone. In the light of actions that I have covered in various addresses, it would seem that such advice and council amounted to control of the Governor and Canal Zone policy.

It is, indeed, paradoxical that at the same time the people of our country are concerned about maintaining their historic stand for the superiority of the civil authority over the military, in the Canal Zone we have the situation of actual administrative superiority by active officers of the armed services over civilians in a civil agency.

Mr. Speaker, the discussions evoked by the dismissals of Meehan and Payne are not the cause of the situation in which they find themselves victims but only symptoms of a state of affairs that can, and should, be corrected through establishing without delay what the Congress clearly had in mind in the Panama Canal Reorganization Act of 1950—Civilian direction and supervision. See House Document No. 460, 81st Congress, pages 9, 10, and 17.

Fortunately, an enterprising reporter of the Washington, D.C., Daily News has dug into the facts in the Meehan-Payne cases. In an admirable summary of them, he has developed the freedom of speech issue and made clear what is at stake.

In order that the facts as presented by Mr. Cramer may have national and governmentwide circulation, I include the indicated story and an accompanying editorial, also a news story by Helen Dewar in the July 29, 1964, issue of the Washington Post as parts of my remarks and commend them for study by cognizant agencies of our Government, especially the members and staffs of the appropriation, investigational, and legislative committees of the Congress:

[From the Washington Daily News, July 28, 1964]

THE ISSUE—FREEDOM OF SPEECH: CAN A GENERAL FIRE U.S. CIVILIAN EMPLOYEES WHEN HE DISLIKES WHAT THEY SAY?

(By John Cramer)

Does the constitutional guarantee of freedom of speech literally mean what it says?

Specifically:

Can an Army officer fire a civilian employee from his Government job, because the man speaks out and the officer doesn't like what he says?

Can an Army officer fire a civilian for petitioning Congress?

Can the military man do this, even though he says the civilian's criticism interfered with admittedly controversial U.S. policy?

These are the basic issues in two unusual, highly important Federal employee cases now before the Civil Service Commission for decision.

They involve two employees fired by the Army-dominated Panama Canal Company, Uncle Sam's major agency in the Canal Zone, in the tense aftermath of the riots there last January.

FOR CRITICIZING

Both were fired for criticizing U.S. policy in the zone.

Fortyish Arthur C. Payne has been a zone employee for 19 years. He started as a $1.58-an-hour shipfitter and worked up to become a $9,937.50 administrative services assistant. Today, he stands dismissed because he published a poem which Maj. Gen. Robert J. Fleming, Jr., Canal Zone Governor, said was a personal attack.

Richard D. Meehan, 31, is a native Washingtonian. He has been a zone police officer for 6 years. Present salary $7,871. He was fired because he criticized Governor Fleming's still-pending plan to inject Panamanians into the police division.

Their fate now rests with Civil Service Commission's Appeals Examining Division. It held hearings on both cases last month.

Although certain facts, and interpretations of facts, are in dispute in the cases, the record shows clearly that the transcendent issue in both is freedom of speech.

SECURITY LAW

Of collateral importance in Mr. Meehan's case is the first amendment right to petition Congress—a right further sanctified for Federal employees by the 1912 Lloyd-La Follette Act, the basic Government worker job security law.

This story will examine the two cases in detail, and explain exactly how the free speech and right-to-petition issues rise so importantly.

Here are background facts:

Both Mr. Payne and Mr. Meehan have fine records, unblemished before the firings.

Both were leaders in the zone. Mr. Payne was an elected member of the 16-man civic council, which speaks for Americans in the Zone. He was also vice president of the AFL–CIO American Federation of Government Employees Lodge 14. Mr. Meehan was president of the AFGE's Canal Zone Police Lodge.

The Canal Company has a record of heavy-handed dealing with its workers. For example, last year it issued orders (which still stand) prohibiting employees on its vessels from having in their possession, on duty, any literature except that officially issued. The sweeping language of this inept order would make it technically possible—altho silly, of course—to fire an employee for carrying a Bible, for instance, or a copy of the Constitution.

It must be remembered that the firings, and the acts which prompted them, came at a time when U.S. policy in the zone was the subject of hot debate * * * when tensions, which have been inherent in the Panama situation for years, ran unusually high in the wake of the riots a few weeks earlier, in which known Panamanian Communists played a large organizational part.

HIGHEST PATRIOTISM

No one (not even General Fleming and his Canal Company) questions that Mr. Payne and Mr. Meehan acted from motives of highest patriotism.

Relevant, too, is the most recent major decision on the right of free speech by the Supreme Court. Speaking through Justice Brennan, it said:

"It is a prized American privilege to speak one's mind, although not always with perfect good taste, on all public institutions. * * *

"Thus we consider * * * that debate on public issue should be uninhibited, robust, and wide open, and that it may well include vehement, caustic, and sometimes unpleasantly sharp attacks on Government and public officials."

In the same case, Justice Black, with Justice Douglas concurring, wrote:

"A representative democracy ceases to exist the moment that the public functionaries are by any means absolved from their responsibility to their constituents; and this happens whenever the constituents can be restrained in any manner from speaking, writing, or publishing opinions upon any public measure, or upon the conduct of those who may advise or execute it.

"An unconditional right to say what one pleases about public affairs is what I consider to be the minimum guarantee of the First Amendment."

Federal employees have the same right of free speech as other Americans.

No law, no Civil Service regulation, abridges this right or restricts their privilege of criticizing the official acts of their superiors.

LIBEL AND SLANDER

They are subject, of course, as are other citizens, to the laws which prohibit libel and slander. Neither may they spread false information about their agencies or superiors.

It's true that most agencies have rules which seek to restrict employee rights to criticize. In practice, however, cases arising under these rules ordinarily are decided on the basis of whether the questioned criticism partook of false statements, libel, or slander.

Mr. Payne and Mr. Meehan were represented at their Civil Service Commission hearings by Charles Scanlan of the national office of the AFGE, which says it will fight their firings all the way to the Supreme Court if necessary.

Against this background, let's examine the extremely important cases of Mr. Payne and Mr. Meehan.

THE PAYNE CASE

Right at the start, let's note two things:

Governor Fleming was not mentioned by name in the Payne poem which the Governor construed as a personal attack.

Furthermore, in firing Mr. Payne, Governor Fleming overrode the advice of the Canal Company's own hearing examiner, who conducted the original hearing on Mr. Payne's appeal * * * recommended against dismissal * * * and proposed suspension for 31 days.

Mr. Payne's poem was mimeographed and circulated in the zone.

No one could call it a temperate poem. (The writings of some of our most revered patriots weren't temperate, either.)

The first of its six stanzas read:

> "Someone rocks the hull
> Of our U.S. Constitution,
> He grabs it by the gunwales
> In a foreign revolution."

Throughout, the poem attacked an unnamed "he," whom it blamed for U.S. policy in the Canal Zone.

Its least-temperate stanza charged that "he":

> "Refutes the wish of Congress
> By subterfuge and lies,
> Twists knives of propaganda
> While factual heartbeat dies."

So Mr. Payne was fired on three charges:

Charge No. 1: "Unbecoming conduct" by reason of his publication of a poem containing "derogatory and libelous statements" about the Governor.

NOT SUSTAINED

Paul Robins, Company examiner who conducted the original Payne hearing, found this charge "not * * * sustained."

His report said:

"The poem in question may or may not pertain to the Governor. As long as there is a question of doubt * * * such doubt must be resolved in favor of the employee."

Mr. Payne contended the poem was directed at persons who influenced U.S. policy. Mr. Robins ruled that the Company failed to prove the contrary.

Charge No. 2 was that Mr. Payne failed to follow orders of his supervisors to quit writing letters for publication in the Panama-American.

These orders came in two forms:

Several 1963 verbal orders from his supervisors not to write letters "detrimental to the best interests of the United States." (the inference is clear that Mr. Payne's boss would decide what best interests were).

A January 14 memo from General Fleming (right after the riots) telling staff employees "to refrain from inflammatory action or words, and not to discuss either facts or suppositions in regard to events related to the recent riots."

CHARGE SUSTAINED

Mr. Payne admittedly ignored these orders. Examiner Robins sustained the charge.

BEGS THE POINT

However, this finding begs the real point at issue, which rests on the fact that, in the absence of martial law, the orders never should have been issued in the first place.

Mr. Payne and his counsel claim that under the terms under which he was governing, General Fleming's memo, however well intentioned, completely overstepped his authority.

And the 1963 orders from Mr. Payne's supervisor were equally offside.

Had Mr. Payne's earlier letters been libelous or slanderous, the proper course would have been to prosecute him, and he also then could have been fired. Had they disclosed confidential information obtained through his employment, he could have been fired for that, too.

But, on the record, he was guilty of neither offense.

If obeyed, the effect of the blanket injunction against letters "detrimental to the * * * United States" would be simply to outlaw any criticism of Governor Fleming and other U.S. policymakers. All the general would have to do would be to call criticism of himself detrimental to the United States. Mr. Payne sees all this as a violation of his right to free speech.

Charge No. 3 accused Mr. Payne of violating Canal Company regulation 57 which tells "Employees to clear with the Governor's office all articles pertaining to Government activities in zone, before releasing them for publication in order to guard against improper use of official information obtained in the course of employment * * *; to minimize the publishing of inaccurate information concerning [canal] activities and policies and to avoid leading anyone to believe that information published by an employee has official sanction when such writing represents only an employee's personal views."

These stated purposes are, of course, a proper exercise of agency authority.

NOT VIOLATED

It is important to note here that Mr. Payne did absolutely nothing to violate them.

What he did violate was General Fleming's interpretation of regulation 67—an interpretation never used before.

The bureaucrats who drafted 67 were careful to confine its application to articles for publication. They were smart enough not to require advance clearance of such things as letters to the editor * * * comment to reporters on issues of the day * * * open letters for general distribution * * * public statements by union officials.

They quite well realized that inclusion of these things would bring immediate charges of censorship and violation of the First Amendment.

General Fleming, however, interpreted regulation 67 in a different way.

Examiner Robins sustained charge No. 3 against Mr. Payne, but pointed out:

"Prior to the riots, the English language sections of the Panamanian papers were always considered arenas for disputants to air their various problems between themselves and the Canal Company. This is not anything new, but has been going on for years.

"As far as I am aware, no action ever was taken against an employee regardless of how acrimonious his statements.

"It must be remembered that at no time was martial law declared. Citizens of the zone were advised not to stir up any trouble, but still had their traditional freedoms."

In other words, Mr. Payne was fired for violating a rule which others repeatedly had broken with impunity * * * in all degrees of acrimony * * * for many years.

THE MEEHAN CASE

Mr. Meehan, a Canal Zone police officer since early 1958, was fired because he publicly opposed Governor Fleming's plan to hire up to 40 Panamanians for the Canal Zone Police Division. Traditionally, this police force has been made up exclusively of U.S. citizens.

The proposal was highly controversial. It was certain to arouse bitter opposition from many well-intentioned Americans, and it did.

Representative Daniel Flood, Democrat, of Pennsylvania, called it "tantamount to treason" in a statement to the House. This is far harsher language than Mr. Meehan ever used.

The late Representative Clarence Cannon, Democrat, of Missouri, and Representatives Frank Bow, Republican, of Ohio, Craig Hosmer, Republican, of California, and William Cramer, Republican, of Florida, were among others who roundly denounced it on the House floor.

OPPOSITION TO PLAN

Mr. Meehan's own opposition to the plan was expressed in two ways:

He denounced it in response to newsmen who had learned of the proposal, and who had sought him out, in his role of union officer, for comment.

He printed and distributed copies of an unsigned open letter attacking the plan, the Payne poem, and Representative Flood's statement.

(In bringing charges against him, the Canal Company conveniently neglected to point out that Representative Flood's statement was part of the distribution.)

Mr. Meehan's open letter called Governor Fleming's plan "another concession to the forces desiring to see U.S. influence abroad destroyed."

His letter pointed out that Panamanians, if put on the police force couldn't (as aliens) take oaths of loyalty to the United States (i.e., could not be sworn to defend U.S. control of the canal and the zone) * * * couldn't be punished (except by firing) if they turned against the United States in a new emergency.

CHRONOLOGY OF EVENTS

Chronologically, the events for which Mr. Meehan was fired went this way:

February 2: Via the grapevine, he learned of the Governor's plan.

February 4: He and three officers of other unions were then called to a meeting with four Canal Company officials who told them of the plan. They were given verbal orders not to publish newspaper comment opposing it, no matter what they thought of the plan.

February 4: Other members of the police division officially were informed of the Governor's plan. It thus became common knowledge.

February 5: On request, Mr. Meehan and another police union officer, who had finished their 12-hour shifts at midnight, met about 1 a.m. with two reporters from the New York Times and Associated Press. The reporters already had full details of the Governor's plan. The reporters explained what they intended to write about it, and asked for comment. Mr. Meehan gave them a verbal statement criticizing the plan.

February 6: Governor Fleming announced the plan at a press conference.

February 7: In response to questions, Mr. Meehan gave his views on the plan to Panamanian newspapers. The Panama-American quoted him as saying: "Panamanian loyalty in carrying out these (police) tasks can be questioned. The plan will cause a large number of Americans to quit and go home." (Editor's Note.—It is a fact the Panamanian National Guard did nothing to hinder the Panamanian rioters' January 9 attack on the zone, which gives substance to Mr. Meehan's doubt that, as zone police, Panamanians would defend it against other Panamanian attacks.)

February 13: Mr. Meehan distributed the open letter, Payne's poem, and Representative Flood's "tantamount-to-treason" statement.

On the basis of these activities, the Canal Company fired Mr. Meehan on three charges:

Charge No. 1 accused Mr. Meehan of "conduct unbecoming a police officer" in distributing his literature.

LIBELOUS AND DEROGATORY

It called the poem libelous and derogatory in its references to General Fleming (who wasn't mentioned in the poem and which Mr. Meehan didn't write anyway). It described the open letter as "intemperate" * * * "sarcastic and contemptuous."

Mr. Meehan answered that the literature was distributed in a legitimate exercise of his constitutionally guaranteed right to petition Congress.

He pointed out that the letter clearly stated its main subject matter was to urge those who shared its views to write to Members of Congress.

At Mr. Meehan's Commission hearings, company officials engaged in some remarkable political metaphysics; they argued that the letter was not an exercise of the right to petition, but, instead, an exhortation to others to petition.

To any ordinary citizen, it is obvious that the right to petition is indivisible from the right to urge others to do the same; otherwise, formal petitions, with many signatures, never could get signed at all.

The company also contended that Mr. Meehan acted as an individual, rather than as Police Union president. But let's examine that claim later.

Charge No. 2 accused Mr. Meehan of violating the verbal orders against adverse newspaper comment on the Fleming plan.

Several things should be noted here.

Item 1: The verbal orders were fuzzy and ambiguous. As recalled, they did not tell Mr. Meehan to avoid all press comment. They appeared to mean that he should not comment to the Panamanian press.

As paraphrased in the official charges against Mr. Meehan, the orders were that he should "keep expression of any views opposing the Government's proposed plan within regular channels, such as appeals to Congress * * * and "avoid local issuance of comments or statements which could find their way to the Panamanian press."

Mr. Meehan testified that he interpreted the orders as prohibiting comment to the Panamanian press, but leaving him free to comment to the New York Times and AP reporters on news which they already had.

Item 2: The orders were ridiculous on their face, because Mr. Meehan, even under the orders' terms, could wire or telephone his protest to Congressmen whose statements, quoting his protest, could appear in Panamanian newspapers the very same day.

Item 3: The inhibiting orders almost certainly violated the Executive order setting up the Federal employee labor-management program which clearly guarantees the right of union officials to speak up freely (in the press or elsewhere) on matters affecting their unions. The plan to hire Panamanian police certainly did that.

Charge No. 3 accused Mr. Meehan of violating regulation 67 (previously discussed in the Payne case) with its requirement for advance clearance of "articles for publication."

Like Mr. Payne, Mr. Meehan did absolutely nothing to violate the specifically stated purposes of 67.

CONSTITUTIONAL RIGHT

In his case, as in Mr. Payne's, the regulation was invoked, by General Fleming's interpretation, to prohibit activities (the open letter * * * comments to the press) which had been previously permitted as a matter of admitted constitutional right.

In Mr. Meehan's case especially, it was invoked in direct violation of the Federal employee labor-management program which requires advance clearance of union literature only when it's intended for agency bulletin boards, or distribution through official channels.

The Canal Company obviously is sensitive on that point.

This explains its insistence, detailed in charge No. 1, that Mr. Meehan had acted as an individual rather than as union president * * * that he had called no union meeting before distributing his literature * * * consulted only one union officer * * * and failed to identify the open letter as a union document.

Mr. Meehan's answer:

Advance approval by the union and union identification with the open letter, though desirable, were in no way mandatory.

Practically speaking, it would have been almost impossible to obtain advance approval—because all union members had been assigned to emergency 12-hour shifts, 7 days per week.

The union paid for the literature.

Finally, in a February 17 resolution, it specifically and emphatically indorsed Mr. Meehan's activities.

Clearly, the union, not General Fleming, has the right to decide whether Mr. Meehan acted for the union or not.

And that is why both men have come to Washington, to tell the Civil Service Commission that the charges against them are trumped-up and were intended to muzzle their exercise of their constitutional rights, and to plead for official intercession on their behalf.

[From the Washington Daily News, July 28, 1964]

CHALLENGE TO FREE SPEECH

Two civil service employees were fired for speaking their minds.

They were fired by an Army general.

John Cramer tells the story today. It should interest every Government employee, every Congressman, and every organization concerned with the protection of the constitutional right of free speech.

It should also interest the Defense Department, and we hope it will not wait for the Civil Service Commission's findings to correct what seems to us to be a grave administrative error.

Arthur Payne and Richard Meehan were longtime Canal Zone employees until they were fired by Maj. Gen. Robert J. Fleming, Jr. Both men are officers in Canal Zone unions. They criticized Canal Zone policy, and General Fleming's administration.

Major General Fleming wears, in effect, three hats. In addition to his military rank, he's President of the Panama Canal Company (run by the Army) and Governor of the Canal Zone, where the American civilians live and work, and it seems to us he forgot for a moment, in the heated atmosphere following the January 9 riots, which hat he was wearing. The Canal Zone isn't an Army camp.

The simple fact is that far worse was said in Congress about Canal Zone policy, and about him, than was said by either of the men he fired.

Today's calmer mood should permit everyone concerned to reexamine these cases in the light of the Supreme Court's recent findings in another case, in which Justice Black said: "I doubt that a country can live in freedom where its people can be made to suffer physically or financially for criticizing their Government, its actions or its officials."

[From the Washington Post, July 29, 1964]

TWO FIRED U.S. EMPLOYEES CLAIM CONSTITUTIONAL RIGHTS VIOLATED

(By Helen Dewar)

Two former U.S. employees in the Canal Zone have protested to the Civil Service Commission that they were fired for exercising constitutional rights to free speech and petition of Congress.

Canal Zone authorities deny any abridgement of rights. They say the men were dismissed for violating regulations and for "making libelous and derogatory" statements about U.S. officials, including their boss, zone Gov. Robert J. Fleming, Jr.

The case raises questions of how far Government employees may go in criticizing policies of their Government when it is their employer, particularly in a tense international situation.

The men had been fired in the aftermath of last January's anti-U.S. riots by Panamanians. A Pentagon official described the case as "pivotal to the effective administration of the Canal Zone."

The complainants in the case are Richard D. Meehan, 30, employed as a policeman by the Zone Government for 6 years, and Arthur C. Payne, 44, an administrative budgetary assistant and employee for 19 years of the U.S. Government-controlled Panama Canal Company.

Their cases are now before the Commission's appeals examining division.

There are three charges against Payne:

"Unbecoming conduct" in publishing a poem with "derogatory and libelous" statements about Governor Fleming. Payne denies that the poem, which accuses an anonymous "he" of refuting "the wish of Congress by subterfuge and lies," is directed specifically at Fleming. It is aimed at Government policy, he says.

Failure to obey orders against writing "inflammatory" letters or letters "detrimental to the best interests of the United States" to Panamanian newspapers. Payne contends his letters fit neither category.

Failure to get prior clearance for articles on Government activities. Payne says that to include letters written as a private citizen, as well as official articles, is a violation of first amendment guarantees of free speech.

In proceedings before a zone hearing officer last spring, Payne was exonerated of the first charge and a 30-day suspension was recommended on the other two. The recommendation was overruled by Fleming.

Meehan's dismissal, however, was upheld on all charges, which stemmed from his protests against a Government plan to hire 40 Panamanians on the zone police force.

The officer was accused of violating rules by denouncing the plan to U.S. newsmen who asked him for comment in his capacity as a policemen's union official and by circulating material critical of it.

Authorities say there were orders against adverse comment to reporters. Meehan says these were ambiguous and in violation of Federal guarantees of free speech in labor-management relations. He also denies an allegation that he broke a rule against divulging information.

The critical material included an open letter urging mail protests to Congress, which Meehan says fall within the constitutional right to petition Congress.

In both cases, the men's attorney, Charles Scanlan, of the Washington office of the American Federation of Government Employees, AFL-CIO, contends that union officers were being singled out for punishment. Payne was second vice president of the AFGE local and Meehan was president of the zone's police union.

Scanlan argues that the men were being derived of constitutional rights because of their Government job. This is specifically prohibited by law, he contends.

Government authorities argue that the real issues are breaking of regulations and libeling of officials and that any agency would have considered Meehan's and Payne's actions grounds for dismissal.

MONROE DOCTRINE: DEPARTMENT OF STATE CONSIDERS IT DEAD

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. FLOOD] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. FLOOD. Mr. Speaker, following the overthrow of the Government of Cuba in 1959 and the establishment of a Soviet satellite in that strategic island country, our historic defense policy known as the Monroe Doctirne has become the subject of extensive discussions among the people of the United States, with many addresses and statements in the Congress calling for its positive reaffirmation by our Government.

One of the first steps in this direction was House Concurrent Resolution 445, 86th Congress, introduced by me on January 6, 1960. This measure called for any one of the high contracting parties to the Inter-American Treaty of Mutual Assistance, individually or collectively, to "take steps to forestall or combat intervention, domination, control, and colonization in whatever form, by destructive forces known as international communism and its agencies in the Western Hemisphere."

So far all efforts for adequate redeclaration of the Monroe Doctrine which have been supported by some of the most distinguished authorities and publicists of the Nation, have been unavailing. Thus, the Red program for conquest of the Americas has continued virtually without let or hindrance until blocked in 1964 in Brazil. Moreover, international socialistic elements in our Government have actually aided and abetted successive communistic advances in Latin countries in a manner well calculated to endanger United States treaty-based sovereignty and jurisdiction over the Canal Zone and Panama Canal.

On June 29, 1964, I wrote the Secretary of State strongly urging a "positive and forthright" redeclaration by our Government of the Monroe Doctrine and requested the views of the Secretary on the subject. The Department of State, over the signature of Robert E. Lee, Assistant Secretary for Congressional Relations, on July 24, 1964, replied, giving the views of the Department of State.

This reply, Mr. Speaker, I regret to report, was not responsive to my key request for a statement of the position of the Secretary of State as regards the redeclaration of the Monroe Doctrine. Moreover, it attempts to equate this Doctrine of self-defense with an "inter-American doctrine of noninterference." The resulting confusion adds credence to international socialistic allegations that the historic policy of Monroe is "dead."—See my address, "Monroe Doctrine or Khrushchev Doctrine?" CONGRESSIONAL RECORD, volume 108, part 5, pages 6472–6480.

From what has transpired it is evident that the Department of State accepts the Soviet dictum that the Monroe Doctrine is, indeed, "dead," and is as "dead as a door nail." This surrender is of the gravest concern and involves hemispheric peril beyond estimation. I do not believe that the people of the United States favor this reversal of the policy which has survived for nearly one and a half centuries in full vigor and effect and has been employed by more than one vigorous American President for the defense of Latin American countries.

In order that the people of our country and Members of the Congress may know about the current Department of State attitude on the Monroe Doctrine, I quote the indicated exchange of letters along with House Concurrent Resolution 445, previously mentioned.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., June 29, 1964.

Hon. DEAN RUSK,
Secretary of State,
Department of State,
Washington, D.C.

DEAR MR. SECRETARY: During the past several years, I have made various public statements, in and out of Congress, concerning the Monroe Doctrine and the great need for its maintenance. In some of these statements, I have called on the Department of State to make a forthright declaration on the subject; but such declaration has not yet been made.

Hence, the world at large, including Latin America and Soviet countries, considers that our country has abandoned the application of the Monroe Doctrine. Communistic powers have repeatedly asserted that it is "dead"; and our failure to deny this charge has induced other nations to believe that this is true. Moreover, the resulting uncertainly is availed of by Red countries to romp throughout Latin America, place their agents in key spots to work their will, spread the doctrines and practices of revolutionary communism, and arouse hatred for the United States.

In view of all of this, I am sure that a positive and forthright declaration by our Government on this subject, if our time-honored policy is still to be observed, will clear the air of much diplomatic uncertainty and make far easier the task of dealing with communistic infiltration and subversion in the Western Hemisphere.

I strongly urge that our Government redeclare its position on the Monroe Doctrine; and desire your views touching the subject.

An early reply is respectfully requested.

Sincerely yours,
DANIEL J. FLOOD,
Member of Congress.

DEPARTMENT OF STATE,
Washington, July 24, 1964.

Hon. DANIEL J. FLOOD,
House of Representatives.

DEAR CONGRESSMAN FLOOD: Thank you for your letter of June 29 to the Secretary requesting from the Department a statement on the application of the Monroe Doctrine.

The fundamental principles of the Monroe Doctrine relating to this hemisphere are valid now, and have been valid ever since it was promulgated. The doctrine is a unilateral articulation of U.S. policy. It is unquestionably forthright in its statement that incursion of a European power into this hemisphere constitutes "a danger to the peace and security of this Nation," and that such an incursion is to be deemed a "manifestation of an unfriendly disposition toward the United States * * * endangering our peace and happiness." The Monroe Doctrine, however, does not specify what action is to be taken with regard to any particular situation; and, in fact, action under the doctrine has varied widely, without our Government's ever forsaking the fundamental principles.

Moreover, the principles underlying the Monroe Doctrine are now recognized multilaterally through the inter-American security system of the Organization of American States. Both the OAS Charter and the Inter-American Treaty of Reciprocal Assistance—the Rio Treaty—rest on the basic assumption that incursion of a foreign power into any part of this hemisphere constitutes a danger to the peace and security of the hemisphere as a whole, and that aggression against any American State constitutes a threat and danger for all American States.

One of the great factors in inter-American cooperation for mutual security has been the development of the Monroe Doctrine in the hemisphere by logical historical evolution.

The Department of State enunciated this unequivocally in a statement issued July 14, 1960: "In the first place, the principles of the Monroe Doctrine are as valid as they were in 1823 when the doctrine was proclaimed. Furthermore, the Monroe Doctrine's purpose of preventing any extension to this hemisphere of a despotic political system contrary to the independent status of the American States is supported by the inter-American security system through the Organization of American States. Specifically, the Organization of American States' Charter and the Rio Treaty provide the means for common action to protect the hemisphere against the interventionist and aggressive designs of international communism."

On April 20, 1961, President Kennedy reaffirmed U.S. responsibilities under the Monroe Doctrine, emphasizing the multilateral aspect: "Let the record show that our restraint is not inexhaustible. Should it ever appear that the inter-American doctrine of noninterference merely conceals or excuses a policy of nonaction—if the nations of this hemisphere should fail to meet their commitments against outside Communist penetration—then I want it clearly understood that this Government will not hesitate in meeting its primary obligations which are to the security of our Nation."

Please let me know if I can be of further assistance.

Sincerely yours,
ROBERT E. LEE,
Acting Assistant Secretary for Congressional Relations.

HOUSE CONCURRENT RESOLUTION 445

Whereas the subversive forces known as international communism, operating secretly and openly, directly and indirectly, threaten the sovereignty and political independence of all the Western Hemisphere nations; and

Whereas the American continents, by the free and independent position which they have assumed and maintained, are not subject to colonization or domination by any power; and

Whereas the intervention of international communism, directly or indirectly, or however disguised, in any American state, conflicts with the established policy of the American Republics for the protection of the sovereignty of the peoples of such states and the political independence of their governments; and

Whereas such a situation extended to any portions of the Western Hemisphere is dangerous to the peace and safety of the whole of it, including the United States: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), (1) That any such subversive domination or threat of it violates the principles of the Monroe Doctrine, and of collective security as set forth in the acts and resolutions heretofore adopted by the American Republics; and

(2) That in any such situation any one or more of the high contracting parties to the Inter-American Treaty of Reciprocal Assistance may, in the exercise of individual or collective self-defense, and in accordance with the declarations and principles above stated, take steps to forestall or combat intervention, domination, control, and colonization in whatever form, by the subversive forces known as international communism and its agencies in the Western Hemisphere.

H.R. 1927

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. BOLAND] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. BOLAND. Mr. Speaker, I rise in favor of H.R. 1927, a bill to liberalize the current nonservice-connected pension payments to veterans of World War I, World War II, and the Korean conflict, and their widows and children.

One of the principal provisions of the bill allows five new exclusions in the determination of annual income, and in addition provides a new basis for the determination of eligibility where an individual is in receipt of a pension under any public or private retirement, annuity, endowment, or similar plan.

Today, an individual who is receiving monthly social security benefits, for example, does not have the social security payments counted until such time as they equal the amount of his contribution. This bill provides for the repeal of this contributions factor and substitutes in lieu thereof a 10-percent formula. This would permit thousands of individuals who are receiving social security payments and who are on the borderline of the income limitations of the pension law to enjoy the 5-percent increase in social security benefits recently voted by the House of Representatives and at the same time continue to receive this non-service-connected pension. The 10-percent exclusion would more than compensate for the recently passed 5-percent social security benefits increase, thus making certain that no veteran, widow, or child receiving a pension would be adversely affected as a result of having an increase in income attributable to the social security raise.

This bill also increases both the income limitation and the rate of pension for certain veterans and widows, and makes other liberal provisions and payments increases for the helpless and blind veterans.

Mr. Speaker, I want to take this opportunity to commend members of the Committee on Veterans' Affairs for its serious and exhaustive study of the many pensions filed during the 88th Congress, and for reporting this legislation which is acceptable to all of the major veterans organizations.

THE HONORABLE JOHN BONIFAS BENNETT

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. Staebler] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. STAEBLER. Mr. Speaker, I join with my colleagues from Michigan and all Members of this House in expressing sympathy to the family of John Bennett, and the sense of loss all of us feel over his unexpected death. John was a respected Congressman who during his many years of service to the people of his district, to the State of Michigan, and to the country demonstrated a concern for good legislation and good government.

ECCLESIAM SUAM HAILED BY MOORHEAD

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. Moorhead] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. MOORHEAD. Mr. Speaker, it is one of the hallmarks of our time that all men of good will read with keen anticipation the news that the Pope has issued a new encyclical.

Since Leo XIII issued his famous "Rerum Novarum" late in the 19th century, mankind has learned that frequently the Roman Catholic Church is the leader in progressive social thought.

In recent years, the world hailed John the XXIII's two great letters, "Mater et Magistra" and "Pacem in Terris." They both brought fresh winds to contemporary thought.

Today the world received from the hand of Pope Paul the VI, his first encyclical—"Ecclesiam Suam." None of us has yet had the time to give it careful thought and consideration, but the first perusal leads us to believe it stands in the tradition of Leo XIII and John XXIII.

As the New York Times pointed out today:

> The vast scope of the encyclical assures that its many ideas will be discussed in the coming days and months. An intriguing one is the pontiff's promise "to entertain a more assiduous and efficacious concern" about world peace "within the limits of our ministry." In a now warring world this is a mission that all humanity will welcome.

WORLD REACTION TO RANGER 7

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from Minnesota [Mr. Karth] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. KARTH. Mr. Speaker, to further identify the successful Ranger 7 shot, I am inserting in the Record, leading foreign editorial and media reaction. This spontaneous reaction emanates from all parts of the world. The significance of it is obvious to all, but certainly emphasizes the worldwide political importance that some of us have constantly applied to the U.S. space effort.

Also evident is the frequently voiced hope that some kind of cooperative effort in space between the United States and the U.S.S.R. could result in a lessening of dangerous tensions as well as more rapid and gainful advances for all mankind.

At any rate, I insert in the Record, the USIA research results for all to read so as to better understand the world's acceptance of Ranger 7's outstanding technological accomplishment. Various moon photographs were reproduced in most papers to give added emphasis.

Research Results

WESTERN EUROPE

New era in space exploration

"A stunning success, a fantastic exploit," headlined conservative Le Matin, of Antwerp; "a new revolution in the field of astronomical observation," proclaimed Hamburg's Die Welt. Speaking for virtually all commentators, Der Telegraf, of West Berlin, declared that the whole world congratulated the United States on the success of Ranger 7's mission.

There appeared to be little doubt that this new achievement materially improved the prospects for the eventual landing of a man on the moon; and to some, such as Paris' rightist L'Aurore, the future possibilities were unlimited, with "marvelous adventures" ahead. Intellectually oriented Combat of Paris said that the United States already felt the moon within its reach and credited American successes in space exploits to the "perfection of ballistic techniques, the soundness of electronic equipment, and the mastery of space communication." Brussels' independent La Lanterne asserted that Ranger 7 testified to the "extraordinary mastery in spatial experiments of which the United States is capable."

Britain's liberal Guardian found the successful moon reconnaissance of Ranger 7 a "triumph of the highest importance" because it was a triumph of technology; it had already increased our knowledge of the moon's surface and its photographs would undoubtedly yield more once they had been given careful study; and, it had established the strong probability that a manned spacecraft could safely land on the moon's surface, "the objective of the whole campaign."

A number of papers called Ranger 7 one of man's greatest strides in exploring the outer universe, and a historic date for generations to come. Stockholm's elite Svenska Dagbladet spoke for many when it declared:

"The 31st day of July, 1964, will go down as a red-letter day in the history of lunar research * * * a preparation for even more remarkable events now in the planning stage. Toward the end of this decade, the Americans hope to land the first man on the moon. It is against this background that the richly successful Ranger 7 experiment must be viewed."

The generous acclaim across the Continent revealed what appeared to be a sincere delight that the United States had moved so far ahead on its way to the moon.

Americans ahead in space

Inevitably, discussions ranged over various United States and U.S.S.R. space efforts. The majority of commentators agreed with West Germany's moderate-right Muenchner Merkur that the United States has "wrung from the Soviet the lead in space research." Another Munich paper, the left-center Sueddeutsche Zeitung, believed that the United States had long ago caught up with the U.S.S.R. and that it was "no longer so certain that the first men to take photos of the moon would do so with Soviet cameras." Pro-Gaullist Paris-Presse asserted categorically that the United States had won the first round of the "battle for the moon."

The pro-CDU Rheinische Post of Dusseldorf was prompted to remark that both worlds (East and West) were harnessing all their scientific and technical forces to this project and quoted the German rocket pioneer Hermann Oberth as predicting that "whoever controls the moon controls the earth." Muenchner Merkur wondered if the Soviets had lost some of their great interest in the moon, despite the fact that they appeared to be ahead on manned space research. However, the paper felt that the Soviets would lose this position, "as soon as the Americans start with their Gemini flights."

London's conservative Daily Express held out for vigorous competition in space exploration. Calling Ranger 7 a "spur to progress," the paper asked: "Would the United States ever have launched her mighty space program so vigorously had it not been for the challenge of the Soviet sputnik? Would the path to the stars have been opened so soon if there had been no contest? Of course not."

Peaceful cooperation of East and West

President Johnson's reference to Ranger 7 as a "weapon of peace" was widely quoted. In this context, Bonn's centrist General-Anzeiger pointed hopefully to Izvestia's expressed admiration for the exploit and declared that "the possibility of peaceful international competition again is dawning on the horizon." In Rome, the independent-center Il Messaggero agreed and suggested that Ranger 7 should also be hailed as a "symbol of liberty," for "if the goal of mankind is the universe, the earth must seek its peace in freedom."

Britain's conservative Daily Telegraph analyzed the various stages in space competition between the U.S.S.R. and the United States, and asked if there really needed to be a "race." In their separate plans for landing a man on the moon, the paper declared, "How happy if it could be a Russian-American mixed manned effort." Paris' elite-oriented Le Monde suggested a treaty on space exploration similar to that on Antarctica. However, there would be more hope for cooperation, the Daily Telegraph thought, if the U.S.S.R. were as frank and open about its plans and launchings before the events as the United States always was.

The Guardian, agreeing that it would be "a splendid thing" if the final stage of lunar exploration could be a joint United States-U.S.S.R. venture, thought it hardly conceivable at this date. "Even if the obvious political obstacles could be overcome—or the political advantages could be fully appreciated—there is surely a strong technical reason against it. The most important instruments in the Gemini spacecraft will be men. They will have to work together in perfect understanding and flawless performance. A slip of a moment's delay in comprehension might be disastrous. Men speaking in their native tongue and a familiar climate of thought can act together with the minimum chance of error; the same degree of cohesion could not be expected of men without the same native tongue and culture, however carefully trained." The paper saw no reason, however, why the two nations should not let each other know what they were doing.

Lesser concerns

Amid the general acclaim, a few papers, while not downgrading the achievement of the United States, had some second thoughts. Catholic Le Rappel of Charleroi, noting the cost of Ranger 7, said: "Such expenditure makes one dizzy; and in spite of it, one thinks of that large section of humanity which lacks even the necessities of life." In a somewhat similar vein, L'Aurore pointed to the wall in Berlin which still stood, despite "the United States and U.S.S.R. waltzing across the moon." Figaro's Washington correspondent, however, in another view, declared that "the taxpayer's dollar has not been spent in vain, whatever GOLDWATER may say about it * * * Lyndon Johnson * * * can now go before the voters and promise them the moon without fear of being caught out."

It was left to Britain's Guardian to note the main obstacle still to be overcome; namely, that of landing "a spacecraft large enough to carry men gently enough for them to carry out their much more complex mission and to set them off on the return journey." While the possibility of plunge into a thick dust deposit had been discounted, the paper stressed that the possibility of the capsule breaking through a "fragile hard surface into a softer underlying layer had still to be excluded." The next experiment, the paper concluded hopefully, would reach and pass that stage.

NEAR EAST–SOUTH ASIA

The U.S. feat of photographing the moon was generally applauded throughout the Near East and south Asia, although editorial comment appears to have been light. The achievement was seen as a step along the road to manned lunar and planetary flights. The military potentials of the moon race were mentioned only in one available editorial from Iraq.

United States-U.S.S.R. competition in space

Newspapers in several countries saw in the feat another step forward in the race into the outer reaches of space—with the United States making the step this time. Only one newspaper, however, Karachi's influential and anti-United States Dawn, stated specifically that "politically it puts the United States in a position of leadership in the space race."

Although there was never any doubt about U.S. ability to land a spacecraft on the moon, said Madras' Hindu, the feat "should help raise American morale and add to U.S. prestige abroad."

Alluding more pointedly to the contest, the Mail of Madras said: "Although the Russians landed their rocket on the moon 5 years ago, the latest American achievement will be hailed as an outstanding one * * * U.S. scientists and technologists deserve hearty congratulations on their latest success."

Calcutta's Sunday Statesman unfavorably contrasted the Soviet Lunik III's photographs of the moon 5 years ago with those taken by Ranger 7. "In preparing for a manned landing," the paper said, "the close-up pictures will be more useful than those of the far side of the moon taken from a distance of 40,000 miles." The Hindustan Standard went further, declaring that "if the Russians had the satisfaction of being the first ones to hit the lunar surface with a rocket, Americans have the satisfaction of having ready a complete design of the spacecraft that will take the astronauts to the moon and bring them back."

Baghdad's al-Manar said the feat "symbolizes the victory of peaceful competition in the sphere of science and the use of the tremendous forces put at our disposal by science for purposes which do not cause destruction and collapse of civilization."

In Israel, influential Davar declared that the precision of the Ranger 7 flight and the instrumentation used showed that "the Americans are far ahead of the Russians in this aspect at least."

United States-U.S.S.R. cooperation urged

Although several Indian papers were quick to point out the competition between the United States and the Soviet Union, at least one Indian paper deplored the lack of cooperation in what it described as nonmilitary space programs. Madras' Hindu noted although the United States and the U.S.S.R. "have both often talked of such international cooperation, they are, however, still not prepared to take each other into their confidence."

Istanbul's Tercuman, normally critical of the United States, hailed the achievement, but said that "reaching the moon may be even sooner, if Washington and Moscow were to cooperate."

Another Indian editorial, in Bombay's Maharashtra Times, seemed to have cooperation in mind when it declared that scientific advances reduce cold war tensions: "We, therefore, hope that the new American victory will start a new era not only in space but also in human relations."

Cairo's press opted strongly for international cooperation in space, while ignoring the military implications of the Ranger 7 feat. "The success of the Ranger 7 calls for hope that peaceful competition in the economic and scientific fields might be established among nations instead of military competition and cold war," wrote an al-Gomhoria columnist.

Conservative al-Akhbar quoted extensively by Radio Cairo, exploited the same theme: "Space is a field where man should cooperate with other men for the good of mankind * * * the various statements uttered by both the American and the Soviet sides show that cooperation in space exploration is possible and that the tension of rivalries on earth need not extend to the moon. Indeed, cooperation on the study of the moon will help ease tensions on earth."

Step toward manned flight

Many commentators left no doubts that the Ranger 7 flight was merely a step forward on the way to putting a man on the moon, or to reaching "unknown planets," thereby realizing "an old dream of man."

Calcutta's Sunday Statesman declared that "the success of Ranger 7 will strengthen U.S. determination—reaffirmed by the President as late as last January—to place a man on the moon by 1970." Ananda Bazar Patrika, also of Calcutta, concluded: "Now it can be believed that manned spacecraft can be landed on the moon." And Bombay's Times of India optimistically concluded that "it is safe to assume that if all goes well, a manned moon mission may be completed in 4 or 5 years."

Several Israeli newspapers also saw a direct connection between the photo flight and plans for manned lunar flights. Tel Aviv's German-language Yedioth Hayom echoed this line: "The increased knowledge of the surface of the moon will be of great importance for those who are making plans for the attempt in about 6 years to land the first men on the moon."

Some newspapers, however, found other significance in the Ranger 7 flight. Bombay's Maharashtra Times saw the development as assisting with weather prediction. Jugantar of Calcutta was content with the pictures provided by Ranger 7: "These pictures provide plenty of scientific information about the moon. This has advanced man's knowledge of the moon and this success is, undoubtedly, man's great achievement."

Cairo's English-language Egyptian Gazette declared that "Friday's exploit is a tremendous step forward in U.S. space accuracy, quite apart from the information angle * * * the wonders of rocket-propelled flight when applied to space exploration are only just beginning."

All mankind benefits

Several commentators saw the Ranger 7 flight in a larger context than a race for the moon or an extension of the cold war competition between the Soviets and the Americans.

Calcutta's Jugantar, commenting on the scientific significance of the moon shot, declared it welcomed "this addition of a new chapter to the history of man's conquest of nature." In the same vein, Israel's Hamishmar emphasized Ranger 7's contribution to basic science—pointing out that the photographs may help resolve conflicting views on the origin of the moon.

"We carry now the same feeling of pride which we felt when the Soviet Union was able to photograph the dark side of the moon," wrote Baghdad's al-Manar. "Achievements in the field of science are for the benefit of mankind," it added, "expressing the will of humanity to overcome the difficulties of life and the elements of nature."

Cairo's al-Gomhoria commented that the moon flight "merits the appreciation of everyone interested in the development of science and humanity." The Egyptian Gazette declared that "the United States and Russia have pointed the way (to the exploration of space) and to them must go the credit for man's first physical leap outward from his planet.

More dramatically, Cairo's al-Akhbar said: "World reaction and the spirit of cooperation which have prevailed * * * indicate that the world is about to rid itself of the curse of the arms race and the curse of the race for power of destruction in order to race into space." "May the new knowledge be used for the advancement of world peace and not for the projection of new threats to civilization and the very survival of mankind," said Dawn of Karachi.

Military uses

The only available reference to the possible military uses of the moon shot was in Baghdad's al-Manar. It pointed out that rockets are a "two-sided weapon." It continued: "One side is a horrible thing in the shape of awful nuclear weapons. When we rejoice at the invasion of the moon, we express at the same time our pleasure that the horrible and awful side of scientific weapons has not been used and we hope it will never be used."

FAR EAST

Editorial comment on Ranger 7 was spotty throughout the area and most comment came from the Philippine and Japanese press. The tenor of available comment was enthusiastic and laudatory, with a keen appreciation of the technological refinements involved in acquiring the photographs. The flight frequently was referred to as "history making" and "epochal."

United States-U.S.S.R. cooperation

The successful operation of Ranger 7 was frequently used as a peg for editorial comment to recall previous efforts to promote American-Soviet cooperation in space exploration and to express the hope that such cooperation would mature in the future.

Mainichi, a leading Japanese daily, recalled the proposals of the late President Kennedy and stated that "it is high time we realize the wisdom of the Kennedy spirit calling for cooperation beyond manmade frontiers, so that our dream of traveling in space will come true soon."

Sankei called on the Soviet Union to "cast aside its policy of secrecy and contribute toward international cooperation." The English-language Japan Times commented: "It is in this area that friendly competition between the United States and the Soviet Union might well help to promote peace on this globe, and cooperation between them would contribute to the expedition of man's conquest of space."

The Philippine Herald agreed with Japanese press comment, declaring that "Russia has been among the first to hail its (Ranger 7's) success. Which is as it should be, for the moon exploration effort has been deemed a collective and cooperative East-West venture in which every new knowledge attained should be availed of by both sides."

United States-U.S.S.R. competition

Despite the prevailing sentiment favoring cooperation in space exploration, the pro-American press in the area also assessed the Ranger 7 success in terms of American-Soviet competition and expressed the belief that this flight pushed the United States into the lead in the so-called space race. Significantly, there was considerable awareness that superiority was related to technological refinement.

The Philippines Herald editorialized: "There's no doubt that the success of the Ranger project has pushed the United States considerably ahead of the Soviet Union in the moon race. While it is true that the Russians 'pioneered' in moon photography, there's no denying—and the Russians themselves have admitted—that the results achieved by Ranger 7 are vastly more useful and informative."

Thanh Cong, an influential Chinese-language daily in Saigon, judged that "this is the first and greatest success ever scored by any spacecraft. * * * Two years ago we predicted the United States would not remain behind the U.S.S.R. in the space race. * * * Compared with U.S. satellites, the Soviets lacked transmission equipment, and as a consequence could not keep in touch with earth."

Chosum Ilbo, an influential Korean daily in Seoul, commented strongly that the "significance of the Ranger 7 success is that the United States for the first time in the last 7 years, has been able to overtake and even surpass Russia in the fierce race to the moon."

A new era

The minds of editorialists were for the most part focused on future visits in the realm of space exploration and viewed the Ranger 7 flight as opening a new era in the scientific study of space and bringing closer the time when man could be placed on the moon.

Asahi, one of Japan's most influential dailies, commented in this vein. "Most significant, however, is that the space voyage has opened a new page in the history of astronomy, not to mention the vital importance it has in sending man into outer space and other planets." The Japan Times also noted its importance to an eventual landing of man on the moon and added that "The knowledge gained by last week's lunar probes should enormously help both the space rocketry required in sending a larger rocket, and lunar cartography, both of which are essential to the ultimate success in putting a man on the moon."

Editorial comment in the Manila Bulletin almost reach poetic ecstasy when it concluded that "Man, indeed, is on the threshold of a wondrous achievement that could open up new vistas conjectured since the beginning of time when man first gazed upward and saw stars in the firmament. And, strange as it seems, man today is taking all this in stride, as if fiction being turned to actual fact were routine * * *." The Manila Chronicle concurred with this view.

U.S.S.R. secrecy versus United States openness

Several editorials were critical of Soviet secrecy and laudatory of the openness of U.S. space activities. For example, Sankei, a Japanese-language daily, declared: "We welcome the step taken by the United States, at the same time we hope that the Soviet Union will cast aside its policy of secrecy and contribute toward international cooperation." Thanh Cong similarly editorialized: "It was for good reasons the U.S.S.R. never announced launching times, since Soviet experts themselves had no absolute belief in the performance of their satellites. With the United States, things were totally different. The launching of her first satellite was announced to the world and to all monitoring stations around the world so everyone could follow its performance during the flight in orbit. * * * The Americans are realistic. They are not like the Soviets whose primary aim is in making propaganda."

LATIN AMERICA

Banner headlines announced the success of Ranger 7 in almost all Latin American newspapers. Editors backed up stories with resourceful use of photographs, diagrams, and statements of local space experts. Editorial comment was unusually prompt. Themes included the promise of a new era opened up by American science and technology, a U.S. edge in the space race, and mockery of the Soviets. Cuban propaganda belittled the achievement.

New space age beckons

Much of the congratulatory expression was devoted to intimations of a new age of human achievement opened up by the Americans. Thus, Ultima Hora, the usually anti-United States organ of the Chilean Socialist Party, wrote of "a prodigious technical feat. * * * Nobody, whatever his nationality or ideology, can fail to feel satisfaction and pride at each new triumph of man's ability."

The United States was credited with an onslaught on the riddles of the universe. Santiago's conservative El Diario Ilustrado said: "It now seems that Ranger 7 is going to break the seals on the enigma of the moon." El Siglo of Buenos Aires devoted half its front page to a diagram and asserted that after Ranger 7 "the moon no longer has any secrets." Lima's moderately conservative La Prensa headlined: "Photographs Taken by Ranger 7 Will Unveil Lunar Mysteries."

Some thought was given to the manifest technological power behind the photographic project. Conservative La Nacion of San Jose declared that the United States "cannot occupy the first place on earth without being first also on the moon." Lima's La Prensa headlined, "To Those Who Dominate Space Will Go the World of Tomorrow."

The space race

Proof that free societies can marshal their resources for a technological breakthrough was seen by commentators. Independent La Manana of Montevideo said: "In the expensive and exciting space competition, the United States has won laurels of exceptional importance. Ranger 7 has taken the first detailed photographs of the moon * * * the stupendous feat has a political significance which identifies liberty with scientific progress, and strengthens the confidence of the Western World in the nation upon which its security depends * * * the splendid and unmatched success of Ranger 7, the competitive spirit of private enterprise, and the technicians trained in free universities demonstrate the fallacy of Soviet boasts and prove, if proof be necessary, that liberty is the condition and the guarantee of the most rapid and profound intellectual progress."

San Jose's leftist-liberal Le Republica proclaimed: "When our powerful continental brother concentrates his resources on the achievement of a resounding success and a scientific advance of great scope, he fully attains it—and without prison scientists or slave labor." The paper also noted that the Soviets had "announced their intention" of being on the moon first to greet the Americans. "This time, as on so many other occasions, the Communists have made a mistake," it added.

Some papers flatly announced a U.S. lead. In Rio de Janeiro, popular anti-Communist Diario Carioca ran a giant headline: "U.S. Leads in Space." In Santiago, several papers stated in headlines and photo captions that the United States was now "substantially ahead."

Soviet claims disparaged

Doubts about the actual lunar achievements of the Soviet, and of the legitimacy of Soviet science, were variously expressed. Some writers said Soviet science is propaganda based. For example, conservative La Estrella de Panama found that "if it is indeed true that the U.S.S.R. succeeded some time ago in firing a projectile which apparently hit the moon, that operation had no other purpose than to gain an easily exploitable notoriety for Communist propaganda."

Moderately liberal La Esfera of Caracas charged the Soviet Union with striving to show off its scientific attainments, "not for the benefit of the sciences but as a vehicle to discredit everything that is accomplished beyond the frontiers of the Marxist world."

Buenos Aires' conservative La Prensa said President Johnson had stated that many concealed Soviet failures served to confirm the complexity of such undertakings, and that his words contained a useful illustration of "the political concepts and methods" which separate American and Soviet effort.

Doubt that the Soviets actually had photographed the dark side of the moon was voiced in Santiago by conservative El Diario Ilustrado, which found the achievement "not sufficiently convincing * * * like photographing Negroes fighting by night in a tunnel." Equally derisive was independent conservative La Nacion of San Jose: "Not long ago, when the Russians were astounding the world with propaganda about their successes in space and carefully hiding their failures, they were boasting that they would be the first to put a man on the moon. However, it appears that it is going to be quite the contrary. We say that when the Russians arrive on the moon—if they do arrive—they may find a group of Yankees chewing gum to fight boredom."

Prestige and universal value

A triumph for science and the free world was underscored in Venezuelan papers. Moderately liberal La Esfera of Caracas said the free world must publicize its intellectual accomplishments to counteract Soviet propaganda. Cost and prestige value were weighted by independent conservative La Nacion of San Jose: "Even if space leadership were not essential for the security of the United States, there are many other factors of prestige and propaganda which oblige the White House to forge ahead with the extremely costly lunar program."

The sound programing of American scientists was signalized: Diario Carioca of Rio de Janeiro quoted a local astronomer as saying the Ranger shot was "a demonstration of the rational planning of the U.S. space program, which is close to putting a man on the moon." Lima's conservative El Comercio called the probe "a new and magnificent triumph which science has won in the service of humanity. And this time the triumph goes to American scientists."

Universality of the achievement was pointed up by conservative El Panama-America, which said the event "naturally has a great strategic significance, but above all it is a scientific triumph which goes beyond the frontiers of the United States and even transcends the political divisions of the world."

Cuba acknowledges the hit

A Havana television commentator reluctantly reported the Ranger 7 shot and said that "if it is true that it transmitted 4,000 photographs, among them will be one of the Soviet flag, which has been on the moon for years, waiting for the Yankees." The broadcast is the only known acknowledgment of Ranger 7 made in Cuba.

SOVIET UNION AND EASTERN EUROPE

Soviet media gave moderate publicity to the successful Ranger 7 experiment. Tass and several radio Moscow broadcasts called the flight a "new national achievement" and noted that Soviet scientists and engineers had sent congratulations to their American colleagues. Soviet accounts pointed out that the U.S.S.R. had been the first to land a rocket on the moon while previous American attempts had failed and furthermore that it had been the first to photograph the moon. The great cost of the project was also noted. East European media reported the Ranger 7 story in a similar vein. The Yuogslavia press gave equal space and treatment to Ranger 7 and a Soviet space shot, launched at about the same time.

Tass distributed a detailed account of the Ranger shot within minutes of its crash landing on the moon. Previously it had issued brief reports of the flight in progress. Citing UPI, Tass recounted the physical characteristics of Ranger 7 and its photo coverage, and noted that the spaceship's trajectory had been corrected in flight. The Tass story mentioned in passing that six previous unsuccessful Ranger shots had cost the United States "$180 million." Asserting that it was too early to evaluate fully the completed experiment, Tass neverthless called the experiment an unquestionable success. "Soviet scientists are glad to note that the launching of Ranger 7 is a new national achievement for the United States in pursuance of its lunar research program, and a notable contribution to the study of cosmic space," the news service concluded. This Tass account was front paged in full in Pravda on August 1. Other Moscow papers carried but a brief note or ignored the U.S. moonshot.

Other Soviet accounts similarly hailed the Ranger 7 success, although most stressed the primacy of work done by the U.S.S.R. in this field. In a broadcast to Germany on August 1, a professor of the U.S.S.R. Academy of Sciences claimed that six-tenths of all scientific work for exploring the moon by radio had been done by the Soviet Union and asserted that in many ways the Soviet moon flight in 1959 had successfully completed even more difficult tasks than those accomplished by Ranger 7. Another professor, in a broadcast in English beamed at North America on the same day, called the latest shot "brilliant" and an "important step toward an expedition to the moon."

Commenting on the Ranger 7 shot in Izvestiya on August 2, Doctor of Physical-Mathematical Sciences B. Levin complimented American scientists on the work of their "automatic space station" and predicted that undoubtedly pictures taken by Ranger 7 were of "particular interest" in helping to clear up controversies concerning areas of the surface of our "natural satellite."

SECRET SERVICE PROTECTION OF CANDIDATES FOR PRESIDENT AND VICE PRESIDENT

Mr. GOODELL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. GOODELL. Mr. Speaker, I have taken this time only to alert the membership to the fact that today I introduced a bill which would permit the Secret Service to protect the candidates for President and Vice President of a major political party. It seems to me that when a man is nominated for President or Vice President the national interest is involved with his survival. I think the law should be extended to permit the Secret Service to protect the candidates for President and Vice President of a major political party.

VOTER PARTICIPATION

Mr. SCHWEIKER. Mr. Speaker, I ask unanimous consent that the gentleman from New Hamsphire [Mr. CLEVELAND] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. CLEVELAND. Mr. Speaker, yesterday I commented in the daily RECORD, page A4212, concerning the excellent voting record of New Hampshire voters in the last presidential campaign. I pointed out with great pride, New Hampshire had the Nation's highest percentage of voter participation in the 1960 elections—80.7 percent. Now, as never before, this country needs to have all of its citizens participate in elections. Before election day, the issues must be thoughtfully discussed and deliberated. Then, on election day, all voters should go to the polls and exercise their priceless privilege and vote.

The problem of the nonvoter is discussed by the national commander of the American Legion, Daniel J. Foley, in the current issue of the American Legion magazine. I commend Commander Foley for his thoughtful and perceptive comments. Quoting Plato, Commander Foley reminds us:

> The punishment of wise men who refuse to take part in the affairs of government is to live under the government of unwise men.

I call to the attention of my colleagues Commander Foley's excellent statement on this important subject and congratulate him for leading the American Legion's "Get-Out-the-Vote" drive.

THE PROBLEM OF THE NONVOTER

(By National Commander Daniel J. Foley)

Beneath the noise and color and excitement of current political campaigning, consider this:

In the next 3 months more than 100 million Americans will be asked to decide with their ballots the future course and leadership of the Nation.

If the 1960 pattern is repeated, more than one-third of the electorate will take no part in the decision.

Recent national elections have produced voter turnouts of 90 percent in Italy, 85 percent in West Germany, and about 80 percent in Great Britain, France, Israel and the Scandinavian countries. The United States score in 1960 was 64 percent, the highest in our history.

A comparable showing in 1964 won't be nearly good enough To insure a sound base for responsible Government at home and strong leadership abroad, we need an overwhelming turnout at the polls on November 3. I urge every American Legionnaire to join now in a sustained drive, through education and persuasion and personal example, to impress upon all our citizens the responsibility to vote.

As a first step, each of us should make certain that our own path to the polls is clear. Responsible exercise of the right to vote requires that we (1) qualify as voters by registering under the laws of our State, (2) size up the issues and candidates in the light of the best information we can get, and (3) vote on election day.

The right to vote, like our other fundamental rights, is not self-perpetuating. To keep it, we must use it—intelligently and faithfully. Either we vote and thereby support our free, representative system; or we fail to vote and thereby weaken the system.

Any American Legionnaire who might be inclined to forgo voting on November 3 ought to consider these facts:

Three-fourths of the world's adults today are denied the privilege of expressing their preference at the polls. They live under systems where freedom of choice is outlawed or where educational and economic levels are too low to sustain popular government.

Thousands of young Americans who fought at our sides to preserve the right of suffrage never got a chance to exercise it. They gave their lives before reaching voting age.

Does one vote count? Every vote counts, yours just as much as any other. To believe otherwise is to disbelieve the doctrines which undergird our free society. Your vote counts whether you cast it or not; for when you don't vote, you double the influence of a voter who disagrees with your view of what is good and necessary for the country.

In the 1960 presidential election, a switch of less than 1 percent of the ballots in eight States would have changed the election's result. The 1962 gubernatorial election in Minnesota was decided by a margin of 91 votes out of a million and a quarter cast.

But it isn't just a question of voting your choice. Public indifference at the polls breeds government indifference. He who shirks his vote is poorly equipped to protest if those elected shirk theirs thereafter.

A 64-percent sampling of American voters in 1964 doesn't meet America's needs in the 1960's. Nations around the globe, many of them new and groping for a political philosophy, look to the United States for lessons in the functioning of a free society. Rightly or wrongly, they will question an elective process in which 4 people out of 10 do not vote, and only 1 in 10 involve themselves in political combat.

Simply increasing the number of voters will not necessarily improve the quality of our voting. We also need more voters who are informed, alert, and perceptive. We need more men and women who make it their business to discriminate between candidates and issues at the local and State levels as well as the National. For instance, nominees for the board of education rarely pack the promotional or emotional appeal of presidential candidates. But how and whom we choose to serve on that board may do more to determine future progress in a community than our choice of President.

According to students of American voting habits, people stay away from the polls chiefly for three reasons: they aren't interested, they can't make up their minds, or they don't want to get mixed up with politics. For the dedicated American Legionnaire, the first two are unacceptable and the third just doesn't make sense.

Politics and good government are not only compatible—they are inseparable. Political organizations and loyalties furnish the fuel that makes the government go. If you want a better grade of political performance than you're getting, there's only one effective way to go at it—from the inside, as a working, contributing member of your party.

Plato stated the alternative a good many centuries ago, "The punishment of wise men who refuse to take part in the affairs of government is to live under the government of unwise men."

A major American Legion "Get Out the Vote" drive already has been mounted by our national organization and many departments and posts. Every working Legionnaire has a stake and place in it. If your post hasn't taken action, stir up some. Stress the obligation of every citizen to "get involved" in government. Add your name and prestige to community "Get Out the Vote" movements. Remind your neighbors and friends that voting is one concrete answer to the question, "What can I do for my country?" Look for new ways, beyond babysitting and transportation services, to make it easy for people to stop at the polling place.

In free America, that's where effective citizenship and good government start.

WEEK IN WASHINGTON

The SPEAKER. Under previous order of the House, the gentleman from West Virginia [Mr. Hechler] is recognized for 15 minutes.

Mr. HECHLER. Mr. Speaker, this is the sixth year that I have sponsored the "Week in Washington" contest, which enables outstanding high school students to spend an entire week working in my congressional office and observing democracy in operation in the Nation's Capital.

This summer, we have been very fortunate in providing the opportunity for 45 high school boys and girls to participate in this enriching experience. Well over 300 students applied, indicating in their applications their interests and the activities in which they are participating, and writing a simple letter to explain why they desired to come to Washington and what they hoped to derive from the experience. Two very able judges, Hon. Donald Rumsfeld, Republican, of Illinois, and Hon. Lionel Van Deerlin, Democrat, of California, then sifted these applications and made their recommendations. Basically, we attempted to bring 3 or 4 students from each of the 13 counties comprising the Fourth Congressional District.

In 1959, when I started this program, it was financed largely out of my pocket and commencing in 1960 a number of West Virginia firms participated in sharing the costs. I now contribute an average of $300 to $400 annually, but the major load is borne by public-spirited industrial firms and through the coordination of the American Political Science Association.

I wish to thank the following firms for their generous assistance in making it possible to continue this program: American Car and Foundry Co., Island Creek Coal Co., Chesapeake & Ohio Railway Co., Owens-Illinois Glass Co., Allegheny Airlines, Monsanto Chemical Co., Huntington Publishing Co., Monongahela Power Co., Celanese Corp., Kaiser Aluminum Co., American Cyanamid Co., Appalachian Power Co., Goodyear Tire & Rubber Co., Chesapeake & Potomac Telephone Co., FMC Corp., Aerojet-General Corp., Hughes Aircraft Co., the Peoples Co. of Huntington, W. Va., Branchland Pipe & Supply Co. of Huntington, W. Va., and Thiokol Chemical Corp.

We have rented a house in Georgetown for the summer, chaperoned by Mr. and Mrs. Fred Adkins of West Virginia University Law School. Robert R. Nelson, who serves as my administrative assistant, has devoted a major portion of his time, energy, and enthusiastic spirit to the program. Miss Pam Hamilton and Miss Sandra Walker of my staff have also assisted. We bring the students to Washington by overnight coach on Saturday, four or five boys 1 week and four or five girls the next week. After church services on Sunday morning, most of Sunday is spent seeing Washington, and the legislative work begins at the Capitol on Monday morning. The students return to their West Virginia homes on Friday and Saturday.

I do not know a better way to describe the value of this program and the nature of the activities than to quote from the reactions of the students themselves. Under unanimous consent, there follow the news articles by Barbara Owens and Kathleen Kelly, both of whom spent the same week here and wrote their reactions for the St. Mary's Oracle and the Tyler County Star-News:

[From the St. Mary's Oracle, July 30, 1964]

"MOST WONDERFUL EXPERIENCE": PRESIDENT AND GOLDWATER SHOOK WINNER'S HAND

(By Barbara Owens)

With the same two insignificant little hands that last week shook those of President Johnson, Senator Barry Goldwater, Attorney General Robert Kennedy, and many other top Government officials, I am writing this report on my wonderful "Week in Washington."

To meet those world-renowned people, we girls had to sprint through the Capitol behind Congressman Ken Hechler and learn to "be aggressive," but we enjoyed every minute of the experience.

Our week in the capital proved to be one of Washington's eventful weeks of the summer. And thanks to Dr. Hechler and his wonderful staff, our group was in the midst of the action most of the time.

FIVE GIRLS MEET

Katy Kelly and Linda Stanley, of Sistersville, Randa Stonestreet, of Harrisville, Martha Roberts, of Cairo, and I met at the train station in Parkersburg Saturday night and became acquainted during our long ride to Washington. Upon our arrival at Union Station Sunday morning, Bob Nelson and Fred Adkins of Dr. Hechler's staff greeted us and took us "home" and to church at the beautiful National Episcopal Cathedral.

Our "home" was a very pretty house in Georgetown, rented by Congressman Ken Hechler for the summer. Fred and Sally Adkins, students of West Virgina University, were our adopted parents and Bob Nelson, our big brother and guide on most activities.

Sunday afternoon we visited several monuments and walked by President Kennedy's grave in Arlington National Cemetery.

Monday morning we met Congressman Hechler and his staff of seven at his office, Room 1008, New House Office Building, Dr. Hechler briefed us on his plans for our week and explained our duties in the office. We were to file, answer calls, write press releases, type, and take care of the scrapbook. But we were never in the office more than 20 minutes at a time, so we were rather useless.

With the signal "Charge" Dr. Hechler led our group to the Capitol, gave us a complete tour, and introduced us to nearly 30 Senators as they entered a Democratic Senators meeting. While Dr. Hechler was pointing out people in the room to us, a lady came up and asked him if he were a guide.

GREET GOLDWATER

Around 4:00 p.m., Fred Adkins and Bob Nelson took us to National Airport to greet Senator Barry Goldwater on his return to Washington. About 500 other people had the same idea, so we had to stand in the rain for an hour and then fight for a place in front of the mob to see the the Republican presidential nominee but with a little elbow power and lots of "soapsuds" (influence), we all shook hands with Goldwater twice and with Senator Everett Dirksen once.

Monday we also visited the Supreme Court Building, Folger Shakespeare Library, and the Library of Congress. After such a long, exhausting day on our feet, we climbed to the top of the Washington Monument that night and visited the National Wax Museum.

Tuesday morning we attended a staff meeting in which Dr. HECHLER read his statement supporting Senator HUBERT HUMPHREY, of Minnesota, for vice-presidential nominee for the Democratic Party.

About 10, Dr. HECHLER, Bob Nelson, and we girls started for the Pentagon and the most memorable experience of our lives.

Knowing that President Johnson would be there for a ceremony celebrating Cost Reductions Week, we waited in Deputy Secretary of Defense Cyrus Vanse's office until ordered out by the Secret Service police. We then waited in front of a group of Pentagon employees and applauded when the President and Secretary of Defense McNamara appeared.

President Johnson came over and shook hands with all five of us and we were so thrilled that we completely forgot to say our names of our little rehearsed greeting, "Good morning, President."

With another command "Charge," Dr. HECHLER led us out of the crowd and down the halls behind the President, McNamara, and their aides past thousands of cheering spectators, an honor guard, and the President's band.

We got as far as the assembly of defense people seated for the President's ceremony. After the presentations we paraded back up the corridor as crowds cheered again and probably wondered who we girls were to be so honored.

That afternoon we sat in on the long joint press conference of Senators EVERETT DIRKSEN and BOURKE HICKENLOOPER (chairman of Republican policy committee) in which DIRKSEN declared he was "extremely strong" for Senator GOLDWATER.

Later we met Senator HUBERT HUMPHREY, Senate majority whip from Minnesota, who was very friendly. We stayed in Senate and House galleries the remainder of the afternoon.

TOUR WHITE HOUSE

Wednesday morning we took a congressional tour of the White House. We saw the President's receiving room, the chinaroom in which the famous Morgantown glassware is displayed, and the rooms Mrs. Kennedy remodeled.

Then we went to the State Department Building for a foreign policy briefing. A Department official explained our Nation's foreign policy in general and the work of the State Department. We then toured five beautiful reception rooms where important foreign officials are entertained. We returned to the Old House Office Building and met Attorney General Robert Kennedy in the hall.

We sat in the Senate gallery Wednesday afternoon and visited the National Geographic Society's Explorers Hall. We saw two octopi, new arrivals in the National Aquarium in the Department of Commerce Building and went through the Lincoln Museum.

Thursday morning we saw USIA Voice of America exhibit in the Department of Health, Education, and Welfare Building and rushed back to the Capitol where we sat in on a meeting of the House Rules Committee. This is the most powerful committee in Congress, determining whether a bill will be debated on House floor, returned to committee, or killed, and has 15 members.

That morning they discussed the Employment Opportunity Act or "antipoverty bill" and several Congressmen testified. The discussion was fascinating and we learned a lot about the bill in those 2 hours.

We stayed in the Senate gallery all afternoon, listening to debate on the poverty bill, and later toured the FBI Building.

Friday morning we attended Sargent Shriver's seminar on the Peace Corps for summer interns at the Sheraton-Park Hotel. After his speech and questions, we girls headed for the stage where Dr. HECHLER sat. He pulled us onto the stage and I awkwardly crushed a once lovely plant as Mr. Shriver talked to us.

We visited the Bureau of Printing and Engraving and the Smithsonian Institution Friday afternoon after listening to West Virginia's Senator JENNINGS RANDOLPH speak to the "Day in Washington" group.

Those were the many places we visited and the many people we met, but I can't begin to tell of all I learned about the U.S. Government.

My "Week in Washington" with Congressman HECHLER was the most wonderful experience of my life and I hope many other students of St. Mary's High School will learn about the Government firsthand as I did through this program.

[From the Tyler County Star, July 29, 1964]

WHAT A WEEK!

(By Katie Kelly)

At 11:55 p.m., after waiting for nearly an hour, on Saturday, July 18, five very excited teen-age girls boarded the "National Limited" at Parkersburg for their "Week in Washington" sponsored by Congressman KEN HECHLER. Two of the five, Linda Stanley, and Katie Kelly, were from Sistersville. The others were Barbara Owens of St. Marys, Randa Stonestreet of Harrisville, and Martha Roberts of Cairo.

After what seemed like endless riding we arrived at Union Station Sunday morning. There we were met by Fred Adkins, a law student at West Virginia University, and Bob Nelson, who is a candidate for house of delegates from Cabell County. Both are members of Congressman HECHLER's staff. Amid much confusion our luggage was sorted and claimed and we headed for our home in the Georgetown section of Washington. There we met Fred's wife, Sally, who was our "housemother" for the week. The house had been rented for the summer by Congressman HECHLER for his "Week in Washington" winners.

After an Episcopal service at the Washington Cathedral, we began our sightseeing. We visited the Jefferson Memorial, Arlington Cemetary, Custis-Lee Mansion, President Kennedy's grave, and saw the solemn and impressive changing of the guard at the Tomb of the Unknown Soldier.

SOME CULTURE

After dinner our band of five separated. Two went to an Ella Fitzgerald concert at Carter-Barron Amphitheater. Three went to a Marine Band concert at the Watergate. (Some members of our group like culture, while others preferred Ella Fitzgerald.)

At the end of our first wonderful day the count was three blisters, and five, tired, but oh-so-happy girls.

Monday morning we met Congressman HECHLER, and the rest of his staff, and had a briefing on the workings of his office. Then the Congressman, whose motto is "Charge," took us for a comprehensive tour of the Capitol. He never walks when running serves the purpose, and we followed him, trotting in his wake. Our group visited the places where all the tourists go, and then a few where only a Member of Congress can go, such as the chapel for Members of Congress, the floor of the Senate, and of the House, and the room where the Senate met from 1819 to 1859. We also visited the Vice President's office, where we saw the most expensive painting of George Washington in existence, and went to the office of Speaker of the House JOHN MCCORMACK, who is the next in line to the Presidency.

Congressman HECHLER then took us to lunch in the House dining room, and showed us the "Republican" table, where many Republican Congressmen sit.

During our tour a woman stopped the Congressman and asked him if he were a guide. "No," he replied, "we're just standing here gazing at the ceiling." She went off about her business, never knowing she had spoken to a Member of Congress.

We met many, many Senators, and Congressmen on Monday, among them Congressman CARL VINSON of Georgia, Congressman MENDEL RIVERS of South Carolina, Senator DANIEL INOUYE of Hawaii, Senator STROM THURMOND of South Carolina, and Senator MAURINE NEUBERGER of Oregon.

AT LIBRARY

Monday afternoon we visited the Folger Shakespearean Library (the two Sisterville girls doing this at the urging of Miss Rosabelle Still), where we saw a full size Elizabethean theater. Our next stops were the Supreme Court Building, and the Library of Congress, where we saw, among other things, the original Gutenberg Bible, and originals of many of President Lincoln's speeches.

Later Monday afternoon, as we were sitting in the office, all busily working—filing, typing, and clipping for the scrapbook, we were told to drop everything and come running. We hurried to the cars, and were driven to National Airport, where, thanks to arm power, and "soapsuds" (influence), three of us met Senator EVERETT DIRKSEN, and the whole group got to meet Senator BARRY GOLDWATER, GOP presidential candidate. Two of us greeted Senator GOLDWATER twice. We also met and talked to Hulett Smith, West Virginia's Democratic gubernatorial candidate, who was searching for his pilot to take him home to West Virginia, and was not, it is unnecessary to add here, there to greet Senator GOLDWATER.

Monday evening we visited the Wax Museum, and then hiked up and back down the Washington Monument so we could have a view of Washington by night. Coming across the expanse of lawn in front of the Monument, our merry band performed a song and dance routine with a piece of plastic, and played basketball with pieces of ice.

This upped the count on Monday to four blisters, and five even happier girls.

THE PENTAGON

Tuesday President Johnson was scheduled to speak at the Pentagon, so Congressman Hechler and Bob Nelson took the five of us to meet him. With Congressman Hechler's cry of "Charge" ringing in our ears we hurried after him until we reached the office of Deputy Secretary of Defense Cyrus Vance, who is a native of Clarksburg. Our group was given permission to wait in Secretary Vance's office, where some of us—to mention no names—flirted with the honor guard that lined the halls. The Presidential Secret Service eventually made us move out so they could lock the office for security reasons, but we were given a special place to stand where we could see the President plainly. As the Presidential party advanced down the corridor, our cries of "Good morning, Mr. President," must have reached his ears, for he stopped and talked personally with each of us. Then Secretary of Defense McNamara came by, but only the two Sistersville girls met him because he said he wasn't "competing with the President." Then the Presidential party went on down the hall, and we seven West Virginians fell in behind. We stood and watched the ceremony commemorating cost-saving week, and after it was over met Secretary Vance.

FOR HUBERT

Tuesday afternoon we met and talked with Senator HUBERT HUMPHREY, who is the man Congressman HECHLER is supporting for Vice President.

Then we got to attend a closed press conference held by Senator Everett Dirksen, of Illinois, and Senator Bourke Hickenlooper, of Iowa, after a Republican policy meeting. We almost got to renew our acquaintance with Senator Dirksen after the press conference, but we were chased out, and even our cries that we were hot line correspondents for our hometown newspapers did no good.

Tuesday morning after breakfast in the House cafeteria, three of us stayed behind to pick up all of our paraphernalia, and met a busload of Texas teenagers. One of the group asked us if anything newsworthy had happened in the past few days, and we told him that we had met Senator Barry Goldwater Monday evening. We felt like celebrities, because that busload of teenagers wanted to touch our hands, simply because we had shaken hands with the Senator. We were tainted in their eyes though after we admitted that we greeted President Johnson with the very same hands.

The count Tuesday night was innumerable blisters, and lots and lots of publicity for the five of us. Three of our group had their pictures taken with the President, and it was published coast-to-coast in Associated Press newspapers. Our feelings were only slightly hurt when they were identified as Defense Department secretaries.

WHITE HOUSE

Wednesday morning the five of us piled into "Uncle Freddy's Big Car" (a tiny Volkswagen), and headed for our congressional tour of the White House, where we saw Jacqueline Kennedy's West Virginia glassware. We then attended a foreign policy briefing at the State Department, followed by a tour of the State Department. One of our group (again mentioning no names) almost broke up the meeting by asking what our Vietnam policy is. Three of the rooms which we visited were the Thomas Jefferson Room, the John Quincy Adams Room, and the Benjamin Franklin Room. All these rooms were furnished with antiques from the Louis XIV, XV, and XVI periods. No one told us "Don't touch," or "Keep away," so we really enjoyed that particular tour.

After a flying trip back to the Old House Office Building, to meet, we were told, "someone very important." We were introduced to Attorney General Robert Kennedy, and he said to us, in his clipped, Massachusetts accent, "How are you?" After this sparkling conversation we visited the National Geographic Society Building where we used the new picturephones, and told jokes to each other over them.

Our next stop was the Ford Theater, where President Lincoln was shot, and the house where he died.

That night our group split again, with four of us going to the parlor, an ice cream place in Georgetown, and the other going to see "Camelot" at the National Theater. (Some of us still preferred homemade ice cream to culture.)

MORE WORK

Congressman Hechler held a meeting Wednesday morning to see why West Virginia was not getting very many space contracts, and he informed us that evening that the results were very pleasing. He said our State should be getting more space contracts in the future.

By Wednesday night we had given up trying to count our blisters, and just relaxed and enjoyed each thing as it happened.

Thursday morning, we toured the U.S. Information Agency in the Health, Education, and Welfare Building. On this tour we saw many of the studios from which the live pro-American propaganda broadcasts, which are sent all over the world, originate.

Then we hurried back to the office building, and by a stroke of luck, we got to sit in on a House Rules Committee meeting concerning the antipoverty bill. No written record is kept at these meetings, and we had been warned that things could be exciting and funny. We heard Congressman Clarence Brown, of Ohio, the ranking minority member of the committee, say that he kept a horse on his farm so that his grandchildren could see what one looked like. Among those we heard testify were Congressman Robert Taft, Republican, of Ohio, and Congressman Charles Goodell, of New York.

Thursday afternoon we listened to debate in the Senate on the antipoverty bill for two hours, and then went to the FBI Building for another congressional tour. On this tour we were shown an example of expert shooting by an FBI agent.

We were a pretty gloomy bunch of girls Thursday, until we got word that we didn't have to go home until Saturday morning. Ours was the first group in two and a half years which got to stay over Friday night. The news didn't make us happy—just delirious.

PLUSH HOTEL

On Friday, we five attended a White House seminar on the Peace Corps, held at the plushest hotel in Washington—the Sheraton Park. Sargent Shriver spoke. On our way to the seminar we decided to drive past the church where President Kennedy's funeral was held. We somehow got lost even with a map and had quite a time finding our way.

Since Congressman Hechler was at the seminar, he was invited to sit on the platform with Mr. Shriver, and after the seminar was over, we were all taken to the platform to meet Mr. Shriver, and had many, many pictures taken with him.

Then we went back to the Senate cafeteria for lunch, and to a private dining room, where some students who were in Washington for the day were having lunch with Senator Jennings Randolph, and Congressman Hechler. We met Senator Randolph, and then told the Congressman goodbye and thanked him for our wonderful week. After the tears stopped flowing, we went to the Bureau of Printing and Engraving, where we saw our paper currency and stamps printed, and moaned over the fact that we didn't receive free samples.

US LOST?

After that tour we visited the Smithsonian Institution, where we had 2½ hours to view the exhibits. Two of us managed to get separated from the other three and spent 45 minutes trying to get reunited.

Friday night we went to an Air Force Band concert, and saw the Lincoln Memorial by night. Then we went back to the house to get ready for our trip home.

Saturday morning we tried to pretend that we were just going sightseeing, instead of home, but it didn't work, and the lump in our throats wouldn't go away. We just barely caught the train, and then came the inevitable tears. We cried only because our week had been so marvelous, fun filled, and jampacked with learning. Saturday evening we arrived in Parkersburg and who should meet us, but the ubiquitous Congressman Hechler. We thanked him and said goodbye for the umpteenth time, and headed for home. One of the most wonderful weeks of our lives was over.

We owe many thanks to Congressman Hechler, and to his wonderful staff, especially Fred Adkins and Bob Nelson. Our thanks also go to the plants and organizations which contributed money to make the week in Washington program possible.

REPRESENTATIVE BRUCE RIGHT ON THE CONGO

Mr. SCHWEIKER. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. Ashbrook] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

stood in this Chamber in his first year in

Mr. ASHBROOK. Mr. Speaker, there is one man in this Chamber who deserves recognition for his incisive views and statements regarding the foreign policy of the United States of America.

I speak of the gentleman from Indiana [Mr. Bruce]. He has been a persistent critic of the foreign policy of the administration in areas of deep unrest caused by Communist penetration.

He warned of the continued presence of missiles in Cuba, and although denials and a 2-hour TV show by a Cabinet member were used to show the contrary were forthcoming within a few hours, nevertheless before too many weeks had passed, the President admitted in a press conference that there could be missiles in Cuban caves, and admitted that our reconnaissance aircraft and their cameras could not penetrate inside those caves.

Not many men are vindicated quickly when they have stood almost alone against the crowd. Often it doesn't happen within their lifetimes. Some, however, are proven right by events, and are recognized for their courage.

Winston Churchill was such a man, long decrying the appeasement policies of the British Government which thought Hitler and the Nazis could be persuaded to hold off their plans for conquest by bribing them with other nations freedom and territory. A grateful people, finally awakening in the midst of great danger, made him their leader.

In no lesser way our colleague, the gentleman from Indiana, Donald Bruce, has seen history vindicate his lonely position on the Congo within a few months. He stood in this Chamber in his first year in the Congress and recounted in detail the dangers we would encounter if the United States followed the policy that seemed to be evolving toward the Congo. He cited the Communist backgrounds of some of the key personnel in the Congolese Government and warned against supporting them. I was one of the few who supported him and I know how lonely his position was in this Chamber.

He became a stanch opponent of the brutal attacks by the United Nations against the State of Katanga which had seceded from the Republic of the Congo while leaving the door open—in its constitution—to joining in a free, stable Republic of the Congo where all provinces would be treated as equals.

Perhaps never before in our Nation's history have we seen an American policy so utterly and inexplicably wrong as the State Department's position on the Congo from 1961 until 1964. That policy was the most hypocritical one our Government has ever held to, in my opinion. While mouthing the concepts of self-determination, our Government aided and abetted, if indeed it did not instigate, the actions of the United Nations in the Congo where it used military force to crush the only stable regime in the entire country, and which had declared its independence.

That international organization, loudly proclaiming its posture of peace, and defending its actions in the name of peace, unity, and anticolonialism, betrayed its agreement with the leader who had welcomed the U.N. troops that came to Katanga as friends. The U.N., with the vocal and financial support of the U.S. Government, ordered those troops to crush with military force, the government of Moise Tshombe. The economy of that area of the Congo was seriously impaired by the destruction of Swedish jets which attacked the installations of Union Miniere, one of the chief industrial corporations providing thousands of jobs to the Katangans. Eyewitnesses from the ranks of the press corps reported unbelievable stories of the U.N. planes bombing hospitals plainly marked with red crosses and an endless stream of press photos gave clear evidence of the very inhumanity of man toward man that the U.N. was supposed to exist to eliminate.

We witnessed hypocrisy on a gigantic scale as we watched the organization of peace shoot down in the streets innocent men, women, and children who just did not suit the fancy of the barbaric Ethiopian or Ghurka troops of the U.N. as they murderously overcame the fierce resistance of the native population.

We heard charges against Katanga's use of white mercenaries made by representatives of nations which had a strangely hypocritical traditional national policy of using paid mercenaries as their shock troops.

We heard the hypocrisy of our Secretary of State and his subordinates talking about the evil of allowing Katanga to be free while those very officials proclaimed the great good in dividing an adjacent area of the former Belgian Congo, Ruanda-Urundi, into two new nations, although both together constituted but one-tenth of the area of Katanga.

Perhaps strangest of all we learned that men in key policymaking positions in the U.S. State Department and in the field operations of the U.N. in the Congo action had been part of an international Swedish-American mining combine in Africa before undertaking their official duties, and that one of the key men in that combine was the brother of the Secretary General of the United Nations.

We saw the hypocrisy of U.N. troops refuse to stop the marauding troops of the Communist-led and instigated troops as relatively unimportant while the peace organization threw the full might of its military power against the forces of the peaceful State of Katanga which wished to be left alone to work out its own destiny.

We saw the hypocrisy of the United Nations which could do absolutely nothing about the murders committed by its own troops when clear evidence and proof of such atrocities were presented to that august body, but its propaganda mills continued to turn out the blasts at the horrors of political disunity caused by the secession of Katanga.

We saw the vicious attacks of high State Department officials leveled against those of us who dared to oppose their wrong policies. In a speech at Philadelphia in December of 1961, Assistant Secretary of State Carl Rowan, since promoted to head up the USIA, used the worst guilt-by-association techniques in lumping all critics of the Congo policy with "arch conservatives, people who oppose the income tax, avowed defenders of racial segregation, opponents of fluoridation, those who want to destroy the Supreme Court," and so forth.

We saw the hypocrisy of the State Department which brought the Communist Congo leader, Lumumba, to the United States and gave him the red-carpet treatment, but refused to allow Moise Tshombe to come to the United States to speak to a representative group of our citizens who sought to learn the other side of the story firsthand.

We saw the hypocrisy of our State Department claiming through men like G. Mennen Williams—Soapy Williams, that is—to know more about Africa, its tribal likes and dislikes, and needs, than the world-famous humanitarian and Nobel Peace Prize winner, Dr. Albert Schweitzer. The idol of millions, especially the liberal minded, spoke out on several occasions against the State Department and U.N. policy with words of unmistakable warning. He said:

> The policy of the U.N. in the former Belgian Congo causes me great anxiety because it proceeds from a total ignorance of the country's problems. It is a grave error to try and unite, by force, people so profoundly divided among themselves. If Katanga is unwilling to be reunited with the Congo, the U.N. should respect its wishes and not try to impose its own will at any cost.

Well our soapy, sudsy policy of stupidity in the Congo has now come home to rest—and I might say, to rest heavily—on the record of our haughty band of arrogant, superintellectual misfits in our policymaking echelons at the State Department and in the White House.

Had they listened to Dr. Schweitzer they would not be in the embarrassing position they are today. For Tshombe has come home, too. And, as we all know, he returned, not as a defeated President of Katanga, but as Prime Minister of the entire Republic of the Congo. He returned home, if not as a conquering hero, as a hero vindicated in the minds and hearts of all the Congolese, not just the Katangese.

The man, who with his Katangese associates, were called a bunch of clowns by the Secretary General of the United Nations, U Thant, was cheered wildly by the Congolese, while not a single official even bothered to go out to the airport to see the last of the U Thant-U.N. expeditionaries leave the country.

Now that this great irony of history has indeed taken place, and Tshombe is restored to his rightful place as a leader of real ability, a Negro of outstanding stature in whom the free world can place great hopes, I urge that the policy of the United States be one of wholehearted cooperation with Mr. Tshombe. Further in view of the vast expenditure of American tax funds to destroy Tshombe and his legitimate purposes not many months ago, I feel it is incumbent upon the United States to make amends in kind. Our hearts should be open, and our hands willing to help in whatever way we can, respecting the independence and sovereignty of the Republic of the Congo under Tshombe. We should seek no partisan gain. Tshombe is a man who will be an ally if we treat him with the respect he deserves.

The irony of Tshombe's return to power, not over a province, but as Premier of the whole Congo, is, of course, accompanied by the related irony of Tshombe's appointment of Michel Struelens as his special adviser on foreign affairs, and personal representative in the United States, and to the United Nations.

Struelens performed a heroic service as Katanga's information officer in New York during the long months of the American-U.N. persecution of Tshombe and the Katangese people. He traveled the length and breadth of this country, simply telling the truth about the Congo situation. He won many decent people over to Tshombe's cause, including liberals as well as conservatives. The State Department sought to deport him and would have had not some sensible Senators thwarted that plan by keeping him under subpena most of the time.

Now our State Department and the U Thantians will have to deal with Michel Struelens on a equal footing.

I am thankful that events have so quickly demonstrated who "the bunch of clowns" really are. They are the choice of the people of the Congo, the choice that the great liberal proponents of self-determination and freedom for all peoples and the rest of the line our pink-tinged diplomats keep grinding out, used blazing guns and bursting bombs to prevent not so long ago.

Now the situation is clear, and I am going to insist that our Congo policy is too. Communist rebels in Stanleyville Province are steadily gaining ground. Premier Tshombe needs the help of the free world nations in driving these Communists right out of the Congo. Let us get him the military equipment he needs to do the job. Nothing this country can ever do will make up for the wrongs we recently perpetrated against the Congo. But justice demands that we do our best to make recompense.

Before this session comes to a close I would like to see an expression of support by the Congress assuring the Tshombe regime in the Congo of our complete support, with such a resolution calling upon the President to extend any and all aid required by the new Congo Government in this its hour of need.

Had this body and the other body listened to the unceasing warnings about the Congo policy of our Government and the U.N., made here by the gentleman from Indiana, DONALD BRUCE, the United States of America would not have underwritten the great bulk of the $10 million a month that were spent mostly on destroying Katanga and its stable government.

The gentleman from Indiana, Don Bruce, was right about the Congo as he has been right about many of our policies in other areas. In May of 1962 he predicted to some of us Members and to one or two newsmen what turned out to be the so-called missile crisis of October 1962.

During the 87th and 88th Congress I have been especially close to the gentleman from Indiana, Don Bruce. We occupy offices next door to each other. We serve on the same committees. We look upon domestic and international affairs in much the same light. No man in this body has any more respect from this Member than the gentleman from Indiana, Don Bruce. I pray that as the gentleman from Indiana leaves this House next January for other fields, his wisdom and leadership shall continue to be a beacon for the American people.

IS CYPRUS ANOTHER CUBA?

Mr. SCHWEIKER. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. Ashbrook] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. ASHBROOK. Mr. Speaker, unless we have been totally lulled to sleep by the administration's efforts to appease Premier Khrushchev in every troubled area of the world, we dare not—as Americans—be indifferent to Soviet Russia's military role in the Cyprus crisis. When U.S.-NATO rockets were moved from our bases in Turkey, as part of the terrible ransom we paid for neutralization of Russia's missile bases in Cuba, the Republic of Turkey was left virtually defenseless against the threat of Communist conquest. It was to be expected that Communists who influenced the Greek Cypriot Government of Makarios, would immediately move to annihilate the Turkish Cypriots—Turkey's last defenders against possible encirclement by Soviet Russia.

When this deliberate takeover of Cyprus had overrun all but the last Turkish Cypriot position, Turkey had no alternative last Friday, but to act in defense of her helpless kinfolk barely 40 miles from the Turkish mainland. It is eminently clear now that the small U.N. peacekeeping force on Cyprus is no military match for the armed might of the Greek Cypriot henchmen who announced they were looking to the Soviet Union for military aid. It is just as clear that Turkey cannot stand on the sidelines and watch Cyprus become Moscow's long sought Mediterranean Cuba. I wish to introduce a pertinent New York Herald Tribune editorial published Monday, August 10, 1964, into the Record:

CRISIS IN THE MIDDLE SEA

The only hope for resolving the Mediterranean crisis precipitated by the civil war in Cyprus lies in the course which the United States—through regular diplomatic channels, through President Johnson's urgent appeals, and through the resolution put forward by Britain and this country in the Security Council—has been urging on every interested party. That is a general cease-fire.

There can be no doubt about the responsibility for the grave situation. It rests squarely upon the shoulders of Archbishop Makarios and his government. It is they who have persistently fought—in defiance of truces and in spite of the presence of a U.N. police force in the island—to improve their strategic position at the expense of the Turkish minority. It is they who by pressing attacks upon the last area from which the Turkish Cypriots might receive help from the mainland—help which the Greek Cypriots notoriously and openly have been obtaining at every major port—produced the reaction by the Turkish Air Force.

The Makarios government has been blind to every consideration except its goal of creating a unitary state, dominated by the Greek majority and trending toward union with Greece. It has denounced, unilaterally, the treaty by which Cyprus won independence and violated the constitution established under the treaty. Its violence toward the Turkish minority justifies Turkish fears of Greek dominance, and the attempts by Greek Cypriots to gain aid from every source—including the Communists—have created the specter of another Cuba in the eastern Mediterranean. In this connection, Greek Cypriot spokesmen have not hesitated to say they would continue on their course even at the risk of a third world war.

Fortunately, the major powers do not propose to set off a nuclear holocaust at the behest of the wildmen of Nicosia. While the Soviet Union has given diplomatic and propaganda support to Makarios, as a means of driving a wedge into NATO, it contented itself with abstaining when the Anglo-American Security Council resolution came to a vote.

Under these circumstances, the Makarios government must recognize that it cannot count on overt outside assistance. The Turkish Government must accept the fact that if it succeeds in calling off the Greek Cypriot offensive it has gained a major point. Diplomacy may be able to work if a genuine truce succeeds the cease-fire tentatively agreed upon yesterday. Otherwise, no one can predict what grim prospects would lie ahead.

VETERANS PENSION IMPROVEMENT PASSES HOUSE

Mr. SCHWEIKER. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. Ashbrook] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. ASHBROOK. Mr. Speaker, today the House had the opportunity to do something which we have been working for during the past 4 years. I am speaking, of course, of our overwhelming approval of H.R. 1927 which would increase non-service-connected veterans pensions. I supported this bill and only wish it would have been fiscally possible for us to give more relief to our veterans through higher pensions. No group is more deserving and this bill will help, in particular, our World War I veterans who are at the twilight years of their lives and now need Government help, help from the Government they fought to protect almost 50 years ago.

Many of us had hoped that such a bill would be possible. World War I veterans had endeavored over the past years to receive improved benefits and had even urged a discharge petition as a last resort. I never signed the petition because I felt that the gentleman from Texas, Chairman Teague, and the Veterans' Committee would bring forth a bill of this type which would answer many of the needs of our veterans. W. R. Kime, national commander of the Veterans of World War I of the U.S.A., Inc., has indicated his support for H.R. 1927 as shown in the following letter which I include at this point:

Veterans of World War I
of the U.S.A., Inc.,
Washington, D.C., August 4, 1964.

Hon. Olin E. Teague,
Chairman, Veterans' Affairs Committee,
House of Representatives,
Washington, D.C.

Dear Congressman Teague: At the briefing last Friday, July 31, on proposed changes in veterans' pensions laws, those present in your office, in addition to yourself and Mr. Meadows, were Francis Stover and Jimmie Van Zandt from the Veterans of Foreign Wars, John Erickson and I from Veterans of World War I.

My information is that the House Veterans' Affairs Subcommittee on Veterans Compensation and Pension have, this morning, reported the proposed bill to the full committee, which I understand will meet tomorrow.

As stated to you on July 2: "If the House Veterans' Affairs Committee will come out with a good bill, you will not hear anything more from national headquarters about discharge petition No. 4 during my administration."

With the information proposed in the present bill, reported by the subcommittee, I repeat the above statement, and in addition in our official publication, the Torch, and through a bulletin to all national and department officers, will make every effort possible to gain support of the proposed bill after it has been voted out of the full committee.

Sincerely yours,

W. R. Kime,
National Commander.

Briefly explained, the bill has 12 sections and is effective, generally, on January 1, 1965.

Section 1 provides six new exclusions from income in determining pension eligibility:

First, 10 percent of the payments to an individual under any public or private retirement, annuity, or income plan. Example: Social security being received by the veteran in the amount of $1,800 a year—$180 of this sum, or 10 percent, would be excluded in determining income eligibility. This would not operate, however, in contributory pension plans until an individual receiving pension on October 31, 1964, had recouped his contribution.

Second, amounts paid by the veteran for the last illness and burial of his deceased spouse or child.

Third, profit from the disposition of real or personal property other than in the course of business.

Fourth, payments received as a result of jury duty or other obligatory civic obligations.

Fifth, payments under the war orphans educational assistance program.

Sixth, bonus or similar payments from a State.

Section 2 removes the requirement that a child file a report every year showing annual income received during the preceding year.

Section 3: Under Veterans' Administration pension regulations a veteran, in order to receive pension at age 65, in addition to meeting the income requirements must be unemployable, and have a 10-percent disability. Section 3 would remove the requirement of a 10-percent disability as well as unemployability attributed thereto.

Section 4 provides increases in benefits which are modest but when coupled with income exclusions approved in this bill will increase most pensions.

Section 5 increases the additional allowance for aid and attendance cases from $70 to $100.

Section 6 provides a new rate of $35 additional to any veteran who is permanently housebound.

Section 7. Existing law excludes $1,200 of the wife's income and counts the balance in determining the veteran's eligibility for pension where the veteran is married. The amendment would exclude $1,200 or all earned income, whichever is the greater.

Section 8 provides the same sort of protection for the non-service-connected aid and attendance pension cases as is now available for the service-connected cases receiving compensation under 38 United States Code 314(r). That is, the allowance shall not be discontinued until the first day of the second calendar month which begins after the date of the admission for VA hospitalization rather than immediately as is the case today. This section also makes similar provisions for aid and attendance compensation allowances under provisions other than 314(r).

Section 9 authorizes individuals who are receiving aid and attendance pension allowances provided by 38 United States Code 521(d) to be furnished drugs or medicine which are prescribed by a physician.

Section 10 makes a technical correction to existing law to make certain that a widow may not receive more than an award of death pension on account of the service of her husband in more than one war.

Section 11 permits the same 10-percent exclusion factor described in section 1 for the "old law" cases—pensioners under law in effect on June 30, 1960.

Section 12. The bill is generally effective January 1, 1965, except that the section relating to recoupment shall not apply to any individual receiving pension on October 31, 1964, until his contributions have been recouped.

In addition to the increase in benefits, there are many other improvements which are contained in H.R. 1927, in particular, as they affect needy veterans who also need medical attention.

Mr. Speaker, I am and always will be a fiscal conservative. I think that reckless spending policies of our Federal Government have done as much to work a hardship on our senior citizens, veterans and nonveterans alike, as any other factor. Wise fiscal policies strengthen the dollar and preserve purchasing power, thereby protecting those who live on fixed incomes. At the same time, I look on veterans' pensions as an obligation of our Government, and in this obligation we should not pinch. It has been 4 years since the last pension increase, and neither that increase nor the one contemplated in this bill is substantial. I have supported all veterans' measures during my 4 years in Congress and intend to continue these efforts if I return to this body in January.

I particularly have an affection for the causes of the veterans and enjoy working on their claims. Many hundreds of them have been assisted by our office. My father was known as "Pension Bill" during his 20 years in the House representing the same district, the 17th of Ohio. During his day, most pensions were private bills, and the Member, therefore, took a personal interest in every single veteran pension. Now we have general statutes which grant benefits to entire classes of veterans, and we do not require specific legislation for individual veterans. Possibly this is why we are not as mindful as we should be of the limited nature of veterans' benefits. At any rate, I am glad we were able to make this much deserved improvement in non-service-connected benefits, and I hope that the Senate will promptly pass H.R. 1927 so that its provisions will be available to our veterans in January of next year.

ANNUAL INCOME LIMITATIONS FOR SOCIAL SECURITY BENEFICIARIES

Mr. SCHWEIKER. Mr. Speaker, I ask unanimous consent that the gentleman from Florida [Mr. GURNEY] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GURNEY. Mr. Speaker, today I have introduced legislation designed to raise the annual income limitations for social security beneficiaries from $1,200 to $1,800 and to reduce from 72 to 70 the age at which such deductions cease to be made.

My bill will amend title II of the Social Security Act to provide these changes for our senior citizens.

I have long been concerned with this problem. Our senior citizens want to be productive, but provisions in the existing law hamper their ambition.

These provisions tend to hold down the ambition of our senior citizens who have been so loyal to their country and have contributed to the great growth of this powerful Nation.

Moreover, with the constantly rising cost of living, this bill would permit our senior citizens to augment their earnings and income. This is badly needed.

Too often in dealing with the everyday problems of governing this Nation, the Congress is negligent when it comes to considering the needs of senior citizens. Too often these patriotic Americans, in their twilight, are shunted in the rush of everyday life.

This legislation I have introduced today will hopefully help meet the problem facing our senior citizens.

TO PROMOTE THE MAINTENANCE OF INTERNATIONAL PEACE AND SECURITY IN SOUTHEAST ASIA

Mr. SCHWEIKER. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. BARRY] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. BARRY. Mr. Speaker, Kenneth T. Young, Jr., has made a strong endorsement of the congressional resolution to promote the maintenance of international peace and security in southeast Asia. Mr. Young speaks as the former U.S. Ambassador to Thailand and U.S. representative to SEATO.

At this time I would like to submit Mr. Young's recent letter outlining the urgency of the action taken by this body on Friday, August 7 in unanimously approving House Joint Resolution 1145.

AUGUST 6, 1964.

Hon. ROBERT R. BARRY,
House Office Building, Washington, D.C.

DEAR BOB: I am writing you in strong support of the proposed joint resolution on southeast Asia which the President submitted to both Houses of the Congress on August 5. This resolution is both timely and urgent.

It is particularly significant that in section 2 the Congress, representing a united people, informs the world that the "United States regards as vital to its national interest and to world peace the maintenance of international peace and security in southeast Asia." From my recent experience in southeast Asia, I became convinced some time ago, as I have previously written you, that such a legislative declaration would help prevent war, secure peace and stabilize progress with protection in Vietnam and the other free states of southeast Asia. An independent, peaceful southeast Asia is vital to the peace and safety of Asia, the Pacific countries, and the United States.

I also welcome the resolution to take such steps as are necessary to prevent further aggression and to use our Armed Forces to help our treaty allies and friends—such as Thailand and Vietnam—defend themselves. While the President's firm deliberative actions and a congressional declaration may hopefully deter hostilities, we all must be prepared in the immediate future for a very unpleasant deterioration in southeast Asia and the necessity for the American people united together to take stern effective action to achieve our objectives with success.

I for one would hope that the task in Vietnam and southeast Asia could now become an American challenge for all of us to meet together for the duration until that success is ours—and theirs.

Much political, social, and economic reconstruction remains to be done there. A whole new movement of popular resurgency will come if there is freedom from terror and bullying. There is much constructive work for the United Nations to do there, too. I am gratified that the final section of the proposed resolution recognizes that, too.

Perhaps a stand of firmness now will open ways later for southeast Asia to become an international sanctuary of true peace and progress for the new younger generation in the cities and schools, the millions of farmers and their families, and the many different minorities. But only a declaration of our vital concern and a demonstration of our resolute determination will make this promise possible.

I hope this proposed resolution passes both Houses unanimously.

With best regards.

Sincerely,

KENNETH T. YOUNG, Jr.,
Former U.S. Ambassador to Thailand and U.S. Representative to SEATO.

THE MILITARY MAN—OUR BEST INVESTMENT IN THE CAUSE OF PEACE

The SPEAKER. Under previous order of the House, the gentleman from California [Mr. GUBSER] is recognized for 30 minutes.

Mr. GUBSER. Mr. Speaker—

> You have not been mistaken in supposing my views and feelings to be in favor of the abolition of war. I hope it is practicable, by improving the minds and morals of society, to lessen the disposition to war; but of this abolition I despair.

So wrote Thomas Jefferson on November 26, 1817, in a letter to Noah Worcester.

The American people have not forgotten Bunker Hill, Appomattox, Château-Thierry, Guadalcanal, and Panmunjon. Though memories have dimmed with time, the hearts of our people still hold a quiet pride in the achievements of our military men. Today in South Vietnam the bravery of our fighting men is vivid once again in the minds and hearts of every American. Two years ago it was clear beyond dispute that the ultimate factor which brought this country through the Cuban crisis with its safety and honor intact was not negotiation. It was the realistic fact that this Nations' military power was too great, too dedicated, and too skillful for the Soviets to challenge it.

But during periods of relative calm and the absence of crisis, we hear the voices of a few who would discredit the military man. Waves of antimilitarism sweep this Nation punctuated with emotional outbursts playing on the natural anxieties of our people, in the hope that anything military can be discredited.

Often our professional fighting men are represented as witless opponents to civilian intellectuals in their pursuit of wise negotiations which lead to peace. Often the military man is represented as a trigger-happy fool and a dangerous rightwinger. In these times between crises, we see an all-out effort to discredit the military mind and military thinking.

What is the purpose of this effort?

The attackers say they fear military domination of our country. They point to the great size and power of our Military Establishment and recent examples of military takeovers in other countries.

But these takeovers are not at all analogous to our own situation.

Historically and down to the present there has been complete civilian control of our Military Establishment. This is as it should be. The heads of the Department of Defense are appointed civilians. The power of the purse, an absolute prerequisite for domination of military power, is in the hands of a civilian Congress. Our form of government provides these and other effective checks and balances to prevent military domination.

Rather than an imbalance favoring the military over the civilian, we actually have the reverse. Within the Department of Defense, the Secretary has increased the size and power of the Secretary's Office. At the time Secretary McNamara took office there were less than 2,000 employees in the Office of the Secretary of Defense. As of the first of this year, there were over 34,000 employees responsible to the Secretary's Office. This has been brought about by increased centralization plus the growth incident to an increased absorption of power.

Some of this group have been referred to as the whiz kids. They are civilians who primarily rely upon the computer rather than a balance of experienced judgment. The technique of cost effectiveness has been their trademark.

Contrary to popular opinion cost effectiveness is not new. It has been used for years in the Department of Defense. In the past, however, the experience and judgment of the military has been more properly weighted.

To the civilians in the Secretary of Defense Office today, cost effectiveness is an end in itself rather than a tool to use in only part of the decisionmaking process.

Decisions relative to new weapon systems, strategy, and tactics require that we utilize the firsthand knowledge of men with practical experience. It requires intuition and many other elements of human judgment that cannot be computerized. Computer decisions are logically limited by the information that is put into it. War, however, is an illogical act, and therefore, can never be computerized.

We have seen weapons such as the new aircraft carrier selected by the misapplication of the cost effectiveness technique. Every responsible military man decided in favor of a nuclear powered carrier. The Secretary of Defense and his whiz kids chose a conventional version. Particularly disturbing is the fact that the published testimony of the Senate investigating committee clearly showed that much of the basic data and premises used in the cost effectiveness study was manipulated in favor of the conventional carrier.

We do not have a new bomber because of a so-called cost effectiveness study. Again, every responsible military member of the Air Force has clearly stated the need for such a weapon system. In the case of the TFX aircraft cost effectiveness studies again allegedly showed one version as superior. Members of the military and the defense industry overwhelmingly opposed this decision. And as of this date actual events seem to be proving the error of computer decisions.

In addition to weapons selection, there are other examples of increased centralization and power in the Secretary's Office. By controlling intelligence and public information, the Secretary can control information going out to the military, up to the President, to Congress, and to the people. This power is dangerous because it is much too easy to exercise it for political reasons rather than to serve the national security.

Thus, civilian power can regulate the input into the cost effectiveness technique to disregard military expertise. It has produced decisions which have accepted stalemate as a policy at the expense of new and better weapons systems. And at the same time the channels of information have been manipulated to foreclose the avenue for final appeal to the true sovereigns—the American people. Far from being domination by the military this is an imbalance of civilian power in our Department of Defense.

The effect of this imbalance is not temporary. It will project into the future and its danger will increase. Remember that the Department of Defense is a branch of the executive department. The increased power of civilians in the Pentagon is multiplied many times by the intimate relationship of civilian defense officials with the White House, the Department of State, and particularly the Arms Control and Disarmament Agency. All of these groups have been more singleminded than ever before and have organized themselves with common purpose and direction to further emphasize the power imbalance. Using the normal powers of the executive branch of Government and increased use of the Executive order and the technique of news control, this power entente has made giant strides toward objectives which tend to downgrade sound military thinking and expertise.

In the DOD there have been many indications of the control of news. One of the most outstanding is in the case of the TFX. A policy memorandum was issued which clearly stated that all news releases would show the validity of the Secretary of Defense's decision on this program. Another and more important example is the directive to all military personnel that they report their conversations with any member of the press to the Assistant Secretary for Public Affairs. Obviously, this will stifle dissent and criticism.

The imbalance in the executive branch is further aggravated by having a Congress that is dominated by the same party. We do not, therefore, have the normal checks and balances between the executive and the legislative. The imbalance of civilian power and the downgrading of military thinking is practically unchecked.

One of the prime sources of power within the legislative branch is the appropriations process. Here again, during the course of recent hearings it became apparent that the military has been intimidated. Decisions were being made that were not concurred in by the military. Honest dissent was discouraged. Normally much of this would have come out when the hearings were published. But the power of the executive civilians was exercised and in the name of military security they cut out large portions of testimony by the military which would have indicated these disagreements. Actually, the deletions were for political security and constituted another attempt to downgrade the military position and hide military judgment.

Another favorite whipping boy of the antimilitary people is the so-called military-industrial complex. Our people are led to believe there is some sort of unified conspiracy between these two groups for the purpose of making money and gaining power.

Within the defense industry, particularly in recent years, competition has been so great that participation in a conspiracy is impossible. With the advent of large weapon system programs, the number of contracts are significantly fewer and, as a result, the competition is keener. Then, too, the leaders within the defense industry are not unified politically. There are Democrats, Republicans, Independents, and whatever else you may find in the cross-section of American industrial life. As a result any of the industrial associations related to defense generally assume a timid political posture.

The military is in a similar situation. Within the Military Establishment there are individuals of both political parties. They cannot offend the party in power because it is in power, nor can they offend the party out of power because it may come to power by the next election. The military, therefore, walks a political tightrope.

The net result is that all these factors tend to diffuse and dilute the possible power of the so-called military-industrial complex.

Many of today's civilian leaders state their aim as some form of disarmament and believe that accommodation of the Communists to some degree can produce a proper climate for such cooperation. Military judgment does not support this view except in cases where the absence of risk is certain. Military judgment in disarmament negotiations has, therefore, been kept to an absolute minimum. This is frightening and serious, in my opinion, since it plays into the announced Communist strategy to undermine and weaken the military establishments of all capitalist countries, particularly the United States.

Too little is said about the military man as a man. He is a typical American who attended American schools, lived in our society, and thoroughly accepts and understands the requirement for civilian control of the military in our form of government. At West Point, the Naval and Air Force Academies, this basic premise is drilled into future officers. The same is done for enlisted men. In view of this and their understanding that many civilians fear military domination, they generally bend over backwards to avoid any effort to dilute traditional civilian control of the military.

The military man believes our country should have a Military Establishment second to none in order to remain free and insure peace. But the civilian antimilitarists in Washington have taken the position that parity with Soviet Union will better insure the peace. This area of serious disagreement is one in which military opinion has either been ignored or downgraded. I agree with the military men.

The military man also believes that in war, whether it be a small or big war, the end objective for this country can be only victory, and the suppression of an enemy's ability for further aggresion. This again is an area of conflict with civilian antimilitarists who believe that victory over any form of Communist aggression would either create a dangerous imbalance in the world power structure or could stimulate an escalation to a nuclear war. The military believes that when any enemy says he will "bury you" and all his actions and all his words are dedicated to your destruction, you have every right and obligation to protect your people. The military man believes as George Washington did:

> To be prepared for war is one of the most effectual means of preserving peace.

Further, he believes the use of force at the right time and at the right place will reduce the risk of war. If it is not used when it should be, it increases the risk of escalation to a larger war.

Gen. Curtis LeMay summed up the military position during this year's defense appropriations hearings when he said:

> If we can prevent a war from happening we will have succeeded in our mission. If the war happens, I think we have failed.

One will also find spiritual qualities in the military man that influence his thinking and his decisions. He respects life more than most, having lived close to death. His moral values are outwardly expressed in both love of God and love of country. He knows honor in his uniform and integrity in his actions. He is a man in which this Nation can take pride. He needs our confidence and support. The military man is our best investment in the cause of peace.

The time has come when it is urgent that we take positive steps to protect this important investment. For too long we have downgraded military knowledge and experience. For too long we have whittled away at the personal security of the military man.

It is interesting to me that in recent years the caliber of military personnel has gone up dramatically, and yet at the same time the relative pay of the military as compared to civilian pay has gone down. Why this seeming inconsistency? There are two answers for it. One is sheer patriotism and love of service to country on the part of the military man; and the second, and much the least important, are the fringe benefits of a military career. Yet, one by one, and on a regular basis, just as regular as the clock, these fringe benefits are disappearing. The commissary privilege is under attack this very minute. We have seen recomputation drastically curtailed as a traditional part of retired pay. We have seen retired pay represented as a serious financial drain on the future. Current administration policy is that hospital beds for retirees are being eliminated because they are not included in our present building program. One by one fringe benefits are going by the boards.

Then along with the erosion of fringe benefits we see what I personally believe is a deliberate downgrading of the military man by a very strong array of forces in this country who are seeking to discredit anything which is military.

The trend raises a simple and basic question: How long can patriotism alone keep our service people from seeking the superior earnings, the convenience, and the social status that is available to their civilian contemporaries outside the service?

The needs of the service of the future are going to be even more exacting as we go further and further into the electronic age. The caliber of the people we will need must go higher and higher, and I wonder how long we can expect patriotism alone to produce the kind of man that the defense of this country requires.

I sincerely believe that this is a crisis that we have to face up to as a people. Something must be done to stop the conspiracy to downgrade the military man. He must be listened to and respected at all times instead of only when there is fighting and dying to do.

History has shown that armies without morale can be defeated easily and, in fact, can defeat themselves. One of the most frightening aspects of the present antimilitary atmosphere is the effect upon the morale of our servicemen. Too many good men are leaving and in this climate not enough good men are joining.

Antimilitary expression not only has an effect upon the military but upon our civilians as well. It tends to develop false views of the world in our citizens. It identifies our military strength with war instead of deterrence to war. It views compromise, accommodation, and appeasement as acts of peace because they are not violent acts in themselves. Reality becomes blurred as if influenced by a narcotic and further retreat from reality becomes easy as the real world becomes more dangerous.

In the words of President John F. Kennedy:

> Regardless of how persistent our diplomacy may be in activities stretching all around the globe, in the final analysis it [all] rests upon the power of the United States.

In this world where there is a known aggressor threatening our very existence, it is an absolute necessity that we maintain a strong Military Establishment. Some of that strength is in missiles, some in aircraft, some in ships, but most of it is in men who need our support and deserve it. Smears, innuendos, and ignorant downgrading of our military can undermine the Military Establishment. In so doing, it could ultimately destroy this Nation.

The time has come when we must proudly speak of our strength and stop apologizing for it. Our military people deserve our applause and not the scorn of those who advocate "Peace at any price" and "Better Red than dead." The military man is our best investment in the cause of peace.

EMPLOYMENT AND UNEMPLOYMENT STATISTICS

The SPEAKER. Under previous order of the House, the gentleman from Missouri [Mr. CURTIS] is recognized for 30 minutes.

Mr. CURTIS. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter and tables.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CURTIS. Mr. Speaker, under the 1-minute rule earlier I announced that I was going to take the floor to discuss the employment and unemployment statistics. Because I have made some rather strong charges here I believe it is necessary for me to state my views so that those who may disagree will have an opportunity to do so. I hope that I shall not consume the entire 30 minutes, but probably only 15 or 20 minutes.

Mr. Speaker, I had hoped that the political appointees in the Department of Labor would have stopped playing politics with the monthly statistics on employment and unemployment. At best these statistics leave a great deal wanting in enabling us to evaluate our economic health. As a result of the inadequacy of our economic statistics there has been in recent years considerable criticism, much of it unfair, of the methodology followed in obtaining these statistics. In fact, the criticism has been sufficiently acute that it has been directed against the very integrity of those charged with the responsibility of developing these statistics. I have spoken out forcefully in defense of those who gather these statistics.

I speak out now again in defense of their integrity. However, I must raise the question of the integrity of the Secretary of Labor, Mr. Wirtz, and others in the Labor Department who hold political appointments—and rightly so—in the manner in which they have prepared their news releases in announcing the monthly employment statistics their faithful civil servant employees have gathered.

I had hoped that after the public apology Secretary Wirtz had issued for the part he had played in the highly improper use made of these statistics just before the 1962 election and his promise to permit the technicians in charge of gathering these statistics in the future to prepare the press releases which would evaluate in an objective fashion their significance that this would end the matter. I regret that this seems not to be the case.

There are several ways in which the employment and unemployment figures which are compiled on a monthly basis may be interpreted through prepared press releases to deceive the public and Congressmen whose field of specialty does not lie in the technical economic areas.

The primary method of slanted interpretation is to stress the seasonally adjusted figures or the unadjusted figures to fit the case. In other words, monthly figures must be adjusted for seasonal changes in order to properly evaluate them. A seasonally unadjusted figure can give the public an entirely wrong impression of what the actual situation is. Fortunately, the public and the news media are becoming better informed on this subject so there has been less slanting of this kind. Both figures, seasonally adjusted and seasonally unadjusted, are usually set out. However, there is still slanting in the sense of giving prominence in the news releases to the particular figures which present the type picture sought to be conveyed to the public and a submergence of those which would give the proper perspective.

The slanting that has been going on recently lies more in playing up the unemployment figure if that is relatively good, or the employment figure, if that is better. Or playing up the absolute figures if they are better than the ratios, or playing up the ratios if they are better than the absolute figures.

However, there is another basic statistic involved in the unemployment and employment statistics series which up to date seems to have escaped the attention of the news media and, hence, the general public. This is another statistic that can be stressed if it is good and hidden away if it is bad. I refer to the number of people in the civilian labor force. "Civilian Labor Force" is a statistic derived merely from the addition of the figures of those employed with the figures of those unemployed. It becomes a basic factor in computing the ratio of those employed or unemployed. The employed and unemployed ratios are computed by dividing the total number of the civilian labor force into the total number of employed or unemployed, as the case may be and then adjusting these ratios seasonally.

It is very important in order to have a complete understanding of the employment-unemployment situation to evaluate all three factors, not just the two factors, unemployment and employment. We must also consider whether the total civilian labor force is growing or declining. It is best to consider total labor force which includes those in the armed services because a shift in or out of military service of a sizable number of our labor force has an important bearing on our economy. It was a disregard of this component which permitted the Democrats in the 1954 election campaign to improperly interpret the unemployment figures to the political discredit of the Eisenhower administration inasmuch as the bulk of the high incidence of unemployment came from a shift from war to peace—men and women let out of the armed services—and I might add, out of munition plant employment as a result of the Korean war shutdown.

Now, we have all seen in the newspapers and heard on radio and television that the rate of unemployment has dropped to 4.9 percent and that employment passed the 72 million mark for the first time in our history. I shall put in the RECORD the full news release of Secretary Wirtz dated Thursday, August 6, 1964, which became the base for these news stories and radio and TV comments.

Let me stress the second to the last paragraph of the release, on the second page of the actual release:

> The labor force declined by 400,000 between June and July—about the expected seasonal decline.

This is important because if the civilian labor force had not declined by 400,000 the unemployment ratio would have been above 5.3 percent, even seasonally adjusted, and there would have been no basis for this dramatic announcement that the unemployment ratio had fallen below 5 percent or indeed that "the number of unemployed persons dropped by 900,000 between June and July; about 300,000 more than usually occurs between these months."

The figure of those employed is a rather firm figure in comparison with the figure of those unemployed which results from a subjective questionnaire. The key questions asked are: "Are you employed?" And if the answer is "no," "Are you looking for work?" If the second answer is "yes" you become an unemployed statistic and a part of the civilian labor force. If that answer is "no" you are no statistic either as an unemployed or part of the civilian labor force. Therefore, when one considers that total civilian labor force is no more than adding the employed figure to the unemployed figure any reduction in the civilian labor force figure, when total employment increases, must perforce come from a decline in the total unemployed.

What I am driving at is this. If there had been no reduction in the civilian labor force from June to July, 400,000 would be added to the number of unemployed and the decline in unemployed far from being the unusually high number reported of 900,000, it would be the more normal 500,000, leaving an unemployment ratio of 5.3 percent.

Now query, is the statement that a decline of 400,000 of the civilian labor force is "about the expected seasonal decline" true or not? Let us refer to the seasonally adjusted figures for June and July 1963 for comparison. Civilian labor force for June 1963 was 72,891,000. For July 1963 it was 73,207,000, an increase of 316,000, not a decrease at all. The unadjusted figures for June 1963 are 75,165,000 and for July 1963, 75,173,000 or an increase of 8,000. The Armed Forces figure is rather constant. This clearly shows that the seasonal adjustment for the labor force contemplates an increase in civilian labor force from June to July, not a decrease, as stated by Secretary of Labor Wirtz' news release.

Now with an expanding population it is to be expected that our civilian labor force would continue to increase in response to our population increases and with the World War II baby crop now coming into the labor market in increasing numbers, the rate of this increase itself should be increasing. If the labor force is declining as the July figures purport to show, there is considerable cause for concern as to why this is occurring. This is the factor that should receive top billing equal to the announced decline in the rate of unemployment. Certainly it requires comment on the part of the Secretary of Labor. Each person moving out of the civilian labor force to bring about this reduction if not removed in the computation would be added perforce to the unemployment figure.

During the Kennedy administration we saw the strange phenomenon of the civilian labor force declining as the new administration began tackling the Nation's economic problems with vigor and announcing each month an improvement in the unemployment rate. Around June 1962 I began calling attention to the serious stagnation the Nation was experiencing in having, for the first time in the 20th century, a decline in our civilian labor force which had occurred not just for a single month, but which was continuing over a period of several months, suggesting a dangerous and serious trend.

I was happy to see that shortly thereafter our civilian labor force began experiencing new vigor and was on the increase again. However, I was sorry to see a concomitant rise in the unemployment ratio.

Now let us hope that in the next month and in the ensuing months just before the November election the Johnson administration does not have to answer the charge of why our country is going backward and our civilian labor force is declining again as it did under his predecessor for those few months, instead of expanding as it has in all other periods in the 20th century. True, the administration may have to still explain why the unemployment figure is still over 5 percent after all the deficit financing we have been indulging in which is supposed to correct it, but is this not a preferable choice to make?

Mr. Speaker, I would like to ask unanimous consent to include in the RECORD at this point two excerpts from my speech in the House, CONGRESSIONAL RECORD, volume 109, part 1, page 1157:

Something most unusual went on in the first half of 1962. For the first time, except in war years, the Bureau of Labor Statistics showed that the civilian labor force was not growing. Civilian labor force is merely the sum of two components; employment and unemployment. Perhaps the lower unemployment rates in these months resulted from errors in compiling the employment and unemployment statistics. Perhaps when these errors were rectified after attention had been directed to the unusual phenomenon of the failure of the labor force to grow, the unemployment rate jumped five-tenths of 1 percent in 1 month from the low of 5.3 to 5.8 percent.

Public confidence in our employment and unemployment statistics has not been helped by the confession of the Secretary of Labor, in December, that he had misrepresented the unemployment picture by releasing unadjusted figures in order to give the statistics a more favorable appearance just before the November election. This matter needs full clarification. I am placing in the RECORD at the conclusion of my remarks an article appearing in the Washington Post on December 13, 1962, reporting this incident.

Then, in the CONGRESSIONAL RECORD, volume 109, part 1, page 1165:

[From the Washington (D.C.) Post, Dec. 13, 1962]

WIRTZ' JOB STATISTICS "INVALID," HE ADMITS

(By James McCartney)

Secretary of Labor W. Willard Wirtz has acknowledged to me that a rosy statement on unemployment he issued on the eve of the November 6 elections contained "invalid" statistical comparisons.

The effect of the comparisons was to paint a rosier view of the accomplishments of the Kennedy administration—just 6 days before the elections—than truly valid comparisons would have justified.

For example, Wirtz' preelection statement said that "over 4,500,000 more Americans have jobs than when this administration took office in January of 1961."

The 4.5 million figure, Wirtz acknowledges, was not seasonally adjusted to take into account normal differences in employment between the months of January and October.

The valid figure—seasonally adjusted—was 1,224,000.

Wirtz' statement, in effect, exaggerated by 3,276,000 the number of jobs the Kennedy administration could reasonably take credit for creating.

The Labor Department usually makes this seasonal adjustment in announcing employment figures.

That, however, was only one part of Wirtz' statement.

In another part of the same statement he said that unemployment was "over 2 million less than in January of 1961."

This figure also was not adjusted to take seasonal changes into account.

According to official Labor Department statistics, the valid, seasonally adjusted figure for the decrease in number of unemployed was 784,000.

Thus Wirtz' statement, in effect, exaggerated by 1,216,000 the Kennedy administration's achievements in reducing the number of unemployed.

Wirtz did not hedge in acknowledging that the statistical comparisons were "invalid"—in fact "invalid" was his own word choice.

"It isn't fair to compare January figures with October figures without making seasonal adjustments," he said.

However, he added that the statement was not issued with the November elections in mind.

He also explained that it is not always possible for the Secretary of Labor to double-check all statistics that come before him, suggesting that the invalid comparisons simply slipped past.

Mr. Speaker, earlier I referred to the press release of the U.S. Department of Labor. It is as follows:

SUMMARY EMPLOYMENT AND UNEMPLOYMENT ESTIMATES—JULY 1964

The rate of unemployment dropped to 4.9 percent in July, continuing the improvement which began earlier in the year, the U.S. Department of Labor announced today. At the same time, employment passed the 72-million mark for the first time, according to Bureau of Labor Statistics' summary figures.

UNEMPLOYMENT

The number of unemployed persons dropped by 900,000 between June and July, about 300,000 more than usually occurs between these months. At 3.8 million, the jobless total was one-half million below a year ago and at its lowest July level since 1959.

The seasonally adjusted rate of unemployment for teenagers in July was 13 percent, taking it back down to the late 1962 level.

The jobless rate for men 20 years and over declined to 3.7 percent in July. This compares with 4.0 percent in June and 3.6 percent in May. The unemployment rate for women edged down to 4.9 percent in July, the first time that their rate has been below 5 percent since September 1960.

After allowance for seasonal movements, the improvement in total unemployment in July occurred primarily among persons who had been jobless less than 5 weeks—mainly teenagers who found jobs shortly after entering the labor force in June. The number of long-term unemployed—those looking for work 15 weeks or longer—was 857,000, down 75,000 since July 1963.

EMPLOYMENT

Total employment rose to 72.4 million in July. The June-July rise (which was 200,000 more than seasonal) occurred in the nonagricultural sector of the economy.

Since July 1963, total employment has risen by 1.6 million and nonfarm employment has moved up by 1.7 million. Most of this job expansion has occurred since December 1963.

There were 2.4 million nonfarm workers on short workweeks for economic reasons in July 1964, about 100,000 below a year earlier.

LABOR FORCE

The labor force declined by 400,000 between June and July—about the expected seasonal decline. In the first 7 months of 1964, the labor force has expanded by an average of nearly 1.4 million persons from the comparable period of 1963, about 250,000 more than expected on the basis of long-term trends.

More detailed information on employment, unemployment, hours and earnings will be presented in the Monthly Report on the Labor Force to be released on August 14, 1964.

Mr. Speaker, because it is difficult to figure out what should be the seasonally adjusted figures, I had our staff of the Joint Economic Committee prepare a table entitled "Civilian Labor Force," which I am placing in the RECORD at this point for the benefit of students who want to follow this problem a little more carefully. It is as follows:

Civilian labor force

[in thousands]

Period	NSA	Change	SA	Change
1955:				
June	66, 696		65, 296	
July	67, 465	+769	65, 932	+636
1956:				
June	69, 430		67, 710	
July	69, 489	+59	67, 747	+37
1957:				
June	69, 842		68, 083	
July	70, 228	+386	68, 376	+293
1958:				
June	70, 418		68, 704	
July	70, 473	+55	68, 833	+129
1959:				
June	71, 324		69, 327	
July	71, 338	+14	69, 512	+185
1960:				
June	73, 002		70, 890	
July	72, 706	−296	70, 734	−156
1961:				
June	74, 286		72, 117	
July	73, 639	−647	71, 682	−435
1962:				
June	74, 001		71, 905	
July	73, 582	−419	71, 617	−288
1963:				
June	75, 165		72, 891	
July	75, 173	+8	73, 207	+316
1964:				
June	76, 645		74, 340	
July	76, 218	−427	74, 230	−110

Finally, Mr. Speaker, I was pleased to see that at least one of the news media, the U.S. News & World Report, in its current weekly edition of August 17, 1964, under the heading "Trend of American Business" did not just swallow the news release of the Labor Department, although it printed most of it, but when it printed the part that applies to the civilian labor force it stated this:

The civilian labor force shrank by about 400,000 in July, more than usual for this season of the year.

The press release of the Secretary of Labor, as I have pointed out, has referred to this as about the expected seasonal decline.

REPORT ON INTERNATIONAL LABOR CONFERENCE

The SPEAKER pro tempore (Mr. LIBONATI). Under previous order of the House, the gentleman from California [Mr. ROOSEVELT] is recognized for 30 minutes.

Mr. ROOSEVELT. Mr. Speaker, it is indeed a privilege to have this opportunity to report to the Members of the House on my recent participation in the International Labor Conference which terminated its work in Geneva on July 9.

This is the second consecutive year and the third time that I have had the honor to represent this distinguished body on the U.S. delegation. I am even more convinced now than when I reported last year, as to the value and need of continuity of membership on these delegations and I renew my recommendations concerning this matter, including the idea that Members of both Houses should be represented. For my part I have obtained a deeper understanding and appreciation of the working of this complex organization, but I hasten to add—a comprehensive knowledge of the ILO simply cannot be gained by even the most experienced individual in the brief space of one or two conferences.

I am convinced that our delegates, particularly Mr. George Weaver, Assistant Secretary of Labor, International Affairs, who was chairman of the U.S. delegation, Mr. Rudi Faupl and Mr. Richard Wagner could not have discharged their difficult responsibilities with the outstanding skill and intelligence they displayed, if they had not had prior experience in depth in the working of this Organization. Nor could the delegates have been so successful without the full support of seasoned advisers and excellent staff some of whom have followed the work of the ILO for 10 and 15 years.

Staff work of the highest quality is essential to the success of any delegation and I am happy to state that the preparatory work for this conference was of the highest quality and reflected the results of improved consultation with the employers and workers. The delegates were fully prepared to cope with all the problems that arose in the course of the meeting, and, indeed, were equally well prepared on a number of anticipated problems that did not arise. I was also impressed with the extent of consultation both on the working level and the delegate level among our Government, employer and worker representatives on technical committees to resolve differences that arose in relation to specific technical matters.

By way of contrast, and to emphasize the importance of adequate preparation, I want to comment briefly on developments that led to the abrupt and chaotic adjournment of the International Conference on Public Education which had been convened in Geneva immediately after the ILO. This conference was sponsored jointly by the International Bureau of Education and UNESCO. Early in the meeting Nigeria presented a resolution calling for the expulsion of Portugal, an issue that had also been raised and met during the ILO Conference. The resolution was strongly supported by African, Arab, and bloc members; it was vigorously opposed by Western and Latin American members on the ground that the proposed action was contrary to the constitutional procedures of international organizations and that this was properly a matter for the General Assembly of UNESCO. When the resolution was forced to a rollcall vote Western and Latin American members walked out of the conference. The vote resulted in 43 in favor—Africans, Arabs, and bloc 7 absentations—essentially Asian; and 43 members absent—essentially Western and Latin America. The conference was then adjourned and efforts of the proponents to continue the conference were defeated by the withdrawal of the Secretariat's technical services and of representatives of UNESCO.

In this instance the U.S. delegation was not, in my opinion, adequately prepared to cope with the problem. I was not present but I am satisfied on the basis of my own experience and the accounts I have seen that the issue could and should have been anticipated in time to permit thorough preparations. While I believe that adequate, advance preparations may well have prevented the premature adjournment of this Conference I am not convinced that it was a bad thing for it did serve graphic notice on the developing countries that the success of any international conference depends in the final analysis on the willingness of all delegates to work together on differences of fundamental importance in an effort to find a solution widely acceptable to the participating members. Power alone may swing a vote but it is an empty gesture unless there is a wide area of acceptance especially within the member states who carry the financial obligation.

Let me turn now to the work of the International Labor Conference. My distinguished colleague, the gentleman from Minnesota [Mr. QUIE], has reported fully to you on his experience. I have read his report and while I may not agree with his views in all instances, it is an excellent report. He has dealt in some detail on the background and structure of the International Labor Organization and included in the RECORD a list of the entire U.S. delegation. I need not duplicate his efforts. My own attendance at the Conference was during the final week so that I was able to observe the concluding actions in many of the situations which were developing during Mr. QUIE's attendance. For that reason, among others, our reactions to these situations will undoubtedly be different in some respects.

From my very first day at the Conference I was acutely aware of the vast difference in the atmosphere of this session as compared with the chaotic events last year. The session in 1963 was characterized by political overtones and emotional issues while the session in 1964 had the air of hardworking, cooperative body in which reasoned exchanges of views continued in an effort to find widely acceptable solutions.

The Director General, David A. Morse, whose long and brilliant career in the international area has added great luster to our country, in his reply to the debate on his report, described the changed atmosphere in these words:

> Since last June events have moved concerning the South African issue, both outside and within the ILO. The ILO, through the governing body, played some part—I think a very constructive part—in this movement.
>
> At the present session there has been a change in temper. There is no lessening in the intensity of feeling of delegates upon those issues which raised passions last year. But the conference has now come to grips more effectively with these issues. There is a new determination not only to express the depth of its sentiment concerning the immorality of racial discrimination, but also to find effective ways of combating it. There is, too, I sense, a determination to let the force of this sentiment infuse and inspire the whole work of the entire organization.

This changed atmosphere was a tribute to the maturity of the newly independent nations and responsible leaders emerged from this group, particularly in connection with some of the more important political issues such as apartheid, a subject I shall return to later. Moreover, I was impressed with the very favorable reaction of the delegates to our enactment of the Civil Rights Act of 1964 and their knowledge of the act. This action demonstrated U.S. awareness of the evils of racial discrimination in whatever form it may occur, and our determination to adopt strong measures to combat these evils.

My initial impression was fully confirmed during my participation in the work of the Conference. It was the largest conference in the history of the ILO with one of the heaviest agendas and at the same time it was a productive meeting. In addition to daily plenary sittings of the conference, 14 committees were conducting their business. Some of these were dealing with more or less routine administrative and financial affairs of the Conference, like the selection, finance, standing orders, credentials, application of conventions and resolutions committees, while others were engaged in highly technical matters looking toward the development of international standards. Then three committees had important political questions to consider and it was here that the political interest of the conference was concentrated. The U.S. delegation participated in the work of all of these committees.

The work of the committees moved forward in an effective and efficient manner with comparatively little emotional reaction, bitter controversy, or propaganda. The credentials committee was faced with a difficult problem due to the challenge of the Portuguese credentials. On the merits, the committee rejected the challenge but this left the political problem, that of the opposition of the African nations to Portuguese participation, and this issue could have created severe difficulty. The dilemma was avoided by deferring the committee report to the last hours of the Conference, prevailing upon the Portuguese delegation to remain out of the chamber during presentation of the report, and permitting a declaration reflecting the African viewpoint to be made a matter of record after the report had been adopted.

Another committee of more than passing interest in this group was that on resolutions, chaired by Mr. George Weaver.

Operating for the first time under new procedures the committee was only able to complete consideration of 8 out of 20 resolutions submitted. However, these eight resolutions had been agreed upon by the committee itself at the beginning of the sessions and reflected in a wise manner technical, geographical, and political interests of various groups and interests within the committee. Under the new procedures, at least during this trial run, the committee was able to avoid the political and propaganda attacks that characterized prior sessions, and work proceeded in an orderly manner. Mr. Weaver is to be congratulated for his skillful handling of this difficult task.

As previously indicated, three committees held the concentrated political interest of the Conference. While it is not feasible to report fully on their activities, the highlights do warrant mention.

An instrument of amendment designed to strike from the ILO Constitution all reference to "nonmetropolitan territories" was examined by one of these committees. Under the proposal ratifying members would accept convention provisions "so far as practicable" for all territories for whose international relations they were responsible and would permit territories with self-governing powers to assume obligations under some of the conventions. This furnished a forum for propaganda on colonialism but African nations joined with the West to defeat an attempt by the bloc to amend the proposed text to make application to territories mandatory. The vote was 300 to 0 with 31 abstentions, the abstentions being bloc members.

Another committee had two proposed constitutional amendments providing for the expulsion and suspension of a member country suspended or expelled from the U.N. for practicing apartheid. While they both carried, the first, based upon prior action by the U.N., was accepted unanimously. The second, known as the "Wilson amendment" did not require prior U.N. action and was directed, for all practical purposes, at the Republic of South Africa only. This one barely obtained the necessary two-thirds majority. The United States opposed the Wilson amendment and was 1 of the 27 voting against. It is doubtful whether the amendment will ever come into force as it must first be ratified by two-thirds of the member states, including 5 of the 10 states of chief industrial importance, through their normal parliamentary procedures, and 6 of these states voted against the amendment.

A third committee dealt with the declaration on apartheid which had been drafted in the governing body of the ILO following the Conference last year. The bloc sought to amend the declaration to incorporate a resolution of the Security Council on sanctions, an amendment unacceptable to the West. The Chairman, an African, being apprised of the opposition and desirous of an unanimous acceptance, gave the bloc sponsors the option of withdrawing or having the amendment opposed by the African nations. Upon withdrawal of the amendment the declaration was adopted in the original form. I had the honor of addressing the Conference in support of the adoption of the committee action. The text of my statement is made a part of this report.

There were two or three other developments of a political nature worthy of special mention.

A motion had been presented in the selections committee by the Government of Mali to establish a conference committee to evaluate and make recommendations to the Conference on structural, organizational, and program suggestions presented by various delegates in the discussion of the Director General's report. This proposal was originally initiated by bloc members and would have had the effect of taking the action out of the governing body and making the Conference itself the final authority on all the proposals. It was rejected by a decisive vote in committee, thus reaffirming the powers of the governing body. Bloc members endeavored unsuccessfully to force the issue during plenary adoption of the report but received no support from the Africans or other quarters.

The second matter involved the election of the Conference President. Mr. Aguilar, Venezuela, had announced his candidacy last fall, and since it was the turn of the Americas to hold this honor, seemed assured of election until Mr. Raza, Pakistan, entered the contest with the support of many African and bloc members. A last minute compromise was suggested by the Liberian Government representative and Mr. Raza withdrew, subject to an understanding among members of the African, Asian, and Latin American delegates that Mr. Raza would be supported in 1964. This understanding was openly rejected by bloc spokesmen.

I have dealt with the political issues in some detail because I think they demonstrate that the Communist countries do not dominate the Conference, are not gaining all the victories, and are not able to dominate the developing nations. Quite the contrary, the developing nations are seizing the initiative in utilizing the strength of the Communist countries to achieve their own ends. And this is a point to remember. It also demonstrates that the Committee of 75 which had played such a dominant role in the Conference on Trade and Development immediately preceding the ILO Conference were not able to maintain their unity in the ILO where the issues were more varied and the respective interests divergent. Yet, the potentials of a unified approach of this group in future years is a matter to be watched closely.

Again let me refer to the reply of the Director General, Morse, who said:

> This has been an earnest, serious, businesslike conference. It has been a larger session than ever—with 1,173 delegates and advisers in attendance. And there is an ever-more evident diversity within the Conference. It is now, I think, trite to say that the expansion of ILO membership, especially marked in the past 10 years, has brought a new range of issues within the Organization. This enlargement of membership has resulted in many things being called in question: established structures and procedures of the ILO, the balance of its program, even perhaps some of the ILO's own principles and purposes.
>
> The lines of division within the Conference are no longer quite so clear as they used to be in the past. It is not just a question of an employer viewpoint and a worker viewpoint, with governments dividing up between them. Different regional, economic, and ideological interests now complicate the traditional lines of division within the Conference as a whole, and also within the workers' and employers' groups at the Conference. This has had, as I see it, two related effects: the first, a multiplication of differing viewpoints on basic questions concerning the aims, purposes, and methods of the ILO; and the second, a change in the underlying political organization of the Conference—in the ways in which support is mobilized behind different viewpoints, the ways in which negotiations are carried out, and in which agreement is reached or disagreement ascertained. We now have more of the bloc politics of the United Nations General Assembly together with the traditional group politics of the ILO. That is as I see it at the moment.

The Director General then goes on to point out that a fundamental requirement for international cooperation is a broad area of agreement. He says:

> The ILO, like other universal international organizations, can only proceed accurately if it proceeds on the basis of a broad concensus among the major interests and viewpoints represented with the Organization.

I was greatly impressed with the relations between the U.S. delegation and the developing countries and the clear lines of communication that are emerging. These working relationships will be of increasing importance with each session of the Conference as the developing countries are going to play an ever-increasing role in the activities of the International Labor Organization.

The gentleman from Minnesota commented in the concluding portion of his report on the U.S. contribution to the ILO, noting that while we paid 25 percent we only have the same vote as other members. This is a matter that has been discussed on a number of occasions and I heard several references to it during informal talks with other delegates. I think there is some misunderstanding here. Certainly critics of the voting system in the ILO would react differently if under our democratic concepts a proposal should be made that our constituents be entitled to cast ballots in national elections in proportion to the amount of taxes paid by them. There is really no basic difference in principle.

The U.S. assessment to the ILO is 25 percent of the regular budget. In the United Nations it is 32.02 percent; 32.02 percent in Food and Agriculture Organization, 30.56 percent in United Nations Economic and Social Council, 31.29 percent in the World Health Organization, and 31.80 percent in International Civil Aviation Organization. In fact, then, the United States is assessed at a rate in the ILO below that in other major international bodies. On the other hand, the minimum contribution on the ILO scale is 0.12 percent whereas that of the U.N. is 0.04 percent, and a very high proportion of the 110 member states of the ILO have higher assessments in the ILO than in the U.N. In the case of most of the developing countries their rate is three times higher in the ILO, that is, 0.12 percent as against 0.04 percent. I invite your attention to the membership list of the ILO showing the assessment of all members both in the ILO and in the U.N.

Contributions to the ILO must be paid in U.S. dollars or Swiss francs. For many of the less developed countries, whose foreign exchange availability depends mainly on the sale of a major commodity in a fluctuating world market, the relatively larger assessment is keenly felt. They cannot understand the failure of the United States to adjust its percentage assessment in the ILO to conform more closely with the scale in the U.N. and other major specialized agencies. This is the real problem from the viewpoint of the developing countries, and we can expect increasing pressures from these members and from our allies for an equitable adjustment in the scale of assessments in the ILO. This would include an increase, not decrease, for the United States.

But the question of dollars, in my view, is not the most important factor in this picture. Basic objectives of the ILO are fully consistent with our own objectives. The ILO is a democratically oriented organization dedicated to the strengthening of independent nations, of free trade unions, and the building of other democratic institutions. Its methods are varied. Its staff is well qualified and has the operating experience. Our participation must constantly be measured against the help the developing nations and the world seeks from the ILO in such areas, for example, as improving the welfare of workers, establishment of governmental institutions such as labor departments, technical advice to assist in development of labor-management relations, and programs to make better use of manpower resources. Measured against these standards and evaluating the overall purposes of the ILO in relation to our own foreign policy objectives, I know of no other place where we are able to get greater value per dollar in our freedom efforts, where every dollar we contribute is matched by three more.

Another area in which I became aware of views of other delegates involved the record of the United States in the ratification of ILO conventions. There are, and I am the first to stress this point, major areas covered by ILO conventions which fall essentially within the jurisdiction of the separate States, and under our Federal system the United States cannot in good faith seek ratification. These can be explained and should be explained. But there are other conventions, particularly in the human rights field, where the primary responsibility is that of the Federal Government. In these instances I believe the United States should and could ratify such conventions. Our failure to do so cannot be explained satisfactorily to our friends and the world at large. Among these I mention only two, the convention dealing with forced labor and that dealing with discrimination in employment. I feel strongly that the best interests of our Nation requires that our executive and legislative branches give priority consideration to this problem, and I recommend that arrangements be worked out without delay for joint review by the two branches of our Government.

There are a number of aspects of this Conference I wish to comment on briefly before concluding my report.

Secretary of Labor W. Willard Wirtz was present during the opening days and addressed the Conference on June 19. His address, which Mr. QUIE has included in his report, was exceptionally well received. It demonstrated our strong support of the ILO and at the same time presented a critical analysis of problems requiring urgent solution. Equally significant, and especially in the eyes of the developing nations, was the fact that the United States attached sufficient importance to this Conference to have her major statement delivered by a member of the President's Cabinet. His presence contributed greatly to the prestige of the delegation and enabled us to provide social occasions where we could build and expand our relations with other key delegates. This aspect of conference work should not be overlooked.

Last year I noted the need for adequate representation allowances not only for formal receptions we could give to honor a key personage but also for person-to-person contacts by all members of the delegation. This need is a very real one and we should not ask our representatives to assume these official obligations as a personal expense as is done in many instances. The sum required is not a large one and I would like to see the Appropriations Committee favorably examine this matter.

There is another matter of importance which should receive immediate consideration. Many of the major political questions such as apartheid, disarmament, colonialism, and the status of Portugal or South Africa arise in one international organization after another. But irrespective of their origin they are always discussed in the United Nations sooner or later, and usually sooner. This is as it should be for the United Nations is the primary political organ of our international family and the position we adopt there should, as a matter of course, guide our action in all other international organizations. At the same time we should be aware of positions of other major delegations on these questions in the United Nations and know what decisions the United Nations have taken in respect thereto. This is a task of coordination and is the responsibility of the Department of State. It is not always possible to have positions prepared in advance on all aspects of these matters so that the absence of effective coordination is a weak link in the handling of our international affairs. I would like to see the ILO delegation and other delegations to major conferences have a senior specialist on U.N. political matters from the State Department who could, as these occasions arise in the course of proceedings, advise the delegation on what had taken place in the United Nations. This is not a complicated matter and could easily be done within the existing framework.

In conclusion I would say that this was a good conference, it was a productive conference, and the delegates worked together in a successful effort to achieve desirable and acceptable results. However, it is also clear that many problems still exist in our world today. I wish to recall my earlier reference to the declaration of the developing nations on the question of Portugal's participation in the ILO. Even the most cursory examination of this statement leaves no doubt but that next year the question of Portugal's participation in the ILO will be a significant political issue. I am confident that our Government will lose no time in commencing preparations to find ways of dealing with this crisis and other important issues that may be expected to develop.

Scale of assessments for 1965

[In percent]

State (French alphabetical order)	U.N.[1] 1964	ILO 1964	ILO 1965
1. Afghanistan	0.05	0.12	0.12
2. Albania	.04	.12	.12
3. Algeria	.10	--------	.12
4. Federal Republic of Germany	5.70	4.34	4.34
5. United Arab Republic	.25	.37	.36
6. Argentina	1.01	1.38	1.36
7. Australia	1.66	1.84	1.83
8. Austria	.45	.35	.35
9. Belgium	1.20	1.36	1.35
10. Byelorussia	.52	.45	.45
11. Burma	.07	.14	.14
12. Bolivia	.04	.12	.12
13. Brazil	1.03	1.34	1.32
14. Bulgaria	.20	.19	.19
15. Burundi	.04	.12	.12
16. Cameroon	.04	.12	.12
17. Canada	3.12	3.37	3.36
18. Central African Republic	.04	.12	.12
19. Ceylon	.09	.12	.12
20. Chile	.26	.33	.33
21. China	4.57	2.04	2.04
22. Cyprus	.04	.12	.12
23. Colombia	.26	.37	.36
24. Congo (Brazzaville)	.04	.12	.12
25. Congo (Leopoldville)	.07	.12	.12
26. Costa Rica	.04	.12	.12
27. Ivory Coast	.04	.12	.12
28. Cuba	.22	.29	.29
29. Dahomey	.04	.12	.12
30. Denmark	.58	.71	.70
31. Dominican Republic	.05	.12	.12
32. Ecuador	.06	.12	.12
33. Spain	.86	1.05	1.04
34. United States of America	32.02	25.00	25.00
35. Ethiopia	.05	.12	.12
36. Finland	.37	.30	.30
37. France	5.94	6.08	6.07
38. Gabon	.04	.12	.12
39. Ghana	.09	.12	.12
40. Greece	.23	.21	.21
41. Guatemala	.05	.12	.12
42. Guinea	.04	.12	.12
43. Haiti	.04	.12	.12
44. Upper Volta	.04	.12	.12
45. Honduras	.04	.12	.12
46. Hungary	.51	.42	.42
47. India	2.03	2.96	2.91
48. Indonesia	.45	.43	.43
49. Iraq	.09	.12	.12
50. Iran	.20	.27	.27
51. Ireland	.14	.23	.23
52. Iceland	.04	.12	.12
53. Israel	.15	.12	.12
54. Italy	2.24	2.36	2.35
55. Jamaica	.05	.12	.12
56. Japan	2.27	2.00	2.00
57. Jordan	.04	.12	.12
58. Kenya	--------	--------	.12
59. Kuwait	.04	.12	.12
60. Laos	.04	------	.12
61. Lebanon	.05	.12	.12

See footnote at end of table.

Scale of assessments for 1965—Continued

[In percent]

State (French alphabetical order)	U.N.[1] 1964	ILO 1964	ILO 1965
62. Liberia	.04	.12	.12
63. Libya	.04	.12	.12
64. Luxembourg	.05	.12	.12
65. Malaysia	.13	.20	.20
66. Malagasy Republic	.04	.12	.12
67. Mali	.04	.12	.12
68. Morocco	.14	.14	.14
69. Mauritania	.04	.12	.12
70. Mexico	.74	.76	.76
71. Nicaragua	.04	.12	.12
72. Niger	.04	.12	.12
73. Nigeria	.21	.21	.21
74. Norway	.45	.51	.51
75. New Zealand	.41	.47	.47
76. Uganda	.04	.12	.12
77. Pakistan	.42	.60	.59
78. Panama	.04	.12	.12
79. Paraguay	.04	.12	.12
80. Netherlands	1.01	1.14	1.13
81. Peru	.10	.18	.18
82. Philippines	.40	.37	.37
83. Poland	1.28	1.24	1.24
84. Portugal	.16	.27	.26
85. Rumania	.32	.44	.43
86. United Kingdom	7.58	9.22	9.14
87. Rwanda	.04	.12	.12
88. El Salvador	.04	.12	.12
89. Senegal	.05	.12	.12
90. Sierra Leone	.04	.12	.12
91. Somalia	.04	.12	.12
92. Sudan	.07	.12	.12
93. Republic of South Africa	.53	.77	.76
94. Sweden	1.30	1.59	1.58
95. Switzerland	.95	1.26	1.24
96. Syria	.05	.12	.12
97. Tanganyika	.04	.12	.12
98. Chad	.04	.12	.12
99. Czechoslovakia	1.04	.92	.92
100. Thailand	.16	.20	.20
101. Togo	.04	.12	.12
102. Trinidad and Tobago	.04	.12	.12
103. Tunisia	.05	.12	.12
104. Turkey	.40	.69	.67
105. Ukraine	1.98	1.00	1.00
106. U.S.S.R	14.97	10.00	10.00
107. Uruguay	.11	.17	.17
108. Venezuela	.52	.50	.50
109. Vietnam	.16	.21	.21
110. Yugoslavia	.38	.40	.40
Total	--------	100.0	100.0

[1] U.N. document A/RES/1691 (XVI) dated Dec. 27, 1961, A/RES/1870 (XVII) dated Dec. 27, 1962, and A/RES/1927 (XVIII) dated Dec. 19, 1963.

REMARKS OF THE HONORABLE JAMES ROOSEVELT, DEMOCRAT, OF CALIFORNIA, BEFORE THE 48TH GENERAL CONFERENCE OF THE INTERNATIONAL LABOR ORGANIZATION, GENEVA, SWITZERLAND, JULY 9, 1964, ON THE ILO DECLARATION ON APARTHEID

Mr. President, it is first my privilege to join in praise and appreciation of Mr. Diawra as the committee chairman.

It is pleasing to note that this year we meet in an atmosphere greatly different from that of last year when the question of apartheid—which we discuss in the report before us—had all but torn the International Labor Organization asunder. But in the aftermath of that ordeal, we see from our constructive approach—and results of the work of the apartheid committee—that the ILO has, in the opinion of the U.S. delegation, grown stronger and more resolute in purpose.

The draft declaration before us testifies most forcefully that the aims and purposes of this organization, so eloquently set forth in the declaration of Philadelphia 16 years ago, are more than hollow echoes and pious platitudes. This declaration on apartheid sets forth in moving and meaningful terms the path and course of action which all countries must take to end the odious and unjustifiable policy of apartheid practiced in South Africa.

Let me state in the firmest terms that the U.S. Government considers the policy of apartheid repugnant and we have no hesitancy in stating that the sooner the world is rid of this disease the better for the family of nations. On this question, there is no difference between my Government and the others which condemn this disgusting policy; that which sometimes separates us is not goals—but means toward that goal.

The U.S. delegation gives this declaration its full support and has no hesitancy in commending it enthusiastically.

This document, in my opinion, will rank with those documents which in our own time have extolled as no others the fundamental human rights and dignities which are inalienable to man. The declaration before us is the logical consequence of the declaration of Philadelphia and the universal declaration of human rights—both adopted in the same year.

It is, of course, a tragic and a sad commentary on Western civilization that such a document as this one is at all necessary. To reasonable men, the adoption of the United Nations declaration on the elimination of all forms of racial discrimination last November should have been sufficient. But we have learned painfully that we deal not with reasonable men, or with men of good will—two qualities which are nonexistent with Mr. Verwoerd's band of willful men in South Africa—but rather we deal with outcasts of civilization; we deal with men who have dared to transgress the laws of God and defy the conscience of mankind. We deal with men of iniquity.

If we look at the record, we will find a dismal picture. We will find that for 16 years, the Government of South Africa has followed a calculated policy of progressive application of inhuman treatment of more than 11 million persons solely because of the color of their skins. To civilized men, this is incomprehensible. A policy designed to create hatred, bitterness, and division among men can only lead to ruin. The outcome of such a conflict must affect the world at large.

There was considerable discussion of this very point in the committee, and there is no question but that men everywhere are concerned with the effects of the policy of apartheid. One does not doubt that the policy could have disastrous results and that it could reach catastrophic proportions. For South Africa, after all, is a part of the world and must be held responsive to world opinion.

My Government, however, has repeatedly stopped short of stating that the policy of apartheid in South Africa is a definite threat to international peace and security. We have maintained that, although racial discrimination and segregation is a concern everywhere—indeed, the denial of human rights anywhere is a concern everywhere—apartheid is still essentially a domestic matter. This is a fact whether we like it or not. If we did not keep that fact before us, we are apt to act not as responsible members of the international family of nations, but as impulsive children of that family.

As much as our emotions tell us to the contrary, our senses must constantly remind us that international law has not yet reached that mature stage when we can say with confidence and definite certitude that the denial of basic human rights in one country is without question a threat to international peace and security, and is, therefore, a contravention of the law of nations. Perhaps that day will soon come; but it has not yet arrived.

Freedom and equality for the deprived in South Africa is a matter of fundamental human rights. The enjoyment of social justice may be postponed, but it cannot be forever denied. And to postpone it is to make more painful the inevitable confrontation. I would be less than candid with you if I did not say that the United States does not go unscathed in this burning question of equal rights and social justice. For too long, too many citizens in the United States have been denied too much by too few. The vast majority of these deprived citizens have been denied their just due solely because of their color.

We, in the United States, have our domestic South Africas—Mississippi, Birmingham. Cambridge, Little Rock. There is, however, one distinct and basic difference: men of goodwill—both black and white in the United States are determined to eradicate from our society this pernicious disease called racism.

Last Thursday in Washington I voted in the Congress of the United States for final passage of the comprehensive civil rights bill of 1964. The President signed it into law the same evening.

We see now in the wake of our present crisis a society where men will no longer be denied their freedoms and dignities because of the color of their skin, or the God which they worship, or because of their ethnic origin. We shall not achieve it without some struggle—but we shall achieve it.

South Africa, the world's Mississippi, is the only country in the world other than Nazi Germany which has elevated racism to the status of a state doctrine. And I believe from the depths of my soul, that like the policy of Nazi Germany this policy too shall fail.

This declaration, drafted and accepted by men of good will, will be an important hallmark toward the end which we all are seeking. Its unanimous acceptance will testify most eloquently that the community of nations stand firmly together and will not be divided on so great a moral issue.

During the committee deliberation, some pointed out the moral value of this declaration. But I wish to point out that declarations have more than moral weight. In fact, some of the new countries have based parts of their constitutions on articles from the universal declaration of human rights; other countries have agreed to abide by the declaration even in international arbitrations.

But lest the fact be forgotten, that declaration was not adopted unanimously. Some of those nations which are now most vociferous in opposing apartheid and all forms of social injustice and inequality are the ones which abstained on the universal declaration. It is not that they have changed their policies; on the contrary, it is now easier to be on the side of the angels. These countries echo the words of Victor Hugo when he stated: "I must follow the masses, for I am their leader."

We here would all agree that General Assembly Resolution 1514 calling for the granting of independence to colonial peoples and territories has had a profound effect on colonial powers; and rightly so. We are now approaching the end of that era. This resolution, too, did not have unanimous acceptance.

But as the committee's distinguished chairman, Mr. Diarra of Mali, stated during the course of the deliberation, unanimity for the sake of unanimity was not the desired goal. But what was desired was unanimity for the sake of strength. This, we have attained.

Many of you criticized my government in the committee; perhaps rightly, perhaps wrongly. Only time will give us that answer. But I wish to say that this declaration—when we give our assent to it—as we shall—places upon us a moral obligation and a solemn responsibility which we will not take lightly. And because of this, we thought it only fair and just to express our reservations. To do otherwise would have been deceitful and would deserve your disrespect and condemnation. To this end, the U.S. delegation expresses gratitude to the African states for their very constructive role in assisting the committee to find an honorable solution to many problems which confronted us.

Some of the language may be interpreted in many ways and some state that it goes beyond the Security Council resolution of June 18, 1964. But the sincerity and good faith which the African countries demonstrated in putting forth their amendments impressed us greatly. And though the language may be interpreted in many ways, the United States accepted the amendment in the spirit it was offered. The declaration is stronger and more meaningful because of this constructive approach.

It is to be hoped, Mr. President, that the declaration before this conference will do much to reestablish the dialog between South Africa and the community of civilized nations and compel South Africa to abandon once and for all its state policy of apartheid.

The two great tides which sweep the world today—human freedom and social justice—must and will blow across South Africa liberating all that is in their wake. The desire to be free is eternal.

Freedom for the oppressed population in South Africa and around the globe must be the goal of nations represented here. If we think in terms of only South Africa, we run the risk of defeating our own purpose. But South Africa must remain our first objective for it is there that we find the greatest example of "man's inhumanity to man." My delegation is proud to join in full support of this historic declaration.

HON. JAMES V. BENNETT

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New York [Mr. Rooney] is recognized for 15 minutes.

Mr. ROONEY of New York. Mr. Speaker, the Honorable James V. Bennett, Director of the Federal prison system, is an old friend and I regret very much that he is retiring at the end of this month. In the many years he has been coming before the Appropriations Subcommittee, the problems, achievements, and plans of the Bureau of Prisons have met with sympathetic consideration and our admiration for his administration of the Federal prison system kept steady pace with his accomplishments.

Since the time Jim Bennett took over the Federal prison system in 1937, we have seen its appropriations grow from $13,283,000 to $80½ million. Employment necessarily went from some 2,000 to 5,600 persons. We saw the prison population increase from 16,000 to some 22,500 as of today. Furthermore, the physical plant expanded from 19 penal institutions to 34.

All this expansion is a compliment to the zeal, industry, and foresight of Jim Bennett.

As an example of the economies effected in the prison service, farm operations alone have been made so productive that they save the Government hundreds of thousands of dollars annually. It is amazing to know that it costs the Government, even in 1964, only 50 cents a day to feed each prisoner, and this means three well-balanced meals. Jim Bennett has also put to good use the equipment and materials that other Government agencies have declared surplus to their needs. The Federal prison system depends very heavily upon such surplus in estimating its annual budgetary request.

Jim Bennett and I have worked together in improving the religious programs of the Federal institutions, building new chapels and improving the resources available to the chaplains. It has been heartwarming to hear him relate the cases of so many men and women who have straightened out as a result of their training in a Federal institution. Jim told me not long ago, in this connection, that a 5-year study recently made indicates that about 70 percent of the Federal prisoners stay out of trouble when they are released. The value of these salvaged lives is not of course measurable in dollars and cents, but I am nonetheless confident that the money required for the operation of the Federal prison system has been well invested.

I wish to express my compliments and those of the members of my committee for the fine work Jim has done over the years. He will be greatly missed.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. Flynt (at the request of Mr. Casey), from August 18 through August 20, 1964, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Curtis, for 30 minutes, today.

Mr. Roosevelt, for 30 minutes, today; and to revise and extend his remarks and to include extraneous matter.

Mr. Laird, for 30 minutes, tomorrow; and to include extraneous matter.

Mr. Rooney of New York, for 15 minutes, today.

Mr. Schwengel (at the request of Mr. Schweiker), for 30 minutes, on August 12; to revise and extend his remarks and to include extraneous matter.

Mr. Cahill (at the request of Mr. Schweiker), for 15 minutes, on August 13; to revise and extend his remarks and to include extraneous matter.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Congressional Record, or to revise and extend remarks, was granted to:

Mrs. Sullivan.

Mrs. Griffiths on House Resolution 814, the beef quota import resolution, and to include extraneous matter and tables.

Mr. Forrester and to include a letter from the Secretary of Agriculture.

Mr. Libonati (at the request of Mr. Albert) to extend his remarks during the debate on the bill H.R. 1927, and to include extraneous matter and charts.

(The following Members (at the request of Mr. Schweiker) and to include extraneous matter:)

Mr. Younger.

Mr. Fino.

Mr. Schwengel.

Mr. McClory.

Mr. Corbett.

(The following Members (at the request of Mr. Albert) and to include extraneous matter:)

Mr. Beckworth.

Mr. Burkhalter.

Mr. Burke.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 988. An act to authorize the Secretary of the Interior to acquire the Graff House Site for inclusion in Independence National Historical Park, and for other purposes;

H.R. 1451. An act for the relief of Frank Mramor;

H.R. 1713. An act to approve an order of the Secretary of the Interior canceling irrigation charges against non-Indian-owned lands under the Klamath Indian irrigation project, Oregon, and for other purposes;

H.R. 6128. An act to amend section 15 of the Life Insurance Act to permit any stock life insurance company in the District of Columbia to maintain its record of stockholders at its principal place of business in the District of Columbia or at the office of its designated stock transfer agent in the District of Columbia, and for other purposes;

H.R. 6496. An act to convey certain federally owned land to the Cherokee Tribe of Oklahoma;

H.R. 6883. An act for the relief of the estate of Eileen G. Foster;

H.R. 9975. An act to exempt from taxation certain property of the National Trust for Historic Preservation in the United States in the District of Columbia;

H.R. 9995. An act to amend the Policemen and Firemen's Retirement and Disability Act to allow credit to certain members of the U.S. Secret Service Division for periods of prior police service;

H.R. 10215. An act relating to sick leave benefits for officers and members of the Metropolitan Police force of the District of Columbia, the Fire Department of the District of Columbia, the U.S. Park Police force, and the White House Police force;

H.R. 10672. An act to provide for the disposition of judgment funds now on deposit to the credit of the Pawnee Tribe of Oklahoma;

H.R. 11222. An act to amend the Horizontal Property Act of the District of Columbia to permit a condominium unit to be located on more than one floor of a building, and for other purposes;

H.R. 11329. An act to provide for the relocation and reestablishment of the village of Sil Murk and of the members of the Papago Indian Tribe inhabiting the village of Sil Murk, and for other purposes;

H.R. 11425. An act to provide for the conveyance of 10 acres of federally owned land on the White Earth Reservation to the Minnesota Annual Conference of the Methodist Church, and for other purposes; and

H.R. 11562. An act to authorize the Secretary of the Interior to sell Enterprise Rancheria No. 2 to the State of California, and to distribute the proceeds of the sale to Henry B. Martin, Stanley Martin, Ralph G. Martin, and Vera Martin Kiras.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 136. An act to place in trust status certain lands on the Rosebud Sioux Reservation in South Dakota;

S. 1833. An act to authorize Government agencies to provide quarters and facilities to civilian officers and employees of the Government, and for other purposes; and

S. 2881. An act to amend the Alaska Omnibus Act to provide assistance to the State of Alaska for the reconstruction of areas damaged by the earthquake of March 1964 and subsequent seismic waves, and for other purposes.

SENATE BILLS AND JOINT RESOLUTION REFERRED

Bills and a joint resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1045. An act for the relief of Mrs. Genevieve Olsen; to the Committee on the Judiciary.

S. 2133. An act for the relief of Maj. Raymond G. Clark, Jr.; to the Committee on the Judiciary.

S. 2271. An act for the relief of Shu Hsien Chang; to the Committee on the Judiciary.

S. 2458. An act for the relief of Lloyd K. Hirota; to the Committee on the Judiciary.

S. 2672. An act for the relief of Robert L. Wolverton; to the Committee on the Judiciary.

S. 2678. An act for the relief of Dr. Victor M. Ubieta; to the Committee on the Judiciary.

S. 2750. An act for the relief of Fred E. Starr; to the Committee on the Judiciary.

S. 2759. An act for the relief of Kim Sook Hee and Kim Lou; to the Committee on the Judiciary.

S. 2790. An act for the relief of Charles Chung Chi Lee and Julia Lee; to the Committee on the Judiciary.

S. 2944. An act for the relief of the Greater Southeast Community Hospital Foundation, Inc.; to the Committee on the District of Columbia.

S. 2961. An act to provide for the disposition of the judgment funds on deposit to the credit of the Northern Cheyenne Tribe of the Tongue River Indian Reservation, Mont.; to the Committee on Interior and Insular Affairs.

S.J. Res. 110. Joint resolution designating the bridge constructed over the Washington Channel of the Potomac River, in the District of Columbia, as the "Francis Case Memorial Bridge"; to the Committee on the District of Columbia.

ADJOURNMENT

Mr. PATTEN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 19 minutes p.m.) the House adjourned until tomorrow, Wednesday, August 12, 1964, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2393. A letter from the Secretary, Department of Health, Education, and Welfare, transmitting the report of actual procurement receipts for medical stockpile of civil defense emergency supplies and equipment purposes for the quarter ending June 30, 1964, involving property in the amount of $3,910,673, pursuant to subsection 201(h) of the Federal Civil Defense Act of 1950, as amended; to the Committee on Armed Forces.

2394. A letter from the Secretary of State, Chairman, Civil Aeronautics Board, and Administrator, Federal Aviation Agency, transmitting a draft of a proposed bill entitled "A bill to amend the Federal Aviation Act of 1958, as amended, to require air carriers to procure aviation accident insurance for the benefit of passengers on certain journeys subject to the Warsaw Convention, and for other purposes"; to the Committee on Interstate and Foreign Commerce.

2395. A letter from the Commissioner, Immigration and Naturalization Service, U.S. Department of Justice, relative to a list of cases transmitted in a letter dated February 1, 1964, involving suspension of deportation, and requesting the withdrawal of the case of Joseph Weinberg, A-13175788, pursuant to the Immigration and Nationality Act; to the Committee on the Judiciary.

2396. A letter from the Commissioner, Immigration and Naturalization Service, U.S. Department of Justice, transmitting copies of the orders entered in the cases of certain aliens who have been found admissible to the United States, pursuant to the Immigration and Nationality Act; to the Committee on the Judiciary.

2397. A letter from the Commissioner, Immigration and Naturalization Service, U.S. Department of Justice, transmitting copies of orders entered in cases in which the authority was exercised in behalf of such aliens, pursuant to the Immigration and Nationality Act; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. NATCHER: Committee of conference. H.R. 10199. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1965, and for other purposes (Rept. No. 1732). Ordered to be printed.

Mr. CORMAN: Committee on the Judiciary. S. 49. An act to provide for the establishment of the Alaska Centennial Commission, to cooperate with the State of Alaska to study and report on the manner and extent to which the United States shall participate in the celebration in 1967 of the centennial anniversary of the purchase of the Territory of Alaska, and for other purposes; without amendment (Rept. No. 1733). Referred to the Committee of the Whole House on the State of the Union.

Mr. FORRESTER: Committee on the Judiciary. H.R. 11327. A bill to provide that the flag of the United States of America may be flown for 24 hours of each day in Lexington, Mass.; without amendment (Rept. No. 1734). Referred to the House Calendar.

Mr. FORRESTER: Committee on the Judiciary. House Joint Resolution 393. Joint resolution to authorize the President to proclaim October 9 in each year as Leif Erikson Day; with amendment (Rept. No. 1735). Referred to the House Calendar.

Mr. CORMAN: Committee on the Judiciary. House Joint Resolution 753. Joint resolution to provide that October 15, 1963, shall be designated as White Cane Safety Day; with amendment (Rept. No. 1736). Referred to the House Calendar.

Mr. FASCELL: Committee on Foreign Affairs. House Joint Resolution 952. Joint resolution extending recognition to the International Exposition for southern California in the year 1968 and authorizing the President to issue a proclamation calling upon the several States of the Union and foreign countries to take part in the exposition; without amendment (Rept. No. 1737). Referred to the House Calendar.

Mr. HAYS: Committee on Foreign Affairs. H.R. 11707. A bill to provide for the appointment of a Commissioner General for U.S. participation in the Canadian Universal and International Exhibition, and for other purposes; with amendment (Rept. No. 1738). Referred to the Committee of the Whole House on the State of the Union.

Mr. WILLIS: Committee on Un-American Activities. Annual report for the year 1963; without amendment (Rept. No. 1739). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. S. 277. An act to amend the Federal Crop Insurance Act, as amended, in order to increase the number of new counties in which crop insurance may be offered each year; without amendment (Rept. No. 1740). Referred to the Committee of the Whole House on the State of the Union.

Mr. PHILBIN: Committee on Armed Services. S. 2369. An act to retrocede to the State of Kansas exclusive jurisdiction over certain State highways bordering Fort Leavenworth Military Reservation and the U.S. Penitentiary at Leavenworth; without amendment (Rept. No. 1741). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. H.R. 3607. A bill to amend the Federal Seed Act, as amended, with respect to screenings of seed; without amendment (Rept. No. 1742). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. H.R. 9178. A bill to amend section 8(b) of the Soil Conservation and Domestic Allotment Act, and for other purposes; without amendment (Rept. No. 1743). Referred to the Committee of the Whole House on the State of the Union.

Mr. PHILBIN: Committee on Armed Services. H.R. 9803. A bill to authorize the Secretary of the Army to acquire the building constructed on the Fort Jay Military Reservation, N.Y., by the Young Men's Christian Association; with amendment (Rept. No. 1744). Referred to the Committee of the Whole House on the State of the Union.

Mr. PHILBIN: Committee on Armed Services. H.R. 11338. A bill to remove certain conditions subject to which certain real property in South Boston, Mass., was conveyed to the Massachusetts Port Authority; with amendment (Rept. No. 1745). Referred to the Committee of the Whole House on the State of the Union.

Mr. COHELAN: Committee on Armed Services. H.R. 11594. A bill to authorize the Secretary of the Navy to convey to the State of California certain lands in the county of Monterey, State of California, in exchange for certain other lands; without amendment (Rept. No. 1746). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROGERS of Texas: Committee on Interior and Insular Affairs. H.R. 5118. A bill to authorize the Secretary of the Interior to construct, operate, and maintain the Whitestone Coulee unit of the Okanogan-Similkameen division, Chief Joseph Dam project, Washington, and for other purposes; with amendment (Rept. No. 1747). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. H.R. 11846. A bill to amend the act of August 19, 1958, to permit purchase of processed food grain products in addition to purchase of flour and cornmeal and donating the same for certain domestic and foreign purposes; without amendment (Rept. No. 1748). Referred to the Committee of the Whole House on the State of the Union.

Mr. KILGORE: Committee on Armed Services. H.R. 11913. A bill to authorize the sale, without regard to the 6-month waiting period prescribed, of antimony proposed to be disposed of pursuant to the Strategic and Critical Materials Stock Piling Act; with amendment (Rept. No. 1749). Referred to the Committee of the Whole House on the State of the Union.

Mr. PHILBIN: Committee on Armed Services. H.R. 12091. A bill to authorize the disposal, without regard to the prescribed 6-month waiting period, of approximately 9,500,000 pounds of sisal from the national stockpile; without amendment (Rept. No. 1750). Referred to the Committee of the Whole House on the State of the Union.

Mr. RIVERS of South Carolina: Committee on Armed Services. H.R. 12193. A bill to amend title 10, United States Code, to provide for the establishment of a program of cash awards for suggestions or inventions made by members of the Armed Forces which contribute to the efficiency, economy, or other improvement of Government operations; without amendment (Rept. No. 1751). Referred to the Committee of the Whole House on the State of the Union.

Mr. PHILBIN: Committee on Armed Services. House Concurrent Resolution 320. Concurrent resolution to express the same of the Congress on disposal from the national stockpile of certain materials; without amendment (Rept. No. 1752). Referred to the Committee of the Whole House on the State of the Union.

Mr. BONNER: Committee on Merchant Marine and Fisheries. S. 1363. An act to increase the participation by counties in revenues from the National Wildlife Refuge System by amending the act of June 15, 1935, relating to such participation, and for other purposes; without amendment (Rept. No. 1753). Referred to the Committee of the Whole House on the State of the Union.

Mr. HARRIS: Committee on Interstate and Foreign Commerce. Report on flight service stations; without amendment (Rept. No. 1754). Referred to the Committee of the Whole House on the State of the Union.

Mr. GUBSER: Committee on Armed Services. H.R. 12278. A bill to authorize the Secretary of the Navy to convey to the city of Sunnyvale, State of California, certain lands in the county of Santa Clara, State of California, in exchange for certain other lands; with amendment (Rept. No. 1755). Referred to the Committee of the Whole House on the State of the Union.

Mrs. KELLY: Committee on Foreign Affairs. House Concurrent Resolution 343. Concurrent resolution expressing the sense of the Congress with respect to the enforcement of the provisions of article 19 of the United Nations Charter; without amendment (Rept. No. 1756). Referred to the House Calendar.

Mr. COOLEY: Committee on Agriculture. H.R. 5406. A bill to authorize the Secretary of Agriculture to cooperate with States and other public agencies in planning for changes in the use of agricultural land in rapidly expanding urban areas and in other nonagricultural use areas, and for other purposes; with amendment (Rept. No. 1757). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. H.R. 8290. A bill to authorize the Secretary of the Interior to accept a transfer of certain lands within Everglades National Park, Dade County, Fla., for administration as a part of said park, and for other purposes; with amendment (Rept. No. 1758). Referred to the Committee on the Whole House on the State of the Union.

Mr. SELDEN: Committee on Foreign Affairs. H.R. 12259. A bill to amend the International Claims Settlement Act of 1949 to provide for the determination of the amounts of claims of nationals of the United States against the Government of Cuba; without amendment (Rept. No. 1759). Referred to the Committee of the Whole House on the State of the Union.

Mr. MADDEN: Committee on Rules. House Resolution 836. Resolution providing for the consideration of S. 1451, an act to amend section 41(a) of the Trading With the Enemy Act; without amendment (Rept. No. 1760). Referred to the House Calendar.

Mr. TRIMBLE: Committee on Rules. House Resolution 837. Resolution providing for the consideration of S. 1686, an act to amend section 375 of title 28 of the United States Code, relating to the annuities of widows of Supreme Court Justices; without amendment (Rept. No. 1761). Referred to the House Calendar.

Mr. MADDEN: Committee on Rules. House Resolution 838. Resolution providing for the consideration of H.R. 8068, a bill to amend section 403(b) of the Federal Aviation Act of 1958, to permit the granting of free transportation to guides or seeing-eye dogs accompanying totally blind persons; without amendment (Rept. No. 1762). Referred to the House Calendar.

Mr. BOLLING: Committee on Rules. House Resolution 839. Resolution providing for the consideration of H.R. 9586, a bill to provide for the establishment of a National Council on the Arts to assist in the growth and development of the arts in the United States; without amendment (Rept. No. 1763). Referred to the House Calendar.

Mr. MADDEN: Committee on Rules. House Resolution 840. Resolution providing for the consideration of H.R. 9752, a bill to preserve the jurisdiction of the Congress over construction of hydroelectric projects on the Colorado River below Glen Canyon Dam; without amendment (Rept. No. 1764). Referred to the House Calendar.

Mr. BOLLING: Committee on Rules. House Resolution 841. Resolution providing for the consideration of H.R. 12175, a bill to extend and amend laws relating to housing, urban renewal, and community facilities, and for other purposes; without amendment (Rept. No. 1765). Referred to the House Calendar.

Mr. COOLEY: Committee on Agriculture. H.R. 12298. A bill to extend the Agricultural Trade Development and Assistance Act of 1954, and for other purposes; with amendment (Rept. No. 1767). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HAYS: Committee on Foreign Affairs. H.R. 12342. A bill to authorize certain retired and other personnel of the U.S. Government to accept and wear decorations, presents, and other things tendered them by certain foreign countries; without amendment (Rept. No. 1766). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mrs. SULLIVAN:

H.R. 12307. A bill to provide for notice of change in control of management of insured banks, and for other purposes; to the Committee on Banking and Currency.

By Mr. HARDY:

H.R. 12308. A bill to authorize removal of a flight hazard at the U.S. Naval Air Station, Norfolk, Va.; to the Committee on Armed Services.

By Mr. FRIEDEL:

H.R. 12309. A bill to provide for a mid-decade census of population in 1965 for the purpose of reapportioning the House of Representatives in compliance with recent Supreme Court decisions; to the Committee on the Judiciary.

By Mr. GURNEY:

H.R. 12310. A bill to amend title II of the Social Security Act to increase the amount of outside earnings permitted each year without any deductions from benefits thereunder, and to reduce from 72 to 70 the age at which such deductions cease to be made; to the Committee on Ways and Means.

By Mr. LONG of Maryland:

H.R. 12311. A bill to indemnify farmers for certain hay losses; to the Committee on Agriculture.

By Mr. MARTIN of California:

H.R. 12312. A bill to provide for, phase out, and to extend the use of Mexican agricultural workers under title V of the Agricultural Act of 1949, as amended; to the Committee on Agriculture.

By Mr. MATHIAS:

H.R. 12313. A bill to amend the joint resolution approved August 20, 1958, granting the consent of Congress to the several States to negotiate and enter into compacts for the purpose of promoting highway safety; to the Committee on Interstate and Foreign Commerce.

By Mr. MURRAY:

H.R. 12314. A bill to amend the act of August 25, 1958, title 39, United States Code, and the act of March 7, 1964, to provide office staff and necessary services to wind up the affairs of a President who dies in office or of a former President after his death; to the Committee on Post Office and Civil Service.

By Mr. CORBETT:

H.R. 12315. A bill to amend the act of August 25, 1958, title 39, United States Code, and the act of March 7, 1964, to provide office staff and necessary services to wind up the affairs of a President who dies in office or of a former President after his death; to the Committee on Post Office and Civil Service.

By Mr. TOLLEFSON:

H.R. 12316. A bill to amend the act prohibiting fishing in the territorial waters of the United States by vessels other than vessels of the United States in order to expand the definition of the term "fisheries"; to the Committee on Merchant Marine and Fisheries.

By Mr. DON H. CLAUSEN:

H.R. 12317. A bill to provide for the medical and hospital care of the aged through a system of voluntary health insurance, and for other purposes; to the Committee on Ways and Means.

By Mr. FRIEDEL:

H.R. 12318. A bill to provide an equitable system for the classification of certain positions under the House of Representatives, and for other purposes; to the Committee on House Administration.

By Mr. HERLONG:

H.R. 12319. A bill to rename a lock of the Cross-Florida Barge Canal the "R. N. Bert Dosh lock"; to the Committee on Public Works.

By Mr. BELL:

H.R. 12320. A bill to authorize investigations and reports on the water resources and requirements of the Colorado River Basin, and to protect existing economies in the course of development of such resources, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. DEL CLAWSON:

H.R. 12321. A bill to authorize investigations and reports on the water resources and requirements of the Colorado River Basin, and to protect existing economies in the course of development of such resources, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. HOSMER:

H.R. 12322. A bill to authorize investigations and reports on the water resources and requirements of the Colorado River Basin, and to protect existing economies in the course of development of such resources, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. LIPSCOMB:

H.R. 12323. A bill to authorize investigations and reports on the water resources and requirements of the Colorado River Basin, and to protect existing economies in the course of development of such resources, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. MARTIN of California:

H.R. 12324. A bill to authorize investigations and reports on the water resources and requirements of the Colorado River Basin, and to protect existing economies in the course of development of such resources, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. TEAGUE of California:

H.R. 12325. A bill to authorize investigations and reports on the water resources and requirements of the Colorado River Basin, and to protect existing economies in the course of development of such resources, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BOB WILSON:

H.R. 12326. A bill to authorize investigations and reports on the water resources and requirements of the Colorado River Basin, and to protect existing economies in the course of development of such resources, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. HAWKINS:

H.R. 12327. A bill to authorize investigations and reports on the water resources and requirements of the Colorado River Basin, and to protect existing economies in the course of development of such resources; to the Committee on Interior and Insular Affairs.

By Mr. HOLIFIELD:

H.R. 12328. A bill to authorize investigations and reports on the water resources and requirements of the Colorado River Basin, and to protect existing economies in the course of development of such resources; to the Committee on Interior and Insular Affairs.

By Mr. KING of California:

H.R. 12329. A bill to authorize investigations and reports on the water resources and requirements of the Colorado River Basin, and to protect existing economies in the course of development of such resources; to the Committee on Interior and Insular Affairs.

By Mr. ROOSEVELT:

H.R. 12330. A bill to authorize investigations and reports on the water resources and requirements of the Colorado River Basin, and to protect existing economies in the course of development of such resources; to the Committee on Interior and Insular Affairs.

By Mr. ROYBAL:

H.R. 12331. A bill to authorize investigations and reports on the water resources and requirements of the Colorado River Basin, and to protect existing economies in the course of development of such resources; to the Committee on Interior and Insular Affairs.

By Mr. UTT:

H.R. 12332. A bill to authorize investigations and reports on the water resources and requirements of the Colorado River Basin, and to protect existing economies in the course of development of such resources; to the Committee on Interior and Insular Affairs.

By Mr. VAN DEERLIN:

H.R. 12333. A bill to authorize investigations and reports on the water resources and requirements of the Colorado River Basin, and to protect existing economies in the course of development of such resources; to the Committee on Interior and Insular Affairs.

By Mr. CHARLES H. WILSON:

H.R. 12334. A bill to authorize investigations and reports on the water resources and requirements of the Colorado River Basin, and to protect existing economies in the course of development of such resources; to the Committee on Interior and Insular Affairs.

By Mr. HANNA:

H.R. 12335. A bill to authorize investigations and reports on the water resources and requirements of the Colorado River Basin, and to protect existing economies in the course of development of such resources; to the Committee on Interior and Insular Affairs.

By Mr. FRASER:

H.R. 12336. A bill to provide assistance for students in higher education by increasing the amount authorized for loans under the National Defense Education Act of 1958 and by establishing programs for scholarships, loan insurance, and work study; to the Committee on Education and Labor.

By Mr. GOODELL:

H.R. 12337. A bill to authorize the U.S. Secret Service to protect the persons of the nominees of the two major political parties for President and Vice President of the United States; to the Committee on the Judiciary.

By Mr. CORMAN:

H.R. 12338. A bill to authorize investigations and reports on the water resources and requirements of the Colorado River Basin, and to protect existing economies in the course of development of such resources; to the Committee on Interior and Insular Affairs.

By Mr. VINSON:

H.J. Res. 1155. Joint resolution to authorize the disposal of chromium metal, acid grade fluorspar, and silicon carbide from the supplemental stockpile; to the Committee on Armed Services.

By Mr. BATTIN:

H.J. Res. 1156. Joint resolution providing for a study and report to Congress by the Secretary of the Treasury concerning the silver policy of the United States; to the Committee on Banking and Currency.

By Mr. WILLIS:

H. Con. Res. 349. Concurrent resolution authorizing the printing of additional copies of House Report 1480; to the Committee on House Administration.

By Mr. BURLESON:

H. Con. Res. 350. Concurrent resolution authorizing the printing of a "Compilation of Works of Art and Other Objects in the United States Capitol," as a House document, and for other purposes; to the Committee on House Administration.

By Mr. McCLORY:

H. Con. Res. 351. Concurrent resolution requesting the President of the United States to urge certain actions with respect to Lithuania, Latvia, and Estonia; to the Committee on Foreign Affairs.

By Mr. FRIEDEL:

H. Res. 831. Resolution reimbursing Members of the House of Representatives for office expenses outside the District of Columbia; to the Committee on House Administration.

H. Res. 832. Resolution authorizing the temporary employment of additional clerks in the House Post Office; to the Committee on House Administration.

H. Res. 833. Resolution authorizing certain payments from the contingent fund of the House; to the Committee on House Administration.

By Mr. POWELL:

H. Res. 834. Resolution to grant certain travel authority to the Committee on Education and Labor; to the Committee on Rules.

By Mr. OLIVER P. BOLTON:

H. Res. 835. Resolution creating a select committee of the House of Representatives to be known as the Select Committee on Standards and Conduct; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FARBSTEIN:

H.R. 12339. A bill for the relief of Giovanni Graziano; to the Committee on the Judiciary.

By Mr. FINO:

H.R. 12340. A bill for the relief of Giuseppe Rella; to the Committee on the Judiciary.

By Mr. FULTON of Tennessee:

H.R. 12341. A bill for the relief of Ho-Mei Ling; to the Committee on the Judiciary.

By Mr. HAYS:

H.R. 12342. A bill to authorize certain retired and other personnel of the U.S. Government to accept and wear decorations, presents, and other things tendered them by certain foreign countries; to the Committee on Foreign Affairs.

By Mr. LONG of Maryland:

H.R. 12343. A bill for the relief of Alvin F. Wachter; to the Committee on the Judiciary.

By Mr. MARTIN of Massachusetts:

H.R. 12344. A bill for the relief of Isaura Maria Carreiro da Silva and Luiz Leonardo da Silva; to the Committee on the Judiciary.

By Mr. ROOSEVELT:

H.R. 12345. A bill for the relief of Mrs. Erna Maidmen; to the Committee on the Judiciary.

By Mr. UDALL:

H.R. 12346. A bill for the relief of Kim Jai Sung; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1004. By Mr. STRATTON: Resolution of the Board of Supervisors of Chenango County, Norwich, N.Y., recommending legislation for financial aid toward sewage and pollution elimination; to the Committee on Public Works.

1005. By the SPEAKER: Petition of Henry Stoner, Avon Park, Fla., to congratulate the chairman of the House Committee on the Judiciary for publicly announcing that the antireapportionment "rider" to the foreign aid bill is no doubt unconstitutional; to the Committee on the Judiciary.

1006. Also, petition of Glafcos Clerides, President of the House of Representatives, Nicosia, Republic of Cyprus, relative to transmitting a resolution passed by the House of Representatives of the Republic of Cyprus, requesting support of the people of Cyprus in its merited right to decide, in accordance with the principles of the United Nations Charter, freely and without restrictions about the destiny of their own country; to the Committee on Foreign Affairs.

SENATE

TUESDAY, AUGUST 11, 1964

(Legislative day of Monday, August 10, 1964)

The Senate met at 10 o'clock a.m., on the expiration of the recess, and was called to order by the Acting President pro tempore (Mr. METCALF).

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

O Thou Master of all good workmen: Amid the tumult of these earth-shaking days, when so many of Thy children around the wide globe are seeking and demanding more abundant life, we come to this shrine of Thy grace with the unshaken assurance of those whose minds are stayed on Thee. At this altar of prayer, steady us with a realization that back of all the commotion now stirring the world, there is the permanent good of Thy purpose for all mankind, to which we must be loyal if life on this planet is to be saved from frustration at last.

We would that our wills would glow with holy zeal to do Thy will, and that to our eyes would come the far look of a faith in things that will abide beyond our earthly years. So we pray that Thou wilt direct, control, and suggest this day all we design or do or say.

We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request by Mr. INOUYE, and by unanimous consent, the reading of the Journal of the proceedings of Monday, August 10, 1964, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILL AND JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate by Mr. Ratchford, one of his secretaries, and he announced that the President had approved and signed the following act and joint resolution:

On August 10, 1964:

S. 2218. An act to authorize the Secretary of the Interior to accept the transfer of certain national forest lands in Cocke County, Tenn., for purposes of the Foothills Parkway, and for other purposes.

On August 6, 1964:

S.J. Res. 184. Joint resolution for the commemoration of the Honorable Herbert Hoover's 90th birthday, August 10, 1964.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The ACTING PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the Committee on Armed Services.

(For nominations this day received, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Acting President pro tempore:

S. 136. An act to place in trust status certain lands on the Rosebud Sioux Reservation in South Dakota;

S. 1833. An act to authorize Government agencies to provide quarters and facilities to civilian officers and employees of the Government, and for other purposes;

S. 2881. An act to amend the Alaska Omnibus Act to provide assistance to the State of Alaska for the reconstruction of areas damaged by the earthquake of March 1964 and subsequent seismic waves, and for other purposes;

H.R. 988. An act to authorize the Secretary of the Interior to acquire the Graff House Site for inclusion in Independence National Historical Park, and for other purposes; and

H.R. 6496. An act to convey certain federally owned land to the Cherokee Tribe of Oklahoma.

TRANSACTION OF ROUTINE BUSINESS

On request by Mr. INOUYE, and by unanimous consent, it was ordered that there be a morning hour for the transaction of routine business, with statements therein limited to 3 minutes.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. INOUYE, and by unanimous consent, the Subcommittee on Public Lands of the Interior and Insular Affairs Committee was authorized to meet during the session of the Senate today.

APPOINTMENT BY PRESIDENT PRO TEMPORE

The ACTING PRESIDENT pro tempore. The Chair, on behalf of the President pro tempore, announces the appointment of the Senator from Alabama [Mr. SPARKMAN] as a delegate, instead of alternate, to the Interparliamentary Union Conference to be held at Copenhagen, vice the Senator from Montana [Mr. METCALF].

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following communications and letters, which were referred as indicated:

Proposed Amendment to the Budget, 1965, Department of Health, Education, and Welfare (S. Doc. No. 91)

A communication from the President of the United States, transmitting amendments to the budget for the fiscal year 1965, in the amount of $240,422,000, for the Department of Health, Education, and Welfare (with an accompanying paper); to the Committee on Appropriations, and ordered to be printed.

Report on Title I Agreements Under Agricultural Trade Development and Assistance Act of 1954

A letter from the Associate Administrator, Foreign Agricultural Service, Department of Agriculture, transmitting, pursuant to law, a report on title I agreements under the Agricultural Trade Development and Assistance Act of 1954, for the month of July 1964 (with accompanying papers); to the Committee on Agriculture and Forestry.

Report on Medical Stockpile of Civil Defense Emergency Supplies and Equipment

A letter from the Secretary of Health, Education, and Welfare, reporting, pursuant to law, on actual procurement receipts for medical stockpile of civil defense emergency supplies and equipment purposes, for the quarter ended June 30, 1964; to the Committee on Armed Services.

Amendment of Act Relating to Transfer of Title to Certain Movable Property

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to amend the act of July 29, 1954, as amended, to permit transfer of title to movable property to agencies which assume operation and maintenance responsibility for project works serving municipal and industrial functions (with an accompanying paper); to the Committee on Interior and Insular Affairs.

Suspension of Deportation of Aliens—Withdrawal of Name

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, withdrawing the name of Joseph Weinberg from a report relating to aliens whose deportation has been suspended, transmitted to the Senate on February 1, 1964 (with an accompanying paper); to the Committee on the Judiciary.

Addmission Into the United States of Certain Defector Aliens

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders entered granting admission into the United States of certain defector aliens (with accompanying papers); to the Committee on the Judiciary.

Temporary Admission Into the United States of Certain Aliens

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting pursuant to law, copies of orders entered granting temporary admission into the United States of certain aliens (with accompanying papers); to the Committee on the Judiciary.

REPORT OF A COMMITTEE

The following report of a committee was submitted:

By Mr. FULBRIGHT, from the Committee on Foreign Relations, without amendment:

S. 284. A bill for the relief of Ethel R. Loop, the widow of Carl R. Loop (Rept. No. 1369).

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. KUCHEL (for himself and Mr. SALINGER):

S. 3104. A bill to authorize investigations and reports on the water resources and requirements of the Colorado River Basin, and to protect existing economies in the course of development of such resources; to the Committee on Interior and Insular Affairs.

By Mr. MANSFIELD:

S. 3105. A bill for the relief of Cedomir Capic; to the Committee on the Judiciary.

By Mr. HART:

S. 3106. A bill for the relief of Romeo D. Brion; to the Committee on the Judiciary.

By Mr. RANDOLPH (for himself, Mr. SMATHERS, Mr. PROUTY, Mrs. NEUBERGER, Mr. MECHEM, Mr. MOSS, Mr. LONG of Missouri, and Mr. YARBOROUGH):

S. 3107. A bill to facilitate the obtaining of employment by older workers; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. RANDOLPH when he introduced the above bill, which appear under a separate heading.)

By Mr. CHURCH:

S. 3108. A bill for the relief of Juan Pablo Castano Zapata; to the Committee on the Judiciary.

By Mr. COTTON (for himself and Mr. McIntyre):

S. 3109. A bill to provide for the free entry of one mass spectrometer for the use of the University of New Hampshire; to the Committee on Finance.

By Mr. McGEE:

S. 3110. A bill to determine the claims of certain prisoners of war permanently disabled, and to confer jurisdiction upon the court of claims in the event of disagreement as to such claims; to the Committee on the Judiciary.

By Mr. BURDICK:

S. 3111. A bill to amend title 18 of the United States Code with respect to crimes in Indian country; to the Committee on the Judiciary.

(See the remarks of Mr. Burdick when he introduced the above bill, which appear under a separate heading.)

By Mr. McCARTHY:

S. 3112. A bill to provide additional drought disaster relief to farmers and stockmen in connection with the transportation of hay, and for other purposes; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. McCarthy when he introduced the above bill, which appear under a separate heading.)

By Mr. BOGGS (for himself, Mr. Williams of Delaware, Mr. Bennett, Mr. Byrd of West Virginia, Mr. Carlson, Mr. Fong, Mr. Jordan of North Carolina, Mr. Lausche, Mr. Moss, Mr. Simpson, Mr. Thurmond, and Mr. Walters):

S.J. Res. 192. Joint resolution proposing an amendment to the Constitution of the United States relating to the preamble of the Constitution of the United States; to the Committee on the Judiciary.

(See the remarks of Mr. Boggs when he introduced the above joint resolution, which appear under a separate heading.)

OLDER WORKERS EMPLOYMENT ACT OF 1964

Mr. RANDOLPH. Mr. President, I introduce, for appropriate reference, a bill entitled the "Older Workers Employment Act of 1964." Joining as cosponsors are Senators Smathers, Prouty, Moss, Mechem, Long of Missouri, Neuberger, and Yarborough, all of whom are members of the Senate Special Committee on Aging.

This measure would implement three recommendations in a report issued July 30, 1964, by the Special Committee on Aging on the subject of "Increasing Employment Opportunities for the Elderly." That report was based on a report to our committee by one of its subcommittees of which I have the responsibility of serving as chairman, the Subcommittee on Employment and Retirement Incomes of the Elderly. The subcommittee began its series of hearings on employment of the elderly in Washington on December 19, 1963. We subsequently held hearings in Los Angeles on January 10, 1964, and in San Francisco on January 13, 1964, on that subject. Based on those hearings and other information coming to the subcommittee during its consideration of employment opportunities for the elderly, the subcommittee issued its report containing six specific recommendations to the full Special Committee on Aging, which endorsed the subcommittee report with a few minor modifications.

The first recommendation in the report which our bill would implement is that Congress enact legislation authorizing a new program of grants for experimental and demonstration projects to stimulate needed employment opportunities for older Americans. This was one of the recommendations in the message of President Kennedy to Congress in February 1963, entitled "Elderly Citizens of our Nation." It is estimated that 20,000 retired men and women could be employed during each of the 5 years of the program's operation. An even more important result would be the fund of information and knowledge which would be accumulated, making possible more effective action in the future toward placing older workers in employment where their services can benefit the Nation and themselves.

The second recommendation which would be implemented by enactment of this bill is a proposal that a modest annual appropriation be authorized for use by the Bureau of Employment Security in assisting with the expenses of volunteer community efforts to find employment for older workers. Our proposal would authorize a maximum of $90,000 per annum for this purpose. During our hearings, our subcommittee was apprised of the activities of four local civic organizations which, on a humanitarian basis, help older workers to find employment. The annual budgets of these organizations are small ranging from approximately $50 for Pasadena Jobs After 40 of Pasadena, Calif., to $12,000 for Over-60 Employment Counseling Service of Baltimore, Md. Perhaps the principal reason why these organizations require so little money is that much of their work is performed by civic-minded people who donate their services. There are doubtless many instances where small Federal contributions to such volunteer activities could release the energies of hundreds of free workers who ask nothing in return except the satisfaction of helping older unemployed workers with their urgent employment problems.

The third of our recommendations which this legislation would implement is that a week in each year be designated as "National Employ the Older Worker Week." Both our hearings and many other studies and investigations have indicated that older workers can perform as well as younger workers in many occupations and may even perform better in some positions. Many employers are ignorant of these findings and cling to misunderstandings and misconceptions which lead them to refuse even to consider applicants over certain ages. Thus, there is a need for educating the general public, especially those with responsibilities for hiring, regarding the true facts as to capabilities of older workers. Setting aside 1 week each year for this purpose would provide better opportunities for carrying out such an educational campaign.

For the past 20 years there have been annual observances of National Employ the Physically Handicapped Week. The President's Committee on Employment of the Handicapped and other interested agencies and organizations have made effective use of this specially designated week to arrange speaking tours, radio and television broadcasts, news releases, and other activities to educate the public on the capabilities of handicapped workers. From every indication, the designation of this week has been very successful in placing the physically handicapped in employment, and there is no reason why a National Employ the Older Worker Week would not be just as effective in providing employment opportunities for those who are handicapped by their ages in finding employment.

Both the Special Committee on Aging and its Subcommittee on Employment and Retirement Incomes have been careful to maintain a bipartisan spirit in formulating recommendations to increase employment opportunities for senior citizens. As the subcommittee's chairman, I invited the junior Senator from Vermont [Mr. Prouty], the ranking minority member, to join in planning hearings and studies of this problem. We have worked closely in successful effort to keep our study of this subject bipartisan. Consequently, I am happy to say, there has been no minority dissent to the report in either the subcommittee or the full committee. Senator Prouty, I repeat, has joined as a cosponsor of this bill.

Mr. President, there is little that is dramatic in this measure. There is no spectacular solution to the employment problems of America's senior citizens. However, this three-pronged attack is a sound, effective program for placing America's elderly in gainful employment. They can and will be more economically self-sufficient and independent and their experience, skills, and abilities can and will benefit the Nation.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3107) to facilitate the obtaining of employment by older workers, introduced by Mr. Randolph (for himself and other Senators), was received, read twice by its title and referred to the Committee on Labor and Public Welfare.

AMENDMENT OF TITLE 18 OF UNITED STATES CODE RELATING TO CRIMES IN INDIAN COUNTRY

Mr. BURDICK. Mr. President, on September 20, 1963, I introduced S. 2167, to amend section 1153 of title 18 of the United States Code to include statutory rape in the list of crimes in Indian country. The bill was designed to correct an inconsistency in the law that resulted in two types of justice—minor punishment if both parties were Indians, severe punishment if one or both were non-Indians.

The Justice Department has endorsed the objectives of S. 2167 but has recommended that it be broadened to clarify the law as it deals with incest and assault with a dangerous weapon. I am today introducing a revised bill in conformity with the recommendations of the Justice Department.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3111) to amend title 18 of the United States Code with respect to crimes in Indian country, introduced by

Mr. Burdick, was received, read twice by its title, and referred to the Committee on the Judiciary.

ADDITIONAL DROUGHT RELIEF FOR CERTAIN FARMERS AND STOCKMEN

Mr. McCARTHY. Mr. President, I introduce, for appropriate reference, a bill to provide additional drought disaster relief to farmers and stockmen in connection with the transportation of hay.

I know that many Senators share my concern about the severe drought conditions that have developed in several areas of the Nation. Although the general condition is not as bad as it has been in some previous droughts, it has reached disaster proportions in some countries. Emergency action is needed to assist farmers in these areas if they are not to be forced to discontinue farming.

Across the Nation the Secretary of Agriculture has designated specified counties in 24 States as eligible for drought assistance. In these counties haying and grazing privileges are permitted on lands retired under the conservation reserve program and on lands diverted under the feed grain and wheat programs.

I ask unanimous consent that the list of States and the counties within those States approved for haying and grazing privileges be printed in the Record at the conclusion of my remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. (See exhibit 1.)

Mr. McCARTHY. Mr. President, this assistance will be effective for farmers in many of these counties. It is not enough and not effective where the drought is so severe that the hay and grass on retired acres is no longer of feed value. This is true in several counties in southeastern and central Minnesota. These are dairy regions. With low milk prices and with the dairy price support at 75 percent of parity, many of these farmers will be unable to continue their operations if high transportation costs have to be added to the price of hay which they must buy.

The bill I am introducing authorizes the Secretary of Agriculture to make payments in such amounts as the Secretary may determine of the actual public transportation costs, at the lowest available rates, of moving hay to a disaster area from such surplus hay-producing areas as are approved by the Secretary. These payments, of course, can be made only to established farmers and stockmen in an area approved by the Secretary for this type of drought disaster assistance. Producers would have to establish that they have not produced their normal feed requirements because of the drought or that their normal hay purchase costs have been increased by the necessity of transporting hay because it cannot be obtained from the normal sources.

The bill provides that the Secretary may withdraw approval of any surplus hay-producing area if he determines that the purchases to supply drought areas is unduly increasing the price of hay locally or at the destination point.

The emergency program proposed in this bill is not an innovation. Under previous legislation emergency feed supply programs were authorized through the Farmers Home Administration, and during the drought years of 1955–57, the Department provided transportation assistance to many farmers. This provision is no longer in effect and new legislation is needed.

Because of the limited time left in this session, the bill provides that funds for payments permitted in the program shall be advanced by the Commodity Credit Corporation until July 1, 1965. It authorizes appropriations of such sums as may be necessary to reimburse the Commodity Credit Corporation for these costs. In 1955 the drought had been building up over a longer period of time than is true at present. Transportation assistance that year came to about $1 million, although it increased in the following years. It is estimated that the Department would not require more than $1 million to operate the transportation assistance program during the rest of this fiscal year.

This is a modest amount. It will be worth many times this to farmers and to the economy if this limited transportation assistance enables dairy farmers in the severe drought disaster areas to remain in farming.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3112) to provide additional drought disaster relief to farmers and stockmen in connection with the transportation of hay, and for other purposes, introduced by Mr. McCarthy, was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

Exhibit 1

Counties Approved for Haying and Grazing

Arkansas (34): Cleburne, Conway, Crawford, Faulkner, Franklin, Grant, Independence, Johnson, Little River, Logan, Marion, Perry, Searcy, Sebastian, Sharp, Yell, Baxter, Boone, Dallas, Drew, Fulton, Greene, Hempstead, Lawrence, Madison, Miller, Nevada, Ouachita, Pope, Randolph, Stone, Van Buren, Washington, White.

Connecticut (3): Fairfield, Hartford, Windham.

Iowa (2): Howard, Mitchell.

Kentucky (42): Allen, Ballard, Barren, Butler, Caldwell, Carlisle, Christian, Clinton, Crittendon, Edmonson, Hickman, Livingston, Logan, Lyon, McCracken, Monroe, Muhlenberg, Ohio, Simpson, Todd, Trigg, Warren, Boyd, Bracken, Carter, Fulton, Grayson, Henderson, Hopkins, Marshall, Mason, Webster, Bath, Bourbon, Calloway, Cumberland, Graves, Lawrence, Lewis, McLean, Metcalfe, Union.

Louisiana (6): Bossier, Caddo, De Soto, Natchitoches, Red River, Union.

Maine (15): Androscoggin, Cumberland, Franklin, Hancock, Kennebec, Knox, Lincoln, Oxford, Penobscot, Piscataquis, Sagadahoc, Somerset, Waldo, Washington, York.

Maryland (6): Baltimore, Carroll, Cecil, Frederick, Montgomery, Washington.

Michigan (6): Chippewa, Dickinson, Iron, Menominee, Ontonagon, Presque Isle.

Minnesota (21): Fillmore, Olmsted, Winona, Benton, Cass, Dodge, Houston, Mills Lacs, Mower, Sherburne, Stearns, Wabasha, Washington, Wright, Douglas, Meeker, Morrison, East Ottertail, Pope, Swift, Todd.

Missouri (12): Bollinger, Butler, Cape Girardeau, Dunklin, Iron, Mississippi, New Madrid, Perry, Scott, Shannon, Stoddard, Wayne.

Montana (4): Flathead, Glacier, Teton, Toole.

New Jersey (6): Burlington, Camden, Mercer, Monmouth, Ocean, Somerset.

New Mexico (8): Colfax, Curry, Guadalupe, Harding, Quay, Roosevelt, Santa Fe, Union.

New York (14): Albany, Rensselaer, Saratoga, Schenectady, Washington, Chemung, Chenango, Columbia, Fulton, Greene, Montgomery, Otsego, Schoharie, Tioga.

North Carolina (3): Cherokee, Clay, Macon.

Oklahoma (3): Beaver, Cimarron, Texas.

Pennsylvania (7): Bradford, Lackawanna, Luzerne, Sullivan, Susqehanna, Tioga, Wayne.

South Dakota (15): Beadle, Clark, Kingsbury, Spink, Day, Codington, Sanborn, Brookings, Davison, Deuel, Grant, Hamlin, Hutchinson, Hyde, Miner.

Tennessee (33): Bledsoe, Blount, Cannon, Chester, Lawrence, Lincoln, Meigs, Montgomery, Obion, Perry, Polk, Rhea, Roane, Wayne, Washington, Anderson, Dyer, Giles, Grainger, Greene, Hamblen, Hancock, Hardin, Hawkins, Henry, Jefferson, Lauderdale, McMinn, McNairy, Robertson, Stewart, Sumner, Union.

Texas (31): Briscoe, Childress, Cottle, Dallam, Deaf Smith, Dickens, Garza, Hall, Kent, Motley, Oldham, Randall, Armstrong, Callahan, Carson, Castro, Cass, Cherokee, Collingsworth, Harrison, Johnson, Kaufman, King, Limestone, McCulloch, Milam, Navarro, Shackelford, Swisher, Tom Green, Van Zandt.

Vermont (1): Bennington.

Virginia (56): Albemarle, Clarke, Culpeper, Fauquier, Fluvanna, Highland, Prince William, Rockingham, Amelia, Amherst, Appomattox, Augusta, Bath, Bedford, Bland, Botatourt, Brunswick, Buckingham, Campbell, Carroll, Charlotte, Chesterfield, Craig, Cumberland, Fairfax, Floyd, Frederick, Giles, Goochland, Grayson, Greene, Henrico, Henry, King George, Louisa, Loudoun, Madison, Mecklenburg, Montgomery, Nelson, Nottoway, Orange, Page, Patrick, Powhatan, Prince Edward, Pulaski, Rappahannock, Roanoke, Rockbridge, Shenandoah, Smyth, Spotsylvania, Stafford, Warren, Wythe.

West Virginia (10): Berkeley, Grant, Greenbrier, Hampshire, Hardy, Jefferson, Mineral, Morgan, Pendleton, Pocahontas.

Wisconsin (30): Buffalo, Jackson, Pepin, Trampealeau, Ashland, Iron, Barron, Bayfield, Burnett, Chippewa, Clark, Door, Douglas, Dunn, Eau Claire, Lincoln, Oneida, Pierce, Polk, Price, St. Croix, Sawyer, Taylor, Washburn, Crawford, Juneau, La Crosse, Monroe, Richland, Vernon.

CONSTITUTIONAL AMENDMENT TO PUT "UNDER GOD" IN THE PREAMBLE OF THE U.S. CONSTITUTION

Mr. BOGGS. Mr. President, on behalf of myself, and Senators Williams of Delaware, Bennett, Byrd of West Virginia, Carlson, Fong, Jordan of North Carolina, Lausche, Moss, Simpson, Thurmond, and Walters, I introduce a proposed constitutional amendment and ask that it be appropriately referred.

Mr. President, this is an amendment to put "under God" in the preamble of the U.S. Constitution.

The problem we face is that while we are a religious people, with a national background of reliance upon divine providence, there are forces at work which seek to divorce any accent of spirituality from our public affairs. These forces would deny that as a whole nation we need to call upon Almighty God for guidance and direction.

How do we change such a trend?

I think we would all agree that as individuals we can help call attention to our spiritual heritage by our own actions and statements. But we need to do something more in a legal sense to ward off attacks on the spiritual customs and references which have been such an important good influence on our national life. It is necessary, therefore, to consider the basic legal documents of our Nation.

Attention has already been focused on the Constitution, of course, as a result of the Supreme Court school prayer decisions over the past 2 years. Amendments have been offered to permit voluntary prayer and Bible reading in public schools, and I am a cosponsor of the amendment introduced by Senator SIMPSON. I am beginning to think that, even if one were adopted, it might not meet the whole problem because of its own limitations to school Bible reading and school prayer.

On the other hand I am convinced that something needs to be done soon to prevent further erosion of our spiritual heritage.

What I suggest is that we look to the preamble of the Constitution. Specifically, this proposed amendment to the preamble would add the words "under God" to it. As amended, the preamble would read:

> We the people of the United States, in order to form a more perfect union, establish justice, insure domestic tranquility, provide for the common defense, promote the general welfare, and secure the blessings of liberty to ourselves and our posterity, do ordain and establish, under God, this Constitution for the United States of America.

Authorities on the Constitution, including the Supreme Court itself, declare that the purpose of the preamble is to indicate the origin, scope, and purpose of the provisions which follow. The authorities hold that, while the preamble itself does not give any substantive powers to any branch of government, it does set a tone, indicate direction, and has an influence on the application of powers actually conferred. To quote Mr. Justice Story in his commentaries referring to the preamble:

> Its true office is to expound the nature and extent and application of powers actually conferred by the Constitution and not substantively to create them.

From my own studies, as well as efforts by the American Law Division of the Library of Congress, I feel assured that insertion of the "under God" phrase would add a spiritual dimension to the Constitution that the Supreme Court would consider in deciding any cases before it. As it is now, there is no such written toehold in the Constitution to which the Justices can refer. How great the influence of the phrase would be, only time would tell; but in my opinion, it would be enough to tip the scales in favor of our Nation's spiritual heritage.

A brief comment is also necessary, I think, on the possible question of the relation of this proposal to the principle of separation of church and state. The 1st and 14th amendments, and Supreme Court decisions stemming from these amendments, set forth the separation principle, and this proposed change in the preamble is in no way intended to be in conflict with this basic principle.

To repeat once again, the preamble is concerned with the spirit of the Constitution, not with conferring any powers. Adding "under God" would neither establish religion nor interfere with it. It would, however, add a spiritual tone to our fundamental law and help extend this uplifting tone to the conduct of our public affairs.

Let us go back briefly to the time of the framing of the Constitution and consider a question which is probably in your minds: Why was not God put in the Constitution in the first place?

Well, accounts of the Constitutional Convention are meager on this point, but I think we can fairly assume that God was intended to be in the Constitution.

First, because the Declaration of Independence contains three references to God, and the Constitution can be considered a fulfillment of the Declaration. The Supreme Court said in *Gulf* v. *Ellis* (165 U.S. 150):

> The latter (speaking of the Federal Constitution) is but the body and the letter of which the former (the Declaration of Independence) is the thought and spirit, and it is always safe to read the letter of the Constitution in the spirit of the Declaration of Independence.

And, second, because at least 99 percent of the country was deeply religious.

And, third, because all the framers were committed to the Christian ideal.

The foregoing lead to the unmistakable conclusion that God was in the Constitution, at least by implication.

Over the years the attempts to amend the Constitution in this regard have dwelt chiefly on defining the Christian background of our Nation. The latest effort which got as far as a hearing was the so-called Christian amendment introduced by Senator Flanders, of Vermont, 10 years ago.

Unlike the Flanders amendment, and the others suggested through the years, this proposal would not be subject to the charge that it referred to any religious creed or doctrine. The phrase "under God" recognizes only the spirit of God in our national affairs. I do not see how, in light of our Nation's background and practices, great opposition can be mounted against it, except by out-and-out atheists and agnostics. These people can have their say, of course, but I am sure the spirit of God deep in the feelings of our citizens would prevail.

Up until now I have referred in a general way to the spiritual background which supports the idea of adding "under God" to the preamble. Let me now be more specific.

I have already referred to the Declaration of Independence. It emphasizes that men are "endowed by their Creator" with unalienable rights and also appeals to the "Supreme Judge of the World" that our Nation be free.

Earlier, we had the Mayflower Compact, in 1620, which qualified as America's first instrument of government. It invoked the name of God in the first sentence.

Another constitution adopted in this country, that of the Confederate States of America, followed generally the wording of our Constitution. But it is significant that added to its preamble was the phrase, "invoking the favor and guidance of Almighty God."

Of our 50 States, 49 refer to God in their constitutions, and in 44 of these constitutions a reliance upon God is included as part of the preamble. It is also especially significant, in my opinion, that our two most recent States, Alaska and Hawaii, have constitutional preambles which acknowledge gratitude to God. These States, of course, had our Nation's entire legal and moral background to draw upon in their constitutional research.

We all know that throughout our Nation's history, its Presidents and other leaders have consistently asked for divine guidance for themselves and the country.

Just 101 years ago, President Lincoln, in his Gettysburg Address, was inspired to utter the words:

> It is for us to be here dedicated to the great task remaining before us—that this Nation, under God, shall have a new birth of freedom, and that government of the people, by the people, and for the people shall not perish from the earth.

Our national holiday of Thanksgiving is an affirmation of dependence upon divine providence.

Our elected officials throughout our history, from Presidents down, have taken oaths in which recognition of God is involved.

I would like to use the Boy Scouts as an example of how our spiritual background permeates our national life. Millions of boys—Protestants, Jews, and Catholics—have learned the Scout oath:

> To do my duty to God and my country, and to obey the Scout law.

Later, when many of these same boys entered the armed services, they found chaplains in their respective faiths went right along with them.

As important as are these and other illustrations of our spiritual underpinnings, I would like in particular to emphasize how God is recognized in three statutes of our land.

First is the inscription "In God We Trust" on our currency. Billions of coins and bills have carried this simple prayer since it was first inscribed on a 2-cent piece exactly 100 years ago. Until 1908 the authority to include the inscription was permissive, but in that year the Congress made it mandatory as a result of a design issued a year earlier which lacked this phrase.

Second is the wording of the "Star-Spangled Banner," which became our official national anthem by act of Congress in 1931. The last stanza, you will recall, contains the lines:

> Blest with vict'ry and peace, may the heav'n rescued land
> Praise the Power that hath made and preserved us a nation!
> Then conquer we must, when our cause it is just,
> And this be our motto, "In God is our Trust."

And third, and I believe the most significant in relation to this amendment, is the inclusion of the phrase "under God" in the Pledge of Allegiance.

"Under God" was added to the Pledge of Allegiance by the act of 1954.

In a letter at that time to Senator Langer, chairman of the Judiciary Committee, former Senator Ferguson, of Michigan, said:

> Our forefathers recognized and gave voice to the fundamental truth that a government deriving its powers from the consent of the governed must look to God for divine leadership.

As these words powerfully supported the proposed change in the Pledge of Allegiance, they likewise support the need to recognize God in the preamble of the Constitution.

Whereas at the time of the Constitution's framing the character of the country and its people was such that God was considered a part of the document by implication, times have changed. Implication is not enough today. Something specific is needed to set a tone of spirituality.

Sooner or later the statutes involving chaplains, the national anthem, the Pledge of Allegiance and "In God We Trust" on our money will be tested in the Supreme Court. If the spiritual character of the Constitution has been established by the "under God" phrase, this will certainly help the Court sustain these laws. Without such aid, these laws may well fall. And because this testing may come soon, there is, in my opinion, considerable urgency for action on this proposal.

As I have said, the addition of the words "under God" would reflect only the spirit of the Constitution. Here I again refer to a Supreme Court decision, *Sturges* v. *Crowninsheld*, 4 Wheat. 122, page 202:

> The spirit of an instrument, especially of a constitution, is to be respected not less than its letter.

And the Court went on to say:

> Yet the spirit is to be collected chiefly from its words.

The "under God" phrase might well have just the sufficient weight and import to safeguard the proper recognition of God in our public affairs.

Adding "under God" to the preamble is in complete harmony, as I have tried to show in these few remarks, with our Nation's customs and intentions.

It is my hope and belief that this simple amendment will help fill a growing vacuum and stop the trend away from God in our official affairs.

Mr. President, I ask unanimous consent that the text of this proposed constitutional amendment be printed in the Record at this point.

The ACTING PRESIDENT pro tempore. The joint resolution will be received and appropriately referred; and, without objection, the joint resolution will be printed in the Record.

The joint resolution (S.J. Res. 192) proposing an amendment to the Constitution of the United States relating to the preamble of the Constitution of the United States, introduced by Mr. Boggs (for himself and other Senators), was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the Record, as follows:

> *Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein)*, That the following article is hereby proposed as an amendment to the Preamble of the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States:
>
> "ARTICLE —
>
> "Section 1. The Preamble of the Constitution of the United States shall be amended by inserting the words 'under God,' between the words 'establish' and 'this Constitution' so that the Preamble shall read:
>
> "We the people of the United States, in order to form a more perfect Union, establish justice, insure domestic tranquility, provide for the common defense, promote the general welfare, and secure the blessings of liberty to ourselves and our posterity, do ordain and establish, under God, this Constitution for the United States of America.
>
> "Sec. 2. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of three-fourths of the several States within seven years from the date of its submission to the States by the Congress."

LAND AND WATER CONSERVATION FUND ACT OF 1965—AMENDMENT (AMENDMENT NO. 1212)

Mr. ELLENDER submitted an amendment, intended to be proposed by him, to the bill (H.R. 3846) to establish a land and water conservation fund to assist the States and Federal agencies in meeting present and future outdoor recreation demands and needs of the American people, and for other purposes, which was ordered to lie on the table and to be printed.

NOTICE CONCERNING NOMINATION BEFORE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nomination has been referred to and is now pending before the Committee on the Judiciary:

Francisco A. Gil, Jr., of Puerto Rico, to be U.S. attorney, district of Puerto Rico, for a term of 4 years.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in this nomination to file with the committee, in writing, on or before Tuesday, August 18, 1964, any representations or objections they may wish to present concerning the above nomination, with a further statement whether it is their intention to appear at any hearing which may be scheduled.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, August 11, 1964, he presented to the President of the United States the following enrolled bills:

S. 136. An act to place in trust status certain lands on the Rosebud Sioux Reservation in South Dakota;

S. 1833. An act to authorize Government agencies to provide quarters and facilities to civilian officers and employees of the Government, and for other purposes; and

S. 2881. An act to amend the Alaska Omnibus Act to provide assistance to the State of Alaska for the reconstruction of areas damaged by the earthquake of March 1964 and subsequent seismic waves, and for other purposes.

SENATOR YOUNG PREDICTS DEMOCRATIC VICTORY

Mr. YOUNG of Ohio. Mr. President, early last June, Murray Cohen, editor and publisher of the Delphos Daily Herald, wrote to me asking that I prepare a statement on why I and my political party should be elected to office this November. The same request was made of my opponent, the Republican nominee for Senator from Ohio.

The Delphos Daily Herald is one of the outstanding newspapers published in the smaller communities in Ohio. I was happy to comply with the request of this well respected and well known editor and publisher, and my statement was published on July 30, 1964.

I ask unanimous consent to have my statement, together with the editorial comment by the editor of the Delphos Daily Herald, printed in the Record.

There being no objection, the editorial comment and statement were ordered to be printed in the Record, as follows:

Senator Young Predicts Democratic Victory

(Editor's Note.—The Delphos Daily Herald offered Ohio's Senator Stephen M. Young and Congressman Robert A. Taft, the two candidates for the Senate seat now held by Senator Young, the opportunity of offering in July their views to the public on why they should be elected and why their political party should be elected. Senator Young, the Democratic candidate, accepted the Herald's offer. Representative Taft said the pressure of other activities to which he previously was committed prevented him from preparing a special statement for the Herald. However, Representative Taft said he would accept a Herald offer to both candidates for space for a political statement during August.)

(By Stephen M. Young, U.S. Senator)

Citizens will remember next November who has been for them and who has been against them. They will elect Lyndon B. Johnson President of the United States and reelect me as their U.S. Senator. They will remember that the Democratic Party has consistently worked for peace, prosperity, and progress. While our opponents pine for the past and view the future with dismay, we plan for the present and look to the future with hope and confidence. We Democrats believe that a country which can create machines to fill jobs can also create jobs to fill men. We believe that a country that can build a force like the Peace Corps can tear down a force like bigotry. While from our missile centers we explore outer space, from our hope for mankind we explore new paths to peace.

I supported the late great President Kennedy and I now support my longtime friend President Johnson. This administration can point with pride to a record of solid accomplishment for peace, prosperity, and progress during the past 4 years.

During these momentous years, the Kennedy-Johnson administration faced up to the challenge of communism and reversed the momentum of a worldwide Communist offensive built up in the Republican years of the

1950's. The record shows that on every rollcall I did everything possible to make our country militarily strong to cope with Communist aggression.

The administration forced a Soviet backdown in Berlin, spearheaded action to isolate Communist Cuba and Castro, faced up to Communist penetration of southeast Asia, and blocked Communist expansion into Africa. In October 1962, President Kennedy's firm unyielding action resulted in Khrushchev turning tail and removing offensive missiles and war planes from Cuba.

Our defenses were strengthened and diversified for any eventuality should need arise for resort to arms—whether nuclear, conventional or brush-fire—while at the same time, through prudent frugality, increased efficiency and an attack on obsolescence, defense spending itself was reduced.

Our space effort—supported by me as a member of the Senate Space Committee—was thrown into high gear and given a top priority in the national commitment.

While keeping our defenses strong, the administration worked for a world free from fear, poverty, illiteracy and disease. The effort produced results: the first Arms Control and Disarmament Agency in the Nation's history; the Alliance for Progress; the Peace Corps; and expanded food-for-peace program. I have always voted for measures to encourage a lessening of tensions and to increase understanding among peoples of the world. The greatest achievement of this grim cold war period for the cause of peace was the limited test ban treaty patiently sought and secured by President Kennedy.

At the same time, the administration acted to move the Nation out from the recession-ridden doldrums of the Republican fifties. That action, too, has produced results: personal income went up $70 billion; industrial production went up 23 percent; net income per farm went up 12 percent; a record 71.1 million Americans were employed; and the gross national product went up $100 billion.

Chronic unemployment is still of grave concern. Involuntary unemployment is a disgrace. I have supported legislation to help provide a breadwinner for every family—increased and expanded minimum wages; liberalized social security benefits, new industry for depressed areas, accelerated public works to provide useful employment for thousands of worthy and industrious men and women, housing for moderate and low income families and the elderly, community development and the revitalization of urban areas, feed grains supports and other economic tools for American farmers, an attack on air and water pollution, manpower development and retraining for both young and older workers, aid for construction of college and medical school facilities, the first comprehensive program to build mental health facilities; aid to mass transit systems in traffic-congested cities.

The administration's $11.5 billion tax cut reduced personal income taxes $8.8 billion, an average reduction of 20 percent. When fully in effect in 1965, it will pump more than $11 billion into the economy, increase consumer purchases, and business investment $25 to $30 billion, and create 2 to 3 million jobs.

While initiating programs for increased prosperity, more jobs and a better living for all Americans, President Johnson has embarked on an all-out war on waste and inefficiency. I have consistently spoken out both in committee and in the Senate for increased economy in Government and against waste of the taxpayers' money.

As a result of the President's insistence on a dollar's value for a dollar spent, his first budget reduced total expenditures for the second time in 9 years, reduced total employment in the executive branch for the first time in 8 years, and cut the budget deficit by $3 billion.

The war on poverty aims at helping 35 million Americans break away from the cycle of poverty and join the mainstream of the Nation's life and economy. We cannot close our eyes to the cruel paradox of poverty amidst plenty in our Nation.

I and my party are on the side of those favoring complete enjoyment by all, regardless of race of all civil rights and civil liberties. I strongly supported the Civil Rights Act of 1964. In addition, I am cosponsor in the Senate of the administration bill to provide medical and nursing home care for the elderly under social security, commonly termed "medicare."

For the most part, Republicans have chosen to ignore the needs of a changing and growing America. The mass transportation bill is a case in point. More than three-fourths of Americans now live in cities. We must act to solve the choking traffic problems in our great urban centers. Horse and buggy legislators who opposed this bill utterly disregarded the needs of the people of Cleveland, Columbus, Cincinnati, and other great cities.

President Johnson is a Democrat. I am a Democrat. I have supported his leadership and his program. Lyndon B. Johnson needs a Democratic majority in the Senate to uphold his program and respond to his leadership.

As U.S. Senator I shall continue to strive to keep our country secure, solvent, free, and supreme and to leave as a legacy to our children and grandchildren a country that is the last best hope for peace in the world. This is my hope and the hope of the Democratic Party. I believe it is the hope of all Americans, who will return President Johnson to office this November.

MEDICARE A MUST

Mr. YOUNG of Ohio. Mr. President, one of the major issues of the 1960 presidential campaign was hospital and nursing home care for the elderly under social security, commonly termed "medicare." Medicare was again an issue in 1962. For 1964, we do not need a medicare issue—we need a medicare program before election day.

Medicare is, of course, a misnomer. The administration's Anderson-King bill has nothing whatever to do with the payment of medical fees or with the traditional doctor-patient relationship. Medicare, so called, is hospital and nursing home insurance for some 17 million elderly men and women in the United States under social security coverage. Of course, as is well known, our social security system is an insurance system, the correct name of which is "old-age survivors and disability insurance system." It is actuarially sound, with a surplus of more than $21,500 million. This bill is not only needed but it is also one of the most meritorious of all pending legislative proposals.

There are more than 17 million Americans over 65 years of age, most of them less able to pay hospital bills than they were in their younger years. Furthermore, all Americans, regardless of age, have elderly relatives. If prolonged illness should afflict them, average American families should not be compelled to incur colossal debt or pay from savings accumulated for other purposes.

It is indeed a tragedy that here in the righest nation in the world, millions of our citizens live in constant fear that their savings will be washed away by prolonged illness or injury.

Opponents of medicare have subjected the American public to an unprecedented barrage of high-priced propaganda. Every time the medicare proposal comes up for consideration, the ruling members of the house of delegates of the American Medical Association haul out their big guns and big money to denounce medicare as "socialized medicine." This charge is, of course, false.

Nevertheless, I am sure that we shall hear it again before the debate is concluded.

Now that there again appears to be a good chance that hospital and nursing home care for the elderly under social security will be provided by this Congress by amendment of a social security measure, the AMA is stepping up its attack. In recent weeks, the mail to my office in opposition to medicare, and no doubt that of other Senators, has vastly increased. As part of a new propaganda campaign, some political physicians and surgeons are requesting their patients to write to Senators and Representatives opposing this legislation. By instilling patients with false fears that medicare will interfere with traditional relationships between doctor and patient and so forth, they are able to convince them to do just what the doctor orders.

The vast majority of the American people have not swallowed the propaganda pills prescribed for them by a few political medicine men. The majority of Americans overwhelmingly support hospital and nursing home care for the elderly under social security as the only realistic and fair means of dealing with this problem.

Programs other than that embodying the social security approach to the problem have been tried and have met with little success. One of these is the Kerr-Mills medical assistance for the aged program signed into law by President Eisenhower. It is a personal, happy recollection that my vote was cast against enactment of that bill in 1960. The fact is that not 1 elderly individual in my State of Ohio, as well as in 22 other States, has been even remotely aided by the operation of the Kerr-Mills Act.

Only 28 of our 50 States presently have Kerr-Mills medical assistance programs. Benefits vary widely among them. Eligibility for assistance also varies widely. Whether medical assistance will be forthcoming for the elderly citizen has become a matter of geography—a matter of where he happens to live. However, regardless of geography, every elderly person and every taxpayer pays for the Kerr-Mills program which is financed by tax dollars from general Federal revenues. Because of this, the program is supported by many citizens who can never benefit from it, as their States are nonparticipants.

We must be realistic and legislate in recognition of the fact that medical expenses rise sharply with increasing years, while for most people, the ability to meet them declines rapidly once they are off the payroll.

The arbitrary actions of one committee in the other body of the Congress can no longer block action. The administration proposal for hospital and nursing home care for the elderly under social security can and should be added by amendment to the pending social security bill.

Hospital and nursing home care for the elderly under social security will help all who need help, not those already poverty stricken. Further, it will be financed by the premiums paid in by those receiving benefits rather than by general Federal revenues.

I am certain that we in the Senate have the affirmative votes to pass this needed legislation, and I hope that we are to be given that opportunity in the near future by amending the social security measure passed by the House of Representatives.

The medicare proposal will at last be voted upon by all the representatives of the American people, if our views prevail. We in the Senate should have the opportunity to demonstrate that a great many Members of the Senate favor the program. At one time it lost by a margin of only two votes.

I am confident that the needs of the times have brought about a change in the viewpoints of many Senators; and I am also confident that now, in 1964, the Congress, if given the opportunity, will respond to the needs of our people. Enactment of the administration's so-called medicare program will be a victory for all Americans, regardless of age.

THE EDUCATION OF THE BUSINESSMAN

Mr. KEATING. Mr. President, one of the major educational debates of the last decade has been the proper curriculum for the businessman. Should he be trained in business practices in the main, or should he be given a solid background in the humanities that will provide him with the knowledge necessary to handle a variety of different problems and individuals?

In a recent address at the 14th commencement of Le Moyne College in Syracuse, N.Y., Joseph C. Wilson, president of Xerox Corp., discussed this problem from two points of view. The first is the problem of communication itself. How is any man to keep up with the ever-enlarging amount of information that is becoming available? More and more we need educated men to work with problems that are growing more complex every year. The opportunities for so-called specialists in the business world may decrease because of the pressing need for a larger and broader understanding of the problems of our world.

Mr. Wilson's evaluation of the type of work the business executive must do is also interesting. On the one hand he is a lonely man forced to make decisions that no one else can make and he must alone take responsibility for his actions. On the other hand, though, the businessman is, in Mr. Wilson's terms, involved in "the harmony of an organization, smoothly working toward goals of value." In order to reconcile both these aspects of the executive's life, Mr. Wilson concludes that "the humanities are an indispensable, perhaps the indispensable part, of a business manager's training."

Joseph Wilson has made a fine addition to the studies now going on concerning the relationship of the business world with the humanities.

I ask unanimous consent that Joseph Wilson's address entitled "Leadership Needs Science—and Beauty" be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

LEADERSHIP NEEDS SCIENCE AND BEAUTY

(An address by Joseph C. Wilson, President of Xerox Corp., at the 14th commencement of Le Moyne College, Syracuse, N.Y., Sunday, May 31, 1964)

Father Pierre Teilhard de Chardin, in his remarkable, though highly controversial book, "The Phenomenon of Man," described trends about which there can be no controversy, although the deductions he made are open to question from many quarters. He developed brilliantly the evolutionary trend toward mind and the growing interdependence and interpenetration of men's minds, and stated the hypothesis that the goal of evolution is a single mind.

Whether you agree or not with his projection of this trend or its theological implications is, for the purposes of these remarks, unimportant. The important point is that de Chardin, and other perceptive observers of the past century, see that there is a rushing flood of demand upon men's minds; it is inexorable; it is irreversible if our civilization survives. For good or ill, no one who aspires to leadership in any field today can avoid the challenge that he, or she, to be competent, must be much more highly educated in science, particularly, than was true even a few decades ago.

Henry Adams saw in the 19th century that there is a law of acceleration in history. The output of coal, of steampower, of electricity increase geometrically, not arithmetically.

I am indebted to a provocative, brief study of the Scientific American for a few further examples of this law and some of its consequences for our generation and the ones to follow it.

From the concept of natural forces discovered by the Greeks over 2,000 years ago through gravity, electromagnetism, nuclear energy, to this decade's discovery of "weak" forces, observed in the decay of elementary particles, the timespan between each discovery shrank geometrically.

The discovery of elements began 10,000 years ago with carbon, copper, iron, silver, and gold. There were 60 9,900 years later in the last century, but more than 40 have been added in this past 100 years.

The same kind of shrinkage occurred between the discoveries of the energy sources: fire, water, wind, steam, combustion, and nuclear energy.

These curves together show that our accumulated experience changed as much since the 19th century as our Victorian ancestors' experience had changed from that of men on the threshold of historic time.

There is evidence on all sides of us that this acceleration of science and technology, buttressed as it is by new research effort in this century estimated at $18 billion annually, is shutting off steadily and ominously opportunities for the uneducated while it is opening the future for those who can keep abreast—and only trained and disciplined minds have any hope of keeping abreast.

Despite an enormous increase in our national product since the war, the number of people in factory jobs has declined. But the number of scientists and engineers has more than doubled, and the rate of increase gains constantly. Prof. Daniel Bell of Columbia recently pointed out that in 1956 U.S. society reached a milestone because, then, for the first time, the white-collar workers surpassed the number of those wearing blue.

About 10 years ago the top 5 percent of incomes were dominated by the self-employed, the doctors, lawyers, farmers, and small businessmen, followed by white-collar people, and finally scientists and engineers. By 1960 this was reversed; the scientists and engineers had reached the top.

In 1900 a tiny fraction of the leaders of industry had technical degrees; by 1960 it was 20 percent, and the percentage is rapidly rising. It is estimated that it will be 50 percent by 1980.

Thus the problem becomes crystal clear. According to the law of Henry Adams, according to the evidence of these recent times, the managers of the future must cope with extraordinarily more complex phenomena. They can master them only if they can master tools and techniques of a subtlety almost infinitely greater than those used two decades ago before the age of the computer.

And yet you and I instinctively know, do we not, that overspecialization in science and technology will create a race of human robots almost too horrible to contemplate?

Leaders must have souls which have been enriched. They must be deeply religious people. But of that I shall not speak today, for it is not my role. Because I omit more than this passing reference does not mean that I do not consider religion perhaps the key to solution of this awful problem.

But I do say that there is another tempering need, the love and understanding of beauty in the broadest sense, the comprehension of art and literature, the appreciation of philosophy and ethics, of order and aesthetics, of the rich variety of man's character, of bravery, of weakness, of lofty aspirations.

We need men and women, as Montaigne said, "Who know what courage is, and temperance, and justice; what the difference is between ambition and cupidity, slavery and submission, license and liberty; by what signs genuine and solid contentment may be known; to what extent we should fear death, pain, and shame; what springs move us, and the occasion of so many different stirrings within us."

The unknowing to the contrary, the life of the businessman in this century is rich in the intellectual challenge imposed by dazzling technological and social change. It is ruthlessly demanding of the courage and integrity needed to face with equanimity sudden crises deeply involving the treasured interests of others and, equally, the slow remorseless stubborn trends, like socialism, which threaten the bases of the society in which he believes. The best of them must have, on the one hand, the resources of the artist whose penetrating perception allows him to master and interpret phenomena he does not fully comprehend; and yet, on the other, he must strive constantly for the facts the scientist wants and use his method with precision. In America he has been entrusted with a great share of responsibility for the state's good and the people's happiness, and he must understand that a sense of duty arises, not only through the sanction of higher power, but, as important, through the will of individuals.

Statesmen, more than politicians, toil for higher goals while they hold tenaciously to the realization that men are not angels. Businessmen, more than moneychangers, must work with human beings and, the most rigorous obligation of all, create in them a common will to do worthwhile work, to achieve together aims which add dignity to their lives and pride in the company of their associates.

Every businessman, who must make the final decision, who sits, as Harry Truman put it, where "the buck stops," lives at times in a kind of impenetrable loneliness where judgment and its consequences loom large and awful because they focus so tightly on one being. Then the price of power seems high. But more often comes the ecstasy of common aspiration and effort, of the well-joined movement of the group toward valuable objectives through an imaginative, creative process which is delicately balanced in a vast variety of characters and forces over which no man has control but which must be studied with insight and acted upon with vigor; else others suffer or gain. So great a swing from solitude to community sometimes brings strain to the most resilient personality.

This is a role that calls for a scholar's willingness to study, analyze and synthesize, to project bravely, to hypothesize with boldness and wisdom, and then to act from intellectual premises. Those who scoff at the businessman do not understand the good ones and the satisfying richness of their jobs' demands upon them, just as many businessmen, who shrug off the academician, do not appreciate the seminal contribution the true lover of knowledge makes to a free society.

The head of a business works with people and all other phases of his task pale in significance compared to his need to know human beings. He must understand the complexity of their characters and motives, to persuade them of sound judgments and above all to inspire in them the desire to lift their joint efforts to planes above those which their individual capacities could achieve through that almost miraculous force of leadership which takes some churches, or universities, or states, or enterprises to heights which seem beyond the reach of the men who make them up.

As Charles Nelson so aptly put it in his article, "The Liberal Arts in Management," "To manage well, you must be able to teach subordinates; to teach well you must understand the nature and aims of man; and to understand well, you must study subjects that have no practical applications in business."

Think of those lines of Browning's—

"That low man seeks a little thing to do,
  Sees it and does it:
This high man, with a great thing to pursue,
  Dies ere he knows it.
That low man goes on adding one to one,
  His hundred's soon hit:
This high man, aiming at a million,
  Misses an unit."

In a few words, it distills an essence of business leadership and it comes from 19th century English poetry, not the curriculum of the Graduate School of Business Administration, Harvard University. Toynbee's figure of the toilers, leaping from ledge to ledge, slowly, steadily climbing from the abyss up the precipice toward civilization, contains all the wisdom the manager needs to know about the process of creativity in his research department. Plato's chained men, searching for truth by observing the flickering shadows of reality on the cave's back wall, illuminate for all time the industrial relations director's problem of communication. He who denies that the humanities are an indispensable, perhaps the indispensable part, of a business manager's training, attests his ignorance of true leadership.

Once, when I was making such an assertion in public, a toughminded personnel man stumped me with this question, "Why do you management people talk like that, but when you send us out to hire a young fellow for a specific job, you stipulate that he should have a business administration degree, or one in accounting, in physics, or chemistry, or electrical engineering, and never that he be an English or philosophy major?"

The answer I could not find that day came after much brooding, and I regret to say it reflects on our foresight to the degree the question is precise. The answer, of course, is that not many of us have the wit to start out to hire the man who will be President two decades hence. It is the general manager who most evidently needs to know what Browning meant. He is the one who must take responsibility for articulating human activity into an order as elegant as the abstraction of an algebraic "group."

The builders of the Catholic Church were artists as great as Leonardo da Vinci. The harmony of an organization, smoothly working toward goals of value, is as beautiful as a late Beethoven quartet or Van Gogh's "Starry Night," and unless its leaders understand beauty and the relationship of these three beautiful things, they cannot inspire. This is the heart of the matter. The fact that few businessmen attain such richness and joy of understanding does not detract from the validity of the hypothesis that the best ones do; few artists are Michelangelos.

So much talk of beauty and joy should not obscure the fact that the end of enterprise is profit. It is no good for harmonious, humanitarian, just, creative managements to close their books on a loss. The Sistine Chapel had to be finished; "War and Peace" was finally written. Greatness is not the stuff of dreams; human effort must be successful to be great in business, as in art. It is more likely to succeed in any field if the common denominator, man, is comprehended. The successful manager must truly understand words like these of Vannevar Bush.

"No man has fully lived who has not experienced the fear, the exultation, of meeting great odds and struggling to prevail. But no man has fully lived who has not also experienced the joy of close association with worthy fellows or who has not known the thrill of individual creation. He who can say honestly to himself that he has discovered a set of facts or a relation between phenomena not known to any man before him in all history, and that by his insight and skill has made them comprehensible to the human intellect—such a man experiences the same uplift of spirit as the one who first climbs a high mountain or first runs a mile in 4 minutes. And when the accomplishment results not from the lonely acts of individual genius but the efforts of a team or group having mutual trust and confidence, supplementing one another's weaknesses, carrying the unfortunate over the rough places, heartening the leader by steadfast support—then all members of the group enjoy a satisfaction transcending that of accomplished creation, a satisfaction of success in their margin of effort to attain something that was beyond the capacity of any individual."

Organized human endeavor can be lifted an order of magnitude through leadership if it is inspiring. The springs of inspiration lie deep in the knowledge of all that is worst and best in men and in the wholehearted acceptance of that worst and best. To lead well is to know people and to know, above all, that they are always people. The roots of that knowledge are in the sturdy minds and noble souls of the centuries.

SKOWHEGAN SCHOOL OF PAINTING AND SCULPTURE

Mrs. SMITH. Mr. President, those of us who live in Skowhegan, Maine, have many things about which to be proud. We are proud of the Skowhegan School of Painting and Sculpture. We are proud of Don L. Brough, correspondent of the Bangor Daily News.

Mr. Brough has written an excellent article about the Skowhegan School of Painting and Sculpture that tells an inspiring story of the mission and work of that institution. I am sure that the Members of this body will find it interesting. Because of this, I ask unanimous consent that the article by Mr. Brough be placed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Bangor Daily News, July 27, 1964]

SKOWHEGAN ART SCHOOL PREPARES ART EXHIBIT FOR NEW YORK WORLD'S FAIR

(By Don L. Brough)

SKOWHEGAN.—One of the world's greatest collections of art has been assembled at the New York World's Fair and is being hailed throughout the world as one of the greatest art exhibits ever viewed by the general public.

"Four Centuries of American Masterpieces," the name of the exhibit, has drawn the plaudits of Mrs. Lyndon B. Johnson, Adlai E. Stevenson, Senator Margaret Chase Smith, and Gov. Nelson Rockefeller, among others.

To Mrs. SMITH the exhibit has an especial significance for it was arranged by the Skowhegan School of Painting and Sculpture, located not far from Mrs. SMITH's home in nearby Skowhegan.

The Skowhegan school is to the art world what Tanglewood is to the music world—the ultimate. Both schools were designed to "build the artist's individual mode of expression both solidly and honestly."

PAINT MAINE SCENES

To the Skowhegan school, as it is referred to in the world of art, come serious students from all parts of the country. From the school, nestled near the top of a hill on the southern shores of Lake Wesserunsett in the eastern part of Madison, go these students to all parts of Maine to paint the rugged scenes of Maine.

Since its founding in 1946 by native Willard Cummings, along with Henry Varnum Poor, Anne Poor, and Sidney Simon, the school has built up an alumni of 900.

The school is now internationally known and has received writeups in such nationally syndicated magazines as Look and Life. The New York Times and the New York Herald Tribune have mentioned the school in several articles.

The major wire services have carried stories about the Skowhegan school inspired art exhibit, valued at some $3 million. The exhibit has been borrowed from several privately owned collections, hence is not available for viewing by the general public.

NOTED LEADERS

What is the Skowhegan school? Perhaps the best answer is provided in a foreword to the exhibit's catalog in a copyrighted statement which says the school was founded "to provide talented and promising young artists and students an opportunity to receive comprehensive and intensive training by painters and sculptors recognized for their leadership in contemporary American art."

About 100 of the field's leading authorities have lectured or taught Skowhegan's ever increasing number of students, most of whom attend the school on scholarships.

At the school, students are allowed to paint according to their own moods, and at the end of each week, the "work" is criticized by the faculty and commented upon by other students.

Eventually some of the most noted and distinguished painters, sculptors, critics, and museum curators or directors come to the school to look over the works of art.

The New York showing of American art was conceived by John Eastman, Jr., a director at the Skowhegan school since last fall. He enlisted an impressive committee of authorities to seek out the best works of American painters, which cover the 17th, 18th, 19th, and 20th centuries.

The show includes 40 of the top artists' works. A few include Homer's famous "The Wreck," George Catlin's "Indian Boy," Ryder's "Story of the Cross," Wyeth's "Distant Thunder," Edward Hick's "The Peaceable Kingdom," Heade's "Approaching Storm," "Beach Near Newport."

The purpose of the show was to raise some $600,000 for the school, Eastman said. "We are busily engaged in building and expanding the facilities of Skowhegan," he said.

Cummings, who has converted the family farm into a sprawling summer art school, said that he hopes to be able to expand the facilities.

Part of the revenue realized from the art exhibit will be used to enlarge the Skowhegan school and a part will be allocated toward scholarships for students.

TO THE SERIOUS

Scholarships are given only to the really serious student, generally a junior at some recognized art college throughout the country. Cummings said that these students are chosen for their seriousness in art and their need for a scholarship.

"Students are here basically because they are good artists and lack the funds to advance their talents, not because they have money but lack talent, ' Cummings said.

"The reasons why the students come to the Skowhegan school are inconsequential," Eastman said. "The fact that they are in Maine is good for the State."

John C. Sealey, Jr., long a booster of the school, said these students are making a valuable contribution to the State by being here.

Economically the school makes an important contribution to the area as each year the students, their parents, and the school itself, contributes more than $100,000 into the economy of the area.

This, combined with the fact that the Skowhegan school is mentioned continually in art papers and magazines and at various art shows serves as another means toward giving Maine favorable publicity throughout the world.

Perhaps one of the most important news items, certainly one of the most exciting in the art world, is the $25,000 contribution made by the Avalon Foundation. This news was released in a report to the directors of the school last week.

The foundation is sponsored by Mrs. Ailsa Bruce, daughter of the late Secretary of the Treasury Andrew Mellon, who served under President Herbert Hoover.

The grant is to be used to "aid in completing payment for the purchase of the campus and in the construction of certain new facilities."

Thus the grant joins a long list of famous persons contributing to the support of the school. Among the list of impressive personalities supporting the school are Milton Caniff, Mrs. Curtis Bok, the Marshall Fields, Gov. Averill Harriman, the Gimbels, the Loews, the Rockefellers, the Newberrys, the Sachs, and Mrs. Efrem Zimbalist, plus a score of Maine persons.

Painters and sculptors from every part of the country are coming to Maine, recording scenes of Maine, and sending them to every town and city in the country.

PRESENTATION TO HERBERT HOOVER OF AMERICAN FLAG FLOWN OVER CAPITOL ON HIS 90TH BIRTHDAY

Mr. HAYDEN. Mr. President, in 1917, Herbert Hoover was appointed by President Wilson as Chairman of the U.S. Food Administration, and I first met him shortly after his arrival in Washington.

It so happened that the young ladies who later became Mrs. Hoover and Mrs. Hayden graduated in the same class from the Los Angeles Normal School, and then later were members of the Kappa Kappa Gamma Sorority at Stanford University. It was our wives that brought us together in 1917.

About 1923, Congressman Phil Swing, of California, and I persuaded Mr. Hoover to become Chairman of the Colorado River Commission which resulted in the Colorado River compact that divides the waters of that stream between the States of the Upper and Lower Colorado River Basins. I had many occasions to confer with him during his service as Secretary of Commerce and President of the United States. Our friendship has continued during the ensuing years, and now it is a pleasure for me to present to Herbert Hoover the flag which was flown over the Capitol on his 90th birthday.

This I do in accordance with Senate Joint Resolution 184, which recites that the Honorable Herbert Clark Hoover has served his fellow man, his country, and the world with greatest devotion; that he twice directed relief and rehabilitation programs for the stricken victims of World War I and World War II; that he conceived, drafted and served as Chairman of two Commissions on Organization of the Executive Branch of the Federal Government; and that he served our Nation, first as Secretary of Commerce and then as the 31st President of the United States.

Senate Joint Resolution 184 provides:

> That the Congress hereby extend the Honorable Herbert Hoover its felicitations on his birthday, its admiration for his achievements, and its gratitude for his selfless service to mankind.
>
> Sec. 2. The President of the United States is hereby authorized to issue a proclamation giving official recognition to August 10, 1964, as the Honorable Herbert Hoover's ninetieth birthday.
>
> Sec. 3. American flags are to be flown especially on that date over the Capitol and over the White House and then are to be conveyed to him in commemoration of his natal day.

It is now my privilege to present the flag that flew over the Capitol on his 90th birthday to Senator Dirksen for delivery to President Hoover.

Only one other President, John Adams, the second President of the United States, attained the age of 90 years.

THE UNIVERSITY OF HAWAII AND GOALS OF AMERICAN EDUCATION—ADDRESS BY THOMAS HALE HAMILTON

Mr. INOUYE. Mr. President, it gives me a great deal of pleasure to submit, for printing in the Record, a speech by President Thomas Hale Hamilton, of the University of Hawaii, Honolulu, Hawaii. It has been deemed worthy of printing by American Newcomen in a special booklet just released. I believe it to be interesting and provocative, not only in terms of an incisive review of the history of the University of Hawaii, which it is, but also in terms of the goals of American education generally. President Hamilton is a truly gifted articulator of the highest aims of education. The State of Hawaii is most fortunate to have him as the president of its university.

There being no objection, the address was ordered to be printed in the Record, as follows:

Address by Thomas Hale Hamilton

My fellow members of Newcomen, American higher education has made many contributions to the world. Only now is there coming to be worldwide awareness of the magnificence of this institutional apparatus, despite its still remaining weaknesses. But perhaps its two greatest contributions have come to be thought of as combined in what we have called the land-grant philosophy. The first of these is that higher learning should not be denied to any young citizen because of the conditions surrounding his birth—be they economic, social, racial, or religious. The second is that colleges and universities—particularly those publicly funded—have a symbiotic relationship to the society which supports them. This means that while a public university cannot solve all of the citizens' problems—nor should it try to—it cannot remain aloof when its particular competences give promise of assisting the social order.

The land-grant system was established during the darkest days of the Civil War. To be sure, even before this, such a bill had passed Congress, but it was vetoed by a President whose faith in people and whose courage did not match that of his successor. It was Justin Morrill who introduced the act. Abraham Lincoln pressed for its passage, seeing it as a promising means of providing the Nation with the trained manpower it lacked.

The act provided for the establishment of at least one land-grant college in each State and territory. The contributions which these institutions have made during the past century exceed the wildest expectations of its progenitors. Land-grant laboratories have produced the cyclotron, streptomycin, polio vaccine, and innumerable other blessings to humankind, including the Field ion microscope, which permits scientists to view for the first time in history the atomic structure of matter.

On land-grant campuses are awarded more than 40 percent of the doctor's degrees granted throughout our country each year. Indeed, the land-grant college has become an integral part of our society. This has been acknowledged by businessman as well as educator. John Cowles, editor of Look and the Minneapolis Star and Tribune, has stated: "If the land-grant institutions should fail, quantitatively or qualitatively, to play to the full the role which destiny is assigning them, I doubt that we will have a free society and a democratic form of government in the United States a century hence."

What is the secret of the enormous value of the land-grant contribution? I think it is the flexible and fluid quality of the act that established them, and their ability to reassess and readapt themselves in terms of the Nation's changing needs. I could easily cite examples of such service by land-grant institutions throughout the Union; but I will confine myself to the land-grant institution of this State.

JOHN W. GILMORE AND AGRICULTURE AND MECHANIC ARTS

The seeds of the ultimate University of Hawaii were planted in 1907. As elsewhere in the Nation, this action reflected the need of those who tilled the soil and built our structures. In common with many of its sister institutions throughout the country, it was called the College of Agriculture and Mechanic Arts. I find something irresistibly symbolic in the preparations for the construction of Hawaii's new college. As the stones that composed the fences that interlaced the kiawe-shaded campus were cleared off the land, they were piled on flatbed drays and horse drawn to Honolulu Harbor, where they were loaded into the holds of sailing ships as ballast. Thence these stones were borne to shipping ports throughout the world—stones prophetic of the loaves of learning that the university was ultimately to send forth across the waters.

An act of establishment had been passed by the Territorial Legislature and signed by the Governor on March 25, 1907. It charged the college to offer instructions in agriculture, mechanic arts, and the national sciences, and "in other branches of advanced learning as the board of regents may from time to time prescribe." And prescribe the regents did from time to time, as we shall see.

The college received a Federal grant of $35,000 for its first year of operation, this amount to be increased by $5,000 each subsequent year until $50,000 was reached. The Territorial Legislature appropriated $10,000 for buildings and $15,000 for the first year of operations.

College opened in temporary quarters near historic Thomas Square, offering a preparatory course in the spring of 1908 and regular college work leading to a B.S. degree in the fall. Five preparatory students applied. These were joined by 31 special students in September. The faculty numbered 12, plus an acting librarian. In 1908, John W. Gilmore, holder of an advanced degree from Cornell, became president of the college and professor of rural economy and agronomy.

The College of Agriculture and Mechanic Arts was to bear fruit of immense importance to the economy of the islands. It has been estimated that the value of its benefits to the State each year would finance our agricultural experiment station from its inception.

For example, in close collaboration with the Pineapple Research Institute and the experiment station of the Hawaiian Sugar Planter's Association, the university, largely through the work of senior Plant Physiologist Harry F. Clements, developed a crop log which indicates the nutritional needs of growing sugarcane. Our scientists discovered also that the application of iron sulfate made productive much land previously considered unsuitable for pineapple culture.

Time was when Hawaiian sugarcane molasses was largely exported and when bagasse, the residue of sugar manufacture, was either burned or thrown away. Tests by the University of Hawaii Agricultural Experiment Station under the direction of Professor Emeritus of Agriculture Louis A. Henke showed that these two byproducts could be introduced successfully into livestock rations. Emeritus Senior Specialist in Animal Husbandry, Charles M. Bice, and Dean Morton M. Rosenberg have adapted these materials to poultry feed, providing industry with a profitable outlet, saving the poultry and livestock raisers the expense of importing costly grain, and benefiting the islands' import-export balance. This same principle applies to other sugar-raising areas of the world dependent upon the importation of costly Temperate Zone feeds—a fact which has brought recognition to our scientists from far beyond the borders of the State.

Time was when the canneries paid carters to haul away fermenting, rat-infested piles of pineapple bran, the apparently worthless residue of their operations. The university's experiment station demonstrated that this substance could be a nutritionally valuable ingredient of swine rations The industry, hograisers, and the Hawaiian economy as a whole were benefactors. The principle is now beginning to be applied in the pen fattening of top quality beef.

Time was when fruits and vegetables were shipped indiscriminately in trunks from the neighbor islands to the island of Oahu, where over 80 percent of Hawaii's population is concentrated. Spoilage was high. Since that day the university's agricultural extension service has taught the farmer what to grow, how to grow, package and ship, when and where a profitable market exists. The dependence of island residents and the military on imported foods has thereby been reduced and the island economy has benefited accordingly.

The vitamin content of tropical fruits has received intensive study. In the course of such work, Carey D. Miller, professor emeritus of foods and nutrition, adopted the practice of naming her laboratory animals for deans and faculty members. One day she phoned a member of the administration to announce jubilantly that Dean Arthur Keller had just given birth to a lusty litter of rats.

In mechanic arts, as well, the college rendered signal services to the community. A story illustrates the close liaison between town and gown and the cooperative spirit between professor and students and their willingness to carry out together whatever needed to be done.

Professor of Engineering Arthur R. Keller—destined to become dean, vice president, and acting president—informed the mayor of Honolulu that a drainage system was badly needed on campus, in fact throughout that whole section of Manoa Valley. The mayor confessed sadly that he had funds for the installation of a system but none for surveying and for the preparation of plans and specifications. The professor expressed his disappointment and returned to his classroom. But within a short time, he was back in the mayor's office. He complained that the drainage situation was worse than ever. The mayor, with some asperity, repeated his statement of a few weeks before. "That's no longer any obstacle," the professor informed him, and unrolled before his astonished eyes the full set of plans and specifications which he and his students had prepared.

ARTHUR L. DEAN AND RESEARCH

By 1913, when President Gilmore retired, the faculty had increased from 12 to 20, the students from 5 to 128, and the institution—now designated officially as the College of Hawaii—had moved from its Thomas Square location to land acquired in Manoa Valley, where its first permanent building, Hawaii Hall, had been completed. "The importance of this change from dusty, noisy, overcrowded, and unattractive buildings to the quiet, airy, commodious and dignified college hall set amid the beauties of Honolulu's most charming valley," wrote Arthur L. Andrews, a professor of English, "cannot easily be appraised." (Not all of the professor's adjectives, I hasten to interpolate, still apply. "Commodious" scarcely describes a crowded campus whose buildings are bursting at the seams.) An additional building was an observatory erected in the Kaimuki district on land donated for the purpose, from which Halley's comet was observed—which reminds me of the reply of the linguistic purist who was asked if he were "familiar" with this thrilling phenomenon. The reply was: "Only from a distance."

The first class—that of 1912—had been awarded degrees: Louise Gulick and William John Hartung in science, Leslie Cooper Clark in agriculture, and Yong Fook Tong in engineering. Outstanding among honored guests in photographs of these early commencements was Sanford Ballard Dole, the venerable patriarch with flowing white beard who had served the islands successively as President of the Provisional Government, President of the Republic, and first Governor of the Territory of Hawaii.

Shortly before his retirement, President Gilmore wrote: "To such an extent has the college grown both in number of students and varied lines of work that all the laboratories are now crowded"—so crowded that experiments were conducted in corridors where students were jostled by passers-by. Most of the chemistry apparatus and supplies had to be stored under the building. One of the gifts which the president gratefully acknowledged (they were usually secondhand books and wornout machinery) came from the fire department: one horse—presumably one that had lost its fire.

Progress, however, was not without its temporary setbacks. When at one juncture enrollment fell off by 20 students, it was suggested that entrance standards be dropped or that junior and senior high school students be admitted—suggestions that, happily, fell on deaf ears.

President Gilmore was succeeded by Arthur L. Dean. It has been said of Dr. Dean that he "found a pasture and left behind him a campus." He was greeted by the unwelcome news that in the year before there had been a territorywide overdraft, making it necessary—for every department to take a pro rata cut. However, the following year, the legislature doubled the college's budget and provided for physical facilities. I take particular comfort that this may become a traditional way of greeting new presidents.

Dr. Dean, who had received degrees from both Harvard and Yale, was deeply interested in research, especially as it applied to agriculture. This interest focused upon a problem which had become serious in Hawaii and, indeed, throughout the other islands of the Pacific: leprosy, a disease against which native populations apparently had very low resistance. His studies centered on chaulmoogra oil, the curative values of which held great hope for many years.

During the 13 years of Dr. Dean's administration (1914–27), enrollments rose steadily from its World War I dip, the first master's and doctor's degrees were awarded, Army ROTC was introduced, and in football the wonder team amassed a total of 331 points against 17 for its opponents, which included Occidental, the Colorado Aggies, and Washington State. Athletics was to have strong student and alumni backing over the years. Soichi Sakamoto was beginning to develop his highly effective training techniques when teaching plantation workers to swim in irrigation ditches. Since becoming university swimming coach he has trained a long line of national swimming champions to follow in the footsteps—or, rather, racing lanes—of world famous Duke Kahanamoku. Many of these have been quickly weaned away by mainland institutions.

Our university football and basketball teams have regularly toured west coast campuses. Baseball teams have played in Japan. Track and field has recently placed emphasis on women athletes, several of whom have distinguished themselves at mainland meets.

In 1921 an annex was built to lone Hawaii Hall. It served as a men's dormitory. Presumably on the basis of decibels, it was disrespectfully dubbed "the boilerroom." It was balanced off by Hale Aloha, a women's dormitory, affectionately known as Chicken Inn.

Permanent construction during President Dean's administration included the first library building, an additional classroom building, and a marine laboratory, not to mention a swimming tank, faculty and student donations to which were indicated by the rising level of colored water in a small glass tube prominently displayed.

Before Dr. Dean retired in 1927 to head what was to become the Pineapple Research Institute, whose experiment station the university had officially managed since 1924, the Psychological and Psychopathic Clinic had been established, the Alumni Association had been formed, the first summer session had been held, and the extension division (now the College of General Studies) had offered its first courses for adults. The crowning achievement of Dr. Dean's administration, however, was the transition of the institution from college to university.

WILLIAM KWAN TONG YAP AND THE UNIVERSITY

By World War I, plantation laborers who had been imported earlier to till the fields had begun to leave the rural areas and to make a far better living in the city. These enterprising individuals were ambitious to give their children the education they themselves had been denied, but they were not sufficiently affluent to afford the expense of sending them to the mainland and to bear the cost of maintaining them there. They could, of course, have sent them to the College of Hawaii to receive instruction in the scientific and technical aspects of agriculture or construction. But their aspirations transcended what the college had to offer at that time. They wanted their children to become versed in the social sciences and humanities, and moreover, to attain the prerequisites of professional training as dentists, doctors, and lawyers. One such person was island-born William Kwan Tong Yap. He had his counterpart in communities throughout our country.

Yap had visited China at a time of great enthusiasm for new methods of education. "The old examination stalls," he wrote, "were everywhere being torn down to make way for modern schools." When he returned to Hawaii, this great thirst for knowledge remained fresh in his mind and he became deeply interested in the educational problems of the territory. He envisioned the university as "a beacon of enlightenment" that would draw the peoples of the Pacific, promote better understanding, and serve, to use his own words, as "a real factor in bringing about international good will and the establishment of permanent world peace."

A few days before the signing of the Armistice, Mr. Yap drew up a petition begging the honorable legislature to elevate the college to a university. He succeeded in securing 435 signatures representing substantially all walks of life and racial antecedents. They included Pratt, the doctor; Botts, the lawyer; McInerny, the merchant chief; Day, the butcher; Love, the baker; and other names intimately associated with our economy and culture—Atherton, Baldwin, Castle, Cooke Damon, Dillingham, Farrington, Frear, Hemenway, Kahale, Kwock, Mori, Silva, Young, and Waterhouse.

President Dean stated that he and the members of the board of regents were prepared to be "willing instruments of the people of Hawaii if they felt that the time was ripe." The time did seem to be ripe. The whole country hung on the threshold of the industrial expansion and civic betterment that were expected to follow cessation of hostilities. Arthur G. Smith, a prominent lawyer and a member of the board of regents, drew up an act of establishment. But there was resistance in the legislature, based on the high cost of adding the new college—a matter of $32,000 a year. A local newspaper queried editorially: "Isn't it better to educate all the youths of the territory along practical lines rather than a very small number in calculus, Ovid and other branches of 'higher education'?" But resistance melted away when President Dean wisely suggested that the transition be postponed a year to permit time for the necessary planning and recruitment. As a result, the act passed the legislature, to become effective July 1, 1920, and was signed by the Governor of the territory. It enabled the university to fulfill along with its sister land-grant institutions the broader expectations of the Morrill Act by readjusting its goals in terms of the changing requirements of the citizens of the land.

DAVID L. CRAWFORD AND SCHOLARLY INTERCHANGE

President Dean was succeeded in 1927 by David L. Crawford, who had joined the college as early as 1917 as professor of entomology and who in 1921 had been appointed director of extension service. A year after his appointment, the agricultural extension service was formally established. The following year the Federal experiment station, which had been functioning in the territory since shortly after the turn of the century, was incorporated into the university as the Hawaii Agricultural Experiment Station. The capstone was set when the word "tropical" was recently added to the name as indicative of the college's farflung influence throughout tropical and subtropical areas.

The first academic year after President Crawford's inauguration, the institution was accredited by the Association of American Universities. Early in his administration, a second preexisting educational institution was formally incorporated into the university. This was the Territorial Normal and Training School, which in 1931 became Teachers College. Its building across University Avenue was brought within the bounds of the campus. To signalize this important event, Founders Gate, financed by popular subscription, was erected in 1933 at the intersection of University Avenue and Dole Street. The inscription which it bears is indicative of the underlying philosophy of the university: "Above all Nations is Humanity."

That these words were not in vain is attested to by swiftly developing events. A debating team composed of a Chinese, a Japanese, and a Caucasian competed against leading universities throughout Asia and the Pacific. In 1936, the university held a month-long seminar-conference on Education in Pacific Countries at which 7 cultures and 21 Pacific countries and dependencies were represented. That same year the university was presented with the FIDAC Medal, awarded by the Fédération Interalliée des Ancien Combattants as one of three American universities that had done the most to promote world peace.

President Crawford envisioned a prominent role for the university in this field. In his foreword to the 30th anniversary publication, he wrote: "Set midway between Orient and Occident, in the midst of a population that is representative of both east and west, this university is committed to a program of educational service in the field of human relations which may prove to be a very potent force for world peace."

President Crawford's views were reflected by those who visited the university during this period. Edwin R. Embree, president of the Rosenwald Foundation, spoke on "The New Civilization" at commencement in 1936, stating that "this new civilization is not entirely in the realm of vague expectation and pious hopes. It is already in course of development. Appropriately enough, the birthplace of this new culture, compounded of the best of the east and the west, is in the group of islands situated midway between the Western World and the Orient."

Philosopher Will Durant addressed the students on his way through 2 years later. He was to write: "Never before, not even in China or Japan or India, had I so keenly felt the narrowness of my perspective and the superficiality of my thinking. Behind those fine cleareyed faces was another view of the world than mine, another conception of man and morals, and human destiny.

"I shall consider no man a mature scholar henceforth unless he unites in himself something of the culture of both east and west. I picture the University of Hawaii as giving to all other American universities a lead in this work of mutual understanding.

"I hope that I may be permitted soon to look into those varied faces again, so that I may remember that philosophy is total perspective, and that all men are brothers."

Bower Aly, a visiting professor of speech, wrote: "Every university graduate in the United States should have two universities, his own and Hawaii. For the University of Hawaii is our American window on the Orient, and our look into the future."

During this era an exchange student program was instituted in cooperation with the University of California, the College of the Pacific and other Pacific coast institutions. One such student wrote: "It has taken simply the intimate association with a Chinese student as a roommate to make me bow no more to the artificial barriers which I had before coming to the University of Hawaii."

Following the doldrums of the depression, buildings rose throughout the campus in an effort to keep pace with burgeoning enrollments. This creeping encroachment on his cow pasture impelled Professor Henke to protest: "Every time a new building goes up, it throws a dozen cows on relief." Construction included buildings devoted to agriculture, engineering, home economics, the physical and social sciences, the theater, physical education, and student activities. Most dramatic of all was the Arthur L. Andrews Outdoor Theater, the scene of future convocations, pageants, luaus, and commencement, anniversary, and inaugural exercises. In this lovely spot, where I was recently installed, is held the annual auction of fattened 4-H steers just prior to their journey to the slaughterhouse. I hope this sequence has no prophetic overtones.

President Crawford resigned midway in 1941. Gregg M. Sinclair was appointed to succeed him a year later. During the months that intervened, Arthur R. Keller served as acting president. It was he who had startled the mayor with drainage plans for East Manoa.

GREGG M. SINCLAIR AND THE PACIFIC ERA

Gregg M. Sinclair took office as fourth president of the University of Hawaii on July 1, 1942. On December 7 of the previous year the explosion at Pearl Harbor had rocked the Nation out of its complacency and engulfed the world in war. President Roosevelt wrote from Washington: "I hope that by your courageous leadership, you may demonstrate what the function of a university is when standing in the spotlight of the theater of war." The university did just that.

Various branches of the military moved on campus. The gymnasium became barracks for the Hawaii Territorial Guard. The Union Building became an evacuation center for refugees from Hickam Field and Schofield Barracks. Faculty members stood guard, performed police duty, conducted briefings, censorship, fingerprinting, chemical and bacteriological analysis, and offered training in radar and electronics.

The university was placed on a three-term basis, the faculty teaching year-round without extra compensation.

Students of Japanese ancestry formed themselves into an organization called the Varsity Victory Volunteers and offered their services in any capacity in which they could be used. The Military Governor attached them to an engineering unit. They set up prefabricated field shelters, erected fences, operated a quarry, built roads, and extended railroad facilities. Many university students went on to distinguished service in Italy and France as members of the famous 100th Infantry Battalion, and of the 442d Regimental Combat Team—the most decorated U.S. unit in the war.

Until after the Battle of Midway, the students that remained on campus continued to lug their gas masks to class, and bomb shelters were kept in instant readiness.

Meantime, the extension division (now the College of General Studies) did a land-office business handling Armed Service Institute correspondence courses. Our agricultural and home economics services sought to increase the food production of our beleaguered islands and to introduce emergency techniques to farmers and householders. Our theater became headquarters of the soldier show section of the U.S. Army that toured the Pacific under the direction of Shakespearean Actor Maurice Evans. A faculty member still cherishes the human skull which had done double duty as ash tray in Evans' office and the remains of Poor Yorick in the graveyard scene of "Hamlet."

Hawaii's land-grant university had demonstrated, indeed, its adaptability to wartime conditions.

Research was redoubled in the postwar period. The United Nations had made the United States responsible for the Trust Territory of the Pacific. For 50 years these far-flung islands had been successively under the domination of the Spanish, Germans, and Japanese, who had closed their doors to outside scientists. Suddenly this biological bridge between southeast Asia and America became the focus of scientific activity. In this, University of Hawaii scientists contributed their full share. Thirteen university faculty members served on the high commissioner's advisory council on education, and for 3 successive years, the university conducted summer sessions on Guam.

This quickening of interest in the Pacific led President Sinclair to coin a phrase.

"Since 1941," he wrote in his introduction to 14th anniversary volume, "events in the Pacific Ocean area have been so important, indeed so cataclysmic, as to give rise to a new phrase, 'The Pacific Era.'" He continued: "At a focal point in the midst of this activity, on the island of Oahu, which means the gathering place, stands the University of Hawaii, fully sensible of the obligations and opportunities attendant upon this epoch."

The university was to serve repeatedly as gathering place of international scholars. In 1947 eminent educators gathered to participate in the celebration of the institution's 40th anniversary. Two years later the second decennial East-West Philosophers' Conference was held. It was followed in 1954 by the Conference on Race Relations in World Perspective, cosponsored by the universities of Hawaii, California, and Chicago. From both conferences came the first of a notable series of books published by the University Press.

Meantime, strenuous efforts were being made to disprove the saying current on university campuses that no building is a temporary one. To accommodate the postwar doubling of enrollment, 62 barracks-type buildings had converged upon the campus from abandoned military operations. To replace these eyesores, nuzzling along the permanent structures like bedraggled litters of nursing puppies, a construction program was launched that included quarters for the administration, faculty, students, chemistry, marine biology, bookstore, food processing, and athletics. More of Professor Henke's cows were put on dole. Actually, they went over the mountains to fields on Oahu's windward shore.

The athletic plant was placed in an area persistently referred to as "the quarry," despite strenuous efforts to introduce the more dignified appellation "lower campus." It was from this region that oldtimers were accustomed to hear a dynamite explosion so accurately set off at noon that they set their watches by it. No wonder the word quarry so tenaciously persisted.

Many heretofore virtually one-man departments underwent rapid development into well-balanced instructional operations. These included music, art, speech, zoology, physics, and drama. The Theater Group presented the world premiere of "Where the Blue Begins." In the audience were playwrights Christopher Morley and George Bernard Shaw.

Chapters in the national academic fraternities of Sigma Xi and Phi Beta Kappa were added to Phi Kappa Phi. The graduate division became the graduate school. Social work was offered on the graduate level. The engineering aspects of agriculture were promoted by a building and equipment donated by the Hawaiian Sugar Planters' Association and the Pineapple Research Institute. The Teachers College laboratory schools were rounded out by addition of a high school. A school of nursing and a college of business administration came into being. Instruction was enriched by initiation of the annual advanced management program in cooperation with the Harvard Graduate School of Business Administration; by the American universities field staff lectures with firsthand reports from pressure points throughout the world; and by the development of the instructional program on the island of Hawaii which bore the names successively of Hilo center, branch, and campus.

One of the most significant developments was initiation of the annual Asian orientation programs at which grantees from the Orient are familiarized with American institutions and idiomatic English usage prior to undertaking graduate work at mainland institutions.

To be quite frank, many of the Asian orientation grantees—"occidentation" would be more descriptively accurate—resented the fact that they had been sent to the University of Hawaii rather than to a mainland institution. That is, at first. Their ultimate reaction was quite the contrary. "We are the lucky ones," they wrote in one of their publications—lucky because Hawaii's climate, faces, foods, tongues seemed familiar to them and made them feel at home.

Just before his retirement, President Sinclair filled a long-felt need by establishing the University of Hawaii Foundation whose function it is to receive, hold, and distribute funds donated for the benefit of the institution.

RECENT ADMINISTRATORS AND THE INTERNATIONAL SCENE

President Sinclair was succeeded upon his retirement on July 1, 1955, by Paul S. Bachman, vice president and dean of faculties.

Dr. Bachman died suddenly on January 9, 1957, after a little over a year and a half in office. During the interval between his death and the appointment of Laurence H. Snyder as sixth president, Willard Wilson, the university vice president, served as acting president for another year and a half.

This 3-year period constituted an important link in the university's development. Agricultural research was stimulated by the completion of a new laboratory building, at the dedication of which Secretary of Agriculture Ezra Taft Benson spoke. Hawaii's great potential as a center of geophysical research was acknowledged by the establishment of an Institute of Geophysics. Research and instruction in these fields and in those to do with the culture of Pacific and Asian countries were furthered by the dedication of the Gregg M. Sinclair Library. Celebration of the university's 50th anniversary served to bring into focus the institution's rapid development since its "cow college" days, and to point to an increasingly significant role in human affairs.

During the 40 years between 1920, when the institution became a university, and 1960, the student body had increased from 400 to 10,400 the faculty from 50 to 1,000. Annual expenditures had increased a hundredfold, from $157,000 to $15,700,000. The increased cost of conducting the university is accountable not only in terms of quantity and quality, but in those of developing the individual to his highest potential for useful service in new areas.

The 5 years between 1958 and 1963 have seen tremendous physical expansion, the value of facilities erected during this period being twice that of buildings constructed during the institution's first 50 years. They included a $3 million Institute of Geophysics, financed by the National Science Foundation, with laboratories in Manoa Valley and an observatory on Mount Haleakala. Now, added to the solar radio noise, solar flare, and cosmic ray patrols of the International Geophysical Year are the air glow, zodiacal light, and corona program of the Year of the Quiet Sun—a far cry from the lone telescope in Kaimuki that trained on Halley's Comet. The number of instructional departments has doubled; the College of Applied Science has been replaced by the colleges of Engineering and Nursing; and Teachers College has become the College of Education in recognition of its enlarged responsibilities. Graduate students have increased from 1,500 to 2,500, candidates for advanced degrees from 250 to 750. Masters programs have increased from 33 to 51, doctorate programs from 6 to 18. Research grants—mostly from outside the State—have increased from less than half a million to more than four and a half million.

Characteristic of this period was a sudden expansion of intercultural responsibilities throughout the Pacific area. The land-grant credo was being extended beyond our national borders, and we were sharing the fruits of learning with our Pacific neighbors.

Events included the 10th Pacific Science Congress of the Pacific Science Association, which returned to Honolulu, the scene of its initial meeting 40 years before. President Laurence H. Snyder, the internationally recognized "father of human genetics," presided. His deep interest in medical sciences was later principally responsible for the establishment of an institute of public health research which serves as a focus of the study of tropical diseases.

Held also during this period was the third decennial East-West philosophers' conference. Whereas the community had been relatively cool to the esoteric emphasis of the two previous conferences, this one stressed philosophy in its practical perspectives, and so aroused public interest that more than 100 of Hawaii's citizens and businesses contributed $1,000 apiece to insure the fact that the fourth conference will be held in 1964, 5 years earlier than planned.

During this period, also, the university contracted with the Governments of Thailand and Pakistan to conduct vocational training under the auspices of AID (Agency for International Development); a contract was entered into with Kasetsart University in Thailand for agricultural development; the College of General Studies added to its islandwide services by offering courses on Eniewetok, and Peace Corps training was conducted.

The crowning event of this period was the signing of a contract with the Department of State to establish on the campus a center for cultural and technical interchange between East and West. Its handsome buildings are now completed along the banks of Manoa Stream.

Supported by an initial $10 million Federal appropriation, it provides for scholarships for selected undergraduate and postgraduate students from Asia and the United States, for an institute of advanced projects, and for an institute of technical interchange. Now in its third year of operation, it has brought to the campus several hundred student grantees and several dozen senior scholars from more than a score of countries of the greater Pacific area.

Grantees have repeatedly observed that in addition to learning about the countries of the Western World, they have learned more about their Asian neighbors than they ever could have at home—further evidence of the importance of the university's role as an international meeting place and an agent of cultural interchange.

Important as the greater Pacific area is in international affairs, this is not enough. We must broaden our horizons to encompass the entire surface of our planet. "No man is an Iland, intire of Itselfe." The Ebro runs down Oxford Street. The Niger threads the jungles of Brazil. Europe, Africa, South America—these continents are equally our concern. To deny this would be to woo the perils of provincialism. The world, if not our oyster, is surely our concern.

Atomic Physicist J. Robert Oppenheimer has described our world in these words:

"In an important sense this world of ours is a new world, in which the unity of knowledge, the nature of human communities, the order of society, the order of ideas, the very notions of society and culture have changed and will not return to what they have been in the past. * * * The global quality of the world is new: our knowledge of and sympathy with remote and diverse peoples, our involvement with them in practical terms, and our commitment to them in terms of brotherhood. What is new in the world is the massive character of the dissolution and corruption of authority, in belief, in ritual, and in temporal order. Yet this is the world that we have come to live in. The very difficulties which it presents derive from growth in understanding, in skill, in power. To assail the changes that have unmoored us from the past is futile."

The land-grant college must continue to maintain its relevance to this new world, to determine how it can be newly applied to a society of truly international dimensions, to redefine itself in terms of the broad, comprehensive ends which Justin Morrill first postulated for it.

Morrill, Lincoln, and their enlightened associates have made us the living beneficiaries of an educational philosophy whose scope is infinite, whose horizons are as limitless as man's imagination and courage. The educational advances of the past century have not come about without travail, nor will those of the century that lies ahead. While revering the statesmanship of our illustrious ancestors, "it is for us the living," to quote the Great Emancipator, "to be dedicated here to the unfinished work."

There are times when I think that even to speak of the university and the world is a misleading phrase to apply to the period which lies ahead. Almost a month ago a former student of the University of Hawaii orbited around this world 22 times. Our scientists already are at work in many areas of research related to space and to other planets. It may well be that for the last four decades of the 20th century a better phrase would be "the university and the universe."

STATEMENT OF SENATOR PEARSON ON ALLOCATION OF OIL IMPORT QUOTAS

Mr. TOWER. Mr. President, I ask unanimous consent that there be printed at this point in the RECORD a statement by the distinguished junior Senator from Kansas [Mr. PEARSON] which will be presented soon to the Senate Select Committee on Small Business.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Statement of Senator James B. Pearson, Republican, of Kansas, Before the Senate Small Business Committee Hearings on Allocation of Oil Import Quotas

Mr. Chairman, the study in which this committee is involved is extremely valuable. Your concern with the structure of the oil business is a subject of utmost significance. In my remarks on the Senate floor on July 8 of this year I pointed out that the "petroleum producers comprise one of the most complex economic entities in the country, involving many thousands of companies." Too often and too commonly a misconception about the oil industry has prevailed, that it is a single and easily identifiable group of firms. This misconception has affected the design of our national policy and its implementation. I want to emphasize that an understanding of the oil import policy and its effects on the oil community must begin with the realization that a vast number and variety of individuals, firms, and even industries are involved in oil production, processing, distribution, and sale.

These many firms are quite different in terms of size and function. However, a distinction can be made between the large vertically integrated companies and the small independent firms. In the first case there are some 20 major firms involved in the entire process of exploring for oil, drilling and producing the crude oil, transporting it to their refineries, refining the crude oil into products, and distributing the products to wholesalers and retailers. On the other hand, there are many more independent firms each of which may be involved in only one of these stages. Even though these small businesses are many more in number than the major companies their influence in the whole industry is less. Figures show that in 1959 the 20 major companies accounted for 48 percent of the crude oil production and 84 percent of the refinery runs. The national fuels and energy study conducted by the Senate Interior Committee in 1962 concluded that far fewer firms accounted for the bulk of output in oil refining than in electric generation, gas distribution, crude oil and natural gas production, and coal mining. And the trend toward concentration in the refining segment of the oil industry is continuing.

You are studying the question of import allocation policy as it affects this refining segment of the industry. I am sure you have observed the trend of which I speak. You are undoubtedly concerned with the structure of this part of the oil complex and how small refiners are trying to continue in operation. I am encouraged to see that the problem is being investigated. However, I am here to urge that your investigation not stop with this segment of the oil industry. That is, when the refining process is changed in its composition the producing segment most certainly feels the impact. Therefore, I am vitally interested in seeing that the plight of the oil producers be a part of your study.

As you know, there are several thousand small, nonintegrated independent oil producers in this country. They provide the broad base of this segment of the industry. Here is a group of small businesses engaged in an active competitive struggle. Without their own refining facilities or transportation system they must sell their product to whatever refiner will offer to buy. What is happening to the independent producer as the refiners become fewer in number but larger in size as they have become and as they appear to be developing? This is a question which this committee must carefully investigate in its study of import allocations. If the refining segment of the oil industry continues to grow more concentrated what will this do to the exploration activity of our independent producers? Is it possible that exploration may be diminished as the number of refiners diminishes? To what extent is it true that exploration is confined to an area which is near enough present pipelines to assure the potential producer of a reasonable return if he should discover oil? With more refineries in a more broadly dispersed area might exploration be expanded? These are questions which I feel your committee must explore.

I am seriously concerned with maintaining the level of competition and the possibility of continuing small business operations in the area of oil production. The independent producers have served the Nation well in their efforts to seek out and develop oil reserves. It is important that they receive due consideration. I am afraid that this has not been the case. In my remarks on the Senate floor on July 8 I cited the difficult situation facing the independent oil producers in Kansas. Today I want to elaborate on that earlier statement in order to illustrate why your committee must not neglect the plight of the independent oil producer.

Since my statement on July 8 I have received correspondence from many firms who are a part of the troubled Kansas oil producing community. For example, I have a letter from a independent oil producer of Wichita. He expresses the urgency of this situation by pointing out that "it is well reflected in the diminished drilling and exploration program in Kansas, which in turn is reducing millions of dollars of payroll and is causing the State of Kansas to lose untold revenue in the way of excise tax on materials, as well as ad valorem tax, State, county, and city taxes." The seriousness of this situation must not be overlooked.

The production of crude oil is of vital importance to Kansas. It provides income and employment not only for those directly involved in bringing the oil from the ground but for the many firms who supply and service the oil producing community. Altogether they comprise a significant part of my State's economy. I am deeply concerned, therefore, when I see that the production of crude oil has been declining every year since 1957. The State has now reached the lowest level of production since 1951, and the trend downward seems to be well established. If the plight of the independent producer in Kansas were typical of overall national production I might be less alarmed. However, Kansas, whose oil industry is made up primarily of independent producers, is losing its share of the Nation's production. And that level of production itself is not active enough. At the end of 1963, Kansas' share of U.S. oil production dropped to only 80 percent of what it was in 1958. The loss in the national share has been continuous and steady since 1958. Kansas is one of the country's major oil producers, being the sixth largest. It is then of great importance that the State is suffering with a declining industry.

So far I have mentioned only the physical production of oil. If prices had risen as production was falling then the ill effects from production loss would have been somewhat overcome. However, prices have fallen during that period. From 1957 there has been a steady erosion in the average price for a barrel of crude oil. This has been accelerated by a statewide cut this year and further price deterioration appears imminent.

The combined effect of a fall in the physical production of oil and a fall in the price of that product is a doubly unfortunate and serious situation. The consequence is that the dollar value of oil production in 1963 was nearly $55 million lower than that of 1957.

When an industry suffers such a loss the consequences are broad and extensive, affecting much of the State and in many ways. In particular, I would like to discuss the impact on employment, oil reserves, and tax revenue.

In the first case, the loss of jobs and income resulting from diminished activity in the oil producing community is something which cannot be easily replaced. The rest of the State suffers because of the reduced spending. Those out of work must find employment somewhere else, and with our declining agricultural employment this is a difficult task.

The loss of employment in Kansas' crude oil and natural gas production industries is particularly serious when compared to the employment picture of the rest of the State. Between 1940 and 1960 there was a 26-percent increase in the total Kansas labor force. Even though this was less than the average growth of the Nation, all but two of the industrial sectors of the State showed steady growth in employment. Agricultural employment has fallen lately because of the advances in farming methods and the increased use of farm machinery.

The other industrial sector which has shown a fall in employment is crude oil and natural gas production. And the reason for this drop in the labor force is clearly the reduction in crude oil production and exploratory drilling. In May 1964, there were jobs for only 73 percent as many men as the industry was able to provide in 1957, just 6½ years before. This loss of jobs has taken place at a steady rate. It means that 3,200 men have been forced to find other employment. This also involves an alarming loss of skilled field and drilling employees. It means that a payroll of several millions of dollars has been cut off. What it means in the way of reduced spending in the State has not been measured. The entire State suffers when one of its important industries suffers.

The second consequence of declining oil production which I would like to discuss is the adverse effect on oil reserves. Reserve crude oil producing capacity is vital to the Nation, not just because a major industry's health depends upon it, but the country's defense cannot be satisfactorily maintained without the assurance of an adequate oil supply as contemplated in the security clause of the Trade Agreements Act. Exploration and development activity must be continued at a steady pace so that reserves can be assured.

How can this be accomplished, however, when oil production, income, and employment are steadily falling? If the oil producer is discouraged, as he has been in the State of Kansas, there will be a dwindling of reserves. And just that has taken place in my State. Since 1955, Kansas' reserves of oil have been continually depleted until the end of last year there was only 84 percent of the 1955 reserves. It is no wonder that this situation has developed. Wildcat drilling has been discouraged. The falling prices of oil, the rising costs of production, and the uncertain import quota which only recently was raised to allow more imports, have all acted to deter the independent oil producer from further exploration. What should be a pattern of steady and expanded drilling activity and of increased operation of oil rigs has been just the opposite. Well completions, both wildcat and for development of known deposits, have been sporadic and there has been a continuous decline in the number of rigs in operation. Neither Kansas nor the country can afford to allow this to continue.

The independent oil producer has taken the responsibility for oil exploration in the past several years. He should be encouraged to explore instead of having to fight for his existence.

The final adverse effect of falling oil production in the State of Kansas which I will discuss is the question of tax revenue. The city, county, and the State governments collect taxes from the oil producers on two principal bases; income tax levied by the State and property tax levied by the local communities. In each of these cases the tax base is falling, tending to cause the revenue to fall.

In the first case, that of income taxes, it is clear that the tax revenue is reduced over what it would be if production were at its previous level. All of those who derive income from oil production, including the producer, the landowner, the leaseholder, and the royalty owner, to name a few, earn a lower income as production decreases. I have already pointed out that over 3,200 jobs have been lost since 1957. This is just an example of the reduction in taxable income that has resulted from the reduced oil production.

The most disturbing situation, however, is the final case, that of property valuation. I want to point out that the tangible value of all property in my State has increased during the past 4 years, thus allowing for more tax revenue. However, what has happened in the case of tangible value of oil and gas property is just the opposite. It has consistently decreased during those years. In order to maintain the level of tax revenue when the base is decreasing, the rate must become greater. And this is just what has happened. Not only have the oil producers experienced falling production, employment, and property valuation but they have had to pay a tax bill whose rate grows higher each year on their diminishing property. This will lead to premature abandonment of millions of barrels of otherwise recoverable oil.

If, on the other hand, their property had at least maintained its value the tax rates that have been used would have yielded the State several millions more in revenue. As it is, the oil producers suffer on both counts. As production goes down taxes go up. Surely this is a discouraging situation and the State stands to suffer from this problem. Ninety of our 105 counties have oil production. Thus, most locally financed programs for schools, roads, and general government operations cannot receive the funds they need so long as the value of oil and gas properties continues to fall. That is, unless the tax rate continues to be pushed higher. And this certainly does not help what is already a declining industry. Government policy at all levels must not continue to discourage this troubled group of firms. The problems of the independent producers deserve careful consideration and relief.

In conclusion, I would like to say that it is a serious situation when the independent oil producing industry suffers the declining production with which it has been plagued for years. It has serious implications for our employment situation, for the oil reserve position of the Nation, and for the tax financed city, county, and State government activities. This is true not only in Kansas but in many other States as well.

Therefore, I urge your committee to expand its present study of import allocations to examine the impact of changes in the refining segment of the oil industry on the independent producer and to probe into the problems facing the independent producers as a whole. It is a matter of particular concern to your committee that this group of small businessmen have their case heard and their problems considered before it is too late.

This is a vital part of the entire oil industry. It is facing serious problems. It is of concern to the entire Nation that this segment of the industry reverse its decline.

Mr. TOWER. Mr. President, the Senate Select Committee on Small Business has been concerned about the allocation of oil imports among domestic refineries. It has been seeking to determine if this allocation has been at all responsible for the decrease in the number of small refineries and the consequent impact upon the industry.

Senator Pearson notes in his statement that the oil industry is, in fact, a composite of different business segments, and that what happens to any one segment—in this case the refineries—has an impact upon the other segments, and particularly upon the independent producers. My Kansas colleague, who is most knowledgeable in these affairs, emphasizes that independent producers in his State are experiencing very difficult times as a result of his State's declining independent oil production, falling prices, and increasing taxes.

Senator Pearson urges the committee to expand its studies to include the problems of domestic independent oil producers as they are affected not only by oil imports, but by other national oil policies. I heartily commend his views to the attention of the Senate.

TRIBUTE TO THE CHAPEL CHOIR OF THE FIRST BAPTIST CHURCH OF DALLAS, TEX.

Mr. TOWER. Mr. President, the Chapel Choir of the First Baptist Church of Dallas, Tex., honored the White House and the Senate Rotunda and, of course, Washington, D.C., on August 6, 1964.

This very fine choral group, composed of young Christian men and women, has presented concerts throughout this country and in Canada.

I am indeed proud the 200-voice group was so well received here. The many fine compliments given them are well deserved.

Mr. President, I ask unanimous consent that brief, factual material concerning the First Baptist Church of Dallas, Tex., and the very fine chapel choir be printed at this point in the Record.

There being no objection, the factual material was ordered to be printed in the Record, as follows:

The Chapel Choir of the First Baptist Church

The First Baptist Church of Dallas, Tex., is in many respects one of the world's most remarkable churches. Founded in downtown Dallas in 1868, and presently surrounded by 50-story skyscrapers, the First Baptist Church has grown to become the largest Baptist church in the world. Housed in a plant, covering three city blocks, the church now has a membership of well over 13,000.

The pastor of the First Baptist Church for the last 19 years has been Dr. W. A. Criswell, one of the world's foremost Baptist ministers. Before him, the church was led by Dr. George W. Truett.

The First Baptist Church is a member of the Southern Baptist Convention, and sponsors six missions in the Dallas area, including special departments for the deaf and mute, and for worshippers speaking only the Spanish and Chinese tongue.

The 200-voice chapel choir is only 1 of 21 choirs at the First Baptist Church of Dallas, Tex. This unique choral group is composed of dedicated, Christian young people, 15 through 19 years of age. They sing regularly for the 8:15 Sunday morning services at the First Baptist Church in Dallas.

The choir has been featured in concerts throughout the United States and Canada in churches, colleges, city auditoriums, bandshells, amphitheatres, and on television and network radio. They have presented concerts at the Red Rocks Theater, Denver; Grant Park Bandshell, Chicago; Air Force Academy, Colorado Springs; Oakes Garden Theater, Niagara Falls, Canada; and an impromptu concert at the famed French Quarter in New Orleans.

The chapel choir also participates in the oratorios and cantatas often present at the First Baptist Church, which include such works as "Elijah," "The Messiah," "The Seven Last Words," and "The Crucifixion."

The choir is under the direction of Mr. Lee Roy Till, minister of music of the First Baptist Church, Dallas. The accompanists are Dr. William R. Hanson, organist, and Miss Jo Ellen Johnson, pianist.

MOTHER'S DAY

Mr. JORDAN of Idaho. Mr. President, today as we conclude action on the so-called antipoverty bill, I remind my colleagues that this is certainly no cure-all for our national or individual economic ills. And perhaps it is just as well. After all, many of our finest citizens have been pushed to greatness in their experiences with adversity, physical or economic.

A Mother's Day editorial tribute by Gene Shumate, owner of radio station KRXK in Rexburg, Idaho, to his own fine mother illustrates well the point I wish to make.

It must be a great satisfaction to Gene to realize that he has such a wonderful mother. Practically alone, she waged her own war on poverty and adversity. She is a living example for all of us. She has maintained her self-respect and dignity. She faced life unafraid and pushed poverty out of the door.

Gene should be proud that he was a child of poverty; that he has tasted the great emotions which make life worth living; that he has learned to stand on his own feet and face life, and that he was forced to help himself as well as others. He too, still maintains his self-respect and dignity. His life is not emphasized by the dollar sign and his goal is to try to solve human problems fairly and justly.

I ask unanimous consent that the text of the broadcast be printed in the RECORD.

There being no objection, the text was ordered to be printed in the RECORD, as follows:

KRXK EDITORIAL, MAY 10, 1964

GENE SHUMATE. Good afternoon, everyone. If there were enough Mother's Days in the year, there would be no need for a war on poverty in the United States, especially in many segments of the retail trade. I know from experience of shopping, of buying flowers and running a radio station that this past week has been one of the really big retail weeks of the year. It is my understanding that in many lines of business, Mother's Day is now second only to Christmas as a retail gold rush.

It may sound as though I were going into leftfield for a subject, but I want to combine poverty and mother for discussion today. First, we will touch on poverty and then I want to become more personal and talk about my mother.

President Johnson has coined a wonderful political phrase with his war on poverty. It is sort of like sin. Everybody has to say that he is against it. But it's a little hard to define. One rule of thumb seems to be that if a family has an income of less than $3,000 a year, it is a victim of poverty. I, myself, would rather have it defined on the basis of caloric intake, warmth of clothes and presence of clean water and soap.

It is hard to think of poverty in the United States, actually, where 90 percent of the families have television sets and 98 percent have radios, where there are more cars than families, and so forth. Last week the National Education Association reported that the average income—earnings and allowances—of America's 22½ million teenagers in 1963 was $489. And the United Nations last week reported that the per capita income of the people of 115 countries and territories in the world is less than $500.

A couple of years ago I heard a public figure say, off the record, "20 years ago if you didn't have a car, you were underprivileged. Then you got a car. But if you didn't have two cars for the family, you were underprivileged. Then you got two cars. But you are still underprivileged. You don't have a boat."

Frankly, right now I don't know any people who are underfed from lack of ability to buy food or get it from welfare or some other agency. I am quite sure there are several in the United States, but I don't know them personally. I do know many who are going further behind each month in the ability to keep up payments on the house, meet bank loans, buy clothes they need—not to stay warm but to stay respectably stylish—and who are being ground down by the fear that eventually they won't have a home.

The worst poverty is the poverty of spirit. I use the word "spirit" to cover the emotions of pride, courage, hope, happiness. It has been my observation that men succumb to the poverty of spirit more often than women do. Maybe Freud had an answer for the reason. I don't.

I draw partly on personal experience for my observation. My father was a victim of automation—rolling wheels. He was a produce dealer in a small town in Missouri, buying and selling chickens and eggs, primarily, but also dabbling in furs, dairy products, and apple orchards. By smalltown standards he was a fairly well-to-do man in the early 1920's. But then trucks came along. Roads got a little better. Producers began bypassing the small towns and hauling their produce to the bigger towns. By cutting out the middleman they got higher prices. My father was a middleman. He was bypassed. Within a matter of a few years his business fell from prosperity to financial ruin. He died a comparatively young man.

Most of the town remembered him as gregarious, generous, laughing. I wasn't old enough to know him that way. I was 12 years old when he died and I remember him as bitter and afraid. My brothers were all older than I and will probably remember him differently. My impressions are the impressions of a small boy.

And of the many impressions of my mother, one comes from that same 12-year world. Dad didn't leave any insurance. He hadn't been able to pay the premiums the last few years of his life. He did leave what little business there was to leave. Mom decided she should run the business.

My vivid expression is one of a fire. I don't know how many months it was after Dad died, but it couldn't have been very many. The telephone rang in the middle of the night and Mom was told that the chicken house, as we called it, was on fire. The volunteer fire department had answered the call but couldn't possibly do anything to put out the fire. The firemen concentrated on pouring water on the lumberyard across the alley. The produce house was a rather rambling structure of wood covered with galvanized tin. On the rafters and the floors was the accumulation of years of oil from hides, acids from cream separators, spilled cream, and sawdust used for sweeping. It made a spectacular fire.

Mom and I stood across the road, a little apart from the crowd. Now, she is a handsome woman of 85. Then, she was a handsome woman of 49. She watched the blaze without saying a word. She wouldn't even shield her eyes from the brightness. She didn't put her arm around me and tell me not to worry. She just looked at the past burning. A man came up to us and said, "Mrs. Shumate, I'm terribly sorry. Do you have insurance?"

And she said, "Thank you. Yes, I have insurance." But she didn't—not a penny's worth. But she didn't want the town to feel sorry for her.

A few days later she moved the business into an old livery stable, and from there into a little house by the depot. But it turned out to be only a gesture. There wasn't a living to be made. But by then my older brothers were all self-supporting and my mother and I went with them to a town in Iowa where they were working at a radio station.

One of the basic tenets of the war on poverty is retraining. My mother could tell President Johnson something about that, too, although I doubt that she approves using tax money.

I have mentioned older brothers. There were four of them. When I was a small boy, they were teenagers. What future do four teenage boys have in a small Missouri town? They weren't farmers. The family business certainly wouldn't support all of them. The legal and medical professions were closed because of lack of money for the education necessary. None seemed to tend toward the ministry. They could have all become bums, but didn't seem temperamentally suited for that.

Mom insisted that they would not stay in a small Missouri town forever. There was still enough money to import a music teacher from St. Joe every Saturday. The four boys learned to play saxophones, trumpets, and trombones and when the youngest of the four gradually became a bass after his voice changed, they had the voices ranges for a male quartet. And they got work. When the youngest was 14 and the oldest 20 they went on the road with summer Chautauqua.

One fall day after they returned home from a season, there were 35 white shirts on the line on Mom's washday.

There is nothing romantic about poverty. I have never seen that it was degrading in itself, nor ennobling.

I, apparently, was one of the underprivileged. For awhile I guess I was even a child of poverty, if you use the food and clothes definition. But I can't see that I was scarred by it, nor made compassionate by it. I wasn't even afraid of it. I was a child and there was love in the family. And love has a way of pushing fear out the door.

Good afternoon, everyone. Thanks for listening.

LAND AND WATER CONSERVATION FUNDS FOR HEAVILY POPULATED STATES

Mr. HART. Mr. President, yesterday the Senate Interior Committee reported favorably the land and water conservation fund bill. I am delighted that the committee in its report has spelled out explicitly and vigorously the need for allocation to the heavily populated States of a fair share of funds.

On June 13, 1964, I wrote to the chairman of the Senate Interior Committee [Mr. **Jackson**], and called attention to the fact that the formula for grants to the States in the bill, as reported to the House and as interpreted by the Bureau of Outdoor Recreation, would discriminate against the heavily populated States, where the need for land acquisition is the greatest.

The Senate committee very kindly agreed to reexamine the formula. I am pleased that the report accompanying the Senate version of the bill deals equitably and forthrightly with this question. The report states:

> The committee draws attention to that portion of the language of the bill, section 5(b)(2), which provides for three-fifths of the moneys appropriated and available annually for State purposes to be apportioned among the several States by the Secretary of the Interior on the basis of need and, further, that the determination of need shall include among other things a consideration of population of the individual States, the use of outdoor recreation resources by out-of-State visitors in the individual States, and Federal resources and programs within the individual States.
>
> The committee emphasizes that this three-fifths to be apportioned among the States is not to be divided in accordance with any fixed rule. It is not intended that equal weight be given to the three criteria—population, out-of-State visitor use, and Federal resources and programs. On the contrary, the committee is in accord with the general philosophy expressed in the report to the President and the Congress by the Outdoor Recreation Resources Review Commission that, in providing outdoor recreation resources and facilities for the American people, the greatest emphasis should be given in those areas with a large concentration of people. Therefore, the committee strongly urges the Secretary of the Interior to give the greatest weight, among the three specified criteria, to the factor of population in annually distributing the three-fifths of moneys available to the States for purposes authorized by the bill.

To complete the record, I ask unanimous consent to have printed in the **Record** my letter to Senator **Jackson**, calling attention to this problem. I thank the members of the Interior Committee for the fairness with which they have dealt with a problem vital to a group of States, largely—with the exception of California—without specific representation on the committee.

There being no objection, the letter was ordered to be printed in the **Record**, as follows:

U.S. Senate,
Washington, D.C., June 13, 1964.

Hon. Henry M. Jackson,
Chairman, Interior and Insular Affairs Committee, U.S. Senate, Washington, D.C.

Dear Mr. Chairman: Knowing that your committee wishes to avoid prolonging the hearings on the land and water conservation fund bill (S. 859), I am taking this means of conveying to you my concern over the apportionment formula.

As you may remember, I sponsored this legislation in the last Congress and have supported it this year. However, I am disturbed over the formula for distribution of funds to the States as reported to the House of Representatives and as interpreted by the Bureau of Outdoor Recreation. This formula is, I believe, grossly inequitable to Michigan and other heavily populated States.

The Report of the Outdoor Recreation Resources Review Commission stresses over and over that "outdoor opportunities are most urgently needed near metropolitan areas" (p. 3); "the pressure is most acute in the Northeast" (p. 26); "most of the recreation acreage is in the West, but most of the people are not" (p. 56); "a most pressing problem of supply is ocean and Great Lakes shoreline. This resource is one of the most in demand, and it is one of the most scarce in public ownership. The situation is particularly acute near large cities" (p. 70).

The formula in the bill reported to the House would divide the money two-fifth equally and three-fifth on "need." Need is to be determined by (a) population, (b) the extent to which outdoor recreation resources are used by visitors from outside the State, and (c) Federal resources and programs in the State.

The enclosed tables prepared by the BOR show in the first column the amounts available to the States under S. 859 as introduced, and in the second column the amounts available under H.R. 3846 as reported. These tables are based on four-fifths of the total apportionment, the BOR having interpreted the "three-fifths on need" as being made up of three equal parts of which one-fifth is yet to be calculated.

Under these tables, California's share is down from $7,082,200 to $4,143,500; Illinois' share is down from $4,718,500 to $2,968,000; New Jersey's share is down from $3,045,500 to $1,913,000; New York's share is down from $7,524,300 to $3,805,500; Ohio's share is down from $4,558,600 to $2,759,250; Pennsylvania's share is down from $5,235,300 to $3,017,500; Michigan's share is down from $3,775,800 to $2,610,000.

Mr. Chairman, this appears to me to be a case of those States with the greatest and most urgent needs receiving the least benefits.

Since these funds must be matched on a 50–50 basis, it is perhaps unlikely that the more sparsely populated States will be able to use these big sums of money; and the bill does provide that sums unmatched by any States will later be available for use of another State which can match them. But Michigan has more than 11 times the population of Montana, for example, and ought to get more in the formula as should other States—many of them midwestern and eastern—where there is currently the greatest pressure for outdoor recreation land.

S. 859 and H.R. 3846 as introduced would have been more equitable. They had a formula of one-fifth equally, three-fifths on population, and one-fifth on need.

Enclosed also are excerpts from a letter to me dated June 9, 1964, from the Director of the Michigan Department of Conservation, Mr. Ralph A. MacMullan. He too stresses the fact that this bill is inequitable to the more populous States.

Let me make it clear that I support the Fund proposal, but I do not believe the formula in H.R. 3846 as reported by the House Interior Committee and as projected in the enclosed tables is equitable to Michigan or to the other heavily-populated States.

May I urge your committee to consider modifying the formula so that the funds for the States will run more nearly parallel to the needs.

Sincerely,

Philip A. Hart.

Excerpts From June 9, 1964, Letter on Land and Water Conservation Fund Bill to Senator Hart From Ralph A. MacMullan, Director of the Michigan Department of Conservation

The bill, as reported by the House Interior Committee, would clearly discriminate against Michigan and other more populous States in the Northeast and Midwest. Conversely, many of the western States, which already have large land areas in public ownership, would stand to benefit by the change in the formula for distributing funds to the States.

This change in the fund apportionment formula would be particularly objectionable in view of the urgent need for outdoor recreational areas near the large metropolitan centers in the East. The U.S. Forest Service has indicated that approximately 84 percent of the National Forest lands to be acquired from funds made available from this program would be in the eastern part of the country. Presumably, the over-all State needs with respect to land acquisition and development would correlate closely with the Forest Service priorities.

The matter takes an added significance when you consider that this change in the fund distribution formula could conceivably result in an undesirable change in the emphasis given to recreational development over the entire country.

We further hope that you and your colleagues are successful in correcting this inequity when the bill is considered by the Senate.

Preliminary estimate of apportionment of ⅘ of the total States share from the land and water conservation fund among the individual States[1] *for a representative year*[2]

State	⅘ of total apportionment under—	
	S. 859 as introduced[3]	H.R. 3846 as reported[4]
Alabama	$1,875,300	$1,966,250
Alaska	597,800	1,129,000
Arizona	1,054,000	1,890,250
Arkansas	1,252,300	1,745,500
California	7,082,200	4,143,500
Colorado	1,237,100	1,939,000
Connecticut	1,570,800	1,398,500
Delaware	697,000	1,082,750
Florida	2,582,300	2,198,000
Georgia	2,156,500	2,125,750
Hawaii	772,800	1,151,000
Idaho	788,000	1,421,000
Illinois	4,718,500	2,968,000
Indiana	2,461,000	2,013,500
Iowa	1,661,800	1,960,500
Kansas	1,419,100	2,150,500
Kentucky	1,776,100	1,818,500
Louisiana	1,867,100	1,902,000
Maine	909,300	1,453,500
Maryland	1,806,500	1,529,500
Massachusetts	2,666,300	1,789,000
Michigan	3,775,800	2,610,000
Minnesota	1,936,000	2,244,500
Mississippi	1,419,100	1,767,250
Missouri	2,308,100	2,289,000
Montana	788,000	2,161,000
Nebraska	1,099,500	1,983,250
Nevada	628,100	1,275,250
New Hampshire	757,600	1,165,000
New Jersey	3,045,500	1,913,000
New Mexico	902,300	2,006,750
New York	7,524,300	3,805,500
North Carolina	2,415,500	2,111,000
North Dakota	772,800	1,777,750
Ohio	4,558,600	2,759,250
Oklahoma	1,479,800	2,025,500
Oregon	1,244,100	1,736,500
Pennsylvania	5,235,300	3,017,500
Rhode Island	863,800	1,128,000
South Carolina	1,503,100	1,629,000
South Dakota	788,000	1,845,000
Tennessee	1,996,600	1,901,750
Texas	4,513,100	5,016,000
Utah	878,800	1,439,750
Vermont	666,600	1,145,250

See footnotes at end of table.

Preliminary estimate of apportionment of ⅘ of the total States share from the land and water conservation fund among the individual States[1] *for a representative year*[2]—Continued

State	⅘ of total apportionment under—	
	S. 859 as introduced[3]	H.R. 3846 as reported[4]
Virginia	$2,163,500	$1,930,000
Washington	1,700,300	1,900,000
West Virginia	1,282,600	1,490,500
Wisconsin	2,163,500	2,083,750
Wyoming	643,300	1,582,250
American Samoa	8,200	3,250
District of Columbia	319,700	105,750
Guam	981,200	12,250
Puerto Rico	15,200	357,750
Virgin Islands	30,300	6,250
Total	101,360,000	100,000,000

[1] Includes American Samoa, District of Columbia, Guam, Puerto Rico, and Virgin Islands.

[2] For purposes of illustration, a representative year is considered to be one in which the sources of revenue, including advance appropriations, in accordance with provisions of the legislation total $210,000,000, which would occur about the 5th full year after enactment.

[3] Estimated amount in the fund under provisions of S. 859 as introduced is $181,000,000. This is derived as follows: Estimated revenue, less estimated credit to miscellaneous receipts in the Treasury to help offset land acquisition for recreation and fish and wildlife enhancement at Federal water resources projects, plus advance appropriations. The States share of $181,000,000 is estimated to be 70 percent, or $126,700,000. Apportionment of the States share, pursuant to provisions of S. 859, as introduced, is ⅕ equally among the States, ⅗ on basis of population, and ⅕ on basis of need. Apportionment as shown in this column includes only ⅘ of total estimated available for States purposes. The ⅕ for distribution at the discretion of the Secretary based on need is not included.

[4] Distribution in this column based on provisions of H.R. 3846 as reported, as follows: ⅖ divided equally among the 50 States and ⅗ distributed among the 55 "States" based on need. Need among other things is based on (a) the proportion which the population of each State bears to the total population of the United States, (b) a consideration of the Federal resources and programs in the particular States, and (c) the use of outdoor recreation resources of individual States by persons from outside the State. Needs based on the latter consideration and other factors cannot be determined until statewide plans and other information are obtained from individual States. To take care of these latter needs, ⅕ of the total amount which would be available for State purposes is not shown in this column. It is assumed for purposes of this column that the States share of the moneys appropriated from the fund will be 60 percent, or $125,000,000.

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

The Chair lays before the Senate the unfinished business.

AMENDMENT OF FOREIGN ASSISTANCE ACT OF 1961

The Senate resumed the consideration of the bill (H.R. 11380) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

Mr. INOUYE. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DIRKSEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The hour of 10:15 a.m. having arrived, the Senate, under its order of yesterday, will now proceed to the consideration of the House amendment to S. 2642, the so-called antipoverty bill, under a limitation of 1 hour's debate on the question of agreeing to such amendment, the time to be equally divided and controlled by the majority and minority leaders.

ECONOMIC OPPORTUNITY ACT OF 1964

The ACTING PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 2642) to mobilize the human and financial resources of the Nation to combat poverty in the United States, which was, to strike out all after the enacting clause and insert:

That this Act may be cited as the "Economic Opportunity Act of 1964".

Findings and declaration of purpose

SEC. 2. Although the economic well-being and prosperity of the United States have progressed to a level surpassing any achieved in world history, and although these benefits are widely shared throughout the Nation, poverty continues to be the lot of a substantial number of our people. The United States can achieve its full economic and social potential as a nation only if every individual has the opportunity to contribute to the full extent of his capabilities and to participate in the workings of our society. It is, therefore, the policy of the United States to eliminate the paradox of poverty in the midst of plenty in this Nation by opening to everyone the opportunity for education and training, the opportunity to work, and the opportunity to live in decency and dignity. It is the purpose of this Act to strengthen, supplement, and coordinate efforts in furtherance of that policy.

TITLE I—YOUTH PROGRAMS

PART A—JOB CORPS

Statement of purpose

SEC. 101. The purpose of this part is to prepare for the responsibilities of citizenship and to increase the employability of young men and young women aged sixteen through twenty-one by providing them in rural and urban residential centers with education, vocational training, useful work experience, including work directed toward the conservation of natural resources, and other appropriate activities.

Establishment of Job Corps

SEC. 102. In order to carry out the purposes of this part, there is hereby established within the Office of Economic Opportunity (hereinafter referred to as the "Office"), established by title VI, a Job Corps (hereinafter referred to as the "Corps").

Job Corps program

SEC. 103. The Director of the Office (hereinafter referred to as the "Director") is authorized to—

(a) enter into agreements with any Federal, State, or local agency or private organization for the establishment and operation, in rural and urban areas, of conservation camps and training centers and for the provision of such facilities and services as in his judgment are needed to carry out the purposes of this part, including but not limited to agreements with agencies charged with the responsibility of conserving, developing, and managing the public natural resources of the Nation and of developing, managing, and protecting public recreational areas, whereby the enrollees of the Corps may be utilized by such agencies in carrying out, under the immediate supervision of such agencies, programs planned and designed by such agencies to fulfill such responsibility, and including agreements for a botanical survey program involving surveys and maps of existing vegetation and investigations of the plants, soils, and environments of natural and disturbed plant communities;

(b) arrange for the provision of education and vocational training of enrollees in the Corps: *Provided*, That where practical, such programs may be provided through local public educational agencies or by private vocational educational institutions or technical institutes where such institutions or institutes can provide substantially equivalent training with reduced Federal expenditures;

(c) provide or arrange for the provision of programs of useful work experience and other appropriate activities for enrollees;

(d) establish standards of safety and health for enrollees, and furnish or arrange for the furnishing of health services; and

(e) prescribe such rules and regulations and make such arrangements as he deems necessary to provide for the selection of enrollees and to govern their conduct after enrollment, including appropriate regulations as to the circumstances under which enrollment may be terminated.

Composition of the Corps

SEC. 104. (a) The Corps shall be composed of young men and young women who are permanent residents of the United States, who have attained age sixteen but have not attained age twenty-two at the time of enrollment, and who meet the standards for enrollment prescribed by the Director. Participation in the Corps shall not relieve any enrollee of obligations under the Universal Military Training and Service Act (50 U.S.C. App. 451 et seq.).

(b) In order to enroll as a member of the Corps, an individual must agree to comply with rules and regulations promulgated by the Director for the government of the Corps.

(c) The total enrollment of any individual in the Corps shall not exceed two years except as the Director may determine in special cases.

(d) Each enrollee must execute and file with the Director an affidavit that he does not believe in, and is not a member of and does not support any organization that believes in or teaches, the overthrow of the United States Government by force or violence or by any illegal or unconstitutional methods, and (2) each enrollee must take and subscribe to an oath or affirmation in the following form: "I do solemnly swear (or affirm) that I will bear true faith and allegiance to the United States of America and will support and defend the Constitution and laws of the United States against all its enemies foreign and domestic.". The provisions of section 1001 of title 18, United States Code, shall be applicable with respect to such affidavits.

Allowance and maintenance

SEC. 105. (a) Enrollees may be provided with such living, travel, and leave allowances, and such quarters, subsistence, transportation, equipment, clothing, recreational services, medical, dental, hospital, and other health services, and other expenses as the Director may deem necessary or appropriate for their needs. Transportation and travel allowances may also be provided, in such circumstances as the Director may determine, for applicants for enrollment to or from places of enrollment, and for former enrollees from places of termination to their homes.

(b) Upon termination of his or her enrollment in the Corps, each enrollee shall be entitled to receive a readjustment allowance at a rate not to exceed $50 for each month of satisfactory participation therein as determined by the Director: *Provided, however*, That under such circumstances as the Director may determine a portion of the readjustment allowance of an enrollee not exceeding $25 for each month of satisfactory service may be paid during the period of service of the enrollee directly to a member of his or her family (as defined in section 609(c)) and any sum so paid shall be supplemented by the payment of an equal amount by the Director. In the event of the enrollee's death during the period of his or her service, the amount of any unpaid readjustment allowance shall be paid in accordance with the provisions of section 1 of the Act of August 3, 1950 (5 U.S.C. 61f).

Application of provisions of Federal law

SEC. 106. (a) Except as otherwise specifically provided in this part, an enrollee shall be deemed not to be a Federal employee and shall not be subject to the provisions of laws relating to Federal employment, including those relating to hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits.

(b) Enrollees shall be deemed to be employees of the United States for the purposes of the Internal Revenue Code of 1954 (26 U.S.C. 1 et seq.) and of title II of the Social Security Act (42 U.S.C. 401 et seq.), and any service performed by an individual as an enrollee shall be deemed for such purposes to be performed in the employ of the United States.

(c)(1) Enrollees under this part shall, for the purposes of the administration of the Federal Employees' Compensation Act (5 U.S.C. 751 et seq.), be deemed to be civil employees of the United States within the meaning of the term "employee" as defined in section 40 of such Act (5 U.S.C. 790) and the provisions thereof shall apply except as hereinafter provided.

(2) For purposes of this subsection:

(A) The term "performance of duty" in the Federal Employees' Compensation Act shall not include any act of an enrollee—

(i) while on authorized leave or pass; or

(ii) while absent from his or her assigned post of duty, except while participating in an activity authorized by or under the direction or supervision of the Corps.

(B) In computing compensation benefits for disability or death under the Federal Employees' Compensation Act, the monthly pay of an enrollee shall be deemed to be $150, except that with respect to compensation for disability accruing after the individual concerned reaches the age of twenty-one, such monthly pay shall be deemed to be that received under the entrance salary for GS–2 under the Classification Act of 1949 (5 U.S.C. 1071 et seq.) and section 6(d)(1) of the former Act (5 U.S.C. 756(d)(1)) shall apply to enrollees.

(C) Compensation for disability shall not begin to accrue until the day following the date on which the enrollment of the injured enrollee is terminated.

(d) An enrollee shall be deemed to be an employee of the Government for the purposes of the Federal tort claims provisions of title 28, United States Code.

(e) Personnel of the uniformed services who are detailed or assigned to duty in the performance of agreements made by the Director for the support of the Corps shall not be counted in computing strength under any law limiting the strength of such services or in computing the percentage authorized by law for any grade therein.

Political discrimination and political activity

SEC. 107. (a) No officer or employee of the executive branch of the Federal Government shall make any inquiry concerning the political affiliation or beliefs of any enrollee or applicant for enrollment in the Corps. All disclosures concerning such matters shall be ignored, except as to such membership in political parties or organizations as constitutes by law a disqualification for Government employment. No discrimination shall be exercised, threatened or promised by any person in the executive branch of the Federal Government against or in favor of any enrollee in the Corps, or any applicant for enrollment in the Corps because of his political affiliation or beliefs, except as may be specifically authorized or required by law.

(b) No officer, employee or enrollee of the Corps shall take any active part in political management or in political campaigns, except as may be provided by or pursuant to statute, and no such officer, employee or enrollee shall use his official position or influence for the purpose of interfering with an election or affecting the result thereof. All such persons shall retain the right to vote as they may choose and to express, in their private capacities, their opinions on all political subjects and candidates. Any officer, employee, enrollee or Federal employee who solicits funds for political purposes from members of the Corps, shall be in violation of the Corrupt Practices Act.

(c) Whenever the United States Civil Service Commission finds that any person has violated the foregoing provisions, it shall, after giving due notice and opportunity for explanation to the officer or employee or enrollee concerned, certify the facts to the Director with specific instructions as to discipline or dismissal or other corrective actions.

State-operated youth camps

SEC. 108. The Director is authorized to enter into agreements with States to assist in the operation or administration of State-operated programs which carry out the purpose of this part. The Director may, pursuant to such regulations as he may adopt, pay part or all of the operative or administrative costs of such programs.

Requirement for State approval of conservation camps and training centers

SEC. 109. In carrying out the provisions of part A of this title no conservation camp, training center or other similar facility designed to carry out the purposes of this Act, shall be established within a State unless a plan setting forth such proposed establishment has been submitted to the Governor of the State and such plan has not been disapproved by him within thirty days of such submission.

SEC. 110. Within the Job Corps there is authorized a Youth Conservation Corps in which at any one time no less than 40 per centum of the enrollees under this part shall be assigned to camps where their work activity is directed primarily toward conserving, developing, and managing the public natural resources of the Nation, and developing, managing, and protecting public recreational areas. Such work activity shall be performed under the direction of members of agencies charged with the responsibility of conserving, developing, and managing the public natural resources and of developing, managing, and protecting public recreational areas.

PART B—WORK-TRAINING PROGRAMS

Statement of purpose

SEC. 111. The purpose of this part is to provide useful work experience opportunities for unemployed young men and young women, through participation in State and community work-training programs, so that their employability may be increased or their education resumed or continued and so that public agencies and private nonprofit organizations (other than political parties) will be enabled to carry out programs which will permit or contribute to an undertaking or service in the public interest that would not otherwise be provided, or will contribute to the conservation and development of natural resources and recreational areas.

Development of programs

SEC. 112. In order to carry out the purposes of this part, the Director shall assist and cooperate with State and local agencies and private nonprofit organizations (other than political parties) in developing programs for the employment of young people in State and community activities hereinafter authorized, which, whenever appropriate, shall be coordinated with programs of training and education provided by local public educational agencies.

Financial assistance

SEC. 113. (a) The Director is authorized to enter into agreements providing for the payment by him of part or all of the cost of a State or local program submitted hereunder if he determines, in accordance with such regulations as he may prescribe, that—

(1) enrollees in the program will be employed either (A) on publicly owned and operated facilities or projects, or (B) on local projects sponsored by private nonprofit organizations (other than political parties), other than projects involving the construction, operation, or maintenance of so much of any facility used or to be used for sectarian instruction or as a place for religious worship;

(2) the program will increase the employability of the enrollees by providing work experience and training in occupational skills or pursuits in classifications in which the Director finds there is a reasonable expectation of employment, or will enable student enrollees to resume or to maintain school attendance;

(3) the program will permit or contribute to an undertaking or service in the public interest that would not otherwise be provided, or will contribute to the conservation, development, or management of the natural resources of the State or community or to the development, management, or protection of State or community recreational areas;

(4) the program will not result in the displacement of employed workers or impair existing contracts for services;

(5) the rates of pay and other conditions of employment will be appropriate and reasonable in the light of such factors as the type of work performed, geographical region, and proficiency of the employee;

(6) to the maximum extent feasible, the program will be coordinated with vocational training and educational services adapted to the special needs of enrollees in such program and sponsored by State or local public educational agencies: *Provided, however,* That where such services are inadequate or unavailable, the program may make provision for the enlargement, improvement, development, and coordination of such services with the cooperation of, or where appropriate pursuant to agreement with, the Secretary of Health, Education, and Welfare; and

(7) the program includes standards and procedures for the selection of applicants, including provisions assuring full coordination and cooperation with local and other authorities to encourage students to resume or maintain school attendance.

(b) In approving projects under this part, the Director shall give priority to projects with high training potential.

Enrollees in program

SEC. 114. (a) Participation in programs under this part shall be limited to young men and women who are permanent residents of the United States, who have attained age sixteen but have not attained age twenty-two, and whose participation in such programs will be consistent with the purposes of this part.

(b) Enrollees shall be deemed not to be Federal employees and shall not be subject to the provisions of laws relating to Federal employment, including those relating to hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits.

(c) Where appropriate to carry out the purposes of this Act, the Director may provide for testing, counseling, job development, and referral services to youths through public agencies or private nonprofit organizations.

Limitations on Federal assistance

SEC. 115. Federal assistance to any program pursuant to this part paid for the period ending two years after the date of enactment of this Act, or June 30, 1966, whichever is later, shall not exceed 90 per centum of the costs of such program, including costs of administration, and such assistance paid for periods thereafter shall not exceed 50 per centum of such costs, unless the Director determines, pursuant to regulations adopted and promulgated by him establishing objective criteria for such determinations, that assistance in excess of such percentages is required in furtherance of the purposes of this part. Non-Federal contributions may be in cash or in kind, fairly evaluated, including but not limited to plant, equipment, and services.

Equitable distribution of assistance

SEC. 116. The Director shall establish criteria designed to achieve an equitable distribution of assistance under this part among the States. In developing such criteria, he shall consider among other relevant factors the ratios of population, unemployment, and family income levels. Not more than 12½ per centum of the sums appropriated or allocated for any fiscal year to carry out the purposes of this part shall be used within any one State.

PART C—WORK-STUDY PROGRAMS

Statement of purpose

SEC. 121. The purpose of this part is to stimulate and promote the part-time employment of students in institutions of higher education who are from low-income families and are in need of the earnings from such employment to pursue courses of study at such institutions.

Allotments to States

SEC. 122. (a) From the sums appropriated to carry out this title for a fiscal year, the Director shall reserve the amount needed for making grants under section 123. Not to exceed 2 per centum of the amount so reserved shall be allotted by the Director among Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands according to their respective needs for assistance under this part. The remainder of the sums so reserved shall be allotted among the States as provided in subsection (b).

(b) Of the sums being allotted under this subsection—

(1) one-third shall be allotted by the Director among the States so that the allotment to each State under this clause will be an amount which bears the same ratio to such one-third as the number of persons enrolled on a full-time basis in institutions of higher education in such State bears to the total number of persons enrolled on a full-time basis in institutions of higher education in all the States,

(2) one-third shall be allotted by the Director among the States so that the allotment to each State under this clause will be an amount which bears the same ratio to such one-third as the number of high school graduates (as defined in section 103 (d)(3) of the Higher Education Facilities Act of 1963) of such State bears to the total number of such high school graduates of all the States, and

(3) one-third shall be allotted by him among the States so that the allotment to each State under this clause will be an amount which bears the same ratio to such one-third as the number of related children under eighteen years of age living in families with annual incomes of less than $3,000 in such State bears to the number of related children under eighteen years of age living in families with annual incomes of less than $3,000 in all the States.

(c) The amount of any State's allotment which has not been granted to an institution of higher education under section 123 at the end of the fiscal year for which appropriated shall be reallotted by the Director, in such manner as he determines will best assist in achieving the purposes of this Act. Amounts reallotted under this subsection shall be available for making grants under section 123 until the close of the fiscal year next succeeding the fiscal year for which appropriated.

(d) For purposes of this section, the term "State" does not include Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands.

Grants for work-study programs

SEC. 123. The Director is authorized to enter into agreements with institutions of higher education (as defined by section 401 (f) of the Higher Education Facilities Act of 1963 (Public Law 88-204)) under which the Director will make grants to such institutions to assist in the operation of work-study programs as hereinafter provided.

Conditions of agreements

SEC. 124. An agreement entered into pursuant to section 123 shall—

(a) provide for the operation by the institution of a program for the part-time employment of its students in work—

(1) for the institution itself, or

(2) for a public or private nonprofit organization when the position is obtained through an arrangement between the institution and such an organization and—

(A) the work is related to the student's educational objective, or

(B) such work (i) will be in the public interest and is work which would not otherwise be provided, (ii) will not result in the displacement of employed workers or impair existing contracts for services, and (iii) will be governed by such conditions of employment as will be appropriated and reasonable in light of such factors as the type of work performed, geographical region, and proficiency of the employee:
Provided, however, That no such work shall involve the construction, operation, or maintenance of so much of any facility used or to be used for sectarian instruction or as a place for religious worship;

(b) provide that funds granted an institution of higher education, pursuant to section 123 may be used only to make payments to students participating in work-study programs, except that an institution may use a portion of the sums granted to it to meet administrative expenses, but the amount so used may not exceed 5 per centum of the payments made by the Director to such institution for that part of the work-study program in which students are working for public or nonprofit organizations other than the institution itself;

(c) provide that employment under such work-study program shall be furnished only to a student who (1) is from a low-income family, (2) is in need of the earnings from such employment in order to pursue a course of study at such institution, (3) is capable, in the opinion of the institution of maintaining good standing in such course of study while employed under the program covered by the agreement, and (4) has been accepted for enrollment as a full-time student at the institution or, in the case of a student already enrolled in and attending the institution, is in good standing and in full-time attendance there either as an undergraduate, graduate, or professional student;

(d) provide that no student shall be employed under such work-study program for more than fifteen hours in any week in which classes in which he is enrolled are in session;

(e) provide that in each fiscal year during which the agreement remains in effect, the institution shall expend (from sources other than payments under this part) for the employment of its students (whether or not in employment eligible for assistance under this part) an amount that is not less than its average annual expenditure for such employment during the three fiscal years preceding the fiscal year in which the agreement is entered into;

(f) provide that the Federal share of the compensation of students employed in the work-study program in accordance with the agreement will not exceed 90 per centum of such compensation for work performed during the period ending two years after the date of enactment of this Act, or June 30, 1966, whichever is later, and 75 per centum thereafter;

(g) include provisions designed to make employment under such work-study program, or equivalent employment offered or arranged for by the institution, reasonably available (to the extent of available funds) to all eligible students in the institution in need thereof; and

(h) include such other provisions as the Director shall deem necessary or appropriate to carry out the purposes of this part.

Sources of matching funds

SEC. 125. Nothing in this part shall be construed as restricting the source (other than this part) from which the institution may pay its share of the compensation of a student employed under a work-study program covered by an agreement under this part.

Equitable distribution of assistance

SEC. 126. The Director shall establish criteria designed to achieve such distribution of assistance under this part among institutions of higher education within a State as will most effectively carry out the purposes of this Act.

Part D—Authorization of appropriations

SEC. 131. The Director shall carry out the programs provided for in this title during the fiscal year ending June 30, 1965, and the two succeeding fiscal years. For the purpose of carrying out this title, there is hereby authorized to be appropriated the sum of $412,500,000 for the fiscal year ending June 30, 1965; and for the fiscal year ending June 30, 1966, and the fiscal year ending June 30, 1967, such sums may be appropriated as the Congress may hereafter authorize by law.

TITLE II—URBAN AND RURAL COMMUNITY ACTION PROGRAMS

PART A—GENERAL COMMUNITY ACTION PROGRAMS

Statement of purpose

SEC. 201. The purpose of this part is to provide stimulation and incentive for urban and rural communities to mobilize their resources to combat poverty through community action programs.

Community action programs

SEC. 202. (a) The term "community action program" means a program—

(1) which mobilizes and utilizes resources, public or private, of any urban or rural, or combined urban and rural, geographical area (referred to in this part as a "community"), including but not limited to a State, metropolitan area, county, city, town, multicity unit, or multicounty unit in an attack on poverty;

(2) which provides services, assistance, and other activities of sufficient scope and size to give promise of progress toward elimination of poverty or a cause or causes of poverty through developing employment opportunities, improving human performance, motivation, and productivity, or bettering the conditions under which people live, learn, and work;

(3) which is developed, conducted, and administered with the maximum feasible par-

ticipation of residents of the areas and members of the groups served; and

(4) which is conducted, administered, or coordinated by a public or private nonprofit agency (other than a political party), or a combination thereof.

(b) The Director is authorized to prescribe such additional criteria for programs carried on under this part as he shall deem appropriate.

Allotments to States

SEC. 203. (a) From the sums appropriated to carry out this title for a fiscal year, the Director shall reserve the amount needed for carrying out sections 204 and 205. Not to exceed 2 per centum of the amount so reserved shall be allotted by the Director among Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands according to their respective needs for assistance under this part. Twenty per centum of the amount so reserved shall be allotted among the States as the Director shall determine. The remainder of the sums so reserved shall be allotted among the States as provided in subsection (b).

(b) Of the sums being allotted under this subsection—

(1) one-third shall be allotted by the Director among the States so that the allotment to each State under this clause will be an amount which bears the same ratio to such one-third as the number of public assistance recipients in such State bears to the total number of public assistance recipients in all the States;

(2) one-third shall be allotted by him among the States so that the allotment to each State under this clause will be an amount which bears the same ratio to such one-third as the annual average number of persons unemployed in such State bears to the annual average number of persons unemployed in all the States; and

(3) the remaining one-third shall be allotted by him among the States so that the allotment to each State under this clause will be an amount which bears the same ratio to such one-third as the number of related children under eighteen years of age living in families with incomes of less than $1,000 in such State bears to the number of related children under eighteen years of age living in families with incomes of less than $1,000 in all the States.

(c) The portion of any State's allotment under subsection (a) for a fiscal year which the Director determines will not be required for such fiscal year for carrying out this part shall be available for reallotment from time to time, on such dates during such year as the Director may fix, to other States in proportion to their original allotments for such year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum which the Director estimates such State needs will be able to use for such year for carrying out this part; and the total of such reductions shall be similarly reallotted among the States whose proportionate amounts are not so reduced. Any amount reallotted to a State under this subsection during a year shall be deemed part of its allotment under subsection (a) for such year.

(d) For the purposes of this section, the term "State" does not include Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands.

Financial assistance for development of community action programs

SEC. 204. The Director is authorized to make grants to, or to contract with, appropriate public or private nonprofit agencies, or combinations thereof, to pay part or all of the costs of development of community action programs.

Financial assistance for conduct and administration of community action programs

SEC. 205. (a) The Director is authorized to make grants to, or to contract with, public or private nonprofit agencies, or combinations thereof, to pay part or all of the costs of community action programs which have been approved by him pursuant to this part, including the cost of carrying out programs which are components of a community action program and which are designed to achieve the purposes of this part. Such component programs shall be focused upon the needs of low-income individuals and families and shall provide expanded and improved services, assistance, and other activities and facilities necessary in connection therewith. Such programs shall be conducted in those fields which fall within the purposes of this part including employment, job training and counseling, health, vocational rehabilitation, housing, home management, welfare, and special remedial and other noncurricular educational assistance for the benefit of low-income individuals and families.

(b) No grant or contract authorized under this part may provide for general aid to elementary or secondary education in any school or school system.

(c) In determining whether to extend assistance under this section the Director shall consider among other relevant factors the incidence of poverty within the community and within the areas or groups to be affected by the specific program or programs, and the extent to which the applicant is in a position to utilize efficiently and expeditiously the assistance for which application is made. In determining the incidence of poverty the Director shall consider information available with respect to such factors as: the concentration of low-income families, particularly those with children; the extent of persistent unemployment and underemployment; the number and proportion of persons receiving cash or other assistance on a needs basis from public agencies or private organizations; the number of migrant or transient low-income families; school dropout rates, military service rejection rates, and other evidences of low educational attainment; the incidence of disease, disability, and infant mortality; housing conditions; adequacy of community facilities and services; and the incidence of crime and juvenile delinquency.

(d) In extending assistance under this section the Director shall give special consideration to programs which give promise of effecting a permanent increase in the capacity of individuals, groups, and communities to deal with their problems without further assistance.

Technical assistance

SEC. 206. The Director is authorized to provide, either directly or through grants or other arrangements, (1) technical assistance to communities in developing, conducting, and administering community action programs, and (2) training for specialized personnel needed to develop, conduct, or administer such programs or to provide services or other assistance thereunder.

Research, training, and demonstrations

SEC. 207. The Director is authorized to conduct, or to make grants to or enter into contracts with institutions of higher education or other appropriate public agencies or private organizations for the conduct of, research, training, and demonstrations pertaining to the purposes of this part. Expenditures under this section in any fiscal year shall not exceed 15 per centum of the sums appropriated or allocated for such year to carry out the purposes of this part.

Limitations on Federal assistance

SEC. 208. (a) Assistance pursuant to sections 204 and 205 paid for the period ending two years after the date of enactment of this Act, or June 30, 1966, whichever is later, shall not exceed 90 per centum of the costs referred to in those sections, respectively, and thereafter shall not exceed 50 per centum of such costs, unless the Director determines, pursuant to regulations adopted and promulgated by him establishing objective criteria for such determinations, that assistance in excess of such percentages is required in furtherance of the purposes of this part. Non-Federal contributions may be in cash or in kind, fairly evaluated, including but not limited to plant, equipment, and services.

(b) The expenditures or contributions made from non-Federal sources for a community action program or component thereof shall be in addition to the aggregate expenditures or contributions from non-Federal sources which were being made for similar purposes prior to the extension of Federal assistance.

Participation of State agencies

SEC. 209. (a) The Director shall establish procedures which will facilitate effective participation of the States in community action programs.

(b) The Director is authorized to make grants to, or to contract with, appropriate State agencies for the payment of the expenses of such agencies in providing technical assistance to communities in developing, conducting, and administering community action programs.

(c) In carrying out the provisions of title I and title II of this Act, no contract, agreement, grant, loan, or other assistance shall be made with, or provided to, any State or local public agency or any private institution or organization for the purpose of carrying out any program, project, or other activity within a State unless a plan setting forth such proposed contract, agreement, grant, loan, or other assistance has been submitted to the Governor of the State, and such plan has not been disapproved by him within thirty days of such submission: *Provided, however,* That this section shall not apply to contracts, agreements, grants, loans, or other assistance to any institution of higher education in existence on the date of the approval of this Act.

(d) No private institution or organization shall be eligible for participation under this part unless it (1) is itself an institution or organization which has, prior to its consideration for such participation, had a concern with problems of poverty, or (2) is sponsored by one or more such institutions or organizations or by a public agency, or (3) is an institution of higher education (as defined by section 401(f) of the Higher Education Facilities Act of 1963).

Equitable distribution of assistance

SEC. 210. The Director shall establish criteria designed to achieve an equitable distribution of assistance under this part within the States between urban and rural areas. In developing such criteria, he shall consider the relative numbers in the States or areas therein of: (1) low-income families, particularly those with children; (2) unemployed persons; (3) persons receiving cash or other assistance on a needs basis from public agencies or private organizations; (4) school dropouts; (5) adults with less than an eighth-grade education; (6) persons rejected for military service; and (7) persons living in urban places compared to the number living in rural places as determined by the Bureau of the Census for the 1960 census.

Preference for components of approved programs

SEC. 211. In determining whether to extend assistance under this Act, the Director shall, to the extent feasible, give preference to programs and projects which are components of a community action program approved pursuant to this part.

PART B—ADULT BASIC EDUCATION PROGRAMS

Declaration of purpose

SEC. 212. It is the purpose of this part to initiate programs of instruction for individuals who have attained age eighteen and whose inability to read and write the English language constitutes a substantial impairment of their ability to get or retain employment commensurate with their real ability, so as to help eliminate such inability and raise the level of education of such individuals with a view to making them less likely to become dependent on others, improving their ability to benefit from occupational training and otherwise increasing their opportunities for more productive and profitable employment, and making them better able to meet their adult responsibilities.

Grants to States

SEC. 213. (a) From the sums appropriated to carry out this title, the Director shall make grants to States which have State plans approved by him under this section.

(b) Grants under subsection (a) may be used, in accordance with regulations of the Director, to—

(1) assist in establishment of pilot projects by local educational agencies, relating to instruction in public schools, or other facilities used for the purpose by such agencies, of individuals described in section 212, to (A) demonstrate, test, or develop modifications, or adaptations in the light of local needs, of special materials or methods for instruction of such individuals, (B) stimulate the development of local educational agency programs for instruction of such individuals in such schools or other facilities, and (C) acquire additional information concerning the materials or methods needed for an effective program for raising adult basic educational skills;

(2) assist in meeting the cost of local educational agency programs for instruction of such individuals in such schools or other facilities; and

(3) assist in development or improvement of technical or supervisory services by the State educational agency relating to adult basic education programs.

State plans

SEC. 214. (a) The Director shall approve for purposes of this part the plan of a State which—

(1) provides for administration thereof by the State educational agency;

(2) provides that such agency will make such reports to the Director, in such form and containing such information, as may reasonably be necessary to enable the Director to perform his duties under this part and will keep such records and afford such access thereto as the Director finds necessary to assure the correctness and verification of such reports;

(3) provides such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the State under this part (including such funds paid by the State to local educational agencies);

(4) provides for cooperative arrangements between the State educational agency and the State health authority looking toward provision of such health information and services for individuals described in section 212 as may be available from such agencies and as may reasonably be necessary to enable them to benefit from the instruction provided under programs conducted pursuant to grants under this part; and

(5) sets forth a program for use, in accordance with section 213(b), of grants under this part which affords assurance of substantial progress, within a reasonable period and with respect to all segments of the population and all areas of the State, toward elimination of the inability of adults to read and write English and toward substantially raising the level of education of individuals described in section 212.

(b) The Director shall not finally disapprove any State plan submitted under this part, or any modification thereof, without first affording the State educational agency reasonable notice and opportunity for a hearing.

Allotments

SEC. 215. (a) From the sums allocated for grants to States under section 213 for any fiscal year, the Director shall reserve such amount, but not in excess of 2 per centum thereof, as he may determine, and shall allot such amount among Puerto Rico, Guam, American Samoa, and the Virgin Islands according to their respective needs for assistance under this part. The remainder of the sums so allocated for a fiscal year shall be allotted by the Director on the basis of the relative number of individuals in each State who have attained age eighteen and who have completed not more than five grades of school or have not achieved an equivalent level of education, as determined by the Director on the basis of the best and most recent information available to him, including any relevant data furnished to him by the Department of Commerce. The amount allotted to any State under the preceding sentence for any fiscal year which is less than $50,000 shall be increased to that amount, the total thereby required being derived by proportionately reducing the amount allotted to each of the remaining States under the preceding sentence, but with such adjustments as may be necessary to prevent the allotment of any of such remaining States from being thereby reduced to less than $50,000. For the purposes of this subsection, the term "State" shall not include Puerto Rico, Guam, American Samoa, and the Virgin Islands.

(b) The portion of any State's allotment under subsection (a) for a fiscal year which the Director determines will not be required, for the period such allotment is available, for carrying out the State plan (if any) approved under this part shall be available for reallotment from time to time, on such dates during such period as the Director may fix, to other States in proportion to the original allotments to such States under subsection (a) for such year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum which the Director estimates such State needs and will be able to use for such period for carrying out its State plan approved under this part; and the total of such reductions shall be similarly reallocated among the States whose proportionate amounts are not so reduced. Any amount reallotted to a State under this subsection during a year shall be deemed part of its allotment under subsection (a) for such year.

(c) The allotment of any State under subsection (a) for the fiscal year ending June 30, 1965, shall, except to the extent reallotted under subsection (b), remain available until June 30, 1966, for obligation by such State for carrying out its State plan approved under this part.

Payments

SEC. 216. (a) From a State's allotment available for the purpose, the Federal share of expenditures, under its State plan, for the purposes set forth in section 213(b) shall be paid to such State. Such payments shall be made in advance on the basis of estimates by the Director; and may be made in such installments as the Director may determine, after making appropriate adjustments to take account of previously made overpayments or underpayments; except that no such payments shall be made for any fiscal year unless the Director finds that the amount available for expenditures for adult basic educational programs and services from State sources for such year will be not less than the amount expended for such purposes from such sources during the preceding fiscal year.

(b) For the fiscal year ending June 30, 1965, and the fiscal year ending June 30, 1966, the Federal share for each State shall be 90 per centum. For the succeeding fiscal year the Federal share for any State shall be 50 per centum.

Operation of State plans; hearings and judicial review

SEC. 217. (a) Whenever the Director, after reasonable notice and opportunity for hearing to the State educational agency administering a State plan approved under this part, finds that—

(1) the State plan has been so changed that it no longer complies with the provisions of section 214, or

(2) in the administration of the plan there is a failure to comply substantially with any such provision,

the Director shall notify such State agency that no further payments will be made to the State under this part (or in his discretion, that further payments to the State will be limited to programs under or portions of the State plan not affected by such failure), until he is satisfied that there will no longer be any failure to comply. Until he is so satisfied, no further payments may be made to such State under this part (or payments shall be limited to programs under or portions of the State plan not affected by such failure).

(b) A State educational agency dissatisfied with a final action of the Director under section 214 or subsection (a) of this section may appeal to the United States court of appeals for the circuit in which the State is located, by filing a petition with such court within sixty days after such final action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Director, or any officer designated by him for that purpose. The Director thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code. Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Director or to set it aside, in whole or in part, temporarily or permanently, but until the filing of the record, the Director may modify or set aside his order. The findings of the Director as to the facts, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may remand the case to the Director to take further evidence, and the Director may thereupon make new or modified findings of fact and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence. The judgment of the court affirming or setting aside, in whole or in part, any action of the Director shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code. The commencement of proceedings under this subsection shall not, unless so specifically ordered by the court, operate as a stay of the Director's action.

Miscellaneous

SEC. 218. For purposes of this part—

(1) the term "State educational agency" means the State board of education or other agency or officer primarily responsible for the State supervision of public elementary and secondary schools, or, if different, the agency or officer primarily responsible for supervision of adult basic education in public schools, whichever may be designated by the

Governor or by State law, or, if there is no such agency or officer, an agency or officer designated by the Governor or by State law;

(2) the term "local educational agency" means a board of education or other legally constituted local school authority having administrative control and direction of public elementary or secondary schools in a city, county, township, school district, or political subdivision in a State, except that if there is a separate board or other legally constituted local authority having administrative control and direction of adult basic education in public schools therein, it means such other board or authority.

PART C—VOLUNTARY ASSISTANCE PROGRAM FOR NEEDY CHILDREN

Statement of purpose

SEC. 219. The purpose of this part is to allow individual Americans to participate in a personal way in the war on poverty, by voluntarily assisting in the support of one or more needy children, in a program coordinated with city or county social welfare agencies.

Authority to establish information center

SEC. 220. (a) In order to carry out the purposes of this part, the Director is authorized to establish a section within the Office of Economic Opportunity to act as an information and coordination center to encourage voluntary assistance for deserving and needy children. Such section shall collect the names of persons who voluntarily desire to assist financially such children and shall secure from city or county social welfare agencies such information concerning deserving and needy children as the Director shall deem appropriate.

(b) It is the intent of the Congress that the section established pursuant to this part shall act solely as an information and coordination center and that nothing in this part shall be construed as interfering with the jurisdiction of State and local welfare agencies with respect to programs for needy children.

Part D—Authorization of appropriations

SEC. 221. The Director shall carry out the programs provided for in this title during the fiscal year ending June 30, 1965, and the two succeeding fiscal years. For the purpose of carrying out this title, there is hereby authorized to be appropriated the sum of $340,000,000 for the fiscal year ending June 30, 1965; and for the fiscal year ending June 30, 1966, and the fiscal year ending June 30, 1967, such sums may be appropriated as the Congress may hereafter authorize by law.

TITLE III—SPECIAL PROGRAMS TO COMBAT POVERTY IN RURAL AREAS

Statement of purpose

SEC. 301. It is the purpose of this title to meet some of the special problems of rural poverty and thereby to raise and maintain the income and living standards of low-income rural families and migrant agricultural employees and their families.

PART A—AUTHORITY TO MAKE GRANTS AND LOANS

SEC. 302. (a) The Director is authorized to make—

(1) loans having a maximum maturity of 15 years and in amounts not exceeding $2,500 in the aggreagte to any low-income rural family, where in the judgment of the Director, such loans have a reasonable possibility of effecting a permanent increase in the income of such families by assisting or permitting them to—

(A) acquire or improve real estate or reduce encumbrances or erect improvements thereon,

(B) operate or improve the operation of farms not larger than family sized, including but not limited to the purchase of feed, seed, fertilizer, livestock, poultry, and equipment, or

(C) participate in cooperative associations; and/or to finance nonagricultural enterprises which will enable such families to supplement their income.

(b) Loans under this section shall be made only if the family is not qualified to obtain such funds by loan under other Federal programs.

Cooperative associations

SEC. 303. The Director is authorized to make loans to local cooperative associations furnishing essential processing, purchasing, or marketing services, supplies, or facilities predominantly to low-income rural families.

Limitations on assistance

SEC. 304. No financial or other assistance shall be provided under this part unless the Director determines that—

(a) the providing of such assistance will materially further the purposes of this part, and

(b) in the case of assistance provided pursuant to section 303, the applicant is fulfilling or will fulfill a need for services, facilities, or activities which is not otherwise being met.

Loan terms and conditions

SEC. 305. Loans pursuant to sections 302 and 303 shall have such terms and conditions as the Director shall determine, subject to the following limitations:

(a) there is reasonable assurance of repayment of the loan;

(b) the credit is not otherwise available on reasonable terms from private sources or other Federal, State, or local programs;

(c) the amount of the loan, together with other funds available, is adequate to assure completion of the project or achievement of the purposes for which the loan is made;

(d) the loan bears interest at a rate not less than (1) a rate determined by the Secretary of the Treasury, taking into consideration the average market yield on outstanding Treasury obligations of comparable maturity, plus (2) such additional charge, if any, toward covering other costs of the program as the Director may determine to be consistent with its purposes;

(e) with respect to loans made pursuant to section 303, the loan is repayable within not more than thirty years; and

(f) no financial or other assistance shall be provided under this part to or in connection with any corporation or cooperative organization for the production of agricultural commodities or for manufacturing purposes.

PART B—ASSISTANCE FOR MIGRANT, AND OTHER SEASONALLY EMPLOYED, AGRICULTURAL EMPLOYEES AND THEIR FAMILIES

SEC. 311. The Director shall develop and implement as soon as practicable a program to assist the States, political subdivisions of States, public and nonprofit agencies, institutions, organizations, farm associations, or individuals in establishing and operating programs of assistance for migrant, and other seasonally employed, agricultural employees and their families which programs shall be limited to housing, sanitation, education, and day care of children. Institutions, organizations, farm associations, or individuals shall be limited to direct loans.

PART C—AUTHORIZATION OF APPROPRIATIONS

SEC. 321. The Director shall carry out the program provided for in this title during the fiscal year ending June 30, 1965, and the two succeeding fiscal years. For the purpose of carrying out this title, there is hereby authorized to be appropriated the sum of $35,000,000 for the fiscal year ending June 30, 1965; and for the fiscal year ending June 30, 1966, and for the fiscal year ending June 30, 1967, such sums may be appropriated as the Congress may hereafter authorize by law. Not to exceed $15,000,000 of the funds appropriated under other titles of this Act for the fiscal year ending June 30, 1965, may also be utilized for the purposes of part B of this title.

PART D—INDEMNITY PAYMENTS TO DAIRY FARMERS

SEC. 331. (a) The Secretary of Agriculture is authorized to make indemnity payments, at a fair market value, to dairy farmers who have been directed since January 1, 1964, to remove their milk from commercial markets because it contained residues of chemicals registered and approved for use by the Federal Government at the time of such use. Such indemnity payments shall continue to each dairy farmer until he has been reinstated and is again allowed to dispose of his milk on commercial markets.

(b) There is hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

(c) The authority granted under this section shall expire on January 31, 1965.

TITLE IV—EMPLOYMENT AND INVESTMENT INCENTIVES

Statement of purpose

SEC. 401. It is the purpose of this title to assist in the establishment, preservation, and strengthening of small business concerns and improve the managerial skills employed in such enterprises; and to mobilize for these objectives private as well as public managerial skills and resources.

Loans, participations, and guaranties

SEC. 402. The Director is authorized to make, participate (on an immediate basis) in, or guarantee loans, repayable in not more than fifteen years, to any small business concern (as defined in section 3 of the Small Business Act (15 U.S.C. 632) and regulations issued thereunder), or to any qualified person seeking to establish such a concern, when he determines that such loans will assist in carrying out the purposes of this title, with particular emphasis on employment of the long-term unemployed: *Provided, however,* That no such loans shall be made, participated in, or guaranteed if the total of such Federal assistance to a single borrower outstanding at any one time would exceed $25,000. The Director may defer payments on the principal of such loans for a grace period and use such other methods as he deems necessary and appropriate to assure the successful establishment and operation of such concern. The Director may, in his discretion, as a condition of such financial assistance, require that the borrower take steps to improve his management skills by participating in a management training program approved by the Director. The Director shall encourage, as far as possible, the participation of the private business community in the program of assistance to such concerns.

Coordination with community action programs

SEC. 403. No financial assistance shall be provided under section 402 in any community for which the Director has approved a community action program pursuant to title II of this Act unless such financial assistance is determined by him to be consistent with such program.

Financing under Small Business Act

SEC. 404. Such lending and guaranty functions under this title as may be delegated to the Small Business Administration may be financed with funds appropriated to the revolving fund established by section 4(c) of the Small Business Act (15 U.S.C. 633(c)) for the purposes of sections 7(a), 7(b), and 8(a) of that Act (15 U.S.C. 636(a), 636(b), 637(a)).

Loan terms and conditions

SEC. 405. Loans made pursuant to section 402 (including immediate participations in and guaranties of such loans) shall have such terms and conditions as the Director shall determine, subject to the following limitations—

(a) there is reasonable assurance of repayment of the loan;

(b) the financial assistance is not otherwise available on reasonable terms from private sources or other Federal, State, or local programs;

(c) the amount of the loan, together with other funds available, is adequate to assure completion of the project or achievement of the purposes for which the loan is made;

(d) the loan bears interest at a rate not less than (1) a rate determined by the Secretary of the Treasury, taking into consideration the average market yield on outstanding Treasury obligations of comparable maturity, plus (2) such additional charge, if any, toward covering other costs of the program as the Director may determine to be consistent with its purposes: *Provided, however,* That the rate of interest charged on loans made in redevelopment areas designated under the Area Redevelopment Act (42 U.S.C. 2501 et seq.) shall not exceed the rate currently applicable to new loans made under section 6 of that Act (42 U.S.C. 2505); and

(e) fees not in excess of amounts necessary to cover administrative expenses and probable losses may be required on loan guaranties.

Limitation on financial assistance

SEC. 406. No financial assistance shall be extended pursuant to this title where the Director determines that the assistance will be used in relocating establishments from one area to another or in financing subcontractors to enable them to undertake work theretofore performed in another area by other subcontractors or contractors.

Duration of program

SEC. 407. The Director shall carry out the programs provided for in this title during the fiscal year ending June 30, 1965, and the two succeeding fiscal years.

TITLE V—WORK EXPERIENCE PROGRAMS

Statement of purpose

SEC. 501. It is the purpose of this title to expand the opportunities for constructive work experience and other needed training available to persons who are unable to support or care for themselves or their families. In carrying out this purpose, the Director shall make maximum use of the programs available under the Manpower Development and Training Act of 1962, as amended, and Vocational Education Act of 1963.

Payments for experimental, pilot, and demonstration projects

SEC. 502. In order to stimulate the adoption of programs designed to help unemployed fathers and other needy persons to secure and retain employment or to attain or retain capability for self-support or personal independence, the Director is authorized to transfer funds appropriated or allocated to carry out the purposes of this title to the Secretary of Health, Education, and Welfare to enable him to make payments for experimental, pilot, or demonstration projects under section 1115 of the Social Security Act (42 U.S.C. 1315), subject to the limitations contained in section 409(a)(1) to (6), inclusive, of such Act (42 U.S.C. 609(a)(1)–(6)), in addition to the sums otherwise available pursuant thereto. The costs of such projects to the United States for the fiscal year ending June 30, 1965, shall, notwithstanding the provisions of such Act, be met entirely from funds appropriated or allocated to carry out the purposes of this title.

Authorization of appropriations

SEC. 503. The Director shall carry out the programs provided for in this title during the fiscal year ending June 30, 1965, and the two succeeding fiscal years. For the purpose of carrying out this title, there is hereby authorized to be appropriated the sum of $150,000,000 for the fiscal year ending June 30, 1965; and for the fiscal year ending June 30, 1966, and the fiscal year ending June 30, 1967, such sums may be appropriated as the Congress may hereafter authorize by law.

TITLE VI—ADMINISTRATION AND COORDINATION

PART A—ADMINISTRATION

Office of Economic Opportunity

SEC. 601. (a) There is hereby established in the Executive Office of the President the Office of Economic Opportunity. The Office shall be headed by a Director who shall be appointed by the President, by and with the advice and consent of the Senate. There shall also be in the Office one Deputy Director and three Assistant Directors who shall be appointed by the President, by and with the advice and consent of the Senate. The Deputy Director and the Assistant Directors shall perform such functions as the Director may from time to time prescribe.

(b) Notwithstanding the provisions of section 5(b) of the Reorganization Act of 1949 (5 U.S.C. 133z–3(b)), at any time after one year from the date of enactment hereof the President may, by complying with the procedures established by that Act, provide for the transfer of the Office from the Executive Office of the President and for its establishment elsewhere in the executive branch as he deems appropriate.

(c) The compensation of the Director of the Office of Economic Opportunity shall be fixed by the President at a rate not in excess of the annual rate of compensation payable to the Director of the Bureau of the Budget.

(d) The compensation of the Deputy Director of the Office of Economic Opportunity shall be fixed by the President at a rate not in excess of the annual rate of compensation payable to the Deputy Director of the Bureau of the Budget.

(e) The compensation of the Assistant Directors of the Office of Economic Opportunity shall be fixed by the President at a rate not in excess of the annual rate of compensation payable to the Assistant Secretaries of the Executive Departments.

Authority of Director

SEC. 602. In addition to the authority conferred upon him by other sections of this Act, the Director is authorized, in carrying out his functions under this Act, to—

(a) appoint in accordance with the civil service laws such personnel as may be necessary to enable the Office to carry out its functions, and, except as otherwise provided herein, fix their compensation in accordance with the Classification Act of 1949 (5 U.S.C. 1071 et seq.);

(b) employ experts and consultants or organizations thereof as authorized by section 15 of the Administrative Expenses Act of 1946 (5 U.S.C. 55a), compensate individuals so employed at rates not in excess of $100 per diem, including travel time, and allow them, while away from their homes or regular places of business, travel expenses (including per diem in lieu of subsistence) as authorized by section 5 of such Act (5 U.S.C. 73b–2) for persons in the Government service employed intermittently, while so employed; *Provided, however,* That contracts for such employment may be renewed annually;

(c) appoint, without regard to the civil service laws, one or more advisory committees composed of such private citizens and officials of the Federal, State, and local governments as he deems desirable to advise him with respect to his functions under this Act; and members of such committees (including the National Advisory Council established in section 605), other than those regularly employed by the Federal Government, while attending meetings of such committees or otherwise serving at the request of the Director, shall be entitled to receive compensation and travel expenses as provided in subsection (b) with respect to experts and consultants;

(d) with the approval of the President, arrange with and reimburse the heads of other Federal agencies for the performance of any of his functions under this Act and, as necessary or appropriate, delegate any of his powers under this Act and authorize the redelegation thereof;

(e) utilize, with their consent, the services and facilities of Federal agencies without reimbursement, and, with the consent of any State or a political subdivision of a State, accept and utilize the services and facilities of the agencies of such State or subdivision without reimbursement;

(f) accept in the name of the Office, and employ or dispose of in furtherance of the purposes of this Act, or of any title thereof, any money or property, real, personal, or mixed, tangible or intangible, received by gift, devise, bequest, or otherwise;

(g) accept voluntary and uncompensated services, notwithstanding the provisions of section 3679(b) of the Revised Statutes (31 U.S.C. 665(b));

(h) allocate and expend, or transfer to other Federal agencies for expenditure, funds made available under this Act as he deems necessary to carry out the provisions hereof, including (without regard to the provisions of section 4774(d) of title 10, United States Code) expenditure for construction, repairs, and capital improvements;

(i) disseminate, without regard to the provisions of section 4154 of title 39, United States Code, data and information, in such form as he shall deem appropriate, to public agencies, private organizations, and the general public;

(j) adopt an official seal, which shall be judicially noticed;

(k) notwithstanding any other provision of law relating to the acquisition, handling, or disposal of real or personal property by the United States, deal with, complete, rent, renovate, modernize, or sell for cash or credit at his discretion any properties acquired by him in connection with loans, participations, and guaranties made by him pursuant to titles III and IV of this Act;

(l) collect or compromise all obligations to or held by him and all legal or equitable rights accruing to him in connection with the payment of obligations until such time as such obligations may be referred to the Attorney General for suit or collection;

(m) expend, without regard to the provisions of any other law or regulation, funds made available for purposes of this Act (1) for printing and binding, and (2) for rent of buildings and space in buildings and for repair, alteration, and improvement of buildings and space in buildings rented by him; but the Director shall not utilize the authority contained in this clause (A) except when necessary in order to obtain an item, service, or facility, which is required in the proper administration of this Act, and which otherwise could not be obtained, or could not be obtained in the quantity or quality needed, or at the time, in the form, or under the conditions in which, it is needed, and (B) prior to having given written notification to the Administrator of General Services (if the exercise of such authority would affect an activity which otherwise would be under the jurisdiction of the General Services Administration) or the Chairman of the Joint Committee on Printing (if the exercise of such authority would affect an activity which otherwise would be under the jurisdiction of such Committee) of his intention to exercise such authority, the item, service, or facility with respect to which such authority is proposed to be exercised, and the reasons and justifications for the exercise of such authority; and

(n) establish such policies, standards, criteria, and procedures, prescribe such rules and regulations, enter into such contracts and agreements with public agencies and private organizations and persons, make such payments (in lump sum or installments, and in advance or by way of reimbursement, and in the case of grants, with necessary adjustments on account of overpayments or underpayments), and generally perform such functions and take such steps as he may deem to be necessary or appropriate to carry out the provisions of this Act.

Volunteers in service to America

SEC. 603. (a) The Director is authorized to recruit, select, train, and—

(1) upon request of State or local agencies or private nonprofit organizations, refer volunteers to perform duties in furtherance of programs combating poverty at a State or local level; and

(2) in cooperation with other Federal, State, or local agencies involved, assign volunteers to work (A) in meeting the health, education, welfare, or related needs of Indians living on reservations, of migratory workers and their families, or of residents of the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, or the Trust Territory of the Pacific Islands; (B) in the care and rehabilitation of the mentally ill or mentally retarded under treatment at nonprofit mental health or mental retardation facilities assisted in their construction or operation by Federal funds; and (C) in furtherance of programs or activities authorized or supported under title I or II of this Act.

(b) The referral or assignment of volunteers shall be on such terms and conditions as the Director may determine, but volunteers shall not be referred or assigned to duties or work in any State without the consent of the Governor.

(c) The Director is authorized to provide to all volunteers during training and to volunteers assigned pursuant to subsection (a) (2) such stipend, not to exceed $50 per month, such living, travel, and leave allowances, and such housing, transportation (including travel to and from the place of training), supplies, equipment, subsistence, clothing, and health and dental care as the Director may deem necessary or appropriate for their needs.

(d) Volunteers shall be deemed not to be Federal employees and shall not be subject to the provisions of laws relating to Federal employment, including those relating to hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits, except that all volunteers during training and such volunteers as are assigned pursuant to subsection (a)(2) shall be deemed Federal employees to the same extent as enrollees of the Corps under section 106 (b), (c), and (d) of this Act.

Economic Opportunity Council

SEC. 604. (a) There is hereby established an Economic Opportunity Council, which shall consult with and advise the Director in carrying out his functions, including the coordination of antipoverty efforts by all segments of the Federal Government.

(b) The Council shall include the Director, who shall be Chairman, the Secretary of Defense, the Attorney General, the Secretaries of the Interior, Agriculture, Commerce, Labor, and Health, Education, and Welfare, the Housing and Home Finance Administrator, the Administrator of the Small Business Administration, the Chairman of the Council of Economic Advisers, the Director of Selective Service, and such other agency heads as the President may designate, or delegates thereof.

National Advisory Council

SEC. 605. There is hereby established in the Office a National Advisory Council. The Council shall be composed of the Director, who shall be Chairman, and not more than fourteen additional members appointed by the President, without regard to the civil service laws, who shall be representative of the public in general and appropriate fields of endeavor related to the purposes of this Act. Upon the request of the Director, the Council shall review the operations and activities of the Office, and shall make such recommendations with respect thereto as are appropriate. The Council shall meet at least once each year and at such other times as the Director may request.

Revolving fund

SEC. 606. (a) To carry out the lending and guaranty functions authorized under titles III and IV of this Act, there is authorized to be established a revolving fund. The capital of the fund shall consist of such amounts as may be advanced to it by the Director from funds appropriated pursuant to section 321 and shall remain available until expended.

(b) The Director shall pay into miscellaneous receipts of the Treasury, at the close of each fiscal year, interest on the capital of the fund at a rate determined by the Secretary of the Treasury, taking into consideration the average market yield on outstanding Treasury obligations of comparable maturity during the last month of the preceding fiscal year. Interest payments may be deferred with the approval of the Secretary of the Treasury, but any interest payments so deferred shall themselves bear interest.

(c) Whenever any capital in the fund is determined by the Director to be in excess of current needs, such capital shall be credited to the appropriation from which advanced, where it shall be held for future advances.

(d) Receipts from any lending and guaranty operations under this Act (except operations under title IV carried on by the Small Business Administration) shall be credited to the fund. The fund shall be available for the payment of all expenditures of the Director for loans, participations, and guaranties authorized under titles III and IV of this Act.

Labor standards

SEC. 607. All laborers and mechanics employed by contractors or subcontractors in the construction, alteration or repair, including painting and decorating of projects, buildings and works which are federally assisted under this Act, shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a–276a–5). The Secretary of Labor shall have, with respect to such labor standards, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267; 5 U.S.C. 133—133z–15), and section 2 of the Act of June 13, 1934, as amended (48 Stat. 948, as amended; 40 U.S.C. 276(c)).

Reports

SEC. 608. Not later than one hundred and twenty days after the close of each fiscal year, the Director shall prepare and submit to the President for transmittal to the Congress a full and complete report on the activities of the Office during such year.

Definitions

SEC. 609. As used in this Act:

(a) The term "State" means a State, the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, or the Virgin Islands, and for purposes of title I and part A of title II such term includes the Trust Territory of the Pacific Islands; and the term "United States", when used in a geographical sense, includes the foregoing and all other places, continental or insular, including the Trust Territory of the Pacific Islands, subject to the jurisdiction of the United States.

(b) The term "agency", unless the context requires otherwise, means department, agency, or other component of a Federal, State, or local governmental entity.

(c) The term "family," in the case of a Job Corps enrollee, means—

(1) the spouse or child of an enrollee, and

(2) any other relative who draws substantial support from the enrollee.

PART B—COORDINATION OF ANTIPOVERTY PROGRAMS COORDINATION

SEC. 611. (a) In order to insure that all Federal programs related to the purposes of this Act are carried out in a coordinated manner—

(1) the Director is authorized to call upon other Federal agencies to supply such statistical data, program reports, and other materials as he deems necessary to discharge his responsibilities under this Act, and to assist the President in coordinating the antipoverty efforts of all Federal agencies;

(2) Federal agencies which are engaged in administering programs related to the purposes of this Act, or which otherwise perform functions relating thereto, shall—

(A) cooperate with the Director in carrying out his duties and responsibilities under this Act; and

(B) carry out their programs and exercise their functions in such manner as will, to the maximum extent permitted by other applicable law, assist in carrying out the purposes of this Act; and

(3) the President may direct that particular programs and functions, including the expenditure of funds, of the Federal agencies referred to in paragraph (2) shall be carried out, to the extent not inconsistent with other applicable law, in conjunction with or in support of programs authorized under this Act.

(b) In order to insure that all existing Federal agencies are utilized to the maximum extent possible in carrying out the purposes of this Act, no funds appropriated to carry out this Act shall be used to establish any new department or office when the intended function is being performed by an existing department or office.

Preference to community action programs

SEC. 612. To the extent feasible and consistent with the provisions of law governing any Federal program and with the purposes of this Act, the head of each Federal agency administering any Federal program is directed to give preference to any application for assistance or benefits which is made pursuant to or in connection with a community action program approved pursuant to title II of this Act.

Information center

SEC. 613. In order to insure that all Federal programs related to the purposes of this Act are utilized to the maximum extent possible, and to insure that information concerning such programs and other relevant information is readily available in one place to public officials and other interested persons, the Director is authorized as he deems appropriate to collect, prepare, analyze, correlate, and distribute such information, either free of charge or by sale at cost (any funds so received to be deposited to the Director's account as an offset to such cost), and make arrangements and pay for any printing and binding without regard to the provisions of any other law or regulation.

Prohibition of Federal control

SEC. 614. Nothing contained in this Act shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over the curriculum, program of instruction, administration, or personnel of any educational institution or school system.

Authorization of appropriations

SEC. 615. The Director shall carry out the programs provided for in this title during the fiscal year ending June 30, 1965, and the two succeeding fiscal years. For the purpose of carrying out this title (other than for purposes of making credits to the revolving fund established by section 606(a)), there is hereby authorized to be appropriated the sum of $10,000,000 for the fiscal year ending June 30, 1965; and for the fiscal year ending June 30, 1966, and the fiscal year ending June 30, 1967, such sums may be appropriated as the Congress may hereafter authorize by law.

SEC. 616. No part of any funds appropriated or otherwise made available for expenditure under authority of this Act shall be used to make payments to any individual unless such individual has executed and filed with the Director an affidavit that he does not believe in, and is not a member of and does not support any organization that believes in or teaches, the overthrow of the United States Government by force or violence or by any illegal or unconstitutional methods.

TITLE VII—TREATMENT OF INCOME FOR CERTAIN PUBLIC ASSISTANCE PURPOSES

Public assistance

SEC. 701. (a) Notwithstanding the provisions of titles I, IV, X, XIV, and XVI of the Social Security Act, a State plan approved under any such title shall provide that—

(1) the first $85 plus one-half of the excess over $85 of payments made to or on behalf of any person for or with respect to any month under title I or II of this Act or any program assisted under such title shall not be regarded (A) as income or resources of such person in determining his need under such approved State plan, or (B) as income or resources of any other individual in determining the need of such other individual under such approved State plan;

(2) no payments made to or on behalf of any person for or with respect to any month under such title or any such program shall be regarded as income or resources of any other individual in determining the need of such other individual under such approved State plan except to the extent made available to or for the benefit of such other individual; and

(3) no grant made to any family under title III of this Act shall be regarded as income or resources of such family in determining the need of any member thereof under such approved State plan.

(b) No funds to which a State is otherwise entitled under title I, IV, X, XIV, or XVI of the Social Security Act for any period before July 1, 1965, shall be withheld by reason of any action taken pursuant to a State statute which prevents such State from complying with the requirements of subsection (a).

Mr. McNAMARA. Mr. President, I move that the Senate concur in the amendment of the House to S. 2642.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Michigan.

Mr. TOWER. Mr. President, I yield 1 minute to the Senator from New York.

Mr. KEATING. Mr. President, before the Senate finally accepts this bill, I wish to express my appreciation to the members of the conference committee of both Houses who endorsed my proposal for a voluntary assistance program for needy children. I am confident that the Office of Economic Opportunity will set up this program as soon as possible so that the more than a thousand generous people who have written to me expressing their desire to sponsor a child will have to wait no longer.

Just last week, Mr. President, a young seaman from Alabama, who is stationed at the Naval Communications Center here in Washington, came into my office with an offer to "adopt" three or four youngsters. His unit, he explained, already has foster children abroad, but they were most anxious to help some of our own needy children right here at home. The minute the President signs this bill, I shall be in touch with these sailors, and all other volunteers, advising them how they can put their generosity and good will to work for the benefit of America's children.

Mr. TOWER. Mr. President, I ask unanimous consent that I may suggest the absence of a quorum without the time being charged to either side.

The ACTING PRESIDENT pro tempore. The time allotted is 1 hour. The Senator having received consent, the time will not be charged to either side, but at 11:15 the vote will commence under the unanimous-consent request.

Mr. MANSFIELD. Mr. President, I yield 2 minutes of the time allotted to the majority leader for the purpose of suggesting the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

The ACTING PRESIDENT pro tempore. The 2-minute time limit having expired, without objection, the order for the quorum call is rescinded.

Mr. TOWER. Mr. President, I regret that there is not available a printed version of the House bill. The House made some important changes in the measure before sending it to the Senate. It seems pretty typical of the way that we legislate these days that we do not have before us printed copies of proposed legislation. We are legislating in an atmosphere of haste—at times it would seem almost in an atmosphere of panic. I regret that the changes that were made by the House are not available. I should like to invite the attention of Senators to them.

Representative LANDRUM, of Georgia, in the House offered an amendment to the bill which would broaden the veto authority of Governors over programs instituted in the various States. The amendment was adopted. Representative WILLIAMS of Mississippi was successful in having the bill amended to include a loyalty oath similar to the oath formerly required under the National Defense Education Act. Third, the requirement that high school graduates be generally kept out of the Job Corps was eliminated by the House.

Furthermore, an amendment was adopted to limit the recipients of title II aid to existing organizations. That action was taken to prevent drumhead organizations from being organized merely to take part in the program.

I feel that those changes improved the bill considerably. But I believe the bill could best be improved by striking out everything after the enacting clause. Obviously it is an election-year bill, one that I believe is politically oriented. I do not believe that the provisions of the bill will go very far, when implemented, successfully and effectively to attack the poverty that exists in the United States.

In effect, we have reviewed some New Deal type of programs on which it is proposed to spend somewhat in excess of $900 million. It should be brought to the attention of the Congress that we are already spending $66.5 billion annually in an effort to mitigate poverty—$66.5 billion is spent by Federal, State, local, private, and volunteer agencies. I believe everyone is conscious of the responsibility of the Congress to do whatever is within its power, and whatever it can effectively do in a legislative way to combat poverty in the United States. But I suggest that the proposed legislation would not accomplish that end. Indeed, I believe that the passage of the bill might very well tend to perpetuate poverty in some areas. For example, it is designed to keep marginal farms alive and to keep people "down on the farm" at a time when farming has become increasingly unprofitable for the small marginal or subsistence farmer.

Furthermore, I believe that by proffering tentative and temporary Federal aid in many situations, people are discouraged from attacking the real causes of poverty. I believe that any doctor would testify that the proper way to treat a malady is not merely to treat the symptoms, but to get at the cause of the symptoms and to treat the cause of the disease. We are dealing with the symptoms of poverty. The real reason why poverty exists is that there is a high level of unemployment. The way to mitigate that factor is not through Federal programs, such as a job corps or aid to marginal farmers; the way to do it is to create the sort of economic climate in which we would provide expanded production, which would mean an expansion in jobs available. Indeed, a number of jobs in this period of high unemployment are going begging. The reason that those jobs are going begging is that there are not enough people adequately trained to fill the positions. We are now in a period of increased application of science and technology to production, distribution, communication, and exchange; we are in a period of what is known as automation. That is simply a historical extension or perpetuation of the economic and industrial revolution. We need highly skilled workers, who are properly trained.

A number of jobs which require highly skilled and trained people are going begging. I do not believe that the bill addresses itself to that problem. It purports to establish some sort of vocational training, but it lays no guidelines whatever, and we have no assurance that the training would effectively prepare young people for the jobs that must be done in industry in this complex age of automation.

If we could create in the United States a climate favorable to business, if we could mitigate Government competition with business, if we could eliminate confiscatory taxes, and if we could relieve business from oppressive regulations, we might restore the confidence of the business community in Government to the extent that there would be increased investment, resulting in an expansion of production facilities, and therefore an expansion of jobs and a subsequent expansion in consumption, which in turn would generate more production and more jobs. The real way to get at the poverty problem is to provide more jobs. That can be done only in a political atmosphere that is conducive to the expansion of the operation of the business community.

Mr. President, I regret that we are flogging the bill through the Congress in an election year merely to make a political issue.

Mr. President, I yield 5 minutes to the distinguished Senator from New York.

Mr. JAVITS. Mr. President, I thank the distinguished Senator from Texas. Notwithstanding his opposition to the bill, I wish to state that within the principles and limits of his opposition, no one could have been more cooperative in the mechanics of seeing that the bill got on its way than the Senator from Texas, though he thoroughly disagrees with it, as he has stated.

Mr. President, I believe that I bespeak the views of many Senators—I certainly bespeak very thoroughly my own—when I say that a nation as powerful and productive as our Nation certainly should mount a war on poverty. That hour has come. I agree with my colleague. Undoubtedly the timing is political, but often very important things are done in political seasons, and the people are served just the same. So, though we call attention to the timing as political, the fact is that the bill cannot be rejected on that ground. There is an effort in this concept of a war on poverty to sweep unemployment under the welfare rug, but the bill does not reflect it. The message did, but the bill does not. The bill is very definitely designed to deal with endemic hard-core poverty where national cooperation, some vocational financing, and beyond everything else, the morale factor of concentration of effort upon a given target at a given time, with the massing of means, would have an effect. For that reason I supported the bill. I believe it is for that reason that 10 other Republicans on this side of the aisle supported the bill. I believe it is noteworthy that without their support, the bill could not have become law. I hope that the bill will have at least that support on this side of the aisle in respect of the present motion.

An analysis of the bill will bear out what I have said. I do not believe any of us on this side are too happy about the Job Corps—the so-called CCC camps. But I think there is a great deal of feeling that the community action programs are important, that the VISTA item—offering an unusual opportunity for service on the part of young people—is important, and that the youth employment opportunities aspects of the bill and the work training sections are very important. Therefore we must take the Job Corps along with it.

One very disquieting feature has been introduced in the House; namely, the so-called loyalty oath requirement. This issue has been argued time and time again, and the National Defense Education Act was amended in 1962 with respect to its requirement of a loyalty oath, because it is degrading to many people to challenge their loyalty by requiring a disclaimer of disloyalty. How much more degrading is it to the endemic poor, who have no chance to argue, who are given a piece of paper and asked to sign. Certainly, it demeans them, and demeans the United States. Of all the places where a loyalty oath should not apply, it is to those people. If loyalty oaths are to be applied, why not have farmers take loyalty oaths because they receive money from the various agricultural aid programs? Why not apply such a requirement to manufacturers who receive benefits from the Treasury? Why not apply them to airlines who receive airmail and other subsidies? So it begins to look ridiculous.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. AIKEN. I have not seen the amendment proposed by the House. Is the loyalty oath required of all beneficiaries of the poverty program, or merely instructors in the camps where the beneficiaries may be gathered?

Mr. JAVITS. I believe it is the intention of the Attorney General—and I shall discuss the legal question in a moment—to take the position that only enrollees in the various camps must sign a loyalty oath, and that all others affected by the bill need not; but we do not yet have in hand the text of the opinion of the Attorney General.

Mr. AIKEN. It applies to all enrollees, not merely instructors?

Mr. JAVITS. That is my understanding.

Mr. AIKEN. Will the Senator tell us why it is always the poor people who are suspected of subversion? Is it possible that it is to cover up the misdeeds of some segments of the more affluent society that the poor people are pointed at?

Mr. JAVITS. I agree with the Senator's thought, because the record shows that among the poor there is certainly no less loyalty than among those who are better off financially.

The ACTING PRESIDENT pro tempore. The time of the Senator has expired.

Mr. JAVITS. May I have 2 minutes?

Mr. TOWER. I yield 2 additional minutes to the Senator from New York.

Mr. JAVITS. I should like to state my basic view on this matter with reference to what is expected to be the Attorney General's opinion as to the questions raised by the language of the House-passed bill. I point out that there is a considerable difference between the loyalty oath section of the bill dealing with the Job Corps, section 104(d) which refers to enrollees as those who must file a disclaimer affidavit and take a loyalty oath, and that provision which is generally applicable to the entire bill, section 616 which provides that an affidavit is required of any individual to be eligible for payments under the bill, as distinguished from one who benefits from expenditures through projects which are financed under the bill.

It is expected that the Attorney General will hold that section 616 relates solely to those who enroll in the Job Corps. On that basis, and on the doctrine of de minimis, and considering the hazards and hurdles which the bill would have to jump if it were sent to conference, I will vote to support the bill and accept the House amendment. But if the loyalty oath requirement extended to every individual who had any interest, directly or indirectly, under the bill, by virtue of receiving assistance under any program to which the bill will contribute any financing, and the loyalty oath were to be required of the endemic poor, I would vote against it. It all depends on what the Attorney General's opinion states.

The ACTING PRESIDENT pro tempore. The time of the Senator has expired.

Mr. TOWER. I yield 1 minute to the Senator from New York.

Mr. HUMPHREY. Mr. President, I will yield 1 minute on this side. The Senator from New York knows we are expecting momentarily a communication which will clarify the point the Senator from New York has raised. I deeply regret that it is not yet here. I shall confer and discuss the contents of the letter immediately upon its receipt.

I am confident that the interpretation will be that the application of the amendment is to the Job Corps. As the Senator knows, a number of these programs do not deal directly with the individual, but to county structures of government, to volunteer agencies, or universities, which in turn will serve some purpose for individuals.

Mr. JAVITS. I think the Attorney General could readily hold that the bill refers to enrollees in the Job Corps, as specifically named. He might also hold that individuals who receive a direct contribution from the appropriation under the bill, perhaps an administrator here or there are affected.

On the doctrine of de minimis, we shall not haggle over that point. The fundamental point is that in the community action programs, in the work study programs, in the youth programs, and other programs under the bill, under which money is moving through governmental or private agencies, or a combination of them, from the State level down, the particular individual who receives some benefit to which the Federal Government has indirectly contributed will not have to take the oath.

I see that the Senator now has the letter.

Mr. HUMPHREY. The letter was handed to the acting floor leader and the chairman of the subcommittee. The letter will be included in the RECORD at the appropriate place.

Mr. SALTONSTALL. Mr. President, will the Senator from Texas yield me 2 or 3 minutes?

Mr. TOWER. I yield 3 minutes to the Senator from Massachusetts.

Mr. SALTONSTALL. I thank the Senator from Texas.

I rise because I hope the Senate will concur in the House amendment. Personally I am against the principle of the loyalty amendment, but I believe the amendment put in the bill by the House to give veto power to a Governor over a job camp in his State is fundamental. It is a principle which I supported when the bill originally passed the Senate, and I was very disappointed that we lost that effort by a very close vote—in fact, a tie vote. I hope the Senate will concur in the House amendment, and that ultimately the loyalty oath will be as strictly limited as possible, as the acting majority leader and the Senator from New York have already suggested it should be.

I wish at this point in my remarks to include in the Record an editorial from the Wall Street Journal dated Tuesday, August 11, 1964, entitled "The Trees and the Forest," which comments very favorably about the junior Senator from Vermont [Mr. Prouty] as "one of the few who seem to care if the program actually does what it purports to do."

I congratulate the Senator from Vermont upon receiving this well-deserved compliment.

I ask unanimous consent to include the entire editorial in my remarks at this point.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

The Trees and the Forest

In the recurring debates over extending Federal social welfare programs, it's often hard to see the trees for the forest. The central but diffuse issue about the proper role of Government all but obscures the smaller but practical issue about whether the proposed programs will work.

This is abundantly clear, for a striking example, in reading the Senate Labor Committee report on the poverty bill. The committee majority wants the bill as a Government commitment to stamp out poverty. The minority oppose it because it involves an alleged "superbureaucracy" and a "poverty czar." The splashy fireworks of this argument nearly drown out the sensible individual views of Senator Prouty, of Vermont, one of the few who seems to care if the program actually does what it purports to do.

Proponents of the war on poverty are so anxious to do something for the poor, the Senator says, that they "completely overlook, or largely ignore, the fundamental question—Who are the poor?"

The bill's provisions, he points out, do little for such large groups as the aged poor and poor families headed by women. They do little in improving education for the impoverished, which may be the most crucial area of all. He also lists a long series of proposals to accomplish many of the bill's purposes through existing programs and without additional bureaucracy.

We don't necessarily endorse all of the Senator's proposals, or necessarily oppose all those in the poverty bill. But Senator Prouty's comments make it plain, we think, that the war on poverty was slapped together without much homework. There was little analysis of such questions as: What are the basic causes of poverty? Which of those causes are susceptible to Government action and how? What are the alternative methods of attacking these causes?

Consider the bill's work-study program, which would provide Federal grants to colleges to help needy students find part-time work. This may be a fine idea, but just how does it fit in a poverty war?

Poverty can result from lack of education, yet how many of the poor wanted to go to college but couldn't find money? In all probability, not a great many. How much will Federal money help students find jobs? Could money be supplied more efficiently through the tax advantages Senator Prouty advocates? We find little evidence that such questions have been asked, much less answered.

Past programs have suffered from similar lack of analysis. As a result, we've had urban renewal which enriched real estate developers without helping slum residents. We've had job retraining programs which took little notice of what jobs are available.

The problem has been that once programs are started, the administering agencies are loath to admit their methods are in error. The Government, it has been truly said, never knows when to stop or change course. New approaches are difficult if not impossible; the first approach had better be the right one.

It would be easier to keep such practicalities in mind if we didn't have to debate what role the Government should assume. But that debate is important and will go on. In the midst of it, however, advocates of limited Government would do well to supply a lot more constructive criticism of the type Senator Prouty offers.

On their part, proponents of increased Federal activity must stop writing off the criticism that their proposals won't work as merely part of what they consider a weary and abstract debate about the responsibilities Government should assume. They have the primary obligation, after all, to make sure their own proposals are not only well meant but workable.

To assume this responsibility, the supporters of the poverty war or any other Government welfare program need to recognize the joker in the idea of commitment—that Federal legislation involves not only commitment to a forest of principle, but also to the trees of particular methods.

Mr. SALTONSTALL. Before concluding my remarks I should like to reiterate my hope that the Senate will concur in the House amendment granting Governors of States an opportunity to decide what is going to be done within their own borders.

Mr. McNAMARA. Mr. President, I yield 2 minutes to the distinguished Senator from Texas.

Mr. YARBOROUGH. Mr. President, as a coauthor of the original Economic Opportunity Act of 1964, the antipoverty bill, and as a member of the special committee which held hearings and reported the bill, I am glad to see the bill as close to passage as it is today.

I regret the action of the House with respect to title III, the section relating to combating poverty within rural areas. It was a vital part of the bill. I believe the action of the House has weakened the bill. Even though it has been weakened by reducing the means by which people of lower income would have an opportunity to earn better income in rural areas, it is still a good bill, worthy of passage.

POVERTY: THE BASIC ISSUE

A fundamental issue of this age is raised by the proposal to marshal the power of the Federal Government behind a program to eradicate poverty. This issue lies really at the heart of any public welfare measure, not only the war on poverty.

The question is, why have legislation of this sort in the first place? Why not just let everything alone, so that individual initiative and rugged individualism can make everything OK?

This is the issue, and I believe it is important that we here on the floor of the Senate face this question squarely and forthrightly. I do not claim to have all of the answers, but I shall take this opportunity to set forth briefly some of my thoughts on the matter.

First, Mr. President, we must realize that ideas are to some extent a function of the existing reality. One important reason why no nation has ever before seriously advocated the eradication of poverty for all its citizens is that such a thing has never until this day been possible. So when we look for guidance from the philosophers and sages of bygone days, we do not find much notice taken of what we are about to do. Why should we expect them to have indulged in pipedreams? Today, however, two centuries after the beginning of the industrial revolution, the forces set in motion so long ago have made it possible for this Nation to produce goods and services in sufficient quantities so that, with one great final effort, all its citizens, for the first time in the history of any nation, shall be able to earn enough to meet minimum human needs. This is the reality which our fathers and all their fathers before them never knew.

Mr. President, I firmly believe that as legislators we must consider what is best for people at all levels of society, from the top to the bottom. Each individual possesses unique abilities. Some people are more gifted than others. These are easily observable facts and no one but a fool would dispute these findings. But we must not have tunnel vision; we must not see only the road to the top and neglect everything else along the way.

Individual abilities will always be differentiated. There will always be economic and social distinctions between people. The kind of world I foresee is one in which each person can work his way as high as his abilities will carry him in relation to the rest of the population. We do not want a world in which people are trapped at levels below those to which their abilities could enable them to rise. Equally important, since we have always been a humane society, and since, as I mentioned earlier, we now possess the resources to work such a change, we can and therefore we must see that those in the lowest income brackets of our society earn enough so that they can meet minimum needs.

If the Government will only provide the initial boost, the rest can be done through individual initiative. For those with even the lowest aptitudes, the Economic Opportunity Act will provide basic education and training, leading to the chance to hold down a job in our complex industrial society, and to earn a living wage. For those who possess the energies and abilities to go further, but who are held back by the social, psychological, and economic barriers which poverty creates, there is the chance to break through the barricades and begin the move upward.

Mr. President, escape from poverty has always required resources of one kind or another. In an earlier period of American life, in the age of the frontier, free land was the resource. A man could move west and start life completely anew—as a farmer, as a rancher, as a shopkeeper, as a peddler, or in any number of other ways. Thousands of pages have been written about the influence of the frontier upon American life and upon the shaping of the American character.

I shall not dwell upon this subject except to note that just as the Government provided access to free land, so the Government in other ways has always assured public access to the economic abundance of the Nation in whatever form it should happen to take at the time. When it became apparent that access to markets was necessary for the further development of the frontier economy, the Government provided a program of internal improvements. After the Civil War it became apparent that the industrial resources of the country could not be developed by individuals, but would have to be exploited by large-scale organizations. The Government therefore sanctioned the corporate device and helped to create a climate in which corporations could flourish.

With these examples as precedents the Government cannot at long last evade its responsibility to the economically lowest one-fifth of our population. The Federal Government must provide access to today's poverty-fighting resources: education and training. It is a simple fact that modern methods of industrial production are a world apart from the techniques of a generation ago. For all of recorded history, up until the most recent times, methods of production for everything from food to most manufactured items were so crude that practically all labor was unskilled. And the skills that men did have to learn were those that did not require much training. Highly skilled craftsmen were an elite minority. Today, however, a high degree of skill is becoming more and more a necessity. The unskilled worker is the unwanted worker. Whereas in the past a man could get a job as long as he was strong enough to do the work, today's sophisticated technology demands a high degree of skill from those who would participate. It is the new technology rather than any sudden decrease in moral fiber, that necessitates Government programs such as the war on poverty.

And so, Mr. President, I offer these observations as one Senator's reasons for believing in the wisdom of this kind of legislation. I do not contend that this bill provides all the answers to the problem of poverty. I am not completely satisfied with the bill. I would prefer the restoration of the parts which were deleted from title III. I would like to have seen more attention paid to the problems of the aged. As with any major legislative proposal, the Economic Opportunity Act is a product of compromise. Moreover, it is only a beginning. But, Mr. President, this is the important point: it is a beginning. From the action which we take here today on the floor of this body will come a legion, small at first, but steadily growing in strength, which will go forth to do battle with and at last to defeat man's oldest enemy.

Mr. McNAMARA. Mr. President, I yield 3 minutes to the Senator from West Virginia.

Mr. RANDOLPH. Mr. President, the Senate, in passing judgment on the Economic Opportunities Act of 1964, placed its approval on that measure by a yea-and-nay vote of 61 to 34. Spirited discussion was held. There was, in a sense, a clash of philosophies. It was a wholesome and enlightening debate.

In the House of Representatives painstaking attention was given to the pending legislation. There were 3 days of floor consideration, which gave the proponents and the opponents of the legislation adequate opportunity to discuss it from varying viewpoints, and to evaluate amendments, and substantive provisions of the basic bill. Then the House of Representatives, by a rollcall vote of 226 to 184, passed its version of the Economic Opportunities Act.

The two versions differ by reason of certain amendments which have been adopted by the House, and which were not included in the Senate bill. There has been discussion in this Chamber today with respect to some of the reasons why certain Members of our body do not feel particularly pleased about what was done in the other body. There are other Members, as stated, who believe that in the other body improvements were written into the bill.

We now come to the apparent final decision in the Senate as to what we shall do on this vital measure. The very capable chairman of the Labor Subcommittee [Mr. McNAMARA] has moved that the Senate concur in the House amendments.

I direct attention to the continuing opposition which comes from some sources in this Chamber to the Job Corps program within the Economic Opportunities bill. This, in a sense, is the heart of the legislation. I believe that firmly. I am convinced that if there was any effort which was enunciated and carried forward by Franklin D. Roosevelt in his dramatic effort to alleviate poverty in the United States, at least in part, it was the program which we knew as the Civilian Conservation Corps. It gave to this Nation a reservoir of young men who, because of training in the CCC camps, later became responsible citzens in the America which emerged from the depression of the 1930's.

Under the Job Corps program, as set forth in the bill, in the first year approximately 40,000 young men and young women would be trained in the camps, and would have work habits instilled in them and would learn to labor cooperatively with others, standing side by side. We envision an extension of this program from 40,000 enrollees to 100,000 enrollees in the second year.

I spoke rather vigorously and feelingly on this subject when the antipoverty measure was originally before the Senate. Today I again express my firm feeling that the discipline which will come to the teenagers of our country by working in the Job Corps will be of such a nature as to strengthen the youth of America, and contribute to an expanding America as we build a better Nation.

Mr. TOWER. I yield 1 minute to the Senator from Maryland.

Mr. BEALL. Mr. President, prior to the passage of S. 2642, the Senate adopted an amendment offered by Senator YOUNG of North Dakota authorizing the Secretary of Agriculture to make indemnity payments to dairy farmers who have been directed to remove their milk from commercial markets because it contained chemical residues. This amendment is similar to one offered by Senator BREWSTER and myself and can be found in section 331 of the bill.

Before the Senate takes final action on S. 2642, I want to make absolutely clear the intent of the amendment so that there will be no question in the minds of those who will administer the law. Section 331 of S. 2642 seeks to do for the dairy farmer exactly what we did for the cranberry producers 5 years ago. At that time, we authorized indemnity payments for the purpose of making the cranberry growers whole—that is, we compensated them for losses sustained through no fault of their own.

In the case of the dairy farmers, the losses involve not only the milk which was withdrawn from the market but the hay which remains stored in the barns and which cannot be used for feed.

If these farmers are to be indemnified for their actual losses, as provided in section 331, it should be clearly understood that these losses include the fair market value of the hay which cannot be used because of the same chemical residues which resulted in the loss of the milk. In this way, the dairy farmers will be equitably compensated as intended by the language of section 331.

Mr. TOWER. Mr. President, I yield 3 minutes to the Senator from Vermont.

Mr. PROUTY. Mr. President, I shall vote in support of the motion to concur in the House amendment, but with serious reservations. The House has tightened the bill considerably, by making it virtually impossible for the Federal Government or the Director of the program to circumvent State officials. This I think is most important and timely.

I feel, however, that political considerations have been a major concern in pushing the so-called war against poverty bill. I wish to quote briefly from the Roland Evans-Robert Novak report, which was published in this morning's Washington Post:

> When the antipoverty bill sailed through the House last Saturday in President Johnson's greatest legislative triumph, a good many Democratic Congressmen did not join in the jubilation.
>
> The truth is that they doubt that the bill, an expensive grab bag of new and old spending programs, will prove an effective battle plan against poverty. Many Democrats supported it only out of election-year loyalty to the President.

Further in the article, they say:

> Mr. Johnson used all his business friends, including such personages as the president of the Pennsylvania Railroad, to put the heat on Republicans.
>
> One liberal Republican Congressman, who regards the bill as a hopeless hodgepodge, was pressured by calls from Republican industrialists and newspaper editors in his district. None of them had the slightest idea

> what was in the bill, but all urged his support.

Then, later in the article:

> Mr. Johnson had an understandable desire to push through Congress one major bill that had his own, not John F. Kennedy's, imprint. Above all the other bills, this was "must" legislation. It was this desire that led to the hasty assembling of the poverty package last winter despite grave misgivings within the Cabinet. In turn, it had led to a crisis atmosphere at the White House last week that had nothing to do with Vietnam, the roughest White House lobbying since the Rules Committee fight of 1961.

Mr. President, I ask unanimous consent to have the entire article printed at this point in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

The Yarmolinsky Sacrifice

(By Rowland Evans and Robert Novak)

When the antipoverty bill sailed through the House last Saturday in President Johnson's greatest legislative triumph, a good many Democratic Congressmen did not join in the jubilation.

The truth is that they doubt that the bill, an expensive grab bag of new and old spending programs, will prove an effective battle plan against poverty. Many Democrats supported it only out of election-year loyalty to the President.

What really rankled the liberal Democrats in the House, however, was the price that Mr. Johnson thought necessary to pay for the bill. To get support from conservative southerners, he practiced human sacrifice.

The sacrificial victim was Adam Yarmolinsky, a dynamic administration troubleshooter who was chief midwife in the hurried birth of the poverty program. Contrary to the President's claim at his Saturday news conference that Yarmolinsky never left his duties as a Defense Department administrator, he actually joined the poverty task force months ago and was scheduled to be Deputy Director of the program after the bill passed. In fact, he no longer has an office at the Pentagon.

Yarmolinsky, who has the misfortune of looking like the anarchist bomb thrower in old political cartoons, is the subject of constant vilification by Gen. Edwin Walker, John Birch zealots, and the fright peddlers. Charges of disloyalty are, of course, absurd. He has a public record of anticommunism and helped clear the Reds out of the American Veterans' Committee after the war.

The announcement that Yarmolinsky was being sacrificed came on the House floor. Representative Phil M. Landrum, of Georgia, floor manager of the poverty bill, declared that Yarmolinsky would have no part in administering the poverty program.

No sooner had Landrum taken his seat than a liberal Representative, surprised and infuriated, rushed up to ask what authority he had for this pledge. Landrum's reply: the authority came from President Johnson himself.

That night, indignant liberals who were the bill's strongest supporters met in the office of Representative James G. O'Hara, of Michigan. They could no nothing to save Yarmolinsky at that stage. In their impotence, they sent an ultimatum to the White House warning that they would tolerate no more such concessions.

Though it all came as a surprise to liberals, southerners—particularly the North Carolina delegation—had been demanding Yarmolinsky's scalp as the price of voting for the bill. R. Sargent Shriver, the antipoverty chief, resisted to the end. He was overruled by President Johnson after top House leaders warned him: Yarmolinsky or the bill; take your choice.

Ironically, the sacrifice was not necessary. By adopting amendments satisfying the conservationist bloc headed by Representative John P. Saylor, Republican, of Pennsylvania, the number of Republicans backing the bill climbed from 5 to 22. Moreover, Mr. Johnson used all his businessman friends, including such personages as the president of the Pennsylvania Railroad, to put the heat on Republicans.

One liberal Republican Congressman, who regards the bill as a hopeless hodgepodge, was pressured by calls from Republican industrialists and newspaper editors in his district. None of them had the slightest idea what was in the bill, but all urged his support. Deciding discretion was the better part of valor, he ended up by voting for it.

But the Yarmolinsky sacrifice was a natural culmination of the frenzied manner in which the poverty bill had been pushed from the beginning. Mr. Johnson had an understandable desire to push through Congress one major bill that had his own, not John F. Kennedy's, imprint. Above all the other bills, this was "must" legislation.

It was this desire that led to the hasty assembling of the poverty package last winter despite grave misgivings within the Cabinet. In turn, it had led to a crisis atmosphere at the White House last week that had nothing to do with Vietnam, the roughest White House lobbying since the Rules Committee fight of 1961, and—finally—the sacrifice of Adam Yarmolinsky.

Mr. PROUTY. Mr. President, as I said earlier, I have serious reservations about the bill because I believe there is as much politics in it as there are considerations for eliminating poverty throughout the Nation.

I say politics because an examination of the bill reveals that while it speaks often of "low-income families," it does not very closely relate to the causes of poverty. Nor is it an attempt to alleviate those conditions which prior congressional studies have shown to be those toward which an antipoverty program should be directed.

The bill does not regard the nature of America's poor in its effort to be helpful. It is not particularly related to the families with a female head of household.

It does not concern itself noticeably with the aged poor.

It passes lightly over deficiencies in education of the poor—a major problem of any poor family.

In short, attacking the causes of poverty is almost incidental to the present bill.

Poverty is not a seasonal difficulty experienced by a few during an election year.

Antipoverty legislation which must sacrifice substance to seasonal necessity will cause more problems than it will solve. When seasonal necessity is not of primary importance to the administration, perhaps we may be able to enact appropriate antipoverty legislation.

Mr. President, some of the programs involved in the Economic Opportunity Act of 1964 are already in effect. I have supported them in the past; I support them now. For that reason, I shall support the House version of the bill.

Mr. TOWER. Mr. President, I yield myself 2 minutes.

We are making legislative history with respect to the loyalty oath. In the bill as it came from the House, this amendment appears toward the conclusion of the bill, under the appropriations section. Section 615 refers to programs. Section 616 provides, in part:

> No part of any funds appropriated or otherwise made available for expenditure under authority of this Act shall be used to make payments—

Unless a loyalty oath has been filed. My interpretation of that language is that it excludes only loans and grants to institutions. Any loan or grant made to an individual comes within the purview of this amendment.

Mr. McNAMARA. Mr. President, I yield 1 minute to the distinguished Senator from Oregon.

Mr. MORSE. Mr. President, as a member of the Committee on Labor and Public Welfare, serving with the distinguished Senator from Michigan [Mr. McNamara] and the distinguished Senator from West Virginia [Mr. Randolph], I have said for many years that the greatest economic threat that confronts this country is the ever-deepening and ever-widening pool of unemployable people. That is quite a different thing from unemployment, for people who are unemployed can generally hold jobs if jobs can be found for them to fill.

Increasing thousands of people in this country cannot hold jobs because they have never been trained to hold jobs. It is necessary for us to drain this pool of unemployability if we are not to drown the economic potential and economic lives of increasing thousands of the next generations of Americans.

If the bill did no more than to further the attempt to drain the pool of unemployability, it would be worth every dollar put into the program. I shall vote for the bill because, at long last, it is a recognition on the part of Congress that we must do something to assist the increasing thousands of young misfits in our country.

Mr. TOWER. Mr. President, I yield myself 1 minute.

I commend the Senator from Oregon [Mr. Morse] for injecting the term "unemployability" into the discussion. Certainly, this is a program apart from unemployment. Unemployability aggravates unemployment.

If I believed for one moment that the bill would contribute anything toward mitigating or ameliorating or in any other way improving the situation of unemployability to the extent that some of the jobs that are now going begging could be filled, I would support the bill. But I cannot do so. Therefore, I am sorry that the Senate sees fit to pass legislation of this kind.

Mr. McNAMARA. Mr. President, I yield 1 minute to the distinguished Senator from West Virginia.

Mr. RANDOLPH. Mr. President, to supplement what I said earlier, because the Senators from Texas [Mr. Yarborough] and Oregon [Mr. Morse] have touched on important education-employment facets of the bill. There are some Senators who feel that this approach is not a frontal attack; that it is a timid approach. But, as stated, it is, in essence, a beginning. We must move forward with this legislation, for there is a challenge to lift the level of the other America—the one not affluent but one of need.

I did not vote for every amendment the Senator from Oregon has offered to the foreign assistance bill. We expend, however, billions of dollars for foreign aid and billions of dollars for the space programs. Let this Congress place equal emphasis on this good earth—this space where humanity stands. Yet now, as we come to ask, in essence, for a billion dollars to strengthen the human resources of the country, there is a hue and cry, "We cannot do it." We can and we will do it, in part, in the passage of this proposal. President Lyndon B. Johnson is eager to sign the bill into law. Let us send it to the White House, and hasten the day when the benefits will begin for thousands of Americans.

Mr. McNAMARA. Mr. President, I yield the remainder of the time on this side to the distinguished Senator from Minnesota, the majority whip [Mr. Humphrey].

Mr. HUMPHREY. Mr. President, how much time remains?

The ACTING PRESIDENT pro tempore. The Senator from Michigan has 16 minutes remaining.

Mr. HUMPHREY. Mr. President, I invite the attention of the distinguished Senator from New York to what I am about to say. He had expressed concern about two amendments offered in the House by Representative John Bell Williams. Has the Senator a copy of the Attorney General's letter?

Mr. JAVITS. I do not have it before me, but I have read it carefully. I suggest that before we start our colloquy, the Senator from Michigan place the opinion in the Record.

Mr. McNAMARA. Mr. President I ask unanimous consent to have printed at this point in the Record the letter sent to me by Assistant Attorney General Norbert A. Schlei.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Department of Justice,
Washington, D.C.

Senator Patrick V. McNamara,
The U.S. Senate,
Washington, D.C.

Dear Senator McNamara: This is in response to your request for our views as to the scope of the amendments to the Economic Opportunity Act of 1964 offered by Congressman John Bell Williams and adopted by the House on August 7.

The first of the two amendments would require each enrollee in the Job Corps to do two things: (1) Execute an affidavit that he does not believe in, and is not a member of any organization that believes in, the overthrow of the United States by force or violence or by any illegal or unconstitutional methods, and (2) take an oath of loyalty to the United States. This amendment is applicable only to "enrollees" as that term is defined in section 104 of the bill, and presents no problem of interpretation.

The second amendment adds to the act a new section 616 reading as follows: "No part of any funds appropriated or otherwise made available for expenditure under authority of this Act shall be used to make payments to any individual unless such individual has executed and filed with the Director an affidavit" of the type referred to in the first of the two amendments.

In proposing the two amendments, Congressman Williams made statements indicating that their purpose was limited to the Job Corps program. The amendments, he said, "are designed to obviate insofar as possible Communist and other subversive infiltration of these camps that we will set up if this legislation is approved." The language of the second amendment does not appear on its face to be so limited.

However, analysis of it indicates that its only legally indisputable application is to Job Corps enrollees, although it may also be applicable to VISTA volunteers and consultants retained by the Director.

Congressman Williams also stated that the two amendments in question "were drafted in line with the language that is presently contained in the National Science Foundation Act." The fact is that the National Science Foundation Act no longer contains any provision for a disclaimer affidavit, having been amended on October 16, 1962, to eliminate this requirement (76 Stat. 1069, 1070). It is, however, true that the amendments offered by Congressman Williams were very similar to the original provisions of section 15(d) of the National Science Foundation Act of 1950 (64 Stat. 146), and section 1001(f) of the National Defense Education Act of 1958 (72 Stat. 1602). Accordingly, although these precise provisions are no longer contained in the law, interpretations of them are highly persuasive as to the proper construction of the Williams amendments.

The precedents with respect to provisions of this type make it plain that the prohibition upon the use of funds contained in section 616 should be construed as applicable only to payments made directly to an individual by the United States. This interpretation follows those made by the Comptroller General with respect to similar clauses in appropriation acts in the 1940's and early 1950's. (See 28 Comp. Gen. 54 (1948), 26 Comp. Gen. 111 (1946).) It also follows interpretations of such clauses made by the Federal Security Administration and the Department of Agriculture beginning as early as 1945. Section 1001(f) of the National Defense Education Act was so interpreted by the Department of Health, Education, and Welfare.

It is equally plain that section 616 has no application to loans made by the United States to individuals. This conclusion is based upon the interpretation Congress evidenced during its consideration of section 1001(f) of the National Defenes Education Act, where "payments" were specifically distinguished from "loans." (See 104 Congressional Record, vol. 104, pt. 13, p. 1732.)

It has not been possible for us to formulate a firm view, in the time available, as to whether section 616 would apply to payments by the United States to individuals for personal services. There is authority for the proposition that provisions such as section 616 apply only to persons receiving benefit payments. So far as regular Government employees are concerned, requirements similar to those imposed by section 616 are already in effect (5 U.S.C. 118p–118r). There are, however, arguments that would support extension of the requirements of section 616 to the VISTA volunteer program and to consultants receiving payments for services under the act who are not regular Government employees. It is also our tentative view that section 616 would apply to indemnity payments made to farmers under title III, part D.

Finally, I should point out that the amendment would apply only to payments made to individuals and not to payments made to other regular legal entities such as a State, a local public agency, an institution of higher education, another nonprofit organization, or a business corporation.

Sincerely,

Norbert A. Schlei,
Assistant Attorney General,
Office of Legal Counsel.

Mr. JAVITS. Mr. President, as I understand it, the letter of the Attorney General consists of an opinion upon the meaning which will be given by the administration to the House amendments with respect to a loyalty oath. I emphasize the words "meaning which will be given": it will determine exactly how the executive department will administer these particular provisions of the law, assuming that the President signs it. The loyalty oath requirement will be applied only to three categories. The first are the enrollees in the Job Corps. There is no question that they will have to sign loyalty oaths and declare that they are not members of any organization which seeks to overthrow the Government by force.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. HUMPHREY. Under the Job Corps provisions of the bill, there was such an amendment to that specific portion of the bill.

Mr. JAVITS. Exactly. I point out, too, as a part of the legislative history, that volunteers in the Peace Corps are required by section 5(j) of that act to declare their allegiance and to make affirmation or take an oath disclaiming membership in any organization designed to overthrow the Government by force, just as any Government employee is required to do. So we are not making any sharp difference between the Peace Corps, which operates overseas, and the Job Corps, which will operate within the United States.

The second category which the Attorney General says will be covered consists of persons who would directly profit from the appropriated funds as individuals. This would include a consultant, for example, who might receive $75 a day, if he were hired by the Director.

But the provision would expressly exclude, says the Attorney General, a beneficiary of a program, such as a community program, a work study program, an adult education program, or any other kind of program, who would receive benefits indirectly through a Government organization or a private organization, or a combination of both. The provision would not apply to such an individual. But it would apply only to an individual, like a consultant, who receives some benefit directly from appropriated funds. That would also include a few employees who would administer this particular statute. But, of course, they would take the oath as Government employees even apart from this provision. So the provision, limited to these categories, ceases to be a material objection.

A third possible category, says the Attorney General, may be members of the new corps called VISTA. That is the domestic——

Mr. HUMPHREY. Volunteers.

Mr. JAVITS. They are going to serve beyond the line of normal duty—in mental institutions, for example. There may be some question of interpretation, but again we are dealing here with a super Peace Corps, so I do not believe that becomes a material objection.

As a part of that third category also, the Attorney General raises the question of farmers who might receive a direct benefit under the special indemnity program included in the bill regarding milk which may have become contaminated. The Senator from Minnesota assures me—and this should be made clear in the RECORD—that such payments are within the power of the Secretary of Agriculture to make through cooperatives or other organizations.

If so made, they would then fall within the other parts of the Attorney General's opinion, like poverty clients, or those who might receive an indirect benefit from the antipoverty program. They, too, would then not have to execute a loyalty oath.

That is the scheme of the proposed legislation as spelled out in the Attorney General's letter. I state that authoritatively on the record for myself. Undoubtedly that will be in the mind of every Senator voting for this motion, and is the interpretation on which—as a condition precedent—I, and I believe other Senators, will be casting their votes for the motion.

If the Senator in charge of the bill, the Senator from Minnesota [Mr. HUMPHREY] would confirm that, I believe it would determine the question of legislative history.

Mr. HUMPHREY. Let me say to the Senator from New York that his interpretation of the letter, which within itself is a rather explicit document, is also my understanding and my interpretation—also that of the Senator from Michigan. We went over the letter very carefully. The Senator from Texas made it clear, so that the RECORD may be abundantly clear, that where there are loans as provided under the terms of the act, or grants to institutions, as the Senator from New York has mentioned, these are not covered by the so-called affidavits or the loyalty oath.

With that understanding, it seems to me that we have a rather good interpretation of the application of these two particular amendments.

I note for the RECORD that the sponsor of the amendments constantly referred to the National Defense Education Act as a guideline for the provisions of the act. The National Science Foundation Act was modified or amended, I believe in 1962, to repeal the so-called Communist disclaimer provision, but it also included the pledge of loyalty to the Government of the United States.

Mr. JAVITS. It also included tight provisions with respect to deception and actual membership in organizations devoted to the overthrow of the Government.

Mr. HUMPHREY. The Senator is correct. So we have a guideline, having made reference already to the National Defense Education Act and the National Science Foundation Act, prior to 1962, so that we may be clear on the interpretation which was given to the letter by the Senator from New York and the letter itself. I believe that we have spelled out as accurately as we can the explanation of this particular provision and the two amendments that were added in the House on August 7.

The amendments relating to the job corps, and the amendments relating, I believe, to section 616, were added in reference to the entire bill.

Mr. JAVITS. I ask the Senator from Minnesota [Mr. HUMPHREY], as the deputy majority leader, if we may assume that for the purposes of this colloquy the Senator from Minnesota is the Senator in charge of the bill?

Mr. HUMPHREY. The Senator is correct—in this particular instance, and in this particular effort to interpret the letter.

Mr. JAVITS. One further point. Notwithstanding the situation which occurred in the Senate, there is now tight State control on each of these programs. A State may veto any one of the programs, whether it deals with a governmental subdivision or a private agency. I believe that is probably going further than we should have gone. We should give the State power to take over the program but not allow the State to bar it. This would give assurance of a measure of State control—to those who are concerned lest the program might get out of hand in terms developing into a Federal bureaucracy.

I am prepared to support the motion.

Mr. HUMPHREY. I wish to include my participation in this discussion by stating that I was particularly pleased to see that the Youth Conservation Corps identification was made in the bill as amended in the House by the amendment offered by Representative SAYLOR, of Pennsylvania. I feel that this will add to the direction of the program. It is a matter which has been close to my heart for many years.

I join the Senator from Oregon in his comments and those of the Senator from Texas with reference to the problem of unemployability. I am convinced that the program may not be the total answer. As President Johnson stated, it is a good beginning; but our task in Congress is to make beginnings. These statutes do not always answer all of the needs of the American community but they do set forth some guidelines which provide the standards by which we can offer some assistance. They tend both to accelerate and coordinate the efforts of Federal, State, and local governments—and in this instance, also, large private or voluntary organizations.

Frankly, one of the salutary effects of the bill, and one of its most encouraging aspects, is the fact that in the proposed legislation not only is the role of the Federal Government spelled out; not only are State and local governments included in terms of coordination and cooperation; but also there is involved the great force of the American community; namely, voluntary organizations. I have the feeling that this kind of advance and proposal will produce good beginnings and substantial results.

Mr. JAVITS. Mr. President, will the Senator from Minnesota yield for just one more question?

Mr. HUMPHREY. I yield.

Mr. JAVITS. As the Senator from Vermont and the Senator from Texas have stated, there are political overtones in the season chosen for the bill.

I express the hope—as one Senator who supported the bill throughout that in its administration, the greatest consideration will be given to bipartisanship. The Republicans joined in passing the bill and in bringing in the voluntary organizations, the American business community, and so forth. Every effort was made to rid the bill of a political tag.

We understand the season and we understand the motivation, but I believe that a great deal can be done in the administration to rid the bill of any such implications as have been imputed to it.

Mr. HUMPHREY. I thank the Senator from New York for his cooperation.

Mr. MCNAMARA. Mr. President, I yield 1 minute to the Senator from Montana [Mr. MANSFIELD].

The ACTING PRESIDENT pro tempore. The Senator from Montana is recognized for 1 minute.

Mr. MANSFIELD. Mr. President, I should like to add my comments to those which have already been expressed.

I pay tribute to the chairman of the subcommittee, the Senator from Michigan [Mr. MCNAMARA], to the Senator in charge of the bill, the Senator from Minnesota [Mr. HUMPHREY], to the Senator from New York [Mr. JAVITS] who has played such an active part in the bill, to the Senator from West Virginia [Mr. RANDOLPH] who has worked so hard, as well as the Senator from Oregon, and all other Senators who have had a part in bringing this bill to the floor of the Senate at this happy moment.

Mr. President, I cannot let this occasion pass without paying tribute to the role played by the junior Senator from New Jersey [Mr. WILLIAMS], in the formulation of many of the pioneering aspects of this program.

For years the champion of the poorest of America's poor, her migrant farm laborers, the Senator from New Jersey [Mr. WILLIAMS] now enjoys the hard-earned satisfaction of seeing much of what he has so long fought for translated into law. For in this poverty bill today are provisions for sanitation, day care, education and housing for our migrants and their children. His years of work as chairman of the Senate's Subcommittee on Migratory Labor have now achieved a success for which we can all be thankful.

Also in this bill is a provision enabling Americans to serve in the war against poverty at home, as they have done so well in the Peace Corps in the struggle against disease and ignorance abroad. Senators will recognize this concept as that of the National Service Corps which the Senator from New Jersey [Mr. WILLIAMS] guided to successful passage in this body a year ago this month.

Finally, the skillful and compassionate efforts of the junior Senator from New Jersey may be seen in the work-study section of the bill. S. 2594, the High

School Dropout Act of 1964, introduced by him in March, contains many of the provisions now in the poverty bill.

In sum, Mr. President, service in the war on poverty is not a new undertaking for the Senator from New Jersey [Mr. Williams]. He is already an experienced veteran.

I also extend my thanks for the cooperation given by the distinguished Senator from Texas [Mr. Tower] in making it possible to bring this bill before the Senate at this time, under these circumstances.

Mr. McNAMARA. Mr. President, I thank the majority leader.

Mr. President, I have no further requests for time on this side, and am prepared to yield back the remainder of my time, if the Senator from Texas is willing to yield back his time.

Mr. President, I yield back the remainder of my time.

Mr. TOWER. Mr. President, I have no further request for time. I yield back the remainder of my time.

The ACTING PRESIDENT pro tempore. All time has been yielded back. The question is on agreeing to the motion of the Senator from Michigan [Mr. McNamara] to concur in the House amendment to S. 2642.

The motion was agreed to.

Mr. HUMPHREY. Mr. President, I move that the vote by which the motion was agreed to be reconsidered.

Mr. JAVITS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MUTUAL-AID PLAN FOR FIRE PROTECTION BY DISTRICT OF COLUMBIA AND CERTAIN ADJACENT COMMUNITIES

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside, and that the Senate proceed to the consideration of Calendar No. 1302, H.R. 5044.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The Legislative Clerk. A bill (H. R. 5044) to amend the act entitled "An act to provide for a mutual-aid plan for fire protection by and for the District of Columbia and certain adjacent communities in Maryland and Virginia, and for other purposes."

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill, which was ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 1366), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

REPORT [TO ACCOMPANY H.R. 5044]

The Committee on the District of Columbia, to whom was referred the bill (H.R. 5044) to amend the act entitled "An act to provide for fire protection by and for the District of Columbia and certain adjacent communities in Maryland and Virginia, and for other purposes," having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

The purpose of this bill is to require that all parties to mutual-aid firefighting agreements indemnify each other from all claims arising from the operations of firefighters outside their own jurisdiction.

Legislation authorizing the District of Columbia to enter into mutual-aid firefighting agreements with appropriate governmental units in Maryland and Virginia was enacted in 1950 (64 Stat. 441). This legislation provides that each of the parties to such an agreement shall waive all claims against the other parties thereto which may arise out of their activities outside their respective jurisdictions under the agreement.

Despite this legislative authority, however, no agreements have yet been entered into between the District of Columbia and any of the specified adjacent communities in Maryland and Virginia. The difficulty encountered in attempts to draft such agreements has been the question of liability of the various jurisdictions for damage resulting from the operations of the various fire companies outside of their own jurisdictions. It is questionable whether the District of Columbia might successfully invoke the defense of governmental function in cases of alleged negligence of District firemen while operating outside the District of Columbia; and similarly, adjacent communities might also be held liable for damages resulting from the operations of their fire companies in the District of Columbia.

On August 3, 1964, the Subcommiteee on Public Health, Education, Welfare, and Safety held public hearings in connection with H.R. 5044. At these hearings a representative of the Board of Commissioners for the District of Columbia expressed the Board's desire to enter into these aid agreements with adjacent communities for the mutual benefit of all concerned, and strongly urged enactment of this legislation which should remove the existing obstacle to such agreements among the interested parties. Undoubtedly, the enactment of this legislation by the Congress will do much to spur similar legislation in Maryland and Virginia to authorize the specified adjacent communities to indemnify the District of Columbia from claims arising from the operations of District firefighters in coming to their aid in emergencies.

Also at the public hearings, the Chief of the District of Columbia Fire Department testified in favor of the bill as did a representative of the Fire Fighters Association of the District of Columbia, Local 36, IAFF. Likewise testifying in favor of the bill was Mr. Samuel Humes, executive secretary of the Metropolitan Washington Council of Governments, representing Prince Georges County in Maryland; the cities of Rockville, Takoma Park, and College Park in Maryland; Fairfax, Arlington, Prince William, and Loudoun Counties in Virginia; and the cities of Alexandria, Falls Church, and Fairfax in Virginia.

The committee has been advised that the Bureau of the Budget has no objection to the proposed legislation.

REGULATION OF PRACTICE OF DENTISTRY IN THE DISTRICT OF COLUMBIA

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1303, H.R. 6350.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The Legislative Clerk. A bill (H.R. 6350) to amend the act entitled "An act for the regulation of the practice of dentistry in the District of Columbia, and for the protection of the people from empiricism in relation thereto," approved June 6, 1892, as amended.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill, which was ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 1367), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE OF THE BILL

The purpose of this bill is to authorize the District of Columbia Board of Dental Examiners to waive any theoretical examination of an applicant for a license as a dental hygienist if he holds a certificate from the National Board of Dental Examiners.

At the present time an applicant for a dental hygienist license in the District of Columbia must pass both a practical and a theoretical examination, and this is the case even though the applicant has already passed the theoretical examination given by the National Board of Dental Examiners. Such examination is acknowledged by the District of Columbia Board of Dental Examiners to be at least as comprehensive as their own examination.

For this reason, the District of Columbia Board of Dental Examiners feels that this requirement for theoretical examination on the part of those applicants who have qualified in the national examination is a needless duplication and an unnecessary expense to the District of Columbia. Moreover, such a requirement imposes a definite hardship upon the older applicants who may have been out of school for some years and yet are completely qualified from a professional standpoint. In order to remedy this problem, the District of Columbia Board of Dental Examiners has requested this legislation, through the District of Columbia Commissioners, which will authorize them to waive the theoretical examination for licensure as dental hygienists in the case of applicants who hold certificates from the National Board of Dental Examiners, providing such applicants can successfully pass the practical examination administered by the District of Columbia Board.

The enactment of this legislation will bring the licensing law for dental hygienists into conformity with that relating to the practice of dentistry, as the law already permits the local Board to waive the theoretical examination in the case of applicants for licensure to practice dentistry in the District when the applicant holds certification from the National Board of Dental Examiners.

The bill will provide a safeguard against the possibility that in some cases the national board's theoretical examination may not have been as comprehensive and exhaustive as that conducted by the District Board in that the District of Columbia Board will have complete freedom in interpreting the national board grades and in supplementing the national board examination with any other examination which they may deem necessary to assure compliance with District standards.

On August 3, 1964, the Subcommittee on Public Health, Education, Welfare, and Safety held hearings on H.R. 6350. A representative of the Commissioners for the District of Columbia appeared at the hearing and supported enactment of the bill. The committee was advised that the District government anticipates no increased cost to the District as the result of the enactment of the bill.

The committee has been informed that the following States now recognize the dental hygienists' theoretical examination administered by the National Board of Dental Examiners: Alaska, Arizona, Colorado, Connecticut, Hawaii, Idaho, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Missouri, Nebraska, Nevada, New Hampshire, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, Washington, and West Virginia.

REMOVAL OF DANGEROUS OR UNSAFE BUILDINGS IN THE DISTRICT OF COLUMBIA

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1304, H.R. 7441.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 7441) to amend the act entitled "An act to authorize the Commissioners of the District of Columbia to remove dangerous or unsafe buildings and parts thereof, and for other purposes," approved March 1, 1899, as amended.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill, which was ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1368), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of this bill, which was requested by the Board of Commissioners of the District of Columbia, is to amend the act authorizing the removal of dangerous and unsafe buildings, or parts thereof, in the District of Columbia, as follows:

(1) Provide for a uniform method of assessment of costs incurred by the District in connection with work done in making repairs to unsafe structures, either when the urgency of the situation necessitates immediate repairs by the District, or when the District finds it necessary to make such repairs because the owner has failed to comply, within a period of 10 days, with a notice ordering the repairs made.

(2) Include dead, dangerous, or diseased trees among the nuisances which the Commissioners may abate under the act.

(3) Provide new sections to the act relating to notice to owners and evacuation of unsafe buildings.

(4) Modernize the act by striking out the obsolete title, "inspector of buildings," wherever it occurs and substituting the word "Commissioners." There has been no inspection of buildings in the District for many years, and the function at one time performed by this officer was transferred to the District of Columbia Commissioners by Reorganization Plan No. 5, in 1952.

Under present law, when any structure in the District is found to be unsafe and the public safety necessitates immediate corrective action, the District of Columbia Commissioners are authorized to make such repairs or take such corrective steps as may be necessary. Where immediate action is not necessary and the owner of the building does not initiate repairs by noon of the day following the serving of a notice by the Commissioners, the Commissioners are authorized to order a survey, the report of which is served upon the owner. If the owner fails to comply with any order included in this notice within a period of 10 days, then the District is authorized to do the work required to make the building safe. In either case, the expense incurred by the District may be assessed against the property. The owner then has 90 days in which he may pay the amount assessed without interest; after that time, any unpaid amount bears interest at the rate of 10 percent per year and can be collected in the same manner as general District of Columbia taxes. However, there is presently no provision in the act of a definite time by which the assessment must eventually be paid. H.R. 7441 would remove this weakness in the present act, by adding a new section limiting to 60 days the period during which the assessment may be paid without interest, and providing for interest at the rate of one-half of 1 percent per month or portion thereof, on any part of the assessment remaining unpaid at the expiration of such period of 60 days. This tax would be payable in three equal installments, with interest, and if any part remains unpaid at the end of 2 years after the assessment is made, then the property would be subject to tax sale.

There is also a provision in H.R. 7441 which would authorize the Commissioners to impose a fine of $50 per day for each day in which the owner of a property fails to comply with a notice requiring correction of unsafe conditions. The committee is informed that the intent of this provision is to encourage owners to make their own repairs of relatively minor unsafe conditions, thus eliminating the need for District action in such cases.

The present law provides also for the abatement by the District of nuisances such as dangerous holes or excavations, abandoned vehicles, and debris of any kind, as they may affect the public health, comfort, safety, and welfare which are present on any lot or parcel of land in the District, when the owner of such property fails to abate the nuisance within a period of 5 days after being served a notice to do so. A fine of $50 per day for such failure to comply is provided here also, upon conviction of the owner in court. The principal change which H.R. 7441 would incorporate in this section of the present law is to add dead, dangerous, or diseased trees to the list of nuisances coming under its purview.

The District of Columbia Board of Commissioners has informed this committee that such dead, dangerous, or diseased trees pose a safety hazard in the District, for which reason their being listed as abatable nuisances is justified. This view has been supported by the District of Columbia Department of Licenses and Inspections, and the District of Columbia Department of Public Health.

For some years, under the authority of an agreement between the U.S. Department of Agriculture, the National Park Service, and the District of Columbia Department of Highways and Traffic, District employees have removed trees afflicted with Dutch elm disease from private property in the city when the owners have failed to remove them. In these instances, the District employees have been acting as agents of the Federal Government. However, the city has never had any authority to remove trees from private property for any reason other than the presence of Dutch elm disease.

This provision of H.R. 7441, which would grant this removal authority, specifies that a "dead" tree is one of which no part is living; a "dangerous" tree must constitute a danger to persons or property on public space, and a "diseased" tree must be one which is infested with a major pathogenic disease which causes it to be a threat to the health of any other tree. Also, it is stipulated that the authority to remove a dangerous or diseased tree shall be exercised by the Commissioners only after every reasonable effort has been made to abate the condition by other means.

The Chief of Quarantines and Hearings, Plant Quarantine Division, U.S. Department of Agriculture, and the Superintendent of National Capital Parks have expressed their endorsement of the Commissioner's request for this authority with respect to diseased trees.

As in the case of unsafe structural conditions, it is proposed in H.R. 7441 that costs to the District incurred when the city is obliged to abate these nuisances will be assessed as taxes against the properties, and collected in the same manner.

The present act specifies methods of serving the notices referred to above, and established an order of precedence for the use of these methods. This bill seeks to amend this section by eliminating this order of precedence so as to provide greater flexibility in the choice of methods of serving notice. Further, this bill provides that whenever any method other than personal service is utilized, a copy of the notice shall also be sent to the owner by mail.

H.R. 7441 will also provide the Commissioners with authority to order an unsafe building vacated, by serving of proper notice, when in their judgment the condition is imminently dangerous to the occupants. Failure of any occupant to obey such an order would be punishable by a fine not to exceed $300, or imprisonment for not more than 30 days.

On August 3, 1964, public hearings were conducted with regard to H.R. 7441 by the Subcommittee on Public Health, Education, Welfare, and Safety. A representative of the District Commissioners appeared and testified in support of the bill's enactment. No one appeared in opposition to the bill.

Legislation identical with this bill except for the tree provision set forth above, was approved by the Senate in the 86th and 87th Congresses.

No additional cost to the District government is anticipated by this bill because property owners will be assessed costs involved.

AMENDMENT OF FOREIGN ASSISTANCE ACT OF 1961

The Senate resumed the consideration of the bill (H.R. 11380) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

The ACTING PRESIDENT pro tempore. The pending question is on agreeing to amendment No. 1175, offered by the Senator from Alaska [Mr. GRUENING].

CALL OF THE ROLL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll.

[No. 532 Leg.]

Aiken
Allott
Bartlett
Bayh
Beall
Bennett
Bible
Boggs
Brewster
Burdick
Byrd, Va.
Byrd, W. Va.
Carlson
Case
Church
Cooper
Cotton
Curtis
Dirksen
Dodd
Dominick
Douglas
Eastland
Ellender
Ervin
Fong
Fulbright
Goldwater
Gruening
Hart
Hartke
Hayden
Hickenlooper
Hill
Holland
Humphrey
Inouye
Jackson
Javits
Johnston
Jordan, N.C.
Jordan, Idaho
Keating
Kuchel
Lausche
Long, Mo.
Magnuson
Mansfield
McCarthy
McClellan
McGee
McGovern
McIntyre
McNamara
Mechem
Metcalf
Miller
Monroney
Morse
Morton
Moss
Mundt
Muskie
Nelson
Neuberger
Pastore
Pearson
Pell
Prouty
Proxmire
Randolph
Ribicoff
Robertson
Russell
Salinger
Saltonstall
Scott
Simpson
Smathers
Smith
Sparkman
Stennis
Symington
Talmadge
Thurmond
Tower
Walters
Williams, N.J.
Williams, Del.
Yarborough
Young, N. Dak.
Young, Ohio

Mr. HUMPHREY. I announce that the Senator from Tennessee [Mr. GORE], and the Senator from Louisiana [Mr. LONG] are absent on official business.

I also announce that the Senator from Nevada [Mr. CANNON], the Senator from Pennsylvania [Mr. CLARK], and the Senator from Oklahoma [Mr. EDMONDSON] are necessarily absent.

I further announce that the Senator from New Mexico [Mr. ANDERSON] and the Senator from Massachusetts [Mr. KENNEDY] are absent because of illness.

Mr. KUCHEL. I announce that the Senator from Nebraska [Mr. HRUSKA] is necessarily absent.

The PRESIDING OFFICER. [Mr. SALINGER in the chair]. A quorum is present.

AMENDMENT OF FOREIGN ASSISTANCE ACT OF 1961

The Senate resumed the consideration of the bill (H.R. 11380) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to Senate amendment No. 1175 proposed by the Senator from Alaska [Mr. GRUENING].

Mr. GRUENING. Mr. President, I speak on my amendment No. 1175, which aims to reform the existing Foreign Assistance Act in regard to interest rates on development loans. Such loans are being made now at no interest whatever, although there is a nominal three-quarters-of-1 percent service charge.

I submitted this amendment last year, with a number of cosponsors, and it was defeated by a vote of 44 to 30.

The administration, of course, opposed this change.

What our AID administrators are doing is concealing grants which should not be concealed. This bill might have a subtitle, which I borrow from a piece of legislation the "truth in lending" bill long sponsored by the distinguished Senator from Illinois [Mr. DOUGLAS], and so my amendment might be called the truth in foreign aid lending amendment.

About 3 years ago there was a movement in the Congress against the idea of giving grants in our foreign aid programs. It was said, "Let us make loans instead." So we started making so-called loans.

These transactions are not really loans at all. They are called loans, but they are concealed grants as well as loans.

In the first 2 years of this policy, we loaned $1,315,775,000; and the cost of servicing that amount was not far from another $1 billion. The concealed grants were in the neighborhood of $900 million. So actually it was costing Uncle Sam more than $2 billion to make these loans, but with a showing of only $1,315 million.

In the years 1961 and 1962, the average was $657 million, if we divide the total amount of the loans in 1961 and 1962 by two.

That amount has now increased substantially.

On the desk of each Senator will be found a list of the loans of this character that were made in 1963. It will be found that they amounted to $1,057,925,000.

If Senators will go over this list and see what the projects are, it will be clear that little or no discretion is being exercised as to whether they are for self-liquidating projects such as powerplants or industries, or for other projects which are not self-liquidating, such as schools or roads.

There was a striking example of that last year. I was in Cairo a year ago last February and was present at the signing of a $30 million loan to Egypt's dictator, Nasser, to build a powerplant for west Cairo. A powerplant is a revenue-producing project. Revenues start as soon as the plant is completed and the current is turned on. In that particular case, being a dictator, Nasser could charge whatever he wanted to charge, and the consumers would have to pay it.

What were the terms of that loan? There was to be no repayment of principal for 10 years. During that period we shall be borrowing money at an interest rate of roughly 4 percent, to be paid by the American people. So we are out about $12 million before the payments even begin. Then we are out the difference between three-quarters of 1 percent, which is not really an interest charge but a service charge, and 4 percent. So at the end of 40 years, which is the time given to repay this loan of $30 million, there is another $23 or $24 million concealed.

On another occasion—a recent occasion—the Bureau of the Budget was shocked at the idea of making loans that concealed grants. It happened in connection with the amended Alaska omnibus bill. One of its provisions was to have the Federal Government loan some money to the State of Alaska to tide it over because of the great loss of revenue caused by the earthquake with the interest rate fixed at 3⅝ percent. I offered an amendment to make the interest rate for loans to a State that had suffered unparalleled damage three-quarters of 1 percent, the rate applied to a $100 million loan to Chile after an earthquake there. The Bureau of the Budget opposed my amendment declaring in writing that the amendment would provide a subsidy of $14.2 million, if the full $25 million were borrowed. Thus, the effect on the Federal Government would be a cost of $14.2 million grant plus $10.5 million interest. In other words, the Bureau of the Budget declared itself in opposition when it was proposed to lend to the State of Alaska, after this unparalleled disaster, some $14 million in grants, but it is not at all shocked when we lend $1.057 billion to 35 foreign countries in the last fiscal year, at the terms they opposed for our own citizens. It should be noted that our development loans carry this three-fourths of 1 percent service charge even when there has been no disaster.

The countries that have received such loans are Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador, Honduras, Jamaica—Jamaica even got in there while she was still a colony—Nicaragua, Panama, Peru, Uruguay, Venezuela, Korea, Afghanistan, India, Nepal, Pakistan, Turkey, Egypt, Cameroon, Ethiopia, Ivory Coast, Liberia, Mali, Niger, Nigeria, Somalia, Sudan, Tanganyika, Tunisia, and Uganda.

Hope was expressed in the previous debate, when I sponsored a similar amendment, that the AID administration would show some discretion in making these loans; that where a project was self-liquidating, as in the case of a powerplant, the terms of a true loan at businesslike interest rates showing some concern for the American taxpayer would prevail, but apparently there was no discretion.

The impressive list which is on every Senator's desk indicates the extent to which the U.S. administrators have been prodigal, spendthrift, and wanton in spending the American taxpayers' dollar.

I think it is all wrong. We have no right to pretend that these are loans when they are both loans and grants. This is one of the many concealments that take place in our foreign aid program.

I am in favor of foreign aid. I voted for it. But I am extremely critical of many abuses in our foreign aid programs of the numerous concealed spigots that pour out the money, directly and indirectly.

The coffee agreement which the Senate recently voted for is another concealed spigot. It will be a great subsidy to a number of coffee-producing countries, 14 of them in the Western Hemisphere, and some in Africa. I voted for it. I voted for it with some of the misgivings that the Senator from Illinois [Mr. DOUGLAS] voiced, and the burden that I feared it would place on the American consumer. Yet I felt it was desirable to assist some of those countries and help stabilize their economies. But there does not seem to be enough concern about the multiplicity of spigots through which American dollars are ladled out abroad. I am sure many of our colleagues are not even aware of them.

We were told by the administration that this $3.4 billion program was a bare-bones program, and that for that reason it should not be cut or amended, but should be accepted as it is.

However, there was a very interesting colloquy between the Senator from Missouri [Mr. SYMINGTON] and Mr. David Bell, AID Administrator, during the hearings on this bill. I read that colloquy:

> Senator SYMINGTON. You come out with a figure of $3.4 billion. I turn that over to somebody trying to be objective and say, "Give me what the true figure is." He then gives me a figure of $6 billion as actually the foreign aid we are going to give or loan this year. That includes incidentally over $2 billion of Public Law 480 money. * * * The AID program is not a $3.4 billion program. It is a $6 billion program. Right?
>
> Mr. BELL. (Hon. David E. Bell, Administrator, Agency for International Development). Somewhere between five and six; yes, sir.

Mr. President, I could develop this point at some length. I believe we should stop making these "soft" loans. They are not loans at all. It would be much better to go back to outright grants. Egypt's Nasser was boasting that he was paying back our loans and that those transactions were loans, not grants. He knows perfectly well that it was a grant and our administrators should be frank enough to admit it. He was included in another such loan the following year. The one I referred to occurred the previous year.

I hope my amendment will be accepted. It would put an element of truth in the foreign aid program. It would save a great deal of money. At the rate we are going, with loans of this kind of over $1 billion a year and concealed grants of $800 million, with this amendment we would have much more money to use on legitimate aspects of foreign aid.

Mr. LAUSCHE. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. WALTERS in the chair). Does the Senator from Alaska yield to the Senator from Ohio?

Mr. GRUENING. I yield with pleasure to my friend from Ohio.

Mr. LAUSCHE. The probability is that the Senator from Alaska knows that an amendment has been submitted, sponsored by Senators MUNDT, MORSE, and myself, which fixes one rate of interest on commercial loans and another rate of interest on noncommercial loans. On commercial loans, which are loans made for the development of productive enterprises or facilities directly used in the operation of productive enterprises, the rate of interest shall be equal to the average rate which the Treasury must pay in borrowing the money; the second half of the amendment provides that on noncommercial loans the rate of interest shall not be less than 2½ percent.

Mr. GRUENING. I should say that is a very desirable amendment. If the pending amendment fails, I shall support the Senator's amendment. It is certainly a step in the right direction. I still think, however, that we are perpetuating a fraud on the American people when we are making loans at a rate lower than what it costs the American people to get the money.

Mr. LAUSCHE. Do I correctly understand that the Senator's amendment fixes the rate of interest equal to what the Treasury is paying on all loans, whether commercial or noncommercial?

Mr. GRUENING. The Senator is correct.

Mr. LAUSCHE. In that respect the two amendments differ. Is that correct?

Mr. GRUENING. They do differ. I believe the amendment sponsored by the Senator from Ohio is more moderate. It does not go as far as my amendment goes. I shall be glad to support it if my amendment fails. In any event, I believe that we should stop fooling the American people. If some of these countries are too poor to pay back loans, let us make grants to them. Many of the loans will not be repaid anyway. I may sound like a cynic, but that, I am convinced, will inevitably happen. Ten years from now, when the first payments become due, those who arranged them will no longer be here. They will have gone elsewhere. Then, instead of it being called a default, what will happen will be called a refunding or refinancing operation; or some other euphemistic term will be applied. Then, when the second due date arrives 20 years hence those who had the refunding arrangements will be gone. Their successors will be able to absolve themselves of past follies.

Therefore, Mr. President, we are in large part actually giving the money away. There is no question about that in my mind. I hope the amendment will prevail.

I ask for the yeas and nays.

The PRESIDING OFFICER (Mr. SALINGER in the chair). Is the request sufficiently seconded?

The yeas and nays were ordered.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. GRUENING. I am glad to yield to the Senator from Illinois.

Mr. DOUGLAS. I assume that the very informative table which the Senator has prepared will be made a part of the RECORD.

Mr. GRUENING. Yes; it will be made a part of the RECORD.

Mr. DOUGLAS. The table shows the interest rate to be three-quarters of 1 percent. Is that interest rate to be applied throughout the 40-year period, or does it serve as the rate for the first 10 years; and will the interest rate after the first 10 years be 2 percent?

Mr. GRUENING. I believe an amendment was adopted last year which raised the interest rate after a certain period of time.

Mr. DOUGLAS. After 10 years.

Mr. GRUENING. Yes. I am not positive whether that will remain in this bill or not. In any event, there will be a considerable period of time in which we shall be making concealed grants, whether the interest rate is three-quarters percent or 2 percent.

Mr. DOUGLAS. In the report, at page 42, in the statement of individual views by the Senator from Oregon, the Senator from Ohio, and the Senator from South Dakota, it is stated, in the third paragraph:

> In 1963, the Congress amended the law to require a minimum interest rate of 2 percent after the 10-year grace period during which the interest may still be (and usually is) as low as three-fourths percent.

I take it, so far as the law is concerned, that after 10 years the minimum interest rate is presumed to go up to 2 percent.

Mr. GRUENING. The Senator is correct. However, we still incur a substantial loss in that we are borrowing the money at 4 percent or 3¾ percent. So a lesser interest rate abroad is still a grant, although it may be a less generous grant. We should make a grant if a country is too poor to pay back a loan. But we should not deceive the American people by calling such transactions loans.

I ask unanimous consent that the table showing the loans made at this rate be included in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Loans made by the Agency for International Development to foreign countries during calendar year 1963 at ¾ of 1 percent for 40 years[1]

[Repayable in dollars]

Country	Borrower purpose	Date of loan agreement	Number years repayment	Interest rate	Amount of loan
LATIN AMERICA					
Argentina	Government of Argentina:	*1963*			
	Central Housing Bank	June 3	40	¾	$12,500,000
	Route 12 road project	Jan. 21	40	¾	6,700,000
	Road program loan	Mar. 18	40	¾	30,500,000
	Feasibilities studies	June 3	40	¾	3,000,000
	Grain storage facilities	Oct. 10	40	¾	21,700,000
Bolivia	Government of Bolivia:				
	Access roads	Aug. 1	40	¾	7,200,000
	La Paz-El Alto Highway	Aug. 17	40	¾	3,400,000
	El Alto Customs Center	do	40	¾	2,200,000
	Banco Industrial, S.A., assist in financing subloans	do	40	¾	2,400,000
	Agricultural Bank	do	40	¾	3,700,000

See footnote at end of table.

Loans made by the Agency for International Development to foreign countries during calendar year 1963 at ¾ of 1 percent for 40 years [1]—Con.

[Repayable in dollars]

Country	Borrower purpose	Date of loan agreement	Number years repayment	Interest rate	Amount of loan
LATIN AMERICA—continued		*1963*			
Brazil	Government of Brazil:				
	Credito E Financiamento, S.A. Development Bank	Mar. 6	40	¾	$4,000,000
	CIA de Carbonos Coloidois Carbon Black Plant	Mar. 11	40	¾	2,000,000
	Emergency stopgap assistance	Apr. 24	40	¾	25,500,000
	Super Desenvolvimento, N.E. emergency electric power	Oct. 29	40	¾	2,400,000
Chile	Government of Chile: Development program	Jan. 31	40	¾	35,000,000
Colombia	Government of Colombia:				
	Feasibility studies	June 26	40	¾	4,000,000
	National Housing Institute of Colombia, self-help housing	do	40	¾	7,500,000
	Colombia Institute of Agrarian Reform, supervised agrarian credit	do	40	¾	10,000,000
	Mineral Resources Survey	Sept. 18	40	¾	2,000,000
Costa Rica	Banco Nacional de Costa Rica:				
	Agricultural development	July 23	40	¾	5,000,000
	Slum replacement housing	do	40	¾	2,000,000
	Cachi hydroelectric project	do	40	¾	1,500,000
	Metro emergency water supply	do	40	¾	1,400,000
	IBRC/AIC highway program	do	40	¾	2,100,000
	CO FISA: Financing subloans	Dec. 23	40	¾	5,000,000
Dominican Republic	National Housing Bank Savings & Loan Association	Jan. 2	40	¾	2,100,000
Ecuador	Government of Ecuador:				
	Quito, Quevedc Road	Sept. 1	40	¾	2,700,000
	Economic and engineering studies	Sept. 4	40	¾	2,000,000
	Administrative and fiscal reform	Sept. 2	40	¾	1,600,000
El Salvador	Republic of El Salvador:				
	Primary school construction	Sept. 18	40	¾	2,400,000
	Agricultural loan program	do	40	¾	8,900,000
	INSAFI	do	40	¾	4,500,000
Honduras	Government of Honduras small water systems	Aug. 22	40	¾	1,050,000
Jamaica	Government of Jamaica project assistance	Nov. 29	40	¾	1,500,000
Nicaragua	Government of Nicaragua: Las Mercedes Airport	July 25	40	¾	1,000,000
Panama	Instuto de Acuedlctos water supply and sewerage system	Feb. 6	40	¾	6,000,000
Peru	Government of Peru:				
	Lima water sewerage	Mar. 15	40	¾	8,600,000
	Feasibility studies	do	40	¾	3,000,000
Uruguay	Banco Hipotecaric del Uruguay: Home construction	Feb. 28	40	¾	6,000,000
Venezuela	C.A. Bank for Economic Integration: Feasibility studies	Nov. 29	40	¾	2,500,000
	C.A. Bank for Economic Integration: Home loan department	do	40		10,000,000
FAR EAST					
Korea	Government of Korea: Changsong Coal Mine District	Dec. 7	40	¾	9,500,000
NEAR EAST AND SOUTH ASIA					
Afghanistan	Government of Afghanistan:				
	Ariana Afghan Airlines	Mar. 23	40	¾	2,625,000
	Transport equipment	Dec. 3	40	¾	2,000,000
India	Government of India:				
	Ramagundam thermal power	May 21	40	¾	8,4000,00
	Delhi C thermal power	Mar. 8	40	¾	16,000,000
	Satpura themal power	do	40	¾	25,100,000
	Central Ropeway F project	Oct. 21	40	¾	7,700,000
	Nonproject imports	Feb. 25	40	¾	240,000,000
	Chandrapura thermal, stage II	Oct. 21	40	¾	16,000,000
	5th railway loan	do	40	¾	15,850,000
	Tarapur nuclear power	Dec. 7	40	¾	80,000,000
	Cucga coal washery plant	Nov. 29	40	¾	5,100,000
Nepal	Government of Nepal: Nepal Industrial Development Corp	Dec. 8	40	¾	1,000,000
Pakistan	Government of Pakistan:				
	Sawmill and timber extraction	Oct. 23	40	¾	2,200,000
	Malaria eradication program	Feb. 28	40	¾	3,800,000
	Airport and airways equipment	Mar. 22	40	¾	2,100,000
	Salin conservation and reclamation project No. 2	do	40	¾	10,800,000
	General commodities 2d	Mar. 27	40	¾	30,000,000
	Chalna anchorage project	Mar. 22	40	¾	3,600,000
	Feasibility studies	Mar. 27	40	¾	2,000,000
	CPS and Maini, Rechna DCAB project	Aug. 15	40	¾	780,000
	Coastal embankment project	do	40	¾	6,500,000
	General consultants	Aug. 15	40	¾	4,400,000
	Third commodity loan	Sept. 28	40	¾	70,500,000
	General service in public health	Dec. 9	40	¾	1,500,000
	Investigative services	Nov. 20	40	¾	5,600,000
	5th railway loan	do	40	¾	14,500,000
	Telecommunication expansion	Oct. 23	40	¾	4,700,000
	Machinery pool organization, WAPCA	Dec. 9	40	¾	5,000,000
	Mechanical equipment	Nov. 20	40	¾	1,500,000
Turkey	Government of Turkey:				
	Keban and Ciceroz feasibility studies	July 15	40	¾	350,000
	Feasibility studies	Oct. 15	40	¾	3,000,000
	General commodities	Sept. 11	40	¾	35,000,000
United Arab Republic (Egypt)	Government of United Arab Republic:				
	Cairo west power project	Feb. 20	40	¾	30,600,000
	Cardboard project	Nov. 12	40	¾	5,700,000
AFRICA					
Cameroon	Government of Cameroon: Extension of railway system	Aug. 27	40	¾	9,200,000
Ethiopia	Government of Ethiopia: 3d highway program	Dec. 2	40	¾	4,000,000
Ivory Coast	Government of Ivory Coast: Highway equipment	Nov. 29	40	¾	1,700,000
Liberia	Government of Liberia: National Medical Center	Dec. 5	40	¾	5,300,000
	Monrovia Power Authority: MT coffee hydroelectric project	Sept. 26	40	¾	24,300,000
	Government of Liberia: Monrovia junior-senior high school	Oct. 23	40	¾	1,700,000
Mali	Government of Mali:				
	Teachers training college	Dec. 4	40	¾	2,100,000
	Central Veterinary Laboratory at Bamako	do	40	¾	1,100,000
Niger	Government of Niger: Development bank	Dec. 14	40	¾	500,000
Nigeria	Government of Nigeria:				
	Ibadan water supply	Dec. 4	40	¾	12,100,000
	Calabar-IKCM Rd	do	40	¾	8,600,000
Somalia	Government of Somalia: Chisimaic port	do	40	¾	3,600,000
Sudan	Government of Sudan:				
	Industrial development bank	July 14	40	¾	2,000,000
	Khartoum sewerage	Dec. 7	40	¾	3,800,000

See footnote at end of table.

Loans made by the Agency for International Development to foreign countries during calendar year 1963 at ¾ of 1 percent for 40 years[1]—Con.

[Repayable in dollars]

Country	Borrower purpose	Date of loan agreement	Number years repayment	Interest rate	Amount of loan
AFRICA—continued		*1963*			
Tanganyika	Government of Tanganyika:				
	Dar es Salaam water supply system	May 20	40	¾	2,200,000
	Urban water supplies	Dec. 4	40	¾	1,300,000
	University college	Oct. 9	40	¾	800,000
	Teacher training college	Dec. 4	40	¾	800,000
	Commodity development training center	do	40	¾	250,000
	Agricultural college	do	40	¾	1,250,000
	Program loan	Dec. 6	40	¾	1,000,000
	Electrical equipment	do	40	¾	300,000
Tunisia	Government of Tunisia:				
	Water and irrigation projects	Feb. 15	40	¾	2,400,000
	Commodity assistance	June 20	40	¾	15,000,000
	Construction of university	Oct. 31	40	¾	1,800,000
	Agricultural equipment	do	40	¾	6,500,000
Uganda	Government of Uganda:				
	Development bank	Oct. 4	40	¾	2,000,000
	Secondary schools	Oct. 11	40	¾	2,400,000
Grand total for all countries					1,057,925,000

RECAPITULATION

Country	Total amount	Country	Total amount	Country	Total amount
Argentina	$74,400,000	Peru	$11,600,000	Liberia	$31,300,000
Bolivia	18,900,000	Uruguay	6,000,000	Mali	3,200,000
Brazil	33,900,000	Venezuela	12,500,000	Niger	500,000
Chile	35,000,000	Korea	9,500,000	Nigeria	20,700,000
Colombia	23,500,000	Afghanistan	4,625,000	Somalia	3,600,000
Costa Rico	17,000,000	India	414,150,000	Sudan	5,800,000
Dominican Republic	2,100,000	Nepal	1,000,000	Tanganyika	7,900,000
Ecuador	6,300,000	Pakistan	169,450,000	Tunisia	25,700,000
El Salvador	15,800,000	Turkey	38,350,000	Uganda	4,400,000
Honduras	1,050,000	United Arab Republic (Egypt)	36,300,000		
Jamaica	1 500,000	Cameroon	9,200,000	Total	1,057,925,000
Nicaragua	1,000,000	Ethiopia	4,000,000		
Panama	6,000,000	Ivory Coast	1,700,000		

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[1] Source: "Status of Loan Agreements" (W-224), Agency for International Development, as of Mar. 31, 1964, Office of the Controller, AID.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Alaska [Mr. GRUENING].

Mr. MORSE. Mr. President, first I wish to extend my high compliment to the Senator from Alaska for offering his amendment.

As the Senator knows, he and I have been criticizing the three-quarters of 1 percent loans, with a 10-year grace period in which no money needs to be paid, and a 40-year period in which to pay back the loans.

I believe it will be found, if the RECORD is checked—I shall do so and correct the RECORD if what I say is not correct—that some of the loans in the past have been for periods longer than 40 years. I have no doubt that the battle which some of us have put up on the floor of the Senate in recent years for reforms of foreign aid has produced some changes; certainly not enough, but what has been done is better than nothing at all.

One of the changes has been at least a little shift of position on the part of those downtown in respect to the interest rate problem.

Although we are still making loans at three-quarters of 1 percent for the first 10 years, the amendment which was adopted last year provides that the loans, after 10 years shall bear a minimum of 2 percent interest. About $2½ billion in hard loans was lent at less than 2 percent and $745,600,000 in soft loans also carried a rate of less than 2 percent before Congress amended the law.

In fairness to the AID Administrators, it must be mentioned that some loans are being negotiated at rates somewhat above 2 percent. We do not have the figures as to the amount of such loans. If I can obtain the figures before the day is over, I ask unanimous consent that they may be inserted in the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

AID advises that between 1948 and 1952 five loans were made for 45 years each. All are repayable in dollars.

AID advises that in fiscal 1964, five loans were negotiated carrying interest rates in excess of 2 percent. In amount, they totaled $23,300,000. Four were at 3½ percent, and one was at 5¾ percent. Under the Alliance for Progress program, four loans were made at interest rates above 2 percent. Three were at 5½ percent and one was at 5¾ percent. In amount, they totaled $9,500,000.

Mr. MORSE. The RECORD should also be clarified in regard to another matter. I have been a critic of the policy of soft loans. Since 1961 we have not been making many soft loans, although we have a considerable amount of outstanding soft loans made previously.

I ask unanimous consent that if I can obtain the exact figures during the day, as to outstanding soft loans, those figures be inserted at this point in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The outstanding balance on June 30, 1964, of loans made by AID and predecessor agencies which are repayable in local currencies totals $1,879,400,000.

The outstanding balance on June 30, 1944, of loans made under Public Law 480 including so-called Cooley loans and repayable in local currencies is $2,368,120,000. Cooley loans account for $104,022,000 of this figure.

Mr. MORSE. However, we are still making a great many soft loans under Public Law 480 arrangements. Of course, those loans represent as much American taxpayer money and American taxpayer interest as any other kind of loan.

I am just as critical of soft loans in connection with Public Law 480 funds as I am in connection with any other funds.

The Senator from Alaska must not despair, nor give up hope. The going is tortuous; the road is long; but we are making a little progress. We are hoping that between now and the time the next foreign aid bill comes before the Senate, the American people will catch up. When the American people catch up, they will bring this administration to an accounting concerning the inefficient, wasteful, unsound foreign aid bill which Congress continues to shackle as a yoke upon the economic necks of the American people.

We shall continue to make progress. During the past 2 weeks officials at the State Department level have expressed their great concern about my minority views this year. I quote them directly and accurately when I say that they said to me:

Your minority views give us much concern, because we have no answers to them.

They have no answers to them because the criticisms I make in my views cannot be answered, and the State Department knows it. So they have proposed a 2-day conference with me in December. I have said that they can have such a conference only on condition that my colleagues on the Committee on Foreign Relations who may wish to attend may participate, because I am satisfied that any members of the committee who wish to take part in a conference with representatives of the State Department for 2 days will be in agreement that drastic changes will be needed in the foreign aid bill that will come before the Senate next year.

One of our difficulties has been that policy changes and policy reforms have not been agreed upon before the bill has come here. I have been in the Senate long enough—20 years, now—to know the handicap we are under in having policy changes made by members of the same party in Congress after an administration position has been announced. If policy changes are desired, there is a stronger hope of getting them if some such arrangements as State Department officials have suggested to me twice in the past 2 weeks can be made.

I replied that I would attend such a conference with enthusiasm. The Department realizes that next year it must bring to us a bill that will meet some of the major criticisms in my minority views. They appreciate that they will be headed for increasing trouble on foreign aid. Why? Because, at long last, it is sinking through the heads of the State Department and the AID administration that there is a rising revolt on the part of the taxpayers of this country against the foreign aid program—and there should be.

The State Department fully recognizes that if it does not do something to improve the foreign aid situation next year, that revolt will begin to express itself at the ballot box. Some of it will express itself at the ballot box in November 1964—and it should. I hope the American people will express their dissatisfaction with the foreign aid program. I have said many times that the only test of a politician is his voting record, not his talk. Some of the voting records in Congress on foreign aid will result in an accounting by the American people in November 1964.

We all know that this bill will pass the Senate today or tomorrow without substantial changes. But it will pass, in my judgment, to the everlasting discredit of Congress.

The Senator from Alaska has offered an amendment that represents sound reform, and I shall vote for it. We shall make our record. We shall call it to the attention of Members of the Senate next year if, at the December conference which the State Department has told me it is planning, it does not make this proposal as one of its policy changes.

I congratulate the Senator from Alaska. I am proud to support his amendment.

Mr. GRUENING. I thank the Senator from Oregon.

When this proposal was debated a year ago, the distinguished Senator from North Carolina [Mr. Ervin] placed in the Record an article published in a daily newspaper of San Jose, Costa Rica. The article described the activities of that country's Foreign Minister, who had come here to tap our Treasury. He described how Costa Rica was receiving a $45 million loan, but he said, "What we are getting from you is considered a gift." He made it very clear that it was a gift. One interesting thing that was developed in the article was that a part of the loan was to be used to pay Costa Rica's share of Central America's one-third contribution to the construction of the Inter-American Highway.

Some 20 years ago, a treaty was entered into with the Central American countries in which it was agreed that Uncle Sam would pay two-thirds of the cost of construction of the highway, and that the beneficiaries—six Central American countries—would pay one-third. When I was in Central America 2 years ago, representing the Committee on Public Works, I found that with one exception all of the Central American countries were paying their share out of U.S. foreign aid funds. In other words, they were using our money to pay us back. That is typical of the many loose practices that prevail in our foreign aid program. They are practices which should be tightened up.

Mr. LAUSCHE. Mr. President, as I stated a moment ago, in the Committee on Foreign Relations the distinguished Senator from South Dakota [Mr. Mundt], the distinguished Senator from Oregon [Mr. Morse], and I offered an amendment which is in substance identical with the amendment offered by the distinguished Senator from Alaska, but actually is somewhat milder. The Senator from Alaska contemplates that an interest rate shall be charged which is equal to the average interest that the Treasury pays on all money that it borrows.

The amendment offered by the Senator from South Dakota, the Senator from Oregon, and me is divided into two parts. Commercial loans would bear a rate of interest equaling the average rate that the Treasury pays in borrowing money to make the loans. The second part deals with what are known as noncommercial loans. In that category would be embraced loans for the building of schools, dock facilities, highways, waterworks, sanitation installations, and the like. Our amendment provides that on noncommercial loans the interest rate shall be not less than 2½ percent.

The comparison, therefore, would be that the rate of interest under the amendment of the Senator from Alaska would in all instances be about 4 percent. Under the amendment offered by the Senator from South Dakota, the Senator from Oregon, and me, the rate of interest would be 4 percent on commercial loans and not less than 2½ percent on noncommercial loans.

I am sure that the Department of State objects to the amendment of the Senator from Alaska and, of course, does not look favorably upon the approach that the Senator from South Dakota, the Senator from Oregon, and I have to the program. The State Department has contended that it has been in the process of begging other nations—our allies, which make loans—to reduce the rate of interest which they charge. It was argued that the World Bank is making loans at a very low rate of interest, and that inasmuch as the World Bank is making loans to the underdeveloped countries out of a certain fund at a low rate of interest, our Government should not depart from that practice.

In answer to that argument, I point out to the Senate that, in effect, we fixed the rate of interest in the World Bank. We hold a 30-percent interest, if not more; thus, we are the ones who established the rate of interest that the World Bank charges on the loans it makes to underdeveloped countries. I know that on the basis of the facts, it does not sound reasonable that we should be charging a low rate of interest when our allies are generally charging a rate of interest much higher.

Mr. MORSE. Mr. President, will the Senator from Ohio yield?

Mr. LAUSCHE. I yield.

Mr. MORSE. I congratulate the Senator from Ohio and the Senator from South Dakota for the magnificent work they did in the Foreign Relations Committee in the interest fight. The Senator is correct. The argument of the State Department was that because the World Bank charges a lower rate of interest than the Senator from Ohio, the Senator from South Dakota and I were asking for, we should not be charging a higher rate. As the Senator has just pointed out, we put up at least 30 percent of the World Bank money. It is a rather strange argument that because we participate in a joint enterprise under the World Bank for aid to underdeveloped countries for projects which are sorely needed in those countries at a low rate of interest, we should soak the American people a second time with an interest rate below the cost of use of the money for direct loans from the United States.

If we are to invest in the projects at all, they should be economically sound, so that they can pay out. If they cannot pay out, we should not waste American taxpayers' money on such projects. We should stop talking about the fact that we are really doing something for these countries, if we are not investing our money in sound projects.

The time has come for the foreign aid authorities to be required by Congress to save the taxpayers' money when there is a direct loan between the United States to another country in projects which will pay out. If they will not pay out, we should save the American taxpayers' money. If they do pay out, they will pay back a very small percentage in any event. It is the old "gimmick" of refunding, renegotiating, and reloaning; and it will continue interminably. Finally, the whole transaction will be recognized as a bad debt, and will be written off the books.

Mr. GRUENING. Mr. President, will the Senator from Ohio yield?

Mr. LAUSCHE. I yield.

Mr. GRUENING. Can the Senator from Ohio or the Senator from Oregon tell me whether there has been any discussion in the sessions of the Foreign Relations Committee on the reloaning of this money, which we lend at virtually no interest rate, by the recipient government at much higher rates?

Mr. LAUSCHE. I anticipate that the Senator from South Dakota [Mr. MUNDT] will be in the Chamber before this discussion is concluded. It is my understanding that the Senator from South Dakota has a letter or information to the effect that there is one country—and I shall not identify the country, although I know the name of it—to which we once loaned money at an interest rate of three-quarters of 1 percent before the 1961 law was passed. That country loaned the money to a private enterprise to build a manufacturing plant and the lender to the private enterprise was collecting a rate of interest far in excess of the interest which the country had to pay to the United States, which loaned the money in the first place.

That is the only instance I know of.

A country in the Middle East borrowed from us at three-fourths of 1 percent interest. It took that money and loaned it to its own citizens and was collecting a higher rate of interest by far than it was paying to the United States.

Mr. MORSE. Mr. President, will the Senator from Ohio yield?

Mr. LAUSCHE. I yield.

Mr. MORSE. Let me say to the Senator from Alaska that if he will take the repayment of loans of countries A, B, C, D, E, F, on through the alphabet, in the past 10 years, to any one foreign power, we do not have to be hit on the head with a baseball bat to know "how come."

It is difficult to show that we made a loan and the recipient used the money to pay off a debt to some other country. Let me put it this way: If we take a list of any payments which have been made by countries A, B, and C to any foreign power which previously loaned them money at a higher interest rate, the conclusion is perfectly obvious that there is a relationship between their repayments and the loan they received from the United States. They have been playing the United States for a sucker in that kind of interest-rate shell game.

The time has come to invest our money by way of loans only in repayable projects. If countries do not wish to borrow our money on those terms, let them go somewhere else to get it.

It is about time for the U.S. Government to start telling other countries that they are trying to blackmail and blackjack us into giving them a loan on the basis of threats, and that if they do not like it, to go somewhere else fast.

Mr. GRUENING. Mr. President, will the Senator from Ohio yield?

Mr. LAUSCHE. I yield.

Mr. GRUENING. Two years ago, in order to stop the extreme abuses involved in this relending situation, which sometimes involved usurious amounts of interest—16, 18, and 20 percent—I sponsored an amendment that the recipient country would not be permitted to reloan the money at more than 5 percent higher than the interest rate. In other words, on a three-quarters-of-1-percent loan, they would not be permitted to reloan it at more than 5¾ percent. This was, of course, violently opposed by the administration. Nevertheless, by some miracle it passed the Senate by a vote of 74 to 16.

The State Department representatives told the conferees that this reasonable reform would ruin the foreign aid program. If we stopped these usurious practices, they said, the program would be wrecked; that one could not change the established customs of other countries. So, the amendment was deleted. And the abuses it sought to correct, continue.

This is an evidence of how vigilant some are, not in behalf of the American taxpayers but on behalf of the interests of those in foreign countries who utilize all kinds of improper and usurious practices.

If the money which we lend at three-quarters of 1 percent for 40 years is then reloaned at 6, 8, 10, or 15 percent compounded, or even more, the recipient countries make profits from our philanthropy running into many millions of dollars.

Mr. LAUSCHE. Mr. President, I should like to read what was placed in the report by the Senator from South Dakota [Mr. MUNDT], the Senator from Oregon, and myself:

> The administration opposes harder U.S. loan terms primarily on two grounds: First, that the movement of U.S. policy in this direction would interfere with the administration's efforts to induce other developed countries to soften their terms; and second, that it would aggravate the balance-of-payments problems of the borrowing nations. Neither argument is persuasive.

It is my understanding that we made some progress with Canada in inducing it to make some small loans at a low rate of interest. Otherwise, our efforts have not been successful.

I read further from the report:

> With respect to the first argument, the administration lays great stress on the fact that loan terms of other developed countries have become softer in recent years. Nevertheless, with the exception of a portion of the Canadian loans, the softest of these loans still carry shorter maturities and interest twice as high as the softest U.S. loans.
>
> To the extent that foreign borrowing aggravates an underdeveloped country's balance-of-payments problem, aggravation is certainly caused more by borrowing from Europe than from the United States.

Certainly, they pay much higher interest than they pay the European nations. I continue to read:

> So long as the Congress tolerates a situation in which U.S. money is available for half the cost of European money, the United States will continue to be faced with requests for easy help on balance-of-payments problems which are partially due to European credits. Thus, to some degree, we are helping to make it possible for underdeveloped debtors to pay their European creditors.

Mr. MORSE. And, I add, they were made at higher interest rates.

Mr. LAUSCHE. Mr. President, I believe that is the point that the Senator from Oregon makes. We loan at a low and soft interest rate. And while our money probably is not used directly to pay a high interest rate to some other creditor country, indirectly it is so used.

Those are the reasons why the three Senators whose names I have mentioned filed a dissenting opinion and have an amendment pending before the Senate.

Mr. MORSE. Read it further.

Mr. LAUSCHE. We contemplate calling it up as a substitute at a later hour in the event the amendment of the Senator from Alaska [Mr. GRUENING] is rejected.

The Senator from Oregon [Mr. MORSE] requested that I read further from the dissenting views. I read further:

> A hardening of U.S. loan terms would correct this situation. It would also serve notice on the Europeans that we do not intend indefinitely to make soft loans while they made hard ones. Instead of interfering with efforts to persuade the Europeans to soften their loans terms, it might well contribute to those efforts.
>
> A hardening of U.S. loan terms will also have the salutary effect of imposing better habits of fiscal discipline and responsibility on the borrowing countries by requiring them to plan their affairs more carefully and to exercise greater self-restraint.

Mr. MORSE. Mr. President, will the Senator yield for 30 seconds, or less?

Mr. LAUSCHE. I yield.

Mr. MORSE. Of course, if the Senate agrees to either the amendment of the Senator from Alaska [Mr. GRUENING], or the amendment which the Senator from Ohio [Mr. LAUSCHE], the Senator from South Dakota [Mr. MUNDT], and I have proposed, we would still be substantially below their usual interest rate. They could still soften their interest rates down to the interest rate called for by either of those amendments and still not be below the interest rate of the United States. If we could get them down to the interest rate we are proposing of 4 percent for commercial loans and 2 or 2½ percent for other loans—which is in our amendment—it would still be a softening process on their part so far as the fixing of interest rates is concerned.

Mr. LAUSCHE. Mr. President, I regret that the table which is set forth on page 43 of the report does not show how much money has been loaned by other countries, at what is supposed to be a low interest rate.

I am quite sure that the facts will show that the loans made by other countries have been at high interest rates. The table shows that Canada's high interest rate is as high as 6 or 7 percent. France's interest rate is 7 percent and up. Germany's interest rate is 6 to 7 percent and up. In Italy, the lowest rate charged is 3 to 4 percent, and the highest is 7 percent or more. The Netherlands on some few loans have made a low interest-rate charge, but their high interest rate is 3 to 4 percent. In Portugal, the high interest rate is 7 percent and up.

I repeat that if all the facts were shown, they would disclose that the amount of loans made at the low interest rate is negligible, and that the loans made at high interest rates are substantial. They come to us because of our low interest rate.

Mr. MORSE. Mr. President, will the Senator yield further?

Mr. LAUSCHE. I yield.

Mr. MORSE. Mr. President, I again compliment the Senator from Ohio for the demolition which he is doing. He is demolishing the weak case of the State Department and the AID representatives in regard to the interest rate. As I pointed out in my speech yesterday, when one starts to analyze the list of countries to which other countries are making the loans, he will be surprised at the large percentage of such loans made to their former political colonies—still their economic colonies. There are still areas that France, Great Britain, Belgium, and the Dutch dominate economically. The loans which they make to their former territorial colonies—which are still their economic colonies—involve a high degree of self-interest. They are still charging those colonies an interest rate that is on the average far above our own interest rate.

Mr. LAUSCHE. Mr. President, until a few years ago we were charging three-fourths of 1 percent. That was charged, I believe, 2 years ago. We are now charging 2 percent, with 10 years of grace during which the interest rate is three-fourths of 1 percent and the maturity date is 40 years. During the grace period of 10 years no payments on the principal amount are required. At the 11th year the interest rate becomes 2 percent.

In my judgment, we are not moving in the right direction. We are not in fact helping those to whom we are lending money. We are causing them to be neglectful. We are allowing them to cast aside all discipline and sound management.

Moreover, we are not acting justly with the taxpayers of the United States. In addition, we have created a situation in which all the applicants are coming to our country for loans because of the low interest rates which we charge. And they will continue to come unless we harden the terms.

I favor the hardening of the terms under which we make the loans.

I ask unanimous consent that there be made a part of my statement in the RECORD the individual views contained in the report as set forth on pages 42, 43, and 44, and signed by the Senator from South Dakota [Mr. MUNDT], the Senator from Ohio [Mr. LAUSCHE], and the Senator from Oregon [Mr. MORSE].

There being no objection, the individual views were ordered to be printed in the RECORD, as follows:

INDIVIDUAL VIEWS

We strongly believe that this bill should contain provisions hardening the terms of development loans and loans under the Alliance for Progress. An amendment to this effect was rejected by the committee by a vote of 8–7, a decision which we shall urge the Senate to overturn.

Historically, the foreign aid program has gradually moved from a program which was almost all on a grant basis to a program which (excluding military assistance) is composed of roughly 60 percent loans and 40 percent grants. This progress is welcome. It has been, we think, too slow; but we are here concerned not so much with increasing the loan component as with the nature of the loans which comprise that component.

Until the Congress took a small step last year toward hardening loan terms, the common administration policy was to make loans at three-fourths of 1 percent interest and a maturity of 40 years including a 10-year grace period on repayment of principal. In 1963, the Congress amended the law to require a minimum interest rate of 2 percent after the 10-year grace period during which the interest may still be (and usually is) as low as three-fourths percent.

To call a transaction of this nature a "loan" is to be something less than candid. Loans on such soft terms contain an element of grants and a concealed subsidy in the interest rate. We are deceiving ourselves and the American people if we pretend that this is a loan program. The three-fourths percent interest during the grace period barely covers the cost of administering the loan. Even the 2 percent interest charged after the grace period is far below the cost of the money to the U.S. Treasury, which is now paying 3⅜ percent.

Under the current requirements of the Foreign Assistance Act, the average interest on development and Alliance for Progress loans is 1.7 percent.

This is far below what most other developed countries are charging, as shown in the following table:

DAC donor countries bilateral terms of aid, 1962—Commitments

	Interest rates			Maturities			Grace period (most liberal)
	Lowest	Highest	Weighted average (percent)	Longest	Shortest	Weighted average (years)	
Belgium	Nonavailable	Nonavailable	5.5	5 to 10 years	5 to 10 years	7.5	
Canada	¾ of 1 percent	6 to 7 percent	(1)	50 years	do	(1)	Not available.
Denmark							
France	1 to 3 percent	7 percent and up	4.4	40 years and up	1 to 5 years	23.3	3 years.
Germany	do	6 to 7 percent	4.2	20 to 30 years	do	17.0	7 years.
Italy	3 to 4 percent	7 percent and up	4.9	10 to 20 years	do	9.8	
Japan	5 to 6 percent	do	6.1	do	do	8.1	5 years.
Netherlands	0 to 1 percent	3 to 4 percent	5.0	40 years and up	20 to 30 years	20.0	85 percent, 10 years.
Norway							
Portugal	0 to 1 percent	7 percent and up	4.6	20 to 30 years	1 to 5 years	22.4	3 years.
United Kingdom	do	6 to 7 percent	5.6	40 years and up	do	26.3	7 years.
Total, other DAC			5.1			19.8	
United States	0 to 1 percent	6 to 7 percent	2.6	40 years and up	1 to 5 years	29.9	10 years.
Total, DAC			3.6			25.8	

[1] Not available.

NOTE.—Data available lack precision or consistency; these average terms should be regarded as rough orders of magnitude.

The administration opposes harder U.S. loan terms primarily on two grounds: First, that the movement of U.S. policy in this direction would interfere with the administration's efforts to induce other developed countries to soften their terms; and second, that it would aggravate the balance-of-payments problems of the borrowing nations. Neither argument is persuasive.

With respect to the first argument, the administration lays great stress on the fact that loan terms of other developed countries have become softer in recent years. Nevertheless, with the exception of a portion of the Canadian loans, the softest of these loans still carry shorter maturities and interest twice as high as the softest U.S. loans.

To the extent that foreign borrowing aggravates an underdeveloped country's balance-of-payments problem, aggravation is certainly caused more by borrowing from Europe than from the United States. So long as the Congress tolerates a situation in which U.S. money is available for half the cost of European money, the United States will continue to be faced with requests for easy help on balance-of-payments problems which are partially due to European credits. Thus, to some degree, we are helping to make it possible for underdeveloped debtors to pay their European creditors.

A hardening of U.S. loan terms would correct this situation. It would also serve notice on the Europeans that we do not intend indefinitely to make soft loans while they make hard ones. Instead of interfering with efforts to persuade the Europeans to soften their loan terms, it might well contribute to those efforts.

A hardening of U.S. loan terms will also have the salutary effect of imposing better habits of fiscal discipline and responsibility on the borrowing countries by requiring them to plan their affairs more carefully and to exercise greater self-restraint. A grace period of 10 years provides a considerable incentive to postpone the day of planning to meet regular payments. With respect to politically unstable countries, a 10-year grace period increases the risk that a change in government might lead to default of the loan.

For all of these reasons, we urge the Senate to support an amendment which we intend to offer and which will make the lending part of the foreign aid program loans in fact as well as in name. Under the existing law, the so-called loans are in reality little more than grants. If the U.S. Government is going to make grants to foreign countries—and in some instances there may be a case for doing so—we should at least be honest with ourselves and with the American people and call them grants. We cannot justify making grants and calling them loans.

KARL E. MUNDT.
FRANK J. LAUSCHE.
WAYNE MORSE.

Mr. LAUSCHE. Mr. President, I now suggest the absence of a quorum.

The **PRESIDING OFFICER** (Mr. Nelson in the chair). The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. **GRUENING**. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. **LAUSCHE**. Mr. President, I object.

The **PRESIDING OFFICER**. Objection is heard. The clerk will continue to call the roll.

The legislative clerk resumed the calling of the roll.

Mr. **LAUSCHE**. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

The question is on agreeing to the amendment of the Senator from Alaska [Mr. Gruening].

Mr. **FULBRIGHT**. Mr. President, the amendment is one of the most drastic of all amendments that are being offered to change the character of this program. The Administrator, Mr. Bell, has summed up the arguments on the amendment very succinctly.

I ask unanimous consent that his letter be printed in the Record at this point in my remarks.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Department of State, Agency for International Development,
Washington, D.C., August 6, 1964.

Hon. J. W. Fulbright,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

Dear Mr. Chairman: I understand several amendments concerning interest rates and amortization schedules have been proposed to H.R. 11380, the Foreign Assistance Act of 1964. The purpose of these amendments would be to raise the present minimum interest rate of 2 percent (with a three-fourths of 1 percent rate during the grace period), limit or eliminate the present 10-year grace period, and shorten the present 40-year maturity on dollar-repayable development loans.

These amendments are a cause of deep concern for they threaten the effectiveness of the development loan program, the central feature of foreign assistance. Congress recognized, in passing the Foreign Assistance Act of 1961, that by shifting to dollar-repayable loans from grants or local currency repayable loans, a much greater burden was being placed on the less-developed countries receiving U.S. assistance. Consequently, minimum repayment terms for development loans were set to meet the capacity of the borrower to repay. Last year the terms were modified by raising the minimum interest rate to 2 percent after the expiration of the grace period. Further hardening of these minimum terms would work against the very goals of economic development and stability the U.S. mutual assistance program tries to achieve.

In the case of one proposed amendment, the interest rate would be increased to 2½ percent, the grace period on principal reduced to 2 years, and maturity date shortened to 30 years. A second proposed amendment would set the interest rate by adding one-fourth of 1 percent to average interest rate on the U.S. debt, which, for example, in 1964 would be approximately 3⅝ percent. A third proposed amendment tries to create a distinction between "commercial" and "noncommercial" loans; for the former, the interest rate would be the same as proposed in the second proposed amendment, for the latter, the interest rate would be set at 2½ percent. This amendment would, in addition, require principal repayment on "commercial loans" within 25 years after the commencement of operation of the facility financed and, in the case of "noncommercial loans," within 25 years.

I believe all three amendments should be defeated because they do not reflect the reality of international economic development. First, terms on loans for economic development must be fitted to the capacity of the recipient to service its foreign debt. The World Bank has estimated the total outstanding foreign debt of 74 developing countries had risen 2½ times from 1955 to 1962; service payments have tripled in the last 7 years. In the case of some countries, the present debt-service payments are 25 percent or more of their export earnings. It is vital that the structure of this debt be stretched out so the bulk of it falls due at a time when the process of development has brought about the growth needed to finance the debt. To do otherwise would encourage irresponsible debt practices such as postponement or default, divert badly needed resources from development to debt-service and thus prolong the need for external assistance and increase the need for new funds from the United States.

Second, the adoption of these amendments would frustrate and undermine the efforts of the United States to obtain more realistic terms from other developed countries. The U.S. effort has been increasingly successful; the fact that U.S. terms are better than most DAC members is the strongest incentive for other developed countries to increase the amount and improve the terms of their assistance. It must always be kept in mind that the purpose of U.S. foreign assistance is not to compete with other donors but to help the less-developed countries. It serves no useful purpose to increase dangerously the debt-service of less-developed countries merely for the sake of comparability with other developed countries at harder, unrealistic terms. The most likely result of across-the-board hardening of U.S. development loan terms would be to reverse the present trend in other donors' terms and to push them to harder terms, thereby further accelerating the debt problem of less-developed countries. Let me assure you that the United States will continue its strenuous efforts to encourage other developed countries to increase the amount of their assistance and to move more rapidly to terms comparable to those of the United States.

Third, AID will continue to set interest rates and repayment terms to fit the borrower's capacity to repay. In a number of cases these terms have been significantly harder than the present statutory minimum of 2 percent (three-quarters of 1 percent in the grace period). I would expect the number of loans at medium terms to increase as development proceeds. Moreover, average interest rates on overall U.S. lending to key less-developed countries are close to the cost of the Treasury because Export-Import Bank loans are on commercial terms. Adoption of these amendments would thus raise the overall average terms in some countries above the terms of other donors and beyond the point of prudent fiscal policy.

Let me close by reemphasizing that all development loans authorized by the Foreign Assistance Act are repayable in dollars. In addition, any development loans to private enterprises, whether directly or through the recipient government, are on prevailing commercial terms.

For these reasons, and because it is in the best interest of the United States, I hope these amendments will not be adopted.

Sincerely yours,

David E. Bell.

Mr. **FULBRIGHT**. Mr. President, for emphasis, I wish to read a few paragraphs for the information of the Senate at this time. There are several amendments, of course, of a somewhat similar nature, as has already been stated by the Senator from Ohio:

> These amendments are a cause of deep concern for they threaten the effectiveness of the development loan program, the central feature of foreign assistance. Congress recognized, in passing the Foreign Assistance Act of 1961, that by shifting to dollar-repayable loans from grants or local currency-repayable loans, a much greater burden was being placed on the less developed countries receiving U.S. assistance. Consequently, minimum repayment terms for development loans were set to meet the capacity of the borrower to repay. Last year the terms were modified by raising the minimum interest rate to 2 percent after the expiration of the grace period.

I remind the Senate particularly that, in 1961, for example, three-quarters of 1 percent was the interest rate during the whole period of many loans. Today it is 2 percent. That was the rate last year.

I continue to read:

> Further hardening of these minimum terms would work against the very goals of economic development and stability the U.S. mutual assistance program tries to achieve.
>
> I believe all three amendments should be defeated—

He is referring to three different variations, but all of them have the same objective and are quite simple—

> because they do not reflect the reality of international economic development. First, terms on loans for economic development must be fitted to the capacity of the recipient to service its foreign debt. The World Bank has estimated the total outstanding foreign debt of 74 developing countries had risen 2½ times from 1955 to 1962; service payments have tripled in the last 7 years. In the case of some countries, the present debt service payments are 25 percent or more of their export earnings. It is vital that the structure of this debt be stretched out so the bulk of it falls due at a time when the process of development has brought about the growth needed to finance the debt. To do otherwise would encourage irresponsible debt practices such as postponement or default, divert badly needed resources from development to debt service and thus prolong the need for external assistance and increase the need for new funds from the United States.
>
> Second, the adoption of these amendments would frustrate and undermine the efforts of the United States to obtain more realistic terms from other developed countries. The U.S. effort has been increasingly successful; the fact that U.S. terms are better than most DAC members is the strongest incentive for other developed countries to increase the amount and improve the terms of their assistance. It must always be kept in mind that the purpose of U.S. foreign assistance is not to compete with other donors but to help the less-developed countries. It serves no useful purpose to increase dangerously the debt service of less-developed countries merely for the sake of comparability with other developed countries at harder, unrealistic terms. The most likely result of across-the-board hardening of U.S. development loan terms would be to reverse the present trend in other donors' terms and to push them to harder terms, thereby fur-

ther accelerating the debt problem of less-developed countries.

* * * * *

Third, AID will continue to set interest rates and repayment terms to fit the borrower's capacity to repay. In a number of cases these terms have been significantly harder than the present statutory minimum of 2 percent (three-fourth of 1 percent in the grace period). I would expect the number of loans at medium terms to increase as development proceeds. Moreover, average interest rates on overall U.S. lending to key less-developed countries are close to the cost to the Treasury because Export-Import Bank loans are on commercial terms. Adoption of these amendments would thus raise the overall average terms in some countries above the terms of other donors and beyond the point of prudent fiscal policy.

Let me close by reemphasizing that all development loans authorized by the Foreign Assistance Act are repayable in dollars. In addition, any development loans to private enterprises, whether directly or through the recipient government, are on prevailing commercial terms.

I have read from a part of the letter in which the very able Administrator of the program protests this amendment most vigorously. He has told me that this amendment is probably the most serious one he knows of to be offered, as concerns the terms of the policy of the Foreign Assistance Act.

Also, I have a very interesting report from Paris relative to these loans. I refer to an article by a special foreign correspondent, Bernard Nossiter, of the Washington Post. I shall read a portion of the article. It refers to the effort to increase the rates in accordance with the pending amendment:

> The provision would double the minimum interest rate that the United States may charge for development loans.
>
> If the Senate adopts this proposal—and it has strong support—officials fear that it would seriously undermine their long campaign to persuade other nations to liberalize their aid terms.
>
> The whole subject is particularly sensitive at this moment. The leading Western Powers and Japan meet in Paris on Thursday and Friday—

The article was published in the Washington Post of July 22—

> for their yearly review of aid programs and policies.
>
> The struggle to make aid terms easier is based on a widespread belief that many important nations receiving help already have saddled themselves with outsized repayment burdens. Among others, the World Bank has joined the fight for easier terms.

A little later the article states:

> A year ago, the Committee under U.S. prodding, resolved that aid terms should be easier. Ironically, the United States is winning this battle. Between 1961 and 1963, the proportion of aid loans made by Development Committee members with a charge of less than 3 percent more than doubled.
>
> Canada now is seeking legislation permitting 50-year loans at three-quarters of 1 percent. West Germany, regarded as the most tight-fisted aid giver, reported that the average length of its outstanding loans to poor nations in 1963 was 19 years. This was an increase of more than a third since 1961.

Mr. President, I ask unanimous consent that the entire article be included in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

U.S. OFFICIALS WORRIED BY MOVE TO BOOST FOREIGN AID LOAN RATES

(By Bernard D. Nossiter)

PARIS, July 21.—U.S. officials here are deeply worried over a little-noticed sleeper amendment that has been proposed to the foreign aid bill.

The provision would double the minimum interest rate that the United States may charge for development loans.

If the Senate adopts this proposal—and it has strong support—officials fear that it would seriously undermine their long campaign to persuade other nations to liberalize their aid terms.

The whole subject is particularly sensitive at this moment. The leading Western Powers and Japan meet in Paris on Thursday and Friday for their yearly review of aid programs and policies.

HEAVY BURDENS CITED

The struggle to make aid terms easier is based on a widespread belief that many important nations receiving help already have saddled themselves with outsized repayment burdens. Among others, the World Bank has joined the fight for easier terms.

The amendment that officials say is embarrassing has been offered by Senators KARL MUNDT, Republican, of South Dakota, and FRANK LAUSCHE, Democrat, of Ohio. It would require the aid agency to charge recipients the same interest cost paid by the U.S. Treasury.

The minimum aid charge now is 2 percent and the current yield on long-term Treasury bonds is a little more than 4 percent. The difference may not sound like much, but it would add $6 million in interest charges on a $10 million loan running 30 years.

NARROWLY DEFEATED

The Mundt-Lausche amendment was beaten in the Senate Foreign Relations Committee by only an 8-to-7 vote. The prevailing congressional coolness toward aid, perhaps reinforced by Senator BARRY GOLDWATER's attacks, could, it is feared, create a climate that would enable the amendment to pass.

Aid experts say that countries like India, Pakistan, Brazil, and Argentina are already laboring under too heavy a load of repayments. Turkey gives up about half of its foreign aid for charges on previous debts.

The recent United Nations trade conference took note of this problem, and urged aid-givers to offer softer terms. This meeting of poor and rich nations has had a surprisingly strong effect on the thinking of authorities in several leading European countries.

TO REVIEW POLICIES

The non-Communist world's aid policies will be reviewed at the end of the week here in a meeting of the Development Assistance Committee. The Committee includes the United States and 11 other principal aid donors. It was set up to measure aid contributions and make policies more consistent.

A year ago, the Committee, under U.S. prodding, resolved that aid terms should be easier. Ironically, the United States is winning this battle. Between 1961 and 1963, the proportion of aid loans made by Development Committee members with a charge of less than 3 percent more than doubled.

Canada now is seeking legislation permitting 50-year loans at three-quarters of 1 percent. West Germany, regarded as the most tight-fisted aid giver, reported that the average length of its outstanding loans to poor nations in 1963 was 19 years. This was an increase of more than a third since 1961.

The U.S. delegation to the development group's meeting will be led by William Gaud, deputy aid administrator, and former Congressman Frank Coffin, Democrat, of Maine, the permanent U.S. delegate to the Committee.

Mr. FULBRIGHT. Mr. President, to sum up, increasing the interest rates to the figure provided in the amendment would hamstring the administration of the program. Many countries are unable to service loans at those interest rates. This proposal fixes a rate that can almost be obtained in some of the international agencies, such as the International Bank. It is somewhat lower than the International Bank or Export-Import Bank rate, but adoption of these rates would take the aid program out of the lending business.

It seems to me more logical, if the Senate wishes, to stop the program rather than to pretend to have the program and hold out the hope that there is an aid program, while making the terms so severe that an underdeveloped country struggling to get on its feet could not obtain a loan. One of two things would happen—either it would not get the loan or else it would not be able to service it. That would cause a great setback to the effort we are making in the international field. That would be worse than not making the loan at all. This is a very important amendment, and it should be voted down; or, if not, the Senate should stop the program and should go out of the development assistance business.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. SALTONSTALL. Mr. President, is not the purpose of the development loans to make it possible for countries to grow and produce economically so that they can hope to do more business with us in the days to come? To make the interest rate too high would mean that they could not get started in that development.

Mr. FULBRIGHT. The Senator is quite correct. The purpose is to do what the Senator says. If it is a worthy and sensible purpose, we should make the money available on reasonable terms. It should be noted that since 1961 these loans have been made repayable in dollars at the minimum rate, although some are higher than that.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. DOUGLAS. First, let me say that it is my intention to support the position of the Senator from Arkansas. However, I believe that, in the interest of truth, certain facts should be made clear, so that we in the United States will not have a guilt complex in connection with this program.

First, is it not correct to say that the interest rates charged by the World Bank, the Export-Import Bank, foreign governments, and private parties are very much in excess of the interest rates which we charge?

Mr. FULBRIGHT. It is certainly true of the Export-Import Bank and the World Bank.

Mr. DOUGLAS. Is it not also true so far as foreign government loans are concerned?

Mr. FULBRIGHT. It has been true. However, there has been a marked tendency within the past 2 years for countries, particularly members of the Development Assistance Committee of OECD to reduce their terms. I have just read the information with respect to what Canada is seeking to do, namely, to provide a 50-year term at three-fourths of 1 percent interest. That is a completely new approach on the part of Canada.

At page 43 of the Committee report Senators will find the interest rates. All I can say is that they have been much higher, but that now they are beginning to come down, due to our prodding, primarily. We have been doing our best to persuade the members of OECD to soften their terms. That is the hopeful part of it. Not only has this been true in the area of foreign lending, but the Senator also knows that in their domestic lending nearly all these countries traditionally have maintained a higher interest rate than we employ in our domestic lending. For example, that is true of Germany and France. Of course all this is more or less relative.

Mr. DOUGLAS. I invite attention to the fact that the weighted average of the Belgium loans is 5.5 percent; on French loans, it is 4.4 percent; on German loans, it is 4.2 percent; Italy, 4.9 percent; Japan, 6.1 percent; Netherlands, 5 percent; Portugal, 4.6 percent; United Kingdom, 5.6 percent. The U.S. average is 2.6 percent. On this particular type of loan, the interest rate is ¾ percent.

There may have been some improvement—and I am glad that there has been—but certainly the existing disparity is great.

Mr. FULBRIGHT. The Senator is quite correct. It was worse than it is now. I invite the Senator's attention to the fact that while the situation in other donor countries is not as favorable from the standpoint of absolute amounts, a better case can be made with regard to levels of aid as related to the gross national products of these countries. The grant assistance of these countries has been a higher percentage of the total aid than is the case with us. I have before me a comparative study of the grants, shown as a percentage of the total aid of a particular country.

In the case of a country like Belgium, it is 94 percent. In the case of Canada, it is 76 percent. In the case of France, it is 86 percent. Grants represent a substantially higher percentage of total aid.

Mr. DOUGLAS. May I comment on that?

Mr. FULBRIGHT. One reason for it is that this aid is confined largely to former colonial areas.

Mr. DOUGLAS. That is correct. The Senator from Arkansas has now touched a crucial point. Loans by France are made almost exclusively to her former colonial possessions in Africa, with which France has very intimate economic relationships. France has obtained, for these possessions, duty free entrance for their raw materials to the Common Market. It is obvious that France intends to retain virtual economic control over these developing nations in Africa. I imagine that the same thing is true so far as Belgium is concerned. The Portuguese money goes largely to what we used to call Portuguese East Africa and Portuguese West Africa, one of which is now called Angola.

The Senator has mentioned the fact that this money represents a larger proportion of the gross national product of those countries than is the case with the United States. This is true. That fact is played up by AID as an indication that European nations are more generous than we in providing foreign aid. But what AID does not mention is that the loans are made at extraordinarily high rates of interest. Many advocates of foreign aid—and I am a supporter, and always have been—do not tell the whole story. They present the side of the case most favorable to them, and they suppress the fact that, instead of making grants to nations outside the economic alliances, European countries lend to their colonial possessions or former colonial possessions and that we lend to countries over which we have very little or no control.

I shall vote against the amendment offered by my good friend from Alaska [Mr. GRUENING], with great reluctance. My comments are meant to dispel any inferiority complex in the United States which is being inculcated. The fact is that we are more generous in making contributions to nations outside our economic control than are European countries. We are more generous in connection with interest terms. That fact should be frankly faced. I am ready to face it.

I believe that in the case of Latin America, the people are so poor that specially favorable terms should be made to them. But I do not believe anything is gained by concealing the fact that European nations, while they may be improving, still are not bearing their fair share.

Mr. GRUENING. Mr. President, will the Senator yield?

Mr. DOUGLAS. I do not have the floor.

Mr. FULBRIGHT. I agree with what the Senator has said about interest rates. All I can say is that formerly much of our development aid was on a grant basis and we are proceeding to make the program somewhat more realistic than before. At the same time, there is a gradual increase in the participation by Europeans at more lenient terms and conditions. Traditionally, the interest rate structure has been lower in this country. That is why we have had to have the tax equalization bill, because even in the commercial markets the interest rates charged in this country were substantially lower, on the whole.

Mr. DOUGLAS. The disparity between the rates which the European nations charge to countries abroad and their own domestic rates is also much less than the disparity in the United States.

We have an interest rate on long-term Government loans of 3⅝ percent. We have an interest rate on certain foreign loans of three-fourths of 1 percent, a rate which is only about one-fifth of what it is internally. We do not find France or even Great Britain lending to her colonial possessions at a rate one-fifth of what is charged at home.

Although I shall not support the amendment of the Senator from Alaska, his attitude is correct. But I hope the advocates of foreign aid—and I am one of them—will not get an inferiority complex and think that we are not as kind and generous as are the European nations. The truth is that we are more so.

Mr. GRUENING. Mr. President, far from having an inferiority complex because we are not generous enough, the fact is that in some ways and for some recipients we have been too generous. The remarks of the Senator from Illinois indicate that the AID administration does not always "level" with Congress; it does not tell us the whole story. We have to dig these errors out and discover them painfully.

If the Senator will look at the list of more than $1 billion worth of loans we have made at a negligible interest rate, with a 10-year moratorium on the payment of principal, he will find that, indiscriminately, the list includes both enterprises that can and cannot make a profit. If we wish to assist in the building of a school or a road, if the recipient country is deemed too poor to repay a loan, perhaps we should make grants for that purpose. But that is entirely different from a profitmaking enterprise, that will begin to earn money the minute it is completed. It is in that category that we ought to improve the foreign aid loan program.

I, too, favor foreign aid; but I have opposed and continue to oppose the many abuses I have discovered since I began to study the program. It is difficult to have amendments agreed to because past administrations have resisted efforts at reform and have taken the position that everything in the program is nearly perfect and that no improvements are desired. That is why this amendment is desirable. It would be a step in the right direction. Even when such amendments have been adopted by the Senate, they have been taken out in conference at the behest of the State Department and AID Administrators.

Three years ago I offered an amendment which provided that countries to which we lent money could not relend it at more than 5 percent above the rate at which we lent it. In other words, if we lent the money at a rate of three-quarters of 1 percent, the recipient country could not lend it at a rate of more than 5¾ percent. Over the opposition of the administration, this amendment was adopted by the Senate by a vote of 74 to 16. But the AID representatives rushed up to the conference and said that the amendment would wreck the program. So these usurious practices still continue. The recipient countries continue to take our money, relend it at high interest rates, make a bonanza, for the few, while the people for whom Americans are making this sacrifice bear the costs.

Mr. MORSE. Mr. President, I offer the Bell letter, read by the chairman of the committee, to prove exactly the opposite of the conclusion reached by the chairman of the committee. If ever one wanted an exhibit that supports the amendment of the Senator from Alaska or supports the amendment offered by the Senator from South Dakota [Mr. MUNDT], the Senator from Ohio [Mr. LAUSCHE], and the Senator from Oregon, let him reread the Bell letter. If ever there was received from the AID administration or the State Department an epistle that expressed any concern about the American taxpayer, I think I would drop dead of a heart attack. If ever there was a place in which the American taxpayer received no consideration to any degree, it is at the State Department and the AID administration in connection with the foreign aid program.

If ever there was a time for Congress to make a great contribution both toward strengthening the foreign aid program and protecting the American taxpayer, and at the same time perform a service to the recipient countries, now is the time to do it, through the Gruening amendment. I cannot think of anything that we could do by way of reforming our foreign aid program that would result in greater long-time benefits to the borrowing countries than the Gruening amendment, because this amendment would have a strong effect on changing the nature of the projects or the uses to which American money is put. We would find the recipient countries putting their economic houses in order. We would find them investing the money that they seek to borrow from us in projects that would pay out.

Comment has been made about the situation in Latin America. The interest rate problem is one of the great problems in Latin America. Do not overlook the fact that the legal interest rate in country after country in Latin America runs all the way from 12 percent to 30 percent. How can there ever be economic reform in Latin America with the legal interest rates running between 12 percent and 30 percent, if the United States makes loans to Latin America with American taxpayers' money at a rate of three-quarters of 1 percent, with 10 years in which to pay nothing, and after 10 years paying a minimum of 2 percent interest? If we want to perform a service for the mass of people in Latin America, I say, most respectfully, that we should adopt the Gruening amendment or the Mundt-Lausche-Morse amendment. It is necessary to have interest-rate reform in Latin America; otherwise the Alliance for Progress will not have the chance of a snowball in a hot oven.

How can homes be built in Latin America to be owned by the poverty-stricken people of Latin America, when legal interest rates from 12 to 30 percent, compounded? I do not know what we are thinking of when we continue this travesty in regard to interest rates.

Let us turn to Europe, where we have so many alleged allies who are making a sordid and sorry record of putting their nationalistic interests ahead of service to humanity in respect to so-called foreign aid on their part. We do not find anything about them in the Bell letter. It would be necessary to probe with a more powerful magnet than I have ever seen to drag out of the AID administration such facts as we are entitled to have in connection with this issue. We are not told how much money those countries are lending.

The AID administration is careful, in a letter like this, not to tell us to whom they are lending. The Senator from Alaska and the Senator from Oregon today, and in many other speeches, have brought out this point; but we are indebted to the Senator from Illinois [Mr. DOUGLAS] for pointing out that most of the loans of our alleged allies are going to their economic vassals. They are going to countries in which, for decades, they exercised control. They were their territorial colonies, and they are still their economic colonies. They have huge national investments in those countries. Go to any of them that are dominated by Portugal, the Netherlands, Great Britain, Belguim or France. There we find the nationalistic economic empires of the dominating country. But we do not learn that from the Bell letter. We cannot drag it out of the State Department. We must take a militant position, as I have so frequently done, in regard to the State Department and the AID administration.

In my judgment, the AID administration and the State Department have been for years exploiting the American taxpayers with this shocking foreign aid program. It is about time to reform. This is one reform that ought to be adopted. I will tell Senators what our allies are doing in their dominated economic colonies. They are also making economic arrangements with those colonies to discriminate against the United States in connection with foreign trade. If Senators do not think so, let them talk to some of our agricultural exporters, who are trying to ship American agricultural products into those countries. Talk to some of our industrial exporters. Those former colonies are being persuaded to execute discriminating agreements against the United States in the field of foreign trade, because they are going to continue to do what they can to keep us out to the maximum extent possible, and let us in only to the minimum extent they are required by law to do so.

All we have to do is turn to the table in the separate views filed on the question of interest rates. The table is found on page 43 of the report. Let us see what the interest rates are. Take the column that deals with weighted average:

Belgium 5.5 percent. Canada—not available—although the next column gives the highest at 6 to 7 percent, and the lowest at three-fourths of 1 percent.

Again I ask the controlling question: How much? What is the total amount of the loan? It is a drop in the bucket compared to what the United States is doing.

In the column entitled "Weighted average," France is given at 4.4 percent; Germany 4.2 percent; Italy 4.9 percent; Japan 6.1 percent; the Netherlands 5 percent; Portugal 4.6 percent; and the United Kingdom 5.6 percent.

The weighted average for all countries is 5.1 percent. The weighted average for the United States is 2.6 percent.

What more do we need to know about how we are being played for suckers in this loan arrangement?

I heard Mr. Bell make his statement before the committee. He now makes an evasive reply in the letter which has just been read to the Senate. I say "evasive," because it does not tell the American people all the facts they should be told about this issue.

What the Senator from Alaska is asking for in his amendment still allows plenty of room for them to soften the interest policy still more without being as generous as we would be under the amendment.

It is Mr. Bell's argument that we should not insist that they bring the interest down even with that of our own. If they did, and the Gruening amendment were accepted, they would still have great advantages in their trade arrangements with their economic vassals. We would still find great difficulty getting through their trade barriers.

France is not the only bad actor in this connection, although she is one of the worst. But she is not the only one. We do not find Great Britain, Belgium, the Netherlands, or any of the other countries listed doing any favors for the United States in this field. They will continue to discriminate against American farmers.

I say to the farmers of America, "Watch what AID is up to. Watch what the State Department is up to." The interest rate exploitation by the State Department and the AID people is an exploitation of the American farmer. In the last analysis, the policy will work to the discriminatory disadvantage of the farmer in regard to the export of American farm products.

I say to the businessmen of America, too, "Get your heads out of the sand. They are still working on you. They will kick you out as fast as they can build up their economic power in order to do it."

Mr. President, I close by asking: Who is going to think of the American taxpayer?

What is wrong with protecting the American taxpayers with an interest rate proposal that they pay for the cost of the use of the money, and pay what the American Government has to pay out of the Treasury for the use of the money. If they have any project which is not sufficiently self-liquidating in its purposes so that it can pay out an interest rate to cover the cost of the use of the money, we should not lend it.

In connection with the statement that certain countries have a higher percentage of grants than does the United States, there are two points I wish to have borne in mind: Look at the total amount of their loans and grants. It is a far cry from what we have done—since 1946, almost $105 billion.

Is there no end to this?

What objection is there to putting such transactions on a sound business basis, so that the American taxpayer will not be fleeced and rooked to the tune of hundreds of millions of dollars each year?

I have such faith in the American people that I am satisfied that eventually they will catch up with the politicians. When they do, they will empty some seats in the Senate—and the sooner the better.

In my judgment, we cannot continue to support a foreign aid program that works the kind of economic injustice upon the American taxpayer that this program has been working.

Some of us have been trying to reform it. I said earlier in the day that the State Department at long last recognizes that it must be reformed. After the election and before the Department comes forward with the bill next year it wishes to have at least a 2-day conference at the State Department, which I have been invited to attend. It was suggested that the conference be with me, and I said, "Oh, no, I wish the members of the Foreign Relations Committee to have the benefit of the great enlightenment that would result from that kind of conference."

State Department officials are scared. I really believe that they are worried. They know that they are going to get a majority of the Congress to go along with them this time, because an election is coming up, although they have no justification for continuing a program which should be reformed. If it should be reformed in December preparatory to next year, it should be reformed in August before the bill is enacted.

I am greatly disappointed. I have not thrown any bouquets at Mr. Bell or Mr. Rusk with regard to foreign aid, because in my opinion, they do not even deserve a boutonniere to say nothing of a bouquet. Mr. Rusk and Mr. Bell should have reformed the foreign aid program this year.

The Foreign Relations Committee should have reformed it, too, because it is a far cry from what the Foreign Relations Committee promised in last year's report.

In last year's report, great promises were made by the majority of the Foreign Relations Committee, warning the State Department that it had better do something about it or it would be in trouble this year.

It was forgotten, of course, that the great warning would be weakened by political expediency in 1964, because there is an election this year.

It is extremely difficult to bring about reforms during an election year.

The majority on the Foreign Relations Committee bring in a report this year which is very interesting to read in comparison with last year's foreign aid report.

Now is the time to start to reform.

Now is the time to keep faith with the American taxpayers.

Now is the time to serve notice on our alleged allies that we will not continue to pay through the nose when they make profits from our loans to them.

I said earlier in the day, in colloquy with the Senator from Ohio [Mr. LAUSCHE], that it is difficult to show that loan No. 1 to country X was used by country X to pay back a loan to some other country at a much higher interest rate.

If we consider repayments over the past 10 years to other countries for loans made at higher interest rates, compared with the amount of loans from the United States at a very low interest rate, one does not have to be much of an economist or expert in the field of interest rates to know that the borrowers were put in a position to pay their loans at high interest rates because of the low interest rate loans that they received from the United States. This particular gimmick—there is no mention of it by Mr. Bell—in the foreign aid bill ought to be torn out by its roots.

What would we accomplish by this amendment from the standpoint of strengthening the interest of the mass of the people in the recipient countries? A great deal. We would force those countries to take a long look at their borrowings. We would force those countries to ask for money relating to projects that are economically sound instead of using the money to pay off loans from other countries at high interest rates. Proper use of the loans means jobs. It means employment. It means purchasing power. If we put our money into such projects, we will perform a great service for the mass of the people in those countries.

Reluctantly I have come to the conclusion that too much of the money that we are lending is not used for the kind of projects in which it ought to be used. Furthermore, I believe the time has come for us to serve notice on the people in every potential recipient country that the Treasury of the United States has a floor.

It is not a bottomless pit out of which we can dredge up more and more dollars in an unending supply. I believe that they ought to be told also that there is an awakening among the American taxpayers with respect to the entire policy of foreign aid. And more and more taxpayers are saying to the politicians, "Enough is enough." I believe that an increasing number of American taxpayers are saying, "We have already been taken for too much."

Mr. President, I strongly support the Gruening amendment. If it is defeated, I shall strongly support the Mundt-Lausche-Morse amendment.

I yield to the Senator from Illinois.

Mr. DOUGLAS. Mr. President, I thank the Senator.

On page 335 of the hearings, there is a very important table on comparative contributions by various countries in foreign aid and bilateral aid commitments. The second column gives the percentage of gross national product which each country has contributed.

In 1962, the United States contributed eighty-four one-hundredths of 1 percent of its gross national product to foreign aid. This is sometimes compared with the contribution of France, which amounted to 1.26 percent. It is said that we are less generous than France. Of course, the French interest rate is much more than that which we charge. Furthermore, the money goes into the former French colonies of Africa—of which the Senator from Illinois and the Senator from Oregon spoke—which are tied by close trade provisions to the former imperialist country.

Mr. MORSE. That is correct.

Mr. DOUGLAS. At times even Portugal is cited as being more generous than the United States. It contributed 2.21 percent of its gross national product. That is almost three times the share of the gross national product which we contributed. But Portugal contributed only $60 million. The interest rate, as we have shown, is very much higher, amounting on an average to 4.6 percent, and running for only 22 years, with a grace period of 3 years.

Mr. MORSE. Mr. President, let us face one of the ugly realities of international relations as to the 2.21 percent of the bilateral commitments of Portugal in such countries as Angola and Mozambique. I believe the amounts can be described as amounting in one way to the payment of tribute. Let us face it. The Portuguese are going to be kicked out of Angola and Mozambique in the near future anyway. This process is an economic clipping by Portgual and Angola and Mozambique.

When one thinks of the human tyranny that Portugal has imposed upon the several millions in Mozambique and Angola, and we have Bell in the AID department trying to cite Portugal to the American people for the purpose of keeping down the interest rate, it is to his everlasting discredit. He should not even whisper anything about Portugal. I sat in the United Nations as a delegate of this country in 1960. I listened to a description of the sordid acts of Portugal in Angola and Mozambique. Portugal even opposed having a United Nations team go in to make an inspection. They knew that what would be seen would be to the everlasting discredit of Portugal. Yet Portugal is cited in this debate as an example for the United States to follow. I believe that we should not be making a single dollar of the American taxpayers' money available to Portugal until she gets out of Angola and Mozambique. Yet we give her military aid under this bill while she lends to her African colonies at high interest rates. If ever a population was shockingly discriminated against, abused, and exploited, it is the people of Angola and Mozambique. The 2.21 percent figure of Portugal is cited as an argument on the part of AID, for us to keep our interest rate down to 0.75 percent the first 10 years, and then raise it to a minimum of 2 percent after 10 years, with no payment on principal the first 10 years.

I do not know how we are going to get these facts across to the American people. But I would put them before any jury in America. I will state the case against Bell and Rusk to any jury in America; and they would not get a vedict once the American taxpayer obtained the facts.

I yield to the Senator from Illinois.

Mr. DOUGLAS. Mr. President, let me say first that I do not associate myself necessarily with the comments about the Secretary of State and the Director of the AID program.

Mr. MORSE. I understand that. No guilt by association should be attributed to the Senator from Illinois [Mr. DOUGLAS].

Mr. DOUGLAS. I thank the Senator.

Mr. MORSE. Before the Senator proceeds, I point out that the interesting thing about the loans of Portugal to Mozambique and Angola is that she does not even consider them colonies. She considers them as oversea parts of Portugal. By way of analogy they are considered to be Portugal states in Africa. That is mere nonsense.

Mr. DOUGLAS. The Senator from Arkansas pointed to the improvement of Canada, in the lowering of its interest rates.

Of course, we welcome this. But I believe it should be noted that in 1962 Canada committed only $58 million for foreign aid, or sixteen one-hundredths of 1 percent of its gross national product, which is less than one-fifth of the proportionate aid given by the United States. And while we welcome this improvement on the part of Canada so far as interest rates are concerned, we also hope that the improvement will continue with respect to the volume of the loans as well.

Mr. MORSE. The Senator is correct. The Bell letter very carefully avoids telling the American people about the total amount.

Mr. DOUGLAS. Let us consider Denmark and Norway. Denmark gave the magnificent sum of $1 million, which amounted to 0.01 percent of the gross national product of that country; whereas our contribution amounted to 0.84. So they contributed proportionately one eighty-fourth as much as we did.

If we consider Norway, we find that Norway gave $4 million or 0.08 percent of the gross national product, which is less than one-tenth of what we gave. Belgium contributed 0.55 percent of the gross national product. That was in 1962. It would be interesting to note if that went to the Congo, which I believe was then a Belgian possession, and where the Union Miniere controls the mineral resources of that area.

Mr. MORSE. And which is of vital concern to the economy of Belgium.

Mr. DOUGLAS. Very much so. Italy contributed 0.15 percent, or about one-sixth as much as we did. Italy is a much poorer country and should not be expected to contribute as large a proportion. But there is quite a disparity there.

Japan contributed 0.5 percent. The Netherlands contributed 0.32 percent of its gross national product, which is a little over one-third of what we contribute.

In short, while I believe it is true that around the conference table, Secretary Rusk and Mr. Bell have tried to get the foreign countries to contribute more and to lower their interest rates in the interest of international amity, they soft pedal these arguments so far as the people of the United States are concerned.

While I am not going to be able to vote with the Senator from Alaska [Mr. GRUENING], and may not be able to vote with the Senator from Oregon [Mr. MORSE], they are performing a very valuable function in showing that the public is getting somewhat fed up with the continued leniency toward foreign governments and their continuing treatment of the United States as somehow being less charitable and less humane than they are. We can be proud of our record and there should be no adverse comments from abroad. On the contrary they are the ones who should reform.

Mr. MORSE. I thank the Senator from Illinois very much. He has made a very cogent and brilliant contribution to the debate. It has been of great help to the Senator from Alaska and the Senator from Oregon in substantiating the position that we have taken.

I realize that there are other reasons why the Senator from Illinois is still willing to go along with this arrangement. He is a much more ardent advocate of the objectives of foreign aid than is the Senator from Oregon. I am an ardent advocate of foreign aid, but, as the Senator knows, I think foreign aid should be drastically reformed before it is continued. That is why I offered yesterday my amendment which would end it in 1966, and start it all over again on the basis of policies that I believe are sound and would result in reforms that ought to be adopted.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD the table appearing on page 335 of the hearings, together with certain other substantive explanatory material that goes along with the table, which the Senator from Illinois has so brilliantly discussed.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE I.—*1962 bilateral aid commitments*[1] *and various measures of donor capacity and interest*

	Bilateral aid commitments	Bilateral aid commitments as percent of GNP[2]	GNP per capita	Defense expenditures as percent of GNP	Bilateral commitments as percent of exports to LDC's	Bilateral commitments as percent of total trade with LDC's	Total LDC trade as percent of donor GNP
	Millions						
Belgium[3]	$70	0.55	$1,381	3.3	12.8	5.5	10.0
Canada	58	.16	2,009	4.5	13.3	5.2	3.0
Denmark[4]	1	.01	1,559	3.1	.6	.3	4.1
France[5]	901	1.26	1,524	6.1	37.1	17.6	7.2
Germany	428	.50	1,558	5.1	16.8	7.8	6.4
Italy	60	.15	788	3.5	5.6	2.3	6.7
Japan	265	.51	547	1.1	11.4	6.0	8.6
Netherlands	42	.32	1,105	4.6	6.0	2.5	12.8
Norway	4	.08	1,423	3.7	3.4	1.3	6.0
Portugal	60	2.21	294	7.4	45.8	20.3	10.9
United Kingdom	556	.70	1.482	6.4	16.2	7.2	9.7
Total, other DAC	2,445	.60	1,135	4.7	17.6	8.1	7.5
United States	4,656	.84	2,974	9.4	64.9	35.1	2.4
Total, DAC	7,101	.74	1,766	7.4	33.8	16.3	4.5

[1] Grants and loans over 5 years.
[2] GNP at current market prices.
[3] Bilateral gross expenditure figures.
[4] 1961 figure.
[5] Grant component is expenditure figure.

Mr. MORSE. Mr. President, I close by saying that in my judgment I would characterize the amendment of the Senator from Alaska—to be followed, if it is not agreed to, later this afternoon by the Mundt-Lausche-Morse amendment—as an American taxpayers' amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Alaska. On this question the yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from Louisiana [Mr. LONG] is absent on official business.

I also announce that the Senator from New Mexico [Mr. ANDERSON] and the Senator from Massachusetts [Mr. KENNEDY] are absent because of illness.

I further announce that the Senator from Oklahoma [Mr. EDMONDSON], the Senator from Nevada [Mr. CANNON], and the Senator from Pennsylvania [Mr. CLARK] are necessarily absent.

I further announce that, if present and voting, the Senator from Louisiana [Mr. LONG], and the Senator from Pennsylvania [Mr. CLARK] would each vote "nay."

Mr. KUCHEL. I announce that the Senator from Nebraska [Mr. HRUSKA] is necessarily absent and, if present and voting, would vote "yea."

The Senator from Arizona [Mr. GOLDWATER] is detained on official business.

The result was announced—yeas 44, nays 48, as follows:

[No. 533 Leg.]

YEAS—44

Allott
Bartlett
Beall
Bennett
Bible
Boggs
Burdick
Byrd, Va.
Byrd, W. Va.
Cotton
Curtis
Dirksen
Dominick
Eastland
Ellender
Ervin
Fong
Gore
Gruening
Hill
Johnston
Jordan, N.C.
Jordan, Idaho
Lausche
McClellan
Mechem
Morse
Moss
Mundt
Pearson
Proxmire
Ribicoff
Robertson
Russell
Simpson
Stennis
Symington
Talmadge
Thurmond
Tower
Walters
Williams, Del.
Yarborough
Young, N. Dak.

NAYS—48

Aiken
Bayh
Brewster
Carlson
Case
Church
Cooper
Dodd
Douglas
Fulbright
Hart
Hartke
Hayden
Hickenlooper
Holland
Humphrey
Inouye
Jackson
Javits
Keating
Kuchel
Long, Mo.
Magnuson
Mansfield
McCarthy
McGee
McGovern
McIntyre
McNamara
Metcalf
Miller
Monroney
Morton
Muskie
Nelson
Neuberger
Pastore
Pell
Prouty
Randolph
Salinger
Saltonstall
Scott
Smathers
Smith
Sparkman
Williams, N.J.
Young, Ohio

NOT VOTING—8

Anderson
Cannon
Clark
Edmondson
Goldwater
Hruska
Kennedy
Long, La.

So Mr. GRUENING's amendment was rejected.

Mr. HUMPHREY. Mr. President, I move that the Senate reconsider the vote by which the amendment was rejected.

Mr. SPARKMAN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ELLENDER. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The Chief Clerk stated the amendment as follows:

> On page 6, beginning with line 12, strike out through line 3 on page 7, as follows:
>
> "(a) Amend section 503, which relates to general authority, as follows:
>
> "(1) In subsection (c) strike out 'and' at the end thereof and in subsection (d) strike out the period at the end thereof and substitute '; and'.
>
> "(2) Add the following new subsection (e):
>
> "'(e) guarantying, insuring, coinsuring, and reinsuring any individual, corporation, partnership, or other association doing business in the United States against political and credit risks of nonpayment arising in connection with credit sales financed by such individual, corporation, partnership or other association for defense articles and defense services procured in the United States by such friendly country or international organization.'"
>
> On page 7, line 4, strike out "(b)" and insert "(a)".
>
> On page 7, line 15, strike out "(c)" and insert "(b)".
>
> On page 8, beginning with line 3, strike out through line 2 on page 9, as follows:
>
> "(d) Amend section 509, which relates to exchanges, as follows:
>
> "(1) The section heading is amended to read as follows: 'EXCHANGES AND GUARANTIES'.
>
> "(2) After the section heading insert '(a)'.
>
> "(3) Add the following new subsection (b):
>
> "'(b) In issuing guaranties, insurance, coinsurance, and reinsurance, the President may enter into contracts with exporters, insurance companies, financial institutions, or others, or groups thereof, and where appropriate may employ any of the same to act as agent in the issuance and servicing of such guaranties, insurance, coinsurance, and reinsurance, and the adjustment of claims arising thereunder. Fees and premiums shall be charged in connection with contracts of guaranty, insurance, coinsurance, and reinsurance. Obligations shall be recorded against the funds available for credit sales under this part in an amount not less than 25 per centum of the contractual liability related to any guaranty, insurance, coinsurance, and reinsurance issued pursuant to this part and the funds so obligated together with fees and premiums shall constitute a single reserve for the payment of claims under such contracts. Any guaranties, insurance, coinsurance, and reinsurance issued pursuant to this part shall be considered contingent obligations backed by the full faith and credit of the United States of America.'"
>
> On page 9, line 3, strike out "(e)" and insert "(c)".
>
> On page 9, line 6, strike out "(f)" and insert "(d)".

Mr. KUCHEL. Mr. President, may we have order.

The PRESIDING OFFICER. The Senate will be in order.

Mr. ELLENDER. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. ELLENDER. Mr. President, I wish to state that a conference will be held, beginning at 2 o'clock, on the independent offices appropriation bill and I am one of the conferees. So if Senators will remain in the Chamber for just a short while, I believe we can easily dispose of my amendment within 15 or 20 minutes.

My amendment will simple delete from the bill the new language that has been included therein to provide for guarantees of credit sales of military equipment. Specifically it deletes the language that has been added under section 503 and section 509 of the act. Section 503, which is concerned with the general authority, includes language under subsection e which authorizes the President to issue guarantees against both political and credit risks of nonpayment in connection with sales of military equipment to eligible foreign and international organizations.

Section 509 of the Foreign Assistance Act of 1961 has been further amended by the addition of a new subsection which authorizes the President to enter into contracts with exporters, insurance companies, financial institutions, and so forth, whereby such groups can be employed to act as agents in the servicing of the aforementioned guaranty contracts. The additional language in this subsection provides that fees and premiums are to be charged for the guaranties; that a reserve of 25 percent is to be established for the contingent liability, and that the guaranty is backed by the full faith and credit of the United States.

Mr. President, there are countless reasons for deleting the military sales guarantee program from the bill.

Among those reasons, it would appear to be a direct contravention of existing American policy toward the granting of military aid to the countries of Africa and Latin America.

As will be recalled, last year's act put a $25 million ceiling on military grant aid to African countries, and a $55 million ceiling on the granting of military aid to Latin American countries. Under the language now in the bill foreign countries in dire economic circumstances could purchase military hardware from our American military industrial complex and have these purchases guaranteed by the full faith and credit of our Government. Naturally this would tend to encourage military arms buildup in Latin American and African countries, while at the same time encouraging American production of these armaments.

Furthermore, on page 20 of the Senate Foreign Relations Committee report in reference to the guarantee provisions, it is stated:

> A number of countries are now capable of purchasing the military equipment that heretofore they have received under the military aid program, but commercial sources of credit are unwilling to extend credit to many of them owing to underlying political instability and uncertainty.

I submit, Mr. President, that we have no business encouraging a further buildup of arms in countries to which this definition applies.

The language in the bill is so broad it would appear that false fronts could be established by foreign governments, perhaps aided and abetted by our own manufacturing concerns, to buy military goods and hardware. Once these were established they could then buy the companies' output with the sales being guaranteed by our Government. This is no doubt open to abuse. In other words, why should Fairchild, Douglas, General Motors or the other large suppliers to our arsenal be allowed to encourage the sales of hardware to foreign nations on their own terms, and with a full guarantee of the U.S. Government?

Needless to say, Mr. President, it is discriminatory against business in general to extend subsidies to our armament manufacturers, which is what would be the case if this guarantee by the Federal Government of privately financed sale of military equipment is permitted to remain in this bill.

In justifying the inclusion of the guarantee provision in the bill, the Senate Foreign Relations Committee pointed out that it is also consistent with efforts to reduce the deficit in the U.S. balance of payments. It is submitted that while the objective of reducing the deficit in our balance of payments is most desirable, it certainly is not necessary for our country to use such a means as is proposed here to obtain this laudable goal. The reduction of the deficit in our balance of payments through the sale of armaments of war, which necessarily amounts to nothing but waste and a depletion of the economic resources of our country, is no way to obtain a better balance-of-payments position.

While there is much concern expressed over obtaining a worldwide disarmament and while in this very connection the Congress has appropriated in the past few years almost $25 million to finance the disarmament agency, it is indeed contradictory to set up in this bill an agency that would further the military industrial complex in our country. There is no question but that if the military industrial complex is permitted to expand thusly, world disarmament will be taken that much further from our grasp.

I believe that we should think a long time before doing such a thing. In the past we have limited the amount of military equipment and hardware that is to be given to the countries of Latin America and Africa. But here we are opening the door wide to permit the military industrial complex to sell military hardware to anyone the President may select.

I believe this is a step in the wrong direction. In the past we have gotten into a great deal of trouble because we gave certain countries military assistance. We are suffering from that in many areas of the world. If the military sales guaranty provisions remain in this bill, I can foresee a great deal of military equipment being sold to Israel and to certain Arab countries, which will no doubt create a situation, whereby we may be called in to try to stop a war.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. AIKEN. I merely wish to say that I did not raise any objection when the bill was reported to the Senate, although, like other members of the committee, I reserved the right to vote for any amendments which might be offered to it.

I am very apprehensive about this new section in the bill, which authorizes the President to guarantee payment for sales made by munitions makers to foreign countries. I believe if we guarantee gunrunning, or whatever it may be called, or sales of munitions, or the means of making war by other countries, we will likely find some people encouraging conflicts between countries, possibly between friendly countries, in order to make large sales of munitions and; with this guarantee by the U.S. Government, we can possibly see them working countries like Turkey and Greece to the limit to increase their sales.

Mr. ELLENDER. The Senator is exactly correct.

Mr. AIKEN. This provision of the bill would guarantee them against loss.

Mr. ELLENDER. That is exactly correct. That was a point I failed to emphasize, but I wish all Senators would take note of it.

Mr. AIKEN. I shall support the Senator's amendment.

Mr. ELLENDER. I hope not only that the Senator from Vermont will support it, but that every Senator will support it.

Mr. AIKEN. We cannot go into the business of guaranteeing people who stir up wars against any loss if some of their equipment becomes lost or destroyed on the way to delivery, or if their customer winds up on the short end of the conflict.

Mr. ELLENDER. The language is so broad that the hardware could be sold to almost any country in Latin America, for example, and then resold to other countries within that area of the world. It could also be done in Africa and in other areas of the world. I say, as the Senator from Vermont has just said, that we should not permit our Government to be an agent of the munitions companies in the movement and sale of their military equipment and hardware. I urge the adoption of my amendment.

Mr. SPARKMAN. Mr. President, I shall speak briefly on the amendment. I am sorry that the Senator from Vermont [Mr. Aiken] has left the Chamber. I do not believe he has given the proper interpretation to the proposal that is contained in the bill. It is not to assist private gunrunners; it is a part of our regular military assistance program. In other words, these contracts would be let just as they would be let whether there was a guarantee or not, but only to the countries to which we are extending military assistance. Then, when the contract was let, let us say, to an airplane manufacturer to sell airplanes of a certain type to a certain country, under this plan, the Government would guarantee the payment of the contract. Without this plan being written into the law, the Government would pay the company cash. This arrangement would permit more flexibility in the handling of the funds. In my opinion, it is good business.

I am disturbed by the statement of the Senator as to the broadness of the language. The chairman of the committee is away from the Chamber now, but if the Senator from Louisiana will withdraw his request for the yeas and nays, I shall be glad to accept the amendment and take it to conference. I remind him that the language which he proposes to strike out is contained in the House bill and will be in conference regardless. But, at least, it will give us an opportunity to explore the situation more and perhaps agree upon different language.

In that event, we should be glad to have suggestions from the Senator from Louisiana, to help us work out a good business arrangement, for that is what the intent of the language really is. This arrangement is to be used in only certain countries. We have been given a list of the countries in which it is proposed to be used, together with the amount of money that will be allocated to each country. There are only seven: Argentina, Peru, India, Iran, Iraq, Israel, and Saudi Arabia.

Mr. ELLENDER. Some of those are countries that I had named when I spoke on my amendment. The Senator from Alabama knows very well what could happen.

Mr. SPARKMAN. I heard the Senator's remarks. I realize the truth of what he says. But I believe it would be well for us to have in the Record a statement of the intent.

It is not a case of saying to gunrunners, "If you sell to this country, that country, or some other country, the United States will guarantee your sales." It is not a gunrunning program. It is a program, first of all, that would have to be authorized under the military assistance program. Second, export licenses would have to be issued by the government. It could not be a gunrunning program, by any means.

I am willing to let the language be stricken and to go to conference with the situation as it would then be.

Mr. ELLENDER. My purpose in presenting the amendment to the Senate is to have that language stricken.

Mr. SPARKMAN. We cannot strike it finally; the Senator understands that, does he not?

Mr. ELLENDER. I understand that; but I wish, at least, to strike the language from the Senate bill. That is my purpose.

Mr. SPARKMAN. I am willing to do that.

Mr. ELLENDER. Mr. President, under those conditions, I ask unanimous consent that the order for the yeas and nays on this amendment may be rescinded and that the Senate may be permitted to vote. In that event, I shall ask for the approval of the amendment.

The PRESIDING OFFICER. Without objection, the order for the yeas and nays is rescinded. The question is on agreeing to the amendment of the Senator from Louisiana.

The amendment was agreed to.

Mr. ELLENDER. Mr. President, I move that the Senate reconsider the vote by which the amendment was agreed to.

Mr. MORSE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had agreed to the amendments of the Senate to the bill (H.R. 7301) to amend section 341 of the Internal Revenue Code of 1954.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H.R. 9653) to extend the authority of the Postmaster General to enter into leases of real property for periods not exceeding 30 years, and for other purposes.

The message further announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 1839) to amend the Tariff Act of 1930 to provide for the free importation of wild animals and wild birds which are intended for exhibition in the United States; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. Mills, Mr. King of California, Mr. Boggs, Mr. Byrnes of Wisconsin, and Mr. Curtis were appointed managers on the part of the House at the conference.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 4649) to amend the Internal Revenue Code of 1954 to authorize the use of certain volatile fruit-flavor concentrates in the celler treatment of wine; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. Mills, Mr. King of California, Mr. Boggs, Mr. Byrnes of Wisconsin, and Mr. Curtis were appointed managers on the part of the House at the conference.

The message further announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 8000) to amend the Internal Revenue Code of 1954 to impose a tax on acquisitions of certain foreign securities in order to equalize costs of longer term financing in the United States and in markets abroad, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. Mills, Mr. King of California, Mr. Boggs, Mr. Byrnes of Wisconsin, and Mr. Curtis were appointed managers on the part of the House at the conference.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 8864) to carry out the obligations of the United States under the International Coffee Agreement, 1962, signed at New York on September 28, 1962, and for other purposes; asked a conference with the Senate on the disagreeing votes of the two Houses, and that Mr. Mills, Mr. King of California, Mr. Boggs, Mr. Byrnes of Wisconsin, and Mr. Curtis were appointed managers on the part of the House at the conference.

The message further announced that the House had agreed to the amendments of the Senate to the bill (H.R. 10222) to strengthen the agricultural economy; to help to achieve a fuller and more effective use of food abundances; to provide for improved levels of nutrition among economically needy households through a cooperative Federal-State program of food assistance to be operated through normal channels of trade; and for other purposes.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 11296) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices for the fiscal year ending June 30, 1965, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. THOMAS, Mr. EVINS, Mr. MAHON, Mr. OSTERTAG, and Mr. JONAS were appointed managers on the part of the House at the conference.

The message further announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 11369) making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1965, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. SHEPPARD, Mr. SIKES, Mr. MAHON, Mr. JONAS, and Mr. CEDERBERG were appointed managers on the part of the House at the conference.

ORDER FOR ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business tonight, it stand in adjournment until 10 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT OF FOREIGN ASSISTANCE ACT OF 1961

The Senate resumed the consideration of the bill (H.R. 11380) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

Mr. MORSE. Mr. President, I call up my amendment No. 1211 and ask that it be read.

The PRESIDING OFFICER (Mr. RIBICOFF in the chair). The amendment will be stated.

The Chief Clerk read as follows:

On page 13, between lines 13 and 14, insert the following new subsection:

"(g) At the end thereof add the following new section:

" 'SEC. 621. LIMITATION ON AGGREGATE AUTHORIZATION FOR USE IN FISCAL YEAR 1965.—Notwithstanding any other provision of this Act, the aggregate of the total amounts authorized to be appropriated for use during the fiscal year 1965 for furnishing assistance and for administrative expenses under this Act shall not exceed $3,000,000,000.' "

Mr. MORSE. Mr. President, before I ask for the yeas and nays, I wish to make a unanimous-consent request. Legislative counsel has informed me that a technical change should be made in the amendment. "Section 621" should read, instead, "Section 620(A)." I ask unanimous consent that the technical change be made.

The PRESIDING OFFICER. The Senator from Oregon has a right to modify his amendment.

Mr. MORSE. Mr. President, I should like to have the attention of the distinguished majority leader for a moment. It will make a great deal of difference in the presentation of my amendment if I may have a yea-and-nay vote on the amendment. I should like to have a sufficient number of Senators in the Chamber so that I may ask for a yea-and-nay vote.

Mr. President, on my amendment, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. MORSE. Mr. President, I do not intend to speak at length. Each Member of this body knows whether or not he agrees with the advocates of the amendment that the bill should be limited to a total authorization of $3 billion. That is what my amendment provides.

We have been told for many years that a policy of our Government is to reduce the amount of foreign aid. The policy of our Government is to get more and more of the private segment of the economy to take over the investment program and to increase the amount of the foreign aid program that now involves the taxpayers' dollars instead of private dollars.

Mr. President, the bill the administration has offered is called a "bare-bones" bill, but it forgets to tell us that a skeleton can carry lots of fat. There is still a lot of fat in this bill. The bill calls for more money than was appropriated last year by half a billion dollars plus.

My amendment only asks for an authorization of the amount of money appropriated last year, which is not in keeping with the promises made in the past several years, that each year the amount would be less.

The sum of $3 billion is too much money. I believe that we should have an authorization bill of $2.5 billion maximum. However, I try to be a stark realist in my job; therefore, I propose an amendment which can be characterized as an understatement. It is too much, but at least the Senate should vote for a limitation of $3 billion, the amount of money which was appropriated last year.

Mr. President, one argument was used in the Foreign Relations Committee that had no place in the committee. It is an argument which never should have been made, and it came from the White House, that if the administration did not get its $3.5 billion, it wished the Congress to know that it would ask for a supplemental appropriation. I resented it, and rightly so. It is the obligation, let me once again inform the executive branch of the Government under our system of checks and balances, for the Congress to decide what the authorization should be. Then the Executive has the duty to act in good faith to try to carry out the program within that authorization, in the absence of an emergency.

I consider it to be quite improper for the administration to threaten in advance, "Give me $3½ billion or I shall be up for a supplemental appropriation."

That is a misuse of Executive power. I believe that if there were no other reasons for giving them $3 billion, that would be enough—although there are other reasons.

Congress should never yield to the threat of the executive branch that we either give them what they demand or they will come up with a supplemental appropriation.

We have a supplemental appropriation procedure, and we have a supplementary procedure to take care of emergencies, to take care of unforeseen conditions which may develop after an authorization and an appropriation; but that is the only basis upon which a President has any justification for ever asking for a supplemental appropriation.

In my 20 years of service in the Senate, I have never known a President before to threaten the Congress with a request for a supplemental appropriation, before the Congress had even passed an authorization or an appropriation bill. The administration should learn that that approach to Congress is not going to be supported.

We should not be voting more than $3 billion, if we are going to keep faith with the promises which have been made to the people of this country, that we are going to reduce foreign aid year by year, and that we are going to encourage the private segment of the economy to take over more and more of the investment problem.

The sum of $3 billion is a terrific amount of money. But $3 billion does not involve all the millions of dollars which the American people are paying out in foreign assistance.

We have to watch the semantics of the State Department and the AID people.

Foreign assistance is one thing. Foreign aid is something substantially different.

Foreign aid is the smaller amount, the lesser program which is involved in the bill. But we have a whole variety of other expenditures of the Federal Government which add up to foreign assistance.

Do not forget that the bill does not cover the expenses and the costs of military American establishments abroad. They amount to huge sums of money.

They are of vital concern to the security and the protection of many countries around the world. In fact, it happens to be those military expenditures, and not the military aid aspect of the bill, which give to the countries their security, their protection, and their defense.

Does anyone really believe that the military aid we give to India, Pakistan, Afghanistan, Turkey, Greece, Taiwan, and South Vietnam amounts to anything with respect to the defense of our country? Of course it does not.

It is being used, by and large, for these countries to build up their military forces to carry on wars against each other.

We are living through an hour of it in the Mediterranean now.

If ever there was need for proof of the position I have been taking for some years past in regard to the waste of American taxpayers' money in military aid for Greece and Turkey, we are getting proof of it now.

Building up the military power of Greece and Turkey has not strengthened the security of the United States, it has increased the danger of war in the Mediterranean.

Building up the military power of Pakistan and India has not increased the security of the United States. It has increased the danger of war in that part of the world over Kashmir.

If anyone believes that Formosa is of any military assistance to the United States, they could not be more wrong, for the security of Formosa is dependent upon the presence of the 7th Fleet, the American air armada, and the thousands of American boys distributed throughout the Pacific.

I shall inform the Senate in a moment of the kind of military aid I shall continue to support, although much of it is excess baggage; but instead of pouring American taxpayers' dollars into many parts of the world to support excesses in military aid, it would be much better for the welfare of those countries if the same amount of money were to go into economic development, into preparing the seedbeds of economic freedom so that political freedom can take root and grow, because in most of these countries political freedom is nonexistent.

They have a form of political freedom in India. It is not working too well. But, by and large, the countries into which we are pouring millions of American taxpayers' dollars for military aid are not politically free nations at all.

Turkey is a thoroughly totalitarian military dictatorship. We are not only supporting that dictatorship with our military aid and increasing the threat of war in the Mediterranean, but we are also, by and large, supporting an almost out-and-out socialist state in Turkey.

A large percentage of the major industries, operated by the Government as Government monopolies, is used as a form of employment doles, paid for in large measure by the American taxpayers. When are we going to stop it? Mr. President, we must put a ceiling on the foreign aid program. My $3 billion proposal would do just that.

This amendment is the basic amendment to the money-cutting amendments, the specific items that will follow. I offer the amendment because I think Congress and the Senate ought to go on record and say, "$3 billion is all you get this year."

I am perfectly willing to leave a considerable amount of discretion to AID and to the State Department to cut their cloth to meet the $3 billion pattern.

I am not suggesting that we dictate to them in every aspect where the cuts should come. But we have a clear duty to carry out our checking obligation by saying, "It is $3 billion—no more."

AID will have no difficulty in coming forth with a better foreign aid program by requiring the reallocation, reevaluation, and shifting of funds in the bill. This is another way—in this instance an indirect way—to force some reform of the policy of foreign aid in the State Department.

I started with my policy changes. I have offered my policy changes. To the extent that they were rejected, the amounts spent should be reduced. I shall now discuss the military aid issue and why I believe considerable reduction in it should be made.

I am willing to support military aid that is essential to helping a government to maintain internal order and protect itself from internal revolution—particularly Communist revolution.

The type of aid that we are giving to India, Pakistan, Turkey, and Greece, is not the type of aid that they need to protect themselves from internal disorder. They certainly do not need jet fighters. They certainly do not at all need submarines. They certainly do not need naval craft of the armored type in the various classifications. They certainly do not need Sherman tanks. They certainly do not need heavy American equipment.

The sad thing is that that kind of equipment has also been used time and time again to suppress freedom. We have seen some shocking examples of it in the years gone by in Latin America, for example. We can cut heavily into American military aid and not weaken one iota the security of the countries involved, or the defenses of the United States. Every one of those countries is living under the canopy of American military air, naval, and nuclear power—and principally the last.

It is also recognized that if we get into war with Russia we shall be in a nuclear war, not a conventional one. The kind of military assistance that we make available to these countries will be of no help whatsoever in their defense.

This is one place where we can cut deeply into our foreign aid program. And we can cut deeply into supporting assistance. Supporting assistance is nothing but a semantic label for more military aid. The supporting assistance is merely the pouring of millions of American taxpayer dollars into countries to which we are giving military aid far in excess of what their own economy can support. Does anyone believe that Turkey's economy would support its military machine? Of course not. Neither could the economy of Greece, Pakistan, India, Formosa, or any of the other countries into which we pour heavy contributions for military assistance.

I have urged the cut of supporting assistance in the committee. I am urging it in the Senate Chamber. I have an amendment I may offer later which deals definitely with some drastic cuts in supporting assistance.

If I could persuade the administration to agree to transfer these military funds into an economic loan program for specific wealth-creating projects that would benefit the mass of the people living in a given country, raise their standard of living, and increase their purchasing power so that they can be economically free men and women, I would vote for more foreign aid than this administration, or preceding administration, have asked for.

The senior Senator from Oregon is not opposed to foreign aid. I am unalterably opposed to a foreign aid program that in my opinion can be spelled out as being more or less a shakedown of the American people, a waste of the American people's resources, a weakening of our economy, and a foreign aid program that has led to a great threat to the peace in some parts of the world.

The type of foreign aid program that assists in a development of economic freedom in these countries is the only way in which we can bring political freedom to them. We cannot impose political freedom from the top down. People who are economically free will quickly become politically free.

It is a historic truism that is irrefutable. History has taught that lesson over and over again. No people of any country are ever politically free until they are first economically free.

I am a strong advocate of a foreign aid program based upon an emphasis of economic loans, project by project. More and more people in the country are beginning to grasp it. And more and more people are beginning to serve notice on their politicians that they had better grasp it.

The American people will support a foreign aid program on the basis of an economic loan program project by project. But they will not much longer support a foreign aid program that turns millions of dollars over on the basis of a government-to-government deal. Too much of that money gets in the pockets of politicians abroad.

It is too bad that the American people cannot have the facts made available to them. It is a shameful thing any of the facts and findings of the Comptroller General of the United States are marked confidential and secret. I have been pleading for the past several years to have the label "confidential and secret" lifted from the facts and findings, allowing the American people to know about the people's business. There is not a thing in any of those reports that does not constitute the people's business.

In a democracy there can never be a substitute for a full disclosure of the people's business. And the people are entitled to the facts. Would that I could give them to them, and would that I could speak of the conclusions in these reports without violating any rule of secrecy.

The Comptroller General of the United States has devastated the position of the State Department and the AID officials in regard to their foreign aid program in respect to waste, inefficiency, corruption, and mismanagement around the world in the administration of the foreign aid program. I have been pleading for a reform to meet the objections of the Comptroller General of the United States. All we get from the State Department are statements to the effect that, "We recognize this and we are trying to do something about it."

Mr. President, it is about time that they did something about it—not merely try to do something about it, but in fact make a substantial effort to do something about it.

Mr. President, if we really wish to strengthen the cause of political freedom around the world, we must strengthen the cause of economic freedom around the world. So I hope that next year, after we are through with the proffered conference in December and before the next foreign aid bill is prepared, they will sit down with some of us up here on the Hill who have been dealing with foreign aid in the Foreign Relations Committee and try to see if we can reach a meeting of the minds with regard to some of the reforms which the State Department admits in its conferences with me ought to be adopted, but does not feel that this is the time to adopt them.

Last year we heard the statement that that was not the time either. But I believe at long last it is getting through the skulls of those in the State Department and the AID administration that the time has come when they must adopt some policy reforms if they are to continue to have majority support in the Congress. So I shall go into these conferences in December with the State Department people with only one objective in mind, and that is to try to work cooperatively with them to bring about some of the proposed policy reforms that will give us next year an aid bill that will not be subject to the criticisms set out in the minority views which I have filed with the Senate this year.

It is important that we try to reach a meeting of the minds before a bill is submitted, because I have found from experience that once an administration sends up a bill it is difficult for sincere Members of the Congress to go against the administration. On that point I disagree.

There is always a feeling of partisan party loyalty which causes many to say, "We think we ought to resolve all doubts in favor of the administration." So they become go-alongers. In view of that political reality, every effort ought to be made by all of us—those who criticize the bill and those who are supporting the bill—to try next December in good faith to see if we cannot reach an agreement for some major changes in policy in the foreign aid program so that we can have the unity that I would welcome. I would much prefer to be with the majority on foreign aid. But once again I cannot be with the majority this year, because in my judgment the majority has not carried out its obligations to reform foreign aid. The majority has walked away from last year's report of the committee. Read that report and read the report submitted this year. Senators will find that the committee has done nothing which it implied would be accomplished in the way of reforming foreign aid after the report was filed last year. We shall have a repetition of that evasion again next year until we first try informally to reach some understandings about policy changes in foreign aid before the bill is ever sent to the Senate. I shall look forward to that.

I shall continue for the rest of the debate to make the record against the bill. I am still waiting for the answers to the criticisms in the minority views.

If Senators will read the Record of the present debate up to the very moment I now speak, they will observe that the majority has not come to grips with the facts brought out in the minority views and the criticisms of existing policy. Why? Since an election is coming along in November, apparently there is a desire to get the subject behind us as fast as possible, with as little debate as possible.

Mr. RANDOLPH. Mr. President, will the Senator yield?

Mr. MORSE. I yield to the Senator from West Virginia.

Mr. RANDOLPH. I commend the distinguished Senator from Oregon for repeatedly making such cogent arguments and directing our attention to what he believes to be the shortcomings of the pending Foreign Assistance Act. I have not supported him except in the two instances in which I voted for amendments that he offered in this forum during the debate. But I desire the Record to reflect the fact that I have considered very carefully the arguments which have been presented by our colleague on all of his proposals. I wish further to state that I sense increasing uneasiness in the State of West Virginia on the part of the constituency which I have the responsibility to represent in regard to the amounts of money which are sent to other countries and the manner in which those funds are used.

The current debate, in which the Senator from Oregon has spearheaded the opposition, is a wholesome exchange of views and convictions. It is a debate which is constructive and it focuses attention on the necessity of weighing most carefully the continuation, on this massive scale, of financial support to countries of the earth. We can, Mr. President, be profligate. We must not overextend the resources of our people and our Republic in this area of aid to other peoples and countries lest we weaken our own land and wear thin the cooperative effort of our citizenry.

The Senator from Oregon has spoken bluntly many times during these days. I have wondered if, perhaps he did not speak too bluntly. But I know it is due to the zealousness with which he attaches concern to the overall problem. Those of us who disagree with him, at least in part, can well understand that the Record now being made is something that not only the Senate can well be apprised of in respect to the issue itself, but the discussion itself, especially the arguments of the Senator from Oregon, could well be required reading for many Americans who have not yet been brought face to face with the challenge of a world in conflict.

Mr. MORSE. I appreciate very much the kind remarks of the Senator from West Virginia. I cherish his friendship very highly. He and I take a completely impersonal and professional attitude toward our responsibilities in the Senate. He and I are both lawmakers. He and I know that we have an obligation to present our cases impersonally and professionally; and the differences in form of our respective views on the merits of the issues have nothing whatsoever to do with our personal relationship.

As the evidence is presented from time to time, I shall never give up hope that the Senator from West Virginia may share my views on these issues more often than he has this year. I am highly appreciative of the support that he has given me in instances in which he has been able to vote with me. I wish the Record to note that I know of no more impartial, fair-minded Member of the Senate than the Senator from West Virginia. I respect his sincerity and his beliefs. I am sure that he appreciates the fact that I have the same obligation as he to carry out my trust to the people of my State to present the facts as I know them, and to advocate the policy changes that I believe would be in the best interests of the taxpayers.

Mr. President, I close my argument by labeling the amendment, as I did the amendment of the Senator from Alaska [Mr. Gruening] on interest rates, as a taxpayer's amendment. This is an amendment in behalf of the American taxpayers. This is an amendment that declares that the American taxpayers have a right to have the Congress authorize not more than $3 billion for foreign aid this year, which is the amount that was appropriated last year.

Adoption of the amendment will take the bill into conference. We know that the House has already authorized a higher figure. The best we can hope for is a compromise between the House and the Senate figure I am proposing. The resulting amount will still be too much. But we should go into conference with this amount of difference between the House and Senate so we can reach a compromise. Even though the amount arrived at will be more than was appropriated last year, it will not be the amount asked for by the President of the United States, which is, at a minimum, half a billion dollars too much.

I yield the floor.

EQUAL TIME PROVISIONS OF THE LAW RELATING TO PRESIDENTIAL AND VICE-PRESIDENTIAL CANDIDATES

Mr. COTTON. Mr. President, I deem it necessary to refer to a highly privileged matter before the Senate. For this reference, and for such colloquy as may ensue, the distinguished Senator from Washington, chairman of the Commerce Committee [Mr. Magnuson], the distinguished Senator from Rhode Island [Mr. Pastore], chairman of its Subcommittee on Communications, and the distinguished majority leader [Mr. Mansfield], who have been notified, desire to be present.

Mr. MUNDT. Mr. President, will the Senator yield so that I may suggest the absence of a quorum?

Mr. COTTON. I intend to do so.

Therefore, Mr. President, I ask unanimous consent to suggest the absence of a quorum, to enable Senators to reach the Chamber.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COTTON. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. COTTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COTTON. Mr. President, 4 years ago, prior to the presidential campaign, the Committee on Commerce, of which the Senator from New Hampshire is a member, under the leadership of the distinguished Senator from Rhode Island [Mr. PASTORE], who was and is chairman of its Subcommittee on Communications, which, as the Senate knows, has jurisdiction over matters pertaining to television and radio broadcasting, reported a resolution which temporarily suspended the requirements of the law as to the duty of television stations and networks to give equal time to all potential candidates when time is given to one.

That suspension applied only to candidates for President and Vice President of the United States. It was advocated because it seemed to the Whole Committee, as was well presented by the able Senator from Rhode Island and others, that in this day and age, with television the great medium of knowledge throughout the country, that the people of the country should not be deprived of or limited in their opportunity to see and hear their major candidates for President and Vice President. The resolution provided that should time be given to the major parties, the Democrat and Republican Parties, equal time did not have to be given to candidates of splinter parties, no matter how small or remote.

The joint resolution was passed. I believe it was reported unanimously by the committee, and I believe it was adopted unanimously by the Senate. It was concurred in by the House of Representatives, and took effect.

While, as a Republican, I am not sure that I am in a mood to jubilate over the results of that action, because there is some testimony to the effect that the resulting joint appearance of then candidate Kennedy and candidate Nixon was not to our advantage, I believe we all agree that it is an important and healthy matter, and something that the people of the country have a right to expect, the opportunity of observing the candidates for President and Vice President of the United States.

As the 1964 presidential campaign was approaching, House Joint Resolution 247 was presented. Again it received the unanimous approval of the Committee on Commerce, even though I believe one member of the committee wished to extend its provisions to officials other than President and Vice President.

I invite the attention of Senators to what has occurred, and to the chronological history of this legislation. House Joint Resolution 247, to suspend the equal-time requirements in the case of presidential and vice-presidential candidates, passed the House of Representatives on June 19, 1963, a year ago last June. It passed the Senate, after being recommended by our committee, on October 2, 1963. That was last October. On February 18, 1964, the House disagreed to minor Senate amendments and named conferees. Senate conferees were named 2 days later, on February 20. The conferees met on May 7 and quickly reached agreement. The conference report was filed in the House on May 19 and in the Senate on June 3. It must be acted upon in the Senate before it can be acted upon in the House.

I refer to a statement made by the distinguished senior Senator from Rhode Island [Mr. PASTORE], who so ably presented the joint resolution and has been, in a sense, its author, both 4 years ago and now. I quote his words during the 1960 debate in the Senate. This is what he said on June 27, 1960:

> I believe that at this moment, since we are in the twilight of our session, if we expect to do anything in connection with the object of granting the people of the country a better opportunity to hear and see the nominees for the office of President and Vice President, this is our last opportunity to do something affirmative about it.

The Senate responded to this sentiment.

We are again in the twilight—at least we hope—of this session of Congress. Certainly we are in the twilight of it so far as the presidential campaign is concerned. If we should be fortunate enough to adjourn and end this session of Congress a week from Saturday, this is about the last opportunity and the last chance to pass the joint resolution, which has been approved by the House and the Senate, and approved by the conferees. The conference report has been on the calendar for more than 2 months. If we hope to take any action upon it, it must come very soon.

It is not the purpose of the Senator from New Hampshire to attempt to call up the conference report, although I believe under the rules any Member of the Senate has the privilege of doing so. I do not wish to usurp the privilege of the chairman of the committee or the chairman of the subcommittee, or the majority leader of the majority in the Senate, who are responsible and in control of Senate action. Two weeks ago in committee the Senator from New Hampshire brought up this matter, calling it to the attention of the chairman of the Committee on Commerce and the chairman of the subcommittee, and stating that unless the conference report were brought up he would be compelled to make inquiry on the floor of the Senate. It is now the purpose of the Senator from New Hampshire to inquire if this conference report is to be brought up, when it is expected to be brought up, and if it is to be called up before it is too late for action.

The Senator from New Hampshire is entirely at a loss to understand the apparent reluctance to bring up this conference report.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. COTTON. Certainly.

Mr. MANSFIELD. I can understand the distinguished Senator's concern over the equal-time joint resolution. I can understand his feeling of being at a loss to understand why consideration has not been given to it. His chronology of events is correct. If there is any blame to be applied for holding up consideration of the conference report, which, as the distinguished Senator has accurately stated, could be brought up at any time by any Member of the Senate, the fault would have to lie with the majority leader.

The procedure which the majority leader had hoped to pursue, in spite of his own personal doubts concerning the legislation, as it would apply to a President of the United States, was to call the Democratic Policy Committee together within the next several days and discuss the matter with them and ask their advice and counsel.

If my memory serves me correctly, the principle of equal time is applicable at the present time.

In connection with what the distinguished Senator has said about the Nixon-Kennedy debates, I point out that neither one of them happened to be President of the United States during the course of the four face-to-face meetings or debates which were held between them.

My worry stems from the reality of a situation which every Member of the Senate recognizes, a situation which places upon any President, be he Democrat or Republican, a certain responsibility which he, and he alone, must exercise as carefully and judiciously as possible.

What I am trying to say in brief is that some of us can debate and express our opinions wisely or unwisely, or wisely and cautiously, but there is one man above all others in this country who, in my personal opinion—and I am speaking only personally—must watch his language, who must weigh every word, because what he says is in a large degree connected with the security and well-being of this country and the people of the free world, as well as our relations with those who are not so friendly to us.

So, recognizing that the distinguished Senator from New Hampshire—and I appreciate his concern—could at any time call up the resolution, and recognizing that he has given ample notice of what he intended to do, both in the Committee on Commerce, on the floor of the Senate, and to me personally, I can only say, in response to the questions raised, that it is the intention of the majority leader to call the Democratic policy committee together within the next several days to discuss the matter with them and to ask for their advice and counsel as to what procedure should be pursued.

Mr. COTTON. Mr. President, the Senator from New Hampshire is appreciative of every word that the distinguished majority leader has said. He recognizes, as does every other Member of the Senate, the complete good faith and sincerity, at all times, of the distinguished majority leader.

However, the Senator from New Hampshire feels impelled to say one or two things in response to what the majority leader has just said.

First, the Senator from New Hampshire does not and will not indulge in a hypocritical political tirade in the Senate. The Senator from New Hampshire recognizes, as does every other responsible Senator and every other responsible American citizen, that the President of the United States, whoever he may be, and to whatever party he may belong, bears a terrific burden of responsibility.

Ample reason has already been given, not by Democrats, but by Republicans, that would justify the President's declining to appear in some kind of rough-and-tumble debate before the American people. Former President Eisenhower has stated frankly that he believes the President should not, while holding that high office, engage in debate. It is my understanding that Senator GOLDWATER, the Republican candidate for President, has in the past said that he, too, could understand why an incumbent President should not indulge in a joint debate.

However, the fact remains that the joint resolution is not confined to providing time for a joint debate. It merely makes it possible for networks and television stations to grant equal time to the candidates of the two major parties for the offices of President and Vice President, without being hamstrung by a rule that equal time must be given to every splinter party candidate.

The time may be granted for joint debates; it may be provided for joint appearances; it may be granted for entirely separate appearances. Furthermore, I invite the attention of the distinguished majority leader to the fact that the joint resolution provides not only for candidates for President, but also for candidates for Vice President. There is nothing that would preclude appearances, jointly or otherwise, by candidates for Vice President.

I believe that the Republican candidate for Vice President—and now I shall become a bit political—is one of the ablest, most incisive debators that Congress has ever produced. He is capable of presenting to the American people his side of the story, and of doing so in a magnificent manner. I recall hearing him debate with the chairman of the Democratic National Committee, and I do not recall having heard the chairman of the Democratic National Committee utter a peep since that debate took place.

Surely the same could be said with respect to the other side of the aisle. I do not know on whom the mantle will fall, but if it should fall on the distinguished Senator from Minnesota [Mr. HUMPHREY], as I have heard it might, every Member of this body knows that he is to be feared in any clash of wits, anywhere, at any time, and that he could give to the people of this country his story and his side of the argument in a magnificent manner.

The mantle might even fall on my distinguished friend from Rhode Island [Mr. PASTORE], who is to be the keynoter at the Democratic National Convention. We who have heard him and who have suffered under the brilliant lash of his tongue—as I am about to suffer in a few minutes—know that he is matchless and fearless in debate.

Why should the American people be deprived of the opportunity for a more extended hearing of the views of the candidates for Vice President and of the views of the candidates for President? If the President does not believe that it is seemly, proper, dignified, or safe to indulge in a rough and tumble debate with his opponent, all he has to do is to say "No." I doubt whether there is anyone in this country who would not understand such a decision.

But knowing the President, as I have known him and seen him in this body, I cannot believe that he would not welcome an opportunity for at least separate appearances on the television screens throughout this country, to present, as only he can present, his views and his position. I would be surprised, indeed, if he had any fear that his opponent, having an equal opportunity and the same amount of time at his disposal, would be any menace or threat to his campaign, his safety, or his welfare.

A similar joint resolution was passed 4 years ago, for one purpose only—at least, so far as I know—to clear away some technical obstacles.

I do not know if we ever stop to realize it, but if Senators will examine the record, it will be found that in the 1952 campaign, 18 parties had presidential candidates who had qualified in one or more States. The Communications Act—specifically section 315—precludes the giving of free time to Republican or Democrat presidential candidates, whether for discussions or debates, or for any other reason, without providing the same amount of time for the presidential candidate of each of the other 16 parties. The enormous amount of time that that would have required stifled the broadcasters' efforts.

In addition to the major party candidates, there were candidates from 14 other parties in 1960: the Conservative Party of Virginia, the Constitution Party, the Tax Cut Party, the Prohibition Party, and so on.

I cannot believe that the Democrat Policy Committee, or anyone else, intends to deprive the American people of the opportunity to see and to hear, insofar as the candidates desire to avail themselves of free time—and they are offered free time—the candidates for President and Vice President of the United States.

I am much concerned to hear the distinguished majority leader say that it is his intention to call the Democrat Policy Committee together within the next few days to discuss this proposal. It has been 2 months since this privileged report was placed on the calendar. Two weeks ago the Senator from New Hampshire, in his capacity as ranking minority member of the Committee on Commerce, served notice at a meeting of that committee, and expressed the hope that action would be taken; but stated that if it was not, he would be compelled to take the situation up in the Senate.

Today is Tuesday. A bill is before the Senate which will presumably occupy the attention of the Senate for some time. I assume there will come before the Senate—at least I am so informed—the social security bill, and perhaps the medicare bill in the near future.

If we plan to bring this session of Congress to a close at the end of next week, the time is short; and if this proposal is acted on in the Senate, it must also be acted on in the House.

In my opinion, we cannot be unjust to the American people and expect them to wait for several days. This joint resolution should be brought up immediately.

I am still at a loss to understand.

What are they afraid of?

Surely, the President of the United States, or whatever brilliant man will be selected as the vice-presidential candidate of the great majority party in this country, must welcome the opportunity to meet the American people and to talk before us all, you and me and our neighbors, as we sit in front of our television sets at night. It is beyond my comprehension why there should be any attempt to prevent the American people from having that opportunity. It is utterly incredible to me.

Mr. SCOTT. Mr. President, will the Senator from New Hampshire yield?

Mr. COTTON. I yield.

Mr. SCOTT. I listened with a great deal of interest to the Senator from New Hampshire. As he knows, I am the ranking minority member of the Subcommittee on Communications. I have wondered why there should be any question of delay on this important matter, because when the conferees met, presided over by the distinguished and able Senator from Rhode Island, he guided the conference with his usual skill. Through his vast gift for persuasiveness, small differences were ironed out very promptly, and the committee parted as House and Senate conferees do not always part, in complete harmony, amity, and awareness of the importance of this measure. Therefore, I certainly hope that the right of both parties to be heard will be preserved by this bill.

Moreover, we have not mentioned something which is of a pragmatic character—that is, the enormous expense of conducting campaigns in this country in these days of escalating communications costs.

In this situation the networks and the stations are actually competing to give time to each of the two major parties, asking only protection against demands from the 14 or more minor parties, with which it would be impossible to comply, while at the same time assuring us of their willingness to deal fairly with the minor parties.

This course would save both political parties great sums of money. It would be in the public interest. While I am aware, as the Senator from New Hampshire has stated, that the President and the candidate of the Republican Party have both indicated some reservations as to a knockdown or rough-and-tumble type of debate, at the same time I am aware that the President, possessed as he is of matters of great secrecy, has handled himself with prudence, discretion, and great skill in the press conferences which he often holds. I cannot imagine any question being asked the

President by an opponent which would be harder to answer, to field, or to answer prudently, than the question he receives from day to day from the press; but, bearing in mind the awesome responsibilities of the President, we would all be bound, of course, if he were to simply say No, and refuse the opportunity to debate.

I should like to ask the Senator from New Hampshire if he has given consideration to another and very important aspect of this proposed legislation—that is, that there are many candidates for public office, State and local, all the candidates from the House of Representatives, and a third of the candidates from the Senate, who will have to make up their minds as to debating their opponents. Those gentlemen are incumbents. The action of the President of the United States, if this bill should be enacted, as regards the stipulation concerning the format of debates, may serve as a guideline to all other persons faced with the same problem. For example, should an incumbent take 15 minutes and then agree that his antagonist take 15 minutes? Are they to be given 15 minutes of valuable equal time by the networks and the stations, to be so divided? Is there to be some other format which the President prefers? Because, pending the decision from the President, if this measure should be enacted, there hangs upon it the decision of a large number of other persons.

The question is not whether the joint resolution should pass, but whether, following passage, the decision should be left to the President as to whether he wishes to take advantage of its provisions, not all of which by any means involve eyeball-to-eyeball debate. Also, the right of the vice-presidential candidate to be heard, as the Senator has said, is important.

Therefore, I hope that the Senator would indicate whether he agrees with this concern, which I believe should properly be expressed, as to the guidelines to be set up for others to follow in the forthcoming campaign.

Mr. COTTON. I recognize the force of what my distinguished friend the Senator from Pennsylvania has said. He makes a very pertinent point.

We are all practical men. I can quite understand any incumbent in office, whether a Senator, a Representative, a Governor, or a President of the United States, taking a practical viewpoint. He might well ask, "Why should I, with all the prestige of my office, help get an audience for my opponent who does not have the prestige of my office?" We all understand that. We all understand the practical politics involved.

Mr. President, a most forceful and persuasive argument in behalf of TV debates between presidential candidates was presented early this year by Dr. Frank Stanton, president of the Columbia Broadcasting System, whom President Johnson recently nominated to the USIA Advisory Committee.

In an article published in the January 19, 1964, issue of the New York Times magazine, Dr. Stanton clearly and vigorously points out that joint TV appearances by Presidential candidates are in the public interest, or as Dr. Stanton stated "most helpful to the people in the first business of democracy—the free and informed choice of its leadership."

I was especially interested in the article because Dr. Stanton directly, and effectively answers the arguments against debate by an incumbent President. Dr. Stanton's closeness to the President as both a friend and an adviser makes his arguments all the more interesting.

I, therefore, ask unanimous consent to have Dr. Stanton's article printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. COTTON. Dr. Stanton made this pertinent observation:

> The argument that it would be highly dangerous—or even imprudent, as President Eisenhower thought—for an incumbent President to debate in any forum does not seem to me persuasive. After all, the President has been televised live in news conferences and has been regularly questioned by as many as 200 correspondents on any subject they may wish to bring up. Surely, his opponent for the presidency would be no less responsible and no less devoted to the national interest than the newsmen.
>
> And surely any audience would recognize the need for restraint on the part of both candidates. As a matter of fact, Mr. Nixon was, in 1960, privy to the highest state secrets, and Mr. Kennedy respected his position.
>
> As for the dangers of direct dialogue between the two candidates, they may also be more imagined than real. In many other democracies, heads of government periodically submit to questioning by the opposition as a part of the parliamentary system. This practice is considered a distinct advantage over ours by many political scientists, who envy, for instance, the opposition's power in England to question the Prime Minister on the floor of the House of Commons.
>
> This system depends importantly on the opposition's maintaining the same high degree of responsibility in its questioning that we could certainly expect from a candidate running against an incumbent President. He would have little to gain—

Referring to the opposing candidate—

> and everything to lose—by exceeding the bounds of propriety.
>
> In the final analysis the public should be the only touchstone in the decision of whether or not there should be debates.
>
> It may well be that, under some circumstances, more informal dialogs between candidates would be even more helpful to the voters. It is not a question of what is in the best interest of the candidate. It is not a question of what is in the best interests of broadcasters, or any other group.
>
> The only valid question is what is most helpful to the people in the first business of democracy—the free, informed choice of leadership.

Mr. SCOTT. Mr. President, will the Senator yield with regard to that very point?

Mr. COTTON. I yield.

Mr. SCOTT. The necessity for discretion has been demonstrated in previous campaigns when candidates have been in the possession of highly secret information. As a matter of discretion, I am certain that security would not be risked by any of the spokesmen. I remind the Senator that in 1944, Governor Dewey, of New York, was a candidate for the Presidency. He received information on the breaking of the Japanese code. That information was of such relevancy regarding the discussion as to how we got into the war that it would have had great political advantage to Governor Dewey. But he was visited by the late General Marshall, who advised Governor Dewey of the danger to the security of the United States in the middle of the war.

I was an intelligence officer; and the fact that we had broken that code enabled the outfit to which I belonged to bring down the Japanese Admiral Yamamoto. Therefore, the advice was good, and the Japanese did not know the extent to which we knew their code. Governor Dewey never used that information, useful as it might have been to him politically.

In 1960, the then Vice President of the United States was a candidate for the office of President of the United States. He had sat in at meetings—often presiding at meetings—of the National Security Council. In one celebrated instance, he knew certain information which would have helped him politically. By reason of the statement of the other candidate, he was forced to deny a situation that he knew, because, if admitted, it would reveal that he had learned it in the meetings of the National Security Council.

Candidates on both sides have always shown discretion and a great awareness that the security of the United States bans an inquiry into certain areas.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. COTTON. I yield.

Mr. PASTORE. I agree with almost everything that the distinguished Senator from New Hampshire [Mr. COTTON] said except when he nominated me for an office other than that which I hold.

Insofar as concerns the colloquy today with reference to equal time, I think something should be said with respect to the background which constituted the genesis for this particular resolution. The Senator will recall that in 1960 many Senators felt that some mandatory time should be required to be given by the networks during a presidential campaign for the reason that the cost of that particular media had become so expensive. It was thought that there ought to be greater exposure of the candidates for the highest office in the land and the most respected office in the world. It was for that reason that a bill was introduced.

When it came before our committee, there was resistance on the part of the networks. And there was resistance on the part of many people who felt that this would be more or less a confiscation of property rights, that they should not be told that they had to give free time, or give up free time in a presidential election. But they suggested before our committee that they be released from the rigid requirements of section 315 of the Communications Act, which requires that if a licensee gives time to one candidate, he must give equal time then to all candidates. Because of the Lar Daly case in Chicago, they suggested to us that if we made this requirement discretionary and freed them from section

315—that is the obligation or the requirement to grant time to all candidates with reference to the Office of President and Vice President—that would put them in a position to be a little more selective. They could then give time with impunity to the nominee of the Democratic Party and the nominee of the Republican Party.

Then there was a big uproar. Some people said, "How about the Dixiecrat Party, or some other party?"

Our committee considered these arguments and reported a joint resolution that was enacted in the year 1960. But I must say—and I think this must be said here this afternoon—that at that time there was a strong implication that there would be a personal confrontation between the nominees—which, of course, was what actually happened.

Since that time, there has been much discussion as to whether or not the President of the United States should be required to engage in a TV debate. I believe that even the Senator from Arizona [Mr. Goldwater] has taken the position—and I believe he stated this on one of the evening TV shows—that there could be a slip of the tongue. There could be an embarrassment particularly where our security is involved, and that therefore it would be inadvisable to engage in this sort of confrontation.

The Senator is absolutely correct. There is nothing in this law that dictates the format. The format will have to be decided upon by the participants.

I want the Senator to know that I have never talked with President Johnson on this subject. I have never asked him whether he wants this opportunity or not. I have never talked with Senator Goldwater as to whether he wants it or does not want it. The Senator from Arizona [Mr. Goldwater] has been in the Senate Chamber a number of times since he was made the presidential nominee. He has talked with me on previous occasions about certain matters that he was interested in with reference to "ham" radio operators. We have gotten along pretty well on that legislation. But he has never talked with me on this particular topic.

Now, because of the shadow that overhangs this piece of legislation, it has been decided that it should go to the majority policy committee. The Senator from New Hampshire [Mr. Cotton] in his excitement and eloquence said, "What are you afraid of?" There is a strong implication there. The first time I heard the Senator say anything about this subject was since his own man became the party nominee. When it looked as if Rockefeller or Scranton might have obtained the nomination, I never heard any talk from the Senator from New Hampshire [Mr. Cotton] about what should be done about the joint resolution.

I sincerely believe there is a motive behind this effort. I am not trying to be unkind to the Senator from New Hampshire [Mr. Cotton].

A serious question is involved. That is expressly and precisely what has brought us to this point. That is the reason why, if it goes to the majority policy committee, I hope the right thing will be done so far as the Senator from Rhode Island, the Senator from Pennsylvania [Mr. Scott], and the Senator from New Hampshire [Mr. Cotton] are concerned. It will be recalled that I even wanted the joint resolution to apply to Senators, Governors, and Representatives.

Where do Senators think I got the opposition? I got it from Senators.

Mr. SCOTT. Not from me.

Mr. PASTORE. I know. It is one of those things. Ours is a great country. The parties are two great parties. I am for President Johnson and I am against Mr. Goldwater; the Senator from New Hampshire is for Mr. Goldwater and he is against President Johnson. I hope that that contest is not brought to the floor of the Senate. I hope that whatever we do will be for the benefit of the American people.

The argument that the American people will be shut off from the exposure that would result from the enactment of this legislation is not necessarily true. The Senator recalls the Republican convention in the Cow Palace in San Francisco several weeks ago. There was a great deal of exposure. There will be a great deal of exposure on August 24. The only thing that the Senator from Rhode Island is worried about is whether the exposure on the evening of August 24th will be worthwhile. But the fact is that the public will not be denied. I think the proposal offers a good way to get some free time if we can get it, and if we can get the free time, we ought to get the free time for the benefit of all the American people, Republicans, Democrats and Independents alike.

I would hope that no nominee would ever say, "I am better than the President," or that a President would say, "I am better than the nominee because he will not debate me face to face."

What is involved is too precious for all the American people. It involves the home, the welfare, and the peace of the world. I hope the subject will be handled very discretely. The measure will be referred to the policy committee, and I hope that the right thing will be done. I hope that no one will make political capital out of it.

Mr. COTTON. Mr. President, I do not wish to detain the Senate, but I should like to comment on what the Senator has said. First, I believe the Senator from New Hampshire has scrupulously tried to be fair and reasonable in this discussion without pretending that no politics are involved. Of course there are politics involved. They always will be. So long as we have free elections in this country there will be politics. So long as men run against each other for public office and are fighting a battle before the voters, challenges will be issued by opponents to incumbent officials to join in debates, and they will be met. If I were running against the Senator from Rhode Island in Rhode Island—and thank God I am not—I would challenge him to meet me and he would say, "Go get your own crowd." That has been so ever since the beginning of time.

I invite the attention of my friend from Rhode Island and the Senate to a couple of facts. The Senator from New Hampshire was for the joint resolution when it was reported by the Committee on Commerce and passed the Senate in October of 1963. I did not know whether my candidate, the Senator from Arizona [Mr. Goldwater], would be nominated, or whether Scranton, Rockefeller, or someone else would be nominated. I was for the measure at that time.

Mr. PASTORE. Mr. President, will the Senator yield at that point?

Mr. COTTON. I yield.

Mr. PASTORE. I did not say that. I said that the Senator from New Hampshire did not talk to me about the subject until the Senator from Arizona [Mr. Goldwater] became a candidate.

Mr. COTTON. I am coming to that point. The Senator from New Hampshire was for the joint resolution. He was for it long before the New Hampshire primaries. In the New Hampshire primaries, the Senator from New Hampshire took such a walloping that he did not believe Goldwater would be the candidate, but he was still for the joint resolution. I do not care who the candidates for President are.

I still say—and I make the statement with complete sincerity—that I hope to see a way in which the people of this country can look into the face and hear the words and the message of the candidates that are to lead them in these years of crisis without an advantage being given to the candidate who has the most money. There was a time when the Republicans had most of the money, but I notice now that the Democrats have most of it. I should like to see some free time for both candidates for the office of President and both candidates for the office of Vice President. The fact remains that my good friend from Rhode Island said to the Senate in 1960—

> This bill is in the public interest and the American people will be the beneficiaries.

Again last year, in 1963, when the proposed legislation passed the Senate, my good friend from Rhode Island said—

> I believe that the public interest will be served by the enactment of this bill.

I listened to the words of my friend from Rhode Island. They were sincere and to the point. But he has not said whether he is for the joint resolution now or not, and I should like to know.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. COTTON. I am glad to yield.

Mr. PASTORE. The joint resolution would not have come before the Senate if it had not been for the Senator from Rhode Island.

Mr. COTTON. That is absolutely correct.

Mr. PASTORE. I met in the conference and I am for the joint resolution.

Mr. COTTON. Today?

Mr. PASTORE. I am one of those who believe that the joint resolution would serve a good purpose. I am not denying that. I am only saying that a cloud has been cast over the issue on the question of personal confrontation. That is the reason why we are going to the policy committee to see if we cannot straighten out the issue. All I said to the Senator was that I would hope that we would not begin to try to embarrass the nominee, the Republican nominee, or the Democratic President, on the question of who wants to debate whom, and how it should be done. That is the one thing we must avoid. That is all I have said this afternoon. I repeat that I have not talked with the President about this subject, and I have not talked with the Senator from Arizona [Mr. GOLDWATER]. It has been a mystery to me why some Senator has not moved to bring up the conference report.

Mr. COTTON. I can resolve that mystery for my friend. The reason that the Senator from New Hampshire, who is the ranking Republican member of the Committee on Commerce, has not brought up the question is that he has always respected and tried to preserve the protocol in the Senate. The chairman of the committee, the Senator from Washington [Mr. MAGNUSON], the chairman of the subcommittee, the Senator from Rhode Island [Mr. PASTORE], for whom I have the very highest respect and regard, and the majority leader of a 2-to-1 majority of the Senate, have the responsibility to act. Imagine what my friend from Rhode Island would have said to me if I had popped up on the floor of the Senate last week and beat myself on the breast and said, "I call up that conference report."

I would have been taken to task for not observing the rules under which we have tried to proceed, and for not respecting those who bear the responsibility in the Senate, and I respect them.

Mr. PASTORE. Mr. President, will the Senator yield at that point?

Mr. COTTON. I yield.

Mr. PASTORE. I realize that the Senator from New Hampshire is a man of great restraint, who conducts himself with great decorum. I have never been critical of the Senator from New Hampshire. He knows that. I did not say that he should have done it as a matter of dare. I did not intimate that at all. All I am saying to the Senator is that the question of whether or not the President of the United States should be subjected to debate is quite serious. I am the one who said in the committee hearing, when we were receiving a report from the officials of the networks, that I would question very much whether President Kennedy, now that he was the President—and this was shortly after he was elected and inaugurated—would be amenable to a debate format.

That very question was asked of him at a news conference. I believe he answered the question in the affirmative. That was his responsibility. That was his decision. He was speaking for himself, and no one else.

Since that time we have had a new President, and this serious question has risen. There are sensitive spots all over the world. It makes a great difference, when a President is asked a question, whether or not he answers or does not answer it, or takes a certain posture, or shows some physical feature that indicates or leaves an impression one way or the other. It is quite serious.

This question has been debated to and fro. Editorials have been written by various newspapers on the subject.

If this question is to resolve itself to the point that the networks will be called upon to give free time to the President for individual exposure and free time to the Republican nominee for individual exposure, will the networks be so enthusiastic about the legislation? What the networks want is something dramatic. They want a little debate.

That question was discussed in the committee to a considerable extent.

I repeat that the privilege of seeing and hearing the candidates will not be taken away from the American people. I believe that the treasury of both parties would benefit, if each party was given free time. I do not know whether it can be furnished.

In my judgment, the way to handle the problem is for the two candidates to reach an agreement, and then have legislation enacted to fit the agreement. Are we trying to tell two individuals who have the responsibility of carrying into effect what they should do? Senator GOLDWATER has never really told me he wants this legislation. President Johnson has never really told me he wants it. That does not take away from the fact that legislation should be passed by this body. The matter has been in conference. But we have been trying to explain this afternoon, through the majority leader, that because of the various problems involved, we are leaving the matter up to the policy committee. I repeat that I do not think any politics are involved.

Mr. COTTON. I am compelled to differ with the distinguished Senator from Rhode Island when he says this joint resolution attempts to tell either President Johnson or his opponent what he must do.

Mr. PASTORE. I did not say that.

Mr. COTTON. If I understand English, that is what the Senator said. They do not have to do anything. Neither do the networks.

Mr. PASTORE. Then why pass it? If the two potential participants are not interested, what are we becoming excited about? This measure has to do with President Johnson and Senator GOLDWATER; and if neither one is interested—and neither one has discussed it with me—why should I become excited? Why should we take 4 hours this afternoon to decide something they do not want?

Mr. COTTON. Did the Senator from Rhode Island ask Candidate Kennedy and Candidate Nixon in 1960 what they wanted to do?

Mr. PASTORE. I wrote a letter to Mr. Nixon; I wrote a letter to Mr. Truman; I wrote a letter to Mr. Hoover; I wrote a letter to Mr. Dewey, and I wrote a letter to Mr. Johnson. I wrote to all parties who had an interest in this subject. Of course, I asked them. The Senator does not think I was going to indulge in an exercise of futility, does he? I was not trying to have a law enacted that would affect somebody who was not interested. That is why I say, if there is an interest on the part of the two participants, let us get going; but if there is no interest, let us get on with something that is more important.

Mr. COTTON. Perhaps other things are more important, but I still think fairplay and full publicity and full opportunity for the electorate of this country call for the utilization of the advances that electronic technology have given us. I think that is important.

The Senator from New Hampshire is not in the habit of taking up long hours in the Senate, but he is not going to be throttled by being told he is keeping the floor unnecessarily. The floor is mine. I shall be through in 5 minutes. But I will finish what I have to say.

Mr. President, there were two men—one of whom, we remember with profound sadness and sorrow, no longer is with us—who, from personal experience, learned what confrontation by presidential candidates could mean. I read from the report of the committee:

> In 1961—

This report was presented by the distinguished Senator from Rhode Island [Mr. PASTORE]—

> the President of the United States—

And that was President Kennedy—

> by Executive order, created a President's Commission on Campaign Costs and directed the Commission to recommend improved ways of financing expenditures required of nominees for the offices of President and Vice President. In April 1962 this Commission noted in its report to the President as follows:
>
> "During the presidential campaign of 1960, exercising the freedom—

Mark that, Mr. President, the freedom, not the coercion—

> granted by the temporary suspension of section 315 of the Federal Communications Act, the networks and radio-television licensees contributed important public information about the campaign by providing for a variety of broadcasts in which the candidates participated without charge to them.
>
> "The leaders of the radio-television industry have stated their desire to render higher levels of performance in bringing information about campaigns to the public. There is also need to permit broadcasters further opportunity to experiment in the use of television in campaigns to develop practices fully compatible with the requirements of the American political system.
>
> "Accordingly—

This is President Kennedy's Commission—

> "We recommend that section 315, as it applies to presidential and vice-presidential nominees, be suspended in the same form as in 1960 for the 1964 general election campaign. This will permit the networks and stations, in consultation with the candidates, to develop more fully their role in campaigns in mutually agreeable ways."

The report continues.

> On the basis of this report, President Kennedy, in letters to the President of the Senate and Speaker of the House of Representatives, on May 29, 1962, stated:
>
> "I believe that temporary suspension rather than permanent repeal is desirable so that the Congress can periodically review broadcasting and campaign practices that occur under ever-changing conditions."

Mr. President, I regret it if this discussion has in any way become acrimonious. It was not my desire to have it so.

In closing, I merely wish to say that there is a conference report on a joint resolution that passed and was utilized 4 years ago. It was recommended by the late President Kennedy. We should follow the same procedure in the coming presidential campaign. The joint resolution passed the House of Representatives; it passed the Senate; it was agreed upon by the conferees. It had the support—and I pay my respects to him—of the distinguished and able Senator from Rhode Island, who pioneered and presented the measure in a magnificent way 4 years ago, with the best possible workmanship in its preparation.

We are in the closing days, if not hours, of this Congress. We are on the eve of a presidential campaign.

I must say this plainly—let the chips fall where they may. I can see but one reason why those who have pushed this proposal all the way along to its final enactment are hesitating and holding, and that is that they want to save the President of the United States from simply saying "No," when he can say that without loss of respect or prestige on the part of any citizen in the country.

In view of what has transpired this afternoon I shall still, as a member of the minority, wait patiently, in the hope that the distinguished majority leader and those charged with the responsibility of conducting the Senate will decide to permit the Senate to vote on the conference report.

I wish also to add—and this is only an honest statement, not in any sense a threat—that I do not propose to be governed by the Democrat policy committee. Republicans are greatly in the minority. We have few rights. We are still permitted to use the senatorial elevators. We still have certain prerogatives. But there is one thing Republicans do not have to do, and that is to await the verdict of the Democrat policy committee.

Subject to the approval of my own minority leader, if we are not going to be given an opportunity to vote on the unanimous conference report at some time between now and the time when the gavel falls—and I hope in sufficient time for the House to act—I shall do what I do not want to do but what I shall be compelled to do, with all respect to the distinguished majority leader, whom I respect so highly. I serve notice that somewhere along the line I will call up the conference report.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. COTTON. I yield.

Mr. MANSFIELD. Mr. President, I would hope that this most educational discussion would be brought to a close very shortly, so that we could attend to the business at hand. I do not think there is much more to be said than has already been said. However, I wish again to state to the distinguished Senator from New Hampshire that if there is any block to the consideration of the conference report, responsibility should be placed on the shoulders of the majority leader. I have personal doubts concerning the wisdom of legislation of this kind. But this question will be brought before the policy committee within the next several days, and that committee will be asked for its advice and counsel.

I point out that this will not be a decision, so far as the Senate is concerned. It applies only to the Democratic policy committee, because what the committee decides to do will, of course, be taken up with the distinguished minority leader; and his advice and counsel and consideration likewise will be sought.

There has been very little acrimony in the discussion this afternoon. I believe some good and needed points have been brought out. I commend the distinguished Senator from New Hampshire for raising the question. I assure him that, so far as the Senator from Montana is concerned, he will do the best he can along the lines which he has suggested.

Mr. COTTON. I thank the majority leader. I yield now to the Senator from Iowa.

Mr. MILLER. Mr. President, I compliment the distinguished Senator from New Hampshire for bring this matter to the attention of the Senate. He is to be highly complimented for exercising the restraint he has exercised in delaying bringing this question up until now, at a very late hour, about 1 minute to 12 o'clock, so far as getting the matter before the Senate, with time for the House to act, is concerned.

I agree that practically everything that should be said has been said on this point this afternoon. But I should like to add one or two further observations.

The point has been made by the distinguished senior Senator from Rhode Island that neither candidate has come to him to request action on the legislation. I suggest that the idea of this legislation is not to satisfy the desires or whims of either major candidate. It is the general public, and the public's right to know, that is involved. Even if both candidates had come to the committee and had requested that the legislation be not enacted, in the interest of the public's right to know, which the Senator from New Hampshire has so ably presented, this legislation certainly should be brought up for a vote and passed. The public has a right to know. I suggest that the statement of the distinguished president of the Columbia Broadcasting System, Mr. Stanton, which the Senator from New Hampshire has placed in the RECORD, is an answer to all the arguments against this kind of legislation.

The Senator from New Hampshire has pointed out that if the legislation is passed, it does not necessarily mean a debate in the strict sense of the word. It might mean a joint interview. There are many permutations and combinations, all of which can be explored, for the purpose of bringing to the American people the best presentation of both candidates of both parties. In that way they can evaluate the candidates.

I do not believe it satisfies the public's right to know to hold a press conference. It is well known that planted questions are used at some of these press conferences. Press conferences are by no means spontaneous. What the people would like to see is an unrehearsed, non-question-planted type confrontation Whether it is a debate or a joint interview is up to the parties concerned.

I do not believe that we need to be unduly concerned about the type of information that may be elicited in one of these confrontations. Press conferences are held periodically by the President. All kinds of questions are asked. Of course, the President does not always anwser all the questions. The point has been made about the restraint of both candidates, particularly the candidate on the Republican ticket in connection with the type of questions and the type of responses that would be made. The public could very well evaluate them. Therefore, I hope that the Senator from New Hampshire will pursue his point. I also hope that it will not be necessary for him to call up the conference report, but that the majority policy committee will see fit to recognize the people's right to know.

Mr. PROUTY. Mr. President, will the Senator yield?

Mr. COTTON. I yield.

Mr. PROUTY. Mr. President, I think the distinguished Senator from New Hampshire has rendered a great service to the people of this country by calling attention to the failure of the majority leadership to call up the conference report on House Joint Resolution 247.

Certainly, none of us who were conferees had the slightest reason to believe that action on the report would be held up. A similar resolution was approved in 1960 and the late President Kennedy in response to a question at a press conference said that he would favor debates between the presidential and vice presidential nominees of the two major parties in the 1964 elections.

None of the arguments advanced against such debates seem very persuasive to me and I hope, Mr. President, that the majority party will not deny the American people the right to see and hear televised debates between the major candidates.

My good friend, the very able Senator from New Hampshire, has taken a very sound position with respect to this matter and I commend him highly for his efforts.

Mr. COTTON. I thank the Senator from Vermont. In closing, I express the hope that the Senate will be permitted to vote on the conference report.

Mr. HICKENLOOPER. Mr. President, will the Senator from New Hampshire yield?

Mr. COTTON. I yield.

Mr. HICKENLOOPER. I also wish to compliment the Senator from New Hampshire. I am intrigued by the situation that now seems to confront us. A joint resolution has passed both Houses and has gone to conference. The conference committee has made its report; still, the conference report lies dormant. Even those who were most vigorous in support of the measure—which I understand was finally unanimously adopted and approved—now have some reason—the answer to which I have not received yet—for objecting to bringing it up.

The Senator from New Hampshire has made a most valid point. He has raised a question which should be of great interest, and I am sure will be of great interest, to the American people. From a public standpoint in this country, in this free society of ours, nothing is more sacred than elections and the right of the people to know. This measure goes deeply to the heart of that particular question, especially when it comes to having the leading candidates discuss the issues and the things for which they stand.

I thank the Senator from New Hampshire for calling this matter to our attention. I shall cooperate with him in any way I can, so as to have light shed on the public issues that confront the people of the Nation, and to have it done in an unhampered and open way, so that the people can understand, will have the right to know, and will know.

Mr. COTTON. I thank the Senator from Iowa.

I yield the floor.

EXHIBIT 1

THE CASE FOR POLITICAL DEBATES ON TV

(A broadcaster analyzes the role of his medium in presidential campaigns, and argues that bringing candidates face to face can only help the electorate choose wisely)

(By Frank Stanton [1])

In 1960, for the first time in history, the two major candidates for the Presidency of the United States met face to face on television in direct, unrehearsed discussion of the issues before the Nation. More than 100 million people saw at least one of the four broadcasts. Public opinion polls revealed that those "very much interested" in the campaign rose from 45 percent before the debates to 57 percent after them, compared with a rise, during a like period in 1956, from 46 percent to only 47 percent. And on election day, 1960, 64.5 percent of eligible voters went to the polls as compared with 60.4 percent 4 years earlier.

James Reston concluded that the debates were "a great improvement over the (candidates') frantic rushing about the Nation, roaring at great howling mobs." Walter Lippmann called them a "bold innovation which is bound to be carried forward into future campaigns and could not now be abandoned."

Yet, as this year's presidential campaign approaches, one hears questions of the wisdom of repeating face-to-face encounters between the candidates on television. I think the answer is plain, that the 1960 debates made clear the importance of television as a compelling means of interesting and informing the public—the very foundation of democratic action. But the medium remains, as it has been from the beginning, a source of uneasy or wistful concern to many politicians and their managers.

Franklin Roosevelt had used radio so effectively from 1932 to 1945 that the far greater potential of television was instinctively both feared and coveted from the beginning. It was unrealistically assumed that the new medium could sell the public a nonentity. A photogenic candidate, it was imagined, skillfully presented over TV, would sweep the country and result in a kind of "government by Nielsen rating."

What we now know about television and elections is infinitely less sensational but far more encouraging. Surveys during the 1950's showed that television was becoming an important source of information to the voter, as the medium developed in terms of both set ownership and news production facilities. By 1960, according to a University of Michigan Survey Research Center team, 60 percent of American voters got most of their information on national elections from television. At the same time, research into the behavioral patterns of voters influenced by radio and television dispelled fears that the new medium could sell candidates like soap.

First, it showed that there was an extremely high tuneout—even of the party faithful—during paid political broadcasts, and that there was a point beyond which candidates occupied the airwaves at their own risk. Adlai Stevenson recognized this in 1952 when, after preempting prime evening time, he received a telegram saying: "I like Ike and I love Lucy. Drop dead."

Second, research indicated that a massive, one-sided political advertising campaign can alienate viewers and actually prove a liability to the candidate it means to promote. British researchers investigating the impact of television in their 1959 election found respondents disliking "the absence of the other party to answer back."

Finally, it was found that one-sided election propaganda rarely converts. Rather, it merely strengthens opinions already held. Moreover, it is the interested and the decided voter who most exposes himself to campaign oratory—probably primarily to confirm his own preformed opinions.

Instinctively sensing such a situation, from the beginning of television, political managers have experimented with new techniques for inviting and holding audience interest. In the 1950 New York gubernatorial campaign, Thomas E. Dewey pioneered the television "talkathon" as a form of paid political advertising. Questions were phoned in to Mr. Dewey, who answered them on the spot. At first glance, the innovation seemed impressive. The columnist John Crosby commented that "a man thinking on his feet is likely to blurt out the truth rather than the well-rounded, wind-filled phrase * * * the old-fashioned campaign speech is a dead form of oratory on television."

This interment of the political monolog was slightly premature. The talkathon was indeed an imaginative, attention-getting device. But in subsequent applications it developed that there was frequently less to it than met the eye. Not always as spontaneous as it seems to be, it could be staged and even rehearsed. Carefully phrased questions, the answers to which could be worked out in committee long before broadcast time, were often the major substance of such programs, rather than genuine questions actually phoned in by the audience.

Such dangers are implicit in any broadcast which is arranged and controlled by a political organization, with a skilled staff determined to "protect" its candidate and to present only a predetermined "image." It is for this reason that the cameras need the freedom, during campaigns, to play their important—and perhaps even crucial—role as objective reporters on political figures and institutions, and should not be limited to service as hired-out facilities to partisan groups.

Network television cameras were able to bring the nominating conventions into the home, and fully reveal the sometimes impressive and sometimes ludicrous proceedings of these vitally important institutions, because they were free to show everything happening on the floor as well as in committee rooms, adjacent corridors and even surrounding hotels. The viewer knew more of what went on, in many cases, than those at the scene.

Of the 1952 Democratic national convention, Philip Hamburger wrote in The New Yorker:

"In a sense, television coverage of a national convention turns the entire Nation into a huge town meeting." He called the proceedings "a manifestation of the right of every delegate—and by extension, every citizen—to take a direct part in the choosing of his President."

Conversely, television dealt a fatal blow to nomination by cabal. The television camera pushed open the door of the smoke-filled room with such finality that it is unlikely ever again to take the main event away from the convention floor.

Throughout the presidential campaigns of the 1950's, however, television was severely handicapped by the famous equal-time law. This law prohibits broadcasters from granting free time, or selling paid time, to the Democratic and Republican candidates unless an equal amount of time is offered on the same terms to all minority candidates, who in some elections have numbered as many as 20.

The original intent of the law was simply to prevent broadcasters from giving unfair advantage to one candidate over another. But its practical effect has been to bar debates and other special broadcasts presenting the major candidates, because the cost of providing equal time for all the minor candidates would be prohibitive.

Only a temporary suspension of this law, insofar as it applied to the Presidency, made possible the debates between John F. Kennedy and Richard M. Nixon 4 years ago. Otherwise, television would have had to make equal time available to such candidates as those of the prohibition party, independent American, industrial government, vegetarian, and all the other parties that can meet the very liberal legal requirements, varying from State to State, for appearing on the ballot. It does not require a computer to figure out what an unbearable burden this would place on the broadcaster, not to mention the ordeal it would inflict on the public.

During the first session of the present Congress, both houses passed bills—with minor differences still to be resolved—allowing broadcasters almost the same freedom in 1964 to cover the presidential election campaign as they were given in 1960. Whether this action will result in debates or other broadcasts in which the candidates confront each other in face-to-face discussions, or whether TV will be limited to other ways of revealing the candidates and their views, is of course not certain in view of the death of President Kennedy (he had said on no fewer than three occasions that he would debate his opponent in 1964). It is certain that debates should not be casually dismissed.

True, the 1960 "debates"—or, more properly, joint appearances—were criticized by some on the basis of their format. There is no doubt that the format was far from perfect. In fact, the networks originally suggested a simpler format, which would have engaged the candidates in direct discussion without the interposition of a panel of newsmen.

The candidates, however, preferred a more cautious approach. At the time, we were dealing not with what might be the ideal thing to do, but with a practical situation. We were trying to bring about the most significant innovation in presidential campaigns since popular elections began. Remember that these were not only the first broadcast debates between major presidential candidates; they were also the first face-to-face discussions of any kind between presidential candidates in the history of the Republic. (Many forget that Lincoln and Douglas were running not for the Presidency but for the Senate at the time of their famous debates.)

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[1] Frank Stanton, the president of CBS, was instrumental in persuading Congress to suspend temporarily the equal-time law in 1960 and thus make possible the televised Kennedy-Nixon campaign debates that year.

The networks in 1960 were understandably flexible. Indeed, we would have been less than responsible if we had insisted on doing it our way or not at all. Our clear duty was to exercise the opportunities which we sought from the Congress—to bring to the American people, in the language of the Senate Subcommittee on Communications, "the living image of the presidential candidate—how he looks, what he believes, what is his idea of America's future and its place in the world, and how he will exercise the power of the Presidency."

Despite imperfections of timing and format, every one of these objectives was advanced by both the substance and the manner of the joint appearances.

There were some astonishing criticisms of the debates. A magazine editor wrote that "the very fact of arousing the interest of the millions further lowers the level of campaign oratory." Beneath the surface of this charge is the conviction that the electorate is a great mob incapable of listening intelligently to a debate on government. It seems to me this is nothing more than a declaration of the bankruptcy of democracy, and I think it is both premature and fraudulent.

Surely it is better for the candidates to be judged within the sight and hearing of all the voters than to be peddled as myths constructed out of the political mumbo jumbo which has so often in the past reduced the Presidential Office to passiveness and inaction.

A prominent historian criticized the debates on the ground that some of the great Presidents of the past might not have fared so well as their opponents—a rather useless parlor game, especially since the historian did not mention the nonentities, scarcely known to the electorate, who did get into office. Nor did he mention the pressures under which a modern President works.

For example, while Lincoln had months to ponder the secession issue, from his election until the attack on Fort Sumter, Kennedy had little more than days to ponder the Russian missiles in Cuba. Presidents must stand far more demanding pressures of time today, and campaigns, to be revealing of how a man responds to pressures, should be attuned to them.

I hope that the candidates this year will see their way clear to participating in direct dialogs without the interposition of a panel of newsmen to ask the questions. Since the political history of this country has always focused on a few fundamental issues, I believe that it would be most desirable to have some debates on single issues. Such discussions, in depth and at length, could be the single most powerful force in educating our citizens during the campaign, and much of the effect would hold over long after the election.

Additionally, I believe that the vice-presidential candidates should also engage in broadcast debates. CBS has offered the major parties time for such broadcasts as well as for Presidential confrontations.

In letters to the chairmen of the Democratic and Republican National Committees—sent, it turned out unhappily, on the day before President Kennedy's assassination—I noted that "it has been truly said that the Vice President is but a heartbeat away from the Presidency." The tragic events of the following day bore somber witness to the ever-present relevancy of the Vice President's qualifications.

It is reasonable to assume that the Republican candidate for the Presidency, under present circumstances, would want to debate his opponent. It is equally reasonable to believe that President Johnson's decision, assuming his candidacy, will be much more difficult. It has been said that President Johnson may suffer unfavorably in comparison with Mr. Kennedy's debate appearances in 1960. His advisers have been reported as urging him not to give his lesser-known opponent the opportunity to debate with him. There have been recollections of the belief prevalent in 1960 that Mr. Nixon lost the election when he consented to debate.

And yet, in 1960, many of Senater Kennedy's advisers had serious reservations about letting him debate with Vice President Nixon. The Vice President was known as a skilled debater and a forceful television personality. His famous "Checkers speech" in 1952 was supposed to have revealed him as a master of the medium. His experience in the administration, his knowledge of inside facts and his close relationship with President Eisenhower added to his prospects. At the time, it might very well have been said that John F. Kennedy was no match for Richard M. Nixon before the camera.

There is, in my opinion, no such thing as a "telegenic" political personality. It is a myth that television can alone make or break a candidate. Television cannot "create" a personality. It can only give the personality that exists a wider audience—in effect, enlarge the meeting place where he appears before the voters.

As a matter of fact, it was much easier in the days of the "front porch" campaign—when nobody but a trickle of party stalwarts saw the candidates except at a few carefully staged rallies—to create a political personality out of thin air. One has to go back no farther than the Harding campaign to suggest that many an inadequate candidate in the past could not have survived the scrutiny permitted the voter by television in 1960. Far from creating synthetic personalities, television can only unmask them.

Both the style and personality of President Johnson, as revealed on television, are different from those of President Kennedy. But the difference is not rooted in television; the two men are in fact different in their personalities and in their styles—off television as well as on.

President Kennedy was a man of distinctive character and characteristics—and they were clearly perceptible on television. So is President Johnson. Indeed, President Johnson seems to have captivated and strengthened the whole country and reassured the world by the warmth and earnestness of his television appearances immediately following his accession to the Presidency. These and other qualities are ones that he brings to the office and that are revealed on television—not what he brings to television and then adapts to the office.

The argument that it would be highly dangerous—or even imprudent, as President Eisenhower thought—for an incumbent President to debate in any forum does not seem to me persuasive. After all, the President has been televised live in news conferences and has been regularly questioned by as many as 200 correspondents on any subject they may wish to bring up. Surely, his opponent for the Presidency would be no less responsible and no less devoted to the national interest than the newsmen.

And surely any audience would recognize the need for restraint on the part of both candidates. As a matter of fact, Mr. Nixon was, in 1960, privy to the highest state secrets, and Mr. Kennedy respected his position.

As for the dangers of direct dialog between the two candidates, they may also be more imagined than real. In many other democracies, heads of government periodically submit to questioning by the opposition as a part of the parliamentary system. This practice is considered a distinct advantage over ours by many political scientists, who envy, for instance, the opposition's power in England to question the Prime Minister on the floor of the House of Commons.

This system depends importantly on the opposition's maintaining the same high degree of responsibility in its questioning that we could certainly expect from a candidate running against an incumbent President. He would have little to gain—and everything to lose—by exceeding the bounds of propriety.

In the final analysis, the public should be the only touchstone to the decision of whether or not there should be debates. It may well be that, under some circumstances, more informal dialogs between candidates would be equally or even more helpful to the voters. It is not a question of what is in the best interests of the candidate. It is not a question of what is in the best interests of broadcasters or any other group. The one, the only, valid question is what is most helpful to the people in the first business of democracy—the free and informed choice of its leadership.

AMENDMENT OF FOREIGN ASSISTANCE ACT OF 1961

The Senate resumed the consideration of the bill (H.R. 11380) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

The PRESIDING OFFICER (Mr. Ribicoff in the chair). The question is on agreeing to the amendment of the Senator from Oregon [Mr. Morse]. The yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from Louisiana [Mr. Long], the Senator from Rhode Island [Mr. [Pell], and the Senator from Tennessee [Mr. Walters] are absent on official business.

I also announce that the Senator from New Mexico [Mr. Anderson], and the Senator from Massachusetts [Mr. Kennedy] are absent because of illness.

I further announce that the Senator from Nevada [Mr. Cannon], the Senator from Pennsylvania [Mr. Clark], and the Senator from Oklahoma [Mr. Edmondson] are necessarily absent.

I further announce that, if present and voting, the Senator from Rhode Island [Mr. Pell] would vote "nay."

On this vote, the Senator from Pennsylvania [Mr. Clark] is paired with the Senator from Louisiana [Mr. Long]. If present and voting, the Senator from Louisiana would vote "yea" and the Senator from Pennsylvania would vote "nay."

Mr. KUCHEL. I announce that the Senator from Nebraska [Mr. Hruska] and the Senator from Kentucky [Mr. Morton] are necessarily absent.

The Senator from Arizona [Mr. Goldwater] is detained on official business.

On this vote, the Senator from Nebraska [Mr. Hruska] is paired with the Senator from Kentucky [Mr. Morton]. If present and voting, the Senator from Nebraska would vote "yea" and the Senator from Kentucky would vote "nay."

The result was announced—yeas 37, nays 52, as follows:

[No. 534 Leg.]

YEAS—37

Allott
Beall
Bennett
Bible
Burdick
Byrd, Va.
Carlson
Cotton
Curtis
Dirksen
Dominick
Eastland
Ellender
Ervin
Gruening
Holland
Johnston
Jordan, N.C.
Jordan, Idaho
McClellan
Mechem
Miller
Morse
Mundt

Pearson
Proxmire
Robertson
Russell
Simpson
Stennis
Symington
Talmadge
Thurmond
Tower
Williams, Del.
Yarborough
Young, N. Dak.

NAYS—52

Aiken
Bartlett
Bayh
Boggs
Brewster
Byrd, W. Va.
Case
Church
Cooper
Dodd
Douglas
Fong
Fulbright
Gore
Hart
Hartke
Hayden
Hickenlooper
Hill
Humphrey
Inouye
Jackson
Javits
Keating
Kuchel
Lausche
Long, Mo.
Magnuson
Mansfield
McCarthy
McGee
McGovern
McIntyre
McNamara
Metcalf
Monroney
Moss
Muskie
Nelson
Neuberger
Pastore
Prouty
Randolph
Ribicoff
Salinger
Saltonstall
Scott
Smathers
Smith
Sparkman
Williams, N.J.
Young, Ohio

NOT VOTING—11

Anderson
Cannon
Clark
Edmondson
Goldwater
Hruska
Kennedy
Long, La.
Morton
Pell
Walters

So Mr. Morse's amendment (No. 1211) was rejected.

Mr. FULBRIGHT. Mr. President, I move that the vote by which the amendment was rejected be reconsidered.

Mr. HUMPHREY. Mr. President, I move that the motion to reconsider be laid on the table.

The motion to lay on the table was agreed to.

FREE IMPORTATION OF WILD ANIMALS AND WILD BIRDS—MEAT IMPORTS

The PRESIDING OFFICER (Mrs. Neuberger in the chair) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H.R. 1839) to amend the Tariff Act of 1930 to provide for the free importation of wild animals and wild birds which are intended for exhibition in the United States, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. BYRD of Virginia. I move that the Senate insist upon its amendments and agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. Byrd of Virginia, Mr. Long of Louisiana, Mr. Smathers, Mr. Williams of Delaware, and Mr. Carlson conferees on the part of the Senate.

PAYMENT OF SPECIAL PENSION TO CERTAIN HOLDERS OF THE CONGRESSIONAL MEDAL OF HONOR

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the amendment of the Senate to the bill (H.R. 2434) to amend section 560 of title 38, United States Code, to permit the payment of special pension to holders of the Congressional Medal of Honor awarded such medal for actions not involving conflict with an enemy, and for other purposes, which was, in lieu of the matter proposed to be stricken by the Senate amendment, insert the following:

(1) by striking out "fifty years" and inserting in lieu thereof "forty years" and (2)

Mr. BYRD of Virginia. Madam President, I move that the Senate disagree to the amendment of the House to the amendment of the Senate; that the Senate insist upon its amendment and ask for a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. Byrd of Virginia, Mr. Long of Louisiana, Mr. Smathers, Mr. Williams of Delaware, and Mr. Carlson conferees on the part of the Senate.

OBLIGATIONS OF THE UNITED STATES UNDER THE INTERNATIONAL COFFEE AGREEMENT, 1962

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H.R. 8864) to carry out the obligations of the United States under the International Coffee Agreement, 1962, signed at New York on September 28, 1962, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. BYRD of Virginia. I move that the Senate insist upon its amendment, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. Byrd of Virginia, Mr. Long of Louisiana, Mr. Smathers, Mr. Williams of Delaware, and Mr. Carlson conferees on the part of the Senate.

PERSONAL STATEMENT BY SENATOR MORSE

Mr. MORSE. Madam President, before I call up my next amendment, I have a very brief statement by way of personal privilege.

The PRESIDING OFFICER. The Senator will state it.

Mr. MORSE. Madam President, some 18 months ago President Kennedy appointed a special Mediation Board, consisting of Professor Healy, of Harvard, the distinguished arbitrator, Mr. Ted Kheel, of the New York bar, and the senior Senator from Oregon to endeavor to mediate a settlement of the then existing east coast dock strike that was producing economic havoc in our economy.

A settlement was reached with the parties by that Board.

A section of the settlement dealt with the controversy over manpower utilization on the docks. That is another way of saying that it dealt with the issue of so-called featherbedding.

The Board in its recommendation, which was accepted by the parties, provided that the Department of Labor should undertake a 15-month job analysis study of the various jobs on the waterfront and make recommendations to the parties in a study that was to be made and a report that was to be filed within 15 months.

The report of the special Mediation Board provided that after the Department of Labor filed the result of the job utilization study with the parties, the parties would enter into negotiations to see if they could reach an agreement among themselves based upon the recommendations of the Department of Labor for a settlement of the so-called featherbedding issue.

Under the very able leadership of Mr. Dave Stowe, the Department of Labor conducted such a manpower utilization study. In my opinion, it was a very able study. Mr. Stowe is deserving of high praise for the work he did in connection with that study. He completed the study and filed his report on the study with the shipowners and with the Longshoremen's Union. And they proceeded to enter into conferences to see to what extent they could negotiate an agreement between themselves based upon the recommendations of the Department of Labor that were set out in the so-called Stowe study.

It was soon discovered that they could not reach agreement. Then the parties in New York City—the representatives of the union and the representatives of the shipowners—met with the Assistant Secretary of Labor, Mr. James Reynolds. As I have been heard to say before, in my judgment, Mr. James Reynolds has no peer in our country at the present time as a labor mediator. The parties in New York City advised Mr. Reynolds that they were satisfied that nothing could be accomplished by further negotiations. And they joined in asking for a reconvening of what they called the Morse Board.

Secretary Reynolds called me at the time and said they were taking the matter to the President. I told him that I did not see how I could possibly participate in the negotiations that would be involved if the Morse Board were reconvened in the immediate future.

I pointed out the heavy schedule of work in the Senate. I pointed out to him that I am the chairman of the Oregon Democratic delegation to the Democratic Convention which will convene on August 24. I stated that my primary obligation as far as my Senate trust is concerned is to the people of my State in carrying out my duties here as long as the Senate remains in session. But I said that I would be glad to be of any service that I could be to the Department of Labor, to the President, and to the parties, as soon as it was possible for me to undertake the service. But I stated that I doubted very much that I could possibly do it until September 1.

The Assistant Secretary of Labor, Mr. Reynolds, said that he would convey that information to the parties, that the President was going to call me about it, and that they would let me know what decisions were reached.

That was on last Friday, a week ago. On Monday morning, there was a newspaper story to the effect that the Secretary of Labor had announced that the

White House was going to reconvene the Morse Board to handle the matter. In fairness to all concerned, I must say that it apparently involved a breakdown in communications. When the story came out on Monday morning, I called Secretary Reynolds. I explained to him that I certainly wanted to oblige, but I did not see how we could proceed with the negotiations. The time schedule that seemed to be indicated by the story indicated that it was planned to start negotiations immediately.

It was a physical impossibility for the senior Senator from Oregon to reconvene the Board and proceed with negotiations under the time schedule that was indicated in the story.

Subsequently the President called me. I do not quote the President. However, he, too, was concerned that there had not been clearance with me on my time schedule prior to the announcement. But he said that he very much wanted me to reconvene the Board and be of assistance in the matter. With that, I shall say no more about that conversation, except that I told the President that I was at his command, of course, subject to my work in the Senate and subject to my obligations at the National Democratic Convention as chairman of the Oregon delegation. The President completely understood that. The President was of the opinion at that time that a time schedule could be arranged, and that it would be possible to have the negotiations started at a later date.

There then followed a series of conversations between the senior Senator from Oregon and the members of the Board, Professor Healey and Mr. Kheel, and a telephone conversation with the Secretary of Labor, who, I wish to say in fairness to him, expressed great regret. He thought he owed me an apology for not having the matter cleared before the story was released. I said that no apology was needed. I well understood how those things happened. I said "I am desirous of helping, but I cannot help if the Board is to be reconvened immediately."

I then had a conference with Secretary Reynolds and two members of the Board, Professor Healey and Mr. Kheel. Mr. Kheel had met with the parties in behalf of the Board, and said that the situation was such that in order to have the question settled before a possible strike date of October 1, the parties believed that they should proceed at once with negotiations. Both sides were insistent that everything be done to persuade me to participate in the negotiations.

Madam President, conversations followed thereafter. First, it was thought that perhaps I could reconvene the Board and then Professor Healey and Mr. Kheel could proceed to meet with the parties while I remained here in connection with the foreign aid debate, in connection with the southeast Asia resolution, and in connection with certain other major pieces of proposed legislation in connection with which I have a great interest and an obligation to remain on the job and to give my attention to. After I gave further thought to the matter, I did not feel that that arrangement was fair to the other members of the Board. Mr. President, when I work in arbitration or mediation work, I never let others do my work for me or put the burden of my work on others. So I had another conference with Assistant Secretary of Labor Reynolds. I said that unless the new negotiations could be postponed until the Senate finished with its work, I did not see how I could undertake the burden that would be involved in the new negotiations.

Late yesterday afternoon, while the Senate was still in session and I was involved in the debate here, but with my full knowledge and agreement, representatives of the parties—representatives of the union, the employer shipowners, and the Department of Labor—met at the Department of Labor and recognized the position in which I found myself. Assistant Secretary Reynolds said that although they regretted it very much, they agreed to follow my recommendation that someone be appointed to take my place on the Board. I had at previous meetings made very clear that I thought that that person should be the Assistant Secretary of Labor himself, Mr. Reynolds. He has no peer in this field. The parties acceded to that suggestion and agreed that Mr. Reynolds should be substituted for me on the Board.

Those are the facts. I make that statement because a couple of newspapermen have spoken to me and said that the story was around that I had resigned from the Board because I did not wish to serve on the Board. I shall say no more about that. They sought to attribute false reasons for the development of this situation.

Another aspect of the story was that the White House wanted to dump me. I say to the press that I can give them assurance that the President is very disappointed that my work in the Senate makes it necessary for me to remain here until it is completed, but he fully understands and respects my judgment in the matter. The relationships between the Senator from Oregon and the President of the United States are most cordial.

There is not the slightest basis for the implication that one newspaperman gave in his conversation with me that this procedure was in some way, somehow, arranged by the White House. That would be most unfair to the President. I do not care about its unfairness to me, but I do care whenever I am involved in any question as to whether or not any unfairness is attributed to the President.

I say to the shipowners and to the representatives of the union that I appreciate very much not only their expressions of confidence at their meeting last night, but also their double checking to make certain that there was no chance whatsoever of my being able to make arrangements so that I could be of service to them as Chairman of the Board. I wish to express my appreciation to the Secretary of Labor and the Assistant Secretary of Labor. I particularly wish to express on the floor of the Senate, as I have to the President, personally, my very deep appreciation for his expression of confidence in me and his desire and wish that I should be able to serve on this Board. But he understands that because the members of the Board have to go into session tomorrow and they are going into conference on the question tomorrow, the time schedule fully justifies the senior Senator from Oregon in asking that someone be substituted for me as Chairman of the Board.

AMENDMENT OF FOREIGN ASSISTANCE ACT OF 1961

The Senate resumed the consideration of the bill (H.R. 11380) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

Mr. MORSE. Madam President, I offer next an amendment which I have at the desk, one which repeats the language of the last amendment, with the figure changed from $3 billion to $3,250 million.

The PRESIDING OFFICER. The amendment offered by the Senator from Oregon will be stated.

The legislative clerk read as follows:

On page 13, lines 13 and 14, insert the following new subsection:

"(g) At the end thereof add the following new section:

" 'SEC. 620. (a) LIMITATION ON AGGREGATE AUTHORIZATION FOR USE IN FISCAL YEAR 1965.—Notwithstanding any other provision of this Act, the aggregate of the total amounts authorized to be appropriated for use during the fiscal year 1965 for furnishing assistance and for administrative expenses under this Act shall not exceed $3,250,000,000.' "

Mr. MORSE. Madam President, I shall not spend a great deal of time on this amendment. I wish to point out for the record certain statistics on page 24 of the report of my individual views. The amount of money requested by the administration is $3,516,700,000. The House approved almost exactly that amount in its authorization bill.

The House Appropriations Committee approved an appropriation of $3,316,572,400.

The Senate Foreign Relations Committee reduced the amount by $50 million, and brought to the floor of the Senate a bill for $3,466,700,000.

This amendment seeks to establish a ceiling of $3,250 million. If established, this ceiling would be a matter for discussion and adjustment in the conference committee which would meet to reconcile the differences between the Senate and the House.

I would much prefer a $3 billion figure. The Senate voted against it a few moments ago. An opportunity should be given to the Senate to vote for the $3,250 million figure.

In accordance with the cooperation I have received from the majority leader and his assurance that he would help me obtain a yea-and-nay vote, I ask for the yeas and nays.

The yeas and nays were not ordered.

Mr. MORSE. Madam President, I renew the request.

The PRESIDING OFFICER. Eighteen Senators are required. There is not a sufficient number.

Mr. MORSE. I have many things to say about this amendment. The request can be renewed later.

Madam President, when I ask for a $3,250 million ceiling, it should be kept in mind that there is $6,326,200,000 in the so-called pipeline of the foreign aid program.

It is true that out of that pipeline all but $17,200,000 is supposed to have been committed, or obligated, but a remarkable program of commitment has taken place in recent weeks.

In committee hearings earlier this year we pressed for information in regard to uncommitted funds. There is nothing wrong, and I have no objection to undertaking commitments, but the fact is that the money is unspent. It is obligated, but it is still unspent.

A total of $6,326,200,000 is in the pipeline.

Mr. SMATHERS. Madam President, will the Senator yield so that I may suggest the absence of a quorum?

Mr. MORSE. I should like to finish this argument. There is unliquidated at the present time $6,326,200,000. All of it is committed, with the exception of $17,200,000. We must add to it whatever money we may appropriate, more than $3 billion. Therefore, more than $9 billion will be in the pipeline after the appropriations are made this year. That is a vast amount of money.

I am at a loss to understand how anyone could reach the conclusion that a cut, in round figures, of $250 million, which I am proposing as a figure to take to conference, would in any way jeopardize the program.

Surely we have not reached the position where we believe that we cannot cut the amount merely because the President has asked us not to cut it. I hope Congress never will act on the basis of a rubberstamp principle; that we will simply say, "Me, too" to whatever the President asks for.

We have the responsibility to exercise an honest, independent judgment of our own.

When we deal with a total amount of money of $6 billion-plus in the pipelines, and with a proposal to add $3.5 billion more, we certainly ought to face the desirability of at least voting to take to conference what amounts to a reduction of $250 million.

In my minority report, on page 4, I state:

> Because of a carryover from prior year appropriations, the final figure for the fiscal 1964 program was almost $3.4 billion, rather than $3 billion. The carryover this year supposedly is only to be about $53 million. If true, and if the $3 billion level of new money were maintained, the end result would be a reduction of about $344 million under last year's figure. The word "supposedly" must be emphasized. For the administrators of the AID program are highly accomplished producers of rabbits from their hats, and there is good reason to believe that other funds may in time be brought out of hiding. Indeed, when such a wonderland category as "deobligations of prior year obligations" is counted, the understandably confused American man in the street finds that the foreign aid program which he thought was $3 billion last year turned out to be in excess of $3.6 billion. The conclusion that $3 billion in new money would not represent any real reduction from last year is shared by many Members of the House, who wrote in the minority views in the House Appropriations Committee report:
>
> "Further, it is impossible for the Appropriations Committee to ascertain with any degree of accuracy the amount of unobligated funds which are left at the end of the fiscal year. It has been stated that these figures for any fiscal year are not available until October of the following year.

Madam President, I consider the amendment a very reasonable one.

Carrying out the suggestion of the Senator from Florida, I now suggest the absence of a quorum, so that we may have the yeas and nays ordered on the amendment.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MORSE. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MORSE. Madam President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to to the amendment offered by the Senator from Oregon. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SALTONSTALL. On this vote I am paired with the Senator from Colorado [Mr. Allott]. If he were here, he would vote "yea." If I were at liberty to vote, I would vote "nay." I withhold my vote.

Mr. HUMPHREY. I announce that the Senator from Rhode Island [Mr. Pell], the Senator from Virginia [Mr. Robertson], the Senator from Tennessee [Mr. Walters], the Senator from Louisiana [Mr. Long], and the Senator from Indiana [Mr. Bayh] are absent on official business.

I also announce that the Senator from New Mexico [Mr. Anderson] and the Senator from Massachusetts [Mr. Kennedy] are absent because of illness.

I further announce that the Senator from Nevada [Mr. Cannon], the Senator from Pennsylvania [Mr. Clark], and the Senator from Oklahoma [Mr. Edmondson] are necessarily absent.

On this vote, the Senator from Pennsylvania [Mr. Clark] is paired with the Senator from Louisiana [Mr. Long]. If present and voting, the Senator from Louisiana would vote "yea," and the Senator from Pennsylvania would vote "nay."

On this vote, the Senator from Virginia [Mr. Robertson] is paired with the Senator from Rhode Island [Mr. Pell]. If present and voting, the Senator from Virginia would vote "yea," and the Senator from Rhode Island would vote "nay."

Mr. KUCHEL. I announce that the Senator from Nebraska [Mr. Hruska] and the Senator from Kentucky [Mr. Morton] are necessarily absent.

The Senator from Arizona [Mr. Goldwater] and the Senator from Colorado [Mr. Allott] are detained on official business.

The pair of the Senator from Colorado [Mr. Allott] has been previously announced.

On this vote, the Senator from Nebraska [Mr. Hruska] is paired with the Senator from Kentucky [Mr. Morton]. If present and voting, the Senator from Nebraska would vote "yea," and the Senator from Kentucky would vote "nay."

The result was announced—yeas 50, nays 35, as follows:

[No. 535 Leg.]

YEAS—50

Aiken
Beall
Bible
Bennett
Boggs
Burdick
Byrd, Va.
Byrd, W. Va.
Carlson
Cotton
Curtis
Dirksen
Dominick
Eastland
Ellender
Ervin
Gore
Gruening
Hartke
Hill
Holland
Jackson
Johnston
Jordan, N.C.
Jordan, Idaho
Lausche
Magnuson
McClellan
Mechem
Miller
Morse
Moss
Mundt
Pearson
Prouty
Proxmire
Randolph
Russell
Simpson
Smathers
Sparkman
Stennis
Symington
Talmadge
Thurmond
Tower
Williams, Del.
Yarborough
Young, N. Dak.
Young, Ohio

NAYS—35

Bartlett
Brewster
Case
Church
Cooper
Dodd
Douglas
Fong
Fulbright
Hart
Hayden
Hickenlooper
Humphrey
Inouye
Javits
Keating
Kuchel
Long, Mo.
Mansfield
McCarthy
McGee
McGovern
McIntyre
McNamara
Metcalf
Monroney
Muskie
Nelson
Neuberger
Pastore
Ribicoff
Salinger
Scott
Smith
Williams, N.J.

NOT VOTING—15

Allott
Anderson
Bayh
Cannon
Clark
Edmondson
Goldwater
Hruska
Kennedy
Long La.
Morton
Pell
Robertson
Saltonstall
Walters

So Mr. Morse's amendment was agreed to.

Mr. MORSE. Mr. President, I move that the vote by which the amendment was agreed to be reconsidered.

Mr. ERVIN. Mr. President, I move that the motion to reconsider be laid on the table.

The motion to lay on the table was agreed to.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Acting President pro tempore:

H.R. 1451. An act for the relief of Frank Mramor;

H.R. 1713. An act to approve an order of the Secretary of the Interior canceling irrigation charges against non-Indian-owned lands under the Klamath Indian irrigation project, Oregon, and for other purposes;

H.R. 6128. An act to amend section 15 of the Life Insurance Act to permit any stock life insurance company in the District of Columbia to maintain its record of stockholders at its principal place of business in the District of Columbia or at the office of its designated stock transfer agent in the District of Columbia, and for other purposes;

H.R. 6883. An act for the relief of the estate of Eileen G. Foster;

H.R. 9975. An act to exempt from taxation certain property of the National Trust for Historic Preservation in the United States in the District of Columbia;

H.R. 9995. An act to amend the Policemen and Firemen's Retirement and Disability Act to allow credit to certain members of the U.S. Secret Service Division for periods of prior police service;

H.R. 10215. An act relating to sick leave benefits for officers and members of the Metropolitan Police force of the District of Columbia, the Fire Department of the District of Columbia, the U.S. Park Police force, and the White House Police force;

H.R. 10672. An act to provide for the disposition of judgment funds now on deposit to the credit of the Pawnee Tribe of Oklahoma;

H.R. 11222. An act to amend the Horizontal Property Act of the District of Columbia to permit a condominium unit to be located on more than one floor of a building, and for other purposes;

H.R. 11329. An act to provide for the relocation and reestablishment of the village of Sil Murk and of the members of the Papago Indian Tribe inhabiting the village of Sil Murk, and for other purposes;

H.R. 11425. An act to provide for the conveyance of 10 acres of federally owned land on the White Earth Reservation to the Minnesota Annual Conference of the Methodist Church, and for other purposes; and

H.R. 11562. An act to authorize the Secretary of the Interior to sell Enterprise Rancheria No. 2 to the State of California, and to distribute the proceeds of the sale to Henry B. Martin, Stanley Martin, Ralph G. Martin, and Vera Martin Kiras.

AMENDMENT OF FOREIGN ASSISTANCE ACT OF 1961

The Senate resumed the consideration of the bill (H.R. 11380) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

Mr. MUNDT. Mr. President, I call up my amendment 1177 and ask that it be stated.

The PRESIDING OFFICER (Mr. McGovern in the chair). The amendment of the Senator from South Dakota will be stated.

The legislative clerk read as follows:

On page 1, between lines 6 and 7, insert the following:

"TITLE I—DEVELOPMENT LOAN FUND

"Sec. 101. Section 201(d) of the Foreign Assistance Act of 1961, as amended, which relates to the Development Loan Fund, is amended to read as follows:

" '(d) Funds made available for this title shall not be loaned or reloaned at rates of interest excessive or unreasonable for the borrower and in no event shall such funds (except funds loaned under section 205 and funds which prior to the date of enactment of the Foreign Assistance Act of 1964 were authorized or committed to be loaned upon terms which do not meet the minimum rates set forth herein) be loaned (1) in the case of commercial loans, at a rate of interest of less than the rate arrived at by adding one-quarter of 1 per centum per annum to the rate which the Secretary of the Treasury determines to be equal to the average annual interest rate on all interest-bearing obligations of the United States then forming a part of the public debt as computed at the end of the fiscal year next preceding the date the application for the loan is approved and by adjusting the result so obtained to the nearest one-eighth of 1 per centum, and (2) in the case of noncommercial loans, at a rate of not less than 2½ per centum per annum. With respect to commercial loans, payments constituting principal on any such loan may be postponed during the period from the date on which the funds are initially made available under the loan to the date on which the productive enterprise or facility which is the subject of such loan commences operations or is available for operational use, and thereafter such payments of principal shall become due at intervals of not less than one year until repayment in full is made in not more than twenty-five years. Noncommercial loans shall be repaid in regular installments within not more than twenty-five years. For the purposes of this subsection—

" '(A) the term "commercial loans" includes loans made, as determined by the President, for the development of productive enterprises or facilities directly used in the operation of productive enterprises, such as equipment, machinery, supplies, or materials, and for the acquisition of land necessary for the development of productive enterprises or facilities, and

" '(B) the term "noncommercial loans" includes all other loans.' "

Redesignate the succeeding sections under part I accordingly.

Mr. MUNDT. Mr. President, this is an amendment offered on behalf of myself, the Senator from Oregon [Mr. Morse], the Senator from Ohio [Mr. Lausche], and the Senator from Colorado [Mr. Dominick].

If I may have the attention of the Senators, it will not take long to discuss the amendment.

Senators will recall the vote earlier today on the so-called Gruening amendment. This is a modification of what was proposed in that amendment, which moves in the same direction, but not as far or as fast. I believe that it is a more reasonable and acceptable approach than the Gruening amendment.

The difference primarily between the amendment recommended by the Senator from Alaska [Mr. Gruening] and voted down by a margin of four votes and this amendment is twofold.

In the first place, instead of charging substantially 4 percent interest on all loans made, this development loan proposal divides development loans into two types—first, the profit-making loans, the purely commercial loans; and second, the non-profit-making loans or the noncommercial loans, such as a loan for a schoolhouse, a highway, or something which involves a non-revenue-producing project.

The first section of amendment No. 1177 provides that for commercial loans the interest rate shall be the prevailing cost to the U.S. Government plus one-quarter of 1 percent carrying charge. In the commercial revenue-producing type of development loan, that would be the amount which would be collected to establish a reasonable table of amortization so that the loan would be repaid fractionally every year for 25 years once the commercial installation had been completed.

In the non-revenue-producing loan, we provide an interest rate of 2½ percent per annum, which is substantially 2 percent plus a carrying charge.

That is substantially the interest rate used on REA loans. It is one-half of a percent less, even including the service charge, than we charge veterans when they make loans; and they, of course, receive special consideration—to which they are entitled—by virtue of the fact that they are veterans.

In my opinion, this could be called a good faith amendment. It is a good faith amendment, in the first place, because it provides good faith on our part, in that we recognize the difference between a commercial loan designed to make money for the borrower and a noncommercial loan designed to serve the people of some backward or developing country.

It is a good faith amendment, in the second place, because it provides for a manifestation of good faith on the part of the borrowers. It sets up an amortization table so that they can start paying the money back fractionally year by year. Thus, they establish the bookkeeping procedures and the fiscal habits of making the repayment, so that the government overseas which makes the loan has to begin the process of repayment; whereas under our present system of the 10-year period of nonpayment, frequently the governments have changed and the new person in charge asserts that he should not be compelled to pay back a loan made by his predecessor. There are now no bookkeeping habits, and there are no fiscal habits; and as a consequence we never collect on the loan.

Let me point out why I believe this is a salutary reform which is essential in order for Senators in turn to be operating in good faith with our constituents. If a loan is a loan, it should be repaid. If a loan is a loan, it should bring some interest to the one who provides the money. To me, the only difference presently between a loan and a grant is that the loan pays interest of one-fourth of 1 percent. The so-called interest payment statistics show that that is less than the cost to us of servicing the loan, so there is no good faith at all. We tell our home folks that we did not vote for a giveaway, that we did not vote for a grant, but voted for a loan; but it is not a loan if it bears only one-fourth of 1 percent interest and is not repayable before 40 years.

I should like to read a letter to the Senate, written by John Funari, Legislative Programs Coordinator for the Department of State in the AID Agency. I raised the question earlier as to what happened to commercial borrowing overseas, and who gets the benefit of the so-called loans at three-fourths of 1 percent. I called attention particularly to the Premier Automobiles, Ltd., of India, which has been borrowing this money.

Let me illustrate what happened.

This letter was addressed to Pat Holt, writing at my request to the AID group who make the official answer, and is dated July 2, 1964:

Dear Pat: Thank you for your request of June 25 for a detailed explanation of the development loan to Premier Automobiles, Ltd., of India (loan 386-H-059).

This loan was made directly to Premier; it did not first pass through the Government of India.

This was taxpayers' money which we loaned to an automobile company to manufacture automobiles at a profit in India.

Reading on:

> However, under a special procedure known as a two-step loan repayment—

I interpolate to say that this should be called the foxtrot loan repayment program rather than the two-step loan program, because there is something rather "foxy" about it.

To continue reading:

> the Indian Government will repay the United States for the loan in dollars, over a 40-year period, at three-fourths of 1 percent interest, with 10 years' grace.

Which means it could be a 50-year loan. I continue:

> Premier, in turn, will make principal and interest payments to the Indian Government, in rupees, over a 15-year period, at 5¾ percent interest, with 2 years' grace.

In other words, we are placing the Government of India in a sweet brokerage position where they take our money, collect 5¾ percent interest from the Premier Automobile Co., with a 2-year grace period, and repay it to us over 40 years, after a 10-year grace period, at three-fourths of 1 percent interest.

I cannot think of anything more startling or convincing than this testimony of the AID officials themselves as to what happens when we try to disguise a grant as a loan by requiring only three-fourths of 1 percent interest.

Continuing with the letter:

> By legislative mandate, U.S. development loans must be repaid in dollars. India's need for foreign exchange, particularly U.S. dollars, and its external debt burden over the next decade, are sufficiently severe that short grace periods and high interest rates on U.S. loans would be detrimental to its development efforts. The United States, accordingly, extends more liberal terms and rates.

Mr. President, I ask unanimous consent to have the entire letter printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF STATE, AGENCY FOR INTERNATIONAL DEVELOPMENT,
Washington, D.C., July 2, 1964.

Mr. PAT M. HOLT,
Acting Chief of Staff, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR PAT: Thank you for your request of June 25 for a detailed explanation of the development loan to Premier Automobiles, Ltd., of India (loan 386-H-059).

This loan was made directly to Premier; it did not first pass through the Government of India.

However, under a special procedure known as a two-step loan repayment, the Indian Government will repay the United States for the loan in dollars, over a 40-year period, at three-quarters of 1 percent interest, with 10 years' grace. Premier, in turn, will make principal and interest payments to the Indian Government, in rupees, over a 15-year period, at 5¾ percent interest, with 2 years' grace.

By legislative mandate, U.S. development loans must be repaid in dollars. India's need for foreign exchange, particularly U.S. dollars, and its external debt burden over the next decade, are sufficiently severe that short grace periods and high interest rates on U.S. loans would be detrimental to its development efforts. The United States, accordingly, extends more liberal terms and rates.

As a private company, engaged in business for profit, Premier can and should pay customary commercial rates for the loan. "Softer" terms would effectively grant Premier an unfair competitive advantage. As its earnings are primarily in rupees, Premier is obliged to pay the Indian Government in rupees, not dollars.

If I can be of further assistance, please do not hesitate to contact me.

Sincerely yours,

JOHN FUNARI,
Legislative Programs Coordinator.

Mr. MUNDT. Mr. President, I point out that they not only collect 5¾ percent and pay the USA only three-fourths of 1 percent, but they also take a 2-year grace period from the automobile company out of a 10-year grace period, which thus makes it an 8-year period with interest payments on the part of Premier Automobiles but the Government of India waits on 10 full years before starting to pay our money back to us.

My amendment, therefore, seems to me to be a modest and logical step in the direction of keeping good faith, all aimed at doing to a lesser extent what the Gruening amendment would have done to a larger extent by requiring a 4-percent flat rate.

I am sure that some Senators who voted in the negative on the Gruening amendment should now be inclined to vote in the affirmative on my amendment, because it would break the development loans up as between profit-making loans for the recipient country, or the recipient firm, and the development loans which in turn are noncommercial, nonproductive, nonprofit-making loans on which we continue the REA interest rate plus the one-half of 1 percent carrying charge.

I think the issue is clear. I have no desire to discuss it at great length. It seems to me that we shall well serve our constituents and the cause of AID by writing in this provision so that henceforth we shall have this distinction between loans and grants. And if there is an occasion, as there may well be, for AID appeals, that we should extend a grant on the part of the American taxpayer to some especially worthy area, so be it. But let it be labeled as a grant. Let us do it knowingly and knowledgeably with the people back home knowing that on that particular occasion a grant has been called for, a grant is justified, and a grant is made. But in the area where we are making loans, it seems to me this is a salutary step which will tend to start AID operating on an economic and effective basis, enabling it to deal in turn with recipient countries on a basis which will make it possible for us to continue our assistance overseas without pauperizing the American taxpayer.

Mr. President, I yield the floor.

Mr. LAUSCHE. Mr. President, with respect to this amendment, the Senator from Oregon [Mr. MORSE] and I offered it in the committee. It was rejected. I, of course, felt disappointed that it was.

I made my argument on the amendment when the amendment of the Senator from Alaska [Mr. GRUENING] was being considered. In that discussion, I pointed out that Senator MUNDT had received a most startling letter. I did not identify the parties. But the mere narration of what took place in the transaction outlined in the letter addressed by AID to Senator MUNDT is indicative of what is happening. I believe that the proposal offered on behalf of the Senator from Oregon [Mr. MORSE], the Senator from South Dakota [Mr. MUNDT], and me, is reasonable.

Commercial loans shall bear the going rate of interest that our Government is compelled to pay in borrowing the money, frequently, to make the loan. That rate, according to the present going rate, would be 3¾ percent. On noncommercial loans, used to build highways, dock facilities, sanitation facilities, waterworks, and other public service installations, the rate shall be not less than 2½ percent. Even the rate of 2½ percent will be substantially below the rate charged by other developed countries in the world in making the loans. I point out to my colleagues that if we are lending at a very low rate, it is thoroughly obvious that every borrower will be running to our counter to get the money.

I believe this is a sound amendment. I think it ought to be passed. It is reasonable, and my hope is that the Senate will agree to the amendment.

Mr. FULBRIGHT. Mr. President, the arguments against the amendment are very similar to those that have already been made on the amendment of the Senator from Alaska. The argument made by the Senator from South Dakota [Mr. MUNDT] that this is a mild and more moderate amendment is erroneous, I believe. His amendment places a limit of 25 years on the period of the loan. But the practice today is to have a limit of 40 years. The rate of interest charged on commercial loans is very definitely an administrative problem, as we have already explained today at great length, and determined by vote. The distinction between program and project loans has been explained at great length. One of the activities in the Alliance for Progress area is program loans, in which loans are made to the Government to foster private enterprise, among other purposes.

The Senator from Oregon and others have insisted in the committee on the encouragement of private enterprise. If we wanted to place an obstacle in the course of promoting private enterprise, we could do it by increasing the interest rate for development loans to the point where private enterprise in this country could very well suffer from the terms of the amendment. This might depend to some extent on the interpretation of the amendment.

It is very uncertain as to what the term "commercial loans" means. I assume that the sponsor would mean to exclude from that term such things as dams, ports, and railroads. Railroads are considered as infrastructure, just as roads are. They are sometimes private, as in this country and in other countries. But in many cases railroads are not privately owned. Traditionally, in France, England, and many of the underdeveloped countries, the railroad is not privately owned. So there is a problem of interpretation. But I should say that this amendment is more restrictive in many ways, and on the whole a more difficult one to live with than the previous one, which was defeated a short time ago.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. SALTONSTALL. The Senator is making the argument that if the interest rate which is proposed in amendment No. 1177 is so low that no commercial banks or professional lenders of money would be willing to make the loan at that rate, therefore we tie up the loans to foreign countries for commercial purposes. Is that the argument of the Senator?

Mr. FULBRIGHT. The program loans that I have mentioned are made in accordance with the overall plan for the development of a country. And they are not earmarked by our Government for the building of a specific project. They are really designed to finance the import of equipment, machinery, and goods from this country for the development of private enterprise. Such loans fall under the definition of "commercial loan."

It is not a question of extending a loan of $30 million, or $50 million to Brazil, for example, for a major program. AID may make available a part of that money to finance imports of goods, equipment, and so on, for industrialization. That is a typical program loan.

We argued this question at great length in connection with the previous amendment. For that type of program loan, the amendment now before us would call for an interest rate of 3⅝ percent at the present time. That rate would go up as our interest rate goes up.

That would certainly make it much more difficult for them to try to finance their own development. I do not know whether the loan program could continue to function at all. But the AID officials have informed me that this amendment would be a great obstacle to the use of our funds in the development of private enterprise in underdeveloped countries.

On the other hand, the committee has been encouraged by all kinds of amendments with regard to the guarantee funds, and have had many exhortations to develop private enterprise.

We are supposed to do everything we can to encourage the development of private enterprise. But this amendment creates considerably more severe terms, and would make administration of the lending program extremely difficult. It would mean the Administrator would have to decide, for example, whether a loan might ultimately go to a fertilizer factory, a factory that is in business for profit, and privately owned, or a publicly owned facility that is nonprofitmaking, such as a dam.

Mr. SALTONSTALL. But it does go to the government?

Mr. FULBRIGHT. It does go to the government, that is correct. The program loans are in accordance with the criteria that we stipulate. For example, under the Alliance for Progress a country may undertake certain reforms in their tax system or land system or undertake other so-called self-help programs in order to become eligible for a loan in support of their development plan. That is a normal procedure.

There may be a private project that the government is financing. For instance, the letter referred to an automobile factory. That is a good example of a loan that a recipient government would make. It is also possible to make a direct loan to such an enterprise.

Program loans normally are indirect. They are made through the Government. Money is made available by the Government. In the case which the Senator from South Dakota [Mr. MUNDT] mentioned, the foreign government pledges to repay us in dollars at the end of the term of the loan. The transaction between the government and the plant involved would be in rupees. There is a vast difference whether a plant repays in rupees or not. The government assumes the burden of making available foreign exchange. That is where the real difficulty lies. As the Senator knows, those currencies are not convertible. No matter how may rupees are paid to the foreign government, the government must somehow get dollars to repay us. I do not think it is particularly relevant to make the point that the foreign government receives a higher rate of interest paid in rupees than we get when the government is required to repay us in dollars. That is the main problem we are trying to attack in the whole AID problem program. Saying that they pay 6, 7, or 10 percent in rupees is not particularly relevant if the government pays, as it must, in dollars. Such talk breeds confusion.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. COOPER. My question is an expansion of the question asked by the Senator from Massachusetts. I started by saying that I assumed the purpose of the AID program was to encourage countries to develop their own industries and facilities in order to make progress.

Mr. FULBRIGHT. That is correct.

Mr. COOPER. We wish to see that our assistance is used effectively and efficiently and is not wasted. We are paid for our contribution. We receive a reasonable rate of interest for it. But the whole point of the program is to see its ultimate purpose succeed. Otherwise we would merely be turning over our money for no purpose.

I gather from what the Senator has said that he believes that the whole purpose of a program—for example, the Alliance for Progress program—if we should place too restrictive limitations on it, even with respect to interest, might be defeated.

Mr. FULBRIGHT. I believe the Senator is quite correct. We are not in this business as a banker seeking to make money. We have created the Import-Export Bank for a certain purpose. That institution has made a great deal of money. We do not pretend to make money out of AID operations. Whatever benefit we receive is through helping those countries to help themselves and to grow.

That purpose is primarily political and is intended to bring stability in the world. It influences all aspects of our international relations.

The program is not a scheme to make money. I do not believe anyone would attempt to justify it on that ground. We wish to minimize the amount that the program costs. That is quite correct. Under existing law, without the amendment, interest rates are minimal. They are not the maximum rates that could be charged. However, when a country begins to make some progress and it is felt that it is capable of carrying a larger burden, more interest is charged. About $10 million in development loans has been loaned at 3½ percent. Two percent is a minimum. That rate of interest is in the law now. Senators will recall that in 1961 the policy of requiring countries to obligate themselves to repay us in dollars replaced the old grant and soft currency loan programs. Initially, grants were made. We realize now that if the Marshall plan had been financed with dollar repayable loans, even without any interest, we would be $4 billion or $5 billion ahead today. That would have been the case if we had done then what we are doing now under the law.

We provided the assistance partly in grants and partly in loans. It could have been all loans. The part designated as grants should have yielded very low interest rates. They could not all have been serviced. They would have had to default if the interest had been too high.

We are moving away from a grant program. The area that was formerly grants has largely become low interest loans. These rates are the lowest rates provided for any kind of loans. There are some grants for schools and technical assistance purposes. But under the Alliance for Progress program, all development loans are now on the basis of a minimum interest rate of 2 percent with a 10-year grace, at three-quarters of 1 percent and 40 years to repay. The loans do not have to be repaid for 40 years. That is not the law, but that has been the practice.

The amendment would provide a 25-year limit, and would raise the rate of interest to 3⅝ percent on so-called commercial loans, and 2½ percent on noncommercial loans. These would be raised from 2 percent to 2½ percent.

Mr. President, I submit that the amendment would create the great risk of making the program excessively difficult to administer, and would defeat the whole purpose of the program, as the Senator from Kentucky has put it.

Mr. SALTONSTALL. Mr. President, will the Senator yield for one more question? The procedure is somewhat difficult to understand.

Mr. FULBRIGHT. I yield.

Mr. SALTONSTALL. I should like to state an example and ask if in substance I am correct. A bank in Brazil might make a loan in pesos to a commercial customer in Brazil which would be repaid in pesos.

Mr. FULBRIGHT. We do not set the interest charged by the bank in Brazil.

Mr. SALTONSTALL. No. I say in substance that we would try to tell them what interest rates they should charge. Would we not?

Mr. FULBRIGHT. No. The amendment relates to what they would agree to pay us. The amendment states that the loan agency cannot lend at less than 3⅝ percent interest under present conditions. That is 0.75 percent over the average rate of our loans—that is, in the case of so-called commercial loans.

Mr. SALTONSTALL. That means that the bank in Brazil would be required to charge more than that rate.

Mr. FULBRIGHT. I am sure that it would have to charge more. The significant part about the argument that they would charge a great deal more is that the lenders would pay the Government of Brazil in cruzeiros. In their own country they deal in cruzeiros. However, they must repay us in dollars, and that is the essential difficulty in all these cases.

The program is very difficult. If we are to have such a program, it should be made workable. A chance to administer it successfully should be afforded.

It would be better to end the program than to try to tie the borrowers down with unworkable requirements and then complain about the bad job they do.

The amendment is similar to the so-called selection-out amendment about which we argued the better part of a day last week. If we are to allow the Agency to operate, we ought at least to give it the same opportunity that we have given the Foreign Service to select out their personnel in order to improve the quality of their operations. We quarreled about that subject the other day. If we are to impose conditions on the program that would make it virtually impossible to operate, why not end the program and say, "Let us have no more development loans"? If we are to undertake the program, we ought to give the administrators of the program a reasonable amount of discretion. I know of no complaint about this aspect of it. The complaints have usually been with regard to administration of the military program. With all deference, I suggest that in the military area those countries have been given a vast quantity of arms that they were unequipped to maintain properly and utilize.

Many of the most startling stories have concerned the military aid program. In this particular area I do not know that there has been great complaint.

I point out again that the program was undertaken in response to our urging that it be changed from one consisting of grants to one consisting of loans with low interest rates. The nations receiving the loans would pledge themselves to repay us in dollars. Our experience under the Marshall plan indicated that such a plan would be a great improvement. If we set interest rates at a level which would approach commercial rates, the program would no longer be an aid program. We might as well stop it and let those desiring loans go to the International Bank or the Chase National Bank and see if they could not do business in that way. The experience is that they have not been able to obtain loans in that way in the past.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. MUNDT. The Senator has explained the financial terms of the amendment correctly. I should like to address a statement to the Senator from Massachusetts [Mr. SALTONSTALL], but I see that he has left the Chamber.

Mr. FULBRIGHT. Direct it to me. I shall listen.

Mr. MUNDT. I shall make the statement for the benefit of the RECORD, and the Senator from Massachusetts can read it in the RECORD tomorrow. There is an element in the amendment which moves in the direction of what the Senator from Massachusetts was talking about. I refer to lines 5 and 6, where the provision appears:

> Funds made available for this title shall not be loaned or reloaned at rates of interest excessive or unreasonable for the borrower.

Mr. FULBRIGHT. That provision is in the present law. That is a policy statement in the law already. That is not new.

Mr. MUNDT. That is correct. That is in conjunction with the new interest rate. When Joe Valachi of Cosa Nostra was before the Subcommittee on Investigations headed by the distinguished colleague of the Senator from Arkansas, he said that among criminals there was a practice called Shylocking. They would collect money at one rate of interest and someone would get into trouble, and they would Shylock the interest rates to astronomical levels.

A great deal of "shylocking" has been going on with our American money overseas. I gave an example of an auto company in India. There are other places where the borrowing nation can get money from us at three-quarters of 1 percent and the foreign government gets anywhere from 10 to 15 or 20 percent interest, a sort of blending of interest and other charges, and still has to pay only three-quarters of 1 percent.

Mr. FULBRIGHT. I do not see that the Senator's argument provides a reason to vote for his amendment, because under section 201(d) of the act, it is provided:

> Funds made available for this title shall not be loaned or reloaned at rates of interest excessive or unreasonable for the borrower and in no event shall such funds (except funds loaned under section 205 and funds which prior to the date of enactment of the Foreign Assistance Act of 1963 were authorized or permitted to be loaned upon terms which do not meet the minimum terms set forth herein) to be loaned at a rate of interest of less than 2 per centum per annum commencing not later than ten years following the date on which the funds are initially made available under the loan.

That is in the law. There is no reason to vote for the Senator's amendment. It is already in the law.

Mr. MUNDT. This amendment relates to a new program, providing for charging something at least resembling commercial rates for people who are borrowing money to go into enterprises for profit. The Senator said he had difficulty knowing just what is meant by a commercial loan. It is set out in the amendment on pages 2 and 3. I read from it:

> (A) the term "commercial loans" includes loans made, as determined by the President, for the development of productive enterprises or facilities directly used in the operation of productive enterprises, such as equipment, machinery, supplies, or materials, and for the acquisition of land necessary for the development of productive enterprises or facilities, and
>
> (B) the term "noncommercial loans" includes all other loans.

So it would specifically apply to the Premier Automobile Co., which is symbolic.

Mr. FULBRIGHT. What about a port or a railroad?

Mr. MUNDT. If it were a privately owned railroad, it would come under the heading of commercial loans. If it were a Government railroad operated for the benefit of the people at a loss, it would not so qualify. The question would be determined by the President.

Mr. FULBRIGHT. In effect what the Senator is doing is encouraging them to be socialistic. He would raise the interest rate for loans for private enterprise and keep them low for Government enterprises. It is directly contrary to what the Senator and many of his colleagues have complained about in the past.

Mr. MUNDT. It seems to me that the cases mentioned by the Senator from Arkansas are rare. There are some underdeveloped countries that cannot pay 2½ percent. We propose to give them a grant and tell them it is a grant. We do not try to deceive the people by saying it is a loan when they pay only three-fourths of 1 percent and do not have to repay it for 40 to 50 years, and nothing at all for 10 years. That is not a loan. That is a masquerade party, because there is no possibility of collecting what is due us under those terms.

Mr. FULBRIGHT. If we had loaned France money at no interest at all, under the Marshall plan, we would be happy to get the loan back. I regret very much we did not do that, instead of loaning them the $5 billion as we did. France's repayments are current under the loans made through the Marshall plan.

If countries agree to repay a loan, I cannot understand that it is a grant, even though there is no interest.

Mr. MUNDT. Let me explain it by simple, South Dakota arithmetic. If we borrow money at 3¾ percent, and lend it for 50 years at three-quarters of 1 percent, over that period of time——

Mr. FULBRIGHT. It is 40 years, not 50 years.

Mr. MUNDT. With a 10-year grace period. Very well, let us take 40 years. If we borrow money at 3¾ percent and we receive three-quarters of 1 percent for 40 years, the difference between those two is well over 100 percent. It is not only a grant, but a grant with a bonus, because the country is receiving more than the original grant. That is an arithmetical process on which the Senator from Arkansas and the Senator from South Dakota should be able to agree.

Mr. FULBRIGHT. I do not follow the Senator's arithmetic.

Mr. MUNDT. I will say it again.

Mr. FULBRIGHT. I do not want the Senator to repeat it. I heard what he said. I do not agree with him.

Mr. MUNDT. How can the Senator disagree?

Mr. FULBRIGHT. In the first place, the Senator said it was 50 years rather than 40 years.

Mr. MUNDT. I will take 40 years as the basis.

Mr. FULBRIGHT. The three-quarters of 1 percent applies for 10 years. The remainder is at a minimum of 2 percent. In certain cases, more than that amount has been charged—$10 million has been loaned at about 3½ percent since the act was changed. This was to take the place of grants.

We are speaking of the poorest places. Where countries can qualify, they can borrow from the International Bank or the Export-Import Bank. One of the criteria for getting these loans is that a country cannot borrow it from an established lending program. If a country had the kind of credit that entitled it to get money under normal commercial conditions, the Administrator would be bound to tell it to get it from the International Bank or the Export-Import Bank or the Chase Bank. These institutions have plenty of money to lend on the premise the Senator is trying to establish, assuming a reasonable basis for what the Senator proposes.

Mr. MUNDT. Will the Senator yield further?

Mr. FULBRIGHT. I yield.

Mr. MUNDT. I am advocating that this country lend the money at the same rate that the Government has to pay the taxpayers in borrowing the money. Suppose there is a one-quarter of 1 percent service charge as the halfway house between giving it to them as a grant and forcing them to go to the Export-Import Bank or other place to borrow. This is another step in giving them what they need, in making a legitimate loan to use the money for profit, and to pay what they would have to pay for borrowing through a commercial loan. The 2½-percent loan, which is going to cost the United States 1¼ percent over that, goes for noncommercial purposes. The third is for the one who cannot pay 2½ percent and who cannot pay the commercial rate. We give them a grant.

So we cover the area from the country that is worse off to those that can get the money at 2½ percent to those from which we can recapture a reasonable interest rate and the money loaned for a private enterprise, moving finally into the area of the Export-Import Bank, the International Bank and commercial loans. To me that is a plausible, sensible, and realistic manner of handling the program rather than trying to delude ourselves and say generally that we are lending at three-quarters of 1 percent, when, in fact, any reasonable man knows it is a grant, because we will not get it back and our interest loss may well equal or exceed the amount of the loan principal involved.

Mr. FULBRIGHT. In the first place, it is not for 40 years at three-quarters of 1 percent. That is only during the first 10 years. The Senator has repeatedly said it is a loan at three-quarters of 1 percent. That is only for the first 10 years. Thereafter it is at a minimum of 2 percent under existing law.

Mr. MUNDT. After the grace period.

Mr. FULBRIGHT. After the 10 years. Then, beginning with the 30-year period, it goes to 2 percent. The Senator says he would rather give them a grant, because we are fooling the people. If we give them a grant, we lose not only the interest, but also the principal. The Senator apparently believes that there is no virtue in having the principal repaid. Many people would like to get the principal of a loan repaid even without the interest. There is no logic in the Senator's argument. I read from section 201 of the act:

> In so doing, the President shall take into account (1) whether financing could be obtained in whole or in part from other free world sources on reasonable terms, including private sources within the United States.

It is very similar to what happened in connection with the RFC. It was not possible to get a loan from the RFC if a person had sufficient credit to get it from a bank. It was necessary to prove that it was impossible to obtain it from a bank or a private source on reasonable terms before the RFC would grant a loan.

Mr. MUNDT. That would be true under our amendment. It is a halfway house between a three-quarters of 1 percent loan and a loan which would be obtained at prevailing rates from the International Bank or the Export-Import Bank or a commercial bank.

Mr. FULBRIGHT. It is practically the same issue that we voted on a short time ago, except that a distinction is made between commercial loans and noncommercial loans.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. JAVITS. Is not the fundamental problem which we face here that we are not engaged in this undertaking because we are in the business of lending money, but because of a high governmental purpose?

Mr. FULBRIGHT. A political purpose.

Mr. JAVITS. We are trying to effectuate political results.

Mr. FULBRIGHT. Yes.

Mr. JAVITS. Hence, reasonable flexibility in the hands of the one who is dealing the cards is something to be kept rather than to be given away.

Mr. FULBRIGHT. I agree with the Senator. The proposal would do serious injury to the whole program. It is much more serious than the reduction in the amount. A reduction, if it is handled with some discretion and in an effective way, is better than the proposal before us now, which amounts to a kind of restriction that would hamstring the program. I consider this a much more serious amendment than the one we voted on previously.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. AIKEN. If I thought that the people we were trying to help in other countries were actually getting the money at 5½ or 6 percent, I would be very glad to go along with even making grants to their lending institutions or lending the money at low rates of interest.

However, I do not think we should be deluded into thinking that people in other countries get the money for 5½ percent or 6 percent. The big money in making loans in some of the countries where we are investing comes in the service charges. The Senator from Arkansas and the Senator from South Dakota both referred to financing an automobile business in another country. I happen to know of an automobile industry, and it is a big one, with A-1 credit, in another country, to which we have been lending a great deal of money. They are paying 22 percent, and getting the money the cheapest of anyone in that area, and that includes the service charges as well as the interest rate. I believe Senators will find that that practice is still prevalent. I know it is good business for our banks and for the banks in those countries to lend money, and some of our own banks in this country are pretty well up on the matter of service charges, too. But that is where the cost comes in. We are making a little progress in that direction. I believe in one country some loans have been made for housing on which the lenders are actually getting 11 or 12 percent. The legal interest rate is 8 percent. The service charges have been cut down. The building and loan associations have been very helpful, in my estimation, in bringing them down. I am sure that some bankers would rather lend more money at a lower rate and perhaps make less profit on it.

I do not think that we should take as gospel any assertion that people in other countries are borrowing money which we put in those countries for 5½ or 6 percent, when they are paying 4 or 5 times that much. That is something with respect to which I think our Government has been negligent. I do not believe our Government has been careful enough. We want to see them get the money at the rate they should pay.

Mr. MUNDT. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 1177, offered by the Senator from South Dakota [Mr. MUNDT] on behalf of himself, the Senator from Ohio [Mr. LAUSCHE], and the Senator from Oregon [Mr. MORSE].

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MONRONEY (when his name was called). On this vote I have a live pair with the senior Senator from Louisiana [Mr. ELLENDER]. If he were present, he would vote "yea." If I were at liberty to vote, I would vote "nay." I withhold my vote.

Mr. HUMPHREY. I announce that the Senator from Tennessee [Mr. Walters], the Senator from Louisiana [Mr. Long], and the Senator from Louisiana [Mr. Ellender] are absent on official business.

I also announce that the Senator from New Mexico [Mr. Anderson] and the Senator from Massachusetts [Mr. Kennedy] are absent because of illness.

I further announce that the Senator from Nevada [Mr. Cannon], the Senator from Pennsylvania [Mr. Clark], and the Senator from Oklahoma [Mr. Edmondson] are necessarily absent.

I further announce that, if present and voting, the Senator from Louisiana [Mr. Long] and the Senator from Pennsylvania [Mr. Clark] would each vote "nay."

Mr. KUCHEL. I announce that the Senator from Nebraska [Mr. Hruska] and the Senator from Kentucky [Mr. Morton] are necessarily absent.

The Senator from Arizona [Mr. Goldwater] is detained on official business.

On this vote, the Senator from Nebraska [Mr. Hruska] is paired with the Senator from Kentucky [Mr. Morton]. If present and voting, the Senator from Nebraska would vote "yea" and the Senator from Kentucky would vote "nay."

The result was announced—yeas 50, nays 38, as follows:

[No. 536 Leg.]

YEAS—50

Aiken
Allott
Beall
Bennett
Bible
Boggs
Burdick
Byrd, Va.
Byrd, W. Va.
Carlson
Case
Cotton
Curtis
Dirksen
Dodd
Dominick
Eastland
Ervin
Fong
Gore
Gruening
Jackson
Johnston
Jordan, N.C.
Jordan, Idaho
Kuchel
Lausche
McClellan
McIntyre
Mechem
Morse
Moss
Mundt
Pearson
Prouty
Proxmire
Robertson
Russell
Scott
Simpson
Smith
Stennis
Symington
Talmadge
Thurmond
Tower
Williams, Del.
Yarborough
Young, N. Dak.
Young, Ohio

NAYS—38

Bartlett
Bayh
Brewster
Church
Cooper
Douglas
Fulbright
Hart
Hartke
Hayden
Hickenlooper
Hill
Holland
Humphrey
Inouye
Javits
Keating
Long, Mo.
Magnuson
Mansfield
McCarthy
McGee
McGovern
McNamara
Metcalf
Miller
Muskie
Nelson
Neuberger
Pastore
Pell
Randolph
Ribicoff
Salinger
Saltonstall
Smathers
Sparkman
Williams, N.J.

NOT VOTING—12

Anderson
Cannon
Clark
Edmondson
Ellender
Goldwater
Hruska
Kennedy
Long, La.
Monroney
Morton
Walters

So Mr. Mundt's amendment, offered for himself, Mr. Lausche, Mr. Morse, and Mr. Dominick, was agreed to.

Mr. MORSE. Mr. President, I move that the vote by which the amendment was agreed to be reconsidered.

Mr. MUNDT. Mr. President, I move that the motion to reconsider be laid on the table.

The motion to lay on the table was agreed to.

Mr. DOMINICK. Mr. President, I call up my amendments Nos. 1193 and 1194 and ask that they be stated.

The PRESIDING OFFICER (Mr. Hart in the chair). The amendments of the Senator from Colorado will be stated en bloc for the information of the Senate.

Mr. DOMINICK. Mr. President, I ask unanimous consent that the reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection it is so ordered; and the amendments will be printed in the Record at this point.

The amendments No. 1193 and No. 1194 submitted by Mr. Dominick are as follows:

AMENDMENT No. 1193

On page 1, between lines 6 and 7, insert the following:

"TITLE I—DEVELOPMENT LOAN FUND

"Sec. 101. Section 203 of the Foreign Assistance Act of 1961, as amended, which relates to fiscal provisions with respect to development loans, is amended to read as follows:

" 'Sec. 203. Fiscal Provisions.—All receipts from loans made under and in accordance with this title shall be available for use for the purposes of this title, subject only to the annual appropriation thereof. Receipts so appropriated and other funds made available under this title for use for the purposes of this title shall remain available until expended.' "

Redesignate the succeeding sections of part I, accordingly.

AMENDMENT No. 1194

On page 4, line 5, after "Sec. 104." insert "(a)".

On page 4, between lines 13 and 14, insert the following:

"(b) Section 253 of the Foreign Assistance Act of 1961, as amended, which relates to fiscal provisions, is amended by amending the first sentence thereof to read as follows: 'All receipts in United States dollars from loans made under this title and from loans made for the benefit of countries and areas of Latin America under title I of chapter 2 of part I of this Act, notwithstanding section 203, shall be available for use for loans payable as to principal and interest in United States dollars in furtherance of the purposes of this title, subject only to the annual appropriation thereof.'."

Mr. DOMINICK. Mr. President, I shall explain amendment No. 1193 very briefly. This amendment is designed to cure a situation in the authorization bill which would permit repayments to the Development Loan Fund to be expended again by the agency executive members without any review, or without any consideration by Congress in the appropriations or otherwise.

I offered the amendment last year, and one similar to it on the Alliance for Progress, and the chairman of the committee was kind enough to take them to conference. We lost them in conference. I suspect that part of the reason for losing them was that the appropriation bill contained a specific provision, and perhaps I should read it, because this is the 1963 act. It provides:

> Receipts of United States dollars in the Development Loan Fund and the Alliance for Progress revolving fund deriving from loan repayments and interest collections may hereafter, when so specified in appropriation acts, be used for the purposes for which such revolving funds are available.

The negative of that, I would presume, is that if they are not so specified, they may not be so used. Yet the authorization act specifically stated that they could be used for almost any purpose.

I have been in touch with the distinguished chairman of the Foreign Relations Committee, and also with the legislative counsel, and they inform me that this portion of the 1963 appropriation act, which is not repeated in the 1964 act, is probably permanent legislation which will eventually be codified. It is not codified now. So my amendment, if adopted, would put into the authorization act a provision which would conform substantially with what is already in the appropriation act, if the appropriation act does not become permanent legislation and is not in effect. There seems to be a small question on this point. This would give Congress the authority to review what should be done with the repayments of the loans under the Development Loan Fund. I have a similar amendment for the Alliance for Progress fund.

We are not dealing in peanuts. A vast amount of money will be coming in, both in interest repayments and private repayments. At least, we hope so, because all the money that goes out over a period of time is presumably going to come back into the revolving fund.

I am not touching the revolving fund at all. I am only saying that the money that comes back in should be, in my opinion, at least subject to congressional review, and subject to the appropriation process. That is what my amendment would accomplish. I should like to have an expression from the Senator from Arkansas on his position.

Mr. FULBRIGHT. The Senator has correctly stated the situation. The Appropriation Act for 1964 carries, in section 117, the substance of his amendment. We accepted it last year. It was taken out in conference because it was considered superfluous. It was superfluous then, and I believe that it is superfluous now. But I have no objection to taking it to conference. It does not add anything to the bill. The Congress, under the provisions of the Appropriation Act—which incidentally is permanent legislation, the legislative counsel has informed me—does conduct annual reviews and the Appropriations Committees go over them.

I do not believe that there is the slightest doubt that section 117 effects its purpose. Therefore, in order to save the time of the Senate, I am perfectly prepared to take the Senator's amendments to conference. I am prepared to have them in the authorization bill, if the House will agree. It is not one of those things which mean a fight to the death when it is pointed out it is already in the law.

That is the situation. If the Senator wishes to insist on his amendments, I am willing to accept them. I cannot vote against them, because they are the law.

Mr. DOMINICK. I appreciate the comments of the Senator from Arkansas. So far as the original appropriation bill in the House is concerned, this is probably legislation on an appropriation bill.

Mr. FULBRIGHT. It certainly is.

Mr. DOMINICK. So far as the House is concerned, it would have been subject to a point of order.

Mr. FULBRIGHT. But not in the Senate.

Mr. DOMINICK. But not in the Senate. This I agree. It is entirely possible that, of course, in future considerations of these bills the provisions might easily be stricken.

So, if the chairman will take them to conference, I shall be willing to leave it at that, and shall not ask for a yea-and-nay vote.

I ask the Senator from Arkansas if he will accept my amendment No. 1194, on the Alliance for Progress, on the same basis.

Mr. FULBRIGHT. I shall be glad to do that.

The PRESIDING OFFICER. The question is on agreeing to the amendments of the Senator from Colorado.

The amendments were agreed to.

Mr. JAVITS. Mr. President, I call up my amendment No. 1112 and ask that it be stated.

The PRESIDING OFFICER. The amendment of the Senator from New York [Mr. Javits] will be stated for the information of the Senate.

The Legislative Clerk. It is proposed by the Senator from New York:

> On page 1, between lines 5 and 6, insert the following new material:
>
> "CHAPTER 1—POLICY
>
> "Sec. 101. Section 102 of the Foreign Assistance Act of 1961, as amended, which relates to the statement of policy, is amended by adding at the end thereof the following new paragraph:
>
> "'It is the policy of the United States to encourage the efforts of our colleges and universities to participate in programs of development and research in the less developed friendly countries, and to strengthen the partnership between the United States Government and these institutions of higher education, by all available means including increasing and facilitating interchange of personnel.'"
>
> In part I renumber the succeeding sections accordingly.

Mr. JAVITS. Mr. President, this amendment is designed to add to the policy statement already in the bill, encouragement for further participation by the colleges and universities in the program of foreign aid.

The amendment is inspired by my conferences with the Department, following the report of John W. Gardner, president of Carnegie Corp of New York, and the task force which he headed in the effort to facilitate participation by universities and colleges in this program.

Mr. President, if there is one thing that I believe we can all agree on, it is that the maximum effort in foreign aid should be made by the private sector, and that there is no more desirable aspect of the private sector than the colleges and universities.

The participation which they have in the program has grown, but the feeling in the Gardner report was that it has not grown as much as it should.

The tremendous potential of this program in the overall foreign aid program was the subject earlier this year of a special task force study directed by President John Gardner of the Carnegie Corp. The study was undertaken at the request of David Bell, Administrator of AID, and it focused on the relationships of that Agency with the universities engaged in this program. Nongovernmental members of the task force, in addition to Mr. Gardner, included President William Friday, of the University of North Carolina; Charles P. McCurdy, Jr., Association of American Universities; Roger Revelle, dean of research, University of California; President Logan Wilson, American Council on Education; Russell I. Thackrey, Association of State Universities and Land Grant Colleges; President O. Meredith Wilson, University of Minnesota; and President William W. Marvel, Education and World Affairs.

Mr. President, in 1963, AID had 235 contracts for technical assistance for education in developing countries with American colleges and universities. One hundred twenty-nine of these were with 72 universities for projects in 40 countries.

In India alone, 5 midwest universities have been working under contracts since 1954 to establish a system of 15 land-grant universities by 1970. Institutions in my own State, such as Cornell and Syracuse, are among the 35 universities working in Latin America. Columbia Teachers College, for example, is helping to expand and improve education in India, Afghanistan, Kenya, and Peru.

I know that the chairman of the committee is not anxious to extend this. I would not press this upon him except for the fact that the Gardner report received so much notice publicly and was extremely well received.

I hope that the Senator will accept the amendment.

Mr. FULBRIGHT. I do approve it. My only objection is that the policy statement is already in the act. At one point, the committee almost had the good sense to take out the whole cumbersome policy statement in the act but it was retained over my objection. I am prepared to accept the amendment since the committee endorsed it within a long policy statement anyway. I certainly do not object at all on its merits.

Mr. JAVITS. I thank the Senator.

Mr. MORSE. Mr. President, I am delighted that the Senator will take it to conference. I have shared the view of the Senator from New York [Mr. Javits], and it has been the point of view of the Senator from Arkansas [Mr. Fulbright] and others, that it involves no additional money, and gives encouragement to the State Department and the AID department to carry it out in keeping with the objective.

I think it is a fine program. I commend the Senator.

Mr. JAVITS. Mr. President, I thank the Senator. I ask unanimous consent that I may include an excerpt from a letter by Francis Keppel, U.S. Commissioner of Education, dated July 25, and an editorial entitled "Most Popular Export," which appeared in the Washington Post July 29, 1964, in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

* * * Senator Javits' amendment would make an important contribution in giving recognition to the unparalleled resources of American higher education as a positive instrument of American foreign policy. The findings of the Gardner report would seem to substantiate full well the important role which our colleges and universities have yet to play in the programs of the Agency for International Development and other foreign assistance programs.

* * * * *

[From the Washington Post, July 29, 1964]

MOST POPULAR EXPORT

If any American experiment has succeeded with a vengeance, it is the land-grant college. Created by the Morrill Act of 1862, land-grant colleges were intended to help America harvest an abundance of food. Our chronic farm surpluses amply testify to the success of this Federal help for agricultural education. Why shouldn't the country's land-grant colleges enlarge their horizons to include rural development elsewhere in a hungry world?

We asked this question in an editorial 2 years ago observing the centennial of the Morrill Act, and it is a pleasure to note that just such a development is taking place. During this week, more than a score of State university presidents have been attending an International Rural Development Conference at the State Department. The gathering reflects the fact that more than 100 American universities have up to $200 million in contracts from the AID agency, mainly in the field of agriculture.

AID Administrator David Bell cited the work of North Carolina State and Iowa State universities as examples of the broadening involvement of land-grant schools in foreign aid. Iowa State is helping the Peruvian Government to shape a national rural development plan, giving special emphasis to land tenure problems. North Carolina has staff members working at the national agricultural university in La Molina and in a half dozen other cities assisting Peru in developing a combined program of farm education and research.

What is especially admirable about such programs is that they enroll the energies of nongovernmental institutions in the tasks of foreign aid. The size and scope of these programs has become so broad that one recommendation made at the conference this week was to appoint a full-time representative in Washington of the land-grant colleges in order to work with the AID agency.

As Secretary of Agriculture Freeman emphasized in a speech to the college presidents, the effect of greater farm productivity elsewhere is not to diminish markets for our exports. Instead, experience in Japan and Europe demonstrates that our exports increase as other countries expand their income and their economies.

The University of Wisconsin has the proud slogan that the boundaries of its campus are the boundaries of the State. With the increased participation of land-grant colleges in international rural development, those boundaries are stretching to the remote corners of the world. Both our farm technology and our agricultural schools are among our most obvious assets in the competition with communism. Russell Thackrey of the Association of Land-Grant Colleges is quite right in saying that "in all those countries of the free world which are striving for a better life * * * the idea of the land-grant university is America's most popular export."

The PRESIDING OFFICER (Mr. HART in the chair). The question is on agreeing to the amendment of the Senator from New York [Mr. JAVITS].

The amendment was agreed to.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RELEASE OF LIABILITY UNDER CERTAIN BONDS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the pending business (H.R. 11380) be temporarily laid aside.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1297, H.R. 4844.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 4844) relating to the release of liability under bonds filed under section 44(d) of the Internal Revenue Code of 1939, with respect to certain installment obligations transmitted at death.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Finance with an amendment on page 3, after line 2, to insert a new section, as follows:

SEC. 2. (a) Part III of subchapter O of chapter 1 of the Internal Revenue Code of 1954 (relating to common nontaxable exchanges) is amended by adding at the end thereof the following new section:

"SEC. 1038. CERTAIN REACQUISITIONS OF REAL PROPERTY.

"(a) GENERAL RULE.—If

"(1) a sale of real property gives rise to indebtedness to the seller which is secured by the real property sold, and

"(2) the seller of such property reacquires such property in partial or full satisfaction of such indebtedness,

then, except as provided in subsections (b) and (d), no gain or loss shall result to the seller from such reacquisition, and no debt shall become worthless or partially worthless as a result of such reacquisition.

"(b) AMOUNT OF GAIN RESULTING.—

"(1) IN GENERAL.—In the case of a reacquisition of real property to which subsection (a) applies, gain shall result from such reacquisition to the extent that—

"(A) the amount of money and the fair market value of other property (other than obligations of the purchaser) received, prior to such reacquisition, with respect to the sale of such property, exceeds

"(B) the amount of the gain on the sale of such property returned as income for periods prior to such reacquisition.

"(2) LIMITATION.—The amount of gain determined under paragraph (1) resulting from a reacquisition during any taxable year beginning after the date of the enactment of this section shall not exceed the amount by which the price at which the real property was sold exceeded its adjusted basis, reduced by the sum of—

"(A) the amount of the gain on the sale of such property returned as income for periods prior to the reacquisition of such property, and

"(B) the amount of money and the fair market value of other property (other than obligations of the purchaser received with respect to the sale of such property) paid or transferred by the seller in connection with the reacquisition of such property.

For purposes of this paragraph, the price at which real property is sold is the gross sales price reduced by the selling commissions, legal fees, and other expenses incident to the sale of such property which are properly taken into account in determining gain or loss on such sale.

"(3) GAIN RECOGNIZED.—Except as provided in this section, the gain determined under this subsection resulting from a reacquisition to which subsection (a) applies shall be recognized, notwithstanding any other provision of this subtitle.

"(c) BASIS OF REACQUIRED REAL PROPERTY.—If subsection (a) applies to the reacquisition of any real property, the basis of such property upon such reacquisition shall be the adjusted basis of the indebtedness to the seller secured by such property (determined as of the date of reacquisition), increased by the sum of—

"(1) the amount of the gain determined under subsection (b) resulting from such reacquisition, and

"(2) the amount described in subsection (b)(2)(B).

If any indebtedness to the seller secured by such property is not discharged upon the reacquisition of such property, the basis of such indebtedness shall be zero.

"(d) INDEBTEDNESS TREATED AS WORTHLESS PRIOR TO REACQUISITION.—If, prior to a reacquisition of real property to which subsection (a) applies, the seller has treated indebtedness secured by such property as having become worthless or partially worthless—

"(1) such seller shall be considered as receiving, upon the reacquisition of such property, an amount equal to the amount of such indebtedness treated by him as having become worthless, and

"(2) the adjusted basis of such indebtedness shall be increased (as of the date of reacquisition) by an amount equal to the amount so considered as received by such seller.

"(e) PRINCIPAL RESIDENCES.—If—

"(1) subsection (a) applies to a reacquisition of real property with respect to sale of which—

"(A) an election under section 121 (relating to gain from sale or exchange of residence of an individual who has attained age 65) is in effect, or

"(B) gain was not recognized under section 1034 (relating to sale or exchange of residence); and

"(2) within one year after the date of the reacquisition of such property by the seller, such property is resold by him,

then, under regulations prescribed by the Secretary or his delegate, subsections (b), (c), and (d) of this section shall not apply to the reacquisition of such property and, for purposes of applying sections 121 and 1034, the resale of such property shall be treated as a part of the transaction constituting the original sale of such property.

"(f) REACQUISITIONS BY DOMESTIC BUILDING AND LOAN ASSOCIATIONS.—This section shall not apply to a reacquisition of real property by an organization described in section 593(a) (relating to domestic building and loan associations, etc.)."

(b) The table of sections for such part III is amended by adding at the end thereof the following:

"Sec. 1038. Certain reacquisitions of real property."

(c)(1) The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

(2) If the taxpayer makes an election under this paragraph, the amendments made by this section shall also apply to taxable years beginning after December 31, 1957, except that such amendments shall not apply with respect to any reacquisition of real property in a taxable year for which the assessment of a deficiency, or the credit or refund of an overpayment, is prevented on the date of the enactment of this Act by the operation of any law or rule of law. An election under this paragraph shall be made within one year after the date of the enactment of this Act and shall be made in such form and manner as the Secretary of the Treasury or his delegate shall prescribe by regulations.

(3) If an election is made by the taxpayer under paragraph (2), and if the assessment of a deficiency, or the credit or refund of an overpayment, for any taxable year to which such election applies is not prevented on the date of the enactment of this Act by the operation of any law or rule of law—

(A) the period within which a deficiency for such taxable year may be assessed (to the extent such deficiency is attributable to the application of the amendments made by this section) shall not expire prior to one year after the date of such election; and

(B) the period within which a claim for credit or refund of an overpayment for such taxable year may be filed (to the extent such overpayment is attributable the application of such amendments) shall not expire prior to one year after the date of such election.

No interest shall be payable with respect to any deficiency attributable to the application of such amendments, and no interest shall be allowed with respect to any credit or refund of any overpayment attributable to the application of such amendments, for any period prior to the date of the enactment of this Act. An election by a taxpayer under paragraph (2) shall be deemed a consent to the application of this paragraph.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

The title was amended, so as to read: "An Act relating to the release of liability under bonds filed under section 44(d) of the Internal Revenue Code of 1939 with respect to certain installment obligations transmitted at death, and to amend the Internal Revenue Code of 1954 with respect to certain reacquisitions of real property."

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1361), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

Your committee has accepted the House provision without change but has added an amendment relating to a different tax matter.

The provision in the House-passed bill which your committee has accepted without change provides that gain from installment obligations which were transferred to a taxpayer from a decedent in taxable years to which the 1939 Code applied (generally, years beginning before January 1, 1954), but with respect to which installment payments are still being made, may be reported by the recipient on a pro rata basis as he receives installment payments without the necessity of maintaining a bond with the Internal Revenue Service to assure this reporting of the income. Under the 1939 Code, the reporting of gain on installment obligations at the time of the death of a decedent could be avoided only by the person receiving the obligation electing to file a bond giving assurance that he would report the income on the installment obligation on a pro rata basis over the period the installment payments were received in the same manner as would the decedent had he continued to live and receive the payments. Essentially, this exception achieved the same result as the general rule under the 1954 Code, but required the filing of a bond. The effect of this provision is to continue this treatment but without the necessity of filing this bond. This result is achieved by applying the 1954 Code rules in these cases (without any deduction for estate tax attributable to these obligations) at the election of the taxpayer. This applies with respect to payments received in taxable years where the due date for the filing of the returns (including extensions of time) will occur after the date of enactment of this bill.

Your committee has added an amendment to the bill providing that where real property is sold and the seller receives a mortgage or similar debt obligation on the real property, and then subsequently the seller is forced to repossess the property, any gain resulting from the repossession is to be limited to the money (and value of other property) received by the seller with respect to the sale before the repossession to the extent that such amounts have not already been reported as income. In the case of repossessions occurring after the enactment of this provision any gain recognized on repossession is further limited in that it may not in any event exceed the gain attributable to the initial sale. This provision also prevents loss in the case of these repossessions. Under present law, in the usual case where the gain has been reported on the installment basis, gain is recognized at the time of repossession to the full extent of the excess of the fair market value of the property repossessed over the basis of the installment obligation attributable to this property. The treatment provided in your committee's amendment applies on an elective basis to taxable years beginning after December 31, 1957, and is the only rule to be applicable in this area to years beginning after the date of enactment of this bill.

The Treasury Department has indicated that it has no objection to the House-passed provision of this bill. With respect to the amendment made by your committee, the Treasury has indicated that the substantive changes made by this provision represent a substantial improvement in our tax laws and that this amendment deserves favorable consideration. With regard to the effective date of this provision, the Treasury Department has indicated that it may well be concluded that the proposed provision should be given a limited retroactive effect, as in this bill. The Treasury has also stated that, if Congress were so to conclude, Treasury would not oppose this effective date.

INCREASE IN PARTIAL PAY OF CERTAIN PUBLIC SCHOOL EMPLOYEES IN THE DISTRICT OF COLUMBIA

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of calendar No. 1301, H.R. 5337.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 5337) to increase the partial pay of educational employees of the public schools of the District of Columbia who are on leave of absence for educational improvement, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which was ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1365), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

The purpose of the bill H.R. 5337 is to amend existing law with regard to partial pay of educational employees of the public schools of the District of Columbia who are on leave of absence for educational improvement. Under the provisions of the bill, the pay for those involved in educational leave would be computed as follows:

"(1) District of Columbia teachers and other school personnel in class 15 of the present salary scale for school employees, while on leave of absence for educational purposes, shall receive compensation equal to one-half their active duty salaries, less deductions for retirement, group life insurance, health benefits, and income taxes;

"(2) A school employee in any of the other 14 pay-scale classes, on leave for the purpose of educational improvement, shall receive compensation equal to one-half his active duty salary or the largest amount to which any employee in the salary class of elementary and secondary school teachers (class 15) would be entitled while on educational leave—whichever is the lesser—also subject to the deductions listed above."

The committee was advised that section 6 of the District of Columbia School Board regulations pertaining to leave of absence for the purpose of educational improvement will continue in effect in the event H.R. 5337 is enacted into law. In pertinent part, this regulation provides that the Board of Education upon the recommendation of the Superintendent of District of Columbia Schools, may grant leave of absence with part pay for purposes of educational improvement to any school officer, teacher, or other educational employee on permanent tenure whose salary is established in classes 2 to 18, both inclusive, of the Teachers' Salary Act of 1955, as amended, and who has served in the public schools of the District of Columbia not less than 6 consecutive years on probationary and/or permanent status immediately prior to filing application for such leave. In connection with making application for educational leave, the applicant shall also submit a written plan of the educational work to be undertaken during the period of such leave of absence, which shall be approved by the Superintendent. (The complete text of sec. 6 is set forth as app. A of this report.)

Under existing law, a teacher on educational leave of absence receives compensation equal to the difference between his regular salary and the base (minimum) pay for his salary class.

In view of the very considerable increase in the cost of education and the cost of living since 1940, when the present law was enacted, the existing scale of part-pay allowances for teachers on educational improvement leave has proved to be entirely inadequate. This is borne out by the relatively small number of teachers who have applied for the leave in recent years. The committee was informed that only 25 teachers were granted educational leave in the 4-year period ending June 30, 1962.

The enactment of H.R. 5337 will in some measure rectify this situation by allowing for increased pay for those teachers participating in the educational improvement leave program. As an example of the increased benefits provided for under H.R. 5337, teachers with a bachelor's degree, in service step 7, would receive $3,190 per year, while under existing law the amount received is $1,380.

Similarly, teachers in the same step but with a master's degree would receive $3,440 per year under H.R. 5337, while under existing law the amount received is $1,380.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT OF FOREIGN ASSISTANCE ACT OF 1961

The Senate resumed the consideration of the bill (H.R. 11380) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

Mr. FULBRIGHT. Mr. President, I offer an amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment of the Senator from Arkansas will be stated.

The LEGISLATIVE CLERK. On page 17, after line 7, it is proposed to insert the following:

Section 402. Section 502(b) of the Mutual Security Act of 1954, as amended, is amended by inserting after the words "United States" where they first appear in the first sentence thereof a comma and the following: "which are in excess of the amounts reserved under section 612(a) of the Foreign Assistance Act of 1961, as amended, and of the requirements of the U.S. Government in payment of its obligations outside the United States, as such requirements may be determined from time to time by the President,".

Mr. FULBRIGHT. Mr. President, I shall explain the amendment. The amendment which I have offered grows out of the amendment providing for the maintenance of cemeteries in Italy, which was adopted. I detected that there was misapprehension among some Senators about the nature of counterpart funds. There seemed to be a feeling that because the currency involved is that of a foreign country, it is not worth anything, and it could be used for any purpose. The Senate adopted the amendment.

The pending amendment would restrict the use of nonexcess foreign currencies. Another way to put it is as follows: Currencies that are not needed for purposes specified in section 612(a), which are in furtherance of Government purposes, would be restricted to those uses except in the countries where they are excess. Those countries are Burma, India, Indonesia, Israel, Pakistan, Poland, Egypt and Yugoslavia When we are dealing with the currency of a country such as Germany or France, the fact that the United States might own some marks or francs does not mean that those are not valuable currencies. They are convertible into dollars.

The effect of the amendment would be felt in the Congress, for it would restrict Members of Congress who travel abroad in using the currencies of those countries, other than the "excess" countries I have named.

So when a Member of Congress arrived in Paris, he would not be handed a packet of so-called counterpart funds, which some Members of Congress seem to have regarded as not worth anything. They are worth something. When we appropriate or authorize—appropriation of such funds for a purpose not mentioned in 612(a), it amounts to appropriating dollars for that purpose in any country other than the ones I mentioned.

Therefore, I believe the amendment is very worthwhile. At least it would bring home to Senators that they are not dealing with "funny money" when they are handling German marks. They are just as good as dollars, because they can be taken to a bank and exchanged for dollars.

Amendments are often offered which in effect state, "We have this foreign money, and therefore we can undertake to create any kind of project that appeals to someone because it will not cost anything." And then we vote for such measures. I point out that the regular process of authorization should be followed. There should be consideration of the proposal by the committee. There should be an evaluation as to what it will cost the Treasury. That is the only effect of the amendment. Primarily, I would say that it would bring home the fact that we are dealing with matters of real importance to the Treasury of the country.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. MORSE. I not only enthusiastically support the amendment, but I am also intrigued with the phrase employed by the Senator from Arkansas that it would bring home an appreciation of the value of the currency. Does the Senator think that it might also encourage Members of Congress to remain at home?

Mr. FULBRIGHT. I would not wish to reflect on their motives for traveling. They often go for educational and worthwhile purposes. I regard the amendment as valuable. It is educational in nature. It will teach that the subject of foreign currencies is important. Wherever there are legitimate activities abroad, Congress through its regular committee work can make whatever provision is reasonable and necessary. The amendment would not prohibit a Member of Congress from making the trip. It would stop him from using these good currencies that are not in excess for such purposes.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. JAVITS. I know that in many cases whatever counterpart funds we have are utilized for the purpose of travel, and so forth, through agreement with the host country. In many cases it may be difficult to get an agreement with the host country except for some such purpose as a congressional use purpose. I merely wished to be positive that we would not be wasting an opportunity.

Mr. FULBRIGHT. I believe the Senator is talking about private citizens traveling to Public Law 480 countries. The amendment would not affect that.

Mr. JAVITS. No, I am referring to Members of Congress traveling. I wish to be sure that under the amendment we would not lose possession of some of the money which has piled up and of which we might get the benefit by agreement with the country in question.

Mr. FULBRIGHT. I did not make myself clear. When the Senator refers to money that has piled up, if I correctly understood him, that could refer only to the countries which I mentioned where there is excess local currency. It would not affect that. It is not intended to. The amendment is so drawn that the amendment would not apply to such a situation. So if the Senator should go to any of the countries that I mentioned, he would not be affected by the provisions of the amendment.

Mr. JAVITS. I thank the Senator.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Arkansas.

The amendment was agreed to.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HARTKE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARTKE. Mr. President, I call up my amendment No. 1209, and ask unanimous consent that its reading be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 1209) offered by Mr. HARTKE is as follows:

On page 9, between lines 20 and 21, insert the following new subsection:

"(a) Amend section 601(b), relating to the encouragement of free enterprise and private participation, as follows:

"(1) Strike out 'and' at the end of paragraph (5).

"(2) Strike out the period at the end of paragraph (6) and substitute '; and'.

"(3) At the end thereof add the following new paragraph:

"'(7) conduct a study and investigation to determine the feasibility of establishing tax and other incentives to encourage and facilitate the participation of private enterprise in furthering the development of the economic resources and productive capacities of less-developed friendly countries and areas.'"

Redesignate the succeeding subsection of section 301 accordingly.

Mr. HARTKE. Mr. President, this amendment is relatively easy to understand. It deals with the question of the future of foreign aid more than with the present bill itself.

Over the years we have seen constant attacks made upon the foreign aid approach, which provides for distribution of funds directly to the countries concerned.

I have found personally that many people believe if we could export, along with some of our funds, a little of our knowledge, the net result might be better. This would have a twofold effect. It would have a good effect upon the countries overseas, but it would also have a good effect on our people at home.

In line with this thought, I offer this amendment because I think it would be well worth our time to make a thorough investigation to determine the feasibility of tax incentives and tax credits to organizations and corporations which are willing to go into underdeveloped countries and make attempts to establish their concerns in those countries.

Many countries do this in various ways, some by direct subsidy, some through trading companies. There is then established what is called the business presence of the country involved in the underdeveloped country. The net result is a natural flow of benefits to the country from which the effort originated.

One result is the exporting of our personnel to the underdeveloped country, but there would also be a transfer back to our own country of other people who are acquainted with the needs and want to learn methods of developing so-called underdeveloped countries.

I feel that, more and more, as we move toward the development of the lesser developed countries, there is an opportunity for this type of approach, and that it would be beneficial.

I claim no special knowledge in this field. But when I made the proposal to have a businessmen's peace corps, the idea found a sympathetic reception in the business community. It has now become a reality, under the name of the International Executive Service Corps, and there is a good participation of top business leaders in this type of approach.

The idea is that we in this country have something we are proud of, namely, the private enterprise system, and that it works in America. Although some people talk about the "ugly American," I have never found anybody who thinks the American is ugly. Rather, I have found a feeling of envy, or a desire to imitate or to bring into other countries the philosophy and ideas which have made this country worthwhile.

This approach of private enterprise incentives is well worth study. It is within the original concept of the Foreign Aid Act, and is also within the framework of suggestions in the bill which would utilize some of our surplus material.

The amendment provides for study of a new approach to foreign aid. I would hope that, in the economic field, we could ultimately transfer governmental operations into private operations.

For these reasons, I hope the committee and the chairman of the committee are disposed to include this amendment as a part of the bill.

Mr. FULBRIGHT. Mr. President, I think the purpose is a worthy one. As a matter of fact, there has been such a proposal, and I think it is under consideration. There is a bill in the Ways and Means Committee of the House that proposes to give substantial tax credit, which is one of the elements the Senator mentions, to encourage private investment abroad. There may be other elements involved.

I am willing to accept the amendment. I think it is one that is worthy of consideration. Whether or not it creates any problems I do not see at the moment is a question that can be determined in conference.

Mr. HARTKE. I thank the Senator for his wonderful spirit of cooperation and his good judgment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Indiana.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

COMMITTEE MEETINGS DURING SENATE SESSION TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may meet until noon during the session of the Senate tomorrow.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

TRIBUTE TO GEN. WILLIAM F. McKEE

Mr. BYRD of Virginia. Mr. President, on August 31, 1964, Gen. William F. McKee retired from the U.S. Air Force, after a 35-year military career of fine, patriotic service devoted to his country.

The value of his services and the esteem in which General McKee is held by his Government are made manifest by the fact that he retired as the Air Force Vice Chief of Staff.

His capabilities were recognized years ago, when, in 1942, he was chosen among the "qualified" eight officers Gen. H. H. (Hap) Arnold requested for staff duty at headquarters of the Army Air Forces.

Since that time, General McKee has been closely associated with the development of the "modern Air Force." Top-level management has been his specialty.

General McKee is a native of Virginia, and we are proud of him. We are grateful for the valuable contributions he has made to the Nation and to the excellence of our military services.

General McKee and his family have our very best wishes; and his new endeavors will benefit from his strength of character and his extraordinary talents and ability.

I ask unanimous consent to have published in the RECORD, as a part of these remarks, an article on the service of General McKee. The article was published in the Winchester, Va., Star of July 30, 1964.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AIR FORCE LEADER RETIRES, WILL BECOME NASA AID

When the U.S. Air Force honors its retiring Vice Chief of Staff, Gen. William F. McKee, at a full-scale review at Andrews Air Force base tomorrow, few there will realize they are paying tacit tribute to the four-star general's father, Dr. Thomas K. McKee of Saltville.

The 91-year-old doctor will be unable to be present to see his son honored by the Secretary of the Air Force, Eugene M. Zuckert, and Air Force Chief of Staff Gen. Curtis E. LeMay, by marching units, and a flyby of aircraft from Tactical Air Command and Military Air Transport Service.

Several hundred military and civilian leaders of the armed services, congressional leaders and other Government officials plus ambassadors and foreign air attachés will join in a colorful tribute to the officer who has held the No. 2 military position in the Air Force.

General McKee's father is a legendary character to all who know General "Bozo" McKee well. General McKee speaks frequently of his father. He often quotes the old doctor's words of commonsense as they apply to various day-to-day problems of human relations. Their recurring theme is "integrity."

Doctor McKee, surgeon for Olin Mathieson Chemical Corp. in Saltville until he retired 12 years ago, had two brothers who also were doctors who practiced in southwest Virginia. And two of his sons are doctors—Dr. John B. McKee of Winchester, and Dr. Tom P. McKee of Johnson City, Tenn. A third son, Paul D. McKee, lives in Chilhowie, where General McKee was born in 1906. His mother died in 1943.

General McKee is winding up more than 35 years of one of the most uniquely distinguished careers in Air Force history. Top-level management has been his specialty.

He first was tapped for this kind of assignment by Gen. Henry H. ("Hap") Arnold, the "father of the modern Air Force," who in 1942 asked the Army Chief of Staff, Gen. George C. Marshall, to send him eight officers qualified for staff duty at headquarters of the Army Air Forces.

During the next 4 years he served under General Arnold in the Directorate of Air Defense, and later as Deputy Assistant Chief of Air Staff for Operations, Commitments and Requirements.

General McKee was away from the Pentagon for about 18 months, beginning in January 1946, when he was appointed Chief of Staff of Air Transport Command, the forerunner of today's Military Air Transport Service.

That August he went to Paris as commanding general of the European Division of Air Transport Command. In December 1946 he transferred to headquarters of the U.S. Air Forces in Europe (USAFE) at Wiesbaden, Germany, and the following month became commanding general of Headquarters Command of USAFE.

He returned to the Pentagon to become the U.S. Air Force's first Assistant Vice Chief of Staff on September 27, 1947.

General McKee has been directly involved in a remarkable number of the most important organizational and management actions the Air Force has taken in the past 18 years. And many of the Air Force's organizational and management innovations have had great influence on administrative concepts and procedures adopted throughout the Department of Defense and American industry.

In the newly independent Department of the Air Force, General McKee worked closely with its first Secretary, STUART SYMINGTON, now the senior Senator from Missouri.

Air Force historians credit General McKee, along with Generals Spaatz, Vandenberg, and Norstad, as one of the four chief military architects of the organizational structure of the Air Force. They helped establish the basic Air Staff organization in headquarters and the major command structure that the Nation's aerospace arm has today.

General LeMay called General McKee back to Air Force Headquarters when Gen. Frederic H. Smith, Jr., retired as Vice Chief of Staff 2 years ago. There he has handled the day-to-day business of running the Air Force for the Chief of Staff, whose time is taken up mainly with Joint Chiefs of Staff, Department of Defense, and congressional activities. In General LeMay's absence General McKee has assumed the responsibilities of the Air Force Chief of Staff.

Sharing the honors at the retirement review and at the formal dinner and reception will be Mrs. McKee, who attended Arizona State Teachers College and Chicago Musical College before her marriage to General McKee in October 1934.

"She's my most objective adviser," says General McKee. "And she's been my strongest bulwark in times of stress and strain."

Their two sons, Christopher Fulton and William St. John, will attend the ceremonies. Chris, a graduate student at the University of California, is working on his Ph. D. in nuclear physics, after having been graduated from Harvard, summa cum laude, in 3 years. Bill, a ranking scholar at Yale, will be a junior next year.

Although General McKee's 91-year-old father will not be able to attend the ceremony, he is certain to be there in spirit.

"He ought to be," says General McKee, "he got me into this back in 1924. I was attending Emory and Henry College in Emory, Va., when he brought me a letter one day from our Congressman, C. Bascom Slemp, wanting to know if I was interested in going to West Point.

"My father said, 'If you think you're so smart, why don't you try competing with these fellows who are going to take the entrance exam in Washington?'

"I rose to the bait and in a few weeks I took the exam. The next thing I knew I was standing at attention with my chin tucked in. It was July 1925, and I was at West Point, wondering how I got there."

General and Mrs. McKee plan to make their home in Washington, where he will become assistant administrator for management development of the National Aeronautics and Space Administration on September 1, the White House has announced.

General McKee was honored by President Johnson today at the White House when he presented the general with a second oak leaf cluster to the Distinguished Service Medal—in effect a third DSM.

FARMERS HOME ADMINISTRATION STRENGTHENS AMERICAN AGRICULTURE

Mr. McGOVERN. Mr. President, a great many Americans are concerned about the steady decline in the number of farms in the United States, resulting from new technology, increasing capital requirements to continue in farming, and low farm income.

The July issue of the Farm Income Situation, recently released by the Department of Agriculture, indicates that in the past two decades the number of farms in the United States has dropped nearly 2.5 million—from 6.1 million on

January 1, 1943, to 3.6 million in January 1963. The decline between 1962 and 1963 was shown as 115,000. This is a slowing down in the rate of decline of the 1950's, but still a great deal less than that for a stable farm situation.

One of the agencies of the Department of Agriculture which is making a major contribution to the struggle against liquidation of farm homes and farm operations is the Farmers Home Administration. It is providing loans and technical assistance to help worthy producers establish economically sound units.

Mr. Arlo Swanson, Director of the Farmers Home Administration in South Dakota, has prepared a summary of Farmers Home Administration activities in my State in the fiscal year ending June 30, 1964. The summary reflects the extension of assistance to hundreds of farm operators. It indicates such an impressive loan repayment record that I ask unanimous consent to have the summary printed in the RECORD as an example of work we should support and expand.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

BOX SCORE ON FARMERS HOME ADMINISTRATION DRIVE TO IMPROVE AND STRENGTHEN RURAL ECONOMY IN SOUTH DAKOTA, 1964 FISCAL YEAR, JULY 1, 1963–JUNE 30, 1964

In 1964, 3,573 loans for $23,803,324 were advanced during the fiscal year (July 1, 1963, through June 30, 1964) to farm and ranch families, rural families and rural communities. The Farmers Home Administration, an agency of the U.S. Department of Agriculture, serves eligible farmers with credit and needed technical help on farm and money management problems and rural families and rural communities.

During the past quarter of a century in programs currently active, the Farmers Home Administration and its predecessor agencies have loaned more than $150,500,000 in South Dakota. Principal and interest in the amount of $87,500,000 have been repaid. Interest collections are 37 times greater than the amounts written off.

The technical farm and financial management assistance that the Farmers Home Administration supplies with each loan, plus the fact that the agency advances credit based on the repayment ability of the borrower and may make loans up to the appraised value of the security, enables the agency to serve the credit needs of borrowers who cannot obtain funds from other sources.

Loans made by the Farmers Home Administration supplement and in no case compete with credit provided by other lenders.

FHA program box score—1964 fiscal year

Program	Amount	People served and program assistance
Operating loans	$11,380,360	2,664 loans to new farm and ranch families and present indebted farm and ranch families to assist them in making improved use of their land and labor resources and make adjustments necessary for successful farming. Funds may be advanced to pay for equipment, livestock, feed, seed, fertilizer, fuel, for other farm and home operating needs, to refinance chattel debts, to provide operating credit for fish farmers, to carry out forestry purposes, and to develop income-producing recreational enterprises.
Emergency loans	251,220	122 loans were made to eligible farmers in designated counties where natural disasters such as tornadoes, hail, drought, and floods have brought about a temporary need for credit not available from other sources. Loans may be made for the purchase of feed, seed, fertilizer, replacement of equipment or livestock, and for other items needed to maintain normal operations. Loans may not be made to refinance debts or compensate applicants for their losses. Emergency loans may also be made outside of designated counties to farmers who have been affected by disaster when the disaster affects only 1 or a few farms.
Farm ownership loans	[1] 9,967,260	512 loans were made to farmers and ranchers to buy farms not larger than family size, enlarge, develop, and to refinance debts, to provide real estate credit to fish farmers, to carry out forestry purposes, and to develop income-producing recreational enterprises.
Water development and soil conservation loans.	[1] 204,860	7 loans were made—4 to farmers, 2 for recreation facility development, and 1 water system to rural communities. Loans for water and land development use and conservation are made to eligible individuals and groups of farmers and rural residents to develop water supply systems for irrigation, household use and livestock, to drain farmland, and to carry out soil conservation measures. Loans for shifts in land use including the development of recreational facilities are also made to nonprofit associations in rural areas.
Rural housing loans	1,999,625	254 loans were made to farmowners and families living in rural areas or rural communities with populations up to 2,500 to construct new homes, improve or repair rural homes and related facilities, or farm service buildings or to provide water for farmstead and household use. In addition to major construction, funds are available to modernize homes, add bathrooms, central heating, modern kitchens, and make other home improvements as well as to enlarge or remodel farm service buildings and put in related facilities such as paved feedlots, yard fences, silos, driveways, and fallout shelters. 9 loans provided new or improved housing for rural senior citizens 62 years of age and over. A senior citizen may use loan funds to buy a previously occupied house or to buy a site on which to build his home as well as to build or repair a home on land he owns in a rural area or rural community with a population up to 2,500. 5 rural housing grants were made to assist owner-occupant families in rural areas who do not have repayment ability to repair or improve their dwellings to make such dwellings safe and sanitary and remove hazards to the health of the occupants, their families, or the community.

[1] $8,119,730 of the farmownership loans and $178,000 of the water development and soil conservation loans was supplied by private lenders through the insured loan program of the Farmers Home Administration. The insured loan program makes available a supplemental source of credit and encourages the use of private capital in place of direct Government loans.

Through the insured loan program of the Farmers Home Administration, private lenders can advance funds to eligible applicants to enlarge, develop, and buy farms not larger than family farms, to refinance debts, to provide housing for domestic farm labor, to provide rental housing for senior citizens in rural areas, and to develop group or community water supply systems.

Payments on principal and interest are fully guaranteed by the Government. All loanmaking and servicing operations are handled by the Farmers Home Administration without cost to the lender.

The interest rates and terms of the repurchase agreements are competitive with similar types of investments.

The loans are easily assigned to other investors.

The mortgages for these insured loans run to the Government. The lender holds only the insured note.

Other programs available to assist farm and ranch families, rural families, groups, and communities are:

SENIOR CITIZEN HOUSING LOANS

Loans for rental housing for senior citizens in rural areas for persons 62 years of age or older can be made through the agency direct or insured loan program under title V of the Housing Act of 1949, as amended in 1962.

Loan funds may be used to construct, purchase, improve, or repair rental housing designed to meet the needs of senior citizens who are capable of caring for themselves. Housing may consist of apartment buildings, duplex units or individual detached houses or cottages suitable for independent living by senior citizens. Funds may also be used to provide appropriate recreational and service facilities, to buy and improve the land on which the buildings are to be located and to develop the water, sewage disposal, heat, and light systems needed for the housing. Loans may not be made for nursing, special care or institutional types of homes.

Direct loans may not exceed $200,000, interest rate is 3.75 percent on the unpaid principal and has a maximum repayment period of 50 years. Insured loans may not exceed $100,000, interest rate is 5¾ percent on the unpaid principal and has a maximum repayment period of 40 years. Each loan is scheduled for repayment within a period consistent with the borrower's ability to repay.

GRAZING ASSOCIATION LOANS

One of our more recent loan authorities permits us to make loans to an association of family farm operators to purchase and develop tracts of land into a grazing association.

The objective of a grazing association is to assist the family farmer to obtain needed grazing units without competing with his neighbor for the purchase of the limited amount of suitable land for sale. This will enable the small operator to stabilize or fully develop his livestock program. Tracts of land that would be purchased or leased by the association would be, in most cases, obtained from large operators who are discontinuing operations.

Each member of such a nonprofit association would have equal rights and would have one vote in determining the management of the grazing program.

Loans can be made up to $1 million to an association with adequate repayment ability. These loans can be scheduled for repayment up to 40 years and would draw 4½ or 5 percent interest depending on the source of loan funds available at the time.

RURAL AREAS DEVELOPMENT

The rural areas development effort is a new dynamic force helping family farmers and rural people to better their lot. It is the Department of Agriculture's way of aiding people who are working to help themselves.

The ultimate objective is better living for rural people, both farm and nonfarm. The rural areas development effort, by the Department, provides services to enable local action groups to bring new opportunities to the people of the open country and to their trading centers.

Prosperous family farms.

New jobs in trades, professions, services, and industry.

Improved management, use and conservation of natural resources.

Expanded public services and facilities such as roads, hospitals, schools, power supply, and water systems.

Readjustment of rural land use patterns, making more land available for the increasing needs of outdoor recreation and open spaces, grazing associations for family farmers, while decreasing cropland acres.

Guidance and training of rural youth and adults.

In some areas, a complete rural renewal program, similar to urban renewal programs now bring new life, new hope, and new opportunities to parts of some cities. Many Federal, State, and local agencies are helping.

In the field, specialists of the Department of Agriculture and State agencies are members of technical action panels (TAP), cochaired by State and local representatives of Farmers Home Administration, Soil Conservation Service, Agricultural Stabilization and Conservation Service. Here the services of the Department are packaged for an area-by-area, community-by-community approach to the specific problems of the family farmers and rural people and the use of their own resources. Members of the technical panels work with local voluntary groups. They help them plan projects. They help to find outside capital. They act, as requested, as coordinators between local people, who seek aid, and the Government agencies that may have the facilities to help.

FHA loan activity, State of South Dakota, from inception of program through Mar. 31, 1964

Type of loan	Total loaned	Principal collected	Interest collected	Outstanding balance	Percent repayment to matured principal	Principal writeoffs and judgments
Operating from November 1946	$81,695,697	$49,881,689	$7,145,031	$31,522,247	91	$291,761
Direct farm ownership from July 1937	14,869,455	5,876,923	2,829,623	8,957,627	99	34,905
Insured farm ownership from July 1947	31,527,583	4,004,214	3,342,411	27,517,686	97	5,683
Rural housing from July 1949	9,596,345	1,598,897	1,051,508	7,997,448	96	0
Individual soil and water from July 1938	950,686	664,711	130,864	282,431	[1] 75 [2] 68 [3] 88	3,544
Association soil and water from September 1954	563,200	6,232	32,639	556,968	[1] 79 [3] 100	0
Emergency and special livestock from April 1949	11,074,226	10,619,989	315,162	390,549	97	63,688
Total, all current programs	150,277,192	72,652,655	14,847,328	77,224,956		399,581

[1] Direct.
[2] Water facilities.
[3] Insured.

NOTE.—Interest collected is 37.2 times the principal writeoffs and judgments.

REAPPORTIONMENT—THE DIRKSEN AMENDMENT

Mr. BURDICK. Mr. President, an editorial entitled "Politicians Bring Up New Reapportionment Roadblock," published in the August 7 edition of the Fargo Forum, of Fargo, N. Dak., gives cogent and persuasive arguments against the Dirksen amendment. I commend to my colleagues a reading of the editorial. Being a member of the Senate Judiciary Committee, I was one of the two who voted against the amendment, which was reported without a hearing. I do not intend to be a party to an attempt by legislative action to suspend the operation of the Constitution.

I ask that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

POLITICIANS BRING UP NEW REAPPORTIONMENT ROADBLOCK

Now the politicians who shudder at the idea that people, no matter where they live, are entitled to fair and equal representation in their State legislatures with all other residents of their State, have come up with a new roadblock to legislative reapportionment.

They want to suspend the U.S. Constitution until they can get an amendment through the Congress and approved by the required 38 States. This amendment would permit continuation of legislative systems declared unconstitutional by the Supreme Court.

Suspension of the Constitution would be the effect of the measure sponsored by the Senate minority floor leader, EVERETT DIRKSEN, Republican, of Illinois, and approved by the Senate Judiciary Committee by a 10-to-2 vote Tuesday without a public hearing.

The bill would halt all court orders for reapportionment in line with the recent Supreme Court decision that the U.S. Constitution requires both chambers of a two-house legislature to be based on population—not on acres, or trees, or county lines, or bank accounts or savings bonds or taxable valuation.

The delaying tactics advocated by Senator DIRKSEN represent a continuation of efforts by the Republican Party to set aside the U.S. Supreme Court ruling. It presents a new challenge to those citizens who have been fighting for fair representation in the courts and in the legislatures themselves.

The Republican platform adopted by the national convention in San Francisco includes a plank calling for a constitutional amendment which would permit the membership of one chamber of a legislature to be determined, at least in part, on a geographical base. Such an amendment has been introduced by Senator DIRKSEN but it will be impossible to secure action on it this session.

It will take a two-thirds vote of the Senate and the House to submit the proposed amendment to the States, and then it must be approved by three-fourths of the States.

The catch is that State approval would be by the legislatures themselves, not by a vote of the people. Thus, the legislative bodies which the Supreme Court has declared to be improperly constituted would be in a position to approve an amendment which would permit continuation of existing inequities.

Senator DIRKSEN could see that corrective action by the courts might force proper reapportionment before the amendment could reach the States. If a sufficient number of the legislatures were reapportioned early in 1965, then the constitutional amendment would be doomed to failure because it would be examined by legislative bodies selected under the constitutional protection for "one man, one vote."

If the GOP-sponsored amendment is to be approved, therefore, the Constitution must be set aside until it can be amended. DIRKSEN hopes to speed action on his delaying bill by tacking it onto the foreign aid bill.

We wonder how much support he will get in suspending the Constitution from Senator BARRY GOLDWATER, the GOP presidential candidate who voted against the civil rights bill because he believed it to be unconstitutional.

Now the majority leader of his party wants to suspend the Constitution in order to protect an unconstitutional legislative system. Will the GOP presidential candidate blind his eyes to the Constitution in this case—the Constitution as it has been clearly and specifically spelled out by the Supreme Court—and support the Dirksen bill because it is a part of the Republican platform?

WORLD MONETARY LIQUIDITY AND U.S. BALANCE OF PAYMENTS

Mr. JAVITS. Mr. President, I call the attention of my colleagues to the report issued by the Group of Ten—the Paris club composed of the United States and nine other industrialized nations of the West—on the adequacy of international credit. This 10-month-long study is extremely important, as it constitutes the first basic examination of the world monetary system since it was established almost 20 years ago at the Bretton Woods Conference.

It surprised no one that the financial leaders who have designed and operated the international monetary system concluded that there is at present sufficient international liquidity, and that no sweeping reform of the monetary system is necessary at this time. They have agreed, instead, on issuing a series of recommendations which, while further improving the operation of the system, fail to provide a means to deal on a systematic basis with future monetary crises. On the key issue of how to generate additional reserves for the future, the Group of Ten decided to set up another committee to study the various proposals advanced, and to report, without recommendations, within a year. To keep track of the various ad hoc arrangements, such as currency "swaps" carried out by the Treasury, the Group of Ten established a multilateral surveillance system, to be coordinated through the Bank of International Settlements.

It was also decided to strengthen the resources of the International Monetary Fund, through a moderate general increase in each member's contribution or quota to the Fund. It is understood that the increase in quotas will be in the range of 20 to 30 percent. The current contribution of the United States is $4.1 billion, so next year Congress may have to approve a new U.S. contribution of $1 billion or more to the International Monetary Fund. Such an increase will enable the IMF to continue to assist nations in temporary balance-of-payments difficulties to maintain liberal trading policies, without imposing restrictions that could hurt world trade generally and prosperity. Such an increase, however, would not alleviate the need for the provisions of additional international credit—liquidity—over the long term.

I fail to see the superiority of the voluntary, temporary approach that is obviously preferred by the group of 10 to an approach leading to a systematically improved international monetary mechanism. While the transformation of the IMF into a credit-creating international central bank patterned after the operations of our own Federal Reserve System is said to be premature at this time, the Group of Ten should give to the IMF the power and resources to do its job of providing to its 102 members sufficient credit to maximize world trade and employment. This, also, it has failed to do.

One has to look to the IMF's independent study, also released today, for specific suggestions as to how major new international reserves may be created. One such recommendation contained in the IMF study is to give member nations virtually automatic access to a substantial percentage of their "quota," instead of only 25 percent, as now. Another would enable the IMF to make investments in national or international securities, which would have the practical effect of increasing the reserves of the nation issuing such securities. Consideration of these proposals, of course, must await the next meeting of the Fund's Board of Governors, which is to take place in Tokyo in mid-September.

At a later date, I shall comment further on the two reports.

I ask unanimous consent to have printed in the Record an editorial from this morning's New York Times, and articles from the Wall Street Journal and the New York Times, dealing with this subject.

There being no objection, the editorial and the articles were ordered to be printed in the Record, as follows:

[From the New York (N.Y.) Times,
August 11, 1964]

Monetary Insurance

Both the financial leaders of the free world and of the International Monetary Fund have decided against any radical reform of the world's monetary mechanism. This conclusion was not unexpected. The men responsible for designing and operating the present system were hardly likely to decide that their handiwork should be scrapped for something new and untried.

But after year-long studies most financial powers are willing to admit that though the system has functioned well it can be made to work even better. The United States, for example, wants to make sure that there is no shortage of international liquidity, the stock of resources needed to finance world trade and meet balance of payments deficits.

There is a possibility that a shortage will develop once Washington stems the outflow of gold and dollars and brings its balance of payments under control; so the United States would like to see a big increase in the world's pool of monetary resources. France and some other European countries take a different view, arguing that international liquidity is ample for current needs and that any sizable increase might invite new strains.

The result is likely to be a compromise, with the IMF adding to its monetary resources through an increase in the funds furnished by its members, while the leading industrial nations that are members of the Paris Club work out plans to add to the pool of liquidity that is now available when and if more is needed. This is progress, but it is unfortunate that the studies undertaken fail to provide any real assurance that monetary crises can in fact be avoided.

The variety of special emergency measures devised against crises makes clear that the financial powers are willing to take action whenever a shortage of liquidity erupts. But they have a reluctance to provide help except on a voluntary and conditional basis, so that a crisis is always possible.

The free world needs added insurance against any shrinkage in world trade or economic growth. With a ban on resort to domestic deflationary measures, the only way to get that insurance is through strengthening the international machinery. The plan to supplement the IMF's quota will help, but it must not be regarded as anything more than the beginning of a much larger and more responsive effort. There is no need to scrap the present machinery provided it is given the power and resources essential to do its job.

[From the New York (N.Y.) Times, Aug. 11, 1964]

Studies Seek Rise in Monetary Fund—Urge Increase in Quotas of Member Nations in Move To Bolster Resources

(By Edwin L. Dale, Jr.)

Washington, August 10.—Two major studies of the world monetary system concluded today that the system would be strengthened by a "moderate" increase in the resources of the International Monetary Fund.

The studies, started nearly a year ago, were made by the 10 leading financial nations—the so-called Group of Ten—and by the Monetary Fund itself. Together, the reviews constituted the first basic examination of the world monetary system since the Bretton Woods Conference 20 years ago.

While the two studies differed in emphasis and in the points they covered, they did not conflict. Both found that there is at present sufficient international liquidity and that no sweeping reform of the monetary system is necessary.

International liquidity is the total of the nations' reserves of gold and foreign exchange, mainly dollars, and their access to credit. A shortage could force the world into deflation and unemployment.

A move to increase the resources of the Monetary Fund, by increasing the members' quotas, will be undertaken at the annual meeting of the Fund next month in Tokyo. While no figure was mentioned in either report, it is understood the increase in quotas will be in the range of 20 to 30 percent, with some nations receiving a larger increase. These will include West Germany and several other members of the group of 10.

The 10 nations are the United States, Britain, West Germany, France, Italy, the Netherlands, Belgium, Sweden, Japan, and Canada. Switzerland recently became the 11th member.

The Fund is a pool of currencies that can be lent at short term to members having difficulty with their balance of international payments. Thus the Fund is a keystone of liquidity. Its $8 billion of loans over the years have enabled nations to continue liberal trading policies without imposing restrictions that could hurt world trade and prosperity.

DUAL EFFECT OF INCREASE

At present the Fund is running low on usable currencies, mainly European, though it has plenty of dollars and pounds. An increase in quotas will have the dual effect of adding to the Fund's supply of currencies and increasing the amounts by which members in difficulty can draw.

Under the prospective timing, the Fund's permanent executive directors are expected to negotiate the details of the quota increase before the end of the year. Then next year the nations will begin paying additional amounts of their currency, with 25 percent of each quota increase to be paid, as in the past, in gold.

Various devices will be studied to prevent this gold payment from sharply reducing U.S. gold reserves, directly or indirectly.

Legislation to provide for the U.S. quota increase is expected to go to Congress early next year.

The eagerly awaited report of the Group of Ten, besides endorsing a "moderate" increase in fund quotas, also set in motion 3 institutional changes in the way the leading nations handle international monetary develments.

SPECIAL SURVEILLANCE

First, there will be a new system of "multilateral surveillance" of the various bilateral deals, such as currency swaps, that have been used in recent years to cope with short-term difficulties, particularly by the United States.

This surveillance will take place through the Bank for International Settlements at Basel, Switzerland. Nations will report all their bilateral deals and transactions under them and their balance-of-payments situation in general, for discussion by the group as a whole. However, there will be no need to get group permission before acting or negotiating new deals.

NEW RESERVE ASSET

Second, the task of the Monetary Committee of the Organization for Economic Cooperation and Development, called Working Party 3, will be expanded. It will now conduct a continuing examination of how nations get into surplus and deficit in their international payments and, even more, how they can and should adjust their payments toward balance.

This is known as the problem of adjustment, which is different from the problem of liquidity. If all nations could adjust rapidly there would be much less need for liquidity.

Third, a committee of high officials of the 10 countries will conduct a continuing study of possible future need to create a new "reserve asset" to supplement gold, dollars, and pounds. The idea with the strongest backing so far is to create a composite currency reserve unit made up of all 10 currencies.

The study group, under the chairmanship of Rinaldo Ossola of the Bank of Italy, will not be asked to make recommendations. It will explore the details involved in various methods of creating a new reserve asset and report back to the 10 countries within a year.

The need for a new reserve asset may arise because one source of growth in global reserves in the past is now disappearing. This is the U.S. balance-of-payments deficit, which has pumped dollars into the world. Both studies concluded that new gold production would not alone provide sufficient growth in liquidity in the future. However, neither study regarded this problem as urgent now.

LONG-TERM LOANS

Finally, the Group of Ten report discussed a device for solving a particular problem of the system that has become evident over the years. This is the problem of leading countries, above all Britain, that for historical reasons have reserves that are too low for comfort. Britain has constantly skated on the edge of trouble in the postwar period.

For these countries, which include Japan and possibly Canada, the report suggested the possibility of long-term loans from members of the group with ample reserves. This would be the first use of long-term loans for monetary purposes.

The report made clear that they would have to be negotiated among the countries concerned. One suggestion was that a lender could count on others taking over the loan if its own balance of payments in the future got into difficulty.

All of this remains to be worked out, but the idea is definitely alive.

Both reports recognized a probable future need for the creation of new reserves beyond the annual growth in the supply of gold. But while the Group of Ten set up its study of possible new reserve assets, the Monetary Fund report suggested specific ways by which the Fund itself could add to the supply of liquidity.

AUTOMATIC LOAN RIGHTS

One such way would be to give member nations virtually automatic drawing rights to, say, half their quota instead of only 25 percent, as now. At present a drawing beyond 25 percent requires permission by the Fund after careful examination of a member's policies.

Another method would be a new technique under which the Fund could make investments in national or international securities, with the practical effect of increasing the nation's reserves.

It is understood that attention for the next 6 months to a year will concentrate on working out the Fund quota increase, with new devices to expand liquidity to be looked at in detail only later.

Representative Henry S. Reuss, Democrat, of Wisconsin, chairman of the International Finance Subcommittee of the House Banking Committee, issued a statement today blasting the report of the group of 10. He said "The mountain labored for 10 months and brought forth a very small mouse."

Mr. Reuss said "the United States greatly needs an improved international monetary mechanism." The group of 10, he said, did not come to grips with either new means of providing international credit or establishing a new international money.

It is known that the United States, Britain, and some other members of the group would have liked a somewhat more "expansionary" outcome, and a larger increase in Monetary Fund quotas than the prospective 20 to 30 percent. European countries, led by France, were opposed to this. But on the whole, officials are satisfied with the outcome.

Among other things, the two studies strongly endorsed and in effect "consecrated" the new network of voluntary international monetary cooperation that has grown up in the last 4 years. This has proved to be the bulwark of the monetary system at a time of considerable strain, arising largely from the big U.S. balance-of-payments deficit.

The cooperation, in practice, has meant the granting of credit to help nations in difficulty, including the United States. The group of 10 report indicates that the basis for provision of liquidity in the feature, in addition to new gold, will be an extension of devices for providing credit, including the Monetary Fund.

The principle of continued cooperation was strongly endorsed by Valery Giscard d'Estaing, the French Finance Minister, in a statement issued in Paris. Mr. Giscard d'Estaing is ministerial chairman of the group of 10.

Today's IMF report said the world system had been "able to meet the challenges to which it has been exposed with a more intimate and effective cooperation in international monetary matters than at any time in history." That cooperation will continue, despite some sharp philosophical differences among the leading countries.

[From the Wall Street Journal, Aug. 11, 1964]

Monetary Fund Should Be Bolstered Quickly and Heavily but Without Draining U.S. Gold, 10-Nation Study Finds: Rise in Contributions to Fund by 102 Members Is Likely; a Central Bank Is Opposed

(By Richard F. Janssen)

Washington.—The International Monetary Fund should be beefed up substantially and quickly, according to the free world's top financial authorities and the IMF itself. They further recommend that it be done in some way that wouldn't cause a heavy drain on the U.S. gold stock.

After 10 months' intensive study, officials of the United States and nine other industrial nations also agreed that major new steps will be needed before too long to help the world cope with increasingly severe balance-of-payments pinches.

The study left plenty of questions hanging, but it emerged with the consensus that future monetary maneuverings should remain centered on the 102-nation IMF rather than on any new credit-creating international central bank. Emphasizing ample credit facilities as the key to smoothing future payments problems, the experts said they would seek some new form of globally acceptable monetary reserves to take the load off gold and the U.S. dollar, and agreed to launch "multilateral surveillance" of each other's separate currency-propping pacts and other payments-balancing policies.

The reporting "group of 10" nations consists of the United States, Great Britain, Canada, France, West Germany, Italy, Japan, Belgium, the Netherlands, and Sweden. The group had previously agreed to put up an extra $6 billion if needed by the IMF.

The cabinet-level talks were led by Valery Giscard d'Estaing, French Finance Minister, and the deputies who participated in detailed deliberations were headed by Robert V. Roosa, U.S. Treasury Under Secretary for Monetary Affairs. The other U.S. deputy was J. Dewey Daane, a Federal Reserve Board member.

INCREASED QUOTAS SEEN

The most immediate result expected from the survey is an increase in each member's contribution to the IMF. The 10 agreed publicly to seek a "moderate general increase," and it's believed that they and others are considering a boost in the range of 20 to 30 percent. Detailed consideration should start "as promptly as possible" after the Fund's Board of Governors meets in Tokyo September 7–11, the IMF said, and it's hoped the increase would be in effect by about a year from now.

The current U.S. contribution or quota is $4,125 million so an increase of that magnitude would require a call to Congress to provide about $1 billion more.

For such nations as West Germany, whose economic growth in recent years has been much faster than that of the world generally, additional special increases will be sought to allow expansion of both its contribution and its right to draw foreign currencies.

If the general boost agreed on in principle is adopted, it would be the first for the 20-year-old Fund since a 50-percent increase in 1959.

Any legislation increasing the U.S. contribution would be channeled through a House banking subcommittee headed by Representative Reuss, Democrat, of Wisconsin. Mr. Reuss, who has urged the Treasury to press for much more sweeping global money reforms, termed the 10-nation report "profoundly disappointing." The group's decision to devote more study to new international supplements for gold and the dollar, instead of adopting them right away, was criticized by the Wisconsin liberal as a sign of "lotus-eating lassitude."

The IMF, with its $15.6 billion of foreign currencies and gold, is the chief mechanism for smoothing the flow of payments among nations. When a country runs short of a certain foreign currency to use, for example, in paying for imports, it can purchase or "draw" it from the IMF. Washington based, the Fund holds its foreign currencies in the form of immediately callable notes from members at their own central banks, and stores its gold in the Federal Reserve Bank of New York and the central banks of England, France and India.

GOLD-DRAIN ANSWER SOUGHT

Ordinarily, the Fund requires that one-fourth of a nation's quota, or an increase in a quota, be in gold. But it recognizes that such a requirement could "adversely affect" a nation such as the United States. Not only might the Treasury have to take as much as $250 million from the $15.6 billion gold stock to pay this country's share, but other countries with dollar holdings might exchange them for U.S. gold to meet their own quota increases.

So the monetary authorities intend to do something to "mitigate the repercussions" in the United States, although the way to do it hasn't been decided. The possibilities include acceptance of certificates representing gold or permission for installment contributions of gold.

A increase in IMF quotas is expected to suffice for the next few years, but the group of 10 decided to at least study new methods of creating more internationally available reserve credit. The Fund agreed that this should be done, and was unusually outspoken about its own "rich operating experience" in determining credit arrangements suitable for various nations. Its members have already "given the Fund the central role in the international monetary system," its report said, adding that they "can adapt this role to changing circumstances." The consensus of the 10, it's understood, was much the same.

The 10 approved the plan to have their deputies study "various proposals regarding the creation of reserve assets either through the IMF or otherwise," but chances of any major moves in this direction outside the IMF framework are considered slim.

CENTRAL BANK UNLIKELY

Bolder approaches, involving the establishment of a central bank that could create reserves internationally much as the Federal Reserve System does domestically, are expected to get scant further attention. Such plans have been criticized as globally inflationary, and would doubtless be strongly opposed in the United States as forfeitures of sovereignty.

Suggestions for some such arrangement within the group of 10 alone drew skeptical notices in the deputies' report. The idea of allowing a currency besides the dollar and the British pound sterling to assume similar internationally acceptable status isn't promising because no other nation appears willing or able to back its currency for such purposes, monetary officials say. And they find the technical problems "immense" in schemes that would seek to pool, say, 10 currencies into 1 for reserve purposes.

The deputies indicated that they are leaning toward some way of eventually creating new reserve assets within the IMF. The proposal to accept certificates in lieu of gold for quotas would be one way of making a net addition to available reserves, since a nation would still have all its own gold plus as much added drawing power from the Fund as if it had contributed gold. IMF officials are also considering applying for authority to initiate investment in securities of governments or international organizations held by member nations, perhaps paying for them with resources that could be voluntarily "deposited" by other members or lent by them to the Fund.

ENLARGED ROLE FOR IMF

These new powers, which would carry the IMF a small step closer to being a true world central bank, were mentioned by its managing director, Pierre-Paul Schweitzer, a few months ago in a New York speech.

To cooperate more closely in individual currency-swapping pacts such as the United States has with other nations, members of the 10 agreed to provide each other with more comprehensive and up-to-date facts about how these arrangements are operating. Such pacts provide foreign currencies for a nation to use in buying up its own currency in the money market, thus propping the price.

The suspicions that gave rise to the separate studies by the group and by the IMF staff were strengthened as these studies developed, their reports indicated.

One was that as the volume of world trade climbs in the next decade or so nations will find their payments imbalances deepening as a result of such factors, which can be temporary, as an excess of imports over exports. These balance-of-payments deficits will put a heavier burden on such a nation's "liquidity," defined as the total of its gold, convertible foreign currencies, and ability to temporarily acquire foreign funds from the IMF and other sources. If a nation can't provide adequate reserves, the specialists fear, it may be forced to such "disruptive" approaches as boosting tariffs to discourage imports while allowing unemployment to rise to help pull down prices and spur exports.

SOURCES OF RESERVES DECLINE

The other suspicion that prompted the studies also appears to be valid, the reports said. This concerns the fear that the traditional sources of liquidity aren't going to grow enough in the future to keep up with the greater needs expected. Much of the addition to other nations' reserves has been their accumulation of dollars resulting from the U.S. payments-of-balance deficit. But the IMF said it "must be assumed that payments deficits of the United States won't contribute to the formation of reserves in the future on the same scale as in recent years." Net additions to official gold holdings through new mining and gold sales by the Soviet Union "may well in the years ahead be larger than in most recent years," the IMF forecast, but even so the increase probably wouldn't exceed 2½ percent a year.

In contrast, world trade, which ultimately causes the need for reserves, has grown an average of 5.8 percent annually in the past decade, the IMF noted, and even after allowing for "some possible reduction in the rate of growth of the world economy," it predicted that trade probably will rise by at least 4 percent a year in the next decade.

NEW YORK STOCK EXCHANGE SAFEGUARDS CUSTOMERS OF MEMBER FIRMS AGAINST INSOLVENCIES

Mr. JAVITS. Mr. President, last week's final passage of S. 1642, bringing over-the-counter securities within the same regulatory requirements as those applied to securities listed on exchanges, was a landmark in congressional protection of investors. But a parallel event, which should not go unnoticed, was an example of the kind of self-regulation on which investor confidence is also very solidly based.

The unfortunate case of Ira Haupt & Co. late last year indicated that investors were running risks of loss, not only because of their choices of investments, but also because of the possibility of the insolvency of the brokerage firm which handles their accounts. The New York Stock Exchange very commendably took it upon itself, as an exceptional measure to arrange for reimbursement of investors in that case, which involved paying $9.5 million of its own funds to repay customers who had left cash or securities with the firm.

It appeared to me that some surer protection was needed; and I suggested to the exchange and to the Securities Exchange Commission and to the Federal Deposit Insurance Corporation the possibility of establishing, either by law or by regulation under existing law, an insurance program analogous to FDIC insurance of bank accounts. The exchange replied that it was appointing two special top-level committees to deal with the problem.

The work of those committees recently was completed, and resulted in recommendation of creation of a $10 million special trust fund, supplemented by a $15 million standby credit, to be available to customers when an exchange member firm becomes insolvent. These proposals have now been adopted by the board of governors of the exchange and in a referendum among the member firms of the exchange.

The exchange and its members are to be highly commended for taking this important self-regulatory step; and I urge the other national exchanges and groups in the industry to consider following suit. It is particularly noteworthy, I believe, that, while the exchange does not believe it is liable legally for customers' losses, it is nonetheless taking steps to protect customers in the unlikely event of a recurrence of a member firm's insolvency or stringency.

I ask unanimous consent to have printed in the RECORD a description of the proposals, as submitted to the exchange's member firms, and as subsequently approved by them.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

NEW YORK STOCK EXCHANGE,
New York, N.Y., July 16, 1964.

To: The members of the exchange.
Subject: Proposed amendments re special trust fund program.

At its policy meeting today the board of governors unanimously approved proposed amendments to the constitution to carry out the previously announced program to set up a $10 million special trust fund, supplemented by a $15 million standby credit, to be available for possible use to benefit customers in the event of a future insolvency of a member organization. The program, you will recall, was outlined in a memorandum to the membership in April, summarizing the Interim Report of the Special Committee on Expense Recovery headed by John L. Loeb, which included three former chairmen of the board of the exchange and other senior members of the exchange community.

The amendments are herewith submitted to the membership for balloting upon as a single amendment.

The development of this program is an outgrowth of the action of the exchange last November in committing exchange funds to assist customers of Ira Haupt & Co.—an action that brought much credit to the exchange community and minimized the repercussions resulting from that failure. The special committee, after studying means of dealing with possible similar future situations, recommended that, even though the exchange has no liability for customers' losses and even though steps already taken by the exchange have lessened the likelihood of the recurrence of a Haupt-type situation, the exchange should place itself in a position to provide assistance should it appear warranted in the light of circumstances of a future case.

The amendments (1) authorize the setting up of a special trust fund to be built up by payments by the exchange which would be made without added charges on the membership; (2) designate all of the governors of the exchange as trustees of the special trust fund; (3) provide for the obtaining of a supplemental standby credit or an indemnity bond or bonds so that a total of $25 million would be available for these purposes; (4) provide for the reimbursement by the membership of such amounts as are paid out of the fund or directly by the exchange to assist customers in a particular case, and (5) make conforming changes in other sections of the constitution.

It is contemplated that the special trust fund would be built up within a 5-year period to $10 million, from contributions by the exchange, of a substantial part of its pretax income and from income accumulated on the fund and that the fund would thereafter be maintained at that figure by special charges on the membership to make up any amounts which might be paid out for the benefit of customers of an insolvent member organization. Contributions by the exchange to the fund for its initial establishment would reduce the amounts transferred in those years to the new building reserve which, as of June 30, was some $16,290,000—almost $1.8 million ahead of the amounts originally projected for that date. Even with the recommended transfer of a substantial portion of the exchange net income for the next several years to the special trust fund, it is expected that the new building reserve will approximate the original goal of some $19 million (excluding amounts to be realized from the present properties) by the year-end of 1966.

An Internal Revenue Service ruling has been obtained under which contributions made by the exchange to the special trust fund will be deductible from gross income of the exchange. The special trust fund will be taxable as a trust and income on the fund will be taxable to the trust—to the extent that the fund is not maintained in tax-exempt securities. Payments by the membership to make up payments out of the fund, if required, would be deductible by them.

For your information, preliminary discussions have been held with several banks as to the proposed $15 million standby credit. It is anticipated that a standby arrangement will be entered into following approval of the amendments by the membership. Loans obtained under this credit would be repayable by the exchange over a period of up to 5 years. The standby, in effect, would be a form of revolving credit for these purposes.

The action of the exchange in setting up this special trust fund and standby credit will be recognized, we believe, as another pioneering step by the exchange community in the public interest.

The amendments are attached. Instructions for voting are printed on the enclosed ballot. It should be delivered, in the envelopes provided, to the secretary of the exchange by 3:30 p.m., July 30, 1964.

G. KEITH FUNSTON,
President.
HENRY M. WALLS, Jr.,
Chairman of the Board.

TRANSACTION OF ADDITIONAL ROUTINE BUSINESS

By unanimous consent, the following additional routine business was transacted:

ADDITIONAL JOINT RESOLUTION INTRODUCED

Mr. PROXMIRE, by unanimous consent, introduced a joint resolution (S.J. Res. 193) to provide for the designation of the last week in August of 1964 as "National Drum and Bugle Corps

Week," which was read twice by its title, and referred to the Committee on the Judiciary.

(See the remarks of Mr. PROXMIRE when he introduced the above joint resolution, which appear under a separate heading.)

A WEEK FOR THE MUSIC MEN AND WOMEN

Mr. PROXMIRE. Mr. President, in recognition of the thousands of young people and adults across this country who contribute so much to the spirit and vitality of American life, I rise to introduce a Senate joint resolution which would establish the last week in August as National Drum and Bugle Corps Week.

Few of us have failed to respond to the wholesome spirit of enthusiasm and patriotism that is generated by those youths of the drum and bugle corps. Yet, at the same time, few of us have paused to appreciate the long, patient hours of practice and discipline which makes these efficient organizations possible.

But the work which these organizations put into training these youngsters is well worth the effort. The demands of a drum corps are ideal for fostering good personal development. It takes self-discipline, hard work, and the ability to cooperate with others. By fostering a sense of accomplishment, it gives the young people a strengthened sense of self-confidence and poise.

Mr. President, consider the words of one of the most persuasive pitchmen of our times, Prof. Harold Hill who taught us so much about the value of musical organizations in Meredith Willson's "Music Man." Professor Hill said:

> My friends, how could any pool table ever hope to compete with a gold trombone?

Professor Hill has indeed raised a good question. We all know that juvenile delinquency is one of the major problems facing our society. It was no different in River City, Iowa, at the turn of the century.

Professor Hill reminds the good people of this grave danger, as follows:

> Heed the warning before it is too late. Watch for the telltale signs of corruption. Mothers of America, the moment your son leaves the house does he rebuckle his knickerbockers below the knee? Is there a nicotine stain on his index finger? A dime novel hidden in the corncrib? Is he memorizing jokes out of Captain Billy's Whiz Bang? Are certain words creeping into his conversation, words like "swell" and "so's your old man"? If so, my friend, you got trouble. Right here in River City.

But Professor Hill then tells them how they may save their city. He entreats:

> Remember, my friends, what a handful of trumpet players did to the famous fabled Walls of Jericho.

Now, Mr. President, I ask you, Have you ever seen a juvenile delinquent with a bugle? Of course not. Have you ever seen a juvenile delinquent proudly beating out the rhythm with his drums? You certainly have not.

Mr. President, there is no doubt that the drum and bugle corps in our country have helped fight juvenile delinquency. They have provided a worthwhile and constructive form of recreation and group participation for thousands of young people in this country. More than 100,000 youngsters spend several hours a week rehearsing in order to arrive at the polished efficiency for which they are so justly famed.

At the same time we must remember that most of these drum corps are predominantly extracurricular and privately sponsored. In almost any given community, they are the result of a few interested and enthusiastic adults who have taken the time to knock on doors, raise money, recruit boys, and find instructors.

The result of the combined efforts of the youths and adults is the vigorous and colorful corps which serve to remind us of our Nation's past and of the courage which has gone into the building of America. They call forth visions of the spirit with which men have fought for those ideas our country holds dear.

Our drum corps are making a definite and praiseworthy contribution to the spirit and flavor of America. In recognition of this and the industrious efforts of those involved, I feel a National Drum and Bugle Corps Week would be a fitting tribute. I urge adoption of this joint resolution.

The **PRESIDING OFFICER.** The joint resolution will be received and appropriately referred.

The joint resolution (S.J. Res. 193) to provide for the designation of the last week in August of 1964 as "National Drum and Bugle Corps Week," introduced by Mr. PROXMIRE, was received, read twice by its title, and referred to the Committee on the Judiciary.

SOCIAL SECURITY AMENDMENTS OF 1964—AMENDMENTS (AMENDMENT NO. 1213)

Mr. DOUGLAS. Mr. President, as Senators know, the Railroad Retirement Act provides a retirement system for railroad employees, their dependents, and their survivors, comparable to the system provided by the Social Security Act for workers in industry generally. Although the two systems are administered separately, they are coordinated in some very important respects. Because of these circumstances the representatives of railway labor and the majority of the Railroad Retirement Board believe that certain changes in the bill H.R. 11865 are essential in order to continue the existing coordination. I fully share their view, and I shall offer the appropriate amendments which I shall now explain briefly.

FINANCIAL INTERCHANGE PROVISION

Existing law provides for the financial interchange between the two systems. In effect, existing law assures that the social security trust funds will be in no better or worse condition than they would be if railroad service had been employment subject to the Social Security Act and the Federal Insurance Contributions Act. Financial adjustments are made each year between the railroad retirement account and the social security trust funds. In calculating the amounts to be transferred from the account to the funds or vice versa, the railroad retirement account is, in effect, charged with the taxes that would have been paid for social security purposes if railroad service had been social security employment and, contrariwise, the social security trust funds are charged with the amount of benefits that would have been paid by the Social Security Administration under the same hypothesis.

As an implementation of this provision, and to assure that the stabilization of the railroad retirement account would not be disturbed by subsequent changes in the social security tax rates, existing law provides that the railroad retirement tax rates would be increased automatically with respect to years after 1964 by the same amount by which the effective social security tax rate for those years exceeds 2¾ percent. Contrary to this coordinating principle, however, section 16(d) of the bill H.R. 11865 would gear the automatic increase in railroad retirement tax rates for years after 1964 to the rate set by the social security tax schedule now in effect. The result of this would be that increases—or decreases—in the tax rate schedule, such as proposed by the bill, would have no effect on the railroad retirement tax rates; and this would have an adverse effect on the railroad retirement program. For this reason, the representatives of railway labor and a majority of the Railroad Retirement Board strongly urge that section 16(d) of the bill H.R. 11865, be deleted.

THE SOCIAL SECURITY MINIMUM PROVISION

Another provision for the coordination of the two systems is that which takes account of the higher tax rates paid by railroad employees. This provision guarantees that benefits for a month under the Railroad Retirement Act to an employee, his dependents or survivors shall be no less than 110 percent of the amount, or the additional amount, that would have been payable to all persons under the Social Security Act if the employee's railroad service had been employment subject to the Social Security Act. To give effect to this provsion the House Ways and Means Committee and the Senate Finance Committee have always, in the past, made certain that the term "Social Security Act" in the Railroad Retirement Act shall mean the Social Security Act as recently amended. This was done by the House Ways and Means Committee and the Senate Finance Committee, as a matter of course, in 1952, 1954, 1956, 1957, 1958, 1960, and 1961, by amending section 1(q) of the Railroad Retirement Act to this effect. The bill H.R. 11865, however, failed to do so.

My amendment would effect this change so that, in computing the railroad retirement benefits under this minimum provision, account will be taken of the 5-percent increase in social security benefits, and the higher maximum creditable wage base. Failure to make the change that I propose would be a breach of faith with railroad employees because they have been constantly assured of the congressional policy that they would receive in benefits the minimum amount provided by this minimum guarantee provision.

SURVIVOR BENEFITS

Benefits to survivors of railroad employees are payable either under the Railroad Retirement Act or the Social Security Act but not both, with service credits under both systems being combined to determine eligibility for, and the amount of, the benefits. In general, benefits are paid under the railroad retirement system if the employee had a current connection with the railroad industry at the time of his death. As you know, the maximum annual creditable compensation under the Railroad Retirement Act now is $5,400 a year. Under present law, as well as under H.R. 11865, social security wages credits may not be included to increase the combined creditable yearly earnings above $4,800 in calculating the benefits to survivors of employees under the regular railroad retirement formula even though the bill would increase the $4,800 to $5,400 a year for the Social Security Act.

My amendment would permit wage credits to be added to the railroad service credits to permit the use of a maximum $5,400 a year in calculating monthly survivor benefits under the Railroad Retirement Act in order to give effect to the longstanding congressional policy of coordination between the two systems.

BENEFITS FOR CHILDREN OVER 18 WHILE ATTENDING SCHOOL

The bill H.R. 11865 would provide benefits for children between the ages of 18 and 21 inclusive, who are not now entitled to benefits, unless disabled, to be paid while those children attend recognized schools. It is obvious that the children of deceased railroad employees should also have these rights. My amendment would so provide.

FINANCIAL EFFECTS

According to the actuary of the Board, the total effect of the bill with my amendments on the financial condition of the railroad retirement system would be to increase the costs of the system by $6.4 million a year causing the projected deficit to be $25.4 million a year, or 0.60 percent of taxable payroll, as compared with the present deficit of about $19 million a year or 0.43 percent of taxable payroll. In the light of the importance of these changes, the slight increase in the deficit is, in my opinion, justified.

The additional cost of $6.4 million a year which I have cited is made up of the difference between additional benefit payments which the railroad retirement system will have to make and additional income derived from the change in the tax rate which would come about by the deletion of section 16(d) of the bill and additional gains from the financial interchange which would result from the unamended bill H.R. 11865 as well as from the amended bill. The additional benefits payable by the railroad retirement system will amount to $27.7 million of which $6 million would be payable under the unamended bill. The additional taxes come to $11.2 million and the additional gains from the financial interchange amount to $10.1 million a year on a level basis.

As stated earlier, the amendment I propose to section 1(q) of the Railroad Retirement Act would continue the guarantee that railroad employees and their dependents would get at least 110 percent of what they would have been entitled to under the social security system. This would increase benefit expenditures of the railroad retirement system by $19.2 million a year. An additional $2.5 million a year would come about because of the provision permitting children 18–21 to receive benefits while attending school. The remaining $6 million a year would be payable under either the amended or unamended bill H.R. 11865 and is due to the increase in the maximum spouse's benefit which is related to the maximum wife's benefit under the Social Security Act but which is not dependent on the reference in section 1(q) of the Railroad Retirement Act.

Mr. President, I now introduce the amendments to H.R. 11865 to which I have referred, and ask that the amendments be printed and referred to the Committee on Finance.

I also ask unanimous consent that the amendments be printed at this point in the RECORD.

The PRESIDING OFFICER. The amendments will be received, printed, and appropriately referred; and, without objection, the amendments will be printed in the RECORD, as requested by the Senator from Illinois.

The amendments (No. 1213) were referred to the Committee on Finance, as follows:

Strike out beginning with line 25 on page 46 and down to and including line 14 on page 47 and in line 15 on page 47 change the designation "(e)" to "(d)". On page 47 after line 19 insert the following:

"AMENDMENT PRESERVING RELATIONSHIP BETWEEN RAILROAD RETIREMENT AND OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE SYSTEMS

"SEC. 17. (a) Section 1(q) of the Railroad Retirement Act of 1937 is amended by striking out '1961' and inserting in lieu thereof '1964'.

"(b) The last sentence of section 5(j) of such Act is amended by inserting before the period at the end thereof the following: 'except that this sentence shall not operate to prevent the payment of an annuity to an individual for a month solely because during such month he ceases to be a "full time student"'.

"(c) Section 5(l)(1)(ii) of such Act is amended by inserting after 'years of age' the following: ', or shall be a full-time student and less than twenty-two years of age'.

"(d) Section 5(l)(1) of such Act is amended by inserting before the semicolon at the end thereof the following: '. The term "full-time student" shall for the purposes of this section have the meaning ascribed to it by section 202(d)(8) of the Social Security Act, and the references to the Secretary therein shall be deemed to be references to the Board. For the purposes of subsection (e) of section 2, and subsection (b) of this section, a child who has attained the age of eighteen years and who is not under a disability which began before the child attained age eighteen, shall be deemed not entitled to benefits under subsection (c) of this section'.

"(e) Section 5(l)(9) of such Act is amended by striking out 'after 1958 is less than $4,800' and inserting in lieu thereof the following: 'after 1958 and before 1965 is less than $4,800, or for any calendar year after 1964 is less than $5,400'; and by striking out 'and $4,800 for years after 1958', and inserting in lieu thereof the following: '$4,800 for years after 1958 and before 1965, and $5,400 for years after 1964'.

"(f) The amendments made by subsections (b) and (c) shall be effective with respect to annuities under the Railroad Retirement Act of 1937 for months after the month in which this Act is enacted but only (except as provided in the next sentence) on the basis of an application filed with the Board in or after the month in which this Act is enacted. In the case of an individual who was entitled to an annuity under section 5 of the Railroad Retirement Act of 1937 for the month in which this Act is enacted such amendments shall apply to annuities for months after the month in which this Act is enacted."

PRESIDENTIAL SUCCESSION—ADDITIONAL COSPONSORS OF SENATE JOINT RESOLUTION 139

Mr. BAYH. Mr. President, I ask unanimous consent that the name of the Senator from New York [Mr. JAVITS] and the name of the Senator from North Carolina [Mr. ERVIN] be added as cosponsors of Senate Joint Resolution 139, relating to presidential succession.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAYH. Mr. President, the joint resolution deals with the nagging problem which has confronted this country since its inception; namely, that we have no way of providing a means for filling vacancies that have existed 16 times in the office of the President, nor for the problem of disability in the office of the President.

I hope the Senate can deal with this problem before the session is over.

It is a distinct pleasure to be joined by Senator JAVITS and Senator ERVIN as cosponsors of this resolution. Both of these gentlemen are noted constitutional scholars and their support of this amendment will greatly enhance its possibility of adoption.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. BAYH. I yield.

Mr. JAVITS. I feel that, though I started out with a resolution on my own, on the question of disability and succession, now that the American Bar Association has taken a position it is important that we close ranks behind some solution. I believe the solution proposed by the Senator from Indiana is equal to that problem. In order to close ranks, I am honored to join with the Senator in his joint resolution.

Mr. BAYH. I would like to point out for the RECORD that the effort which has been made by that body and the suggestion of the Senator from New York that we arrive at a consensus is an indication of and emphasizes the need. It is high time a consensus was reached and united effort was made to get a solution, and not to diversify our efforts.

Mr. JAVITS. Mr. President, this is "must" legislation.

NOTICE OF HEARINGS ON CERTAIN BILLS

Mr. JOHNSTON. Mr. President, as chairman of the Committee on Post Office and Civil Service, I wish to announce that public hearings have been scheduled by the retirement subcommittee on S. 991, S. 2184, and S. 2144 for Wednesday, August 19, 1964, at 10 a.m. in room 6200 of the new Senate Office Building.

S. 991 would amend the Civil Service Retirement Act to provide for the inclusion in the computation of accredited service of certain periods of service rendered States or instrumentalities of States.

S. 2184 would increase annuities payable to certain annuitants from the Civil Service retirement and disability fund.

S. 2144 would provide for the recomputation of annuities of retired employees who elected reduced annuities at the time of retirement, in order to provide survivor annuities for their spouses.

Those wishing to testify may arrange to do so by calling the committee offices on 225-5451.

ADJOURNMENT TO 10 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, if there is no further business to come before the Senate, I move that the Senate stand in adjournment until 10 o'clock a.m. tomorrow, in accordance with the previous order.

The motion was agreed to; and (at 6 o'clock and 38 minutes p.m.) the Senate, under the previous order, adjourned until tomorrow, Wednesday, August 12, 1964, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate August 11 (legislative day of August 10), 1964:

In the Navy

Having designated, under the provisions of title 10, United States Code, section 5231, Read Adm. Lloyd M. Mustin, U.S. Navy, for commands and other duties determined by the President to be within the contemplation of said section, I nominate him for appointment to the grade of vice admiral while so serving.

In the Army

The following-named officer under the provisions of title 10, United States Code, section 3066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 3066, in grade as follows:

Maj. Gen. Richard Davis Meyer, O18963, Army of the United States (brigadier general, U.S. Army), in the grade of lieutenant general.

In the Air Force

Maj. Gen. Paul S. Emrick, 1801A, Regular Air Force, to be assigned to positions of importance and responsibility designated by the President in the grade of lieutenant general, under the provisions of section 8066, title 10, of the United States Code.

EXTENSIONS OF REMARKS

National Peanut Marketing Research Laboratory

EXTENSION OF REMARKS

OF

HON. E. L. (TIC) FORRESTER

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 11, 1964

Mr. FORRESTER. Mr. Speaker, on the 3d day of July 1962, the Secretary of Agriculture wrote Hon. JAMIE WHITTEN, chairman, an exhaustive letter endorsing a national peanut quality laboratory at Dawson, Ga., and answering certain objections in a masterful way.

The laboratory is a must, and appropriations therefor have been inserted in H.R. 11202 by the Senate. This letter should be read in order to know the truth.

It reads as follows:

DEPARTMENT OF AGRICULTURE,
Washington, D.C., July 3, 1962.

Hon. JAMIE L. WHITTEN,
Chairman, Subcommittee on Department of Agriculture and Related Agencies Appropriations, House of Representatives, Washington, D.C.

DEAR MR. WHITTEN: You will recall that the Congress appropriated fiscal year 1962 funds for the development of plans and specifications for a national peanut marketing research laboratory. The request for these funds was the outgrowth of several years of planning climaxed by the united support of 15 farm and trade organizations which unanimously approved a comprehensive statement submitted for the record at the time of the Agricultural Marketing Service's fiscal year 1962 Senate Agricultural Subappropriations Committee hearings in the spring of 1961.

The statement presented a well-thought-out marketing research program which in the opinion of industry groups was urgently needed. In addition the statement outlined in great detail building, laboratory, pilot plant and equipment needs, including costs; and presented personnel and operating fund requirements. When the Congress appropriates funds for the implementation of a project as specifically outlined as in this case, we feel that the executive department has limited discretion to effect substantive deviations. The Department involved proceeds on the basis of the authority and direction contained in the record, unless it is specifically directed by the Congress to proceed on some other basis.

Since the passage of the appropriations bill last year, concern has been expressed by representatives of various peanut groups that the Department has departed substantially from the original objectives set forth in the industry-approved statement submitted by the peanut group. I think it appropriate, therefore, that I provide you with certain assurances which may be helpful in the consideration of this item in the current budget which your committee now has under consideration. Such assurances are listed below.

1. The architectural plans and specifications which are now nearly completed do adhere to the building plans outlined in the industry-approved statement. The only deviation is the addition of space to house a small amount of peanut harvesting research which will be carried out by the Agricultural Research Service.

2. The AMS program of research which the Department plans to carry on in the laboratory will be identical to that outlined in the industry statement.

3. The research contemplated for the laboratory will be wholly confined to peanuts. Originally we had contemplated carrying on research on problems affecting other commodities important to the Southern States but this proposal has been abandoned.

4. No peanut harvesting research now being carried on by the Agricultural Research Service at Holland, Va., will be transferred to the laboratory nor will the research being carried on at Holland be closed out. Reference has been made to certain research being carried on at Lewiston, N.C., but since this research is a State responsibility it would not be our prerogative to move it elsewhere.

5. The type of utilization research conducted by the Southern Regional Utilization Research and Development Laboratory at New Orleans will not be disturbed in any manner. The research contemplated for the new laboatory at Dawson, Ga., will concern itself with the solution of marketing problems and will be separate and distinct from the type of utilization and development work being carried on at the New Orleans laboratory. Research in these two fields will be properly coordinated within the Department in order to avoid duplication.

6. Research work to be carried on at the Dawson laboratory will give appropriate consideration to marketing problems associated with all types of peanuts, regardless of their area of production. In this connection, we shall establish a research advisory committee to advise the research staff on problems faced by the industry and to assist in the development of a sound national peanut marketing research program. Such a committee will have appropriate representation from all the peanut-producing areas.

7. As in the past, we shall make every effort to coordinate the peanut marketing research with the appropriate State experiment stations and with the industry. Currently, all the peanut marketing research conducted by AMS is in cooperation with State experiment stations and industry groups, and this research will be continued.

In view of the importance of peanuts and their products to the Nation's agriculture, we strongly favor the establishment of a national peanut marketing research laboratory wherein a very comprehensive program can be carried on in order to provide the industry with answers to its marketing problems. Adequate research facilities, plus a well developed program of research, should be viewed as an excellent long-term investment which we think will pay handsome dividends to peanut producers, related industries, and the consuming public. It is for this reason that I want to give you my personal assurances as set forth above.

If we can provide you with further information we shall be most happy to be of assistance.

Sincerely yours,

ORVILLE L. FREEMAN.

Hon. John B. Bennett

EXTENSION OF REMARKS

OF

HON. LINDLEY BECKWORTH

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 11, 1964

Mr. BECKWORTH. Mr. Speaker, Representative John B. Bennett was one of my best friends. He was honest, able, and fearless. We all know he did an unusually fine job of work as a Member of Congress. To his wife, his children, and his friends, I express my sincere sympathy. Forever we shall miss John.

A Final Tribute to Harold C. Woodward, Outstanding American

EXTENSION OF REMARKS
OF
HON. ROBERT McCLORY
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 11, 1964

Mr. McCLORY. Mr. Speaker, the recent passing on August 4 of Harold C. Woodward, a member of the Federal Power Commission, brought to a sudden and tragic end a most useful and productive life. Commissioner Woodward was a devoted husband and father as well as an outstanding member of the legal profession and a public official who served his community, his State, and his Nation with fidelity and intelligence.

Commissioner Woodward, or as he was familiarly know as "Chris" or "Woody," presented a life which can be an example to all Americans. Son of a distinguished member of the Federal court, Commissioner Woodward was graduated with the degree of bachelor of arts from the University of Illinois in 1924 and from the Northwestern University Law School in 1926. "Woody" was a member of the Fighting Illini football team and played fullback on the team which included the immortal Red Grange. During World War II, he served in the Army Air Corps, rising to the rank of major at the end of hostilities in 1945. Mr. Woodward was a lifelong Republican and brought strength to the party organization in promoting those principles in which he believed and for which he worked.

Mr. Woodward was a successful lawyer at the Chicago and Illinois bar, practicing in the State and Federal courts. He became a hearing examiner with the Illinois Commerce Commission in 1953 where he served with distinction until 1959, at which time he was appointed as a judge of the Superior Court of Cook County. He returned to the Illinois Commerce Commission in 1960 where he continued as a hearing examiner until January 5, 1962, when the late President Kennedy nominated Mr. Woodward as a Republican member of the Federal Power Commission to fill an unexpired term ending June 22, 1962. Thereafter, on June 19, 1962, President Kennedy reappointed him to a full 5-year term which would not have expired until June 22, 1967.

While some disagreed with the point of view which Commissioner Woodward brought to the Federal Power Commission, all respected his judgment and his decisions and recognized his faith in our constitutional system, the vitality of our private power companies and our great national resources in the form of public power.

Commissioner Woodward was an unassuming man whose reputation and high position did not affect his simple tastes and interest in his home, his family, and his friends.

Commissioner Woodward leaves his widow, the former Mabel Martin, of Riverside, Ill., and his daughter, Mrs. Ann Kelly, two grandchildren, and three sisters.

Mr. Speaker, I know that there are many others who have always felt a warm affection for "Woody." In behalf of all of them, I wish to express the tender and heartfelt sympathy which swells our hearts and to express to his bereaved widow and daughter as well as other members of the Woodward family our condolences.

Changes in Bank Management Which Jeopardize the Bank's Stability

EXTENSION OF REMARKS
OF
HON. LEONOR K. SULLIVAN
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 11, 1964

Mrs. SULLIVAN. Mr. Speaker, I have today introduced a bill (H.R. 12307) to require the president or other chief executive officer of any bank whose deposits are insured by the Federal Government, to report to the appropriate Federal agency the facts surrounding changes which occur in the outstanding voting stock of such bank which will result in a change in control of the institution.

This is legislation which has been recommended to the Committee on Banking and Currency by the Chairman of the Federal Deposit Insurance Corporation, our former colleague on the committee, the Honorable Joseph W. Barr. It would require notification, either to the FDIC or the Comptroller of the Currency, or the Federal Reserve Board, depending upon the type of bank involved.

A similar bill has been introduced by Chairman WRIGHT PATMAN, of the Committee on Banking and Currency, and hearings have been scheduled for Wednesday by the full committee on the chairman's bill, H.R. 12267. Because I believe very strongly in the idea proposed in this legislation, in view of circumstances surrounding some recent bank failures, including one in Missouri, I want to become a cosponsor with Chairman PATMAN of this proposal. The legislation has been drafted with the assistance of the Treasury Department, the Bureau of the Budget, the Federal Reserve System, and the banking industry.

When the Government insures the deposits of a particular bank, to protect the depositors against loss, it is in effect endorsing the policies and practices of the bank's management. If the management suddenly changes hands, the Federal Government should be alerted instantly in case risky or improper loans are handed out in large amounts, jeopardizing the stability of the bank. It is my information that such a thing has followed changes in bank management in at least some of the cases of recent failures. By the time the insuring agency of the Federal Government learned about the change in stock control and management, and the new policies which were being followed, the particular banks involved were already insolvent or on their way to that condition.

KEEP AN EYE ON BANK RAIDING

Mr. Speaker, if the depositors in those banks had $10,000 or less on deposit, they suffered no loss. I am sorry we did not succeed in obtaining House approval of the bill recently recommended by our Committee to increase the coverage of bank deposit insurance from the present maximum of $10,000 to $20,000. In the absence of the higher insurance coverage we proposed in that earlier legislation—which the House defeated—the Patman-Sullivan bill will at least give the Federal insuring agencies a better opportunity to move in quickly and investigate any policies of a new bank management to be sure the bank's stability is not jeopardized.

And, of course, such legislation will certainly conserve the resources of the FDIC.

Indications are that acquisition of bank control is sometimes undertaken by "raiders" whose purpose is primarily to channel the bank's resources into their own businesses or ventures. The proposed Patman-Sullivan bill will require that changes in control of a bank be reported, in the case of a national bank, to the Comptroller of the Currency; in the case of a State bank which is a member of the Federal Reserve System to the Board of Governors of the Federal Reserve; and in the case of an insured State bank not a member of the Federal Reserve, to the Federal Deposit Insurance Corporation.

Under the legislation, also, a report would be required in cases where a loan made by any insured bank is secured by 25 percent or more of the shares of the voting stock of any insured bank, if the owner of the stock has owned it for less than 1 year.

Catholic War Veterans Endorse U.S. Lottery

EXTENSION OF REMARKS
OF
HON. PAUL A. FINO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 11, 1964

Mr. FINO. Mr. Speaker, several weeks ago, in similar letters to every national veterans organization, I requested that a resolution urging a national referendum on the question of a Federal lottery be presented to their respective national conventions so that we, in Congress, can have an expression of opinion from the membership of these national groups.

I am happy to inform this House that the Catholic War Veterans of the United

States, Inc., assembled for their 29th annual convention in Cleveland, on August 7, endorsed the idea of a national lottery. The action was taken by a substantial voice vote and proposed that the revenue from such lottery be earmarked for the benefits and welfare programs of the Veterans' Administration.

I am certain, Mr. Speaker, that the other major veterans organizations which are scheduled to meet later on, will follow suit.

This endorsement of a Government-run lottery by the Catholic War Veterans is further evidence of the tremendous support that exists for this proposal as a means of raising additional revenue.

Results of Public Opinion Polls

EXTENSION OF REMARKS

OF

HON. ROBERT J. CORBETT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 11, 1964

Mr. CORBETT. Mr. Speaker, it is my pleasure to here report to my colleagues and the readers of the CONGRESSIONAL RECORD the percentage results of my last two polls of public opinion in the 18th District of Pennsylvania.

The 18th Congressional District is wholly in suburban Pittsburgh lying mostly to the north of the city. It had a population of 409,219 in 1960 and the permanently registered voters are almost equally divided between Republicans and Democrats. An exact number of questionnaires are sent to Democrats and Republicans, but no attempt is made to determine the political affiliation of those who respond.

The 18th District of Pennsylvania, containing as it does a large number of ethnic groups, labor groups, social groups, and residents of all economic levels, does present a good cross-section area. A sufficient number of replies is received to constitute a referendum of public opinion in the district.

The results follow:

Tabulated results for poll conducted June 1964

	Percent	
	Yes	No
1. In general do you favor the civil rights bill now pending in Congress?	51	49
2. Should the Constitution be amended to permit voluntary Bible reading and prayer in public schools?	72	25
3. Would you vote for Federal financial assistance for urban mass transit system?	45	55
4. Do you believe that the United States should continue to actively oppose the admission of Red China into the United Nations?	83	17
5. Recently we have witnessed numerous trade agreements with Russia and Communist-bloc nations. Do you favor this trend?	41	59
6. One of President Johnson's pieces of "must" legislation is a salary raise for all Federal employees designed to make their compensation comparable to that received by persons in private employment. Should this be done?	52	48
7. Do you believe we should withdraw our military personnel from active participation in South Vietnam?	38	62
8. Should we terminate our restrictions against Cuban exiles and permit them to conduct operations against the Castro regime?	62	38
9. Would you like to see the presidential candidates of both major parties engage in nationwide television debates during the fall campaign?	61	39
10. Do you feel that news networks should refrain from predicting on the basis of partial returns the outcome of elections while some of the polls are still open?	71	29
11. Do you support the administration's recent economy cutback in parcel post deliveries and other postal services?	53	47
12. There is much public pressure for a national floral emblem. Please underline which you would prefer: (a) the carnation (9 percent); (b) the rose (39 percent); (c) the corn flower (6 percent); (d) the mountain laurel (42 percent); (e) the Shasta daisy (4 percent).		

Tabulated results for poll conducted January 1964

	Percent	
	Yes	No
1. Should the Constitution be amended to permit voluntary Bible reading and prayer in the public schools?	87	13
2. Do you think that our crash program to land a man on the moon is worth the cost and effort?	22	78
3. Would you vote to expand our area redevelopment program?	56	44
4. Should we broaden the food stamp program?	41	59
5. The United States now permits sale of wheat and other grain to Russia by our exporters. Should the U.S. Government guarantee payment?	15	85
6. Would you vote to establish a domestic National Service Corps like the foreign Peace Corps?	51	49
7. Do you believe that the Alliance for Progress in Latin America has been worth the cost?	30	70
8. Do you favor hospital insurance for the eligible elderly financed by social security taxes?	57	43
9. Do you favor Federal financial assistance to public primary and secondary schools?	46	54
10. Should the civil rights bill contain a public accommodations feature (i.e., access to hotels, restaurants, theaters, etc., cannot be denied because of race)?	57	43
11. Do you favor cutting the Federal income tax by about $11,000,000,000?	72	28
12. Should the Congress continue to act as a brake on the President's programs?	88	12
13. Do you favor a continuation of the nuclear test ban treaty?	83	17
14. Do you agree with President Johnson that we can carry out his program and still reduce the budget?	45	55

Frank Daly, of Beverly, Mass.

EXTENSION OF REMARKS

OF

HON. JAMES A. BURKE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 11, 1964

Mr. BURKE. Mr. Speaker, may I bring to the attention of the Members of Congress an article that appeared in the Boston Sunday Globe, written by Daniel J. O'Brien, well-known newspaper columnist, wherein he refers to Frank Daly, of Beverly, Mass. The article reads as follows:

ROUND ABOUT

(By Daniel J. O'Brien)

Frank Daly, of Beverly, a member of the public relations staff of the Democratic National Committee and former public relations man for the Massachusetts Democratic State Committee, is in Peter Bent Brigham Hospital, and I am certain would appreciate hearing from his many friends throughout the State. Congressman THOMAS P. O'NEILL, Jr., told me about Frank's plight, and then we talked of the skill Frank always has shown in obtaining favorable publicity for the many candidates he has aided.

"Tip's" favorite was about the young man seeking statewide office who invited Frank to go along on a series of stops in cities and towns in the southeastern section of the State.

The young man in his first talk said that at the age of 21 he had opposed a candidate who had held office for years and was noted as a skillful politician. "And I lost by only 1,000 votes," he concluded.

When the party started off for the next city Frank said to the young man, "You didn't lose by 1,000 votes. You only lost by 500 votes. Because if you had 500 more votes the margin of victory would have been only 500." At the next stop the young man brought the figure down to 500. The third time he cut it to 250. The fourth time he lost by only 125.

Then Frank asked, "How many more talks are you giving tonight?" "Three, why?" asked the candidate.

"Because," Frank said, "at the rate you are going you're going to win that contest by a good margin before the night is out."

Mr. Speaker, Frank Daly is well known to many Members of the U.S. Congress and has been doing public relations work for many, many years. He has represented some of the outstanding stars of the theater, television, and radio. Bert Lahr, Edward Everett Horton, and a host of other great stars. His public relations work in politics contains such outstanding Americans as the late beloved President John F. Kennedy, the late beloved Senator from Tennessee, Estes Kefauver, former Gov. Paul A. Dever of Massachusetts, our own Congressman Thomas P. O'Neill and many organizations such as our Democratic National Committee. Frank Daly can do more with a typewriter in 5 minutes than most of our Madison Avenue public relations firms can accomplish with a large and expensive staff. Frank Daly is an "idea man." His creative genius is recognized by all who know him. He has a splendid sense of humor. He also has a deep concern for the plight of his fellow man. Yes, Frank has had many rosy offers from those whom he differed with. However, Frank would never accept any offer that ran counter to the high principles that he lived by. Frank Daly is a nice fellow. We are all sorry to learn of his illness. I know I express the sentiments of the hundreds of friends he has in Congress, in the Press Gallery, at the White House when I say our prayers and wishes are for an early recovery. We miss Frank here in the Nation's Capital and are anxiously awaiting his return.

The Third Annual Concert in Tribute to Abraham Lincoln by the U.S. Marine Band

EXTENSION OF REMARKS

OF

HON. FRED SCHWENGEL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 11, 1964

Mr. SCHWENGEL. Mr. Speaker, on July 19, patrons of the Watergate concert of the U.S. Marine Band were treated to the annual program dedicated to the memory of Abraham Lincoln.

Again this year, I had the privilege of taking part in the program and it was my honor to introduce the guest speaker for the evening, Carl Haverlin, a Lincoln enthusiast and scholar from Northridge, Calif.

Because I know that my colleagues and all others who revere the Lincoln story will be interested in the remarks which were made at this concert, I wish to have the concert program, the narration of William Jones, and Mr. Haverlin's appropriate address appear in the CONGRESSIONAL RECORD. Under leave to extend my remarks, it is printed herewith:

THE U.S. MARINE BAND—"THE PRESIDENT'S OWN"

CONCERT—IN TRIBUTE TO ABRAHAM LINCOLN

Watergate: Lt. Col. Albert Schoepper, director, conducting, Sunday, July 19, 1964, at 8:30 p.m.

PROGRAM

1. March,[1] "Lincoln Centennial," Sanford.
2. Overture,[1] "American Overture for Band," Jenkins.
3. "Cowboy Rhapsody,"[1] Gould.
4. Suite for Band,[1] "Prairie Legend," (I) Bullwhacker's Dance, (II) Harvest Evening, (III) County Fair; Siegmeister.
5. Selection, "Stephen Foster Melodies," Arr. Guzman.

INTERMISSION

Introduction of Speaker: Representative FRED SCHWENGEL, of Iowa.

Speaker: Carl Haverlin, Northridge, Calif., Lincoln theme.

7. March,[1] "Washington Grays," Grafulla.
8. "Echoes of the 1860's," Hunsberger.
9. Baritone solo, "This Is My Country," William Jones, soloist, Jacobs.
10. Narration with band, "A Lincoln Portrait," William Jones, narrator, Copland.
11. "Battle Hymn of the Republic," Arr. Ringwald.

William Jones, concert moderator.

Lincoln Group of the District of Columbia, special invited guests.

WILLIAM JONES, NARRATOR AND CONCERT MODERATOR

(Marine Band: Fanfare opener and national anthem.)

Narrator: Ladies and gentlemen, we are most privileged again this evening to continue a newly established tradition in our concert programing. Tonight, for the third consecutive year, we are presenting a concert of special significance and dedication—a tribute by the President's own, the U.S. Marine Band to the memory of the 16th President of the United States, Abraham Lincoln.

We are especially indebted to the Honorable FRED SCHWENGEL, Member of Congress from Iowa's First District, for his original suggestion and his continued inspiration and enthusiasm relating to our Lincoln dedicatory concerts—and to the National Park Service and to the Lincoln group of the District of Columbia, under whose auspices this concert is being presented. Later in the program we will hear from Congressman SCHWENGEL and from Mr. Carl Haverlin, one of our Nation's outstanding Lincoln authorities and the 1961 recipient of the National Abraham Lincoln Distinguished Service Award.

Our homage to Abraham Lincoln tonight is not related to any special event in his life. It has no particular commemorative aspects. But as Lincoln himself was the very image of America—our concern is all American * * * and in a sense all-patriotic; it is, for the most part, music inspired by the Lincoln period in our national history.

We open our concert now as Captain Harpham and the U.S. Marine Band play the "Lincoln Centennial March" by Lee Sanford.

(Marine Band: "Lincoln Centennial March.")

Narrator: Dennis Hanks, a cousin of Lincoln's mother, Nancy, is recorded to have said of Lincoln's childhood:

"It didn't seem no time till Abe was runnin' round in buckskin moccasins an' breeches, a tow-linen shirt an' coonskin cap—Abe never give Nancy no trouble after he could walk except to keep him in clothes. Most o' the time we went b'ar foot * * *. An' Abe was right out in the woods, about as soon's he was weaned, fishin' in the crick * * * goin' on coon-hunts with Tom and me an' the dogs * * * follorin' up bees to find bee trees and drappin' corn fur his Pappy. Mighty interestin' life fur a boy, but thar was good many chances he wouldn't live to grow up."

The life and time of Lincoln's youth was an era during which a vigorous young nation began to come into its own * * * strong, self-reliant; with a vibrant strength graphically illustrated in the contemporary composition by Joseph Wilcox Jenkins * * * the "American Overture for Band."

(Marine Band: "American Overture for Band.")

Narrator: Perhaps some mood for the music about to be played might be set with Robert Whitaker's "Lincoln."

"There is no name in all our country's story,
So loved as his today;
No name that unites the things of glory,
With life's plain common way."

With all his thirst for knowledge—his desire to feed the mind—Abraham Lincoln was, above all, a man in the epitome of strength and character. While in the pretise of law and even with the problems of national schism during his Presidency, he looked on with a quiet pride to our country's expanding frontiers. In his mind the new West provided still another promise of strength, freedom, and enterprise * * * though unity as we know it today was still just over the horizon. Captain Harpham and the band present a modern treatment of songs, which in their way, "united the things of glory with life's plain common way." The songs of the new West in Morton Gould's "Cowboy Rhapsody."

(Marine Band: "Cowboy Rhapsody.")

Narrator: Poet Edwin Markham in his poem "Lincoln Triumphant" wrote:

"Lincoln is not dead. He lives in all that pities and forgives.
He has arisen, and sheds a fire that makes America aspire.
Even now, as when in life he led, he leads us onward from the dead;
Yes, over the whole wide world he bends to make the world a world of friends."

Just as this little poem mirrors Lincoln, so our next number, "Prairie Legend," by Elie Siegmeister, gives us the mood, the life, the circumstances that tell the story of Lincoln's environment. It is the suite in which you will hear: "Bullwhackers' Dance," "Harvest Evening," and "County Fair."

(Marine Band: "Prairie Legend.")

Narrator:

"If Nancy Hanks came back as a ghost,
Seeking news of what she love most,
She'd ask first . . . Where's my son?
What's happened to Abe? What's he done?

"Poor Little Abe, left all alone
Except for Tom who's a rolling stone;
He was only nine the year I died
I remember still how hard he cried.

"Scraping along in a little shack
With hardly a shirt to cover his back,
And a prairie wind to blow him down,
Or pinching times if he went to town.

"You wouldn't know about my son?
Did he grow tall, did he have fun?
Did he learn to read? Did he get to town?
Do you know his name? Did he get on?"

We now hear, in an arrangement by Luis Guzman, a retired member of the Marine Band, the music that Lincoln often heard, asked for, and loved. Probably the nearest approach to a Lincoln quality in American music is the literature of song left us by Stephen Foster. Lincoln could never really decide just which of Foster's songs he really loved most—but his dearest favorites are included in this medley presented now by Captain Harpham and the band, "Stephen Foster Melodies."

(Marine Band: "Stephen Foster Melodies.")

INTERMISSION

REMARKS OF CONGRESSMAN FRED SCHWENGEL

Congressman FRED SCHWENGEL. The Lincoln Group is glad to join with Lt. Col. Albert Schoepper and Capt. Dale Harpham and these magnificent musicmakers as together we pay our third annual special tribute to our most American American, Abraham Lincoln.

Captain Harpham, thank you for this thrilling and inspiring evening.

Our speaker tonight was met by myself last night at the International Airport in Los Angeles at 10:45 p.m. I joined him on flight 78 of the American Airlines and we arrived at Dulles at 6:25 this morning.

I brought him to my home and delivered him here a few minutes ago.

David Mearns of the Library of Congress, on the occasion of his receipt of the annual Lincoln Award pointed out these facts about the man who will relate the Lincoln story tonight:

"Carl Haverlin, resident of the town of Northridge, Calif.; citizen of the 20th century; inhabitant of his own world and the world of Abraham Lincoln; listener to the

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[1] Original work for band.

Lincoln lyric in prose, in poetry and in the strains of music; partaker and sharer of the Lincoln story; preserver and diffuser and interpreter of the Lincoln trace, the Lincoln touch, the Lincoln testament; anonymous benefactor of the Lincoln cause and those who serve it; patron of Lincoln learning; master of Lincoln knowledge; explorer of the Lincoln wilderness, discoverer of the Lincoln mysteries; who is (without contradiction or conflict of interest) at once the glowing amateur and the cautious academician, the enlightened student and the prudent authority, the collector and the dispenser, the advocate and the judge, the peer and the chieftain, the generous ally and the relentless force."

From him, this paradox, this disciplined disciple, comes now another tribute to our Lincoln. He is the past president of and the present consultant to Broadcast Music, Inc., and vice president of the U.S. Capitol Historical Society. It is with grateful appreciation and with eager anticipation that I yield to this rare and interesting person who is my friend, Carl Haverlin. He will address us tonight on "Lincoln by Littles."

"LINCOLN BY LITTLES," AN ADDRESS BY CARL HAVERLIN

Mr. HAVERLIN. It is not recorded that anything of great import ever happened to Abraham Lincoln on any 19th of July.

I am grateful that this is so for great events tend to obscure the essential humanity of even the greatest of men. Were we here to celebrate, say, the Emancipation Proclamation or the magical utterance at Gettysburg, the occasion and its meaning would rise between us and Mr. Lincoln.

On this day let us, instead, consider and be thankful for the uneventful years of his 56 and the many fallow days of his 20,517, when nothing meaningful seemed to happen though each contributed to the making of the man who so richly merits his vast and tranquil memorial. How did he achieve it?

Most of his days were but the small springs, the gentle confluences, the slow-flowing oxbows of the river of his life when the currents ran quietly onward toward the cruel cataracts of an unknown future and the final haven of a lasting sea.

In "Lincoln Day by Day," the exhaustive three-volume chronicle of his life, there are only 17 entries for this date. None is important though the first is touching.

In 1814, when he was five and a half years old, his father bought a secondhand child's wagon for 8⅓ cents. In the next, 20 years after, we find him in New Salem "a piece of floating driftwood" as he later referred to himself. In other entries we find him insisting on fairplay in a fight, attending a barbecue, making unremembered speeches, writing insignificant letters, dealing with inconsequential legal cases, and serving without great distinction in the Legislature and the Congress. Even the four entries for the presidential years lack color. All was quiet on his Potomac on these days as upon thousands and thousands of others. We are kin to Lincoln in this prairie quietude rather than in the drama of his mountain grandeurs. His usual life was very like our own, filled from rising to bedtime with the prosy, pedestrian minutiae of living. As we are most often, so was he—a minion to monotony—though it did not chafe him unduly.

A century of emphasis on his soaring accomplishments has tended to apostrophize him and obscure his human roots. This is a disservice to him and to us and no more ennobles him than it does some hero to assert that he was fearless. To the contrary both met and conquered their problems and perils in spite of uncertainties and fears; perhaps because of them; but certainly a result of what they both stored up on their fallow days. The many seeds of tiny experience and the eroded grains of the metal of character only awaited the hot sun of challenge to become utile.

Had the phonograph preceded Lincoln he might speak for himself on such matters. As some substitute I have made a brief extract from a sketch of his life he wrote for a campaign biography in June, 1860. I have put his text in the first person and added a very few words for smoother flow:

"My father removed to what is now Spencer County, Ind., in the autumn of 1816 I then being in my eighth year. He settled in an unbroken forest. The clearing away of surplus wood was the great task ahead. Though young, I was large for my age and had an axe put in my hands at once. From then until within my 23d year I was almost constantly handling that useful instrument—less, of course, in plowing and harvesting seasons.

"I went to ABC schools by littles. I think the aggregate of all my schooling did not amount to 1 year. After I was 23 I studied English grammar, imperfectly of course, but so as to speak and write as well as I now do. I nearly mastered the six books of Euclid after I was a Member of Congress. I regret my want of education and do what I can to supply the want.

"In March of 1830, my father and family left the old homestead in Indiana and come to Illinois in wagons drawn by ox-teams. I drove one of the wagons. We built a cabin and made sufficient rails to fence 10 acres and raised a sown crop of corn upon it the same year. That winter I hired myself to Denton Offutt to take a flat-boat to New Orleans. During this enterprise Offutt conceived a liking for me and believing he could turn me to account contracted with me to act as clerk in charge of a store and mill in New Salem. In less than a year Offutt's business was failing when the Black Hawk War of 1832 broke out. I joined a volunteer company and, to my own surprise, was elected captain. I have not since had any success in life which gave me such satisfaction.

"Returning from the campaign and encouraged by my great popularity with my immediate neighbors, I ran for the legislature and was beaten—my own precinct, however, casting its votes 277 for and 7 against me. This was the only time I was ever beaten by a direct vote of the people.

"I was now without means and out of business but was anxious to remain with friends who had treated me with so much generosity—especially as I had nothing elsewhere to do to. I studied what I should do—thought of learning the blacksmith trade—thought of trying to study law. I rather thought I could not succeed at that without a better education. Before long, strangely enough, a man offered to sell me and William Berry, as poor as myself, an old stock of goods. We opened as merchants and I was the store. I was appointed postmaster of New Salem, the office being too insignificant to make my politics an objection. The store winked out. The surveyor of Sangamon offered me a job. I accepted, procured a compass and chain and studied the books a little and went at it. This procured bread and kept body and soul together.

"In 1834, I was elected to the legislature. After the election I borrowed books to study the law. I was still surveying to pay board and clothing bills. I was reelected in 1836–38–40. In 1836 I obtained a law license. In March of that year I briefly defined, with Dan Stone, my position on slavery—and so far as it goes it was then what it is now.

"I believe that the institution of slavery is founded on both injustice and bad policy * * * I believe that the Congress of the United States has the power to abolish slavery in the District of Columbia.

"In November 1842, I was married to Mary, daughter of Robert S. Todd, of Lexington, Ky. We have three living sons. In 1846 I was elected to the lower House of Congress and served for one term only. Upon my return I went into the practice of law with greater earnestness than ever before. In 1854 the repeal of the Missouri Compromise aroused me as I had never been before. In the autumn I took the stump. My speeches attracted more attention than ever before. I did not abandon the law but in the presidential canvass of 1856 I made 50 speeches for Fremont."

This is as far as Mr. Lincoln went for the rest of the record was known. In these "short and simple annals of the poor" as he phrased it, rereveals a true humility but coupled with a rare pride in his early accomplishments and friendships. He does not complain. He evidences great good humor and intellectual honesty. He hints at his mastery of tools, kinship with the soil, love of family, hunger for knowledge, use of books, and devotion to his profession, persistence in principles of justice, and willingness to serve.

To better track him to his wellsprings I hope hereafter on this date, or any other not anniversary of a great event, others will help us imagine him as he was on his quiet days; perhaps as a reporter saw him on July 18, 1861:

"I saw the President crossing Pennsylvania Avenue, striding like a crane in a bulrush swamp * * * evidently in a hurry to get to the White House." That was a quiet day as was the next when he asked Secretary Seward to call "on a matter of no great moment." But the two following days were different for on them the Union forces attacked and were routed at the Battle of the First Bull Run. Then it was that the harsh iron gates of reality clanged open before the anguished President. He saw the Capitol threatened and the Union itself in mortal peril.

Now under the crimson challenge of the sun of war the assemblage of littles from all his forgotten days flowed together, coalescing in the heat of his need and, transmuted to a nobler metal, became the shining armor of his greatness.

From this point in time and in this city—itself a corridor in history and an echo chamber of the past—we have stretched the mystic chords of memory to trace his faint beginnings and approach his appalling end. The more we learn of his shadow life, the more we can appreciate the Nation's good fortune—not only in him but in all the devoted servants of our republic, wherever and whoever they may serve—who came here by the same road he came.

As there are no rules for becoming a hero, there were none for becoming a Lincoln. For him there was only living by littles and striving, day by day, in accordance with simple human precepts and a firm reliance on the Divine Providence he so often invoked.

As a nation let us be comforted that it still shapes men to serve the Republic. As individuals let's us be assured that among us now, even here to night, are boys and girls, men and women, destined by their prairie preparation for tomorrow's decisions on the lonely, upthrust granite heights of great occasions—whether in the White House or in some lesser post which by the unrest of the occasion will be of equal importance.

As closing apostrophe to Mr. Lincoln, this paraphase from an ancient Chinese text:

> "Being great you passed on.
> Passing on you became remote.
> Having become remote, you return."

(Marine Band: "Washington Grays.")

Narrator: Our Civil War was fought in a period of great devotion, remarkable enterprise, and high inventiveness. The tempering of the people in the fires of conflict did bring forth that new Nation of which Abraham Lincoln spoke with timeless eloquence. Of equal value then and ever increasing currency today is the vast hoard of songs, marching tunes, and patriotic airs that were written during the war period or which were revived to serve a timely cause. They too, are a chapter in American history. These songs, the marches, quicksteps, and sentimental songs of the day comprised the repertoire of the typical regimental military band of the period. Bands of such as the 3d New Hampshire and the famous 7th Regiment Band of New York. Now is perhaps the best time to listen to these "Echoes of the 1860's."

(Marine Band: "Echoes of the 1860's.")

(Baritone solo: "This Is My Country," Williams Jones, soloist.)

Narrator: What comes now may be called the essence of this concert's tribute to Lincoln—an imposing work by Aaron Copland creating an elision between that composer's magnificently descriptive music and the immortal words of Abraham Lincoln himself. Music's monument, "The Lincoln Portrait."

(Marine Band: "The Lincoln Portrait.")

Palmdale Stagecoach Days

EXTENSION OF REMARKS

OF

HON. EVERETT G. BURKHALTER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 11, 1964

Mr. BURKHALTER. Mr. Speaker, last May 25 I had the distinct honor and pleasure to announce to my constituency that the Department of Interior, Riverside (Calif.) Bureau of Land Management, had issued a patent for 110 acres in Palmdale, Calif. Palmdale is located in the Antelope Valley, and the land became titled to the Palmdale Stagecoach Days, Inc. The purpose of the patent and the land is for the location of a recreation area. This area will include horse shows, space for rodeos, a country zoo, an Antelope Valley Museum, outdoor concerts and opera, sporting events, and many other entertaining and recreational facilities. While all the projects planned by Stagecoach Days are not yet completed, I would like to take this opportunity to invite all Members of Congress to visit this fine recreation area whenever they have the good fortune to be in the 27th Congressional District of California, which I have the high honor to represent in Congress.

The background of this unique recreation area is truely a worthy study of the beneficial effects of cooperative efforts by an interested citizenry and local, State, and Federal Government agencies and officials.

By 1961 Mr. Jack C. Manshel had been long, and acutely aware of the important part that tourism has played in the economic development and financial stability of the southern California area. Plans were rapidly being completed for an Antelope Valley Freeway. The completion of the freeway would open the northern half of Los Angeles County, north of the San Gabriel mountain range, to the overflow of a population explosion taking place in the southern portion of Los Angeles County. Other factors such as a diminishing workweek, an increasing earnings capacity of the regional populace, and the real and increasing lack of adequate recreational facilities compounded the picture and demanded that some realistic plan for a popular recreational area be developed.

In an effort to find relief for the increasing need for recreational facilities, in view of the above enlarging and threatening factors, Mr. Manshel developed and presented to the Palmdale Chamber of Commerce the original concept of Palmdale Stagecoach Days. This concept was based on the economic philosophy of offering to the public, and the region at large, that which you actually have; namely, a rich heritage and store of western historical background, a background that could be pleasingly presented in its proper setting and perspective. This concept was offered as opposed to an idea which might prove to be only a promise in the unforeseeable future. The Palmdale Chamber of Commerce enthusiastically endorsed the program and authorized, by proper resolution, Mr. Manshel to act on their behalf to negotiate for the leasing of Federal lands in the adjacent Angeles National Forest for the program.

In the subsequent search for land suitable for the presentation of Palmdale Stagecoach Days, there were discovered 110 acres of land on the boundaries of what had since become the incorporated city of Palmdale. The title of the land was vested in the U.S. Department of Interior, Bureau of Land Management. Under resolution 62–34, which authorized, Mr. Manshel proceeded to file on said land on August 30, 1962. Title search revealed that the State of California had a prior vested interest in the land. Therefore, Mr. Manshel proceeded to prepare a letter to be submitted by the mayor of Palmdale to the Honorable Edmund G. Brown, Governor of the State of California, requesting that the State relinquish its rights to said lands in favor of the city of Palmdale. On December 13, 1962, the mayor of Palmdale received a letter from Governor Brown acceding to the city's request. Governor Brown at the same time notified the Bureau of Land Management at Riverside, Calif., of his action. At this time the assistance of my congressional office was sought to keep the project moving. By all proper action on the part of my Washington staff and through the appropriate Federal agencies, successful effort was made to obtain for the city of Palmdale the 110 acres of land suitable for recreational, educational, and cultural activities embodied in the stagecoach days concept. The realization of this concept will ultimately make Palmdale, and the Antelope Valley an even more attractive place to live—though it is extremely pleasant now. This action will serve purposes not only of recreation and entertainment for the people of the Los Angeles County and surrounding areas, but will provide many employment opportunities for all age groups from throughout the area.

I am proud to have played a small part in bringing to life the concept of stagecoach days. It will certainly add to the beauty and pleasure of living in the Antelope Valley. It will make the valley more pleasurable for many, many more fine visitors over the years. This program has had the support of the majority of the local populace, the cooperation and endorsement of local as well as State governmental agencies and officials, as well as the understanding and substantial assistance of the Federal Government as evidenced by the land patent issued by the Riverside Bureau of Land Management. It is through this joint effort, as urged and diligently pursued by Mr. Manshel, that the Antelope Valley will now have a recreational area, an area which will include a desert rock and cactus garden, a desert herbarium, stagecoach trails and wonderful pictures of the early days of the Antelope Valley. Plans provide that, when completed, there will be a life size Plains Indian Village, a frontier town, mining camps and a ghost town. All of these attractions will help make the area into a modern and up-to-date attraction—an attraction that will be a tribute to the citizens of the valley, entertaining and pleasant for visitors, and a fine compliment to the efforts of Jack C. Manshel.

The Mounting Scandal of Urban Renewal

EXTENSION OF REMARKS

OF

HON. J. ARTHUR YOUNGER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 11, 1964

Mr. YOUNGER. Mr. Speaker, Congressman JOHN DOWDY, Democrat, of Texas, has been studying urban problems—including redevelopment—for 10 years. This past year, as chairman of Subcommittee No. 4 of the House Committee on the District of Columbia, he has been investigating Washington, D.C.'s, own urban renewal program. He has also conducted independent surveys of the program as it operates in other cities.

A very fine article prepared by Congressman DOWDY, entitled, "The Mounting Scandal of Urban Renewal," recently appeared in the Reader's Digest and since it discusses the difficulties involved with urban renewal I know our colleagues will find it of interest.

The article follows:

THE MOUNTING SCANDAL OF URBAN RENEWAL

(Before you vote to accept Federal aid to improve your city, consider the extravagance, favoritism, and misuse of power that have attended urban renewal elsewhere in the Nation.)

(By JOHN DOWDY, U.S. Representative, of Texas)

More than a decade ago Congress created our Federal urban redevelopment program, which pledges the U.S. Government to pay two-thirds of the net project cost of buying up and clearing slums and rundown business areas, then building anew. Under the program more than 1,300 renewal projects have been started in 679 cities.

Many big projects have been carried out competently, but in a shockingly large number costs have skyrocketed. Charges of graft, favoritism, waste, arbitrary and illegal use of power have risen to a roar. Two congressional committees are investigating. And there is plenty to investigate as the program continues to grow. The U.S. Housing and Home Finance Agency (HHFA), having swallowed up $4 billion already, is asking Congress this year for authority to spend $3 billion more for urban renewal.

The handling of Erieview Project No. 1 in Cleveland touched off much of the furor and shows the proportions of the mess. When this 96-acre project was proposed, almost everybody in Cleveland found it appealing. The project would, it was argued, provide an immense number of jobs, eradicate slums, diminish crime, straighten out traffic, renew Cleveland's famous old Euclid Avenue business section, and add new buildings and enterprises to the tax rolls—mostly at the expense of the American taxpayer.

By law, the HHFA in Washington would pay planning costs. After the old buildings had been bought up and razed, after the land had been regraded and new services installed, Cleveland could sell or lease the cleared tract to a private redeveloper of its own choice. Such a sale would inevitably be at far less than the cost of buying and clearing the condemned area—but the HHFA would absorb the lion's share of the resulting loss. It would even pay for relocating displaced families. With an offer like that—a standing offer to any city under the urban-renewal law—how could Cleveland lose?

There was, however, one hitch. Urban-renewal regulations state that Federal aid in demolition jobs can be given only to areas containing structures not worth saving. Most of the 118 buildings in the Erieview area had been judged sound by Cleveland housing inspectors. Some were new. So how could the project be made eligible for $33 million in Federal aid? Cleveland officials hoped they had an answer. According to testimony before the House District of Columbia subcommittee of which I am chairman, they arbitrarily reclassified 84 of the 118 buildings as "substandard"—including 3 valued at $900,000, $840,000 and $660,000.

Then, in the autumn of 1960, a party of Government employees from the regional Urban Renewal Agency office in Chicago briefly toured the Erieview project site. According to a later report by Congress official watchdog, the General Accounting Office, they did not look inside any of the buildings, but when they left they had endorsed the city's reclassifications and thereby sealed the doom of 105 buildings worth $26 million.

Property owners were stunned. How could buildings previously certified as sound suddenly be branded hazardous? For example, as the GAO reports shows, Cleveland housing inspectors had found only minor violations of the city code in an eight-story masonry building valued at $660,000—principally, certain doors lacked self-closing devices and the cellar needed to be cleaned up. But at once, before the owner could act, the property was classified "substandard" and scheduled for acquisition and demolition. A sound, 12-year-old, one-story, brick-and-block building valued at $80,000 and having only a few minor violations (for example, in "the pointing of the chimney and the venting of the toilets") met the same fate. Many such rulings were made.

One of the property owners, Mrs. Teresa Grisanti, went to court. She said her doomed building was sound (a local housing inspector had said so just 2 months earlier); her lawyer stated that the claim that the "area was blighted, deteriorated or deteriorating is contrary to fact, arbitrary, capricious, and constitutes a gross abuse of discretion." He further asked in what way her building was detrimental to the public health, welfare or safety of the area. The city's lawyer objected to this question, and the objection was sustained by the judge, who ruled that since the city council had approved the Erieview plan there was nothing he could do. The Ohio Supreme Court found "no debatable constitutional question" and refused to hear the appeal.

It was as a result of the Cleveland uproar that Congress sent the General Accounting Office to check for waste in the $33 million of Federal grants and loans already poured into the city. The GAO report was devastating: "Our review shows that only 24 buildings in the project were substandard because of building deficiencies which could not be corrected through normal maintenance. The URA's criteria are so vague that a city may designate any of its buildings for demolition, even though far less costly methods may accomplish the objectives of urban renewal legislation."

The pattern was a familiar one to our subcommittee, which for 9 months had been investigating the local urban-renewal program in Washington, D.C. This is the largest such program in the country—under it, 60 percent of the city is scheduled for long-range redevelopment. One slice of this vast venture is the $20 million Columbia Plaza project. Consider this story as it unfolded in our subcommittee's official findings:

By January 1959 the contracting firm of Antonelli & Gould had bought more than half of a valuable nine-acre tract of downtown Washington property near the State Department, intending to develop it with private funds. Old residential and business structures were demolished; plans were drawn for a diplomatic city, combining much-needed chancery offices with residential apartment dwellings. But, meanwhile, the District of Columbia Redevelopment Land Agency (RLA) had other ideas. Working backstage with the National Capital Planning Commission, the RLA produced an agreement that the area should not be privately developed. All appeals were ignored.

Instead, the RLA had selected another group of redevelopers, the Columbia Plaza Corp. Faced with having its land condemned (by then it owned 90 percent of the area), Antonelli & Gould sold out. Then, the moment the Columbia Plaza Corp. took over in November 1961, the RLA applied for and received a $6 million Federal loan and grant—your tax dollars and mine—for the execution of what private industry had long been willing to do without Federal subsidy.

This deal brazenly ignored the law's requirements as to what kind of property can be taken over by urban renewal. When our subcommittee challenged the RLA to justify its actions, five men gave contradictory testimony. For example: the RLA appraiser had said the property contained 68 buildings. But a subcommittee investigator produced dated aerial photos showing that 15 percent of the buildings had already been razed on the day the RLA appraiser claimed to have examined them. Somebody obviously was not telling the truth, so we turned the case over to the Justice Department for prosecution.

Urban renewal abuses in Washington and Cleveland raise questions that touch on countless projects throughout the Nation.

1. The program is prodigal in its spending of Federal taxpayers' money. As in Cleveland, if a city council votes to go ahead with a renewal plan, URA puts up additional money to buy and clear the property, grade the land and install services. Then the city sells or leases the prepared tract to a private redeveloper, usually without competitive bids and almost always at a loss. The URA makes the city an outright grant of two-thirds of the loss (three-fourths, if the city is small).

The city is supposed to pay the other third, but rarely pays in cash. URA credits it with the cost of schools, streets, sewers, and other work linked with the project. Often the link is remote. New York City, for example, was allowed a credit of $2,718,908 for a plaza at the Lincoln Center for the Performing Arts. Perth Amboy, N.J., was given credit for a facility it planned to build later. The GAO reports are full of such cases.

2. The program operates like Robin Hood in reverse. It approves the taking of property by police power from ordinary citizens and selling it by advance arrangement to other, often wealthy, private citizens at prices frequently as low as 30 percent of acquisition cost. That 70-percent write-down constitutes a huge subsidy which robs taxpayers everywhere for the benefit of chosen redevelopers.

For example: In Washington, D.C., according to Senator JOHN WILLIAMS, Republican, of Delaware, the city's redevelopment agency paid the D.C. Transit System, of which O. Roy Chalk is president, $1,266,605 for some property, then later leased it back to his Chalk House West, Inc., for 99 years at a bargain rental of $43,221 a year.

Some of these deals extend subsidized housing to middle-income families and so widen the scope of the welfare state. When it was begun 15 years ago, Washington's slow-moving $100 million Southwest Urban Renewal Area B project was supposed to provide housing at $17 per room per month. Instead, as Representative JOHN KYL, Republican, of Iowa, says, "The area is full of super-duper glass apartments which rent for $175 per month and up, unfurnished."

3. It forces poor but independent homeowners into subsidized public housing. A well-known Washington judge, E. Barrett Prettyman, spoke eloquently of the people in a well-kept area doomed because it failed to meet modern standards. "What if its owners and occupants like it that way?" he asked. "Suppose they are old-fashioned and prefer single-family dwellings; suppose they like small flower gardens, believe that a plot of ground is the place to rear children? Or suppose these people can't afford to own more modern homes? The poor, the slow, the old, the small in ambition have no less right to property than the quick, the young, the aggressive. Are such questions to be decided by the Government?"

Urban renewal in practice seems to displace, most often, poor Negroes. Declared Representative WILLIAM B. WIDNALL, Republican, of New Jersey, "The pattern in the District of Columbia in this regard follows the national pattern, so much so that urban renewal has come to mean 'Negro removal' in the minds of those it was intended to help."

Adds the Most Reverend Patrick A. O'Boyle, Catholic Archbishop of Washington: "We gain nothing by tearing down slum housing if we force the residents to create new slums elsewhere by overcrowding."

In Alexandria, Va., the Durant Civic Association is struggling desperately to prevent destruction of a neighborhood of neat, clean, older houses, owned and well kept by thrifty Negroes whose families have lived there for as long as 100 years. "Where can our people buy equal housing with the money they will get?" asks A. Melvin Miller, the attorney leading the fight.

4. Urban renewal ruins thousands of small business enterprises, many of which could survive and even flourish under programs to rehabilitate rather than raze their areas. Many concerns lease their premises; when urban renewal uproots them, the owners of the buildings receive fair market value for the property, but the renters get nothing for the worth of their going business (which includes goodwill, customers, etc).[1]

Moving to new neighborhoods where they are not known often means tragedy and heartbreak, especially for older merchants. A study by Brown University showed that 40 percent of the shops uprooted in the Providence, R.I., urban renewal program had to go out of business. By 1970, it has been estimated, more than 200,000 small businesses will have been closed by urban renewal—a catastrophe largely overlooked in rosy descriptions of these programs.

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[1] See "Bulldozers at Your Door," the Reader's Digest, September 1963.

5. The person encourages landgrabbing and hasty starts on ill-conceived projects, often followed by long periods of stagnation. About 20 percent of all projects are abandoned. Seventy percent of all land seized so far has not yet been put to the use designated.

Boston, for instance, now has 19 urban renewal projects involving $227,960,000. When the books of the Boston Redevelopment Authority were examined by State auditor Thomas J. Buckley, he reported: "The principal result of BRA operations has been the creation of numerous parking lots on valuable lands, which have been rented to private operators at a fraction of their value. Land owned by BRA is not subject to real estate taxes, and therefore the delay in construction has cost the city thousands of dollars in tax revenues."

During the period of Buckley's audit (late 1957 to early 1963), approximately $1,675,000 was paid to various contractors for maintenance and major repairs to property scheduled for demolition. Buckley was unable to find a single case in which this work was done under contract resulting from competitive bidding.

6. Urban renewal programs often enrich slum owners. A slum landlord can split single apartments in two and then, because of crowding aggravated by demolitions elsewhere, charge huge rents. Finally he sells out to urban renewal, and since slums pay high returns per square foot of space, he receives a handsome price. He takes his bonanza, pays a 25-percent capital-gains tax, buys another slum, and waits for urban renewal to buy him out again—ad nauseam.

7. The HHFA in Washington—given remarkably broad discretionary powers—runs the urban renewal show. Once a city council applies for and receives Federal aid on a project, it must subordinate itself to Federal laws and regulations under the threat of forfeiture of Federal funds. Worse, communities with their own master plans for private building suddenly find the plans within the renewal area frozen for the life of the Federal project—sometimes for as long as 40 years.

Once a program is started, no one is free from condemnation on whim. If but one small structure in a block of five buildings can be declared substandard, all houses or businesses in that block can be condemned for urban renewal. Thus, local initiative to improve property is throttled, and blight is accelerated by the very law designed to cure it.

8. Community development programs may be used for the extension of political power by whichever party is in the saddle. The U.S. Chamber of Commerce cites two recent instances in which the administration asked 2,400 city mayors to use their influence for passage of legislation. One was a foreign aid bill, the other the plan to set up a new Department of Urban Affairs and Housing. "If this political alliance between the cities and the Federal Government were to become fully effective," the chamber warns, "the national two-party system would almost certainly be impaired, and the effectiveness of local voluntary organizations would deteriorate."

These are a few of the major complaints against federally subsidized urban renewal. Flaws in its operation have become so obvious that even the lure of "something for nothing" is losing its charm. In some cities, such as Los Angeles and Richmond, Va., city councils have rejected projects after vigorous civic protests. In others, such as Dallas and Lincoln, Nebr., voters have turned down Federal aid by 2-to-1 margins.

S. Howard Evans, principal architect of the highly effective community development program of the U.S. Chamber of Commerce, says, "The responsibility for redeveloping and revitalizing a city belongs to the people of that city, and to nobody else. Redevelopment is essential, but it must be an orderly self-help program, not a gigantic blitzkrieg. Genuine new life for a city can only be generated from within. It cannot be granted from above, or imposed from the outside by drastic action which destroys the very civic values it must have to succeed. People in cities all over America are rediscovering the classic truth that 'free Federal money' costs far too much."

Congress must now take a full, hard look at the entire Federal urban renewal program, which, to date, has fallen far short of its goals. It must insure that adequate housing is made available to families displaced by urban renewal—one of the major points President Lyndon B. Johnson made clear in calling for a "revised" program. We must end the waste, favoritism, and arbitrary use of power that helps the greedy and hurts the needy. These are the minimum steps that must be taken before a new "crash" effort in urban renewal is allowed to send still more billions down the slippery political sluiceways.

SENATE

Wednesday, August 12, 1964

The Senate met at 10 o'clock a.m., and was called to order by the Acting President pro tempore (Mr. Metcalf).

The Chaplain, Rev. Frederick Brown Harris, D.D. offered the following prayer:

O God of grace and glory, we would yield our flickering torch to the steady flame of Thy redeeming love. Thou hast taught us that our personalities are made to be the temples of Thy Holy Presence. Against defilement by impious hands of the inner shrine, anywhere in the world, where Thou hast housed Thy children, we pledge a dedication and a sacrifice from which no cost can hold us back.

Forbid that any actions or attitudes of ours should ever deny or betray the white principles for which on land and sea, under skies far from home, many of our sons are paying the last full measure of devotion. Along the road of this day and of every day may we walk with Thee in the bright fellowship of those who seek a just and righteous peace, and who, for the attainment of that golden goal, will march breast forward, vowing that in Thy strength we will keep the faith.

In the Redeemer's name we ask it. Amen.

THE JOURNAL

On request by Mr. Humphrey, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, August 11, 1964, was dispensed with.

LIMITATION OF DEBATE DURING MORNING HOUR

On request by Mr. Humphrey, and by unanimous consent, statements during the morning hour were ordered limited to 3 minutes.

ORDER OF BUSINESS

Mr. HUMPHREY. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call may be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE—ENROLLED BILL SIGNED

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the Speaker had affixed his signature to the enrolled bill (S. 2642) to mobilize the human and financial resources of the Nation to combat poverty in the United States, and it was signed by the President pro tempore.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

Report on Provision of War Risk Insurance and Certain Marine and Liability Insurance for the American Public

A letter from the Secretary of Commerce, transmitting, pursuant to law, a report on the provision of war risk insurance and certain marine and liability insurance for the American public, as of June 30, 1964 (with an accompanying report); to the Committee on Commerce.

Reports of Comptroller General

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on improper procurement actions resulting from overstatement of requirements for wooden pallets, Department of the Navy, dated August 1964 (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on review of financial claims for logistic support of United Nations forces in Korea, Department of the Army, dated August 1964 (with an accompanying report); to the Committee on Government Operations.

Report on Positions Filled in Certain Grades of Classification Act of 1949

A letter from the Deputy Administrator, National Aeronautics and Space Administration, Washington, D.C., reporting, pursuant to law, on positions filled under the Classification Act of 1949, in grades GS–1 through GS–18; to the Committee on Post Office and Civil Service.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MORSE, from the Committee on the District of Columbia, with an amendment.

H.R. 6353. An act to amend the District of Columbia Unemployment Compensation Act, as amended (Rept. No. 1372).

By Mr. BIBLE, from the Committee on the District of Columbia, with amendments:

S. 2981. A bill to amend the District of Columbia Police and Firemen's Salary Act of 1958, as amended, to increase salaries, to adjust pay alinement, and for other purposes (Rept. No. 1370).

By Mr. McINTYRE, from the Committee on the District of Columbia, with an amendment:

H.R. 10683. An act to amend the act of July 25, 1956, to remove certain residence restrictions upon officers and members of the Metropolitan Police force and the Fire Department of the District of Columbia (Rept. No. 1371).

By Mr. HARTKE, from the Committee on the District of Columbia, with amendments:

H.R. 9419. An act to provide for the regulation of the business of selling securities in the District of Columbia and for the licensing of persons engaged therein, and for other purposes (Rept. No. 1376).

By Mr. MAGNUSON, from the Committee on Commerce, with amendments:

S. 2776. A bill to authorize and direct the Secretary of the Treasury to cause the vessel *Alva L.*, owned by Harold Bunker of Matinicus, Maine, to be documented as a vessel of the United States with coastwise privileges (Rept. No. 1373).

By Mr. RANDOLPH, from the Committee on Public Works, without amendment:

S. 2968. A bill to amend subsection 120(f) of title 23, United States Code (Rept. No. 1374).

By Mr. McNAMARA, from the Committee on Public Works, without amendment:

S. 2460. A bill to amend the act of July 13, 1959, so as to extend the period of time within which certain construction may be undertaken by the State of Missouri on lands conveyed to such State by the United States (Rept. No. 1377).

By Mr. JOHNSTON, from the Committee on Agriculture and Forestry, with an amendment:

H.J. Res. 1026. Joint resolution to amend section 316 of the Agricultural Adjustment Act of 1938 to extend the time by which a lease transferring a tobacco acreage allotment may be filed (Rept. No. 1375).

By Mr. HILL, from the Committee on Labor and Public Welfare, without amendment:

H.R. 11083. An act to amend the Public Health Service Act to extend the authorization for assistance in the provision of graduate or specialized public health training, and for other purposes (Rept. No. 1379).

(See the remarks of Mr. Hill when he reported the above bill, which appear under a separate heading.)

By Mr. HILL, from the Committee on Labor and Public Welfare, with amendments:

H.R. 11241. An act to amend the Public Health Service Act to increase the opportunities for training professional nursing personnel, and for other purposes (Rept. No. 1378).

(See the remarks of Mr. Hill when he reported the above bill, which appear under a separate heading.)

By Mr. McCLELLAN, from the Committee on Appropriations, with amendments:

H.R. 11134. An act making appropriations for the Departments of State, Justice, and Commerce, the Judiciary, and related agencies for the fiscal year ending June 30, 1965, and for other purposes (Rept. No. 1380).

JENETTE C. MITCHELL—REPORT OF A COMMITTEE

Mr. JORDAN of North Carolina, from the Committee on Rules and Administration, reported an original resolution (S. Res. 350) to pay a gratuity to Jenette C. Mitchell, which was placed on the calendar, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Jenette C. Mitchell, widow of Donald A. Mitchell, an employee of the Senate at the time of his death, a sum equal to 11½ months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

APPOINTMENT OF PIERRE SALINGER AS A U.S. SENATOR FROM THE STATE OF CALIFORNIA—REPORT OF A COMMITTEE—MINORITY VIEWS (S. REPT. NO. 1381)

Mr. JORDAN of North Carolina. Mr. President, from the Committee on Rules and Administration, I report an original resolution affirming that Pierre Salinger is entitled to a seat in the U.S. Senate, and I submit a report thereon. I ask unanimous consent that the report be printed, together with the minority views of the Senator from Nebraska [Mr. Curtis].

The ACTING PRESIDENT pro tempore. The report will be received and the resolution will be placed on the calendar; and, without objection, the report will be printed, as requested by the Senator from North Carolina.

The resolution (S. Res. 351) was placed on the calendar, as follows:

Resolved, That Pierre Salinger is entitled to a seat in the United States Senate as a Senator from the State of California.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. DODD:

S. 3113. A bill to permit certain small business corporations which attempted to make elections under subchapter S of chapter 1 of the Internal Revenue Code of 1954 to take further action to make such elections effective; to the Committee on Finance.

(See the remarks of Mr. Dodd when he introduced the above bill, which appear under a separate heading.)

By Mr. JACKSON (for himself and Mr. Magnuson):

S. 3114. A bill to provide for the assessing of Indian trust and restricted lands within the Lummi Indian diking project on the Lummi Indian Reservation in the State of Washington, through a drainage and diking district formed under the laws of the State; to the Committee on Interior and Insular Affairs.

By Mr. PROUTY:

S. 3115. A bill to amend title 18 of the United States Code to prohibit the release of certain information in Federal elections prior to a prescribed time; to the Committee on the Judiciary.

(See the remarks of Mr. Prouty when he introduced the above bill, which appear under a separate heading.)

CONCURRENT RESOLUTIONS

EXPRESSION OF SENSE OF THE CONGRESS WITH RESPECT TO ENFORCEMENT OF THE PROVISIONS OF ARTICLE 19 OF THE UNITED NATIONS CHARTER

Mr. CHURCH submitted a concurrent resolution (S. Con. Res. 93) expressing the sense of the Congress with respect to the enforcement of the provisions of article 19 of the United Nations Charter, which was referred to the Committee on Foreign Relations.

(See the above concurrent resolution printed in full when submitted by Mr. Church, which appears under a separate heading.)

EXPRESSION OF THE SENSE OF CONGRESS ON CALLING FOR A MORATORIUM ON ELECTION PREDICTIONS BY COMPUTERS DURING THE 1964 ELECTION

Mr. SALINGER (for himself, Mr. Bartlett, Mr. Gruening, Mr. Inouye, Mr. McGee, and Mr. Moss) submitted a concurrent resolution (S. Con. Res. 94) to express the sense of Congress on calling for a moratorium on election predictions by computers during the 1964 election, which was referred to the Committee on Commerce.

(See the above concurrent resolution printed in full when submitted by Mr. Salinger, which appears under a separate heading.)

RESOLUTIONS

JENETTE C. MITCHELL

Mr. JORDAN of North Carolina, from the Committee on Rules and Administration, reported an original resolution (S. Res. 350) to pay a gratuity to Jenette C. Mitchell, which was placed on the calendar.

(See the above resolution printed in full when reported by Mr. Jordan of North Carolina, which appears under the heading "Reports of Committees.")

APPOINTMENT OF PIERRE SALINGER AS A U.S. SENATOR FROM THE STATE OF CALIFORNIA

Mr. JORDAN of North Carolina, from the Committee on Rules and Administration, reported an original resolution (S. Res. 351) affirming that Pierre Salinger is entitled to a seat in the U.S. Senate, which was placed on the calendar, as follows:

Resolved, That Pierre Salinger is entitled to a seat in the United States Senate as a Senator from the State of California.

FURTHER ACTION TO MAKE ELECTIONS EFFECTIVE BY CERTAIN SMALL BUSINESS CORPORATIONS UNDER SUBCHAPTER S OF CHAPTER 1 OF INTERNAL REVENUE CODE OF 1954

Mr. DODD. Mr. President, I introduce, for appropriate reference, a bill which would ease the harsh effect that early application of subchapter S of chapter 1 of the Internal Revenue Code had on some persons.

In the Technical Amendments Act of 1958, Congress adopted a tax provision called subchapter S which, in effect, allows corporations to elect to have their income or losses taxed to their individual shareholders, thus offering small businesses an alternative to taxation at the corporate level.

Permanent regulations regarding such election under subchapter S were not adopted until a year later, in December 1959. The question my bill is concerned with is the December 1, 1958, filing deadline which was set for the first year the provisions of subchapter S were applicable.

Because the provision was new, very different, and untested, it resulted that year in an unfair situation for certain persons, one which was certainly not intended by Congress. The bill I introduce here would remedy this problem and would remove this unjustifiable burden placed on some taxpayers.

The particular situation to which I refer involves the owner and operator of a business in Hartford who decided to elect this new tax treatment under subchapter S in 1958.

Because of the complexities of the filing requirements and the short period of time between the approval of the act and the required filing date, less than 3 months, the owner of the business, Joseph Simons, encountered several difficulties.

At that time, a few shares of stock in the Simons' business were held by two former employees, one of whom had since moved to Vermont.

Rather than to undertake the additional complication of securing the signed consent of the shareholder who moved, as such consent of all stockholders was required in order to elect subchapter S treatment, Mr. Simons instead purchased these shares from him. The stock transfer was not completed until December 1 or 2, and Mr. Simons filed the tax election personally at the IRS district office on December 2, 1958, the day the papers would have arrived had they been mailed on the deadline date of December 1.

The U.S. district court has held that Mr. Simons filed later than the required date, that his corporation was therefore ineligible for subchapter S treatment, and that the shareholders' loss claimed for 1958 should be disallowed.

Subsequently, however, regulations were adopted to clarify the matter of obtaining stockholders' consent, and corporations were allowed extra time to obtain such consent not previously filed or filed in a defective manner.

From this, adopted in December 1959 for that tax year, it is evident that had Mr. Simons not attempted to do what he thought was correct by obtaining clear title to the three outstanding shares, he would have been covered by the later provision and would not be faced with the present problem.

It is clear, I believe, that Congress intended the 1958 act to be equitable to all concerned, and that the difficulties in applying the new regulations the first year or two were soon recognized.

Nonetheless, there remains this particularly unjust situation which should be remedied.

In essence, the bill I introduce today would provide that if a corporation attempted to elect to be taxed as a subchapter S corporation, and this attempt was ineffective solely because it had not been made 5 days earlier, then for purposes of this provision the election would be treated as if it had been made within the time prescribed by law.

This would apply only to the failure to make an election in 1958. An election to have this provision apply would have to be made within 6 months after this bill is approved, by the corporation involved, and with the consent of all persons who were shareholders at the time of the ineffective election.

Also included in the bill are technical provisions regarding revocation of this election and the opening of the statute of limitations for assessments of deficiencies and for credits of overpayments arising from claims made under this provision.

Such a bill as I have here discussed would make just allowance for the harsh, unfair effect the law had in the unusual 1958 situation, which has since been otherwise clarified, and it would be completely in accord with the intent and purpose of the law and its present application.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3113) to permit certain small business corporations which attempted to make elections under subchapter S of chapter 1 of the Internal Revenue Code of 1954 to take further action to make such elections effective introduced by Mr. DODD, was received, read twice by its title, and referred to the Committee on Finance.

PROHIBITION OF RELEASE OF CERTAIN INFORMATION IN FEDERAL ELECTIONS PRIOR TO A PRESCRIBED TIME

Mr. PROUTY. Mr. President, the matter which I shall address to this body is in my mind a most important one. It is a matter which I regret must be presented this late in the session. It is a matter with which a goodly number of us are directly concerned this November and with which all of us may be concerned on some November. It is a matter which faces the Nation and which concerns all of our people. It is, I believe, a thoroughly nonpartisan measure. This I will attempt to illustrate by example in my remarks.

We are approaching an election, a national election. We will choose a President, Vice President, Senators, and Congressmen from all the States of this broad Nation. This will be our 45th national election spanning a period of 176 years. We have grown in that span of time from 13 States to 50. We have increased our land area nearly five times. We have increased our population from less than 4 million to more than 183 million. We can now pick up a phone and call in a matter of minutes a friend in any other State of this great country. We can take a plane and in a matter of hours, a fraction of a day, we can visit that friend across the country. We can place news in a media which will not only transmit the written word, the sound, but even the portrayal of the event itself.

There are men in this Congress who have experienced the tremendous changes in our transportation system. These men can remember the time when it took 5 days to arrive in Washington from their home States. They can compare this travel to the present day when by jet aircraft it has been reduced to less than 3 hours. In the past 30 years we have seen the speed of our commercial aircraft accelerated from 100 miles an hour or less to more than 600 miles an hour.

In the communications field, we have progressed from the telephone to the microphone to television. Man, to keep up with these improved communications has had to devise new methods to catalog, interpret, and project the useful data now so rapidly assembled. Electronic computers have appeared which digest the facts relayed from varied and distant points and assimilate the useful information almost instantly displacing processes of analysis which previously took enormous man-hours to produce.

The subject of my bill, without going further, in introduction, is the conduct of national elections. I am concerned, as indeed are many others who have voiced their fears following the 1960 national election. Their concern has been with the preservation of what I believe to be a constitutional provision which is about to become meaningless through no plot or plan but due to the progress of modern technology. That constitutional provision is article II, section 1, which I quote:

> The Congress may determine the time of choosing the electors, and the day on which they shall give their votes; which day shall be the same throughout the United States.

An additional article of the Constitution, article I, section 4, to which I will also refer in this connection, states:

> The time, places and manner of holding elections for Senators and Representatives shall be prescribed in each State by the legislature thereof; but the Congress may at any time by law make or alter such regulations, except to the places of choosing Senators.

As I interpret these constitutional provisions, it appears that the States shall first prescribe the rules for electing Senators and Representatives, with the reservation that Congress may make or alter such rules except to the place of electing Senators. It also appears that Congress may choose the time of choosing the electors. This in my opinion would refer to a national election day for the Constitution further provides "which day shall be the same throughout the United States."

My bill would delineate these constitutional provisions. It provides for a national election day.

It provides that the State may prescribe the place and manner of holding elections for Senators and Representatives.

It provides in effect that the electors shall be chosen on the same day throughout the States.

In 1928 we listened for the first time to national election returns being broadcast over the radio.

In 1952 we saw television enter the election picture.

In 1956 we watched the conduct of the national conventions and the partial returns being tallied across the Nation.

In 1960 we witnessed a giant computer giving us election results which though not official, gave us in a matter of hours, insight into the results of the election in a manner heretofore impossible.

In 1964 we saw the computer predict primary election results with great accuracy within 30 minutes of the closing of the polls.

Mr. President, these remarkable advances in science and technology also bring their problems. The problem in particular of which I speak is not one which will have any effect on the elections in my State of Vermont, nor upon the election of any other Senator or Representative in the eastern time zone, but it may have an effect on other elections in more western time zones.

In a review of the past 10 national elections in this country, it appears that the electoral votes won by the presidential nominee in the States, either wholly or partially, within the eastern standard time zone were sufficient to elect in five of those elections and that the electoral votes gathered by the presidential nominee in those States within the central time zone together with those in the eastern zone would have elected that nominee in seven of those elections. The electoral votes of the States in the mountain and Pacific time zones have been a deciding factor in the presidential election in only three elections in the past 40 years.

This, I believe, presents a most serious problem. We have heard much discussion concerning the probable effect of a telecast of election returns, or the projection of probable election results predicated on the basis of partial returns, on those voters in other jurisdictions where voting has not terminated due either to a difference in State law or to a difference between Standard time zones. This discussion has frequently indicated that any possible landslide or bandwagon effect would be of minor proportion and in any event in direct proportion to the returns in the other parts of the country. The political party favored in one year might well be the losing party in the succeeding election. This attitude has characterized the inertia which has faced legislation in this area.

In my opinion, it is incumbent upon this Congress to take action to preserve the constitutional intent that the election of electors shall be on the same day. In the early days of this country, final election returns could not be communicated from one State to another within the day, and certainly no electoral majority was ascertained prior to the passage of several days. The constitutional day becomes meaningless, however, when electronic computers can effectively tally the vote of a State in a matter of minutes and make an accurate prediction of the results. These results can be instantly relayed by radio and television through the country. I am not concerned solely with bandwagon reaction of the Western States and I am not primarily concerned with the election as it pertains to the Presidency, but I do believe that there are many Senators and Representatives who should be greatly concerned.

Assuming for the moment that all polls through the country will close at 6 p.m. in their respective time zones, there will be a 3-hour difference between the States in the Pacific time zone and those in the eastern zone. There are 220 electoral votes located in States within the eastern time zone and another 68 votes in States that are partially within the eastern time zone. This means that it is clearly possible to establish a majority in the electoral college within these 22 States. Assuming that the voting in 17 of these States would be completed at 6 p.m., then the results could be broadcast, televised, or projected within the hour to the Pacific and Mountain States which would have over 2 remaining hours of voting time; 2 hours of time when the voting public in metropolitan areas are just leaving their places of work to go to the polls. What will be the reaction of the voter when he hears over his car radio or sees on the local television that the results from 17 States in the eastern time zone have given 220 electoral votes to a certain presidential candidate and what will be his reaction one-half hour later when he learns that the results from an additional 5 States, partially in the eastern time zone, have given a clear majority of the electoral votes to that same presidential candidate? In his eyes and ears the election is over. Will he continue on his way to the polls to vote for his candidate for Governor, his Congressman or Senator, or will he think that his vote has become meaningless and avoid the polls?

This, gentlemen, is the question and it is a real and most serious question for both sides of the aisle. The illustration which I have just referred to presents the problem in its simplest essence. The actual facts are more complicated. The hours of voting are themselves different in many States and a Pacific or Mountain State may keep its polls open until 8 p.m. rather than the 6 p.m. in the example. Alaska and Hawaii add another 3 hours of time differential so instead of the basic 3 hours difference, I used in my illustration, there can be 6 or more hours involved.

My bill approaches this problem without the intent of changing any present State law. It approaches the problem without the intention of imposing burdensome restrictions on any segment of our society. It approaches the problem directly by providing for a national election day. It establishes an official closing hour for the polls and election places on that election day. This hour is the hour established for the closing of the last polling place in the United States as designated by the President of the United States. This, from my study of the matter, is most apt to be in Alaska and would involve a 5-hour time differential when compared with the eastern time zone. The bill would prohibit the revelation, dissemination or publication of any election returns prior to the official hour for the closing of the polls and would make it a crime to violate this provision. It would provide that present State law would govern the hours of voting to be distinguished from the hour of the official closing of the polls established by this bill.

Mr. President, only in this manner can we hope to keep the constitutional concept that our electors shall cast their vote on the same day. The electors' vote is today for all practical purposes cast when the returns from that State are officially tabulated. To give one State the advantage of awaiting to see the results of another State's balloting was not in the concept of the law when our Constitution was drafted and there is no logical reason why that concept should be allowed to prevail today.

I believe that the Congress should endeavor to take this action which would preserve the intent of the Constitution. I also believe that Congress should be concerned with every practical measure available to assure ourselves of the interest of our constituencies, and in particular their interest as expressed at the polls.

Mr. President, we know that a presidential election stimulates voter activity. We note this every 4 years, but I will predict that unless some action is taken of the type proposed in my bill that we will witness an election which because of the large population living in the geographical areas within the eastern standard time zone will be won by a presidential candidate who captures the electors in that area early in the day as it stretches across the country, and that man will proudly and rightfully communicate his election to the world. In those 28 States in other time zones with the nearly 250 electoral votes still to be won and with Senators and Representatives still to be elected, I believe the voters will feel dismayed, disappointed, or perhaps somewhat cheated not because their candidate won or lost but because their vote did not count.

Disfranchisement has not been the appetite of this body. We would not enact legislation to do this to some millions of voters directly and deliberately and I do not believe by any lack of effort or diligence that we should allow this to happen to those voters by mistake or chance.

The Senators who are again seeking election in the Pacific and mountain time zones from either party should give this measure your attention. Your friends at home need your help to be sure that their vote this year will count, and this should have more meaning for each Member of Congress than any other group or body in the United States.

I have noted that there appeared an article in the Washington Star on August 8, 1964, quoting Frank Stanton, president of Columbia Broadcasting System, Inc. Mr. Stanton in remarks before a session of the American Bar Convention, said:

> The plain truth of the matter is that there is no necessity for any such radical embargo on news of election results.

He was reportedly referring to a suggestion that national election results be banned until all polls were closed.

Mr. Stanton, of course, is expressing his personal views on behalf of one of the great national networks which works very directly in this field. He is further quoted as saying:

> For years, by radio and by newspaper extras, it has been possible for the votes of many Eastern States to be known before the polling places were closed in the West.

Mr. Stanton sees the problem in this perspective:

> At that point on election day when that determination is made, it immediately becomes news. And the job of any news organization worth its salt is to report it.

These views are obviously the views of one concerned with reporting the news and I strongly respect them as such.

They are not the views, however, of the framers of our Constitution. They are not the views of Congress and they are not the views of one whose responsibility is to protect the voting rights of the citizens of this country by establishing adequate election laws to preserve the sanctity of the ballot.

Mr. Stanton has not relied on the Constitution for his views nor has he shown any particular respect for the right of Congress or any State legislature to enact laws to provide for meaningful elections. Indeed, he has urged that, and I quote again:

> At that point on election day when that determination is made it immediately becomes news.

This view does not even allow for an official closing of any of the polls before a publication of election results.

We all know of that precinct in our constituency which has been the bellwether for us in past elections. Whenever a report came from that direction on election day, it stimulated our activity in a desired direction. This I am sure we have all felt and known. How we received this information during the conduct of an election before the polls closed probably could not be well explained. Overzealous political workers straining for an advantage and always watching for an opening most likely received a report from a repairman who entered the polls to repair a malfunctioning machine, or some dutiful watcher was able to count and report on the requests for ballots. In some way, unprovided for by law, some information has leaked out, and this information has been sought after and put to use by candidates whose political fortunes were at issue on that election day. It is difficult to deny that a report in the middle of the day that your party voters were not turning out strongly would not prompt intensified efforts to increase their activity. This is probably typical election day movement. This I recognize, and I believe that it is the type of situation of which Mr. Stanton is thinking in connection with election reporting. This is not the issue to which my bill is directed, however.

In the example I have just referred to, we were not concerned with official tabulations from that bellwether precinct. No one had officially announced the tally to the voters prior to all the precincts being closed. The candidate had not won or lost until all the votes were counted and this is the way an election must be if we expect voters to continue their interest in voting. I doubt that Mr. Stanton would subscribe to any plan in a municipal, county, or State election which would allow for the announcing of the official voting results on a precinct-by-precinct basis before all the polls were closed.

On a national election day, a much stronger case is made. It does not appear to me that we have to indulge in speculation as to whether or not the results of the voting in one State when announced will effect the results in another State which is still voting. In my opinion, if there is the possibility that it will effect one vote we should act to protect that vote. But my opinion is unimportant. The important fact is that there is a constitutional provision which provides that Congress may prescribe the manner of holding elections and the time of choosing electors. It provides that the day on which the electors shall cast their votes shall be the same throughout the United States.

I direct the attention of this body to the necessity of recognizing the scientific advances which have made it necessary for us to act to insure that there be continued meaning in the requirement for the electors to cast their votes on the same day. It is certainly without logic to argue that this is accomplished when the official results of a single State's voting are known to any other State prior to the closing of the polls in that other State.

The bill puts no burden on the communications media. The burden is placed on our election officials. As a practical matter, there should be much more accurate early reporting of returns simply because the polls closing earliest in the country will have a few more hours to prepare their returns. This is not a suppression of news but a regulation of elections, providing for proper returns and the proper release of information concerning them.

There may be others who have ideas to suggest in this field. It is incumbent for them to put those ideas forth. I have hopefully put forth this bill looking for others with concurring views to either join with me in my bill or to offer amendments as they feel they are needed. I am only convinced that some action is extremely necessary and not that my bill is the only approach to this matter.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3115) to amend title 18 of the United States Code to prohibit the release of certain information in Federal elections prior to a prescribed time, introduced by Mr. PROUTY, was received, read twice by its title, and referred to the Committee on the Judiciary.

ENFORCEMENT OF PROVISIONS OF ARTICLE 19 OF THE UNITED NATIONS CHARTER

Mr. CHURCH. Mr. President, I submit for appropriate reference, a concurrent resolution expressing the sense of the Congress that the President should direct the permanent U.S. delegate to the United Nations to continue efforts toward securing payment by members of the United Nations of their assessments in arrears, and that if, upon the convening of the 19th General Assembly, the arrears of any member of the United Nations equals or exceeds the amount of the contribution due from it for the preceding 2 full years, the President should direct the permanent U.S. delegate to make every effort to assure invocation of the penalty provisions of article 19 of the Charter of the United Nations.

The concurrent resolution is identical to one submitted in the House of Representatives last Friday by Representative EDNA KELLY, of New York.

Article 19 of the U.N. Charter provides that a member in arrears in excess of 2 years' dues shall lose its vote in the General Assembly. At present, there are 15 countries in this category: the Soviet Union and 6 other members of the Soviet bloc; 6 countries of Latin America; Nationalist China; and Yemen. All but the Soviet bloc countries have indicated that their failure to pay is caused by financial difficulties, and that they will try to avoid the application to them of article 19. The other seven—the Soviet bloc countries—are in arrears primarily because they refuse to pay their share of U.N. assessments for peacekeeping operations in the Middle East and in the Congo.

The concurrent resolution proposes that they be required, as a matter of principle, to pay these assessments or suffer the penalty imposed by article 19.

This concurrent resolution, Mr. President, is also in accord with the understanding of the Senate when it approved a bill, more than 2 years ago, to authorize purchase by the United States of United Nations bonds. In the course of the debate on that measure, I said:

> The U.N. bonds will be repaid from the regular dues. Any member country falling more than 2 years behind on its regular dues may lose its vote in the General Assembly. Through the bonds, we will be able to say to these Communist governments: "Either pay your share, or sacrifice your vote. Representation without taxation is also a form of tyranny."

Submission of the resolution at this time is intended to give the Congress another opportunity, on the eve of the convening of the 19th General Assembly, to reaffirm its insistence that the constitutional crisis which confronts the United Nations must be resolved in accordance with the principles set forth in the charter.

Mr. President, I send the concurrent resolution to the desk and ask unanimous consent that the text of the resolution may be printed at this point in the RECORD.

The ACTING PRESIDENT pro tempore. The concurrent resolution will be received and appropriately referred.

The concurrent resolution (S. Con. Res. 93) was referred to the Committee on Foreign Relations, and, under the rule, ordered to be printed in the RECORD, as follows:

S. CON. RES. 93

Whereas one hundred and thirteen nations have accepted the obligations of the Charter of the United Nations to maintain international peace and security and have agreed "to take effective collective measures for the prevention and removal of threats to the peace, and for the suppression of acts of aggression or other breaches of the peace, and to bring about by peaceful means, and in conformity with the principles of justice and international law, adjustment or settlement of international disputes or situations which might lead to a breach of the peace"; and

Whereas the International Court of Justice in an advisory opinion on July 20, 1962, held that expenditures for peacekeeping operations constitute expenses of the Organization which shall be borne by the members as apportioned by the General Assembly under article 17 of the United Nations Charter; and

Whereas the advisory opinion of the International Court of Justice was accepted by the General Assembly in a resolution on December 19, 1962, by a vote of seventy-six in favor, seventeen against, and eight abstentions; and

Whereas article 19 of the United Nations Charter provides that a member of the United Nations which is in arrears in the payment of its financial contributions to the Organization shall have no vote in the General Assembly if the amount of its arrears equals or exceeds the amount of the contributions due from it for the preceding two full years, unless relieved of that penalty by a vote of the General Assembly on the grounds that "the failure to pay is due to conditions beyond the control of the member"; and

Whereas at the convening of the Nineteenth General Assembly of the United Nations in 1964, certain members of the United Nations which are now in arrears may fall within the purview of the provisions of article 19 of the United Nations Charter; and

Whereas legislation has been enacted expressing the sense of the Congress that "the United Nations should take immediate steps to give effect to the advisory opinion of the International Court of Justice on the financial obligations of members of the United Nations in order to assure prompt payment of all assessments, including assessments to cover the cost of operations to maintain or restore international peace and security": Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that the President should direct the Permanent United States Delegate to the United Nations to continue efforts toward securing payment by members of the United Nations of their assessments in arrears. It is further the sense of the Congress that if, upon the convening of the Nineteenth General Assembly, the arrears of any member of the United Nations equals or exceeds the amount of the contribution due from it for the preceding two full years, the President should direct the Permanent United States Delegate to make every effort to assure invocation of the penalty provisions of article 19 of the Charter of the United Nations.

ELECTRONIC FORECAST OF ELECTION RESULTS

Mr. SALINGER. Mr. President, on behalf of myself, Mr. BARTLETT, Mr. GRUENING, Mr. INOUYE, Mr. MCGEE, and Mr. MOSS, I submit a concurrent resolution bearing on the forthcoming National and State elections. Its purpose is to insure that electronic forecasts of election results, broadcast hours before millions of our citizens might have cast their ballots, shall not influence what would have been the result in the absence of such forecasts.

I am a former reporter myself and I want it to be understood that I have no argument with the traditional and proper rivalry among news media. To the contrary, I fully support the right of one medium, through its own initiative, to be "first with the latest."

But I do question that such enterprise includes the right to influence the election of public officials with electronic computations that are at best incomplete and at worst in error, or the right to discourage vast numbers of our citizens from casting their ballots.

I cite a case in point. Because of the difference in time zones and voting hours, the polls in New York City close 4 hours earlier than in my native San Francisco.

What is the effect on the California voter, who intends to cast his ballot in the evening, when he is told hours earlier by an electronic computer that his candidates already have won or lost and that his own vote cannot possibly affect the outcome?

Obviously, he is not likely to cast what he believes is now only a token vote.

But my own concern is not only with the national elections but with contests on the State, county, and community level. The Californian who fails to vote for President will also fail to vote, in many cases, for Governor or district attorney or local bond issues.

I have the greatest respect for the new science of electronic computation. But I have a greater respect for the right of every American to rely upon his own judgment—not the hazardous prophesy of an electronic maze—in deciding the political course of his Nation, his State, and his community.

The ACTING PRESIDENT pro tempore. The concurrent resolution will be received and appropriately referred.

The concurrent resolution (S. Con. Res. 94) was referred to the Committee on Commerce, as follows:

Whereas electronic computers have now been adapted to project and predict election results on the basis of early and scattered vote counts; and

Whereas such projections and predictions can be broadcast and distributed by radio and television networks and other newsgathering agencies before voting has been completed and polling places closed; and

Whereas such projections and predictions will always be subject to mechanical and other error; and

Whereas broadcasting and reporting of such projections and predictions can discourage electors from voting or influence electors before they have cast their ballots; and

Whereas such broadcasts and reports can be distributed within a State before polling places close, as happened when one such broadcast on June 2, 1964, announced a winner in the California presidential primary election 40 minutes before the polls closed in one of the State's two major cities; and

Whereas in a national election such practices might result in the announcement of a predicted winner of a presidential election hours before polls close in the Western States, thereby affecting not only the vote for President in those States, but the vote for other offices on the same ballot; and

Whereas it is in the national interest that the greatest number of citizens exercise their right to vote: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that national radio and television networks and other newsgathering agencies should refrain from broadcasting or distributing projections or predictions based on electronic computations of any election of electors for President and Vice President of the United States or Senators or Representatives in Congress in any State or part thereof until after the latest official closing time of any polling place for such an election in any other State on the same day, during 1964, and until such time as Congress shall deal with this practice; and be it further

Resolved (the House of Representatives concurring), That nothing in this concurrent resolution shall be construed as interfering with or restricting the rights of news media to report and broadcast actual vote results or to comment upon such results.

AMENDMENT OF FOREIGN ASSISTANCE ACT OF 1961—AMENDMENTS (AMENDMENT NO. 1214)

Mr. TOWER submitted amendments, intended to be proposed by him, to the bill (H.R. 11380) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes, which were ordered to lie on the table and to be printed.

Mr. DIRKSEN (for himself and Mr. MANSFIELD) proposed an amendment (No. 1215) to House bill 11380, supra, which was ordered to be printed.

FOREIGN ASSISTANCE ACT—ADDITIONAL COSPONSOR OF AMENDMENT

Mr. SALINGER. Mr. President, I ask unanimous consent to have my name included as a cosponsor of the amendment submitted by the Senator from South Dakota [Mr. MCGOVERN] and the Senator from Missouri [Mr. SYMINGTON] to the foreign aid bill.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

PRESIDENTIAL SUCCESSION—ADDITIONAL COSPONSORS OF SENATE JOINT RESOLUTION 139

Mr. BAYH. Mr. President, I ask unanimous consent that at its next printing the names of Senators HARTKE, CLARK, METCALF, and DOMINICK be added as additional cosponsors of the joint resolution (S.J. Res. 139) proposing an amendment to the Constitution of the United States relating to succession to the Presidency and Vice Presidency and to cases where the President is unable to discharge the powers and duties of his office.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, August 12, 1964, he presented to the President of the United

States the enrolled bill (S. 2642) to mobilize the human and financial resources of the Nation to combat poverty in the United States.

AN APPEAL FROM THE SECRETARY OF COMMERCE FOR COMPLIANCE WITH THE NEW CIVIL RIGHTS LAW

Mr. WALTERS. Mr. President, I recently received from an attorney in Tennessee a copy of the letter which was sent to Secretary Luther Hodges from the president of the Tennessee Bar Association.

This letter, from J. Olin White, in response to the appeal from the Secretary of Commerce for compliance with the new civil rights law, reflects very clearly the attitude of the majority of the legal profession in the South. It is of no small concern to me and to others that perhaps further violence and unrest will be in store for us as additional tests of the act are made.

A great many distinguished lawyers hold sections of the law to be unconstitutional. These points will ultimately be contested in the Supreme Court. Until the Court announces its decision, I hope that law and order will prevail, and I feel sure it will with men of the caliber of Olin White and others lending their expressions to this troublesome question.

Mr. President, I ask unanimous consent to have printed in the Record the letter written by Mr. Olin White, president of the Tennessee Bar Association, to the Secretary of Commerce, dated July 21, 1964.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Tennessee Bar Association,
Nashville, Tenn., July 21, 1964.

Hon. Luther H. Hodges,
Secretary of Commerce,
Washington, D.C.

Dear Mr. Hodges: Your letter of June 30, 1964, addressed to the president of the Tennessee Bar Association, has been referred to me as I became president of the Tennessee Bar Association on June 13, 1964.

The lawyers of this State will discharge their duties in the highest tradition of their profession, and will contribute to the preservation of peace and order under liberty and justice to all.

However, let me also assure you that I do not believe the lawyers of this State will hesitate to attack any law in court when they believe it to be unconstitutional merely because there have been quotes of approval as cited in your letter by the President of the United States.

I am reminded that although I have been an officer of this association for several years and prior thereto served as an officer of my local bar association, I have never before seen any letter from you disapproving the numerous violations of the law and invasion of private property, some directly effecting "commerce" that have occurred in this country during the past few years. The question keeps recurring to me—was there no duty on those in high places to speak out during such violations of the law in recent years?

"Many thoughtful Americans have become so disturbed, by a series of recent happenings, and the apparent approval of them in high places, that they question whether any moral values can any longer safely be regarded as immutable.

"As evidences of what they see as sharp departures from fundamental moral values, they point to various recent flaunts of law and order, and the apparent approval of them in high places, including, among others: (1) Mass demonstrations, including sit-ins and lie-downs on private property and public ways, and the public endorsement and approval of that conduct by high officials, which, although denominated 'peaceful' or 'nonviolent,' in many cases constituted common trespasses and disturbances of the private and public peace, and led—as many thought it inevitably would—to open violence; (2) the fact that one of the leaders who was most active and successful in inciting his groups thus to take the law in their own hands—and who, now that their conduct has led to widespread violence, attempts to excuse his responsibility for it with the doubtless true statement, 'I cannot control them (an excuse quite reminiscent of the one given by the man who lighted the squib and threw it into the crowd)—was recently publicly honored—some say rewarded—by an old and highly respected American university through its conference upon him of an honorary degree—not in some new political science but in law; and finally (3) they point out that Federal authorities have not only failed to punish such trespasses and violence but, instead, have frequently restrained local authorities from doing so, with the result that generally those offenses are not now punished at all.

"Although I lament the apparent loss of faith by those critics in the good sense and fundamental virtues of the great majority of American people, especially in times of stress that call for faith and courage, I cannot deny that the recited events have occurred; and, because they purport so plainly to substitute for the rule of law the rule of force, which is anarchy, I feel a duty to my country, to my fellow men—to the involved minorities no less than others—to speak out in protest, and also to plead, I hope both temperately and seemly, for the preservation of the peace and good order of our land, and of the majesty and dominance of its laws, by the prompt, impartial and vigorous prosecution and punishment, under those laws, of all conduct that violates those laws. Surely no responsible American would contend that we should allow our country to become lawless without invoking its laws, nor that their prompt, impartial, and vigorous invocation will not restore and keep, as always in the past, the public peace."

The three paragraphs shown immediately above this express my thoughts and the thoughts of many lawyers that I have talked to far better than I could express them, and these paragraphs are quoted from a speech of the Honorable Charles E. Whitaker, Associate Justice of the Supreme Court of the United States (retired) made on July 3, 1964, in Houston, Tex., where I attended the Texas Bar Association convention as a guest of the Texas bar.

Three Justices of the Supreme Court said only a few weeks ago, without a single dissenting voice on the point:

"Whatever power it may allow the States or grant to the Congress to regulate the use of private property, the Constitution does not confer upon any group the right to substitute rule by force for the rule of law. Force leads to violence, violence to mob conflicts, and these to rule by the strongest groups with control of the most deadly weapons."

If our National Government did not approve the unlawful acts mentioned above they certainly overlooked them, and in many instances whatever was said from Washington could as easily have been interpreted as approving of the same. This, therefore, compels me to view with some amazement the repeated quotes in your letter and the long sheet attached thereto dated "June 19, 1964—For Immediate Release—Office of the White House Press Secretary," purporting to be further statements from the President of the United States.

The thought, therefore, crosses my mind as to why the Secretary of Commerce has heretofore shown no interest in the enforcement of the law such as is shown in your letter of June 30, 1964. If there was such a letter circulated condemning such acts and calling upon all persons of good will of all colors to respect the law, then I have failed to see the same.

It seems quite true that in some sections of the country for the past few years soldiers, sailors, and FBI members were readily dispatched by those in high places but only to a restricted area of the country. For several months now violence has been so great in other parts of the country, including subways, Times Square, and other areas as to dwarf the violence for which the Armed Forces were previously used and as of July 21, 1964, there seems to be no change in this thinking on the part of those in high places.

There must be changes in the society as this country grows, but these changes must be made under law, and there must not be apparent approval of violation of the law by one group and massive control or indignant speeches made because of the violations of law by another group. All people should obey the law, all people should attain their rights, only under law.

Not only have people in high places given apparent approval of the lawlessness described on page 2 of this letter, but the news media has glamorized at times such violations and has certainly shown a lack of enthusiasm for condemning these violations of the law that have been occurring in the past.

However, now that the whipping boy of the Nation, the South, is not the only one effected by these violations, I predict that there will be a different view expressed by the vast majority of the news media, and it will be interesting to note how the TV and the other news media handle this transition.

It would have been far easier for me to have written you the usual letter of generalities and compliments in answer to your letter and I could have done so without any risk of criticism from you, if indeed this letter ever reaches you through what must be a very large department that you have the honor to head.

Respectfully,

Olin White,
President.

THE ASSATEAGUE ISLAND NATIONAL SEASHORE

Mr. BREWSTER. Mr. President, I yesterday joined Senator Beall, Representatives Sickles, Long of Maryland, and Morton, and Secretary of the Interior Udall, in urging favorable action by the Public Lands Subcommittee of the Interior Committee on S. 2128, to establish the Assateague Island National Seashore. During the hearing, the distinguished chairman of the subcommittee, the Senator from Nevada [Mr. Bible] revealed that his committee will visit Assateague early next year.

Mr. President, I look forward to welcoming the committee and any other Senators to Assateague Island on Maryland's beautiful eastern shore. The public wants and supports legislation to insure that the beauty of Assateague will not be sacrificed to the rising tides of commercial development which now threaten to scar the island forever.

Mr. President, reflecting the wide public support for S. 2128, several newspapers have commented strongly and favorably on this legislation. I now ask that an editorial from this morning's Baltimore Sun be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Baltimore Sun, Aug. 12, 1964]

FIRST FOR ASSATEAGUE

The length of Assateague Island ranges from 33 to 37 miles in various accounts of the proposal to make it a national seashore, which serves as well as anything to support the scientific description of Assateague as a "dynamic" reef which changes shape as wind and waves shift its sand from one place to another. But if it can be accepted for the moment that the federally owned portion of the island in Virginia is 13 miles long, and the Maryland State park portion is about 2 miles long, that leaves roughly 22 miles within Maryland which are in private hands and must be acquired.

While Secretary of the Interior Udall's acquisition figure of nearly $17 million (including most of the cost of two bridges) at first glance appears high, it does not seem so high when one appreciates that it represents a cost of less than $1 million a mile for prime ocean beach which lies within a day's drive of some 34 million beach-hungry urban Americans.

Some idea of both the length and varying width of Assateague also is helpful in weighing the proposal to lease 600 acres in the future for eating places and overnight accommodations. This many acres at the Maryland end would take about a 2-mile stretch of the island, which would not take too much away from the natural beauty of the place when measured against the island's 33–37 mile length. But before anything can be built, the "dynamic" sand bar must first be placed in public hands and stabilized with protective barriers to the action of wind and waves. The first step—public acquisition—is what the Senate hearings are now about.

A NEW IMMIGRATION POLICY

Mr. JAVITS. Mr. President, as one of a number of Members who have consistently sought a complete overhaul of our outdated immigration quota system, I introduced, on Monday of this week, a bill designed to salvage at least some progress in this field during a session which appears about to end with no progress at all in it.

An editorial published yesterday in the New York Times indicates just how important some progress in this regard would be. I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the New York Times, Aug. 11, 1964]

A NEW IMMIGRATION POLICY

The United States will not fully have mounted its war against discrimination until it revises its unfair immigration law.

Immigration quotas are now assigned to each country on the basis of the national origin of this country's population as of 1920. This system was designed quite deliberately to give preference to immigration from northern Europe. But immigration from this area is never large enough to fill the assigned quotas. Since the vacancies cannot be transferred, the real effect of the system is to cut down immigration far below the authorized total and to shut the doors to many people from less favored lands.

As Attorney General Kennedy told Congress recently, this system is a source of global embarrassment to the United States. Other nations—especially those whose citizens are discriminated against—reject and resent the implication that they belong to "lesser breeds." Our rules keep out many scientists and others with special skills, talents, and attainments this country needs. And they separate thousands of families of American citizens with close kin abroad.

This is, in short, a system that should be abolished, and President Johnson, like President Kennedy before him, is sponsoring a program to abolish it. There is no intention of raising the immigration total above the 165,000 a year now authorized—a small enough number for a nation approaching 200 million in population. And immigration from any one country would be limited to 10 percent of the authorized total. But the national origin quotas would be abrogated gradually over a 5-year period during which unfilled quota numbers would be redistributed to countries wanting and needing them. The Congress should say yes before adjournment.

THE ASSOCIATION OF THE BAR OF THE CITY OF NEW YORK—THE PRESIDENT'S ADDRESS

Mr. JAVITS. Mr. President, one of the finest services performed by the organized bar is the preparation of reports on national issues which have technical, legal ramifications. In New York, three bar groups are particularly active in this regard: the Association of the Bar of the City of New York, the New York County Lawyers Association, and the New York State Bar Association. Many times in debate, I have relied on the workmanlike analyses prepared by the members of their various committees—often prepared with the expenditure, in the public interest, of considerable amounts of valuable time and talent.

The effort and tradition involved in this public service are well described in a recent address delivered by Judge Samuel I. Rosenman, former adviser to two Presidents of the United States, and a distinguished New York lawyer, upon his becoming president of the Association of the Bar of the City of New York, and when honoring Mr. Justice Harlan with honorary membership in the association. I ask unanimous consent that the address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Mr. Justice Harlan, President Brownell, members of the association. Certainly, Mr. President, as the members of the association and our invited guests see you lay down the burdens of your office tonight, and as I try to take them on, they must be convinced that this is really a nonpartisan organization—or at least fully bipartisan. I am sure we shall always keep it so.

You and I Mr. President have shared during our lifetime many public interests in different branches of our State and National Governments. Because of greater years, I preceded you in point of time in some of them. It was easier, I assure you, to precede you, than it is going to be to follow you, as I do tonight. I have watched with amazement and admiration, the labor and energy which you have plowed into this office, and the rich harvest of accomplishments which the association has gathered from them. The association, and the bar in general, are richer by reason of your tenure of office.

When I realize that in this same kind of company, and in this same kind of meeting, there have stood so many illustrious men whom the New York Bar of an earlier day chose for leadership—Evarts, Choate, Root, Hughes, Burlingham, Davis, Stimson, and a host of others, and when I recall those leaders who are still with us, with whom I have served, and who have maintained in our own time the national prestige and preeminence of our association—Tweed, Seymour, Webster, Klots, Loeb, Bonsal, Marden, Brownell—I must feel that the office of president of this association is the peak of one's career in the practice of the law. For that distinction I am grateful to you here, and to all the members of the association.

This evening will be even more memorable to me because it is shared with our Circuit Justice, John Harlan. He once worked with us in his genial, brilliant and modest way in this house. It was my privilege to meet him first some 25 years ago—when I was on the bench, and he was one of the eminent members of the New York bar. Not many of you here are old enough to remember, as he and I do, the good old days of Richard Knight, Esq., of the trenchant pen and devastating prose, who never liked anything better than publicly attacking, in the most picturesque and sometimes unprintable language, any lawyer who opposed him, or any judge who ruled against him, even on an adjournment. When publicity failed him, he would stand on his head at the opening nights of the Metropolitan Opera. He has now gone from our midst; but Justice Harlan as his opponent, and I as the poor judge presiding, shared his virulence together—as did all the judges of the appellate division of both our departments. The Justice and I have since had many a good laugh together in retrospect over those more exciting days.

But tonight, Mr. Justice, we share a more pleasant professional experience for you have become one of a very limited and highly distinguished company of honorary members—only 33 in our 94 years of history. The list has on it such names as Reading, Birkenhead, William Howard Taft, Benjamin Cardozo, Smuts, Shawcross, Hughes, Stone, Franklin D. Roosevelt, Dag Hammarskjold and Chief Justice Warren. You are among the few even of this select group, who have been chosen by lawyers who actively practiced with you and against you in this city, who know all about your professional past, and who now rejoice in the luster of your professional present—on a great Court where you serve the Nation so well. I feel that it is a happy beginning for a new administration in this house, that it starts out with an old friend of so many of us here—in a new and richly deserved distinction.

Let me say a word of gratitude to another old friend of all of us who is really the founder, the Evarts of our modern association—a man who brought to the seriousness and dedicated work of our association its present-day atmosphere of sociability and pleasantness, who believed, and has proved, that committee deliberations and bar association activities could be helped by an occasional drink; and who abolished whatever was left of the stuffed shirt and the high hat in the corridors of this building, and, what's more important, in its deliberations, attitudes, and decisions—our old friend Harry Tweed. It was during his leadership, that the association embarked on so many of the projects which have given it its present high prestige and reputation.

It was he who welcomed me so generously in this building when I returned to it after some 15 years absence on the bench and in Washington, and who drew me into its activities; and it was he who was chairman of the nominating committee this year. Perhaps, when I shall have spent many hours every day at hard labor in my new job, I shall think less kindly of him, and of his committeemen, than I do tonight.

I would face my new tasks with even more apprehension than I do, if it were not that I shall continue to have the help and guidance of Paul De Witt—who for almost 20 years has been so stout a support for all the presidents and committees of this association.

We look back on a long history in this association—almost a century. It was marshalled into being at a time of great crisis in the administration of justice in this city—a time of corruption, and of a dictatorship of politicians imposed upon its judges, a time when the bar itself seemed to have yielded up all its leadership, and to have surrendered to the evils of the day. It was the eloquent call by Samuel J. Tilden to the lawyers of the city to organize and fight, in words now engraved on the front of this lectern, which restored our New York bar "to the dignity and honor which it once possessed."

From those desperate days of 1870 we lawyers as individuals have come a long way. So have our judges. So has the organized bar. And so has the administration of justice.

The first house of this association was used by 600 members. Now 8,000 use this house. It started its work with only four committees. Now there are 70 committees, with 1,200 active members.

And how that work has expanded in size and in concept. Of course, we still are deeply concerned with those matters which affect the practicing lawyer most immediately and most intimately: the selection of qualified judges; the continual modernization of our court system and procedures; the supervision of the professional conduct of lawyers. These are all important; but they are only the bread and butter of the daily fare in this building.

For, within the last few decades, this association has embarked upon many projects which, though they have their basis in law and its administration, go far beyond; and concern themselves with problems which affect the lives of all our citizens, and involve the social and economic patterns of our city, State, and Nation.

It was natural and traditional for lawyers to do this. For lawyers have always been expected to be among the leaders in the discussion and study of public events and in efforts at reform of all kinds—especially in a democracy. It is no accident that when a political dictatorship takes over, among its first targets are a free judiciary and an outspoken bar.

It is these latter-day projects, undertaken in this tradition of the bar, which have raised this association to its present high position among bar associations throughout the English-speaking world.

We could boast of so many; but I shall recall only a few.

First, I want to mention our expanding assistance to many public officials: our analyses, reports, and recommendations on pending legislation to the legislature, to the Governor, and to the Congress. This has ranged through all kinds of matters, from routine amendments to the Civil Practice Act, to the Bricker amendment and the reform of the electoral college. As former counsel to the Governor of this State and to the President of the United States, I can personally attest, and it has been stated by many public officials, how helpful and reliable these reports have been.

Secondly, our study of needed reforms in many social and political fields, and our recommendations and drafting of legislation to carry them out. Need I mention, for example, our study of conflicts of interest in the executive branch of the Federal Government, now enacted into law; our study of procedures for the commitment and release of the mentally sick, now enacted into law; our study of the family courts in New York City, now enacted into the law reorganizing the courts of the city; our study and experiments with impartial medical expert testimony, now established as a permanent procedure in our courts; our studies and our recommendations for enactment of the various phases of the proposed Civil Rights Act of 1963, all of which have been used so frequently in congressional debate. We are proud that these and other activities on behalf of civil rights under law have led the senior U.S. Senator from New York to refer to our association's reputation for public services in reporting on important national issues.

There are other committees now at work, or being organized, to study some all-important topics for future recommendations, such as the committee on the European Common Market; a committee to study labor disputes which create national emergencies; a committee on science and law which seeks ways to keep the law from falling too far behind the many changes which science and technology are making in this world and in the vast space around it.

This keen awareness of the ever-changing philosophy, social organism, and physical world around us, and the courage and readiness of the association to speak its mind on important public questions involving the law, have become our hallmarks. The American public has come to respect us for them; we are proud of that respect; we must hold on to it.

In this kind of public service in the fields where lawyers are best qualified to act, when they gather from day to day in this house, they are using their skills, experience, and talents to help all their fellow men, and not just their profession or their clients.

I boast of these facts tonight—not because you do not all know them—but to reaffirm our determination to carry on, and even to expand, these efforts.

I hope that more and more of our membership can be enlisted in this work. I know that there are many hundreds who would like to be; and to take a more active part in this program. The difficulty is that the most intensive and productive work has to be done by committees of the association. There are generally about 60 committee meetings in this building every month, an average of three every working day, except in the summer; and I hope that when we finish our air-conditioning project, many of these will be extended into the summer. How to divide this great effort among more members, without making the committees too large and unwieldy—that is the problem. We shall, however, set ourselves to finding ways to do this—to enroll more and more men and women into the core of our activities.

I welcome the distinguished lawyers who have been elected to office tonight with me. In the next 2 years, we will all strive to continue, and to add to, the record of the last 94 years of service to our profession—and to our city, State, and Nation.

With gratitude to you for this distinction, but with an apprehensive prayer that your confidence has not been misplaced, I look forward to this common enterprise, in which I hope I shall always have your help.

SAMUEL I. ROSENMAN.

IS PARTY REALINEMENT A GROWING NECESSITY?

Mr. MUNDT. Mr. President, as most Members of the Senate and the House are aware, this Senator for many years has been addressing American audiences throughout the country—and there were well over 50 such occasions in the so-called Deep South—on the desirability of having our political parties develop policies which would give his majesty, the individual voter, a real opportunity to make a meaningful choice when, on a Tuesday, every 4 years, he goes to the polls to vote for President.

If our two-party Government is to operate with maximum effectiveness, it is imperative that party policies, programs, and platforms be such that the average voter recognizes the basic differences between the two major political parties of our country. To the extent that the differences within each party are greater than the differences between the two parties, when measured by the voting records of Senators and Representatives, the voter becomes confused, frustrated, and discouraged. Hence, many of them stay home from the polls; and professional politicians tend to magnify their authority over private citizens who grow weary and resentful at being forced to buy a "Duke's mixture" of political postures, whether they decide to vote either a Democratic or a Republican ticket. Perhaps a transmigration of political registrations and loyalties is in order, so that each party might present a more homogeneous and consistent posture to the American voter.

Perhaps some courageous Congress may even decide to organize itself on opening day along ideological lines, rather than on strictly partisan lines. The Speaker of the House and the President pro tempore of the Senate might indeed one day be elected by a caucus in which the so-called conservatives would meet in one conference and the so-called liberals would meet in another, quite regardless of their party labels. Thus, a majority leader would lead a united force, rather than a sharply divided one; and the minority leader would head a "loyal opposition" in which the opposition to the majority programs would uniformly predominate over the opposition generated within the ranks of the minority party itself.

This could be done—indeed, some day, it may actually eventuate—through the simple device of recognizing the seniority of all members in each separate ideological caucus, fitting in both Democrats and Republicans as chairmen and ranking committee members on the basis of their seniority, as it reflects itself within the conference, rather than within the party.

For a time this could operate in fact without forcing any Senator or Representative to change his party label or his party registration or the party organization in the State in which he runs. He could still run as a Democrat or as a Republican; but he would campaign as a member of the "congressional majority" or the "congressional minority," depending upon which organization caucus he elected to attend. Eventually, this would undoubtedly lead to a formal realinement of parties, perhaps with new names, and a political mechanism whereby the average voter could help determine the destiny of his country and the direction in which the voter wants our Nation to move, because on election day the choice would be clear. He would then be able to vote for a "political position" and a "set of policies" undiluted and unweakened by the fact that presently this is impossible without also voting a party line which contradicts the voter's choice by compelling him to vote for some party adherents who oppose what other party adherents strongly advocate.

The nomination of BARRY GOLDWATER is certain to give new impetus and new study to the whole matter of party realinement, both in Congress and throughout the country. Perhaps it will move us closer to the day when in the United States every voter will have an opportunity to associate himself on election day with all others who think alike and who desire to vote alike for President and for Members of Congress, regardless of how they have been registered politically or where they reside geographically.

Mr. President, a widely read and highly recognized syndicated columnist, Holmes Alexander, has recently written an article on this general subject. I ask unanimous consent that it be printed in the RECORD. It was published in the Hutchinson News, of Hutchinson, Kans., on August 7 of this year.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Hutchinson (Kans.) News, Aug. 7, 1964]

ANOTHER VIEW: PARTY SHIFTS NOTED

(By Holmes Alexander)

WASHINGTON, D.C.—Senator KARL MUNDT, Republican, of South Dakota's reception room walls are decorated with blownup cartoons that would puzzle a newcomer to Washington.

The caricatures show MUNDT sometimes in Confederate cap, sometimes carrying the Stars and Bars, sometimes in friendly postures with southern colonels in front of columned southern mansions. The explanation: 10 or 12 years ago MUNDT was an exponent of what we called party realinement—a formal conservative coalition of Republicans and southern Democrats.

Most of us born in the early century hardly hoped to live to see it happen—but BARRY GOLDWATER has brought it about, and it may be deeper and broader than it yet appears. Its overt manifestations show a few Republican defectors unwilling to support the GOP national ticket, and hordes of southern Democrats turning Republican for 1964. The mutations are minimal in the North and West, but they're massive in the South. The hitherto minority party is by far the net gainer.

But there are indications of subsurface shifts, too. On a morning last week, I talked with two Midwest Democratic Senators on the same subject—the Johnsonian prosperity.

One Senator, a party liner, declared that President Johnson was done less than justice when described in the main as a master mechanic of governmental devices. The President is certainly that. He can play on Congress as if it were a keyboard, and the complex Federal machinery is as familiar—and as obedient—to him as the control panel of a jet airliner is to its captain.

"But," said this Johnsonian Senator, "he not only knows what Government can do—he knows what it can't do. That is why he repeatedly calls in the business leaders and exhorts them to actions for the general economy and public welfare. No President ever understood and attempted to coordinate the total forces of America as Johnson has."

But the other Senator, though Democratic, was also a skeptic. Were Johnson's proficiency and dexterity at the governmental gadgetry a blessing or a blight? And was the President coaxing national prosperity—or only the false impression of it? This skeptical Senator said:

"The measures he's extracted from Congress, and the direction in which he's headed the Federal Establishment, all tend to make people feel prosperous, that's true. The tax cut, the public works, the increased area development, the antipoverty war, the mass transport program, the Appalachian program and the promise of a job spread under civil rights—every one of these is more of a narcotic than a tonic. Am I going to support him? I want to. As a party man, I ought to. But I don't know. I'll tell you later."

Now, this second Senator represents a realinement tendency that hasn't been taken into account. How many other Democrats, in and out of public office, have these misgivings which easily match—indeed, overmatch—some of the apprehensions about BARRY GOLDWATER's proposed reforms?

Which is the graver threat to the national solvency—the building of antipoverty air castles or not building any more TVA's? Is share-the-wealth more realistic a policy than degraduating the internal revenue structure? Is a great society under Johnson a nobler goal than a free society under GOLDWATER? Which is truly the larger menace to social security: millions for medicare or voluntary old-age insurance? Which candidate is the visionary and which the pragmatist: the Democrat who can make Congress do everything or the Republican who would ask Congress to slow down?

If there are a substantial number of thoughtful Democrats pondering such questions, the party realinement may go deeper and farther than we yet know.

COMPUTERS, PREDICTIONS, AND VOTERS

Mr. MUNDT. Mr. President, today's issue of the Washington Star contains some interesting commentary on what restrictions, if any—either by voluntary codes of self-restraint or by public regulation—should be imposed on the growing tendency of the electronics industry to utilize computers and other modern techniques of communication to release election results and to forecast the final outcome several hours before citizens in the western areas of this country have gone to the polls to vote. I ask unanimous consent that the editorial be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Washington Evening Star, Aug. 12, 1964]

COMPUTERS, PREDICTIONS, AND VOTERS

In the world of physics there is a curious theory known as Heisenberg's uncertainty principle declaring in effect that if you try to observe certain microscopic particles, you change their nature by the very act of looking at them.

The reason for this involves the energy from light used to illuminate the particles under the microscope, which somehow affects them. But the principle also may be applied to human affairs, notably presidential elections.

A number of Congressmen are disturbed over what computer predictions, based on a few scattered returns, may do to voting elsewhere. Precinct workers noted in the California GOP primary last June, and in the 1960 election, that they had trouble getting people out to vote after the television forecasts began pouring in.

This November it's possible that a landslide by one candidate on the east coast, for example, could induce many voters out West to declare "What's the use?" hours before poll-closing time, due to the time lag. By examining the early returns, the computers thus may be influencing the election itself.

For this reason Senator MUNDT, of South Dakota, has introduced a bill to outlaw broadcasting both returns and electronic predictions until all voting booths have closed. A bipartisan group of Governors is also looking into the matter.

Apparently realizing that in a court test his bill might be found to violate the first amendment, Senator MUNDT has indicated he merely wants to stimulate debate on the problem.

From the looks of things, it will be up to the networks to exercise some restraint. We doubt, under the pressure of competition, that they will. But this Heisenberg headache promises to be with us until a solution is found.

Mr. MUNDT. As the Washington Star editorial correctly points out, my purpose in introducing proposed legislation on this subject was not to advocate any specific solution; and my effort in this connection is devoted solely to the attempt to stimulate public discussion of the problem and its consequences, in the hope that an optimum solution will be found, and will permit our system of free elections to operate without undue influence from any area or section of the country. I understand that the Senator from California [Mr. SALINGER] this week has offered a different approach to solving the same problem.

Recently, Mr. Anson Yaeger, of the largest daily newspaper in South Dakota, the daily Argus-Leader, recorded his criticism of my suggestion, in a thoughtful editorial which he sent me, with the request that I write for the Argus-Leader my reaction to his comments. This, I was happy to do.

In the hope that it will create additional interest in the problem created by the premature reporting of election returns and the violence done our system of free elections by the use of computers and calculators designed to report final results of a national election well before millions of Americans have voted, I ask unanimous consent to have printed at this point in the RECORD the Anson Yaeger editorial and my reply to it.

There being no objection, the editorial and the reply were ordered to be printed in the RECORD, as follows:

[From the Sioux Falls Argus-Leader, June 25, 1964]

THE EDITOR'S NOTEBOOK: CONGRESS SHOULD FORGET MUNDT'S BILL TO RESTRICT NEWS ON ELECTION DAY

U.S. Senator KARL MUNDT's bill to prohibit broadcasting and telecasting of presidential returns until the polls have closed all over the country is an unnecessary restriction on information the public is entitled to have.

His bill involves both a principle—the public's access to the news—and a situation: specifically, what news the public may have on election night.

South Dakota's senior Senator sees a problem in the fact that voters in the western part of the country can hear election results from the East before the polls in the West close. He says he isn't sure his bill is the answer to the problem. We'd like to convince him it isn't.

He says the election of a President is "our Nation's most serious exercise in self-government and should not be relegated to the role of a television spectacular." He says that when returns and projections are broadcast and telecast from the East hours before the polls close in the West "people who want to get on the bandwagon" could be influenced by the early votes.

There may be a slight problem here—peculiar to our democracy—but the solution would black out the news on election night. MUNDT's bill would mean that no election returns from New York, for instance, could be broadcast until the last polling place is closed in Alaska or Hawaii. The western parts of Alaska are 6 hours slower than New York. Hawaii is 5 hours slower than New York.

Thus, the entire Nation would be denied information of the election until early the next morning, when the Alaska polls close—a wait of some 6 hours in South Dakota's case, there would be a wait of 5 hours on Alaska's western polling places.

OUR ELECTORATE IS RESPONSIBLE

The American electorate is responsible enough to vote its own mind in the ballot booth. Why deny anyone in the country the interesting, early returns in a national election?

The American public is mature enough to be told the facts—as soon as they are available—about the assassination of a President, the outbreak of war, or any other historic event. Why the concern about election news?

MUNDT's proposal seems to tell the public that it isn't entitled to election information on the day of the election, because someone might be influenced to vote for the indicated winner.

His bill goes beyond prohibiting the broadcast of early results. It includes "any opinion, prediction, or other matter based on such results" of any presidential election. This would take the commentators off the air, and relegate the electronic computers to the ranks of the unemployed.

The better course for Congress is to forget about putting blinders or hobbles on the news. Those early, first returns make life in these 50 States of the United States a little bit more interesting. To clamp down on the biggest news story of an election year could lead to a chaotic guessing game of what is going on.

A NEW REPORTING TEAM

There has been some confusion in the past because the wire services and networks each ran their own election setup—and reported different tabulations. This will be eliminated in the future.

The Associated Press, the television networks—ABC, CBS, NBC—and United Press International have just agreed to work as a team in reporting national elections. The newspapers, radio stations, and television stations which are members of or subscribe to these news services and networks are responsible in their obligations to the public in presenting the news.

REPEAL SOUTH DAKOTA'S RESTRICTION

South Dakota has on its books at the present time a law which prohibits public disclosure of the returns until all precinct polling places in the State are closed. It applies to general and primary elections.

This law is inspired by the boundary in the middle of the State between the central and mountain time zones.

The law should be repealed. The idea that what the east river does might influence the cowboys west of the river, or vice versa, in the hour's time lag involved, is absurd.

South Dakotans vote as they please—and so does the rest of the Nation.

ANSON YEAGER.

[From the Sioux Falls Argus-Leader, July 8, 1964]

MUNDT ANSWERS EDITORIAL: SAYS ELECTION NEWS RESTRICTIONS NEEDED TO SAFEGUARD BALLOT

(The following letter by U.S. Senator KARL MUNDT is addressed to Anson Yeager, executive editor of the Argus-Leader. Yeager invited MUNDT to comment on his Editor's Notebook of June 25 entitled: "Congress Should Forget Mundt's Bill To Restrict News on Election Day.")

DEAR ANSON: Thank you for your letter of June 25 transmitting your editorial in opposition to my suggestion that the early reporting of national election returns by the radio-TV media be restricted and asking for my comments or criticisms of your position. I appreciate your invitation for comment and am happy to respond.

Naturally, I have no criticism of your opposition because in introducing my proposal to give the Federal Communications Commission (FCC) authority to restrict the radio-TV media from nationally reporting such early returns while substantial portions of our Nation are still voting, I stated I was doing so to invite discussion, comments, and alternative recommendations. I specifically told the Senate at the time that I was not convinced in my own mind that my particular suggestion was the correct answer.

But I was then and still am convinced that general public discussion and study is desirable to determine whether it is in the best national interest to use calculating machines and other scientific devices to report premature conclusions as to national election results while voters are still waiting to go to the polls in much of the country.

What we want in a national election is not primarily to provide the opportunity for a "news scoop" by any reportorial service or device, but rather to determine at the polling places by the solemn process of voting in secret what actually is the majority opinion of the people of this country on the highly important and significant selection of a President.

Just as campaigning is prohibited at the polling places; just as great pains are taken to protect the secrecy and security of the ballot; and just as no voting district permits the current tabulation and reporting of results while the voters of that district still have the opportunity vote, I feel there exist serious possibilities for unduly influencing election results by telling the country how the vast cities and the populous States of the East have made their decisions before millions of Americans farther west have exercised their solemn duty of voting for the candidates of their choice.

SOUTH DAKOTA LAW IS SOUND

I think our South Dakota State Legislature was wise in prohibiting the public disclosure of election returns until all the precinct places in our State are closed. The good judgment resulting in that State prohibition is an indication of why I am disturbed over the potentialities that exist of unduly influencing a national election result through early public disclosure of voting.

I doubt you will find much support within our State for your recommendation that our State prohibition in this connection should be repealed. Surely our west river citizens have the right to vote "as they please" without knowing in advance that the more populous east river counties may have already decided the issues, thus placing the west river voter in the position of making his vote an exercise in futility or encouraging him not to vote at all because his preference has been publicized as already being the winner or the loser. We all want as many voters as possible in our State—and nationally—to exercise their franchise privileges. By telling them "it is all over but the shouting" even before it is their time to vote we clearly encourage fewer rather than greater number of voters to go to the polls on election day.

That is not all that is wrong with the precalculation and publication of election results while the voting still continues. As all students of our elective process realize, the large urban areas of this country—mostly located in the East—already have an unfair and an unjust advantage in the determination of who is to be President of the United States.

Our "bloc system" of voting in the electoral college, which provides for a winner-take-all ballot under a unit rule where the candidate receiving a majority of one vote or more in the popular voting gets all of the electoral votes of that State, means that each individual voter in New York State really casts 43 votes for President (his electoral college strength) while each individual voter in South Dakota casts only four votes for President. Thus as individuals, we South Dakotans are less than 10 percent as important or as powerful as our individual counterparts in New York. This iniquitous voting system in my opinion is the taproot of most of the evil and freedom curtailing trends in government today and I have introduced a constitutional amendment to correct it.

INJUSTICE COMPOUNDED

However, to add to this unfair eastern advantage in the election of our Presidents the propaganda and persuasive influence it gains by announcement of vote results hours before western polls are closed is to compound an injustice and to give the eastern seaboard an added advantage over those of us voting in western time zones.

It is a well established political phenomenon that there is a certain percentage of voters in every election who tend to ride the bandwagon and who want to vote for a winner. Even those voters opposed to the winner may well become discouraged and not vote at all if the early disclosure of eastern results clearly indicates their personal preference is hopelessly defeated in the great centers of population.

Even James C. Hagerty, vice president of the American Broadcasting Company, is convinced something should be done to equalize voting opportunity throughout the country and to curtail the capacity of a new electronic phenomenon to influence election results by premature disclosure while millions are still voting. Mr. Hagerty said recently he approved correcting this situation by legislation to prevent television networks from announcing election returns while west coast polls are still open.

He went even further and stated that when he was on the press staff of the 1952 Republican campaign supporting Eisenhower for the Presidency, "we claimed victory in States that we were sure Eisenhower would win before we actually knew he was winning" and the "Kennedy people did the same thing in Connecticut in 1960." The reason like it or not, people are people, and a certain percentage of people, as voters, are subject to what Mr. Hagerty calls, "bandwagon influence" and early eastern announcements have an influence upon far western voters which is to be deplored.

It may be true, as Anson Yeager argues, that "those early, first returns make life in these 50 States of the United States a little bit more interesting," but more fundamental than that, in my opinion, is to develop a procedure which will help assure that every national election in this country faithfully reflects what citizens believe to be the choice which will make life in these 50 States of the United States a little bit more secure, profitable, and enjoyable the next 4 years. For that, many would be willing to wait a few extra hours to make sure all have voted before releasing the news on how those with the big blocs of electoral votes in the East have registered their election day decisions.

Many letters have reached my office from around the country commenting on my proposal to "do something" to protect the sanctity of the voting on election day.

About 90 percent of the letters have applauded and approved this effort and many have offered interesting and appealing suggestions of their own. Among the alternatives we now confront are the following:

(1) Do nothing to curtail or restrict the early disclosure of election results in the populous East.

(2) Authorize the Federal Communications Commission to enact regulations which would minimize if not totally correct the unfortunate consequences of reporting election results while millions of Americans are still deliberating and preparing to vote.

(3) Induce the radio-television industry to establish a code of self-restraint through which, by voluntary action, it would refrain from reporting, until all polls are closed, reports and scientific analysis of early returns as in the recent California primary where Gov. Grant Sawyer, of Nevada, reported, "When a Goldwater victory was announced more than half an hour before the polls closed, many voters in both parties refused to vote. There was panic among precinct workers on both sides and many persons changed their votes to catch the winner just as State delegations do at conventions when a trend becomes strong.

(4) One interesting proposal recommends the FCC instigate regulations prohibiting radio-television stations from early disclosure of votes until polls close in every area of the State in which the station is located and prohibiting the transmission by national network of interstate hookup or connection of returns beyond the borders of any State until all States have voted. Thus voters within each State could be kept currently advised of what occurs in their own State election but the deliberate distribution of such returns nationally by interstate connections would be delayed until all polls are closed.

(5) Finally one ardent supporter of Anson Yeager's theory of promptly releasing the election results as "the biggest news story of an election year" proposes States be required to count and release the votes as they are cast, reporting to the people on an hourly basis how the election is going in each area of the State and Nation thus adding to the excitement of election day.

PROBLEM MAGNIFIED

The very fact that the Associated Press, television networks ABC, CBS, and NBC, and the United Press International are now planning to work as a team in reporting and analyzing national elections can—if nothing is done—magnify rather than reduce the problems created by the premature early disclosure and publication of election results.

Now, at least, there is the uncertainty created by the fact that sometimes one service or the other reports its findings in disagreement with one or more of its competitors. By pooling their resources and consolidating their findings as proposed, the national impact of a report from New York City indicating that "Candidate A has swept the East and is a certain winner of the Presidency according to our XYZ election computer and our combined staff of analysts from coast to coast" when heard in Western States during the afternoon of election day is likely to make voting there about as unimportant and unimpressive as trying to kick a field goal after the fourth quarter has ended and the crowd has left the stadium.

It should also be pointed out that use of voting machines with the immediate capacity to report results is almost universal in our large eastern cities and thus one more advantage is provided to influence the western voter if his actions and decisions are to be reported nationally while others have not yet gone to the polls.

Let me repeat, I introduced my proposal to create discussion and to focus attention on the problems created by the scientific advances enabling early returns to forecast final results and giving to the disclosure nationally of such early returns a capacity to influence national elections never before experienced in this country. I am not—repeat not—certain the suggestion proposed by me is the correct or appropriate remedy.

I urge Anson Yeager and others to continue study on both of the problems and their possible remedies. To simply suggest it is not important or to reject a specific proposal does not cure the situation nor aid in approaching the ideal of giving every American an equal opportunity to express his personal preference with equal authority at the polling places uninfluenced by how others are voting and unaware of whether he is voting with the majority or the minority.

Adherence as closely as possible to this ideal of self-government by secret ballot has long been a keystone in the success of our American system of free franchise and anything any of us can do to protect the integrity and improve upon the equality of this system of self-determination should be of benefit to all.

Karl E. Mundt,
U.S. Senator.

Washington.

SKINDIVING

Mr. INOUYE. Mr. President, the August issue of Reader's Digest contains an article on skindiving. The article was written by Stewart James, and originally it was published in the July issue of the Honolulu Beacon.

Skindiving is a rapidly growing sport. But it is not a game for the untrained amateur. It requires training and know-how; and scubadiving, for which the diver carries his own air supply, requires safe and up-to-date equipment.

To help assure proper safety standards in scubadiving equipment, the junior Senator from Connecticut [Mr. Ribicoff]—who has been waging war against all forms of hazards in our environment—has introduced proposed legislation which deserves careful consideration by Congress. This article clearly emphasizes the need for enactment of the Ribicoff bill.

I ask unanimous consent that Mr. James' article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[Condensed from the Honolulu Beacon]

Skindiving—One Part Fun, One Part Danger

(By Stewart James)

This year some 7 million Americans are enjoying one of the fastest growing sports in the world—skindiving. There are now more than 500 organized clubs of devotees in the United States. And in other parts of the globe, from Europe's Riviera to Australia's Great Barrier Reef, another 5 million enthusiasts are plunging into oceans, lakes, rivers, ponds—even quarries.

Along the shores of the Mediterranean, where skindiving began as a fad before World War II, skindivers turned archeologists lug to the surface hunks of antique statuary and pieces of Roman galleys. Around the Florida Keys, divers spear fish and search hopefully for the wrecks of Spanish galleons. In California they frolic with sea lions, and in Puget Sound, Wash., and the Canadian waters off Vancouver Island, they actually wrestle with octopuses just for the fun of it.

As a sport, skindiving shares the cachet of risk attached to sports car racing and mountain climbing, and like these other tests of judgment, skill and nerve it is loaded with danger. Last year, there were an estimated 27 deaths among skindivers in Florida alone.

Alarmed at the increase in accidents and fatalities, Senator Abraham A. Ribicoff, of Connecticut, former Secretary of the U.S. Department of Health, Education, and Welfare, recently introduced a bill aimed at making the sport safer. Ribicoff asked that the U.S. Public Health Service set standards of purity for skin divers' air supplies. He also asked that P.H.S. create a national clearinghouse for information on skindiving techniques and sponsor underwater safety programs. Today, anyone can walk into a sporting goods shop, buy whatever he wants, and use it, with no instruction whatever.

Some clubs are trying to get the safety message across to unwary newcomers to the sport. In Washington, D.C., I visited a club called the Pioneers, whose members helped train 1,000 skindivers last year. I watched the coaching team give students their standard indoctrination—a 3-hour photographic slide show detailing the use of skindiving equipment and describing the hazards. This somewhat gruesome demonstration featured pictures of burst eardrums, blownout lungs, joints swollen by nitrogen bubbles, and numerous varieties of sharks.

"Funny thing," one instructor told me afterward in a puzzled tone, "quite a few prospects just see the indoctrination show and drop out of the course."

The simplest and most popular equipment for skindiving is mask, fins, and snorkel. The mask, a rubber-mounted safety glass faceplate, permits the wearer to keep his eyes open under water. The long rubber fins fit over the diver's feet and can propel him rapidly through the water. The snorkel is a tube shaped like the letter J, with the curved end fitting into the mouth and the other end sticking out of the water. The diver lies face down in the water and breathes through the snorkel.

In scuba diving (scuba is the abbreviation for "self-contained underwater breathing apparatus"), the diver carries his own air supply in a 50-pound tank fastened to his back. The tank, which becomes almost weightless under water, holds 71 cubic feet of air, pressurized at 2,250 pounds per square inch. Through a valved mouthpiece, developed by world-famed diver Capt. Jacques-Yves Cousteau, of the French Navy, and Emile Gagnan, air is fed to the diver at a pressure which increases as he descends and decreases as he ascends. The air supply lasts from 30 minutes to an hour, depending on the depth of the dive and on how rapidly the diver moves or breathes.

Conversing with experienced scuba divers reinforces the notion that this is no sport for the nervous or the untutored. A diver may encounter unfriendly sharks or barracuda, he may panic and ram a rock or reef, he may run out of air at too great a depth and in his rushed ascent to the surface get the "bends."

Increases in pressure do strange things to body chemistry and also compress the hollow spaces in the body, such as the stomach, lungs, and sinuses. Divers with colds feel excruciating head pains in water as shallow as 15 feet. A leaky filling in a tooth under pressure becomes unmitigated torture. If one panics and stops breathing normally as pressure on the body decreases, the lungs expand and may rupture. "Breathe regularly and follow your bubbles," the experts say—that is, never surface faster than your bubbles rise.

Depth beyond 100 feet can bring on nitrogen narcosis, which has been described as a progressive drunkenness impairing judgment and finally causing complete irresponsibility. The U.S. Navy Experimental Diving Unit has found that there is "a significant impairment of reasoning in 39 percent of highly trained personnel at the depth of 100 feet."

A diver described his experience while investigating a wreck at a depth of 150 feet in the Bahamas. He said, "I didn't notice anything until I saw this big black grouper swimming beside me. I took out my mouthpiece and tried to give it to him. Fortunately a buddy swimming alongside grabbed me and forced the mouthpiece back in my jaws." This is why one of the cardinal rules of scuba diving is never go down without an experienced fellow diver.

But despite the salt of danger—or perhaps on account of it—the number of skindivers has increased with such velocity that big business is taking notice. American Machine & Foundry Co., for instance, has gone into the manufacture of underwater specialties. And recently, as a concession to the ladies, there has come the introduction of high-fashion colored rubber suits. These have also appealed to the males, and today's skindivers, when assembled in strength, look like a living Persian carpet.

The reasons for diving are as varied as the divers themselves. Captain Cousteau dives in the spirit of scientific inquiry. Royalties from his invention, the Cousteau scuba lung, are devoted to advancing the knowledge of the watery world.

Although 71 percent of the earth is covered by water, less than 3 percent of this has been explored. The U.S. Government is spending approximately $124 million on underwater technology. At U.S. Navy medical centers in New London, Conn., and Bethesda, Md., highly trained personnel are finding their way deeper and deeper into the depths. Exact information is classified, but authorities admit they have been able to send divers more than 500 feet down.

The amateur skindiver feels that he is part of this exploration into the unknown. But usually his hope is to find a wreck to explore. Since man has been sailing and boats have been sinking for a long time, the supply of these enticements seems unlimited. For Great Lakes divers, there is even a book covering the whereabouts of 6,000 wrecks.

But the absolute cream of the underwater dream is the location of one of the Spanish treasure galleons that once sailed from the Indies. Skindivers along the Florida Keys look for these with bounding hopes, and wild rumors of wreck locations flicker in and out of their speech like stock market tips. Teddy Tucker, of Burmuda, is their inspiration. Tucker, in the past 10 years, has dredged up over $200,000 worth of treasure from the waters around the island.

But for every success there are uncounted failures. If much treasure has turned up, it has been remarkably well hidden. Joe Persons, a rare coin dealer in St. Petersburg, Fla., reflecting on the state of the market, said, "Spanish doubloons? I haven't even seen a singloon."

Treasure-hunting disappointments and the dangers inherent in the sport don't dampen the spirits of skindivers. On a Florida Key I chatted with a young executive from Ohio. He and 25 members of his diving club had flown in the day before on a chartered flight for a weekend of diving.

"What makes you like diving?" I asked. He pondered a moment. "When you get down there under the water," he said, "you forget your troubles. You stop worrying about anything."

Obviously millions of Americans agree that this exhilarating pastime offers a fine release from earthly woes.

GUIDELINES FOR COLD WAR VICTORY

Mr. THURMOND. Mr. President, the National Strategy Committee of the American Security Council will publish today, August 12, a series of treatises entitled, "Guidelines for Cold War Victory." I have had an opportunity to review an advance copy of this publication, and I wholeheartedly recommend its reading to all who are interested in the definition and accomplishment of national purposes. This study has been 2 years in preparation, and it represents a broad spectrum of opinion as to the recommendations on national strategy. In order that Senators may become familiar with the type of material contained in the "Guidelines for Cold War Victory," I ask unanimous consent that a summary of the publication, also prepared by the National Strategy Committee of the American Security Council, be printed in the Record.

There being no objection, the summary was ordered to be printed in the Record, as follows:

Guidelines for Cold War Victory

(Prepared by the National Strategy Committee, American Security Council, 123 North Wacker Drive, Chicago, Ill.)

The free world and the Communist bloc are locked in a final war to determine whether the world will live under dictatorship or under freedom. If we lose this war the lights of freedom will go out all over the world, possibly not to be relighted for centuries.

The National Governors' Conference said in a resolution unanimously adopted by all Governors representing all wings of both major political parties on July 24, 1963:

"The only real obstacle standing today between communism and world dictatorship is a strong United States, determined to use its strength in freedom's cause. * * * The cold war is a real and deadly struggle from which only one side will emerge victorious."

The late President John F. Kennedy set forth the basic goal of America in 1962 when he said that we seek "a peaceful world community of free and independent states—free to choose their own future and their own system, so long as it does not threaten the freedom of others."

Standing between America and its goal is the Communist empire's drive for world dominion. The Communist goal, restated again and again, is the overthrow of all non-Communist societies and institutions. The Communist goal is total victory for world communism.

The two goals are utterly irreconcilable.

Yet, although the Communists have clearly declared war on us, America has failed to decide that it, too, seeks victory in the present conflict. Instead, for nearly two decades the United States has patiently pursued the policy of containment. The failure of this policy is now clear. Nonetheless, the United States is today softening its policy of containment and shifting to the far more conciliatory strategy of interdependence.

The basic assumption in the strategy of interdependence is that by helping the Soviet Union overcome its economic difficulties, by seeking areas of common action, and by working toward a "convergence" of values and purposes, we can gradually bring about the fundamental alteration of Soviet purpose which containment alone failed to do.

The idea of convergence is based on the belief that as the United States becomes more socialistic and the Soviet Union adopts more Western methods, there will soon be no differences between the two systems and, therefore, no reason for conflict.

We believe that these strategies are utterly wrong. They totally ignore the fact that every act of moderation or compromise, every retreat or concession on our part, has led not to reciprocity on the part of the Communists, but to new pressure; not to a relaxation of tension, but to a new crisis; not toward peace, but toward war.

The new strategy of interdependence has already been the basis for the no-inspection nuclear test ban treaty, the credit sale of wheat to Russia, the recent moves to develop even more trade with Communist nations, and the unilateral interlocking arms control reduction of enriched uranium and plutonium production.

The net effect of a policy of conciliation and accommodation is to affirm the Soviet leadership in its view that world communism and its own hegemony are practical goals which do not involve undue risk, goals that they can now hope to achieve through increased aggression and subversion. Thus, instead of preserving peace, our present strategies immeasurably increase the danger of nuclear war.

A policy of conciliation and accommodation can never be effective in dealing with a dictator-aggressor. History shows that this can be no more effective in dealing with Khrushchev than it was in dealing with Hitler.

Thus, the Communists have been winning the cold war because United States policy:

(1) Is a defensive policy, with all this implies strategically and psychologically. It abandons the initiative to the Communists and allows them to choose the field of battle. It compels us to react rather than act. It abandons our anti-Communist allies within the Communist empire. It weakens the belief of "fencesitters" in our ultimate victory and dismays some of our most loyal friends. It saps our will to make sacrifices, raises false hopes and encourages national complacency.

(2) Provides no real inducement to the Communists to stop the cold war. The belief that the United States will never take the offensive assures the Reds that they can pursue their objective without risk to themselves. They have the world to win and nothing to lose by continuing to wage the cold war against us, their passive adversary.

(3) Fails to make use of our national power while we still have it. The United States is still the strongest nation in the world. Our military, economic, industrial and technological capabilities exceed those of any country on the face of the globe. At present, victory can be won without nuclear war. While the United States has the military capacity to win a hot war, no aggressor will dare start a hot war. Thus, it is urgent that we win the cold war before the Communists achieve a technological breakthrough which may reverse this balance of power.

Unless the United States adopts an affirmative cold war policy, it will continue to lose the cold war in the same way that a football team would lose if it were prohibited from crossing the 50-yard line.

Against the Communist strategy of aggression, there can and must be a strategy not merely to deter aggression but to transform aggressors into peaceful governments. In place of the present policies which encourage the Soviets in their drive for world rule, the United States must develop a strategy of victory which will provide real inducements to the Communists to call off the cold war.

We do not advocate a conquest by the United States of the peoples of the Communist bloc. Rather, we aim at a true reconciliation and peace between free peoples. Such a reconciliation will not be possible until there is a basic change in the nature of their government—until their government stops trying to conquer the rest of the world.

A viable U.S. foreign policy to accomplish our national goal of a "peaceful world community of free and independent states," must aim at three things concurrently: First, halt further Communist expansion; second, promote the national independence or at least the neutrality of the Communist satellite states; and, third, work for the establishment of governments in Russia and Red China which will confine their foreign policy to the legitimate, patriotic, national interests of their peoples, showing equal respect for the patriotic, national interest of all their neighbors.

The total power of any nation is the product of its military strength times its economic strength times it moral fiber or will. If any one of the elements of this formula equals zero, the total power of a nation equals zero. Thus, if we do not have the will, our superior military and economic power will be valueless and the credibility of our positions will be seriously doubted.

Once a national objective of victory is adopted, it is imperative that we demonstrate that we have the national will to accomplish this objective. The following are recommended as cold war priorities which the United States could move on immediately to prove conclusively that our goal is victory:

(1) Affirmative action on Cuba: Our national power should be applied peacefully and effectively by utilizing the centuries-old principle of declaration of contraband. It is recommended that the President apply this principle by declaring the entire Western Hemisphere to be a peace zone, with all Communist war material, including fuel, declared to be contraband. A quarantine should be instituted to keep more contraband from being moved into or between the countries of the Western Hemisphere.

Simultaneously, a free Cuban Government should be established to serve as the agent of control for the second stage in the liberation of Cuba—a massive, carefully planned, logistically supported (by the United States) guerrilla warfare campaign against Castro—a genuine "war of national liberation."

(2) A new strategy for southeast Asia: It must be made clear to the Asian Communists that the United States will not allow them to limit so-called "wars of liberation" to our side of the line. We must be willing, and give concrete evidence of our willingness, to extend our own war of liberation into the enemy camp.

The cheapest and quickest way to win the war in South Vietnam is to begin with one or more of the privileged sanctuaries like North Vietnam and Communist-held parts of Laos. If these countries were cut off as a base of supply and sanctuary for the Vietcong, both the military situation and the all-important psychological atmosphere in South Vietnam would be transformed.

(3) Mount a comprehensive psychological offensive against world communism: We have no offensive psychological action policy to match that of the Communists. They war against us continuously; we do not war against them. A psychological offensive offers us the best chance to win the cold war without nuclear conflict.

Those who live under the miseries of communism, who know it first hand, are the most fertile target for psychological warfare. A massive effort directed at these people is the best way to bring maximum internal pressure on the Communist regimes.

This effort should embody a full-scale ideological offensive to open the closed Soviet society, a program to place major stress on Soviet imperiocolonialism, and a special program to rally democratic forces in Eastern Europe into an effective opposition against their Soviet rulers. The latter program should not, however, incite these people to outright revolt unless and until there is solid basis to believe that such revolts would succeed.

(4) An effective economic offensive: In place of trade deals which strengthen the economies of Communist countries, we recommend a limited trade embargo against them. This does not mean that all trade with the Soviet bloc should necessarily be stopped. But it should be severely curtailed in those products which the Communists need most to continue the cold war. This would include not only military equipment, but all articles which increase the industrial potential of the Soviet Union.

(5) A more realistic foreign air program: Economic aid programs must be coordinated with America's objective of victory in the cold war. Priority should be given to deserving allies and nations making a sensible effort to build freedom, but we must cut off aid to all countries which are hostile or are aiding or abetting Communist expansion.

The United States should gradually terminate economic aid as we have practiced it since the end of World War II and restore the mechanics of international investment, including the confidence factors that are necessary to increase the investment flow.

(6) Improve relations with NATO nations: To restore the confidence of our NATO allies and build a permanent and satisfactory unity in the Western alliance, the combined European NATO nations should be treated as a full partner rather than as a satellite. The combined European NATO nations should be granted possession and control of nuclear weapons for joint defense against air, missile and ground attack, and for deterrent and retaliatory purposes.

If it is clear to the Soviets that any attack on the key European front would automatically run into nuclear defenses, their strategy would have to be revised and war, as an instrument of world revolution, would have to be written off. It is precisely this change in strategy which must be considered the first step toward a constructive evolution of the Soviet regime.

(7) A new policy for Latin America: The Alliance for Progress, of itself, is not enough to combat the spread of communism in Latin America. We are not opposed to an intelligent economic aid program for our neighbors to the south. But the United States must recognize that the real cause of communism is Communists—not poverty per se.

America must do all it can to encourage and strengthen its friends among the intellectual, political, and military groups in Latin America. It must also support the various private anti-Communist organizations in these countries who have struggled alone against the public ignorance and apathy on which Communist cadres count to make their objective possible.

(8) The United States must make maximum use of the United Nations as an effective cold war forum. At the same time, we must face up to the reality that the U.N. itself is not capable of blocking Communist ambitions.

The U.N. can serve admirably as a world forum in which the United States and other nations can properly present their case. But we must learn to make better use of the U.N. to expand the cause of freedom—and not permit it to restrict American actions aimed at halting the continuing threats to freedom.

The United States should never subcontract to the U.N. its decisionmaking responsibilities—as it has done so often in the past. The result of this subcontracting has been the loss of the initiative in world affairs to America's enemies who never permit the U.N. to act as an inhibiting factor in their policy.

(9) Maintenance of a superior military posture: The avoidance of war requires that the United States maintain overall military superiority, rather than the acceptance of any kind of "parity" which can only be ephemeral and inherently unstable.

No aggressor will dare start a "hot" war against the United States so long as the United States has the capability of winning any hot war.

To maintain military supremacy, the United States must undertake four major tasks: first, planned and rapid technological progress and modernization; second, build a supreme strategic force more flexible, discriminating and effective than any we have yet possessed; third, modernize United States and NATO ground forces equipped with nuclear tactical weapons for "invasion-proofing"; fourth, develop adequate defenses against attack, including antimissile missiles and construction of a vast network of community fallout shelters, which combined would serve as a strong additional deterrent against nuclear war.

In addition, the United States must promptly develop a military capacity in space and a follow-on manned bomber to preserve the Strategic Air Command as a mixed bomber-missile force.

(10) The United States must recognize the dangers inherent in disarmament: So long as the Communists continue to seek world domination, disarmament is unthinkable. The Communists attempt to equate disarmament with peace, but they actually see it as a shortcut to total Communist victory.

Until we appreciate the fact that disarmament is impossible unless the Communists give up their design for world conquest, mankind's most fervent hope will remain the grand illusion. Worse yet, disarmament will not lead to peace, but only to the ultimate disaster of a choice between surrender and war.

In conclusion, "Guidelines for Cold War Victory" emphasizes that "It is up to us, as free American citizens, to decide whether our civilization shall perish or whether it will renew itself and lead the way toward a better world for all mankind."

JUDGE RUDOLPH TESAR

Mr. HRUSKA. Mr. President, for three decades Rudolph Tesar has been a prominent and distinguished member of the bar in Omaha. Throughout that time, and in law school days before that, it has been my great privilege to have known him well and to call him my friend.

Our friendship, no doubt, developed in part from our similar backgrounds; both of us came from families of Czech ancestry—both of our fathers were Czech immigrants. Both of us engaged in the practice of the law, after having attended and graduated from the Creighton University College of Law.

Now, after 30 years, Lawyer Tesar has become Judge Tesar. Several weeks ago, he was appointed to the bench of the Fourth Judicial District of Nebraska.

The new way in which Judge Tesar views the law from the opposite side of the bench is described in an unusually well written article published in a recent issue of the Omaha Sun papers. Reporter Ralph Bradley has captured in a compelling way the spirit of the career of Judge Tesar. He relates it to his three loves—his family, the law, and the world of sports.

The article is a testimonial to what might be described as the old-fashioned virtues. It is the story of an immigrant's son who worked to help his family; who pursued an education, and established himself in his chosen profession; and who throughout his life has devoted himself, not just to being a good citizen, but—much more important—to being a useful one.

I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Omaha (Nebr.) Sun, July 30, 1964]

RUDOLPH TESAR: PROUD CZECH SITS ON THE BENCH

(By Ralph Bradley)

Rudolph Tesar is a man of three loves—his family, the law, the world of sports.

They are not new loves; he has had them a long time. But now he is looking at the new face of one of them, and he likes what he sees.

The new face is on the law. Rudolph Tesar is looking at it as Judge Tesar, judge of the Fourth Judicial District of Nebraska.

He was appointed to the district bench June 2 by Gov. Frank Morrison to fill the vacancy caused by the death of Judge Frank Nimtz.

Judge Tesar sums up his first weeks in his courtroom on the fourth floor of the Douglas County Courthouse with "There's a different look to the bench from this side."

The tall, graying 56-year-old jurist had spent over 30 years looking at the bench from the lawyer's side. And he likes the view from the judge's chair.

"It is certainly a change from being in practice," he says. "It is more relaxing, and I am enjoying it immensely. I think I know how to get along with lawyers—I was in their shoes for a long time. I know their problems and I am sure they understand mine.

"This is a job which will give me more time for recreation and my family. When I was in practice, the weekends were the same as the rest of the week. The telephone kept ringing all the time and drove me to distraction."

NEW FAMILY RULE

Last week the Tesar family made a rule and carried it out over the weekend—they played golf together for the first time since the individual members of the family learned the game.

There was one exception. Judge and Mrs. Tesar's daughter, Pat, now Mrs. Richard Kutilek, is expecting the first Tesar grandchild next month. But on the course were the judge, who shoots "an average stick" in the 70's, Mrs. Tesar, Rudy, Jr., 22, a senior at the University of Omaha, and Richard, 15, who attends Central High School.

Judge Tesar was born and raised in the Czech community around 13th and William where his father and mother ran a saloon. His father at one time ran the old Metz Hall, now the Catholic Sokol Hall.

Once the family ran a saloon at 16th and William. Tesar's mother did the cooking at the family home a block away. It was young Rudy's job to run home from Comenius Grade School and carry the food to the saloon in a wagon in time for the noon dinner rush. One of the customers who became a long time friend was the late County Commissioner Leonard Bergman.

The influence of his parents is acknowledged by the new judge, and he credits them with his career in law. His father was active in Czech affairs, both locally and nationally, and was given a gold medal by Thomas Masaryk, President of Czechoslovakia, for his leadership.

"My parents always wanted a lawyer in the family, and I think they dreamed of their Rudy becoming a lawyer," the judge said. "But I think it was natural for me to become one.

"SALESMAN

"It was a tradition in our family for the boys to be newspaper carriers. The route for the old Bee-News was finally handed down to me. I was a fine solicitor of new customers and always won prizes in the contests. I would go all over town getting new subscriptions and I enjoyed selling.

"And being a lawyer is like being a salesman. You have to sell your case to the jury, and you have to be an actor too. I love acting."

After he was graduated from Central High, he entered Creighton University in 1925. While pursuing his law education, he played football. In 1930, as a 175-pound tackle, he captained the Bluejays in the then rough-and-tumble Missouri Valley Conference.

He also became a trackman, but by default. In the spring of 1930 the coach of the Creighton track team was assembling a squad for the Missouri Valley meet at Drake. But he had no shotputter—until he saw Tesar working around the Hilltop gym. Would Tesar fill in?

"I had never thrown the shot before," recalls the judge. "But I told him, 'Why not?' And I went to Drake—and placed third and won a bronze medal."

Judge Tesar, when it comes to athletics, calls himself "somewhat of a nut." At most of the games played at Rosenblatt Stadium he can be seen in the stands along the first base line watching the play and arguing the game with retired Police Capt. John (Dynamo) Dennison. The bantering of the pair has been going on for 30 years, from the day that Dynamo, who was managing the old police department team, picked the young Creighton student as one of three outsiders for his team.

BANTERING

Now that Tesar is a district judge, the bantering has been tempered only slightly. Dennison calls him "Judge Hi-De-Ho." On the wall of Judge Tesar's chambers is a horseshoe mounted on a race program from Ak-Sar-Ben of July 1, the date of the judge's inauguration.

It reads, "From Dynamo to Judge Hi-De-Ho." The shoe was from "Title Judge" one of the day's daily double winners which paid $340. An addendum, which describes a Tesar philosophy, was given by Dennison, "When U stop giving, U stop living."

Judge Tesar formed another lasting friendship on the football field. In a special game played in Beatrice, January 1, 1931, Tesar met Frank (Hi) Prucka, president of Omaha's Himarco, Inc. The game was between the seniors of the University of Nebraska and Creighton with some old grads of each school added. Tesar and Prucka opposed each other.

"There was an all-American if I have ever seen one," was the judge's recollection of the game. The friendship was to take them with others to the mid-August series between the Chicago White Sox and the New York Yankees—until Judge Tesar mentioned to Mrs. Tesar that he had the tickets.

"She advised me," said the judge, "that if I were going, I would go alone, and I would not be going. She reminded me that 'Pat is going to have her baby and I want you here with me.' I had forgotten about the time." With that he threw the box seat tickets for four games back into his desk.

YOUNG LEGISLATOR

While at Creighton, Tesar was elected to the Nebraska Legislature, and at that time he was the youngest person ever elected to the body. He was reelected in 1933. In 1935 he was named a deputy county attorney by the late District Judge James T. English, who was then Douglas County attorney.

"I was scared. I was just a punk. My father sensed this and told me, 'If you keep your office faithfully, the office will keep you.' I have followed this philosophy since, and that is what I will do now on the bench," the judge said.

He had made another decision in 1934. He married Helen Zikmund, a girl he had long known in the neighborhood.

Judge Tesar, although he finds his new career offering more peace and quiet than his former law practice, is facing new demands upon his time. Judges have their problems. I did not realize it before but a judge spends most of his time reading briefs and law books for guidance. The other day the counsels in a case met with me to present the stipulations in the case. It only took 10 minutes for the hearing, and I thought it was going to be easy.

"Then as they were about to leave, one presented me with his brief. I estimated that to read the briefs and the law books on the subject will take me a month. Fortunately, I like to read law."

DISTURBING THING

He also has found things which disturb him. Recently while on the court circuit in Blair, a youth, 19, appeared before him in a felony case. "It hurts me deeply to see these kids coming before me in such trouble. It just breaks my heart.

"The first was a boy who came before me to make a plea. He was with his father and mother, but had no lawyer. I told him of his constitutional rights and would not accept his plea without counsel. I asked his mother and father if they had talked this over with their son and what it would mean.

"When they told me they had not, I adjourned the court. It irked me that a mother and father would not even advise their son on something as important. I don't like to hear any case in which a person is not represented by a lawyer, and he does not have the benefit of a lawyer's experience and knowledge of the law. To appear in court without an attorney is just plain stupid. I want everybody to have his rights.

"When a person has an attack of appendicitis, he runs for a doctor. But when he gets into legal trouble, does he run for a lawyer to handle something just as important? I feel a lawyer is essential."

Followers of the district court feel that Judge Tesar is bringing a firm knowledge of the law to the bench and will sprinkle it with compassion and a sense of humor. He gave indications of that during his inauguration when he told the audience, in which were members of the Nebraska Supreme Court, "I know I am going to make mistakes on this job, but I thank God I have men like these (the supreme court justices) to help me correct them."

ETHNIC PRIDE

Judge Tesar also has an ethnic pride in his appointment. He is the first Czech appointed to the fourth district bench. "My mother and father, if they were still here, would be very proud of me. Our family has been Chessky through and through and I am proud to be a Czech."

Judge Tesar is no longer the 175 pounds. He once ballooned to 225 before cutting down to his present 200. "I wanted to go lower, but when I got down to 195, people kept asking me if I were sick. My cheeks had sunken a little. So I went up to 200 and will hold it there."

The bench has agreed with the judge's golf game. Last week in his fifth round of the year at the Field Club, where he was once noted as the longest hitter on the course, he scored the best round of his career—a 72.

It brought back memories around the clubhouse—those of the time a younger Tesar hit a 270-yard plus drive over the clubhouse, saw the ball stop 2 inches from the cup on the putting green, where he tapped it in for a deuce; the time he flubbed a drive on the fairway through which the railroad tracks ran. The ball rolled down the bank and hopped into a coal car. Two weeks later the ball, which was marked in honor of the national amateur tournament being held at the club, came back from Tulsa. The late club professional, Stanley Davies, for years joshed Tesar for his drive "which carried from the Field Club to Tulsa."

From his big mahogany desk in his chambers, Judge Rudolph Tesar can look at the framed certificate of his judicial appointment, his admittance to the bar, and the Declaration of Independence.

But one of the proudest possessions is a shiny plaque which reads:

"Honorable Dad:

"It pleases us and may it please the court.

"Appointed June 2, 1964, by Gov. Frank Morrison, you are the first Czech judge on the district bench in Omaha and the first chosen under the Nebraska judicial merit plan.

"You are the first with us to and we are happy and proud. We wish you the best of success.

"Helen, Rudy, Junior, Pat, Dick, and Rich."

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

The Chair lays before the Senate the unfinished business.

AMENDMENT OF FOREIGN ASSISTANCE ACT OF 1961

The Senate resumed the consideration of the bill (H.R. 11380) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

LAND AND WATER CONSERVATION FUND

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of Calendar No. 1300, H.R. 3846.

The ACTING PRESIDENT pro tempore. The bill will be read by title.

The LEGISLATIVE CLERK. A bill (H.R. 3846) to establish a land and water conservation fund to assist the States and Federal agencies in meeting present and future outdoor recreation demands and needs of the American people, and for other purposes.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs, with amendments.

Mr. HUMPHREY. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JACKSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BARTLETT in the chair). Without objection, it is so ordered.

REAPPORTIONMENT OF STATE LEGISLATURES

Mr. MILLER. Mr. President, in this morning's Washington Post appears an article by the able reporter and columnist, Chalmers M. Roberts entitled "Dirksen Move Seen as Shortsighted." Mr. Roberts comments on the pending Dirksen amendment to the foreign aid bill.

We all know that the subject is very controversial, and we all know that efforts are being made by the Senator from Illinois [Mr. DIRKSEN], officials of the Department of Justice, and the leadership on the other side of the aisle to try to work out some kind of modification which will satisfy both sides. I have no quarrel with Mr. Roberts' comments insofar as they relate to that particular issue. But I regret deeply that Mr. Roberts has apparently not studied the other side of the issue to which he refers, and that is the proposed constitutional amendment introduced by the Senator from Illinois [Mr. DIRKSEN] and many other Senators on this side of the aisle, including the junior Senator from Iowa.

I shall direct my comments to that part of the article. The article states:

> DIRKSEN has found a lot of allies in both Senate and House for his proposal.

That is the proposal for the delay in implementing reapportionment cases by the various Federal courts, which, as I said earlier, is the proposed amendment to the foreign aid bill.

Mr. Roberts continues:

> He [Senator DIRKSEN] would force the district courts to delay the Supreme Court mandate in his and other States until it can be voided entirely by a new constitutional amendment.

It is that statement to which I must take very deep and serious objection, because the statement implies that the proposed constitutional amendment, which is still pending in committees in both the House and the Senate, and more particularly Senate Joint Resolution 185, introduced by the Senator from Illinois [Mr. DIRKSEN] and several Senators on both sides of the aisle in the Senate, including the junior Senator from Iowa, would not void the decision of the Supreme Court respecting apportionment of State legislatures in both houses on a population basis.

Mr. President, I should like to read from that proposed constitutional amendment, as contained in Senate Joint Resolution 185, on page 2, starting with line 8:

> The membership of at least one house of the legislature of each State shall be apportioned as nearly equally as possible according to the number of persons determined by the enumeration provided in article I, section 2.

That sets up one house clearly on a population basis. Then let me read the other part of the proposed constitutional amendment, which states:

> Except as otherwise provided—

Namely, except as provided that one house must be set up on a population basis—

> the citizens of each State shall have exclusive power to determine the composition of its legislature.

What this means is that if the proposed constitutional amendment is adopted by the Congress and ratified by three-fourths of the State legislatures, one house in a bicameral legislature must be on a strict population basis, and the other house may be on a strict population basis or may be on a population and area or some other basis, depending entirely on the will of the people of that State.

This is the point Mr. Roberts completely overlooks in his article. He implies that the people of a State would decide that the other house should not be on a population basis and, therefore, would frustrate the decision of the Supreme Court holding that, in the present state of affairs, both houses must be on a population basis.

Mr. Roberts continues and states that if this proposed constitutional amendment is passed by the Congress:

> Conceivably [it] could win sufficient State legislative ratifications in the next 2 years to end all hopes of one man, one vote for both houses of legislatures.

I will grant that conceivably this could happen, but what Mr. Roberts should have pointed out is that it could happen only if the people of a State, in a statewide vote or referendum, decided such to be the case.

I believe the people of a State—not their elected representatives, but the people themselves—in a duly held referendum should be permitted to decide whether that other house must be on a population basis or based on some other set of factors.

As I have said, Mr. Roberts is one of the ablest correspondents and reporters in Washington, and I regret that I find it necessary to criticize this article. But the article relates to something that is very important and very near and dear to the hearts of most Members of Congress.

In the case of my own State, I would be perfectly willing to leave it to the people of my State to decide the question of whether or not the other house shall be on a population basis or on some other basis.

I would be more than willing to abide by their decision. That is the purport of Senate Joint Resolution 185.

I regret that it appears that not much of an effort will be made to get this proposed constitutional amendment out of committee and passed by Congress in this session of Congress. There appears to be some hope that it will be acted on early in the next session of Congress. If so, that would give time for many of the State legislatures which will be meeting early next year to provide the necessary ratification of the proposed constitutional amendment.

Whether or not three-quarters of the State legislatures, either in regular session or in special session called by their Governors, could ratify the proposed constitutional amendment by the end of next year is impossible to forecast; but that is something, I regret to say, that will have to wait until next year.

The main point I wish to make is that when people start to comment about the reapportionment problem, they must be very careful how they define their terms, and clearly set forth all the aspects of the problem. It will not be helpful for public opinion to talk about a constitutional amendment which is designed to frustrate the decision of the Supreme Court. What should be said is that the proposed constitutional amendment is designed to let the people of each State decide whether or not they wish to abide by the decision of the Supreme Court—and that is an entirely different matter.

Mr. President, I ask unanimous consent that the article by Mr. Roberts be printed in the Record, followed by the printing of Senate Joint Resolution 185, including the various sponsors thereof.

There being no objection, the article and Senate Joint Resolution 185 were ordered to be printed in the Record, as follows:

Blocking of Reapportionment—Dirksen Move Seen as Shortsighted

(By Chalmers M. Roberts)

The political power of America's phenomenal suburbs, the fastest growing areas of the United States, is being threatened because Senator Everett Dirksen, the Illinois Republican, is worried about the fate of his own GOP-dominated State senate.

Some observers, both Republican and Democratic, figure that Dirksen has embarked on a very shortsighted move, strictly from the GOP political point of view. Certainly the issue he has created in these closing days of the 88th Congress is one of the most important in decades, affecting as it does nearly all the States of the Union.

Illinois State Senate reapportionment is now before a district court under a June 22 order that the State act in line with the highest court's earlier one-man one-vote ruling for both houses of State legislatures.

DELAY DRAWS SUPPORT

This means that next year (but not before next November's election) the State will have to alter the Illinois Senate's composition so that population alone and not the open spaces of Dirksen's own downstate area will be the determining factor.

Dirksen has found a lot of allies in both Senate and House for his proposal. He would force the district courts to delay the Supreme Court mandate in his and other States until it can be voided entirely by a new constitutional amendment. The amendment he has in mind would allow one house of a legislature to continue to be based on those open spaces with, in many cases, dwindling population.

Such a constitutional amendment, if it could be quickly passed by Congress next year, conceivably could win sufficient State legislative ratifications in the next 2 years to end all hopes of one man, one vote for both houses of legislatures. The effect would be to perpetuate rural domination of at least one house in almost all the States.

PRESSURE FROM HOME

The pressures on Dirksen and others in Congress today are coming, Members say, from affected politicians back home. Naturally they don't relish being put out of office by reapportionment. Naturally, too, they could be counted on to ratify an amendment saving their jobs. It is not a matter of political science but of political survival.

Such an amendment, a lot of people reason, would assure continuation of rural Republican power in many States, for generations a major GOP power base.

But is that really in the interest of the Republican Party? An effective argument can be made to the contrary.

Republicans who fear one man, one vote for both Houses often say it would mean city (and therefore Democratic) domination of their States: Chicago and Cook County, for example, in Illinois. But this is based on a false reading of what is happening in this country.

SUBURBS KEY AREAS

In fact, the cities where populations are declining, with a few exceptions, would be the losers along with rural areas under one-man one-vote reapportionment. The gainers would be the suburbs. And the suburbs have not settled down, if they ever will, to any single party loyalty.

It is a fact that Dwight D. Eisenhower twice swept the suburbs in two presidential elections, with few exceptions, but that they swung back close to political parity in the 1960 Kennedy-Nixon contest.

The suburbs have grown immense and are now becoming diverse; their residents tend to be more politically active in larger numbers than those in either city cores or rural areas. Today they are the key swing areas in national elections and that is true for this year's presidential contest.

Hence, if "one man, one vote" prevails in State senates as well as in the lower houses of legislatures, the focus of State power will move rapidly to the suburbs and will increasingly flow there in decades to come.

PARADOXICAL MOVE

This does not guarantee either Republican or Democratic control. But it should guarantee a better citizen participation in government. And it should guarantee control by those in both parties who want much more action on the seemingly endless problems of urban sprawl, from education to mass transportation, from police to preserving open spaces.

It is something of a paradox that such Republicans as Dirksen, who condemn the Federal Government for doing so much they believe should be left to the States, now would destroy the one great opportunity to make sure the States would indeed do their jobs.

Those in the legislatures from both the rural areas and the city cores have generally been far too reluctant to do much for the suburbs.

The critical question now before the Senate thus is whether it will let the Supreme Court mandate stand and give the suburbs the tool by which to manage their own affairs in modern fashions or whether the Senate will follow Dirksen and force the suburbs to count on Washington alone for help.

S.J. Res. 185

IN THE SENATE OF THE UNITED STATES

July 23, 1964

Mr. Dirksen (for himself, Mr. Allott, Mr. Bennett, Mr. Carlson, Mr. Cotton, Mr. Dominick, Mr. Eastland, Mr. Goldwater, Mr. Hickenlooper, Mr. Holland, Mr. Hruska, Mr. Jordan of Idaho, Mr. Lausche, Mr. McClellan, Mr. Mechem, Mr. Miller, Mr. Pearson, Mr. Saltonstall, Mr. Simpson, Mr. Smathers, Mr. Stennis, Mr. Tower, Mr. Williams of Delaware, and Mr. Young of North Dakota) introduced the following joint resolution; which was read twice and referred to the Committee on the Judiciary

Joint resolution proposing an amendment to the Constitution to reserve to each State exclusive power to determine the composition of its legislature and the apportionment of the membership thereof

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States:

"ARTICLE—

"Section 1. Except as otherwise provided by this article the citizens of each State shall have exclusive power to determine the composition of its legislature and the apportionment of the membership thereof, and such power shall not be infringed nor the exercise thereof be reviewed in an original action or on appeal or controlled by the United States or any branch of the Government thereof. The membership of at least one house of the legislature of each State shall be apportioned as nearly equally as possible according to the number of persons determined by the enumeration provided in article I, section 2, or if there is only one house of the legislature then upon such combination of population and area as the citizens of the State shall determine.

"Sec. 2. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of three-fourths of the States within seven years from the date of its submission to the States by the Congress."

LAND AND WATER CONSERVATION FUND

The Senate resumed consideration of the bill (H.R. 3846) to establish a land and water conservation fund to assist the States and Federal agencies in meeting present and future outdoor recreation demands and needs of the American people, and for other purposes.

Mr. JACKSON. Mr. President, I ask unanimous consent that the committee amendments be considered and agreed to en bloc, and that the bill as thus amended be considered as original text for the purpose of amendment.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the amendments are agreed to.

The committee amendments agreed to en bloc are as follows:

On page 4, line 22, after the word "sites", to strike out "bodies of water,"; in line 25, after the word "at", to strike out "land or water"; on page 5, line 2, after the word "cultural", to insert "or"; in the same line, after the word "recreational", to strike out the comma and "or wilderness"; in line 7, after the word "of", where it appears the second time, to insert "any"; in the same line, after the word "waters", to strike out "that are in fact navigated by commercial freight carrying vessels or at any reservoir or lake constructed or authorized to be constructed without expense to the United States on account of recreation or the enhancement of fish and wildlife and pursuant to legislation providing specifically that water areas shall be open to public use generally, without charge.".

On page 7, after line 2, to insert:

"No fees established under clause (ii) or clause (iii) of the second paragraph of this subsection shall become effective with respect to any area which embraces lands more than half of which is located within a single State until sixty days after the officer of the United States who is charged with responsibility for establishing such fees has advised the Governor of the affected State and has given him an opportunity for, and, if requested, has held a full, public hearing at or near the area affected."

On page 8, line 18, after the word "by", to strike out "imprisonment of not more than six months or"; at the beginning of line 20, to strike out "$500 or both" and insert "$100"; on page 19, line 12, after the word "System", to strike out "Within" and insert "Inholdings within existing boundaries of"; in line 14, after the word "the", to insert "existing"; at the beginning of line 15, to insert "inholding"; in line 16, after the word "recreation", to strike out "purposes," and insert "purposes; *Provided*, That not more than 15 per centum of the acreage added to the National Forest System pursuant to this section shall be west of the 100th meridian."; and on page 20, after line 7, to insert:

"(3) For the development of recreational facilities on the lands owned by the Federal Government."

Mr. SIMPSON. Mr. President, will the Senator yield?

Mr. JACKSON. I yield.

Mr. SIMPSON. I would like to comment at this point on section 6(a)(3), which is an amendment that was adopted by the full Interior and Insular Affairs Committee. This subsection provides that the money which is allotted for Federal use from the land and water conservation fund can be used for the development of recreational facilities on the lands owned by the Federal Government.

This is a most important amendment and one which should be preserved if this bill is to truly be of assistance to us in providing for the growing recreational demands of our people. The Federal Government now owns over 767 million acres of land, much of which is of prime recreational value. These lands should be managed under our multiple-use concept, which calls for the full development of the recreational potential of these publicly owned lands.

Those of us from the West feel particularly strong about this section because much of our land, and in fact the majority of our land, is owned by the Federal Government. My State has 52 percent of its land owned by the Federal Government. Of the 30.5 million acres owned by the U.S. Government, over 9 million acres are within the national forest system. Most of our land could be classified as land which is valuable for outdoor recreation, and we regard it as such.

I urge the Senate to accept this committee amendment and to stick by it when we go to conference. We cannot afford to pass a bill which would call for the use of billions of dollars for acquisition over the next several years and not provide for the development of these federally owned lands. It is my hope that the Senate is adamant and that our conferees will not compromise on this important and vital portion of this land and water conservation bill.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. JACKSON. Mr. President, H.R. 3846, as amended, is a landmark conservation measure and was reported from the Interior Committee with enthusiastic bipartisan support. The bill had similar bipartisan support in the House, and it has the virtually unanimous support of our State governments. The States are vitally interested because a basic purpose of the bill is to aid the States in planning, acquisition, and development of outdoor recreation areas and facilities for the present and future generations of our citizens.

H.R. 3846 is largely an outgrowth of recommendations made by the President's Outdoor Recreation Resources Review Commission, a bipartisan group on which I had the honor to serve with Senator Anderson, Senator Miller, and the late Senator Dworshak, as well as Representatives Saylor, Pfost, Rivers of Alaska, and Kyl.

For 3 years, this bipartisan Commission, under the chairmanship of Mr. Laurence Rockefeller, studied many aspects of our Nation's outdoor recreation resource and development problems. It submitted its report to the President and the Congress in January 1962, pointing out particularly the great unfilled need in this country for outdoor recreation opportunities and the urgency for correcting the situation.

TWO RECOMMENDATIONS ALREADY ADOPTED

In that report, the Commission made many recommendations regarding what needs to be done in order that America might maintain its great outdoor heritage.

Two of those recommendations so far have been carried out. The first of these is the establishment of the Bureau of Outdoor Recreation in the Department of the Interior, which is a focal point of outdoor recreation for the Federal Government and coordinates the activities in this field of endeavor of some 30 Federal agencies, and maintains liaison with the States. The other Commission recommendation that has already been fulfilled is the creation of the Recreation Advisory Council to the President, composed of several Cabinet members and heads of certain Federal agencies, which considers and recommends broad policy guidelines in matters concerning outdoor recreation.

These are two highly significant steps forward. But I am firmly convinced that additional recommendations of the Outdoor Recreation Resources Review Commission need to be adopted if we of the Federal Government are to meet our responsibilities to the American people of this and future generations.

STATES IN PIVOTAL ROLE

The Commission emphasized that the key elements in the total effort to make outdoor recreation opportunities available to our citizens are the States, local government, and private enterprise. It recommended that the role of the Federal Government should be one of cooperation with the States through technical and financial assistance.

It further recommended that such financial assistance should be in the form of grants for planning, acquisition of land and water areas, and development of facilities for outdoor recreation. In addition, the Commission recommended that a system of user fees and charges be established at public recreation areas and that the Federal Government acquire certain outstanding land and water areas for public use and enjoyment.

I am wholeheartedly in accord with the purposes of these recommendations. They are embodied in H.R. 3846, with carefully spelled out congressional guidelines and limitations to protect the public and private enterprise.

As a bulwark against the strains and stresses of our fast-moving, complex civilization, we need to set aside a few green or barren, but beautiful wide open natural spaces where our citizens can go for outdoor activity or relaxation. Such areas are particularly needed in locations within easy driving distance from our metropolitan areas. I hardly need to remind you that in just 36 short years our population will number an estimated 350 million people. By that time, 75 percent of these people will be concentrated in urban areas. This fact alone emphasizes the desperate need for enactment of this bill.

PROMPT ACTION NECESSARY

Any delay will be costly, both as to available space and dollars. Needed potential recreation areas are fast disappearing. They are being preempted daily by industrial development, urban expansion, highways, and many other purposes. Once taken over for these uses, such areas are lost forever for outdoor recreation purposes. And, I am sure as all of you realize, the nearer the remaining open spaces get to urbanized areas, the more costly they will be to the public agencies—State, local, or Federal agencies that seek to acquire them.

I would like to remind you that it is mostly to the open areas that 90 percent of all Americans go each year seeking refreshment of body and spirit. These are the places they go to hunt, fish, camp, picnic, swim, for boating or driving for pleasure, or perhaps simply for relaxation or solitude.

Additional facilities for the health, safety, and enjoyment of the recreationist are needed at many existing outdoor recreation areas administered by all levels of government. And some new areas also need to be developed in order to catch up with the great demand in recent years, and the anticipated trebling of demand for outdoor recreation by the year 2000.

H.R. 3846 will provide for a fiscally sound State-Federal cost-sharing program whereby these needed outdoor recreation areas and facilities can become a reality.

STRONG SUPPORT FROM STATES

As I mentioned, this measure has strong bipartisan support across the country. Twelve State Governors assembled at the Western Governors' Conference in San Francisco this past May specifically supported H.R. 3846 "as a measure necessary to meet present and future outdoor recreation demands and needs of the American people."

Mr. President, I ask unanimous consent that the text of a telegram from the Honorable Albert D. Rosellini, Governor of my State of Washington, transmitting a copy of the resolution of the Western Governors' Council, be printed in the RECORD at this point in my remarks.

There being no objection, the telegram and resolution were ordered to be printed in the RECORD, as follows:

Twelve western U.S. Governors meeting yesterday in San Francisco unanimously approved my proposed resolution urging that legislation seeking to establish a land and water conservation fund be specifically supported by the Western Governors' Conference as a measure necessary to meet "present and future outdoor recreation demands and needs of the American people."

I am requesting the secretariat of the conference to forward a copy of this resolution immediately.

May I also reaffirm my previously stated position on behalf of the State of Washington in favor of H.R. 3846 and urge you to make every effort to assure early action on this bill.

ALBERT D. ROSELLINI,
Governor of Washington.

(NOTE.—Twelve Governors present were from these States: Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming.)

WESTERN GOVERNORS' CONFERENCE RESOLUTION ON OUTDOOR RECREATION RESOLUTION

Whereas we have had passed on to us as our American heritage the big sky, the vast lands, and the sweet waters; and

Whereas man must husband and conserve, protect, and preserve, that which is God's legacy of nature; and

Whereas man has already destroyed, often with wantonness, and often with avarice, too much of nature; and

Whereas the demands of the future, over which we have but little power or persuasion, must be met from the supply of the present, over whose augmentation, conservation, and preservation we have full though temporary power, as custodians in trust; and

Whereas what we leave to posterity accrues to the benefit of our progeny and in a very real sense is the greatest and most lasting inheritance that we can bequeath; and

Whereas we are all responsible for the great population growth now upon us and the ever-growing demands that this growth will make upon the resources available for the future; and

Whereas land and water and other outdoor recreation resources need conserving and multiuse developing, currently and in the future; and

Whereas all levels of government must work together to promote, advance, and conserve recreational resources now existent, but in danger of being lost to public use: Now, therefore, be it

Resolved, That the Western Governors' Conference support all necessary beneficial, recreational uses of land, water, forests, and other resources; and be it further

Resolved, That the Congress be supported in and the States' congressional delegations be urged to work for, promote and advance legislation essential for the purpose; and be it further

Resolved, That H.R. 3846, seeking to establish a land and water conservation fund and for other purposes, be specifically supported by this conference as a measure necessary to meet "present and future outdoor recreation demands and needs of the American people."

Mr. JACKSON. Mr. President, this action by the 12 western Governors was unanimous. Eastern States also generally are equally enthusiastic about this measure. I believe all together some 43 Governors have endorsed the bill. High officials of other States have urged its enactment.

Leading conservation and recreation groups of the Nation have pressed for passage, as well as some 60 newspapers across the country.

Although the Outdoor Recreation Resources Review Commission as a body no longer exists, the individual members, excepting one, collectively have expressed their strong endorsement of H.R. 3346. The other member supports the bill with a modification.

This bill which, as I have pointed out, is primarily a grant-in-aid program to the States for planning, acquisition, and development of outdoor recreation land and water areas. It would be of tremendous value to almost all of the States—my State of Washington included.

Many States have taken the initiative in the outdoor recreation field and are making plans for participating in this program when it becomes effective.

STATE OF WASHINGTON HAS PIONEERED

Take, for example, the State of Washington, which I know best. Last year, the State of Washington made an analysis and forecast of the quality and quantity of outdoor recreation opportunities in the State for the coming 10 years. The study identified the trends, resources, problems, and responsibilities at various levels of government and the private sector, and proposed a program of action in the field of outdoor recreation.

As a corollary to this study, the Legislature of the State of Washington last year authorized a $10 million bond issue for financing a program of land acquisition for outdoor recreation use. The bond proposal will go before the Washington voters in the November general election for ratification. The revenue from the sale of these bonds will be available for matching Federal funds for outdoor recreation projects, such as would be financed in part by the land and water conservation fund which will be created by this bill's enactment.

I use the State of Washington merely as an example. There are numerous other States which recently have accelerated their outdoor recreation programs. These include the States of New York, Pennsylvania, California, New Jersey, Wisconsin, Texas, Oregon, Florida, Utah, Iowa, New Hampshire, Vermont, New Mexico, Rhode Island, Connecticut, Minnesota, Ohio, Missouri, and a number of others. All are anxious for this bill to become law.

SOURCES OF FUND REVENUES

Briefly, the bill creates a land and water conservation fund from which appropriations will be made to provide outdoor recreation areas and facilities at State, local, and Federal levels. It becomes effective January 1, 1965. The life of the fund is limited to 25 years.

The land and water conservation fund created by the bill will derive revenue from three sources: First, nominal admission and other user fees at Federal recreation areas designated by the President; second, net proceeds from the sale of Federal surplus real property; and third, existing Federal taxes on gasoline and other fuels used in motorboats. The latter source of revenue to the fund, I might mention, has been agreed to by the Senate Finance Committee. Estimated average annual receipts from these three sources during the first 10 years possibly will be about $140 million.

Moneys in the fund not appropriated within 2 years following the fiscal year after being credited to the fund will be transferred to miscellaneous receipts of the Treasury.

H.R. 3846 authorizes advance appropriations up to an average of $60 million annually during an 8-year period beginning the third year after enactment. Advance appropriations will be repaid from the three sources to the fund just enumerated, beginning in the 11th year.

MAJOR SHARE TO STATES

Unless otherwise determined in the annual appropriations acts, normally 60 percent of each year's appropriations from the fund will be available to the States on a 50–50 matching basis for planning, acquisition, and development of land and water areas for public outdoor recreation purposes. An approved comprehensive statewide plan will be a prerequisite to a grant for State acquisition and development projects. Funds may be transferred by a State to its political subdivisions for their projects if such projects are a part of such statewide plan.

The remaining portion of the fund—normally 40 percent—will be available to certain Federal agencies for acquisition of certain needed recreation areas, development of recreation facilities on Federal lands, and for payment into miscellaneous receipts of the Treasury to help offset capital costs of Federal water development projects which are allocated to public recreation and enhancement of fish and wildlife. The principal Federal agencies that will be authorized to use moneys when appropriated from this fund are the National Park Service, the Forest Service, and the Fish and Wildlife Service.

The bill does not provide any blanket or blank check under which the executive branch can go out and buy up lands as it sees fit. Areas may be acquired by Federal agencies only if the authority has already been or is hereafter provided by an act of Congress. Acquisition within the national forest system is limited to inholdings within existing boundaries of wilderness, wild, and canoe areas, and within other areas of that system which are primarily of value for outdoor recreation purposes. Also not more than 15 percent of such acreage to be acquired may be west of 100th meridian, where such a high proportion of the land already is in Federal ownership.

NO BACK-DOOR FINANCING

The bill provides for no back-door financing. All moneys from the fund must be obtained through the regular budgetary process and be appropriated by the Congress.

H.R. 3846 in no way changes existing procedures for disposal of Federal surplus lands. It does not change the kind of real property subject to disposition, nor the purposes for which such property may be disposed, nor the methods for making such disposition, nor the administrative jurisdiction for handling such disposals.

The use of the proceeds from the sale of surplus Federal real property is in effect a land-for-land exchange. It means the conversion of one capital asset which is no longer needed by the Federal Government into another which is needed and may otherwise be lost. Moreover, it is an investment in a permanent resource for the Nation that will steadily appreciate in value.

FEE CHARGES LIMITED

The bill provides for the President to designate Federal areas at which entrance, admission, or other user fees shall be charged. Two types of admission fees are provided for in H.R. 3846: First, an optional annual automobile sticker type of fee—maximum, $7 per year—which will admit to all areas covered by the fee system except those specifically excluded from its coverage; and second, fees for individual or short-term visits payable by those who do not wish to purchase automobile stickers, by those who enter areas otherwise than by private noncommercial vehicles, and by those who enter areas not covered by the automobile sticker.

Provision is also made for fees for the use of certain types of recreation services and areas.

Entrance or admission fees to Federal areas may be charged only if all these conditions are met: First, the area is specifically designated and posted; second, the area is administered by a Federal agency—which excludes areas under lease to State or local public agencies or private agencies; third, facilities for the benefit of the recreation user are provided at Federal expense; and fourth, the area is administered primarily for scenic, scientific, historical, cultural, or other recreational purposes.

No entrance or admission fees may be required at a designated area of which more than half is within a single State until 60 days after the Governor of such State has been notified of such proposed fees, during which period the Governor may request and obtain a public hearing.

USE OF WATERS EXEMPTED

No fees of any kind may be charged under authority of this act: First, for use of any waters; second, for travel through areas on Federal aid highways, or any road within the national forest system or a public land area; third, for access to private inholdings; fourth, for any commercial or other activities not related to recreation; or fifth, as a Federal hunting and fishing license.

The amendments recommended by the Senate Committee on Interior and Insular Affairs may be grouped under five subjects, as follows: First, the question of charging user fees for the actual use of water within recreation areas and admission fees to wilderness areas; second, hearings to be held at the request of Governors of States in connection with proposed admission fees; third, modification of the penal provision; fourth, land acquisition within areas of the national forest system; and fifth, expansion of the purposes of the Federal share of the fund to include the development of recreational facilities on Federal land.

I will explain the committee's action concerning each of these groups.

The first group of amendments—pages 4 and 5 of the House-passed bill—place additional restrictions on user and admission fees. They have the effect of prohibiting fees for the use of water per se. The authority for admission fees in connection with wilderness areas also would be eliminated. It was our conclusion that a charge for the use of water alone should not be made. In the case of wilderness areas, which require little, if any, development or expenditures for administration, it appears unnecessary and undesirable to make a charge for admission to such areas.

OPPORTUNITY FOR PUBLIC HEARINGS

The amendment on page 7, which would permit the Governors of States to request public hearings in connection with fees that might be charged under clause (ii) or clause (iii), is desirable in order that, in appropriate instances, the local people may be heard and their views receive full consideration in reaching a decision as to the equities in a particular case.

The amendment on page 8 represents a considerable modification in the penal provision, but, in the judgment of the committee, would be adequate for the purposes of this act.

Amendments to section 6 relating to the acquisition of lands within the national forest system would restrict such acquisition to inholdings within existing boundaries of national forest system areas including existing wilderness, wild, and canoe areas of the present system. The committee's amendment provides also that not more than 15 percent of the acreage added to the national forest system should be west of the 100th meridian. The purpose of these amendments is to limit the acquisition to actual inholdings within the established national forest system and wilderness areas as well as to reduce substantially any land acquisition west of the 100th meridian. The committee believes this provision would not be a hardship. The need for recreation areas in the heavily populated East is self-evident.

USE OF FUND FOR DEVELOPMENT AUTHORIZED

The last amendment of the committee to section 6 adds the development of recreation facilities on Federal lands as an additional purpose for which the Federal share of the fund may be used. The committee recognizes that acquisition is perhaps the major need in many instances, but it does not wish to rule out the possibility that some of the fund may be used for development, particularly when development funds are not otherwise available.

Mr. President, H.R. 3846, as amended, is truly landmark legislation. A majority of the Interior Committee from both sides of the table is convinced that enactment will be a major forward step for the conservation of our land and water outdoor recreation resources which are becoming increasingly vital to the physical, spiritual, and emotional well-being of many, many millions of our fellow Americans.

Prompt approval of this historic legislation is most earnestly recommended.

Mr. BIBLE. Mr. President, will the Senator yield?

Mr. JACKSON. I yield.

Mr. BIBLE. I commend the chairman of the Committee on Interior and Insular Affairs for the excellent work he has done in bringing this bill to the floor of the Senate. I agree with him that it is landmark legislation. It is legislation that will be of tremendous help to the States in conserving the recreation areas throughout the entire United States.

As chairman of the Subcommittee on Public Lands, I am keenly aware of the constant demands that are made for the creation of national parks, national seashores, national lakeshores, and river systems, and national historic landmarks. The population explosion being what it is, and scattered throughout the length and breadth of our land, it puts an increased pressure upon the few remaining areas.

I commend the Senator from Washington for the leadership he has taken in this field. It is one with which I closely associate myself. It is most urgent that we meet these problems, because every day lost means increased expense.

Mr. JACKSON. Mr. President, the distinguished senior Senator from Nevada, who is chairman of the Subcommittee on Public Lands, has been responsible for the careful consideration and enactment of more legislation for increasing and making better our national parks and national recreation system than any other chairman who has served in that capacity. I think I may speak for all Members of the Senate when I compliment him on the outstanding service he has already rendered in furthering the efforts that are being made in this all important area to meet some of the requirements for a healthful and happy America. I commend him again, notwithstanding the fact that his record speaks for itself.

Mr. BIBLE. I appreciate the remarks of the distinguished Senator from Washington. I certainly did not rise for that purpose. If we in this Congress have done good work in this area, it is due entirely to the cooperation that has been received from Members on both sides of the aisle. I am proud to say that this is a completely nonpartisan activity. We have created parks, national recreation areas, lakeshores, and seashores in the East, the South, the West, the North, and the Midwest.

While I appreciate the Senator's commendation, I think it should go to the entire membership of the Subcommittee on Public Lands, which it has been my privilege to head.

I believe the Senate has strengthened the bill materially since it was passed by the House of Representatives. The changes that have been made are worthwhile. The tightening of the criteria that are set for the levying of fees was an important step forward. It was wise to nail them down in the enabling act itself rather than to depend upon administrative regulations. I was happy to join the distinguished senior Senator from Idaho in this respect.

Again, I compliment the Senator from Washington, the chairman of the Committee on Interior and Insular Affairs. I hope the bill will be enacted promptly. It is much needed; it is truly landmark legislation.

Mr. SIMPSON. Mr. President, will the Senator yield?

Mr. JACKSON. I yield.

Mr. SIMPSON. I wish to associate myself with the remarks of the distinguished Senator from Nevada with respect to the work done by the distinguished chairman of the Committee on Interior and Insular Affairs.

I might implement what the Senator has said with respect to the amendments included in the bill. They materially strengthen the purport of the bill. I urge the conferees to be appointed by the Senate to stand by the amendments. If the House will also uphold them, they will strengthen the bill.

Mr. WALTERS. Mr. President, will the Senator yield?

Mr. JACKSON. I am happy to yield to the distinguished Senator from Tennessee, who has been most helpful to the committee.

Mr. WALTERS. I commend the chairman of the committee and the chairman of the subcommittee for their patience and helpfulness in bringing out all the facts involved in the bill.

I wish to ask a question about the Great Smoky Mountains National Park, a part of which lies in Tennessee and a part of which lies in North Carolina. The land for this park was purchased by the State of Tennessee and the State of North Carolina and the public, together with a contribution by the Rockefeller Foundation. In the agreement to turn the land over to the Federal Government, it was understood—and I believe it was a part of the deed—that no fee would be charged to the general public for the use of Smoky Mountains National Park.

Last year, approximately 3½ million people went through the Smoky Mountains National Park, which is near a center of population. I believe that it would be a breach of good faith if I did not call the attention of the Senate to the fact that this park was paid for by the people and turned over to the Federal Government for its operation. I should like to have the RECORD show if it is the opinion of the Senator from Washington [Mr. JACKSON] that no fee should be charged for entrance into the park.

Mr. JACKSON. The Smoky Mountains National Park is specifically protected in the bill by a provision beginning at the bottom of page 6.

Request for money out of the fund could be made for development purposes in the great Smoky Mountains National Park. If the Department should proceed to ask for a regular appropriation in the national park budget, the existing law would continue to apply. H.R. 3846 establishes a separate fund from which the money can be appropriated by the Congress as the measure is now before the Senate, either to acquire land for outdoor recreation or to develop outdoor recreation facilities on present Federal land which is subject to the bill. Should a decision be made on the part of the people of Tennessee, or should a request be made that facilities be developed, a fee could be charged.

Mr. WALTERS. The fee would be charged for the use of the facility——

Mr. JACKSON. For the specific facility concerned.

Mr. WALTERS. If the particular project related to the fund which was turned over to the State, or the Park Service.

Mr. JACKSON. The Senator is correct. I read from page 5 of the bill:

> All fees established pursuant to this subsection shall be fair and equitable, taking into consideration direct and indirect cost to the Government, benefits to the recipient, public policy or interest served, and other pertinent factors.

The fact that the States of North Carolina and Tennessee, private foundations, and individuals made possible the project would be a matter of equitable consideration in the determination of any fee. If the Department of the Interior proceeded to do as it has done in the past to develop the Great Smokies out of regularly appropriated funds separate and apart from this fund, no fee would be charged except in accordance with existing authority.

Mr. WALTERS. In other words, the park has developed up to this point, and there would be no charge for the use of the park and its present facilities?

Mr. JACKSON. As I understand, under the law setting up the Great Smokies, no user fee could be charged; is that not correct?

Mr. WALTERS. That was a part of the deed and contract when the facilities were turned over to the Federal Government.

Mr. JACKSON. The Senator is correct. Then, if they proceeded to obtain money, as they have in the past, out of regularly appropriated funds for the Department of the Interior, no fee would be charged; but if a decision should be made to ask for money out of the special fund provided for in the bill, the park would be subject to the same conditions that apply to all other sections of the United States. The language I just read, concerning equitable considerations to be considered by the Department, would still apply. Therefore, the fact that the two States have made the land available would be an equitable consideration which should be considered carefully by the Department in levying any fee under the provisions of the pending legislation.

As the Senator from Tennessee knows, the House did not adopt a development provision. Under the bill as passed by the House no use of the fund for the development of Federal outdoor recreation lands is authorized.

Mr. WALTERS. I thank the Senator for his comments. I believe that clears up the situation with reference to the park.

Mr. GRUENING. Mr. President, I wish to express my approval of the bill. It is an important piece of legislation. I commend the chairman of the committee, Mr. JACKSON, and the chairman of the Subcommittee on Public Lands, Mr. BIBLE, for the magnificent work they have accomplished in the field of conservation in this and the preceding Congress.

I believe that when history is written, these two Congresses will be known above all for their great achievements in the field of conservation, in setting aside magnificent areas of the national seashore and the national lakeshore legislation with respect to some of which is still pending, and undoubtedly will be enacted in the coming 89th Congress. The projects are all a part of the same important movement to save in as nearly as possible their primitive state the still not fully developed and built up areas for the future pleasure of all the American people.

The bill has been much improved as a result of committee hearings. I highly approve of the amendments which the Senate Committee has included. There are some provisions in the bill which are still open to doubt. During the next 2 or 3 years we must find out how the Federal bureaucracy will administer the act. If we find upon study that it runs counter to what Congress considers the interests of the American people in a given area, I believe that we should move to amend the law. It is highly important that arbitrary action by officialdom be averted. We have seen some instances of these in Alaska. I personally would object to charging an entrance fee to our Alaska national parks and monuments there, although it is customary in other parts of the United States. But where, as in Mount McKinley National Park, Glacier Bay National Monument, and Katnai National Monument areas of superb scenery, where there has little or no installation of facilities or accommodations by the Federal Government, I would find it highly objectionable if visitors were charged a fee merely to go in and look at the wonderful scenery which nature has provided.

This is an important piece of legislation. It will forward the purposes of the committee and Congress in the field of recreation and development. Above all, I hope that the Senate conferees will stand firm for the Senate amendments in conference with the House.

Mr. JACKSON. I thank the Senator from Alaska. I appreciate his constructive comments and the work which he did in the mark-up of the bill. I believe that the committee amendments tighten up the bill considerably and make it a better measure.

Mr. CHURCH. Mr. President, will the Senator from Washington yield?

Mr. JACKSON. I yield.

Mr. CHURCH. I believe we should take note of the fact that this session of Congress is likely to enact two measures, the pending bill and the wilderness bill, both which sportsmen and outdoor enthusiasts can properly regard as great landmarks to their cause.

So important are these two bills that this Congress may well be regarded as the conservation Congress, having made the most significant progress of a generation in the wise and prudent management of our natural resources.

Great credit must be given to the distinguished chairman of the Senate Committee on Interior and Insular Affairs, who has been a leading legislative architect of both bills, even as he has been a relentless champion of conservation through the years.

In a sense, this dual legislative accomplishment is a monument to the distinguished junior Senator from Washington

[Mr. JACKSON]. It has been my pleasure to serve on the Committee on Interior and Insular Affairs, and to watch the chairman's effective work for the enactment of this bill and the wilderness bill, which preceded it.

I believe that the people of his State of Washington, and of the country at large, should know of the great contribution the Senator has made in bringing these bills to the floor of the Senate, and steering them through Congress. This bill, along with the wilderness bill, will long be remembered by everyone who holds the proper stewardship of the public domain in high regard.

I pay my compliments to the chairman for the work he has done. I commend him for the excellent service he has rendered on behalf of this legislation in the Senate today.

Mr. JACKSON. Mr. President, I thank the distinguished Senator from Idaho [Mr. CHURCH] for his great generosity. But, if it had not been for his able support in the committee, as well as the support of other Senators on both sides of the aisle, we would not have the good bill that is before the Senate today.

The Senator from Idaho was particularly helpful in tightening up the users' fee provision. This is an area of the bill that affects more people than any other portion.

I believe all Senators should be grateful for the constructive way in which the Senator from Idaho helped to make the bill a better bill. The Senator from Idaho has failed to mention the great burden that he carried in connection with the wilderness legislation, which legislation, we hope, will be finally enacted into law this year. Along with the Senator from New Mexico [Mr. ANDERSON], the distinguished Senator from Idaho took the leadership for that bill. His leadership was such that it was possible for us to get the wilderness bill through the Senate.

As our colleagues know, it has now passed the House of Representatives. We are hopeful that a conference will resolve the differences. We are all grateful for the fine help we received.

Mr. AIKEN. Mr. President, recreation is probably the fastest growing industry in the world today. Every country is making a bid for its share of the business.

Recreation has also provided many jobs and decreased the percentage of unemployment. Recreational facilities have provided an outlet for the feelings of people employed in our cities. It gives them an opportunity to have a little different outlook on life than they might otherwise have. My own State has particularly benefited from this growth of the recreation business—both summer and winter.

I believe that every State in the United States is making a bid for recreation business at the present time. In Vermont, most of our recreation industry is operated by private industry, particularly our winter ski areas. Nevertheless there are, and there must be, public recreational facilities. Otherwise, we would encounter difficulties.

All the New England States are recreation conscious. I am advised by a telegram from the New England Council that all six New England States are officially supporting this legislation.

I believe that the committee, first under the leadership of the distinguished Senator from New Mexico [Mr. ANDERSON], and this year under the leadership of the distinguished Senator from Washington [Mr. JACKSON], has done excellent work. That does not mean that the bill is perfect. It would be a miracle if it were perfect. Nevertheless, it is as good a bill as we can hope to get at this time. I believe it ought to be passed.

Mr. JACKSON. Mr. President, I thank the distinguished Senator from Vermont.

I yield to the Senator from Colorado.

Mr. DOMINICK. Mr. President, I thank the distinguished Senator from Washington. I wanted to make the comment that, at least while I have been on the floor, I have not heard several specific things mentioned with regard to the bill.

First of all, I refer to the different situations of the various States with respect to ownership of Federal land. I believe this question is important. It deals specifically with the need for differentiating programs that may be under this bill as a whole, but which should be applied in different measure to different States. For example, the distinguished Presiding Officer at the moment [Mr. BARTLETT] is from the great State of Alaska. The Federal Government owns 98.8 percent of all the land in Alaska. To pass a bill which would not only permit, but, in effect, direct the Secretary of the Interior to acquire more Federal lands in the State of Alaska would probably be inadvisable, to say the least.

Information as to the percentage of Federal lands in other States, I believe, might be of interest to my colleagues. It distinguishes sharply the problems with which we are faced.

For example, in the State of Arizona, 41.1 percent of all the land is owned by the Federal Government. In California, 49.6 percent of all the land is now owned by the Federal Government. In Colorado, my own State, it is 35.8 percent. In Idaho it is 64.1 percent. In Montana it is 29.7 percent. In Nevada it is 86.2 percent. In Oregon it is 52 percent. In Utah it is 67.3 percent. In Washington, the committee chairman's own State, it is 29.4 percent. In Wyoming it is 49.1 percent.

That volume of land being owned by the Federal Government and, therefore, exempt from taxation under the real property taxes, it becomes apparent that the base upon which the State can raise its own resources for its own program is materially reduced. To have the Federal Government given the power which is proposed, in that it would be directed to acquire more land in those States, could create as many difficulties in those States as we constantly hear from the people of the District of Columbia when the Federal Government is taking over more property from the District of Columbia.

I might say for the RECORD, to present the issue a little more forcibly, that the Federal Government in the District of Columbia—and all these figures are for 1961—owned 25.1 percent of all the property in the District of Columbia. So the District is faced with the same type of problem.

When the bill was sent to the Senate from the House, it had absolutely no provision for developing existing Federal lands for outdoor recreational purposes. In order to further emphasize the point that I am making, I shall quote from a memorandum dated June 27, 1963, by Mr. Frank Gregg, who testified before the committee on behalf of the States' Committee for Outdoor Recreation Resources Review. In this memorandum he compared the substitute bill that we had offered with the present bill as it was then before the committee. But he makes some pretty important points in commenting on the ORRRC review and recommendation. He states as follows:

> ORRRC did not indicate need for a broad Federal land acquisition program. It did urge prompt Federal action in acquiring shoreline areas and it urged a generous land acquisition policy at Federal reservoirs.

The memorandum also emphasized that the States are the pivotal area in the outdoor recreation process.

In considering these problems in committee, it seemed apparent that the House provision, to the effect that the Federal Government would participate with the States by acquiring land within States for the State parks—and the States themselves must expand and care for parks and areas acquired by the State—was probably a very sound provision. But the Federal share of the program, which, as the bill came from the House, would be devoted entirely to the acquisition of additional Federal lands in the respective States, could be sharply damaging to a great segment of the United States.

Therefore, in committee we were able to get through, with the assistance of Senators on both sides of the aisle, a limitation to some extent on the amount of Federal lands that could be acquired within the national forest system under the bill, and we were also able to add to it a most important provision, from my point of view, which is that one of the purposes of the bill, insofar as Federal land is concerned, will be for the development of existing Federal land for outdoor recreational purposes.

I realize that that provision would probably cause somewhat of a conflict in the House if the bill should pass the Senate, but it seems to me incredibly shortsighted to make the bill only an acquisition bill when what we are really trying to do is to provide additional outdoor recreational facilities. We have plenty of Federal lands in order to be able to do that in the Western States.

I made those comments solely for the purpose of indicating that in my opinion the bill, with few exceptions, as it now stands, has a great deal of merit. The amendments that have been added by the Senate committee are excellent. I wish that one more amendment had been adopted, which we shall reach at a later date, relating to the question of whether surplus property sales should be included in the funding methods.

I again express my appreciation to the distinguished chairman, the Senator from Washington [Mr. JACKSON] for his most cooperative effort to try to make the bill the best possible bill. There are certain problems in connection with it. We shall have problems even after the bill is passed, in order to make sure that the respective jurisdictional agencies follow along with what Congress is trying to do.

It seems to me that perhaps over a period of time we may even wish to have a separate subcommittee to deal with the recreational aspect under this bill and other bills in the Committees on Interior and Insular Affairs of the two branches of the Congress. That is, of course, for the future. It will depend upon the progress of the program.

With certain reservations, it strikes me that the Senate has made definite improvements in the bill as it came from the House, and I sincerely hope that we shall be able to make more improvements and have it passed in the present session of Congress.

With reference to the statement of the distinguished Senator from Idaho about the wilderness bill, I suppose I should let this pass, but it seems too good an opportunity to do so. If the distinguished Senator from Idaho had been willing to take the provision that we tried to put in to begin with, which was that Congress should retain authority to determine which areas would go into the wilderness system, we probably would have had a wilderness bill at least a year or 2 years ago. So although I am glad to see that the House has come over to this position, and I hope that the Senate will accept it, nevertheless that was the key to that bill.

I thank the chairman of the committee.

Mr. JACKSON. I thank the distinguished Senator from Colorado for his statement.

I yield briefly to the Senator from Texas.

Mr. YARBOROUGH. Mr. President, I commend the committee and its able chairman for their work on the bill. As the distinguished Senator from Idaho, I support the bill, as I also supported the wilderness bill.

The 87th Congress has been called the conservation Congress. Prior to the convening of the 87th Congress there was only one national seashore recreation area in America, that of Cape Hatteras. The 87th Congress added three seashore recreational areas—Cape Cod, Mass.; Padre Island, Tex.; and Point Reyes, Calif.

I see the distinguished chairman of the Subcommittee on Public Lands, the senior Senator from Nevada [Mr. BIBLE], in the Chamber. He had a leading part in the passage of the legislation which added those areas to our great park system.

The accomplishments of the 88th Congress are also giving the present Congress the title of a conservation Congress. It appears that there will not be sufficient time at the present session to pass a bill which would create the Guadalupe Mountains National Park, but I hope that such a bill will be passed in the forthcoming 89th Congress.

The figures on pages 4 and 5 of the report are worth printing in the RECORD. I understand that they have not yet been printed in the RECORD during the discussion on the bill. They reveal that from 1946 to 1963, while our population increased from 141 to 189 million people, visitations to our national parks increased from 21 million people in 1946 to 94 million people in 1963.

Visitations to national forests, which formerly were not thought to be recreation areas, increased from 18 million in 1946 to 122 million in 1963. More people visited national forests for recreational purposes than visited national parks.

In the same period State park visitations increased from 92 to 284 million a year.

I ask unanimous consent that there be printed at this point in the RECORD a section from pages 4 and 5 of the committee report.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

NEED FOR LEGISLATION

The need for additional outdoor recreation areas for the physical and spiritual health and vitality of the American people is self-evident. This need, based on factual studies, is set forth clearly in the report of the Outdoor Recreation Resources Review Commission and by witnesses who appeared before the committee at its hearings on S. 859 and then on H.R. 3846.

The underlying facts are of course that our population is increasing rapidly and the pace and tensions of our national life quickening, thus, making outdoor recreation more than ever essential for our physical health and well-being. At the same time our expanding American economy has been making more and more leisure time available for enjoyment of outdoor recreation for greater and greater numbers of our people.

All data point to a very rapid increase in the use of available Federal and State recreation areas. That this growth since the end of World War II has far outstripped the growth in population is made clear by a comparison of the latter with the attendance records for areas administered by the National Park Service, the Forest Service, and the various State park agencies:

	National Park Service visitations	National Forest Service visitations	State parks visitations	Population
1946	21, 752, 000	18, 241, 000	92, 507, 000	141, 936, 000
1951	37, 106, 000	29, 950, 000	120, 722, 000	154, 878, 000
1956	61, 602, 000	52, 556, 000	200, 705, 000	168, 903, 000
1957	68, 016, 000	60, 957, 000	216, 780, 000	171, 984, 000
1958	65, 461, 000	68, 450, 000	237, 329, 000	174, 882, 000
1959	68, 900, 000	81, 521, 000	255, 310, 000	177, 830, 000
1960	72, 854, 000	92, 595, 000	259, 001, 000	180, 676, 000

For 1963, the updated visitation figures are as follows:

National Park Service areas	94, 092, 000
National Forest Service areas	122, 582, 000
State park areas	[1] 284, 795, 000
Population	189, 375, 000

[1] For 1962, latest year available.

As these figures indicate, by 1963, the average number of visits to these areas per individual member of the population was 2.7 visits per year.

There has been a far from comparable growth in the acreage devoted to outdoor recreation. Between 1946 and 1960, for instance, there was less than a 15-percent increase in the acreage within the national park system and, between 1951 and 1960, the acreage within the State park systems increased by the same percentage. It is evident that the space for outdoor recreation which may once, correctly or mistakenly, have been thought abundant is becoming scarce.

Mr. YARBOROUGH. Mr. President, in that connection, I point out that while there was a vast increase in the number of visitations to parks, up to an average of 2.7 visits per year in relation to the population last year, the increase in lands for park purposes from 1946 to 1960 was less than a 15-percent increase in the acreage of the national park system. While visitations to parks were increasing fourfold, there was only a 15-percent increase in the land in national parks, and about the same percentage in State park systems. The increase in land has been very slow, while the population has increased much faster. Recreational use has increased much faster than has the population. The need for such recreation grows out of the increased use of automation and technical advances, including the use of computers. The land is running out. It is becoming scarce.

There is one other statistic that I should like to mention. It is not contained in the report, but I should like to refer to it. That is the recreation visits to areas under the jurisdiction of the Army Engineers. When we come from the water-scarcity West, where the Reclamation Bureau builds dams, to the water-plenty areas, where dams are built for flood control and conservation purposes, we find that the Army Engineers have control of the reclamation areas around the lakes. In my own State there are the facilities at the Texas-Oklahoma border and the Sam Rayburn Lake in the heart of east Texas, where the Army Engineers have jurisdiction. Those lakes happen to be close to the population centers of Dallas, Fort Worth, and Houston, and they are having the heaviest visitation of any of the recreation areas in Texas. If we had the figures related to that visitation available to add to the ones I have stated, I believe we would see that more than 100 million additional people have visited areas which are under the jurisdiction of the Government. Some of those areas have been released for State parks. Some are still under the jurisdiction of the Army Engineers in connection with the lakes.

The need for the proposed legislation is great. I believe the committee has done fine work over the years in making progress in this field. I believe we have made greater progress in this field than we have in any other single area.

I congratulate the Senator from Washington [Mr. JACKSON] and thank him for his very fine statement.

Mr. ALLOTT. Mr. President, I suggest the absence of a quorum. It will be a live quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

[No. 537 Leg.]

Aiken
Allott
Bartlett
Bayh
Beall
Bennett
Bible
Boggs
Brewster
Burdick
Byrd, Va.
Byrd, W. Va.
Carlson
Case
Church
Clark
Cooper
Cotton
Curtis
Dirksen
Dodd
Dominick
Douglas
Eastland
Ellender
Ervin
Fong
Fulbright
Gore
Gruening
Hart
Hartke
Hayden
Hickenlooper
Hill
Holland
Hruska
Humphrey
Inouye
Jackson
Javits
Johnston
Jordan, N.C.
Jordan, Idaho
Keating
Kuchel
Lausche
Long, Mo.
Long, La.
Magnuson
Mansfield
McCarthy
McClellan
McGee
McGovern
McIntyre
McNamara
Mechem
Metcalf
Miller
Monroney
Morse
Moss
Mundt
Muskie
Nelson
Neuberger
Pastore
Pearson
Pell
Prouty
Proxmire
Randolph
Ribicoff
Robertson
Russell
Salinger
Saltonstall
Scott
Simpson
Smathers
Smith
Sparkman
Stennis
Symington
Talmadge
Thurmond
Tower
Walters
Williams, N.J.
Williams, Del.
Yarborough
Young, N. Dak.
Young, Ohio

Mr. HUMPHREY. I announce that the Senator from Oklahoma [Mr. Edmondson] and the Senator from Nevada [Mr. Cannon] are necessarily absent.

I also announce that the Senator from New Mexico [Mr. Anderson] and the Senator from Massachusetts [Mr. Kennedy] are absent because of illness.

Mr. KUCHEL. I announce that the Senator from Arizona [Mr. Goldwater] and the Senator from Kentucky [Mr. Morton] are necessarily absent.

The PRESIDING OFFICER (Mr. Walters in the chair). A quorum is present.

Mr. ALLOTT. Mr. President, I call up my amendment, identified as No. 1205, and I ask unanimous consent that the reading of it may be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

> On page 9, commencing on line 3, strike all down through line 16, as follows:
>
> "(b) Surplus Property Sales.—All proceeds (except so much thereof as may be otherwise obligated, credited, or paid under authority of those provisions of law set forth in section 485(b)-(e), title 40, United States Code, or the Independent Offices Appropriation Act, 1963 (76 Stat. 725) or in any later appropriation Act) hereafter received from any disposal of surplus real property and related personal property under the Federal Property and Administrative Services Act of 1949, as amended, notwithstanding any provision of law that such proceeds shall be credited to miscellaneous receipts of the Treasury. Nothing in this Act shall affect existing laws or regulations concerning disposal of real or personal surplus property to schools, hospitals, and States and their political subdivisions."
>
> On page 9, line 17, strike "(c)" and insert in lieu thereof "(b)".

Mr. ALLOTT. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. ALLOTT. Mr. President, first of all I should like to join my colleagues in their statements about the worthwhileness and desirability of the bill. I express my own commendations of those who have shepherded and piloted the bill thus far.

I have asked for a live quorum for the presentation of my amendment. Perhaps some idea of how important I believe the bill to be can be gained from the fact that this is the first time, in the 10 years I have been in the Senate, that I have asked for or insisted on a live quorum. I did so because I feel the bill contains one major defect, one thing which could haunt us as long as the act would be in force and, in fact, as long as there will be a Congress in the United States.

The amendment I have offered is a simple amendment. On page 9 it would strike out subparagraph (b), entitled "Surplus Property Sales." I shall read it, because it is a necessary part of my presentation, which will be very short. It reads:

> (b) Surplus Property Sales.—All proceeds (except so much thereof as may be otherwise obligated, credited, or paid under authority of those provisions of law set forth in section 485(b)-(e), title 40, United States Code, or the Independent Offices Appropriation Act, 1963 (76 Stat. 725) or in any later appropriation Act) hereafter received from any disposal of surplus real property and related personal property under the Federal Property and Administrative Services Act of 1949, as amended, notwithstanding any provision of law that such proceeds shall be credited to miscellaneous receipts of the Treasury. Nothing in this Act shall affect existing laws or regulations concerning disposal of real or personal surplus property to schools, hospitals, and States and their political subdivisions.

This section clearly and unequivocally would earmark the proceeds from the sales of Federal surplus property, except that certain property may go to schools, charitable institutions, and similar institutions. Nevertheless it would earmark the receipts of all such sales and place them in this fund.

I am sorry to say that in my own State, over a period of years, we have wrestled with the problem of the earmarking of funds. It is one of the worst and most pernicious legislative practices that can be used. We end eventually with almost nothing left to appropriate and, therefore, nothing to work with.

There are three general ways in which this bill as written is to be financed: First, by user and entrance fees. I find nothing illogical in that approach, particularly as the bill has now been amended. It is much better now than when it came to the Senate, because such fees are related to the expenses involved in the acquisition of land for recreation purposes.

Another section provides for the crediting of the revenues from taxes on fuels used by motorboats to the fund. Again, this is quite a logical use, related to the purposes of the act.

But when it comes to the earmarking of the proceeds of total real and related personal property sales of the Federal Government, with the exceptions I have just mentioned, for the purposes of the bill, we are indeed making a grave mistake.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. ALLOTT. I yield.

Mr. SALTONSTALL. Does that mean that the proceeds from all the surplus sales by the Department of Defense of the various establishments that they may be giving up would go into this fund?

Mr. ALLOTT. Yes, with one proviso, which I intend to discuss in a moment. Section 2(b) provides for the disposal of "surplus real property and related personal property."

Mr. LAUSCHE. Will the Senator please state the page from which he is reading?

Mr. ALLOTT. I am reading from page 9 of the bill, subsection (b).

The late Senator Robert Taft repeatedly objected on the floor of the Senate to the earmarking of any funds.

Let us see how foolish this particular proposal is. What does "related personal property" mean? I asked Mr. Edward C. Crafts, Director of the Bureau of Outdoor Recreation, to give me a definition of "related personal property." The lawyers of his bureau supplied a definition, a part of which reads:

> The term "related personal property," which appears on lines 4 and 5, page 26, of H.R. 3846, the land and water conservation fund bill, may be defined as personal property that is subject to disposal along with and as a part of real property because it is closely associated with, necessary, or particularly useful in connection with such real property.

I suggest that under that definition, a lawnmower, a hoe, a rake, a shovel, a grader, a carryall, an airplane, a bulldozer—almost anything—could come under the heading of "related personal property."

If Senators wish to hear some more masterly gobbledygook, I read further from the opinion:

> To illustrate, if, in a given case, such property is not, in effect, an integral part of the real property or essential to the disposal thereof as a complete entity, the procedure followed under the statute is to dispose of the personal property separately pursuant to the procedures governing personal property.

Then comes the real prize:

> Disposal of a surplus tract of land on which a plant or factory is situated might carry with the conveyance, if warranted, such "related" personal property as machinery, fixtures, objects, or equipment useful or vital to operation of the particular plant or factory.

From the standpoint of law—and I observe many fine lawyers in the Chamber now—there is no basis for deciding what "related personal property" is. I should say that the definition that has been provided by the Bureau of Outdoor Recreation confuses the situation even more.

I ask unanimous consent to have printed at this point in the Record the letter from Mr. Edward C. Crafts, Director of the Bureau of Outdoor Recreation, to Mr. Charles F. Cook, my legislative assistant, dated July 29, 1964, and the opinion to which I have just referred.

There being no objection, the letter and opinion were ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF THE INTERIOR,
BUREAU OF OUTDOOR RECREATION,
Washington, D.C., July 29, 1964.

Mr. CHARLES F. COOK,
Legislative Assistant to Senator Allott,
Senate Office Building,
Washington, D.C.

DEAR MR. COOK: Pursuant to the request made during my visit earlier today, enclosed is a one-page statement as to what our attorneys believe the meaning of the phrase "related personal property" in the land and water conservation fund bill to be.

If there are any questions, I would be glad to talk with you or Senator ALLOTT about them.

Sincerely yours,
EDWARD C. CRAFTS,
Director.

STATEMENT ON RELATED PERSONAL PROPERTY

JULY 21, 1964.

The term "related personal property," which appears on lines 4 and 5, page 26, of H.R. 3846, the land and water conservation fund bill, may be defined as personal property that is subject to disposal along with and as a part of real property because it is closely associated with, necessary, or particularly useful in connection with such real property.

To illustrate, if, in a given case, such property is not, in effect, an integral part of the real property or essential to the disposal thereof as a complete entity, the procedure followed under the statute is to dispose of the personal property separately pursuant to the procedures governing personal property. Disposal of a surplus tract of land on which a plant or factory is situated might carry with the conveyance if warranted, such "related" personal property as machinery, fixtures, objects, or equipment useful or vital to operation of the particular plant or factory.

Determination of what personal property is to be transferred with the realty in each case depends upon the above-mentioned considerations and whether it is practicable to remove all or a part of the personal property and to sell it separately, or whether a better price for the real and personal property can be obtained by conveying the "related" personal property along with the real property.

Mr. ALLOTT. Mr. President, what are we talking about when we talk about fees that are to go into this fund? What is their nature? No one knows at present how much may be received from user fees or entrance fees, as they are described in the bill. No one knows how much may be collected from the motorboat fuel tax. However, I refer to the individual views of the junior Senator from Colorado [Mr. DOMINICK], the junior Senator from Idaho [Mr. JORDAN], and myself, on page 38 of the report. These individual views contain a table, compiled from GSA reports, showing that between 1955 and 1965—the information for the latter year being based upon an estimate—sales of surplus property have run from $12 million in 1955 to $81 million in 1956, to $64 million in 1962, to $65 million in 1964, and an estimated $60 million in 1965. The real objection is that there is no relationship between the sales of Federal surplus property and the so-called related personal property, and the uses and purposes of the bill. If there were a logical relation between the two, there might be some basis for urging upon the floor of the Senate that these funds might be earmarked for such a purpose.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD the individual views filed by the junior Senator from Colorado [Mr. DOMINICK], the Senator from Idaho [Mr. JORDAN], and myself.

There being no objection, the individual views were ordered to be printed in the RECORD, as follows:

INDIVIDUAL VIEWS OF MR. DOMINICK, MR. ALLOTT, AND MR. JORDAN

Section 2(b) of H.R. 3846 changes the Federal Property Administrative Services Act of 1949, as amended, by modifying the provisions which require that proceeds from the disposal of surplus property shall be covered into the miscellaneous receipts of the Treasury. Under this section the proceeds from the sale of surplus real property and related personal property shall be credited to the special land and water conservation fund. Section 3 provides that the moneys covered into the fund shall remain available for appropriation, without fiscal year limitation, for 2 fiscal years after the fiscal year in which it was credited. Therefore, these funds could be frozen for nearly 3 years awaiting appropriation, and once appropriated they would be indefinitely frozen, until expended.

This constitutes a dangerous departure from our time-honored fiscal policies and flies in the face of the concept of "flexibility of funding consistent with current needs."

We recognize that exceptions to this policy have been allowed, such as the gasoline tax which is covered into the highway trust fund. However, in such exceptions there existed a close and direct relationship between the source or revenue and the function financed. The obvious and total lack of relationship between the sale of surplus properties, comprised primarily of military properties, and the development of the recreational facilities envisioned under this bill, patently indicates the desire of the Department of the Interior to capture a multimillion-dollar annual income with minimal supervision and control by the Congress.

Perhaps the strongest indictment of the spurious reasoning used to support the inclusion of the proceeds from the disposal of surplus real property and related personal property in the fund can best be developed through an effort to relate the need for outdoor recreation facilities with the amount of these proceeds in past years. In a letter dated May 8, 1964, from the General Services Administration to the Bureau of Outdoor Recreation, the following tabulation of net proceeds from disposals by GSA of surplus real property and related personal property during the period of fiscal years 1955–65 was enclosed:

Net proceeds from disposals by GSA of surplus real property including related personal property, fiscal years 1955–65

Fiscal year:	*Amount*
1955	$12,234,685
1956	81,121,247
1957	18,198,585
1958	29,339,886
1959	37,924,996
1960	57,284,783
1961	54,227,286
1962	63,811,097
1963	66,234,692
1964	[1] 65,800,000
1965	[1] 60,800,000
Total	546,977,257

[1] "Estimated."

A simple examination of the tabulation above will expose the folly of attempting to justify the earmarking of these funds on the basis of their relationship to outdoor recreation facility needs. In 1956 the net proceeds were $81,121,247 but in the following year they had dropped to $18,198,595. If there were some relationship between these disposal proceeds and the need for outdoor recreation facilities, then the conclusion must necessarily follow that our needs in 1957 were considerably less than what they were in 1956. There is no relationship. The only test is availability.

This provision gives greater force and emphasis to the unwise and growing trend of earmarking funds for special purposes by introducing a new criteria based not upon the relationship between source, need, and use, but solely upon availability. This provision is tantamount to an invitation to the executive departments to seek out and lock up remaining available revenue sources for their exclusive use. If we allow this lockup of funds to start, as this bill would do, we can foresee no end to it. The day may well come when so many sources of the Federal revenues are frozen for special programs and purposes that the financial position of the general and primary functions of the Government is seriously jeopardized.

If the Bureau of Outdoor Recreation finds that revenues from taxes on motorboat fuels and entrance and user fees are insufficient to meet outdoor recreation needs, let it come to Congress like other agencies and substantiate its needs. If this provision is allowed to remain in this bill, and the precedent is set, we predict that Congress and the Nation will rue the day.

PETER H. DOMINICK.
GORDON ALLOTT.
LEN B. JORDAN.

Mr. ALLOTT. Mr. President, there is one other vital reason why we should not embark at this time upon a course such as is proposed in the bill. It is one which should concern every Senator. If we earmark funds from the sales of unrelated surplus property for this particular conservation fund, we shall invite, for all the future, a raid by every person or every group of people and every executive department interested in a particular program to latch onto land and lock up for their exclusive purposes some source of revenue, and tie it up in a fund. It is not inconceivable that someday someone might say, "The Government has all the money that is being paid back into the FHA—both the Farmers Home Administration and the Federal Housing Administration. Therefore, we want to earmark for a particular purpose those funds that are being returned to the Government." It is not inconceivable that such funds could be used in a dozen other areas, and that but for this lockup of funds in one area, other functions might be financed.

Mr. LAUSCHE. Mr. President, will the Senator yield for a question?

Mr. ALLOTT. I yield.

Mr. LAUSCHE. Can the Senator from Colorado identify the various earmarked funds that the State of Colorado has set up to serve particular functions?

Mr. ALLOTT. Yes, there are several of them. Unfortunately, we have established many of these funds by constitutional amendment.

Our old-age pension fund, our highway fund, and our State game and fish fund are three which immediately occur to me. We have also identified the proceeds of the sales tax and a part of the proceeds from the inheritance tax. This is the method used. I frankly state that it put the legislature and the Governor of Colorado, not only under the Republican administration but also under previous Democratic administrations, in one of the worst straitjackets possible, so far as handling fiscal affairs of the State is concerned.

We shall be extending an invitation to every group in the country, which believes it has a worthy cause, to find some income of the Government completely unrelated to the cause, and say that all the money shall go into a fund for that purpose.

I have no doubt that the answer will be made that the money must be appropriated, anyway. That is true. But, even if it does have to be appropriated, once we have put the money into the fund, the argument will be used, "Well the money is there anyway; why not appropriate it and use it for this particular purpose—the land and water conservation fund?"

So, Mr. President, it would be my hope that the Senate would consider the amendment. My argument is based not alone on what we are doing, but upon the precedent we shall be setting. We shall live to eternally regret the day we took these funds and put them in a totally unrelated fund and earmarked them for the future.

Mr. HRUSKA. Mr. President, will the Senator from Colorado yield?

Mr. ALLOTT. I am glad to yield.

Mr. HRUSKA. Does not the provision for earmarking funds really constitute an abdication of the greatest power of all which Congress has; namely, the power to control the purse strings? We abdicate in advance the duty of supervising and getting accounts for receipts in the miscellaneous receipts fund; and we give away in advance the discretion as to how, where, and for what purpose such funds shall be expended.

All Senators know that in the Constitution the power to authorize funds and appropriate them has a designated purpose, and resides in the Congress. There is a reason for it. We shall be binding future generations of Americans, and also future generations of those who will serve in this body and in the other body from exercising any control or discretion whatsoever. Is there not a fundamental principle involved in the entire proposal which the Senator is discussing?

Mr. ALLOTT. I believe there is. I still believe that the funds would have to be appropriated; but let us take an example. If the bill had been in effect in fiscal year 1963, there would have been $66,234,692 going into the fund from the sale of surplus real property and whatever related personal property GSA defines, which would have appeared in 1963. Therefore, we would have had $63 million put into the fund which would have been in addition to the motorboat fuel taxes and the user and entrance fees. Then, having put it into the fund, Congress would have been besieged—Members of Congress would have received letters and telephone calls by the thousands, saying, "Well, the money is in this fund. How can you be so cruel, so hardhearted, Senator, to refuse to appropriate it for the land and conservation fund when it is already in the fund? Why do you do this to us?" What we shall be doing, once we have set it up, will be to open it up forever. The precedent set by this bill, unless my amendment is adopted, will come back to haunt us year after year. I predict, that Senators will rue the day they allowed this precedent to be set. I, therefore, strongly urge the adoption of my amendment.

Mr. President, I yield the floor.

Mr. JORDAN of Idaho. Mr. President, I support fully the objectives of H.R. 3846 but I believe it can be improved by the Allott amendment.

First, let me say that the need for outdoor recreation is a growing need. Higher incomes, better transportation, increased leisure time and large families mean that more and more people will seek places in which they may vacation in the years ahead. By the year 2000, according to the 1962 report of the Outdoor Recreation Resources Review Commission, our national population will nearly double while the demand for outdoor recreation opportunity will triple. Failure to take appropriate action now to meet the recreational needs of coming generations will be to turn our backs on the needs of our citizens. I doubt that any among us disagrees on the ends to be accomplished or the necessity to accomplish it.

I am convinced that this land and water conservation measure will take on added importance as the years pass and will become a bulwark for keeping our outdoor recreation facilities abreast of the demand for such recreation use.

It is an accepted fiscal policy that funds from the collection of user fees and motorboat fuel taxes should be turned over for utilization of spending authority for programs as proposed in this legislation. However, together with the Senator from Colorado, I seriously question the advisability of dedicating all proceeds from the disposal of Federal capital assets of real and related personal properties which are not directly related to the land and water use conservation program.

Under section 2 of the pending bill, a land and water conservation fund is established to provide the fiscal means of bringing our national efforts abreast of our most urgent outdoor recreational needs. Approximately 36 percent of the annual revenues set aside in this fund will come from the disposal of surplus real property and related personal property, revenues which are presently covered into the miscellaneous receipts of the Federal Treasury. The Allott amendment would eliminate this fund source by striking all of section 2(b) from the bill. I am in agreement with and shall vote for his proposal.

RELATIONSHIP BETWEEN THE USE AND THE SOURCE OF THE FUND

Historically, in designating revenues to be used for special programs, a relationship existed between the source of these revenues and the function to be financed. The reclamation fund derives moneys from repayment and other proceeds from irrigation and power facilities and from the sale, lease, and rentals of Federal reclamation lands. The Pittman-Robertson Act moneys are derived from an 11-percent excise tax on the manufacture of firearms and ammunition and are directed to States for aid to wildlife restoration projects. The Dingell-Johnson Act places a 10-percent excise tax on sport fishing tackle which fund is used largely for aid to States for fish restoration and management projects. Even in the pending bill, this principle is recognized and followed by the application of user fees and motorboat fuel taxes to the conservation fund.

There is clearly a lack of relationship, however, between user charges and proceeds from the sale of capital assets.

TOTAL LOCKUP OF REVENUE

It is appropriate to inquire what capital assets are being frozen as the sale proceeds are dedicated to funding this bill. According to the most recent inventory report of the General Services Administration, as of June 30, 1963, real property owned by the Federal Government amounts to $61.5 billion, estimated at acquisition costs and is comprised of over 770 million acres of land and over 435,000 buildings with an aggregate floor area of about 2.5 billion square feet. The above dollar figure, it must be remembered, does not include costs for first, unreserved public domain; second, public domain reserved for national parks, national forests, military installations, and other purposes; and third, historical sites acquired by methods other than by purchase. In the case of these lands, there was either no acquisition cost or it was extremely minute. With the passage of the pending bill as reported, we thereby set aside a potential fund sum far in excess of $61.5 billion—a sum which grew $2.5 billion in fiscal year 1963—for the primary use of recreation and to the possible exclusion of all other needs.

With such unlimited resources available, it is not difficult to understand the pressures that will be put upon the Department of the Interior to freeze these assets for that special use.

REGULAR BUDGETARY AND APPROPRIATION PROCEDURES

While the above-mentioned reasons bear great weight in my decision to support the pending amendment, the most compelling argument in its favor was set out in the House by the Comptroller General in his report on the pending bill. He stated:

> The financing of Federal programs through the process of earmarking revenue into a special fund account in the Treasury is not desirable since it makes such funds unavailable for other purposes irrespective of the needs of the program so financed. Moreover, the continuing feature of this method of financing—since the bills limit neither the ultimate amount authorized to be set aside nor the duration of the fund—tends to perpetuate the program and establish a floor for program expenditures equivalent to at least the total amount of annual receipts involved. Because there is less compulsion for careful consideration by successive Congresses, this may become the determining factor in creating a precedent to approxi-

> mate the annual deposits into the fund which, in some cases, will amount to more than would otherwise be made available through general fund appropriation processes. We believe that the financial needs of the programed activities proposed by the bills can best be achieved through regular budgetary and appropriation procedure.

Mr. President, in the freezing of vast Federal revenues to a quite unrelated purpose or need, we are establishing a dangerous precedent, a precedent which in future years, when the need of our society is as different from today's as today's is from yesterday's, will come back to haunt each of us. I strongly urge the adoption of the pending amendment and the continuation of our historic authority of congressional appropriation, without new undesirable limitations.

Mr. DOMINICK. Mr. President, will the Senator yield?

Mr. JORDAN of Idaho. I yield.

Mr. DOMINICK. I appreciate the courtesy of the Senator in yielding to me. There are one or two points that I believe might be added. First of all, I obviously and wholeheartedly support the amendment of my colleague.

Mr. SALTONSTALL. Mr. President, will the Senator yield for a question?

Mr. DOMINICK. Certainly.

Mr. SALTONSTALL. I appreciate the courtesy of the Senator. On page 10, section 4(a) provides:

> The appropriation therein made shall be available in the ratio of 60 per centum for State purposes and 40 per centum for Federal purposes.

Is it proposed to make that allocation to the States on a geographical basis, a population basis, or on some other basis?

Mr. DOMINICK. Two-fifths of the 60 percent will be allocated to the States. Each State has an equal share in the two-fifths. The remaining three-fifths of that 60 percent is divided according to a formula which includes, as one of the factors, the population. It is found on page 12 under section 5(b)(2).

Mr. SALTONSTALL. I gather from reading it very quickly that the Secretary of the Interior would have a certain amount of discretion under the three-fifths provision.

Mr. DOMINICK. That is correct. The emphasis in the report is for the purpose of showing that the Secretary should take into consideration, the population and the need as being primary factors in the allocation of the three-fifths.

Mr. SALTONSTALL. This would be a special fund, to be held for 2 years and gradually used. If it were used within the allotted 2 years, it would not go into the general revenue. Then as the revenues provided by the act came into effect, the money that would be appropriated from the General Treasury funds would be paid back. Is that correct?

Mr. DOMINICK. It is my understanding—and perhaps my colleague can answer this question better than I can—that if an appropriation is made from this fund, it is frozen as such. If an appropriation is not made over a period of 2 years, the money goes back into the Treasury.

So we have 2 years to decide whether to use it. Everyone and his cousin will come in and say, "You have the money. Before it gets away, give it to us. We want it."

Mr. SALTONSTALL. Would not the bill permit an appropriation of $60 million out of the general revenue?

Mr. DOMINICK. That is correct.

Mr. SALTONSTALL. It is to be paid back out of the general revenue.

Mr. DOMINICK. It is not paid back out of general revenue. It is a general appropriation. And, to the extent that there is a surplus, it would go back to the Treasury. There is a provision of 10 years, I believe, in which repayment is to commence, out of a user's fee, from the appropriations that have been made in the intervening time.

Mr. SALTONSTALL. That is what I had in mind. There is an estimate of $50 million a year from the sale of surplus property. Does the Senator know how that estimate was made?

Mr. DOMINICK. If the Senator will examine the report, he will see that whatever estimate is placed in there is wholly hypothetical. In the past 10 years the surplus property sales have varied from $12 million a year to $81 million a year. Over the past 4 years, they have been in excess of $60 million a year. So a great deal of money has been involved.

Mr. SALTONSTALL. We have the suggestions or recommendations of the Secretary of Defense—which appeals to me—that a certain amount of defense installations around the country be eliminated. If those recommendations are carried out, that will result in greatly increasing the surplus property.

Mr. DOMINICK. That is correct. It has absolutely nothing to do with the fund we are creating here, from the standpoint of relationship to the purpose of the fund.

It is only a method of obtaining additional money. We have no conception of how or why. The amount might go up considerably. It might go sky high and rob the Treasury of certain funds for which there might be a priority.

Mr. SALTONSTALL. I thank the Senator.

Mr. ALLOTT. Mr. President, will the Senator yield for a remark?

Mr. DOMINICK. I yield.

Mr. ALLOTT. Mr. President, section 3 of the bill, on page 9, provides that the moneys covered shall remain available for appropriation without fiscal limitation for 2 fiscal years. That really means that, considering the appropriation process, the funds might be frozen for almost 3 years. And, once appropriated, they could remain frozen indefinitely.

I invite the attention of the Senator from Massachusetts to one significant factor which shows how completely illogical the use of this fund is. In the year 1956, the amount of sales was $81 million, using round figures. In the year 1957, it fell to $18 million. So the amount of money available from this source, and the purpose of it, bear no logical relation to the purpose of the fund which is being created. Obviously there is no relationship between the need and the amount of the funds available.

Mr. DOMINICK. That is 100 percent correct. To be absolutely sure that this point is thoroughly understood, I have the memorandum of June 1963, which was submitted to us by Mr. Gregg, who was a witness testifying on behalf of Outdoor Recreation Resources Review Commission. In the memorandum Mr. Gregg compares the two bills. I specifically call attention to one of the points that he makes in the memorandum. It reads:

> Neither bill is consistent with Outdoor Recreation Resources Review Commission's recommendation that the grant-in-aid program be financed out of General Treasury funds.

In other words, Outdoor Recreation Resources Review Commission has recommended throughout, not a special fund, but that we go through the regular appropriation process to get the necessary money for our needs in order to take care of the purposes for which the bill is designed. Inclusion of surplus property within the fund creates, in my mind, one of the most serious problems that I can think of.

As I understand the present system of disposal of our surplus property, once the General Services Administration determines that the property is surplus and is available for disposition, the agency permits, first, Federal agencies, and second, State agencies to determine whether they have need for the property. In certain categories, if States need it, the States have to pay for it. So the States will be required to put money into the fund. Some other State, which does not have any need for the property, will get some of the money back.

Such a system does not seem to me to be equitable and fair. If we are going to do something which is sensible in the program, it does not seem to me that we ought to earmark into the program an amount of money which is, first, nondeterminable, second, which would start a precedent for earmarking funds; and, third, which would provide really a method for backdoor financing in this particular type of program.

In conclusion, having made that statement, all I can say is that if we leave in the bill the provision in relation to surplus property, in my opinion we shall create so many headaches for ourselves in future years that we shall have to come back and take remedial action to change the provision. By that time every State will have a vested interest in a proportion of the surplus property sales. In effect, the whole process of disposition of surplus property would be changed merely by including in the bill surplus property funds. It might not be done directly, but it would be done indirectly through the pressures from those who have an interest in the fund.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. DOMINICK. I yield.

Mr. SALTONSTALL. A number of years ago the late Senator from South Carolina, Burnet Maybank, and I, as the two senior Senators on the Subcommittee on Appropriations for the Independent Offices, were successful in getting through the Senate a resolution which would give us an annual inventory report of real property owned by the

U.S. Government throughout the world. That report is given each year to the Appropriations Committee. Perhaps the subject is not relevant, but it seems to me to be relevant, particularly in view of the effort of the Secretary of Defense to get rid of surplus Defense property.

As of June 30, 1963, the U.S. Government owned $61,477,131,000 worth of real property figured at cost value rather than present-day value, comprising 15,837 installations and 770,433,866 acres of land in the United States and in foreign countries. Of that amount, $54,500 million, in round figures—cost value and not present-day value—is in the United States.

If we are to start to make sales of surplus property available for any one specific purpose, it seems to me that we ought to give some consideration to the possibility of the size of those figures.

Mr. DOMINICK. The comment of the Senator from Massachusetts is most helpful, and I am much appreciative.

Mr. LAUSCHE. Mr. President, will the Senator yield for a question?

Mr. DOMINICK. I yield to the Senator from Ohio for a question.

Mr. LAUSCHE. Can the Senator tell from what source the State of Colorado derives the largest amount of its revenue? Is it from the sales tax?

Mr. DOMINICK. No. The greatest source of revenue which is disposable by our legislature is our State income tax. The next largest source is our sales tax. But the State legislature has the right to dispose only of a certain portion of that, because the rest of it is earmarked into the old-age pension fund and the stabilization fund, and to a health and medical care program. We must wait until all those barrels are filled and there is a surplus which goes into the general treasury before the State legislature is permitted to spend any of the sales tax revenue.

Mr. LAUSCHE. So the major part of the sales tax is earmarked either by statute or by constitutional provisions.

Mr. DOMINICK. That is true so far as the State sales tax is concerned.

Mr. LAUSCHE. Is any part of the income tax earmarked?

Mr. DOMINICK. No; it is not.

Mr. LAUSCHE. I have asked the question because I know that in Governors' conferences the question of the wisdom of earmarking funds has frequently arisen. The general consensus has been that when funds have been earmarked to a degree, when some urgent function must be performed, the officials of the State government must begin to look around and try to find earmarked funds that will finance the particular urgent function.

Mr. DOMINICK. That is correct. The officials might raid funds that are earmarked and thereby get everyone in a commotion in the effort to upset an earmarking that is already in effect.

Mr. LAUSCHE. Does the State of Colorado earmark its fees derived from the issuance of hunting and fishing licenses?

Mr. DOMINICK. It does. As a result, a sizable fund has been built up in that particular field. Many people look at the fund and say, "Why can we not have some of that money for educational purposes, for park purposes," and so on. People are constantly aiming at the fund. Up to date it has been held to the purpose for which it was established. No invasion has been made.

Mr. LAUSCHE. For what purpose is the fund earmarked?

Mr. DOMINICK. It is earmarked for fish and game purposes. It is used for the acquisition by the fish and game department of State lands for hunting or fishing purposes. Largely the fund is used for that purpose and for bringing in game, restocking the streams, and things of that kind.

Mr. LAUSCHE. What is the understanding of the Senator from Colorado in respect to the distress of State administrations when they find themselves faced with excessive earmarking of funds?

Mr. DOMINICK. Having spent 4 years in the State legislature and having wrestled with the problem every one of those 4 years, it is my opinion that earmarking funds is about as poor a method of going about financing a governmental activity as I can think of. I know why people want to do it. They do not wish to fight with the State legislature or Congress in order to try to have their project taken care of. If they can earmark the fund and pay for the activity, they are assured that it will be taken care of in that way. But a number of problems are created in trying to determine priority of items to be paid for with governmental revenues. Great problems are created in that way.

Mr. LAUSCHE. Has there been much complaint about the earmarking of the fees that the State of Colorado receives from the issuance of fishing and hunting licenses, or has it been conceded that there is probably some justification for the use of such funds for specific purposes?

Mr. DOMINICK. The majority opinion—and I am only guessing now—in our State would be that the fees of those paying for the right to hunt and fish are properly allocable for the purposes stated, because they are directly attributable to those purposes. On the other hand, those who are in favor of doing something more about our educational problems and those who feel that we should do something more about our institutions do not like the system at all.

So a different series of groups are fighting about it. I still believe, however, that hunting and fishing have some direct attribution to the fees that are paid, and probably this is not nearly as extreme as what is proposed in the bill.

Mr. LAUSCHE. Is there still in existence the trend of groups coming in and asking for an earmarking of funds to serve their specific hobby or objective?

Mr. DOMINICK. There was a good deal of agitation on that subject in the last 2 years that I was in the State legislature. Every time it is found that State revenues are not as much as groups would like in order to satisfy all demands, the agitation arises.

Then they look around and say, "The general revenue is not enough to handle this program. What is the matter with doing something about this fund?" It happens all the time.

Mr. LAUSCHE. How is the issue finally resolved when two or three or more groups ask to have a specific fund earmarked for their favorite service? How is the issue finally resolved?

Mr. DOMINICK. What we finally did, for example, with respect to the old-age pension fund, with respect to which we were in a real bind, was to enact a constitutional amendment to permit the spillover into the General Treasury, so we could use the excise and sales taxes for general purposes.

Mr. ELLENDER. Mr. President, I should like to ask a few questions of my good friend from Washington, who is handling the bill.

I have listened to the debate on the pending amendment with a good deal of interest. I do not favor the earmaking proposed in this measure.

I notice that the sales of surplus real property by the General Services Administration produce about $50 million a year. As I understand, proceeds from such sales would be put in the fund that is sought to be created in the bill.

Mr. JACKSON. That is correct.

Mr. ELLENDER. Second, I notice that the proceeds from the tax derived from fuels used in motorboats, which will aggregate another $30 million, will be turned into that fund.

Mr. JACKSON. That is correct.

Mr. ELLENDER. When we speak of motor fuels or motorboats, do they include motorboats that will use the facilities within the parks, or does the provision contemplate the tax collected from fuels all over the country—for example, from use on the Mississippi River, the Ohio River, and other bodies of water within the United States?

Mr. JACKSON. This is nationwide; that is, it covers the taxes on motorboat fuels now covered into the highway trust fund.

Mr. ELLENDER. It is nationwide. So if gasoline for a motorboat is purchased in Cairo, Ill., the tax on the purchase of that motor fuel will go into this fund?

Mr. JACKSON. That is correct. There is a 4-cent tax at the present time, as I understand. A refund of 2 cents can be requested. A substantial sum is covered into the miscellaneous receipts of the Treasury each year by reason of the failure of individuals to make application for refund. At the present time that money goes into the highway trust fund, which is earmarked, as the Senator knows.

Mr. ELLENDER. That was the next question I was about to ask. To what extent would it do violence to the road trust fund?

Mr. JACKSON. Witnesses at our hearings testified that at the present time the motorboat fuel taxes covered into the highway fund amount to some $30 million or so a year. However, the Secretary of the Treasury, by letter, has advised the committee that channeling this amount into the conservation fund would not impair the highway fund.

I think this provision is clearly relevant to the purposes of H.R. 3846.

Mr. ELLENDER. I have no quarrel with the fuel tax that is collected in connection with facilities that are used by people who use the parks. There are many lakes in the parks. In Louisiana, for example, many motorboats gather shrimp in the gulf.

Mr. JACKSON. From the conservation fund, 60 percent of the proceeds that would be appropriated each year would go to the States, of course.

Mr. ELLENDER. For what purpose?

Mr. JACKSON. For outdoor recreational purposes—planning, land acquisition, and development purposes. The State has to match the funds, of course. So 60 percent of the entire fund would be available to the States, overall—not only the fund, but the amount to be appropriated.

Mr. ELLENDER. Does the bill define "motorboat"?

Mr. JACKSON. It is the same motorboat fuel tax as is now applicable under existing law. I cannot spell out the definition but I will say to the Senator that it refers to the motorboat fuel that is subject to tax under existing law.

Mr. ELLENDER. What about the fuel tax that is collected from sales of fuel to propel barges in our transportation system? Would that tax be included in this fund?

Mr. JACKSON. The bill includes all the funds from taxes on motorboat fuels that are now eligible to be covered into the Highway Revenue Trust Act of 1956. Offhand, I should say that barges would not be "motorboats."

Mr. ELLENDER. Many of the barges have no motors on them, but are pushed by motorboats.

Mr. JACKSON. The funds we are now discussing, to be covered into this fund, relate to the identical funds that are now being covered into the highway trust fund of 1956. No new tax of any kind is proposed.

Mr. ELLENDER. In other words, all the taxes that are now being collected on fuel sold for the propulsion of motorboats would be placed in the fund?

Mr. JACKSON. It is approximately $30 million a year.

Mr. ELLENDER. Does the Senator feel that that would do a little violence to the highway trust fund? Congress has imposed a tax on motor fuels in order to construct our great system of highways. It is true that $30 million may not sound big, but I believe it is quite an amount to be deducted from the highway trust fund.

Mr. JACKSON. I read from page 12 of the committee report, under the italicized headline "The Motorboat Fuels Tax," the third paragraph under that heading:

> On the policy question of transferring these tax funds from the highway fund for outdoor recreation purposes, testimony before the House Ways and Means Committee by the Assistant Secretary of the Treasury and the Administrator of the Bureau of Public Roads, as well as a subsequent letter from Treasury, indicate that this transfer from the highway trust fund will have no delaying effect whatsoever in completing the highway program. Other revenues are exceeding expectations and even with the proposed transfer, the highway trust fund will conclude in 1973, with a surplus of over $300 million.

The bill very properly was referred to the Committee on Finance. The Senator from Virginia [Mr. BYRD] reported unanimously from the Finance Committee covering this specific provision, over which the Committee on Finance has jurisdiction.

Mr. ELLENDER. In any event, the highway trust fund, created in 1956, would be curtailed to the extent of $30 million a year. Is that correct?

Mr. JACKSON. Approximately that amount; yes.

Mr. ELLENDER. I notice that the bill provides for admission fees and user fees. Does that refer to the fees that would be collected? For example, there is the Great Smoky Mountains National Park. If a fee were collected for visiting that park, would that go into the fund?

Mr. JACKSON. Yes. Currently the total amount collected in fees from outdoor recreation areas all over the country is about $6 million. One of the purposes of the bill is to help pay for new outdoor recreation areas, by charging a user fee as it relates to the specific facility that is made available to the public.

Mr. ELLENDER. All those fees would be placed in this fund and then distributed on the basis of 60 percent to the States and 40 percent to the Federal Government; is that correct?

Mr. JACKSON. That is correct. That would be after the decision by Congress each year through the appropriation process. All of it must be appropriated. The same thing applies to a series of other fees authorized by the bill. They are outlined on page 17 of the committee report on H.R. 3846.

Mr. ELLENDER. Is there a provision in the bill which would give more money to one State than to another because no taxes might be collected in certain States?

Mr. JACKSON. Two-fifths of the fund is made available equally to all the States. The balance of the fund is allotted by the Secretary of the Interior in accordance with guidelines set forth in the bill. The Secretary must take into consideration population, need, and a number of other factors. Two-fifths of the money is made available equally to all the States. With respect to the rest of it, there is flexibility, so that the Secretary could use some discretion in meeting requirements in the various areas using the criteria we set forth.

Mr. ELLENDER. Can the Senator give us any idea as to how the funds would be used—that is, with respect to the part that would be used by the Federal agencies?

Mr. JACKSON. The 40 percent which would go to the Federal Government under the provisions of the House bill would be available only for the acquisition of new lands. The Senate version, as reported by the committee, includes an amendment authorizing use of fund moneys for development in certain Federal areas, that is, in national forests and national parks, and the fish and wildlife areas.

The Senate version provides that the 40 percent could be used for acquiring lands within the existing boundaries of a national forest or national park, and also in developing facilities for outdoor recreation in such areas.

I again emphasize this point, because there has been misunderstanding: all uses of moneys from the fund will require appropriations by Congress.

Mr. ELLENDER. Of course, the annual appropriation would also include, I presume, moneys with which to operate the parks and facilities.

Mr. JACKSON. The problem we have today, and which this bill attempts to meet, is that we are not getting adequate funds with which to meet the outdoor recreational requirements of our citizens.

Mr. ELLENDER. How have we taken care of it in the past? Have we not provided Federal funds with which to purchase lands for these purposes? For example, we were confronted last week with a request for an appropriation of about $5 million to continue with the acquisition of the land-between-the-lakes area in Kentucky and Tennessee.

Mr. JACKSON. I do not wish to go into great detail, but, as the Senator knows, the Outdoor Recreation Resources Review Commission went into this subject. It was a bipartisan commission, made up of distinguished citizens of this country, people from industry, business, recreation, and so on. The general conclusion of the Review Commission was that, with the growing population of our country and the availability of more leisure time, we are falling far short of meeting the basic requirements for outdoor recreation.

I believe the program envisioned by H.R. 3846 is a very modest one. We have endeavored in committee to go through the bill very carefully. We have tightened up the provisions. We have done everything we could to make it a responsible piece of legislation. Frankly, the reason why we have earmarked the funds is to point out that these are proper sources from which Congress could properly appropriate funds each year, in its judgment.

I should like to point out one item, on page 18 of the report.

It is item 6, dealing with the fact that a portion of the revenues received from visitors to Yellowstone National Park is earmarked for use in providing for school facilities.

Mr. ELLENDER. Within the park.

Mr. JACKSON. Within the park. However, this proposal involves an exchange of funds from the sale of Federal surplus property for other lands. Under the Federal Surplus Property Act, the States can obtain lands from Federal property for school purposes without charge. The States can obtain them for park purposes for up to one-half the appraised value, and, of course, for municipal and other governmental purposes they can get the land at the appraised value. There is a logical basis for this. Complete control by Congress of the purse strings is provided.

Mr. DOUGLAS. Mr. President, if the Senator from Louisiana will yield I should like to ask a question, which may throw light on the question which the Senator from Louisiana has referred to; namely, how we acquired public parks in the past. Is it not true that in the past 30 years the major portion of the public parks which have been acquired has been acquired through the generosity of private individuals, primarily John D. Rockefeller, Jr.? As I understand it, he furnished virtually all the funds with which to acquire the Grand Teton Park, and virtually all the funds with which to acquire the Great Smokies National Park.

Mr. ERVIN. Mr. President, may I correct the Senator on that point? A large part of the funds were furnished by the State of North Carolina and the State of Tennessee. Money also came from the Laura Spelman Rockefeller Foundation.

Mr. DOUGLAS. From the Rockefeller family.

Mr. ERVIN. And also from a number of other private foundations. The money all came from non-Federal sources.

Mr. DOUGLAS. Would it have been possible, without the contribution of the Rockefeller family and the Rockefeller Foundation?

Mr. ERVIN. I seriously doubt that it would have been possible to have obtained the necessary lands if the Laura Spelman Rockefeller Foundation had not assisted.

Mr. DOUGLAS. Exactly so.

Mr. ERVIN. The Senator is correct in saying that the money came from non-Federal sources, either from States or from private foundations, and individuals, to acquire the Great Smoky Mountain National Park.

Mr. DOUGLAS. Largely from the Rockefeller family.

Mr. ERVIN. Yes; they gave substantial amounts which materially assisted the States of North Carolina and Tennessee in acquiring the necessary lands.

Mr. DOUGLAS. The national park on Mount Desert Island in Maine was bought entirely with funds which came from the Rockefeller family. I do not know what happened with respect to the Everglades Park in Florida.

Mr. HOLLAND. The State of Florida donated 850,000 acres, and also $2 million to acquire inholdings. The Federal Government authorized $2 million to acquire other inholdings, but never spent a cent of it.

Mr. DOUGLAS. Did the Rockefeller family make a contribution?

Mr. HOLLAND. No.

Mr. DOUGLAS. I should like to make the point that in the past it has been virtually impossible to obtain an appropriation from the Federal Government for the acquisition of new lands. We have largely depended on the generosity of fine public spirited people like John D. Rockefeller for the acquisition of such parks as we have. But it is unsafe to depend on those sources in the future.

Mr. ELLENDER. I have only one further question at the moment. I notice that the bill provides for the borrowing of as much as $60 million a year from the Federal Government, without interest. That provision is in the bill, as I read it.

Mr. JACKSON. The Senator has in mind that sufficient funds are authorized to be appropriated.

Mr. ELLENDER. That is correct; for borrowing purposes.

Mr. JACKSON. Sixty million dollars each year for a period of 8 years, in order to get the program underway.

Mr. ELLENDER. I presume that that amount is to be repaid to the Federal Government, without interest, from the proceeds of the sales of surplus property, about which we have just been speaking.

Mr. JACKSON. It is a general authorization for an appropriation.

Mr. ELLENDER. I understand that; but it is to be borrowed and is to be repaid to the Federal Government.

Mr. CHURCH. Yes; it is to be repaid after 8 years.

Mr. ELLENDER. Without interest.

Mr. JACKSON. That is correct.

Mr. ELLENDER. The proceeds to make up the $60 million will doubtless come from fees and moneys to be collected from the sales of surplus real property, the motor fuel tax, and the like.

Mr. JACKSON. It will come from the fund that includes all such revenues.

Mr. ELLENDER. I am sorry that I must leave the Senate floor at the moment.

In the course of the afternoon, I hope to have an opportunity to offer an amendment to the bill. I should like to be notified before action on the bill is concluded.

Mr. JACKSON. I will notify the Senator from Louisiana the moment we are ready to consider his amendment.

Mr. DOUGLAS. Mr. President, will the Senator yield for an instant, in order that I may help to complete the RECORD on the benefactions of the Rockefeller family?

Mr. CHURCH. I yield.

Mr. DOUGLAS. In addition to the national parks that I have mentioned, which have been largely or wholly acquired by the private donations of the Rockefeller family, is it not true that the Virgin Islands National Park was acquired entirely through donations by the Rockefeller family?

Mr. CHURCH. That is so.

Mr. DOUGLAS. I differ with many of the policies of the Rockefeller family. Nevertheless, in this, as in many other respects, a magnificent example has been set by the trusts and private benefactions of people like the Rockefellers, who have created for the Nation what the Nation should create for itself.

Mr. CHURCH. That is the very reason for the bill. The bill is needed because Federal and State governments are failing to keep pace with the recreational requirements of the country.

Mr. JACKSON. The Senator from Illinois makes a good point; namely, that the Rockefeller family took the leadership in acquiring, in the early days, land much needed for the establishment of national parks and for recreational purposes. It is now the responsibility of government to continue that movement and to provide a long-range program that will not only cover the Federal area of responsibility, but will also provide an incentive for the States to do their part in areas where they have responsibility.

Mr. DOUGLAS. I beg the indulgence of the Senator from Idaho, for I have one more item in mind, the restoration at Williamsburg, Va., which is a great national recreational asset, into which the Rockefeller family probably poured well over $100 million, which never would have been done by the Federal Government on the basis of its past efforts toward acquisition.

Mr. ERVIN. Mr. President, will the Senator yield?

Mr. CHURCH. I yield.

Mr. ERVIN. My deep impression and recollection is that the bulk of the money which was used to acquire the land that now constitutes the Great Smoky Mountains National Park was furnished by the State of North Carolina and the State of Tennessee. It is true, as the able and distinguished senior Senator from Illinois has said, that members of the Rockefeller family and especially the Laura Spelman Rockefeller Foundation, established by that family, contributed substantial funds. They also made a wonderful contribution in the initial stages of the program. Many other individuals also joined, as the Senator from Illinois has well said. But all the money that was used for the establishment of that great park came from non-Federal sources. None whatever came from the Federal Government.

Mr. STENNIS. Mr. President, will the Senator yield for a question?

Mr. CHURCH. I yield.

Mr. STENNIS. I should like to ask a question in two parts, but I shall not make a speech. First, I should like to give a little background.

I am personally interested, as the Senator from Idaho is, in the idea of campsites, of camping out, and of giving the youth of our land, of the present generation and of future generations, an opportunity to have space in which to get out beyond the large cities or other habitats, and learn the elemental principles of nature and about its growth, in addition to recreation, fishing, and any other outdoor activity that might be available.

As one who is interested in forestry, forest research, and the national forests, I have encouraged such activity. I have encouraged it in the Park Service.

With that background, I am surprised and really disappointed that one feature of the bill provides for special financing. As a member of the Committee on Appropriations, it seems to me that, considering the great worth and merit of these projects, we could have taken a chance with the regular appropriations each year. There is no reason to provide in this bill another exception. Can the Senator from Idaho or the author of the bill answer that question?

Mr. CHURCH. I shall be happy to try to answer it; then I should like to defer to the distinguished chairman of the committee.

First, we have always had the ordinary appropriations process available for the financing of outdoor recreation. For many years requests have been made.

To some degree they have been implemented, as through the Forest Service, and public money is regularly spent for the purposes sought to be served by the bill.

But it goes without saying that Congress has failed to do the job needed. For many years, we have failed to do it. It finally became the feeling of those most closely informed of the facts, both in the executive and legislative branches of the Government, and of the majority of the members of the committees which took extensive testimony on this bill, that if we were ever to do the job the way it needs to be done, we should have to find special sources from which to finance the program. We have sought to do this in such a manner as not in any way to circumvent the Appropriation Committees of the House and Senate. We propose to establish a fund from which moneys can be drawn to finance the acquisition and development of land for outdoor recreational purposes, including inholdings in the national forests and national parks.

However, we have been careful to leave to the Appropriation Committees the final decision as to the amount of money to be spent each year, so that if those committees decide to cut back on the actual appropriation, even though the money may be available in the fund, owing, let us say, to the committees' appraisal of the general fiscal condition of the Government, the committees would retain this authority. Moreover, the bill provides that if the Committees on Appropriations choose not to appropriate the full amount in the fund, any surplus will revert to the General Treasury, after a 2-year period has elapsed.

We are undertaking to recognize that we have not done, and will not do, the recreational job that the growing needs of the country call for, unless we earmark the sources from which to draw the necessary money. However, we have sought to do this in a way which fully protects the prerogatives of the Appropriations Committees of both the Senate and the House of Representatives.

Mr. STENNIS. I thank the Senator for his frank answer, although I am compelled to disagree with him that because the case has not been made stronger in the past, it therefore cannot be made strong enough in the future. I believe that it will be. The contribution made by the Rockefeller family, which has been mentioned, has led the way to the forming of public opinion along this line.

My policy has been not to consider the surplus property being sold and the special funds being created, but to take the regular channel.

I do not wish to take up more time, but does not the National Forest Service already have a great abundance of land in most States which could be used for this purpose? It would be a good sideline for them, but I do not believe they should make it their primary objective. Does the Senator believe that we should buy special places for this recreation?

Mr. CHURCH. We have all been concerned about this question, and we have taken special precautions in the bill to provide that any land acquired must be primarily for recreational purposes. In the second place, 85 percent of the acquisition money available for Federal use must be spent in the eastern part of the country, where there are no extensive Federal land holdings, and only 15 percent, in the western part of the country, where the Government already owns great tracts of land. Furthermore, we have tried to make it clear that it is the purpose of the proposed legislation, that the Federal funds should be restricted to the acquisition of inholdings in national forests and national parks, where recreational use so requires.

Mr. STENNIS. I thank the Senator. My question was based upon the fact that we all wish future generations to know what a tree looks like.

Mr. CHURCH. The Senator is correct.

Mr. DOUGLAS. Mr. President, will the Senator from Idaho yield in order to permit me to ask a question of the Senator from Mississippi?

Mr. CHURCH. I am glad to yield to the Senator from Illinois for that purpose.

Mr. DOUGLAS. I do not wish to interfere in this discussion.

Mr. CHURCH. I wish to make my own statement against the amendment, but I am very glad to defer to the Senator from Illinois.

Mr. DOUGLAS. The Senator from Mississippi in general spoke against earmarking taxes and implied that funds should go through the existing appropriating process. The Senate passed the National Highway Trust Fund Act, funds for which are earmarked from an extra tax on gasoline paid by those who buy gasoline, no matter where they live. It amounts to approximately $2 billion a year. I have never heard of any objection to that.

Mr. CHURCH. I thank the Senator from Illinois for his comments. Let me add that if it had not been for the highway trust fund, we would not have the great Interstate Highway System being built today, so there is plenty of precedent for what we are trying to do.

Mr. STENNIS. Mr. President, will the Senator yield on that point?

Mr. CHURCH. I yield.

Mr. STENNIS. I stated that we had too much precedent already. This is certainly not a matter, in magnitude and in compelling reason, like that of the highway trust fund.

Mr. CHURCH. Mr. President, I should now like to make my statement against the amendment. I have tried to yield to other Senators, but it is now past 1 o'clock, and I am already due for another appointment.

I hope that the Senate will reject the Allott amendment.

The argument made for it reminds me of a story I once heard of a young man who was appointed to the board of deacons in his church. The longstanding question before the congregation was whether a new church should be built.

The young man felt strongly that it should, but he soon found himself in much trouble with other members of the congregation. He could not understand why he had been so singled out, because the controversy had been going on for a long period of time.

So he went to one of the senior members on the board of deacons and he said, "Why is it that everyone is angry at me, yet no one is angry with you, when both of us favor construction of the new church?"

The elder deacon said, "That's easy, son. It is important to be for the new church as long as you keep raising questions about the site."

That is the gist of the argument which has been presented by those who advocate the adoption of the Allott amendment. They are saying, in effect, that they are for the objective, they wish to see opportunities for wholesome outdoor recreation expand in this country; they are for the program, but they just wish to argue about the method for achieving the goal.

If we adopt this amendment, we shall "gut" the bill. Let us face up to that fact.

Mr. ALLOTT. Mr. President, will the Senator from Idaho yield for a question?

The PRESIDING OFFICER (Mr. BREWSTER in the chair). Does the Senator from Idaho yield to the Senator from Colorado?

Mr. CHURCH. I shall be glad to yield to the Senator from Colorado when I have finished my statement.

The sponsor of a similar amendment in the other body was candid enough to admit that adoption of the amendment there would "gut" the bill.

Let us take a look at the proof.

We anticipate that the bill would produce about $146 million a year for purposes of both assisting the States and permitting the Federal Government to acquire needed land for outdoor recreation.

Of that $146 million, $60 million will come from the advance appropriation for an 8-year period; $50 million will come from the sale of surplus property; $6 million would be presently realized from the charging of user fees. Approximately $30 million would be realized from the unreclaimed proceeds of the motorboat tax. That total of $146 million, if we were to adopt the Allott amendment, would be cut $50 million a year—approximately one-third of the funds necessary to finance the program.

The real question we face is whether we wish the program, whether it is needed, and whether it is tailored to the requirements of the country.

Let me cite some changed conditions of American life which have led to the startling increase in the demand for outdoor recreation.

In the first 14 years after World War II, while the population of the country increased by one-quarter, pressure on available facilities for recreation in the national parks, forests, and the State parks more than doubled. Recreational visits to national forests quadrupled during this period.

The per capita use of outdoor recreational facilities of this kind jumped from an annual average of less than 1 per person in 1946 to 2.3 per person in 1960.

This is a vast increase in the public demand, an indication of the vital need for added public recreational facilities. Yet, year after year, as the pressure has grown, we have done nothing about it. This bill is designed to do something about it.

A few years ago, as the Senator from Illinois indicated, we recognized the urgency for an interstate highway system as necessary to the efficient movement of the commerce of the Nation. We knew that we could not get the needed system if we relied upon ordinary legislative processes, because it lay outside customary appropriations from the General Treasury. So, we established a special fund, and out of that fund we are now constructing the greatest modern highway system in the world.

We face the same problem in connection with this bill. The earmarked funds are, nevertheless, left to the final decision of the Appropriations Committees.

We have not undermined the prerogative or the power of the Appropriations Committees. We have stated that the money will be placed in the fund. But the Appropriations Committees will decide what part of that money will be spent. If, after 2 years, they leave unspent money in the fund, for whatever reason seems to them to be sufficient, that surplus will revert to the General Treasury.

What better accommodation could be furnished for the Appropriations Committees than that contained in the bill, if one wants to see the program's objective achieved, if one wants more done in the future than has been done in the past for outdoor recreation?

Mr. President, mindful of the deacon story, I suggest that if we want to build outdoor recreation, this bill provides the site. And those who would argue about the site are really undertaking to "gut" the bill. I do not question their motives. I merely say this would be the result, if the Allott amendment were agreed to.

Many times I have heard people say, in relation to public aid for schools: "We believe in better schools. We know the standards are not good enough. We know the buildings are not sufficient to accommodate the growing number of young people. But we believe the problem should be settled at the local level."

Then, the very people who say this are often found, in the local communities, in the forefront of those opposing the approval of the bond issues needed if the new schools are to be built. It is an old story.

I am for the bill. I believe the method that we have provided would not only supply the funds that are needed, but would also enable the States to go forward to assume prime responsibility in the field of recreation. And it would do so in a manner that recognizes the prerogatives of the Appropriations Committees of both Houses.

If a Senator is for "gutting" the program, he will vote for the amendment.

Mr. ALLOTT. Mr. President, I address myself first to the argument that has just been made about schools, and voting against bond issues.

I want to be sure that the Senator from Idaho [Mr. CHURCH] does not refer to the record of the senior Senator from Colorado. I believe the record of the senior Senator in the building of school systems will match the record of the Senator or the record of any other Senator. That takes care of that issue.

The statement was made that if one wants to gut the bill, he should vote for the amendment. What the statement really means is that the bill does not have enough merit, without this subversive earmarking of funds, to stand on its own.

I have more faith in the bill than has the Senator from Idaho [Mr. CHURCH]. As a member of the Committee on Appropriations, I am willing, if the bill passes, to vote for funds to build this land conservation fund. The argument has been made for the precedents for earmarking of funds. Reference has been made to page 17 of the Senate report.

I ask unanimous consent to have printed at this point in the RECORD the paragraph on pages 17 and 18 entitled "Precedents for Earmaking of Funds."

There being no objection, the paragraph was ordered to be printed in the RECORD, as follows:

PRECEDENTS FOR EARMARKING FUNDS

The method provided in H.R. 3846 of setting aside certain revenues from particular sources is neither unprecedented nor novel in any way. Set forth below are a few of the examples of similar legislation, some of it of long standing, for generally allied purposes.

1. Highway trust fund: The fund is obtained from excise taxes (on gasoline, diesel fuel, trucks, buses, tires, etc.); such revenues being earmarked and set aside in the trust fund to meet expenditures for Federal-aid highways (Highway Revenue Act of 1956 (70 Stat. 374)).

2. Forest road fund: Ten percent of the annual revenues from the national forest activities is earmarked and available under the permanent appropriation roads and trails for States, for construction and maintenance in the particular State from which such proceeds are derived (16 U.S.C. 501).

3. Pittman-Robertson Act: Eleven percent of the excise tax on the manufacture of firearms and ammunition is earmarked for purposes of the act. Such fund is used to reimburse States a share of the costs of wildlife restoration projects and related matters (16 U.S.C. 669).

4. Dingell-Johnson Act: Earmarks 10 percent of the excise tax on sport-fishing tackle; such funds being used to assist States in connection with fish restoration and management projects (16 U.S.C. 777a–k).

5. Pribilof Islands fund: Receipts of sale from sealskins and other wildlife products of Pribilof Islands are earmarked and made available for administration of the islands (72 Stat. 339).

6. Yellowstone school fund: A portion of the revenues received from visitors to Yellowstone National Park are earmarked for use in providing for school facilities (62 Stat. 338).

7. Reclamation fund: Repayment and other revenues from irrigation and power facilities, certain receipts of sales, leases, and rentals of Federal lands in 17 Western States are earmarked and made available for expenditures for purposes of the act (43 U.S.C. 391).

The foregoing relate to the earmarking of receipts for various Federal programs. In addition, there is considerable earmarking of receipts going directly to States, as shown on pages 478 and 479 of the budget of the United States, 1965.

CONCLUSION

Official study of our outdoor recreation needs and the Federal role in meeting them started in 1958 with establishment by Congress of an Outdoor Recreation Resources Review Commission which reported on our burgeoning requirements in January 1962.

H.R. 3846, as amended, is a culmination of more than 3 years of effort on the part of the members of the Interior Committees of the Senate and the House, other Senators and Congressmen, experts in the executive branch of the Government concerned with outdoor recreation, and State and local officers, as well as a host of dedicated, public-spirited private citizens. The committee is convinced that enactment will be a major forward step for the conservation of our land and water outdoor recreation resources which are becoming increasingly vital to the physical, spiritual, nervous, and emotional well-being of many, many millions of our fellow Americans.

Mr. ALLOTT. Mr. President, anyone who takes the trouble to examine these funds will see that in each of the seven instances the committee has provided, the earmarkings of funds bears a direct relationship to the use for which the funds are to be supplied.

How could one possibly say that the sale of an old post office, an old warehouse, or old machinery located in some warehouse has a direct relationship to the land conservation bill?

Mr. CHURCH. Mr. President, will the Senator yield?

Mr. ALLOTT. I yield.

Mr. CHURCH. I believe that can be said. May I say it?

Mr. ALLOTT. The Senator may say it if he wishes to.

Mr. CHURCH. I believe I can show it is quite logical. There is a relationship here, if I may express it.

Mr. ALLOTT. The Senator may express it.

Mr. CHURCH. Very well.

Mr. ALLOTT. Provided it is not a 10- or 20-minute speech.

Mr. CHURCH. The point is so clear that it can be expressed in 1 minute. The Federal Government has much surplus real property it does not need.

One of the purposes of the bill is to acquire real property which is needed for public recreation. We are seeking here to set up a method of exchange. The surplus real property that is not needed is being sold. The proceeds are being placed in this fund to purchase other property that is needed. There is a direct and natural relationship. Both involve land. That is the reason why the money ought to be made available to a fund for the purpose of acquiring land that is needed for recreational use.

I see just as much relationship between these as exists in the case of other taxes where the proceeds have been earmarked to serve a particular public purpose.

Mr. ALLOTT. Mr. President, I am sorry I cannot agree with the Senator from Idaho. I see no relationship at all. The funds that created the post office or the warehouse were acquired in the original instance from the taxation of every American. What we propose to do is to take funds from the sale of property declared surplus which may have been in the use of the military or any other possible use that can be imagined, and place them in use for recreational purposes.

If anyone will examine the particular instances cited by the Senate committee, he will see that in every instance the earmarking of the funds bore a direct relationship to the use for which the fund was to be put.

Mr. President, what are we talking about? I have a transcript of the hearings held before the Committee on Interior and Insular Affairs. I am referring to page 50. What we are talking about is a total commitment to the fund for the first year, $45 million, and by 1973—a 10-year period—we are talking about a commitment of $231 million.

What the proponents of the fund are trying to do with respect to the surplus property amendment is to throw all the money from the sales of surplus property into this fund so that they and everyone in Congress will be subjected to all the pressures that can be imagined, such as, "Well, the money is already in the fund. Why not appropriate it?"

I say to the distinguished Senator from Idaho, who has just left the Chamber—and to the distinguished chairman of the committee [Mr. JACKSON]—that I do not question the motives of anyone. But they will rue the day that they ever voted to retain in the bill subsection 2(b), which deals with surplus properties.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD page 50 of the transcript of hearings of the Senate Committee on Interior and Insular Affairs. It sets forth a table of the amounts to be received from various funds.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Estimated annual revenues to the land and water conservation fund

[In thousands]

	1964 [1]	1965	1966	1967	1968	1969	1970	1971	1972	1973	Total
$5 auto sticker [2]	$2,000	$25,000	$34,000	$39,000	$40,000	$42,000	$44,000	$46,000	$49,000	$50,000	$371,000
Other entry fees [3]	3,000	8,000	9,000	10,000	11,000	12,000	12,000	12,000	10,000	10,000	97,000
User fees [4]	7,000	8,000	9,000	10,000	11,000	12,000	14,000	17,000	20,000	24,000	132,000
4 cents motorboat fuel tax [5]	3,000	24,000	25,000	27,000	28,000	30,000	31,000	33,000	34,000	37,000	272,000
Sale of surplus property [6]	30,000	60,000	60,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	500,000
Total revenues	45,000	125,000	137,000	136,000	140,000	146,000	151,000	158,000	163,000	171,000	1,372,000
Advance appropriation	---------	---------	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	480,000
Land and water conservation fund	45,000	125,000	197,000	196,000	200,000	206,000	211,000	218,000	223,000	231,000	1,852,000

ESTIMATED ANNUAL FEDERAL OBLIGATIONS AGAINST THE LAND AND WATER CONSERVATION FUND [7]

Total obligations:											
For grants to States (60 percent)	$10,000	$75,000	$120,200	$122,500	$125,000	$128,500	$126,000	$131,000	$134,000	$138,600	$1,110,800
For Federal purposes (40 percent)	15,000	50,000	79,800	79,500	81,000	82,500	85,000	87,000	89,000	92,400	741,200
For both State and Federal purposes	25,000	125,000	200,000	202,000	206,000	211,000	211,000	218,000	223,000	231,000	1,852,000

[1] It is assumed the land and water conservation fund bill will become law by Jan. 1, 1964. One-half of the proceeds from the sale of surplus real property would be available, their crediting being merely bookkeeping. It is assumed that only about 12 percent of normal revenues from the motorboat fuel tax would be collected during the remainder of fiscal year 1964 and that only about 25 percent of the estimated annual return from the auto sticker would be collected during this same period. This is not the period of heavy use, and the program is new. User fees are partially in effect now. It is assumed they can be standardized and put into effect for the whole year. The estimated 1st year revenue has been reduced by 15 percent to take care of administrative collection problems.

[2] These estimates were made on the probable percentage of automobile owners throughout the United States who might be expected to purchase such a sticker in anticipation of visiting Federal recreation areas. Estimates are not based on present numbers of recreation visits to such areas.

[3] The figures shown are based on existing entrance fees (primarily at areas in the national park system) and those entrance fees which may reasonably be expected to be added during the next 10 years.

[4] These estimates are based on data from Federal land management agencies, concerning existing and projected developed campsites and day-use areas.

[5] Estimated unclaimed portion of the Federal excise tax of 4 cents per gallon for fuels used in motorboats.

[6] The figures shown reflect reductions from gross receipts for: (1) GSA administrative costs, and (2) the increased sales to public agencies at a reduced rate.

[7] These figures represent estimates of annual needs. However, as the Budget of the United States is developed each year, adjustments may be required.

Mr. ALLOTT. I invite the attention of Senators to the table. This particular tabulation is based upon a $5 fee. The Senate bill would provide for a $7 fee. In the year 1965, as shown in the second column, the result of the first figure would be $25 million. In 1973, the figure would jump to $50 million.

The distinguished Senator from Massachusetts [Mr. SALTONSTALL] has already pointed out that there is $61.5 billion in Federal property in and out of the country. To follow the argument to its logical conclusion, we would ultimately be placing $61.5 billion in the fund.

Mr. President, I realize that someone wrote the bill, and many have accepted it on its face. I do not believe we are required to accept it on its face. I have confidence that if the bill has merit—and I do think it has merit—the Appropriations Committee of the Senate will appropriate to that fund without having to earmark returns from the sale of surplus property, which do not bear any relationship to the use. It would set a precedent for more and more raids upon the Federal Treasury by means of attaching onto special funds.

I urge Senators to vote for the amendment and not to put themselves, the fund, or the bill in the kind of straitjacket that, under the circumstances, failure to support the amendment would surely do.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Colorado [Mr. ALLOTT]. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Pennsylvania [Mr. CLARK], and the Senator from Oregon [Mrs. NEUBERGER] are absent on official business.

I also announce that the Senator from New Mexico [Mr. ANDERSON] and the Senator from Massachusetts [Mr. KENNEDY] are absent because of illness.

I further announce that the Senator from Nevada [Mr. CANNON] and the Senator from Oklahoma [Mr. EDMONDSON] are necessarily absent.

I further announce that, if present and voting, the Senator from New Mexico [Mr. ANDERSON], the Senator from Nevada [Mr. CANNON], the Senator from Pennsylvania [Mr. CLARK], the Senator from Oklahoma [Mr. EDMONDSON], the Senator from Massachusetts [Mr. KENNEDY], and the Senator from Oregon [Mrs. NEUBERGER] would each vote "nay."

Mr. KUCHEL. I announce that the Senator from Arizona [Mr. GOLDWATER] and the Senator from Kentucky [Mr. MORTON] are necessarily absent.

The Senators from Kansas [Mr. CARLSON and Mr. PEARSON] are detained on official business. If present and voting, the Senator from Kansas [Mr. PEARSON] would vote "yea."

The result was announced—yeas 27, nays 62, as follows:

[No. 538 Leg.]

YEAS—27

Allott
Bartlett
Bennett
Cooper
Cotton
Curtis
Dirksen
Dominick
Ellender
Fong
Gruening
Hickenlooper
Hruska
Johnston
Jordan, Idaho
Lausche
Long, La.
Mechem
Mundt
Russell
Saltonstall
Simpson
Stennis
Thurmond
Tower
Williams, Del.
Young, N. Dak.

NAYS—62

Aiken
Bayh
Beall
Bible
Boggs
Brewster

Burdick
Byrd, W. Va.
Case
Church
Dodd
Douglas
Eastland
Ervin
Fulbright
Gore
Hart
Hartke
Hayden
Hill
Holland
Humphrey
Inouye
Jackson
Javits
Jordan, N.C.
Keating
Kuchel
Long, Mo.
Magnuson
Mansfield
McCarthy
McClellan
McGee
McGovern
McIntyre
McNamara
Metcalf
Miller
Monroney
Morse
Moss
Muskie
Nelson
Pastore
Pell
Prouty
Proxmire
Randolph
Ribicoff
Robertson
Salinger
Scott
Smathers
Smith
Sparkman
Symington
Talmadge
Walters
Williams, N.J.
Yarborough
Young, Ohio

NOT VOTING—11

Anderson
Byrd, Va.
Cannon
Carlson
Clark
Edmondson
Goldwater
Kennedy
Morton
Neuberger
Pearson

So Mr. ALLOTT's amendment was rejected.

Mr. JACKSON. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. HUMPHREY. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had passed the bill (S. 1024) to authorize the Commissioners of the District of Columbia to pay relocation costs made necessary by actions of the District of Columbia government, and for other purposes, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 10199) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1965, and for other purposes; that the House receded from its disagreement to the amendment of the Senate numbered 10 to the bill and concurred therein, with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 11579) making appropriations for certain civil functions administered by the Department of Defense, the Panama Canal, certain agencies of the Department of the Interior, the Atomic Energy Commission, the St. Lawrence Seaway Development Corporation, the Tennessee Valley Authority and the Delaware River Basin Commission, for the fiscal year ending June 30, 1965, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. KIRWAN, Mr. FOGARTY, Mr. MAHON, Mr. JENSEN, and Mr. PILLION were appointed managers on the part of the House at the conference.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 5990. An act to amend the District of Columbia Charitable Solicitation Act to require certain findings before the issuance of a solicitation permit thereunder, and for other purposes; and

H.R. 12198. An act to amend section 11–1701 of the District of Columbia Code to increase the retirement salaries of certain retired judges.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred to the Committee on the District of Columbia:

H.R. 5990. An act to amend the District of Columbia Charitable Solicitation Act to require certain findings before the issuance of a solicitation permit thereunder, and for other purposes; and

H.R. 12198. An act to amend section 11–1701 of the District of Columbia Code to increase the retirement salaries of certain retired judges.

LAND AND WATER CONSERVATION FUND

The Senate resumed consideration of the bill (H.R. 3846) to establish a land and water conservation fund to assist the States and Federal agencies in meeting present and future outdoor recreation demands and needs of the American people, and for other purposes.

Mr. ERVIN. Mr. President, I have an amendment. I would like to have the attention of the chairman of the committee.

I ask unanimous consent that I may read the amendment, rather than have the clerk to undertake to state the same. Such a task would be difficult for the clerk, because the amendment is written in my own handwriting, which is not the most legible handwriting known to the world.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ERVIN. On behalf of my colleague from North Carolina [Mr. JORDAN] and myself, I offer the following amendment: On page 7, line 2, insert the following additional sentence after the word "routes":

> No fees of any character shall be charged or collected under this Act for travel by private noncommercial vehicles over the Blue Ridge Parkway.

Mr. President, North Carolina has always been opposed to toll roads. North Carolina bore the cost of obtaining the land which is now included in the Blue Ridge Parkway, the cost of the land which is now included in the right-of-way of the Blue Ridge Parkway; and the cost of the land which is now included within the easements of view adjacent to the Blue Ridge Parkway.

After acquiring the land, the State of North Carolina donated the land to the Federal Government as a route for the Blue Ridge Parkway. I wish to ask the chairman of the committee a question. From my personal knowledge the Blue Ridge Parkway, which runs from the North Carolina-Virginia line on the north to the Great Smokies National Park on the southwest, traverses a part of the country which has been settled for many generations. The parkway is commonly used by the citizens of that area in traveling between one town and another and one point and another outside the right-of-way of the Blue Ridge Parkway.

My question is this: From my knowledge of that country and my knowledge of the Blue Ridge Parkway, which runs within 28 miles of my home, I am satisfied it would be covered by the provision of the bill starting at line 20 on page 5, and running through the first half of line 3 on page 6. I read only the portions which I understand to be germane to the specific question which I wish to put to the chairman:

> No such fee shall be charged for travel by private noncommercial vehicle over any national parkway—

And I leave out words that are not germane—

> which is commonly used by the public as a means of travel between two places either or both of which are outside the area.

I have left out, as my good friend from Washington has noted, some words that are not germane to my specific question.

I should like to ask the chairman if he construes that provision of the bill as the Senator from North Carolina does—that, under that provision of the bill, toll charges for the use of the Blue Ridge Parkway by private noncommercial vehicles would be prohibited.

Mr. JACKSON. It is the judgment of the chairman of the Interior Committee that such a toll or fee on the Blue Ridge Parkway would be prohibited. This is the intent on the part of the committee in approving the language to which the Senator has referred.

Mr. ERVIN. In other words, it is the opinion of my good friend the able and distinguished Senator from Washington that the amendment which I have proposed on behalf of myself and my colleague [Mr. JORDAN] would be unnecessary, because the provision of the bill which I have read would accomplish exactly the same result as the amendment would.

Mr. JACKSON. That is correct. I see no need for the amendment. It would be pure surplusage at this time, because, as I understand the language, it would prohibit a toll or fee in this instance.

Mr. ERVIN. I would like to ask another question which is germane to this question. I think the answer to the question is quite obvious.

As I said a moment ago, the area which is traversed by the Blue Ridge Parkway has been settled for many generations. Many farmers still live in the area and they cultivate, subject in some cases to easements of view, land which they hold subject to the easements of view. They have homes in this area which are on land adjacent to and in many cases on the land covered by the easements of view. In addition to having their homes there, they go to churches and send their children to schools in the area. In traveling to and from their homes and farms and in going to their churches and sending their children to school, they use the Blue Ridge Parkway, or, in some cases, merely go across it. I read lines 3 through 7 on page 6 of the bill:

> No such fee shall be charged any person for travel by private noncommercial vehicle over any road or highway to any land in which such person has any property right if such land is within any such designated area.

I ask the Senator whether that provision would exempt from the payment of any fees people who must use the Blue Ridge Parkway in order to gain access to their lands or to go to and from their lands and their churches and schools.

Mr. JACKSON. In my judgment it would clearly exempt the individuals to whom the Senator has referred. The purpose of the language is to prevent injustices to people who are settled in the areas and who of necessity must use the parkway in the course of their transportation.

Mr. ERVIN. My interpretation of the two provisions which I have read to the able and distinguished chairman of the committee coincides with his interpretation.

For this reason I am of the opinion that the amendment which I have offered on behalf of myself and my colleague [Mr. JORDAN] is wholly unnecessary. For that reason I withdraw it.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. JACKSON. I thank the distinguished Senator from North Carolina for his cooperation. I am aware of the importance of his inquiries. I am glad he has helped clarify the RECORD if there was any doubt as to the meaning of the language. This colloquy has been helpful in clarifying the legislative history.

Mr. ERVIN. Mr. President, on behalf of the able and distinguished junior Senator from Tennessee [Mr. WALTERS] and my able and distinguished colleague [Mr. JORDAN], and myself, I offer the following amendment:

> On pages 6 and 7 strike out everything between the word "In" in line 23 on page 6 through the word "routes" in line 2 on page 7 and insert in lieu thereof the following: "No fees of any character shall be charged or collected under the provisions of this Act for entrance into the Smoky Mountains National Park without the consent of the States of North Carolina and Tennessee."

My amendment, in effect, would strike out the last sentence beginning on page 6 of the bill, as follows:

> In the Smoky Mountains National Park unless fees are charged for entrance into said park on main highways and thoroughfares, fees shall not be charged for entrance on other routes.

And insert in lieu thereof the words I have just read.

I send the amendment to the desk, but ask unanimous consent that the reading of it by the clerk be omitted, because it has already been read by me.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ERVIN. The State of North Carolina has a number of State parks. North Carolina has always been opposed to charging people for the privilege of viewing the handiwork of Almighty God; consequently, it is my understanding that it imposes no fees in any of its State parks.

As was stated earlier by the able and distinguished Senator from Illinois [Mr. DOUGLAS], the lands which comprise the Smoky Mountains National Park were acquired from non-Federal sources. The State of North Carolina made a substantial appropriation to secure the land for this park. The State of Tennessee made a substantial appropriation for the same purpose. The funds appropriated by the two States were supplemented by donations of funds from private foundations and private individuals, including a substantial contribution from the Laura Spelman Rockefeller Foundation.

These funds were obtained entirely from private or State sources, without Federal assistance, and were used to acquire title to the lands constituting the Smoky Mountains National Park.

I do not believe it is fair to charge admission or entrance fees to the Smoky Mountains National Park because of the circumstances of its acquisition. North Carolina and Tennessee did not donate these lands to the Federal Government, and the private foundations and individuals who made contributions to assist them in so doing did not make their contributions for the purpose of having the Federal Government use the lands as a commercial enterprise.

For that reason I believe the amendment I have offered should be adopted.

The amendment would not affect any fees that might be charged for the use of facilities, such as campsites, or for firewood, or things of that kind, which might be furnished to people frequenting the park. It would prohibit only the imposition of an entrance fee without the consent of the two States which are in reality responsible for the creation of the park, which was donated to the Federal Government.

Mr. WALTERS. Mr. President, will the Senator yield?

Mr. ERVIN. I yield.

Mr. WALTERS. Is not one of the provisions in the deed conveying the land from North Carolina and Tennessee to the National Government to the effect that no fees would be charged by the Government for the use of the park? Was that not one of the conditions in the deed?

Mr. ERVIN. I have been informed of that fact, but I am not able to assert, with positive knowledge, its accuracy.

Mr. WALTERS. That was one of the conditions under which the States gave the land to the Federal Government; namely, that no fees would be charged for the use of the roads in the park. The amendment would carry out the contract that is already in existence.

Mr. ERVIN. Mr. President, owing to the multitude of tasks which have devolved upon me, along with other Senators, during the past weeks, I was not aware of the fact that the pending bill had been reported by the committee and was coming up for consideration today. Therefore, I have had no opportunity to verify the conditions in the conveyances of the lands to the Federal Government.

I have always understood, without verifying the fact, that what the Senator from Tennessee has said is correct. My understanding is that Tennessee and the Federal Government contracted that the highways on the Tennessee side, which enable people to get to the park, from the west should be toll free. Whether there was such a stipulation in other deeds, I do not know.

Mr. WALTERS. The State of Tennessee paid, with State funds, for the construction costs of the road from the edge of Great Smoky Mountains National Park to the North Carolina line. It is my understanding that the State of North Carolina paid for the construction of the road from the top of Great Smoky Mountains National Park to the town at the foot of the mountains; where an Indian reservation is located. The improvements in the park were made originally by the State of Tennessee and the State of North Carolina. This amendment would only carry out the contract that was made.

Mr. JACKSON. Mr. President, will the Senator yield?

Mr. ERVIN. I yield.

Mr. JACKSON. I appreciate the concern expressed by the Senator from North Carolina, and expressed earlier by the Senator from Tennessee.

As I see it, the problem is to carry out the contractual understanding that exists between the States and the Federal Government and, at the same time, not to take unfair advantage of the provisions of the bill as they relate to other States. In other words, the whole deed concept on which the Smoky Mountains National Park was established is on a quid pro quo basis. However, if the Federal Government should make available certain development facilities, then naturally, in order to pay for them a fee should be charged for the use of such facilities.

However, as to entrance fees, at the top of page 5 of the bill, beginning in line 2, the language reads:

> No entrance or admission fee shall be charged except at such areas or portions thereof administered by a Federal agency where recreation facilities or services are provided at Federal expense. No fee of any kind shall be charged under any provision of this Act for use of any waters.

Starting in line 13, we read:

> All fees established pursuant to this subsection shall be fair and equitable, taking into consideration direct and indirect cost to the Government, benefits to the recipient, public policy or interest served, and other pertinent factors.

My concern is that there may be discrimination in favor of the Great Smokies—and I love that area—to the detriment of other parks, toward which States, legal foundations, and great philanthropists have made contributions.

I am sure the Senators from North Carolina and the Senators from Tennessee wish to see these contracts fulfilled. At the same time, if they desire to have the benefits of the bill, it is natural that as to any new developments that may be placed in the Great Smokies by money from the fund established by this bill, they should be willing to go along with the fee as to the specific improvements.

Under the bill, the contracts between the States and the Federal Government could and would be honored. What we must do is to make certain that there is no unfair and undue enrichment of the Great Smokies to the detriment of the other parks by prohibiting any kind of fee or discriminating against them. Perhaps the simplest thing would be to take the Great Smokies out of the bill entirely, but I am certain the Senator from North Carolina does not wish to do that.

Mr. ERVIN. I am sure that my cosponsors, the junior Senator from Tennessee [Mr. WALTERS] and the junior Senator from North Carolina [Mr. JORDAN], agree with me that we have no objection whatever to having the Federal Government charge for the use of a camp or other facility which is created or established at the expense of the Federal Government. But I am afraid that the term "recreation" may mean that if the Federal Government merely allows a man to walk in the Great Smoky Mountains Park and gaze on the handiwork of Almighty God, that might be construed to be a furnishing of facilities.

This amendment is restricted to an entrance fee and does not apply to the use of a facility established at the expense of the Federal Government.

What disturbs me is the language in lines 23 and 24, at the bottom of page 6, and lines 1 and 2, at the top of page 7:

> In the Smoky Mountains National Park unless fees are charged for entrance into said park on main highways and thoroughfares, fees shall not be charged for entrance on other routes.

I construe that language to mean that if a charge is made for the entrance to the park on the main thoroughfares and highways, a charge can be made for entrance everywhere else, even though the Federal Government never builds anything there and never spends any money there, other than the money necessary to maintain the Park Service officers there.

Would the Senator from Washington be willing to take the amendment to conference?

Mr. JACKSON. The chairman will be happy to take the amendment to conference. I believe, after listening to the colloquy, that the Senator from North Carolina has in mind the same thing the Senator from Washington has in mind. I believe we must make it clear that we are not making a special exception, which would preclude the charging of a fee in consideration of what the Federal Government may do in the future in bringing about new developments and new facilities, for which, I think we can all agree, there should be a fee, as authorized in the bill, in relation to the contribution made by the Government for that investment.

Mr. ERVIN. We do not oppose a fee for the use of facilities installed by the Federal Government. We are trying to make certain that an entrance fee will not be charged merely for entrance into the park.

Mr. JACKSON. I shall be happy to take the Senator's amendment to conference.

Mr. ERVIN. If the Senator will take the amendment to conference, I will communicate with the authorities of my State to see if there is any further reason they may advance why we should urge the Senator to insist upon the inclusion of the amendment in conference.

Mr. JACKSON. I shall be happy to take the amendment to conference. In any event, we will make certain, regardless of the final terms of the conference decision, that the area to be protected is properly protected, based on the colloquy here. Such protection will be afforded, one way or the other.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. JACKSON. I am happy to yield.

Mr. HOLLAND. After listening to the colloquy, I am a little more concerned than I was about the provision found on page 6 of the bill, beginning in line 8:

> No fees established under clause (ii) or clause (iii) of the second paragraph of this subsection shall become effective with respect to any area which embraces lands more than half of which have heretofore been acquired by contribution of the government of the State in which the area is located until sixty days after the officer of the United States who is charged with responsibility for establishing such fees has advised the Governor of the affected State—

And so forth.

The submission of the matter to the Governor of the affected State is required, and his reaction is requested; but I do not believe there is anything in the language which shows that his reaction or recommendation must be acted upon favorably; only that it must be heard.

The reason for my concern is that in the case of the Everglades National Park, which was mentioned earlier in the debate, the State of Florida granted 850,000 acres of State lands for the main body of the park. It granted an additional $2 million for the acquisition of in-holdings. In addition, some private donors, such as the Collier group and the Florida Organization of Women's Clubs, gave sizable areas for inclusion in the park. But up to this date no Federal money of any kind has been used for the acquisition of any land within the park. There is an outstanding authorization for $2 million, which, if it were expended, would be expended in acquiring in-holdings yet remaining, which are of minor acreage as compared with that which has been given either by the State or the local donors.

I am completely in accord with some of the provisions of the bill which apparently would apply in such a case. One of them is, apparently, that no license for the use of water can be included under any circumstances. Many people who go there go to fish.

Mr. JACKSON. This is one of the committee amendments, and was adopted unanimously. I would call to the Senator's attention another amendment which the committee inserted in the bill. It is the one on page 7, line 3:

> No fees established under clause (ii) or clause (iii) of the second paragraph of this subsection shall become effective with respect to any area which embraces lands more than half of which is located within a single State until sixty days after the officer of the United States who is charged with responsibility for establishing such fees has advised the Governor of the affected State and has given him an opportunity for, and, if requested, has held a full, public hearing at or near the area affected.

So we have provided for a full hearing. I believe that it should go a long way toward resolving differences with respect to imposition of fees.

Mr. HOLLAND. I approve of that as a precaution. It should be in the bill, but I do not believe it goes far enough.

If I may go further, as I understand, the bill would permit the charging of fees for recreational activities or entertainment activities that are furnished by the Federal Government or by the Federal concessionaire; is that not correct?

Mr. JACKSON. This provision applies, first of all, only to that part of the investment made by the Federal Government in Federal lands. It would not cover a State situation in which we provide 60 percent of the gross amount appropriated each year to the State. It would cover only the area or facility for which the Federal Government was responsible.

Mr. HOLLAND. If I understand the Senator correctly, it would not becloud in any way the right of the concessionaires to charge appropriate fees for the use of their property?

Mr. JACKSON. No. They would have the full and continuing use they now have of their own private property under the concession arrangement. This, of course, would depend on the contract agreed upon between the Park Service, the Forest Service, and the individual.

Mr. HOLLAND. The thing that disturbs me is this: The highway in the Everglades National Park does not pass from our State into another State, as is the case in the Great Smoky Mountains National Park. It terminates at the places of interest within the park and goes from outside the park into such places and then back to the entrance to the park. Do I understand correctly from the bill that the Federal Government would be able to impose toll fees for the use of such highways? That is the only kind of highway there is in the park.

Mr. JACKSON. No. They would not be able to charge a fee. I refer to the language on page 5, line 20:

> No such fee shall be charged for travel by private noncommercial vehicle over any national parkway or any road or highway established as a part of the national Federal-aid system, as defined in section 101, title 23, United States Code, or any road within the National Forest system or a public land area, which, though it is part of a larger area, is commonly used by the public as a means of travel between two places either or both of which are outside the area.

Mr. HOLLAND. The trouble is, there is no such travel as that within the Everglades National Park. The only travel would be from outside in, then turning around and coming back out.

Mr. JACKSON. I can state for the purposes of legislative history that no fee would be charged in that instance, where one turns around and goes back to the same entrance, or goes all the way through.

Mr. HOLLAND. There is no going all the way through. It leads to water everywhere. The various highways do go to places of entertainment.

Mr. JACKSON. I am talking about only the parkway. I do not know what the statute provides in the case of the arrangement at the Everglades National Park, but I am directing myself only to the roadway.

Mr. HOLLAND. That is what my question is directed to. There would be no authority for the imposition of any toll upon travel either upon the principal highway—and there is only one—or upon the branch highways, all of which branch off the principal highway and then come back to it.

Mr. JACKSON. There would be no basis for exacting a toll in the instance related by the Senator from Florida.

Mr. HOLLAND. I thank the Senator from Washington.

Mr. ERVIN. Mr. President, will the Senator from Washington yield?

Mr. JACKSON. I yield.

Mr. ERVIN. In order to clarify the record, the amendment which the Senator from Tennessee [Mr. WALTERS], the Senator from North Carolina [Mr. JORDAN] and I have offered, and which the Senator from Washington states he is willing to take to conference, applies only to the entrance or admission fee. To make the record clear, do I understand correctly that it would have no application whatever to the fees set out in lines 22, 23, and 24 on page 4 of the bill?

> (iv) Fees for the use within an area of sites, bodies of water, facilities, equipment, or services provided by the United States.

Mr. JACKSON. We understand that to be the intent of the Senator from North Carolina and his associates in offering the amendment. That is the basis upon which I responded affirmatively to his questions. It is the basis on which we shall take the amendment to conference, to make certain that what we have in mind is properly carried out.

Mr. ERVIN. I thank the Senator from Washington.

Mr. MUNDT. Mr. President, will the Senator from Washington yield?

The PRESIDING OFFICER (Mr. RIBICOFF in the chair). Does the Senator from Washington yield to the Senator from South Dakota?

Mr. JACKSON. I yield.

Mr. MUNDT. I should like to interrogate the distinguished Senator from Washington, the Senator in charge of the bill, in connection with some questions brought up earlier in connection with recreational areas in the Missouri River development program. The Senator will recall that the Missouri River dams and reservoirs were created by special act of Congress.

I read the pertinent section of the act of 1944 dealing with this particular area:

> The water areas of all such reservoirs—

Meaning the Missouri River reservoirs now—

> shall be open to public use generally without charge for boating, swimming, bathing, fishing, and other recreational purposes, ready access to and exit from.
>
> Such water areas along with the portions of such reservoirs shall be maintained for general public use, when such use is determined by the Secretary of War not to be contrary to the public interest, and all other such rules and regulations as the Secretary of War may deem necessary.

In the bill we are now considering, section 4, on page 7, line 17, through page 8, line 4, provides as follows:

> Section 4 of the Act entitled "an Act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved December 24, 1944 (16 U.S.C. 460d), as amended by the Flood Control Act of 1962 (76 Stat. 1195) is further amended by deleting ", without charge," in the third sentence from the end thereof. All other provisions of law that prohibit the collection of entrance, admission, or other recreation user fees or charges authorized by this Act or that restrict the expenditure of funds if such fees or charges are collected are hereby also repealed:

I have taken up with the authorities involved, and have discussed with members of the committee, the meaning of the new language as it involves the people of South Dakota, Nebraska, North Dakota, Montana, and elsewhere, who have enjoyed the recreational benefits of the Missouri River reservoirs under the terms of the Act of 1944.

I should like to ask the Senator from Washington some questions, so that we can establish the legislative history and button down what I deem to be the actual conditions which will prevail.

First, will the provisions of the 1944 act, guaranteeing ready access to these waters, remain in force?

Mr. JACKSON. There will be the right to ready access to the waters the Senator has mentioned. The committee, at the instance of the Senator from Idaho [Mr. CHURCH], amended the bill, starting on line 25, page 4, which stipulated that:

> Entrance and admission fees may be charged at areas administered primarily for scenic, scientific, historical, cultural, or recreational purposes.

Then it continues:

> No entrance or admission fee shall be charged at such areas or portions thereof administered by a Federal Agency where recreational facilities or services are provided at Federal expense. No fee of any kind shall be charged under any provision of this Act for use of any water.

Mr. MUNDT. That leads to the next question. "Waters" is a rather ambiguous term unless we define it more specifically.

Mr. JACKSON. This includes the right of access.

Mr. MUNDT. If it includes the right to boat and swim in the lake, I want to be sure it includes the right of a farm boy in South Dakota to take his boat down to the lake on his own trailer and scoot it into the water without the benefit of use of a Federal facility, and bring it back without charge.

Mr. JACKSON. It does include that. What would not be included would be a request for Federal funds to build a boat ramp and a special facility for which a fee could be charged. Of course, money will be available under the State program, as the Senator is aware. And that would be up to the States. The Federal Government would not control any of the fees that a State might levy. But if it is merely a question of access to the water itself, under the amendment of the Senator from Idaho [Mr. CHURCH], as I understand the position of the Senator from Idaho, no fee would be charged. The water would be available for use by individuals, as the Senator has illustrated, without payment of a fee. There would be the right of access.

Mr. CHURCH. Mr. President, I wish to add a further word of clarification to what the distinguished chairman has said. Earlier in the day, the senior Senator from Oklahoma [Mr. MONRONEY] raised the very point that the able Senator from South Dakota [Mr. MUNDT] has postulated. Because there is possible ambiguity in the language of the bill, which we previously had not realized might exist, the senior Senator from Oklahoma has proposed that we add after "waters" the phrase "or access thereto." That pins it down beyond any shadow of a doubt. I believe we can accept that amendment. I believe it would eliminate this possible ambiguity. We would be happy to accept it.

Mr. MUNDT. It would be an improvement. It would meet the particular problem which I am sure the committee intended to meet. It is language which is subject to various interpretations from different people.

We have established in the bill that the user who takes his boat with his family to the water's edge for a picnic or a fishing trip can have access to the lake, so far as the access from the roadway into the water is concerned, without charge so long as he is not using some special ramp facility which has been built with public funds.

Mr. CHURCH. That is the object of the language that the committee has inserted in the bill.

Mr. MUNDT. No one could quarrel much with the idea of getting value received for a service charge. Someone with an expensive boat would be required to pay if he needed a special ramp to get his boat in. He would be happy to pay it rather than not to have the facility.

Mr. CHURCH. I agree with the Senator.

Mr. MUNDT. I wonder if the Senator, who is a great friend of the American Indian, has given thought to the fact that many Indians live along the lakes. Would a charge of any kind be levied against the American Indian to reach the water to swim, or to boat in the waters of the reservoir?

Mr. CHURCH. No. In the first place Indian waters are excluded from the scope of this legislation. But even beyond that, the language makes it perfectly clear that the use of waters and the access thereto—if the amendment of the senior Senator from Oklahoma [Mr. MONRONEY] is accepted, as is the intention of the committee—shall be free from any charge. This includes Indians and non-Indians alike.

Mr. MUNDT. The proposed amendment of the senior Senator from Oklahoma has not been offered as yet.

Mr. CHURCH. It has not been offered as yet. But it is the intention of the committee to accept it.

Mr. MUNDT. What limit is there on the size of "an area of sites"? Page 4, line 22, authorizes fees for use within "an area of sites." Is that term defined so as to limit its application under this authorization to determine whether an entire lake, or a large sector of a lake might be referred to as "an area of sites"?

Mr. CHURCH. In reply to the query of the Senator, the meaning of the term is more specifically borne out in the language that immediately follows the clause to which he has referred, beginning on line 25 of page 4, and continuing to the top of page 5. The provision reads:

> Entrance and admission fees may be charged at areas administered primarily for scenic, scientific, historical, cultural, or recreational purposes.

That is the first limitation on "area of sites," to which the Senator has referred. Then the bill continues:

> No entrance or admission fee shall be charged except at such areas or portions thereof administered by a Federal agency—

That is the second limitation. The third limitation is:

> Where recreation facilities or services are provided at Federal expense.

When we consider all three limitations for purposes of the legislative history of the bill, it should be clear that what is intended is that the fees may be charged for the use of facilities which involve Federal services at areas administered by Federal agencies which are devoted primarily to scenic, scientific, historical, cultural, or recreational purposes.

It may be that, as is often the case, a fully developed campground exists by the shore of a lake or a national forest. No fee is charged for ordinary access to the lake or the ordinary use of its waters, nor is any fee charged for ordinary access to the forest. But in this particular camp, there are parking lots for trailers. There are electric plug-ins. There are garbage disposal facilities. There are the normal and necessary sanitary accommodations. There are definite services furnished from day to day to maintain that camp in proper shape and to keep it attractive and useful for the public.

It might be perfectly appropriate under the bill to charge a reasonable fee for parking a trailer in that camp and making use of the special services. But the fee is connected with the development at the campsite of the special services furnished by the Federal agency. That is the purpose of the language. I believe that with the legislative history made in the Senate, all doubt concerning it can be eliminated.

Mr. MUNDT. Is the new language that was suggested by the Senator from Oklahoma [Mr. MONRONEY], the language of the bill that immediately follows the language on lines 6 and 7 on page 5?

Mr. CHURCH. It is.

Mr. MUNDT. It would read:

> No fee of any kind shall be charged under any provision of this Act for use of any waters or access thereto.

Mr. CHURCH. That is correct. That is meant to put a still further limitation upon the fees authorized by the bill.

Mr. MUNDT. I hope the committee will exercise a supervisory role on the administration of the bill to the effect that while it is perfectly legitimate and proper to equip within the parks the kind of campsite that he has just alluded to—sort of modern 20th-century campsite, for which a reasonable charge should be made. I hope that there will not be a disposition to eliminate entirely the kind of campsite which families have enjoyed for many years, where they can take their families, pitch a tent, and live out of doors without the benefit of any of these modern conveniences.

For the benefit of those who really wish to enjoy nature in the raw, I would dislike to see those facilities eliminated from the national picture.

Mr. CHURCH. I assure the Senator from South Dakota that nothing is closer to my heart than making certain that the bill would not eliminate free enjoyment of the public domain. In my State nearly everyone enjoys the great outdoors. There are hundreds of camps in Idaho that are neither developed to the degree nor involve the kind of Federal service that would warrant the imposition of any Federal fee, but where customarily the public has had free access. So in the consideration of the bill we put those very questions to the Secretary of the Interior and the Secretary of Agriculture, and we received assurances that before any new schedule of fees might be imposed, the proposed fees would be brought before our committee so that we could exercise a continuing surveillance over the use of that authority.

Mr. MUNDT. I am glad to have that assurance. I know that in the State of Idaho, as in the State of South Dakota, families prefer to go out on their weekend and "rough it" in areas where there is no water, electricity, or any other convenience. I do not believe that we should establish a fee which would bar that kind of natural enjoyment.

Mr. JACKSON. I assure the Senator that in Washington we have the same kind of wide open areas.

Mr. MUNDT. I know that that is true.

Mr. JACKSON. The Senator from Idaho [Mr. CHURCH] has been most helpful in considering the question of user's fees very carefully to avoid the very thing which I believe the Senator from South Dakota has in mind. I believe that we have tightened up the bill in such a way that it would be far more equitable than it was when it came to us.

Mr. MUNDT. I remember that at one time I fixed a flat tire in an uninhabited area of the Senator's State, and would have been happy to have paid a reasonable fee for a basin of water in which I could wash my hands afterward. I was really roughing it then.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a letter which I received from Mr. Edward C. Crafts, Director of the Bureau of Outdoor Recreation, answering in detail questions along this line which I directed to him in a letter dated February 13; and also a colloquy between Mr. Crafts and myself when he appeared before the Subcommittee on Appropriations for the Interior Department, the chairman of which is the Senator from Arizona [Mr. HAYDEN]. I asked him questions in that area.

There being no objection, the letter and testimony were ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF THE INTERIOR,
BUREAU OF OUTDOOR RECREATION,
Washington, D.C., February 20, 1964.

Hon. KARL E. MUNDT,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MUNDT: We have received your letter of February 13, with further reference to the proposed land and water conservation fund.

At times, after acts of Congress have been passed, unforeseen questions have subsequently arisen, in connection with the administration of their provisions, as to the intention of the Congress with respect to a given situation. Fortunately, the interest of the Congress in the proposed land and water conservation fund is so great that a record is being made that should reduce this type of problem to the minimum.

Your recital of the provision in S. 859, as modified by the House Interior Committee in reporting H.R. 3846, is entirely correct. Concerning the question you raise—its probable effect regarding charges for recreation use of Missouri River reservoirs in South Dakota—it is necessary to consider the following limitations and requirements that have been incorporated in the bill:

1. Areas at which either recreation user or entrance fees may be charged must be designated by the President, and all such areas must be posted.
2. Entrance and admission fees may be charged only where a Federal area is administered primarily for scenic, scientific, historical, cultural, recreational, or wildlife purposes.
3. The particular area for which entrance or admission fees can be charged must be administered by a Federal agency.
4. The recreational facilities or services where such fees are charged must be provided at Federal expense.

These requirements, you will perceive, which presumably will remain in the bill, clearly limit the areas for which charges can be made as a source of revenue for the land and water conservation fund.

Moreover, it is clear also from these provisions of the bill as reported to the House that no Federal admission or entrance fee could be charged at Federal areas that are leased to a State or to other public or private agency for exclusive operation of the recreation resource, such as is the practice at many Federal water development projects.

The first question that arises, of course, is whether or not these particular reservoirs are administered "primarily" for recreational or other purposes, as enumerated in item 1 above. We believe this is not the case from our present knowledge of these reservoirs. The following quotation is taken from page 7 of a publication by the U.S. Army Corps of Engineers, entitled "Water Resources Development in South Dakota, 1963":

"COMPREHENSIVE PLAN, MISSOURI RIVER BASIN

"The 1944 Flood Control Act approved the expansion of the general comprehensive plan for the control of floods and development of water resources in the Missouri River Basin. The basinwide plan, popularly known as the Pick-Sloan plan, was based upon two proposals, the first recommended by the Corps of Engineers in the summer of 1943, and the second by the Bureau of Reclamation in the spring of 1944. It is a multiple-purpose program designed primarily for four basic purposes: flood control, irrigation, production of hydroelectric power, and improvement of navigation on the lower Missouri. Other allied benefits to the people of the valley and to the Nation are improved municipal water supply and sanitation, soil erosion control, conservation of fish and wildlife, and public recreational advantages."

Accordingly, I am convinced that the Missouri River Reservoirs constructed by the Corps of Engineers in South Dakota are not in fact administered primarily for recreation or other purposes that would qualify them for the making of entrance or admission charges to these areas as a whole.

As in the case of the national forests, there may be small developed areas on the Federal land bordering a reservoir where the Federal Government makes substantial expenditures for recreation purposes and for which it would be reasonable and logical to make nominal charges. This, of course, would not restrict general public use of the water area of the reservoirs without charge.

In connection with the foregoing, we note that the House Committee on Interior and Insular Affairs in House Report No. 900, on page 20, is very clear on this point: "The bill will not be applicable to areas where recreation is purely incidental to another major purpose of the area, to areas where neither Federal personnel nor Federal facilities are provided for the recreationist, or to areas which are turned over by a Federal agency to a local authority for administration."

I hope this will help to clarify some of the questions in your mind. As your secretary may have told you, I have called to ask for an appointment to see you, at which time I would like to discuss the fund bill, some of the other recent correspondence which you have sent to me, as well as certain activities of the Bureau which may be of particular interest to your State.

I appreciate very much your interest.

Sincerely yours,

EDWARD C. CRAFTS,
Director.

COLLOQUY BETWEEN MR. CRAFTS AND SENATOR MUNDT

Mr. MUNDT. I want to ask you a couple of questions about that. What would you envision as the kind of establishment on the chain of Missouri River reservoirs out in the Midwest in connection with this program of charging user fees as admission, under the act? I have had a lot of questions about that, and I have had no answers to give.

HOUSE MODIFIED BILL

Mr. CRAFTS. Senator MUNDT, under the terms of the bill, as reported by the House committee—and this, I think, is the draft of the bill that I should speak to, because the House committee substantially modified the bill from the way it was originally set up—under the terms of the bill as reported by the committee, the admission fees or entrance fees can be assessed only if certain conditions prevail.

FEE ASSESSMENT

I think they need to be listed and there are four of them.

Areas that are federally administered directly, not under lease to the State or private concessionaires. They need to be areas that are administered primarily for recreation. And this is a very key point, the word "primary." They need to be areas of which Federal facilities are provided at Federal expense, and the areas need to be posted.

Now, most of the reservoirs in the Missouri River, and I am speaking in general here—I think the same would apply to reservoirs on most of the rivers—are built either by the Bureau of Reclamation or the Corps of Engineers.

Senator MUNDT. May I interrupt. The Missouri River chain of projects were authorized under special legislation. Criteria that apply there might not apply to others, so maybe we had better stick to the Missouri River.

Mr. CRAFTS. As far as I know, with respect to the Missouri River, the purpose of the reservoirs was primarily not recreation.

Senator MUNDT. That is correct.

EXCLUSION OF FEES

Mr. CRAFTS. Therefore, we have gone on record in this in response to similar questions from other Members of Congress that on the reservoirs which are not administered primarily for recreation, it would not be possible, under the terms of the House bill, to impose a general admission or entrance fee.

It would be possible to charge a specific user fee for launching facilities, for camping facilities, for this sort of thing, but not a general entrance or admission fee.

LICENSE TO FISH

Senator MUNDT. Would you consider a Federal license to fish on the lake a user fee? Would that be possible?

Mr. CRAFTS. No. There is a specific section in this bill that says that there is nothing in this bill that should be interpreted as a fishing or hunting fee. It is prohibited in the bill.

Senator MUNDT. So unless you made it a general admission, you could not charge the fisherman for the right to fish?

Mr. CRAFTS. Oh, that is right. We could not do that. No; that is specifically prohibited.

Mr. MUNDT. I understand that the Senator from Oklahoma is ready to offer his amendment.

Mr. JACKSON. Mr. President, may we first have a vote on the pending amendment?

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from North Carolina [Mr. ERVIN].

The amendment was agreed to.

Mr. MONRONEY. Mr. President, I offer an amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment of the Senator from Oklahoma will be stated.

The LEGISLATIVE CLERK. On page 5, line 7, before the period, it is proposed to insert "or access thereto."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Oklahoma.

Mr. MONRONEY. Mr. President, this is a corrective and clarifying amendment, which I am sure is needed further to strengthen the position of the Senate that we are not to charge admission fees, as such, to our publicly built bodies of water. We most certainly should not pass this bill without including this amendment. The Senate committee adopted a number of clarifying and declarative amendments to the House bill, all of which are major improvements. The committee, as it states in its report, made changes in the bill to prevent any charge for the use of waters for recreational purposes. On page 5, lines 6 and 7, the bill states:

> No fee of any kind shall be charged under any provision of this act for use of any waters.

My amendment adds but three words to line 7—"or access thereto."

This amendment reenforces the committee's very worthwhile language to make the sentence on lines 6 and 7 of page 5 read:

> No fee of any kind shall be charged under any provision of this act for use of any waters or access thereto.

It may be argued that these three words are unnecessary, that any court of appeal would say that in order for the use of any waters to be free, free access to the waters should be required. However, we cannot afford to rely carelessly on a court interpretation. We should make this technical correction here and now. It is simply obvious that if the use of waters is to be available to the people without fees, the people must have free access to the shoreline of any reservoir or other body of water.

This amendment will not interfere in any way with the collection of entrance or admission fees at areas that are adjacent to bodies of water and that are administered primarily for scenic, scientific, historical, cultural or recreational purposes. The bill provides for the collection of fees for the use of facilities such as boat ramps, moorings, boathouses, improved campsites, bathhouses, or other improvements which add safety and convenience for the user. Such fees already are charged in many of our State and Federal parks and recreational areas. Although I feel this bill delegates power in an undesirable fashion for the levying of additional fees of this kind, the Senate committee removed one of the most objectionable features when it added the provision that no fee of any kind shall be charged for the use of any waters.

The difficulty which my amendment is designed to avoid is an obvious possibility. Somewhere, somehow in years to come some bureaucrat might seek to circumvent our purpose by fencing off a body of water in such a way that even though the use of the water itself was free, no one could make use of the water without first paying a toll fee to reach the shoreline. My amendment, adding the words "or access thereto," rules out such a possibility. It will eliminate the need for some court to assume at some future date the responsibility of telling the people of this country what we meant when we said that no fee would be charged for the use of any water. I am sure that all of us would agree that any steps we can take here to make court interpretations of our actions unnecessary in the future will be warmly welcomed by the American people.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. MUNDT. Inasmuch as the Senator from Oklahoma and I have been concerned with the same problem, and in view of the fact that I had prepared a much more awkward and cumbersome amendment, I should like to be included as a cosponsor of his amendment, and then I shall not offer mine.

Mr. MONRONEY. I would very much appreciate having the distinguished Senator from South Dakota join me in the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JACKSON. Mr. President, I believe the amendment offered by the Senator from Oklahoma and cosponsored by the Senator from South Dakota will be helpful in clarifying what the committee definitely intended to make very clear, namely, the right of accessibility to waters, without charge. Therefore, on behalf of the committee, I accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Oklahoma.

The amendment was agreed to.

Mr. ELLENDER. Mr. President, I offer an amendment which I send to the desk and ask to have stated. It is my amendment No. 1212.

The PRESIDING OFFICER. The amendment of the Senator from Louisiana will be stated.

The LEGISLATIVE CLERK. On page 19, line 19, at the end of the paragraph headed "National Forest System," it is proposed to strike out the period and insert a colon and the following: "*Provided further,* That funds appropriated or allotted pursuant to this section for use within the national forest system may be used for acquisition only as hereafter authorized by statute."

Mr. ELLENDER. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. ELLENDER. Mr. President, I favor what is sought to be done through the pending bill. Even since Congress has undertaken the construction of the many reservoirs that now dot our countryside, the Government has spent a large sum of money in acquiring land for the very same purposes that are intended by this bill. Therefore, Government today owns millions of acres of land that could be converted for the uses specified in the pending bill.

I think the record will show that much of the land that the Government now owns is more or less in surplus. For this Government to continue to acquire more and more of this land and place it in the name of the Federal Government, or the name of a Federal agency, has a tendency to reduce the tax base of many of our States.

It would seem to me the bill we are now considering should have some kind of limitation as to the amount of land to be acquired. In the absence of such a limitation, I have submitted an amendment, the effect of which would be to give Congress the right to look into these acquisitions before they are actually consummated.

The purpose of this amendment, as I have just stated, is to provide for congressional review and approval of national forest land acquisition for recreational purposes with money made available under this act.

This amendment was offered in slightly different form in the House of Representatives by Congressman HAROLD COOLEY, chairman of the House Committee on Agriculture. It was defeated by a tie vote of 88 to 88 on the House floor after a proposed amendment to the amendment offered by Congressman WAYNE ASPINALL, chairman of the House Committee on Interior and Insular Affairs, failed.

It is important to note that both Mr. COOLEY and Mr. ASPINALL—the chairmen of these two important House committees—endorsed the amendment in the form in which I now offer it. Had the amendment been offered thusly in the House it would now be part of the bill.

Under the provisions of this act it is estimated that the Forest Service will receive approximately $250 million over the next 10 years for acquisition of lands "primarily of value for outdoor recreation." This is not for acquisition of specific areas, but for acquisition of any of the 38 million acres of non-Federal lands now within the national forest boundaries.

During the last 10 years—1954 through 1963—the Forest Service received $7 million for land acquisition. Of that amount $4.5 million was appropriated for acquisition within specifically designated national forest areas. Only $2.5 million was appropriated for general land acquisition. Therefore, the approximately $250 million to be authorized under the terms of this bill is 100 times as large as that available for general land acquisition in the past decade.

When this amendment was discussed last week in the Committee on Interior and Insular Affairs, two areas of concern were raised: First, would the amendment overturn the Weeks Act of 1911 which governs national forest land acquisition for watershed and timber purposes; and second, would it require a specific act of Congress for each 10-acre parcel of land the Forest Service wishes to acquire with money from the fund? The answer to both of those questions is "No"—"Unequivocally no."

The Weeks law of March 1, 1911, as amended—16 U.S.C. 513–521, 552, 563—authorizes the acquisition of "such forested, cutover, or denuded lands within the watersheds of navigable streams necessary to the regulation of the flow of navigable streams or for the production of timber."

I may say that this quotation is from the law itself, and of course limits the land that may be acquired under the Weeks law.

These lands are proposed for acquisition by the Secretary of Agriculture to the National Forest Reservation Commission, which fixes the price to be paid for the lands.

This amendment would not affect the Weeks law of 1911 which has served well for the acquisition of lands for timber and water purposes. Nothing in this bill would affect that act. Funds could still be appropriated under the Weeks law as even this Congress has appropriated $962,000 for fiscal year 1964 and $680,000 for 1965.

The purpose of this amendment is to provide that national forest acquisitions with money from this land and water conservation fund be reviewed and approved by the Congress in much the same manner as the Congress now approves the acquisition of lands for national park areas.

It is not the intent, purpose, or effect of this amendment to require the Forest Service to secure a separate act of Congress for every 10-acre tract it wants to acquire for recreational purposes. The Forest Service can lay out before the Committee on Agriculture and Forestry—which has jurisdiction over acquired national forest lands—at one time and in one bill a 1-, 2-, or 5-year acquisition program. The land to be acquired need not be described by metes and bounds or by separate parcels. On the contrary, the Forest Service should outline an entire recreation area, stipulating its outside boundaries and the kind of program to be developed. Authority would then be given to acquire land needed for recreation purposes within the outside boundaries of the described areas.

This approach would be quite similar to that now followed by the National Park Service—the principal recreation agency of the Federal Government. The Park Service presents an acquisition program to the Committee on Interior and Insular Affairs describing a proposed national park area.

I repeat that the amendment I am now proposing would permit the doing of that very thing. These moneys will be collected and placed in the fund, and we are told they will be reappropriated for the purposes intended.

If that is true, why not add a description, within the area fixed by the Park Service, or whoever is charged with fixing the area, stating that before any acquistion of the lands within the proposed boundary is made from these funds, Congress shall take a look at it?

We have done it in the past. I can see no reason why it should not be done in the future.

Following due consideration, the committee and the Congress approve the bill authorizing the Secretary of the Interior to acquire the lands within the described area—not parcel by parcel, not setting the exact price, but simply describing the area and type of land to be acquired. The Park Service then acquires the lands within the area it deems desirable subject only to the appropriations available.

Let me point out further that if Congress fixes a specific amount in the bill which would be used to purchase lands within the areas designated, I cannot assign any reason why Congress could not act promptly on such a proposal, for the simple reason that the moneys necessary in order to acquire the land would be available. It would be there and it would be in the fund. On the other hand, under the conditions which now prevail, when the Park Service desired to broaden its areas or purchase land within a given area, before it could proceed, the money would have to be appropriated. In this case, if the bill goes through as it has been written, the money would be there. The officials could make their plans and present them to Congress. I have no reason to believe that any serious objection would be raised. We should look over these acquisitions. As I have said before, our Government now owns millions of acres of land. A good deal of that land probably should be on the tax rolls in many States. It would seem to me that Congress should have the opportunity to look into these acquisitions, as is the case in the matter of acquisitions for the Park Service. It would be a step in the right direction. I hope the amendment will be agreed to.

Mr. SIMPSON. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. SIMPSON. I wish to associate myself with the remarks of the distinguished Senator from Louisiana. I had submitted an amendment similar to the amendment offered by the Senator from Louisiana. At this point I wish to state that I shall not offer the amendment. I wish to have my name added as a cosponsor of the amendment offered by the Senator from Louisiana.

The amendment would permit Congress to authorize the acquisition of privately owned lands for recreational purposes which are within the existing boundaries of our national forests.

The distinguished Senator from Washington, the chairman of our committee, has added a very helpful amendment at page 19 of the bill:

> *Provided*, That not more than 15 per centum of the acreage added to the national forest system pursuant to this section shall be west of the one hundredth meridian.

It helps the bill. I believe the proviso is necessary.

If Congress should authorize the acquisition, money from the land and water conservation fund could be used.

There are approximately 38 million acres of non-Federal land within the exterior boundaries of the national forest. This bill, H.R. 3846, calls for the use of fund money in the acquisition of non-Federal lands and inholdings within existing boundaries of the existing national forest system, which are primarily of value for outdoor recreation. If money from the land and water conservation fund is to be used for acquiring recreation lands, Congress should approve that acquisition just as it does approve the establishment of a national park. This amendment would put the National Forest Service and the National Park Service on equal footing in their efforts to acquire new lands for recreational purposes.

National forest acreage should not be greatly increased for recreational purposes without congressional review. Attention should be given to developing the full potential of our national forest acreage—that includes water, timber, and grazing, as well as recreation and wildlife uses. In the most fundamental terms, the purpose of the amendment is to provide that national forest lands acquired with money from the land and water conservation fund be reviewed and approved by Congress in much the same manner that Congress now approves lands for national park areas.

It is not the intent, purpose, or effect of this amendment to require the Forest Service to appear before the Committee on Agriculture and Forestry—which has jurisdiction over acquired national forest lands—and secure congressional approval for every 10-acre or other small acre tract it wants to acquire for recreational purposes. The Forest Service can lay out before the committee at one time and in one bill a 1-, 2-, or 5-year acquisition program. The land to be acquired need not be described by metes and bounds or by separate parcels. On the contrary, the Forest Service should outline an entire recreation area, stipulating its outside boundaries and the kind of program to be developed. Authority would then be given to acquire land needed for recreation purposes within the outside boundaries of the described areas.

This approach would be similar to that now followed by the National Park Service—the principal recreation agency of the Federal Government. The Park Service presents an acquisition program to the Committee on Interior and Insular Affairs describing a proposed national park area. Following due consideration the committee and the Congress approve the bill authorizing the Secretary of the Interior to acquire the lands within the described area—not parcel by parcel, not setting the exact price, but simply describing the area and type of land to be acquired. The Park Service then acquires the lands within the area it deems desirable subject only to the appropriations available.

I am hopeful that this amendment will be accepted so that Congress can retain its control and authority over the establishment and development of Federal recreational areas.

Mr. President, I subscribe to the sentiments expressed by the Senator from Louisiana when he stated that the amendment would in no way affect the Weeks Act of 1911.

Mr. CHURCH. Mr. President, I oppose the amendment. Before speaking against it, I wish to defer to the Senator from Alabama [Mr. SPARKMAN] so that he may introduce some visitors whose presence graces our Chamber today.

VISIT TO THE SENATE BY MEMBERS OF THE COSTA RICAN CONGRESSIONAL DELEGATION

Mr. SPARKMAN. Mr. President, we are glad to have as visitors in the Senate today a delegation of legislators from the very fine, friendly country south of the border, Costa Rica. It was our pleasure to have these gentlemen with us at a luncheon, attended by some Members of the Senate. We invited them to the floor. The members of the delegation are: Hon. Jesus Benavides; Hon. Carlos Manuel Guardia; and Hon. Eduardo Viquez.

They are Members of the Legislative Assembly of Costa Rica. That country has a unicameral legislative body. These gentlemen are on a visit to the United States for a period of time to see things for themselves and to see a part of the country. Among other things, they will see practical politics in operation at Atlantic City within a few days. We have had the privilege of discussing several topics with them, matters with which we are concerned, and some problems they have in their country. They were particularly grateful for our adoption, a few days ago, of legislation implementing the coffee agreement.

Costa Rica has been one of our good friends throughout the years. We heartily welcome the members of the delegation to the Senate Chamber today. [Applause, Senators rising.]

Mr. SPARKMAN. Mr. President, in the course of their meeting with us in the Foreign Relations Committee, the members of the delegation presented to us a very beautiful brochure, containing a resolution adopted by the Legislative Assembly of the Republic of Costa Rica. I ask unanimous consent that a translation of that resolution may be printed in the RECORD at this point in my remarks.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION OF GREETING—RESOLUTION 614

The Legislative Assembly of the Republic of Costa Rica considering, that the union and solidarity of the peoples of the Americas are essential for bringing about a coordinated effort by all the American nations for the purpose of meeting their fundamental needs for work, land, housing, health, and education, thus obtaining greater social benefits for all the inhabitants of the hemisphere;

Considering, that, in order to achieve the union and solidarity of the American peoples it is necessary to strengthen the cultural and political ties and bonds of friendship between them;

Considering, that the Government and people of the United States of America have constantly manifested friendship and cordiality toward the people of Costa Rica and that, at an early date, Deputy Jesus Benavides Murillo, Deputy Carlos Manuel Guardia Esquivel, and Deputy Eduardo Viquez Ramirez will visit your great country, accepting the kind invitation of your Government;

Considering, that such good-will visits are in the interest of the two countries and that it is desirable for the legislative branch of the Government of Costa Rica to use them for the benefit of the highest ideals of the people whom it represents; Hereby

Resolves, To confer the representation of the Legislative Assembly of Costa Rica on Deputy Jesus Benavides Murillo, Deputy Carlos Manuel Guardia Esquivel, and Deputy Eduardo Viquez Ramirez in order that they may represent it before the Congress of the United States of America for the purpose of conveying the cordial greetings of the Deputies of the Legislative Assembly of Costa Rica, in the name of the Costa Rican people, to the great American people, who have the same aspirations for a better, free, and democratic America: Let this be published.

Given in the hall of the Legislative Assembly, San José, the 3d day of August 1964.

RODOLFO SOLANO CRFILA,
President.

Mr. SPARKMAN. Mr. President, I ask unanimous consent that there may be printed in the Record at this point a short biographical sketch of each of the members of the delegation.

There being no objection, the material was ordered to be printed in the Record, as follows:

Biographical Sketches

Name, the Honorable Jesús Benavides.

Present position, Member of the National Legislative Assembly of Costa Rica, National Liberation Party.

Personal data: Born, December 28, 1911, in Alajuela, Costa Rica; address, care of National Legislative Assembly, San José, Costa Rica; marital status, married; knowledge of English, fair. Will travel in the company of Department of State escort-interpreter, Mr. Daniel Rivas.

Interests and objectives of visit to the United States: The Honorable Jesús Benavides will visit the United States for 45 days with two other Members of the National Legislative Assembly (the Costa Rican Congress is unicameral). They will observe U.S. government at the National, State, and city levels; discuss major political issues; observe the proceedings of the Democratic National Convention; and will visit industrial plants, farms, schools, and universities.

Name, the Honorable Carlos Manuel Guardia.

Present position, Member of the National Legislative Assembly of Costa Rica, Republican Party.

Personal data: Born, July 17, 1923, in San José, Costa Rica; address, care of National Legislative Assembly, San José, Costa Rica; marital status, married; academic background, has a degree in animal husbandry from the University of California (Davis campus)—attended high school in the United States; knowledge of English, excellent.

Travel abroad: Lived and studied in the United States. Has traveled in Central America and Mexico.

Interests and objectives of visit to the United States: The Honorable Carlos Manuel Guardia will visit the United States for 45 days with two other Members of the National Legislative Assembly (the Costa Rican Congress is unicameral.) They will observe U.S. government at the National, State, and city levels; discuss major political issues; observe the proceedings of the Democratic National Convention; and will visit industrial plants, farms, schools, and universities.

Name, the Honorable Eduardo Viquez.

Present position, Member of the National Legislative Assembly of Costa Rica, National Union Party.

Personal data: born, September 14, 1918, in Flores Heredia, Costa Rica; address, care of National Legislative Assembly, San José, Costa Rica; marital status, married; academic background, law degree, University of Costa Rica; knowledge of English, does not speak English—will travel in the company of Department of State escort-interpreter, Mr. Daniel Rivas.

Travel abroad, Mexico, Central America, Cuba, United States.

Interests and objectives of visit to the United States: the Honorable Eduardo Viquez will visit the United States for 45 days with two other Members of the National Legislative Assembly (the Costa Rican Congress is unicameral). They will observe U.S. government at the National, State, and city levels; discuss major political issues; observe the proceedings of the Democratic National Convention; and will visit industrial plants, farms, schools, and universities.

Mr. AIKEN. Mr. President, I wish to join the Senator from Alabama in welcoming our friends from Costa Rica today. I am interested to know that they intend to go to Atlantic City to learn something about politics, although I am not sure that, coming from their own country, they can learn too much about politics. If they should go to Atlantic City they probably could learn much more about political maneuvering than they could have learned at San Francisco, for example. But we are happy to have them with us, and hope that their stay will be most enjoyable.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 927. An act to amend title 12 of the Merchant Marine Act, 1936, in order to remove certain limitations with respect to war risk insurance issued under the provisions of such title; and

S. 1917. An act to provide authority to protect heads of foreign states and other officials.

The message also announced that the House insisted upon its amendments to the bill (S. 1007) to guarantee electric consumers in the Pacific Northwest first call on electric energy generated at Federal hydroelectric plants in that region and to guarantee electric consumers in other regions reciprocal priority, and for other purposes, disagreed to by the Senate; agreed to the further conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. Aspinall, Mr. Rogers of Texas, Mr. Haley, Mr. Saylor, and Mr. Westland were appointed managers on the part of the House at the conference.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 10723) making appropriations for the legislative branch for the fiscal year ending June 30, 1965, and for other purposes; that the House receded from its disagreement to the amendments of the Senate numbered 29, 30, and 37 to the bill, and concurred therein, and that the House receded from its disagreement to the amendments of the Senate numbered 34, 46, and 47 to the bill, and concurred therein, severally with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H.R. 11466) to enact subtitle II, "Other Commercial Transactions," of title 28, "Commercial Instruments and Transactions," of the District of Columbia Code, and for other purposes.

LAND AND WATER CONSERVATION FUND

The Senate resumed consideration of the bill (H.R. 3846) to establish a land and water conservation fund to assist the States and Federal agencies in meeting present and future outdoor recreation demands and needs of the American people, and for other purposes.

Mr. CHURCH. Mr. President, we are very hopeful that with this bill we will take two steps forward. Should the amendment offered by the distinguished Senator from Louisiana [Mr. Ellender] be adopted, it is quite possible that we shall have taken two steps forward and one step back.

One thing should be made clear about the proposed legislation. It contains no new authority for the acquisition of land by the Federal Government. It does not change existing law in any particular with respect to the authority now vested in Federal agencies to acquire land. It does not expand that authority; it does not affect existing law in any way.

This is not an acquisition bill; it is a funding bill. Through it we hope to obtain funds which the Federal Government may use to acquire certain inholdings and to assist the States in acquiring land for recreational needs. Whatever restrictions now exist with regard to land acquisition by Federal agencies are not touched or affected in any way by the bill. But should this amendment be adopted, that would all be changed. Should this amendment be adopted, new restrictions would be imposed with respect to the public acquisition of private land. If we take two steps forward through the enactment of the bill, we shall assuredly take at least one step backward through the adoption of this amendment.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. CHURCH. I shall be happy to yield as soon as I have finished my statement. I shall be willing then to yield and to answer any questions.

Mr. ELLENDER. I merely wondered if the Senator could not be more explicit as to how this amendment would change existing law.

Mr. CHURCH. I shall try to be very explicit.

The last thing the committee wanted was a land-grab bill. Most of the members of the Committee on Interior and Insular Affairs come from western States. We are acutely conscious of the fact that the Federal Government is the largest landholder in our States. Federal holdings vary from one-third to more than 90 percent. In the State of Idaho, for example, 63 percent of the land is owned by the Federal Government. No Member of the Senate is more sensitive to the danger of abusive Federal land acquisition than is the senior Senator from Idaho. So the committee has taken every precaution to make certain that the bill will not become a device for any kind of offensive land grab by the Federal Government.

These are precautions we have taken: First, we have written into the bill a provision which prescribes that, with respect to any land acquired by the Federal Government, either within the national forests or the national parks or the game and wildlife refuges, wherever it may be, of all the money made available for this purpose in the bill, only 15 percent can be spent in the West, where Federal landholdings are already large. Eighty-five percent of the money must be spent in the East, where there is a serious need for acquiring more land in order that the public may have places to enjoy outdoor recreation. That is the first precaution the committee has taken.

The second precaution is to establish a formula funneling the lion's share of this money to the States. Sixty percent of the money, in ordinary circumstances, will be tendered to the States as matching funds, to permit the States to go forward with recreational development. That is the second precaution we have taken in the bill.

Third, by leaving existing law intact, the effect of the bill is to impose all the limitations of the Weeks Act, which has been in effect since 1911 or 1912, and which regulates the acquisition of land by the Federal Government in the national forests.

I observe in the Chamber at this time the distinguished senior Senator from Vermont [Mr. AIKEN]. He and the able junior Senator from Mississippi [Mr. STENNIS] serve on the National Forest Reservation Commission, along with two Members of the House, and three members of the President's Cabinet. Before the Forest Service can acquire any new land in the national forests, the proposals must first be submitted to the Commission, where the Members of the Senate and House exercise continuing surveillance over all new acquisitions by the Federal Government. That procedure has worked for more than 50 years. Why should we, in effect, take this occasion to repeal the Weeks Act? Why should we go back to the time when it was necessary to obtain a separate congressional authorization for every little piece of land that the Federal Government might need for public use? It would be a great mistake to do that.

Mr. SIMPSON. Mr. President, will the Senator yield for a question?

Mr. CHURCH. I yield.

Mr. SIMPSON. Does the Senator believe that the Weeks Act covers the acquisition of recreational land?

Mr. CHURCH. Indeed, it does. I shall read to the Senator from Wyoming a statement of the Acting Attorney General, dated October 24, 1939, a statement that ought to be definitive as to the application of this law. Since it is not necessary to read the entire letter, let me read the pertinent part.

The closing sentence of the letter reads:

> The fact, however, that the lands may be of value for recreational purposes does not necessarily preclude their acquisition. Whenever the Commission finds that Federal control of lands will promote one of the purposes mentioned in the statute it may approve their purchase notwithstanding they may be "principally valuable for recreation."

In other words, the Acting Attorney General was saying, in almost the same language that we have incorporated in the bill, that the Weeks Act is applicable, and would be the authority through which the Government would continue to acquire land in the future, as it has in the past.

Mr. SIMPSON. I thank the Senator.

Mr. CHURCH. The committee has written one final limitation into the bill to make certain that the bill will not become a vehicle for a Federal land grab. By leaving the existing law alone, it not only means that the Weeks Act continues, but that before any new acquisition can be funded, Congress will have to appropriate the money. So Congress remains in full control. If it is alarmed by any of these purchases, or if it wants to disapprove of what the Commission, on which Congress holds majority control, may have ratified, all that Congress need do is to cut back on the amount of money the Executive requests for the financing of the intended purchases.

So Congress is left with the reins. We leave the present law intact. We merely add to it a funding method to make possible the expansion of a program for recreation developments which this country so badly needs.

I urge the Senate not suddenly to undertake to rewrite our land acquisition laws. No one knows what mischief that might cause. We might soon find ourselves in a position where for every needed parcel of land we would have to secure a separate authorization from Congress.

All of the records on the bill, all the hearings we have held, all the legislative history made on the floor of the Senate and House, make it perfectly clear that the only land to be acquired in the West consists of inholdings in the national forests and national parks which interfere with public recreational use. With all the limitations we have written into the bill, I believe we maintain adequate safeguards against any abuse of existing authority.

Mr. AIKEN. Mr. President, it is with some trepidation that I speak on the amendment proposed by the Senator from Louisiana and the Senator from Wyoming. Lest someone gets the idea that I am undertaking to retain a job—it is a nonsalaried job—no one will know whether I keep it or lose it, but it will be known whether or not the Weeks law was affected.

I believe that the RECORD should show how the National Forest Reservation Commission operates at the present time, or at least how it has operated since I have been a member.

First, $250 million certainly would not be available for land acquisition in the years ahead, unless Congress should see fit to make an appropriation for all or part of that sum.

As to the operations of the National Forest Reservation Commission, it is composed of seven members—four from Congress, and three from the Cabinet. The four Members from Congress are the Senator from Mississippi [Mr. STENNIS] and I, from the Senate, and Representatives COLMER of Mississippi, and WESTLAND of Washington, from the House of Representatives. The other three members are the Secretary of the Army, the Secretary of the Interior, and the Secretary of Agriculture.

Congress appropriates money for the purchase of forest lands from year to year. When the Forest Service makes a determination of what lands it is advisable to purchase—some of the purchases are made by direction of the Congress—it sends a description to the members of the Commission of all the parcels of land it proposes to purchase. There is an accurate description of the land. Instead of stating the price it expects to pay in general, the Forest Service sends along the exact price which it is anticipated each parcel of land will cost.

These proposals are sent to the members of the Commission some time before the Commission is to meet—as I recall, approximately 2 weeks before.

It is impossible, of course, for the members of the Commission to visit all the parcels of land and look them over.

The system I use is to go down the list and spot check it, and then ask members of the Forest Service to come up and explain to me more in detail about the parcels of land which I have checked.

Then the Commission meets. It has held two meetings this year, but there are no fixed periods for holding its meetings. The last meeting was on Tuesday, May 26, 1964.

It may be of interest to Senators to know just what happens at one of these meetings.

It usually lasts a couple of hours. The first subject for consideration at the last meeting was the 51 Weeks law purchase cases. These were cases for which Congress had already appropriated the necessary funds. The next item was the 15 Weeks-law exchanges, in which a parcel of land would be exchanged for another parcel held by another landowner.

The Commission next took up the proposal to extend the Ouachita purchase unit of Arkansas and Oklahoma for the purchase of land along a proposed parkway in those two States. This involved, I believe, 146 individual ownerships. They were small ownerships, averaging not more than one acre. Last year Congress had appropriated $262,000 for the purchase of this land.

Another item was one for which Congress had appropriated $200,000 for the purchase of land along the proposed Russell Highway in Georgia. In that case, I believe, only four parcels of land were involved.

For some time now, there has been consideration given to the purchase of land on the northern boundary waters of the canoe area in northern Minnesota. This proposal has been more difficult to resolve, because some of the landowners did not wish to sell. Some of them demanded a very high price for their land.

All these problems are considered by the Commission. Not all purchases are approved. Sometimes, the Commission tells the Forest Service to see if it cannot do a little better on a certain project.

A member from the Justice Department attends the meetings to cover points of law.

It is unfortunate, of course, that when a purchase is not made for some good reason, perhaps 2 years later the Commission finds that the price has just about doubled.

Another problem faced by the Forest Service is that of condemnation. If a parcel of land is believed desirable to complete the rounding out of an area in a national forest, and $8,000 is offered for the area and the owner says, "No, I must have $24,000," he knows perfectly well that if he goes to court he will get $16,000 because it is customary for juries to split the difference.

This is the kind of work which the Commission has been doing.

The Forest Service is one of the most conscientious of all Government agencies. It has been very welcome in my own State. It never purchases new land without the consent of the people living in the area where the land is located.

The income to the State from national forest land in the East—at least in New England—usually amounts to considerably more than the tax money received from the same land under private ownership.

In addition, the National Forest Service keeps in existence many small woodworking establishments and sawmills, although that is becoming more difficult year by year, because the large operators with their efficient equipment are making it more and more difficult for the small woodworking establishments to remain in business.

I make these comments to inform the Senate that the National Forest Reservation Commission keeps busy, and that it passes on these proposals.

Mr. BYRD of West Virginia. Mr. President, will the Senator from Washington yield?

The PRESIDING OFFICER (Mr. NELSON in the chair). Does the Senator from Washington yield to the Senator from West Virginia?

Mr. JACKSON. I yield to the distinguished Senator from West Virginia.

Mr. BYRD of West Virginia. Mr. President, this land and water conservation legislation is a plan to complete our national forests. It offers a source of new money to acquire the islands of privately owned lands in the forests. It will end the piecemeal recreation operations that have been disorganized and costly. The amendment before us throws new obstacles in the way of organization.

Its stated purpose is to give Congress greater control over Federal acquisition of forest conservation lands. I have no objection to adequate controls but I believe they already exist. Congress is fully represented on the National Forest Reservation Committee which must give its approval to purchases of new timbered lands. That stipulation is fully spelled out in the Weeks law.

But this amendment forces a new system of approval by the Agriculture Committees of both the Senate and House to the proposed purchases of new lands.

In the case of West Virginia, our efforts to complete the Monongahela National Forest may be delayed several years by this extended procedure. Spruce Knob Seneca National Recreation Area and the Scenic Highway are all badly needed—not only for West Virginians, but for many other people in the mid-Atlantic States. To cripple their development by delaying tactics would frustrate our desires to carry out an orderly and economic plan. I ask the Senate to reject this amendment.

Mr. JACKSON. Mr. President, I desire to make a brief supplemental statement in addition to what has already been said on the particular amendment.

I believe the Senate should keep in mind that the pending amendment would change the basic law, as the Senator from Idaho [Mr. CHURCH] so ably pointed out. It would require a specific authorization for every acquisition in each group of acquisitions that might be requested by the Department.

Mr. President, at the present time adequate review procedures are provided in connection with the acquisition of lands for the Forest Service. This has been discussed in detail by the distinguished Senator from Vermont [Mr. AIKEN], who serves on the Commission that must review all the requests from the Department.

A point has been raised in connection with our National Park Service acquisitions of land. I wish to point out that the Department of the Interior under existing law has authority to acquire inholdings in our national parks.

It is somewhat similar to the authority that the Secretary of Agriculture now has in connection with the acquisition of inholdings within national forests.

Much point was made of this a while ago. I did not have the opportunity to call it to the attention of the authors of the amendment when reference was made to the fact that the National Park Service did not have authority to acquire land inholdings within the national park. I state to the Senator that Congress has given to the National Park Service, through the Secretary of the Interior, authority to acquire inholdings within our national parks. All of this—and by "all of this" I refer to the request for acquisitions of lands within national forests, within national parks—must go through the regular appropriation process of Congress. Not only is the amendment unnecessary, but so far as this particular piece of legislation is concerned, the amendment would make it almost inoperable.

There is a definite need for more outdoor recreation areas, especially in the East. This problem does not exist to any extent in the West. But in the East there is a need to acquire more lands for recreational purposes near our great centers of population.

As the able Senator from Vermont has pointed out, if we must submit each tract of land to Congress for authorization we shall be here a long time. We shall not be able to implement the law, a law which, I believe, the people of this country generally feel is absolutely necessary.

Mr. President, under all the circumstances, it seems quite clear that this amendment is not only unnecessary, but would work a great hardship in carrying out the good purposes of the amendment.

I hope the amendment will be voted down.

The PRESIDING OFFICER (Mr. RIBICOFF in the chair). The question is on agreeing to the amendment of the Senator from Louisiana [Mr. ELLENDER].

The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from Michigan [Mr. McNAMARA] is absent on official business.

I also announce that the Senator from New Mexico [Mr. ANDERSON] and the Senator from Massachusetts [Mr. KENNEDY] are absent because of illness.

I further announce that the Senator from Nevada [Mr. CANNON] and the Senator from Oklahoma [Mr. EDMONDSON] are necessarily absent.

I further announce that, if present and voting, the Senator from New Mexico [Mr. ANDERSON], the Senator from Nevada [Mr. CANNON], the Senator from Oklahoma [Mr. EDMONDSON], and the Senator from Massachusetts [Mr. KENNEDY] would each vote "nay."

Mr. KUCHEL. I announce that the Senator from Arizona [Mr. GOLDWATER] and the Senator from Kentucky [Mr. MORTON] are necessarily absent.

The result was announced—yeas 30, nays 63, as follows:

[No. 539 Leg.]

YEAS—30

Allott
Bennett
Cooper
Cotton
Curtis
Dirksen
Dodd
Dominick
Eastland
Ellender
Ervin
Hickenlooper
Hruska
Johnston
Jordan, N.C.
Jordan, Idaho
Lausche
Long, La.
McClellan
Mundt
Pearson
Randolph
Scott
Simpson
Stennis
Talmadge
Thurmond
Tower
Yarborough
Young, N. Dak.

NAYS—63

Aiken
Bartlett
Bayh
Beall
Bible
Boggs
Brewster
Burdick
Byrd, Va.
Byrd, W. Va.
Carlson
Case
Church
Clark
Douglas
Fong
Fulbright
Gore
Gruening
Hart
Hartke
Hayden
Hill
Holland
Humphrey
Inouye
Jackson
Javits
Keating
Kuchel
Long, Mo.
Magnuson
Mansfield
McCarthy
McGee
McGovern
McIntyre
Mechem
Metcalf
Miller
Monroney
Morse
Moss
Muskie
Nelson
Neuberger
Pastore
Pell
Prouty
Proxmire
Ribicoff
Robertson
Russell
Salinger
Saltonstall
Smathers
Smith
Sparkman
Symington
Walters
Williams, N.J.
Williams, Del.
Young, Ohio

NOT VOTING—7

Anderson
Cannon
Edmondson
Goldwater
Kennedy
McNamara
Morton

So Mr. ELLENDER'S amendment was rejected.

Mr. JACKSON. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. HUMPHREY. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOMINICK. Mr. President, I send to the desk an amendment to the pending bill and ask to have it stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Colorado will be stated.

The LEGISLATIVE CLERK. It is proposed, on page 9, in lines 9 and 10, to strike the words "and related personal property".

Mr. DOMINICK. Mr. President, on this amendment, I ask for the yeas and the nays.

The yeas and nays were ordered.

Mr. DOMINICK. Mr. President, I shall not take very much time of my colleagues on this amendment, but it is important, and I would appreciate it if I could have their attention for perhaps 5 minutes.

A little while ago the Senate voted on an amendment offered by one of our colleagues to strike from the bill the surplus property provision.

My amendment is a variation of that amendment, in which I leave in the words "surplus real property" but strike from the terms of the bill the words "and related personal property."

The amendment leaves in a major portion of the funding. If adopted, the amendment would solve many of the problems involved in determining what is and what is not related personal property. It leaves in the bill the provision with respect to surplus lands.

As was stated by the distinguished Senator from Massachusetts [Mr. SALTONSTALL] in our earlier discussion, I point out that the United States at this time owns, in terms of evaluation at cost, more than $61 billion worth of land and buildings. This amount represents cost.

So we are certainly not gutting the bill in trying to do something to take out of the bill earmarked funds, which have no relationship to the object of the bill.

Any Members of this body who served in State legislatures or as Governors know full well the problems involved when we start earmarking funds. In this particular bill funds are earmarked which prior to this time have gone into the General Treasury, on which Congress can work its will, in order to determine relative priorities.

If the Congress does not adopt the amendment I have proposed, we are faced with turning over to the Administrator of this program the determination of what is related personal property in connection with any surplus land sale.

Prior to this time we have had read to us the so-called definition of "related personal property," which was given to us by Director Crofts, head of the Bureau of Outdoor Recreation in the Department of the Interior. If anybody can make any real sense in the determination of what will or will not be included under the bill in the definition he gave to us, I shall be completely surprised. In order to prove my point, I wish to read a couple of sentences from this definition:

> The term "related personal property" may be defined as personal property that is subject to disposal along with and as a part of real property because it is closely associated with, necessary, or particularly useful in connection with such real property.

Within the terms of the bill, such property could conceivably include not only property on the real property, but property spread all over the country that the Administrator suddenly determined was connected with or closely associated with the personal property.

Some time ago the Senator from Idaho [Mr. CHURCH] said that those of us who oppose this provision were taking the untenable position that, although we were for what the bill would accomplish, we were against the methods for accomplishing it. So far as I am concerned, that is absolutely accurate. Any censure of anybody on that ground is not very logical. I have been opposed to the theory that the end justifies the means. During my service in the legislature or in public service, I have never believed that the end justifies the means. That concept was outmoded at the time that Machiavelli wrote about it in his book "The Prince." I do not intend to subscribe to that philosophy at this time.

It seems to me that we should not include within the terms of the bill a provision that property which may be disposed of may include wrenches, shovels, caterpillar tractors, or any other so-called personal property which may be a part of the surplus lands which are made available for sale.

It does not seem to me either necessary or desirable. It most certainly restricts the authority of Congress to determine the best use that might be made of general Treasury funds.

There is one more point that I should like to make. It seems to me somewhat ironic that we must go through the process of selling surplus property in order to put the proceeds into a fund primarily for the purpose of purchasing property. It seems to me ironic that we must go through the roundabout procedure of selling surplus land to get money to put into a fund to be used to buy more land.

If we must do it, that is the wisdom of Congress. Certainly we should not go through the procedure of adding to it the so-called related personal property, which has no relevancy whatsoever to the purposes of the bill.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. DOMINICK. I am happy to yield to my colleague from Colorado.

Mr. ALLOTT. I wish to support the amendment of my colleague. I should like to say to the Senator in charge of the bill that of course we differ, as is often the case in matters of this kind. The fact that my amendment was defeated does not change my mind. However, I suggest very strongly to the Senator in charge of the bill that he consider acceptance of the amendment.

The provision with respect to related personal property would compound the difficulties a thousand times. There would be no end of controversy from now on as to what material should be included in that definition. I sincerely hope that the Senator in charge of the bill will see fit at least to correct the matter to this extent.

Mr. DOMINICK. I should like to make one further comment. I have no idea what valuation has been placed on the related personal property that is involved. I have no method of finding out. For accounting purposes, anyone who buys land with related personal property on it must go through his own accounting and separate the valuation, for his own depreciation and tax purposes. That is not an impossible situation. Secondly, we are not gutting the bill, because the 1962 public land statistics show very clearly that of the 716 million acres of public land, only 277 million acres are reserved and 439 million acres are unreserved, and over a period of time, according to our Public Land Review Commission, portions of it will be made available for disposition in some form or other. A great amount of property will be involved in the bill, and there will be ample monetary support for the provisions of the bill.

Mr. CHURCH. Mr. President, the able junior Senator from Colorado has alleged that in my support of the provisions of the bill I have advocated the principle that the end justifies the means.

First of all, I wish to disabuse him of that notion. To my knowledge, I have made no such assertion in the course of this debate. If there is anything wrong with the means contained in the bill, I am ready to support whatever change seems to be indicated, based on the strength of the arguments presented in support of amendments proposed.

I suggest to the Senate that whatever difficulty there may be in the bill as it is now written, that difficulty would be compounded a hundredfold if this amendment were adopted.

A few minutes ago another amendment was offered to strike the entire subsection (b) at page 9 of the bill. After hearing all the arguments, the Senate, by an overwhelming vote, decided against that amendment, and retained the subsection.

All that is sought to be done by this amendment is to cut a portion of the same subsection from the bill. In other words, if the proponents cannot have the whole loaf, they now ask for half of it.

I believe the best argument that can be made against the amendment is to give a simple illustration. We seek, in subsection (b) on page 9 of the bill, to provide that the net proceeds realized from the sale of surplus real property owned by the Federal Government—property no longer needed—shall be placed in a fund for acquiring property which is needed, in order to promote the objective of public recreation in the great outdoors.

We have said, in that connection, that the proceeds should include not only whatever is realized from the sale of surplus real property, but also what is realized from the sale of related personal property.

What does that mean?

I cite this illustration: Two years ago a big naval ordnance plant at Pocatello, Idaho, was declared surplus to the needs of the Federal Government. It was sold. The sale included the land, the buildings that had been constructed on the land, the fixtures in the buildings, and the machines which were bolted to the floors. The whole package was offered on one bid, which included the real estate and the related personal property. The high bid was $3.5 million. The property was sold. Under the existing provision in the bill, this money would have gone into the special fund, where it would have been available for appropriation for the uses of the bill; namely, public recreation.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. CHURCH. I wish to make this point first; then I shall be happy to yield. If the amendment of the Senator from Colorado were adopted, it would mean that we would have the $3½ million, which, as a practicable matter, could not be broken down, and we would have on our hands the bookkeeping job of trying to ascertain what percentage was meant to apply to fixtures, what percentage was meant to apply to the machinery, what percentage was meant to apply to the buildings, and what percentage was meant to apply to the land.

Can anyone imagine a more confusing, bewildering, bookkeeping dilemma than that?

We have put in the bill language which conforms with present procedures. We do not change the bookkeeping. We simply say that the proceeds realized from the sale of real property and related personal property shall go into the fund which the bill would create.

Now, I am glad to yield to the Senator from New York.

Mr. JAVITS. Mr. President, as a lawyer, I should like to ask the Senator a question in order to establish a clear legislative history. I have voted with the Senator so far, and I hope to vote with the Senator on the pending amendment. I should like, first, to ask whether any effort was made to define the word "realty" in the House debate.

I will tell the Senator why I ask this question. The House report contains the language, "So far as such property is directly related to surplus real property."

As a lawyer, I ask the question, because I am struck by the use of the word "related" instead of the word "appurtenant."

A personal property appurtenant to real property is a well-known word of art and would refer, for example, to personal property attached to the land. It is important for Senators who will vote on the amendment, to have some clear idea of the intention of the draftsmen, so that the executive department itself may be guided in construing whatever we do.

Mr. CHURCH. The best answer I can give to the Senator's question is that this language is meant to conform with the existing practices of the agencies that are charged with the disposal of Federal property. The Senator from New York is quite correct when he says the term "appurtenant" is a word of art, the definition of which has been established in a long series of cases.

Agencies disposing of Federal property may, from time to time, vary the inclusion of personalty in ways that do not exactly conform to the word "appurtenant"; but we are assured that, whatever the present practice may be, the present language in the bill would not modify it, and would thus permit the agencies, in cases in which it is practicable, to include certain personalty as, for example, the machinery fixed in place at the Naval Ordnance Plant in Pocatello, to which I have referred. The language would permit the agency to lump that machinery in with the sale of the related real property.

It may be that this language varies a little from the term-of-art word "appurtenant," but the objective was merely to conform to existing practices under the laws that govern the disposal of Federal property.

Mr. JAVITS. Would the Senator construe the word "related" to mean related to the use which the Federal Government had made of the property being sold, or to the use to which the property is to be put by the buyer?

Mr. CHURCH. I believe that the term "related" has more of a physical connotation than the alternatives that the Senator has suggested. In other words, a building with its fixtures would doubtless be "related." In the case of the example I gave, the machinery which was attached to the buildings would be related. There must be a close connection between the personalty and the realty. Merchandise that the Government might have in a storehouse obviously would not be "related" in this sense, but would have to be disposed of separately.

Mr. JAVITS. So the Senator defines the word "related" as meaning an integral part of the property, even though it is personal and has relation to, and physical connection with, the property in a substantial way, rather than merely being stored on the premises or lightly attached or incidentally used in connection therewith. There must be an intimate and direct relation to the property. A factory including machinery would be related; but a factory including, perhaps, spare parts, related to some other process, which are stored there, or belonging to some other entity of the Federal Government, would not be related.

Mr. CHURCH. The Senator has said it in a most exact way. My understanding of the concept is precisely as he has spelled it out.

Mr. JAVITS. Whether the Senator from Colorado wins or loses, he is entitled to the interpretation that in the sale of a surplus building together with its related personal property, a piece of surplus personal property that really was not related to the building is not included. It would depend on what the property in that building A was used for and on the general conditions of the sale. The Senator from Colorado is entitled to that protection: Material that was merely stored in that building might thereby be held to be not related.

Mr. CHURCH. This colloquy establishes a legislative history that will help to interpret the meaning of "related."

My understanding is the same as that of the Senator from New York.

Mr. LAUSCHE. Mr. President, as a former Governor, I have had some experience with the earmarking of funds. For example, gasoline taxes were earmarked for highway construction purposes. That procedure is natural and sound. Funds collected from hunting and fishing licenses were earmarked to be used in that field of government operations. In my opinion, that procedure is sound.

While I favor the bill, and I commend the Senator from Washington [Mr. JACKSON] and the Senator from Idaho [Mr. CHURCH] for exerting their talents toward the development of this field of activity in government, I believe we are making a serious mistake when we embark upon a program of earmarking funds for the specific purpose contemplated by the bill. It is proposed to earmark all the moneys received from the sale of surplus property, and to impound them in a fund to be used for recreational promotion.

I can understand why this idea is appealing; but it would produce collateral complications. I have heard the arguments of the Senator from Idaho and the Senator from Washington that the earmarking will be for only 2 years and that unless the funds are appropriated during those 2 years, they will revert to the general fund of the Treasury. That provision, of course, improves the bill.

But I still believe that the moment we begin to earmark funds, as contemplated in the bill, we shall enter into a field that will cause others who have pet projects to come before Congress and press for legislation to earmark funds.

I shall vote for the Dominick amendment. If it is defeated, I shall vote for the bill. But I wish to state candidly that, in my judgment, this aspect of the bill, in which we shall be earmarking funds from the sale of post offices, the sale of Army depots, and the sale of surplus property, to be impounded in the recreational development fund, is not sound government policy.

The earmarking of taxes received from the sale of gasoline used by motorboats on lakes and other inland waters is proper. There is a relationship between the two. But I cannot see the relationship when we begin to earmark money from the sale of machinery, the sale of post offices, and the sale of surplus Army property, all to go into the fund.

It sounds good. It is appealing. To the ordinary person, it will have an impact that is favorable. He wants the development of recreation. But I repeat: What is being done will be productive of collateral complications that will cause us—if not us, then others—trouble in the future.

I am not sure, but I am of the belief that Members of the Senate, such as the distinguished senior Senator from South Carolina [Mr. JOHNSTON], and others, who have occupied executive positions, will say that frequently they have encountered problems. When looking for money to serve one purpose, they did not have it; while at the same time, they had surplus moneys impounded in a bank, to be used for a specific purpose.

Thus, they had to borrow money from the bank to serve the same purposes, when they had earmarked money on deposit in the bank which they could not use.

With all due respect and deference to the sponsors of the bill, and with the commitment that I shall vote for it, I believe that in this phase of the operation a grave mistake is being made.

The PRESIDING OFFICER (Mr. SALINGER in the chair). The question is on agreeing to the amendment of the Senator from Colorado [Mr. DOMINICK]. On this question the yeas and nays have been ordered; and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from Arizona [Mr. HAYDEN] is absent on official business.

I also announce that the Senator from New Mexico [Mr. ANDERSON] and the Senator from Massachusetts [Mr. KENNEDY] are absent because of illness.

I further announce that the Senator from Nevada [Mr. CANNON] is necessarily absent.

I further announce that, if present and voting, the Senator from Arizona [Mr. Hayden], the Senator from New Mexico [Mr. Anderson], the Senator from Massachusetts [Mr. Kennedy], and the Senator from Nevada [Mr. Cannon] would each vote "nay."

Mr. KUCHEL. I announce that the Senator from Arizona [Mr. Goldwater] and the Senator from Kentucky [Mr. Morton] are necessarily absent.

The result was announced—yeas 35, nays 59, as follows:

[No. 540 Leg.]

YEAS—35

Allott
Bennett
Carlson
Cooper
Cotton
Curtis
Dirksen
Dominick
Eastland
Ellender
Ervin
Fong
Hickenlooper
Holland
Hruska
Johnston
Jordan, N.C.
Jordan, Idaho
Lausche
Long La.
McClellan
Mechem
Miller
Mundt
Pearson
Robertson
Russell
Saltonstall
Scott
Simpson
Talmadge
Thurmond
Tower
Williams, Del.
Young, N. Dak.

NAYS—59

Aiken
Bartlett
Bayh
Beall
Bible
Boggs
Brewster
Burdick
Byrd, Va.
Byrd, W. Va.
Case
Church
Clark
Dodd
Douglas
Edmondson
Fulbright
Gore
Gruening
Hart
Hartke
Hill
Humphrey
Inouye
Jackson
Javits
Keating
Kuchel
Long, Mo.
Magnuson
Mansfield
McCarthy
McGee
McGovern
McIntyre
McNamara
Metcalf
Monroney
Morse
Moss
Muskie
Nelson
Neuberger
Pastore
Pell
Prouty
Proxmire
Randolph
Ribicoff
Salinger
Smathers
Smith
Sparkman
Stennis
Symington
Walters
Williams, N.J.
Yarborough
Young, Ohio

NOT VOTING—6

Anderson
Cannon
Goldwater
Hayden
Kennedy
Morton

So Mr. Dominick's amendment was rejected.

Mr. CHURCH. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. JACKSON. Mr. President, I move to lay the motion to reconsider on the table.

The motion to lay on the table was agreed to.

Mr. JACKSON. Mr. President, I ask for the yeas and nays on passage of the bill.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time.

LAND AND WATER CONSERVATION FUND

Mr. BIBLE. Mr. President, we now have before us the opportunity to signal a whole new era in public recreation. Passage of the land and water conservation fund bill will be regarded by history as one of the most significant advances of the century in this field. By approving this landmark legislation, the 88th Congress will become the architect of an outdoor recreation system which has no parallel in the history of man.

This bill will make realities out of dreams for many States. It will do more for public recreation than any other single advance since the pioneer Yellowstone National Park Act of 1872.

The need to pledge the financial resources of the United States behind State and local recreation developments has long been recognized. The Federal Government cannot be the sole guardian of the Nation's recreation needs. Yet State and local governments often do not have the financial means to answer many of those needs which are neglected in a national park and recreation program. This bill provides the answer. I predict the response to this legislation will be more enthusiastic than any of us now contemplates.

An important case in point is panoramic Lake Tahoe, which lies in Nevada and California. The virgin beauty of this large mountain lake is vanishing rapidly before the assault of the hotdog stand and neon lights of commercialism. Yet it has been impossible so far to hammer out any workable arrangement to preserve the surviving unspoiled areas of scenic shoreline to any meaningful extent.

I take pride in the fact that I early recognized the urgent need to act effectively on the challenge of saving Lake Tahoe for future generations. At my request, Secretary of the Interior Stewart Udall visited Lake Tahoe in October of 1961. He agreed with me and the many progressive leaders from Nevada and California who joined in the Lake Tahoe tour that something had to be done quickly. The national attention focused on Lake Tahoe served to spur efforts aimed at stopping the onrush of unwanted commercial development. The Nevada Legislature has authorized the establishment of a State park at Lake Tahoe and provided the machinery for this goal. The State's limited finances, however, are not enough to realize this dream, even with the aid of private grants. Passage of this act will enable Nevada to reach this goal.

This park at Lake Tahoe is one which will benefit peoples of all States, not just Nevada. That is why my State regards the land and water conservation fund as essential legislation.

This is just a single example. The legislation we are considering will serve other States and localities with similar benefits. But I believe Lake Tahoe dramatizes the need and the justification for this historical recreation legislation. I commend the Interior Secretary and the administration as a whole for the work which has been put into bringing this program before us. Now it is up to us to answer the challenge.

Recreation needs already outstrip recreational facilities. The priceless recreation potential nature has offered this Nation is fast disappearing. We have passed the time for talk. The time for action is here—now. Let us act with wisdom, with inspiration, and with a sense of history.

Let us stamp our full and firm approval on this bill.

Mr. PELL. Mr. President, I am proud to be a cosponsor of H.R. 3846, the Land and Water Conservation Fund Act; and I heartily urge passage of this farsighted bill.

The rapidly growing population in the emergent northeastern megalopolis makes it increasingly necessary to set aside and develop new recreational areas, not only to accommodate the increasing number of people, but also to alleviate the already overcrowded areas. Such a program is particularly imperative for my own State of Rhode Island, which is the most densely populated State in the Union.

A second, but no less significant, aim of the bill is to preserve our natural resources from further encroachment by the expanding cities and suburbs.

I should emphasize the nationwide character and acceptance of this proposed legislation. The bill has many strong and enthusiastic supporters, not only in my own State, but in most other States, as well. Forty-nine out of fifty States, and 43 Governors personally, have endorsed the principles of the bill.

Last April, the Rhode Island General Assembly passed a resolution (H. Res. 1509) in which it urged the Congress of the United States to make favorable action on H.R. 3846. The assembly pointed out that land and water are of "the utmost importance to the whole of the United States," and that:

> It is vital that land and water conservation be practiced, so that future generations may enjoy the abundance with which we are blessed.

The origins of the land and water conservation fund bill lie in the recommendations of the Outdoor Recreation Resources Commission. The bill was evolved after careful investigation and review by the administration, intensive study by congressional committees, suggestions by State and local governments, and recommendations by numerous conservation and recreation organizations.

As most Senators know, the bill would establish a land and water conservation fund which would draw its moneys from several sources, including modest admission and user fees at certain designated Federal recreation areas, the proceeds of the sale of surplus Federal real property, the existing motorboat fuels tax, and repayable advance appropriations, beginning with the third year of the fund.

The fund would build up gradually, so that by the third year it would have approximately $180 million to use for State and Federal outdoor recreation resources. Of the total amount in the fund, 60 percent would go to the States, on a matching basis, for planning, acquiring, and developing outdoor recreation areas and facilities; and 40 percent would go to Federal agencies, for outdoor recreation purposes. I should point out, however, that no money in the fund could be spent until Congress appropriated it through the usual procedure.

The share of the fund going to the States would be divided as follows: two-fifths equally among all the States; and three-fifths on the basis of need, as determined by the Secretary of the Interior. In distributing the three-fifths on the basis of need, the Secretary would use criteria spelled out in the bill, with particular emphasis on the "proportion which the population of each State bears to the total population of the United States."

With the fund in full operation, Rhode Island would be entitled to approximately $1 million a year. With an equal amount in matching money, our State could make great strides in planning, acquiring, and developing needed recreation areas and facilities.

Cities, towns, and other political subdivisions would be eligible for a portion of the funds granted to States if their outdoor recreation plans were made a part of an overall, statewide plan.

In this connection, there has been widespread interest in Rhode Island among groups representing conservation, city and regional planning, land economics, and wildlife interests. They have recognized that there is an urgent need for coordinated action in development of the State's natural resources.

As an outgrowth of the interest in natural resources I have described, and as a result of action by the State legislature, Rhode Island will vote on a $5 million bond issue next November. This proposal includes funds for State purchase of park and recreation areas, as well as grants for this purpose to local governments.

Rhode Island's existing State parks and recreational areas provide approximately 8,200 acres for nearly 900,000 residents. State officials have stated that at this time there is a need for acquisition and development of about 4,700 acres of new recreation areas.

Rhode Island has a pressing need for nonurban recreation areas near population centers, so they can readily be reached for day or weekend use.

The Atlantic coastline and Narragansett Bay are major recreation resources in Rhode Island. Greater recreation use of these areas can be encouraged by providing adequate recreation facilities at appropriate locations and by protecting the water and shoreline from oil and waste pollution.

I have touched only the highlights of the land and water conservation fund bill and possible plans for the development of recreation areas by Rhode Island. But it is clear that my State is strongly behind the bill, and will move with alacrity to take advantage of its provisions when it is enacted.

Mr. President, again I urge the Senate to pass H.R. 3846 without delay. The Nation urgently needs this proposed legislation.

Mr. JAVITS. Mr. President, I wish to pay tribute to the President's Outdoor Recreation Resources Review Commission, chaired by Laurance S. Rockefeller of New York, whose magnificent report, I believe, was heavily responsible for the most constructive effort we are making in the Land and Water Conservation Fund Act.

The Commission was composed of two majority and two minority Members of the Senate, a like number from the House, and seven public members appointed by the President. At the time it made its final report, its members were Senators Anderson, Jackson, Miller, and the late Senator Dworshak. House members were Representatives Saylor, Pfost, Rivers of Alaska, and Kyl. The Presidential appointees were Messrs. Laurance S. Rockefeller (Chairman), and Samuel T. Dana, dean emeritus of the University of Michigan School of Natural Resources; Mrs. Marian S. Dryfoos, of the New York Times; and Messrs. Bernard L. Orell, of the Weyerhaeuser Co.; Joseph W. Penfold, of the Izaak Walton League of America; M. Frederik Smith, of the Prudential Insurance Co. of America; and Chester S. Wilson, former commissioner of conservation of the State of Minnesota.

I ask unanimous consent that I may have printed at this point in my remarks an editorial praising the sound conclusions of the Commission's report which I feel have formed the basis for a great national future in the recreation and conservation field, of which this particular bill is a very important part.

The PRESIDING OFFICER. Without objection, it is so ordered.

RESPONSIBILITIES IN OUTDOOR RECREATION

The ORRRC report emphasized that the key elements in a total effort to make outdoor recreation opportunities available are private enterprise, the States, and local government. In relation to them, the role of Federal agencies should not be one of domination but of cooperation and assistance in meeting their respective needs, the report stressed.

These principles are cornerstones—upon which the work of the new Bureau of Outdoor Recreation is proceeding. Following ORRRC's views, American Forests holds these truths to be self-evident: (1) The most important single force in outdoor recreation is private endeavor—individual initiative, voluntary groups of many kinds, and private enterprise; (2) cities, counties, and other local governments should create a recreation environment which will make urban areas more livable; (3) State governments should play the pivotal role in a national effort to improve outdoor recreation opportunities; (4) the Federal Government should exercise national leadership in outdoor recreation; extend technical and financial assistance to the States and through them to local governments; cooperate with the States in making technical assistance available to private individuals and organizations; and provide needed outdoor recreation opportunities on its own lands and water; and (5) the magnitude of the task requires the best efforts of all and a proper balance among the levels of government and the private sector.

American Forests believes these principles embody the essence of the ORRRC report. It believes further that these keystones constitute a sound philosophy upon which to build the Nation's outdoor recreation program.

To make that program a reality, three pieces of legislation are needed if the Federal Government is to fill its proper role in outdoor recreation.

One already has passed the Congress and has been signed into law. This is Public Law 88–29 which serves as the Organic Act of the Bureau of Outdoor Recreation and defines basic Federal outdoor recreation responsibilities. It recognizes fully the relative importance of private endeavor and the various levels of government in supplying the public with outdoor recreation opportunities. The law authorizes Federal recreation action, cooperation with the States and their political subdivisions, and assistance to private enterprise.

A second essential measure, the land and water conservation fund bill, is now pending before the Congress. This further recognizes the recreation interrelationships of the various levels of government and private enterprise. It makes certain of the authorities in Public Law 88–29 effective by providing Federal recreation grants-in-aid to the States on a matched-fund basis. Prerequisite to the grants would be comprehensive State recreation plans, useful to all levels of government and private endeavor as well. In addition to State grants, the land and water bill provides money to enhance recreation potential at certain Federal levels. The land and water conservation fund would be financed largely by user fees at certain Federal recreation areas, allocation of the existing tax on motorboat fuels, proceeds from sale of Federal surplus real property, and repayable advance appropriations. A total of 47 State governments and many organizations, including AFA, are supporting this bill.

As has been noted previously in this magazine, some opposition has developed in reference to the land and water conservation fund bill. More of the same from the National Waterways Conference is answered in the current issued by Senator CLINTON P. ANDERSON, of New Mexico, starting on page 24. Meanwhile, a number of Governors and resource leaders in 47 States say they want this bill. In a letter to President Johnson, Gov. John W. King, of New Hampshire, said "New Hampshire needs this bill." Ditto Gov. William B. Scranton, of Pennsylvania, Gov. Albert D. Rosellini, Washington State, Gov. Terry Sanford, of North Carolina, and Gov. John M. Dalton, of Missouri. Support of this bill is truly formidable. Arguments of that minority opposed do not withstand close scrutiny too well as witnessed by Senator ANDERSON's rebuttal of the National Waterways Conference position in this issue.

The third measure needed to fill out the Federal Government's role in outdoor recreation policy and planning would provide more adequate technical assistance to local governments and private enterprise. In line with the ORRRC approach, such assistance should be available on a Federal-State cooperative basis, similar to the tested Clarke-McNary farm forestry program which has proven so effective. Under this approach, the Federal Government would confine its role to providing part of the funds needed to employ a State staff of outdoor recreation technicians. Services of the technicians would reach local governments and private recreation enterprise under State direction.

Proposals for this third piece of needed recreation legislation are still in the evolutionary stage.

With Federal assistance available under the three proposals, the States would be in position to truly play their "pivotal role" in acquisition, development, and maintenance of State and regional areas, in assisting local government, and in providing leadership and planning.

The local governments would be in position to expand their efforts to provide outdoor recreation opportunities, with particular emphasis upon securing open space and developing recreation areas in and around metropolitan and other urban areas.

Private enterprise would have available the technical assistance it requires if it is to develop commercial facilities and services which will return a profit, and nonprofit groups would be able to operate efficiently and to the greatest possible advantage to the public. The fees which will be charged at certain Federal recreation areas will help private commercial outdoor recreation enterprise be competitive—and help answer chief complaint to date of the private recreation entrepreneur.

The alternative to the philosophy embodied in the three essential pieces of legislation discussed and in the ORRRC recommendations will be undesirable pressures for Federal recreation action in areas which more properly the States, their political subdivisions, and private enterprise, should occupy.

This alternative is not acceptable. The ORRRC philosophy is.

Mr. CHURCH. Mr. President, we have now reached the third reading of the bill. I have a prepared statement to make in support of the legislation.

The Senator from Tennessee [Mr. WALTERS], has some questions he desires to ask me. These are questions that will clarify the bill.

I put the Senate on notice that it will be approximately 15 or 20 minutes before the yea and nay vote.

LAND AND WATER CONSERVATION FUND

This Congress is on the threshold of completing a legislative program in the field of conservation which will make it the most memorable conservation Congress since the fundamental guidelines for our national park and national forest systems were laid down a half century and more ago.

The wilderness bill, now in conference, is designed to assure the American people a heritage of incalculable value, unmatched anywhere in the world. The pending bill would supplement the precious resource of wilderness with an expanding resource of outdoor recreation facilities, located and developed in such a way as to provide ready access for the whole population, whether rural or city-dwelling, affluent or tightly budgeted, lighthearted or in need of deep spiritual refreshment. The two programs combined, if finally enacted before this session adjourns, will make this a landmark conservation Congress.

The Land and Water Conservation Fund Act, which is now before the Senate, proposes a new system of raising money for use by the States, and, to a lesser extent, by Federal agencies, to acquire and develop places where people can go for boating, fishing, and hiking—or to picnic, camp out, or merely stroll in the sunshine—away from the crowding, noise, clutter, and tension which increasingly besets them in their daily lives.

The need for expanding these opportunities is amply demonstrated. We have become an urban civilization. Our population is increasing at a rapid pace and is increasingly concentrated in metropolitan centers. At the same time, the great new highway systems now nearing completion have enhanced mobility, so that most people now find it feasible to get out of the city, even at frequent intervals and for short times, in search of outdoor recreation. Sustained prosperity has also had its effect. People with steady jobs, working regular hours, find that they have money left over, after the more obvious necessities of life are provided for, to use for play and the enjoyment of the outdoors.

I think we should take note, too, that farm life is no longer the pastoral idyll of yesteryear. The smell of the tractor exhaust has replaced, for many, the flower-laden breezes wafting from the nearby meadow. The sound of leather creaking and horses blowing at the end of the row has given way to the steady roar of the internal combustion engine. The farmer comes in to dinner, more often than not, with axle grease stains on his hands. His wife no longer sends the children to the thicket for wild berries or to the brook to catch a mess of fish for supper. She shops for groceries, like her sister in the city, at the supermarket. She is likely to spend her evenings working with her husband over the ledger books. Farm people, as much as their city cousins, need accessible places where they can get away from it all, close to nature, in the great outdoors.

These changed conditions of American life have led to a startling increase in the demand for outdoor recreation. In the first 14 years after World War II, while our population increased by a fourth, pressure on the available facilities for recreation in our national parks and forests, and at State parks, has more than doubled. Recreational visits to the national forests have in fact quadrupled in this period. And per capita uses of outdoor recreation facilities of this kind jumped from an annual average of less than 1 per person in 1946 to 2.3 in 1960.

At the same time, the States, which ought properly to have a leading role in providing opportunities for outdoor recreation, suitable to the varying needs and resources which this vast country affords, have been nearly overwhelmed by other, seemingly more pressing, calls upon their financial resources. And daily, as the cities stretch their concrete tentacles farther and farther into the countryside, as superhighways chew through woods and hills, as private developments seal off choice areas for the exclusive enjoyment of those with membership in the club, it gets harder, and more expensive, for the States to find and develop places which can be set aside for the use and enjoyment of all the people.

To meet this critical need, the Outdoor Recreation Resources Review Commission—on which both Gracie Pfost, who then represented Idaho's First Congressional District, and the late Henry Dworshak, then Idaho's senior Senator, served with great distinction—recommended a new program of grants-in-aid to the States, to be matched and used by them in pursuit of a comprehensive plan of outdoor recreation development. In its final report, the Commission said:

> All levels of government share an interest in and responsibility for meeting the outdoor recreation needs of the Nation * * *. However, the State governments have dominant public responsibility and should play the pivotal role. Accordingly, it is extremely important to stimulate State activity * * *. Some States are expanding their outdoor recreation programs, but progress has been slow in many areas. The proposed grant program would encourage action on both State and local problems.

I strongly endorse the Commission's view that the States should play the pivotal role; and the bill we are now considering so provides. Sixty percent of the moneys which come into the land and water conservation fund will be available for appropriation to the States, on a matching basis, for planning, acquisition, and development of land and water areas for public outdoor recreation purposes. Each State which chooses to participate will be required to develop a comprehensive statewide plan for use of the grant money. The plan may call for transfer of funds by the States to counties and cities for their own use in projects consistent with the overall Statewide program. This feature is of special importance in Idaho, where several cities and counties, particularly in the northern regions of lakes and forests, are eager to go ahead with planned recreation developments now stymied for lack of funds.

The State government in Idaho also has special need for recreational development. It is proposed, as one example, to develop the beautiful area formerly used as the Farragut Naval Training Center, on Lake Pend Oreille, which will be the site of the 1965 annual Girl Scout encampment, into a State park. I am confident that other projects of great benefit to Idaho's recreational and tourist potential will be developed, at State initiative, under the stimulus of this bill. In this connection, I ask unanimous consent that a letter from the Governor of Idaho to the Secretary of the Interior, dated March 29, 1963, generally endorsing the philosophy of the bill, may be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

STATE OF IDAHO,
Boise, March 29, 1963.

Hon. STEWART L. UDALL,
Secretary of the Interior,
U.S. Department of the Interior,
Washington, D.C.

DEAR MR. SECRETARY: I have read with interest your comments on S. 859 and H.R. 1762 which are identical bills to establish a land and water conservation fund to assist in the development of present and future outdoor recreation demands in this country.

Although I have not had an opportunity to discuss this at length with members of our State government, I do think that recognition and implementation of at least a portion of the report of the Outdoor Recreation Resources Review Commission is very timely and would do much to prepare for future generations and make it possible for them to enjoy the outdoor areas of our great State.

You must understand, of course, that a great deal of study on the part of the State of Idaho must go into the development of recreational areas before any final commitment or suggestions could be made. However, there are areas where State and Federal participation can probably be of great benefit and at least in this area these bills have much to recommend them.

One of the questions I might have would be the fee schedule which would be established by the President and upon what recreational facilities such fee schedule would be applicable.

The above are some rather hasty reactions to your letter and enclosures, and perhaps as these legislations move through Congress, a more detailed examination and further recommendations from Idaho may be in order.

Sincerely,
ROBERT E. SMYLIE, *Governor.*

Mr. CHURCH. There is also in Idaho an area which commends itself most strongly for acquisition with funds which will be available under this bill for expenditure by Federal agencies. On Upper Priest Lake, near the Canadian border, private development of a single tract of land threatens to thwart efforts by the State and the Forest Service, as well as by sportsmen and conservationists in Idaho and throughout the Nation, to preserve a rare and exquisite lakeshore in its natural state. Idaho people have been grappling for more than 4 years with this problem. While some progress has been made, no certain solution is yet in sight unless the pending bill is enacted. The Forest Service has assured me, however, that the land in question could be purchased with money appropriated from the land and water conservation fund, and that it recognizes "the desirability of acquiring these lands and thus assuring that Upper Priest Lake would not be developed in an undesirable manner." I ask unanimous consent that a letter to me on this subject from the Chief of the Forest Service, dated July 30 of this year, may be printed in full at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF AGRICULTURE,
FOREST SERVICE,
Washington, D.C., July 30, 1964.

Hon. FRANK CHURCH,
U.S. Senate.

DEAR SENATOR CHURCH: In response to your request at the hearing on H.R. 3846, the land and water conservation fund bill, Secretary Freeman promised that we would give you a statement as to whether the land and water conservation fund which would be established by that bill could be used to purchase the private land located on Upper Priest Lake in Idaho.

Under the language of this bill as it was passed by the House of Representatives, moneys appropriated to this Department from the fund could be used to purchase these lands. Such purchases could be made under the authority for land acquisitions contained in the Weeks law of March 1, 1911 (36 Stat. 961). The purchases under this act would require the approval of the National Forest Reservation Commission.

We understand that both Bonner County and State officials have expressed their support for the purchase of these tracts by the Forest Service for administration as parts of the Kaniksu National Forest. We recognize the desirability of acquiring these lands and thus assuring that upper Priest Lake would not be developed in an undesirable manner.

The owner of the key tract has plans for the sale and development of his property that would be incompatible with the overall management objective. If this is to be avoided, early action for the acquisition of these lands is essential.

Sincerely yours,
EDWARD P. CLIFF, *Chief.*

Mr. CHURCH. Mr. President, it is not proposed to levy a general tax to raise the Federal share of the money to be used, under this bill, for recreational development. Rather, the money will come from the proceeds of the sale of Federal surplus lands, from the transfer of unreclaimed Federal taxes on motorboat fuels, and from nominal admission and user fees at federally administered recreation areas, designated by the President.

The bill erects careful safeguards to insure that no abusable authority is granted. The committee has been especially concerned, for example, about the precise nature and amount of the fees which may be charged for the use of recreational facilities provided and administered at Federal expense. In general, we have provided, by committee amendment to the bill, that these charges must be limited to a reasonable amount for actual use of such facilities as developed campgrounds, where services are furnished—parking places and electric plug-ins for trailer coaches, garbage disposal, sanitary accommodations and the like. There will be no charge for general access to the national forests or the public domain.

Special consideration has been given to the question of the policy which should govern recreational use of waters, such as the lakes, streams, canals, and reservoirs. The House approved an amendment to prohibit any charge for the commercial use of such waters. But in the Senate committee, we have gone much further. The committee has accepted an amendment, which I proposed, to rule out any possibility that fees will be charged for any use of water, as such, under any provision of the bill. In my own State, the waters impounded by such Federal projects as the Lucky Peak Dam, above Boise, and the Palisades Dam on the Upper Snake River, are freely enjoyed for boating and water skiing on a large scale. The bill, as amended, insures that these uses may continue without charge.

Mr. WALTERS. Mr. President, will the Senator from Idaho yield?

Mr. CHURCH. I am happy to yield.

Mr. WALTERS. The Senator from Idaho has mentioned the lakes and streams in his State that would be exempted from fees. I should like to ask if what he said applies to the TVA lakes in the TVA valley.

Mr. CHURCH. There is no question that the language of the bill, as amended by the Senate committee, and further perfected through the adoption of the amendment offered by the distinguished senior Senator from Oklahoma [Mr. MONRONEY] this afternoon, makes it perfectly clear that no entrance or user fee may be charged for the use of the waters in any of the TVA reservoirs or, for that matter, in any of the natural lakes in that region or any other part of the country.

Mr. WALTERS. I should like to ask if the same procedure would apply to the dams and lakes constructed by the Army Engineers.

Mr. CHURCH. It would. The language is all-inclusive. No charge may be made for the use of waters, whether they be natural lakes, rivers, streams, canals, or reservoirs constructed either by the Corps of Engineers or the Bureau of Reclamation.

Mr. WALTERS. I believe the clarifying amendment offered by the Senator from Oklahoma [Mr. MONRONEY] makes it clear that no charge would be made for access to those lakes or for the use of the waters.

Mr. CHURCH. The Senator is absolutely correct. Adoption of the Monroney amendment makes it clear that the free use of the water is meant also to include access to the waters.

Mr. WALTERS. I commend the Senator from Idaho for the frank clarification that he has brought about in the bill.

Mr. CHURCH. Mr. President, from the beginning the distinguished junior Senator from Tennessee has expressed a keen interest in seeing to it that free access to the great reservoirs in the Tennessee Valley should be preserved, for they have been a most valuable recreational resource in that region of the country. I commend the Senator both for his interest and for seeing to it that the bill was modified in such a way as to guarantee continued free access to, and use of, the waters of the reservoirs in the Tennessee Valley.

Mr. WALTERS. I thank the Senator.

Mr. CHURCH. Mr. President, the committee also approved a special provision which I suggested with respect to wilderness areas. It is the policy of the bill that fees shall be related to the use of facilities, not to enjoyment of the natural environment. Since there will be no facilities, in this sense, in the wilderness areas, we thought it proper to provide that no fee of any kind may be charged for admission to, or use of, such areas.

Mr. President, with these protective provisions, I am confident that the bill to create a land and water conservation fund will meet an important need for greater recreational opportunities, in Idaho and the Nation, and I commend it to the Senate. I hope that, in the coming vote, the bill will be overwhelmingly approved.

Mr. BIBLE. Mr. President, will the Senator yield?

Mr. CHURCH. I yield to the Senator from Nevada.

Mr. BIBLE. Mr. President, during the consideration of the bill there was considerable discussion about the contributions made not only by private individuals, but foundations, States, and political subdivisions as well.

Two years ago, the Senate Committee on Interior and Insular Affairs had occasion to go into this problem in detail.

I ask unanimous consent to have incorporated at this point in the RECORD as a part of my remarks a statement contained in the report of the committee at that time indicating the contributions which States have made to the various park areas throughout the United States. The purpose of this request is to indicate the great difficulty we have encountered, up to the present time, in obtaining necessary land for recreational areas to move these great projects forward. I think it is indicative of the problems we have faced on the Federal level in past years.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Nevada?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

In the past, States have made substantial contributions to achieve the designation of national parks within their boundaries.

Eight instances of such contributions are contained in the following list:

MAJOR PARK AREAS TO WHICH STATES HAVE MADE LARGE CONTRIBUTIONS

1. Big Bend National Park: The State of Texas donated 691,978 acres valued at $1,502,563.

2. Everglades National Park: The State of Florida contributed $2 million with which the United States purchased 387,700 acres. In addition, the State gave to the United States 866,000 acres of land and water. Subsequently, the United States and the State of Florida entered into an exchange pursuant to an act of Congress which resulted in a net gain of 42,701 acres for the park.

3. Great Smoky Mountains National Park: The State of North Carolina donated $2,005,994 for the acquisition of land. The State of Tennessee donated $1,573,488 and subsequently the State of Tennessee, together with the city of Knoxville, donated $273,558 for acquiring lands for the park.

4. Hawaii National Park: Hawaii, as authorized by Congress, and at no expense to the United States, conveyed for inclusion in the park 196,040 acres comprising ceded lands, lands acquired in exchanges, and lands purchased, with an estimated total value of $550,000. The State is now transferring, without cost to the United States, title to an additional 21,797 acres.

5. Isle Royale National Park: The State of Michigan spent $100,000 to purchase 5,410 acres for the park. In addition, it transferred 3,000 acres of State land which had an estimated value of $60,000. Subsequently, the State donated 405,500 acres of submerged lands upon which a nominal value has been placed of $405,500.

6. Mammoth Cave National Park: Kentucky contributed $2,858,228 with which it purchased 42,510 acres of land for the park.

7. Shenandoah National Park: Virginia and its citizens contributed $1,837,828 for the purchase of 183,311 acres.

8. Cape Hatteras National Seashore Recreation Area: Matching private donations, the State of North Carolina contributed $818,000 with which the United States purchased lands. In addition, the State donated lands in the amount of 7,200 acres which had a value of approximately $164,000.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from Arizona [Mr. HAYDEN] and the Senator from Virginia [Mr. ROBERTSON] are absent on official business.

I also announce that the Senator from New Mexico [Mr. ANDERSON] and the Senator from Massachusetts [Mr. KENNEDY] are absent because of illness.

I further announce that the Senator from Nevada [Mr. CANNON] is necessarily absent.

I further announce that, if present and voting, the Senator from New Mexico [Mr. ANDERSON], the Senator from Nevada [Mr. CANNON], the Senator from Arizona [Mr. HAYDEN], the Senator from Massachusetts [Mr. KENNEDY], and the Senator from Virginia [Mr. ROBERTSON] would each vote "yea."

Mr. KUCHEL. I announce that the Senator from Arizona [Mr. GOLDWATER] is necessarily absent.

The Senator from Pennsylvania [Mr. SCOTT] is detained on official business, and if present and voting, would vote "yea."

The result was announced—yeas 92, nays 1, as follows:

[No. 541 Leg.]

YEAS—92

Aiken
Allott
Bartlett
Bayh
Beall
Bennett
Bible
Boggs
Brewster
Burdick
Byrd, Va.
Byrd, W. Va.
Carlson
Case
Church
Clark
Cooper
Cotton
Curtis
Dirksen
Dodd
Dominick
Douglas
Eastland
Edmondson
Ervin
Fong
Fulbright
Gore
Gruening
Hart
Hartke
Hickenlooper
Hill
Holland
Hruska
Humphrey
Inouye
Jackson
Javits
Johnston
Jordan, N.C.
Jordan, Idaho
Keating
Kuchel
Lausche
Long, Mo.
Long, La.
Magnuson
Mansfield
McCarthy
McClellan
McGee
McGovern
McIntyre
McNamara
Mechem
Metcalf
Miller
Monroney
Morse
Morton
Moss
Mundt
Muskie
Nelson
Neuberger
Pastore
Pearson
Pell
Prouty
Proxmire
Randolph
Ribicoff
Russell
Salinger
Saltonstall
Simpson
Smathers
Smith
Sparkman
Stennis
Symington
Talmadge
Thurmond
Tower
Walters
Williams, N.J.
Williams, Del.
Yarborough
Young, N. Dak.
Young, Ohio

NAYS—1

Ellender

NOT VOTING—7

Anderson
Cannon
Goldwater
Hayden
Kennedy
Robertson
Scott

So the bill (H.R. 3846) was passed.

Mr. CHURCH. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. JACKSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JACKSON. Mr. President, I move that the Senate insist upon its amendments, and ask for a conference with the House thereon, and that the Chair appoint conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. JACKSON, Mr. BIBLE, Mr. CHURCH, Mr. ALLOTT, and Mr. JORDAN of Idaho conferees on the part of the Senate.

USE OF CERTAIN VOLATILE FRUIT-FLAVOR CONCENTRATES IN THE CELLAR TREATMENT OF WINE

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H.R. 4649) to amend the Internal Revenue Code of 1954 to authorize the use of certain volatile fruit-flavor concentrates in the cellar treatment of wine, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. BYRD of Virginia. I move that the Senate insist upon its amendment and agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. BYRD of Virginia, Mr. LONG of Louisiana, Mr. SMATHERS, Mr. WILLIAMS of Delaware, and Mr. CARLSON conferees on the part of the Senate.

DISTRICT OF COLUMBIA APPROPRIATION BILL, 1965—CONFERENCE REPORT

Mr. BYRD of West Virginia. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 10199) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1965, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of today.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. BYRD of West Virginia. Mr. President, I have but a few brief remarks to make in connection with the appropriation bill as agreed to by the conferees. The total of the approved bill is $341,242,200. This sum is $939,775 below the amount recommended by the Senate and $3,037,000 above the House bill. It is $16,620,100 below the total budget estimates. The conference bill will provide $277,216,200 for operating expenses, $58,662,000 for capital outlay items, and $5,364,000 for repayment of loans and interest.

The Federal payment to the general fund will be $37,500,000, which is the same as provided in the 1964 appropriation, and which is $12,500,000 below the authorized amount and $2,500,000 below the sum recommended by the Senate.

No funds are included in the bill for aid to dependent children of unemployed parents. Senators will recall that the Senate disapproved the allowance of $339,450 by the other body to initiate such a program for a 6-month period this fiscal year. The major change in the capital outlay projects was the inclusion in the bill of the budget estimate for the purchase of a library site for the Central Library in the amount of $2,351,000.

Mr. President, I believe we have a good bill. Sufficient funds are available to meet the operating and capital outlay costs approved in the bill, which are mostly payable from the general fund account. Although the surplus estimated for June 30, 1965, in this account will be minimal, nevertheless, a reserve of $3,165,000 has been established to fund indefinite appropriation requirements during the course of fiscal year

1965 and to help meet the costs of salary increases under pending legislation for classified employees.

All members of the conference committee signed the report.

The Senate bill approved 162 new positions over the House allowance. The Senate deleted 32 positions allowed by the House for the AFDC–UP program. The conferees' action allows 43 new positions—a reduction of 119 positions in the Senate allowance.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point a table indicating the distribution of the 43 new positions approved in conference, a summary of new positions in fiscal 1965, and a summary table of the District of Columbia appropriation bill for 1965.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

The 43 new positions approved in conference are distributed as follows: Commissioners Youth Council, 2; Office of Urban Renewal, 3; public library, 6; Metropolitan Police, 2; Fire Department, 6; juvenile court, 4; court of general sessions, 3; Department of Corrections, 5; public schools, 10; Health, 1; and Department of Motor Vehicles, 1.

Insofar as public schools is concerned the conferees' action provides a total of 383 new positions, as follows:

Central administration	9
Teachers:	
Elementary	162
Junior high	33
Senior high	34
Vocational	6
All levels	14
Subtotal	249
Librarians:	
Elementary	8
Junior high	13
Vocational high	3
All levels	1
Subtotal	25
Counselors:	
Elementary	16
Junior high	11
Senior high	4
Vocational high	1
Subtotal	32
Supervisory:	
Elementary	4
Junior high	3
Vocational high	2
All levels	2
Subtotal	11
Clerical service	5
Teachers college:	
Laboratory schools:	
Teachers	2
Librarians	2
Clerk-stenographer	1
Subtotal	5
Custodial (new schools)	25
Transportation:	
Handicapped children	20
Other	1
Subtotal	21
Elementary school lunch program—truckdriver	1
Total	383

The conferees eliminated 32 positions approved by the Senate for the following purposes: 2 assistants to the assistant superintendents; 8 music teachers, and 1 art teacher for the elementary schools, 1 teacher for citywide orchestra-chorus, 1 junior high school librarian, 14 elementary school counselors, 1 vocational high school counselor, and 4 assistant directors for art, industrial arts, science, and foreign languages.

Summary of new positions in fiscal 1965

	Net estimates, 1965	Net House allowance	Net Senate recommendation	Increase over House allowance	Conferees increase over House allowance
General operating expenses	104	24	49	25	11
Public safety	151	103	133	30	20
Education	465	373	415	42	10
Parks and recreation	47	25	31	6	
Health and welfare	288	179	236	57	1
Highways and traffic	44	31	33	2	1
Sanitary engineering	12	7	7		
Subtotal	1,111	742	904	162	43
Less AFDC–UP positions disapproved by Senate committee		–32	–32		
Net total positions	1,111	710	872	162	43

DISTRICT OF COLUMBIA—SUMMARY OF APPROPRIATION BILL (H.R. 10199)

Federal payment

[Out of the general revenues of the Federal Treasury]

	Appropriations, 1964 [1]	Budget estimates, 1965 [2]	House bill, 1965	Senate bill, 1965	Conference action
Federal payment to the District of Columbia (general fund)	$37,500,000	$50,000,000	$37,500,000	$41,000,000	$37,500,000
Federal payment to the District of Columbia (water fund)	1,924,000	2,047,000	2,047,000	2,047,000	2,047,000
Federal payment to the District of Columbia (sanitary sewage works fund)	944,000	1,173,000	1,173,000	1,173,000	1,173,000
Total, Federal payment	40,368,000	53,220,000	40,720,000	44,220,000	40,720,000

Loan authorization

[Out of the general revenues of the Federal Treasury]

	Authorizations, 1964 [1]	Budget estimates, 1965 [2]	House bill, 1965	Senate bill, 1965	Conference action
Loans to District of Columbia for capital outlay (general fund)	$11,300,000	$8,600,000	$20,000,000	$20,000,000	$20,000,000
Loans to District of Columbia for capital outlay (highway fund)		800,000	1,400,000	1,400,000	1,400,000
Loans to District of Columbia for capital outlay (sanitary sewage works fund)	8,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Total, loan authorizations	19,300,000	14,400,000	26,400,000	26,400,000	26,400,000
OPERATING EXPENSES					
General operating expenses:					
Executive Office	1,092,480	645,000	523,000	583,000	523,000
Department of General Administration	7,558,373	8,166,000	8,002,000	8,026,000	7,991,000
Regulatory and miscellaneous agencies	2,086,400	2,666,000	2,497,000	2,617,000	2,563,150
Department of Occupations and Professions	471,813	503,000	485,000	503,000	485,000
Public Library	3,478,395	3,852,000	3,816,000	3,852,000	3,847,850
Department of Veterans' Affairs	111,800	112,000	112,000	112,000	112,000
Department of Buildings and Grounds	2,895,087	3,241,000	3,016,000	3,016,000	3,016,000
Office of the Surveyor	211,800	226,000	226,000	226,000	226,000
Total, general operating expenses	17,906,148	19,411,000	18,677,000	18,935,000	18,764,000

See footnotes at end of table.

***Loan authorization*—Continued**

[Out of the general revenues of the Federal Treasury]

	Authorizations, 1964 [1]	Budget estimates, 1965 [2]	House bill, 1965	Senate bill, 1965	Conference action
OPERATING EXPENSES—continued					
Public safety:					
Office of Corporation Counsel	$1,065,523	$1,192,000	$1,155,000	$1,192,000	$1,155,000
Metropolitan Police	31,174,043	32,350,000	32,465,400	32,505,000	32,495,400
Fire Department	15,362,530	15,732,000	15,692,000	15,734,600	15,729,100
Office of Civil Defense	122,850	139,000	129,000	139,000	129,000
Courts	6,771,463	7,378,500	7,228,000	7,310,000	7,302,400
Department of Corrections	8,403,907	9,161,000	8,995,000	9,051,100	9,021,100
Department of Licenses and Inspections	3,019,144	3,228,000	3,174,000	3,174,000	3,174,000
National Guard	198,200	202,000	202,000	202,000	202,000
Total, public safety	66,117,660	69,382,500	69,041,000	69,307,700	69,208,000
Education: Public schools	63,860,593	68,607,000	67,910,000	68,273,000	68,051,000
Highways and traffic:					
Department of Highways and Traffic	10,430,481	11,546,900	11,491,900	11,491,900	11,491,900
Department of Motor Vehicles	1,759,203	1,896,000	1,861,000	1,874,000	1,866,000
Motor Vehicle Parking Agency	218,300	220,100	220,100	220,100	220,100
Total, highways and traffic	12,407,984	13,663,000	13,573,000	13,586,000	13,578,000
Sanitary engineering:					
Department of Sanitary Engineering	18,838,600	18,735,000	18,695,000	18,695,000	18,695,000
Washington aqueduct	3,012,500	3,055,000	3,055,000	3,055,000	3,055,000
Total, sanitary engineering	21,851,100	21,790,000	21,750,000	21,750,000	21,750,000
Parks and recreation:					
Recreation Department	3,656,005	4,252,000	4,166,000	4,199,000	4,191,000
National Park Service	3,813,500	3,994,000	3,938,000	3,963,000	3,938,000
National Zoological Park	1,597,356	1,721,000	1,665,000	1,682,000	1,665,000
Total, parks and recreation	9,066,861	9,967,000	9,769,000	9,844,000	9,794,000
Health and welfare:					
Department of Vocational Rehabilitation	498,157	722,000	722,000	722,000	722,000
Department of Public Health	46,909,536	48,533,000	48,246,000	48,433,000	48,411,425
Department of Public Welfare	23,118,355	26,401,000	25,865,000	25,886,575	25,536,575
Total, health and welfare	70,526,048	75,656,000	74,833,000	75,041,575	74,670,000
Metropolitan Police, additional municipal services, inaugural ceremonies	----------	283,000	283,000	283,000	283.000
Personal services, wage-board employees	166,300	1,118,200	1,118,200	1,118,200	1,118,200
Settlement of claims and suits	38,259	----------	----------	----------	----------
Total, operating expenses, by funds:					
General fund	238,250,142	254,934,200	252,172,100	253,325,875	252,411,600
Highway fund	9,044,284	12,294,700	12,174,000	12,188,500	12,180,500
Highway fund (parking account)	3,169,500	836,300	836,300	836,300	836,300
Water fund	7,270,188	7,398,100	7,380,900	7,388,900	7,388,900
Sanitary sewage works fund	4,174,079	4,333,800	4,310,300	4,318,300	4,318,300
Metropolitan area sanitary sewage works fund	32,760	80,600	80,600	80,600	80,600
Total, operating expenses, by funds	261,940,953	279,877,700	276,954,200	278,138,475	277,216,200

Item	Appropriations, 1964 [1]	Budget estimates, 1965 [2]	House bill, 1965	Senate bill, 1965	Conference action
REPAYMENT OF LOANS AND INTEREST					
General fund:					
Construction loan	$1,018,445	$1,016,000	$1,016,000	$1,016,000	$1,016,000
Stadium loan	858,920	671,000	671,000	671,000	671,000
Total, general fund	1,877,365	1,687,000	1,687,000	1,687,000	1,687,000
Highway fund—construction loan	1,841,700	2,213,000	2,213,000	2,213,000	2,213,000
Water fund—construction loan	1,124,000	1,173,000	1,173,000	1,173,000	1,173,000
Sanitary sewage works fund—construction loan	149,000	291,000	291,000	291,000	291,000
Total, repayment of loans and interest	4,992,065	5,364,000	5,364,000	5,364,000	5,364,000
CAPITAL OUTLAY					
Repayment of Federal obligations	915,500	1,860,000	1,860,000	1,860,000	1,860,000
Public building construction:					
Public schools	15,626,000	25,026,000	11,968,100	16,250,900	14,405,100
Public Library	687,800	3,007,000	2,982,000	631,000	2,982,000
Recreation Department	378,000	1,130,000	680,000	680,000	680,000
Metropolitan Police	----------	11,000	11,000	11,000	11,000
Fire Department	280,000	23,000	23,000	23,000	23,000
Public health	182,000	200,000	----------	----------	----------
Corrections	259,200	852,000	302,000	302,000	302,000
Public welfare	1,128,100	947,000	441,300	561,000	486,500
Buildings and grounds	399,800	1,418,600	814,600	1,339,600	1,077,400
Total, public building construction	18,940,900	32,614,600	17,222,000	19,798,500	19,967,000
Department of Highways and Traffic	11,280,400	15,049,000	13,739,000	13,924,000	13,769,000
Motor Vehicle Parking Agency	----------	31,000	----------	31,000	----------
Department of Sanitary Engineering	13,543,700	21,648,000	21,648,000	21,648,000	21,648,000
Washington aqueduct	1,856,000	1,418,000	1,418,000	1,418,000	1,418,000
Total, capital outlay, by funds:					
General fund	24,137,100	44,715,600	29,323,000	31,899,500	32,068,000
Highway fund	10,755,400	14,465,000	13,155,000	13,340,000	13,185,000
Highway fund (parking account)	----------	31,000	----------	31,000	----------
Water fund	2,970,000	2,383,000	2,383,000	2,383,000	2,383,000
Sanitary sewage works fund	8,674,000	11,026,000	11,026,000	11,026,000	11,026,000
Total, capital outlay, by funds	46,536,500	72,620,600	55,887,000	58,679,500	58,662,000

See footnotes at end of table.

Loan authorization—Continued

[Out of the general revenues of the Federal Treasury]

Item	Appropriations, 1964 [1]	Budget estimates, 1965 [2]	House bill, 1965	Senate bill, 1965	Conference action
RECAPITULATION BY FUNDS					
General fund	$264,264,607	$301,336,800	$283,182,100	$286,912,375	$286,166,600
Highway fund	21,641,384	28,972,700	27,542,000	27,741,500	27,578,500
Highway fund (parking account)	3,169,500	867,300	836,300	867,300	836,300
Water fund	11,364,188	10,954,100	10,936,900	10,944,900	10,944,900
Sanitary sewage works fund	12,997,079	15,650,800	15,627,300	15,635,300	15,635,300
Metropolitan area sanitary sewage works fund	32,760	80,600	80,600	80,600	80,600
Total, all funds	313,469,518	357,862,300	338,205,200	342,181,975	341,242,200

[1] Includes $353,856 in Public Law 88-317.

[2] Includes $1,850,300 submitted in H. Doc. No. 227 and $160,000 submitted in S. Doc. No. 80

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

The PRESIDING OFFICER (Mr. SALINGER in the chair) laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 10199, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES, U.S.,
August 12, 1964.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 10 to the bill (H.R. 10199) entitled "An Act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1965, and for other purposes", and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$74,670,000".

Mr. BYRD of West Virginia. Mr. President, I move that the Senate concur in the amendment of the House to the amendment of the Senate numbered 10.

The motion was agreed to.

LEGISLATIVE BRANCH APPROPRIATIONS—CONFERENCE REPORT

Mr. MONRONEY. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 10723) making appropriations for the legislative branch for the fiscal year ending June 30, 1965, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER (Mr. SALINGER in the chair). The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of today.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

AMENDMENT OF FOREIGN ASSISTANCE ACT OF 1961

The Senate resumed the consideration of the bill (H.R. 11380) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

Mr. GRUENING. Mr. President, will the Senator from Oklahoma yield?

Mr. MONRONEY. I yield 10 minutes to the Senator from Alaska.

WHY NOT DOMESTIC AID AS WELL?

WHY THE INACTION ON ACCELERATED PUBLIC WORKS?

Mr. GRUENING. Mr. President, my amendment No. 1138 would add to H.R. 11380 the provisions of S. 1856, which is now on the Senate Calendar, Order No. 995, and was reported by the able and distinguished senior Senator from West Virginia [Mr. RANDOLPH] from the Committee on Public Works on June 1, 1964. It has reposed on the calendar ever since, gathering cobwebs.

This is an unusual amendment to the Foreign Assistance Act. I shall offer it because I want to call attention again, as I have repeatedly, in the past, during my 5 years in the Senate, to the double standard which guides our policies at home and abroad.

Two years ago Congress enacted the Accelerated Public Works Act. It provided for local matching, whether by State, County or other political district of Federal funds for the construction of worthwhile public projects, sewer and waterworks, street paving, public buildings, local roads, and so forth. The amount authorized was far too small—only $900 millon, of which only $880 million was appropriated—and it was quickly used up. But with it, worthwhile projects were constructed all over the United States, giving employment to people on the site of the project, at the factory where the materials for the project were manufactured and in the transportation industry—by which these products were carried from factory site to the project.

The funds ran out a year and a half ago, leaving hundreds of millions of dollars of worthwhile projects, approved, ready to go with no chance for them to be initiated. They total, by now, over $700 million.

The Accelerated Public Works bill is supported by the AFL-CIO, by the Communications Workers of America, the Associated General Contractors of America, the National Farmer's Union, the Citizens' Committee on Natural Resources, the Associated General Contractors of West Virginia, the Area Redevelopment Administration of the Department of Commerce, the Housing and Home Finance Agency, the American Hospital Association, the National Association of Counties, the Conference of Economic Progress, the County Officials Association of West Virginia, the Pennsylvania League of Cities, and the Association of County Commissioners, and the County Services Association of Tennessee.

Among the Governors supporting the accelerated public works bill are Gov. Richard J. Hughes, of New Jersey; Gov. W. W. Barron, of West Virginia; Gov. Bert Combs, of Kentucky; and Gov. William A. Egan, of Alaska.

Mayors, city administrators, and city managers testifying in favor of the accelerated public works bill include city officials from Athens, Tenn.; Lawrence, Mass.; Newark, N.J.; Detroit, Mich.; Savannah, Tenn.; Sweetwater, Tenn.; Jellico, Tenn.; Dyersburg, Tenn.; Miami, Fla.; Charleston, W. Va.; Greenville, Tenn.; Clairton, Pa.; Philadelphia, Pa.; Vienna, W. Va.; Johnstown, Pa.; Jersey City, N.J.; San Diego, Calif.; Fresno, Calif.; Chattanooga, Tenn.; Kinloch, Mo.; and Muskogee, Okla.

U.S. Senators testifying or submitting statements in favor of the accelerated public works bill include: the senior Senator from Pennsylvania [Mr. CLARK], the senior Senator from Illinois [Mr. DOUGLAS], the junior Senator from Arkansas [Mr. FULBRIGHT], the senior Senator from Tennessee [Mr. GORE], the junior Senator from Michigan [Mr. HART], the junior Senator from Montana [Mr. METCALF], the junior Senator from Utah [Mr. MOSS], the senior Senator from West Virginia [Mr. RANDOLPH], the senior Senator from Missouri [Mr. SYMINGTON], the junior Senator from Tennessee [Mr. WALTERS], and the junior Senator from New Jersey [Mr. WILLIAMS].

Money to fund worthwhile accelerated public works projects is urgently needed. The legislation to facilitate this work has been languishing for 1½ years. Even now S. 1856 has been on the Senate Calendar since June 1 when it was reported by the diligent Senator from West Virginia [Mr. RANDOLPH] for the Committee on Public Works. Unless this amendment is adopted and enacted as a part of the Foreign Assistance Act, accelerated public works will die in this Congress. We shall have to start all over again next year.

As a member of the Senate Public Works Committee, I voted to report the original accelerated public works bill to the floor of the Senate for action. However, I said then, in separate views, that the amount was far too little. That was on April 25, 1962. In committee I had stated that we should increase the amount to be authorized to at least $2.6 billion—an amount equal to the amount authorized by sections 202, 212, 401, and 451 of the Foreign Assistance Act of 1961 for fiscal year 1962. I was prepared to offer an amendment in committee to carry out this proposal but deferred because I did not want to delay enactment of the modest sum that was authorized.

History during the past 2 years has, unfortunately, proved that I was correct in my prediction that the amount authorized and the lesser amount appropriated were way insufficient.

The cost of the pending unfunded accelerated public works projects in the 50 States now exceeds $700 million. In Alaska the value of the 21 pending projects is $5,417,000. I ask unanimous consent that the projects pending in the 49th State appear as exhibit 1 at the close of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. GRUENING. These projects, if funded, could bolster substantially the economy of Anchorage, Ketchikan, Wrangell, Petersburg, Cordova, Valdez, Palmer, Wasilla, Talkeetna, Seward, Kodiak, Fairbanks, Fort Yukon, and other areas.

I believe it will be of interest to mention the total of projects pending in several other States. In Pennsylvania the value of the pending projects, now unfunded, is $43 million. The able Senators from Pennsylvania [Mr. Clark and Mr. Scott] realize the contribution which $43 million could make to the economy of their State.

Accelerated public works projects pending but unfunded in Massachusetts are valued at $5 million. The able Senators from Massachusetts [Mr. Saltonstall and Mr. Kennedy] appreciate the contribution $5 million can make to the economy of a State.

Far to the West in California the sum of $23 million is needed to fund projects pending there. The able Senators from California [Mr. Kuchel and Mr. Salinger] know the impact $23 million could make on the economy of their Golden State.

To the South, in Louisiana, the sum of $22 million is required to fund pending accelerated public works projects. The able Senators from Louisiana [Mr. Ellender and Mr. Long] appreciate the worth of $22 million added to the economy of their State.

In the great Midwest, in Michigan, pending accelerated public works projects which could be started were funding available total $34 million. The able Senators from Michigan [Mr. McNamara and Mr. Hart] know the assistance which would be forthcoming were $34 million injected into the economy of their State.

And in Kentucky, in Appalachia, accelerated public works projects totaling $30 million need to be funded. The able Senators from Kentucky [Mr. Cooper and Mr. Morton] know what $30 million would do to improve the economy of Kentucky.

The projects, Mr. President, are pending, and they represent but a sample of the work projects we need to start here in our own United States.

I want to comment on the desirability of certain specific accelerated public works projects which could be initiated were funds available.

The Clearfield County, Pa., Hospital could be constructed were $1,063,000 in APW funds available. I suggest that my good friends from Pennsylvania [Mr. Clark and Mr. Scott] would agree that the hospital in their State is desirable. Under our foreign aid program, with funds loaned at three-fourths of 1 percent interest, the Nepal Industrial Development Corporation, Government of India, received $1 million—an amount which could have been used to construct the hospital in Clearfield County, Pa.

In Walker County, Ga., a water-sewer project could be constructed under the accelerated public works program if $337,000 were available. The project is approved, as were the others I have named. Obviously the construction of the Walker County, Ga., project, would help the economy of that State far more than the feasibility studies of Keban and Ciceroz in Turkey which cost $350,000, a comparable amount. The able Senators from Georgia [Mr. Russell and Mr. Talmadge] appreciate the effect an injection of $337,000 would have in the Georgian economy.

In Graham County, N.C., funds are needed for a pending accelerated public works water and sewer project which will cost $91,000. That project and others could have been started with the $250,000 our Federal Government loaned to the Government of Tanganyika for a commodity development training center. The able Senators from North Carolina [Mr. Ervin and Mr. Jordan] know that a modest project totaling $91,000 can help a State's economy.

In Laurel County, Ky., three water-sewer projects, costing $1,012,000, are pending accelerated public works projects which cannot be funded. Again, I suggest to my friends from Kentucky [Mr. Cooper and Mr. Morton] that $1 million would help substantially the economy of their State. We loaned slightly more than that amount, $1,100,000, to the Government of Mali for a central veterinary laboratory at Bamako.

There are other comparisons of interest.

I ask unanimous consent that a table comparing pending accelerated public works projects with previously committed low-interest-rate, long-term loans abroad and a second chart comparing approved, funded APW projects and foreign grants we have made to many nations be printed in the Record at this point in my remarks.

There being no objection, the tables were ordered to be printed in the Record, as follows:

Comparison of pending APW projects and foreign loans already committed at ¾ of 1 percent

APW PENDING AS OF JUNE 1964

Accelerated public works		Foreign loans	
County, State, and purpose	Amount	Borrower and purpose	Amount
Clearfield County, Pa.: Hospital	$1,063,000	Government of Nepal: Nepal Industrial Development Corporation	$1,000,000
Graham County, N.C.: Water and sewer	91,000	Government of Tanganyika: Commodity Development Training Center.	250,000
Laurel County, Ky.: 3 water-sewer projects	1,012,000	Government of Mali: Central Veterinary Laboratory at Bamako	1,100,000
Allegany County, Md.: Water and sewer	617,000	Government of Pakistan: CPS and Maini-Rechna DCAB project	750,000
Jefferson County, Ala.: Hospital	592,000	Government of Niger: Development bank	500,000
Palmer, Alaska: Sewer system	273,000	Government of Tanganyika: Electrical equipment	300,000
San Diego, Calif.: Dock terminal	1,500,000	Government of Ivory Coast: Highway equipment	1,700,000
Miami, Fla.: San Marco storm and sanitary sewer project	683,000	Government of Tanganyika: University College	800,000
Walker County, Ga.: Water and sewer	337,000	Government of Turkey: Keban and Ciceroz feasibility studies	350,000
APW PENDING AS OF MAR. 19, 1963			
Lincoln County, Nev.: Highway	$1,600,000	Government of Ecuador: Administrative and fiscal reform	$1,600,000
Alamosa County, Colo.: Sanitary sewer	330,000	Government of Tanganyika: Teacher Training College	800,000
Adams County, Ohio: Ohio Brush Creek Reservoir	3,530,700	Government of Sudan: Khartoum sewerage	3,800,000
Bristol County, Conn.: Sewage treatment	2,535,000	Government of Afghanistan: Ariana Afghan Airlines	2,625,000
Hawaii: Highways	14,427,500	Government of Tunisia: Commodity assistance	15,000,000

How was our money better spent?

COMPARISON OF DOMESTIC APPROVED AND FUNDED APW PROJECTS AND U.S. FOREIGN GRANTS ABROAD

Approved accelerated public works		Foreign grants		
Location and purpose	Amount	Borrower and purpose	Date	Amount
Van Buren, Ark.: Sewer facilities	$455,000	India: Fertilizer demonstration	1956	$499,500
Camden, Del.: Sewer facilities	299,000	Sudan: Audiovisual training aids	1959	278,000
West Frankfort, Ill.: United Mine Workers Hospital	698,000	Vietnam: Expansion of Government information facilities	--------	524,00
South Bend, Ind.: Sewage facilities	529,000	Turkey: Reconstruction of earthquake damage in Fethiye	1957	500,000
Lafayette, La.: Lafayette Memorial Hospital	1,325,000	India: Fertilizer demonstration	1955	1,177,000
Lowell, Mass.: St. Joseph's Hospital addition	1,816,000	Pakistan: Acquisition and distribution of fertilizer	1955	2,000,000
De Kalb, Miss.: Water and sewer facilities	376,000	Yugoslavia: Land use—Soil and water resources	1959	341,000
Neptune City, N.J.: Sewage treatment plant	1,429,000	Libya: Soil conservation	1959	1,510,000
Heavener, Okla.: Water facilities	487,000	Indonesia: Land development and conservation	1956	421,599
Buffalo, N.Y.:		Burma: Land restoration	1958	5,400,000
Hospital addition	1,987,000			
Remodel hospital	779,000			
Ogdensburg, N.Y.: Sewage treatment plant	1,755,000			
North Tonawanda: Hospital addition	1,231,000			
Total	5,752,000			
Providence, R.I.: Addition Roger Williams Hospital	344,000	Yugoslavia: Soil improvement and water resources	1958	309,000

Mr. GRUENING. Mr. President, on March 19, 1963, I introduced S. 1121 on behalf of myself and eight of my colleagues—Mr. Bartlett; Mr. Cannon; the late Senator from Tennessee, Mr. Kefauver; Mr. Metcalf; Mr. Morse; Mrs. Neuberger; Mr. Randolph; and Mr. Yarborough. The bill was designed to carry out the provisions of the amendment I had originally discussed in the Senate Public Works Committee which was raising the amount authorized to $2,645 million—the equivalent to the amount authorized by the Foreign Assistance Act of 1961 for carrying out the economic aid provisions of sections 202, 212, 401, and 451 for fiscal year 1962.

The extensive hearings on the proposed extension of the Accelerated Public Works Act have demonstrated conclusively that the extension is desirable and needed. Senator Randolph has been acting as chairman of the ad hoc committee on the desirability of reactivating the accelerated public works program, a committee appointed by the chairman of the Public Works Committee, Senator McNamara.

The $880 million appropriated under the initial legislation has helped to finance approximately one-half the cost of nearly 8,000 projects in more than 3,000 communities in every State of the Union, the Virgin Islands, and Puerto Rico.

Today at least three-fourths of a billion dollars could be used immediately were we to act on the authorizing legislation I suggest we add to the foreign aid bill.

Yesterday, the Senate concurred in the amendments added by the House to S. 2642, the Economic Opportunity Act of 1964, generally known as the poverty bill. I am a cosponsor of this legislation. I highly approve of its purpose and warmly commend President Johnson for proposing this imaginative and constructive move to seek economic equality among those of our citizens who are economically disadvantaged. But that program is long range. We must provide a program which can be put to use immediately. The Economic Opportunity Act provides no immediate jobs. Unemployment which is still with us and poverty are inseparably related. If the antipoverty bill is to show beneficial acts in the near future, something needs to be added. The amendment I am offering would supply the missing ingredient.

During the past decade and a half, we have spent more than $100 billion to aid other countries. Surely we can afford to spend less than 3 percent of that amount to provide the same opportunity for American unemployed as we have offered the unemployed in 107 foreign countries.

My amendment No. 1138 in no way increases the amount to be authorized for our foreign aid program.

It has been pointed out that the proposed foreign aid program for the 1965 fiscal year is about $6 billion. A large proportion of this sum will be used for public works in other countries. Therefore, it is appropriate and in a moral sense highly germane for us to add to the bill we are debating my amendment which would add $1.5 billion for a public works program here at home. Moreover, the foreign assistance funds are voted annually. The accelerated public works funds represent a one-time shot.

Where is our money better spent? In Sukarno's Indonesia or in one of our own States?

Sukarno's "Djakarta Bypass," which we financed, cost $8 million. That amount would pay for all of the 21 accelerated public works projects pending in the State of Alaska and leave enough to construct sewer, water, and hospital projects in all of the Appalachian States.

Was our money wisely appropriated for a $1,489,000 "Improvement of national government administration" in Indonesia? Might we not better have constructed a necessary $1,500,000 dock terminal in San Diego, Calif.?

Should we have appropriated $6,330,000 for "Mobrig re-equipment" in Indonesia when we could have financed two thirds of the amount required for the 18 hospital projects pending in Appalachia?

Should we have given $1,481,000 for "Civil aviation development" in Syria when we could have built a sewer in Laurel County, Ky., for the same amount of U.S. taxpayer dollars?

Should we have allotted $912,000 for the "East Jordan map plan" when we could have constructed a storm and sanitary sewer in Miami, Fla.?

Should we have given $756,000 for a "Mapping and Geographical Institute" in Ethiopia when we could have completed a sewer project in Allegany County, Md.?

Should we have financed a "Maritime Academy" in Indonesia when we could have completed a hospital in Clearfield County, Pa.?

Should we have appropriated $140,000 for "Fertilizer and insecticide demonstration" in Brazil when we could have constructed a sewer in Graham County, S.C.?

Should we have given $30,000 for "Training within industry" in Indonesia, $30,000 for "Improved cooperative marketing" in Nasser's United Arab Republic; $160,000 for "Advanced office procedures training" in Uganda; $265,000 for "Book publishing" in Nigeria; $135,000 for "Rural slaughter sheds" in Chad; $800,000 for "Colonization" in Bolivia; $47,000 for "Broadcasting" in the Somali Republic; $18,000 for "Police training" in Syria; $100,000 for a "Soil salinity study" in Senegal; $61,000 for "Public administration" in British Guiana; $43,000 for "Academy training" in

Cambodia; $1,641,000 for "Highway maintenance" in Jordan; $2,191,000 for "Farm machinery training and demonstration" in Sudan; $20,000 for "Improvement of crop and livestock production" in the United Arab Republic; $13,000 for "Audiovisual units" in the Central African Republic; $463,000 for "Civil police and public safety" in Libya; $300,000 for "Town plans"—requested for 1965 in Panama—should any of these have come first when projects are desperately needed in every section of our own country? These are domestic projects which could now be producing jobs and supporting the economy had we only appropriated more accelerated public works funds initially.

Let us realize that the original appropriation for the accelerated public works program—an amount equal to that given the one, single, so-called neutral country of Indonesia in foreign aid—has not been enough. My accelerated public works amendment to H.R. 11380 provides the tools which will be necessary if we are to build the "Great Society."

I am not asking for a yea-and-nay vote, but I ask that the leadership accept this amendment and take it to conference.

EXHIBIT NO. 1

Status of the accelerated public works program as of June 1, 1964

ALASKA

Number of projects	66
Accelerated public works cost	$7,684,000
Accelerated public works value in place	$4,601,000
Total cost	$12,542,000
Total value in place	$7,215,000
Estimated man-months	4,503
Cost of completed projects, accelerated public works	$2,158,000
Total	$2,468,000

Source: U.S. Department of Commerce, Area Redevelopment Administration, accelerated public works program.

U.S. DEPARTMENT OF COMMERCE, AREA REDEVELOPMENT ADMINISTRATION

Accelerated public works program—Pending HEW and CFA projects in Alaska as of June 1, 1964

Agency	Agency No.	Election district	Project description	Place	Cost (thousands)		
					Accelerated public works	Other	Tota
5A. Anchorage:							
CFA	44	8	Harbor facilities	Anchorage	$200	$200	$400
CFA	48	8	Office building	do	150	150	300
5B. Ketchikan-Prince of Wales: CFA	33	1	Water supply	Ketchikan	820	868	1,688
5B. Wrangell-Petersburg:							
CFA	36	2	Water system	Wrangell	119	61	180
CFA	46	2	do	Kake City	99	111	210
4B. Lyn Canal-Icy Straits:							
CFA	19	5	Sewer	Yakutat	93	32	125
CFA	45	5	Water system	Hoonah	242	97	339
5B. Cordova-Valdez:							
CFA	3	6	Harbor facilities	Cordova	245	82	327
CFA	21	6	Street	do	363	187	550
5B. Palmer-Wasilla-Talkeetna: CFA	43	7	Sewer	Palmer	274	621	895
5B. Seward: CFA	38	9	Railway system	Seward	157	207	364
5B. Kodiak: CFA	35	11	Harbor facilities	Kodiak	74	74	148
5B. Fairbanks-Fort Yukon:							
HEW	7	16	Waste treatment	Fairbanks	92	370	462
CFA	7	16	Heating system	do	395	395	790
CFA	9	16	Drainage	do	390	429	819
CFA	10	16	do	do	375	413	788
CFA	11	16	Electric system	do	100	100	200
CFA	12	16	Street	do	640	704	1,344
CFA	14	16	do	do	146	165	311
CFA	15	16	do	do	375	413	788
CFA	47	16	do	do	68	69	137
Total (21 projects)					5,417	5,748	11,165

Mr. RANDOLPH. Mr. President, will the Senator from Alaska yield?

Mr. GRUENING. I am happy to yield.

Mr. RANDOLPH. As has been stated, S. 1856 was reported by the Committee on Public Works on June 1. This measure would increase the authorization to carry on the program of the Accelerated Public Works Act. The original authorization was for $900 million. S. 1856, as reported, would authorize expenditures of $1.5 billion. The amendment of the Senator from Alaska would also amount to $1.5 billion.

It is important at this point to recall that former President Kennedy asked, in essence, that Congress provide standby authority of up to $2 billion for accelerated public works. It is also important to indicate the widespread approval of such public works programs. This is detailed in the remarks of the able Senator from Alaska [Mr. GRUENING], and will appear in the RECORD.

I remind Senators that as of May 28, 1964, a backlog of $718 million worth of projects was on the shelf, ready to move forward. These were not projects that had been proposed; they were projects that had approval, but no Federal funds are available. Financial arrangements for matching had been made at the local level. These projects are ready to move forward when the authorization is voted and necessary funds are appropriated.

I am in accord with the view of the Senator from Alaska that this program could move forward at once. Manpower could be used. Projects could come into being. The result would be a strengthening of the economic wellbeing of hundreds of communities throughout the country. Gainful employment could be provided for thousands of workers on useful and needed projects.

These projects, up to the first of this year, were moving into the pipeline at a rate of $100 million a month.

The Senate Public Works Committee held several hearings on the proposed legislation, which has been referred to by the Senator from Alaska. These hearings were held in December of 1963, and again in March of 1964.

I have repeatedly urged the President of the United States to support enactment of this proposed legislation. I have urged the leadership of the Democratic Party in the Senate to realize the importance of moving this proposed legislation.

I am delighted that this afternoon the Senator from Alaska—who has served so well on the Committee on Public Works, and who was in attendance at the hearings and realizes the value of the program for his own State, and the value of the program nationally—has used this method to point out the importance of expansion and further acceleration of necessary public works.

I remind Senators that when we spend these dollars we do not merely add money, as it were, to the mounting costs of the Federal establishment. When we spend a dollar on public works, we have invested a dollar. There is not only a return of 100 cents upon the original investment, but there is also a dividend to this country: We are building a better America. We are strengthening its economic base. We are adding to the wellbeing of its citizenry.

I compliment the Senator from Alaska for bringing the matter to the attention of the Senate.

Mr. MORSE. Mr. President, will the Senator from West Virginia yield for a few questions?

Mr. RANDOLPH. I am glad to yield to the Senator from Oregon.

Mr. MORSE. Let me say to the Senator from Alaska and the Senator from West Virginia that I am very much disturbed if I am correctly interpreting their speeches. I yield to no other Senator in my support of the area redevelopment program. I know what it has done. I shall say something about it before I finish, but I wish to be sure that I understand the procedural situation in which we find ourselves.

I should like to inquire of the Senator from West Virginia who, along with the Senator from Alaska, has been one of the leaders in this body from the beginning in support of the program, whether I correctly understand that if S. 1856 is not acted upon by Congress or if a corresponding bill in the House—if there is one—is not acted on and sent to the Senate for action, the accelerated public works program will come to an end before the next session of Congress.

Mr. RANDOLPH. That, in essence, is true. The Senator is correct. Actually, the APW program has been at a standstill for several months.

Mr. MORSE. Is this program——

Mr. RANDOLPH. It is a program of progress.

Mr. MORSE. Is it about to be liquidated by inaction?

Mr. RANDOLPH. To all intents and purposes, that is correct.

Mr. MORSE. The program will be liquidated by inaction on the part of Congress, or phased out in connection with whatever contracts or commitments exist. The program will cease to exist so far as the program applicable to next year or the years thereafter is concerned; is that not correct?

Mr. RANDOLPH. The Senator from Oregon is correct. The commitment of dollars is actually beyond what we have, but there is always a degree of flexibility, or a cushion; but, for all practical purposes, the APW funds are exhausted.

Mr. MORSE. The program itself will expire.

Mr. RANDOLPH. The Senator is correct.

Mr. MORSE. I respectfully inquire of the majority leader—and I am only seeking help and information in regard to the business of the Senate—whether it is contemplated that S. 1856 will be brought up and made the pending business of the Senate prior to adjournment, and at such time as there may be some hope of action by the House.

Mr. MANSFIELD. Mr. President, if the Senator will indulge me, it is anticipated that this matter will be taken up at the next meeting of the Democratic policy committee.

Mr. MORSE. Would this program depend upon action taken there? If the action is favorable, the measure will be scheduled for action; but if it is unfavorable, those opposed to the decision will have to seek to reverse the action of the Democratic policy committee. Is that true?

Mr. MANSFIELD. I am not at all sure that the action of the Democratic policy committee will be unfavorable.

I would hope that the Senator from Oregon, with his usual courtesy, would give us that consideration, even though the bill has been in the committee for a long time, to see what we can do in the remaining days of this session.

Mr. MORSE. I have been in the Senate long enough to know that when I am told that a decision will be brought up in connection with the foreign aid bill and it is not contemplated that a yea and nay vote will be asked for, we are probably engaging in an educational process.

Mr. MANSFIELD. I did not quite understand what the Senator from Alaska had in mind, if this is the amendment which he discussed with me which he intends to offer to the foreign aid bill.

Mr. MORSE. I do not quite understand the Senator from Montana. I understood from the Senator from Alaska that he was not contemplating a yea and nay vote. That telegraphed to me, at least intuitively, that this is probably an educational process that we are now engaging in.

Mr. GRUENING. Mr. President, it is an educational process but it is also a proceeding which might eventuate in having the leadership accept the amendment and take it to conference.

I point to the fact that while we can expend $5 to $6 billion in foreign aid, each year and we have just enacted the antipoverty bill, which will not for some time bring any substantial reemployment, here is an opportunity to do for domestic aid what we have been doing with foreign aid to the extent of over $100 billion for the last 17 years. We should do something comparable at home.

I see no reason why since it is now contemplated that the totally extraneous matter having to do with apportionment will be added to the foreign assistance bill, which is unrelated to the subject at hand, this amendment which aims to do what the Foreign Assistance Act does in nearly a hundred foreign countries, cannot be pertinently added to do the same thing in one more country which happens to be our own.

We are spending $6 billion to employ people in over 90 foreign countries. Why not spend $900 million to employ people at home? So, while offering this amendment is, as has been suggested an educational matter, it is also a practical effort aimed to focus attention on an overdue and neglected domestic need.

I ask the majority leader to accept the amendment and take it to conference. I doubt whether it will survive there; but at least it is worth trying.

Mr. MANSFIELD. What the Senate now has pending before it is the legislative conference report, not the bill to which the Senator wishes to attach his amendment.

Mr. MORSE. The foreign aid bill is not the pending business of the Senate at the moment?

Mr. MANSFIELD. The Senator is correct.

Mr. MORSE. If I may be allowed to speak for a moment—I know it might be violating a rule, but unless someone objects I shall go ahead and violate it by making some relevant comments.

First, I am greatly indebted to both Senators; but, of course, if the pending business is another conference report and not the foreign aid bill, this is, as I suspected, through my intuition, a much-needed educational process on the floor of the Senate.

I should like to have the attention of the majority leader, because I am pleading with him. I quite agree with him that we should wait until the Democratic policy committee acts, but I am making a plea that the Democratic policy committee give heed to it when it does meet.

Last week, the ARA organization put on an exhibition in the Department of Commerce. It is possible that I may have been the only Senator who attended it, but if I was not, the only Senators there could be counted on the fingers of one hand.

I said to William Batt, the Director of ARA, that I wished that every Senator would visit the exhibit, because it shows what ARA has done for private industry in this country, and what an inducement it has been to the expansion of private industry. If Senators would do so, there would be no trouble about continuing and expanding ARA. In my judgment, it is one of the most vital domestic aid programs in the country.

It is particularly apropos that the Senator from Alaska suggested adding it as a rider to the foreign aid bill. Although he may not agree with me, it is not going to be added to the foreign aid bill as a rider. I cannot commit myself on that. But I think it is particularly apropos that we are talking about it as a potential rider to the foreign aid bill when I think of the billions of dollars of the American taxpayers that we have wasted and thrown away in many aspects of the foreign aid bill. But finally the taxpayers are catching up with the politicians. I hope they will catch up with them at an accelerated speed. But be that as it may, I thought of the areas of our country that need this kind of aid as I went through the exhibit down at the Department of Commerce the other night and saw the projects in which ARA money has been invested—a furniture plant here, a paper products plant here, a shoe factory there, a small tool plant in another location, a wood products plant in another. We can run the gamut of American industry and find that time after time ARA has acted in cooperation with local banks. This is not an ARA program in which the Federal Government puts up all the money. It assists. But in effect in underwrites the project with the amount of Federal assistance that is given. All we have to do is to look at the scale of success and failure. The American people are the beneficiaries of great economic gain as the result of ARA programs.

I stand on the floor of the Senate this afternoon and thank from the bottom of my heart Mr. William Batt, the director of that program, I also thank Mrs. Patricia Galey, the right arm of Mr. Batt. I thank every one of the administrators and assistant administrators of this program for a program that has been a tremendous success.

West Virginia has one of the highest rates of unemployment in the country. If one were to go through this exhibit, as I did the other night, and see the models of the various projects, the products that are now being produced, and producing, are on exhibit, the number of employees, the number of people that have been put to work as a result of this project—people who otherwise would be out of work—he would be proud of what has been accomplished by ARA. In order that no one may have any question about my self-interest—and I express it with pride—in behalf of my State, there are a couple of these projects in Oregon. A certain unemployment rate must be shown to exist to make the area an emergency area. In my State, ARA went in with a couple of projects and put people to work in projects that are now a huge success.

I have heard the program criticized as an aid to socialism. That is tommyrot. This is a program in which the money of the taxpayers is loaned for the time being to help private enterprise, to help small business, to help put people back to work. I do not know why there should be any question about passing this program, and quickly. But this dedicated leader down in the Commerce Building by the name of William Batt is deserving of our appreciation by quick passage of the bill.

I have read the individual views of Senator JENNINGS RANDOLPH, of West Virginia. Some of them are in the form of charts. They cannot be duplicated. But the material can be duplicated. Senator RANDOLPH's report proves that there is no question about what we ought to do.

Mr. President, I ask unanimous consent that the entire report of Senator RANDOLPH be printed at this point in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

The Committee on Public Works, to whom was referred the bill (S. 1856) to increase the amount authorized to be appropriated to carry out the provisions of the Public Works Acceleration Act, having considered the same, report favorably thereon with amendment and recommend that the bill as amended do pass.

The amendment is indicated in the bill as reported and is shown by italic.

SUMMARY OF THE BILL AND AMENDMENT

S. 1856 would amend section 3(d) of the Public Works Acceleration Act to provide authorization of $2,400 million inclusive of the original authorization of $900 million, the increase of $1,500 million to be available until expended. The new authorization contains the same formula of distribution as the original, providing one-third of the funds for areas designated under subsection 5(b) of Public Law 87-658.

LEGISLATIVE HISTORY OF PUBLIC LAW 87-658

The present accelerated public works program was generated from President Kennedy's desire to have standby authority to combat a recession before it might become fully developed. Among the arsenal of economic weapons devised for such a purpose, he requested authority from the Congress to commit $2 billion in Federal funds for public works projects whenever unemployment reached a critical level as defined in the draft bill the President submitted to the Congress.

On February 19, 1962, President Kennedy in a letter to the Congress requested standby authority to commit $2 billion in Federal funds to stimulate the economy whenever seasonally-adjusted unemployment rates had risen 3 out of 4 or 4 out of 6 consecutive months by a total of at least 1 percentage point during that period, and whenever the President determined that use of the standby authority was necessary to realize the goals of the Full Employment Act of 1946.

Under the proposal, the President could, after determining that the requisite conditions existed, declare a 12-month "capital improvement acceleration period" during which he could commit, without further congressional approval, $750 million in direct Federal expenditures previously authorized, $750 million for grants-in-aid to State and local governments, $250 million in loans to the States and localities, and $250 million additional among the three categories.

The proposal called for automatic termination of the President's authority at the end of 12 months unless extended by Congress or previously terminated by the President. After a waiting period of 6 months, he could declare another 12-month capital improvement acceleration period, commit another $2 billion, and repeat the cycle without further limitation.

The $750 million for grants-in-aid was to be used either to accelerate work on existing Federal-State grant projects, or initiate Federal grants for projects not otherwise eligible under existing statute.

Transmitted with the President's message was a draft bill—the Standby Capital Improvements Act of 1962—which was introduced in the House (H.R. 10318) on February 21, 1962, and in the Senate (S. 2695) on March 8, 1962.

On March 26, in letters to the House and Senate Public Works Committees the President stated that the economy had not recovered as well as had been expected during the first months of 1962, and requested the Congress to amend H.R. 10318 to permit immediate commitment of $600 million for capital improvement programs in areas designated for redevelopment under the Area Redevelopment Act of 1961, and areas which had an unemployment rate of over 6 percent for a year or longer.

The Senate Public Works Committee conducted hearings on April 12-13, 1962, and on April 25, 1962, reported, with amendments, the administration bill (S. 2965, S. Rept. 1358) containing a $2 billion standby authority and a $600 million immediate acceleration program.

On May 28, 1962, the Senate passed an amended version of S. 2965, authorizing the President to spend $750 million for immediate acceleration of public works projects in areas of heavy unemployment, and also authorizing appropriation after June 30, 1963, of $750 million for a standby public works program.

The Senate measure provided that the standby authority could be triggered only when the adjusted unemployment rate had risen 1 percentage point over a 3- to 9-month period.

The House Public Works Committee conducted hearings from March 26 to April 6, 1962, on the administration bill (H.R. 10318) to authorize a $2 billion standby program and a $600 million immediate acceleration program, and a bill (H.R. 10113) to authorize a $2 billion standby program and an Office of Public Works Coordination and Acceleration. On June 2, 1962, the House Public Works Committee reported, with amendments, H.R. 10113, authorizing appropriations of $900 million for immediate acceleration of public works through both direct Federal projects and grants-in-aid to State and local governments. It also provided for an Office of Public Works Coordination and Acceleration, but no authority for a standby program.

The House passed H.R. 10113 on August 29, 1962, by a voice vote, authorizing appropriation of $900 million for immediate acceleration of public works and deleting the provision for a special Office of Coordination and Acceleration. The House then vacated passage of H.R. 10113, amended S. 2965 to conform to the House-passed version, and substituted S. 2965 for H.R. 10113.

On September 10, 1962, the Senate agreed to the House amendments by a 45 to 22 rollcall vote and the bill was signed into law by President Kennedy on September 14, 1962.

SUMMARY OF PUBLIC LAW 87-658 AND IMPLEMENTING REGULATIONS

The Public Works Acceleration Act includes specific provisions for designation of the areas eligible for accelerated public works projects, the requirements for State and local governments to participate, and the rules of equity to be followed by the Federal Government in approving the projects. Eligible areas, as defined in the statute, exist in each of the 50 States, in Puerto Rico, the Virgin Islands, Guam, and American Samoa.

The principal features of Public Law 87-658 are:

First, all designated redevelopment areas under sections 5(a) and 5(b) of the Area Redevelopment Act are eligible for accelerated public works assistance. (Sec. 5(a) areas are urban areas of high unemployment; sec. 5(b) areas are rural and semirural areas of high unemployment, underemployment and low income designated by the Secretary of Commerce, and all Indian reservations.) Also eligible are those areas designated by the Secretary of Labor as having had substantial unemployment for at least 9 of the preceding 12 months, substantial unemployment being defined as above 6 percent.

Second, Federal public works projects in eligible areas which have been authorized by the Congress can be initiated or accelerated.

Third, public works projects of State and local governments for which Federal financial assistance is authorized in other legislation can be initiated and accelerated. For such projects, grants up to 50 percent of the total cost are authorized, and up to 75 percent if the State or local government lacks the financial capacity to assume the full additional financial obligation.

Department of Commerce regulations have established firm and objective criteria for relating grants of above 50 percent to local financial capacity. Areas eligible for 58-percent grants are those with median family incomes between $1,700 and $1,800 per year or twice the national unemployment rate for 3 of the last 4 years.

Areas with median family annual incomes of $1,600 to $1,700 or twice the national unemployment rate for all of the last 4 years qualify for 66-percent grants.

Areas with median family incomes under $1,600 per year or three times the national unemployment rate for all of the last 4 years are eligible for 75-percent grants. All of the 54 Indian reservations fall within this category.

The fourth main provision of the act declares that no State may receive more than 10 percent of the funds allocated, and no less than $300 million of the $900 million originally authorized must be allocated for the nonurban small labor market areas, low-income areas, and Indian reservations designated under section 5(b) of the Area Redevelopment Act. The new authorization of $1,500 million recommended by the committee retains this formula of distribution, allocating an additional $500 million to areas designated under section 5(b).

Fifth, adequate consideration must be given to relative needs of eligible areas, and criteria are established which the selected projects must meet. These criteria assure that projects—

(a) Can be initiated or accelerated within a reasonably short period of time, this period having been interpreted as within 120 days after the obligation of funds;

(b) Will meet an essential public need;

(c) Will have a substantial portion (51 percent) completed within 12 months after initiation;

(d) Will contribute significantly to the reduction of local unemployment;

(e) Are not inconsistent with locally approved comprehensive plans for the areas affected, where such plans exist.

It may be noted at this point that during the committee hearings testimony was submitted in criticism of the presumed failure of Federal administrative officials to fulfill two of the above five conditions. Evidence was received which would indicate that in certain instances, despite Department of Commerce requirements designed to assure the maximum employment of local labor, contractors have imported labor from outside the local labor market. Indications are that this may be due to the lack of requisite skills within the local labor market. However, the committee would urge administering officials to exert every effort to assure the employment of local labor, and to give particular priority to those qualified persons who have undergone the longest periods of unemployment.

The second criticism of administering of accelerated public works which was brought to the attention of the committee during its hearings was raised by the U.S. Chamber of Commerce in its attack upon recreation projects on the presumption that such projects fail to satisfy the condition of "essential public need." Representatives of the chamber declined to offer a systematic evaluation on any specific project on this ground, and their testimony was not supported by any of the local chambers of commerce or Government officials queried by the committee.

The Special Subcommittee for Accelerated Public Works conducted hearings on S. 1121 and S. 1856 on December 10, 11, 12 and 13, 1963, and March 11, 12, and 13, 1964. During the 7 days of hearings the special subcommittee received testimony from more than 60 witnesses, including Members of the Senate and House of Representatives, elected officials from the great metropolitan areas, as well as from smaller cities and rural and semirural communities, throughout the Nation, from labor, farm, and management organizations, and from scholars and economists.

The evidence adduced was overwhelmingly in support of the accelerated public works program as it has been administered and was in favor of an extension of the program under a new authorization.

The following tables and charts set forth the distribution of the $880 million thus far appropriated and demonstrate the categories of projects for which the funds have been obligated.

Table I presents the allocation of funds among the departments and agencies, which material is also presented on a percentage basis (as of December 1, 1963) in chart I.

Chart II presents the distribution of funds among categories of projects (as of December 1, 1963); and table II presents the allocation of funds to the individual States (as of April 1, 1964).

Chart III offers a comparative representation of total allocations, the value of projects approved, and the value of funds put in place.

It should be noted with reference to the following charts that an amount in excess of $12,800,000 has been allocated but will not be used on specific projects. Due to the appropriation period deadline and the failure of certain communities to fulfill their commitments, some funds were allocated which were not used and which were "returned" too late to be reallocated. These funds amounted to a lapse of $8,900,000 from the first appropriation of $450 million and as of March 31, 1964, $3,900,000 from the second appropriation. And it is expected that there will be additional funds lapsing from the second appropriation. It is for this reason that the committee has recommended amending the bill to provide that the funds be available until expended.

TABLE I.—*Accelerated public works program—Allocation of funds*

[In thousands]

Direct Federal projects:	
Agriculture	$59,690
Interior	50,979
Commerce	15,570
Defense (Engineers)	10,450
General Services Administration	3,000
Post Office	2,950
Justice	1,800
Tennessee Valley Authority	800
Treasury (Coast Guard)	800
Veterans' Administration	350
Total, direct Federal projects	146,389
Grant-in-aid projects:	
Housing and Home Finance Agency	475,635
Health, Education, and Welfare	229,845
Interior	13,021
Agriculture	3,110
Commerce	2,845
Total, grant-in-aid projects	724,456
Administrative costs:	
Housing and Home Finance Agency	5,600
Commerce	1,325
Health, Education, and Welfare	1,195
Interior	485
Agriculture	400
Labor	150
Total, administrative costs	9,155
Grand total:	
Direct Federal projects (16.6 percent)	146,389
Grant-in-aid projects (82.4 percent)	724,456
Administrative costs (1.0 percent)	9,155
Total (100 percent)	880,000

TABLE II.—*Number, estimated accelerated public works cost, and man-months of onsite employment, by States, accelerated public works projects approved through Apr. 1, 1964*

State	Number of projects	Estimated cost (thousands)		Estimated onsite man-months [1]
		Accelerated public works	Total	
Alabama	193	$27,135	$59,910	33,556
Alaska	66	7,684	12,691	7,191
Arizona	83	9,417	10,559	12,295
Arkansas	291	17,491	35,286	22,820
California	264	31,939	59,066	32,820
Colorado	57	3,575	5,242	3,413
Connecticut	55	7,392	16,229	7,978
Delaware	18	1,131	3,083	2,047
Florida	108	15,313	31,848	17,088
Georgia	203	17,005	34,665	19,849
Hawaii	9	2,733	6,097	3,366
Idaho	106	6,404	8,293	6,466
Illinois	226	$21,675	$40,339	23,515
Indiana	121	12,499	26,576	14,606
Iowa	3	551	855	628
Kansas	12	953	1,928	835
Kentucky	339	45,060	102,720	60,169
Louisiana	177	32,096	73,739	39,297
Maine	55	4,614	12,719	7,582
Maryland	39	3,531	8,355	4,834
Massachusetts	103	21,240	49,403	23,746
Michigan	714	67,538	146,254	85,613
Minnesota	290	14,998	25,306	22,949
Mississippi	168	13,873	29,317	18,760
Missouri	214	11,881	23,907	16,447
Montana	101	7,369	9,023	9,097
Nebraska	28	1,729	2,739	1,817
Nevada	13	1,020	1,140	1,070
New Hampshire	23	2,116	5,668	2,794
New Jersey	121	42,410	102,579	46,320
New Mexico	229	14,363	19.516	17,306
New York	209	36,295	77,763	40,316
North Carolina	228	20,749	43,098	27,155
North Dakota	22	1,335	1,608	1,868
Ohio	173	27,510	66,718	35,389
Oklahoma	222	18,515	33,597	21,720
Oregon	114	12,917	19,744	12,372
Pennsylvania	512	81,759	169,563	87,409
Rhode Island	43	12,438	38,222	18,525
South Carolina	162	11,108	28,125	18,678
South Dakota	25	2,111	2,432	2,691
Tennessee	161	21,451	48,080	28,730
Texas	184	24,437	49,958	28,774
Utah	108	7,218	10,847	8,596
Vermont	13	1,399	3,578	1,765
Virginia	61	5,491	10,258	7,181
Washington	190	15,425	26,067	16,130
West Virginia	301	43,020	78,053	43,051
Wisconsin	207	9,171	20,779	14,543
Wyoming	43	2,415	3,553	3,121
American Samoa	--------	--------	--------	--------
Guam	2	134	160	166
Puerto Rico	345	29,525	43,335	25,793
Virgin Islands	8	724	1,008	875
Total	7,762	851,882	1,741,598	1,011,123

[1] Estimated months of employment for the HHFA-CFA projects were computed by ARA on the basis of the latest data available from BLS studies of construction costs for various types of public works projects.

GENERAL STATEMENT

The committee has addressed the two main arguments advanced against the authorization of new funds for accelerated public works, the first of these being predicated on the assumption that the stimulus of the income tax reduction will reduce unemployment sufficiently without an additional investment in public works projects. A corollary to this argument is the presumption that the Congress—by voting for the tax reduction—pledged itself against enacting other legislation to stimulate the economy.

In this regard, the committee would draw attention to President Kennedy's plea when recommending the original program as a further Federal effort—

"* * * to provide useful work for the unemployed and underemployed, and to help these and other hard-pressed communities, through improvement of their public facilities, to become better places to live and work."

Thus, it is evident to the committee that neither in its conception nor in its design has the accelerated public works program been justified solely as a countercyclical economic measure. It has been designed and administered to provide additional employment and improved community facilities in those areas of greatest economic and social need. Despite the progress achieved to date, the conditions of excessive unemployment and community need still prevail in some 1,300 areas comprising one-third of the Nation.

Acknowledging the full economic stimulus of the tax reduction that its proponents claim, this will be a necessary though not a sufficient condition for fulfillment of the needs of the 1,300 designated areas of greatest distress.

Speaking with reference to the multiplicative effect of the tax cut, Senator PAUL H. DOUGLAS, chairman of the Joint Economic Committee, informed the Special Subcommittee on Accelerated Public Works that the $10 billion tax cut could create an additional stimulus of $35 billion and employ "something over 2 million people." "However," stated Senator DOUGLAS, "* * * this is a general demand and the accelerated public works is a rifleshot increase in demand in the areas where it is most needed."

Referring to production and employment trends during the past 15 years, Dr. Leon Keyserling, former Chairman of the President's Council of Economic Advisers under President Truman, pointed out to the special subcommittee that—

"The true level of unemployment or the full-time unemployment as officially recorded, has increased about 50 percent over 5 years, or 100 percent over 10 years, [and] we face the alarming prospect of another 50-percent increase over 5 years, or doubling over 10 years, under the impact of policies now in being, and under active consideration."

Other witnesses, taking an even more pessimistic view of the employment effect of the tax cut, referred to the prospect of additional technological unemployment growing from the plant modernization which will be stimulated by the tax cut.

In summary, it is the view of the committee that neither the tax cut nor other domestic programs now in being or submitted to the Congress are a substitute for filling the precise needs toward which the accelerated public works program is oriented.

The second major criticism against the accelerated public works program has been leveled against the inaccuracy of the early estimates of on-site employment. Overestimates of on-site employment were acknowledged by administrative officials as a result of their failure to anticipate the degree of prefabricated work involved in some construction projects. However, the committee was also informed of a corresponding increase of off-site employment over the early estimates, and in summation, Dr. Johannes U. Hoeber, Acting Deputy Administrator for Public Works Acceleration, declared that:

"As far as we know at this time, our estimate that the entire $880 million program, when completed, will generate 220,000 man-years of on-site and off-site employment and should come very close to what the program will actually produce."

The committee has also taken note of the fact that these estimates do not include the permanent employment created directly by the new facilities and the indirect employment created in industries which are dependent upon some of the facilities constructed.

In the former category, for example, are the thousands of permanent hospital jobs created by the construction of new hospital and clinical facilities. As of March 1964, 256 hospital and nursing home projects had been assisted under the accelerated public works program with a total Federal expenditure of $102 million and a total expenditure from all sources of $253 million. According to the American Hospital Association, it requires approximately $25,000 investment for each new hospital bed, and hospitals require an average of 2.8 employees for each bed served. Thus, the $253 million in hospital and nursing home projects represents approximately 10,000 new hospital beds and 28,000 new permanent jobs, many of which are of a highly skilled and technical nature. At approximately $9,900 capital investment for each new job, this compares favorably with the general increase of $15,000 to $20,000 in the gross national product which is required for each new job.

For many of the individual communities, however, the most significant achievement of the accelerated public works program is in the construction of vital water and sewage facilities on which local industries depend. These facilities may mean the difference between whether a local industry leaves the community or remains and expands; thus, in many instances noted before the committee, specific accelerated public works projects have been the critical factors in providing for a viable local economy. Table III below presents several such examples.

TABLE III

Project No.	Location	Type	Grant	Employment effect
APW-Ga-17G	Sandersville, Ga	Water	$61,000	2 new industries employing 74 persons result from these 2 projects.
APW-Ga-22G	do	Sewer	84,000	
APW-Ga-34G	Blairsville, Ga	Water and sewer.	61,200	400 new jobs result from new shoe plant and pepper plant.
APW-Ga-38G	Sylvania, Ga	Water	30,000	230 new jobs in new industrial area.
APW-Miss-5G	De Kalb, Miss	do	375,500	75 jobs in lumber industry saved.
APW-SC-1G	Blaney, S.C	Water and sewer.	175,000	250 new jobs.
APW-Tenn-10GL	Camden, Tenn	Water	248,700	Water to industrial park made possible 200 new jobs with Genesee Shoe Co.
APW-Tenn-19G	Big Creek Utility District, Tenn.	do	640,000	400 new jobs.
APW-Tenn-28G	Springfield, Tenn	do	173,500	400 new jobs in 3 industries result from water to industrial park.
APW-Ky-70GL	Quicksand Water District, Jackson, Ky.	do	117,000	Water needed for University of Kentucky Wood Utilization Center to develop new uses for wood and long-term employment and for eastern Kentucky resource development project.
APW-Wash-6G	Skagit County	Dam	418,000	Made possible retention of 3 canneries otherwise forced to leave by poor water quality.

With reference to both categories of permanent employment mentioned above, it is evident that considerable benefits accrue from the accelerated public works program which are not revealed in the statistics of on-site employment created. Due to rather stringent limitations established by the Congress for administrative costs of the program, the Area Redevelopment Administration has not been able to conduct impact studies to measure the extent of such benefits on a nationwide basis. Such studies would, however, be essential for an accurate assessment of the effect of the accelerated public works program on the national economy.

BACKLOG OF UNFILLED NEEDS

As noted earlier in this report, the Public Works Acceleration Act was signed by President Kennedy on September 14, 1962. Yet, within less than 4 months the applications for assistance to State and local projects surpassed the $900 million authorization. In January 1963, it was announced that applications received after January 24, 1963, would not be processed except for those from high distress areas which qualified for grants in excess of 50 percent, applications from areas which had received nothing under the first appropriation or were newly designated, applications which had been filed earlier but with insufficient data, and applications for projects that balanced the program better than applications filed earlier.

Despite this official discouragement, as well as unofficial discouragement from many congressional offices, communities have continued to apply for accelerated public works assistance, with a present backlog, after obligation of all appropriated funds, in excess of $700 million. Table IV presents a State-by-State summary of pending projects which would be eligible for assistance under a new authorization.

TABLE IV.—*Estimated accelerated public works cost of pending projects as of May 20, 1964*

[In thousands]

Alabama	$12,620
Alaska	5,417
Arizona	4,011
Arkansas	9,117
California	22,987
Colorado	3,484
Connecticut	3,228
Delaware	1,138
Florida	$17,758
Georgia	7,654
Hawaii	49
Idaho	246
Illinois	19,819
Indiana	4,954
Iowa	469
Kansas	3,775
Kentucky	29,884
Louisiana	22,023
Maine	960
Maryland	2,457
Massachusetts	27,748
Michigan	33,874
Minnesota	19,401
Mississippi	4,626
Missouri	7,386
Montana	6,429
Nebraska	2,517
Nevada	0
New Hampshire	2,315
New Jersey	36,903
New Mexico	7,024
New York	40,770
North Carolina	7,212
North Dakota	666
Ohio	20,884
Oklahoma	9,556
Oregon	5,342
Pennsylvania	96,561
Rhode Island	4,380
South Carolina	3,140
South Dakota	3,193
Tennessee	19,888
Texas	22,270
Utah	6,007
Vermont	1,450
Virginia	2,787
Washington	5,044
West Virginia	18,775
Wisconsin	6,764
Wyoming	1,053
American Samoa	-------
Guam	-------
Puerto Rico	27,975
Virgin Islands	100
Total	624,090
Pending projects for which specific data are not available	93,193
Total pending	717,283

It should be emphasized, however, that the preceding table does not accurately reflect the effective demand for Federal assistance on State and local projects. In view of the fact that applications were received prior to the announcement of January 1963, at an average volume of $200 million per month, dropped to $35 million a month and then rose to $113 million when the second appropriation of $400 million was made, it is safe to infer that the present level of demand would increase markedly with the authorization of new funds.

COMMITTEE RECOMMENDATIONS

The committee noted one particular problem in the administration of the accelerated public works program which is more appropriately the subject of administrative action than legislative. The practice of importing labor from outside the local labor market has occurred, to the committee's knowledge, in the States of Kentucky, Pennsylvania, and West Virginia, and there have doubtless been other instances not brought to the committee's attention. The committee acknowledges the high quality of administrative effort and the dedication of officials in charge of the accelerated public works program; yet we urge administration officials to exert every effort, by administrative procedure and by promulgation of new regulations, if necessary, to assure the maximum employment of local labor, with particular priority being given to the long-term unemployed and those who have exhausted their unemployment compensation benefits.

COMMITTEE VIEWS

It is the opinion of the committee that extension of the accelerated public works program by authorizing an additional $1.5 billion will benefit the national economy and provide more adequate public facilities in hundreds of communities. In order to achieve full utilization of the funds appropriated the committee also recommends that the funds be available until expended. It therefore recommends enactment of the bill as amended.

CHANGES IN EXISTING LAW

In compliance with subsection (4) of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill as reported are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

PUBLIC WORKS ACCELERATION ACT

(76 Stat. 542)

SEC. 3 * * *

(d) There is hereby authorized to be appropriated not to exceed [$900,000,000] *$2,400,000,000* to be allocated by the President in accordance with subsection (b) of this section, except that not less than [$300,000,000] *$800,000,000* shall be allocated for public works projects in areas designated by the Secretary of Commerce as redevelopment areas under subsection (b) of section 5 of the Area Redevelopment Act. *Appropriations made pursuant to this authorization after the date of enactment of this sentence shall remain available until expended.*

INDIVIDUAL VIEWS OF SENATOR COOPER

The Public Works Acceleration Act established a good and helpful program, which has provided employment and assisted many worthwhile local development projects in the last 2 years. It has helped depressed communities, many of them rural, build the water and sewer systems which are necessary for the health of their people, and a condition for the establishment of almost any type of industry.

Following enactment of the tax cut, however, and at a time when additional expenditures will increase the deficit, we have the responsibility to limit spending authorizations to what is essential. For this reason, and because I want to see the accelerated public works program continued as long as it is needed to provide employment, I offered an amendment in the Special Senate Subcommittee for Accelerated Public Works, and also in the full Committee on Public Works, to reduce from $1.5 billion to $900 million the additional authorization proposed by S. 1856. I will again offer my amendment when S. 1856 comes before the Senate.

The amount I propose—$900 million—is the same as the amount originally authorized by the Public Works Acceleration Act, which proved acceptable to the Appropriations Committees and the Congress which must provide funds for this program. I do not wish to see the program lost because of requests for $600 million more than the original authorization, or for more than can efficiently be used. I believe extension of the accelerated public works program we have had for the last 2 years is the reasonable course for the Congress to adopt at this time.

I hope the expansion of private industry will soon be able to take up the slack in unemployment—which is one of the chief purposes of the tax cut. But until it does, we must continue measures to help those who are out of work through no fault of their own.

I approve the recommendation of the committee, which I urged, that in administering the program strong efforts be made to provide maximum employment in the communities and areas for which projects are approved, and that priorities be established for those who have been longest out of work and have exhausted their unemployment compensation benefits.

With the adoption of my amendment, I can strongly support S. 1856 and extension of the accelerated public works program which is now providing jobs and useful public works in Appalachia, throughout Kentucky, and in hundreds of other areas throughout the country where unemployment is high and development projects can help build a better future.

Mr. MORSE. Mr. President, I close by saying: "What is the matter with us in the Senate? What has happened to us in the Senate that we would run the risk of this great program going down the drain?"

If we have to stay here until Christmas, we had better come back after the Democratic convention and stay here. It would be worth it if this were all that was done from the time the Democratic convention adjourned until Christmas, if it takes that amount of time to pass the bill. It will not take that amount of time, if we can somehow, in the busy hours, and under the pressures that the Senator are living under, get each Senator to take time to analyze the report and ask the same question I am asking the majority leader: "What are we waiting for?" Let us have a policy meeting, let us make this matter the pending business of the Senate at an early date, and have it passed and over in the House.

I have no doubt what the American people want. When one compares this program with the shocking waste of our boondoggling and waste around the world, he will get his answer from the people. He will find that he had better take care of our people first. And we are doing a very bad job of it.

Mr. RANDOLPH. Mr. President——

Mr. MONRONEY. Mr. President, I have the floor.

Mr. RANDOLPH. I have the floor.

Mr. MORSE. I make the plea that we get on with the business of passing the bill at the earliest possible date.

The PRESIDING OFFICER. The Senator from Oklahoma [Mr. MONRONEY] had the floor. He yielded the floor to the Senator from Alaska [Mr. GRUENING].

Mr. RANDOLPH. I am very sorry.

Mr. MANSFIELD. The Senator from Oklahoma [Mr. MONRONEY] had the floor. He yielded to the Senator from Alaska.

Mr. RANDOLPH. The Senator from Alaska took his seat.

Mr. MANSFIELD. But he yielded to him.

The PRESIDING OFFICER. He yielded to the Senator from Alaska.

Mr. MONRONEY. Mr. President, if the Senator from West Virginia wishes some time, I shall be glad to yield to him. There is ready for consideration a conference report on the legislative appropriation bill. It will only take a few minutes.

Mr. RANDOLPH. I should like to have 1 minute.

Mr. MONRONEY. Mr. President, I yield to the Senator from West Virginia.

Mr. RANDOLPH. Mr. President, I am sorry. There seemed to be some confusion. That is understandable, after the Senate has been in more or less regular session for perhaps 9 months.

I want the RECORD to show further that the House of Representatives has had reported from the Committee on Public Works of the House of Representatives an accelerated public works authorization bill in the amount of $900 million. The Committee on Rules and Administration has not yet cleared that bill for House action.

On June 1 we reported an authorization for an accelerated public works program of $1.5 billion. We were hopeful that the House could pass an appropriation of $900 million, and that the Senate could pass an appropriation of $1.5 billion, and that we might, after conference, appropriate $1.2 billion for this kind of program.

I am grateful to the Senator for yielding.

Mr. MONRONEY. I am always happy to listen to my distinguished friend when he has a message to deliver.

Mr. GRUENING. Mr. President, I thank the Senator from Oklahoma [Mr. MONRONEY] for his courtesy in yielding. When the appropriate time comes and the parliamentary situation is right, I shall bring up the amendment.

Mr. MORSE. Mr. President, as the Senator from Oklahoma [Mr. MONRONEY] knows, I am always a stickler for respecting and following the rights of other Senators on the floor. I came in the Chamber when the Senator from Alaska was speaking. I was of the impression that he had the floor in his own right. If I had known that the Senator from Oklahoma had the floor, I would have asked the Senator for permission to make my comments.

Mr. MONRONEY. Mr. President, I appreciate that the Senator from Oregon is always fair. It was only to preserve my rights that I brought up the point that I had the floor.

LEGISLATIVE BRANCH APPROPRIATIONS—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 10723) making appropriations for the legislative branch for the fiscal year ending June 30, 1965, and for other purposes.

Mr. MONRONEY. Mr. President, the bill agreed to in conference is in the amount of $210,300,885 which is $45,698,860 under the budget estimate.

The greater parts of this reduction is in funds requested for a new Government Printing Office Building. The estimate was in the amount of $46,723,000 and the conference committee recommends $2,500,000 for selection of a site which must be approved by the Joint Committee on Printing and for plans and designs.

The conference committee agreed with the Senate amendments for an additional 16 metropolitan police including 6 canine corps specialists for the Capitol Grounds during the evening hours.

The conference committee agreed with the Senate amendment providing an additional $75,000 for seven additional employees, fertilizers, and other supplies and material to improve the appearances of the Capitol Grounds.

For the Legislative Reference Service the conference committee approved four additional experts in lieu of two additional allowed by the Senate and eight additional allowed by the House. The foreign currency program of collection and distribution of library materials in Poland and Yugoslavia included in the Senate bill was deleted in conference.

Section 105 included on the House floor was amended in the Senate to provide for site audits for the Architect of the Capitol.

The Senate version of the bill also provided for quarterly reports on all expenditures of the House and the Senate. That procedure, which the Senate has used for several years in printing a full account of its payroll expenditures quarterly and an annual report of its total expenses, was carried forward to the House. In the conference committee we agreed with the House on semiannual reports of all expenditures for the House, the Senate, and the Architect of the Capitol. So over the 6 months we shall have a complete documentation, printed and available to anyone, of the total expenditures of the House, the Senate, and the Architect of the Capitol.

In addition, the on-site audit provided for in the Senate bill in section 105 was agreed to in conference and will provide for on-site audits by the General Accounting Office of the Office of Architect of the Capitol.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to H.R. 10723, which was read as follows:

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 29, 30, and 37 to the bill (H.R. 10723) entitled "An Act making appropriations for the legislative branch for the fiscal year ending June 30, 1965, and for other purposes".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 34, and concur therein with an amendment, as follows:

In lieu of the matter stricken out and inserted by said amendment insert the following: "$507,800: *Provided,* That wherever H.R. 11049, Eighty-eighth Congress, as enacted into law establishes a specific rate of compensation for any position different from the rate specifically enumerated in this Act for such position, the rate in said H.R. 11049 shall prevail".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 46, and concur therein with an amendment, as follows:

In lieu of the matter proposed by said amendment insert the following:

"SELECTION OF SITE AND GENERAL PLANS AND DESIGNS OF BUILDINGS

"For necessary expenses, for site selection and general plans and designs of buildings for the Government Printing Office, pursuant to the Public Buildings Act of 1959 (40 U.S.C. 602 et seq.), $2,500,000, to be available for transfer to the General Services Administration: *Provided,* That the selection of a site must be approved by the Joint Committee on Printing."

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 47, and concur therein with an amendment, as follows:

In lieu of the matter stricken out and inserted by said amendment, insert the following:

"SEC. 105. (a) Commencing with the semiannual period beginning on July 1, 1964, and ending on December 31, 1964, and for each semiannual period thereafter, the Secretary of the Senate and the Clerk of the House of Representatives shall compile, and, not later than sixty days following the close of the semiannual period, submit to the Senate and House of Representatives, respectively, and make available to the public, in lieu of the reports and information required by sections 60 to 63, inclusive, of the Revised Statutes, as amended (2 U.S.C. 102, 103, 104), and Senate Resolution 139, Eighty-sixth Congress, a report containing a detailed statement, by items, of the manner in which appropriations and other funds available for disbursement by the Secretary of the Senate or the Clerk of the House of Representatives, as the case may be, have been expended during the semiannual period covered by the report, including (1) the name of every person to whom any part of such appropriation has been paid, (2) if for anything furnished, the quantity and price thereof, (3) if for services rendered, the nature of the services, the time employed, and the name, title, and specific amount paid to each person, and (4) a complete statement of all amounts appropriated, received, or expended, any any unexpended balances. Such reports shall include the information contained in statements of accountability and supporting vouchers submitted to the General Accounting Office pursuant to the provisions of section 177(a) of the Budget and Accounting Procedures Act of 1950 (31 U.S.C. 67(a)). Reports required to be submitted to the Senate and the House of Representatives under this section shall be printed as Senate and House documents, respectively.

"Section 117 of the Accounting and Auditing Act of 1950 (64 Stat. 837, 31 U.S.C. 67) is amended as follows:

"By adding after the words 'executive agency' in both places where it is used in subsection (b) the words 'or the Architect of the Capitol' and by adding after the word 'legislative' in the proviso the words '(other than the Architect of the Capitol)'.

"By adding at the end thereof the following new subsection:

"'(c) The Comptroller General in auditing the financial transactions of the Architect of the Capitol shall make such audits at such times as he may deem appropriate. For the purpose of conducting such audits, the provisions of section 313 of the Budget and Accounting Act (42 Stat. 26; 31 U.S.C. 54) shall be applicable to the Architect of the Capitol. The Comptroller General shall report to the President of the Senate and to the Speaker of the House of Representatives the results of each such audit. All such reports shall be printed as Senate documents.'

"(b) Commencing with the semiannual period beginning January 1, 1965, and for each semiannual period thereafter, the Architect of the Capitol shall compile and, not later than sixty days following the close of the semiannual period, submit to the Senate and the House of Representatives a report of all expenditures made from moneys appropriated to the Architect of the Capitol, based on payrolls and other vouchers transmitted during such period to the Treasury Department for disbursement, such report to include (1) the name, title, and gross salary payment to each employee; (2) a list of government contributions to retirement, health, insurance, and other similar funds; and (3) name of payee, brief description of service rendered or items furnished under contract, purchase order or other agreement. Such report shall be printed as a Senate document."

Mr. MONRONEY. Mr. President, those three amendments were necessary because of the nature of the amendments by the Senate. They include the payment of salaries of three employees of the Architect's office at the annual salary scale agreed to in the recent pay bill. They do not include any Senators or any members of their staffs. They also contain language providing that site selection for the new building of the Government Printing Office Building must be approved by the Joint Committee on Printing.

The last amendment relates to the report on expenditures. The amendment would require the Architect of the Capitol, as well as the House and the Senate, to submit seminannual reports on expenditures.

I move that the Senate concur in the amendments of the House to the amendments of the Senate numbered 34, 46, and 47?

The motion was agreed to.

Mr. MONRONEY. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a comparative statement of the appropriations for 1964, the budget estimates for 1965, the amounts included in the Senate and House bills and the amounts finally agreed to in conference for the legislative appropriation bill.

There being no objection, the statement was ordered to be printed in the RECORD.

LEGISLATIVE APPROPRIATION ACT, 1965 (H.R. 10723)

Comparative statement of the appropriations for 1964 and the budget estimates and amounts recommended in the bill for 1965

Item	Appropriations, 1964	Budget estimates, 1965	Version of bill		Conference
			House	Senate	
SENATE					
Vice President and Senators:					
Compensation of the Vice President and Senators	$2,472,140	$2,471,140		$2,471,140	$2,471,140
Mileage, President of Senate and Senators	58,370	58,370		58,370	58,370
Expense allowance, Vice President, majority and minority leaders	14,000	14,000		14,000	14,000
Total, Senators and Vice President	2,543,510	2,543,510		2,543,510	2,543,510
Salaries, officers and and employees					
Office of the Vice President	136,710	136,710		136,710	136,710
Chaplain	9,430	9,430		9,430	9,430
Office of the Secretary	897,885	917,595		918,400	918,400
Committee employees	2,731,965	2,731,965		2,731,965	2,731,965
Conference committee:					
Majority	82,740	82,740		82,740	82,740
Minority	82,740	82,740		82,740	82,740
Administrative and clerical assistants to Senators	13,609,650	13,609,650		13,731,170	13,731,170
Office of the Sergeant at Arms	2,704,615	2,751,915		2,757,350	2,757,350
Offices of secretaries to the majority and minority	135,195	135,195		135,195	135,195
Offices of the majority and minority whips	30,330	30,330		30,330	30,330
Official reporters of debates	231,555	231,555		240,760	240,760
Total salaries, officers and employees	20,652,815	20,719,825		20,856,790	20,856,790
Other, Senate:					
Legislative counsel	247,260	247,260		252,530	252,530
Beneficiaries of deceased Senators	22,500				
Total, other	269,760	247,260		252,530	252,530
Contingent expenses:					
Senate policy committees	351,170	351,170		351,170	351,170
Automobiles and maintenance	37,840	39,840		39,840	39,840
Furniture	31,190	31,190		31,190	31,190
Expenses of inquiries and investigations	4,025,760	4,025,760		4,275,760	4,275,760
Folding documents	46,700	36,700		36,700	36,700
Mail transportation (motor vehicles)	16,560	16,560		16,560	16,560
Miscellaneous items	2,673,860	[1] 2,665,790		2,660,790	2,660,790
Postage	63,535	62,035		62,035	62,035
Stationery	255,600	[2] 255,600		255,600	255,600
Communications	15,150	15,150		15,150	15,150
Total, contingent expenses	7,517,365	7,499,795		7,744,795	7,744,795
Total, Senate	30,983,450	31,010,390		31,397,625	31,397,625
HOUSE OF REPRESENTATIVES					
SALARIES, MILEAGE FOR THE MEMBERS, AND EXPENSE ALLOWANCE OF THE SPEAKER					
Compensation of Members	10,622,500	10,622,500	$10,622,500	10,622,500	10,622,500
Mileage of Members and expense allowance of the Speaker	200,000	200,000	200,000	200,000	200,000
Total	10,822,500	10,822,500	10,822,500	10,822,500	10,822,500
SALARIES, OFFICERS, AND EMPLOYEES					
Office of the Speaker	94,875	94,875	94,875	94,875	94,875
Office of the Parliamentarian	75,380	75,380	75,380	75,380	75,380
Office of the Chaplain	9,425	9,425	9,430	9,430	9,430
Office of the Clerk	1,220,000	1,280,970	1,240,000	1,240,000	1,240,000
Committee employees (standing roll)	3,125,000	3,180,000	3,180,000	3,180,000	3,180,000
Office of the Sergeant at Arms	661,600	[3] 955,775	955,000	955,000	955,000
Office of the Doorkeeper	1,150,410	[4] 1,174,775	1,174,000	1,174,000	1,174,000
Special and minority employees (several items)	339,515	339,515	339,515	339,515	339,515
Office of the Postmaster	359,525	[5] 380,750	380,000	380,000	380,000
Official reporters of debates	217,120	217,120	217,120	217,120	217,120
Official reporters to committees	219,345	219,345	219,345	219,345	219,345
Committee on Appropriations (investigations)	660,000	700,000	700,000	700,000	700,000
Office of the Legislative Counsel	252,530	252,530	252,530	252,530	252,530
Total, salaries, officers and employees	8,384,725	8,880,460	8,837,195	8,837,195	8,837,195
MEMBERS' CLERK HIRE					
Clerk hire	21,300,000	21,800,000	21,500,000	21,500,000	21,500,000
CONTINGENT EXPENSES OF THE HOUSE					
Furniture	269,620	419,620	340,000	340,000	340,000
Miscellaneous items	3,725,000	3,800,000	3,725,000	3,725,000	3,725,000
Reporting hearings	223,000	225,000	223,000	223,000	223,000
Special and select committees	3,965,500	4,000,000	3,965,500	3,965,500	3,965,500
Office of Coordinator of Information	121,855	117,890	117,890	117,890	117,890
Telegraph and telephone	2,185,000	2,500,000	2,400,000	2,400,000	2,400,000
Stationery (revolving fund)	1,308,000	1,046,400	1,046,400	1,046,400	1,046,400
Attending physician's office	16,545	16,545	16,545	16,545	16,545
Postage stamps	274,260	228,550	228,550	228,550	228,550
Folding documents	251,300	251,300	251,300	251,300	251,300
Revision of laws	20,765	20,765	20,765	20,765	20,765
Speaker's automobile	10,600	11,100	11,100	11,100	11,100
Majority leader's automobile	10,500	11,100	11,100	11,100	11,100
Minority leader's automobile	10,500	11,100	11,100	11,100	11,100
New edition, United States Code		150,000	150,000	150,000	150,000
New edition, District of Columbia Code		100,000	100,000	100,000	100,000
Payment to widows and heirs of deceased Members	157,500				
Total, contingent expenses	12,549,945	12,909,370	12,618,250	12,618,250	12,618,250
Total, House of Representatives	53,057,170	54,412,330	53,777,945	53,777,945	53,777,945

See footnote at end of table.

LEGISLATIVE APPROPRIATION ACT, 1965 (H.R. 10723)—Continued

Comparative statement of the appropriations for 1964 and the budget estimates and amounts recommended in the bill for 1965—Continued

Item	Appropriations, 1964	Budget estimates, 1965	Version of bill		Conference
			House	Senate	
JOINT ITEMS					
Joint Committee on Reduction of Non-Essential Federal Expenditures	$29,750	$29,750	-------	$29,750	$29,750
CONTINGENT EXPENSES OF THE SENATE					
Joint Economic Committee	235,000	235,000	-------	235,000	235,000
Joint Committee on Atomic Energy	311,000	311,000	$311,000	311,000	311,000
Joint Committee on Printing	123,530	123,530	123,530	131,000	131,000
CONTINGENT EXPENSES OF THE HOUSE					
Joint Committee on Internal Revenue Taxation	344,440	344,440	344,440	344,440	344,440
Joint Committee on Immigration and Nationality Policy	20,000	160,460	20,000	20,000	20,000
Joint Committee on Defense Production	69,550	90,520	65,000	65,000	65,000
CAPITOL POLICE					
General expenses	36,700	36,700	36,700	36,700	36,700
Capitol Police Board	144,000	144,000	144,000	330,600	330,600
EDUCATION OF SENATE AND HOUSE PAGES					
Expenses	79,680	79,925	79,925	79,925	79,925
PENALTY MAIL COSTS					
Expenses	4,867,374	4,800,000	4,723,000	4,723,000	4,723,000
STATEMENTS OF APPROPRIATIONS					
Preparation	13,000	13,000	13,000	13,000	13,000
Total, joint items	6,274,024	6,368,325	5,860,595	6,319,415	6,319,415
ARCHITECT OF THE CAPITOL					
Salaries, Office of the Architect	442,500	569,000	539,000	507,800	507,800
Contingent expenses	50,000	50,000	50,000	50,000	50,000
Capitol buildings	[6] 1,444,500	[7] 1,675,000	1,630,000	1,464,300	1,624,300
Extension of the Capitol	700,000	[8] 125,000	125,000	125,000	125,000
Capitol Grounds	480,000	678,000	665,000	740,000	740,000
Legislative garage	51,300	52,000	52,000	52,000	52,000
Senate office buildings	2,560,300	2,402,000	-------	2,414,500	2,414,500
House office buildings	1,783,000	3,354,000	3,230,000	3,230,000	3,230,000
Acquisition of property, construction, and equipment, additional House office building (liquidation cash)	20,000,000	8,000,000	8,000,000	8,000,000	8,000,000
Capitol Power Plant (operation)	2,223,000	2,706,000	2,700,000	2,634,000	2,665,000
Planning for restoration, old Senate Chamber and old Supreme Court chamber in Capitol	37,500	-------	-------	-------	-------
Library buildings and grounds:					
Structural and mechanical care	3,400,200	2,396,000	2,396,000	2,362,000	2,382,200
Furniture and furnishings	180,000	229,400	220,000	220,000	220,000
Total, Architect of the Capitol	33,352,300	22,236,400	19,607,000	21,799,600	22,010,800
BOTANIC GARDEN					
Salaries and expenses	456,500	528,000	500,000	500,000	500,000
LIBRARY OF CONGRESS					
Salaries and expenses	[9] 9,726,000	10,790,000	[10] 10,626,000	[10] 10,626,000	[10] 10,626,000
Copyright Office, salaries and expenses	1,781,000	1,828,000	1,828,000	1,828,000	1,828,000
Legislative Reference Service, salaries and expenses	2,119,000	2,308,000	2,300,000	2,217,500	2,245,000
Distribution of catalog cards:					
Salaries and expenses	[11] 3,042,000	[12] 3,572,800	[13] 3,554,800	[13] 3,554,800	[13] 3,554,800
Salaries and expenses, 1964 supplemental	-------	[14] 211,700	180,000	149,000	149,000
Books for the general collection	670,000	670,000	670,000	670,000	670,000
Books for the law library	110,000	110,000	110,000	110,000	110,000
Books for the blind, salaries and expenses	1,900,000	2,446,000	2,446,000	2,446,000	2,446,000
Organizing and microfilming the papers of the President, salaries and expenses	112,800	112,800	112,800	112,800	112,800
Preservation of motion pictures	50,000	50,000	50,000	50,000	50,000
Collection and distribution of library materials (special foreign currency program):					
Payments in Treasury-owned foreign currencies	898,000	1,717,000	1,417,000	1,717,000	1,417,000
U.S. dollars	80,000	143,000	124,500	143,000	124,500
Total, Library of Congress	20,488,800	23,959,300	23,419,100	23,624,100	23,333,100
GOVERNMENT PRINTING OFFICE					
Printing and binding	18,200,000	18,000,000	18,000,000	18,000,000	18,000,000
Office of Superintendent of Documents, salaries and expenses	5,242,000	5,562,000	5,562,000	5,562,000	5,562,000
Revolving fund	[15] 3,550,000	(16)	(16)	(16)	(16)
Selection of site and general plans and designs of buildings	-------	46,723,000	-------	2,500,000	2,500,000
Total, Government Printing Office	26,992,000	70,285,000	23,562,000	26,062,000	26,062,000
GENERAL ACCOUNTING OFFICE					
Salaries and expenses	[17] 45,700,000	47,200,000	46,900,000	46,900,000	46,900,000
Grand total	217,304,244	255,999,745	173,626,640	210,380,685	210,300,885
Consisting of:					
1964 supplemental (H. Doc. 284)	-------	211,700	180,000	149,000	149,000
1965 appropriations	217,304,244	255,788,045	173,446,640	210,231,685	210,151,885

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[1] Includes $101,230 in H. Doc. 290.
[2] Includes $60,600 in H. Doc. 290.
[3] Includes $294,175 in H. Doc. 290.
[4] Includes $24,365 in H. Doc. 290.
[5] Includes $21,225 in H. Doc. 290.
[6] And reappropriation, estimated now at $82,000.
[7] Includes $160,000 in H. Doc. 284.
[8] Submitted in H. Doc. 284.
[9] Plus $230,000 transfer from National Science Foundation.
[10] Plus $150,000 transfer from National Science Foundation.
[11] Plus $28,000 transfer from National Science Foundation.
[12] Includes $132,800 in H. Doc. 284.
[13] Plus $18,000 transfer from National Science Foundation.
[14] Submitted in H. Doc. 284.
[15] Plus $6,450,000 transferred from "Acquisition of site and construction of annex."
[16] Minor language only.
[17] Considered in connection with and appropriated in another bill.

TRAINING OF PROFESSIONAL NURSING PERSONNEL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the unfinished business be laid aside temporarily, and that the Senate proceed to the consideration of H.R. 11241.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 11241) to amend the Public Health Service Act to increase the opportunities for training professional nursing personnel, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Labor and Public Welfare with amendments.

Mr. HILL. Mr. President, the Committee on Labor and Public Welfare has approved H.R. 11241, which has been passed by the House of Representatives.

In the spring of 1961, the Surgeon General of the Public Health Service appointed a Consultant Group on Nursing, under the chairmanship of Alvin C. Eurich, vice president, the Fund for Advancement of Education, Ford Foundation, to advise the Surgeon General on nursing needs and to identify the appropriate role of the Federal Government in assuring adequate nursing services for our Nation.

The Consultant Group submitted its report December 19, 1962.

According to the report, to meet the needs of the Nation in 1970 for safe, therapeutically effective, and efficient nursing service, the United States would need 850,000 professional nurses, including 300,000 with an academic degree.

At present, there are 550,000 professional nurses in practice, and it would not be feasible to increase this number by 300,000 by 1970. Therefore, the Consultant Group recommended, as a feasible goal, that the number of nurses be increased by 130,000 to a total of 680,000 by 1970. The reported bill aims at the attainment of this goal.

It should be pointed out, however, that even if the goal recommended by the Consultant Group is met, our Nation will remain short of nurses in 1970.

To provide adequate service in general hospitals in 1970 would require, in total, some 525,000 professional nurses, instead of the 340,000 we have today.

In the field of psychiatric hospitals and other psychiatric services, there are today 16,300 professional nurses, and the number should be at least doubled in order to meet the needs by 1970 in the newer forms of therapy.

Nursing homes supply a substantial proportion of services for patients with long-term illness. There are some 9,700 "skilled nursing care" homes in the United States, with about 350,000 patients, but 1 out of 10 of these institutions has no full-time professional or practical nurses. Another 13,000 facilities offer "personal care" or "residential care," but of these only 1 in 8 has any nursing staff. It is estimated that by 1970 there will be 40,000 nursing homes giving "skilled nursing care," requiring a minimum of 40,000 professional nurses.

Today some 35,000 professional nurses are employed in public health agencies and schools. In 1960, in public health agencies, 1 out of every 20 nursing positions was unfilled. The needs for 1970 are estimated at 86,000 professional nurses for public health work and for care of the sick at home.

The Department of Defense, the Veterans' Administration, and the Public Health Service as well as State and local government agencies require well-trained nursing personnel that are too frequently in short supply.

Critical shortages exist in the fields of nursing education. In 1962, 19,500 nurses were employed in schools which prepare professional and practical nurses. In that year, there were 1,200 faculty vacancies in the professional nursing schools and 225 in the practical nurse programs. By 1970, to provide adequate staffing for existing schools of nursing will require more than 30,000 nurse educators.

Furthermore, the faculties of professional nurses need additional training. Only 38 percent of the full-time faculty members in colleges, junior colleges, hospital schools of nursing, and schools of practical nursing have graduate degrees.

Of the 1,148 schools of nursing, only 707 have programs of instruction that are accredited by the National League for Nursing.

Today there are three types of basic educational programs which prepare nurses for licensure as registered professional nurses: College and university programs leading to a baccalaureate degree, junior college programs leading to an associate degree, and hospital programs leading to a diploma. In addition to the basic programs, master's and doctoral programs provide graduate training for professional nurses.

The major provisions of H.R. 11241, as reported, would first, authorize a 4-year program of construction grants for teaching facilities to expand the training capacity of nursing schools—$90 million for 1966–69; second, authorize a 5-year program of project grants to assist diploma, collegiate, and associate degree schools of nursing to meet the additional costs of strengthening, improving, or expanding their training programs, and a 5-year program of formula grants to diploma schools of nursing for partial reimbursement of costs of training students of nursing whose attendance may be attributable to this legislation—$58 million for 1965–69; third, extend for 5 years and expand the existing program of traineeships for advanced training of professional nurses—$50 million for 1965–69; and fourth, authorize a 5-year student loan program for students of nursing at collegiate, associate degree, and diploma schools of nursing—$85 million for 1965–69 plus such sums as are required in 1970–72 to enable students who have received loans to complete their education.

Total 1965–69 authorization: $283 million.

H.R. 11241 as passed by the House would authorize construction assistance effective July 1, 1965, and would eliminate as of July 1, 1964, the eligibility of collegiate schools of nursing for construction assistance under Public Law 88–129—Health Professions Educational Assistance Act of 1963.

Under Public Law 88–129, however, 11 collegiate nursing schools that plan expansions in training capacity might receive construction assistance this year if H.R. 11241 were amended in section 3 by striking "1964" wherever it appears and inserting "1965." The committee has approved this change so that the construction may go forward without delay.

In addition, a technical amendment was approved that is required as a result of the recently passed Hill-Burton legislation that authorizes construction assistance to hospital schools of nursing and provides that States give priority to hospital projects that would include expansions of nurse training facilities.

As passed by the House, H.R. 11241 authorizes project grants for accredited collegiate schools of nursing to strengthen, improve, and expand their programs. These grants may also be awarded to college schools of nursing that are not accredited if there is reasonable assurance, following consultation with the appropriate accrediting body, that the school will meet the accreditation standards prior to or upon completion of the project being financed.

There are no provisions in H.R. 11241 for grants to hospital schools of nursing that are not accredited. The Committee has approved an amendment so that unaccredited hospital schools may be made eligible for project grants if there is reasonable assurance that they will meet accreditation standards prior to or upon completion of the project.

The bill is strongly approved by the American Public Health Association, the American Nurses' Association, and the American Hospital Association. I hope the bill may be passed by the Senate.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. HILL. I yield to the Senator from New York.

Mr. JAVITS. I wish the RECORD to show that when the bill was voted out of the Committee on Labor and Public Welfare it was understood that time would be afforded to members of the committee who might not be present, especially on my side of the aisle, to file minority or dissenting views. It is now my understanding from the minority and the distinguished chairman that inquiries have been made. Because of that fact I have joined in the desire to bring up the measure at this time. There is no disposition to hold up the bill or to seek time to file minority or dissenting views. I wish the RECORD to be clear on that fact, because it was the understanding that it was intended to accommodate members of the committee who had wished to do so.

I ask the chairman of the committee if my statement is correct.

Mr. HILL. I thank the Senator for his cooperation and join him in the statement he has made.

Mr. JAVITS. As to the nursing schools, the bill is related to both hospital affiliated nursing schools as well as nonhospital affiliated nursing schools, but those which are affiliated with colleges and universities. Is that correct?

Mr. HILL. That is correct. The nursing schools are classified in the college 4-year courses in nursing, then in the 2-year courses, what are referred to as trade school courses, or 2-year courses in college, and then what are referred to as schools in hospitals.

Mr. JAVITS. None of these are schools for profit?

Mr. HILL. None. They are all nonprofit schools. Any money must go to nonprofit or public schools.

Mr. JAVITS. We do not necessarily have anything against private schools, but we want an understanding of the quality of the bill.

Finally, the bill will provide not only for registered professional nurses but practical nurses as well. Is that correct?

Mr. HILL. The Senator is correct. I may add that it provides for teachers, instructors, and trainers in practical nursing, with the idea of training more practical nurses.

Mr. JAVITS. There are few professions in which shortages are greater than in nursing. A number of our colleagues on the other side of the Capitol, especially the women Members of the House, Mrs. BOLTON of Ohio in particular, who has long been a friend of nurses, and was herself a nurse before she came to Congress, have been strongly in favor of this particular bill. I hope the Senate will act favorably on it.

Mr. HILL. The House passed the bill unanimously. There was no opposition to the bill in the House.

The PRESIDING OFFICER. The committee amendments will be stated.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the committee amendments be considered en bloc.

The PRESIDING OFFICER. Is there objection? Without objection, the committee amendments are considered en bloc.

The question is on agreeing to the committee amendments en bloc.

The committee amendments were agreed to en bloc, as follows:

On page 9, line 15, after the word "private", to insert "diploma"; on page 29, line 2, after "June 30,", to strike out "1964" and insert "1965"; at the beginning of line 7, to strike out "1964" and insert "1965"; in line 9, after the word "section", to strike out "631(c)" and insert "825(c)"; in line 12, after the word "facilities", to insert a comma and "and section 603(a) of such Act is amended by striking out clause (4), by striking out 'and' following the semicolon at the end of clause (3), and by inserting 'and' after the semicolon at the end of clause (2)"; and in line 20 after "July 1," to strike out "1964" and insert "1965".

Mr. JAVITS. Mr. President, has the report been filed?

Mr. HILL. Mr. President, I ask that the report be printed.

The PRESIDING OFFICER. Without objection, the report will be printed.

Mr. JAVITS. Mr. President, may the RECORD show that the report was submitted in advance of passage, because there are matters in the report with respect to the way the act will be administered which are very important as to the way it will be done, as expressed by the committee which reported the bill.

THE NURSE TRAINING ACT OF 1964 NEEDED NOW

Mr. YARBOROUGH. Mr. President, a recent study of a representative group of hospitals showed a 20-percent shortage of professional nurses and an 18-percent shortage of practical nurses. Projections into the near future indicate that by 1970 we will need an additional 185,000 professional nurses to provide adequate service in general hospitals. The Surgeon General's Consultant Group on Nursing reports that by 1970 there will be an overall demand in this country for 850,000 trained professional nurses. This distinguished group felt, however, that 850,000 was a goal impossible of achievement and set a more realistic target of 680,000 professional nurses by 1970. They feel that the latter figure can be reached if a broad enough program of incentive and assistance is enacted immediately.

Mr. President, the Nurse Training Act of 1964 is the program. Under this bill, grants would be provided for the construction and rehabilitation of nursing schools and for strengthening, improving, and expanding their training programs. The existing program of traineeships for advanced training of professional nurses would be expanded. And a student loan program, modeled after the National Defense Education Act and the Health Professions Assistance Act, would be established.

Mr. President, I have nothing but admiration for every nurse I have ever known. The high level of skill demanded by the nursing profession requires a long period of training. The ever-increasing complexity of medical techniques is constantly raising the already high level of skill which must be attained. After graduation the nurse can look forward to long hours and low pay. Of course, being a nurse provides rewards of its own through the happiness gained from helping others.

But low pay is still low pay, Mr. President. I wish that we could do something now about raising the pay scale for this dedicated group of women. If we cannot do that, at least we can ease the burden involved in becoming a nurse. This bill would to some extent accomplish this latter aim.

The sum of $17,710,000 is authorized for 1965, increasing to $82,880,000 in 1969. This is money well spent. It is time that we do something for the nurses who every day do so much for the people. At the same time we will be providing for a sufficient number of nurses to meet future needs.

The PRESIDING OFFICER. The bill is open to further amendment.

If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. JAVITS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ASSISTANCE IN THE PROVISION OF GRADUATE OR SPECIALIZED PUBLIC HEALTH TRAINING

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to the consideration of H.R. 11083.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 11083) to amend the Public Health Service Act to extend the authorization for assistance in the provision of graduate or specialized public health training, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. HILL. Mr. President, the Committee on Labor and Public Welfare has approved H.R. 11083, which has been passed by the House of Representatives.

At the Conference on Public Health Training held in August of 1963, the authoritative knowledge of 80 leaders in the fields of public health and public health training was focused on public health manpower problems. The conference measured the adequacy of the rate at which trained personnel are being developed by evaluating the staffing of health agencies over the past 10 years.

It is clear that the supply of trained health professionals is not keeping pace with population growth. It was also found that the present rate of training barely offsets attrition and program expansion, permitting little gain in providing more adequate training for the more than 20,000 inadequately trained personnel.

For example, in 1958, slightly less than half of all professional personnel in State and local health departments had received the training necessary to qualify them fully for their public health responsibilities. In 1963, 5 years later, only 51 percent were adequately trained. In addition, more than 5,000 budgeted positions are now vacant.

To maintain even the present inadequate staffing pattern in State and local health departments in relation to population growth and to offset attrition, at least 17,000 more trained workers must be produced by 1970. This legislation would permit a total of 8,500 individuals to receive full-time training in public health during the 5 years 1965–69.

Many more public health personnel will be needed by voluntary health agencies and Federal agencies, such as the Department of Health, Education, and

Welfare, the Department of Defense, and other departments which have health responsibilities and international health programs.

An additional critically important basic need is to overcome the acute shortage of teachers, so that the faculties of the schools which must train these workers may be augmented.

They are vacant because personnel is not available in the United States with which to fill these positions.

H.R. 11083 would extend the existing program of public health traineeships for 5 additional years and extend for 4 additional years the existing program of project grants to schools of public health, schools of nursing, and schools of engineering, for public health training. Both programs would carry identical expiration dates of June 30, 1969.

H.R. 11083 also provides for a conference on public health training, to be called by the Surgeon General of the Public Health Service between June 30 and December 1, 1967, with a report to the Congress by January 1, 1968.

The provisions of H.R. 11083 are based on the recommendations of the Second National Conference on Public Health Training, called by the Surgeon General in August 1963. Action along the lines recommended by the conference would significantly help increase the supply of critically needed professional public health manpower.

I ask unanimous consent that a table of the cost, 1965 to 1969, be printed in the Record at this point.

There being no objection, the table was ordered to be printed in the Record, as follows:

Cost, 1965–69

[In thousands of dollars]

Item	1965	1966	1967	1968	1969	Total
Public health traineeships	4, 500	7, 000	8, 000	10, 000	10, 000	39, 500
Project grants	2, 500	4, 000	5, 000	7, 000	9, 000	27, 500
Administration	375	445	520	590	665	2, 595
Total	7, 375	11, 445	13, 520	17, 590	19, 665	69, 595
Man-years of employment	36	44	51	57	64	252

Mr. JAVITS. Mr. President, in respect to this bill also, which has just been reported and placed on the calendar, time was allowed to members of the committee who might desire to file dissenting or additional views. I understand the bill has been cleared with Members who might have been interested in opposing the bill and that it is agreeable to them to have it considered at this time. That is why, as I said with respect to the previous nursing bill which was passed, I have joined the Senator from Alabama in allowing it to be brought up at this time.

Mr. HILL. Mr. President, I want the Senate to know that I corroborate the statement of the distinguished Senator from New York. Members of the committee who might have wanted to file their own views were contacted. We were advised there was no desire to file minority or supplemental views and that it was satisfactory to have the bill brought up at this time.

Mr. JAVITS. So that those who read the Record may understand, this bill also covers nursing and nursing training, but nursing and nursing training with respect to public health needs and postgraduate training. It is training that is different from that encompassed in the bill passed previous to this bill.

Therefore, there is no duplication. These bills logically follow one after the other, public health being a branch of the professional science of both medicine and nursing which is not encompassed within either a doctor or a nursing bill unless it is expressly designed for public health purposes. It is well known and well understood to be an area of professional competence like surgery, for example, in which special postgraduate training is required. The purpose of the bill is to take up nursing in the public health field where the previous bill left off.

Mr. HILL. Yes; there is no conflict between the two bills, and no duplication. They are complementary one to the other.

Mr. JAVITS. There is a great deficiency in staffing public health and public health agencies. I believe the Senate would be well advised to pass this measure.

The PRESIDING OFFICER. The bill is before the Senate and open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill was ordered to a third reading, was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I move that the Senate reconsider the vote by which the bill was passed.

Mr. JAVITS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

SAMPLE OF CORRESPONDENCE SUPPORTING THE OPPOSITION OF SENATOR MORSE TO THE SOUTH VIETNAM RESOLUTION

Mr. MORSE. Mr. President, I ask unanimous consent that I might have printed at this point in the Record a sampling of the correspondence that I have received in recent days in support of my opposition to the South Vietnam resolution. My mail is now running better than 200 to 1 in support of my position.

There being no objection, the sample of the correspondence was ordered to be printed in the Record, as follows:

Berkeley, Calif.,
August 5, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Stand firm. Insist on debate and acceptance now 14-nation conference. Speak for whole country.

Francis W. Herring.

Eugene, Oreg.,
August 5, 1964.

Senator Wayne Morse,
U.S. Senate,
Washington, D.C.:

No war.

Rosemary Frazier.

North Hollywood, Calif.,
August 5, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

We fully support your courageous stand in opposition to U.S. intervention in Vietnam.

Mr. and Mrs. Norman Levine.

Santa Monica, Calif.,
August 5, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Strongly urge negotiations, not force, in settlement of Vietnam conflict.

Respectfully,

Dr. and Mrs. Zolton Gross.

Van Nuys, Calif.,
August 5, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.

Bring our destroyers and aircraft and all U.S. personnel home. Our Armed Forces have no business in Asia. We do not want war.

Francis Wright Humanises.

Eugene, Oreg.,
August 5, 1964.

Hon. Senator Wayne Morse,
U.S. Senate,
Washington, D.C.:

The following is a copy of a letter I am sending to President Johnson. "The time of concern for peace is past; the child was stillborn. Let me be one of the first to descend from this current course of insanity. The policy of Senator Wayne Morse or the choice of President de Gaulle was far more sane. If you will—humane. Humane for those of Vietnam—North and South; humane for Americans; humane for the world." Needless to say, I shall support you and your past policy and hope that they will be the principles that guide you in your resolution today.

Ray E. Johnson.

Los Angeles, Calif.,
August 5, 1964.

Senator Wayne Morse,
Senate Building,
Washington, D.C.:

We support your position on Vietnam, a political solution not an armed one.

Mrs. Ravelisoltes.

Los Angeles, Calif.,
August 5, 1964.

Wayne Morse,
Senate Office Building,
Washington, D.C.:

We support your position on Vietnam, a political solution to problems not an armed solution.

Joann Pintkowski.
Joan Temple.

Los Angeles, Calif.,
August 5, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Support every effort of yours to secure immediate disengagement all U.S. forces from southeast Asia.

Carl Kessler.

Los Angeles, Calif.,
August 5, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

I support Senator Morse's position on Vietnam, a political solution, not an armed one.

Frank M. Leslie.

Los Angeles, Calif.,
August 5, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

How can we a great Nation attack North Vietnam for provocations of unproved origin and afterward present the issue to U.N.? How can this decision be so urgent that we cannot first bring our charges to the U.N.?

Earl Budin.

Los Angeles, Calif.,
August 5, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

We strongly support your position against escalating the war in southeast Asia and urge you to continue your courageous fight to have the entire conflict submitted to the United Nations.

Betty and Murray Abowitz.

Boston, Mass.,
August 5, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

I urge you to not support American acts of aggression against innocent North Vietnamese.

Art Silbergeld.

Tacoma, Wash.,
August 5, 1964.

Senator Wayne Morse,
Washington, D.C.:

This is cruel, criminal, dishonest, stupid, and frightful. Please read that into the Record.

Paul and Yvonne Braune.

Berkeley, Calif.,
August 5, 1964.

Wayne Morse,
Senate Office Building,
Washington, D.C.:

Events in Vietnam support your position. We can only lose lives and prestige as a democracy by carrying the war further. We should refer the issue to the United Nations.

Walter Packard.

Chicago, Ill.,
August 5, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

American battleships off North Vietnam are provocation, endangering world. Such desperate brinkmanship characterizes rightist extremism.

Remove our ships from Tonkin Gulf.

Ask immediate U.N. support neutralization and withdrawal all foreign troops all Vietnam. Oppose military actions which would commit us to prosecution undeclared war. Prime responsibility yours.

S. Gold Family.

Columbia, Mo.,
August 5, 1964.

Senator Wayne Morse,
Washington, D.C.:

Urge you continue to oppose our further involvement in southeast Asia war.

John Schuder.

Cleveland, Ohio,
August 5, 1964.

Senator Wayne Morse,
Washington, D.C.:

Oppose further involvement Vietnam. Get out instead of in. Negotiate through United Nations.

Sincerely,

Mrs. B. D. Lake.

Los Angeles, Calif.,
August 5, 1964.

Senator Wayne Morse,
Senate Building,
Washington, D.C.:

Support your position. Political solution toward peaceful Vietnam neutralization to avert world war. Please act.

Mr. and Mrs. H. Irwin.

Los Angeles, Calif.,
August 5, 1964.

Senator Wayne Morse,
House Office Building,
Washington, D.C.:

I support Senator Morse's position on Vietnam. A political solution not an armed one.

Lee Wintner.

Buffalo, N.Y.,
August 5, 1964.

Hon. Senator Wayne Morse,
Washington, D.C.:

Strongly oppose any extension of U.S. commitment in southeast Asia.

Mr. and Mrs. Carl Moos.

Los Angeles, Calif.,
August 5, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Respectfully urge immediate withdrawal of war vessels cruising off Vietnam to avoid atomic war.

Gertrude Gordon.

Los Angeles, Calif.,
August 5, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Our extreme and deliberate action against North Vietnam is an unwarranted escalation and serious threat to world peace.

Dr. and Mrs. Charles R. Kleeman.

Newport, R.I.,
August 5, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Please maintain your magnificent independence. Tell public your analysis and do not rubber stamp war.

Jessie Lloyd O'Connor Little.
Compton, R.I.

Chicago, Ill.,
August 5, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Urgently hope you speak out against raising of war risk in southeast Asia.

Dr. Richard Flacks.

Seattle, Wash.,
August 5, 1964.

Senator Wayne Morse,
Washington, D.C.:

A warminded President asks for a third world war. Please consult Senator Gruening and other negatives and issue press statement at once.

Arthur C. Dewitt,
U.S. Senate Candidate.

Oakland, Calif.,
August 5, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Please run as an independent for President. Voters need a choice on foreign policy.

Thelma Shumake.

Salem, Oreg.,
August 5, 1964.

Senator Wayne Morse,
Washington, D.C.:

Enthusiastically support your opposition to military involvement in Vietnam.

Peter Griffin.

Oakland, Calif.,
August 5, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.:

Keep up the good work. Stop war Vietnam.

Hazel M. Linton.

Senator Wayne Morse,
U.S. Senate, Washington, D.C.

Dear Senator Morse: Congratulations for your candor and courage in describing the character of American military action against North Vietnam.

H. Jamison.
Berkeley, Calif.

Palo Alto, Calif.

Senator Wayne Morse,
The Senate of the United States,
Washington, D.C.

Dear Senator Morse: The news tonight that U.S. planes are bombing North Vietnam makes most distressingly apparent the need for a voice of reason with respect to our policy in southeast Asia generally and Vietnam in particular. In the past, yours has been the strongest voice—may I urge you to keep up the good work? To what can our present policy lead except the involvement of Communist China (another Korean war) and possibly the Soviet Union, and nuclear war. (North Vietnam has never been a threat to us; nobody, obviously, is interested in what happens to the Vietnamese, but world war III involves everybody on this planet.)

The United States has about as much business in Vietnam as the Soviet Union had in Cuba—is the American Government really less interested in peace than the Soviet Government?

Please urge our Government to call for a reconvening of the 1954 Geneva Conference, which provided for the only just and reasonable solution for southeast Asia—genuine neutrality.

Elizabeth J. Drake.

Brooklyn, N.Y.,
August 4, 1964.

Dear Sir: I absolutely agree with you. We must end the unjust war in Vietnam. Please continue to use your influence to get American troops and "advisors" withdrawn from southeast Asia. They could be better used in Mississippi to enforce the Constitution.

Sincerely yours,

David R. Yale.

Minneapolis, Minn.
August 5, 1964.

The Honorable Wayne Morse,
Senate Office Building,
Washington, D.C.

Dear Senator Morse: Please let your voice be heard clear and strong during this crisis. You have always been right on the situation in Vietnam, and it is important that you exert your influence for peace at this critical time.

I had hoped that President Johnson had more patience and tolerance. The petty attacks made upon our destroyers didn't justify our furious attack upon North Vietnam. It might not have been so bad if Vietnam had been warned in advance that if they persisted in their attacks, severe retribution would follow, but to make a major attack upon such slight provocation overflowed the measure. I fear that this attack will bring about a reconciliation between China and Russia and that they may present a united front. And I have no doubt whatever that we will be regarded as bullies all over the world and that we have alienated millions of friends. If I should invade the home of a neighbor whose children had played a few pranks and perpetrated a little mischief upon me, and beat up the children, that would be somewhat the equivalent of the attack we made on Vietnam.

I am grateful that you are in the Senate.

Yours truly,

Franz Jevne.

Tacoma, Wash.,
August 4, 1964.

The Honorable Wayne Morse,
Senate Office Building,
Washington, D.C.

Dear Senator Morse: I write this appeal to you tonight. What has become of the American way when war is the national question—the great courageous debaters? Who says the American people consent to this frightful, cruel war in Vietnam which the President today unconstitutionally declared and acknowledged? I for one have had enough of killing, haven't you? And won't you please make it clear to the President.

Sincerely,

Mary W. Branscomb.

Sturgis, S. Dak.,
August 3, 1964.

Senator Wayne Morse,
Washington, D.C.

Dear Senator Morse: I think you are performing a real service to the American people by your efforts to reduce the tremendous waste in foreign aid, and by pointing out our serious mistake in becoming involved in the Vietnam civil war. It seems to me that our State Department should have foreseen the impossibility of maintaining an anti-Communist government in South Vietnam, and in keeping Vietnam permanently divided into two hostile groups. There was certainly plenty of opportunity to promote a better understanding between the two factions and to encourage normal trade relations between them.

The sooner we get over the idea of dominating the world with military force and adopt a live-and-let-live policy, maintain our own institutions the way we like them, and allow all other countries to do the same, the better it will be for us and all other nations of the world.

I hope you will keep up your efforts until public opinion brings pressure on the administration to adopt a more reasonable policy.

Yours sincerely,

George Alt.

August 4, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.

Dear Senator: Enclosed you will find a copy of a letter I wrote to the President recently. I agree with you when you told the Secretary of Defense and General Taylor that "I am now convinced that the greatest threat to the peace of the world is the United States. I am convinced if the United States continues to follow the course of action implied (in your) briefing, we are headed for a major war in Asia, and we will be hated for the next 500 years by the overwhelming majority of mankind." You are so right.

What is wrong with President Johnson? Does he think this is the way to win an election, would he use these means to secure an election? It frightens me terribly, but what can one do. I shall send a telegram to the President tonight but I'm sure it will be of no avail. Senator George Aiken said: He "has made up his mind to confront Red China * * * regardless of the costly results."

I hope you tell me what you think the most important action an average person can do in a situation of this kind. Whatever it is I shall get busy and see that a good many other people are made busy.

Sincerely,

Rosalie Goodwin.

Beverly Hills, Calif.

July 27, 1964.

Lyndon B. Johnson,
President of the United States,
Washington, D.C.

Dear Mr. President: I am shocked and aghast to learn today that you have ordered more troops into Vietnam. Mr. President, what do you mean? It would seem you are deliberating leading us into a world war III, and I do not like it. And I am not alone in this feeling; many, many more Americans do not like it, and pretty soon they are going to be angry enough about this whole war situation, and fearful enough about it to see that you are defeated at the polls in November. I am lifelong Democrat but I cannot go along with you on this policy of brinkmanship. It seems an act to out-Goldwater Mr. Goldwater and that kind of policy is a bankrupt policy and is unworthy of a President of these United States. The CIA and the whole military-industrial complex has tried to inveigle every President to take a stand of this kind, but fortunately they have been too wise. But you, Mr. President, a Democrat, is succumbing to their line. I quote Max Freedman who analyzed the Johnson war moves in these terms: "Perhaps the whole effect is simply designed to prove that the Johnson administration can be as tough as Senator Goldwater. It had better watch itself or it will merely prove that it is more stupid than the Senator. Not even in his worst moments was John Foster Dulles ever guilty of such crude and reckless act of brinkmanship as the one into which the Johnson administration has now stumbled."

I cannot vote for a man for President on these terms, Mr. President. You talk peace and good will but meanwhile U.S. jets and "Laotian Air Force" T–28's (often piloted by CIA-hired Americans) continue to attack in Laos. The Laotians charged that "many innocent monks" were killed and wounded in an attack on temples in Xieng Khouang June 19 and that four peasants, including children, were killed in a raid on the villages. Senator Wayne Morse called these attacks "acts of war" for which the United States would be found guilty "by any international juridical tribunal." We shall be hated throughout the world for these "acts of war" and right we should be. Our hands are as bloody as the worst Nazi.

For God's sake, Mr. President, for the safety of the American people (another war and we die by the millions, too) as well as of the other people of the world, take this issue to the United Nations for settlement or agree to call another Geneva Conference where all interested parties can sit together and talk.

Yours truly,

R. K. Goodwin.

Dallas, Tex.,
August 3, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.

Dear Senator Morse: Thank you for your comment as underlined in the above news excerpt. I enclose the editorial because it is so indicative of the narrow parochial form of nationalism which is so typical of the Dallas Morning News. The publisher, E. M. (Ted) Dealey is the man who, early in the administration of the late President Kennedy, stated at a luncheon where he and many other editors were the late President's guests, that what we need in the White House is a man who can ride horseback and not one who rides Caroline's tricycle. This juvenile comment went uncensured by Dallas and was highly praised as a heroic comment by the Dallas Morning News, of course. This man also makes an annual world tour and writes of his experiences and observations in various countries in such a manner that he evokes protests from citizens of those foreign nations. His comments are often offensive.

Does the United States have any right other than a power right in Asia? Does the Central Intelligence Agency, our State Department, and our Defense Department understand the oriental mind, the African mind, or even the European mind well enough to tell those countries how to manage their internal affairs? We certainly should let the United Nations handle South Vietnam. Secretary General Thant understands the situation better than we who fight for first one faction and then another.

Also, are we not attempting to pressure Latin American countries into helping us to starve the people of Cuba in the hope that they will become so desperate that they will kill their leader? Do we have any concern for the betterment of conditions for the masses in Cuba (many reports indicate that conditions would be better than formerly under Batista if United States did not place so many obstacles in the way of Castro, such as economic and diplomatic pressures)? Or, are we concerned only with getting back the vast property holdings and opportunities of our big industry which were appropriated by the Cuban Government?

Many of us see in the perpetuation of a war-geared economy for this Nation, a mere stalling of time until the day when we shall be forced by emphatic world opinion to convert our economy to one where our wealth, resources, manpower, and technology can be used toward the attainment of the maximum amount of welfare for all the peoples of the world.

Thank you for all your efforts toward lessening our armed interference in the affairs of other nations. Much progress has been made in the direction of world peace. We must not let the United States continue to place obstacles in the way of peace, now—not the sort of peace that is always dangled in front of us as a reward for fighting another war and causing more world destruction. The peace promised after war is illusive—peace is not obtained through war.

No reply is expected.

Respectfully,

Eula M. McNabb.

[From the Dallas Morning News, July 11, 1964]

Drawing the Line

Secretary of Defense Robert S. McNamara went before the Senate Foreign Relations Committee to answer charges of "brinkmanship" resulting from statements by top military leaders that the United States is ready to risk war to stop the Communists' take-over in South Vietnam. The Secretary pointed out the obvious fact that this country's effort to save South Vietnam does indeed carry "the risk of escalating to military actions outside the border of South Vietnam."

Any stand anywhere against the advance of an aggressor carries the risk of war. The President himself declared the other day that this country is prepared to take that risk to preserve freedom. And the most dangerous and direct threat to freedom today is in South Vietnam, an ally locked in combat with Communist military forces.

Senator Wayne Morse told the Senate that this country should stop "acting like an aggressor" and let the U.N. handle South Vietnam. "Red China is showing intentions of not being bluffed by the United States," he added.

The statement that the United States is "acting like an aggressor" by going to the aid of an ally under attack does not even deserve comment. But the answer to the observation that Red China may not be "bluffed" is that U.S. determination to maintain the independence of South Vietnam is not a bluff, nor should it be.

In warning the Red Chinese that this country is prepared to fight, if need be, American leaders can help to avoid any Red miscalculation over U.S. intentions to stand firm.

In 1950, ambiguous statements by the administration did not dispel the Communists' belief that the United States would not fight to save South Korea. They attacked and quickly found that they had misjudged this Nation's determination to stand by its friends. But by that time it was too late.

If making a clear stand carries with it the risk of war, appeasement and retreat carry an even bigger risk. For each concession only emboldens the aggressor and encourages him to try for more next time. Even if we were to step back again in Asia, eventually, somewhere we would have to draw the line beyond which the Reds could not cross without a fight.

Whether that line were drawn at Japan, Hawaii, or the Pacific coast, we would undoubtedly be at a bigger disadvantage than we are now.

The free world has twice before, in 1954 and 1962, given the Communists concessions in southeast Asia, in an attempt to buy them off. The only result has been to strengthen their forces and encourage their aggressive ambitions.

The soft-liners denounce the policy of firmness because they say it carries the risk of war. But the only policy which does not carry the risk of war is one of total and complete surrender. The free world detests and fears war but it is not ready to accept the notion that it is better to be Red than dead. If it ever reaches such a state of moral collapse, the result will be a new and more terrible dark age for all mankind. And that is not a risk, but a certainty.

SALEM, N.J.,
August 4, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.

Dear Senator Morse: I should like to commend you for your stand on Vietnam. I wish more attention were being paid to your views and hope that, in future, more will be.

Respectfully,

FRANCES B. BOWEN.

AUGUST 5, 1964.

Dear Senator Morse: I urge you to keep up the good fight in the Senate and out, protesting this developing war in the Far East.

Quick on the heels of the large appropriations for the military, the provocations increase in Vietnam and now it looks like there are those who want to expand and extend the war to a hot war involving who knows how many nations.

I am writing the President protesting, and other Senators will also receive the same.

I cannot think of a more disastrous course for our Government to take.

Your speech the other day stating that if a war is declared that you would have to support it is very disturbing, to say the least. How can a bad thing be ever supported just because you are outnumbered in the vote? This involves the people of the whole world, not just the Senate of the United States.

Sincerely,

ESTHER EYER.

WASHINGTON, D.C.,
August 5, 1964.

The Honorable Wayne Morse,
U.S. Senate,
Washington, D.C.

Dear Mr. Morse: Having been abroad for some weeks, I have been unable to follow closely developments in Vietnam. However, I am appalled at the action announced by President Johnson last night.

I am writing to you, first to thank you for the stand you have taken on Vietnam, and to express my hope that you will continue to speak out, precisely at a time when rational discussion will be threatened by the emotions that are always released when shooting starts.

Very sincerely yours,

PAUL PEACHEY.

P.S.—My personal comments.—P.

JULY 30, 1964.

Senator Wayne Morse,
Senate,
Washington, D.C.

Dear Sir: Rather than the presence of U.S. military forces in the South China Sea area and South Vietnam being a protection and a boon to the native population they are actually a risk to world peace, and it certainly seems an immediate conference should be initiated for settling the dispute with capable representatives of all nations involved participating.

This can be done within the framework of the United Nations, can it not?

Thank you.

Sincerely,

CECILIA CORR.

BERKELEY, CALIF.,
July 31, 1964.

The Honorable Wayne Morse,
Senate Office Building,
Washington, D.C.

Dear Senator Morse: The whole country ought to be thankful—although I'm afraid the country doesn't hear as much about it as it should—for your penetrating comments on the mess in Vietnam, when we get for the most part a lot of blather, obfuscation and lies from Washington when anyone chooses to comment on our nasty little war there.

Have you any idea when we might be able to get out of this sale guerre? I think that General de Gaulle has some fruitful suggestions on this subject. After all, the French have been through it all before. Perhaps the Vietnamese might be given a chance to organize their own affairs—but not, I suppose, until after the Senator from Arizona is retired to private life in November.

I hope you are not discouraged by the relative isolation of your position. Within a year, most responsible people will be on your side, as many already are. It"s always a pleasure to read your comments on affairs domestic or foreign, whenever the papers choose to print them. Keep up the good work.

M. H. WIXMAN.

AUGUST 4, 1964.

Dear Senator Morse: In the face of this new crisis precipitated by our country's illegal and immoral policy in southeast Asia, I realize anew the importance of your courageous fight. Please realize that you have my wholehearted support. I am sure there are many citizens, like me, who deplore the vile and outrageous stand of the past two administrations—meaning three—Eisenhower, Kennedy and Johnson—in violation of all international law. But there are not enough of us and we are too widely dispersed to make our stand weigh much against the madness that is sweeping our country. You seem to be our only voice. Keep up the fight.

Sincerely,

EDITH RASMUSSEN.

HIBBING, MINN.,
August 4, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.

Dear Mr. Morse: As a subscriber to the Progressive your article, "Humpty Dumpty in Vietnam" in the Progessive August issue has been read.

It is splendid and very helpful. My letter to the Progressive has just been written urging the staff to make a good supply of copies of your article for distribution so that more people can be informed and be lead to write the Government in protest of what has been and is being done, and what perhaps it plans to do without consulting the public.

Sincerely,

Miss MARGARETTA REYNOLDS.
CHICAGO, ILL.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.

Dear Senator: Now that the situation in North Vietnam is escalating I am morally pressed to support your stand to solve our road to disaster by seeking nonmilitary means to our dilemma.

I anticipated this situation over a year ago but I thought our Government would also view the situation with the same sober analysis.

I cannot see supporting military dictatorships around the world that are no better than the enemy we seek to conquer whether in the East or Southern Hemisphere—or right in our own magnolia horrorland. Our money and lives are being wasted on despots that should have been vanquished by helping the populace that is now turning on us because of our play for power and not for humanity.

I'll terminate this communication now with my respects.

Mr. TONY MALLIN.

SEATTLE, WASH.,
July 29, 1964.

The Honorable Senator Wayne Morse,
Senate Office Building,
Washington, D.C.

Dear Senator: Through the CONGRESSIONAL RECORD I have been following your speeches in the U.S. Senate re: "The War in South Vietnam." I heartily subscribe to the stand you have taken in this unfortunate conflict but why do you restrict yourself to making speeches about it instead of introducing a bill, or resolution, that the Congress of the United States is opposed to this undeclared war and ordering the Government to withdraw at once from South Vietnam and turn it over to the United Nations Assembly.

As you so correctly stated, the U.S. Congress never authorized this "war" although they must have known that under the defense appropriations certain sums had been earmarked for the action in South Vietnam. If the Congress doesn't know how much money is appropriated and for what purpose then they might as well go home and save the taxpayers all the millions they pay them for salaries, etc., etc.

In this connection I like to register my objection to the carte blanche issued to the CIA, when it comes to spending the people's money without having to give an accounting on it.

H.R. 11865, the Social Security Amendment of 1964, soon will be discussed on the floor of the Senate. The House version of this amendment is to allow a 5-percent increase in the payments of social security. Insofar as the consumer price-index for May 1964 shows an increase in the cost of living on all items of 109.1 over 1959 it shows scanty regard of the House Members for the needs of the people living on social security. I question the validity of those same Representatives to increase their own salaries by 33 percent while already drawing a very good salary and figuring that a social security recipient should be able to get by on a measly 5 percent increase, almost 5 percent below the consumer index prices at present.

When this matter comes up on the floor of the Senate, I request that the senior Senator from Oregon, will be one, among many, who will espouse the needs, not only of the social security recipients, but also that of the people living on State old-age benefits. They too should be included in an increase of their old age pensions.

If the U.S. Senate should increase the benefits to the social security recipients and those on old-age benefits to 10 percent we still will have no extra money left to pay for doctors or other medical care, reminding you that we look forward to the U.S. Senate to provide medicare for all the people living on social security and old-age benefits.

Sincerely yours,

Evert Van Ee.

Newburgh, N.Y.,
August 5, 1964.

The Honorable Wayne Morse,
Senate Office Building,
Washington, D.C.

Honorable Sir: How true it is that you are honorable. No propaganda or pressure groups can sway you from the right course. This letter is to inform you that you have one person in the public at large, who agrees with you wholeheartedly on your stand on Vietnam, etc. As always, you are on the right side of issues, see to the heart of the matter, are fearless and outspoken, and per usual, extremely intelligent. Your fellow Senators would do well to study carefully the book "A Nation of Sheep."

The immaturities, stupidities, and blindnesses of so many in public office are appalling and frightening in this day and age, to any thinking persons.

I dislike the arrogance of those who think this country can settle the present situation in the Far East—if the French could not, after years of useless bloodshed, certainly no other foreign nation can. Interference but exacerbates the trouble, and lends credence to the term "Western imperialists."

Have not troubled you with letters to read for a long time now, but thought a bit of approval might not be amiss at this time.

May the "tiger" growl, prowl, and claw for many years yet.

With deep respect and admiration.

Mrs. Jocelyn Bolger.

P.S.—The question was rhetorical—you have no time to write letters. I shall endeavor to find this out for myself. Also, I never expect replies to my letters to you.

Indianapolis, Ind.,
July 30, 1964.

Senator Wayne Morse,
Office of Senate,
Washington, D.C.

Dear Senator: Merely a word to thank you for the July Progressive article on Vietnam. May I say how worthwhile and important it seems to me to be. If anything is of national moment just now then surely what you have written is. We have, I think, to get you to a "mike"—so that the Nation itself can be had by the ear. Otherwise how can it do—not having the information you have to impart—what you ask of it; viz, speak its mind to the authorities and tell these it knows what is going on and wants explanation—this to say the least.

I don't doubt but what you have tried to get your views broadcast and judging by results—if what I suppose is true—not much has come of the attempts. I have heard that where you are concerned the lid's clamped down and you haven't a chance. What, Senator, can be done about it? The Progressive as you know reaches but few—in this case not enough by far. But how to do it. Thank you, Senator Morse. Stay with it please. The people of this broad land must be given a chance to hear you.

George Franklin.

Denver, Colo.,
July 27, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.

Dear Senator Morse: I wish to congratulate you on your courageous stand against the war in South Vietnam. I commend you also for pointing out that our allies in Europe are not in favor of extending this war into North Vietnam.

My best wishes to you in gaining further support of your position.

Yours sincerely,

Mrs. Anne K. Robnett.

Baltimore, Md.,
August 5, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.

Dear Senator Morse: Congratulations from us, and from friends we have spoken to, on your firm and reasoned stand for peace and negotiations on tonight's interview, in re Vietnam, and the proposed congressional resolution.

We sincerely hope our Senators and Congressmen willl also refuse to be stampeded and vote "No" to committing Congress to a blank check to anyone else to declare war.

Thanks on behalf of all who stand for peaceful negotiation—because "brush wars" can lead to world war III and nuclear annihilation.

Respectfully yours,

Mrs. Helen Schmerler.
Sam Schmerler.

Paris, *July 18, 1964.*

Senator Morse,
U.S. Senate,
Washington, D.C.

My Dear Senator: As many other French people I have read your extremely courageous words condemning the pursuit of war in Vietnam. I have also learned with great admiration that you recently added: "I believe it a scandal that military men be let loose in the field of foreign policy." (Translated from the French press.)

Indeed, it is words of this very kind we expect from your great country, and it is such words that make it dear to us. How sad it is to think that quite often the Pentagon obey neither the directions of the President nor those of Congress. Energetic attitudes such as yours should be able to cope with this danger.

Allow me to send you an issue of my publication L'Année Politique et Economique in which I expressed briefly how deeply I had admired the statement you made in February. I shall keep on praising your brave stand.

Believe me yours most sincerely,

Bernard Lavergne,
Honorary Professor of the Faculty of Law of the University of Paris.

New York, N.Y.,
August 5, 1964.

President Lyndon B. Johnson,
The White House,
Washington, D.C.

Dear President Johnson: I am dismayed by your action in ordering planes to attack North Vietnam. It appears to me that this is an issue which should be settled by the United Nations rather than ordering our military forces into action. This is what the United Nations was created for.

It seems to me that the attack on our ships by torpedo boats may have come from General Khanh—from South Vietnam—in order to provoke action by our country against North Vietnam. It appears inconceivable that Hanoi would attack U.S. warships without provocation knowing the possibility of retaliation. The correct procedure would have been to investigate first and have the matter thrashed out in the United Nations.

I trust that you will go slowly with any further moves which will expand the war into perhaps a conflict with China and conceivably the Soviet Union. Acting impulsively in matters which may affect the future of the entire world seems to be more of the type of action advocated by Senator Barry Goldwater, who is known for his disposition to "shoot from the hip."

Respectfully yours,

Alexander Smith.

Oakland, Calif,
July 28, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.

Dear Senator Morse: Thank you so very much for your report of July 21 and copy of your views on Foreign Assistance Act of 1964. Even the ordinary layman can understand the reasonableness and justice of your position. When I have read this again, I am turning it over to a friend who admires the position you have taken on this issue and almost every other one that comes before the Senate.

Thanks again and all good wishes.

Sincerely yours,

Ethel Cohen.

Los Angeles, Calif.
July 29, 1964.

Dear Senator Morse: Your article, "Humpty Dumpty in Vietnam," should be inserted into the Congressional Record and copies made available to the public.

However, Phillippe DeVillers stated definitely that the fighting was not started from outside of South Vietnam but from the grassroots where the people were literally driven to defend themselves against Diem's repressions.

Your efforts to end the war in Vietnam are deeply appreciated.

Sincerely,

Thomas Ammers.

Macomb, Ill.,
July 30, 1964.

The Honorable Wayne Morse,
Senate Office Building,
Washington, D.C.

Dear Senator Morse: I have just finished reading your article on Vietnam in the latest issue of the Progressive. I simply want to tell you that your article is one of the best essays on the subject that I have read; I agree with you almost completely. For many months now I have followed your statements and public announcements on this subject, and I have appreciated what you have been trying to do. It appears that you have little support in either the Senate or the House.

Agreement from a resident of the State of Illinois does little to help you; unfortunately, I am unable to vote for you. I do feel that both Senators and Congressmen should represent their Nation as well as their personal constituents, and in this area I believe that you do a better job for Illinois than the Senators we have in Washington. In short, there are people in the country who appreciate your statements on this complex and sad, as well as extremely dangerous, situation in Vietnam.

Sincerely,

William L. Burton.

Salt Lake City, Utah,
July 28, 1964.

U.S. President Johnson, Senators Morse, Gruening and Ellender.

Honored Gentlemen and Sirs: Before me is the Congressional Record, dated March 4, 1964, text of Senator Morse's Senate speech opposing U.S. intervention in Vietnam; and I am appealing hereon to you, Honorable President, on the position of our able and foresighted Senator, Mr. Morse.

I raise my points as follows: (a) masking of foreign aid, as such, and using it in military intervention to the destruction of a peace-desiring population, and costing U.S. taxpayers, already overburdened by taxes, millions of dollars per day; and

(b) Comparing Vietnam and its proximity to Mississippi and the anarchy there, I urge you to bring the 15,000 troops from Vietnam and send them to Mississippi. When Supreme Justice, Senator Javits and other men of integrity, decry the overdue use of safety measures in Mississippi; when ample evidence of killing and burning of churches, bombings and denials of personal rights and safety of peoples who defy the K.K.K. and other like groups, I wonder if our democracy is real or only a camouflage for vested interests.

Further, articles and sections of the U.N. Charter to which our United States is a signatory, strictly forbid our or any signer, from military intervention, but specifies:

"Section 4: All members shall refrain from threat or use of force.

"Article 2, section 3: all members shall settle disputes by peaceful means, so * * *.

"Article 33, section 1: the parties to any dispute shall seek solutions in 'every way but war.'"

Yet McNamara goes forward planning ever more use of troops, weapons, money—in greater amount, greater scope and with greater destruction to natives of Indochina, just as J. F. Dulles did in Korea, to the detriment of the U.N. and U.S. taxpayers and to great profit of big U.S. business.

Appreciating the crying need of our aged and venerated parents for adequate food, clothing, shelter and medical aid; for millions of idle adults and hungry children; for the drastic need of more schools and teachers, hospitals, better wage levels for employees in schools, hospitals, and other public employees, would it not be far better to use 90 percent of cold war costs for social betterment of our national well-being than to follow the Eisenhower-Dulles, Rusk-McNamara trail downward to greater and costlier wars?

The Scandanavian States have not been in war during this century. Though far poorer than this wealthy state, far better education is provided for their every babe at birth than it is in the United States. Why?

Honorable President, I implore you to pull back our Nation from another Korea or any war, before it is too late. Repudiate the poor advice of those who cry "I am a Christian" yet lust for bloodshed, dominance and worldwide power. Lend your ear, your decency and good office to the only goal of humanity—that of peace, plenty and good will, so future men will speak of our land, our peoples as being the savior of future man from the scourge of war, hunger and unemployment.

Nuclear war respects no one. I ask you "remove every man from responsibility who favors war and using nuclear bombs; bring all troops home, except those doing U.N. duty as real preservers of the peace—not as protectors to foreign investments. Let us be our neighbors keeper, not his jailor.

Very respectfully yours,

Joe Bird.

Please send 10 or more copies of the Congressional Record, your speech of March 4, 1964, on the Vietnam situation, and please put on your regular mailing list:

Llaur Bird, 916 South 2d Avenue, Olympia, Wash.

Cal Carlson, 150 Burton Avenue, Salt Lake, Utah.

George Roberts, 544 Denver Street, Salt Lake, Utah.

Roger Wilson, 1545 West Russett Avenue, Salt Lake, Utah.

C. Wayman, 1570 West Russett Avenue, Salt Lake, Utah.

Twan Hansen, 722 No. 2d West, Salt Lake, Utah.

Parley D. Bird, Jr., 417 Blair Street, Salt Lake, Utah.

Down with Goldwater, Utahs' Birchite-Mormons, ad nauseam.

New York, N.Y.,
August 5, 1964.

Dear Mr. Morse: Thank you for your stand for withdrawal of U.S. troops from Vietnam, that terrible war where we should never have even been.

Miss Pearl A. LaForce.

New ERA Civic Association,
Ecorse, Mich., July 14, 1964.

Hon. Wayne Morse,
U.S. Senate,
Washington, D.C.

Dear Senator Morse: Living as we do in the century of nuclear arms, it becomes our responsibility to call a halt to all wars that may lead to the destruction of all humanity. It is for this reason that this letter is being written. Your campaign in the Senate of the United States to recall U.S. troops from Vietnam serves this purpose and is therefore in the best national interests of our Nation.

It is also desirable that a peaceful settlement be negotiated to settle all outstanding issues in southeast Asia and that this came about as a result of a gathering of all Nations interested in peace, together with the United Nations.

I sincerely hope that you will do all in your power to effect such conference.

Respectfully yours,

Ethel V. Stevenson,
President.

New York, N.Y.,
July 30, 1964.

Hon. Wayne Morse,
Senate Office Building,
Washington, D.C.

My Dear Senator Morse: I wish to commend you for your courageous and honorable stand in the Halls of Congress with regard to our country's policy in Vietnam. Your voice rings out significantly as it finds its echo in the hearts of all peace-loving Americans.

Since both President Johnson and Senator Goldwater have indicated that foreign policy will be the major issue of the 1964 political campaign, I cannot to myself overestimate the valuable contribution you are making to the political dialog over the question of disposition of South Vietnam. I read daily with dismay the tragic happenings there. I believe that South Vietnam should be neutralized and not made the basis for a hot war. Please continue to fight and champion the cause of peace; the peoples of southeast Asia have suffered much from other countries trying to liberate them and keep them part of the free world.

I am not one of your constituents, although I lived in Oregon for several months while attending the University of Oregon. My stay in Oregon was a most happy one, and I always consider Oregon as one of our very finest States.

Best wishes.

Sincerely yours,

Miss C. Pilani Lum.

Lynn, Mass.,
August 5, 1964.

Senator Wayne Morse,
Washington, D.C.

Dear Senator Morse: I support your stand on South Vietnam. I wish you success. I feel the war should be ended.

Thank you.

Sophie W. Gass
Mrs. Nathan Gass.

Seattle, Wash.,
August 4, 1964.

Senator Wayne Morse,
Washington, D.C.

Dear Senator Morse: You deserve the heartfelt thanks of every right thinking American for your wise and courageous yet, so far, ineffective opposition to our hopeless but extremely costly campaign in South Vietnam.

Johnson, Rusk, McNamara, Taylor, et al., assure us that "victory" in South Vietnam is just around the corner. What utter folly. This South Vietnam affair is what the police might call an outside job. It is inspired, supplied, and directed from outside. Even if it were possible to kill every Communist guerrilla in South Vietnam, North Vietnam has 16 million people to replace them.

Besides, South Vietnam is not a unified nation. There are several million Roman Catholics, a relic of French occupation, but the bulk of the people are Buddhists, with far closer cultural ties with North Vietnam than with the United States, or with their Catholic brethren in South Vietnam.

After all the hundreds of millions of dollars we have spent in South Vietnam, if we were to remove our forces the present regime would not last 3 months. (In fact the very regime we interfered to uphold collapsed right in our faces.) Are we prepared to garrison South Vietnam the next hundred years to insure a non-Communist regime there?

Red China has 700 million people and South Vietnam around 14 million. Even if the Communists took over in South Vietnam it would only increase the Communist population of east Asia by 2 percent. How many billions of dollars and how many hundreds if not thousands of American lives are we prepared to sacrifice to reduce the Communist population of east Asia by 2 percent?

North Vietnam has been Communist for 10 years with no traceable injury to the United States. Why deceive ourselves into thinking that a reunion of Vietnam would be disastrous to the United States; when that reunion would save us billions of dollars and hundreds if not thousands of American lives, without the slightest injury to the 190 million Americans in North America?

Sincerely yours,

B. L. McCullough.

Humanities and Social Science Department, Michigan College of Science and Technology, Sault Branch,
Sault Ste. Marie, Mich., August 3, 1964.

Hon. Wayne Morse,
U.S. Senate,
Washington, D.C.

Dear Senator Morse: My most hearty sympathy and support to you upon your frank statements on the floor of the Senate, and press interviews on the southeast Asia and Vietnam situation. Keep up the good work.

Milton E. Scherer.

P.S.—I'm a Demo, too.

Tulsa, Okla.,
August 3, 1964.

Senator Wayne Morse,
Washington, D.C.

Dear Senator: We want to thank you for the stand that you are taking in regard to the war in Vietnam and for the stand you are taking in reference to foreign aid. The

American people are sick and tired of our foreign policy with a no-win attitude and our coexistence with Russia who calls all the shots and we follow instead of lead. I just read where Supreme Court Justice Douglas states that foreign aid is simply widening the gap between the poor and the rulers of the various countries getting our money. Why don't we attend to our own business instead of telling the world how they should run their business. We are at war in Vietnam and no war has been declared. How long can our country survive with such an insane policy?

Keep on fighting and thanks again for what you are trying to do.

Yours very truly,

Mr. and Mrs. Harry Schwartz.

Topeka, Kans.,
August 3, 1964.

Hon. Wayne Morse,
Senator from Oregon,
Senate Office Building,
Washington, D.C.

My Dear Senator: I have just finished reading your forthright article in the Progressive. Thank goodness someone has the courage to raise his voice against our absurd policy in southeast Asia. Keep up the good fight and I certainly hope you will be able to influence our future course of action in this troubled area of the world.

It is good to know there are a few brave men and true, in the Senate of the United States, who have the courage of their convictions.

Carry on.

Sincerely,

Justin W. Hillyer.

Brooklyn, N.Y.,
August 4, 1964.

Senator Wayne Morse,
Senate Office Building,
Washington, D.C.

Hon. Senator Morse: May we the thousands of avowed Democrats at Ebbets Field Housing commend you on your profound article in August Progressive. May we implore you to personally show it to the President, Secretary of State and Defense, and also read it loud and clear in the Senate.

Respectfully yours,

Rene Stuart.

July 31, 1964.

Dear Senator Morse: I thought you might be interested in the enclosed piece of fan literature. I too approve of your position on South Vietnam, though I am not sure I agree with it completely. I think it is a remarkable tribute to your own acumen that you have succeeded in stating your mind on a wide variety of controversial issues while remaining in sure political power, a trick which is usually reserved for Justices of the Supreme Court. And as an apostil I wish to make it clear that I am not now and never have been a member of the Communist Party, although I am sure that if anyone from Tocsin reads this letter I will be an "identified Communist" soon enough.

Respectfully,

Robert Christgau.

Berkeley, Calif.

San Diego, Calif.,
August 3, 1964.

Senator Wayne Morse,
Washington, D.C.

Dear Senator Morse: Please keep exerting all the pressure you can for military withdrawal from Vietnam. General Khanh is not the people's choice. I am tired of the oversimplified answer that we must stop Red aggression and that is the reason we are there. We are stopping the peaceful unification of the Vietnamese. I believe 80 percent of the people can't read or write so what do they know of social theories of government? They can see their people being killed. Are we going to have another Korea and after 2,000 or 3,000 are killed end up with a permanently divided country?

My wife and I met you at a garden party in Long Beach about 6 years ago.

Sincerely,

Leonard L. Shenkan.

August 2, 1964.

Senator Wayne Morse,
Washington, D.C.

Dear Senator Morse: You are so right in regard to our involvement in other countries. We do not make peace by promoting wars. We applauded your speech—your effective phrase: "What kind of hyprocrites are we," is still ringing in our ears. We also approved your very fine article in the August Progressive. Would that we had more statesmen in Washington like Senator Morse and Senator Fulbright.

Mr. and Mrs. Gordon Sanders.

Clearwater, Fla.

Mill Valley, Calif.,
July 24, 1964.

Senator Wayne Morse,

My Dear Mr. Senator: I have written to a member of my State's delegation the following letter:

"I have read, almost in entirety, Senator Wayne Morse's speeches to the Senate regarding the above. No Senator was able to answer him. Only Senator Cooper even made a serious effort. It is easy to see why: Senator Morse had the facts, and the facts were proof positive that we were waging aggressive war against the Vietnamese people.

"What was not brought out sufficiently were the reasons that Diem and his successors are unable to marshal even a corporal's guard of Vietnamese to defend the regime.

"For decades, even centuries, the people of Asia, Africa, and Latin America have been victims of a worldwide economy which has condemned a vast majority of the world's inhabitants to being hewers of wood and carters of water to a few powerful industrial nations. Most of the former were colonies of European powers. Others, such as China, were happy hunting grounds for several predatory states, each with more or less recognized spheres of influence.

"Similarly, the Latin American countries were complete economic vassals to the United States and certain European states.

"Today there are relatively few absolute colonies left in the world. Native revolt and political opposition in the mother countries forced the United States, Britain, France, and Belgium to turn loose their vassals in the Philippines, India, Africa, etc. However, this independence is by no means complete. Not only are a large part of the undeveloped countries saturated with foreign private capital, but French Armies remain in Africa, British troops occupy Malaysia.

"We occupy Taiwan and our fleet regulates the Formosa Straits, the South China Sea and now the Indian Ocean.

"Nearer to home, I was told by a high government official in Mexico that no move made by his nation is without consideration of the reaction of the colossus of the north in mind.

"Indochina was the richest plum in the French cake. The ratio of trade between imperialist France and its southeast Asian possessions was four to one in favor of the former. Fifty percent of the exports of these colonies went to France, which in turn accounted for 75 percent of their imports. Principal exports were rubber, rice and spices. Major imports were textiles, machinery and wines and liquors, in that order. In other words, raw materials out, manufactured goods in.

"An interesting sidelight: The second most important export, rice, equaled in value the second most important import, machinery, but the tonnage was 12 times greater.

"In his book concerning the decline of colonialism in the world 'The Last Illusion,' Herschel D. Meyer has this to say:

"'Vietnam came under the rule of the French Bank of Indochina in 1889. It began its operations with two million francs, which had swelled to 10 billion in 1948, besides the billions it paid out in dividends. Its annual report of June 11, 1948, said that its 1947 opium and alcohol sales netted a billion francs in profits. The Bank of Indochina laws in Vietnam require of each police prefect that 6,200 liters of brandy be consumed monthly in his area, or seven liters per inhabitant per month. Penalties are meted out to villages which consume less.'

"It was against this intolerable situation that revolts took place in Vietnam and Cambodia almost throughout the period of French rule. From 1859 to 1861, Annam was in revolt. From 1873 to 1883 there was constant civil war in Tonkin. Cambodia revolted in 1885. The natives were crushed by overwhelming French power.

"The events of the Second World War pointed up the political astuteness of the Vietnamese people. Vichy France gave the Japanese the right of occupation on Tonkin bases for use against the Chinese. However, these traitors figured without the Vietnamese people, who gave the Japs no respite. With arms supplied by the British, they carried on constant guerrilla warfare, finally forcing the enemy to withdraw.

"At the end of the war, the nationalist government of Ho Chi Minh controlled all Vietnam. The British and Chinese who were given occupation rights under the Potsdam Agreement landed only token forces. France made an ambiguous statement recognizing Vietnamese freedom within the French union.

"It was while negotiations were proceeding regarding the meaning of this independence that Gen. Jacques Laclerc landed troops at Haiphong to begin the Indochinese war of 1946–54.

"The whole world knows how decisively the French were defeated. They never controlled anything but the big cities and finally were clobbered when the stupid French generals allowed their best forces to be trapped at Dienbienphu, far from possible help from the Hanoi-Haiphong base.

"At the Geneva Conference of 1954, the French were allowed to save face by occupying the southern half of the country until elections could be held in 1956.

"The Vietnamese figured without Dulles, not to mention McNamara. They did not realize that whereas France had had it, we were willing to continue the war down to the last Vietnamese.

"From this point Wayne Morse takes on very well indeed.

"Let the dark-skinned people of the Asian nations settle their own internal problems in their own way.

"There is enough for decent Americans to do in their own backyard.

"Forces must be mustered to defeat the Yahoos of American politics, who want to return lynch law to the South and starvation to the rejects of American industry who inhabit our slums.

"There is the problem of decent housing for millions in our big cities. (Did you chance to read Michael Harrington's 'The Other America: Poverty in the U.S.A.'?

"One more thing before I close. I recently had occasion to visit a migratory labor camp in Tulare County. The conditions of life of the people who harvest our agricultural products is beyond description. At any rate, you should see for yourself.

"I pray that you will shortly join Senator MORSE in his noble fight to stop the slaughter in Vietnam.

"With kindest regards,

"Yours truly,

"CONRAD EDISES."

References: Chinese Quarterly, January–March 1962, "The Struggle for Unification of Vietnam," by Philippe Devillers; Encyclopedia Britannica, 1958 edition, "Indochina"; "The Last Illusion," by Hershel D. Meyer, Anvil-Atlas Publishing, New York, 1954; "The Other Side of the River," by Edgar Snow Random House, New York, 1962; plus all of Senator WAYNE MORSE's speeches to the Senate on the subject, 1964.

ALBION, MICH.,
August 3, 1964.

Hon. WAYNE MORSE,
Senator from Oregon,
Washington, D.C.

DEAR SENATOR MORSE: I am deeply disturbed over the latest report from Vietnam. Since we cannot possibly win, we had better pull out before it is too late.

If we do not pull out, we may wake up to find that Red China has poured a million men into Vietnam that could cause a war that could set the world afire.

Please speak out again (as you have in the past) against this stupid war in Vietnam. Johnson must not allow BARRY GOLDWATER to scare him into doing something desperate.

Cordially yours,

ARTHUR W. MUNK.

SENATOR MORSE: Just finished reading "Humpty Dumpty in Vietnam"—it is excellent and deserves greater distribution. Do keep up the good work.

E. R. WELLS.

LINDEN, MICH.
Are reprints available?

THE GEORGE WASHINGTON UNIVERSITY,
August 3, 1964.

Senator WAYNE MORSE,
Foreign Relations Committee.

DEAR SIR: I urge you to intensify your criticism of our unconscionable policy in Vietnam. We are obviously unwelcome there by the population, and a policy of military resolution will only increase their suffering and make us more despicable in the eyes of Asians. Moreover, any attempt by our military, or theirs, to take the decisions in that struggle out of the hands of the duly constituted authorites, will undoubtedly result in a great deal of damage to the United States, even as far as its domestic politics is concerned.

Yours truly,

FRANK TURAJ,
Department of English.

ST. LOUIS, MO.,
August 2, 1964.

Senator WAYNE MORSE, of Oregon.

DEAR SIR: In the a.m. news and radio is more of the horrors our sons and grandsons are in, in Vietnam. I heard your remark about war. I couldn't agree with you more. I will never know who could sleep at all knowing he has sent our children and grandsons to a place like that and then the nerve to call 16,000 men, all sent for advisers. How stupid does any one think we the voters are. Those people over there will drag as long as America gives them money and our sons and grandsons are feeding their war machine. Who has the authority to send our children to their death when our country leaders would not allow a victory in Korea and MacArthur could of won. Since he was not allowed to win, we broke our own back, all the world see us as no winning nation now. We lost all world respect in Korea. Our men should be sent home from Saigon. We can use all of them at home. We have our borders to guard and forests to guard, our shorelines to guard, our highways to guard. We can use them in many, many ways to keep them in a good trained condition. They could help in Alaska, to develop our State there and God only knows where something will strike our Nation and our men are needed over here. We are not deaf and dumb and blind. Not all of us. I have been all along the road from 1895 down to now and I can see how things have drifted. Where are the Americans like my granddad who raised me and they had strong steady principles. He went to the Civil War to prove it from his homestead in Michigan. Left his wife and nine children to run the farm and he went. Came back a cripple. But they won and that was what he went for.

Our sons and grandsons just have to come back to our own Nation, there is not even any glory in our children being killed in a mess like Vietnam or any common horsesense either, so why send them there to die for nothing at all. What man can find in his heart and mind authority to send our boys to their death?

Mrs. ORAH MAE TACKETT,
A grandmother of servicemen.

BERKELEY, CALIF.,
July 27, 1964.

Hon. WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MORSE: We want to express our agreement with your position on Vietname, i.e., that the administration must end our participation in the civil war in Vietnam and that a nonmilitary solution must be found. We realize that today, this may not be a very popular position, and we congratulate you for speaking up and taking this stand. We hope you will continue to work for an end to our part in this war and a solution to the crisis in an international agreement that might include demilitarization and neutralization under international guarantees, of Cambodia, Laos, and Vietnam.

Very truly yours,

Dr. and Mrs. STEPHEN L. TALLER.

JULY 31, 1964.

Senator WAYNE MORSE,
U.S. Senate, Washington, D.C.

DEAR SENATOR MORSE: I am certainly glad that there is at least one person in Washington who is sane; namely, yourself. I refer to your statements regarding the dangers of U.S. involvement in South Vietnam.

My personal feelings on the matter which derive, from a purely humanitarian approach, are contained in the enclosed copy of a letter I sent to President Johnson, with a copy to the State Department. I never heard from the President but received from the State Department excerpts from a speech made by the President declaring his intention to press for military victory.

Very few people seem to realize that we are living on the brink of total disaster or if they do realize it they try to treat it as something of no serious consequence. You apparently are a realist and a very brave man to be at odds with the majority of your peers.

If there is anything I can do to help in getting local support of your efforts to bring about a speedy and peaceful solution to the Vietnam debacle, please let me know.

Sincerely,

Mrs. KATHLEEN TURITTO.

LA JOLLA, CALIF.

KIMBERTON, PA.,
August 3, 1964.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MORSE: We want to convey our appreciation for your stand in the Senate against our gradually spreading war in Vietnam and against the warminded people in high places who seem to be pressing for a new U.S. colonialism in southeast Asia even at the risk of war with China.

We strongly support your opposition to these threats to liberal government and emerging democratic procedures the world over. We urge you to continue that opposition and to make every effort to bring this matter to the attention of the American people through the mass media and personal contact.

With best wishes for success in this critically important undertaking,

Sincerely,

RICHARD JOHN STANEWICK.
PHYLLIS STANEWICK.

JULY 31, 1964.

Hon. WAYNE MORSE,
U.S. Senate,
Washington, D.C.

DEAR MR. MORSE: I want to express my deep appreciation of your stand on the fighting in Vietnam. One can always count on the sincerity which you bring to your office, and the wisdom with which you approach national problems and problems of international scope.

Many thanks for speaking out against policies which are not only fraught with danger to ourselves but to the rest of the world as well.

Best wishes to you and yours.

Mrs. LILLIAN C. MARKS.

LOS ANGELES, CALIF.

FALLS CHURCH, VA.

Hon. Senator WAYNE L. MORSE,
U.S. Senate,
Washington, D.C.

DEAR SIRS: We agree wholeheartedly with your views on South Vietnam. The Russians, French, and Chinese are pointing a finger at us so the rest of the world can see what fools we are making of ourselves. You are a sophisticated foreign politician. You and FULBRIGHT are tops at international insight. True pioneers stick by your principles regardless of outcome. Bravo. You boys practice what others preach. Now I know why the people of Oregon send you back to Washington, D.C. all the time, we'd be lost without men like you. (Too few.)

JON DORIAN.

TACOMA, WASH.
August 4, 1964.

Senator WAYNE MORSE,
Washington, D.C.:

Thank you for your brief but powerful condemnation of our activity in Vietnam contrary to all law. It covered this area via ABC radio network strong and clear Sunday morning and again this morning. I hope you and the other Senators continue.

REX S. ROUBEBUSH.

HAMILTON, OHIO,
August 2, 1964.

Senator WAYNE MORSE,
U.S. Senate
Washington, D.C.

DEAR SENATOR MORSE: Please accept my congratulations for your very fine article in the Progressive, "Humphy-Dumpty in Vietnam." I should also like to express my very strong agreement with your other statements on the same subject.

It seems to be generally agreed that any regard for sanity, logic, or international law is indecent, if not downright subversive, if our policy in Vietnam is being discussed. In spite of this, I hope that you keep trying. I consider it a national disgrace that your comments are getting so little support, and such meager publicity—and that the facts of the situation are being so resolutely ignored.

Sincerely,

WILLIAM TAYLOR.

Tampa, Fla.,
July 25, 1964.

Hon. Senator Wayne Morse,
U.S. Senate,
Washington, D.C.

Dear Senator Morse: It is my understanding that on June 26 you inserted into the Congressional Record, for the third time, more than 15 pages of letters which you received opposing U.S. policy in southeast Asia.

I would very much like to receive a copy of this particular issue of the Congressional Record and if you have this available I would appreciate your sending me one.

For your information, on the Vietnam issue you have my full support. I firmly believe that we have no business in Vietnam and that the sooner we get out of there the better for all concerned.

Cordially yours,
Mrs. John Rodriguez.

Minneapolis, Minn.,
July 29, 1964.

Hon. Wayne Morse,
U.S. Senator,
Senate Office Building,
Washington, D.C.

Dear Senator Morse: Attached is a copy of an article entitled "What the Vietcong Wants," which appeared in the Economist, July 25, 1964, "International Report." I see the paper carried the report that 5,000 more boys will be sent to Vietnam to teach their people how to fight. The rate, at which they are dying, indicates something else. Who is trying to save face?

Sincerely,
Charles L. Horn.

More dead men yesterday. Who is promoting the slaughter and for what?

Vietnam: What the Vietcong Wants

Apart from a spectacular rebel victory at Cai Be that killed a good many wives and children of government troops, the 10th anniversary on Monday of the Geneva agreements on Indochina was enlivened by a vigorous Communist diplomatic offensive against the Saigon government. The Government of North Vietnam has restated its views on how to solve the struggle in the south; more interestingly, the Paris newspaper, Le Monde, reprinted an interview given to the Communist journalist Wildred Burchett by Nguyen Huu Tho, president of the South Vietnamese National Liberation Front, the political organization of the Vietcong.

A clear perspective of Communist solutions for Vietnam is now available. A comparison of the two views demonstrates some interesting nuances of difference between Hanoi—the capital of North Vietnam—and the Vietcong, though these, like the Liberation Front's insistence that it is independent of the north, may be more tactical than real. Both sources base their solutions on implementation of the 1954 Geneva agreements, and both assert (incorrectly) that the United States and the Saigon government are the only authorities breaking them.

The North Vietnamese solution is that America must respect the "sovereignty, independence, unity, and territorial integrity of Vietnam" while the "South Vietnam administration" gets rid of foreign troops; then "the South Vietnamese people themselves would settle South Vietnam's internal affairs in accordance with the plan of the Liberation Front" including a foreign policy of "peace and neutrality." Finally, the reunification of Vietnam is "the affair of the Vietnamese people," to be settled "in the spirit of the respective programs" of Hanoi and the Liberation Front.

Clearly Hanoi envisages reunification as a relatively long-term affair. The Liberation Front has been even more specific, and in one respect it goes less far than the North Vietnamese. Mr. Nguyen Huu Tho told his interviewer that his organization did not claim a monopoly in the formation of a new South Vietnamese government; it would be ready to ally itself with any group that accepted the basic principles "peace, independence, democracy, and neutrality," even if there were differences on other points. The Liberation Front (which is not entirely Communist itself) presumably envisages a government that would include non-Communist elements. It might come to the top through a new coup d'etat in Saigon; it is not banking on such a coup, but thinks it possible.

As for reunification, the resultant "authorities" would negotiate with the north step by step, taking account of the differences between the two "zones." As a first step, the two zones should reestablish economic, postal, and cultural ties, and allow families to visit each other across the border.

In the meantime, the Liberation Front supports the idea of a neutral zone in southeast Asia, including Laos, Cambodia, and South Vietnam. This accords with the fairly clear rejection by the North Vietnamese of the inclusion of their country in President de Gaulle's proposed neutralization. In the long term, a reunified Vietnam would presumably call itself neutral—if Hanoi is sincere in talking about the Geneva agreements—but it would be a Communist neutrality. Both the Liberation Front and Hanoi understand neutrality in the strictly military sense of the word.

Canandaigua, N.Y.,
July 28, 1964.

Hon. Senator Wayne Morse,
Senate Office Building,
Washington, D.C.

Dear Senator Morse: Congratulations for courageously speaking forth against the military buildup in Vietnam and the dangerous consequences of such a policy by our Government. I agree that there can be no winning of this kind of war, and that our present policy may escalate into something that no one would want—even China and North Vietnam—who might feel forced by rash U.S. actions was necessary.

The more weapons we send to Vietnam, the more modern weapons the guerrillas will capture to help them continue their cruelties. Most of the weapons sent, from us, are therefore a mixed blessing only to the Vietnamese who fight with us.

If you and others can put pressure on our Government to stop wasting our money in this fashion, and to make a big, sincere effort to influence other countries in cooperating toward neutralizing the area, we will find our prestige in the eyes of the neutral and underdeveloped countries, as well as Russia, France (with her long, sad experience in southeast Asia before us) and other countries will be increased. And I should think that the South Vietnamese people would fight harder with us if they knew there was a goal—the possibility of peace—before they are annihilated or decide to join the Communists.

Best wishes in making your voice heard. Goldwater must not drown you out.

Yours very sincerely,
Mrs. Walter Gruen.

Greeley, Colo.,
July 28, 1964.

Hon. Wayne Morse,
U.S. Senate,
Washington, D.C.

Dear Sir: In a time when foreign policy has become nondebatable, your opposition to the stance of the United States in southeast Asia is not only heartening, but courageous as well. I feel that you and those Senators with you who have questioned our war in Vietnam have acted in the very best interests of the United States. You do indeed represent me in your fight for a sane policy in southeast Asia. I feel that a sizable number of U.S. citizens share our discontent with that policy.

I earnestly hope that you will continue your efforts to expose the war in Vietnam for what it is: a cruel, inhuman interference in the internal conflict of a nation. The United States can only suffer from the continuation or extension of our Government's present warlike attitude.

Very sincerely,
Mary Helen Willoughby.

Venice, Calif.,
July 27, 1964.

Dear Senator Wayne Morse: The war in South Vietnam has reached a crucial point. U.S. policy to extend the war to North Vietnam, Laos, and China will escalate the war to nuclear proportions which means world disaster. It is not too late to change that course. Your voice has been the loudest on the Senate floor in favor of political negotiations instead of a shooting war. I implore you to continue to speak up as your voice carries weight to influence many of your colleagues in the Senate. Wish there were many more like you.

Respectfully yours,
Mrs. F. Melomedow.

Irvington, N.J.,
July 28, 1964.

Senator Wayne Morse,
U.S. Senate,
Washington, D.C.

Dear Senator Morse: Good luck in your campaign to pull our troops out of Vietnam. I hope you succeed in educating the Senate as to the hopelessness of our cause in Vietnam.

Sincerely,
Judith De Leon
Mrs. Sanford D. De Leon.

Stratford, N.J.,
July 29, 1964.

Senator Morse: I never had the occasion to meet you. But I have read many of your speeches you made on the floor of the Senate and I, as well as you, don't believe Vietnam is worth 1 ounce of American boys' blood to be shed for the international banker. I believe Asia is for the Asian people. We should defend our homeland as England and France defend theirs. If they love their country let the youth of that country show it by training themselves to defend their own homeland they love so much. God bless you and keep you well. Why don't you toss your hat in the ring for President and run on these principles? You have rights, Senator.

Sincerely yours,
Mr. Thomas A. McGowan.

P.S.—You at least get my vote. There is one already to start you off. A winner never quits and a quitter never wins.

First Unitarian Church,
Miami, Fla., July 20, 1964.

Senator Wayne Morse,
U.S. Senate Office Building,
Washington, D.C.

Dear Senator Morse: The Social Issues Committee of the First Unitarian Church of Miami wishes to thank you for your attempts to obtain factual and complete accounts of the U.S. involvement in the conflicts of southeast Asia.

We feel that your questioning and critical approach to the Asian problem is a healthy attitude which must be encouraged. It is unfortunate that so few of your colleagues have been willing to speak out, as you have done, on this particular problem. In a true democracy, no policy or tactic can be so sacred as to be beyond question.

Sincerely yours,
William G. Bell,
Chairman of the Social Issues Committee.

NEWARK, DEL.,
July 27, 1964.

Re Vietnam.
Hon. Senator WAYNE L. MORSE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MORSE: I am deeply concerned about our continuing involvement in South Vietnam.

Having been in Korea 1951–52 and being involved in that fruitless and pointless affair I can see a similar futility in South Vietnam.

We are not winning. We are not even doing better and the shocking news in today's Philadelphia Inquirer of 5,000 more Americans going there is most shocking. This brings our personnel involvement to 21,000—16,000 at present and 5,000 on way.

Please know that I support fully your position in this regard. I have written to President Johnson and to Senator BOGGS of Delaware on this matter.

Please continue your efforts in this regard. Is there anything more constructive that can be done?

Enclosed is a booklet which appears sound but I'm not too sure of its origin. Perhaps you have knowledge of this group.

Thank you for your effort in this matter.

DALE LEBER.

JULY 27, 1964.

DEAR SENATOR MORSE: I wish to thank you for the stand you have taken against our military position in South Vietnam. I have used your arguments with friends and have urged them to write to the President to support your recommendation of withdrawing our troops. Thank you again for a just and brave fight.

Sincerely,

MRS. LILLIAN MOED.

LOS ANGELES, CALIF.

FORT DODGE, IOWA,
July 25, 1964.

Senator MORSE,
Washington, D.C.

DEAR SIR: Enclosed find clipping from Toronto Star which proves to my mind that we are acting as a policeman for England and Commonwealth.

Also find article from U.S. News & World Report how England is building up Commonwealth and in many cases uisng us as a policeman and now are endeavoring to use us in Cyprus.

Of course, Commonwealth is nothing but the Empire under a different name, inasmuch as the Governor General in any of these commonwealth countries can veto any act of their Parliament.

Sincerely yours,

BEN H. BLACK.

P.S.—Congratulations on your fight to keep us out of Vietnam.

HILBROOK, MASS.,
July 28, 1964.

Senator WAYNE MORSE,
Washington, D.C.

DEAR SIR: I commend you highly upon your stand against the U.S. involvement in Vietnam.

Please keep up the fight.

Sincerely,

CEILE R. HOWES
Mrs. C. R. Howes.

SEBASCO ESTATES, MAINE,
July 22, 1964.

Senator WAYNE MORSE,
Washington, D.C.

DEAR SIR: I recently heard you talk on the "Today" show about South Vietnam. Later I heard Senator CHURCH and a State Department official. I couldn't agree with you more. The other two men impressed me as "dreamers" and having little understanding of the situation out there.

May I say I went to China in 1916 for the Standard Oil Co., have traveled all over the Far East, visited Saigon many times, and think I have some understanding of the Chinese and other Asiatics. To me, it's a hopeless mess in South Vietnam. When talk is made, it may take from 2 to 20 years to win, it is not for us, and a hopeless situation. Suppose we do win, and then pull out, another upset in government could take place soon after. And then where are we? It's more vital to the French and English than to us but they don't seem concerned. Am glad I don't have a son to be sent out there to give his life for the Government of Vietnam.

I am,

Yours very truly,

C. HOLDEN.

DEAR SENATOR MORSE: We in California support you in your fight for a reasonable settlement of the South Vietnam situation. We are pleased to read your speeches published in a few journals such as S. F. Stone's.

Keep up the good work.

M. MALCOLM.

ELLENSBURG, WASH.,
July 24, 1964.

Hon. WAYNE MORSE.

DEAR MR. MORSE: Since your opinions about Vietnam are on a line with my own, I'm sending you a booklet on the situation there. We should be ashamed if this booklet tells the truth.

I wonder, also, if you have heard the latest British brainstorm, they wish the Russian indebtedness to the U.N. forgiven. Can't you just see this debt shoved onto us Americans so the shaky U.N. can be held together with us paying all its bills.

I am also very indignant about the way we treat Alaska, after their bad earthquake, no $400 million for them like Yugoslavia and others, where, if anything happens we rush in millions of dollars, but not for our own, as is usual with our Government. I sympathize greatly with Governor Egan.

One more question, "Why does no other country help with the war in Vietnam?"

MRS. OLGA JOHNSON.

NEW BRUNSWICK, N.J.,
July 23, 1964.

MR. PRESIDENT: We strongly urge that the present U.S. policy of maintaining the war in southeast Asia be abandoned, and that a cease-fire leading to a truce be declared. We feel that the U.S. Government is perpetuating the Indochinese war, a war in which the French colonial powers were defeated by a united action of the people of North and South Vietnam. The great majority of Vietnamese were opposed to French rule then, and are opposed to U.S. military intervention now. This opposition is based on an exclusively military policy of the United States which is totally divorced from the needs and desires of the Vietnamese populace. The United States has done nothing to win the spirit of the Vietnamese, but instead has sought only to prevail by military might and support of unpopular dictatorships. The inevitable outcome has been popular resentment and opposition. This has been recently shown by the widespread support which the populace is giving to the Vietcong guerrilla forces, and by the overthrowing of four-fifths of the "strategic hamlets." The opposition is further heightened by the realization of the Vietnamese that they are nothing but a pawn in the U.S. struggle to overcome communism.

Because the U.S. policy toward southeast Asia runs counter to the patriotic spirit of the citizens of southeast Asia so blatantly, we appeal to the Government to cease its unpopular war. We join with Senators FULBRIGHT, MANSFIELD, MORSE, and others in urging an immediate peaceful settlement.

Sincerely yours,

Mr. and Mrs. BARRY KOMISARUK.

WARRINGTON, PA.,
July 7, 1964.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MORSE: We want to commend you on your position on Vietnam, and sincerely hope will continue to speak out on this vital question until a reasonable solution is reached.

Sincerely yours,

Mr. and Mrs. J. REED SUPLEE.

MADISON, WIS.,
July 21, 1964.

DEAR SENATOR MORSE: I would like to tell you that I wholehearted support your stand on Vietnam, and admire your courage to speak them publicly.

I am very concerned about this situation, but feel very impotent to do anything about it. It is of some comfort to know there are some in places of power who share my concern.

Very truly yours.

MARGARET C. MCHAFFEY.

SAN FRANCISCO, CALIF.,
July 21, 1964.

I back your policy on Vietnam. The world needs peace.

NICK GRANICH.

NEW ORLEANS, LA.,
July 23, 1964.

DEAR SENATOR MORSE: Thank you for your courageous fight against the saber rattlers.

The people want their children to be builders, not wreckers of humanity.

Sincerely,

WALTER ROGERS.

TACOMA, WASH.

Senator WAYNE MORSE,
Washington, D.C.:

Two hundred at fellowship of reconciliation conference, Seabeck, Wash., unanimously support your courageous Vietnam position.

CURTIS CARMEAN.

PHILADELPHIA, PA.,
July 23, 1964.

Senator WAYNE MORSE,
Washington, D.C.

DEAR SENATOR MORSE: Again we thank you for standing for what is right, honest, and therefore patriotic in foreign affairs.

The "generals" in South Vietnam are now said to be planning to destroy a village in North Vietnam in reprisal for each village in South Vietnam overrun by Vietcong; also to destroy an industrial plant in North Vietnam for each leader killed by South Vietnam (Philadelphia Inquirer, July 10).

The generals keep talking about war with North Vietnam which means war with China. Is that what they really want?

Power to you is our hope and prayer and belief.

Most sincerely yours,

ARTHUR and HELEN BERTHOLF.

LOS ANGELES, CALIF.

DEAR SENATOR MORSE: Thank you for your intelligent outspokenness in the cause of peace. In fact thank you for your courageous stand on so many vital issues over the years of your shining service to our country. Seeing the upsurge of recent political forces makes us appreciate you all the more.

PHYLLIS LAVAY.

LOS ANGELES, CALIF.,
July 20, 1964.

Hon. WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MORSE: You are the conscience of America in the U.S. Senate. A true representative of the people by every standard; having the integrity to defy the craven silence of conformity at the risk of your political career; in your service to the Nation and the people by exposing on their behalf the facts and the perilous nature of the U.S. illegal and immoral intervention by force on the side of tyranny in a strife-torn nation; by your defense of humanity, of the lives of American youth and innocent Vietnamese, appealing to substitute for this carnage a legal and just solution of this South Vietnamese conflict, in accordance with law and the obligations of our country.

Your tireless condemnation of the evil course being pursued in southeast Asia by our policymakers in Washington will in later years be accorded the same honor as is bestowed on all public men of stature in our history, while the authors of brute force and rash expediency in our foreign affairs will continue to earn the scorn and hostility of an aggrieved humanity.

With some honorable exceptions, your colleagues in the Senate listen to your reasoned exhortations with impassive silence. Yet you are not speaking primarily to them. You are a tribune of the people in the U.S. Senate and across our broad land they are heeding your voice. In due time they will be heard from, more and more, and more insistently. They will give their answer to this monumental lawless folly and will demand an accounting for the lives and substance wasted.

Thank you for portions of the March 30 Congressional Record containing letters supporting your position which I received. I understand additional such letters have since been inserted in the Record. I would appreciate receiving the Record pages containing them, as I am reproducing these letters for distribution as being vitally necessary, not only to show the uninformed how vast numbers of Americans are opposed to the administration's wrong policy in southeast Asia, but to counter with facts the suppression and falsification of them by the venal press which is paralyzing the American people's will to peace.

Cordially yours,

Frank A. Kondray.

Los Angeles, Calif.

Hon. Wayne Morse,
Washington, D.C.

Dear Senator: July 21 is the 10th anniversary of the signing of the Geneva agreements of 1954. It is a fitting time to review that event and its immediate aftermath as providing the source of the original errors and transgressions in our policy and acts toward the southeast Asian region. The seed was then planted for the bloody and futile harvest the present administration is now reaping.

Trusting that it may be helpful in your debate on South Vietnam, I am appending to the enclosed letter documented facts on violations of the Geneva agreements at that early stage by the United States.

The facts are in excerpts of a dispatch by journalist Wilfred Burchett from South Vietnam to the National Guardian of July 18. Burchett reports as an eyewitness of the conflict from the scene of fighting. They say the National Guardian is a left wing journal. Judging from its contents, it presents the people's side of all important domestic and foreign issues.

But where today can one turn for the truth? In general, the respectable press, beholden to the merchants of war, only mirrors the official line, with its affirmations followed by denials, its contradictions, secrecy, and unproven allegations. As in a case of law, more so in the southeast Asian crisis, one must look on both sides to glean some truth, and I seek the truth wherever it may be found. However, Burchett confines himself to documents and facts established by history. Excerpts from his dispatch follow:

"The late John Foster Dulles did his best to stifle the Geneva Conference at birth, trying to turn it into a forum to drum up international intervention a la Korea. When this failed, Dulles stalked out and left it to the expendable Walter Bedell Smith to carry on the sabotage. But the conference produced realistic agreements based on sensible compromises. Bedell did not sign them—and he was the only delegate not to get a cheer from the waiting crowd as delegates left the conference hall.

"Before he left, Bedell Smith issued a declaration that the United States would refrain from the threat or the use of force to disturb the agreements and 'would view any renewal of aggression in violation of the aforesaid agreements with grave concern.'

"Included in the declaration was a reference to the agreement on elections, due to be held July 20, 1956: 'In connection with free elections in Vietnam, my Government wishes to make clear its position. In the case of nations now divided against their will, we shall continue to seek to achieve unity through free elections, supervised by the U.N. to insure that they are conducted freely.'

"This was already serving notice that the United States would sabotage the key paragraphs regarding the holding of elections, to be supervised not by the U.N., which never had anything to do with the Indochina war or the cease-fire negotiations, but by an international supervisory commission made up of India, Poland and Canada. Also, Vietnam at that time was not divided. In order to separate the combatants, a temporary line was to be established along the 17th parallel, to the north and south of which the combatant forces were to withdraw.

"The agreement, signed by all the participants except the United States, states:

" 'The conference recognizes that the essential purpose of the agreement relating to Vietnam is to settle military questions with a view to ending hostilities and that the military demarcation line should not in any way be interpreted as constituting a political or territorial boundary.'

"But Bedell Smith, literally before the ink was dry on the documents, already considered the temporary demarcation line a permanent political boundary and Vietnam a country 'divided against its will.'

"July 20, 1955, should have been the date for opening the consultative conference to arrange for the elections a year later. The authorities in the north were prepared to arrange electoral procedures meeting Western requirements for free and secret balloting. But no such meeting took place because U.S. policy was against elections under any circumstances. Instead, on July 20, 20 truckloads of Diemist stormtroops converged on the headquarters of the International Supervisory Commission in Saigon, smashed and looted the building and set fire to many cars.

"Has Secretary Dean Rusk forgotten all about this when he talks about violation of the Geneva agreements by North Vietnam being responsible for the war in the south?

"Article 17a states: 'With effect from the date of entry into force of the present agreement, the introduction into Vietnam of any reinforcements in the form of all types of arms, munitions and other war material such as combat aircraft, naval craft, pieces of ordnance, jet engines and jet weapons or armored vehicles is prohibited."

"Early in 1955, Washington and London raised charges of illegal import of weapons "enough for three divisions into North Vietnam." The French reluctantly demanded an international commission inquiry. The French knew the charge was false because it was they who had designated the points along the Vietnam-Chinese frontier where permanent control teams were stationed. But a complaint was made and mobile teams of the commission were sent to investigate the routes along which tanks and artillery were said to be passing. They learned that the supposed roads and tracks were nonexistent or had long been destroyed. The charges were rejected. They were made only to cover up large imports of U.S. arms which started within months of the signing of the cease-fire agreements, and have continued on an ever-increasing scale since.

"There were no elections in July 1956. Instead the U.S. plan for reunification was being put into effect—to build up a huge army in the south and prepare for the march to the north. On graduating at the U.S.-run military academy at Dalat, students had to take the oath that they would march to the north; they received 'march to the north' armbands. Maybe Rusk does not know about this. Or about the groups of air-dropped U.S.-trained commandos dropped at least once a month into North Vietnam, right up to July 1964, from U.S. planes or landed along the North Vietnam coast from U.S. naval craft."

Submitted to the senior Senator from Oregon in the interest of truth concerning U.S. involvment in the war in South Vietnam and to help promote a peaceful solution of that needless conflict.

Frank A. Kondray.

Michigan State University,
East Lansing, Mich., July 23, 1964.

Dear Senator Morse: I have been following eagerly the reports in the Congressional Record of your attacks upon the unlawful war in South Vietnam, and I wish to express my agreement with the position you have taken, as well as my admiration for your moral strength in continuing to protest in the face of a news blackout. I earnestly hope that you and the other few Senators who have joined you will go on. You are speaking out, not only for yourselves and those who elected you, but for hundreds of thousands—probably millions—across the country who are denied their own constitutional voices by the refusal of their elected representatives to really give thought to the issues involved.

I wrote to Senator Hart in May, urging him to support you, but his response indicated that he felt he should leave the matter up to the President. He is up for reelection, but his opponent is probably just as afraid of the issue. Where is our two-party system? Where is our representative government?

I cannot cast a vote for you, Senator; I do not live in Oregon. But in the name of honesty, justice, and the ideals of freedom for which our country stands I beseech you not to give up. Day by day, voices across the country are joining yours.

I know you are a very busy man with many commitments, but could you come to our university to speak on the subject of the illegal war? (sometime in the fall—perhaps after the election). I'm afraid there are few Oregonians here, but to whom can we turn?

Thank you for your kind attention.

Sincerely,

Brian R. Keleher.

Chicago, Ill.,
July 20, 1964.

Hon. Wayne Morse,
U.S. Senate,
Washington, D.C.

Dear Senator Morse: Thank you for your stand against our participation in the war of Vietnam. We as a nation need to take an honest look at what we are doing there. The only conclusion to be reached is that poor motives have brought us into and keep us involved in this farce.

I am thankful that there are such as you in our Senate. Please know that we support your efforts to end the arms race and the cold war that the right extremists need so badly.

I regret that I am not among those who can show their support at the polls. I will, however, make my views known to the Senators representing my State.

Yours sincerely,

DONALD C. MIKULECKY, Ph. D.

THE WEIZMANN INSTITUTE OF SCIENCE,
Rehovoth, Israel, July 19, 1964.

Hon. WAYNE MORSE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MORSE: While I'm a New Yorker and cannot have the pleasure of voting for you, I would still like to express my gratitude for your excellent work. I refer primarily (at the moment) to your powerful words and thoughts about the doings in Vietnam. The present policy is futile, and, worse than that, it is aimless. A pity that the Republican opposition wants to push the fiasco still further. Pressure from thinking people must grow stronger if commonsense is to prevail.

Sincerely,

V. A. PARSEGIAN.

SAN FRANCISCO, CALIF.,
APO 334, July 20, 1964.

Hon. WAYNE MORSE,
Senate Office Building,
Washington, D.C.

MY DEAR SENATOR MORSE: After reading your outstanding and timely speech about the U.S. foreign policy in Vietnam, I would like to speak out as a U.S. citizen, a voter, a mother, wife of a serviceman.

The growing concern of the people of the Pacific, the statesiders residing here, the service people, concerning Vietnam is considerate. Each feels that U.S. policy should certainly be reviewed before we are drawn into a more severe catastrophe. Most feel as I do, that we should withdraw completely. This needless waste of life and property when all the evidence shows not only to the Communists, but to the world as a whole that the position of the United States in Vietnam has resulted in fiasco.

In theory, the Government is governed by the people. When the people want to abandon a policy, is it in some way possible to achieve this?

Sincerely,

Mrs. BARBARA CROUCH.

DALLAS, TEX.,
July 20, 1964.

Hon. WAYNE MORSE,
U.S. Senate,
Washington, D.C.

DEAR SIR: I want you to know that I appreciate the stand that you are taking on the undeclared war in South Vietnam. We need more men like you and your way of thinking. I have always noted and appreciated your outstanding work in the Senate. I think that your endeavor has been of some good because without it I'm sure that we would be deeper in war than we are at present. If those others framing our foreign policy could see it in the light as you, I believe we would be treading further away from the brink of all-out war.

Here's hoping you much success in your efforts and the hope that someday you may become our President.

Sincerely,

Mrs. BONNIE F. ATKINS.

ADELPHI, MD.,
July 20, 1964.

Senator WAYNE MORSE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MORSE: This is very delayed action but I can't let your interviews on "Face the Nation" and "Issues and Answers" go by without telling you how glad I was that some of the news media finally let the Nation hear your views on Vietnam.

I think your view is the only real honest one and you did a fine job of presenting it.

I hope someday in the not too distant future the United States can present a foreign policy to the world which is honest and respectable, based on fact instead of fiction.

As I study the French and American Revolutions of the 18th century, it seems to me that there and then is where the seeds of this cold war were planted, and they just came into full bloom after World War II. I see communism and our democracy as two different phases of democracy, political and economic, which should be working together instead of being at loggerheads with one another.

Democracy has many meanings, but if it has a moral, it is found in resolving that the supreme test of all political institutions and industrial arrangements shall be the contribution they make to the all-round growth of every member of a society.

Our shortcomings are proof that you cannot have political equality so long as the power remains in the hands of a few who control the economy.

If our economic "czars" would only release their hold on the news media and educational system it would help a lot to bring about a little more political equality for us.

I think Russia and the United States have a lot to learn from one another. Such themes as the ones espoused by GOLDWATER and MILLER just can't be accepted by our Nation, it would be suicide for us.

I wish there was some way I could do more to help the better man win even though I can't wholeheartedly support this administration's foreign policies.

I must quit; please keep up the good work.

Sincerely,

Mrs. BERNIECE THOMPSON.

ST. PETERSBURG, FLA.,
July 20, 1964.

DEAR SENATOR MORSE: Permit me, sir, at long last to express to you my deep appreciation of your sincere efforts to publicize "the dirty war" in South Vietnam. I agree with you that it is a sinkhole for untold American dollars; it is a brutal war and a war that the United States of America has a good chance of losing anyway.

The war in South Vietnam will in due time hurt our standing in the U.N. I am opposed to "the dirty war" because it will tarnish our image as the greatest democracy in the world, and support you 100 percent in your campaign to withdraw American Armed Forces from South Vietnam. I admire the courage of yourself and others in the U.S. Senate for your forthright stand against it in the Foreign Affairs Committee. Good luck to you and may you achieve your goal of bringing our country to its senses. Thanking you for same, I am,

Very truly yours,

EDWARD K. FIELD.

LAKE GEORGE, N.Y.,
July 21, 1964.

Senator WAYNE MORSE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR: Once in a while a bare line or two creeps into the local papers about your stand on the Asian business and your position as to its constitutionality. More power to you.

Wouldn't it help, though, if some democratic method of safeguarding the Constitution could be established? Right now you and I both believe the President is making war without a declaration and the consent of Congress; and hence unconstitutionally. But there is no machinery for bringing the issue before the Supreme Court by way of a request for a restraining order. Power to seek such orders should be placed somewhere—maybe in a certain percentage (5 to 10 percent) of the Governors; maybe in a petition by a certain percentage of the population or of the voters.

Further, shouldn't there be penalties—harsh penalties—for public officials who violate the Constitution as well as for any—inside the Government or out—who inform the Congress falsely on matters involving peace and war?

Finally—and this now arises from related personal experience—since those successfully demonstrating the unconstitutionality of a legislative action have done a service to every citizen, a fund should be provided out of which to reimburse such citizens for their costs. This is simple justice. (The related personal experience to which I referred happened in recent months in Virginia where it cost me 50 percent of a $4,300 collection to prove that a local attorney serving as a trustee did not have the right to make a personal collection from the money held in trust.)

The cost of defending our constitutional rights should be borne by all.

We are all for you.

GEORGE H. ENGEMAN.

SAN JOSE, CALIF.,
July 18, 1964.

DEAR SENATOR MORSE: Thank you for your unceasing effort against the senseless war in Vietnam. Doesn't our State Department know that Western white imperialism is way out of date and self-defeating?

What about a conference for the neutralization of southeast Asia?

Cordially,

GEORGE L. COLLINS.

SANTA BARBARA, CALIF.,
July 17, 1964.

Senator WAYNE MORSE,
Washington, D.C.

DEAR SIR: I have read what you said about the situation in Vietnam, as reported in the CONGRESSIONAL RECORD for May 21, 1964, and hope that you will continue to repeat this opposition to war in Vietnam as often as possible. Since the war seems to be going on and on to our shame, it seems as though Congress should take some action or that in some way the United States should quickly bring the problem to the United Nations.

I am horrified that our military forces are conducting "scorched earth" operations, destroying food supplies, homes and means of livelihood. I have read that there are not enough hospitals in Vietnam to hold the men, women and children who have been wounded. If only the United States could have a civilized foreign policy, based on negotiation, and such projects as the Peace Corps. Instead we are continuing a futile military policy based on anticommunism, inherited from a previous era, which has no real solution to offer to the world's problems.

Sincerely,

MARGARET H. SMITH.

JULY 17, 1964.

Mr. LYNDON B. JOHNSON,
President of the United States of America,
The White House, Washington, D.C.

MR. PRESIDENT: For some months I have been deeply concerned at the relationship between our country and Communist China and just what course these two countries are heading on, toward what goal.

At the conclusion of World War II, I ended up in Japan, serving in the Marine Corps, where we performed temporary duty until Regular Army forces arrived. It was my privilege at that time to become acquainted with many Japanese citizens and today correspondence is still exchanged. Further, in the course of our duties the horror of the destruction at Nagasaki was seen firsthand and there is no need to detail the revulsion this caused within one—especially the feeling of guilt as a representative of a so-called Christian nation. This plus observing the clamor by so-called "regulars" among the officers for the opening of houses of prostitution washed up my confidence in the military as determiners of foreign policy and foreign relations.

Though we were armed to the teeth when we landed on Kyushu, we were greeted with obvious kindness by the citizens and in no time thousands of friendships were established by the troops and the people.

The reason all this is detailed is because of another experience between two sides at "war" in 1939 when I worked at the New York World's Fair. The teamster union president and the chief engineer of the fair stood on so-called "principle" and neither would move to settle a "quickie" strike.

Feeling a concern to both sides, I walked a mile to the restaurant where the union leader was sitting and, after sipping a Coke and having a little conversation, we returned to the office and all was settled.

This all adds up, to me, to mean that the people down the line, whether it be countries or organizations, want to understand each other and when they do get together all problems seem to evaporate.

I am sure there are millions of Chinese, just as there are millions of Americans, who do want to get along and understand each other's problems. In view of all this, it would seem some sort of a drastic new look should be taken at our foreign policy and especially as regards China. Furthermore, it could have great financial benefit for our country.

Today I read in the San Diego papers of the great increase in business passing through our local port and much of this is attributable to the trade with "our 1940–45 bitter enemy" Japan. Now we are feuding with our then great ally China. The opening up of trade with China could be a great source of increased business to the entire west coast and especially San Diego, which now faces the shutting down of various naval facilities.

Rather than clamor "foul" at the administration when it tries to save a dollar and then go to San Francisco and write pious platforms about private enterprise and against Federal spending, our local leaders would do better to look for new and permanent sources of income.

Finally, is it not possible to have the United Nations handle some of the complex problems of Asia? It was set up just for this purpose, I thought, and it would remove us from the front line of trying to settle every problem all over the world.

The length of this letter is regrettable but all of these serious problems have been building up in me for some time and perhaps if everyone concerned would speak up a solution might be forthcoming.

With sincere appreciation for the magnitude of your job and with assurance that you have the prayers of my good family and the writer, I am,

Most sincerely,

WALTER G. HOOKE.

LOS ANGELES, CALIF.,
July 17, 1964.

HON. WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MORSE: I should like to commend you on the courageous stand you have taken insofar as the war in Vietnam is concerned. I agree with your position that we should recall our troops, and that this matter should be handled diplomatically, and not by military might.

I trust you will continue your difficult fight. I am sure there are many people behind you.

Respectfully,

MARGARET GINSBURG.

WAYLAND, MICH.,
July 20, 1964.

DEAR SIR: You were so right when you said, "McNamara's war." I have read letters from South Vietnam servicemen and all they have is soap and salt to give to the tribesmen and think that will win the war. What a shame putting our men so far from home and loved ones with no better cause. (Look into this.)

LONG BEACH, CALIF.,
July 14, 1964.

DEAR SENATOR: I add my voice to that of the GI who said, "Let's get out of Vietnam." I agree that unilateral action is condoning anarchy and inviting more war. Do continue with your excellent speeches like those before newsmen on the CBS network where you knew more facts than any of them.

Keep up the commonsense.

MRS. W. B. MOREL.

MIAMI BEACH, FLA.,
July 18, 1964.

DEAR SIR: I urge you please to consider running for Vice President. You are a man of guts and determination. I can think of no higher praise than to say, "Sir, you are no politician."

E. FOSTER.

VINEYARD HAVEN, MASS.,
July 17, 1964.

This card is written to express our appreciation for your recent exposition and criticism of the moral, legal, and practical positions in which this Nation is finding itself in connection with the unilateral interventions in southeast Asia.

PHILIP W. L. COX.

SEATTLE, WASH.,
July 14, 1964.

DEAR SENATOR MORSE: I want to thank you for all you are doing to work for peace in Vietnam. This is so very important, and it is encouraging to have a man of your stature doing so much.

Sincerely yours,

FLORENCE HORNIG.

JAMAICA PLAIN, MASS.

DEAR SIR: I commend your views on Vietnam, and have written the President to urge him to seek negotiations—the 14-nation Geneva Conference reconvened.

Since many young Republicans are going over to Johnson for fear of GOLDWATER'S militancy—Johnson will score if his stand is firm against escalating the war.

Sincerely,

ELNA SHERMAN.

[From Circulating Pines, Circle Pines, Minn., July 9, 1964]

IGNORED NEWS

The Circulating Pines is fortunate in having a staff member (Lee Burgard) who reads the CONGRESSIONAL RECORD. This is the only way we would know that there is opposition on Capitol Hill to our Government's policy in South Vietnam.

This opposition is being largely ignored by the press as a whole, and this is not fair to the American people. They deserve to see a matter as serious as this fully discussed.

Senator WAYNE MORSE, who has consistently suggested that the United Nations be asked to recommend a solution, says his mail is running 100 to 1 in favor of his position. In a speech delivered July 1, MORSE says:

"The appointment of General Taylor as Ambassador to South Vietnam increases the possibility of our going into a full-scale war in Asia if the Red Chinese and the North Vietnamese do not back down under American threats.

"There is a growing trend in this Republic for the military to take over more and more policy determinations. I had hoped that we would make it more clear than it has been made to date that under our constitutional system it is not for the military to determine policy, but to carry out orders; and that American foreign policy should be determined by the civilian branch of the Government—by the President, his chief agent, the Secretary of State, and the Congress.

"The symbolism of putting this general behind an Ambassador's desk in South Vietnam is uncalled for and unfortunate. It will be subject to great misunderstanding, and will accrue to the great disadvantage of the standing of the United States in many parts of the world, particularly in the so-called underdeveloped nations.

"General Taylor is among those in the Pentagon who has an itchy trigger finger when it comes to the use of nuclear power in case we are challenged and our bluff is called. I want to avoid those challenges.

"I would, as I have said so many times, while the matter is before a 14-nation conference, as recommended by De Gaulle, or before the Security Council or before the General Assembly, call upon our alleged—and I underline the word "alleged"—SEATO allies to join us with a sufficient body of men to patrol the area, to keep the adversaries separate, and to stop the killing and warmaking until the procedures of the United Nations can be brought to work upon the threat to the peace of Asia and, potentially, the peace of the world."

TACOMA, WASH.,
July 19, 1964.

DEAR SENATOR MORSE: We commend you for your forthright position on the war in Vietnam. We share your conviction that not one American boy should be sacrificed in this unjust and unnecessary war. We know it takes courage to speak out these days and want you to know we appreciate your efforts.

Sincerely yours,

Mr. and Mrs. JOHN SPRUELL.

OAKLAND, CALIF.,
July 19, 1964.

DEAR SENATOR WAYNE MORSE: You continue to fight on, almost alone, to save the United States and perhaps the world; may you live long to continue the struggle and may the blind be given sight to see the chasm ahead.

If it were possible I would like a copy of all your speeches made against our involvement in Vietnam and on the Asiatic mainland. Also your 25-page minority report on "aid" of July 13.

With all the best to you.

Yours truly,

D. W. CONDE.

[From the New York Times, May 16, 1964]

FOR KOREA'S UNIFICATION

To the EDITOR:

In the New York Times of April 24 you carried a reasoned and eloquent plea for the despoiled people of South Korea by Yong-jeung Kim of the Korean Affairs Institute. It is my hope that policy planners in Washington took note of it.

In his letter Mr. Kim states (anent the struggles of the South Korean students against the soldiers and police) that the struggle for unification of north and south "cannot be stopped by force." And in this he is correct.

I would observe that it has been the role of General Park, who seized power in May 1961 in a coup d'etat, to be the "force" that has sought to prevent peaceful unification, but his departure is now in sight.

Is it not painfully obvious that U.S. policy has failed miserably in South Korea? That the time has come gracefully but hastily to withdraw? For the sake of history we should halt all secret or open efforts to force South Korea again into the arms of the Japanese.

DAVID W. W. CONDE.

OAKLAND, CALIF., *May 4, 1964.*

(The writer of the above letter served as staff section chief under Gen. Douglas MacArthur and was a Reuters correspondent in Japan.)

KINCHELOE AIR FORCE BASE, MICH.,
July 17, 1964.

DEAR SENATOR MORSE: The settlement in Laos was a time-buying device, and now the time we bought is about to run out, with the Communists taking the country over unless we fight them to prevent it. So Laos has come to the same pass as South Vietnam. Both countries are being attacked by North Vietnam, using partly its regular troops and partly irregulars transparently disguised as internal rebels. The disguised nature of the North Vietnamese aggression is taken as giving North Vietnam the status under international law of a neutral, with the protection from counterattack which that status affords. But surely if international law means anything it deals with practical realities, not with polite fictions. We have not the slightest obligation to treat North Vietnam as if it were not at war with South Vietnamese allies and with us. We should prevent North Vietnamese reinforcements and supplies from reaching Laos or South Vietnam, and in doing so there is no reason why we should stay on this side of the North Vietnamese border. I believe Congress should now declare a state of war between the United States and North Vietnam; and we should bomb all of North Vietnam's military installations, factories, rail centers, fuel storage facilities and ports, and destroy all North Vietnamese ships and aircraft. This could be done in a week, and then the situation in South Vietnam and Laos would suddenly take on quite a different aspect.

Ho Chi Minh will not surrender, and we should not expect to be able to end the war quickly. It will be a long and terrible war, whether we counterattack into North Vietnam or not. If we do, it will not be a hopeless war as it is at present.

Respectfully yours,
ROBERT POWELL.

PRINCETON, N.J.,
July 16, 1964.

Hon. WAYNE MORSE,
U.S. Senate,
Washington, D.C.

MY DEAR SENATOR: Normally, I would never have thought of writing to you. I am not one of your constituents; indeed, I have never had the good fortune to be in Oregon. But in days such as the present ones I feel that I must let you know how much I respect you for many of the positions which you have taken recently on foreign and domestic affairs.

Now that Senator GOLDWATER has become the Republican presidential candidate the danger increases that many of his opponents will continue to mention him and the forces behind him as excuses for the character of many U.S. policies. I hope that you will criticize anyone who attempts to justify the continuance of bad policies by saying that any attempt to implement better ones would provide political ammunition to the Goldwater forces.

I am sure that you will continue to become increasingly outspoken about such issue as peace, disarmament, Cuba, southeast Asia, and civil rights.

Very truly yours,
Dr. WALTER STRUVE.

PLEASANT RIDGE, MICH.,
July 16, 1964.

DEAR SENATOR MORSE: I have just been reading some of your supporters' letters in the July 9, 1964, CONGRESSIONAL RECORD and I would like to add mine to your collection.

You are doing an outstanding job in the Senate on this issue day after day and deserve the good wishes of all Americans. Keep it up.

Sincerely,
J. B. GORDON.

P.S.—I would appreciate being placed on the mailing list for your newsletters.

SAN FRANCISCO, CALIF.,
July 13, 1964.

Senator WAYNE MORSE,
U.S. Senate Building,
Washington, D.C.

SENATOR MORSE: In what capacity is the United States militarily responsible for the perpetuation of the present South Vietnamese regime? What qualities has this regime which guarantee the freedoms of the South Vietnamese people?

If it is our aim to prevent the spread of communism, perhaps a more practical solution, and certainly a more preferable solution, would be to eliminate the conditions which foster uprising; eliminate the conditions, not the people.

Our position is detestable morally.

Sincerely yours,
Mr. and Mrs. JOHN B. READ.

MOBERLY, MO.,
July 15, 1964.

Hon. WAYNE MORSE,
Senator from Oregon,
Washington, D.C.

DEAR SENATOR MORSE: I want to thank you for your courageous stand and the vigorous way in which you have opposed our Government's intervention in Vietnam. The Post Dispatch recently has given you considerable space, as you probably know. They had a fine editorial praising you for your daily speech in the Senate, voicing your opposition to this immoral and cruel war, and they carried a three-column reprint of one of your speeches in which you pointed out that we have no legal right to engage in this war. I presume you have copies of this material.

You speak for a great many conscientious people, not only on this subject, but on many others. I recall your fight against the Telstar deal which the Government turned over to A.T. & T.; and many other similar positions where you represented the people's interests. It is a great satisfaction to have Senator WAYNE MORSE in Washington to counteract to some extent the Goldwaters, the Smathers, Eastlands, et al. If there were more of you and fewer of the latter, our country and the world in general would be a more just and peaceful place.

Yours very truly,
MARY CHRISTIAN.

PENFIELD, N.Y.,
July 16, 1964.

The U.S. SENATE,
Washington, D.C.

DEAR SENATOR MORSE: I have several times read over your May 27 speech to the Senate and the text of the May 24, 1964, "Face the Nation" television program.

I want to give you every possible encouragement in your good efforts to bring us to our senses as a nation with respect to our southeast Asia policy.

Sincerly yours,
W. EUGENE NOTZ, M.D.

WABAN, MASS.,
July 16, 1964.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MORSE: Just a word of appreciation for the valiant efforts which you are making to keep our country from becoming involved further in military conflict in southeast Asia.

I fear greatly the recent escalation of the conflict, particularly, by our Government.

I am firmly convinced that it is against the best interests of the United States to continue participation in this war. It actually weakens our military security while harming our diplomatic posture.

Again, thank you for your leadership on this issue.

Sincerely,
JEROME GROSSMAN.

PORTLAND, OREG.,
July 11, 1964.

Senator WAYNE L. MORSE,
Senate Building,
Washington, D.C.

DEAR SENATOR MORSE: As an Oregon Democrat, I've been tremendously proud of our State's representation and rather guilty not to have expressed my feeling to you, to EDITH GREEN, and to MAURINE NEUBERGER.

Now, with the bitter truth about Vietnam breaking out at long last, may I thank you and all other courageous protesters who are, I'm sure, standing with you. WILLIAM RYAN's recent speech in the House was heartening. It is most unfortunate that the press, radio, and TV do not give good coverage to controversial speeches and debate. It seems to me and my friends of liberal faith that now is the heaven-sent opportunity for the United States to do the obvious: Demonstrate alleged faith in the United Nations and lead the world toward a real détente. We cannot understand those who want to save face militarily while they refuse to face the realities of the atomic age.

Thank you, Senator, and more strength to you.

Sincerely yours,
ALICE B. PLYMPTON.

PORTLAND, OREG.,
July 9, 1964.

President LYNDON B. JOHNSON,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: I realize you are making an intensive study of the situation in South Vietnam, the importance of which you fully realize. I urge you, Mr. President, not to be pressured into making a military commitment that would lead us into war with Red China. I urge you, on the other hand, to explore every avenue available that might lead to a peaceful settlement. The voice of reason and the long view are needed here.

In spite of the fact that you must receive many letters urging immediate military expansion, I know there are many Americans who feel as I do about this.

Very truly yours,
MARY M. FERNANDEZ.

(Copy to Senator WAYNE MORSE.)

AMENDMENT OF FOREIGN ASSISTANCE ACT OF 1961

The Senate resumed the consideration of the bill (H.R. 11380) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

Mr. McGOVERN. Mr. President, I call up my amendment, which I offer for myself and the senior Senator from Missouri [Mr. SYMINGTON]. I ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 13, at the end of section 620 (a) inserted in the bill by Senate amendment, relating to limitation on aggregate authorization for use in fiscal year 1965, strike the period, insert a semicolon, and add the following:

Provided, That an additional $50,000,000 is authorized to be appropriated for the purchase of domestically produced beef, poultry and other meats and meat products, dairy products, rice and other high protein foods, in adequate supply in the United States, for donation to school lunch and similar programs in foreign countries eligible for assistance under this Act.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McGOVERN. Mr. President, I shall take only a brief time to explain the amendment. I believe it will be accepted by every Member of the Senate. I have discussed it with the distinguished chairman of the Committee on Foreign Relations, the Senator from Arkansas [Mr. FULBRIGHT]. He indicated that he is willing to accept the amendment. I have also discussed it with the leadership and with numerous other Members of the Senate, and they support the amendment.

In effect, the amendment authorizes the appropriation of $50 million under the authority of the foreign aid bill now before the Senate for the purchase of domestically produced beef, poultry, and other meats and meat products, dairy products, rice, and other high-protein foods which are in adequate supply in the United States for donation to school lunch and similar programs in foreign countries which are eligible for assistance under the bill.

I believe the amendment is a perfect combination of our domestic self-interest with the most solid kind of humanitarian program.

We have heard much discussion in the Senate during the past few days about some of the inadequacies of our foreign aid operations. There are inadequacies. There are some parts of the program that should be corrected.

But one aspect of our oversea aid program that should bring pride to every Member of Congress, and to every American, is our oversea school lunch program. We are now feeding about 40 million schoolchildren every day through our food for peace program. The results of that program have been most inspiring, not only in terms of the remarkable improvement in health on the part of the youngsters who receive the food, but also in terms of improved school attendance and improved academic performance.

Some years ago, Prime Minister Nehru, of India, stated that one cannot talk of God to a starving person. By the same reasoning, an effective job cannot be done of educating boys and girls who are hungry, who are too weak and lethargic to sit through classroom instruction. Amazing results have been achieved by the feeding of youngsters in some 80 countries.

One of the limitations of the program has been the lack of high protein food. Under existing authority, we have not had the power to purchase beef and other meat products or the high protein foods that are desperately needed. There is no single lack in the world today that undermines human health more than the lack of protein foods.

There is an extremely critical shortage of such foods all across Africa, Asia, large parts of Latin America, and the Middle East. In fact, some authorities say that almost no child on the entire Continent of Africa escapes the ravages of protein deficiency. There is a terrible disease known as kwashiorkor, which is another name for protein deficiency. It is this tragic lack of protein in the diets of the youngsters of Africa and in most of the other underdeveloped parts of the world that causes the skinny arms and legs, the distended bellies, and the gaunt faces of the children we see when we visit underdeveloped countries.

The only way to correct that condition is by providing additional protein foods, as would be authorized by this amendment.

We should also consider the amendment I have offered from the standpoint of our own interests.

The amendment will be of great value to American producers. We all know that American livestock producers have been in serious economic trouble for more than a year. This amendment offers an opportunity to take off the market some of the surplus beef that is produced in this country. The amendment provides that the beef to be used must be domestically produced and used for the relief of boys and girls overseas through school lunch and similar programs.

Our dairy producers and some of the other producers who would be assisted by the amendment have also had problems of surpluses, which this could help relieve.

At the present time, I am advised that our stocks of nonfat dried milk are quite low. We had only 123 million pounds uncommitted July 24 compared to 472 million pounds at the same time last year. The voluntary agencies, which have asked for 850 million pounds this year, have been assured only 400 million. It would be tragic if this commodity, which is the backbone of some of our school aid projects abroad, should be suddenly cut off or drastically cut back and we should abandon millions of children to want and hunger again.

I do not know of any program in our entire farm aid operation that deserves our support more than does the effort to contribute to the improvement of the health and well-being of schoolchildren in the developing countries.

During the past week, the country has marked the 90th birthday of former President Herbert Hoover. Mr. Hoover is known around the world, not so much because he was President of the United States, important and significant as that honor was, but because he brought America's agricultural abundance to bear on the solution of the problems of world hunger. It is no accident that former President Hoover has devoted a good part of his recent years to the writing of a four-volume work on our oversea food programs. It is a high tribute to President Hoover that he handled that program with the broad vision and deep sense of humanity that he manifested, both in the years during and after World War I and again after World War II, when he was asked by President Truman to direct or advise on the feeding of the hungry people in the war-torn countries of Europe and in Japan.

One of the most remarkable of our post World War II efforts was the school lunch program directed by Gen. Douglas MacArthur in Japan, a program which is paying great dividends to the people of Japan and the people of the United States. The health and well-being of a whole generation of Japanese young people were greatly strengthened by the oversea school lunch programs that were directed by General MacArthur in the postwar period. It is one of the great achievements in the life of that renowned general. Today, thanks in part to that program, Japan is the biggest commercial, hard-money purchaser of American agricultural commodities in the world.

Mr. President, this is a hardheaded program. The schoolchildren we help today with the school lunch program, who learn to enjoy and benefit by American milk, American meat, and American agricultural products, will be our customers tomorrow. This program is definitely in the interest of American agricultural producers. It is in the interest of people who are trying to assist overseas. In the best sense of the word, it is food for peace in action.

I am much pleased that the distinguished senior Senator from Missouri [Mr. SYMINGTON], who is a member of the Committee on Foreign Relations, and who has traveled widely and observed these programs in various parts of the world, has joined me as a cosponsor of the amendment.

I hope the Senate will adopt the amendment.

Mr. SYMINGTON. Mr. President, it is a privilege to be a joint sponsor of the amendment with the distinguished Senator from South Dakota [Mr. McGOVERN]. Not only will the amendment help the people whom we intend it to help under the foreign aid program, it will also help the American farmer.

The fact that we reduced the foreign aid bill last evening by several hundred million is the only reason why we did not include a considerably larger figure for this worthy cause. Nevertheless, I am gratified to know, as I know my able friend from South Dakota is, as a result of the actions of the administration in recent days and weeks, that beef prices, which had been falling in a serious, if not critical fashion, have improved.

It is this type of program that I believe will make it possible for the cattlemen and those engaged in the poultry, dairy products, ricegrowing, and other high-protein food industries, to have a support program that will be, at the same time, not only in the best interest of the people of the United States, but also of the countries to which the Executive and Congress have decided to send this aid.

It is a privilege to be associated with the distinguished Senator from South Dakota, who, without question, is one of the strongest proponents of American rural life.

I urge the Senate to accept the amendment.

Mr. McGOVERN. Mr. President, I wish to comment on the point the Senator from Missouri made about the relationship of this amendment to our domestic livestock program. The Senator from Missouri has been working on this problem diligently.

Is it not true that this year, according to Department of Agriculture estimates, feed products rose 10 percent above last year, when we were really in serious difficulty?

Mr. SYMINGTON. That is true. What apprehension we had from the standpoint of prices later in the year was over the number of cows which would be slaughtered. In a program of this character, a minimum increase in the price of beef should be important in maintaining the price today, which is the minimum price from the standpoint of the capacity of the beef farmer to make any money out of his operations.

Mr. McGOVERN. I thank the Senator.

Mr. President, I am advised that the production of all beef this year, exclusive of farm slaughter and veal, was 13 percent above last year during the first 6 months. The first 6 months figures were 7.8 billion pounds in 1963, and 8.8 billion pounds in 1964.

The Department of Agriculture anticipates that the year's production will run at least 10 percent over the 16.1 billion total last year, or between 17.5 and 17.8 billion pounds.

Fed steer prices have gone up substantially in Chicago this week for marketings, for the first time this year, dropped below a year ago. This will not continue in view of the overall supply outlook.

We have more than enough beef.

We can absorb about 3 percent increase a year without unreasonable depression of prices. I am sure that beef producers would welcome the export of a substantial quantity of the present oversupply.

Mr. MUSKIE. Mr. President, will the Senator from South Dakota yield?

Mr. McGOVERN. I yield.

Mr. MUSKIE. I listened with interest to the Senator's presentation of his amendment. I note that he specifies domestic beef, poultry and other meats, and dairy products and other high protein foods. The language, "other high protein foods," suggests that the amendment would be broad enough to include fish. The Senator from Alaska [Mr. BARTLETT] of course is interested in this subject also, and I wonder whether my interpretation of that language is correct, in the opinion of the Senator from South Dakota?

Mr. McGOVERN. Let me say to the Senator from Maine [Mr. MUSKIE], and also to the Senator from Alaska [Mr. BARTLETT] who has taken a great interest in this problem over a long period of time, that there is no question in my mind that "other high protein foods" would include fish and fish products.

It is one of the best possible sources of protein. We have conducted a number of experiments in certain countries with the use of fish and fish products as an additive to the diets of children and adults suffering from protein deficiency, and it proved to be extremely valuable food. It would certainly be covered by the term "other high protein foods."

Mr. MUSKIE. I thank the Senator for his explanation.

Mr. BARTLETT. Mr. President, will the Senator from South Dakota yield?

Mr. McGOVERN. I yield.

Mr. BARTLETT. I am very glad that the Senator from Maine asked that question, and I am particularly glad to get the answer from the Senator from South Dakota.

We all know that fish are almost literally bursting with protein. There is no better food protein than that which can be obtained from fish and fish products. I am glad to support the Senator's amendment. I am all the more happy to do so because the Senator has defined fish, in his opinion, as being one of the foods that would be included.

The junior Senator from California [Mr. SALINGER] is also interested in this subject, although at the moment Maine sardines and Alaska salmon are the fish products in surplus. I know that all too frequently California fish are likewise in surplus.

I thank the Senator from South Dakota for yielding to me.

Mr. SPARKMAN. Mr. President, will the Senator from South Dakota yield?

Mr. McGOVERN. I am happy to yield to the Senator from Alabama.

Mr. SPARKMAN. I have not talked with the chairman of the committee, the Senator from Arkansas [Mr. FULBRIGHT], concerning the Senator's amendment, but it is my understanding that he told the Senator from South Dakota that he would be willing to take the amendment to conference.

Mr. McGOVERN. The Senator is correct. He assured me that he would accept the amendment.

Mr. SPARKMAN. That is the word I had heard—that the Senator from Arkansas [Mr. FULBRIGHT], chairman of the committee, would take the amendment to conference. I am prepared to carry out the promise which he made.

The PRESIDING OFFICER (Mr. BREWSTER in the chair). The question is on agreeing to the amendment of the Senator from South Dakota [Mr. McGOVERN].

The amendment was agreed to.

Mr. BARTLETT. Mr. President, I submit an amendment which is at the desk, and ask that it be stated.

The PRESIDING OFFICER. The amendment of the Senator from Alaska will be stated.

The LEGISLATIVE CLERK. On page 17, after line 7, it is proposed to insert the following:

> SEC. 403. Section 106 of the Agricultural Trade Development and Assistance Act of 1954, as amended, is amended by adding at the end thereof a new sentence as follows: "When the Secretary of the Interior has determined that a domestically produced fishery product is a surplus agricultural commodity, as defined by this section, the President shall initiate the necessary actions for the sale of such products in accordance with the provisions of this Act."

Mr. BARTLETT. Mr. President, the senior Senator from Washington and the junior Senator from Maine and I submit this amendment because we feel it is absolutely essential to do so. It appears, unfortunately, that the adoption of such an amendment is necessary if a provision we adopted last year is to be implemented. Last year the Senate added fish to the food-for-peace program. Section 403(c) of the Foreign Assistance Act of 1963 added the following language to title I of Public Law 480:

> For the purposes of this title and title IV, the term "surplus agricultural commodity" shall include any domestically produced fishery product (not including fish flour until approved by the Food and Drug Administration) if the Secretary of Interior determines that such product is at the time of exportation in excess of domestic requirements, adequate carryover, and anticipated exports for dollars.

That amendment had the active support of many Senators. Some of them, naturally, represented the chief fishing States in the country—others not. It was supported by the Senator from South Dakota [Mr. McGOVERN]. His interest was particularly aroused because of his former position as Director of the food-for-peace program. He knew what fish could mean to the program. He wished whenever possible and wherever possible to export fish products in order to supply protein to the nations of the world so urgently in need of it.

The present Director of the food-for-peace program, the Honorable Richard W. Reuter was and is enthusiastic about the proposal. All the great fish products with their high protein content should be made available on a wider scale to the emerging nations which participate in the food-for-peace program.

The amendment became law 8 months ago. At that time, there were in surplus some 200,000 cases of sardines packed in Maine. There was in surplus approximately 1,500,000 cases of pink salmon, most of which were packed in Alaska. Those surpluses were and are causing the warehouses to bulge, depressing the domestic market and discouraging our fisherman and fishing industry.

According to the terms of last years amendment, it is the duty of the Secretary of the Interior to declare which of our domestic fishery products are in surplus. We know that salmon and sardines are particularly in surplus. We do not know and we cannot determine why no declaration of a surplus has been made. On January 16 I wrote the Secretary of the Interior, asking him to declare pink salmon in surplus. On January 30 I received a reply in which the Secretary stated that there were strong indications that the salmon were in surplus and that he would develop the necessary commodity recommendations as soon as possible. Three months later nothing had happened. I again wrote the Department and was again assured that a full report could be expected shortly. That was April 24. Nothing more has been heard. I consider this total failure of Secretary Udall a shocking miscarriage of the will of Congress.

Mr. MUSKIE. Mr. President, will the Senator from Alaska yield?

Mr. BARTLETT. I am happy to yield to the Senator from Maine.

Mr. MUSKIE. We have had discussions with representatives of the Department of the Interior and the Budget Bureau, and Mr. Gordon himself. The fact is, on this question there has been no denial of the facts which the Senator from Alaska has just stated, as I recall, and no one disputes that there is a surplus in these canned fishery products.

Mr. BARTLETT. The Senator is absolutely correct. I am glad that the Senator from Maine brought that up.

The senior Senator from Washington, the junior Senator from Maine, and I met with the Director of the Bureau of the Budget and one of his assistants for over 2 hours off the the Senate floor 2 months ago. It was an amazing meeting at which the Director made it quite clear that he personally was of the opinion then that adding fish to the food-for-peace program would most likely hurt the fishing industry, not help it. Mr. Gordon was willing to substitute his judgment for that of the Bureau of Commercial Fisheries, Food for Peace Administration, the fishing industry, Congress, and the President. As I said, I was amazed.

So far as we could determine, the Bureau thought that this was not a good program. So they did not propose to do anything about it. Whether that is so or not, it is surely a fact that nothing has been done.

Mr. MUSKIE. Will the Senator yield further?

Mr. BARTLETT. I yield.

Mr. MUSKIE. We have discussed briefly one of the criteria that were set out in the legislation last year. That is that there be a production in excess of domestic requirements. Two other criteria were laid down. One was that there be an adequate inventory carryover for the needs of the industry and the domestic market. The other was that we anticipated the possibility of developing exports for dollars.

We have met most of these tests on at least a prima facie basis, and I think on a stronger basis than that. Our facts in that connection have not been disputed by the Bureau of the Budget. And for all practical purposes, so far as we know, the Bureau of the Budget does not dispute that we have met the three criteria laid down under the act. Is that correct?

Mr. BARTLETT. That is absolutely correct. And long ago, at a point in time not too distant from the enactment of the bill last year, all of us concerned started to work—or so we thought—with the Bureau of the Budget and with the Department of the Interior. We worked under the assumption, which we thought we were entitled to entertain, that soon the program would be in effect.

I believe the Senator from Maine [Mr. Muskie] has a letter in his file, which he now holds in his hand, dated back in February, from an official of the Department of the Interior. The letter paints a rosy picture in regard to implementation of the program, and paints a gloomy picture in respect to the surplus that exists.

We thought that very shortly after that the Secretary of the Interior would declare these stocks to be surplus, as he is charged with doing under the law. We thought Secretary Udall would recommend to the Director of the Bureau of the Budget, and any other agencies that had to be informed, that the program should be made effective.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. BARTLETT. I am particularly glad to yield to the Senator from Alabama. Above all things, I think it is important that the understanding of the committee in regard to the program be made known. I have a feeling that the committee accepted this amendment last year with a notion, idea, hope, and belief that it would be operative.

Mr. SPARKMAN. Mr. President, I supported this amendment in the committee.

Mr. BARTLETT. I know that.

Mr. SPARKMAN. I supported the amendment on the floor of the Senate. I supported it in the conference; and it became law.

I say in the beginning that I hope the Senator will not insist on the present amendment. I believe we can take care of it in another way, by making the record crystal clear that the intent of Congress is that this program be implemented. And that is the trouble. The law is on the books. It just has not been put into effect. We did intend that it be put into effect. And we intend now that it be put into effect.

Let me say furthermore that I support what was said with reference to the amendment of the Senator from South Dakota [Mr. McGovern] that we believe that under the wording of the amendment, fish and fish products would be included. It specifically states: "other protein products."

I am not an expert on these matters. But I believe that fish and fish products are recognized as possessing about as high a protein content as any category of food that we have. I am perfectly willing to say to the Senator that it was our intent to write this provision into the law and that it be activated. That is our intent now. I feel confident that had this matter been called to our attention, we would have made a strong recommendation in the committee report with reference to it.

I state here, as a matter of record on the floor of the Senate that we intended that it be activated. And we still do intend that.

Mr. BARTLETT. I am encouraged by what the Senator from Alabama had to say.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. BARTLETT. I yield.

Mr. MAGNUSON. I associate myself with what the Senator from Maine [Mr. Muskie], the Senator from South Dakota [Mr. McGovern], and the Senator from Alaska [Mr. Bartlett] have said. Surely all of us thought we did do something about this program when we enacted it into law. I, too, am alarmed by the lack of attention given to this fine program by the Bureau of the Budget and the Department of the Interior.

I hope that the Senator from Alabama [Mr. Sparkman] uses his very great influence in this matter. He has great influence with those engaged in this program. I hope that other Senators use their influence also. If not, the Senator from Washington will have to suggest that when the foreign aid appropriation bill comes along, we designate x number of dollars for that purpose. It would be so much better if they were to do it and abide by the law, than if we were forced to do such a thing.

Mr. SPARKMAN. Mr. President, I agree with the Senator from Washington that the better system, the better way, the orderly way would be to activate the program, as was very clearly the intent of Congress. I feel confident that that will be done.

I give assurance to all Senators that I shall be glad to do whatever I can to see that the program is activated. I cannot speak for the chairman. If I recall correctly, he was an active supporter of the program last year.

Mr. MAGNUSON. He is very active. I know he is very concerned and will be with us all the way.

Mr. SPARKMAN. He was active on the committee, on the floor of the Senate, and in the conference.

Mr. BARTLETT. That is correct. I talked with the chairman this afternoon. He did not have an opportunity to study the specific wording of the amendment, so he did not promise to support it. He did say that he was and is in favor of the program.

Mr. SPARKMAN. This is correct. I feel certain he will lend his support toward getting the proper officials to go ahead and do what they ought to do under the law now on the statute books.

Mr. BARTLETT. Then we shall have two powerful right arms helping us—the right arm of the Senator from Alabama and the right arm of the Senator from Arkansas.

Mr. MUSKIE. Mr. President, will the Senator yield?

Mr. BARTLETT. I yield.

Mr. MUSKIE. I appreciate the reassurance of the Senator from Alabama. It is a restatement of what I know to have been his intent a year ago when this language was incorporated in the bill.

Constantly when we are considering amendments of this nature to a bill on the floor of the Senate, we are asked by administrators of agencies to use flexible language. And yet when we do use the flexible language, the language is used to flout the will of Congress. Here we have language that is flexible. But the intent is clear. It has been clear ever since the bill was enacted into law last year. An agency uses the flexible language not to implement the right of Congress, but to thwart it.

Mr. BARTLETT. The agency tries to overcome the will of Congress.

Mr. MUSKIE. That is correct.

Mr. SPARKMAN. Mr. President, I believe we have made our intent even more clear today. I doubt that there is a single Senator who is opposed to it.

Mr. McGOVERN. Mr. President, will the Senator yield?

Mr. BARTLETT. I am happy to yield to the Senator from South Dakota whose support meant so much to us from the inception of what we thought was going to be a worthwhile program. It will be such if we ever get it going.

Mr. McGOVERN. Mr. President, as the Senator knows, I supported this program and have supported it since its inception. I wholeheartedly agree with the Senator from Washington [Mr. MAGNUSON], the Senator from Alabama [Mr. SPARKMAN], the Senator from Maine [Mr. MUSKIE], and the Senator from Alaska [Mr. BARTLETT]. I believe this is an important matter.

There are not very many people in the world who are actually starving to death any more. But we have hundreds of millions of people who have very badly balanced diets and are suffering from malnutrition of one kind or another. The basic cause of that malnutrition is the lack of proper foods.

In most countries, people can find sufficient volume of food to eat, but they do not have the correct mixture. Adding even a modest amount of fish or fish products to a diet can perform almost miraculous results in terms of human health. On humanitarian grounds alone, aside from what the proposal might mean to our own domestic economy, we ought to implement it as quickly and as effectively as we can.

Mr. BARTLETT. I thank the Senator. In view of what has transpired here today, I hope that the Secretary of the Interior within the next week—it should not take until sundown tomorrow, in fact—will declare these stocks of fish in surplus, as he should have done long ago under the law, and that soon thereafter the program will be put into effect.

In the light of what the Senator from Alabama [Mr. SPARKMAN] has said—and I realize that the Public Law 480 is a discretionary program, but I did not realize it would prove to be quite as discretionary as it has—and because of the fine support that he has given, I withdraw the amendment.

AMENDMENT NO. 1215

Mr. DIRKSEN. Mr. President, on behalf of the distinguished majority leader and myself I offer an amendment to the pending bill. I presume the foreign assistance bill is the pending business before the Senate. Am I correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. DIRKSEN. I offer the amendment to the pending bill. I do not intend to discuss the subject very long tonight. Copies of the amendment have been given to all Senators and the press and, so far as I know, to all Members of the House. The subject has been pending for quite a long time, and it has become something of a volcanic issue in the country.

I believe that interest in the so-called reapportionment question began with the case of Baker against Carr in 1962. That case emanated from the State of Tennessee, and in the course of the Supreme Court's decision there were finally filed at least 60 suits in 37 States. In some cases there was reapportionment, and in other cases there was not.

But overshadowing all of that came another line of decisions by the Supreme Court, the principal one of which is the case of Reynolds against Sims, which came out of Alabama. Jointly with that case, the Court undertook to consider a case from the southern district of New York on appeal, a case from Maryland on appeal, a case from Virginia on appeal, a case from Delaware on appeal, and a case from Colorado on appeal. But the decision in the case of Reynolds against Sims covers the entire question.

First, I ask unanimous consent to have printed at this point in my remarks the dissenting opinion of Associate Justice John Marshall Harlan.

There being no objection, the opinion was ordered to be printed in the RECORD, as follows:

DISSENTING OPINION OF ASSOCIATE JUSTICE JOHN MARSHALL HARLAN IN THE CASE OF REYNOLDS *v.* SIMS

(June 15, 1964)

Mr. JUSTICE HARLAN, dissenting:

In these cases the Court holds that seats in the legislatures of six States[1] are apportioned in ways that violate the Federal Constitution. Under the Court's ruling it is bound to follow that the legislatures in all but a few of the other 44 States will meet the same fate.[2] These decisions, with *Wesberry* v. *Sanders*, 376 U.S. 1, involving congressional districting by the States, and *Gray* v. *Sanders*, 372 U.S. 368, relating to elections for statewide office, have the effect of placing basic aspects of state political systems under the pervasive overlordship of the Federal judiciary. Once again,[3] I must register my protest.

PRELIMINARY STATEMENT

Today's holding is that the equal protection clause of the 14th amendment requires every State to structure its legislature so that all the members of each house represent substantially the same number of people; other factors may be given play only to the extent that they do not significantly encroach on this basic "population" principle. Whatever may be thought of this holding as a piece of political ideology—and even on that score the political history and practices of this country from its earliest beginnings leave wide room for debate (see the dissenting opinion of Frankfurter, J., in *Baker* v. *Carr*, 369 U.S. 186, 266, 301–323)—I think it demonstrable that the 14th amendment does not impose this political tenet on the States or authorize this Court to do so.

The Court's constitutional discussion, found in its opinion in the Alabama cases (Nos. 23, 27, 41, ante p. —) and more particularly at pages 26–33 thereof, is remarkable (as, indeed, is that found in the separate opinions of my Brothers Stewart and Clark, ante, pp. —, —) for its failure to address itself at all to the 14th amendment as a whole or to the legislative history of the amendment pertinent to the matter at hand. Stripped of aphorisms, the Court's argument boils down to the assertion that petitioners' right to vote has been invidiously "debased" or "diluted" by systems of apportionment which entitle them to vote for fewer legislators than other voters, an assertion which is tied to the equal protection clause only by the constitutionally frail tautology that "equal" means "equal."

Had the Court paused to probe more deeply into the matter, it would have found that the equal protection clause was never intended to inhibit the States in choosing any democratic method they pleased for the apportionment of their legislatures. This is shown by the language of the 14th amendment taken as a whole, by the understanding of those who proposed and ratified it, and by the political practices of the States at the time the amendment was adopted. It is confirmed by numerous State and congressional actions since the adoption of the 14th amendment, and by the common understanding of the amendment as evidenced by subsequent constitutional amendments and decisions of this Court before *Baker* v. *Carr*, *supra*, made an abrupt break with the past in 1962.

The failure of the Court to consider any of these matters cannot be excused or explained by any concept of "developing" constitutionalism. It is meaningless to speak of constitutional "development" when both the language and history of the controlling provisions of the Constitution are wholly ignored. Since it can, I think, be shown beyond doubt that State legislative apportionments, as such, are wholly free of constitutional limitations, save such as may be imposed by the republican form of government clause (Const., art. IV, sec. 4),[4] the Court's actions now bringing them within the purview of the 14th amendment amounts to nothing less than an exercise of the amending power by this Court.

So far as the Federal Constitution is concerned, the complaints in these cases should all have been dismissed below for failure to state a cause of action, because what has been alleged or proved shows no violation of any constitutional right.

Before proceeding to my argument it should be observed that nothing done in *Baker* v. *Carr*, *supra*, or in the two cases that followed in its wake, *Gray* v. *Sanders* and *Wesberry* v. *Sanders*, *supra*, from which the Court quotes at some length, forecloses the conclusion which I reach.

Baker decided only that claims such as those made here are within the competence of the Federal courts to adjudicate. Although the Court stated as its conclusion that the allegations of a denial of equal protection presented "a justiciable constitutional cause of action," 369 U.S., at 237, it is evident from the Court's opinion that it was concerned all but exclusively with justiciability and gave no serious attention to the question whether the equal protection clause touches State legislative apportionments.[5] Neither the opinion of the Court nor any of the concurring opinions considered the relevant text of the 14th amendment or any of the historical materials bearing on that question. None of the materials was briefed or otherwise brought to the Court's attention.[6]

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[1] Alabama, Colorado, Delaware, Maryland, New York, Virginia.

[2] In the Virginia case, *Davis* v. *Mann*, post, p. —, the defendants introduced an exhibit prepared by the staff of the Bureau of Public Administration of the University of Virginia in which the Virginia Legislature, now held to be unconstitutionally apportioned, was ranked eighth among the 50 States in "representatives," with population taken as the basis of representation. The Court notes that before the end of 1962, litigation attacking the apportionment of State legislatures had been instituted in at least 34 States. Ante, p. 21, note 30. See infra, p. 24.

[3] See *Baker* v. *Carr*, 369 U.S. 186, 330, and the dissenting opinion of Frankfurter, J., in which I joined, id., at 266; *Gray* v. *Sanders*, 372 U.S. 368, 382; *Wesberry* v. *Sanders*, 376 U.S. 1, 20.

[4] That clause, which manifestly has no bearing on the claims made in these cases, see V. Elliot's "Debates on the Adoption of the Federal Constitution" (1845), 332–333, could not in any event be the foundation for judicial relief. *Luther* v. *Borden*, 7 How. 1, 42–44; *Ohio ex rel. Bryant* v. *Akron Metropolitan Park District*, 281 U.S. 74, 79–80; *Highland Farms Dairy, Inc.*, v. *Agnew*, 300 U.S. 608, 612. In *Baker* v. *Carr*, *supra*, at 277, the Court stated that reliance on the Republican Form of Government Clause "would be futile."

In the Gray case the Court expressly laid aside the applicability to state legislative apportionments of the "one person one vote" theory there found to require the striking down of the Georgia county unit system. See 372 U.S. at 376, and the concurring opinion of Stewart, J., joined by Clark, J., id., at 381–382.

In Wesberry, involving congressional districting, the decision rested on article I, section 2, of the Constitution. The Court expressly did not reach the arguments put forward concerning the equal protection clause. See 376 U.S. at 8, note 10.

Thus it seems abundantly clear that the Court is entirely free to deal with the cases presently before it in light of materials now called to its attention for the first time. To these I now turn.

I

A. The language of the 14th amendment

The Court relies exclusively on that portion of section 1 of the 14th amendment which provides that no State shall "deny to any person within its jurisdiction the equal protection of the laws," and disregards entirely the significance of section 2, which reads:

"Representatives shall be apportioned among the several States according to their respective numbers, counting the whole number of persons in each State, excluding Indians not taxed. But when the right to vote at any election for the choice of electors for President and Vice President of the United States, Representatives in Congress, the Executive and Judicial officers of a State, or the members of the Legislature thereof, is denied to any of the male inhabitants of such State, being twenty-one years of age, and citizens of the United States, or in any way abridged, except for participation in rebellion, or other crime, the basis of representation therein shall be reduced in the proportion which the number of such male citizens shall bear to the whole number of male citizens twenty-one years of age in such State."

The amendment is a single text. It was introduced and discussed as such in the Reconstruction Committee,[7] which reported it to the Congress. It was discussed as a unit in Congress and proposed as a unit to the States,[8] which ratified it as a unit. A proposal to split up the amendment and submit each section to the States as a separate amendment was rejected by the Senate.[9] Whatever one might take to be the application to these cases of the equal protection clause if it stood alone, I am unable to understand the Court's utter disregard of the second section which expressly recognizes the States' power to deny "or in any way" abridge the right of their inhabitants to vote for "the members of the [State] legislature," and its express provision of a remedy for such denial or abridgement. The comprehensive scope of the second section and its particular reference to the State legislatures precludes the suggestion that the first section was intended to have the result reached by the Court today. If indeed the words of the 14th amendment speak for themselves, as the majority's disregard of history seems to imply, they speak as clearly as may be against the construction which the majority puts on them. But we are not limited to the language of the amendment itself.

B. Proposal and ratification of the amendment

The history of the adoption of the 14th amendment provides conclusive evidence that neither those who proposed nor those who ratified the amendment believed that the equal protection clause limited the power of the States to apportion their legislatures as they saw fit. Moreover, the history demonstrates that the intention to leave this power undisturbed was deliberate and was widely believed to be essential to the adoption of the amendment.

(1) Proposal of the amendment in Congress—A resolution proposing what became the 14th amendment was reported to both Houses of Congress by the Reconstruction Committee of Fifteen on April 30, 1866.[10] The first two sections of the proposed amendment read:

"Sec. 1. No State shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States; nor shall any State deprive any person of life, liberty, or property without due process of law; nor deny to any person within its jurisdiction the equal protection of the laws.

"Sec. 2. Representatives shall be apportioned among the several States which may be included within this Union, according to their respective numbers, counting the whole number of persons in each State, excluding Indians not taxed. But whenever, in any State, the elective franchise shall be denied to any portion of its male citizens not less than twenty-one years of age, or in any way abridged except for participation in rebellion or other crime, the basis of representation in such State shall be reduced in the proportion which the number of such male citizens shall bear to the whole number of male citizens not less than twenty-one years of age."[11]

In the House, Thaddeus Stevens introduced debate on the resolution on May 8. In his opening remarks, Stevens explained why he supported the resolution although it fell "far short" of his wishes:

"I believe it is all that can be obtained in the present state of public opinion. Not only Congress but the several States are to be consulted. Upon a careful survey of the whole ground, we did not believe that 19 of the loyal States could be induced to ratify any proposition more stringent than this."[12]

In explanation of this belief, he asked the House to remember "that 3 months since, and more, the committee reported and the House adopted a proposed amendment fixing the basis of representation in such way as would surely have secured the enfranchisement of every citizen at no distant period," but that proposal had been rejected by the Senate."[13]

He then explained the impact of the first section of the proposed amendment, particularly the equal protection clause.

"This amendment allows Congress to correct the unjust legislation of the States, so far that the law which operates upon one man shall operate equally upon all. Whatever law punishes a white man for a crime shall punish the black man precisely in the same way and to the same degree. Whatever law protects the white man shall afford 'equal' protection to the black man. Whatever means of redress is afforded to one shall be afforded to all. Whatever law allows the white man to testify in court shall allow the man of color to do the same. These are great advantages over their present codes. Now different degrees of punishment are inflicted, not on account of the magnitude of the crime, but according to the color of the skin. Now color disqualifies a man from testifying in courts, or being tried in the same way as white men. I need not enumerate these partial and oppressive laws. Unless the Constitution should restrain them those States will all, I fear, keep up this discrimination and crush to death the hated freedmen."[14]

He turned next to the second section, which he said he considered "the most important in the article."[15] Its effect, he said, was to fix "the basis of representation in Congress."[16] In unmistakable terms, he recognized the power of a State to withhold the right to vote:

"If any State shall exclude any of her adult male citizens from the elective franchise, or abridge that right, she shall forfeit her right to representation in the same proportion. The effect of this provision will be either to compel the States to grant universal suffrage or so to shear them to their power as to keep them forever in a hopeless minority in the National Government, both legislative and executive."[17]

Closing his discussion of the second section, he noted his dislike for the fact that it allowed "the States to discriminate [with respect to the right to vote] among the same class, and receive proportionate credit in representation."[18]

Toward the end of the debate 3 days later, Mr. Bingham, the author of the first section in the Reconstruction Committee and its leading proponent,[19] concluded his discussion of it with the following:

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[5] It is fair to say that, beyond discussion of a large number of cases having no relevance to this question, the Court's views on this subject were fully stated in the compass of a single sentence: "Judicial standards under the equal protection clause are well developed and familiar, and it has been open to courts since the enactment of the 14th amendment to determine, if on the particular facts they must, that a discrimination reflects no policy, but simply arbitrary and capricious action." 369 U.S. at 226.

Except perhaps for the "crazy quilt" doctrine of my Brother Clark, 369 U.S., at 251, nothing is added to this by any of the concurring opinions, id., at 241, 265.

[6] The cryptic remands in *Scholle* v. *Hare*, 369 U.S. 429, and *WMCA, Inc.*, v. *Simon*, 370 U.S. 190, on the authority of Baker, had nothing to say on the question now before the Court.

[7] See the Journal of the Committee, reprinted in Kendrick, The Journal of the Joint Committe of Fifteen on Reconstruction (1914), 83–117.

[8] See the debates in Congress, Cong. Globe, 39th Cong., 1st sess., 2459–3149, passim (1866) (hereafter Globe).

[9] Globe 3040.

[10] Globe 2265, 2286.

[11] As reported in the House. Globe 2286. For prior versions of the amendment in the Reconstruction Committee, see Kendrick, op. cit., supra, note 7, 83–117. The work of the Reconstruction Committee is discussed in Kendrick, supra, and Flack, the adoption of the 14th amendment (1908), 55–139, passim.

[12] Globe 2459.

[13] Ibid. Stevens was referring to a proposed amendment to the Constitution which provided that "whenever the elective franchise shall be denied or abridged in any State on account of race or color, all persons therein of such race or color shall be excluded from the basis of representation." Globe 535. It passed the House, id., at 538, but did not muster the necessary two-thirds vote in the Senate, id., at 1289.

[14] Globe 2459.

[15] Ibid.

[16] Ibid.

[17] Ibid.

[18] Globe 2460.

[19] Kendrick, op. cit., supra, note 7, 87, 106; Flack, op. cit., supra, note 11, 60–68, 71.

"Allow me, Mr. Speaker, in passing, to say that this amendment takes from no State any right that ever pertained to it. No State ever had the right, under the forms of law or otherwise, to deny to any freeman the equal protection of the laws or to abridge the privileges or immunities of any citizen of the Republic, although many of them have assumed and exercised the power, and that without remedy. The amendment does not give, as the second section shows, the power to Congress of regulating suffrage in the several States." [20]

He immediately continued:

"The second section excludes the conclusion that by the first section suffrage is subjected to congressional law; save, indeed, with this exception, that as the right in the people of each State to a republican government and to choose their Representatives in Congress is of the guarantees of the Constitution, by this amendment a remedy might be given directly for a case supposed by Madison, where treason might change a State government from a republican to a despotic government, and thereby deny suffrage to the people." [21]

He stated at another point in his remarks:

"To be sure we all agree, and the great body of the people of this country agree, and the committee thus far in reporting measures of reconstruction agree, that the exercise of the elective franchise, though it be one of the privileges of a citizen of the Republic is exclusively under the control of the States.[22]

In the 3 days of debate which separate the opening and closing remarks, both made by members of the Reconstruction Committee, every speaker on the resolution, with a single doubtful exception,[23] assumed without question that, as Mr. Bingham said, supra, "the second section excludes the conclusion that by the first section suffrage is subjected to congressional law." The assumption was neither inadvertent nor silent. Much of the debate concerned the change in the basis of representation effected by the second section, and the speakers stated repeatedly, in express terms or by unmistakable implication, that the States retained the power to regulate suffrage within their borders. Attached as appendix A heretofore are some of those statements. The resolution was adopted by the House without change on May 10.[24]

Debate in the Senate began on May 23, and followed the same pattern. Speaking for the Senate Chairman of the Reconstruction Committee, who was ill, Senator Howard, also a member of the Committee, explained the meaning of the equal protection clause as follows:

"The last two clauses of the first section of the amendment disable a State from depriving not merely a citizen of the United States, but any person, whoever he may be, of life, liberty, or property without due process of law, or from denying to him the equal protection of the laws of the State. This abolishes all class legislation in the States and does away with the injustice of subjecting one caste of persons to a code not applicable to another. It prohibits the hanging of a black man for a crime for which the white man is not to be hanged. It protects the black man in his fundamental rights as a citizen with the same shield which it throws over the white man. Is it not time, Mr. President, that we extend to the black man, I had almost called it the poor privilege of the equal protection of the law?

"But, sir, the first section of the proposed amendment does not give to either of these classes the right of voting. The right of suffrage is not, in law, one of the privileges or immunities thus secured by the Constitution. It is merely the creature of law. It has always been regarded in this country as the result of positive local law, not regarded as one of those fundamental rights lying at the basis of all society and without which a people cannot exist except as slaves, subject to a depotism [sic]." [25]

Discussing the second section, he expressed his regret that it did "not recognize the authority of the United States over the question of suffrage in the several States at all." [26] He justified the limited purpose of the amendment in this regard as follows:

"But, sir, it is not the question here what will we do; it is not the question what you, or I, or half a dozen other Members of the Senate may prefer in respect to colored suffrage; it is not entirely the question what measure we can pass through the two Houses; but the question really is, what will the legislatures of the various States to whom these amendments are to be submitted do in the premises; what is it likely will meet the general approbation of the people who are to elect the legislatures, three-fourths of whom must ratify our propositions before they have the force of constitutional provisions?

* * * * *

"The committee were of opinion that the States are not yet prepared to sanction so fundamental a change as would be the concession of the right of suffrage to the colored race. We may as well state it plainly and fairly, so that there shall be no misunderstanding on the subject. It was our opinion that three-fourths of the States of this Union could not be induced to vote to grant the right of suffrage, even in any degree or under any restriction, to the colored race.

"The second section leaves the right to regulate the elective franchise still with the States and does not meddle with that right." [27]

There was not in the Senate, as there had been in the House, a closing speech in explanation of the amendment. But because the Senate considered, and finally adopted, several changes in the first and second sections, even more attention was given to the problem of voting rights there than had been given in the House. In the Senate, it was fully understood by everyone that neither the first nor the second section interfered with the right of the States to regulate the elective franchise. Attached as appendix B hereto are representative statements from the debates to that effect. After having changed the proposed amendment to the form in which it was adopted, the Senate passed the resolution on June 8, 1866.[28] As changed, it passed in the House on June 13.[29]

(ii) Ratification by the "loyal" States: Reports of the debates in the State legislatures on the ratification of the 14th amendment are not generally available.[30] There is, however, compelling indirect evidence. Of the 23 loyal States which ratified the amendment before 1870, 5 had constitutional provisions for apportionment of at least one house of their respective legislatures which wholly disregarded the spread of population.[31] Ten more had constitutional provisions which gave primary emphasis to population, but which applied also other principles, such as partial ratios and recognition of political subdivisions, which were intended to favor sparsely settled areas.[32] Can it be seriously contended that the legislatures of these States, almost two-thirds of those concerned, would have ratified an amendment which might render their own States' constitutions unconstitutional.

Nor were these State constitutional provisions merely theoretical. In New Jersey, for example, Cape May County, with a population of 8,349, and Ocean County, with a population of 13,628, each eletced 1 State senator, as did Essex and Hudson Counties, with populations of 143,839 and 129,067, respectively.[33] In the house, each county was entitled to 1 representative, which left 39 seats to be apportioned according to population.[34] Since there were 12 counties besides the 2 already mentioned which had populations over 30,000.[35] It is evident that there were serious disproportions in the house also. In New York, each of the 60 counties except Hamilton County was entitled to one of the 128 seats in the assembly.[36] This left 69 seats to be distributed among counties the populations of which ranged from 15,420 to 942,292.[37] With 7 more counties having populations over 100,000 and 13 others having populations over 50,000,[38] the disproportion in the assembly was necessarily large. In Vermont, after each county had been allocated 1 senator, there were 16 seats remaining to be distributed among the larger counties.[39] The smallest county had a population of 4,082; the largest had a population of 40,651 and there were 10 other counties with populations over 20,000.[40]

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[20] Globe 2542.

[21] Ibid. It is evident from the context of the reference to a republican government that Bingham did not regard limitations on the right to vote or the denial of the vote to specified categories of individuals as violating the guarantee of a republican form of government.

[22] Ibid.

[23] Representative Rogers, who voted against the resolution, Globe 2545, suggested that the right to vote might be covered by the privileges and immunities clause. Globe 2538. But immediately thereafter he discussed the possibility that the Southern States might "refuse to allow the Negroes to vote." Ibid.

[24] Globe 2766.

[25] Ibid.

[26] Ibid.

[27] Ibid.

[28] Globe 3042.

[29] Globe 3149.

[30] Such evidence as there is, mostly committee reports and messages to the legislatures from Governors of the States, is to the same effect as the evidence from the debates in the Congress. See Ark. House J. 288 (1866–1867); Fla. Sen. J. 8–10 (1866); Ind. House J. 47–48, 50–51 (1867); Mass. Legis. Doc., House Doc. No. 149, 4–14, 16–17, 23, 24, 25–26 (1867); Mo. Sen. J. 14 (1867); N.J. Sen. J. 7 (Extra Sess. 1866); N.C. Sen. J. 96–97, 98–99 (1866–1867); Tenn. House J. 12–15 (1865-1866); Tenn. Sen. J. 8 (Extra Sess. 1866); Va. House J. & Doc., Doc. No. 1, 35 (1866–1867); Wis. Sen. J. 33, 101–103 (1867). Contra, S.C. House J. 34 (1866); Tex. Sen. J. 422 (1866 App.).

For an account of the proceedings in the State legislatures and citations to the proceedings, see Fairman, "Does the Fourteenth Amendment Incorporate the Bill of Rights?" 2 Stan. L. Rev. 5, 81–126 (1949).

[31] Conn. const., 1818 art. third, sec. 3 (towns); N.H. const., 1792, part second, sec. XXVI (direct taxes paid); N.J. const., 1844, art. IV, sec. II, cl. 1 (counties); R.I. const., 1842, art. VI, sec. 1 (towns and cities); Vt. const., 1793, c. II, sec. 7 (towns).

In none of these States was the other House apportioned strictly according to population. Conn. const., 1818, amend. II; N.H. const., 1792, pt. second, sec. IX–XI; N.J. const., 1844, art. IV, sec. III, cl. 1; R.I. const., 1842, art. V, sec. 1; Vt. const., 1793, amend 23.

[32] Iowa const., 1857, art. III, sec. 35; Kans. const., 1859, art. 2, sec. 2, art. 10, sec. 1; Me. const., 1819, art. IV–pt. first, sec. 3; Mich. const., 1850, art. IV, sec. 3; Mo. const. 1865; art. IV, sec. 2; N.Y. const. 1846, art. III, sec. 5; Ohio const., 1851, art. XI, secs. 2–5; Pa. const., 1838, art. I, secs. 4, 6, 7, as amended; Tenn. const., 1834, art. II, sec. 5; W. Va. const., 1861–1863, art. IV, sec. 9.

[33] Ninth Census of the United States, Statistics of Population (1872) (hereafter census), 49. The population figures, here and hereafter, are for the year 1870, which presumably best reflect the figures for the years 1866–70. Only the figures for 1860 were available at that time, of course, and they would have been used by anyone interested in population statistics. See, e.g., Globe 3028 (remarks of Senator Johnson).

The method of apportionment is contained in N.J. const., 1844, art. IV, sec. II, cl. 1.

[34] N.J. const., 1844, art. IV, sec. III, cl. 1. census 49.

[35] Ibid.

[36] N.Y. const., 1846, art. III, secs. 2, 5. census 50–51.

(iii) Ratification by the "reconstructed" States: Each of the 10 "reconstructed" States was required to ratify the 14th amendment before it was readmitted to the Union.[41] The constitution of each was scrutinized in Congress.[42] Debates over readmission were extensive.[43] In at least one instance, the problem of State legislative apportionment was expressly called to the attention of Congress. Objecting to the inclusion of Florida in the act of June 25, 1868, Mr. Farnsworth stated on the floor of the House:

"I might refer to the apportionment of representatives. By this constitution representatives in the legislature of Florida are apportioned in such a manner as to give to the sparsely populated portion of the State the control of the legislature. The sparsely populated parts of the State are those where there are very few Negroes, the parts inhabited by the white rebels, the men who, coming in from Georgia, Alabama, and other States, control the fortunes of their several counties. By this constitution every county in that State is entitled to a representative. There are in that State, counties that have not 30 registered voters; yet, under this constitution, every one of those counties is entitled to a representative in the legislature; while the populous counties are entitled to only one representative for every thousand inhabitants." [44]

The response of Mr. Butler is particularly illuminating:

"All these arguments, all these statements, all the provisions of this constitution have been submitted to the Judiciary Committee of the Senate, and they have found the constitution republican and proper. This constitution has been submitted to the Senate, and they have found it republican and proper. It has been submitted to your own Committee on Reconstruction, and they have found it republican and proper, and have reported it to this House." [45]

The constitutions of 6 of the 10 States contained provisions departing substantially from the method of apportionment now held to be required by the amendment.[46] And, as in the North, the departures were as real in fact as in theory. In North Carolina, 90 of the 120 representatives were apportioned among the counties without regard to population, leaving 30 seats to be distributed by numbers.[47] Since there were 7 counties with populations under 5,000 and 26 counties with populations over 15,000, the disproportions must have been widespread and substantial.[48] In South Carolina, Charleston, with a population of 88,863, elected 2 senators; each of the other counties, with populations ranging from 10,269 to 42,486 elected 1 senator.[49] In Florida, each of the 39 counties was entitled to elect 1 representative; no county was entitled to more than 4.[50] These principles applied to Dade County with a population of 85 and to Alachua County and Leon County, with populations of 17,328 and 15,236, respectively.[51]

It is incredible that Congress would have exacted ratification of the 14th amendment as the price of readmission, would have studied the State constitutions for compliance with the amendment, and would then have disregarded violations of it.

The facts recited above show beyond any possible doubt:

(1) That Congress, with full awareness of and attention to the possibility that the States would not afford full equality in voting rights to all their citizens, nevertheless deliberately chose not to interfere with the States' plenary power in this regard when it proposed the 14th amendment.

(2) That Congress did not include in the 14th amendment restrictions on the States' power to control voting rights because it believed that if such restrictions were included, the amendment would not be adopted.

(3) That at least a substantial majority, if not all, of the States which ratified the 14th amendment did not consider that in so doing, they were accepting limitations on their freedom, never before questioned, to regulate voting rights as they chose.

Even if one were to accept the majority's belief that it is proper entirely to disregard the unmistakable implications of the second section of the amendment in construing the first section, one is confounded by its disregard of all this history. There is here none of the difficulty which may attend the application of basic principles to situations not contemplated or understood when the principles were framed. The problems which concern the Court now were problems when the amendment was adopted. By the deliberate choice of those responsible for the amendment, it left those problems untouched.

C. After 1868

The years following 1868, far from indicating a developing awareness of the applicability of the 14th amendment to problems of apportionment, demonstrate precisely the reverse: that the States retained and exercised the power independently to apportion their legislatures. In its constitutions of 1875 and 1901, Alabama carried forward earlier provisions guaranteeing each county at least one representative and fixing an upper limit to the number of seats in the House.[52]

Florida's constitution of 1885 continued the guarantee of one representative for each county and reduced the maximum number of representatives per county from four to three.[53] Georgia, in 1877, continued to favor the smaller counties.[54] Louisiana, in 1879, guaranteed each parish at least one representative in the house.[55] In 1890, Mississippi guaranteed each county one representative, established a maximum number of representatives, and provided that specified groups of counties should each have approximately one-third of the seats in the house, whatever the spread of population.[56] Missouri's constitution of 1875 gave each county one representative and otherwise favored less populous areas.[57] Montana's original constitution of 1889 apportioned the State senate by counties.[58] In 1877, New Hampshire amended its constitution's provisions for apportionment, but continued to favor sparsely settled areas in the house and to apportion seats in the senate according to direct taxes paid; [59] the same was true of New Hampshire's constitution of 1902.[60]

In 1894, New York adopted a constitution the peculiar apportionment provisions of which were obviously intended to prevent representation according to population: no county was allowed to have more than one-third of all the senators, no two counties which were adjoining or "separated only by public waters" could have more than one-half of all the senators, and whenever any county became entitled to more than three senators, the total number of the senators was increased, thus preserving to the small counties their original number of seats.[61] In addition, each county except Hamilton was guaranteed a seat in the assembly.[62] The North Carolina constitution of 1876 gave each county at least one representative and fixed a maximum number of representatives for the whole house.[63] Oklahoma's constitution at the time of its admission to the Union (1907) favored small counties by the use of partial ratios and a maximum number of seats in the House; in addition, no county was permitted to "take part" in the election of more than seven representatives.[64] Pennsylvania, in 1873, continued to guarantee each county one representative in the house.[65] The same was true of South Carolina's constitution of 1895, which provided also that each county should elect one and only one senator.[66] Utah's original constitution of 1895 assured each county of one representative of the house.[67] Wyoming, when it entered the Union in 1889, guaranteed each county at least one senator and one representative.[68]

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[37] Ibid.

[38] Ibid.

[39] There were 14 counties, census 67, each of which was entitled to at least one out of a total of 30 seats. Vt. const., 1793, amend. 23.

[40] Census 67.

[41] Act of Mar. 2, 1867, sec. 5, 14 Stat. 429. See also act of June 25, 1868, 15 Stat. 73, declaring that the States of North Carolina, South Carolina, Louisiana, Georgia, Alabama, and Florida, would be admitted to representation in Congress when their legislatures had ratified the 14th amendment. Other conditions were also imposed, including a requirement that Georgia nullify certain provisions of its constitution. Ibid. Arkansas, which had already ratified the 14th amendment, was readmitted by act of June 22, 1868, 15 Stat. 72. Virginia was readmitted by act of Jan. 26, 1870, 16 Stat. 62; Mississippi by act of Feb. 23, 1870, 16 Stat. 67; and Texas by act of May 30, 1870, 16 Stat. 80. Georgia was not finally readmitted until later, by act of July 15, 1870, 16 Stat. 363.

[42] Discussing the bill which eventuated in the act of June 25, 1868, see note 41, supra, Thaddeus Stevens said:

"Now, sir, what is the particular question we are considering? Five or six States have had submitted to them the question of forming constitutions for their own government. They have voluntarily formed such constitutions, under the direction of the Government of the United States. * * * They have sent us their constitutions. Those constitutions have been printed and laid before us. We have looked at them; we have pronounced them republican in form; and all we propose to require is that they shall remain so forever. Subject to this requirement, we are willing to admit them into the Union." Cong. Globe, 40th Cong., 2d sess., 2465 (1868). See also the remarks of Mr. Butler, infra, pp. 19–20.

The close attention given the various constitutions is attested by the act of June 25, 1868, which conditioned Georgia's readmission on the deletion of "the first and third subdivisions of section seventeen of the fifth article of the constitution of said State, except the proviso to the first subdivision. * * *" 15 Stat. 73. The sections involved are printed in Sen. Ex. Doc. No. 57, 40th Cong. 2d sess., 14–15.

Compare *United States* v. *Florida,* 363 U.S. 121, 124–127.

[43] See, e.g., Cong. Globe, 40th Cong., 2d sess., 2412–2413, 2858–2860, 2861–2871, 2895–2900, 2901–2904, 2927–2935, 2963–2970, 2998–3022, 3023–3029 (1868).

[44] Cong. Globe, 40th Cong., 2d sess., 3090–3091 (1868).

[45] Id., at 3092.

[46] Ala. const., 1867, art. VIII, sec. 1; Fla. const., 1868, art. XIV; Ga. const., 1868, art. III, sec. 3, par. 1; La. const., 1868, tit. II, art. 20; N.C. const., 1868, art. II, sec. 6; S.C. const., 1868, art. II, secs. 6, 8.

[47] N.C. const., 1868, art. II, sec. 6. There were 90 counties. Census 52–53.

[48] Ibid.

[49] S.C. const., 1868, art. II, sec. 8; Census 60.

[50] Fla. const., 1868, art. XIV.

[51] Census 18–19.

[52] Ala. const., 1875, art. IX, secs. 2, 3; Ala. const., 1901, art. IX, secs. 198, 199.

[53] Fla. const., 1885, art. VII, sec. 3.

[54] Ga. const., 1877, art. III, sec. III.

[55] La. const., 1879, art. 16.

[56] Miss. const., 1890, art. 13, sec. 265.

[57] Mo. const., 1875, art. 4, sec. 2.

[58] Mont. const., 1889, art. V, sec. 4, art. VI, sec. 4.

[59] N.H. const., 1792, part second, secs. 9–11, 26, as amended.

[60] N.H. const., 1902, part second, arts. 9, 10, 25.

[61] N.Y. const., 1894, art. III, sec. 4.

[62] N.Y. const., 1894, art. III, sec. 5.

D. Today

Since the Court now invalidates the legislative apportionments in six States, and has so far upheld the apportionment in none, it is scarcely necessary to comment on the situation in the States today, which is, of course, as fully contrary to the Court's decision as is the record of every prior period in this Nation's history. As of 1961, the constitutions of all but 11 States, roughly 20 percent of the total, recognized bases of apportionment other than geographic spread of population, and to some extent favored sparsely populated areas by a variety of devices, ranging from straight area representation or guaranteed minimum area representation to complicated schemes of the kind exemplified by the provisions of New York's constitution of 1894, still in effect until struck down by the Court today in No. 20, post, page ——.[69] Since Tennessee, which was the subject of *Baker* v. *Carr*, and Virginia, scrutinized and disapproved today in No. 69, post, page —, are among the 11 States whose own constitutions are sound from the standpoint of the Federal Constitution, as construed today, it is evident that the actual practice of the States is even more uniformly than their theory opposed to the Court's view of what is constitutionally permissable.

E. Other factors

In this summary of what the majority ignores, note should be taken of the 15th and 19th amendments. The former prohibited the States from denying or abridging the right to vote "on account of race, color, or previous condition of servitude." The latter, certified as part of the Constitution in 1920, added sex to the prohibited classifications. In *Minor* v. *Happersett*, 21 Wall. 162, this court considered the claim that the right of women to vote was protected by the privileges and immunities clause of the 14th amendment. The court's discussion there of the significance of the 15th amendment is fully applicable here with respect to the 19th amendment as well.

"And still again, after the adoption of the 14th amendment, it was deemed necessary to adopt a 15th, as follows: 'The right of citizens of the United States to vote shall not be denied or abridged by the United States, or by any State, on account of race, color, or previous condition of servitude.' The 14th amendment had already provided that no State should make or enforce any law which should abridge the privileges or immunities of citizens of the United States. If suffrage was one of these privileges or immunities, why amend the Constitution to prevent its being denied on account of race, et cetera? Nothing is more evident than that the greater must include the less, and if all were already protected why go through with the form of amending the Constitution to protect a part?" Idem, at 175.

In the present case, we can go still further. If constitutional amendment was the only means by which all men and, later, women, could be guaranteed the right to vote at all, even for Federal officers, how can it be that the far less obvious right to a particular kind of apportionment of State legislatures—a right to which is opposed a far more plausible conflicting interest of the State than the interest which opposes the general right to vote—can be conferred by judicial construction of the 14th amendment?[70] Yet, unless one takes the highly implausible view that the 14th amendment controls methods of apportionment but leaves the right to vote itself unprotected, the conclusion is inescapable that the court has, for purposes of these cases, relegated the 15th and 19th amendments to the same limbo of constitutional anachronisms to which the second section of the 14th amendment has been assigned.

Mention should be made finally of the decisions of this court which are disregarded or, more accurately, silently overruled today. *Minor* v. *Happersett*, *supra*, in which the court held that the 14th amendment did not confer the right to vote on anyone, has already been noted. Other cases are more directly in point. In *Colegrove* v. *Barrett*, 330 U.S. 804, this court dismissed "for want of a substantial Federal question" an appeal from the dismissal of a complaint alleging that the Illinois legislative apportionment resulted in "gross inequality in voting power" and "gross and arbitrary and atrocious discrimination in voting" which denied the plaintiffs equal protection of the laws.[71] In *Remmey* v. *Smith*, 102 F. Supp. 708 (D.C.E.D. Pa.), a three-judge district court dismissed a complaint alleging that the apportionment of the Pennsylvania Legislature deprived the plaintiffs of "constitutional rights guaranteed to them by the 14th amendment." Id., at 709. The district court stated that it was aware that the plaintiffs' allegations were "notoriously true" and that "the practical disenfranchisement of qualified electors in certain of the election districts in Philadelphia County is a matter of common knowledge." Id., at 710. This court dismissed the appeal "for the want of a substantial Federal question." 342 U.S. 916.

In *Kidd* v. *McCanless*, 292 S. W. 2d 40, the Supreme Court of Tennessee dismissed an action for a declaratory judgment that the Tennessee Apportionment Act of 1901 was unconstitutional. The complaint alleged that "a minority of approximately 37 percent of the voting population of the State now elects and controls 20 of the 33 members of the senate; that a minority of 40 percent of the voting population of the State now controls 63 of the 99 members of the house of representatives." Id., at 42. Without dissent, this Court granted the motion to dismiss the appeal. 352 U.S. 920. In *Radford* v. *Gary*, 145 F. Supp. 541 (D. C. W. D. Okla.), a three-judge district court was convened to consider "the complaint of the plaintiff to the effect that the existing apportionment statutes of the State of Oklahoma violate the plain mandate of the Oklahoma constitution and operate to deprive him of the equal protection of the laws guaranteed by the 14th amendment to the Constitution of the United States." Id., at 542. The plaintiff alleged that he was a resident and voter in the most populous county of the State, which had about 15 percent of the total population of the State but only about 2 percent of the seats in the State senate and less than 4 percent of the seats in the house. The complaint recited the unwillingness or inability of the branches of the State government to provide relief and alleged that there was no State remedy available. The district court granted a motion to dismiss. This court affirmed without dissent. 352 U.S. 991.

Each of these recent cases is distinguished on some ground or other in *Baker* v. *Carr*. See 369 U.S., at 235–236. Their summary dispositions prevent consideration whether these after-the-fact distinctions are real or imaginary. The facts remains, however, that between 1947 and 1957, four cases raising issues precisely the same as those decided today were presented to the court. Three were dismissed because the issues presented were thought insubstantial and in the fourth the lower court's dismissal was affirmed.[72]

I have tried to make the catalog complete, yet to keep it within the manageable limits of a judicial opinion. In my judgment, today's decisions are refuted by the language of the amendment which they construe and by the inference fairly to be drawn from subsequently enacted amendments. They are unequivocally refuted by history and by consistent theory and practice from the time of the adoption of the 14th amendment until today.

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[63] N.C. const., 1876, art. II, sec. 5.

[64] Okla. const., 1907, art. V, sec. 10.

[65] Pa. const., 1873, art. II, sec. 17.

[66] S.C. const., 1895, art. III, secs. 4, 6.

[67] Utah const., 1895, art. IX, sec. 4.

[68] Wyo. const., 1889, art. III, sec. 3.

[69] A tabular presentation of constitutional provisions for apportionment as of Nov. 1, 1961, appears in XIV Book of the States (1962–63) 58–62. Using this table, but disregarding some deviations from a pure population base, the Advisory Commission on Intergovernmental Relations states that there are 15 States in which the legislatures are apportioned solely according to population. Apportionment of State Legislatures (1962), 12.

[70] Compare the Court's statement in *Guinn* v. *United States*, 238 U.S. 347, 362:

"Beyond doubt the [15th] amendment does not take away from the State governments in a general sense the power over suffrage which has belonged to those governments from the beginning and without the possession of which power the whole fabric upon which the division of State and national authority under the Constitution and the organization of both governments rest would be without support and both the authority of the Nation and the State would fall to the ground. In fact, the very command of the amendment recognizes the possession of the general power by the State, since the amendment seeks to regulate its exercise as to the particular subject with which it deals."

[71] The quoted phrases are taken from the Jurisdictional Statement, pp. 13, 19.

[72] In two early cases dealing with party primaries in Texas, the Court indicated that the equal protection clause did afford some protection of the right to vote. *Nixon* v. *Herndon*, 273 U.S. 536; *Nixon* v. *Condon*, 286 U.S. 73. Before and after these cases, two cases dealing with the qualifications for electors in Oklahoma had gone off on the 15th amendment, *Guinn* v. *United States*, 238 U.S. 347; *Lane* v. *Wilson*, 307 U.S. 268. The rationale of the Texas cases is almost certainly to be explained by the Court's reluctance to decide that party primaries were a part of the electoral process for purposes of the 15th amendment. See *Newberry* v. *United States*, 256 U.S. 232. Once that question was laid to rest in *United States* v. *Classic*, 313 U.S. 299, the Court decided subsequent cases involving Texas party primaries on the basis of the 15th amendment. *Smith* v. *Allwright*, 321 U.S. 649; *Terry* v. *Adams*, 345 U.S. 461.

The recent decision in *Gomillion* v. *Lightfoot*, 364 U.S. 339, that a constitutional claim was stated by allegations that municipal lines had been redrawn with the intention of depriving Negroes of the right to vote in municipal elections was based on the 15th amendment. Only one Justice, in a concurring opinion, relied on the equal protection clause of the 14th amendment. Id., at 349.

II

The Court's elaboration of its new "constitutional" doctrine indicates how far—and how unwisely—it has strayed from the appropriate bounds of its authority. The consequence of today's decision is that in all but the handful of States which may already satisfy the new requirements the local district court or, it may be, the State courts, are given blanket authority and the constitutional duty to supervise apportionment of the State legislatures. It is difficult to imagine a more intolerable and inappropriate interference by the judiciary with the independent legislatures of the States.

In the Alabama cases (Nos. 23, 27, 41), the district court held invalid not only existing provisions of the State constitution—which this court lightly dismisses with a wave of the supremacy clause and the remark that "it makes no difference whether a State's apportionment scheme is embodied in its constitution or in statutory provisions," ante, page 49—but also a proposed amendment to the Alabama constitution which had never been submitted to the voters of Alabama for ratification, and standby legislation which was not to become effective unless the amendment was rejected (or declared unconstitutional) and in no event before 1966. *Sims* v. *Frink,* 208 F. Supp. 431. See ante, pages 8–16. Both of these measures had been adopted only 9 days before,[73] at an extraordinary session of the Alabama Legislature, convened pursuant to what was very nearly a directive of the district court, see *Sims* v. *Frink,* 205 F. Supp. 245, 248. The district court formulated its own plan for the apportionment of the Alabama Legislature, by picking and choosing among the provisions of the legislative measures. 208 F. Supp., at 441–442. See ante, page 17. Beyond that, the court warned the legislature that there would be still further judicial reapportionment unless the legislature, like it or not, undertook the task for itself. 208 F. Supp., at 442. This court now states that the district court acted in "a most proper and commendable manner," ante, page 51, and approves the district court's avowed intention of taking "some further action" unless the State legislature acts by 1966, ante, page 52.

In the Maryland case (No. 29, post, p —), the State legislature was called into special session and enacted a temporary reapportionment of the House of Delegates, under pressure from the State Courts.[74] Therefore, the Maryland Court of Appeals held that the Maryland Senate was constitutionally apportioned. *Maryland Committee for Fair Representation* v. *Tawes,* 229 Md. 406. This Court now holds that neither branch of the State legislature meets constitutional requirements. Post, page 17. The Court presumes that since "the Maryland constitutional provisions relating to legislative apportionment [are] hereby held unconstitutional, the Maryland Legislature * * * has the inherent power to enact at least temporary reapportionment legislation pending adoption of State constitutional provisions" which satisfy the Federal Constitution, idem, at 18. On this premise, the court concludes that the Maryland courts need not "feel obliged to take further affirmative action" now, but that "under no circumstances should the 1966 election of members of the Maryland Legislature be permitted to be conducted pursuant to the existing or any other unconstitutional plan." Idem, at 19.

In the Virginia case (No. 69, post, p. —), the State legislature in 1962 complied with the State constitutional requirement of regular reapportionment.[75] Two days later a complaint was filed in the district court.[76] Eight months later, the legislative reapportionment was declared unconstitutional. *Mann* v. *Davis,* 213 F. Supp. 577. The district court gave the State legislature two months within which to reapportion itself in special session, under penalty of being reapportioned by the court.[77] Only a stay granted by a member of this court slowed the process; [78] it is plain that no stay will be forthcoming in the future. The Virginia Legislature is to be given "an adequate opportunity to enact a valid plan"; but if it fails "to act promptly in remedying the constitutional defects in the State's legislative apportionment plan," the district court is to "take further action." Post, page 14.

In Delaware (No. 307, post, p. —), the district court entered an order on July 25, 1962, which stayed proceedings until August 7, 1962, "in the hope and expectation" that the general assembly would take "some appropriate action" in the intervening 13 days. *Sincock* v. *Terry,* 207 F. Supp. 205, 207. By way of prodding, presumably, the court noted that if no legislative action were taken and the court sustained the plantiffs' claim, "the present general assembly and any subsequent general assembly, the members of which were elected pursuant to section 2 of article II (the challenged provisions of the Delaware constitution), might be held not to be a de jure legislature and its legislative acts might be held invalid and unconstitutional." Id., at 205–206. Five days later, on July 30, 1962, the general assembly approved a proposed amendment to the State constitution. On August 7, 1962, the district court entered an order denying the defendants' motion to dismiss. The court said that it did not wish to substitute its judgment "for the collective wisdom of the General Assembly of Delaware," but that "in the light of all the circumstances," it had to proceed promptly (210 F. Supp. 395, 396). On October 16, 1962, the court declined to enjoin the conduct of elections in November (210 F. Supp. 396). The court went on to express its regret that the general assembly had not adopted the court's suggestion (see 207 F. Supp. at 206–207), that the Delaware constitution be amended to make apportionment a statutory, rather than a constitutional matter, so as to facilitate further changes in apportionment which might be required (210 F. Supp. 401). In January 1963, the general assembly again approved the proposed amendment of the apportionment provisions of the Delaware constitution, which thereby became effective on January 17, 1963.[79] Three months later, on April 17, 1963, the district court reached "the reluctant conclusion" that article II, section 2 of the Delaware constitution, was unconstitutional, with or without the 1963 amendment. *Sincock* v. *Duffy,* 215 F. Supp. 169, 189. Observing that "the State of Delaware, the general assembly, and this court all seem to be trapped in a kind of box of time" (id. at 191), the court gave the general assembly until October 1, 1963, to adopt acceptable provisions for apportionment. On May 20, 1963, the district court enjoined the defendants from conducting any elections, including the general election scheduled for November 1964, pursuant to the old or the new constitutional provisions.[80] This court now approves all these proceedings, noting particularly that in allowing the 1962 elections to go forward, "the district court acted in a wise and temperate manner." Post, p 14.[81]

Records such as these in the cases decided today are sure to be duplicated in most of the other States if they have not already. They present a jarring picture of courts threatening to take action in an area which they have no business entering, inevitably on the basis of political judgments which they are incompetent to make. They show legislatures of the States meeting in haste and deliberating and deciding in haste to avoid the threat of judicial interference. So far as I can tell, the Court's only response to this unseemly state of affairs is ponderous insistence that "a denial of constitutionally protected rights demands judicial protection" (ante, p. 31). By thus refusing to recognize the bearing which a potential for conflict of this kind may have on the question whether the claimed rights are in fact constitutionally entitled to judicial protection, the Court assumes, rather than supports, its conclusion.

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[73] The measures were adopted on July 12, 1962. The District court handed down its opinion on July 21, 1962.

[74] In reversing an initial order of the circuit court for Anne Arundel County dismissing the plaintiffs' complaint, the Maryland Court of Appeals directed the lower court to hear evidence on and determine the plaintiffs' constitutional claims, and if it found provisions of the Maryland constitution to be invalid, to "declare that the legislature has the power, if called into special session by the Governor and such action be deemed appropriate by it, to enact a bill reapportioning its membership for purposes of the November 1962, election." *Maryland Committee for Fair Representation* v. *Tawes,* 228 Md. 412, 438–439. On remand, the opinion of the circuit court included such a declaration. The opinion was filed on May 24, 1962. The Maryland Legislature, in special session, adopted the "emergency" measures now declared unconstitutional 7 days later, on May 31, 1962.

[75] The Virginia constitution, art. IV, sec. 43, requires that a reapportionment be made every 10 years.

[76] The 1962 reapportionment acts were approved on Apr. 7, 1962. The complaint was filed on Apr. 9, 1962.

[77] The district court handed down its opinion on Nov. 28, 1962, and gave the Virginia General Assembly until Jan. 31, 1963, "to enact appropriate reapportionment laws." 213 F. Supp., at 585–586. The court stated that failing such action or an appeal to this Court, the plaintiffs might apply to it "for such further orders as may be required." Id., at 586.

[78] On Dec. 15, 1962, the Chief Justice granted a stay pending final disposition of the case in this Court.

[79] The Delaware constitution, art. XVI, sec. 1, requires that amendments be approved by the necessary two-thirds vote in two successive general assemblies.

[80] The district court thus nailed the lid on the "box of time" in which everyone seemed to it "to be trapped." The lid was temporarily opened a crack on June 27, 1963, when Mr. Justice Brennan granted a stay of the injunction until disposition of the case by this Court. Since the Court states that "the delay inherent in following the State constitutional prescription for approval of constitutional amendments by two successive general assemblies cannot be allowed to result in an impermissible deprivation of appellees' right to an adequate voice in the election of legislators to represent them," post, pp. 15–16, the lid has presumably been slammed shut again.

[81] In New York and Colorado, this pattern of conduct has thus far been avoided. In the *New York* case (No. 20, past, p. —), the district court twice dismissed the complaint, once without reaching the merits, *WMCA, Inc.,* v. *Simon,* 202 F. Supp. 741, and once, after this Court's remand following *Baker* v. *Carr, supra,* 370 U.S. 190, on the merits, 208 F. Supp. 368. In the *Colorado* case (No. 508, post, p. —), the district court first declined to interfere with a forthcoming election at which reapportionment measures were to be submitted to the voters, *Lisco* v. *McNichols,* 208 F. Supp. 471, and, after the election, upheld the apportionment provisions which had been adopted, 219 F. Supp. 922.

In view of the action which this Court now takes in both of these cases, there is little doubt that the legislatures of these two States will now be subjected to the same kind of pressures from the Federal judiciary as have the other States.

It should by now be obvious that these cases do not mark the end of reapportionment problems in the courts. Predictions once made that the courts would never have to face the problem of actually working out an apportionment have proved false. This Court, however, continues to avoid the consequences of its decisions, simply assuring us that the lower courts "can and * * * will work out more concrete and specific standards" (ante, p. 43). Deeming it "expedient" not to spell out "precise constitutional tests," the Court contends itself with stating "only a few rather general considerations." Ibid.

Generalities cannot obscure the cold truth that cases of this type are not amenable to the development of judicial standards. No set of standards can guide a court which has to decide how many legislative districts a State shall have, or what the shape of the districts shall be, or where to draw a particular district line. No judicially manageable standard can determine whether a State should have single-member districts or multimember districts or some combination of both. No such standard can control the balance between keeping up with population shifts and having stable districts. In all these respects, the courts will be called upon to make particular decisions with respect to which a principle of equally populated districts will be of no assistance whatsoever. Quite obviously, there are limitless possibilities for districting consistent with such a principle. Nor can these problems be avoided by judicial reliance on legislative judgments so far as possible. Reshaping or combining one or two districts, or modifying just a few district lines, is no less a matter of choosing among many possible solutions, with varying political consquences, than reapportionment broadside.[82]

The Court ignores all this, saying only that "what is marginally permissible in one State may be unsatisfactory in another, depending on the particular circumstances of the case," ante, p. 43. It is well to remember that the product of today's decisions will not be readjustment of a few districts in a few States which most glaringly depart from the principle of equally populated districts. It will be a redetermination, extensive in many cases, of legislative districts in all but a few States.

Although the Court—necessarily, as I believe—provides only generalities in elaboration of its main thesis, its opinion nevertheless fully demonstrates how far removed these problems are from fields of judicial competence. Recognizing that "indiscriminate districting" is an invitation to "partisan gerrymandering," ante, pp. 43–44, the court nevertheless excludes virtually every basis for the formation of electoral districts other than "indiscriminate districting." In one or another of today's opinions, the court declares it unconstitutional for a State to give effective consideration to any of the following in establishing legislative districts:

1. History; [83]
2. "Economic or other sorts of group interests"; [84]
3. Area; [85]
4. Geographical considerations; [86]
5. A desire "to insure effective representation for sparsely settled areas"; [87]
6. "Availability of access of citizens to their representatives"; [88]
7. Theories of bicameralism (except those approved by the Court); [89]

[89] Ante, pp. 41–42.

8. Occupation; [90]
9. "An attempt to balance urban and rural power." [91]
10. The preference of a majority of voters in the State.[92]

So far as presently appears, the only factor which a State may consider, apart from numbers, is political subdivisions. But even "a clearly rational State policy" recognizing this factor is unconstitutional if "population is submerged as the controlling consideration." [93]

I know of no principle of logic or practical or theoretical politics, still less any constitutional principle, which establishes all or any of these exclusions. Certainly it is that the Court's opinion does not establish them. So far as the Court says anything at all on this score, it says only that "legislators represent people, not trees or acres," ante, page 27; that "citizens, not history or economic interests, cast votes," ante, page 45; that "people, not land or trees or pastures, vote," ibid.[94] All this may be conceded. But it is surely equally obvious, and, in the context of elections, more meaningful to note that people are not ciphers and that legislators can represent their electors only by speaking for their interests—economic, social, political—many of which do reflect the place where the electors live. The court does not establish, or indeed even attempt to make a case for the proposition that conflicting interests within a State can only be adjusted by disregarding them when voters are grouped for purposes of representation.

CONCLUSION

With these cases the Court approaches the end of the third round set in motion by the complaint filed in *Baker v. Carr*. What is done today deepens my conviction that judicial entry into this realm is profoundly ill-advised and constitutionally impermissible. As I have said before, *Wesberry* v. *Sanders*, supra, at 48, I believe that the vitality of our political system, on which in the last analysis all else depends, is weakened by reliance on the judiciary for political reform; in time a complacent body politic may result.

These decisions also cut deeply into the fabric of our federalism. What must follow from them may eventually appear to be the product of State legislatures. Nevertheless, no thinking person can fail to recognize that the aftermath of these cases, however desirable it may be thought in itself, will have been achieved at the cost of a radical alteration in the relationship between the States and the Federal Government, more particularly the Federal judiciary. Only one who has an overbearing impatience with the Federal system and its political processes will believe that the cost was too high or was inevitable.

Finally, these decisions give support to a current mistaken view of the Constitution and the constitutional function of this Court. This view, in a nutshell, is that every major social ill in this country can find its cure in some constitutional "principle," and that this Court should "take the lead" in promoting reform when other branches of government fail to act. The Constitution is not a panacea for every blot upon the public welfare, nor should this Court, ordained as a judicial body, be thought of as a general haven for reform movements. The Constitution is an instrument of government, fundamental to which is the premise that in a diffusion of governmental authority lies the greatest promise that this Nation will realize liberty for all its citizens. This Court, limited in functions in accordance with that premise, does not serve its high purpose when it exceeds its authority, even to satisfy justified impatience with the slow workings of the political process. For when in the name of constitutional interpretation, the Court adds something to the Constitution that was deliberately excluded from it, the Court in reality substitutes its view of what should be so for the amending process.

I dissent in each of these cases, believing that in none of them have the plaintiffs stated a cause of action. To the extent that *Baker* v. *Carr*, expressly or by implication, went beyond a discussion of jurisdictional doctrines independent of the substantive issues involved here, it should be limited to what it in fact was: an experiment in venturesome constitutionalism. I would reverse the judgments of the District Court in Nos. 23, 27, and 41 (Alabama), No. 69 (Virginia, and No. 307 (Delaware) and remand with directions to dismiss the complaints. I would affirm the judgments of the District Court in No. 20 (New York), and No. 508 (Colorado), and of the Court of Appeals of Maryland in No. 29.

APPENDIX A

Statements made in the House of Representatives during the debate on the resolution proposing the 14th amendment.[1]

"As the nearest approach to justice which we are likely to be able to make, I approve of the second section that bases representation upon voters." (2463, Mr. Garfield.)

"Would it not be a most unprecedented thing that when this [former slave] population are not permitted where they reside to enter into the basis of representation in their own State, we should receive it as an element of representation here; that when they will not count them in apportioning their own legislative districts, we are to count them as five-fifths (no longer as three-fifths, for that is out of the question) as soon as you make a new apportionment?" (2464–2465, Mr. Thayer).

"The second section of the amendment is ostensibly intended to remedy a supposed inequality in the basis of representation. The real object is to reduce the number of southern representatives in Congress and in the electoral college; and also to operate as a standing inducement to Negro suffrage." (2467, Mr. Boyer.)

"Shall the pardoned rebels of the South include in the basis of representation 4 million people to whom they deny political rights, and to no one of whom is allowed a vote in the selection of a Representative?" (2468, Mr. Kelley.)

"I shall, Mr. Speaker, vote for this amendment; not because I approve it. Could I have controlled the report of the committee of 15, it would have proposed to give the right of suffrage to every loyal man in the country." (2469, Mr. Kelley.)

"But I will ask, why should not the representation of the States be limited as the States themselves limit suffrage? If the Negroes of the South are not to be counted as a political element in the government of the South in the States, why should they be counted as a political element in the Government of the country in the Union. (2498, Mr. Broomall.)

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[82] It is not mere fancy to suppose that in order to avoid problems of this sort, the Court may one day be tempted to hold that all State legislators must be elected in statewide elections.

[83] Ante, p. 44.

[84] Ante, pp. 44–45.

[85] Ante, p. 45.

[86] Ibid.

[87] Ibid.

[88] Ibid.

[90] *Davis* v. *Mann*, post, p. 12.

[91] Id., at 13.

[92] *Lucas* v. *Forty-Fourth General Assembly*, post, p. 22.

[93] Ante, p. 46.

[94] The Court does note that, in view of modern developments in transportation and communication, it finds "unconvincing" arguments based on a desire to insure representation of sparsely settled areas or to avoid districts so large that voters' access to their representatives is impaired. Ante, p. 45.

[1] All page references are to Congressional Globe, 39th Cong., 1st sess. (1866).

"It is now proposed to base representation upon suffrage, upon the number of voters, instead of upon the aggregate population in every State of the Union." (2502, Mr. Raymond.)

"We admit equality of representation based upon the exercise of the elective franchise by the people. The proposition in the matter of suffrage falls short of what I desire, but so far as it goes it tends to the equalization of the inequality at present existing; and while I demand and shall continue to demand the franchise for all loyal male citizens of this country—and I cannot but admit the possibility that ultimately those 11 States may be restored to representative power without the right of franchise being conferred upon the colored people—I should feel myself doubly humiliated and disgraced, and criminal even, if I hesitated to do what I can for a proposition which equalizes representation." (2508, Mr. Boutwell.)

"Now, conceding to each State the right to regulate the right of suffrage, they ought not to have a representation for male citizens not less than 21 years of age, whether white or black, who are deprived of the exercise of suffrage. This amendment will settle the complication in regard to suffrage and representation, leaving each State to regulate that for itself, so that it will be for it to decide whether or not it shall have a representation for all its male citizens not less than 21 years of age." (2510, Mr. Miller.)

"Manifestly no State should have its basis of national representation enlarged by reason of a portion of citizens within its borders to which the elective franchise is denied. If political power shall be lost because of such denial, not imposed because of participation in rebellion or other crime, it is to be hoped that political interests may work in the line of justice, and that the end will be the impartial enfranchisement of all citizens not disqualified by crime. Whether that end shall be attained or not, this will be secured: that the measure of political power of any State shall be determined by that portion of its citizens which can speak and act at the polls, and shall not be enlarged because of the residence within the State of portions of its citizens denied the right of franchise. So much for the second section of the amendment. It is not all that I wish and would demand; but odious inequalities are removed by it and representation will be equalized, and the political rights of all citizens will under its operation be, we believe, ultimately recognized and admitted." (2511, Mr. Eliot.)

"I have no doubt that the Government of the United States has full power to extend the elective franchise to the colored population of the insurgent States. I mean authority; I said power. I have no doubt that the Government of the United States has authority to do this under the Constitution; but I do not think they have the power. The distinction I make between authority and power is this: we have, in the nature of our Government, the right to do it; but the public opinion of the country is such at this precise moment as to make it impossible we should do it. It was therefore most wise on the part of the committee on reconstruction to waive this matter in deference to public opinion. The situation of opinion in these States compels us to look to other means to protect the Government against the enemy." (2532, Mr. Banks.)

"If you deny to any portion of the loyal citizens of your State the right to vote for Representatives you shall not assume to represent them, and, as you have done for so long a time, misrepresent and oppress them. This is a step in the right direction, and although I should prefer to see incorporated into the Constitution a guarantee of universal suffrage, as we cannot get the required two-thirds for that I cordially support this proposition as the next best." (2539, 2540, Mr. Rogers.)

APPENDIX B

Statements made in the Senate during the debate on the resolution proposing the 14th amendment.[1]

"The second section of the constitutional amendment proposed by the committee can be justified upon no other theory than that the negroes ought to vote; and negro suffrage must be vindicated before the people in sustaining that section, for it does not exclude the nonvoting population of the North, because it is admitted that there is no wrong in excluding from suffrage aliens, females, and minors. But we say, if the negro is excluded from suffrage he shall also be excluded from the basis of representation. Why this inequality? Why this injustice? For injustice it would be unless there be some good reason for this discrimination against the South in excluding her nonvoting population from the basis of representation. The only defense that we can make to this apparent injustice is that the South commits an outrage upon human rights when she denies the ballot to the blacks, and we will not allow her to take advantage of her own wrong, or profit by this outrage. Does any one suppose it possible to avoid this plain issue before the people? For if they will sustain you in reducing the representation of the South because she does not allow the negro to vote, they will do so because they think it is wrong to disfranchise him." (2800, Senator Stewart.)

"It [the second section of the proposed amendment] relieves him [the Negro] from mispresentation in Congress by denying him any representation whatever." (2801, Senator Stewart.)

"But I will again venture the opinion that it [the second section] means as if it read thus: no State shall be allowed a representation on a colored population unless the right of voting is given to the Negroes—presenting to the States the alternative of loss of representation or the enfranchisement of the Negroes, and their political equality." (2939, Senator Hendricks.)

"I should be much better satisfied if the right of suffrage had been given at once to the more intelligent of them [the Negroes] and such as had served in our Army. But it is believed by wiser ones than myself that this amendment will very soon produce some grant of suffrage to them, and that the craving for political power will ere long give them universal suffrage. Believing that this amendment probably goes as far in favor of suffrage to the Negro as is practicable to accomplish now, and hoping it may in the end accomplish all I desire in this respect, I shall vote for its adoption, although I should be glad to go further." (2963–4, Senator Poland.)

"What is to be the operation of this amendment? Just this: your whip is held over Pennsylvania, and you say to her that she must either allow her Negroes to vote or have one Member of Congress less." (2987, Senator Cowan.)

"Now, sir, in all the States—certainly in mine, and no doubt in all—there are local as contradistinguished from State elections. There are city elections, county elections, and district or borough elections; and those city and county and district elections are held under some law of the State in which the city or county or district or borough may be; and in those elections, according to the laws of the States, certain qualifications are prescribed, residence within the limits of the locality and a property qualification in some. Now, is it proposed to say that if every man in a State is not at liberty to vote at a city or a county or a borough election that is to affect the basis of representation?" (2991, Senator Johnson.)

"Again, Mr. President, the measure upon the table, like the first proposition submitted to the Senate from the committee of 15, concedes to the States * * * not only the right, but the exclusive right, to regulate the franchise. It says that each of the Southern States, and, of course, each other State in the Union, has a right to regulate for itself the franchise, and that consequently, as far as the Government of the United States is concerned, if the black man is not permitted the right to the franchise, it will be a wrong (if a wrong) which the Government of the United States will be impotent to redress." (3027, Senator Johnson.)

"The amendment fixes representation upon numbers, precisely as the Constitution now does, but when a State denies or abridges the elective franchise to any of its male inhabitants who are citizens of the United States and not less than 21 years of age, except for participation in rebellion or other crime, then such State will lose its representation in Congress in the proportion which the male citizen so excluded bears to the whole number of male citizens not less than 21 years of age in the State." (3033, Senator Henderson.)

Mr. DIRKSEN. By all odds the opinion is one of the most devastating dissenting opinions that I have ever read. I believe it tears to shreds the majority opinion of the Supreme Court. To make the point plain in brief compass I need submit only a short editorial published in the Columbus Citizens Journal, which is a Scripps-Howard newspaper published in Columbus, Ohio. The editorial came from the issue of August 8. I shall read the editorial in its entirety:

DIRKSEN'S REAPPORTIONMENT BREATHER

Last June's U.S. Supreme Court decision, which propounded the astonishing theory that, regardless of what the people of a State may decide by vote, both houses of all State legislatures must be apportioned on a strict population basis, has led to chaos.

Lower courts, following the Supreme Court's constitutional presumptions, have been making rubble of State constitutions, disrupting State business and generally throwing their weight around.

New York's constitution requires a 2-year term for legislators, but three judges have ordered the voters to elect for a 1-year term, both this year and next. In Connecticut, three other Federal judges ordered the State to hold three special elections, hold a special session of the legislature which was to do no routine State business, and set up a constitutional convention.

After the Supreme Court ruled out Colorado's voter-approved legislative setup, the legislature reapportioned. But the Colorado Supreme Court says that latest apportionment is invalid under the State constitution.

Senator DIRKSEN, of Illinois, now proposes, and a Senate committee has approved, a bill to stay all these proceedings for about 2 years—to give Congress time to decide on a way to preserve the right of State voters to set up State senates on other than a population basis. And to permit States time to try to tidy up the mess.

In the circumstances, this probably is the best Congress can do in a session nearing adjournment. So Congress is, and ought to be, under great pleasure to pass the Dirksen "breather." Whatever may be wrong with State legislative systems, none can be worse than the predicaments created by the Supreme Court's action.

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[1] All page references are to Congressional Globe, 39th Cong., 1st sess. (1866).

Mr. President, I take some interest in this question, and approach it from the standpoint of a constitutional resolution, but it had to be measured against the calendar, against the prospective adjournment date, and all the other difficulties that arise in the final hours of the Congress. It was transparently manifest that under no circumstances could a constitutional resolution negotiate the committees, negotiate both houses, and then be sent off into a constitutional orbit for a period of 7 years awaiting ratification by the States.

What confronts us here as a result of the decision in the case of Reynolds against Sims is really an emergent situation, which can be approached logically only by a statute. The statute that we have devised as an amendment to the foreign aid bill is an effort to buy some time. But to buy time we must do it effectively, so that under no circumstances might an autocratic judicial official undertake to thwart the will of Congress.

In working on the question we had the benefit of the legal staff of the subcommittees of the Committee on the Judiciary on which I labor. The majority leader was very generous in making his competent staff available. In addition, we had officials from the Department of Justice, including the Deputy Attorney General. There have been a great many sessions. We finally wound up our labors at about 3 o'clock this afternoon. The amendment is now in final form, and it will be available to all Senators tonight, so that when the Senate convenes tomorrow we can set aside the amendment until after the disposition of the amendment still to be offered by the distinguished Senator from Alaska [Mr. GRUENING] and I believe an amendment to be offered by the distinguished Senator from Texas [Mr. TOWER]. Thereafter we can come to grips with the problem. I rather anticipate that there will be a great deal of discussion. But there was a general consensus on all sides. I pay high tribute to the majority leader for the consummate patience he has mustered at all times in trying to produce something that in my judgment is at once effective, that will do what we set out to do, and yet can command wide support on the part of Senators on both sides of the aisle.

There is only one further thing to which I wish to allude tonight. We have before us the foreign assistance bill. Nobody is more sensible of the proprieties than is the minority leader; and seldom do I undertake to tack onto a bill a provision that has no particular relation to it. But I was confronted with a reality. That reality is that we are moving, hopefully, toward adjournment, probably a week from Saturday. That is a short period of time in which to get anything done. I knew also that if we undertook to handle this proposal as an independent measure, it would have to go through this body, then through the House, then to conference, and I doubt very much whether the time would be sufficient to do even that. But even then we would have nothing more than a resolution submitted to the States for ratification, and that probably could be a long, drawn-out process.

I therefore had to select a vehicle that I knew had to get to the President's desk. I had a choice of the so-called interest equalization bill, possibly the social security measure, still pending in the Senate Finance Committee, on which there will be no executive session or markup until Friday of this week, or I could take advantage of the bill which is before us, which I know is on the so-called "must" calendar.

That bill was so drawn as to be something of an invitation, because it is divided into four parts, and the caption in part IV reads "Amendments to Other Laws." That was an invitation to come along and offer an amendment at that point as a section in part 4; and the amendment offered by the majority leader and myself will appear as section 402, on page 17, after line 7.

A tremendous amount of work, patience, and skill have gone into the perfection of this amendment. I pay high tribute to my own staff, Neal Kennedy, Bernard Waters, and Clyde Flynn, who labored early and late.

I pay testimony to the Department of Justice for having been so willing to sit in on these sessions.

I pay testimony to the distinguished majority leader and to his staff, particularly Charlie Ferris and Kenny Teasdale. They are good lawyers, and they have been on the job early and late.

They were working toward midnight last night to see whether, at long last, we could not perfect an amendment which would commend itself to the good grace and acceptance of the Senate.

I believe, at long last, that we have contrived exactly that.

I try not to utilize surprise as a legal weapon. That is often done in a court room. Suddenly, out of a clear sky, there is a witness whom the attorney did not anticipate, or a line of testimony that was furthest from the attorney's thoughts. Those surprises can often demolish the lawyer's case.

I knew that the President would have to take a look at this proposal if, hopefully, we put it into this bill. A week ago I spent an hour and a half with the President of the United States. I gave him the original language, although what we have done is a considerable departure from that language. I told him I had no choice except to find a vehicle that I knew had to get to his desk. So I gave him a memorandum and fully advised him, so he would not, under any circumstances, be surprised or astonished.

Without alluding to any other great legislative body, I understand that a kind of round robin has been circulated, to which are appended the names of 70 legislators. They almost took the kind of vow that winds up the Declaration of Independence, in committing their lives, fortunes, and sacred honor against any measure that has this proposal in it.

I am sorry they have to be a little disappointed, because that round robin was circulated as to something that is not absolutely moot, because this amendment is a complete replacement of all the work we have done heretofore. I trust they will not have to circulate another round robin, but in order to be in character, obviously they would have to do so, if they were going to object to the amendment submitted by myself and the majority leader.

Tomorrow we shall be ready to set aside this amendment long enough to complete action on the other amendments. Then the discussion will begin. Unless the Senate is in a mood to discuss this amendment a long time, or unless there is a disposition to filibuster, we could, if we remained in session late enough, probably dispose of it tomorrow. But I know the proposal is going to command the attention of the lawyers in the Senate, or at least a good many. I always regard myself as something of a novitiate or amateur at the feet of great lawyers like Senator ERVIN, Senator RUSSELL, Senator HRUSKA, and even Senator KUCHEL, of California.

I am a bit of a tyro, but at least we have finished the job. So today I think I share the hope of the majority leader that we can come to grips with this question, have it suitably ventilated, and that with good fortune smiling at us, we can wind it up tomorrow.

So I offer the amendment and ask that it be made the pending business.

The Foreign Assistance Act is the pending business, but this amendment will be pending to the Foreign Assistance Act, because I understand no other amendment was pending.

The PRESIDING OFFICER. The amendment offered by the Senator from Illinois [Mr. DIRKSEN] will be stated.

Mr. DIRKSEN. Mr. President, I ask that the amendment not be read, but that it be published in the CONGRESSIONAL RECORD at this point.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The amendment submitted by Mr. DIRKSEN, for himself and Mr. MANSFIELD, is as follows:

On page 17, after line 7, insert the following new section:

"SEC. 402. (a) Chapter 21, title 28, United States Code, is amended by adding at the end thereof the following new section:

"'§461. Stay of proceedings for reapportionment of State legislative bodies.

"'(a) Any court of the United States having jurisdiction of an action in which the constitutionality of the apportionment of representation in a State legislature or either house thereof is drawn in question shall, upon application, stay the entry or execution of any order interfering with the conduct of the State government, the proceedings of any house of the legislature thereof, or of any convention, primary or election, for such period as will be in the public interest.

"'(b) A stay for the period necessary—

"'(i) to permit any State election of representatives occurring before January 1, 1966, to be conducted in accordance with the laws of such State in effect immediately preceding any adjudication of unconstitutionality and

"'(ii) to allow the legislature of such State a reasonable opportunity in regular session or the people by constitutional amendment a reasonable opportunity following the adjudication of unconstitutionality to apportion representation in such legislature in accordance with the Constitution shall be deemed to be in the public interest in the absence of highly unusual circumstances.

"'(c) An application for a stay pursuant to this section may be filed at any time before or after final judgment by any party or intervener in the action, by the State, or by the Governor or Attorney General or any member of the legislature thereof without other authority.

"'(d) In the event that a State fails to apportion representation in the legislature in accordance with the Constitution within the time allowed by any stay granted pursuant to this section, the district court having jurisdiction of the action shall apportion representation in such legislature among appropriate districts so as to conform to the constitution and laws of such State insofar as is possible consistent with the requirements of the Constitution of the United States, and the court may make such further orders pertaining thereto and to the conduct of elections as may be appropriate.

"'(e) An order of a district court of three judges granting or denying a stay shall be appealable to the Supreme Court in the manner provided under Section 1253 of this Title, and in all other cases shall be appealable to the court of appeals in the manner provided under Section 1294 of this Title. Pending the disposition of such appeal the Supreme Court or a Justice thereof, or the court of appeals or a Judge thereof, shall have power to stay the order of the district court or to grant or deny a stay in accordance with subsections (a) and (b).'

"(b) The chapter analysis of that chapter is amended by adding at the end thereof the following new item:

"'461. Stay of proceedings for reapportionment of State legislative bodies."

The PRESIDING OFFICER. The amendment will be received and printed.

Mr. DIRKSEN. Mr. President, I think I have had submitted for printing in the RECORD the dissenting opinion of Justice John Harlan. I think it is important to have it printed in the RECORD.

Mr. PROXMIRE. Mr. President, will the Senator yield to me very briefly?

Mr. DIRKSEN. I yield.

Mr. PROXMIRE. Did I correctly understand the Senator to say that the amendment which is now being submitted is entirely different from the bill reported by the Judiciary Committee by a 10-to-2 vote earlier?

Mr. DIRKSEN. It is not quite substantially different.

Mr. PROXMIRE. This proposal has not only not had any hearings, but no committee approval of any kind; is that correct?

Mr. DIRKSEN. It is being offered as an amendment to the pending bill.

Mr. PROXMIRE. I understand.

Mr. DIRKSEN. Literally thousands of amendments on which no hearings are held are offered to bills.

Mr. PROXMIRE. Yes; indeed. I will not get into that matter at the moment. I wished to get that information before me, because I believe a vote of 10 to 2 in the Judiciary Committee is a very strong, if not persuasive, recommendation by the Senate's principal advisers on law. As I understand what the Senator has said, this is an entirely different amendment, in substance; is that correct?

Mr. DIRKSEN. Yes; except the basic principle is the same. It involves bringing about by statute, if it can be constitutionally done, the purchase of enough time to meet a chaotic condition which has developed in the States. It has gone so far that in the State of Oklahoma the courts not only invalidated the act of its legislature, but also invalidated the results of the primary election. The Oklahoma Representatives as of this moment, including the majority leader in the House of Representatives, are truly in a fix.

Mr. PROXMIRE. I understand. I do not wish to delay the Senate tonight. However, it will be interesting to see how the amendment will affect Oklahoma, Illinois, and other States.

Mr. DIRKSEN. And Wisconsin.

Mr. PROXMIRE. Wisconsin is as perfectly apportioned as it can be.

Mr. DIRKSEN. It is?

Mr. PROXMIRE. Oh, yes; both Houses are population apportioned by our Constitution. Furthermore, our latest apportionment of a few weeks ago makes the largest district within 3 percent of being perfect, and the smallest district within 3 percent of being perfectly apportioned. Therefore, we have no problem.

Mr. GRUENING. Mr. President, I ask unanimous consent that the pending amendment be temporarily laid aside so that I may call up my amendment to H.R. 11380, and ask for a vote on it.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment will be stated.

Mr. GRUENING. It is not necessary to read the amendment. I have spoken at length on it.

The PRESIDING OFFICER. Without objection, the amendment will be printed in the RECORD at this point.

The amendment is as follows:

AMENDMENT NO. 1138

On page 17, after line 7, add the following new section:

"TITLE VIII—ACCELERATED PUBLIC WORKS

"SEC. 801. Section 3(d) of the Public Works Acceleration Act (Public Law 87–658; 76 Stat. 542) is hereby amended to read as follows:

"'(d) There is hereby authorized to be appropriated not to exceed $2,400,000,000 to be allocated by the President in accordance with subsection (b) of this section, except that not less than $800,000,000 shall be allocated for public works projects in areas designated by the Secretary of Commerce as redevelopment areas under subsection (b) of section 5 of the Area Redevelopment Act. Appropriations made pursuant to this authorization after the date of enactment of this sentence shall remain available until expended.'"

Mr. GRUENING. The amendment is an amendment to the Public Works Acceleration Act.

I ask the Senator in charge of the bill whether he will take it to conference.

Mr. SPARKMAN. Mr. President, the Senator knows I have strongly supported, in this country, the kind of program that he has in mind. I have voted for it on other occasions. I helped to get it through the committee. I must say, in all frankness, however, that it does not belong on the foreign aid bill. Therefore I am not in a position to accept it.

Mr. GRUENING. I appreciate the statement of the distinguished Senator from Alabama. I understand his sympathy for the purpose. I also understand his feeling that perhaps this is not the place to press the amendment.

Mr. President, I ask for a vote on the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Alaska. (Putting the question.)

Mr. DIRKSEN. Mr. President, I ask for a division.

On a division the amendment was rejected.

ORDER FOR ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in adjournment until 10 o'clock a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION FOR COMMITTEES OF THE SENATE TO MEET TOMORROW

Mr. MANSFIELD. I ask unanimous consent that all Senate committees may be authorized to meet during the session tomorrow until 12 o'clock noon.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE ALL-CARGO AIRLINES

Mr. SPARKMAN. Mr. President, a serious crisis has been developing for the small business segment of the airline industry; namely, the all-cargo airlines. These carriers, who properly were certificated by the Civil Aeronautics Board for the carriage of freight, mail, and express, have had their existence threatened by virtue of the competitive inequity which exists between them and the giant, subsidy-eligible airlines.

The Congress in the Federal Aviation Act imposed certain statutory responsibilities upon the Civil Aeronautics Board. Those responsibilities include, among other things, the promotion and development of an overall air transport system—a system which wisely includes specialized all-cargo airlines. The CAB would be remiss in its duties if it did not take steps and measures to allow these specialized carriers—the only airlines that have an obligation and can be counted upon to provide all-cargo service—to survive, develop, and grow.

The CAB's recent policy statement regarding the all-cargo carriers is one which deserves the attention and praise of the Congress. It is a profound and wise statement of policy, and one which should be accepted by all public interest motivated persons.

Our economy is becoming increasingly specialized. I am glad to note that this trend is manifesting itself in the CAB's decision. I congratulate the Board for its forward looking and courageous decision.

SENATOR FRANK CHURCH'S BRILLIANT MILWAUKEE SPEECH

Mr. PROXMIRE. Mr. President, on August 1, the distinguished senior Senator from Idaho [Mr. CHURCH] delivered a remarkable speech at a testimonial dinner in my honor in Milwaukee.

Senator CHURCH's speech was greeted with enthusiastic approval by a capacity crowd from all over Wisconsin. When he finished he received one of the longest and loudest standing ovations I have heard anywhere.

Mr. President, while the speech of the Senator from Idaho was deeply moving, it was also profoundly thoughtful. Senator CHURCH squarely faced our big problem: how to achieve peace and victory for freedom in the nuclear age, the missile age, the age of a militant communism on the march. His ringing and thoughtful answer deserves the widest possible audience.

For this reason Mr. President, I ask unanimous consent that excerpts from Senator CHURCH's speech in Milwaukee, on August 1 be printed in the RECORD at this point.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

BATTLE CALL FOR THE REPUBLIC

(Excerpts from an address by Senator FRANK CHURCH, Democrat, of Idaho, at a fund-raising dinner for Senator WILLIAM PROXMIRE, in Milwaukee, Wis., August 1, 1964)

For 2 weeks now, I've been carrying my arm in a sling. I'm glad to be rid of it, because people kept mistaking me for a moderate Republican just back from San Francisco.

The fever of the old frontier captured the Republican convention out there. Looking backward with BARRY had overpowering appeal. They claim he'll carry every State—all 13 of them. They say his platform will win over both parties—the Tories and the Whigs.

Well, as a fellow westerner, I understand the nostalgia for the Old West. I like BARRY GOLDWATER. He's my neighbor in Washington; we share adjoining offices at the Senate—and that's where he should stay.

There is a proven man who sits in the White House—where he should stay—Lyndon B. Johnson. The touchstones of his administration are three: prudence, prosperity, and peace.

Only if prudence prevails—only if the processes of law and order are upheld—will it prove possible for us to remedy what now ails us most, the racial ferment rampant in the land. This is an affliction which breeds extremism among white and black alike. But if men of moderation are swept aside, the problem will soon become a plague, as the virus of violence spreads. For when men of different colored skin clash in anger, none can see that each man's blood runs red.

How, then, do we seek the solution? First, by making sure that the law itself is right—that it implements those guarantees of equal treatment which the Constitution extends to every citizen. Second, by upholding the law and preserving good order against every violator, regardless of race, creed, or color.

This is the prescription of Lyndon B. Johnson. This is why he urged the enactment of the civil rights bill. And both parties responded in Congress; of the 33 Republicans in the Senate, 27 voted for the bill; only 6 Republicans voted against it. But among the six, a tiny minority within the minority, was BARRY GOLDWATER.

Now the time of test is upon us. Will the law be respected? Will good order be preserved? Or will extremists on both sides take charge?

In accepting the nomination at San Francisco, Senator GOLDWATER said, "Extremism in defense of liberty is no vice; moderation in pursuit of justice is no virtue." That amounts to nothing more than a fervent way of saying the end justifies the means. Little wonder that Walter Lippmann should protest, as follows:

"If there ever was a time, it is now, when it is against the public interest to tell men that they may take extreme measures in what they believe to be the defense of liberty and the pursuit of justice. There is a racial conflict in this country and there is a strong tendency to private violence on both sides, among the white and among the black.

"With the private shootings, the private burnings, the private bomb throwings, the private mobs, is it not the duty of every American to rally to the defense of law and order? But how can there be such a rally if we must endure an election in which the challenging contender is telling the flammable crowd that extremism may be no sin and that moderation may be no virtue?"

If this is the choice GOLDWATER offers, then it is the choice between wrong and right. The American people will search their hearts, and I have no doubt they will choose the course which is right. In a massive affirmation, they will uphold the hand of Lyndon Johnson.

* * * * *

After San Francisco, there can be no doubt that the men who have been placed in charge of the elephant are trying to make it walk on its two right feet. They claim that this is in the mainstream of Republican tradition. But it is not. It is, rather, a repudiation of responsible Republicanism, and all for which it stands.

The party whose first President saved the Union, by fighting off the enemies of the Federal Government, now presents us with a candidate for President who talks as if the Federal Government were the enemy.

So let us, as Democrats, take the high ground, where both of our great political parties have stood in the past. Let us prepare to do battle for the Federal Union; to talk sense instead of nonsense; to reason rather than emote. Let us respond to rightwing fanaticism by emphasizing the governing facts of our life and times.

When they berate big, Central Government, let us remind them that the growth of the National Government is not even keeping pace with the growth of the Nation itself; that, in 1952, there were 16 Federal employees for every thousand of population, compared with 13 today; that, from 1952 to 1962, total Federal civilian employment fell 3 percent, while employment by State and local governments increased by 63 percent. If "creeping socialism" is measured by the rising tide of Government employees, the sentinels would do better to station themselves closer to home.

When they accuse us of being profligate spenders, let us remind them that President Johnson's budget this year was the lowest, in proportion to our national wealth, to be submitted since the tight Truman budget of 1951; that, despite our burgeoning national growth, the Johnson budget was half a billion under the budget of the previous year, and that 15,000 Government positions have been struck from the Federal payrolls.

When they complain of stifling taxes, let us reply that Federal income tax rates have been twice reduced since the Korean war, and that this session of the Congress, at the behest of Presidents Kennedy and Johnson, has enacted the largest peacetime tax cut in history.

When they wail about the "welfare state," let us confront them with the fact that only 7 cents out of each Federal tax dollar is paid out on all the welfare programs combined, while nearly 80 cents of that same tax dollar goes, in one way or another, to pay, not for welfare, but for warfare. Payment for past war, and preparation for future war, is the principal cause of today's big government.

So, when the doubletalkers call, in the same breath, for a shutdown of government at home, and a showdown with communism abroad, let's have the commonsense to laugh them off the political stage.

Let's pull the sheets off their hobgoblins of "socialism," "subversion," and "sellout." This country of ours is not an old Victorian haunted house, creaking with insolvency, its foundations being eaten away by Red termites, about to be betrayed to the enemy. Our times are not some kind of spook show filmed by 19th Century-Fox.

We are a mighty nation of nearly 200 million free people, rich beyond belief, and stronger than we have ever been before. Since John F. Kennedy ushered in this Democratic administration, less than 4 years ago, our gross national product has grown by a fantastic $100 billion. Wages and profits and family income are at their highest levels in our history. Free enterprise is doing fine.

To be sure, like every generation before us, we have our problems. But they are flesh-and-blood problems, not ghostly apparitions. Only those afraid to face up to these problems prefer fantasy to fact. It is a fact that equal justice must yet be won for our colored citizens; the educational opportunities must be broadened for all; that better medical care for the aged and infirm must be secured; that the needs of the poor must be better attended; that the ends of freedom must be extended, and the peace preserved.

These are the real-life problems with which our dynamic President is grappling from day to day. And the people of this land have the good sense to know it. That's why President Lyndon B. Johnson is going to be overwhelmingly reelected this November.

* * * * *

But if the Goldwater brand of Republicanism is not really relevant to the domestic problems with which we must grapple, it loses all reality when placed in context with the problems which confront us in the outside world.

It is here that he stresses but one theme, belligerency. He charges the Democrats with "cringing before the bully of communism." I say no American President, Democrat or Republican, has ever cringed before any enemy of the United States. Harry Truman wasn't cringing when he sent American forces into Korea to defend against Communist aggression there. John F. Kennedy wasn't cringing when he faced down two Soviet ultimatums at Berlin, or when he ordered the Navy to intercept Russian ships on the high seas, or when he demanded, and obtained, the dismantlement of the launching bases and the removal of Soviet missiles from Cuba. Lyndon Johnson isn't cringing in South Vietnam today. He doesn't know the meaning of the word.

But belligerency alone is not a foreign policy. John F. Kennedy reminded us, in his unforgettable inaugural address, that "We should never negotiate out of fear, but that we should never fear to negotiate." It was in this spirit of statesmanship that the nuclear test ban treaty was achieved, the first thaw on the cold war front in many years. Again, after the most careful consideration, both parties in the Senate voted overwhelmingly for the treaty's ratification. But GOLDWATER voted "no."

Militancy is his method. His solution for coping with the wall in Berlin: Tear it down; for refilling our water tanks at Guantanamo: Send in the marines; for making the fateful decision of when to invoke the use of nuclear weapons: Take it away from the President and give it to military commanders in the field.

If you will read what Senator GOLDWATER has written, you will discover that he advocates a policy of initiating the use of force in the struggle against communism. In the concluding chapter of his book, "The Conscience of a Conservative," he writes:

"Our strategy must be primarily offensive in nature * * * we should withdraw diplomatic recognition from all Communist governments, including that of the Soviet Union * * * we must—ourselves—be prepared to undertake military operations against vulnerable Communist regimes."

Referring to the Hungarian revolt of 1956, GOLDWATER writes:

"In such a situation, we ought to present the Kremlin with an ultimatum forbidding Soviet intervention, and be prepared, if the ultimatum is rejected, to move a highly mobile task force equipped with appropriate nuclear weapons to the scene of the revolt. The Kremlin would also be put on notice, of course, that resort to long-range bombers and missiles would prompt automatic retaliation in kind."

Later, GOLDWATER declares that this is hard counsel, because, he writes, "It frankly acknowledges that war may be the price of freedom."

Read GOLDWATER's books, and I venture you will reach some self-evident conclusions.

The first is that anyone who is fully informed about the consequences of thermonuclear war—as Senator GOLDWATER is—and is nevertheless capable of saying such a "war may be the price of freedom," simply doesn't live in the real world. In the real world, nuclear war will leave nothing left worth having—least of all, freedom.

The second self-evident conclusion is that any man who clearly mistrusts all means except violence to advance the cause of freedom is ill-qualified to be the leader of a free society. In human history, the power of ideas has always been greater, ultimately, than the fist, the club, or the gun.

The third conclusion is the peril to which we will all be exposed if the helm of the Nation is entrusted to a man of such temperament in these precarious times.

When I consider our predicament today, I recall the tragedy which befell an Idaho hunter who became separated from his party, and lost, in rugged mountain country, while hunting deer in the late autumn. Others in the party, knowing approximately where he was, searched for him until dark. When he could not be readily located, they decided to wait until the next day to continue the search. Although it isn't pleasant to be lost in the mountains, his companions agreed that there was no reason to be seriously concerned. He was a seasoned hunter, perfectly able to take care of himself in the woods.

After the first night had passed, members of the party renewed their search. They found the lost hunter. He was dead of exhaustion. Retracing his tracks in the snow, his companions learned with amazement that he had begun to run shortly after losing his bearings. Up hill and down, through brush and across rocky ledges, crossing and recrossing his own tracks, faster and faster as the snow fell in the gathering gloom, without stopping to build a fire or to take thought of his predicament, in blind unreasoning panic, this man had run himself to death in approximately 8 hours.

Men who know this story still ask themselves why a seasoned hunter and woodsman would allow himself to perish so painfully and unnecessarily—but I think there is an answer. A member of the group expressed it this way: "It might have happened to any of us. There was a part of him which knew better. Deep down, he knew that he could get out if he kept his head, remembered all he had learned about survival in the woods, and disciplined himself for a prolonged and difficult effort. But he knew, also, that he would be cold, alone, frightened, hungry, and exhausted, perhaps for days, before the end of his ordeal, and that final escape was not, even then, absolutely certain."

There was a part of him which feared the woods, dreaded to be lost, and refused to be disciplined; which preferred, in the last analysis, a quick and final answer to the "long twilight struggle" whose outcome was uncertain but whose price was pain and effort for many days and nights. And so, in panic, he ran himself to death. In a sense, he chose to die rather than to pay the price for life.

I wonder if such a tragedy might not befall our country. Are not those who say, in effect, "Nuclear weapons won't have to be used; the Communists will always back down"—aren't these spokesmen really playing upon our reluctance to pay the price which must be paid if freedom is to survive? Aren't they playing up to our vanity at the expense of our intelligence? The Communist Governments of China and Russia have fought before, and will again, if it comes to that. They are no more prepared to surrender than are we.

Never forget that no struggle with communism will be won under the mushroom cloud; tyranny will not be stifled in its awful aftermath; it will spread. So weigh warily the siren song of quick and easy victory by ultimatum. Beware of a leadership which has nothing to offer but reaction at home and jingoism abroad.

For one man, in this day and age, clothed with the power of the Presidency, can deliver us into fiery oblivion—foolishly, needlessly, finally—by just one error of judgment.

This is a chance we need not take. Lyndon Johnson has demonstrated that his judgment is worthy of trust. He may come from the Southwest, as does BARRY GOLDWATER, but he talks and acts like a man who knows that you can't defend this country against a nuclear attack by pulling the wagons around in a circle. Lyndon Johnson is a 20th-century President, conscious of his awesome responsibility to commit our power with reason and restraint.

There was a high price tag on this country of ours. It wasn't easy to get here, when our ancestors first came, and it wasn't easy to stay. It's taken a lot of time, a lot of work, and a lot of faith, to make it the great, sweet land it is. Let's not forsake it for a pot of foolsgold when history calls us to account.

SMALL BUSINESS ADMINISTRATION AT LAST LOANS FOR THE TRULY SMALL BUSINESSMAN

Mr. PROXMIRE. Mr. President, for many years some of us have been asking the Small Business Administration to provide some kind of program which would enable really small businesses in this country to obtain loans. I have pointed out, for example, that 50 percent of the money loaned by SBA has gone to the 1 firm out of 10 borrowing from SBA that borrows over $100,000. By and large, these are the bigger firms. The really small business groups get very little.

As chairman of the Small Business Subcommittee of the Committee on Banking and Currency, I am delighted to note that SBA has adopted a genuine small business program which seems to be working very well. It has been highly commended by the small businessmen, and it seems to have become one of the most popular programs in our Government.

I read briefly from an Associated Press article written by Adren Cooper:

> Shoestring businessmen have been flocking to the Small Business Administration over the past few months to take advantage of an easier new policy on loans, officials of the agency said yesterday.
>
> It's the first time the SBA has put great emphasis on extending direct financial aid to the men who operate very small enterprises. "It's the most popular Government program I've ever seen," said one official who has been in Federal service 25 years.
>
> The agency reported that one-third of its loans are in the new category, and the percentage probably will climb since 40 percent of the applications now being processed fall in the "new policy" category. The new policy provides loans of up to $15,000 and, for the first time, a businessman can put up his credit rating or other evidence of a good reputation in lieu of part of the collateral. In the past, the SBA asked for 100 percent collateral.

Mr. President, this is a wonderful improvement by SBA.

I think Gene Foley is a highly competent Administrator and deserves a great deal of credit for the initiative and imagination he has displayed in putting this program into effect. I commend him on it.

I ask unanimous consent that the complete text of the article be printed in the RECORD at this this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SBA FINDS SHOESTRING-TYPE LOANS POPULAR

(By Adren Cooper)

Shoestring businessmen have been flocking to the Small Business Administration over the past few months to take advantage of an easier new policy on loans, officials of the agency said yesterday.

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The agency reported that one-third of its loans are in the new category, and the percentage probably will climb since 40 percent of the applications now being processed fall in the "new policy" category. The new policy provides loans of up to $15,000 and, for the first time, a businessman can put up his credit rating or other evidence of a good reputation in lieu of part of the collateral. In the past, the SBA asked for 100 percent collateral.

"Our average loan was $53,000," said SBA Administrator Eugene P. Foley. "Many businesses can be helped with far less money."

The main difference between an average SBA loan and a bank loan has been the term: The SBA will lend money over a period of 10 years in most instances; banks like terms of 3 months to 1 year. The agency was set up to aid businessmen who couldn't get the type of loan they needed at a bank.

In addition to the liberal loan program which went into operation in May, the SBA has what it calls a "6 by 6" program in the experimental stage. Designed to aid Negroes, it provides loans up to $6,000 for periods up to 6 years, and there is still greater emphasis on substituting character for collateral.

Pilot projects are underway in predominantly Negro areas of Philadelphia, New York and Washington.

Foley says this does not constitute discrimination against whites. "We certainly hope Negroes will take advantage of this

> program, but it is not restricted to them. We are making a conscientious effort to make sure Negro businessmen know about it," he said.
>
> He noted that in the first 5 months of the Philadelphia program, the number of loans to white persons exceeded those for Negroes by 3 to 2.
>
> In New York, Negroes received about two-thirds of the loans granted. No figures are available on the Washington program which began only a few weeks ago.
>
> The 50 loans granted to Philadelphia Negroes in a 5-month period compare with only 7 to Negroes in the previous 10 years.
>
> "I don't believe white businessmen will object to this program as long as it is not simply a handout," Foley said. "I think they will welcome it because it will strengthen the Negro business class. It will make the Negro more responsible by giving him a stake in economic and social growth."
>
> Loans under the "6 by 6" program generally have been in the $4,000 to $5,000 category. Types of businesses range from laundries, meat markets and service stations to a "performing arts studio" and a market research agency.
>
> A woman who operated an employment agency said an SBA loan enabled her to move to a prestige location and thereby attract better clients.
>
> Two women set up a baby-care service for working mothers on a loan of $200—probably the smallest ever made by the agency.

U.S. AID TO SUKARNO SUBVERTS FREEDOM AND PEACE

Mr. PROXMIRE. Mr. President, last year I offered an amendment to the foreign aid bill to prevent aid to Indonesia unless the President found that it was necessary in the national interest. That amendment was adopted by the Senate, and was kept in the bill in the House. It is now a part of the basic foreign aid law.

Nevertheless, the opportunity for the President to exercise his discretion has been used, unfortunately, to provide aid to Indonesia.

This is very difficult for me to understand.

Tunku Abdul Rahman, the Prime Minister of Malaysia, arrived in this country late last month. He came here for the purpose of trying to persuade this country to desist from providing aid to Indonesia.

He pointed out that U.S. aid to Indonesia was not necessary to stop communism in Indonesia; that the prospect of a total Communist takeover in Indonesia in the absence of our aid was not very realistic; and that at the same time, our aid to Indonesia was helping an administration in Indonesia which was at war with his country, Malaysia.

Mr. President, I shall have a little more to say about that in a moment, although I shall speak briefly tonight.

On August 10, the UPI reported the following from South Vietnam:

> SAIGON.—South Vietnam today severed diplomatic relations with Indonesia following that country's announced intention to raise its relations with Communist North Vietnam to the embassy level. The Indonesian Government's decision was seen here as a direct slap at American policies which support the South Vietnamese Government of Premier Nguyen Khanh.

Once again, we have here further evidence that Sukarno, far from being on our side, is on the Communist side—the North Vietnamese side—notwithstanding the fact that we have provided him with a substantial amount of aid and continue to do so, and in spite of the fact that nowhere on earth are we right now in greater, red-hot shooting-war trouble than in Vietnam.

Last year I opposed aid to Indonesia for many reasons. Despite hundreds of millions of dollars of U.S. aid since 1946, the Indonesian economy, under Sukarno's regime, has taken a sharp turn downward, with its production of cotton, tin, rubber, and cane sugar dropping off noticeably.

For example, the Indonesian output of tin has fallen roughly two-thirds in the past 15 years, since our assistance program began, bringing with it almost impossible inflationary conditions. Thus our aid has failed to fulfill the purpose of stimulating an underdeveloped country's economy.

Why else does our country give aid? Another fundamental reason is to strengthen the resistance to communism in the underdeveloped countries. Yet it is a widely accepted fact that Indonesia has the largest Communist Party outside the Iron and Bamboo Curtains, and that the Communists are obviously playing by far the most influential role in the Government. Reference to the August 10 story from South Vietnam is a clear, recent indication of that.

Finally, what would be a further purpose of foreign aid? Certainly to increase the lines of communications and friendly relations between the United States and the recipients. Yet since we began giving aid to Indonesia, our relations have steadily deteriorated. Sukarno has become increasingly antagonistic to the United States and increasingly dependent on the Communist bloc.

Furthermore, our aid to Indonesia has been put to scandalous use. Let me give some examples.

Sukarno pleaded with the United States for a grant of $17 million for spare machinery parts necessary for his country's economy. We gave this to him. Almost immediately afterward, he purchased three luxury jets with all the trimmings, costing $19 million.

With his nation nearing bankruptcy, Sukarno purchased 7,000 midget sports cars from Japan for luxury purposes. Who knows how many of these purchases were indirectly made possible by U.S. funds?

A fancy runway on the Bali Airport is being built at four or five times the normal cost, because Sukarno has become fascinated by the elaborate Hong Kong Airport and wants to emulate it.

Such irresponsible use of our taxpayers' money cannot justify further economic excursions into Indonesia.

This year, technical assistance and MAP funds are proposed for Indonesia; yet the situation in that country has not improved but has become worse in the last year. On last March 25, President Sukarno was quoted as saying, "To hell with your aid." Yet we propose to provide millions of dollars more for Sukarno.

If we maintain our Public Law 480 program in Indonesia, which amounted to $60 million in 1963, and will amount to approximately $13 million this year, we certainly shall indicate an effort on our part to fulfill the world peace objective of our foreign aid program. For what can contribute more greatly to world peace than food? To that part of the program, I would not object.

Yet to furnish Sukarno with technical assistance and military assistance seems ridiculous. Certainly this cannot be done under the guise of a world peace effort, for the trainees of our MAP are now using their American taught skills in the offensive against Malaysia.

Our proposed program aims at "long-term improvements of higher education, leadership training in the United States, civic action by military forces, improved public safety administration, and malaria eradication."

Most of these aid objectives, quoted directly from the proposed mutual defense and development programs, fiscal year 1965, actually strengthen Indonesia's military power. Considering Sukarno's militaristic regime, I seriously doubt the wisdom of "civic action by military forces" and "leadership training in the United States."

Mr. GRUENING. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. GRUENING. I wish to express my commendation for the position the distinguished Senator from Wisconsin is taking and to express my complete agreement with him. It is positively shocking how the administration of our aid program can continue to pour out money to that man, who is playing both sides, who is in bed with the Communists, and who, as the Senator has said, said, "To ---- with your aid," and who is only making trouble.

This is not the only example. The same is true of the dictator of Egypt, who is fomenting war in the Middle East.

Our whole aid program needs reappraisal. One of the problems which we should discuss is the giving of military aid to nations that use the aid that is intended to fight communism, to fight each other. The military assistance we are providing Greece and Turkey is being used by them to fight each other.

A similar situation exists in Pakistan. I have a letter from the Ambassador of Pakistan replying to a statement I make on the floor of the Senate, in which I asked why it was that when we have given Pakistan more than $800 million in military assistance, none of this assistance was forthcoming from Pakistan, which is a SEATO ally, to help the cause that we think is the right cause in southeast Asia. The Ambassador replied at great length in a letter, which I shall publish at an appropriate time, that all this energy and all this expenditure were to be used to fight India.

We are also sending arms to India, so we are engaged in the folly, in several parts of the world, of promoting an arms race. This is a folly which should stop.

The Senator from Wisconsin is to be highly congratulated for bringing this subject up while the bill is still under discussion.

Unfortunately, we do not seem to be able to get the administrators of the program to rectify the situation; therefore, it is necessary for Congress, even with little success, to attempt to rectify it. We who are in favor of foreign aid, as I am, but who think it is full of error, but can be developed into a better program, and make it acceptable to the American people, who are getting weary, should continue to call this situation to the attention of Congress, in the hope that the administration will rectify the situation, although that hope has not always been fulfilled, I regret to say.

Mr. PROXMIRE. I thank the distinguished Senator from Alaska for his eloquent statement and eloquent criticism of the foreign aid program. The objective of our foreign aid program is twofold: First, to try to extend and preserve freedom in the world. Second, and of equal importance, to try to preserve peace. We do neither when we deny liberty by giving aid to a tyrant like Sukarno, who is not interested in the liberty of his people, by the wildest stretch of the imagination. We deny peace by giving military assistance to this dictatorship when it is making war on Malaysia, a democratic country to which we are also giving aid.

As the Senator from Alaska has said, it is not a figure of speech; we are financing both sides in that war. We are actively promoting war in this instance. I know a subtle argument can be made that perhaps we can influence Indonesia in future years by striving to make it dependent on us.

But that is a feeble argument when we recognize that Sukarno is the dictator of that country and has taken the strong position he has taken, and when it is clear that when one has the attitudes that Sukarno has, the only effective position we can take is to bargain with him by telling him stop shooting at Malyasia or get out of our pocketbook.

Mr. GRUENING. I could not agree more with the Senator from Wisconsin. He has pointed out one region where we are not only financing a dictator but are helping him to make threatening gestures and threatening demonstrations to a new country, a country that is far more democratic in purpose than Sukarno's. I refer to Malaysia, a country that had the training of the British Government, which has done far better in preparing its former colonies for freedom than have other Old World powers. Still, we have not learned our lesson. We have not taken up Sukarno on his words: "To ____ with your aid." We are continuing to assist him.

This situation is disgraceful. I cannot understand why this idea does not percolate into the minds of those who administer the program in the Department of State. They have done nothing to make the changes we have asked. The next time, Congress will be far more active in reducing the program than it has been. This time, Congress has been kind and indulgent. We have a new President in the White House. We want to afford him every opportunity to make the program better than it has been in the past. But unless these changes are made, I can foresee a reaction in Congress the next time the bill comes up.

Mr. PROXMIRE. I thank the distinguished Senator from Alaska.

Mr. President, in particular the program for military training of Indonesian soldiers in the United States is ridiculous. With our commitments to ANZUS—Australia, New Zealand, United States—continuation of aid would be folly to U.S. policy.

Indonesia's hostility toward Malaysia is the best reason for discontinuation of the aid program. Sukarno made it quite plain that he opposed the formation of the Federation of Malaysia. The increase of the Indonesian regular army to 350,000, the modernization of equipment in all the services, and the expansion of their submarine fleet to the largest in the Far East besides the Soviet Union all indicate that Indonesia is moving toward a direct confrontation with Malaysia. Malaysia is the bulwark of opposition to Communist subversion in that most crucial of areas, southeast Asia, and we are training soldiers in the United States for a country that has vowed to subvert Malaysia.

The United States helped to establish Malaysia as a buffer state against Communist expansion, yet our aid policy in Indonesia may well be helping to bring about its destruction.

Just last week we reaffirmed our position to stand firm in our support of Malaysia and opposition to Sukarno's military regime at an ANZUS meeting. And today we are asked to approve millions in aid for Indonesia.

How ridiculous. We, the leader of the ANZUS alliance, an organization determined to check the military expansion of Indonesia, are proposing to contribute aid to Indonesia, part of which shall be used to train their soldiers in our country. The Agency for International Development maintains that all aid to Indonesia is being channeled toward pro-Western, or at least potentially pro-Western, forces and that it would be unwise for the United States to cut off all inroads to Indonesia in case of a change in regime which would bring a government more amiable to the United States to power. But there is no indication that there are any pro-Western forces in Indonesia. In fact AID funds are helping to keep the Sukarno regime in power, not to hasten his removal.

Certainly the Indonesians have moved closer to the Communist camp. Recent Indonesian statements concerning our policy in southeast Asia, increased Indonesian dependence on Soviet aid, and Chinese aid, increasing militarism toward Malaysia all show this. There has been little or no evidence of sympathy toward the United States.

Sukarno does not want our aid. The security of Malaysia, our firmest southeast Asian ally, is threatened with each additional aid dollar. Congress has previously advised against aid to Indonesia, leaving the final decision to the discretion of the President in furtherance of our national interest. The administration has provided in this bill additional aid to a country that has become even more hostile to us in the last year of continued aid. This aid has been requested without an adequate explanation as to why it is in the national interest of the United States.

For all these reasons I urge that the AID program to Indonesia be discontinued in the best interests of the United States. This would be not only an economy measure but also a security measure. Only with this discontinuation can we be assured that our foreign aid program will be consistent with our foreign policy.

Mr. President, I ask unanimous consent to have printed in the RECORD an article published in the Washington Post for July 19, 1964, written by Robert H. Estabrook, entitled "Malaysian Chief To Visit United States Seeking Halt to Indonesian Aid."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, July 19, 1964]

MALAYSIAN CHIEF TO VISIT UNITED STATES SEEKING HALT TO INDONESIA AID

(By Robert H. Estabrook)

LONDON, July 18.—Tunku Abdul Rahman, Prime Minister of Malaysia who will arrive in Washington Wednesday on an official visit, hopes to persuade the Johnson administration to stop all aid to Indonesia except food and medicine.

Embattled in a war against Indonesian subverison, the Tunku nevertheless believes that the United States has miscalculated the danger of a Communist takeover in Indonesia.

Fear of such a development has been cited as justification for continued American aid despite Indonesian President Sukarno's threat to crush the Federation of Malaysia.

The Tunku argues that the majority of Indonesians, being Moslems, will never go Communist despite a Communist Party numbering 2 million members in a population of 100 million.

At the same time he contends that Sukarno, who is using the confrontation with Malaysia as a distraction from domestic economic troubles, is unwittingly abetting Communist designs for the absorption of all southeast Asia.

LOANS, NOT TROOPS

Rahman does not seek troop assistance from the United States. He would however, like to obtain loans and other assistance that will permit Malaysia to continue necessary economic development at home while carrying the burden of war.

Militarily, he asserts, Malaysia is holding her own with the help of two brigades of British troops plus additional support from Australia and New Zealand. He would like to see the war stepped up slightly to include action against Indonesian bases when his troops are in hot pursuit.

Despite the involvement of Australia and New Zealand, the Tunku does not believe that the ANZUS Pact should be invoked to bring in the United States. He is interested in more military equipment, however, particularly aircraft from Canada.

Although he expresses himself as satisfied with the moral support given Malaysia at the conference of Commonwealth prime ministers here last week, he expects physical help only from the white Commonwealth countries.

HOLDS OFF ON U.N.

Apprehension over attitudes of African and Asian members plus fear of a Soviet veto in the Security Council presumably are what have deterred him from taking a complaint to the United Nations notwithstanding urging from Britain. He has, however, kept the U.N. informed.

The salty Tunku (his title means "Prince") is dead set against neutralism for Malaysia. "There can be no neutrality in southeast Asia," he asserts, "in an area that has been pestered by the Communists all these years."

What finally halted the Communist jungle war against Malaya, he contends, was the British grant of independence in 1957. With this psychological assistance all guerrilla activity was overcome within 18 months except for a small pocket along the border of Thailand.

Partly as a bulwark against Communist subversion, the Federation of Malaysia was formed last summer to join Singapore, Sarawak, and Sabah (North Borneo) with Malaya. It was at that time that Sukarno mounted his confrontation with Indonesian troops released from West Irian (West New Guinea).

Rahman will fly to New York and then to Langley Air Force Base, Va., on Tuesday, spending the night at Williamsburg. Following his consultations in Washington with President Johnson and other officials, he will fly to Ottawa at the invitation of Canadian Prime Minister Lester Pearson.

LEGISLATIVE REAPPORTIONMENT

Mr. PROXMIRE. Mr. President, it is my understanding that tomorrow the amendment of the Senator from Illinois [Mr. DIRKSEN] will be presented to the Senate. I expect that there will be a long, thorough discussion on this most significant amendment. I believe that the Senate owes it to the country and to itself to explore the amendment in greatest detail because, for many reasons, it represents serious interference with the Supreme Court and with a principle which is gradually becoming more widely accepted, a principle which is fundamental to democracy. That principle is: One man, one vote.

In principle, this is just as fundamental to democracy as universal suffrage.

By not following this policy, whatever the other bases for voting may be—whether property, whether race, whether some kind of preferred position, or whether it is areas, as it now is in most of the States—democracy is obviously being frustrated and denied.

Mr. HART. Mr. President, will the Senator from Wisconsin yield?

Mr. PROXMIRE. I am glad to yield.

Mr. HART. I am delighted that the Senator from Wisconsin has raised this question as we conclude our deliberations tonight. In a sense, the Senator is putting everyone on notice of what lies ahead in connection with the amendment offered by the Senator from Illinois.

The Senator has mentioned tradition and customs in our country. I have been in the Senate long enough to have received many lectures about tradition and customs in the Senate, too. One of them is never to bypass committees. The committees must give attention to matters which are presented to them in order that the Senate may more intelligently proceed to the consideration of a bill which is reported to it.

In the case of the amendment of the Senator from Illinois [Mr. DIRKSEN], there was no hearing in the committee. There is no record. We could purchase the most expensive compass in the world and we would never be able to find out in what direction the Dirksen amendment really points.

The argument is made that unless we adopt the Dirksen amendment there will be chaos across the country as the courts are asked to give constitutional rights to the people of America. In my book, the real chaos will develop if we enact a bill—at the moment I believe that few, if any, Senators understand precisely what it does—and then say to the country, "All right, figure out where you go from here." The chaos argument cuts both ways.

I, too, feel that only the very fullest discussion of a measure like this, especially since it lacks any committee attention, is essential.

I hope that the proposal will be recognized for what it is—A course of great danger which in effect says to the Supreme Court, "Move over, we are mounting the bench."

That is not the role of Senators. The Supreme Court has asserted the constitutional guarantee to each citizen, that he shall be represented equally in a State legislature.

I believe that the district courts across the country better understand the particular circumstances which are applicable in giving effect to that ruling than is Congress sitting in Washington.

We have heard that lecture many times, too.

Here we undertake, if the Dirksen amendment has any meaning at all, to tell the Court what to do.

This is not what Senators were elected for. This is not what the Constitution authorizes us to do. I believe it would be unsound public policy for us to suspend the availability of a constitutional guarantee. If this can be done for 24 hours, if it can be suspended for 24 hours for this purpose, why not suspend it for 24 years?

Mr. PROXMIRE. The Senator from Michigan could not be more right. My argument was that the "one man, one vote" principle is a fundamental principle of democracy. But what is even more critical in this case is that it is proposed that Congress by law prevent—for years—the Supreme Court from protecting the rights of individual American citizens, their constitutional rights, in the judgment of Congress.

I believe that this is, as the Senator from Michigan has stated, a tragic error—a terrible precedent.

The No. 1 crime for Congress is to prevent the Supreme Court of the United States from protecting the rights of American citizens. But is not that just what we shall be doing if we adopt the Dirksen amendment?

Mr. HART. I thank the Senator from Wisconsin. I assure him that we both feel equally serious on this subject.

Mr. PROXMIRE. Mr. President, I yield the floor.

ADJOURNMENT TO 10 A.M. TOMORROW

Mr. BAYH. Mr. President, if there is no further business to come before the Senate, I move that the Senate adjourn until 10 o'clock a.m. tomorrow, in accordance with the previous order.

The motion was agreed to; and (at 7 o'clock and 11 minutes p.m.) the Senate, under the previous order, adjourned until tomorrow, Thursday, August 13, 1964, at 10 o'clock a.m.

HOUSE OF REPRESENTATIVES

WEDNESDAY, AUGUST 12, 1964

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

The words of Jesus to Nicodemus: John 3: 7: *Marvel not that I say unto thee, Ye must be born again.*

Almighty and gracious God, we are daily beseeching Thee that the hearts of men and nations may be reborn with a vibrant and radiant sense of Thy presence and a stronger desire and determination for a civilization wherein dwelleth justice and righteousness, peace and good will.

Grant that in the great task of solving the problems of our social order, we may help to cultivate among mankind that community and cooperative spirit, that spirit of tolerance and forbearance, that spirit of sympathy and kindly judgment which will bridge all division and heal all dissension.

We pray that there may be breathed into the heart of man a spiritual rebirth and resurgence of faith, hasten our return to Thee, not because we are afraid and are at our wits end but because we love Thee and have a noble appreciation of Thy greatness and goodness.

In Christ's name we offer our prayer. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 5044. An act to amend the act entitled "An act to provide for a mutual-aid plan for fire protection by and for the District of Columbia and certain adjacent communities in Maryland and Virginia, and for other purposes";

H.R. 5337. An act to increase the partial pay of educational employees of the public schools of the District of Columbia who are on leave of absence for educational improvement, and for other purposes;

H.R. 6350. An act to amend the act entitled "An act for the regulation of the practice of dentistry in the District of Columbia, and for the protection of the people from empiricism in relation thereto," approved June 6, 1892, as amended; and

H.R. 7441. An act to amend the act entitled "An act to authorize the Commissioners of the District of Columbia to remove dangerous or unsafe buildings and parts thereof, and for other purposes," approved March 1, 1899, as amended.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 4844. An act relating to the release of liability under bonds filed under section 44(d) of the Internal Revenue Code of 1939 with respect to certain installment obligations transmitted at death.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 1839) entitled "An act to amend the Tariff Act of 1930 to provide for the free importation of wild animals and wild birds which are intended for exhibition in the United States," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Byrd of Virginia, Mr. Long of Louisiana, Mr. Smathers, Mr. Williams of Delaware, and Mr. Carlson to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendment of the House to the amendment of the Senate, and insists upon its amendment to the bill (H.R. 2434) entitled "An act to amend section 560 of title 38, United States Code, to permit the payment of special pension to holders of the Congressional Medal of Honor awarded such medal for actions not involving conflict with an enemy, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Byrd of Virginia, Mr. Long of Louisiana, Mr. Smathers, Mr. Williams of Delaware, and Mr. Carlson to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 8864) entitled "An act to carry out the obligations of the United States under the International Coffee Agreement, 1962, signed at New York on September 28, 1962, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Byrd of Virginia, Mr. Long of Louisiana, Mr. Smathers, Mr. Williams of Delaware, and Mr. Carlson to be the conferees on the part of the Senate.

The message also announced that the President pro tempore had appointed Mr. Sparkman to be a member on the part of the Senate to the Interparliamentary Union Conference to be held in Copenhagen, Denmark, August 20 to 28, 1964, vice Mr. Metcalf.

H.R. 2262—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 336)

The SPEAKER. The Chair lays before the House the following communication which the Clerk will read.

The Clerk read as follows:

House of Representatives,
Washington, D.C., August 11, 1964.

The Honorable the Speaker,
House of Representatives.

Sir: I have the honor to transmit herewith a sealed envelope addressed to the Speaker of the House of Representatives from the President of the United States, received in the Clerk's office at 6:25 p.m. on August 11, 1964, and said to contain a veto message on H.R. 2262, an act for the relief of Catalina Properties, Inc.

Repectfully yours,
Ralph R. Roberts,
Clerk, U.S. House of Representatives.
By John A. Roberts.

The SPEAKER laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I return herewith, without my approval, H.R. 2262, an act for the relief of Catalina Properties, Inc.

This bill is a substantial reenactment of H.R. 12701, 87th Congress, approval of which was withheld by President Kennedy in his memorandum of disapproval dated October 18, 1962, copy of which is set out on page 32 of House Report No. 224, 88th Congress. In view of the passage of this measure for the second time, I have carefully reviewed the reports of the House and Senate Committees on the Judiciary and the advisory opinion and findings of the Court of Claims upon which the committee reports are based. No additional facts or reasons in support of the measure have been presented which were not considered fully at the time the memorandum of disapproval was written. After thorough consideration of the underlying facts, I find myself in full agreement with President Kennedy.

The bill directs the Secretary of the Treasury to pay $29,425.01 to Catalina Properties, Inc. This payment is based upon the assumption that the United States should have and could have collected a debt due Catalina Properties, upon which it served a notice of levy and warrant for distraint for nonpayment of taxes. Approval of this bill might imply that when the Internal Revenue Service makes a levy against the property of a delinquent taxpayer it must assume the obligation of instituting court proceedings to collect the debts due the taxpayer. I agree with President Kennedy that the Government should not be asked to assume this burden. In the absence of some showing of bad faith by Government officials, which is not raised here, no equity can be said to arise in favor of the taxpayer merely because the Government has not taken affirmative steps to collect his debt. Approval of this bill would create an unfortunate precedent which would weaken the effectiveness of necessary distraint procedures in the collection of revenues due the Government.

Accordingly, I am returning H.R. 2262 without my approval.

Lyndon B. Johnson.

The White House, *August 11, 1964.*

The SPEAKER. The objections of the President will be spread at large upon the Journal.

Without objection, the bill and message will be referred to the Committee on the Judiciary and ordered to be printed.

REPLACEMENT OF THE GREAT SEAL OF THE HOUSE OF REPRESENTATIVES—COMMUNICATION FROM THE CHAIRMAN, COMMITTEE ON HOUSE ADMINISTRATION

The SPEAKER laid before the House the following communication from the chairman of the Committee on House Administration:

U.S. House of Representatives,
Committee on House Administration,
Washington, D.C., July 29, 1964.

Hon. John W. McCormack,
Speaker, U.S. House of Representatives, Washington, D.C.

Dear Mr. Speaker: House Resolution 560 provides for the replacement of the great seal of the House of Representatives. The resolution further provides that when approved by the Committee on House Administration the chairman shall notify the Speaker and it shall then become the official great seal of the House of Representatives.

The Committee on House Administration in a meeting convened July 29, 1964, a quorum being present, did formally approve the new seal and direct me to advise you of this action. An impression on a gold wafer of the new great seal and a copy of House Resolution 560 are attached.

With best wishes, I am,
Sincerely yours,
Omar Burleson,
Chairman.

CIVIL FUNCTIONS APPROPRIATION BILL, 1965

Mr. KIRWAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 11579) making appropriations for certain civil functions administered by the Department of Defense, the Panama Canal, certain agencies of the Department of the Interior, the Atomic Energy Commission, the St. Lawrence Seaway Development Corporation, the Tennessee Valley Authority and the Delaware River Basin Commission, for the fiscal year ending June 30, 1965, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Ohio? The Chair hears none, and appoints the following conferees: Messrs. Kirwan, Fogarty, Mahon, Jensen, and Pillion.

CIVIL FUNCTIONS APPROPRIATION BILL, 1965—AUTHORITY TO FILE CONFERENCE REPORT

Mr. KIRWAN. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight Friday to file the conference report on H.R. 11579.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

Mr. GROSS. Mr. Speaker, the request relates to the same bill?

The SPEAKER. The gentleman is correct. Is there objection to the request of the gentleman from Ohio?

There was no objection.

JIM BENNETT RETIRES AS DIRECTOR OF FEDERAL PRISON SYSTEM

Mr. SIKES. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. SIKES. Mr. Speaker, the Honorable Jim Bennett's retirement as Director of the Federal Prison System is soon to take place. It has long since been fully earned, but it will nevertheless be a great loss to the Government. I have known him a long time. I have watched his work with appreciation and respect. As a member of the Committee on Appropriations, I have had full opportunity to be cognizant of his great ability and his devotion to his responsibilities. So, I admire him as an extremely able administrator and as a person with many outstanding attributes.

I want to inject just a little personal note into this tribute because I think it will show something of the type of accomplishments which have marked his long and successful record. A few years ago I worked closely with Mr. Bennett in getting a new prison camp started at Eglin Air Force Base, Fla. The establishment of the camp at Eglin is an example of the economy, the spirit of cooperation, and the high principles that have been characteristic of the Federal Prison System under Jim Bennett. The prisoners at Eglin perform useful work for the Air Forces for which appropriated funds are not available, and at the same time the Air Force provides housing facilities and resources for the care and training of the prisoners. Everyone profits from this arrangement—the Air Force gets needed work done, the Federal Prison System can keep its costs down, and the prisoners gain valuable employment experience and training. And, the taxpayer gets a whale of a lot for his money.

There are Federal prison camps on other Air Force bases also, and in my opinion the mutually cooperative arrangement between the Federal Prison System and the Air Force is one of the best examples of interagency cooperation in Government. It ought to be more widely emulated.

Jim Bennett has many, many accomplishments to his credit, and I wish to state my own appreciation for everything he has done to build the Federal Prison System into the splendid organization that it is and for everything he has done over the years to improve the administration of justice generally.

PEACE AND FREEDOM THROUGH COLD WAR VICTORY

Mr. MARSH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. MARSH. Mr. Speaker, a thought-provoking book is being published today under the auspices of the American Security Council.

This slim but fact-packed volume is entitled "Peace and Freedom Through Cold War Victory." It was 2 years in preparation by the 28 national figures who comprise the national strategy committee of the council. This committee is headed by Robert Galvin, chairman of the board of Motorola, Inc., and the cochairman is Loyd Wright, former president of the American Bar Association.

John M. Fisher, president of the American Security Council, points out that the publication is subtitled "Guidelines for Cold War Victory," and he describes it as "a synthesis of the best liberal, moderate, and conservative thinking on how we can win the cold war without a nuclear war."

Taking the premise that the cold war is not, inevitably, a conflict without end, this book suggests courses in national policy which could contribute significantly to eventual victory. As such, it should stimulate productive discussion on a nonpartisan basis of what our strategy should be against the many-pronged worldwide relentless and resourceful attack of the Communist conspiracy.

CONGRESS SHOULD STAY REAPPORTIONMENT

Mr. WYMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New Hampshire?

There was no objection.

Mr. WYMAN. Mr. Speaker, surely we are not going to adjourn this session of Congress without acting to stay reapportionment of State legislative bodies, pending ratification of a constitutional amendment to confirm that the States may apportion at least one house. If we do not act now in this Congress, many State legislative bodies will be reapportioned even before the next Congress returns. Federal courts are issuing orders to this effect on a wholesale basis. Legislatures once reapportioned, of course, will not ratify a constitutional amendment disenfranchising many of its new members. None know this any better than the determined few on the U.S. Supreme Court who, indifferent to the true Constitution of this land, are willfully rewriting our laws in their own image.

The people have only this Congress left for their protection in the defense and preservation of the Constitution of the United States. There is no appeal from the U.S. Supreme Court except by the people to the Congress.

There is no more important domestic issue demanding action by Congress now. The Judiciary Committee should report a bill and a joint resolution this week.

AUTHORITY TO FILE ADDITIONAL VIEWS ON H.R. 12298

Mr. FINDLEY. Mr. Speaker, I ask unanimous consent that I may have until midnight tonight to file my additional views on H.R. 12298.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

THE VIETNAM SITUATION AND THE RADAR CLAIMS

Mr. HOSMER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HOSMER. Mr. Speaker, just 24 hours ago in this forum I pointed out the obvious flaw in the administration's claim that President Johnson's announcement 1 hour and 39 minutes before U.S. naval reprisal against North Vietnamese installations did not tip our hand because our aircraft allegedly had already been picked up on North Vietnamese radar before the President spoke. Flying at 500 miles per hour our jet aircraft would cover 825 miles in that length of time. Hong Kong is about that distance from the points of attack. Obviously North Vietnam possesses no such long-distance radar capability not only to detect the aircraft, but to identify them as bent on attack. On the other hand, if the aircraft were within usual radar ranges during the 1 hour and 39 minutes, they must have been on varying courses over the high seas which could not have indicated their intention.

Yesterday I called for an explanation of this peculiar situation from the administration. None has been made. I call again for such an explanation.

FRASER LAUDS PASSAGE OF H.R. 1927

Mr. FRASER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Minneapolis?

There was no objection.

Mr. FRASER. Mr. Speaker, Americans have long believed that the men who have defended this country in wartime deserve the protection of pension programs. To be consistent with our commitment to provide for veterans and their survivors, we must revise these pension programs to keep them up to date. The bill we passed yesterday, H.R. 1927, provides a long-needed revision. It is an important step in the direction of insuring that veterans and their widows will be able to afford the goods and services essential for a healthful and self-respecting life.

The provisions of H.R. 1927 seek to improve the pension law in several areas. For one thing, the bill would allow new exclusions from income in determining pension eligibility. The veteran could exclude 10 percent of the total social security payments he receives in a year.

This would insure that the proposed 5-percent increase in social security benefits would not cut his pension. He could exclude amounts paid for the last illness and burial of his deceased spouse or child. He could exclude profit from nonbusiness sale of property. He could exclude payments received for jury or other civic duty. He could exclude payments received under the War Orphan's Act. He could exclude any bonus paid by a State. Finally, all of the wife's earned income could be excluded by a veteran in calculating his total income. Under the present law, he can exclude only the first $1,200 of her income.

These "exclusion" provisions will extend well-deserved assistance to many thousands of veterans.

But the bill liberalizes the pension program in other areas as well. For example, present law requires that veterans must be 10-percent disabled and unemployable in order to receive a pension at age 65. H.R. 1927 removes this requirement. Moreover, the new bill increases the additional allowance for aid and attendance cases from $70 to $100.

And the bill provides a new rate of $35 additional per month to any veteran who is permanently housebound.

These and other provisions of H.R. 1927 will make a substantial contribution to the welfare of veterans. I hope that the Senate will act quickly to enact the bill into law.

COMMITTEE ON BANKING AND CURRENCY

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may sit while the House is in session today during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

DISTRICT OF COLUMBIA APPROPRIATIONS, 1965

Mr. NATCHER. Mr. Speaker, I call up the conference report on the bill (H.R. 10199) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1965, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

Conference Report (H. Rept. No. 1732)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 10199) "making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1965, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 13, and 21.

That the House recede from its disagreement to the amendments of the Senate numbered 3, 4, 5, 11, 12, 16, and 23, and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$18,764,000"; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$69,208,000"; and the Senate agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$157,025"; and the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$68,051,000"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$9,794,000"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$13,578,000"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$9,300,900"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment, as follows: In lieu of the matter proposed by said amendment insert: "new elementary school in the vicinity of Seventh and Webster Streets Northwest, Nichols Avenue Elementary School replacement, Tyler Elementary School addition,"; and the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$58,662,000"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$6,830,000"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$13,185,000"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,887,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendment numbered 10.

William H. Natcher,
Robert N. Giaimo,
George Mahon,
Earl Wilson,
Louis C. Wyman,
Managers on the Part of the House.

Robert C. Byrd,
Hubert H. Humphrey,
E. L. Bartlett,
Allen J. Ellender,
John Stennis,
Alan Bible,
Clifford P. Case,
Norris Cotton,
Leverett Saltonstall,
Managers on the Part of the Senate.

Statement

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 10199) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1965, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommend in the accompanying conference report as to each of such amendments; namely:

FEDERAL PAYMENT TO THE DISTRICT OF COLUMBIA

Amendment No. 1—Federal payment: Appropriates $37,500,000 as proposed by the House instead of $41,000,000 as proposed by the Senate.

Operating expenses

Amendments Nos. 2, 3, 4, and 5—General operating expenses: Appropriate $18,764,000 instead of $18,677,000 as proposed by the House and $18,935,000 as proposed by the Senate; provide that $180,700 shall be payable from the highway fund as proposed by the Senate instead of $179,200 as proposed by the House; provide that $34,100 shall be payable from the water fund as proposed by the Senate instead of $26,100 as proposed by the House; and provide that $16,600 shall be payable from the sanitary sewage works fund as proposed by the Senate instead of $8,600 as proposed by the House.

Amendments Nos. 6 and 7—Public safety: Appropriate $69,208,000 instead of $69,041,000 as proposed by the House and $69,307,700 as proposed by the Senate; and provide that $157,025 shall be available for the Legal Aid Agency instead of $149,550 as proposed by the House and $164,650 as proposed by the Senate.

Amendment No. 8—Education: Appropriates $68,051,000 instead of $67,910,000 as proposed by the House and $68,273,000 as proposed by the Senate.

Amendment No. 9—Parks and recreation: Appropriates $9,794,000 instead of $9,769,000 as proposed by the House and $9,844,000 as proposed by the Senate.

Amendment No. 10—Health and welfare: Reported in technical disagreement. The managers on the part of the House will offer a motion to appropriate $74,670,000 instead of $74,833,000 as proposed by the House and $75,041,575 as proposed by the Senate.

Amendments Nos. 11 and 12—Health and welfare: Provide that the inpatient rate and outpatient rate for Children's Hospital only shall not exceed $40 per diem and $6.75 per visit respectively as proposed by the Senate.

Amendments Nos. 13, 14, and 15—Highways and traffic: Provide that of the sum appropriated $73,526 shall be available for traffic safety education as proposed by the House instead of $81,239 as proposed by the Senate; appropriate $13,578,000 instead of $13,573,000 as proposed by the House and $13,586,000 as proposed by the Senate; and provide that of the sum appropriated $9,300,900 shall be payable from the highway fund instead of $9,295,900 as proposed by the House and $9,308,900 as proposed by the Senate.

Capital outlay

Amendment No. 16: Deletes authority for the preparation of plans and specifications for the Shaw Junior High School replacement as proposed by the Senate.

Amendment No. 17: Deletes authority proposed by the Senate for the preparation of plans and specifications for the Seaton Elementary School replacement; and provides authority for the preparation of plans and specifications for a new elementary school in the vicinity of Seventh and Webster Streets Northwest, Nichols Avenue Elementary School replacement, and Tyler Elementary School addition as proposed by the Senate.

Amendments Nos. 18, 19, 20, 21, and 22: Appropriate $58,662,000 instead of $55,887,000 as proposed by the House and $58,679,500 as proposed by the Senate; provide that $6,830,000 shall not become available for expenditure until July 1, 1965, instead of $6,750,000 as proposed by the House and $6,870,000 as proposed by the Senate; provide that of the sum appropriated $13,185,000 shall be payable from the highway fund instead of $13,155,000 as proposed by the House and $13,371,000 as proposed by the Senate; deletes $31,000 proposed by the Senate for the construction of a parking lot to be financed from the motor vehicle parking account; and provide $1,887,000 for construction services instead of $1,680,000 as proposed by the House and $2,024,500 as proposed by the Senate. The committee of conference has included not to exceed $2,351,000 for the acquisition of a site, the location to be determined by the Commissioners, for a new downtown library. The Senate allowance for the acquisition of sites for the Congress Heights and Takoma Elementary Schools has also been deleted by the committee of conference.

General provisions

Amendment No. 23—Section 15: Provides that the limitation for "Construction Services, Department of Buildings and Grounds" shall be 8 percent of appropriations for construction projects as proposed by the Senate instead of 7 percent as proposed by the House.

WILLIAM H. NATCHER,
ROBERT N. GIAIMO,
GEORGE MAHON,
EARL WILSON,
LOUIS C. WYMAN,
Managers on the Part of the House.

Mr. NATCHER. Mr. Speaker, the amount recommended for the operation of the District of Columbia government for the fiscal year 1965 is $341,242,200. The House approved a Federal payment of $37.5 million to the general fund and the other body increased this amount $3.5 million, making the total $41 million. The amount approved by the House, $37.5 million, was accepted in conference. The total amount for the District government as agreed to in conference is $16,620,100 less than the budget estimates.

The loan authority of $20 million approved by the House was also approved by the other body.

The bill provides a balanced budget in that total estimate of revenues are sufficient to meet the appropriations agreed upon and also creates a reserve of $2,815,000 in the general fund for salary increases for employees covered by the recently enacted classified pay bill. The total police force authorized strength of 3,000 and 100 man-dog teams is funded in this legislation. We also provide for 251 new teaching positions and 17 new capital outlay projects in the public school system. Funds for a new downtown central library site are also included in this budget. In addition provision has been made for the construction of one new branch library, and plans and specifications for another one. I will include at this point in the RECORD a comparative summary of the bill.

Mr. NATCHER. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include the following table.

The **SPEAKER.** Is there objection to the request of the gentleman from Kentucky?

There was no objection.

District of Columbia appropriation bill, 1965 (H.R. 10199)

	1964 appropriation	1965 budget estimate	Passed House	Passed Senate	Conference action	Conference action compared with—			
						1964 appropriation	Budget estimate	House	Senate
FEDERAL FUNDS									
Federal payment to District of Columbia:									
General fund	$37,000,000	$50,000,000	$37,500,000	$41,000,000	$37,500,000		−$12,500,000		−$3,500,000
Water fund	1,924,000	2,047,000	2,047,000	2,047,000	2,047,000	+$123,000			
Sanitary sewage works fund	944,000	1,173,000	1,173,000	1,173,000	1,173,000	+229,000			
Total, Federal funds	40,368,000	53,220,000	40,720,000	44,220,000	40,720,000	+352,000	−12,500,000		−3,500,000
LOAN AUTHORIZATION									
(Out of the general revenues of the Federal Treasury)									
Loans for capital outlay:									
General fund	11,300,000	8,600,000	20,000,000	20,000,000	20,000,000	+8,700,000	+11,400,000		
Highway fund		800,000	1,400,000	1,400,000	1,400,000	+1,400,000	+600,000		
Sanitary sewage works fund	8,000,000	5,000,000	5,000,000	5,000,000	5,000,000	−3,000,000			
Total, loan authorization	19,300,000	14,400,000	26,400,000	26,400,000	26,400,000	+7,100,000	+12,000,000		
DISTRICT OF COLUMBIA FUNDS									
Operating expenses	261,940,953	279,877,700	276,954,200	278,138,425	277,216,200	+15,275,247	−2,661,500	+$262,000	−922,275
Repayment of loans and interest	4,992,065	5,364,000	5,364,000	5,364,000	5,364,000	+371,935			
Capital outlay	46,536,500	72,620,600	55,887,000	58,679,500	58,662,000	+12,125,500	−13,958,600	+2,775,000	−17,500
Total, District of Columbia funds	313,469,518	357,862,300	338,205,200	342,181,975	341,242,200	+27,772,682	−16,620,100	+3,037,000	−939,775

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. NATCHER. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, I thank the gentleman for yielding. Do I understand correctly that this appropriation of Federal funds for the District of Columbia is at the same level as it was last year?

Mr. NATCHER. The gentleman is absolutely correct. I would like to say to my friend from Iowa that the other body yielded in conference and the House conferees brought back the figure of $37,500,000 which is the identical amount that we appropriated last year.

Mr. GROSS. I am pleased to hear that the Federal contribution was not increased, and that the total figure in the bill has been reduced from that originally set up by the other body. I believe I am correct in that?

Mr. NATCHER. The gentleman is absolutely correct.

Mr. GROSS. Mr. Speaker, may I ask the gentleman this question. Is there any specific language in this bill with respect to the payment of either principal or interest on this "white elephant" $20 million District of Columbia stadium?

Mr. NATCHER. No provision is made in this bill for the District of Columbia for the fiscal year 1965 for payments of either principal or interest for that purpose.

Mr. GROSS. Except as they may use a portion of the Federal contribution for the purpose of paying interest?

Mr. NATCHER. The gentleman is correct; but I believe he will find that the amount appropriated would not be sufficient for that purpose. The chances are that when the next interest payment becomes due the District government will have to perform the same act it has performed in the past of going to the Treasury and borrowing $832,000 to pay the interest on that stadium which the gentleman and I have termed a "white elephant."

Mr. GROSS. Mr. Speaker, I thank the gentleman and I commend the subcommittee for its work.

Mr. NATCHER. I thank the gentleman, Mr. Speaker. At this time I yield to my friend from Indiana, the ranking minority member on the subcommittee and one of the ablest Members of the House, the gentleman from Indiana [Mr. Wilson].

Mr. WILSON of Indiana. Mr. Speaker, I concur in what our distinguished chairman, the gentleman from Kentucky, Congressman Natcher, has just said. We have brought out an exceptionally fine conference report. We are phasing out the school problems of the District of Columbia. I think in another 2 or 3 years we will have cared for the classroom needs and we will have reduced the pupil-teacher ratio to national standards in the school system in the District, which will be one of the best. Also we have taken care of the Police and Fire Department needs and they are doing a splendid job.

Mr. Speaker, I support the conference report.

Mr. GIAIMO. Mr. Speaker, I wish to associate myself with the remarks of my distinguished chairman and friend, the gentleman from Kentucky, Congressman Natcher. He has done his usual excellent and thorough job on this year's budget for the District of Columbia, continuing his tradition of interest in the welfare of our Nation's Capital. It has been a pleasure to work with him, and I believe that all residents of the District should be grateful to him for his zeal and sense of fairness.

I should also like to congratulate the chairman of the House Appropriations Committee, the distinguished Member from Texas [Mr. Mahon] for his leadership and assistance. He is an excellent chairman and it is an honor to serve on his committee.

This year's District of Columbia budget contains many significant and forward-looking provisions. I am particularly pleased by the expenditures in the field of education, which will enable us to reduce the pupil-teacher ratio in elementary schools to 30 to 1 and hold it at 25 to 1 in secondary schools. This is indeed necessary and certainly the maximum ratio which should exist.

I am also happy that we were able to keep the provision for funds for the purchase of a site for a new library for the District of Columbia. I believe that this is a worthwhile project and one which will be of lasting benefit to the District.

There are two other items in the budget which are particularly gratifying to me. One provides funds for a small contribution to the summer Shakespeare festival. This year's production of "A Midsummer Night's Dream" was hailed by almost all who attended, and I congratulate its producer, Mrs. Ellie Chamberlain, on another excellent and brilliant production.

This year, also, funds were included for a contribution to the National Symphony. We are fortunate to have an orchestra of this caliber and a musical director of the genius of Dr. Mitchell's. Certainly we should acknowledge this by assisting in at least a small way. Other cities of comparable size have been contributing to their symphonies for years, and the District should certainly follow suit.

As many of you know, I have been active in efforts to have the District of Columbia included in the aid to dependent children of unemployed parents program. We were successful in passing this in the House, but efforts to include it in the Senate bill have been notoriously unsuccessful. I believe that the Senate's position is incorrect, but we were unable to reach agreement on this program without endangering the other extremely vital portions of this bill and endangering the fiscal process of the District of Columbia. I deeply regret that this should happen and hope sincerely that the Senate can be made to recognize the basic fallacy and unfairness of its position. We should not ignore our responsibilities to those who cannot adequately feed and clothe themselves.

Again, Mr. Speaker, I urge adoption of this conference report and commend my colleagues on the subcommittee for their work on this measure.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

The SPEAKER. The Clerk will report the amendment in disagreement.

The Clerk read as follows:

Amendment No. 10: Page 6, line 13, strike out "$74,833,000" and insert "$75,041,575".

Mr. NATCHER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Natcher moves that the House recede from its disagreement to the amendment of the Senate numbered 10 and concur therein with an amendment, as follows: "74,670,000".

The motion was agreed to.

A motion to reconsider the conference report and the amendment was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. NATCHER. Mr. Speaker, I ask unanimous consent that all Members have 3 legislative days in which to extend their remarks on the conference report just approved.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

LEGISLATIVE BRANCH APPROPRIATIONS BILL, 1965

Mr. STEED. Mr. Speaker, I call up the conference report on the bill (H.R. 10723) making appropriations for the legislative branch for the fiscal year ending June 30, 1965, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

Conference Report (H. Rept. No. 1711)

The committee of conference on the disagreeing votes of the two Houses on certain amendments of the Senate to the bill (H.R. 10723) "making appropriations for the legislative branch for the fiscal year ending June 30, 1965, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 44 and 45.

That the House recede from its disagreement to the amendments of the Senate numbered 31, 32, 33, 36, 42, and 43, and agree to the same.

Amendment numbered 35: That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,624,300"; and the Senate agree to the same.

Amendment numbered 39: That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$2,665,000"; and the Senate agree to the same.

Amendment numbered 40: That the House recede from its disagreement to the amendment of the Senate numbered 40, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$2,382,200"; and the Senate agree to the same.

Amendment numbered 41: That the House recede from its disagreement to the amendment of the Senate numbered 41, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$2,245,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 29, 30, 34, 37, 46, and 47.

Tom Steed,
Michael J. Kirwan,
George Mahon,
Walt Horan,
Odin Langen,
Managers on the Part of the House.

A. S. Mike Monroney,
Hubert H. Humphrey,
E. L. Bartlett,
William Proxmire,
Carl Hayden,
Leverett Saltonstall,
Milton R. Young,
Thomas H. Kuchel,
Managers on the Part of the Senate.

Statement

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate Nos. 29 to 37, inclusive; and 39 to 47, inclusive, to the bill (H.R. 10723) making appropriations for the legislative branch for the fiscal year ending June 30, 1965, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each such amendment, namely:

AMENDMENTS PREVIOUSLY AGREED TO

Amendments of the Senate Nos. 1 to 28, inclusive; and No. 38, relating solely to appropriations for the expenses of that body, were agreed to by the House just prior to sending the remaining amendments, listed above, to conference on August 3.

JOINT COMMITTEE ON REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES

Amendment No. 29: Reported in technical disagreement. Motion will be made to recede and concur.

JOINT ECONOMIC COMMITTEE

Amendment No. 30: Reported in technical disagreement. Motion will be made to recede and concur.

JOINT COMMITTEE ON PRINTING

Amendment No. 31: Appropriates $131,000 as proposed by the Senate instead of $123,530 proposed by the House.

CAPITOL POLICE BOARD

Amendment No. 32: Appropriates $330,600 as proposed by the Senate instead of $144,000 proposed by the House, thus adding $186,600 to provide for detail of 16 uniformed Metropolitan Police for evening duty in and about the Capitol Grounds—8 on each side of the Capitol, 5 of which would be regular privates and 3 would be Canine Corps specialists. With the addition of this extra force, it may well be that the Committee on House Administration will want to consider the fact in reviewing the necessity for additions to the regular force under House Resolution 648, 88th Congress.

Amendment No. 33: Adopts Senate language adjusting the compensation of the new Chief of Police to a parity with his predecessor.

SALARIES, OFFICE OF THE ARCHITECT OF THE CAPITOL

Amendment No. 34: Reported in technical disagreement. Motion will be made to concur in the Senate figure with corrective language.

CAPITOL BUILDING

Amendment No. 35: Appropriates $1,624,300 instead of $1,464,300 proposed by the Senate and $1,630,000 proposed by the House. The conference agreement deletes one additional position from the House allowance.

CAPITOL GROUNDS

Amendment No. 36: Appropriates $740,000 as proposed by the Senate instead of $665,000 proposed by the House. The agreement includes the $75,000 inserted by the Senate to add 7 additional positions and other expenses deemed necessary to upgrade the condition and appearance of the Capitol Grounds and to keep them in good order.

LEGISLATIVE GARAGE

Amendment No. 37: Reported in technical disagreement. Motion will be made to recede and concur.

CAPITOL POWER PLANT

Amendment No. 39: Appropriates $2,665,000 instead of $2,634,000 proposed by the Senate and $2,700,000 proposed by the House. The conference agreement restores 3 maintenance mechanics and some miscellaneous repair funds deleted by the Senate.

LIBRARY BUILDINGS AND GROUNDS—STRUCTURAL AND MECHANICAL CARE

Amendment No. 40: Appropriates $2,382,200 instead of $2,362,000 proposed by the Senate and $2,396,000 proposed by the House. The conference agreement restores 3 air conditioning mechanics deleted by the Senate.

LEGISLATIVE REFERENCE SERVICE

Amendment No. 41: Appropriates $2,245,000 instead of $2,217,500 proposed by the Senate and $2,300,000 proposed by the House. The conference agreement contemplates the addition of 4 new professional-type positions rather than the 8 such positions provided for by the House.

DISTRIBUTION OF CATALOG CARDS

Amendments Nos. 42 and 43: Appropriate $149,000 as proposed by the Senate instead of $180,000 proposed by the House and make necessary conforming adjustment in the text of the appropriating language.

COLLECTION AND DISTRIBUTION OF LIBRARY MATERIAL (SPECIAL FOREIGN CURRENCY PROGRAM)

Amendments Nos. 44 and 45: Appropriate $1,541,500 as proposed by the House instead of $1,860,000 as proposed by the Senate, of which $1,417,000, as proposed by the House, instead of $1,717,000, as proposed by the Senate, is to be drawn from excess U.S.-owned local currency of the countries concerned. The effect of the conference agreement is to withhold extension of this program to additional countries.

NEW GOVERNMENT PRINTING OFFICE PLANT

Amendment No. 46: Reported in technical disagreement. Motion will be made to recede and concur with a perfecting amendment.

GENERAL PROVISIONS

Amendment No. 47: Reported in technical disagreement. Motion will be made to recede and concur with certain amendments to the text of the Senate amendment.

TOM STEED,
MICHAEL J. KIRWAN,
GEORGE MAHON,
WALT HORAN,
ODIN LANGDEN,
Managers on the Part of the House.

Mr. STEED. Mr. Speaker, on behalf of the managers on the part of the House we bring you what we believe is a good bill. We had a satisfactory conference with the other body.

Mr. Speaker, the conference bill is $45,698,860 under the 1965 budget estimates. It is $7,003,359 in actual cash under what the 1964 appropriations totaled. It shows a net cut of $79,300 below the total of the bill as passed by the other body.

Mr. Speaker, one of the items of disagreement in the conference was the action on the part of the other body in adding some additional money to provide for a stronger policing of the Capitol Grounds and area during the night hours. This has been a problem which has given many of us concern for some time.

Mr. Speaker, we thought that the action on the part of the other body was well taken and we agreed with it. Therefore, there will be 16 uniformed Metropolitan Police officers added to our facilities, of which 6 will be dog teams. With this additional personnel—eight on the Senate side and eight on the House side of the Capitol area—we can have a type of security that we have not had heretofore.

Members of the House will recall that some time ago 52 additional police were authorized to the Capitol Police force in order to fill some of these growing needs as well as to help man the new House Office Building which will be in service next year.

While 42 of those positions yet remain to be approved, some saving can perhaps be made by reason of the fact that we are allowing these additional reimbursable police services. We do not now anticipate there will be any actual increase over the number already authorized and contemplated. We hope that the Members will find this agreeable.

We have had, among other things, an unprecedented increase in the number of tourists coming to Washington this year. There were several days when over 40,000 people have gone through the Capitol Building itself. The unprecedented number of Americans coming here to see the Capitol and to see the Congress in session warrants the amount of extra police assistance we have asked for.

Another major item in the bill as a result of the conference was put in by the other body for the architect-engineering planning and fees for a new Government Printing Office plant. The original budget request was for $46,723,000—later corrected to a cost figure of $47,287,000—to plan and construct a new Government Printing Office, but at the time the bill was before the House this project had not been authorized. After this appropriation bill left the House, the project came up for action by the Public Works Committees of the two bodies and they approved the project. As a result of that the Senate added $2.5 million to this bill to finance the architect-engineering planning work and for site selection, but not for buying a site.

Still left undecided is the matter of where this building will be erected. It has given the members of the subcommittee, and I am sure many other Members of Congress, some concern that we have not been able to pin down the location of the building to a specific place. The conferees have agreed, in order to keep the matter in proper perspective and in control of the Congress, we have added an amendment to the Senate amendment which provides that before a final selection of a site for this building can be made the Joint Committee on Printing will have to pass on it. The Joint Committee on Printing is the agency of Congress that takes care of supervising the work of the Government Printing Office. It is, in my opinion, the logical agency to have some say in this matter. We hope that the anxieties that some of us have about a location can be well protected by having whatever choice is made passed on by the joint committee. The joint committee has not only the task of supervising the operations of the Government Printing Office, but it is interested also in the welfare of the employees and the efficiency of the establishment. This will give the Congress all the assurance it needs to know that the thing has to be decided by the joint committee to see that everything will be in proper order and in a way that we will find acceptable.

As an additional safeguard, no construction money has as yet been provided for the actual construction of this building. The Congress will have another opportunity to decide the matter since the construction money must be provided and at the time that comes up the House will then have time to consider it and can assert its will at that time.

There were two other changes in the conference that might be especially mentioned.

In the House version of the bill an item was included to provide some extra space in the Capitol Building itself, primarily to give the doctor some extra room. The air and light shaft near the dome would be closed in and the space captured by that would enable the doctor to have private consultation rooms and a room in which to store his pharmaceuticals.

There has been a great deal of complaint about the inadequate facilities in the doctor's office and this seemed the only practical way to make any improvements in that situation. The other body took this item out but we were able to prevail on them in conference to restore it. The conference agreement will permit this project to go ahead.

Another item that we got the other body to agree to was a reduction from their position on the foreign library acquisition fund. This has been a project that permits the use of U.S. owned, and excess, local currencies in certain foreign countries to aid the research libraries of other countries as well as the Library of Congress in acquiring materials of interest. These research libraries put up a cash contribution on their account to help finance the hard dollar part of this program. We now have this program going in six countries. While it is still in its early stages, we felt that another year of trial in these most needed areas would be well to have before any further expansion in that area was agreed upon.

I think that the other item that I should make some comment on is the last proposition in the bill, amendment No. 47. This has to do with publication of the expenditures of the Congress. If the House will remember, when the bill was before the House a motion to recommit containing section 105 was made, and while it was opposed by myself and the other members of the committee, the House, on a rollcall, adopted that amendment. When the matter got over to the other body it became obvious that the wording of the amendment was so broad and unspecific that it created some very serious problems. After consultation with legal authorities and the General Accounting Office, the other body wrote a greatly expanded version of this section 105.

I still feel that this should not be in this bill. This is a type of legislation that should properly come from the legislative committees concerned.

But in an effort to carry out the express wish of the House, I personally suppressed my own feeling and have done the very best we know how to include in this bill a proviso to come as close as we could to what the House seemed to want.

I want to call the attention of the House to the fact that you may have done something here that we will in time regret. It will cost money to publish these reports and audits that are provided for. While I am the last one in the House that would want to be in a position of trying to hide anything we do here, as a practical matter I still have some doubts about whether under the limited circumstances in which an appropriations committee operates we have made a proper settlement of this matter.

I would urge the proper legislative committees to give this matter a lot of thought and to study this proposition as it unfolds with the idea in view that if it does have some of these untoward or unnecessary or too expensive angles to it, that some legislative redress be given to this so that this matter of publicity for activities will be put in its proper place and removed from the back of this subcommittee because it is extremely difficult for an appropriation subcommittee to try to cope with a matter of this sort.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. STEED. I am happy to yield to the gentleman.

Mr. GROSS. On the subject of section 105, was this language substantially changed as it appeared in italic in the print before you went to conference?

Mr. STEED. The main change that was made, since it costs a lot of money to publish these reports, was the decision that a semiannual publication would be preferable to a quarterly publication. That would reduce the cost of making these records public. It also reduces the burden on the staffs who have to prepare these reports by a considerable amount and it makes it what we believe a more workable program.

Mr. GROSS. Mr. Speaker, will the gentleman yield further?

Mr. STEED. I yield to the gentleman.

Mr. GROSS. Wherein is it stipulated that these reports shall be published? I thought they were simply to be made available, and I did not see any language requiring that they be printed. Is it in the motion to be offered?

Mr. STEED. Oh, yes; it is quite specific as far as the language is concerned. If the gentleman will look on page 37, lines 11–13, of the Senate amendment—which will also be in the motion—it says that the reports required to be submitted to the House of Representatives and Senate under this section shall be printed as Senate and House documents, respectively. And the architects reports and the GAO audits will be printed as Senate documents.

Mr. GROSS. The gentleman is correct. I overlooked that. But even so I can see no reason why these reports should not be made quarterly, except from the standpoint of saving on printing.

Mr. STEED. I might say to the gentleman that the thing that concerns him is illustrative of the fact that trying to do this in an appropriation bill is very, very difficult. We have no way of going into hearings as to the mechanics of how you would prepare these reports. We had to take the word of the employees here who must do the actual physical job of compiling this information. They told us that to do it quarterly will either put an undue burden on them or would require them to have additional personnel and, of course, the frequency of printing adds to the total cost of printing. It is my personal opinion that we are going to wind up here spending perhaps a couple of hundred thousand dollars for some documents—that is an offhand amount—in which there will be very little interest. But I do not want to thwart the will of the House. We have done a conscientious job and we feel we have a workable thing here that will carry out what we believe the House and Senate wanted. If this could be taken up by the proper legislative committees, the points that you are making on these other matters can be gone into and worked out, I think, a lot better than our subcommittee could ever hope to do.

Mr. GROSS. I appreciate the gentleman's statement. He is probably correct, in that this should have been done through separate legislation. Whether it could ever have been done through separate legislation is another question.

Did I correctly understand the gentleman to say that this bill is some $7 million below the appropriation for last year for housekeeping of the House and Senate?

Mr. STEED. In actual dollars, $7,003,359 under the actual appropriation for fiscal year 1964 for the whole bill.

Mr. GROSS. How did you achieve that reduction?

Mr. STEED. The great amount of these savings has been in the nonrecurring capital items. As the gentleman knows, for a number of years we have had to carry a fairly large amount of money in the bill each year to pay for construction going on around the Capitol. This year we are able to go in the other direction to some extent.

In the regular operations of the two bodies there have been some increases in cost this year over last year, brought on by increased activity, by pay raises, and by other factors. Because of the substantial cutback in the nonrecurring capital items, we are able to show an actual dollar net saving of about $7 million, comparing this 1965 conference report with 1964 actual appropriations.

Mr. GROSS. That is largely on the basis of construction?

Mr. STEED. Yes. The nonrecurring capital items.

Mr. GROSS. Did the gentleman make some mention of Members moving into the 100-year pyramid, otherwise known as the New House Office Building? Did the gentleman say at what time next year it is planned that Mr. McCloskey, the fundraiser for the Democratic Party, will have that building completed?

Mr. STEED. It is a little difficult to give the gentleman a categorical answer, because certain phases of the building may be under construction for some months yet.

For practical purposes, the occupation of the building by Members and by committees in a way in which they can proceed with their normal operations is scheduled to begin after the election, after the new membership of the House is determined. That will require some time. They can move about six Members a day with the moving crew we have trained. There are 169 Member suites in the building. I assume that moving so many Members into the new building, plus the chain reaction that starts of moves in the other two buildings once suites are vacated, will result in this "game of musical chairs" running into more than 200 moves, so we will probably have a lot of confusion in moving for some weeks when we come back in January.

Mr. GROSS. The gentleman believes the movement will start about the first of the year; is that correct?

Mr. STEED. That is correct. There may be certain phases not ready. I am not certain. The cafeteria may not be ready on that date. Some other facilities of that sort may not be completed.

As a practical matter, the actual occupancy of the building is scheduled to start with the new Congress.

Mr. GROSS. One final question. Does the gentleman know how many new Cadillacs are provided under this bill? Does the gentleman have any guess or any estimate as to the number of new Cadillacs to be provided?

Mr. STEED. There is no change in the number. As the gentleman knows, we do not buy Cadillacs any more. We rent them on an annual basis from the company direct.

Mr. GROSS. There is some cost involved. I wondered, considering the lush pay increase which will go into effect, whether those who are now the beneficiaries of the Cadillacs could not begin to buy and drive their own cars. They could also pay for the upkeep of those cars, incidentally.

Mr. STEED. The only vehicles we provide for in the bill are authorized by law.

Mr. GROSS. Of course, you provide drivers, gasoline, repairs, and all that sort of thing. It seems to me with the $7,500 increase and all the fringe benefits that go along with it, perhaps next year would be a good time for some people to start owning their own automobiles and driving them.

They get out of the habit of driving a car, and they might, if they indulge in that practice long enough, become something of a hazard on the highways.

Mr. STEED. As I say, that is not within our province to decide. That is done by other committees, and we only carry out their wishes.

Mr. Speaker, I yield to the gentleman from Washington [Mr. HORAN]. I want to say here again that I publicly thank him and his colleagues, the gentleman from Minnesota [Mr. LANGEN] and the others on the subcommittee, for the wonderful cooperation I have had and without which I am sure we would not be able to bring back what I think is one of the best conference reports we have ever had.

I am happy now to yield to my very warm and good friend, the gentleman from Washington [Mr. HORAN].

Mr. HORAN. Mr. Speaker, I am very happy to respond to the chairman of our subcommittee.

In no sense of the word did we approach this bill in a partisan sense. I think the gentleman from Oklahoma [Mr. STEED] made a very fine report on this bill. For the information of the House, I might say that the majority leader's automobile—and it is similar to the minority leader's automobile and the Speaker's automobile—is something for which we provide in this bill; $11,100 for the purchase, exchange, hire, driving, maintenance, repair, and operation. In other words, these automobiles are furnished for the leaders of this Congress. As far as I am concerned, they are most welcome to have that assistance in the performance of their duties.

Mr. Speaker, I trust that we can move on to the previous question on the conference report so that we can consider the items that we found necessary to bring back in technical disagreement.

Mr. STEED. Mr. Speaker, before we do that, under leave granted, I include here a summary of the conference bill with several comparisons.

Legislative appropriation bill, 1965

Item	1964 appropriation	1965 budget estimates	Passed House	Passed Senate	Conference action	Conference action compared with—			
						1964 appropriation	Budget estimate	House	Senate
Senate	$30,983,450	$31,010,390	(1)	$31,397,625	$31,397,625	+$414,175	+$387,235	+$31,397,625	
House of Representatives	53,057,170	54,412,330	$53,777,945	53,777,945	53,777,945	+720,775	−634,385		
Joint items	6,274,024	6,368,325	5,860,595	6,319,415	6,319,415	+45,391	−48,910	+458,820	
Architect of Capitol	33,352,300	22,236,400	[1] 19,607,000	21,799,600	22,010,800	−11,341,500	−225,600	+2,403,800	+$211,200
Botanic Garden	456,500	528,000	500,000	500,000	500,000	+43,500	−28,000		
Library of Congress	20,488,800	[2] 23,959,300	[3] 23,419,100	[4] 23,624,100	[4] 23,333,100	+2,844,300	−626,200	−86,000	−291,000
Government Printing Office	26,992,000	70,285,000	23,562,000	26,062,000	26,062,000	−930,000	−44,223,000	+2,500,000	
General Accounting Office	45,700,000	47,200,000	46,900,000	46,900,000	46,900,000	+1,200,000	−300,000		
Total	217,304,244	[2] 255,999,745	[3] 173,626,640	[4] 210,380,685	[4] 210,300,885	−7,003,359	−45,698,860	+36,674,245	−79,800

[1] By custom, House omits all items under the Senate heading and those items under the Architect of the Capitol pertaining solely to the Senate.

[2] Includes $211,700 supplemental for 1964.

[3] Includes $180,000 supplemental for 1964.

[4] Includes $149,000 arising from the supplemental mentioned in footnote 2 but which, because of lapse of the fiscal year 1964, is to be regarded as fiscal 1965 money.

Mr. STEED. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore (Mr. MACDONALD). The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 29: Page 16, line 3, insert the following:

"JOINT COMMITTEE ON REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES

"For an amount to enable the Joint Committee on Reduction of Nonessential Federal Expenditures to carry out the duties imposed upon it by section 601 of the Revenue Act of 1941 (55 Stat. 726), to remain available during the existence of the Committee, $29,750, to be disbursed by the Secretary of the Senate."

Mr. STEED. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. STEED moves that the House recede from its disagreement to the amendment of the Senate numbered 29 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 30: Page 16, line 12, insert the following:

"JOINT ECONOMIC COMMITTEE

"For salaries and expenses of the Joint Economic Committee, $235,000."

Mr. STEED. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. STEED moves that the House recede from its disagreement to the amendment of the Senate numbered 30 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 34: Page 22, line 8, strike out "$539,000" and insert in lieu thereof "$507,800."

Mr. STEED. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. STEED moves that the House recede from its disagreement to the amendment of the Senate numbered 34 and concur therein with an amendment, as follows: In lieu of the matter stricken out and inserted by said amendment insert the following: "$507,800: *Provided*, That wherever H.R. 11049, 88th Congress, as enacted into law establishes a specific rate of compensation for any position different from the rate specifically enumerated in this Act for such position, the rate in said H.R. 11049 shall prevail."

Mr. STEED. Mr. Speaker, this is a technical amendment without which we would in effect, by the final enactment of this bill, be undoing for certain officers and employees what we did in the recently adopted general pay raise bill in the way of raising their compensation.

Certain pay rates are specifically set out in the text of this appropriation bill, which rates have since been raised in the general pay bill, which in turn will likely be signed into law ahead of the pending appropriation bill. The language of this amendment is precautionary, to be certain no one by reason of this bill is denied whatever he may be entitled to under the general pay bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Oklahoma.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 37: Page 24, line 4, insert:

"The second proviso under the caption 'Capitol garages' contained in Public Law 212, 72d Congress, approved June 30, 1932 (47 Stat. 391) is hereby amended to read as follows: '*Provided further,* That, effective July 1, 1965, the underground space in the north extension of the Capitol Grounds, known as the Legislative Garage shall hereafter be known as the Senate Garage and shall be under the jurisdiction and control of the Architect of the Capitol, subject to such regulations respecting the use thereof as may be promulgated by the Senate Committee on Rules and Administration: *Provided further,* That such regulations shall provide for the continued assignment of space and the continued furnishing of service in such garage for official motor vehicles of the House and the Senate and the Architect of the Capitol and Capitol Grounds maintenance equipment'."

Mr. STEED. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. STEED moves that the House recede from its disagreement to the amendment of the Senate numbered 37 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 46: Page 33, line 17, insert:

"SELECTION OF SITE AND GENERAL PLANS AND DESIGNS OF BUILDINGS

"For necessary expenses, for site selection and general plans and designs of buildings for the Government Printing Office, pursuant to the Public Buildings Act of 1959 (40 U.S.C. 602 et seq.), $2,500,000, to be available for transfer to the General Services Administration."

Mr. STEED. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. STEED moves that the House recede from its disagreement to the amendment of the Senate numbered 46 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert the following:

"SELECTION OF SITE AND GENERAL PLANS AND DESIGNS OF BUILDINGS

"For necessary expenses, for site selection and general plans and designs of buildings for the Government Printing Office, pursuant to the Public Buildings Act of 1959 (40 U.S.C. 602 et seq.), $2,500,000, to be available for transfer to the General Services Administration: *Provided,* That the selection of a site must be approved by the Joint Committee on Printing."

Mr. STEED. Mr. Speaker, I made some comment on this amendment in my general statement. Due to the interest that has been expressed to the subcommittee by the gentleman from Ohio [Mr. SCHENCK] who is also a member of the Joint Committee on Printing, I yield 5 minutes to him at this time.

Mr. SCHENCK. Mr. Speaker, I thank the chairman of the subcommittee. Mr. Speaker, there are many questions left unanswered as to the need for building a new $50 million Government printing plant. As I pointed out in similar discussion last week that this project has never been approved by, or justified before, the Joint Committee on Printing. It would seem to me that the Joint Committee on Printing should now respond fully by ordering a staff study and report for a complete and thorough consideration by the Joint Committee on Printing meeting in regular session. There are many questions that demand information on the advisability of constructing such a new Government printing plant, which is now estimated would cost some $50 million. May I ask the gentleman from Oklahoma this question: As I understand it, the amendment proposes that the Joint Committee on Printing is given authority to approve the site only?

Mr. STEED. That is literally what the language does; yes. Of course, by pinning down the selection of the site to the point that it must have the approval of the Joint Committee on Printing, that could bring in all other factors connected therewith. Since there is no construction money in the bill yet, that is, I would assume, something on which the Joint Committee on Printing would want additional information, because the subcommittee of either body, I would think, would not otherwise want to go into any appropriation for construction. But this project has been approved in the prescribed way by the two legislative committees concerned. We cannot presume just what the Joint Committee on Printing will do or how it will do it. It is not our business; it is not before us. In that respect, I think we must all agree that the language will just have to speak for itself.

Mr. HORAN. Mr. Speaker, will the gentleman yield?

Mr. SCHENCK. I yield to the gentleman from Washington.

Mr. HORAN. The Joint Committee on Printing, of which the gentleman from Ohio [Mr. SCHENCK] is a member, will have to approve the site. Without a site, we certainly cannot have a building.

So I believe you have pretty complete control over any expenditures that might flow from this action.

Mr. SCHENCK. Is my understanding correct that there is to be no money spent out of this $2.5 million contained in this conference report until after a site has been approved by the Joint Committee on Printing?

I take it that the gentleman from Oklahoma [Mr. STEED] means this should be a proper action by the Joint Committee on Printing in closed session, with proper hearings and approval of a resolution in regular or formal session of the committee?

Mr. STEED. Mr. Speaker, if the gentleman will yield further, may I say that this money can be spent without further action of the joint committee because somewhere along the way the plans and specifications have to be prepared. But the selection of a site must be approved by the Joint Committee on Printing. Of course, the final completion of contract plans and specifications could not be met until a site is selected.

Mr. SCHENCK. I thank the gentleman. But may I remind the gentleman from Oklahoma and the committee further that of course the approval or the development of plans and specifications represents a real good foot in the door. Personally, I do not quite see how proper plans and specifications can be developed until the site has been selected. Certainly, the terrain and other questions will have something to do with the plans and specifications.

Mr. STEED. If the gentleman will yield further, in that last connection, I find myself in accord with the gentleman from Ohio. However, what we are trying to do here is to establish some machinery with which to cope with these questions.

Since the Joint Committee on Printing is the regular agency of oversight of Government Printing Office operations, I hope we can look to them to see that all of these matters are put in proper order and are properly arranged before anything is done.

Mr. SCHENCK. Mr. Speaker, may I join the gentleman in his expressed hope that the Joint Committee on Printing will take a long and hard look at this entire proposal before any final action can be taken in a regular Joint Committee on Printing meeting.

Mr. Speaker, supplementing my recent remarks concerning the request of the Government Printing Office for a new $50 million printing plant, I point out we are considering the adoption of a small amendment whereby the Joint Committee on Printing, of which I am a member, will have an opportunity to examine at least the site of the, so far, unjustified new $50 million Government Printing Plant.

Bearing in mind that, contrary to the Public Printer's statement to the Committee on Public Works, the Joint Committee on Printing has never favorably endorsed this new building, together with the fact that my colleague, the gentleman from Oklahoma [Mr. STEED], the chairman of the subcommittee, has stated that they will "welcome all the help and guidance we can get, because at this moment we have some very serious questions about the whole proposition," it is my personal view that the Joint Commitee on Printing should respond fully toward resolving those questions by insisting on a full report from its staff after a thorough study.

Even now, several questions are obvious. For example, can this project legally be accomplished pursuant to the provisions of the Public Buildings Act of 1959? Will the new building be located near enough to give timely service on the many printing needs of Congress? Will there be a reduced volume of Government printing procured from the commercial printing industry? Industry leaders say "Yes" and such appears most likely. Has full consideration been given to all practicable—and much less expensive—means of reasonably solving the problems within the present building complex? Could the Superintendent of Documents be transferred to a portion of the former naval gun plant thus freeing a considerable amount of space in the present Government Printing Plant? None of this seems to have been done.

There are many additional questions which can be itemized and developed, the answers to which are important to all taxpayers. Finally, it is my understanding that, in acting on this small amendment, it is the intent of this body that the $2.5 million shall not be expended or encumbered, all or in part, prior to the Joint Committee on Printing having developed fully the answers to all questions pertinent to this proposal, considered its findings, and acted on the project at a formal properly assembled meeting of the committee.

The **SPEAKER** pro tempore (Mr. MacDonald). The question is on the motion of the gentleman from Oklahoma.

The motion was agreed to.

The **SPEAKER** pro tempore. The Clerk will report the next amendment in disagreement:

The Clerk read as follows:

Amendment No. 47, page 36, strike out section 105 and insert a new section 105 as follows:

"Sec. 105. Commencing with the quarterly period beginning on July 1, 1964, and ending on September 30, 1964, and for each quarterly period thereafter, the Secretary of the Senate and the Clerk of the House of Representatives shall compile, and, not later than sixty days following the close of the quarterly period, submit to the Senate and House of Representatives, respectively, and make available to the public, in lieu of the reports and information required by sections 60 to 63, inclusive, of the Revised Statutes, as amended (2 U.S.C. 102, 103, 104), and S. Res. 139, Eighty-sixth Congress, a report containing a detailed statement, by items, of the manner in which appropriations and other funds available for disbursement by the Secretary of the Senate or the Clerk of the House of Representatives, as the case may be, have been expended during the quarterly period covered by the report, including (1) the name of every person to whom any part of such appropriation has been paid, (2) if for anything furnished, the quantity and price thereof, (3) if for services rendered, the nature of the services, the time employed, and the name, title, and specific amount paid to each person, and (4) a complete statement of all amounts appropriated, received, or expended, and any unexpended balances. Such reports shall include the information contained in statements of accountability and supporting vouchers submitted to the General Accounting Office pursuant to the provisions of section 117(a) of the Budget and Accounting Procedures Act of 1950 (31 U.S.C. 67(a)). Reports required to be submitted to the Senate and the House of Representatives under this section shall be printed as Senate and House documents, respectively.

"Section 117 of the Accounting and Auditing Act of 1950 (64 Stat. 837, 31 U.S.C. 67) is amended as follows:

"By adding after the words 'executive agency' in both places where it is used in subsection (b) the words 'or the Architect of the Capitol' and by adding after the word 'legislative' in the proviso the words '(other than the Architect of the Capitol)'.

"By adding at the end thereof the following new subsection:

"'(c) The Comptroller General in auditing the financial transactions of the Architect of the Capitol shall make such audits at such times as he may deem appropriate. For the purpose of conducting such audits, the provisions of section 313 of the Budget and Accounting Act (42 Stat. 26; 31 U.S.C. 54) shall be applicable to the Architect of the Capitol. The Comptroller General shall report to the President of the Senate and to the Speaker of the House of Representatives the results of each such audit. All such reports shall be printed as Senate documents.'"

Mr. **STEED**. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Steed moves that the House recede from its disagreement to the amendment of the Senate numbered 47 and concur therein with an amendment, as follows: In lieu of the matter stricken out and inserted by said amendment, insert the following:

"Sec. 105. (a) Commencing with the semiannual period beginning on July 1, 1964, and ending on December 31, 1964, and for each semiannual period thereafter, the Secretary of the Senate and the Clerk of the House of Representatives shall compile, and, not later than sixty days following the close of the semiannual period, submit to the Senate and House of Representatives, respectively, and make available to the public, in lieu of the reports and information required by sections 60 to 63, inclusive, of the Revised Statutes, as amended (2 U.S.C. 102, 103, 104), and S. Res. 139, Eighty-sixth Congress, a report containing a detailed statement, by items, of the manner in which appropriations and other funds available for disbursement by the Secretary of the Senate or the Clerk of the House of Representatives, as the case may be, have been expended during the semiannual period covered by the report, including (1) the name of every person to whom any part of such appropriation has been paid, (2) if for anything furnished, the quantity and price thereof, (3) if for services rendered, the nature of the services, the time employed, and the name, title, and specific amount paid to each person, and (4) a complete statement of all amounts appropriated, received, or expended, and any unexpended balances. Such reports shall include the information contained in statements of accountability and supporting vouchers submitted to the General Accounting Office pursuant to the provisions of section 117(a) of the Budget and Accounting Procedures Act of 1950 (31 U.S.C. 67(a)). Reports required to be submitted to the Senate and the House of Representatives under this section shall be printed as Senate and House documents, respectively.

"Section 117 of the Accounting and Auditing Act of 1950 (64 Stat. 837, 31 U.S.C. 67) is amended as follows:

"By adding after the words 'executive agency' in both places where it is used in subsection (b) the words 'or the Architect of the Capitol' and by adding after the word 'legislative' in the proviso the words '(other than the Architect of the Capitol)'.

"By adding at the end thereof the following new subsection:

"'(c) The Comptroller General in auditing the financial transactions of the Architect of the Capitol shall make such audits at such times as he may deem appropriate. For the purpose of conducting such audits, the provisions of section 313 of the Budget and Accounting Act (42 Stat. 26; 31 U.S.C. 54) shall be applicable to the Architect of the Capitol. The Comptroller General shall report to the President of the Senate and to the Speaker of the House of Representatives the results of each such audit. All such reports shall be printed as Senate documents.'

"(b) Commencing with the semiannual period beginning January 1, 1965, and for each semiannual period thereafter, the Architect of the Capitol shall compile and, not later than sixty days following the close of the semiannual period, submit to the Senate and the House of Representatives a report of all expenditures made from moneys appropriated to the Architect of the Capitol, based on payrolls and other vouchers transmitted during such period to the Treasury Department for disbursement, such report to include (1) the name, title, and gross salary payment to each employee; (2) a list of government contributions to retirement, health, insurance, and other similar funds; and (3) name of payee, brief description of service rendered or items furnished under contract, purchase order, or other agreement. Such report shall be printed as a Senate document."

Mr. **SCHENCK**. Mr. Speaker, will the gentleman yield?

Mr. **STEED**. I yield to the gentleman from Ohio.

Mr. **SCHENCK**. Mr. Speaker, I should like to make a statement to the Members of the House on behalf of myself, my colleague from Ohio [Mr. Bolton], who offered this amendment in the first place, and also the gentleman from Ohio [Mr. Bow], both of whom are in attendance at another meeting at this time on official business.

May I suggest that the amendment offered by the gentleman from Ohio [Mr. Bolton] was not intended in any way to reflect on the personal integrity, the honesty, or the lack of any proper actions taken by the Architect of the Capitol. We all have a great deal of confidence in the Architect of the Capitol. He is doing a splendid job and we commend him.

Mr. **SCHENCK**. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. Bow] may extend his remarks at this point in the Record.

The **SPEAKER**. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. **BOW**. Mr. Speaker, I wish to make comment briefly on the amendment to provide for an examination of the Office of the Architect of the Capitol by the General Accounting Office. I think it should be pointed out that this amendment is not a reflection upon our present Architect of the Capitol and his staff. The Architect and his staff, many of whom have been employed here for a number of years, have performed outstanding service for the Congress and for Members. It should be made clear that the adoption of the GAO amendment is no more than an effort to establish for the future what is generally regarded to be a good business practice.

Mr. **STEED**. Mr. Speaker, I made some comment about the difficulties we had in conference to cope with this matter. Again I want to emphasize that this type of problem in an appropriation bill does pose some problems. This is the best we were able to come up with in an effort to carry out what we considered to be a mandate of the House.

We will know only by actual experience whether we have accomplished the purpose or not. I just want to say again I urge the proper legislative committees to take note of this and to try to cope with whatever needs or problems that may arise from it so that there will not be another occasion when it will be necessary to try to wrestle with it on an appropriation bill.

Mr. Speaker, I yield to the gentleman from Washington [Mr. Horan].

Mr. HORAN. Mr. Speaker, I do want to say at this point the question as to whether Congress, its officers or employees, should be made subject to control or authority of anyone besides the Congress itself arose when the Federal Property and Administrative Services Act of 1949 was enacted, June 30, 1949. The Senate amended the bill to exclude the Senate and House from the bill and, as finally passed, the act did exclude the Senate and House, but not the Architect.

Arising from fact that most of the Architect's functions are performed under the direction and control of committees and commissions of the Congress and that placing him under the act, in effect, made the committees and commissions of Congress subject to the GSA Administrator and his judgment and wishes, thereby failing to preserve the autonomy of the Congress, House Joint Resolution 340, 81st Congress, was enacted at the request of the Speaker, October 26, 1949, to exempt the Architect from the Federal Property and Administrative Services Act.

When the Budget and Accounting Procedures Act of 1950 was being drafted, the question of its coverage again arose and, consistent with the above, the Senate, the House, and the Architect were excluded from the mandatory "on-site" audit provisions, as well as certain other provisions which otherwise would have subjected the Senate, House, and Architect to the control of GAO. The act, as passed, actually went further and excluded the entire legislative branch from such provisions of the act.

The "on-site" audit requirements of amendment 47 flies in the face of this history.

The Architect of the Capitol, John George Stewart, has been an able servant in this position, and we may have overlooked some of the consequences or at least appearances of our actions in this matter now before us, known as section 105 in the conference bill.

Perhaps in haste we have seemed to impugn the good name of a former colleague, Architect Stewart, having served in the 74th Congress. I do not believe it was the intention of this House to do this. Certainly our subcommittee has found Architect Stewart to have acted under instructions in all matters and he should not now be under the shadow of any kind of cloud whatsoever. He has done his important work ably, courteously, and well.

Mr. HORAN. Mr. Speaker, I ask unanimous consent that the gentleman from Iowa [Mr. Schwengel] may extend his remarks at this point in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. SCHWENGEL. Mr. Speaker, I am glad to have this opportunity to speak for a man who has had such a great influence on the preservation, restoration, and extension of our Capitol Building—a building I have often referred to as a majestic symbol of the majesty of a truly grand and great land.

George Stewart, Mr. Speaker, really needs no defense for his record of service, sense of dedication, and his ability is known and appreciated by those who will make it their business, as I have done, to consider the magnificent, and I might say long past due, improvements that have come under his leadership, his direction, and his devotion.

Rather, he should receive, as he would receive from those who would consider the facts, the plaudits from every Member of Congress and the accolade of all who have an interest in the preservation of this magnificent building.

Mr. Speaker, it may be well for us to remember, first, that nothing has happened to the Capitol, or been done toward its preservation, extension, and improvements, without approval of the Building Commission and a majority of the Members of Congress.

We should also remember that whoever is Architect of the Capitol has a greater responsibility, under more difficult circumstances, than any other person in charge of any other public building. This man must try to please more different people than any other man who serves in a comparable position anywhere else in the world. To help us understand that and appreciate his many and varied responsibilities, I should like to call your attention to some remarks I placed in the Congressional Record, volume 105, part 10, page 13255. They follow:

J. George Stewart, Architect of the Capitol

On October 1, 1954, J. George Stewart was appointed by the President of the United States as Architect of the Capitol. Upon assuming office he became the eighth man to hold the position since it was established, in 1793—following William Thornton, Benjamin Latrobe, Charles Bulfinch, Thomas U. Walter, Edward Clark, Elliott Woods, and David Lynn. He is the second man from the State of Delaware to hold this office, William Thornton having become a citizen of the United States in Delaware on January 7, 1788.

Mr. Stewart serves as a member of the Commission for Extension of the U.S. Capitol, the Capitol Police Board, and the District of Columbia Zoning Commission.

He is charged with the structural and mechanical care of the following buildings: The Capitol, Senate Office Buildings, House Office Buildings, Capitol Power Plant, Legislative Garage, Robert A. Taft Memorial, Library of Congress Buildings, U.S. Supreme Court Building, and the U.S. Court of Claims Buildings.

Mr. Stewart is also charged with the operation of the House Restaurants and the U.S. Botanic Garden (as Acting Director).

He is responsible for the acquisition of real property and for the planning and construction of buildings and other improvements committed to his care by the Congress. At present the major construction projects are: Construction and equipment of the nearly completed additional Senate Office Building; remodeling of the Old Senate Office Building; construction and equipment of an additional House Office Building and remodeling of the present House Office Buildings; development of additional areas as part of the Capitol Grounds. Construction of security vaults and underground transportation systems; extension and completion of the Capitol Building; and changes and improvements to the Capitol Power Plant.

The Architect of the Capitol is in charge of the works of art in the Capitol, totaling about 340; administers the laws governing Statutory Hall; arranges for the reception of new statues from the States, with the attendant ceremonies of acceptance.

In cooperation with the proper authorities, he makes arrangements for ceremonies and ceremonials held in the Capitol and on the grounds and for the reception of visiting dignitaries.

Every 4 years, the inaugural stands are built under his direction and he cooperates with other officials in carrying forward the inaugural ceremonies at the Capitol.

Mr. Stewart was born in Wilmington, Del. He was educated in the public schools of that city and studied at the University of Delaware in the engineering school, from 1907 to 1910. He left the university in 1910, without taking his degree, to join his father's construction firm—Stewart and Donohue. In September of last year, the University of Delaware admitted him to the degree of bachelor of science in engineering, class of 1911. The citation for conferring this degree stated that: "In his position as Architect of the Capitol * * * he has deeply impressed those with whom he has worked * * * as a man of sincerity, vision and courage.

"John George Stewart, it is now 47 years since you normally would have received your degree. You have richly earned it by your accomplishments."

In his association with his father's firm, he served in all departments of his general construction business—as waterboy, timekeeper, apprentice mason, gang foreman, superintendent, partner, and finally, as president of the company.

From January 1935 to January 1937, Mr. Stewart served as Representative in Congress from the State of Delaware.

From January 1947 to February 1951, he was with the District of Columbia Committee of the U.S. Senate. He served as clerk of the committee for 2 years. Beginning in 1949, he served as minority clerk and professional staff assistant.

In 1952 and 1953 he was engineer consultant to the Lands Division, Department of Justice. He was also engineer consultant for the Corps of Engineers (Washington District).

Mr. Stewart is licensed in the State of Delaware as a professional engineer.

In May of 1957, he was elected an honorary member of the American Institute of Architects as "one who has rendered distinguished service to the advancement of architecture and the allied arts and sciences.

Other activities:

Member of Delaware State Emergency Relief Commission, 1931 and 1932. Appointed by Hon. C. Douglass Buck, Governor of Delaware.

Member of original Delaware State Athletic Commission, 1932 to 1934. Appointed by Hon. C. Douglass Buck, Governor of Delaware.

Foreman of New Castle County, Del., Grand Jury, 1939.

For 5 years, chairman of building and grounds committee, Wilmington General Hospital.

Mr. Speaker, from this you will get a little better understanding of the magnitude of George Stewart's job, his qualifications and his responsibilities.

Mr. Speaker, I should like to say, in addition, that nothing has happened since that time which has shaken my confidence in the least in George Stewart. Indeed, I should like to say I think we are fortunate to have a man of such stature, such ability, and such dedication to serve in the very important and responsible position of Architect of the Capitol.

I want, also, to voice the hope that those who are quick to criticize when things do not go exactly as they want them would make it their business to find out the facts before they orate on some minor mistakes and about some things that are happening and developments that do not meet the approbation of the moment.

Mr. Speaker, it may be well for me to recall and state that I at one time had similar feelings to those expressed by those who seem critical about what is happening here in the Capitol today. I was one of those who, early in my career here, opposed the extension of the east front of the Capitol and I introduced legislation to block the extension of the east front.

After I introduced the legislation, I did some research work which I should have done before I introduced the legislation hoping to find justification for my bill to block the extension. I soon discovered that the extension that was proposed in 1954 and before was actually planned in the 1860's when the present dome was put on top of the Capitol. In fact, the distance of the extension proposed in 1954 was exactly the same as the distance proposed for the extension in 1860—32 feet, 6 inches.

What was not in the proposal in the 1860's and was included in the 1954 proposal—which was ultimately done—was the extension in the area where our dining room is now and a comparable spot on the Senate side. These were desirable changes and I think everybody approved. And I took the floor in 1959 to reverse my position and become a supporter of the extension.

Mr. Speaker, you will recall many were critical of this extension, but I have found no one who was critical then who is critical of what has happened since the east front was restored. Indeed many like myself have approved and are happy about the extension.

WEST CENTER RESTORATION AND EXTENSION

It may be of interest to the Members to know that the proposed west center restoration and extension was authorized by this Congress in 1900. At that time Members of Congress realized that the west center wall was deteriorating and needed attention. They felt so sure that this program would go forward that they engaged a sculptor to design, prepare, and have cast a bronze door for the west entrance. That door has been cast and has been in storage in the Smithsonian since 1914. It is a beautiful bronze door. It is called the Apotheosis of America. But, somehow, money was never appropriated for this extension so nothing happened.

So, I am glad, and indeed every Member should be, that we are making plans now to restore and in certain areas extend the west center section and I fondly hope and am looking forward with eager anticipation to the placing of these bronze doors on the west entrance so all who enter that door and visit the Capitol can catch something of the spirit of America that is so eloquently and beautifully revealed in the design of these doors.

Mr. Speaker, again I plead to those who are critical, to make sincere, honest, and thorough investigations before they make allegations that they may regret in the future.

Mr. STEED. Mr. Speaker, I would just like to add my word of agreement with what the gentleman from Washington has said about the Architect of the Capitol. I know of no man who has worked under more handicaps or has a more difficult job. I appreciate the wholehearted and full cooperation I have had from the Architect and that my subcommittee has had from him, and I think that the meager words we say here in appreciation and praise of George Stewart fall far short of a full reward for the dedication and fine service he has given to the Congress, and even more than that to the great historical meaning and importance of the Capitol Building structure itself. I think that he will be long remembered for the wonderful service he has done in making liberty have its fullest meaning. I join with the gentleman from Washington [Mr. HORAN] in the praise he has given to George Stewart.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. STEED. I yield to the gentleman from Oklahoma.

Mr. ALBERT. I hate to cut in on this colloquy, but I desire to announce that in addition to other bills previously on the program from the Committee on Interstate and Foreign Commerce there will be brought up today the bill (H.R. 8068) to amend section 403(d) of the Federal Aviation Act of 1958 to permit the granting of free transportation to guides or seeing-eye dogs accompanying totally blind persons. This bill will come up under an open rule, which provides for 1 hour of general debate.

Mr. STEED. Mr. Speaker, I yield to the gentleman from Ohio [Mr. OLIVER P. BOLTON].

Mr. OLIVER P. BOLTON. I thank the gentleman for yielding.

First, I should like to express my appreciation to the gentleman and his colleagues on the conference committee for the provisions contained in this report.

It seems to me this is a long step forward in the openness of the dealings of this House. It is not necessarily a complete answer, but, as I said, a step ahead. Secondly, Mr. Speaker, and colleagues, I would like to join with those who have paid tribute to the Architect of the Capitol. Certainly, there was no intent on my part or on the part of others who were interested in the inclusion of such accounting provision to single out any one individual. There was no thought of imputing wrongdoing, or to question the activities of anyone. Rather, the thought behind this recommendation which the House accepted was to open our lives to scrutiny in the same way that any other department is and by so doing, do away with some of the rumors and innuendos about this body which have been so damaging to its reputation. Although I have had no official dealings with the Architect of the Capitol, I know him as a fine man and I know his good reputation over many years.

Mr. STEED. Mr. Speaker, I want to say I agree with the gentleman. It is good for the Congress to have its affairs made public and I am as strong an advocate of that as anyone. I only hope that our labors here as represented by this amendment will accomplish its purpose. It is very technical and a very difficult problem. I hope we accomplish some good and do no harm.

Mr. Speaker, I move the adoption of the motion.

The SPEAKER. The question is on the motion.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

Mr. STEED. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include pertinent tables.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

REMOVING CERTAIN LIMITATIONS ON WAR RISK INSURANCE

Mr. BONNER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 927) to amend title 12 of the Merchant Marine Act, 1936, in order to remove certain limitations with respect to war risk insurance issued under the provisions of such title, and ask for its immediate consideration and that it be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. GROSS. Mr. Speaker, reserving the right to object, I assume the gentleman will take a reasonable amount of time to explain this bill.

Mr. BONNER. Yes, I will point out to the gentleman the purpose of the bill.

The purpose of the bill is to accord the U.S. citizens, owners of war-built vessels, built in the U.S. shipyards with construction subsidy the same rights in respect to war risk insurance coverage that other vessels are now accorded as to American and foreign owners of unsubsidized vessels. The existing statute denies to American owners of such subsidized vessels this equality of war risk coverage even though such owners are required by the Maritime Administration to carry insurance in peacetime to the full commercial value of their vessel as determined by the administration. But on the notice of taking of the vessels, the peacetime insurance lapses or is voided. That is not the condition with other vessels. So I would point out to the gentleman further that it should be noticed that peacetime vessels are required to carry full value of marine insurance and not restricted by a rigid formula. By existing law, regulations require a binder fee to be paid but during the early period of hostilities, premiums are based on actual loss as averaged out.

Then the premiums costs are either averaged out on the basis of experience or are estimated on the basis of risk.

I might say to the gentleman that the best example of this whole proposal is that with respect to the SS *America*. This ship, the *America*, is required by the administration to be insured up to $6.8 million. Under the present war risk insurance statute, the owners can purchase insurance under section 1209 only up to $4,556,000 prior to requisition for title or use, and only up to $437,000 after requisition for use.

I say further to the gentleman that this is the same war risk insurance which applied during World War II, and it did not result in any expense whatsoever to the U.S. Government. In fact, there was a surplus in this insurance after World War II.

Mr. GROSS. I do not have a copy of the bill.

Mr. BONNER. I left a copy of the bill on the gentleman's desk.

Mr. GROSS. Since I have not been able to read the bill, let me ask the gentleman a question. Does the bill meet the objection of the Comptroller General as to the repeal of that portion of section 1209(a)(2) limiting the insurance valuation of a construction subsidized vessel for the period after requisition for use to an amount not in excess of that which would be payable under section 802 in the case of requisition for title?

Mr. BONNER. I understand what the gentleman means. The gentleman from Washington [Mr. PELLY] offered an amendment in that regard. This is contained in the report. All moneys recovered under this war risk insurance shall be put back into a vessel, so there will be no windfall whatsoever to the owner of an American-flag vessel which is built under the 50-percent subsidy.

Mr. GROSS. So the bill does meet the suggestion of the Comptroller General in that respect?

Mr. BONNER. I would think so.

Mr. GROSS. I thank the gentleman.

The **SPEAKER.** Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1209(a)(2) of the Merchant Marine Act, 1936, is amended—

(1) in the first sentence by striking out all beginning with *"Provided, however"* through *"Provided further"* and inserting in lieu thereof *"Provided"*; and

(2) in the second sentence by striking out all beginning with *"Provided, however"* through *"And provided further"* and insert in lieu thereof *"Provided"*.

SEC. 2. The amendments made by this Act shall be applicable to war risk insurance coverage attaching after the date of enactment.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. BONNER. Mr. Speaker, in World War I, World War II, and in the Korean war the Government recognized that commercial insurance would be terminated in event of major war and that a system of Government-supported insurance was necessary to keep vessels of private maritime interests at sea in time of such extreme crises.

The purpose of this bill is to accord to U.S. citizen-owners of vessels built in U.S. shipyards with construction subsidy the same rights with respect to war risk insurance coverage of their vessels as now are accorded to American and foreign owners of unsubsidized vessels. Existing statutes deny to American owners of subsidized vessels this equality of war risk coverage, even though such owners are required by the Maritime Administrator to carry insurance in peacetime to the full commercial value of their vessels as determined by the Administrator. This measure would provide for the owners of such subsidized vessels the right to purchase equal insurance coverage, free of any restriction placed upon them solely because of a Government subsidy which goes to the shipyards without benefit to the owners. As the war risk insurance program is operated on a mutual basis, the increased coverage sought should not entail any extra costs to the Government.

The situation is fully explained in the committee report.

The need for the legislation arises out of the fact that a number of years ago provision was made in the law to the effect that vessels built with construction subsidy could be seized by the Government in event of all-out war at the depreciated cost to the operator on the theory that the Government had contributed a substantial portion to the cost of building the ship in American shipyards—that is, on account of the construction-differential subsidy. The law, as it exists, overlooks the fact that the hard core of the American-flag merchant marine, the ships that will perform most efficiently and with the greatest safety—the lowest incidence of loss—are these very ships. If any of them should be lost they are the ones we want most of all to be replaced promptly.

They should, in the opinion of the Committee on Merchant Marine and Fisheries, receive equal treatment as to war risk insurance valuations with any other American-flag ship and the many foreign-flag ships which under existing law are permitted to insure at market value—rather than at some greatly reduced value based upon an artificial standard.

It should be pointed out that in peacetime these vessels are required to carry full-value marine insurance—not restricted by a rigid formula. The operator is full owner of the ship, notwithstanding the subsidy paid to the shipyard. He owns his ship as much as does the unsubsidized American-flag owner or the citizen-owner of a foreign-flag ship.

Any indemnities received by the subsidized operator under existing law or under this bill must go into the statutory capital reserve fund to be used for ship replacement. Your committee's report urges that any such indemnities in excess of the American-foreign differential be offset against construction subsidy otherwise allowable for a replacement ship.

The committee report points out that there should be no cost to the Government in this bill.

Under existing law—and its regulations—a binder fee is paid. But during the early period of hostilities the premiums are based on actual losses—averaged out. From then on premium costs are either averaged out on the basis of experience or estimated on the basis of risk. Experience in the past has borne this out. War risk insurance had in World War II left a substantial gain to the Government after all losses were paid.

There is no reason for any treatment of subsidized vessels different from unsubsidized American and foreign vessels for war risk insurance purposes. Enactment of this bill could reduce construction subsidy costs and speed rebuilding of our liner fleet following major hostilities.

PROVIDING FOR AN INVESTIGATION AND STUDY TO DETERMINE A SITE FOR THE CONSTRUCTION OF A SEA LEVEL CANAL CONNECTING THE ATLANTIC AND PACIFIC OCEANS

Mr. BONNER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2701) to provide for an investigation and study to determine a site for the construction of a sea level canal connecting the Atlantic and Pacific Oceans, and that it be considered in the House as in the Committee of the Whole.

The Clerk read the title of the bill.

The **SPEAKER.** Is there objection to the request of the gentleman from North Carolina?

Mr. ASHBROOK. Mr. Speaker, reserving the right to object, will the gentleman from North Carolina yield?

Mr. BONNER. I yield to the gentleman from Ohio.

Mr. ASHBROOK. It is my understanding that the Rayburn Office Building was constructed under a type of study similar to this. Is there anything in this bill which would indicate that they could proceed with the building of a canal under the $17.5 million authorization?

Mr. BONNER. None whatsoever. I might clarify this. In the past administration, when the gentleman from Washington was acting chairman of the committee, we selected a group of experts to go to Panama and make a study of the possibility of a sea level canal. It was a most interesting study. They made certain recommendations.

In the hearings on this bill in the House the committee amended the bill because the Senate bill set forth who would be on the Commission—for instance, the Secretary of the Army, the Secretary of State, and the Chairman of the Atomic Energy Commission. We struck those names out and gave the

President authority to appoint five men. Of course, they must operate with the Secretary of State, the Secretary of the Army and the Chairman of the Atomic Energy Commission, because the State Department will have to negotiate with nations where the on-the-ground experiments are to take place, the borings and so forth.

The gentleman will notice in the hearings that the committee requires the Commission to make annual reports.

So you point out the figure of $14 million to $17 million. It is not anticipated that that would be appropriated in a lump sum immediately after the first year's report, but such moneys as are needed by the Atomic Energy Commission and by the Army Engineers and others would be appropriated as this study progresses. In other words, as far as the borings are concerned, this is something that is going to take very, very careful exploration to determine whether it is possible to put a sea level canal across the isthmus or any other adjacent country. This is pointed out for the reason of the disturbance that might take place under the ocean. I think the gentlemen from Washington [Mr. Pelly and Mr. Tollefson] can assure you that we have taken great care in this bill to amend it so that every precaution will be in the bill to eliminate any unnecessary spending. We have to determine now whether it is feasible to do this.

Mr. ASHBROOK. I will say to the gentleman that I am just an average Member of Congress, but it seems to me $17.5 million is a lot of money to spend just to determine if it is feasible.

Mr. BONNER. I can appreciate the gentleman's point, and I admire him for his interest.

Mr. TOLLEFSON. Mr. Speaker, will the gentleman yield?

Mr. ASHBROOK. Yes. I yield to the gentleman.

Mr. TOLLEFSON. The necessity for this legislation arises from the fact that the experience with the present canal indicates, No. 1, it has been a trouble spot in the last year or so, of course, but further than that, it is estimated within a very few years the canal cannot handle the traffic, which will increase as the years pass by. So there is going to be a need for another canal or an expansion of the present canal.

Our committee feels an expansion of the present canal might aggravate the troubles we have had there. We would like to have a survey made to determine whether or not it will be advisable and feasible to have another canal at another point. The surveys and studies necessary and preliminary to the building of this canal will take about 5 years. It is estimated at the end of this time the present canal will not carry the load. So all this bill provides for is the authority for the President to appoint a commission to make a survey, and the estimated cost for surveys and borings and drillings, but not construction, might come to some $17 million. It is a fact, of course, that no funds can be expended until the commission comes before the Committee on Appropriations and spells out how much money it is going to need and what the money will be spent for.

Mr. ASHBROOK. I will say to the gentleman from Washington there is nothing in the 10-page report that would indicate anything more than the statement of Mr. Seaborg and others that they need $17 million. There is very little supporting evidence. I assume your committee looked into it, but as a Member of Congress I see little supporting evidence for spending $17.5 million.

Mr. TOLLEFSON. The hearings, of course, contain much more evidence than the report indicates. Some of the estimates ran higher, but we felt those higher estimates were out of line, and the estimate of $14 million to $17 million could be justified.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. ASHBROOK. Mr. Speaker, I object.

CLAIMS OF U.S. NATIONALS AGAINST CUBA

Mr. FASCELL. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 12259) to amend the International Claims Settlement Act of 1949 to provide for the determination of the amounts of claims of nationals of the United States against the Government of Cuba.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

Mr. BROWN of Ohio. Mr. Speaker, reserving the right to object, that is the agreed bill that was worked out, is it not?

Mr. FASCELL. The gentleman from Ohio is correct.

Mr. BROWN of Ohio. And this bill was reported out unanimously, is that correct?

Mr. FASCELL. That is correct.

Mr. SELDEN. Mr. Speaker, I rise in support of H.R. 12259, a bill which calls for the determination of claims of U.S. nationals against the Government of Cuba.

This legislation is one of a series of measures considered by the Congress in the past with respect to claims of nationals of the United States whose property has been taken by Communist governments since the end of World War II. The enactment of the International Claims Settlement Act, as amended, resulted from violations by Communist governments with respect to the treatment of property owned by American citizens in those countries and the failure to compensate these owners.

The Castro government in Cuba, on and after January 1, 1959, expropriated and nationalized all properties owned by nationals of the United States in violation of the principles of international law. Compensation has not been provided for nationals of the United States, either as private individuals or corporate entities.

The purpose of H.R. 12259 is to provide, in accordance with the principles of international law, for the adjudication of claims of U.S. nationals which are based upon the nationalization, expropriation, intervention, or other taking of their property and special measures directed against their property by the Government of Cuba since January 1, 1959, and for the adjudication of all claims against the Government of Cuba which have arisen since January 1, 1959, for disability or death of U.S. nationals for which the Government of Cuba is responsible under principles of international law.

The Subcommitte on Inter-American Affairs of the Foreign Affairs Committee, of which I am chairman, held hearings on a bill, H.R. 10327, introduced by the gentleman from Florida, Representative Fascell, and identical bills introduced by the gentleman from Florida, Representative Cramer, and the gentleman from Florida, Representative Pepper, H.R. 10536 and H.R. 10720, respectively. In addition to adjudication provisions, these measures also called for the payment of claims from blocked Cuban Government assets, and provided for loans to claimants under the Alliance for Progress program, using as collateral the uncompensated portion of their approved claims.

The subcommittee heard many private witnesses whose property and enterprises were taken by Castro's government, in connection with this legislation. It also heard the sponsor of H.R. 10327, the gentleman from Florida, Hon. Dante B. Fascell; the sponsor of H.R. 10720, the gentleman from Florida, Hon. Claude Pepper; and representatives of the Department of State, the Department of the Treasury, the Foreign Claims Settlement Commission, and the Department of Commerce. After weighing carefully the testimony presented to it, and taking into account important foreign policy considerations, the subcommittee approved the provisions of identical claims bills, H.R. 12259 and H.R. 12260, introduced by the gentleman from Florida, Representative Fascell, and me, respectively. These bills provide only for the adjudication of claims of U.S. nationals against the Government of Cuba. The Committee on Foreign Affairs considered H.R. 12259 and on August 11, unanimously ordered it favorably reported.

I might mention here that all claims programs do not necessarily involve payment. The Foreign Claims Settlement Commission is presently administering a program where the purpose is to determine the amount of damages suffered by certain American citizens who own property on the southern shores of Lake Ontario. In the Lake Ontario program there is no provision made for payment, and it might also, therefore, be termed a program of adjudication.

It is estimated that 4,000 U.S. nationals have claims against the Government of Cuba totaling more than $1.5 billion. H.R. 12259 adds a new title V to the International Claims Settlement Act of 1949, as amended, providing for the adjudication of these claims by American citizens against the Government of Cuba, arising since January 1, 1959.

The nationality requirements of claimants under the bill are similar to those under other titles of the International

Claims Settlement Act of 1949, and the claims must have been continuously owned by nationals of the United States from the date of loss. This provision follows established international law principles which, when applicable, have been applied in all adjudications before the Foreign Claims Settlement Commission.

The purpose of establishment of adjudication procedures is to evaluate claims now, while records and witnesses are still available. The bill contains no provision relating to any decision as to the time, form, or manner of payment of eventual compensation. It does not affect the validity of claims which arose prior to January 1, 1959.

The Department of State has been the recipient of all records and documents relating to claims against Cuba. Upon enactment of this measure these records and documents will be turned over to the Commission for use in evaluating claims. Prompt adjudication by the Claims Commission will help all U.S. claimants organize the evidence needed and preserve the statements of witnesses who may disperse or die as time goes on. The adjudication process will give each of the claims a review by the Commission which will pinpoint what additional material should be collected before it is too late to do so.

It is important that the claimants, the Congress, and the executive branch be informed of what the total of valid claims is for guidance in any future negotiations with a responsible, free and democratic Cuban Government. It will be clear just what claims are valid; the State Department as well as the entire executive branch will have an important ingredient in their planning of any future relations with Cuba; and any future Cuban Government will have a detailed written documentation of claims it must face.

In view of the need for early adjudication proceedings by the Foreign Claims Settlement Commission of claims against Cuba, the committee approved an authorization of funds not to exceed $750,000 for the administrative expenses of the Commission for this purpose.

I wholeheartedly support the provision of this bill, and urge adoption by the House.

Mr. FASCELL. Mr. Speaker, the distinguished chairman of the Inter-American Affairs Subcommittee of the House Committee on Foreign Affairs has just given us an excellent analysis of the legislation before us today, H.R. 12259.

The prompt, yet thorough, action on this legislation serves to demonstrate the outstanding knowledge and leadership which has continually marked the chairmanship of this subcommittee by my able colleague, the gentleman from Alabama [Mr. SELDEN]. His keen awareness and insight into the problems of Cuba and Latin America have enabled the Subcommittee on Inter-American Affairs and the Committee on Foreign Affairs to delve into and effectively act on important foreign policy questions.

While this bill provides no compensation, it will enable our citizens to formally prove their claims—looking forward to that day when Castro falls and an agreement for compensation may be worked out with a new government. So, after 5 long years, it can be called the first effective step toward obtaining compensation for our American citizens whose property was arbitrarily taken pursuant to Communist design.

Such determination and proving of claims is long overdue and as more time passes, it will become ever more difficult for claimants to locate the necessary documents and witnesses to establish their claims.

Thus far, the only available recourse open to would-be claimants is a routine filing of their losses with the Department of State. The Department estimates that these now total about $524 million but can go as high as $1.5 billion if all persons losing property in Cuba were to file.

This legislation makes possible a formal procedure whereby all claimants will have the opportunity to prove up their claims through the already established channels of the Foreign Claims Settlement Commission. This is not only good business, but good sense.

If the United States were to wait for the eventual overturn of the Castro regime before proceeding to adjudication of claims, the expense could be much greater in proving up the claims, not only to the claimants, but to the United States as well. Witnesses must be located, that is, if they are still living, records must be gathered and the time-consuming process of adjudication must begin.

One businessman who testified during the hearings on this legislation is a good case in point. All of his records were taken or destroyed by the officials of the Castro government at the time of expropriation, and only one person remained, outside of his family, who could testify to his ownership of his own knowledge. That person recently died.

When the time comes, and the Castro government has toppled, as it will, we must be prepared to offer our American citizens the protection they deserve by having proved up in this formal adjudicatory procedure the amount of their claim.

The entire program as outlined in H.R. 12259 and H.R. 12260, introduced by my able colleague from Alabama, will be extremely helpful to our State Department in their negotiations with a new government in Cuba and will place us in a much stronger position for reaching a satisfactory agreement.

Mr. Speaker, there is another important matter to which I would like to call attention. The Committee on Foreign Affairs, when it unanimously reported this bill, stated as follows:

> The committee respectfully directs the attention of the Department of State and the Agency for International Development to the opportunities for enhancing the Alliance for Progress through the use of the experience and skills acquired by some of these claimants in the course of their business operations in Cuba. Americans who were successful in foreign investments in Cuba should be encouraged to reinvest in other Latin American countries in acceptable projects under the Alliance for Progress. Private enterprise still plays the major role in carrying out the economic improvement of developing countries. Americans who are claimants have the ability and the know-how which can be useful in support of a major U.S. effort to bring about economic and social improvement in Latin America and to thwart Communist objectives.
>
> The bill as reported by the committee contains no loan provisions as provided in H.R. 10327 and which had as a prerequisite the adjudication of claims. There now exist in the Foreign Assistance Act of 1961, as amended, provisions for direct loans and for investment guarantees to U.S. private enterprise. The committee believes that no additional authority for loans is considered necessary in this legislation.
>
> However, the committee suggests that the Secretary of State take into consideration the successful foreign investment experience of any qualified claimant under this legislation who may apply, under existing law, either for a loan or an investment guarantee.

Mr. Speaker, if we are to provide some 4,000 American citizens throughout the United States with the protection they deserve, we must enact H.R. 12259 which is in accordance with the principles of international law and equally important, in the interest of justice.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the International Claims Settlement Act of 1949 is amended by adding at the end thereof the following new title:

"TITLE V

"Purpose of title

"SEC. 501. It is the purpose of this title to provide for the determination of the amount and validity of claims against the Government of Cuba which have arisen since January 1, 1959, out of nationalization, expropriation, intervention, or other takings of, or special measures directed against, property of nationals of the United States, and claims for disability or death of nationals of the United States arising out of violations of international laws by the Government of Cuba, in order to obtain information concerning the total amount of such claims against the Government of Cuba on behalf of nationals of the United States.

"Definitions

"SEC. 502. For the purposes of this title:

"(1) The term 'national of the United States' means (A) a natural person who is a citizen of the United States, or (B) a corporation or other legal entity which is organized under the laws of the United States, or of any State, the District or Columbia, or the Commonwealth of Puerto Rico, if natural persons who are citizens of the United States own, directly or indirectly, 50 per centum or more of the outstanding capital stock or other beneficial interest of such corporation or entity. The term does not include aliens.

"(2) The term 'Commission' means the Foreign Claims Settlement Commission of the United States.

"(3) The term 'property' means any property, right, or interest, including any leasehold interest, and debts owed by the Government of Cuba or by enterprises which have been nationalized, expropriated, intervened, or taken by the Government of Cuba and debts which are a charge on property which has been nationalized, expropriated, intervened, or taken by the Government of Cuba.

"(4) The term 'Government of Cuba' includes the government of any political subdivision, agency, or instrumentality thereof.

"Receipt of claims

"SEC. 503. (a) The Commission shall receive and determine in accordance with applicable substantive law, including international law, the amount and validity of claims by nationals of the United States against the Government of Cuba arising since January 1, 1959, for losses resulting from the nationalization, expropriation, intervention, or other taking of, or special measures directed against, property including any rights or interests therein owned wholly or partially, directly or indirectly at the time by nationals of the United States, if such claims are submitted to the Commission within such period specified by the Commission by notice published in the Federal Register (which period shall not be more than eighteeen months after such publication) within sixty days after the enactment of this title or of legislation making appropriations to the Commission for payment of administrative expenses incurred in carrying out its functions under this title, whichever date is later. In making the determination with respect to the validity and amount of claims and value of properties, rights, or interests taken, the Commission shall take into account the basis of valuation most appropriate to the property and equitable to the claimant, including but not limited to, (i) fair market value, (ii) book value, (iii) going concern value, or (iv) cost of replacement.

"(b) The Commission shall receive and determine in accordance with applicable substantive law, including international law, the amount and validity of claims by nationals of the United States against the Governmen of Cuba arising since January 1, 1959, for disability or death resulting from actions taken by or under the authority of the Government of Cuba, if such claims are submitted to the Commission within the period established by the Commission under subsection (a), or within six months after the date the claims first arose (as determined by the Commission), whichever date last occurs.

"Ownership of claims

"SEC. 504. (a) A claim shall not be considered under section 503(a) of this title unless the property on which the claim was based was owned wholly or partially, directly or indirectly by a national of the United States on the date of the loss and unless the claim has been held by one or more nationals of the United States continuously thereafter until the date of filing with the Commission.

"(b) A claim for disability shall not be considered under section 503(b) of this title unless filed by or on behalf of the disabled person. A claim for death under such section shall not be considered unless filed by or on behalf of the widow or widower, child or parents of the deceased person.

"Corporate claims

"SEC. 505. (a) A claim under section 503(a) of this title based upon an ownership interest in any corporation, association, or other entity which is a national of the United States shall not be considered.

"(b) A claim under section 503(a) of this title based upon a direct ownership interest in a corporation, association, or other entity for loss shall be considered, subject to the other provisions of this title, if such corporation, association, or other entity on the date of the loss was not a national of the United States, without regard to the per centum of ownership vested in the claimant.

"(c) A claim under section 503(a) of this title based upon an indirect ownership interest in a corporation, association, or other entity for loss shall be considered, subject to the other provisions of this title, only if at least 25 per centum of the entire ownership interest thereof at the time of such loss was vested in nationals of the United States.

"(d) The amount of any claim covered by subsection (b) or (c) of this section shall be calculated on the basis of the total loss suffered by such corporation, association, or other entity, and shall bear the same proportion to such loss as the ownership interest of the claimant at the time of loss bears to the entire ownership interest thereof.

"Offsets

"SEC. 506. In determining the amount of any claim, the Commission shall deduct all amounts the claimant has received from any source on account of the same loss or losses.

"Action of Commission with respect to claims

"SEC. 507. The Commission shall certify to each individual who has filed a claim under this title the amount determined by the Commission to be the loss or damage suffered by the claimant which is covered by this title. The Commission shall certify to the Secretary of State such amount and the basic information underlying that amount.

"Transfer of records

"SEC. 508. The Secretary of State shall transfer or otherwise make available to the Commission such records and documents relating to claims authorized by this as may be required by the Commission in carrying out its functions under this title.

"Application of other laws

"SEC. 509. To the extent they are not inconsistent with the provisions of this title, the following provisions of title I of this Act shall be applicable to this title: Subsections (b), (c), (d), (e), (h), and (j) of section 4; subsection (f) of section 7.

"Settlement period

"SEC. 510. The Commission shall complete its affairs in connection with the settlement of claims pursuant to this title not later than three years following the final date for the filing of claims as provided in section 503(a) of this title or following the enactment of legislation making appropriations to the Commission for payment of administrative expenses incurred in carrying out its functions under this title, whichever date is later.

"Appropriations

"SEC. 511. There are hereby authorized to be appropriated such sums, not to exceed $750,000, as may be necessary to enable the Commission to pay its administrative expenses incurred in carrying out its functions under this title.

"Separability

"SEC. 512. If any provision of this Act, or the application thereof to any person or circumstances, shall be held invalid, the remainder of the Act, or the application of such provision to other persons or circumstances, shall not be affected."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. BONNER. Mr. Speaker, I ask unanimous consent that I may revise and extend my remarks following the passage of the bill S. 927, and my remarks on the bill S. 2701.

Mr. TOLLEFSON. Mr. Speaker, I make the same request.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina and the gentleman from Washington?

There was no objection.

INDEPENDENT OFFICES APPROPRIATION BILL

Mr. ALBERT. Mr. Speaker, on behalf of the gentleman from Texas [Mr. THOMAS] I ask unanimous consent that the conferees on the disagreeing votes of the two Houses on the bill H.R. 11296, the independent offices appropriation bill, 1965, have until midnight to file a conference report.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

PROTECTING HEADS OF FOREIGN STATES

Mr. WILLIS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1917) to provide authority to protect heads of foreign states and other officials.

May I say that this bill provides authority to protect heads of foreign states, comparable, let us say, to the President of the United States, traveling abroad, or foreign ministers, comparable, may I say, to our Secretary of State traveling abroad. This is brought about by the assassination of President Kennedy. The House passed an identical bill, H.R. 7651, on May 4, and the Senate passed an identical bill. The purpose here is to approve the Senate bill.

The purpose of the bill is to provide the Department of State with additional authority necessary to enable it to discharge its responsibilities in safeguarding certain distinguished foreign officials who visit in the United States under the auspices of the Government of the United States.

The bill does three things:

First. It amends section 11, title 18, United States Code, to make it a Federal offense to assault the head of a foreign state or of a foreign government or a foreign minister. At present this section protects ambassadors and other public ministers.

Second. It amends section 1114 of title 18, United States Code, to make it a Federal offense to kill security officers of the Department of State and the Foreign Service while engaged in the performance of official duties or on account of the performance of official duties. This would automatically make it a Federal offense to assault such personnel—section 111, title 18, United States Code—and

Third. It authorizes security officers of the Department of State and the Foreign Service—who are already authorized to carry firearms to protect certain national and foreign dignitaries—title 5, United States Code, section 170e—to arrest without a warrant persons violating title 18, United States Code, section 111 or 112 in their presence, or if they have reasonable grounds to believe that the person to be arrested has committed or is committing such offense.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of

America in Congress assembled, That section 112 of title 18, United States Code, is amended to read as follows:

"§ 112. Assaulting certain foreign diplomatic and other official personnel

"Whoever assaults, strikes, wounds, imprisons, or offers violence to the person of a head of foreign state or foreign government, foreign minister, ambassador or other public minister, in violation of the law of nations, shall be fined not more than $5,000, or imprisoned not more than three years, or both.

"Whoever, in the commission of any such acts, uses a deadly or dangerous weapon, shall be fined not more than $10,000, or imprisoned not more than ten years, or both."

Sec. 2. The analysis in chapter 7, title 18, United States Code, is amended by deleting.

"112. Assaulting public minister"

and inserting in lieu thereof

"112. Assaulting certain foreign diplomatic and other official personnel".

Sec. 3. Section 1114 of title 18, United States Code, is amended by inserting immediately before "while engaged in the performance of his official duties," the following: "or any security officer of the Department of State or the Foreign Service,".

Sec. 4. The Act of June 28, 1955 (ch. 199, 69 Stat. 188; 5 U.S.C. 170e) is amended by adding a new section at the end thereof, to read as follows:

"Sec. 2. Security officers of the Department of State and the Foreign Service engaged in the performance of the duties prescribed in section 1 of this Act are empowered to arrest without warrant and deliver into custody any person violating section 111 or 112 of title 18, United States Code, in their presence or if they have reasonable grounds to believe that the person to be arrested has committed or is committing such a violation."

Sec. 5. Nothing contained in this Act shall create immunity from criminal prosecution under any laws in any State, Commonwealth of Puerto Rico, territory, possession, or the District of Columbia.

The bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

OTHER COMMERCIAL TRANSACTIONS, DISTRICT OF COLUMBIA CODE

Mr. WILLIS. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 11466) to enact subtitle II, "Other Commercial Transactions," of title 28, "Commercial Instruments and Transactions," of the District of Columbia Code, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 5, line 28, after "wages," insert "upon conviction".

Page 17, line 15, strike out "of" the first time it appears and insert "or".

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

Mr. GROSS. Mr. Speaker, reserving the right to object, the amendments are germane to this bill?

Mr. WILLIS. They are germane; they are grammatical changes and technical changes.

Mr. GROSS. This is a bill that the House previously passed?

Mr. WILLIS. That is right.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

MARKETING AREA OF BONNEVILLE POWER ADMINISTRATION

Mr. SISK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 818 and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That immediately upon the adoption of this resolution the bill (S. 1007) to guarantee electric consumers in the Pacific Northwest first call on electric energy generated at Federal hydroelectric plants in that region and to guarantee electric consumers in other regions reciprocal priority, and for other purposes, with House amendments thereto, be, and the same is hereby, taken from the Speaker's table; that the House insists on its amendments to said bill and agrees to the further conference requested by the Senate on the disagreeing votes thereon.

Mr. SISK. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio [Mr. Brown] and pending that, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 818, as indicated by the reading of the Clerk, will permit the appointment of conferees on the part of the House and conferees on the part of the Senate to sit down and work out differences pertaining to this particular piece of legislation.

Mr. Speaker, it is my understanding that since the last conference broke down there has been general agreement.

Therefore, I would hope that the resolution is adopted and that conferees will be appointed so that they may expeditiously proceed to a settlement of this issue.

Mr. Speaker, I reserve the balance of my time.

Mr. BROWN of Ohio. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as the gentleman from California [Mr. Sisk] explained, House Resolution 818 simply provides that the Senate bill S. 1007, a measure to guarantee electric consumers in the Pacific Northwest first call on electric energy generated at Federal hydroelectric plants in that region and to guarantee electric consumers in other regions reciprocal priority, and for other purposes, be sent to conference because of the adoption of an amendment, the Westland amendment, in the House.

Mr. Speaker, the Westland amendment in the opinion of most Members of the House represented a very important improvement in the bill. But there was some question at that time as to whether or not it would be acceptable to the other body. There was considerable delay in the consideration of this resolution.

Finally, there was an agreement worked out, as I understand it, as to the protection that would be afforded in this bill as a result of the wording based on the Westland amendment and that the amendment has been found satisfactory by all parties concerned in the issue.

For that reason, Mr. Speaker, we have this resolution pending before us today which would simply send the bill, S. 1007, to conference for final redrafting of the legislation.

Mr. SAYLOR. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Pennsylvania.

Mr. SAYLOR. Mr. Speaker, I just want to say, as a former conferee on this bill, that while the Department has worked out some language which is satisfactory to the Interior Department, some of us who were conferees and who in all probability will be conferees again, are going to insist that the House position be maintained.

Many Members who voted for that bill in the first instance said that the only reason they did so was because the Westland amendment was added. Speaking for myself as a conferee, I expect to maintain the position of the House and to see to it that the Westland amendment is kept in the bill.

Mr. BROWN of Ohio. I would like to say to the gentleman from Pennsylvania that it has been my understanding that the conferees will accept the Westland amendment or language that will put into effect the wording of the Westland amendment to the satisfaction of all concerned. For that reason, the action was taken by the Rules Committee to bring this resolution to the floor of the House because there was a strong feeling that the position of the House conferees should be supported and the further fact that the House had overwhelmingly taken that position. The Committee on Rules had not called up the resolution because of the feeling that the House insisted upon supporting the position of the House conferees, as mentioned by the gentleman from Pennsylvania.

Mr. HOSMER. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from California, very quickly.

Mr. HOSMER. It is my understanding, along with that of the genetleman from Pennsylvania [Mr. Saylor]——

Mr. BROWN of Ohio. I cannot hear the gentleman.

Mr. HOSMER. It is my understanding, along with that of the gentleman from Pennsylvania [Mr. Saylor], that there may not be the degree of unanimity with respect to what the provisions of this bill should be that some people assume. I want to ask the gentleman from Ohio if that is a fact, and let me get——

Mr. BROWN of Ohio. Let me say to the gentleman——

Mr. HOSMER. Let me get to the question.

Mr. BROWN of Ohio. Ask the question.

Mr. HOSMER. If there is still considerable dispute as to what its terms should be, in the opinion of the gentleman from Ohio, should this matter go to conference anyway?

Mr. BROWN of Ohio. Well, now, I will answer that question by saying that the gentleman from Ohio, as I have stated before, has been informed by interested parties in this matter on both sides, including the author of the Westland amendment and by others, that a satisfactory agreement has been or will be worked out on this matter. For that reason I have had no question whatsoever about it.

Does that answer the gentleman's question?

Mr. HOSMER. If the gentleman will yield further, no, it does not.

My question was, assuming that that information was incorrect and that there does exist yet disagreement, in the opinion of the gentleman from Ohio, should, nevertheless, this resolution be passed and the bill sent to conference? Does the gentleman so recommend?

Mr. BROWN of Ohio. If the information is incorrect and the bill is not in proper form, I would not be in favor of sending it to conference. I did not go on the assumption the information upon which I base my conclusion is incorrect, because I checked carefully before I took action, and I have been assured this legislation will be in proper form and satisfactory to the House.

Mr. HOSMER. I want the gentleman to understand I am not accusing anybody of misinforming anyone. However, the situation might have changed since this matter was up in the Rules Committee.

Mr. BROWN of Ohio. There has been no change in the last 24 hours, or I would have been informed.

Mr. SISK. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore (Mr. ALBERT). The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Without objection, the Chair appoints the following conferees: Messrs. ASPINALL, ROGERS of Texas, HALEY, SAYLOR, and WESTLAND.

There was no objection.

COMMITTEE ON RULES

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file a report.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

AMENDING SECTION 402(d) OF THE FEDERAL FOOD, DRUG, AND COSMETIC ACT

Mr. O'NEILL. Mr. Speaker, by direction of the Committee on Rules I call up House Resolution 819 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4731) to amend section 402(d) of the Federal Food, Drug, and Cosmetic Act. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. O'NEILL. Mr. Speaker, I shall yield one-half hour to the gentleman from Ohio, Mr. BROWN, pending which I yield myself such time as I may require.

House Resolution 819 provides for consideration of H.R. 4731, a bill to amend section 402(d) of the Federal Food, Drug, and Cosmetic Act. The resolution provides an open rule with 1 hour of general debate.

When the Pure Food and Drug Act was enacted in 1906, it contained a provision deeming confectionery to be adulterated if it contained certain ingredients deleterious or detrimental to health, or any vinous, malt, or spirituous liquor or compound or narcotic drug.

In 1938, this prohibition was expanded so that under section 402(d) of the act, confectionery bearing or containing any nonnutritive substance or article, with certain specified exceptions, is automatically deemed adulterated.

In 1958, the act was again amended but no change was made in section 402(d).

Existing law in this area presents somewhat of an anomaly. Certain additives may be used by the canning, frozen food, baking, bottling, and preserving segments of the food industry—even the baby foods industry—but these substances may not be used in the manufacture of candy.

H.R. 4731 would amend the act so as to eliminate those provisions in that section (402(d)) so as to eliminate those provisions which deem confectionery to be adulterated if it bears or contains any nonnutritive article or substance except authorized coloring, harmless flavoring, or certain harmless resinous glazes. This will place the confectionery industry on the same basis as other segments of the food industry and will permit that industry to use in the manufacture of candy, food additives cleared for safety under the food additives amendment.

Mr. Speaker, I urge the adoption of House Resolution 819.

Mr. BROWN of Ohio. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 819, as the gentleman from Massachusetts has explained, makes in order the consideration of H.R. 4731, which is a rather simple but important measure. It simply permits under the law the use of certain food extracts in the manufacture of candy that is already permitted under the Pure Food and Drug Act to be used in the production and manufacture of foodstuffs and similar materials used for human consumption.

There is no reason why this legislation should not have been enacted a long while ago as a benefit to the candy industry. It will be a big benefit and not injure the general public.

Mr. Speaker, I have no further requests for time.

Mr. O'NEILL. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The resolution was agreed to.

MARKING OF STEEL CONTAINERS

Mr. O'NEILL. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 817, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 5673) to prohibit the introduction into interstate commerce of any shipping container manufactured in the United States from imported steel unless the container is marked so as to indicate the country of origin of the steel. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. O'NEILL. Mr. Speaker, I yield myself such time as I may consume, and at the conclusion of my remarks I shall yield 30 minutes to the gentleman from Ohio [Mr. BROWN].

Mr. Speaker, House Resolution 817 provides for consideration of H.R. 5673, a bill to prohibit the introduction into interstate commerce of any shipping container manufactured in the United States from imported steel unless the container is marked so as to indicate the country of origin of the steel. The resolution provides an open rule with 1 hour of general debate.

H.R. 5673 would, in effect:

First. Require steel shipping containers manufactured in the United States chiefly from imported steel to be marked with the country of origin of the steel.

Second. Require every manufacturer to maintain proper records showing the origin of the steel used in all such containers made by him.

Third. Provide for enforcement by the Federal Trade Commission pursuant to its powers under the Federal Trade Commission Act to prevent the commission of unfair methods of competition and unfair or deceptive acts or practices in commerce.

Fourth. Provide for imposition of certain sanctions, including criminal penalties, for violations.

The main objectives of the bill are to permit buyers of steel shipping containers to know when imported steel is used in the manufacture of these containers and to promote the use of steel produced in this country.

Mr. Speaker, I urge the adoption of House Resolution 817.

Mr. GROSS. Mr. Speaker, a parliamentary inquiry?

The SPEAKER pro tempore (Mr. ALBERT). The gentleman will state it.

Mr. GROSS. Is it the purpose after the adoption of these rules to go back to the bills in the order in which the bills are adopted?

The SPEAKER pro tempore. Of course, the distinguished gentleman from Arkansas [Mr. HARRIS], the chairman of the Committee on Interstate and Foreign Commerce, which has reported many of the bills to come up, will have control of that. I assume the bills will come up in the order in which the rules have been adopted.

Mr. GROSS. The Chair is speaking of the two bills. When you get off these two bills, they leave the Committee on Interstate and Foreign Commerce.

The SPEAKER pro tempore. The plan is to take up the rules on all of the bills from the Committee on Interstate and Foreign Commerce.

Mr. GROSS. And then call the bills in the order in which the bills have been adopted?

The SPEAKER pro tempore. That is the plan, although that is up to the gentleman from Arkansas, the chairman of the committee.

Mr. BROWN of Ohio. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as the gentleman from Massachusetts has explained, House Resolution 817 makes in order the consideration of H.R. 5673, a bill from the House Committee on Interstate and Foreign Commerce, which would provide that it will be illegal to ship in interstate commerce any shipping container manufactured in the United States from imported steel unless such container is plainly marked so as to indicate the country of origin of the steel.

This is a piece of legislation that has been urgently requested by the steel industry of the United States, by the users of these containers, the manufacturers of steel, and by American labor organizations. It is a constructive measure for the benefit of American industry, American commerce, and American labor.

The bill, as I understand it, was reported unanimously from the Committee on Interstate and Foreign Commerce and was reported unanimously by the Committee on Rules.

Mr. Speaker, I have no requests for time, and yield back the balance of my time.

Mr. O'NEILL. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore (Mr. ALBERT). The question is on agreeing to the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

CLAIMS OF SHAREHOLDERS OF GENERAL DYESTUFF CORP.

Mr. SMITH of Virginia. Mr. Speaker, I call up the resolution (H. Res. 836) providing for consideration of S. 1451, a bill to amend section 41(a) of the Trading With the Enemy Act, by direction of the Committee on Rules and ask for its immediate consideration.

The Clerk read the resolution, as follows:

> *Resolved*, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 1451) to amend section 41(a) of the Trading With the Enemy Act. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SMITH of Virginia. Mr. Speaker, this resolution makes in order the bill, S. 1451. It is a Senate bill to amend the Trading With the Enemy Act. This arises out of the claims of the shareholders of the General Dyestuff Corp. which was a foreign enemy-owned corporation that was seized under the Trading With the Enemy Act during the last war. The shareholders of the corporation have certain claims that they wish to have considered by the Court of Claims. After a good deal of back and forth negotiations about it, the committee came to the conclusion that the best way to settle these claims was to let the Court of Claims have jurisdiction to consider and determine the validity of the claims and do what was necessary.

Mr. Speaker, I know of no objection to the bill. There was no objection to it when it came before the Committee on Rules and when it was reported out of the Committee on Interstate and Foreign Commerce.

Mr. Speaker, I yield such time as he may desire to the gentleman from Ohio [Mr. BROWN] if he desires to make a statement on the rule.

Mr. BROWN of Ohio. Mr. Speaker, I wish only to add that it is my understanding the bill, S. 1451, was reported out of the Committee on Interstate and Foreign Commerce by a unanimous vote. The purpose of the bill is to correct a situation that resulted from a recent court decision so as to permit the interested parties to go into the Court of Claims without prejudice.

The rule was reported out of the Committee on Rules by a unanimous vote.

I know of no opposition to the measure or to the rule.

Mr. Speaker, I yield back the balance of my time.

Mr. SMITH of Virginia. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on agreeing to the resolution.

The question was taken.

Mr. HALL. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER pro tempore. The gentleman from Missouri objects to the vote on the ground that a quorum is not present and makes the point of order that a quorum is not present. Evidently, a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 375, nays 3, not voting 52, as follows:

[Roll No. 219]

YEAS—375

Abbitt
Abele
Abernethy
Adair
Addabbo
Albert
Anderson
Andrews, Ala.
Andrews, N. Dak.
Arends
Ashbrook
Ashley
Ashmore
Aspinall
Auchincloss
Ayres
Baker
Baldwin
Barrett
Barry
Bates
Battin
Becker
Beckworth
Beermann
Belcher
Bell
Bennett, Fla.
Berry
Betts
Blatnik
Boland
Bolton, Oliver P.
Bonner
Bow
Brademas
Bray
Brock
Bromwell
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Bruce
Burke
Burkhalter
Burleson
Burton, Calif.
Burton, Utah
Byrne, Pa.
Byrnes, Wis.
Cahill
Cameron
Carey
Casey
Cederberg
Celler
Chamberlain
Chelf
Chenoweth
Clancy
Clark
Clausen, Don H.
Clawson, Del
Cleveland
Conte
Cooley
Corbett
Corman
Cramer
Cunningham
Curtin
Curtis
Daddario
Dague
Daniels
Davis, Ga.
Davis, Tenn.
Dawson
Delaney
Dent
Denton
Derounian
Derwinski
Devine
Dole
Donohue
Dorn
Dowdy
Downing
Dulski
Duncan
Dwyer
Edmondson
Edwards
Elliott
Ellsworth
Everett
Evins
Fallon
Farbstein
Fascell
Feighan
Findley
Fino
Fisher
Flood
Fogarty
Ford
Foreman
Forrester
Fountain
Fraser
Frelinghuysen
Friedel
Fulton, Pa.
Fulton, Tenn.
Fuqua
Gallagher
Garmatz
Gary
Gathings
Giaimo
Gibbons
Gilbert
Glenn
Gonzalez
Goodell
Goodling
Grabowski
Grant
Green, Oreg.
Green, Pa.
Griffin
Griffiths
Gross
Grover
Gubser
Gurney
Hagan, Ga.
Hall
Halleck
Halpern
Hanna
Hansen
Harding
Hardy
Harris
Harrison
Harsha
Harvey, Ind.
Hawkins
Hays
Healey
Hechler
Henderson
Herlong
Hoeven
Holifield
Holland
Horan
Horton
Hosmer
Huddleston
Hull
Hutchinson
Ichord
Jarman
Jennings
Jensen
Joelson
Johansen
Johnson, Calif.
Johnson, Pa.
Johnson, Wis.
Jonas
Jones, Mo.

Karsten
Karth
Kastenmeier
Keith
Kelly
Keogh
Kilburn
Kilgore
King, Calif.
King, N.Y.
Kluczynski
Knox
Kornegay
Kunkel
Kyl
Laird
Langen
Latta
Lennon
Libonati
Lindsay
Lipscomb
Long, La.
Long, Md.
McClory
McCulloch
McDade
McDowell
McFall
McIntire
McLoskey
McMillan
Macdonald
MacGregor
Madden
Mahon
Marsh
Martin, Calif.
Martin, Mass.
Martin, Nebr.
Matsunaga
Matthews
May
Michel
Miller, Calif.
Milliken
Mills
Minish
Minshall
Monagan
Montoya
Moore
Moorhead
Morgan
Morris
Morrison
Morse
Morton
Mosher
Moss
Multer
Murphy, Ill.
Murphy, N.Y.
Murray
Natcher
Nelsen
Nix
Norblad
O'Brien, N.Y.
O'Hara, Ill.
O'Hara, Mich.
O'Konski
Olsen, Mont.
Olson, Minn.
O'Neill
Osmers
Ostertag
Patman
Patten
Pelly
Pepper
Perkins
Philbin
Pickle
Pike
Pilcher
Pirnie
Poage
Poff
Pool
Price
Pucinski
Purcell
Quie
Quillen
Randall
Reid, Ill.
Reid, N.Y.
Reifel
Reuss
Rhodes, Ariz.
Rhodes, Pa.
Rich
Riehlman
Rivers, Alaska
Rivers, S.C.
Roberts, Ala.
Roberts, Tex.
Robison
Rodino
Rogers, Colo.
Rogers, Fla.
Rogers, Tex.
Rooney, N.Y.
Rooney, Pa.
Roosevelt
Rosenthal
Rostenkowski
Roudebush
Roush
Roybal
Rumsfeld
St. George
St Germain
St. Onge
Saylor
Schadeberg
Schenck
Schneebeli
Schweiker
Schwengel
Secrest
Selden
Senner
Short
Shriver
Sickles
Sikes
Siler
Sisk
Skubitz
Smith, Iowa
Smith, Va.
Snyder
Springer
Stafford
Staggers
Stephens
Stinson
Stratton
Stubblefield
Sullivan
Taft
Talcott
Taylor
Teague, Calif.
Teague, Tex.
Thomas
Thompson, N.J.
Thompson, Tex.
Thomson, Wis.
Tollefson
Trimble
Tuck
Tupper
Tuten
Udall
Ullman
Utt
Van Deerlin
Vanik
Van Pelt
Waggonner
Watson
Watts
Weaver
Weltner
Westland
Whalley
Wharton
White
Whitener
Whitten
Wickersham
Widnall
Williams
Willis
Wilson,
  Charles H.
Wilson, Ind.
Wright
Wydler
Wyman
Young
Younger
Zablocki

NAYS—3

Hagen, Calif.
Pillion
Ryan, N.Y.

NOT VOTING—52

Alger
Avery
Baring
Bass
Boggs
Bolling
Bolton,
  Frances P.
Buckley
Cohelan
Collier
Colmer
Diggs
Dingell
Finnegan
Flynt
Gill
Gray
Haley
Harvey, Mich.
Hébert
Hoffman
Jones, Ala.
Kee
Kirwan
Landrum
Lankford
Leggett
Lesinski
Lloyd
Mailliard
Mathias
Meader
Miller, N.Y.
Nedzi
Passman
Powell
Rains
Ryan, Mich.
Scott
Sheppard
Shipley
Sibal
Slack
Smith, Calif.
Staebler
Steed
Thompson, La.
Toll
Vinson
Wallhauser
Wilson, Bob
Winstead

So the resolution was agreed to.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Bob Wilson.
Mr. Toll with Mr. Sibal.
Mr. Cohelan with Mr. Mailliard.
Mr. Thompson of Louisiana with Mr. Alger.
Mr. Kirwan with Mrs. Frances P. Bolton.
Mr. Boggs with Mr. Miller of New York.
Mr. Flynt with Mr. Harvey of Michigan.
Mr. Shipley with Mr. Mathias.
Mr. Colmer with Mr. Smith of California.
Mr. Winstead with Mr. Meader.
Mr. Gray with Mr. Collier.
Mr. Slack with Mr. Wallhauser.
Mr. Steed with Mr. Hoffman.
Mr. Passman with Mr. Avery.
Mr. Gill with Mr. Diggs.
Mr. Ryan of Michigan with Mr. Powell.
Mr. Scott with Mr. Sheppard.
Mr. Bass with Mrs. Kee.
Mr. Finnegan with Mr. Lankford.
Mr. Haley with Mr. Lesinski.
Mr. Baring with Mr. Dingell.
Mr. Jones of Alabama with Mr. Nedzi.
Mr. Landrum with Mr. Buckley.
Mr. Leggett with Mr. Staebler.

Mr. PILLION changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

AUTHORIZING FREE TRANSPORTATION OF GUIDES OR DOG GUIDES ACCOMPANYING BLIND PERSONS ABOARD AIRCRAFT

Mr. MADDEN. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 838, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 8068) to amend section 403(b) of the Federal Aviation Act of 1958 to permit the granting of free transportation to guides or seeing-eye dogs accompanying totally blind persons. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. MADDEN. Mr. Speaker, I yield 30 minutes to the gentlewoman from New York [Mrs. ST. GEORGE], and pending that I yield myself such time as I may desire.

Mr. Speaker, this bill is for the purpose of aiding the blind who are passengers on air transportation facilities. The purpose of the bill is to grant express statutory authority to any air carrier or foreign air carrier to transport a human guide or dog guide, accompanying a totally blind person, at a reduced rate or at no charge, under such reasonable regulations as may be established by such carrier.

Mr. Speaker, I know of no opposition to the bill, and urge the adoption of the rule.

Mrs. ST. GEORGE. Mr. Speaker, I yield myself such time as I may desire.

Mr. Speaker, this is a most necessary and certainly humanitarian resolution. It makes in order the consideration of H.R. 8068, to allow blind people to be accompanied on a plane either by a seeing-eye dog or a human guide. There could not be any possible objection to this, and of course the airlines themselves will be responsible as to how this matter can be arranged.

Of course, we know that dogs are not allowed on airplanes as a general rule, but they are very necessary in cases of this kind, and there can be no proper objection to their being carried. In fact, I would suggest that there would be many instances where these well-trained animals would be less undesirable on a plane than some human beings.

This resolution came out of the Committee on Rules unanimously, and I think it came out of the Committee on Interstate and Foreign Commerce unanimously. I can see no objection to it, and there is none on our side.

Mr. MADDEN. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

HYDROELECTRIC PROJECTS ON THE COLORADO RIVER

Mr. MADDEN. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 840, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 9752) to preserve the jurisdiction of the Congress over construction of hydroelectric projects on the Colorado River below Glen Canyon Dam. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. MADDEN. Mr. Speaker, I yield myself such time as I may require; and, pending that, I yield 30 minutes to the gentlewoman from New York [Mrs. St. GEORGE].

Mr. Speaker, House Resolution 840 provides for consideration of H.R. 9752, a bill to preserve the jurisdiction of the Congress over construction of hydroelectric projects on the Colorado River below Glen Canyon Dam. The resolution provides an open rule with 1 hour of debate.

H.R. 9752 would suspend, through December 31, 1966, the authority of the Federal Power Commission to license individual water and power projects on a described portion of the Colorado River, in order to provide Congress with the opportunity of passing upon a comprehensive plan which proposes a unified, integrated system of such projects for the entire Colorado River Basin.

There are now pending before the Federal Power Commission competing applications of the Arizona Power Authority and others for a license to construct a hydroelectric project at the Marble Canyon site on the lower Colorado, one of the last sites available for significant power development in the basin. A comprehensive plan for the development of water and power resources in the whole Southwest region served by the Colorado and other rivers is also pending in Congress. It is believed that any action by the Federal Power Commission with respect to this reach of the Colorado River should await congressional consideration and congressional action, if any, with respect to the plan. In considering the plan, Congress will be presented with the question whether this project should properly be constructed and operated by the United States as one more unit in the whole system of Federal projects up and down the river, in order that it might contribute to meeting the costs of lower basin water supply development under the Federal reclamation laws.

Mr. Speaker, I urge the adoption of this resolution (H. Res. 840).

Mrs. ST. GEORGE. Mr. Speaker, this resolution makes in order the consideration of the bill, H.R. 9752, to preserve the jurisdiction of the Congress over the construction of hydroelectric projects on the Colorado River below Glen Canyon Dam.

My colleague, the gentleman from Indiana, has very ably and very properly described the resolution and the purpose of the bill.

There was absolutely no objection to the adoption of this resolution in the House Committee on Rules. I think in every way the bill is meritorious. I believe many of us particularly like the statement that it will preserve the jurisdiction of the Congress over the construction of these hydroelectric projects. I think this is an important thing and the more often we do preserve the jurisdiction of the Congress, the better off we shall be.

Mr. Speaker, I have no further requests for time and yield back the balance of my time.

Mr. MADDEN. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The **SPEAKER** pro tempore (Mr. ALBERT). The question is on agreeing to the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

USE OF ADDITIVES IN CONFECTIONERY

Mr. HARRIS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 4731) to amend section 402(d) of the Federal Food, Drug, and Cosmetic Act, and ask for its immediate consideration.

The Clerk read the title of the bill.

The **SPEAKER.** Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 402(d) of the Federal Food, Drug, and Cosmetic Act, as amended, is hereby amended to read as follows:

"(d) If it is confectionery, and it bears or contains—

"any alcohol other than not to exceed one-half of 1 per centum by volume derived solely from the use of flavoring extracts."

Mr. HARRIS. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, this bill, H.R. 4731, amends section 402(d) of the Federal Food, Drug, and Cosmetic Act to permit manufacturers of candy to use food additives which are cleared for safety—I repeat—which are cleared for safety, by the Food and Drug Administration, in the manufacture of candy, whether or not these additives are nutritive.

The bill was considered by the Committee on Interstate and Foreign Commerce and was unanimously reported by the committee and is before the House by the direction of the committee today.

Under existing law, a candy manufacturer may not use, in the manufacture of candy, any substance which is not nutritive except authorized coloring, harmless flavoring, natural gum, pectin, or certain harmless resinous glazes.

This means then that if a candy manufacturer needs to use an additive to impart some particular quality to one of his products—for example, an additive which would preserve shelf life, or otherwise aid in the manufacture of the candy—he may find that although the particular additive which he wishes to use is completely harmless and safe, and has already been cleared by the Food and Drug Administration for use by all other segments of the food manufacturing industry, he must determine whether this particular additive is nutritive. If the additive is nutritive, he can use it; if the additive is not nutritive, he is prohibited from using it even though that same additive may be used by all other segments of the food industry from canning and freezing manufacturers to baby food manufacturers.

In other words, a substance which can be used in the manufacture of cookies, soft drinks, ice cream, or pastry, frequently cannot be used in the manufacture of candy.

This odd result arises primarily out of the history of the provisions of the Food and Drug Act which relate to the manufacture of candy. Prior to 1906, when the Pure Food and Drug Act was first passed, many harmful substances were used in the manufacture of candy. The 1906 act contained specific prohibitions against the use of certain substances in the manufacture of candy, and spelled out the substances which were not permitted to be used. In 1938, the 1906 act was expanded so that instead of the law specifying which substances could not be used, the law prohibited use of any nonnutritive substance, with certain specified exceptions.

The 1906 law specified substances that could not be used; the 1938 law listed the substances that could be used. This provision—section 402(d)—has not been changed since 1938, notwithstanding other developments that have occurred since, primarily the adoption of the food additive amendment in 1938.

In 1958, the Congress amended the Federal Food, Drug, and Cosmetic Act to add a new section 409 giving the Food and Drug Administration authority to regulate the use of additives in the manufacture of food. Under this amendment, no substance may be used which will become a component of, or otherwise affect the characteristics of food, unless that substance has been cleared in advance by the Food and Drug Administration, and a regulation approving the uses of that substance has been printed in the Federal Register. No change was made at that time in section 402(d), covering use of additives in the manufacture of confectionery, although it may well have been appropriate for the Congress to consider such a change.

At present, therefore, the presence of section 402(d) in the Federal Food, Drug, and Cosmetic Act, along with section 409 creates an unusual situation under which an additive can be used in the manufacture of all types of food if it is nonnutritive, but that same additive cannot be used in the manufacture of candy.

This restriction, applicable only to the candy industry, imposes on that industry rigid requirements not present in any other segment of the food industry, and in the opinion of the committee, serves no usful purpose in the protection of the public health. Section 409 relating to food additives already provides ample protection, and the continuation of the extra restrictions imposed by section 402 (d) is no longer necessary and should be repealed.

This bill, therefore, amends the Food and Drug Act so as to eliminate the present restrictions applicable only to the manufacture of confectionery, and puts confectionery manufacturers on the same basis as all other food manufacturers.

The Food and Drug Administration objected to the bill in the form in which proposed and suggested amendments which would have required confectionery manufacturers to meet restrictions not applicable to any other segment of the food manufacturing industry. For example, their proposal would have required that candy manufacturers establish to the satisfaction of the Food and Drug Administration that the use of a particular additive had technological value. This same proposal was made by the Food and Drug Administration in connection with the Food Additives Amendment of 1958, but the Congress rejected that proposal then, and there is no more justification for imposing it now upon candy manufacturers than there was for imposing it upon all other food manufacturers in 1958.

Mr. Speaker, this bill merely places candy manufacturers on the same basis as all other food manufacturers in the United States with respect to the use of additives in the manufacture of their product.

The author of the bill is the gentleman from Massachusetts [Mr. MACDONALD]. We commend the bill to the House for its consideration and approval.

Mr. MACDONALD. Mr. Speaker, will the gentleman yield?

Mr. HARRIS. I am delighted to yield to the gentleman, who is the author of the bill.

Mr. MACDONALD. Mr. Speaker, I wish to associate myself with the remarks of the distinguished chairman of the committee.

Mr. Speaker, as a sponsor of the bill now before us, I rise to speak on its behalf. This bill was introduced to remedy a situation whereby the candy manufacturers of this country, many of whom are located in the congressional district of the gentleman from Massachusetts [Mr. O'NEILL], who so ably handled the rule on this bill, and also in the district that I myself am privileged to represent, have been unfairly discriminated against by reason of the current provisions of the Food, Drug, and Cosmetic Act which apply to their industry.

Section 402(d) of the act, the present section, to which H.R. 4731 is addressed, provides for a blanket prohibition of the use of all nonnutritive ingredients in the manufacture of candy. This prohibition was once needed, as one of several legislative safeguards for the consumer, against the possible use of harmful ingredients or cheap fillers in the manufacture of candy. Today, however, such provision clearly is not needed, since it does not recognize the very real and basic fact that under modern methods a better candy product is possible if certain additives, which are nonnutritive, but which also have been declared to be safe by the Food and Drug Administration, are used in the manufacturing process. These ingredients facilitate the mechanical processes involved, they improve the flavor of the product, and they also enable it to stay fresher for a longer period of time. The law should be updated to take account of these technological advances.

Mr. Speaker, I would like to point out further that my bill does not pave the way for the use of harmful ingredients or cheap fillers such as talc in the confectionery which we all eat. Sections 402 and 409 of the Food, Drug, and Cosmetic Act still give a very real and satisfactory protection to the consumers of candy. Under section 409 of the act, the language states:

> Any substance whose use results in its becoming a component or otherwise affecting the characteristics of any food (including confectionery) may not be used unless there is in effect, and its use or intended use are in conformity with a regulation issued by the Food and Drug Administration under certain specified terms.

In plain English the Food and Drug Administration has to pass on the safeness of the additive before it can be used by the candy manufacturer and sold to the ultimate consumer.

Finally, Mr. Speaker, I should like to point out to yourself and to the other Members of the House, that the bill before you serves to remedy a situation under which, for reasons which no longer apply, the candy industry has been singled out in a discriminatory fashion. By passing this amendment, you will be placing the confectionery industry on the same basis as now applies to the other segments of the food industry. The existing law in this area presents an anomalous situation, whereby the additives in question may be, and are, used by the canning, the frozen food, the baking, the bottling and the preserving segments of the food industry—even, for instance, the bread and the baby food industries—but these same substances may not presently be used in the manufacture of candy.

In urging favorable action on this bill, Mr. Speaker, I repeat that this discriminatory and anomalous treatment of the confectionery industry is neither warranted nor desirable but is an anachronism that should be updated. For these reasons I respectfully request passage of the bill.

Mrs. SULLIVAN. Mr. Speaker, will the gentleman yield?

Mr. HARRIS. I am glad to yield to the gentlewoman from Missouri.

Mrs. SULLIVAN. Mr. Speaker, the chairman of the Committee on Interstate and Foreign Commerce has already answered the questions I had intended to ask on this legislation. It was my understanding, in studying the bill, that it permits or requires candy manufacturers to do no more and no less than manufacturers of other food products in assuring the safety of their products. The gentleman from Arkansas has clearly established that in his remarks.

Mr. Speaker, I think we have got to watch this situation very carefully, however. I am not aware that the candy industry is suffering from the fact that it cannot use all of these chemical additives which are now so prevalent in all processed foods. I think the candy industry has just had one of its biggest years in history. I would hate to see candy turned into a new variety of chemical tidbit. At the present time, the customer instantly knows when a piece of candy is stale or moldy; the purpose of this bill seems primarily to help fool the customer as to the product's freshness by permitting the use of chemicals to extend shelf life. However, if every other food product enjoys this privilege, it is difficult to deny it to the candy manufacturer.

ASSURING WHOLESOMENESS OF IMPORTED FOODS

In looking through the hearings on this bill, Mr. Speaker, I noted numerous references to the fact that the candy imports are often a worrisome problem, in terms of their safety and wholesomeness. We require very high standards of wholesomeness and of sanitation in all food processing plants in this country, but we have to depend upon the vigilance of the Food and Drug Administration's inspectors and laboratory scientists, and a good deal of luck on a sampling basis—or on hunches—to ferret out dubious shipments of food products imported into this country, and seize those which are unfit or adulterated. Often, the only way the FDA can tell that dangerous ingredients have been used purposely or by mistake in an imported food is by elaborate laboratory analysis, and that is time consuming and difficult. According to the hearings on this bill, the FDA once found imported candy which had been colored by the use of ordinary house paint.

Now, of course this is clearly prohibited under our laws, and will continue to be prohibited under this bill today. My point is that we do not have really solid defenses against unwholesome imported foods because we do not and cannot require foreign manufacturers to submit to the same kind of factory inspection we have established for food processors in this country. Reference to this fact was made in the hearings on H.R. 4731 only insofar as this problem relates to candy imports, but it is common in many food products.

H.R. 1235 PROPOSES FDA INSPECTIONS ABROAD

I would therefore like to point out, Mr. Speaker, that in H.R. 1235, my omnibus bill to rewrite the Food, Drug, and Cosmetic Act to close a great variety of loopholes in consumer protections in the present law, I have a provision which, I believe, is unique in meeting this problem. It would permit FDA to make factory inspections overseas in any plants which ship substantial quantities of processed foods into the United States. Of course, we would not attempt to have inspectors in every foreign plant; but this way we could inspect those foreign plants shipping to the United States products which consistently or periodically seem to be manufactured under unsanitary conditions, or which vary widely in quality indicating a lack of good manufacturing standards, or which contain ingredients not permitted under our laws. If such a plant refused to permit reasonable inspection by United States inspectors upon request, then its products could be barred from this country, and a good deal of the time of our inspectors who are working on imports here could be saved for other important assignments. It is my impression that some foreign firms have been constant offenders on foods sent to the United States, and that inspecting their products at dockside takes a lot of concentrated effort by our pure food inspectors. Under such circumstances, we should send inspectors overseas to see just how these factories are set up from a sanitation standpoint, and what manufacturing practices are followed. Otherwise, FDA must continue to spend an inordinate amount of time and effort and expense inspecting and analyzing their shipments after they arrive.

It seems to me this approach would solve one of the major problems cited by the FDA in opposing H.R. 4731. FDA said that it is mostly the foreign candy manufacturers, rather than the domestic ones, they fear may abuse the relaxations in this legislation. My omnibus bill to rewrite the Food, Drug, and Cosmetic Act, H.R. 1235, has many, many provisions in it, such as sections dealing with the safety of cosmetics, pep pills, and barbiturates, the safety and efficacy of prosthetic and therapeutic devices, the labeling of foods and cosmetics, and so on. So this one provision on foreign factory inspections is only a minor part of a very broad bill. But it is yet another demonstration of the fact that H.R. 1235 contains many long-overdue reforms, and I hope that next year, this bill can finally be written into law, as its drug control provisions were 2 years ago.

Mr. HARRIS. I thank the gentlewoman for her statement.

Mr. SPRINGER. Mr. Speaker, I move to strike the requisite number of words.

The existing law in this field does present somewhat of an anomaly. Certain additives may be used by the canning, frozen food, baking, bottling, and preserving segments of the food industry. Even the baby food industry may use these additives, but these substances may not be used in the manufacture of candy.

The purpose of this legislation today is to cure this discrimination, this anomalous treatment received by the confectionery industry.

Technically the bill would amend section 402(d) of the Federal Food, Drug, and Cosmetic Act to permit manufacturers of candy to use, in the manufacture of candy, additives which are cleared for safety by the Food and Drug Administration for use in the manufacture of food by all other segments of the food industry of the United States.

This would eliminate the present unusual situation under which a substance can be used in the manufacture of food by all segments of the food industry, including the baby food manufacturing industry today, but may not be used today in the manufacture of candy. I think all of us on the committee understood the discriminatory nature of the law up until today. The purpose of this legislation is to cure that discrimination, and we believe we did that.

The evidence presented to the committee was so favorably presented that this bill did come unanimously from the committee, and I recommend it to my colleagues.

Mr. NELSEN. Mr. Speaker, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman from Minnesota.

Mr. NELSEN. I would like to associate myself with the remarks that the gentleman from Illinois [Mr. SPRINGER], just made. There is no controversey in our committee relative to this bill. We think it is a sensible approach to the problem, and we believe all precautions have been taken that are necessary to protect the general public. I hope the bill passes this body.

Mr. FOGARTY. Mr. Speaker, we have before us today H.R. 4731, a bill to amend section 402(d) of the Federal Food, Drug, and Cosmetic Act. That section of the act now bars the use of nonnutritive substances in confectionery. The rule under which we will debate this bill characterizes it as amending the Food, Drug, and Cosmetic Act regarding flavoring extracts. But let me tell you briefly how far this bill goes beyond the subject of flavoring extracts. This bill would relax the high standards which have applied to confectionery since 1906 when the original Pure Food and Drug Act prohibited the adulteration of candy with nonnutritive substances. This bill amends section 402(d) by deleting the present prohibition against the use of nonnutritive substances in confectionery. This bill would permit the use of such nonnutritive substances as talc to debase candy.

While it would be objectionable to amend our food and drug laws to permit such economic adulteration of candy, the bill would have another more serious result. It would open the door to the dangerous practice of incorporating nonnutritive articles such as small plastic or metal trinkets in confectionery. This hazardous practice was common in this country, and still is in certain other countries, but has been successfully eliminated domestically by enforcement of section 402(d). This bill before us would roll back consumer health protection, by paving the way for a revival of this dangerous practice of embedding trinkets in candy despite the fact that this practice has killed children who swallowed these trinkets.

I have here before me a summary of testimony presented by Deputy Commissioner John L. Harvey, of the FDA, in opposition to H.R. 4731 during a hearing before the Subcommittee on Public Health and Safety on April 28, 1964. Mr. Harvey said that under the proposed bill it would be virtually impossible to deal with the type of economic adulteration which is now curbed so successfully by the prohibitions in section 402(d).

I am further advised that passage of this bill would make it necessary to deal with dangerous trinkets in candy on a case-by-case basis, proving in each instance that the trinket in the candy represented a deleterious substance which may render it injurious to health.

As the President's Consumer Advisory Council said about the bill:

> It is incredible that such legislation could even be contemplated.

The Subcommittee on Public Health and Safety in reporting the bill adopted an amendment which would have barred dangerous trinkets from confectionery unless separately and distinctly wrapped but the full Committee on Interstate and Foreign Commerce rejected this consumer protection amendment. Vending machine distributors alleged no one had been injured by trinkets mixed with confectionery in vending machines. On the contrary, in 1953, an 8-year-old boy on Long Island, N.Y., choked to death on a plastic trinket obtained along with chewing gum from a vending machine. The exclusion from confectionery of nonnutritive articles such as metal and plastic trinkets, sharp wooden or plastic sticks, and similar substances has been extremely valuable as a preventive public health measure. It would be regrettable to see this consumer protection feature of the Federal Food, Drug, and Cosmetic Act repealed.

The confectionery industry has stated that the principal reason it desires amendment of section 402(d) is so that candy manufacturers can use food additives which will increase shelf life and impart desirable qualities to the product from the standpoint of taste, texture, and flavor enhancement, which they are now barred from using if the additives are nonnutritive.

Gentlemen, I have no desire whatsoever to see the confectionery industry deprived of the advantages of modern food technology which are enjoyed by other segments of the industry. I believe candy manufacturers should be permitted to use safe, nonnutritive substances if they serve useful purposes to enhance the quality of the product. But I do not believe we should adopt regressive legislation to provide relief for the confectionery industry. This relief can be afforded without weakening the present law. The Department of HEW proposed an amendment to section 402(d) which would have provided a means whereby the industry could employ safe nonnutritive substances in the production of confectionery. I believe this amendment should be adopted in lieu of the language of H.R. 4731.

Add the following proviso to the present section 402(d):

> "*Provided further*, That this paragraph shall not apply to a safe nonnutritive substance which is in or on confectionery by reason of its use in the manufacture, packaging, or storage of such confectionery, if such use of the substance (including the amount thereof remaining in or on such confectionery) is in conformity with a regulation issued and in effect under section 409, but no such regulation shall issue unless the Secretary finds that such use has technological value in such manufacture, packaging, or storage and is in accordance with good manufacturing practice. For the purpose of the application of section 409 (b) through (h) of this Act to this proviso, such nonnutritive substance shall be deemed to be a 'food additive' whether or not it is such within the meaning of section 201(s). As used in this paragraph (d), the term 'nonnutritive' refers to a substance or article which, when ingested by man, is not utilized in normal metabolism, or which is inedible."

GENERAL LEAVE TO EXTEND

Mr. HARRIS. Mr. Speaker, I ask unanimous consent that all Members who wish to do so may be permitted to extend their remarks at this point in the RECORD.

The SPEAKER pro tempore (Mr. ALBERT). Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARKING OF STEEL CONTAINERS

Mr. HARRIS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 5673) to prohibit the introduction into interstate commerce of any shipping container manufactured in the United States from imported steel unless the container is marked so as to indicate the country of origin of the steel, and I ask unanimous consent that it may be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Steel Shipping Container Identification Act".

Definitions

SEC. 2. As used in this Act—

(a) The term "person" means an individual, partnership, corporation, association, or any other form of business enterprise.

(b) The term "commerce" means commerce among the several States or with foreign nations, or in any possession of the United States or in the District of Columbia, or between any such possession and another, or between any such possession and any State or foreign nation, or between the District of Columbia and any State or possession or foreign nation.

(c) The term "Commission" means the Federal Trade Commission.

(d) The term "shipping container" shall mean all steel drums and pails (as defined in this subsection) used for shipping products to wholesale or retail distributors or to commercial users and are defined as—

(1) Drum: Any single wall cylindrical or bilged container having a capacity of over twelve gallons to one hundred and ten gallons, inclusive, constructed of steel sheet and inclusive of all gages.

(2) Pail: Any steel shipping package with or without bail and handle having a capacity of one gallon to twelve gallons, inclusive, constructed of steel sheet twenty-nine gage or heavier.

Marking of steel shipping containers

SEC. 3. (a) It shall be unlawful and shall be an unfair method of competition and an unfair and deceptive act or practice in commerce under the Federal Trade Commission Act for any manufacturer of steel shipping containers to introduce any such container into commerce directly or indirectly, whenever such container is manufactured in the United States in whole or in chief value from steel made outside the United States, unless such container bears stamped thereon in letters not less than one-fourth of an inch in height the legend "Steel used in the manufacture of this   was made in   "; with the first blank space being filled with the appropriate designation of the container, and the second blank space being filled with the name of the foreign country in which such steel was made.

(b) It shall be unlawful and shall be an unfair method of competition and an unfair and deceptive act or practice in commerce under the Federal Trade Commission Act for any person to deface, destroy, remove, alter, cover, obscure, or obliterate any mark placed on a steel shipping container pursuant to subsection (a) of this section, if the purpose of defacing, destroying, removing, altering, covering, obscuring, or obliterating such mark is to hinder or prevent other persons from obtaining the information given by such mark.

Records

SEC. 4. (a) Every manufacturer of steel shipping containers subject to sections 2–7 of this Act shall maintain proper records showing the origin of the steel used in all steel shipping containers made by him, and shall preserve such records for at least three years.

(b) The neglect or refusal to maintain or preserve the records required by this section is unlawful, and any person neglecting or refusing to maintain such records shall be guilty of an unfair method of competition, and an unfair or deceptive act or practice in commerce under the Federal Trade Commission Act.

Enforcement

SEC. 5. (a) Except as otherwise specifically provided in this Act, this Act shall be enforced by the Commission under rules, regulations, and procedures authorized for in the Federal Trade Commission Act.

(b) The Commission shall prevent any person from violating the provisions of this Act in the same manner, by the same means, and with the same jurisdiction, powers, and duties as though all applicable terms and provisions of the Federal Trade Commission Act were incorporated into and made a part of this Act; and any such person violating the provisions of this Act shall be subject to the penalties and entitled to the privileges and immunities provided in the Federal Trade Commission Act as though the applicable terms and provisions of such Act were incorporated into and made a part of this Act.

(c) The Commission is authorized and directed to make such rules and regulations as may be necessary and proper for the purposes of administration and enforcement of this Act.

(d) The Commission is authorized to cause inspections, analyses, tests, and examinations to be made of any steel shipping container subject to this Act.

Criminal penalty

SEC. 6. (a) Whoever willfully violates section 3 or 4 of this Act shall be guilty of a misdemeanor and upon conviction shall be fined not more than $5,000 or imprisoned not more than one year, or both, in the discretion of the court: *Provided,* That nothing in this section shall limit any other provision of this Act.

(b) If the Commission has reason to believe that any person has violated section 3 or 4 of this Act the Commission may certify all pertinent facts to the Attorney General and if the Attorney General concurs, he shall cause appropriate proceedings to be brought for the enforcement of this Act against such person.

Application of other laws

SEC. 7. The purposes of this Act shall be held to be in addition to, and not in substitution for or limitation of, the provisions of any other Act of Congress.

SEC. 8. This Act shall take effect three months after the date of its enactment.

With the following committee amendments:

On page 2, strike out lines 1 through 7 and insert in lieu thereof the following:

"(b) The term 'commerce' means commerce among the several States or with foreign nations, or between two points in the same State but through any point outside thereof, or in any possession of the United States or in the District of Columbia, or between any such possession and another, or between any such possession and any State or foreign nation, or between the District of Columbia and any State, possession of the United States, or foreign nation.

"(c) The term 'State' includes the Commonwealth of Puerto Rico."

On page 2, line 8, strike out "(c)" and insert in lieu thereof "(d)".

On page 2, line 10, strike out "(d)" and insert in lieu thereof "(e)".

On page 2, strike out lines 1 through 7 and insert in lieu thereof the following:

"(b) The term 'commerce' means commerce among the several States or with foreign nations, or between two points in the same State but through any point outside thereof, or in any possession of the United States or in the District of Columbia, or between any such possession and another, or between any such possession and any State or foreign nation, or between the District of Columbia and any State, possession of the United States, or foreign nation.

"(c) The term 'State' includes the Commonwealth of Puerto Rico."

On page 2, line 8, strike out "(c)" and insert in lieu thereof "(d)".

On page 2, line 10, strike out "(d)" and insert in lieu thereof "(e)".

Mr. HARRIS. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, H.R. 5673 was reported by the Committee on Interstate and Foreign Commerce unanimously after hearings and consideration by the committee and its Subcommittee on Commerce and Finance. The bill was sponsored by the gentleman from Alabama [Mr. ROBERTS], a member of the committee, and chairman of the Subcommittee on Public Health and Safety. The gentleman from Pennsylvania [Mr. CURTIN] is cosponsoring the bill. He is likewise a member of the committee. The gentleman from Illinois [Mr. ROSTENKOWSKI], a former member of the Committee on Interstate and Foreign Commerce, is also a cosponsor of this bill.

Mr. Speaker, H.R. 5673, the Steel Shipping Container Identification Act, has two broad objectives, namely:

First, to permit buyers of certain types of steel shipping containers—as defined in the bill—to know when imported steel is used in the manufacture of these containers; and second, to promote the use of steel produced in this country.

The provisions of the bill can be simply summarized:

First, the bill would require steel shipping containers manufactured in the United States, chiefly from imported steel, to be marked with the country of origin of the steel.

Second, every manufacturer would be required to maintain proper records for at least 3 years showing the origin of the steel used in all such containers manufactured by him.

Third, the bill provides for enforcement of these requirements by the Federal Trade Commission pursuant to its authority under the Federal Trade Commission Act to prevent unfair methods of competition and unfair or deceptive acts or practices in commerce.

Fourth, provision is made for the imposition of certain sanctions, including criminal penalties, for violations.

Mr. Speaker, it is well recognized that the increasing use of foreign steel by domestic manufacturers of all types of goods has had a serious impact on the steel-producing industry of this Nation. And, those industries which supply raw materials to our domestic steel producers—such as iron ore and coal—have been similarly affected as well.

Through 1957, the United States exported substantially more steel than it imported, but in the period 1958–62, imports of foreign steel into the United States nearly tripled in volume. As a result, this Nation changed from a net exporter into a net importer of steel. Whereas United States exports tended to stagnate at approximately 2 million tons per year during the period 1958–62, United States imports rose to a level above 4 million tons. In 1963, imports exceeded 5 million tons for the first time.

This trend is particularly pronounced in the case of hot- and cold-rolled sheet steel which is used in the manufacture of the shipping containers covered by this legislation. Imports of sheet steel have grown and are continuing to grow at an even higher rate.

These developments are particularly relevant to our consideration of this legislation, owing to the fact that the manufacturers of steel shipping containers represent a major market for sheet steel—in fact, they rank second only to the automotive industry in consumption of this important steel product.

However, Mr. Speaker, the record of the committee's hearings on this legislation indicates that this major market for sheet steel; that is, the steel shipping container manufacturing industry, is gradually being forced to turn from domestic producers of steel to foreign producers to fill its needs. This shift has been caused by the fact that for a number of years the steel shipping container manufacturing industry has been severely depressed, operating substantially below full capacity. Price competition is severe and profit margins very small. A company using foreign steel in the manufacture of such containers enjoys a significant economic advantage by reason of the difference in price between foreign and domestic steel.

This price differential arises from a number of factors—employment costs, tariff structures, nontariff trade barriers, export subsidies, and so forth. In order to meet competition, the smaller companies in particular are compelled to purchase foreign steel, and it is anticipated that this trend, in view of current conditions within the industry, will probably accelerate. Increasingly these users of American steel will be forced to attempt to meet lower prices resulting from importation of foreign steel by buying foreign steel themselves under the penalty of possible operating losses or as a matter of self-preservation. Thus an important market for a major product of the domestic steel industry will be subject to even further shrinkage.

Mr. Speaker, H.R. 5673 is designed to provide an incentive to manufacturers of steel shipping containers to continue to support the domestic steel industry. The committee's hearings indicated that at least some purchasers of steel shipping containers might prefer to buy containers manufactured from domestically produced steel, but at the present time this information is not available to them.

In reporting this bill favorably, the Committee on Interstate and Foreign Commerce was of the opinion that purchasers of steel shipping containers ought to be entitled to know the source of the steel used in these containers. This bill requires the giving of such information, so that customers of container manufacturers may weigh this factor, together with other factors, in making their selection between competing products.

The provisions of this bill would in no way restrict the importation of foreign steel. The marking requirement would simply strengthen the competitive position of American manufacturers of steel shipping containers who prefer to use domestically produced steel.

The Subcommittee on Commerce and Finance held a hearing November 6, 1963, on these bills, receiving statements in support from the sponsors of the legislation, and also from representatives of the Steel Shipping Container Institute, the United Steelworkers of America, and two steel shipping container manufacturers. In addition, two of the large domestic producers of steel have communicated their support of the legislation to the subcommittee.

I join in urging your favorable consideration.

Mr. SPRINGER. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, we had extensive hearings on this matter when we heard I think from every segment that was interested, both for and against this legislation. It was the committee's opinion when we completed that the purchasers of steel shipping containers were entitled to know the source of the steel used in these containers. This bill would simply require the giving of relevant and important information to any customer of container manufacturers so that they could weigh this factor, together with all other factors, and have a freedom of choice in their purchases.

This bill would not in any way restrict the imports of foreign steel. However, it would undoubtedly strengthen the position of American manufacturers of steel shipping containers who prefer to use domestically produced steel.

The committee considers that the incentive to steel containers manufacturers to buy domestic steel, as provided in this legislation, is especially appropriate because the nature of their product does not lend itself to alteration or changes in design or relocation of plants in order to cut costs.

As you may know, many plants have relocated in other countries. It is not feasible for steel plants to do so. It is the feeling of the committee that the customer ought to know from which country the steel came.

Mr. Speaker, I yield to the distinguished gentleman from Pennsylvania [Mr. Curtin].

Mr. CURTIN. Mr. Speaker, I desire to associate myself with the remarks made by Chairman Harris and the gentleman from Illinois [Mr. Springer] on H.R. 5673.

Mr. Speaker, I rise in support of H.R. 5673, a bill to prohibit the introduction into interstate commerce of any shipping container manufactured in the United States from imported steel unless the container is marked so as to indicate the country of origin of the steel

I am very much interested in this legislation due to the fact that I introduced an identical bill, H.R. 5662, and have been working very diligently with the gentleman from Alabama [Mr. Roberts], the author of H.R. 5673, in the reporting of this bill by the Committee on Interstate and Foreign Commerce, of which we are both privileged to be members.

This legislation was introduced for two basic purposes: First, to promote the continued use of domestic steel to the end that American industry and labor will not suffer the loss of dollars and man-hours caused by the use of foreign steel in the fabrication of steel drums and pails. Second, to assist the manufacturers of steel drums and pails in continuing to use domestic steel and to alleviate the demoralizing price dilemma posed by users of foreign steel, who may undersell the user of American steel without having to disclose that the price differential is not due to superior technology and know-how—but simply due to his using foreign steel in drums and pails to be sold to domestic purchasers.

To accomplish these goals, we do not propose to raise tariffs or arbitrarily exclude foreign steels—we merely want to inform the purchaser of steel drums and pails and let him make his decision based upon all the facts and considerations which provide the basis for a business decision as to what drums and pails he will buy.

This legislation would require that the local manufacturers of steel shipping containers from foreign steel indicate the country of origin of the steel on the container.

This bill would authorize the Federal Trade Commission to enforce the marking requirements—the failure to comply with the act would be an unfair trade practice. The Federal Trade Commission is particularly suited for the administration and enforcement of this act because it is generally similar to other labeling acts under its authority. In addition, since the marking will take place after the containers have been fabricated from the imported steel, the FTC, with its nationwide network of offices, is best suited at present to enforce such an act.

The public must be able to use American-made steel products if it wishes. This bill leaves the choice entirely up to the private sector of the economy. This measure cannot be called an act discriminating against, or restricting, foreign trade or imported products. It is like the description of ingredients on food and drug containers—the purpose of the law is information.

The present level of production among American steel producers adds to the urgency of the present position. Unemployed steelworkers and hard-pressed manufacturers caught in the cost-price squeeze must be adequately protected through the efforts of other citizens to spur a demand for their product.

This is not a restraint of free trade. The public still makes the decision—but with this legislation, a concerned public will have the information so that it may make a meaningful decision.

I think that this bill represents good legislation and is beneficial to both the steel industry and to the steelworkers, and for that reason, I urge favorable action.

Mr. ROBERTS of Alabama. Mr. Speaker, I move to strike out the requisite number of words.

Mr. Speaker, this bill, which is cosponsored by the distinguished gentleman from Pennsylvania [Mr. Curtin], and the distinguished gentleman from Illinois [Mr. Rostenkowski] would, in my opinion, enhance the economic status of the steel industry.

In my opinion, these are highly desirable and worthwhile objectives in view of certain grave problems with which the

Nation and the steel industry are confronted today.

Through 1957, the United States exported substantially more steel than it imported. However, in the period 1958–62, imports of steel into the United States nearly tripled in volume, rising to 9 percent of world imports, compared to 4 percent in the earlier period.

Thus, whereas world trade in steel mill products continued to increase throughout the period, reaching 44 million tons in 1962—nearly triple the 1950 volume—U.S. exports have tended to stagnate at approximately 2 million tons, and U.S. imports to rise to a level of above 4 million tons per year. In fact, for 1963, imports are expected to exceed 5 million tons for the first time.

The fact that this country has changed from a net exporter to a net importer of steel mill products has had an adverse effect on our balance of payments and employment in steel and related industries.

It has been estimated that if the American steel industry had maintained its 1953–57 average participation in world export trade, and had prevented further erosion of its markets by imports, the industry in 1962 alone would have provided employment for an additional 50,000 workers and paid out over $350 million in wages and salaries.

The unfavorable imbalance in our steel exports and imports stems from competitive factors which show little promise of diminishing in the years immediately ahead.

The current trend, in fact, will probably accelerate. The differences in employment costs, tariff structures, nontariff trade carriers and export subsidies, credit costs, and governmental regulatory policies in this and other countries of the world present obstacles to the domestic steel industry which are extremely difficult for it to overcome in its battle for consumer markets.

I am advised that the steel shipping container industry is second only to the automotive industry in consumption of sheet steel in the United States. In a typical year, manufacturers of such containers consume in excess of 1 million tons of steel. Price competition within the industry is severe. Manufacturers utilizing imported steel can substantially undercut in price those of their competitors who support to a large extent the basic domestic steel markets.

It seems clear to me from the information available that this poses a grave threat to not only these industries, but to our economy as well. In my opinion, some incentive should be provided to utilize domestic steel in the manufacture of these containers, but clearly an incentive which is in no way punitive in character.

The Steel Shipping Container Identification Act would, I believe, provide an indirect incentive of this nature, for the following reasons.

Section 304(a) of the Tariff Act of 1930, as amended, requires—subject to certain exceptions—that every article of foreign origin—or its container—imported into the United States be plainly marked so as to indicate to the ultimate purchaser in the United States the name of the country of origin.

For the purposes of the act, the "ultimate purchaser" is ordinarily viewed as the last person in the United States who will receive the article in the form in which it was imported.

Since the manufacturer of steel shipping containers is the "ultimate purchaser" of the steel in the form in which it is imported, he must ordinarily be put on notice of the country of origin of the steel.

However, there is no requirement that the manufacturer in turn mark the steel containers so as to convey this information to the purchasers of such containers. The Steel Shipping Container Identification Act would require the manufacturer to provide this information for the benefit of those customers to whom such information is pertinent in exercising their freedom of choice.

This legislation would in no way affect tariff rates or other customs regulations. The act provides that a violation of its provisions constitutes an unfair method of competition and an unfair and deceptive act or practice in commerce under the Federal Trade Commission Act.

Enforcement is therefore lodged with the Federal Trade Commission, which is equipped to administer other legislation requiring the labeling of certain products.

You gentlemen on the committee of course are familiar with the Textile Fiber Products Identification Act, the Fur Products Label Act, and the Wool Products Labeling Act.

Mr. Speaker, this is, beyond question, a good bill. I hope the Members of the House will support it.

Mr. HALL. Mr. Speaker, will the gentleman yield?

Mr. ROBERTS of Alabama. I yield to the gentleman from Missouri.

Mr. HALL. Mr. Speaker, I thank the gentleman from Alabama for yielding to me. I simply want information.

I wonder if the distinguished chairman of the subcommittee, one of the sponsors of the bill, would tell me if H.R. 5662 is essentially the same as H.R. 5673?

Mr. ROBERTS of Alabama. I believe so.

Mr. HARRIS. Mr. Speaker, will the gentleman yield?

Mr. ROBERTS of Alabama. I yield to the gentleman from Arkansas.

Mr. HARRIS. Would the gentleman from Alabama permit me to say, in answer to the question of the gentleman from Missouri, that they are identical bills.

Mr. HALL. Mr. Speaker, I thank the distinguished chairman of this important committee.

Mr. Speaker, am I to understand that in this legislation now pending before the House we are "flying in the face of," the Reciprocal Trade and Tariff Act of 1962 and against the recommendations of the Department of Justice, signed in the report here by Mr. Katzenbach, or whatever his name is, and against the recommendation of the Department of Commerce, the counsel of the Treasury Department; in order to protect American free enterprise, labor, and production? Do I understand that in spite of the 1962 act, we now seek to protect the people that are employed in steel manufacturing and label it "Buy American," by identifying its source?

Is that the general essence of this bill that is presently pending before us?

Mr. ROBERTS of Alabama. I think the gentleman is correct. Irrespective of whether the reports submitted by the various departments and agencies are adverse, I have always conceived it to be the duty of the Congress to pass laws for the benefit of the American people. That is the reason we reported this measure out unanimously. Regardless of the stand they take, I believe it is up to the Congress to make up its mind on these policy matters and that is why the bill is before us today.

Mr. HALL. Mr. Speaker, if the gentleman will yield further, I take this time only to compliment the subcommittee and the gentleman from Alabama [Mr. ROBERTS] for the sudden reversal of position and regaining and calling back unto ourselves, that which was originally not freely given, in spite of some of the things that have transpired here in the last two sessions of the Congress.

Mr. Speaker, I believe it is high time that we did just exactly what this committee has unanimously recommended today, and I hope that the bill does pass.

The SPEAKER pro tempore (Mr. ALBERT). The time of the gentleman from Alabama has expired.

Mr. HARRIS. Mr. Speaker, I ask unanimous consent that the gentleman from Alabama [Mr. ROBERTS] may proceed for 2 additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. HARRIS. Mr. Speaker, will the gentleman yield?

Mr. ROBERTS of Alabama. I yield to the gentleman from Arkansas.

Mr. HARRIS. In further response to the question of the distinguished gentleman from Missouri [Mr. HALL], I might say that the Committee on Interstate and Foreign Commerce has also in the past reported legislation which requires labeling of furs that are imported from foreign countries in order that they show the country of their origin. The same is true with respect to textile fibers.

So, Mr. Speaker, this is not a new precedent at all. The committee has taken similar action in this direction in the past where we felt the facts justified it.

Mr. WESTLAND. Mr. Speaker, I move to strike out the requisite number of words.

Mr. Speaker, I would like to take this time to add my congratulations to those already expressed to the distinguished gentleman from Alabama [Mr. ROBERTS] and the gentleman from Arkansas [Mr. HARRIS] in reporting out this bill.

Mr. Speaker, I wish that I could offer an amendment to this bill at the present time. If I could do so, it would be to strike the word "steel" wherever it appears and insert the word "lumber." If the word "lumber" were used wherever the word "steel" appears in this colloquy that has just taken place, the same facts would apply.

Mr. Speaker, this Congress passed a lumber labeling bill a little over a year ago. We tried to do exactly what these gentlemen are doing here today. We believe that foreign competition is ruining the lumber industry throughout the Pacific Northwest and, perhaps, throughout a larger part of the United States than that, ruining it through foreign competition, because of a 92½-cent Canadian dollar, and because of the Jones act which requires that lumber be shipped in American bottoms, even though mills cannot get the ships to send the lumber back to the east coast.

Mr. Speaker, all we wanted to do was to put a label on that lumber that came into the United States indicating in what country it originated, principally in Canada. The House of Representatives and the Congress passed this legislation but President Johnson saw fit to veto that little bit of help to the lumber industry.

I hope you will have a little better luck with your steel labeling bill than we had with ours. Perhaps your strength is greater than ours. Maybe it will have more effect.

Just yesterday we had a dissertation in the House on the problem of the meat and cattle industry. The House made itself pretty clear in its views on this matter of restricting imports. Yet when we introduce legislation to try to get a regulation on the importation of foreign lumber we get knocked on our heads by the administration. I can tell the Members of the House this is resulting in the loss of jobs by the thousands in the Pacific Northwest, and in other areas of the country as well.

If this administration would give a little bit of help to the lumber industry maybe it would not have to worry quite so much about jobs.

Mr. PELLY. Mr. Speaker, will the gentleman yield?

Mr. WESTLAND. I yield to the gentleman from Washington.

Mr. PELLY. I would like to associate myself with the remarks just made by the gentleman from Washington [Mr. WESTLAND]. First of all I would like to go back to the colloquy a short while ago when there was some question raised as to the matter of the Trade Extension Act. I call attention to the fact, which often seems to be overlooked, that the Constitution places on the legislative branch the sole responsibility to regulate foreign commerce.

I support this bill. I, too, like my colleague from the State of Washington, wish that we could add lumber to it because we need jobs in this country and in the Northwest in the lumber industry, and this is one way we could help.

I thank the gentleman for yielding.

Mr. DENT. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, I rise in support of the bill before us. I would like to tell you a story. Two years ago when investigating the impact of imports on American employment for this House I ran across an instance on steel that may be of interest to all of you.

It appears an importer in his anxiety to sell Japanese tool steel put in his proposal a suggestion that if the steel being imported from Japan caused embarrassment to the customer, for a slight fee they would obliterate the markings that showed the origin of the steel. You will find this piece of information contained in the report of my subcommittee, and an identical copy of the letter from the Japanese importer to his customer in the United States.

In reference to the matter of the lumber situation that was discussed a minute ago, the President of the United States was misled by his informers and advisers. If you will read his statement on the veto of the bill you will find it was brought out this would increase the cost of lumber to the home builders in the United States when the very contrary is true, because every stick of lumber that comes out of Canada into the United States, or from any other country, has markings upon it showing the lot number, its source, and the company that ships it. That does not mean on a little lot of lumber, a cord or a thousand feet, but on every single strip, whether it be 1 by 2, 6 by 6, or 10 by 16. In the case of lumber coming in to these United States they may have anywhere from one to three markings on them. All that requires it to be labeled is the addition of an abbreviation for Canada or an abbreviation for some other country.

We have before us legislation asking that all imports be marked with the country of origin. On my birthday this year my family bought a little radio, not a cheap little radio, that was imported. Some $99.95 was spent for it. You will note they have learned our method of marking. This particular product was given to me.

About 2 months later I needed a new battery for it, and in taking it apart, deep in the bowels of the contraption, I found "made in Japan."

We are selling in this country something even worse than false labels; we are selling to the unsuspecting public items made overseas by foreign labor at anywhere from one-fifth to one-seventh of the price of labor paid in the United States. We are supporting foreign industry because we have created a new breed of cat in America, the import-export lobby, the richest group of exploiters that ever came on the American scene.

Unless we stop it, not lumber alone, not steel alone, not glass alone, but every item manufactured in America will suffer except those items now making up the bulk of our exports which are subsidized by the American taxpayer. We could not last 2 months in a free-for-all, free-trade economy, that operates on an economic basis different than we have. No nation can ever exist in a free-trade world; no, we cannot, nor can any other country.

Recently the Department of Agriculture put out a very worthwhile article showing how much more feed grains we sold than were supposed to have been sold. This was supposed to make us all be fond of Public Law 480, that enables us to sell surplus foods abroad.

Mr. GROSS. Mr. Speaker, I move to strike out the requisite number of words.

Mr. Speaker, I will support this legislation, but certainly it does not go far enough. If there was any way the Committee on Interstate and Foreign Commerce could do it, that committee ought to have provided in this legislation for a reduction in the total importation of foreign steel.

The thing that impresses me most about the report is the unanimity of opposition to it by the bureaus, agencies, and departments of Government directly concerned. That is a good endorsement for this legislation. Perhaps if we can pass this bill this afternoon we will have given some slight ray of hope that the House is just a little bit dissatisfied with this Trade Agreements Act, otherwise known as the Reciprocal Trade Agreements Act. This is the first little gleam of hope that has hit this place for a long time.

I assume the bill is going to be passed. I do not know how anyone could vote against a piece of legislation as reasonable as this.

Speaking of marking containers, a bill dealing with this subject was introduced by the distinguished majority whip, the gentleman from Louisiana [Mr. BOGGS], and it was approved on the Private Calendar. This bill provided for the forgiving of a penalty due the U.S. Government by a New Orleans importer.

In this case there was an importation of kegs or barrels of nails. The nails actually came from Hungary or Yugoslavia, one of the Communist countries. The containers went to Italy. Somewhere along the line, apparently it was in Italy that the barrels or kegs containing the nails were marked "Italy," as being the point of origin, with no indication that the nails had been made in the Communist country. So they were shipped to New Orleans, the American importer sold them, and the U.S. Government descended upon him for a penalty for having sold nails that originated in a Communist country.

It is scarcely to be expected that the importer in New Orleans could know that the nails originated in a Communist country. But what penalty do we impose on those in Italy who deliberately and fraudulently changed the designation of the origin of the nails?

Mr. Speaker, I suggest we might also have Japan painted on the hulls of the Navy oil tankers that have been jumbolized in Japanese Navy yards.

Mr. Speaker, I support this bill and I hope there will be more legislation of this nature calling attention to the foreign imports that are playing havoc with American industry, agriculture and labor.

Mr. PUCINSKI. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, I am very much in favor of this legislation. I only wish we could go further along this line. Not only do we have just cause in seeing this material marked with the nation of origin, but someday I hope the Congress will give serious thought to requiring advertisers to state in their ads in the newspapers and on television and on the radio what country the component parts of the product come from so that the American people will know what they are buying.

Mr. Speaker, I would like to yield to the gentleman from Pennsylvania [Mr. DENT] who was making an extremely important speech when his time expired, and if the gentleman would like to continue, I yield to him to continue his statement.

Mr. DENT. I thank my colleague from Illinois.

Mr. Speaker, I want to continue with the story about the increased exports of feed grains. The increased exports of feed grains is supposed to be a great boon to our economy.

Yet, in the paragraph later on in the story that was released, it says there is a reason for the increase in the consumption of feed grains in foreign countries and that the reason is that our exports have gone over there and have enabled them to raise cattle and chickens and produce their own eggs better and to produce dairy products and beef and so forth.

Now what I am trying to drive home is this. Not long ago we were protesting because foreign countries were buying less of our chickens and they were putting up barriers against us, and we were protesting because foreign countries were shipping in more and more beef into the United States.

Yet, on the one hand we say they cannot ship beef and we are mad because they are stopping the exports of our chickens to their country, but on the other hand we are giving them feed grains which they can use to feed their cattle and so forth.

Let us make up our mind. What do we want to be—what do we want to do in this country? Do we want to survive as an industrial-farm complex? Do we want America to survive or do we want to become the providers of raw materials in order that the so-called backward nations may attain that peak, that high peak, of industrial strength that we reached after many, many years in this Nation of ours as producers of raw materials and as producers of goods from those raw materials.

In this entire picture you will find false labeling and false advertising is the crux of the whole problem.

Many, many millions of Americans every day march into the stores in this country and buy merchandise from the shelves that bear American trade names but that are actually foreign products. I need not tell you that the sale of these products provide exorbitant profit to the merchants and at the same time put American labor and American workingmen out of work.

Yes, Mr. Speaker, all of the retraining programs that we will ever put through—and I support them because they are necessary as a way at least of providing hope to those American working people who are displaced by the imports of these products—yes, all of the retraining programs and all of the legislation that we have passed which are remedial measures by their very nature, can never undo the damage that is done if we close our eyes to the fact that international trade is the same and has the same purpose as domestic trade. International trade is a commercial business and the only motive for it is to make a profit. The minute you find that trade does not make a profit, whether it is in the domestic trade area or in the international trade area, there will be no trade.

Any time anybody tries to tell you that they are trading with America for the benefit of Americans, they are lying to you and you are a sucker of the first water if you believe it, because the international cartels control the entire international trade picture and America will be driven to the point of becoming a land of monopoly where there will be absolutely no independent merchants.

There will be absolutely nobody who will be able to do business in this country unless he belongs to a monopoly which belongs to an international cartel. Right now, today, international corporations are flourishing more than ever before in the history of the world. They control our economy, the same as any other economy. If you do not believe it, go into the oil picture. Dig down into oil. Once they have trouble in Arabia, they shut off a valve and open one somewhere else. That is what is going to happen to every product consumed or used by nations all over the world.

This Nation need not be a closed, isolated nation. It can have free trade. We ought to have free trade in the things we need, and we ought to have protective trade in the things we have.

That is what all nations will have to do. Sooner or later all nations will have to turn inward and look for prosperity in their own lands. They will have to look to their own economies to see how high they can climb and how far they can go with what they can provide.

Mr. ROGERS of Texas. Mr. Speaker, I move to strike the requisite number of words.

I rise in support of this legislation. I wish to compliment the gentleman from Pennsylvania [Mr. DENT] for the fine speech he has made.

I should like to call the attention of Members to the fact that there are a number of bills pending of this same type, to require the labeling of beef and meat products. I believe that if those bills can be brought out and passed by the House they will go a long way toward solving the situation faced by this country at this time in respect to the beef import problem.

I am glad to see this bill come before the House, because I believe that the people of the United States ought to have freedom of choice. Many of the products from foreign countries are branded "imported," and some people believe it is "smart" to buy imported products. They drive imported automobiles and they feel that puts them on somewhat of a higher plane than someone else. I do not believe that. I favor "buying America," which is one of the most important things in the world.

Until we require these products to be labeled the American people are not going to know what they are buying.

As the gentleman from Pennsylvania so ably pointed out, the American people will be fooled. It is high time that the Members of Congress awake to these problems, to learn how the people in many instances are being hoodwinked. We should label this beef, label this mutton, and label the other meats which come into this country. Then the American people themselves will solve this import problem.

Mr. POOL. Mr. Speaker, will the gentleman yield?

Mr. ROGERS of Texas. I am happy to yield to the gentleman from Texas [Mr. POOL].

Mr. POOL. I wish to compliment the gentleman for his fine statement and associate myself with his remarks.

Mr. CUNNINGHAM. Mr. Speaker, will the gentleman yield?

Mr. ROGERS of Texas. I yield to the gentleman from Nebraska [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. The gentleman mentioned the labeling of imported beef. There are several bills which have been introduced, one of which is my own.

The gentleman knows but did not mention the additional fact that a large portion of this imported beef comes in in frozen, boneless form. It then goes to the processor, who defrosts the beef. It is then ground up into hamburger, usually, or mixed with some other type of domestic meat.

When the housewife goes to the grocery store she may buy four or five pounds of hamburger. Then she takes it home, puts it into patties, and puts it into the freezer for freezing. She does not know that it has been frozen previously.

The point is that this involves a definite health hazard. Everyone knows that once something has been frozen and defrosted, if it is refrozen it is a health hazard. I wished to bring that out.

Mr. ROGERS of Texas. I thank the gentleman. I commend him for the active part he has taken in this endeavor.

What he has pointed out with respect to these meats being mixed in the local markets brings up the further point that I think should be made here, namely, that there are several avenues which must be traveled to work out this problem. Not only Federal legislation is needed, but State legislation is needed and city ordinances are needed. I think it is the duty and the responsibility of the Federal Congress of this country, however, to open the door and lead the way, because until we pass Federal legislation, State and local ordinances will have very little, if any, effect, because they will interfere with interstate commerce.

Mr. Speaker, I want to compliment all of the folks who have introduced these bills and say I think they are very sound.

Mr. HARRIS. Mr. Speaker, I move to stirke out the requisite number of words.

Mrs. ST. GEORGE. Mr. Speaker, will the gentleman yield?

Mr. HARRIS. I will be glad to yield to the gentlewoman.

Mrs. ST. GEORGE. Mr. Speaker, I ask unanimous consent that following the legislative program and any special orders heretofore entered into, the gentleman from Michigan [Mr. Ford] be permitted tomorrow to address the House for 1 hour to permit Members to pay respect to our late colleague John Bennett, of Michigan, and also to revise and extend their remarks and include extraneous matter.

The SPEAKER pro tempore (Mr. Albert). Is there objection to the request of the gentlewoman from New York?

There was no objection.

Mr. HARRIS. Mr. Speaker, there are several bills, as our distinguished colleague, the gentleman from Texas [Mr. Rogers] and others have mentioned, pending before the committee that would require the labeling of imported beef to identify the country of origin.

The major problem which has caused the dilemma of the cattle producers of this country and contributed to the depressed prices has been the ever increasing and excessively high imports of foreign beef.

The farmers, producers of cattle, farm organizations, Members of Congress, our committees, and the Congress have been considering a limitation on imports for the past several months and trying to find a solution for the best and most effective program which would stabilize the price of cattle and relieve the terrible condition that exists throughout the country today.

Our committee has been giving consideration to this entire problem and is ready to act on any of these proposals that can be worked out which would be helpful in relieving the condition that has existed for a long period of time.

The major effort thus far has been toward mandatory quotas on importation of beef. I have supported efforts to bring about an effective program, whether voluntary or mandatory. I think more could have been done to protect the cattle producers of this country and this segment of our agricultural industry than has been done.

I am glad, as I know many of you are, that the Senate recently adopted the Mansfield amendment to provide mandatory quotas on beef imports. Since an equitable and reasonable program has not been worked out in the interest of the cattle producers, I think this approach is appropriate and necessary.

During my recent primary campaign, I publicly stated that I would vote for mandatory quotas, and I have made it clear that I will vote for and support the Mansfield amendment or any other proposal that will bring about the needed and necessary relief.

Yesterday the House sent to conference, under usual procedure, the problem, with the assurance from the chairman of the Committee on Ways and Means that there will be a conference report. As was stated then, if the House does not like what the conferees may do, we can go back to the Senate amendment.

I had reached the decision that we should accept the Senate amendment. It would impose mandatory quotas upon the importation of foreign beef, beef products, lamb, and mutton. I had reached the decision that the bill in that form should be sent to the President.

This is the first opportunity that the House has had to pass on this important matter and provide some relief for the cattle industry.

I, of course, would like to see the conferees work out a satisfactory solution. I am confident that the chairman and other Members of the House conferees will make every possible effort to do so.

Over the past several years, the domestic cattle industry has experienced serious increases in production costs and, at the same time, suffered from substantial reduction in the price received for beef cattle.

As so well stated in the Senate report, diligent efforts have been made to detect the cause and devise a remedy for this dangerous situation. I am convinced one of the primary causes has been found to be the growing importation and sale on the American market of foreign beef and beef products.

In 1956, importations of foreign beef total 200 million pounds. But by 1963, foreign beef importations had increased almost ninefold to 1,700 million pounds.

It has been found that this flood of low-priced imported beef has discouraged the sale of domestic cattle and, as a result, large numbers of domestic cattle have been forced back to the range where they breed more cattle and create an ever-increasing cycle, causing further deterioration of the domestic cattle industry.

It is clear that informal efforts by the Secretary of State in concert with the Secretary of Agriculture to induce foreign shippers to voluntarily reduce shipments of foreign beef to the American market have not resulted in substantial success.

When this question of quota limitation has been determined, as we expect in the next few days, it is my intention to schedule consideration of the various bills proposing the labeling of imported beef in order that identification of the country of origin will be made known to the consumer.

Mr. YOUNGER. Mr. Speaker, I move to strike out the requisite number of words.

Mr. Speaker, I just want to make this statement: All of this conversation this afternoon and the comments here are music to my ears, because I voted against the Trade Expansion Act originally. I consider it one of the best votes I have cast since I have been in Congress.

Mr. SMITH of Iowa. Mr. Speaker, I move to strike out the requisite number of words.

Mr. Speaker, the Record should not look so unanimous. In spite of the fact that I never knew him personally and never did see him, I believe it is true a man named Cordell Hull did live in this country a few years ago. To look at this Record today and yesterday, one would think they were looking at the Congressional Record of 1928. Well, we tried the Smoot-Hawley tariff bill and tried cutting down on imports so much that they could not buy anything from this country, and it did not work. We had the worst depression of all times. If you have another depression like that one, you can bet your bottom dollar there will be riots in this country. I lived out in the country where they tried to hang a judge at that time. It was not imports that hurt Midwest farmers at that time as much as lack of exports. We have to think a little bit about the fact that if we cut down on imports—and that is the purpose of this bill—we are going to cut down on exports.

We had a meeting yesterday of some midwesterners over in the Committee on Ways and Means room, and it was alleged at this meeting everybody was in favor of increasing the economic opportunity of the Midwest. Let me point this out to you: Every time there has been a jump in imports in the last 3 or 4 years in this country—and I admit some of it has been in steel and some in shoes and some in other products—there has been a corresponding jump in the exports of products from the Midwest, a big jump in feed grains and beans especially. Last year exports totaled $22 billion while imports were $17 billion.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Iowa. I yield.

Mr. GROSS. With or without a Trade Agreements Act, if the Government had not gone to the Treasury and borrowed billions of dollars every year there would have been a depression.

Mr. SMITH of Iowa. The Trade Agreements Act, of course, has not had the opportunity fully to work yet. They are trying to negotiate in Geneva right now.

Mr. DENT. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Iowa. I yield.

Mr. DENT. Mr. Speaker, the gentleman says that when there is an increase in imports of steel, shoes, and other manufactured products, there is a corresponding increase in imports of Midwest products. Let me say that if you will give to the manufactured products the same conditions in world trade that you have for the Midwest products; namely, a subsidy on every product that is produced, we would probably be for free trade and exports, because, as the gentleman knows full well, you cannot sell one single grain of wheat or one pound of cotton in world markets without a subsidy.

Mr. SMITH of Iowa. We are selling corn right now at the backed off world market price of $1.14 a bushel.

We do not need any subsidy for anything if you will take off these tariffs so they can secure the money to buy our products that we could raise on that idled land. A tariff is just as much a subsidy as any direct subsidy that you can give us.

You cannot hide it under a bushel by saying that it is a tariff instead of a subsidy.

Mr. DENT. Of course, that is an oversimplified statement because you know and I know that the price of a manufactured product is not controlled in all instances by the producer. You have a fixed cost of labor which is controlled in this country in the main, by a minimum wage law, by unions, and by other work agreements. You have a fixed cost on utilities which is controlled by a governmental agency. You have the fixed cost of taxes, local, county, or Federal. You have all of the other fixed costs in arriving at a flat price. No single nation in the world can produce anything as cheaply as we can if we were allowed the same uncontrolled conditions today just exactly as you have in the Midwest.

Mr. SMITH of Iowa. As a matter of fact, their costs in some instances are more than ours. For instance, in steel—and that is what we are dealing with in the bill under consideration—the cost per ton of steel in Germany for labor is more than it is in the United States. In fact, in spite of the fact that we pay more per hour, our labor costs per unit are less, so it is the unit cost that really counts.

Mrs. GRIFFITHS. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Iowa. I yield.

Mrs. GRIFFITHS. Mr. Speaker, I would like to associate myself with the remarks of the gentleman from Iowa. I am not willing to join in this bipartisan rally for McKinley either. Further, businesses in coal from the State of the gentleman from Pennsylvania are selling in Japan because they can produce it more cheaply in Pennsylvania than they can in Japan. Out of every 6 acres planted in the United States, the products of 1 acre are sold abroad. How can the farmers of this country stand a one-sixth cut in their markets?

The SPEAKER pro tempore. The time of the gentleman from Iowa [Mr. SMITH] has expired.

Mr. HARRIS. Mr. Speaker, I ask unanimous consent that all debate be concluded in 7 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. PELLY. Mr. Speaker, in connection with this RECORD I would like to remind the Members of the House of the situation that is going on in Alaska now.

Mr. Speaker, one of the items in which there has been a substantial increase in imports is canned salmon from Japan. Right now in Alaska we have eight Japanese freezer vessels operating in our territorial waters invited there by the Governor of Alaska, Governor Egan, each one having about 100 Japanese nationals who receive compensation at the rate of 33 cents per hour. Those 800 to 1,000 Japanese are putting American processing workers out of their jobs. The American workers normally receive something over $3 an hour now. That canned salmon caught by American fishermen in Alaska waters, from those Japanese processing vessels will go back to Japan and come back into our country.

Mr. Speaker, I cannot see how anyone can feel that this is helping the interests of the United States.

Mr. Speaker, this operation has put some 800 to 1,000 American workers out of a job. When we buy that salmon how can our American canned salmon industry, produced by our American salmon labor, compete? They just cannot do it.

Those floating Japanese cannery operations, I am informed, do not have to comply with our minimum wage laws. I am told they do not have to comply with American sanitation laws or safety regulations.

Mr. Speaker, I am all for helping the steel industry but it is about time the smaller industries such as our Pacific Northwest fishing industry gets some help. They seem to be expendable as far as our agencies of Government are concerned.

The jobs of Americans are at stake. Our salmon industry, if this situation is allowed to continue, will be out of business.

The SPEAKER pro tempore. The time of the gentleman from Washington has expired.

The Chair recognizes the gentleman from Illinois [Mr. SPRINGER] for 5 minutes.

Mr. SPRINGER. Mr. Speaker, I yield back my time.

Mrs. HANSEN. Mr. Speaker, this afternoon many have discussed the problem of steel. I join with my colleagues in their concern relative to imports. I would only like to point out that lumber, one of our great natural resources and one of our major bases of economic strength in the Northwest has difficulties similar to those of steel. Last year we were fortunate enough to secure the enactment of H.R. 2513, known as the lumber labeling bill. This would have done exactly for lumber what this bill does for steel. Unfortunately, problems arose and when the bill was placed on the President's desk there were those who urged that the bill be vetoed.

This I regretted, for I feel that at no time is it against our national interest to designate the country of origin by a label.

Lumber is a proud industry. The Northwest is proud of the product we harvest and process. We are also proud of the fact that we believe in good wages and pay them. For that reason, I again call to the attention of this House the similarity of this bill today and that of H.R. 2513 which was passed last year and I urge again that the problem be rereviewed by our House committees to see what steps may be taken to eliminate discrimination against U.S. forest products and that we do proudly label our products as U.S. products, doing so with the knowledge that we make these designations a symbol of American capability, fair labor standards, efficiency, and quality.

Let me review several facts:

For many years the lumber industry has been employing a decreasing number of people. In 1947 there were 492,000 persons working in the mills of the Nation. In 1949 this number had decreased to 432,000, to 416,000 in 1954, to 393,000 in 1955, to 332,000 in 1957, and to 309,000 in 1960. Estimates indicate that during 1964 there were less than 300,000 employed in the lumber mills of the Nation.

There are many reasons for this, of course.

However, increasing imports of lumber from Canada have played an important part. In 1961, imports amounted to 13.7 percent of U.S. softwood lumber consumption. In 1962, they rose to 15 percent. In 1963, the latest figures indicate they rose again to 16.1 percent. Practically all U.S. softwood lumber imports come from Canada.

According to the Department of Commerce, waterborne shipments of lumber from the United States-Canadian west coast to the U.S. east coast declined from approximately 1.4 billion board feet in 1962 to 1.2 billion board feet in 1963. At the same time, however, British Columbia's share of the waterborne market increased, rising from 62 percent—852 million feet—in 1962 to 70 percent—875 million feet—during the first 10 months of 1963.

The real meaning of such statistics is self-evident. The adverse impact which imports have on the practical, daily business operations within the lumber industry also becomes quite obvious from these facts. Those who have the responsibility—to their employees and to their communities—know only too well what the impact of rising imports means in a strongly competitive industry like the lumber industry.

Experience in trying to resolve the softwood import problem during the past few years indicates that precise and unbiased information often does not exist to show exactly the impact which rising imports are having on the domestic industry. Some within the industry feel that a timely, unbiased, and thorough analysis of the effect of lumber imports would be a particularly worthwhile project. They strongly believe that an unbiased analysis of definitive statistics would support the industry's position by helping to make the most persuasive case for establishment of a quota.

U.S. imports of Canadian softwood lumber

Year	Million board feet	Percent of total softwood consumption
1947	1,096	4.1
1960	3,636	12.5
1961	4,004	13.7
1962	4,573	15.0
1963 (estimated)	5,100	16.1

Source: BDSA Industry Outlook Series on Lumber Industry.

Lumber employment

1962	267,000
1963	262,000
1964	260,000

Source: BDSA Industry Outlook Series on Lumber Industry.

LUMBER IMPORT PROBLEM

SUMMARY OF CANADIAN ADVANTAGES

While it is impossible to isolate a single item which gives the Canadian lumberman a preferred position over his counterpart in the United States, following are a few of the Government-granted advantages which Canadian lumbermen currently enjoy:

First. Favorable currency exchange rates: The Canadian Government in a relatively few years arbitrarily reduced the par value of its dollar from a high of about $1.04 to the current 92.5 cents as compared to the U.S. dollar. This places the Canadian dollar approximately 7.5 cents below the U.S. dollar and, in effect, reduces the price to U.S. purchasers of Canadian lumber about 7½ percent. Stated differently, this gives the Canadians an advantage in the U.S. market of 7½ percent. Thus, American producers are placed at a further disadvantage in competing for international markets.

While Canadian currency is supposedly pegged—or permanently fixed—at the rate of 92.5 cents, American lumbermen can never be fully certain that they will not be faced with further manipulation and devaluation of the Canadian dollar.

Second. Government-pegged lower stumpage rates: The average stumpage costs in British Columbia in 1960—the latest year for which figures are immediately available—for all species was $5.38; the average stumpage costs in Western United States in 1960 for all species was $20.02; the average stumpage costs in the Pacific Northwest in 1960 for all species was $22.89; the average stumpage costs in the South in 1960 for southern pine was $26.

Third. Government-granted transportation advantages: Because of regional transportation advantages available to Canadian lumber producers, the Canadians are able to ship their products to U.S. markets at a decided competitive transportation advantage over American lumber producers.

Fourth. Tariff differential favors Canadian lumbermen: Most U.S. softwood lumber of the major construction species bears a rate of 7.5 to 10 percent ad valorem—approximately $5 to $7.50 per thousand board feet—when exported to Canada. On the other hand, most Canadian softwood lumber entering the United States bears a tariff and tax of from 25 cents to $1 per thousand board feet.

Fifth. Positive Government assistance in trade mission and other export development activities: Both the Provincial and the Central Government are actively engaged in the promotion of Canadian lumber exports to the United States and other world markets. Canadians appear, however, to particularly concentrate their efforts with respect to lumber and wood products on exporting to the United States.

The SPEAKER pro tempore (Mr. ALBERT). The question is on the committee amendments.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CLAIMS OF SHAREHOLDERS OF GENERAL DYESTUFF CORP.

Mr. HARRIS. Mr. Speaker, I call up the bill S. 1451 and ask unanimous consent that it be considered in the House as in the Committee of the Whole.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 41(a) of the Trading With the Enemy Act (50 U.S.C. App. 42(a)), as added thereto by section 206 of the Act of October 22, 1962 (76 Stat. 1115), is amended by—

(1) striking out in the first sentence thereof the words "report to the Congress concerning", and inserting in lieu thereof the words "render judgment upon";

(2) striking out in the second sentence thereof the words "one year after the date of the enactment of this Act", and inserting in lieu thereof the words "two years after the date of enactment of this section".

Mr. HARRIS. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, the purpose of this bill is to carry out an agreement reached in the conference on war claims legislation during the 87th Congress. During the consideration of war claims legislation in the 87th Congress, an amendment was agreed to in the other body that would have permitted a trial on the merits before the Court of Claims of the claims of certain stockholders for the return of property vested by the Alien Property Custodian during World War II. The Court of Claims would have been granted authority to render judgment against the United States for this property; in the conference this provision was changed so that the Court of Claims was required to report to the Congress its recommendations concerning this claim.

The Supreme Court decision in the case of Glidden against Zdanok held that the Court of Claims is a constitutional court and does not have jurisdiction to render advisory opinions to the Congress. This meant then that the conference agreement could not be carried out precisely in the form in which agreed to. The only way at present by which this case could be judicially adjudicated will be for the Court of Claims to be granted jurisdiction to grant the traditional judicial remedy available to constitutional courts—in other words, in order for the claimants in this case to have a decision rendered on the merits of their claims, it is necessary that the Congress grant the Court of Claims jurisdiction to render judgment on the claim.

That is all that this bill does. It amends section 41(a) of the Trading With the Enemy Act by striking out the words "report to the Congress concerning" and inserts the words "render judgment upon."

This is a very complicated, and a very controversial case. We received testimony from the Justice Department strongly opposed to the legislation; we received testimony from a representative of the claimants strongly in favor of the legislation. Senator DIRKSEN appeared before our committee and explained the reasons why he was convinced that this case involved a grave injustice.

As I have said, the facts in this case are very complicated, and ultimately boil down to the question of whether the claimants in this case, all of them American citizens who owned all the outstanding stock of General Dyestuff Corp., were acting as "cloaks" for Germans, to conceal true German ownership of this corporation. There has never been a trial on the merits of this case, without resort to technical defenses by the Government.

Under the measure as passed in the 87th Congress, technical defenses by the Government were waived in proceedings before the Court of Claims; and no change is made in that aspect of the law by this bill. The only change which this bill makes is in the jurisdiction granted to the Court of Claims, made necessary by the Glidden case. If the court finds that the Americans were not the bona fide owners of this stock, then judgment will be rendered for the United States; if the court finds that the Americans were bona fide owners, judgment will be granted for them. I do not think any purpose will be served by arguing the merits of this case at this time. All these matters, and they are complex, will be litigated before the Court of Claims. This case is an appropriate one for judicial determination, and this bill provides for that method of disposing of a complicated and difficult issue.

I hope this bill will be passed so that we can resolve one of the last remaining troublesome problems arising out of the vesting of property by the United States during World War II.

Mr. SPRINGER. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, I believe it is fundamental in the American character and in our course of justice that everybody at least have his day in court.

This case does present a very complex state of facts, and I am not going to attempt to get into a discussion of them. The basic issue involved here is whether or not this stock in question was bona fide American owned. This has never been tried on its merits.

This bill would merely allow the court to try this matter upon its merits. It seems to me that the trial on its merits is a trial of the fundamental issues, namely, whether or not these people were enemy nationals or speaking for enemy nationals. It is important that the courts, which are dedicated to giving justice to every citizen, look into and examine these issues.

If the Government acted properly and legally in this matter it has nothing to fear or lose, since the court would confirm the seizure. If this was not a proper action by the Government it should not now hide behind a technical curtain and prevent citizens from asserting their rights on the basic merits involved. I am convinced in the interest of justice that the Department of Justice, which has jurisdiction of this matter, should lend every effort to clarifying this matter.

I respectfully suggest in this bill we are not in any way attempting to determine or legalize in any way the merits of this case. All we are doing is allowing these people to go to court and have the court make a judicial finding as to whether or not they are entitled to the property in question.

Mr. ROBISON. Mr. Speaker, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman from New York.

Mr. ROBISON. I take this time merely to ask one simple question of the gentleman from Illinois, who knows of my continued interest in the early return of the General Aniline & Film properties under our free enterprise system. Would the enactment of this legislation in his judgment in any way postpone or impede the proceedings for the sale of those properties that is now underway?

Mr. SPRINGER. I will refer that question to the chairman of the committee.

Mr. HARRIS. I shall be glad to answer the question. I am advised by the Department of Justice it would have no effect whatever.

Mr. ROBISON. I thank the gentleman.

Mr. GLENN. Mr. Speaker, I move to strike the requisite number of words.

I join with my colleagues in their comments on this bill, and I would like to point out while the history is extremely complicated, the purpose and contents of this bill are basically simple. The committee sat for many days in hearing the facts on the bill. I believe that is one of the last pieces of war claims legislation that we will have before us on matters of this kind. As the chairman has said, during the last Congress and in conference with the other body, we thought we had disposed of it, but as it turns out the Supreme Court held otherwise.

All this bill will do is to change a few words under the law which was enacted in the last Congress directing the Court of Claims to render an advisory judgment and report back to this body. This way we will not have it before the Congress again. It will be relegated to the Court of Claims for a decision and as to the amount of judgment, I think this is the proper conclusion of a piece of legislation that has been considered through several Congresses.

I urge its adoption.

Mr. O'BRIEN of New York. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, I should like to confine my remarks to the very narrow question of morality here involved. I think others have discussed the desirability of giving these people their day in court.

I was one of the conferees with the Senate on the bill enacted 2 years ago, Public Law 87-846, and I remember very distinctly what happened at that time. The Senate had approved on the floor an amendment which would do exactly what we propose to do here today. When we got to conference some change in language was suggested. Ultimately, as the distinguished chairman of the committee said, the Supreme Court made it impossible to carry out what we desired under the language agreed on. What this bill does is return to the language originally submitted to the conference by the Senate conferees.

I have always felt that one of the most delicate operations in Congress is the conferring on bills between the two Houses. I feel that as one of the conferees 2 years ago I assumed a moral responsibility not only for myself but for the Members of the House whom I represented. I feel that if we do not approve this legislation today, we will in a sense be going back on the agreement we made with the Senate conferees 2 years ago. We are not deciding the case here, we are only deciding to permit the court to pass upon this very complicated and unsettled question.

If the other body is to have confidence in the promises of conferees from this body and vice versa, I think it would be most desirable to approve this legislation.

Mr. RYAN of New York. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, I have read the minority report of the gentleman from Michigan [Mr. DINGELL], in report No. 1551 accompanying the pending bill, and I find it very compelling. I ask unanimous consent that it be printed at this point in the RECORD.

The SPEAKER pro tempore (Mr. KEOGH). Without objection, it is so ordered.

There was no objection.

The matter referred to follows:

MINORITY VIEWS OF MR. DINGELL

The Congress should never have passed this amendment to the Trading With the Enemy Act calling for the Court of Claims to report to the Congress in the first place, and the Congress should not pass this bill now. The bill is opposed by the Department of Justice and the Bureau of the Budget, will involve the Government in needless and costly litigation, and unfairly discriminates in favor of one group of stockholders who settled their claims against the United States long ago by letting them reopen their claims, while others who settled claims against the United States have no opportunity to reopen their claims.

The bill is even more unfair, since it puts these claimants in a position where they cannot lose—if they lose in court, they have lost nothing, since they can keep the amounts they have already received from the United States. It would be an interesting test of the good faith of these claimants if this bill were amended to require that, before they may go to court, they must return to the United States the settlement they received, and then have their claim decided on an "all or nothing" basis, rather than the proposed "heads the claimants win, tails the United States loses" basis provided in this bill.

Each of the claimants in this case had full opportunity to have a trial on the merits on this issue of whether they were acting as "cloaks" for Germans, and failed to do so. It seems more than coincidental that every single one of these stockholders, with one exception, settled their suits with the Justice Department, rather than being willing to try their suit on the merits. That one stockholder later settled his claim on the same basis as the Halbach claim was settled.

It is claimed that Ernest Halbach, the majority stockholder, settled his suit during World War II because of duress, because his wife was being harassed by Federal agents, because he was afraid of losing his job, and because he was being pilloried in the press. Yet he was unable to convince a Federal court that this alleged duress occurred, and for a good reason—it did not occur. It appears also to be conveniently overlooked that this alleged duress, etc., did not apply to the other claimants in this case. One wonders why they settled, regardless of Mr. Halbach's reasons. The reason is clear—General Dyestuff Corp.'s alleged American ownership actually concealed German ownership.

To understand the actual relationship between German interests and the General Dyestuff stockholders requires some review of the history of the ownership of this corporation and the options held on the stock.

The arrangements by which this stock was held were the same sort of arrangements used by the German cartels throughout the world to conceal their ownership or control of corporations operating in foreign countries.

General Dyestuff Corp. was organized under the laws of the State of New York on March 25, 1926, to serve as a sales agent for German-owned or controlled dyestuff manufacturers. In September 1926, each stockholder entered into an option agreement with I. G. Farben, a German cartel, permitting I. G. Farben at any time to purchase any or all of the stock held by each stockholder for $100 per share, plus 6-percent interest from the date of issue of the stock, less any dividends received. In 1933, after the rise of Adolph Hitler to power, the Marion Co., a personal holding company of D. A. Schmitz, acquired these options. D. A. Schmitz, a naturalized American citizen, was the brother of Herman Schmitz, the financial head of I. G. Farben. D. A. Schmitz was president of I. G. Chemie until June 1940, director of General Aniline & Film from 1929 to 1939, and president of General Aniline & Film from 1929 to 1936.

The Marion Co. was dissolved in June 1939 and all the outstanding stock was assigned to Chemnyco, Inc., a technical service agency in the United States for I. G. Farben. D. A. Schmitz was the major stockholder of Chemnyco, Inc.

In 1939, before the outbreak of World War II, at about the same time that I. G. Farben was attempting to Americanize its holdings in the United States, these stock options, worth millions of dollars, were given up by Chemnyco, without any payment whatsoever being made. D. A. Schmitz sold his 4,100 shares of stock in General Dyestuff Corp. to the corporation in 1939 for the option price of $100, though the value of the stock at that time was $460 a share, and resigned as chairman of the board. It was at this same time that American I. G. Chemical Co. changed its name to General Aniline & Film Corp.

As part of the process of Americanizing General Aniline & Film, and Americanizing General Dyestuff Corp., the interlocking directorates between General Dyestuff Corp. and General Aniline & Film, and its subsidiaries, were dissolved. It is incredible that anyone can believe that these actions, all taken virtually simultaneously, had any purpose other than concealing German ownership and control of General Dyestuff Corp. A series of resignations from various boards of directors and from offices in these two corporations occurred late in July and early in August 1939, just before the outbreak of World War II in Europe. For example:

1. W. E. Duisberg, a director of General Dyestuff (1938–39) resigned as director, vice president, and treasurer of General Aniline & Film, July 26, 1939.

2. E. K. Halbach, director, president, and general manager of General Dyestuff Corp., resigned August 2, 1939, as a director of GAW, Inc., a GAF subsidiary, and as a director of AGFA, another GAF subsidiary, in July 1939.

3. Rudolph Hutz resigned as a director and vice president of General Dyestuffs Corp. July 31, 1939, while remaining as director and vice president of General Aniline & Film, and as general manager of GAW, Inc.

4. W. P. Picard resigned August 21, 1939, as director of General Dyestuff Corp., remaining a director of General Aniline & Film.

5. D. A. Schmitz resigned as director and chairman of the board of General Dyestuff Corp. July 27, 1939, but remained a director and president of General Aniline & Film.

It is absurd to contend that these frantic last minute resignations had any purpose other than presenting a "paper" picture of American ownership and control of General Dyestuff Corp. It should be obvious that these transactions were entered into for the purpose of attempting to prevent General Dyestuff Corp. from being seized by the United States in the event of war between the United States and Germany.

The cozy arrangement between General Dyestuff Corp. and its German associates is also shown by the voluntary action of Chemnyco Corp. "voluntarily" giving up stock options worth millions of dollars without receiving anything in return and by the very strange sale, at millions of dollars below its true value, of all stock owned by D. A. Schmitz to General Dyestuff Corp.

It also is worthy of note that after Germany became involved in World War II, I. G. Farben had difficulty paying its pensioners located in the United States. I. G. Farben wrote General Dyestuff Corp. and asked that General Dyestuff take over payment of pensioners for them, whereupon General Dyestuff Corp.'s board of directors voted to pay the I. G. Farben pensioners in the United States and continued to do so until July 1941 at which time the U.S. Treasury blocked further use of General Dyestuff Corp. funds for this purpose.

Mr. Halbach, the major stockholder, in 1939 purchased 2,100 shares at $100 a share at a time when the stock had a book value of $460 a share. Thus, Mr. Halbach allegedly purchased assets worth almost a million dollars for $210,000. The other stockholders fared similarly.

In 1941, Mr. Halbach attempted to set up a trust by setting aside his shares of stock for the benefit of his wife and children. It is interesting to note that when he evaluated the stock for tax purposes he declared its value to be $100 a share.

SUMMARY

In 1926, General Dyestuff Corp. was organized by Germans, or German representatives in the United States. This corporation remained subject to the control of I. G. Farben, a German cartel, from the date of its organization until just before the outbreak of World War II in 1939. At that time, frantic paper transactions went on to conceal German ownership and interest in this firm. It is obvious that these transactions were a sham and fraud designed to conceal the continuing German ownership and control of General Dyestuff Corp. Of course, since the United States won World War II, the argument can be made with considerable force that had General Dyestuff Corp. not been vested, American ownership of that corporation would continue, especially since General Aniline & Film will, after its sale by the Attorney General, remain American owned. Suppose, however, that the United States had not entered World War II, and that the Germans had won the war, with their continuing ownership of General Aniline & Film, and the stranglehold that they would have thereby have had upon General Dyestuff Corp., it is ridiculous to assume that the General Dyestuff Corp. would have continued American owned, with no control being asserted by General Aniline & Film acting for the I. G. Farben cartel.

REASONS FOR OPPOSING THE BILL

It should be clear from the above that the General Dyestuff Corp. was actually held by Americans under a secret arrangement for the benefit of a group of Germans. Granting these former stockholders, who settled their suit with the United States at a time when they were represented by one of the top law firms in the country, a second chance to litigate their claims would be unconscionable. If we are going to set aside this settlement, there is no justification for not setting aside all other settlements that have been reached under the Trading With the Enemy Act and giving every claimant a second shot at having his claim relitigated.

I opposed this amendment to section 41(a) in the conference 2 years ago, and if the conference agreement cannot be carried out, then I see no reason to disturb the situation. The bill should be defeated.

JOHN D. DINGELL.

Mr. BARRY. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, we should commend the chairman of the Committee on Interstate and Foreign Commerce, the ranking minority member, and others who have put this very complicated matter before the House. I have studied many hours on the issues involved in this case and I feel that the moral responsibility of this body at this time is absolute and clear. So I wholeheartedly support the committee in the effort it has made to bring this matter to a vote at this time. It deserves to pass.

Mr. HARRIS. Mr. Speaker, I ask unanimous consent that all Members may be permitted to extend their remarks in the RECORD at this point on the pending bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. HARRIS. Mr. Speaker, I move to strike out the last word.

Mr. RYAN of New York. Mr. Speaker, will the gentleman yield?

Mr. HARRIS. I yield.

Mr. RYAN of New York. Mr. Speaker, the minority report states that there were claims against the U.S. Government and that the claims were settled.

Mr. HARRIS. The minority report deals with the merits of the case. As I said earlier, we do not deal with that at all. As a matter of justice we feel that this procedure is desirable.

Mr. RYAN of New York. Is it not a fact that the stockholders did settle their claims with the U.S. Government?

Mr. HARRIS. That goes to the merits of the case which is to be adjudicated. There is contention on both sides, of course, and arguments can be made on either side and we do not, as the gentleman from Ohio [Mr. BROWN] stated a moment ago, attempt to pass on that at all.

The bill was ordered to be read a third time, was read the third time, and passed. and a motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. HARRIS. Mr. Speaker, I ask unanimous consent that all Members may extend their own remarks in the body of the RECORD at the appropriate place during the consideration of the bill (H.R. 5673) to prohibit the introduction into interstate commerce of any shipping container manufactured in the United States from imported steel unless the container is marked so as to indicate the country of origin of the steel, which was considered earlier this afternoon.

The SPEAKER pro tempore (Mr. KEOGH). Without objection, it is so ordered.

There was no objection.

HYDROELECTRIC PROJECTS ON THE COLORADO RIVER

Mr. HARRIS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 9752) to preserve the jurisdiction of the Congress over construction of hydroelectric projects on the Colorado River below Glen Canyon Dam, and ask for its immediate consideration, and that it be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That no licenses or permits shall be issued under the Federal Power Act (16 U.S.C. 791a–823) for the reach of the Colorado River between Glen Canyon Dam and Lake Mead during the period ending December 31, 1965: *Provided,* That nothing herein shall change or affect for the purposes of any action which may be taken subsequent to such date the present status, equities, position, rights, or priorities of any parties to applications now pending.

With the following committee amendments:

On page 1, line 4, insert "nor any applications for such licenses or permits be accepted for filing" immediately before "for the reach of the".

On page 1, line 6, strike out "1965" and insert in lieu thereof "1966".

On page 1, line 10, strike out "now pending" and insert in lieu thereof "pending on the date of the enactment of this Act".

The committee amendments were agreed to.

Mr. HARRIS. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, this bill, H.R. 9752, was considered by the Committee on Interstate and Foreign Commerce after hearings and considerations of the bill by the Subcommittee on Communications and Power, chairmaned by the distinguished gentleman from Texas [Mr. ROGERS], and was reported out unanimously.

Mr. Speaker, although this bill is sponsored by the gentleman from Arizona [Mr. RHODES], let me say that this is the Hayden-Goldwater-Udall-Rhodes bill. It comes unanimously from the Committee on Interstate and Foreign Commerce.

Mr. Speaker, the substance and purpose of H.R. 9752 can be briefly stated. This bill would suspend—through December 31, 1966—the authority of the Federal Power Commission to license individual hydroelectric or other projects for the reach of the Colorado River between Glen Canyon Dam and Lake Mead.

The purpose of the suspension is to provide the Congress with an opportunity to consider and pass upon the merits of a plan for the comprehensive development of water resources in the Pacific Southwest. The plan proposes a unified, integrated system of projects for the Lower Colorado River Basin. In considering the plan, Congress will be presented with the question whether Federal development of this portion of the Colorado River might better serve the general public interest. Enactment of H.R. 9752 would preserve this question for determination by Congress.

There are now pending before the Federal Power Commission competing applications of the Arizona Power Authority and others for a license to construct a hydroelectric project at the Marble Canyon site on the lower Colorado. Marble Canyon is located between Glen Canyon Dam and Lake Mead, and is one of the last sites available for major power development in the basin.

In reporting this bill, the Committee on Interstate and Foreign Commerce believed that any action by the Federal Power Commission with respect to this reach of the Colorado River should be forestalled, pending consideration by Congress of the Pacific Southwest plan.

The questions the Congress will have to deal with will be complex. One of these will be whether the Marble Canyon project should be constructed and operated by the United States as one more unit in the whole system of Federal projects up and down the river—Hoover, Davis, and Parker Dams and so on—in order that the Marble Canyon project, like the others, might contribute to meeting the costs of water supply development under the Federal reclamation laws, in the lower basin.

Therefore, the committee was of the opinion that the Congress ought to be given the opportunity of determining the policy to be pursued with respect to development of this reach of the Colorado in the context of the comprehensive plan. The possible interjection of new and conflicting rights might prove a real handicap to Congress in its consideration of the plan, for a number of reasons.

As pointed out in the committee's report on this bill, Congress has on several occasions temporarily withdrawn and suspended the authority of the Federal Power Commission to issue licenses on the Colorado River. There is, therefore, ample legislative precedent for this proposal.

I urge the passage of H.R. 9752.

Mr. SPRINGER. Mr. Speaker, I move to strike out the last word and yield to the gentleman from Arizona [Mr. Rhodes].

Mr. RHODES of Arizona. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I have nothing to add to what the distinguished chairman of the Committee on Interstate and Foreign Commerce has said.

This is a bill which has the type of backing of the Arizona delegation in both the House and Senate set forth by the gentleman from Arkansas. It is a bill that needs to be adopted because we need to protect that region of the Colorado River between Glen Canyon Dam and Lake Mead from having any structure built there at the present time until it is possible to perfect plans for Federal projects which we hope will be before this body for authorization at some time in the near future.

Mr. SPRINGER. Mr. Speaker, I yield to the gentleman from Arizona [Mr. Udall].

Mr. UDALL. Mr. Speaker, I just want to associate myself with the remarks made by the gentleman from Arizona [Mr. Rhodes], and indicate that, in my judgment, this is a good bill and a necessary bill. I want to mention also that the Legislature of the State of Arizona adopted a resolution earlier this year asking the Congress to do just what is proposed to be done today.

Mr. SPRINGER. Mr. Speaker, I yield back the remainder of my time.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING FREE TRANSPORTATION OF GUIDES OR DOG GUIDES ACCOMPANYING BLIND PERSONS ABOARD AIRCRAFT

Mr. HARRIS. Mr. Speaker, I ask unanimous consent that the bill (H.R. 8068) to amend section 403(b) of the Federal Aviation Act of 1958 to permit the granting of free transportation to guides or seeing-eye dogs accompanying totally blind persons be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 403(b) of the Federal Aviation Act of 1958 (49 U.S.C. 1373(b)) is amended by adding at the end thereof the following new sentence: "Nothing in this Act shall prohibit any air carrier or foreign air carrier from carrying any totally blind person accompanied by a guide or seeing-eye dog or other guide dog specially trained and educated for that purpose at the usual and ordinary fare charged to one person, under such reasonable regulations as may be established by such air carrier or foreign air carrier."

The **SPEAKER** pro tempore. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment, on page 1, line 8, strike out "seeing-eye dog or other guide dog" and insert "by a dog guide."

The committee amendment was agreed to.

Mr. HARRIS. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, H.R. 8068 amends section 403(b) of the Federal Aviation Act of 1958 to expressly permit any air carrier to grant free transportation, or transportation at a reduced rate, to a human guide or dog guide accompanying a totally blind person, under such reasonable regulations as may be established by the carrier.

Under this bill, any air carrier may, if it wishes to do so, grant a special reduced rate to a guide—whether an individual or a dog—accompanying a totally blind person. The permissive approach adopted in this bill is patterned upon a similar permissive provision in section 22(1) of the Interstate Commerce Act—49 United States Code 22(1)—which applies to water, rail, and motor common carriers. Section 22(1) of that act in effect authorizes transportation of a human guide or dog guide, accompanying a totally blind person, at a reduced rate or at no charge, just as this bill would authorize in the case of air carriers.

In reporting H.R. 8068, the Committee on Interstate and Foreign Commerce recognized that the seating problems of air carriers are generally more critical than those of surface carriers. For that reason, the committee's report on the bill—House Report No. 1542—points out that free or reduced-rate transportation by the air carrier might well be rendered on a "space-available" or other reasonable basis pursuant to regulations adopted by the air carrier.

Mr. Speaker, I would hope that this distinguished body acts favorably on H.R. 8068.

Mr. Speaker, I yield to the gentleman from Mississippi [Mr. Williams], the chairman of the subcommittee which considered and reported the bill.

Mr. WILLIAMS. Mr. Speaker, the bill presently before the House would authorize air carriers or foreign air carriers to carry human guides or guide dogs accompanying blind persons free or at reduced rates upon a space-available basis.

There are ample precedents for legislation of this kind. I recall that several years ago we granted permissive authority to the airlines to carry ministers of religion at reduced rates.

The purpose of the legislation is quite obvious. A blind person attempting to travel from one place to another is under a severe handicap if he does not have either a human guide to accompany him or a trained guide dog.

The legislation would not require the air carriers to grant free travel or reduced rates to these persons, but would leave this within the province of the carriers themselves. The carriers at present, I understand, have agreed among themselves to carry what are commonly known as seeing-eye dogs, or rather, dog guides, since I believe "seeing-eye dog" is a trade name.

At present the blind are permitted to have dog guides free of charge, but they do not occupy a seat, as I understand it.

This bill will extend the authority, to permit the carrying of human guides in order to permit blind people to travel more freely.

So far as I know, there is no objection to this legislation. If there are any questions about it, I shall be happy to attempt to answer them. I feel that the legislation is good legislation. I hope it will be adopted.

Mr. SPRINGER. Mr. Speaker, I move to strike the requisite number of words.

A hearing was held in February of this year on this and other bills related to it. The American Foundation for the Blind, the American Council for the Blind, the Blinded Veterans Association, and the American Association of Workers for the Blind appeared in support of the bill.

To me the evidence before our subcommittee was quite convincing. As a result of this, the carriers are willing to carry the guide at either a reduced or reasonable rate.

It appeared to me, from all the evidence I heard in the subcommittee, that this bill is in the public interest. It came from the subcommitee and the full committee unanimously.

Mr. Speaker, at this time I yield to the distinguished gentleman from California [Mr. Younger].

Mr. YOUNGER. Mr. Speaker, I thank the gentleman for yielding. I wish to make the statement that this legislation will merely give to the blind the same privilege of travel on the airlines as they enjoy now on the surface lines.

Mr. SPRINGER. Mr. Speaker, I yield to the gentleman from New York [Mr. Pirnie].

Mr. PIRNIE. Mr. Speaker, the need for this legislation was brought to my attention, very persuasively, by a constituent of mine, a young lady who, although blind, has now become a valued employee of our Government right here in our Nation's Capital. I am convinced that this measure will provide a humanitarian answer to a very real problem which has occasioned much concern among many fine people. I know they join me in congratulating the gentleman from Arkansas, the chairman, Mr. Harris, the gentleman from Mississippi [Mr. Williams], the chairman of the subcommittee, and members of his committee for their prompt and cooperative action on this measure.

Mr. SPRINGER. Mr. Speaker, I yield to the gentleman from Illinois [Mr. Rumsfeld].

Mr. RUMSFELD. Mr. Speaker, I rise in support of this legislation and wish to commend the gentleman from Mississippi and the members of his subcommittee and of the full committee for their work on this meritorious legislation. Certainly, thousands of individuals who carry the burden of blindness will be greatly benefited by this act.

As the Representative of the 13th Congressional District of Illinois, the home of the nationally known Hadley School for the Blind in Winnetka, Ill., I have had a continuing interest in the problems of the blind. In this connection, I wish to call the attention of the Members of the House to a bill which I introduced on October 2, 1963, H.R. 8695. This bill was brought into being primarily because of the development by the Hadley School for the Blind of a portable physics laboratory for use in home study education of the blind, the first such kit of its kind, which unfortunately, because of its special nature, exceeds the current maximum size and weight limitations for mailing purposes. It was hoped an exception could be made to permit the Hadley School to provide its blind students with this necessary adjunct of a newly offered course in physics. It is my hope that the provisions of this bill will be given favorable attention by the House Committee on Post Office and Civil Service and by the Members of this distinguished body.

The bill was ordered to be engrossed and read a third time, was read the third time and passed.

The title was amended so as to read: "A bill to amend section 403(b) of the Federal Aviation Act of 1958 to permit the granting of free transportation to guides or dog guides accompanying totally blind persons."

A motion to reconsider was laid on the table.

COMPACTS BETWEEN STATES TO PROMOTE HIGHWAY TRAFFIC SAFETY

Mr. HARRIS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 2318) to amend the joint resolution approved August 20, 1958, granting the consent of Congress to the several States to negotiate and enter into compacts for the purpose of promoting highway traffic safety.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the joint resolution approved August 20, 1958 (72 Stat. 635), is amended by inserting in the resolving clause after the word "States" the phrase ", and one or more of the several States and the District of Columbia,".

Mr. SICKLES. Mr. Speaker, I rise in support of S. 2318 and to compliment the chairman of the committee, the gentleman from Arkansas [Mr. Harris], for bringing it to the floor at this time. I particularly want to express my appreciation to the chairman of the subcommittee, the gentleman from Alabama [Mr. Roberts], for his activities and work in connection with this bill and to commend his support and efforts which have brought about the consideration of this bill. I am the sponsor of H.R. 9642 introduced in this House on January 15, 1964, which is identical to the bill now before us.

The immediate effect of this bill is to allow the District of Columbia and the State of Maryland to enter an agreement now being considered by the parties which would permit law-enforcement officers of both jurisdictions to issue citations to residents of the other jurisdiction for violations of such traffic regulations as are covered by the agreement rather than require the nonresident to post collateral. Just this weekend I was visited at my home by a gentleman who could not understand why he had to be locked up in the District of Columbia until a friend could be found to provide the collateral for a traffic violation just because he lived a mile over the District line in Maryland.

And what the bill does is merely to grant to the District of Columbia government the same consent of Congress which was granted to the States in 1958 to negotiate and enter into compacts for promoting highway traffic safety. It is, therefore, in the nature of legislative oversight legislation.

Of course the authority granted to the District of Columbia is not confined to the agreement under consideration since the law amended—Public Law 85-684—envisions a broad range of agreements or compacts. Some 25 States have entered into compacts relating to vehicle equipment and 12 States have also entered into compacts relating to driver licensing.

Mr. Speaker, this is a significant step in the most important area of highway traffic safety. I urge my colleagues to support this bill.

GENERAL LEAVE TO EXTEND

Mr. HARRIS. Mr. Speaker, I ask unanimous consent that all Members may have permission to extend their remarks at this point in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ESTABLISHING AN ADMINISTRATIVE CONFERENCE IN THE UNITED STATES

Mr. ELLIOTT. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 824, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 1664) to provide for continuous improvement of the administrative procedure of Federal agencies by creating an Administrative Conference of the United States, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. ELLIOTT. Mr. Speaker, I yield myself such time as I may require, after which I shall yield 30 minutes to the gentleman from Ohio [Mr. Brown].

Mr. Speaker, House Resolution 824 provides for the consideration of S. 1664, a bill to provide for continuous improvement of the administrative procedure of Federal agencies by creating an Administrative Conference of the United States and for other purposes. The resolution provides an open rule with 1 hour of general debate.

Mr. Speaker, the purpose of S. 1664 is to provide permanent machinery whereby the Federal agencies with assistance from non-Government authorities on administrative practice will be able to formulate recommendations to improve Government procedures cutting down time and costs while preserving due process of law. A permanent conference will provide continuity for the kind of work performed by the two temporary administrative conferences appointed by President Eisenhower and President Kennedy respectively. The Conference would stand in similar relationship to the agencies as the Judicial Conference stands to the Federal courts.

Mr. Speaker, I understand that the bill, S. 1664, will come to the House with the unanimous approval of the subcommittee and of the Committee on the Judiciary itself and by a unanimous vote of the House Committee on Rules.

I urge the adoption of House Resolution 824.

Mr. Speaker, I reserve the balance of my time.

Mr. BROWN of Ohio. Mr. Speaker, I yield myself such time as I may use.

Mr. Speaker, as the gentleman from Alabama has explained, House Resolution 824 makes in order the consideration of the bill S. 1664, a bill to provide for continuous improvement of the administrative procedure of Federal agencies by creating an Administrative Conference of the United States, and for other purposes.

This bill, in my opinion, and in the opinion of its sponsors and those who have studied the measure meets a very great need. There is a real demand for an improvement in the administrative procedure of the various Federal agencies by having this Administrative Conference officially established. We have had some officials meeting at different times in different agencies in an unofficial way to try to work out better administrative procedure. Almost every agency of the Government, almost every Federal department, the American Bar Association, and many other similar organizations feel that problems of representing the American people in their various contacts with administrative agencies of the Federal Government would be helped by this legislation, and that it is actually very much needed.

The Committee on the Judiciary has given long consideration to this matter. It has reported S. 1664 by unanimous vote. The Rules Committee which heard testimony on the measure were unanimous in reporting this rule. I know of no opposition either to the rule itself or to the measure.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, I will say to the gentleman that I have a number of questions to ask about this bill. This is a move to create another commission in Government, this one with a chairman to be appointed for 5 years. If I read the bill correctly there is $250,000 a year provided for at least 5 years and probably on into eternity. I do not take this kind of bill lightly because I say again that it apparently means the creation of another permanent commission in Government.

There are agencies of the Government that ought to be doing what is proposed that this Commission or Conference to do, and that is recommend needed reforms.

Mr. BROWN of Ohio. There is a strong feeling that while this may carry some expense it will save a great deal of money in the long run, not only for the agencies but for various citizens as well who must deal with these agencies and departments of Government. I might add that if the gentleman will wait just a few hours he may have other legislation before him that will create new agencies of Government and new commissions which can be criticized more properly, perhaps, than this measure itself; and I will be happy to join with him at that time.

Mr. GROSS. Mr. Speaker, will the gentleman yield further?

Mr. BROWN of Ohio. Yes, I yield further to the gentleman from Iowa.

Mr. GROSS. Well, only a few days ago the House passed a bill to create a National Commission on Technology, Automation, and Economic Progress.

Mr. BROWN of Ohio. And, I joined with the gentleman from Iowa as one of the minority that opposed that matter. But I do feel that this legislation is justified and is badly needed. We can simplify the administrative procedure for the benefit of the people who must deal with this myriad of agenices which we have in the Federal Government. If we can work out some sensible approach to these problems, I believe it will be worth the amount it will cost, and more too.

In addition, this is one of the few bills of this type that I personally feel I can support and do support.

Mr. GROSS. Will the gentleman yield further, briefly?

Mr. BROWN of Ohio. I yield further to my dear friend from Iowa.

Mr. GROSS. How about providing this chairman a term of 3 instead of 5 years?

Mr. BROWN of Ohio. It would be perfectly all right with me. I am not too much interested in the welfare of chairmen anyway. I think ranking members are always better than chairmen, but we do not always prevail.

Mr. Speaker, I have no further requests for time.

Mr. ELLIOTT. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

IN THE COMMITTEE OF THE WHOLE

Mr. WILLIS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 1664) to provide for continuous improvement of the administrative procedure of Federal agencies by creating an Administrative Conference of the United States, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Louisiana.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill S. 1664, with Mr. ELLIOTT in the chair.

The Clerk read the title of the bill.

By unanimous consent the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule the gentleman from Louisiana [Mr. WILLIS] will be recognized for 30 minutes and the gentleman from Ohio [Mr. MCCULLOCH] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Louisiana [Mr. WILLIS].

Mr. WILLIS. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, the bill, S. 1664, would create a permanent Administrative Conference of the United States.

PURPOSE

The purpose of S. 1664 is to establish permanent machinery whereby the many Federal agencies can, with assistance from non-Government authorities on administrative practice, formulate recommendations to improve Government procedures, cut down time and costs, while preserving due process of law. A permanent Administrative Conference will provide continuity to the kind of work performed by the two temporary administrative conferences appointed by President Eisenhower—1954–55—and President Kennedy—1961–62. The Conference would stand in similar relationship to the Federal agencies as the Judicial Conference stands to the Federal courts.

NO ENFORCEMENT POWER

Let me emphasize that the power of this permanent Administrative Conference will be limited to study and recommendation; it will have no power whatever to enforce its recommendations. Its recommendations will go to the Congress, the President and/or the Judicial Conference and its jurisdiction will conform generally to that of the Administrative Procedure Act.

LOW COST

I would emphasize also that the cost of this Conference would be modest. Appropriations are limited to $250,000—section 7.

COMPOSITION

Under S. 1664, the Conference would consist of a Chairman, a Council, and an Assembly.

Only the Chairman would be full time, being appointed by the President subject to Senate confirmation.

An 11-man Council would consist of the Chairman and 10 members appointed by the President for 3-year terms.

The main body of the Conference would be the Assembly, consisting of the Chairman, the Council, and a flexible number of Government and non-Government members.

SUPPORT FOR MEASURE

The proposal for a permanent Administrative Conference has the support of the Judicial Conference, the Chief Justice, the American Bar Association, the District of Columbia Bar Association, Chairman OREN HARRIS—who introduced similar House bills—and the Budget Bureau, plus a long list of Government agencies—including CAB, FCC, FPC, FTC, ICC, NLRB, SEC, AEC, HEW, Treasury, Maritime Administration, and FAA.

The subcommittee hearings took testimony from Chairman **Oren Harris**, Judge Prettyman, and representatives of the bar associations, and of the Budget Bureau in support of the proposal. No opposition has been registered except to details.

COMMITTEE AMENDMENTS

Amendment No. 1 excludes military and foreign affairs functions of the United States from the definition of "administrative program." This conforms to Judge Prettyman's testimony that it was not contemplated that the Conference would have any jurisdiction over military or foreign affairs.

Primarily, the committee amendments place limits on the total number of Conference members and assure that Government members shall preponderate, but not too overwhelmingly.

Composition of the Conference: Amendments Nos. 2, 3, 5, and 6 provide:

(1) The total Conference shall not exceed 91 members (a complement recommended by Judge Prettyman) nor be less than 75 members.

(2) The Council is to comprise the Chairman, plus five Government and five non-Government members (as provided by President Kennedy).

(3) Non-Government members (other than Council members) are not to exceed 36 and shall not be more than two-fifths nor less than one-third of all members.

So that out of a total Conference of 75, the maximum number of non-Government members including the 5 Council members would be approximately 46.6 percent—35 out of 75 members.

Out of a total Conference of 91 members, the minimum number of non-Government members, including 5 Council members would be 39.5 percent—36 out of 91.

Amendment No. 8 has two effects:

(1) It removes a requirement that a member shall participate in his "individual capacity and not as a representative of any governmental or nongovernmental organization." The committee was concerned lest this requirement be thought to prohibit agency personnel or, for that matter, non-Government personnel from recognizing problems encountered by their own agency or outside organizations. While the committee expects Conference members to exercise intellectual independence, it was believed best to omit any instruction on this point.

(2) It removes a conflict of interest exemption that is not needed. The bill states that non-Government Conference members shall be "special Government employees" within the meaning of the conflict of interest statute. However, persons hired to work less than 130 days in any year are already defined as "special Government employees" (18 U.S.C. 202). It is contemplated that non-Government Conference members will be appointed to work substantially less than 130 days per year; thus the exemption is not needed by them. The interpretation of the applicability of the conflict of interest law, in this regard, will not be affected by the fact that Conference members are appointed for 2-year terms. On the other hand, no reason appears why Conference members, in the unlikely circumstance in which they are appointed to work more than 130 days in a year, should be dealt with more leniently as to conflicts of interest than other persons so appointed to Government posts.

Amendment No. 7 eliminates a requirement that a conference report on agency compliance with its recommendations. The committee was concerned lest this requirement be considered to attribute the weight of law to Conference recommendations. The requirement was deleted since the purpose of this legislation is to establish machinery to formulate, not impose, recommendations designed to improve administrative procedure.

Of course, as provided in section 5 of the bill, reports of the Conference will include studies of, and statistical data on, agency procedure. These studies can be expected to include reports on the consideration given by agencies to Conference recommendations.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. WILLIS. I am glad to yield to the gentleman from Arkansas.

Mr. HARRIS. Mr. Chairman, first I want to compliment the gentleman and the great Committee on the Judiciary for the consideration that has been given to this most important legislation.

Mr. Chairman, it is a matter of deep gratification to me that the House is considering today legislation to establish a permanent Administrative Conference of the United States. This legislation has been long overdue. It has followed a tortuous road and it has taken a great deal of ingenuity and patience to bring together the various views which have been held on ways and means to improve the administrative processes of the departments and agencies of our Federal Government.

In a sense this legislation goes back to the days when the Congress after many years of study and deliberation enacted the Administrative Procedures Act. Following the enactment of that law, many of you will recall attempts to establish special committees of the Congress vested with jurisdiction over the regulatory activities of our Federal agencies.

Many of you will recall that one of these committees was the Legislative Oversight Subcommittee, which was established at the urging of our late beloved Speaker Rayburn for the purpose of determining whether the independent regulatory agencies were carrying out the laws as enacted by the Congress.

I had the responsibility of serving as chairman of the Legislative Oversight Subcommittee of the Committee on Interstate and Foreign Commerce. We investigated the activities of several of the six great independent regulatory agencies which come within the jurisdiction of our committee. We found in the course of our investigations that the procedures followed by some of these agencies invited improper influence and ex parte communications.

Upon conclusion of our investigation our Committee on Interstate and Foreign Commerce considered legislation to modify the procedures of these agencies in order to prevent ex parte communications. However, we found that the needs of these agencies with regard to organization and procedure were so different that it was difficult, if not impossible, to prescribe by statute procedures for all of them which would have precluded ex parte communications and other improper methods of influencing the decisions of these agencies.

About this time President Eisenhower by Executive order created a temporary Administrative Conference. Our late President Kennedy continued that Conference, and I had the privilege of serving as a congressional member of that Conference. Judge Prettyman, the eminent jurist, formerly on the U.S. Circuit Court of Appeals for the District of Columbia, was the chairman of the Conference, and it is largely due to his loyal, tenacious, and astute leadership that the Conference was a great success.

When our committee found that it would be exceedingly difficult to legislate on the question of ex parte communications I addressed a letter to Judge Prettyman, requesting him to submit the legislation pending before our committee to the Conference for its review and advice.

Congress of the United States,
House of Representatives,
Washington, D.C., December 15, 1961.

Judge E. Barrett Prettyman,
Chairman, Administrative Conference of the United States, Department of Justice, Washington, D.C.

My Dear Judge Prettyman: This committee has pending before it a bill, H.R. 14, which proposes the enactment of the "Independent Regulatory Agencies Act of 1961" and which deals, among others, with the subject of ex parte communications in the case of on-the-record proceedings.

This bill is a reintroduction of a bill, H.R. 12731, which was reported unanimously by this committee during the 86th Congress. I am most anxious to have the principles which are incorporated in this bill considered by the Administrative Conference since the problems with which it seeks to deal are most complex and highly controversial.

I am enclosing for your information copies of H.R. 14, 87th Congress; H.R. 12731, 86th Congress; and House Report 2070, 86th Congress, together with copies of the hearings which this committee has held on this bill.

I am aware of the fact that the bill proposes to deal only with the procedures of the six major independent regulatory agencies. I feel strongly that a start in dealing with the problem of ex parte communications has to be made somewhere, and since the proceedings conducted by these agencies are of particular importance to the American people, appropriate legislation applicable to these agencies should be enacted. After actual experience has demonstrated the merits of this legislation, it might then at a later date be extended to apply to other agencies.

Our committee has spent a good deal of time in consideration of this legislation and the prospect for its passage would certainly be enhanced by the support of the Administrative Conference. The committee, of course, will be glad to have any suggestions for amendments which the Conference or any of its committees may deem desirable.

Sincerely yours,

Oren Harris,
Chairman.

The Conference did an exceedingly careful job and concluded as we had before—that the regulation of agency procedure had better be left to agency rules of the individual agencies as long as these rules were in conformity with general principles. The Administrative Conference proceeded to elaborate these principles and I am glad to say that the majority of the six agencies which come within our committee's jurisdiction have adopted agency rules for their respective agencies which deal in detail with the question of prohibited ex parte communications.

Mr. Chairman, what has been accomplished in the field of ex parte communications is merely an example of what can be accomplished by a permanent Administrative Conference. Within the framework of such a conference, under competent leadership, it should be possible for the agency heads and for interested private practitioners and academic personnel to work out many of the problems which urgently require attention. Our congressional committees are so busy with the substantive problems affecting the industries which are subject to regulation by these agencies that little time often remains to deal with the complex procedural problems which are of great importance if the agency procedures are to be efficient and equitable.

Of course, it should be clearly understood that no authority to modify any statutory provisions is being delegated to the Administrative Conference by this legislation. The Conference has only authority to study problems and if the study discloses a need for changes in any statutory provisions, the Conference will submit its recommendations to the Congress for appropriate action. In the case of ex parte communications, of course, each agency has not only the authority but the responsibility to protect the integrity of its administrative processes. Therefore, the temporary Administrative Conference was in a position to make recommendations to the agencies, and the agencies thereupon used their statutory authority to promulgate appropriate rules to carry out the recommendations of the Conference.

I myself introduced two bills which were referred to the Committee on the Judiciary. H.R. 7200 was a bill which had the support of the executive branch, and H.R. 7201 was a similar bill which was favored by the American Bar Association. The differences between these two bills largely related to the ratio of Government representatives to non-Government representatives who would be constituting the Administrative Conference.

Mr. Chairman, I am glad to say that these differences have been worked out in a satisfactory manner in the bill, S. 1664, which is now the pending business of the House. I want to congratulate the able Chairman of the subcommittee, the gentleman from Louisiana [Mr. Willis] and the eminent chairman of the full committee, the gentleman from New York [Mr. Celler] for having taken time from their busy committee schedules to give attention to this legislation. I was given the privilege of testifying before the subcommittee when it held hearings on all bills on this subject pending before it, and I want to express again my gratification that a bill has been ordered reported to the House which deserves the complete support of the membership of this body.

This bill deserves the support of the membership because it is a good bill. It will strengthen the administrative procedures of our Federal departments and agencies. It will thereby benefit greatly the general public.

A lot of hard work has gone into this legislation and I hope this House will support this legislation by an overwhelming vote for the reasons which I have stated.

Mr. WILLIS. I well remember the gentleman's work in the study of the various oversight committees. I will never forget when that study was suggested by the late great Speaker of the House, Sam Rayburn. It was due to that work that the bill was brought up. I will say to the membership of the Committee of the Whole that the gentleman from Arkansas is one of the architects of this proposal.

Mr. WAGGONNER. Mr. Chairman, will the gentleman yield?

Mr. WILLIS. I yield to the gentleman from Louisiana.

Mr. WAGGONNER. I thank the gentleman for yielding.

Mr. Chairman, at this time I want to express my appreciation to the distinguished chairman of the subcommittee, [Mr. Willis], my colleague from Louisiana, for the work he has done in this particular instance. I usually look with much reluctance on the creation of another government agency or commission because too often they serve no useful purpose, but in this particular instance I think there is a valuable service to be done. This administration conference should be established for many reasons but especially to protect the private citizens and the public interest.

I want to associate myself with the remarks of my colleague from Louisiana in expressing his appreciation of the interest shown by my colleague from Arkansas [Mr. Harris]. He too has been instrumental in framing this legislation. The State of Arkansas is fortunate in having Oren Harris represent them. I am well aware of the sincere desire of the gentleman from Arkansas [Mr. Harris] to protect fully the private rights of individuals in the administration of Government affairs by the respective agencies. I share this desire with him. I know he is interested in providing a broad representation for not only the people of his district, whom be so ably represents as chairman of the House Committee on Interstate and Foreign Commerce, but in protecting the views and the individual rights of all the private citizens of this country. He continually utilizes his diverse experience as a member of the bar and Member of this Congress in so doing. He certainly does this in a sterling manner. He is a student of government and administrative law and utilizes that experience every day as does Ed Willis, my colleague from Louisiana, in the public interest. It is because of the concern of gentlemen like Mr. Harris and Mr. Willis that we are making a sincere effort here today to protect the rights of our private citizens and we all know they need protection, in their dealings with the Government and the overall administrative affairs of the Government by our support of this administrative conference. I am especially glad that the good people of Arkansas have seen fit to return him to this body. He is indeed a valuable member.

Mr. McCULLOCH. Mr. Chairman, I yield such time as he may desire to the gentleman from New Jersey [Mr. Cahill].

Mr. CAHILL. Mr. Chairman, I want to reaffirm what the chairman of the subcommittee has told the House in regard to this legislation. First of all, let me say that this bill came from the subcommittee by a unanimous vote. It likewise was reported unanimously by the full committee. I suppose there is no legislation that comes before this House that has the unanimous approval of all Members, but it does seem to me that this probably will come as close as any piece of legislation can.

This not only has the support of all the regulatory agencies of the U.S. Government, it has the support of the nongovernmental organizations who represent thousands of people who actively appear before these agencies. Among these latter groups we will find the American Bar Association as an enthusiastic advocate.

Therefore, it seems to me Mr. Chairman and Members, that this bill indeed serves a very useful purpose. One of the best features of it, in my judgment, is the mandate contained in the legislation that at least 33⅓ to 40 percent of the membership shall at all times be composed of members outside of Government service. It seems to me that this is the way those of us who in the past and at the present have been and are critical of governmental agencies and the mass of redtape that sometimes is involved in dealing with them, can bring the fresh viewpoint of the objective civilian expert in an effort to recommend to the proper committees of this Congress improvements such as were outlined by the distinguished chairman of the Committee on Interstate and Foreign Commerce, the gentleman from Arkansas [Mr. Harris].

So I would say to you that while there is some money involved and while this will cost dollars and cents, the money that is spent will be well spent and I think it will be made up by the improvements that should come if the fresh viewpoint is utilized and implemented.

Certainly, if there is one bill that will be helpful to the taxpayers and to the litigants and to the applicants who appear before the governmental agencies, it should be this bill.

Now let me conclude by saying that this certainly is not going to be any panacea for all of the evils or for all of the wrongs that exist, but it certainly should be a step forward in the attempt to continue improvement of the services that are rendered by our governmental agencies.

Since it does meet with the approval of the minority members of the Committee on the Judiciary and since all of the members of the subcommittee headed by the gentleman from Louisiana [Mr.

Willis] have approved it, I certainly recommend it for passage to the House of Representatives.

Mr. SCHWEIKER. Mr. Chairman, I ask unanimous consent that the gentleman from New York [Mr. Lindsay] may extend his remarks at this point in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. LINDSAY. Mr. Chairman, this bill, providing for the creation of a permanent Administrative Conference, will give us a most effective vehicle through which the personnel of our multitudes of administrative agencies, with the aid of nongovernmental advisers on administrative practices, will be able to formulate recommendations for the improvement of their own procedures.

Certainly, it is clear that the performance of regulatory functions, and its related responsibilities for the determination of private rights, privileges, and obligations by executive departments and administrative agencies, substantially affects large numbers of private individuals and many areas of economic and business activity. These interests which, in the aggregate, affect the development of the national economy must be protected by Federal administrative procedures which insure maximum efficiency and fairness in the performance of the governmental functions.

Unfortunately, however, the steady expansion of the Federal administrative process during recent years has been accompanied by growing concern over the efficiency and adequacy of department and agency procedures. The record is replete with the countless problems that cry out for a solution. Who among us has not heard the futile wails of public exasperation over the multitude of obstacles encountered in our administrative procedures; the businessman fighting the seemingly endless procession of complicated and unnecessary paperwork that all too often duplicates or overlaps itself; the inconsistencies of agency procedure and regulation; the great delays in administrative action, and consequent delays in justice, which are always to be found; and on and on. Though the Administrative Conference will not be an automatic cure-all for these ills, these problems will be clearly within the focus of that body's jurisdiction and subject to solution through its recommendations to the President, the Congress and our agencies and departments.

Closely paralleling the Judicial Conference of the United States in its relationship to the Federal court system, the Administrative Conference will stand in a similar position with our administrative agencies. I would suggest that if this permanent conference is only partially as successful as the Judicial Conference has been in its field, it will be very worthwhile. As a matter of fact, the temporary conferences created by President Eisenhower and President Kennedy already made it clear that substantial progress in improving departmental and agency practices can result from the cooperative efforts of agency personnel working together with members of the practicing bar, scholars, and business and labor leaders.

It is with these views in mind, then, that I enthusiastically support the creation of a permanent Administrative Conference, for I am convinced that through its ability to ascertain ways to reduce the time and costs of administrative procedures, while preserving the necessary elements of fairness and due process of law, we will be taking a giant step forward in our quest for good government.

Mr. McCULLOCH. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. Gross].

Mr. GROSS. Mr. Chairman, thus far I have no specifics on what this administrative conference, as it is called, is going to do. I look at it as another commission or bureau in the Government. What specifically is it going to do?

The gentleman from Arkansas, the distinguished chairman of the Committee on Interstate and Foreign Commerce, referred back, or at least I assume he referred back to the old Goldfine-Sherman Adams deal and the part that was played by his Oversight Committee in that. Am I correct in assuming that that is what the gentleman was referring to a moment ago?

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman.

Mr. HARRIS. Of course, those matters that the gentleman mentions were a consideration of the committee at that time. But what I had reference to was the study and consideration we gave to the procedures and administrative standards of the agencies themselves, that is, the six major agencies. Various reports were issued during 1959 and 1960 and many of the recommendations that we made in those reports have already been enacted into law as to the organization and administration of these various agencies. Some have been enacted by the Congress such as the FCC Act and the Interstate Act and amendments thereto.

What we have in mind here is not so much those things which indicate matters we do not like to see happen in our society but more with respect to delays in administrative procedures. People who go before these agencies are entitled to consideration of the matter pending.

Mr. GROSS. Could not the standing committees of the Congress consider legislation, without spending $250,000 a year to hire a group to tell them what to do? This information is available to the committees of Congress. It was available to the gentleman's committee. At least, some of the information upon which the gentleman's recommendations were based came from the Goldfine-Sherman Adams business; is that not true?

Mr. HARRIS. That is true. I repeat that we have in mind more the administrative actions of these agencies in determining the innumerable cases pending before them. We did of course develop information in reports, after hearings, during the 3 years we had this matter under consideration. We are referring to matters of administrative procedures.

We learned, after the experience which the gentleman from Louisiana so well described—after the experience of the temporary conferences which have been carried on for the past 5 years—that these are helpful and will save money, as mentioned by the gentleman from Ohio [Mr. Brown] earlier this afternoon.

Mr. GROSS. Well, there are situations in Government today which badly need attention. We know where they are. Nothing is being done about them. Always we go outside and hire others to tell us what we should do.

The thing which concerns me the most is that we are continually establishing commissions and conferences, as is being done in this case, apparently to rub our noses in something we have already smelled and know about.

I do not understand why we should spend $250,000 a year, or perhaps more, on a situation of this kind, for the establishment of still another group.

There is a situation over in the White House today. A witness has testified under oath that an adviser to President Johnson has taken part in certain activities beyond his duties as a Federal employee. The Presidential adviser denies the charge. Obviously somebody has committed perjury.

Would this conference go into that, as the gentleman suggests it might have had there been such a conference in existence when the Goldfine-Sherman Adams thing came up?

There is a committee in the other body which should have gone into that situation, wherein someone obviously is committing perjury.

Mr. CAHILL. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from New Jersey.

Mr. CAHILL. I say to the gentleman from Iowa that I share to some degree his concern.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. McCULLOCH. Mr. Chairman, I yield 5 additional minutes to the gentleman from Iowa.

Mr. CAHILL. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I thank the gentleman for yielding additional time. I yield to the gentleman from New Jersey.

Mr. CAHILL. I would say to the gentleman, very respectfully, that the thought behind this bill, as I understand it, is to go beyond the governmental investigation and to go beyond what may be a limited vision on the part of those within Government, to seek a fresh viewpoint from individuals outside the Government appointed to such a committee.

I will say that this will depend, as always, not on what the legislation says but on what the Members do. It is therefore my hope that proper and qualified men will be appointed. If that is done and if these men devote the time to the Commission which the committee intends them to devote to it, and if they do the job the committee expects them to do, it would be my hope there would be some good which would come out of it.

Mr. GROSS. Let me say to the gentleman, with all respect to him, that he has been very "iffy" in his presentation as to what he expects this Administrative Conference to do. I point out that in your own report you state that there was a temporary conference in 1954–55 and this report says that it produced many worthwhile recommendations, but practically none of these recommendations were implemented. Then President Kennedy came back in 1961–62 with another temporary Administrative Conference. Your report says that one of its strongest recommendations was for the establishment of a permanent Administrative Conference of the United States. Now, somebody tell me what you expect to get from this Conference. There have been two temporary Conferences. Neither one of them apparently amounted to very much. I do not know how much money we spent on them. What reason have we to think that another Administrative Conference is going to produce any better results than the two you have already had?

Mr. WILLIS. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Louisiana.

Mr. WILLIS. Of course, no one can give that assurance, but I can explain to the gentleman. The purpose of the act is to provide suitable arrangements through which Government agencies assisted by outside experts may cooperatively study mutual problems, exchange information, and develop recommendations for action by proper authorities to the end that private rights may be fully protected and regulatory activities and other Federal responsibilities may be carried out expeditiously and in the public interest. Those programs include any Federal function which involves the protection of the public interest and a determination of the rights, privileges, and obligations of private persons through rulemaking adjudication, licensing, and so on.

Those are the general objectives and are necessarily stated in these general terms. It will involve such things, for instance, and also the study of the efficiency, adequacy, and fairness of the administrative procedure before these agencies. Right now, if you apply, let us say, for a license for a TV station, are the rules adequate? Are the procedures too slow? Is there too much redtape? Is the cost too heavy? And so on. This does not involve one agency but all of the agencies of the Government. That is why at long last there are several things about this that please me. One, they have no power to impose rules and, two, we bring in, as my good friend from New Jersey says, non-Government people into this business.

Mr. GROSS. This raises an interesting question. The gentleman brings in the Federal Communications Commission and the allocation and granting, I assume, of TV and radio licenses. I wonder if this proposed Conference is supposed to or would go into the question of the TV monopoly operated by the Johnson family in Austin, Tex.

Mr. WILLIS. Of course not.

Mr. GROSS. Would this not be a part of their job?

Mr. WILLIS. No, it would not be. It would not be.

Mr. GROSS. Then, where would the Administrative Conference stop in the matter of how licenses are allocated and granted, and so on and so forth?

Mr. WILLIS. I agree that this is legalistic language, but we have to have it. This is to improve the procedures before these agencies in order to render better service at a cheaper price to the public.

The CHAIRMAN. The time of the gentleman from Iowa has again expired.

Mr. GROSS. Mr. Chairman, will someone yield me more time or must I wait until I can get time under the 5-minute rule?

Mr. McCULLOCH. Mr. Chairman, we always try to be generous in yielding time, and we are happy to yield another 2 minutes to the gentleman from Iowa.

Mr. GROSS. Again I thank the gentleman.

Mr. WAGGONNER. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I cannot yield because I do not have sufficient time. If the gentleman on that side will yield me 2 or 3 minutes additional, I will be glad to yield.

Mr. WILLIS. I will be delighted to yield the gentleman 3 additional minutes to bring it up to 5 all together.

The CHAIRMAN. The gentleman from Iowa is recognized for 5 additional minutes.

Mr. WAGGONNER. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I am glad to yield to the gentleman.

Mr. WAGGONNER. I thank the gentleman.

I understand the gentleman's concern but I think there is much to be said for the fact that somebody needs to look after the interests of the public who have dealings with agencies of the Government. I have a particular case in mind, for example, which quite possibly could be prevented with an Administrative Conference such as this. Yesterday a good friend of mine contacted me about some dealings with the FHA in attempting to purchase a home. This individual was denied the purchase of this home because it was felt by this Government agency that his income was insufficient to purchase this particular home valued at $13,750.

I do not agree with this Government agency. This man has an income of $9,600 a year. His obligations, including furniture notes, appliance notes, car notes, and everything else are only about $2,200. He has money in the bank. And yet they say he does not have sufficient income to purchase a repossessed FHA home valued at $13,750. I feel that this Government agency has not given proper consideration to the public interest or the interest of this private citizen. I question whose interest has been served and why? I think this Administrative Conference can be used to cure many cases similar to this in too many agencies. Administrative procedures must be streamlined and clarified.

Mr. GROSS. Mr. Chairman, let me say that as far as administrative procedure within the Federal Government is concerned we have the Bureau of the Budget which ought to be primarily concerned with administrative procedure. I do not know how this is going to implement the Bureau of the Budget in its operation. But let me get to a specific question. Is this going to deal with personnel in the Government and, if so, in what way? I believe personnel is mentioned in the report but I am not quite sure what this proposed Conference is supposed to do specifically with regard to Federal personnel.

Mr. WILLIS. Mr. Chairman, I would venture to express this opinion, that personnel as such would not be the function of the Conference, but the proper staffing of an agency—understaffing, overstaffing, quality, et cetera—could result in some recommendations that affect administrative procedure. But personnel as such would not come in, nor under the specific provisions of the bill—and I refer to page 3, lines 21 to 23—that the functions:

> Shall not be construed to include the scope of agency responsibility as established by law or matters of substantive policy committed by law to agency discretion.

That is very important to a businessman.

Mr. GROSS. Somewhere in this report—I cannot locate it at the moment—I believe it is stated that they are going to look into personnel grievance procedures.

Mr. WILLIS. Not for the sake of determining whether the grievances are good or bad in themselves but insofar as there are procedures in an agency dealing with personnel matters, as grievances are disposed of under the procedure of an agency, I would say that this phase of administrative procedure and efficiency would, in my opinion, have to be considered to that extent.

Mr. GROSS. In the light of that statement I wonder why we do not find in the report accompanying this bill a statement of some kind from the Chairman of the Civil Service Commission, since you are going into the field of personnel and civil service.

Mr. WILLIS. Of course, I did not want to leave the impression—and if I did I am sorry, although I think I did not—that that would be the cornerstone or one of the major undertakings of the study. That would be a minor thing. But to the extent grievances have to do with procedure those procedures could be reviewed or studied.

Mr. Chairman, I yield 4 minutes to the gentleman from Mississippi [Mr. WILLIAMS].

Mr. WILLIAMS. Mr. Chairman, I want to congratulate the distinguished gentleman from Louisiana [Mr. WILLIS] and his associates for bringing this bill to the floor of the House. In my opinion, this legislation is much needed, and definitely in the public interest.

Now, like the gentleman from Iowa, I too am deeply disturbed over the present spending level in Government. As a matter of fact, I suspect I vote "no" about as often as my good friend from Iowa. I have often said that the gentleman from Iowa is a very valuable Member of this body and on many occasions I have said, and certainly not facetiously, that he might be, even, the most valuable Member of this body.

However, Mr. Chairman, in this instance I feel quite sure that the gentleman does not understand fully the potential of the Administrative Conference contemplated by this bill.

Mr. Chairman, I served on the old Legislative Oversight Committee during its first 2 years, and those were rather hectic years, as the members of the committee will recall. Those were the days of the Goldfine-Adams controversy, they were the days of the FCC controversy that involved Commissioner Mack and his friend, Mr. Whiteside.

Mr. Chairman, if I learned anything during those hearings, it was that reform in the activities of some of these regulatory agencies was imperative in the public interest. There was a pressing need to streamline their operations, and to set up administrative machinery to insure that their decisions would be determined purely and solely on the basis of the evidence presented.

I want to congratulate principally the distinguished chairman of my committee, the Committee on Interstate and Foreign Commerce, the gentleman from Arkansas [Mr. HARRIS] who provided the impetus for this bill.

Mr. Chairman, as chairman of the Oversight Subcommittee he worked with great diligence in the field of administrative law. I am certain that no Member of Congress, whether House or Senate, is as well informed on administrative and regulatory law as OREN HARRIS. He has been the author of much legislation which has improved the operations of our administrative agencies and has saved untold millions of dollars in redtape cost to the American taxpayers. He deserves the thanks and commendation of every American for his contributions to sound and efficient Government.

Mr. Chairman, for the benefit of the gentleman from Iowa, I can point out one case in particular which is still hanging fire after 3 years of litigation under the Administrative Procedures Act. The case is now in the courts and it is still undecided. This case involved one of our larger railroads and I am told that it has already cost them more than $2 million in prosecuting their case. If it cost one of the parties that much, then goodness only knows how much it cost the Government in administrative costs over that period of 3 years.

It is my feeling, Mr. Chairman, that this legislation is definitely in the interest of economy. It is certainly sound and is a necessary step in the improvement of the administration of our regulatory system and the Administrative Procedures Act.

Mr. McCULLOCH. Mr. Chairman, I have no further request for time.

Mr. WILLIS. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. HOLIFIELD].

Mr. HOLIFIELD. Mr. Chairman, I very seldom speak on this floor, as the Members know, but I believe this is a very important bill and I want to compliment the committee. I want to also extend my compliments to the chairman of the Committee on Interstate and Foreign Commerce, because I know of his long interest in this matter.

Mr. Chairman, my interest in the functioning of the Administrative Procedures Act goes back to 1946 when the gentleman from Virginia, Judge HOWARD SMITH, was appointed as chairman of a committee to look into the actions of the administrative agencies which went beyond the scope and the purpose as intended by Congress.

It goes to a specific case in which the Home Loan Bank Board seized a savings and loan association at Long Beach, Calif. That case was under the Administrative Procedure Act for 16 years. I know that the Government must have spent at least $1 or $2 million fighting that case because the litigants on the savings and loan side also spent a considerable amount of money.

This case was investigated by Judge SMITH's committee; it was investigated by a subcommittee appointed in 1950 or 1951. I was chairman of that subcommittee. And more recently it was investigated by a subcommittee under the chairmanship of my colleague from California. There were three different investigations of the actions of an agency functioning under the Administrative Procedure Act.

Now, if the gentleman from Iowa will listen a minute, I would make this point: This comes also from my experience on the Hoover Commission, where we recommended continuing scrutiny of the functions of the different agencies under the Administrative Procedure Act. The businessmen of America today are functioning under countless rules and regulations, based on laws passed by Congress.

We pass a bill, say, with 30 to 60 pages, on the basis of the basic law we passed in the Congress, maybe after 2 or 3 months of consideration by a jurisdictional committee; then on that 30 to 60 pages the agencies build and enforce rules and regulations. And this is not because of bureaucracy altogether. Possibly the fault, if you want to call it a fault, is on account of the complicated nature of the businesses which are under regulation in this Nation. They are not simply businesses whose problems we can solve in a legal document. Back of that legal document is the necessity of promulgating administrative rules and regulations, and it is under these rules and regulations by the people in the agency that the American businessman and the American citizen gets into trouble because he operates under different rules than he would operate under in a court of equity.

The test of the Administrative Agencies Act as against an individual or a business is whether he acted within the scope of his delegated authority to promulgate rules and regulations, not whether he did what was right or wrong. You cannot get a decision in many instances on the basis of merit or what we call common equity. You have to in going through the Administrative Procedures Act test whether the administrator acted within the scope of his authority, not whether he did a good job, whether he did a bad job, whether he made the right decision or not, but did he have the authority to do it under his own wide administrative latitude of action.

The attempt to get into court has been most difficult without first going through the Administrative Procedures Act. And I will tell you the pitfall there.

This agency, the Home Loan Bank Board, in 1946 seized this institution and ran its assets down from $60 million to $14 million. They could not go into a court of equity. They had to first go through the Administrative Procedures Act route. But their appeal had to go to the people who seized them. So they refused to do this because they knew the people who seized them would verify the fact they had a right to do that. They became a victim of the basic act which allowed the agency to make rules and regulations without regard to the fairness of those regulations. This controversy continued for 16 years, and it was decided only a year or two ago.

The point we are getting at is that the procedures under the Administrative Procedures Act functions are not by any means a perfect procedure. It needs looking into very carefully. They are continuously promulgating new rules and regulations, and the businessmen are being harassed by these rules and regulations. This needs continuing scrutiny.

I think from the standpoint of economy we can save many millions of dollars in Government costs, not to mention the costs incurred by the litigants against the Government.

More important, we can expedite hearings and decisions which have the effect of law but which are subject in many instances to years of delay. There is a truism which says, "Justice long delayed is justice denied."

We owe it to the business people who are facing bureaucratic delay and harassment throughout the land.

We owe it to our own democratic ideals to improve the efficiency and responsiveness of our governmental function.

I urge the adoption of the bill.

Mr. McCULLOCH. Mr. Chairman, I yield 5 minutes to the gentleman from Indiana [Mr. HARVEY].

Mr. HARVEY of Indiana. Mr. Chairman, I have been much interested in this proposal. I listened attentively to the very pertinent questions of the gentleman from Iowa. I also want to compliment him because it indicated that he has given a great deal of thought and attention to this problem.

When I first came to this Congress in the 80th Congress I served on the Committee on Government Operations. The gentleman from Illinois [Mr. DAWSON], the present chairman, was then I believe the ranking member on the committee. Our committee had the assignment of implementing the recommendations of the first Hoover Commission. If I might add in addition to what my good friend, the gentleman from California [Mr. HOLIFIELD] said, and we served on this subcommittee at least during the entire period of time I was on the committee, a matter of about 4 years, we served in an effort to implement these Hoover Commission recommendations.

The Hoover Commission functioned effectively in much the same manner I hope this Commission will function. The Hoover Commission had the assignment of making recommendations for streamlining our Government. About 39 major recommendations were finally enacted into law. The procedures were set up with which you are all familiar for bringing these recommendations into effect. The President would send up a recommendation and if it were not vetoed by either House it became automatically effective.

The thing that particularly struck me after having served in the Congress is with regard to our regulatory agencies. I am sure no one is more familiar with the problem than the gentleman from Arkansas [Mr. HARRIS], the chairman of the Interstate and Foreign Commerce Committee, and the members of his committee. The thing that has come to my attention most forcefully is the fact that these regulatory agencies in many instances have been so dilatory, so reluctant to pass on matters of grave importance, they have been so unwilling to assume responsible decisions. That is exactly why I think, if I might add a word of suggestion as to where this Commission could best function, it certainly would be to help the Congress in unraveling this tangle we ourselves have created.

I know where applications for franchises made to the Federal Communications Commission have been kept dangling 4, 5, and 6 years, awaiting a decision. Many times people have had considerable sums of money invested, only to see them ultimately lost because of the unwillingness of this regulatory agency to give a prompt decision. I am sure in many cases had they been willing to do so they could have.

A growing percentage of our citizens are becoming more and more involved every year in the actions of these so-called regulatory agencies. As the gentleman from California has pointed out, in many instances they act not only as the judge but the jury. You appeal, and the people you appeal to are the same people who made the original decision, which to me seems a rather inconsistent way to operate.

So I certainly approve of this Commission and I know I join the gentleman from Iowa in hoping that the ultimate outcome of it will be to produce something of value. I do not want to seem to be cynical. I am not going to downgrade this Commission before it ever gets started. But I do want to give this word of warning; that unless capable people are appointed and unless they go to work constructively and vigorously, it will deteriorate into just another commission and we will pay the bill and no good will come of it.

Mr. WILLIS. Mr. Chairman, I yield 3 minutes to my friend, the gentleman from Florida [Mr. PEPPER].

Mr. PEPPER. I thank the able chairman very much for yielding to me.

Mr. Chairman, I wish to associate myself with my colleagues who have highly commended the distinguished gentleman from Arkansas [Mr. HARRIS] for what he has done with his committee to initiate legislation of the character that we have here before us today, and also to commend the very able gentleman from Louisiana [Mr. WILLIS] for all he has done to ready this measure for consideration and for bringing it to the floor of the House.

Mr. Chairman, we pride ourselves that this is a country of law and not of men. Yet, until the Administrative Procedures Act of the 1940's came into being, the decisions rendered by the administrative agencies and to a large degree the quasi-judicial tribunals of the Government of the United States were the arbitrary decisions of men and not decisions arrived at according to the elementary principles of the legal process where fair inquiry is conducted and impartial judgment thereon is rendered on the basis of the facts that are brought out before the tribunal trying the matter.

A great deal of progress therefore was made when the Congress enacted the Administrative Procedures Act. But none of us claims that it was perfect when created. Even experience has not given it the perfection that we desire it to attain.

Surely it is most desirable that able personnel both inside and outside of Government should as this bill provides study the efficiency, adequacy, and fairness of the administrative procedure used by administrative agencies in carrying out administrative programs and make recommendations to the Congress, to the President, to the judicial conference and other agencies of the Government for their improvement.

So, Mr. Chairman, it seems to me that the process of administration in a great Government such as ours is rather necessarily complex and that that administration will be greatly improved and the administrative judgment greatly expedited and put on a sounder basis by the advice and counsel that will come out of the study and the recommendations of this conference.

We, therefore, by passing this bill are taking another step toward making this Government as we hope some day it shall perfectly be, a government of law and not of men.

Mr. McCULLOCH. Mr. Chairman, I ask unanimous consent that the gentleman from New York [Mr. LINDSAY] may extend his remarks on the pending bill immediately following the remarks of the gentleman from New Jersey [Mr. CAHILL].

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

GENERAL LEAVE TO EXTEND

Mr. WILLIS. Mr. Chairman, I ask unanimous consent that all Members desiring to do so may extend their remarks at this point in the RECORD.

The CHAIRMAN. Without objection, it is to ordered.

There was no objection.

Mr. FASCELL. Mr. Chairman, because of its far-ranging functions and responsibilities, the Government of the United States must of necessity be a large and complicated organization. As a result primarily of the severe economic depression of the 1930's, World War II, and the staggering increase in our population in the past 15 or 20 years, much of the growth of the National Government has occurred within the past generation.

Inevitably, this rapid expansion of Federal functions and services has created considerable administrative upheaval, disorder, overlapping, and inefficiency. The needs of society must be met when they arise; they cannot always be handled administratively with the neatness of a textbook organization chart.

This House now has before it legislation, S. 1664, designed to introduce order and coherence into this administrative disarray and confusion. Before I begin a discussion of S. 1664, let me say Mr. Chairman, that this question has been a matter of profound concern to me for almost as long as I have had the honor of serving in this House.

In January 1957 I introduced a bill to establish in the executive branch an Office of Administrative Practice headed by a Presidentially appointed Director. The duties of this Director would have included carrying on continuous studies, making recommendations concerning compliance by agencies with the procedures as set forth in the Administrative Procedure Act where the rights, duties, and privileges of persons were affected, and maintaining a continuing scrutiny of the rulemaking and adjudicatory functions of these agencies.

The Director would also have been empowered to coordinate agency activities to cut down delays, improve reporting, simplify and reduce the costs of recordskeeping, and to act in other ways to make the administrative machinery smoother and more efficient.

This 1957 bill created a Legal Career Service and a Federal Grievance Committee. The purpose of the Committee was to review complaints against attorneys arising out of representation of participants before governmental agencies.

Because I believe this matter is so important, I reintroduced bills of this nature in the 86th Congress in 1959 and in the 87th Congress in 1961.

Again in this Congress, on January 24, 1963, I introduced a bill, H.R. 2662, creating an Office of Federal Administrative Practice under a Director appointed for 10 years. The purpose of this measure is very much the same as that of my earlier legislation—to make studies and recommendations, reduce delays, protect the rights and privileges of citizens, improve reporting, simplify records, correlate decisions, and so forth.

A related bill, H.R. 8046, which I introduced August 14, 1963, directs Federal agencies to file in the Federal Register descriptions of their organization, method of functioning, formal and informal procedures, and substantive rules and changes in these rules. It would require agency opinions, orders, and rules to be made available for public inspection.

I have discussed my past legislative efforts in some detail to provide certain background information which I think is a necessary prelude to the bill which we are considering today. S. 1664 is a bill calling for the creation of an Administrative Conference of the United States. I was pleased to introduce an identical measure in the House this session, and I have found that support for the legislation is virtually unanimous and wholly nonpartisan among lawyers, political scientists, administrators, and others representing a broad spectrum of practical experience in many fields.

Only the sort of Conference proposed in this bill can provide the overall view of administrative problems that is essential to their solution or mitigation. The separate agencies, each working alone and independently, cannot do it.

There must be a central coordinating agency that can see the entire picture, serve as a clearinghouse for information and the exchange of ideas, and study the various problems and difficulties as a unit in their relationship to each other.

The Administrative Conference proposed in this bill is precisely the central coordinating agency that is needed.

The Conference membership would consist of executive branch officials most concerned with administrative problems and citizens from private life who could contribute a broad representation of views, expert knowledge, and diverse experience.

A Presidentially appointed chairman and members of the Conference and its subunit, the council, would determine agenda, select and investigate problem areas, disseminate information, and make recommendations to the President, to Congress, to the agencies, and to the Judicial Conference of the United States.

Only a very few employees would be needed to form the permanent staff of the Conference. The Conference members from Federal agencies would draw no additional compensation, and those from private life would receive only travel expenses and per diem.

The other body approved S. 1664, last October 30. Now, with time rapidly running out on the 88th Congress, it is our obligation to act promptly on this bill.

Oversight of the executive agencies is one of the most important constitutional responsibilities of Congress. By passing S. 1664 we would be fulfilling this responsibility in a truly productive and useful way.

Mr. WILLIS. Mr. Chairman, I have no further requests for time.

Mr. McCULLOCH. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. All time has expired. The Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Administrative Conference Act".

Findings and declaration of policy

SEC. 2. The Congress finds and declares that—

(a) administration of regulatory and other statutes enacted by Congress in the public interest substantially affects large numbers of private individuals and many areas of business and economic activity;

(b) the protection of public and private interests requires continuing attention to the administrative procedure of Federal agencies to insure maximum efficiency and fairness in achieving statutory objectives;

(c) responsibility for assuring fair and efficient administrative procedure is inherent in the general responsibilities of officials appointed to administer Federal statutes;

(d) experience has demonstrated that cooperative effort among Federal officials, assisted by private citizens and others whose interest, competence, and objectivity enable them to make a unique contribution, can find solutions to complex problems and achieve substantial progress in improving the effectiveness of administrative procedure; and

(e) it is the purpose of this Act to provide suitable arrangements through which Federal agencies, assisted by outside experts, may cooperatively study mutual problems, exchange information, and develop recommendations for action by proper authorities to the end that private rights may be fully protected and regulatory activities and other Federal responsibilities may be carried out expeditiously in the public interest.

Definitions

SEC. 3. As used in this Act—

(a) "Administrative program" includes any Federal function which involves protection of the public interest and the determination of rights, privileges, and obligations of private persons through rulemaking, adjudication, licensing, or investigation, as those terms are used in the Administrative Procedure Act (5 U.S.C. 1001–1011).

(b) "Administrative agency" means any authority as defined by section 2(a) of the Administrative Procedure Act (5 U.S.C. 1001(a)).

(c) "Administrative procedure" means procedure used in carrying out an administrative program and shall be broadly construed to include any aspect of agency organization, procedure, or management which may affect the equitable consideration of public and private interests, the fairness of agency decisions, the speed of agency action, and the relationship of operating methods to later judicial review, but shall not be construed to include the scope of agency responsibility as established by law or matters of substantive policy committed by law to agency discretion.

Administrative—Conference of the United States

SEC. 4. (a) There is hereby established the Administrative Conference of the United States (hereinafter referred to as the "Conference").

(b) The Conference shall be composed of—

(1) a full-time Chairman, who shall be appointed for a five-year term by the President, by and with the advice and consent of the Senate. The Chairman shall receive compensation at the highest rate established by law for the chairman of an independent regulatory board or commission, and may continue to serve until his successor has been appointed and has qualified;

(2) The chairman of each independent regulatory board or commission or a person designated by such board or commission;

(3) the head of each executive department or other administrative agency which is designated by the President, or a person designated by such head of a department or agency;

(4) when authorized by the Council, one or more appointees from any such board, commission, department, or agency, designated by the department or agency head or, in the case of a board or commission, by the head of such board or commission with the approval of the board or commission;

(5) persons appointed by the President to membership upon the Council hereinafter established who are not otherwise members of the Conference; and

(6) other members in such number as will assure full representation of the viewpoints of private citizens and the utilization of diverse experience, who shall be appointed by the Chairman, with the approval of the Council, for terms of two years. Members appointed by the Chairman shall be members of the practicing bar, scholars in the field of administrative law or government, or others specially informed by knowledge and experience with respect to Federal administrative procedure.

(c) Members of the Conference other than the Chairman shall receive no compensation for service, but members appointed from outside the Federal Government shall be allowed travel expenses, including per diem in lieu of subsistence, as authorized by law (5 U.S.C. 73b–2) for persons serving without compensation.

Duties and powers of the Conference

SEC. 5. To carry out the purposes of this Act the Conference is authorized to—

(a) study the efficiency, adequacy, and fairness of the administrative procedure used by administrative agencies in carrying out administrative programs;

(b) make recommendations to administrative agencies, collectively or individually, and to the President, the Congress, or the Judicial Conference of the United States, as it deems appropriate;

(c) arrange for interchange among administrative agencies of information potentially useful in improving administrative procedure; and

(d) collect information and statistics from administrative agencies and publish such reports as it deems useful for evaluating and improving administrative procedure.

Organization of the Conference

SEC. 6. (a) The membership of the Conference meeting in plenary session shall constitute the Assembly of the Conference. The Assembly shall have ultimate authority over all activities of the Conference. Specifically, it shall have power to (1) adopt such recommendations as it deems appropriate for improving administrative procedure: *Provided,* That any member or members who disagree with a recommendation adopted by the Assembly shall be accorded the privilege of entering dissenting opinions and alternative proposals in the record of Conference proceedings, and the opinions and proposals so entered shall accompany the Conference recommendations in any publication or distribution thereof; and (2) adopt bylaws and regulations not inconsistent with this Act for carrying out the functions of the Conference, including the creation of such committees as it deems necessary for the conduct of studies and the development of recommendations for consideration by the Assembly.

(b) The Conference shall include a Council composed of the Chairman of the Conference, who shall be the Chairman of the Council, and ten other members appointed by the President, for three-year terms, except that the Council members initially appointed shall serve for one, two, or three years, as designated by the President, and each member may continue to serve until a successor is appointed. The Council shall have power to (1) determine the time and place of plenary sessions of the Conference and the agenda for such meetings and it shall call at least one plenary session each year; (2) propose bylaws and regulations, including rules of procedure and committee organization, for adoption by the Assembly; (3) make recommendations to the Conference or its committees upon any subject germane to the purposes of the Conference; (4) receive and consider reports and recommendations of committees of the Conference and transmit them to members of the Conference with the views and recommendations of the Council; (5) designate a member of the Council to preside at meetings of the Council in the absence or incapacity of the Chairman and Vice Chairman; (6) designate such additional officers of the Conference as it may deem desirable; (7) approve or revise the Chairman's budgetary proposals; and (8) excise such other powers as may be delegated to it by the Assembly.

(c) The Chairman shall be the chief executive of the Conference. In that capacity he shall have power to (1) make inquiries into matters he deems important for Conference consideration, including matters proposed by persons inside or outside the Federal Government; (2) be the official spokesman for the Conference in relations with the several branches and agencies of the Federal Government and with interested organizations and individuals outside the Government, including responsibility for encouraging Federal agencies to effectuate the recommendations of the Conference; (3) request agency heads to provide information needed by the Conference, which information shall be supplied to the extent permitted by law; (4) recommend to the Council appropriate subjects for action by the Conference; (5) appoint, with the approval of the Council, members of committees authorized by the bylaws and regulations of the Conference; (6) prepare, for approval of the Council, estimates of the budgetary requirements of the Conference; (7) appoint employees, subject to the civil service and classification laws, define their duties and responsibilities, and direct and supervise their activities; (8) rent office space in the District of Columbia; (9) provide necessary services for the Assembly, the Council, and the committees of the Conference; (10) organize and direct studies ordered by the Assembly or the Council, utilizing from time to time, as appropriate, experts and consultants who may be employed as authorized by section 15 of the Administrative Expenses Act of 1946, as amended (5 U.S.C. 55a), but at rates for individuals not to exceed $100 per diem; (11) upon request of the head of any agency, furnish assistance and advice on matters of administrative procedure; and (12) exercise such additional authority as may be delegated to him by the Council or the Assembly. The Chairman shall preside at meetings of the Council and at each plenary session of the Conference, to which he shall make a full report concerning the affairs of the Conference since the last preceding plenary session. The Chairman shall, on behalf of the Conference, transmit to the President and the Congress an annual report and such interim reports as he deems desirable; such reports shall set forth the compliance of the agencies with the recommendations of the Conference.

(d) The President may designate a member of the Council as Vice Chairman, who shall serve as Chairman in the event of a vacancy in that office or in the absence or incapacity of the Chairman.

(e) Each member of the Conference shall participate in his individual capacity and not as a representative of any governmental or nongovernmental organization. Members of the Conference who are not regular Federal officials or personnel shall be special Government employees for the purposes of sections 203, 205, 207, 208, and 209 of title 18, United States Code.

Appropriations

SEC. 7. There are hereby authorized to be appropriated such sums as may be necessary, to accomplish the purposes of this Act.

The CHAIRMAN. The Clerk will report the first committee amendment.

The Clerk read as follows:

Committee amendment: On page 3, line 10, change the period to a comma and add: except that it does not include any military, naval, or foreign affairs function of the United States.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: On page 4, line 6, change the period to a comma and add: which shall consist of not more than 91 nor fewer than 75 members appointed as set forth in subsection (b) of this section.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: On page 5, strike out lines 6 through 15 and insert in lieu thereof the following:

"(6) no more than 36 other members appointed by the Chairman, with the approval of the Council, for terms of two years: *Provided*, That the number of members appointed by the Chairman shall at no time be less than one-third nor more than two-fifths of the total number of members. Such members shall be selected in a manner which will provide broad representation of the views of private citizens and utilize diverse experience, and shall be members of the practicing bar, scholars in the field of administrative law or government, or others especially informed by knowledge and experience with respect to Federal administrative procedure."

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: On page 6 strike out lines 4 through 7, and reletter subsections "(c)" and "(d)" to "(b)" and "(c)" respectively.

On page 6, line 3, after "programs" change the semicolon to a comma and insert the following: "and make recommendations to administrative agencies, collectively or individually, and to the President, the Congress, or the Judicial Conference of the United States, in connection therewith, as it deems appropriate;".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: On page 7, line 11, after "President" insert the following: ", of whom not more than one-half shall be officials or personnel of Federal regulatory agencies or executive departments. Members other than the Chairman shall be appointed."

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: On page 7, line 13, after "President" strike out ", and each member" and insert in lieu thereof: ": *Provided*, That (1) the service of any member shall terminate whenever a change in his employment status would make him ineligible for Council membership under the conditions of his original appointment, and (2) except as provided in item (1), above, any member whose term has expired".

The amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: On page 9, line 21, after "desirable" change the semicolon to a period and strike out the remainder of the sentence, lines 21 through 23.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: On page 10, strike out lines 3 through 9.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: On page 10, line 12, after "necessary" insert the following: ", not to exceed $250,000,".

The committee amendment was agreed to.

AMENDMENT OFFERED BY MR. GROSS

Mr. GROSS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Gross: On page 4, line 9, strike the words "five-year term" and insert the words "three-year term".

Mr. GROSS. Mr. Chairman, I did not have an opportunity to do so previously, so I wish to respond briefly to the remarks of the gentleman from California [Mr. Holifield].

I agree substantially with what the gentleman said, but I should like to point out that there is no reason why the existing committees of the Congress cannot be apprised—and they are—of the difficulties which the business fraternity finds, for instance, under laws enacted by Congress and the rules and regulations issued thereunder.

I would also point out to the gentleman that we have a House Committee on Government Operations, with a number of subcommittees, upon which the taxpayers spend several hundred thousand dollars a year. That committee and its subcommittees are devoted to the very things we are talking about, and which would be of interest to this Conference.

I join with the gentleman in the desire to resolve every possible difficulty which ought to be resolved in behalf of people who are laboring under a myriad of laws and rules and regulations. I have every sympathy for them.

However, I question, in the light of what has already transpired with respect to the temporary Administrative Conferences we have had and the failure of those conferences to come up with worthwhile recommendations, whether this will be any improvement or produce any better results than in the past. I am confident that the $250,000 will be spent.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from California.

Mr. HOLIFIELD. I thank the gentleman for yielding.

Let me say this: It is true that the Committee on Government Operations occupies itself constantly with specific complaints which are in many instances referred to us by other Members of the Congress. We go in and investigate a specific complaint. However, this Conference is supposed to go to the roots of the problem of why do they make these situations which cause the complaint rather than trying to correct a specific complaint. I will say the myriad of problems involved is much greater than the staff of the Committee on Government Operations and its subcommittees can handle. I do not think the gentleman really understands the tremendous amount of cases which come before hearing examiners under the Administrative Procedure Act. It is somewhat beyond belief.

Mr. GROSS. Of course, the Government Operations Committee has to get at the root cause of the complaints that come in.

Mr. HOLIFIELD. Of a specific complaint, yes. However, we do not have a chance to look at the whole body of administrative law and just do not have the time or the staff to do it.

Mr. GROSS. Mr. Chairman, I must say a word or two about the amendment I have offered. I hope the committee will accept the amendment. It would reduce the term of the Chairman to 3 years. Of course, he is still appointed by and with the advice and consent of the Senate. I only change the tenure of office. Why not appoint the Chairman for 3 years and come back at the end of that time and take another look at this proposition? Let us review it and see whether we are getting anything for the money we are expending. Let us see what we are getting for the $250,000 a year. If it is worthwhile, I will be glad to support it, as I am sure every other Member of Congress will. The Lord knows I want to cut the inefficiencies in Government and I want to see the people who are in business and who are laboring under the laws, the procedures, and the regulations that are issued thereunder are able to cope with them. If this commission will do the job, then I am for it. Certainly, if it can save any money, it will be well worth it. But let us do this for 3 years and then come back and have another look at what has developed thereunder.

Mr. Chairman, I yield back the balance of my time.

Mr. WILLIS. Mr. Chairman, I rise in opposition to the amendment.

Let me say that I fully recognize the objective of the gentleman from Iowa and would normally perhaps agree with him. In the first place, I do not see much greater virtue between a term of 3 years, as he proposes, as against 5 years which the subcommittee and the full committee unanimously thought was wise.

There is another reason for that; that is, making the term 5 years instead of 3 years. I think it should convince my friend when he thinks about it.

Under the terms of the bill the term of office of the members of the Conference, which is to be composed of not less than 75 members, is 2 years. The term of office of the Council composed of 10 members, 5 from Government and 5 from non-Government, and a Chairman thereof, is 3 years. The term of office of the Chairman of the Conference is 5 years.

Now, why 5? You have to have continuity or else you will have a whole new body reelected with no continuity or with anyone remaining there to advise the newcomers as to what has been going on and so forth. That was the idea for the difference in these terms. I understand that may not satisfy the gentleman, but the 5-year term was not put there arbitrarily. It was with the idea of continuity and, as I say, I see no greater virtue in 3 over 5 to begin with.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. WILLIS. Yes, sir; I am glad to yield.

Mr. GROSS. We had in the Government, advising President Kennedy on administrative procedures, a gentleman—I shall not mention his name, he is now dead—who, had there been a permanent organization such as you are proposing to create here today, I would not have been surprised would have been designated the permanent chairman. Yet this gentleman who was advising the President on administrative procedure at that time did not find it convenient to pay his Federal income taxes.

I cannot think of any good reason why the proposed Chairman should have a 5-year tenure in a new and untried field. Let us give him 3 years and see how he performs.

Mr. WILLIS. I will say to the gentleman that the man who has been heading this Conference under Executive order, first under President Eisenhower and then under former President Kennedy, was Judge Prettyman.

Mr. GROSS. I understand; and I made no allusion to Judge Prettyman.

Mr. WILLIS. I know that: I caught that. The gentleman to whom he was referring was not Judge Prettyman.

Mr. HARRIS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I certainly appreciate the concern of the gentleman from Iowa about continued conferences and permanent organizations in the Government. I would agree, as has been said here, that there are probably many that we could curtail and we should consider most carefully the question of the establishment of others. But this is one which I think has been so well justified here, we can say it is needed. As I have said innumerable times the large and powerful regulatory agencies of this Government have the economy of our country in the palm of their hand. If you do not think they do not control activities in the field of economics through the regulatory procedures of this country, you should survey the authority they have. Here we are trying to do something about it. We are trying to do something about inefficiency, and have been doing it over the years—inefficiency in the administrative agencies of this Government. We are trying to do something about the delays that we have discovered.

As has been stated here this afternoon there are cases that have been pending for years and years; someone mentioned 16 years. I can tell you of cases that have been before the agency for years. That is because of inefficiencies. And we found in the investigation that we carried on for 4 years that the thing which brought about inefficiencies and delays were often ex parte contacts in the Government. We discovered that so many things resulted from ex parte contacts which should not have been permitted, because there was no way for the people on the outside, as has been mentioned, to talk to members of the regulatory agencies that have quasi-judicial responsibilities in these fields and who should have been talked to about procedure in many instances

This provides a method, a procedure for those in the agencies, the Chairmen of the various regulatory agencies of the Government or some one designated by them, those on the outside—perhaps a member of the Federal bar or a member of the American bar, or organizations or individuals on the outside who could become a member of this group, and have their meetings constantly in the Conference.

There they can discuss these matters of administrative procedures without being charged with ex parte proceedings with the regulatory commissioners who are serving in these responsible positions.

Mr. Chairman, if there is any one man who ought to know what he is doing, it is the chairman of this Conference. Every member of the independent regulatory agencies who is going to serve on this has an appointment for 5 to 7 years, everyone of them.

Now, Mr. Chairman, if that is the case, why should not the man who is going to have charge and whose responsibility it is to direct the discussion at these conferences of regulatory procedures not have the same kind of tenure of office in order that these matters may be developed with the people who are going to consider the recommendations made? I believe that is one way we can get at inefficiency and ex parte contacts, which we cannot permit, as well as the long delays that exist in these agencies in attending to the business of the people who have business before them.

Mr. Chairman, for that reason I believe the 5-year tenure of office should be the minimum.

I strongly support the action of this committee which gave such careful consideration to this legislation.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Iowa.

Mr. GROSS. This several years old case about which the gentleman speaks, insofar as this new Administrative Conference is concerned, could stay right in that department or agency for another 18 years. They could not force it out. All they can do is recommend to Congress that someone in Congress or someone dig it out. That is all they can do. If they cannot find an official of the department or agency to do it, they would have to come to Congress, where they now come.

Mr. HARRIS. The major responsibility is reviewing the procedures of these regulatory agencies. That is the purpose of it.

Mr. GROSS. All they do is make recommendations.

The **CHAIRMAN.** The question is on the amendment offered by the gentleman from Iowa [Mr. GROSS].

The question was taken; and on a division (demanded by Mr. GROSS) there were—ayes 22, noes 51.

So the amendment was rejected.

The **CHAIRMAN.** Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. ELLIOTT, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (S. 1664) to provide for continuous improvement of the administrative procedure of Federal agencies by creating an Administrative Conference of the United States, and for other purposes, pursuant to House Resolution 824, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The **SPEAKER.** Under the rule, the previous question is ordered.

Is a separate vote demanded on an amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The **SPEAKER.** The question is on the third reading of the bill.

The bill was ordered to be read a third time, and was read the third time.

The **SPEAKER.** The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

CONSTRUCTION OF HYDROELECTRIC PROJECTS ON THE COLORADO RIVER BELOW GLEN CANYON DAM

Mr. HARRIS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 502) to preserve the jurisdiction of the Congress over construction of hydroelectric projects on the Colorado River below Glen Canyon Dam, to strike out all after the enacting clause, and insert the bill, H.R. 9752, which passed the House earlier today.

The Clerk read the title of the bill.

The **SPEAKER.** Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The **SPEAKER.** The Clerk will report the amendment.

The Clerk read as follows:

> Strike out all after the enacting clause of the bill, S. 502, and insert the provisions of the bill, H.R. 9752, as passed by the House.

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time and passed.

A similar House bill (H.R. 9752) was laid on the table.

A motion to reconsider was laid on the table.

INTERNATIONAL COMMISSION FOR SUPERVISION AND CONTROL OF LAOS

Mr. ELLIOTT. Mr. Speaker, by direction of the Committee on Rules I call up House Resolution 823 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

> *Resolved,* That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 1627) to enable the United States to contribute its share of the expenses of the International Commission for Supervision and Control in Laos as provided in article 18 of the protocol to the declaration on the neutrality of Laos. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. ELLIOTT. Mr. Speaker, I yield myself such time as I may require, after which I shall yield 30 minutes to the gentleman from Illinois [Mr. ANDERSON].

Mr. Speaker, House Resolution 823 makes in order the consideration of S. 1627, which is a bill to enable the United States to contribute its share of the expenses of the International Commission for Supervision and Control in Laos as provided in article 18 of the protocol to the declaration on the neutrality of Laos. The resolution provides an open rule with 1 hour of general debate.

S. 1627 authorizes the appropriation of such sums as may be necessary from time to time for the payment by the United States of its share of the costs of the operations of the International Commission for Supervision and Control in Laos (ICC) as provided in article 18 of the protocol to the declaration on the neutrality of Laos dated July 23, 1962. Under the terms of the protocol the U.S. share of the ICC costs is 17.6 percent. The budget of the ICC has not finally been agreed upon for the current fiscal year. The estimated figure is $3,780,000 of which 17.6 percent would be about $655,000.

Mr. Speaker, I urge the adoption of House Resolution 823.

Mr. ANDERSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 823 makes in order consideration of S. 1627 which would authorize the appropriation of such sums as may be necessary for payment by the United States of its share of the costs of the operations of the International Commission for Supervision and Control in Laos. It is estimated that this involves an authorization of approximately $655,000 or 17.6 percent of the sum which will be required to operate this Commission during the ensuing year. This bill has previously passed the other body and has been reported unanimously out of the House Committee on Foreign Affairs.

Mr. Speaker, our obligation to pay this amount for the operations of the ICC rests on the protocol to the Declaration on the Neutrality of Laos dated July 23, 1962. The United States was 1 of the 14 signatories to that agreement whereby among other things we undertook to share the costs of operations of the ICC.

Mr. Speaker, I have always maintained and continue to maintain that our Government committed an egregious foreign policy blunder when it entered into the Geneva Agreement. This abortive attempt to neutralize Laos by providing for a coalition government which included the Communist Pathet Lao has been a signal failure. Laos is and continues to be a staging area for North Vietnamese assaults on the Republic of South Vietnam. The unhappy experiences under the Geneva Agreement of 1962 should end for all time the illusion that still seems to exist in the minds of our State Department that it is possible to neutralize a country by including Communists as a part of the government of that country.

Mr. Speaker, the fact remains that we have made a commitment which is cognizable under international law to discharge a portion of the obligations incurred in the operation of the International Control Commission. This country has historically and traditionally stood by its agreements and has not followed the example of those nations who have consistently defaulted on their financial commitments. Our vote on this measure today must be judged in the light of the action that is scheduled to take place in the General Assembly of the United Nations when that body reconvenes some time in November.

Mr. Speaker, I have long been among those who believe that if the Soviet Union, or for that matter, any other country, persists in defaulting on its obligations to the United Nations that they should be barred from a vote in the General Assembly pursuant to the terms of article 19 of the charter. The Soviet Union and certain other nations who are now in default do have legal commitments cognizable under international law to meet a certain fixed share of the expenses of the United Nations. The failure to pay their assessed obligations should and must be dealt with firmly in the coming months. Therefore, Mr. Speaker, I believe that the United States in this instance and in this hour must before the world display its willingness to discharge the legal commitment which it made under the Geneva Agreement of 1962. I think that by so doing we will be in a much stronger position to urge upon the other members of the General Assembly of the United Nations that they invoke the provisions of article 19 against the U.S.S.R. if she persists in her default.

Mr. Speaker, at the same time I do want to make it abundantly clear that I do not and cannot condone the Geneva Agreement of July 23, 1962. Furthermore, I would make it completely clear that I do not agree with our policy of vacillation and irresolution with respect to Laos and southeast Asia generally. I hope that never again will this Government make the kind of mistake that it made in concluding the agreement referred to.

Mr. ELLIOTT. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

Mr. ZABLOCKI. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 1627) to enable the United States to contribute its share of the expenses of the International Commission for Supervision and Control in Laos as provided in article 18 of the protocol to the declaration on the neutrality of Laos.

The motion was agreed to.

IN COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill S. 1627, with Mr. ELLIOTT in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Wisconsin [Mr. ZABLOCKI] will be recognized for 30 minutes and the gentleman from Michigan [Mr. BROOMFIELD] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Wisconsin [Mr. ZABLOCKI].

Mr. ZABLOCKI. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, only last week Congress passed the southeast Asia resolution supporting and approving the actions of the President in resisting Communist military aggression in southeast Asia.

On June 2 the President summarized four simple propositions that are our policy in southeast Asia when he stated:

> 1. America keeps her word. Here as elsewhere, we must and shall honor our commitments.
>
> 2. The issue is the future of southeast Asia as a whole. A threat to any nation in that region is a threat to all, and a threat to us.
>
> 3. Our purpose is peace. We have no military, political, or territorial ambitions in the area.
>
> 4. This is not just a jungle war, but a struggle for freedom on every front of human activity.

Some may ask what is the connection between that joint resolution and the content of this bill.

I think these four points are the connection.

Some may ask why is this bill necessary? That is a reasonable and proper question that I shall try to answer.

It should be remembered that the resolution of last week did not rule out the desire of our Government to pursue every honorable method to bring peace to southeast Asia. This bill is a logical complement to that resolution and is evidence of the intent of the United States to use such machinery as is available to end the strife in wartorn Laos.

Let me briefly outline the events that have made this bill necessary. When Laos gained its independence in 1954, there was created an International Commission for Supervision and Control in Laos, popularly referred to as the ICC. It consisted of three Commissioners—an Indian, a Canadian, and a Pole—representing a neutral power, a pro-Western power, and a Communist power. Their responsibility was to assure that foreign intervention in Laos was brought to an end. By 1958 Laos felt confident that it could maintain itself and the work of the ICC ended.

By 1961, the Communists had stepped up their activities in that country. To meet that threat, the ICC was reestablished. A conference of 14 interested powers was convened in Geneva to deal with the Laotian situation. The United States was one of the participants. Out of the Geneva Conference came a declaration on the neutrality of Laos and a protocol to that declaration.

The declaration called for the neutrality of Laos and the withdrawal of foreign troops from that country. The protocol, among other matters, gave to the International Control Commission the responsibility to make certain that the provisions of the Geneva Conference were carried out. Specifically, the ICC was given these responsibilities:

First. To supervise and control the withdrawal of foreign military personnel from Laos;

Second. To supervise and control the cease-fire in Laos;

Third. To investigate cases of illegal introduction of foreign military personnel into Laos;

Fourth. To assist the Government of Laos in cases of illegal introduction of armaments into Laos; and

Fifth. To investigate other possible violations of the provisions of the protocol and agreement.

Mr. FEIGHAN. Mr. Chairman, will the gentleman yield?

Mr. ZABLOCKI. I am glad to yield to the gentleman from Ohio.

Mr. FEIGHAN. During the time of the International Control Commission in Korea, according to my understanding, the Commission was not permitted to go to North Korea. I wonder if there is a provision which makes it mandatory so that this Commission would have authority which it could exercise?

Mr. ZABLOCKI. To the gentleman from Ohio, I wish to say that I intend to deal with the problems facing the International Control Commission. Of course, the gentleman realizes that the United Nations Commission in Korea was an entirely different body from the International Control Commission we are discussing this afternoon.

I will deal with the difficulties which the International Control Commission has had, and it has had difficulties. The Communists prevented the International Control Commission from going into the northern provinces of Laos, which is self-incriminating and evidence that the Communists are not carrying out the agreements embodied in the Geneva accord.

It is common knowledge that the Commission has not been able to discharge all of its responsibilities in Laos. The Commission had not been able to exercise its powers in the northern provinces.

This is not because of any lack of desire on the Commission's part but is due entirely to the failure of the Communist elements to enable it to do so. On the other hand, the ICC has carried out investigations on numerous occasions, often under most difficult circumstances. On 31 occasions the ICC has made reports. Acting under majority rule, the Indian and Canadian members have conducted numerous investigations of violations of the Geneva agreement and reported these to the British and Soviet co-chairmen of the Geneva meeting. It has facilitated meetings between the competing factions of the Laotian Government. Through special arrangements it has been able to insure security at meetings of rival and hostile elements and has played a helpful role in support of the Lao Government against attempts to overthrow that Government. No one of these accomplishments in itself may seem important. But taken together they do indicate that the precarious stability within the Lao Government is largely the result of the Commission's efforts.

Let me refer to the financial side of the Commission. That is the matter of most immediate consideration so far as this bill is concerned. For the period during which the Geneva Conference was meeting and the Commission was reactivated—that is, from May 1961 to July 1962—the five principal powers—the United States, Britain, France, the Soviet Union, and Communist China—each agreed to contribute $450,000.

The Geneva agreement of July 1962, included a method of annual assessments. Each of the five principal powers agreed to pay 17.6 percent of the Commission's costs. That accounts for 88 percent of the budget. The three Commission powers—India, Canada, and Poland—are to pay 1 percent each. And the six small powers are to pay 1.5 percent each.

The authorization for an appropriation contained in this bill will enable the United States to pay its assessed share. During each of the last 2 years the ICC budget has been about $3.8 million of which the United States share has been about $680,000.

The question was asked before the Rules Committee as to for what the money is used. The money is used to support the operations of the Commission. Details of the budget may be found in the hearings on this bill on pages 8 to 14.

I have just this morning received the budget for fiscal year 1964. If the gentleman or any other members of the committee desire to see it, I will be delighted to show it to them. It is unfortunate we do not have additional copies for general distribution.

The CHAIRMAN. The gentleman has consumed 10 minutes.

Mr. ZABLOCKI. Mr. Chairman, I yield myself 4 additional minutes.

We must remember that there are problems for the ICC other than those created by the obstinacy of the Communists. Laos is a country of mountains and jungles about the size of Great Britain. Communication between points is either poor or nonexistent. Contact with field investigating teams is maintained by radio. Personnel must be moved by helicopter or light aircraft when jeeps cannot get over the terrain. All the equipment must be serviced in Laos. That is one of the principal purposes for which the money is used.

The next question one may ask is how much has the United States paid to date. As I indicated, for the period from May 1961 to July 1962, the five principal powers each agreed to contribute $450,000. The United States has paid that sum. For fiscal 1963 the U.S. share under the formula of the Geneva agreement was $665,280. The United States has also paid that. But the Department of State lacks authority to make any further payments without congressional authorization. That is why this bill is before the Congress. Hence our Government has not paid its assessment of $683,000 for the last year, fiscal year 1964.

What about the payments by the other principal powers? Only Communist China owes more than the United States. The United Kingdom, France, and the Soviet Union have paid all that they owe for fiscal year 1963 and have made substantial payments for fiscal year 1964.

If there are these defaults, it may be asked how has the Commission been able to operate. The Commission is operational because the three supervisory powers—India, Canada, and Poland—have advanced about $1.5 million above their own assessments to cover travel and personnel costs. Further, the Commission is simply not paying some of their bills. For example, it owes the United States $379,000 for the cost of helicopters. This amount will be deducted from the U.S. payments when we make our future payments.

Although this bill carries permanent authorization, I should like to point out that the parties to the Geneva accord agreed to make recommendations regarding its continuation not later than 1965. Thus, next year the 14 powers will make a determination on the future of the Commission.

Mr. Chairman, I was the chairman of a special study mission that visited Laos last fall. Our group had an opportunity to meet with the Indian and the Canadian Commissioners and had a firsthand report of their work and the difficulties under which they operate. I can assure the Members that they are not living a life of luxury and ease in Laos. They are trying to do their very best under most difficult and trying circumstances.

In urging the passage of this bill I am making my case on the simple ground that the United States entered into an agreement to maintain some peacekeeping mechanism alive in Laos. I want to make plain that our payment is not the difference between success and failure in Laos. If we were to write off the Commission, we would be commiting a tremendous political and psychological blunder. Our continued support of the Commission is only one bit of tangible evidence that we intend to exert our efforts to maintain peace in that part of the world. I urge the passage of S. 1627.

Mr. BROOMFIELD. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, last fall I was one of eight members of the Committee on Foreign Affairs who made a trip to southeast Asia to study at first hand the nature of our programs and policies in that area. We included Laos in our itinerary because we were aware of its importance as one of the probing points of Communist expansion.

Since its independence in 1954, the landlocked Kingdom of Laos has been seeking to achieve some degree of unity and national identification. It is a fascinating country of mountains and jungles inhabited by about 2½ million people who are divided by ethnic and linguistic differences. Loosely organized factions centering around personalities rather than issues give the country a veneer of political organization. Its problems of survival have been complicated by the presence and pressure of Communist elements that draw their principal support from North Vietnam.

The 1962 Geneva agreements to which the gentleman from Wisconsin [Mr. Zablocki] has referred were designed to enable this small nation to preserve its neutral status and thereby survive as a sovereign, independent, non-Communist state and a buffer between Communist China and North Vietnam and the free nations of Thailand, Cambodia, and the Republic of Vietnam.

The United States has taken every occasion to make abundantly clear its support of the Geneva agreements. In accordance with those agreements the United States withdrew its military advisory group. The same cannot be said of the Communists who have not only remained in the country but have been actively engaged in seizing more territory.

The three-member International Control Commission created to supervise the arrangements made at Geneva for the neutrality of Laos plays an important role in the current situation in Laos. Despite obstructionism by the Polish member who has always sided with the Communist Pathet Lao, the Commission under its Indian chairman has taken significant steps to preserve the 1962 agreements and to help stabilize the political-military situation. The Polish member, acting in conjunction with the Pathet Lao representatives, has so far thwarted all efforts of the Commission to institute an investigation into the presence of North Vietnamese troops in Laos.

I think that all eight of us who visited Laos last fall and met with the Indian and Canadian members of the Commission were tremendously impressed by the enormity of their task and their determination to discharge their responsibilities to the best of their ability. The fact that they have not always been successful is no reflection on them. Rather it underscores the Communist determination to prevent the execution of the Geneva agreements to which the Communists subscribed. In my opinion there is a lesson in foreign policy for us in the attitude of the Communists. Simply stated it is that we need not go to the conference table for more negotiations and agreements. Let the Communists abide by the agreements they have already entered into.

I would like to amplify one further point made by my colleague from Wisconsin. That is on the matter of financing the Commission. During the 14 months when the Geneva conference was meeting, the $450,000 that constituted our contribution toward the expenses of the Commission was funded under the section of the Foreign Assistance Act dealing with voluntary contributions to international organizations. Once the Geneva agreements were signed, the United States assumed an annual assessment of 17.6 percent of the cost of the Commission. It was possible to appropriate funds for our fiscal year 1963 share under the authority given the Department of State which permits our payment of assessments in international bodies such as the ICC for 1 year without congressional approval. Beyond the 1 year period congressional authorization is necessary for continued financial support. That is why this bill is before the Congress.

For the preaccord period from May 1961 to July 1962, we have contributed our share of $450,000. For fiscal year 1963 we have paid $665,280—our assessed share for that year. Thus our total payments have amounted to $1,115,280. We have not paid $683,000 that we owe for the last fiscal year; nor is there authority to pay our share for the current fiscal year which will be about the same amount as last year.

Briefly, for the 3 fiscal years 1962 through 1964, Communist China owes $1,099,056; the United States owes $683,000; the Soviet Union, $411,400; France, $330,228; and the United Kingdom, $311,695. The latter three countries—the United Kingdom, France, and the Soviet Union—have made partial payments on their 1964 assessment.

Mr. Chairman, there are few alternative courses of action open to us in Laos that will permit us to carry out our policy objectives. The support of the International Control Commission is perhaps the most important one available to us. Like my colleagues who have given this matter some study, I can offer no assurance that the Commission will succeed. But I am certain that its failure will only multiply our problems in that country and in that area. I urge the passage of S. 1627.

Mr. Chairman, I yield 5 minutes to the gentleman from Indiana [Mr. Bruce].

Mr. BRUCE. Mr. Chairman, I have asked for this time solely for the purpose of trying to bring my own thinking into line and into mind as to what exactly we are dealing with in Laos.

Mr. Chairman, I am sure we are all aware that we are dealing here with matters of security and that some of the information is under the security label. I do want to ask some questions of the distinguished chairman of this subcommittee, the gentleman from Wisconsin [Mr. Zablocki], and I will understand if at any time I am getting into a sensitive area he waves me off, and I know the gentleman will.

But, Mr. Chairman, in view of the situation those of us who are interested in foreign affairs to a certain degree must find our own source of information. It is paramount upon us to check where we can as to the validity of information that we receive.

Is it a correct assessment that the purpose of our support of the ICC is to stop Communist aggression in Laos?

Mr. ZABLOCKI. Mr. Chairman, if the gentleman will yield, the gentleman is correct. That is our purpose.

Mr. BRUCE. Is the statement that was made earlier, that the Polish members of the Commission have blocked any real inspection of the Communist Pathet Lao-controlled areas of Laos, correct?

Mr. ZABLOCKI. The ICC in Laos operates under a majority rule. Therefore, if the Polish member did not cooperate or should try to put stumbling blocks before the ICC, the two remaining members, India and Canada, can operate as a majority. These two members have undertaken investigations.

As I said in my opening statement the problem is not in the ICC. It is the Communists who have tried to prevent the ICC from investigating the situation with reference to the Plaine des Jarres.

We have a report as recently as June 1964. If the gentleman will come to the table, I shall be happy to show him the report. It does indicate that the situation with reference to the Plaine des Jarres plainly lies with the fault of the Communists.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. BRUCE. I yield to the gentleman from Iowa.

Mr. GROSS. That is splitting a hair right down the middle to say that the Communists might do it, but the Poles do not.

Mr. ZABLOCKI. Even in this case, the committee was able to investigate and has made a report as recently as June 1964.

Mr. BRUCE. Has the Commission itself actually had full access to the free areas of Laos?

Mr. ZABLOCKI. No.

Mr. BRUCE. Who is blocking that?

Mr. ZABLOCKI. The Communists.

Mr. BRUCE. Have the Polish members of the ICC cooperated with the Canadians and the Indians, or both, or did they engage in harassment and the blocking of it?

Mr. ZABLOCKI. They are not cooperative.

Mr. BRUCE. The Communist members of the Commission are appointed by the Polish Government?

Mr. ZABLOCKI. Yes.

Mr. BRUCE. The Polish Government is Communist, so they would appoint Communist members as their representatives?

Mr. ZABLOCKI. Yes.

Mr. BRUCE. Do the Polish members have full and free access in the non-Communist area?

Mr. ZABLOCKI. Yes. We have nothing to hide. There is no aggression on the part of the freedom-loving people over there.

Mr. BRUCE. It would be within the purview of the intelligence of the Polish members of the Commission to know the troop location, the supplies location, by their free access as a member of the Commission?

Mr. ZABLOCKI. They would know how many troops there are. I refer to the troops of the Kingdom of Laos.

Mr. BRUCE. Is the Commission the one that takes credit for the Royal Government of Laos merging the Pathet Lao into their Armed Forces?

Mr. ZABLOCKI. That was worked out under the Geneva agreement.

Mr. BRUCE. It was not the ICC that was charged with carrying this out? As I read the report that is the impression I get.

Mr. ZABLOCKI. That is true.

Mr. BRUCE. When the Commission finds a violation of the agreement somewhere in Laos to whom do they report?

Mr. ZABLOCKI. They report to the cochairman.

Mr. BRUCE. Who are the cochairmen.

Mr. ZABLOCKI. The British and the Soviet Union.

Mr. BRUCE. I thank the gentleman very much for his cooperation in answering these questions.

Mr. ZABLOCKI. There is one other observation I would like to make: If we did not have the ICC we would not have that report.

Mr. BRUCE. May I pursue that for a moment? Has the situation, since the letter of Secretary Rusk, dated May 20, changed in Plaine des Jarres? Has it changed any?

Mr. ZABLOCKI. Yes. It is our position that there will be no reconvening of the 14 powers until there is a ceasefire and the Communists withdraw from areas in the Plaine des Jarres that they have seized.

Mr. BRUCE. Is this not a rather accurate description of the situation in Laos right now: In effect, under Communist control, there is a funnel for supplying troops in Vietnam under sanctuary of the Communist controlled area in Laos?

Mr. ZABLOCKI. There has been a movement of Communist equipment and personnel through the northern part of Laos into Vietnam. But I point out if we did not have the ICC there would be even greater movements of troops and military equipment. The ICC in Laos has acted as a deterrent to further Communist activities. Let me make clear at this point that a vote for the bill is not giving aid and comfort to the Communists.

Mr. BRUCE. I thank the chairman very much. It may be that the obligation we have calls upon us to approve the appropriation of these funds. But I raise the grave question of policy, of determining what goal we are leading to. We have time and time again seen the fallacy of trying to form coalitions with Communists. The Poles named to this Commission by the Communist-Polish Government would not be anything except agents of the world Communist conspiracy. I would not talk about separate Communist entities in Vietnam, or South America, or any other place in any meaningful terms. It is part of the same overall conspiracy using different tactics where necessary. To believe that the Poles and the Soviets are not working hand in glove with the Communist leaders elsewhere is the height of naivete. It would seem to me after all the experience we have had that sooner or later we would come to the conclusion we might try to reach a goal that would mean victory in the cold war.

I do not believe we are going to achieve victory by putting our reliance on commissions that include Communists. I do not believe we can take any real steps toward victory by forcing a coalition on a people such as we did in Laos. We should have learned this thing clearly. Literally, we coerce them into taking the Pathet Lao only to have them betray the trust, as was easily predictable. I suggest that the time is long overdue when the United States must recognize that you do not put your trust in Communists. This is what we are doing.

Mr. ZABLOCKI. Mr. Chairman, will the gentleman yield?

Mr. BRUCE. I yield to the gentleman from Wisconsin.

Mr. ZABLOCKI. The gentleman has come to an entirely wrong conclusion. We are opposing Communist aggression.

Mr. BRUCE. They are part of the International Control Commission.

Mr. ZABLOCKI. Yes, but in 1961 the situation was deteriorating.

Mr. BRUCE. How did it deteriorate so badly? How did they get into that situation? Why did the royal government get into the position where they took the Communists into the government in a coalition?

Mr. ZABLOCKI. We wanted to deal effectively with the Communists, but the gentleman would not want the Communists to have a free hand in Laos.

Mr. BRUCE. I would say to the gentleman the Communists got exactly the free hand they wanted.

Mr. ZABLOCKI. The gentleman would say they have a free hand?

Mr. BRUCE. I would say they have exactly a free hand. They have the facilities of a funnel for Vietnamese troops, and to get supplies into Vietnam. This is their technique. We are talking at the conference table with them, and they are accomplishing their goal.

Mr. ZABLOCKI. Mr. Chairman, I have no further requests for time on this side.

Mr. BROOMFIELD. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there is hereby authorized to be appropriated to the Department of State such sums as may be necessary from time to time for the payment by the United States of its share of the costs of the operations of the International Commission for Supervision and Control in Laos as provided in article 18 of the protocol to the declaration on the neutrality of Laos dated July 23, 1962.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. ELLIOTT, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (S. 1627) to enable the United States to contribute its share of the expenses of the International Commission for Supervision and Control in Laos as provided in article 18 of the protocol to the declaration on the neutrality of Laos pursuant to House Resolution 823, he reported the bill back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the third reading of the bill.

The bill was ordered to be read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. BRUCE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 268, nays 89, not voting 74, as follows:

[Roll No. 220]

YEAS—268

Abernethy
Adair
Addabbo
Albert
Anderson
Andrews, Ala.
Andrews, N. Dak.
Arends
Ashley
Ashmore
Aspinall
Avery
Ayres
Baker
Barrett
Barry
Bates
Battin
Beckworth
Bennett, Fla.
Blatnik
Boggs
Boland
Bonner
Brademas
Bromwell
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Ohio
Broyhill, Va.
Burke
Burkhalter
Burleson
Burton, Calif.
Byrne, Pa.
Cahill
Cameron
Carey
Casey
Cederberg
Celler
Chelf
Clark
Cleveland
Colmer
Conte
Cooley
Corbett
Corman
Cunningham
Curtin
Curtis
Daddario
Daniels
Davis, Ga.
Dawson
Delaney
Denton
Derwinski
Donohue
Duncan
Dwyer
Edmondson
Edwards
Elliott
Ellsworth
Everett
Evins
Farbstein
Fascell
Findley
Fino
Fisher
Flood
Fogarty
Fountain
Fraser
Frelinghuysen
Friedel
Fulton, Pa.
Fulton, Tenn.
Fuqua
Gallagher
Gary
Gathings
Giaimo
Gibbons
Gilbert
Gonzalez
Grabowski
Grant
Gray
Green, Oreg.
Green, Pa.
Griffin
Griffiths
Hagen, Calif.
Halleck
Halpern
Hanna
Hansen
Harding
Hardy
Harris
Hawkins
Hays
Healey
Hechler
Henderson
Herlong
Holifield
Horan
Horton
Hosmer
Huddleston
Hull
Ichord
Jarman
Jennings
Joelson
Johnson, Calif.
Johnson, Pa.
Jonas
Jones, Mo.
Karsten
Karth
Kastenmeier
Kelly
Keogh
Kilgore
King, Calif.
Kluczynski
Kornegay
Kunkel
Kyl
Laird
Libonati
Long, La.
Long, Md.
McClory
McDade
McDowell
McFall
Macdonald
Madden
Mahon
Marsh
Martin, Mass.
Matsunaga
Matthews
Miller, Calif.
Milliken
Mills
Minish
Monagan
Montoya
Moorhead
Morgan
Morris
Morrison
Morse
Mosher
Moss
Multer
Murphy, Ill.
Murphy, N.Y.
Murray
Natcher
Norblad
O'Brien, N.Y.
O'Hara, Ill.
O'Hara, Mich.
Olsen, Mont.
O'Neill
Osmers
Ostertag
Patman
Patten
Pelly
Pepper
Perkins
Philbin
Pickle
Pike
Pillion
Pirnie
Poage
Price
Pucinski
Purcell
Quie
Randall
Reid, N.Y.
Reifel
Reuss
Rhodes, Pa.
Riehlman
Rivers, Alaska
Rivers, S.C.
Robison
Rodino
Rogers, Colo.
Rogers, Fla.
Rogers, Tex.
Rooney, N.Y.
Rooney, Pa.
Roosevelt
Rosenthal
Rostenkowski
Roush
Roybal
Rumsfeld
Ryan, N.Y.
St. Onge
Schneebeli
Schweiker
Schwengel
Secrest
Selden
Senner
Shriver
Sibal
Sickles
Sikes
Skubitz
Slack
Smith, Iowa
Springer
Stafford
Steed
Stephens
Stratton
Stubblefield
Sullivan
Taft
Taylor
Teague, Calif.
Teague, Tex.
Thomas
Thompson, N.J.
Thompson, Tex.
Thomson, Wis.
Tollefson
Trimble
Tuck
Tupper
Tuten
Udall
Ullman
Van Deerlin
Vanik
Watson
Watts
Weaver
Weltner
Whalley
White
Whitener
Whitten
Wickersham
Widnall
Wilson, Charles H.
Wright
Wydler
Young
Zablocki

NAYS—89

Abbitt
Abele
Ashbrook
Baldwin
Becker
Beermann
Belcher
Bell
Berry
Betts
Bolton, Oliver P.
Bow
Bray
Broyhill, N.C.
Bruce
Byrnes, Wis.
Chamberlain
Clancy
Clausen, Don H.
Clawson, Del
Cramer
Dague
Derounian
Devine
Dole
Dorn
Dowdy
Dulski
Ford
Glenn
Goodell
Goodling
Gross
Grover
Gubser
Gurney
Hall
Harrison
Harsha
Harvey, Ind.
Hoeven
Hutchinson
Jensen
Johansen
Keith
Kilburn
King, N.Y.
Knox
Langen
Latta
Lennon
Lipscomb
McCulloch
McIntire
McLoskey
MacGregor
Martin, Nebr.
May
Michel
Minshall
Moore
Morton
Nelsen
O'Konski
Poff
Pool
Quillen
Reid, Ill.
Rhodes, Ariz.
Rich
Roudebush
St. George
Saylor
Schadeberg
Schenck
Short
Siler
Smith, Calif.
Snyder
Stinson
Talcott
Utt
Van Pelt
Waggonner
Williams
Wilson, Bob
Wilson, Ind.
Wyman
Younger

NOT VOTING—74

Alger
Auchincloss
Baring
Bass
Bolling
Bolton, Frances P.
Brock
Buckley
Burton, Utah
Chenoweth
Cohelan
Collier
Davis, Tenn.
Dent
Diggs
Dingell
Downing
Fallon
Feighan
Finnegan
Flynt
Foreman
Forrester
Garmatz
Gill
Hagan, Ga.
Haley
Harvey, Mich.
Hébert
Hoffman
Holland
Johnson, Wis.
Jones, Ala.
Kee
Kirwan
Landrum
Lankford
Leggett
Lesinski
Lindsay
Lloyd
McMillan
Mailliard
Martin, Calif.
Mathias
Meader
Miller, N.Y.
Nedzi
Nix
Olson, Minn.
Passman
Pilcher
Powell
Rains
Roberts, Ala.
Roberts, Tex.
Ryan, Mich.
St Germain
Scott
Sheppard
Shipley
Sisk
Smith, Va.
Staebler
Staggers
Thompson, La.
Toll
Vinson
Wallhauser
Westland
Wharton
Willis
Winstead

So the bill was passed.

The Clerk announced the following pairs:

Mr. Mailliard for, with Mr. Burton of Utah against.
Mr. Mathias for, with Mr. Martin of California against.
Mr. Kirwan for, with Mr. Hoffman against.
Mr. Lindsay for, with Mr. Alger against.
Mr. Wallhauser for, with Mr. Foreman against.
Mr. Garmatz for, with Mr. Auchincloss against.
Mr. Fallon for, with Mr. Meader against.
Mr. Hébert for, with Mr. Westland against.
Mr. Cohelan for, with Mr. Collier against.
Mr. Nix for, with Mr. Chenoweth against.
Mr. Thompson of Louisiana for, with Mr. Brock against.
Mr. Baring for, with Mr. Wharton against.
Mr. St Germain for, with Mr. Harvey of Michigan against.
Mr. Winstead for, with Mr. Buckley against.
Mr. Jones of Alabama for, with Mr. Finnegan against.
Mr. Feighan for, with Mr. Ryan of Michigan against.
Mr. Sisk for, with Mr. Holland against.
Mr. Dent for, with Mr. Diggs against.
Mr. Dingell for, with Mr. Lankford against.
Mr. Nedzi for, with Mrs. Kee against.
Mr. Lesinski for, with Mr. Passman against.
Mr. Shipley for, with Mr. Powell against.
Mr. Roberts of Alabama for, with Mr. Sheppard against.
Mr. Downing for, with Mr. Davis of Tennessee against.
Mr. Forrester for, with Mr. Haley against.
Mr. Gill for, with Mr. Pilcher against.
Mr. Rains for, with Mr. McMillan against.
Mr. Johnson of Wisconsin for, with Mr. Leggett against.
Mr. Landrum for, with Mr. Staebler against.
Mr. Roberts of Texas for, with Mr. Scott against.
Mr. Toll for, with Mr. Staggers against.
Mr. Willis for, with Mr. Smith of Virginia against.
Mr. Olson of Minnesota for, with Mr. Vinson against.
Mr. Flynt for, with Mr. Bass against.

Messrs. SHORT, SCHADEBERG, BOB WILSON, and CHAMBERLAIN changed their vote from "yea" to "nay."

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. ZABLOCKI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

SALT RIVER PIMA-MARICOPA INDIAN RESERVATION

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 8334) to transfer to the Salt River Pima-Maricopa Indian community certain lands within the Salt River Pima-Maricopa Indian Reservation, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert: "That all the right, title, and interest of the United States in and to the following-described lands within the Salt River Pima-Maricopa Indian Reservation, Arizona, consisting of approximately 27.3625 acres, purchased for school purposes from Indian moneys proceeds of labor funds and now excess to the needs of the Bureau of Indian Affairs, are hereby declared to be held by the United States in trust for the Salt River Pima-Maricopa Indian Community:

"South half north half south half northeast quarter southwest quarter southeast quarter,

"South half south half northeast quarter southwest quarter southeast quarter,

"North half northwest quarter southwest quarter southeast quarter.

"North half north half south half northwest quarter southwest quarter southeast quarter,

"West half east half southeast quarter southwest quarter,

"West half east half east half southeast quarter southwest quarter,

"East half northeast quarter northeast quarter southeast quarter southwest quarter,

"North half northeast quarter southeast quarter northeast quarter southeast quarter southwest quarter,

"Section 32, township 2 north, range 5 east, G & SRP & M, Arizona.

"SEC. 2. The Indian Claims Commission is directed to determine in accordance with the provisions of section 2 of the Act of August 13, 1946 (60 Stat. 1050), the extent to which the value of the title conveyed by this Act should or should not be set off against any claim the United States determined by the Commission."

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

Mr. GROSS. Reserving the right to object, Mr. Speaker, do I understand correctly that this is one of the bills the gentleman intends to call up this evening?

Mr. ASPINALL. Yes. This is one of three bills I am going to call up and ask to concur in the Senate amendments. I may say to the gentleman that all the amendments are germane to those bills.

Mr. GROSS. All the amendments to those bills are germane?

Mr. ASPINALL. Yes.

Mr. GROSS. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

TRUST TERRITORY OF THE PACIFIC ISLANDS

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 1988) to provide for the settlement of claims of certain residents of the Trust Territory of the Pacific Islands, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert: That the Congress hereby assumes compassionate responsibility to compensate inhabitants of the Rongelap Atoll, in the Trust Territory of the Pacific Islands, for radiation exposures sustained by them as a result of a thermonuclear detonation at Bikini Atoll in the Marshall Islands on March 1, 1954.

SEC. 2. There is authorized to be appropriated for such purpose out of the Treasury of the United States the sum of $950,000 to be expended by the Secretary of the Interior (hereinafter referred to as the "Secretary") in the manner hereinafter provided. After deducting the amount provided for in section 5 hereof, the Secretary shall pay the remainder in equal amounts to each of the affected inhabitants of Rongelap, except that (a) with respect to each such inhabitant who has died before receipt of such payment, the Secretary shall pay such sum to the heirs or legatees of such inhabitant, and (b) with respect to any such inhabitant who is less than twenty-one years of age or who has been adjudged incompetent or insane, payment shall be made, in the discretion of the Secretary, to a parent, relative, other person, or institution for his benefit.

SEC. 3. The Secretary shall give advice concerning prudent financial management to each person receiving a payment pursuant to this Act, to the end that each such person will have information as to methods of conserving his funds and as to suitable objects for which such funds may be expended.

SEC. 4. A payment made under the provisions of this Act shall be in full settlement and discharge of all claims against the United States arising out of the thermonuclear detonation on March 1, 1954.

SEC. 5. The Secretary is authorized to pay reasonable attorney fees for legal services rendered on behalf of the people of Rongelap prior to the date of enactment of this Act. Such fees shall be paid out of the funds authorized to be appropriated in section 2 of this Act, but the total of such fees paid shall not exceed 5 per centum of the appropriated funds.

SEC. 6. The decisions of the Secretary in carrying out the provisions of this Act shall be final and not subject to review.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

Mr. SAYLOR. Reserving the right to object, Mr. Speaker, this amendment added by the Senate merely makes the trust money payable to the individuals involved?

Mr. ASPINALL. That is correct. The House provided that the trust funds be expended under the supervision of the Secretary of the Interior. The Senate saw fit to make it a direct payment. The representatives of the people concerned were agreeable to the Senate amendment.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

ECONOMIC AND SOCIAL DEVELOPMENT OF THE TRUST TERRITORY OF THE PACIFIC ISLANDS

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 3198) to promote the economic and social development of the Trust Territory of the Pacific Islands, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, strike out all after line 15 over to and including line 20 on page 3.

Page 3, line 21, strike out "3" and insert "2".

Page 4, line 4, strike out "4" and insert "3".

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

THE ATOM AND US

Mr. BENNETT of Florida. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. BENNETT of Florida. Mr. Speaker, I have just finished reading "Peace and Freedom Through Cold War Victory." I cannot agree with everything it says: for instance its suggestion that it is in the interest of U.S. security to give our allies control—independent of the United States—over decisions they may wish to make as to when they will launch nuclear weaponry furnished by us. Yet, there are other things said in this book that make very great sense to me. I heartily recommend that every American read this book. Certainly no Congressman or Senator should fail to read it at the very earliest opportunity.

It points out our failure to have a follow-on bomber in production now; and our failure to have launched by now an adequate shelter program as a war deterrent.

On disarmament, it sanely says that the arms race is not the cause of war but the "effect of the cold war started by the Communists."

The book rightly acknowledges that we are the best defended nation on earth but it sets even higher goals, I think attainable ones. It omits one thing that it might well have said: that if our country should gird its loins to be prepared even more adequately against war to thus secure a firmer peace, there would be real advantage in the antipoverty war now going on in our country. For instance, how many people could be employed in the new hardware and building programs envisioned? Together with the already enacted training bills we should just about have the unemployment problem and the poverty problem licked.

Mr. Speaker, I cannot agree that it is wise to further distribute abroad either knowledge or control of our nuclear secrets and weapons. An article in the August 10 edition of U.S. News & World Report pertinently observes as follows:

> Experts see a time—and relatively soon—when as many as 20 countries may have their own A-bombs. The long-range prospect: a world armed to the teeth, with A-arms possibly in the hands of desperate or unstable rulers.
>
> WHY THE WORRY?
>
> Behind the mounting concern is this:
>
> Homemade atomic bombs—the kind that cost the United States $2 billion to develop—can now be made for a fraction of that by a determined group of scientists, for perhaps 50 million. And the price is coming down.
>
> Nuclear know-how, moreover, is no longer tightly held by just three or four nations, but is now widespread. Today, more than 40 nations own 600 atomic reactors. These "atoms for peace" reactors are for research and industrial uses, but many turn out plutonium, the key element in one type of nuclear bomb. More and more reactors are being built. In 3 years, peaceful reactors will be producing enough plutonium to make 100 A-bombs a year.
>
> Another reason for growing concern is the new knowledge, now considered top secret by the United States about the gas-centrifuge method of producing enriched uranium, the key element in a second type of atomic bomb. The United States decided to impose its curtain of secrecy around the gas-centrifuge process after months of deliberation and worry about the spread of nuclear weaponry.
>
> DANGER TO SECURITY?
>
> It was Secretary of Defense Robert S. McNamara who first publicly called attention to official U.S. concern. In testimony before the present session of Congress, Mr. McNamara said that a large number of countries in addition to the four present nuclear powers—United States, Russia, Britain, and France—"will be able to acquire at least a few nuclear weapons and a crude delivery capability—possibly including medium-range rockets—during the next 10 years."
>
> All this, said Mr. McNamara, "poses a severe threat to our national security."

Mr. Speaker, because I foresaw that sharing our secrets with our allies would lead to what has occurred, I voted against such sharing in the past. Today we must not go even further than secret sharing and turn over to foreign nationals the control of when these weapons shall be used. We may not always be able to control the situation; but as long as we can control it we should do so, in the interest of our own security and of international peace.

BEEF IMPORT QUOTAS NOW

Mr. OLSEN of Montana. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The **SPEAKER**. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. OLSEN of Montana. Mr. Speaker, I note that on Tuesday, August 11, the gentleman from Mississippi [Mr. COLMER], presented a resolution (H. Res. 814), providing for taking H.R. 1839 from the Speaker's table, disagreeing to Senate amendments and request a conference with the Senate. I support the position taken by the gentleman from Mississippi [Mr. COLMER] for the reason that I am advised that there is a provision in the Senate amendments which says that the beef import quota bill would not be operative, would not be effective during a national emergency declared by the President. Until learning of this, I supported House Resolution 812, which I heretofore introduced, and which would have taken H.R. 1839, the beef import quota bill, from the Speaker's table and agree with the Senate amendments and thus pass the bill; however, that would be a nullity, I am now informed. I am well advised by those who are learned in the laws and parliamentary procedure that this emergency provision would nullify the provision of the Senate bill. The situation being true, we who are interested in obtaining some real relief for the beef industry from the destructive competition of foreign imports, have reluctantly concluded that we must pass the resolution, House Resolution 814, and send the bill to conference.

I am solemnly promised by the House leadership that the Committee on Ways and Means will make every effort to bring to the floor of the House a satisfactory bill for the relief of the cattle industry. I strongly urge immediate relief as I have so repeated in this House several times. I note that the resolution presented by the gentleman from Mississippi [Mr. COLMER] passed by a voice vote. I ask unanimous consent to include in my remarks the remarks of the gentleman from Mississippi [Mr. COLMER] which he made yesterday, Tuesday, August 11:

FREE IMPORTATION OF WILD ANIMALS AND WILD BIRDS INTENDED FOR EXHIBITION

Mr. COLMER. Mr. Speaker, by direction of the Committee on Rules, I call up the resolution (H. Res. 814) providing for taking H.R. 1839 from the Speaker's table, disagreeing to Senate amendments, and requesting a conference with the Senate, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

"*Resolved*, That immediately upon the adoption of this resolution the bill (H.R. 1839) to amend the Tariff Act of 1930 to provide for the free importation of wild animals and wild birds which are intended for exhibition in the United States, with the Senate amendments thereto, be, and the same hereby are taken from the Speaker's table, to the end that the Senate amendments be, and the same are disagreed to and a conference is requested with the Senate upon the disagreeing votes of the two Houses."

Mr. COLMER. Mr. Speaker, I yield the usual 30 minutes to the minority side, to the gentleman from Ohio [Mr. BROWN].

Mr. Speaker, pending that, I yield myself such time as I may consume.

Mr. Speaker, this proceeding involves the question of quotas on foreign imports of cattle and beef.

A number of bills were introduced earlier in the session, including one by the distinguished gentleman from Florida [Mr. HERLONG] as well as one by me, to meet this situation. They were all referred to the Committee on Ways and Means of the House. But before any action was taken by that committee the Senate acted by attaching a similar bill, as a rider on a House bill. I shall discuss this parliamentary maneuver at some length further on in my comments.

Mr. Speaker, specifically this resolution provides that upon its passage the bill, H.R. 1839, as amended, be taken from the Speaker's table, the Senate amendments be disagreed to, and the bill be sent to conference.

Mr. Speaker, this is a matter which is of great interest to a substantial number of the Members of this House. It affects the cattle industry of this country vitally, and would attempt to help them in a time of great stress to that industry.

Without discussing the merits of the bill, Mr. Speaker, this is a rather unusual situation. I hope the House will give me its attention while I call attention to the rather unusual parliamentary situation.

We have a situation in the Congress whereby a bill can be passed by the House dealing, let us say, with the propagation of bees, and when that bill goes over to the other body the other body can add an entirely foreign subject—say, for instance, the general question of foreign aid—to that House bill. Then the bill is sent back to the House, usually with the House provisions taken out entirely, and the amendment for foreign aid, or whatever foreign subject it might be, left in the bill.

Mr. Speaker, this is a bad way to legislate, and yet it is something which has been done repeatedly, particularly in the past few years.

As a result of this the Committee on Rules, at the instance of the chairman, set up a subcommittee to study that situation and to bring in an appropriate resolution which would revise the rules of the House so that that kind of parliamentary shenanigan could not go on. I happen to have been the chairman of the subcommittee which reported to the Rules Committee the appropriate amendment to the rules of the House. The amendment would merely provide that if an amendment placed on a House bill were not germane under the House rules it would not be germane when it came back from the Senate.

However, we have been unable to get that resolution out amending the rules. I do not know why, but sometimes it has proven advantageous, I suspect, to those who want to use it. I recall at one time there was a minor bill for the relief of some school district out in Missouri passed by the House and the other body put a whole civil rights bill onto that relief bill and sent it back here to the House. I say it is an abominable thing. That practice should not be pursued, but there is nothing we can do about it as long as the powers that be condone the practice.

Now, what does this do? This resolution would take this Senate amendment to the House bill and send it to conference.

Let me say very frankly again that an effort was made in the Committee on Rules by some of us who are very much interested in getting some relief for the cattle industry to adopt a rule that would accept the Senate amendment. You see, some of us wanted to use this procedure ourselves this time, I being among them. It all depends on whose ox is being gored, you understand, but the practice is still bad. So we wanted to use this gimmick or rule, rather, to take the bill from the Speaker's table and agree to the Senate amendments, which would purportedly give the relief to the cattle people that they crave; namely, some limitation upon imports.

As I said, I am discussing the parliamentary situation rather than the merits of the bill.

Now, that effort failed in the Committee on Rules. On the contrary, the resolution before us today, the resolution of the gentleman from Arkansas, the distinguished and able chairman of the Committee on Ways and Means [Mr. MILLS], is before us to send it to conference.

I want to say with equal candor again that if I thought that the best interests of the cattle people, of the cattle industry, would be served by following out that original plan, I would ask you here today to vote down the previous question and permit us to amend the resolution by taking the Senate amendments, agreeing to them, and therefore passing the bill. However, there are two reasons why we are not going to ask that. Primarily I am not going to ask that because there is a provision in the Senate amendments which says that that bill would not be operative, would not be effective, during a national emergency declared by the President. I do not know how that got into this bill, but it is in there, and the fact is that we are in a national emergency now which was declared by President Truman in the Korean war situation. We are still in it, and I am advised by those who are learned in the law and the parliamentary situation that this emergency provision would nullify the provisions of the Senate bill.

This being true, we, who are interested in trying to obtain some relief for the cattle industry from these foreign imports, have reluctantly come to the conclusion that our only course is to adopt the present resolution and send the bill to conference. Those representing the industry, I am informed, agree.

The distinguished chairman of the Committee on Ways and Means, the author of this resolution we are considering, the gentleman from Arkansas [Mr. MILLS], has advised many of us, the majority leader and others interested, including myself, that if this resolution is adopted, that he will take it to conference and do his level best to work out some bill that the cattle industry could live with, some kind of compromise, something that could be signed by the President.

But so far as this humble Member of the House is concerned and one who is very much interested in getting the desired relief, I do not see any other course to follow except to send it to conference.

Mr. MONAGAN. Mr. Speaker, will the gentleman yield?

Mr. COLMER. I yield to the gentleman.

Mr. MONAGAN. As I understand, although this bill, H.R. 1839, purports to apply to wild animals and wild birds, what we are considering at the present time has nothing whatsoever to do with that subject at all; is that correct?

Mr. COLMER. Except that the whole matter will be in conference when the bill goes to conference. I tried to explain a moment ago that entirely foreign substances were placed in this bill.

Mr. MONAGAN. Essentially what we are considering is the quota system to be imposed on the imports of meat?

Mr. COLMER. That is right.

Mr. MONAGAN. Mr. Speaker, I would like to say to the gentleman that apart from the increase in cost that might come and the effect on other countries in the world with whom we are trying to deal at the present time, the thing that concerns me is the fact that 2 years ago we voted here to set up a new policy on trade. We decided we were going to take away special treatment, we were not going to do anything except to apply this law across the board. It seems to me that in this instance we are making a very special exception wholly in opposition to that policy that applies to manufacturing industries and other enterprises and I personally see no reason for doing it.

Mr. MILLS. Mr. Speaker, will my friend from Mississippi yield to me?

Mr. COLMER. Of course, I yield to the distinguished gentleman from Arkansas.

Mr. MILLS. I know my friend can answer the question. In order to keep the issue presently before the House, as my friend from Mississippi has pointed out, it is not at the moment the issue of the merits or demerits of any amendment; the issue is whether or not the House will permit this matter going to conference, to see if some resolution can be had of it that would be in accord with the wishes of the House. Is not that the issue?

Mr. COLMER. If the gentleman is asking me, permit me to say that that is what I was trying to lead up to, and it is the only issue involved. Let me add further, if I may, that I also understand that the distinguished gentleman from Arkansas, if he does not succeed in bringing something back that would be acceptable, the House will be given an opportunity under the rules of the House to pass judgment on that, and as to whether or not the Senate amendment should be adopted.

Mr. MILLS. Mr. Speaker, will my friend, the gentleman from Mississippi, yield?

Mr. COLMER. I yield to the gentleman from Arkansas.

Mr. MILLS. The gentleman from Mississippi earlier stated my position with which I am in complete accord.

Mr. Speaker, I want to make it clear, not only to the gentleman from Mississippi but to all of the Members of the House, that I would not be recommending to the House that this or any other matter go to conference if I were not going to conference with the sincere intention of trying to accomplish legislation.

It may be, if I am appointed a conferee and if the others who normally represent the House on these matters are appointed conferees, that we will be unable to resolve this matter at all. That does not mean that this matter would be left in conference, because I have assured the majority leader of the House and I have assured the minority leader of the House and many others that there will be a conference report returned to the House on this subject matter on which the House will pass judgment. Whether the House wants it or not will be up to the majority of the Members of the House.

Mr. Speaker, there will be a conference report, let me put it that way.

Mr. COLMER. I thank the gentleman.

LOYALTY AMENDMENTS TO THE ECONOMIC OPPORTUNITY BILL

Mr. WILLIAMS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WILLIAMS. Mr. Speaker, I was interested in the debate in the other body on yesterday relative to amendments I offered to the economic opportunity bill and which the House adopted.

A letter from the Department of Justice was placed in the RECORD interpreting the scope and intent of the two amendments. Additionally, there was a discussion on the floor purporting to provide a legislative history of the language contained in the loyalty oath amendments.

It is interesting to note, Mr. Speaker, that the Justice Department did not contact me relative to the scope and intent of the amendments. Furthermore, no Member of the other body contacted me with reference to this matter.

At the time the two amendments were offered, a majority of the House had limited the time for debate. As a consequence, I had but a few seconds to explain the amendments.

For the RECORD and as a part of the legislative history, I would like to state that the Justice Department has placed a rather narrow construction on the amendments. I feel that the Justice Department has correctly construed the purpose of my first amendment. The second amendment was intended to apply to every individual who received any monetary consideration, directly or indirectly, from the Treasury of the United States during the course of the administration of the Economic Opportunity Act of 1964.

Section 616 applies to every title of the bill. Section 616 is applicable to any loan or grant to any individual participating under the authority of this act.

It was my intent and purpose, as the author of the amendment, to have section 616 apply to an adult education program, a community program, a work-study program, or any other kind of program, if the individual receives monetary remuneration which emanated directly or indirectly from the Federal Government. Any individual receiving salary from a nonprofit private or public agency, the funds of which were obtained in whole or in part from the Federal Government under authority of the Economic Opportunity Act of 1964, would be subject to the provisions of section 616. Of course, an institution, private corporation, or public agency would not have to file an affidavit; but if any employee thereof receives his salary, in whole or in part, traceable to the Federal Government under authority of the Economic Opportunity Act of 1964, he would have to file an affidavit as provided in section 616. That is the intent and purpose of my amendments.

Mr. Speaker, I would like to observe that an Assistant Attorney General of the United States and two Members of the other body do not have the authority or responsibility of interpreting U.S. statutes. That is the function of the Federal judiciary.

STOP CERAMIC TILE IMPORTS

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. PHILBIN. Mr. Speaker, I am greatly concerned with the great and increasing threat being posed for our entire domestic ceramic tile industry and its faithful workers by the flood of cheap foreign imports of tile now pouring into this country at an alarming and steadily augmented rate.

In a conference today with representatives of this great, very useful industry, I learned in considerable detail of the dire conditions developing in this industry as a result of growing cutthroat competition from overseas.

It is the sad fact that glazed wall tile imports increased at the rate of 16 percent a year between 1960 and 1963 and figures for 1964 show them to be increasing at a much higher rate.

Since our own U.S. industry depends upon wall tile sales, the rapid conquest of our domestic markets is not only widening import price advantages, but is causing and threatening the loss of many jobs of American workers, driving more and more small tile firms out of business and stifling the prosperity and well-being of American local communities.

In the light of these present and developing dangers, I am strongly protesting the situation confronting our ceramic tile industry to the President, Governor Herter and other appropriate officials of the Government urging that it is essential to the best interests of the United States that glazed wall tile be placed among the commodities reserved from tariff cuts during the GATT negotiations.

In addition, Mr. Speaker, I propose to take every other action that I deem necessary and advisable to take to prevent further deterioration and perhaps the ultimate collapse of this valuable tile industry that is making such sizable, commendable contributions to our economy, our workers, and the American people.

I earnestly hope that this Government will take appropriate, effective action in this important, critical matter as soon as possible and thus move to render a real service to the country and its best interests.

MILLIONS WILL LIVE

Mr. O'BRIEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. O'BRIEN. Mr. Speaker, the distinguished gentleman from Alabama [Mr. ROBERTS] submitted to the House this week a résumé of the important legislation handled during the 88th Congress by the Subcommittee on Health and Safety, of which he is chairman.

The manner in which he reported to his colleagues and the generosity with which he gave credit to all the members of his committee was typical of the man.

Many of us, with less reason, might have stood on the housetops to boast of accomplishments which radiate throughout our land and into every home.

Mr. Speaker, millions of Americans, some of them as yet unborn, will live better, longer lives as the the result of the work here of the gentleman from Alabama, KENNETH A. ROBERTS.

All of us have little moments of our congressional service which we prize. My collection, Mr. Speaker, includes two White House pens, one used by the late President Kennedy to sign into law H.R. 12, designed to provide assistance in the construction of schools of medicine, dentistry, osteopathy, public health, and other health professions, and to provide loans for students of medicine, dentistry, and osteopathy, and the other used by President Johnson to sign into law the so-called clean air bill.

Is it not significant that one of the last major bills signed by Mr. Kennedy and the first major bill signed by President Johnson arrived at the signing place largely through the efforts of the gentleman from Alabama?

There are many other bills in this area which might be mentioned, but suffice to say that few men in all our history were and are entitled to greater public gratitude than is the gentleman from Alabama, Representative ROBERTS.

Our Divine Savior said, "Blessed is he who gives a cup of water in My name." Our colleague from Alabama has given all of us, and to those who will come after us, far more than a "cup of water." He has made it possible for them to live longer and live freer from disease and accident.

We know him as a modest man. It is my earnest hope that he will accept this sincere evaluation of his caliber as a Congressman and a human being as a statement of fact and not an invasion of his practice of giving credit to others while retaining little for himself. I am proud to have been associated with him and for all who are concerned about the health and safety of our people I say much thanks.

VETERANS' PENSIONS

Mr. SCHWEIKER. Mr. Speaker, I ask unanimous consent that the gentleman from Colorado [Mr. BROTZMAN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. BROTZMAN. Mr. Speaker, I support H.R. 1927 because of my deep concern for veterans in my district who are recipients of non-service-connected pensions. I have had more than passing interest in this subject. I have studied carefully the provisions of H.R. 1927 as well as the provisions of other bills that have been introduced on this subject. It is my considered opinion that H.R. 1927 offers the most acceptable solution to the problems of the needy veteran.

The bill will increase many of the pension rates and income limits of the existing law. The forthcoming increase in social security payments and its effect upon veteran pensioners is recognized and solved in H.R. 1927. Under the provisions of the bill, a 65-year-old veteran will no longer be required to prove that he has a 10-percent disability that renders him unemployable to qualify him for a pension. Another feature of the bill permits a veteran to exclude his spouse's wages from employment or self-employment in computing his income for pension purposes. Heretofore, a working wife receiving a modest salary, in many instances, prevented her husband from drawing a pension because her income was counted as the veteran's income for pension purposes. Most important, Mr. Speaker, the bill provides a substantial increase in monthly payments for certain seriously disabled veterans.

The bill is a good bill and I endorse it most enthusiastically.

HERBERT HOOVER: LIFE OF SERVICE

Mr. SCHWEIKER. Mr. Speaker, I ask unanimous consent that the gentleman from New Hampshire [Mr. CLEVELAND] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. CLEVELAND. Mr. Speaker, former President Herbert Hoover celebrated his 90th birthday this week, and we are all reminded again of his great life of service to his country and the world. Hoover's distinguished career includes being a successful engineer and businessman, director of relief efforts during and after World War I, Secretary of Commerce under Presidents Harding and Coolidge, and 31st President of the United States. In later years, he headed the Hoover Commission, authored several notable books, directed the Hoover Institution on War, Revolution, and Peace at his alma mater, Stanford University, and became a valued elder counsel to statesmen. Leading Americans of both parties joined in paying tribute to Hoover on his birthday. The myths and smears of New Deal publicists have not withstood the scrutiny of unbiased history. It is comforting to know that fairness and perspective are shedding new light on the career of a great and distinguished American.

Because Hoover has so often been portrayed by demagogs as the individual responsible for the depression and its effects, I think that it is appropriate to include here in the RECORD an article, "Hoover as Scapegoat," by Henry Hazlitt from the August 17 Newsweek:

HOOVER AS SCAPEGOAT

(By Henry Hazlitt)

In his brilliant and absorbing biography of Herbert Hoover, published on August 10 to celebrate the former President's 90th birthday, Eugene Lyons is obliged to refer again and again to the incredible smear campaign launched against Hoover in the early months of his administration and continued long after his exit from public office.

The campaign, under the paid direction of Charlie Michelson, was enormously successful. In his autobiography, Michelson afterward alluded to "the gloomy occupant of the White House whom we referred to as the author of the depression." The smear stuck. "The Hoover depression" became an established phrase. So did "Hoover breadlines" and "Hoovervilles." The myth got firmly established for a generation that Hoover had thrown the country into major depression and that Franklin Roosevelt had bailed us out.

THE DOUBLE MYTH

The facts support neither the first nor second half of the myth. The causes of the collapse and world depression that started in October 1929, go back years before Herbert Hoover assumed the Presidency. They are complex. But they can be summarized as cheap-money policies, credit expansion, inflation. And Hoover was among the earliest to combat such policies. In 1925, as Secretary of Commerce, he warned in a letter to one of the Federal Reserve Governors against "inflation with inevitable collapse which will bring the greatest calamities upon our farmers, our workers, and legitimate businessmen." In a New Year's statement for 1926 he warned against "real estate and stock speculation * * * with inevitable inflation." One member of the Federal Reserve Board, Adolph C. Miller, who opposed the cheap-money obsessions of his colleagues, testified in an interview published in the magazine Sphere in July 1935:

"The Board knew that Mr. Hoover, from 1926 on, had been protesting that the money policy of the Reserve System was certain to bring about disaster and calamity. Mr. Hoover before and after he took office was struggling desperately to curb credit extravagance. The record will show that he became the victim of a policy that was anathema to him the whole time it was in operation."

When the depression started, Hoover made Herculean efforts to stem it. The most fantastic myth of all was that he "did nothing." A far more plausible charge is that he did too much. True, he made errors. But they were not those for which he is popularly blamed.

MAINTAINING WAGES

The most serious error, in my estimation, was to call together the leaders in business in November 1929, a month after the stock-market break began, and urge upon them the policies of not cutting prices, not cutting wages, and increasing capital outlay. When there has been a collapse in confidence, in demand, and in the money and credit supply, there must be some downward adjustment in prices and wages if sales, output, and employment are to be sustained. When, under such circumstances, prices and wages are inflexible in a downward direction, the result can only be spreading unemployment.

But the doctrine of maintaining or even increasing money wage rates, to "increase purchasing power," has now become New Deal, Fair Deal, Keynesian, Hellerious gospel.

But the great "error" for which the New Dealers, Keynesians, Hellerites, and fiscal revolutionists blame Hoover is trying (unsuccessfully) to balance the budget. I doubt that this was an error. In any case none of Hoover's opponents at the time thought so. On the contrary, it was the deficits and the spending that Franklin Roosevelt denounced. The Democratic platform pledged a budget annually balanced.

It is constantly forgotten that the worst disasters in the Hoover administration came in the last 4 months, after his election defeat and before F.D.R. took office, when Hoover was powerless and F.D.R. refused to deny rumors that he meant to take the country off the gold standard.

The final myth is that Roosevelt stopped the depression. In his first two terms, chronic deficits were combined with massive unemployment. Only our entrance into World War II "solved" the problem.

MINUTEMEN GUN CLUBS RECEIVE FEDERAL SUBSIDIES

Mr. WELTNER. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. GONZALEZ] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. GONZALEZ. Mr. Speaker, thousands of Minutemen have joined the National Rifle Association in order to get free weapons and ammunition from the Defense Department and because their dues support the association's campaign against passage of legislation restricting the possession and use of firearms. As a result the number of gun clubs has doubled in the last few years, as has membership in the NRA. These and other illuminating facts were brought out in a recent newsstory in the New York Times by Donald Janson. The story by Mr. Janson, dated August 1 and printed in the Times on August 6, completely substantiates and supports the charges I have been making about this extremist, self-styled guerrilla organization, the Minutemen, since last January.

Mr. Janson's story consists of an interview with Robert B. DePugh, the fanatic leader of the Minutemen. It is a valuable account of the sinister and twisted motives of one would be terrorist, and it illustrates in dramatic fashion how the resources of the Federal Government are being subverted by those who would destroy this Government.

The program by which free weapons and ammunition are distributed to gun clubs affiliated with the NRA was created by Congress in 1903. Its purpose was to promote skill in the use of firearms. Thus the National Board for the Promotion of Rifle Practice was established, and its implementing agency, the office of the director of civilian marksmanship.

If there is reason for continuing this 60-year-old program, then at least it ought to be adequately controlled. I have stated on numerous occasions that this program is being handled loosely, and that as a result of this loose handling the Federal Government is making it possible for extremist organizations to obtain free guns and ammunition. They do this by simply forming local gun clubs, affiliating with the NRA, and applying to the Department of the Army—which handles the program—for their Federal subsidy. How does the Department of the Army or the Department of Defense know whether or not a local gun club is made up of Minutemen or some other collection of extremists and fanatics? They do not know. How does the Department of the Army or the Department of Defense know whether or not the free ammunition it distributes is being used for target practice, stored in secret ammunition dumps, sold to racists or rioters, or shipped to foreign governments? They do not know. In fact, the Federal Government has no way in the world of knowing who the 400,000 persons receiving free guns and ammunition are or what they are doing with their military aid. Those who claim that programs of Federal aid always bring Federal control ought to examine this program. We have here a program of Federal aid to private gun clubs and no Federal controls whatsoever.

But in this instance there ought to be some controls exercised by the Federal Government. For the program is beginning to run away with itself. In my judgment it has already gotten out of hand. It is multiplying in almost geometric proportions. In fiscal year 1960 39,520,000 rounds of ammunition were given away free through this program. These rounds of ammunition cost the Government $1,132,170.

In fiscal year 1965 the program calls for ammunition giveaways totaling 63,840,000 rounds costing $2,067,000. In 1959 the value of weapons and other equipment on loan to clubs enrolled in the program totaled $1,242,027.50. In 1963 this total was $2,360,472.60. In 1959, 5,545 weapons were sold to members of gun clubs enrolled in the program. In the next 5 years more than 500,000 weapons were sold in this manner, an average of 100,000 guns per year.

The program is growing at a rapid and alarming rate. It is growing without controls. Thus, extremist organizations like the Minutemen are taking advantage of it. Yet the attitude within the Department of the Army seems to be one of complacency, if not indifference. I wrote to Secretary of Defense Robert S. McNamara inquiring into this program as well as the surplus and scrap weapons program. My letter was written on May 26, 1964. On July 16, 1964, I received an answer from the Department of the Army to whom my letter had been referred for a reply. The reply is dated July 15, 1964. It is self-serving and defensive. Although it contains much of the statistical information I had requested, it is characterized by the following statement:

> In summary, I can assure you that these programs are conducted with full realization of our responsibilities to insure that arms and ammunition do not fall into unscrupulous hands.

But this statement sounds unconvincing in the light of the New York Times correspondent's interview with Robert de Pugh, in which the national coordinator of the right wing group known as the Minutemen said that:

> It was "a common tactic" for Minutemen, never disclosing their affiliation, to organize or join gun clubs in order to gain access to rifle ranges for target practice—

And that Minutemen—

> get weapons and ammunition free from the Department of Defense.

If the Department of the Army truly realizes its responsibilities for this program it does so in a strange, unspoken, unwritten fashion. Certainly the responsibilities have not been translated into rules and regulations. There are few, if any, safeguards. There is little control. Guns and ammunition have fallen, is falling and will continue to fall into the hands of unscrupulous persons like the Minutemen and other extremists.

With unanimous consent, I am attaching at this point in the Record the news story by Donald Janson in the New York Times, August 6, 1964, entitled "Minutemen Help Spur the Growth of Gun Clubs," a copy of my letter to Secretary McNamara dated May 26, 1964, and a copy of the reply by the Department of the Army dated July 15, 1964. Because of the length of the exhibits attached to the reply from the Department of the Army, I am including only the full text of the letter without the exhibits:

Minutemen Help Spur the Growth of Gun Clubs: Head of Anti-Communist Group Says They Join To Gain Access to Rifle Range

(By Donald Janson)

Norborne, Mo., August 1.—The number of private gun clubs in the United States has doubled in the last few years. One group that has made a contribution to the proliferation is the militantly anti-Communist Minutemen organization, headquartered here.

Robert B. de Pugh, national coordinator of the right-wing group, said in an interview that it was "a common tactic" for minutemen, never disclosing their affiliation, to organize or join gun clubs in order to gain access to rifle ranges for target practice.

Each Minuteman is under instructions to fire at least 500 rounds of ammunition a year to maintain proficiency as a marksman. Minutemen believe the United States will be subjugated by communism by 1973 and as patriots they must be prepared to resist as guerrillas in "an effort to restore constitutional government."

Finding a place to shoot is no problem around Norborne, a town of 950 population and several cornfields, but it can be a problem in more densely settled places. Mr. de Pugh said gun clubs were being formed rapidly in order to lease and reserve land for ranges while land was still available in or near cities.

The Minutemen, organized in small bands throughout the Nation, also train in the countryside at night for the role they believe they will soon have.

Mr. de Pugh, a 41-year-old drug manufacturer, founder of the 3-year-old organization, says there are more than 25,000 Minutemen now. They are, he says, "the most dedicated, most active and best disciplined American organization in the fight to preserve our constitutional republic."

Each supplies his own rifle, shotgun, sidearms and other "survival" equipment.

U.S. PROVIDES WEAPONS

Some, the Norborne chemist said, get weapons and ammunition free from the Department of Defense. This is possible through a Federal program little known outside circles of gun enthusiasts.

The program was started in 1903 to promote skill in use of firearms for the benefit of the Armed Forces in case of mobilization.

Under it, the Army's director of civilian marksmanship lends rifles and gives ammunition to rifle clubs affiliated with the National Rifle Association.

Thousands of Minutemen have joined the association, Mr. de Pugh said, partly because their dues support the association campaign against passage by States of legislation restricting possession and use of firearms.

Membership in the association has doubled in the last 4 years. It now stands at 650,000. Affiliated gun clubs have doubled in number in the same period, to 11,500. More than half make use of the Army program. Other clubs have been formed outside the association.

Mr. de Pugh, a "lifetime" member of the association, said Minutemen accounted for only a "small part" of the increase in membership.

He said Minutemen did not rely on the Army's program, because the rifles are subject to recall in case of war or other emergency.

Members have no trouble buying all the guns and ammunition they want, he added.

Several States require permits to buy guns, but the Missourian said only New York further regulated possession by periodic registration and fee "harassment." He charged that this amounted to "confiscation by legislation."

GROWING ARSENAL

In Missouri, he said, citizens have no trouble getting the necessary purchase permit at the sheriff's office except in Kansas City and St. Louis, where crime rates are higher.

St. Louisans simply cross the State border to Illinois and Kansas Citians to Kansas, he said, and buy guns without permits.

The arsenal in the hands of civilians has been growing rapidly. It is now estimated by the National Rifle Association at a billion pistols, rifles and shotguns and several billion rounds of ammunition.

A million mail-order guns, such as the one bought by Lee Harvey Oswald, the accused assassin of President Kennedy, are sold in the United States annually.

Mr. de Pugh contended that efforts to require registration and other restrictive firearms legislation were being led by Communists because after they "take over" the United States, he said, the registration lists would alert them as to whom to disarm.

However, some Congressmen doubt whether all civilians should be trusted with the unregulated use of arms.

Representative Henry B. Gonzalez, Democrat, of Texas, has noted that On Target, the Minuteman newsletter edited by Mr. de Pugh, recently warned "Communists and fellow travelers" that "only their leaders" restrained patriots who had learned to hit sparrows at 200 yards with a target rifle.

The newsletter told "traitors" to "beware" because "even now crosshairs are on the backs of your necks."

PRO-COMMUNISTS LISTED

Mr. de Pugh said his organization had files listing 67,000 "pro-Communists" whom the Minutemen were watching. Two months ago, he said in the book-lined office of his Biolab Corp. here, the Minutemen files were cross-indexed with those of six other "conservative" organizations.

He said that "intelligence" operations were as important as weaponry in the Minutemen program and that 600 periodicals were read regularly as an aid in spotting suspects and building the files.

Why not leave such surveillance to the Federal Bureau of Investigation? "No law enforcement agency," Mr. de Pugh said, "can watch all the people all the time. The basic duty of patriotic American citizens is to be viligant to protect his country in every way he can."

A recently issued Minutemen booklet casts doubt on the loyalty of a wide range of elected officials.

"What do you really know about the State Senator or State Representative from your district?" it asks. "Could any of these men have been indoctrinated in Communist ideology at some time in their career or past education?"

"There are several men who are now known Communists who once served as U.S. Senators or Representatives and were in all probability Communists all the time."

Representative Gonzalez said the Minutemen had published "a thinly veiled threat" against him and some colleagues who voted against increasing an appropriation for the House Committee on Un-American Activities.

WEAPONS SEIZED

Others have expressed concern about some of the uses to which Minutemen have put weapons. When Mr. de Pugh conducted a class in guerrilla warfare in Shiloh, Ill., 3 years ago, sheriff's deputies seized mortars and machineguns as well as rifles. Richard Lauchli, a Minutemen leader from Collinsville, Ill., was arrested.

Last May Mr. Lauchli was arrested again, this time near Clinton, Ill., by Federal agents posing as arms buyers for Cuban revolutionaries seeking to overthrow the Castro regime. They seized a truckload of bombs and automatic weapons.

Mr. Lauchli is free on $20,000 bond. Mr. de Pugh says he is now a former Minuteman.

The handsome, black-haired Missourian said the Minutemen were more interested in quality of membership than quantity "because we are training future military leaders."

Mr. de Pugh said only 10 percent of the population would qualify as sufficiently conservative, patriotic, dedicated and self-sacrificing for Minutemen membership.

Seven thousand members have been "weeded out" in the last year, he said, for failing to measure up. Some were spies, he said. They were not dropped, simply "isolated."

"When they found they were not being included in anything of importance," he said, "they decided it would be easier to quit and infiltrate the John Birch Society."

Mr. de Pugh recently dropped out of the Birch Society. He said it "wasted too much time" on impractical efforts like its movement to impeach Chief Justice Earl Warren.

MOVEMENT IN COLLEGES

Mr. de Pugh is taking the Minutemen's youth movement, which he considers vital for maintaining anti-Communist vigilance, into the Nation's colleges.

Last summer 15 college-student sons and daughters of Minutemen were trained in counterpropaganda techniques to combat "leftwing influences" on their campuses.

This summer, the national coordinator said, 100 students from major colleges and universities are taking a 6-weeks course. The classes are conducted at three unspecified places, one in the East, one in the West and one near St. Louis.

The first 2 weeks are devoted to a study of "the American heritage," the second two to Communist propaganda techniques and the last two to counterpropaganda.

"We want the students to be able to recognize Communist agitation for what it is," Mr. de Pugh said, "and use whatever forums are available at their colleges to counteract it."

Mr. de Pugh, soft spoken and articulate, said he planned to embark on a round of speeches himself this fall.

The oldest of his six children will enroll as a freshman in September at the Kansas City Art Institute.

The de Pugh teenagers already are well trained in weaponry. Even his 12-year-old daughter, the chief Minuteman said, is "a pretty good shot" after 2 years of rifle practice.

Congress of the United States,
House of Representatives,
Washington, D.C., May 26, 1964.
Hon. Robert S. McNamara,
Secretary of Defense,
Washington, D.C.

Dear Mr. Secretary: Because of recent events, I have become deeply concerned about certain aspects of the surplus weapons and scrap weapons program and the civilian marksmanship program of the Defense Department.

A news story in the Baltimore Sun dated May 21, 1964, related the details of the seizure of a stockpile of weapons and the arrest of an individual who at one time, at least, was one of the leaders of the "Minutemen." The Minutemen, as you may know, is an extremist armed self-styled guerrilla organization. The individual arrested on May 21, Richard Lauchli, was arrested and admitted stealing in 1959 weapons from the Madison, Ind., proving grounds. These same weapons were later sold to Castro revolutionaries. In 1961 the Minutemen conducted field guerrilla maneuvers in southern Illinois and the leader of that group, Robert de Pugh, declared at that time that similar maneuvers had already been conducted in a number of other cities including my home city, San Antonio, Tex.

The weapons used in the Minutemen maneuvers in 1961 included automatic rifles, machineguns, mortars, and antitank guns. The weapons seized from Lauchli on May 21 included at least 100 submachineguns, 5 .50-caliber tripod-mounted machineguns, a flame thrower, several aerial bombs, several mortars, and numerous automatic pistols. According to the news story, the stockpile had been purchased by Lauchli as scrap and then reconditioned.

Further, facts I have learned about the civilian marksmanship program are equally disturbing. As you know, the National Board for the Promotion of Rifle Practice is the policymaking body of the program administered by the Director of Civilian Marksmanship. I understand that through this program more than 60 million rounds of ammunition were given away free to clubs throughout the Nation belonging to the National Rifle Association in fiscal year 1963, and that in addition, great quantities of rifles, pistols, and other target equipment were distributed to these clubs on a loan basis or sold at low-cost negotiated prices. I also understand that approximately 400,000 persons belong to clubs receiving this Federal subsidy.

It is obvious to me that through these programs, the Defense Department is providing private persons with a steady stream of heavy and small arms and ammunition at a considerable cost to the taxpayer. Not only is it within the realm of possibility that rightwing extremists and other unscrupulous persons are obtaining weapons in this manner, but the news stories I have referred to reflect that they definitely are.

I am, therefore, requesting from your office the full details on the organization and operation of both the surplus and scrap weapons program and the civilian marksmanship program. I would like to know exactly who administers the surplus and scrap weapons program; what safeguards exists to insure that weapons do not get into the wrong hands; how weapons are declared surplus and scrap; what if anything is done to these weapons before they are disposed of; the amount and kinds of surplus and scrap weapons disposed of by the Defense Department in each of the past 5 years; the original costs of these weapons to the Federal Government and the amounts paid by the private purchasers for the surplus and scrap; and the cost to the Federal Government for administering this program. I assume that the answers to these questions will apply to ammunition as well as weapons.

I would also like to know more about the civilian marksmanship program. Among other things, I would like to know the names of the members of the National Board for the Promotion of Rifle Practice and which of these persons belongs to the National Rifle Association; the number and types of rounds of ammunition given away through this program and the cost to the Federal Government for each of the past 5 years; the number and types of weapons and other equipment loaned to clubs belonging to the NRA through this program for each of the past 5 years; the original cost to the Federal Government of these weapons and equipment; the number and types of weapons and other equipment sold through this program during the past 5 years and the original cost of these guns and equipment to the Federal Government; the number and types of weapons given away through this program during the past 5 years and the original cost to the Federal Government of these guns and equipment. According to testimony received by the House Committee on Appropriations, the National Board's request for funds for fiscal year 1965 is $485,000 for operation and maintenance. I would like to know the amounts expended by the national board for operation and maintenance for each of the past 5 years.

I believe you will understand my grave concern that weapons may be going to the wrong persons, particularly at this time of proliferation of extremist organizations advocating everything from subversion to assassination.

For your information I have enclosed copies of recent speeches I have delivered in the House on this subject.

Sincerely yours,
Henry B. Gonzalez.

Department of the Army,
Washington, D.C., July 15, 1964.
Hon. Henry B. Gonzalez,
House of Representatives.

Dear Mr. Gonzalez: The Secretary of the Army has asked me to reply to your inquiry addressed to the Secretary of Defense concerning the Department of the Army surplus weapons program and the civilian marksmanship program conducted by the National Board for the Promotion of Rifle Practice.

The Federal Property and Administrative Services Act of 1949, as amended (Act of June 30, 1949, 63 Stat. 377, 40 U.S.C. 471, et seq.), assigned the responsibility for the supervision and direction over the disposition of excess and surplus Federal property to the Administrator of General Services. The Administrator has delegated to the Secretary of Defense the responsibility for the disposition of excess and surplus property generated by the Department of Defense.

The Secretary of Defense has established the Defense Supply Agency (DSA) and assigned responsibility to the Director for the administration and supervision of the Department of Defense (DOD) excess and surplus property disposal program. The military services are responsible for the coordination in, dissemination of, and insuring compliance with OSD approved policies and procedures issued by DSA. The DSA also operates the Defense Surplus Sales Offices which sell surplus material located in the continental United States.

The military services declare small arms weapons surplus after the decision has been made that the items are obsolete and/or they are no longer required by the services; or that there is no foreseeable military assistance program requirement; or that the material is unserviceable and uneconomical to repair.

Installation commanders appoint a property disposal officer (PDO), in writing. The PDO is responsible for the receipt, accounting, storage, reporting, and disposal of excess and surplus property through redistribution, transfer, donation, sale, abandonment, and destruction.

The Department of Defense sells small-arms weapons through one of three authorized methods: Through the sale of a serviceable rifle or pistol to a member of the National Rifle Association; through the reporting of properly mutilated unserviceable pieces to the DSA for sale as scrap; or through retail or competitive sales (only for weapons safe to fire) in the case of commercially available small arms, such as .22 caliber rifles, shotguns, and bolt action .30 caliber rifles.

A small portion of our overall program involves donations of weapons to veterans organizations. The law provides that recognized and approved veterans organizations may obtain by donation certain items of condemned or obsolete combat type material for ceremonial purposes, which material includes bolt action rifles suitable for firing blank ammunition only.

DOD Instruction 4160.15 (table 2) requires that prior to the sale of surplus weapons as scrap, the responsible Department mutilate (demilitarize all automatic and semiautomatic machineguns, rifles and pistols, revolvers, and all other small arms, and survival weapons, except shotguns having a barrel length of 18 inches or more, and bolt action hand operated rifles having a barrel length of 18 inches or more and 16 inches or more if the caliber of the rifle is 0.22 or smaller. These weapons are disposed of by retail or competitive sale as mentioned in the preceding paragraph. It should be noted that under certain conditions small arms may be sold without demilitarization, e.g., sales to States and political subdivisions and sales to friendly foreign governments. All unserviceable ammunition and weapons are demilitarized and sold as scrap.

Scrap generated as a result of mutilation of small arms is intermingled with other ferrous scrap for disposal. The PDO then reports this scrap to the appropriate Defense Surplus Sales Office (DSSO) for sale by the competitive bid method.

The Army is the only agency authorized to sell small-arms ammunition and small arms to members of the National Rifle Association as individuals (10 U.S.C. 4308(a)(5)). Sales are made in accordance with rules and regulations recommended by the National Board for the Promotion of Rifle Practice and approved by the Secretary of the Army.

The cost of the complete demilitarization program for the Department of Defense for the first three quarters of fiscal year 1964 was $16.8 million, representing only the cost of actual demilitarization of arms, ammunition and implements of war. This figure does not include the property disposal officer's costs or the Defense Surplus Sales Office costs relating directly to the disposal of scrap or serviceable weapons.

A breakdown of the sales and donations of various small arms over the last 5 years and the Government costs for such weapons is shown in table 3. Table 4 depicts the number and types of weapons (small arms as well as crew-served weapons) disposed of as scrap in the years 1962–64 and the estimated dollar value of such scrap sales. Records for 1960 and 1961 are not available.

It should be emphasized that the only place in which weapons such as machineguns, mortars, etc., appear in these data is as scrap. It is the policy of the Department of Defense to properly and thoroughly demilitarize all such weapons before disposal.

With reference to that portion of your inquiry concerning activities of the National Board for the Promotion of Rifle Practice (NBPRP), information is forwarded in the form of enclosures as follows:

Tab 5. AR 920–15, which outlines the missions and responsibilities of the NBPRP and its implementing agency, the Office of the Director of Civilian Marksmanship (DCM).

Tab 6. Roster of Board Members, indicating those who are National Rifle Association (NRA) members. Of the 15 military members on the Board, 8 are members of the National Rifle Association. However, membership in the NRA is not a criterion for appointment of these members of the Board, nor is it in any other way considered in their appointment to serve as a board member.

Tab 7. Tabulation in detail of the amount, types of rounds, and cost of ammunition required to support of Board's program during the last 5 years. It should be noted that ammunition costs are based on ammunition prices, prevailing at the time requirements were established. For some years, a large part of this ammunition has been provided from surplus World War II stocks having an actual value less than that which must be used for budget purposes.

Tab 8. Inventory listing types of weapons and other equipment on loan to clubs enrolled in the DCM for each of the past 5 years. Variations in price, by year, are occasioned by differences in prices prevailing at those times. Inventories, procedures, and records required to be maintained in 1960 and 1961 account for major differences shown on the inventories. Bayonets and cartridge belts are furnished only to schools maintaining a corps of cadets (other than ROTC) exceeding 40 in number. Inventories are accumulative; i.e., the 1964 inventory reflects the total balance of issues and turn-ins for all preceding years.

Tab 9. Tabulation showing the number and types of weapons sold through the DCM program during the past 5 years. Costs to the Government are based upon 1945 price information. Weapons sold through the DCM, in most cases, were procured by the Government prior to 1945, and in some cases, prior to World War II. Sale of these items, which were in excess of military requirements, has resulted in a return of $9,187,588 to the Treasury of the United States. Had these weapons not been sold through the DCM programs (except for the M-1 rifle which is a current service weapon) a substantial portion of the remaining weapons would normally have been mutilated and sold as scrap under current Defense policies.

Tab 10. Summary of amount spent by the Board for operations and maintenance for each of the past 5 years.

The moneys appropriated by the Congress for operation and maintenance of the Board are used for such things as personnel compensation and benefits; travel and transportation (Board members, and teams representing the United States in international competition, such as the Pan American and Olympic games; rent, communications, and utilities; maintenance and repair of office equipment and facilities; engraving and maintenance of trophies; and office supplies and materials. Complete details of the Board's budget are provided the Senate and House Appropriations Committees annually as a part of the President's budget.

The funds appropriated by the Congress are not used for the acquisition of weapons and equipment in support of the Board's program except for ammunition (tab 7) and a limited number of standard military targets for use in firing qualification courses with ammunition issued.

In summary, I can assure you that these programs are conducted with full realization of our responsibilities to insure that arms and ammunition do not fall into unscrupulous hands. The Board for the Promotion of Rifle Practice has a long and unblemished record of supporting rifle marksmanship by our citizens. Since small arms weapons are sold only to NRA members, as directed by law, this arrangement has served to insure making them available to the proper individuals while keeping them out of the hands of criminals and subversive elements to whom the association is careful to deny membership. The success of this screening is evident in the fact that there is not a single reported incident of one of these weapons purchased by an NRA member having been used in the commission of a crime. Also, the Defense Department has a weapons demilitarization policy (tab 1) which recognizes the need for security precautions and safeguarding the citizenry.

In addition to the foregoing, the Defense Department is now reviewing its weapons disposal procedures to determine means by which they can be improved. Certain procedural changes have already been directed, and the Army has been requested to continue the review in greater depth.

I trust this information will be sufficient for your purposes.

Sincerely,

F. W. Boye, Jr.,
Major General, General Staff, Chief of Legislative Liaison.

THE MILITARY PAY ACT OF 1964

Mr. WELTNER. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. Gonzalez] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. GONZALEZ. Mr. Speaker, it is almost facetious to refer to S. 3001, which was signed into law today by the President, as the Military Pay Act of 1964. The vast majority of those affected by the act will receive the magnificent pay increase of 2½ percent of their basic pay. To enlisted personnel that means a raise of from $5 per month to $12 per month. Those with under 2 years of service get nothing.

Perhaps the attitude of those of us who voted reluctantly for this bill is best summed up in the words of one of the members of the subcommittee of the House Armed Services Committee which held hearings on it on July 22, 1964. This Member stated in that hearing:

"I hate to vote for this crummy bill, but I guess I will have to." Truer words were never spoken. The bill offers crumbs to the dedicated men of this land of plenty who serve in the armed services.

On June 29, I introduced H.R. 11819, to increase subsistence allowances for members of the armed services from the present starvation levels to $75 per month. This is a moderate and a reasonable proposal. I urge my colleagues to consider it seriously. For it is later than we think. Even now military personnel are becoming disgruntled, dissatisfied, and disenchanted with the Government that asks so much of them and gives so little.

The Air Force Sergeants Association today, August 12, published an "Open Letter to the Congress of the United States" by taking out a full page ad in the Air Force Times. The more than 10,000 men which belong to this organization point out in their letter that we in Congress have recently raised our own salaries by 33⅓ percent, and they asked this question:

> How long do you expect military men to endure on simple patriotism when the pay raises of others are being constantly flaunted in their faces?

These men are not asking for bonuses, or handouts, or crumbs. They are asking for justice, no less than they are entitled to. They are asking for, and they deserve, just and fair compensation. With unanimous consent I am inserting in the Record the "Open Letter to the Congress of the United States" of the Air Force Sergeants Association.

Air Force Sergeants Association,
San Antonio, Tex.

An Open Letter to the Congress of the United States

The Air Force Sergeants Association, composed of over 10,000 enlisted personnel in grades E-1 through E-9, is amazed by the lack of understanding shown by those Members of Congress who must know by now the plight of the enlisted men of the military services.

The recent act of the Senate to provide a "morsel" or "something for the military too" appears to be an act of conscience; therefore, a 2.5-percent pay raise is proposed as an appeasement offer. We should be thankful for the spoils, I suppose; however, it is acceptable with heavy heart and much misgivings as regards those of you, our guardians whom we as taxpayers have placed our trust in, to provide us the military personnel with an equal and fitting way of life.

As we have stated before, we appreciate and respect your efforts to operate our Government in the most economical manner possible, consistent with justice and fairplay. How long do you expect military men to endure on simple patriotism when the pay raises of others are being constantly flaunted in their faces, to include your own increase of 33⅓ percent? After all, Congress has no difficulty in obtaining adequate personnel to fill positions. There is no "draft" to compel men to serve in Congress. Men will spend, and are spending thousands of dollars to vie for your seat in the forthcoming elections.

The enlisted men are aware that a small pay increase was recently granted them; however, they are aware that through the losses of foreign-duty pay, proficiency pay, and a cut in their subsistence, etc., they did, in fact, pay for their own pay raise, partly out of their own pockets.

As this association has stated to you on other occasions, and we reiterate: We are convinced that a just and deserved pay increase would definitely pay for itself and at the same time provide our Nation with a more effective defense team. By giving the military services the type of pay increase they deserve, and more than earn in the service of their country, the size of our forces could be greatly reduced within a few years. In the technological defense forces of today, mere numbers could mean waste. The number of skilled experienced personnel available determine our real strength. With adequate pay, there would be more skilled people and less recruiting, training and retraining of personnel with subsequent loss to civilian industry. Good men would seek service careers and the necessity for a Selective Service System and expensive training programs would almost vanish in comparison to the functions required today.

Millions of dollars currently spent for all aspects of the procurement program could also be diverted for personnel salaries. With fewer people leaving the services with minimum tours and expensive training programs behind them, a smaller, more highly skilled force would logically result.

Merging into the subject of poverty, which has been broached many times in the past year (and this since the last pay raise), do you feel we should continue to "force" the youth of our Nation (those who cannot by devious means get out of it) to work at slave-labor wages? Will you vote into law another "marginal" pay raise for the Armed Forces and add insult to injury by not giving the enlisted personnel, with under 2 years' service, a substantial pay raise; other Federal employees are not penalized thusly. Is it so firm in your mind that your son will never serve as an enlisted man? Did you?

The Air Force Sergeants Association urges each Member of Congress to delve into this vital subject without haste and come up with a realistic pay act for the Armed Forces.

Yours in "duty, honor, and country,"

BENNY W. MCGEHEE,
National President.

THE BRACERO PROGRAM

Mr. WELTNER. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. GONZALEZ] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. GONZALEZ. Mr. Speaker, those who have long observed the world of politics know well that rationality and logic often play only a small part in the minds of some men. There are those who cry for free trade for everyone else but protection for themselves. It is strange indeed when one finds that in this country we have long demanded protection for our industries in the face of competition from cheap foreign labor, but that we have at the same time imported such labor and expected our workers to compete against that.

Our history has seen the importation of coolies and of indentured servants and slaves; all these have been outlawed for moral and humane reasons. But still we are asking our farmworkers to compete against the foreign labor that most industry is protected against, and that other workers have been protected against since the 1880's.

It is ironic to note that Senator GOLDWATER favors the further extension of Public Law 78, and I think that President Thomas Lloyd, of the Amalgamated Butchers and Meatcutters Union, accurately portrayed the irony of the Senator's stand in a recent letter to him:

> We have read your comments concerning the bracero or Mexican farm labor importation program. Your comments show an incredible lack of knowledge about a program on which you have voted some half dozen times in the Senate.
>
> The Congress has refused to extend the Government importation of Mexican farm workers beyond December 31, 1964. The less than 1 percent of the Nation's growers who use the bracero program will no longer have the Federal Government supplying them with labor. They will have to depend on the free market. They will have to attract labor by raising wages and improving working conditions, as do all other industries operating in the free enterprise system. Yet you call this "Government meddling" and ask a "return to the bracero program."
>
> As you should know, the Mexican farm labor importation is a Federal Government program which prevents the laws of supply and demand from working in the Western farm labor market. It prevents the market economy from operating. It runs counter to the free enterprise system.
>
> If a grower cannot get an adequate number of farm workers at the wage rates and working conditions which he offers, he need not raise the wages or improve the working conditions. He simply calls upon the U.S. Government to import braceros from Mexico and in most cases, he does get this captive labor. And it is captive labor since the bracero cannot move from job-to-job or seek any U.S. employment other than from the grower or association for whom he was imported.
>
> In your statement, you ask for a "return to the bracero program and for the Government to keep its hands off a relationship existing between employer and employee that has thus far been successful." The fact is that with the Mexican farm labor importation program, the Government prevents any need for a successful employer-employee relationship since the Federal Government will supply foreign workers from an unlimited reservoir of poverty in Mexico.
>
> Frankly, we have never been able to understand how your conscience as a conservative and how your strong views against economic activities by the Federal Government permit you to support the Mexican farm labor importation program. It appears as if you are quite willing to support Government interference in the economy as long as it benefits corporate-type agriculture or industrial corporations.
>
> As you know, Protestant, Catholic, and Jewish church groups, labor organizations, civic groups, welfare organizations, family farm groups, and many other organizations have strongly opposed the bracero program because it interferes with the agricultural labor market in order to depress the wages and limit the job opportunities of U.S. farm workers. It is a major factor in creating the miserable wages and working conditions in agriculture. And it is a major reason why U.S. farm workers are the most poverty-stricken, the most depressed, and the most exploited group of workers in the United States.

NATIONAL RIVERS AND HARBORS CONGRESS

Mr. WELTNER. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. HULL] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. HULL. Mr. Speaker, the Resolutions Committee of the National Rivers and Harbors Congress is one of America's most productive organizations in the field of the Nation's waterways, flood control, and reclamation. The convention, held in Washington, this year was attended by 471 registered delegates and their wives from 46 States, including Alaska and Hawaii, the Virgin Islands, Puerto Rico, Peru, and the District of Columbia. Florida led with 71 delegates; Texas was second with 56, North Carolina was third with 30, while Ohio was fourth with 23.

It was also attended by several score unregistered delegates, guests, visitors, and representatives of the press, radio, and television.

As chairman of the resolutions committee, it was my privilege to preside over one of the most productive meetings this committee has ever conducted. The resolutions committee is composed of representatives from every section of the country and their occupational specialties represent business, government, and interested organizations. I ask that these resolutions be included in the RECORD at this point.

The resolutions follow:

REPORT OF THE RESOLUTIONS COMMITTEE TO THE 51ST NATIONAL CONVENTION OF THE NATIONAL RIVERS AND HARBORS CONGRESS

FOREWORD

Another year has been added to the more than threescore years during which the objectives of the National Rivers and Harbors Congress have been endorsed by the President of the United States. This is as it should be. We are proud of our contribution to the development and preservation of our natural resources. The continued proper use of this basic asset to our economy is an obligation of all Americans and our obligation as a national organization is to see to it that aggressive effort on our part brings to fruition the preservation and development of more of our resources in a matter compatible with our expanding population.

H.R. 9903

The National Rivers and Harbors Congress has not and will not relax its efforts to avoid the creation of new and serious transportation and marketing problems such as H.R. 9903 would have brought about. This bill, reported by the House Committee on Interstate and Foreign Commerce, failed of clearance to the House floor by the Rules Committee. The legislation was opposed on the grounds that it would permit the railroads to move goods owned by them; remove the rail rate regulation on agricultural products, of which grain constitutes a substantial portion of the country's domestic and foreign commerce; and reduce from three to one the number of exempt bulk dry commodities which can be transported in one tow or vessel. Constructive legislation will be supported when it is in the best interests of shippers, carriers, and receivers, and not adverse to the public interest.

POVERTY PROGRAM

Considerable impetus can be given to the poverty program if a reasonable amount of Federal funds already appropriated can be applied to programs for water, land, and recreation resource development. These have been justified as permanent capital investments. Many of these projects are being planned or ready for planning. Expedited action could place them under construction. This we urge.

FEDERAL LAND ACQUISITION

Large Federal land acquisitions often adversely affect the tax revenues of rural areas, particularly when such areas are acquired for reservoirs in such counties where tax incomes are low at best. Local conditions should be a compelling consideration if these projects are to serve their authorized purposes in the public interest.

FLOOD PLAIN STUDIES

The authorized program for flood plain studies is a sound one which can provide the means of regulating the encroachment on our flood plains. We urge State and local authorities to avail themselves of flood plain studies and adopt programs for adequate flood plain regulation and appropriate community development. We also urge Congress to provide adequate appropriations so that this program can adequately meet the needs for flood plain information of our expanding metropolitan areas.

COMPREHENSIVE RIVER BASIN PLANNING

This Congress supports the program of comprehensive planning by all of the Federal agencies concerned. By such a program we can avoid a piecemeal approach to the full potential of all of our river basins. By this we do not mean that basin study should be complete before any of the proposals are put into effect. Some must be left for the future. Progress must not be slowed and accordingly we suggest interim approvals of worthwhile projects that fit into the overall plan for a basin.

ITEM VETO

We continue to hear that the President should have authority to veto items in authorization and appropriation bills. Congress gives thorough consideration to all items in these bills with a view to the optimum development of our resources. Centralizing in the President authority to consider each item as a separate bill and approve or disapprove would take from the Congress the right to determine an appropriate water resource program. Much has been accomplished under the present system. We oppose any change which would upset an adequate system.

EXISTING AGENCIES

We again reaffirm our opposition to the creation of any public works agency or Department designed to supplant the experienced agencies now engaged in water resource development. We are particularly concerned as to the consequences should the Corps of Engineers be withdrawn from a field of activity in which it has been engaged for more than a century. Furthermore, the loss of the peacetime training afforded by civil works activities has stood us in good stead during all of our wars and we may well need it again.

TOLLS ON WATERWAYS

The long-established American policy of free waterways continues to be under attack by those who knowingly or unknowingly seek to disrupt our national economy as it relates to low-cost water transportation. The attack has increased in intensity and we intend to continue our counterattack with more intensity. The investments already made and planned for improved and increased equipment require free waterways in the interest of avoiding drastic inflationary prices for products of our economy. Furthermore, the huge investments in waterside industry made on the availability of free waterway transportation and its continued availability must have it to survive. The extensive development of our vast waterway system is threatened with abandonment or uneconomical use leading to nonmaintenance if this ill-conceived plan for tolls, in whatever form they may be, is put into effect. We are devoting our best interests to methods of preventing the downswing in our national economy indicated by this plan.

BRIDGE HEIGHTS

Prospective development in the field of water transportation stemming from general navigation requirements and those related to the space program dictate that we keep a watchful eye on bridge clearances. It is the duty of the Secretary of the Army to approve bridge plans that will provide adequate facilities for land and water traffic. We urge that the Secretary of the Army reevaluate all standards for bridge clearance.

H.R. 3846

In accordance with established policy of the National Rivers and Harbors Congress, we wish to record our opposition to the imposition of charges by the Federal Government for the recreational use of navigable waters of the United States and recommend that H.R. 3846 be amended to prohibit charges for such use.

THE AMERICAN MERCHANT MARINE

This Congress for many years has made known its belief in the great economic value of the American merchant marine and its importance as a defense arm. The privately owned and operated merchant fleet that has made us the leader in the trade of the free world must be strongly supported to offset low-cost foreign competition. Our national survival could depend on water transportation for food and vital materials in the absence of land transportation destroyed or damaged by nuclear attack. We favor continuation of adequate Government support in order to provide an efficient merchant fleet.

The survival of our merchant fleet and our continuance as a dominant sea power depend on adequate Government support sufficient to achieve cost parity for our shipyards and ship operators, combined with private investment and initiative. We also believe that American steamship lines should carry a larger proportion of our own commerce and the laws governing the water transportation of Government-financed cargo should be strengthened.

NATIONAL ASSOCIATION OF RETAIL DRUGGISTS INTERESTED IN SOLUTION OF COIN SHORTAGE

Mr. WELTNER. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. Patman] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. PATMAN. Mr. Speaker, one of the businesses that has felt the coin shortage is that of the retail druggists. Drugstores in recent years have found it expedient to use coin-operated dispensing machines for such things as stamps, tobacco, and soft drinks. These activities have added to the demand for coins that normally exists by means of the many small transactions that take place in the average day of the drugstore.

I am in receipt of a letter from my good friend, Willard Simmons, executive secretary of the National Association of Retail Druggists, urging that every effort be made to discourage the hoarding of coin. The association, for this reason, supports H.R. 11893. His letter follows:

The National Association of
Retail Druggists,
August 7, 1964.

Hon. Wright Patman,
Member of Congress,
House Office Building,
Washington, D.C.

Dear Wright: The National Association of Retail Druggists is a small business and professional organization having a nationwide membership that consists of more than 40,000 drugstore owners. NARD speaks for these family pharmacists on all legislative matters affecting their professional and economic interests.

As you know, drugstores render a variety of services to the community. Most of these services involve transactions that require the accessible, free flow of specie of every denomination.

Beside normal cash transactions, many drugstores are equipped with coin-operated dispensers of cigarettes, beverages and stamps. The numerous small sales in drugstores, coupled with long hour of operation, require a substantial reserve of currency, especially coin.

In the drugstore, it is just as vital to have an unlimited supply of coin as it is to have ample merchandise to meet public demand. Both are necessary for economic progress and stability, and a lack of either or both is an impediment to business progress and public convenience.

The NARD feels that every possible effort should be made to discourage the hoarding of coin. The NARD believes H.R. 11893 will alleviate the coin shortage and correct the philosophy behind it. We are very pleased to know that the House has favorably reported the bill and that it should be passed by the House next week. It would be appreciated if this statement could be incorporated in your committee's public hearings on H.R. 11893.

Sincerely,

Willard Simmons,
Executive Secretary.

VETERANS' PENSIONS

(Mr. BECKWORTH (at the request of Mr. Weltner) was granted permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. BECKWORTH. Mr. Speaker, I include in the Congressional Record a letter that concerns H.R. 174, a bill I have introduced—also the bill:

The American Legion,
Bernay Camp Post No. 140,
Longview, Tex., July 23, 1964.

Bernay Camp Post No. 140 of the American Legion met Monday night, July 20, 1964, and a copy of H.R. 174 was read and explained to the membership. Dr. N. R. Bachelor made a motion, seconded by B. T. Skinner, that we instruct Congressman Lindley Beckworth to continue to press this bill for passage because we are interested in providing a pension for our fellow veterans who have been prisoners of war in Japan.

We also want to thank Mr. Beckworth for his interests and efforts in helping veterans in any way that he can. He is truly our friend.

J. E. Drury,
Commander.
Mrs. Peggy Sapp,
Adjutant.

H.R. 174

A bill to amend section 312 of title 38, United States Code, to provide that disabilities of certain veterans held as prisoners of war for two or more years by the Japanese during World War II shall be considered to be service connected

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 312 of title 38, United States Code, is amended (1) by striking out "diseases" in the catchline and inserting in lieu thereof "diseases and disabilities"; (2) by inserting the subsection designation "(a)" immediately before "For the purposes"; and (3) by adding at the end thereof the following:

"(b) For the purposes of this chapter and chapter 17 of this title, in the case of any veteran who, during World War II was held for two or more years as a prisoner of war by the Imperial Japanese Government and with respect to whom such Government did not meet its obligation to furnish him the quantity or quality of food to which he was entitled under the Geneva Convention of July 27, 1929, any disability of such veteran shall be held and considered to be a service-connected disability."

JAMES V. BENNETT, DIRECTOR OF FEDERAL PRISONS

Mr. WELTNER. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. Libonati] may extend his remarks at this point in the **Record** and include extraneous matter.

The **SPEAKER**. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. **LIBONATI**. Mr. Speaker, the Director of Federal Prisons, James V. Bennett, has influenced thousands of inmates, upon their return to society, to adapt themselves to social norms and become valuable citizens in their respective communities.

His entire life's study has been to seek means to bring about this readjustment, especially as to youthful first offenders. Through his efforts and appeal, the Congress has passed legislation to accomplish these ends.

His writings, speeches, and conferences reflect his exhaustive study in human relationship of the parolee to the outside world.

He has activated reforms that have instilled in the individual inmate great hope and renewed confidence in his future relationship to society. One of his most challenging reforms is the formation of a civic group of leading citizens native to the city, town, or community of the inmate—who has received vocational instruction or other skills in prison—to settle the problem of employment and community interest before his release. After several years' parole under good conduct and satisfactory employment, the entire court record is expunged. Thus, the first offender has retrieved his character standing in the community as a good citizen. Mr. Bennett has made all this possible through his persistent action in advocating certain law reforms before the committees of the Congress.

Mr. Bennett is a realist. He has had inexhaustible experience in the field of penology. But he is also a humanitarian who advocates rehabilitation measures and methods far beyond the accepted norms of some of his professional contemporaries. He follows the philosophy of life that prisoners are still human beings—that every individual with a will to better his condition in life will react to training both mentally and physically if the task set out before him is to his liking. Each prison has a board comprised of such persons or officials who are in a position to ascertain these facts. After entry of a general sentence by court order, the first offender is subject to a psychiatric examination and study of his background at the prison to determine his mental capacity and contributory problems due to his background and environment. The prisoner is counseled by a welfare officer at a hearing where he expresses his desires for certain educational training. He attends classes and receives instruction in his chosen work to prepare himself for life outside upon his release. From time to time he appears before the board—his progress is discussed and determined.

The interest in his welfare pays off. He no longer is an outcast without a future, and subject to criminal influences. He belongs to society for he can produce and enjoy his share of the wealth of the community for his work.

Mr. Bennett has saved the U.S. Government thousands of dollars in purely structural expansion alone in our penal institutions, such as the building of dormitories, men's halls, school facilities, shops, offices and other structures needed for institutional purposes. Old structures have been modernized—all this accomplished through the building trade union instructors from the neighboring areas who volunteer their services to teach the art of bricklaying, plumbing, painting, carpentry, cement finishers and electrical workers. Young mechanics become experts on automobiles and airplane engines—artistry in painting oils, and so forth, to say nothing of those seeking knowledge in the physical, chemical and biological fields of science and engineering. Also, agriculture, in all of its farm purposes, supply the respective institutions with crops and meat. The prison workers in the canning factory preserve the foods raised on the farm.

The refurbishing and repair of desks, chairs, furniture of all types and uses for Government agencies are done by expert prison trained labor. The large factory units turning out furniture, gloves, tools, blankets, towels, sheets, and so forth, save the Government millions of dollars.

And each prison worker receives a stipend for his work, either helping the folks at home or crediting the money to his account.

The Sunday edition—August 9—of the Washington Post paid a high tribute to the accomplishments of Mr. Bennett as Director of the Federal Prison System. Staff Reporter Eve Edstrom has written an interesting and illuminating article depicting incidents in Director Bennett's career that reflect the tremendous influence that he exerted in molding the future life of countless felons.

It is unfortunate that the mandatory provision of the law on retirement becomes effective in his case next year. His valued services should be retained in an advisory capacity by our Government. The capable officials serving under his direction have contributed much to the success of the program. They dedicated themselves to the same high principles of prison standards of education to prepare inmates to follow worthwhile pursuits in their daily lives. Mr. Bennett has taken the word "hopelessness" out of prison jargon. He instilled in manhood a new look on life firing ambition in the human soul. He did what he believed would do good for society and the individual no matter how forlorn an accomplishment appeared to the doubters. God blessed him with patience and a deep concern for the wellbeing of his fellow man. He carried on God's work under the most difficult circumstances. The Members of the Congress salute him with honor and respect—the men he benefited love and venerate him. The Nation accepts him as the great "savior of souls." Here, truly, is a saintly man who carried the word to the prison world.

A FURTHER OUTLOOK

(By Eve Edstrom)

A former Leavenworth lifer showed up at the office of Federal Prison Director James V. Bennett one day with a sketch for the memorial stone he wanted to cut for Bennett's grave.

The bizarre offer didn't faze Bennett. The lifer, who had become a successful sculptor after serving 25 years for murder, merely wanted to show his gratitude to Bennett for "helping me to develop my artistic talent."

The sculptor, who has war memorials in two public parks and who submitted a design for the Franklin Delano Roosevelt Memorial; the flamboyant mail robber who now is a successful advertising executive; the former Alcatraz inmate who eventually earned $60,000 a year in the oil business—these are the real monuments to Bennett's work as the Nation's prisonkeeper for the last 27 years.

On August 28, Bennett will reach the mandatory retirement age of 70. But through his writings and his speeches, he will continue to preach that prisoners are "individuals with hearts, lungs and emotions like anyone else."

EIGHT OUT OF 750,000

This does not mean that Bennett is a creampuff penologist. Despite the fact that he has given prisoners increased freedom, he has fulfilled his responsibility to protect the public from criminals. Of the 750,000 prisoners committed to Federal custody during his tenure, only eight escapees are still at large.

Furthermore, the Federal prisons have had few major disorders, even though they have been overcrowded and lacked congressional authorization for new buildings from 1940 to 1960. The most serious uprising was the Alcatraz revolt of 1946 which cost the lives of two prison guards before the 2-day gunfight ended.

Because Alcatraz, which was closed down in 1963, housed the most hopeless of the prison population, Bennett visited there the most often. And even among longtime inmates of "the Rock," he can point to success stories.

From the 1930's to the late 1950's, for example, Alcatraz was home for a member of the notorious Karpis-Barker gang that engineered the kidnaping of a banker for $200,000 ransom. That inmate took part in the kidnaping while he was AWOL from an Oklahoma penitentiary where he was serving a life term for murder.

After a stormy beginning at Alcatraz, he settled down and consistently tried to tell younger inmates that crime can't pay. In an article for a prison publication, he said:

"If you will stop and do some honest thinking, you will realize that a common ditchdigger is wealthier than any of us for he has something that we cannot buy—freedom with peace of mind * * *. Remember: it really takes neither guts nor any other special ability to get into prison."

Paroled in 1959, this Alcatraz alumnus has worked regularly as a printer and has had only one difficulty in adjusting to life on the outside. In a letter to Bennett, he said:

"One thing that is strange to me is the supermarkets. I buy too many things when I visit them. Things look so good and different to what I have seen in the past."

BIOGRAPHICAL PROBLEM

In Bennett's view, it is not the murderers, rapists, and kidnapers who have been the most difficult prisoners. Even the infamous Al Capone didn't give Bennett too much trouble except for insisting that Bennett be his biographer. Capone couldn't understand why Bennett refused, particularly when Capone offered to waive all movie rights to his life story and to make Bennett the Attorney General.

For the prison administrator, Bennett says, the connivers are the most troublesome. In this category, he places Bernard F. Goldfine, who thought he should have special privileges because of his friendship with Presidential Assistant Sherman Adams during the Eisenhower administration.

Goldfine wanted to conduct business as usual from his prison quarters, couldn't understand why he couldn't have a private telephone. He lost good time credits for obtaining unauthorized items from the commissary. And he was upset because the Bureau of Prisons didn't provide a barber to shave him.

But some inmates with more political influence than Goldfine were gems in prison. The late Kentucky Congressman Andrew J. May taught illiterates from his home State how to read and write while he was imprisoned at Ashland, Ky. And Boston's late Mayor James J. Curley never missed a chance to read Shakespeare to his fellow inmates.

The prison library soon was swamped with requests for the works of Shakespeare. And such lines as "he jests at scars that never felt a wound" began to appear on cell walls and in letters home.

CONVICTED THIEF AT 8

The Mays and Curleys, however, are not typical of the prisoners with whom Bennett has had to deal. Unfortunately, 32-year-old Roland, who recently got the first break in his life while in prison, is more typical.

The child of a mentally retarded mother and an alcoholic father, Roland spent his first 8 years in a home which was described by a Red Cross worker as the worst she had ever seen. Roland bragged about killing 18 rats in the kitchen in 1 week.

Police charged him with theft at the age of 8 and he was sent to a children's home. He spent his teens in industrial schools. At 17, he enlisted in the Army.

Roland became Bennett's responsibility after the youth's military career was marked by five summary, three special and four general courts-martial. His varying sentences totaled 42½ years.

At Alcatraz, he was considered one of the most dangerous men. He was involved in two fatal stabbings of inmates but juries acquitted him. Since his transfer to the Federal prison hospital at Springfield, Mo., for psychiatric help, he has done well.

On the day that President Kennedy died, Roland was informed that his sentences had been reduced by 10 years so that he would be eligible for parole in 1973.

In a letter to parole officials, Roland thanked them for their "extraordinary consideration. * * * I can only say that I won't let you down. * * * you cannot know what it means to me to know someone has faith in me and thinks there is still something worth while in me."

But he said that his happiness was shortlived because "I feel the grief that passed throughout the Nation and the world" at the news of the President's death and so "forgive me if my letter of thanks and appreciation is not so full."

EVER-PRESENT REMINDER

Bennett is not certain that Roland will be able to make good if he wins his release in 1973, but he has hope. As a reminder that a prison official should never give up hope on any felon, Bennett carries a battered briefcase made for him years ago by a former Federal inmate.

The man had a record dating back to 1933 and involving larcenies, forgeries, and robberies. He had seen the inside of numerous State prisons, such as Sing Sing, before winding up in Federal custody in 1945.

When he was released in 1952 at the end of his term, the warden was certain he would be back again because there had been no indication that he had changed his values. Prison psychiatrists had labeled him a psychopath.

Yet 3 years after his release, he was earning $1,450 a month as the manager of a radio station. He ultimately became head of a chain of radio and television stations and in 1961 he was honored as 1 of 20 outstanding business leaders in a large southern city.

A similar case concerns Morris "Red" Rudensky, who, along with Bennett, had a signed article in the special crime supplement of Harper's magazine last April.

Rudensky, now 66, was first sent to a reformatory at the age of 8 and never returned to his own home after that. He had served time for such crimes as burglary, assault, and manslaughter when he was committed to Federal custody for mail robbery at 25. At the time of his sentence, he was wanted for escaping from an Illinois penitentiary.

Sent to Leavenworth, he was reported for a number of rule infractions and was involved in an unsuccessful escape. Transferred to the Atlanta Penitentiary, he became interested in the prison publication. Under his editorship, the Atlantian became the outstanding magazine among penal publications.

PETITION BY INMATES

After Pearl Harbor, when the Federal Prison Industries expanded greatly, Rudensky was instrumental in stimulating other inmates to work hard for the war effort. Rudensky was scheduled for release from Federal custody in 1943 but he still was wanted in Illinois to finish his sentence there. In an unusual move, 128 inmates of Atlanta signed a petition in his behalf.

Sent to the Attorney General, it said:

"No little part of the credit for our increased efforts is due to Morris Rudensky. If the purpose of imprisonment is rehabilitation of the prisoner—then surely there is no question about Red * * *. He has been a friend, father confessor and big brother to countless numbers of us. And, in a way, he is a symbol.

"He has worked hard to better himself and we're certain he'd really make good outside. And every one of us, and thousands of men in other prisons, would be given new hope if he were released. If ever any one of us deserved a break, he does."

But Illinois still wanted Rudensky. Finally, in 1944, when he was to be considered for parole, Bennett wrote to Illinois officials to say:

"I dare say that no inmate in the Federal institutions has done more to bring the inmates and staff together in good working relationship than has Rudensky, and no inmate has done more to encourage high production in our prison industries, which are devoted primarily to the production of goods for the military service."

On May 25, 1944, Bennett received a jubilant letter.

"I've made it," wrote Rudensky. "Parole, of course. For this break I can be most thankful to all of you. With all of you folks pulling for me, it's no wonder I made it. The rest is up to me now. I fully understand that. I salute all of you. You'll hear from me when my D-day comes."

TWENTY YEARS A SUCCESS

Following his release, Rudensky went to work as a copywriter for a major advertising firm. Within 4 months, Bennett received a letter from the agency's president telling how Rudensky was writing copy for 23 customers and how some salesmen wanted no one but Rudensky to write copy for their accounts.

For more than 20 years now, Rudensky has been a successful advertising executive and a fast friend of Bennett, with whom he visits and corresponds regularly.

Another longtime friend of Bennett, but one who just recently has taken the straight and narrow path, is Eddie, now 70. In his younger days, Eddie was a topnotch bank robber.

Eddie had a theory which he discussed with Bennett when the latter visited Alcatraz. Eddie believed that the economy needed bank robbers. Without them, he said, safemakers, locksmiths, and banks would go out of business. Because he robbed only insured banks, Eddie believed he should be allowed to proceed with his life's work.

That theory kept Eddie behind bars for all but 15 months of one 31-year period. And it was only in recent years that Eddie came to realize that working as a bank robber had another major disadvantage: he was not earning sufficient social security credits.

He had accumulated four-quarters of credits in 1953 when he had completed all his prison sentences and went to work as a skilled machinist in Chicago. But then he met an old friend who asked if Eddie would help him rob a farmers' cooperative in Wisconsin.

"Since I was going up there on vacation and I felt sorry for him, I told him I would," Eddie wrote to Bennett.

HIS WAR ON WASTE

That resulted in Eddie's serving 8 years in Wisconsin and then facing 2,720 more days in Federal prison as a violator of the conditions of his 1953 release.

When Eddie was back in Federal custody in 1962, he informed Bennett:

"I am in the central toolroom here and do try to save the Government money whenever I can by fixing tools, retrieving discarded material and invoking the policy of 'don't take more material than you actually need.' Such a policy does not always jell with some * * *. To be frank, I cannot and never could digest needless waste."

Bennett thanked Eddie for keeping "a frugal eye on our materials" but said that he had hoped Eddie's letters wouldn't continue to emanate from a penal institution.

In April 1963, parole authorities released Eddie under supervision. In his appeal for freedom, Eddie had noted that he wanted to work at least 2 more years to qualify for social security benefits and that, at his age, it would be difficult for him to get a job if he remained in prison any longer.

Eddie now has a job that makes use of his mechanical ability legally. Bennett hopes that the promise of social security will keep Eddie on the outside for the rest of his "borrowed time" beyond threescore and ten.

A SENSITIVE "TYPIST"

A very few inmates serve out their lives in prison. One was an early public enemy No. 1—swaggering, big-talking George R. (Machine Gun) Kelly, who was sent to Alcatraz in the early 1930's for the kidnaping of an Oklahoma City oilman. Legend has it that he dubbed his machinegun "The Little Stenog" because he could write his name with its bullets. He also is credited with coining the "G-man" label for FBI agents.

Yet before Kelly died of a heart attack in prison on his 59th birthday, he wrote some highly sensitive letters to Bennett. In describing life in prison, he said:

"Maybe you have asked yourself how can a man of even ordinary intelligence put up with this kind of life day in, day out, week after week, month after weary month, year after endless year * * *.

"To begin with, these five words seem written in fire on the walls of my cell: 'Nothing can be worth this.' * * * A man in prison cannot keep from being haunted by a vision of life as it used to be * * *. At such times I pay with a sense of delicious overwhelming melancholy my tribute to life as it once was."

It is because Bennett wants former prisoners to savor life as it is and not "as it once was" that his major concern is with youthful offenders, who comprise one-third of the Federal prison population. He was a chief advocate of the 1950 Federal Youth Corrections Act, which opened up a wide range of flexible procedures for dealing with young criminals. And now Bennett can point to case after case that shows the wisdom of that approach.

A GRAND SLAM SUCCESS

There were, for example, four young men who had kidnaped and raped a young woman. The Federal judge who tried their cases resisted public demands that they be dealt with as harshly as possible. Instead, they were committed under youthful offender procedures, with maximum sentences of 12 years.

They responded so well to the judge's confidence in them that they were paroled. In 1961, one of the four graduated from college. Two of them started businesses with the skills they had learned at the Ashland, Ky., correctional institution. And the fourth has been working steadily. Such successes led to the enactment of a 1958 law permitting similar flexible procedures for adult offenders.

By no means do all prisoners released from Federal institutions make good, but more do than do not. It was Bennett's interest in penal research that led to a 1958 Ford Foundation grant to determine what happens to released Federal prisoners. That study showed that 90 percent of former convicts have the intent to make good and that more than 66 percent accomplish their goal.

This is largely because Bennett has emphasized the treatment of prisoners as individuals since he began his Federal prison career in 1930. He wrote the legislation that created the Bureau of Prisons and was on the original Commission which made a survey of Federal prisons for Congress in 1929 to determine how the national prison system could be improved. That Commission recognized that while the chief mission of the prisons was to protect the public, protection could best be achieved by rehabilitating inmates, because most of them eventually would be released.

All of the reforms that Bennett subsequently instituted would read like a manual of modern penology. But just one small reform—removal of billy clubs from the hands of prison guards 1 year after Bennett became Prison Director—told prisoners all they needed to know about Bennett.

SHORTSIGHTED NIGGARDLINESS

That one-third of Federal prisoners return to crime, Bennett says, is not so much their fault as it is the fault of society. He says that it makes no sense to spend $2,000 a year to keep a man in prison and then give him $20 on his release to the community.

To be honest, he emphasizes, one must have the wherewithal to live without resorting to crime. And on numerous occasions, and without the knowledge of the released prisoner, he has dipped into his own pocket to help a former convict while he was looking for a job.

Probably the most poignant case of a prisoner not being able to cope with his freedom was that of Roy G. Gardner, the 20th century's Jesse James, who robbed the mails single handed with six-guns loaded with wooden bullets. This last of the lone badmen of the Old West killed only one man—himself.

His prison career was as spectacular as his career as a gem thief, post office looter, train robber, and escape artist. In 1920, while he was en route to McNeil Island to serve 25 years for a $130,000 mail robbery, he escaped twice. He later escaped from McNeil, then participated in two abortive escape plots at Atlanta—one of which involved the smuggling of pistols, nitric acid, glycerin, fuse strips, and dynamite into the penitentiary.

But when he entered Leavenworth in 1930, he became a model prisoner. He sent all his earnings from his prison factory work to his wife and daughter, even though it meant denying himself such small luxuries as tobacco and candy.

LET ME DOWN LIGHT

When he was released at the expiration of his sentence, prison officials made numerous efforts to find him a job, but without any luck. He tried lecturing on "crime doesn't pay," but lecturing didn't pay, either. Finally, the 56-year-old Gardner went to a funeral director to make arrangements for his burial, explaining that doctors had told him he had only 6 months to live.

He returned to his hotel room, packed all his belongings, left half-dollar tips for the porter and maid, hung a "do not disturb" sign outside his room, shut himself in the bathroom and inhaled the gas from cyanide pellets he dropped into a glass of acid.

Before he did this, he pinned a note on the bathroom door. It read: "Do not open this door. Poison gas. Call the police." In a note to newspaper reporters, he said:

"Please let me down as light as possible boys. I have played ball with you all the way, and now you should pitch me a slow one and let me hit it. I am checking out simply because I am old and tired, and don't care to continue the struggle * * *.

"I hold no malice toward any human being and I hope those whom I have wronged will forgive me for it. * * * All men who have to serve more than 5 years in prison are doomed, but they don't realize it. They kid themselves into the belief that they can 'come back,' but they can't. There is a barrier between the ex convict and society that cannot be leveled."

A HAPPY ENDING

But Bennett doesn't believe that this has to be so. One of the reasons why he doesn't is the case of a former Alcatraz inmate who was paroled in 1958 after a criminal career dating back to 1933.

Bennett was happy recently to be able to write him the following letter: "I am glad your new business is working out so well. In the event you haven't already heard, I have some other good news for you. President Johnson yesterday commuted your sentence to expire at once. Congratulations."

Bennett undoubtedly was able to write that letter because many years ago, while still at Alcatraz, this inmate also wrote a letter, which said:

"These passing years on this island have given me the opportunity to take a firm grasp on myself, to sense my true responsibility to society, to adjust myself in a manner which I should have many years ago. The deep shame which I feel for causing the many troubles and difficulties to many people is not easy to overcome. However, there is a time to begin anew—and I am beginning now."

CHILE'S BREAK WITH CASTRO COMMENDED

Mr. WELTNER. Mr. Speaker, I ask unanimous consent that the gentleman from Florida [Mr. ROGERS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. ROGERS of Florida. Mr. Speaker, Chile's break with Communist Cuba earns praise from the United States and the other free nations of this hemisphere. Prior to the recent Organization of American States' adoption of sanctions against Cuba, Chile along with Bolivia, Uruguay, and Mexico, were the only remaining Latin nations which recognized Castro.

Chile's action in effect makes her the first OAS nation to comply with the new OAS sanctions. This break represents another in a series of recent defeats for Fidel Castro, and shows that popular opinion throughout Latin America is running against him, Cuba, once a stanch member of the inter-American community, has been formally blacklisted as a result of the Castro regime.

With Chile's action being first, we now look to the remaining three—Bolivia, Uruguay, and Mexico. Each of these nations now holds the initiative in Latin America as psychological pressure builds up toward action similar to that just taken by Chile.

Unless these remaining three nations follow the steps set forth by the OAS then action by that organization must be taken to secure compliance, and a review of the membership these nations have in the OAS would be in order.

DUMPING OF CZECHOSLOVAK SHOES IN THE U.S. MARKET

The SPEAKER. Under previous order of the House, the gentleman from Massachusetts [Mr. BATES] is recognized for 60 minutes.

Mr. BATES. Mr. Speaker, I ask unanimous consent that all Members may have 3 legislative days in which to revise and extend their remarks following my remarks under this special order.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. BATES. Mr. Speaker, I welcome the opportunity to join once again with my colleagues in expressing concern for the increasing import problems of the domestic shoe industry. With them, I have been alarmed by the sharp acceleration of foreign shoes entering the United States and the factory and job dislocations that it has caused.

The crisis now facing the industry has an impact on the entire Nation. To be sure, many areas of Massachusetts have suffered substantial and persistent unemployment as a result of import competition. In Massachusetts, as in most other New England States, shoe production is one of the largest sources of employment. But the foreign trade problems of the shoe industry are felt increasingly in other areas. Pennsylvania is now the Nation's largest shoe-supplying State, and New York, Tennessee, Missouri, Arkansas, and California are major producers as well. The list of States containing one or more shoe factories is extensive, and the problem brought to your attention today has a substantial impact on each one.

There is, however, a broader significance in the dumping of Czechoslovak shoes in the U.S. market, a significance that transcends any one industry and any one geographic area. There appears to be a developing official climate favorable to more extensive trade with the Communist bloc nations. It is not my present purpose to discuss the merit, or lack thereof, in this policy. It is essential, however, to watch closely the manner in which such trade is conducted, and the development brought to light today underscores the necessity for our watchfulness.

Dumping of foreign goods is a serious matter, whatever the source. It is particularly grave when the industry in the supplying nation is state owned and state operated. Dumping can be perpetrated by industries in relatively free market nations as a loss-leader effort to enter the market, or perhaps as the result of faulty cost accounting. But ultimately it is necessary for such industries to show a profit. The Communist state industry faces no such need. Far from being profit motivated, dumping can be produced by purely political considerations, and losses can be subsidized or obscured in the manipulations of the managed economy.

There is but one reason why foreign suppliers are able to capture a steadily increasing share of the U.S. shoe market: Foreign labor costs are substantially lower than those of the United States. In this Nation, the average shoe worker receives $1.97 per hour, including fringe benefits. In Japan, which supplies 62 percent of shoe imports, the average worker receives 40 cents hourly; in Italy, which supplies 24 percent, the average hourly employment cost is 56 cents. The data for both nations also include fringe benefits. Even assuming that U.S. factories and workers are more productive, they cannot be four or five times more productive, which is what would be necessary to overcome the disadvantage.

The competitive impact of employment cost disparities naturally increases with the amount of labor required to make the products of an industry. Because of the nature of the process, direct labor continues to represent an unusually high proportion of total manufacturing costs, ranging from 25 to 35 percent. Notwithstanding the substantial improvements in productive efficiency and in component materials, in which the U.S. industry has led the way, labor content in footwear will continue to be unusually high. Fit specifications are of paramount importance, as is symmetry of construction in difficult operations, particularly stitching. Attainment of these standards requires visual judgment and manual dexterity which cannot be mechanized.

The described cost advantage enables foreign producers to sell footwear in the U.S. market at far lower prices than domestic manufacturers can sell comparable items. Over the average of the industry's product, foreign footwear sells at prices 15 to 25 percent below prices for equivalent items of U.S. manufacture.

Already facing market disruption caused by low priced foreign shoes subsidized by low employment costs, the industry is further burdened by the dumping revealed today. A further market depressant is added to its woes.

This is an onus which the industry should not have to bear, and I believe that the Treasury Department should take immediate action to eliminate it. Even if we must accept trade with Communist nations, which I question, we dare not tolerate dumping from these sources. I do not choose here to become involved with the legal niceties of the Antidumping Act. I do state that to permit any dumping by these nations is to be grossly negligent in the pursuit of the Nation's best interest. The shoe industry deserves better treatment at our hands. So do the American people.

I suggest it does not make sense to talk about eliminating poverty on the one hand while we are creating it on the other. It does not make sense to train people in certain skills so they can make a livelihood and at the same time throw people, already trained, out of their jobs by the slavery of a Communist economy in Czechoslovakia.

Mr. WYMAN. Mr. Speaker, will the gentleman yield?

Mr. BATES. I yield to the gentleman from New Hampshire, who has been an ardent worker for the shoe industry.

Mr. WYMAN. Mr. Speaker, New England produces 32.8 percent of the shoe output of the United States, and my State produces 25 percent of that 32.8 percent.

In the first 4 months of 1964 women's, misses' and children's shoes by way of imports totaled 7 percent higher than the comparable period in 1963, and nearly 90 percent of these imports were from Italy. In the last 9 months of 1963 imports were up 24 percent over the previous period.

There were 31 shoe manufacturer failures in the United States and Canada, 11 in New England, in 1963.

Based on statistical studies and other information, the best information we can get shows a profit margin in the leather and allied products businesses of about 1.2 percent of sales, which is so low as to discourage continuing in business. In 1960 leather and allied products were third from the bottom of manufacturing industries listed. On the last report, for 1963, they were at the bottom, the least profitable manufacturing industry.

I wish to ask the gentleman from Massachusetts: How can we obtain relief against this type of condition which is putting many Americans, including the largest employer in my district, out of work in this country?

Mr. BATES. As the gentleman knows, we have attempted to get voluntary quotas from foreign countries. Subsequent to a meeting we had at the White House a group of individuals in the trade, with the blessing of our Government, proceeded to Italy in an endeavor to induce the exporters from Italy to make certain adjustments and to develop certain quotas. At the moment the results of that visit have not been ascertained.

That is one way in which it could be done. Another way, of course, would be for the President to issue an Executive order.

Mr. WYMAN. We have not gotten any action by way of a voluntary imposition of quotas from Italy or other countries?

Mr. BATES. No. I wish we could say that we had achieved something, but unfortunately at this date I cannot.

Mr. WYMAN. What is the hourly wage rate paid for a shoe worker in Italy? Does the gentleman know that?

Mr. BATES. Yes. In Italy the average worker receives about 56 cents an hour, and that includes all the fringe benefits.

Mr. WYMAN. Could the President of the United States, under the Trade Expansion Act, by quotas limit the imports so as to help our industry?

Mr. BATES. Yes. As the gentleman knows, we are endeavoring to get another meeting with the President to see what can be done in that regard.

I thank the gentleman for asking those pertinent questions. We are most fortunate to have his aid in this crucial battle. The gentleman's keen mind and fighting heart are valuable assets in our cause.

Mr. BURKE. Mr. Speaker, will the gentleman yield?

Mr. BATES. I yield to the distinguished gentleman from Massachusetts [Mr. BURKE], a member of the Committee on Ways and Means, whose work is so renowned with respect to the Reciprocal Trade Act and particularly because of his efforts to promote the shoe industry of New England.

Mr. BURKE. I thank my colleague from Massachusetts, and I commend him for the outstanding job he has been doing not only for the shoe industry but also for many other industries which find themselves facing the same problem.

Mr. Speaker, as is well known, a great many Members of this House have been increasingly concerned with the impact of imports on the Nation's shoe manufacturing industry. A new and striking development which has come to my attention further underscores the sound basis for this concern and adds to the rapidly accumulating evidence of the disregard of foreign suppliers and their governments for the problems of this industry; it adds also to the hopelessness many feel for reaching a voluntary solution.

The latest aggravation is the dumping of Czechoslovak shoes on the American market. The significance of this practice lies not only in its immediate impact but in its blueprint usefulness for the numerous other foreign suppliers—of other products as well as shoes—who are unquestionably similarly inclined.

Mr. Speaker, the U.S. shoe manufacturing industry is composed of 1,300 factories located in 38 States and more than 260 congressional districts. Together with supplying and supporting industries, it provides jobs for 320,000 employees a total annual payroll of over $1 billion. Its importance to the economy is also evidenced by yearly sales of approximately $4½ billion.

In this light, it is not difficult to understand why so many of us are concerned with its economic health. An industry such as this, widely dispersed, composed largely of small-to-medium-sized companies, and generating sizable employment and sales, is especially important to the Nation's economic welfare. Moreover, in many towns where its factories are located, it offers the principal and often sole source of income and employment; the closing of the shoe plant is the obituary note to the history of the town.

But this industry and its workers in many areas now face just such a catastrophe and the direct cause is imported shoes. Between 1955 and 1963, footwear imports increased nearly 1,100 percent, resulting in a market penetration for the latter year of over 13 percent of domestic production.

While domestic production remained relatively constant, the U.S. industry suffered a total absorption of its normal growth by foreign shoes. During the same period, employment has declined and the yearly loss of job opportunities now exceeds 35,000. But from my own experience, the statistics revealing lost jobs do not tell a complete story. Under pressure from imports, many plants have been uprooted from one section of the country and have moved to another, where lower wages prevail. The impact on the abandoned communities and the employees who once held these jobs is self-evident—factories are moved but the people are not. Thus the contribution to poverty of shoe imports. In the State of Massachusetts, the once-prosperous shoe and textile towns of Brockton, Fitchburg, Lawrence, Haverhill, Lowell, New Bedford, Springfield, Chicopee, Worcester, Leominster, and others are now areas of substantial unemployment.

This rapidly deteriorating situation has understandably caused the alarm shared by many of us. In 1963, 235 Members of this House and 33 Members of the Senate petitioned President Kennedy to take steps for the relief of the domestic shoe industry. In October a group of Congressmen and Senators accompanied by representatives of management and labor, met with President Kennedy. We found him similarly concerned with the problem and anxious to initiate certain steps which would offer the industry some assistance. This spring, the congressional-industry group conferred with President Johnson. We were pleased to report that President Johnson was equally impressed with the gravity of the situation and equally ready to take steps to insure the healthy survival of the domestic shoe industry and to give it a fair opportunity to share in the Nation's growth.

We had hoped that the severe market disruption suffered by the industry and the numerous expressions of widespread legislative and executive concern would have made an impression on our foreign suppliers. We had hoped that they would recognize that it is in their interests individually, as well as ours, and in the interest of orderly world trade in footwear, to encourage their governments to enter into multilateral negotiations providing all nations with a fair share in the world's markets and preventing the destruction of any large segment of a nation's industry. This hope was not realized.

In June, a delegation of leading U.S. shoe manufacturers and labor leaders traveled to Milan, Italy, to discuss the chaotic state of the world footwear industry with their Italian counterparts and to urge a multinational government-to-government conference to develop a solution. They were accompanied by Senator EDMUND S. MUSKIE, of Maine, representing the 235 Congressmen and 33 Senators who signed the petition to President Kennedy.

It might have been expected that the representatives of the Italian shoe manufacturing industry were willing to discuss rationally the overwhelming problems facing the U.S. industry, the ramifications of this problem on their own future position in the U.S. market, and the desirability of intergovernmental meetings for voluntary solution. But, they did not even want to talk to our representatives. They probably would not have talked at all had a Member of Congress not been present.

This cold shoulder treatment is what we often face in seeking voluntary solutions to our problems in foreign trade. We as a nation are, and have always been, expected to take a sympathetic view of oversea economic difficulties. But, as in so many other trade areas, the principle of reciprocity does not apply.

Dumping, as is well known, is fundamentally nothing more than a familiar price discrimination practice whereby foreign suppliers offer merchandise in the U.S. market at less than they sell like merchandise in their own, or third nation markets. The inevitable result of such discrimination is, of course, artificially causing injury to industry in this country.

Consider just two examples. The man's shoe which I am holding was made in Czechoslovakia and is offered at $3.50 per pair, f.o.b. New York, duty paid. This comparable shoe of domestic make sells at $7.15 per pair wholesale—more than twice the price of its Czech counterpart.

As another example, notice these two hunting boots. The light-colored one is Czech, the other American. They represent a U.S. price disadvantage of $6.12 versus $4.06 per pair.

I shall have these shoes and others in my office and welcome any Members who are concerned to come and see for themselves the dangerous situation which is developing. By inspecting these shoes as I have you will see the equally high, if not superior quality of the imported footwear, which nevertheless sells at such a ridiculously low price that our industry simply cannot compete.

Considering all the productive factors involved—labor, material, and design—it is in my opinion impossible that the Czechoslovak shoes could be offered anywhere in the world at the prices for which they are sold here. It is equally impossible that comparable shoes could be manufactured in third nations and offered in such nations at these prices with the hope of making a profit.

The source of this problem is in part inherent in trading with Communist-bloc nations, and, in fact, in trading with any nation where industry is state-owned and state-operated. Many factors may contribute to the condition whereby dumping is fostered and directed as an integral part of supervening state policy. It may be that dumping is called for by political considerations to stimulate the artificial growth of an industry which the government feels should be a substantial part of the managed economy. Dumping may also be dictated as a means of gaining acceptance in a rapidly expanding market such as ours, where consumers might otherwise be relutcant to purchase goods from bloc nations. I should not have to remind Members of this House that Communist-bloc dumping in the U.S. market can also be motivated by more malignant considerations as well.

Whatever the cause, the situation which I commend to your attention today has dangerous implications for all domestic industry and calls for immediate action. Doubtless the volume of shoes imported from Czechoslovakia is not at the present time comparable to the penetration from Japan and Italy. As I have described at some length, however, the U.S. shoe manufacturing industry has already suffered too much injury from foreign competition to suffer this additional burden through the unfair competitive act of dumping. It would be ill-advised for us to be complacent and shrug that the overall impact of dumped entries might not amount to much. It is our job to act now, not when it is too late, to insure that this Nation will continue to have a healthy domestic shoe industry.

Indifference to the dumping practices which I cite here will not only encourage their persistence and expansion, but will invite other nations to follow the course now charted by the Czechs. Failure to stop unfair competition in its incipiency will permit its development until irreparable harm is done. Toleration of the dumping of shoes by nations where the state owns and operates industry, is an open suggestion to such nations that we will also acquiesce in dumping injury to other industries, such as textiles and high alloy steels, which are also hard pressed by import competition.

Mr. Speaker, in my opinion the path of action is clear. Many of us have been concerned with the inadequacy of the present antidumping law. We believe that the existing procedures offer little real protection but rather tend to frustrate relief or cause it to be so long in coming as to be of questionable value. For these reasons, I introduced H.R. 10836 in April, a bill identical to those introduced by numerous other Members calling for revision of the antidumping laws.

The situation facing the shoe industry today necessitates further reappraisal of the antidumping law and its adequacy to the tasks intended. Involved is the complex question of providing dumping in the case of a Communist nation. Also involved is the ability of this law to terminate injurious practices in their incipiency, before permanent damage is done. Unless this can be accomplished, relief will be of little use.

The issues raised appear complex, although the complexity may be more superficial than real. In any event, the danger is imminent and the larger implications are portentous. Accordingly, I have concluded that there is only one course open as an initial step. I have determined to ask the Treasury Department to undertake an investigation of the practices described today—to ascertain whether dumping is taking place and, if so, to initiate preventive measures. I emphasize that this step may be only preliminary. If the dumping statute is inadequate to this task, then other action, by legislation or otherwise, must be taken to protect domestic industry and workers from unfair methods of competition.

A voluntary solution to world trade problems is the most desirable objective, but volition on only one side is no solution. The principle of reciprocity in trade is our national goal, but too often nations expect reciprocity from us while with them it is more rhetorical than real. It is time that the United States notify the world that it will not permit any major industry to be sacrificed to ideals and policies which only we embrace, and that it will take immediate action in the face of reckless or predatory competitive practices.

Mr. EVERETT. Mr. Speaker, I join my colleagues in voicing concern over the serious matter of Communists' dumping shoes in the U.S. market. The impact of these imports on the American shoe industry requires an attentive and realistic consideration which seeks to get at the heart of the matter. My own study of the situation raises the serious question as to whether those responsible for our trade policy are aware of the full implications of what they are doing.

It has been suggested by one of our more alert political humorists that a Communist is a fellow who borrows your pot to cook your goose in. I can perhaps understand why we might occasionally give in to the good-neighbor impulse and lend out our pot to an enemy, but it escapes me entirely why, having discovered our mistake on more than one occasion, we insist not only on giving away the pot once again but in asking the fellow to turn up the heat. Yet this is precisely the problem we face in the shoe industry. What worries me is the fact that what is happening to the American shoe industry today can happen to any other industry tomorrow. I am worried, too, by the fact that our existing means of dealing with dumping by foreign countries, and especially by Communist nations, is woefully inadequate and cumbersome.

The problem, in a nutshell, is this. Shoes from Communist bloc countries are entering this country at an alarming rate and are being sold at prices clearly below the cost of production. The impact of our own shoe manufacturers, who are already beleaguered by fierce competition from Italian, Japanese and other sources, is most deleterious, and working American men and women are being deprived of jobs and job opportunities because Communist governments subsidize their own shoe manufacturing.

I see a great irony in our current trade relations with Soviet-bloc countries. We seem to proceed on the false premise that economic relations with these satellites can take place in a political vacuum, as if we were exchanging a friendly economic handshake with a good neighbor to the mutual advantage of both parties.

I wish that were the case. The fact of the matter is that "peace and friendship" and good neighborliness do not characterize the policies of satellite nations. We deal instead with men and policies whose major purpose is to undermine the power of this country while simultaneously strengthening their own position.

I suspect that few people realize the technique of trading with a Communist country and how it differs from normal international commerce. We deal not with individual manufacturers or jobbers, but with a government-controlled trade agency, which works hand-in-glove with the state planning organ, which in turn determines the political as well as the economic advantage of trading with the West. Let there be no mistake about it: Trade policy, like everything else the Communist countries do, is viewed as a cold-war weapon to be used in the same way as a gun; and we all know where that gun is pointed.

The very nature of these state-controlled economies gives a built-in ability to dump surplus products in foreign markets. With the normal market barometer of the price system gone from the planned economy, its production runs a wide cycle betwen deficit and surplus, depending on how close the supposedly omniscient planner comes to predicting salable output. If there is a surplus in any given accounting period, it can be dumped on the most advantageous market at any price, no matter how outrageously low. And, it should be noted, there is no day of reckoning with the auditors, no worries about meeting a payroll, and no stockholders to face. The monolithic state simply assumes the loss as a cost of doing business the socialist way.

There is another means by which such state-dominated economies are capable of dumping: they can plan to do so at the outset when they set their productive quotas for a given period, so that a specified portion of the output is earmarked for purposes of undermining another country's domestic market. This ability provides the Communists with a potent weapon for economic disruption, and they have not hesitated to use it.

The shoes we see before us today are the result of one of two causes: either socialist economic inefficiency hiding behind a wall of government assistance, or calculated infliction of injury. Either way, we are the suckers; either way, we get stuck; either we are in the foolish position of sandbagging a Communist country's stupidity, or we are freely handing over the proverbial pot and begging for the heat to be turned on.

We should, however, note, Mr. Speaker, that such predatory tactics can be perpetrated only so long as we foolishly insist on pursuing a policy which allows such goods to come into this country unrestricted, and without regard to the impact of an important American industry. What irony we have here. This country spends billions annually to insure the freedom of the world against the ravages of communism; and yet here our foreign trade policy is, in effect, giving open assistance to the very governmental policies whose goals we say we oppose. Above all, the Congress spends many millions of the taxpayers dollars annually to alleviate the unemployment problem. This House is now weighing the merits of the so-called poverty program, a substantial part of which is devoted to a supposed cure for unemployment; yet at this very moment we sit back watching Communist imports do the very damage to our shoe industry that our appropriations are attempting to stop. The left hand taketh away what the right hand giveth.

Mr. Speaker, many Americans are vitally concerned with this problem. It may be "just" shoes today; but tomorrow it will be more shoes, and more the day after that, until the great, long line in front of the unemployment office is shod entirely with Communist shoes. And then, I suppose, it will be something else, perhaps steel; and, for all I am able to predict, I suppose someday we will be buying weapons of national defense from Communist countries. When it's too late, we'll wonder how it all happened. Now is the time, indeed, to look closely at our Communist trade policy.

Mr. HECHLER. Mr. Speaker, will the gentleman from Massachusetts yield?

Mr. BATES. I will be happy to yield to the gentleman.

Mr. HECHLER. I am interested in the discussion of the gentleman from Massachusetts [Mr. BURKE] who is a great and valiant fighter for the State of Massachusetts, but I am a little puzzled. How can he be consistent in urging a limitation on the import of shoes at a time when he is spearheading the effort to bring huge amounts of residual oil into this Nation, which hurts coal-mining States such as the State of West Virginia? How can the gentleman be consistent in advocating this?

Mr. BURKE. I have never claimed to be consistent. In fact, I emphatically state I have never been consistent. I believe in acting in the best interests of the people of my State. Of course, I recognize the gentleman from West Virginia and the efforts he has been making on this residual oil question. I am a little bit concerned about the provincial attitude he takes about West Virginia. I see him working morning, noon, and night on this problem of keeping restrictions on residual oil, and more than likely he is the main cause of us not being able to remove these restrictions so that we can bring about the import of these oils into New England to provide heating there. I know he is concerned about the coal-mining region, but there are other problems in the United States that we have to be concerned with.

Mr. HECHLER. Mr. Speaker, I thank the gentleman.

Mr. BATES. Mr. Speaker, I want to thank the gentleman from Massachusetts for his remarks. He has certainly been a champion of the shoe industry. I am very pleased to have him join with me here today.

Mr. O'KONSKI. Mr. Speaker, will the gentleman yield?

Mr. BATES. Yes. I will yield to the gentleman.

Mr. O'KONSKI. I would like to make inquiry about your colleague from Massachusetts. I understand him to say that he is in favor of importing anything except that which is produced in his district. Do I understand the gentleman correctly?

Mr. BATES. I will be glad to yield to the gentleman to make reply.

Mr. BURKE. In answer to the gentleman from West Virginia [Mr. HECHLER] who asked me to explain why I was not consistent, I told him I have never claimed I was consistent. I act entirely in the interests of the people of the Nation and the interests of the people of my district. Those interests are primarily my interests first. To do so I could not be consistent and be a good legislator.

Mr. WYMAN. Mr. Speaker, will the gentleman yield?

Mr. BATES. I will be glad to yield to the gentleman from New Hampshire.

Mr. WYMAN. I would like to compliment both of the gentlemen who just addressed the House in this matter. I associate myself with their remarks, because we are all together in this along with a good many other Members of this body.

I would like to ask the gentleman from Massachusetts this question: Is there not going on at the present time some kind of a statistical study of foreign imports of shoes of all types?

Mr. BATES. Yes. I am glad the gentleman mentioned that point. One of the main problems we have had in the past when we conducted hearings on this subject was to attempt to get statistics lined up in such an order that we are all talking about the same thing. The gentleman will recall the meeting he attended with President Kennedy at the White House at which time the President requested the Committee on Appropriations of the Congress to allocate some $250,000 for a statistical study. I remember how much the gentleman from New Hampshire [Mr. WYMAN] and the gentleman from Massachusetts [Mr. BOLAND] on the Appropriations Committee did to bring that desire to fruition. As a consequence of those efforts we are pleased to see those studies now under way.

Mr. WYMAN. Will that study be helpful in the determination of whether or not there should be import quotas established?

Mr. BATES. Yes. I believe this study will be of vital importance.

Mr. WYMAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New Hampshire?

There was no objection.

Mr. WYMAN. Mr. Speaker, I include in my remarks, at this point in the RECORD, the excellent statement of views prepared by counsel to the shoe manufacturing industry, Attorney Thomas Shannon, of Washington, D.C. This statement sets forth in detail the dilemma faced by the industry and the acute need for relief from floods of cheap foreign imports, especially in women's, misses, and children's shoes. It makes little sense to talk of relieving poverty here in the United States all the while allowing conditions of unfair foreign competition to put American workers in the shoe industry out of their jobs. Our State Department should encourage, rather than discourage, a reasonable amount of protection for this important industry.

The statement follows:

STATEMENT OF VIEWS ON INCLUSION OF FOOTWEAR PRODUCTS ON THE LIST OF ARTICLES FOR POSSIBLE CONSIDERATION IN TRADE AGREEMENT NEGOTIATION

The foreign trade committee of the shoe manufacturing industry, representing more than 800 shoe manufacturers requests that the footwear items enumerated in subpart A, part I, of schedule 7, tariff schedules of the United States be reserved from the list of articles to be considered for duty reductions during the forthcoming negotiations. We submit that duty reductions on footwear would aggravate foreign trade conditions which at present threaten the survival of a major portion of the U.S. footwear industry.

I. CONDITIONS OF FOREIGN TRADE IN FOOTWEAR

Analysis of foreign trade conditions in footwear reveals the following:

1. Imports of footwear have increased more than 1,054 percent since 1955 and now represent more than 13 percent of domestic production;
2. Exports of footwear, never significant in quantity, have virtually disappeared in recent years.

Import trend

In 1955, imports of footwear aggregated only 7.9 million pairs and had but a 1.2-percent relationship to domestic production. Since that time, imports have increased at an alarming and significant rate each year, the point of departure appearing to be 1958, when imports more than doubled the 1957 total.

The result of this dramatic trend was an aggregate importation of 92.2 million pairs in 1962, a figure representing 13.2 percent of domestic production. We know of no industry of comparable size which has suffered such a rate of increase and accompanying market disruption as have been thrust upon U.S. shoe manufacturers.

There was no sign that this deteriorating situation was reversed in 1963. Last year the footwear market was relatively depressed; domestic production was somewhat less than 1962. It might have been expected that the flood of imports would also diminish, but, in fact, reported imports remained at approximately the same level, although declared value increased by approximately $3,500,000. Accordingly, the imports to production ratio remained at approximately 13 percent.

Reported 1963 imports substantially understate total imports for last year. By operation of the tariff schedules, effective September 1, 1963, a large quantity of infants' knit booties, previously reported under paragraph 1530(e), Tariff Act of 1930, were transferred to schedule III (textiles) of the tariff schedules and are not now identifiable. Beyond question, this statistical factor accounts for a large share of the apparent decline in importation of footwear shown in table I as "All other nonrubber."

The total volume of footwear imports for each year, 1955 through 1963, is set forth in table I, attached hereto. This table has been developed to demonstrate the total impact of imports on the footwear market, and includes both leather and rubber-canvas footwear, although the information presented in this brief relates primarily to leather and leather-type footwear.

Rubber-canvas footwear, except for footwear used for athletic purposes, is directly competitive with and displaces leather footwear. In the men's and women's fields canvas-rubber is worn for casual use and in the children's field it is worn for day-to-day use. In these markets a pair of canvas-rubber shoes takes the place of a pair of leather shoes. Such activities as tennis, boating, and certain other sports may require special rubber footwear which would be extra shoes, but such footwear occupies a very small share of the canvas-rubber total.

The import level increase involving certain significant categories of footwear is even more startling. For example, cement footwear for women, misses, children, and infants account for more than one-third of the total domestic footwear production by volume and only a slightly lesser proportion by value. Imports of this type of footwear equaled only 234,712 pairs in 1954; by 1962, 9,839,400 pairs were imported. For the first 8 months of 1963, 10,416,270 pairs were imported, more than total importation during the year 1962 and representing an increase of over 4,000 percent compared with 1954. It is clear that invasion of basic footwear markets such as this cement category has an even greater overall impact than higher percentage penetration of less important markets. This statement does not, however, minimize that increased import penetration in other categories, for all tariff classifications covering footwear have experienced substantially higher import levels during the past 10 years.

Export trend

At the same time that the domestic industry has been experiencing the described sharp acceleration of footwear imports, exports have rapidly declined, and significant export markets are not available to U.S. producers. Between 1955 and 1962, exports of nonrubber domestic footwear declined by 1,700,000 pairs, approximately 37 percent. Our unfavorable trade balance in nonrubber footwear is approximately 20 to 1, and the unfavorable balance for all footwear covered by this brief is more than 30 to 1.

II. CAUSES FOR DETERIORATION OF FOREIGN TRADE IN FOOTWEAR

The alarming rate of increase in footwear imports entering the United States and the negligible and diminishing export market for these products are directly attributable to four causes. These are:

(1) Foreign employment costs, including fringe benefits, are substantially lower than such costs in the United States;

(2) High labor input is required for the production of footwear;

(3) Foreign shoe factories are of such modern character that no decisive U.S. productivity advantage can be achieved; and

(4) Foreign entry barriers, tariff and nontariff, are significantly higher than U.S. import duties.

Employment cost disparity

By a substantial margin the most important factor generating the sharp and substantial import increase is the wide disparity in employment costs between U.S. and foreign shoe plants. The employment costs in the footwear industries of Japan and Italy are the lowest of all major producing nations; it is not surprising that they rank first and second among the nations supplying the United States with imported footwear. Imports from both Japan and Italy increased between 1955 and 1962 at an even greater rate than the total footwear import rate of increase during the same period. In 1962, approximately 48 million more pairs of Japanese footwear entered the United States than in 1955, an increase of greater than 1,700 percent. The acceleration of Italian imports is comparable: 13,900,000 more pairs entered in 1962 than in 1955, an increase exceeding 1,100 percent. The influence of the employment cost differential on footwear imports is further demonstrated by the fact that entries from the United Kingdom and Switzerland have increased only slightly during the 1955–62 period, and such costs in these nations are substantially greater than in Japan and Italy.

The following table sets forth employment costs for hourly rated labor in principal footwear producing nations:

Hourly employment costs in the footwear industry, by countries, including fringe benefits for all nations

Country	1958	1959	1960	1961	1962
Japan	$0.27	$0.29	$0.32	$0.35	$0.40
Italy	.43	.44	.44	.47	.56
United Kingdom:					
Males	.81	.83	.93	.98	1.03
Females	.51	.53	.57	.60	.64
Switzerland:					
Males	.99	1.03	1.09	1.15	1.25
Females	.52	.55	.57	.61	.66
United States	1.81	1.84	1.90	1.95	1.97

Labor input

The competitive impact of employment cost disparities naturally increases with the amount of labor required to make the products of an industry. Because of the nature of the process, direct labor continues to represent an unusually high proportion of total manufacturing costs, ranging from 25 to 35 percent. Notwithstanding the substantial improvements in productive efficiency and in component materials, in which the U.S. industry has led the way, labor content in footwear will continue to be unusually high. It is inherent in this item of apparel that fit specifications are of paramount importance, and equally inherent that symmetry of construction in difficult operations, particularly stitching, is essential. Attainment of these standards requires visual judgment and manual dexterity which cannot be mechanized.

Foreign plants

It is an unwarranted and unrealistic assumption that U.S. productive superiority will enable the domestic footwear industry to compete effectively in our home market and in foreign markets.

First, such an assumption ignores the fact that foreign factories are extremely modern, many having been built since World War II. They cannot be described as inefficient.

The U.S. footwear industry is continuing to improve its productive techniques and to seek lower costs in footwear production, and doubtless the domestic industry and its workers are more efficient than plant and employment abroad. It is the industry's estimate that U.S. plants and workers are 25 percent more efficient than foreign labor and facilities. But it is impossible that our workers could be five times more productive than Japanese workers or nearly four times more productive than Italian workers as would be necessary to overcome our employment cost disadvantage.

The described cost advantage enables foreign producers to sell footwear in the U.S. market at far lower prices than domestic manufacturers can sell comparable items. Over the average of the industry's product, foreign footwear sells at prices 15 to 25 percent below prices for equivalent items of U.S. manufacture.

In an industry such as this involving active demand response to price within the product mix, tariff rates exert a significant influence. It is important to point out that substantial tariff concessions have been granted on 21 of the 25 items covered in this brief.

Foreign trade barriers

The U.S. tariff levels applicable to footwear are as low or lower than those of any nation, and there are no U.S. equalization taxes applicable to imported footwear. Most foreign producing nations couple relatively higher duty rates, based on c.i.f. value, with substantial nontariff taxes resulting in much greater trade barriers than prevail in the United States.

There is no question that these barriers burden what footwear export market remains available to the domestic industry, and they should be reduced to the existing U.S. level. One point, however, should be emphasized: Even if foreign trade barriers were to be substantially reduced the export markets for U.S. footwear would not expand significantly, since the cost-price advantage enjoyed by foreign producers would continue to prevent effective competition.

III. THE IMPACT OF IMPORTS

The rapid deterioration of U.S. position in footwear foreign trade has produced the following results:

1. A decline in the domestic industry's growth and profitability.

2. A loss of more than 30,000 job opportunities in 1963.

3. An immediate threat to the survival of the domestic industry as a healthy element of the economy and consequent derrogation of the national interest.

Decline in growth and profitability

Production in the domestic shoe manufacturing industry (rubber and nonrubber combined) increased at an average annual rate of 2.7 percent between 1947 and 1955. Had this growth rate been maintained in the years since 1955, production would have been 790 million pairs in 1963, but, in fact, the domestic industry produced only 698,602,000 pairs of footwear in 1963. The difference of approximately 90 million pairs is virtually equal to the 1963 import volume.

The shoe manufacturing industry is historically a highly competitive, low profit industry, and profit margins have been further impaired by import competition. Net profit (after taxes) on sales in the leather and leather products industry, including shoes, was 2 percent in 1957; only two manufacturing industries listed by the SEC–FTC financial report suffered a lower return. By the second quarter of 1963, percentage of profits to sales in the leather and leather products industry had declined to 1.2 percent and the industry was the least profitable of those listed in the SEC–FTC report. It is evident that this development occurred during the period of greatest increase in import levels.

Table III, attached hereto, sets forth the net profit after taxes for all manufacturing corporations by industry, derived from the SEC–FTC report.

As is typical of a highly competitive industry, price has a substantial influence on shifts in demand. This very responsiveness of demand to price, of course, is the principal advantage enjoyed by foreign producers and underscores the economic impact which could result from further tariff concessions.

Loss of job opportunities

Imports during 1963 of 91,491,454 pairs of footwear eliminated approximately 35,096 job opportunities in the footwear manufacturing and allied industries, and 29,213 opportunities for production workers alone. This total is calculated on the basis of U.S. production figures and 1963 productivity. At the current rate and on the same formula, projected imports will displace approximately 51,400 job opportunities in 1965, including 42,786 for production workers. This labor displacement represents a substantial proportion of the workers currently employed in shoe manufacturing and related industries. Since 1958, the number of employee separations in the shoe industry has increased from 4 to nearly 5 per 100 employees, and new employment since 1959 has declined from 3.0 to 2.9 since 1959 per hundred employees. As will be demonstrated in the immediately succeeding section of this brief, the loss of these job opportunities and concomitant purchasing power will have an immense impact on numerous small communities.

Table IV, attached hereto, sets forth new employment, separations and voluntary separations, 1958–62.

Importance to the national economy

The described adverse foreign trade posture of domestic shoe manufacturers also has substantial impact on the Nation's economic well-being, because of the size, employment and location of the plants in the industry.

The 1958 Census of Manufacturers disclosed that there are over 1,300 shoe factories, located in over 600 communities, the majority of which are small towns where shoe manufacturing supplies the major source of income and few alternative job opportunities exist. These establishments are located in 38 States and over 260 congressional districts.

This industry mass-produces a basic necessity. The American consumer today is the best shod individual in the world; annual per capita consumption ranges from two to four times that of consumers in all other parts of the world.

The industry is one of the largest industrial employers in the economy, providing jobs for approximately 320,000 persons. The vast majority of the workers seek and in many cases are limited to tasks which involve manual and handicraft talents, they can find few other employment opportunities. The industry is also an important customer of industries producing shoe machinery, materials, components and supplies. The activity of these persons results in sales of footwear of over $4,500 million annually.

Employment figures for leather and allied industries are shown in table V, attached hereto.

Yet even these facts fail to reveal the direct relationship between the economic condition of the footwear manufacturing industry and that of the numerous small communities in which its plants are located. In Massachusetts, such areas include Fitchburg-Leominster, Brockton, Lawrence-Haverhill, Lowell, New Bedford, Springfield, Chicopee, Worcester—all towns which are classified by the U.S. Department of Labor as areas of "substantial unemployment." In addition, Portland, Maine; Manchester, N.H., and other small, semirural cities are in areas of moderate unemployment. If the U.S. shoe industry is made expendable to the cause of imports, hundreds of employees working in these plants must also be considered expendable. According to U.S. Department of Labor's "Area Labor Market Trends" for November 1963, "a moderate job decline seems likely for the shoe industry, where the bulk of the drop is expected to occur in Boston and Utica-Rome, N.Y."

The shoe industry has contributed substantially to manufacturing developments in Pennsylvania, now the second largest shoe-producing State in the Union. But, the threat of imports increasing further may result in aggravated unemployment in this State. Already some manufacturers who were in the playshoe, casual and slipper fields in Pennsylvania have terminated operations. Others who survive indicate that it is a much harder struggle to maintain a reasonable profit level than previously. We are particularly concerned about footwear manufacturers in Altoona, Scranton, and Wilkes-Barre-Hazleton and other Appalachian areas where unemployment is already at critical levels. In West Virginia, the industry is concerned about the Huntington-Ashland area, also in Appalachia, where unemployment is slightly under the 9-percent level.

Other small towns classified in labor surplus areas and having a local shoe manufacing industry are: Carrollton, Metter and Waycross in Georgia; Cape Girardeau, Caruthersville, Hannibal, Monett, Poplar Bluffs, Potosi, Versailles and Washington in Missouri; Logan and Portsmouth in Ohio; Centerville, Franklin, Greenville, Martin, Paris, Savannah, and Springfield in Tennessee; and La Crosse in Wisconsin.

National security

Of equal significance to its impact on the economy as a whole is the domestic shoe manufacturing industry's importance to national defense. The response to defense needs made by this industry in time of crisis is ample testimony to its essential defense character. In 1941, 15,285,000 pairs of footwear were shipped to the military; this volume increased to 40,875,000 pairs in 1942 and reached a peak of 50,485,000 in 1944. At the time of Korea, footwear for defense purposes increased from a negligible quantity in 1950 to more than 20 million pairs in 1951. This rapid satisfaction of emergency needs could not have been accomplished by an industry whose very existence was threatened by import penetration.

It is apparent that our defense chiefs are increasingly concerned with the Nation's ability to undertake flexible responses to critical or potentially critical situations throughout the world. Less reliance is placed upon "pushbutton" warfare as an exclusive retaliatory course, and correspondingly greater attention is devoted to conventional or modified conventional forces. If we are to be prepared for conventional action in various world trouble spots, certainly provision should be made for a shoe industry ability to provide for present and contemplated conventional forces. Permitting sacrifice of the domestic industry to a rapidly increasing import rate does not serve this end.

TABLE I.—*Footwear imports, 1955–63*

Category	1955		1956		1957		1958		1959	
	Pairs	Value	Pairs	Value	Pairs	Value	Pairs	Value	Pairs	Value
Men's, youths', and boys'	856,551	$5,440,020	1,801.028	$8,987,826	2,409,921	$11,124,621	6,907,380	$16,359,552	4,834,849	$21,564,277
Women's, misses', and children's	928,193	3,391,103	1,194,778	4,051,452	2,484,501	6,603,422	9,192,345	11.526,067	6,221,748	14,313,173
Slippers	921,263	1,081,529	1,027,784	1,187,412	818,917	1,081,037	1,135,704	1,173,042	1,598,914	1,857,348
Moccasins	1,547,811	926,877	1,170,618	703,345	941,720	580,520	1,063,005	733,583	917,985	772,992
All other nonrubber	3,555,836	2,730,931	4,804,731	3,565,595	4,333,418	2,824,789	5,298,107	3,086,538	8,703,345	5,906,486
Vinyl-supported uppers	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Rubber and simulated rubber with canvas uppers	115,183	152,399	433,716	343,844	1,022,647	1,122,942	3,247,741	2,429,226	12,614,104	17,105,903
Total	7,924,837	13,722,859	10,432,655	18,839,474	12,011,124	23,337,331	26,844,282	35,308,008	34,890,945	61,520,170
Production	638,203,000		652,894,000		656,725,000		650,759,000		707,670,000	
Percent of production	1.2		1.6		1.8		4.1		4.9	

Category	1960		1961		1962		1963		Percent change, 1955-63	
	Pairs	Value	Pairs	Value	Pairs	Value	Pairs	Value	Pairs	Value
Men's, youths', and boys'	5,203,069	$24,183,344	5,420,358	$24,061,736	7,490,055	$32,297,483	7,723,871	$33,424,866	801.7	514.4
Women's, misses', and children's	7,777,444	18,920,098	9,648,436	22,981,494	13,616,388	30,285,259	18,426,804	36,335,920	1,885.2	971.5
Slippers	2,828,061	2,138,591	3,231,758	2,189,022	7,175,220	3,790,009	6,969,140	3,294,546	626.8	204.6
Moccasins	1,327,119	1,057,988	1,006,868	882,756	658,560	626,863	570,818	530,312	−63.1	−42.8
All other nonrubber	9,480,815	6,957,357	17,350,967	9,619,615	26,117,234	13,264,202	13,145,418	7,083,499	269.7	159.4
Vinyl-supported uppers	(1)	(1)	(1)	(1)	[2] 7,961,212	[2] 5,694,252	16,252,784	8,856,381	(1)	(1)
Rubber and simulated rubber with canvas uppers	30,337,152	37,580,523	28,614,610	31,843,330	29,225,176	18,791,494	28,675,619	18,766,845	24,795.7	12,214.3
Total	56,953,660	90,837,901	65,272,997	91,577,953	92,243,845	104,749,562	91,491,454	108,292,369	1,054.5	689.1
Production	679,486,000		686,265,000		698,982,000		698,602,000			
Percent of production	8.4		9.5		13.2		13.1			

[1] Not available.
[2] Data available beginning July 1962; not available previous to this time.

Source: U.S. Commerce Department and National Shoe Manufacturers Association records, Feb. 24, 1964.

TABLE II.—*Foreign duty-tax rates on U.S. footwear, 1964; and actual duty paid on nonrubber footwear imported into United States, 1962*

Country	Range of foreign rates			U.S. duty (percent paid)
	Duty (percent rate)	Other taxes [1]	Net duty taxes	
Common Market:				
Belgium	16 to 20 percent	6 to 12 percent	23 to 34.4 percent	14.4 percent.
France	do	25 to 26 percent	45 to 51.2 percent	11.2 percent.
West Germany	16 to 19 percent	6 percent	23 to 26.1 percent	8.3 percent.
Italy	14 to 20 percent	7.3 to 7.8 percent	22.3 to 29.4 percent	13.8 percent.
Netherlands	16 to 20 percent	2 to 4.5 percent	18.3 to 25.4 percent	10 8 percent.
Luxembourg	do	4 percent	20.6 to 24.8 percent	
Japan	15 to 27 percent	5 to 50 percent [1]	15 to 90 percent	19.9 percent.
United Kingdom:				
With leather uppers:				
Men's	15 percent	10 percent	26.5 percent	
Children's	20 percent		20 percent	
Women's	3 shillings per pair or 10 percent, whichever is higher.	10 percent	11 to 21 percent	6.9 percent.
Canada	20 to 27½ percent	11 percent	33.2 to 41.5 percent	9.5 percent.

[1] This tax range applies to luxury and semiluxury items, which we understand may be applied to any given shipment of U.S. footwear.

Source: U.S. Department of Commerce. Cols. 4 and 5 compiled by National Shoe Manufacturers Association.

TABLE III.—*Net profit after taxes for all manufacturing corporations by industry, as a percent of sales*

1957	
Drugs	10.4
Petroleum refining and related industries	10.3
Chemicals and allied products	7.7
Stone, clay, and glass products	7.5
Primary metal industries	6.5
Instruments and related products	5.7
Tobacco manufactures	5.1
Paper and allied products	5.0
All manufacturing corporations except newspapers	4.8
Machinery (except electrical)	4.8
Transportation equipment	4.5
Electrical machinery, equipment, and supplies	4.2
Rubber and miscellaneous plastics products	4.2
Printing and publishing, except newspapers	3.8
Other fabricated metal products	3.6
Furniture and fixtures	2.7
Miscellaneous manufacturing and ordnance	2.5
Lumber and wood products	2.3
Food and kindred products	2.2
Leather and leather products (including shoes)	2.0
Textile mill products	1.9
Apparel and other finished products	1.3
1963 [1]	
Petroleum refining and related industries	9.8
Drugs	9.7
Chemicals and allied products	8.0
Stone, clay, and glass products	7.2
Transportation equipment	6.0
Tobacco manufactures	5.8
Instruments and related products	5.8
Primary metal industries	5.7
Machinery (except electrical)	5.1
All manufacturing corporations except newspapers	5.0
Paper and allied products	4.7
Rubber and miscellaneous plastics products	3.9
Electrical machinery, equipment, and supplies	3.8
Lumber and wood products	3.5
Other fabricated metal products	3.4
Printing and publishing except newspapers	3.4
Miscellaneous manufacturing and ordnance	3.3
Textile mill products	2.4
Food and kindred products	2.3
Furniture and fixtures	2.3
Apparel and other finished products	1.2
Leather and leather products (including shoes)	1.2

[1] 2d quarter.

Source: Quarterly financial reports, Securities and Exchange Commission and Federal Trade Commission.

Of all industries recorded in 1957, the leather and leather products industry ranked 3d from the bottom. Of all industries recorded in 1963, the leather and leather products industry was the lowest.

TABLE IV.—*New employment separations and voluntary separations, 1958–62* [1]

	Nonrubber [2]				Leather tanning and finishing		
	New employment per 100 employees	Separations per 100 employees	Voluntary separations per 100 employees		New employment per 100 employees	Separations per 100 employees	Voluntary separations per 100 employees
1962	2.9	4.7	2.4	1962	2.1	3.9	1.2
1961	2.6	4.6	2.1	1961	1.8	3.6	.9
1960	2.8	4.7	2.3	1960	1.6	3.4	1.0
1959	3.0	4.3	2.3	1959	1.7	3.3	1.0
1958	2.0	4.0	1.7	1958	1.2	3.1	.7

[1] Figures prior to 1958 are not available. [2] Not available for rubber division of industry.

TABLE V.—*Number of employees and payroll in footwear manufacturing industry, by rubber and nonrubber division, 1955–62*

[In thousands of employees and dollars]

	Total		Nonrubber		Rubber	
	Number of employees	Payroll	Number of employees	Payroll	Number of employees	Payroll
1962	268.1	$909,590	241.2	$784,556	26.9	$125,034
1961	263.4	864,119	239.6	756,696	23.8	107,423
1960	264.6	839,737	242.6	743,338	22.0	96,399
1959	269.5	853,917	247.5	758,224	22.0	95,693
1958	257.8	$785,349	237.4	$699,738	20.4	$85,611
1957	264.0	799,915	243.8	718,280	20.2	81,635
1956	268.0	788,354	246.3	704,892	21.7	83,462
1955	268.5	737,355	248.4	664,316	20.1	73,039

ALLIED INDUSTRIES

	Total		Leather tanning and finishing		Footwear cut stock	
	Number of employees	Payroll	Number of employees	Payroll	Number of employees	Payroll
1962	49.1	$218,381	31.7	$157,237	17.4	$61,144
1961	52.0	224,935	32.3	158,217	19.7	66,718
1960	53.6	232,661	33.6	163,864	20.0	68,797
1959	55.2	241,821	36.3	173,563	18.9	68,258
1958	55.1	$223,943	37.1	$165,454	18.0	$58,489
1957	62.6	237,609	40.1	171,071	22.5	66,538
1956	63.0	235,714	41.4	172,452	21.6	63,262
1955	65.4	239,038	43.5	177,153	21.9	61,885

Source: Bureau of Labor Statistics.

Mr. **BURKE**. Mr. Speaker, will the gentleman yield?

Mr. **BATES**. I yield to the gentleman from Massachusetts.

Mr. **BURKE**. Mr. Speaker, I wish to call attention of the Members of the House present today to two types of shoes, examples of which I have here. These shoes are identically the same. One pair was manufactured in Czechoslovakia. The quality of the shoe, the workmanship, is just as good as, if not superior to that of the American-made shoe. This shoe is made in Czechoslovakia, arrives f.o.b., New York City, duty paid for $3.50. This other shoe, made in the United States, wholesales for $7.15 a pair. You can see what is going to happen. These shoes are dumped on the U.S. market at a price below that for which they sell in Czechoslovakia. They are glutting the American market.

The Treasury Department should take cognizance of what is being done today and look into this problem, to see that regulations are put into effect that will prevent such dumping from taking place. It is costing thousands of American jobs and driving the American shoe manufacturers out of business.

Here is another pair of workshoes. These two are almost identical. The leather on this one seems to be a little bit better than that on the American-made shoe. But this shoe, made in Czechoslovakia, landed, including freight and tax and everything else, for $4.06. This other shoe, made in America, wholesales at the factory, before it is shipped out, for $6.12.

This is a really serious problem. The Treasury Department should certainly look into the dumping methods of Czechoslovakia and others behind the Iron Curtain who are participating in this practice.

Mr. BATES. Mr. Speaker, I want to thank the gentleman for bringing this matter to our attention and particularly for bringing these examples to show to the Members. I remember some 14 or 15 years ago I stood in this well, and at that time Czechoslovakia was exporting to this country these cheap shoes and dumping them on the American market at a price below that at which they were selling them abroad. As a consequence of that the President of the United States took action, such as I hope the President will now take, to impose the provisions of the Anti-Dumping Act of 1921 so that the jobs of the people in this country will not be taken away by the dumping of these products on our market.

Mr. McINTIRE. Mr. Speaker, I join with my colleague from Massachusetts [Mr. BATES] in expressing deep concern relative to imports of shoes into this country. These imports are jeopardizing the jobs of hundreds of citizens in each of our States where shoe manufacture makes a vital contribution to the economy.

In my State of Maine there are some 22,000 workers employed in the shoe industry, the total annual wage of these workers being $67,331,200. These workers are painfully aware of the threat that was created by the implementation of the Trade Expansion Act of 1962. They are only too familiar with the repeated failures of the administration in giving adequate protection through trade negotiations with foreign countries and that, in the wake of these negotiations, there is a real threat to the security of their jobs and necessary income for their families.

Let us keep the aspect of trade reserved for commodities and not jobs—let us keep jobs in America and not trade them off to some foreign country. Let's keep American jobs in America.

Mr. Speaker, under unanimous consent, I include an article entitled "Imports of Women's and Misses' Footwear and Vinyl Shoes at an Alltime High," and pertinent schedule in the RECORD:

IMPORTS OF WOMEN'S AND MISSES' FOOTWEAR AND VINYL SHOES AT AN ALLTIME HIGH

(First 5 months' imports of 45,594,816 pairs equal to 14 percent of U.S. production of 328,140,000 pairs.)

Women's, misses', and children's footwear imports totaled over 10,200,000 pairs, a figure 8 percent higher than the comparable 1963 figure. Nearly 90 percent of all the imports in this category were from Italy.

Another significant increase is in vinyl footwear imports. January-May 1964 imports totaled 14,492,419 pairs which was 185 percent of the comparable 1963 figure. At present rate of importation the total annual figure would be 46,300,000 pairs. The vinyl shoes from Japan are selling at an f.o.b. wholesale price of 43 cents per pair which is 25 percent below the 57-cent average of 1963. The comparable U.S. price is usually 100-percent higher or more. Japan exported 98 percent of the 14.5 million pairs of supported-vinyl-upper shoes as well as 83 percent of the 14.1 million pairs of sneakers.

Imports of men's, youths', and boys' footwear dropped 5 percent from a year ago to 3,171,850 pairs but wholesale f.o.b. value per pair increased 3.2 percent to $3.75, thus indicating successful trading-up by importers.

The vinyl-upper footwear imports from Japan have for the first time, starting in January and for each month since, exceeded importations of rubber canvas varieties, both in pairs and dollar value. Also for the first time the vinyl imports have exceeded the volume of fabric upper footwear with nonrubber soles, which have dropped 50 percent compared to a year ago.

Total imports for May 1964 increased to the level where they brought the running total, January through May, imports to the 1963 level. Before May, total imports lagged behind a year ago. Total imports for May itself exceeded May a year ago by 25 percent. Thus, the current trend indicates an upswing which, if maintained, will result in total 1964 imports that will exceed 1963 by a considerable margin.

Total imports of over-the-foot footwear, January–May 1964

Type of footwear	January-May 1964			January-May 1963			Percent change 1964/1963	
	Pairs	Value	Average value per pair	Pairs	Value	Average value per pair	Pairs	Average value per pair
Leather	13,928,586	$31,411,290	$2.26	17,215,916	$30,644,944	$1.78	−19.1	+27.0
Men's, youths', and boys'	3,171,850	12,288,718	3.87	3,325,775	12,482,627	3.75	−4.6	+3.2
Women's, misses', children's	10,243,001	18,488,491	1.80	9,471,370	16,152,194	1.71	+8.1	+5.3
Slippers [1]	168,083	260,278	1.55	4,065,290	1,651,861	.41	−95.9	+278.0
Moccasins	292,952	277,040	.94	302,128	282,147	.93	−3.0	+2.2
Other leather	52,700	96,763	1.84	51,353	76,115	1.48	+2.6	+24.3
Shoes of wood	109,767	162,042	1.48	--------	--------	--------	--------	--------
Fabric uppers [1]	2,984,164	1,614,810	.54	5,203,038	2,901,236	.56	−42.7	−3.6
Supported vinyl uppers	14,492,419	6,290,459	.43	5,082,408	2,899,555	.57	+185.1	−24.6
Rubber soled fabric uppers	14,079,880	8,678,881	.62	18,045,164	12,079,245	.67	−22.0	−7.5
Total, all kinds	45,594,816	48,157,482	1.06	45,546,526	48,524,980	1.07	(2)	−.9

[1] Year-to-year comparisons of data not valid due to change in definition.
[2] No change.

NOTE.—Figures do not include imports of waterproof rubber footwear, zoris, and slipper socks.

Source: U.S. Department of Commerce, Records of the National Shoe Manufacturers Association.

Mr. HALL. Mr. Speaker, I am pleased that my esteemed colleague from the State of Massachusetts has brought the attention of the House once again to the persistent practice of "dumping" shoes. Last April nearly 40 Members including myself introduced identical bills designed to strengthen the Antidumping Act of 1921 and to close loopholes in that legislation and its interpretation. The Treasury Department's intention to adopt revised regulations governing dumping—and such action—while inevitably limited in scope, is to be commended. Current legislative and administrative concern reflected by these steps has been caused by a rising ground swell of complaint voiced by American industry and labor. The citizens of this Nation object to the cumbersome machinery, the long delay, and the stringent standards which characterize the present defense against dumping.

To object to this practice by foreign producers and to insist on adequate protection of domestic interests is not to be blindly chauvinistic. Dumping is universally recognized to be an unfair trade practice. Foreign companies stooping to such unfair competition have too long enjoyed a virtual immunity from corrective action because of the ineffectual legal procedures under existing law. In the rare instance where dumping is at last conclusively established, the only action taken is to impose a dumping duty, which is nothing more than the difference between the price charged to purchasers in the foreign producer's country and the price charged the importer importing into this country. Correction is, therefore, remedial rather than punitive; and I wonder whether, rather than serving to deter, the "dumping duty" is not tantamount to an invitation to foreign producers to get away with dumping if they can. What have they to risk, other than a spank on the hand?

And yet domestic industry and labor—whose interests, like those of all other citizens of this Nation, it is our duty to protect and further—suffer from the widespread inroads made by dumpers whose practices are beneath the threshold of existing legal standards of injury. Those standards are too stringent for two reasons. In the first place any dumping, however limited, is unfair and unconscionable.

It should be met with strong and prompt corrective action which will teach unscrupulous companies not to risk being caught. In the second place, every single article—every pair of shoes, if you will—dumped by some foreign manufacturer in this country represents, plainly and simply, earnings unfairly denied American business and bread taken from the mouth of American labor.

Injury to American industry, which must be found after price discrimination has been established, is currently defined to mean that a domestic industry is hurt, or is likely to be hurt, or is prevented from being established, by the imports sold here at prices lower than those in the foreign producer's country. Furthermore, the emasculated Tariff Commission construes injury to mean material injury. Mr. Speaker, I submit that every single instance of price discrimination is then and there, by that fact alone, injurious. This Congress should put foreign producers, predatory or otherwise, on notice that this Nation will not tolerate below-the-belt competition no matter how frequently or infrequently they choose to affront us.

Last month, the Tariff Commission, looking to percentages of domestic consumption, found no injury where importers of white portland cement from Japan were charged with dumping. Yet one domestic producer had been forced to lower its price in the affected area and another had been forced to withdraw. The foreign company, faced with the charge, withdrew from the market and promised to sell at fair value thereafter. The dissenting views of Commissioners Culliton and Sutton are well worth repeating. They said:

> In assessing the extent of injury caused by imports at less than fair value, the impact is to be measured generally in terms of the effect on the producer or producers who meet in actual competition with the imported article and the extent of the injury is not to be diluted by considering the overall statistical health of the entire industry. If some domestic producer or producers are injured by imports at less than fair value, it follows that the national industry may be materially injured because such producers are part of the national industry. An injury to a part is an injury to the whole.

The dissenters were obviously right in finding injury to both domestic firms and in stating that an injury need not be fatal, permanently crippling, or universal to be material. What does it matter how small a percentage of domestic consumption is stolen? Our market will not countenance unfair practices.

Our belief in fair ground rules testifies to our faith in the American dedication to vigorous competition.

The unsatisfactory definition of injury currently being applied is quite apparent to anyone familiar with the impact of dumping on a small community oriented to one or two industries. Injury to one of those industries through dumping can be irreparably destructive to that town and subject to no correction under present standards. One of the provisions in the bills submitted last April is that injury may be found in any line of commerce in any section of the country where it is more than insignificant, regardless of other causes of injury. Such focusing on a segment of the economy is an important step in the right direction. Yet emphasis should be given to protecting our industries and labor while the injury is still incipient and before it is fatal. Only by weeding out these unfair practices when first ascertained, can the individual American business and the individual American laborer and his family be safeguarded against injury which to them not only is material but may be total.

Other countries—among them, Switzerland, Austria, Spain, Turkey, Brazil, and Great Britain—can impose dumping duties without determining that injury has occurred or is likely to occur to a specific industry. Should we be less ready to extend similar protection to the interests of American industry and labor?

Mr. Speaker, steps to amend the Anti-Dumping Act of 1921 should no longer be delayed. I am confident that the identical bills introduced by my distinguished colleagues last April provide an excellent basis on which to proceed. It is not my purpose at this time to enter into an analysis of the proposed amendments. I will, however, note that these bills are no spur-of-the-moment reactions. They represent the considered judgment of informed and competent Members who have studied the problem. They are proposed against the background of the amendments advanced in 1963 by 50 Members of this body, and they reflect an accommodation of the views of some who opposed the 1963 bill. The 1964 proposals have therefore already begun the legislative journey designed to create the best balanced and most judicious approach to the immediate problem. Hearings and, if necessary, amendments can further refine the solution.

I do not profess great expertise in the field of antidumping, but no expertise is necessary to understand the present injury to the shore industry and its labor nor to discern the future plight of other industries and labor, if dumping is allowed to continue. Indeed, it takes nothing more than commonsense and a proper concern for one's constituents. We have been through the same in lead and zinc, steel, glass, watches, beef, dairy products, and many others since the now proved infamous Trade and Tariff Act of 1962. My constituents and those of a growing number of my colleagues are deeply concerned, and rightly so, with the gravity of this situation. It is our duty to heed their voices and to proceed without delay toward an effective strengthening of antidumping legislation.

Mr. MORSE. Mr. Speaker, it is with profound regret that I feel it necessary to rise once more in the House to protest the inaction which is leading the U.S. domestic shoe industry into deeper and deeper distress.

The figures released on the imports of shoes during the first 5 months of 1964 tell the fateful story that rather than decreasing, imports are rising, by as much as 185 percent in some categories. For example, imports of vinyl footwear in the 5-month period totaled about 14.5 million pairs. These items sell in the United States at a price 100 percent higher or more than the import price.

I was one of those who supported the Trade Expansion Act of 1962. I did so because I believe firmly in the advantages of expanded trade not only for our own economy but for that of the whole free world. But I did not intend, and I am sure that my colleagues who also supported that bill did not intend, to permit forces within the executive branch, by inaction or otherwise, to bring about the destruction of important domestic industries.

The 1962 act retained Presidential authority to raise tariffs, negotiate international marketing agreements and provide adjustment assistance to workers injured by the impact of the bill. To date, the worker-industry petitions to the Tariff Commission for relief have not produced the needed relief. And to date, the President has not acted on his own initiative to relieve their distress. Executive power to raise tariffs has been applied to other items; the case for shoes is no less worthy.

The results are clear: While the Government of the United States fails to act, more jobs are lost, more capital investment is lost. This is no way to win the war against poverty. We cannot have the Government working at cross purposes: fighting a war on poverty one week and permitting the loss of jobs and self-respect the next.

Members of Congress who are concerned about this problem have repeatedly contacted the White House, the Tariff Commission and other responsible officials. To date, we have had no effective response to our entreaties.

Mr. Speaker, I firmly hope that it will not be necessary to call this problem to the attention of the administration again. The question does not concern the power to act, but rather the will to act.

Mr. CLEVELAND. Mr. Speaker, I wish to associate myself with my colleague, the gentleman from Massachusetts [Mr. BATES] and others participating with him in this discussion of the serious problem that steadily increasing imports are creating for workers in New Hampshire and in my district.

New Hampshire ranks sixth in the Nation in the production of shoes, and our shoe industry, too, faces difficult days. Imports climbed 1,054.5 percent in volume and 689.1 percent in value between 1955 and 1963. They rose from 1.2 percent to 13.1 percent of domestic production during that period. In 1955 only 7,924,859 pairs of shoes were imported; by 1963, 91,494,454 were imported.

Shoe imports in 1963 were the equivalent of 35,096 jobs in the footwear and allied industries, of which 29,213 were opportunities for production workers. Based upon the same statistical formula, by 1965 imports will replace 51,400 job opportunities, of which 42,786 will be production workers. Between 1955 and 1962 employment in nonrubber footwear manufacturing declined by 7,200.

Another item of concern that threatens New Hampshire's shoe industry in my district is the fact that the U.S. Government is building new shoe factories with ARA funds. Thus the New Hampshire shoe industry is not only threatened by foreign competition but by factories constructed with low-interest, long-term funds provided by our own

Government in low wage, nonunion areas where the competitive advantage of cheaper labor helps pirate industries from the Northeast.

As I have stated before here in the House, there should be a wage differential factor incorporated into our tariff rate structure. In addition there should be a factor that would compensate for any subsidy given by a foreign government to an industry sending goods into the United States in competition with ours. The need for reasonable tariff reform is overdue as witnessed by the shoe industry.

Mr. PHILBIN. Mr. Speaker, I am very much pleased to join current efforts being exerted to help the shoe industry by providing relief from the flood of cheap shoes and footwear coming into the country from Czechoslovakia and other foreign sources.

I am deeply concerned with the mounting problems of the shoe industry which are growing day by day in very disturbing and threatening ways.

I have been greatly concerned by the steady, progressive, and now rapidly advancing increase in shoe and footwear imports that are having such serious current impact, and present such grave implications for the future of this great industry and its faithful workers.

I will not recite the doleful statistics of these injurious imports and their devastating effect upon American markets, both in this country and abroad, since these living facts and the intolerable situation they have created are very well known to everyone connected with the shoe business and Members of Congress as well.

Nor will I recount or reiterate here the historic legislative background of this situation which has had so much to do with current developments, since this is no time for crying over spilled milk; but rather a time for constructive remedial action to try to check the continuing impact of vast quantities of imports that are inundating competitive standards here and threatening our great shoe industry with stagnation and collapse if present import trends continue for long.

To be sure, even the most casual appraisal of this distressing situation will disclose the dangers, the potential, and the prospects of a possible depressed industry and widespread unemployment of its workers unless some early effective way can be found to avert further irreparable damage to its strength, its vitality, and operating efficiency.

I have indicated on numerous other occasions that the very serious problem of destructive imports can be effectively solved principally by congressional action. In fact, there is no other lasting, effective way by which this grave problem can be finally and adequately solved. Those who would rely upon administrative action in this area as a total remedy are merely disillusioning themselves.

In view of the history of the shoe industry's struggle for survival and the uncertain commitments and broken promises that lie behind us in past negotiations and efforts, only some naive and trusting Pollyanna could reasonably conclude that the shoe industry problems can or will ever be solved unless some definite forthright legislative action is taken by Congress to bring about a permanent remedy.

I never believed, and I do not now believe that the great shoe industry can long endure the frightful, devastating, competitive disadvantages being imposed by these foreign imports. Nor do I believe that it is possible to secure any completely effective action from administrative agencies of this Government, either in the form of adjustment of current staggering imports or in payments by the Government under certain provisions of existing trade laws for the damages sustained.

Neither monetary payments to the industry nor unemployment benefits and retraining privileges to its faithful employees are an answer to this most alarming situation. Legislative action upon a broad front must be undertaken. Under the circumstances, let me say that measures initiated by the industry itself, the owners, workers and friends must be prepared, introduced and pressed upon the Congress. These proposals must be well thought out, carefully studied, skillfully drawn and effectively presented to the committees of Congress and strongly urged upon both branches of Congress, as well as upon the executive department.

In my opinion, there is little time to lose. I have suggested these measures before when the trade bill was pending and since, but unfortunately, up to this time, no concerted action has been taken to institute them in the Congress. I not only suggest them again, but also again urge them, because I profoundly believe that they are the only real enduring total solution that can be found to the very serious problems of the shoe industry and its workers.

I make these statements with full understanding of their import and their effect upon existing trade and treaty laws, because I have indicated on many occasions my approval and support of mutual respect for and reciprocal trade with other nations, but I do not believe that this trade is of real benefit or advantage to this country when it is a "one way street," so to speak, and when it undermines American competitive standards, the prospects of the steady employment of American working men and women, and results in depressed conditions in our economy. That kind of trade, I submit, Mr. Speaker, produces nothing but grief and misfortune for millions of American people and will, if long continued, produce immeasurable deterioration and the ultimate destruction of many of our economic institutions and greatly weaken our free way of life.

I again pledge my vigorous support and wholehearted cooperation to our great shoe industry and its workers, and I hope that under the sagacious leadership of this industry, with sincere, vigorous and effective efforts by Members of Congress that action will soon be taken across the board to put an end to the augmented flow of cheap competitive, destructive imports that are causing so much concern and threaten such dire results for our economy, our Nation and the cause of freedom.

H.R. 12305—ITS PURPOSE

The SPEAKER pro tempore (Mr. LIBONATI). Under previous order of the House, the gentleman from Ohio [Mr. FEIGHAN] is recognized for 30 minutes.

Mr. FEIGHAN. Mr. Speaker, on Monday, August 10, I introduced H.R. 12305, to create a Selective Immigration Board and to provide for the allocation of authorized but unused quota numbers in accordance with the criteria established by the Congress.

The bill which I introduced is not stopgap legislation, it is not another patch on a law which is already overburdened and confused with patchwork legislation.

The bill which I introduced is directed at providing a remedy for the major problems in the immigration field which should be remedied now, before the close of this session of the 88th Congress. Those problems are:

First, reuniting families. By this I mean that citizens of the United States are separated from their parents, sons and daughters, brothers and sisters residing in foreign lands because the quota against which they would be charged is oversubscribed. Legally resident aliens of our country, awaiting the opportunity to become citizens, are separated from their husbands or wives and their unmarried sons and daughters for the same reason. Our free society is based upon the sanctity of the home and the integrity of the family. It is in our own best interests to provide a reasonable remedy to this problem which strikes at the foundations of our great society. My bill provides a remedy for this problem.

Second, meeting the need for certain skills and special talents in short supply in the United States in a manner that will help strengthen and expand our economy by helping business and industry fill these needs. The present method of meeting this need is unsatisfactory, it is not working out as intended. That method needs to be tightened up and made workable, as my bill provides.

Third, meeting the need for our country to provide an asylum for a fair share of the victims of Communist and other totalitarian persecution, under conditions which do not place the stigma of parole upon those unfortunate victims who qualify for admission to our country. Moreover, the parole provisions of the existing law were not intended to be used for this purpose. Abuses have developed in the use of parole authority which invite further abuses. It is time Congress put a stop to these abuses and dealt with the refugee problem on a forthright basis. The bill which I have introduced accomplishes both those purposes.

Those three problems which confront our Nation in the immigration field form the three preferences defined in my bill. The authorized but unused quota numbers are to be made available to meet these problems during a 2-year trial period. Let me emphasize that the bill which I have introduced does not raise the number of quota immigrants now authorized for admission during the 2-year trial period. It simply authorizes the use of those authorized quota numbers which remain unused during each of 2 years for the preference categories I have outlined.

The bill provides for a three-member Selective Immigration Board, appointed by the President, with the advice and consent of the Senate. That Board is responsible for developing an annual plan for the allocation of the authorized but unused quota numbers to the three preference classes I have defined. Before the plans of the Board become operative they must be approved by Congress, through a provision under which either body of Congress can reject the plan within 90 days after its submission. This requirement controls each of the plans covering the 2-year trial period provided for in the bill.

It should be obvious that the Board will consult with the appropriate committees of Congress before formulating their plans because failure to do so will insure congressional rejection of the proposed plan. The Board is also required to submit detailed reports to Congress, covering each of the 2 years and a final report of operations under the authorizations provided for in the bill. Through this system I have provided what I believe to be a reasonable solution to a very difficult question which has arisen during the hearings on H.R. 7700. That question involves the constitutional responsibility laid upon Congress to regulate immigration into the United States, an unchallenged responsibility affirmed by the Supreme Court, and the call of H.R. 7700 to delegate those responsibilities to the executive branch of our Government. The provisions of my bill do not delegate the powers of Congress to the executive branch of our Government in any instance.

What it does, in fact, is to establish exacting criteria for allocation of unused quota numbers and calls upon the executive branch, through the Selective Immigration Board, to recommend to Congress how those quota numbers should be distributed within the preferences set by Congress. Congress retains its final authority on the use of such unused quotas through the statutory power to reject such recommendations made by the Board.

The Secretary of State is required to certify to the Selective Immigration Board the number of authorized but unused quota numbers for the fiscal years ending June 30, 1964, and June 30, 1965. The Board in turn is governed by those figures certified by the Secretary of State during the 2-year trial period ending June 30, 1967. The board is not required by law to reallocate all of the unused quota numbers during the 2-year trial period. It is required to exercise its judgment in the use of those unused quota numbers in resolving the three major problems involved in our immigration program, subject of course to final approval by Congress.

The Board is also required to consult with the Secretary of State, the Attorney General, the Secretary of Commerce and the Secretary of Labor before formulating the plans for submission to Congress. This should insure that all the vital and emergent problems of the various Departments of Government are considered in formulation of the Board's plan for allocation of the unused quota numbers.

That in susbtance is what the bill I have introduced will authorize and should accomplish. Now for the things the bill will not do.

First, it will not raise the present ceiling as set by law on quota immigrants.

Second, it will not replace the national origins quota system which continues without interruption during the 2-year trial period.

Third, it will not alter the eligibility or admissibility requirements of the present law which govern all immigrant admission including those safeguards on security, health, moral turpitude and character of the applicants.

Fourth, it will not call for any reorganization of the Immigration and Naturalization Service or the Bureau of Security and Consular Affairs of the Department of State, both organs of Government retaining their full authority and responsibility under existing law.

Fifth, it will not serve as an invitation to build a new arm of government bureaucracy because the powers of the Selective Immigration Board are limited, requiring no more than a small but competent staff to assist the Board in the discharge of its responsibilities. Since the Board and any staff connected with it will be terminated by law on October 1, 1967, the danger of planting the seeds of further bureaucratic involvement are minimized and controlled by the cutoff date.

Mr. Speaker, the bill which I have introduced is based upon my 22 years experience in Congress, very careful study of our entire immigration program and testimony given during the 20 days of hearings before Subcommittee No. 1 on pending immigration legislation, including H.R. 7700.

Our hearings began on June 11, 1964, and they are continuing according to the schedule set and announced on June 1, 1964. We have completed testimony from interested Members of Congress. We have completed testimony from the Secretary of State, the Attorney General, and the Secretary of Labor. We have completed testimony from the operating level of the Department of Justice, including the Commissioner of Immigration and Naturalization. We have taken testimony on 2 days from the Administrator of the Bureau of Security and Consular Affairs, Department of State, and I regret to announce that testimony is neither satisfactory nor complete.

Because of scheduled commitments to take testimony from interested non-Government organizations and individual citizens, we opened that phase of our hearings on August 5, 1964, and we will continue those hearings until we have heard as many witnesses as time will permit. Let me say, in this connection, that we have had thoughtful and informative testimony, both pro and con, from this healthy wellspring of citizen opinion.

Our hearings to date reveal there is great disagreement about what our immigration policy is or ought to be. Testimony in support of H.R. 7700 has been inconclusive, in some important respects, conflicting and uncertain. It is apparent that Congress will require studies, investigations, and public hearings in depth to weld an immigration policy and supporting laws which serve the domestic needs and international commitments of our Nation.

That is a primary responsibility of Congress which must be discharged. Congress provided the mechanism by law to discharge that responsibility when it established the Joint Committee on Immigration and Nationality Policy in 1952. It is time Congress provided the funds necessary for the joint committee to discharge its responsibilities. The obvious alternative is continuing conflict over what our immigration policy is, in fact, and what it ought to be, along with the present open invitation for the executive branch of Government to seek the authority in this field which Congress is unwilling to exercise. Let me make it clear that I am dedicated to maintaining the separation of powers upon which our representative form of government is based. I do not point a finger of accusation at the executive branch of our Government because I understand fully that when a vacuum of authority exists someone always moves in to fill it. My single purpose is and has been to put Congress in a position where it can discharge its constitutional authority as well as its unquestioned responsibility for regulating immigration into the United States.

Finally, Mr. Speaker, the bill which I have introduced is a very modest proposal. The overwhelming weight of testimony taken before Subcommittee No. 1 to date supports it. Our heritage as well as our commonsense supports it. It is not a panacea for all the problems and disagreements which afflict our immigration program. But it does provide a reasonable remedy to three major problems and the opportunity for Congress to observe some of the basic principles of H.R. 7700 in practice for a 2-year trial period, during which Congress undertakes a full and objective review of all the factors upon which a sound national immigration policy must be based.

CARIBBEAN CRISIS: CONTINUING STORM SIGNS DEMAND ACTION AGAINST FURTHER PERILS

The SPEAKER pro tempore (Mr. LIBONATI). Under previous order of the

House, the gentleman from Pennsylvania [Mr. Flood] is recognized for 60 minutes.

Mr. FLOOD. Mr. Speaker, the poet, Thomas Campbell, in "Lochiel's Warning," makes this significant statement: "Coming events cast their shadows before." The truth of this saying has been amply illustrated by a succession of crucial occurrences on the Isthmus of Panama. Clearly foreseen and repeatedly predicted by me in addresses to the Congress, these forecasts gave timely warnings to proper authorities of what subsequently culminated; but whatever satisfaction there may be in having been right, the outcome is, indeed, barren.

The Red-led and directed Panamanian mob assaults on the Canal Zone on January 9–12, 1964, encouraged and facilitated by officials of the Red-infiltrated government of Panama, were the inevitable consequences of what had preceded and could have been anticipated by anyone who made the effort to collect facts and to evaluate the evidence. Moreover, they could have been entirely avoided had the legislative and executive branches of our Government taken timely preventive action as they should have done.

Denied vital information on Isthmian developments over a long period of time, the people of our country were naturally shocked by the sanguinary violence that featured the Panamanian outbreak. Now, Mr. Speaker, they have learned that, subsequent to the attack, newsstories in the major press organs of the United States purporting to relate events of the outbreak were slanted. The result is that growing numbers of our citizens are holding the Department of State accountable for the series of betrayals affecting the Panama Canal, which, over many years, have plagued those charged with responsibility for the efficient maintenance, operation, sanitation and protection of this key artery of interoceanic commerce.

In view of the publication on June 9, 1964, of the report of the onsite investigation of the January 1964 Panamanian mob assaults by the International Commission of Jurists of Geneva, Switzerland, and its inclusion in an address to this body on June 11 by the distinguished chairman of the Panama Canal Subcommittee, the gentlewoman from Missouri [Mrs. Sullivan], important facts about the riots, as found by a neutral body, are now available—Congressional Record, June 11, 1964, pages 13559–13567. To undo some of the harm inflicted by the mendacious propaganda that characterized most of the publicity following the outbreak, it is still the duty of the press of our country to present all the facts forthrightly and fearlessly. Any representative of the press who wishes to see pictorial evidence of some of the destruction of American-owned property in the Canal Zone and in Panama during the January 1964 disorders can examine a stack of photographs on a desk in my office. Those who seek additional information from the documentation on the background can get a start by reading my addresses on March 9, 1964, "Panama Canal: Focus of Power Politics"—Congressional Record, March 9, 1964, pages 4706–4718—on May 5, "Under Two Flags: Blunders, Confusion, and Chaos at Panama"—Congressional Record, May 5, 1964, pages 10032–10039—and correlated statements by many other Members of the Congress.

THE 1959 PROGRAM FOR CARIBBEAN SECURITY GAVE TIMELY WARNING

Mr. Speaker, in order to provide necessary perspective for comments to be made later in this address, let us recall proceedings in the Congress in 1959, the year of the Red takeover of Cuba. By that time, the trend of subsequent events in the long-range program for Red conquest of the strategic Caribbean, through the processes of infiltration, subversion, and violence, were clear to any discerning observer of the world revolutionary movement known as the international Communist conspiracy.

In an effort to supply a remedy for meeting the mounting crisis, protecting our vital interests in the Caribbean, and assuring the safety of the Western Hemisphere, I suggested a five-point policy program for our Government. This was outlined in an address by me on August 24, 1959, at Reading, Pa., on "Storm Clouds Over the Caribbean."—Congressional Record, volume 105, part 13, page 17062.

In view of what later transpired and the crucial situation now facing our country to the south of us, I repeat the 1959 policy program then advocated and proposed as a plan of action for our agencies of Government. Let me repeat now from my 1959 proposals:

First, announcement that the Monroe Doctrine applies to communistic subversion through penetration and infiltration and veiled motivation, as well as by open and direct effort.

Second, proclamation by our Government that the Canal Zone is constitutionally acquired territory of the United States and that its continued control by this Nation pursuant to treaty and the obligations thus imposed is best for all the Americas, best for the world, and best for interoceanic commerce.

Third, reactivation by the United States of its historic Special Service Squadron based in the Canal Zone, independent of combat forces, under the direct control of the Chief of Naval Operations for continuous display of the flag and other diplomatic missions.

Fourth, announcement that no hostile or other provocative demonstrations of any character will be tolerated in the Canal Zone, from whatever source.

Fifth, clear-cut, nonequivocal reaffirmation of our historic and treaty supported rights and obligations with respect to the Panama Canal and Canal Zone—Congressional Record, volume 105, part 13, page 17063.

It will be recalled that when the Canal Zone was "peacefully" invaded in 1958 by well organized flag-planting raiders from Panama, that our authorities in the Canal Zone, against the advice of some of the zone's most experienced police officials, and for reasons not disclosed, supinely acquiesced in permitting the planting of Panamanian flags. Because of this fact, I concluded my August 24, 1959, address with the suggestion to the Panamanian Government that it "take and enforce necessary measures to prevent any further revolutionary forays into the Canal Zone, which, if permitted to occur, may well end in grim tragedy, with grave impairment of relations between the two Governments."

Mr. Speaker, in view of what has eventually occurred in the Canal Zone, could there have been a more accurate statement of predictions, more timely warnings, or a better program for precautionary policy measures?

Mr. Speaker, I repeat that the warnings voiced by me in 1959, the warnings that I have just quoted and which may be found in print as cited, expose the lie behind recent and present claims that the Panamanian violence of last January could not be foreseen. It was foreseen, Mr. Speaker, not only by me but also by other loyal Americans and Panamanians. In fact, as early as July 1963, informed circles in the Canal Zone knew that mob assaults against the zone were being planned by certain Panamanian factions; and this knowledge extended to Latin American embassies in Panama. Moreover, a bus strike in the following November was a clear sign of the approaching storm. The tragedy is that the warnings which were so plainly foreseen were not heeded. We now ask why, and we insist that present danger signs equally plain regarding further perils be heeded.

HOUSE SUPPORTS UNDILUTED U.S. SOVEREIGNTY OVER CANAL ZONE, 1960

Did my 1959 efforts have any visible results on the conduct of our policies affecting the Panama Canal, then recognized as the key target for a Red conquest of the Caribbean? They did not.

Precisely on the day as predicted by me, November 3, 1959, in the midest of the celebration of Panamanian independence from Colombia, mobs from Panama attempted to invade the Canal Zone amidst scenes of wild disorder and violence, overpowering the Canal Zone police and requiring the services of the U.S. Army on the isthmus to repel the invaders. Another attempt by Panamanian mobs to invade the zone on November 28, 1959, also had to be repelled. On the latter occasion, this task was accomplished mainly by the National Guard of Panama.

In an address to the House on January 13, 1960, I reiterated the 1959 five-point program for action, quoted resolutions introduced by me to implement the program and urged meeting the Red challenge of wresting control of the Panama Canal from the United States through the process of nationalization or internationalization—"Panama Canal: Symbol of a Fourth Front"—Congressional Record, volume 106, part 1, page 416.

Under the impetus thus attained for some form of remedial action and through the efforts of the Committee on Foreign Affairs, the House, on February

2, 1960, passed House Concurrent Resolution 459, 86th Congress, reaffirming the sovereignty of the United States over the Canal Zone territory by the overwhelming vote of 381 to 12. Transmitted to the Senate and referred to the Committee on Foreign Relations, that body, because of opposition from suspect elements in the Department of State, did not report the resolution, and this important policy declaration was not submitted to the Senate for proper action as it should have been.

Mr. Speaker, if we consider the magnitude of the incidents that followed that inaction by the Senate, its failure to adopt the House-approved House Concurrent Resolution 459 was crucial, amounting to an abdication by the Senate, to elements in the executive branch of our Government. In effect, the Senate surrendered its constitutional responsibility in the formulation of vital Isthmian Canal policy. Moreover, its effect was an invitation for further lawlessness and disorder on the isthmus, for increased infiltration by Red revolutionaries in Panama and all Latin American countries, and for open contemptuous treatment of the United States by its secret enemies. Submission to political blackmail can only lead to greater demands of like character.

CANAL ZONE, A NO MAN'S LAND

Mr. Speaker, in the preparation of these remarks, I reexamined my file of addresses and statements in the CONGRESSIONAL RECORD on Caribbean and Panama Canal policy questions made subsequent to adoption by the House on February 2, 1960, of House Concurrent Resolution 459, 86th Congress, on territorial sovereignty. The volume of their documentation in the exposure of timidity, falsification, and unjustified proposals for placating the implacable, is truly shocking.

During the remainder of 1960, in 1961, 1962, and in 1963, I repeated the key points in the plan of action for hemispheric defense, revising as was appropriate; introduced the necessary implementing measures, some of which were cosponsored by distinguished colleagues; and appealed to the Congress and the President to act.

In the interest of an historical record, I now list the dates and titles of major addresses in the House of Representatives or elsewhere carrying the five-point program for vital hemispheric defense or some feature related thereto, and significant documentation:

March 7, 1960: "Hemispheric Security Demands Congressional Reaffirmation of Monroe Doctrine."

April 19, 1960: "Panama Canal: Key Target of Fourth Front."

May 4, 1960: "Hemispheric Security: Congress Must Reaffirm Our Historic Policies."

June 23, 1960: "U.S. Faltering in Caribbean Invites Disaster" (Manion Forum).

April 12, 1962: "Monroe Doctrine or Khrushchev Doctrine?"

September 14, 1962: "Caribbean and Isthmian Policies."

September 20, 1962: "Enemy at Our Gate."

October 23, 1963: "Canal Zone Crisis: Plan of Action."

Other addresses in the House that should be read in these general connections include the following:

March 9, 1964: "Panama Canal: Focus of Power Politics."

March 11, 1964: "Panama Canal: Formula for Future Canal Policy."

May 5, 1964: "Under Two Flags: Blunders, Confusion, and Chaos at Panama."

May 21, 1964: "Panama Canal and the Milton Eisenhower Paper."

In spite of these addresses expressing clear warnings, which many Members of the Congress supported on the floor, all the efforts of my colleagues and myself in the House to secure formal actions by the Congress and the executive branch were frustrated. In consequence, the Red advance in the Caribbean gathered momentum in its program of conquest through infiltration, subversion, and negotiation. It progressed to the point where Cuba openly became a Soviet satellite, the strategic Caribbean virtually a Red lake, and the Canal Zone a "no man's land" under two flags, its chaos maintained by State Department vascillation.

The inevitable and easily predictable took place. The previously mentioned Red led and directed Panamanian mob assaults on January 9 to 12, 1964, occurred, amidst scenes of grim tragedy. Panama, the small country that grew out of the movement for an Isthmian Canal, scornfully broke diplomatic relations with the United States, our diplomats ignominiously fled to the Canal Zone for refuge and, for 3 days, that territorial possession of the United States was a sanguinary battleground, featured by disorder, violence, and death, including the killing of our soldiers. The destruction of U.S. property was enormous—"Panama Canal: Focus of Power Politics," CONGRESSIONAL RECORD, March 9, 1964, page 4705.

To clear up some of the confusions injected into public discussions of the Canal Zone sovereignty question, on January 15, 1964, I entered into what proved to be an extended correspondence with the Department of State and endeavored to secure from that agency a public statement defining the use of the term "titular sovereignty." Unfortunately, the Department of State failed to clarify this ambiguous and misleading term. It merely signifies a reversionary or residual interest on the part of Panama in the Canal Zone in the sole event of abandonment of the Panama Canal by the United States, and nothing else. Moreover, Panama has never, as many confused or uninformed writers have alleged, demanded titular sovereignty but complete and unconditional sovereignty—"Under Two Flags: Blunders, Confusion, and Chaos," CONGRESSIONAL RECORD, May 5, 1964, pages 10032–10039.

In these connections, Mr. Speaker, may I correct a contention repeated in our general press, and unfortunately recurrent in many school history texts in our country. This contention is that the United States took unfair advantage of Panama in undertaking the construction of the Panama Canal.

On the contrary, over a period of years, the people of Panama, then a department of Colombia, clamored eagerly for a treaty that would enable the United States to build the Panama Canal. When the Colombian Senate in 1903 failed to ratify the Hay-Herrán Treaty with the United States, Panama seceded from Colombia, with the result that the Panama Canal Treaty was made with Panama rather than with Colombia. Its favorable terms were the inducement to construct the canal at Panama rather than at Nicaragua.

The facts in this episode of U.S. diplomatic history have been ably set forth in various reliable books. The 1903 treaty with Panama granting the Canal Zone was not against the popular will in Panama as is frequently alleged but was for the best interests of Panama and her people; and many of her citizens obtained jobs in constructing the canal.

DR. MILTON EISENHOWER AND THE PANAMA CANAL

Mr. Speaker, it will be recalled by those who have followed the erosions of U.S. rights in the Canal Zone over the past few years, that Dr. Milton S. Eisenhower, a brother of the then President of the United States, was one of the key figures in promoting the illegal and ill-advised display of the Panama flag in the Canal Zone in September 1960, thereby contributing greatly to the 1964 mob violence. Significantly, this display was done after adjournment of the Congress in utter disregard of the overwhelming vote of the House, 381 to 12, and the unanimous vote of the Congress on the Gross amendment to the 1960 Department of Commerce Appropriation Act—CONGRESSIONAL RECORD, volume 106, part 2, page 2350.

More than 4 years later, Dr. Eisenhower, on April 7, 1964, issued a press release under the title of "Panama Canal: A Realistic Appraisal," CONGRESSIONAL RECORD, April 8, 1964, pages 7192–7196. Obviously designed to influence the platforms of both major political parties, this paper was featured in the mass news media of the Nation.

In an address to the House on May 21, I undertook to expose the nature of Dr. Eisenhower's unjustified proposals for the diplomatic placation of Panama at the expense of our indispensable rights, power, and authority with respect to the Panama Canal and how his recommendations would assure the ultimate loss of the canal and of any other interoceanic waterway that may be constructed.—"Panama Canal and the Milton Eisenhower Paper," CONGRESSIONAL RECORD, May 21, 1964, pages 11686–11690.

With rare exceptions, this address of mine was ignored by the major newspapers that had publicized the Eisenhower document. Nothwithstanding this, the exposure of the fallacies in the Eisenhower proposals, including his preposterous recommendation that tolls be raised 30 percent to cover an increase of the annuity to Panama of $15 million, aroused patriotic citizens all over the Nation who wish an end to the long series of betrayals at Panama.

U.S. POLICY FAILURES INVITE RED-LED ATTACKS ON CANAL ZONE

Mr. Speaker, as previously indicated, following Panamanian mob assaults on the Canal Zone in January, I promptly noted a wide divergence between news reports on isthmian violence as supplied me by eye witnesses in the Canal Zone and the distorted accounts published in most of the major newspapers of the United States.

The most deplorable feature of this mendacious propaganda was the cowardly attempt to place responsibility for precipitating the outbreak on patriotic 17-year-old high school students at Balboa. So I now repeat the points that I have made on other occasions about our fine American youth in the Canal Zone. It was their courageous action in insisting upon the display of the U.S. flag on American territory that alerted the Nation to the enormity of the situation. For their patriotic service in warning the people of our country to the danger in the Canal Zone they should be acclaimed from one end of our Nation to the other for services comparable to those of the heroes of Iwo Jima—"Panama Canal: Focus of Power Politics," CONGRESSIONAL RECORD, March 9, 1964, pages 4705–4718.

What, Mr. Speaker, are the explanations for the January mob attacks on the Canal Zone? Though the entire background is too complicated for detailed recital, the principal factors are simple. They were: first, the illegal display in 1960, and subsequently, of the Panama flag in the zone as visual evidence of so-called Panamanian titular sovereignty, and second, the failure of the Department of State to declare the real meaning of "titular sovereignty"—as previously stated, a mere reversionary or residual interest in the sole event of the United States abandoning the Panama Canal. These two factors together served to create a climate inviting what later occurred and reflect an irresponsibility on the part of high officials of our Government that is, indeed, difficult to comprehend. Are there yet other Alger Hisses in our Government formulating diplomatic policy?

"MANAGED NEWS GOVERNMENT" BY DEPARTMENT OF STATE IN CANAL ZONE

On January 20, 1964, following the mob attack, the Panama Canal organization, in one of its official organs, the Spillway, published a news story summarizing significant events during the riots under the title of "What Really Happened." Preceded by a commendation by the Governor of the Canal Zone of his "fellow employees" for their "magnificent record" in maintaining uninterrupted transit of the Panama Canal during the critical period, the article was fair and objective. The Governor's commendation, however, made this ominous comment:

> Before the existing crisis is completely resolved, an examination will be made of the basic causes of United States-Panama differences. To the extent that I am permitted to do so, I will keep the Panama Canal employees informed of what is going on. You can depend on this.

Mr. Speaker, this implication by the Governor of secret processes concerning the Panama Canal made informed Members of the Congress curious as to what was transpiring. In the context of Panamanian aims, which have been openly and repeatedly declared, what could the "basic causes" of the United States-Panama differences be except sovereignty over the Canal Zone and Panama Canal and matters related to such sovereign rights, powers, and authority, greater and greater benefits, and abrogation of the "perpetuity" provision of the 1903 treaty?

Because of the dangerous confusions generated by raising the Panama flag on this U.S. possession and failure to define at the same time the term "titular sovereignty," which its display was supposed to symbolize, on January 15, 1964, I requested the Secretary of State to supply copies of any orders or statements directing the recognition in 1959 of so-called "titular sovereignty" of Panama over the Canal Zone. In reply, the Department of State supplied me a typed paper entitled "Summary Background: Flying of Panamanian Flag with the U.S. Flag in the Canal Zone by Civilian Authorities, January 20, 1964."

When the January 27 issue of the Spillway appeared, it carried a major article on "The Flag Issue," which all expected to be an objective treatment of the subject. On comparing it with the "Summary Background" supplied me by the Department of State, I noted that the wording of the two statements was identical. A more careful reading showed that both were deceptive.

My inquiries indicate the following facts:

First. Both quote a special Department of State representative then on the isthmus as assuring the President of Panama that the United States recognizes that "titular sovereignty" over the Canal Zone remains with Panama but, significantly, this emissary failed to define that term, thus causing confusion.

Second. Both give a history of the 1959 riots as justification for President Eisenhower's ill-advised 1960 action in approving the illegal display of the Panama flag in the Canal Zone.

Third. Both fail to state, that the initial display of the Panama flag under President Eisenhower's direction and its more profuse display under President Kennedy, were made in violation of law, treaty, and international usage, and that the 1960 display was done after adjournment of the Congress despite the mandate of the House of Representatives—vote 381 to 12—in opposition.

Fourth. Both neglect to describe how Panamanian mobs invaded the Canal Zone, killing our soldiers, endangering the lives of our citizens, destroying property, and threatening canal installations and security of transit.

Fifth. Both attempt, in cowardly manner, to place the blame for the Red-led Panamanian mob assaults on 17-year old Balboa High School students.

Sixth. Spanish language versions of this hostile propaganda, printed by the Panama Canal organization under the title, "El Asunto de la Bandera," were given wide distribution in Latin America by Panamanians.

Imagine, Mr. Speaker, my shock when later learning that the original draft of "The Flag Issue," prepared by the regular Panama Canal staff after painstaking and time-consuming effort, was destroyed. Moreover, it appears that a managed news account, worked up by an agent of the Department of State in the office of the Governor of the Canal Zone, was the version published in the January 27 Spillway and the basis for the State Department's describing the summary as having been prepared in the Governor's office. The typed copy supplied me by the Department of State, which I promptly challenged, was described by that agency on February 18 as "an accurate account of events of January 9–12, in Panama."

Mr. Speaker, such misleading audacity in obscuring facts is alien to innate American character. The truth is that the Canal Zone, as the key target of Red attacks, was the principal scene of violence and disorder; not Panama. This alone is enough to remove any pretense of the article as an "accurate account." Moreover, it reveals the predilection of its framers and their superiors toward describing this territorial possession of the United States, known as the Canal Zone, as part of Panama.

No wonder, Mr. Speaker, my reluctant correspondents in the Department of State have been evasive and ambiguous in replies to my queries. They well know that the truth about their failures to act in the protection of our just and indispensable sovereign rights, power and authority in the Canal Zone would bring about universal condemnation by our people. Moreover, many of our loyal citizens throughout the Nation are demanding a full inquiry by the Congress into the conduct of Panama Canal policies with punitive actions against those guilty of the betrayals and criminal stupidity.

In the light of such outrageous proceedings, is it not pertinent to inquire when only Americans will be on guard in the vital positions involved?

A COALITION CANAL ZONE GOVERNMENT NO SOLUTION

Mr. Speaker, diplomatic discussions between the United States and Panama are now getting underway. Like the Communists under Lenin, Panamanian radicals have disdained to conceal their aims and have loudly proclaimed their ultimate objective for complete and unconditional sovereignty over the Canal Zone territory and Panama Canal. Among their immediate purposes, supported by suspect elements in our Government, are jurisdiction over the Thatcher Ferry Bridge at Balboa, its approaches, and connecting highways; and the employment of alien Panamanians as members of the Canal Zone Police Force, which body is charged with responsibilities in protecting the canal.

In remarks to the House on May 26, 1964, I stressed the importance of retaining full and complete U.S. control over the indicated bridge and its connections, and opposed cession of any corridors across the Canal Zone at any place. It is self-evident, Mr. Speaker, that jurisdiction by Panama over bridges and corridors will result in the zone territory being instantly affected by all future revolutions in Panama, the frequency and violence of which are expected to increase rather than diminish. Moreover, such control by Panama would facilitate the imposition of vehicular tolls over the toll-free bridge, and this predatory objective is now being discussed in high Panamanian circles as a convenient method for extorting additional revenue from the United States.

Mr. Speaker, notwithstanding the obvious fact that such alien control of the new bridge at Balboa across the Pacific entrance channel and corridors through the zone would hamper the proper operation and protection of the Panama Canal, there are some in the United States as well as in Panama who constantly harp on the idea that the passage of 60 years has changed the overall aspects involved in the control, management, operation, and protection of the vital waterway; and that, therefore, the authority of the United States should be substantially liquidated and that Panama should fill the vacuum thus created.

As to such contention, Mr. Speaker, there could be no greater fallacy. Major developments during the past few years in modern weapons and "peaceful" methods of warfare through infiltration, subversion, and terror, have absolutely increased the necessity for retention by the United States of its full rights, power, and authority over the Canal Zone and Panama Canal as provided in the 1903 Treaty and for a wider Canal Zone. Among the reasons for this is the fact that the nuclear age constitutes an infinitely greater danger than did the naval gunfire of 60 years ago, when the treaty was promulgated. Indeed, instead of surrendering any of the Canal Zone territory to Panama, the width of the zone should be extended to include the entire watershed of the Chagres River.

These grim and realistic facts, Mr. Speaker, should always be kept in mind by the treatymaking powers of both Panama and the United States. What do our experienced military and naval leaders have to say about proposals for the surrender of corridors across the Canal Zone?—daily CONGRESSIONAL RECORD, May 26, 1964, page A2778.

As to hiring alien Panamanians as members of the Canal Zone police force, this proposal conforms to the pretakeover tactics of the Red conspiracy and should be denounced as "tantamount to treason."—CONGRESSIONAL RECORD, March 9, 1964, page 4716.

Mr. Speaker, Panama has no obligation under treaty to maintain, operate, sanitate, or protect the Panama Canal. This obligation is vested in the United States alone. Thus, it is indispensable that only U.S. citizens be chosen for all security positions. Such a practice is not anti-Panama or anti-Latin America but one of good sense and the best guarantee for security. Any relaxation in this regard will inevitably lead to the employment of those who will infiltrate the ranks of security positions for destructive purposes.

When the picture of events in the Canal Zone since the initial display in September 1960 of the Panama flag in equal dignity with the flag of the United States, and as recently disclosed by alarming reports from the Zone and Panama, is evaluated, the trend is unmistakable—the formation of a "coalition" Canal Zone Government.

This sinister objective was, in effect, revealed by the determined opposition on the part of loyal members of the Canal Zone police to the hiring of alien Panamanians in this protective force as a serious breach of security.

Mr. Speaker, in the light of modern history, such "coalition" government for the Panama Canal would be fatal, for it would not provide a solution but could only result in confusion and chaos, with our complete abandonment of the Panama Canal. The cases of China, Cuba and many others could be cited as ample warnings of the dangers of "coalition" governments. Moreover, it would bring about unsolvable extraterritorial problems which Theodore Roosevelt and the statesmen of his day sought to prevent forever.

While it may be contended that the plan to hire Panamanians as police has been shelved, the Congress should not be beguiled by such delaying tactics. At this moment, the Panama Canal legal organization is working on plausible amendments to the Canal Zone code to cover such employment, despite the clear intent of the Congress that only U.S. citizens shall be members of forces charged with the protection of the Canal Zone and Panama Canal.

To show the importance of safeguarding the integrity of the Canal Zone police and other security positions, there is the case of a Panamanian who, though a Panama Canal terminal security guard, joined the rioters in January and engaged in sniping into the Canal Zone. He was identified as one Edgar Harrison and, I understand, that an agency of our Government has a film showing him in the act of shooting into the Canal Zone during the riots. Why, I ask, has such information been withheld from our people?

Certainly, Mr. Speaker, such revelations as have been previously documented in many addresses to the Congress are adequate grounds for making major investigations of all aspects of the conduct of Panama Canal policy.

Mr. Speaker, in so urging the Congress, I am not one who would wish to impugn unjustly the motives of those formulating policies on these gravely important matters but if I am worthy at all to be a Member of this body, I am first an American. In these times of crisis, I must be patriotic rather than partisan. So I ask why is it that the cognizant committees of the Congress have failed to institute the vital and necessary investigations? Is it because the Department of State has been able to prevent such actions?

COMING EVENTS CAST THEIR SHADOWS

Mr. Speaker, the maintenance of the authority of the United States over the Panama Canal, which I have so often described as the key target for the Red revolutionary conquest of the Caribbean, is directly related to the security of our naval base at Guantanamo, Cuba, which now has to be protected by battle-equipped marines. What happens to one will inevitably have its impact on the other.

As to Guantanamo, its salubrious climate and commodious protected anchorages, close to deep water, make it the best fleet training facility south of the Chesapeake-southern drill ground area. For these reasons alone, regardless of bases that may be constructed in other Caribbean islands, the weakness of placation-minded diplomatic officials, or the aims of Red collaborators in our Government, Guantanamo should never be surrendered. This view is not a blind following of the past but one that meets the needs of the present and future.

In these connections, the following are now being discussed in Washington and other news centers:

First. The organization of a special U.S. naval force for the Caribbean.

Second. The formulation of a firm policy for U.S. relations with Latin America—U.S. News & World Report, June 1, 1964, page 19.

As to the creation of a special naval force in the Caribbean, there is the helpful precedent of the pre-World War II Special Service Squadron, which was based on the Canal Zone and thus conveniently located for service in either ocean. It was the existence of this naval force which in 1933 enabled our country to support its policies in Cuba without a costly military intervention. We ought to have such a naval unit today, certainly as long as Cuba remains a Soviet satellite.

With regard to the formulation of firmer policies toward Latin-America, the fundamentals are the Monroe Doctrine, our Caribbean, and Isthmian Canal policies. The task, therefore, is not the development of something new in the way of policy determination but the clarification and reaffirmation of our historic and tested policies.

Suggestions to pull out of Guantanamo, where our investments run into hundreds of millions of dollars, are neither realistic nor fair to the American taxpayer, regardless of what may be constructed in Puerto Rico. Guantanamo Bay, strategically located on the northern flank of the Atlantic approaches to the Panama Canal, controls shipping routes to that vital waterway and is indispensable for its protection.

OMINOUS SIGNS DEMAND ACTION

Mr. Speaker, as I have previously indicated on many occasions, the conduct of our policies for Latin American and

Caribbean regions over a long period of time has been indecisive and utterly lacking in consistency. Innate North American courtesy and self-restraint have been mistaken for weakness and Red power has advanced into the vacuum created by fumbling, timidity, and betrayals on the part of long suspect elements in our Government. The storm clouds of 1959 have grown larger. Their shadows have ominously extended, far away lightning is seen, and distant mutterings of thunder heard.

To meet the situation in which we face absolute power, our statesmen and the Congress must show absolute fearlessness; and we must do it legally, forthrightly, and decisively.

Accordingly, I reiterate my basic proposals for a reasoned line of action by our Government:

First. Make definite and reaffirm by congressional resolution our historic and fully vindicated policy of the Monroe Doctrine, applying it to intervention through infiltration and revolutionary subversion as well as by armed might.

Second. Clarify, make definite and reaffirm our treaty-based Panama Canal policies by congressional resolution as contemplated in House Concurrent Resolution 105, 88th Congress—Cannon resolution.

Third. Make clear by congressional resolution our Nation's determination to defend the Canal Zone and the Guantanamo Naval Base against all forms of attack and of retaining full and complete control of both as provided by treaty.

Fourth. Reactivate our special naval force in the Caribbean on a permanent basis for diplomatic and other missions.

Fifth. Conduct full and complete congressional investigations of all aspects of the execution of Panama Canal policy, to fix responsibility for policy failures on the individuals directly concerned.

Sixth. Prohibit by statute the employment of aliens in security positions in the Canal Zone.

Seventh. Forbid by legislation the display of any flag in the Canal Zone territory other than the flag of the United States.

Mr. Speaker, in the perspective of more than a decade of close study and observation of the crisis in the Caribbean and Latin America now under Red revolutionary attack focusing on the Panama Canal, it is abundantly clear that only by such forthright actions of our Government—prompt, courageous, and effective—can the badly impaired prestige of our Nation be restored and the cause of Western Hemispheric defense be strengthened.

To these ends, I would appeal to the Congress, especially the cognizant appropriation, investigating, and legislative committees, and the President, to act in the spirit of Cleveland, McKinley, and Theodore Roosevelt when they faced foreign attempts to destroy the authority and integrity of our sister Republics of the Western Hemisphere.

Decisions thus to act may be difficult to make; but they must be made if the cause of Western civilization is to be sustained. In no other way, Mr. Speaker, can our agencies of Government, that is, the Congress and the President, better serve the United States and all the Western World in this crucial era.

Finally, I would stress that in meeting the crisis in the Caribbean, the people of the United States expect the necessary leadership on the part of the Congress and the President. Let us not wait until new blows fall at Panama or elsewhere, but act now.

THE ALL-PURPOSE AIRCRAFT

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Wisconsin [Mr. LAIRD] is recognized for 30 minutes.

Mr. LAIRD. Mr. Speaker, the defense of this country is rightly the concern of all Americans. Today, we are the strongest nation in the world. During the 1970's we may not be. I have stood in the well of this House on several occasions and demonstrated clearly that there has been a lag in new weapons development under this administration. This lag is evident particularly in the area of major new strategic weapons, but it appears in other areas as well when we project our needs into the 1970's. Unfortunately, the most notable omissions or slowdowns have occurred in the area of qualitative advances.

When responding to specific charges, this administration relies on citing long lists of quantitative increases. The Secretary of Defense for example, in response to one of my earlier charges that this administration had not developed a single new major strategic weapons system, contended that 208 major new projects had been initiated under this administration. Not one of them was a new, major strategic weapons system. Also, in responding to these and similar charges, and in repeated announcements by the administration, the danger period of the 1970's is consistently played down or totally ignored.

We all are aware, I think, that the significant portion of our defense complement has been inherited from the Eisenhower years, a fact that would not have to be repeated if subsequent administrations could feel that they would inherit a similarly reassuring defense complement.

Be that as it may, my charges and those later included in my party platform apparently proved too much for this administration. Thus, the President, in a news conference broke security classification, which is of course his privilege, to reveal a hitherto secret aircraft designated the A–11. Members of my committee were aware of its existence before the President's announcement. We were notified in advance of his impending announcement and, I understand, were unanimous in our feeling that the announcement would serve no useful purpose.

The development of the A–11 concept and program began under President Eisenhower in 1959. The implication in some news stories that the A–11 was a major new weapons system developed under this administration was, of course, rather farfetched. Yet the President attempted to perpetuate this impression in a subsequent news conference.

On July 24, the President announced "the successful development of a major new strategic manned aircraft system." It was designated the SR–71. From the President's description and from further investigation, it is clear that the SR–71 is really a modified A–11.

The amazing thing, Mr. Speaker, is that the President in this news conference attempted to enhance the image of his administration by stating that this so-called new aircraft was started in February of 1963 and that an operational aircraft will be flown early in 1965. Anyone who knows the least bit about modern weapons development cycles knows that such an advanced aircraft would take approximately 5 years to develop. This was clearly an attempt to mislead the Congress and the American people as to both the state of our defense effort and the thinking of this administration concerning defense problems.

Mr. Speaker, I do not understand how the President can justify in his own mind the public relations use he has made of this aircraft. You will recall that when the first announcement of the A–11 was made, it was hailed as an interceptor in an apparent attempt to kill the discussions in Congress over the need for a new interceptor. It was and still is a reconnaissance aircraft. In his announcement on July 24, the President referred to the A–11 as an "experimental interceptor" which it clearly is not and could not be without major modifications.

The A–11 has apparently become an all-purpose aircraft, although the purposes for which it has been used to date are mostly political. A perceptive editorial appeared in the authoritative Aviation Week and Space Technology magazine of August 3. Under unanimous consent, I ask that it be inserted in the record at the conclusion of my remarks.

Mr. Speaker, a reading of this editorial will make clear to anyone who is interested the attempts that have been made to mislead the American people about the nature of this aircraft. It is amazing how many uses the President has claimed for the A–11. Still another example is the administration's use of this aircraft to pacify those who were pushing for a supersonic transport by implying that the A–11 was a significant step in that direction. And now, in an obvious attempt to stifle criticism by myself and others both in and out of my party, this same aircraft has become a "new strategic aircraft."

An interesting sidelight of this whole spectacle concerns the nomenclature used by the President to designate the aircraft. According to proper nomenclature procedures an aircraft with a prefix S would be classed an antisubmarine aircraft, a function not yet claimed for the A–11. The President called the aircraft a long-range strategic reconnaissance aircraft, which normally has the prefix R. In the past, the designation of that type of aircraft would have been RS. The S would then stand for "strike" for it normally would have that capability. There has been no official explanation of why normal nomenclature procedures were not used in this case. Some have suggested that the President inadvertently read the letters in reverse and everyone has been afraid to correct him.

Mr. Speaker, the subject of defense and national security is too serious to this Nation and its people to allow anyone, including the President, to engage in attempts to mislead the American people in an election year or any other year. This transparent attempt only substantiates further the charges that have been made against this administration in their approach to defense matters. The safety of this Nation and its people are at stake and no individual or party is above public scrutiny and condemnation when it misleads the people about the national security program of our country.

The editorial, from Aviation Week and Space Technology, referred to above follows:

THE ALL-PURPOSE AIRCRAFT

Defense Secretary Robert S. McNamara has been searching with limited success for an all-purpose aircraft during the 3½ years of his Pentagon stewardship. But it remained for President Lyndon B. Johnson to discover the perfect all-purpose aircraft that can meet technical and political requirements with equal ease. It is the Lockheed A–11, commissioned by the Central Intelligence Agency in 1959. The A–11 was designed during the last years of President Eisenhower's administration, began flight-testing in President Kennedy's administration and became a television star under President Johnson's tutelage.

President Johnson has appeared in nationally televised press conferences twice in the last 6 months to extol the technical virtues of the A–11 and demonstrate its political flexibility, and all of its wonders have not yet been fully revealed. We predict that the A–11 will become a regular performer during the presidential campaign television season, although even some of its closest associates may have difficulty recognizing it in the costumes that may be devised for campaign purposes.

There is no argument among either technical or political experts on the fact that the A–11 is a cleverly bred aerial racehorse and a genuine engineering tour de force by Designer Clarence (Kelly) Johnson and his Lockheed "Skonk Works" team. The area of argument, which seems certain to increase in acrimony and rise in decibels as the presidential campaign progresses, is in the various guises in which the basic A–11 has been presented to the American people by President Johnson and its unusual deployment in a political fire brigade.

At the time of President Johnson's first A–11 announcement, his administration and Defense Secretary McNamara were engaged in a bitter fight with Congress over whether some $40 million should be appropriated for initial development of a new long-range supersonic interceptor for the air defense system. In his initial announcement, President Johnson said A–11's were then at Edwards AFB, "undergoing extensive tests to determine their capabilities as long-range interceptors." This was substantially correct, since the first A–11 arrived at Edwards a few hours before President Johnson appeared on television, and eventually some tests were made with rocket armament installed internally and externally on an A–11 designated YF–12A for this purpose.

We predict that the results of these tests will remain forever buried under a security blanket. Young pilots of the Air Defense Command will grow old before an A–11, YF–12A or any similar beast of this design will grace their operational flight lines. However, Defense Secretary McNamara went even further than the President and told his press conference that the A–11 had been developed originally as an interceptor and implied that the $40 million was not for the start of a new aircraft design but simply for furthering of the A–11 program. Neither of these statements was accurate. This produced sufficient confusion among the legislators for Congress to drop the $40 million from the budget, thus killing development of any new generation of interceptor aircraft. Skillful piloting of the A–11 scored its first political victory.

At the same time, the U.S. supersonic transport program was in the doldrums. More than a dozen foreign airlines that had made cash deposits for places on a nonexistent production line were wondering whether they had bet on the wrong horse. President Johnson quickly dispelled their gloom by noting that, "the development of supersonic commercial transport aircraft will also be greatly assisted by lessons learned from this A–11 program; for example, one of the most important technological achievements in this project has been the mastery of metallurgy and fabrication of titanium metal. * * *"

How the mastery of titanium had been achieved in mach 3 A–11 aircraft already flying, at the same time the perils of titanium were cited by Defense Secretary McNamara as a reason for rejecting the Boeing mach 2 F–111 (TFX) design, has never been clearly explained. Nor is it likely to be. But the A–11 scored another political victory.

Now President Johnson finds himself facing a Republican opponent who holds an Air Force major general's Reserve commission and is an active jet pilot with thousands of hours of flying time in his logbook. This candidate, Senator BARRY GOLDWATER, has severely criticized the administration for its failure to continue development of manned aircraft with strategic capability to supplement ballistic missiles, and has indicated he will make defense policy a major issue.

On July 24, 9 days after Senator GOLDWATER won the Republican nomination, President Johnson "revealed" development of a new manned mach 3 strategic reconnaissance system called the "SR–71." The only mention of the A–11 in this statement was the notation that the "SR–71" used the same type J58 engine as the A–11. Later, Pentagon spokesmen reluctantly admitted that Lockheed built the "SR–71." The "SR–71" was, of course, the A–11 with still another designation pasted on its titanium skin. But many Congressmen were fooled, and unthinking daily newspapermen and wire service reporters failed to catch the deception and spread the news across the Nation of the "new" billion-dollar aircraft program.

The inception of this program also was conveniently shifted from 1959 in the Eisenhower Administration to 1963 in the Kennedy Administration. Anybody familiar with aircraft development cycles knows that if this program were really started in 1963, it would be impossible to deliver operational aircraft to Strategic Air Command in 1965, as President Johnson stated.

But in the confusion that now reigns on what the "SR–71" really is, much of the thrust of Senator GOLDWATER's criticism has been blunted and the A–11, YF–12A, "SR–71," and supersonic transport research aircraft has scored its third political victory. Only two more to go to become a genuine ace.

We suspect that the next chapter in the checkered career of the A–11 will be the "revelation" at the most opportune political moment that it can be a bomber, too, thus eliminating any further need for development of the B–70, AMSS or any other type of advanced manned striking system.

For a new aircraft that is either 5 or 2 years old, depending on which television program you watched, the A–11 has had an amazingly versatile career. We wonder if Lockheed has the facilities to build as many of them as the Defense Department obviously will request.

APPALACHIAN FACTFINDING TOUR

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Iowa [Mr. SCHWENGEL] is recognized for 30 minutes.

Mr. SCHWENGEL. Mr. Speaker, throughout the hearings of H.R. 11946, a bill to provide for Appalachian regional development, I repeatedly requested that the ad hoc Subcommittee on Appalachian Regional Development of the House Committee on Public Works make a tour of the region to gather firsthand knowledge of the situation and to hear from the people actually experiencing the conditions purported to exist in the testimony presented to us by many officials of the administration.

This is not an unusual request, since many members of the committee and of the Congress do make such trips, for the purpose of conducting hearings on other pieces of vital legislation. Nevertheless, even after continued assurances that the subcommittee leadership was seriously considering the proposal to make the trip, the bill was favorably reported from the committee without any factfinding trip being taken.

Because I believe so strongly in getting firsthand, grassroots information, last week I went to Martinsburg, W. Va., at my own expense to hear testimony from the residents of West Virginia, Maryland, Virginia, and Pennsylvania. I announced that I would be there to hear testimony about the Appalachian area and its problems through the press media, and when my assistants and I arrived there were some 22 people at the hearing room waiting to add their remarks to the knowledge already gathered on the legislation. Some 18 of these people gave testimony that morning. I intend to put this testimony in all or in part into the RECORD later this week or the first of next week.

To make this trip even more worth while, some farm leaders took me on a tour of the actual farming sections of the region during the afternoon. I visited several farms which are considered to be typical of the area.

For years I have been taking such trips throughout counties in my district to gather opinions from my constituents, and I have found such trips to be very beneficial. I knew Charles Toam, representing the Frederick County Fruit

Growers, Winchester, Va., made the following remark:

> We have endeavored for a number of years to obtain labor both out of West Virginia and southern parts of Virginia for our harvest. We are large users of Bahaman and Jamaican labor, because we have been unable to supply our needs for labor in this area from our local supply, in spite of the statements that there are many unemployed, and I don't doubt the truth of these statements. We have not been able to induce these people to leave home and to come into this area and pick our fruit. We feel that along with this there are several different items that bear greater consideration than at least we have heard there are considerations in the bill—one of them being a modification of our welfare programs. One that would induce people to work and encourage them to work, rather than to discourage them from working because of their inability to get back on a program or to pick up after work ceases to be available, particularly of a seasonable nature.

He went on to say:

> We even had occasions where the public officials have discouraged them from working because they would deplete their rolls, and thereupon more or less put them (the public officials) out of a job.

I was accompanied on this trip by Randall Teague, minority clerk, Watersheds Development Subcommittee, House Committee on Public Works, and Allen Schimmel, legislative assistant, at my office. Both of them were very helpful. I would like to emphasize that this tour was unofficial and not a function of the Public Works Committee. The expenses for the tour came from my own pocket, and my only consideration was to get to the heart of this proposal—the people of Appalachia.

The testimony of the residents of Appalachia points out exactly what has been my original contention—that the blanket coverage of an entire section of the Nation by a bill of this nature is an unsound proposal. There are areas in Appalachia which need assistance, but blanket coverage to the entire region, parts of which are more prosperous than many other areas of the Nation, is not a correct approach. Just because someone at a drawing board outlined the geographical boundaries of the region, and some of the boundaries are very doubtful, does not mean that anyone or any place in that region should be able to receive Federal assistance.

I think that every Member of this body should examine the testimony which I will place in the RECORD later this week. It is indeed thought provoking, that such a trip to Appalachia would also be successful—there is no substitute for first-hand contact with the people. We must learn to hear from the people more often.

The people who came and appeared were indeed interested in the legislation concerning Appalachia. While most everyone was interested in the objectives of the program, not a single one actually endorsed the bill. Most of them expressed serious concern and skepticism over the feasibility and advisability of many proposals in the bill.

In discussing the preparation of the legislation by the President's Appalachian Regional Commission—PARC—and its report, we found that a very prominent authority on conservation matters with the State conservation committee was not even contacted specifically about the pasture improvement section of the bill, nor was he or others in that committee counseled about the other sections of the proposal. This leads us to believe that other State officials did not see the bill until it was already presented to the Congress by PARC. Since this program is supposedly a cooperative measure between the Federal Government and the State governments, this gave me some serious concern over the actual cooperation that existed in the preparation of this legislative proposal. If cooperation was nonexistent or minimal, then the cooperation which the bill envisages as existing between Federal and State authorities in the development and fulfillment of the programs of the Appalachian Regional Commission might also not come to full development. This would present some very serious problems. One thing to remember is that the Federal representative has a veto power over the plans of the Commission.

The people who testified in the Martinsburg hearings had some very good suggestions about the ways to handle the Appalachian problems and also about ways to handle such items there as unemployment, farm improvement, experimental farm stations, soil and water conservation, reducing beef surpluses, proper use of pesticides, ways to create incentive in the people of Appalachia, the exploitation of people of the area, and a host of other items, some germane and others not germane to the Appalachia bill. Some of these will be presented with the testimony placed in the RECORD.

Nevin A. Schall testifying in Martinsburg on behalf of the Pennsylvania State Chamber of Commerce stated:

> The chamber believes that the useful portions of the Appalachian program can be implemented by existing Federal agencies. Creation of a new Federal commission, or a new Federal financing corporation, or any additional level of Federal bureaucracy is unnecessary and harmful. Additional governmental structures would not improve existing or proposed programs and would certainly cause Federal domination in essentially State and local affairs. Proper coordination of programs for the Appalachian region could be obtained simply and effectively by a Presidential assistant working with existing agencies.

He further stated:

> The proposed agriculture program unwisely provides a substantial possibility of Federal subsidization of uneconomic land use and of perpetuation of the conditions intended to be remedied. The proposed Timber Development Organizations are objectionable because they are unnecessary and would create federally-subsidized competition with existing private organizations. * * * With reference to the mineral portions of the report, the chamber believes that technological advances creating a potential increase in the economic use of coal, by means of large-scale mine-mouth electric generating plants and extra-high voltage long-distance transmission lines, are already being fully utilized by the investor-owned electric companies. Hence, it believes that Government-owned or financed power facilities are neither necessary or desirable.

When questioned about the conversion of land into pasture as envisaged in this proposal, one cattleman almost laughed. His most appropriate comment was, "What are you going to do with the beef? We already have more than we can use. Our prices are already going down because of too much meat." Other people testified that the land which would probably be brought into production under the provisions of this bill are lands which would need constant attention. The Appalachian area is a peculiar one when it comes to farms. Either you have a valley farm or you have a hillside farm. In essence you either have a good farm or you have a bad farm; 10 acres in the valley may produce more than 100 acres on the mountain. As a result the farmer with the poor farm probably could not even raise the necessary capital to meet his 20 percent of the funds required for pasture improvement under the sections of this bill, and the farmer with good land already has sufficient capital to do pasture improvement of his own without Federal assistance.

MAKING COLUMBUS DAY, OCTOBER 12, A NATIONAL HOLIDAY

The SPEAKER pro tempore (Mr. LIBONATI). Under previous order of the House, the gentleman from New York [Mr. ROONEY] is recognized for 15 minutes.

Mr. ROONEY of New York. Mr. Speaker, this morning I had the privilege of appearing before the Senate Subcommittee on Charters, Holidays, and Celebrations of the Committee on the Judiciary on proposed legislation making Columbus Day, October 12, a national holiday. The following is the statement I submitted to the subcommittee this morning:

> Mr. ROONEY of New York. Mr. Chairman, members of this distinguished committee of the Senate, I am pleased to have this opportunity to submit for your consideration my views relative to the importance of making Columbus Day, October 12, a national holiday.
>
> The proposal to give honor on a national basis to the intrepid Italian, Christopher Columbus, who was the first from across the sea to set foot on the shores of this continent, is completely justified as a reminder of the debt we owe this great navigator. As Americans, we cannot recall the historic voyages of Columbus without also recalling the deeds of scores of other great explorers and early pioneers and the debt we owe each of them.
>
> We are reminded of great heroes who came here before our Nation came into being—the men of many nationalities who braved the wilderness in their explorations. When we think of Columbus we think of Vespucci, of Raleigh and Drake, of De Gama and Cortez, of Champlain and Frontenac, of Hudson and De Soto, of Magellan and scores of others. We think, too, of the veritable parade of

heroes from other lands who march across the pages of our history—Lafayette and Steuben, L'Enfant and Shurz, Pulaski, Fermi, Sikorsky, Einstein and the hundreds of other great people to whom this country owes so much.

Although Christopher Columbus did not find it possible to remain on these shores in the true sense of a migrant, even in spite of three bold visits, he is responsible for initiating the steady flow of migrants from Europe. His charting the seaway to America permitted and stimulated the wave of explorers of many nationalities, English, French, Portuguese, Dutch, Spanish, and Italian. On the heels of the explorers came the settlers. With the arrival of these colonists the pattern for American citizenship was established—a nation of many nationalities, of many traits, and of many beliefs—yet a people dedicated to the principle of one nation, independent, indivisible, with liberty and justice for all.

Among these settlers—the farmers, the merchants, the printers, the preachers, the bankers, the fishermen, and the craftsmen of all kinds came the men who became in America's hour of need the great soldiers and the great statesmen who fought for her independence and planned for her survival as a nation.

The debt we owe these outstanding men of history, and the saga of their deeds should be kept constantly before us and preserved for posterity.

I suggest, Mr. Chairman, that without in any way minimizing the honor which we seek to do to the memory of Columbus and without in any way deprecating the honor we pay him as an Italian, but because of him and because he was Italian we consider Columbus Day as National Immigrant Day.

What greater honor could we pay to the discoverer of our country than to pause each October 12 as we commemorate his birth date and think, too, of our other forebearers for whom he opened the door of America.

Columbus Day has long been proclaimed a holiday in some States and in many localities. I believe the time has come when all Americans in every State and in every locality—Americans of all faiths and descendants of all nationalities should observe Columbus Day as a national holiday to be observed with fitting ceremonies.

Americans—native born and adopted—all have reason to be reminded of the historic deeds and actions of our immigrant forefathers. All of us need to be reminded of Christopher Columbus' bravery, his tenacity, and his courage of convictions which established him as an example for all the multitude of not only his fellow countrymen but the men and women of other nations who would follow him to these shores.

We speak reverently of George Washington as the "Father of our Country." We may speak equally as reverently of Christopher Columbus as the "Father of our Continent."

It is my hope, Mr. Chairman, that your committee will adopt my suggestion and that favorable action will be taken by the Congress to enact the necessary legislation to give all Americans an official national holiday to commemorate the birth date and pay homage to Christopher Columbus and to honor the succession of great foreign-born heroes who because of his explorations and discoveries could add their noble deeds to his.

LYNDON'S PALS

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Ohio [Mr. Ashbrook] is recognized for 15 minutes.

Mr. ASHBROOK. Mr. Speaker, more and more Americans are starting to take a good look at President Johnson's cronies. Sometimes we are prone to be alarmed by only the radical ADA element which surrounds the Chief Executive at the philosophical and advisory levels. The Bobby Baker types are also there and the President must answer for them.

Of course, he has artfully dodged the Bobby Baker association now that the wrongdoings of his former protegé have become a matter of public knowledge. Simply because he is President, Mr. Johnson cannot wave a magic wand and say "My friends are OK—ask no further." These relationships are subject to public scrutiny and we not only have a right to ask questions, we have a duty to do so.

We all recall that President Johnson quite piously glossed over his close relationship with Bobby Baker in his March 1, 1964, 1-hour TV interview. He implied that he did not know the former Senate wheeler and dealer that well. The record indicates that this is not the case—there was a close personal relationship between the two men. The press may be generally mesmerized but one thing the President can not do is to change the bound volumes of the Congressional Record. They speak out loud and clear. Note just a few excerpts:

On July 27, 1956, during the last hours of the 84th Congress, Senator Lyndon B. Johnson—see Congressional Record, volume 102, part 11, pages 1511–15113—said:

> Mr. President, the last hour of the 84th Congress is here * * * but in the final hour it is time to speak of one emotion which at such a time as this lies close to the hearts of all. It is fitting to speak of it now * * * I speak of friendship, the warm friendships that have been forged together in our days here on the floor. * * * And now * * * Bobby Baker. I know I should refer to him formally as secretary to the majority, but my tongue even as my heart, says "Bobby" instead. His quick intelligence, his tremendous fund of knowledge about the Senate, which is almost appalling in one so young has kept the machinery on this side of the aisle working with smooth precision. Always present, always alert, and more than anything else, always understanding and persuasive with his wise counsel. I say to all of you here tonight that here, indeed, is a young man of rare and real promise.

At the close of the 85th Congress—see Congressional Record, volume 103, part 12, page 16722—Senator Johnson again speaking of Bobby Baker said:

> The secretary to the majority is the most tireless and indefatigable man on this floor. Bobby Baker is a young man who already has gone much further in life than many others of far greater years. And Mr. President, it is my personal opinion that he is just getting started. There is a very simple formula that explains Bobby's success. He gives of himself unsparingly, and without regard to what he will get in return. He usually gets from me some perhaps intemperate words, for which I am sorry the next morning. But, Mr. President, his first thought is always of those of us he serves. And every one of us knows that we can call upon him at any hour of the day or the night, and he will not be found wanting. He is a man who truly serves his country, and I consider him one of my most trusted, most loyal, and most competent friends.

How did Senator Johnson's colleagues view the relationship of Senator Johnson and Bobby Baker?

In a tribute to the majority leader, Lyndon B. Johnson, August 23, 1958—see Congressional Record, volume 104, part 15, page 19445, 85th Congress—Senator Alan Bible, of Nevada, said:

> Mr. President, very soon we will have finished up our work and the Senate can adjourn * * * among these outstanding Americans on both sides of the aisle, Lyndon Johnson stands out as one of the most effective leaders of our era. * * * Mr. President, no leader can operate effectively without a loyal and conscientious staff. It is doubly fortunate, Mr. President, that in having an outstanding leader we also have the benefit of his fine staff. I have particular reference to Bobby Baker, the secretary for the majority, a young man who has that rare gift of getting things done with a minimum of time and a maximum of efficiency. I like to refer to Bobby Baker as "Lyndon, Junior," an accolade he well deserves.

Senator Lyndon Johnson demonstrated his ability to gaze into the crystal ball and predict the future when he addressed the Senate—Congressional Record, 85th Congress, volume 104, part 15, page 19573—on August 23, 1958, saying:

> There is a group of people in the Capitol who are fully as responsible for the success of these deliberations as are the Members of the Senate themselves, and I am referring to the hard-working, loyal Senate staffs. * * * There is Bobby Baker, the energetic, persevering secretary for the majority. I wish to take a minute to talk about Bobby, because there have been few times in my life that I have ever seen a young man who combined so much wisdom and maturity with such youthful vigor and enthusiasm as Bobby Baker. I think it is fair to say that a great deal of the success of this Congress has been due to Bobby Baker's alertness, his diligence, his devotion, his dedication, and his insistence that things be done right. He is a young man who has already gone very far and who is going much further. I believe he will reach much greater heights.

"One of my most trusted, most loyal and most competent friends—a young man who has already gone very far and who is going much further," referred to by a fellow Senator as "Lyndon, Junior."

No, Mr. President, Bobby Baker would not go away just because you say you do not want to speak out on the subject. The American people will continue to study and wonder. Rightfully so.

Now, there are a few more pals hanging around who bear some scrutiny. In the highest tradition of American journalism, Wall Street Journal reporters Louis M. Kohlmeier, Ray Shaw, and Ed Cony collaborated on an article which appeared in that newspaper on Tuesday, August 11, 1964. It raises some serious questions about the wheeling and dealing aspects of the Texas friends of L.B.J. which should be answered. Speak out, Mr. President, and explain your friends to us—or, do you still think we do not have any right to know?

The article follows:

[From the Wall Street Journal, Aug. 11, 1964]

LYNDON'S PALS: HIS HOMETOWN COTERIE WHEELS AND DEALS IN LAND AND BROADCASTING—THEY BUY INTO AUSTIN BANKS, TRADE PROPERTY WITH L.B.J. AND PLAY SOME POLITICS TOO—DIRECT LINE TO THE WHITE HOUSE

(Wall Street Journal Reporters Louis M. Kohlmeier, Ray Shaw, and Ed Cony collaborated in the reporting for this article)

JOHNSON CITY, TEX.—His visitors had almost given up hope of seeing A. W. Moursund, "the judge."

But then a bronze-tinted Lincoln blazed into this hamlet at high speed. Its driver pulled to a stop, strode into his office in the trim, one-story tan brick building. His dignity of figure and face, accentuated by rimless spectacles, was soon relieved by some salty language brushing aside curiosity about his career. Nobody could be interested, Judge Moursund insisted. "I was born and raised here. * * * I'm just a country lawyer."

In a law office of the nearest city, Austin, the strangers heard similar words from a stocky fellow in slacks and a blue jacket. Said Don Thomas: "I'm just a poor boy, born and raised in east Texas, trying to make an honest buck."

In Austin they listened to a third lawyer, Ed Clark. He has been hailed by the East Texas Chamber of Commerce for wrapping "his 200-pound-plus frame in loud checked suits, coats that would put Joseph's to shame, and rainbow-hued shirts." He once moved a local newspaper to marvel that "his piny woods drawl under duress is a cross between a caterwaul and Rochester practicing one of his more troublesome scenes." But Mr. Clark, too, spoke to the outlanders with humility: "Spell my name right—I need the business."

Such men are bound to be interesting, as authetic human products of the Texas hill country—this semiarid, undulating terrain sprinkled with mesquite, scrub oak, and occasional cactus, which stretches out to the west of the State capital. Though lots of it must look much as it did in 1864, it catches the eye today because this is Lyndon's land. Here is the original base of President Johnson's vast political power. Here is the soil which nurtured the Johnson family's multimillion-dollar economic interests. By now thousands of acres, literally and legally, are Lyndon's land.

Still, these three—Ed, Don, and "the Judge"—are even more interesting because they are not quite what they say they are.

Edward Clark does not need to scratch for business; he heads the thriving law firm of Clark, Thomas, Harris, Denius & Winters, patronized by giant national corporations. One testament to his success is his status as board chairman of Capital National Bank, a proud Austin institution in which he holds more than $1 million of stock.

Donald Thomas is not a poor boy; he is a law partner of Mr. Clark and among other things he put up $150,000 5 years ago to take over Brazos-Tenth Street Corp. Though the rocketing rise of this Austin enterprise has centered on ranch land and urban real estate, Brazos-Tenth has likewise picked up more than $1 million of bank stock, scattered in half a dozen institutions of three towns.

A PHONE TO THE WHITE HOUSE

Judge Moursund is not just a country lawyer; he is land baron, insurance man, banker—and currently reigns as regent over a major broadcasting empire. More than that, he is the only country lawyer in the Nation who is linked by private telephone circuit to the LBJ Ranch and the White House. He can pick up his phone and almost instantaneously talk with the President

Which brings up the most interesting point of all. Don, Ed, and "the Judge" are not merely poor boys who've become well-heeled Texans—there are plenty of those—but are in a special inner circle orbiting around Lyndon Johnson.

Associates of any President can be intriguing, for they offer clues to the kind of man the Chief Executive may be. Yet except for John Connally, the Governor of Texas, who was wounded by the Kennedy assassin, the men who've spun in this Johnsonian circle are not well known nationally—maybe simply because the Nation has not been paying proper attention. Any effort to paint the group portrait they deserve should perhaps begin by sketching a few generalizations:

This coterie operates with an intimacy which more than makes up for its informality. Membership requires long-rooted Johnsonian friendship but is open only to friends of razor-sharp competence. These men agree, as Ed Clark puts it, that Lyndon "is always trying to do more for everybody than they can do for him," yet they compete in doing things for Lyndon and for each other. They differ from the President's Washington allies in that business deals build their bonds; nevertheless their own magnetic motion creates political as well as economic power.

THE PRESIDENTIAL PERSONALITY

Students of the presidential personality may even see a certain significance in the mystery or confusion which surrounds certain aspects of this inner circle's operations. At one moment a circle member may appear as a Johnson partner, or serve as a Johnson agent. At another time he may be operating independently, or be on the opposing side of a transaction which involves Johnson business interests, or even appear as an active Johnson competitor. Often it is not obvious which role is being played. In detail, the clues are sometimes as murky or downright misleading as those of a good detective yarn.

For example, records in the Llano County Courthouse seem to show plainly that Donald Thomas bought the 2,785-acre Nicholson ranch last year for $373,000, and still holds it. But the 44-year-old Mr. Thomas himself declines to define this big tract as a definite part of his own current possessions. He limits himself to a single enigmatic comment: "You're getting into LBJ Co. business there."

The LBJ Co., of course, is the Johnson family's TV and radio concern, which changed its name to Texas Broadcasting Corp. when Lyndon became President and Lady Bird put her controlling stock under the trusteeship of Judge Moursund.

The studio, offices, and executive suites of the Johnson Broadcasting Co. occupy fully a windowless modern edifice at the corner of 10th and Brazos Streets in downtown Austin. The popular impression that this belongs to the Johnsons is seemingly supported by friends' testimony that Lady Bird personally chose its buff and turquoise bricks and designed its penthouse and roof garden. Mrs. Johnson herself is on record as calling this "a building of our own," contrasting it with the "rented" quarters her broadcasting firm occupied prior to 1960. Yet legal files show the property is owned by the burgeoning Brazos-Tenth Street Corp., whose name comes from the address. And Don Thomas declares the Johnsons own not a single share of Brazos-Tenth stock.

"A lot of people here think I'm just a front man for Lyndon Johnson—and I'm not," Mr. Thomas has complained. "There are no facts to suggest the company (Brazos-Tenth) is owned by anyone but me; I'd make that statement on a soapbox."

Thus by his own account Mr. Thomas is operating in this instance as the hardheaded landlord dealing at arm's length with some tenants named Johnson. When Mr. Thomas enters the building, he need not always come in this chilly role, however, for he also has two warm positions within the Johnson broadcasting firm, as its corporate secretary and as a director. And besides that, he is a trustee of the LBJ Co. profit-sharing and incentive plan, which rewards loyal executives and employees of the Johnson broadcasting concern. And he's a trustee of the Johnson's charitable foundation. And over the years he has been both a friend and a personal attorney for Lyndon. So assuredly he is not just a front man for the Johnsons. He has got them surrounded from every direction.

DECLARATION OF INDEPENDENCE

Though Mr. Thomas' Brazos-Tenth firm can assert its independence of both Mr. Johnson and the Johnson broadcasting enterprise, it often gets associated with them, sometimes in deals of dizzying velocity. Consider what happened on February 1, 1962. Courthouse records show on that date the LBJ Co. sold a parcel of Austin real estate, with the signature of Donald Thomas appearing on the sales document as its corporate secretary. The purchaser was Brazos-Tenth, so of course Mr. Thomas was even more firmly established on the buying side of this transaction. Then, on the very same day, Brazos-Tenth resold the property to a Thomas friend—Lyndon B. Johnson.

At the same time, records show, Brazos-Tenth bought more than 40 other lots and 3 tracts, in Travis and Llano Counties, from the LBJ Co. and before the day was out sold most of this real estate to the then Vice President. What belonged to Mrs. Johnson's company at daybreak was Mr. Johnson's by nightfall, at undisclosed prices, but only after the Thomas company served as middleman. Mr. Thomas declines to discuss the reasons for all this, saying merely: "As far as I'm concerned, they were perfectly legitimate deals. My affairs are my own business."

A New York real estate man does offer a possible explanation as to why a woman would sell her husband property through a third person: "There's a tax reason basically. If Mrs. Jones bought the property at $1,000 a lot, 6 months or more ago, and it is now worth $2,000 a lot, she may want to sell it to get a capital gains. If she should sell it directly to her husband, the tax people wouldn't allow her to take the lower capital gains tax on it, because it would not be an arm's-length transaction. But if you can get a third party involved, then you get two legitimate deals in the eyes of the tax people. In the trade we call it a conduit agency."

KEEPING IT IN THE FAMILY

Why would a woman choose to sell at a profit to her husband instead of to an outsider? The New York real estate man says this happens when the lady wants to realize an immediate profit, but at the same time figures the lot will appreciate further in value as time goes by. So she sells it to her husband, takes the immediate profit and still keeps it in the family for possible future profits.

A closer look at another one of the lots involved in the set of sales on February 1, 1962, shows how circular Mr. Thomas' business can be.

Donald Thomas in 1958 sold a residential lot in Travis County (which includes Austin) to the LBJ Co. In February of 1962 the triple play carried it, of course, from the

LBJ Co. to Brazos-Tenth to Lyndon. Then somehow it quickly returned to LBJ Co. hands, for the next recorded document shows the broadcasting company selling it on June 1, 1962, to Mary Margaret Wiley, who was Mr. Johnson's personable personal secretary and who later became Mrs. Jack Valenti, wife of the White House aid. Finally, in February of this year (1964), the Valentis sold the lot—to Donald Thomas, who had owned it back in 1958 when the circle began.

"I am a person with speculative investments," observes Don Thomas, sitting in his elegant office with bright red wall-to-wall carpeting, 12 stories above the streets of Austin. "The only way a poor boy can make it is to go for broke." In the last few months his Brazos-Tenth concern has acquired 25 pieces of property in the Austin area—two from Lyndon and 23 from the Johnson Broadcasting Co.

LOOK AT MY LIABILITIES

Ask Mr. Thomas about the rapid rise of his firm and he replies: "You can't just look at the lefthand side of the balance sheet; you have got to look at my liabilities, too." Where has the borrowed money come from? Some of it from banks in which members of the Johnson inner circle have an interest and a voice, by his own account. But Mr. Thomas is not disclosing all his sources of financial strength.

Another major investor and trader in land is Judge Moursund. (His title dates back to a term on the Blanco County bench in the 1950's.) In 1961, for instance, he put a quarter-million dollars into purchase of a half interest in a 4,561-acre ranch bordering Granite Shoals Lake. The urban land boom of Austin in recent years has extended up into this sparsely settled lake country as water backed up behind federally built dams intended to tame floods and produce hydroelectric power. The man chiefly responsible for the Government dambuilding, by his own boast and the acknowledgment of his biographers, was Congressman Lyndon Johnson.

When Judge Moursund bought into this particular ranch, the LBJ Co. picked up the other 50-percent interest. Within a week, though, he had a new partner: Lyndon Johnson. Mr. Moursund explains this was the intention from the beginning, but the then Vice President was "over in Laos or one of those places" at the time the sale was closed so the LBJ Co. stepped in temporarily just as a convenience. It is from the shores of this ranch that the President now goes boating on his new cruiser.

LYNDON AND THE JUDGE

The partnership principle has since been applied by Lyndon and Judge Moursund to other properties. In 1962 they bought 45 lots in a Llano County subdivision called Lakewood Forest. But in addition, since Mr. Johnson entered the White House, Judge Moursund has managed the bulk of Lyndon's land as trustee. Just how much of what sort of acreage the President owns has been somewhat obscured. Mr. Johnson himself told his April 16 press conference that "I own a little ranch land, something in excess of 2,000 acres."

Donald Thomas says Mr. Johnson owns about 5,000 acres. Most of this can be described as "ranch land," he agrees, but 27 acres purchased back in the thirties for about $300 per acre now are worth about $20,000 per acre, for they stand in an uppercrust Austin residential section.

Serving also as a trustee of broadcasting company stock owned by Lady Bird, Lynda Bird, and Luci Baines Johnson, and as a trustee of the Johnson charitable foundation, the 45-year-old Mr. Moursund unquestionably devotes much of his vigor to representing the interests of the family who so often enjoy his company. (Says he: "It's not at all tough for me to do what I'm supposed to do—which is to see to it the Johnsons don't know what is going on.")

No one has doubted, either, that Mr. Moursund represented the President when he served as temporary chairman of the recent Democratic State convention in Houston, or that he will go down the line for Johnsonian desires as a delegate to the national convention in Atlantic City.

Nevertheless Judge Moursund is as heated as Don Thomas in declaring that certain business operations are entirely independent of any Johnson interest—and never mind confusing "clues" to the contrary. Witness the case of the Moore State Bank.

ONE FINE DAY

One fine spring day last year Vice President Johnson and Judge Moursund dropped into Llano and visited the offices of this bank, just off the town square. A couple of months later control of the institution changed hands, and now prominent local folk like to suggest the President of the United States has a stake in the town's only bank. Even Tom Moore, who stayed on as bank president, just says vaguely: "I don't know. There's no stock in his name."

A check at the courthouse confirms that no Johnson shows as a stockholder. Control was purchased by Mr. Moursund, his mother, and his law partner, and by Donald Thomas individually and through Brazos-Tenth. Altogether, they put up more than $800,000. The five-man board of directors is now dominated by Mr. Thomas, Mr. Moursund and the Judge's law partner, Thomas Ferguson, former Texas insurance commissioner.

Mr. Moursund stoutly insists that Lyndon Johnson has no concealed interest in the bank. Which is perhaps just as well, if the Chief Executive values his popularity among some minority stockholders of the institution. Their complaint is that dividends which had been paid twice yearly for more than three decades were abruptly cut off when the new group took control, with the explanation that the bank should build up its capital—yet at the same time the new directors decided the bank could afford to pay Judge Moursund a $1,000 monthly retainer fee as attorney.

The new group offered to buy out any minority stockholders displeased with the cutoff in dividends, which had been running $10 per share per year. "But they only offered to give us book value for our stock," laments one. In contrast, the $600 a share which had been paid for the controlling stock was almost twice book value.

"If any stockholders are unhappy, I don't know about it," comments Mr. Moursund. "They have no cause to be unhappy." As for his retainer, he says: "I make a living practicing law, and I give full value for the dollar." Has he financed any of his other ventures by borrowing from the bank? His reply: "That's no one's business but my own."

GROWING APPETITE

Many businessmen in and around Austin are aware of the Johnson circle's growing appetite for bank stocks—and some even seem a little nervous about it. Lyndon's associates own or manage stock in all eight of Austin's banks. Here in Johnson City, at about the time Lyndon Johnson was being inaugurated as Vice President, Brazos-Tenth acquired four-fifths of the stock of the town's only bank, Citizens State (resources: About $3 million). On the board sit Mr. Thomas, Mr. Moursund, and another key member of the inner circle, Jesse Kellam, president of the Johnson Broadcasting Co.

Jesse is publicity shy nowadays, but as a youth at Southwest Texas State College he was the extrovert leader of the White Stars, mostly athletes like himself, who controlled campus politics. A schoolmate, Lyndon Johnson, organized the Black Stars and tried to take over; when the groups made peace the two became buddies.

Jesse later helped Lyndon win a seat in Congress, whereupon he succeeded Mr. Johnson as State director of the National Youth Administration. During later years he has been top resident executive of the Johnson broadcasting enterprises. Though his personal investments in four Austin banks are modest, this year he became a director of one of the big three, Capital National Bank.

But the big man at Capital National (reresources: $122 million) is its board chairman, 58-year-old Ed Clark. A former Texas Secretary of State, Mr. Clark has loyally devoted his legal talents to defending the interests of friend Lyndon Johnson. When Congressman Johnson sought a Senate seat in 1948 it looked as if he had lost narrowly to Gov. Coke Stevenson; then discovery of 202 overlooked ballots in Jim Wells County put him over the top by 87 votes. It was Ed Clark who fought the ensuing bitter court battle over the validity of this victory.

Again, in 1960, it was Mr. Clark who went to court to obtain for Lyndon the right to run simultaneously for the Senate and the Vice Presidency. He has also represented the Johnson Broadcasting Co. He spent years as an efficient lobbyist for utility, insurance, and other interests in the State capital, but remarks that more recently he has lacked time for lobbying because of his other activities, particularly banking.

MR. CLARK'S BANK STOCK

As of last December 31, Mr. Clark personally owned 14,405 shares of Capital National stock, worth about $1.1 million at current prices. In addition, his law firm, which, of course, has other members, including Mr. Thomas, was listed as owner of 4,348 shares, currently worth some $335,000. According to experts of the American Bar Association it is unusual for law firms to invest substantially in bank stocks, but perfectly legitimate. Mr. Thomas' Brazos-Tenth shows up as another stockholder of this bank, as it does of three others in Austin.

At another of the big three banks, Amercan National (resources: $117 million), Judge Moursund appeared on the board early this year. Among its stockholders are two peripheral Johnson institutions. One is the LBJ Co. profit-sharing plan, of which Messrs. Thomas and Kellam are trustees; it holds American National stock worth about $67,000, and a few shares also in one other Austin bank. The other is the Johnson philanthropic foundation, whose trustees are the Messrs. Thomas, Kellam, and Moursund plus two other Johnson friends, Melvin Winters and R. E. Stubbs Jr., all of whom happen to be directors of the Citizens State Bank which Brazos-Tenth took over in Johnson City. The Johnson foundation also has holdings in three other Austin banks; its total of bank stock comes to roughly $137,000.

The two satellite Johnson institutions, it should be noted, are gaining a measure of financial power not only by buying bank stock but by making direct loans or investments. The 1956 trust agreement setting up the profit-sharing plan spelled out this capacity, including "expressly the power to invest in producing or nonproducing oil, gas, or other mineral properties."

The charitable foundation established in the same year has been accumulating far more funds than it gives away; in fiscal 1963, for instance, its philanthropic distributions came to less than $8,000 while its income from investments totaled $11,000 and its assets increased by some $89,000. One of the few known investments of the foundation was an early purchase of stock in Austex Chili Co., an Austin food canner. Presumably one assurance of the soundness of this investment was the presence of Ed Clark on the Austex board; this concern has since been merged into Frito-Lay, Inc., of Dallas.

A CERTAIN UNEASINESS

Some of the area's businessmen feel a certain uneasiness about the growing financial strength of the Johnson circle; a few have admitted privately that they were opening accounts in banks where the Johnson group's influence has been least noticeable, to assure they will retain ready access to borrowing sources. "Lyndon has a lot of friends here, but he has made a lot of enemies, too," comments a prominent Austin businessman.

Actually, of course, the circle seems far from having a stranglehold on area lending power, even if it should conceivably wish one. Bank investments do perhaps bolster the group's own borrowing capacity. Mr. Thomas, for instance, remarks that he has obtained financing from both Capital National and American National. Mr. Moursund emphasizes that his own bank stock purchases have been with the simple idea that they were sound investments.

Until this year, the biggest bank in the area, Austin National (resources: $131 million), had remained entirely outside the circle's orbit. When Brazos-Tenth bought stock recently, it constituted only about a $3,000 toehold—yet was considered perhaps a significant first step. According to one responsible banking source, Mr. Johnson himself—before becoming President—had asked for an opportunity to buy stock in the bank.

The concept that the Johnson circle somehow seeks "monopoly" power may have fed upon the circumstance that the Johnson company has in fact been Austin's solitary television broadcaster. But if one turns attention instead to radio broadcasting it is easy to argue the opposite concept. That the Johnsons have shown astonishing eagerness to foster competition.

It's an old but little known story, so is worth telling, and it can be entitled "The Crowded House at 1901 Dillman Street."

THE CONGRESSMAN BUYS IT

Lyndon bought this corner Dillman Street duplex in Austin's pleasant westside residential section in 1943, when he was a young Congressman. It was in the same year that Lady Bird bought radio station KTBC. One of Mrs. Johnson's biographers relates that the family lived in the upstairs unit when they were not in Washington, and it was there and in the yard outside that Lady Bird "did much of her radio * * * station work"—making much use of "a telephone attached to a tree."

The Federal Communications Commission knew from its files that this was the address of broadcaster Lady Bird, yet there is no record that the agency was taken aback when in 1945 an application to create another radio station, KVET, arrived listing 1901 Dillman as corporate headquarters. In early filings this was likewise listed as the home address of four men who got the KVET station underway: John Connally, his brother Merrill, Walter Jenkins, and Willard Deason.

If the FCC noticed the coincidence at all, it could not have assumed that the Johnsons were trying to obtain a second Austin radio outlet, for it was and is illegal for the owner of an AM station to own even a minority share in a second one in the same town. Mr. Deason confirms the Johnsons never did invest money in KVET; what they did was give "moral support." And that was stretched pretty far. For no fewer than five of the KVET stockholders who created this new station were simultaneously on Mrs. Johnson's payroll at KTBC. Construction of KVET was begun in February and completed in September 1946; Mrs. Johnson, in a routine application for renewal of her license, listed the five among her KTBC station personnel as of March 11, 1946.

A LADY BIRD EMPLOYEE

President of the new outfit was John Connally, who at the same time headed Lady Bird's official list of employees, as "owner's representative" in charge of KTBC "policies on personnel and programing." This is the Mr. Connally, of course, who had been prewar secretary to Representative Johnson, who was to serve in 1949 as secretary to Senator Johnson, who was to be manager of the presidential bid of Candidate Johnson in 1960 and who now, as Governor of Lyndon's home State, will be a conominator of Mr. Johnson for the Presidency at the Atlantic City convention. He started out subscribing to half of the new station's stock, for $25,000—all of it borrowed from Capital National Bank, where Ed Clark was a stockholder even then, Mr. Clark, as it happened, became another KVET founder himself.

Another who lived in Lyndon's house and worked as sales representative for Lady Bird's radio station while he set out to give the Johnsons competition was Willard Deason. He had been Lyndon's college roommate. He started as a stockholder and director of the new station, then at the end of 1948 he quit as Lady Bird's KTBC sales manager to devote full time to KVET as general manager.

That other college chum, Jesse Kellam, served as a KVET director during its crucial first year and as stockholder for 2 more years, at a time when he was general manager of Lady Bird's competing KTBC.

Two more KVET founders and directors were KTBC employees: Continuity Director W. E. Syers and Sales Representative "JAKE" PICKLE. The latter now sits in Lyndon's old seat in Congress.

MR. JENKINS ALSO SERVED

Another resident of 1901 Dillman, Walter Jenkins, veteran administrative aid to Lyndon on Capitol Hill and in the White House, was an early stockholder in KVET and in 1949 served briefly as secretary-treasurer; it was not until 1953 that he became Lady Bird's corporate treasurer and director, posts which he relinquished after Mr. Johnson became President.

Among others who helped found or built the radio station which was to compete with the Johnson Broadcasting Co. were: Melvin Winters, the Johnson City contractor who now serves as trustee of the Johnson charitable foundation, and Robert L. Phinney, another old friend, who later secured a position as Austin's postmaster. Nowadays, as Internal Revenue Service Director for the South Texas District, Mr. Phinney is charged with keeping an eagle eye on such matters as the Johnson foundation's tax-exempt status.

As they got going, this group cleared seemingly high hurdles with ease. When they first applied to the FCC to broadcast on the 1300 kilocycle wavelength, the agency had already awarded this to a station in San Antonio, 70 miles to the southwest. But rapidly the FCC induced the reluctant rival to accept "voluntarily" another wavelength, clearing 1300 for KVET. Then the Civil Aeronautics Administration complained erection of the 210-foot broadcasting tower would "present an undue hazard for the safe operation of aircraft." But 2 weeks later it changed its mind.

ANOTHER NETWORK OUTLET

KVET, like Lady Bird's KTBC, had no trouble getting network affiliation, signing up with Mutual. To this day these two remain the only network outlets in Austin, though the city now has seven radio stations.

Lyndon Johnson owned stock in neither his wife's KTBC nor its competitior, KVET, yet there were those who assumed he was interested in the welfare of at least the latter. At any rate, Leonard Marks, the Washington lawyer who for years has handled FCC matters for both stations, took care to mark a carbon for "Lyndon Johnson" when he wrote the agency in 1947 to inquire about FCC approval of the transfer of KVET stock to John Connally, who had begun buying out some of his colleagues.

John Connally may have had grateful memories of 1901 Dillman Street. In 1950 he enlarged that property by selling the Senator two adjoining lots, and the tax stamps indicated a price of $500. He had bought them 5 years earlier, at an indicated cost of $3,000.

In 1955, having launched another career as attorney for Fort Worth Oilman Sid Richardson, Mr. Connally gave up his presidency of KVET and sold control to Willard Deason, who now is listed as sole owner.

Those who drop in to visit Station President Deason nowadays can hear his cheerful view of competing with the Johnsons and his cozy recollections of how it all came about. They can see two pictures adorning his office. One is a brown-tone photo taken in 1932, of schoolmate Lyndon. The other is a large autographed portrait of the President of the United States.

WELCOME NEWS—DELAWAREANS WILL ONCE AGAIN HAVE THEIR OWN SUNDAY NEWSPAPER

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Delaware [Mr. McDOWELL] is recognized for 30 minutes.

Mr. McDOWELL. Mr. Speaker, I am pleased to note that a new Sunday newspaper will be published and distributed throughout Delaware by the Delaware State News, of Dover, Del. Delawareans last read and enjoyed their own Sunday newspaper, the Wilmington Sunday Star, more than 10 years ago.

The announcement was revealed on the front page of the annual progress edition of the Delaware State News published on August 11, 1964.

I know that Delawareans look forward with anticipation and enthusiasm to the first edition of the new Delmarva Sunday News under the editorship of Mr. Joe Smyth. I agree with him that "no area, especially one including the entire State of Delaware and parts of Maryland and Virginia, which have common interests, should be without a published news media on Sunday."

I congratulate Jack Smyth, editor and publisher of the Delaware State News, for his courage and his enterprise and I commend his entire organization for its desire to keep in step with a prospering Delaware.

I include the following items from the Delaware State News, published on August 11, 1964, and particularly commend the following editorial to my colleagues:

[From the Delaware State News, Dover, Del., Aug. 11, 1964]

EDITORIAL

(By Joe Smyth)

The creation of a Sunday newspaper for the Delmarva Peninsula is an ambitious undertaking, but a worthwhile one.

No area—especially one including the entire State of Delaware and parts of Maryland and Virginia which have common interests—should be without a published news media on Sunday.

The chance that the Delmarva Sunday News will work—that it will become a successful, well-read newspaper—far outweighs the obvious financial risk involved. Risks must be taken when the goal is worthwhile.

The Delmarva Peninsula needs a Sunday newspaper that will provide fair, in depth, news coverage: The Delmarva Sunday News will aim to provide for that need.

The peninsula needs a good, areawide advertising media: The Delmarva Sunday News will aim to provide for that need.

The peninsula needs a large newspaper with a fair and open editorial policy: The Delmarva Sunday News will aim to provide for that need.

It will offer an unrestrained editorial policy designed to give maximum freedom for the flow thought. Room will be found—or made—for all sides of all issues.

Our goals are high ones, and they won't be attained easily or quickly.

But they will be attained.

[From the Delaware State News, Dover, Del., Aug. 11, 1964]

Delmarva To Get Sunday Paper—New Publication With 35,000 Distribution Scheduled for October 4

Delaware, without its own Sunday newspaper for more than 10 years, will get one October 4.

The announcement came today with publication of the annual Delaware State News "progress edition" from Jack Smyth, editor and publisher.

Smyth said the new Sunday newspaper, which will serve all of Delaware and the Eastern Shore of Maryland, will be called the Delmarva Sunday News.

The State has been without a Sunday newspaper since April 18, 1954, when Alexis I. du Pont Bayard and Edwin M. Budner discontinued publication of the 73-year-old Wilmington Sunday Star.

Smyth said he believes Delaware offers a better economic base for a Sunday newspaper than it did when the Star went out of business.

He also said the Star's failure was partly due to the fact that it was published in a plant which printed no daily newspaper.

The Delmarva Sunday News will be published in the Delaware State News plant in Dover. The combined mechanical operation will keep costs down, Smyth pointed out.

The beginning distribution of the new newspaper will be about 35,000.

The Delaware State News circulation department, headed by John B. Manahan, will handle all sales, and make deliveries in Kent and Sussex Counties and the Eastern Shore.

The Delmar News Agency, of Wilmington, will handle distribution in New Castle County. Stanley Budner, son of the old Star's Edwin M. Budner, heads the agency.

Paul Stanyard, advertising director of this year's progress edition, was named advertising director of both the Delaware State News and the Delmarva Sunday News.

George Kaehn will be advertising manager of the Sunday paper.

Jack Beach, assistant publisher and promotion manager of the State News, and George L. Sweeney, Jr., mechanical superintendent of the weekday paper, will also hold those posts on the Sunday News.

Joe Smyth, now news editor of the Delaware State News, will be editor of the Sunday paper.

Ron Stevens, sports editor of the State News, will also head the sports department of the Sunday News.

The news staff of the weekday newspaper will be expanded and members will also contribute to the Sunday paper.

The Sunday News will concentrate on Wilmington and Delaware news, and will offer coverage and pictures of high school and college sports on the Delmarva Peninsula.

The Sunday newspaper, the State News, will be politically independent.

Smyth is the sole owner of stock in both the State News and the new Sunday newspaper.

LEGAL COUNSEL FOR INDIGENT DEFENDANTS

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Connecticut [Mr. Giaimo] is recognized for 15 minutes.

Mr. GIAIMO. Mr. Speaker, a bill to provide legal counsel for indigent defendants in the Federal courts has been sought for more than a quarter of a century by jurists within the Federal system and without. This long-awaited legislation has been approved by both Houses and is now awaiting the President's signature.

From a slow, grinding start in 1937 the move for enactment of this legislation has gained momentum and supporters, including, as this Congress knows, the Department of Justice, the American Bar Association, the Judicial Conference of the United States, as well as distinguished members of the Federal court system speaking as individuals.

These voices raised in concert gave meaningful support for the bill to provide protection for the poor in our Federal courts. No less praiseworthy was the role of the press in arousing the interest of the public in this cause. I have specific reference to a monumental job of research and informed, clear writing on this subject by Mr. Jon Owen, a reporter who covers the Federal courts in New Haven for the New Haven Register.

Mr. Owen's articles, covering two full pages in the Sunday Register of February 9, 1964, zeroed in on the problem expertly and completely. It is one of the best presentations I have seen on the question of Federal public defenders. Mr. Speaker, I offer this series of articles to the Record and commend its contents to all Members of Congress:

A Federal Public Defender System?

("Thou shalt not ration justice," said the late Judge Learned Hand, one of the most distinguished jurists in U.S. history. The material on these pages examines the meaning of this commandment in terms of proposals for a public defender system in the Federal courts. The material on these pages was compiled by Register Staff Reporter Jon Owen.)

"I know Robert Brown better than anyone else," said Robert Brown in U.S. district court on January 22, 1962.

Brown, convicted of "pushing" narcotics in Hartford, made his statement before U.S. District Judge Robert P. Anderson, who gave Brown considerable leeway in his various appeals from his narcotics conviction.

Brown's statement, which continued, "I'm innocent. I'm willing to go to any extreme to prove my innocence," was indicative of his dissatisfaction with his court-appointed attorney.

It often happens that defendants turn against their appointed counsel. And if a public defender system were instituted in the U.S. Federal court system, it is probable that defendants would occasionally be unhappy with their defenders.

Brown's statement, however, points up a problem that has become the subject of increased interest in this country, including the U.S. Congress as well as lawyers, judges, prosecutors, and others.

The problem, in a nutshell, is this:

You're in Federal court, accused of a crime, heinous or minor. You're broke. What do you do?

The present system provides that the Federal judge will appoint a counsel to defend you. However, since a court-appointed counsel is not paid, many people contend that the representation provided the defendant can be desultory or worse.

According to bills passed in the U.S. Senate and House of Representatives, this situation would be corrected in part by the creation of a public defender system, similar in some respects to the system in Connecticut, and paying court-appointed costs.

Although the bills, which have been reported out of committee in both Houses, differ in some respects, it is probable that they will be compromised into a form which will be acceptable to President Lyndon B. Johnson.

President Johnson has indicated his concern with poverty, an important factor in consideration of the bills. His declared "war on poverty" will, in all likelihood, cause him to be interested in the public defender proposals.

One of those involved in the creation of the bill in the Senate is Senator Thomas J. Dodd, of Connecticut. He said of the problem in a statement to the Register:

"One of the most serious problems in the Federal courts from the standpoint of the administration of criminal law is the representations of the indigent.

"Over the past 20 years or so, as a consequence of broadening criminal legislation by the Congress of the United States, the number of criminal cases has increased tremendously. This, of course, is particularly true in State courts and also in Federal courts in the large metropolitan city areas.

"I supported this bill," Senator Dodd continued, "to provide a Federal court public defender system because I believe that every accused person, regardless of status or financial position in the community is entitled to be effectively represented by competent counsel."

Senator Dodd is a member of the Senate Judiciary Committee and was thus involved in the preparation of the Senate bill.

The Senate bill would provide for the creation of a full-time public defender, similar to the office held in New Haven County by Richard Sperandeo.

The bill in the House would continue the present system of appointment of counsel by the court, but would provide for payment. The attorney under this bill would receive $500 per case for defending someone accused of a felony, and $300 for a misdemeanor.

The Senate bill also provides that the full-time public defender system would apply only to districts where more than 150 persons per year require court-appointed counsel.

U.S. Attorney Robert C. Zampano said the Connecticut district would qualify under the Senate bill, having more than 150 criminal cases annually where a court-appointed counsel is required.

The importance of the problem is illustrated by the fact that a majority of criminal cases that come into the Federal court system require the appointment of counsel for indigents.

The cost of such a system on the basis of the proposals contained in the House bill was discussed on January 15 by Representative Emanuel Celler of New York, chairman of the House Judiciary Committee. He said:

"The cost, in the final analysis, will be infinitesimal. I have estimated myself the cost, and it could not possibly be beyond $2.5 million for the whole of the United States."

And, according to other representatives, there are other aspects of a public defender program for the Federal court system which would save money as well as the valuable time of judges and court personnel.

This saving involves the number of habeas corpus proceedings initiated by convicts who feel that their court-appointed attorneys did not do right by them.

There is no doubt there are a number of dissatisfied convicts who feel, rightly or wrongly, that they were misrepresented in court. However, whether they are right is questioned by U.S. District Judge William H. Timbers here, who said:

"I have yet to see, in the 4 years I've been on the bench, a case where an indigent has not been adequately defended by a court-appointed attorney."

The fact that Judge Timbers is appreciative of the efforts of court-appointed counsel was evident in a comment he made in court on January 6, 1961.

He said of Gary R. Ginsberg, who represented Joseph A. Semohano, who was accused of selling heroin:

"The court is grateful to Gary R. Ginsberg, court-appointed counsel, who represented defendant Somohano ably and in accordance with the highest standards of the profession."

One of the problems, in the present system of court-appointed attorneys, according to Representative Celler, is their tendency to be inexperienced.

He said, "That is about the situation as it occurs in our Federal court. These lawyers have yet to cut their eye teeth, so to speak, when they try these cases, to the woeful disadvantage of the defendant.

"This bill, I think, will fill a gap, will fill a vacuum and do that which is just and proper and honest. A great democracy such as ours should do no less."

Thus, there are varying points of view regarding the present system of appointing attorneys for indigents.

Senator Dodd summed up his feelings on the problem:

"The right to have the assistance of counsel for one's defense in a Federal criminal trial is meaningless unless there is representation by competent counsel throughout all stages of the criminal proceeding. Likewise, to have complete justice a fair system of compensation for that counsel must be provided.

"No person accused of crime should be placed in a position because of his economic status of seeking free service. The ends of justice are better served when the defendant is represented by counsel who is being paid a fair and reasonable fee. The public defender system envisioned by this bill and the court administration fee system will aid the cause of justice in our Federal courts."

H.R. 7457

A bill to provide legal assistance for indigent defendants in criminal cases in United States courts

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

(a) In every criminal case arising under laws of the United States in which the defendant appears without counsel, the United States commissioner or the court shall advise the defendant that he has the right to be represented by counsel and that counsel will be appointed or assigned to represent him if he is financially unable to obtain counsel. Unless the defendant waives the appointment or assignment of counsel, the United States commissioner or the court, if satisfied after appropriate inquiry that the defendant is financially unable to obtain counsel, shall appoint counsel to represent him or, in the alternative, shall assign a counsel who is made available by a bar association or legal aid society. The United States commissioner or the court shall appoint or assign separate counsel for defendants who have such conflicting interests that they cannot properly be represented by the same counsel, or when other good cause is shown.

(b) A defendant for whom counsel is appointed or assigned under this section shall be represented at every stage of the proceedings from his initial appearance before the United States commissioner or court, or from any subsequent stage at which counsel is appointed or assigned, through appeal.

(c) An attorney appointed or an organization which made an attorney available for assignment pursuant to this section shall at the conclusion of the representation of any segment thereof be compensated at a rate not exceeding $15 per hour for time expended in court and $10 per hour for time reasonably expended outside of court.

The court shall, in each instance, fix the compensation and reimbursement to be paid to the attorney provided, however, that the total compensation to be paid to the attorney for such representation shall not exceed $500 in case of a felony and $300 in case of a misdemeanor.

(d) The court * * * may authorize the appointed or assigned counsel to obtain investigative, expert, or other services necessary to an adequate defense to each defendant determined by the court to be financially unable to obtain them. The court which authorized the services shall direct the payment of reasonable compensation to the person who rendered the services.

(e) Whenever the court is satisfied that funds are available for payment from or on behalf of a defendant, the court may authorize or direct that such funds be paid to appointed counsel, to an organization which made an attorney available for assignment, or to any person authorized to assist in the representation. Except as so authorized or directed, no such person or organization may request or accept any payment or promise of payment for assisting in the representation of a defendant.

(g) There are authorized to be appropriated to the United States courts, out of any money in the Treasury not otherwise appropriated, sums necessary to carry out the provisions of this section.

House Debate Shows Many Still Get Raw Deal

The concept of a public defender system for the U.S. Federal court system has been a concern of the U.S. House of Representatives during several sessions of that body, and what was probably the most cogent discussion of the matter took place in the House just two weeks ago.

Under discussion was H.R. 7457, "A bill to provide legal assistance for indigent defendants in criminal cases in United States courts."

One Representative from Maryland summed up the importance of the bill rather aptly:

"Mr. Chairman, the concept that all men are equal before the law has been an aspiration of the American people since 1776. We have moved toward the practical achievement of that goal at a somewhat irregular rate; but this bill is one more indication that we are making progress."

It has long been common knowledge in legal circles that present procedures for the defense of persons without funds leave much to be desired. Even granting the normally present good intentions of lawyers, judges, and prosecutors, it is possible for a man charged with a crime to get a "raw deal."

An example of just how such a "raw deal" might inadvertently occur was cited by New York's Representative Emanuel Celler, chairman of the House Judiciary Committee. Here is what he said during the January 15 debate:

"To give you an illustration of how haphazard and how inadequate that service (attorneys appointed by the court) is, let me give you a case from my own experience.

"When I first got out of law school I went to old Judge Chatfield in Brooklyn and said I wanted a case. In a few days he assigned me a case. Well, I did not know much about the law; I was quite inexperienced.

"I was assigned an immigration case. The defendant was a lowly Italian. I was seated at the table with this Italian defendant of mine, on one side. On the other side was the U.S. attorney with his assistant. The Italian said to me:

" 'Mr. Celler, why haven't we got another attorney? You are only one.'

"I said:

" 'You cannot afford to have even one attorney, much less another, and the court has appointed me.'

"I said to him:

" 'Why do you want another attorney?'

"He said:

" 'The district attorney has a man with him. When Mr. District Attorney stands up and speaks to the court the other man thinks. When you stand up nobody thinks.' "

While Representative Celler may have inadvertently told a slight joke on himself, what he had to say about his "lowly Italian" has a great deal of pertinence as far as the administration of justice in the United States is concerned.

Other excerpts from the debate in the House follow:

Representative Andrews of Alabama: "The right of representation by counsel is fundamental in our judicial system. Many States have some form of public defender systems, and others have a system of individual assignment to indigent defendants. The Supreme Court of the United States some time ago, in 1938, in fact, set aside convictions where men were not represented in court. This has developed a problem that must be met if we are to carry out our judicial system. The present Federal system does not permit the payment of counsel assigned by the judge to represent the defendant. This has worked a hardship on both the legal profession and those charged with crime."

Representative Moore, of West Virginia: "Beyond question, the primary objection to the creation of a Federal public defender office is the fear that it will undermine the Anglo-Saxon tradition in America of combative trial proceedings where the lawyer for the defendant is free of state control and thereby free to render the best defense he is capable of making. The Federal judicial system is appointed by the Government and paid by the Government. The Federal prosecutor and the Federal investigator and the Federal marshal are appointed by the Government and paid by the Government. Do we now want the attorneys who represent individuals charged with a crime to be appointed by the Government?

"In fact, the most surprising aspect of the House Judiciary Subcommittee hearings on this matter was that each witness who appeared before the subcommittee to testify in support of Federal public defenders indicated that they were only interested in the concept for someone else's district and not their own. The chairman of the Special Committee on Defense of Indigent Persons Accused of Crime, American Bar Association; the president of the Ohio Bar Association; the president of the American Bar Association; and the chairman of the Standing Committee on Legal Aid Work, American Bar Association, each in their turn, expressed support of the public defender system on the Federal level, but did not wish to see a defender office established in their respective districts—thereby damaging the vitality of their local organizations. When it was pointed out to some of these witnesses that a Federal defender office was intended for their district, the witnesses expressed a hope that such an event would not occur."

Representative GRIFFITHS, of Michigan: "Mr. Chairman, I rise in opposition to this bill. I am not opposed to every defendant having counsel, but in my judgment the bill will not produce any better counsel for $500 than any Federal judge could provide for nothing now for a defendant. Therefore, I am opposed to the bill."

Representative CELLER, of New York: "The practice that we have now is very haphazard. It is informal and most irregular. It differs in every possible jurisdiction. There is no compensation provided for counsel. Young attorneys seeking experience covet these assignments in the Federal court."

Representative CAHILL, of New Jersey: "I would just point out that the most important time for any defendant to be assigned counsel is at the beginning of the legal proceedings."

Representative MATHIAS, of Maryland: "Mr. Chairman, the concept that all men are equal before the law has been an aspiration of the American people since 1776. We have moved toward the practical achievement of that goal at a somewhat irregular rate; but this bill is one more indication that we are making progress."

JUDGE TIMBERS A PIONEER IN DEFENSE OF NEEDY—THE PRESENT METHOD INCOMPATIBLE WITH THE STANDARDS OF FEDERAL JUSTICE

The question of public defenders in Federal courts, in one form or another, is one that has concerned U.S. legislators for several years. U.S. District Judge William H. Timbers, who sits on the Federal bench in New Haven, was one of the pioneers in the field of representation for poor persons.

Judge Timbers, who has been a Federal judge here for the past 4 years, RPA was himself a court-appointed counsel for a man named George Johnson, who was convicted in the eastern district of New York on charges of mail theft and conspiracy.

Judge Timbers, a resident of Darien, handled the case involving Johnson in the U.S. Court of Appeals for the Second Circuit and the U.S. Supreme Court.

It was the highest Court, in 1957, which ruled in the Johnson case that an indigent defendant is entitled to representation by an attorney as well as access to transcripts of testimony of lower court trials during appeals.

The highest Court in the Nation said in its opinion:

"Since here [the Johnson case] the court of appeals did not assign counsel to assist petitioner [Johnson] in prosecuting his application for leave to appeal 'in forma pauperis' and since it does not appear that the court of appeals assured petitioner adequate means of presenting it with a fair basis for determining whether the district court's certification was warranted, the judgment below must be vacated and the case remanded to the court of appeals for proceedings not inconsistent with this opinion."

Judge Timbers was not the only local judge who was involved in the historic *United States* v. *Johnson* case. During the history of the case, the late Charles E. Clark, of Hamden, former chief judge of the U.S. Court of Appeals for the Second Circuit, and Judge Carroll C. Hincks of Cheshire and a member of the same court, were involved in opinions regarding the case.

Judge Clark, who died this past December, had high praise for Judge Timbers' conduct of the defense of Johnson.

"We are particularly indebted," Judge Clark wrote in 1958, "to court-assigned counsel [Judge Timbers] for loyal assistance to the court and brilliant presentation of the case, both in the former proceedings and here. Defendant has had the benefit of able advocacy of the highest order. The meticulous care which his case has had should carry assurance that his conviction is just."

In bringing the Johnson case before the U.S. Supreme Court, Judge Timbers, who was then an attorney practicing in New York City, made an eloquent presentation of the necessity for defense of poor defendants.

In his brief before the Court, he said a prime question was: "Whether the refusal to provide an indigent defendant in a criminal case in the Federal courts with a transcript of the trial proceedings, or its equivalent, in order that he may show that the trial court was in error * * * denies to such person due process of law as guaranteed by the fifth amendment."

The Supreme Court answered this question posed by Judge Timbers in the affirmative.

"Furthermore," Judge Timbers argued before the Supreme Court "denial to petitioner [Johnson] of the means of showing to the appellate court error in the trial judge's certification that the appeal is frivolous and not taken in good faith, in effect makes the trial court the court of last resort for an indigent defendant.

"To vest in the trial judge what amounts to unreviewable discretion to determine, in the case of an indigent defendant whether errors have been committed by such trial judge in the conduct of the trial, appears somewhat less than realistic.

"Certainly," Judge Timbers added, "it is incompatible with the high standards of Federal criminal justice over the administration of which this court has direct supervisory power."

If indigent defendants in Federal court proceedings are denied appellate representation and access to transcripts, Judge Timbers told the Supreme Court, the following situation would arise:

"Otherwise there will arise the anomalous situation in courthouse squares throughout the land where indigent defendants convicted in the county courthouse will be assured of adequate appellate review * * *.

"But defendants convicted in the U.S. courthouse across the square will be shut off from effective appellate review because of inability to pay for the transcript."

Judge Hincks, in a ruling on a motion brought by Judge Timbers to allow Johnson to make his appeal "in forma pauperis," or without funds, said:

"We do not view the instant case as one of a person who is punished because he is guilty of the crime of being poor. He is punished because a jury in a court of unquestioned jurisdiction found him guilty of a serious crime beyond a reasonable doubt.

"And he is not entitled to the assistance which law provides for a poor person in the prosecution of an appeal because Congress * * * has directed that such assistance shall be withheld if the trial judge shall certify that the appeal is not taken in good faith.

"Certainly the deprivation of aid to prosecute a frivolous appeal is not 'punishment'. And it laid well within the congressional power to designate the trial judge as the authority to determine whether a given appeal is frivolous.

"Such a determination is final, absent a showing that the trial judge acted 'without warrant or not in good faith.'"

Thus the appeals court ruled that the trial judge is the arbiter of good faith in the matter of an appeal. The Supreme Court disagreed.

Judge Jerome Frank, who heard the Johnson motion along with Judge Hincks and Judge Harold Medina, dissented in the opinion.

"As my colleagues say," Judge Frank said, "the courts should discourage frivolous appeals. However, judicial denials of forma pauperis appeals cannot discourage appeals by defendants who are financially well off; and the fact that a defendant—e.g., a wealthy professional criminal or a member of a wealthy criminal gang—can afford to pay for his appeal is no assurance that it is not frivolous.

"But let us arbitrarily assume * * * that the appeals of poor men in prison are much more likely to be frivolous than those of the well heeled. Even so, the fact remains that usually, without a transcript or the equivalent, an appellate court cannot tell whether or not a particular poor man's appeal has substance."

AN ACTUAL CASE WITH TESTIMONY FROM THE OFFICIAL COURT TRANSCRIPT: "I'D INVEST ANYTHING I COULD SELL OR PAWN TO PAY FOR AN ATTORNEY"

"I didn't live too well. I mostly existed."

In these words an allegedly indigent defendant told a Federal judge he required the services of a court-appointed attorney.

Speaking to U.S. District Judge Robert P. Anderson in a hearing January 8, 1962, was Clifford B. Hill, 28, of Bridgeport, who had been arrested a week before on a charge of selling narcotics.

He was arrested in a Federal raid along with Mrs. Margaret Monachelli, 26, also of Bridgeport.

The subject of the hearing before Judge Anderson was whether Mrs. Monachelli and Hill had the financial resources to hire an attorney to represent them.

Their testimony before the judge is certainly an indication that Federal judges explore every avenue in an attempt to determine whether or not a defendant in a criminal case is indigent.

Although Hill told the judge he made his rent money by gambling, and Mrs. Monachelli said a description of her occupation might result in another charge being placed against her, both defendants were granted a court-appointed counsel.

In his attempt to find out the nature of the financial resources of Mrs. Monachelli and Hill, Judge Anderson delved in considerable detail into the lives of the two defendants.

In this attempt, in an unusual action, he put Hill and Mrs. Monachelli under oath. They could have been charged with perjury had they lied during this testimony.

Excerpts from this unusual hearing follow:

JANUARY 8, 1962, 11:21 A.M.

"Markle. If the court please, I would next present United States against Margaret Monachelli and United States against Clifford Hill.

"If the court please, these persons had appeared before the court on a prior date and there had been a thought to appoint counsel for them.

"Court. Well, information has come to me that you people have money, resources.

"Mrs. Monachelli. Well, naturally. We are supposed to be big dope sellers. We are not.

"Court. That wasn't the question. The question was whether you have resources with which you could hire your own attorney.

"Mrs. Monachelli. I certainly would be only too glad to invest anything I could sell or pawn to pay for an attorney.

"Court. What about you?

"Hill. I don't have anything.

"Mrs. Monachelli. And this is our life. I mean if we had any money we certainly would go to it.

"They are misinformed because of what they think and what they have read, that we were the big this and that.

"Court. Well, you have hired counsel before, have you not?

"Mrs. Monachelli. With the term that we go out and make—that we were allowed out so that we could work and make some money to pay the lawyer. We hadn't given him five—we hadn't given him any money * * *.

"Court. Well, put these people under oath, please, Mr. Clerk.

"Examination by the court:

"Court. Now the purpose of this is to go on the record simply on the issue of whether you should have court appointed counsel or not. If you lie to me it can be perjury, which is a very serious offense. You understand that.

"I will first address myself to Mr. Hill—and you keep quiet, Mrs. Monachelli, meanwhile. I am only talking to him and he has got to answer his questions, and you will have a chance to answer yours.

"Question. Do you own any property at all at the present time?

"Answer (by Defendant Hill). No, sir.

"Question. Do you have any money with you?

"Answer. $25.80.

"Question. Where did you get it?

"Answer. I had it when I was arrested.

"Question. You still have it?

"Answer. Yes, sir.

"Question. Where did you get it?

"Answer. It was mine from the time that I was arrested. I won it in a game.

"Question. How much money has come into your hands in the past year?

"Answer. I couldn't tell you, Your Honor. I'm sorry.

"Question. Have you worked at all?

"Answer. No, sir.

"Question. How did you live?

"Answer. I didn't live too well. I mostly existed.

"Question. I didn't ask you how well you lived. How do you live at all?

"Answer. Well, I mostly gamble.

"Question. And you always win; is that right?

"Answer. No, sir. I have bad times, too.

"Question. How much have you won in the past year?

"Answer. I won enough to be up in my rent.

"Question. I am asking you in dollars, how much.

"Answer. I wouldn't know, sir.

"Question. And you have always paid that out of gambling; is that right?

"Answer. Well, yes, sir, gambling and——

"Question. What else?

"Answer. It was mostly at gambling.

"Question. Do you have any family?

"Answer. Yes, sir.

"Question. What?

"Answer. Wife and three kids.

"Question. And you support them?

"Answer. No, sir.

"Question. Who does?

"Answer. The State.

"Question. You don't contribute anything to them?

"Answer. No more than holidays and Christmas and things like that.

"Question. I take it you don't live with your wife; is that right?

"Answer. No, sir.

"Question. And you have no means whatever, no way to get any money to hire a lawyer?

"Answer. No, sir, none of my honest—none of my knowledge.

"Question. Do you have any property in anybody else's name?

"Answer. No, sir.

"The Court:

"Question. Mrs. Monachelli, how much money do you have?

"Answer. I think I have $13 in all.

"Question. Where did you get it?

"Answer. Clifford.

"Court. All right. Well, now I will turn back to Clifford. Where did you get that money?

"Answer. That was the same money I won in a game that night.

"Question. I thought you told me you had never given anybody any money here, in the past year. Now she says you did.

"Answer. That was the time we were going to jail.

"Question. It doesn't make any difference what time it was. I said any time within a year. Do you get that through your head?

"Answer. Yes, sir.

"Question. All right. Why did you tell me you didn't?

"Answer. I didn't understand that you meant little small money like that.

"Question. I mean any kind of money. I didn't say little, small or big money. You did give it to her; right?

"Answer. Yes, sir.

"Question. Where did you get that?

"Answer. Won it at the game.

"Question. Does anybody hold any property for you, any money or other property, Mrs. Monachelli?

"Answer. No, sir * * * I have never owned any property in my life.

"Question. How do you live?

"Answer. Dominick gives me some money.

"Question. Who is he?

"Answer. My husband.

"Question. Oh, your husband. How much has he given you in the past year?

"Answer. Sometimes if I need rent money he gives it to me.

"Question. I didn't ask you that. I asked how much in dollars. Approximately how much in dollars has he given you in, say, 1961?

"Answer. Well, $25—well, no more than $200.

"Question. Well, how did you live the rest of the time?

"Answer. Any way I could get some money.

"Question. And how was that?

"Answer. I refuse to answer that. I might incriminate myself and have another charge.

"Question. All right. Did this Clifford Hill give you any more than the $13? Did he give you any money during the year?

"Answer. No, sir.

"Question. Not a dollar?

"Answer. Well—

"Question. Answer up.

"Answer. No. The only reason he gave it to me was I was going to jail.

"Question. But in 1961 he never gave you a penny?

"Answer. No.

"Question. Well, answer up.

"Answer. No.

"Question. He never did?

"Answer. No.

"Question. You don't own an automobile and never have; right?

"Answer. No.

"Question. And you don't work at all?

"Answer. No. No.

"Question. You have no property at all with which to hire an attorney; is that right?

"Answer. No, sir. I'm sorry to say I don't.

"The Court. All right. I will pass this for the moment, and then I will appoint counsel for you."

How J.F.K. Felt

The White House,
Washington, D.C., March 8, 1963.

Hon. Lyndon B. Johnson,
President of the Senate,
Washington, D.C.

Dear Mr. President: To diminish the role which poverty plays in our Federal system of criminal justice, I am transmitting for consideration by the Congress proposed legislation to assure effective legal representation for every man whose limited means would otherwise deprive him of an adequate defense against criminal charges. The need to protect this basic right makes enactment of this measure imperative.

In the typical criminal case the resources of Government are pitted against those of the individual. To guarantee a fair trial under such circumstances requires that each accused person have ample opportunity to gather evidence, and prepare and present his cause. Whenever the lack of money prevents a defendant from securing an experienced lawyer, trained investigator, or technical expert, an unjust conviction may follow.

The Attorney General's accompanying letter describes the deficiencies in the present system. These defects have prevailed for many years despite persistent pleas for legislation by the judicial and executive branches and the organized bar. Fairness dictates that we delay no longer.

I commend the proposed Criminal Justice Act of 1963 for prompt and favorable action by the Congress. Its passage will be a giant stride forward in removing the factor of financial resources from the balance of justice.

Sincerely,

John F. Kennedy.

Scandinavians Pioneers in Legal Aid

The concept of government assistance for indigent persons involved in court cases, while it is a topic of current interest in the United States, is not new.

Countries in Scandinavia for more than 70 years have instituted various forms of government assistance for persons accused of crimes who are without funds.

Even more significant is the fact that Scandinavian court assistance extends not only to indigent criminals, but also to poor persons involved in civil litigation. This assistance even extends to pretrial investigation.

In a case in which New Haven's U.S. District Judge William H. Timbers was involved as a court-appointed counsel, the late Judge Jerome Frank of the U.S. Court of Appeals for the second Circuit said:

"Such are the coercions of poverty that a decent sensible lawyer may well advise an innocent man, too poor to obtain essential defense evidence, to bargain with the prosecutor to accept a plea of guilty to a lesser crime than that with which the defendant is charged.

"For 13 years, I have been calling attention to this problem and urging a solution.

"I was most agreeably surprised, therefore, to learn * * * that in Scandinavia it has been the practice, for upward of 70 years, not only to allow every (indigent) accused a defense counsel of his choice at government expense, but to place the police department and the office of the prosecutor equally at the service of the defense and the prosecution;

"Defense counsel may have these agencies, at government expense, make all necessary investigations, including searches for witnesses and documents and analysis by handwriting, medical or chemical experts;

"And the prosecution is responsible for producing at trial the witnesses called by the accused as well as all other evidence he wishes introduced—again at government expense."

Judge Frank wrote about Scandinavian justice on November 9, 1956.

"The Federal Government and all the States in this country, the richest on the globe, will, I hope, soon emulate the less opulent Scandinavian countries."

In the same opinion, in which he was a dissenting judge, he noted that "Sixteen centuries ago, Lactantius wrote, 'Nobody is poor unless he stands in need of justice.' "

CONNECTICUT PLAN MODEL FOR NATION

The Connecticut public defender system as a possible model for a similar system for Federal courts was suggested last week by a Federal judge and an assistant U.S. attorney.

Citing the State system as one of the best in the United States were U.S. District Judge William H. Timbers and Arnold Markle, who announced today his resignation as an assistant U.S. attorney.

Judge Timbers said the Connecticut system is ideal as far as such arrangements among various States go.

Markle said of the system: "I consider it one of the finest systems in the country."

Markle, who resigned his Federal post to resume private practice, continued, "I think that the fact that the public defender (Richard P. Sperandeo) has been given an assistant (Gordon Raynor) is a great step forward, because of the number of cases they handle per year.

"I think that men such as Richard Sperandeo are a credit to the office and are in keeping with the tradition of the appointment of outstanding men to the office.

"The history of the office of the public defender * * * would show that outstanding lawyers have always been appointed, and I have in mind the late Thomas R. Robinson, the late Lawrence Dooley and John Murphy."

Markle also said that if a public defender system is introduced in Federal courts, he would also like to see some form of arrangement which would provide pretrial investigatory service.

COURT OFFICIALS AGREE IMPROVEMENTS BADLY NEEDED IN SYSTEM

"I have yet to see an instance where an indigent defendant has been inadequately defended," a Federal judge said of the present system of court-appointed lawyers.

However, according to U.S. District Judge William H. Timbers, the fact that the system of appointing lawyers to defend needy defendants has worked in his court does not mean that proposal pending in Congress should not be made law.

"There is a critical point," Judge Timbers said, "at which assigned counsel should enter a case.

"In many cases the damage is done by the time a counsel steps in."

Judge Timbers has had extensive experience, not only as a court-appointed attorney himself, but as a judge who has appointed lawyers to defend indigent clients in his own court.

Others questioned about the proposed system of public defenders in Federal courts have included U.S. Judge Robert P. Anderson, chief judge of the District of Connecticut, and Robert C. Zampano, U.S. attorney for the State of Connecticut.

Judge Anderson said:

"There's a real need for a public defender system for the Federal courts. I think these appointments should be made by the judicial branch, as they are in the State of Connecticut.

"There should be sufficient personnel to provide aid for impecunious and unpopular defendants. They should be given as adequate representation as anyone else."

Zampano would be in line for the Connecticut District judgeship which would be vacated by Judge Anderson if he moves to the U.S. Court of Appeals for the Second Circuit to fill the vacancy created by the death of Judge Charles E. Clark. He said:

"All are entitled" to a defense in Federal court. Indigents, according to Zampano, "should not be deprived" of legal representation.

"I certainly think the proposed bill is an excellent idea," the 35-year-old U.S. attorney commented.

Judge Anderson also indicated that penniless persons are not the only defendants who present problems in the pursuit of justice.

There are, for instance, the judge said, responsible family men who do not have the financial resources to hire attorneys should they get into trouble.

"They're out of luck if they get into trouble with the law," Judge Anderson said. "They are worthy of assistance, but there are no provisions for such assistance."

Judge Anderson also expressed his philosophy in the appointment of attorneys in his court under the present system.

"I try," he said, "to get someone with experience if possible. Also, if there is no conflict of interest between defendants, I try to obtain one attorney to represent them all.

"Also taken into consideration is the location of the defendant—I try to get a lawyer from the same locality as the defendant," Judge Anderson concluded.

Another consideration in the allocation of business involving indigent Federal court defendants is the desire to spread the business out among the greatest possible number of lawyers. Normally young attorneys are chosen to represent indigent Federal court clients.

Arnold Markle, assistant U.S. attorney for the Connecticut district, who announced his resignation from the post today, said of the proposed Federal public defender system:

"I hope that someday a public defender office will be created in the Federal judiciary modeled on the Connecticut system."

Markle echoed a respect for the Connecticut public defender system also expressed by Judge Timbers.

JUDGE LEARNED HAND'S PRAYER

One of the most eloquent statements concerning the value of the public defender in the administration of justice was made by the late Judge Learned Hand of the U.S. Court of Appeals for the Second Circuit, who composed the following prayer:

"Let me but be the lawyer to the poor;
To defend the defenseless, befriend the friendless,
Redeem the outcast and through my plea
Bring protection to those having no protector.
Give me strength and understanding
That my services may be good;
My counsel true;
And my advocacy fair.
And may my reward be
That good report of my fellowman
And the blessing of my God."

COORDINATE MOTOR VEHICLE LAWS

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New York [Mr. HALPERN] is recognized for 15 minutes.

Mr. HALPERN. Mr. Speaker, I have long been concerned with the effort to enact more strict and better coordinated motor vehicle laws for the protection of all citizens, both motorists and nondrivers.

The automobile is the symbol of American economic growth. It has afforded everyone great accessibility and the opportunity for enrichment of leisure time. Spectacular highway systems criss-cross the land, a complex of routes allowing people to visit every corner of the Nation in unprecedented time periods.

And the annual toll of traffic deaths continues to rise in alarming fashion. Sales of automobiles have reached unprecedented heights, and they will rise still higher as disposable income increases and as our population grows.

The highway has become the greatest safety hazard in America.

It is incumbent upon us that we attempt to deal with this matter responsibly and wisely. In the final analysis, most accidents occur because of carelessness and lack of foresight. No law can regulate the drivers' instinctive inclination, his disposition toward irresponsibility, his sense of judgment. These are inherent characteristics.

But we can insure that all possible precautions and preventive measures have been taken in order to minimize mistakes and the potential dangers of poor judgment. We can encourage the several States to pool their knowledge and assimilate their traffic codes. We can protect the innocent by applying greater control over those who repeatedly violate traffic laws and constitute a permanent danger on the road.

In this connection, I draw attention to legislation I have introduced aimed at this objective. I would want to have the Interstate Commerce Commission encourage the several States to adopt the uniform vehicle code as published by the National Committee on Uniform Traffic Laws and Ordinances. It is evident that greater regulation of traffic practices can be obtained if we can achieve nationwide coordination.

At the same time, more stringent control must be established over serious offenders. For this purpose I seek a broadening of the registry of names maintained by the Department of Commerce. Under present law this listing covers only those convicted for driving under the influence of intoxicants and for manslaughter. This is a commendable step, but it is hardly sufficient to effectively eliminate the majority of treacherous drivers from our highways. My legislation will widen the law to include those convicted of reckless driving, negligent homicide and those who have had their licenses revoked or withdrawn in one State. It will also apply to those who commit perjury in connection with the ownership or operation of a motor vehicle.

It happens frequently that a driver whose license has been revoked in one State obtains a new one in another. This legislation is aimed at tackling this practice.

It is time that we recognize the automobile as an interstate instrument. People drive from one State to another freely every day of the year, and our modern highway system is facilitating this countrywide travel. The time has come when we must recognize that interstate travel by private vehicle is a province of Federal concern and guidance where government can effect better control and coordination for the protection of all. I urge that the Congress adopt these measures. They are aimed squarely and sensibly at one of the growing menaces of modern America.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. McDowell (at the request of Mr. Weltner), for 30 minutes, today; and to revise and extend his remarks and include extraneous matter.

Mr. Rooney of New York (at the request of Mr. Weltner), for 15 minutes, today; and to revise and extend his remarks and include extraneous matter.

Mr. Giaimo (at the request of Mr. Weltner), for 15 minutes, today; and to revise and extend his remarks and to include extraneous matter.

Mr. Fulton of Tennessee (at the request of Mr. Weltner), for 60 minutes, on Wednesday, August 19; and to revise and extend his remarks and include extraneous matter.

Mr. Ashbrook (at the request of Mr. Schweiker), for 15 minutes, today.

Mr. Rooney of New York, for 15 minutes, today; and to revise and extend his remarks.

Mr. Halpern (at the request of Mr. Schwengel), for 15 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Congressional Record, or to revise and extend remarks, was granted to:

(The following Members (at the request of Mr. Schweiker) and to include extraneous matter:)

Mr. Johansen.
Mr. Bell.
Mr. McClory.
Mr. Cleveland.

(The following Members (at the request of Mr. Weltner) and to include extraneous matter:)

Mr. Burton of California.
Mr. Evins.
Mr. Pucinski.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 2642. An act to mobilize the human and financial resources of the Nation to combat poverty in the United States.

ADJOURNMENT

Mr. WELTNER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 5 minutes p.m.) the House adjourned until tomorrow, Thursday, August 13, 1964, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2398. A letter from the Deputy Administrator, Veterans' Administration, relative to reporting a violation of subsection (h) relating to an overobligation of expenditure, pursuant to section 3679 of the Revised Statutes, as amended (31 U.S.C. 665(1)(2)); to the Committee on Appropriations.

2399. A letter from the Assistant Secretary of the Interior, relative to reporting that an adequate soil survey and land classification of the lands in the Broadview Water District, California, has been completed, pursuant to Public Law 172, 83d Congress; to the Committee on Appropriations.

2400. A letter from the Comptroller General of the United States, transmitting a report on a review of financial claims for logistic support of United Nations forces in Korea, Department of the Army; to the Committee on Government Operations.

2401. A letter from the Comptroller General of the United States, transmitting a report relating to improper procurement actions resulting from overstatement of requirements for wooden pallets, Department of the Navy; to the Committee on Government Operations.

2402. A letter from the Comptroller General of the United States, transmitting a report and recommendation to the Congress concerning the claim of Vermont Maple Orchards, Inc., Burlington, Vt., pursuant to the act of April 10, 1928 (45 Stat. 413; 31 U.S.C. 236); to the Committee on the Judiciary.

2403. A letter from the Secretary of Commerce, relative to providing war risk insurance and certain marine and liability insurance for the American public and, upon request, for any department or agency of the United States for the period as of June 30, 1964, pursuant to title XII of the Merchant Marine Act of 1936, as amended; to the Committee on Merchant Marine and Fisheries.

2404. A letter from the Deputy Administrator, National Aeronautics and Space Administration, transmitting a report to the Committee on Post Office and Civil Service and to the Committee on Appropriations of the House of Representatives pursuant to section 1310 of the Supplemental Appropriation Act of 1952 (65 Stat. 736, 758); to the Committee on Post Office and Civil Service.

2405. A communication from the President of the United States, transmitting a proposed appropriation for the fiscal year 1965 in the amount of $947,500,000 to finance the programs authorized by the Economic Opportunity Act of 1964 (H. Doc. No. 337); to the Committee on Appropriations and ordered to be printed.

2406. A communication from the President of the United States, transmitting for consideration proposed appropriations and language provisions as follows:

Executive branch: Language provisions and supplemental appropriations in the amount of $95,341,553 for fiscal year 1965 and an appropriation in the amount of $150,000,000 for fiscal year 1966;

District of Columbia: Supplemental appropriations in the amount of $324,828 for fiscal year 1965 (H. Doc. No. 338); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FINDLEY: Committee on Agriculture. Additional views on H.R. 12298, a bill to authorize the Secretary of the Interior to initiate a program for the conservation, development, and enhancement of the Nation's anadromous fish in cooperation with the several States; without amendment (Rept. No. 1767, pt. II). Referred to the Committee of the Whole House on the State of the Union.

Mr. BONNER: Committee on Merchant Marine and Fisheries. H.R. 2392. A bill to authorize the Secretary of the Interior to initiate a program for the conservation, development, and enhancement of the Nation's anadromous fish in cooperation with the several States; with amendment (Rept. No. 1768). Referred to the Committee of the Whole House on the State of the Union.

Mr. PICKLE: Committee on Interstate and Foreign Commerce. H.R. 8546. A bill to amend title VII of the Public Health Service Act so as to extend to qualified schools of optometry and students of optometry those provisions thereof relating to student loan programs; without amendment (Rept. No. 1769). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROBERTS of Alabama: Committee on Interstate and Foreign Commerce. H.R. 12033. A bill to further amend the transitional provisions of the act approved September 6, 1958, entitled "An act to protect the public health by amending the Federal Food, Drug, and Cosmetic Act to prohibit the use in food of additives which have not been adequately tested to establish their safety," and for other purposes; without amendment (Rept. No. 1770). Referred to the Committee of the Whole House on the State of the Union.

Mr. BURLESON: Committee on House Administration. H.R. 12318. A bill to provide an equitable system for the classification of certain positions under the House of Representatives, and for other purposes; without amendment (Rept. No. 1771). Referred to the Committee of the Whole House on the State of the Union.

Mr. O'NEILL: Committee on Rules. House Resolution 843. A resolution providing for the consideration of H.R. 11893, a bill to authorize the mint to inscribe the figure "1964" on all coins minted until adequate supplies of coins are available; without amendment (Rept. No. 1772). Referred to the House Calendar.

Mr. JONES of Missouri. Committee on House Administration. H.R. 10178. A bill to authorize the Smithsonian Institution to employ aliens in a scientific or technical capacity; without amendment (Rept. No. 1773). Referred to the Committee of the Whole House on the State of the Union.

Mr. JONES of Missouri. Committee on House Administration. House Joint Resolution 793. Joint resolution authorizing the United Spanish War Veterans to erect a memorial in the District of Columbia; with amendment (Rept. No. 1774). Referred to the Committee of the Whole House on the State of the Union.

Mr. JONES of Missouri. Committee on House Administration. House Concurrent Resolution 273. Concurrent resolution to place temporarily in the rotunda of the Capitol a statue of Father Eusebio Francisco Kino, and to hold ceremonies on such occasion; without amendment (Rept. No. 1775). Referred to the House Calendar.

Mr. JONES of Missouri. Committee on House Administration. House Concurrent Resolution 274. Concurrent resolution accepting the statue of Father Eusebio Francisco Kino, of Arizona, presented by the State of Arizona, to be placed in Statuary Hall; with amendment (Rept. No. 1776). Referred to the House Calendar.

Mr. JONES of Missouri. Committee on House Administration. House Resolution 830. Resolution to provide for the placement of a memorial tablet in the U.S. Capitol in honor of the troops quartered in the Capitol during the Civil War; with amendment (Rept. No. 1777). Referred to the House Calendar.

Mr. ROGERS of Texas. Committee on Interior and Insular Affairs. H.R. 1712. A bill to amend the act authorizing the Crooked River Federal reclamation project to provide for the irrigation of additional lands; with amendment (Rept. No. 1778). Referred to the Committee of the Whole House on the State of the Union.

Mr. MORRIS. Committee on Interior and Insular Affairs. S. 2419. An act to authorize the Secretary of the Interior to condemn certain property in the city of St. Augustine, Fla., within the boundary of the Castillo de San Marcos National Monument, and for other purposes; without amendment (Rept. No. 1779). Referred to the Committee of the Whole House on the State of the Union.

Mr. EDMONDSON. Committee on Interior and Insular Affairs. H.R. 9638. A bill to amend section 27 of the Mineral Leasing Act of February 25, 1920, as amended, in order to promote the development of phosphate on the public domain; with amendment (Rept. No. 1780). Referred to the Committee of the Whole House on the State of the Union.

Mr. THOMAS. Committee of conference. H.R. 11296. A bill making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices for the fiscal year ending June 30, 1965, and for other purposes; without amendment (Rept. No. 1781). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BENNETT of Florida:

H.R. 12347. A bill to facilitate the obtaining of employment by older workers; to the Committee on Education and Labor.

By Mr. BROWN of California:

H.R. 12348. A bill to authorize investigations and reports on the water resources and requirements of the Colorado River Basin and to protect existing economies in the course of development of such resources; to the Committee on Interior and Insular Affairs.

My Mr. BURKHALTER:

H.R. 12349. A bill to authorize investigations and reports on the water resources and requirements of the Colorado River Basin and to protect existing economies in the course of development of such resources; to the Committee on Interior and Insular Affairs.

By Mr. BURTON of California:

H.R. 12350. A bill to provide a program of national health insurance, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. CAMERON:

H.R. 12351. A bill to authorize investigations and reports on the water resources and requirements of the Colorado River Basin and to protect existing economies in the course of development of such resources; to the Committee on Interior and Insular Affairs.

By Mr. OLSON of Minnesota:

H.R. 12352. A bill to provide additional drought disaster relief to farmers and stockmen in connection with the transportation of hay, and for other purposes; to the Committee on Agriculture.

By Mr. PIRNIE:

H.R. 12353. A bill to amend title 37, United States Code, to equalize service creditable in the computation of basic pay for certain professionally trained officers of the uniformed services; to the Committee on Armed Services.

By Mr. ST. ONGE:

H.R. 12354. A bill for the general revision of the copyright law, title 17 of the United States Code, and for other purposes; to the Committee on the Judiciary.

By Mr. SHEPPARD:

H.R. 12355. A bill to authorize investigations and reports on the water resources and requirements of the Colorado River Basin and to protect existing economies in the course of development of such resources; to the Committee on Interior and Insular Affairs.

By Mr. TALCOTT:

H.R. 12356. A bill to authorize investigations and reports on the water resources and requirements of the Colorado River Basin and to protect existing economies in the course of development of such resources, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 12357. A bill to amend the Internal Revenue Code of 1954 to allow an individual a deduction from gross income for the cost of employing full-time household help; to the Committee on Ways and Means.

By Mr. TUPPER:

H.R. 12358. A bill to provide for the reimbursement of the State of Maine for the expense of constructing a road required by the expansion of the U.S. Naval Air Station, Brunswick, Maine; to the Committee on Armed Services.

By Mr. SMITH of California:

H.R. 12359. A bill to authorize investigations and reports on the water resources and requirements of the Colorado River Basin and to protect existing economies in the course of development of such resources, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. TOLLEFSON:

H.R. 12360. A bill to amend chapter 73 of title 10, United States Code, with respect to the retired serviceman's family protection plan; to the Committee on Ways and Means.

By Mr. CAREY:

H.R. 12361. A bill to authorize the U.S. Secret Service to protect the persons of the nominees of the two major political parties for President and Vice President of the United States; to the Committee on the Judiciary.

By Mr. HARRIS:

H.R. 12362. A bill to amend the Railroad Retirement Act of 1937 to eliminate the provisions which reduce the annuities of the spouses of retired employees by the amount of certain monthly benefits payable under title II of the Social Security Act; to the Committee on Interstate and Foreign Commerce.

By Mrs. GREEN of Oregon:

H.R. 12363. A bill to extend Public Laws 815 and 874, 81st Congress (federally affected areas) for 1 year, until June 30, 1966; to the Committee on Education and Labor.

By Mr. GURNEY:

H.R. 12364. A bill to provide for the conveyance of certain real property of the United States to the State of Florida; to the Committee on Armed Services.

By Mr. RYAN of New York:

H.R. 12365. A bill to amend part B of title VII of the Public Health Service Act to provide relocation payments for persons displaced from their places of residence or business as a result of construction thereunder; to the Committee on Interstate and Foreign Commerce.

By Mr. GIBBONS:

H. Res. 842. Resolution to provide for the expenses of an investigation authorized by House Resolution 103; to the Committee on House Administration.

By Mr. PATMAN:

H. Res. 844. Resolution authorizing certain foreign travel by members of the Banking and Currency Committee, and for other purposes; to the Committee on Rules.

By Mr. TUCK:

H. Res. 845. Resolution providing for consideration of H.R. 11926, a bill to limit jurisdiction of Federal courts in reapportionment cases; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DAVIS of Tennessee:

H.R. 12366. A bill for the relief of Marble International, Inc.-Alexander Marble & Tile Co.; to the Committee on the Judiciary.

By Mr. KING of New York:

H.R. 12367. A bill for the relief of Peter Vidoje Bjelica; to the Committee on the Judiciary.

By Mr. SICKLES:

H.R. 12368. A bill for the relief of Demetrios Stratigeas; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Results of Public Opinion Poll

EXTENSION OF REMARKS

OF

HON. JAMES C. CLEVELAND

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 12, 1964

Mr. CLEVELAND. Mr. Speaker, for the past several months, I have been polling my constituents to determine their views on a selected number of important national issues. The results of my poll have now been tabulated. In forwarding the results of my current questionnaire to my constituents, I have written to them as follows:

August 1964.

Dear Friend: Congress has been in almost continuous session since I arrived here in January 1963, 20 months ago. Thus, my duties as your representative in Washington have prevented me from personally discussing issues and problems with many of you.

The questionnaires have been useful in bridging the gap between New Hampshire and Washington. Your views are valued guides for my thinking, although I must and do accept full and final responsibility for my votes on the floor of the House. Inside, you will find the tabulated results of my 1964 questionnaire.

It is interesting to note how quickly some issues change. For example, when my questionnaire was prepared last spring, no one could have guessed that the Supreme Court would hand down such a far-reaching decision as it did when it required that both bodies of a State legislature must be apportioned solely on a population basis. Because I disagree with that decision, I have introduced legislation proposing an amendment to the Constitution to allow States to apportion at least one house on a basis other than population, if they choose to do so, by a referendum vote.

Congress is now pressing for adjournment, which has created a tremendous rush of legislative business. This has made it impossible for me to reply personally to all of the comments and questions on the questionnaires returned, although I have read them carefully. To those of you who did reply and comment, my sincere thanks.

Yours very truly,

JAMES C. CLEVELAND,
Member of Congress.

The results of my 1964 questionnaire and my comment thereon is as follows:

Results of 1964 questionnaire

	Yes	No	Not sure
In general, do you favor—			
1. Federal civil rights legislation	1,999	1,013	270
2. U.S. participation in the nuclear test ban treaty	2,282	705	308
3. The recently enacted Federal tax cut—			
A. Regardless of Government's deficit spending	445	719	78
B. Only with a substantial cut in spending	1,717	328	86
C. Only with a balanced budget	1,290	288	95
4. Wheat sales to the Soviet Union—			
A. On a straight cash payment basis	2,231	265	54
B. On credit underwritten in part by tax dollars	219	789	73
C. Not at all	553	689	74
5. Medical care for the aged—			
A. Under social security (King-Anderson) regardless of need	791	774	123
B. Under Federal-State (Kerr-Mills) limited by need	1,519	346	148
C. Keeping U.S. Government out	931	391	134
6. Federal aid to education (other than existing programs)—			
A. At the college or postgraduate levels	1,665	1,007	249
B. At the elementary or secondary levels	1,092	1,172	217
7. A constitutional amendment permitting voluntary nondenominational Bible reading and prayer in public schools	2,337	870	122
8. Major new Federal programs to reduce poverty	1,390	1,376	472
9. Gradual reduction of Government price supports for farm commodities	2,845	178	294
10. A tax deduction or credit for parents paying tuition for their children's education beyond high school	2,571	592	176
11. Continued U.S. support of the United Nations	2,634	419	151
A. If so, even if Red China is admitted	1,695	1,079	284

12. In general, do you think Congress did a good job or a bad job last year?

Good, 377; fair, 1,504; poor, 850; no opinion, 336.

13. What do you believe the United States should do in Vietnam?

(a) Pull out entirely, 605;

(b) continue our current advisory and support role, 984; and

(c) substantially increase U.S. commitment, 1,218.

14. Much of the success of our system of Government has been credited to the doctrine of separation of powers between the courts, the executive (including departments and agencies), and the legislative. Which branch of Government do you think is doing the best job of insuring the continued success of our system of Government?

Legislature, 1,034; courts, 548; executive, 327; FBI, 11; taxpayer, 2; Treasury, 2; military, 1; and Internal Revenue, 1.

COMMENT

It is interesting to compare this year's questionnaire replies with last year's. Approval of a balanced budget and reduction in the national debt were so overwhelming last year as to be almost unanimous. Thus, those questions were not repeated. Last year, the greatest amount of uncertainty resulted from the question "Do you favor the administration's conduct of foreign policy?" Seven hundred and twenty-seven answered "yes," 1,575 voted "no," and 918 "not sure." This year, the greatest amount of uncertainty resulted from the poverty program question.

Although the medicare questions differed slightly from last year to this, the Kerr-Mills plan is still the method of medical care for the aged apparently preferred by the majority. It is also interesting to note that last year a substantial majority favored a sharp reduction in foreign aid. This was evidently the national consensus, for, indeed, foreign aid was substantially reduced last year. Continued U.S. support of the United Nations (one of the strongest votes last year, 2,622 "yes," 502 "no," 261 "not sure") is even more pronounced this year and such support would apparently survive the admission of Red China.

Having served as an elected representative for 14 years, I am, of course, pleased that a substantial majority consider that the legislative branch of the Government is doing a better job of insuring the continued success of our system of Government than the courts or the executive and also rated Congress as doing a "good" or "fair" job.

The Freedom-Loving People of Lithuania, Latvia, and Estonia

EXTENSION OF REMARKS

OF

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 12, 1964

Mr. McCLORY. Mr. Speaker, in pursuing our Nation's campaign for freedom among all the peoples of the world, there is no worthier cause than that of the freedom-loving people of the Baltic states of Lithuania, Latvia, and Estonia.

Many immigrants and offspring of immigrants from these Baltic nations now reside in the Waukegan-North Chicago area of my 12th Congressional District in Illinois. It is natural, therefore, that these American citizens should be working particularly for their relatives and friends overseas whose freedom was stamped out when the Soviets moved in, in the course of World War II.

Mr. Speaker, a select committee of this House determined—in 1954—that the involuntary incorporation of Lithuania, Latvia, and Estonia in the Soviet Union was contrary to establish principles of international law. Our nation has never recognized the Soviet regimes in these countries which the Soviet Union pretends to include in its orbit.

Mr. Speaker, yesterday I introduced House Concurrent Resolution 351, urging the President to bring this subject to the United Nations in the hope that the General Assembly, in pursuance of its authority, could order the withdrawal of Soviet troops, secret police, and other Soviet personnel from the once free nations of Lithuania, Latvia, and Estonia; and that the political prisoners of these three nations now exiled in Siberia or other parts of the U.S.S.R. might be returned to their families and rightful homes.

Mr. Speaker, notwithstanding the magnitude of this problem, our Nation should continue in its efforts to assist these Baltic states in freeing themselves from Soviet domination in the hope that one day, in the not-too-distant future, the freedom-loving people of Lithuania, Latvia, and Estonia may be liberated to aid in furthering the cause to which America is dedicated.

Award of a Smith Kline & French Foreign Fellowship for Medical Students to Lawrence Y. Kline

EXTENSION OF REMARKS

OF

HON. ALPHONZO BELL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 12, 1964

Mr. BELL. Mr. Speaker, I would like to call attention to the recognition accorded a medical student from my constituency who has been awarded a Smith Kline & French foreign fellowship for medical students. Lawrence Y. Kline of Santa Monica, Calif., a junior in the University of California School of Medicine, Los Angeles, has been awarded a $1,422 fellowship which will enable him to broaden his medical training by assisting and observing at a neuropsychiatric center in Nigeria.

Son of Mr. and Mrs. Louis H. Kline, 2606 Highland Avenue, Santa Monica, Calif., Lawrence Kline is one of 29 American medical students who have been awarded Smith Kline & French Laboratories foreign fellowships by the Association of American Medical Colleges. The fellowships are supported by a grant from the Philadelphia prescription drug firm.

Kline left for Africa in June and is stationed with the Neuropsychiatric Center at Aro Hospital in Abeokuta, western Nigeria, for several months. He is considering a career in psychiatry, and at the Nigerian institution he is assisting with and observing pharmacotherapy, electroconvulsive therapy, individual psychotherapy, group psychotherapy, and occupational psychotherapy, all under the supervision of his sponsor, Dr. T. Asuni, medical superintendent.

In addition to serving as the provincial mental hospital, Aro is responsible for the general health of all the villages surrounding it. Consequently, Kline also will add to his medical experience in the busy outpatient clinic which deals with physical diseases.

Now entering its fifth year, the Smith Kline & French foreign fellowships program was established to provide an opportunity for American medical students to broaden their medical horizons in cultures far different from their own. In the past 4 years 123 fellows have served at hospitals and clinics in 40 countries of Africa, Asia, and Latin America.

The Junior Statesmen of America

EXTENSION OF REMARKS

OF

HON. PHILLIP BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 12, 1964

Mr. BURTON of California. Mr. Speaker, I would like to call to the attention of this House an outstanding organization of young men and women in my State. This is the Junior Statesmen of America, a nonpartisan youth government movement that has been developing strong new citizens since 1934. In this year, on the 30th anniversary of its founding, it continues to spread respect and understanding for the Constitution upon which the Nation itself is founded.

The Junior Statesmen is an organization of high school students that have formed their own government, their own junior State, to learn for themselves how American democracy works. They have dedicated themselves to the proposition that politics is an honorable profession, not one to be scorned and ignored by American citizens. The Junior Statesmen organization is made up totally of students—they write their own constitution, elect their own officers, plan and hold their own conventions, take their own stands on every issue of the day, and determine their own programs.

The Junior Statesmen of America was founded in 1934 by Prof. Ernest Andrew Rodgers, in Santa Cruz, Calif. It was conceived as a movement of young people, dedicated to the values and purposes of American government. Its code established it as nonpartisan, nonsectarian, and nonsecret; open to all students who wished to develop their citizenship in the best possible way—by forming and taking responsibility for their own government. With full dedication to the Constitution and the Bill of Rights embodied in its charter, the organization spread rapidly to many California high schools. The new Junior Statesmen met in their first State convention at the San Francisco World's Fair in 1939. They drafted their own constitution, elected the first State officers, and embarked on their first State project. The movement was supported by many educators, government officials and businessmen, who established the Junior Statesmen Foundation to provide legal and financial backing for the emerging organization. Recently, my distinguished colleague the gentleman from California, the honorable WILLIAM MAILLIARD, of San Francisco, served as the president of the foundation. Though the foundation continues to maintain full legal responsibility for the organization, they have reiterated the original position that the government and determination of programs should be left to the student Junior Statesmen, a policy borne out by 30 years of conscientious effort and excellent results. Junior Statesmen leaders meet frequently with the foundation, which supervises fundraising, employs a full-time field director to aid high school chapters, and conducts the special Junior Statesmen summer school.

The Junior Statesmen is made up of over 70 high school chapters from all parts of California, from Los Angeles to San Francisco and from Lake Tahoe to Santa Barbara. There are two newly established chapters in Washington State. In all, over 3,000 students participate in the activities of Junior Statesmen every year. Many are American field service exchange students who learn for themselves how democracy works and what it means.

The Junior Statesmen have organized themselves on three levels: the high school chapters, the greater area regions, and the State organization. Every unit has its own student-written and student-approved constitution. All administration at all levels is the job of elected student officers.

Each high school chapter is an independent unit affiliated with the State organization. Membership ranges from 9, in Allegheny High School, the State's smallest school with 10 students, to nearly 300 at Santa Maria High School. Each operates as a school club with open membership; each has a faculty adviser appointed by the school principal. Chapter activities are determined by the students; they range from school and community service projects to voter registration to guest speaker programs and panel discussions. They include debates, discussion, and the introduction of resolutions in a chapter legislative session on issues from the income tax to reform of county government to a new foreign policy to new ideas on civil rights and urban problems. They are all nonpartisan. All proceedings follow parliamentary procedure, and successful resolutions are often passed on to the higher levels of the organization. Chapters establish new clubs in nearby high schools and hold social events, hear candidates for office and promote their school. New ideas covering every conceivable activity related to government, citizenship, and service are put into practice every week all over California.

The regional level of the Junior Statesman is an organization of several chapters in a general geographical area. Regions are governed by assemblies made up of chapter members, who elect administrative officers from their membership. There are four regions: Southern California; Golden Gate, Greater San Francisco Bay area; Shasta, northern California; and Washington State.

Regions hold conventions at various high schools from three to four times a year. All planning is done by students—convention programs include guest speakers, legislative sessions, panel discussions, debate contests, recreation, dinner and dancing and the presentation of awards for outstanding performances by individual chapters. Representatives of all parts of the political spectrum have spoken at Junior Statesmen regional conventions; members of the ACLU, county judges, university professors, Birch Society members, assemblymen and Congressmen, State officials, and political party officers. I myself have addressed such a convention and found it a rewarding and inspiring experience. Often impromptu question periods follow speeches as the students ask their own challenging questions of the speakers. When the speeches involve political affairs, the program is balanced to maintain nonpartisanship.

Each region has its own mayor, speaker of the assembly, treasurer, and clerk, as well as many appointed officers. A regional newsletter is distributed to all members. Regions serve to spread ideas between chapters, and give students a chance to test their ideas before larger audiences. Many young Junior Statesmen have introduced their own resolutions, on every conceivable subject, backed by painstaking research, to regional legislatures. Opposing speakers come prepared as well, as legislation is distributed in advance so that the best debate is the result. Training in debate, clear thinking, the wrestling with complex problems, and parliamentary procedure are some of the benefits of a regional legislative session. In addition, many students introduce constitutional amendments to improve their own government—for these Junior Statesmen truly make up and govern their own junior State.

All chapters in California, and for the present those from Washington as well, make up the State government of the Junior Statesmen. The State organization holds two State conventions each year; in the State capitol in the fall, meeting in the California Legislative chambers, and in the Los Angeles area in the spring, when State officers are elected. Last year over 1,200 students attended the two conventions. Here the best legislation from chapters and regions was presented to all delegates for debate. Students took such nonparty line stands as opposing the wheat sale to Russia and supported the establishment of a Domestic Peace Corps. Many California State officers have addressed State conventions, such as Governors Warren and Knight, Attorney General Mosk, and others. Last spring former President Eisenhower spoke to 500 young Junior Statesmen assembled to elect a new State government.

The State government also coordinates the activities of the greater organization, but does not control them; provides aid to chapters, distributes ideas for programs, and coordinates a State project. In the past, this project has ranged from political preference polls in most California high schools to a books-for-Africa drive. The government is headed by a student governor, presently Dennis Bass, of Mills High School in Milbrae, Calif. He heads a staff of officers that keeps in constant communication with all chapters, edits and publishes a newspaper sent monthly to all members, collects and disburses dues set by the vote of the Junior Statesmen themselves, and promotes the expansion of Junior Statesmen to other high schools. In addition, the students have set up their own supreme court to mediate any disputes that arise between the different levels of the organization. By fully participating in their own government, the students maintain complete responsibility for its actions and programs just as they have since 1934.

Each summer, the Junior Statesmen Foundation holds a special summer school for outstanding Junior Statesmen and other top students recommended by high schools that do not have chapters. This past summer over 110 students attended two month-long sessions at Stanford University. Students attended classes in American government and speech, and met nightly to form and exercise their own government. This workshop in self-government is an experience that is not matched anywhere else, as students experiment with a tricameral legislature, or a dual presidency, to find a workable solution, themselves, to the problems of government. This summer, 50 of the students attended the Republican National Convention in San Francisco. Many students not previously members of Junior Statesmen returned home to form new chapters. This was the 22d year of the summer school.

I hope I have given a good idea of the varied and excellent programs the Junior Statesmen, over 3,000 hardworking and creative young students, have to offer the youth of California, Washington, and indeed the Nation. The purpose of the Junior Statesmen is not to mold Congressmen, Governors, and Presidents, but rather to help develop sound, responsible, thinking new citizens, with a clear understanding of the duties and the freedoms in American life. As young Junior Statesmen from all parts of California meet and work, debating, listening, expanding their own movement, and putting their own ideas into practice, this purpose is fulfilled.

Tribute to Morris Cafritz

EXTENSION OF REMARKS

OF

HON. AUGUST E. JOHANSEN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 12, 1964

Mr. JOHANSEN. Mr. Speaker, a distinguished Member of the other body, Hon. JENNINGS RANDOLPH, of West Virginia, a former Member of this House, has served on the board of the Metropolitan Police Boys' Club in the District of Columbia for nearly 20 years.

On Sunday, August 2, he delivered the principal address at the dedication of the Morris Cafritz Administration Building for the Boys' Club summer camp at Scotland, Md.

In this address, Senator RANDOLPH paid a richly merited tribute to the late Mr. Cafritz, an exceptionally fine, public-spirited citizen of Washington and a longtime supporter of the Metropolitan Police Boys' Club.

Under permission to extend my remarks, I include Senator RANDOLPH's address:

> Max Farrington, ladies and gentlemen, associates and members of the Metropolitan Police Boys' Club, and friends of our former coworker Morris Cafritz: It is a privilege for me to be with you this afternoon. We share in a memorial for a man who was close to the hearts of us all.
>
> In the brief history of American democracy we have effectively demonstrated that the ultimate achievement or failure of our system will rest with the individual citizen. It is the shopkeeper, factory worker, farmer, housewife, and salesman who must, in the final analysis, bring strength, purpose, and direction.
>
> As members of organizations or special interest groups, and in day-to-day living we exercise an influence on the thoughts and reactions of those we meet. Ours is the responsibility, therefore, to be informed. We must make every effort to be knowledgeable on the current issues and seek an understanding of our traditions and heritage. With this background we are prepared to make a more meaningful contribution to the molding of effective government and a wholesome society.
>
> In addition to being informed and perhaps equally as important, is our responsibility to be active in the community process. It has been truly said that "faith without works is dead"—and all our wisdom and knowledge are of little value if we are apathetic. We are participants and not merely spectators. As American citizens we are the most important element in our Republic and not merely the fortunate recipients of its benefits. It is the dedication and integrity of each person that dictates what we are to accomplish. It is our challenge to overcome the temptation to sit silently and allow others to carry our burdens—to assume a passive part in the tasks of our democracy and to give only slight attention to its problems and programs. This is not the seed of success, or the environment from which have sprung the significant messages and movements of the past. Such indifference will spell failure in the age of space just as it would have in a bygone era.
>
> The philosopher William James has said: "Be not afraid of life. Believe that life is worth living and your belief will help create the fact."
>
> Morris Cafritz believed that life was worth living. He was a doer, a participant in the American process, a leader in community, church, and business. His life was glowing proof that enlightened participation must be the cornerstone of positive citizenship.
>
> From a modest beginning Morris Cafritz scaled the heights of achievement. He also knew the disappointments and sorrows which come to all men of deep conviction and he withstood them. He emerged as a public spirited leader who shared his counsel, his wealth, his abilities, and his honest efforts in furthering the public interest. His was a respected voice in civic affairs. He was a cherished friend of many Members of the U.S. Congress. He was incredibly helpful in carrying forward countless philanthropic projects. He maintained a position of eminence in his chosen professional field. And, through it all, he was a devoted husband, a loving father, a faithful friend.
>
> These qualities of Morris Cafritz may be best expressed by another reference to William James. In a letter to his sister on the occasion of the purchase of a summer home Mr. James exclaimed with joy that it had "14 doors and they all open outward." Such was the world of Morris Cafritz—an open world of many doors, all opening out.
>
> The Metropolitan Police Boys' Club was of primary interest to Mr. Cafritz and has known the forward thrust of his enthusiastic assistance. From 1940 to 1942 he served as president of the club and for approximately 26 years he worked actively as a member of the committee responsible for the administration of this camp.
>
> Morris Cafritz believed in young people and he believed in the city of Washington. He served the best interests of both by supporting the camp and giving generously of his time and effort. It is fitting, therefore, that we give recognition to the accomplishment of this selfless man by dedicating in his memory the Morris Cafritz Administration Building.
>
> I am grateful that I was blessed with the friendship of Morris Cafritz. This relationship, however, was not unique, for his comradeship with his fellow man was a constantly enlarging and happy circle. Those who gather today share a common joy that this circle included them.
>
> Morris was a gentle and a good man. By the enduring qualities of life he was a truly great man.

President Johnson Appeals for an End to Demonstrations

EXTENSION OF REMARKS

OF

HON. ROMAN C. PUCINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 12, 1964

Mr. PUCINSKI. Mr. Speaker, President Johnson made a very strong appeal Wednesday in his address to the American Bar Association Convention in New York City for an end to mass demonstrations whether they occur in Mississippi or in New York.

I believe this very responsible approach by the President deserves the widest attention, for the President quite properly pointed out:

> No person whatever his grievance can be allowed to attack the right of every American to be secure in his home, his shop and in his streets. We will not permit any part of America to become a jungle, where the weak are the prey of the strong and the many.

In a firm and decisive manner, the President stated:

> Such acts must be stopped and punished, whether they occur in Mississippi or in the State of New York.

The President stated further:

> Under our Constitution, the local authorities have the central responsibility for civil peace. There is no place in our Federal system for a national police force. But where help is needed, or Federal law is violated, we shall be there. We will work together to punish all such lawbreakers, wherever they may be, whether they are hooded night-

riders on our highways, or whether they are hoodlums in the city streets or parks.

It is my hope that all discerning Americans will recognize the logic of Mr. Johnson's appeal and will join with the President in letting cooler reason prevail on this whole question of equal rights.

Mr. Speaker, the President's address to the ABA is indeed historic and I take this privilege of including it in its entirety in the RECORD today.

The President's address follows:

REMARKS OF THE PRESIDENT AT THE CONVENTION OF THE AMERICAN BAR ASSOCIATION AT THE WALDORF HOTEL, NEW YORK CITY

Mr. President, Ambassador Stevenson, members of the American Bar Association, today I speak to you in the midst of a troubled week in a turbulent world.

Since the end of World War II, America has been found wherever freedom was under attack, or wherever world peace was threatened.

The stage has shifted many times.

The stakes have grown as man's capacity for destruction grew. But America's role has not changed. With constancy, we have pursued the defense of freedom and we have prevented nuclear destruction. We have patiently labored to construct a world order in which both peace and freedom could flourish.

We have lived so long with crisis and danger that we accept, almost without division, the premise of American concern for threats to order.

Yet this is a unique responsibility—unique for America, and unique in history.

We accepted this responsibility, first, because at one time no other nation could do it. For the last 20 years, only under the shadow of our strength could friends keep their freedom and build their nation. Now that our allies have been restored to strength, they must share our responsibility in the pursuit of common purpose.

We have done this because we have, at painful cost, learned that we can no longer wait for the tides of conflict to touch our shores. Aggression and upheaval, in any part of the world, carry the seeds of destruction to our own freedom and, perhaps, to civilization itself.

We have done this, lastly, for a reason that is often difficult for others to understand. We have done it because it is right that we should.

Friendly cynics and fierce enemies alike often underestimate or ignore the strong thread of moral purpose which runs through the fabric of American history.

Of course, our security and welfare shape our policies. But much of the energy of our efforts has come from moral purpose.

It is right that the strong should help the weak defend their freedom.

It is right that the wealthy should help the poor emerge from their hunger.

It is right that help and understanding should flow from friendship and loyalty.

It is right that nations should be free from the coercion of others.

That these truths may coincide with interest does not make them less true.

There is another value which guides America's course. It is the deep American belief in the peaceful process of orderly settlement.

I would like this afternoon to briefly discuss two very different places where we are working at this hour for this principle—Cyprus and Vietnam.

The conflict in Cyprus comes from causes that are deeply rooted in the history and the circumstances of that troubled little island.

We do not know the final result of that conflict. We do know that the United States should not stand idly by while two of its best friends are at the edge of kicking off a big war.

Both Greece and Turkey are fellow members of the NATO Alliance. They are both courageous and dedicated members of the free world community. They have both been closely associated with us for the 17 years since the Truman doctrine.

It is our duty to the alliance to help prevent its disruption. It is our duty to help settle any conflict which might erupt into a wider arena. It is our duty to help avoid large-scale loss of life among the peoples of Cyprus whose true interests really lie in peace. It is our duty to work toward the acceptance of the principle that disputes should be settled without force. For, if orderly process is not accepted among friends, it will not be possible between adversaries.

In the pursuit of these responsibilities, I have sent our Under Secretary of State to all of the capitals concerned.

We invited the heads of government of Greece and Turkey to come to see me at the White House for long and serious talks.

I have sent a distinguished former Secretary of State, Mr. Acheson, to Geneva to work for peaceful agreement.

We have kept in close touch with Athens and Ankara and Nicosia by repeated personal messages from the President.

In this spirit, we have welcomed the efforts of the United Nations to arrange a cease-fire.

In Vietnam, too, we work for world order.

For 10 years through the Eisenhower administration, the Kennedy administration, and this administration, we have had one consistent aim—observance of the 1954 agreements which guaranteed the independence of South Vietnam.

That independence has been the consistent target of aggression and terror.

For 10 years our response to these attacks has followed a consistent pattern.

First, that the South Vietnamese have the basic responsibility for the defense of their own freedom.

Second, we would engage our strength and our resources to whatever extent needed to help others repel aggression.

Now, there are those who would have us depart from these tested principles. They have a variety of viewpoints. All of them, I am sure, you have heard in your local community.

Some say that we should withdraw from South Vietnam; that we have lost almost 210 lives in the last 4 years and we should come home. But the United States cannot and must not and will not turn aside and allow the freedom of a brave people to be handed over to Communist tyranny.

This alternative is strategically unwise, we think, and it is morally unthinkable.

Some others are eager to enlarge the conflict. They call upon us to supply American boys to do the job that Asian boys should do. They ask us to take reckless action which might risk the lives of millions and engulf much of Asia and certainly threaten the peace of the entire world. Moreover, such action would offer no solution at all to the real problem of Vietnam. America can and America will meet any wider challenge from others, but our aim in Vietnam, as in the rest of the world, is to help restore the peace and to reestablish a decent order.

The course that we have chosen will require wisdom and endurance. But let no one doubt for a moment that we have the resources and the will to follow this course as long as it may take. No one should think for a moment that we will be worn down, nor will we be driven out, and we will not be provoked into rashness; but we will continue to meet aggression with firmness and unprovoked attack with measured reply.

That is the meaning of the prompt reaction of our destroyers to unprovoked attack. That is the meaning of the positive reply of our aircraft to a repetition of that attack. That is the meaning of the resolution passed by your Congress with 502 votes in favor and only 2 opposed.

That is the meaning of the national unity that we have shown to all the world last week.

There is another consideration. Wherever the forces of freedom are engaged, no one who commands the power of nuclear weapons can escape his responsibility for the life of our people and the life of your children.

It has never been the policy of any American to sympathetically or systematically place in hazard the life of this Nation by threatening nuclear war. No American President has ever pursued so irresponsible a course. Our firmness at moments of crisis has always been matched by restraint—our determination by care. It was so under President Truman at Berlin, under President Eisenhower in the Formosa Straits, under President Kennedy in the Cuba missile crisis—and I pledge you that it will be so long as I am your President.

In Vietnam, in Cyprus, and in every continent, in a hundred different ways, America's efforts are directed toward world order. Only when all nations are willing to accept peaceful procedures as alternative to forceful settlement will the peace of our world be secure.

While we work for peaceful process among nations, we must also maintain law and order among our own citizens.

No person, whatever his grievance, can be allowed to attack the right of every American to be secure in his home, his shop, and in his streets. We will not permit any part of America to become a jungle, where the weak are the prey of the strong and the many.

Such acts must be stopped and punished, whether they occur in Mississippi or in the State of New York.

Under our Constitution, the local authorities have the central responsibilities for civil peace. There is no place in our Federal system for a national police force. But where help is needed, or Federal law is violated, we shall be there. We will work together to punish all such lawbreakers, wherever they may be, whether they are hooded nightriders on our highways, or whether they are hoodlums in the city streets or parks.

Fulfillment of rights and prevention of disorder go hand in hand.

Resort to violence blocks the path toward racial justice.

The denial of rights invites increased disorder and violence.

Those who would hold back progress toward equality and, at the same time, promise racial peace are deluding themselves and deluding the people.

Orderly progress, exact enforcement of law, are the only paths to an end of racial strife.

The Emancipation Proclamation was signed more than 100 years ago. But as we all know, emancipation was a proclamation and not a fact. After a century of wanting and waiting, a compassionate and comprehensive law came into being. It was passed by more than two-thirds of all the Members of both parties of the Congress under the leadership of both Republican and Democratic leader sponsorship. This is a government of laws and not men. The Congress has passed the law, the President has signed the law, and the President will enforce the law.

I believe that our citizens will and must observe it. Neither demonstrations in the streets nor violence in the night can or will restrain us from seeing to it that laws rightly passed will be justly observed. That is the path along which I intend to lead this Nation.

And I am convinced that the same dedication to legal order, which will keep the peace in this land, will bring us nearer to peace among all lands.

I have hopes, despite crisis and conflict, that that day may be coming nearer.

It was 19 years ago—19 years ago this month—that President Truman announced: "The force from which the sun draws its power has been loosed."

When he heard the news, Albert Einstein exclaimed: "The world is not yet ready."

But unprepared or not, the reality was there and we have struggled together to master it.

Today, as we meet in freedom here, freedom is much stronger. For despite the difficulty and the danger, no nation has—no single nation—fallen to communism since Cuba in 1959.

War has been prevented. Danger has been receding. If we can continue that course, the future will perhaps some day say of us: "They became the masters and not the victims of the age."

Chairman George Mahon, of House Committee on Appropriations, Gives Views on Federal Spending

EXTENSION OF REMARKS

OF

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 12, 1964

Mr. EVINS. Mr. Speaker, the August issue of Nation's Business publishes an interview with our distinguished chairman of the Committee on Appropriations, the gentleman from Texas, Hon. George Mahon. In this interview, Chairman Mahon sets forth his philosophy and provides valuable insights into the complex problem of Federal financing. This interview is a wide-ranging exposition of great interest to all Members of the Congress and the country, and I ask unanimous consent that this report be reprinted in the Record.

The report on Chairman Mahon's interview follows:

George Mahon Talks on Spending: Texas Democrat Who Is New Chairman of Appropriations Committee Gives Preview of Future Outlays and Ways To Reduce Them

Question. Mr. Mahon, what do you foresee as the direction for future Federal expenditures?

Answer. I think spending trends for quite a long time in the future will remain high. There may be some reduction in defense and space, but it is not going to be sharp. We are going to continue with a relatively high rate of spending overall.

There is much talk about disarmament. We all are in favor of greatly reduced tensions and reduced military spending if such is feasible. But such is not now feasible. We have to keep up our guard. The world is in ferment.

You look at Latin America, Asia, India, South Vietnam, the Congo, Cyprus. It would be very unrealistic to estimate that within 3 or 4 or 5 years these conditions are going to be drastically changed and we can make sharp reductions in defense spending. I just don't think we are going to be able to do it. To make sharp defense reductions would be misunderstood at home and abroad. We are having contests between the free world and totalitarianism in many areas. When we keep up our guard, and are sufficiently strong militarily, if there is a confrontation between the East and West on a big issue, the chances of an overall war are not so great. But if we let down our guard then some of these contests could much more likely escalate into an allout war between the Communists and the Western Allies.

Question. Hasn't the Government chosen tax relief over higher spending as the way to get more economic growth and prosperity?

Answer. Yes, I think this is the right direction.

We ought to rely more on the private sector to stimulate growth and development, and I believe the recent tax reduction will tend to prevent what might otherwise have been a rapid acceleration of spending. I hope it will start somewhat of a downward or leveling-off trend. But the greatest hope is that we can at least prevent spiraling Federal spending. The attitude of the President on spending has dramatized it. Turning off lights in the White House is insignificant except as it dramatizes the idea of economy. It has caught on with the country to a considerable extent, and I applaud this attitude on the part of the President.

Other parts of the Government have joined in trying to keep the administrative budget for fiscal year 1965, for example, under $100 billion. This is all very good, but it is going to be very difficult to hold down spending, especially in view of the apathy of the people generally.

Question. Why do you think there is apathy?

Answer. Well, the President in his budget message and in some of his pronouncements early in the year somewhat set the minds of the people at rest. They felt that they had some assurance that the President was going to undertake to follow an economy line, hold the administrative budget under $100 billion. We must agree that the people generally don't lie awake at night thinking about economy. They seldom do. They lie awake nights thinking about what they would like to acquire, increased opportunities, a rise in their standard of living, education for their children, and the like. I would say there is currently no strong expression or demand from the people for economy.

Now we did have a demand from the people to some extent last year, as you know. And several years ago there was a tremendous surge when President Eisenhower submitted his budget and Treasury Secretary Humphrey said if we didn't hold down spending we would have a depression that would curl your hair. Now this ignited the interest of the people and they thought about economy. They talked about economy. They became increasingly concerned with overspending, and there was an atmosphere generated that was very wholesome. I wish we could recapture that attitude and do more about it.

Along about that time Congress, in response to that atmosphere, made a sharp reduction in the budget.

Many have tried, but no one yet has been able to dramatize the issue of economy enough to create a sustained campaign for economy—I'm talking about a broadly based ground swell of sentiment among the people.

Question. Do you think apathy is going to remove Federal spending as an election issue in 1964?

Answer. The people generally tend to favor economy in areas other than their own. Projects in their own area seem very logical and appropriate to them. This is just the fact.

Fiscal responsibility is a much-used phrase. These are important words. But they have been used so frequently they to some extent have lost their punch. This is unfortunate. But I can't believe that discussion of economy in the forthcoming campaign will excite the extent as their interest will be excited over the discussion of foreign affairs, for example.

The fiscal situation will be an issue, and it will be one of the telling issues, but it won't be the top issue.

I hope it is an important issue. The greater and more intense the discussion is in regard to fiscal matters the better off we are. If we never think of economy, if we never think of spending, if we always think about something else, we don't really devote our best energies to the problem.

Question. Do you believe that, as chairman of the Appropriations Committee, you have some obligations to keep people thinking about economy?

Answer. I believe it is part of my job, and in past years as the No. 2 man on the committee I have given this matter considerable concern.

Now, with the frightful responsibility of working with the committee and the Congress on what to do about the question of Government spending, how to apportion the dollars to be appropriated, I think that the chairman and the members of the committee and, in fact, all Members of Congress have a great responsibility to lead the people and to stimulate interest and discussion.

I want to try to come up with ideas that will dramatize this problem and create a sustained interest in it.

We have considerable staff on the committee. We have investigators that go out and uncover examples of waste, inefficiency in Government.

We have the General Accounting Office, and it performs a service in dramatizing to some extent wasteful practices and that helps create interest in trying to come to grips with these matters.

Question. Would you plan then to step up the activities of the General Accounting Office and committee investigators?

Answer. These activities might be expanded usefully. They are, of course, already substantial and far ranging.

Of course, the best way to achieve economy, we must bear in mind, is to vote "no" on additional authorization of existing programs and on new spending programs. It is generally too late after the bills have been passed and the authorization created and the appropriations made to talk about reducing that spending or to talk about holding down the debt ceiling. You can't grind the mill with the water that has passed.

Question. As incomes rise and the Nation becomes more affluent, do you think there might be room for economies in welfare?

Answer. I wish we could achieve this. We would have a much happier and sturdier country if the necessity for welfare could be greatly reduced, and I am hoping that we will find a way to achieve this goal.

And as you know, the President and others have pointed out that the degree of affluence is much greater than it has ever been.

And while you can't eliminate poverty, we ought to do all we reasonably can do to enable the citizen to help himself and to be free from relief and subsidization by the Government.

Question. The Government is spending billions to help those who don't have these high incomes. Is this the proper role of the Government?

Answer. Well, before I answer that I should express my overall philosophy with respect to spending. I have a rather homespun view on this whole question of Government spending I feel that except in time of war or truly deep emergency we ought to live within our income. We should live within our means, and should make a start in reducing the national debt.

At times of affluence such as the present we ought to prepare for more evil days in the field of spending, as I see it. That is my general philosophy.

Now, I am not opposed to spending all the money needed for defense and all other essential purposes, but we ought to live within our income insofar as possible.

As you know, we haven't had a balanced budget since 1960, and since 1930 we have had only seven. This is bad, in my judgment.

I look with considerable skepticism on some of these so-called poverty programs. I agree theoretically and as a practical matter if we can make taxpayers out of people who are not taxpayers, this would enrich the whole country. But there are, in my judgment, decided limits to what we ought to try to do.

Question. Do you have any particular plan in mind to have a better look at all the appropriations at once?

Answer. Well, the single package appropriation bill sounded good. But as a practical matter it was a failure.

We have, from time to time, had early in the congressional session meetings of the full Committee on Appropriations with the Director of the Budget and the Secretary of the Treasury. That has to some extent been productive.

Somehow or other we need to generate policies that will create a greater overall interest by all the 50 members of the committee. We tend to be too compartmentalized. Maybe one member works in the area of defense, another in agriculture, another in foreign aid, and another in some other field. It is important that all members of the committee have constantly before them the problem of overall Government programs and expenditures.

Question. Would it help prevent expenditures without the traditional review of your committee—so-called back-door spending?

Answer. Back-door spending has been a source of controversy for quite some time.

Had it not been for the determined stand of the House Appropriations Committee and other Members of Congress, especially certain ones who played key roles, backdoor spending would have blossomed forth to a greater extent than it has.

It seems to me that the people of the United States and the press should be able to sit at the door of the Appropriations Committee and know that any spending must first be approved here. We should keep a record of the appropriations and know what the Government is spending. I think that would simplify our problem. We can't always do that now.

But the matter is not wholly out of hand, and we shall continue to resist back-door spending.

Question. What is your opinion of biennial budgets to give a little longer range picture of spending plans?

Answer. I haven't had an opportunity to explore the pros and cons. It would be worth thinking about.

Question. Do you favor 5-year spending projection, such as these now being done by some Federal Departments?

Answer. I am highly in favor of the basic idea. Too often in the past, in many fields of government, we have launched a program, relatively modest the first year or so, and then it blossomed into a multimillion-dollar project far beyond what was at first generally thought or assumed. The argument is made: "Well, we are already into this project and we have to go ahead with it." Maybe we should. But I think it is highly desirable that we take a long-range view of spending programs in defense and otherwise before they are initiated.

This will promote better management and will enable the people in the executive branch and in the legislative to make better decisions.

This is being done in the area of defense to a very considerable extent under Secretary McNamara. We need to extend the idea to all the branches of government.

The truth is that when we start a temporary program we soon find that it is extended from time to time, and a Government agency once established is very difficult to exterminate.

Question. Should the President have power to veto single items within appropriations bills Congress has passed?

Answer. It would be unwise for the President to have the item veto. The President can dramatize his position and his views. He has the Nation's press and television more at his disposal than the 535 Members of Congress.

We more or less mount our horses and ride off in all directions, and we are, as a result of that, somewhat at a disadvantage.

The executive has increased its power. The legislative branch is fighting for its due place in the sun.

It is important to the people of our country that the Congress remain strong, and the item veto would be a step in the wrong direction.

It would be an abdication to some extent by Congress of its constitutional power.

Question. What are some other future methods that you might consider as ways for better congressional control over spending?

Answer. We all recognize that changes in procedure will not of themselves bring effective expenditure control. They would have to be accompanied by an overall desire and determination on the part of Congress to make the procedures work.

If there were an overriding interest in achieving the objective, the present system could be made to work much more effectively.

I am not at all saying that there is no possibility of better procedures and methods. There are possibilities and we ought to give them a lot of attention, and I hope to do so.

Question. Should there be any kind of a ceiling for restricting the amount of spending? Should it be a particular percentage of the gross national product or an index related to population, for example?

Answer. These are interesting ideas. The sound barrier in aviation was quite a turning point. The American people to some extent have latched onto a $100 billion annual administrative budget as a significant landmark.

The way to keep from crossing it is to pattern your bills, your authorization and appropriations bills, on a basis of reduced or sufficiently restrained spending. After you have passed these bills and provided for the programs and launched them with appropriations, a ceiling comes too late.

Federal spending during the 1930's was never any more than 10 percent or so of the gross national product. Over the last 15 years, with perhaps the exception of a couple of years during the Korean war, Federal spending has been about 15 or 16 percent of the gross national product. It has been fairly constant.

In other words, the gross national product and spending have been going up in about the same proportion. There is some hope to be taken from this fact. And the national debt, on a per capita basis, has from time to time edged downward.

The population angle is worthy of consideration. It certainly is a part of the explanation of why Government spending has gone up so much. With more people you have more responsibilities, more public services to provide for.

Question. Isn't a large part of spending not related to population?

Answer. Yes, much of spending is not related to population—defense, space, interest on the debt, and veterans, who are actually decreasing in number.

It is true, however, that much controversial expenditure is related to population such as in the depressed areas, the war on poverty, and so forth. A lot of the new programs are very specifically related to population. Federal aid to education, to name one offhand. Mass transit aid is another.

I am trying to create sentiment insofar as I can in opposition to all-out Federal aid to education. If we get too deeply into this area there is hardly any limit to where spending could go as the population increases and the demands on Government increase.

We have got somehow to encourage greater acceptance of responsibility on the part of the States and local communities.

Federal aid to education has been done by the nibbling process, a little here and a little there; and if we keep on adding a little here and a little there we will complete the picture of Federal aid to general education, and this is not good in my judgment.

Question. How do you feel about the proposed health care program under social security for the aged?

Answer. At this time we should not go into a program of Federal aid to the aged on any larger scale than we now have. This is a challenge which should be met, if at all possible, on a local basis and by the medical profession itself in the States and local communities.

We are moving more and more toward greater interference in the lives of the people by the Government. Maybe this is inevitable as we increase in population and the complexities of our society increase. But I would like for Congress to apply the brakes insofar as possible and prevent these precipitous turns because they may someday overturn the applecart.

Question. Do you feel that various grants in aid should be given the States in a block to let them decide what is the right thing to do with the money?

Answer. That would be an abdication of the power of the Congress. It might be good from the standpoint of the States, but I don't think it ought to be done.

Question. There has been a lot of talk about conversion of talent and capacity from military to civilian purposes. I gather that you feel this certainly is not an immediate problem.

Answer. There will be some readjustments. We have rather adequately financed our intercontinental ballistic missile program, for example. We have gone a long way toward meeting our Polaris submarine program.

So we can make some changes, and there are going to be some dislocations, but we are not going to have anything in any way resembling what we had after World War II when there was considerable readjustment required.

Now it is true that there are going to be some installations closed in various portions of the country and there will be some readjustments required; but this is not going to be a major national question, in my opinion, for quite a long time.

It would just be unrealistic to take too seriously these dreams and hopes and prayers for a world at peace with tensions eradicated. Communism doesn't thrive in that kind of world, and communism is by no means dead. Communism is mellowing to some extent. But it is just as vicious and dangerous to our security as it has ever been.

Question. What are some of the ripe areas for economies in future years? Is Government personnel a good target?

Answer. Considerable funds could be saved by a program which would eliminate unnecessary and unproductive Government personnel. This is easier to talk about than it is to deal with effectively.

I think our Government employees ought to be well paid, but we ought to concentrate on quality rather than numbers. Too often there has been concentration on numbers. This is not good. So this is one of the fields where some progress can be made.

Question. What other areas offer a good chance for cuts?

Answer. No area of the budget should be regarded as beyond the reach of the pruning knife. I am speaking here generally of the long pull. Every area of the budget probably affords some fruitful possibilities.

Question. You think perhaps in 5 years Congress might come up with some solutions for cutting down farm subsidies?

Answer. I believe there is room for hope that some reductions can be made in farm subsidies in that period of time without injury to the overall economy of the country and the welfare of the farmer.

Question. How do you feel about the Federal Government subsidizing the cities?

Answer. Well, those of us in Congress from rural or semirural areas are sometimes confronted with a complaint from our urban colleagues; and they, of course, are in the majority. They say, We undertake to help you on agricultural programs, to help stimulate prosperity in agriculture. By the same token, we believe that you ought to be sympathetic toward the demands of the cities.

I don't think we from the agricultural areas should just turn a deaf and unresponsive ear.

The problem as I see it is to decide just what is essential and proper without destroying State and local initiative and responsibility and without getting us beyond the bounds of fiscal prudence. Agriculture is truly a national industry and of national importance. Some of these urban problems are by their nature rather localized—mass transit aid for cities is an example. But I foresee that, regardless of opposition from certain quarters, there is going to be a greater interest shown by the Congress in legislation, and probably appropriation, in the welfare of urban areas.